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PROCEEDINGS AND DEBATES OF THE 81st CONGRESS, FIRST SESSION

SENATE

WEDNESDAY, JUNE 1, 1949

(Legislative day of Monday, May 23, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, from the shams and shadows of mere things which are of the earth earthy, in this sacred moment, set apart at the beginning of the day, we turn unfilled to Thee praying for strength for our burdens, wisdom for our problems, insight for our troubled times, and vision which sets its eyes on far horizons. For the preservation of liberty, for the defeat of all tyranny, for the redemption of democracy from its failures, for the establishment of a just and lasting peace for all the earth, we lift our hearts to Thee, O God of our salvation. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 31, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1357) to authorize the establishment of the St. Croix Island National Monument, in the State of Maine.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ellender	Hill
Anderson	Ferguson	Hoey
Baldwin	Flanders	Humphrey
Brewster	Frear	Hunt
Bricker	Gillette	Ives
Byrd	Graham	Jenner
Capehart	Green	Johnson, Tex.
Cordon	Gurney	Johnston, S. C.
Donnell	Hendrickson	Kefauver
Kem	Maybank	Taylor
Kilgore	Murray	Thomas, Okla.
Langer	Neely	Thomas, Utah
Lucas	Reed	Thye
McCarran	Robertson	Tydings
McCarthy	Russell	Vandenberg
McClellan	Saltonstall	Watkins
McFarland	Schoeppel	Wherry
McGrath	Smith, Maine	Wiley
McKellar	Sparkman	Williams
Magnuson	Stennis	Withers
Martin	Taft	Young

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN] is absent on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Oklahoma [Mr. KERR] is absent on public business.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Florida [Mr. HOLLAND], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Connecticut [Mr. MCMAHON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. O'CONOR], and the Senator from Wyoming [Mr. O'MAHONEY] are detained on official business in meetings of committees of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER] and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Washington [Mr. CAIN], the Senator from Montana [Mr. ECTON], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Massachusetts [Mr. LODGE], the Senator from Nevada [Mr. MALONE], the Senator from Colorado [Mr. MILLIKIN], and the junior Senator from New Hampshire [Mr. TOBEY] are detained on official committee business.

The VICE PRESIDENT. A quorum is present.

Mr. MCMAHON subsequently said: Mr. President, I should like to have it appear in the RECORD that the Joint Committee on Atomic Energy started its hearings at 10 o'clock this morning on the investigation of the Atomic Energy Commission, and we finished at 1 o'clock this afternoon. The senatorial members of the joint committee were in attendance at the hearing, and it was impossible for us to answer the quorum call. I expect that the committee will be in more or less continuous session, at least so far as the mornings are concerned, and it will probably be that the Senators who are members of that joint committee cannot come to the Senate Chamber before 1 o'clock or 1:15 on any day.

Mr. President, I ask unanimous consent that on the days when the committee is meeting, an announcement to that effect appear at the end of the quorum call.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, will the Senator advise the Senate where the joint committee is meeting?

Mr. MCMAHON. The joint committee is meeting in the caucus room in the Senate Office Building.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions and also incorporate routine matters in the body of the RECORD and in the Appendix, without debate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXTENSION OF AUTHORITY OF ADMINISTRATOR OF VETERANS' AFFAIRS RESPECTING CERTAIN LEASES

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Veterans' Administration, transmitting a draft of proposed legislation to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property, which, with the accompanying paper, was referred to the Committee on Finance.

MISSOURI VALLEY AUTHORITY—RESOLUTION OF MINNEHAHA COUNTY, S. DAK., FARMERS UNION

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the Minnehaha County, S. Dak., Farmers Union, relating to the establishment of a Missouri Valley Authority, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

We the members of the Minnehaha County Farmers Union, representing 1,025 farm families, in convention assembled, this 2d day

of May 1949, by resolution reaffirm our favor for a Missouri Valley Authority unanimously, and

We are mindful of the 200 delegates representing some 40,000 voters from South Dakota, who impressed you previously and personally on our stand on the MVA and you were not openly opposed to our appeal for your support thereof; and be it further

Resolved, That we disapprove of the action taken by our Congressmen in opposing the MVA. The farmers union is now and always has been a strong supporter of the Missouri Valley Authority; it is further

Resolved, That a copy of this resolution be sent to each of our Congressmen and to other interested parties.

MRS. FRANK STEER,
Corresponding Secretary, Minnehaha County Farmers Union, Renner, S. Dak.

CONVERSION OF CERTAIN WAR SURPLUS VESSELS—RESOLUTION OF CITY COUNCIL OF DULUTH, MINN.

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the City Council of Duluth, Minn., favoring the enactment of House bill 2336, to authorize the Maritime Commission to convert certain vessels to types suitable for use on the Great Lakes, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas there has been introduced in the Congress H. R. 2330 and S. 1771, which would authorize the conversion and sale of certain war surplus vessels owned by the United States at prices to be determined by the use of a formula provided in such bills; and

Whereas the enactment of such legislation would make it possible for vessel operators to acquire ships of a type suitable for use in the operation of a package-freight line; and

Whereas the existence of such a package-freight line operating between Duluth and ports on the lower lakes is now and will continue to be essential and necessary to the economic welfare of Duluth, the State of Minnesota, and adjacent States; will serve to furnish substantial employment in the transfer of goods from vessel to land transportation lines; and restore to Duluth, Minn., and adjacent Northwestern States the advantages of cheap water transportation enjoyed by them for many years until the requisition of vessels employed in the package-freight trade in July 1942: Now, therefore, be it

Resolved, That the City Council of the City of Duluth urges the enactment of H. R. 2336 and S. 1771; and further

Resolved, That certified copies of this resolution be transmitted to Members of the Senate and House of Representatives from Minnesota, and to the Subcommittee on Maritime Affairs of the House Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCKELLAR, from the Committee on Appropriations:

H. R. 4046. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; with amendments (Rept. No. 432).

By Mr. MCCARRAN, from the Committee on Appropriations:

H. R. 4016. A bill making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes; with amendments (Rept. No. 435).

By Mr. ROBERTSON, from the Committee on Banking and Currency:

S. 1559. A bill for the establishment of the National Monetary Commission; without amendment (Rept. No. 431).

By Mr. MCCLELLAN, from the Committee on Expenditures in the Executive Departments:

S. 1745. A bill to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farmlands required for the United States prison system; without amendment (Rept. No. 433); and

S. 1746. A bill to authorize the transfer to the Attorney General of the United States of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., for use in connection with the United States Penitentiary at Terre Haute; without amendment (Rept. No. 434).

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON LABOR AND PUBLIC WELFARE—REPORT OF A COMMITTEE

Mr. THOMAS of Utah. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, without amendment, Senate Resolution 117. It authorizes the expenditure of an additional $10,000 by the Senate Committee on Labor and Public Welfare in carrying out its essential activities during the remainder of the Eighty-first Congress. The required budget estimates and other necessary supporting data have already been filed with the Committee on Rules and Administration.

I request that the resolution be referred to the Committee on Rules and Administration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

ST. LAWRENCE SEAWAY—JOINT RESOLUTION INTRODUCED

Mr. LUCAS. Mr. President, on behalf of myself, the Senator from New York [Mr. WAGNER], the senior Senator from Michigan [Mr. VANDENBERG], the senior Senator from Wisconsin [Mr. WILEY], the senior Senator from North Dakota [Mr. LANGER], the junior Senator from Illinois [Mr. DOUGLAS], the Senator from Vermont [Mr. AIKEN], the Senator from Kentucky [Mr. WITHERS], the junior Senator from Michigan [Mr. FERGUSON], the senior Senator from Minnesota [Mr. THYE], the junior Senator from North Dakota [Mr. YOUNG], the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from New Hampshire [Mr. TOBEY], the Senator from Oregon [Mr. MORSE], the Senator from California [Mr. KNOWLAND], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Washington [Mr. MAGNUSON], the junior Senator from Wisconsin [Mr. MCCARTHY], the Senator from Utah [Mr. THOMAS], and the Senator from Tennessee [Mr. KEFAUVER], I introduce for appropriate reference a very important joint resolution, in which we are vitally interested, approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof; expressing the sense of the Congress with respect to the negotiation of certain treaties; providing for making the St. Lawrence seaway self-liquidating; and for other purposes. I ask unanimous consent that the joint resolution be printed in the RECORD, together with a short statement I should like to make, following the joint resolution.

The VICE PRESIDENT. The joint resolution will be appropriately referred, and, without objection, the joint resolution and statement, will be printed in the RECORD.

The joint resolution (S. J. Res. 99) approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof; expressing the sense of the Congress with respect to the negotiation of certain treaties; providing for making the St. Lawrence seaway self-liquidating; and for other purposes, introduced by Mr. LUCAS (for himself, Mr. WAGNER, Mr. VANDENBERG, Mr. WILEY, Mr. LANGER, Mr. DOUGLAS, Mr. AIKEN, Mr. WITHERS, Mr. FERGUSON, Mr. THYE, Mr. YOUNG, Mr. HUMPHREY, Mr. TOBEY, Mr. MORSE, Mr. KNOWLAND, Mr. HICKENLOOPER, Mr. MAGNUSON, Mr. MCCARTHY, Mr. THOMAS of Utah, and Mr. KEFAUVER), was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That, as provided by article XIII of the Boundary Waters Treaty of 1909 between the United States and Great Britain, the agreement made by and between the Governments of the United States and Canada, dated March 19, 1941, published in House Document No. 153, Seventy-seventh Congress, first session, is hereby approved, with the exception of article VII, article VIII, paragraph (c), and article IX thereof, and the President is hereby authorized and empowered to fulfill the undertakings made on behalf of the United States in said agreement, with the exception of article VII, article VIII, paragraph (c), and article IX, upon the receipt by him of satisfactory evidence of the approval of said agreement with the exceptions provided above, by reciprocal or concurrent legislation of Canada: *Provided,* That the President before said agreement enters into force, obtains satisfactory assurances, by exchange of notes or otherwise, that the Government of Canada agrees to the principle of making the new deep water navigation works on the St. Lawrence River herein authorized self-liquidating by charging reasonable tolls, this principle to be implemented through the conclusions of arrangements satisfactory to both Governments pursuant to section 3 of this joint resolution.

SEC. 2. It is the sense of the Congress that it would be desirable for the President to negotiate with Canada a treaty or treaties with reference to the matters provided for in articles VII and IX of the agreement of March 19, 1941, including provisions with respect to perpetual navigation rights on the Great Lakes, on the connecting channels and canals and in the wholly Canadian sections of the St. Lawrence River, and the provisions for the amendment of the Boundary Waters Treaty of 1909 with respect to diversion of waters at Niagara River; and to submit such treaty or treaties for the advice and consent of the Senate of the United States.

SEC. 3. (a) During the period of construction the President is authorized and directed to negotiate a further agreement with the Government of Canada, under the provisions

of the Boundary Waters Treaty of 1909, defining the rates of charges or tolls to be levied for the use of the new deep-water navigation facilities on the St. Lawrence River, authorized in this joint resolution: *Provided,* That (1) the total charges shall be fair and equitable and shall give due consideration to encouragement of increased utilization of the navigation facilities, and to the special character of bulk agricultural, mineral, and other raw materials; (2) that tolls shall vary for ships in ballast and according to the character of cargo with the view that each classification of cargo will so far as practicable derive relative benefits from the use of these facilities; (3) that in no event shall the total charges exceed the equivalent of $1.25 per short ton of laden cargo, and may be less, depending on character of cargo; (4) that tolls shall apply only on traffic utilizing the new deep-water navigation works on the St. Lawrence River, with such exception of local or way or Government traffic as may be agreed upon by the two countries: *Provided further,* That such agreement shall become effective only after approval by the Congress of the United States and the Parliament of Canada.

(b) The President may, at his discretion, appoint a St. Lawrence Advisory Commission, to cooperate with similar representatives of the Government of Canada, for the purpose of studying and, after public hearings, making recommendations to their respective Governments on the administrative, technical, and economic aspects of a toll system on the proposed 27-foot St. Lawrence Canals, as a basis for the agreement on tolls proposed in this section.

SEC. 4. (a) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be required to carry out the provisions of this joint resolution and to enable the United States to carry out the undertakings hereby authorized.

(b) Unless Congress by law authorizes such action, no amendment of the agreement, and no exchange of notes under article I, section 4 thereof, shall impose additional financial or other obligations on the United States.

SEC. 5. The President is hereby authorized and directed to negotiate an arrangement with the government of the State of New York for the transfer to the appropriate agency of that State of the power facilities on the United States side of the International Rapids constructed pursuant to this joint resolution, the cost to be determined in accordance with the method of allocation included in the joint recommendation of the Corps of Engineers, United States Army, and the Power Authority of the State of New York, dated February 7, 1933, presented at public hearings of the Committee on Foreign Relations, February 10, 1933, Seventy-second Congress, second session: *Provided,* That such arrangement is consistent with the laws of the United States and protects the interests of the United States and of other States: *And provided further,* That such arrangement will be effective only after approval by the Congress of the United States and the Legislature of the State of New York.

The statement presented by Mr. LUCAS is as follows:

STATEMENT BY SENATOR LUCAS IN CONNECTION WITH GREAT LAKES-ST. LAWRENCE SEAWAY PROJECT

The joint resolution introduced today proposes to authorize the St. Lawrence seaway and power project in the same terms as the resolution introduced in 1947 by Senator VANDENBERG and 15 other Senators and reported favorably by the Foreign Relations Committee in January 1948.

The present joint resolution provides, as did the earlier resolution, for the establishment of the project on a self-supporting, self-liquidating basis.

The question of the desirability and feasibility of this project has been extensively examined by Congress on four previous occasions. The resolution authorizes the construction of the United States share of the St. Lawrence project, principally the International Rapids section, and the dredging of connecting channels in the Great Lakes, as provided by the existing Canadian-American agreement of March 19, 1941. Certain conditions are laid down as a prerequisite to the carrying out of the project as follows:

1. That the Canadian Parliament also approve the agreement.

2. That in approving the agreement, the Canadian Government agrees to the deletion of articles VII and VIII (c) and article IX of the Canadian-American agreement.

3. That the Canadian Government agrees to the principle of self-liquidation of the deep-water navigation works on the St. Lawrence River.

The articles in the Canadian-American agreement referred to are concerned with the following matters:

Article VII provided perpetual navigation rights to the two Governments in boundary waters and connecting channels and canals where those navigation rights are now terminable with the life of existing treaties.

Article VIII (c) established an arbitration procedure in the case of damages resulting in either country in consequence of unilateral diversion of water from the Great Lakes by the other country. This was specifically applicable to the so-called Chicago diversion and is permanently deleted from the agreement. The deletion of this provision is in accord with the amendment to an earlier resolution on the St. Lawrence seaway introduced in the Senate on May 22, 1946, by Senator LUCAS. The elimination of paragraph (c) of article VIII will not interfere with the main object of the St. Lawrence agreement. It will, however, do away with the limitations on the diversion of water from the Great Lakes system and the international section of the St. Lawrence River contemplated in the agreement. This amendment was adopted by the Foreign Relations Committee on June 5, 1946.

Article IX amended the provisions of the Boundary Waters Treaty of 1909, increasing the amount of diversion of water allowed to each country at Niagara River.

Articles VII and IX were eliminated because it was felt in some quarters that they required the advice and consent of two-thirds of the Senate, because they were considered to be matters which could only be dealt with by means of treaties. With the elimination of these articles, the remaining provisions authorize the construction of the St. Lawrence seaway and power project.

Section 2 of the joint resolution authorizes the President to negotiate necessary treaty agreements to achieve the purposes of article VII and IX, which are deleted from the resolution by section 1.

Section 3 of the joint resolution authorizes the President to negotiate a further agreement with Canada defining the rates of tolls to be levied for the use of the new deep-water navigation facility on the St. Lawrence so as to make the project self-liquidating. The principles on which self-liquidation is to be worked out as provided by the resolution are that the total charges will be fair and give consideration to encouragement of increased use of the navigation facilities; that the special character of bulk agricultural, minerals, and other raw materials will be recognized; that the maximum charge on any type of cargo shall not exceed the equivalent of $1.25 per short ton of laden cargo; and that toll shall apply only on traffic using the new deep-water navigation works on the St. Lawrence River, with such exception of local or way or Government traffic as may be agreed upon by the two countries.

The joint resolution gives the President the power to appoint a St. Lawrence Advisory Commission to cooperate with similar representatives of Canada to study and, after hearings, to make recommendations on the whole problem of the toll system.

Finally, the joint resolution authorizes the President to negotiate an agreement with the State of New York for the transfer of the power facilities to an appropriate State agency, under a formula worked out by New York State and the United States Corps of Engineers. This formula provides that the State of New York will pay for the cost of the powerhouse and equipment plus one-quarter of works common to navigation and power at the International Rapids section charged to the United States. This arrangement with New York must be consistent with the laws of the United States and protect the interests of the United States and of other States. Moreover, the agreement will also be subject to the approval of the Congress of the United States and the Legislature of the State of New York.

INTERIOR DEPARTMENT APPROPRIATIONS, 1950—AMENDMENT

Mr. MURRAY submitted an amendment intended to be proposed by him to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

SECOND DEFICIENCY APPROPRIATIONS, 1949—AMENDMENTS

Mr. THYE submitted amendments intended to be proposed by him to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which were ordered to lie on the table and to be printed.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was read twice by its title, and ordered to be placed on the calendar.

REALISTIC LIBERALISM—ADDRESS BY SENATOR IVES

[Mr. IVES asked and obtained leave to have printed in the RECORD an address entitled "Realistic Liberalism," delivered by him at the commencement exercises of the New School for Social Research, New York City, May 31, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR KILGORE AT COMMENCEMENT EXERCISES AT WEST VIRGINIA STATE COLLEGE

[Mr. NEELY asked and obtained leave to have printed in the RECORD excerpts from a commencement address delivered by Senator KILGORE at the West Virgina State College on May 29, 1949, which appear in the Appendix.]

THE LAWYER'S ROLE IN THE WESTERN HEMISPHERE—ADDRESS BY SENATOR CHAVEZ

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an address entitled "The Lawyer's Role in the Western

Hemisphere," delivered by him before the Inter-American Bar Association at Detroit, Mich., on May 22, 1949, which appears in the Appendix.]

FUNCTIONS AND RESPONSIBILITIES OF THE MODERN LAWYER—ADDRESS BY WILLIAM T. GOSSETT BEFORE INTER-AMERICAN BAR ASSOCIATION

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an address delivered by William T. Gossett, vice president and general counsel of the Ford Motor Co., at a luncheon in honor of the delegates to the sixth conference of the Inter-American Bar Association, at Dearborn, Mich., on May 24, 1949, which appears in the Appendix.]

STATEMENT BY HON. LINDSAY C. WARREN BEFORE SENATE APPROPRIATIONS COMMITTEE

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a statement made by the Honorable Lindsay C. Warren, Comptroller General of the United States, before the Independent Offices Subcommittee of the Senate Appropriations Committee on June 1, 1949, which appears in the Appendix.]

ADULT EDUCATION—LETTER AND ARTICLE BY HUGH J. BETTS

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a letter and an article by Hugh J. Betts, principal of the Knoxville, Tenn., Evening High School, on the subject of adult education, which appear in the Appendix.]

I SPEAK FOR DEMOCRACY—ADDRESS BY RICHARD HOLLINGER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address entitled "I Speak for Democracy," delivered by Richard Hollinger, of the graduating class of the Annville High School, Annville, Pa., at the high-school commencement exercises on May 25, 1949, which appears in the Appendix.]

DISMISSAL OF ROY JAMES—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Something's Rotten," published in the Washington Daily News of May 24, 1949, which appears in the Appendix.]

BONUS FOR NORTH DAKOTA VETERANS—EDITORIAL FROM BISMARCK (N. DAK.) LEADER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Good News for North Dakota Veterans," published in the Bismarck (N. Dak.) Leader of May 26, 1949, which appears in the Appendix.]

UNITED STATES LOYALTY PROBES—ARTICLE FROM CHRISTIAN SCIENCE MONITOR

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "United States Loyalty Probes: Do They Violate Basic Rights?" published in the Christian Science Monitor of May 28, 1949, which appears in the Appendix.]

THE BRANNAN PLAN FOR FARM PRICE SUPPORT — EDITORIAL AND NEWS COMMENT

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "The Brannan Plan," published in the Memphis (Tenn.) Commercial Appeal of May 16, 1949, and a portion of an article entitled "Brannan Plan Has Its Merits But Its Price Supports Hold Grave Threat, Expert Claims," written by William H. Nicholls and published in the Memphis Commercial Appeal of May 14, 1949, which appear in the Appendix.]

FREEDOM MANIFESTO—ARTICLE FROM MEMPHIS (TENN.) PRESS-SCIMITAR

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article entitled "A 'Freedom Manifesto'," written by Edward J. Meeman and published in the Memphis Press-Scimitar of January 15, 1949, which appears in the Appendix.]

NEED FOR REDUCTION OF GOVERNMENT MACHINERY — LETTER FROM JACOB BILLIKOPF

[Mr. BYRD asked and obtained leave to have printed in the RECORD a letter from Jacob Billikopf to the editor of the Richmond (Va.) Times-Dispatch, published in that newspaper on May 9, 1949, which appears in the Appendix.]

LEAVE OF ABSENCE

Mr. CAIN asked and obtained consent to be absent from the sessions of the Senate from Thursday, June 2, until Friday, June 10.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. BALDWIN, a subcommittee of the Armed Services Committee conducting the Malmedy investigation was granted permission to hold a hearing this afternoon.

On request of Mr. CONNALLY, the Committee on Foreign Relations was granted permission to meet during the session of the Senate this afternoon.

DR. MARTHA ELIOT

Mr. SALTONSTALL. Mr. President, it seems appropriate today to comment briefly on the public service of a Massachusetts citizen for 25 years an employee of the Federal Government. Dr. Martha Eliot has been in the Children's Bureau for all these years. During much of this time I have watched her work with children. It has always been sympathetic and helpful, with the best interest of the child always in her mind. How can government properly and efficiently assist our children, the next generation, to be more healthful and so more useful citizens to themselves and to their country—is the basis on which her work has been accomplished. She has done much to help those objectives become realities. Her reputation has become Nation-wide.

Now she is leaving the Children's Bureau to become Assistant Director General of the World Health Organization. She will carry with her a broad experience and a wise intellect with which to cope with her new problems. She will solve them wisely, I am sure, and be an administrator of whom we shall all be proud. We wish her continued success in her new undertaking.

DISMISSAL OF ROY E. JAMES—EDITORIAL FROM WASHINGTON EVENING STAR

Mr. WATKINS. Mr. President, I have before me an editorial entitled "The Commission Is on the Spot," published in the Washington Evening Star of Monday, May 23, 1949. It deals with the Roy James case, which has received such wide attention here in Washington. It should receive even wider attention.

Roy E. James, a Navy veteran, conducted a vigorous campaign for election to Congress. That is the way we like it in America, where we have a two-party system.

After the returns were in Mr. James telegraphed congratulations to his successful opponent and wished him success in his ninth consecutive term in Congress. That, too, is the way we like it in America, where we pride ourselves on our good sportsmanship.

To this day Roy James has received not even so much as an acknowledgment of receipt of his telegram. Instead he has been harassed and hounded. He has been smeared as disloyal to his country. He has been gunned out of his civil-service job. His career has been ruined.

What was it this man did to merit such persecution? He ran for public office in postwar America—as a Republican.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD as a part of my remarks the editorial referred to.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE COMMISSION IS ON THE SPOT

There are circumstances surrounding the firing of Roy E. James, a career Government employee of unusual attainments, that have a very peculiar appearance. Indeed, the circumstances are so peculiar, as far as they have been divulged, as to call for a searching, nonpartisan investigation of the facts.

On the basis of the facts so far uncovered, with some difficulty, by the Star, the suspicion is justified that Mr. James has become the objective of some of the most brazen political-pressure tactics which Washington has seen in many a day. The political pressure was applied by Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, against whom Mr. James waged an unsuccessful campaign for Congress last year, after resigning his Federal job. Mr. WALTER, who happens to be Democratic patronage chief for the House, is refreshingly frank about his part in the case. He admitted to the Star that (1) he did not like the idea of his Republican opponent's being appointed to an $8,500 specialist job in the Army Department after the election; (2) that he had raised a question as to Mr. James' loyalty (as a result of which, incidentally, Mr. James was cleared for the second time of any suspicion of disloyalty); (3) that he had written a letter to the Civil Service Commission questioning Mr. James' fitness for the CAF-14 position he held.

Representative WALTER told the Star quite candidly that his basic objection to Mr. James is that he is a Republican. It is a fair assumption, therefore, that the Democratic patronage guardian gave scant, if any, consideration to the fact that the Army is well satisfied with Mr. James' work, to the fact that he had held permanent civil-service status for 18 years, or to the fact that he had an outstanding record with the Navy in military government matters comparable in nature and responsibility to those he was handling for the Army.

The Civil Service Commission has been put on the spot by the disturbing revelations in the James case. If it was as firm in resisting political pressure in this strange affair as it is supposed to be, if its decision to disqualify Mr. James was arrived at in a purely routine manner, it will welcome a thorough public airing of all the aspects of the case—to clear its good name. And it will take a thoroughgoing objective inquiry to satisfy the public that everything was routine about the Civil Service Commission's order for Mr. James' summary dismissal.

THE HOOVER COMMISSION RECOMMENDATIONS

Mr. WILEY. Mr. President, in comments which I have previously made in the Senate I have indicated the very deep interest of the people of my State in enactment of the Hoover Commission recommendations. I have inserted in the RECORD resolutions from various organizations urging Government streamlining in line with the excellent suggestions made by the Hoover Commission. We see in the Commission's approach the long-awaited answer to the tremendous problems of overhauling our $42,000,000,000 Government with its present sprawling, chaotic, confused mess and mass of agencies, bureaus, divisions, and so forth.

In this connection I have written on open letter to our colleague, the able Senator from Arkansas [Mr. MCCLELLAN], who is chairman of the Senate Committee on Expenditures in the Executive Departments, and one of the conferees on the reorganization bill. I indicated to our brother Senator my feeling that if necessary this Congress should continue its session into August if that will be necessary to adopt the Hoover Commission reports.

I ask unanimous consent that the text of my open letter to our colleague be printed at this point in the body of the CONGRESSIONAL RECORD, and that following it there be printed several quotations from grass-roots organizations in my State endorsing the Hoover Commission suggestions. These quotations could be multiplied indefinitely, particularly if I were to quote from individuals speaking solely for themselves rather than in part for organized groups.

There being no objection, the letter and statements were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTTEE ON THE JUDICIARY,
May 31, 1949.

Re: Implementing of Hoover Commission Reports; extension of Congress session beyond July 31.

Hon. JOHN L. MCCLELLAN,
Chairman, Senate Executive Expenditures Committee, Senate Office Building, Washington, D. C.

DEAR JOHN: I am writing to you concerning a matter of deep interest to us and to our colleagues in the Senate and House, namely, the final passage of the reorganization bill, S. 526 (H. R. 2361), for the purpose of giving the President ample legal authority for application of the Hoover Commission's recommendations.

I understand that at present there is a stalemate between the Senate and the House conferees as to a final version of the reorganization authority bill. Since Congress is expected to adjourn around July 31, and since any bill for reorganization of a Government agency could not take effect until after 60 days (during which period it might be vetoed by either or both Houses), it looks as though unfortunately this Congress might adjourn its first session without any major reorganization bill being enacted into law.

This would deeply disappoint the American people, because so far as I can determine, they are wholeheartedly behind the Hoover Commission and its approach to Government economy and efficiency.

I am writing this letter to present a suggestion that every effort be made by the conferees in order to work out a final satisfactory version of the reorganization-authority bill as soon as possible.

I feel that it would even be desirable for the Congress not to quit on July 31 but to extend its first session into August if necessary, in order to assure ample time during which government reorganization bills could be scrutinized and if found satisfactory allowed to become public law.

The July 31 deadline for Congress as set up in the Reorganization Act is certainly not sacred. While you and I recognize that it is desirable for the Members of Congress to get back to the grass roots in order to talk things over with the home folks, still it is just as necessary to apply government reorganization efforts.

A wave of regret will sweep the American people unless this first session of Congress fulfills its promises to help reorganize the Government. You and I recognize how essential it is that the momentum that we now have achieved through the Hoover Commission be maintained. If we were to allow the whole subject to lapse for the period from August 1 to January when presumably the second session would convene, the initiative and momentum would be lost. Moreover, Congress would be made a scapegoat for criticism as to its alleged lack of interest in government reorganization.

I present these thoughts to you merely as an indication of one Senator's view of the situation. I know how hard you have worked on this subject along with our other colleagues, and I shall be following developments closely as I am sure our brother Senators will, and as the American people will.

With every good wish, I am,

Sincerely yours,

ALEXANDER WILEY.

The secretary of the board of directors of the Women's Court and Civic Conference of Milwaukee County writes to me:

"The board of directors of the Women's Court and Civic Conference wishes to inform you that it approves the report of the Hoover Commission's study of governmental reorganization. We would appreciate your putting your support behind any movement which would bring this report before the proper legislative committee at once, so that action could be taken upon it as soon as possible."

An able member of a junior women's club in Wauwatosa, Wis., adds this excellent word:

"As a member of the current affairs department of the Junior Women's Club of Wauwatosa I have become increasingly aware of what is taking place in this field today. After reading recent articles in the Readers Digest, Colliers and Saturday Evening Post about the billions of dollars that are being needlessly spent every year due to inefficiency, overlapping of governmental departments, etc., I have decided to write to ask you to do your utmost to see that the Hoover Commission's findings are acted upon as soon as possible. You will probably receive many requests asking you to vote against this report, but in the interests of good government, I truly hope that you will cast your ballot for the econmies suggested."

An official of the Wisconsin Conference of the Methodist Church and part of the commission on World Service and Finance adds this word of endorsement:

"I have been very much interested in the report of the Hoover Commission for the reorganization of the Federal Government. Our Government has not had a thorough overhauling for many years and it certainly needs it. Therefore, we are banking on you to do all that you can in order to bring this to pass. I am confident that enough money can be saved in that way so that no extra taxes need be levied at the present time."

An official of Lawrence College, the alma mater of my wife and four children in Appleton, Wis., writes:

"I am writing to express the hope that you and your associates in the Senate may succeed in achieving a greater degree of economy in Government expenditures.

"Surely the conclusions and recommendations of the Hoover Commission relative to the reorganization of Federal agencies and to the more efficient operation of them, must be accepted by the Congress as warranted."

An able official of the Superior Association of Commerce presents another endorsement:

"It is very important to support the recommendation for retrenchment made in the Hoover Report to Congress. I think the thing to do about the Hoover Report is to adopt it in its entirety. If Congress starts to make changes, we shall never be able to recognize it when Congress gets through with it."

An official of the National Affairs Committee of the Beloit Association of Commerce writes:

"We would have you know that Beloit business strongly favors the adoption of the Hoover Commission report on reorganization of the executive branch of the Government.

"It appears to us that willful disregard of the recommendations made by the commission can only be accepted as disinclination to respect the wishes of American taxpaying constituents."

PRICING PRACTICES—MORATORIUM

The Senate resumed the consideration of the bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems, and freight-absorption practices.

Mr. LANGER. Mr. President, at the time I obtained unanimous consent yesterday to yield the floor to the distinguished Senator from Oregon [Mr. MORSE], I was discussing the matter of the new words and sentences which have been placed in Senate bill 1008, the bill which we are now considering. I made the assertion that in my opinion four different phases were placed in the bill deliberately to tie up the enforcement of the antitrust statutes.

I have previously shown that at the time when the Supreme Court of the United States held that the insurance companies had a monopoly in the southeastern part of the United States, the insurance companies promptly rushed to Congress for new legislation and got it. I further showed that when the distinguished Senator from Iowa [Mr. GILLETTE] protested against the monopoly on oil, and when it was proved in the courts in Washington that three big oil companies had combined to create a monopoly, later, a day or two before Christmas, 18 other oil companies were indicted, being served with a summons at 10 o'clock in the morning and at 2 o'clock pleading nolo contendere. When earnest efforts were made by the junior Senator from Iowa to have something done about it, the record shows that he failed, but the oil monopoly rushed to the Congress in order to get legislation to help it.

Later I alleged that when the Supreme Court of the United States decided the California Tidelands case in favor of the Government of the United States, again a bill promptly was introduced in this body looking toward the setting aside of that decision on the part of the Supreme Court.

Likewise, Mr. President, I showed that after the railroads had entered into an agreement that in exchange for receiving every odd section of land for a distance of 10 miles on either side of their right-of-way, they would transport freight for the United States Government free of charge, they later rushed to try to obtain from this body the enactment of legislation to protect them from that agreement or permit them to fail to live up to the agreement into which they had entered.

Mr. President, as I stated yesterday, in the pending bill there are four terms which are going to mean millions and even hundreds of millions of dollars to lawyers, before the courts all over the United States will arrive at definitions of those terms.

Let us consider just one of them, appearing in Senate bill 1008. As I have stated in my minority views, the bill includes the term "engaging in competition." Mr. President, what does that term mean? It has never been defined by the Supreme Court of the United States or, so far as I know, by any other Federal court. None of the four terms to which I have called attention have ever been tested in the courts. It is uncertain whether "engaging in competition" will be held to include (a) only the behavior characteristic of businessmen in a competitive industry, (b) also the tactics of enterprises that seek more business by discriminations that destroy their small competitors, or (c) also the limited rivalry for orders that exists under price formulas which produce identical delivered prices. That the latter constitutes "engaging in competition" has been the fundamental and persistent defense of many of the respondents in the Federal Trade Commission's price-fixing cases.

Mr. President, the proper definition of that term is uncertain, so there is the possibility that before the definition of "engaging in competition" is finally settled by the courts, the lawyers will have earned tremendous fees and will have engaged in very large amounts of litigation. Already the lawyers are arguing three different ways as to what that term means; and I have no doubt that the fertile brains of the lawyers will figure out some other avenues of argument to the courts in order to attempt to win their respective cases.

Or, Mr. President, let us consider the term "absorb freight," as used in this bill.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. ROBERTSON. Has the Senator from North Dakota had an opportunity to examine the amendment in the nature of a substitute which was offered yesterday by the Senator from Wyoming [Mr. O'MAHONEY]?

Mr. LANGER. Yes; I have examined it, and I find it very satisfactory.

Mr. ROBERTSON. I was hoping the Senator from North Dakota would discuss the substitute before he concludes his remarks.

Mr. LANGER. I shall do so toward the end of my remarks.

Mr. ROBERTSON. Mr. President, I wish to say that I share the sentiments of the Senator from North Dakota in regard to the danger of opening up the antitrust laws to potential monopolistic practices. Certainly we have the consumer to consider, as well as to try to work out a plan to make adjustments in connection with the recent decision of the Supreme Court on the basing-point principle. We do not wish to disrupt proper distribution methods, nor do we wish to open the door to improper monopolistic practices.

The Senator from Wyoming, who through the years has devoted much time and attention to that principle, told us yesterday, without taking time then to go into the details, that he felt satisfied that his amendment in the nature of a substitute would do what most of us would like to have done, namely, not unduly to disrupt established business practices, but not to do violence to the antitrust laws. So I hope the Senator form North Dakota will go into that point, because I am rather inclined to join with him in support of the O'Mahoney amendment; but I should like the Senate to be fully advised as to the difference between the two and as to what is involved in one and what is involved in the other.

Mr. LANGER. Let me call the attention of the distinguished junior Senator from Viriginia to page 5 of my minority views.

Mr. ROBERTSON. I have read the minority views.

Mr. LANGER. The distinguished Senator from Wyoming has taken the next to the last provision appearing on page 5, namely:

Provided, however, That nothing herein shall legalize any act or practice now unlawful because of bad faith, discrimination, coercion, oppression, or a tendency to injure, suppress, or eliminate, competition.

And as the distinguished Senator from Virginia knows, the Senator from Wyoming has made that a part of his substitute for the bill we are now considering.

Mr. ROBERTSON. That is correct.

Mr. LANGER. I might as well say now, instead of later, that in my opinion if the amendment in the nature of a substitute is adopted, everything the Senator from Virginia and I are worrying about in connection with this matter will be taken care of.

Mr. ROBERTSON. I thank the Senator very much.

Mr. LANGER. Mr. President, as the Senator from Virginia has pointed out, there has been no better friend of the poorer people of this country, when it comes to protecting them against the big monopolies, than the Senator from Wyoming [Mr. O'MAHONEY]; and I wish to compliment the distinguished Senator from Virginia for joining in this battle to protect the rights of the common ordinary man and the rights of small business against the large monopolies, and particularly against the large cartels. When one considers monopolies such as the one I referred to yesterday, by way of example—a large concern, operating in this country, which controls 516 large firms dealing in soap, oils, and margarines, in 40 countries, what chance has a veteran, for instance, who spent months in a fox hole, to come back to this country and set up a business in competition with a large cartel of that sort?

Mr. President, I repeat that I am delighted the junior Senator from Virginia takes the view which is shared by the Senator from Wyoming and myself.

Mr. ROBERTSON. I thank my colleague from North Dakota.

Mr. LANGER. Mr. President, let us refer now to the second of the four phrases used in Senate bill 1008 which have yet to be defined. The second one is the term "absorb freight." If today we ask any lawyers in the United States what the term "absorb freight" means, we find that the lawyers have several answers. It is uncertain whether "absorbing freight" will not be interpreted by one group of lawyers as reducing a delivered price by an amount not greater than the freight cost actually incurred upon the particular shipment. Another group of lawyers—also getting a large fee, of course—will argue, no doubt, that the term "absorb freight" means that the delivered price shall be reduced by an amount not greater than the applicable rail-freight charge, even when goods are shipped more cheaply by water or truck. Then, Mr. President, there would be another group of lawyers, being paid hundreds of thousands or perhaps millions of dollars in order to tie up all this proposed legislation to wipe out the enforcement of the antitrust statutes, who would argue that the term "absorb freight" means the reduction of a delivered price by an amount not greater than the freight cost from the seller's plant nearest the point of delivery, even if shipment is made from a more remote point. Then there would be a fourth group of lawyers who would argue that "absorb freight" means the reduction of a delivered price by an amount not greater than the freight cost from the seller's most remote plant, even if shipment is made from a nearer plant.

So, Mr. President, there will be four groups of lawyers arguing what the phrase "absorb freight" means, and there will be no definite determination of its meaning until the question goes to the Supreme Court of the United States. As I said yesterday, 15 years ago in the State of North Dakota we began enforcement of the antitrust statute against motion-picture producers who were operating their own theaters. It required 15 years in order to obtain a final decision from the Supreme Court. I have in my hand a report of the Supreme Court decision in that case, which I ask unanimous consent to have printed in the RECORD as a part of my remarks.

There being no objection, the report of the decision was ordered to be printed in the RECORD, as follows:

RE UNITED STATES *v.* PARAMOUNT PICTURES, INC., ET AL.

On Monday, May 3, the Supreme Court sustained the findings of a three-judge district court, in *United States* v. *Paramount Pictures, Inc., et al.,* that the eight major film distributors have engaged in a Nation-

wide conspiracy to violate the antitrust law. Upon the Government's appeal from the failure of the court below to order divestiture of the theaters owned by five of the major distributors, the Supreme Court vacated the findings of the court below to the effect that these defendants had no exhibition monopolies and ordered the court to reexamine its conclusions in this respect. The Supreme Court flatly rejected the district court's conclusion that a system of competitive bidding would give adequate relief against the violations found and ordered this provision of the judgment vacated. It directed the district court to grant theater divestiture of the kind sought by the Government, but the extent of the divestiture is left to the lower court for determination in accordance with a further inquiry into the monopolistic aspects of the defendants' theater holdings.

The decision of the Supreme Court also affirmed the district court's injunctions against block booking, price fixing, and unreasonable clearance. The holding that all clearance agreements made by the major distributors are presumptively invalid is affirmed and this particular practice may no longer be used in the future as it has in the past to protect theaters affiliated with the distributors and large theater circuits from the competition of independents.

The trial court's determination that the pooling of theaters is illegal, regardless of the form in which the pooling occurs, whether by agreement, ownership of stock in theater corporations, or otherwise, was also affirmed. The trial court was directed to dissolve these pools by a sale of theater interests acquired from independents, except where such an acquisition was an investment unrelated to the defendants' illegal practices. This ruling alone should go far toward breaking up the largest affiliated theater circuits, which were put together and maintained in large part by pooling arrangements with independents.

In short, while Monday's decision could not itself be the ultimate victory for which the Government has striven, since the Supreme Court did not itself undertake to write or specify the details of the final decree, it represents assurance that the final decree, when written, will conform to the basic principles advocated by the Government in this litigation.

Mr. LANGER. In other words, for 15 long years the producers of motion pictures, by owning the theaters, by freezing out independent operators, charged the little children and the common people of my State much more in order to see a motion picture than they would have charged had there been free and open competition. They frankly came into a town, went to an independent producer, and said to him, "We have here 52 films. You will either take them all or you will take none." If the independent refused, the motion-picture producer would build his own theater. He would first make an offer to the independent, saying to him, "If you do not sell us your theater at our price, we will build a theater of our own to operate in competition with you. That theater will get all the good pictures. You will get only 'seconds,' with the result that you will be forced out of business."

Coming now to the third new, undefined phrase in the pending bill "in any and all markets," I ask any Member of the Senate who is a lawyer what the word "market" means, and how he would define it. It has never been defined by the Supreme Court. It is uncertain whether the term "market" will be interpreted as a local area subject to a single freight rate, so that within any one such area a single seller would obtain no immunity for variations in his delivered prices or whether smaller areas might be regarded as markets so that, by different degrees of freight absorption, a seller might establish more than one delivered price even within an area covered by a single freight rate.

Another group of lawyers will be found arguing the interpretation of "delivered prices." It is uncertain whether "delivered prices" will be interpreted to mean only prices in transactions in which, under the general law of sales, ownership passes to the buyer at the delivery point, or whether they will be interpreted to include prices like those of the cement industry, in which the seller quoted a price at the buyer's place of business but passed legal title to the buyer at the seller's mill.

If the pending bill becomes law, it will be seen that the big monopolies will begin at least four different law suits involving the interpretation of "engaging in competition." They will begin at least four law suits in order to get a definition of "absorb freight." They will institute at least two law suits to decide the meaning of "in any and all markets." There will be at least two other law suits to decide the meaning of the words "delivered prices." In other words, if the pending bill is passed, it will open up endless litigation and will mean simply that the antitrust statutes are not going to be enforced for a good many years to come.

Mr. President, the Senator from North Dakota says that in view of these uncertainties the meaning of the bill depends almost wholly upon judicial interpretation of the broad and inherently ambiguous term "good faith."

The ambiguity of these phrases is reinforced by lack of clarity in the use of them. It is uncertain whether the phrase "for the purpose of engaging in competition in good faith in any and all markets" is intended to be applicable only to freight absorption or also to quotation and sale at delivered prices.

It is submitted that a proposed bill which inserts into an established body of law new words and phrases which are undefined and may be subject to widely varying interpretations not only represents poor draftsmanship but, of more importance, will necessarily muddle the law instead of clarifying it, and should not become the law of the land.

S. 1008 will, in practical reality, permit monopolistic practices to develop which the supporters of the legislation undoubtedly do not intend should be permitted. Congress must consider not only a bill's theoretical effects but also its practical results.

I notice that yesterday, just before the Senate recessed, the distinguished Senator from Pennsylvania [Mr. MYERS] had this to say:

I am delighted that the Senator from Wyoming has not only introduced his bill, but has indicated that confusion exists and that there is need for the Congress to take action. I am only sorry the Senator from Wyoming was not present earlier in the afternoon, when those of us who have advocated that something be done were told that we were the pawns of the propagandists, the steel companies, and the great monopolists.

Mr. President, who is to blame if the distinguished senior Senator from Pennsylvania puts four phrases into the bill we are considering, that have never been defined by the Supreme Court of the United States and, so far as I know, not even by any other Federal court anywhere in the United States? Certainly it must be possible to do what the Senator from Wyoming has done, namely, draft a bill which is going to accomplish the purpose the Senator from Wyoming says is intended by those who introduced the pending bill in the Senate.

In practice, business enterprises will be free to disregard the limitations which the supporters of the bill intend to retain. This is so because the bill's ambiguous language will need to be interpreted by the Supreme Court and proceedings for this purpose cannot be decided until several years after the moratorium expires.

Mr. President, when the moratorium proposed by the bill expires the distinguished Senators who are advocating the pending bill will be here advocating an extension. They will say, if this bill is passed, "The law is in litigation, and we want to wait until we can get a decision by the Supreme Court of the United States."

Aware of this obvious fact, business enterprises will be able to interpret the bill as they choose and thus to justify a variety of monopolistic practices that are now illegal. When the Supreme Court decides against them the moratorium will have expired, and the Court's affirmation of a cease and desist order will provide no punishment or relief.

It is submitted that a bill which throws the gate open to monopolistic practices not contemplated by its supporters should not become the law of the land.

Senate bill 1008 sets the clock back many years in the enforcement of the antitrust laws against discrimination by replacing the test of effect with the test of purpose or intent. The antitrust laws can be effectively enforced when they forbid activities which have monopolistic effects. Effects can be observed and proved. But when the legality or illegality of a practice depends not on its effect but on its purpose, the law cannot be effectively enforced unless the enforcement agencies become mind readers. To avoid the obstacles which such a legal standard created was one of the principal reasons for the enactment of the Robinson-Patman Act. It would be tragic if this test of intent, which for many years constituted the principal means by which monopolistic firms were able to evade the purpose of the antitrust laws and which was specifically taken out of those laws by congressional enactment, should now be placed back into the law as the test of violation.

To be specific, price discriminations which injure competition are now forbidden by the Clayton Act unless the price differences can be justified by differences in cost. But under Senate bill

1008 a price discrimination through absorbing freight would be lawful no matter how seriously it might injure competition, provided its purpose was to engage in competition in good faith.

Mr. President, I repeat that. Under the measure which we are considering, a price discrimination through absorbing freight would be lawful no matter how seriously it might injure competition, provided its purpose was to engage in competition in good faith.

Thus, no violation of law could be proved unless the Government could prove that the hearts of the discriminators are not pure. Even the orders of the Federal Trade Commission terminating violations of law by the conduit producers and by the United States Steel Corp. would be suspended insofar as they limit the right of these concerns to absorb freight, unless the Government could show that those who disregarded these orders acted with a bad purpose.

It is submitted that a bill which reintroduces the mystical and psychic concept of intent as the test of violation would put antitrust enforcement back into the Dark Ages and therefore should not become the law of the land.

Senate bill 1008 will legalize, through the use which can be made of freight absorption, certain monopolistic acts and practices which have been specifically held to be illegal by the courts.

The basing-point system: Since each firm in an industry will be able to absorb freight from its own mill, all mills will be able to quote identical delivered prices at any delivery point by suitably varying the amounts of their respective freight absorptions.

Mr. President, every Senator who has been Governor of his State knows that when a State advertises for adding machines, for example, or for tires, at least eight different companies bid. Their bids are identical to the very last penny. When I was Governor of my State, the tire companies would bid $10.08 each for tires. In other words, collusion was shown. Under the bill which we are now considering, collusion, instead of being outlawed, is, as a matter of fact, sought to be made lawful, unless the Government can show a bad motive in the hearts of those who are a part of the monopoly, or, in the case which I have cited, those who do the bidding.

I repeat, Mr. President, that since each firm in an industry will be able to absorb freight from its own mill, all mills will be able to quote identical delivered prices at any delivery point by suitably varying the amounts of their respective freight absorptions.

That is a perfect set-up for the monopolies of the United States of America. If the big monopolies had drawn this bill in order to rob the people of the United States, they could not have done a better job. When the bill came before the committee, Mr. President, I protested. I submitted minority views, because if this bill becomes the law of the land there will be a bad situation. The bill should be defeated, and the substitute bill introduced by the Senator from Wyoming, in my opinion, should be passed.

The amount of any mill's freight absorption to any destination will become whatever is required to equal the sum of the mill price at the governing mill plus the freight from that governing mill to the destination. What more than that could a monopoly want?

The result will be a complete basing-point system, with every mill a base and all delivered prices identical, by formula, at every delivery point in America. The participating mills can then defy the antitrust agencies to prove that this result is due to conspiracy, since the means by which it is achieved have been specifically sanctioned by law.

Mr. President, I come to another phase of the bill, known as "phantom freight." Neither the bill nor the present law imposes any limit upon the height of a seller's factory price, nor is it practicable or desirable to impose any such limit. Under the basing-point system, phantom freight was charged when a mill distant from a base included freight from the basing point in the delivered price to a nearby customer.

Under the bill the name of the practice must be changed, but the practice will continue. Now the mill may quote a factory price, as high as the former delivered price at the factory door; and when it sells to a nearby customer at the same delivered price as before, it will say it is absorbing freight instead of charging phantom freight. Phantom freight meant price discrimination between customers and a handicap to industrial development in the areas where prices were high.

Mr. President, I see the distinguished senior Senator from New Hampshire present, and I know he has been in this fight for a long time.

Mr. TOBEY. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. LANGER. I yield.

Mr. TOBEY. I regret that I cannot let the Senator qualify me as the senior Senator from New Hampshire. I am the junior Senator from New Hampshire, for whatever distinction that may mean.

Mr. LANGER. The senior Senator from New Hampshire [Mr. BRIDGES] is right behind the Senator. I am glad both the Senators are present, because both of them, as the distinguished Presiding Officer knows, are ornaments to the United States Senate, whether we disagree or agree with their points of view.

Mr. TOBEY. I wish the Senator would use some other appellation than "ornament." I have been charged with a good many things, but never with being an ornament, either in face or form. I will ask the Senator to use some other description.

Mr. LANGER. In view of the recent marriage of my distinguished friend, I am satisfied some will agree that he is an ornament.

Mr. TOBEY. I thank the Senator, but his compliment should be applied to the other member of the family.

Let me ask the Senator whether in his judgment, if this bill were enacted in its present form, it would hurt the interests of small business people in America.

Mr. LANGER. I think it would.

Mr. TOBEY. I concur.

Mr. LANGER. I thank the Senator. I felt that the distinguished junior Senator from New Hampshire would concur, judging from the very fine record he has made in the Senate and in the House of Representatives. I am certain that when the pending bill is thoroughly understood by Senators, in spite of the fact that it was reported by a vote of 7 to 2, they cannot in all honesty help feeling that the substitute offered by the distinguished Senator from Wyoming [Mr. O'MAHONEY] is the bill which should be passed in place of the pending measure.

Now, Mr. President, I come back to phantom freight. Phantom freight meant price discrimination between customers, and a handicap to industrial development in the areas where prices were high. Consequently, by nearly all the courts in the land the practice has been condemned. Now there is an effort to bring it back, by the pending bill. It has been condemned in Congress, in the courts, and elsewhere.

I repeat, changing the name of the practice will not change its result. Phantom freight by any other name would smell the same. Ask any small-business man who has been put out of business by it, and he will tell how rotten it smells, how it has wrecked innumerable small businesses, from one end of the country to the other.

The Senator from North Dakota submits that a bill which legalizes monopolistic acts and practices, particularly such practices as the basing-point system and phantom freight, which have specifically been held to be illegal by the courts, should not become the law of the land by an act of Congress now. The proponents of the bill are now trying to get something through the Senate which they could not get in court. They could not get it after years and years of fighting in the courts, trying to get something which has been universally condemned.

Mr. President, the pending bill constitutes an unwarranted encroachment on the normal functions of the judiciary. Notwithstanding the memorandum on the constitutionality of the bill which forms appendix A to the committee's report, the bill does impose an arbitrary rule of determination upon the courts. It tells the courts how the statutes in question are to be construed and also tells them that they would not be construed as the courts have construed them in the recent past.

In other words, Mr. President, the Supreme Court of the United States decides a case in behalf of the little fellow, and the proponents of the bill come along and say, "We are going to pass it," and the Court says, "In the statute it is said we must no longer decide these antitrust suits in favor of the small man, that we must construe them in favor of the big monopolies." That is what the bill means. It tells the courts how the statutes in question are to be construed, and also tells them that they should not be construed as the courts have construed them in the recent past.

The Supreme Court of the United States, in the case of United States against Klein, quoted in the committee's report, held that "the Court is forbidden to give the effect to evidence which in its own judgment such evidence should have and is directed to give it an effect precisely contrary."

For 35 years the construction and application of the statutes forbidding unfair methods of competition and price discrimination which promote monopoly or injure competition have been undergoing a gradual process of judicial inclusion and exclusion. That process has been continuing since amendment of the Clayton Act by the Robinson-Patman Act in 1936 and since amendment of the Federal Trade Commission Act by the Wheeler-Lea amendment of 1938.

The theory of the Federal Trade Commission Act from its beginning in 1914 has been to prevent restraints of trade in their incipiency.

The time to get them is when they are being organized. As I said yesterday, a GI comes home, he has a wife and two or three children, who are hungry, and he goes out and steals a few loaves of bread. For that he is put in jail. But three or four big companies get together, form a trust, raise the price of milk and the price of bread, and instead of being sent to jail their officers are appointed to high offices, in charge of some large departments in the United States Government.

The citation I gave yesterday of one outfit illustrates that statement. Charles Luckman, who is connected with a cartel which owns 516 firms in 40 countries, a few months ago was appointed by the President of the United States to head one of the departments of our Government.

As I said yesterday, only a few months ago we were considering an oleomargarine bill. The people wanted oleomargarine because they said it was cheaper than butter. What happened? The same monopoly of which Mr. Luckman is a part, three big concerns got together and in a matter of a few days raised the price of oleomargarine 28 cents a pound. It was 23 cents and they added 28 cents, making it 51 cents, almost the price of butter. And they got away with it. They are doing business in 40 countries. They own 516 firms or concerns in those countries.

This situation is similar to that existing in the dairy industry, which I described some time ago. One dairy monopoly controls more than 300 branches in the United States alone. It increases the price of cream, milk, and butter. What difference does it make to such a monopoly whether little children and women are or are not able to secure cream or butter or milk? That monopoly is out to make profits. With those who control it it is a question of how much the traffic will bear. They raise the price to the very last penny they can get for a quart of milk. Yet those same persons piously say they do not want communism in the United States. The surest way, the quickest way of bringing communism about is to pass such a bill as is before the Senate today. If such a law is passed the citizen may lose all faith in us, the men elected to Congress from all over the country. Yet as I previously said, the Committee on the Judiciary has reported a measure of this kind by a vote of 7 to 2.

Mr. President, the antitrust statute was passed back in 1891, 58 years ago; yet not a single person has ever been put in jail for violating that statute. Men are put in jail now simply for what they think. But in 58 years not one man has been put in jail for violating the antitrust law. I placed the fact in the RECORD yesterday that one concern owns 516 firms in 40 countries.

A little while ago the Government finally won the Cement case. Yet those affected by that decision are trying to get away from that decision.

The theory of the Federal Trade Commission Act from its beginning in 1914 has been to prevent restraints of trade in their incipiency.

The Supreme Court expounded the theory of incipient restraint in the Cement Institute case decided a year ago. It said that a major purpose of the Federal Trade Commission Act—

> as we have frequently said, was to enable the Commission to restrain practices as unfair which, although not yet having grown into Sherman Act dimensions would most likely do so if left unrestrained. The Commission and the courts were to determine what conduct, even though it might then be short of a Sherman Act violation, was an "unfair method of competition." This general language was deliberately left to the "Commission and the courts" for definition because it was thought that "There is no limit to human inventiveness in this field"; that consequently, a definition that fitted practices known to lead toward an unlawful restraint of trade today would not fit tomorrow's new inventions in the field; and that for Congress to try to keep its precise definitions abreast of this course of conduct would be an "endless task." (See *Federal Trade Commission* v. *R. F. Keppel & Bro.* (291 U. S. 304, 310–312), and congressional committee reports there quoted (333 U. S. 683, 708–709).)

It is submitted that a bill which represents an invasion into the proper sphere of the judiciary and thus tends to weaken the traditional separation of the powers provided for by the Constitution should not become the law of the land.

Mr. President, in my judgment the bill, Senate bill 1008, should not be passed for a variety of reasons. It should not be passed because (1) it represents poor and slipshod draftsmanship—the bill is very poorly drawn—introducing new and undefined phrases into the antitrust laws; (2) it will have the practical effect of immunizing numerous monopolistic acts and practices which the supporters of the bill undoubtedly do not believe should be permitted; (3) it will make the antitrust laws against discrimination almost impossible of effective enforcement by substituting intent and purpose for effect of the test of violations; (4) it will legalize, through the use that can be made of freight absorption, certain monopolistic acts and practices, namely, the basing-point system and phantom freight, which have been specifically held to be illegal by the courts; and (5) it represents an unwarranted intrusion by the legislative branch of Government into the proper sphere of the judiciary.

The fundamental effect of Senate bill 1008 is to make it impossible for the antitrust laws to keep abreast of the changing forms and disguises of monopoly. As the Yale Law Review stated in its issue of February 1949:

> The cases culminating in the New Cement decision have caught up with delivered-price systems and recognized them for what they are. The courts have thus informed business once more that the antitrust laws are concerned with illegal results, and not with the techniques employed to achieve them. The cases may make businessmen uncomfortable, but the peace of mind of monopoly is not yet a recognized reward for economic endeavors.

What could be plainer than that language, Mr. President?

Finally, it must be remembered at all times that the world today is undergoing a battle of ideas between Communist collectivism on the one hand and individual free enterprise on the other. It is a known fact that the Communist propagandists regard the existence of monopolies in this country as the Achilles heel in our defense of free enterprise. Any action which we take which surrenders the power of the people to the power of monopoly will immediately be seized upon by the Communist propagandists and spread throughout the world as proof of the fact that America is not a land of individual free enterprise but is actually under the control of monopolistic big business.

Why should it not? Take the case of a young man coming home from the Army. If one had a son, what kind of business would he be able to enter, in which he would be his own boss? If he went into a town of any size, the drug stores would be under a monopoly. The clothing stores are under a monopoly. The banks are under a monopoly. In one State there are 14 banks, 12 of them owned by one organization. What chance has a veteran going into the banking business in competition with that kind of situation?

Some time ago I introduced Senate bill 1709, which would remedy that situation. So far I have been unable to get it out of the committee. It is a bill to clarify and formulate a consistent and coordinated national policy with respect to the manufacture and distribution of goods; to strengthen small business in its economic struggle for survival; to promote competition by prohibiting a manufacturer from engaging in the retail field and by prohibiting a retailer from engaging in manufacturing; and for other purposes.

Why should a manufacturer be permitted to do as manufacturers do throughout the western part of the country? Senators from that section of the country are familiar with the situation. A manufacturer sets up a retail store for the sale of his own goods. The veteran or small businessman is not given a chance to go into business for himself and sell those goods. The retail business is entirely owned by the manufacturer. He puts the men in the store on salary. The distinguished occupant of the Chair [Mr. GILLETTE] is familiar with the situation in the State of Iowa, and all over the Middle West. The oil companies set up oil stations which they own, and lease them. That means that the owner

can put out at will the young man who takes over an oil station.

It seems to me that if we are to have free enterprise, free enterprise should be defined, so that any young man would know that he could go into business for himself without having to go up against a monopoly.

He ought to be able to go into a business in which, by hard work, he could build up a business of his own, and not be deprived of the fruits of his labor by some monopoly which absorbs freight, or does any of the other things which the pending bill, if passed, would permit. I was amazed when the bill was reported by the Judiciary Committee. I can only assume that it was reported before it was thoroughly understood by the members of that committee, because, on the whole, it is a good committee.

Coming back to the bill which I introduced some time ago, I invite attention to the fact that almost every single word in it is defined. It does away with any chance of litigation. In that respect it is entirely different from Senate bill 1008.

For example, let me read subparagraph (b) of section 3, on page 3:

(b) The term "independent dealer," as used herein, means a person who is, or may become, engaged in the selling, servicing, or repairing of any goods; except that the term "independent dealer" does not include any person engaged in manufacturing any article, and does not include any corporation a majority of the voting stock of which is directly or indirectly owned or controlled by another corporation which is not an independent dealer; and such term does not include any person who is required to sell any brand of article exclusively, or is prohibited from selling any brand of article, as a condition upon being able to buy or sell any other product or as a condition upon the lease or use of any property; and such term shall not include any person who directly or indirectly owns or controls 10 percent or more of the voting stock of any other corporation which is engaged in manufacturing a similar article.

That is a definition which, in my opinion, ought to be adopted. That is what an independent dealer is. How many are there in the United States today? What chance has a veteran to be an independent dealer, as that term is defined?

When I introduced Senate bill 1709 it was referred to the Committee on Interstate and Foreign Commerce. My bill makes clear that it is designed to clarify and formulate a consistent and coordinated national policy with respect to the manufacture and distribution of goods; to strengthen small business in its economic struggle for survival; to promote competition by prohibiting a manufacturer from engaging in the retail field and by prohibiting a retailer from engaging in manufacturing. It is designed to promote individual initiative in the American system of distribution. It is the kind of bill which I believe would give the veterans the kind of Government they thought they were fighting for in the last war, the kind of Government to which they thought they were returning from the fox holes.

In Philadelphia 98 veterans who had returned home wanted to drive taxicabs. There were nearly 3,000,000 people in the city and surrounding territory, and only 1,500 cabs. When they started in the taxicab business the taxicab monopoly got an injunction against them, and they could not obtain licenses. They came to Washington to protest. They appeared before a subcommittee of which I was chairman. Do Senators suppose that they could get licenses? No. The Yellow Cab Co. had Philadelphia tied up. Even though a veteran had lost a limb in the war, he could not get a license to drive a taxicab. When those boys offered to drive for nothing and live on the tips, the taxicab monopoly got an injunction against them. The monopolists did not care whether the wives and children of those veterans starved to death or not. The huge monopoly in Philadelphia took charge of the taxicab business. When our committee tried to take action, we were told, "You cannot do anything. It is a matter for the State of Pennsylvania." All we could do was to stop them from driving those cabs over to Camden, N. J. They quit driving across the State line. That is all the help we could give those 98 veterans.

When I introduced Senate bill 1709 I pointed out that the term "goods" applies to many items, as well as to foods. I wish specifically to call attention to a recent decision of the Court of Appeals for the Seventh Circuit, in the case of United States against the New York Great Atlantic & Pacific Tea Co. and others. The opinion was written by Mr. Justice Sherman Minton, who was formerly a distinguished Member of this body from the State of Indiana. The defendants had been indicted, charged with conspiracy to monopolize and restrain trade in food and food products by controlling the terms and conditions upon which the defendants and their competitors might do business, and by oppressing the competitors of the defendants through the abuse of the defendants' mass buying and selling power.

There you have it, Mr. President. If a veteran starts a drug store and is in competition with a great, powerful monopoly which has a thousand drug stores, what chance does the veteran have? Or if a veteran goes into the automobile sales business and is in competition with one concern with which the Senator is well acquainted, a concern which has 2,200 automobile sales agencies or outlets or stores, what chance does such a veteran have in competition with that large monopoly which can buy automobiles or other merchandise at perhaps half the price at which the veteran can buy them? Yet, Mr. President, that system is called "the great American system of free enterprise." As a matter of fact, all that system does is to give the monopolists the power to loot the taxpayers and citizens of the United States, the power to keep the individual from engaging in that particular business, unless he will work on salary for that monopoly.

I say that the founding fathers did not intend to establish that kind of government in the United States of America. I think one of the most misused terms in the United States today is the term "free enterprise." The only thing that is free about it is that the monopolists are free to gouge and rob the people all over the country.

Mr. President, in the lawsuit decided by Judge Minton, the Government made it clear that it was not a prosecution because of the size of the Atlantic & Pacific Tea Co., or because of its integration, but that the Government was making an attack upon the abuse of the power of the defendants. There are 14 corporations in the Atlantic & Pacific system. Twelve of those corporations were named defendants in that action. Of them, three were acquitted. The Atlantic & Pacific system is engaged in the food industry as a buyer, manufacturer, processor, and broker, and in addition carries on the business of food retailer through some 5,800 retail stores in 40 States, and the District of Columbia. The top holding company is the defendant Atlantic & Pacific Co., a New York corporation. This top holding company owns and controls everything in the system, and, in turn, is owned by the George H. Hartford trust, of which John A. Hartford and George L. Hartford are the trustees, holding about 90 percent of the Atlantic & Pacific stock.

Judge Minton pointed out that the ultimate control of buying is centralized in the headquarters of the Atlantic & Pacific, the top holding company, which fixes buying policies, fixes purchase prices, fixes advertising programs, and fixes label and bag allowances. The buying policy of the Atlantic & Pacific was to fix a two-price level, in which the company used its power to obtain a lower price on its needed merchandise than was permitted to its competitors.

Mr. President, what chance would a veteran have to compete against that kind of a set-up, when the company used its power to obtain a lower price on its needed merchandise than was permitted to a veteran competitor? In other words, the price for the Atlantic & Pacific was lower, but the price for the veteran or other competitor was higher. The Atlantic & Pacific used its large buying power to coerce suppliers to grant it a lower price than that granted to competitors, on the threat that it would put such suppliers on a private blacklist if they did not conform, or that the Atlantic & Pacific would itself go into the manufacturing business in competition with the recalcitrant suppliers.

Mr. President, what do you suppose the supplier did in that case? He did not want the A & P to go into competition with him, so of course he gave the goods to the Atlantic & Pacific at a lower price than that at which the independent merchant could possibly hope to get the goods.

The Seventh Circuit Court of Appeals, through Judge Minton, outlined some of the methods used by the A & P to get a lower price than the price its competitors could obtain.

As early as about 1925, and, Mr. President, where had our Attorneys General, either Republican or Democratic, been until Tom Clark came along and tried to put some of those robbers and gougers into jail? As early as about 1925, the Atlantic & Pacific, Judge Minton said, sent its buyers into the field to buy merchandise. Their primary object was to

get the merchandise as cheaply as possible for themselves. For that purpose the supplier was compelled, if he obtained the business, to pay Atlantic & Pacific a seller's brokerage of from 1 to 5 percent.

A brokerage, Mr. President. Where did the brokerage fees go? The A & P was in competition with independent merchants, yet the A & P got brokerage fees of from 1 to 5 percent, away back in 1925.

Judge Minton disclosed where that brokerage went. He said that those so-called brokerage fees went to Atlantic & Pacific, and were tantamount to a further reduction in price. Except on brokerage received from meat packers, which was outlawed in 1934, that system continued until 1936, when it was made illegal by the Robinson-Patman Act.

So, Mr. President, for 11 years the A & P violated the Sherman antitrust law. Was anyone ever arrested for that? Not one person was arrested for that violation. It was not until the Robinson-Patman Act specifically outlawed such methods and practices—just as they had been outlawed by the Sherman antitrust law—that that practice was stopped. It never was stopped by an enforcement of the Sherman antitrust law or of the Clayton Act, or even by action of the Federal Trade Commission.

Oh, Mr. President, big business has seen to it that even the Federal Trade Commission, after spending hundreds of thousands of dollars in a case, cannot put anyone in jail. When the Federal Trade Commission gets through spending all that money, it can report its findings to the Attorney General; but by that time the acts which have been committed have long since been outlawed; and then all the Federal Trade Commission can do is issue a "cease and desist" order, which means "please, please, please, Mr. Monopolist, do not do it anymore." Then if the monopolist violates the law again and takes millions of dollars out of the pockets of the poor people in that way, he can be fined $5,000.

Mr. President, it is so ridiculous as to be unbelievable that in a great country like the United States of America we could have that kind of law enforcement.

Of course the big companies have tried to make Attorney General Tom Clark a great deal of trouble. Two years ago, as soon as he announced that he would put people in jail for such practices, and started to make arrests, the Attorney General became a marked man, and he is a marked man today, because he has been making an honest, conscientious effort, for the first time, to use the criminal statutes of the United States to put some of these scoundrels in jail. Of course, he cannot put them in the penitentiary, under the existing law. The most that can be given a man for robbing the common people of millions of dollars is 12 months in jail. In contrast to that, Mr. President, consider the case of the North Dakota farmer who sold a calf on which the Government held a mortgage, and who was given 3 years in the penitentiary. We hear a great deal about the movement to head off communism. The Congress appropriates billions upon billions of dollars to almost every other country on the face of the globe. At the same time there is a failure to see that the Federal Trade Commission and the Attorney General's office enforce the law, and that they get sufficient money with which they can really enforce it.

A search of the newspaper files will disclose that Frank B. Kellogg, the trust buster, did not put in jail one single officer of a firm found guilty of violating the antitrust law. There was beautiful propaganda in the newspapers, but that was all there was to it. As a reward for his trust busting, Mr. Kellogg was made Ambassador to the Court of St. James's. If it were not so pathetic, Mr. President, and if it did not mean so much to the rank and file of the people of the country, we could indeed laugh at the very ridiculousness of calling such a man as the late Frank B. Kellogg a trust buster.

After 1936, when the Robinson-Patman Act was passed, the Atlantic & Pacific Tea Co. had to alter its method of operation. After that year the buyers did not get credit for brokerage. How did they get around it? They hired some more good lawyers. They said, "How can we skin the American people still more?" They had been skinning them between 1925 and 1936, 11 years. The Robinson-Patman Act was passed. That did not bother the Atlantic & Pacific Tea Co. a bit. They hired other lawyers, just as the big companies will hire many lawyers, if the Senate is foolish enough to pass the pending bill. As I have pointed out, there are 12 different points at which an attack may be made in court upon the pending bill, merely in the matter of the definition of terms. That means they will be in court for the next 10, 12, or 15 years. What did the lawyers do immediately following the passage of the Robinson-Patman Act? They said to their client, "You have got to stop taking brokerage commissions." What were the commissions? They amounted to 5 percent. After 1936, instead of getting credit for brokerage, the buyers of the A & P Co. were educated through their lawyers to induce suppliers to reduce their price further to the Atlantic & Pacific, by an amount equal to what the brokerage fee had previously been. The allowance thus became a mark-down on the price shown on the invoice, and this was called net buying. That is what the lawyers did in 1936.

A few years went by, and the Government stepped in again. The Federal Trade Commission issued a cease-and-desist order outlawing the practice, and the Third Circuit Court of Appeals, after long litigation, upheld the Federal Trade Commission.

After that, the Atlantic & Pacific Tea Co. once again had to consult its lawyers. They developed a new technique. They thereupon adopted a policy of direct buying. Thereafter, the Atlantic & Pacific Tea Co. would buy from no one who sold through a broker. Not only did it not buy from suppliers or brokers who offered to sell to it through brokers, but it would not buy from a supplier who sold to anyone else through brokers. This policy also affected competitors in the trade generally who were unable to buy directly. Suppliers were told in effect that if they did not sell directly to all customers, the Atlantic & Pacific would withdraw its patronage. Thus the A & P continued as usual to get its lower price, which was supposed to be justified by cost savings, and also because the Atlantic & Pacific bought in large quantities.

Whatever the alleged justification, the Atlantic & Pacific always wound up with a price advantage, and the supplier had to make his profit out of his other customers, at higher prices. The suppliers who sold to the A & P and to other people had to make the most of their money out of the other people, in charging them higher prices than they charged the Atlantic & Pacific. According to Judge Minton, they charged higher prices, which were passed on to A & P competitors. I quote directly from Judge Minton's opinion, and I call attention again to the fact that nobody went to jail. The North Dakota farmer who sold a mortgaged calf got 3 years in the penitentiary. The big fellows get nothing but rewards, by being placed at the head of Government departments. Quoting now from the court's opinion, I read:

> One cannot escape the conclusion on the very substantial evidence here, as one follows the devious manipulations of A & P to get price advantages, that it succeeded in obtaining preferential discounts not by force of its large purchasing power and the buying advantage which goes therewith, but through its abuse of that power by the threats to boycott suppliers and place them on its individual blacklist, and by threats to go into the manufacturing and processing business itself, since it already possessed a considerable establishment and experience that would enable it to get quickly and successfully into such business if a recalcitrant supplier, processor, or manufacturer did not yield. The A & P organization was urged to keep secret whatever preferences it received. These predatory discounts and other preferences amounted to 22.15 percent of A & P's total profits in 1939, 22.47 percent in 1940, and 24.59 percent in 1941.

Mr. President, what are we to think of that? One-fourth of all the money they made was made by violating the law. They made it by getting preferences over competitors. That is an example of the great free-enterprise system of the United States of America about which we hear so much on the Senate floor.

Of course, Mr. President, I think I am very fortunate in coming from a State such as North Dakota, in which the Republican and Democratic Party machines do not amount to anything, and where the common people run their own affairs. They meet in convention, which is not a political convention at all; it is a meeting of citizens who are Democrats and Republicans, and, who, regardless of race, color, creed, or national origin, want good government. They meet in their voting places and, by secret ballot, elect delegates who meet on George Washington's birthday in every one of the 53 county seats. The delegates also meet in a State convention in which they nominate men who they believe are honest and are men of ability. They nominate them for the office of governor and all the other offices under the State government, and also for the Congress of the United States. So when a Senator is elected by a group such as

that, running on whichever ticket the people think is best, a Senator from North Dakota does not have to call up any banker or monopolist in North Dakota to be told how to vote; he votes to please the common people of the State.

Mr. President, in my opinion, when there is that kind of organization in all the other States of the Union, I do not believe there will be any danger of the kind of legislation we are debating today being passed by the Senate of the United States.

Of course, what this nonpartisan arrangement accomplishes in North Dakota is misrepresented. We heard the distinguished junior Senator from Missouri [Mr. KEM] last week rise on the floor and say that in North Dakota the people had lost a great deal of money in the operation of industries owned by the State. What pleasure it was this morning, Mr. President, to put into the RECORD an editorial from the North Dakota Leader showing that last week, from mill and elevator profits alone, half a million dollars had been received and placed in the general fund of the State of North Dakota to help pay the veterans' bonus.

As attorney general of the State, I helped to organize the Bank of North Dakota. It opened for business on the 19th day of August, 1919. Today it is the largest bank between Minneapolis, Minn., and Seattle, Wash. Every deposit in that bank was guaranteed long before the New Deal came into power. There has never been a time when the bank has not made half a million dollars profit.

In further reference to the mill-and-elevator operation, in 1937 it cost $3,000,000. We saved the farmers more than $12,000,000 in the matter of wheat alone.

As a man who does not bother about being called a radical, I am perfectly aware that I am talking to the RECORD, Mr. President. I am perfectly willing to talk to the RECORD. It does not make any difference to me whether my Republican colleagues are upon the floor or where they may be. In losing the last election we were shown what the people of the United States thought about the record of the Republican Party. My distinguished colleague and I have stood on the floor in favor of bills which should be passed for the benefit of the common people. The record shows what sort of a reception we met.

I know, Mr. President, that if this bill shall pass, it will please every thug, crook, and monopolist in the entire United States of America. They will rejoice in its passage. It is the kind of legislation which never, under any consideration, should be upon the statute books of the United States.

When there is a decision against the Great Atlantic & Pacific Tea Co., such as the decision to which I have referred, and it is rendered by one of the highest courts in the land, and we note that a farmer in North Dakota was sentenced to 3 years in the penitentiary for selling a mortgaged calf, and these great monopolists went scot free, except that they had to pay a miserable little fine of $5,000, after robbing people all over the United States in retail stores, we begin to wonder what is meant by the expression free enterprise in the United States of America. All that expression means is that it gives liberty to some great monopolists to rob anyone they can possibly rob, and to do it under the guise of such a law as is being contemplated at the present time.

We have got the A & P up to 1941, Mr. President. Everyone connected with it is out of jail. They went along robbing people from 1925 to 1936, when the Robinson-Patman Act was passed, which told them how to rob the people in some other way, and they continued robbing them until 1941. In 1941 the A & P adopted a device called cash buying. The law caught up with them again, so they invented a new scheme. This was always on a lower basis than term buying, because cash buyers put up the money at once and took the merchandise, while term buyers paid on delivery. The A & P, through its cash-buying rate, gained an advantage without assuming risks between the point of shipment and the destination.

The Atlantic & Pacific Tea Co. also created a subsidiary which was called the Atlantic Commission Co., which was to have many uses. Equipped with this subsidiary, the Atlantic & Pacific Co. adopted a sales-arrival basis.

Their lawyers are smart, Mr. President. When the Attorney General's office catches up with them they devise some other way to rob the common people. They have been doing that all these years, and no one has gone to jail as a consequence. If we had put 50 or 60 of these so-called great industrialists in the penitentiary, where they belong, they would not have been devising all these new schemes by which to rob the consumers in this Nation.

Equipped with this subsidiary, A & P adopted a "sales-arrival basis," under which its subsidiary did not obligate itself either to purchase certain goods or to pay a stated price until the goods arrived at their destination. Apparently the subsidiary was able to place an order for goods which various suppliers would ship under direction of the subsidiary. Then the Atlantic Commission Co. would wire a price offer to the shipper on a take-it-or-leave-it basis. Thus, Mr. President, when falling markets were anticipated the subsidiary would make "sales arrival" purchases, and the shipper was compelled to assume the risk of price change from the date of shipment of the ordered goods to the date of their arrival. A & P was always protected, but the shipper either had to take a loss or look for another buyer.

The subsidiary commission company was also used in the dual role of buyer and seller, all to the advantage of A & P. The subsidiary had the opportunity to advance the interests of A & P first by its selection of the choicest produce to be offered in the market, and then, as buyer, to obtain that produce at the lowest price. The balance of the merchandise might be, and, the court noted, often was, of an inferior grade. The inferior produce thus was sold to the trade and at the highest price A & P could get in the market. Therefore, it not only bested its competitors in the quality of the produce to be offered to the public, as well as in the price A & P paid for it, but competitors had to buy inferior grades and also pay a higher price for what they got.

This A & P subsidiary exploited suppliers and competitors in other ways. It took merchandise on consignment which gave it the advantage of a choice as to whether it would accept the shipment for A & P or sell it in the open market. If the produce was taken for A & P, a preferential price was obtained. If not, the subsidiary got a brokerage fee for selling the goods in the market and was representing only the seller when it did so, but the brokerage fee went to the subsidiary, and hence was an additional benefit to A & P. The brokerage fee, so charged, also increased the price to A & P's competitors, while the fees went into the coffers of A & P.

Mr. President, this amazing aggregation under the domination of A & P also controlled and owned various corporations which were engaged in the manufacture and processing of merchandise for sale in the A & P stores. For example, the Quaker Maid Co., Inc., the White House Milk Co., Inc., the Nakat Packing Corp. manufactured many items sold by A & P, ranging all the way from canned milk to canned fish. The products of these satellites were sold only to A & P stores, and at a mark-up, in fact, these operations yielded an enormous percentage of the total profits of A & P.

Mr. President, I am certain that some of the suppliers in North Dakota will be interested in the methods employed by this organization. The recital of the facts seems almost like the output of a fiction writer, but there they are in the court's opinion. The judges took note that the price advantage which A & P enjoyed through the coercive use of its power not only enabled it to undersell its competitors but also to pick and choose the locations in which it would use its price advantage. If the A & P officials found that in a particular area the stores were having difficult competition, they could lower the gross profit percentage in that area, and thus seek to increase their volume of business. If this practice in a particular area resulted in a possible decline in net profits, the company simply raised the gross profit rate and the retail prices in some other area where its competitive position enabled it to do so. Consequently, some areas might sustain heavy losses over a number of years, yet the combined earnings of the company from all areas made it possible for A & P to earn $7 per share income on its stock.

It was obvious to the court that the A & P had actively encouraged its suppliers to violate the Robinson-Patman Act. Maybe A & P in receiving these price discriminations I have mentioned was not in violation of that act, but its suppliers certainly were, and the court had no difficulty in finding that the advantage which A & P obtained over its competitors was an unlawful restraint of trade.

Let me point out further just exactly what the court said as I quote directly from the opinion as it appears in 17 United States Law Week at page 2406:

> No court has yet said that the accumulation and use of great power is unlawful, per se. Bigness is no crime, although "size is

itself an earmark of monopoly power. For size carries with it an opportunity for abuse." *United States* v. *Paramount Pictures* (334 U. S. 131, 174, (16 LW 4389)). That there was an accumulation of great power by A & P cannot be denied. How it used that power is the question. When A & P did not get the preferential discount or allowance it demanded, it did not simply exercise its right to refuse to contract with the supplier. It went further and served notice on the supplier that if that supplier did not meet the price dictated by A & P, not only would the supplier lose the business at the moment under negotiation but it would be put on the unsatisfactory list or private blacklist of A & P and could expect no more business from the latter. This was a boycott and in and of itself is a violation of the Sherman Act. * * *

While it is not necessary to constitute a violation of sections 1 and 2 of the Sherman Act that a showing be made that competitors were excluded by the use of monopoly power, *American Tobacco Co.* v. *United States* (328 U. S. 781 (14 LW 4409)), there is evidence in this record of how some local grocers were quickly eliminated under the lethal competition put upon them by A & P when armed with its monopoly power. * * * A & P received quantity discounts that bore no relation to any cost savings to the supplier. While A & P tried to rig up various contracts with its suppliers that would give the suppliers a semblance of compliance with the Robinson-Patman Act, by colorably relating the discriminatory preferences allowed to cost savings, the primary consideration with A & P seemed to be to get the discounts, lawfully, if possible, but to get them at all event. The conclusion is inescapable on this record that A & P was encouraging its suppliers to violate the Robinson-Patman Act. The unlawful discounts were to be received by A & P as its due, regardless. Whether or not A & P in inducing and knowingly receiving these price discriminations was in violation of the Robinson-Patman Act, as its suppliers certainly were, the advantage which A & P thereby obtained from its competitors is an unlawful restraint in itself. * * * The purpose of these unlawful preferences and advantages was to carry out the avowed policy of A & P to maintain this two-price level which could not help but restrain trade and tend toward monopoly.

Furthermore, to obtain these preferences, pressure was put on suppliers not by the use but by the abuse of A & P's tremendous buying power. The means as well as the end were unlawful. * * * With the concessions on the buying level acquired by the predatory application of its massed purchasing power, A & P was enabled to pressure its competitors on the selling level even to the extent of selling below cost and making up the loss in areas where competitive conditions were more favorable. The inevitable consequence of this whole business pattern is to create a chain reaction of ever-increasing selling volume and ever-increasing requirements and hence purchasing power for A & P and for its competitors hardships not produced by competitive forces, and, conceivably, ultimate extinction. Under all the cases this is a result which sections 1 and 2 of the Sherman Act were designed to circumvent.

I have sought, Mr. President, to point out to the Senate the kind of situation I had in mind when I introduced S. 1709. I notice that there is already before the Judiciary Committee a bill identified as S. 640. It seems to me that the latter bill is correctly before the Judiciary Committee, which clearly has jurisdiction of measures involving antitrust legislation. In title I of the Legislative Reorganization Act of 1946, in the section dealing with the Committee on the Judiciary, it is provided that to that committee "shall be referred all proposed legislation * * * relating to the following subjects: 7. Protection of trade and commerce against unlawful restraints and monopolies."

Therefore, Mr. President, I am offering an amendment to S. 640 in the nature of a substitute. I intend to propose that all matter after the enacting clause of S. 640 be stricken out and that there be inserted in lieu thereof the substance of my bill. In that way, the Judiciary Committee can properly explore this field, for my bill also includes the subject matter of S. 640.

I think the Senate will share my satisfaction that the Circuit Court of Appeals for the Seventh Circuit affirmed the conviction obtained in the A & P case. It is a landmark in the struggle against monopoly.

In conclusion, Mr. President, I ask unanimous consent that the letter of Mr. James G. Patton, president of the National Farmers Union, to Speaker RAYBURN, dated March 2, 1949, be inserted at this point in my remarks.

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 2, 1949.

Hon. SAM RAYBURN,
House Office Building,
Washington, D. C.

DEAR SPEAKER RAYBURN: My attention was called to the approval of a bill by the House Judiciary Committee which provides, in effect, that all anti-trust-law legislation relating to base-point pricing, which was outlawed by the Supreme Court last year, be suspended for the next 15 months. This bill, according to my information, was reported favorably by the full committee, before organizations such as the National Farmers Union had the opportunity to present their views. Such hasty and ill-considered action is the negation of the democratic process and strikes at the heart of our democracy.

Furthermore, the approval of this legislation without public hearings is particularly obnoxious because the bill threatens our economic and political democracy.

The action of the House committee is part of a pattern which has been developed since last April when the Supreme Court outlawed the base-point pricing system as a monopoly device. The Court found that this system had been used to strangle competition and that it was incompatible with the development of free enterprise in our country. The Court also found that the cement trust had over a period of years used certain elements of the base-point pricing system, such as freight absorption, phantom freight, and uniform pricing, to keep out competition. The Court also declared that such methods when used to such ends were direct violations of our antitrust laws.

Fast on the heels of the Supreme Court decision came a great outcry of the monopolists. A great deal of pressure was put on Congress to undo the Supreme Court decision and to undermine the Federal Trade Commission which was conscientiously attempting to carry out the decision. Partly as a result of this campaign by big business, an investigation was instituted in the Senate body by the Trade Practices Subcommittee of the Interstate Commerce Committee. This committee, headed by Senator CAPEHART, conducted lengthy investigations, all designed to show that the Supreme Court decision would not promote competition and would, in effect, encourage monopoly. Numerous representatives of big business were appointed on the advisory council, set up by Senator CAPEHART'S subcommittee, and using the committee as a mouthpiece, conducted a great campaign calculated to undo the Supreme Court decision.

As a member of Senator CAPEHART'S advisory council, I protested against such tactics and wrote a minority report which was published along with the majority report of the advisory council. In this report I emphasized the fact that outlawing freight absorption when it was used to stifle competition in no way prevented businessmen from absorbing freight when necessary to meet competition. I also pointed out that no new legislation was needed at this time and that the whole campaign was designed to weaken and undermine our antitrust laws and pave the way for monopoly. The very fact that those who were most vociferous in condemning the Supreme Court decision were representatives of the Cement Trust, U. S. Steel, and other big business indicates that the Supreme Court decision was a just one. It is natural that those who have violated our laws would protest their enforcement and conversely, those who had suffered from such violations would be in favor of their adequate enforcement.

Accordingly, when public hearings were held on the base-point-pricing system and the Supreme Court decision, representatives of big business and those dependent on big business appeared to testify that our antitrust laws were in need of revision. On the other hand, organizations of little-business men, farmers and others, including the National Farmers Union, appeared to testify that no new legislation was needed and that the antitrust laws, if changed in any way, should be strengthened and not weakened.

The result of public airing of these views apparently prevented the approval of a bill by a Senate committee which would undo the Supreme Court decision. No action to my knowledge has been taken on S. 236 on which public hearings were held. We feel that had public hearings been held on H. R. 2222, which was approved by the House Judiciary Committee, that the result would have been the same. Apparently, approval of this bill is all a part of the general campaign to give the green light to monopoly by outlawing the Supreme Court decision.

We urge, therefore, that you use your great influence to see that the true facts regarding this campaign to weaken our antitrust laws be made known to the Members of the House. We strongly urge that you and other Members of the House vote against this pernicious legislation which strikes at the heart of our free-enterprise system.

Sincerely yours,

JAMES G. PATTON,
President.

Mr. LANGER. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Gillette	Langer
Bricker	Gurney	Long
Bridges	Hayden	Lucas
Byrd	Hickenlooper	McCarran
Capehart	Hill	McCarthy
Connally	Holland	McClellan
Cordon	Humphrey	McFarland
Donnell	Ives	McKellar
Douglas	Jenner	Magnuson
Ecton	Johnson, Colo.	Martin
Ellender	Johnston, S. C.	Maybank
Ferguson	Kefauver	Millikin
Frear	Kilgore	Myers
Fulbright	Knowland	O'Conor

O'Mahoney	Taft	Watkins
Reed	Thomas, Utah	Williams
Russell	Thye	Young
Saltonstall	Tydings	
Schoeppel	Vandenberg	

The PRESIDING OFFICER. A quorum is present.

THE NORTH ATLANTIC TREATY

Mr. WATKINS. Mr. President, at the beginning of my remarks I wish to say that I shall decline to yield for questions until I have finished my speech. At that time I will be very glad to yield for questions.

Mr. President, there seems to be a great deal of confusion respecting the extent of our commitments under the North Atlantic Treaty, and particularly as set forth in article 5. The meaning of this article has been variously interpreted.

It is said, on the one hand, to commit us to war in the event of an all-out armed attack on any of the nations party to the treaty. On the other hand, this interpretation is denied—that we are not bound to fight, to wage war, under such circumstances; that Congress still has a free choice to say "No," to refuse a declaration of war. This is the contrary contention.

Then there are the middle grounders who argue "maybe" we are bound to fight; we "sorta" have a commitment, but when the occasion arises we can determine the extent of our assistance; whether in our judgment we shall use force and how much, and so forth; or in the words of Secretary Acheson, a Senator who votes for the treaty ratification will be able "to exercise his judgment less freely than he would have exercised it if it had not been for this treaty."

James Reston, international political writer, in an article in the New York Times, Thursday, May 19, summarized the general feeling in the United States with reference to what we are committing ourselves to. Said Mr. Reston:

> At the same time, even in the university communities, there is less information and understanding of the full implications of the United States commitments under the treaty than one had expected to find.
>
> There is widespread assumption that signing the treaty now is all right, but that we will be free to do more or less as we please about implementing it if and when an armed attack comes.
>
> Specifically, there is little realization that if the treaty is ratified, the President, in accordance with his constitutional obligation to see that the laws of the land are faithfully executed, will be free to meet an armed attack on another treaty member with armed force if he deems such an action necessary in order to restore and maintain the security of the North Atlantic area.
>
> Thus, while there seems to be an acceptance of the idea of collective security, there also seems to be ignorance of the vital parts of the treaty combined with indifference about obligations that may or may not have to be met at some time in the future.

Personally, I have participated with others in the general confusion. Study of the arguments pro and con on this article has brought me to a personal decision as to its meaning. I want to share this decision and the reasons for it with my constituents and the American people generally. I am convinced that I should do it now while there is still time for the people to make their wishes known to their Senators.

I am also fortified in doing this because of the numerous letters which I have received from American citizens over the country, which reveal that our people generally do not realize the heavy burdens we are assuming under this treaty. The commitments are theirs to carry out. They should have all the help possible in understanding them. They have never had the treaty before them as an issue in any election. There has been no great national debate on this issue. No mandate of the people on this momentous change in our foreign policy has ever been given. It is unfortunate that this is so. No policy so vital to this country should ever be decided without the people's express sanction.

If this pact should be ratified "the ultimate value"—in the words of the senior Senator from Michigan—"will largely depend upon the extent to which the country wholeheartedly accepts the concepts of defensive unity in the North Atlantic community against any armed aggressions which may threaten world war III."

With this I agree; but how can the American people give wholehearted support unless they understand the commitments that are being made in their name by their representatives?

I shall not argue today whether it is wise or unwise to ratify this treaty. That will come later. I now should like to analyze or interpret article 5 of the treaty in the light of views expressed by official advocates for its ratification.

For convenience in this discussion, the text of article 5 is quoted:

> The parties agree that an armed attack against one or more of them shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations, will assist the party or parties so attacked by taking forthwith, individually and in concert with the other parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.
>
> Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security.

Breaking the article down to its component parts, we find that it solemnly binds the members of the treaty, insofar as it is material to the present discussion, to the following commitments:

First. That an armed attack against one or more of them in Europe or North America shall be considered an attack against them all.

Second. Each of them will assist forthwith the party or parties so attacked.

Third. The assistance, individual, or in concert with other parties, shall be such action as each nation shall deem necessary, including the use of armed force to restore and maintain the security of the North Atlantic area.

To help understand the meaning of this article, we should keep in mind the following:

There now exists a great dictatorship in Asia and Europe which is considered a more dangerous threat to the liberties of democratic nations than the dictatorships which were overthrown in World War II.

The free nations of Europe are convinced that this dictatorship will by armed aggression conquer them one at a time and destroy their liberties. They fear another world war. To act as a preventive of this war and to assure them of independence and security, they feel that there should be organized now a strong alliance of powers including the United States, which is prepared to act immediately, with certainty, and with such overwhelming might that any aggressor nation or combination of such nations will halt their designs for conquest. Thus, war will be stopped before it starts. This is their argument, their thesis.

Many Americans, including the present administration, feel the same way and respond to the thinking of the European leaders with full agreement both as to the necessity and the remedy.

In trying to determine the meaning of the article which seems to have stirred up so much dispute, we shall have to consider the divergent points of view of those who were responsible for negotiating the treaty as well as those who are its present proponents.

President Truman in his inaugural address last January, declared:

> If we can make it sufficiently clear in advance that any armed attack affecting our national security would be met with overwhelming force, the armed attack might never occur.

The phrase "an armed attack against one or more of them in Europe or North America should be considered an attack against them all" should not be difficult to understand, but it has raised numerous questions. This statement is generally interpreted to mean that an attack on any one or more of the European nations parties to the treaty would be the same as an attack upon the United States and should be treated the same way.

In the testimony given before the Foreign Relations Committee on the meaning of this particular provision, there was considerable straddling. There were, however, several authorities who disagreed with the interpretation I have just outlined. One of those who disagreed was Robert Lovett, former Under Secretary of State, who initiated and helped carry on negotiations for the treaty until the time of his resignation. He declared:

> It does not say it will be the same thing. It says it will be considered as an attack against them all, and, then, in those circumstances, if the hypothetical case you put occurs, we have the obligation which I referred to previously, and that is to assist the parties so attacked by taking forthwith, individually and in concert with the other parties, such action as this Government deems necessary, including the use of

armed force, to restore and maintain the security of the North Atlantic area. * * *

I am confident in my own mind that that is not the understanding in general terms, because we have here set up the rule which leaves to the Congress the determination as to whether or not the facts are such as to require, for example, a declaration of war.

John Foster Dulles, well-known authority on international law, a member of the United States delegation to the UN Assembly, and an adviser to the Secretary of State at numerous international conferences, gave his view of the meaning of this commitment from article 5. Said Mr. Dulles:

The proposed treaty poses clearly the issue of certainty and immediacy. It says that an armed attack against one of the parties in the North Atlantic area "shall be considered an attack against them all." That seems to me to be reasonably plain English. It means, I take it, that an armed attack upon Denmark, for example, is hereafter to be treated by the United States as an attack upon it. If there is an attack upon the United States, then something happens, and it happens surely and quickly.

I fully agree with Mr. Dulles' interpretation. I think he is indisputably correct. A major attack upon the United States by a foreign power immediately creates a state of war. The Japanese strike at Pearl Harbor was such an attack.. It was the first battle in an all-out war followed immediately by the attack on the Philippines. It created a state of war which Congress recognized in its declaration, but in the meantime, before Congress had an opportunity to act, whatever forces we had in the area were, under direction of the Chief Executive, ordered into action against the aggressor. In the words of Mr. Dulles, something happened "surely and quickly." That something was an all-out war. This was true even before Congress got around to declaring what already existed.

Obviously, Mr. Dulles recognizes the power of the President of the United States, as Commander in Chief of our armed forces, to direct such forces in the protection of this Nation.

Again, it is obvious that this treaty extends to the President as Commander in Chief, the power to order our armed forces into action if an armed attack is made on any of the treaty nations. An attack on one is an attack on all. This is the fundamental principle of the treaty and the one principle upon which the European pact members base their support for the treaty.

Under the treaty, an attack of similar magnitude on Denmark or on any other or all the European nations parties to the treaty would create a state of war between the United States and the aggressor in identically the same way as if the aggressor attacked the United States. We would be at war surely and quickly, even if not automatically. That is the inescapable conclusion of Mr. Dulles' interpretation of our obligations under the proposed treaty.

However, minor incidents—warlike in character, but not amounting to the waging of war—such as the *Panay* affair in China where the Japs struck an American warship under the American flag, and at Yugoslavia where the fighter planes of that nation shot down United States planes crossing from Austria to Italy—do not necessarily mean war. They are acts short of war which might lead to war unless taken care of by negotiation.

Minor incidents of this kind affecting European nations, parties to the treaty, would not necessarily involve them in war and for the same reason they would not automatically involve us in war even though the treaty binds us to defend the European parties to this treaty.

But an all-out attack, a major attack, the waging of war such as an armed invasion of France, Denmark, England, or Norway, would create a state of war in the same sense and with the same obligation on our part to render armed assistance as far as our Nation is concerned as would a major attack or invasion of Alaska or any part of the continental United States.

So Mr. Dulles' statement in his testimony immediately following the quotation I read a few moments ago, that "what happens is not necessarily war," and "there have been many armed incursions into the United States territory and armed attacks on United States ships which have been successfully countered and security restored by measures short of war," does not contradict his conclusion of the general nature of our obligations, but emphasizes that minor incidents short of a major attack do not necessarily mean war. He distinguishes between warlike incidents and an armed invasion where conquest by the invader is clearly the purpose of the invasion.

To remove all doubt on this point, Mr. Dulles under cross-examination made perfectly clear his interpretation of the treaty obligation in the event of a major attack. Said Mr. Dulles:

If there is any doubt what we are going to do under those conditions, I think the time to debate that is now. We can afford the time to do it now. Once war starts we can't afford to have that great debate because it is too costly and the enemy gains too great an advantage.

That language means, Mr. President, if it means anything, that we are settling the issue now—not when trouble occurs in the future—that in the event of a war on any one or more of our allies, we act "certainly," "surely," and with "immediacy." Those are Mr. Dulles' words.

Putting it another way, the President and two-thirds of the Senate, in the event the Senate ratifies the treaty, declare war in advance on any nation or nations which shall in the future make war on any one or more of our allies. Under this procedure, the House of Representatives, contrary to the Constitution, has nothing to say on this matter. It is completely bypassed. We shall be at war without its action. The President can order our armed forces to resist the enemy the same as he would do if our own territory were under attack. Can there be any doubt that the Dulles interpretation of article 5 means just that?

(At this point there occurred colloquy between Mr. WATKINS and Mr. MALONE, which, on request of Mr. MALONE and by unanimous consent, was ordered to be printed at the conclusion of Mr. WATKINS' remarks.)

Mr. WATKINS. Mr. President, Mr. Dulles was praised by members of the committee for his clear-cut, forthright statement. I heard no dissent then or since, either from committee members or from the State Department.

In this connection I should in fairness call attention to the fact that Mr. Dulles also said, on cross-examination, that war would not come automatically, since only Congress could declare war.

The statements of Mr. Acheson, Secretary of State, and the senior Senator from Michigan [Mr. VANDENBERG] strongly support Mr. Dulles' main thesis of the meaning of article 5. Let me be specific.

Said Secretary Acheson in his radio broadcast on the North Atlantic Treaty:

The United States is waging peace by throwing its full strength and energy into the struggle, and we shall continue to do so. * * * But we must do even more. We must make it clear that armed attack will be met by collective defense, prompt and effective.

There is nothing in that language that leaves the issue to a future Congress to exercise a free choice as to whether we fight or do not fight when the need for armed assistance on our part arises. Mr. Acheson is almost as emphatic concerning our future action in the event of war on our allies as is Mr. Dulles. He says we must make it clear now—not some time in the future—that our full strength and energy will be thrown into the struggle against armed attack. And I submit "full strength and energy" means very definitely our armed might.

Secretary Acheson speaks for the administration. He conducted the final negotiations for the treaty. His words are in full harmony with and add greater force to President Truman's words uttered in his inaugural address, to which I have already referred.

By the treaty we now have said the security of our allies is identical with our own. An attack on them is an attack on us; their territory for the purposes of this treaty is our territory. Let any nation invade it at their peril.

I do not wish to unduly belabor this point, but its extreme importance and the fact, as newsmen have reported it, that it is generally believed by the American people that even though we enter the treaty, we can do pretty much as we please about it if and when trouble comes, justifies me, I am convinced, in stressing this issue to the utmost.

The senior Senator from Michigan [Mr. VANDENBERG] recently told the Conference of Mayors in Washington, D. C.:

This pact will mean what it says or it is devoid of war-preventing authority. It means that if another armed aggressor threatens any or all of us with World War III—God save the mark—all of us will forthwith unite to stop the aggression before it becomes universal and to defeat it before it becomes a universal conquest. All of us must take that pledge in good faith or it were better that we do not take it at all. * * * Let me be specific so far as we are concerned. The Neutrality Act of 1939 told Hitler that the United States would keep out of any such conflict; would keep our vessels out of belligerent ports; would refuse credits to

warring nations. The North Atlantic Pact—wholly to the contrary—will tell any aggressor in 1949 that from the very moment he launched his conquest in this area he will face whatever united opposition, including that of the United States, is necessary to beat him to his knees. I reassert that this is the greatest war deterrent ever devised.

The thesis of certainty beyond all doubt, leaving nothing to future decision except to determine the degree or the measure of "the opposition necessary to beat the aggressor to his knees," is the warp and woof of the Senator's eloquent definition of the meaning of the treaty. It can be of small aid in stopping war if it means anything less than that.

Where is there in this statement anything that indicates in the slightest degree that a future Congress, when trouble occurs, will have the right, or the option, as far as the meaning of this treaty is concerned, to refuse armed assistance to any one or more of the treaty nations, if such nation or nations are subjected to an all-out armed attack?

If the all-out use of our armed might is necessary—and who can doubt that in a major attack, an invasion of conquest, it will be necessary—we are bound expressly, impliedly and morally to use such force as would be necessary just as we would do certainly, quickly, if and when our own territory were made the subject of a similar major attack.

That is the basis, the yardstick, by which we have agreed to determine the measure of necessity for the armed help we shall give our allies.

But the Senator, advocate of the treaty as "the greatest war deterrent ever devised,"—and the same is true of all other advocates using this line of argument—get into deep trouble, in my opinion, when he tries to resolve the difficult and embarrassing dilemma which has confronted them all, to wit:

How can the United States guarantee for the next 20 years certain and prompt armed assistance to our allies in the event of a war against them—without stopping to debate the matter because it is said there will not be time—and at the same time preserve the right, under our Constitution, of the Congress in office at the time the need for action arises to debate freely, and finally, with complete freedom of action, to decide whether or not we shall declare war or employ our armed forces to aid and assist in defending one or more of the treaty nations?

Before the Senator from Michigan uttered the ringing words of contrast between our position under the proposed treaty as compared with 1939 when the neutrality law was in force, he made this prefatory statement:

I ask you to note that this (the treaty) is not an automatic commitment to war. I ask you to note that we reserve unto ourselves the option to decide precisely what contribution we shall make against any such armed attack by an aggressor. There are many defensive recourses short of war as defined in the United Nations Charter. I ask you to note that in another paragraph of the pact we categorically assert that "this treaty shall be ratified and its provisions carried out in accordance with our constitutional processes." We are signing no blank check. But I ask you also to understand that we are signing no mere scrap of paper.

Does this statement just quoted resolve the dilemma? It is clearly intended to do so.

This argument attempts to reassure the American people that somehow, and notwithstanding the positive commitments of article V that give our European allies the definite assurance of our certain, prompt, and effective help, including armed force in the event of a war on them by an aggressor, we still have preserved our freedom of action.

Let us see what these assurances really amount to.

First. It is not an automatic commitment to war. Is not this a mere play on words? What difference does it really make whether we are automatically committed to go to war so long as the commitment calls for certain, prompt, and effective action including the use of armed force, in the event of war upon our allies by an aggressor? If it commits us to war, it is of little importance whether we go in automatically or some other way.

Second. We reserve unto ourselves the option to decide precisely what contributions we shall make against any such armed attack by an aggressor.

Article V provides: "Each of them will assist forthwith, the party or parties so attacked." This sentence is a direct positive commitment to assist our allies under the circumstances named. But how shall we assist them?

It is said we have reserved unto ourselves to determine precisely what contribution or assistance we shall give. But have we? Remember, we have agreed that an armed attack against an ally is the same as an attack against ourselves and should be treated the same way.

How do we treat attacks against ourselves?

If a minor incident happens that clearly is not intended as the beginning of an all-out war, we settle it by diplomatic methods. So in the event of such a minor incident, an attack short of war, we would undoubtedly assist our ally in making a settlement by negotiation or other methods short of war.

If a major all-out attack occurs on United States territory, we immeditaely respond by throwing against the enemy all the force we deem necessary to defeat the aggressor and restore our security. We are bound by our agreement to use the same kind of judgment or discretion in the event of a major all-out attack on any one or more of our allies; our allies are bound to the same thing in the event of a major attack on us.

The precise way of rendering that assistance—or in other words, how we shall fight—and the exact amount of help we will give we shall decide according to our circumstances at the time the event occurs.

But we have not reserved to ourselves the right to decide whether or not we will take action. We make that decision the moment the treaty is ratified and it is a positive, affirmative decision which commits us to take the same kind of action we would take if the attack were directly on our own territory.

Third. We categorically assert in another paragraph in the pact that this treaty shall be ratified and its provisions carried out in accordance with our constitutional processes.

This is supposed to be our great safeguard. No matter what we may seem to have committed ourselves to in any other part of the treaty, it is not a firm commitment because we still reserve to our Congress the right to declare war. This is the argument.

This is the popular conception of the meaning of the treaty. It undoubtedly accounts for the feeling among the American people as reported in the New York Times by James Reston, that we can do pretty much as we please when the time comes for action, notwithstanding other provisions of the treaty.

Former Supreme Court Justice Owen Roberts, former Secretary of War Robert Patterson, Mr. Dulles, and others testifying at the foreign-relations hearing took very much the same position.

This treaty shall be ratified and its provisions carried out in accordance with our constitutional processes.

Just what does that mean?

First, the treaty shall be submitted to the Senate for ratification. It is now before the committee. If and when it is ratified by us and the other nations, it becomes the law of the land, all in accordance with our Constitution.

It is the duty of the President to enforce the laws of the land. The Constitution makes this clear. Under the treaty, then, it becomes the law of the land that an attack on Denmark, for instance, is an attack on the United States.

When an all-out armed attack is made on the United States, such as at Pearl Harbor, the President in the performance of his constitutional duty, orders our armed forces to resist immediately the armed attack. The armed forces are ordered into action because the President deems that action necessary. This is all done before Congress can act.

With the treaty as the law of the land, what will likely happen should an all-out attack be made on Denmark?

The President, under the treaty, has the power, and probably will order the armed forces of the United States into action to defend Denmark even before Congress can act. In doing so he will be following constitutional processes. Can there be any doubt about it? That is providing, of course, we can enter a treaty which in effect makes us the guarantor of the security of nations other than our own.

The attack occurs. The President sends whatever forces he deems necessary to resist the armed attack, and we find ourselves waging war. And then Congress is apprised of the situation by the President.

Is there anything left for Congress to do but go through the motions—and I mean only motions—of declaring war and authorizing the employment of our armed forces?

It should be clear by this time that the treaty creates such a situation that

Congress will have no other choice under such circumstances than to declare war. It has been robbed by the treaty of its war-making powers.

And that is true, even though the President should ask Congress for a declaration of war before sending our armed forces into action, because the treaty binds us to treat an attack on any one or more of our allies as an attack on ourselves. Would any Congress dare refuse under such circumstances? Legally and realistically, could it refuse? It should be obvious the answer is "No."

The New York Times evidently had this in mind when it declared editorially last January:

> The North Atlantic Pact contains promises not even dreamed of by Woodrow Wilson. President Wilson, indeed, in his war speech of April 2, 1917, looked forward to "a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free." But Mr. Wilson in time of peace would not have dared ask the Senate to commit itself, as Mr. Truman and his advisers are now doing, to go to war if any one of eleven or more nations is attacked. We should not quibble on this point. The defense pact means that or it means nothing.

The language of the treaty is tricky and deceptive. On the one hand, it assures our European allies of certain, sure, and prompt support. It satisfies them that in the event of war we will be in it certainly and promptly. On the other hand, it seems to assure the American people that they will not be required to send their armed forces into battle to protect and maintain the security of nations other than our own, unless the Congress in office when the occasion arises, by its freely made decision decides to do so by a declaration of war.

My firm conviction is that the treaty violates the Constitution by robbing Congress of its freedom of action in deciding whether or not this country shall wage war when our allies are attacked. As the editor of the Deseret News of my State put it, "the pact virtually defines war by treaty instead of war by declaration of Congress, as provided in the Constitution." And it does this by action of two-thirds of the Senate and the President of the United States.

I am not questioning the good faith and sincerity of those supporting this treaty. I have no doubt there are many in and out of the Senate who believe that we can give positive assurance of our help to our European allies and at the same time preserve freedom of action by Congress.

Those who have this belief, then, should be willing to support reservations to article 5 of the treaty which I shall offer at the appropriate time and which will be in language substantially as follows:

> The United States understands and construes article 5 of the treaty as follows:
>
> "The United States assumes no obligation to restore and maintain the security of the North Atlantic area or to assist any other party or parties in said area, by armed force, or to employ the military, air, or naval forces of the United States under article 5 or any article of the treaty, for any purpose, unless in any particular case the Congress, which under the Constitution, has the sole power to declare war or authorize the employment of the military, air, or naval forces of the United States, shall by act or joint resolution so provide.
>
> "The United States further understands and construes article 5 to the effect that in any particular case or event of armed attack on any other party or parties to the treaty, the Congress of the United States is not expressly, impliedly, or morally, obligated or committed to declare war or authorize the employment of the military, air, or naval forces of the United States against the nation or nations making said attack, or to assist with its armed forces the nation or nations attacked, but shall have complete freedom in considering the circumstances of each case to act or refuse to act as the Congress in its discretion shall determine."

That is the end of the reservation I shall offer to article V at the appropriate time.

Mr. President, these reservations should point up more strongly than any argument may do the real issues that are involved in article 5 of the treaty. In my judgment, if adopted, they will protect a most vital part of the Constitution, that of the Congress to declare and make war.

I also have in mind reservations to other articles of the treaty. I may discuss them at a later time, even before the treaty becomes the pending business before the Senate.

I have tried to approach the problems which I think are involved with the spirit of objectivity. I am convinced there is great need to get before the people of the United States all the implications of the important articles in this treaty well in advance of the final debate on the treaty. This is my justification, if any should be needed, for presenting this matter today.

During the delivery of Mr. WATKINS' speech,

Mr. MALONE. Mr. President, will the Senator yield for a question?

Mr. WATKINS. At the beginning of my speech I announced that I wished to keep it in order, for the sake of continuity, for reproduction purposes.

Mr. MALONE. Mr. President, I ask unanimous consent that any colloquy which I may have with the Senator may appear at the conclusion of his remarks.

Mr. WATKINS. Under those circumstances, I yield for a question.

The PRESIDING OFFICER (Mr. BRICKER in the chair). Without objection, it is so ordered.

Mr. MALONE. Mr. President, I should like to ask the Senator from Utah whether I correctly understood him to say that the Constitution of the United States might be modified by our acceptance, as a treaty, of the North Atlantic Pact, to the extent that, although, technically, the Senate and the House of Representatives would have to act jointly in declaring war, yet in practical effect under the treaty, in case of attack against any signatory, we would automatically be in war? Do I correctly understand the Senator to mean that to that extent the Constitution will be modified by the pact?

Mr. WATKINS. Mr. President, I say that in my judgment this pact is in direct violation of the constitutional provision that the Congress shall have the power to declare war, or, in other words, make war and authorize the employment of our armed forces in war. I think that constitutional provision is violated by the proposed pact or treaty, when it says that an attack upon any one of the countries signatory to the pact is to be construed as an attack upon all of them, meaning, of course, that an attack on Denmark, for instance, will be an attack upon the United States, and will have to be treated exactly as if an enemy had struck the territory of the United States.

If I correctly understood the Senator's question, I reply by stating that the proposed treaty would put the Congress in the position, in the event the Senator has described, of having nothing left to do, but declare war. The pact would rob the Congress of the right to decide whether to declare war.

Mr. MALONE. In other words, the Constitution would be modified to that extent; would it not?

Mr. WATKINS. Yes; that would be an amendment of the Constitution in a way completely foreign to anything provided in the Constitution.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WATKINS. I yield for a question.

Mr. MALONE. Then, if I correctly understand the position taken by the distinguished junior Senator from Utah, it is that by this pact we would be changing the policy we always have held in the United States, namely, that the Congress is the judge as to when the ultimate peace or safety of the United States is threatened. Of course, we have gone to war only when we considered that our ultimate peace or safety was threatened. However, under this pact, as I understand the situation, a change would be made, according to my understanding of the Senator's statement, in that after ratifying the pact or the treaty, we would go to war or would automatically be in war at any time that a European nation's ultimate peace or security was threatened; and as to that situation, that nation would be the judge. Am I correct?

Mr. WATKINS. What I mean is that by agreeing that an attack on any one or more of the signatory nations is an attack on ourselves and must be treated as such, we have changed any commitment we have ever had in the past. There is no doubt if United States territory were subjected to a major attack, not a mere warlike incident, that the President of the United States would have full authority even before Congress could meet, to repel the attack and to order our forces into action. Under the Atlantic Pact we expand that idea not only to our own territory but to the territory of any one of our allies. That in itself is a departure from American policy. In other words, we are now saying to our boys who will be drafted, "You will be drafted not only to defend the territory of the United States, but by this agreement you are drafted to defend the individual territory of the 11 states in Europe that will be parties to the North Atlantic Pact."

Mr. MALONE. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nevada?

Mr. WATKINS. I yield.

Mr. MALONE. Then the foreign policy of the United States ceases to conform, for example, to the Monroe Doctrine, announced in 1823 when certain nations of the Western Hemisphere were threatened with domination by some European empire-minded nations. At that time President Monroe announced it as our foreign policy that if any nation sought to extend its system of government to the Western Hemisphere it would be considered dangerous to the peace and safety of the United States. Such an act on the part of a European country, of course, meant war, and as the result of the Monroe Doctrine the countries of the Western Hemisphere are still free, and as a result they are not today dominated by any empire-minded European nation.

Under the Monroe Doctrine, and also under the open-door policy in the Far East, we were the judge when our peace and safety was threatened. It is proposed now to abandon such principles as the Monroe Doctrine and the open-door policy in the Far East, instead of announcing and naming the nations in Europe and Asia that are deemed to be important to the ultimate peace and safety of the United States, and simply in effect extending the Monroe Doctrine principle or open-door policy, we are now placing such decision in other hands. In other words, if there were what may be called a minor disturbance resulting from an attack by one of the nations of Europe on another or on the border of Asia, and we did not judge that our ultimate peace and safety were threatened, under our present doctrine, we would not necessarily have to act; but under this treaty, if I understand the Senator from Utah correctly, we have changed the situation completely, so that now, regardless of our desires, we are no longer to be the judge; we become involved whenever such an attack is made. Is that not true?

Mr. WATKINS. Under the Monroe Doctrine we announced a policy. It was announced by President Monroe that if any other country attempted to wage a war of conquest upon the Western Hemisphere, we would consider it inimical to our safety, and would construe it as an unfriendly act. But we did not sign any agreement with anybody, particularly with any of the North American countries, that in the event that happened, we would immediately respond with our armed forces and our contributions, and would go to war.

In this particular instance we sign an agreement. We are in effect declaring a Monroe Doctrine for these 11 nations, and, in addition to that, we go one step further and say in effect, "That is our territory, over there, for the purposes of the agreement, and if anybody attacks it, it is an attack upon the United States, and whatever we do over here when our country is attacked, we shall do under those circumstances." I may put it in this way: If the United States were attacked, the President would immediately resist the attack by ordering the armed forces into action even before he could reach the Congress, and he would under the Constitution, I think, have full authority to do it. But it will be seen that what we are doing now is to commit ourselves by an agreement. The other signatories to the pact are agreeing to do certain things, and we likewise agree that their territory shall be made the same as a part of the United States.

Mr. MALONE. We are, then, in effect abandoning the former policy, under which we were the judge as to when our ultimate peace and safety were threatened, and by the North Atlantic Pact we are pledging ahead of time that we give full authority to the other signatories to say when the peace and safety of any of the signatories is attacked, and we have nothing further to say about it. Is that correct?

Mr. WATKINS. We are in effect saying, here and now, as I just quoted Mr. Dulles a moment ago.

He said:

> If there is any doubt what we are going to do under those conditions, I think the time to debate that is now. Once war starts we can't afford to have that great debate because it is too costly and the enemy gains too great an advantage.

If that means anything it means to me that we are settling by the ratification of the treaty the proposition that, in the event an attack occurs on any one of those nations, it is decided now that we shall immediately join with them, and we shall resist certainly and surely with whatever force is necessary to beat the aggressor to his knees, to use the words of the distinguished senior Senator from Michigan [Mr. VANDENBERG]. That is what it means. We are declaring in advance of war, what will happen, if and when certain circumstances happen, and that is being done now by two-thirds of the Senate, if we ratify the pact, and by the President of the United States, with the House of Representatives having not a word to say about it.

Mr. MALONE. If the Senator will permit, I should like to ask him, what is the position of Mr. Dulles that allows him to speak so authoritatively on matters of this kind.

Mr. WATKINS. He spoke before the Committee on Foreign Relations. I was present and heard his testimony. He said he spoke as an individual. But he is the official adviser to the Secretary of State, who is now in Paris at the Big Four conference. He has been attending nearly all the conferences that have taken place since the war, as adviser to the State Department. He is our official representative to the United Nations, one of them at least.

Mr. MALONE. Was he appointed by the Secretary of State?

Mr. WATKINS. He was appointed either by the Secretary of State or by the President of the United States. He occupies all these positions, and he is generally regarded as an authority on the matter. I am stating what he said on cross examination. He said, in substance: "There isn't any doubt about it. It means what it says. It is certain and sure, and that is why it is a great deterrent to war, because any aggressor will be told in advance just as sure as you make that attack, this will happen, you will meet with overwhelming force."

Mr. MALONE. If the Senator will yield further, I should like to ask another question.

Mr. WATKINS. I yield.

Mr. MALONE. Does the Senator from Utah consider that under the pact as now written, Mr. Sean MacBride, who holds a very important position, that of Minister of External Affairs in Ireland, was correct when he said in answer to a direct question as to why Ireland did not approve of the pact:

> If we do approve the pact, then we approve and guarantee the integrity of the colonial part of Ireland that is is now connected with and under the dominance of England.

Mr. WATKINS. I think he is right in that, because the agreement binds us to secure the integrity of our allies—to secure their integrity, and to restore that security if it is once interrupted. We go that far.

Mr. MALONE. Mr. President, will the Senator yield for one further question?

Mr. WATKINS. I yield.

Mr. MALONE. If that be true of Ireland, would it also be true of the other colonial possessions, such as those of the British Empire, which includes now in the sterling bloc 58 or 59 nations, and entities, and also the Empire of the Netherlands, including Indonesia, and the Empire of France, including French West Africa, French Morocco, Indochina and New Caledonia in th Pacific? Does the Senator consider that these empires, whose integrity we are guaranteeing, are a part of the obligation? In other words, we are to furnish arms from time to time—as I understand from newspaper reports, it is too big a dose to give us all at once so we first vote for the pact and then for shipments of arms to them and those nations can use the arms to defend the colonial system. If, while they are using our arms and munitions to defend the colonial system, they should get in trouble, is it the Senator's opinion that we shall be in trouble also?

Mr. WATKINS. The Senator has asked me several questions in one.

Mr. MALONE. The question is, Do we guarantee the integrity of the colonial system?

Mr. WATKINS. There is not any express guaranty of the territorial integrity of any of the nations outside the North Atlantic area, certain parts of northern Africa belonging to the French Republic, everything north of the Tropic of Cancer in the North American area, on the Atlantic side, and the eleven nations coming within the terms of the pact. But, as the Senator has so well expressed, it has an indirect effect, because in the treaty itself there is a clause which provides that if their security be threatened the nations will consult with each other. I take that to mean it is

not a debating society meeting, but that the purpose is to do something about it. As the Senator pointed out, if the possessions which Great Britain still retains in Africa, Burma, and even in Australia, should come under attack, we could be called in. In that event the other parties to the treaty are in a position to call for our help.

As I have pointed out many times, it would be an easy matter for some nations which are about to lose their colonies, though such colonies are not included in express terms, to do something to provoke an attacker and to get us directly involved in a war. We all remember that the Prime Minister of England, Mr. Winston Churchill, gloried in the fact that England got this Nation into the last war. That was one of their great feats of diplomacy. I can see how they would like to get us to proceed beyond the direct scope of the treaty. If the treaty is ratified, I think we should make the point that it does not in any way obligate us to guarantee any territory outside this country.

Mr. MALONE. Perhaps they will claim that the arms we are furnishing them are not being used in that connection.

Mr. WATKINS. Probably not, but they can release other arms from their store, and they would still have the arms which we send them. They could send their own arms to their colonies and use ours to protect themselves.

Mr. MALONE. I have no wish to delay the Senator's speech, but I have one other question, if he will yield.

Mr. WATKINS. I yield.

Mr. MALONE. I know the Senator has devoted a great deal of time in studying the possible effect of the treaty, and many of us are relying on the junior Senator from Utah to point out any "tricks," or sleight of hand, which are embedded in the treaty.

What about the paragraph which provides that we shall remove any economic conflict with any other nation? Does that mean we will erase any import fees or tariffs that these European nations may believe will prevent them flooding our markets with goods produced by the low-wage living standard European labor? What does the Senator think the provision means? Could they force us to reduce the floor under wage , the tariff, or import fees?

Mr. WATKINS. I think the Senator is probably referring to article 2 of the pact, in which it is provided that we will agree to economic collaboration and the removal of economic conflict.

I have asked that very question of numerous witnesses appearing before the committee, and there was not one who could give me a definite idea as to its meaning. But I think it is committing us to a policy which, by interpretation, may mean that we agree to do away with our tariffs; that we agree in advance to accept a treaty, such as the international trade organization treaty, and the various other pacts which have been recently negotiated. In other words, it is an agreement. It is so broad in its terms and in its application that nearly anything can be brought within it. I think the American people, including businessmen and labor unions, should be aroused as to what the implication may turn out to be. When the Allies need building up and strengthening we shall probably permit their goods to come in duty free or on better terms than are allowed other nations. It is to make it a little easier to accept international trade treaties and to permit the President of the United States to make reciprocal trade treaties. It can mean nearly anything, but, at least, what I have just stated would come under it.

Mr. MALONE. If I correctly understand the junior Senator from Utah, he would not agree to a blanket commitment to lower tariffs or import fees, which are, in effect, a floor under wages, or to commit ourselves to throwing the power to make such tariffs and import fees into an organization such as the North Atlantic Pact or the International Trade Organization. He would not like the United States to relinquish that power.

Mr. WATKINS. An occasion may arise when we may want to do it, but I do not want to agree in advance that we shall do it as a general policy. I think we should be free in our actions to do just as we think is necessary and to the best interests of the people of the United States when and if the time arrives when we must make such a decision. I do not think we should do so at this time. It binds us to almost anything.

Mr. MALONE. Referring to the three-part free-trade program of making up trade balances in cash, the Trade Agreements Act, through which the State Department has adopted a selective free-trade policy, on the theory that the more we divide the markets of this Nation among the nations of the world the less their annual trade-balance deficit will be and the assignment to the 58 nations, the International Trade Organization, of the power to fix tariffs and import fees, all in the interest of free trade. I understand the Senator to say that there are at least two implications of the North Atlantic Pact which have to do with other practical and important pieces of legislation coming before the Senate. The Senator from Utah suggests that there should be enough debate on the floor to bring these matters to a head, so that the workingmen in this country can understand the implications, and so that people who want peace—and all of us do; we will accept almost anything that has the word "peace" tied to it—can understand what a commitment to defend the colonial system and to reduce import fees might mean.

Do I correctly understand the Senator's position to be that he wants to clarify the situation so that the people will know what sort of an agreement we are accepting?

Mr. WATKINS. That is why I am making this speech today. I want to make it in advance of the general debate, so that the people of the United States can understand what the committments mean. That is exactly my motive for making this speech. I am sorry that there are not more Members present, but their attendance cannot be counted upon in a season like this. From what we are saying today the American people may get some idea of what the Atlantic Pact means. I heard the testimony before the Committee on Foreign Relations, and the interpretations by those who wrote the treaty and are its principal proponents. From the statements of those who drafted the treaty, I tried to get what the intention was, and before I get through I think the Senator will see what I think are the commitments under article 5. I am not arguing as to whether it is a good or bad treaty, I am trying to point out what I think it means and what others have said it means, what those who are for it and who drafted it, or at least had a part in its drafting, have said it means.

Mr. MALONE. I think the Senator is performing a valuable service, one which needed to be performed, and I deplore the tendency on the Senate floor toward impatience with debate on matters which may affect the whole future of our country. I think these questions should be fully debated. I agree with the Senator in that.

I was not in the meeting of the Committee on Foreign Relations to witness the cool reception which the junior Senator from Utah received there, but I was very much interested in it, and I think his reception was resented by many people. Naturally a Senator cannot attend every meeting of every committee, and we must at times depend on someone to tell us what evidence is presented, and many of us are depending on the Senator from Utah in this matter. I think he is performing a fine service.

Mr. WATKINS. Mr. President, I thank the Senator.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with the State rural rehabilitation corporations, and for other purposes.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. TABER, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

The message also announced that the House further insisted on its amendment to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr.

MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL were appointed managers on the part of the House at the conference.

PRICING PRACTICES—MORATORIUM

The Senate resumed the consideration of the bill (S. 1008) to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered-price systems and freight-absorption practices.

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Murray
Anderson	Hoey	Myers
Baldwin	Holland	Neely
Brewster	Humphrey	O'Conor
Bricker	Hunt	O'Mahoney
Bridges	Ives	Reed
Byrd	Jenner	Robertson
Cain	Johnson, Colo.	Russell
Capehart	Johnson, Tex.	Saltonstall
Connally	Johnston, S. C.	Schoeppel
Cordon	Kefauver	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Stennis
Downey	Langer	Taft
Eastland	Lodge	Thomas, Okla.
Ecton	Long	Thomas, Utah
Ellender	Lucas	Thye
Ferguson	McCarran	Tobey
Flanders	McCarthy	Tydings
Frear	McClellan	Vandenberg
Fulbright	McFarland	Watkins
Gillette	McGrath	Wherry
Graham	McKellar	Wiley
Green	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Martin	Young
Hendrickson	Maybank	
Hickenlooper	Millikin	

The PRESIDING OFFICER. A quorum is present.

Mr. O'MAHONEY. Mr. President, last evening when I introduced the bill S. 1974 to define the application of the Federal Trade Commission Act and the Clayton Act with respect to certain pricing practices, I announced it would be my purpose to offer it as a substitute for the pending bill, S. 1008, and after striking out all after the enacting clause to substitute in lieu thereof the language of my bill. I stated also that my purpose in presenting the bill was to accomplish the objective which everyone who has had the matter under consideration desires to accomplish, and that I announced that it was my intention to discuss the measure with the author of the moratorium bill and with other Senators in the hope that it would be possible to resolve any uncertainties which they might find in the language of my bill.

This morning I had a conference with the Senator from Pennsylvania [Mr. MYERS], the Senator from Colorado [Mr. JOHNSON], the Senator from Maryland [Mr. O'CONOR], who presented the report on S. 1008 on behalf of the Judiciary Committee, and several other gentlemen, including the administrative assistant of the Senator from Nevada [Mr. MCCARRAN]. We discussed the bill at great length. Certain criticisms were offered of the measure as I presented it, and I indicated a complete willingness to meet the criticisms so far as I could without sacrificing either of two objectives.

The No. 1 objective, of course, is to avoid creating a new opportunity for monopolistic practices. The second objective is to declare substantively in the law what the Chairman of the Federal Trade Commission a year ago declared to be his understanding of the law, namely, that sales at delivered prices or freight absorption are not unlawful per se. There has been no doubt whatever with respect to the meaning of the law upon the part of Judge Ewan Davis, who has been the Chairman of the Federal Trade Commission and who is now one of its most distinguished members. But without any question, after the decision in the Cement Institute case and after the decision in the Rigid Steel Conduit case, and after many conflicting explanations of the decisions and the laws upon which they were based, a great deal of confusion arose in the minds of people throughout the United States, both in industry and out of industry, among supporters of the antitrust laws, and among those who from time to time in the past have been accused of violating those laws. These then, Mr. President, are the two great objectives: to preserve the strength of the antitrust laws and to declare that delivered prices and freight absorption are not unlawful per se.

Before I discuss the bill at length, I should like to outline some of the changes which have come forth as a result of my discussion of the language of the bill with the Senators I have mentioned.

Mr. KEFAUVER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Tennessee?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. In discussing the objections which have been made to the bill (S. 1974), submitted by the distinguished Senator, some of us also had an objection to the provision of section 2 (b), on page 2.

Mr. O'MAHONEY. Mr. President, I have that in mind, and I shall discuss it in the course of my remarks.

Mr. KEFAUVER. Very well.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HILL. I understand the Senator is now going to explain the changes he has made in Senate bill 1974.

Mr. O'MAHONEY. That is correct.

Mr. HILL. That bill, as he has changed it, is the proposal which he is suggesting to the Senate. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. HILL. It is proposed to substitute it for the committee bill. Is that correct?

Mr. O'MAHONEY. It is proposed to substitute it for the committee bill, and I hope, since I have not had the time to prepare a copy of the bill with these changes, that a notation of them may be made by the clerk at the desk, so that when I offer the amendment in the nature of a substitute the changes will be in it. I shall trespass upon the patience of our friends at the desk in doing this, if I may.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. Did I correctly understand the Senator to say that with these amendments the sponsor of the original bill had agreed to the substitute, or was any statement made about that?

Mr. O'MAHONEY. No; I have not said that the sponsor has agreed to this substitute. I think that is the case, but I have not had direct word from him. The first change will be found on page 1, in line 9, where it is proposed to insert after the word "or" the word "collusive", so as to make it read, "that this shall not make lawful any combination, conspiracy, or collusive agreement." It is then proposed to insert a semicolon after the word "agreement", and proceed, "or any monopolistic, oppressive, deceptive, or fraudulent practice", and to strike out the words "or other practice violative of law."

Let me say, Mr. President, that those changes were made after discussion with the senior Senator from Colorado [Mr. JOHNSON], the chairman of the Committee on Interstate and Foreign Commerce, the junior Senator from Maryland [Mr. O'CONOR], who reported the moratorium bill, the Senator from Pennsylvania [Mr. MYERS], and Mr. Sourwine, administrative assistant to the Senator from Nevada [Mr. MCCARRAN].

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. My attention was diverted for a moment. Did the Senator say a semicolon was inserted after the word "agreement"?

Mr. O'MAHONEY. That is correct.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am very glad to yield to the Senator from Alabama.

Mr. HILL. Will the Senator advise us at this time of the effect of the changes and their purport?

Mr. O'MAHONEY. Let me put in all the changes, and then I shall be very glad to do so. There are not very many.

On page 4, line 6, strike out all the language appearing on line 6, and insert in lieu thereof:

> Evidence sufficient to convince a reasonable person that there is probability of the specified effect.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. HILL. Will the Senator repeat that language a little more slowly, so I can write it down?

Mr. O'MAHONEY. On page 4, line 6, strike out the line and insert:

> Evidence sufficient to convince a reasonable person that there is probability of the specified effect.

Some other changes were suggested, but, upon consideration, I think it was felt by those assembled that they would not be necessary.

There was another amendment which I discussed. In connection with the definition of the phrase "absorb freight", the Senator from Indiana [Mr. CAPE-

HART] spoke to me about the provision on page 3, beginning in line 22. He felt that the language in the bill would not cover all the conditions which might arise. So I suggested to the Senator that I should be very willing to insert at the end of that sentence on page 4, line 4, the words "or the average cost of transportation to the seller."

I shall now explain these various items.

EXPLANATION OF AMENDMENTS OFFERED TO PROPOSED AMENDMENT

The word "collusive" was inserted before the word "agreement" because it was suggested by the Senator from Maryland that the word "agreement" standing alone might include any perfectly innocent agreement. Of course, since the only purpose of this part of the bill is to make certain that nothing we are doing will make a collusive agreement lawful, I saw no reason to object to including that word.

The phrase "other practice violative of the law" was emphasized as being one of such breadth that it might be interpreted as giving the force and effect of law to rules or regulations which the Federal Trade Commission might lay down in the future. It was not intended to have any such effect; it was intended only to make certain that we should be closing the door to any practice which the ingenuity of those who look for ways and means of avoiding the antitrust laws might devise. But, in view of the words which preceded, I am quite willing to have that drop the phrase, "other practice violative of law."

The words which precede the phrase are "or any monopolistic, oppressive, deceptive, or fraudulent practice."

I think those four words pretty well cover the whole field of the activities prohibited by the antitrust laws, either because they describe practices which have already been found by the courts to be monopolistic in reported cases, or because they indicate practices which might be devised in the future which would have an effect upon competition contrary to the intent and the meaning of the antitrust laws. So, for that reason, I have no difficulty in going along with these suggestions.

With respect to the amendment on page 4, adding to the definition of the term "absorb freight," I may say that as it was originally written, this definition declared that the term "absorb freight" meant to establish for any commodity at any delivery point a delivered price, which, although as high or higher than the seller's price for the same commodity at the point from which said commodity is shipped, is lower than the sum of the seller's price for such commodity at such point of shipment, plus the actual cost to the seller for transportation of such commodity from such point of shipment to the delivery point.

It was pointed out to me—and as soon as it was pointed out I recognized it to be the fact—that there are producers of nationally distributed products who sell their products at a price determined by the cost at their manufacturing point plus the average cost of distributing the products to points throughout the United States. It is obvious that if a shipper in Washington, for example, should sell in Chicago at cost plus something less than the freight to Chicago, it might be a sum which would not cover the cost of production plus the cost of transportation to San Francisco. Since it is customary practice in such cases for the producer to average the prices, I had no objection.

I think that covers the various amendments which have been discussed and suggested.

PRICE DIFFERENTIAL AMENDMENT

The Senator from Tennessee and the Senator from Louisiana have discussed with me the effect of the provision to be found on page 2 beginning in line 16. In order that my discussion may be intelligible I think probably I should read the entire amendment. This is a part of section 2 which is designed to provide an amendment to section 2 (a) of the Clayton Act. The amendment of the Clayton Act reads as follows:

And provided further, That it shall not be an unlawful discrimination in price for a seller, acting independently—

A. to quote or sell at delivered prices if such prices are identical at different delivery points or if differences between such prices are not such that their effect upon competition may be that prohibited by this section; or

B. to absorb freight to meet the equally low price of a competitor in good faith, and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains.

The fear was expressed by the Senator from Louisiana that this might open the door to a restraint upon trade, a restraint upon competition, by making it possible for the seller to sell to Purchaser X at a differential which he would not give to Purchaser Z, and thereby operate intentionally to restrain the trade of Purchaser Z. Have I not correctly stated the question raised by the Senator from Louisiana?

Mr. LONG. That is what I had in mind.

Mr. O'MAHONEY. My answer is that in my judgment there are three words in the section which, obviate that interpretation. The first two of these words, "good faith," are to be found in line 17, and the entire clause reads, "The absorption of the freight must be made to meet the equally low price in competition in good faith."

The third word is to be found in line 20, namely, "customarily." The differential which is mentioned here must be one which such seller customarily maintains. So, in my judgment, it would be impossible, under this language, to produce the sort of condition the Senator fears.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. In regard to the condition of good faith, would it not be true that in the absence of proof to the contrary good faith would be presumed? Every time I have seen the phrase "good faith" used it has been presumed that the burden of proof is on the person on the other side to prove that the action was not in good faith. Would not that be the rule here?

Mr. O'MAHONEY. Perhaps it might be, but we have been very careful to make it clear that the Government is not prohibited from charging a monopolistic practice.

Mr. LONG. It is easy to charge, but very difficult to prove.

Mr. O'MAHONEY. But when the seller uses a differential which is different from that which he customarily maintains, I think there will be no difficulty.

Mr. LONG. Suppose there are two firms competing, let us say, in retail business. We will call them A and B. Let us assume there are two firms which are suppliers, to these two, and let us presume they are wholesalers, or producers, and we will call the latter C and D.

Suppose suppliers C and D provide supplies to A at half the cost at which they are supplying to B in order that A may run B out of business. The Federal Trade Commission goes to C and D and says, "You cannot maintain this price at one-half to A that is enabling him to run B out of business." Then C says, "I am selling at one-half to A because my competitor, who is also a wholesaler, is selling to him at that price, although neither of us is giving the other man the same discount." Would not both men be in the clear, and be in such position that the Federal Trade Commission could not act?

Mr. O'MAHONEY. I think the case the Senator states is contrary to both the provisions I have mentioned. First, it would not be in good faith, and, secondly, it would not be a customary differential.

Mr. LONG. Actually would it not be contemplated, within the meaning of this amendment, that any time a man lowered his price to meet competition he would be in good faith in meeting a competitor's price? Would not that itself prove good faith?

Mr. O'MAHONEY. Of course we are here trying to preserve competition, and I do not understand that the Senator wants to change the law so as to make it difficult to compete. If the competition is in good faith, if it is designed for the purpose of distributing the goods which are produced, and if it is not in any way for the purpose of restraining trade, or applying some monopolistic pressure or oppression to an individual, we have no complaint. But I say to the Senator that if there should be a situation such as he has described, in which the change was made for the purpose he described, namely, driving someone out of business, it would be very apparent, in my judgment, that it would be clearly cognizable under the law.

Mr. LONG. It is my point that in the particular case I have described to the Senator there would be two wholesalers, let us assume, C and D, competing with one another in good faith, but the effect of what they were doing would be to help A drive B out of business. It is a case in which both are in good faith,

at least to all intents and purposes. Only a crystal gazer could prove what was in their minds. Would not the immediate effect be to drive one man out of business? As I understand the Federal Trade Commission law, it would enable the Commission to require that either C or D prove that they were justified, that one of the two was justified, in going to a lower price in discriminating against one of the two competitors who were retailers.

Mr. O'CONOR and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and if so, to whom?

Mr. O'MAHONEY. If the Senator from Tennessee will permit me, I will yield to the Senator from Maryland, who reported the bill.

Mr. O'CONOR. Is not the answer to the Senator from Louisiana the statement that the Federal Trade Commission would still have a remedy against C who initiated the practice for the improper purpose of driving A out of business, so that there would be ample redress and remedy against C?

Mr. O'MAHONEY. I was about to make such a statement. I now yield to the Senator from Tennessee.

Mr. KEFAUVER. I am sure the Senator knows that the assumption of the Senator from Maryland is something that does not work out in actual practice, and I feel certain that the Senator from Wyoming must realize that this subsection B, on page 2, as now written might literally mean the ruination of competition insofar as small businesses were concerned, because I ask the Senator if it does not change the ruling under which the Federal Trade Commission now operates.

Mr. O'MAHONEY. I do not think it changes any ruling to bring about any such effect as the Senator describes.

Mr. KEFAUVER. Let me call the Senator's attention to the chart I have here. If A is a large consumer, and is buying something from B at, let us say, $10 a ton, and he is charging all the small customers—X, Y, Z, L, M—$15 a ton, C can come along, even though he is at a distance and absorb freight and sell also to A at $10 a ton. If the Federal Trade Commission tried to prosecute C under the Clayton Act the fact that B was charging $10 a ton in his sales to A would be a complete defense. That is, the showing that another seller was charging the same price would be a showing of good faith under the language of subsection B of the bill. Is not that true?

Mr. O'MAHONEY. No; I am not ready to agree with that statement. I will say to the Senator from Tennessee that I do not believe the present law undertakes to preserve the status quo in any line of business. Without question there are some purchasers of commodities from wholesalers who do not operate as efficiently or as economically as others, and the price at which they have to buy their material may be such as to make it impossible for them, by reason of their inefficiency, to operate at a profit. It is not the purpose of the existing law to compel the preservation in business of those who are suffering because of lack of efficiency.

Mr. KEFAUVER. Of course, the fact that A may buy in greater quantity or that different conditions may exist has always been a defense in a case before the Federal Trade Commission.

Mr. O'MAHONEY. And still is.

Mr. KEFAUVER. And still is. But the fact that the small fellow may be undercut by 50 percent under the present regulation of the Federal Trade Commission is not a defense because it is a discrimination, even though two or more may be selling A at the same price. The reason that is so is that the United States circuit court of appeals, as the Senator well knows, recently, in its January session, held by unanimous opinion—and the case is now before the Supreme Court—that if B is selling A on the basis of $10 a carload, and C starts selling A at $10 a carload, whereas they sell the little fellows at $15 a tankload of gasoline or a carload, the mere fact that they are selling A at the same price does not meet the requirements of the Robinson-Patman Act—that is, if there is unfair competition or discrimination, even though they may be selling A at the same price, they are still guilty of violation of section 2 of the Clayton Act, which is the Robinson-Patman Act. I have the opinion here before me, and it states in very clear terms——

Mr. O'MAHONEY. To what case is the Senator referring?

Mr. KEFAUVER. I am referring to docket 4380 in the United States circuit court of appeals.

Mr. O'MAHONEY. I do not know the docket number, but will the Senator give me the name of the case?

Mr. KEFAUVER. Standard Oil Co. against Federal Trade Commission, decided on March 11, 1949.

Mr. O'MAHONEY. I will say to the Senator, with respect to that question, that without any doubt, if the absorption was made in good faith, the particular injury to a particular person under such a case as was proved there probably would not be covered. I must acknowledge that to the Senator.

Mr. KEFAUVER. May I read to the Senator what the court felt about the practice that was taking place in this case? I read one sentence:

> The petitioner had given a club to its wholesalers which they passed on to their retailers to bludgeon their competitors. This is what the Commission is trying to stop, and it is toward the elimination of this evil that the cease-and-desist order is directed.

That is the law today. That law is necessary if we are going to protect the small consumers against unlawful discrimination under section 2 of the Clayton Act, and I do not want to see that protection taken away from them. I grant that there are differences because of the amount some may buy, or because of methods or business operations, or something of that sort. But when B happens to have been selling A at $10, and C comes along and does the same thing, whereas they are selling to their small customers at 50 or 100 percent more, that is going to put the little fellows out of business. I do not think meeting that competition which may have been established for the purpose of putting these little fellows out of business in the first place should be considered good faith. I think it takes away whatever protection there may be to small business. It takes away a remedy the Federal Trade Commission can now enforce. If anyone will read the decision of the court in this case he will agree that the Federal Trade Commission needs the power that is defined in the Standard Oil case, decided on March 11, 1949.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Indiana.

Mr. CAPEHART. Is it not a fact that we are talking about freight costs and freight absorption?

Mr. O'MAHONEY. I beg the Senator's pardon.

Mr. CAPEHART. We are dealing in terms of transportation costs, and not with general prices. In other words, in paragraph B on page 2 of the Senator's bill we find the words "to absorb freight to meet the equally low price."

The danger the able Senator from Tennessee points out, in my opinion, is not covered in either one of the two paragraphs A or B, because we are dealing in terms of the transportation cost only. Then if we look at paragraph A carefully we find it to say, "to quote or sell at delivered prices if such prices are identical at different delivery points."

Meaning that no man could sell to customers in New Orleans, for example, at different prices. He must sell everyone in New Orleans at exactly the same price. I will read the language again:

> A. to quote or sell at delivered prices if such prices are identical at different delivery points.

So we are dealing in transportation costs and not in the price of the article. But they must be the same at all points.

Mr. O'MAHONEY. The Senator from Indiana is talking about the provision governing delivered prices, and not the provision in paragraph "B" of absorbing the freight, to which the Senator from Tennessee alluded.

There is no doubt, as I said to the Senator, that paragraph "B" would have that effect under the conditions existing in the Standard Oil case he mentioned. This is the first time any Member of the Senate has spoken to me about that provision and, of course, the Senator is perfectly free to suggest an amendment with respect to it.

AMENDMENT WILL NOT CHANGE PROOF OF CONSPIRACY

For the present, Mr. President, I should like to add one or two statements explanatory of my purpose in offering this provision. The problem was first raised when the Supreme Court decided the Cement Institute case. The decision was handed down on April 26, 1948, and im-

mediately resulted in an announcement by United States Steel that it was going to abandon the basing-point system which had been followed prior thereto. Other statements were made immediately that the result of this decision was to compel f. o. b. pricing, that is to say, would compel all producers to sell at their mill net, and would render illegal either delivered prices or freight absorption.

At the time when I was queried about this by the press I expressed the opinion that such was not the case, and that it was absolutely essential, even under that decision, to prove a conspiracy. There are numerous statements in the decision which bear out this point of view. The court was referring to the comparison which the defendants in the case made between the attack upon the Cement Institute by the Federal Trade Commission, and what was known as the Old Cement case, which involved the Sherman Act. The court said in distinguishing between the two cases:

In the first place, unlike the Old Cement case, the Commission does here specifically charge a combination to utilize the basing-point system as a means to bring about uniform prices and terms of sale.

A little bit later on, again discussing the Old Cement case and delineating the basic problem, the court said—and used that very phrase:

That basic problem is whether the Commission made findings of concerted action, whether those findings are supported by evidence, and if so, whether the findings are adequate as a matter of law to sustain the Commission's conclusion that the multiple basing-point system, as practiced, constitutes an unfair method of competition because it either restrains free competition or is an incipient menace thereto.

It will be observed that findings supported by evidence of concerted action were here specifically required.

A little later the Supreme Court, in the same decision, made a similar reference:

Thus we have a complaint which charged collective action by respondents designed to maintain a sales technique that restrained competition, detailed findings of collective activities by groups of respondents to achieve that end, then a general finding that respondents maintained the combination, and finally, an order prohibiting the continuance of the combination.

Observe this language:

It seems impossible to conceive that anyone reading these findings in their entirety could doubt that the Commission found that respondents collectively maintained a multiple basing-point delivered price system for the purpose of suppressing competition in cement sales.

In the same case the Court cited the practice of cement producers submitting identical bids. Even when the Government of the United States asked for bids for supplying cement, identical bids were submitted, which were carried out to the sixth decimal point. In a note the Court gave an example:

The following is one among many of the Commission's findings as to the identity of sealed bids:

An abstract of the bids for 6,000 barrels of cement to the United States engineer office at Tucumcari, N. Mex., opened April 23, 1936, showed the following:

Name of bidder:	*Price per barrel*
Monarch	$3.286854
Ash Grove	3.286854
Lehigh	3.286854
Southwestern	3.286854

It went on through the United States Portland Cement Co., Oklahoma, Consolidated, Trinity, Lone Star, Universal, and Colorado. Each one submitted the same identical bid, carried out to the sixth decimal point.

In seeking to draft this legislation my purpose was to make it quite clear that, although we were saying that sale at delivered prices was not unlawful, we were careful to make clear that if there should appear a situation such as this, in which identical bids were submitted, carried out to the sixth decimal point, it should be a signal to the Government to look into the question of whether or not there was a conspiracy.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am glad to yield to the Senator from Illinois.

Mr. LUCAS. Do I correctly understand that the Senator is quoting from the Cement Institute case?

Mr. O'MAHONEY. Yes. I think that case is good law. In my opinion, all of the interpretation of the law in that case should be approved by the Congress of the United States if we are to maintain what we call the free competitive system.

Mr. LUCAS. I agree with everything the Senator has said. However, in that case does not the Court go further, in an obiter dicta opinion written by Mr. Justice Black which has caused a great amount of confusion among independent dealers who definitely contend that they are in no way violating the Clayton Act or the Federal Trade Commission Act? According to the memorandum which I have had prepared the Supreme Court in its opinion went beyond the facts of the case which the Senator has been discussing, when Mr. Justice Black said:

In the second place, individual conduct or concerted conduct which falls short of being a Sherman Act violation may as a matter of law constitute an unfair method of competition prohibited by the Federal Trade Commission Act.

Mr. O'MAHONEY. I will say to the Senator that if my recollection is correct, Mr. Justice Black stated only what the Supreme Court had found in a previous case. There is a difference between the prohibitions of the Sherman Act and the prohibitions of the Federal Trade Commission Act or the Clayton Act.

Mr. LUCAS. I appreciate what the Senator has said; but from my brief examination of these acts, and from the information I have received from those who are vitally interested in doing something in the way of affecting the Supreme Court decision, I am advised by lawyers who have examined it that the obiter dicta opinion of Mr. Justice Black would cause them a great deal of concern in the case of an independent who definitely contends, supported by the facts, that he is in no way violating the act. At the same time, this decision has created a certain amount of confusion which they would like to have clarified.

Mr. O'MAHONEY. This bill undertakes to clarify it. Let me say again, however, that, as I stated at the time the decision was handed down, in my opinion the statement of Mr. Justice Black, which the Senator from Illinois calls obiter dicta, did not create the confusion. The confusion was created by what I deem to be misinterpretations of the plain meaning of the decision. In any event, my attempt now is to clear away the entire basis for any such misinterpretation.

Mr. LUCAS. I think the Senator, in negotiating with other Senators to arrive at a bill upon which we can all agree, is doing a great service for those who are affected by the Supreme Court decision which has been handed down. I congratulate the Senator and all others who are seeking to find a way out of the dilemma in which we find ourselves at the present time.

Mr. O'MAHONEY. I will say to the Senator that unquestionably it is a most difficult problem, and one to which we must give very careful attention.

Mr. LUCAS. I wholeheartedly agree with the Senator that it is a most difficult question. It is a very important problem from the standpoint of many industries, and from the standpoint of those who seek to bind others through a monopolistic practice. That is the one point upon which I wish to ask the Senator a question or two, to ascertain whether or not the amendment which has been agreed upon does the things which I hope it does.

Does this amendment protect the legality of delivered prices and freight absorption used independently of price-fixing schemes and without giving aid or comfort to monopolies?

Mr. O'MAHONEY. Precisely. That was the whole intent and purpose which I had in offering this substitute.

Mr. LUCAS. The man who continually looks toward monopolies is the big fellow who, as a general rule, takes care of himself pretty well. It is the little fellow who is always hurt. As I understand, that is the individual whom we are trying to protect through this amendment.

I should like to ask the Senator one further question. Does this amendment protect, likewise, the legality of normal price differences under the Clayton Act without legalizing injurious and monopolistic price discriminations?

Mr. O'MAHONEY. It is my opinion that it does. However, in all fairness I must say that I think the question which the Senator from Illinois has now propounded to me raises the same point which was first raised by the Senator from Louisiana [Mr. LONG] and the Senator from Tennessee [Mr. KEFAUVER]. I believe that the substitute will work in substantially the way the Senator has

indicated by his question; but unquestionably by authorizing freight absorption, when made in good faith, the substitute has the effect of changing the point of view which was expressed in the Standard Oil case just quoted by the Senator from Tennessee.

Mr. LUCAS. The amendments about to be proposed by the Senator from Wyoming in no way are in conflict with the Supreme Court decision; are they? Am I correct as to that?

Mr. O'MAHONEY. They are not at all in conflict with the Supreme Court decision.

Mr. LUCAS. In other words, the proposed amendments will not nullify the Supreme Court decision in any way; will they?

Mr. O'MAHONEY. They will not.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I certainly wish to join the Senator from Wyoming in trying to work out this matter in a satisfactory way. I know of his long fight to protect the free-enterprise system by trying to prevent monopolistic practices, and I know of his support of the Clayton Act, the Robinson-Patman Act, and antimonopoly measures in general.

I wish to ask about the proposed amendment, on page 4. As the amendment has been printed, it reads as follows, beginning in line 5, on page 4:

D. The term "the effect may be" shall mean that there is a reasonable probability of the specified effect.

I understand that the amendment is now proposed to be amended or modified so as to read as follows:

D. The term "the effect may be" shall mean that there is evidence sufficient to convince a reasonable person that there is probability of the specified effect.

Is that correct?

Mr. O'MAHONEY. The Senator has correctly quoted the amendment. As I understand the amendment, it was originally proposed because there was entertained, though probably not on the part of any Senator, a suspicion that perhaps the staff of the Federal Trade Commission might be unduly agile and astute, and that the words "that there is a reasonable probability" might give the Federal Trade Commission more power than it now has.

I find that I myself entertain a reasonable fear that there are on the staff of monopolistic companies some very astute lawyers who know their way around a legal conundrum or dilemma. But as I see the matter, the substitute phrase means exactly what the original language of the amendment meant.

Mr. KEFAUVER. That being the case, let me ask the distinguished Senator who proposed the substitute phrase whether he thinks it will weaken the powers of the Federal Trade Commission. I am sure he does not believe it will weaken the Commission's powers.

Mr. O'MAHONEY. Oh, no.

Mr. KEFAUVER. Then let me say to the Senator that all of us know that the present rule of law, since the NLRB decision and other decisions affecting legislation beginning about 1935, is that if a finding by an administrative agency, such as the Federal Trade Commission, is sustained by any evidence, it shall not be reviewed in the appellate courts or the Supreme Court. In other words, as to the Federal Trade Commission, its findings of fact and its orders based on such findings are not reviewable in the Supreme Court if there is any evidence whatsoever to sustain them. I understand that is the position the Supreme Court takes.

I am afraid the proposed amendment of the amendment, by way of the insertion of the words "evidence sufficient to convince a reasonable person that there is probability" would make any finding of fact by the Federal Trade Commission reviewable by the upper court—in other words, that the case could be tried all over again in the appellate court or the Supreme Court, after the Federal Trade Commission had made findings of fact. Otherwise, why should there be the more-or-less double statement "evidence sufficient to convince a reasonable person that there is probability"? That is a matter which the Supreme Court would have to decide in every case coming to it from the Federal Trade Commission. In that event, the Court would have to decide, not whether there were sufficient facts to sustain the finding of the Federal Trade Commission, but whether there were facts or evidence "sufficient to convince a reasonable person." In that event, the entire hypothesis of the appeal would be completely changed, for as the law now stands, there must be some evidence which would convince the Federal Trade Commission; and if there is, the facts cannot be gone into in the appellate court.

But under the proposed substitute, we would get away from the Federal Trade Commission, and would substitute "a reasonable person," and that would make the matter reviewable by the Supreme Court. At least, I am afraid that would be the result of the language proposed.

I wish to ask the Senator whether he has considered that possibility or if it has been reviewed by the Department of Justice or some other agency.

Mr. O'MAHONEY. I am frank to say that I had not considered that possibility. I felt that the phrase "that there is a reasonable probability" would be subject to exactly the same interpretation as the substitute phrase which was suggested.

Mr. KEFAUVER. I wish to ask the Senator about that. Of course, I may be mistaken about the meaning; but I simply wish to be certain that that phrase will not do what I am afraid it might do. I wonder whether it would be well to put this matter over until tomorrow, so that we can obtain from the Attorney General or from some other authoritative source an opinion in regard to the possible effect of this provision.

Mr. O'MAHONEY. As I said last night when I submitted the substitute for printing in the RECORD, I did so for the purpose of making it available as soon as possible to anyone who had any point of view or any knowledge with respect to this problem, and at that time I invited criticism of the measure. I still have exactly the same opinion. I am not inclined to believe that it was intended by this amendment to change the basic law in regard to the Federal Trade Commission.

Let us look over the measure, however, to see where this proposal would apply to it.

Mr. KEFAUVER. I should like to ask another question: Is not the usual language in such cases, when dealing with questions of the weight of the evidence—which is really the subject matter of subsection D—and the usual language so far as the matter of review is concerned, whether there is "reasonably probability" or whether there is "substantial evidence"? I believe that the present rule of law, so far as the Federal Trade Commission is concerned, is that its findings of fact shall not be considered or reviewed by an appellate court, but shall be binding on the appellate courts or on the Supreme Court if there is any evidence or a reasonable probability of evidence of the specified effect.

Mr. O'MAHONEY. I say to the Senator from Tennessee that I have no intention whatsoever of altering the Federal Trade Commission Act or the Clayton Act in that respect.

Mr. KEFAUVER. I know the Senator from Wyoming does not have such an intention, but I wished to express alarm as to the language of the proposed substitute.

Mr. O'MAHONEY. I am very glad the language is being scrutinized as carefully as it is. I should be very happy to consider any amendment which would be designed to clarify that point in my amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HUMPHREY. I should like to ask what it is in the three cases which have been brought to the attention of the courts, and recently have been reviewed or acted upon by the Federal Trade Commission, which makes necessary either the proposal contained in Senate bill 1974 or the provisions of Senate bill 1008. What is it in the decision, for example, in the Cement Institute case or the decision in the Staley case or the decision in the Steel Conduit case which necessitates a moratorium provision such as is proposed in Senate bill 1008 or in the amendment submitted by the Senator from Wyoming.

Mr. O'MAHONEY. I say to the Senator from Minnesota that from my point of view a moratorium would be unwise. It is because I feel that it is unwise and against the public interest that I seek the adoption of the substitute language.

I shall explain to the Senator precisely why I think some action is necessary. Nothing in the Cement Institute case, so far as I can see, should have occasioned anyone any concern. The Cement Institute case is sound law and should be ac-

cepted as such. But immediately after it was announced it was misinterpreted. I entertain the belief that in some cases it was deliberately misinterpreted.

Mr. HUMPHREY. Is it not true that under the Cement Institute case there is no law which prevents freight absorption where there is a competitive situation?

Mr. O'MAHONEY. Precisely. When I began my explanation I pointed out that in the Cement Institute case, over and over and over again, the Court referred to concerted action.

Mr. HUMPHREY. That is correct.

NEED FOR BASING-POINT LEGISLATION

Mr. O'MAHONEY. That is the gravamen of a monopolistic practice, a concerted action. But, to answer the Senator's question, the difficulty as I saw it came when the Rigid Steel Conduit case was decided. There the Federal Trade Commission brought its complaint in two counts. In the first count it clearly and explicitly charged conspiracy. In the second count the charge of conspiracy was not as clearly set forth. Some who read it said it was not set forth at all. But, in any event, the defendants, who appealed from that decision, did not appeal from the findings on the first count, but only upon the second count. So that when the case went to the Supreme Court, with one of the Justices disqualifying himself, there was a division.

Mr. HUMPHREY. There was a division, four against four.

Mr. O'MAHONEY. There was a division, four against four, and the result was that the Supreme Court did not pass upon the case. Therefore, the decision of the circuit court remained the decision of the courts. But since the appeal to the Supreme Court was made only upon the second count, and the question there was whether there had been an allegation of conspiracy, therefore the question presented was whether an independent absorption of freight or independent delivered price was a violation of the law. Since the Justices of the Supreme Court divided four against four, it seemed clear to me that the only possible relief that we could give was to speak clearly in Congress, stating what the Federal Trade Commission has said from the beginning, namely, that independent action without conspiracy is not prohibited.

Mr. O'CONOR. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Maryland?

Mr. O'MAHONEY. I am very happy to yield.

Mr. O'CONOR. Is it not true, in connection with the question just asked by the Senator from Minnesota [Mr. HUMPHREY], that as the result of that situation another case might originate tomorrow, wherein a circuit court of the United States would decide exactly opposite to what the seventh circuit found in the Rigid Steel Conduit case?

Mr. O'MAHONEY. I am glad the Senator has mentioned that.

Mr. O'CONOR. Assuming that the same eight Justices of the Supreme Court would sit and would follow their philosophies, as would be expected, they would have to affirm that decision of the circuit court of appeals, with the result that two diametrically opposite decisions would have been rendered, and both would have been affirmed by the Supreme Court of the United States.

Mr. O'MAHONEY. Of course, "affirm" is not the word.

Mr. O'CONOR. When I say "affirm," I mean, allow to stand.

Mr. O'MAHONEY. That is correct. It would be allowed to stand. The four Justices of the Supreme Court who felt in the Rigid Conduit case that the independent producer was prohibited from absorbing freight without a charge of conspiracy would stand by their opinion, and the four who felt the opposite way would stand by theirs. We would as a result have two opposite rules of law in different circuits, and that situation could spread throughout the United States.

Mr. O'CONOR. If I may ask just one further question in that connection, is not this, therefore, if not the only way, at least the best way by which to correct that situation, and to establish definitely what is the right doctrine?

Mr. O'MAHONEY. It is the only way. I am glad the Senator asked that question, because it enables me to answer another question of the Senator from Minnesota, in connection with the moratorium bill. The moratorium would amount only to a declaration by the Congress, if it were enacted—and I do not think it would be enacted—that until July 1, 1950, no court could construe the existing law against the rule stated in the moratorium bill; that no court could hold that there was a violation of law when freight absorption was found to be used for the purpose of engaging in competition in good faith. Some questions might arise. I know that the committee in reporting the moratorium bill intended by their language to maintain competition and obviate the necessity for litigation, but there still remained the possibility of new opportunities for legal discussion and debate.

PERMANENT LAW PROMOTES INDUSTRIAL DEVELOPMENT

But the fact about it which has given me the greatest concern is that a moratorium would amount to a "road block" against the investment of any sum by any independent in an industry in which circumstances might compel him or might make it seem desirable for him to use freight absorption or delivered prices. Such a situation would stop the development of industries in the West as well as in the East and in the South. It would bring about a condition which would prevail until 1950, until the Congress would again review the matter and decide whether freight absorption or delivered prices were to be condemned.

Mr. HUMPHREY and Mr. O'CONOR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Then as I gather, the Senator from Wyoming is proposing his amendment primarily upon the decision or the failure of decision, or the lack of decision, in the Rigid Steel Conduit case.

Mr. O'MAHONEY. Exactly.

Mr. HUMPHREY. That applies to the independent distributor or producer or wholesaler, whether acting in conspiracy or not. Is that correct?

Mr. O'MAHONEY. And I may say to the Senator that in that case the Circuit Court of Appeals found there was a combination.

Mr. HUMPHREY. That is correct.

Mr. O'MAHONEY. I think I should read a portion of that decision into the record, so as to make the matter clear:

> It also appears that instead of petitioner conduit sellers using an absolute Pittsburgh-plus system for all designations in their price quotations, they collectively discussed and considered the matter of maintaining and utilizing Chicago as a basing point, with its differential over Pittsburgh, and that until 1930 they followed a method of calculating delivered price quotations which provided for discounting from the Pittsburgh or Chicago base price, depending upon which base price and accompanying discount produced the lower figure at the customer's destination, and that during 1930—

Observe this language, Mr. President—

> representatives of petitioners at a meeting of the rigid steel commodity section of the National Electrical Manufacturers' Association determined upon a change from that method to the one they now use. (168 Fed. Rept., 2d series, 177.)

So here was the clear finding of a meeting, of an agreement—I might also say, a conspiracy, but I will not—but certainly there was a meeting or an agreement, and in this bill I have taken care to make certain that if there be a meeting or an agreement or a conspiracy, the power of the Federal Trade Commission remains absolutely undisturbed.

Mr. HUMPHREY. However, it is not the Senator's opinion that, had they acted independently without this understanding and this apparent approval of the method which they were using of collaborating, there would not be any action on the part of the Federal Trade Commission?

Mr. O'MAHONEY. That is correct. The Federal Trade Commission in my judgment would not have acted. But the unfortunate fact was that the allegations were presented in such a form that when the appeal was taken from only one count, the second count, it raised this issue.

Mr. HUMPHREY. That is correct. Is it not true that they took out the second count because they felt that that also embraced the charges of conspiracy in the first count?

Mr. O'MAHONEY. Judge Davis said so in a letter which has been made public.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall be glad to yield to the Senator from Pennsylvania.

Mr. MYERS. Do I correctly understand from the Senator's former statement that his fundamental objection to the moratorium bill is that it will make necessary, a year hence, going through the same procedure again?

Mr. O'MAHONEY. Exactly.

Mr. MYERS. The Senator does not have a fundamental objection to the contents of the moratorium bill, but believes that it should be made permanent, in order that new enterprises may seek to go forward and use the freight-absorption method of doing business. Is that correct?

Mr. O'MAHONEY. Precisely. I know the objective of the Senator from Pennsylvania, the Senator from Maryland, and all who have been sponsoring the moratorium bill is the same as I intend, namely, to make sure that delivered prices and freight absorption shall not be deemed illegal per se, and that it is desired in nowise to legalize monopolistic conspiracies to restrain trade or to fix prices.

Mr. MYERS. And that is also the purpose of the Senator's proposed substitute.

Mr. O'MAHONEY. That is correct.

Mr. MYERS. The Senator's proposed substitute merely seeks to make permanent that which the moratorium bill sought to make temporary.

Mr. O'MAHONEY. That is correct.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Tennessee.

Mr. KEFAUVER. A few moments ago we were discussing the effect of the proposed amended language in section 4 (D). I asked the Senator if he wanted to change in any way the present status of the Federal Trade Commisison Act or of the Clayton Act with reference to the reviewability of testimony on the facts by the Supreme Court.

SCOPE OF REVIEW OF FEDERAL TRADE COMMISSION DECISIONS

Mr. O'MAHONEY. And I said "No"; I did not.

Mr. KEFAUVER. The Senator definitely said "No," and I am certain that very few of us want to change the present situation, if there is any substantial testimony to sustain the findings of the Federal Trade Commission. I find, in examining section 5 of Public Law 203, Sixty-third Congress, which is the act establishing the Federal Trade Commission, that in prescribing the method of review it provides:

> The findings of the Commission as to the facts, if supported by testimony, shall be conclusive.

I also find, on examination of section 11 of the Clayton Act, which is Public Law 212, Sixty-third Congress, it provides that on an appeal from a finding by the Federal Trade Commission to the Supreme Court—

> The Commission or Board may modify its findings as to the facts or make new findings by reason of the additional evidence so taken, and it shall file modified or new findings which, if supported by testimony, shall be conclusive.

There is no doubt in my mind that the suggested new language changes that situation.

Mr. O'MAHONEY. It was not intended to change it. I think perhaps we could change it back, if it has been changed, by saying, in line 5, page 4, "evidence to support the specified effect."

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Maryland.

Mr. O'CONOR. I may say to the Senator from Tennessee that I think there may be some misconception with respect to the matter. Reference has been made to the scintilla-of-evidence rule which we think no longer applies. Certainly, under the Administrative Procedure Act, there must be substantial and probative evidence, and there must be evidence showing that there was substantial backing and support for the administrative ruling.

Mr. KEFAUVER. The language refers to the phrase "effect may be." That is, the effect of the freight absorption or what not. It says:

> May be a reasonable probability of the specified effect.

I think that is as far as we should require the Federal Trade Commission to go. Of course, the Administrative Procedure Act is read into the appeal provisions of all the other acts; but to require the Federal Trade Commission to prove that the effect may be to the satisfaction of a reasonable person, on the weight of the evidence, completely carries the whole burden of the evidence to the Supreme Court and would end in litigation which could never be terminated.

So I think the language in the original provision is as it should be, and I certainly expect to object to any change in the original language.

Mr. O'MAHONEY. The language of the Administrative Procedure Act, which, of course, is now the law, is, as I understand, "substantial and probative evidence." So I think the objection of the Senator from Tennessee would be met by altering the amendment on page 4, line 6, to read as follows:

> Is substantial and probative evidence of the specified effect.

That would be a declaration of existing law.

Mr. KEFAUVER. The question here is what shall be required of the Federal Trade Commission to prove the effect of certain things that have been done. I think that if it shows there is a reasonable probability of the specified effect happening in the future, there may be some cases in which they cannot show by substantial evidence that a thing has taken place. In other words, they may be trying to take an event which has occurred and catch it at the beginning, before there is evidence of the actual harm which may have resulted.

Mr. O'MAHONEY. I will say to the Senator, as I said at the beginning, that I was agreeable to the suggested amendment, because I thought it made no change in the meaning of the definition as I originally proposed it. I was disturbed when the Senator pointed out that he felt it would bring about a change in the existing Federal Trade Commission law. I was overlooking the fact that the law has already been altered by the Administrative Procedure Act. When the Senator from Maryland called attention to that fact and cited the words of the statute, "substantial and probative," it occurred to me that if the Senator from Tennessee does not want to change the substantive law, he will agree with me that we should not change it one way or another, particularly when it is borne in mind that our whole purpose is to bring this controversy to an end and make a declaration of purpose, such as that which the majority of the Federal Trade Commission have announced over and over again, so we may remove any danger of a road block from the path of independent enterprise in the United States.

Mr. KEFAUVER. I might be satisfied to accept the language of the Administrative Procedure Act if I were convinced that it dealt with the same question. I should want to take some time to look into the matter. But I am glad, at least, the Senator agrees that the language as originally proposed by him, of a double-reasonableness provision, does not have any place in this amendment.

Mr. O'MAHONEY. I have not said that, and I do not think it requires a double reasonableness.

Mr. KEFAUVER But it requires a reasonableness and a probability.

Mr. O'MAHONEY. Before I introduced the language of my original amendment, I submitted it to members of the staff of the Federal Trade Commission who were absolutely upon the same side of the question of monopoly as is the Senator from Tennessee and the Senator from Wyoming. So that when the question was not raised there with respect to the matter, I saw no particular reason for raising it here.

Mr. WHERRY. Mr. President, I ask the distinguished Senator from Wyoming whether he has yet offered the amendment in the nature of a substitute.

Mr. O'MAHONEY. I have not offered the substitute. I was trying to whip it into shape that would be acceptable to all concerned, and I think we have it now substantially in that form, if the Senator from Tennessee and I can come to a meeting of minds with respect to the definition we have been discussing.

Mr. KEFAUVER. The Senator from Alabama is looking over the language and considering it. But I wondered if the Senator from Wyoming would agree that it should not be written into this bill that good faith is a defense even when there might be ruinous discrimination in the matter of costs by virtue of absorption of freight rates to seller competitors of a larger purchaser. In other words, does the Senator feel that the

effect of the Standard Oil decision, which incidentally I failed to mention was delivered by a former distinguished Member of this body, Judge Minton, should be maintained in whatever legislation is written?

Mr. O'MAHONEY. I am not altogether certain that that is essential, because, as I said in response to the Senator from Louisiana, I do not think it is quite necessary, after the precautions which have been established here, to cling to language which would seem to have the effect of making it necessary to sustain uneconomic and inefficient operations.

Mr. KEFAUVER. Of course, the uneconomic and inefficient operations have always been a reason, and a justifiable reason, for the Federal Trade Commission under its rules and under the law, but I am sure the Senator does not want the matter of the good faith defense to be such a defense that it is really going to lessen competition substantially.

Mr. O'MAHONEY. The way to meet an issue of this kind is to present an amendment.

Mr. KEFAUVER. I wonder what the Senator would say if somewhere in subsection B, section 2, an amendment were proposed in language somewhat to this effect, "except where the effect of such absorption of freight would be to substantially lessen competition." That would give the Federal Trade Commission the benefit of the Standard Oil case, which the court felt covered a very substantial right to be retained in the Federal Trade Commission.

Then on page 3 there would have to be a similar amendment, "except where the effect of the discrimination would be to substantially lessen competition."

Mr. O'MAHONEY. Mr. President, I cannot interpret the effect of what the Senator proposes off the cuff, as it were. I should like to say to the Senator that one of the purposes which I entertained in offering this provision was to make sure that the system which has been used, without criticism, by the sugar-beet industry, of selling at delivered prices by absorbing freight, should not now be disturbed. Not to my knowledge has there been any charge against the sugar-beet processors of any monopolistic practices. There are several beet producers in my part of the country who are competing with one another. The system by which they have absorbed freight has been such that they have never been able to go beyond the Mississippi in the transportation of their sugar, because they could not afford to absorb freight beyond that point and thus get to the eastern seaboard. I wanted to be sure that that great western industry was not being unduly affected by the decision.

Mr. KEFAUVER. I have no desire to affect that industry in its operation whatsoever. I certainly agree with the Senator that the Cement case was fairly clear, and it does not prohibit absorption of the freight, if it is done independently, and not in collusion, or for any unlawful purpose.

It seems to me that great protection might be taken away from the small competitors if good faith is based upon the fact that somebody else is doing something. I think good faith should be a matter of whether there is a lessening of competition as a result of what is being done. That was found in the Standard Oil case, and I have an amendment prepared which I should be glad to have the Senator consider. If the section we are discussing and section D could be worked out satisfactorily, I should have no objection.

Mr. O'CONOR. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Maryland.

Mr. O'CONOR. Let me ask the Senator from Wyoming and the Senator from Tennessee whether language similar to what I shall propose would be acceptable, or would in their opinion meet the situation. On page 2, line 17, after the words "good faith", insert "except where the result is substantially to lessen competition."

Mr. KEFAUVER. That is substantially what I have suggested to the Senator from Wyoming.

Mr. O'MAHONEY. That is almost identical with the Senator's amendment. The amendment to be offered by the Senator from Tennessee is on page 2, line 17, after the words "good faith", to insert "(except where the effect of such absorption of freight will be to substantially lessen competition)."

Mr. O'CONOR. I rather think that the two phrases mean almost the same thing.

Mr. KEFAUVER. They mean identically the same thing.

Mr. O'MAHONEY. The Senator desires to offer the same amendment on page 3, line 10.

Mr. President, since I have not yet offered the amendment, I shall accept the suggestion of the Senator from Tennessee and now offer the amendment as a whole.

Mr. KEFAUVER. Has the Senator decided what course he wishes to take in connection with subsection D on page 4?

Mr. O'MAHONEY. I suggested to the Senator the alternative to take the words out of the existing Administrative Procedure Act, and in line 6, on page 4, to insert the words "is substantial and probative evidence of the specified effect."

Mr. KEFAUVER. That will be satisfactory to me.

Mr. O'MAHONEY. Mr. President, the amendment as now modified I offer as an amendment to the pending bill, by striking out all after the enacting clause and offering this language in its place.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming in the nature of a substitute.

Mr. WHERRY. Mr. President, if this amendment shall be agreed to, will the bill still be open to amendment?

The PRESIDING OFFICER. It will not be open to further amendment.

Mr. WHERRY. Mr. President, may I suggest to the distinguished Senator from Wyoming that the Senator from New Hampshire [Mr. TOBEY] wanted to be here and speak for about 5 minutes, and ask a question or two about the amendment in the nature of a substitute. In view of the fact that the bill would not be open to further amendment if the substitute amendment offered by the Senator from Wyoming is agreed to, I wonder if the distinguished Senator would suggest the absence of a quorum.

Mr. O'MAHONEY. It is quite agreeable to me. Of course, I should like to have a quorum of Senators present.

Mr. WHERRY. I think we had better suggest the absence of a quorum before the Senator's substitute amendment is adopted. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

During the call of the roll,

Mr. LUCAS. Mr. President, I ask unanimous consent that the order by which the roll was ordered to be called, be rescinded. I understand that the suggestion of the absence of a quorum was made so that the Senator from New Hampshire [Mr. TOBEY] might be present on the floor. That purpose has been accomplished, the Senator from New Hampshire now being in the Chamber.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. TOBEY. Mr. President, I shall be very brief in view of the lateness of the hour. I desire to go on record with respect to my viewpoint on this major piece of legislation. I confess it is far beyond my understanding in all its details. My interest, however, in the proposed legislation is twofold. Primarily I am for a measure which will not injure, but which will rather help the small-business interests of the country. Secondly, I am for a measure which maintains the integrity of the antitrust laws which have far too long and far too often been neglected in the past many years. Therefore I wish to go on record as saying that I am opposed to the bill itself. I shall vote for the O'Mahoney amendment in the nature of a substitute.

Mr. President, I ask unanimous consent to present my point of view by placing in the body of the RECORD at this point four statements, which embody my views on the subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statements are as follows:

THE LEGAL EFFECTS OF THE MORATORIUM BILL, S. 1008

The annexed memorandum is devoted to the proposition (1) that S. 1008 legalizes at least some types of basing-point systems, and (2) that S. 1008 puts on the Government an impossible burden of proving, by affirmative acts, the lack of good faith without being able to rely on the use of identical destination or delivered prices.

This memorandum, therefore, deserves serious consideration from all Members of the Congress who have an earnest and sincere

interest in seeing to it that our antitrust laws are not subverted.

However, it is no more than fair to point out that Report No. 305 of the Committee on the Judiciary of the Senate, accompanying S. 1008, as amended, stated that the substitution of certain of the phrases "is intended to eliminate any possible contention that the Congress intends to legalize, even during the period of the moratorium, the systematic use of basing-point prices, which proponents of the bill have testified is not an objective."

It should also be pointed out, in all fairness, that a letter from the Office of the Attorney General, addressed to the committee, also takes the view that S. 1008 does not validate the use of basing-point systems, even during the moratorium period.

The statement in the committee report and the statement of the Attorney General are, of course, of great importance in construing S. 1008. Inasmuch as it is possible that the bill may become law, congressional opponents of the bill would no doubt be well advised to express their views with sufficient reservations so as not to impair the value of the statements of the committee and of the Attorney General as a limitation on S. 1008, should it become law.

S. 1008 can be effectively opposed on the somewhat modified ground that, although it does not necessarily legalize the use of a basing-point system or increase the Government's burden of proof, corporation lawyers will undoubtedly argue, if it is enacted, that it does accomplish these two things, and will be able to make their arguments with some degree of plausibility. Otherwise they would argue, why should a bill have been passed at all, and why should new words and phrases have been introduced into the antitrust laws? And why should the committee report have stated that under the bill the criterion will be "engaging in competition and good faith, rather than the resulting prices"?

If a cease-and-desist order is ordered by the Federal Trade Commission, it will come on for prolonged hearings, and even if decided against the respondents, it will then have to go to a circuit court of appeals, where there will be further consideration and further hearings, perhaps, while the respondents still continue to engage in the questioned activities. Even if the circuit court of appeals also decides against the respondents, there may be another case which comes before a different circuit court of appeals which may decide to the contrary. Finally, of course, the whole matter will probably come up before the Supreme Court again. In other words, we may be just where we were 20 years ago when the Cement Institute proceedings were commenced.

I. THE LEGAL EFFECTS OF THE MORATORIUM BILL, S. 1008

Nature of the moratorium

Section 1 of the moratorium bill, S. 1008, provides a moratorium until July 1, 1950, with regard to the Federal Trade Commission Act and the Clayton Act. The moratorium is in the nature of a declaration that neither act shall be construed as depriving individual companies, in the absence of conspiracy or combination or other agreement in restraint of trade, of the right to independently quote and sell at delivered prices, or to absorb freight for the purpose of engaging in competition in good faith in any and all markets.

Section 2 declares that the moratorium shall not affect any proceeding pending in any Federal court when the bill becomes law. The enforcement of orders entered on or before the effective date of the act is not to be affected except with respect to activities during the moratorium period.

Here, it may be noted that the result of this last provision, and indeed of section 2 as a whole, is to create one standard of law for concerns against whom orders have become final and another standard for concerns which are not subject to any such orders. Specifically, the provision that orders entered before the effective date of the moratorium may be enforced would mean that, as to the practices covered by the bill, orders such as those involving the Staley and Corn Products companies and the Pittsburgh Plus case against U. S. Steel Corp. could be enforced as to any such activities prior to the approval of the act, while concerns having no such orders against them would be immune from proceedings covering identical activities during this same period of time.

Application of moratorium to Clayton Act and Federal Trade Commission Act

Insofar as the Clayton Act is concerned, the new bill would establish a moratorium against enforcement of the law as construed by the Supreme Court in April 1945 and reiterated by it in April 1948, as well as by the Commission in 1924. These were the Glucose, Cement, and Pittsburgh Plus cases.

In addition, insofar as the Federal Trade Commission Act is concerned, it would establish a moratorium against enforcement of the law as construed by the Federal Trade Commission in the Pittsburgh Plus case and by the United States Court of Appeals for the Seventh Circuit in May 1948 in the Rigid Steel Conduit case, the Supreme Court having upheld the lower court in the latter case by a 4 to 4 division on April 25, 1949.

The moratorium is predicated not on the conclusion that such constructions of the law are definitely unsound and contrary to public policy but that they should be treated as unsound and contrary to public policy for the period of the moratorium. This is to act upon a tentative, makeshift presumption instead of upon a final and well-considered conclusion. That presumption would override the normal and usual presumption that the courts can be relied upon to construe properly the meaning of statutes and the significance of evidence. If such an extraordinary overriding presumption were to be accepted as a sound basis for the moratorium it would be equally sound to support the alternative of a permanent change in the law as judicially construed. But that would require the final conclusion that present constructions are unsound and definitely contrary to public policy, which apparently the Congress does not wish to make.

In short, the whole basis of American law, namely, the normal presumption in favor of the soundness of the Supreme Court's construction of the Federal statutes, would be restricted by the moratorium.

The effect of the moratorium in new, broadened language

The effect of the bill is to reverse the present law relating to geographic discrimination in price. This can be seen by an analysis of the new, broadened language included in the bill.

"Independently quote and sell at delivered prices": There can be no objection to the language of section 1 of the bill insofar as it merely declares the right of individual companies "to independently quote and sell at delivered prices." That is now and always has been the law. None of the proceedings of the Federal Trade Commission has ever challenged such a right, and there is no court decision which even suggests that delivered prices as such should be held unlawful. The vital point is that the law does not undertake to interfere with delivered prices but only with discrimination in delivered prices. However, if the language last quoted is carried over into the remainder of the sentence so that it becomes an affirmation of the right to quote and sell at delivered prices "for the purpose of engaging in competition in good faith in any and all markets," a different question arises. It would broaden the scope of the effective exemption of the moratorium so as to include something more than the mere use of a delivered price method of quotation. The existence of discriminations in delivered prices would probably be taken as not precluding engaging in competition in good faith in any and all markets unless that language be given the same application as was given different language in the Glucose and Cement cases.

"Freight absorption": When it comes to the language which deals with freight absorption further questions arise. The language declares that during the moratorium period an individual company shall have the right independently "to absorb freight for the purpose of engaging in competition in good faith in any and all markets." In view of the Supreme Court's holding in the Glucose cases that freight absorption may be a form of illegal price discrimination and its similar statement in the Cement Institute case, it is clear that the language of the bill concerning freight absorption destroys the principles as to price discrimination enunciated by the Supreme Court in the Glucose and Cement cases. The clause concerning freight absorption really means that any individual company may independently discriminate in price "for the purpose of engaging in competition in good faith in any and all markets" and that it may do this systematically whether or not competition among its customers is injured thereby. The phrase "in any and all markets" is no doubt designed to avoid the effect of the Supreme Court's ruling that the statute deals with individual competitive situations and not with "a general system of competition." (Staley case, at p. 753.)

"Engaging in competition": The phrase engaging in competition is extremely loose because even where there is a price-fixing conspiracy or combination the members are nevertheless engaged in competition in a broad sense. They are trying to sell the same customers and presumably are offering customers some advantages in the way of quality or service. But it is freedom and ability to compete fairly yet vigorously in price without injurious discrimination that is the primary goal toward which the Federal Trade Commission Act and particularly section 2 (a) of the Clayton Act are directed. Even under the present statute the argument has been made to the courts that systematic industry-wide freight absorption is only a method of meeting an equally low price of a competitor in good faith, but the Supreme Court rejected that argument in the Glucose and Cement cases. The argument would again be made and with redoubled force and plausibility in interpreting the words "engaging in competition." Those words are much broader and much less definite than the words "meeting competition" in the original section 2 of the Clayton Act, which Congress considered too broad and too indefinite to retain in the statute.

"Good faith": As presented in the moratorium bill, the words "in good faith" appear without qualification. Specifically, section 1 would make good faith a complete and substantive defense to price discriminations which take the form of individual freight absorption. This, of course, means the restoration of a test of law which has time and again proved to be impossible of effective enforcement in the antitrust field. It is difficult, indeed, to conceive of a more effective way of crippling antitrust enforcement than by saddling the antitrust agencies with the task of trying to determine what is really in the back of the minds of the respondents.

Moreover, a double standard of law would be created. Thus, in the Standard Oil case the United States Court of Appeals for the Seventh Circuit recently held that good faith to meet the equally low price of a competitor is not necessarily a complete and substantive defense. If that decision is upheld and the bill were to become law, then the illogical situation is created that, on the one hand, those who discriminate in price through freight absorption would be given a complete and substantive defense under the moratorium in the good-faith proviso, while, on the other hand, price discriminators whose discrimination does not happen to take the form of freight absorption would have a less complete defense.

The restoration of the basing-point system through the moratorium

The basic and fundamental objection to the moratorium lies not at all in the fact that it specifies the right of the individual companies independently to absorb freight—a right which, it should again be emphasized, is not questioned under the present law—but rather from the fact that it is so worded as to permit the restoration of the basing-point system. This can be seen from the fact that (a) the language of the moratorium would return the country to that law relating to the basing-point system as it stood after the decision of the Supreme Court in the old Cement case in 1925, a decision which permitted the system to continue for 23 years; (b) an analysis of the way in which the new language would be used to permit the operation of a basing-point system; and (c) outright statements by members of the steel industry that if the moratorium bill is passed they plan to return to the basing-point system. Each of these points is discussed below:

(a) The return to the old Cement decision: In the old *Cement case* (268 U. S. 588) the Supreme Court rejected the conclusion of the trial court that the basing-point system involved a conspiracy or combination and rationalized the system in the following language:

"The use of the basing points for the purpose of computing freight rates appears not to have been the result of any collective activity on the part of defendants or cement manufacturers generally, nor were they arbitrarily selected. Their use is rather the natural result of the development of the business within certain defined geographical areas. When a manufacturer establishes his factory at a given point of production and sells his product in a territory which is contiguous freightwise to his factory, other mills established in the vicinity and serving the same territory, in order to compete in that territory, must either secure a like freight rate or they must sell at a mill price which will permit them to deliver cement at a price which will enable them to compete with the mill or mills located at the basing point which is the principal point of production in the territory which is contiguous in point of freight rate to the basing point" (p. 598).

The result of that rationalization was to create a 23-year judicial moratorium for basing-point systems, ending with the new Cement case decision in April 1948. If the presently proposed moratorium were to become law, the language quoted above from the old Cement case would seem to fit perfectly the language of the bill which reads "to absorb freight for the purpose of engaging in competition in good faith in any and all markets." In other words, with conspiracy or combination absent, as in the old case, the conclusion would be strongly indicated that industry-wide freight absorption is what the Supreme Court said it was in the old case, a normal method of meeting competition. That is essentially what the bill says it is. And if it is not to be regarded as even an incipient restraint of trade under the Federal Trade Commission Act, by what logic can it be so regarded under the Sherman Act unless there be extraneous evidence of conspiracy not inhering in the mechanical features of the system itself? By implication those features could not be treated as circumstantial evidence of conspiracy.

In his recent book, The Law of Free Enterprise, Lee Loevinger says:

"It is at the point where this aspect of the matter is considered that most legal discussion of the problem assumes an Alice-in-Wonderland quality. Mature, intelligent men with college educations and law degrees solemnly argue whether an extremely complicated pricing formula which is rigidly followed by dozens of separate enterprises over a period of years can be legal, assuming that there is no collusion. The problem is reminiscent of those debated by medieval scholastics. It requires the assumption that the laws of probability and causation have ceased to operate. It makes about as much sense as the question, Would you get a traffic ticket for parking half an hour overtime in Louisville, Ky., assuming that all movement in the solar system had stopped 1 hour earlier?

* * * * *

"It is unrealistic in the extreme to discuss the propriety of a basing-point system upon the assumption that each firm, acting independently in an economic vacuum, uses a system that is completely unrelated to the one used by other firms but which happens, by sheer coincidence, to be identical with the system used by every other firm."

(b) The way in which the new language permits the basing-point system: Under the proposed bill there would be nothing to prevent each and every mill in a given industry from announcing in advance that it will make its delivered prices identical with those of any competitor in any and all markets and that it will absorb freight to whatever extent is necessary to accomplish that result. Or, to be more specific, there would be nothing to prevent each and every mill in a given industry from (a) becoming a base mill; (b) regarding the mill price of each other mill as the governing base price for the territory in which it is the nearest source of supply freightwise; and (c) varying its freight absorption to yield a delivered price which would equal the sum of the price of the governing mill plus freight from that mill to the destination. In this way identical delivered prices could be obtained by all mills for every destination.

(c) Statements of industry spokesmen of intent to return to basing-point system if moratorium is passed: That the passage of the bill would result in the return of the basing-point system is also indicated by statements to that very effect which have apparently been made by industry spokesmen themselves. Of interest on this point is part of the testimony opposing the original version of the present moratorium bill, S. 1008, by Mr. Otis Brubaker, director of research, United Steel Workers of America, CIO, which applies with equal force to the present version of that bill:

"Make no mistake—the cement industry and the steel industry have abandoned their basing-point systems because the cement system was declared illegal and the steel system was so similar in functioning that it clearly could not stand the test of law. These industries are actively seeking amendment to the law which would explicitly permit them to reinstitute these systems and they believe this bill will accomplish that purpose. This belief is such common knowledge in the industry that it was even cited recently in the financial page of the New York Times.

"Remember, these industries have never admitted that their basing-point systems were price-fixing devices. In fact, they affirmatively contend today that the basing-point system as they used it was not a collusive device. The industry has never 'consented' in steel to the abandonment of its basing-point system. As a result, the FTC case against the steel industry is still active. Surely, if the industry really believed that the law required an f. o. b. arrangement it would abandon this costly suit. Both industries believe that their systems could be reinstituted with impunity and be safe from challenge if individual price systems were made legal, per se, as this moratorium would do.

"Representatives of my union have been approached repeatedly by various of the companies which we have under contract asking for their support first, for S. 236, now for S. 1008 and H. R. 2222. They will tell us, if not you, that these amendments would permit them to return to their former basing-point systems. And, most importantly, they do plan to return to such a system in the near future. If this law is passed, they will take such action in the near future. If it is not passed, they will wait until the demand for steel has slackened and then return to a system of freight absorption. They have never abandoned their belief in their right to use a system and they will use one again as soon as it is to their advantage to do so. We presented evidence in our earlier testimony to show that some of these companies in the steel industry, who now pretend that the law as interpreted does not permit freight absorption, are now, today, absorbing freight on some items. The number of items covered by and the number of companies using freight absorption in steel has increased, even during the one short month since we first made the statement—and this without any corrective legislation. This subcommittee in Congress should not be deceived by these specious representations regarding interpretations of existing law when these companies do not really believe these interpretations enough to fully obey the law as they pretend to interpret it."

The effect of the moratorium on economic concentration

Inasmuch as the moratorium bill, for reasons described above, would permit the restoration of the basing-point system, it would consequently have the effect of increasing the already excessively high level of economic concentration, for, as is well known, the basing-point system tends to react against small firms and in favor of big business.

That the basing-point system clearly does place small competitors at a disadvantage is brought out by Mr. William Summers Johnson as follows:

"If the small producer operates as a nonbase mill he may find it very hazardous to attempt becoming a base mill. Where such a producer does lower prices in his local market area, the base-mill producer may, through the automatic workings of the system, absorb freight to match the lower delivered prices, in which case the small mill is engaged in an unequal contest of matching income losses. The small producer may then find it impossible to raise his prices again, particularly if the large producer chooses to continue the contest.

"Whether the small producer operates as a base mill or as a nonbase mill, if the size of the two mills is greatly unequal, the small producer is restrained from lowering prices in his local territory by the action of the large producer in absorbing freight to match such lower prices." [1]

[1] The Georgetown Law Journal, vol. 37, No. 2, January 1949, p. 165.

Dr. Corwin Edwards has also expressed himself on the same question in an article entitled "Geographic Price Formulas and the Concentration of Economic Power."[2] He said:

"Another feature which tends to strengthen large enterprises against small ones in basing-point industries is the fact that large concerns frequently have several producing establishments. The basing-point system works in favor of the multiple plant enterprise as compared with the single plant enterprise. With plants at several basing points, the large concern can make sales in each base area, yet hold to a minimum the number of instances in which it absorbs freight in order to sell from one base area into another. Within a single base area, a large concern which has both base and nonbase mills may enjoy the high local realizations of the nonbase mill and yet, by supplying intermediate territory from the base, minimize freight absorptions from the nonbase mill. As the number of plants under one ownership is increased, the occasions when freight is absorbed grow fewer, though the opportunities to collect phantom freight remain as numerous as before. By contrast, the single plant enterprise located away from a base cannot enjoy phantom freight without being forced to absorb freight or forego markets toward the base; and the single plant enterprise located at a base cannot sell in other base areas without freight absorption. Only the multiple plant enterprise can eat its cake and have it too."

Dr. Edwards further said:[3]

"In summary, the foregoing analysis means that the benefits the small seller obtains from industry-wide use of a basing-point system are limited to protection against localized price cutting by his larger rival and provision of a relatively high return upon his local sales if he is situated far from the basing point. The sacrifices imposed upon him by such a system are loss of his initiative and independence in making prices, abandonment of any effort to give a nearby customer a price incentive to deal with him rather than with a distant producer, and impairment of his opportunity to enlarge his business by reaching out to markets nearer the basing point. A concern which is willing to remain permanently small and docile is well suited to the use of such a pricing system, but a small concern which desires to grow is likely to find the system a serious handicap."

Dr. Edwards characterized the price structures of basing-point systems as "skewed in a direction adverse to the ambitions of small enterprises" (same, p. 142). He quoted in support of his argument the statement of a witness before the Capehart committee on Senate Resolution 241 as follows:

"Many businessmen in the Pacific Northwest state that the practice of freight absorption by which distant eastern mills dump into this area by absorbing some of the freight has definitely served to retard the development of local industry—such as steel making—because local demand is readily supplied by the eastern mills."[4]

Dr. Edwards' final conclusion was that the long-run effect of the abandonment of basing-point pricing is likely to be a reduction in the strategic advantage which attaches to concentrations of economic power and a gain in the opportunity for small-business enterprises to pursue their own price policies, develop their own markets, and grow bigger. Warning that it was easy to overstate the extent of such effect he said that "nevertheless the movement is in the right direction."[5] Since freight absorption is an inherent and indispensable part of any basing-point system Dr. Edwards' discussion of the effects of such system was necessarily, in part, a discussion of systematic freight absorption.

Paraphrasing his warning above referred to it may with equal logic be said that while it is easy to overstate or understate the effect of the bill on concentration of economic power it necessarily runs counter to what Dr. Edwards characterized as the right direction.

II. THE COLLUSIVE ORIGIN OF BASING-POINT PRICING

Introduction

Since the days of the first common law decisions condemning agreements and planned market controls which fix prices, control production or sales, or otherwise restrain competition or tend to create monopoly, businessmen have sought to rationalize as being within the law any practice or plan of economic action which served their own personal interests. Individuals, partnerships and separately incorporated and managed companies, and cooperating groups of otherwise mutually independent persons and managements, all pursue this line of thinking. The clash of such rationalization with the public interest, as interpreted by courts of law, has resulted in a long series of leading decisions, first under the common law, and later, under statutory law, outlawing various forms of both individual and planned concerted action. This struggle between private and public interest is perennial, for human ingenuity in devising new methods of attaining private ends is unlimited.

Concerted use of various methods of pricing which result in the naming of identical delivered prices for every possible delivery point by some or all potential suppliers is the latest such privately planned and administered group activity to come under legal questioning. Investigation of the operation and effects of such plans has abundantly indicated that several methods of pricing, which are not per se unlawful when used by competing concerns acting independently, have so interwoven in the fabric of group controls as to become an integral part thereof. The application of sanctions against such cooperatively used plans in their entirety implies the application of sanctions against methods of pricing which, used alone and disassociated from such concerted plans, would not, by themselves, be unlawful.

Delivered pricing is a good example of what is meant. If followed individually by sellers who actually compete in price, it is not unlawful. In fact it may be a means of truly independent price competition. If, however, it is uniformally and concertedly used by a cooperating group to assure identical delivered prices for all sellers at any given point of delivery, it becomes a part of that plan. The application of sanctions against the plan as a whole, however, implies criticism or condemnation of delivered pricing per se only to the extent that it is used as part of the broader plan. Numerous other business practices are in the same position as delivered pricing in being lawful per se yet susceptible of being woven into and made a part of concertedly used plans to control competition, restrain competition, or promote monopoly.

The purpose of this analysis is to trace back to their origin those methods of pricing commonly spoken of as basing point pricing[6] and to provide some indication of the extent to which these systems were the outgrowth of collusive activity.

The sequence of events which have generally occurred in the establishment of basing-point system typically runs about as follows:

1. Around the turn of the century producers in the industry would get together in pools or gentlemen's agreements for the express purpose of fixing prices.

2. Because of their relative ineffectiveness and because of legal attacks both by Federal and State antitrust agencies, the pools and gentlemen's agreements gradually disappeared.

3. During the course of their existence, however, it was found that one of the most effective ways of controlling prices was through the use of a single basing point which all mills, no matter where located, would use in quoting delivered prices by adding to the price at such basing point the freight to destination.

4. By providing a means whereby delivered prices could automatically be determined without the need of meetings, written agreements, etc., the basing-point system which emerged from the pools and gentlemen's agreements thus replaced them as a means of obtaining their objective.

5. Either because of the development of new sources of production remote from the established basing point or because of legal attacks, the single basing-point system gradually gave way to the multiple basing-point system. The only difference between the two lies merely in the fact that under the latter the number of basing points is increased, which in turn simply decreases the size of the areas in which each basing point controls the delivered price. By following the common practice of quoting delivered prices as the sum of (1) the base price at the basing point nearest the destination, and (2) freight from that basing point to the destination, all mills, under the multiple basing-point system, are able to quote identical delivered prices, down to the ten-thousandth of a cent, at any destination.

Although each industry which has followed the system shows minor deviations and exceptions of its own, the same general pattern applies by and large to the majority of the industries operating under the basing-point system. That the basing-point systems did, in fact, spring from collusive activities is indicated in this analysis which examines the development of the system in the two industries in which it has been most prominent—the cement and steel industries.

Collusive origin of basing-point pricing in cement

Cement a growing young industry: Prior to 1878, all portland cement used in the United States was imported. In that year, however, production began in this country at Coplay, Pa., in the Lehigh Valley, which, for at least 10 or 15 years, continued to pro-

[2] Supra, p. 141.
[3] Supra, p. 142.
[4] Statement by Vernon A. Mund, Seattle, Wash., the Impact of the Pricing Policies of the FTC, before the Trade Policies Committee, Senate Interstate and Foreign Commerce Committee, December 8, 1948.
[5] The Georgetown Law Journal, vol. 37, No. 2, January 1949, p. 148.
[6] The term "basing point pricing" as used throughout this analysis is applied to those methods of pricing in which the following two essential features are present: (1) That the commodity affected shall be sold only at delivered prices, and (2) that for every customer destination there is one governing base point, or basing price area, with a known base price to which sellers of the commodity, regardless of their geographical locations, add a predetermined amount (either actual freight cost or an arbitrary charge) to cover transportation. Application of these two fundamentals of basing point pricing yields identical prices for all potential sellers at any given point of delivery.

duce practically all cement manufactured in the United States.[7] Many States, however, have limestone, shale, or steel-mill slag from which cement of good quality can be made. By 1900, therefore, manufacture was spreading to other States, and the cement industry, although young, was rapidly spreading to other areas. Production at new domestic plants began under the natural protection of prices in the Lehigh Valley plus transportation costs to distant consuming areas, just as the Lehigh Valley had begun production under the protection of the cost of imported cement landed at American ports of entry plus domestic transportation to inland points.

Prior to the organization of the Association of American Portland Cement Manufacturers in 1902, cement was predominantly sold f. o. b. mill.[8] Even before that date, however, basing-point delivered pricing had appeared, at least in embryonic form, when Atlas Portland Cement Co., an early producer in the Lehigh Valley, decided to build and operate a plant in the Middle West. B. F. Affick, president of Universal-Atlas Cement Co. (a combination of United States Steel Corp.'s Universal Portland Cement Co. and Atlas Portland Cement Co.) testified as follows on this point before the Interstate Commerce Committee of the Senate in 1936:[9]

"In 1901, the Atlas Portland Cement Co., which had built and was operating one of the first plants built in the Lehigh Valley, began to build a large plant at Hannibal, Mo., on the Mississippi, 100 miles north of St. Louis. The purpose was to better serve the Middle West and to make more profit.

"The company then announced it would name all prices delivered instead of f. o. b. mill, and for a time these prices were based on Lehigh Valley base plus freight, the difference between the freight from Lehigh Valley and from Hannibal going to increase the profit of the Hannibal plant, the customers paying no more than before but getting better service."

F. M. Coogan, president of Alpha Portland Cement Co. also testified that, after 1902, his company, which had formerly sold f. o. b. mill, began selling on a delivered-price basis, but for a few years continued making a limited number of sales f. o. b. mill. In 1902 Alpha Portland Cement Co. operated two plants, one at Alpha, N. J., and, through its subsidiary, Martins Creek Portland Cement Co., one at Martins Creek, Pa.[10]

When Atlas Portland Cement Co. built its new plant at Hannibal, Mo., other strong interests already were manufacturing cement in Illinois and Indiana.[11] The attempt of Atlas to price cement manufactured at Hannibal at delivered prices based on Lehigh Valley plus freight, obviously was vulnerable to the extent that other manufacturers chose to compete by undercutting in price. A similar situation existed in Michigan and Ohio, where local producers undercut Lehigh Valley-plus in competing for the local market.

Association activities for Lehigh Valley-plus: Thus the setting for further effort in the direction of monopolistic price control through basing-point pricing was provided by the independent pricing of the growing fringe of local producers. This step was taken through the Association of American Portland Cement Manufacturers. This association, founded in 1902, was stated at its December 1904 meeting to represent approximately 90 percent of the productive capacity of the United States. This would indicate membership of all large producers and smaller ones as well. The minutes of that meeting indicate that one member stated that:

"The main grievance which the association has here is the grievance for a uniform price for cement."

Another said:

"Now if we are going to accomplish anything in the matter of prices, I believe the right place to do it is here."

And still another stated: [12]

"While we are on this subject today we ought to do something practical; according to our bylaws, we are here for mutual benefit and not for mutual admiration, and I think we can pass a resolution that will be a basis to steady the market for next year. * * * I am sure that if we pass a resolution here, fixing the price to April 1 deliveries, then increase price for deliveries after that time, and agree right here to do this, we can carry this through. This is the time and place that this should be done."

After discussion, it was resolved in association meeting:

"That the members of this association in answering inquiries for prices, confine deliveries up to April 1, 1905, and quote a higher price for deliveries after that date, and that it is the sense of this meeting that the price should not be less than $1 per barrel—at the mill for the Lehigh district." [13]

This subject again came up at a Philadelphia meeting of the association in April 1905, when Michigan members were called upon to state what they were doing. One Michigan producer stated:

"We are trying to follow our eastern friends in the Lehigh Valley, and we will be very well satisfied if they keep up their nerve." [14]

Another Michigan member said:

"We have lately issued a schedule of prices on a basis of 85 cents in the Lehigh Valley, adding freight, and this price we can get without any trouble." [15]

A resolution directing the appointment of a special committee to take charge of the matter of prices and business methods and report at the next meeting to be held in Atlantic City was unanimously adopted. In the discussion preceding adoption of the resolution, the influence of large eastern producers is to be noted in the following suggestion made by its sponsor: [15]

"It seems to me that it would be well if you would appoint a committee, with the majority coming from the Lehigh Valley, to take this matter in hand, formulate some plan, and get together and have a report for the next meeting at Atlantic City, establishing a uniform method."

This report was presented at the Atlantic City meeting in September 1905 with the statement:

"Forty-six members have signed the report, and three, the Atlas, Pacific, and Standard Portland Cement Co.'s, have refused, the latter two being California companies and the other an eastern company."

The exact terms of agreement signed by 46 companies is not known. Whatever they were, however, the discussion preceding the agreement and subsequent developments indicates that the idea and purpose of monopolistic price control was fairly launched by a big segment of the industry by direct association action leading to collusive agreement among its members, with a distinct slant toward delivered prices determined by the basing point method.

Throughout several ensuing years there still remained, or developed by defection, a considerable fringe of competition which did not observe Lehigh Valley-plus basing-point pricing. In 1908, the chairman of the association's committee on trade conditions ascribed "the unwarranted and unfortunate condition into which our business has drifted" to "lack of unity and cooperation on the part of all manufacturers in their respective territories" and recommended, among other things, that: [16]

"All prices for portland cement shall be the prices delivered by the purchaser."

The use of the Lehigh Valley as the single basing point or zone for determining delivered prices in other areas, and the maintenance of such a system of price control by voluntary, collusive action continued to be sought through the Association of American Portland Cement Manufacturers and lesser local associations for a number of years. A report made at the American Association's June 1910 meeting respecting conditions in Michigan contained the following: [17]

"The situation in Michigan is very satisfactory and is growing more so. There was a chaotic state there early in the year. There was no unity of action at all among the mills until they formed a little association which comprises all Michigan mills and one or two across the border. This resulted in a free exchange of views and an understanding to the effect that the Lehigh prices should govern the prices out here. This understanding has been observed. The price today, based on the Lehigh price of 80 cents, makes Detroit a price of $1.25, delivered."

With such a system of pricing, a single local-price agreement or understanding among Lehigh Valley producers respecting the Lehigh Valley base price would determine the delivered price in every producing area of the United States.

Price fixing under patents to further identical delivered pricing: In 1900, about a year before Atlas Portland Cement Co. sought to put Lehigh-plus pricing into effect for its Hannibal plant, two of its employees, Hurry and Seaman, patented a method for burning powdered coal in rotary cement kilns. In 1903, Atlas brought suit alleging infringement by Alpha Portland Cement Co. Final argument in the suit occurred in July 1906. Before final decision was handed down, however, a settlement was affected in November 1906, whereby a new corporation known as North American Portland Cement Co. was set up to hold an exclusive license with power to sublicense under three Hurry and Seaman patents. The new company was jointly controlled by Atlas Portland Cement Co., Alpha Portland Cement Co., American Cement Co., Lehigh Portland Cement Co., Lawrence Portland Cement Co., and Vulcanite Portland Cement Co. Various companies were licensed under the patent, and in December 1907,

[7] The Americana, vol. 22, p. 398.

[8] Docket 3167, Cement Institute et al., 37 F. T. C. 87 at p. 150.

[9] Ibid., p. 150.

[10] Moody's Manual (1903), p. 1301.

[11] Illinois Steel Co. had already started manufacturing cement from blast furnace slag in the Chicago-Joliet area in 1896. Following acquisition of Illinois Steel Corp. in 1902, Illinois Steel Co. continued cement manufacture until United States Steel Corp. formed Universal Portland Cement Co. in 1906 to take over and develop the steel corporation's cement business which subsequently became concentrated at Buffington, Ind., Morgan Park (Duluth), Minn., and Universal (Pittsburgh), Pa. In addition, a number of lesser companies had begun cement manufacture in the Illinois-Indiana area by 1901, and in 1902 Lehigh Portland Cement Co., another of the large Lehigh Valley producers, entered the Middle West field by building a plant at Mitchell in southern Indiana. (F. T. C. Report: Price Bases Inquiry; the Basing Point Formula and Cement Prices, exhibit 1, pp. 147–157.)

[12] Docket 3167, Cement Institute et al., 37 F. T. C., 87 at p. 151.

[13] Ibid., pp. 151–152.

[14] Ibid., p. 152.

[15] Ibid.

[16] Ibid., p. 153.

[17] Ibid., p. 154.

the Association of Licensed Cement Manufacturers, consisting exclusively of licensees, was formed to further the interests and business of licensees. Two years later all of the companies named above, plus the following companies, participated in a supplemental licensing agreement dated January 13, 1909: Pennsylvania Cement Co., Penn-Allen Portland Cement Co., Nazareth Cement Co., Catskill Cement Co., Bath Portland Cement Co., Glens Falls Portland Cement Co., Phoenix Cement Co., Edison Portland Cement Co., Whitehall Cement Manufacturing Co., and Northampton Portland Cement Co. The agreement also provided that other Portland cement companies thereafter licensed might become parties.[18]

About 20 important cement producers were licensees in the year 1909. These licensees agreed that the licensor, North American Portland Cement Co., should fix minimum selling prices for cement For this purpose two territories, designated territory A and territory B, were set up. Territory A included roughly all of the area east of a north and south line drawn from Rochester, N. Y., through Hagerstown, Md., to the northern boundary of North Carolina and the whole of North Carolina and South Carolina. The balance of the United States constituted territory B.[19] The 1909 agreement fixed minimum base prices and numerous conditions of sale for mills in part of territory A and reserved the right similarly to fix prices and conditions in the balance of territory A and all of territory B.[20] The penalty for any licensee failing to observe the prices and other stipulations of the agreement was stated to be cancellation of his license.

For present purposes the important points to note are that: (1) the base prices fixed were for the Lehigh Valley producing area and certain other producers in adjoining areas in New York; (2) all prices were to be quoted on a delivered basis; and (3) prices in territory A were to be not less than $1.20 in wood and cotton and 95 cents in paper plus the Northampton, Pa., all-rail rate, with certain specified exceptions. Thus, except where otherwise specified, the delivered prices were to be Lehigh Valley-plus. Efforts along this line continued until after a decision adverse to the validity of the Hurry and Seaman patents in 1910, whereupon the licensing agreement was canceled on January 1, 1911.[21]

Switch to multiple-basing-point pricing: Inability, even under the licensing agreement, to extend Lehigh Valley-plus pricing beyond the territory adjacent to and mainly northeast and south of the Lehigh Valley highlights the fact that competition arising out of the development of production in other areas was forcing concerted price control efforts to take the direction of multiple-basing-point pricing. By 1915, this trend had become well-established.

Multiple basing-point pricing substitutes two or more smaller areas for one large area covered by a single basing point, in the determination of identical delivered prices. Concerted cooperation of two kinds, however, is required under multiple basing-point pricing, whereas, only one is required under a single basing point. First, there must be concerted action among producers within each basing-point area to use the same base price in each area and, second, there must be cooperation from producers outside each multiple basing-point area not to undercut delivered prices in any basing-point area other than their own.

This was well-exemplified in 1915, when, by concerted action, multiple basing-point pricing was extended into the Northwest, as far as Irvin (Spokane), Wash. This action involved concerted price leadership by two important producing interests operating in the area from the Mississippi River on the east to Colorado and Washington on the west, and the at least tacit cooperation of a third interest in Washington. These three interests were, respectively: [22]

1. Cement Securities Co. and its three subsidiaries, Colorado Portland Cement Co. (plant at Portland, Colo.), Union Portland Cement Co. (plant at Devils Slide, Utah), Three Forks Portland Cement Co. (plant at Trident, Mont.).[23]

2. Lehigh Portland Cement Co., operating plants in the competitive area at Mason City, Iowa; Iola, Kans.; and Metaline Falls (extreme northeast), Wash.[24]

3. International Portland Cement Co., Ltd., operating a plant at Irvin (Spokane), Wash.

In this instance, the general sales manager of Colorado Portland Cement Co. (of the Cement Securities group) outlined the understanding in instructions to an official of Colorado's affiliated Three Forks Portland Cement Co. as follows on January 28, 1915:[25]

"I have wired you the basis for quoting all of your territory, which is as follows:

"$1.50 per bbl., f. o. b. Irvin.
"$1.30 per bbl., f. o. b. La Salle.
"$1.50 per bbl., f. o. b. Mason City.
"$1.10 per bbl., f. o. b. Iola.
"Whichever figures lowest.

"You need have no fear whatever of the Lehigh people taking any business except on this basis, as their Chicago office is now in complete charge of their Spokane factory, and will be responsible for every action of every one of their employees, and you may rest assured that Mr. Brown, as well as the others, understands this perfectly. Mr. Gowan gave me his personal guaranty of this and I gave him my guaranty of strict adherence to this."

After discussing at some length the fact that International Cement Corp. had not been approached on the matter, but "that its western representative had stated 'that he would not go lower than any basis upon which he knew the Lehigh plant was selling,'" Colorado Portland Cement Co.'s general sales manager concluded with this admonition to his subordinate: [26]

"While on this subject, I want to call your attention to the fact of not letting anyone know that any understanding whatsoever has been agreed upon, and especially never mention it to any of our customers, but simply say to them that we have reasons to believe that no lower prices will be named than those we are quoting, because we know the basis to be practically cost to manufacture, at basing points, and no exceedingly high profit can be made by the plants operating at those basing points. Please caution your salesmen particularly in this regard."

By such means as this, multiple basing-point pricing became the established method of pricing practically everywhere in the industry prior to the formation of the Cement Institute in 1929, and became one of the customs and usages which the institute has sought to maintain ever since.

Collusive origin of basing-point pricing in steel

Common lineage of pools and Pittsburgh plus: Pittsburgh-plus pricing, as adopted in the steel industry in 1903, is the first recorded instance of a well-developed method of basing-point pricing. From at least as early as 1873 down to 1903, there had been numerous pool agreements and understandings respecting steel prices. As a background for both the formation of pools and the development of basing-point pricing, the following economic facts are important:

1. From 1873 onward, Carnegie Steel Co. or its predecessor Carnegie interests were an important factor in the steel industry. From 1888 onward, Carnegie Steel Co. rapidly assumed a distinct position of leadership, and, in 1899, controlled about 25 percent of the country's production of ingots and steel for castings.[27]

2. United States Steel Corp., formed in February 1901, absorbed Carnegie Steel Co. and numerous other pig-iron, steel-fabricating, and iron-ore companies. By this consolidation, United States Steel Corp. and its subsidiaries became, by far, the dominant factor in the industry, producing and selling under single corporate control the following proportion of the country's total iron and steel production in 1901: Steel ingots, 65.7 percent; finished rolled-steel products, 50.1 percent; pig iron, 43.3 percent.

3. Rudimentary elements of basing-point pricing were tried out at least for a time in a number of steel pricing pools, agreements, and understandings from 1873 to 1903.

Emergence of zone pricing: It appears that up to about 1882 steel was predominantly sold f. o. b. mill. At that time steel beams had been developed for structural purposes, and in that year four manufacturers of structural steel—Carnegie Bros., Passaic Rolling Mill Co., New Jersey Steel & Iron Co., and Phoenix Iron Co.—fixed a price of 7½ cents per pound. New York City was then the largest consumer of structural steel. Under this pool, the West was left to Carnegie Bros., while the East was parceled out among the last three concerns named. Carnegie's prices in the West were based on the Pittsburgh price. In 1884 or soon thereafter zone prices for structural steel were established.[28] Merchant iron manufacturers west of the Alleghenies likewise adopted a zoning system and agreed upon a price schedule in 1887, and

[18] Ibid., pp. 153–154: Also Commission's Exhibit 3196, p. AA.

[19] Territories A and B were described in the 1909 agreement as follows:

"Territory A shall embrace the New England States, New Jersey, Delaware, District of Columbia, North Carolina, and South Carolina, and all portions of New York, Pennsylvania, Maryland, and Virginia (excluding West Virginia), lying east of a line running approximately north and south from Lake Ontario to the northern border of North Carolina and passing through the most westerly point of the boundary of Rochester, N. Y., and the most westerly point of the boundary of Hagerstown, Md., and through a point halfway on an air line between the Lehigh Valley Mills at Northampton, Pa., and Pittsburgh, Pa. * * *.

"Territory B shall embrace all territory covered by said patents not included in territory A." (Docket 3167, Comm. Ex. 3196, p. M. M.)

[20] Ibid., p. 154.

[21] Ibid.

[22] Docket 3167, Cement Institute, 37 F. T. C. 87 at pp. 155–156.

[23] Moodys, 1916, p. 2332.

[24] Moodys, 1916, p. 2935 and Doc. 3167, Cement Institute et al., Examiners Report, p. 68 (mimeographed).

[25] Docket 3167, Cement Institute et al., 37 F. T. C., p. 155.

[26] Ibid., p. 156.

[27] C. J. H. Bridge, The Inside History of Carnegie Steel Co., p. 297, and American Iron and Steel Institute Annual Statistical Report, 1945, p. 29. The percentage stated is obtained by converting gross tons as stated by Bridge to net tons for comparison with the AISI total for production of the United States.

[28] Docket 760 (Pittsburgh Plus), Examiner's Report, p. 38.

in 1895 bar manufacturers announced zone prices for iron bars fixed on a mill basis at $1 for the eastern, $1.05 for the central, and $1.10 for the western territories, respectively.[29]

Even earlier than any of the above instances a beginning of zone pricing is to be noted in the action of eastern and western nail associations, which in 1876 agreed on $2.75 per keg for the eastern and $2.85 for the western territories, respectively. Members of each association agreed to sell at the other's price when selling in the other's territory.[30]

It will be noted that zone prices did not appear in the various pools until competition arose from mills outside the Pittsburgh district. Various zones then appeared. A Cleveland zone included Ohio north of Columbus; Indiana and Illinois were put into another; Michigan was a zone by itself; several Southern States constituted another; and there was some zoning in the East, including New England, New York, and New Jersey. As distances from Pittsburgh increased, zone prices were higher to cover freight rates which increased with distance from Pittsburgh.[31] By this means the areas within which newcomers could sell most advantageously were limited and price competition between the new and old mills was restrained. Pool pricing by zones broke up whenever some party striving for tonnage failed to adhere to the zone price agreement.

Emergence of base prices and extras: Pittsburgh became the largest center of production early in the history of the steel industry, and, as noted above, the Pittsburgh price was used by Carnegie Bros. as early as 1882 in pricing structural steel for the western territory assigned to them under the pool agreement of that year.

Uniform prices, however, could not readily be maintained without uniform extras for steel products varying in size, shape, finish, and quality. To cover this point, extra cards for iron products were first adopted in the early 1880's, and a card of extras for steel was made in the early 1890's, and was used by the plate and structural pools.[32] It is stated that a then existing association of bar manufacturers took steps to put bar extras on a cost basis in 1897.[33]

Concerning the operation of this association, a former vice president in charge of sales of Carnegie Steel Co., testified in the Pittsburgh basing case from personal knowledge. He said:

"I sat in what was known as the bar association from 1897 on. That was what was called a gentlemen's agreement. It was not a pool. It was nothing more or less than an association to help stabilize prices, but more particularly to stabilize extras, which had been very unscientific in their manner, and went to a cost basis in order to establish scientific extras, which were almost more important than the base price, and many of the associations dealt with matters of that kind quite as much or more than they dealt with prices." [34] (Exhibit 51.)

Evidence of the use of base prices prior to the adoption of Pittsburgh-plus is to be noted in the fact that in April 1896, representatives of a billet pool conferred with Alabama furnace companies and western bar manufacturers and agreed upon prices of $20.25 per ton for soft steel bars at Pittsburgh, $20.75 at Cleveland, $21.25 at Chicago and $22.50 at eastern points.[34] This, it will be noted, involved multiple basing points, or basing-point areas.

Still another step, now in the direction of single basing-point pricing, was taken in 1898 by a structural steel association among whose members were Carnegie Steel Co., Jones & Laughlin, Pencoyd Steel Co., Cambria Steel Co., Tidewater Steel Co., and (probably) Illinois Steel Co. This association had meetings from time to time and arranged for maintaining uniform prices for its members who agreed they would sell at not less than agreed upon prices for certain classifications of steel when sold within designated districts or freight zones, the minimum zone prices agreed upon being based on a specified fixed price f. o. b. cars, Pittsburgh. A plate pool organized in 1900 in which Carnegie Steel Co., Cambria Steel Co., Jones & Laughlin Steel Co., Worth Steel Co., Lukens Steel Co. and Illinois Steel Co. participated, followed practically the same method of pricing as the structural steel pool.[35]

Pittsburgh-plus as substitute for previous agreements: With experiences such as those outlined above as a background, and with it becoming clearer year by year that pool-pricing agreements were both lacking in permanence and unlawful, it was only a short step for the big companies to establish Pittsburgh as their principal basing point with a secondary higher-price base at Birmingham establishing a zone for the distant southern mills, all of which then were independent. United States Steel Corp. and its subsidiaries, then controlling two-thirds of the country's ingot production and half of its rolled-steel products, took the lead. Use of uniform extras was continued, and actual freight from Pittsburgh or Birmingham was substituted for arbitrary zone prices and differentials. Agreements of the pool type respecting base prices and other matters continued at least through 1906, and then went underground as the result of Government attack, to reappear in the form of understandings developed at Gary dinners.[36] Thus, basing-point pricing, nurtured by the industry's leaders, emerged as the direct offspring and heir apparent to recognizedly unlawful pool pricing.

The substitution of Pittsburgh-plus for earlier pool methods, however, did not occur simultaneously throughout the industry. Manufacturers of structural steel abolished the zoning system in favor of a Pittsburgh base price of $1.60 per hundredweight plus carload freight to destination in November 1903.[37] A month later the plate association similarly fixed a Pittsburgh base price of $1.60, to become effective January 1, 1904, the delivered price to be computed in the same manner.[37] Bars likewise went to this method of pricing at about this time and other steel products followed with the result that Pittsburgh-plus pricing became a constituent part of the industry's price-fixing activities on shapes, plates, bars, sheets, tin plate, wire, and wire products in 1903, but the system was adopted for other rolled-steel products only in part or not at all until 1904 or later.[38]

Conclusion

From the point of view of the producers engaged in price fixing, the beauty of the basing-point system lies in its nearly automatic operation. Once it is established it operates almost like a perfect machine, without much attendance, direction, or guidance. Meetings, written agreements, and similar forms of overt activities which leave behind the tell-tale irrefutable proof of collusion are seldom required. Occasionally, evidence of this type does turn up, but generally it is the exception rather than the rule. Most of the instances of collusive meetings and agreements which have taken place after an industry has adopted a basing-point system occurred during the troubled period of the early thirties, when producers would at times deviate from the basing-point formula in their desperate attempt to secure business. In order to correct such straying from the beaten path, meetings were held now and then and on occasion producers would write very frank letters concerning the necessity of maintaining prices through the use of a basing-point system. Such an instance is provided by a letter written on May 17, 1934, by Mr. John Treanor, a trustee of the Cement Institute, who stated:

"Do you think any of the arguments for the basing-point system, which we have thus far advanced, will arouse anything but derision in and out of the Government? I have read them all recently. Some of them are very clever and ingenious. They amount to this, however: That we price this way in order to discourage monopolistic practices and to preserve free competition, etc. This is sheer bunk and hypocrisy. The truth is of course—and there can be no serious, respectable discussion of our case unless this is acknowledged—that ours is an industry above all others that cannot stand free competition, that must systematically restrain competition or be ruined." [39]

With the disappearance of the NRA, the basing-point system became the law of the land for those industries in which the system was incorporated as part of the Code of Fair Competition, and departures therefrom were punishable by fines. The effect of the NRA was thus to strengthen the effectiveness of the system, thereby largely eliminating the need for meetings and written agreements which had developed during the depression. And since that time instances of such overt collusive activities have been few and far between.

Hence it may be seen that the collusive activity which sets in motion this nearly automatic mechanism is a matter of real importance in any true understanding of the basing-point system. They represent the prime mover, the initiating force, which sets in motion the most sophisticated, effective, and highly developed form of monopoly control ever devised.

III. IDENTICAL BIDS UNDER THE BASING-POINT SYSTEM

Introduction

The essential feature of basing-point pricing which assures absolute identity of bids or quoted prices by all suppliers is the determination of the price for the commodity at any destination as the lowest sum of base price, together with freight to the destination. Universal observance of this method or system of pricing by all potential suppliers produces, at any given destination, absolute identity of prices, both in sealed bids and in invoices to dealers.

Hence the determining and critical element in true competition—price differences which enable the buyer to judge where, or from whom, he can obtain the most for his money—is wholly eliminated by the system. All differences in manufacturing costs among sellers and differences in delivery expense

[29] Ibid., p. 40.
[30] Ibid., p. 37.
[31] Ibid., p. 43.
[32] Ibid, p. 57.
[33] Col. Henry P. Bope, vice president, Carnegie Steel Co., transcript of record in FTC Docket 760, pp. 10857–10870.
[34] Docket 760 (Pittsburgh Plus), Examiner's Report, p. 41.
[35] Ibid., pp. 41–42.
[36] Ibid., pp. 43, 44–47.
[37] Ibid., p. 43.
[38] Ibid., pp. 43–44.
[39] Letter from Mr. John Treanor to Mr. Rader, dated May 17, 1934. Quoted from *Aetna Portland Cement Company et al.*, v. *Federal Trade Commission*, in the United States circuit court of appeals, brief for respondent (Federal Trade Commission, February 1946), p. 127.

are wiped out by the noncompetitive nature of the pricing.

A large body of data has been assembled, showing identical prices, especially for cement and certain steel products, resulting from the use of the basing-point system. These data, which cover a period of more than 20 years, are derived from bids to Government agencies and sales to dealers. This information is supplemented by certain recent bids to Government agencies following the abandonment of basing-point pricing in July 1948 which reveal the absence of identity in bidding after the system was abandoned.

Under the basing-point system, prices less than the formula price can appear only when some cooperating supplier makes a mistake in applying the formula, or when some noncooperating supplier deliberately shades the base price or freight rates and thereby violates the formula. Bids higher than the formula price are a convenient method by which any freightwise distant supplier may effectively eliminate himself while offering a semblance of competition.

Identical bids for cement

Summary of bids to Government agencies: Table 1 presents a summary of identical bids in the cement industry over a period of more than 10 years (from 1927 through 1937) as shown by bids submitted to State and Federal purchasing agencies. The figures clearly reveal just how perfectly the basing-point system works automatically to destroy competition and make Federal and State purchasing agencies, and the public they represent, the victims of this monopolistic system.

TABLE 1.—*Cement—manufacturers' destination prices bid to Government agencies*

Year	Barrels	Number of destinations	Number of manufacturers bidding [1]	Total number prices bid	Bids at formula prices		Bids above formula prices		Bids under formula prices	
					Number	Percent	Number	Percent	Number	Percent
1927	[2] 453, 545	129	15	1, 359	1, 355	99. 70	2	.15	2	0. 15
1929	[2] 9, 035, 027	579	77	7, 713	7, 342	95. 19	237	3. 07	134	1. 74
1930	9, 050, 435	558	59	4, 662	4, 553	97. 66	60	1. 29	49	1. 05
1934	[2] 2, 900, 000	4	12	[4] 38	38	100. 00				
1935	[3] 1, 000	1	8	8	7	87. 50	1	12. 50		
1935	[3] 10, 000	1	3	[5] 6	6	100. 00				
1936	[3] 8, 000	1	18	18	18	100. 00				
1936	[3] 500	1	14	14	14	100. 00				
1936	[3] 6, 000	1	11	11	11	100. 00				
1937	[3] 1, 200	2	15	[4] 29	29	100. 00				
Total	21, 465, 707	1, 277	222	13, 858	13, 373	96. 50	300	2. 16	185	1. 33

[1] Includes duplications where the same manufacturer bid on more than 1 invitation.
[2] Bids to State highway commission on numerous projects.
[3] Bids to Federal agencies on individual projects.
[4] Some manufacturers did not bid for all destinations.
[5] Counting as separate the bids by individual manufacturers for cement in bulk and in bags.

These figures were based on investigations of the Federal Trade Commission in its Price Bases Inquiry (1932), and in its *Cement Institute case* (37 F. T. C. 87). The 1927 and 1930 bids were all to various State highway commissions for shipment to more than 1,250 destinations in the 9 States of Illinois, Indiana, Iowa, Louisiana, Maryland, Missouri, Oklahoma, South Carolina, and Wisconsin.

The general showing is that, by years, from 95 to 99.7 percent of the bids were identical with the basing-point destination price. In no year did the number of bids which were at a lower price amount to as much as 2 percent of the total number of bids. Or, to put it another way, the basing-point system produced approximately 99 percent uniformity in price.

For the smaller number of bids to Federal agencies during the years 1934 to 1937, inclusive, the showing of uniformity of bid prices is even more striking. For six of the seven individual projects covered, 100 percent of the bids carried identical prices. For the seventh project, seven of the eight bidders named prices strictly in accordance with the basing-point system. One bid higher destination prices, thereby indicating a probable lack of interest in the business.

Taking all of these bids together, out of a total of 13,858 prices bid for shipment to 1,277 different destinations, only 1.33 percent were at prices less than required by the system.

Summary of bids to private dealers: Basing-point proponents claim that destination prices at which cement is invoiced to dealers often differ from the pattern of identity shown by bids to Government agencies. To test the accuracy of this statement, the Federal Trade Commission examined more than 66,000 invoices by 51 cement producers covering shipments to dealers in 21 cities during the years 1927–29. Only 6 percent of the sales, representing practically the same percentage of invoices, deviated from the basing-point system prices. The degree of conformity to basing-point pricing in each of the cities is shown in table 2.

TABLE 2.—*Manufacturers' sales of cement to dealers at formula delivered prices, 1927–29*

Destinations	Total sales reported			Sales at formula prices			Percent of total
	Invoices	Shippers	Barrels	Invoices	Shippers	Barrels	
Baltimore, Md	2, 117	13	536, 305	1, 868	13	474, 391	88. 49
Birmingham, Ala	3, 633	9	657, 348	3, 633	9	657, 348	100. 00
Buffalo, N. Y	2, 752	15	681, 866	2, 750	15	681, 366	99. 93
Chattanooga, Tenn	1, 333	5	257, 745	1, 226	5	239, 038	92. 74
Chicago, Ill	14, 881	9	4, 420, 930	12, 129	9	3, 612, 137	81. 71
Cincinnati, Ohio	2, 071	14	438, 899	2, 070	14	438, 699	99. 95
Cleveland, Ohio	8, 716	17	2, 392, 887	8, 716	17	2, 392, 787	100. 00
Detroit, Mich	6, 069	14	2, 224, 298	4, 988	14	1, 960, 618	88. 15
Ensley, Ala	773	7	137, 374	773	7	137, 374	100. 00
Hedona, Ala	608	7	128, 833	608	7	128, 833	100. 00
Indianapolis, Ind	2, 797	11	732, 244	2, 766	11	724, 878	98. 99
Madison, Wis	1, 319	11	352, 182	1, 319	11	325, 182	100. 00
Minneapolis, Minn	1, 879	11	877, 555	1, 242	11	729, 420	83. 12
New York, N. Y	6, 457	17	5, 367, 916	6, 547	17	5, 367, 916	100. 00
Norfolk, Va	430	5	67, 930	430	5	67, 930	100. 00
Philadelphia, Pa	3, 296	15	813, 803	3, 296	15	813, 803	100. 00
Pittsburgh, Pa	93	7	23, 451	93	7	23, 451	100. 00
Richmond, Va	753	7	129, 346	753	7	129, 346	100. 00
St. Louis, Mo	4, 494	7	907, 990	4, 494	7	907, 990	100. 00
Washington, D. C	1, 295	10	426, 412	1, 295	10	426, 412	100. 00
Wilmington, Del	391	7	101, 453	391	7	101, 453	100. 00
Total	66, 157	[1] 51	21, 649, 667	61, 297	[1] 51	20, 340, 572	93. 95

[1] Exclusive of duplications.

Source: FTC Price Bases Inquiry: Basing-point formula and cement prices, p. 58.

Every shipper quoted identically the same destination price on every invoice to dealers in 13 of the 21 cities. For four more cities, invoice prices were identical for 99 percent or more of the tonnage.

This striking price identity in 17 cities was, of course no accident, since every one of the 51 shippers observed the system in pricing most of the tonnage shipped. Unintentional errors might well account for most of the few deviations shown for the 17 cities.

Only four cities showed less than 90 percent price identity, the largest deviations occurring in Chicago. It is interesting to note that one producer local to Chicago, and another local to Baltimore accounted for all deviations in each of these cities.

In some instances the apparent nonconformity was due to deliveries on old contracts made at formula prices prevailing when the contracts were made. Had it been possible to enter such invoices under the contract date, the price shown would have been at the system price then prevailing. Therefore, the showing that, on the average, 94 percent of all invoices sampled were billed at basing-point prices actually understates the degree to which the system was observed. This means, in short, that the degree of price identity for dealers was practically the same as for Government bids.

Resubmission of identical bids: Dissatisfied with the constant submission of identical bids, Government purchasing agencies, particularly during the 1930's, made repeated efforts to secure competitive bidding with little success. The original submissions would be thrown out, followed by readvertisement for new bids, which upon being submitted, would again be found to be exactly identical.

An illustration of the futility met by Government agencies in their attempts to secure competitive pricing is provided by the case of bids for cement in 1935 for the Tygart River Reservoir Dam at Grafton, W. Va. This project was a large one, involving the delivery of 1,200,000 barrels of cement to be delivered over a period of 2½ years. The United States engineer office, Pittsburgh, Pa., first issued a call designated serial 35–224 to which 17 bidders responded. The bids were opened on January 18, 1935, and all were found to be identical at $1.84 per barrel, as shown in table 3.

The engineer office refused to accept any of these bids and approximately 1 month later, on February 7, 1935, issued a second call for bids on the same project, under the designation serial 35–264. This request called for detailed information as to plant locations, distances to delivery point, published freight rates, capacity to produce and store, etc. Eleven of the seventeen firms which had submitted prices on the previous call again submitted bids. All bids again were absolutely identical, but at a price 14 cents per barrel less than the figure previously submitted. The bids in this second submittal are summarized in table 4.

TABLE 3.—*Abstract of bids for furnishing and delivering approximately 1,200,000 barrels of portland cement for use in the construction of Tygart River Reservoir Dam received in response to advertisement and specifications, serial No. 35–224, dated Jan. 7, 1935, and opened at United States engineer office, Pittsburgh, Pa., Jan. 18, 1935 (serial No. 35–224)*

	Price per barrel
1. Southwestern Portland Cement Co., Osborn, Ohio	$1.84
2. The Bessemer Limestone & Cement Co., 1106 City Bank Bldg., Youngstown, Ohio	1.84
3. Universal Atlas Cement Co., 518 Frick Bldg., Pittsburgh, Pa	1.84
4. West Penn Cement Co., 233 South Main St., Butler, Pa	1.84
5. Lehigh Portland Cement Co., 718 Hamilton St., Allentown, Pa	$1.84
6. Standard Portland Cement Co., 925 Midland Bldg., Cleveland, Ohio	1.84
7. The Diamond Portland Cement Co., Middle Branch, Ohio	1.84
8. Wabash Portland Cement Co., First National Bank Bldg., Detroit, Mich	1.84
9. Superior Cement Corp., Portsmouth, Ohio	1.84
10. Copley Cement Manufacturing Co., 521 Fifth Ave., New York, N. Y	1.84
11. Alpha Portland Cement Co., Easton, Pa	1.84
12. The Washington Building Lime Co., 2004 First National Bank Bldg., Baltimore, Md	1.84
13. Huron Portland Cement Co., 1325 Ford Bldg., Detroit, Mich	1.84
14. Medusa Portland Cement Co., 1000 Midland Bldg., Cleveland, Ohio	1.84
15. Lawrence Portland Cement Co., 270 Broadway, New York City	1.84
16. Green Bag Cement Co. of Pennsylvania, 2119 Oliver Bldg., Pittsburgh, Pa	1.84
17. Pittsburgh Plate Glass Co., Columbia Cement Division, 2130 Grant Bldg., Pittsburgh, Pa	1.84

O. & R. 719.1 (b).

Appropriation: 8.05678.5 P. W. A. allotment to War, Rivers, and Harbors 1935 (Tygart River Dam, W. Va., 8.03/5640.5 N. I. R. War, Rivers, and Harbors 1933–35 (Tygart River Dam, W. Va.).

"I certify that the above is a true abstract of all bids received.

"JOHN SERGAN,
"Chief, Purchasing Section.
"UNITED STATES ENGINEER OFFICE,
"Pittsburgh, Pa."

TABLE 4.—*Advance abstract of cement bids (Serial No. 35–264)*

Name and address of bidder	Location of plant	Railroad freight rate to Grafton per barrel	Distance from plant to Grafton	Will bidder accept whole order?	Amount of order preferred by bidder	Price per barrel, f. o. b. dam site
			Miles		*Barrels*	
Lehigh Portland Cement Co., Young Bldg., 718 Hamilton St., Allentown, Pa.	Union Bridge, Md	$0.5076	221½	Yes	1,200,000	$1.70
	New Castle, Pa	.5076	201½			
The Bessemer Limestone & Cement Co., 1106 City Bank Bldg., Youngstown, Ohio.	Bessemer, Lawrence County (railroad name, Walford, Pa.).	.5076	194	No	500,000	1.70
West Penn Cement Co., Butler, Pa	West Winfield, Pa	.49	176.9	Yes	1,200,000	1.70
Standard Portland Cement Co., 925 Midland Bldg., Cleveland, Ohio.	Painesville, Ohio	.63	272.4	No	450,000	1.70
Wabash Portland Cement Co., Detroit, Mich	Osborn, Ohio	.63	290.7	No	400,000	1.70
Pittsburgh Plate Glass Co., Columbia Cement Division, 2129 Grant Bldg., Pittsburgh, Pa.	Fultonham, Muskingum County, Ohio.	.55	182	Yes	1,200,000	1.70
The Washington Building Lime Co., 2004 First National Bank Bldg., Baltimore, Md.	Martinsburg, W. Va	.49	165	No	540,000	1.70
Alpha Portland Cement Co., 15 South 3d St., Easton, Pa	Manheim, W. Va	.3008	31	Yes	1,200,000	1.70
Universal Atlas Cement Co., 518 Frick Bldg., Pittsburgh, Pa	Universal, Pa	.4324	148.2	Yes	1,200,000	1.70
Green Bag Cement Co. of Pennsylvania, 2119 Oliver Bldg., Pittsburgh, Pa.	Neville Island, Pa	.46	157.9	Yes	1,200,000	1.70
Medusa Portland Cement Co., 1000 Midland Bldg., Cleveland, Ohio	Crescentdale, Pa. (Post office, Wampum, Pa.).	.5076	180	Yes	1,200,000	1.70

The following facts respecting the effects of systematic observance of basing point pricing are revealed by a comparison of these two sets of bids, as shown in tables 3 and 4.

1. The destination price named by all bidders in each submittal was identical, but the price uniformly quoted in the second submittal was 14 cents less than the first. This, of course, raises the question as to how 11 bidders all came to submit bids in February which were exactly 14 cents per barrel less than those the same 11 bidders submitted in January.

2. The shipping plants were located at distances varying from 31 miles to 291 miles from the destination.

3. The published freight rates from the different mills to the destination ranged from $0.30008 to $0.63 per barrel.

In order to bring about identical prices on the second bid 14 cents lower than on the first, all that each of the 11 February bidders had to know was that the controlling base mill had reduced its price 14 cents per barrel. With this fact known, systematic observance of the basing-point system under which all other pricing factors were fixed and known automatically produced the 11 identical bids.

Individual instances of identical bids: Individual instances of identical bids in cement could be cited almost indefinitely. Since, as was illustrated above, the throwing out of the bids and the advertising for new bids merely results in the resubmission of bids which are again identical, the purchaser has little alternative but to make the award by lot. Mere chance or luck is thus substituted for the culmination of all the varying economic factors represented by price in the making of economic decisions. Specifically, under a well developed and smoothly working basing-point system, differences in distance of supplier from destination, cost of production and distribution, and so forth, are all automatically and systematically eliminated. Some impression of the widespread success of the basing point system in achieving this result can be gained from the following typical examples of identical bidding.

Table 5 covers an abstract of bids for large quantities of cement for delivery at four destinations for the Tennessee Valley Authority in 1934. Twelve individual bidders with plants as far away as Cape Girardeau, Mo., and Clinchfield, Ga., as well as others in nearby Tennessee, northern Georgia, and Alabama, all submitted bids which were absolutely identical to the fourth decimal place for each destination.

TABLE 5.—*Abstract of bids for deliveries to Tennessee Valley Authority as follows on bids opened Oct. 15, 1924*

200,000 to 800,000 barrels or partial quantity at Coal Creek, Tenn.; 100,000 to 700,000 barrels or partial quantity at Wheeler Dam, Tenn.; 100,000 to 700,000 barrels or partial quantity at Wheeler Dam, Tenn.; 100,000 to 700,000 barrels or partial quantity at Sheffield, Ala.

Bidders	Plants nearest to destination	Coal Creek, Tenn.	Wheeler contractor	Wheeler authority	Sheffield, Ala.
1. Alpha Portland Cement Co	Phoenixville, Ala		$1.8798	$1.8398	$1.7008
2. Universal Altas Cement Co	Leeds, Ala		1.8798	1.8398	1.7008
3. Marquette Cement Manufacturing Co	Cape Girardeau, Mo		1.8798	1.8398	1.7008
4. Lehigh Portland Cement Co	Birmingham, Ala		1.8798	1.8398	1.7008
5. Hermitage Portland Cement Co	Nashville, Tenn	$1.7384	1.8798	1.8398	1.7008
6. Cumberland Portland Cement Co	Cowan, Tenn	1.7384	1.8798	1.8398	1.7008
7. Signal Mountain Portland Cement Co	Chattanooga, Tenn	1.7384	1.8798	1.8398	1.7008
8. Lone Star Cement Co	Birmingham, Ala		1.8798	1.8398	1.7008
9. National Cement Co	Ragland, Ala		1.8798	1.8398	1.7008
10. Georgia Cement & Products Co	Portland, Ga		1.8798	1.8398	1.7008
11. Pennsylvania-Dixie Cement Corp	Kingsport, Tenn.; Richard City, Tenn	1.7384	1.8798	1.8398	1.7008
12. Volunteer Portland Cement Co	Caswell, Tenn	1.7384			

NOTE.—All bids subject to 10 cents per barrel discount for payment in 15 days. Some bidders limited their offers to partial quantities.

Table 6 covers a large quantity of cement in bulk and a smaller quantity sacked in paper, delivered to the War Department for the Fort Peck (Mont.) Dam in 1935. Three producers submitted bids, all of which were identical to the fourth decimal place.

TABLE 6.—*Abstract of bids for 600,000 barrels of cement in bulk and 10,000 barrels of cement in paper for Fort Peck Dam in 1935*

Name of bidder	Plants nearest destination	Bulk per barrel	Paper per barrel
Universal-Atlas Portland Cement Co.	Duluth, Minn	$2.5054	$2.7145
Huron Portland Cement Co.	Alpena, Mich	2.5054	2.7145
Three Forks Portland Cement Co.	Trident, Mont	2.5054	2.7145

Table 7 covers an abstract of bids for a smaller order of cement for Leavenworth Penitentiary, on which bids submitted in September 1935 by seven of eight bidders all were identical to the sixth decimal place.

TABLE 7. *Abstract of bids for 1,000 barrels of cement for Leavenworth Penitentiary, opened Sept. 3, 1937*

Name of bidder:	Price per barrel
Universal	$2.163424
Ash Grove	2.163424
Missouri	2.163424
Lone Star	2.163424
Lehigh	2.163424
Monarch	2.163424
Dewey	2.163424
Consolidated	2.175280

All bids subject to 10 cents' discount per barrel for payment in 15 days.

In this instance, the only exceptions from sixth-decimal place identity in the price per barrel was the bid of Consolidated Cement Corp., with a plant at Fredonia, Kans. Its bid, for some reason, was 0.5856 cent per barrel higher than the price uniformly bid by the other 7 bidders. The discount terms offered by all bidders also were identical.

Table 8 covers an abstract of bids for cement for the United States engineer office, Tucumcari, N. Mex., for which bids by 11 bidders, opened in April 1936, were all identical to the sixth-decimal place.

TABLE 8.—*Abstract of bids for 6,000 barrels of cement for United States engineer office, Tucumcari, N. Mex., opened Apr. 23, 1936*

Name of bidder:	Price per barrel
Monarch	$3.286854
Ash Grove	3.286854
Lehigh	3.286854
Southwestern	3.286854
Oklahoma	3.286854
U. S. Portland Cement Co	$3.286854
Consolidated	3.286854
Trinity	3.286854
Lone Star	3.286854
Universal	3.286854
Colorado	3.286854

All bids subject to 10 cents per barrel discount for payment in 15 days.

Table 9 covers 18 bids in May 1936 for cement for delivery to the United States Navy Department at Brooklyn, N. Y. The 18 bids were all identical.

TABLE 9.—*Abstract of bids for 8,000 barrels of cement for U. S. Navy Department, Brooklyn, N. Y., opened May 29, 1936*

Name of bidder:	Price per barrel
Allentown P. C. Co	$2.43
Alpha	2.43
Coplay	2.43
Edison	2.43
Giant	2.43
Hercules	2.43
Keystone	2.43
Lawrence	2.43
Lehigh	2.43
Lone Star (N. Y.)	2.43
National	2.43
Nazareth	2.43
North American	2.43
Penn-Dixie	2.43
Standard Lime & Stone	2.43
Universal	2.43
Vulcan	2.43
Whitehall	2.43

Table 10 is an abstract for a small quantity of cement for the United States Industrial Reformatory at Chillicothe, Ohio. The bids of 14 producers opened in June 1936 showed absolute identity.

TABLE 10.—*Abstract of bids for 500 barrels of cement for United States Reformatory, Chillicothe, Ohio, opened June 26, 1936*

Name of bidder:	Price per barrel
Alpha	$2.02
Green Bay (W. Va.)	2.02
Southwestern	2.02
Standard	2.02
Universal	2.02
Medusa	2.02
Pittsburgh Plate Glass	2.02
West Penn	2.02
Lehigh	2.02
Bessemer	2.02
Superior	2.02
Louisville Cement Co	2.02
Diamond	2.02
Wabash	2.02

All bids subject to 10 cents per barrel discount for payment in 15 days.

Table 11 covers 1,200 barrels of cement for the United States engineer office, Vicksburg, Miss., delivery to be made at Monroe, La. This abstract is of special interest because the advertisement called for bids on two bases, namely: (1) Delivered at Monroe, La., on commercial bills of lading, with the supplier paying the freight, and (2) delivered at Monroe with the Government paying the freight at land-grand railroad rates. The bids showing total value delivered showed the following identity resulting from perfect systematic observance of the basing-point system by every bidder, on each of the two bases.

TABLE 11.—*Abstract of bids for 1,200 barrels of cement for United States engineer office, Vicksburg, Miss., opened Aug. 30, 1937*

Name of bidder	Destination cost on Government bills of lading, f. o. b. Monroe, La.	F. o. b. local switch, Missouri Pacific R. R., Monroe, La.
Pennsylvania-Dixie Cement Corp.	$2,772	$3,060
Arkansas Portland Cement Co	2,772	3,060
Universal-Atlas Cement Co	2,772	3,060
Cumberland Portland Cement Co.	2,772	3,060
Trinity Portland Cement Co	2,772	3,060
Signal Mountain Portland Cement Co	2,772	3,060
Alpha Portland Cement Co	2,772	3,060
Lehigh Portland Cement Co	2,772	3,060
Lone Star Cement Co	2,772	3,060
Monarch Cement Co	2,772	3,060
National Cement Co	2,772	3,060
Consolidated Cement Co	2,772	(1)
Volunteer Portland Cement Co	2,772	3,060
Georgia Cement & Products Co	2,772	3,060
Hermitage Portland Cement Co	2,772	3,060

[1] No bid.

Tables 5 to 11 inclusive cover a total of 94 bids by 72 bidders. In 93 of these bids each bidder adhered strictly to the basing point method of pricing with the result that all prices were identical for each destination. In the case of the 94th bid, which was not identical, as shown in table 7 above, Consolidated Cement Corp. deviated from the system only to the extent of overbidding the system price by 1756 ten-thousandth of a cent per barrel.

Because the system of pricing used automatically produced a deadline of equal bids, by all bidders, the only basis for awarding any of these 7 bids would be by lot. Basing point pricing thus denies the buyer, even including the Government of the United States, all benefits of choosing suppliers on the basis of where the most can be obtained for the money.

Misapplication of the basing-point system: Only in the rare instances where one producer, either by accident or design, misapplies the basing point formula, do there occur any deviations or exceptions to the otherwise consistent pattern of identical bids.

Such a case is illustrated by table 12 which summaries an abstract of bids for 45,000 barrels of cement for the United States Engineer Office, for delivery at Greenville, Miss., for which bids were open on September 3, 1945. In this instance, the United States Government got a break only because 2 of 14 bidders, either by accident or design, failed to apply the basing point system correctly.

The abstract of these bids is of interest for several reasons, but especially because the advertisement, calling for delivered prices, requested the submission of bids on two different bases: (1) with suppliers paying the freight at published commercial rates, and (2) with the Government paying the freight at land grant rail rates. This results in what appears to be differing amounts bid by the same bidder, as shown in the table.

Twelve producers who bid on both bases named $117,529.65 as the cost to the Government on Government bills of lading, with the Government paying land grant rates, and $126,900 as the destination price with suppliers paying published freight rates. Louisville Cement Co. and Monarch Cement Co., however, each bid $117,529.65 f. o. b. cars, Greenville, Miss., with the suppliers paying the freight. Whether they made an acciden-

TABLE 12.—*Abstract of bids for furnishing and delivering approximately 45,000 barrels of American portland cement received in response to advertisement issued Aug. 23, 1935, and opened Sept. 3, 1935*

Name of bidder	Mill shipping point	Destination cost to Government f. o. b. Greenville on Government bills of lading	Amount f. o. b. Government spur track, Greenville, Miss.
1. Universal-Atlas Cement Co	Leeds, Ala	$117,529.65	$126,900.00
2. Hermitage Portland Cement Co	Nashville, Tenn / Cowan, Tenn	117,529.65	126,900.00
3. Trinity Portland Cement Co	Dallas, Tex	117,529.65	126,900.00
4. Louisville Cement Co	Speed, Ind	No bid	117,529.65
5. Arkansas Portland Cement Co	Okay Junction, Ark	117,529.65	126,900.00
6. The Monarch Cement Co	Humboldt, Kans	No bid	117,529.65
7. Missouri Portland Cement Co	Prospect Hill, Mo	117,529.65	126,900.00
8. Signal Mountain Portland Cement Co	Chattanooga, Tenn	117,529.65	126,900.00
9. Alpha Portland Cement Co	Phoenixville, Ala	117,529.65	126,900.00
10. Penn-Dixie Cement Co	Richard City, Tenn	117,529.65	126,900.00
11. Lehigh Portland Cement Co	Boyles, Ala	117,529.65	126,900.00
12. Cumberland Portland Cement Co	Cowan Tenn	117,529.65	126,900.00
13. Lone Star Cement Corp	Boyles, Ala	117,529.65	126,900.00
14. Marquette Cement Manufacturing Co	Cape Girardeau, Mo	117,529.65	No bid
15. National Cement Co	Ragland, Ala	117,529.65	126,900.00

tal error in submitting on the second basis the figure called for by the basing point system on the first basis, or whether they chose this method of shading the basing point formula, the results were the same—two deviations from the usual pattern of identical bids—an event which, as indicated by the data presented above, represents a rare occurrence in a basing-point industry.

Continuation of identical bids until cement decision

There is ample evidence that the almost perfect operation of basing point pricing in cement continued to produce identical noncompetitive bids up to the Supreme Court decision in the cement case on April 26, 1948. Not only were bids characteristically uniform but the customary efforts to instill some measure of competition in bidding by refusals of bids and readvertisements continued to be ineffectual.

These conclusions are borne out in the factual material presented in the following tables dealing with a number of identical bids received by the Corps of Engineers of the War Department during the period April, 1947 to March, 1948.

TABLE 13.—*Abstract of bids, for 2,000 barrels American portland cement received by Corps of Engineers, War Department, Vicksburg, Miss., advertised Mar. 26, 1947, and bids opened Apr. 9, 1947; serial No. 22-052-47-209, for flood control, Mississippi River and tributaries, destination Vicksburg, Miss.*

Bid No.	Bidder [1]	Price per barrel f. o. b. destination		Discount per barrel (15 days)
		Item 1	Item 1 (a)	
1	Hermitage Portland Cement Co	$2.83	$2.85	$0.10
2	Universal Atlas Cement Co	2.83	2.85	.10
3	Alpha Portland Cement Co	2.98	3.00	.10
4	Lehigh Portland Cement Co	2.83	2.85	.10
5	Lone Star Cement Corp	2.83	2.85	.10
6	Marquette Cement Manufacturing Co	2.83	[2]	.10

[1] Awarded by lot to bidder No. 4 as between bidders 2 and 4, because these were lowest bids considering guaranty against increase for 15 days.
[2] No bid.

The first of these tables (table 13) relates to a relatively small quantity of cement advertised on March 26, 1947, to be used for flood control purposes. In this table, item 1 is the price for cement delivered on Government bills of lading at land grant railroad rates and item 1 (a) is the usual basing point destination price using the rate tables of the basing point formula.

In this instance all four of the five bids received for item 1 were identical both as to amount and discount, and three of the four bids for item 1 (a) likewise were identical.

Table 14 summarizes a case in 1947 in which the Corps of Engineers, having received what it regarded as unsatisfactory bids on a first call, advertised for new bids with no better result in obtaining really competitive bids. The bids were for four lots of cement. On the first call there were only four bidders altogether, of whom only one bid on lot A; four bids on lot B; two bids on lot C, and two bids on lot D. The second call produced two additional bidders. Again, the only deviations from identical bidding were a few quotations which were higher than the formula price.

TABLE 14.—*Abstract of bids for 4 lots of American portland cement received by Corps of Engineers, War Department, Huntington, W. Va., for Bluestone Reservoir project, New River, W. Va., in 1947*

[Serial No. W-46-022-Eng.-47-136: First call issued May 1, 1947; opened May 12, 1947. Second call issued May 23, 1947; opened June 3, 1947]

Company	Item 1			Item 2 (a)		
	Price per barrel f. o. b. destination		Discount per barrel (15 days)	Price per barrel f. o. b. destination		Discount per barrel (15 days)
	First call	Second call		First call	Second call	
Lot A, 267,000 barrels:						
1. Universal-Atlas Cement Co	$2.58	$2.58	$0.10	$2.60	$2.60	$0.10
Lot B, 162,000 barrels:						
1. Universal-Atlas Cement Co	2.58	2.58	.10	2.60	2.60	.10
2. Lehigh Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
3. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
4. North American Cement Corp	2.73	[1]2.58	.10	[1]2.75	2.60	.10
Lot C, 75,000 barrels:						
1. Universal-Atlas Cement Co	2.58	2.58	.10	2.60	2.60	.10
2. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.58	.10

[1] Bid on only 87,000 barrels.

TABLE 14.—*Abstract of bids for 4 lots of American portland cement received by Corps of Engineers, War Department, Huntington, W. Va., for Bluestone Reservoir project, New River, W. Va., in 1947*—Continued

[Serial No. W–46–022–Eng.–47–136: First call issued May 1, 1947; opened May 12, 1947. Second call issued May 23, 1947; opened June 3, 1947]

Company	Item 1			Item 2 (a)		
	Price per barrel f. o. b. destination		Discount per barrel (15 days)	Price per barrel f. o. b. destination		Discount per barrel (15 days)
	First call	Second call		First call	Second call	
Lot C, 75,000 barrels—Continued						
3. Huron Portland Cement Co	(2)	$2.58	$0.10	(2)	$2.60	$0.10
4. Bessemer Limestone & Cement Co	(2)	2.85	.10	(2)	2.75	.10
Lot D, 30,000 barrels:						
1. Universal-Atlas Cement Co	$2.58	2.58	.10	$2.60	2.60	.10
2. Medusa Portland Cement Co	2.58	2.58	.10	2.60	2.60	.10
3. Huron Portland Cement Co	(2)	2.58	.10	(2)	2.60	.10
4. Bessemer Limestone & Cement Co	(2)	2.85	.10	(2)	2.75	.10

[2] No bid.

Specifically, for lot A, Universal-Atlas Cement Co. was the only bidder on both calls for bids, and it quoted the same price on both calls.

For lot B the first call produced four bids, three of which were identical at the formula price and the fourth was higher. The second call gave North American Cement Co., the high bidders, an opportunity to correct its bid to formula, which it did, with the result that all bids were identical on the second call.

For lot C, the first call produced two identical bids. The second call produced two more bids, making four in all, of which three were identical and one, by Bessemer Limestone & Cement Co., was high.

For lot D, the second call likewise increased the number of bidders from two to four, with a showing exactly similar to that for the preceding lot, namely, three bids identical at formula price and one, again by Bessemer, higher than formula.

Table 15 shows three bids on a relatively small quantity of cement for the Corps of Engineers, War Department, for flood-control construction on the Mississippi River. The prices quoted in October 1947 were all identical.

TABLE 15.—*Abstract of bids, 3,000 barrels American portland cement, air entrained, received by Corps of Engineers, War Department, Vicksburg, Miss., advertised Sept. 24, 1947, and bids opened Oct. 6, 1947; serial No. W–22–052–48–103, for flood control on the Mississippi River and tributaries*

Bid No.	Bidder [1]	Price per barrel f. o. b. destination		Discount per barrel (15 days)
		Item 1	Item 1 (a)	
1	Universal Atlas Cement Co	$2.98	$3	$0.10
2	Lone Star Cement Corp	2.98	3	.10
3	Lehigh Portland Cement Co	2.98	3	.10

[1] Awarded by lot to bidder No. 1 as between bidders 1 and 3, because these were lowest bids considering guaranty against price increase for 15 days.

Table 16 likewise covers a relatively small Government contract for cement for flood-control construction for which form identical bids were received.

TABLE 16.—*Abstract of bids, 1,000 barrels American portland cement, received by Corps of Engineers, Vicksburg, Miss., advertised Oct. 13, 1947, and bids opened Oct. 24, 1947; serial No. W–22–052–eng–48–130, for flood control, Mississippi River and tributaries*

Bid No.	Bidder	Price per barrel f. o. b. destination	Discount per barrel (15 days)
1	Lehigh Portland Cement Co.[1]	$3.03	$0.10
2	Universal Atlas Cement Co	3.03	.10
3	Lone Star Cement Corp	3.03	.10
4	Alpha Portland Cement Co	3.03	.10

[1] Awarded by lot to bidder No. 1 as between bidders Nos. 1, 2, and 3, one of the 4 lowest bidders as to price. Bidder No. 4 disqualified by stating right to limit deliveries to 1 car per month and to allow 15 days to ship each car.

Table 17 deals with an abstract of bids for a large quantity of cement for the Corps of Engineers for general flood-control purposes, the contract for which was awarded early in 1948. In this instance there were five bidders whose prices for cement, both in bulk and in paper bags, were all identical.

TABLE 17.—*Abstract of bids, 144,000 barrels of American portland cement, received by Corps of Engineers, Baltimore, Md., advertised Dec. 23, 1947, and opened Jan 12, 1948; serial No. W–18–020–eng–48–23, for flood control, general*

Bid No.	Bidder [1]	Price per barrel f. o. b. destination		Discount per barrel (15 days)
		Per barrel	Paper sacks	
1	Alpha Portland Cement Co. (partial quantity bid)	$2.91	$3.19	$0.10
2	Universal-Atlas Cement Co	2.91	3.19	.10
3	Lehigh Portland Cement Co. (partial quantity bid)	2.91	3.19	.10
4	North American Cement Corp	2.91	3.19	.10
5	Glens Falls Portland Cement Co. (partial quantity bid)	2.91	3.19	.10

[1] Awarded one-half of requirements to each of the following companies: Universal-Atlas Cement Co. and North American Cement Corp., because of special considerations favorable to the Government in proposed contracts.

Table 18 covers 2,500 barrels of cement for flood-control work on which there were three bidders, all of whom quoted identically the same price for cement delivered on Government bills of lading.

TABLE 18.—*Abstract of bids, 2,500 barrels of portland cement, received by Corps of Engineers, Vicksburg, Miss., advertised Feb. 26, 1948, and opened Mar. 10, 1948, for flood-control work*

Bid	Bidder [1]	Price per barrel f. o. b. destination		Discount per barrel (15 days)
		Item 1	Item 1 (a)	
1	Lehigh Portland Cement Co	$3.23	----------	$0.10
2	National Cement Co.	3.23	$3.21	.10
3	Lone Star Cement Co.	3.23	----------	----------

[1] Awarded by lot between bidders Nos. 1, 2, and 3, to bidder No. 3, one of the three equal lowest bidders as to price.

Table 19 covers four identical bids on 6,000 barrels of cement for flood control. In this instance all of the bids which were identical were rejected.

TABLE 19.—*Abstract of bids, 6,000 barrels of portland cement, received by Corps of Engineers, Vicksburg district, Vicksburg, Miss., advertised Mar. 3, 1948, and opened Mar. 15, 1948, serial No. Eng–22–052–48–338, for flood-control work*

Bid No.	Bidder [1]	Price per barrel f. o. b. destination	Discount per barrel (15 days)
1	Lone Star Cement Corp. (partial bid on 3,000)	$3.09	$0.10
2	Pennsylvania-Dixie Cement Corp	3.09	.10
3	Lehigh Portland Cement Co	3.09	.10
4	Marquette Cement Manufacturing Co	3.09	.10

[1] No award made. All bids rejected on Mar. 23, 1948.

Table 20, covering 10,000 barrels of cement for the Corps of Engineers in Seattle, Wash., shows three bids identical in price, but with discounts of 10 cents for payment, respectively, in 20, 15, and 10 days. Award went to Superior Portland Cement, Inc., who offered the longest discount period, all other price factors being equal.

TABLE 20.—*Abstract of bids, 10,000 barrels of portland cement received by Corps of Engineers, Seattle, Wash., advertised Mar. 8, 1948, and opened Mar. 22, 1948; serial No. W–45–108–Eng–48–213*

Bid No.	Bidder [1]	Price per barrel f. o. b. destination	Discount per barrel
1	Superior Portland Cement Inc	$3.35	[2] $0.10
2	The Olympic Portland Cement Co., Ltd	3.35	[3] .10
3	Permanente Cement Co	3.55	[4] .10

[1] Awarded to bidder No. 1 who was lowest bidder considering discount offered.
[2] 20 days.
[3] 15 days.
[4] 10 days.

The entire showing of tables 13 to 20, inclusive, is that the basing-point system of pricing cement continued to produce absolute identity of prices up to the Cement decision in April 1948.

Identity of bids disappears after the Cement decision

In order to determine whether the abandonment of the basing-point system following the Supreme Court decision in April 1948 resulted in any changes in the customary pattern of identical bids which had prevailed in the cement industry for over 40 years, information was received from the highway departments of several representative States.

Abstracts of bids furnished by the Virginia Department of Highways are especially informative in that they present directly comparable data covering destination prices at a large number of delivery points in the State for the last contract period preceding abandonment, and for the first contract period immediately thereafter. The complete data for the two periods, in the form of two large tables, appear in the Appendix of the CONGRESSIONAL RECORD, pages 2416 and 2417.

The two outstanding facts to be noted from the complete tables as they appear in the record are:

1. In June 1947 under the basing-point system, seven cement manufacturers submitted a total of 543 bids for delivery at 134 destinations in 82 counties. Of these 543 bids, there were only 3 deviations from the customary pattern of absolutely identical bids or a showing of 99.45 percent identity of price. Moreover, the three bids which were not identical were all submitted by one company and in each case they were higher than the basing-point formula prices.

2. Nine months later in September 1948 or about 2 months after the abandonment of basing-point pricing, 3 of these 7 producers submitted a total of 381 bids for delivery within the same 82 counties. In sharp contrast to the previous pattern these new bids showed great diversity of prices as between the different companies when bidding for delivery at the same destinations. In fact there were only five destinations at which any two of the bidders quoted the same prices.

Without presenting the great body of data contained in the two tables as they appear in the RECORD the general nature of the showing is presented in table 21 below which summarizes the bids of the 3 companies for delivery at the same destinations in 18 counties, or about one-fourth of all the counties covered by bids on each of the dates.

TABLE 21.—*Sample comparison of prices quoted to Virginia Highway Department by 3 producers for cement to be delivered at same destination June 1947 and September 1948. Abstract of bids to Virginia Department of Highways: Inquiry No. 6706, closing date June 17, 1947, and inquiry No. 7320, closing date Sept. 14, 1948*

JUNE 17, 1947

County	Destination	Lehigh Portland Cement Co.	Lone Star Cement Co.	Penn-Dixie Cement Co.
Albemarle	Charlottesville	$2.75	$2.75	-----
Augusta	Staunton	2.68	2.68	-----
	Verona	2.68	2.68	-----
Buchanan	Grundy	2.80	2.80	$2.80
Brunswick	Alberta	2.86	2.86	-----
	Lawrenceville	2.86	2.86	-----
Campbell	Lynchburg	2.83	2.83	2.83
Culpeper	Culpeper	2.75	2.75	-----
Dickenson	Fremont	2.78	2.78	2.78
	Haysi	2.78	2.78	2.78
Dinwiddie	DeWitt	2.86	2.86	-----
	Petersburg	2.78	2.78	-----
Frederick	Winchester	2.57	2.57	-----
	Gainesboro	2.68	2.68	-----
Henrico	Richmond	2.78	2.78	-----
	Fair Oaks	2.82	2.82	-----
James City	Williamsburg	2.71	2.71	-----
	Toano	2.74	2.74	-----
Loudoun	Leesburg	2.82	2.82	-----
	Purcellville	2.82	2.82	-----
Norfolk	Norfolk	2.39	2.39	-----
	Portsmouth	2.39	2.39	-----
Pittsylvania	Danville	2.94	2.94	2.94
	Chatham	2.91	2.91	2.91
Roanoke	Roanoke	2.87	2.87	2.87
	Salem	2.87	2.87	2.87
	Starkey	2.91	2.91	2.91
Rockingham	Harrisonburg	2.68	2.68	-----
	Broadway	2.68	2.68	-----
Scott	Gate City	2.57	2.57	2.57
Washington	Abington	2.74	2.74	2.74
	Bristol	2.71	2.71	2.71

SEPT. 14, 1948

Albemarle	Charlottesville	$3.19	$3.60	$3.73
Augusta	Staunton	3.11	3.64	3.69
	Verona	3.11	3.64	3.73
Buchanan	Grundy	3.61	4.02	3.54
Brunswick	Alberta	3.49	3.49	3.73
	Lawrenceville	3.49	3.49	3.76
Campbell	Lynchburg	3.34	3.60	3.61
Culpeper	Culpeper	3.36	3.60	3.73
Dickenson	Fremont	3.61	4.02	3.38
	Haysi	3.61	4.02	3.38
Dinwiddie	DeWitt	3.45	3.49	3.76
	Petersburg	3.45	3.41	3.76
Frederick	Winchester	3.34	3.83	3.84
	Gainesboro	3.49	3.91	4.09
Henrico	Richmond	3.38	3.41	3.76
	Fair Oaks	3.45	3.49	3.76
James City	Williamsburg	3.49	3.30	-----
	Toano	3.45	3.34	-----
Loudoun	Leesburg	3.59	3.83	3.99
	Purcellville	3.64	3.83	3.99
Norfolk	Norfolk	3.49	[1] 2.73	-----
	Portsmouth	3.49	[1] 2.73	-----
Pittsylvania	Danville	3.45	3.64	3.69
	Chatham	3.38	3.64	3.69
Roanoke	Roanoke	3.34	3.68	3.54
	Salem	3.38	3.68	3.54
	Starkey	3.38	3.68	3.54
Rockingham	Harrisonburg	3.15	3.68	3.73
	Broadway	3.19	3.68	3.73
Scott	Gate City	3.61	3.91	3.12
Washington	Abingdon	3.53	3.87	3.31
	Bristol	3.57	3.91	3.27

[1] Plus switching.

This sample table covering 32 destinations shows the typical identity of delivered prices before and wide differences in prices after the abandonment. For the first time in many years the Virginia Highway Department had a basis for awarding contracts on the basis of differences in price rather than by lot.

It will be noted that the prices submitted were higher in 1948 than those submitted for the same destination in 1947, although the extent of the differences varies widely. The higher prices in 1948 were due to—

(a) Higher mill prices, the cement companies having sharply increased their mill prices at the time that they went off the basing-point system, perhaps for the purpose of creating the impression among their customers, the public generally, and Congress that the elimination of the basing-point system in and of itself automatically meant higher delivery prices for everyone;

(b) Higher transportation rates, the railroads having increased their freight rates in a number of instances after the basing-point system was abandoned; and

(c) Elimination of freight absorption, the mills having followed a policy—not required by the Supreme Court decision—of eliminating all freight absorption, a factor which should have been of only minor importance in the increase in delivered prices in view of the facts that, first, most of the mills, because of the existence of the sellers' market, had largely ceased the practice of absorbing freight before the Supreme Court decision, and, second, the increases in delivered prices resulting from the elimination of freight absorption—whatever they may have been—should have been largely offset by accompanying reductions in delivered prices resulting from the elimination of phantom freight.

That the old pattern of identical bids has, in fact, been replaced by wide variations in delivered prices is also borne out by data relating to the West in the form of bids received by the Bureau of Reclamation.

On June 24, 1948, the Bureau received bids for a fairly large quantity of cement from two companies—with the mill price, the transportation charge, and the delivered price varying substantially, as shown in table 22.

TABLE 22.—*Specification No. 2291: 40,000 barrels of portland cement in bulk for the Boise-Anderson Ranch project, bids opened June 24, 1948; destination, Mountain Home, Idaho*

Bidder	Price per barrel	Freight rate	Per barrel destination price
Permanente Cement Co.	$2.65	$2.0868	$4.7368
Oregon Portland Cement Co	[1] 3.00	.8648	3.9148

[1] Oregon 0.10 cent per barrel discount, Permanente, no discount.

NOTE.—Maximum price increase at time of shipment: Permanente 0.20 cent; Oregon 0.15 cent.

The same type of wide variations in the price factors is also revealed in two other instances of bids received in the West by the Bureau of Reclamation, one for a very large quantity of cement for the Columbia Basin project and one for a small amount for the Paonia project.

TABLE 23.—*Specification No. 2591, item No. 1: 72,000 barrels of portland cement, for the Columbia Basin project; bids opened Mar. 15, 1949; destination, Adrian, Wash.*

Bidder	Per barrel price, f. o. b. mill	Freight rates	Per barrel destination price
Permanente Cement Co.[1]	$2.999607	$1.0152	$4.014807
Lehigh Portland Cement Co	3.45	.678	4.1268
Spokane Portland Cement Co	3.45	.7144	4.1644
Ideal Cement Co	4.50	1.9552	6.4552
Carroll Mill Co	----------	----------	[2] 4.80

[1] Permanente, no discount, others 0.10 cent per barrel discount.
[2] Bid includes delivery to job site in bags, informal bid.

TABLE 24.—*Specification No. 2597: 3,000 barrels of portland cement in paper sacks, for Paonia project; bids opened Mar. 22, 1949; destination, Somerset, Colo.*

Bidder	Per barrel price, f. o. b. mill	Freight rates	Per barrel destination price
Permanente Cement Co., Oakland, Calif.	$3.05	$3.91248	$6.96248
Permanente Cement Co., Seattle, Wash.	3.45	4.11008	7.56008
Superior Portland Cement Co., Inc.	3.45	4.11008	7.56008
Ideal Cement Co.	3.55	1.292	4.842

NOTE.—Maximum price increase at time of delivery: Permanente, Oakland, none; others, 0.15 cent; Ideal, 0.30 cent for unshipped portion after first year of contract.

Because of the great distances in the West and the consequent importance of freight costs in the delivered prices, the data presented in the above tables show rather sharply the extent of the discrimination against the local buyer which would have taken place if a basing-point system had existed. They also serve to emphasize the fact that under a basing-point system base prices must be high enough, on the average, to reimburse distant bidders for any amount per unit by which the freight rate from their mill to destination exceeds the freight rate from the controlling base mill to the destination. Assuming in the instance of the bids shown in table 24 that, under basing-point pricing, Ideal's plant had been the basing point, and that either Permanente or Superior had been the successful bidder, the uniform delivered price for cement laid down in Somerset, Colo., would have been $4.482 per barrel. Of this amount both Permanente and Superior, whose mills are located at the same place, would have paid out as actual freight $4.1108 per barrel, leaving each of them only $0.7312 per barrel as their mill net price to cover production and selling costs and profit. This price compares with a mill net figure for sales to their local buyers of $3.48, or nearly five times the mill net for the distant sale. Thus, this illustration would appear to provide a typical example of the subsidy paid by local buyers under the basing-point system to enable the mills to compete on an identical delivered-price basis in distant markets.

Identical bids in rigid steel conduit

Unlike cement, rigid steel conduit is not a single homogeneous product, consisting rather of many sizes of pipe, each of which may be finished in any one of several ways, such as galvanized, enameled, or asphalt-coated. It is customarily priced on the basis of a master list price for different sizes with differentials for finish, threading, etc., for each size. Consequently, the establishment and maintenance of a basing-point system of pricing for such a heterogeneous product was no simple undertaking.

But the industry was successful in establishing such a system by an ingenious combination of list prices and discounts to fixed base prices at each of two recognized basing points, Chicago and Pittsburgh, and, finally, the Rigid Steel Conduit Association developed and published standard freight rates which, when added to the base price, yielded identical delivered prices from every supplier for every destination.

The essence of the system was described in a freight-rate book published by the conduit association in 1937, which carried the following foreword:

"METHOD OF FIGURING DELIVERED PRICE

"The freight rates listed herein are to be used to ascertain delivery charges in figuring f. o. b. destination prices to all points in the United States and their possessions.

"When the freight rates shown are from Pittsburgh, Pa., the Pittsburgh basing prices must be used. If the freight rates shown are from Chicago or Evanston, Ill., the Chicago or Evanston basing prices must be used."

Despite the great pains which had been taken in developing the details of the system, it did not always work perfectly, since a considerable amount of conduit is distributed through wholesalers who at times failed to maintain the manufacturers' prices. To remedy this situation, a plan was adopted in 1936 with the approval of the National Electrical Contractors Association representing the wholesalers, under which conduit was to be sold through wholesalers acting as consignment agents for the manufacturers. As late as October 1939 it was stated that wholesalers heartily approved the sales-agency plan in connection with the distribution of rigid-steel conduit.

This was only one of several collective actions taken for the fundamental purpose of controlling or eliminating trade conditions and practices which disturbed the perfect operation of basing-point pricing. Among other measures were consignment contracts, protective contracts, the investigation and control of specific building contracts, so-called closed transaction inquiries, elimination of warehouses, uniform trade discounts, and classification of purchasers.

The effectiveness of the system, as thus reinforced and strengthened by these persuasive measures, in achieving identical delivered prices, is illustrated by the following abstract of bids in 1940 to the Navy for conduit of six sizes for delivery in varying quantities at two destinations:

TABLE 25.—*Abstract of bids to the Navy for galvanized rigid steel conduit pipe (schedule 3559, lot 400, opening Oct. 29, 1940)*

Destinations and bidders	Sizes and prices bid for quantities (lineal feet) specified					
	½-inch	¾-inch	1-inch	1¼-inch	1½-inch	2-inch
Philadelphia Navy Yard, lineal feet	140,000	180,000	115,000	30,000	19,000	45,000
1. Clayton Mark & Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
2. Enameled Metals Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
3. Garland Manufacturing Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
4. General Electric Supply Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
5. Graybar Electric Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
6. E. B. Latham & Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
7. Republic Steel Corp.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
8. Triangle Conduit & Cable Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
9. Walker Bros.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
10. Youngstown Sheet & Tube Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
11. Westinghouse Electric Supply Co.	$0.0496	$0.0634	$0.0913	$0.1235	$0.1479	$0.1990
Norfolk Navy Yard, lineal feet	18,000	15,000	7,000	7,000	2,500	3,000
Sewalls Point Navy Depot (Norfolk), lineal feet	200,000	200,000	45,000	20,000	20,000	20,000
1. Clayton Mark & Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
2. Enameled Metals Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
3. Garland Manufacturing Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
4. General Electric Supply Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
5. Graybar Electric Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
6. E. B. Latham & Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
7. Republic Steel Corp.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
8. Triangle Conduit & Cable Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
9. Walker Brothers	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
10. Youngstown Sheet & Tube Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017
11. Westinghouse Electric Supply Co.	$0.0502	$0.0643	$0.0925	$0.1252	$0.1499	$0.2017

This table shows perfect observance of basing point pricing by 11 bidders, with a resulting 100 percent identity of prices at each destination. The lower prices uniformly quoted for each size at Philadelphia represent merely the difference in freight charged from Pittsburgh to each destination.

This group of bidders included pipe and conduit manufacturers with plants scattered from Youngstown, Ohio, to Brooklyn, N. Y., and south to Conshohocken and Pittsburgh, Pa., and Moundsville, W. Va. It also included important quasi-independent large wholesale distributors such as Clayton Mark & Co. of Chicago, and Graybar Electric Co., as well as manufacturer-owner wholesale distributors of both General Electric and Westinghouse. Yet all of these seemingly diverse interests bid identically the same price based on the fiction that regardless of who received the award, the conduit delivered would be priced as if shipped from Pittsburgh at the Pittsburgh base price.

A similar illustration is provided by abstracts of bids for conduit over a period of 6 years, for delivery to the Panama Canal, which reveal a relatively high degree of observance to the system, although some deviations are to be noted. (See table 26.)

TABLE 26.—*Identical bids to the Panama Canal, 1935–38*

Bidders	Project I bids (111,000 feet, June 7, 1935)		Project II bids (100,000 feet, Jan. 6, 1938)		Project III bids (2,000 feet, Dec. 21, 1938)	
	Respondents	Others	Respondents	Others	Respondents	Others
1. American Electric Supply Co		$8,188.90		$6,200.00		$687.00
2. Associated Hardware & Supplies Corp						[1] 636.00
3. Austin Co	$8,188.90		$6,200.00			
4. Baltinger Electrical Co., Inc		8,188.90		6,200.00		
5. Baltimore Electric Supply Co		8,188.90				
6. Cass Co. (Philip)		8,188.90				
7. Central Tube Co	8,188.90					
8. Clayton Wark Co	8,188.90		6,200.00		$687.00	
9. Electrical Industrial Equipment & Supply Co						[1] 646.00
10. Enameled Metals Co	8,188.90		6,200.00			
11. Gaffney-Kreese Electrical Supply Co		8,188.90		6,200.00		
12. Garland Manufacturing Co	8,188.90		6,200.00		687.00	
13. General Electric Supply Corp. (subsidiary of General Electric Co.)				6,200.00		[1] 666.80
14. Germantown Electric Supply Co				6,200.00		
15. Gertler Electric Supply Corp		8,188.90		6,200.00		[1] 666.80
16. Gold Seal Electric Supply Co				6,200.00		
17. Goodman Co., Inc				6,200.00		
18. Graybar Electric Co		8,188.90		6,200.00		687.00
19. Greene-Wolf Co., Inc		8,188.90		[1] 6,000.00		687.00
20. Home Lighting Co., Inc		8,188.90				
21. Hudson Electric Supply Co		8,188.90				
22. Laclede Steel Co. and its subsidiary, Laclede Tube Co	[1] 8,147.70		6,200.00			
23. Latham & Co. (E. B.)				6,200.00		[1] 666.80
24. Lavenson & Savasta		8,188.90				
25. Lee Electric Co		8,188.90				
26. Loman Electric Supply Co		8,188.90		6,200.00		
27. Louis Electrical Corp				[1] 7,000.00		
28. Monumental Electrical Supply Co						[1] 636.00
29. National Electric Products Corp	8,188.90		6,200.00		687.00	
30. National Electric Supply Co		8,188.90				
31. Roland Co., Inc		8,188.90		6,200.00		
32. Shell Electric Supply Corp		8,188.90		6,200.00		
33. Somerville Co		8,188.90				
34. Steel & Tubes, Inc	8,188.90		[1] 6,360.00		[1] 685.00	
35. Steelduct Co	8,188.90		6,200.00			
36. Triangle Conduit & Cable Co., Inc	8,188.90					
37. U. S. Electrical Export Corp		8,188.90		6,200.00		
38. Walker Bros	8,188.90		6,200.00		687.00	
39. Weinstein Supply Co		8,188.90		[1] 5,823.95		
40. West Philadelphia Electric Supply Co		8,188.90		6,200.00		
41. Westinghouse Electric Supply Co		8,188.90		6,200.00		
42. Williamsburg Electric Supply Corp						[1] 668.40
43. Youngstown Sheet & Tube Co	8,188.90		6,200.00		687.00	

[1] Bid deviating from the system price.

On the first project there were 33 bidders, 12 of whom were respondents (the term used to describe defendants in Federal Trade Commission cases) and the other 21 were nonrespondents. One respondent, the Laclede Tube Co., filed a low bid of $8,147.70 as against $8,188.90 bid by every other supplier. Laclede's low bid was thrown out as not being strictly according to specifications and the award was made by lot. Observance of the system by both respondents and nonrespondents who bid strictly according to advertised specifications thus produced 100 percent identity in prices for all bidders.

On the second project there were 29 bids—10 by respondents and 19 by others. Among the 29 bids, only 3 deviated from absolute identity. One of these by respondent Steel Tubes, Inc., was $160 higher; one by nonrespondent Louis Electric Corp. was $800 higher; but the third by nonrespondent S. Weinstein Supply Co. was $379.05 less than the system price offered by the other 26 bidders.

For the third project there were 16 bidders, of whom 6 were respondents and 10 nonrespondents. On this smaller order there were 8 bids identical at $687 for the lot. The other 8 bids all were lower than this amount. Of these lower bids one was by a respondent manufacturer, while the other seven were all by nonrespondents, the bids ranging from 20 cents to $49 under the system price, the smallest concession being made by the one respondent in the price-cutting group, the General Electric Supply Corp.

The occasional lack of strict observance to the basing-point system, as is illustrated by the diversity of bids shown in the last abstract, resulted in pressure being applied by the manufacturers to their price-cutting wholesalers. The Rigid Steel Conduit Association advised its members that they should insist upon wholesalers maintaining the manufacturers' "published position." Some manufacturers wrote to their wholesalers regarding the matter; for example, the Garland Manufacturing Co. stated in a letter to an agent under date of June 8, 1938:

"We do not wish to threaten, but we definitely are going to cancel some of our distributor agency contracts if they do not carry out our instructions, and if they are known as price cutters, it is going to be very hard for them to sign up new agreements with ourselves or others."

In addition, a number of distributor contracts were canceled for nonobservance of basing-point prices. Thus it can be seen that in the case of a heterogeneous product which is distributed in large part through independent wholesaling channels, coercion becomes almost an integral part of the basing-point system.

Conclusion

That the basing-point system has been singularly successful in achieving its fundamental objective of securing uniform delivered prices at any particular destination from all sellers is clearly demonstrated by the material on identical bids which has been presented above.

Deviations from the formula prices, particularly those which consisted of bids below the formula, have been few and far between. Occasionally, a supplier will either make a mistake in applying the formula or will even go to the lengths of shading it. But the opportunities for unintentional error have been materially reduced through the activities of trade associations in compiling and publishing standard freight rate books, extra books, and other types of helpful information which greatly simplify the application of the formula. And, likewise, instances of deliberate shading of the formula have become something of a rarity, owing in part to the disciplinary, coercive measures which have frequently been taken in order to bring the price-cutters back into line.

Thus strengthened by measures designed to avoid accidents and eliminate independent action, the basing-point system, as the above data clearly reveal, has developed into an almost perfect mechanism of price control.

IV. PHANTOM FREIGHT

Introduction

The term "phantom freight": It seems to be impossible to establish definitely by whom the term "phantom freight" was first employed. In the complaint and the findings as to the facts in the Pittsburgh-plus case,[40] the Federal Trade Commission most frequently spoke of "imaginary," sometimes of "fictitious," freight. It also, at one point, referred to the freight from Pittsburgh charged at a certain mill location as "said extortion,"[41] and elsewhere alluded to freight charges in excess of actual freight as "extra prices extorted."[41] Before, at any rate, the issuance of the Commission's order in United States Steel Corporation et al., on July 21, 1924, though it is not clear just how much earlier, the term "phantom freight" would appear to have been popularly used and understood. One bit of evidence to this effect is found in a cartoon published in the American Farm Bureau Federation's Weekly News Letter of January 24, 1924, where phantom freight is pictured as a gigantic, grinning figure, partially reclining in an immobilized freight car, over the side of which he holds toward a small man, presumably intended to represent a farmer, a bill reading, "American Farmer: To Pittsburgh-plus, January 1, 1923, to January 1, 1924, $25,000,000."

But what has been referred to as phantom freight has been called not only fictitious

[40] 8 F. T. C. 1.
[41] 8 F. T. C. 9.

freight and imaginary freight, but also ghost freight, a freight that nobody pays (i. e., as freight), imputed freight, unearned freight, artificial freight, theoretical freight, arbitrary freight, and mythical freight. The several qualifiers carry a variety of connotations, largely, no doubt, though certainly not equally, unfavorable, so far as their ordinary use is concerned. In the context of controversial discussions of the basing-point system, however, the adjectives "fictitious" and "mythical" seem especially appropriate.

In its report to the President with respect to the basing-point system in the steel industry,[42] having stated its judgment "that the basing-point system not only permits and encourages price fixing but that it is price fixing," the Commission said: "It is price-fixing so self-centered that * * * the advantages bestowed by nature on particular sections or communities have been nullified."

"Not only that, but the immense sums invested by government in improving the gifts of nature and by private industry in the faith that natural advantages and their improvements would accrue to the benefit of the buyers, fabricators, and consumers of steel as well as the producers, have been in effect largely appropriated by the producers. The basing-point system with its supporting formula in essence withholds the gifts of nature from the consuming classes and monopolizes them in the hands of the producers and sellers of iron and steel. Only aims of a blind and selfish character can account for the arbitrary abnormalities and flagrant fictions which are inherent in this basing-point system." [43]

Definition of "phantom freight": In a statement presented by this Commission to the Temporary National Economic Committee,[44] it was said:

"The term 'phantom freight' simply means that where the actual freight is less than the amount added to the base price to cover the freight element in the delivered price, the difference goes to the seller, giving him a mill net yield greater than the governing base price by the amount of that difference. It is not freight in any sense but is an addition to the sales price. Nor is it a phantom in the sense of being unreal. The existence of it is just as real as the base price itself, and the size of it may at times approach the base price. This is one of the features of the basing-point system which sellers find it most difficult to defend. For it involves the anomaly of a seller realizing the most out of a delivered price where there is little or no actual freight charge included in it. As between buyer and seller, the nearby buyer is not only deprived of any price benefit from his location but is penalized for it." [45]

Phantom freight is described by TNEC Monograph No. 21 in these words:

"When a producer makes a shipment by a cheaper method of transportation than that assumed in the computation of his price and when he makes a charge for delivery from a basing point which is farther from the buyer than is his own establishment, he collects 'phantom freight'." [46]

Dr. Melvin G. deChazeau, coauthor of a major book on the steel industry, accounts as follows for "phantom freight" and "freight absorption":

"Under a basing-point system of pricing, phantom freight (i. e., the amount by which the freight charge in the delivered price exceeds the freight actually paid) has two sources: (1) In local sales at or near the mill, especially if the mill is not in the vicinity of a basing point, and freightwise away from both mill and basing point; (2) in shipments made over a medium cheaper than that used to calculate the delivered price. Because of this second source, phantom freight is not confined to mills away from basing points, but is a more significant factor in the sales of such mills." [47]

"Phantom freight"—steel

Phantom freight takes place under both single and multiple basing-point systems when mills are located at places which are not basing points.

"Phantom freight" under the "Pittsburgh-plus" single basing-point system: Under a single basing-point system such as the old Pittsburgh-plus scheme, any plant not at the basing point, so long as it sells at its own mill location or ships in a direction away from the basing point, obtains the full benefit of "phantom freight" calculated on the basis of rail rates.[48] Or, in terms of a concrete situation, as the complaint in the Pittsburgh-plus case emphasized and reiterated, "Every consumer outside of Pittsburgh is subjected to * * * discrimination, and the farther away his consuming plant is from Pittsburgh, the greater is the discrimination against him." [49] The price discrimination charged and the use of unfair methods of competition alleged were primarily and largely substantiated by evidence with respect to Pittsburgh-plus freight charges, i. e. "phantom freight," and the consequences for competition ensuing therefrom.

Here, then, preceded by an explanation of how a Pittsburgh-plus price was constructed, is a collection of instances of "phantom freight," all taken from the Federal Trade Commission's findings of fact.

"Respondents' price at Chicago, for instance, which is a Pittsburgh-plus price, is made up as follows: They take their price at which they sell their products at Pittsburgh * * *. They add to that price an amount which is equivalent to what the freight charge on such steel products from Pittsburgh to Chicago would be if they were actually shipped from Pittsburgh, or $7.60 per ton. The Chicago steel user, therefore, who buys his steel from respondents' mill at Chicago must pay $7.60 per ton more than his Pittsburgh competitor pays. In similar fashion, the Duluth steel user must pay * * * for the steel he buys from respondents' Duluth mill" $13.20 per ton more than his Pittsburgh competitor, "because the imaginary freight charge from Pittsburgh to Duluth is $13.20 per ton. This freight charge is referred to as 'imaginary' because there is no freight charge incurred in such case. No matter where outside of Pittsburgh the steel is manufactured by respondents, they charge the said Pittsburgh-plus prices. At Milwaukee, a customer backs up his truck to respondents' Milwaukee mill, hauls away the steel himself, but is obliged to pay the imaginary freight charge from Pittsburgh to Milwaukee. * * * The discrimination against the Birmingham steel user of wire and in favor of the Pittsburgh steel user of wire in 1920 amounted to $15.30 per ton." In general, "the amount of the respondents' prices under the Pittsburgh-plus system varies with the variations in the railroad freight rates from Pittsburgh to the customers' different destinations." [50]

While in the dissolution suit brought by the Department of Justice against the United States Steel Corp. in 1911,[51] some 200 of the corporation's customers testified that they were satisfied with the Pittsburgh-plus method of pricing, several of these concerns, by the time the Pittsburgh-plus case came to be heard, were ready to appear in opposition to the respondents. But theirs were only a few of the voices in what had become a crescendo of protest. The experience of western users of steel during the 10 months of World War I when, thanks to the War Industries Board, Chicago was a basing point, and substantial advances in freight rates [52] which greatly increased the burden of phantom freight after Pittsburgh-plus was restored—these were probably the more important factors that stimulated the revolt. It was the Western Association of Rolled Steel Consumers for the Abolition of Pittsburgh Plus, organized in January 1919, that first requested the Federal Trade Commission to issue a complaint. By 1921 the American Farm Bureau Federation had interested itself in the matter. Later, after the Commission's complaint had been issued, other associations were organized to support the prosecution of the case. The most important of these was the Associated States Opposing Pittsburgh-Plus, formed originally by the States of Illinois, Iowa, Minnesota, and Wisconsin, and later joined by Alabama, Arizona, Colorado, Delaware, Florida, Georgia, Idaho, Indiana, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Utah, and Wyoming. A brief amici curiae was "submitted and an oral argument made * * * by counsel for" the original four members of the Associated States. Counsel for the Joint Committee of the Civic Organizations of Duluth, Minn., which was fighting Pittsburgh-Plus, also submitted a brief amici curiae.[53]

Thus in the Pittsburgh-plus case, in contrast with the earlier case against U. S. Steel, there was heard the "testimony of some 125 witnesses showing a substantial lessening or destruction of their competition in interstate commerce due to Pittsburgh-plus prices," which testimony, said the Commission's findings, "remain undisputed in the record." [54] Illustrating disadvantages experienced by the buyers of steel who were most handicapped in competition by the operation of the Pittsburgh-plus system (including its modification, the Birmingham differential), the findings present in considerable detail the cases of Chicago and other western fabricators of steel and, naturally, of manufacturers of steel products in the West and South. Specific examples of phantom freight payments are also given:

"In one Chicago building alone, the Federal Reserve Bank Building, the imaginary freight on the steel amounted to over $76,000, which went to respondent, Illinois Steel Co. In 5 years the Manitowoc Shipbuilding Co. paid respondent, Illinois Steel Co., $140,000

[42] November 30, 1934 (hereinafter cited as Report to the President).

[43] Ibid, p. 35.

[44] TNEC hearings, pt. 27, pp. 14312, 14329, and 14548–14598 (exhibit No. 2242). The statement, "An analysis of the basing-point system of delivered prices as presented by United States Steel Corp. in exhibits Nos. 1410 and 1418" was prepared by Messrs. Walter B. Wooden, then assistant general counsel, and Hugh E. White, then examiner, Federal Trade Commission.

[45] Ibid., pt. 27, p. 14568.

[46] P. 150.

[47] Daugherty, deChazeau, and Stratton, the Economics of the Iron and Steel Industry, 2 vols. (1937), pp. 674–75.

[48] Complexities are here intentionally disregarded. The Birmingham differential will remain in the background in the ensuing discussion of the Pittsburgh-plus case, as also the differential instituted at Chicago before the decision in that case.

[49] 8 F. T. C. 7, 14.

[50] 8 F. T. C. 19–21.

[51] *U. S.* v. *United States Steel Corporation et al.* (251 U. S. 417).

[52] Between September 20, 1917, and June 25, 1918, the freight from Pittsburgh to Chicago was $4.30 per ton; on the latter date it became $5.40 per ton; by the end of August 1920, it had risen to $7.60 per ton. (8 F. T. C. 20–21.)

[53] 8 F. T. C. 15.

[54] 8 F. T. C. 23.

as imaginary freight which the United States Shipping Board had to pay."

The table below shows the amounts of "imaginary freight" paid "annually" by certain manufacturers of farm implements, with the amounts their customers were required to pay by reason of the "actual Pittsburgh plus paid by the farm-implement manufacturer."

TABLE 1.—*Amounts of "imaginary" freight paid annually by certain farm-machinery manufacturers, with annual payments by their customers chargeable to such freight paid by manufacturers*

Company	"Imaginary" freight paid annually by manufacturers	Annual payment by customers chargeable to "imaginary" freight
Deere & Co	$488,400	$1,000,000+
Emerson-Brantingham Co	100,000	200,000
Litchfield Manufacturing Co	68,000	[1] 136,000
"A Minneapolis Manufacturer"	84,000	[1] 168,000
J. I. Case Threshing Machine Co	----------	[2] 509,033

[1] "* * * for every dollar which the farm implement companies pay as Pittsburgh-plus, the farmers must pay more than double every such dollar, because to the actual Pittsburgh-plus paid by the farm implement manufacturer must be added the various percentages of overhead, selling expenses, and profits which are borne in the ordinary course of business. The figures are undisputed in the record" (8 F. T. C. 34).

[2] Based on the statement that in 1920 "Pittsburgh-plus resulted in an addition" of the amount here shown "to the list prices of J. I. Case Threshing Machine Co., an amount which the farmers would have saved if Pittsburgh plus had not been charged" (8 F. T. C. 35).

In connection further with the cost of phantom freight to consumers, or to the public, the findings relate that, "as the president of the American Farm Bureau Federation, representing more than a million and a quarter farmers, testified, the double Pittsburgh-plus imaginary freight thus paid by the farmers in only 11 Middle Western States amounted to around $30,000,000 annually. The farmers in the other States would use even more steel than those in the 11 States figured in the calculations." [55]

Phantom freight under the multiple basing-point system

Following the issuance of the Federal Trade Commission's order in the Pittsburgh-plus case, the United States Steel Corp. and its subsidiaries reported that they had determined to conform to the order, and would conform thereto, in the sale of their various products, insofar as it is practicable to do so. They also reported that they had abandoned the Pittsburgh-plus system, as defined in said order, throughout their various organizations and would not make use of it in the future. They declared further that they would not quote for sale or sell their rolled-steel products upon any other basing point than that where the products are manufactured or from which they are shipped.

Commenting some 10 years later upon the degree of harmony between the corporation's words in 1924 and its subsequent actions, the Commission said:

"What the corporation and the industry in general did in ostensible compliance with the Commission's order may be gathered from the published statements of steel officials, both corporation and independent, as reported in the trade journals of that time. Although announcing their intention to abandon the so-called Pittsburgh-plus practice, they appear to have made no attempt to substitute in any general way actual mill-base prices and actual freight charges for basing-point bases and imaginary freight in compliance with the order. They merely reduced certain arbitrary base differentials and increased the number of basing points for the various kinds of steel products, thus reducing by a like comparatively small number the mills following the practice that was condemned. Correspondingly, the area within which some one producing point would set delivered prices for other mills was narrowed considerably in a few cases, but to a slight extent or not at all in others.

"The character of the principal changes under way between 1924 and 1933 is clear. In general the situation as to basing points (with the exception of pig iron) seems to have come nearly to that set forth in the code adopted in August 1933. Indeed, the representatives of the industry offered the code as being in substantial accord with their recent practice." [56]

In order to determine the actual difference resulting from the substitution of the multiple for the single-basing-point system, the Federal Trade Commission made a detailed analysis of hot-rolled sheets. Under the multiple-basing-point system basing points established for this important product were Pittsburgh, Gary, Birmingham, and Pacific coast ports. "The Pacific coast ports," it was said, "are basing points in name only, their prices being merely a composite of the Pittsburgh base price plus transportation from Pittsburgh. Accordingly, the Pittsburgh-plus system is literally in effect in that territory. Each of the other three points is the ruling basing point for certain territory, which outside mills must recognize when they ship into it."

The consequence of this was then pointed out in the following paragraph:

"Within such territory, therefore, it is a single-basing-point system. On sheets Pittsburgh is the ruling basing point in the great industrial region of the North Atlantic and New England States and for large areas to the West and South. In all that region comprising many States a single-basing-point system is in effect on sheets. Likewise, Gary has an immense area comprising many Middle Western and Western States in which it is the only basing point for sheets and in which the single-point system is consequently in effect. On a smaller scale Birmingham is the center of a single-basing-point system for sheets in a territory which includes a number of Southern and Southwestern States. When all other products are analyzed in the same way the multiple-point system is found to be composed of a collection of single-point systems, each controlling the delivered price in its territory." [57]

During the NRA days, that is from August 1933 to May 1935, the basing-point system as prescribed in the Code of Fair Competition for the Iron and Steel Industry achieved a new status. It was at once part of the law of the land and a practice which each "member" of the code had contracted to observe, agreeing to the assessment of liquidated damages at the rate of $10 per ton for violation of any of the provisions relating to prices or terms of payment. A member of the code was thus bound to realize his freight advantage on all occasions. In these circumstances, it is probable that fewer opportunities to charge phantom freight were neglected than during the depression years immediately preceding the code period or even in periods of greater stability.

Because of its legal status, the basing-point system was enforced more rigidly than during the last days of the depression; exemptions and concessions were eliminated; and consequently the stream of protest from both the producer and consumers who were adversely affected by the operation of the system swelled rapidly. Among these protests, none was more insistent than the constant complaint against phantom freight.

There is, for example, the complaint made in November 1933, by steel companies in the Mahoning Valley, i. e., in the vicinity of Youngstown, Ohio. The protest, addressed to the American Iron and Steel Institute, whose board of directors constituted the code authority, objected to "the establishment of Pittsburgh as the basing point for flat-rolled steel."

In this protest, the consumers of steel were joined "by five of the steel producers of that [the Youngstown] district who petitioned the Institute 'to reestablish the basis of selling in effect prior to the date of the steel code.' The producers said their district had greater producing capacity on sheets and strip steel than any other district, yet it was not considered a basing point. They stated that the results of this change in basing point was to 'arbitrarily increase the price' to fabricating consumers from $1.50 to $2.50 per ton 'without a smiliar increase in the price to their competitors, which will throttle development of the valley and cause established industries to retire from business or move to other districts.' These steel producers therefore petitioned the Institute 'to authorize the reestablishment of the basis of selling which has existed in the Mahoning Valley for more than a generation.'" [58]

So far as sheets were concerned, Youngstown was the largest producing center, while at Pittsburgh, the governing basing point for Youngstown, no sheets were produced.[59]

As another example, there was the complaint of the Diamond Calk Horseshoe Co. of Duluth, Minn, which for some years prior to the effective date of the steel code, had been buying its steel from the Minnesota Steel Co., also located at Duluth. For the sort of steel used by the Diamond Co., Chicago had been the applicable basing point; but the Minnesota Steel Co. had allowed the Diamond Co. a reduction of $5 per ton on steel purchased at its Duluth mill. Thus the Diamond Co. had escaped paying all but $1.60 of the $6.60 phantom freight from the basing point which was included in the Minnesota Steel Co.'s regular delivered price under the basing-point system. The code, however, forbade the concession previously granted, and required the Diamond Co.'s supplier to charge the full formula price, including $6.60 of phantom freight per ton. The Diamond Co.'s nearest competitor, located at Chicago, was able to buy its steel at the base price. That the Minnesota Steel Co. would (as was reported) have been willing to continue its former arrangement with the Diamond Co. can be believed, since on sales of similar steel in Illinois and Indiana it was netting $13.20 per ton less than its net from the Diamond Co.[60]

Manufacturers in St. Louis protested in 1934 against having to pay phantom freight of 22 cents per hundredweight on steel products manufactured in St. Louis. One St. Louis concern, appealing to the American Iron and Steel Institute for "relief from the heavy burden which has been placed upon users of rail steel angles in this district," wrote as follows:

"A burden of 22 cents per hundredweight freight is now imposed upon us, as we are

[55] 8 F. T. C. 34–35.

[56] Practices of the Steel Industry Under the Code, p. 62.

[57] F. T. C., Report to the President, pp. 28–29.

[58] Practices of the Steel Industry under the Code, p. 18,

[59] Ibid., p. 5, by the date of the NRA report (November 30, 1934), which so reported (p. 90), Youngstown had "been granted a concession substantially restoring its previous position."

[60] Practices of the Steel Industry under the Code, p. 16. Duluth was later made a basing point for the bars used by the Diamond Co. But the new Duluth base price "was arbitrarily placed at a considerable differential over the Chicago base price" (F. T. C. Report to the President, p. 31).

obliged to purchase angles at the f. o. b. Chicago base, plus freight from Chicago to St. Louis and merely shipped across the city to our plants.

"We are in keen competition with our finished product with manufacturers located in Chicago, and our business has been seriously handicapped in the territories which can be served from Chicago equally as well as from St. Louis. We refer especially to Indiana, northern Illinois, Iowa, Nebraska, and Kansas." [61]

The institute's commercial committee was appealed to in April 1934 by the Granite City Steel Co., Granite City, Ill., which sought relief for St. Louis railroad-car builders, who were reported to be "at a decided disadvantage when competing against car builders located at basing points." Again, in October 1934, presenting the case of the middle western car builders, the Granite City Steel Co. wrote the institute:

"Up to the present time nothing has been done to correct this situation, and it is quite apparent that there is no intention on the part of the steel industry, as a whole, to put those car builders not located at basing points in position to compete on the same basis of raw-material costs with car builders located at basing points." [62]

Modification of the basing-point system was requested in May 1934 by the president of the Los Angeles Chamber of Commerce, who requested the institute "to remove the artificial present elimination of natural advantages and the arbitrary equalizing of opportunity, for the ostensible purpose of point prices, it was charged, "have largely been made substantially equal to the Pittsburgh mill base price, plus rail and water transportation charges, including wharfage, handling, and terminal delivery." As the Commission commented on the Pacific coast situation later in the same year, "while steel is produced in California, it is priced as though it were produced in and transported from Pittsburgh, despite the fact that other basing and producing points are nearer freightwise than Pittsburgh." [63]

"Follansbee Bros. Co., of Steubenville, Ohio, in January 1934 complained to the institute that it was a purchaser of pig iron, sheet bars, and hot rolled strip from local producers, that besides the advance in base prices, 'an additional $2 per ton has been forced upon us due to the Pittsburgh basing point as provided under the Steel Code.'" [64]

With the end of NRA, the basing-point system continued in the steel industry without substantial change, except for the addition in 1938 of a number of new basing points, until the industry abandoned the system following the Supreme Court's decision in the Cement case in April 1948. That phantom freight continued to be charged and collected during this period can be gathered from a few examples. Thus on the basis of a compilation made by the Tariff Commission from published freight tariffs and from prices quoted in Iron Age, it can be determined how much phantom freight per long ton was included in the delivered prices of any soft steel bars shipped from Buffalo and Bethlehem to New York, and from Bethlehem to Philadelphia in February 1938. Pittsburgh was the basing point for both the Buffalo and Bethlehem mills. Phantom freight per long ton on shipments from these mills would have been: [64a]

Buffalo to New York	$0.45
Bethlehem to New York	3.98
Bethlehem to Philadelphia	4.14

The following illustrations of phantom freight are from statements submitted to, or testimony before the Temporary National Economic Committee:

"The following consumers' goods are produced in large quantities at Sparrows Point (Baltimore) but are still priced on a Pittsburgh base: Butteweld pipe, lapweld pipe, cold rolled strip, cold rolled sheets, tin plate, plain wire, and nails and staples. Purchasers of these goods in Baltimore are charged Pittsburgh-plus by Baltimore producers. This involves the addition of phantom freight from Pittsburgh to Baltimore amounting to $6 per ton. A subsidiary of the [United States Steel] Corporation produces plain wire and nails at Allentown, Pa., [65] but the price is still based on Pittsburgh. Allentown purchasers of these consumers' goods are charged Pittsburgh-plus involving phantom freight from Pittsburgh to Allentown of $6.20 per ton.

"Moving to the Middle West, hot-rolled sheets and plain wire are produced at Kokomo, Ind., by the Continental Steel Corp. and the same producer produces hot-rolled sheets at Indianapolis. The price of the latter product at Indianapolis is based on Middletown, Ohio. Indianapolis purchasers are charged Middletown plus. This involves the addition of "phantom freight" from Middletown of $3.80 per ton. Kokomo prices for hot-rolled sheets and plain wire are based on Gary and Chicago. Kokomo purchasers are charged Gary or Chicago plus which involves phantom freight of $3.60 per ton on sheets and $4 per ton on wire. A mill at St. Louis produces Buttweld pipe but bases on Chicago. This involves a St. Louis price equivalent to Chicago plus including $4.80 a ton phantom freight from Chicago. A mill at Pueblo, Colo., produces large quantities of heavy structural shapes, light structural shapes, universal plates, hot-rolled strip, merchant bars, concrete reinforcing bars, billets and blooms for forging, plain wire, nails and staples, barbed wire, wire fencing and bale ties. It bases prices for these products on Chicago and Gary. To local purchasers in Colorado, the addition of phantom freight from those basing points is required by the basing-point system. This amounts to $19.60 per ton." [66]

Appearing on November 14, 1939, before the Temporary National Economic Committee, Mr. T. A. L. Loretz, general manager, Pacific Coast Steel Fabricators' Association, Los Angeles, Calif., testified regarding Pacific coast prices of steel bars, shapes, plates, and sheets. Referring to "bars which are quoted and are sold at Birmingham at a base price of $2.15," he said: "The transportation cost to Los Angeles Harbor, for example, is * * * made up of several factors, 65 cents per 100 pounds, making a total of $2.80. The base price on cars Los Angeles Harbor, which is also the base price on cars at other Pacific coast ports, is $2.75, a difference of 5 cents, and I might state again that that $2.75 price which is quoted on cars Pacific ports applies whether the material has actually been transported in through a Pacific port or produced at a Pacific coast rolling mill."

To a price of $2.31½ on shapes delivered at Philadelphia were added all transportation costs to Los Angeles Harbor, the total being $2.70½ "as against the on-cars Pacific coast or Los Angeles Harbor price of $2.70. That," it was stated, "would apply whether the material is rolled at a mill adjacent to Philadelphia or actually rolled at Torrance or Los Angeles or Seattle or other Pacific coast rolling mills."

"On sheets, * * * the situation is the same. The Sparrows Point price [$2] [67] plus actual transportation costs, total $2.49, as against a quoted price Los Angeles Harbor or other Pacific coast port, of $2.50, 1 cent over the eastern price plus transportation, regardless of whether the material is rolled in a Pacific coast mill or is actually shipped out of the East." [68]

The amounts of phantom freight included in the base price at Pacific coast ports of items produced on the Pacific coast ranged, it will be seen, from approximately $8 to $13 per ton. In the case of plates, which were not rolled on the Pacific coast when this testimony was given, certain sellers may have collected phantom freight to the extent of the difference between the regular commercial rates and the cost of transportation in their own facilities. In this connection, Mr. Loretz said that he "might state further * * * that the two major steel companies own and operate their own intercoastal steamship services, and that the great bulk of the tonnage transported for their account from the east coast to the west coast is transported in their own bottoms." [69]

Mr. Loretz's association was, he stated, only concerned "to illustrate that the Pacific coast prices are substantially the eastern prices plus actual transportation. It is not our purpose to argue either for or against the delivered-price system." [70] Nor was it the "purpose to state that any steel company is charging too much for its products." Mr. Loretz would "say, however, that it is the contention of the Pacific coast steel fabricators that steel sold on the Pacific coast, steel produced on the Pacific coast, I should say, should be sold based upon its cost of production plus a reasonable profit, whatever that may be, and not based upon eastern prices plus transportation costs." [71]

Phantom freight—Water transportation

This analysis of phantom freight, that is, the excess of freight charges collected by mills over freight costs actually incurred has thus far been largely limited to the phantom freight which results from the charging of freight for shipping material greater distances than the material is actually shipped. But there is another form of phantom freight, the form which results not from any difference between the distance charged and the distance shipped, but rather from the use of a cheaper form of transportation, such as trucks, barges, etc., than that on which the freight charges are based—which is invariably railroads. Of these alternative means of transportation, the differences between rail freight and shipments by water are particularly pronounced.

As early as "1929 one Jones & Laughlin official estimated that his company was saving $2 to $3 a ton by using water. The public, however, did not benefit because steel is sold under a basing-point system of pricing. The savings were retained by the manufacturer. * * * The fact that under the basing-point system of pricing, water shipments are usually charged the all-rail rate discourages the use of barges, so far as the buyer of steel is concerned." [72]

According to the same authority, "relatively low prices for steel compared with freight rates resulted in a greater relative use of waterways for steel beginning with the depression of the early thirties"; [73] and

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[61] FTC report to the President, p. 20.

[62] Ibid., p. 20.

[63] Ibid., p. 19.

[64] Ibid., p. 20.

[64a] U. S. Tariff Commission, Iron and Steel (Report No. 128, second series (1938)), p. 335, table 220. Soft steel bars: Net realization at mill as affected by prices at basing points.

[65] The mill at Allentown has since been dismantled.

[66] TNEC hearings, pt. 27, pp. 14570–14571. These illustrations appear in exhibit 2242, An analysis of the Basing Point System of Delivered Prices, by Walter B. Wooden and Hugh E. White, Federal Trade Commission.

[67] TNEC hearings, pt. 20, p. 11013.

[68] Ibid., pt. 20, pp. 10907–10908.

[69] Ibid., pt. 20, p. 10912.

[70] Ibid., pt. 20, p. 10908.

[71] Ibid., pt. 20, p. 10910. Cf. Iron Age, July 22, 1948: "Historically, every ton of steel produced in the Far West has carried with it phantom freight, and much of it has been delivered under a price umbrella" (p. 108).

[72] Economics of Iron and Steel Transportation, p. 48.

[73] Ibid., p. 43.

it would appear that certain steel manufacturers must have passed on to their customers some of the economies of water transportation. This is indicated by the protests against the all-rail basis on which the iron and steel code required delivered prices to be computed, many of which came from consumers of steel who had benefited from the lower water rates, and also by the industry's uncompromising stand throughout the NRA period against recognition of buyers' claims that they should share in the benefits of water transportation. Past sharing of these benefits with consumers was evidently one of the abuses of the basing-point system which it was attempted to eliminate through code provisions.

The provision of the code for the iron and steel industry which required that all prices should be delivered prices also specified that the delivered price should be the sum of the base price and the all-rail freight from the basing point to the place of delivery, thus reserving for the members of the code all the advantages of superior geographical location on inland waterways or at tidewater. Steel consumers, on the other hand, were denied the benefit of cheaper water transportation, though its use by producers was permitted.[74] In the words of Mr. E. L. Parker, chairman of the committee on cold-finished steel bars:

"The seller may elect to make delivery by rail, water, little red wagon, airplane, or parcel post. The steel code is not concerned about the means employed for transportation." [75]

What it was concerned about was the use of the all-rail freight rate in computing the delivered price; and various firms were assessed liquidated damages at the rate of $10 per ton for improper transportation charges.

Before the approval of the code, both manufacturers within the industry and users of steel had unsuccessfully protested the compulsory all-rail delivery charge, from which there had been deviations in the past. During the first 4 months of the code, so many complaints concerning the all-rail freight provision had been referred by the NRA to the code authority that, late in December 1933, the institute's traffic committee recommended that deductions from the all-rail delivery charge be permitted on shipments by water to Atlantic coast ports, certain Great Lakes ports, and some points on inland waterways. At the same time, deductions from the all-rail freight charge would have been permitted on shipments to specified points on the Ohio and Mississippi Rivers. But the opponents of change prevailed when the recommendations were rejected by the commercial committee; and the all-rail basis for delivery charges continued in effect,[76] while protests increased.

[74] Cf. Daugherty, deChazeau, and Stratton, op. cit., vol. I, p. 463: "But the failure to provide for price concessions on steel products which could move by inland waterway forced the full burden, with discriminating effect, on the buyer. Where the mill could use water transport—to its own warehouses and fabricating plants (or to those of its subsidiaries) or to some customers where water delivery was more convenient—it merely absorbed the difference between all-rail freight and water freight as an extra profit. While docking and loading facilities of customers were going unused and while the advantages that had conditioned investment at river locations were being destroyed, in effect, the steel mills were able to utilize the Government's investment in waterways to their own advantage."

[75] Hearings on S. 4055, p. 175.

[76] In January 1934, the code authority did authorize certain specified reductions in the delivery charges of pig iron shipped by rail or by rail and water to specified destinations. These came from buyers of steel located on inland waterways, from inland water carriers and owners of terminal facilities and from chambers of commerce and similar associations interested in water transportation.

One concern which had previously availed itself of the cheaper transportation made possible by its location on the Mississippi River complained that none of the saving is now passed on to the consumer, adding that all the advantages of shipment by river on account of lower river rates are now going to the steel manufacturer.[77]

Another company, which reported that "at great expense" it had moved from the East to a location on the Ohio River, where it would be nearer its customers and could obtain the benefits of river transportation, pointed out that the all-rail provision had largely wiped out the advantages it had taken pains to provide for itself:

"We built a dock and purchased a barge. We now find that our competitors located inland who have not invested a dollar in river transportation facilities are equally well situated as regards steel costs as we are." [78]

A somewhat parallel case was that of a user of steel sheets which had established its plant on the Ohio River in order to obtain its raw material from mills along the river which before the code had been willing to quote delivered prices based on river rates, and thus be able to compete with Youngstown and Wheeling. This company protested that "by the operation of the code we are not permitted to enjoy the same privileges and remain on the same basis in competition with the Youngstown, Wheeling, and other plants, and it is a very serious handicap." [79]

A Louisville, Ky., hardware manufacturer charged that steel companies were profiting by the prescribed use of all-rail freight rates in calculating delivered prices, saying that "the manufacturer ships by barge while the purchaser pays the all-rail rate and the manufacturer puts the saving on account of the lower barge rates in his own pockets." The same complainant stated that all tonnage shipped by steel mills to their warehouses at river points was moving by barge.[77]

Buyers of steel at Evansville, Ind., Charlestown, W. Va., Mobile, Ala., New Orleans, La., Memphis, Tenn., and elsewhere, complained that enforced all-rail delivery charges were discriminatory or placed them at a competitive disadvantage.[80]

Most complainants among steel consumers, as also spokesmen for inland water carriers and those offering terminal facilities, and business communities speaking through chambers of commerce, referred in some fashion to Government expenditures in improving inland waterways, presumably for the benefit of the public, and challenged the right of the steel industry, for its private purposes, to restrict their use. The Ohio Valley Improvement Association of Cincinnati found the all-rail provision objectionable because "it would deny to consumers the benefit of delivered prices based on transportation of commodities by whatever agency might be the cheapest." Noting that similar provisions were contained in other codes, it generalized its objection, declaring that "this principle will destroy water transportation and render valueless the large sums of money spent for equipment and terminals as well as the cost to the Government for improvements; it will take away all geographical advantages both to industries and consumers in the valley." [81]

The Memphis Chamber of Commerce characterized the all-rail provision as an "arbitrary injustice * * * set up through the steel code," and in its complaint said in part:

"This method of selling steel in effect excludes the transportation by water or rail and water, for the purchaser would naturally not accept water or rail-and-water delivery when he is being charged the all-rail freight as the saving would not be for his account but would go in the pocket of the seller. This eliminates Memphis and other river points from enjoying the natural advantages which she possesses and * * * would eventually lead to a higher all-rail structure, as our present advantageous position is due to the recognition of the river competition." [82]

"The Mississippi Valley Association of St. Louis, with 437 registered delegates from 26 States passed a resolution * * * declaring that the use of all-rail rates 'are inimical to the interests of the consumers, unjustly eliminate all forms of transportation other than railroads from participation in valuable traffic and tends to destroy water carriers and port facilities." [82]

It is uncertain to what extent water transportation was adversely affected by the steel industry's insistence that only rail rates be used in arriving at the delivered price. But there is some evidence that traffic on the Great Lakes was reduced; [83] and one complainant whose steel was obtained from Birmingham stated that the mills there would ship only by rail, that barge transportation of steel from Birmingham to New Orleans was no longer available.[84] In its report to the President (November 1934) the Federal Trade Commission expressed the opinion:

"The effect on water transportation in which the Federal Government has a special interest may be gaged from the fact that in 1932 some 84,000 tons of steel products were carried by the Federal Barge Line between Birmingham and Mobile while now this tonnage is moving largely by rail between those points." [85]

The Commission summarized the issue in these words:

"The issue is thus made clear: shall both purchasers and producers favorably located as to water transportation be denied the natural advantage of their location in order that higher prices may be maintained to protect purchasers and producers who are not so located? If so, the inevitable result is that the natural disadvantages of unfavorably located producers are removed by what amounts to a subsidy collected from the buyers and that the favorably located purchasers pay a price not warranted by the cost of delivery." [86]

The attitude of the steel industry on this issue is revealed in hearings before the Senate Interstate Commerce Committee in the midthirties on a bill, S. 4055, to abolish the basing-point system.

During the questioning of Mr. William A. Irvin, president of the United States Steel Corp., regarding the use of all-rail freight rates in computing the delivered price under the basing-point system, the chairman of the committee (Senator Wheeler, inquired, "Why is it that you use the all-rail freight cost even if delivery is actually made by water, or by truck in some cases?" Mr. Irvin

[77] Practices of the Steel Industry Under the Code, p. 30.

[78] Ibid., p. 30.

[79] Practices of the Steel Industry Under the Code, p. 31.

[80] Ibid., pp. 29–32.

[81] Ibid., p. 29.

[82] Practices of the Steel Industry under the Code, p. 29.

[83] FTC report to the President, appendix F–1, p. 105.

[84] Practices of the Steel Industry Under the Code, p. 31.

[85] Op. cit., p. 23.

[86] FTC report to the President, p. 24.

thought that "Mr. Gregg (a vice president of the corporation who had appeared earlier) explained that in his testimony," but was willing to give his own opinion:

"We have more at stake than just the immediate order. In other words, in every territory in the northern part of the United States east of the Mississippi River there are many factories converting various forms of steel into finished products. * * * These factories have been located for one reason or another all over the country. * * * Now, if we were to sell material at a lower price delivered by reason of having barge delivery in, let us say, Cincinnati, than we would make to the same sort of factory located inland 20 miles, we would give the manufacturers in Cincinnati an advantage over all those located in, we will say, Indianapolis, Columbus, or elsewhere, and that would prove detrimental to his interests. So in order to keep him satisfied and on a fair competitive basis, it would be necessary for us to make the same price to the inland plant that we would make to the plant on water."

This explanation led to questions by which the chairman sought to discover Mr. Irvin's attitude regarding the proper distribution of the benefits of advantageous location. Did Mr. Irvin think it fair for a purchaser who receives delivery by water to be charged a delivered price in which all-rail freight was included? He did think it fair for the producer to take advantage of his ability to ship by water, considering the expense he is put to in the construction of docks and other facilities for loading, and having in mind your secondary markets. He thought it fair for the steel company and also fair for the users.[87] After some further discussion of the same issue, the following testimony was elicited:

"The CHAIRMAN. * * * As I understand it, you want the [natural] advantage for the steel company, but you feel that the fabricator who locates his plant, no matter whether small or large, and we will suppose that he has some barges, the same as the United States Steel Corp. has, and he desires to send his barges to your place, why shouldn't he get the advantage of having the use of his own barges for transportation?

"Mr. IRVIN. Well, he could have the advantage of getting it in his own barges, but we could not afford for the purchases of any one concern to destroy the entire price structure for all the steel we make and is going forward.

"The CHAIRMAN. Then you feel that it would destroy the price structure?

"Mr. IRVIN. I do not feel that way, but I know it." [88]

[87] Hearings on S. 4055, p. 583–584. The testimony just summarized ran as follows:

"The CHAIRMAN. Do you think it fair for the purchaser who receives delivery by water or by truck to be charged a delivered price which is just as high as though the product were received by rail?

"Mr. IRVIN. I think from the standpoint of water it is fair for the producer of material to take advantage of his natural location on water, and his ability to ship by water, considering the expense he is put to in the construction of docks and other facilities for loading. I think it is perfectly fair for him to take advantage, having in mind your secondary markets, which is the conversion of your raw materials into your finished products by all the small manufacturers, and they number thousands all over the country.

"The CHAIRMAN. You think it is fair for the steel company?

"Mr. IRVIN. I think it is fair for the steel company, and also fair for the users."

[88] Hearings on S. 4055, p. 585.

The chairman then asked, "Do you think that by imposing equal hardships on communities located on waterways the hardships of the inland communities are thereby removed?" "No," replied Mr. Irvin; "I think it puts them all in the came competitive position."

After two more questions and answers came the following:

"The CHAIRMAN. Will you agree that unless steel mills calculated the delivered prices and costs in terms of a common mode of transportation, such as all-rail, the delivered prices could not be identical at the place of delivery?

"Mr. IRVIN. Yes, sir."

Here another Senator interposed to ask two questions. Then—

"The CHAIRMAN. I asked you a moment ago—and I will repeat it—you stated you would agree that unless steel mills calculated delivery costs in terms of a common mode of transportation, such as all-rail, the delivered prices could not be identical at the place of delivery. That is the real reason for calculating delivery in terms of all-rail freight, is it not?

"Mr. IRVIN. Yes, sir." [89]

Another important witness questioned about the returns received by a steel mill which ships by water but uses all-rail freight rates in calculating its delivered price was Mr. Eugene G. Grace, president of the Bethlehem Steel Co. During his rather extended testimony regarding modes of transportation other than all-rail, variations in mill net, and enjoyment of the advantages of location, the chairman of the committee asked why, assuming that he was a fabricator of steel who had located on water in order to benefit by water transportation, and to whom shipment was made by water, he would be charged all-rail freight by a steel manufacturer, and so denied the advantage of his location. Assuming his company to be the seller in the hypothetical instance, Mr. Grace replied: "We would be capitalizing, in a fair manner, the advantageous position of plant in being able thus to ship to you." [90]

Mr. John L. Neudoerfer, vice president and general manager of sales, Wheeling Steel Corp., Wheeling, W. Va., was another who appeared before the Senate Committee on Interstate Commerce in opposition to S. 4055. Prompted no doubt by the witness' statement that all of his company's seven plants were on the Ohio River, the question was asked: "When you ship your goods on the Ohio River, to a plant on the Ohio River, we shall say, do you charge them the water rate or the rail rate?" He replied, "We charge them the rail rate." "And notwithstanding," said the chairman of the committee, "that they are located on the river?" "Yes, sir; that is right," answered Mr. Neudoerfer. The chairman then inquired: "Should they not be entitled to their natural advantage of being on a river? Isn't that why they located upon the river—generally?" The witness' reply was, "Well we feel that, as a matter of policy we prefer to build up our prices on the rail rate." Somewhat earlier, Mr. Neudoerfer had said: "In one section there [i. e., of the proposed bill] it expressly gives the purchaser power to take delivery at a point of production, after the delivered price has been made. I think that if that became a law and if that practice were indulged in, it would result in confusion. Now whether or not that would eventually be a good thing, I am not able to say. But it does seem to me that would result in confusion. And, after all, I think a buyer wants to have an orderly way in which to figure his prices and to know whether or not they are reasonably competitive." [91]

That substantial differences in delivered prices would result if water rates, instead of rail rates, could be used in computing delivered prices is apparent from the extent of the differences in costs of the two types of transportation. Thus, "at water rates prevailing at the outbreak of the war," says the Economics of Iron and Steel Transportation (1944), "the saving to the steel companies ranged from $4.30 to $9.45 a ton, depending on distance." [92]

The following tables show, respectively, comparative water and rail rates on iron and steel between Pittsburgh and selected cities, and a comparison of all-water (contract carrier cargo) and all-rail rates on iron and steel between selected lake centers:

TABLE 2.—*Comparative water and rail rates on iron and steel between Pittsburgh and selected cities* [1]

[In dollars per short ton]

Between Pittsburgh and—	Water rate in barges furnished by carriers including insurance		Rail rate
	Minimum 500 tons	Minimum 200 tons	
Huntington	$1.30	$2.05	$5.00
Charleston	1.80	2.80	5.80
Cincinnati [2]	1.40	2.25	5.80
Louisville	2.06	3.06	7.20
Cairo	2.60	3.85	8.80
Memphis	3.10	4.60	11.40
Helena	3.40	5.05	12.75
Vicksburg	4.15	6.15	13.60
New Orleans	5.20	7.70	13.60
Houston	7.00	8.78	14.00
St. Louis [3]	3.65	5.65	8.60
Peoria	5.00	[4] 5.35	8.20

[1] Economics of Iron and Steel Transportation, p. 137.
[2] Water rates are per gross ton on semimanufactures, pig iron, skelp, and a few other articles.
[3] Minimum, 300 tons.
[4] Minimum, 400 tons.

Source: ICC No. 13, American Barge Line rates applicable as of March 31, 1941.

[89] Ibid., pp. 586-587.

[90] "The CHAIRMAN. * * * Let us assume that I am a fabricator of steel products, and that I want to buy steel from some plant. * * * and I want to have the steel shipped by water, why cannot I have the benefit of that?

"Mr. GRACE. And the steel company you have in mind is in a position to ship to your plant by water?

"The CHAIRMAN. Yes; the steel company is in a position to ship by water.

* * * * * *

"The CHAIRMAN. But instead of shipping the steel to me by water, or even if they do ship it by water, they charge me the all-rail rate.

"Mr. GRACE. Well, they will charge you, or we will charge you if we happen to be the steel company, what we find to be the competitive price for steel at your plant. That is all that we would charge you.

"The CHAIRMAN. Exactly; and you would charge me a competitive price, with an all-rail rate. You would charge me the all-rail rate, and I would not get the advantage of my location, notwithstanding the fact that I located there on the water to have cheaper freight rates.

"Mr. GRACE. We would be capitalizing, in a fair manner, the advantageous position of our plant in being able thus to ship to you." (Ibid., p. 535.)

[91] Ibid., pp. 199–201.

[92] Op. cit., p. 48.

TABLE 3.—*Comparison of all water (contract carrier cargo) and rail rates on iron and steel between selected lake centers* [1]

[Rates in dollars per short ton]

From—	To—	All-water rate	All-rail rate
Buffalo	Cleveland	$1.10	$4.60
Do	Detroit	1.15	5.20
Do	Chicago	1.60	7.80
Do	Duluth	1.60	12.60
Cleveland	Detroit	.95	4.40
Do	Chicago	1.50	6.20
Do	Duluth	1.50	12.00
Chicago	Detroit	1.50	5.60
Do	Duluth	1.50	7.20
Detroit	Chicago	1.50	5.60
Do	Duluth	1.50	11.00

[1] Economics of Iron and Steel Transportation, p. 138.

Source: Gartland Steamship Co., ICC No. 2, May 15, 1942. Lake rates were not required to be filed previous to that date.

The savings in steel transportation shown in the foregoing tables to be possible by resort to carriers on inland waterways would undoubtedly be still greater for steel manufacturers having their own water transportation facilities. To the extent then that their costs were lower than common carrier water rates, by so much would the phantom freight be increased if the freight factor in the delivered price were computed on the basis of all-rail rates.

Since the abandonment of the basing-point practice it appears that consumers of steel may at long last receive some of the benefits of the most economic forms of transportation available. Under the heading, "Switch to f. o. b. mill sales brings up complex questions," Iron Age for July 15, 1948, reported (p. 125):

"Looking ahead, Carnegie-Illinois recently made a trial shipment of several different customers' orders to Cincinnati by barge. Warehousing arrangements were made there to handle its distribution. Chicago mills have long been planning to step up barge shipments."

Pittsburgh mills, it was said further, had "their eyes on cutting costs by barge shipments" to points as distant as Cairo, Ill., and Nashville, Knoxville, and Chattanooga, Tenn.

Conclusion

The practice of charging phantom freight under the basing-point system differs from geographic price differences under truly competitive conditions in two basic ways: (a) Phantom freight is not related at all, or at best only partially, to the natural flow of goods from surplus deficit areas; what shall or shall not be a nonbase mill is determined on the basis of what happens to suit the convenience of the producers participating in the system, not on the basis of the existence of a surplus or deficit of production at a particular mill; and (b) phantom freight prices are rigidly fixed for many years at a time, the prices at nonbase mills generally failing to decline with increases in local supply.

Under these conditions, the price and profit mechanism does not serve its proper function under a competitive system of making an efficient allocation of resources. Differences in prices charged to variously located customers reflect not differences in economic efficiency—cost of production, management efficiency, demand, location of markets, etc.—but rather differences in the way in which the operation of a wholly artificial and arbitrary system affect consumers in one area as against those in another.

With these distinctions between phantom freight and geographic price differences under the normal pattern of competitive prices in mind, it is possible to summarize the undesirable economic effects of phantom freight as follows:

(1) Phantom freight penalizes existing buyers—or prevents them from coming into business in the first place—in some localities to the benefit of customers in other localities. Those buyers in those territories which have to pay phantom freight are penalized in their competition with those who do not have to pay this charge by the amount of the phantom freight. The effect of the phantom freight charge upon the customer who has to pay it is particularly pronounced during times of business recession. In such periods, the extra burden which it represents is sufficient to make it impossible for numerous customers in the unfavored areas who have to pay this burden to compete effectively with those who do not.

(2) Phantom freight restricts the growth of the nonbase mills, which are typically the smaller mills. In the long run, the high prices charged the local customers by the phantom freight mill actually benefit the mill very little, if at all, and consequently do not serve their normal purposes of increasing capacity and decreasing prices. The reason is that under the basing-point system the nonbase mill has to share its local high-priced market with the distant mills and is able to increase its market only by shipping toward the surplus base mill areas, with a progressive decline in its mill price—a penalty which is not imposed on the base mill in shipping into the nonbase mill's territory. This twofold burden tends to reduce the nonbase mill's profit. This is particularly true during the long run, since, as noted above, the high prices charged the local customers of the nonbase mill places them at a disadvantage in their efforts to compete with the customers of the base mill, thereby retarding their normal economic growth and development.

The economic effects of the practice of charging phantom freight can be no better summarized than in the following extracts from the findings of fact in the Pittsburgh Plus case some 25 years ago, which illustrated the effects of phantom freight both on the customers and on the nonbase mills themselves.

"A number of steel users have been forced to discontinue the manufacture of a variety of products made of steel because of the Pittsburgh Plus prices which they were forced to pay. They were unable to compete with their competitors in favor of whom such discriminations operated. In addition to this total destruction of competition caused in a great many cases by the increasing Pittsburgh Plus discriminations, a destruction of further industries is threatened with the continuance of Pittsburgh Plus prices. As a large number of manufacturers testified, they will be ultimately driven out of business if Pittsburgh Plus prices continue." [93]

* * * * *

"The effect of Pittsburgh Plus prices are greatly aggravated in depressed business periods when manufacturers need additional business the most. In such periods the Pittsburgh and other eastern manufacturers of steel products go into the Chicago territory and take business at a very small profit, sometimes below profit, in order to keep their plants going and to spread their overhead charges over a large production. During such times, the Chicago manufacturers likewise need business to keep their plants going and to keep down their overhead charges. But their needs are subservient to the needs of their eastern competitors. These eastern competitors divide and take away much of the needed western business, while the western manufacturers are left helpless without a reciprocal power to invade the East, because of respondents' Pittsburgh Plus prices." [94]

* * * * *

"The capacity of the steel mills within a radius of 60 miles of Pittsburgh increased from 1908 to 1923, 6,000,000 tons, while the capacity of the steel mills within the same radius of Chicago increased only 3,000,000 tons. In other words, the mills in the Pittsburgh district increased their capacity twice as much as those in the Chicago district, notwithstanding the fact that the respondents' cost of production of steel in the Pittsburgh district is 20 percent higher than in the Chicago district." [95]

[93] 8 F. T. C. 27.

[94] 8 F. T. C. ——.

[95] 8 F. T. C. 47.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY] in the nature of a substitute.

Mr. LONG. Mr. President, in the language suggested by the Senator from Tennessee [Mr. KEFAUVER] there were the words "will substantially lessen competition." I move to have the word "substantially" stricken, if it is agreeable to the Senator.

Mr. O'MAHONEY. Mr. President, that is the language of the Federal Trade Commission Act. It is the language of the so-called Kefauver-O'Mahoney bill to prevent monopolistic mergers. "Substantially" is the word which has been used since the very beginning, in connection with this matter. I do not think it ought to be stricken.

Mr. ROBERTSON. Mr. President, I should like to ask the distinguished Senator from Maryland if the so-called Kefauver amendment or modification is agreeable to him?

Mr. O'CONOR. It is.

Mr. ROBERTSON. Is the O'Mahoney substitute, as modified, agreeable to the Senator from Maryland?

Mr. O'CONOR. In answer to the question of the Senator from Virginia I should like to make this brief statement. We feel that the amendment, as proposed by the Senator from Wyoming, accomplishes exactly what was intended to have been accomplished by the Committee on the Judiciary on a temporary basis, but now is accomplished on a permanent basis by the suggestion of the Senator from Wyoming, as amended in the several respects to which explanation has been given.

Furthermore, the questions asked by the Senator from Illinois [Mr. LUCAS] having been answered in the affirmative by the Senator from Wyoming, as indicating his intention, we feel that the main purpose of this enactment is as described yesterday on page 7019 of the RECORD:

> The sole purpose, therefore, of this problem is to confirm the right of individual companies to use certain pricing practices until July 1, 1950, when there is no conspiracy and when the practices are pursued for the purpose of engaging in competition in good faith.

That being the undoubted purpose, and the necessity having been shown by reference to the Supreme Court decisions which have resulted in the utmost confusion, we feel that the bill as proposed to be amended should be enacted.

The PRESIDING OFFICER. The Chair inquires whether the Senator from Louisiana [Mr. LONG] wishes to withdraw his motion.

Mr. LONG. I withdraw my motion.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute, offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendment in the nature of a substitute to the amendment was agreed to, as follows:

That the Federal Trade Commission Act (38 Stat. 719, as amended; 15 U. S. C. 45) is amended by adding at the end of section 5 (a) the following: "It shall not be an unfair method of competition or an unfair or deceptive act or practice for a seller, acting independently, to quote or sell at delivered prices or to absorb freight: *Provided*, That this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice, carried out by or involving the use of delivered prices or freight absorption."

SEC. 2. Section 2 (a) of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended by substituting for the period at the end thereof a colon and adding thereto the following: "*And provided further*, That it shall not be an unlawful discrimination in price for a seller, acting independently—

"A. to quote or sell at delivered prices if such prices are identical at different delivery points or if differences between such prices are not such that their effect upon competition may be that prohibited by this section; or

"B. to absorb freight to meet the equally low price of a competitor in good faith (except where the effect of such absorption of freight will be to substantially lessen competition), and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains."

SEC. 3. Section 2 (b) of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies and for other purposes," approved October 15, 1914 (38 Stat. 730, as amended; 15 U. S. C. 13), is amended to read as follows:

"(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection, or discrimination in services or facilities furnished, the burden of showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided further*, That a seller may justify a discrimination (other than a discrimination which will substantially lessen competition) by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

SEC. 4. As used in this act—

A. The word "price" shall have the meaning which it has under the commercial law applicable to the transaction.

B. The term "delivered price" shall mean a price at which a seller makes or offers to make delivery of a commodity to a buyer at any delivery point other than the seller's own place of business.

C. The term "absorb freight" shall mean to establish for any commodity at any delivery point a delivered price which, although as high as or higher than the seller's price for the same commodity at the point from which such commodity is shipped, is lower than the sum of the seller's price for such commodity at such point of shipment plus the actual cost to the seller for transportation of such commodity from such point of shipment to the delivery point or the average cost of transportation to the seller.

D. The term "the effect may be" shall mean that there is substantial and probative evidence of the specified effect.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1008) was passed.

Mr. O'MAHONEY. Mr. President, the title of the bill should be amended, I think, to agree with the title of the bill which I introduced yesterday. I therefore move that the title of the bill be amended to read: "A bill to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices."

The PRESIDING OFFICER. Without objection, the title will be amended as suggested.

Mr. JOHNSON of Colorado. Mr. President, I merely wish to say two things.

First, I wish to thank the Senator from Wyoming [Mr. O'MAHONEY] for working out a most difficult problem, not to the entire satisfaction of the Senator from Colorado, but substantially so.

Secondly, I feel that the bill will permit industry and business to function without the handicap of being upset and worried as to what the laws of the Nation are with respect to the absorption of freight and with respect to the ordinary methods of conducting business, which are traditional in the United States. I want the Senator from Wyoming to know that I greatly appreciate what he has done. I have spent 3 months of my life trying to solve this problem, so I know something about the difficulties.

Mr. WHERRY. Mr. President, for many months I, too, have worked on this problem. I have consulted with the Senator from Colorado [Mr. JOHNSON], chairman of the Committee on Interstate and Foreign Commerce, as well as with members of the Committee on the Judiciary, which was handling the proposed legislation.

I realize that this is a most difficult piece of legislation to pass in such form as to meet the approval of all those who are interested. I feel that this legislation will go a long way toward settling the confusion and chaos now experienced by hundreds of small-business men throughout the country. I feel that it is a step in the right direction. I hope that it will accomplish the results which those who sponsored it feel it will, and that it can be made to work.

Mr. MYERS. Mr. President, I wish to join my colleagues and pay my compliments to the Senator from Wyoming for his efforts and his accomplishments. When I introduced Senate bill 1008, in the nature of a moratorium, in the nature of temporary legislation, I was hopeful that at least we might get that much action. However, at that time I did not believe that it would be possible to get permanent legislation through the Senate. However, with the assistance and guidance of the Senator from Wyoming, we are able to make permanent what we originally sought to make temporary. I congratulate him for his efforts. I am sure that it was only because of his work and leadership that we were able to get some action in Congress on this very important legislation.

Mr. O'MAHONEY. Mr. President, I am most grateful to my colleagues for their very gracious words. I cannot accept them, however, without saying that if it had not been for the spirit of cooperation by the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. O'CONOR], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from Indiana [Mr. CAPEHART], the Senator from Nebraska [Mr. WHERRY], and other Senators, it would have been utterly impossible to obtain this result. It shows that once we set our minds to the objective we wish to accomplish, differences speedily vanish. I think there are many other problems plaguing the country and the Congress which could be settled in the same spirit of cooperation.

Mr. LUCAS. Mr. President, the Senator from Illinois certainly agrees with the distinguished Senator from Wyoming.

The able Senator from Colorado [Mr. JOHNSON] stated that he had been studying this problem for 3 months. Well do I know how long the subcommittee, headed by the Senator from Indiana [Mr. CAPEHART], studied this very problem last year, and how long the subcommittee has been studying it during this session. Yet this afternoon, when minds got together and started cooperating, giving and taking a little, we were able to pass this measure, which apparently does everything which everyone wants, not only by protecting the little fellow, whom everyone wants to protect, but by giving us permanent legislation and eliminating the confusion which exists at the present time among businessmen throughout the Nation.

Mr. LONG. Mr. President, I should like to state for the RECORD that even though I was in favor of the O'Mahoney amendment, on the voice vote I voted against the bill. I believe that the O'Mahoney amendment makes the bill much better than it was in the beginning.

However, I am inclined to feel that when everyone is as happy about a piece of legislation as Senators appear to be, someone is going to be fooled when he wakes up and sees what is in it. I have not studied the question as much as I should like to study it. I have a few doubts. We may find that we have somewhat slackened our antitrust laws by passing this legislation. Perhaps I shall be satisfied after I have had an opportunity to study the bill. If I am, I am afraid that there may be some who will be dissatisfied. However, I hope that they will all be satisfied with the legislation we have passed today.

Mr. LUCAS. Mr. President, if we have slackened our antitrust laws, there is one Senator who is going to be greatly surprised, and that is the Senator from

Wyoming [Mr. O'MAHONEY], who has been the chief trust buster ever since he first came to the Senate.

Mr. THYE. Mr. President, I wish to commend all Senators who have had anything to do with the amendment of the bill so as to make it acceptable. I know that manufacturers in Minnesota who have been so gravely concerned and in such a quandary over this entire question will feel greatly relieved when they know that all Senators concerned with this bill have concurred and have agreed that it is a good piece of legislation.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, reported favorably the nomination of Harry F. Schiewetz to be postmaster at Dayton, Ohio.

The PRESIDING OFFICER (Mr. BRICKER in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

FEDERAL POWER COMMISSION—NOMINATION PASSED OVER

The legislative clerk read the nomination of Thomas Chalmers Buchanan to be a member of the Federal Power Commission.

Mr. WHERRY. Mr. President, I ask the distinguished majority leader if he will again consent to passing over this nomination?

Mr. LUCAS. Mr. President, I am glad to accommodate the distinguished minority leader. However, I hope that we can consider the nomination of Thomas Chalmers Buchanan the next time the Executive Calendar is called, if possible.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Harrison Parkman to be purchasing agent for the Post Office Department.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. LUCAS. Mr. President, I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified of all nominations confirmed this day.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc; and, without objection, the President will be notified forthwith of all nominations confirmed this day.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, for the benefit of the Senate, I desire to make a brief announcement: It is the intention that in a few minutes we shall adjourn until tomorrow, at which time we shall have a call of the calendar, first of all, after going through the regular morning hour. Then perhaps we shall take up the second deficiency appropriation bill, and there is a possibility that we may take up the international wheat agreement, if it is reported in time by the Foreign Relations Committee. Following that, it is proposed that the Senate take a recess until Monday.

Mr. CAPEHART. In other words, to take a recess from Thursday evening until Monday?

Mr. LUCAS. Yes; from Thursday evening until Monday.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. In connection with the call of the calendar, will the distinguished majority leader state whether it is intended to begin the call of the calendar where the call was concluded on May 23, when the last call of the calendar ended, or whether it is intended to go back to the beginning?

Mr. LUCAS. I think we shall begin at the point where we concluded the last call of the calendar.

Mr. WHERRY. In other words, the call of the calendar will begin with Calendar No. 403, Senate Concurrent Resolution 42?

Mr. LUCAS. I think that is correct.

I may add, Mr. President, that following those two bills, if we pass them tomorrow afternoon, we shall then take up the bill for the repeal of the Taft-Hartley Act and make it the unfinished business, beginning on Monday.

Mr. WHERRY. I thank the Senator from Illinois. I should like to point out again that I understand that it is intended to begin the calling of the calendar tomorrow with Calendar No. 403. I make this statement in order that all Senators may be on notice that the calling of the calendar tomorrow will begin at the point where the previous call of the calendar was concluded.

Mr. LUCAS. Yes; I am glad the Senator has made that statement.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. JOHNSTON of South Carolina. If we finish the call of the calendar, tomorrow, beginning with Calendar No. 403, will we then go back and take up any of the measures on the calendar previous to No. 403; or will such measures have to be taken up on motion?

Mr. LUCAS. I think they will have to be taken up either on motion or by unanimous consent, if it is desired to have measures preceding No. 403 on the calendar taken up at that time, for it is understood the call of the calendar will begin with No. 403. Of course, some Senators who are interested in measures preceding No. 403 on the calendar may be away, and might read this statement in the RECORD and understand that measures preceding No. 403 would not be taken up, and therefore would not be in the Senate Chamber at that time.

Mr. JOHNSTON of South Carolina. That is why I asked the question.

ADJOURNMENT

Mr. LUCAS. I move that the Senate now stand adjourned until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until tomorrow, Thursday, June 2, 1949, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 1 (legislative day of May 23), 1949:

POST OFFICE DEPARTMENT

Harrison Parkman to be Purchasing Agent for the Post Office Department.

POSTMASTERS

ALABAMA

John T. Fuller, Alexander City.
Mary E. Sims, Boothton.
Lewis R. Nail, Calera.
Joseph L. Savage, Centre.
Carl T. Driskill, Dawson.
Clodie M. Hall, Geraldine.
Jack Winfred Miller, Joppa.
Carey M. Brady, Jr., Lanett.
Helen A. Pollard, Newbern.
Paul H. Woods, Parrish.
Seth Berry Stalcup, Phil Campbell.
William Britton, Spruce Pine.

ALASKA

Martin E. Olsen, Dillingham.

ARIZONA

Lee N. Clayton, Bullhead City.
Allan Baker, Clifton.
Warren D. Judd, Fredonia.
Maudy M. Looney, Ganado.
Ernest S. Hulet, Holbrook.
Ralph S. Spotts, Laveen.
Lloyd K. Basteen, Oracle.
Glen G. Goodman, St. David.
Wallace E. Bryce, Safford.
Frankie F. Tanner, Sedona.
Edith E. Barnhill, Window Rock.

ARKANSAS

Ralph B. Ellis, Dermott.
Basil L. Grigsby, Hartford.
Louis E. Rice, Lonoke.
Mansel H. Howie, Montrose.
Kate L. Dooley, South Fort Smith.
William L. Burns, Tillar.

COLORADO

Doris B. Byrd, Association Camp.
Charles E. Morris, Jr., Canon City.
Lela C. Keen, Cedaredge.
Earnest E. Sullivan, Craig.
Julius M. Lancaster, Eads.
Albert A. Dwiggins, Evans.
Wade Ernest Gore, Fruita.
Lou M. Rector, Glen Haven.
Florence M. Graham, Hillrose.
A. J. Anderson, Kim.
Lucille Stewart, Louviers.
Myrtle L. Craig, Merino.
Wilbur W. Carrothers, Monument.
William Graham Mills, Olathe.
Thomas W. Chambers, Pagosa Springs.
Raymond R. Iacovetto, Phippsburg.
Charlie P. Stewart, Sedalia.
Elizabeth A. Bartolo, Somerset.
Timothy C. Devlin, Wray.
Richard E. Shoup, Yampa.
Paul L. Kohlmeier, Yuma.

GEORGIA

Bessie Sue K. Smith, Atco.
Hubert Hadley, Chipley.
Alonza L. Haddock, Haddock.
Joseph D. Smith, Lindale.
Vernon L. Roberts, Monticello.
Raymond S. Townsend, Wildwood.

HAWAII

Shuji Seki, Honokohau.
Josephine Makaiwi, Hoolehua.
Eva Lindsey, Kamuela.
Joseph M. Mihal, Kekaha.
Howard S. Green, Lanikai.

IDAHO

Henry W. Daven, Burley.
Oliver R. Acheson, Craigmont.
Vance Joines, Emmett.
Glenn W. Pratt, Firth.
Joseph Miles Flanigan, Grangeville.
George E. Johnson, Headquarters.
Nell G. Andrews, Leadore.
Letitia H. Erb, Lewiston.
Francis L. Mackey, Naples.
Arthur Dinnison, Orofino.
Lillian Ruth Nail, Riggins.
Samuel R. Walker, St. Maries.
Horace Thales Leavitt, Shelley.
James R. Fenwick, Sun Valley.
Wilford W. Frantz, Twin Falls.
Ostella A. Brown, Wilder.

ILLINOIS

James Kenneth Dolan, Albany.
Rollie N. Hammel, Alta.
John L. Baumunk, Bardolph.
Meredith L. Hull, Barry.
Ralph H. Watermann, Bartlett.
Agnes M. Coomes, Bristol.
Virgil J. Brown, Carbondale.
Robert E. Balk, Chadwick.
Cecilia G. Missal, Chenoa.
Catherine M. Hulen, Coatsburg.
Charles H. Lawler, Cortland.
Viola T. Johnson, Danforth.
Alice Gisy, Dow.
Israel Victor Hill, Edinburg.
William P. Lipe, Elkville.
Ruby G. Forman, Elliott.
Peter J. Roth, El Paso.
Robert E. Duncan, Eureka.
William H. Neece, Jr., Franklin.
Margery A. Howard, Franklin Grove.
Gerhard R. Bunting, Gifford.
Hugh R. Ganey, Gillespie.
Leo Pickrel, Gilson.
William L. Smith, Golconda.
Louise Tevis, Goodfield.
Abraham F. Weece, Grand Chain.
Andrew S. Fitzgerald, Greenview.
James H. Wilson, Highland.
Hugh Fleming, Johnston City.
Loretta Lanan, Kingston Mines.
Morris W. Dunn, Lacon.
Joseph D. Martin, Ladd.
Ned C. Dollinger, Lanark.
Sidney M. Phillips, Lena.
Floyd Durst, Lincoln.
James A. Krecek, Lyons.
Melvin R. Beckett, Macon.
Daisy E. Miller, Mahomet.
John W. Scamahorn, Maunie.
William S. Shipley, Mazon.
Charles L. Quindry, Mill Shoals.
Donald L. Besander, Mount Prospect.
Monroe Jones, New Holland.
John E. Nichols, Newton.
Jerry Volny, Jr., Northfield.
Edwin A. Luczaj, Oakdale.
George A. Garrison, Pearl.
Merlyn M. Dirksen, Pecatonica.
Francis M. Guest, Reddick.
Edward Charles Henninger, Savanna.
Edwin H. Criswell, Seaton.
William G. Strode, Smithfield.
Mabel L. Reinert, South Elgin.
William J. LeMar, Tallula.
Willis Hance McColly, Thornton.
Louis J. Dobrich, Toluca.
Arnitz E. M. Watson, Tower Hill.
Terence J. Henry, Trenton.
Daniel J. Hallissey, Venice.
Floyd H. Weihler, Viola.
Robert E. Cline, West Union.
Cellia E. Skerbinek, Willow Springs.
Lyle A. Thurman, Yates City.

INDIANA

Francis E. Sheller, Albany.
Paul L. Hyden, Butlerville.
Harmon G. Carbiener, Bremen.
Charles Peffley, Bridgeton.
Claude T. Linn, Camden.
Herman P. J. Hoessle, Charlestown.
Jay B. Williams, Colfax.
Arthur B. Newman, Coatesville.
Frederick M. Griffith, Dupont.
Malcolm E. Wade, Fillmore.
Woodbury Mohr, Flat Rock.
Charles D. Walts, Georgetown.
Edward G. Velk, Hanna.
Donald F. Holle, Hoagland.
George J. Ress, Indianapolis.
Charles Calvin Apple, McCordsville.
Frederick J. O'Laughlin, New Carlisle.
Ernest B. Bower, New Washington.
John A. Young, Osgood.
Hobart M. Smith, Patriot.
William C. Drof, Petersburg.
Gilbert L. Thomas, Richland.
Ruby J. Butler, Straughn.
Elbert S. Reinke, Santa Claus.
Henry P. Childers, Union Mills.
George H. Heckman, Sr., Wadesville.
Elmer J. Deetz, Waterloo.

KANSAS

James B. Robson, Abilene.
Leo N. Williams, Baldwin City.
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Sadie E. Raley, St. Inigoes.
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Earl Kennard Jones, Still Pond.

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Horace D. Moore, Boxford.
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Edith M. B. Formhals, Erving.
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Paul Callahan, Marshfield.
Elizabeth Agnes Murray, Mill River.
Lewis H. Wood, Mount Hermon.
Joseph Elliott, North Egremont.
Charles G. Starratt, Ocean Bluff.
John T. McManus, Otis.
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Jacob Louwenaar, Grandville.
O. William Tornquist, Harbert.
Winifred M. Fanning, Harrison.
Walter K. Peters, Houghton Lake.
Gerald T. Hughes, Howell.
Alfred H. Thompson, Hubbard Lake.
John R. Magney, Ionia.
Duane M. Gray, Lake Odessa.
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Alexander H. Shaw, South Lyon.
Elmer E. Lehman, Stockbridge.
Edward Thompson, Sunfield.
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Robert S. Mason, Waldron.
J. C. Hummel, Webberville.
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Donald Basford, White Cloud.
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Frances Sikorski, Whittaker.
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Charles F. LaCroix, Deer River.
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William J. Neidt, Wisdom.
Minnie E. Jacobson, Wolf Creek.

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Dale W. Jones, Byron.
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Irene Graham, Reserve.
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Dominic W. Zappia, Norfolk.
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Melinda Germeroth, North Greece.
Marian S. Welsh, North Salem.
Elizabeth Bennett, Oliverea.
Mary R. D. Clark, Oswegatchie.
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Dewey F. Cockrell, Stony Point.
Harry D. McLaughlin, Waxhaw.

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Arthur B. Mullen, Inola.
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Leon L. McFarlane, Oregon City.
John J. Clark, St. Benedict.
Fern Miles, Scotts Mills.
Mary V. Sullivan, Seaside.
Frances T. Burr, Selma.
Eugene N. Mee, Shady Cove.
Madge L. Herron, Shevlin.
Sydney V. Ward, Springfield.
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PUERTO RICO

Agapito Davila, Comerio.

RHODE ISLAND

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Anne E. Fowkes, Alton.
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Phebe P. Bentley, Coventry.
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SOUTH CAROLINA

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SOUTH DAKOTA

Earl F. Minier, Brookings.
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Ambrose M. Schultz, Presho.
Edward S. Gillen, White Lake.

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Atwell L. Moreland, Memphis.
Leonadus F. Yancey, Oakland.

TEXAS

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Anna J. Witt, Adrian.
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Wayne C. Bunton, Borger.
Earl Slater, Clyde.
Mary E. Boyett, Colmesneil.
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HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 1, 1949

The House met at 11 o'clock a. m.

Rear Adm. (retired) the Very Reverend Robert J. White, fleet chaplain of the Mediterranean Fleet during the last war, former president, Military Chaplain Association of the United States, offered the following prayer:

Bless, O Lord, we humbly beseech Thee, the deliberations of this day, as we turn the calendar from the month of May so meaningfully with the memories of our heroic and blessed dead.

Keep us mindful of the meaning of Memorial Day every day as we hear the solemn echo from a thousand heroes across the Nation urging us to keep faith with the fallen by lifting our hearts and minds in prayer to Thee, the author of life and the strength of government.

Teach us to pray because Thou hast ordained that man live not by bread alone but by faith, hope, and charity, because Thou hast ordained that man lives not to himself alone but in beneficent cooperation with other men in orderly government under God.

We ask humbly Thy divine help and the wisdom of Thy holy spirit and strength and confidence in our prayers to Thee.

Let us not forget that though nations may build heavy iron curtains to divide men who otherwise might live in friendship and peace, no nation, however powerful, can draw a bleak iron ceiling across the skies to divide men on earth from God in the heavens. Let us not forget that while nations may jam with static the voice of truth which can make men free, no nation can jam with static the powerful pleading of our prayers to Thee, Almighty God, and the resultant blessings and grace to men.

Keep us mindful that there is no pact so powerful as God's pact with men who believe in Him and love and serve Him and find silent strength and faith in the sword of spirit given to us by God himself in days of old.

Behold, I command Thee, take courage and be strong. Fear not and be not dismayed because the Lord, Thy God, is with thee in all things whatsoever everywhere. We ask these blessings through Jesus Christ our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 1357. An act to authorize the establishment of the St. Croix Island National Monument, in the State of Maine.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1527. An act to provide for home rule and reorganization in the District of Columbia.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 1754) entitled "An act extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. MURRAY, Mr. DOWNEY, Mr. MILLIKIN, and Mr. CORDON to be the conferees on the part of the Senate.

REORGANIZATION BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the House conferees on the reorganization bill may have until midnight tonight to file a report.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this bill?

Mr. McCORMACK. The reorganization bill.

Mr. MARTIN of Massachusetts. Is there any minority report?

Mr. McCORMACK. Well, we have not agreed, but I ask that the conferees may have until midnight tonight in case there is a report.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, would that include the right of the minority to file a report?

Mr. McCORMACK. Yes. I will also ask that that be included.

The SPEAKER. Well, there are no minority views on a conference report.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. May not the conferees express their views? They can do it on the floor, then, can they not, if they can get recognition.

The SPEAKER. A statement of the managers on the part of the House accompanies the conference report.

Mr. CHURCH. Mr. Speaker, further reserving the right to object, what is the number of the bill?

Mr. McCORMACK. I will get it for my friend.

The SPEAKER. H. R. 2361. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous matter.

Mr. KARSTEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include certain statements and excerpts.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a statement by the Common Council of the City of Middletown.

Mr. BOLLING asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an editorial and in the other a resolution.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include a news story from the Chariton (Iowa) Leader.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD in two instances and include in each an article.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial that appeared in the Washington Post of yesterday quoting Charles Dickens' American Notes in 1843. It is as applicable today as it was in 1843.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

COMMITTEE TO ATTEND AS OBSERVERS WORLD ASSEMBLY FOR MORAL REARMAMENT AT CAUX-SUR-MONTREUX, SWITZERLAND

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby created a special committee of five Members of the House of Representatives, who shall be appointed by the Speaker, to attend as observers the World Assembly for Moral Rearmament at Caux-Sur-Montreux, Switzerland, June 4 to June 12, 1949. The Speaker shall designate one of the members of the special committee as chairman. Any vacancy occurring in the membership of the special committee shall be filled in the manner in which the original appointment was made.

The committee may make such reports to the House (or to the Clerk of the House if the House is not in session) as it deems appropriate.

The expenses of the special committee hereby authorized, which shall not exceed $5,000, shall be paid from the contingent fund of the House upon vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PENSIONS FOR VETERANS OF WORLD WAR I AND WORLD WAR II

Mr. RANKIN. Mr. Speaker, I call up the bill (H. R. 4617) to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, and ask for its immediate consideration; and pending that, may I ask how much time the gentlewoman from Massachusetts believes we should have for general debate?

Mrs. ROGERS of Massachusetts. I think one-half hour on this side will be enough. I do not have many requests for time.

Mr. RANKIN. Then, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, to be equally divided and controlled by the gentlewoman from Massachusetts and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill H. R. 4617 be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The bill is as follows:

Be it enacted, etc., That paragraph I (e), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended by adding the following at the end thereof:

"Regulations issued under the authority of this subparagraph shall include, but not be limited to, the provision that a total disability rating shall be assigned, when the requirements of permanence and unemployability are met, where there is a single disability of 60 percent or more, or two or more disabilities, one of which is 40 percent or more in degree, combined with other disability or disabilities to a total of 70 percent. Such percentage requirements shall be reduced on the attainment of age 55- to a 60-percent rating for one or more disabilities and at age 60- to a 50-percent rating for one or more disabilities. The regulations shall also include a provision that a permanent and total disability rating shall be assigned without examination to veterans aged 65 or over [and in such cases pension shall be payable, if otherwise authorized, regardless of unemployability] *who meet the requirement of unemployability. For purposes of this part, marginal employment, including but not limited to, on own farm, in own business, or at odd jobs, at less than half the usual hours of work or less than half the usual remuneration will not be considered incompatible with a determination of unemployment and unemployability, if the restriction, as to securing or retaining better employment, is due to the disabilities.*"

SEC. 2. (a) Paragraph I (f), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"(f) The amount of pension payable under the terms of part III shall be $60 monthly: *Provided*, That where an otherwise eligible person shall have been rated permanent and total and in receipt of pension for a continuous period of ten years or reaches the age of 65 years, the amount of pension shall be $72 monthly: *Provided further*, That where an otherwise eligible person is or hereafter becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the amount of pension shall be $100 monthly: *And provided further*, That——."

(b) The provisions of subsection (a) of this section shall apply to veterans of both World War I and World War II.

SEC. 3. Paragraph II (a), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"II. (a) Payment of pension provided by part III, except as provided in paragraph 1 (g), shall not be made to any unmarried person whose annual income exceeds $1,200 or to any married person or any person with minor children whose annual income exceeds $2,500."

SEC. 4. The first sentence of subparagraph (c) of section 1 of the Act of June 28, 1934 (48 Stat. 1281), as amended by section 11 of the Act of July 13, 1943 (57 Stat. 556; 38 U. S. C. 503 (c)), is hereby amended to read as follows:

"(c) Payment of pension under the provisions of this Act shall not be made to any widow without child, or a child, whose annual income exceeds $1,200 or to a widow with a child or children whose annual income exceeds $2,500."

SEC. 5. No pension or increase of pension authorized pursuant to this Act shall be paid to any person who advocates or is a member of an organization that advocates the overthrow of the Government of the United States by force or violence: *Provided*, That there shall be considered as prima facie evidence, for the purposes hereof, an affidavit by a person that he does not advocate and is not a member of an organization that advocates the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates or is a member of an organization that advocates the overthrow of the Government of the United States by force or violence, and accepts any pension or increase of a pension authorized pursuant to this Act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than one year, or both: *And provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 6. Where eligibility for pension or increase of pension is established by virtue of this Act, pension shall be paid from date of receipt of application therefor in the Veterans' Administration, but in no event prior to the first day of the second calendar month following the enactment of this Act: *Provided*, That payment of death pension may be made from date of death of a veteran where claim therefor is filed within one year after date of death of the veteran, but no payment shall cover a period prior to the first day of the second calendar month following the enactment of this Act.

Amend the title so as to read: "A bill to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, and for other purposes."

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4617) to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4617, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 106]

Abbitt	Goodwin	Passman
Bailey	Hall,	Peterson
Buckley, N. Y.	Edwin Arthur	Pfeiffer, William L.
	Halleck	
Bulwinkle	Harden	Plumley
Burdick	Holifield	Powell
Burke	Hull	Price
Carlyle	Javits	Priest
Celler	Jenison	Rabaut
Chesney	Kearns	Rains
Chudoff	Kee	Regan
Clevenger	Keefe	Sikes
Cole, N. Y.	Kerr	Sims
Combs	Kilday	Smith, Ohio
Davies, N. Y.	Lemke	Smith, Wis.
Davis, Tenn.	Lichtenwalter	Stanley
Dawson	Lovre	Taber
Dingell	Lucas	Thomas, N. J.
Dollinger	McGrath	Walsh
Dolliver	Mack, Ill.	Werdel
Douglas	Marshall	Whitaker
Doyle	Murphy	Wigglesworth
Durham	Murray, Tenn.	Withrow
Elston	Nixon	Wolcott
Fulton	Norton	
Gilmer	O'Brien, Mich.	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4617, and finding itself without a quorum, he had directed the roll to be called, when 356 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. Under the unanimous-consent agreement reached earlier, the gentleman from Mississippi [Mr. RANKIN] is recognized for 30 minutes and the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 30 minutes.

Mr. RANKIN. Mr. Chairman, this is a modified pension bill which provides for $60 a month for any veteran who is 70 percent disabled—single or combined disability and under 55 years of age.

If he is between 55 and 60 and is 60 percent disabled, he gets $60 a month.

If he is 60 years of age and is 50 percent disabled, he gets $60 a month.

If he is 65 years of age, regardless of disability, he gets $72 a month.

This bill also raises the income limitation for a veteran without dependents, or a widow without children, from $1,000 to $1,200, and leaves the present $2,500 limitation for veterans with dependents or widows with children.

It bars benefits to anyone belonging to an organization which seeks to overthrow the Government of the United States by force and violence.

An amendment was adopted providing that these benefits should apply to men who met the requirement of unemployability.

That is the amendment over which the controversy will rage today.

I am opposed to that amendment, and I think a vast majority of the Members of the House will be opposed to it when they understand it.

If this bill is passed in its present form, without this unemployability provision, as far as World War I veterans are concerned and those World War II veterans that are covered in the first three brackets, the cost will be $20,842,000,000 between now and the year 2000.

Some Members have asked about this, and perhaps an amendment will be offered to strike the World War II veterans from the last bracket, and if that is done, as far as World War I veterans are concerned and those World Wars I and II veterans who are in the first, second, and third brackets, all combined, the entire cost of this measure, as I said, will be a little over $20,000,000,000 from now until the end of the year 2000.

I make this statement in order that the Members may understand exactly what we are voting on. The amendment requiring a veteran to show unemployability is an amendment that has to be voted on separately. You will find it on page 2 of the bill. It was inserted in the committee and must be voted in the bill, or it goes out automatically.

Mr. Chairman, I reserve the balance of my time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, the bill we are asked to consider today, H. R. 4617, is the result of long and involved hearings by the Committee on Veterans' Affairs.

When the previous pension bill, H. R. 2681, was recommitteed on March 24, 1949, our committee initiated new hearings and called upon witnesses from all of the larger veterans' organizations, the Veterans' Administration, the Bureau of the Budget, the Social Security Administration, and others. One whole month was devoted to this testimony and the resultant data is compiled in an impressive volume of some 375 printed pages.

From all of this voluminous testimony, with its thousands of questions and answers, has evolved what is probably the most innocuous piece of pension legislation that has ever been presented to this House of Representatives.

The measure, instead of enacting new law as did the bill which you recommitted, amends existing legislation and simply legalizes and liberalizes certain regulations promulgated by the Administrator of Veterans' Affairs. To explain this in few words, without getting involved in too much technicality, the bill writes into law extension 5 to the 1945 disability rating schedule, which was promulgated by the Administrator of Veterans' Affairs on October 7, 1948. This extension provided that any veteran meeting service requirements and income limits, less than 55 years of age who has a permanent single disability of 60 percent or more, or two or more disabilities, one of which is 40 percent or more, making a combined rating of 70 percent or more, and who is unemployable, shall be entitled to $60 per month pension. The same rate applies to a man aged 55 who has disability of 60 percent or more, single or combined, and upon reaching age 60, the disability requirement is reduced to 50 percent.

All of the above is now virtually law, by regulation, and will continue to be whether or not this measure becomes law. The bill before you affects the veteran who has reached the age of 65 by providing that he is not required to undergo physical examination but is deemed to be permanently and totally disabled upon reaching that age. Such a veteran, if unemployable, would receive $72 a month pension, just as he does now, the difference being that he now has to undergo an examination to determine that he is 10 percent disabled. That is section 1 of the bill.

Section 2 is an innovation, in that it provides a rate of $100 a month in lieu of the $60 and $72 rates for those veterans who are so helpless or blind as to need the regular aid and attendance of another person.

Sections 3 and 4 raise the income limitations for veterans and widows. Under existing law the limitations are $1,000 for those without dependents and $2,500 for those who have dependents. The only change made in these limitations is that $200 has been added to those who are without dependents, making the limit $1,200 a year. Many members feel as I do that these limitations are entirely too low. This is best indicated by the fact that there are now pending before our committee 22 bills that would raise these limitations beyond the amount specified in this measure. The most popular limitations called for in these bills are $2,000 for a single person and $3,000 for one with dependents.

The limitation of $1,200 in this bill means that it will bar from receiving a pension every regular Government worker. At the present time the lowest paid regular Federal employee receives far more than $1,200 a year, in fact the starting rate for a CPC–1 employee, the lowest civil-service grade, is $1,410 a year.

It is my hope that an amendment will be adopted to raise the income limitations to a point more compatible with the present high cost of living.

Section 5 of the bill bars benefits under the provisions of this act to anyone belonging to an organization which seeks to overthrow the Government by force or violence. In administering this section the Veterans' Administration would require from the veteran applying for pension an affidavit that he does not advocate and is not a member of an organization that advocates the overthrow of the United States Government by force or violence.

Section 6 provides that the pension or increase of pension shall be paid from the date of receipt of application but in no event prior to the first day of the second calendar month following the date of enactment. In death cases, payment is made from date of death if claim is made within 1 year thereafter.

Many Members of Congress are asking what will be the cost of this measure. You will recall that when the proposal was before the House back in March there were wild and fantastic reports in the press and on the radio of a probable cost of anywhere up to $125,000,000,000 for the next 50 years.

What I cannot understand, and I know that the other members of our committee are equally at a loss to comprehend it, is why any estimated cost of a pension bill should be protracted to the year 2000. Never in my experience of 24 years in this House of Representatives have I heard of other legislative costs being so projected. Had we so estimated foreign aid or even operation costs of our Government, the figures would have been so gigantic as to be almost incomprehensible. So I believe it is but fair to the veteran and to the pension proposal to consider the cost for 1 year only, or at least for but 5 years ahead. We all agree that costs will increase as years go by, but there are so many factors that cannot be estimated closely or accurately that it is of little value to go beyond the near future in making an estimate. The Veterans' Administration experts tell us that their estimates of the additional cost of this bill for the year 1950 will be $44,467,000. By the year 1955 this cost will have risen to $63,958,000.

There has been considerable objection to the unemployability requirement for veterans who reach the age of 65 years. Because of the probability of amendments being offered to eliminate this clause, and I hope it will be done, I have asked the Veterans' Administration to give me an estimate of the cost of the bill should such an amendment be adopted. For the year 1950 the cost would be $67,511,000, and for the year 1955 it would be $248,236,000. In submitting these figures I would like to call attention to the fact that they cannot be justified to a point of accuracy. There are altogether too many imponderables. The Veterans' Administration officials stated that it was not a firm estimate but only a best guess, adding that it is quite possible that it may be as much as 25 percent too high or too low.

To sum up briefly what this measure would do more than existing law provides: Veterans aged 65 years or over would be presumed to be totally and permanently disabled, without necessity of physical examination. Any veteran regardless of age who needs the regular aid and attendance of another person would be paid $100 per month in lieu of existing rates of pension. The income limitation

for veterans and widows without dependents would be raised $200 to $1,200. And, finally, veterans would be called upon to show by affidavit that they do not belong to a subversive organization.

This is about as little as one could do and still say he or she was helping the veteran. It will satisfy very few and benefit very few. I hope that the measure can be amended here on the floor so that something of real assistance can be given our veterans.

Mr. RANKIN. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I do not think it is necessary to have prolonged discussion on this bill. We marched up the hill and then back down the hill a few weeks ago on a pension bill. I hope that does not happen again. This bill has been reduced, we think, to the irreducible minimum, if we are to have a pension bill at all. I worked for the stronger bill, as you know. I want to take this moment, however, to call your attention to the one big controversial question in the bill, which the chairman has already mentioned. I hope every Member will listen, because, so far as we on the Democratic side of the committee are concerned, this is the one big issue: The question of whether we will continue to require that a veteran be unemployable at age 65 in order to get this benefit. The present requirement of the regulation is that a veteran 65 years of age must be unemployable in order to get this benefit. The unemployability amendment seeks to continue that requirement. The committee one day, upon my motion, voted out that requirement of unemployability, so that any veteran reaching the age of 65 years, and having an income of less than $1,200, would get the pension; but the next day the committee met again and voted that requirement back into the bill. The committee was considerably divided so that now the question is going to come up as to whether or not you are going to require that a man 65 years of age be unemployable. If you require that a veteran must be unemployable before he can get this pension, then you are saying that a veteran, and this is the interpretation that our legal staff places upon this language, that a veteran who is employable, no matter what he does, no matter how little he may get—it may be as little as $25 a month—but if the Veterans' Administration holds that he is employable, he will get no pension whatsoever, regardless of the income limitation. In other words, if the Veterans' Administration holds that a man is employable just because he is trying to hold down a little job a greater part of the day, he will not be eligible for the pension even though his salary is far less than the income limitation. Any holding of employability would totally defeat his pension claim.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield.

Mr. RANKIN. And that will leave out about six out of every seven World War I veterans.

Mr. ALLEN of Louisiana. So I want you to know that if you are going to say that a man must be unemployable before he gets this, you are going to cut out most of the veterans and you are going to say to a veteran who is getting this small sum, that if he is held to be employable, he will get no pension whatsoever. I repeat that this goes to the very heart of this bill. Frankly, I believe that very little will be saved by writing this requirement into the bill. The cost of administration would be staggering. You not only would have to investigate every veteran upon becoming 65 years of age to see whether he was unemployable or not but this investigation would have to be made over and over again, certainly at least once a year and maybe oftener. It would require a great host of inspectors and investigators to go out and check into the life and activities of every veteran who becomes 65.

In some States a man 65 years of age is paid $50 and more a month old-age assistance, and there is no unemployability requirement there. This is paid regardless of whether he is employed or not. If you write this requirement into the bill you will be requiring more of the veteran than you do of the nonveteran, and you will actually be giving the nonveteran an advantage over the veteran.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. ALLEN] has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, I am supporting the bill as it now stands. I want to make my position very clear.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to my friend from Texas, a very valuable member of our committee.

Mr. TEAGUE. The last time we had the pension bill on the floor there was considerable talk about the fact that we did not have proper and complete hearings. I know every member of the committee will agree with me that our chairman could not have been more fair; that we have had complete hearings; that every member was permitted to ask every question he wanted to ask; and that we heard every witness we wanted to hear. I want to compliment the chairman of the hearings that were conducted.

Mr. DAVIS of Wisconsin. I want to make my position clear that I am supporting this bill as it was reported by the committee. If the committee amendment, which this committee did put in, is taken out in accordance with the suggestion to be made by the chairman and the gentleman from Louisiana [Mr. ALLEN], then from that point my position changes from one of support to one of opposition, because this bill cannot be conscientiously supported by Members of this House if that is taken out.

When the original Rankin pension bill came to the floor of this House many of you will recall that I opposed that bill. I opposed it for three reasons—because I believed it would jeopardize the veterans program in this country; because I believed it was based on a false philosophy; and because we did not have adequate consideration in our committee to know where we were going. I do not believe that those objections which I had at that time apply to the bill as it now stands, as presented by your committee. This will not jeopardize the veterans' program, because it is not scattering broadside throughout the field of veterans' assistance, something that applies to all without regard to need or disability. This bill will cost the taxpayers of America $100,000,000,000 less than the bill that was before us recently. So we can vote with much better conscience for this bill than we could for the other.

This bill does not speak the false philosophy of the other bill. I felt the other bill spoke a philosophy of giving all veterans some money and then forget about them. That is about all we could do with the veterans of the Civil War, and others, but we are doing and we can do much more and much better things for the veterans of our country at the present time than simply giving them some money in order to get them off our hands.

We have often heard the argument made in favor of a pension that we have to take care of these aged and needy veterans. That argument certainly is not valid with regard to a general pension. It is valid with this bill today. If you support the bill in the form in which the committee has presented it, you will be giving a program to benefit these aged and needy veterans to whom we owe an obligation.

The third consideration, that of lack of consideration by the committee, to which I objected in the first consideration of a pension bill, does not apply here. As my colleague the gentleman from Texas [Mr. TEAGUE] has pointed out, we did have adequate hearings on this bill, and I feel the committee members had a chance to become adequately informed.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. BATES of Massachusetts. I understand that by the committee incorporating the unemployability clause, they substantially put into effect the present law and regulations.

Mr. DAVIS of Wisconsin. That is the most important part of this bill.

Mr. BATES of Massachusetts. Is that true?

Mr. DAVIS of Wisconsin. That is true.

Mr. BATES of Massachusetts. The bill that is reported by the committee is substantially the practice now carried out by the Veterans' Administration?

Mr. DAVIS of Wisconsin. It includes that and adds a few liberalizations, which I would like to list for the gentleman, if I might. It does put into the law those existing regulations. I think that is the most important provision. Pensions are not of any value unless there is an item of permanence of security applied to them. If the Veterans' Administration could give, as it did last October, this present program of payments for disability, it can take away just as quickly and at the same whim of those in control and authority. This puts it into law so that it must be retained.

Secondly, they have eliminated the physical examination for men 65. Under existing regulations the veteran must show 10-percent disability; as a matter of fact, most of them have been able to show that, and it has been a matter of red tape that we do not feel to be longer justified.

Thirdly, it raises from $1,000 to $1,200 the income limitation for single people, both widows without children and single veterans.

Fourthly, it provides $100 flat pay for those who are disabled so as to need a regular attendant.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman from Wisconsin five additional minutes.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the bill as presently written give to each veteran when he reaches age 65 a pension of $72 a month regardless of his physical condition?

Mr. DAVIS of Wisconsin. At age 65 if he were entitled to it without regard to his physical condition. As a matter of fact, most of them can show 10 percent disability under existing regulations; but in addition to that there must be the additional factors of unemployability, which has a very close tie-up with physical condition, and an income not above $1,200 a year for a single man or $2,500 for a man with dependents.

Mr. RICH. In fact, the man must have disability at age 65 if he is to get the $72 a month?

Mr. DAVIS of Wisconsin. There is no need to prove disability. Under existing regulations he can get it for 10 percent.

Mr. RICH. In other words, then, if he is 65 years of age, he is going to get $72 a month.

Mr. DAVIS of Wisconsin. If he is unemployable and has an income of less than $1,200 if single or $2,500 if married or has dependents. But unemployability is a factor closely tied up with physical condition.

Mr. RICH. I understood the gentleman at one time to say that it was not. I would like to get that straight; I would like to know if a man is going to get $72 pension at age 65 without any physical disability?

Mr. DAVIS of Wisconsin. Without any ratable physical handicap.

Mr. RICH. In other words, it is a pension bill for everyone who was in the service, a pension when he reaches age 65?

Mr. DAVIS of Wisconsin. No; that is not it.

Mr. RICH. It certainly would be under the gentleman's interpretation, as I understood it.

Mr. DAVIS of Wisconsin. I do not believe I said that, I may say to the gentleman.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. DONDERO. What is the position of the Veterans' Administration as to this amendment on page 2?

Mr. DAVIS of Wisconsin. In regard to unemployability?

Mr. DONDERO. Yes.

Mr. DAVIS of Wisconsin. That is the case under existing regulations. The Veterans' Administration has been unwilling to give a yes or no answer to the amendment, as to whether or not it should be the law.

Mr. DONDERO. Mr. Chairman, will the gentleman explain a little more fully to the House the provision of that amendment which appears in lines 12 to 19 on page 2?

Mr. DAVIS of Wisconsin. This amendment in lines 12 to 19 simply makes it clear that it is the intent of Congress that the Veterans' Administration shall not, as a matter of fact, find a veteran employable simply because he is able to putter around his chicken farm or take care of some little private business or to work part time at some particular place.

Mr. DONDERO. If that occupies one-half of his time that is not charged against him and he still might be able to obtain a pension?

Mr. DAVIS of Wisconsin. That is correct.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. JENSEN. I wish to ask the gentleman to explain the position a farmer would be in, a renter, for instance, with a large family who has spent most of his savings and money putting his children through school; when he reaches age 65 he is employed but because of his age would not, naturally, be in a position to get employment. Just what position would that man be in under this bill?

Mr. DAVIS of Wisconsin. It would be a matter of fact to be determined by the Veterans' Administration as to whether or not he was unemployable.

Mr. JENSEN. But that 65-year-old man having worked all his life on the farm naturally at age 65 could not be considered employable. If things went against him, if conditions on the farm got bad, if prices went down, that fellow would be in pretty bad shape financially. What would the bill do for him?

Mr. DAVIS of Wisconsin. As I said, it would be a matter of fact to be determined by the Veterans Administration. Under the probabilities of the situation the gentleman has presented, I would say he would be found to be unemployable.

Mr. JENSEN. He would be found to be unemployable?

Mr. DAVIS of Wisconsin. That is right. That would be the probability, I would say, on the basis of the situation the gentleman has just given.

Mr. JENSEN. And he would be entitled to a pension?

Mr. DAVIS of Wisconsin. If his income did not exceed the limitation as set forth in the bill.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Michigan.

Mr. FORD. If the amendment on unemployability is defeated and this bill passed, will we in effect be wiping out the present regulations of the Veterans' Administration in that regard?

Mr. DAVIS of Wisconsin. The present regulations requiring an unemployable test, if taken out of the bill, would be eliminated I would say, in my opinion, that would be considered as showing the intent of the Congress if that clause were taken out.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANKIN. Mr. Chairman, I yield 8 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I should like to say at the outset that consideration of this measure on the floor here today is somewhat historic. It represents two times in the course of approximately 2 months that the Congress has taken up the matter of veterans' pensions.

Prior to consideration some weeks ago of the pension bill which was rejected by a one-vote majority, it has been 28 years since the Congress or the House undertook to debate or deliberate at great length on the floor of the House the question of pensions for veterans.

Heretofore, priority has been given to consideration of the question of veterans' pension legislation and even a special rule for this purpose has been approved and adopted by the House.

But, with all this historic precedent and rule of priority, it is apparently necessary to fight every inch of the way for adoption of a bill providing for adequate and proper veterans' pensions.

The hearings that have been held by the Committee on Veterans' Affairs since the original hearings have been most complete—and the subject has been careful and painstaking consideration.

The able and forthright chairman of the committee, the gentleman from Mississippi [Mr. RANKIN], has been most patient and considerate in his conduct of the hearings on this bill. He has permitted all members to have all the time desired in asking questions of witnesses before the committee, and all witnesses desiring to be heard on the subject have been afforded every opportunity to present their views.

Among the witnesses heard were:

The legislative representative of the American Legion, Gen. John Thomas Taylor.

The national legislative director of the Veterans of Foreign Wars, Mr. Omar B. Ketchum.

The assistant legislative director of the VFW, Mr. J. C. "Jack" Williamson.

National commander, Veterans of Foreign Wars, Mr. Lyall T. Beggs.

National commander of the American Veterans of World War II—AMVETS—Mr. Harold A. Keats.

Legislative director of AMVETS, Mr. Robert L. McLaughlin.

National commander, Disabled American Veterans, Gen. Jonathan Wainwright.

Representatives of other veterans' organizations, Members of Congress, and others appeared before the committee in this connection.

Gen. Carl R. Gray, Administrator, Veterans' Administration, was heard, as was Mr. Guy H. Birdsall, Assistant Administrator for Legislative Affairs, Vet-

erans' Administration; representatives of the Bureau of the Budget, Social Security Administration, and other agencies of the Government.

Hearings were held on the general subject of pensions on January 27, February 1, 2, 3, 8, and 9, 1949; and, after recommittal of the original bill, on March 29, 30, 31, April 5, 6, 7, 12, 13, 26, 27, and 28, 1949—18 days over a period of 4 months.

So, Mr. Chairman, a criticism may not justifiably be advanced that full and fair and adequate hearings have not been held on this question and that proper consideration has not been given the pending measure.

The bill as reported authorizes a pension of $60 and $72 per month for veterans of both World War I and II, depending on age, disability, and unemployability.

This unemployability is a new and novel feature injected into pension legislation which is deserving of the most thorough consideration.

The bill is in line with the amendments adopted on the floor to the original pension bill and represents an extension of existing regulations of the Veterans' Administration on this subject.

The original bill provided for a pension of $90 per month for all veterans at the age of 65.

This amount was reduced by amendment on the floor from $90 to $72, the amount of the pension provided in the present bill.

Also, an income limitation, or so-called needs clause, was written into the original bill by amendment. This needs clause provision also has been continued in the present bill, so that a veteran with an income of $1,200 or more is not eligible for a pension under this bill.

A veteran with dependents, and who has income of $2,500 or more, under terms of the bill, would not be in need and, therefore, also would be ineligible for a pension.

The committee voted to report the language of the present bill, which follows existing Veterans' Administration regulations, rather than to recommend an entirely new bill unrelated to present applicable laws and administered by the Veterans' Administration.

In effect, this bill writes into law what the Veterans' Administration at present practices and follows under regulations promulgated by it with slightly moderate or liberal extension.

As an example, at the present time, a veteran at age 65, under Veterans' Administration regulations, with a 10 percent disability, is presumed to be permanently and totally disabled, and if he can make a showing of unemployability he would be entitled to a pension of $72 per month.

This requirement of the necessity of showing unemployability before being permitted to draw a pension is proposed in the pending bill.

This feature of the bill should be stricken out, and when the amendment to strike the unemployability requirement is offered, I hope that this feature of the bill may be stricken out.

This requirement, Mr. Chairman, would make a relief measure out of the bill, not a pension law.

This question of showing unemployability is the fly in the ointment, the real joker or deficiency in this bill, the feature which gives the Veterans' Administration plenty of work, and the veteran little or no pension.

Should the unemployability clause as proposed in the pending bill be adopted, a vast amount of administrative work would be required. Field employees of the Veterans' Administration, of necessity, would have to go out in almost every case and investigate each individual veteran and determine what he is doing, how he is employed, whether he is employable, or unemployable, in the opinion of the investigator, and, if employable, whether 50 percent or 60 percent or more or less full time or part time.

We would in effect be voting additional huge sums for administrative expenses and at the same time enacting into law a bill which would in no effect be a true pension measure.

This unemployability feature of the bill is the major objectionable part of the bill. There are other sections of the bill that could, in the opinion of many, be improved, such as raising the income limitation, but certainly this unemployability limitation is the most crippling provision of the bill.

Such a requirement is most unjust and unfair. Historically a pension has been granted after each war in which the United States has participated to veterans of that war for honorable and patriotic service upon the basis of attained age, and this new and novel feature of requiring a showing of inability to work has never been written into our pension laws.

It should not be approved today.

Another reason assigned for objecting to the original measure was the suggestion made by a number of members that the Social Security Act should be broadened and expanded so that our veteran population would be covered by the social-security program and not be provided for under separate legislation.

Since that time, Mr. Chairman, that proposition has been exploded.

Representatives of the Social Security Administration, as indicated, appeared before the Committee on Veterans' Affairs and stated that no action or recommendation had been made by the Social Security Board to that effect or to the specific inclusion of veterans under the provisions of the Social Security Act.

Excerpts from statements made before the Ways and Means Committee showing that historically the veterans of our country have always been taken care of under separate pension legislation has been included in the hearings before the Veterans' Affairs Committee. Such testimony may be found at pages 460 to 505 of the printed hearings.

In this connection, Mr. Chairman, I should like to read from the testimony of Mr. William Green, president of the American Federation of Labor, before the House Committee on Ways and Means.

Mr. Green, under questioning by Mr. CARROLL, declared his opinion that the question of pensioning veterans "is a question which I think should be considered separately and apart from the social-security plan."

Then, Mr. CARROLL said:

> The point that I make is that under a social contributory insurance system, even when a man is out of employment he loses certain of his benefits, and if the Government were to draft him into the service, the military service, it does not protect his insurance and it seems to me that there is a direct obligation on the part of the Government to give him that protection.

To which Mr. Green replied:

> I think, Mr. CARROLL, that all those things should be considered, but I think they ought to be acted upon separately and apart from social-security measure and that a sound and constructive pension plan should be provided for the veterans, the principles followed in providing pensions for soldiers of past wars should be followed in providing pensions for soldiers of World War II.

I am in agreement with Mr. Green in this instance and feel that the majority of both the Veterans' Committee and the Ways and Means Committee agree with the statements made in this instance.

Certainly, the historic policy of the Congress and the country, with respect to the providing of a pension to our aged veterans in recognition of their honorable and patriotic service to our country in time of war, should not be abandoned.

In continuing the historic pension policy of this Nation, I know that the Members are interested in the reported or estimated cost figures on the pending bill.

It is estimated that the cost of the bill as presently drawn with the unemployability provision in the bill will be for the first year $67,000,000.

It is estimated that the cost of the bill with the unemployability feature stricken out will be $67,500,000.

And, it is estimated that the total cost of the bill will be approximately $7,000,000,000 over a period of 50 years.

Certainly, it is unrealistic to estimate the cost over this extended length of time—as the measure may be amended or changed from year to year.

The Veterans' Administration, that has provided these estimated figures and who, by custom and practice, generally give the highest figure or maximum cost, has said that these figures may be 25 percent too high or excessive.

With the pension reduced from $90 to $72 per month, a big reduction in cost has been provided.

With the income limitation reduced from $2,000 and $3,000 as provided in the original bill to $1,200 and $2,500, further great economies have been insured.

And with the aid and attendance cost reduced from $120 to $100 per month a further and substantial reduction in the ultimate cost of the legislation has been provided.

The striking out of the unemployability clause will further reduce the administrative cost of the bill.

There has been a recent cut-back of 16,000 beds in the veterans' hospital program, the Congress recently reduced the Veterans' Administration budget by one-half billion dollars. There should be no further cut-back against the veterans authorized.

As the Members of the body well know, the House has recently voted several billions of dollars for foreign relief—relief of the people of Europe.

Only last week we voted a sum in excess of $500,000,000 for foreign aid to the people of Europe with the specific requirement that this sum be spent within a period of 12 months.

The House failed to pass the previous pension bill. The present measure should most certainly be approved.

In this connection, Mr. Chairman, I should like to quote from a statement which appeared in a recent issue of the news letter published by the Veterans of Foreign Wars concerning the Eighty-first Congress as we have taken action with respect to veterans' legislation:

Speaking of the present Congress, the report says:

> It is the most tough-nosed Congress that organized or unorganized veterans have had to deal with * * * it has sounded a note, an antiveteran sentiment, that may not die down until the issue is resolved at the polls in 1950, and probably not even then.
>
> When the Congress convened, the VFW moved confidently in the direction of a realistic service pension bill, but all the time-tested arguments fell on deaf ears until now, just 5 months afterward, the VFW is striving desperately to salvage some benefit out of a weak and watered-down pension bill.

This article, Mr. Chairman, goes on to point out that even this weak measure may yet have to withstand an assault based upon the fact that many are projecting the cost over a period of 50 to 100 years in an effort to exaggerate the amount thereof and to stem up opposition to the measure.

Reports of the American Legion are of a similar tone.

These statements are not in line with the statements made on the Memorial Day just passed concerning the men who fought in the defense of our democracy.

We have just on Monday heard many beautiful words of tribute paid in honor of those who fought in defense of our freedom and our homeland.

Memorial Day in the recent past has come to mean more than a day for the memory of our fallen heroes. It has come to mean a day for us to recall that we have not fulfilled our debt and obligations to those who fought and died to bring peace to the world.

I think that we should say that it is timely and appropriate that we express our sentiments in some manner more substantial than mere words.

A lot of veterans, a lot of mothers, a lot of fatherless children are looking to us.

Let us pass this bill and thus fulfill a just obligation of a grateful Nation.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Michigan.

Mr. SADOWSKI. According to the bill as written, a veteran upon reaching the age of 65 still has 2 hurdles to overcome. One is that he must show that he is earning less than $1,200, if he is single, or less than $2,500 if he is married, and the second is that he must show that he is unemployable. It seems to me one test should be sufficient. The test of what his earnings are should be sufficient.

The reason the Veterans' Administration is applying the other test is that they do not apply the test of earnings. One test certainly should be sufficient, and the earnings test is the one that ought to be required.

Mr. EVINS. I thank the gentleman. I think his observation is quite pertinent. The income limitation is quite sufficient, in this connection, and no further limitation is needed.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Wisconsin—a member of the Committee on Veterans' Affairs.

Mr. O'KONSKI. I have handled quite a number of pension cases where I tried to get pensions for veterans of World War I under the present set-up. I found that a veteran in order to get a pension under the present set-up, with the unemployability clause, has to be 99 percent dead. Is it showing any gratitude on the part of the Government to wait until the veteran is 99 percent dead before we give him a pension?

Mr. EVINS. None whatever. One of the greatest costs of the bill, if the unemployability requirement is included, would be the administrative cost—the cost of administering this section. Representatives of the Veterans' Administration would be required to go all over the country in determining the question of unemployability.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KEARNEY].

Mr. KEARNEY. Mr. Chairman, after many weeks of hearings covering the bill under discussion, H. R. 4617, during which time representatives of many veterans' organizations testified, the bill was reported out of committee. The bill provides, by section, the following:

Section 1: Any veteran meeting service requirements and income limits less than 55 years of age who has a single disability of 60 percent or more, or two or more disabilities, one of which is 40 percent or more, making a combined rating of 70 percent or more, and who is unemployable, shall be entitled to $60 a month pension. The same rate applies to a man aged 55 who has disability of 60 percent or more, single or combined, and upon reaching age 60 the disability requirement is reduced to 50 percent. Note: The benefits applying below age 65 are now provided by Veterans' Administration regulation known as extension 5 to the 1945 disability rating schedule. At age 65 the veteran would be presumed to be permanently and totally disabled without a medical examination and, if unemployable, would receive a pension of $72 per month.

Section 2: Provides rate of $100 in lieu of the $60 and $72 rates mentioned above for those veterans who are so helpless or blind as to need the regular aid and attendance of another person.

Section 3: Raises the income limitation for a veteran without dependents from the present $1,000 to $1,200. The $2,500 limit for veterans who have dependents is left unchanged.

Section 4: Raises the income limitation for widows without children from the present $1,000 to $1,200. The $2,500 limitation for widows who have children is left unchanged.

Section 5: Bars benefits under the provisions of this act to anyone belonging to an organization which seeks to overthrow the Government by force or violence.

Section 6: Pension or increase of pension shall be paid from the date of receipt of application but in no event prior to the first day of the second calendar month following the date of enactment. In death cases, payment made from date of death if claim made within 1 year thereafter.

During the debate on the pension bill some weeks ago, I opposed that bill, H. R. 2681, on the grounds that it was too costly and if passed it would materially injure the cause of the veteran. I voted to recommit the bill for further study and had publicly stated that I would refuse to support the bill when it reached the floor of the House.

Today we are meeting to debate and vote upon a new bill—a bill which has had thorough study and during the many weeks of questioning witnesses, every individual member of the Veterans' Affairs Committee had full opportunity to not only express his own individual opinion, but also all the time desired to question the witnesses. We are now attempting to make into law the regulations of the Veterans' Administration as they now exist, with certain improvements. In amending the existing regulations, pensions are barred to those veterans whose disability is the result of their own misconduct or vicious habits. The membership will recall that it was my amendment during the debate on H. R. 2681 that would prohibit the granting of pensions to those in the service who had been discharged under the so-called blue discharge or bad-conduct discharge. At that time, I could see no reason to pay a pension to any individual whose service was anything but honorable.

As had been testified to during the hearings before the committee, the bill, over a period of years, from the year 1950 to the year 2000, would increase the existing cost approximately $8,000,000,000. In my humble opinion this is a fair bill, a reasonable bill, and it is my intention to support it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. PHILLIPS].

Mr. PHILLIPS of Tennessee. Mr. Chairman, it seems to be generally agreed at this time that proper and adequate hearings have been conducted on the proposed legislation. There seems to be general agreement by the Congress at this time on all the provisions of the pending legislation with the possible exception of one clause, which sets up the requirement of unemployability. We can brush the other provisions aside and address ourselves to that one issue.

The American Legion and the Veterans of Foreign Wars as well as the DAV who have gone into this matter and given it study, are opposed to this provision.

No other pension system in the world makes such demands as this upon the veterans. The Spanish-American War veterans and the Civil War veterans were never subjected to a test so unfair and so unkind as this one. If this provision were placed in the bill, it would mean that the veteran would be faced with the proposition in each case, regardless of his age, of proving to the Veterans' Administration that he could not get a job as an elevator operator, that he was not able to work on a farm, that he was not able to drive a bus, that he was not able to act as a clerk, that he was not able to do any kind of work or enter upon any kind of gainful employment. Is it fair, is it just to enact into law a provision of this kind? There was a lengthy discussion at the time the bill was considered on the question of an income limitation. Now that the $1,200 limitation is placed in the bill for single veterans and $2,500 for married veterans with dependents, or $2,500 for widows, what is the necessity of placing this provision in this bill? What does it accomplish? I do not see why we should be so inconsiderate and so unfair to the veterans of this country. I do not see why any old soldier who has reached the age of 65 should have to become a beggar and sit around on the streets and sell pencils. I do not see that that is necessary. I do not intend to support the amendment to this bill which attempts to place the veteran in a different class from other people and require a showing of unemployability with an income limitation the proposed amendment is unnecessary.

I yield to the gentleman from Wisconsin [Mr. O'KONSKI] a member of the committee.

Mr. O'KONSKI. Mr. Chairman, last week we gave away $5,000,000,000 in the House without a roll call. I think the gentleman should be honored to point out that no country in the world, of these countries that we are giving billions of dollars to, demand that a veteran be 99 percent dead before he gets a pension.

Mr. PHILLIPS of Tennessee. The gentleman is exactly right. There is no necessity of having such a provision as this in pension bills pertaining to our own American boys.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of Tennessee. I yield.

Mr. McDONOUGH. Is the gentleman familiar with what effect this pension will have upon social-security or old-age pensions which the veteran may receive under the social-security laws? Does the veteran who is entitled, let us say, to $60 a month under social-security and old-age pension receive this in addition to that?

Mr. PHILLIPS of Tennessee. Generally speaking, this will actually save the Government some money, because most of the States of the Union, where the veteran draws a reasonable amount of compensation from the Government, in the way of a pension, is not then eligible by their standards to draw on social security under the old-age pension provision of the social-security law.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman from Tennessee two additional minutes and ask if he will yield at this time?

Mr. PHILLIPS of Tennessee. I yield.

Mrs. ROGERS of Massachusetts. I agree with the gentleman from Tennessee. I think the unemployability test is wrong. As a matter of fact, I think the income limitation is wrong, and I shall support the taking of the unemployability test and the income provision.

Mr. PHILLIPS of Tennessee. I thank the gentlewoman. I would like to see the unemployability and income provision stricken out.

Mr. Chairman, I yield to the gentleman from New York [Mr. KEATING].

Mr. KEATING. If this amendment is not adopted, then, as I understand it, no examination by the Veterans' Administration as to unemployability will be required. Would that not save a very large amount in administrative costs?

Mr. PHILLIPS of Tennessee. The gentleman from New York is exactly right. The cost of administration, the examinations, and the medical hearings that would be necessary and all the red tape and bureaucratic control and regulations involved would probably be more expensive to the Government and would actually bring about more expenses than the cost necessary to put this into execution.

Mr. KEATING. We have heard a great deal about the necessity for this amendment in order to save money and as an economy measure. I am interested in the gentleman's comparison between what we would save by including the amendment and what it would actually cost to put in the amendment in the way of additional administrative expenses.

Mr. PHILLIPS of Tennessee. I think the gentleman from New York is familiar with that provision. The necessity to investigate, and setting up the necessary boards and the calling of examinations and furnishing the proof and holding these hearings and having an administrative board would cost more money than the additional cost that this might possibly cost the Government.

The CHAIRMAN. The time of the gentleman has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield two additional minutes to the gentleman from Tennessee.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of Tennessee. I yield.

Mr. JENNINGS. I appreciate the force and effect of the gentleman's argument that it would cost a tremendous amount of money and a great deal of effort to undertake to determine whether a man at 65 is employable or unemployable. But you have this standard of income in there. A single man who is earning less than $100 a month will be eligible for a pension; if more than that, ineligible. A married man who earns less than $200 a month will be eligible; if more than $200, he will be ineligible. Those are self-executing tests, that are self-evident, not open to debate, and will avoid a vast army of bureaucrats, men who, if they are harsh and unsympathetic, many deny a man a pension who ought to have it.

Mr. PHILLIPS of Tennessee. I want to congratulate the gentleman from Tennessee [Mr. JENNINGS] on his very clear statement of the facts involved. He is exactly right in his analysis of the situation. These provisions are self-executing.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of Tennessee. I yield.

Mr. BREHM. There is no adequate test for determining a person's inability for employment. For instance, a certain physical defect might preclude one man from working, but not necessarily another man with the same defect. In other words, a man might have both legs and arms off, lying flat on his back, and if properly trained, be able to study the stars, and therefore they could say that he was qualified to be an astronomer. So there is no adequate rule or test that could be set up to say that a man is not available for employment, providing some investigator so decided.

I am speaking from a medical point of view, and I know that physical conditions do exist on which the physician cannot definitely put his finger but which still handicaps the patient.

Mr. PHILLIPS of Tennessee. The gentleman is correct when he says there is no definite test of a man's unemployability. If he had two arms off or one leg off and one arm or one leg off, he still might be able to accomplish something or do some kind of work. Private industry will hardly employ a man who is 60 or 65. It is becoming more and more difficult for him to get employment.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman from Tennessee one additional minute.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of Tennessee. I yield.

Mr. DAVIS of Wisconsin. Did I understand the gentleman to say that he felt it would cost more to administer this unemployability-test provision than would be the additional cost as a result of striking it out?

Mr. PHILLIPS of Tennessee. I do say that the cost would be tremendous. There is not any way of determining that exactly, just as the gentleman does not have any way of determining what it would save. I have heard arguments about it. I am familiar with some of the facts brought out. I know something about it. Other Members have made their contributions to this matter. Members have said they have certain indications that would show that this provision is in no way needed in this bill.

Mr. DAVIS of Wisconsin. Does the gentleman still say that, in view of the uncontroverted testimony that was given, that it would cost better than an average of a billion dollars a year to take this clause out of the bill?

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. RANKIN. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, one point I would like to make in the very beginning is that if this bill is passed or not, regardless of what happens to this particular measure, there will be spent by the Veterans' Administration in the next 50 years approximately $35,000,000,000, under the provisions of extension 5.

The bill as reported by the committee will cost an additional $8,000,000,000 over the next 50 years. I personally would like for us to be in a position today to be more liberal, but the fact remains that if we take this unemployability feature out, according to the testimony presented by the Veterans' Administration, you will add to that $8,000,000,000 cost over the next 50 years an additional $65,000,000,000.

As far as I am concerned I want to be practical about this matter; I would much rather give the veterans of this country something than to promise them a whole lot and end up by their not getting anything. It has been charged that this bill as reported by the committee does not give the veterans anything. I deny that statement, because according to the Veterans' Administration's figures we shall be spending, under the provisions of this bill, a little better than $200,000,000 a year additional to that which we are now spending.

A second point I would like to make, Mr. Chairman, is that from a practical standpoint this is not a pension bill; a pension bill, according to my understanding of that type of legislation, gives certain remuneration on the basis of age plus service, as was done in the Spanish-American war veterans' pension bill. There you have no employability clause; you have no income limitation clause; it is purely and simply a matter of age and service. It would be better to name this bill a non-service-connected disability compensation measure; that is what it actually is. It sets up a scale of disability percentages and states that if the veterans meet those percentages of disability they are entitled to additional compensation. This bill, I repeat, is not a pension measure; it is a liberalization of existing regulations which gives compensation for non-service-connected disabilities.

The one thing that I would like to emphasize is the practicality of this measure. If you take the unemployability feature out you will be spending an additional $65,000,000,000 a year. The gentlemen from Tennessee, both Mr. EVINS and Mr. PHILLIPS, mentioned the fact that you would save a great deal of money in administrative costs. I would like to point out, Mr. Chairman, that the Veterans' Administration is presently using the unemployability test, and they are using it to the extent that they are saying that if a veteran is engaged in gainful employment 50 percent or more of the time that he is considered employable.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RANKIN. Mr. Chairman, I yield the gentleman one additional minute.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. WHEELER. I yield.

Mr. EVINS. Does the gentleman deny that the adoption of this amendment will increase administrative costs tremendously? Or does he deny that there will be a regular army of investigators out over the country as a result of it?

Mr. WHEELER. It will only cost an additional amount in direct proportion to the number of veterans who become eligible under the terms of this bill, because the Veterans' Administration is presently using the unemployability test. If we get a hundred thousand more veterans, it will cost more in direct proportion that the hundred thousand bears to the total now in that category; and in the long run it will cost $65,000,000,000 more than if you leave it in.

Mr. EVINS. The gentleman has not answered my question: Does the gentleman deny that it will increase administrative costs tremendously by reason of the large army of investigators who will be needed?

Mr. WHEELER. It will not cost a great deal more, and then the cost will be proportional.

Mr. EVINS. But I am right that it will cost more.

Mr. WHEELER. It will cost more in direct proportion to the number of veterans eligible under it.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, I wish to ask the gentleman from Georgia a question with regard to the cost of administering this amendment. The gentleman said that the cost will be $65,000,000,000 a year.

Mr. WHEELER. According to the number of veterans. That cost would be spread over the next 50 years.

Mr. SCRIVNER. That sounds more like it, but the gentleman said $65,000,000,000 a year.

Mr. WHEELER. I am sorry if I made that mistake. I am glad the gentleman has corrected me, because the cost is spread over the next 50 years, up to the year 2000.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield the gentleman one additional minute. Will the gentleman yield?

Mr. SCRIVNER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. May I ask the Members of the House why they believe the Veterans' Administration should be the only department to give the cost of a bill over 50 years? I think that is manifestly unfair.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, as a member of the Veterans' Affairs Committee, I speak in support of House bill 4617. I am in full accord with this bill and feel that it is the best solution that could be worked out by our committee since the matter was referred to our committee again by way of recommittal. I speak as a personal observer of the efforts of our full committee to reach a fair conclusion about this pension bill and at the same time to consider the question of what additional obligation the country could assume at the present time in the light of rather disturbed business conditions. No member of our committee showed any desire to prevent veterans who reach 65 years of age from receiving some assistance from the Government but, on the contrary, exhibited a feeling that these veterans should be taken care of by way of a pension allowance in some practical manner.

The result of our efforts was House bill 4617. As analyzed, the bill authorizes a pension of $60 or $72 a month for World Wars I and II veterans depending upon the age and disability of the veteran. A rate of $100 per month is authorized in lieu of the $60 or $72 per month where a veteran, regardless of age, needs regular aid and attendance of another person. The income limitation has been raised slightly for veterans without dependents and for widows from $1,000 to $1,200, while the $2,500 figure for veterans with dependents and widows with children remains unchanged.

The drawing of compensation and retirement pay is prohibited to those persons who belong to organizations which advocate the overthrow of the Government by force or violence, and to those veterans of both world wars who were discharged under conditions other than honorable.

Considering the fact that this bill grants relief to worthy veterans of both world wars at a cost of $8,693,000,000 over a period of 50 years, I consider it entirely reasonable and well drawn. The total cost during this period for World War I veterans will be $1,862,000,000 and $6,831,000,000 for World War II veterans. The approximate outlay and cost of the bill for 1949 would be about $44,000,000 which could well be worked into the amount now allowed the Veterans' Administration for handling the disability cases with a small additional amount. In fact, this is a pension bill the basis of which assumes that a person 65 years old has a 10-percent disability.

In conclusion may I say that the bill is very plain in its language and, under the circumstances, is quite reasonable. It takes care of a group of veterans who we all know, in many cases, need attention, and I sincerly hope that the House will pass it with few dissenting votes. The committee would have done more, but did not feel that the finances of the Nation at this immediate time justify it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I am in favor of this legislation. However, I am opposed to the unemployability clause that is sought to be written into it.

The bill now under consideration will liberalize the requirements for payment of pension in certain cases to veterans and their widows and children.

The Committee on Veterans' Affairs has conducted extensive hearings. The bill is the result of careful consideration. It deserves the support of the House, but, without the unemployment test.

This latter provision in the form of an amendment to the bill would, in my opinion, destroy the effectiveness of the bill and leave the whole subject of pensions in an unsatisfactory state. Under such proposal even the slightest degree of employability, no matter how meager, would be sufficient to preclude a veteran over the age of 65 from receiving a pension. This would be unfair, unjust, and unreasonable. We all know that employability in most cases where the individual is 65 years and over is very slight. It would set up a standard or test that has never been applied heretofore in any legislation of a similar character. Furthermore, the limitation of income provision of $1,200 for single veterans and $2,500 for married veterans, with dependents, is sufficient without the additional requirement of proving unemployability. To administer such a provision would take endless time in making the necessary investigations, and would incur so much expense upon the part of the Veterans' Administration that it could eliminate most of the savings such a provision would seek to make.

ANALYSIS OF THE BILL BY SECTIONS

Section 1: Any veteran meeting service requirements and income limits less than 55 years of age who has a single disability of 60 percent or more, or two or more disabilities, one of which is 40 percent or more, making a combined rating of 70 percent or more, shall be entitled to $60 a month pension. The same rate applies to a man aged 55 who has disability of 60 percent or more, single or combined, and upon reaching age 60, the disability requirement is reduced to 50 percent. At age 65, the veteran would be presumed to be permanently and totally disabled without a medical examination, and would receive a pension of $72 per month.

Section 2: Provides rate of $100 in lieu of the $60 and $72 rates mentioned above for those veterans who are so helpless or blind as to need the regular aid and attendance of another person.

Section 3: Raises the income limitation for a veteran without dependents from the present $1,000 to $1,200. The $2,500 limit for veterans who have dependents is left unchanged.

Section 4: Raises the income limitation for widows without children from the present $1,000 to $1,200. The $2,500 limitation for widows who have children is left unchanged.

Section 5: Bars benefits under the provisions of this act to anyone belonging to an organization which seeks to overthrow the Government by force or violence.

Section 6: Pension or increase of pension shall be paid from the date of receipt of application but in no event prior to the first day of the second calendar month following the date of enactment. In death cases, payment made from date of death if claim made within 1 year thereafter.

Thus, the bill authorizes a pension of $60 or $72 a month for all veterans depending upon the age and disability of the veteran as I have explained. In addition, the rate of $100 per month is authorized in lieu of the $60 and $72 a month pension for any veteran regardless of age who needs the regular aid and attendance of another person.

The income limitation for veterans without dependents and widows without children is raised from $1,000 to $1,200, while the $2,500 figures for veterans with dependents and widows with children remains unchanged. Benefits are barred to those persons who belong to organizations which advocate the overthrow of the Government by force or violence. The act is effective on the first day of the second month following approval.

It is the duty of a grateful Nation not only to honor and pay tribute to the heroism and sacrifices of our national defenders, but, also to do something for them in their hour of need. Fine words and speeches on Memorial Day expressing our gratitude and paying deserved tribute to them are all right in their place, but, the fulfillment of our obligation to them demands much more than words of praise. This bill seeks to accomplish something in their behalf that will prove helpful. It deserves the full hearted support of the membership of this House.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I again say that I am extremely glad that we are about to pass some sore of a pension bill; not a very adequate one, but still something. I feel that it is wiser not to spend too much on this legislation, for we have a distinct obligation to take care of our service-connected disabled, and I know that you will all agree that they must come first. I would also like to speak in appreciation of General Bradley's statement on Memorial Day when he made reference to the number of veterans in hospitals who lie on beds of pain and whose future is uncertain. I think that is the feeling that every Member of the House has, that men in hospitals lie on beds of pain, and that we should remember them, and also to remember that their future is uncertain.

Mr. RANKIN. Mr. Chairman, in view of the fact that several other Members desire to speak on this important measure, I wonder if the gentlewoman from Massachusetts would agree with us to extend the time for 10 minutes on a side.

Mrs. ROGERS of Massachusetts. I will be glad to yield my remaining 4 minutes to the gentleman from Mississippi after I yield briefly to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. RANKIN. I thank the gentlewoman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I wish to congratulate the committee for reporting this bill. It is time that we recognize the needs of the veteran with a sound piece of legislation. This is sound legislation in the form originally introduced and without the committee amendment.

Mr. Chairman, I am unalterably opposed to the committee amendment and trust it will be defeated. If the committee amendment is adopted the bill will then be merely a Veterans' Administration bill. If it is defeated it will be a veterans' bill. We should legislate at all times for the veteran and no one else. If this amendment is adopted it will discourage many worthy veterans from trying to get needed relief. The entire program will bog down in red tape. The Veterans' Administration will be forced to employ additional thousands with the attendant cost to the Government. It will be much better and more equitable to spend this money on the veteran instead of using it to employ more people. If the amendment is adopted the veteran will be faced with chaos, confusion, and uncertainty. He is entitled to better treatment from the Government he fought to preserve. The harm this amendment will do will be out of all proportion to the money it will save. The welfare of the veteran cannot be measured in dollars.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. NOLAND].

Mr. NOLAND. Mr. Chairman, I rise in support of the present pension bill. I would like to make reference to the fact that I voted to recommit the pension bill which we considered some months ago. That bill was recommitted for two reasons: First, that it cost too much money; and, second, that liberal provisions were already in effect under Extension 5 of the Veterans' Administration regulations.

After that bill was recommitted I went back to my district. One of my fellow veterans came to me and said: "How come you fellows up there in Congress failed to pass that pension bill?" I looked at him and asked, "Well, were you in favor of that pension bill?" His answer was: "Well, if you all were foolish enough to pass it, I would be foolish enough to take it."

Then we came back to Congress and went to work in the committee to consider a new bill. This bill, H. R. 4617, was very thoroughly discussed and considered, and in the opinion of the committee it was believed that a bill should be reported that would meet three objectives: First, one that would do justice to the aged veteran; second, that the bill would be reasonable in cost; and third, that it would pass not only the House but the Senate, and would be signed by the President of the United States and become a law.

This bill which we have before us today has been endorsed by the major veterans' organizations, with one exception. That exception is the inclusion of the unemployability clause. I should like to state that I would much rather be up here waving a flag than speaking in commonsense terms for retaining the unemployability clause which is under fire here today.

It has been said that this unemployability clause would mean a great deal in administrative cost. I should like to point out that the estimated $65,000,000 additional expenditures without this clause would cover a great deal of administrative cost.

The Veterans' Administration is now administering the unemployability feature. They do it without an army of investigators. They do it by means of a simple little form like this. This is the form right here. It has questions on the front and back of it. The veteran's word is taken as to his unemployability. There is no investigation. We have every reason to believe that with this feature in the bill it will not call for tremendous additional administrative costs.

I think that here today it is our duty to act in reasoned judgment to pass a bill that will become law. I believe the bill reported, with the committee amendment, is a bill which does justice to the aged veteran. Its provisions are liberal; in fact, I should like to see these provisions extended to every person in the United States over 65; and who knows, we may be taking that first step here today in connection with this pension.

Without the unemployability clause in this bill, I cannot support H. R. 4617 because the cost over the long-run period of this bill will total $100,000,000,000, which is an average of $2,000,000,000 a year. This means, then, that two billion per year will be spent for nonservice-connected pensions, as compared with approximately $1,500,000,000 now spent for service-connected pensions.

In other words, this bill reaches such tremendous proportions that it endangers disability compensation for our disabled veterans, their widows and dependent children.

In 1933, the so-called Economy Act was passed by an overwhelming vote which eliminated certain non-service-connected pensions for veterans of World War I. There is a likelihood that the story may be repeated if this bill is enacted into law.

I shall always be for taking care of the disabled veterans, their widows and children, whom our country can never repay. At the present time before our committee we are considering legislation to increase compensation for disabled veterans, widows, and dependent children by some 20 percent, which will involve a total cost of $400,000,000 yearly.

Our country is exceedingly grateful to the veterans of this Nation. But our first duty must always be to the disabled, and I shall continue to work for their welfare.

In the future consideration of veterans' benefits which now total approximately $7,000,000,000 yearly, and which constitute the largest item in our national budget with the exception of the military, we must consider carefully the consequences of the pension legislation which we enact. American veterans have been given special opportunities after both world wars, by being placed in positions of trust and leadership. Veterans must repay the faith vested in them by leading wisely. The status of a veteran is not something to be translated into dollar signs by a raid on the Public Treasury. The power of every veteran and every veterans' organization should be used not for special privilege but for the general betterment of all the people of America.

I request your support of H. R. 4617 with the committee amendment, which requires the unemployability feature.

Mr. RANKIN. Mr. Chairman, I yield 4 minutes to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I am for a pension bill, a forthright pension bill, one that is honorable. I am opposed to the unemployability clause. I opposed it in the committee and said that if we had it in the bill we would not have a pension bill for a great number of deserving veterans in the country.

We have heard a lot of words about cost, and we will probably hear a lot more. Let me tell you something of the figures that were brought before our committee by the different organizations and how they disputed their own words many times. You have heard estimates of $65,000,000 per year and $65,000,000,000 over 50 years, and many other billions, but many times when you pin the experts down as to where they get these figures they will say, "Well, it was an estimate." That is not an excuse for us to withhold a pension to these older men who deserve one and who have served this country well.

We have had pensions in the past and they have been honorable ones. We have never had a clause like this in connection with any pension from the Revolutionary War to the present time. This relates to World War I veterans, those men who are now in need of it, but if it goes on the way it is proposed now, it will be something like the old-age assistance we have in the States, where you have a corps of investigators. They come around investigating the older persons, and they have to sign an oath that they are not able to take care of themselves, that they are paupers. Then, oftentimes, even if they sign the oath, they say it is just the same as telling them they are liars or cheats, or something like that, and they are denied old-age assistance. I do not say the Veterans' Administration will do that, but if we pass this bill you will put on a corps of investigators, thousands of them, to investigate every man, and you are going to lower the dignity of that veteran and debase his rights as a citizen and as a man who has fought for the Nation.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. DAVIS of Wisconsin. Is it not true that the representatives of the Veterans' Administration came before the committee, explained their figures, and submitted themselves to cross-examination by members of the committee, and that the representatives of the Bureau of the Budget also came before the committee, confirmed the Veterans' Administration figures, and submitted themselves to cross-examination by members of the committee?

Mr. STAGGERS. When this clause was taken out of the bill there was a lot of discussion about its cost. The next afternoon we got the figures. I do not know where they got those figures overnight. I do not know how accurate they were. We have had a lot of talk about this. In trying to defend the great army of men who fought for this Nation, may I say that in the first war the great body of men were farmers, because our Nation was not as highly industrialized then as it is now. Those men went back to the farm after the war and they are still there, because they have not had the money to get away, as their children did who went into industry and were able to make more money. They are still on those farms. They are trying to work them. If the Veterans' Administration, or somebody else comes along, and says "Well, you can work a little garden, and you can milk a cow, and therefore you are not unemployable, and you do not get a pension," even though they have not been able to store up something for their old age, and may want to educate their children and put them through school, they will not get any help. I am absolutely opposed to this clause in this bill. Otherwise I am 100 percent for it and will work and vote for the measure.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ELLIOTT. Mr. Chairman, I am for this veterans' pension bill, H. R. 4617.

But, Mr. Chairman, I am also for eliminating, and will vote to eliminate, the unemployability test which this bill sets up for veterans at age 65.

I am particularly interested in our buddies of World War I. Many of them have already reached the age of 65. This bill provides that those single World War I veterans, 65 or over, who have an income of $1,200 or more per year, are not eligible to draw this pension of $72 per month. Likewise, those veterans, 65 or over, with dependents who have an income of $2,500 or more per year are not eligible.

These are known as income limitations or needs clauses. I am opposed to a needs clause in this or any other veterans' pension law. I so voted when veterans' pension legislation was before this House earlier this year. I so voted in our Committee on Veterans' Affairs when we were writing this bill. But a majority of the Congress and a majority of the Committee on Veterans' Affairs has expressed itself as being in favor of an income limitation or needs clause.

So we have the income limitation written into this law.

But, Mr. Chairman, I think it is unconscionable and unjust to impose a second requirement of unemployability on these old veterans. It is apparent that the question of whether a veteran is employable at age 65 is, or will be, a very close question of fact in many, many cases.

To determine whether or not a veteran is unemployable will require a close examination of all facts pertaining to each individual case. This will require many investigators, a horde of employees to

gather the facts and make the determinations. Under such a system we will have bureaucracy at its worst, and all at the expense of the taxpayer, and to the great annoyance of the individual veteran.

I know of no other public pension system anywhere that imposes a test of unemployability as the basis for the allowance of a pension. It is a negative approach. It will discourage rather than encourage work. This country was built by those God-fearing men and women who believed in hard work. Let us not pass legislation, any legislation, wherein we discourage our citizenry from work. Let us not say to a veteran, "You prove that you are unemployable and you can have a pension." Rather let us encourage all our people to do what work they can, and when our veterans approach the evening of life let us pay them a pension, without strings, without harassment, but in honor of their service in the hour of their country's need. Let us strike this unemployability test out of this law. When we do this the pension will still be surrounded by too many restrictions. But, if we want to be reasonable, if we want to deal justly with our old veterans, we must not impose this unemployability test on them. Let us strike it out.

Mr. LANE. Mr. Chairman, I believe that veterans are deserving of pensions, and in their own right, for the plain and simple reason that they have given more in service and in sacrifice than any other group in our Nation.

Without them, we would not be here.

Now that the war is safely over, there are those who would conveniently forget what our men and women of the armed forces endured. There are others who would gloss over the distinction between veteran and civilian and erase the past as if these sacrifices and our obligation to the men who made them were inconsequential.

There are still others who try to undermine the veteran and all he stands for by spreading the mean and petty talk that so many served their country because they had to. This overlooks the essential fact that millions were in the armed forces and millions were not, and all the sophistry in the world cannot make veterans of those who are not veterans.

Any man or woman who wore the uniform of his country, whether for 6 months or 6 years, whether in domestic service or in combat, gave up precious freedoms which a civilian was never called upon to sacrifice. Due to the circumstances of war, the degrees of service varied sharply, but all who wore the uniform are entitled to that badge of honor and respect implied in the name "veteran."

There are many civilians who have relatives and friends in veterans' hospitals. With their own eyes they see the continuing casualties of war and they are deeply affected by this reminder. This is no story to be put aside when the make-believe reaches its conclusion. It is a stern and unforgettable reality, not to be changed by any wishful thinking. Broken minds and bodies, the price paid by some for the safety of all, should be seen by the others, the thoughtless few who dare to criticize our veterans. Seeing this tragic, human cost, might shock them into understanding and humility.

The Government of the United States is giving the best of care to these hospitalized veterans. May God grant that it never forgets what it owes to them.

In supporting H. R. 4617, we must think of the millions of veterans outside and the invisible wounds they bear. We cannot forget that they interrupted education, jobs, and careers to serve their country. And many were unable to resume the normal routine of their lives. They returned, uprooted and restless, to find that the old home town did not look quite the same. Some have never bridged the gap, have failed to make an adjustment back to the way of life from which they were wrenched. The psychic scars of war do not show. How many men whom we pass on the street are victims of their military experience? There is no convenient method of estimating the number who have been affected, and no way of knowing how many lives have been sidetracked from normal fulfillment by war's exacting demands. That it is considerable, no one can doubt. I meet such men almost every day. They dress and talk in the conventional manner, but there is a new and strange reserve in their manner. And somehow, they do not seem to be able to hold a job. Occasionally one detects an underlying resentment which is hard to define. These men are veterans.

Perhaps as they look at the bland faces of those who never knew the meaning of war, they think of the inequality of sacrifice. These men know the ultimate of insecurity. They have looked death in the face. They fought against fear and terror. They remember young friends and the way they suffered and died.

Shall these veterans be subjected to the further insecurity of an old age in which a once-grateful Nation has forgotten them or attempts to ease its conscience by granting them a token pension for which they must qualify, not as veterans alone but as paupers?

I believe that a majority of those Americans who did not serve in the armed forces are nevertheless in favor of pensions for veterans in old age. The precedent was set in previous wars, and is considered as a matter of right and not necessarily of need. The large number of World War II veterans is no justification for default on this obligation. It should spur us to devise practical ways and means for the implementation of a suitable pension program.

The veterans have already bought and paid for these pensions at a cost in weariness and suffering which can never be measured. Remember that they bought safety for us, giving up the bright years of their youth on bloody battlefields. While we relaxed by the radio in the cozy warmth of our homes, many of them lay wounded in the cold and snowy nights of the Battle of the Bulge, hoping and praying that they would be found and ministered to before they perished. In fact, they paid the price of our indifference, for had we been alert to our responsibilities, we would have worked with might and main to strengthen peace against aggression, during the long years when we had an opportunity to do so.

Can anyone in all conscience stand up and say that we do not owe them some amends for our mistakes? Or must they pay all over again by our neglect?

"But where is the money coming from?" the faint-hearted reply, forgetting that the veterans themselves will pay part of their own pensions. I remember that the money did come so that these young men and women would keep the actual horrors of war away from our homes and businesses and pleasant ways of life.

It seems that we find no difficulty in finding money to help other nations. There is good reason for this, of course, but there are more cogent reasons for taking care of our veterans in their old age. First, there is the inescapable moral duty. They gave to save us. It is our turn to give on a far lesser scale to help them.

To those who try to evade this clear call by various pretexts, I might appeal on the grounds of expediency. Business is coming to realize that the workers are entitled to pensions. Our Federal Government has belatedly recognized the necessity for an old-age contributory insurance set-up. Behind all ethical motives is the admission that sufficient purchasing power in the hands of those who, because of their age, cannot compete in the labor market—is good business. It helps to maintain the healthy circulation of the over-all economy—and each one of us is a contributor to, and a beneficiary of, that economy.

The chances for peace are better at this moment than they have been for some time. The Marshall plan is helping to restore the nations of western Europe to a position where they will be able to take care of themselves. There are further indications that Russia, faced with serious internal problems of her own, is impressed by this outside progress, in which she wants to share. To the degree that the western nations and Russia may be able to concilate their differences, our international obligations will be eased, enabling us to pay some attention to the needs of our own people.

I offer this as assurance to those who put the financial question before the moral question on the bill to provide pensions for veterans.

The veterans of World War I are on the threshold of those years where they should receive visible proof of a Nation's gratitude, a gratitude unspoiled by any means test. I therefore suggest that we eliminate those provisions in the proposed legislation which, at present, would deny a pension to any single veteran with an income of $1,500 a year or more, or to any married person or any person with minor children whose annual income exceeds $2,500.

It is right and proper that disabled veterans should receive a more generous award, but our first consideration is to establish a pension system for all veterans, so that they may enjoy peace, sufficiency, and respect in their declining years.

In the words of Abraham Lincoln:

Let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan

of World War I and World War II.

Our responsibility in 1949.

Mr. O'HARA of Illinois. Mr. Chairman, as one of the few veterans of the Spanish-American War in this body, I have an especial interest in this bill. I could not permit to pass this occasion without lifting the voice of the veteran of a war 51 years in the yesterdays in behalf of the veterans of the two great world wars. I voted against the amendment with the unemployable feature because in honor no veteran of the Spanish-American War, enjoying the benefits of our pension law, could slap in the face the younger veterans with a provision that never had been written into any other pension law in all the history of the world.

There are not too many of my comrades of 1898 who are today among the living. On Memorial Day in the city of Chicago I marched with the little band of survivors of the war of over a half century ago in the magnificent parade of the veterans of all wars on the lake front of the metropolis of the Great Lakes. By my side was a comrade 86 years old. Despite his years, he marched with vigorous step, his shoulders straight and his eyes bright with the spirit of '98. I thought back 51 years to the time when these comrades of mine, now old men, constituted the flower of the youth of America. Life does things, Mr. Chairman, and none in the youth and prime of life can foresee the distress and the broken ends which the destiny of life may have reserved for old age.

The country which cheers its youth when that youth is on the battlefields cannot turn away in disinterest when the servicemen of yesterday are the old men of the today. It is a better, a richer, a finer America because of the generosity of our Government in protecting the men of 1898 from the vicissitudes of old age with a real pension law. I wish that law might be extended to include the veterans of all wars. The comrade of 86 by whose side I marched on Memorial Day in Chicago receives the last day of every month, with a regularity upon which he can count, until the end of his days, a pension check for $90. There is no mocking unemployable provision. There is no provision as to income. There is no provision to embarrass him by forcing a disclosure of poverty. Rich and poor alike receive the pension, and the rich accept it as a duty not to bring embarrassment upon the less fortunate comrades who could not make ends meet unless their Government in a substantial manner showed its appreciation of their wartime service in days long since passed.

During the months that I have been in Washington as a Member of the Eighty-first Congress every day I have been thrilled with a sense of the glory of my country when my eyes feasted upon the inspiring sight of the dome of our Capitol Building. Every night, Mr. Chairman, when I look at that dome and feel the thrills of love of country coursing through my system, I think of the greatness of a country and of a people that after 51 years has so remembered its wartime servitors that not one in his old age is without shelter, food, and clothing.

I hope and pray that the day will soon come in our country when every man and woman on reaching the age of 65 will receive a pension sufficiently large to provide the full measure of comfortable existence. That day will come as surely as the dawn of tomorrow will follow the darkness of tonight. Any economy that does not make full provision for the age of everyone whose youth and prime have been consumed in the maintenance of that economy is a false economy. Any nation which leaves its aged to shift for themselves, or to subsist on a tantalizing and cruel pittance, has failed to meet in full measure the functions of government.

But I am not willing to hold back the just claims of the veteran until for all the aged we are able to get all that I wish for them. I appreciate the sincerity of many of my fellow liberals who fear that an especial consideration of the claims of aged veterans would operate to the retardment of the program of social security to which we are committed. But while they have my most profound respect, and I know so well their earnest sincerity, I cannot accept their conclusions. To me it is just a matter of ordinary common sense to conclude that when a door has been opened one-fourth of the way it will be much easier to swing it the full remaining three-fourths than though the door were shut and jammed.

Mr. Chairman, the vote of this Spanish-American veteran will be cast for this bill, and he will go to bed tonight with a glad heart because in his service in the Eighty-first Congress has come the opportunity to extend, as it were, the hand of comradeship of 1898 to the younger veterans who so magnificently performed to the glory of America and the welfare of all the world in World War I and World War II. No nation was ever destroyed, nor was any economy ever endangered, when the quality of gratitude permeated and enriched its legislation. The cost of doing the right thing, the cost of being just plain decent, is something which people usually try to figure out only as an excuse for not doing the right and the decent thing.

Mr. ROONEY. Mr. Chairman, this bill granting pensions to World War I and II veterans for age and non-service-connected disabilities, with one important exception, has my approval and support. The one exception, to which I object, is the amendment adopted in the House Committee on Veterans' Affairs before the bill was reported. This amendment would apply an unemployability test to those veterans age 65 or over in addition to a very low income limitation. In other words, before a World War I or II veteran who has reached the age of 65 years or over is eligible to receive the modest pension he is not only subject to a very low income limitation but also to a test of unemployability. Such requirement will serve to deny pension assistance to the majority of these old veterans. I am going to vote against this unemployability provision.

Mr. MACK of Illinois. Mr. Chairman, as a member of the Committee on Veterans' Affairs, I have always said, and I firmly believe, that no man who has served his country honorably in time of war should ever have to undergo undue harships in his declining years. I feel that these men who fought to continue the democratic principles of this great country should be afforded security when they are no longer able to provide for themselves.

Much criticism has been made about the abuse of veterans benefits and we veterans do not deny that there have been some abuses to these benefits. We in the veterans' committee have done our utmost to limit these abuses and to design legislation so that it can be properly administered. In this bill the benefits will be paid to the needy and it is my fervent hope that this legislation will never serve to discourage any able-bodied man from continuing his employment. We veterans do not want a dole or to be continually draining the Treasury until we are a tremendous burden on our society, but rather we want to be assured that our comrades are kept away from the poorhouse and that they are able to enjoy the necessities of life when they are approaching journey's end.

This bill is the product of many long hours spent by the committee, holding hearings and gathering information so that they might make a sound approach to this problem. I feel that this bill has many remarkable provisions and it will have my support. In this bill the present provisions have been liberalized and the disabled veterans will be benefited. My heart beats in sympathy for the disabled people of this country and I am strongly in favor of the additional allowances for those veterans who are so helpless or blind as to need aid and attendance of another person. I don't beileve that it is humanly possible for us to do enough for our disabled veterans. We can never repay the men who fought so gallantly in the recent world conflicts, but it is possible for us to lighten their burden and afford them a degree of security during their life's span.

I believe that this bill should pass and that we should further be determined to win the peace that these men fought for and the peace that many of our boys died for.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Missouri [Mr. MAGEE].

Mr. MAGEE. Mr. Chairman, we saw on the floor of the House a few weeks ago a new and novel procedure in legislative proceedings. I think it is the first time in all the years that the House has been in existence that we have ever projected the cost of any legislation over the period of half a century. We voted a billion or so dollars for Japan and we did not multiply that by 50. We voted nearly $16 000,000,000 for the armed services, and we did not multiply that by 25 or 30

or 50. We have been voting these foreign countries five or six billion dollars a year, and we never multiply that by 50. A few days ago on the floor of the House—I know that there are some Members who are going to vote against the unemployability clause, and perhaps vote against this bill—they voted for the officer pay raise bill. But not a word in all the hours of debate did anyone suggest that we multiply the cost of that bill by 50 or extend it over a period of 50 years.

Mr. Chairman, this has been a scare campaign from start to finish. I want to tell you that I do not give one single solitary d—— about what the Veterans' Administration says about the cost of this bill, if the unemployability clause is removed, because I think they have not been honest, and I think they do not believe it, and I think the only reason they did that is because they do not want to give up the board of investigators that they have and the doctors who are connected with it in private practice do not want to give up that business.

I was back in the cornstalk country of Missouri and made a speech Sunday and again on Monday. They were meetings arranged by veterans. If we are going to engage in a scare campaign I will let you in on a little secret. The boys mentioned the fact to me out there the other day that we had voted ourselves about $4,500 apiece for extra clerk hire. They said "I suppose that means that more Members' daughters and nephews and nieces will get on the pay roll. We are going to watch the vote when it comes up the following week. We are going to watch the names of the Members who vote against this and who vote in favor of the unemployability clause which is now in the bill. We are going to watch that amendment and we are going to watch who gets the extra clerk hire."

Of course, when we voted that, we did not extend it over a period of 50 years. No voice was raised to say what that would cost the taxpayers of this country over the next 50 years. It is claimed that if this unemployability clause is removed, the cost will jump from $8,500,000,000 in the next 50 years to $65,000,000,000 above that figure. I say to you that there is not any sense or logic in that. It is an inane and untrue statement.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired. The Clerk will read.

The Clerk read, as follows:

Be it enacted, etc., That paragraph I (e), part III, Veterans' Regulation No. 1 (a), as amended, is hereby amended by adding the following at the end thereof:

"Regulations issued under the authority of this subparagraph shall include, but not be limited to, the provision that a total disability rating shall be assigned, when the requirements of permanence and unemployability are met, where there is a single disability of 60 percent or more, or two or more disabilities, one of which is 40 percent or more in degree, combined with other disability or disabilities to a total of 70 percent. Such percentage requirements shall be reduced on the attainment of age 55 to a 60-percent rating for one or more disabilities, and at age 60 to a 50-percent rating for one or more disabilities. The regulation shall also include a provision that a permanent and total disability rating shall be assigned without examination to veterans aged 65 or over, and in such cases pension shall be payable, if otherwise authorized, regardless of unemployability."

With the following committee amendment:

Page 2, line 10, strike out the comma and all of the balance of line 10 and 11 down to and including the word "unemployability" and insert "who meet the requirement of unemployability. For purposes of this part, marginal employment, including but not limited to, on own farm, in own business, or at odd jobs, at less than half the usual hours of work or less than half the usual remuneration will not be considered incompatible with a determination of unemployment and unemployability, if the restriction, as to securing or retaining better employment, is due to the disabilities."

Mr. RANKIN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield before he starts his general discussion?

Mr. RANKIN. Yes; I yield.

Mr. CASE of South Dakota. In the sentence beginning on line 3, I wonder if there is not a typographical error. The sentence as reported in the bill reads: "Such percentage requirements shall not be reduced on the attainment of age 55 to a 60 percent rating for one or more disabilities" and so forth; but in the report on the bill, in both places where it appears, the word "not" does not appear.

Mr. RANKIN. It is not in the bill. The gentleman has the wrong bill.

Mr. CASE of South Dakota. It is in the copy which I have before me.

Mr. RANKIN. The gentleman has the wrong copy then.

Mr. CASE of South Dakota. The Clerk did not read that sentence in his rapid reading, and certainly the word "not" appears in the print which I have before me.

Mr. RANKIN. Well, the gentleman has the wrong bill. The bill reported from the committee says "such percentage requirements shall be reduced on the attainment of the age of 55."

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield to me?

Mr. RANKIN. Yes; I yield.

Mr. CUNNINGHAM. I wish to call the gentleman's attention to the fact that the bill I have in my hand, H. R. 4617, has the word "not" in line 4.

Mr. RANKIN. That is a typographical error. Let the Clerk read that sentence again.

The CHAIRMAN. Without objection, the Clerk will again read lines 3, 4, 5, 6, and 7 on page 2.

There being no objection, the Clerk again read lines 3, 4, 5, 6, and 7 on page 2.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

This is the crux of the bill. This amendment beginning on line 10, page 2, and ending on line 19, has to be voted on. Those who are opposed to applying this test of unemployability will vote "no." If this unemployability provision is left in the bill, you shut out six out of every seven of the old World War I veterans.

Now, they talk about how much this will increase the cost. As far as World War I is concerned, this measure will simply amount to this, even with the other two provisions providing $60 a month for a man who has a 70-percent disability and who is under 55 years of age; and providing $60 a month for a man who is 55 years of age with a 60-percent disability, and providing $60 a month for a man 60 years old with a 50-percent disability, with all those provisions left in as to veterans of both world wars and even to taking care of these old World War II veterans—and I submit it will be 25 years before World War II veterans reach the age that World War I veterans average now—it will merely mean that by the year 2000 the measure will have cost $20,000,000,000, and not $65,000,000,000 or the $100,000,000,000 which you have heard so much about.

This House passed a bill without a roll call, just the other day, to give Europe, Asia, Africa, and Israel five or six billion dollars.

You are spending more money in Japan in 1 year than this pension bill will cost for these old World War I veterans in the next 10 years. You are spending money abroad on people who fought to kill our boys; but when we ask for a small pension for these veterans after they reach the age of 65 years, some of you want them to prove their unemployability.

Who is going to pass on that question? To say that you are going to ask some bureaucrat who would not know a boll weevil from a bumblebee, or a cotton stalk from a cocklebur, or who would not know wheat from tares, when an old farmer is unemployable, is simply ridiculous.

Let us follow the policy that has been pursued from the Revolutionary War down to the present time and take care of these old men when they reach that age, especially when they do not have sufficient income. The Government should not permit them to go to the poorhouse in order to get a meal ticket. That is the whole question here.

When the vote comes on this amendment, if you are in favor of pensioning the old World War I veterans, just as our forefathers pensioned the Revolutionary War veterans, just as you pensioned the Civil War veterans, just as we people in the South pensioned the Confederate veterans, just as we pensioned the Spanish-American War veterans, if you are for treating these old men in the same way, your vote will be "no."

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, with all the faults I might have, I believe that none of you will accuse me of ever making a demagogic appearance in this well. I just do not do it. I have come down here and made some speeches at different times in favor of or against, as the case might be, some very important matters when my position was very unpopular at the time. You know that is true. I do not come down into the well of this House and make demagogic appeals.

Mr. Chairman, Congress did not put the requirement of unemployability in the pension-for-Congressmen law. I was

not here when that bill was passed, and I am not criticizing it at this time, but Congress did not require a Congressman to be unemployable before he draws his pension, did it? No. It is not a requirement, as I understand it, in the pension that the coal miners draw nor that the civil-service workers get. Why require the old soldier to be unemployable before he can draw a pension? It just does not make sense, that is all, and it does not make for justice, either.

Just because a thing is popular does not necessarily make it right. Of course, I realize that. But, on the other hand, because a thing is popular does not necessarily make it wrong. It will be popular with the overwhelming majority of the people, I think, if we strike out the unemployability clause here; yes, I think it will be popular to do that, but it is right to do it also.

Mr. Chairman, in addition to putting the old soldiers in a class separate and apart and prejudicing them, putting them in a class where they will have to make a showing that other people do not have to make to be eligible for their pension, as a gentleman has suggested, you will also create more boards and bureaus to check up on these soldiers. Not only will that cost much money but it will create a bad psychological feeling on the part of the men who offered their lives for our country. It is also a departure, if I read the record aright, from all of the old-soldier-pension programs we have had since the inception of this Government.

Mr. Chairman, let us rationalize just a little bit. Suppose it does cost a lot of money. Of course, it will cost a lot of money. Most good physical things do. But, as one gentleman suggested, we do not multiply these other things we are doing from time to time in the way of appropriations by 50. You take your grocery bill, the annual expense of your grocery bill, multiply it by 50 or 100, and you get money in large figures. If you take many annual appropriations that Congress makes and add each one up for 100 years or 50 years, you will get astronomical figures.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman from Utah.

Mr. GRANGER. I always like to listen to the gentleman. I think this is the second time I have heard him refer to the Congressmen's pension. Congressmen do not have a pension; it is something that they pay for; it is a retirement of just the same kind any employee pays for. The gentleman has made that statement half a dozen times. It is not the fact.

Mr. MORRIS. Let me answer the gentleman. I have great respect for him, as I believe he has for me, and I say that in all sincerity; but the gentleman has based his argument on a false premise. The gentleman has made his statement in all sincerity, I am certain, but it is erroneous, because this money that a Congressman uses to pay for his pension, or that the civil-service employee uses to pay for his pension, or the coal miner, and others, comes from the economy of our Nation. Yes; it comes from the economy of the Nation. When a coal miner pays into his pension fund it costs you more for coal, and when a civil-service employee pays money into a pension fund it costs more for his salary. In other words, the taxpayers and the public are footing the bill. The wages and salaries have to be increased so the individual will have enough money to pay into the retirement fund. The public, of course, foots the bill of the raised wages and salaries.

Mr. SMATHERS. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. No; I cannot; I am sorry. The taxpayers, the public, will pay the bill; that is all there is to that, because the men who pay into their pension fund receive a wage or salary based on the theory that they are entitled to make a living and enough in addition thereto to provide a pension for old age. Therefore higher wages and salaries are paid than otherwise would be. The public pays the bill.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MORRIS. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. SMATHERS. Mr. Chairman, reserving the right to object, and I shall not, is it not a fact that this pension which the gentleman is talking about, that the veteran who is a miner or other person entitled to a private pension, will get this pension on top of the other?

Mr. MORRIS. As I understand, they will not get this pension on top of the other.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for two additional minutes.

Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Oklahoma is recognized for two additional minutes.

Mr. MORRIS. They will not get it, as I understand it.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. VAN ZANDT. Tell the gentlemen about the income limitations.

Mr. MORRIS. There are income limitations in the bill of course; most everybody is familiar with them I believe and I cannot spend any time on that; somebody else will probably want to talk on that anyway. I want to stay on this subject; let us get this point, it is important. I am not here, and I believe you all will agree with me, making a demagogic speech; I want to make this point clear. We Members of Congress are able to pay into a pension fund if we desire to do so because we draw a pretty good salary, do we not? Civil-service employees are able to pay into a pension fund because they usually draw pretty good salaries. Where do those salaries come from if not from the taxpayers' pocket? So when you say that Congressmen are paying it in entirely on their own that is a misnomer; that is not exactly the truth, for the taxpayers are paying it; that is where it comes from, the taxpayers; consequently when we give the old soldiers a pension the taxpayers are paying it just the same as they pay it in the other instances; and I believe that you and I will be doing an injury to the old soldier, and I believe that we will be doing an injury to our Nation as well, if we keep this employability provision in the bill.

The CHAIRMAN. The time of the gentleman from Oklahoma has again expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

Mr. SMATHERS. Mr. Chairman, reserving the right to object, does that mean that somebody who may be in favor of this amendment, such as the gentleman from Texas [Mr. TEAGUE] who would have 5 minutes time in which to talk?

Mr. RANKIN. Yes.

Mr. HINSHAW. Mr. Chairman, reserving the right to object, how many Members wish to speak to this amendment.

Mr. RANKIN. Mr. Chairman, I modify my request and ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The Chair has taken the names of the Members standing seeking recognition and will divide the time equally between them. Each Member will be recognized for 4 minutes.

The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, this bill is in considerably different form than the bill which came before us about a month ago. I would like to ask a member of the committee a question concerning the pending bill. If the committee amendment is stricken from the bill, does the income limitation for single persons of $1,200 under section 3 and $2,500 for a person who is married, or with minor children, still limit the receipt of the pension?

Mrs. ROGERS of Massachusetts. Yes, that is absolutely true. It does limit it. I would like to say to the gentleman also that there is scarcely a civil-service employee who would receive a pension, because most of them receive over $1,400, and the income limitation is $1,200.

Mr. HINSHAW. In other words, if this amendment is stricken, then those who want to vote for—you can call it a pension, and it is still additional compensation for the aged and needy veterans will still be voting for that and not for a general pension for all comers.

Mrs. ROGERS of Massachusetts. That is correct.

Mr. HINSHAW. I think that is what has been concerning most of us here. In other words, the language on lines 10 to line 19 on page 2 merely puts the requirement of unemployability on top of the income limitation.

Mrs. ROGERS of Massachusetts. That is right. That is stated in another section that the income limitation would

be in the bill, and they must comply with it.

Mr. HINSHAW. And with the committee amendment we have two limitations; the income limitation and the unemployability limitation.

Mrs. ROGERS of Massachusetts. That is absolutely correct, and scarcely an old veteran would receive a pension.

Mr. HINSHAW. It would seem to me under the circumstances that the committee amendment is merely piling coals on coal; that is, it adds nothing particularly to the bill because certainly if the man with dependents can earn only $2,500 or less, for example, say $1,900, to all intents and purposes he is certainly partly unemployable in this day and age, I would think.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Has the gentleman considered the effect of the requirement that this unemployability be tested against disability? Under the present law where there is a 10 percent disability it is obvious that there has been a medical examination and a rating, and it seems to me that the language of the amendment to a certain extent denies the provision of the bill because it says that this will not be considered incompatible with the determination of unemployment.

Mr. HINSHAW. I get what the gentleman means. In other words, it does away with the present 10 percent disability rule under which a veteran 65 years of age with 10 percent disability can get $72. It would require him to be able to work pretty nearly half the time in order to be able to get it.

Mr. CASE of South Dakota. It then turns around and says if he gets some income at less than the usual hours or rate, if he cannot get more, and that is due to disability, he can still be considered unemployable. But, how can that be determined unless you have a rating?

Mr. HINSHAW. I think it is too complicated the way the committee has written the amendment, and I would be in favor of striking it out. I do not think that the committee amendment is at all administrable and therefore I shall oppose the committee amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE. Mr. Chairman, I offered the amendment in committee to require that a man be unemployable before he can be eligible for a pension. I did that for one reason, and that reason was cost. Under present law, without any new bill, the cost of non-service-connected legislation over the next 50 years such as this today will be approximately $35,000,000,000. We met one day in committee and struck out the unemployability feature. That night the Veterans' Administration gave us an estimate that this feature would cost $65,000,000,000 over 50 years. We met the next day and the committee adopted the unemployability requirement.

It has been stated on the floor that there will be hordes of personnel checking over this. There is absolutely no basis for that statement.

It has been stated that this cost is not true. I do not know what other members of the committee did, but I have worked many hours trying to disprove the Veterans' Administration figures, because it seemed to me it could not possibly be that much. I spent about 3 hours yesterday afternoon on it. The members of the committee staff tried to disprove those figures, and they could not do it.

Little was said about unemployability until this bill came up. The American Legion came before our committee in January of 1949 and advocated a bill which had it in the unemployability feature. The chairman of our committee, the gentleman from Mississippi [Mr. RANKIN], introduced it at the request of the American Legion. Mr. John H. Walsh, chairman of the national rehabilitation commission of the American Legion, stated before the House Committee on Veterans' Affairs on Thursday, January 27, 1949, that one of their most important bills, H. R. 899, to liberalize the basis for award of disability pension, and for other purposes, is practically the same as this bill. He said this:

> This is a most important bill, designed to liberalize requirements for eligibility to the permanent and total disability pension, stressing age and unemployability, increasing the rates, and elevating the income limitations.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Mississippi.

Mr. COLMER. I have great respect for the gentleman and for his views on this matter. There is one thing that worries some of us, that is, whether in requiring this employability test you are not indirectly placing a premium on indolence. Here is a worth-while, energetic, good citizen, a veteran, who is trying to carry on, trying to do something, and he is penalized, while another fellow, who is indolent and lacking in energy, draws a pension. I should like to have my distinguished young friend comment on that phase of the matter.

Mr. TEAGUE. If you take out the unemployability requirement, any man can sit down and draw a pension. If unemployment becomes prevalent and men 65 years of age cannot get a job, the fact that they are not employed and cannot become employed is proof of their unemployability. But I do not believe a man should be allowed just to sit down and draw his pension.

I do not know how much money we can afford to spend on veterans' legislation. Much has been said about our obligation to the veterans. I doubt that there is a Member of this House who saw more of the hell of war than I saw. Our first obligation is to our disabled, to the widows and orphans of those boys who were killed. If we vote for a bill that costs so much to take care of the non-service-connected cases, what is going to happen to the service-connected cases?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent to yield 2 minutes of my time to the gentleman from Texas.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. TEAGUE. Mr. Chairman, I would like to express my appreciation to the gentlewoman from Massachusetts. We have before our committee a bill to raise all service-connected cases receiving pensions 25 percent. The Veterans' Administration estimated that that bill would cost $400,000,000 this year. We had testimony before our committee last week that there are thousands of veterans in jails in this country who are insane because there are not sufficient beds to take care of them. We also have testimony, and I know a number of cases actually, of boys with tuberculosis who cannot get into hospitals. If they could get in when they first apply for admission they would probably have to stay in the hospital only 6 months, but since they have to wait for 3 or 4 months, consequently it takes years to cure them. I think first things should come first. Before we take care of any non-service-connected cases, we should be sure that those boys who are disabled are taken care of. A widow with a child gets $100 a month. Last week I received a letter, and I think every member of the Committee on Veterans' Affairs received the same letter, from the widow in Dallas with one child, who wrote that she had returned the American flag to the President which had been presented to her when they buried her husband. She wrote that it was a farce and a joke, and that money could not repay her for her husband, but that money could help to take care of her and her child, and that she could not possibly get by on the small pension.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. DAVIS of Wisconsin. I wish the gentleman would correct the statement which has been made that this unemployability provision would bar six out of every seven veterans of World War I. That is incorrect, and I wish the gentleman would correct it.

Mr. TEAGUE. Mr. Chairman, according to the Veterans' Administration, that amendment regarding unemployability would bar about 41 percent of World War I veterans and about 46 percent of World War II veterans. I can neither prove nor disprove that. I tried to disprove it, but, so far as I know, that is the correct figure.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I am in favor of eliminating the unemployability clause. I think it is a very unjust provision to have in this bill. Already there is a provision in the bill which has never been placed in any other pension bill. That is the income-limitation provision. You are not giving these men as much in this bill as we gave to the Spanish-American War veterans or the other veterans.

Mr. Chairman, I am very glad to yield to the gentleman from Iowa [Mr. CUNNINGHAM], a very distinguished and able

former member of our Committee on Veterans' Affairs.

Mr. CUNNINGHAM. If this committee amendment is adopted, then the bill becomes a Veterans' Administration bill and if the committee amendment is defeated, then it is a veterans' bill as it should be. Is that correct?

Mrs. ROGERS of Massachusetts. I agree with the gentleman thoroughly. I would like to state that when the amendment went into the bill that afternoon, it went in hurriedly, but I have very good testimony, which I would like to put into the record as to the incorrect figures which the Veterans' Administration gave us.

I yield to the gentleman from Texas [Mr. TEAGUE], with whom I agree as to the necessity of doing more for our disabled veterans.

Mr. TEAGUE. Did I understand the gentlewoman from Massachusetts to say that the unemployability feature is not in the regulations today?

Mrs. ROGERS of Massachusetts. No, indeed; certainly, it is in the regulations promulgated by the Administrator of Veterans' Affairs, but it is not in any law enacted by Congress. It does not apply to the Spanish-American War veterans.

Mr. TEAGUE. But it does apply to the non-service-connected cases of World War I and World War II?

Mrs. ROGERS of Massachusetts. Oh, yes; but it is not in the other pension bills.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. ALLEN of Louisiana. Will the gentlewoman not agree with me that if this provision remains in the bill it ceases to be a pension bill.

Mrs. ROGERS of Massachusetts. I agree with the gentleman. It becomes an entirely different matter.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, I rise in opposition to the amendment. I have sat here listening to the discussion, but have failed to hear anyone state the position of the various veterans' organizations to the bill. At this time, I want to say that the American Legion and the Veterans of Foreign Wars are not only in favor of the bill, but are vigorously opposed to the amendment now before us.

Let me point out to you that if this amendment is adopted there will be three requirements the veteran of World War I and World War II must meet before he is entitled to benefits.

First, he must be declared permanently and totally disabled.

Second, he must meet the unemployability clause.

Third, he must meet the income limitation.

I say to you, in all fairness, most of these men who are permanently and totally disabled and who cannot earn more than $1,200 a year, certainly are not employable.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. DAVIS of Wisconsin. The gentleman is familiar with the regulations which now prescribe 10-percent disability shall be deemed permanently and totally disabled?

Mr. VAN ZANDT. Exactly.

Mr. DAVIS of Wisconsin. That is the provision in the present Veterans' Administration regulation.

Mr. VAN ZANDT. I understand that.

Mr. DAVIS of Wisconsin. The gentleman is familiar with the fact that that provision is in this bill?

Mr. VAN ZANDT. I am familiar with that, but I am not in favor of it.

Now, they have talked about the cost of this bill, and some have said it would cost $65,000,000,000. I want to go back to the debate we had some months ago, when it was stated that the so-called Rankin bill would cost $125,000,000,000. We proved it was untrue. The actual cost was approximately $109,000,000,000. How did they arrive at that figure of $109,000,000,000? They figured if every veteran of World War I and World War II would live to the year of 2000 and would have drawn $65 a month for every month from the time he reached the age of 65, then the cost would be $109,000,000,000. The same is figured here today. If every veteran lived to the year 2000 and received $72 a month after reaching age 65, then the total cost would be $65,000,000,000.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. RANKIN. I call attention to the fact that in 1965 the peak of World War I veterans will be reached, and long before you even approach the peak of World War II veterans the others will be exhausted. With those three provisions in the bill, a man under 55 and a man under 60, and then with the income limitation, with these World War veterans 65 years of age drawing this pension, the total amount would be $20,482,000,000.

Mr. VAN ZANDT. May I continue from this point? There is nobody in this House or in the Veterans' Administration who can tell us how many veterans of World War I or World War II when they reach the age of 65 will be earning over $1,200 a year.

Mr. RANKIN. May I say further, there is no man in this House who has had more to do with veterans' legislation than the gentleman from Pennsylvania [Mr. VAN ZANDT]. He has been through two wars and he knows what he is talking about.

Mr. VAN ZANDT. I thank the gentleman from Mississippi. To the best of my knowledge the Veterans' Administration when applying income limitations estimates that at least 70 percent of those applying will be declared ineligible.

The same experience will apply here. Seventy percent of the veterans of World War I and World War II will have been eliminated by reason of the limitation of $1,200 a year income. Who can tell what the income of a veteran will be when he reaches the age of 65?

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Florida.

Mr. ROGERS of Florida. Is it not true that when we were trying to pass the terminal leave pay bill, they estimated the cost would be eight or ten billion dollars, when, as a matter of fact, it actually cost less than $2,000,000,000?

Mr. VAN ZANDT. That is correct. When it comes to veterans' benefits they always talk about the cost. Let us apply the same criteria to Federal expenditures that has been applied to this bill. Why not take the Post Office Department deficit? It is $326,000,000 today. Multiply that by 50 years and you arrive at the figure of $17,000,000,000.

Let us talk about the Federal Security Administration. The cost today is $1,217,000,000. In 50 years it will cost more than a total of $61,000,000,000.

Taking the Federal civil pay roll into consideration, it is estimated to cost the taxpayers $6,468,000,000 annually. In 50 years it will cost the taxpayers $323,000,000,000.

Let us look at farm subsidies and losses. Today they amount to $414,000,000. Multiply that sum by 50 years and you have $21,000,000,000.

Yes, Mr. Chairman, when you apply the same criteria to Federal expenditures as I have done the cost of this veterans' bill which approximates $20,000,000,000 is not unreasonable.

Mention was made here this afternoon of the enormous cost of veteran benefits. Let me point out at this time that last week nothing was said about the billions of dollars appropriated to aid foreign nations.

On April 13 I placed in the CONGRESSIONAL RECORD a table showing the distribution to foreign countries of some $92,000,000,000. I am again calling your attention to this matter by reading you a list of the countries and the amount of money they received.

Total distribution of United States loans, grants, and aids overseas, including unpaid balances on World War I loans (includes all Marshall-plan estimates for fiscal 1950, but does not include any funds for rearmament under North Atlantic Pact)

1. Austria	$885,118,000
2. Armenia	39,942,000
3. Belgium and Luxemburg	1,744,000,000
4. British Empire	44,679,000,000
5. China	3,446,000,000
6. Czechoslovakia	17,348,000
7. Denmark	234,792,000
8. Egypt	59,700,000
9. Estonia	25,903,079
10. Ethiopia	16,447,000
11. France and possessions	13,371,000,000
12. Finland	24,600,056
13. Germany (bizonia)	3,260,000,000
14. Greece	681,000,000
15. Hungary	64,000,000
16. Iceland	20,900,000
17. Israel	63,009,000
18. Italy	4,700,000,000
19. Iran	23,100,000
20. Iraq	7,805,000
21. Ireland	142,703,000
22. Japan	1,891,000,000
23. Korea	89,469,000
24. Latvia	10,713,000
25. Liberia	14,829,000
26. Lithuania	9,603,059
27. Netherlands and possessions	979,000,000
28. Norway	345,000,000
29. Philippine Islands	708,000,000

30. Poland	$373,600,000
31. Portugal	11,647,000
32. Rumania	79,435,000
33. Russia	12,793,400,000
34. Saudi Arabia	46,200,000
35. Sweden	104,100,000
36. Trieste	35,200,000
37. Turkey	305,400,000
38. Yugoslavia	117,200,000
39. American Republics (13)	1,651,392,000
Total	92,169,478,135

This bill should be passed without the unemployability amendment. At this time I urge the membership of the committee to stand up and vote down this vicious amendment.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. VAN ZANDT] has expired.

All time for debate on this amendment and amendments thereto has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all Members may have the right to extend their remarks at this point in the RECORD on this amendment.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. VURSELL. Mr. Chairman, I am opposed to the unemployability amendment being written into this bill. With the restrictions as to income for single and married veterans now contained in the bill, certainly we should not further restrict the veteran with writing into the bill the unemployability amendment.

I feel certain when the vote is taken that the amendment, as it should will be defeated. Let us defeat this amendment and then pass the bill which will bring a portion of relief to the veterans who need it in their declining years.

Mr. GOLDEN. Mr. Chairman, I am opposed to the amendment found in the present bill on page 2, line 10, where, in addition to all the other requirements and limitations of this proposed bill, a veteran is required to show that he is unemployable.

I think the insertion of this condition in the bill will well nigh destroy the benefits which would otherwise accrue to our veterans, both World War I and World War II, who have successfully defended this country in two great worldwide struggles.

It is, indeed, a late day to be for the first time considering a pension bill for World War I veterans. I was in favor of granting to veterans of all wars a pension a few weeks ago and, even with this objectionable feature of unemployability stricken out of the bill, it does not afford to the veterans of America as much recognition of their sacrifice and valor as I would like to see enacted by the Congress of the United States.

Concerning this insertion of the requirement that a veteran must show that he is unemployable, I think that will bring on endless controversies and investigations on the part of the Veterans' Administration and many aged veterans will be denied a pension if they are employable in most any line of work or employment. The bill already restricts the veterans by requiring that a single man shall not earn more than $1,200 per year, and a veteran with dependents not more than $2,500 per year, and to say the least of it, these are enough restrictions without adding that the veteran must also be unemployable. The cost of administering such a provision as this can hardly be accurately estimated, but we do know that if it is retained in the bill it will not only require endless physical examinations but examinations and investigations in the field where the veteran lives will be made and all sorts of facts could be taken into consideration. It is my opinion that many worthy veterans would be denied a pension unjustly if we should retain the unemployability requirement.

I hope that we can defeat this amendment by a decisive majority and then when that is done, I am strongly in favor of this bill, H. R. 4617.

Even if it is not all that we had hoped it would be, if it proves to be inadequate and if the limitation of earning power is placed too low, maybe in the future we can amend it to make it what it should be. It should be remembered by the Members of this Congress that no group of veterans that have fought any war for the American people has had to wait so long as the veterans of World War I have waited for such a measure to be passed by the Congress of the United States.

Furthermore, there is every reason why World War II veterans who have attained the same age or who have the same disability or the same limited earning power should be included in this bill.

Another thing we should remember is that money and pensions granted under this bill will go to Americans and will be received and spent here in America among our own people. We have been generous with many foreign nations. It is certainly time that we should take care of the veterans of both World Wars, and after the objectionable feature of the bill is stricken out, I sincerely hope that this measure passes the Congress of the United States by an overwhelming vote, so that our veterans everywhere will know that their representatives in Congress recognize the great service which they have rendered to their country.

Mr. PHILBIN. Mr. Chairman, I am opposed to the so-called indefensible unemployability amendment for several reasons.

First, I believe that it establishes an altogether different and objectionable principle regarding veterans' pensions and would result in treating veterans of this generation on a different and less favorable basis than we have treated our veterans of every other war since the founding of the Republic.

Secondly, the income-limitation provisions of this bill adequately safeguard the Federal Treasury and Veterans' Administration against abuses, in that they establish a definite standard and lay down definite levels of income under which the contemplated pension payments may be made.

Thirdly, this proposed amendment would nullify to a very large extent existing regulations of the Veterans' Administration which permit certain veterans to receive pension benefits. Actually there are very few veterans of the age of 65 who are unable to establish a 10-percent disability and it seems to me fatuous indeed as well as a distinct injustice to set up unreasonable and confusing technical obstacles to the granting of pensions which in a large number of cases could be circumvented in any event.

This bill writes into law present regulations of the Veterans' Administration regarding pensions for veterans at the ages of 55, 60, and 65 years of age, respectively. In addition, this measure would liberalize the above provisions by a presumption of total permanent disability without physical examination at the age of 65, increase of the income limitations for veterans without dependents to $1,200, and if married to $2,500. These increases would also apply to nonservice-connected death pensions to widows without a child, or to a child of World War I or II veterans. The bill further provides for benefit payments of $100 a month to disabled veterans in need of regular aid and the attendance of another person.

I am not deeply impressed with the claim that the elimination of the unemployability amendment will make this measure prohibitively costly. Of course the Veterans' Administration figures of its 50-year estimated cost are tremendous, but that would also be true of any other annual appropriation over the same period. From the veterans' standpoint, the appealing thing about the bill, without the crippling unemployability amendment, is that the pension would be paid without red tape or delay. It is easy to understand why the entrenched bureacrats of the Federal Government resent and oppose legislation, the effect of which would be to cut down unnecessary and wasteful administrative expenses arising from addititonal paper work and necessary machinery to process medical examinations and the large number of claims that will ultimately be involved.

As I have pointed out so many times, the very best care, treatment, and hospitalization of the disabled, the wounded, and the maimed and all other service-connected cases is a primary and inescapable responsibility of this Government. At the same time we cannot overlook our obligations to the remainder of that gallant band of veterans who so unselfishy offered and sacrified their lives and careers in order to defend our liberties and preserve the Nation. To deal with them differently than we have dealt with veterans of other wars would not only constitute a rank discrimination, but it would be a shameful display of ingratitude which, in my opinion, an overwhelming majority of the American people would never sanction or approve.

There are many ways other than in veterans' activities by which we can effect economy in conducting the Federal Government. We have already slashed very substantially the Veterans' Administration appropriation for the current fiscal year. In my judgment some of these cuts were unwise and will make for serious inadequacies in the service to and treatment of some of our veterans. To my mind, it is entirely unconscionable that this Congress should seek to economize at the expense of the wounded or

the needy aged veteran and I do not believe that there are many Members in this House willing to support such a policy.

There are of course imperfections, inconsistencies, and injustices connected with present veterans' pension laws. They should be revised, codified, and brought up to date and that is a monumental but necessary job which the Congress will have to tackle sometime, the sooner the better. For the present it may suffice that we provide laws like this one which exhibit the kind of concern and solicitude for our disabled and aged veterans and which the veterans and the country have a right to expect from the Congress.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. TEAGUE) there were—ayes 57, noes 172.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. (a) Paragraph I (f), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"(f) The amount of pension payable under the terms of part III shall be $60 monthly: *Provided*, That where an otherwise eligible person shall have been rated permanent and total and in receipt of pension for a continuous period of 10 years or reaches the age of 65 years, the amount of pension shall be $72 monthly: *Provided further*, That where an otherwise eligible person is or hereafter becomes, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person, the amount of pension shall be $100 monthly: *And provided further*, That——."

(b) The provisions of subsection (a) of this section shall apply to veterans of both World War I and World War II.

SEC. 3. Paragraph II (a), part III, Veterans Regulation No. 1 (a), as amended, is hereby amended to read as follows:

"II. (a) Payment of pension provided by part III, except as provided in paragraph 1 (g), shall not be made to any unmarried person whose annual income exceeds $1,200 or to any married person or any person with minor children whose annual income exceeds $2,500."

SEC. 4. The first sentence of subparagraph (c) of section 1 of the act of June 28, 1934 (48 Stat. 1281), as amended by section 11 of the act of July 13, 1943 (57 Stat. 556; 38 U. S. C. 503 (c)), is hereby amended to read as follows:

"(c) Payment of pension under the provisions of this act shall not be made to any widow without child, or a child, whose annual income exceeds $1,200 or to a widow with a child or children whose annual income exceeds $2,500."

SEC. 5. No pension or increase of pension authorized pursuant to this act shall be paid to any person who advocates or is a member of an organization that advocates the overthrow of the Government of the United States by force or violence: *Provided*, That there shall be considered as prima facie evidence, for the purposes hereof, an affidavit by a person that he does not advocate and is not a member of an organization that advocates the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates or is a member of an organization that advocates the overthrow of the Government of the United States by force or violence, and accepts any pension or increase of a pension authorized pursuant to this act, shall be guilty of a felony, and upon conviction shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *And provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 6. Where eligibility for pension or increase of pension is established by virtue of this act, pension shall be paid from date of receipt of application therefor in the Veterans' Administration, but in no event prior to the first day of the second calendar month following the enactment of this act: *Provided*, That payment of death pension may be made from date of death of a veteran where claim therefor is filed within 1 year after date of death of the veteran, but no payment shall cover a period prior to the first day of the second calendar month following the enactment of this act.

Mr. RANKIN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, the bill to be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk will report the committee amendment.

The Clerk read as follows:

Line 19, page 4, after the word "guilty", insert the word "of."

The committee amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4617) to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. RANKIN. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DAVIS of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DAVIS of Wisconsin. I am, in its present form.

The SPEAKER. Does any Member unqualifiedly opposed to the bill have a motion to recommit? [After a pause.] The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DAVIS of Wisconsin moves to recommit the bill to the Committee on Veterans' Affairs.

Mr. RANKIN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. DAVIS of Wisconsin. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. RANKIN. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 365, nays 27, answered "present" 5, not voting 34, as follows:

[Roll No. 107]

YEAS—365

Abbitt	Cooper	Hedrick
Abernethy	Corbett	Heffernan
Addonizio	Cotton	Heller
Albert	Cox	Herlong
Allen, Calif.	Crawford	Herter
Allen, Ill.	Crook	Hill
Allen, La.	Crosser	Hinshaw
Andersen, H. Carl	Cunningham	Hoeven
Anderson, Calif.	Curtis	Hoffman, Ill.
Andresen, August H.	Dague	Hoffman, Mich.
Andrews	Davenport	Holifield
Angell	Davis, Ga.	Holmes
Arends	Dawson	Hope
Aspinall	Deane	Horan
Auchincloss	DeGraffenried	Howell
Bailey	Delaney	Huber
Barden	Denton	Irving
Baring	D'Ewart	Jackson, Calif.
Barrett, Pa.	Dingell	Jackson, Wash.
Barrett, Wyo.	Dollinger	James
Bates, Ky.	Dondero	Jenkins
Bates, Mass.	Donohue	Jennings
Beall	Doughton	Jensen
Beckworth	Douglas	Johnson
Bennett, Fla.	Durham	Jonas
Bennett, Mich.	Eberharter	Jones, Ala.
Bentsen	Elliott	Jones, Mo.
Biemiller	Ellsworth	Jones, N. C.
Bishop	Elsworth	Karst
Blackney	Engel, Mich.	Karsten
Bland	Engle, Calif.	Kearney
Blatnik	Evins	Kearns
Boggs, Del.	Fallon	Keating
Boggs, La.	Feighan	Keefe
Bolling	Fellows	Kelley
Bolton, Md.	Fenton	Kennedy
Bolton, Ohio	Fernandez	Keogh
Bonner	Fisher	Kerr
Boykin	Flood	Kilday
Bramblett	Fogarty	King
Breen	Forand	Kirwan
Brehm	Ford	Klein
Brooks	Frazier	Kruse
Brown, Ga.	Fugate	Kunkel
Brown, Ohio	Fulton	Lane
Bryson	Furcolo	Lanham
Buchanan	Garmatz	Larcade
Buckley, Ill.	Gathings	Latham
Buckley, N. Y.	Gavin	LeCompte
Bulwinkle	Gillette	LeFevre
Burdick	Golden	Lemke
Burke	Goodwin	Lesinski
Burleson	Gordon	Lind
Burnside	Gore	Linehan
Burton	Gorski, Ill.	Lodge
Byrne, N. Y.	Gorski, N. Y.	Lyle
Camp	Gossett	Lynch
Canfield	Graham	McCarthy
Cannon	Granahan	McConnell
Carnahan	Granger	McCulloch
Carroll	Grant	McDonough
Case, S. Dak.	Green	McGrath
Celler	Gregory	McGregor
Chatham	Gross	McGuire
Chelf	Hagen	McKinnon
Chesney	Halleck	McMillan, S. C.
Chiperfield	Hand	McMillen, Ill.
Christopher	Harden	McSweeney
Chudoff	Hardy	Mack Ill.
Church	Hare	Mack, Wash.
Clemente	Harris	Madden
Cole, Kans.	Hart	Magee
Colmer	Harvey	Mahon
Cooley	Havenner	Mansfield
	Hays, Ark.	Marcantonio
	Hays, Ohio	Marsalis
	Hébert	

Martin, Iowa	Potter	Stockman
Martin, Mass.	Poulson	Sullivan
Mason	Powell	Sutton
Merrow	Preston	Tackett
Meyer	Price	Talle
Michener	Quinn	Tauriello
Miles	Rabaut	Taylor
Miller, Calif.	Rains	Thomas, Tex.
Miller, Md.	Ramsay	Thompson
Miller, Nebr.	Rankin	Thornberry
Mills	Redden	Tollefson
Mitchell	Reed, Ill.	Trimble
Monroney	Reed, N. Y.	Underwood
Morgan	Rees	Van Zandt
Morris	Rhodes	Velde
Morrison	Ribicoff	Vinson
Moulder	Richards	Vorys
Multer	Riehlman	Vursell
Murdock	Rivers	Wagner
Murray, Tenn.	Rodino	Walter
Murray, Wis.	Rogers, Fla.	Weichel
Nelson	Rogers, Mass.	Welch, Calif.
Nicholson	Rooney	Welch, Mo.
Nixon	Sabath	Werdel
Norblad	Sadlak	Wheeler
Norrell	Sadowski	White, Calif.
O'Brien, Ill.	St. George	Whitten
O'Brien, Mich.	Sanborn	Whittington
O'Hara, Ill.	Sasscer	Wickersham
O'Konski	Scott, Hardie	Wier
O'Neill	Scott,	Wigglesworth
O'Sullivan	Hugh D., Jr.	Williams
O'Toole	Scrivner	Willis
Pace	Scudder	Wilson, Ind.
Patman	Secrest	Wilson, Okla.
Patten	Shafer	Winstead
Patterson	Sheppard	Withrow
Perkins	Short	Wolcott
Pfeifer,	Simpson, Ill.	Wolverton
Joseph L.	Simpson, Pa.	Wood
Pfeiffer,	Smathers	Woodhouse
William L.	Smith, Kans.	Woodruff
Philbin	Smith, Wis.	Worley
Phillips, Calif.	Spence	Yates
Phillips, Tenn.	Staggers	Young
Pickett	Steed	Zablocki
Poage	Stefan	
Polk	Stigler	

NAYS—27

Battle	Gwinn	Noland
Byrnes, Wis.	Hale	Rich
Case, N. J.	Hall,	Smith, Va.
Cole, N. Y.	Leonard W.	Stanley
Coudert	Harrison	Taber
Davis, Wis.	Heselton	Teague
Eaton	Jacobs	Towe
Elston	Kean	Wilson, Tex.
Gamble	Kilburn	
Gary	Morton	

ANSWERED "PRESENT"—5

Hobbs	McCormack	Wadsworth
Judd	Macy	

NOT VOTING—34

Bosone	Hull	Peterson
Carlyle	Javits	Plumley
Cavalcante	Jenison	Priest
Clevenger	Kee	Regan
Combs	Lichtenwalter	Sikes
Davies, N. Y.	Lovre	Sims
Davis, Tenn.	Lucas	Smith, Ohio
Dolliver	Marshall	Thomas, N. J.
Doyle	Murphy	Walsh
Gilmer	Norton	Whitaker
Hall,	O'Hara, Minn.	White, Idaho
Edwin Arthur	Passman	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Passman for, with Mr. Hobbs against.
Mr. Priest for, with Mr. Macy against.
Mr. Doyle for, with Mr. Judd against.
Mr. Peterson for, with Mr. Wadsworth against.
Mr. Lovre for, with Mr. McCormack against.
Mr. Sikes for, with Mr. Sims against.

General pairs until further notice:

Mr. Carlyle with Mr. Lichtenwalter.
Mr. Gilmer with Mr. O'Hara of Minnesota.
Mr. Calvalcante with Mr. Dolliver.
Mr. Davies of New York with Mr. Jenison.
Mr. Regan with Mr. Smith of Ohio.
Mr. Walsh with Mr. Plumley.
Mr. Whitaker with Mr. Clevenger.
Mr. Murphy with Mr. Hull.
Mr. Lucas with Mr. Edwin Arthur Hall.
Mr. Davis of Tennessee with Mr. Thomas of New Jersey.
Mr. Marshall with Mr. Javits.

Mr. WADSWORTH. Mr. Speaker, I have a live pair with the gentleman from Florida, Mr. PETERSON. I voted "nay." If present he would have voted "aye." I therefore withdraw my vote and answer "present."

Mr. HOBBS. Mr. Speaker, I voted "nay." I have a pair with the gentleman from Louisiana, Mr. PASSMAN. Were he present he would have voted "aye." I therefore withdraw my vote and answer "present."

Mr. McCORMACK. Mr. Speaker, I have a live pair with the gentleman from North Dakota, Mr. LOVRE. I voted "nay." If present, he would have voted "aye." I therefore withdraw my vote and answer "present."

Mr. JUDD. Mr. Speaker, on this roll call I voted "nay." I have a live pair with the gentleman from California, Mr. DOYLE. Were he present he would have voted "aye." I therefore withdraw my vote and answer "present."

Mr. MACY. Mr. Speaker, I have a live pair with the gentleman from Tennessee, Mr. PRIEST. I voted "nay." Were he present he would have voted "aye." I therefore withdraw my vote and ask to be recorded present.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, and for other purposes."

A motion to reconsider was laid on the table.

REQUEST FROM SENATE FOR RETURN OF BILL

The SPEAKER laid before the House the following communication, which was read by the Clerk:

SENATE OF THE UNITED STATES.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (S. 930) entitled "An act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADMENDMENT OF CHARTER OF COMMODITY CREDIT CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and KUNKEL.

ANNOUNCEMENT

Mr. WHITAKER. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WHITAKER. Mr. Speaker, I wish these few seconds to explain that I was unavoidably detained on the last roll call. Had I been present I would have voted "aye."

SPECIAL ORDER GRANTED

Mr. BURKE. Mr. Speaker, I ask unanimous consent to address the House for 1 hour on Monday next at the close of the legislative business of the day on the subject of accident-prevention legislation for hazardous industries.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his own remarks in the RECORD.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and in each to include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and in each to include extraneous matter.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. JOHNSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WILLIAM L. PFEIFFER asked and was given permission to extend his remarks in the RECORD and to include extraneous matter.

Mr. BARRETT of Pennsylvania asked and was given permission to extend his own remarks in the RECORD.

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include a petition.

Mr. O'SULLIVAN asked and was given permission to extend his own remarks in the Appendix of the RECORD and include two newspaper articles.

AMENDMENT TO DISPLACED PERSONS ACT OF 1948

Mr. SABATH. Mr. Speaker, I call up House Resolution 226 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided

and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I yield myself such time as I might desire to utilize.

Mr. Speaker, in the last Congress a displaced persons bill was passed to take care, at least in part, of the unfortunate conditions of displaced persons. However, due to certain restrictions and limitations contained in that bill, very few of those whom we were trying to aid and assist have actually been permitted to enter our country.

The present bill, which will be considered if this resolution is passed, amends the Displaced Persons Act of 1948 so as to change the "cut-off" date from December 22, 1945, to January 1, 1949; it eliminates the statutory preferences of 40 percent and 30 percent, respectively, for displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power, or who are agriculturists; it increases by 2,000 the number of displaced orphans to be admitted as nonquota immigrants; it authorizes the issuance to displaced persons and to displaced orphans in the western zones of Germany and Austria, and in Italy and to certain other categories of prospective immigrants, of immigration visas not to exeeced 339,000; it provides for the proper quota reductions; it changes the "cut-off" date for displaced persons already in the United States, from April 1, 1948, to April 1, 1949; it adjusts preferences in the admission of displaced persons by including farmers and farm workers into the first-preference category; it extends for two more years, until July 1, 1952, the program of admission of "persons of German ethnic origin" under the German quota and provides for the admission under such quota of minor children adopted by American citizens prior to May 1, 1949; and lastly, it authorizes the Reconstruction Finance Corporation to make advances to the Displaced Persons Commission, not to exceed in the aggregate $5,000,000 for loans to American voluntary civic agencies cooperating with the Displaced Persons Commission in the program of resettlement of displaced persons in this country.

The Displaced Persons Commission's first semiannual report to the President and the Congress on February 1, 1949, stated in part as follows:

THE DISPLACED PERSONS PROBLEM

World War II left in its swirling wake the most tremendous population dislocation in all recorded history. Some of the movement was in a sense voluntary; the greatest portion was forced. Large groups of people were forced to move as an element of the Nazi program of slave labor, other groups were swept before invading armies, others fled to escape hostile occupying forces, still others are fugitives from political oppression and religious persecution. Most of these people found themselves, at the end of the war, in Germany, Austria, or Italy.

The first of the major movements, before 1943, was due to Hitler's racial laws, slave-labor policies, and German military advances. The second, after 1943, was occasioned by Allied victories. The third, after the end of the war, resulted from banishment or flight because of political and religious oppression.

THE ORIGINS

These migrations—voluntary and involuntary—caused by the war and both its preludes and its aftermaths, began with the expulsions of Jews in Germany from their homes into ghettos and the growth of the infamous concentration camps. The next big movements came when the German conquest of Poland in September of 1939 immediately pushed several hundred thousand out of that country. Large groups went south to Hungary and Rumania, others north to Lithuania, but the great bulk went to eastern Poland, then occupied by Russia. This immediate movement of individuals was followed by a deliberate, calculated, forced deportation of Poles by the German Government, starting as early as October 1939. About a million and a half persons were moved. Many people were inhumanly exterminated, others were worked to death or died as the result of privations and other hardships. What happened in Poland is the pattern of events in areas overrun by the Germans.

The advance of the Allied armies—from the west and from the east—swept masses of people back and forth. No continental European country north of the Pyrenees was unaffected by these movements. Exclusive of the movements of armies, it is estimated that between 20,000,000 and 30,000,000 Europeans were moved from their homes from September 1, 1939, to the beginning of 1943; they were transported, dispersed, or deported. There is an estimate that at the peak in 1944, there were 8,000,000 foreign workers—prisoners of war and civilians—in Germany.

In the closing months of the war, as the Germans retreated, large numbers returned to their homes. Of the 12,000,000 or so persons evacuated because of German occupation from European Russian areas, to Asiatic Russia, only a few—who filtered back to western Europe—ever became United Nations displaced persons. When VE-day arrived, the Allied armies found about 8,000,000 displaced persons—persons liberated from extermination camps, from concentration camps, prisoners of war, forced laborers brought into Germany, and refugees who fled in front of the Russian Armies.

AFTER VE-DAY

After VE-day, the Allied armies were faced with the grave problem of these millions of homeless persons. Arrangements were made for immediate care and maintenance and every effort was made to effectuate their repatriation. The United Nations Relief and Rehabilitation Administration followed the armies into Germany and Austria and assisted in these activities.

Within a short time, the great bulk of these people, about 7,000,000, were repatriated to their homelands. Some were returned under plans established by the allied armies while still others, impatient to rejoin their families and relatives, took to the roads in a seemingly unending stream of people with their few remaining earthly possessions strapped to their backs or carted in small wagons and baby carriages. This impatient movement of humans was for the most part headed westward toward France and the Low Countries. The remainder was somewhat augmented by new refugees who fled to escape political persecution or new outbreaks of intolerance. There remained approximately a million and a quarter displaced persons, mostly from eastern European countries.

The United Nations, recognizing that the plight of these uprooted people constituted an urgent international problem, responded by the establishment of the International Refugee Organization. That organization has six responsibilities with respect to the displaced persons: (1) Repatriation, (2) identification, registration, and classification, (3) care and assistance, (4) legal and political protection, (5) transportation, (6) resettlement and reestablishment in countries able and willing to receive them.

THE PRESENT PROBLEM

Estimates provided by the Department of State indicate the number of persons displaced as of January 1, 1949, in Italy and the western areas of Germany and Austria at approximately 770,000. About 502,000 of these displaced persons are receiving care and maintenance from the International Refugee Organization in its camps and assembly centers. The others—also eligible under the IRO Constitution—are living in the local economy and earning their own livelihood. While efforts at voluntary repatriation continue, the results are diminishing, and it is evident that the great majority of these people cannot or will not return to their homelands because of fear of persecution or even death itself.

The western Allies have agreed that no displaced person will be forced to return to his native country against his will. It has been a traditional principle of this Government since its inception that our country is, in the language of President George Washington, "more and more a safe and propitious asylum for the unfortunate of other countries." That attitude continues to guide the activities of our occupation forces with respect to repatriation. The United States affirms the principle that there shall be no forcible repatriation of displaced persons and this principle has been accepted by the United Nations. Consequently, the destiny of this large number of displaced persons is in the hands of the free people of the world.

* * * * *

The United States has taken the position that resettlement, the fourth possibility given by General Hilldring, is the best possible one for the remaining displaced persons. A large proportion of these displaced persons feel bitterly toward their former German conquerors and tormentors and refuse to live and work side by side with native Germans and, to a lesser extent, with Austrians. An even larger number fear the potential danger of remaining in areas geographically close to the reach of political oppression. The continued presence of these displaced persons in occupied areas of Europe constitutes a serious handicap to the authorities attempting to deal with the economic and social problems of those regions. It also represents a very substantial burden to the American taxpayer.

On December 22, 1945, the President issued a directive instructing the Secretary of State to make quota visas available to displaced persons. This evidenced this Nation's feeling of responsibility toward providing resettlement opportunities within the United States as a solution for the world problem of the thousands of homeless and suffering refugees of World War II. Under the President's directive, approximately 42,000 displaced persons were admitted to this country. On June 30, 1948, this directive was specifically terminated by the Displaced Persons Act of 1948.

The United States has participated actively in the formation, operation, and financing of the International Refugee Organization, the international instrumentality for dealing with this problem. As an example of our earnest desire to participate in

solving an international problem, and to encourage other nations to do likewise, the Displaced Persons Act of 1948 was passed. Apart from any of its specific provisions, its very enactment evidences the American people's recognition that partial solution of the problem of the displaced persons is by providing for resettlement in the United States.

Of course, the humanitarian issue is a matter of utmost importance whilst considering legislation of this kind. Within the American tradition is the attitude toward immigration expressed by the words on the Statue of Liberty:

> Give me your tired, your poor,
> Your huddled masses yearning to breathe free.

If American immigration policy has moved away from the open door and open arms, the tradition of asylum for the oppressed and persecuted has continued. From the Cavalier, Huguenot, and Palestine refugees of colonial days to the German liberals of 1832 and 1849, the Jewish victims of Russian persecution in the 1880's, and the most recent refugees, the United States has received a succession of migrant peoples seeking refuge from political and religious oppression. In the most recent instance the United States, from the Evian Conference through the work of the Intergovernmental Committee on Refugees, UNRRA, and the International Refugee Organization, has evidenced humanitarian concern for the victims of war and persecution in Europe, and has recently passed special legislation, as I said before, to facilitate the admission of a number of displaced persons. Modern discussion of the immigration policy in the United States has turned more in the direction of economic issues and other material considerations, but it is to be hoped that future decisions on immigration policy are not based entirely on immediate national advantage and self-interest. Especially at the present time, when the United Nations is faced with the heavy problem of the displaced persons who remain as political casualties of the war, it seems most desirable as an example of world leadership and responsibility that the United States continue to aid generously in the solution of world refugee problems.

Mr. Speaker, from all the reports that I have received, I am satisfied that the displaced persons who were permitted to come into our country have complied with our laws in every possible way and have not become charges upon the country, nor have they supplanted any American wage-earners. The orphans and minor children who have been admitted have found very excellent homes with good humane families that are delighted to have them as wards. As a matter of fact, there are thousands of requests on the part of our good-hearted American people who are desirous of adopting and providing for these unfortunate and suffering children, as well as others.

Mr. Speaker, in my opinion this legislation will relieve the Nation of millions of dollars annual expense to which it has hithertofore been subjected across the oceans, and will not add additional burdens on our Government in any way.

I understand that 3 of the 25 members of the Committee on the Judiciary have filed a minority report. However, after reading the report I cannot help but regret that they have gone far afield in their fear of what this humane act will do. In view of our action in the last Congress, and in view of the plea of thousands of Americans who desire to provide for these unfortunates, I hope that there will be no opposition to this rule, nor opposition to this humane bill.

Just a few minutes ago, before I took the floor, I received a letter from my good friend, Frank Annunzio, director of the department of labor, State of Illinois, and attested by Virgil Lowder, chairman of the executive committee, the Illinois Displaced Persons Commission, which I insert herewith:

STATE OF ILLINOIS,
DEPARTMENT OF LABOR,
Chicago, May 26, 1949.

Hon. ADOLPH J. SABATH,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN SABATH: In view of the imminent action of Congress on displaced-persons legislation, I want to convey to you the feeling which I know is shared by many of the members of the Illinois Displaced Persons Commission that some phases of the present Displaced Persons Act are unsatisfactory and unworkable. While the commission as a whole has not been asked to take any action on this matter, I have been urged by members of the commission to share with you our convictions regarding the present bill and to urge you to lend your full support to the revised Celler bill, H. R. 4567, now pending, which would correct some, though not all, of the limitations in the present bill.

You will be interested in knowing that Gov. Adlai E. Stevenson has endorsed and continued the work of the Illinois Displaced Persons Commission, which was originally appointed by former Gov. Dwight H. Green. Governor Stevenson has now provided the commission with an executive secretary in the person of Miss Marion S. Kirkland, with a staff secretary and with offices in the State of Illinois Building at 160 North LaSalle Street in Chicago.

We are continuing the survey of housing and job opportunities for displaced persons in Illinois, and are receiving cordial and strong support from the various religious faiths, labor, farm, and civic groups throughout the State. Our survey is now perhaps two-thirds complete.

Figures submitted by the Federal Displaced Persons Commission indicate that, as of March 31, 1949, Illinois ranks fourth among the States in the number of displaced persons received. New York is first, with 1,150; Pennsylvania second, with 919; New Jersey third, with 775; and Illinois has received 763. These persons have been heartily welcomed and are quickly adjusting to life in their new Nation, State, and community. We are certain that they will make splendid citizens. By thus receiving these who suffered so much for the ideals for which America stands, we have given a gesture of good will and hope to the entire world.

We know that you will do your utmost to advance this important program and shall be watching with great interest your stand on the Celler bill.

Cordially yours,

VIRGIL E. LOWDER,
Chairman, Executive Committee, the Illinois Displaced Persons Commission.

As a matter of fact, Mr. Speaker, I have hundreds of letters from people residing in all parts of the United States and from good women urging that this legislation be passed. The good women who I refer to are urging the admission of these unfortunate people perhaps to alleviate the difficult task of securing someone for their household tasks.

For the information of the Membership, the record shows that over 70 percent of the displaced persons thus far admitted to the United States are good Christians, and the balance, though not of the same church, believe just as strongly in the beautiful teachings and concepts, both moral and ethical, of their brethren. By this I mean that this minority group also believes in justice, brotherhood, charity, love, and freedom.

I now yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from New York.

Mr. WADSWORTH. Is my understanding correct to the effect that if this rule is adopted, the bill itself will not be taken up today?

Mr. SABATH. So I have been given to understand. We will only adopt the rule and the consideration of the bill will be postponed until tomorrow.

Mr. WADSWORTH. Mr. Speaker, there will be no request for time on this side.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WERDEL asked and was given permission to extend his remarks in the RECORD.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

CIVIL FUNCTIONS APPROPRIATION BILL, 1950

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, with Senate amendments thereto, disagree to the amendments, and agree to the conference asked by the Senate.

Mr. TABER. Mr. Speaker, reserving the right to object, may I ask the gentleman from Missouri how much the Senate has raised this bill over the House figures?

Mr. CANNON. On a rough computation, I would say about $160,000,000.

Mr. TABER. That will just add to the burdens of the taxpayers if this is agreed to.

Mr. CANNON. I trust that the gentleman will join me in persuading the Senate to accept the House figures.

Mr. TABER. I shall do my best to try to keep it down.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Arkansas.

Mr. TACKETT. I wondered the other day when we had up the foreign-aid bill, and the gentleman was able to compromise, if he was trying to help the taxpayers or if he was trying to keep something in this particular case that might benefit some of the people of this country.

Mr. TABER. The gentleman knows that when you get a bill cut down $600,000,000, you do not want to see it raised and that saving evaporated. I am sorry the gentleman does not appreciate that situation.

Mr. TACKETT. May I ask the gentleman why, then, he was so willing to compromise the other day to help foreign aid and at this time cannot do anything to help the people of this country?

Mr. TABER. Because I wanted to save that $600,000,000.

Mr. TACKETT. Why did not the gentleman want to save something when it came to throwing away money on foreign soil?

Mr. TABER. When you are going to send more over if you do not compromise, you compromise sometimes.

Mr. TACKETT. Yes; you compromise when you are helping big business, but you do not have any interest in the taxpayers of this country, do you?

Mr. TABER. That is not correct; I am sorry.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs CANNON, KERR, RABAUT, TABER, and WIGGLESWORTH.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DOYLE, for 5 days, on account of official business.

To Mr. PASSMAN (at the request of Mr. ALLEN of Louisiana), for the remainder of the week, beginning June 1, on account of official business in his district.

To Mr. CAVALCANTE, from June 2 through June 6, on account of official business.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 20 minutes.

USE OF INJUNCTIONS IN LABOR DISPUTES

Mr. PERKINS. Mr. Speaker, I am opposed to injunctions in any labor bill that this Congress may consider. There was a period of time in the early twenties in my district in Kentucky that many laboring men were afraid to openly admit that they belonged to a union. All unions in the coal fields in southeastern Kentucky were disbanded in 1922. The injunction played a great part in destroying those unions. I for one cannot accept the Republican philosophy, government by injunction, that was enacted into law in 1947. I think I state the convictions of many Members of the House and of the best informed and most experienced men in the field of industrial relations, that the use of the injunction in labor disputes is one-sided and unfair and is bound to have the effect of weakening all the efforts of unions to obtain equality of bargaining power with employers.

Organized labor has had to fight against injunctions for years and with good reason. Injunctions have been issued which have deprived the representatives of workers of their fundamental rights of freedom of speech, freedom of assembly, and freedom of the press. They have deprived workers of the right to organize and to assist fellow workers.

When an injunction is sought in a labor dispute now it is for the purpose of prejudicing the union's position or breaking a strike. It prejudges the issue in favor of the corporation. It fortifies the employer's position. It makes the public think that the workers or the union have done something very wrong which it is necessary for the courts to restrain. The effect of the use of the most powerful resources of the law on the employer's side of industrial disputes is not lessened when only the Government can ask for an injunction, as provided in the Taft-Hartley Act. In fact, it makes the prejudice more complete. The Government is presumed to be acting in the public interest when, in fact, it may be aiding one side against another in an industrial dispute.

The injunction has always been a device of the antiunion employer and he used it freely to block unions right up to the passage of the Norris-LaGuardia Anti-Injunction Act in 1932. Before the Norris-LaGuardia Act was passed, sweeping injunctions were issued for all sorts of purposes, but all antilabor—to prevent workers from organizing—to enforce yellow-dog contracts, to prevent men from exercising their rights to assist each other, and to try to improve their economic position. The reasons and the precedents advanced by company lawyers were on the side of management, while the rights sought by labor were sometimes contrary to precedent. The use of the injunction thus kept labor down.

The injunctions were supposed to be emergency measures, made necessary because of the irreparable harm that might be done in industrial disputes. But the emergencies frequently lasted for 4 to 10 years, after which the orders would become permanent and the workers would be enjoined from further united action forevermore.

It may be argued that the cases cited below are out of date and not pertinent here, but they illustrate the point why organized labor is against injunctions.

Hitchman Coal and Coke v. *Mitchell* (245 U. S. 229—October 1917) involves the question of whether a union and/or its individual organizers can be enjoined from counseling by words and posters nonunion workers from obeying yellow-dog contracts. The court sustained the injunction, Brandeis, Holmes, and Clarke dissenting.

The Hitchman mine in the Panhandle of West Virginia was operated union from 1902 until the strike of 1906, when in June 1906 it reopened nonunion. The mine management required its workers to sign yellow-dog agreements before giving them jobs. Hitchman was in competition with mines in Ohio which were closed-shop unionized, and its nonunion operations put it in a more favorable competitive position. In the fall of 1907 United Mine Workers sent an organizer down to the Panhandle on a recruiting drive against the Hitchman-owned mines and one other nonunion shaft. About 60 men from Hitchman joined UMW and, in defiance of their employment contracts, continued to work for the Hitchman management. At this point—1907—Hitchman went into the United States district court and got an injunction against further organizing, citing UMW, the organizer Hughes, and union officials Mitchell, Lewis, Green, Zelenka, and Watkins as parties defendant. No strike had been called against either of the two Hitchman mines involved nor had one been threatened. There was a strike call in the third mine, however. The Hitchman mine operated "nonunion" under the equivalent of a temporary restraining order until the Supreme Court, in 1916, sustained the injunction's legality and ordered the district court to make it permanent.

The injunction as approved by the United States Supreme Court through Justice Pitney follows herein—245 United States Code, pages 229, 261—and restrains—

(1) Interfering or attempting to interfere with plaintiff's employees for the purpose of unionizing plaintiff's mine without its consent, by representing or causing to be represented to any of plaintiff's employees, or to any person who might become an employee of plaintiff, that such person will suffer or is likely to suffer some loss or trouble in continuing in or in entering the employment of plaintiff, by reason of plaintiff not recognizing the union, or because plaintiff runs a nonunion mine; (2) interfering or attempting to interfere with plaintiff's employees for the purpose of unionizing the mine without plaintiff's consent, and in aid of such purpose knowingly and willfully bringing about the breaking by plaintiff's employees of contracts of service known at the time to exist with plaintiff's present and future employees; (3) knowingly and willfully enticing plaintiff's employees, present or future, to leave plaintiff's service on the ground that plaintiff does not recognize the United Mine Workers of America or runs a nonunion mine, etc.; (4) interfering or attempting to interfere with plaintiff's employees so as knowingly and willfully to bring about the breaking by plaintiff's employees, present and future, of their contracts of service, known to the defendants to exist, and especially from knowingly and willfully enticing such employees, present or future, to leave plaintiff's service without plaintiff's consent; (5) trespassing on or entering upon the grounds and premises of plaintiff or its mine for the purpose of interfering therewith or hindering or obstructing its business, or with the purpose of compelling or inducing, by threats, intimidation, violent or abusive language, or persuasion, any of plaintiff's employees to refuse or fail to perform their duties as such; and (6) compelling or inducing or attempting to compel or induce, by threats, intimidation, or abusive or violent language, any of plaintiff's employees to leave its service or fail or refuse to perform their duties as such employees, or compelling or attempting to compel by like means any person desiring to seek employment in plaintiff's mine and works from so

accepting employment therein. (*International Organization, United Mine Workers of America et al.* v. *Red Jacket Consolidated Coal and Coke Co. et al.* (C. C. A. 4th, 1927) (18 F. (2d) 839, cert. denied, 275 U. S. 536).)

At this time the United Mine Workers had 475,000 members—75 percent of the coal miners in the United States—with the southern West Virginia field, herein involved, being the largest closed nonunion field in the country. This suit for injunction grew out of a strike called on July 1, 1920, in an attempt to unionize that field. Suit was first filed September 30, 1920, followed by 315 others, all combined in this action. The injunction was sustained. Injunctions were issued against Green, Lewis, and Murray, although nonresidents of the district at the outset. In this case the court stated that it was not a Sherman Act conspiracy to carry out the aim of the union to organize all nonunion fields by peaceful persuasion, but went on to say that it was an unlawful conspiracy to interfere with the contractual relations the petitioners had with their individual miners—yellow-dog contracts—and that, therefore, the UMW could be enjoined from organizing so long as such contracts remained valid and in force. No explanation was offered as to how the union could engage in organizing activities without interfering with yellow-dog contractual relations. This case relies to a large degree on *Hitchman Coal and Coke* v. *Mitchell* (245 U. S. 229).

The injunction is substantially as follows—Eighteenth Federal Reports, second, pages 839, 842—and restrains the union and its organizers—

1. From interfering with the employees of the plaintiffs or with men seeking employment at their mines by menaces, threats, violence, or injury to them, their persons, families, or property, or abusing them, or their families, or by doing them violence in any way or manner whatsoever, or by doing any other act or thing that will interfere with the right of such employees and those seeking employment to work upon such terms as to them seem proper, unmolested, and from in any manner injuring or destroying the properties of the plaintiffs, or either of them, or from counseling or advising that these plaintiffs should in any way or manner be injured in the conduct and management of their business and in the enjoyment of their property and property rights.

2. From trespassing upon the properties of the plaintiffs, or either of them, or by themselves, or in cooperation with others, from inciting, inducing, or persuading the employees of the plaintiffs to break their contract of employment with the plaintiffs.

3. From aiding or assisting any other person or persons to commit or attempt to commit any of the acts herein enjoined.

A typical suit among the 315 which resulted in the above decision was *United Mine Workers* v. *Carbon Fuel Co.* (288 Fed. 1020; 1923) where the Fourth Circuit Court of Appeals refused to go into the merits of a temporary injunction issued by the District Court for the Southern District of West Virginia. This was in May 1923. The case went back to the district court for trial on the merits and finally received full review in 18 F. (2d) 839. Thus for over 4 years the union operated under a temporary injunction that restrained it from interfering with the employees of the plaintiffs or with men seeking employment at their mines by menaces or violence or "by doing any other act or thing whatsoever or from counseling or advising that these plaintiffs should in any way or manner be injured in the conduct of their business or in the enjoyment of their properties and property rights"—*Gasaway* v. *Borderland Coal Corp.* (275 Fed. 871, modified C. C. A. 7, 1921; 278 Fed. 56).

It may be interesting to note the scope of some of the injunctions being handed down in the southern West Virginia unionization fight during the early twenties. The one set forth below was modified by the circuit court but was in effect during 3 crucial months of a large-scale regional strike.

The injunction follows:

That certain corporations organized under the State of Indiana and citizens and residents of said State, individually and as representatives of the class of persons made defendants in the original and amended bill of complaint filed herein, be, and they are hereby, and each of them is hereby, enjoined and restrained from collecting over and through their pay rolls, or over and through the pay rolls of either of them, or in any other manner, any and all moneys as dues and assessments levied or charged by the said United Mine Workers of America, its officials or members, upon or against its members, employees of said individuals and of said defendant corporations, or who may hereafter be employed by them, or either of them, under the check-off provisions of the contracts in evidence herein, and heretofore executed by, or on behalf of, said named defendants and the officials or members of said United Mine Workers of America, or under any and all contract or contracts that may hereafter be executed between the said defendants and the officials or members of the said United Mine Workers of America, and from paying the same to the officials, members or representatives of said United Mine Workers of America.

That the defendants and * * * all persons who now are, or hereafter may be, members of said United Mine Workers of America, and all persons combining, confederating, or conspiring with the said designated persons, and all other persons whomsoever, and each and every one of them, be and they are hereby enjoined and restrained:

From advising, assisting, encouraging, aiding, abetting, or in any way or manner, and by any and all means whatsoever by the use of any funds or moneys howsoever collected by the International Union, United Mine Workers of America, its officers, members, agents, or representatives, to the unionization or the attempted unionization of the nonunion mines in Mingo County, W. Va., and Pike County, Ky. (278 Fed. 56, 61).

It may be noted that the check-off in union mines in Indiana was apparently enjoined because of its effect in supporting strikers in southern West Virginia, and that the mere existence of yellow-dog agreements was evidently assumed to be a reason to bar a union from attempted unionization by any means whatsoever. The union was enjoined from all activity except payment to striking miners of funds for actual necessities. And the resources which the union needed to do even this much were completely cut off.

The circuit court modified the injunction by excising the ban on Indiana check-off contracts and by directing the district court to enjoin only that union activity shown by the bill of complaint—the injunction was much broader than the relief requested in the complaint.

On April 22, 1922, the District Court for the Southern District of West Virginia, McClintic, judge, presiding, issued an injunction—herein printed in part—against the United Mine Workers and some 50 union leaders on behalf of the Southern West Virginia operators. This was part of the fight against unionization in Mingo County, W. Va.

And each of them is restrained and enjoined from doing, or causing to be done, any act or thing that will suppress or unduly limit the rights of the plaintiffs to employ nonunion labor, or that will restrict or prevent the rights of the plaintiffs from voluntarily contracting with their employees * * * that the said organization, the defendants herein named, and all of the other officials, members, agents, and representatives, be, and they are hereby restrained and enjoined from doing any further act or thing that will create or further tend to create and establish a monopoly of mine labor for the purpose of unreasonably increasing wages, or the price of labor above what it should be under normal conditions; and from in any way interfering with, or restricting free competition among those seeking employment in the mines of these plaintiffs * * * restrained and enjoined from taking further steps, or from doing any further act, or thing, to unionize the mines of these plaintiffs by persuasion, by the use of money, or other thing of value * * * or in any way interfering with the contracts of employment with their employees * * * and to discharge them as they see fit, with or without cause; * * * restrained and enjoined from holding mass meetings in said New River district, or from massing at any of the points within the said district, the officials, members, agents, representatives and sympathizers of said union. (*Taliaferro* v. *U. S.* (290 Fed. 214, affirmed C. C. A. 4th, 1923; 290 Fed. 906).)

Taliaferro, a barber, displayed an 8-by-6-inch sign in his window. The sign said, "No scabs wanted in here." At the time there was a strike being carried on in defiance of a Federal Railway Labor Board ruling and an injunction supporting the ruling. The injunction was broad enough to forbid displays by strikers and sympathizers against nonunion and nonstriking workers. Held: Taliaferro was guilty of criminal contempt for violating a valid injunction, fined $200, and determined not entitled to a jury trial under section 20 of the Clayton Act.

This case, though not involving the United Mine Workers, may perhaps be cited as an example of the difficulties encountered in some localities by persons sympathetic with the union movement, and the use of the injunction in such connection. Here a man, not a striker or a union member, was convicted of violating an injunction because he expressed an opinion in a peaceable manner. The appellate court used as justification the assumption that a nonstriker would be made to feel uncomfortable if referred to as a "scab." But as a practical matter, the preliminary injunction settled the case. The employer was able to restrain the workers or their unions. The situation does not remain in status quo when one side is restrained in an industrial dispute. The employer resumes his efforts to defeat

the workers, but they are restrained from dealing with his tactics. The result is that organization is prevented or the union is defeated.

These injunctions were granted solely on the complaint of interested or professional witnesses without the safeguards afforded even by criminal law—without indictment, without being confronted with witnesses, without cross-examination, without trial by jury, and imposed without uniform statute at the discretion of the particular judge selected. In time the mounting protests of the unfair exercise of judicial power led to its restraint by the Norris-LaGuardia Act.

The fight against the use of the injunction in labor disputes took many years before the effective Norris-LaGuardia Act was passed in 1932. Labor has by tradition always opposed the injunction. The American Federation of Labor in convention assembled in 1919 declared their policy to be as follows regarding the injunction:

> The fate of the sovereignty of American people again hangs in the balance. It is inconceivable that such an autocratic, despotic, and tyrannical power can long remain in a democracy. One or the other must ultimately give way.

The chief point of the Norris-LaGuardia Act was that it took the judicial restraints off the efforts of workers to form unions for mutual aid and protection. Federal courts were prohibited from exercising the injunctive power in labor cases when the use of such power is contrary to the stated public policy of the act—that of permitting workers to form organizations for mutual aid and to engage in concerted activities in dealing with corporations and aggregations of capital.

To labor particularly, the preceding abuse of judicial power is a sad memory. In matters vital to them this great power had been used to strengthen and protect the other side. It can thus be understood why labor objects to the return of government by injunction.

We are supposed to have started on a new course after the passage of the Norris-LaGuardia Act, to encourage the practice of collective bargaining. We said that there was a public interest in free collective bargaining and we went further in promoting this policy under the Wagner Act. We must remember that collective bargaining is not a labor policy nor a management policy, but a public policy. It carries with it some risks and inconveniences, but collective bargaining, with either side free to reject the terms of the other, is the only practical way for an industrial society to avoid dictation by one side or the other, and to avoid the fixing of wages and prices and ultimately everything else by governmental authority.

The plain fact is that the injunctions issued under the Taft-Hartley Act have not settled industrial disputes. They change the issues but they do not promote a meeting of minds nor promote conditions which lead to compromise on both sides.

During the period the Taft-Hartley Act has been in operation, the injunction has been invoked seven times, but stoppages occurred in five of these cases. In one of the other two cases, a big fine was imposed, but the issues of the strike were not settled by the injunction. Even in the seventh case—the atomic energy dispute—the injunction was dismissed after 80 days. The settlement was made by the intervention of officers of the Metal Trades Department of the American Federation of Labor with the assistance of the Mediation and Conciliation Service, even though the company operating the plant had refused the union's offer to arbitrate.

The national emergency provision in H. R. 2032 shortens the waiting period to 25 days, but it requires that the status quo be maintained during this period and that the board of inquiry make actual recommendations.

Experts in the field of conciliation and mediation stated before our committee that this procedure was an improvement over the provisions in the Taft-Hartley Act and makes completely unnecessary the resort to the injunction process.

The way for the Government to promote settlement of industrial disputes is to furnish machinery for settlements—mediation and fact-finding machinery—and to assist the parties to come to agreements rather than by clubbing one party to the dispute, putting it on the defensive, making it appear that it was engaged in some criminal activity and then bypassing the dispute by requiring that party to defend itself against the injunction. The other party has practically won the dispute by that time and it can stand pat on its original offer.

We must take the risks of effective collective bargaining if we are to maintain our freedom and equal justice under the law.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1527. An act to provide for home rule and reorganization in the District of Columbia; to the Committee on the District of Columbia.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1357. An act to authorize the establishment of the St. Croix Island National Monument, in the State of Maine.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on May 31, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 1057. An act for the relief of John Keith; and

H. R. 3334. An act granting the consent of Congress to the Pecos River compact.

ADJOURNMENT

Mr. BUCHANAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Thursday, June 2, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

658. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of, Anacostia River and its tributaries, District of Columbia and Maryland, and Potomac River and tributaries, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on November 17, 1937, and also authorized by the Flood Control Act approved on June 22, 1936, and the act of May 5, 1936 (H. Doc. No. 202); to the Committee on Public Works and ordered to be printed, with three illustrations.

659. A letter from the Director, Division of Territories and Island Possessions, Department of the Interior, transmitting from Governor Stainback a copy of Joint Resolution 23, recently enacted by the Legislature of Hawaii, requesting the Congress of the United States of America to pass legislation enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue bonds for the construction of certain public park improvements in the city of Honolulu; to the Committee on Public Lands.

660. A letter from the Attorney General, transmitting a letter in reference to the case of Hilary Ferdinand Sawicki, file No. A-6677176 CR 23110, and requesting that it be withdrawn from the cases now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

661. A letter from the president, Board of Commissioners, District of Columbia, transmitting a draft of a bill entitled "A bill for the creation of a trust fund for the retirement of policemen and firemen of the District of Columbia and to provide increased pensions for widows and children of deceased members and retired members of the Police Department and of the Fire Department of the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. H. R. 3895. A bill to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe; without amendment (Rept. No. 714). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILES: Committee on Public Lands. H. R. 3788. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Vermejo reclamation project, New Mexico; with an amendment (Rept. No. 715). Referred to the Committee of the Whole House on the State of the Union.

Mrs. BOSONE: Committee on Public Lands. H. R. 4070. A bill to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah; without amendment (Rept. No. 716). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 3680. A bill to authorize the Secretary of Agriculture to quitclaim 5.1 acres of land in Washington County, Miss., to the Mississippi State College; without amendment (Rept. No. 717). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 4932. A bill to provide for the construction of a post office at Kilmarnock, Va.; to the Committee on Public Works.

H. R. 4933. A bill to provide for the construction of a post office at Chincoteague Island, Va.; to the Committee on Public Works.

H. R. 4934. A bill to provide for a new Federal building for the Fort Monroe Quarantine Station, Fort Monroe, Va.; to the Committee on Public Works.

H. R. 4935. A bill to provide for the construction of a post office at Yorktown, Va.; to the Committee on Public Works.

H. R. 4936. A bill to provide for a new Federal building in Tappahannock, Va.; to the Committee on Public Works.

By Mr. CLEMENTE:

H. R. 4937. A bill to remove the limitation on the commencement of prosecutions for offenses arising from espionage, and for other purposes; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H. R. 4938. A bill to limit the removal of civil actions from State to Federal courts; to the Committee on the Judiciary.

By Mr. MARSALIS:

H. R. 4939. A bill relating to the income-tax treatment of family partnerships; to the Committee on Ways and Means.

By Mr. MORRISON:

H. R. 4940. A bill to amend the Armed Forces Leave Act of 1946 with respect to reenlistment of enlisted men; to the Committee on Armed Services.

By Mr. POULSON:

H. R. 4941. A bill to remove the discrimination against Indians in the enforcement of Federal and State laws concerned with the use and sale of intoxicating beverages, and for other purposes; to the Committee on Public Lands.

By Mr. REED of New York:

H. R. 4942. A bill to regulate the collection and disbursement of moneys realized from leases made by the Seneca Nation of Indians, of New York, and for other purposes; to the Committee on Public Lands.

By Mr. SANBORN:

H. R. 4943. A bill to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes; to the Committee on Public Lands.

By Mr. ANGELL:

H. R. 4944. A bill to amend Public Law 725, Seventy-ninth Congress, section 624; to the Committee on Interstate and Foreign Commerce.

By Mr. BENNETT of Michigan:

H. R. 4945. A bill to provide gold-star lapel buttons for widows, parents, and next of kin of persons who lost their lives as the result of serving in the armed forces of the United States in World War II; to the Committee on Armed Services.

By Mrs. DOUGLAS:

H. R. 4946. A bill to repeal the excise tax on transportation of property, transportation of persons, and long-distance telephone and telegraph; to the Committee on Ways and Means.

By Mr. ALLEN of California:

H. R. 4947. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CELLER:

H. R. 4948. A bill relating to the policing of the building and grounds of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. MILES:

H. R. 4949. A bill to authorize and direct the Secretary of the Army to accept the Croix de Guerre from the Government of France on behalf of the Seventh Armored Division; to the Committee on Armed Services.

By Mrs. ROGERS of Massachusetts:

H. R. 4950. A bill to assist blind veterans by amending an act entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes," approved June 20, 1936, as amended; to the Committee on Education and Labor.

By Mr. WERDEL:

H. R. 4951. A bill to exempt from the minimum-wage and maximum-hour provisions of the Fair Labor Standards Act the employees of certain industries which are in competition with foreign industries; to the Committee on Education and Labor.

By Mr. HOFFMAN of Michigan:

H. J. Res. 263. Joint resolution to provide for economy in government by reducing expenditures for the fiscal year 1950 consistent with the public interest; to the Committee on Expenditures in the Executive Departments.

H. J. Res. 264. Joint resolution to reduce the compensation of Members of the House of Representatives by 5 percent, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BLAND:

H. Res. 233. Resolution authorizing expenses of conducting investigation of certain matters pertaining to the merchant marine and fisheries of the United States; to the Committee on House Administration.

By Mr. VINSON:

H. Res. 234. Resolution to authorize and direct the Committee on Armed Services to conduct thorough studies and investigations relating to matters involving the B–36 bomber, and for other purposes; to the Committee on Rules.

By Mr. COOLEY:

H. Res. 235. Resolution providing for the consideration of H. R. 2960, a bill to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; to the Committee on Rules.

By Mr. SPENCE:

H. Res. 236. Resolution providing for the consideration of H. R. 4009, a bill to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, requesting the carrying into effect of the administrative recommendations of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to enact into law H. R. 1205, a bill providing automobiles for certain blind veterans of World War II; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to give favorable consideration to H. R. 2990, a bill relative to the granting of assistance to the blind; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States to enact legislation relative to the Federal excise tax on motor vehicles; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLLING:

H. R. 4952. A bill for the relief of Allan Chan; his wife, Mrs. Eileen Chan; and their minor daughter, Karol Beverly Chan Chan; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 4953. A bill for the relief of Dr. Alfred Josef Fialla; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 4954. A bill for the relief of Jacob F. Hutt; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4955. A bill for the relief of Chin Ta Bin; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 4956. A bill for the relief of Tsungmer Dow; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. R. 4957. A bill for the relief of the estate of Gordon E. Hubley, deceased; to the Committee on the Judiciary.

H. R. 4958. A bill for the relief of William Morris Gilbert; to the Committee on the Judiciary.

By Mr. MURDOCK:

H. R. 4959. A bill to reimburse the Fisher Contracting Co.; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 4960. A bill for the relief of Mrs. Elizabeth H. Whitney; to the Committee on the Judiciary.

By Mr. SMATHERS:

H. R. 4961. A bill for the relief of Elizabeth Vice; to the Committee on the Judiciary.

By Mr. TOWE:

H. R. 4962. A bill for the relief of Daphne E. Hardoon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

986. By Mr. MARTIN of Massachusetts: Petition of Massachusetts Society, Sons of the American Revolution, for investigation of subversive textbooks and teaching material; to the Committee on Rules.

987. By Mrs. ROGERS of Massachusetts: Petition of 93 Massachusetts citizens, in opposition to the recent reduction of the Veterans' Administration hospital program by 16,000 beds; to the Committee on Veterans' Affairs.

988. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Kenosha, Wis., protesting against H. R. 4349, a bill providing that unclaimed animals of the District of Columbia be made available to licensed institutions for scientific purposes; to the Committee on the District of Columbia.

SENATE

THURSDAY, JUNE 2, 1949

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace, whose dwelling place is light without the shadow of our earth-born clouds, we, who at our best but see as through a glass darkly, come seeking the radiance of Thy presence. In these fateful days for whose decisions the future will judge us, may we maintain our integrity unsullied by animosities, prejudices, or personal ambitions, regarding always public office as a sacred trust. As with our fallible judgments we have a part in the shaping of the world that is to be, give to us the vision, the wisdom, the courage that will make for both justice and lasting peace. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 1, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 4617) to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The VICE PRESIDENT announced his signature to the enrolled bill (H. R. 1357) to authorize the establishment of the St. Croix Island National Monument, in the State of Maine, heretofore signed by the Speaker of the House of Representatives.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hoey	Murray
Baldwin	Humphrey	Myers
Brewster	Hunt	Neely
Bridges	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Tex.	Robertson
Cordon	Johnston, S. C.	Russell
Donnell	Kefauver	Saltonstall
Downey	Kem	Schoeppel
Eastland	Langer	Smith, Maine
Ecton	Lodge	Sparkman
Ellender	Long	Stennis
Ferguson	Lucas	Taft
Flanders	McCarran	Taylor
Frear	McClellan	Thomas, Utah
Gillette	McFarland	Tydings
Graham	McGrath	Wherry
Green	McKellar	Wiley
Gurney	Magnuson	Williams
Hayden	Martin	Withers
Hill	Maybank	Young

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from West Virginia [Mr. KILGORE] are detained on official business in meetings of committees of the Senate.

The Senator from Texas [Mr. CONNALLY] and the Senator from Colorado [Mr. JOHNSON] are absent on official business at a meeting of the Joint Committee on Atomic Energy.

The Senator from Kentucky [Mr. CHAPMAN] and the Senator from Oklahoma [Mr. KERR] are absent on public business.

The Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Florida [Mr. HOLLAND] and the Senator from Oklahoma [Mr. THOMAS] are detained on official business at a meeting of the Committee on Agriculture and Forestry.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Nebraska [Mr. BUTLER], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from South Dakota [Mr. MUNDT], and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Ohio [Mr. BRICKER], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Kansas [Mr. REED] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are excused by the Senate for attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Vermont [Mr. AIKEN] and the Senator from Minnesota [Mr. THYE] are detained at a meeting of the Committee on Agriculture.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

PRICE SUPPORT AND FARM-MARKETING QUOTAS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to stabilize farm income and farm prices of agricultural commodities; to provide an adequate, balanced, and orderly flow of agricultural commodities in interstate and foreign commerce; and for other purposes, which, with the accompanying paper, was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Labor and Public Welfare:

"Senate Joint Resolution 17

"Joint resolution memorializing Congress to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944

"Whereas the right of most veterans of World War II to receive readjustment allowances under title V of the Federal Servicemen's Readjustment Act of 1944 (known as the GI bill of rights) expires July 25, 1949; and

"Whereas only about one-half of unemployed Alabama veterans of World War II have rights to benefits under the Alabama unemployment compensation; and

"Whereas unemployment among Alabama veterans is increasing; and

"Whereas economic conditions in the near future may be such as to cause great hardship and financial distress to such veterans and their families: Now, therefore, be it

"*Resolved*, That the Legislature of the State of Alabama do herewith memorialize and petition the Eighty-first Congress of the United States of America now in session in the city of Washington, D. C., to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944; be it further

"*Resolved*, That a copy of this resolution be forwarded to the President of the United States, the Vice President, the Speaker of the House of Representatives and to each Congressman and Senator from the State of Alabama and the members of the Veterans' Affairs Committee of the House."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Labor and Public Welfare:

"Senate Concurrent Resolution 25

"Concurrent resolution memorializing the Congress of the United States to give favorable consideration to H. R. 2990 relative to the granting of assistance to the blind

"Whereas the State of Michigan and the Federal Government are now jointly contributing to the assistance of the blind in this State; and

"Whereas the Federal Government now determines whether any blind person is in need of assistance; and

"Whereas the members of the legislature feel that blind persons should be permitted to supplement their assistance to some degree through income derived from their personal efforts; and

"Whereas it is the belief of the members of the Michigan Legislature that the State of Michigan should have the right to determine the need of blind persons for assistance: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), that the members of the Michigan Senate and House of Representatives do hereby urge the Congress of the United States to give favorable consideration to H. R. 2990 introduced by Congressman DANIEL A. REED which bill exempts $500 of income of blind persons receiving aid and real or personal property to the amount of $2,000 when determining their need for assistance, and further provides that the several States shall have the sole authority to determine who shall be eligible for such assistance; and be it further

"*Resolved*, That copies of this resolution shall be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the senate, May 4, 1949.

"Adopted by the house, May 13, 1949."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 23

"Joint resolution requesting Congress of the United States of America to pass legislation enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue bonds for the construction of certain public park improvements in the city of Honolulu

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it hereby is, requested, through the Delegate to Congress from the Territory of Hawaii, to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act or any act of this Congress to the contrary notwithstanding, to authorize the Board of Supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $500,000 for the construction of improvements to Kapiolani Park, a public park and playground in the city of Honolulu and, to that end, the Congress of the United States of America is hereby requested and urged, through said delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public park improvements in the city of Honolulu

"*'Be it enacted, etc.*, That the Legislature of the Territory of Hawaii, any provision of the Hawaiian Organic Act or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $500,000 for the purpose of enabling it to construct improvements to Kapiolani Park, a public park and playground in the city of Honolulu.

"'SEC. 2. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and, in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 3. Act —— of the session laws of Hawaii 1949, pertaining to the issuance of bonds for the construction of such said public park improvements for and in the city of Honolulu, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. A copy of this joint resolution shall be forwarded to the President of the Senate, and to the Speaker of the House of Representatives of the Congress of the United States of America, the Secretary of the Interior in Washington, D. C., to the Governor of Hawaii, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 14th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A resolution adopted by the American Psychoanalytic Association, assembled at Montreal, Canada, on May 20, 1949, requesting the Congress to give its full support to the program of the World Health Organization; to the Committee on Foreign Relations.

Resolutions adopted by the Nashville Seventh-day Adventists Church, of Nashville, and the Madison Seventh-day Adventist Church, of Madison, both in the State of Tennessee, protesting against the enactment of legislation changing the present calendar; to the Committee on Foreign Relations.

A statement in the nature of a petition signed by Raimond A. Struble, and sundry other students at the University of Notre Dame, holding fellowships from the Atomic Energy Commission, relating to publicity given to the work of that Commission; to the Joint Committee on Atomic Energy.

A memorandum in the nature of a petition from the Special Mission of the Philippine Ex-Political Prisoners' Association, through the Philippine Embassy, Washington, D. C., relating to the War Claims Act of 1948; to the Committee on the Judiciary.

A resolution adopted by the board of directors of the Catholic Knights of Wisconsin, Milwaukee, Wis., protesting against the enactment of legislation providing for socialized medicine; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Hopkins County Women's Republic Club, of Madisonville, Ky., relating to socialized medicine; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Illinois State Dental Society, of Peoria, Ill.; the Kansas State Dental Hygienists Association, of Wichita, Kans., the Lake George (N. Y.) Parents Teacher Association, the Massachusetts Dental Society, of Boston, Mass., the Oklahoma Association of Cleaners and Dyers, of Norman, Oklahoma, and the Board of Directors of St. Luke's Hospital, of San Francisco, Calif., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

Resolutions adopted by the United States-Mexico Border Public Health Association, of El Paso, Tex., relating to the activities of the Institute of Inter-American Affairs in health and sanitation problems along the border; to the Committee on Labor and Public Welfare.

A resolution adopted by the National Cooperative Milk Producers Federation, at Portland, Oreg., relating to the extension for 2 years of the Trade Agreements Act of 1934; ordered to lie on the table.

A letter in the nature of a petition from the Social Service Employees Union, Local 39, United Office & Professional Workers of America, CIO, of Chicago, Ill., signed by Jane Garrettson, president, relating to the proposed repeal of the Taft-Hartley labor law, and so forth; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the Baltimore chapter of the Association of Interstate Commerce Commission Practitioners, protesting against the enactment of Senate bill 402 and House bill 306, providing for a Federal Department of Transportation; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Maryland Association of Certified Public Accountants, of Baltimore, Md., favoring the enactment of legislation providing for the creation of a tax settlement board; to the Committee on Finance.

Petitions of sundry citizens of the State of Maryland, remonstrating against the enactment of legislation providing socialized medicine or compulsory health insurance; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Frederick County Medical Society, and the Wicomico County Medical Society, of Salisbury, both in the State of Maryland, protesting against the enactment of legislation providing compulsory health insurance or socialized medicine; to the Committee on Labor and Public Welfare.

MULTIPLE SCLEROSIS—NEW HAMPSHIRE LEGISLATURE CONCURRENT RESOLUTION

Mr. TOBEY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD at this point a concurrent resolution adopted by the Legislature of the State of New Hampshire memorializing Congress to pass Senate bill 102, to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of multiple sclerosis and related neurological diseases, and for other purposes.

The bill referred to was introduced by me. It is very close to my heart, my own daughter being a sufferer from the disease. It is perhaps the most deadly disease afflicting mankind today. Approximately 400,000 persons have been stricken with the disease.

I am grateful to the New Hampshire Legislature for giving its support.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred, and, under the rule, printed in the RECORD.

The concurrent resolution was referred to the Committee on Labor and Public Welfare, as follows:

Concurrent resolution memorializing Congress urging passage of a Senate bill relating to multiple sclerosis and related neurological diseases

Resolved by the house of representatives (the senate concurring), That the General Court of New Hampshire urges Congress to enact Senate bill No. 102, entitled "An act to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention and treatment of multiple sclerosis and related neurological diseases and for other purposes," now pending in the United States Senate, as introduced by Senator CHARLES W. TOBEY, of New Hampshire; further

Resolved, That the secretary of state transmit certified copies of this resolution to the Senators and Representatives of New Hampshire in the Congress.

RICHARD F. UPTON,
Speaker of the House of Representatives.
PERKINS BASS,
President of the Senate.
SHERMAN ADAMS,
Governor.

Passed May 24, 1949.
Attest:

ENOCH D. FULLER,
Secretary of State.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STENNIS, from the Committee on Rules and Administration:

H. R. 1243. A bill to amend the Hatch Act; with amendments (Rept. No. 436).

By Mr. TYDINGS, from the Committee on Armed Services:

S. 1560. A bill to authorize the appointment of Col. Kenneth D. Nichols, O-17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes; without amendment (Rept. No. 437);

S. 1639. A bill to amend section 1452, Revised Statutes, relating to Presidential action on the proceedings and decisions of Navy retiring boards; without amendment (Rept. No. 438); and

S. 1759. A bill to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy; without amendment (Rept. No. 439).

By Mr. JOHNSON of Texas, from the Committee on Armed Services:

S. 1267. A bill to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an Air Engineering Development Center; without amendment (Rept. No. 443).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 458. A bill to provide for a survey of physically handicapped citizens; with amendments (Rept. No. 440);

H. R. 3198. A bill to amend the act of June 18, 1929; without amendment (Rept. No. 441); and

H. R. 3444. A bill to provide for the collection and publication of cotton statistics; without amendment (Rept. No. 442).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 471. A bill for the relief of Lloyd Gordon Findley; with amendments (Rept. No. 449);

S. 1429. A bill for the relief of Lacey C. Zapf; without amendment (Rept. No. 444);

H. R. 1123. A bill for the relief of Mrs. Florence Mayfield; without amendment (Rept. No. 445);

H. R. 1472. A bill for the relief of the Olympic Hotel; without amendment (Rept. No. 446); and

H. R. 2353. A bill for the relief of Joel W. Atkinson; without amendment (Rept. No. 447).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation of certain aliens, and I submit a report, No. 448, thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 44) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-9690437, Abbott, Colin Cedric.
A-5011697, Acosta, Catalina Avila De, or Katie Acosta or Louisa Avila.
A-6436032, Akins, Mei Lin Liu, or Marion Liu Akins (nee Mei Lin Liu).
A-6910024, Albert Joseph Armand.
A-6717538, Alexandropoulos, Nicolaos.
A-3017010, Amador, Casimiro Moreno.
A-2840055, Amador, Flores De, or Maria Ignacia De Jesus.
A-6314074, Andronis, Agnes, or Agni Androni (nee Vatzakis or Batzakis or Bodzarki).
A-6152797, Armitage, Edith Elizabeth.
A-6943217, Atilano, Encarnacion, or Encarnacion Atilano Navarro or Jose Encarnacion Atilano Navarro.
A-6943218, Atilano, Rosa Cordero de, or Rosa Aldama Cordero.
A-6694890, Ayyoob, Rayyah Mitri or Ayoob or Ayoub.
A-6173823, Badillo-Molar, Gabriel.
A-6237469, Baltes, Leontina Elvira (nee Leontina Elvira Moga).
A-9502310, Bergersen, Arne Johan.
A-9679280, Bergersen, Astrid Hedvig (nee Christiansen).
A-6191247, Best, Paul Wardlaw.
A-2100536, Bik, Chan Pui, or Esther Chan or Mrs. So Bing Sun.
A-6625650, Biondi, Angelina Vecchio.
A-3044839, Bisconti, Guiseppe, or Joseph B. Bisconti.
A-2815577, Booth, Alfred Smallwood.
A-6746235, Bozzay, George.
A-2818968, Bribiescas, Ascencion.
A-2809223, Bribiescas, Petra Nieves (alias Petra N. Bribiescas alias Petra Nieves).
A-2961471, Bucewick, Albina Alzbieta, or Albina Alizabeth Bucevicius (nee Valentos).
A-5614072, Burt, Arthur Frederick Jasper.
A-6248877, Calogero, Glyceria (nee Dariva).
A-2488694, Camano, Enrique.
A-6590339, Chapman, Phyllis Eileen.
A-6224753, Churchill, Diane Cecelia.
A-2447000, Coffaro, Paolino (alias Paul Joseph Coffaro).
A-6708393, Cooper, Herbert Roy.
A-6581215, Coronado, Ramon Elizondo.
A-6138488, Couris, Victoria Hantzaras.
A-6677213, Cuevas, Armando Jose Lopez y.
A-6510561, Cybulski, Mieczyslaw Prawzic, or Mieczyslaw Cybulski.
A-1117811, D'Andria, Pietro or Peter.
A-6094851, Dean, Faith.
A-5935194, De La O-Favila, Jesus (alias Pedro De La O or Pedro Regalado).
A-6642958, Dvorak, Zdenek.
A-2933876, Facca, Guerino (alias Jerry Facca).
A-6836711, Fierro, Gregorio, or Gregorio Fierro-Parras.
A-6836710, Fierro, Sanjuana Carrillo de, or Sanjuana Carrillo.
A-6644965, Finkelstein, Maria, or Maria Popovici.
A-4391431, Fong, Mon Lai.
A-4391432, Sang, Chang Hung.
A-3074701, Foros, Petros, or Pete Foros or Peter Foros.
A-6780431, Garcia, Maria Calderon de (alias Maria Carrasco alias Maria Carrasco de Garcia).
A-6928132, Garcia, Petra.
A-6384469, Garcia, Oscar Raimundo Y Chaple.
A-6653996, Garcia, Carmen (nee Carmen Estevez Betancourt).
A-4815907, Garonzik, Ray, formerly Raella, or Ray Gilman (nee Raella or Ray Ruckenstein).
A-5874797, George, Lilly Belle.
A-6479308, Gerchow, Maria Eugenia.
A-3984244, Glikis, Panagiotis, or Panagiottis Pantelis Glikis or Pangrottis or Pete Glikis.
A-2725829, Goldberg, Sarah (nee Hyman).
A-2594809, Gomes, Luis Manuel.
A-6143141, Gonzalez, Aurelio Vigoa Y.
A-6332553, Graham, John Francis.
A-6352479, Graham, Marguerite Enid.
A-6838567, Granado, Estefana Reza De (alias Estefana Reza alias Estefana Rivera).
A-6677332, Griott, Alice Agnes.
A-6420400, Gross, Ludovic.
A-6484147, Gruetzmann, Clara (nee Bass).
A-6665732, Gutman, Rasela (nee Politzer).
A-2478152, Hansen, Emanuel Edward, or Emanuel Hansen.
A-2702213, Hansen, Eigel Mogens (alias Egil Mogens Hansen).
A-9741937, Hansen, Hans.
A-2796185, Hanson, Hans Richard.
A-6689466, Held, Elsie Johanna (alias Elsie Johanna Wilde).
A-9659070, Hermo, Manuel Paz, or Manuel Paz.
A-5339010, Holzli, Paul.
A-6786987, Humphreys, Rosemary Bernadette.
A-6786986, Humphreys, Adrienne Marie-Louise.
A-6509198, Hurtado, Felipe Dominguez.
A-5327808, Inanovitz, Abraham Leib, or Louis Norvin.
A-6930159, Jackson, Marjorie Alice.
A-6930160, Jackson, Michael Thomas.
A-1675694, Jadegba, Augustine Kumakpibe (alias Augustine Thompson).
A-6041608, Javadi, Esfandiar, or Jimmie Javadi.
A-6042303, Jendrzejewski, Kazimierza (nee Kazimierza Janiszewski).
A-6477150, Johnson, Richard Arlan, formerly Richard Arlan Westby.
A-6350827, Katsaros, Marika (nee Tzika).
A-4116771, Kiang, Phoenix Shih Feng (alias Phoenix Kiang).
A-3537628, Killeen, Raymond Michael, or Michael Raymond Killeen.
A-4776991, Kim, Sae Sun, or Hak San Kim.
A-9662769, Klingen, Jack.
A-4985554, Kozich, Stella Jean.
A-7569224, Kraus, Bohumil.
A-7528919, Krausova, Matylda.
A-7528920, Krausova, Marie.
A-2455188, Krikorian, Alex, or Aghiag Krikorian.
A-2544843, Kvart, Stephania Nowak (alias Bromislawa Nowak alias Stephania Nowak alias Katherine Nowak alias Stephania Dzierba or Katherine Dzierba).
A-6817859, Kwiatkowski, Marek Jerzy Drobner (alias Mark Post).
A-7707327, Lambert, Judyann.
A-7513902, Landeta, Emilia Martinez y Aldanese De.
A-3296238, Lech, John.
A-6369909, Lee, Hannah Margaret.
A-6181955, Leonardi Michele.
A-1368471, Levy, Corin (nee Franco).

A-7780799, Leyba, Altagracia Mercedes Joaquina Perez, or Joaquina Perez-Leyba (alias Joaquina Bido de Perez Leyba and Altagracia Mercedes Joaquina Bido).
A-5997352, Lopez, Jesus, or Jesus Lopez Alvarado.
A-5997355, Lopez, Teresita, or Teresita Lopez Alvarado.
A-5997473, Lopez, Salvador, or Salvador Lopez Alvarado.
A-6186420, Louis, Juliana.
A-2065717, Madrid, Carmel Quiroz De.
A-6438935, Maloney, Annie Jean (nee Kearsey).
A-6438936, Maloney, Sharon Anne.
A-6790948, Mikela, Heidrum Kirkutis (alias Heidrum Crow).
A-6947452, Miller, Douglas George.
A-5397290, Milstein, Aron.
A-5240771, Mione, Stefano Francesco, or Stefano Mione.
A-2585562, Mitchell, Anna (nee Anna Ford).
A-6929703, Montgelas, Carl Maximilian, or Carl Maximilian Maria Adolph Joseph Montgelas.
A-6138480, Mount, Milagros Josefina (nee Llorente).
A-4446894, Mullinas, Georgios, or George Dennis Mullinas or George Mollis.
A-5018764, McDonnell, Elizabeth Yvonne.
A-6153450, McKirdy, Colin.
A-5619399, Nagle, Florence Tyson (nee Tyson).
A-4294912, Needleman, Renee (nee Gross alias Grutz y Vuchonicka alias Riveca Grutz Y Zuchonicka).
A-6170351, Nelle, Frederick James.
A-6170350, Nelle, Elizabeth Louise.
A-6170349, Nelle, Dorothy Bertha.
A-3081341, Ness, Sigurd (alias Sigurd Naess).
A-5238841, Nibbs, Ernest Albert.
A-5734583, Nibbs, Elenora.
A-6929879, Nieto, Zacarias.
A-6106967, Nunez, Roberto Rivas, or Robert R. Nunez.
A-6191698, Oddo, Mary (nee Maria Starchenko).
A-6367354, Olsen, Ragnhild Konstanse (alias Ragnhild Jerkill, nee Larsen).
A-4189079, Osuna, Maria Concepcion Parra de.
A-2916516, Ottochian, Dionisio.
A-5593205, Overton, Randolph Lee.
A-3599556, Panton, Leslie Alexander.
A-6702281, Papapostolou, Aliki Constantino (nee Kamtsika).
A-1221717, Perez, Benigno Boo.
A-6401710, Perry, Margaret, formerly Sands (nee McCartney).
A-6038914, Pineda, Salvador, or Francisco Pichardo or Salvador Pinedo De La Rosa.
A-3333079, Pirrone, Antonino.
A-6571104, Plessas, Dimitra Thomas.
A-6085700, Prata, Adelaide Lopes.
A-7773100, Ramirez, Fausto Arturo, or Fausto Arturo Ramirez y Benet.
A-3176813, Regues, Francisco, or Francisco Regues y Torregrosa (alias Francisco Torregrosa Regues).
A-6698999, Reinert, Joseph, or Josif Reinert.
A-1579856, Rene, Joseph Albert.
A-2326767, Rerecich, Guiseppe Gregorio (alias Joseph Rerecich).
A-6149433, Ricci, Victor Alan.
A-6904437, Rivera, Carlos, or Carlos Rivera Aguilar or Carlos Aguilar.
A-3310811, Rizzo, Josephine (nee Matteliano).
A-1656998, Robbins, Christopher (alias James Church).
A-6637067, Robertson, Amy Theresa.
A-6953105, Robledo, Gregorio, or Gregorio Robledo Cianez.
A-6953104, Robledo, Socorro Martinez De or Socorro Martinez.
A-1187347, Rodrigues, Antonio.
A-6919985, Sachsenhauser, Rudolph or Rudolf.
A-6652820, Salazar, Gumesindo Beltran, or Jose Beltran-Salazar.
A-6821713, Saldana, Anita Marmolejo de.
A-6104289, Sanchez, Francisco Magallon.
A-6377176, Sawicki, Hilary Ferdinand.
A-3229985, Scavo, Lucia Vitale.
A-3983279, Schuldt, Charles Bruno Karl Max, or Charles Bruno Schuldt.
A-6919820, Schutz, Walter.
A-6948076, Schutz, Marie.
A-9576879, Selja, Johannes or John.
A-2291078, Selja, Maret (nee Raid or Kristine Juurmann).
A-4531199, Shotkowski, Josephine Mary.
A-6409536, Smale, William Ronald (alias Donald William Grey).
A-6922771, Smith, Cynthia Lauretta.
A-3173952, Socha, Caroline (nee Gargulinska).
A-1261126, Somers, Amos Uriah (alias Amos Sommers or Somers).
A-9799985, Sotto, Romula Alferos.
A-6457944, Spinola, Carlo, or Marquis Carlo Spinola or Carlo Luigi Spinola. Luigi Spinola.
A-4382612, Spoor, Johanna Catharina (nee Porton).
A-2230005, Stanatiotis, Ioannis Dimitrios, or Ioannis Stanos or John Dimitrios Stanos.
A-6650377, Stensland, Carl Ola.
A-6650792, Stensland, Inger.
A-6285048, Stewart, Muriel Eulalie (nee Foote).
A-6688387, Stoll, Else, or Elizabeth Stoll.
A-6199479, Saint Vincent, Howard Roy.
A-9728296, Tammsaar, Johannes.
A-6183204, Tapinis, Peter, or Panagiotis Tapinis.
A-7750886, Targal, Ali Kami.
A-2044869, Thefterios, Eleftherios G.
A-6574319, Thame, Victor Ralph.
A-4224673, Theilemann, Elsa Frieda.
A-1872455, Thibodeau, Kathleen Georgia.
A-6815680, Thomas, William Barry Garland.
A-6195364, Thompson, Pearl Estella, formerly Pearl Estella Wright.
A-2094041, Tiranno, Cologero, or Charles Tiranno.
A-6164965, Torres, Altagracia, or Cancela Recio.
A-6380231, Traag, Socorro.
A-6852416, Trovato, Teresa (nee Feda).
A-7729663, Trujillo, Bernardo.
A-6083857, Tsao, Han Sun.
A-3175382, Tschauder, Wolfgang Dietrich.
A-2584603, Tsohos, Michael Antoniou Koulouris, or Michael Antoniou Tsohos.
A-1740907, Tziotis, Argyrios.
A-3147723, Urruchua, Juan.
A-6146848, Urrutia, Acracia (nee Herrero-Garcia).
A-6877600, Valenzuela, Manuel.
A-6246802, Vian Anastasia, formerly Anastasia Xenias (nee Sotiriadis).
A-6172669, Violagis, Eftyhia Constatin (alias Eftyhia Violacis or Violantzis nee Cosmides).
A-9526618, Wallestad, Arild Martin.
A-3416156, Witriol, Meyer.
A-6846949, Yaker, Mordco, or Marco Yaker.
A-3461003 Yancsics, Klara, or Klara Schmidt.
A-2645628, You, Lee Kee.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MYERS:

S. 1975. A bill for the relief of Chaim Kohn and his wife, Amalie Kohn; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 1976. A bill for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, and Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 1977. A bill to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

S. 1978 (by request). A bill to reclassify postmasters, assistant postmasters, and other positions in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

S. 1979. A bill to permit the reorganization of land districts and district land office in the continental United States; to the Committee on Interior and Insular Affairs.

S. 1980. A bill to amend an act entitled "An act to provide extra compensation for overtime service performed by immigrant inspectors and other employees of the Immigration Service," approved March 2, 1931; to the Committee on Labor and Public Welfare.

S. 1981. A bill to confer jurisdiction upon the Court of Claims to hear, determine and render judgment upon certain claims for basic and overtime compensation; and

S. 1982. A bill making the Administrative Procedure Act applicable to certain hearings in the Post Office Department; to the Committee on the Judiciary.

By Mr. MYERS:

S. J. Res. 100. Joint resolution designating the third day of February in each year as "Dorchester Day;" and

S. J. Res. 101. Joint resolution designating March 30 of each year as "Shut-In's Day"; to the Committee on the Judiciary.

FEDERAL ASSISTANCE TO THE BLIND

Mr. KEFAUVER submitted the following concurrent resolution (S. Con. Res. 43), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that there should be established in the Federal Government a single office or bureau for services to the blind, such office or bureau to have the functions (1) of coordinating and administering all Federal assistance and services to the blind provided for by title X of the Social Security Act, as amended, the Vocational Rehabilitation Act, as amended (29 U. S. C., secs. 31–41), and the act of June 20, 1936 (relating to the operation of stands in Federal buildings by blind persons), and (2) of coordinating and administering, insofar as practicable, all other Federal assistance and services to the blind now or hereafter authorized by law.

REDUCTION IN GOVERNMENT EXPENDITURES—AMENDMENT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 94) to provide for economy in government by reducing expenditures for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4617) to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children, and for other purposes, was read twice by its title, and referred to the Committee on Finance.

LEAVES OF ABSENCE

Mr. YOUNG asked and obtained permission to be absent from the session of the Senate on Monday next.

On request of Mr. WHERRY, Mr. WATKINS was granted permission to be absent from the sessions of the Senate today and through Friday of next week.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. BALDWIN, the subcommittee of the Armed Services Committee conducting the Malmedy investigation was granted permission to hold a hearing this afternoon.

On request of Mr. CONNALLY, the Committee on Foreign Relations was granted permission to meet during the session of the Senate today.

On request of Mr. MCMAHON, the Joint Committee on Atomic Energy was granted permission to meet during the session of the Senate today.

ADDRESS BY DAVID W. HOWE AT ANNUAL CONVENTION OF AMERICAN NEWSPAPER PUBLISHERS ASSOCIATION

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD the address delivered by David W. Howe, publisher of the Burlington (Vt.) Free Press and president of the American Newspaper Publishers Association, at the annual convention of the association in New York City, which appears in the Appendix.]

ATLANTIC PACT SHOULD HAVE PRIORITY OVER POLITICS—EDITORIAL FROM THE PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Atlantic Pact Should Have Priority Over Politics," published in the Philadelphia Inquirer of June 2, 1949, which appears in the Appendix.]

PRESERVATION OF THE AMERICAN WAY OF LIFE—LETTER FROM DR. A. M. MCCARTHY

[Mr. STENNIS asked and obtained leave to have printed in the RECORD a letter addressed to him by Dr. A. M. McCarthy, of Daytona Beach, Fla., which appears in the Appendix.]

CHRISTIANITY THE BEST DEFENSE AGAINST COMMUNISM—ESSAY BY MISS MARY ELIZABETH BICKERSTAFF

[Mr. STENNIS asked and obtained leave to have printed in the RECORD an essay entitled "Christianity Is Our Best Defense Against Communism," written by Miss Mary Elizabeth Bickerstaff, of Gulfport, Miss., and published in the Dixie Guide of December 1949, which appears in the Appendix.]

"WHEAT ALARM UP"—ARTICLE BY HENRY S. FRENCH IN THE KANSAS CITY STAR

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an article entitled "Wheat Alarm Up," written by Henry S. French, and published in the Kansas City Star of May 29, 1949, which appears in the Appendix.]

A PROGRESSIVE TAX POLICY—LETTER FROM PROF. SEYMOUR HARRIS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a letter on the subject of a progressive tax policy, written by Prof. Seymour Harris, of Harvard University's economics department, and published in the New York Times of May 20, 1949, which appears in the Appendix.]

THE MANRESA RETREATS—ARTICLE BY WILLIAM P. MCCAHILL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article entitled "Life's Pathways Charted Anew at Manresa Retreats," written by William P. McCahill and published in the Catholic Virginian of May 13, 1949, which appears in the Appendix.]

ADJOURNMENT TO MONDAY NEXT

Mr. LUCAS. Mr. President, I desire to repeat the announcement I made last night before the Senate adjourned that when the Senate adjourns today it will adjourn until Monday next. I make the statement now in order that all Senators may be apprised of that fact.

THE CALENDAR

The VICE PRESIDENT. Morning business is closed. The calendar, under rule VIII, is in order.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate consider unobjected-to bills on the calendar beginning with Order No. 403.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will proceed to call the calendar, beginning with Order No. 403.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 42) favoring the suspension of deportation of certain aliens, was announced as first in order.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

Mr. WHERRY. Mr. President, I should like to have a statement by the distinguished Senator from Nevada [Mr. MCCARRAN] as to what the resolution provides.

Mr. MCCARRAN. Mr. President, I have repeatedly made statements with reference to this type of resolution. This resolution comes to the Senate because of the act of Congress providing that when the Department of Justice defers the deportation of aliens, the deferral shall be referred to Congress; and unless it is approved by Congress, the deferral shall not take place. These deferrals come along in groups of from 25 to 50 or 75, and are referred to the Committee on the Judiciary. We do the very best we can to screen them. They have been screened once by the Department of Justice. Each case comes up for screening, as best we can with the staff we have.

I do not approve of the policy or the plan, but it is the law, and I know of no way of getting away from it so long as the statute remains on the books.

The House of Representatives is not going along with this policy. It is not approving these deferrals. It has requested a conference, and we have held conferences on the question between my own committee and the Committee on the Judiciary of the House. We see no way of changing the law at the present time.

What is happening is this: The Senate is approving these deferments, and they are piling up over in the House. I cannot tell what is going to be the outcome.

Mr. WHERRY. I thank the distinguished Senator for that observation. I was informed of the situation. I was about to ask the distinguished Senator if there was anything he could suggest to alleviate the situation which now exists. As I understand, even though the Senate grants the suspension, yet the suspension is not acted upon in the House, and therefore the authorization is stymied. I am not saying that any of these deferments should be approved. I am not saying that the House is incorrect in withholding approval, but it seems to me that if we need more personnel, or if some additional procedure is needed, perhaps the Senator could suggest some plan.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

Mr. WHERRY. I shall not object. I appreciate the explanation. It illustrates the situation in which we now find ourselves.

There being no objection, the concurrent resolution was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4331665, Albanese, Ruggiero.
A-4197547, Antepligil, Osman Hayrettin.
A-5724044, Antoniazzi, Matilde Fadelli.
A-6249459, Ayvalopoulos, Hariclia (nee Chariclia K. Heizanoglou).
A-1323072, Balzan, Nicola.
A-5338260, Callahan, Catherine Mary, or Catherine Mary Dowd (maiden name).
A-6151538, Calloway, Nieves Buena.
A-4895570, Campagnoli, Romildo.
A-6642567, Canales-Hernandez, Armando, or Armando Hernandez-Canales.
A-6636580, Carriaga-Alvarez, Hilarion, or Hilarion Alvarez-Carriage or Hilarion Careaga.
A-6650117, Carrillo, Baldomero.
A-6650116, Carrillo, Jose.
A-1986991, Chaparro, Epifania.
A-1534268, Chatzikostantin, Costas, or Gust Stelles.
A-6709236, Clay, George Robert, or George Mozes.
A-6577754, Contreras-Vargas, Julio.
A-6865971, Correa, Alejandro Maximo, Jr.
A-6178549, Dahlseide, Shirley Delores.
A-6677647, D'Atri, Lise Claire.
A-6261871, De Anda, Cayetano Jimenez.
A-5594947, De Araujo, Jose.
A-5171994, De Arredondo, Rosaria Banda, or Rosaria Banda.
A-6834476, De Flores, Josefina Pena, or Josefina Pena Villegas (maiden name).
A-2691031, Del Vecchio, Michele (alias Michael Del Vecchio).
A-3046860, De Martinez, Fermina Espinose (nee Mejia or Fermina Espinosa De Cruz (former marriage)).
A-6683087, Dewdney, Juliette.
A-3343962, De Zuniga, Maria Garza, or Maria Garza-Flores.
A-2746308, Divitaroff, Hristo Pavloff, now known as Christ D. Paul.
A-4985191, Doerschler, Arthur Ferdinand.
A-3707306, Eberhardt, Felipa Maria Lopez de, or Felipa Eberhardt, or Phillipa Mary Eberhardt.
A-5418174, Edwards, Phillis Vivian, or La Belle Bogart or Farmer or Phyllis V. Anderson or Phyllis V. La Belle.
A-6811190, Fago, Vincenzo Tommaso (alias Thomas Vincent Fago).
A-2778955, Fantini, Arturo, or Arthur Fantini.
A-5805711, Ferguson, William.
A-6367899, Fernandez, Enrique Romo, or Enrique Romo or Enrique Garraci Fernandez.
A-4862365, Figlioli, Mario.
A-4150490, Flores, Julia Delfina (nee Torres).
A-6238100, Flores, Jesus, or Jesus Flores Sanchez.

A-6238101, Flores, Pablo, or Pablo Flores Sanchez or Pablo Flores.
A-5535019, Flores-Soto, Alfredo, or Alfredo Flores or Alfredo Soto Flores.
A-6343699, Floru, Stergiani.
A-6350844, Frangopoulos, Chrisi or Frank (nee Fourkalidos (Fourlkidou)), or Chrisi Frank.
A-6400942, Futris, John George.
A-6246456, Gardikis, Ourania (nee Economou).
A-2484437, Giovara, Alfredo.
A-6288108, Goldstone, Anna (nee Leitner).
A-2826179, Gouin, Gaston Etienne Joseph.
A-6380537, Goyan, Eugenia Jean Jennie.
A-5401984, Grenzow, Richard Wilhelm (alias Richard Grenzow).
A-6405590, Hamilton, Edward Herbert (alias Archibald Edward Valentine).
A-6170336, Hamm, Remedios Tamayo.
A-4557126, Han, Maolin, or Mao Lin Han or Kiu Yueh Han.
A-1823731, Hansen, Victor Andrew.
A-2895893, Hanttu, Lydia.
A-4451747, Harris, Andre Thomas, or Andre Horace or Andre Toussaint Harris.
A-6212903, Heiden, Violet Delores.
A-6323057, Hernandez, Juan, or Juan Medina Hernandez.
A-1835499, Hidalgo, Hilario Marzann.
A-5969818, Hipp, Doris Amy Louise (nee Gilvear, formerly Faucett or Fawcett).
A-6322459, Hofman, Teunis Baan.
A-6816865, Hoy, Martha Smiley (alias Martha Hoy).
A-6811774, Issenmann, Adriana.
A-6811623, Johnson, John Oran, or Andrew John Johnson.
A-6671906, Jung, Marlene, or Marlene Yung.
A-4796715, Kellegian, Dorothy Michelle, or Elisa Horaks Rodriguez or Elisa Morales.
A-6162954, Kernkraut, Charles (Chaim).
A-6045024, Keyes, John William.
A-1012102, Kowrkounakis, George Konstantinos.
A-6429788, Kuoppamaki, Liisa.
A-6261597, Lambouris, Constantina (nee Kostanos).
A-6715868, La Motte, Goetz Walter de.
A-4176832, Lee, Mew Tin, Mrs. (alias Yin Fung Leong alias Siu Bing Bing).
A-3310474, Leonard, Mary Frances (nee Industrious).
A-3875481, Liang, Mary (alias Liang Mah Lee).
A-6024662, Lilland, Torolf Johan.
A-6385160, Luana, Ignacio.
A-1252627, Lutkes, Mary or Lutkevicus (nee Venik).
A-6509112, Madamba, Helen Marie.
A-3164260, Marethe, Indu (nee Indu Hari Lewate or Indu Shankar Marathe).
A-6397726, Markogiannis, Georgia (nee Pappas).
A-9635770, Markogiannis, Michael George or Mike Markogiannis.
A-6166166, Martinez, Mariana, or Alfonso Y Diaz.
A-3092340, Marulis, John Efstathios, or John E. Marulis or Ioannis Maroulis.
A-5470955, Matthias, Christophena (nee Sparks).
A-6855173, Melendrez-Colunga, Francisco.
A-6827607, Mertikas, Constantinos.
A-3152201, Mezzina, Giovanni.
A-5804110, Mika, Jessie Air (nee Jessie Wilkie Air).
A-6048520, Mococain, Juan Guillermo (Clark), or John William Mococain.
A-7593654, McCann, Doris.
A-6316401, McCarthy, Mary Ellen (nee Shallow).
A-5137396, McDade, Emma Theresa (nee McNamara).
A-5262105, McMurray, Lorenza Cecile.
A-6326677, Nolan, Ada Phyllis.
A-6827000, Noriega-Bonilla, Blas.
A-6050604, Pietrolaj, Heronima.
A-3708197, Palatin, Julia (nee Julia Schauer or Julia Polatin alias Elizabeth Kocisz).
A-6491634, Paneth, Eidel (nee Eidel Moscovici).
A-6288475, Panteleakis, Nicolas Panagiotis.
A-7707086, Patino, Jesus Maria Rodriguez y, or Jesus Rodriguez.
A-1573671, Patrik, Jan Mike, or John Petrik or Patrick.
A-5817429, Pelleck, Jennie (nee Jennie Piala).
A-6827105, Pena, Adan Flores.
A-5622568, Pesce, Attilio.
A-6143858, Pinto, David Edison Maddox.
A-6690315, Ramirez, Maria.
A-3886946, Rauch, Anita (nee Steil alias Starick and Antonina Rozalja Steil).
A-5190183, Regis, Adelina Ramirez Luna.
A-6437512, Robinson, Julienne Marie (nee Devincke).
A-1450969, Ryan, Daniel James, or Daniel James O'Ryan.
A-6303971, Sanchez, Clara, or Sara Sanchez or Clara Sanchez de Mendoza.
A-3167966, Santoro, Salvatore, or Salvatore Aniello Santoro.
A-3726899, Schaumburg, June Hadfield (alias nee June Hobson).
A-4588739, Schooff, Wilhelm Emil, or Willie Schoof or Schooff.
A-6268892, Shunda, Olimpia Babu (nee Olimpia Babu).
A-6054882, Silva-Pena, Jose Diego Cecilio De Jesus, or Cecilio Silva-Pena.
A-6054860, Silva, Marciala Calderon Parra De.
A-2726809, Simon, Gladstone Emanuel.
A-5613177, Skytte, Jenny Margrethe (nee Jenny Margrethe Marcussen).
A-6837715, Smales, Thomai, or Thelma Thomai Smales or Thelma Thomai Papacosta (maiden name).
A-6839267, Smith, Ronald George.
A-1233170, Swaleh, Abdu Ibn, or Edwin Gaurick Bey.
A-1990120, Tomecek, Gabriel Vincent.
A-454C102, Vda, De Ruiz, Juana Cristan, or Juanita Tristan.
A-6263031, Villa, Maria Ester Medrano de.
A-6782677, Viner, Gladys (nee Robinson).
A-2749887, Wing, Chew, or Gueng Lai or Siu Hoo or Slu Hoo Wing or Jew Shee or Chew Gee.
A-6145607, Wise, Consuelo Emilia.
A-5468253, Wolfel, John, or Mike Deal or Joan or Johann Wolfel.
A-6610614, Wong, Lee Wai Lan (nee Wai Lan Lee or Wong Lee Shee).
A-5971920, Wong, Lok-Yee Lois (nee Wang or Lois Lok-Yee Wong Nee Wang).
A-6354313, Woods, Colette Levy (nee Colette Marthe Nelly Levy).
A-1689915, Woszczynski, Konstanty, or Konstant Woszczynski.
A-2400433, Tso, Chee Wah, or Gin Lung Tso.
A-2079296, Young, Hew Som.
A-2976738, Yuan, Hyan Yu.
A-1397613, Zajic, Louis, or Ladislaw Zajic.

FRANK O. WARD

The bill (H. R. 1053) for the relief of Frank O. Ward was considered, ordered to a third reading, read the third time, and passed.

FREDERICK W. LASS

The Senate proceeded to consider the bill (H. R. 1058) for the relief of Frederick W. Lass.

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator from Nevada a question with regard to this bill. Reserving the right to object, I am wondering if the Post Office Department has a uniform policy for the provision of locker space. While I know that the amount involved in the bill is small, yet the condition probably is of frequent occurrence throughout the country. I ask if the Senator knows whether the Post Office Department has a uniform policy for providing locker space for its employees, to prevent such situations happening?

Mr. McCARRAN. I think it depends on the individual office. Some offices do furnish such space, and some do not. I am not familiar with the general practice. That is about the best answer I can give under the circumstances.

Mr. SCHOEPPEL. Does the Senator feel that it is important that the Post Office Department should have some uniform policy, if we are to receive quite a large number of such claims each session?

Mr. McCARRAN. If we were to receive a large number of such claims, I should say so; but I do not think we shall receive a great number of such claims. Each claim stands on its own footing.

The VICE PRESIDENT. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

LORRAYNE E. GRAUS

The bill (H. R. 1062) for the relief of Lorrayne E. Graus, was considered, ordered to a third reading, read the third time, and passed.

RALPH A. WOOD

The bill (H. R. 1497) for the relief of Ralph A. Wood, was considered, ordered to a third reading, read the third time, and passed.

AL W. HOSINSKI

The bill (H. R. 2249) for the relief of Al W. Hosinski, was considered, ordered to a third reading, read the third time, and passed.

EXCHANGE OF CERTAIN FISHERY FACILITIES IN THE STATE OF WASHINGTON

The Senate proceeded to consider the bill (H. R. 1222) to authorize the exchange of certain fishery facilities within the State of Washington.

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation of this measure.

Mr. MAGNUSON. Mr. President, the bill merely provides for transfer to the Federal Government of title to the fish hatchery owned by the State of Washington. The Federal Government is now operating the hatchery. The State is giving the Federal Government title.

Mr. WHERRY. Is any appropriation involved?

Mr. MAGNUSON. No.

Mr. WHERRY. It is simply a transfer of title?

Mr. MAGNUSON. It is simply a transfer of title.

The VICE PRESIDENT. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ADVANCES IN PAY TO CERTAIN ARMED SERVICES PERSONNEL—BILL PASSED OVER

The bill (S. 1536) to authorize advances in pay to personnel of the Army, Navy, Air Force, and Marine Corps upon permanent change of station, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator from Maryland [Mr. TYDINGS] a question. I note that in the bill there is a provision which takes care of commissioned and warrant officers, and enlisted men of the first, second, and third grades of the Army, the Navy, the Air Forces, and the Marine Corps. What is wrong with the other folks in the services, who are just ordinary individuals?

Mr. TYDINGS. Mr. President, this puts all of the services under the same rule. Heretofore the enlisted men were left out. This puts them under the same provision which already exists with respect to commissioned and warrant officers.

Mr. SCHOEPPEL. I am wondering if we might not consider an amendment to strike out, after the words "of the" in line 4, the words "first, second," and striking out in line 5 the words "and third grades of the." That would entitle any enlisted man to the benefits.

Mr. TYDINGS. What is the Senator's proposal?

Mr. SCHOEPPEL. To amend by striking out, after the words "of the", in line 4, the words "first, second,"; and by striking out, in line 5, the words "and third grades of the." In my opinion, that would provide that any enlisted man could receive the 3 months' factor of consideration.

Mr. TYDINGS. As the Senator is aware, this applies primarily to changes in station. It is proposed to extend the benefits to enlisted men, but only to those enlisted men who are making a career of the service. It would not apply to the man who comes in for one "hitch," or for a short period of time, such as one enlistment. This applies to those who make a career of the service, and who, therefore, are entitled to the consideration provided for in the bill. It does not apply to every person in the service, because many of them come in for only one enlistment. I use this term with no reflection on the others, but those who make a career of the service are, generally speaking, the more responsible elements of the armed services. The bill applies to those in that category who may have to change stations.

Mr. TAFT. Mr. President, what is the distinction between the action of the committee in subsection (a) and subsection (b)? In subsection (b) the committee strikes out "of the first, second, and third grades." Why should not that language be stricken out in subsection (a)?

Mr. TYDINGS. There are a few stations where there are no paymasters. There are certain islands in the Pacific, such as the Marshalls or the Marianas, where there are only a few men. They have no paymaster to pay them directly. This bill provides that they may be paid, even though no paymaster is available. That is the reason for the second provision. Otherwise those men would have to wait for 2 or 3 months to get their money. This is an attempt to take care of a few men who would not get their pay unless such a provision were written into the law. However, that is not the question which the Senator from Kansas [Mr. SCHOEPPEL] has raised. I hope I have cleared up this question before I return to the interrogation of the Senator from Kansas.

Mr. TAFT. Subsection (b) deals with the advance of pay, just as subsection (a) does. I do not see the difference. One provides for an advance at distant stations and the other for an advance at home. I do not understand the distinction.

Mr. TYDINGS. I do not know whether the Senator has read the report. I have tried to explain the situation without going into all the details. The report is thoroughly comprehensive. Perhaps it would save time if I were to read the report, which covers all the ramifications of possible questioning:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to place all the armed services on the same basis insofar as authority to advance pay to personnel is concerned. This involves a case of permanent change of station or assignment to duty at distant stations where pay cannot be disbursed regularly.

EXPLANATION OF THE BILL

Under present law, officers of the Navy and Marine Corps who are ordered to and from sea duty, and to and from shore duty outside of the continental limits of the United States, may be authorized to draw advance pay not in excess of 3 months. In the past this has been deemed necessary for the Navy and Marine Corps because of frequent changes of station and abnormal expenses incurred during such periods.

Similarly section 1563 of the Revised Statutes presently authorizes the President to direct advances in pay as he deems necessary to persons in the naval service on distant stations where pay and allowances cannot be disbursed regularly. This is because personnel would be separated from paymasters for many months and would suffer financial hardships thereby. This bill, as amended, proposes to extend these same authorities to officers and enlisted personnel of all the armed services including the Coast Guard.

This bill should result in no increased cost to the Government. The only possibility of additional cost would be when a man who has received an advance of pay would be separated from the service by death or desertion. While this is a possibility it is certainly a very negligible factor and it is impossible to estimate with any degree of accuracy.

Let me say that the experience shows that in the Navy not a single dollar had been lost because of the advance of pay. The experience table showed that where there has been advances of pay, the men had performed their duties and simply had received in advance the pay which they would have received in any event.

In answer to the Senator from Kansas, let me state that the reason why the bill is limited in its application is that it would not be desirable to have it apply to every member of the armed forces, because of desertions, perhaps because of a. w. o. l. cases, and similar instances. The bill is made to apply only to what the armed services deem the more responsible branches of their personnel.

Mr. SCHOEPPEL. I may say to the distinguished Senator that I hesitate to say so, but I do not believe I can follow in thinking that probably there would be a lesser degree of responsibility on the part of the plain enlisted men than there would be on the part of some of the men in the upper brackets of the armed services.

Mr. TYDINGS. This measure applies primarily to warrant officers who are married and have families. The bill does not apply generally to the individual enlisted men who have no families. Therefore, when a man is making a career of the armed services, it is deemed necessary to extend this privilege, which heretofore for the most part has applied only to officers. But in extending it, the committee thought it should be extended with caution; otherwise the Government would lose a considerable sum of money.

The VICE PRESIDENT. The Senator's time has expired.

Mr. SCHOEPPEL. Mr. President, I wish to pursue this matter further.

Certain enlisted men might wish to change their status, and might wish to make a career of the service. Enlisted men in that category would feel there was discrimination in regard to this matter.

Mr. TYDINGS. No; because if a man were making a career of the service he would be in either the first, second, or third category, because after a man has served one enlistment, the chances are that he will have progressed to one of the preferred categories.

But the Department felt that if it made the advance of pay apply to all enlisted men, so that all of them would get their pay in advance, as to some men in process of being transferred, and temporarily on their own, in some cases, such a provision might not be conducive to their arriving at their destination on time.

So the bill has been restricted mainly to those who have families—who have responsibilities, and who have greater need.

Mr. SCHOEPPEL. Mr. President, I should like to ask the distinguished Senator from Maryland whether he would have any objection to having this measure passed over until the next calendar day.

Mr. TYDINGS. None at all.

The VICE PRESIDENT. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1393) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study, was announced as next in order.

Mr. TYDINGS. Mr. President, I should like to give a word of explanation of the bill.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Yes, Mr. President; by request, I should like to have this measure go over.

The VICE PRESIDENT. The bill will be passed over.

CONSTRUCTION OF EXPERIMENTAL SUBMARINES

The bill (S. 1505) to amend the act entitled "An act to authorize the construction of experimental submarines,

and for other purposes," approved May 16, 1947, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, in connection with this measure, I note from the report that the bill as now reported provides for an increase in the amount of half a million dollars over the amount requested by the Department of the Navy.

Mr. TYDINGS. The total amount is $11,000,000.

Mr. SCHOEPPEL. That is correct; but in the final analysis, as I understand the bill, it now would call for an increase of $500,000 over the amount estimated as needed by the Department of the Navy.

Mr. TYDINGS. Mr. President, if the Senator will allow me to make a brief explanation, I should like to point out that some time ago the Congress passed a law providing for the construction of experimental submarines. The Senator from Kansas is aware of the fact, of course, that today the submarine is passing through a metamorphosis because of recent inventions, and thus it is important for the Navy to know how to deal with the submarine of the future, as equipped with snorkels and other devices. So it was desired that two submarines, I believe, of an experimental nature be constructed. A limitation was placed in regard to the amount of money which could be used in carrying on such a project.

After the submarines were under construction, it was found that the work of an experimental nature desired could not be completed under the ceiling imposed as to the expenditure of funds for that purpose. Therefore, representatives of the Navy Department came before the committee and requested that the ceiling be raised so that these experiments could be carried out in full and so that the Navy would be acquainted with the facts which it desired to ascertain.

Mr. SCHOEPPEL. I should like to say to the distinguished Senator that as late as March 24, 1949, the Acting Secretary of the Navy by letter to the distinguished Senator from Maryland indicated that the estimated cost of this work was $10,500,000. I wonder whether the Senator from Maryland has any objection to limiting the bill to that amount rather than to the proposed additional half million dollars.

Mr. TYDINGS. Mr. President, I am sorry, but I was unable to understand all the Senator said. Frankly, all his words did not carry to this side of the Chamber.

Mr. SCHOEPPEL. I said that the letter from the Acting Secretary of the Navy, under date of March 24, 1949, addressed to the Senator from Maryland, indicates that the estimated cost of this work is $10,500,000.

Mr. TYDINGS. That is correct.

Mr. SCHOEPPEL. I was considering the possibility of making a saving of half a million dollars—a matter in which I know the Senator from Maryland is also vitally interested.

Mr. TYDINGS. I shall tell the Senator why provision for the $11,000,000 was included in the bill. We had before the committee the men in charge of the project. Upon questioning them thoroughly and in some detail, we arrived at the fact that it would be better to provide $11,000,000 rather than $10,500,000, so as to permit the completion of all the experiments which were under way. That is why the $11,000,000 figure is included in the bill.

The VICE PRESIDEIT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

That the proviso contained in the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947 (61 Stat. 96), is hereby amended by striking out "$30,000,000" and inserting in lieu thereof "$41,000,000."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPEAL OF CERTAIN OBSOLETE NAVAL LAWS

The bill (S. 1794) to repeal certain obsolete provisions of law relating to the naval service was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, I have been asked to have this bill passed over, in behalf of the Senator from North Dakota [Mr. LANGER] who wanted to go into it further before it is considered.

The VICE PRESIDENT. The bill will go over.

Mr. WHERRY subsequently said: Mr. President, I wish to invite the attention of the Senator from Maryland to the fact that I was confused in the calendar number which the Senator from North Dakota [Mr. LANGER] desired to have passed over. I asked to have Calendar 414, S. 1794, passed over, and there was no objection to that. The Senator's objection was to Calendar 415, S. 1955. I ask unanimous consent to return to Calendar 414, that it may be taken up at this time, and then I am going to ask the distinguished Senator if, by unanimous consent, we may return to Calendar 415, that we might have it reconsidered, at least.

Mr. TYDINGS. That is perfectly satisfactory.

The VICE PRESIDENT. Is there objection to the unanimous-consent request to return to Calendar 414, the bill S. 1794?

There being no objection, the bill (S. 1794) to repeal certain obsolete provisions of law relating to the naval service, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following acts and parts of acts are hereby repealed:

Section 434, Revised Statutes.

That portion of the first sentence of section 436, Revised Statutes, which reads as follows: "or professor of mathematics"; and the second sentence of said section, which reads as follows: "Such officer or professor, when so employed, shall be entitled to receive the shore-duty pay of his grade, and no other."

Section 1367, Revised Statutes.
Section 1381, Revised Statutes.
Section 1401, Revised Statutes.
Section 1402, Revised Statutes.
Section 1403, Revised Statutes.
Section 1404, Revised Statutes.
Section 1408, Revised Statutes.
Section 1409, Revised Statutes.
Section 1417, Revised Statutes, as amended.
Section 1435, Revised Statutes.
Section 1480, Revised Statutes, as amended.
Section 1537, Revised Statutes.
Section 1538, Revised Statutes.
Section 1539, Revised Statutes.
Section 1546, Revised Statutes.
Section 1564, Revised Statutes.
Section 1600, Revised Statutes.
Section 4750, Revised Statutes.
Section 4752, Revised Statutes.
Section 4753, Revised Statutes.
Section 4754, Revised Statutes.
Section 4755, Revised Statutes.

Paragraph 22 of the act of September 28, 1850, which is the fourth full paragraph on page 515, volume 9, Statutes at Large, and which reads as follows: "And the pay of the superintendent of the naval school at Annapolis shall be at the rate allowed to an officer of his rank, when in service at sea."

Joint Resolution No. 25 of March 3, 1863 (12 Stat. 825).

That part of the act of June 30, 1876, under the heading "Bureau of construction and repair," which appears on pages 69 and 70, volume 19, Statutes at Large, and which reads as follows: "And no increase of the force at any navy yard shall be made at any time within 60 days next before any election to take place for President of the United States, or Member of Congress, except when the Secretary of the Navy shall certify that the needs of the public service make such increase necessary at that time which certificate shall be immediately published when made."

Paragraph 6 of the act of May 4, 1878, which is the second full paragraph on page 50, volume 20, Statutes at Large, and which reads as follows:

"That on and after the 1st day of July 1878, there shall be no appointments made from civil life of secretaries or clerks to the admiral, or vice admiral, when on sea service, commanders of squadrons, or of clerks to commanders of vessels; and an officer not above the grade of lieutenant shall be detailed to perform the duties of secretary to the admiral or vice admiral, when on sea service, and one not above the grade of master to perform the duties of clerk to a rear admiral or commander, and one not above the grade of ensign to perform the duties of clerk to a captain, commander, or lieutenant commander when afloat: *Provided*, That the secretaries and clerks in service on the 1st day of July 1878, on vessels abroad, shall continue as such until such vessel shall return to the United States on the termination of its cruise."

So much of the fifth paragraph of the act of March 3, 1883, as it appears on page 473, volume 22, Statutes at Large, and which reads as follows: "And all officers of the Navy shall be credited with the actual time they may have served as officers or enlisted men in the Regular or volunteer Army or Navy, or both, and shall receive the benefits of such actual service in all respects in the same manner as if all said service had been continuous and in the Regular Navy in the lowest grade having graduated pay held by such officer since last entering the service: *Provided*, That nothing in this clause shall be so construed as to authorize any change in the dates of commission or in the relative rank of such officer: *Provided further*, That nothing herein contained shall be so construed as to give any additional pay to any

such officer during the time of his service in the volunteer Army or Navy."

Section 2 of the act of August 3, 1886 (24 Stat. 215), as amended.

So much of section 5 of the act of June 29, 1868, as it appears on page 210, volume 25, Statutes at Large, and which reads as follows: "shall receive the sea-pay of his grade, and * * *."

The second paragraph under the heading "Pay of the Navy" of the act of March 3, 1901, which is the first full paragraph on page 1108, volume 31, Statutes at Large, and which reads as follows: "That the advancement in rank of officers of the Navy and Marine Corps, whensoever made, for service rendered during the war with Spain, pursuant, respectively, to the provisions of sections 1506 and 1605 of the Revised Statutes, shall not interfere with the regular promotion of officers otherwise entitled to promotion, but officers so advanced, by reason of war service, shall, after they are promoted to higher grades, be carried thereafter as additional to the numbers of each grade to which they may at any time be promoted; and each such officer shall hereafter be promoted in due course, contemporaneously with and to take rank next after the officer immediately above him; and all advancements made by reason of war service shall be appropriately so designated upon the official Navy list: *Provided, however,* That no promotion shall be made to fill a vacancy occasioned by the promotion, retirement, death, resignation, or dismissal of any officer who, at the time of such promotion, retirement, death, resignation, or dismissal, is an additional member of his grade under the foregoing provisions."

So much of the first sentence after the subheading "Bureau of Supplies and Accounts" of the act of March 18, 1904, as it appears on page 121, volume 33, Statutes at Large, and which reads as follows: "a civilian assistant, who shall perform the duties of chief clerk, and in case of the death, resignation, sickness, or absence of both the Paymaster General of the Navy and his assistant, now provided for by law, unless otherwise directed by the President, as provided by section 179, Revised Statutes, such civilian assistant shall become the acting chief of the Bureau."

So much of the fourth paragraph under the subheading "Increase of the Navy, Equipment" of the act of May 13, 1908, as it appears on page 159, volume 35, Statutes at Large, and which reads as follows: "and monitors now owned by the United States or hereafter built may be named as the President may direct."

The second paragraph under the subheading "Contingent, Navy" of the act of March 4, 1911, which appears on page 1267, volume 36, Statutes at Large, and which reads as follows:

"That officers on the active list of the line of the United States Navy who, under authority of law, now perform engineering duty on shore only are hereby made additional to the numbers in the grades in which they are now serving, and shall be carried as additional to the numbers of each grade to which they may hereafter be promoted: *Provided,* That said officers shall be entitled to all the benefits of retirement under existing or future laws equally with other officers of like rank and service."

The second paragraph under the subheading "Contingent, Navy," of the act of March 3, 1915, which appears on page 930, volume 38, Statutes at Large, and which reads as follows:

"Hereafter officers who now perform engineering duty on shore only and officers of the Construction Corps shall be eligible for any shore duty compatible with their rank and grade to which the Secretary of the Navy may assign them."

The ninth paragraph under the subheading "Improvement of construction plants" of the act of March 3, 1915, which appears on page 945, volume 38, Statutes at Large, and which reads as follows:

"Officers of the line of the Navy who have had not less than 3 years' service in the grade of ensign and have taken or are taking satisfactorily a post-graduate course in naval architecture under orders from the Secretary of the Navy shall be eligible for transfer to the grade of assistant naval constructors: *Provided,* That there shall not be more than five such transfers in any one calendar year and that the total increase in the number of naval constructors and assistant naval constructors by reason of such transfers shall not exceed 24."

The following portions of the act of August 29, 1916, chapter 417, volume 39, Statutes at Large, page 556:

(a) Paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 21, and 23 under the heading "Naval Flying Corps" in such chapter, which appears on pages 582, 583, 584, 585, and 586.

(b) The last full paragraph, as amended, under the heading "Naval Militia and National Naval Volunteers" in such chapter, which is the fourth full paragraph on page 600.

(c) So much of the third paragraph under the subheading "Increase of the Navy, ammunition," in such chapter, as it appears on pages 617 and 618, and which reads as follows: "That each and every employee of the navy yards, gun factories, naval stations, and arsenals of the United States Government is hereby granted 30 days' leave of absence each year, without forfeiture of pay during such leave: *Provided further,* That it shall be lawful to allow pro rata leave only to those serving 12 consecutive months or more: *And provided further,* That in all cases the heads of divisions shall have discretion as to the time when the leave can best be allowed: *And provided further,* That not more than 30 days' leave with pay shall be allowed any such employee in 1 year: *Provided further,* That this provision shall not be construed to deprive employees of any sick leave or legal holidays to which they may now be entitled under existing law."

So much of the first paragraph under the heading "Pay, miscellaneous," of the act of July 1, 1918, which appears on page 705, volume 40, Statutes at Large, and which reads as follows: "*Provided,* That hereafter the Secretary of the Navy is authorized to consider, ascertain, adjust, determine, and pay the amounts due on all claims for damages to and loss of private property of inhabitants of any European country not an enemy or ally of an enemy when the amount of the claim does not exceed the sum of $1,000, occasioned and caused by men in the naval service during the period of the present war, all payments in settlement of such claims to be made out of 'Pay, miscellaneous.'"

Paragraph 6 of section 3 (Personnel) of the act of June 24, 1926 (44 Stat. 767).

The last two paragraphs under the heading "Bureau of Supplies and Accounts, pay, subsistence, and transportation of naval personnel" in the act entitled "An act making appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1931, and for other purposes," approved June 11, 1930 (46 Stat. 567, ch. 463), concerning the discharge of minors in the Navy and Marine Corps.

Sections 2, 3, 4, 5, 6, 7, and 8 of the act of March 3, 1931 (46 Stat. 1482).

Act of July 17, 1935 (49 Stat. 482).

AUTHORITY TO ACCEPT FOREIGN DECORATIONS

The bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. LODGE. Mr. President, I should like to ask the Senator from Maryland whether this bill applies entirely to civilians?

Mr. TYDINGS. It applies to scientists, civilians who are outstanding men in their line, and who performed certain scientific services during the war.

Mr. LODGE. Is it the invariable practice to have an act of Congress to enable a civilian official of the Government to receive a foreign decoration?

Mr. TYDINGS. I think it is; if he is in the employ of the Government, certainly.

Mr. LODGE. And does that apply to a decoration from any country, not simply the United Kingdom?

Mr. TYDINGS. The Constitution requires that such matters be cleared in the normal way specified therein.

Mr. LODGE. It is unnecessary, however, is it not, to get legislative authorization for a military person to receive a foreign decoration?

Mr. TYDINGS. Yes; it is. It is, now that the war is over. Of course, during the war a different situation exists.

Mr. LODGE. During the war it was not necessary, was it?

Mr. TYDINGS. That is correct. That law has expired. I may say to the Senator from Massachusetts, the Congress passed a special act, applying only during the length of the war, which permitted military and other personnel to accept foreign decorations during the war. But since that act has expired, it becomes necessary in each case, military or civilian, to have special legislation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TAFT. Is the war over?

Mr. TYDINGS. I should say some phases of it seem to be going on with increased intensity.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TOBEY. Does this bill cover the general who is connected with the White House?

Mr. TYDINGS. No; it does not. It has nothing to do with any military personnel. These are all scientists, Vannevar Bush and men of that category.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That (a) each of the persons hereinafter named is hereby authorized to accept the award of the decoration described after his name, tendered to him by the Government of the United Kingdom in recognition of the valuable services rendered by him to the Allied cause during World War II in the field of scientific research and development:

Dr. Vannevar Bush, of the National Advisory Committee for Aeronautics—Honorary Knight Commander of the Civil Division of the Most Excellent Order of the British Empire;

Dr. Jerome C. Hunsaker, of the National Advisory Committee for Aeronautics—Hon-

orary Commander of the Civil Division of the Most Excellent Order of the British Empire;

Dr. Hugh L. Dryden, of the National Advisory Committee for Aeronautics—Honorary Officer of the Civil Division of the Most Excellent Order of the British Empire; and

Carroll L. Wilson, of the Atomic Energy Commission—Honorary Officer of the Civil Division of the Most Excellent Order of the British Empire.

(b) Each of the persons hereinafter named is hereby authorized to accept the award of the King's Medal for service in the cause of freedom tendered to him by the Government of the United Kingdom in recognition of the valuable services rendered by him to the Allied cause during World War II in the field of scientific research and development;

Dr. A. V. Astin, of the National Bureau of Standards;

Dr. Fred C. Bishopp, of the Department of Agriculture;

John C. Green, of the Department of Commerce;

Dr. Lawrence R. Hafstad, of the Atomic Energy Commission;

Dr. Edward F. Knipling, of the Department of Agriculture;

Dr. David B. Langmuir, of the Atomic Energy Commission;

Dr. J. Robert Oppenheimer, of the Atomic Energy Commission;

Dr. Eugene W. Scott, of the Research and Development Board of the National Military Establishment; and

Dr. William E. Story, Jr., of the Department of the Army.

SEC. 2. The Department of State is authorized to deliver to each such person the decoration described in section 1 of this act, together with any appurtenance thereto and any document evidencing such award.

Mr. WHERRY subsequently said: Mr. President, I ask unanimous consent that the vote by which the bill (S. 1955), Calendar No. 415, was passed, be reconsidered, with the idea that it be passed over at least temporarily.

The VICE PRESIDENT. Is there objection?

There being no objection, the vote by which the bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, was reconsidered, and the bill was temporarily passed over.

ATTENDANCE OF UNITED STATES MARINE BAND AT CONFEDERATE VETERANS' ANNUAL REUNION

The bill (H. R. 3341) to authorize the attendance of the United States Marine Band at the fifty-ninth annual reunion of Confederate veterans to be held in Little Rock, Ark., September 27 through September 29, 1949, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. TYDINGS. I desire to make a short announcement in connection with the passage of the bill. The number of Confederate veterans and the number of Union veterans of the Civil War, who are now alive can almost be counted on the fingers of one hand. The committee, in granting the request for the Marine Band for this reunion, felt there were so few veterans left that we should not continue such authorization after this year, and I simply make that announcement so that those who may be interested may know how the committee feels about it.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

MEDAL FOR HUMANE ACTION

The bill (H. R. 2737) to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to the consideration of the bill.

Mr. TYDINGS. I send to the desk an amendment, which I ask to have considered.

The VICE PRESIDENT. The clerk will state the first amendment offered by the Senator from Maryland.

The LEGISLATIVE CLERK. On page 1, line 3, it is proposed to strike out "decoration" and insert "medal".

The amendment was agreed to.

The next amendment of Mr. TYDINGS was on page 2, after the word "person" in line 2, strike out the comma and the words "but for succeeding actions justifying the award of such medal the President may award a suitable bar or other device to be worn as he shall direct."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to establish the Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany."

BILL PASSED OVER

The bill (S. 595) relating to the internal security of the United States was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I request that the bill go over to the next calendar day.

The VICE PRESIDENT. Without objection, the bill will be passed over.

REGULATION OF SUBSISTENCE EXPENSES AND MILEAGE ALLOWANCE

The Senate proceeded to consider the bill (H. R. 3005) to regulate subsistence expenses and mileage allowance of civilian officers and employees of the Government, which had been reported from the Committee on Expenditures in the Executive Departments, with amendments, on page 2, after line 10, to insert a new subsection (4), as follows:

(4) The term "Members of Congress" means Senators, Representatives, Delegates, and Resident Commissioners."

On page 2, line 14, after the word "judges", to insert "covered by section 456 of title 28 of the United States Code"; on page 3, line 19, after the word "disbursing", to strike out "officers" and insert "officers," on page 4, after line 3, to insert a new section 6, as follows:

SEC. 6. Except as otherwise permitted by this act or by the laws relating to military personnel, only actual and necessary traveling expenses shall be allowed to any person holding employment or appointment under the United States.

On page 4, line 9, after the word "travel", to strike out "allowances," and insert "allowances and"; in line 10, after the word "expenses", to strike out "under the act of March 3, 1875 (5 U. S. C. 73)", and insert under this act"; in line 16, after the name "United States", to strike out the comma and "President of the Senate, of Senators, Representatives, Delegates, and Resident Commissioners", and insert "or any act providing for mileage allowances for the President of the Senate or Members of Congress"; in line 22, after the word "repealed", to strike out "All acts (other than the act of March 3, 1875 (5 U. S. C. 73), and appropriation items for examination of estimates in the field) providing for reimbursement of actual travel or transportation expense;" and insert "All acts (other than appropriation items for examination of estimates in the field), applicable to civilian officers or employees of the departments and establishments, providing for reimbursement of actual travel or transportation expense", and on page 6, line 1, after the word "on", to strike out "the thirtieth day after the date of its enactment", and insert "July 1, 1949."

The amendments were agreed to.

The VICE PRESIDENT. Without objection, the section numbers will be corrected to correspond with the text.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONFIRMATION OF NOMINATIONS FOR PROMOTION IN THE ARMED SERVICES

Mr. TYDINGS. Mr. President, in order to save the expense of printing, I send to the desk certain nominations making routine promotions in the armed services, and I ask unanimous consent, as in executive session, that they be confirmed and that the President be immediately notified.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nominations are confirmed, and the President will be immediately notified.

HEARINGS BEFORE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. Is a unanimous-consent request in order?

The VICE PRESIDENT. A unanimous-consent request is in order.

Mr. McCLELLAN. I ask unanimous consent that the Senate Committee on Expenditures in the Executive Departments may hold hearings this afternoon while the Senate is in session.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. McCLELLAN. I further ask unanimous consent request, Mr. President, that I may be permitted at this time to make a brief announcement about the hearing.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Arkansas may proceed.

Mr. McCLELLAN. Mr. President, and Members of the Senate, the Committee on Expenditures in the Executive Departments is now in the process of holding hearings on the Senate Joint Resolution 94 and also on Senate Joint Resolution 97, submitted by the minority leader. We are undertaking to expedite the hearings, and at the same time to be as thorough and to obtain as full information as possible. We are hoping to conclude the hearings this week, and I merely wanted again to invite every Senator who is interested in the subject matter and who feels he can make some contribution to the proceedings of the committee and to the very vital and important question of trying to balance the budget, to come before the committee with his suggestions. We are very anxious to expedite consideration of the matter. If we are to accomplish anything, we must act with expedition. I hope this will serve as an invitation and notice to each Member of the Senate, if he has any contribution to make, to do so.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. WHERRY. This is a joint committee, and of course the invitation is extended not only to Senators, but we are very anxious of course to have Members of the House come, although they may not be on the committee.

Mr. McCLELLAN. It is not actually a joint committee, but our committee invited the House Committee on Expenditures in the Executive Departments to sit with us and participate.

Mr. WHERRY. I commend the committee for the manner in which they are conducting the hearings. I think the invitation which has been openly broadcast should be accepted. I think the committee is dealing with one of the most important pieces of legislation scheduled for committee hearings at this time.

Mr. McCLELLAN. I thank the Senator. It is a difficult piece of legislation, I may say, and we need all the counsel and help we can get.

CONVEYANCE OF CERTAIN LANDS TO MARFA, TEX.

The bill (H. R. 1158) to provide for the conveyance by the United States to the city of Marfa, Tex., of certain land formerly owned by that city, was announced as next in order.

Mr. LODGE. Mr. President, I should like to ask whether this bill contains a provision that the local municipality shall make a contribution. I have no objection to the consideration of the bill; on the contrary, I shall be glad to vote for it. But there are other cases in the United States of Army posts which have been abandoned which the local communities want to reacquire. A question has been raised as to whether they should be required to make a contribution. I should like to ask the Senator from Arkansas whether there is a policy on that subject and whether that policy is represented in this particular bill.

Mr. McCLELLAN. I am very sorry, but I was engaged at the moment, and I shall have to ask the Senator to repeat his question.

Mr. LODGE. I should like to know whether this bill, which I understand does not contain a provision requiring the local community to make a contribution, represents a policy of the committee. There are many other bills relating to Army posts which have been abandoned, and which local communities would like to get back. I am wondering whether this bill is practically the same as the other bills.

Mr. McCLELLAN. Each bill will have to stand on its own merits. In this instance, as I recall the facts in the case, the property was originally acquired from the city without any compensation whatsoever, and substantially all the Government's investment has been disposed of as war-surplus property. The committee felt that since the land had become surplus, and the city wanted it back, it having donated it to the Government, and the Government having had the use and benefit of it, it was only fair to deed it back to the city.

Mr. LODGE. I have no objection at all. I just wondered what the policy was.

Mr. McCLELLAN. I do not think we can declare a fixed policy with reference to each bill, because circumstances may differ in each case.

Mr. WHERRY. Mr. President, reserving the right to object, may I ask the distinguished chairman of the committee or the distinguished Senator from Texas this question? The junior Senator from Oregon [Mr. MORSE] has opposed the transfer of such properties back to municipalities for any purpose unless a showing is made that the local communities contribute thereto. It seems to me this bill involves a different situation. If the city gave the Federal Government the land, in the first place, without any consideration at all, I should like to ask the distinguished Senator from Arkansas whether it is to be deeded back to the city without any consideration?

Mr. McCLELLAN. My recollection of the facts—and the senior Senator from Texas can correct me if I am in error—is that the city deeded the land to the Government for war purposes.

Mr. WHERRY. Without any consideration?

Mr. McCLELLAN. Without any consideration. But in the minutes of the meeting there was a reservation that when the land no longer served the purpose of the Government it was to be deeded back, although that reservation was not placed in the deed. The committee felt there was a moral obligation to reconvey the property to the city, because it is no longer needed for Government purposes.

Mr. WHERRY. In view of that statement I shall ask that the bill go over. I think it is in a different category from most of the bills to which the Senator from Oregon [Mr. MORSE] has objected. Inasmuch as there was no consideration paid by the Government for the land in the first instance, certainly if it is to be deeded back the municipality should receive the benefit of it.

Mr. LODGE. I agree that it is not in the purview of the bills to which objections have been made.

Mr. CONNALLY. Mr. President, in view of what has been said, I should like to state that the land was conveyed by the city to the Government without any compensation whatever. The city council held a meeting and passed a resolution authorizing the mayor to convey the land. It is a matter of public record. The resolution reads, in part, as follows:

> After some discussion it was agreed by the commission to transfer to the United States Government title to the following described property—
>
> And so forth.
>
> An open discussion with regard to transferring certain property known as the quartermaster area was entered into with Capt. James P. Murphy, the city commission being assured by Captain Murphy that in the event the United States Government no longer had use for the property, the Government would, upon request of the city of Marfa, restore title to the city.

Mr. WHERRY. There was no consideration at all; is that correct?

Mr. CONNALLY. That is correct; there was no consideration whatever. The camp has been abandoned. The Government does not need the land any further.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the bill (H. R. 1158) was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF PORTION OF FORT BROWN, BROWNSVILLE, TEX., TO INTERNATIONAL BOUNDARY AND WATER COMMISSION

The Senate proceeded to consider the bill (H. R. 1338) authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement which had been reported from the Committee on Expenditures in the Executive Departments with an amendment on page 3, line 11, after the word "situated", to strike out "subjected" and insert "subject."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF CONTRACT SETTLEMENT ACT OF 1944

The bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or materials in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

The VICE PRESIDENT. The Chair understands that there is a Senate bill on the calendar to the same effect.

Mr. SCHOEPPEL. Mr. President, may I inquire whether this bill is practically the same type of bill as that which was passed some time ago?

The VICE PRESIDENT. It is an entirely different bill from the bill reported by the committee.

Mr. SCHOEPPEL. May we have an explanation of the bill?

The VICE PRESIDENT. The Senator from Nevada, who reported the bill, is temporarily absent.

Mr. WHERRY. Mr. President, I ask that the bill go over temporarily.

Mr. ECTON. Mr. President, I am not a member of the Judiciary Committee which acted on a similar bill, but I am interested in it for the reason that in the Eightieth Congress I introduced a similar bill, and my colleagues, the senior Senator from Montana [Mr. MURRAY] and the senior Senator from Arizona [Mr. HAYDEN], introduced similar bills at this session. There have been extensive hearings on this bill in the House. All parties concerned have had an opportunity to be heard. The bill merely amends the Contract Settlement Act so as to carry out the intentions of the Congress when it passed the original Contract Settlement Act. It affects persons who, through no negligence of their own, went ahead during the war and invested their money in producing strategic materials for the war effort. I sincerely hope we can dispose of the House bill today.

The VICE PRESIDENT. Is there objection to the consideration of the bills, one being a Senate bill and the other a House bill?

Mr. ECTON. Mr. President, I move that the House bill be substituted for the Senate bill.

The VICE PRESIDENT. That motion is not in order at this time. The Senate can take up the Senate bill and substitute the House bill for it.

Mr. WHERRY. Mr. President, I move that the Senate proceed to consider Senate bill 528, which is Calendar No. 239.

Mr. LODGE. Reserving the right to object, before the question is put, I should like to ask whether there is a committee report on the bill we are supposed to consider. I cannot find one in the collection of documents before me.

Mr. TAFT. It is Report No. 259.

Mr. LODGE. But does it apply to House bill 834? I certainly think that in the interest of orderly procedure we should not consider a bill so long and so complicated as this one, unless we have a committee report in front of us.

The VICE PRESIDENT. The report is on the Senate bill. There is no report, apparently, on the House bill.

Mr. ECTON. It is the same bill.

Mr. LODGE. Are the bills identical?

Mr. WHERRY. Is the House bill identical with the Senate bill?

Mr. ECTON. They are the same. It is the identical bill which was introduced by the senior Senator from Montana [Mr. MURRAY] and the senior Senator from Arizona [Mr. HAYDEN].

Mr. WHERRY. I understand that, but I asked whether the House bill, on which the report is filed, is identical with the Senate bill.

The VICE PRESIDENT. It is not an identical bill. It was identical with the bill introduced, but the Senate committee amended the Senate bill very materially. Therefore the two bills are not identical.

Mr. LODGE. I have no views on the subject matter of the bill at all, but it seems to me that on a question so complicated as this we should have the routine documentation. For that reason I ask that the bill go over so as to give time for the preparation of a report which will apply to the bill we are to consider.

The VICE PRESIDENT. The bill will be passed over.

NATIONAL MONETARY COMMISSION

The Senate proceeded to consider the bill (S. 1559) for the establishment of the National Monetary Commission.

Mr. TAFT. May we have an explanation of the bill?

Mr. ROBERTSON. Mr. President, this is a bill to authorize the appointment of a monetary commission composed of 18 members. Six of the members are to be appointed by the President of the United States, six by the President of the Senate, and six by the Speaker of the House of Representatives. Nine of the members shall be Government officials, including the representatives of the Congress, and nine shall be private citizens. The group is to be bipartisan, with equal representation from the major parties.

The bill follows a very powerful recommendation submitted last December by the Research and Policy Committee of the Committee for Economic Development. In a 60-page brochure entitled "Monetary and Fiscal Policy for Greater Economic Stability," there is a review of the tremendous amount of currency in circulation, the debt structure, the international situation, and many factors that tend toward inequilibrium. The committee reported that it was very important in the postwar period to work for stability in our economic system.

The essence of the report was included in the recommendation of the Research and Policy Committee, and I read this statement from the report:

> Federal financial policy can and must be carried out with existing knowledge and instruments in such a way as to make a major contribution to economic stability. At the same time, we should be considering means of improving our instruments and policies for the future. The Research and Policy Committee recommends that a temporary Commission on National Monetary and Financial Policy be established to make a study of the possibilities of improving monetary, budgetary, and related policies. The Commission should be established by act of Congress. It should be nonpartisan and should include private as well as public members. Among the subjects which the Commission should study thoroughly are the procedure for making and coordinating financial policy, monetary policies, monetary control powers of the Federal Reserve, the supply of equity capital, the structure of the banking system, the monetary standard, and international finance.

Pursuant to that report, the chairman of the Senate Committee on Banking and Currency, the Senator from South Carolina [Mr. MAYBANK] and the ranking minority member, the Senator from New Hampshire [Mr. TOBEY], introduced the bill now under consideration. The bill was unanimously reported by the committee, and it has strong endorsement from the Federal Reserve Board.

Mr. MAYBANK. A parliamentary inquiry.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator will state it.

Mr. MAYBANK. Would any questions I might ask be counted against the 5 minutes to which the Senator from Virginia is entitled?

The PRESIDING OFFICER. The Chair rules that the time would be taken from the Senator's 5 minutes.

Mr. MAYBANK. I thank the Chair.

Mr. ROBERTSON. Mr. President, I hope very much that the Senate will pass the bill. In my opinion, we face some very serious fiscal problems, and they are very definitely correlated to need of the type of over-all study which will be made by both experts of the Government, experts of the Congress, and private experts, whose appointment is contemplated by the bill. It is expected that some of the best talent in the Nation will be called upon to serve on the commission if it shall be authorized. I am sure the small sum involved in financing the activities of the commission is infinitesimal in comparison with the benefits we hope will flow from the study to be made.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Can the Senator give us any indication about what the expenditures might be under the bill?

Mr. ROBERTSON. We have to make a rough guess. In any event, the Senator knows that a bill based upon a tentative budget estimate would have to be introduced, it would go to the Committee on Appropriations, and the expenditures would have to be justified. Offhand, I should say that the per diem and travel expenses of the nine private members of the commission could certainly be financed for $20,000. A staff, with one supervisor and one head for each of the seven specific subjects to be investigated, and their assistants, I should think could be financed for $60,000. I think that for another $20,000 we would get all the clerical help needed, and finance the expenditures for necessary stationery, communications, and

the like. Even if the commission should continue its work for a year, I would not anticipate that it would cost in excess of $100,000. If it could do its work in half a year, the expense would be much less.

We must bear in mind that the small investment we are proposing to make to study plans for stabilization is in the direction of a plan to make our money worth something. The Senator well knows we could easily drift into a condition of uncontrolled inflation in the years ahead, in which case our money would gradually become worthless. I hope very much the Senate will concur.

Mr. MAYBANK. Mr. President, I have little to add to what has been said about the bill now under consideration, which was introduced this year by me on behalf of the Senator from New Hampshire [Mr. TOBEY] and myself, on request of the Federal Reserve, and after consultation with them, and which was handled so ably by the Senator from Virginia [Mr. ROBERTSON], chairman of the subcommittee. I might merely state that last year the distinguished Republican leader on the committee introduced a similar bill, and, as I remember, it was unanimously reported by the committee. I think the bill will be of great benefit to the Federal Reserve, and will lead to future study, as the report filed on the bill shows.

Mr. TOBEY. Mr. President, I shall speak only a few minutes on the bill. I do not believe the Senate or the Congress could lend support to any piece of legislation which would be more far-reaching and have a more constructive influence for good than the bill now before the Senate. On no subject in the category of economic matters or financial matters is there such generally abysmal ignorance as there is respecting our economic system, and the ignorance is not entirely confined to Members of Congress. Here is a matter to which we should lend our support beyond peradventure. The gold we have in Fort Knox, the matter of foreign exchange, the value of the dollar, the purchasing power of the dollar, the matter of silver—all these connotations are included in this proposed legislation.

If the National Monetary Commission is established by law, I believe we can find for service as members of the Commission, capable men whose names mean something, and who command the respect and the confidence of the business and financial interests of the country. With such a commission under this legislation, we can go some place. I cannot believe anyone would oppose the bill. I believe it to be the most constructive thing for the common good I know of. I hope the bill may be passed, so the American people may know in plain, terse, epigrammatic language about the financial condition of the country. There is abysmal ignorance about it, and some of it is on the floor of the Senate today.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. ROBERTSON. Is it not a fact that it has been 41 years since Congress created the last monetary commission; and is it not also a fact that based on the report of that Commission the Federal Reserve System and the present banking laws were founded? But that system has not been reviewed from the national standpoint for over 40 years.

Mr. TOBEY. The times are ripe for it.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1559) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote and maintain the utmost stability of domestic and international trade, to the end that orderly commercial relationships built up by the citizens of the United States of America both within and without the country shall remain as free as possible from uncertainty concerning and arising from both the relative and absolute values of the currency of the United States, in terms both of commodities and of currencies of other countries.

ESTABLISHMENT OF THE NATIONAL MONETARY COMMISSION

SEC. 2. For the purpose of better enabling the Congress to carry out the policy set forth in section 1 hereof, there is hereby established a bipartisan commission to be known as the National Monetary Commission (in this act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 18 members as follows:

(1) Six appointed by the President of the United States, three from the executive branch of the Government and three from from private life; and

(2) Six appointed by the President of the Senate, three from the Senate and three from private life; and

(3) Six appointed by the Speaker of the House of Representatives, three from the House of Representatives and three from private life.

(b) Political affiliation: Of each group of six members mentioned in subsection (a), not more than three members shall be from each of the two major political parties.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Ten members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any (notwithstanding section 6 of the act of May 10, 1916, as amended; 39 Stat. 582; 5 U. S. C. 58), as is necessary to make his aggregate salary $12,500; and they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the final report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) Investigation: The Commission shall study and inquire into what changes are necessary or desirable in the banking and monetary system of the United States, or in the laws relating to banking and currency, by reason of domestic or international considerations or both. It shall investigate (without limitation) the present requirements and methods covering the matters of legal reserves of banks, eligible deposits, thereagainst, open-market operations of the Federal Reserve banks, adequacy or paucity of eligible paper other than Government obligations, specie reserves, foreign-exchange fluctuations, and any and all other factors in this or other countries which, in its judgment, may relate to the purposes set forth in section 1 hereof.

(b) Reports: The Commission shall make such interim reports as in its judgment are desirable. Its final report and recommendations shall be made to the Congress within 10 days after the Eighty-second Congress is convened and organized: *Provided*, That the Congress may by concurrent resolution extend the time therefor.

POWERS OF THE COMMISSION

SEC. 11. (a) The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, sit during the sessions or recess of Congress, at such times and places as it may deem desirable; send for persons and papers, administer oaths, summons, and compel the attendance of witnesses, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

BILL PASSED OVER

The bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Without objection, that measure will go over until the completion of the call of the calendar.

TRANSFER OF PORTION OF THE VIGO PLANT NEAR TERRE HAUTE, IND.

The bill (S. 1745) to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have a detailed explanation of the bill for the benefit of certain Members of the Senate?

Mr. McCLELLAN. Mr. President, I invite the Senate's attention to Senate bill 1745, Calendar No. 425, and also to the next bill on the calendar, Senate bill 1746, Calendar No. 426, and I shall give a brief explanation of both bills. The information I now give to the Senate comes from the Department of Justice.

Senate bill 1745 would authorize and direct the War Assets Administrator to transfer approximately 1,472 acres of land, with improvements, to the control and jurisdiction of the Attorney General, for the use of the Bureau of Prisons in connection with the United States penitentiary at Terre Haute, Ind., such transfer to be effected without reimbursement or transfer of funds.

Senate bill 1746 would authorize and direct a similar transfer of an additional 83.8 acres of land, with improvements.

The War Assets Administration, since this camp has been declared surplus, is under obligation of law and under direction to dispose of the property. In the meantime it has issued a revocable permit to the Department of Justice to use these lands in connection with the prison establishment. Now that the War Assets Administration must sell these lands, the purpose of the bill is to transfer the title to them to the Department of Justice to carry on the prison work. The 1,472-acre tract is farm land, and therefore may be used to implement the production of agricultural products for the prison. The other tract, the 83-acre tract, has a number of barracks on it, which are needed by the prison to accommodate civilian employees of the prison who have to live there. Many of them are veterans. In other words, the Government is actually not disposing of any property. It is simply transferring it to another agency of Government which needs it.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 1745?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the War Assets Administrator be, and he hereby is, authorized and directed to transfer to the control and jurisdiction of the Attorney General, for use in connection with the United States penitentiary at Terre Haute, Ind., all of that tract of land containing approximately one thousand four hundred and seventy-two acres, more or less, including all improvements thereon, being a portion of the Vigo plant, formerly the Vigo ordnance plant of the Department of the Army, near Terre Haute, in Vigo County, State of Indiana, now occupied and used for farming operations by the Bureau of Prisons of the Department of Justice under a revocable permit, dated the 21st day of July 1947, duly issued by the Department of the Army, which permit more particularly describes the land as follows, to wit: Beginning at a point where the center line of Sullivan Road intersects the center line of Boyll Road; thence east along the south lines of section 5, township 10 north, range 9 west, and section 4, township 10 north, range 9 west, to a point on the center line of the Boyll Road which is one thousand three hundred and twenty feet west of the southeast corner of section 4, township 10 north, range 9 west; thence due north five hundred and eighty-five and twenty-five one-hundredths feet; thence east one thousand four hundred and eighty-five feet; thence north seventy-four and seventy-five one-hundredths feet; thence east one thousand three hundred and twenty feet to the center line of Seventh Street Road; thence north along center line of Seventh Street Road to the center section line of section 3, township 10 north, range 9 west; thence east along center section line of section 3, township 10 north, range 9 west, to the east line of section 3, township 10 north, range 9 west, being the center line of United States Highway Numbered 41; thence north along the center line of United States Highway Numbered 41 to the intersection of the south line of section 34, township 11 north, range 9 west, and section 35, township 11 north, range 9 west, being also the center line of the township line or Bates-Harlan Road; thence west along the center line of said Bates-Harlan Road to a point which is approximately three thousand five hundred and sixty feet east of the northeast corner of section 5, township 10 north, range 9 west, being also the center line of the Sullivan Road; thence south and southwesterly along the center line of Sullivan Road to its intersection with the center line of Boyll Road, being the place of beginning and containing one thousand four hundred and seventy-two acres, more or less.

SEC. 2. There is excepted from the transfer provided for in this act that certain railroad right-of-way used and occupied by the Department of the Army, across the northerly part of the lands above-described.

SEC. 3. The transfer provided for in this act shall be effected without reimbursement or transfer of funds.

TRANSFER OF A PORTION OF THE VIGO PLANT NEAR TERRE HAUTE, IND.

The bill (S. 1746) to authorize the transfer to the Attorney General of the United States of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., for use in connection with the United States penitentiary at Terre Haute, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the War Assets Administrator be, and he hereby is, authorized and directed to transfer to the control and jurisdiction of the Attorney General of the United States, for use in connection with the United States penitentiary at Terre Haute, Ind., all of that tract of land containing approximately eighty-three and eight-tenths acres, more or less, including all improvements thereon, described as follows: Beginning at the point of intersection of the center lines of Dixie Highway Numbered 41 and Rice Road and extending north along the center line of Dixie Highway Numbered 41 approximately six hundred and fifty-six feet and thence northwest along the center line of Dixie Highway Numbered 41 approximately one thousand two hundred and nineteen feet to the point of intersection of the center lines of Dixie Highway Numbered 41 and Wabash Road and thence west from the point of intersection of the center lines of Dixie Highway Numbered 41 and Wabash Road approximately one thousand six hundred and eighty-eight feet to the point of intersection of the center lines of Wabash Road and Sycamore Road and thence south from the point of intersection of Wabash Road and Sycamore Road approximately one thousand seven hundred and eighty feet to the point of intersection of the center lines of Sycamore Road and Rice Road and thence east from the point of intersection of the center lines of Sycamore Road and Rice Road approximately two thousand two hundred and nineteen feet along the center line of Rice Road to the point of intersection of the center lines of Rice Road and Dixie Highway Numbered 41, being the point of beginning, and containing eighty-three and eight-tenths acres, more or less, as shown on H. K. Ferguson Company's drawing numbered 1—1, being a part of the Vigo plant of the Department of the Army near Terre Haute, in Vigo County, State of Indiana; now surplus to the needs of the Department of the Army and in the possession of the War Assets Administrator awaiting disposal.

SEC. 2. The transfer provided for in this act shall be effected without reimbursement or transfer of funds.

BILL PASSED OVER

The bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. That is a general appropriation bill, and will be passed over.

That completes the calendar.

BEN LUKE POND, SHAO HUNG POND, AND DAVID YAT WEI POND

Mr. SCHOEPPEL. Mr. President, I call the attention of the Senate to House bill 1878, Calendar 237, an act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond. When that bill was reached on a previous call of the calendar, I made objection to its consideration. Between that time and now I have satisfied myself respecting the purposes of the bill. I now desire to withdraw the objection I made at the time the bill was reached on the calendar. I wish to say that I have no objection to the measure being considered now.

The PRESIDING OFFICER. The Chair understands that that particular measure was not among those which were called on the calendar today.

Mr. SCHOEPPEL. That is correct.

The PRESIDING OFFICER. Objection was made to the bill when it was reached on a previous call of the calendar. Is the Chair correct in his understanding?

Mr. SCHOEPPEL. Yes, Mr. President. Objection was made to the bill

on my behalf when I was absent. I now ask unanimous consent to withdraw the objection. There is no additional objection to the bill. I also ask unanimous consent that the bill may now be considered.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the Senate consider House bill 1878, Calendar 237. Is there objection?

Mr. SALTONSTALL. Mr. President, I have no personal objection to the bill at all. But I have read the colloquy which occurred yesterday between the Senator from South Carolina and the majority leader, and it seems to me that if we begin to go back to consider bills which are on the calendar prior to the point at which the call of the calendar was begun today we may do injustice to some Members of the Senate. I respectfully state that I believe it would be much wiser not to take up any bill, no matter how seemingly unobjectionable it may be, before the point at which the call of the calendar was begun today.

The PRESIDING OFFICER. The unanimous-consent request of the Senator from Kansas is that the Senate consider the bill now. Does the Senator from Massachusetts object?

Mr. LUCAS. Mr. President, I do not believe we are violating the spirit of the agreement we entered into yesterday if we comply with the request of the Senator from Kansas, because the Senator from Kansas was the Senator on whose behalf objection was made when the bill was reached on the previous call of the calendar. His objection was the only objection to the bill. I agree with the Senator from Massachusetts in what he said respecting a wholesale return to consideration of bills on the calendar. I believe we should have a quorum call before anything like that is done, and even then it might not be in order. But with respect to this particular bill, I believe the Senate can consider it without violating the spirit of the agreement entered into yesterday.

Mr. SALTONSTALL. Does the Senator from Kansas know of any objector to the bill?

Mr. SCHOEPPEL. No; I do not.

Mr. SALTONSTALL. The Senator from Kansas objected to the bill when it was reached on the previous call of the calendar, but since that time has informed himself on the subject, and desires to withdraw his objection.

Mr. SCHOEPPEL. Yes.

Mr. SALTONSTALL. I withdraw my objection.

Mr. SCHOEPPEL. The bill is for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond. On a previous call of the calendar, when the bill was reached, as I previously stated, I was absent from the Senate, but an objection was interposed on my behalf. On objection the bill was passed over. It was my desire then to satisfy myself as to the merits of the claim. I have done so, and have no objection to the present consideration of the bill.

The PRESIDING OFFICER. Does the Senator from Kansas withdraw his unanimous-consent request for consideration of the bill at this time?

Mr. SCHOEPPEL. No; I would not want to withdraw my request, unless there is objection to the bill on the floor of the Senate today.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the bill (H. R. 1878) for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond was considered, ordered to a third reading, read the third time, and passed.

TEMPORARY DEFERMENT OF ANNUAL ASSESSMENT WORK ON CERTAIN MINING CLAIMS

Mr. MURRAY. Mr. President, House bill 3754, Calendar 396, is in the same situation as the bill just acted upon. At the last call of the calendar the bill was objected to by the Senator from Nevada [Mr. McCARRAN]. He has advised me that he withdraws his objection, and is willing that the bill be considered. It is important that it should be acted upon, because another bill, now in conference between the Senate and the House, deals with the same subject matter, and it is important that this bill be acted upon at this time so that it may receive consideration between the House and the Senate.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that House bill 3754, Calendar 396, be considered at this time?

Mr. MURRAY. I do.

The PRESIDING OFFICER. Is there objection?

Mr. MURRAY. I may say that the bill has the unanimous support of the Committee on Interior and Insular Affairs, and I do not think there is any legitimate objection to it. The bill is supported by the Senator from Wyoming [Mr. O'MAHONEY], who prepared the amendments.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, which had been reported from the Committee on Interior and Insular Affairs with amendments.

The first amendment of the Committee on Interior and Insular Affairs was in section 1, on page 1, line 9, after the word "claims", to insert "on any homestead entry."

The amendment was agreed to.

The next amendment was, in section 2, on page 2, line 12, after the word "exist", to insert *"Provided further,* That the provisions of this act shall not be in force during periods in which a general suspension of the required annual assessment work is in effect."

The amendment was agreed to.

The next amendment was, on page 3, after line 2, to insert:

SEC. 5. Notwithstanding the provisions of any act of Congress to the contrary, any person who hereafter prospects for, mines, or removes any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be construed to impair any vested right in existence on the effective date of this section.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities."

The PRESIDING OFFICER. Does the Senator from Montana desire to have conferees appointed on this bill?

Mr. MURRAY. No. I merely ask that the bill be passed. It will go back to the House. It is a House bill which has been amended.

The PRESIDING OFFICER. And now passed by the Senate.

Mr. MURRAY. And now passed by the Senate.

Mr. MURRAY subsequently said: Mr. President, after the call of the calendar the Senate took up and passed with amendments House bill 3754, providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States. I now find it will be necessary to have a conference with the House. Therefore, I move that the Senate insist upon its amendments, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. LONG in the chair) appointed Mr. O'MAHONEY, Mr. MURRAY, Mr. DOWNEY, Mr. MILLIKIN, and Mr. CORDON conferees on the part of the Senate.

WATER-FACILITY LOANS

Mr. ECTON. Mr. President, I ask unanimous consent for the present consideration of House bill 3181, Calendar No. 379. When the bill was reached on the call of the calendar the other day the Senator from Minnesota [Mr. THYE] did not quite understand it. I have since talked with him and he has no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. LUCAS. Mr. President, reserving the right to object, has the Senator from Minnesota withdrawn his objection?

Mr. THYE. Mr. President, I have withdrawn my objection.

Mr. LUCAS. And that was the only objection made?

Mr. THYE. Yes.

Mr. LUCAS. I have no objection to the unanimous-consent request of the Senator from Montana.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3181) to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DURHAM, Mr. SASSCER, Mr. HAVENNER, Mr. ARENDS, and Mr. ELSTON were appointed managers on the part of the House at the conference.

ADMINISTRATION OF CENTRAL INTELLIGENCE AGENCY

The PRESIDING OFFICER (Mr. HOLLAND in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. LUCAS. Mr. President, on behalf of the Senator from Maryland [Mr. TYDINGS], I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair will name the conferees on the part of the Senate later in the session today.

Subsequently, the Presiding Officer (Mr. LONG in the chair) appointed Mr. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	McFarland
Anderson	Hickenlooper	McGrath
Brewster	Hill	McKellar
Bricker	Hoey	Malone
Bridges	Holland	Martin
Byrd	Humphrey	Maybank
Cain	Ives	Millikin
Cordon	Jenner	Murray
Donnell	Johnson, Tex.	Myers
Eastland	Johnston, S. C.	Neely
Ecton	Kefauver	O'Conor
Ferguson	Kem	Pepper
Flanders	Kilgore	Robertson
Frear	Knowland	Russell
Fulbright	Long	Saltonstall
Gillette	Lucas	Schoeppel
Green	McCarthy	Smith, Maine
Gurney	McClellan	Stennis
Taylor	Thye	Wiley
Thomas, Okla.	Tobey	Williams
Thomas, Utah	Tydings	Young

The PRESIDING OFFICER (Mr. LONG in the chair). A quorum is present.

SECOND DEFICIENCY APPROPRIATIONS

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. McKELLAR. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Legislative branch—House of Representatives," on page 1, after line 8, to insert:

For payment to Eileen Mercado-Parra Coffey, widow of Robert L. Coffey, Jr., late a Representative from the State of Pennsylvania, $12,500.

The amendment was agreed to.

The next amendment was, under the subhead "Architect of the Capitol—Capitol Building and Grounds," on page 2, after line 24, to insert:

The limitation of $1,500 placed on expenses for travel on official business under the Architect of the Capitol contained in the Legislative Branch Appropriation Act, 1949, is hereby increased to $2,800.

The amendment was agreed to.

The next amendment was, on page 3, after line 20, to insert:

FUNDS APPROPRIATED TO THE PRESIDENT

RELIEF OF PALESTINE REFUGEES

To enable the President to carry out the provisions of the joint resolution of March 24, 1949 (Public Law 25), authorizing a special contribution by the United States to the United Nations for the relief of Palestine refugees, $14,000,000, to remain available until June 30, 1950, of which $8,000,000 shall be used to repay, without interest, the Reconstruction Finance Corporation for advances made pursuant to section 1 of said public law.

Mr. HUMPHREY. I desire to direct some remarks to that portion of the deficiency bill pertaining to the relief of Palestine refugees, wherein the sum of $14,000,000 has been provided, by Senate amendment to the bill H. R. 4046. I understand the original House provision was in the amount of $16,000,000, instead of the $14,000,000, which has now been recommended by the Senate committee.

Mr. McKELLAR. Mr. President, if the Senator will yield, I will explain to him that the House did not allow any appropriation at all. It came to us as a special estimate, after the House had acted. The House did not act on it at all.

Mr. HUMPHREY. Is it not true that the House Committee on Foreign Affairs, however, did have some discussion of this question and recommended the original authorization of $16,000,000?

Mr. McKELLAR. A law was passed providing such an authorization, but no estimate was passed upon by the House. The estimate came to the Senate, and the Senate allowed, by way of amendment, the amount that has been stated.

Mr. HUMPHREY. Mr. President, I should like to make a few remarks in reference to an amendment I desire to offer. I offer the amendment at this time, in line 1, page 4, to strike out the "$14,000,000" and insert in lieu thereof "$16,000,000." I wish to address myself to the amendment.

The PRESIDING OFFICER. The clerk will state the amendment to the committee amendment.

The LEGISLATIVE CLERK. On page 4, in line 1, it is proposed to strike out "$14,000,000", and insert "$16,000,000."

Mr. HUMPHREY. The Government of the United States and other governments have made at least tentative commitments to assist in the relief and rehabilitation of some 800,000 citizens of the Arabian countries who have been displaced because of the international situation which has occurred in connection with the creation of the State of Israel. As we all know, there was a recommendation and authorization of $16,000,000 adopted by the Congress, and now the task is to appropriate the money to fulfill the authorization. It is my considered judgment that we have now an opportunity fully to support the efforts being made by the United Nations for the relief of a very unhappy and tragic situation in the Near East. Here is an opportunity to deal with a very delicate situation in the Near East which has often been referred to as one of the kegs of dynamite or powder kegs in the international situation. Furthermore, as a government we have made certain promises to other members of the United Nations and I think it is very important that we fulfill those promises.

There has been established a special commission of the United Nations, known as the United Nations Relief for Palestine Refugees. This United Nations organization has set as an objective a fund of some $32,000,000, of which the United States was to be asked for $16,000,000. I think it should be noted that approximately $13,000,000 of the $16,000,000 which other countries are committed to has already been subscribed, or is in the process of being subscribed. I realize that $14,000,000 is a very generous contribution on the part of our Government, but those who have testified in reference to the tragic situation in the Near East and the large number of displaced persons in that area, tell us that the over-all budget of $32,000,000, which was established by the United Nations Relief for Palestine Refugees Organization, was a basic minimum.

I point out, for example, that there are in Europe only about 800,000 displaced persons, for whom we appropriate something like $70,000,000. Here we have an equal number of people, and we are being asked for the sum of $16,000,000. In talking with one of the representatives of an organization working in this field, a representative of the American Friends Service, to which has been assigned a particular area designated for relief activities, he pointed out that these refugees, instead of being given the 2,100 or 2,200 calories per day which they should have as a basic minimum, are getting by on 1,500 calories a day. He likewise pointed out that the administrative costs of this activity are the lowest administrative costs of any international organization in the field of relief.

More than that, I should like to bring to the attention of the Senate the fact that the head of this United Nations Commission is Mr. Stanton Griffis, former Ambassador to Egypt, who is very familiar with the political, social, and economic problems of the Near East. The United States had as much to do with the establishment of the independent state of Israel as had any other nation. Our representatives in the United Nations were very vitally interested in it, as I was, as a citizen. But let us not forget that because of the establishment of that independent state literally hundreds of thousands of Arabs have been displaced. They are literally living on the desert. They have been dying by the hundreds. Our Government, through the great international instrument of the United Nations, has pledged that we shall do our part. I think it would be a very serious mistake if we failed to fulfill the full extent of our obligation. I realize that the obligation is not one made by the Congress when the original pledges were made. I think it would have been wise, could it have been possible for the representatives in the United Nations and our State Department representatives to have consulted with the Congress. But the agreement was made in November 1948, when the Congress was not in session. It was imperative that the agreement be made.

I ask the favorable consideration by the Senate of the amendment I have offered, which is to increase the appropriation from $14,000,000 to $16,000,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. MAYBANK. Not differing with the statements made by the Senator from Minnesota, I merely wish to call his attention to the fact that the estimated requirements as set forth in the acting mediator's report dated October 18, 1948, are summarized as follows: He lists food, clothing, blankets, and sleeping mats. Since that time there has been a large decline in the price of textiles, clothing, wheat, corn, and other products. The report we received was made in October. Since then I think the Senator will agree with me, regardless of how he may feel otherwise about it, that commodity prices have declined.

Mr. HUMPHREY. I think that is a very pertinent observation. I pointed out in discussing the matter of the appropriation with representatives of organizations working in the field of Palestinian relief the factor of reduced costs of foods, textiles, and other products. Those representatives pointed out to me, however, that the total budget of $32,000,000 which the United Nations Organization was requesting was a basic minimum budget, and they were of the opinion that they would run into a deficit rather than having a sufficient amount of money with which to accomplish their task.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to join the Senator from Minnesota in his request to increase the appropriation $2,000,000. I do that on the basis of information I have personally received regarding the plight of the people of Palestine. I have received the information from persons who have first-hand knowledge of the situation and in whom I have implicit confidence; in fact, I have known them for many years. So far as I can learn, the Arab refugees in Palestine may perhaps qualify for the doubtful designation of being the most unhappy people on the face of the earth; if anything can be done to resettle them under happier circumstances, I think it would be only a humane effort on the part of the United States to do all within its power to bring about that desirable objective.

I do not advocate increasing appropriations, as a rule, but from the knowledge which I have of the situation, which was given to me by persons in whom I have complete confidence, I think we would be entirely warranted in spending a little more in this instance and perhaps taking off a certain amount somewhere else.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McKELLAR. I should like to make a statement with reference to this particular appropriation. The testimony before the committee showed that other nations were not meeting their proportionate share of the gift or gratuity, or whatever it may be called. The United States has been exceedingly liberal. What could be more liberal than paying half the fund? The committee thought the United States had been far more liberal in the present situation, perhaps, than it should have been. Surely, when we have paid half the fund, when we call upon our own citizens in various parts of the Nation to have their appropriations reduced, we may in this small way take something off the amount contributed to foreign nations.

That was the view of the committee. The committee heard the testimony. It knew the other nations were not meeting their proportion of the contribution. Other nations were to contribute the same amount which the United States alone has contributed. We have made this recommendation. The Senate can do as it likes.

Of course, Mr. President, I feel the greatest sorrow for anyone who is in trouble, anyone who has no money. To have no money is a great misfortune. But it seems to me that we should act with reason. We should look after the people of our own country to some extent. I think the Nation has been very generous to this cause, and I hope the Senate will stand by the committee's recommendation.

Mr. HUMPHREY. Mr. President, I should like to make one further comment. I know how much hard work has gone into the consideration of the appropriation bill, and it is perhaps a little unbecoming on our part to come in at this late date and offer an amendment. The $16,000,000 we are requesting is 50 percent of the $32,000,000 of the total budget. The $32,000,000 was based on 500,000 refugees. At this time, instead of 500,000 refugees, there is a basic minimum of 800,000 now in camps and being taken care of. Perhaps the figure more nearly approximates 900,000 persons. So the actual amount of money we are discussing is a very limited sum for an ever-increasing problem.

With reference to the comments of the distinguished Senator from Tennessee, I have a recent tabulation which has been confirmed by the State Department, setting forth the foreign contributions. I find that as of March 5, 1949, approximately $6,517,465 of foreign contributions, exclusive of $4,000,000 contributed by Arab countries, such as Saudi Arabia and Egypt, and exclusive of approximately $1,600,000 now being considered by the French Parliament. This totals approximately $13,000,000 of the total of $16,000,000 which represents the share of other nations to the total budget; to which reference has been made.

Mr. President, the United States of America is in the Near East. It has pipe lines there. It has vital political economic interests there. The Standard Oil Co., the Texaco Co., and practically every other oil company are there. We have been in the Near East in power politics. When we wanted to defend the Near East, so far as Greek and Turkish aid was concerned, we did not ask for any contributions from any other nation. We said we wanted to prevent the onrush of communism on the Mediterranean—and we acted.

In the recent elections in Israel 7 percent of the total vote was cast by Communists. Of that 7 percent it is now estimated that 5 percent of the Communist vote was cast by Arabs. The Arabs, by their faith, culture, and temperment, are not easily taken into the Communist orbit. I think this appropriation offers a great opportunity, Mr. President, to do positive, constructive work for peace and freedom in an area of the world which is on fire, with all the cross-currents of pressure politics.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Florida.

Mr. PEPPER. Do I correctly understand from the able Senator that of the $16,000,000 promised through the United Nations by the other countries besides the United States, thirteen and a half million have already been raised?

Mr. HUMPHREY. There will be that much when the French Parliament completes its consideration of the proposal before the Parliament of $1,600,000.

Mr. PEPPER. If the United States Congress were to reduce below the $16,000,000 we promised the figure of our contribution, would it not be probable that the French would diminish their share, and perhaps other nations would wish to diminish their shares, so that the total amount for the aid of these desperate people would be far less than was originally promised and contemplated?

Mr. HUMPHREY. I am deeply concerned about that possibility. It would have a very serious effect upon the situation if it should come to pass.

Mr. PEPPER. Is it not a fact that the item we are now discussing is an appropriation to the President of the United States, and not to these refugees?

Mr. HUMPHREY. The Senator is correct.

Mr. PEPPER. Is the Senator aware of the language of Public Law 25, which this item is to fulfill? It reads as follows:

> That there is hereby authorized to be appropriated to the President, out of any money in the Treasury not otherwise appropriated, not to exceed $16,000,000 as a special contribution by the United States to the United Nations for the purposes set forth in the resolution of the General Assembly of the United Nations of November 19, 1948, providing for the relief of Palestine refugees.

If the appropriation be to the President, is it not reasonable to expect that the President will probably call upon the other countries to discharge their full duty, as agreed upon, before actually discharging the full duty of the United States by the payment of the whole contribution? In other words, could not the President say to the other countries, "We are going to live up to our part of this agreement, but we think all of us should"? Would it not be an added leverage to the President if we were to appropriate to him the $16,000,000 which we promised as our part?

Mr. HUMPHREY. It surely would.

Mr. McKELLAR. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Tennessee.

Mr. McKELLAR. I wish to read to the Senator the proof that came before the Committee on Appropriations. I read from the hearing at page 541:

> Senator GURNEY. From what other countries was that supposed to come?
>
> Mr. WARREN. Quite a long list of them, Senator: Afghanistan, Albania, Argentina, Bolivia, Brazil, Bulgaria, Burma, Russia, Chile, Colombia, Cuba, Czechoslovakia, Dominican Republic, El Salvador, Ethiopia, Finland, Greece, Guatemala, Haiti Honduras, Hungary, and Ireland.
>
> Ireland has just contributed within the last few days.
>
> Senator GURNEY. Do you want to complete the list there?
>
> Mr. WARREN. These are the governments which have been requested to supply that $6,000,000 deficit.
>
> Senator GURNEY. The United Nations has told them about their part?
>
> Mr. WARREN. This is the list of governments which have been appealed to a third time but have not yet responded.

Mind you, Mr. President, our Government is putting up $14,000,000. All the other governments have put up about $6,000,000. They have been appealed to the third time, and have not responded. Yet we are asked to put in all of our share at the beginning, and let it be spent.

This was the next question:

> Senator GURNEY. They took no official action like your Congress did?
>
> Mr. WARREN. No. Some of them are considering it. Others have not replied, and the United Nations, in order to step up the procedure of reply, recently decided to send a representative who is well known in Latin-American countries, on tour of the Latin-American countries to discuss the contribution directly with them at their foreign offices.

Under those circumstances, Mr. President, the committee felt that it was exceedingly generous, and I appeal to Senators if they do not think we have been exceedingly generous in providing $14,000,000 for the purpose indicated, when most other countries have not put up any; Ireland being one of the few that is shown to have put up any. Perhaps there may have been some others, I do not know, but a very small amount has been contributed by others.

Mr. FLANDERS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. FLANDERS. I should like to ask the Senator from Minnesota whether he does not feel that this is both more and less than a question of generosity. In the first place, is it not a question of justice? It is a question of justice, it seems to me, because our Government, our administration, was primarily responsible for the policy which set up the nation of Israel and which dispossessed these Arabs of their homes and their lands. We have a responsibility there which goes beyond generosity.

I ask if it is not less than a question of generosity in that it is a mighty good bargain. We have been obsessed in this country with the idea that the only way we could contribute to the peace of the world was by spending billions upon billions of dollars for armaments, and that there was no other way whatsoever in which we could do it. That is an obsession from which we must get away, by the payment of a few paltry millions to assist in the establishment of peace in one of the troubled spots of the world.

So I say, Mr. President, that this is both more and less than generosity. It is more because it is justice, and it is on a lower plane in that it is a mighty good bargain for the United States of America.

Mr. PEPPER. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield to the Senator from Florida.

Mr. PEPPER. I wish to subscribe very warmly to everything that has been so well said by the Senator from Vermont. I should like to ask if one other factor is not involved, which has already been emphasized by the Senator from Minnesota, namely, have we not made a promise, have we not entered into an agreement, that we would contribute $16,000,000? When that is our part of this promise, is there any reason why we should fail in the discharge of our duty because some other nation does not carry its part of the load?

Mr. HUMPHREY. Mr. President, I must say that I concur in the sentiments which have been expressed by the distinguished Senator from Vermont and the distinguished Senator from Florida.

I should like to make one other observation for the purpose of clarification, and so that we may all understand what has happened. I repeat, the original estimate of $32,000,000 was based upon the calculation of 500,000 refugees as of last October, but today there are over 800,000 refugees. I submit that we have spent far more than the present request for $16,000,000, which we are now discussing for aid to Greece, in order to help an independent and a free government; we have expended millions of dollars for military defense in Turkey; we have spent hundreds of millions of dollars in feeding the displaced persons in Europe. It seems to me that in the Near East—the Arabic world area—we have a real opportunity to fulfill our obligations under the United Nations and through the agency of the United Nations to build good will, save lives and create conditions of peace.

I do not wish to take more time of the Senate. If we must economize in terms of what is needed for programs of international relief, I suggest that we can find a place in the national defense budget, out of the fourteen and a half billion dollars, where we could take $2,000,000, and by directing it to a troubled area where food, clothing and shelter are needed, perhaps we could do more for the security and peace of the world than by constantly expanding the armament program.

I repeat, there is no more troubled area in the world than the Near East, and it is in that area that we can do our work of humanitarian service under the United Nations.

Mr. President, this country is often criticized for unilateral action. Here is an opportunity to join with other nations. I have before me, and I submit to be included in the RECORD, a list of the financial contributions of other nations. Merely because Afghanistan and Ethiopia do not come through with their contributions is no reason why the United States of America, which had more to do with the establishment of an independent Israel than any other nation in the world, should not come through with its commitments to take care of the people who have been displaced because of the difficulties which have arisen in the Near East.

Mr. President, I ask that the list to which I have referred be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated value of cash and commodity donations to UNRPR to Mar. 5, 1949

[In United States dollars]

[NOTE.—This list does not include the value of donations pledged to the media or prior to the existence of UNRPR. The total value of donations actually delivered against these pledges to the mediator is slightly in excess of $3,000,000, of which approximately half come from governments and half from private agencies and oil companies]

Source	Donations			Balance to be forwarded
	Total	Cash	Commodity	
Grand total	6,517,465	4,185,854	2,331,611	3,723,104
Governments	6,083,238	4,081,346	2,001,872	3,622,298
Australia	132,000		132,000	132,000
Bahrein	30,230	30,230		30,230
Belgium	432,000		432,000	432,000
Canada	739,200		739,200	666,7000
Denmark	130,000		130,000	130,000
Egypt	165,083	165,083		
France	157,233	157,233		110,063
India	69,770	69,770		69,770
New Zealand	95,362		95,362	95,362
Norway	60,484		60,484	60,484
Pakistan	30,230	30,230		30,230
Saudi Arabia	66,000		66,000	
Sweden	270,052		270,052	210,452
Switzerland	23,226		23,226	23,226
Turkey	53,548		53,548	
United Kingdom	3,628,800	3,628,800		1,638,481
Other sources	434,247	104,508	329,739	100,806
AFSC	26,293	979	25,314	
Bharans Women's Club	2,000	2,000		
IRO	119,900		119,900	
Euwait Oil Co	100,806	100,806		100,806
Mr. Lee	103	103		
Sudan Red Cross	620	620		
UNICEF	184,525		184,525	

Arab countries directly about $4,000,000.
French Parliament—bill in now for about $1,500,000.

Mr. BRIDGES. Mr. President, I have listened with a great deal of interest to the discussion engaged in by various Senators on this particular item and in general I concur with the objective they seek. Let me first point out that I am one of those who believe firmly in this sort of endeavor. But let me also point out that the basis of action by the committee on this particular subject was the fact that we had advanced some $8,000,000, through the RFC. The United States has actually contributed now in cash $8,000,000. The other countries have contributed in cash, or the equivalent of goods to the amount of some $6,000,000 plus. In other words, we have contributed to date substantially more than 50 percent of the money that has been contributed.

The idea of the committee was not in any way to fail in our commitment, but was first to supply the money necessary to repay the RFC and to give $6,000,000 more toward our contribution, feeling that in the meantime other countries would be coming along with their contributions. We are now ahead of our share of the contributions. We could still keep ahead. Eventually, if it were warranted, we could make up the $2,000,000 in a subsequent bill. There was no idea of killing the item, so far as I was concerned at least.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. PEPPER. I think we are not so far apart in our ideas on the matter. But there may be a difference between us as to what would be the best way to carry out our part. My thought was, as I expressed it a moment ago, that we could count upon the President to exercise some discretion in the matter, and if we made our full $16,000,000 available to the President, he would naturally be expected, especially in view of the debate here and the tentative action of the committee, to press our view upon the other countries. But we ought to show, at least by the gesture of the Congress of putting the fund into the hands of the President that we, the Congress, are prepared to carry out our full part in this understanding and undertaking.

I wonder if the Senator from New Hampshire would not consider that we would establish adequate safeguards when putting these funds into the hands of the President, by calling his attention to the debate here and that the committee expects and the Congress expects that the President will inform the other agreeing countries that we are prepared to carry our full share provided they are willing to do the same. I wonder if the Senator would not think we might approach the question in that way and give the President that leverage, as it were, to call upon the other countries to do their full duty also.

Mr. BRIDGES. Let me say that in the committee I saw no evidence from anyone, either the witnesses who appeared or on the part of any member of the committee, of opposition to the proposal. They were all in favor of it. It was merely a question of how the matter should be handled.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HUMPHREY. Was the testimony given before the committee about 2 months ago or 2 or 3 months ago?

Mr. McKELLAR. It was given in the last few days.

Mr. HUMPHREY. Were the assessments made on the basis of the October report?

Mr. BRIDGES. No. If I may answer, they were made as of April 22, 1949.

Mr. HUMPHREY. As of April 22. I surely do not want my remarks to be interpreted as meaning that the committee had not been very generous; in fact, I think the committee has been very generous.

Mr. McKELLAR. It seems to me the committee has been very generous. I think if we go along in the way the committee has suggested, it will prove better in the long run for all concerned, including those who will receive these gifts, for our country, and for everyone else. The Senator from New Hampshire is correct in his statement that there was no opposition to this item in the committee. It was simply a question of the best way to work the matter out. It was believed by the committee that, in the interest of our country and the interest of other countries, the best way to do was as the committee recommended. I hope the Senate will uphold the action of the committee.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. PEPPER. The Senator from Tennesses and the Senator from New Hampshire have both made it very clear that it was the desire of the committee to see to it that the fund is appropriated for, and that our obligation in the matter is discharged. I wonder if we could not accomplish what we all have in mind—I am thinking out loud, now, and I would not want to propose it without the concurrence of the Senator from Minnesota [Mr. HUMPHREY], who has been making such a fine presentation of this matter—if an amendment were added at the end of the item to this effect:

Provided, however, That the full amount of this appropriation shall not be disbursed by the President unless other countries agreeing to participate in this contribution shall also provide their agreed share of the fund.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. I should like to inquire of the Senator from New Hampshire whether there should not be in this thing elements of responsibility and self-interest on our part that would apply if no other nation under the sun gave a dollar to this fund? That is my point of view.

Mr. BRIDGES. In answer I would say Yes. The point I make, however, is a little different from the point made by the distinguished Senator who has just spoken. I have seen so many of these international organizations and projects started, in connection with which we pay a large share of the expense, possibly rightly, as the Senator from Vermont says, and possibly not, that I now want to have this fund set up in such a manner that we can encourage the greatest participation possible. Perhaps we have not done it, but that was the idea, at least, back of the committee's

action. If there is some other satisfactory way in which to work out the matter, I say, so far as I am concerned, let us try to work it out. The purpose of the committee was to encourage united action on the part of the nations who would participate, and we thought we were doing a generous thing by providing 50 percent as our part of the contribution.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. I should like to inquire of the Senator from New Hampshire whether he can devise any way, based on the suggestion made by the Senator from Florida [Mr. PEPPER], which would give some assurance of our completely meeting the purposes set forth in the joint resolution passed last March, while at the same time leaving some measure of encouragement or something stronger for the other nations to live up to their responsibilities. I cannot see the wisdom of our taking any course which does not lead ultimately toward a sense of the development of friendliness among these particular people in this particular area.

I stated, perhaps it was before the Senator from New Hampshire came on the floor, that we seem to be obsessed with the idea that peace can be obtained only by spending billions of dollars on armaments. On the contrary, it seems to me that there are great opportunities for establishing the conditions for peace by spending millions of dollars instead of billions of dollars in other ways. To my mind there is a tremendous measure of self-interest involved in this matter. I sympathize with the idea of so handling it as to bring about the maximum amount of support from other nations, if we can devise some way to do it, but I should not want that to be done at the expense of our not receiving from this effort the contribution toward peace which seems to me to be involved in it.

Mr. BRIDGES. Mr. President, I do not know how the distinguished chairman of the Appropriations Committee, the Senator from Tennessee may feel about the matter, but, in view of the colloquy which has taken place on the floor between the Senator from Florida [Mr. PEPPER], the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Vermont [Mr. FLANDERS], if there could be prepared an amendment whereby we made available the full amount, but phrased the provision in such a way that the full amount would be available depending on other nations cooperating, so far as I personally am concerned I think that might be a reasonable way to handle the situation.

Mr. McKELLAR. Mr. President, will the Senator suggest an amendment?

Mr. BRIDGES. If we could pass over the committee amendment for the time being, perhaps an appropriate amendment could be drafted.

Mr. McKELLAR. I am glad to do so. I hope the Senator will submit a proper amendment.

The PRESIDING OFFICER. Without objection, the committee amendment on page 3, beginning in line 21, will be temporarily passed over.

The clerk will state the next committee amendment.

The next amendment was, under the heading "Independent Offices—Public Health Service—Salaries and expenses," on page 6, line 4, before the word "Provided", to strike out "$308,000" and to insert "$570,300."

The amendment was agreed to.

The next amendment was, on page 6, after line 15, to insert:

GRANTS TO STATES FOR MATERNAL AND CHILD WELFARE

For an additional amount for "Grants to States for maternal and child welfare" for services for crippled children as authorized in Public Law 42, approved April 15, 1949, $1,500,000.

The amendment was agreed to.

The next amendment was, under the subhead "Federal Works Agency," on page 7, after line 5, to insert:

OFFICE OF THE ADMINISTRATOR

CONSERVATION OF SECURITIES

Conservation of securities: For expenses necessary for the conservation of the Federal Government's interest in bonds and other obligations in the custody of the Federal Works Administrator, issued for the construction of Public Works Administration projects, including personal services in the District of Columbia; travel expenses; and services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem; $8,000, to be derived by transfer from the appropriation for "Public Works Administration liquidation" in the Independent Offices Appropriation Act, 1949.

The amendment was agreed to.

The next amendment was, under the subhead "Public Buildings Administration," at the top of page 8, to insert:

SITES AND PLANNING, CERTAIN PUBLIC BUILDINGS OUTSIDE THE DISTRICT OF COLUMBIA

For an additional amount for the acquisition of sites for public buildings, as authorized by the acts of March 25, 1948 (Public Laws 455, 456, and 457), $150,000, to remain available until June 30, 1950.

The amendment was agreed to.

The next amendment was, on page 8, after line 6, to insert:

FEDERAL OFFICE BUILDING, NASHVILLE, TENN.

In addition to the appropriation provided for under this head in the First Deficiency Appropriation Act, 1946, the Federal Works Administrator is authorized to enter into contracts for the purposes of said appropriation in an amount not exceeding $1,200,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 12, to insert:

RENOVATION AND MODERNIZATION, EXECUTIVE MANSION

For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $5,400,000, to remain available until expended: *Provided*, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further*, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors.

The amendment was agreed to.

The next amendment was, on page 9, after line 8, to insert:

FEDERAL REAL ESTATE INVENTORY

Salaries, equipment, and other expenses necessary to bring up to date the information contained in the inventory of Federal real estate heretofore compiled, $42,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 9, after line 13, to insert:

HOUSING EXPEDITER

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses, Office of the House Expediter," $2,500,000; and appropriations under this head for the fiscal year 1949 shall be available for the purchase of newspapers (not to exceed $1,600) and for the purchase of one passenger motor vehicle for replacement only.

The amendment was agreed to.

The next amendment was, on page 10, after line 3, to insert:

NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

For expenses necessary for the National Capital Sesquicentennial Commission to prepare and carry out a program, for the commemoration of the one hundred and fiftieth anniversay of the establishment of the seat of the Federal Government in the District of Columbia, as authorized by the act of July 18, 1947 (Public Law 203), and any laws enacted to carry out plans proposed pursuant to said act, including personal services and rent in the District of Columbia; travel expenses of employees; travel, hotel, and other necessary expenses of the Commissioners; printing, binding, and other related work to be done by contract or otherwise at establishments other than the Government Printing Office; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and such construction or other expenses as may now or hereafter be authorized by law; $1,500,000; or so much thereof as is matched prior to January 1, 1950, by funds contributed from private sources: *Provided*, That private sources shall be reimbursed for funds contributed under the same conditions and to the same extent as the Federal Government: *Provided further*, That the appropriation of $15,000 under this head in the Second Deficiency Appropriation Act, 1948, and any other funds received by the Commission as authorized by law, are hereby consolidated with and made a part of this appropriation, the total thereof to be disbursed and accounted for as one fund which shall remain available during the existence of the Commission.

Mr. McGRATH. Mr. President, I send to the desk an amendment to the committee amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Rhode Island to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 10 it is proposed to strike out all after the word "law" and the semicolon in line 20,

down to and including the word "Government" in line 24, and to insert in lieu thereof the figure "$3,000,000."

On page 10, line 24, it is proposed to strike out the word "further."

Mr. McGRATH. Mr. President, this is an amendment to a committee amendment. I assume that it is in order to discuss the amendment to the committee amendment at this time.

The PRESIDING OFFICER (Mr. HOEY in the chair). It is.

Mr. McGRATH. Mr. President, the subject matter under consideration is the sesquicentennial celebration for the District of Columbia. The issue before the Senate is whether or not we wish adequately to commemorate the one hundred and fiftieth anniversary of the founding of the National Capital in Washington as the seat of the Federal Government.

In the Eightieth Congress a commission was authorized to be established, consisting of representatives of the public, appointed by the President, and representatives of the Congress, appointed by the Presiding Officers of the Senate and the House of Representatives. The commission was authorized to proceed with the formulation of plans for the sesquicentennial celebration in commemoration of the establishment of the seat of government in the District of Columbia. It had a small appropriation of $15,000. With that amount of money it has done a magnificent job, in my opinion.

It has been determined to endeavor to conduct during the sesquicentennial year, and probably the year following, an exposition in the Nation's Capital to be known as Freedom Fair. It is purely a patriotic endeavor to proclaim to our own citizens and to the world at large the value of the great freedoms which we enjoy as American citizens.

There stands on the easel on the floor of the Senate a rough draft of the plan as made by the commission. It will be noted that the main theme of the plan consists of three very large and quite substantial structures, built in the form of the letters USA. To the rear of the buildings is to be erected a permanent amphitheater, and to the right can be seen another building, dedicated to our neighbors of the American Continent.

There have been various estimates as to how much it would cost to do this job. The final estimate, the most accurate estimate that can be achieved, is that to do the job correctly will require financing in advance of $3,000,000. There is nowhere to turn for this money except to the Congress of the United States. All through our history preceding Congresses have willingly appropriated large sums of money for the purpose of holding expositions in various parts of the United States and, indeed, throughout the world. On several occasions we have appropriated the money of American taxpayers for expositions outside the borders of the United States. When the great world fair was being held in New York Congress appropriated in excess of the $3,000,000 which is the amount now asked for our own birthday celebration.

No part of the money heretofore appropriated for such purposes was ever returned to the Treasury of the United States. It is felt by the very competent business management which hopes to conduct Freedom Fair that it will prove a profitable enterprise for the Treasury of the United States. Indeed, while we are asking for $3,000,000 as a business loan, so to speak, to finance the erection of the buildings, prior to the time when we can hope to receive income from rentals, concessions, and admissions, there will be returned to the Treasury, through various forms of taxation on admissions, almost 50 percent of the amount which is being asked for in this appropriation.

The subcommittee of the Committee on Appropriations which considered the matter voted unanimously in favor of a $3,000,000 appropriation for Freedom Fair. When that report went to the full Committee on Appropriations, in its wisdom it reduced the amount to $1,500,000. It also added a proviso that the $1,500,000 would become available to the Sesquicentennial Commission only as a corresponding amount would be secured by solicitation among the merchants who do business in the National Capital. I think the committee has admitted that the figure $3,000,000 is a correct and a necessary figure, because it has protected the spending of its own contribution of $1,500,000 to the extent that we are able to obtain matching funds.

Mr. President, I point out that this is not an undertaking of the people of the District of Columbia. This is the Freedom Fair, commemorating the sesquicentennial of the seat of the Government of the United States, and not of the people of the District of Columbia. The merchants of this city should not be called upon to finance a fair of this kind, which is meant to bring honor and glory to the whole United States. Of course, the Fair is to be held in the city of Washington, because it is to commemorate the laying of the cornerstone of the Capitol and the establishment of the National Capital here 150 years ago.

The Congress of the United States did not say to the merchants of New York City, "We will give you three or four million dollars of Federal funds only on condition that you raise three or four million dollars from your own merchants." No; we did not do that. We do not seem to do these things when we are considering appropriations, until it comes to the District of Columbia; and then the Congress is glad to pass off a part of its burden to the already overburdened taxpayers who are trying to carry the load of this beautiful city, against the attitude of Congresses of the past, which have been unwilling to bear their fair proportion of the expense of maintaining this beautiful and historic place. So, Mr. President, we have no right to say to the people of the District of Columbia, "You can have a Freedom Fair in which all of us can glory, you can have in Washington a Freedom Fair in which we can hope to proclaim to the whole world the great benefits of our democracy and our Constitution—you can have it if you are willing to pay for it."

That proposition must be rejected for many reasons, not the least of which is its unfairness. It must be rejected because it is not a practical solution to the problem. There is not even time to consider the organization of such a program here in the District of Columbia. If the Fair is to be held within the sesquicentennial year, there are hardly 8 months remaining in which all the construction must be done and all the contracts made with the great industries all over the United States to participate in the exposition, in order that we may show to the world what has been accomplished scientifically, educationally, spiritually, morally, and in every other way under the freedoms we enjoy in the United States of America.

Mr. President, the issue seems to me to be simply this: Do we want to have a Freedom Fair, or do we not?

I have no interest in seeing a sideshow run in Washington in the sesquicentennial year of the founding of the Nation's capital. I, for one, want no part of any exposition or any celebration which would be unworthy of our people and unworthy of all the blessings we have enjoyed. In my opinion, nothing less than the sum here being asked will enable us to have a commemoration worthy of our great traditions.

Mr. President, in the consideration of this matter, I hope we can cast aside all extraneous considerations which some persons may entertain, and may get down to the basis of what we are trying to do. Through this medium we are trying to celebrate the one hundred and fiftieth anniversary of the founding of the great Capital of this great Republic, so as to have something which we can show to everyone around the world, and be able to say to them, "Come to Washington and see what we have accomplished and what great blessings are ours as a people."

Mr. President, what is the significance of the one hundred and fiftieth anniversary of the founding of the great Capital of our great Republic? It marks us as the oldest continuing constituted Government on the face of the earth—continuing for 150 years. In that length of time every other government on the face of the earth has been organized or reorganized or revolutionized, but not the United States of America.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

Mr. McGRATH. I am glad to yield.

Mr. FLANDERS. I should like to inquire of the Senator from Rhode Island how long it has been since the Government of Switzerland has been reorganized.

Mr. McGRATH. Yes, I stand corrected; I should have said that the Government of the United States is the oldest continuing constituted Government in the Western Hemisphere.

Mr. FLANDERS. Yes. I apologize for the interruption, which really is not pertinent to the subject of the discussion, but I did wish to have the RECORD stand correct.

Mr. McGRATH. It is pertinent, for the sake of having the statement correct as to the historical facts. Of course the Government of Switzerland is the oldest

continuing, constituted government; but in the 150 years since our Government was organized, every other government in the Western Hemisphere has undergone some sort of change of a basic nature.

So, Mr. President, inasmuch as we here in the United States have founded instruments of government which have enabled us to survive when other governments have perished, which have enabled us to become the richest and strongest and, I may say, the proudest Nation in the world, which have enabled us to be the succor of those who are in need, it seems to me it is well worth while to proclaim it to the world, and I believe that the $3,000,000 being asked for that purpose is little enough indeed, in order to permit us to do the job in a way commensurate with the great glory of the occasion.

Mr. President, I have made my appeal. I wish to say to Senators that we should decide this issue on the basis either of having this fair or not having it. Certainly we should not have it unless it will be something that will bring credit to the Government of the United States and to the Congress which sponsors it.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. ROBERTSON. Does the Senator from Rhode Island feel that there would be a possibility of reaching a compromise over this issue, as between those who would like an outright appropriation of $3,000,000 and those who are willing to limit the appropriation to $1,500,000, if we could frame an amendment which would strike out the limitation in the committee bill—the limitation being that the District of Columbia cannot have available to it the $1,500,000 from the Federal Government until it has raised by subscription another $1,500,000—and then leave to those in charge of the celebration the task of getting their $1,500,000 from the sale of concessions, admissions, and so forth?

Mr. McGRATH. I point out to the Senator from Virginia that the $3,000,000 being requested for this purpose is only the amount of money that a prudent banker would require before entering upon a business venture of this type, the total capital investment of which will run between $9,000,000 and $10,000,000.

Of course, it is expected that revenue will be obtained. Revenue will be obtained from rental concessions, public admissions, and in other ways. It is expected that in excess of 10,000,000 persons will visit this exposition at least once, and many of them twice, and some of them dozens of times. There are millions of people living close to the Capital City who will visit the exposition many times. So the additional revenue anticipated will come in that way.

Mr. ROBERTSON. I may say to the Senator from Rhode Island that I was not present when the testimony was given before the committee or when the committee acted on this particular item; but it was not my understanding that $10,000,000 would be required to finance this undertaking. That was not my understanding of the testimony.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McGRATH. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. In furtherance of what the Senator from Virginia has said, let me say to the Senator from Rhode Island that on the subject of concessions and rentals, and in connection with the figures submitted by Mr. Carter T. Barron, appearing at page 466 of the printed hearings, held before the subcommittee of the Appropriations Committee of the United States Senate, in connection with its consideration of the second deficiency appropriation bill, 1949, the industry buildings are represented as bringing in revenue of $1,900,000 and as costing $1,094,000—or, in other words, as bringing in a net income of practically $900,000. Concessions are estimated to bring in an income of approximately $250,000, and royalties for programs and other concessions are estimated to bring in an additional $400,000.

Following the suggestion of the Senator from Virginia, let me ask whether there would be a way of getting together on this matter, with the Government putting up $1,500,000, and making the amendment read or be phrased in such a way as to call for a certain amount of money to be paid in advance from the revenues that are expected to accrue?

Mr. McGRATH. I may say to the Senator from Massachusetts that I know of no practical way in which that could be done. The largest part of the revenue will come from admissions. It is estimated that there will be more than 10,000,000 admissions to the fair. At an admission price of 50 cents apiece, that is $5,000,000, which is practically 50 percent of the anticipated revenue. Nobody is going to pay his rent in advance. He will make a commitment to rent space in the buildings when the buildings are completed. But we cannot go to the General Electric Co., we cannot go to the General Motors Co., we cannot go to any of the other great enterprises in the United States and say, "Give us money in advance in order to permit us to build buildings and pay for them and then you will have space in them when they are completed." People simply do not do business that way.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McGRATH. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I may say to the Senator from Rhode Island that if his argument is correct, the $3,000,000 will not be sufficient. The buildings are estimated to cost $4,954,025, and the revenue from the buildings is estimated at $4,529,950. The royalties and admissions are only supposed to bring in $4,000,000.

Mr. McGRATH. I assure the Senator the figures have been gone over very carefully by very competent bankers in this community. The most competent bankers in the community, I may say, are serving as members of the commission, and are proud to do so. They have gone over the figures; they have whittled them down, and they have come up with this proposal as being a sound one. There probably can be some small amount of money advanced. For example, some of the State governments have already indicated their eagerness to take part in the celebration. Some of them have already made appropriations for that purpose. Those appropriations probably can be made available to the Sesquicentennial Committee prior to the time of the completion of the buildings. That is only a small part of the total amount.

Mr. SALTONSTALL. Mr. President, if the Senator will yield further, I may say I have been advised that Mr. Boykin, when he appeared before the committee, stated in an off-the-record discussion that certain of the industries were willing to pay half of their estimated fees before construction of the buildings started.

Mr. McGRATH. Some of them may be willing to do that. I am not in a position to know whether that is so or not. I simply know the ordinary way in which corporations of this kind do business. They may be willing to put up 25 percent or 50 percent, anticipating that the project will be completed and that they will have an opportunity to participate, but I am quite sure that none of them would be willing to put up substantially the whole amount of the concession rental in advance. I do not think they should be asked to do that. I think this is a Freedom Fair of the Government of the United States. We should put up the capital with which to run it, feeling at least that there is a very reasonable expectation of its being repaid, not only in full, but probably with a very substantial profit.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. McGRATH. I yield.

Mr. SPARKMAN. The Senator may have already put the figures in the RECORD, I am not certain; but it is true, is it not, that the Congress has made appropriations for similar great fairs throughout the country?

Mr. McGRATH. At least 18, 20, or 24 times in our history it has done so.

Mr. SPARKMAN. Within recent years, it is true, is it not, that the Congress made an appropriation for the Golden Gate Exposition and the New York World's Fair?

Mr. McGRATH. That is correct.

Mr. SPARKMAN. The same is true perhaps with reference to the Century of Progress Exposition at Chicago.

Mr. McGRATH. That is correct; and to the World's Fair at St. Louis.

Mr. SPARKMAN. It has also been done with respect to other great fairs that have been held through the years, has it not?

Mr. McGRATH. There was a very special appropriation in connection with the celebration of the one thousandth anniversary of the Government of Iceland, an appropriation entirely outside our own country.

Mr. SPARKMAN. I wonder whether the Senator would place in the RECORD, if he has not already done so, a list, if he has it available, of the various fairs and expositions to wnich the Federal Government has contributed.

Mr. McGRATH. I should be glad to put it in the RECORD, but I believe I did

so at the time the authorization for a continuation of the Commission was being considered. If it is not in the RECORD, I am sure that it is in the hearings before the committee, because I testified on that point myself.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McGRATH. I yield to the distinguished chairman of the Appropriations Committee.

Mr. McKELLAR. All that was brought out before the committee. At page 484 of the hearings on the second deficiency appropriation bill for 1949, the Senator from Rhode Island placed in the RECORD figures of appropriations that have been made in the past for celebrations, as follows:

The George Rogers Clark Sesquicentennial Commission, for which Congress made an appropriation of $1,796,000.

I do not happen to have the dates of these here, but we can get the dates and put them in the record later.

There was the Yorktown sesquicentennial celebration, for which Congress made an appropriation of $475,000.

The Chicago World's Fair, for which Congress made an appropriation of $1,375,000.

For the celebration of the seventy-fifth anniversary of the Battle of Gettysburg there was a congressional appropriation of $900,000.

For the George Washington Bicentennial Commission there was an appropriation of $1,360,710.

For the United States Constitutional Centennial Commission there was an appropriation of $485,000.

For the Texas Centennial Celebration, Congress appropriated $3,000,000.

For the New York World's Fair, which is the last large fair that was run in the country, Congress appropriated $3,275,000.

For the Golden Gate Exposition, Congress appropriated $1,700,000.

For the Arkansas Centennial Celebration, Congress appropriated $75,000.

For celebrating the one-thousandth anniversary of the Government of Iceland there was a congressional appropriation of $75,000.

Those are the appropriations which were brought to the attention of the committee. The committee had them all before it. The committee thought it was exceedingly generous, Mr. BOYKIN and Mr. Barron both made splendid witnesses. They both testified fully, frankly, and apparently carefully. I think Mr. BOYKIN among other things said that the amount requested was large, but that they thought they had better make the request in that amount. We cannot blame him for that. He was looking out for the Commission. The committee tried to be fair and correct. It gave this celebration a much larger sum than any of the others, except two, I believe, one of which was the Golden Gate Exposition at San Francisco, the other, the New York World's Fair. I think those are the only two. Of course we wanted to be entirely fair to Washington. The Commission itself has power to charge fees. They think they will get back as much as $10,000,000. I hope they will. But the amount recommended by the committee is certainly very generous, it seems to me.

Mr. McGRATH. I thank the Senator for the figures he has given. I remind him, however, that those were outright grants, with no recapture clause whatever so far as the Federal Government was concerned. They were simply handouts of money for the carrying on of the particular fairs. This is a project which is our own, which we are to run for ourselves. If we make a success of it, we profit by it; we leave a permanent memorial in the national capital, useful to the citizens here for a long time to come, which is a consideration of great value in itself.

Mr. President, we have been willing to appropriate money to send the Freedom Train all over the United States. Someone made this argument to me: "Any citizen who wants to do so can come to Washington, visit the Congressional Library and the Archives Building and see all the historic documents found there; he can go into all the glorious buildings that stand as a monument to our achievements; he can see everything in the Capital City; so we do not need to have a Freedom Fair." That is very true, yet Mr. President, these historic documents have remained here in public view during the years that have passed in our history; they are for anybody to see; but 2 years ago, we saw fit to take all the documents and put them together into one compact place, into a train, to be sent around the United States. The train went to many cities and towns but when it had stayed its allotted time and had to pull out, there were still hundreds of thousands of people who had been unable to get into the train to see the exhibits.

What happened when it came to Washington? To this great city, where all these documents have been kept for many years, the train came twice, I believe, and there was such a drove of persons lining the platform that perhaps not more than 50 percent of them were able to gain admittance. That indicates how great is the interest of our people in their heritage, if we can only dramatize it by bringing together the historic documents working great moments in our history so they can be seen at once. Some of us can walk down Pennsylvania Avenue or Constitution Avenue, look up at a building, and glory in the achievements which made it possible. But many persons are not able to comprehend all this greatness unless they see it put together in one fine portrayal in a building marked "United States of America."

To do this kind of a job, Mr. President, we are asking only for a loan from the Treasury of the United States of $3,000,000, every dime of which, I am sure, will be repaid. Why not let the experts, who were appointed for the purpose, be the judges of what is necessary. We can give our estimates and say "The Commission has said it will cost $2,000,000. Maybe we can do it for $1,500,000." I do not think that is the proper way to approach a historic event of this kind. We introduced testimony showing that, according to one of the magazines which reports such events, the British Government, within the past few months, set aside a sum equivalent to $50,000,000 in American money to hold a great British exposition. What has Britain got in these days that would warrant the expenditure of $50,000,000? Those dollars are probably our dollars. We are complaining and finding fault with spending $3,000,000 of our own money to proclaim even greater documents to the world than are possessed by Great Britain.

Let us keep our equilibrium as we consider the seriousness and the importance of this undertaking. I say in all sincerity, Mr. President, that I would rather see no sesquicentennial celebration at all than to have one that will not do credit to the Congress, the Nation, and its great institutions. I hope Senators will see their way clear to go along with the request I am now making on behalf of the Sesquicentennial Commission, and adopt my amendment.

Mr. SALTONSTALL. Mr. President, the distinguished Senator from Tennessee [Mr. McKELLAR] asked me if I would respond briefly to the Senator from Rhode Island, as I have gathered the facts together in connection with the appropriation. The Senator from Rhode Island and I do not very often differ, and I do not think we differ fundamentally on the subject now under consideration.

I am frank to say that some members of the committee did not want to appropriate any money for the sesquicentennial celebration, and other members wanted to appropriate $3,000,000 for that purpose. So we compromised on $1,500,000, with the suggestion that the balance of the money be raised by private subscription. That was done on the theory that if there were not any private interest in the affair among the industrialists, hotel men, and other enterprises in the District of Columbia, the Government should not appropriate the money.

I believe the amendment of the committee could be further amended, possibly by including public with private sources, so that States and industries and corporations could pay for their buildings in advance.

Mr. RABAUT and Mr. BOYKIN testified before the House Committee on Appropriations on March 31, 1949. Their testimony begins on page 426 of the hearings of that committee. They set forth a justification which totaled $1,500,000.

I ask unanimous consent to have printed in the RECORD at this point pages 466 and 467 of the hearings.

There being no objection, the pages were ordered to be printed in the RECORD, as follows:

NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

SALARIES AND EXPENSES

Statements of Carter T. Barron, executive vice chairman; and Edward Boykin, director, National Capital Sesquicentennial, Washington, D. C.

Freedom Fair Budget Analysis

The CHAIRMAN. The break-down of Freedom Fair budget analysis, showing your anticipated expenditures and revenue, shall be inserted in the record at this point.

Freedom Fair budget analysis, buildings and grounds

Building	Square feet	Square feet net [1]	Estimated cost	Estimated revenue [2]
Hall of States	198,400	138,880	$1,984,000	
Includes—				
States and Territories	92,857	65,000		
Congress	20,000	14,000		
Theater	14,400	10,080		$252,000
District	14,400	10,080		252,000
Voice of America	15,000	10,500		
Federal agencies	41,743	29,220		
Industry	109,440	76,608	1,094,400	1,915,200
Concessions	10,000	7,000	100,000	250,000
Amphitheater (Rock Creek Park)			200,000	325,000
Entrance unit			100,000	
Landscaping			250,000	
Air conditioning			250,000	
Recreation Building (10 percent royalty on $10,000 per day) restaurants				217,000
Miscellaneous building costs			300,000	
Fountain in Tidal Basin			35,000	
Pan American				200,000
Children's center				25,000
Organizations	15,000	10,500	150,000	
Federal agencies (10 only)	35,625	25,000	178,125	
Labor and industry	62,500	43,750	312,500	1,093,750
Total			4,954,025	4,529,950

[1] 70 percent of building space is considered useful and salable.
[2] Rentals figured at $25,000 per square foot.

Corollary activities

	Cost
Architectural art exhibit based on the plan, founding, development and future of the city of Washington as the National Capital	$48,000
Loan art exhibit of American historical paintings; to be the most comprehensive exhibit of scenes from American history ever undertaken. Loan art exhibit of portraits of great figures in history of Nation and the National Capital	50,000
Printing and binding, including historical booklets for distribution to schools, colleges, universities, libraries, and other educational institutions, dealing with the history of the National Capital, its founders, its vital role in the history of the Nation and the world, and the Congress that has made the laws of the United States for 150 years	100,000
Production (including writing, casting and costuming) of historical symphonic drama based on history of the National Capital with George Washington as leading character	100,000
Production of motion picture based on history, founding, and establishment as the seat of government of National Capital, for use in schools and educational institutions	50,000
Total	348,000

Operating expenses and revenues

	Cost	Revenue
Admissions, at 40 cents net (10,000,000 estimated attendance)		$4,000,000
Royalties from programs and other concessions		400,000
Departmental and congressional exhibits	$1,875,000	
Pay roll, maintenance, utilities	500,000	
Promotion, advertising, publicity, entertainment	750,000	
Fees, commissions, sales expenses	500,000	
Subtotal	3,625,000	4,400,000
Corollary activities	348,000	
Buildings and grounds	4,954,025	4,529,950
Grand total	8,927,025	8,929,950

This analysis based on working capital supplied immediately through an appropriation of $3,000,000.

Mr. SALTONSTALL. Mr. BOYKIN, in testifying before the Senate committee on this subject, stated, on page 473 of the hearings:

Our original request was for $3,000,000. The Budget Bureau at that time cut it to $1,500,000, and when we appeared before the House committee we had naturally trimmed our sails accordingly, and you will find in the report of our hearing before the Deficiency Committee of the House a whole explanation of what we would have done or wanted to do with the $1,500,000.

The sum of $1,400,000 was for the erection of an outdoor amphitheater seating 5,000 persons.

When the same gentleman came before the Senate committee with a request for $3,000,000, a new estimate and a new approval had come, in the meantime, from the Bureau of the Budget in that amount. A statement was submitted showing the estimated cost of buildings as being $4,954,000, and operating expenses of $2,738,600, or a total cost of approximately $7,692,225.

I pointed out to the Senator from Rhode Island, in a question which I asked him, that it seemed to me the appropriation of $3,000,000 will not be adequate; for if the Sesquicentennial Commission follows the methods suggested by the Senator from Rhode Island, and the Government constructs all the buildings, there will be an ultimate cost to the Government of approximately $4,954,000, with the hope of getting back the expenses of running the exposition from admissions, concessions, advertisements, and exhibits, and from various industrial firms which will contribute for their buildings.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Tennessee.

Mr. McKELLAR. I invite the Senate's attention to page 482 of the hearings, from which I read as follows:

Senator FERGUSON. That is what I had in mind. You anticipate paying back part of the $3,000,000 to the Treasury?

Mr. BOYKIN. We will pay all of it and perhaps more. One or two of these items are high, I purposely made them high, and even with the high items we will still pay them back.

As a member of the committee, I feel that when one comes before the committee and says he purposely made estimates high, it is the duty of the committee to proceed along reasonable lines. That is what we did. As a member of the committee, I feel that I am a trustee for the American taxpayers, to some extent, at least, I hope to a great extent. I felt that when one who wanted an appropriation said he had purposely made the estimates high, if we cut them somewhat and provided in the bill that they should raise the money—as I remember, he says they will make something like $10,000,000 out of the enterprise—it seemed to me we were doing the fair and just thing. I do not think there was a member of the committee who wanted to do anything else.

Mr. KEFAUVER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the junior Senator from Tennessee.

Mr. KEFAUVER. I heard the Senator say something about local participation. I had understood that about $7,000,000, in addition to the $3,000,000 asked for in this appropriation, would be put up by other participants.

Mr. SALTONSTALL. The so-called balance sheet submitted shows a total building expense of $4,954,000—and I am reading from page 466 of the hearings—of which industry and others will put up $4,529,000, if they get all the revenues.

While the Senator from Tennessee was not in the Chamber, the Senator from Rhode Island stated the Government was going to put up the buildings and that, when the buildings were up, they hoped to get back rent, returns from concessions, and so on. I think I state his position correctly.

My statement in reply to that was that, if he is right in his assumption, that the $3,000,000 will not be sufficient unless they get some advance money anyway. What the committee has suggested as a compromise between the $3,000,000 appropriation and nothing was that they get half of it in advance from private sources.

I believe that suggestion can be amended to be made clearer, so that concession and other payments can be made in advance by the exhibitors. Unless that is done, the Government will have to put up another $2,000,000 at least, probably nearer $3,000,000, before it will begin to get back anything.

I have a record here of all the expositions from 1853 down to date and the amount the Government has contributed. In recent years, at least, none of the expositions has been self-supporting.

Mr. KEFAUVER. Mr. President, will the Senator further yield?

Mr. SALTONSTALL. I yield.

Mr. KEFAUVER. I notice on page 484 of the hearings that Congress appropriated three and a quarter million dollars for the New York World's Fair.

Mr. SALTONSTALL. That is correct.

Mr. KEFAUVER. And $3,000,000 for the Texas Centennial Celebration. It seems to me that coming at this particular time, when we are trying to create good will, and have a celebration here which will be an inspiration and something which people all over the world will know about, we might at least do as much as we did on these two previous occasions.

Mr. SALTONSTALL. The cost of the exposition in New York was $155,000,000, of which the Government put up $3,000,000. The cost of the exposition in Chicago was about $40,000,000, of which the Government, I think, put up a little over $2,000,000. In each of those instances the money was to pay for an exhibit which the Government itself provided. Here the proposition is to have the Government put up all the monetary outlay, all the original expense, with the hope of getting some of it back.

Mr. KEFAUVER. I notice on page 457 that the total cost is estimated at $8,927,000.

Mr. SALTONSTALL. That is correct.

Mr. KEFAUVER. We all know that, in addition to that sum, there will be many incidental costs which private industry and local people will have to bear.

Mr. SALTONSTALL. The same Commission, as appears on page 427 of the House hearings, which I have before me, when the Budget Bureau recommended only a million and a half, cut their cloth accordingly and submitted an estimate of a million and a half. So that they have actually submitted two budget estimates to the Congress, one of a million and a half and one anticipating a $3,000,000 expenditure.

Mr. ROBERTSON. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from Virginia.

Mr. ROBERTSON. The Senator is absolutely correct. The testimony before the subcommittee was to the effect that the first budget estimate was $1,500,000 and a supplemental budget estimate was $3,000,000.

Mr. SALTONSTALL. A million and a half additional.

Mr. ROBERTSON. Yes; and the committee, not knowing exactly how much it would take, undertook to insert a provision that the Government would put up a million and a half and private sources could match that with another million and a half. We were pretty well convinced, I think, that it would unduly handicap the Commission to try to raise a million and a half before the exposition got started.

Let me ask how this approach, in the way of a compromise of the problem, would appeal to my colleague from Massachusetts, namely, a substitute for the pending amendment. I believe the pending amendment is to increase the million and a half to three million dollars. Is that the amendment of the Senator from Rhode Island?

Mr. McGRATH. That is correct.

Mr. ROBERTSON. As a substitute for that amendment, I propose to strike out "$1,500,000" on line 20, page 10, and insert "$2,000,000", and then in lines 20, 21, and 22 to strike out the words "or so much thereof as is matched prior to January 1, 1950, by funds contributed from private sources." That would give the Commission $2,000,000 in the clear, with the provision that it must be repaid if the funds were available. As a matter of fact, I understand that whatever profit the Commission makes automatically comes back to the Treasury of the United States.

Mr. McGRATH. That is correct.

Mr. ROBERTSON. Then, it will give them a sum of $500,000 more than was originally thought necessary. If that should not be all they needed, they could undoubtedly raise something by way of an advance from the big industries which will undoubtedly want space for their exhibits at the celebration. What would the Senator from Massachusetts think of that compromise, if it should be agreeable to the Senator from Rhode Island?

Mr. SALTONSTALL. I am only one member of the committee; the chairman of the committee is present, and I would turn to him for authority before I accepted any compromise. I ask the Senator from Rhode Island if the figure of $2,000,000 were accepted, would he give us any assurance, as chairman of the Senate Committee on the District of Columbia, that there would not be requests for further contributions from the Government?

Mr. McGRATH. Mr. President, I think I can give assurance that it is not the intention of the Commission to return to the Congress for any additional appropriations. I think the Commission would do the best it possibly could with $2,000,000. I think if Congress allowed the Commission $2,000,000 without the strings attached to it which are in the pending bill, it would be an indication to industry throughout the United States that the Congress was behind the celebration, that it wanted to see it succeed, that it had the blessing of Congress, and I believe the industries would be much more willing to participate and put up their money in advance. I think the very debate we have had here today will be of great encouragement in causing them to participate.

It may be the Commission would have to curtail some of the things it had planned. I do not think it would be necessary to curtail in the matter of buildings. I think it would have to curtail in some of the allocations which have been made for advertising and publicity. I myself feel that this is something which will almost sell itself to the American people. If the Senate will grant $2,000,000 without strings attached to it, I think we can make a success of the sesquicentennial celebration.

Mr. McKELLAR. Mr. President, I think the position of the Senator from Rhode Island is very fair and just. I shall be very happy to accept his amendment, and take it to conference and do the best I can with it.

Mr. ROBERTSON. Then, Mr. President, with the permission of the Senator from Massachusetts——

Mr. SALTONSTALL. I yield to the Senator from Virginia.

Mr. ROBERTSON. I offer as a substitute for the amendment offered to the committee amendment, the words which I have previously read, which are:

On page 10, line 20, strike out the figure "$1,500,000" and insert the figure "$2,000,000."

Strike out the following language in lines 20, 21, and 22: "or so much thereon as is matched prior to January 1, 1950, by funds contributed from private sources."

Mr. SALTONSTALL. The Senator should also strike out the next three lines down to the words "Provided further," in line 24.

Mr. ROBERTSON. That is correct. And in the next three lines strike out the words:

Provided, That private sources shall be reimbursed for funds contributed under the same conditions and to the same extent as the Federal Government.

The Senator from Massachusetts suggests that those words be stricken.

Mr. SALTONSTALL. Yes.

Mr. ROBERTSON. And also on page 11, line 1, before the word "That" insert the word "Provided."

Mr. McGRATH. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. McGRATH. For clarity, and so we will not get the bill gummed up, so to speak, I will say that I checked my amendment with the Parliamentarian before offering it, so I know the language in the amendment accomplishes what we want. The only thing we are trying to achieve now is to reduce the amount from $3,000,000 to $2,000,000. So if the Senator from Virginia would be willing to take the language of my amendment, substituting the figure "$2,000,000" for "$3,000,000," that would do the job.

Mr. McKELLAR. Yes, I think so.

Mr. SALTONSTALL. I understand the senior Senator from Tennessee, the chairman of the committee, is willing to accept that modification. Therefore I accept it also. I may say to the Senator from Rhode Island that so far as I am concerned, and I believe I speak for every member on this side of the aisle, we want a sesquicentennial exposition, but we want to keep it within bounds.

Mr. ROBERTSON. Mr. President, I withdraw my substitute and concur in the modification offered by the Senator from Rhode Island to his original amendment, which is to strike out the figure "$1,500,000" and insert the figure "$2,000,000."

The PRESIDING OFFICER. The Senator from Rhode Island has modified his amendment accordingly.

Mr. WHERRY. Mr. President, may we have the clerk read the amendment which has been offered by the Senator from Rhode Island, as modified, so we will know exactly what we are doing. It is true that the chairman of the committee [Mr. McKELLAR] has accepted the amendment, and it is also true that the distinguished Senator from Massachusetts [Mr. SALTONSTALL] has done so.

Yet there are other members of the committee who gave the matter serious consideration. We are all desirous of having this celebration. It is simply a question of the procedure and how best to take action in view of the condition of the budget.

I want to say to the Senator from Rhode Island that I sat on the committee at the time the justification was made, and I am quite satisfied that the committee was very generous in the amount it approved, in view of the testimony that was offered by those who presented the matter to the Senate committee. When we compare the evidence given before the House committee with that given before the Senate committee, we will find there is not very much, to use a slang expression, the Senate might hang its hat on in order to justify the proposed action. I should like to know what the language of the amendment now is, whether any conditions are taken out, and what the amount of the appropriation would be.

The PRESIDING OFFICER. The clerk will state the amendment as modified.

The CHIEF CLERK. The committee amendment, as proposed to be amended, would read beginning on page 10, line 17, after the semicolon: "services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and such construction or other expenses as may now or hereafter be authorized by law; $2,000,000: *Provided,* That the appropriation of $15,000 under this head," and so forth.

Mr. WHERRY. As I understand then, what the Senator is proposing to do is to make an outright appropriation of $2,000,000.

Mr. McGRATH. That is correct.

Mr. WHERRY. There is no condition placed upon it in any way whatsoever. So that all the language relative to the reimbursement of funds is out, and we are making an appropriation of $2,000,000. I took particular note of the statement made by the chairman of the committee that if this is done there will be no further demand made by anyone for further funds in connection with this fair.

Mr. McGRATH. It will be our intention to reduce our plans, to cut our cloth to meet what the Senate has given us. With respect to the repayment, of course all profit made on the fair will come back to the Treasury of the United States.

Mr. WHERRY. Yes. But I mean the language respecting matching——

Mr. McGRATH. There will be no matching of money.

Mr. WHERRY. That language is all out. There will be no further contribution asked. The profits which are made will be turned into the Treasury of the United States.

Mr. LUCAS. Mr. President, I rise for the purpose of adding my approval to the compromise which has just been made by the Appropriations Committee and the distinguished chairman of the Committee on the District of Columbia.

A commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia is something that every Senator and every other American should subscribe to. Mr. President, this will be a great nonpartisan commemoration. This is truly an American adventure. The proposal for the commemoration was begun by a Republican Congress in 1947, and is now being carried out by a Democratic Congress.

At this time in the world, when liberty in certain countries is suppressed, at this time when justice is difficult to find in one country after another, at an hour when there is no such thing as equality before the law in many nations, surely we here in one of the last strongholds of freedom and liberty and independence can well afford to spend $2,000,000 to aid in making this sesquicentennial celebration an event which will inspire and encourage liberty-loving people throughout the world.

I want to compliment the chairman of the Appropriations Committee and other members of the committee in going along with the proposal which has been made for the appropriation of $2,000,000. I sincerely hope that in conference the conferees on the part of the Senate will be able to convince the conferees on the part of the House of the great value to the future of the country that lies in a successful commemoration of the one hundred and fiftieth anniversary of the founding of the Federal Government in the District of Columbia.

Mr. LANGER. Mr. President, did I understand that the amount of $3,000,000 has been asked?

Mr. LUCAS. No; $2,000,000.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Rhode Island [Mr. McGRATH], as modified, to the committee amendment on page 10.

The amendment as modified, to the committee amendment, was agreed to.

The committee amendment, as amended, was agreed to.

Mr. HUMPHREY. Mr. President, an hour or more ago we were discussing the item in House bill 4046, on page 4, pertaining to the United Nations Relief for Palestine Refugees Fund, and I offered an amendment to the committee amendment. At this time I should like to withdraw my amendment and to offer in lieu thereof an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. After the numerals "$14,000,000", in lines 1 and 2, on page 4, it is proposed to insert the following:

And an additional $2,000,000 to the President for the same purposes as prescribed in the joint resolution of March 24, 1949 (Public Law 25), upon the President finding that the other nations party to such United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees.

Mr. HUMPHREY. Mr. President, I believe that this is within the spirit of the discussion on the floor of the Senate about an hour ago. I have discussed this amendment with the distinguished chairman of the Appropriations Committee——

Mr. McKELLAR. We will take it to conference and do the best we can.

Mr. HUMPHREY. The Senator from Tennessee has assured me that he will take it to conference for the purpose of discussion and consideration.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. As a minority member of the committee, I should like to ask a question. Do I correctly understand that the additional $2,000,000, which increases the United States' share to $16,000,000, becomes available only when every other nation which is not now up to its quota subscribes the full amount of its allotment?

Mr. HUMPHREY. The additional $2,000,000 becomes available when the President finds that the other nations which are parties to the United Nations Commission on Relief for Palestine Refugees have fulfilled their obligations.

Mr. SALTONSTALL. And only after they have fulfilled their obligations?

Mr. HUMPHREY. Yes, so far as the $2,000,000 is concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] to the committee amendment on page 4, line 1.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "National Mediation Board," on page 11, after line 8, to insert:

ARBITRATION AND EMERGENCY BOARDS

For an additional amount for "Arbitration and emergency boards," $36,900.

The amendment was agreed to.

The next amendment was, on page 12, after line 4, to insert:

VETERANS' ADMINISTRATION

PENSIONS

For an additional amount for "Pensions," $136,238,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "District of Columbia," on page 12, after line 16, to insert:

FISCAL SERVICE

ASSESSOR'S OFFICE

For an additional amount for "Assessor's office," $36,800.

The amendment was agreed to.

The next amendment was, on page 12, after line 20, to insert:

COMPENSATION AND RETIREMENT FUND EXPENSES

DISTRICT GOVERNMENT EMPLOYEES' COMPENSATION

For an additional amount for "District government employees' compensation," $15,000.

The amendment was agreed to.

The next amendment was, at the top of page 13, to insert:

REGULATORY AGENCIES

OFFICE OF ADMINISTRATOR OF RENT CONTROL

For an additional amount for "Office of Administrator of Rent Control," $26,175.

The amendment was agreed to.

The next amendment was, under the subhead "Public schools," on page 13, after line 5, to insert:

OPERATING EXPENSES—OPERATION OF BUILDINGS AND GROUNDS AND MAINTENANCE OF EQUIPMENT

For an additional amount for "Operation of buildings and grounds and maintenance of equipment," $82,000, to be derived by transfer from the appropriation "General supervision and instruction, Public Schools, District of Columbia, 1949."

The amendment was agreed to.

The next amendment was, under the subhead "Metropolitan Police—Capital outlay," on page 14, at the beginning of line 13, to strike out "$75,000" and insert "$50,000."

The amendment was agreed to.

The next amendment was, under the subhead "Health Department," on page 14, after line 14, to insert:

CAPITAL OUTLAY, HEALTH DEPARTMENT

For repairs, alterations, and improvements to the Gales School, to make it suitable for enlarged clinical services, including necessary equipment, to remain available until June 30, 1950, $110,000.

The amendment was agreed to.

The next amendment was, under the subhead "Capital outlay, Gallinger Municipal Hospital," on page 14, line 24, after the word "crematorium", to strike out "$65,000" and insert "$57,500."

The amendment was agreed to.

The next amendment was, under the subhead "Public welfare—Capital outlay, protective institutions," on page 15, after line 23, to insert:

For renovation of kitchen at Home for Aged and Infirm, including equipment, to remain available until June 30, 1950, $30,550.

The amendment was agreed to.

The next amendment was, under the subhead "Public works—Capital outlay, central garage," on page 16, line 10, after the word "building", to strike out "$67,500" and insert "$75,000."

The amendment was agreed to.

The next amendment was, under the subhead "Settlement of claims and suits," on page 16, line 21, after "(46 Stat. 500)", to strike out "$9,481.65" and insert "$19,431.65."

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture—Agricultural Research Administration—Research on agricultural problems of Alaska," on page 18, line 8, after the name "Alaska", to strike out "$150,000" and insert "$300,000."

The amendment was agreed to.

The next amendment was, on page 18, after line 14, to insert:

BUREAU OF ANIMAL INDUSTRY

RESEARCH FACILITIES

Research facilities: For preparation of plans and specifications of laboratory buildings and related facilities for scientific investigations of foot-and-mouth and other animal diseases in accordance with the provisions of the act of April 24, 1948 (Public Law 496), $500,000, to remain available until expended: *Provided*, That the Secretary of Agriculture, when the request for appropriations for building said laboratories and related facilities is made, shall submit with said request the plans and specifications to the Appropriations Committees of the House and Senate together with detailed information as to the estimated total cost of such facilities as well as the location of the site proposed to be selected.

The amendment was agreed to.

The next amendment was, under the subhead "Control of forest pests," on page 19, line 17, after the word "act", to strike out "$500,000" and insert "$1,000,000, to remain available until September 30, 1949."

The amendment was agreed to.

The next amendment was, under the subhead "Forest Service—Salaries and expenses," on page 19, after line 20, to insert:

National forest protection and management: For an additional amount for "national forest protection and management," $250,000, to remain available until June 30, 1950.

The amendment was agreed to.

The next amendment was, on page 20, after line 2, to insert:

FOREST ROADS AND TRAILS

For an additional amount for "Forest roads and trails," $142,000, to remain available until expended; and the amount made available under this head in the Department of Agriculture Appropriation Act, 1949, for forest development roads and trails, is increased from "$9,750,000" to "$9,892,000."

The amendment was agreed to.

The next amendment was, under the subhead "Emergency reconstruction and repair," on page 20, line 14, after the word "floods", to strike out "$1,500,000" and insert "$1,995,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce," on page 20, after line 16, to insert:

CIVIL AERONAUTICS ADMINISTRATION

CLAIMS, FEDERAL AIRPORT ACT

For an additional amount for "Claims, Federal Airport Act," $432,384, to remain available until June 30, 1953, as follows: Bridgeport Municipal Airport, Bridgeport, Connecticut, $286,279; Olney Airport, Olney, Texas, $61,740; Smith-Reynolds Airport, Winston-Salem, North Carolina, $84,365.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior," on page 21, after line 11, to insert:

OFFICE OF THE SECRETARY

REIMBURSEMENT OF CERTAIN APPROPRIATIONS

To enable the Secretary of the Interior to reimburse applicable appropriations for costs of personnel, supplies, and facilities, diverted for work in connection with emergencies resulting from storms in the Western States, including emergency relief for Indians in areas isolated by such storms, and for cooperation with Federal and non-Federal agencies for assistance by use of personnel, supplies, and facilities, $2,586,000.

The amendment was agreed to.

The next amendment was, on page 21, after line 21, to insert:

EMERGENCY FLOOD PROTECTION AND REPAIR

To enable the Secretary of the Interior to reimburse applicable appropriations for the cost of personnel, supplies, and facilities diverted for the repair and construction of flood-protective works; and for the repairs, reconstruction, rehabilitation, or replacement of structures, buildings, or other facilities, including equipment, damaged or destroyed by floods, $275,000, to remain available until June 30, 1950.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Indian Affairs," on page 22, after line 10, to insert:

EDUCATION OF INDIANS

For an additional amount for "Education of Indians," $330,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Reclamation—Administrative provisions," on page 24, line 25, after "Public Law 835)," to insert "including payments on account of dependents of employees in field offices in project areas engaged in construction and related activities;"."

The amendment was agreed to.

The next amendment was, under the subhead "Reclamation fund," on page 25, after line 15, to insert:

OPERATION AND MAINTENANCE

For an additional amount for "Klamath project, Oregon-California," $16,000.

The amendment was agreed to.

The next amendment was, on page 25, after line 18, to insert:

REHABILITATION AND BETTERMENT

Funds appropriated under this head in the Interior Department Appropriation Act, 1949, shall remain available until expended.

The amendment was agreed to.

The next amendment was, under the subhead "General fund, construction," on page 26, after line 2, to insert:

COLORADO RIVER FRONT WORK AND LEVEE SYSTEM

For an additional amount for "Colorado River front work and levee system," $75,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the subhead "National Park Service," on page 27, after line 10, to insert:

RIVER BASIN STUDIES

For an additional amount for investigations and studies of recreational resources and archeological remains in river basins of the United States (except the Missouri River Basin), $7,300.

The amendment was agreed to.

The next amendment was, on page 27, after line 15, to insert:

GETTYSBURG NATIONAL CEMETERY, PENNSYLVANIA

For the acquisition of approximately 5 acres of land in the borough of Gettysburg, Adams County, Pa., as an addition to Gettysburg National Cemetery, in accordance with the provisions of the act approved June 19, 1948 (Public Law 704), $10,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 28, after line 8, to insert:

GOVERNMENT IN THE TERRITORIES

TERRITORY OF ALASKA

Insane of Alaska

For an additional amount for "Insane of Alaska," $40,500.

The amendment was agreed to.

The next amendment was, on page 28, after line 13, to insert:

GOVERNMENT OF THE VIRGIN ISLANDS

For an additional amount, fiscal year 1946, for salaries of the Governor and employees, $970.80.

The amendment was agreed to.

Mr. LANGER. Mr. President, I inquire where in the bill is the appropriation for hoof-and-mouth disease investigations?

Mr. McKELLAR. The Senate adopted it a little while ago.

Mr. LANGER. In my State it was felt that the amount was too small.

Mr. McKELLAR. That item is on page 18.

Mr. LANGER. Can the chairman of the committee advise us whether or not a considerable number of hearings were held on the subject of hoof-and-mouth disease?

Mr. McKELLAR. Yes; there have been numerous hearings.

Mr. LANGER. Does the Senator from Tennessee feel that the appropriation carried in the bill is sufficient?

Mr. McKELLAR. If the Senator will look at page 18, he will find that the item reads as follows:

BUREAU OF ANIMAL INDUSTRY

RESEARCH FACILITIES

Research facilities: For preparation of plans and specifications of laboratory buildings and related facilities for scientific investigations of foot-and-mouth and other animal diseases in accordance with the provisions of the Act of April 24, 1948 (Public Law 496), $500,000, to remain available until expended: *Provided*, That the Secretary of Agriculture, when the request for appropriations for building said laboratories and related facilities is made, shall submit with said request the plans and specifications to the Appropriations Committees of the House and Senate together with detailed information as to the estimated total cost of such facilities as well as the location of the site proposed to be selected.

Mr. LANGER. Mr. President, may I ask the Senator from Tennessee a question?

Mr. McKELLAR. Just a moment. I will say to the Senator that we had no evidence as to what it would cost. What seemed to be a large amount for plans and specifications was allowed, because of the importance of the subject and the very deadly character of the disease so far as hoofed animals are concerned. Until we get plans and specifications it is impossible to appropriate money for the construction of buildings.

Mr. THYE. Mr. President, I might assist the able chairman of the Appropriations Committee by a further statement. I was chairman of the subcommittee on foot-and-mouth disease of the Senate Committee on Agriculture and Forestry. We feel that the sum contained in the deficiency appropriation bill is sufficient until such time as we have some agreement as to where the research laboratory is to be located.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question at that point?

Mr. THYE. I yield.

Mr. MAGNUSON. I understand that last fall members of the subcommittee—I think including the Senator from Minnesota—made an investigation.

Mr. THYE. It was a subcommittee of the Appropriations Committee. While I was with the subcommittee a part of the time, yet I was not with them when they visited the State of Washington, which I regretted.

Mr. MAGNUSON. I regret that the Senator could not be there; but I wonder if the Senator could inform me as to how many sites were investigated by the subcommittee.

Mr. THYE. I could not give the Senator specific information because this was a subcommittee of the Appropriations Committee. However, I know that they visited three sites. While some of the sites met with the approval of those who were searching for the proper site yet objections were raised to the location of the research laboratory in certain parts of the United States. If someone will give us the location and agree not to object we can go forward with the plan.

Mr. MAGNUSON. The reason I ask the question is that I understand that during these discussions with respect to two of the most prominently mentioned sites, one being near Puget Sound and the other being in Rhode Island, in addition to a third possible site, members of the committee were impressed with the thought that in all three cases the people of the particular areas were not too anxious to have the research laboratory established in their community.

I realize that some fears might be aroused. I understand that some persons from Massachusetts and Rhode Island have protested against the possible location of the laboratory in their States or elsewhere in New England. They are opposed to the location of the laboratory in New England, as I understand.

However, I wish to assure the Senate—and, incidentally, I may point out that I had no opportunity to appear before the committee in connection with this matter——

Mr. McKELLAR. We would have been glad to have the Senator appear.

Mr. MAGNUSON. I appreciate that. Nevertheless, the matter came up without notice, so far as I was concerned.

However, the record is filled with recommendations that the foot-and-mouth-disease laboratory be located in the State of Washington. Such recommendations come not only from me but also by letter of endorsement from the Cattlemen's Association of my State, the State Grange, and several other interested organizations and groups.

So, Mr. President, if in the wisdom of the Department of Agriculture it is decided that Puget Sound would be the proper area for the location of this great research laboratory relative to the diseases of animals, particularly the hoof-and-mouth disease, the people of my community will have no objection at all to the location of the laboratory there. We would welcome it, and we would be glad to cooperate with the Federal Government in the establishment of the laboratory on one of the great islands in Puget Sound.

Mr. THYE. Mr. President, I should like to say to the senior Senator from Washington that we are very happy to have his statement to the effect that the cattlemen and business people of this State, and all others concerned, would welcome the location of the research laboratory in that area. That is the first good news I have heard in this connection. In almost all other cases, objection has been raised by various persons to the location of the research laboratory in their area.

Mr. MAGNUSON. Mr. President, the statement I have just made is based, not on hearsay or general information, but on personal conferences. While I was home last fall, I took the opportunity to have personal conferences with the cattlemen and with the representatives of the Grange and representatives of other groups in my State. In that connection, I conferred with representatives of five or six important groups. After a full discussion of the matter—and I point out that the RECORD contains many letters on the subject—it was agreed that we shall be glad to cooperate with the Federal Government in this matter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. THYE. I shall be glad to yield, but first I should yield to the Senator from New Mexico [Mr. ANDERSON], who has been seeking the floor.

Mr. SALTONSTALL. I should merely like to point out the point of view of New England, after hearing the Senator from Washington state the point of view of his State, if the Senator from New Mexico will permit me to make a brief statement at this point.

Mr. ANDERSON. Certainly.

Mr. SALTONSTALL. I would say to the Senator from Minnesota that the Committee on Appropriations has inserted a provision that Congress must be informed of the site selected, before the money is appropriated. As one member of the committee, I feel that is important, because, quite to the contrary of the view of the people of Washington, I am confident that the people of Massachusetts—I speak only for them—hope the laboratory will not be situated in New England.

Mr. MAGNUSON. Mr. President, this is one of the rare cases in which a Government project is not wanted in some areas.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield.

Mr. ANDERSON. I appreciate the Senator's courtesy in yielding to me.

I commend the attitude of the people of Washington. I do not know what I should do about the attitude of the New England States, except to assure the Senator from Massachusetts that there is absolutely no danger that a laboratory of this nature will be established in New England, although I may say that one of the greatest authorities on virus diseases in animals has recommended that the

laboratory be located in New York City. In that connection I should like to point out that in England such research work has been located for 25 years in the center of the industry there, and there has not been a single case of the transmission of such a disease.

Mr. SALTONSTALL. Mr. President, if the Senator from New Mexico, the former Secretary of Agriculture, will make it possible for those of us in New England to make substantial profits from the raising of beef cattle, I assume that the attitude of the people in New England in regard to this matter will be somewhat different.

Mr. THYE. Mr. President, I should like to say to the able Senator from Massachusetts, relative to the statement he has made, that so long as the people of New England obtain such high prices for fluid milk, they should never change to the raising of beef cattle.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MAGNUSON. I wish to thank the Senator from New Mexico, the former Secretary of Agriculture, for his remarks. However, I hope they will not have the effect of getting Massachusetts back into the running.

Mr. ANDERSON. Mr. President if the Senator from Minnesota will yield further to me, I wish to say that I think this matter is most important. When the foot-and-mouth disease campaign seems to be getting along very well, no one is favorable to the establishment in the United States of a laboratory to engage in research into that disease. However when the outcome of the battle against the disease seems to be uncertain, the livestock associations and agencies almost fall over themselves in their attempts to have such an institute or laboratory established in the United States.

Certainly this matter can be properly handled only by going ahead with it bravely. I commend the committee for endeavoring to see to it that sufficient money for that purpose is provided at the present time.

I am glad the distinguished Senator from Minnesota, who for a long time has done fine work in the effort to combat foot-and-mouth disease, subscribes to that statement.

I hope the Appropriations Committee's proposal to have it pass upon the site selected before the money is appropriated, is not intended as a means of blocking the establishment of the laboratory. I know there is great interest in it. It would be far better to permit the Government to go ahead with the battle to wipe out foot-and-mouth disease; and so I hope Senators will not oppose the waging of that battle when the disease is limited to Mexico, rather than to wait until a time when it might become widespread in various other areas, perhaps including parts of the United States.

So I hope the Senator from Minnesota will not give up in his efforts in this connection.

Mr. THYE. Mr. President, I assure the Senator from New Mexico that I will not give up. I shall continue in the effort to have such a laboratory established in the United States. I think we must pursue that effort to the utmost of our ability, because it is absolutely essential that we proceed with research in that field, in view of the fact that we are confronted with the foot-and-mouth disease just across our southern border in Mexico. So I shall continue my endeavors for the establishment of an excellent laboratory for research in connection with the foot-and-mouth disease.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. LANGER. Inasmuch as I am the Senator who started the argument about the foot-and-mouth disease, I simply wish to say that we in North Dakota believe the laboratory should be located somewhere near the center of the United States. I may add that North Dakota is in the very center of the country. The city of Rugby is in the exact center of the continent.

It would seem that the proposed experiments should be conducted in both hot weather and cold weather. In North Dakota, such experiments can be conducted either in very cold weather or, as the Senator from Minnesota knows, in very hot weather.

So it seems to me that, instead of having the laboratory located on an island on the coast of Washington, it should be located somewhere near the center of the continent. For instance, there are various islands in the Mississippi River where such experiments could be conducted. I believe the location of the laboratory should be such as to enable the experiments to be conducted in both hot and cold climates.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD letters from various associations in the State of Washington regarding this matter, as well as my own testimony which was submitted in writing to the Appropriations Committee.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

SENATOR MAGNUSON'S STATEMENT ON PROPOSED HOOF-AND-MOUTH DISEASE LABORATORY BEFORE SENATE APPROPRIATIONS COMMITTEE

Mr. Chairman, Public Law 496, passed by the Eightieth Congress in April 1948, authorized the Secretary of Agriculture to establish a laboratory for the specific purpose of conducting research looking toward development of methods to eradicate hoof-and-mouth disease.

During the summer recess a special committee, with Senator YOUNG, of North Dakota as chairman, went on an inspection trip to determine the seriousness of the outbreak in Mexico and to gather information in regard to prospective sites where a laboratory might be located. The committee came to the State of Washington in November to inspect possible offshore sites in that area.

The Department has requested an appropriation of $5,000,000 with which to implement the authorization contained in Public Law 496. This sum represents the initial installment on the proposed structure and related facilities, estimated to cost approximately $30,000,000. I sincerely hope your committee will approve the $5,000,000 request and will permit the Department to proceed expeditiously toward completion of this laboratory.

Hoof-and-mouth disease is perhaps the most infectious animal disease known. It attacks all cloven hoof mammals. In the last 50 years, there have been six outbreaks in the United States. Serums to immunize animals against the disease have been developed. The effectiveness of such serums is limited to a period of 4 to 6 months. I am told that some animals have been known to contract the disease even after they have been inoculated with the serum. To fully insure the great livestock industry of this country against future ravages of the disease, better serum must be developed. Ultimately we hope serums can be improved to the point where they will give lifetime immunization.

In 1914–15 we had our most serious outbreak of hoof-and-mouth disease. Twenty-two States were involved, including my own State of Washington. The only effective means of combating the disease at that time was by slaughtering the infected animals. The last outbreak in this country occurred in California in 1929. It is believed that the virus was transmitted through a ship's garbage fed to hogs. The outbreak was rather quickly controlled—again by slaughtering the infected animals.

In 1947 an outbreak of the disease occurred in Mexico. The livestock industry of this country immediately insisted that the Federal Government embark upon a program of cooperation with Mexico to eradicate the disease. During the last 2 years, we have spent approximately $55,000,000 in Mexico. The Mexican Government is spending a proportionate amount. In this latest importation of the disease, it has again been demonstrated that improved serums are needed. Slaughtering infected animals is an expensive process. This method of control, in addition to the initial cost, has long-range impact on the livestock industry.

In 1948 those segments of the livestock industry whose animals are subject to infection, produced an income of over $15,000,000,000. I repeat we have spent in the last 2 years more than $55,000,000 in an effort to control the outbreak in Mexico. The $5,000,000 request now before you and the ultimate cost of the laboratory, $30,000,000, should be looked upon as insurance for this great industry. The ultimate cost of a laboratory is approximately half of what we have spent in the last 2 years on the Mexican program.

Despite the intensive efforts we are making in Mexico, we have no assurance the disease will not be imported to the United States. Commercial operations between the two countries are such that infected materials could easily be transported. Should the disease break out in this country, it may well be the cost to the industry and Government will exceed by many times over the price of doing something now about improved methods of control.

Public Law 496 specifically states that the laboratory site should be on an island with deep ocean transportation between it and the mainland. Other considerations are that there must be a continuous reliable supply of water available, the site should be close to a market where healthy animals can be obtained, the climate should be mild enough to permit year-around operations, and it should be close to a population center sufficiently large to provide adequate housing and school facilities.

Many people in the State of Washington believe we have island sites which meet these criteria. Since the initial stages of this proposal, I have been in contact with the Department and interested people in the State of Washington, hoping to bring the laboratory to an offshore site in my State. In March the Washington State Legislature passed a resolution for the establishment of the laboratory there, the Tacoma Chamber of Commerce has emphasized the suitability of various sites in Puget Sound, the Wash-

ington State Cattlemen's Association, through its president, has indicated their desire to have a laboratory and indicated their willingness to have installation on an island off the Washington State shores. The director of the State department of agriculture likewise expressed his endorsement of the proposal, as has the Washington State Dairymen's Association. I am hopeful your committee will approve the $5,000,000 the Department has requested. I will do my best to convince the Department that we have the ideal site offshore in the State of Washington.

TACOMA CHAMBER OF COMMERCE,
Tacoma, Wash., April 15, 1949.

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MAGNUSON: I know that you are aware of the plans of the Department of Agriculture for the establishment of a research laboratory to study the hoof-and-mouth disease, to be located on an island approximately 600 acres in size, navigable on all sides, and with a water supply of 1,000,000 gallons daily.

Our State development committee became interested in this project earlier this year and initiated studies as to available locations in the vicinity of Tacoma. Before we could complete our studies and forward suggestions to our congressional delegation an article appeared in the newspapers stating that Senator CAIN was suggesting Ketron Island as a site for this laboratory. However, this island does not fulfill the requirements, and we believe that other sites should be considered by the Department.

When the matter was discussed in a recent meeting of our board of directors it was agreed that our preference would be McNeil Island, since it is already owned by the Federal Government, and, if acceptable to Agriculture, the laboratory could be established there with a minimum of inconvenience to the people of this area. If, however, there are reasons why McNeil Island would not be approved, we believe the Department should then inspect Anderson Island, Fox Island, and Harstine Island.

We do not want to lose this important installation to some other section of the country simply because no one had directed the attention of the Agriculture Department to sites other than Ketron Island. Therefore, I would respectfully request that you urge the proper officials in the Department of Agriculture to examine these other possible locations for the laboratory. With kindest personal regards, I remain,

Sincerely yours,
M. S. ERDAHL, *President.*

WASHINGTON CATTLEMEN'S ASSOCIATION,
January 5, 1949.

Senator WARREN G. MAGNUSON,
Senate Building, Washington, D. C.

DEAR SENATOR: After our meeting in Yakima with you regarding the proposed foot-and-mouth disease research laboratory, I called a meeting of the Washington Cattlemen's Association executive committee.

I presented the proposal as you had submitted it to us and our executive committee went on record as being unanimously in favor of the establishment of this laboratory in our State.

From the standpoint of this laboratory being used for other animal diseases than foot and mouth, our executive committee are more than anxious to assist you in any way possible in your endeavor to get approval to establish this laboratory here in our State.

On December 21 we had a tri-State meeting which is composed of the executive committees of the Oregon Cattlemen's Association, the Idaho Cattlemen's Association and our association. At this meeting, I brought up the matter of this research laboratory being located here in the State and all committeemen attending this meeting were in favor of backing you up in an effort to secure the establishment here on the coast.

Please keep me advised in regard to the above and if there is any way at all that I can be of help to you, I will be more than glad to do so.

With best wishes for a successful Eighty-first Congress and with warmest personal regards, I remain,

Yours truly,
WALT SCHROCK,
President.

WALKING T RANCH,
Ellensburg, Wash., January 28, 1949.

Hon. WARREN G. MAGNUSON,
United States Senate,
Washington, D. C.

DEAR SENATOR MAGNUSON: I acknowledge receipt of your letter of January 19, 1949. We are all very happy that you have taken such a constructive position in reference to the foot-and-mouth laboratory off our northern coast.

When Goodwin Chase first told me what was in the wind I got in touch with the office of the American National Live Stock Association, of which I was vice president. I asked them if our national association had taken any position against the establishment of such a laboratory in the continental United States—of course the laboratory to be properly safeguarded.

Their answer was that our association had never opposed the establishment of such a laboratory.

Personally, I am all in favor of it. There is no use shutting our eyes to the fact that this disease is a very serious menace to our industry and, it would seem to me that we can best work for a control or cure where we have the largest amount of medical knowledge available. That, of course, would be in the United States.

There is also another advantage of having the laboratory here. It could work on other animal diseases as well. I know of no better place for it than on the isolated island of the Washington coast which you recommend.

May I offer just one word of caution. Very definitely we, in our State, do not want this laboratory in our State if it would mean that our neighboring States would place a retaliatory quarantine on cattle from Washington.

I think it would be very wise to have an official approval of our plans for our State from the other Western States; and, an agreement that our cattle would not be kept from movement into these other areas.

I imagine that you have in mind giving our State Division of Dairy and Livestock full information as to plans and procedure and safeguards so that they in turn may approve them.

I will be glad to give you any information which I have available on request.

Kindest regards,
ALAN ROGERS.

Quotation from a letter from Mr. Robert Prior, manager, Washington State Dairy Products Commission, dated March 28, 1949:

"First it had the approval of the State Cattlemen's Association at their executive committee meeting. The State Dairymen's Association of Washington also put their stamp of approval on it at their annual meeting at Chehalis on January 25. The United Dairymen's Association gave it their approval at their membership meeting on March 10. The Washington State Dairy Products Commission, which is the advertising and publicity organization for all of the dairy producers in Washington, passed a resolution on March 12 favoring the location on one of the Puget Sound islands."

STATE OF WASHINGTON,
DEPARTMENT OF AGRICULTURE,
Olympia, March 12, 1949.

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MAGNUSON: Dr. Howard F. Boardmore, supervisor of the division of dairy and livestock, Washington State Department of Agriculture, informs me that several members of the staff of the Bureau of Animal Industry, United States Department of Agriculture, were in this State last weekend looking over a site for the location of a proposed hoof-and-mouth-disease laboratory.

We are very much interested that this enterprise be located in the State of Washington. We believe that this island, located near McNeil Island, is the best suited island in the entire United States for this type of an enterprise. The climate, water supply, electrical power, farm labor market, transportation, materials, as well as scientific schools make this a very desirable location.

The State of Washington Legislature has passed a joint resolution endorsing this project, and as director of agriculture, I urge that you give this your immediate attention.

With kind personal regards, I am,

Sincerely yours,
SVERRE N. OMDAHL,
Director.

Whereas foot-and-mouth disease has been diagnosed in Mexico and threatens the livestock industry of the United States directly as well as by its secondary effects upon the national economy; and

Whereas the Federal Government, in cooperation with the Mexican Government, is desperately trying to control and eradicate the aforesaid disease; and

Whereas it is planned to establish an animal-disease research laboratory in compliance with the laws of the United States; and

Whereas such a laboratory could be located on one of the many islands of Puget Sound in the State of Washington, where the availability of water supply, low-cost electric power, farm-labor market, transportation, material and supplies, and scientific schools make such a location desirable: Now, therefore, be it

Resolved by the House of Representatives of the State of Washington in legislative session assembled, That we respectfully petition the Honorable Charles F. Brannan, Secretary of Agriculture of the United States, and the Honorable B. T. Simms, Chief of the Bureau of Animal Industry in the Department of Agriculture of the United States, that they cause to be established, operated, and maintained an animal-disease research laboratory on a suitable island in Puget Sound in the State of Washington; and be it further

Resolved, That copies of this resolution be immediately transmitted to the Honorable Charles F. Brannan and the Honorable B. T. Simms and to the Members of the congressional delegation from the State of Washington by the chief clerk of the house of representatives.

Mr. WHERRY. Mr. President, inasmuch as the argument for and against the laboratory has been made and we have had the statement of the distinguished Senator from New Mexico [Mr. ANDERSON], the former Secretary of Agriculture, relative to the fact that apparently when the program is going along all right, no one cares particularly about having the research laboratory established in the United States, I should like to say that, as chairman of the subcommittee of the Appropriations Committee handling this matter, I endorse

everything the distinguished Senator from Minnesota and the distinguished Senator from New Mexico, the former Secretary of Agriculture, have said.

Yet I do not think the record should stand as indicating that, as we are operating today, everything is lovely so far as the foot-and-mouth disease is concerned. Those who study the record in connection with the disease will see that in Mexico there remain many hurdles to be crossed.

So, although I agree with the distinguished Senator from New Mexico that we are making headway, yet I would not want the Senate to gain the impression that the job has been completed and that so far as the foot-and-mouth disease is concerned, everything south of the border is rosy. Certainly we know that is not the case. We know that further work must be done, in order to do a thorough job and also to stamp out the disease. We know that the initial program must be continued and strengthened.

I ask the Senator whether he agrees with my statement in that conduction.

Mr. ANDERSON. I agree fully with what the distinguished Senator from Nebraska, the minority leader, has said. There was a time when there seemed to be great danger that this disease might cross the border into the United States. When that was the situation, the Congress did an almost unprecedented thing, namely, it permitted the program against the disease to be begun and conducted almost without limitation as to the use of funds for that purpose.

Mr. WHERRY. That is correct.

Mr. ANDERSON. I congratulate the former distinguished chairman of the Appropriations Committee who helped to make that possible, and all those who participated in the decision. But, once the vaccines were manufactured and it was possible for them to be effective and the border line was being driven south, there was a change in the attitude of many livestock associations. What I was trying to say was that I was happy that the Congress, and particularly Members of the Senate, such as the distinguished Senator from Minnesota, were continuing their interest. I am glad to note that the State of North Dakota may want the laboratory, and that the State of Washington is interested. I thought it would be too bad if there came a time when the laboratory might not be built because some particular section did not want it. One of the most important things that can be done is to make sure that the great geniuses in the handling of virus diseases we now have in the United States will be able to devote their attention to this problem. I believe they will give us a much better formula for the use of vaccines, at a much lower cost, and that it will then be possible to control the disease in this country. While I was not a Member of Congress that started the original work, I compliment and congratulate every Member who had any part whatever in it. It was a wonderful work.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 28, after line 16, to insert:

TERRITORY OF HAWAII

For an additional amount for expenses of the offices of the Governor and the Secretary, $1,625.

The amendment was agreed to.

NOMINATION OF ABRAHAM BENJAMIN CONGER TO BE DISTRICT JUDGE, MIDDLE DISTRICT OF GEORGIA

Mr. McCARRAN. Mr. President, if the Senator in charge of the pending bill will yield, I should like to present a unanimous-consent request, the reason being that I am compelled to leave the floor. I should like to have the attention of the majority leader and of the minority leader.

Mr. McKELLAR. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, some time ago, by reason of the illness that befell one of the judges in the State of Georgia, Congress passed an act creating an additional judgeship within that State, not to be filled again when a vacancy occurs hereafter. Some days ago, the President sent to the Senate the nomination of Abraham Benjamin Conger, of Georgia, to be United States District Judge for the Middle District of Georgia, to fill the new position. Today, by unanimous vote, the Judiciary Committee approved the nomination. As chairman, I today filed the report of the committee. I now ask unanimous consent, as in executive session, that the Senate confirm the nomination of Abraham Benjamin Conger. He has been approved by both Senators from the State of Georgia, by the American Bar Association, and by his local bar associations. He is a reputable and capable man. I ask unanimous consent that the Senate confirm the nomination, and that the President be notified immediately.

The PRESIDING OFFICER. Is there objection to the request?

Mr. WHERRY. Reserving the right to object, I ask the distinguished Senator when the nomination was made.

Mr. McCARRAN. The nomination was made about 2 weeks ago. Ten days' notice has been published in the CONGRESSIONAL RECORD.

Mr. WHERRY. Of course, the customary procedure would require that the nomination lie over for 1 day.

Mr. McCARRAN. That is correct.

Mr. WHERRY. What is the objection to letting it lie over and be placed on the calendar?

Mr. McCARRAN. The request came to me from the senior Senator from Georgia [Mr. GEORGE], who is ill, that I take this action. It is at his request that I am presenting the unanimous-consent request to the Senate.

Mr. WHERRY. Mr. President, I remember that in 1943 I withdrew an objection to the confirmation of a Federal judge in an entirely different situation, thanks to the Vice President. I said at that time, however, that in the appointment of a Federal judge, I felt the customary procedure should be maintained throughout, both before the committee and in the Senate. I think every opportunity should be afforded Members of the Senate to object, if they desire to object. But, in view of the fact that I have an abiding faith in the chairman of the Judiciary Committee——

Mr. McCARRAN. I thank the Senator.

Mr. WHERRY. Also, in view of the fact that both Senators from the State of Georgia have approved the nomination, and that the committee has reported it unanimously, it is quite evident there would be no objection to the confirmation of the judge on the next call of the calendar. Therefore, still maintaining the same position I have held for years, but making an exception in this particular instance, I shall not object. I repeat, I feel that in the confirmation of Federal judges, more so than in respect to any other nominations coming before the Senate, the regular procedure should always be followed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none, and, without objection, the nomination is confirmed, and the President will be immediately notified.

SECOND DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 28, after line 19, to insert:

GENERAL PROVISIONS

The limitation in section 4 of the Interior Department Appropriation Act, 1949, on the amount available for expenses of attendance of officers and employees of the Bureau of Reclamation at meetings or conventions, is increased from "$6,750" to "$11,525."

The amendment was agreed to.

The next amendment was, under the heading "Department of Justice," on page 29, after line 9, to insert:

PRINTING AND BINDING

For an additional amount for "Printing and binding," $100,000.

The amendment was agreed to.

The next amendment was, on page 29, line 17, after the word "Division", to strike out "$1,185.30" and insert "$1,225.30."

The amendment was agreed to.

The next amendment was, on page 29, after line 18, to insert:

For an additional amount for "Miscellaneous salaries and expenses, field," fiscal year 1946, $93.37.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses of marshals, etc.," on page 30, line 3, after the word "forth", to strike out "$476.04" and insert "$1,025.19."

The amendment was agreed to.

The next amendment was, on page 30, line 5, after the word "forth", to strike out "$592.20" and insert "$996."

The amendment was agreed to.

The next amendment was, on page 30, after line 5, to insert:

For an additional amount for "Salaries and expenses of marshals, and so forth," $150,000.

The amendment was agreed to.

The next amendment was, on page 30, after line 7, to insert:

FEES OF WITNESSES

For an additional amount for "Fees of witnesses," $40,000.

The amendment was agreed to.

The next amendment was, on page 30, after line 10, to insert:

FEDERAL PRISON SYSTEM

SUPPORT OF UNITED STATES PRISONERS

For an additional amount for "Support of United States prisoners," $100,000.

The amendment was agreed to.

The next amendment was, under the heading "National Military Establishment—Department of the Army—Military functions," on page 31, after line 1, to insert:

FINANCE DEPARTMENT

RETIRED PAY, ARMY

For an additional amount for "Retired pay, Army," $3,500,000, to be derived by transfer from the appropriation "Transportation Service, Army."

The amendment was agreed to.

The next amendment was, under the subhead "Department of the Army—Civil functions," on page 32, after line 3, to insert:

CORPS OF ENGINEERS

RIVERS AND HARBORS

Maintenance and improvement of existing river and harbor works

For an additional amount for "Maintenance and improvement of existing river and harbor works," $263,000, to remain available until expended.

The amendment was agreed to.

Mr. LUCAS. Mr. President, I send to the desk an amendment, and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 32, line 9, in lieu of the committee figure "$263,000," it is proposed to insert "$563,000"; and in line 10, after the word "expended", to insert a comma and the following: "including $300,000 for the Calumet-Sag project, Illinois, for use in relocating the Michigan Central Railroad as authorized by Public Laws 14 and 525, Seventy-ninth Congress."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. MAGNUSON. Mr. President, I should like to ask the chairman of the committee a question. I understand we are on page 32. Is that correct?

Mr. McKELLAR. That is correct.

Mr. MAGNUSON. I wondered whether, in view of the fact that there has been no decision made by Congress regarding other flood-control projects over the country——

The PRESIDING OFFICER. The Chair will say to the Senator from Washington that we have not yet reached that item.

Mr. WHERRY. Mr. President, may I inquire what amendment is pending?

The PRESIDING OFFICER. The pending amendment is that offered by the Senator from Illinois to the committee amendment on page 32, line 9, to strike out "$263,000" and insert "$563,000," and to add additional words in line 10.

Mr. WHERRY. Has the distinguished Senator from Illinois given the justification for his amendment? If so, I did not hear it. There was some confusion in the Chamber.

Mr. LUCAS. No; I have not. The amendment is offered by the Senator from Illinois for urgent and emergency reasons.

This amendment involves what is known as the Calumet-Sag project, which the Congress approved in July 1946. The story is that Congress has not appropriated funds to begin the construction work on the project, but has made allotments to the Chicago engineer district for advance planning. This planning has been carried out to a stage at which, upon appropriations, work on the project can be started immediately.

I am not asking for the full amount necessary to complete the project; I am asking only for the sum of $300,000, which is absolutely essential to relocate a bridge on the Michigan Central Railroad in order that a four-lane superhighway which is now being constructed in the State of Illinois may be completed. I think I can best explain the item for the RECORD by reading a letter which comes from Charles P. Casey, director of the department of public works and buildings, Springfield, Ill.:

DEAR SENATOR LUCAS: Lack of a $300,000 appropriation by Congress to the United States Army engineers for the planned readjustment of the Michigan Central Railroad alinement near its crossing of the Calumet-Sag waterway channel just south of Chicago's city limits is delaying completion of the final and key unit, 1½ miles long, of the Illinois section of the Chicago-Detroit superhighway.

This track relocation is required by the Army engineers' plans for a new Michigan Central bridge over a completed section of the waterway, and is to be done at the principal expense of the United States, as provided by act of Congress.

The Army engineers, testifying before the Appropriations Committee, advised the committee that it is absolutely necessary that the money be appropriated if this project is not to be delayed.

The States of Illinois and Indiana and the County of Cook have already constructed or are now completing 17 bridges, highway grade separations and railway viaducts, and 7 miles of heavy grading on the 11-mile section of this express highway between One Hundred and Thirtieth Street and Stony Island Avenue in Chicago and Indianapolis Boulevard in southeast Hammond.

Already completed work including right-of-way acquisition has cost $6,600,000 while work under contract for completion in 1949 costs $1,200,000.

Paving on 7 miles of the 8½-mile section in Illinois can be completed for traffic use in 1950, at an additional cost of $2,200,000.

The remaining structures and paving on the first 2½-mile section in Indiana are programed to carry traffic in 1951.

The critical 1½ miles of structures, heavy grading, and pavement between One Hundred and Thirtieth Street and One Hundred and Forty-second Street estimated to cost $2,300,000 await action by the Congress and the Army engineers based on a $300,000 appropriation to relocate the Michigan Central tracks, to enable the highway structure to be built at once at this final location, as designed.

Mr. President, if this $300,000 is not forthcoming from the Congress of the United States, the construction of this project which will carry so much traffic will be delayed until Congress shall finally appropriate the necessary money. It is a vital matter.

Mr. Casey says, further:

Plans for the viaduct are complete and the Illinois Highway Division is ready to award contract as soon as the railroad tracks are established in their revised location. Contracts for grading and pavement also must await that action.

The importance of completing this superhighway is great. This is one unit of a system of seven such superhighways planned to lead from central Chicago outward. The South Outer Drive, connecting with Stony Island Avenue, now serves as the completed Chicago traffic artery as far south as One Hundred and Thirtieth Street, on this route.

If any Senator has ever traveled out of Chicago in any direction he will realize what the traffic problem is and how it is growing daily.

The necessity is clear that an immediate allocation of funds should be made to the United States Army engineers, so that the required realinement of the Michigan Central Railroad which is a contract obligation of the United States, may be commenced at once. I understand that hearings will be started this week in the Senate on the rivers and harbors bill, and I would appreciate anything you can do to have this $300,000 item included in this bill in order that this important highway project may be completed.

Mr. President, I did not appear before the Appropriations Committee, primarily because this item is not in the budget. But the more I studied the proposition, the more I read the hearings, and the more I conferred with members of the Chamber of Commerce in Chicago, with Mr. Casey, and representatives of other organizations vitally interested in the matter, the more I became convinced it was absolutely essential that I offer this amendment, notwithstanding the fact that the item does not have budget approval.

I hope the committee will accept the amendment and take it to conference.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to ask a question, in view of the statement already made that the item did not appear in the budget estimate for authorization or appropriation. Has it ever been presented to the President?

Mr. LUCAS. I have never presented it to the President. Let me say to my friend from Nebraska that Mr. Kingery, an engineer representing certain organizations in Chicago, made a very full presentation of the subject to the committee. The only thing I am asking for is $300,000 in order that the bridge to

which I have referred may be relocated. When that is done, it will be possible to move on to the completion of the highway which is known as the Chicago-Detroit superhighway.

Mr. WHERRY. I agree that there is certainly a traffic problem in the city of Chicago; there is no doubt about it. I think the able presentation made by the senior Senator from Illinois is most convincing. But, as the majority leader well knows, there are hundreds of projects in the same category, and if there is no budget estimate involved a precedent might be created so that many Senators might ask for similar appropriations.

Did the House consider the authorization or the appropriation?

Mr. LUCAS. I do not know.

Mr. WHERRY. It has been authorized or recommended by the Army engineers, but it has not been presented in the President's budget.

Mr. LUCAS. The fact is that more than this amount has been recommended by the Army engineers. Approximately $5,000,000 has been tentatively allotted.

Mr. WHERRY. Inasmuch as this is a deficiency bill, I am wondering why the distinguished Senator from Illinois did not offer the amendment to the civil functions bill on the floor of the Senate.

Mr. LUCAS. I did not do that for the very reason I announced a moment ago. It did not have budget approval. I hesitated to ask for money at this time, when we are all seeking economy. I have made such a request only once before; but the more I studied the hearings and the more I talked with individuals who are concerned about the great highway which is now being constructed, the more I became convinced that I was justified in asking the Appropriations Committee and the Congress to take the amendment to conference with the hope that the money will be appropriated, regardless of the fact that there is no budget approval for it.

Mr. WHERRY. I want the distinguished majority leader to know that I would be the last one to block a project of the emergency character which the Senator has described.

I merely wish to reemphasize, however, that there are other appropriation bills coming along. I am wondering if the membership of the Civil Functions Subcommittee should not have this item drawn to their attention by the able Senator from Illinois. There are other bills to which the amendment could be attached, and they could be given an opportunity to justify the appropriation.

I make this suggestion for the reason that there are projects in my own State, probably not where the traffic is so heavy, but which are in the emergency class, and on which there is no budget estimate, and the members of the committee rather judiciously set those outside and said, "We are not going to appropriate for them this year." The suggestion of an amendment like this places one who is intensely interested in civil functions, and especially the development of the Missouri River Basin, in a rather difficult position, if it becomes necessary to vote for an appropriation like this, when we actually deny similar treatment in relation to projects of the same character.

Mr. LUCAS. I wholeheartedly agree with the Senator in his premise, and in most of his conclusions, but this matter is in a slightly different category. Congress has authorized this appropriation, and I rather think that had the proper presentation been made to the Bureau of the Budget at the time it was considering the estimates, there would not have been any question about this $300,000. It is a real emergency. I agree with the Senator completely that it is an exception to the rules, and that ordinarily it should not be done, and I have hesitated even to make the suggestion at this time because of the considerations the Senator from Nebraska has mentioned. It does set a precedent, and I do not like to set a precedent. But, as I stated before, the more I studied the matter the more I became convinced that this appropriation was absolutely essential.

Mr. FERGUSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Michigan.

Mr. FERGUSON. I wish to submit the suggestion that we might avoid taking this matter up without a budget estimate, inasmuch as there will be a new deficiency bill coming in before the end of the year, and if this matter were submitted to the Budget Director he could get it into that deficiency bill, rather than for us to violate what is a rule by putting the item in the pending appropriation bill and taking it to conference. I know the Senator does not want it merely taken to conference and have the conference reject it, because that would not help in the emergency.

Mr. LUCAS. No; I would not like that, but I should like to see what could be done with it in conference, and I would hope it could be adopted. Let me repeat what Mr. Casey said:

> Plans for the viaduct are complete and the Illinois Highway Division is ready to award contract as soon as the railroad tracks are established in their revised location. Contracts for grading and pavement also must await that action. The importance of completing this superhighway is great.

The Senator from Michigan is interested in this, because it affects a highway extending from Chicago to Detroit.

Mr. FERGUSON. I appreciate that people will be coming from Chicago to Detroit, rather than the other way.

Mr. LUCAS. I disagree with the distinguished Senator. I am certain more folks come from Detroit to Chicago, and the Senator understands why that is the fact.

Mr. FERGUSON. If the Senator could do what I have suggested, have the Budget Director work on the matter so that it could come in, for instance, in the next deficiency bill, I think it would be safer, and we would have the item in the bill in the proper way.

Mr. LUCAS. I am sure that the Director of the Budget would give approval to it, but I should like to have the Committee on Appropriations consider this matter, because of the emergency. That is the only reason I make the suggestion.

Mr. WHERRY. Mr. President, does the Senator have any correspondence at all from the Bureau of the Budget which might indicate how they would stand on it?

Mr. LUCAS. I have no correspondence with them about it at all. Even though this letter was written in April, I gave the matter a cursory examination, and when upon investigation I discovered there was no budget approval, I wrote Mr. Casey and advised him as to why I did not think I could do what he asked. But since that time I have studied it more carefully, and the more I examined the representations of the local engineers, and the Army engineers as well, the more I have become convinced that this action is absolutely essential and that the amendment should be agreed to.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I know that in my State, in relocating railroad tracks and other improvements, the railroads are asked to make contributions. Are the rights of the Government in this instance protected?

Mr. LUCAS. Oh, yes.

Mr. SALTONSTALL. So that if this appropriation were made, there would be such language in it as would require the State and the railroad to put up their proper share?

Mr. LUCAS. I think the basic law provides for that. I think there is no doubt about that at all.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois to the amendment of the committee.

Mr. WHERRY. Mr. President, I want the RECORD to show that I shall vote "no." I am not going to suggest the absence of a quorum, and I am not going to oppose the adoption of the amendment, but I want the RECORD to show my opposition to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 32, after line 10, to insert:

FLOOD CONTROL

FLOOD CONTROL, GENERAL

For an additional amount for "Flood control, general," $12,575,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 32, after line 14, to insert:

Flood control, Trinity River, Tex.: For prosecuting work of navigation, flood control, and allied purposes, Trinity River, Tex., in accordance with the provisions of the Rivers and Harbors Act, approved March 2, 1945 (Public Law 14, 79th Cong.); $500,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 32, after line 20, to insert:

UNITED STATES SOLDIERS' HOME

For an additional amount for "United States Soldiers' Home," to be paid from the Soldiers' Home permanent fund, $90,000, to remain available until expended; and the limitation under this head in the Civil Functions Appropriation Act, 1949, on the amount available for modernization of existing utilities, is increased from "$446,579" to "$536,579."

The amendment was agreed to.

The next amendment was, under the subhead "Department of the Navy—Naval Establishment," on page 35, after line 4, to insert:

BUREAU OF AERONAUTICS

AVIATION, NAVY

The Secretary of the Navy is hereby authorized to transfer not to exceed $105,000 from the appropriation for "Aviation, Navy," fiscal year 1949, to the Naval Procurement Fund to reimburse said fund for obligations incurred thereunder for work in connection with emergencies resulting from storms in the Western States.

The amendment was agreed to.

The next amendment was, under the heading "Department of State—International activities—Salaries and expenses, American sections, International Commissions," on page 41, line 9, after the word "commissions", to strike out "$8,630" and insert "$38,630"; and in line 13, after the word "to", to strike out "$44,210" and insert "$74,210, of which latter amount $30,000 shall remain available until expended for the Passamaquoddy tidal power project, Maine."

The amendment was agreed to.

The next amendment, was, on page 41, after line 17, to insert:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

The appropriations under this head in the Department of State Appropriation Act, 1949, shall be available for the purchase in the name of the United States of America, for a consideration not in excess of $1,500, of a tract of land within lot 4 and the southwest quarter southeast quarter of section 28, township 8 south, range 24 west, Gila and Salt River meridian, Yuma County, Ariz., containing seven and eighty-two one-hundredths acres, more or less, needed for the east abutment of the Morelos Diversion Dam across the Colorado River, being constructed in accordance with article 12 of the treaty of February 3, 1944, between the United States and Mexico, the acquisition of which land by the United States is required by the provisions of article 23 of said treaty.

The amendment was agreed to.

The next amendment was, under the heading "Treasury Department," at the top of page 45, to insert:

ACQUISITION OF VESSELS AND SHORE FACILITIES

Not to exceed $3,000,000 of the unobligated balance of funds heretofore appropriated under this head shall be available for conversion and repair of the icebreaker *Eastwind*.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Increased pay costs—Independent offices—Federal Security Agency," on page 53, line 12, after the word "Bureau", to strike out "$61,200" and insert "$36,200 and $25,000 to be derived by transfer from the appropriation 'Grants to States for emergency maternity and infant care (national defense)'."

The amendment was agreed to.

The next amendment was, under the subhead "Department of Commerce," on page 60, line 2, after "Salaries and expenses", to strike out "$4,541,000, and $234,000 to be derived by transfer from 'Development of civil landing areas'" and insert "$4,775,000."

The amendment was agreed to.

The next amendment was, under the subhead "Department of the Interior," on page 61, after line 2, to insert:

Salaries, Office of the Secretary, $86,000.

The amendment was agreed to.

The next amendment was, on page 64, line 17, after the word "parks", to strike out "$287,000" and insert "$277,000."

The amendment was agreed to.

The next amendment was, on page 65, line 3, after the figure "$50,000", to strike out "to be derived by transfer from 'Emergency fund, Territories and island possessions (national defense)'."

The amendment was agreed to.

The next amendment was, under the subhead "Department of Labor," on page 67, at the beginning of line 12, to strike out "$46,100" and insert "$64,100."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Claims for damages, audited claims, and judgments," on page 74, line 15, after the word "in", to insert "Senate Documents Nos. 52 and 71, and"; and in line 17, after the word "Congress", to strike out "$5,398,883.17" and insert "$12,205,679.48."

The amendment was agreed to.

The next amendment was, under the heading "Title IV—General provisions," on page 76, after line 13, to insert a new section 402, as follows:

SEC. 402. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

The amendment was agreed to.

The next amendment was, on page 77, to change the section number from "402" to "403."

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which it agreed to the amendment of the committee on page 27, beginning in line 11, in order that I may make a brief statement and offer an amendment to the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia? The Chair hears none, and the vote by which the amendment was agreed to is reconsidered.

Mr. RUSSELL. Mr. President, there is a budget estimate for this item. The Budget Bureau sent an estimate for $200,000 for investigations and studies of recreational resources and archeological remains in river basins of the United States.

I desire to offer an amendment which will increase the figure $7,300 by $20,000. I wish to increase the amount because this is a most important item, and an emergency item.

There is under construction in my State what is known as the Allatoona Dam. It is a huge reservoir on the Etowah River. It so happens that this immediate area is perhaps richer in archeological remains and prehistoric lore of the Indian tribes who lived in this section before the white man first touched the shores of this continent than any other area in the United States.

There are in this area, Mr. President, more than 200 important archeological sites which the proposed reservoir, which will be completed this summer, will cover under 50 feet of water.

Numerous parties are surveying the ruins of ancient civilization in North Africa and in the Middle East. But here in the United States, in this very basin, are some of the most interesting and some of the most promising sources of knowledge of prehistoric man there are in the whole world.

I ask only for 10 percent of the budget estimate, that $20,000 may be appropriated in order that this all-important research may be carried out before this reservoir is closed early this fall, in August or September of this year. The reservoir will start filling and these priceless relics of antiquity will be forever lost to the knowledge of our people, unless the amendment be adopted.

I hope the Senator from Tennessee will be kind enough to accept this little amendment because the purpose sought to be effected by it is of far greater importance than is the amount of money involved. Nearly all our great colleges and universities now have departments of archeology. Research work conducted in this one small area, which is so rich in ancient history, will contribute to the teaching and to the processes of education in every great university of the Nation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer an amendment on page 52, line 15, merely to correct a typographical error.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 52, line 15, it is proposed to strike out "Kentucky)" and to insert in lieu thereof "Kentucky."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. MAGNUSON. Mr. President, I should like to ask the distinguished chairman a question. In the bill an

amount is provided for the continuation of the production of what are known as synthetic liquid fuels. The item appears on page 26 of the bill. I wonder if there was any testimony before the committee on the subject of synthetic liquid fuels, and as to what has been done in the laboratory at Louisiana, Mo., in relation to the possibility of production of gasoline from coal, and other production so vital to the welfare of the Nation.

Mr. McKELLAR. The item was adopted by the committee in exactly the same terms as it came from the House. There was no testimony taken in regard to it.

Mr. THYE. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, line 23, it is proposed to strike out "$830,000" and insert "$898,000"; and on page 23, line 4, it is proposed to strike out "$80,000" and insert "$148,000."

Mr. THYE. Mr. President, I shall state the reason for offering the amendment. In the year 1940 a school building at Red Lake Indian Reservation in Minnesota burned down. In the attempt to rebuild the school building, of course, a Federal appropriation was needed in connection with the State appropriation. The war came on, and the construction of the school building had to be deferred. At the present time, the construction of the school building is under way. The Federal grant provided in the bill is $80,000, but if only $80,000 is granted the entire building, as planned for, cannot be constructed. It is for that reason I offer the amendment. I ask for $68,000 additional appropriation in order that the building may be constructed in the manner provided by the plans as drawn and developed. I have discussed the amendment with the able chairman of the Appropriations Committee, and I hope that the Senate will concur with me in the amendment. I am sure the chairman will not offer an objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE].

The amendment was agreed to.

Mr. FERGUSON. Mr. President, in connection with previous appropriation bills for fiscal 1950 the Senator from Michigan in behalf of himself, the Senator from Nebraska [Mr. WHERRY], and the Senator from New Hampshire [Mr. BRIDGES] has offered amendments to cut the amounts 5 percent. Motions also were made on behalf of myself and the Senator from Nebraska and the Senator from New Hampshire to recommit those bills with instructions to the committee to make a cut of 5 percent.

The Senator from Michigan is not going to make such a motion with respect to the bill now before the Senate but he wants the RECORD to show clearly why no such motion is made at this time.

The pending bill is a deficiency bill for the fiscal year 1949. It is in the amount of $859,675,510.27. There has been added on the floor between $800,000 and $900,000 over and above that amount.

I wish to call to the attention of the Senate that in other 1949 deficiency appropriation bills to date we have allowed $2,481,714,983. In the case of the veterans' bill the deficiency allowed was $595,890,000. In connection with disaster relief it was $1,500,000. The first deficiency bill provided for $524,649,000. So it is evident, from the record, that we are allowing more than $2,000,000,000 in deficiencies.

That indicates what is going on in the various agencies of Government. They come before Congress and ask for appropriations. We have discovered in past years that as soon as they receive the appropriations, sometimes even before the ink is dry upon the appropriations bill, there is sent to the Congress from the executive branch a request for a supplementary or a deficiency appropriation. In other words, the agencies do not live within the appropriations they receive from the Congress, but they expend the money or contract for it in such a way that Congress is compelled to appropriate additional money. While the budget estimate for the year totals $41,900,000,000, it will be found that two or three billion dollars will be added by way of deficiency.

As I have said, the Senator from Michigan is not going to offer a motion that a 5-percent cut be made in this bill. We have only one more month in the present fiscal year to which these deficiencies apply. The money asked has been contracted for in the great majority of cases. Essentially, it represents outstanding commitments or obligations. A 5-percent cut would merely mean delaying the time when the same amount of money would have to be expended or appropriated for on another appropriation bill.

No rhyme or reason exists for attempting simply to delay appropriations and thereby try to save money. That is fictitious economy. Real economy is achieved only by cutting expenditures, or cutting appropriations in a manner which will enforce a reduction of expenditures, so we shall not be compelled to pay out more money than comes in from the tax dollars.

Mr. President, we have not given up the fight to balance the budget. But for the moment and for the present fiscal year which runs to June 30, we find ourselves in the position that the money requested by way of deficiencies has already been committed and contract obligations have been entered into. As a result there is no way here that we can cut the amount by a certain percentage and save any money to the taxpayers.

That being true, we nevertheless do not abandon the real purpose of balancing the budget and avoiding an increase in taxes. We merely refrain from offering a motion for a cut of 5 percent in connection with this bill because it would be ineffective in its purpose.

As I see it, the need for economy and for every effort which will avoid an increase in taxes becomes more imperative day by day. Daily it becomes apparent that we are in a falling market. Industry is declining. Unemployment is rising. We would not be able, merely by saying, "We are going to raise taxes," to increase the tax burden by $4,000,000,000 without doing grave injustice and serious harm to the economy. Such action might be the straw which would break the back of an already shaky economy. Serious trouble and even chaos could be the consequence.

So we must take warning. We are not out of the wilderness merely because we are able to appropriate another $1,000,000,000 today, with no voice being raised against it. We are still in the wilderness, deeper than ever perhaps. But there is no point in seeking to bring about a 5-percent cut in this appropriation. Because of the nature of these charges, it would only be necesary to add them to the next appropriation. No money would thereby be saved for the American taxpayers. But because we are required to approve this measure as it stands we should recognize it makes even more acute the need for future retrenchments.

Mr. WHERRY. Mr. President, I should like to have the RECORD show that the junior Senator from Nebraska concurs in the remarks made by the distinguished Senator from Michigan. I had intended to make these observations after the third reading of the bill; but inasmuch as the distinguished Senator from Michigan has made a statement relative to a cut, I should like to have the RECORD show that it was not my intention to make the 5-percent cut applicable to deficiency bills. No attempt was made to make a 5-percent reduction in the first deficiency bill. There was an issue relative to the New Johnsonville steam plant appropriation, but not in connection with the bill as a whole.

I should like to emphasize that as the bill came from the House it carried an appropriation of $671,069,672.84. The Senate has increased it by $188,605,837.43. However, if Senators will turn to the table on page 25 of the report, item No. 75, they will note an appropriation of $136,238,000 for pensions. That represents the major part of the increase of $188,000,000 plus.

I think it should also be emphasized—I suppose the distinguished chairman of the committee has done so, but he knows it better than I—that in connection with the independent offices appropriations the amount originally asked for was $110,000,000. There is a difference in the estimates as between $110,000,000 and $136,000,000. Of course, that represents an additional amount, because of the inaccuracy of the estimates. However, these are solemn obligations. They are pensions which have already been authorized by the Congress for the veterans, and, of course, there is no chance whatsoever for a reduction in that item.

Mr. McKELLAR. It is a contractual obligation which we are obliged to pay.

Mr. WHERRY. Certainly. No one is questioning that. I thought that should be pointed out in no uncertain terms, so that Senators will know the reason for the increase of $188,000,000 over the amount of the bill as it came from the House.

The next item which I think should be stressed is the item of $14,000,000 for relief for Palestine refugees. If my memory serves me correctly—I cannot remember all the items—I am quite sure that that item was not justified in the House. Am I correct in that statement?

Mr. McKELLAR. The Senator is correct.

Mr. WHERRY. It came to the Senate as an emergency item. It was not acted upon in the House. That represents an additional $14,000,000, which was increased to $16,000,000 by the amendment which was adopted this afternoon. That is an item for direct feeding, and no one objects to it.

There is still another item which I wish to call to the attention of Members of the Senate, because I think when we add this item to the $136,000,000 and the $14,000,000, we can see approximately what the Senate has done in connection with this bill.

Between $15,000,000 and $16,000,000 is appropriated to reimburse various agencies of Government in connection with what is called Operation Snowbound. This money has already been spent by agencies in the West because of the snowstorms, blizzards, and floods with which that area was visited. Congress has already authorized the expenditure. The money has been spent, and this appropriation is to reimburse agencies of Government to the extent of $15,000,000 or $16,000,000. Am I correct in that statement?

Mr. McKELLAR. The Senator is correct. A discussion of that item is found in the report on page 4.

Mr. WHERRY. I should like to include that in the RECORD as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

OPERATION SNOWBOUND

During the recent winter months unprecedented snowstorms and cold waves in our Western States caused so much distress in that area that the President of the United States authorized various agencies of the Government to spend available funds to meet the emergency with the idea that later in the year Congress could be asked to reimburse these agencies for the expenditures made. It is estimated that the total cost to the Federal Government was $20,331,240, as follows:

TABLE 1.—*Summary of estimated expenditures by Federal, State, and local agencies in connection with disaster relief in the Western States*

[Reported as of Mar. 14, 1949]

State	President's emergency fund	National Military Establishment	Department of the Interior	Department of Agriculture
Arizona	$50,000	$170,000	$464,197	$6,500
Colorado	50,000	80,000	90,404	1,900
Idaho	65,000	55,000	73,693	10,000
Montana	40,000	15,000	334,958	6,500
Nebraska	150,000	7,900,000	34,689	21,000
Nevada	150,000	680,000	307,670	49,700
North Dakota	35,000	3,700,000	145,959	500
South Dakota	135,000	2,020,000	309,579	7,000
Utah	150,000	210,000	639,820	73,400
Wyoming	125,000	1,750,000	217,271	6,500
Total	950,000	16,580,000	2,618,240	183,000

Without the immediate participation by the various agencies there would have been tremendous loss of life and also tremendous loss of livestock, both cattle and sheep. Fortunately these agencies were able to move in with bulldozers and other equipment to open the roads and by means of airplanes of both the Army and Navy to fly in supplies, thereby holding to a minimum the loss of lives and livestock. In addition to the funds expended by the Federal Government, State and local funds amounting to $12,241,056 were expended.

The committee has recommended in this bill that the Federal agencies be reimbursed in an amount of $15,841,000, as follows:

Agriculture Department	$142,000
Interior Department	2,861,000
Department of the Army, rivers and harbors, and flood control	12,838,000
Total	15,841,000

Mr. WHERRY. When we add those items together they account for practically all the increase in this deficiency bill.

I wish to express my profound thanks to the distinguished chairman of the Appropriations Committee and to other members of the committee for their untiring efforts to bring forth a deficiency bill carrying the lowest possible appropriations. Possibly if we had more time and more legislative experts to work with us, we could go into the original amount of $671,000,000 and do some pruning.

I sat with the full Appropriations Committee when the bill was ordered reported. The committee went into the various amounts in a very searching and diligent manner. While the bill as reported from the Senate Committee on Appropriations carries a greater amount than the bill as it came from the House, it is justified for the reasons which I have given. Certainly a motion to make a cut of 5 percent at this time would be out of order. It was not done in connection with the first deficiency appropriation bill. However, that does not mean that in the final analysis the Congress cannot adopt a procedure to reduce the Budget of $42,000,000,000. There are untouchable items in it amounting to about $35,000,000,000. I believe that if we could review the administration of contractual obligations, and completely review the items in the various bills, we could make a saving of between 5 and 10 percent.

When the time comes, I hope the resolution submitted by the Senator from Maryland [Mr. TYDINGS], or the resolution submitted by a group on this side of the aisle, or a similar measure offered by some other Senator, will provide the machinery to permit us to effect a reduction which will enable us to balance the budget and avoid an increase in taxes and keep the Government on a pay-as-you-go basis, without the necessity of deficit spending.

Mr. McKELLAR. Mr. President, I may say to the Senator that in my judgment one of the greatest sources of extravagance in the Congress is the practice of permitting the creation of contractual obligations. I do not believe that any of the departments should be allowed to incur contractual obligations. The Constitution provides that the Congress shall appropriate the money. The Congress should keep its hands on the purse strings from beginning to end, and should not allow contractual obligations when it cannot possibly know what will be spent.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. MAGNUSON. Mr. President, I wish to offer an amendment. I have been checking through the bill, and I do not see any item in the bill entitled "Housing and Home Finance Agency." I therefore wish to submit an amendment under the heading "Independent Offices," on page 4, to insert a new section entitled "Housing and Home Finance Agency, Alaska Housing Authority, $15,000,000," and ask for its consideration.

The PRESIDING OFFICER. The amendment offered by the Senator from Washington will be stated.

Mr. WHERRY. Mr. President, if the Senator expects to press his amendment at this time, I think we should have a quorum call, so that Senators who are interested in this item may be notified and have an opportunity to consider it. There will have to be a vote on it.

Mr. McKELLAR. Mr. President, let me say to the Senator from Washington that the committee gave most careful attention to this item. It was presented to the committee. Many witnesses were heard. We had the testimony of witnesses, and we had a letter from the Senator from Washington. This is what the committee had to say about Alaskan housing:

The committee has not allowed the budget estimate of $15,000,000 for the purchase of obligations of the Alaska Housing Authority as authorized by section 3 of the Alaska Housing Act (Public Law 52, approved April 23, 1949). The committee was informed that within a week or 10 days a small group of qualified specialists will travel to Alaska to make an on-the-spot analysis of needs and resources, in cooperation with officials of the Alaskan Housing Authority and local lending institutions and builders. Until this essential first step has been taken realistic and detailed projections of the activities involved cannot be made. The committee will be furnished a report on the work of the task force sent to Alaska. When fuller information as to the needs of Alaska is made available, the committee will be in a better position to pass upon the need of the appropriation sought.

That report was made after hearing the witnesses and reading the Senator's letter. Many Members of the committee were in sympathy with the proposal; others were very much against it.

I should think it would be the wisest thing to await the report of the task force committee which has been sent to Alaska to get the facts, so that we may know what we are appropriating money for.

So I hope the Senator from Washington will not offer the amendment. I believe that will be to his best interests and the best interests of those whom he feels should have this accommodation in Alaska. I think it would be very much

better to have the facts first; and I hope the Senator from Washington, who is doing a splendid job, and who in my judgment always wants to do the fair thing, will agree not to submit the amendment, in view of the way the matter now stands.

Mr. MAGNUSON. Mr. President, I say to the Senator from Tennessee—and I assure the minority leader, the Senator from Nebraska [Mr. WHERRY] that I will not press the adoption of the amendment unless a quorum call is first had, and I do not know whether I wish to have a quorum call had at this time—that I wish it understood that I have read the report and I appreciate the reasons for the committee's action. But, after all, there were extensive hearings on this subject, not later than 3 weeks ago, before the Senate Banking and Currency Committee and before the House Banking and Currency Committee, and at that time all the needs were set forth.

That testimony sets forth the needs in Alaska, as testified to by competent housing officials, by residents of Alaska, by builders, contractors, and those who know Alaskan needs.

So I cannot see any sense in having another group go to Alaska—a task force, as stated in the committee report—to look into this matter, inasmuch as direct testimony has been had here, and in view of all the information we already have as to the need for such an appropriation and all the information which has been secured by the Bureau of the Budget as to the practical needs. Under the circumstances, what good could be served by having another group go to Alaska to determine something that already has been determined?

If such housing could be built in Alaska over a considerable period of time, probably there would be no objection to having such a double check made into the matter. But I say to the Senator from Tennessee that the group which will go to Alaska will go there in a week or 10 days, perhaps—according to the statement contained in the committee report—and then it will take them at least 2 weeks to get started in their investigation, and perhaps they will spend another 2 weeks there in connection with the investigation, and then it will take them another 2 weeks to return here; and by the time they report to the Appropriations Committee, either Congress will be in recess or, if that is not the case, the building season in Alaska will have ended. It lasts only 4 months, and it is already a month under way.

If the committee's view of the matter is adopted by the Senate, the housing construction program in Alaska will, for all practical purposes, be dead for the coming year.

The need was established by all the testimony of the witnesses before the Banking and Currency Committees of both Houses of Congress.

Furthermore, I point out that the $15,000,000 is not to be an appropriation, as such, but merely a revolving fund to take care of the situation; and all the money will be paid back. I know of no place in the North American Continent where government loans have been more diligently and timely repaid than in Alaska, when loans for such purposes have been obtained by the hardy residents of that Territory.

So why send a group to Alaska to get facts which we already have?

I should like to ask the Senator from Tennessee what group is to go there. Is it a group from the Housing Authority; or what group is it? I admit this is a good time of the year to visit Alaska.

Mr. McKELLAR. Here is what Mr. Foley had to say about the matter, when he testified before our committee:

> At best it will take 2 or 3 years to provide these 6,000 units, especially as there is at present no well-developed building industry in Alaska and there are acute local shortages of materials, equipment, and labor. It is particularly important that a start be made during the present building season, several weeks of which have already been lost.
>
> While there is abundant information available indicating that there is an acute shortage of adequate housing in Alaska and that high construction costs are a primary cause of this shortage, this Agency has not until now had either the responsibility or the facilities to obtain and analyze the many detailed factors contributing to the deplorable housing situation there, a situation which it has been recognized could not be alleviated by the standard mortgage insurance provisions of the National Housing Act or the secondary market operations of the Federal National Mortgage Association in effect in the States.

Later on he said:

> However, on the basis of discussions with representatives of the Department of the Interior and the Alaskan Housing Authority, it appears that the full amount should be appropriated at once in order that long-run commitments can be made as rapidly as suitable approved projects can be planned.

The paragraph just ahead of that is as follows:

> Accordingly, there is not yet sufficient information to support a detailed break-down of the way the $15,000,000 Federal fund will be applied.

Mr. MAGNUSON. Yes; but Mr. Foley went on to say that he thought the amount specified should be appropriated.

Mr. McKELLAR. Naturally, he would think so. But he says there are no detailed reports on the basis of which Congress could intelligently appropriate this money. In other words, we do not have the facts before us.

Mr. MAGNUSON. If the Appropriations Committee had read the lengthy hearings by both the Senate Banking and Currency Committee and the House Banking and Currency Committee it would have had sufficient information regarding the details to warrant the establishment of the so-called Alaskan Housing Authority.

Of course, we cannot have in advance all the details as to each housing unit. After all, this money is to be only a loan. In any event, we must permit the housing authority to determine whether the loans will be good and should be made.

I ask the Senator who are the ones who will go to Alaska? Who are they, and what are they to investigate?

Mr. McKELLAR. The Alaskan agency was to make a report, and the housing authority also was to make a report, after sending representatives to the Territory to ascertain the facts. Certainly, we could not properly appropriate so large a sum of money, either to be loaned or to be given to the people of Alaska, without having any knowledge of the facts in the matter.

Mr. MAGNUSON. The money is not to be given to the people of Alaska, but it is to be loaned. The loan is to be the same type of housing loan that has previously been made. In other words, the money will be paid back.

Mr. McKELLAR. We have been informed that the money would be advanced to the people of Alaska.

Mr. MAGNUSON. Yes; it will be advanced to them. I know of no loan which will be more diligently paid back than any loan, regardless of the amount, which is made to the people of Alaska, to permit them to obtain needed housing.

I still wish to find out who are the ones who will go to Alaska. Are they to go there to hold long hearings regarding this matter? After all, Congress has just approved this proposal. Both Houses of Congress have authorized it.

Will the investigation be made as to what Congress did?

Mr. McKELLAR. Those who make the investigations can determine, on the scene, what is actually to be done. They will ascertain the necessity for the proposed construction of buildings in Alaska. Of course, the Congress made the authorization in general legislation.

I see the gentleman sitting in the rear of the Chamber smiling incredulously. No doubt he can give the Senator from Washington all the information about Alaska that is needed.

Mr. MAGNUSON. I do not think I need a great deal of briefing in regard to Alaska; I know something about it.

My only point is that I cannot understand the necessity for having some vague group—I do not know who the members of it are to be——

Mr. McKELLAR. Is the Alaskan Housing Authority a vague group? I am not familiar with it; I myself should like to know about it.

Mr. MAGNUSON. The Alaskan Housing Authority will not go to Alaska.

Mr. McKELLAR. It will send representatives there.

Mr. MAGNUSON. They are already there; they live there. They have testified at great length before the Banking and Currency Committee of the Senate and the Banking and Currency Committee of the House, as to the need, although not as to the details.

Mr. McKELLAR. Does the Senator from Washington say that the task force of the Housing and Home Finance Agency is a vague group?

Mr. MAGNUSON. This is the first time I have had information as to who was to make the investigation.

Mr. McKELLAR. I do not know them. However, we are told that they will have representatives go there. We got the information from Mr. Foley, and he represents them.

Mr. MAGNUSON. But the House and the Senate authorized this, after lengthy hearings.

Mr. McKELLAR. I understood that; but the House and Senate authorize some

very remarkable sums of money. It is the duty of the Appropriations Committees of the two Houses to report on the basis of facts presented to them. That is what we have tried to do all along in these matters.

Mr. MAGNUSON. I may say to the Senator from Tennessee that, no later than 3 weeks ago, the facts had been adequately presented to the Congress.

Mr. McKELLAR. The Senator had a letter before the Appropriations Committee.

Mr. MAGNUSON. We had long hearings before the Committee on Banking and Currency, ending about 3 weeks ago.

Mr. McKELLAR. I may say I do not know about that, since I am not on that committee.

Mr. MAGNUSON. I may say that qualified witnesses appeared before the Bureau of the Budget. The Budget Bureau approved of this no later than 10 days ago. The Budget Bureau is not going to approve an item hastily, without having the facts before it. I cannot see what purpose there is in sending some group to Alaska to investigate what has already been investigated, not once, but time and time again, and when the House and Senate had the matter before them recently. Had this been done last year, it would be a different question. But this has been done only recently. The housing situation in Alaska is acute. The money is a loan to the people of Alaska. Perhaps they could start with a small amount.

I may say to the Senator from Tennessee that my only purpose in insisting on this is that I know, as the Senator knows, that if we wait for this group to report, the season being already well under way, we shall lose a year's time in Alaska. There are only about 2 or 3 months left when construction work can be carried on.

Mr. McKELLAR. The houses could not possibly be built in 2 or 3 months. That is utterly impossible.

Mr. MAGNUSON. They said 2 or 3 weeks ago they were ready to start some of them, not all of them. The $15,000,000 is a revolving fund, to be handled over a long period of time. Perhaps loans would be made amounting only to a million dollars during the present season, but I think something should be provided to start with. That is what I am urging now.

Mr. McKELLAR. I think the Senator should have come before the Appropriations Committee to state the case so that the committee could pass on the question after hearing him. We had no such testimony before the committee.

Mr. MAGNUSON. I think I sent sufficient data to the committee. I should have thought, if they were going to eliminate the item, the committee would have examined the recent hearings before the Senate Committee on Banking and Currency on this matter. It was reported unanimously.

Mr. McKELLAR. We did not eliminate any item. The House did not allow this.

Mr. MAGNUSON. That is because the authorization bill had not been passed by the House.

Mr. McKELLAR. It had not passed the House.

Mr. MAGNUSON. It had not been passed by the House at the time the House was considering this matter.

Mr. McKELLAR. The truth is, the Senator is beginning too late. That is the whole truth of it. The facts were before the committee.

Mr. MAGNUSON. I do not think we started too late. We passed a bill through the Congress in about 20 days. It was approved by the President on April 23.

Mr. McKELLAR. That has been a little more than 30 days ago. It has been 5 or 6 weeks ago.

Mr. MAGNUSON. I assure the Senator that the Appropriations Committee is going to act too late, if the committee waits for what they call a task force to go to Alaska to look over the situation.

Mr. McKELLAR. It will be too late for action this year, of course.

Mr. MAGNUSON. It is going to be too late for action this year.

Mr. McKELLAR. Under any circumstances, had we approved the appropriation, it could not have been used this year, if what the witnesses said about Alaska is true.

Mr. MAGNUSON. I think it was highly recommended in the testimony of Mr. Foley that this be done.

Mr. McKELLAR. He recommended it, but according to the facts which he gave, it would not be possible to build the houses this summer.

Mr. MAGNUSON. Does he in one breath recommend the appropriation, and in the second breath say he intends to send a task force to Alaska to investigate?

Mr. McKELLAR. That is exactly what he said. I do not think the people in Alaska expect it this year. They could not expect it this year. Even if the bill were passed today and if the President signed it tonight, it would be impossible to get the work done this year.

Mr. MAGNUSON. Something could be done. Some loans could be made and some construction begun. It would not be anywhere near the whole amount.

Mr. McKELLAR. The question of building houses in Alaska is entirely different from what it is in continental United States.

Mr. MAGNUSON. That is exactly why we had a special bill passed creating the Alaskan Housing Authority, which was approved unanimously. Congress authorized this appropriation. I did not know who the people were; I merely read the committee's report, which does not identify them; but the Federal Housing Authority is going to send some men to Alaska, although witnesses testified day after day that the appropriation was necessary, and the House and the Senate, on the basis of the facts, approved the authorization in this amount.

Mr. McKELLAR. Knowing the Senator as I do, I believe that, had he been a member of the Appropriations Committee and heard the testimony which the committee heard with respect to the seasons in Alaska and the necessity of forming an organization to go there to build the houses, he himself would not have voted to appropriate this sum of money.

Mr. MAGNUSON. I think I would have voted for it for I think I know a litle bit about the situation in Alaska. Something can be accomplished in Alaska; but merely because the Housing Authority say they are going to send to Alaska a small group, which they call a task force, to make an analysis, the committee refuses to abide by the will of Congress that has authorized the Alaskan Housing Authority and recommended a $15,000,000 revolving fund, whereby the acute housing need in Alaska might be met. I do not like to hold up the Senate by insisting on a vote in this matter, but if I could have some assurance——

Mr. McKELLAR. The Senator will have to do it, because I certainly am going to vote against the appropriation this year, and I very much hope that the Senate will agree with the Committee on Appropriations that the appropriation should not be made this year. If the Senator wants a vote, I am perfectly willing he should have it.

Mr. MAGNUSON. The Senator thinks there should not be an appropriation this year for Alaskan housing. Is that correct?

Mr. McKELLAR. I do not think there should be an appropriation, under the testimony that was presented to the committee. Had I thought otherwise, I should have been for it.

Mr. MAGNUSON. Let me ask the Senator this question, then: If a miracle should happen—and I doubt very much that it will—and the small group which is identified here, which is now going to Alaska, should make a report showing that certain needs had been established in view of the fact that Congress passed the authorization bill, thereby admitting that there is an acute housing shortage in Alaska, I am sure the Senator would give consideration to the appropriation of some sum of money for this year, so that some progress might be made in taking care of the acute housing situation in Alaska.

Mr. McKELLAR. I shall give it consideration when it comes in, but I certainly am not willing to vote for it in the present state of the record. I want to be perfectly frank.

Mr. MAGNUSON. I may say to the Senator, I would submit to the committee, if they do not have it, the hearings before the Senate Committee on Banking and Currency, which show that there is urgent need of housing in Alaska. In Mr. Foley's testimony, if he testified the way I understood from the reading of his testimony by the Senator——

Mr. McKELLAR. I read from his testimony.

Mr. MAGNUSON. He said the amount should be appropriated, but on the other hand, he wants to send a group to Alaska on some sort of junket to find out something which has already been established before the Senate Committee on Banking and Currency.

Mr. RUSSELL. Mr. President, I am sure that what the Senator from Tennessee means is that he would not vote for it in the present state of the record.

Mr. MAGNUSON. I understand that.

Mr. McKELLAR. That is correct.

Mr. RUSSELL. If a different record is made, on another deficiency appropriation bill, of course, the Senator will review the matter, but in the present state of the record, the Senator from Tennessee stated that he did not feel justified and did not think the Senate would be justified in appropriating this amount of money. It is not an enormous sum of money, but it is a rather substantial amount, $15,000,000, as I recall.

Mr. MAGNUSON. It is a revolving fund.

Mr. RUSSELL. That is correct.

Mr. MAGNUSON. It will be repaid.

Mr. RUSSELL. If a different record is made on another deficiency bill, I am sure the committee will give it careful and sympathetic consideration.

Mr. MAGNUSON. Mr. President, if I could have someone get the record of the hearings before the Banking and Currency Committee and read them at this time, I think every Senator would be convinced of the need of some amount for this project.

Mr. McKELLAR. Those hearings were before our committee. Portions of them were read. They were not all read; it would have taken too much time to have read them all. But, as I recall, there was not a single objection made to letting the matter go over for another year.

Mr. MAGNUSON. I do not know how many witnesses the Appropriations Committee heard.

Mr. McKELLAR. It heard quite a number. We spent several days on this one item.

Mr. MAGNUSON. Were there any witnesses who were opposed to giving the amount requested? I have not read the Appropriations Committee hearings, but I participated in the other hearings.

Mr. McKELLAR. I am sure that if the Senator had read the Appropriations Committee hearings he would not take a position in favor of action on the item this year.

Mr. MAGNUSON. I think that some amount should be provided, so that the work can be started this year.

Mr. President, I should like to read for the RECORD from the testimony of Raymond M. Foley, Administrator, Housing and Home Finance Agency. The testimony was given 3 weeks ago before the Banking and Currency Committee, prior to the hearings before the Committee on Appropriations. Apparently someone is being sent to Alaska to recheck, who surely is not qualified to pass on the question at all.

I now read from the hearings on the Alaskan housing legislation, before the Senate Committee on Banking and Currency. Here is what Mr. Foley said, in no uncertain terms:

> To furnish funds to the Alaska Housing Authority for the construction of housing projects or for loans to private or public agencies, the bill would authorize the Housing Administrator to purchase notes issued by the Alaska Housing Authority in an amount up to $15,000,000. The notes would bear interest and be repayable within 40 years on terms prescribed by the Housing Administrator. The $15,000,000 would constitute a revolving fund which would be the working capital of the Authority.
>
> In view of the housing need in the Territory which has been demonstrated in other testimony, the amount of this loan authorization is small. It should be effective, however, to encourage the construction of a substantial volume of housing because it will be used by the Alaska Housing Authority principally to assist the organization and development of a local home-building industry. Under the bill the loans to the Alaska Housing Authority would be subject to such safeguards and requirements as the Housing Administrator determines advisable.

He goes on to say that the need is great, but the amount of $15,000,000 is small.

In view of that testimony, Mr. President, I cannot understand why the committee would refuse the amount requested. Apparently the committee has based its conclusions on the fact that someone has been sent up to Alaska to take another look at the situation.

I ask for a vote on my amendment.

The PRESIDING OFFICER (Mr. JOHNSON of Texas in the chair). The question is on agreeing to the amendment offered by the Senator from Washington. [Putting the question.] The noes seem to have it.

Mr. MAGNUSON. I ask for a division.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, if there is any question about the possibility of getting a quorum, let me say that I am perfectly willing to withdraw my suggestion, but I want it understood that if at any time there is a request for a division, I may suggest the absence of a quorum.

Mr. MAGNUSON. Mr. President, I wonder if the distinguished chairman of the Committee on Appropriations will accept an amendment to put into the revolving fund $1,000,000, so that some planning may be begun in connection with making home loans in the Territory of Alaska.

Mr. McKELLAR. Mr. President, as I have previously stated, I cannot do that because there is no testimony upon which to base such a compromise of the matter.

Mr. MAGNUSON. I think most of the witnesses testified in favor of the full amount.

Mr. McKELLAR. If the Senator from Washington had attended the hearings, I do not think he would be in favor of this amendment.

Mr. MAGNUSON. The testimony which I read indicates a request for the full amount.

The PRESIDING OFFICER. The suggestion of the absence of a quorum has been withdrawn. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON]. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Mr. McKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY conferees on the part of the Senate.

CONGRESS CREATES ITS OWN PROBLEMS

Mr. MALONE. Mr. President, Congress often creates problems through its own action which it then seeks to solve through further specific appropriations. In common parlance it is called picking up the check.

INFLATION

Consider, for example, the so-called inflation. We have complained bitterly about inflation for several years.

I should like to remind the Senate that in 1934 it passed a bill to devalue the dollar approximately 40 percent, 40.94 percent to be exact. The gold dollar was then worth 59.06 percent of the value it possessed before it was devalued. Naturally it was expected that some time would elapse before the price of commodities increased in proportion. Approximately 15 years later, after all kinds of control experiments, we find, taking the average of the period 1935 to 1939 as 100 percent, that the consumer-goods price as of March 1949 was 59 percent, namely, exactly what was planned in 1934, or 15 long years ago—but by the time the adjusted values reached the level—we were so far away from the dog that bit us that we plunged into new controls and appropriations to cure something that we asked for in the first place.

Taking the year 1934 by itself, as 100 percent, the consumer-goods price on that basis is now 56.4 percent as of April 1949.

The Congress was highly successful in its original plans to readjust prices and values—but before the objective was reached it had moved on and was trying to cope with the problems largely caused by its own actions.

In other words, Mr. President, we have gotten exactly what we asked for in the act of 1934. So I am unable to see just where we have a cause for complaint.

THREE-PART FREE-TRADE PROGRAM

Mr. President, in addition to that, I come to a more current affair. For about 13 years we have been working toward free trade with the nations of the world under the 1934 Trade Agreements Act. Now we have a three-part free-trade program. First, of course, we make up the trade balance deficits of all the European nations in cash each year. That is what Mr. Thorpe, Assistant Secretary of State, calls the short-range support. Then we have the long-range support in the 1934 Trade Agreements

Act, upon which the State Department has adopted a selective free-trade policy, on the theory that the more they divide the markets of the United States with the nations of the world the less their trade-balance deficits will be.

Then we have a great international trade organization scheme, first suggested as a treaty, which would have required a two-thirds vote of the Senate. Now it has been suggested as an agreement and submitted to both Houses of Congress, where a mere majority vote is required.

Fifty-three or fifty-four nations have signed up, and they all will, because they can do nothing but win by so doing. There will be 58 nations in the International Trade Organization, to which will be theoretically assigned the import fee and tariff-making power of the United States.

We have 1 vote out of the 58, just as Siam or any other small nation will have, and every other nation in the combination of course has a lower standard of living so the International Trade Organization simply will meet at least once per year—add up the remaining production and markets and divide them with the nations of the world—ultimately on a basis of population—thus averaging the standards of living of the member nations.

We have 7 percent of the population of the world so it will be like averaging the height of the water in the reservoir with that in your water glass—the glass will be empty but the height of the water in the reservoir remains about the same.

MANIPULATION OF FOREIGN CURRENCY FOR TRADE ADVANTAGE

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the Journal of Commerce of New York dated June 2, 1949. I have hitherto called attention on the floor of the Senate to England's intention to devalue the pound. It is impossible, of course, under the 1934 Trade Agreements Act, to make a trade agreement with a nation which manipulates its currency, and they all do except the United States, since, when they then devalue their currency the agreement has no effect and their products produced under the devalued currency comes into this country without restraint of any kind. The same is true in regard to the Netherlands, France, Belgium, and other nations; it is only a matter of degree.

Let us take the agreement with England, for example, and consider the $4.03 pound with reference to the trade agreements. Nearly everyone agrees, and all the newspaper dispatches indicate, that the pound will be devalued not less than 20 percent and probably 25 percent, within a reasonable time, say 30 to 90 days after we extend the 1934 Trade Agreements Act, if we do.

When that is done, it will mean that all trade agreements consummated up to that date will be ineffective, and the imports will come into this country just like Brown's cows through a gate. They have, through this process then, in effect, lowered the floor under wages—the import fee—and our workers can meet the lower wage level or become unemployed.

Let us see what the effect of devaluation of the pound would be on a $1,600 automobile coming from England. One of our great manufacturers is there now and is importing cars into this country. Such an automobile, worth $1,600 under a $4.03 pound, laid down in New York would be worth $1,200 under a 25-percent devaluation of the pound.

Mr. President, I wish to read into the RECORD a clipping from the Journal of Commerce of New York, dated June 2, 1949, entitled "Fate of Pound Tied to British Trade in May." It reads:

FATE OF POUND TIED TO BRITISH TRADE IN MAY—PRESSURE TO DEVALUE SEEN MOUNTING IF DIP IN EXPORTS IS SHOWN

WASHINGTON, June 1.—A significant factor in the forthcoming decision of the British Government on whether to devalue the pound sterling in relation to other European currencies is Britain's actual performance in May foreign trade, according to American officials familiar with the situation.

Should final figures disclose another drop in Britain's exports in May, pressure for devaluation will be enormously increased, but if her exports have recovered from the poor records of earlier months this year, much of the steam for early action may be squeezed out.

UP FOR DISCUSSION TODAY

The extremely delicate and controversial question is expected to come up tomorrow at the opening of another monthly session of the Ministerial Committee of the Organization for European Economic Cooperation, the top European planning body under the European Cooperation Administration program.

The OEEC is being urged by the United States, the International Monetary Fund, and the ECA to help accomplish free convertibility of currencies among Marshall plan nations this year, the first step toward which is the revaluation of currencies to levels more realistic with the actual buying power of each.

Henry Tasca, alternate United States executive director of the fund, has been named an ECA adviser to work out the devaluation-convertibility problems.

The OEEC sessions beginning tomorrow are not necessarily to be confined to questions of currency, but since they will bring together the Finance Ministers of the various nations, and the currency matter is under active discussion, it is believed almost certain to be on the agenda.

Moreover, Camille Gutt, managing director of the fund, is believed in Paris for this very purpose, having stopped over there en route home from conferences in South Africa on the gold problem.

Whether the bulk of the other European Finance Ministers this time will try to force a show-down from Sir Stafford Cripps, British Finance Minister, on the pound—as is reported in some quarters—or at least seek much greater convertibility of sterling, is not certain.

The British pound has exhibited much weakness in American foreign exchange markets recently, some of which has been attributed to discussions of devaluation.

DOLLAR PROBLEM DIFFICULT

Whether devaluation of the pound against the dollar also will be part of the Paris discussions is not known. There have been such talks, highly secret, but in the main the United States ECA Fund objective at the moment is devaluation of European currencies as to each other, and the question of revaluation against the dollar, as much more difficult, has been laid down as a more future goal.

One point raised here concerning the pound is that devaluation will cause interior problems, such as increases in prices and wages in Britain, which would ultimately be reflected in restoring some of the high prices for British exports that devaluation is designed to cut.

Other considerations, however, are said to override this difficulty, among them the fact that if other nations also devalue to create a sounder level of currencies and permit free convertibility, the effect of some restoration of high prices might be offset.

That is, other nations also would eventually be faced with the reaction of higher export prices stemming from higher domestic wages and prices in the event of devaluation, and to some extent the relationship of each nation to the other would be maintained.

The snag is, of course, that all would not devalue equally and some nations argue that they are already competitive, currencywise, with the rest of Europe and shouldn't be required to revalue at all.

REAL VALUE OF THE POUND

Mr. President, everyone knows that the pound can be purchased almost anywhere in the world for about $2.40. The fictitious value of $4.03, fixed for the purpose of purchasing supplies at less than their value and of making trade treaties, is being held at that price through gift loans from this country and in other ways.

Mr. President, I will also read into the RECORD a further reference from the New York Journal of Commerce of June 2, entitled "Further British Drive Forecast for United States Foreign Oil Markets." It reads:

FURTHER BRITISH DRIVE FORECAST FOR UNITED STATES FOREIGN OIL MARKETS

The overnight loss of the Argentine market for American oil companies was seen here yesterday as only the first impact of the current expansion drive of British-owned sterling oil into former American-controlled markets.

In this case the curtain was drawn on American oil outlets in that country at the governmental level by the new British-Argentine 5-year commercial treaty whereby Britain will supply that Republic with sterling oil and coal in return for meat, grain, and linseed.

MAY SET PATTERN

Similar results, however, are feared in oil circles here in other areas for purely commercial reasons—a world-wide shortage of dollar exchange to pay for American-produced oil and increasing availability of sterling oil as a result of the huge expansion under way of British-owned oil resources in the Middle East and Caribbean.

Minor inroads into existing American oil markets have already started in Europe, oil executives point out, especially in Denmark and the Scandinavian countries.

MORE SERIOUS LOSSES DUE

More serious losses are expected as Britain's current oil expansion drive is pushed ahead. This program, as announced, calls for an eightfold increase in the United Kingdom's oil-refining capacity, a 100-percent increase in British-controlled foreign oil production, and a 40-percent rise in its overseas refining capacity.

According to press reports from Argentina, Britain, under its new treaty, will supply that country with 5,700,000 tons (approximately 44,000,000 barrels) of oil, of which 1,800,000 tons will be crude and the rest refined products, chiefly heavy fuel oil.

The country, the reports add, has been importing about 5,000,000 tons (or 38,500,000

barrels) annually, for which it has been paying $115,000,000 to United States companies and £1,000,000 to the British.

Most of the oil shipped to Argentina in the past has come from the Caribbean area, according to oil circles, supplied principally by three American concerns—Standard of New Jersey, Socony-Vacuum, and the Texas Co.—and the British-Dutch Shell.

Exports to Argentina from the United States proper were minor, amounting last year to only 1,400,000 barrels of crude and 670,000 barrels of refined products, mainly lubricating oil.

While it was not known here yesterday from what oil sources Britain planned to supply Argentina, oil circles pointed out that the logical area would be Shell's production in Venezuela and its refinery at Curacao, though some cargoes might be brought from the Middle East.

RECOVERY OR WHAT?

Mr. President, that is a partial answer to some of the debate which we have heard here on the ECA and the Marshall plan, when it was said that recovery was the objective in Britain. All they ask now in the production of oil is an eightfold increase—many other industrial production fields are being approached on the same principle—on our gift-loans—it is just a matter of degree.

Mr. President, I do not blame England or the British Empire—the responsibility rests with us in the Senate and the House.

QUICKSILVER AND STRATEGIC METALS

Mr. President, I ask unanimous consent to have inserted in the RECORD, to follow my previous remarks in connection with the article in the Journal of Commerce of New York dated June 1, an article on the production of quicksilver.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

QUICKSILVER OUTPUT IS LOW; MENTHOL HIGHER AT $10.50 PER POUND

Despite the fact that domestic production of quicksilver in the first quarter of this year amounting to 1,440 flasks exceeded expectations in some quarters, the output was, at an annual rate, smaller than in any other covered by the production record beginning with 1850, Bureau of Mines reported here yesterday.

Imports, meanwhile, though little more than two-thirds of the quarterly average for 1948, were far in excess of prewar quarterly averages amounting to 7,133 flasks in the first 3 months of this year. Imports plus production, nonetheless, failed to cover the continued high rate of domestic consumption which was likewise far above prewar levels, and stocks were reduced.

First-quarter consumption of quicksilver rose 400 flasks as compared with the first quarter of last year to 10,400 flasks, while stocks fell from 30,165 flasks at the end of December to 21,063 flasks at the end of March.

OTHER TRADE TREATIES

Mr. MALONE. In addition, Mr. President, with further reference to the trade treaties which are being made throughout the world, with which we have very little to do; a trade treaty has just been concluded between Britain and Argentina. They agree on a trade pact, and I call attention at this point to a clipping from the Times-Herald of May 29. It is an Associated Press dispatch from Buenos Aires, and is very short. The subject has been given little weight in the press. It is as follows:

Britain and Argentina agreed today on a 5-year commercial treaty, the biggest in the long history of their trade relations. It covered an interchange of meat, fuel, and other products.

Mr. President, without going into detail, what it covers is that Great Britain will furnish Argentina oil, and Argentina will furnish Great Britain with meat and other products in exchange.

I want to call attention to the fact that the way we handle our trade treaties under the 1934 Trade Agreements Act is that we make a treaty with any one of the nations of the world, then under our multilateral provisions, the concessions we make to the one nation are immediately available to every other nation. We exact nothing whatever from the other nations and they contribute nothing to the transaction. These treaties are being made while our delegates are in France, trying to further reduce our own tariffs and import fees and dealing with all of the nations. While the French Conference is in session these same nations are making trade treaties among themselves which are applicable only to the actual parties to such treaties. In other words, the trade agreement which is made between Great Britain and Argentina gives us nothing, gives no other nation anything. It is simply a trade treaty made for the mutual advantage of each one of the nations party to the agreement, with no concessions whatever to any other nation.

Mr. President, further along the same line I ask unanimous consent to have printed at this point in the RECORD a special to the New York Times dated Lake Success, May 26, published in the New York Times of May 27.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UN NATIONS SCORED ON SLUMP POLICIES—ECONOMIC REPORT CITES PLANS FOR CURBING IMPORTS, DUMPING TO "EXPORT" UNEMPLOYMENT—HITS MOVE AS DISASTROUS—FINDINGS ARE BASED ON SURVEY OF STEPS TO MAINTAIN STABILITY, JOBS IN CASE OF RECESSION

LAKE SUCCESS, May 26.—Stringent curtailment of imports, dumping of surplus goods in foreign markets, and other policies designed to "export" unemployment in the event of a major recession are now planned by many countries throughout the world, economic experts of the United Nations reported today.

Such policies, if put into effect, would sound the death knell of international economic cooperation and would intensify evils resulting from a global depression, the experts declared. Their conclusions were based on replies by member governments of the United Nations to a secretariat questionnaire on contemplated measures to maintain domestic stability and full employment.

Concluding its session here, the United Nations Economic and Employment Commission warned countries mapping restrictive antidepression policies that these measures would defeat their own purpose by deepening and broadening any downturn in economic activity. Commission members recalled the disastrous economic nationalism that engulfed the world when competitive import restrictions and currency devaluation were enacted by almost every country during the 1930's.

WARNING IS URGED

Governments should be told in strong terms, the experts said, that it is urgently necessary for them to harmonize their domestic full-employment and stability policies with those of their neighbors, along the lines laid down by international agencies working in the field.

The Commission called for adoption of expansionist measures to counter a recession instead of curbs on trade and production, as now envisaged by many countries. Governments should seek immediate authorization from their respective legislative organs to coordinate a full-employment policy on the international level if they now lack such powers, it was urged.

Convocation of an international economic conference to deal with the problems of global stability and to consider possible emergency expedients, is not required now, the commission found. The annual conferences of the boards of governors of the International Monetary Fund and the International Bank for Reconstruction and Development provide an adequate forum for discussion of anticyclical action on a world-wide basis, the commission experts declared.

Suggestions that the basic charters of these bodies be amended to give them greater responsibility in averting recession can best be considered in the conferences of their governing bodies, it was held.

BACKWARD AREAS DISCUSSED

Led by Norway and India, the commission stressed the link between anticyclical policies in industrialized countries and economic development in economically backward areas. International arrangements for utilization of excess capacity in developed countries for the benefit of less developed countries were successfully advocated before the commission by Norwegian delegate Gunnar Boe.

Mr. Boe argued that the United Nations should take the lead in channeling surplus output of factories in industrialized countries to chronically undernourished populations in Asia, Africa and Latin America. He tentatively suggested creation of an international stabilization fund to finance purchase of such surplus commodities by granting long-term loans at low interest to underdeveloped countries.

Although the commission took no action on his proposed stabilization fund, it did endorse his proposal for investigation of the possibilities for using excess productive equipment in one country in the interests of economic development in another.

Elsewhere in its report the commission took note of the leveling off in economic activity, including declines in production and employment, now in progress in the United States and certain western European countries. It called upon these states to formulate comprehensive antidepression programs and present them to the next session of the economic and social council, beginning July 5, in Geneva, Switzerland, where they should be integrated in a single global program for full employment.

ECA POLICIES

Mr. MALONE. The dispatch says in part:

Stringent curtailment of imports, dumping of surplus goods in foreign markets and other policies designed to "export" unemployment in the event of a major recession are now planned by many countries throughout the world, economic experts of the United Nations reported today.

In other words this is directly in line with the language I mentioned in the ECA on April 7, from the American magazine, in the article by Mr. Hoffman, the head of the ECA, who said in effect, that

it is necessary for the European nations to increase their exports by about 65 percent, indicating that these goods must largely be exported to the United States. It was Sir Stafford Cripps who said that it was necessary to educate the American public to a new level of tariffs for that purpose, so that they could export their products of low-cost labor—of course he did not refer to English labor in that language—to America, thus displacing the American workmen who work on the higher wage living standards.

The article by Mr. Hoffman was a very well prepared one and very clear. He expressed the desire to increase the exports of the European nations to the United States and, for example, mentioned specifically that if the 14 cents per pound tariff on butter could be eliminated then Sweden can export several million pounds of butter to the United States.

What he actually said was that it might be a good idea to run a "fair train" throughout the United States taking orders for European goods. That, Mr. President, fits in with the articles which I have just submitted for the RECORD.

Some now are apparently becoming worried that such policies as they advocate will not sit too well with the American public since American workers are now being displaced in increasing numbers through such imports. The article I just placed in the RECORD, from the New York Times, says further:

Such policies, if put into effect, would sound the death knell of international economic cooperation and would intensify evils resulting from a global depression, the experts declared. Their conclusions were based on replies by member governments of the United Nations to a Secretariat questionnaire on contemplated measures to maintain domestic stability and full employment.

EXAMPLE OF FREE TRADE AND UNEMPLOYMENT

Mr. President, I desire to read into the RECORD a wire just received from Mr. C. Geraghty, president of the Chamber of Commerce of Ely, Nev., outlining a direct result of an action of the Congress of the United States in extending the free-trade period on copper for 1 year. The proposal was a 2-year extension, but through an agreement with Senator GEORGE, of Georgia, I was successful in shortening the extension to 1 year:

ELY, NEV.

Senator GEO. W. MALONE,
Senate Office Building,
Washington, D. C.:

Notice posted yesterday at Consolidated Copper Mines Corp., Kimberly, Nev., for complete close down June 30. We certain this to be full liquidation and this concern lost to this district and State forever. Four hundred fifty families to be affected this action. This district cannot absorb one family for new job and ultimate end is that these persons will have to leave here with no jobs in sight. Ultimate effect with this closing down together with all other small operators this district serious outcome.

C. GERAGHTY,
President, Ely Chamber of Commerce.

Mr. President, the junior Senator from Nevada said on that occasion that the 4-cent tariff was simply an assurance to investors and of little effect as long as the threat of war or other economic factors kept the foreign price of copper up to or above the cost of domestic production; however, that when it dropped below that point, and it surely would when normal conditions returned, then every independent copper producer in the United States, without foreign copper possessions, would be closed down, because $10 and $12 per day American workmen could not compete with the $1.50 to $4 foreign labor in the production of copper—that it was just as simple as that.

Mr. President, the foreign price did drop below the domestic costs, and the independent mines are closing.

The same will be, and is, true in regard to lead, zinc, tungsten, textiles, precision instruments, and many other minerals and materials important to our national security, employment, and taxable property.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

AMENDMENT OF COMMODITY CREDIT CORPORATION CHARTER ACT—CONFERENCE REPORT

Mr. THOMAS of Oklahoma. Mr. President, I submit the conference report on Senate bill 900, to amend the Commodity Credit Corporation Charter Act, and for other purposes, which has just come over from the House of Representatives, and I ask unanimous consent for its immediate consideration. It is the conference report in which the Senator from Delaware is interested.

The PRESIDING OFFICER. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Commodity Credit Corporation Charter Act (Public Law Numbered 806, Eightieth Congress) is amended by deleting the words 'direction and control of its Board of Directors' at the end of the said section and substituting therefor the words 'supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary")'.

"SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: 'The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *Provided further*, That no refrigerated cold-storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the National Military Establishment, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets.'

"SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 9. Directors, Advisory Board: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio

director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by the President by and with the advice and consent of the Senate. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

"'(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each ninety days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings.'

"SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661).'

"SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

"(a) by inserting in the second sentence thereof after the word 'jurisdiction' a comma and the following: 'without regard to the amount in controversy,';

"(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: 'No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within six years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within three years after the disability shall have ceased or within six years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit.'; and

"(c) by inserting before the period at the end thereof a comma and the following: 'except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this Act, be brought in such court'.

"SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"'USE OF WORDS "COMMODITY CREDIT CORPORATION"

"'(f) No individual, association, partnership, or corporation shall use the words "Commodity Credit Corporation" or any combination of the same, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both'."

And the House agree to the same.

ELBERT THOMAS,
ALLEN J. ELLENDER,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

Mr. THOMAS of Oklahoma. Mr. President, the conferees on the part of the Senate entered the second conference with instructions, the instructions being to insist that the members of the main Board be appointed by the President by and with the advice and consent of the Senate. When we presented our instructions to the House conferees they agreed on condition that we would recede from our amendment respecting the Advisory Board, which provided for confirmation of its members by the Senate.

So as it now stands the members of the main Board are to be appointed by the President and confirmed by the Senate, but the members of the Advisory Board are to be appointed by the President without confirmation by the Senate.

Mr. WHERRY. Is that the only point of disagreement?

Mr. THOMAS of Oklahoma. That is the only point of disagreement we have to consider.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma for the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. WILLIAMS. Mr. President, I desire to associate myself with the Senator from Oklahoma and the other conferees on the part of the Senate in urging that the Senate adopt the conference report. I understand the report retains the provision which the conferees on the part of the Senate were instructed to insist upon, namely, the provision requiring confirmation by the Senate of the members of the Board of Directors of the Commodity Credit Corporation. As one who insisted upon retention of that provision in the bill, I wish to express my appreciation to the conferees on the part of the Senate for bringing back this report. I urge the Senate to adopt it.

Mr. President, I ask unanimous consent to have printed in the RECORD an interpretation of certain provisions of S. 900, as prepared by Mr. Harker T. Stanton, the assistant counsel of the legislative counsel of the United States Senate.

There being no objection, the interpretation was ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATOR WILLIAMS

This is in response to your request for our views as to the meaning of the phrase "general supervision and direction of the Secretary" contained in sections 2 and 9 of the Commodity Credit Corporation Charter Act, as amended by S. 900. Section 2 of the Charter Act, as it would be amended by S. 900, provides that the Corporation shall be subject to the general supervision and direction of the Secretary of Agriculture. Section 9 of the Charter Act as it would be amended by S. 900 vests the management of the Corporation in a board of directors, subject to the general supervision and direction of the Secretary.

Since the management of the Corporation is vested in its Board of Directors, no action can be taken by the Corporation except upon the direction of its Board of Directors and the Secretary can supervise and direct the Corporation only through the Board. It is our view, therefore, that the phrase in question is intended only to express the intention of Congress that the Board of Directors shall manage the Corporation in accordance with the policies prescribed by the Secretary of Agriculture.

In any case in which the Board refuses to act as directed by the Secretary, there are no means available to the Secretary to require the Corporation to act. Since the Secretary does not have the power to appoint or remove Directors, his only recourse in such event would be to request the President to remove the Directors who disagreed with the Secretary. Inasmuch as it is the Corporation that is authorized by law to borrow up to $4,750,000,000, no part of such amount could be borrowed except upon action of the Board.

Respectfully,

HARKER T. STANTON,
Assistant Counsel.

JUNE 6, 1949.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 249, Calendar No. 82.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 249), to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. LUCAS. Mr. President, as everyone knows, this is the bill commonly known as the bill to repeal the Taft-Hartley law. There will be no consideration given to it this afternoon. As I stated yesterday, the Senate will take a recess until Monday next.

Mr. WHERRY. Is it contemplated that House bill 4016, the bill making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, will be considered, probably, on Monday?

Mr. LUCAS. I cannot advise the Senator definitely, but obviously as we move along with the labor bill, consideration of which will probably require a couple of weeks, we may have to sandwich in between the appropriation bill and some other bills.

Mr. WHERRY. I make that inquiry, because some Senators are anxious to know what is proposed to be done with respect to the appropriation bill.

Mr. LUCAS. I cannot say definitely. It is possible that we might take up the appropriation bill on Monday afternoon, but I do not think very many Senators will be away from the Senate Chamber or at least they will not be very far away from the Senate Chamber when the labor bill is being debated.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. A motion has been agreed to to take up the proposed repeal of the Taft-Hartley Act. Does that supplant the unfinished business?

Mr. LUCAS. There was no unfinished business.

Mr. WHERRY. I thought the unfinished business was the reciprocal trade agreements bill.

Mr. LUCAS. No. That was displaced some days ago when a motion was made and agreed to consider another bill.

Mr. WHERRY. The labor bill is, then, the unfinished business?

Mr. LUCAS. The Senator is correct.

Mr. THYE. Mr. President, may I inquire whether the Senate has received the conference report on the Commodity Credit Corporation bill?

Mr. LUCAS. It has been received and agreed to.

Mr. THYE. I was called to the telephone. I know that the Senate was awaiting receipt of the conference committee report. I have just returned to the Chamber. Before the Senate takes a recess I wish to make inquiry about what has happened.

Mr. LUCAS. That demonstrates how expeditiously the Senate can transact business sometimes.

Mr. THYE. I appreciate that. I am sure that I speak for all the agricultural interests in the Nation when I say that they are very happy that the Commodity Credit Corporation bill has been finally passed.

Mr. WHERRY. Mr. President, I am sure the distinguished majority leader does not mean to convey the idea that we can transact business faster when the Senator from Minnesota is absent from the Chamber than we can when he is present. [Laughter.]

Mr. THYE. I am certain that the Senator from Illinois did not intend any such meaning by his statement.

Mr. LUCAS. The distinguished Senator from Minnesota is one of the most cooperative men I know. I have served with him for a number of years on the Committee on Agriculture and Forestry, and I always appreciate his counsel and advice.

Mr. THYE. I am very grateful to the Senator from Illinois for those remarks.

POSTMASTER

Mr. LUCAS. Mr. President, as in executive session, I ask unanimous consent for the present consideration of the nomination of a postmaster on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered. The nomination will be stated.

The legislative clerk read the nomination of Harry F. Schiewetz to be postmaster at Dayton, Ohio.

The PRESIDING OFFICER. Without objection, the nomination is confirmed and, without objection, the President will be notified.

RECESS TO MONDAY

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 22 minutes p. m.) the Senate took a recess until Monday, June 6, 1949, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 2, 1949:

UNITED STATES DISTRICT JUDGE

Abraham Benjamin Conger to be United States district judge for the middle district of Georgia.

IN THE NAVY

TEMPORARY APPOINTMENTS

The nominations of Cecil C. Abbott, Jr., and other officers of the Navy for temporary appointment to the grade of lieutenant commander, subject to qualification therefor as provided by law, which were confirmed today, were received by the Senate on May 20, 1949, and appear in full in the Senate proceedings for that date under the caption "Nominations," beginning with the name of Cecil C. Abbott, Jr., which appears on page 6541, and ending with the name of Herman R. Norwood, which is shown on page 6545.

PERMANENT APPOINTMENTS

The nominations of Paul B. Nibecker and other officers for permanent appointment in the Navy, which were confirmed today, were received by the Senate on May 23, 1949, and which appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Paul B. Nibecker, which is shown on page 6639, and ending with the name of William J. Moran, which appears on page 6641.

POSTMASTER

OHIO

Harry F. Schiewetz, Dayton.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 2, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O immortal Son of God, who came to this earth, revealing the love of the Father's heart, give us eyes to see the light and hearts to love the truth. In this turbulent world, amid the hard questions and trembling distrust of many of our people, and for those who are in the twilight of vision and fail to see, for them we humbly pray. Deliver us from prejudices, from ignorant misunderstandings, and failure to bear valiantly our responsibilities as citizens. O increase our fidelity and gratitude toward our country, which is seeking to bring release to peoples in bondage. Assure us that no dire calamity, no hopeless grief or needless breath of ill can defeat the soul that rests in Thee. In the name of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1008. An act to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

CENTRAL INTELLIGENCE AGENCY

Mr. SASSCER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, strike out lines 3 to 7, inclusive, and insert:

"(B) While in the continental United States on leave, the service of any officer or employee shall not be available for work or duties except in the agency or for training or for reorientation for work; and the time of such work or duty shall not be counted as leave."

Page 12, line 17, strike out "Director and" and insert "Director."

Page 12, line 18, after "General", insert ", and the Commissioner of Immigration."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, has the gentleman from Maryland

brought this to the attention of the ranking minority member of the committee?

Mr. SASSCER. In reply to the gentleman from Massachusetts I wish to state that the matter has been checked with the minority members of the committee. I have cleared it with the majority leader on this side and with the minority leader as well, as the gentleman will recall, on yesterday.

Mr. MARTIN of Massachusetts. The minority Members are agreeable to this change?

Mr. SASSCER. Yes.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, I opposed this legislation when it was before the House. I consider it most dangerous and subversive of our Constitution. It places manacles around the liberties of Americans. It is Fascist in character. I cannot permit it to be sent to the President with my consent. Therefore, I am constrained to object.

The SPEAKER. Objection is heard.

Mr. SASSCER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2663, being an act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. SASSCER]? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DURHAM, SASSCER, HAVENNER, ARENDS, and ELSTON.

OVERTIME-COMPENSATION PROVISIONS OF THE FAIR LABOR STANDARDS ACT

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 858, being an act to clarify the overtime-compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out all after "employee" down to and including "industries" in line 9.

Page 2, after line 17, insert:

"SEC. 2. No employer shall be subject to any liability or punishment under the Fair Labor Standards Act of 1938, as amended (in any action or proceeding commenced prior to or on or after the date of the enactment of this act), on account of the failure of said employer to pay an employee compensation for any period of overtime work performed prior to the date of enactment of this act, if the compensation paid prior to such date for such work was at least equal to the compensation which would have been payable for such work had the amendment made by section 1 of this act been in effect at the time of such payment."

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. LESINSKI]?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, when this bill was originally before the House I opposed it. We were then told there would be no retroactive features brought into the bill. The Senate amendment makes the bill retroactive. I object, Mr. Speaker; I shall also object to sending the bill to conference. I think the House should have an opportunity to debate this bill again, particularly in view of the fact that when we considered it originally the retroactive feature was not before the House and not considered by the House. I submit that the retroactive provision should be considered and fully debated by the House. I therefore object, Mr. Speaker.

FLAG DAY

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 170, designating June 14 of each year as Flag Day.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this legislation?

Mr. WALTER. The resolution simply calls on the President to issue a proclamation requiring the display of the flag on all Government buildings on Flag Day.

Mr. MARTIN of Massachusetts. Does he not do that now?

Mr. WALTER. No, sir; not on June 14.

Mr. MARTIN of Massachusetts. Is this done by the various States?

Mr. WALTER. It is done by the various States.

Mr. MARTIN of Massachusetts. And this is to make it national?

Mr. WALTER. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. WALTER]?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the 14th day of June of each year is hereby designated as "Flag Day," and the President of the United States is authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on such day, and urging the people to observe the day as the anniversary of the adoption on June 14, 1777, by the Continental Congress of the Stars and Stripes as the official flag of the United States of America.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LANE asked and was granted permission to extend his remarks in the RECORD in two instances; in the first to include a resolution and in the second a radio speech.

Mr. MULTER asked and was granted permission to extend his remarks in the RECORD in four instances and to include extraneous matter.

PERMISSION TO ADDRESS THE HOUSE

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. MULTER addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. FRAZIER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial appearing in the Daily Post-Athenian of Athens, Tenn., under date of May 25, 1949.

Mr. LANHAM asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Atlanta Journal.

Mr. RIBICOFF asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. BIEMILLER asked and was given permission to extend his remarks in the Appendix of the RECORD and include two resolutions by the Wisconsin Committee on the Hoover Commission Report.

Mr. CHESNEY asked and was given permission to extend his remarks in the RECORD and include an article from the Chicago Daily News.

Mr. ASPINALL asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article written by a high-school student entitled "Conserving Our Soil."

Mr. ELLIOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement.

Mr. WOOD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from the regional officer of the Kanto military government region headquarters of Japan.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include two editorials from the Buffalo Evening News by Thomas Stokes.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in one to include extraneous matter.

Mr. McKINNON asked and was given permission to extend his remarks in the RECORD and include an article from a newspaper.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD and include an article by Leon Keyserling, a member of the President's Council of Economic Advisers, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $187.50.

REPEAL OF CERTAIN EXCISE TAXES

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, yesterday I introduced a bill to remove the excise taxes on the transportation of persons, property, telephone and telegraph messages. These taxes are especially discriminatory against the far West. They restrict business and therefore limit production and employment. They are no longer practical or desirable. The excise taxes were imposed during the war for very sound reasons; those reasons no longer exist.

And, Mr. Speaker, I call the attention of the Members to the fact that excise taxes are the same thing as a national sales tax. We had quite a battle in this House very recently on the question of whether or not the District of Columbia was to have a sales tax. Moreover, these excise taxes enter directly into the cost of living by increasing the charges for food, clothing, and everything that the housewife buys.

Excise taxes were imposed during the war not only to obtain revenue but to restrict travel and to restrain buying because of a shortage of transportation facilities and consumers goods. Today our railroads are suffering because not enough people travel. Consumer goods are piling up in the stores. It is no longer economically sound to retain excise taxes.

I am also preparing a bill that would remove almost all excise taxes with the exception of the taxes on liquor and tobacco, and perhaps a few other things, and reimpose the excess-profits tax which the President has repeatedly asked for.

Yes, excise taxes—or the national sales tax—ought to be removed and the excess-profits tax ought to be reimposed. Let us look at profits.

In 1948, after paying taxes, profits of giant corporations were $21,000,000,000.

Seven billion dollars were distributed in dividends, fourteen billion were undistributed.

In 1948 undistributed corporation profits alone were $5,000,000,000 greater than the profits of all corporations after taxes in 1945.

In 1945 profits of corporations after taxes were $9,000,000,000. You will remember that was before price controls were taken off.

In 1946 corporation profits after taxes jumped from $9,000,000,000 to $16,000,000,000. These profits came out of the pocketbooks of the housewife.

In 1947, because of a still further rise in prices, profits jumped after taxes to $18,000,000,000.

In 1948 corporation profits after taxes had risen still further to a high of $21,000,000,000—almost 3½ times what corporation profits were in 1940.

Do you wonder that the President asks for an excess-profits tax?

These exorbitant profits made by big corporations did not result from greatly expanded production. They resulted from charging the consumer prices way out of line with what he was getting, with the result that consumers have used up their savings, gone into debt, and are now beginning to stop buying.

Let me point out something that most people forget. The excess-profits tax will not apply unless there are excess profits; it is the one self-adjusting tax that we have. If profits are not excessive, there is no tax.

After paying an excess-profits tax, the corporations would still have handsome profits and enough money for capital investment.

I believe that exemptions and credits ought to be adjusted from the wartime level in order to minimize any hardships on new business.

The SPEAKER. The time of the gentlewoman from California has expired.

EXTENSION OF REMARKS

Mr. DOLLINGER asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MOULDER asked and was given permission to extend his remarks in the Appendix of the RECORD in commemoration of the great saddle horse, Rex McDonald.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Chicago Sun.

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in three instances, in two to include an editorial.

Mr. LODGE asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include four prize-winning essays in a contest sponsored by the Benevolent and Protective Order of Elks on the subject Why Democracy Works.

Mr. MACK of Washington asked and was given permission to extend his remarks in the RECORD in two instances and include editorials.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD in two instances and include two letters relating to statehood for Hawaii.

THE ASIATIC SITUATION

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, the seriousness of the current Asiatic situation cannot be too strongly emphasized. The mistakes of our confused far eastern policy must be corrected at the earliest possible moment, and we must work out a program of assistance to the nucleus of Communist resistance that still remains in China. A positive, constructive Asiatic policy should be created at once. Communist domination of China and the surrounding areas would constitute a major victory in the program of the Kremlin to rule the world.

Contemplate what would happen if China with its huge territory and vast population is lost to the Communists. This would accelerate the Red drive to dominate all of the Far East. Many nations would be endangered. China, the countries contiguous to it and those close by have half the population of the earth or about 1,000,000,000 people. The nations in addition to China that would be placed in peril, were China lost to the Communists, include India, with over 300,000,000 people; Japan; Korea; Indochina; Burma; the Netherlands Indies; Siam; and Australia.

The United States must give serious and immediate thought to placing our bankrupt Chinese policy in a state of solvency. Immediate action without equivocation is essential if the fire of communism, which is devastatingly sweeping so many areas of the world, is quenched before it reaches our own house. The spread of communism in Asia is imperiling our security and jeopardizing our interests. Even though the hour is late the situation is not hopeless. There is still time to formulate an effective and realistic policy to prevent the communizing of all Asia.

VETERANS' LEGISLATION

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Speaker, in spite of statements by salaried representatives of veterans' organizations to the contrary, yesterday was a sad day for the veterans of America.

Political expediency has victimized the veterans of our land.

The bill as reported, with the committee amendment requiring unemployability, was reasonable in fact and in cost and had a fair chance of approval by the Senate and by the President. It is obvious that the House by repudiating the committee's advice has now consigned this legislation to the pigeonhole. By seeking to be liberal, the House has given the veterans nothing at all.

If, on the other hand, this bill should by some means or other become law, we shall have committed our country to expenditures exceeding, on the average, $2,000,000,000 a year for the next 50 years for those veterans of World Wars I and II who suffered no service-connected disability.

What, then, is to become of the requirements of those who have suffered the wounds and borne the brunt of battle? Are their needs henceforth to be considered as secondary?

Mr. Speaker, it is summer in Washington, but yesterday was a cold winter day for those veterans who were wounded or disabled in service.

NATIONAL HOME BUILDERS ASSOCIATION

Mr. BREHM. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREHM. Mr. Speaker, I cannot let go unchallenged the statement of the gentleman from New York [Mr. MULTER], who a moment ago stated that the National Home Builders Association was meeting in Washington this week for the specific purpose of opposing the proposed housing legislation which will shortly come before this body. That is not correct. The National Home Builders Association hold their directors meeting in Washington every year. They are holding it here now. They always hold it in May, just as it is now being held. Naturally, they are opposing the bill. But, the meeting was not called for the specific purpose of opposing this housing legislation. They will be back here next year when their directors hold the annual meeting in Washington. They will be back the year after that, and so on regardless of the outcome of the housing bill. So, their spring meeting was not called, as the gentleman stated, for the specific purpose of lobbying against the housing bill. There is no law to prevent them opposing this bill any more than there is a law to prevent organized groups in the gentleman's home State of New York lobbying here in favor of the bill. It is purely coincidental that the present leadership in the House has scheduled debate on this bill at the same time that the National Home Builders Association are holding their annual convention in this city.

EXTENSION OF REMARKS

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD.

Mr. HAND asked and was given permission to extend his remarks in the RECORD and include resolutions.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an open letter to the President and the Congress of the United States which letter contains several pages of signatures. However, I do not want to put all of those names in the RECORD because of the excessive cost involved. The ones I do wish to insert are Bishop James B. Baker, of the Methodist Church, and Clarence E. Picket, of the American Friends Service Committee.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE VETERANS' PENSION BILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the gentleman from Wisconsin [Mr. DAVIS] is unduly excited when he predicts that the Senate will refuse to pass the veterans' pension bill, or that the President will veto it.

The House knew what it was doing yesterday when we passed the bill by 365 to 27, and, in my opinion, the Senate will follow our example.

To accuse the American Legion and the Veterans of Foreign Wars of having paid lobbyists, or agents, to fight the cause of the veteran is ridiculous.

There are not anything like as many lobbyists around here for those poor old veterans as there are for this alleged foreign aid—all these billions of dollars you are pouring into the sink holes of Europe, Asia, Africa, Israel, and Japan.

In my opinion, the veterans' bill is going to pass the Senate and the President will sign it.

If he should veto it, I predict that both Houses will pass it over his veto.

It is not a partisan measure. But it is a just measure and should become a law without delay.

If you can feed, clothe, and finance the rest of the world out of the pockets of the American taxpayer, then surely we can take care of our old veterans when they pass the age of their earning power and have nothing on which to live.

The SPEAKER. The time of the gentleman from Mississippi has expired.

CLERK HIRE

Mr. STANLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 8, strike out "Charges" and insert "Toll charges."

Page 1, line 10, after "(2)", insert "on toll charges on strictly official business."

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. CHURCH. I object, Mr. Speaker.

CLERK HIRE

Mr. STANLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. HOFFMAN of Michigan. I object, Mr. Speaker.

PENSIONS FOR VETERANS OF WORLD WAR I AND WORLD WAR II

Mrs. BOSONE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Utah?

There was no objection.

Mrs. BOSONE. Mr. Speaker, I had to be absent yesterday because of official business. I was presiding as chairman of the Committee on Laws and Ordinances of the President's Highway Safety Conference, a position to which President Truman appointed me. Before I left the floor I asked that I be paired in favor of H. R. 4617, the bill to liberalize pension payments. A pair was arranged with a member who later withdrew her vote, leaving me without a record of my vote. Had I been present I would have voted "aye."

EXTENSION OF REMARKS

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous material.

Mr. MCCORMACK asked and was given permission to extend his remarks in the RECORD and include an address delivered by Maurice Goldsmith.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include a poem by James Patrick McGovern, of Montgomery County, Md.

PENSIONS FOR VETERANS

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, yesterday when this measure was considered I was recorded as absent and not voting. This was attributable to the fact that the vote came so surprisingly soon after the debate started, because there seemed to be no substantial opposition to the bill, as was shown by the sweeping vote in favor of the bill. Had the opposition been substantial, the debate would have been protracted and I would have had adequate opportunity to vote. I arrived in the Chamber but a few minutes after the vote was taken due to a delay encountered in my airplane travel necessitated by my being out of town on business connected with my legislative duties. Though my vote was not needed in the result, I believe it appropriate to record my views on this legislation.

I have heretofore stated in the debate on the first pension bill, which was recommitted to the Committee on Veterans' Affairs:

I can see a real case for a pension to veterans of World War I of an age and condition to require it—based upon a traditional veterans' pension policy.

I have not deviated from my support of our traditional veterans' pension policy for veterans of World War I who about this time are coming within range of the opportunity for enjoying pension benefits. Heretofore we have voted veterans' pensions under just such conditions.

This situation is not applicable to the veterans of World War II at this time. Yet the pension provisions of the bill are on the whole reasonable, and though I have serious doubts as to the advisability of enacting pension legislation for World War II veterans at this time I consider that these doubts are outweighed by the need for passing legislation to honor our traditional pension policy regarding veterans of World War I. Hence, were I present I would have voted for the bill.

PROGRAM FOR REMAINDER OF THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to announce that if, in the wisdom of the Committee of the Whole and the House, the bill that will be considered today, the displaced persons bill, is disposed of today, I shall ask unanimous consent later that when the House adjourns today it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARTIN of Massachusetts. I understand that after the disposition of that bill there will be no other business for the day?

Mr. McCORMACK. Exactly, and then we will adjourn over until Monday.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN. There will be no session tomorrow?

Mr. McCORMACK. Not if we dispose of this bill today.

Mr. RANKIN. Tomorrow will be Confederate Memorial Day, so you are all invited to attend the services in Statuary Hall.

AMENDMENT OF DISPLACED PERSONS ACT OF 1948

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4567, with Mr. PATMAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, at the end of the war there was presented to the world the tremendous problem of resettling or returning to their homelands approximately 9,000,000 people who were the victims of Nazi persecution. Most of these 9,000,000 innocent victims of war were slave laborers. They were residents of countries which were overrun by the Nazis. All these people were concentrated in Germany. They were the people who were employed at the point of a bayonet in the plants that were manufacturing munitions of war. They were the people who furnished the skills that enabled the Germans to turn out in large quantities the armaments they used so successfully up to a point. They were the people who were engaged in agricultural pursuits. They were the people who raised the food which supported not only the armies in the fields, but the economy of Germany.

Immediately upon the cessation of hostilities great efforts were made to return these people to their homes. As a consequence of these efforts, approximately 8,000,000 people were returned to the places where they resided before the Nazi invasion. Then came the problem of resettling and relocating approximately 1,100,000 people. All of these people fled from the Nazi persecution and from the subsequent invasion of their homelands by Soviet Russia. In passing, I think it is vital to point out this very important fact, that through fear of persecution, and more than that, by the Communists, they remained in camps in Germany rather than to be repatriated to their native lands. I think it is important for this reason: That they were so pronounced in their anti-Communist views, so pronounced in their bitter fight against communism that they were all marked and, with but few exceptions, had they returned to the countries from which they had been driven out, they would have been marked for Siberia, and even worse, for death. That was the problem which confronted those nations of the world which were concerned with the restoration and stability of one of the most important sections of the world.

In this effort to resettle these people most of the nations joined. Great progress has been made, so that today we are confronted with the problem of resettling approximately 625,000 people. Twenty-nine States in the United States have set up displaced-persons commissions. Practically every southern State has joined in this effort to find places for these people with proven skills in some field. Every religious group in the United States has combined to find people who are willing to find places for these people so that they can establish themselves without ill effect upon the American economy. I shall not go over the list of the States where commissions have been set up and where such commissions are already functioning. They are set forth on page 9 of the report. I shall not mention the names of all the religious groups that have joined in this effort. Suffice to say that Jewish, Catholic, and every Protestant Church has joined in this great humanitarian effort, if you please, to resettle these people and give them a chance to prove themselves.

As to the existing law: The bill which was approved by the House, the Fellows bill, was a workable measure. It was regarded as a fair bill, but after the compromise with the other body was reached there were set up obstacles to an effective administration of this program. As a matter of fact, this is not political, but both the Republican and Democratic candidates for President last fall denounced the 1948 act. They pointed out the inequities in it. Both candidates made an issue of this problem. With all of the experience of the Displaced Persons Commission, and with all the experience of the various welfare groups, the subcommittee of the Committee on the Judiciary undertook to eliminate from the bill those things that made its administration difficult, and those things that you could properly point to as not being fair in the measure.

For example, under the law it is necessary that 30 percent of the people coming to this country be farmers. Your committee decided that, instead of writing out a percentage, it was preferable to place farm preference first, so that it did not become incumbent upon the Commission in selecting these people to pick 30 percent farmers and then put them on a ship, and then the rest of the people in order to make up a full shipload. We felt that by writing into the law a preference for farm workers first, it would make it possible for us to obtain the type of people for which there is great demand.

In that connection, I think I should point out to you the fact—and I have just received these figures a few moments ago from the chairman of the Displaced Persons Commission—that as of today there have been 195,000 assurances validated. That means just this: That somewhere in the United States there are 195,000 people who have expressed their willingness to find a job, without displacing an American worker, and to provide adequate housing for that person, without displacing an American family. At that point I think it is very important to point out this very, very essential thing about this whole program: We contribute about 70 percent to the operating costs of the International Refugee Organization. This organization is today maintaining these people in camps in Europe. Under this program, those people who are being thus maintained come to somebody in the United States and thereby shift the burden from the backs of the taxpayers of America to somebody who has found a place in our economy for them.

Other significant figures are these: There are already in the United States and en route to the United States on 5 vessels 34,569 people.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. WALTER. I would like to call to your attention the part that other nations have played in this program. The figures are set forth in detail in the report on page 13. Israel has accepted 93,431. According to the statement of Dr. Huber, former adviser on Jewish affairs in the War Department, there will not be a Jewish displaced person in a camp come July 1, 1950.

The United Kingdom has received 98,443; Canada has received 53,785; and then we come next in the list with 34,569 out of an authorized 205,000 under present law. To those who argue that we are letting down the floodgates, if you please, I point out the fact that under existing law and under the amendment we are now considering the quotas for all of the countries affected have been mortgaged, so that while it is true that if this amendment be adopted we will take into the United States 339,000 people as of July 1, 1951, nevertheless, at the

end of 10 years the sum total will not exceed the number that could come in under present immigration laws. So we are doing two things at this time: We are, first, assisting in the readjustment of a critical situation in Europe; and, second, we are relieving the American taxpayers of the burden that they have assumed through the support given to the International Refugee Organization. I, therefore, argue, Mr. Chairman, that it is merely a matter of common sense to take out of the existing law those things that have proven wrong, those things which in the light of experience have proven that the law cannot work, and to adopt these amendments.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. GRAHAM. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Maine [Mr. FELLOWS], the author of the bill which was passed in the Eightieth Congress.

Mr. FELLOWS. Mr. Chairman, a year ago it was a very different situation than that which is presented to us today. The Committee on the Judiciary came in here before the House of Representatives to sell to this body, let us call it, a bill of goods; we were entering new fields; it was something unknown to our system. We presented a bill, and after 2 days the bill was passed by a vote of 3 to 1. I think it was an excellent piece of legislation; in fact, I think it was a far better piece of legislation than that which we have before us today; it was fair, it was workable, and it was universally acclaimed as something of which all of us could be proud.

I think it is important in any deliberative body that some extraneous things be kicked out so that we can think more clearly, and I want to touch upon one: Following the conference and the passage of the report it was charged in high places that this bill was discriminatory against Catholics and Jews. We did not intend that it should be that way, so I am going to speak to that point very briefly. After that charge was made, as the gentleman from Pennsylvania [Mr. WALTER] has said, by both candidates for the Presidency, I got in touch with the man who has charge of the National Catholic Welfare Conference Relief Service, and I have here his original letter to me. I did not, of course, have the facilities to spread this far and wide throughout the country, but I did speak to this point on the floor of the House last summer.

I am going to read that letter to you. It is dated July 27, 1948.

WAR RELIEF SERVICES,
NATIONAL CATHOLIC
WELFARE CONFERENCE,
New York, N. Y., July 27, 1949.

HON. FRANK FELLOWS,
Old House Building,
Washington, D. C.

HONORABLE AND DEAR MR. FELLOWS: Pursuant to our telephone conversation of this afternoon, may I tell you again that no Catholic authority in the United States, to my knowledge, has made a public statement that the so-called Fellows-Wiley displaced persons bill, which has become Public Law 774, is discriminatory as far as Catholics are concerned.

On the other hand, at the most recent meeting of the National Catholic Resettlement Council in Buffalo, I made a public statement to the press that we did not consider it discriminatory. More than 90 percent of the Lithuanians, about 40 percent of the Latvians and a very minor percent of the Estonians are Catholics. These are the two groups—the Balts and the Poles—to whom your bill of necessity gave priority. If an opportunity is given to make this bill operative, a very fair proportion of Catholics will have an opportunity to resettle in the United States.

Of course, all of us would have preferred to see a date of April 21, 1947, before which the displaced persons would have had to be in the camps to be eligible, included in the bill rather than the present eligible date of December 22, 1945. The later date would have been fairer to all groups and elements within the camps.

For your information, I am enclosing a few press clippings on the statement that I made at our Buffalo meeting.

With kind personal regards, I am
Sincerely yours,
Rt. Rev. Msgr. EDWARD E. SWANSTROM,
Executive Director.

You will notice that the only thing he points to is the date of December 22, 1945, while the date the so-called Fellows bill carried was the date of April 1947, which he approves. I did not like this date of December 1945, either. That was the only criticism he made. I think, therefore, that the charge so far as the Catholics are concerned is without basis.

With reference to the question of its being discriminatory against the Jewish people, let me call this to your attention. That date of December 1945, is the reason for any discrimination that there is. But, as a practical question, last night I checked with the chief of the Displaced Persons Commission and received this information.

When the Fellows bill, so-called, was presented to this House a year ago, the percentage of Jews in these camps was 23. Today it is 18, as I understand it. Yet of the people that have been brought to this country under the so-called horrible, discriminatory legislation 30 percent have been Jewish people. I think it can be fairly said, therefore, it does not discriminate against either group. Of course, I recognize that percentage will have to come down, but up to this moment—at least last night—that was the situation.

Mr. Chairman, the charge made was not only unfair but absolutely contrary to the facts.

Let us take another step and look at the present bill for a moment and let us compare it with the so-called Fellows bill because that was the bill the House accepted by a 3 to 1 vote last year. First, under the Fellows bill the number to be admitted was about 200,000, or as amended, plus the Czechs and orphans without quota, 205,000. Under this bill the proposal is 339,000.

The Members do not have time to look at all these hearings and I am not going to make any comment upon what I read. I shall read just two or three passages so you will know what is in the hearings. We will turn first to page 33 of the hearings from which page I will read a few lines, because Mr. Carusi, Chairman of the Displaced Persons Commission, was testifying. This is what he says:

Mr. FELLOWS. Let me interrupt you. Where did they get the 400,000 figure in the first place?

Mr. CARUSI. They got it from the IRO settlement figures.

Mr. FELLOWS. Who decided upon the 400,000?

Mr. CARUSI. I do not know. I think that was just a matter of judgment on the part of those who drafted the bill.

I turn to page 73 very briefly:

Mr. FELLOWS. Would you favor changing the 400,000 to a number that compared with the number of displaced persons?

Mr. CARUSI. I think that would be unrealistic.

Mr. FELLOWS. Why?

Mr. CARUSI. In the first place, we know a good percentage of those people would be ineligible under our immigration laws for health conditions, if not other conditions.

Another thing is, I think it is better to go along now with a figure we know will help solve the problem and will at the same time be consistent with our present estimate of what the requirements of the United States are. I am not in a position to say. I am speaking for myself now, I am not in position to say that it is 400 even or 300 or 500. Four hundred happens to be a figure that has been accepted as a sort of a norm, but even that would be a ceiling, and if it turned out we could not absorb more than 300,000 or 350,000 we should stop there.

Again, on page 74:

Mr. FELLOWS. Your thought was that the Fellows bill was fair when it passed the House.

Mr. CARUSI. I still think it was a fair bill, and certainly compared to the present law it is a masterpiece.

Mr. FELLOWS. That one arrived at a basic 200,000 and mortgaged quotas at the rate of 50 percent.

Mr. CARUSI. When I say the Fellows bill was a fair bill, it doesn't mean I was delighted with every single one of its provisions, although I was delighted with most of them and perfectly pleased with them as a whole.

Mr. FELLOWS. You were at liberty to make any process of elimination.

Mr. CARUSI. I was told we did not have a chance on the 400,000.

Mr. FELLOWS. You believed it, didn't you?

Mr. CARUSI. I believed it.

Mr. FELLOWS. You did not make any suggestion to increase it from 200,000 to 400,000?

Mr. CARUSI. Not at that point. I did not argue about the mortgage of quotas. That was a price for the bill.

Mr. GOSSETT. As a practical matter, you feel that way, don't you?

Mr. CARUSI. As a practical matter, it causes us no great difficulty, but if I went in and told you why it ought to be eliminated, we would get into a discussion which you would say I should not enter into, it is policy. I am not entering into that.

Those are some of the things that were said at the hearings. So, the significant thing is that the amount of 200,000 or 220,000 has been changed to 339,000.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. FELLOWS. I yield to the gentleman from Pennsylvania.

Mr. WALTER. In quoting from the testimony of Mr. Carusi, the gentleman got down to the point where he started to ask a question that I asked Mr. Carusi, and then he turned to another subject.

Mr. FELLOWS. Go ahead and ask the question.

Mr. WALTER. May I ask the gentleman whether on page 33 I did not ask Mr. Carusi whether or not General Marshall suggested the figure of 400,000, and Mr. Carusi said, "Yes, that is where it came from."

Mr. FELLOWS. No; he did not say that. He said, "I think so."

Mr. WALTER. Yes.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. FELLOWS. I yield to the gentleman from Tennessee.

Mr. JENNINGS. Is there anything in General Marshall's record in dealing with China that would make him an authority or give any credence to what the gentleman says in this matter?

Mr. FELLOWS. I do not care right now to argue that matter.

Second, FELLOWS' bill cut-off date April 21, 1947. Proposed: January 1, 1949.

Third, FELLOWS' bill gave all nationalities and religions even break, according to the percentage of such groups in camp. Proposed: This formula has disappeared and it is just proposed that the Commission shall make sure there is no discrimination.

Fourth, FELLOWS' bill provided resettlement be made under arrangements with State governors or legislatures who should certify as to availability of jobs and housing, and provided for bond. Proposed: Individual sponsors are supposed to file assurances that the DP's will not displace jobholders or householders, and no provision for bond is made.

Fifth, FELLOWS' bill provided for one coordinator to work with existing agencies—labor, agriculture, State, and other departments. Proposed: And under existing law, there is a three-man commission, with a large staff.

So, I am just calling to your attention some of the salient differences between the Fellows bill accepted 3 to 1, and the present bill. So far as some of these differences are concerned, I am not disturbed. We sold the idea and the principle, and the country accepted it as a fair proposition. The conference report did not suit us any more than it suited many others. But it did become a law, and today, if the figures are correct, according to the best information, by a year from now 200,000 will have come in under this law as it exists at this very moment, which some would have you believe is inhuman and horribly discriminatory.

I inflicted myself upon this House a year ago for two solid days, and I am not going to spend my time making you sit here and listen now, but I do want to say this about this bill, about the question of prejudice, religious, racial, and national.

We hear much lately regarding prejudice—deploring it. Prejudice against nationalities, races, and religions. Frankly, so long as I remained in Maine, I heard little and thought less about it—which I believe is excellent. Prejudice as a vital factor in life is overrated. There is less of it than some think, and more than there need be. Zealous, and I have no doubt well-meaning, individuals have adopted its elimination as their mission in life, and, like the ambitious puppy with a sachet bag, have spread the essence far and wide, in places that previously knew it not.

So, regarding displaced-person legislation. Too zealous advocates talked too much about religious preferences. Instead of viewing these folks as suffering men, women, and children—good, bad, or mediocre—religious groups were called to the attention of legislators and the country. Complaints were registered that Methodists, Lutherans, Catholics, or Jews were not getting a just share—or that one or the other group should receive preferential treatment for some reason. Again the basis for selection or consideration was not on individual worth but on religious grounds.

If I may be permitted I would call to your attention again the bill passed by this House in the Eightieth Congress on this subject, wherein we endeavored to avoid, and I think did succeed in eliminating, any appearance of prejudice either against or in favor of any particular group.

There is much suffering in this world everywhere, and this includes every town and city in our own country. There are more than 10,000,000 so-called expellees in Germany today—people who were driven from their homes in bordering countries following the Postdam Agreement. What is our responsibility there? What will we be called upon to do?

Mr. CELLER. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, I do not address the House often, and I hope I am not imposing upon your time and patience in discussing this bill.

While I do not pretend to be an expert at all on immigration matters, it so happens that at this time I have served longer on the Immigration Committee than any Member of the Congress. I think this entitles me to express some views on this particular legislation.

I shall not have time to develop all that to my mind is wrong with the present bill, but to begin with, it rewards the least deserving, the least desirable, and most dangerous of millions and millions of people who would like to migrate to this country. Frankly, the acceptance of this sort of legislation is a result largely of misleading propaganda with which the country has been deluged for the last 3 or 4 years.

It so happens that the highest paid and the biggest lobby—there may be one that is bigger—working in Washington is the so-called DP lobby. Here is a list of those employed, as put out by the American Legion in May 1947. This merely covers the city of Washington alone where there were some 15 or 16 individuals drawing salaries amounting to $152,000 a year. In the country as a whole several million dollars has been spent on this propaganda.

It is a sad commentary but I think a fact, that if you have all of the propaganda and all of the money and all of the organization on one side of any question and no propaganda, money, or organization on the other side, eventually the thing that is organized and propagandized becomes law. Our basic immigration laws were passed after World War I to protect this country from being deluged by foreigners who sought to come here. They were set up on the basis of ethnic origin and apportioned on a percentage basis among those who then lived in this country. Bear in mind that this is our country. Nobody has any vested right, moral, legal, or otherwise, to come here except with our consent. It is an act of grace and not a matter of duty on our part to admit foreigners. We permit from quota countries 154,000 people. We permit ministers and students and certain other classes to come in without limitation. Lest I be charged with being an unconscionable restrictionist, I want to say that I have sponsored and supported much liberal immigration legislation since being a member of the committee. I handled on the floor of the House the bill repealing the Chinese exclusion acts and I strongly supported the Judd bill which passed the House some time ago, and legislation bringing in the fiancées and brides of our soldiers and legislation providing for the naturalization of those in the armed services.

Under these bills hundreds of thousands of persons have been permitted to come in. But this legislation seeks to bring into this country people who came into our camps 18 months or 2 years after the shooting was over. They came there largely because they got 2,000 calories of food per day in the camps whereas on the outside they only got 1,500. While caring for DP's this bill wholly ignores the 14,000,000 expellees who are in our military and occupied zones of Europe simply because they allegedly have some German blood. We have turned over to the IRO almost exclusive control of our immigration policy insofar as displaced persons are concerned, and they say if you are of German ethnic origin, you cannot be classified as a displaced person. So those who were classified by the IRO are those who came into our camps and their names were put on a list and they stayed there. There is no question in the world but what the cream, so to speak, has been skimmed off of those camps time and time and time again. What is the character of those who remain there? Now, this has nothing to do with race, religion, or creed, it has to do with dereliction, disposition, and quality. Here is a letter from a gentleman who is an able and reputable judge in the State of Minnesota, Joseph J. Moriarty, a fine devout Catholic, a man who had the views of some of my friends here until he went over and saw the situation concerning the displaced persons. Here is what he says:

In my letter to the President I said: "(1) that the other nations of the world have already picked and repicked this group on the basis of character and talent; the musicians, men of science, professional and tradesmen, were long ago in other countries, and what is left now consists principally of the nontalented class; (2) that these

people are not refugees who reached the zone in flight from the pursuing persecutor, but principally people of all classes and types of character, caught in the shifting changes of a roving life; (3) that this group has among them many persons capable of adopting and living good and useful lives, but in the great majority are a collection of lazy, worthless persons, totally devoid of any notion to earn their way by honest industry or effort and resting from day to day on the assumption that the world owes them a living; (4) that many of these persons were people attracted to Germany by Hitler policies and who took part in the Hitler economy against their own countries, and now are afraid to return to the people whom they betrayed; (5) that many of these people live in elaborate quarters at American expense with German people as maids and attendants while anxiously awaiting the day to enter into America to engage in profit-making commercial manipulations; (6) that many of these people are in the black markets of Germany, sucking the lifeblood out of the German economy, deliberately robbing the German people of whatever little means in their possession"—

And so on. That is not all. Every American officer I have talked to, both in Europe and here, except those sent to testify before our committee in behalf of the DP bills, agree with what this judge has said.

Here is a fine American officer who writes me as follows:

We seem to have forgotten the fact that hundreds of thousands of our boys died over here, and I am asking—for what? We let these thieving, criminal, depraved DP's stay in our occupied zones and contribute to nothing more than the crime rate, the unreal, and the black market.

Here is a letter written to a Member of Congress a few days ago from another good American officer:

Now, Colonel, I've got something very important to tell you about, but I'll just give you a brief picture, but hope you can come over personally so that I can give you the proof and explain the entire situation. There is definitely a Communist ring working here in Germany, particularly in Polish DP camps. This group is trying to infiltrate the United States, Canada, Argentina, and Australia. The DP's are working in conjunction with IRO who see that all their papers are easily prepared for immigration to the above-mentioned countries.

There is no question in the world but what many of those now in the DP camps were planted there deliberately to infiltrate this country; they seek to come in here for subversive purposes. There are over a hundred thousand DP's who came from behind the iron curtain 18 months after the shooting was over, and they came there with the connivance and assistance or at least the consent of the Red governments from whom they have allegedly fled.

All of this business about these poor people not being able to go home because they would be liquidated is pure, unadulterated bosh. Most of them just refuse to go home because they are seeking greener pastures, or because they want us to take care of them.

You could not find any radical or subversive organization in the world that would not be 100 percent for this bill, and that would not want to raise it a hundred thousand more. While being solicitous for the DP's we ignore all of the 14,000,000 persons who were uprooted and thrown into the occupied areas because they were of allegedly German blood.

Again they say these DP's have no place to go. That is false propaganda. Other countries have taken the best. They want us to take those who cannot qualify for entry under their immigration laws, or whom they do not want.

Here is a headline in the Washington Post: "South America seeks 7,000,000 immigrants within the next 10 years."

Here is an article appearing in the November issue of the American magazine by a leading geographer, in which he points out places that persons can go. He says that 71,000,000 Europeans have been uprooted by the "swirling tides of war." 71,000,000, mind you; not just 500,000 DP's that still remain in the DP camps under American supervision.

He takes a map of the world and points out places where 83,000,000 could be profitably settled, and this, he says, without letting one person come into the United States. He says area No. 10, marked out on his map, is "the best available area in Africa in the Kenya Highlands. There, some 200,000 square miles have been zoned for European settlement. The climate is like that of southern California in spring and summer, and cotton, corn, rubber, millet, and livestock will grow well. At least 6,000,000 Europeans can be accommodated."

But still the propagandists come in here and say these people have no place to go. The simple truth is they want to come here. We do not need workers. We do not need nonworkers. Those of you who may have read the papers recently know that unemployment is increasing in alarming proportions in this country. A headline in a New York paper the other day said there were a million unemployed in that section.

You may remember the President's message on the state of the Union last January. Here is what he had to say, in part:

It is equally shocking that millions of our children are not receiving a good education. * * * Millions of them are in overcrowded, obsolete buildings. * * * We are short of teachers. * * * Ten million lack medical care. * * * The housing shortage continues to be acute.

Now, to whom do we owe the first obligation in this country?

Here we admit that the housing situation is acute; next week we will be confronted with a gigantic housing bill which we are told we must pass for the general welfare; we admit that millions are without adequate food and care, that we need more schools, and yet we say: "Let's open our doors and bring into this country 339,000 persons more." Most of these people to come in under this bill cannot contribute anything to our social, economic, or political life but will unquestionably be liabilities thereto.

A lot has been said about our fair share. I get just a little bit sick hearing folks say that we have not been doing our duty. We all know that we have contributed millions in casualties and over $400,000,000,000 in two world wars, and have asked neither reparations nor a foot of territory. We know the tremendous contributions we are now making under the Marshall plan and other plans toward the rehabilitation of Europe; then to come in and say that not only must we give our blood and our treasure, but we must also open up our doors indiscriminately to let people in in this way is an insult to our character and our intelligence. We do not owe anybody any such obligation.

They say that these people would be screened. I happen to know something about screening, I have seen how the screening operates. Our selectors on the other side who have been selecting these DP's to come in under this act do not even see them. They take the papers which are prepared largely by the IRO, and process them, and the fellow is given his papers, and in he comes.

If you have read the papers in the last few days you have noticed that right here in Maryland they are having trouble with DP's who have gone into that State. DP's come in as farmers who are not farmers, because a preference is given to farm labor. In 1947 the figures were that less than 1 percent of those who came in had gone to farms. The percentage has increased somewhat because it was found that we gave preference to farmers. While ostensibly what they got were so-called agricultural DP's you will find that they were not farmers, in fact 95 percent go into the overcrowded big cities of this country.

I happened to visit a DP camp just outside of Frankfort last fall. These were the Polish-Jewish DP's, the ones whom we were told had fled from persecution and who could not go home. The gentleman from Texas [Mr. LUCAS], the gentleman from Texas [Mr. TEAGUE], and others can corroborate what I am saying. Col. Jerry Sage, who was quoted at length in the hearings was with us. We talked with the president of this DP camp, a Mr. Epstein, a man who had taught school in Poland; and we met the assistant manager, a man who had been in the real-estate business. They did not want to go home.

We asked, "Why do you not want to go back to Poland?"

The answer was, "We want to go to America."

"If you went back to Poland could you get your jobs back?" we asked.

"Yes; but we do not want to go back, we want to go to America," was the answer.

"Are you afraid to go home?" they were asked.

"No; we want to go to America," was the reply.

Now, let us just be honest when we discuss these problems. Let us admit the fact that the people we have had in these camps over the last 3 or 4 years could have more or less all gone elsewhere but they wanted instead to come to this country.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GRAHAM. Mr. Chairman, I yield to the gentleman from Texas five additional minutes.

Mr. GOSSETT. We are asked to take those who will not go elsewhere or those that other people will not take. I say that in following such a policy we are

being gullible, that we are not serving the best interests of this country and that we are letting ourselves in for all kinds of trouble.

I wish I had time to discuss with you the question of population trends. Here is an article by Mr. Julian Huxley. I am sure you all know about Mr. Huxley. He was the head of UNESCO for quite a while. He complains bitterly that the world is soon to be overpopulated. Here is a book entitled "Human Breeding and Survival, Population Roads to Peace or War," in which it is shown that the population of the world is growing to the point where the increased population cannot be adequately sustained. The book begins with this statement:

> Uncontrolled human reproduction not only favors the survival and the multiplication of the least gifted members of society; it menaces and in the long run will destroy human liberties and any chance for a world at peace.

The population of the world in the last 50 years has increased by over half a billion until now it is about two and one-half billion.

According to this book there are three areas in the world—China, India and perhaps the U. S. S. R.—that if they could reduce the death rate as low as ours could overpopulate the world the size of this six times in 100 years. They go further and prove that when you let in a million people from France, Italy or England or elsewhere you do not relieve those countries of their excess population, because they will immediately take up the slack so to speak. You burden your own economy without doing any particular favor to the economy of the other countries.

Are we going to become the dumping ground for those that other countries do not want? Are we going to become a political asylum for all those people who do not like where they are, who may say they have been oppressed by the governments under which they live? What are you going to do about the 800,000 Arabs who have been displaced in the last year? They tell me that three or four hundred of them are dying daily from disease and starvation. What are you going to do with the millions of Indians who are dying because of economic need, oppression, and political injustice in their country? What are you going to do about all these Chinese who want to come over here because the Communists now occupy China? In this particular bill you have provided for six or seven thousand to come from Shanghai. It occurs to me there are millions in Shanghai who might want to come over here.

Mr. CELLER. The number is 4,000.

Mr. GOSSETT. Well, anyway, there is some number in here from Shanghai. So we say to those people in Shanghai: "If you do not like the Communist regime, come on over, we will take care of you." There are probably three or four million of folks in Shanghai just as oppressed and just as deserving as the ones we propose to take.

By what criterion are you going to select from the hundreds of millions who want to come here? A check was made of Italy after the war by a prominent State Department official and he found there were 15,000,000 Italians who wanted to come to this country immediately.

Mr. Chairman, if you will read the record, if you will look back and just ask yourself a few questions, you will find at least 100,000,000 people would like to come to this country. You will find in that number there are millions of them who would be more useful than anyone who now remains in a DP came and that are more deserving and more desirable.

To summarize what I am trying to say: The statement that they have no place to go is not true. It is said they will be useful citizens to this country and will contribute to American peace and security. That is not true. Just the reverse is true.

To say they will be carefully screened and will continue to be thoroughly checked is not true.

It is said that we need their talents. I doubt that. If there are any talents there to speak of, they should have been put to use in the devastated areas to which we have sent money and men for rehabilitation.

To say that we have not done our fair share is a reflection upon one's intelligence. We have done and will continue to do more than our fair share.

That we have a moral responsibility for the DP's is a joke. Our moral responsibility is to retain the strength and security of this country. The best interests of America demand a defeat of this bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GRAHAM. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I think I should answer the gentleman from Texas [Mr. GOSSETT] before I begin my own remarks. We heard the same speech here in the last session of Congress. We heard these DP's called today thieving, criminal, depraved, and I disagree with this statement completely. As chairman of the special Displaced Persons Committee in the last Congress, I went to Europe to make a complete investigation of the facts, with my good friend the gentleman from Kentucky [Mr. CHELF].

Let me tell you what Maj. Robert Marshall, commanding officer of the United States Army in charge of the displaced persons in the United States zone of Germany, said in his routine report on the fine work of the displaced persons labor companies in the Berlin airlift. This is dated January 1, 1949, and was not used as the basis for any legislation. Here is what he says about these fine displaced people:

> The members of the labor service companies of displaced persons have made a great contribution to the successful operation of our Operation Vittles. They have won the approval and admiration of all men who come in contact with them. They have performed the hardest manual labor in all kinds of weather cheerfully and willingly, day and night, rain or shine.

The displaced persons have been the greatest help to Britain and the United States in the successful Berlin airlift operation. There are 2,500 displaced persons engaged in the Berlin airlift operation organized in seven labor-service companies.

I have checked this morning with Col. Dayton Frost, now of the Civil Affairs Division of the United States Army, who was in Europe for 4 years as the chief of displaced persons operations of the United States Army, and EUCOM, European command. I asked him to say to me how he felt the displaced persons had helped in the Berlin airlift. He said that every displaced person working in the airlift had to be examined by the Army carefully to see that he was able to do 8 hours' work a day for 6 days a week. Colonel Frost stated that the DP's worked many, many hours, in Operation Vittles. There is no problem at all with them; they just worked any number of hours, at all times, and were always available; they enthusiastically gave the United States Army their support in the Berlin airlift.

That is the kind of persons the DP's really are, and we who with open minds have gone over and looked them over can so testify; so, certainly, it comes with ill grace to class them as thieving and criminal and depraved.

There are in the camps today 204,410 persons under IRO management in our zone in Germany. Thirteen thousand three hundred and fifty-eight are working in labor-service units around our Army installations, and 120,945 displaced persons support themselves in the outside economy. So, the total today in our zone is 338,713 displaced persons. We taxpayers are paying for them, because it has averaged from seventy to seventy-four million dollars a year of American taxpayers' money to keep these displaced persons because they have not been resettled.

When our committee checked as to the criminal aspects of this displaced-persons problem, we found that they had a better record for good behavior than our own United States Army in the United States zone of Germany; that the DP's had a better behavior record than any country in Europe, so they can hardly be called criminal.

If we could have people who were as sincere, willing to work, and willing to take part in our way of life as the displaced persons I have met, we would certainly have a fine group of people, entirely opposite to the testimony I have just heard.

Mr. GRAHAM. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from New York [Mr. KEATING], a member of our committee.

Mr. KEATING. Mr. Chairman, it was not my intention to speak on this bill, had it not been for some of the remarks made by my friend from Texas. I have the utmost respect for his sincerity, but I must emphatically disagree with him on this issue.

He has referred to the quality of the people in these displaced persons camps. My colleague from New York [Mr. RIEHLMAN] and I decided, after Congress adjourned last summer, to take a trip to Europe on our own to acquaint ourselves more accurately and fully with some of the things that are going on

over there in which our Nation has such a vital and continuing stake. One of the purposes of the trip was to visit these displaced persons camps in order to see for ourselves what kind of people are living there.

The gentleman from Texas has characterized them as lazy, shiftless and, to a large extent, Communists. To those charges I feel compelled to reply.

First, as to their willingness to work. There are to be found in these camps, as anywhere else, even, I venture to suggest, the gentleman's great Lone Star State, the drones, those who are unwilling to carry their share of the load. But the sweeping allegation that these relatively few shirkers are characteristic of the population of these camps as a whole is contrary to the overwhelming weight of the evidence provided by the reports of the military and civilian authorities in charge of the camps, and is completely negatived by the outstanding accomplishments of these unfortunate victims of aggression themselves.

An important share of the credit for the world-startling accomplishments of the Berlin air lift goes to the occupants of these displaced-persons camps. It was they who, in large part, performed the back-breaking, unspectacular labor connected with the loading and unloading of the planes plying between Rhine-Main Airport and Berlin on a 3-minute schedule. I would not detract in any way from the outstanding performance of our own GI's and civilians and their hard-working and able officer leaders. We sometimes, however, lose sight of the significant contribution to this effort made by the homeless occupants of these camps.

We visited Hanau, one of the larger camps, where we found that they had built carpenter shops, tool shops, blacksmith shops, electrical shops, millinery and needlework shops. They had taken old tin cans and made babies' gocarts out of them. Without tools except as they made them, without materials except as they salvaged them, with only their bare hands and native intelligence and initiative, they had carved out for themselves an integrated economy, under primitive conditions, to be sure, but with a zeal, hardihood, patience, and devotion, deserving of the utmost admiration and respect.

Now a word about the charge that this law will serve to bring into this country a lot of Communists. There is not a Member sitting here who for 1 moment would consider voting for this bill if he felt such would be its effect. If the gentleman from Texas believes an influx of subversives will flow from the enactment of this legislation, of course he should oppose it. I feel certain, however, that here again he is completely mistaken.

In this same camp of Hanau there were 5,329 people, made up of approximately 2,600 Lithuanians; 1,200 Latvians; 1,200 Estonians; 300 Ukrainians, and a few others. A Russian - Polish - Yugoslav commission had recently visited the camp for the purpose of urging repatriation upon these people. By entreaty, cajolery, alluring promise, and every enticement they were urged to return to their native land. No impediment in the way of such action was interposed by anyone. Indeed, the International Refugee Organization endeavored in every way, as it has consistently done, to expedite their repatriation.

Yet this Communist mission was booed, stoned, and their very lives threatened by the people in these camps, normally peaceful and law-abiding, but driven to extremes by the fury of their anticommunism.

Their living conditions in these camps, although they had the bare necessities of life, were by no means pleasant. In most cases they were dreary indeed. They were cooped up, two families to a small room, with a cotton curtain hanging down between them to secure a slight degree of privacy. In their native lands they had enjoyed, for the most part, comfortable and enjoyable surroundings. They had friends and relatives back home. Home meant the same to them that it does to any of us. Yet, rather than return home to a Communist-dominated country, they preferred to live on in their present surroundings. They chose freedom to comfort.

Out of the 5,329 people in this camp, how many do you think this commission was able to convince to return to the country whence they came? One man—one man out of 5,329. That seems to me an all-conclusive and irrebuttable answer to the charge that these people are Communists. On the contrary, they are the most fervid anti-Communists, I have ever encountered.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Pennsylvania.

Mr. WALTER. May I call the attention of the gentleman to the fact that the most violent opposition outside of this hall to this entire program comes from the Communists, and that only 2 weeks ago the Communist delegate to the United Nations, a man by the name of Altmann, bitterly attacked the displaced persons program.

Mr. KEATING. That is true. I was just about to make that comment.

Again, in one of the Jewish camps, at Zeilsheim—I want to relate an experience we had. The leader of that camp was a Mr. Epstein, and his assistant, Mr. Gross. In our talk with them, I said: "Mr. Epstein, it has been charged that there are a lot of Communists here in your camp. Is that true? How do you and your people feel about communism?"

He looked at me a moment and then said this: "Congressman, my wife and my three children were murdered in a concentration camp by a dictator. Mr. Gross here had his wife and two children murdered in a concentration camp by a dictator.

"Dictatorships are just the same, whether of the right or of the left. Our people hate nazism and they hate communism."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I yield 1 minute to the gentleman from New York.

Mr. GRAHAM. Mr. Chairman, I yield 2 minutes to the gentleman from New York.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I am happy to yield to the distinguished gentleman from Maine.

Mr. FELLOWS. Some reference has been made to the fact that Communists are opposed to this program. They are not all Communists, because if anybody has any doubt, look at those who voted against the original bill, among whom was the present Speaker of the House of Representatives.

Mr. KEATING. I am sure that neither the gentleman from Maine, nor the gentleman from Pennsylvania [Mr. WALTER], nor I would for a moment contend that only Communists oppose this bill. When the charge is made, however, that this measure will bring into our country undesirable Communists, it is particularly significant, as the gentleman from Pennsylvania has pointed out, that an attack is made on this program in the most emphatic terms by whom?—by the Soviet delegate to the United Nations.

No, the talk about Communists in these camps is a smoke screen, designed as a last resort to develop opposition to a measure which has widespread support from all segments of our economy and society.

It has been said here that there is no adequate screening of the applicants for displaced persons' visas. The fact is that in commendable zeal to prevent any subversives or undesirables from getting into this country, there has been set up a truly formidable labyrinth of five screening agencies through which these people must go. First is the selector of the Displaced Persons Commission; then the Counter Intelligence Corps; then the consulate; then the Public Health Service, and finally the Immigration Service. I do not mean to imply that all of these are not necessary, but I do say that after one has successfully surmounted the obstacles raised by all of these agencies, he ought to be, and I believe would be, thoroughly qualified to enter our country.

It is important to note that this measure retains the protective provisions for our own economy which are now perhaps even more necessary than when the original act was passed last year. It is expressly provided in the first section of this bill that before anyone will be admitted into this country it must be shown to the Commission that he will be suitably employed without displacing any other person from employment and that he and the members of his family who propose to live with him, will have adequate housing without displacing any other person from such housing, and that they will not become public charges. The sponsor who brings them in must give his assurance in this regard.

As a matter of fact, on the subject of employment, there are many bottlenecks in industry in this country where, I am informed, the addition of one trained in a particular trade or skill will result in making work for a large number of others. I have been told this is true, for

instance in the garment industry, where both employers and representatives of the employees have informed me that there is a shortage in skilled cutters. This causes a bottleneck in production. The addition of one more trained workman would make jobs for several others needed in the production line for a finished garment.

Another important provision in this bill is found in section 4 (d) where it is provided that the selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion or national origin. Without entering into any controversy over the meaning or effect of existing legislation on this subject, certainly no one, I hope, would attempt to defend a preference of one race or religion over another in a country committed by basic law to racial tolerance and religious freedom.

There is another practical consideration which we should not forget about this legislation. Our taxpayers are now putting up about $70,000,000 a year to meet nearly one-half of the total budget for the operation of the International Refugee Organization, which is concerned with the maintenance of these displaced persons camps in Europe. This drain on our taxpayers will continue until this international problem is solved. Every time a family is brought to this country or, indeed, to any other country, the burden of this obligation is proportionately shifted from all of the taxpayers to the sponsor, either an organization or an individual, who gives the assurances necessary to bring in a displaced person. In other words, this is a case where humanitarianism will yield direct dividends in dollars and cents for the people of this country.

Nor is this one of the instances where it can be claimed that the United States is doing it all. To date both the United Kingdom and the little State of Israel have taken more of these homeless victims than have we. Canada, Belgium, France, Australia, Argentina, Brazil, Venezuela, and many other nations have participated substantially.

Among those for the first time made eligible by this legislation there is one group referred to in section 4 (b) (3) about whom I feel a special word of comment is deserved. These are the 18,000 Polish soldiers comprising a part of General Anders' Free Polish Army, who are now in the British Isles. These are the men who fought with conspicuous valor with the RAF in the skies over England. They are the heroes of Narvik, of Tobruk, and of Monte Cassino. The supreme sacrifice offered by thousands of their gallant comrades saved the lives of many Americans of our Fifth Army. There is no more brilliant record of heroic fortitude in all the chapters of World War history than that written by the members of the Polish Free Forces.

These men for the most part have very naturally refused to return to Poland, to a country enslaved today as completely by the Communists as it was before by the Nazis.

I have talked with some of these men. I believe I know them and the stuff of which they are made. I would be proud to be as good an American as I believe these men would soon become.

The bill before us today removes many of the unworkable features in the existing law which have caused great administrative difficulties. At the same time, where it has been necessary to choose between difficult administration and adequate protection to our own economy, the committee has very properly favored the latter.

The list of organizations endorsing in general the provisions of this bill is indeed impressive. I refer at random to only a few: The Federal Council of Churches, consisting of nearly all the Protestant denominations; the National Catholic Resettlement Council; the American Jewish Congress; the Episcopal Church; the Lutheran Council; the Northern Baptist Convention; the Reformed Church; the Methodist Committee; the Baptists; the Jewish War Veterans; the League of Women Voters; the Presbyterian Church; the CIO; the A. F. of L.; the Chamber of Commerce; the Women's Action Committee for Lasting Peace; the American Association of University Women; General Federation of Women's Clubs; the Knights of Columbus; the National Grange; and many others.

While such widespread endorsement is by no means controlling, it certainly is a significant indication of nearly country-wide support for this enlarged and modified program to discharge our responsibility for the solution of an international problem. From this obligation neither our own conscience nor our position of world leadership permits escape.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Chairman, this is the first attempt on my part at making what I would deem a major speech since this session of the Eighty-first Congress began. I had not planned to make any remarks today. Fact is, I try to refrain from making speeches as much as I possibly can, because I know my shortcomings and my limitations. I know that there are many among you who are far more experienced than I and for that reason, it is only when I feel very deeply about a certain piece of legislation, or I feel in my heart that I really have something to say, which might in some small way contribute to your thinking and to your deliberations, do I come to the well of the House.

First, I might say to you quite frankly that back early in 1947 at the very beginning of all this debate and discussion on the DP problem, and prior to the introduction of the old Stratton bill, which sought to bring 400,000 displaced persons to this country, I was against it. I was against it because I did not know, nor did I understand, the full import of it. I did not know the facts. Later on I had an opportunity to go overseas with the gentleman from Pennsylvania [Mr. FULTON], who spoke here a few moments ago. He served as chairman of a special subcommittee to investigate the IRO and the displaced persons problem. We journeyed overseas. We went into over 200 DP camps. We interrogated and talked with more than 2,000 displaced persons. You say, "How did you do that with only a six-man team?" We divided ourselves into what we called "one-man teams" so that we could get this vast coverage and see the conditions as they actually existed so that we could come back and make a decent, intelligent report to you Members who had this bill before you for consideration. Frankly, we saw the good and the bad features within these 200 DP camps, but the good so far outweighed the bad that in all honesty and fairness, we made a favorable report on the conditions, because such was completely justified by the facts.

The charge has just been made that these people are Communists. Bear in mind, I do not pose as a DP expert. But having served for 12 years as a prosecuting attorney, I think I know a little bit about human nature and about people. The bulk of these DP's now in our camps in Germany and Austria were in concentration camps under the control and brutal treatment of the German Nazis. During the war they were forced to serve as slaves in slave-labor concentration camps maintained by the Germans. They were tattooed as we would brand cattle. On their arms and wrists, we found not a name but a number. Then later on during the recent war, when the Russians had made their stand at Stalingrad and had reconquered the territory that the Germans had previously swept through; these poor unfortunate people, instead of being released from the hell, the starvation, the privation, and the many inhuman indignities to which they had been subjected, they were yanked up by the Russian hierarchy and charged with being quislings and pro-Nazis, fighting against the Russian war effort. Believe it or not, these poor miserable, pitiful people were thrown into Russian concentration camps where they were again tattooed with numbers upon the other wrist or arm. Imagine the infamy and the irony of this, when they, these same people, had been forced, at the point of a rifle or bayonet, to witness the barbaric slaughtering of their wives and their children—yes; right before their very eyes. Their homes had been sacked, burned, and destroyed; their last vestige of worldly goods confiscated, and the gentleman from Texas says they are all Communists. I say to you, my friends, that when they looked me in the eye and said: "We loathe, we detest, we abhor communism," I know that they surely meant every word they uttered, because they literally hissed the words through their teeth. Say what you will but I know this kind of man or woman will make fine citizens of this Nation or any nation of the world. Do not tell me they are all Communists, for they know communism as no other living person. They have scars and wounds of the heart and body that shall never, never heal.

It has just been said also that they are lazy and illiterate. I can only speak the English language, and that sometimes not so good, but there were very few of these displaced persons who could not speak several languages, and many spoke to me in good, clear English telling me of their pathetic plight.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. CHELF] has expired.

Mr. CELLER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CHELF. It has been said also here today that they are all lazy—the dregs of humanity. They are not lazy. They are not illiterate. I am not telling you something that I have read, seen in a picture, heard over the radio, or even heard as a rumor—I have seen these people with my own eyes. The charge has been made that they will not work. I have personally seen with my own eyes also the fine, beautiful, magnificent things they have fashioned; beautiful lecterns in their churches, fine pulpits, made from scraps, the wreckage of airplanes, and old exploded shells. Exquisite needlework, woodwork, leather goods, and hundreds of items fashioned all by hand since machinery is unheard of around a DP camp. There were flowers growing in profusion around their camps. Every available foot of spare ground had been cultivated and sown and as a result they had vegetable gardens in abundance, which was quite necessary to make up the diet deficiency. This work, and I mean hard work, had raised their daily food allowance from 1,500 calories up to 2,000 calories, while you and I eat our 4,000 to 5,000 calories each day.

It has been said here today also that these DP's are "nothing more than criminals." This statement is incorrect. Out of the 200 DP camps personally visited and inspected by the Fulton committee, we found only one DP in one of the jails. And what do you think was the horrible crime he had committed? He had slapped his mother-in-law, a custom sometimes resorted to in this country.

Yes, Mr. Chairman, there have been many charges made against these people here today, and for such reason I could not remain in my seat at this time without telling you what I know about them. The statement has been made here a few moments ago that this legislation's passage will affect our unemployment situation. We have letters from Mr. Green, of the A. F. of L., and Mr. Murray, of the CIO, in which they each say that we could take the whole 400,000 in during 1 year and it would not hurt our economy insofar as our unemployment situation is concerned. And you Members representing farm districts, let me say to you that according to the Census Division of the Department of Agriculture, in 1940 there were 2,345,000 tenant farmers in this country; as of 1948 that number has dropped to 1,640,000, or a total loss of approximately 700,000 tenant farmers throughout the Nation. Yes; we need farmers, and there will not be any difficulty insofar as housing accommodations for them are concerned down on the farms.

In conclusion, Mr. Chairman, let me say that I was like St. Paul on the road to Damascus; I suddenly saw the light, after having had an opportunity to see this situation, to know it, to understand it, and to see the type of people that we are bringing in. In my little city of Lebanon, Ky., within the last few days there has arrived a group of these so-called terrible displaced persons. They are fine, clean, erect, substantial, "salt of the earth" people and the folks of my friendly, neighborly, generous little community have taken them all into their hearts and their homes. Yes; in the true American spirit and our great traditional manner, the citizens of Lebanon have rallied around them, and I am happy to report that the DP's are making good citizens. Fact is, you cannot tell one of these displaced persons from one of our own folks because now, thank God, they have a smile on their face and a song in their heart in thanksgiving to a great nation for its love, understanding, generosity, and consideration for the oppressed and the less fortunate.

I say to you that this is a fair bill; it is a just bill, and that we ought, in good conscience and decency to pass it. It will not only be a humanitarian thing to do, but, do not forget, it will help to relieve the taxpayers, by getting rid of these camps and solving this problem once and for all time to come.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. CELLER. Mr. Chairman, I yield one-half minute to the gentleman from New York [Mr. O'TOOLE] to make a declaration.

Mr. O'TOOLE. Mr. Chairman, all of this talk about the DP's being Communists is absolutely absurd. The one organization in this country best fitted to know about communism is the National Catholic Welfare Council. The National Catholic Welfare Council is 100 percent behind this measure. The Federal Council of the Churches of Christ in America is back of this measure.

It seems that every time we have a humane measure up for consideration that the cry of socialism and communism is leveled against it. All this talk of communism in connection wtih this bill can be discounted.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, as this great humanitarian bill is under debate today before the Members of the House, I want to express my views as to why I feel so strongly that the present Displaced Persons Act should be liberalized and amended.

The Displaced Persons Act passed by Congress in June 1948 has certain desirable aspects. First and foremost, it was clear recognition by the American people that the United States wants to play its part in the international solution of one of the most tragic aftermaths of modern war, the uprooting of innocent people from their homes and livelihoods. Second, and in the full humanitarian spirit, it admits such displaced persons to the United States without regard to quota limitations so far as they themselves are concerned. And third, it was conceived in socially desirable terms of resettlement, evidencing an interest and desire to help these new immigrants find an effective and satisfying adjustment to their new life in America. The joint effect of these three highly desirable aspects of the law was to give a new look to immigration. In principle, at least, if not in specific provisions, it departed from the "we don't want you" attitude to immigrants. Instead, it welcomed the deserving, the suffering victims of totalitarian aggression, the front-line troops of democracy. In principle, at least. it gave concrete meaning to those wonderful words on the Statue of Liberty:

Give me your tired, your poor,
Your huddled masses yearning to breathe free
* * * Send these, the homeless, tempest-tossed to me,
I lift my lamp beside the golden door.

These, I think are the outstanding characteristics of the Displaced Persons Act of 1948. They represent significant achievements, of which we, as Americans, have the right to be proud.

But there are other aspects of the law which, either in fundamental principle or in administrative effect, are less fortunate.

Talking about these aspects of the present law which H. R. 4567 would amend and liberalize, the President said when he reluctantly signed the original bill, "it is flagrantly discriminatory. It mocks the American tradition of fair play. I sign this bill in the expectation that the necessary remedial action will be taken by Congress this January"—meaning the Eighty-first Congress.

In H. R. 4567 we have the vehicle to carry out the President's wishes. I don't have to recall to the Members of the House the voice of the President crying out for fair and liberal legislation for the unfortunates of Europe as he traveled back and forth across the broad expanse of this great Nation last fall. The Republican candidate also criticized the law and it is still fresh in the memories of all, I am sure, how he pleaded with a certain Member of the other body to take the lead in liberalizing certain of its provisions.

The simple fact is that the present Displaced Persons Act discriminates against some groups. Such provisions are contrary to our basic American traditions and ideals. In addition, to their contribution to make the act unworkable, such provisions are clearly repugnant to the humanitarian nature of such legislation.

In our discussion of this bill here today there is no room for politics. Democrats and Republicans, liberals and conservatives, recognize this bill as the outstretched hand of America to the deserving yet bewildered unfortunates of the last world epic struggle.

Some of the other nations of the world who participate in this international program have taken more displaced persons than we. If the displaced-persons problem is to be solved in Europe by cooperation of nations throughout the world, this country's participation must be at a

level which would admit a minimum of 339,000 provided for by the bill, and in my personal opinion should be at a level nearer 400,000.

Let us show the way to the nations of the world with our characteristic sense of generous and fair humanitarianism by adopting H. R. 4567 with its provisions which, first, would change the cut-off date to January 1, 1949; second, eliminate the statutory preference of the 40 percent Baltic requirement and the 30 percent agricultural requirement; third, increase the number of displaced orphans by 2,000; fourth, raise the total number not to exceed 339,000; fifth, extend for two more years the program for admission of persons of German ethnic origin under the German quota; sixth, change the cut-off date for displaced persons already in the United States from April 1, 1948, to April 1, 1949.

This bill provides for other amendments, but in the limited time allotted me, I am not able to discuss them in detail.

In conclusion, by enacting this bill into law we are not only following the recommendation of our President, but we are fostering for all time to come the principles upon which our democracy rests. Now is the time for men of good will to put out a helping hand.

Mr. GRAHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. HOFFMAN].

Mr. HOFFMAN of Illinois. Mr. Chairman, I do not recall a single piece of legislation that has been proposed to this body since I became a Member of the Congress which I have been happier to support than the measure the House is considering today, the amending of the Displaced Persons Act of 1948. This is true in general because of my sincere interest in the welfare of those unfortunate natives of friendly nations who suffered with us and for us during the war years, and it is especially true, in particular, because one of the proposed amendments finally makes at least an attempt to give equitable treatment to the people in the displaced persons group who claim Czechoslovakia as their homeland.

Over a long and varied career that has been largely centered on the west side of Chicago and in the western suburbs of that city, I have come to know, and as a result to love and admire, the solid, courageous, independent citizens of Czech and Slovak ancestry who make up so large a portion of the population in that area and in the district I have the honor to represent.

It is my considered opinion, and in this I am not alone, that no single racial strain in the record of immigration has made more lasting contributions to our country's welfare, or has provided a more substantial type of citizen, than has the great Czechoslovak group. Farm and city alike have benefited by their presence. These sturdy people, with their long history of unceasing struggle for freedom and their age-old tradition of respect for the law and for the basic rights of private property that are the underlying support of all law, have well been called "the Yankees of Europe." Together with the British, Scandinavian, and Germanic immigrants who have helped make our Nation great, the Czechs and the Slovaks bring to their new country a predisposition to accept its rules and its customs, and to blend their own high culture completely and solidly with the culture of the American people they have joined.

Let me review the existing situation briefly in relation to the proposed amendments we now have before us. Under the terms of the original Displaced Persons Act, a cut-off date of December 1945 was set as the basis for considering the right of displaced persons to be admitted into the United States. That is, only otherwise eligible people who had entered Germany, Austria, or Italy not later than December 22, 1945, could be accepted for entry under the act into this country. Now, as you know, the Czechoslovak Republic was at that time still a self-governed democracy, under the leadership of Eduard Benes and Jan Masaryk, with the result that its nationals who had been in enemy lands during the war returned to their own home in great numbers, and those who did not immediately do so still had that escape hatch open to them for later use.

Then came the iron curtain. The legitimate government of the Czech Republic was overthrown. A Communist terror was visited upon these unfortunate people. A police state on the Russian model was set up, and to all practical intents and purposes Czechoslovakia was cut off from western Europe and the western world.

This at once altered the situation—and very unfavorably altered it—for all Europe's Czechs and Slovaks, both in and out of their native land. The alert action of my colleague, Congressman KARL STEFAN, of Nebraska, resulted, in June of 1948, in a special quota of 2,000 being set up for Czechoslovaks who were in the western zone of occupied Germany, and so permitted at least that number of these good people to win admission into the United States under the original displaced persons program. But this thin trickle could, at best, take care of only a fraction of those who needed and were entitled to our support.

Under the terms of the amendments we are now considering this condition can be appreciably improved. First of all, the total number of displaced persons to be admitted would be changed from 205,000—over a 2-year period—to 339,000—over a 3-year period. But of most importance to the Czechoslovak nationals is the amended version of section 2 (d) of the existing law, which would provide admission, in theory at least, for as many as 15,000 of them into the United States if the Secretary of State and the Secretary of Defense certify that they would be desirable residents of this country. The amendment at this point is specifically designed to take care of recent political refugees from Czechoslovakia, as well as for similar religious and political persecutees who every day are reaching the safe western zones of Germany, Austria, and Italy from other countries now behind the iron curtain.

Under the present regulations, the entry of any Czechoslovak-born person as a displaced person will be charged against the normal immigration quota for the Czech Republic, and although it is difficult to get permission to leave that state under the Communist regime, our basic immigration law provides for the annual admission of 2,874 of its people each year. This condition, by which the homeland of these people loses a total entry quota in exact proportion to the number of its nationals who enter as displaced persons, is certainly far from ideal, but under today's brutal circumstances it is assuredly an improvement insofar as it would permit, in the next 3 years, the admission of up to 15,000 of these victims of enemy malice—a number greater than normal immigration would allow in 5 years, even were it possible to get permission to penetrate the iron curtain.

May I urge the Congress to give these amendments its wholehearted support. No investment will pay better dividends than the incorporation into our native stock and our body politic of as many Czechs and Slovaks as we can rescue from postwar Europe. They are a great people from a great land. Their ancient race can claim more than its share of great men. In their veins runs the blood of such world-famed individuals as Jan Hus, the crusader for religious freedom; John Komensky, the father of modern educational techniques; Anton Dvorak, without a superior among modern composers; Rudolf Firkusny, among the best of the world's pianists, and Thomas Garrigue Masaryk, educator, statesman, and father of the Czech Republic. And this galaxy of truly great men does not begin to make up the full roster I could proudly recite if time permitted.

The great cities of America know and appreciate these people. Chicago, Milwaukee, Cleveland, New York, Pittsburgh, Omaha—in these and many others they have become leaders among the citizenry. The farms of many of our fairest States are familiar with them—their plows and their tractors have bettered the fields of Texas, the Dakotas, Nebraska, Kansas, Oklahoma, Wisconsin, and Iowa. It is on their behalf, and because of my sincere conviction of their value to our own land, that I most earnestly urge your approval of these amendments.

Mr. GRAHAM. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, there are two considerations today which we did not face when the displaced persons bill was adopted in 1948, and they are both gratifying considerations: First, we no longer have to take the word of various gentlemen in the country and on the floor about the quality of these DP's; shiploads of DP's have been coming over in the last few months, and the notices and pictures we see about them in the press, their being received with open arms in town after town in the country, the joyous reunions of families all show that nobody seems to be worrying about their becoming fine Americans.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Maine.

Mr. FELLOWS. And that is under this horrible discriminatory legislation.

Mr. JAVITS. Yes; but many DP's are being kept out, too, and they are the same DP's the number of whom we are prepared to expand somewhat in this bill.

Second, and a very gratifying thing to me, is that we are no longer talking in this debate about the fact that only 23 percent of the DP's in the displaced persons camps are Jewish. Out of the number of resettlees handled by the IRO, Israel has taken more resettlees than any other country in the world. Some 94,000 Jews have, by the heroic effort of that little country, been adequately taken care of. The problems of the Jewish displaced persons are being solved, and this makes it a lot easier and a lot happier for me to speak to the problem here on the floor today and to urge that the House adopt this bill.

We have already adopted the principle that we want to admit DP's. The arguments which we have heard from the gentleman from Texas and from other gentlemen here on the floor who have spoken or who will speak are addressed to a decision which has already passed and has been made. The question is, Shall this displaced persons bill now be improved along the lines advocated by the subcommittee headed by the distinguished gentleman from Pennsylvania [Mr. WALTER]? I think the facts indicate it should be, and for three reasons.

First, the United States needs the additional skilled population which these DP's bring into our country.

Second, it will reduce the burden of expense which we are now paying through the IRO, which for this current year is $70,000,000, and tend to bring us to a goal which we set of July 1, 1950, at which time we expected to be able to terminate, or at least to so materially reduce our support of IRO that it would no longer be a major factor.

Third, the moral obligation which we owe to the DP's; and this is not based on any abstruse proposition, but is based on our adoption in this House of the International Refugee Organization charter. We joined that organization, and along with the other nations which are members agreed to bring about resettlement of displaced persons.

On the question of the skills of these people it is very important to note that these displaced persons who are left are not devoid of skills. On the contrary, various useful skills are very much present in these people.

An actual survey made by the International Refugee Organization as of the fall of last year of 283,188 DP's, a very considerable sample, showed that professional and management personnel among that 283,000 constituted 12.8 percent; agricultural workers still constituted 22 percent; skilled workers in manufacturing and nonmanufacturing employment constituted a total of over 28 percent. Far more than the majority of the adults in these groups are still very skilled workers, and are available to us. Of course, as we all know, we are short of certain skills in this country, and those skills are provided for in this bill, by giving preference to farm, household and construction workers, tailors, and so forth. Everybody knows about the shortage of domestic servants. There is no secret in that.

By admitting the additional number of DP's called for by this bill, we are doing the three things which I have mentioned. First, we are discharging our own obligation undertaken with other nations to resettle the DP's in connection with the IRO. Second, we are cutting down our own expense to support IRO, and, third, we are getting people who are very good for the United States.

Something has been said about the fact that we are to be overrun with population. Let us take a look at that very briefly.

From 1790 to 1880 our population increased 3 percent annually; from 1930 to 1940 it increased 0.7 percent annually; from 1940 to 1947 it has increased 1.3 percent annually. It is calculated that unless we can move on with respect to population, we are likely to lag to the extent of about 90,000,000 in population behind the Soviet Union, which is our big rival in the world, by 1970. No one who has traversed the wide spaces of our country can say for a minute that we are overcrowded or that we cannot absorb economically many more people in our own country.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GRAHAM. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JAVITS. I thank the gentleman.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Maine.

Mr. FELLOWS. The last figure I have on the number of Jews in these camps was the figure given to me this morning, that there were in all zones, Austria, Germany, and so forth, only 75,000.

Mr. JAVITS. That is a reduction, the gentleman will note, of well over 50 percent from what it was a year ago. I may say to the gentleman, and I think it is something the House should know, that the Constitution of the State of Israel states that any Jew anywhere in the world who wants to come to Israel may do so. That is a most unusual constitutional provision. They are absorbing Jewish immigrants at the rate of 30,000 a month, a very extraordinary record.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. CELLER. The gentleman, of course, will corroborate my statement that Israel has received 95,000 of these DP's out of the DP camps covered by this bill.

Mr. JAVITS. Yes; I stated that.

Mr. CELLER. And that the Jewish Joint-Distribution Committee has stated throught its director that by January 1, 1950, there will not be left in those camps a single Jewish DP. Israel is doing more than its share.

Mr. JAVITS. I thoroughly agree with the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Originally there were 180,000 Jewish DP's in all zones in Germany. Now there are only about 41,687 Jews in camps and 19,000 out of camp. Previously there had been 161,000 in camps and 19,000 out of camps. So, there is only 28 percent left.

Mr. JAVITS. Just a word about certain peripheral provisions in this bill. First, a statement was made about the Shanghai displaced persons. Let there be no illusion about that. There is a limitation of 4,000 visas for Shanghai displaced persons, and they are the same kind of DP's as are found in Germany or Austria, except that they happened to escape in the direction of Shanghai.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, this bill has the support of practically all Protestant denominations and the Catholic and Jewish churches. It is supported by innumerable welfare and philanthropic societies—organizations such as the League of Women Voters and the American Association of University Women. Twenty-eight States have set up displaced persons commissions.

I have always wanted to vote for a bill that was supported by both labor and the Chamber of Commerce. This is the bill. It is backed by both the A. F. of L. and the CIO, as well as the United States Chamber of Commerce.

I realize these organizations are supporting this measure because of humanitarian reasons.

But I also think it is good business to enact this legislation.

It costs $155,000,000 a year to maintain the displaced persons camps in Europe. America's share is $70,000,000. Since the United States is giving financial aid to so many nations, I think it is fair to say that we pay well over one-half of the over-all cost.

We complain that other nations do not do their part in helping to solve international problems. However, other nations are helping to rehabilitate these people. As of January 31, 1949, a total of more than 453,000 displaced persons have been settled in other countries. Only 24,000 had been admitted to the United States under the Displaced Persons Act as of May 12, 1949.

On the other hand, 98,000 have been admitted to the United Kingdom; 93,000 have entered Israel, and they are going into that country at the rate of 8,000 a month, and 53,000 are now in Canada.

These private charities who support this bill have offered to take the problem off our hands. Under the present act—and under this bill—they sponsor the displaced person, find him employment and a place to live; assist in his selection from the displaced-persons camp, and provide transportation from the point of entry to his new home.

This is good old-fashioned American charity and should be encouraged—especially when it relieves the American taxpayer of this burden.

These private charities have asked that certain changes be made in the ex-

isting law. This new bill grants most of their requests.

The number of displaced persons to be admitted to the United States is raised from 205,000 to 339,000.

I might say that most of these charities wanted to raise the figure to 400,000 and I, myself, hoped we might agree on that figure.

Of the 339,000, only 300,000 will come in from displaced persons camps because 39,000 are made up of political expelees, Shanghai refugees, Polish soldiers and orphans.

A great deal of credit should go to the churches who have asked that the two provisions which discriminate against people because of race and religion be stricken from the present law.

These provisions were criticized severely by President Truman and Governor Dewey in the last campaign. They were placed in the bill at the insistence of the Senate—not the House.

I refer to the provision which sets the cut-off date at December 22, 1945. This is a racial and religious discrimination against the people from Poland. The new bill erases that by making the cut-off date January 1, 1949.

The other provision eliminates the 40-percent preference given to the people from the Baltic countries. This was not only a racial and religious discrimination against the other displaced peoples of Europe, but it makes the act difficult to administer.

I expect you have heard objections raised to this bill on the grounds that it would "pollute the bloodstream of America" to admit foreigners to our country and that it would add to the unemployment in this country to admit 339,000 persons into the United States.

The number of people admitted to this country under this bill amounts to only one-fourth of 1 percent of our total population.

These people will come into the country over a 3-year period and will scatter into every State in the Union.

If war had not intervened—not 339,000—but 1,000,000 people would have entered this country under the immigration laws.

I do not believe we would want to admit that our country has reached the point that it cannot absorb so small a number of foreign-born citizens.

As to the unemployment problem, both the A. F. of L. and the CIO—as well as Government economists—have stated that the admission of these people will not affect the unemployment situation.

If these people are admitted to the United States under the Displaced Persons Act they must have jobs. They will earn money and become consumers, thereby giving work to other people.

And we must remember that they are now unemployed.

They are being supported, at least in part, by the American taxpayer and by other nations. Private charities are willing to relieve us of this burden.

America has always been a haven for political refugees.

There is not a man on this floor today whose ancestors were not foreigners—and most of them foreign political refugees.

I believe America is a great country today because it was settled by people who were willing to leave their homelands and undergo hardships because of their religious, political, and moral convictions.

These displaced persons could go back behind the iron curtain but they do not want to return to a country dominated by Communists.

Certainly America is not going to lag behind other nations.

Certainly it cannot refuse an asylum to a fair proportion of these people.

Certainly Congress cannot turn a deaf ear to the prayers and pleadings of our churches and charities by refusing to let them help us with this problem.

Mr. GRAHAM. Mr. Chairman, I yield 9 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I am glad there are so many Members on the floor of the House today who have traveled in foreign countries and who have had the opportunity to visit displaced-persons camps. Many of you know of my many visits to foreign countries, the recent one last year at the request of the Committee on Appropriations, the Secretary of State, and the Secretary of Defense. I had the opportunity then not only to visit DP camps, many of them, but also the so-called expellee camps. I had the opportunity to see the implementation of your appropriations for GARIOA, the beginning of the work of ECA, or the Marshall plan, the work of the International Children's Fund, which I am very sorry to report was not implemented with appropriations in the last European relief appropriation bill; the work of CARE, which operates the American remittances to Europe; the operations of the International Refugee Organization, for which we appropriate the largest percentage of the expense. I also saw the work of our great church organizations and all of this relief resulted in saving many human lives.

Of course, there are Communists among the people in the displaced-persons camps and among the refugees. That is why we do so much screening. Of course, countries behind the iron curtain endeavor to infiltrate people among refugee groups. Every precaution is being taken to eliminate the undesirable individual from the benefit of this legislation.

Those of you who have said so much about your visits to the displaced-persons camps and the refugee camps, of course, realize that a human being is a human being no matter where he lives or where he or she comes from. We are all created alike. Racial prejudice has no place in this kind of legislation.

We pay annually over $70,000,000 toward the expense of the International Refugee Organization, which has control of displaced persons only, of whom I understand we still have about 700,000 in and out of the camps. That organization should be liquidated as soon as possible. This bill will help do that. I am afraid that the International Refugee Organization administration is endeavoring in some instances to institutionalize many of the occupants of the displaced-persons camps. It is high time that these camps be closed and part of these people brought to the United States and the others sent to other countries which indicate they want them. The decrease in the numbers of DP's is too slow. Transportation has been unnecessarily slow, but I am told it has improved. We went into this matter at great length in another committee and we were not entirely satisfied with the progress made. Someone has mentioned that liquidation can be expected in 1950. This can be reached if other countries do as much as is done by the United States. The passage of this bill must reflect in the next appropriations for IRO.

Mr. Chairman, I am very happy the committee has accepted my amendment and is going to keep it in the bill. I refer to the bringing in of 2,000 Czech political escapees into the United States. This bill should increase that number. I report to you that there are now over 10,000 of these political Czech escapees in Italy, France, Germany, and England.

The bill we are voting on today to relieve approximately 339,000 refugees or displaced persons does not touch the real gigantic refugee problem in Europe. I have brought the matter up on the floor of the House many times. I am glad some attention is being paid to it today. The gentleman from Texas [Mr. GOSSETT] referred to it when he mentioned 10,000,000 expellees. It is my duty to tell you that there are over 14,000,000 of these expellees in the western zone of Germany today. In Bavaria alone, 30 percent of the population are not German Bavarians, but expellees and refugees. That particular part of Europe could be self-sustaining if they could get rid of those expellees. Of course they can't come here, neither can they go back home. These expellees are not given any relief by the International Refugee Organization. Indirectly we help them through GARIOA, which goes into the economy of Germany and then they get what they can. They are not wanted by the natives. There are 14,000,000 of these expellees. That is the problem you are going to face sometime, but you had better face it pretty soon because General Clay's people tell me that it is an economic problem which is so serious and so important that it horrifies the people all over Europe. Indirectly they are a burden to us now. The United Nations should make this their No. 1 project. So again I urge you to do everything you possibly can to get the International Refugee Organization more active, to get DP camps liquidated as soon as possible in order that we may face the real refugee problem which very few people want to face at this time. I include an editorial from the Omaha World-Herald:

[From the Omaha (Nebr.) Morning World-Herald of November 4, 1948]

WHAT THE DP'S ARE LIKE

Almost unnoticed in the rush of news about the election, the first large group of displaced persons arrived in the United States from Europe a few days ago.

There were 813 in the party, mostly Poles and refugees from the Baltic countries. Most

of them had wives and families. Carefully screened, not only to weed out possible Communists among them but defectives and criminals, the boatload of immigrants admittedly is not a cross-section of the 750,000 persons still in DP camps abroad.

It includes the best educated, most self-reliant people the camps have to offer. A list of the 98 persons who went to Illinois include the following: Six physicians and surgeons, an accountant, a locksmith, a chemist, seven farmers and farm hands, an oculist, a lawyer, a carpenter, a glazier, a nurse, an engineer, a railroad worker. Almost all these DP's had trades or professions.

There is no question but that America needs the skills of these people. Small towns are bidding for the services of the medical men and in some cases arrangements have already been made for them to begin small-town practices. One has to live in a doctorless small town to appreciate what a boon the presence of these men will be to the community.

So, on the whole, Americans need not feel particularly generous or charitable in opening the door to these people. In most instances they are the sort of men and women who will give as much to the Nation, in service and skills, as they receive from it in income.

So far America seems to be getting the better of the bargain.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. CELLER. Mr. Chairman, I yield such time as he may require to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, I want to commend the Judiciary Committee for bringing to the House floor H. R. 4567, known as the displaced persons bill. This bill is a great improvement over the legislation which was passed in the Eightieth Congress dealing with admissions of displaced persons to the United States. This bill changes the so-called cut-off date from December 22, 1945, to January 1, 1949, and it further eliminates the statutory preference of 40 percent and 30 percent, respectively, for displaced persons whose country of origin has been annexed by a foreign power. This bill also increases by 2,000 the number of displaced persons to be admitted as nonquota immigrants, and increases the admissions under the displaced persons qualification to 339,000.

After Congress passes this legislation, it will be merely cooperating with other democracies throughout the world who are admitting a pro rata share of displaced persons to their countries. World War II left in its wake the most tremendous dislocated population in all world history. Most of these people were displaced from their original homes by reason of Nazi tyrants and are today without a country through no fault of theirs. It is estimated that there were more than 8,000,000 refugees and displaced persons in western Europe on VE-day. The western Allied armies repatriated to their countries of origin over 7,000,000 of this number.

A large group of displaced persons—Poles, Slovaks, Ukrainians, Lithuanians, Hungarians, Rumanians, Yugoslavs, and so forth—constitute people who in the majority refused to be repatriated and to live under the communistic-dominated regime of their countries.

During the Eightieth Congress, I appeared before the subcommittee of the Judiciary Committee, urging that the Congress provide for the admission of 400,000 displaced persons. The Eightieth Congress passed legislation which proved to be highly inequitable toward various nationalities and groups and provided for only 200,000.

This bill now under consideration will remedy the defects and limitations of the existing legislation and be a great step forward from a humanitarian angle and also place our country in a status of doing our just share toward the persons displaced by World War II.

This bill also provides that incoming displaced persons must be guaranteed, before immigrating, that they have jobs, a place to live, and otherwise provided for by relatives and sponsors in this country. It is necessary legislation and should pass.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, we have for consideration this morning an extension and improvement of the Displaced Persons Act, which was adopted at the last Congress.

I am a restrictionist at heart and would be opposed to letting the immigration bars down completely. This bill has been worked out in such a fashion, however, that those of you who share my views can support it without doing violence to our feeling in respect to our immigration laws.

During the war Hitler imported and herded into Germany a vast number of people, against their wishes, to perform slave-labor in the prosecution of his ambition for the conquest of the world. These displaced persons are now located in camps in certain zones in Europe and are being taken care of, provided for and feed at the expense of the American taxpayers. The bill provides a machinery whereby persons in the United States, who, for the most part are relatives of the displaced persons, have the right to receive a very limited number of them in our own country. The sponsors must execute assurances that the limited number of displaced persons thus received here will not become public charges, but on the contrary will be provided with housing and employment by the sponsors. As a cold economical proposition, therefore, the program will result in a saving to the American taxpayers of the enormous cost which we are spending to maintain the displaced persons in the camps in Europe.

Opposition is likely to be voiced against this legislation on the ground that undesirable persons will be admitted to our shores. I am violently opposed to admitting any such persons now or at any time in the future. We must guard against that. We have guarded against it and we have provided the means to prevent it in this bill. What does the bill provide in that respect? The persons to be admitted must be screened by our representatives administering the program in Europe. They must be investigated by the FBI. They must prove to the State Department that they are attached to our American institutions. And, finally, they must satisfy the requirements of our immigration officials. Certainly that is the best we, as Members of Congress, can do. If, in any case, a single undesirable person is admitted under this program, it will not be due to a lack of precautionary measures on the part of Congress, because, as a matter of fact, it is many times more difficult to be admitted under this bill than under the provisions of our general immigration laws. It must be remembered that under normal conditions prevailing under our general immigration laws we have no initial control over the persons applying for admission, while under this bill the screening process above described must be gone through on the spot in Europe.

We have provided in this bill for the mortgaging of the quotas of the several and respective countries from which the displaced persons will come. We are charging the quotas of these countries with a sum equivalent to the number of persons to be admitted under the provisions of the Displaced Persons Act. In the long run and in the long pull, we are not admitting any more persons than would be entitled to come to the United States under the provisions of our general immigration laws in the course of years. This bill may be described as an accelerated program of selective immigration.

Fears may be expressed that the pattern which we are setting may be modified in the future. It might be said that although we are not disturbing the number of persons to be admitted in the long years to come, we might be opening the door for succeeding Congresses to do so. That, it seems to me, is not a valid argument. The best we can do is to perform our part well and trust that our successors will do the same. How can we do otherwise? We have no right to assume that we have a monopoly on the well-being of our country. We have no right to say that our brothers after us will not be as anxious to guard against indiscriminate and wholesale immigration as we are. Sufficient unto our day in Congress are both the good and the evil which we must encounter and which, pray God, we may have the fortitude to solve honorably.

Of course, we have an obligation to do our share to alleviate the deplorable conditions in Europe. We have a duty to receive our just proportion of these unfortunate and miserable people, just as the other countries are doing. I recognize that obligation and that duty. But, quite aside from these international considerations, I repeat that we can support this legislation on the basis of the following well-thought-out and restrictive provisions of the bill:

First. Each person to be received must be sponsored by someone in the United States who is willing to execute an assurance that such person will not become a public charge, but will be provided with housing and employment; thus saving our taxpayers the money we are presently spending to support and maintain that person in Europe.

Second. Each and every person thus admitted must be carefully screened and must prove his attachment to our institutions to the satisfaction of our representatives in Europe, the State Depart-

ment, the FBI, and our immigration officials.

Third. We are not increasing the immigration quotas of the various countries, but on the contrary we are mortgaging them and charging them in a sum equivalent to the number of displaced persons who would be allowed to come in under this act, and thus we will not be receiving a greater number than would otherwise be entitled to come into the United States under the provisions of our general immigration laws.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. O'SULLIVAN].

Mr. O'SULLIVAN. Mr. Chairman, I have listened with great interest and profit to the debate before this Committee on H. R. 4567, which bill was introduced by the distinguished Representative from New York [Mr. CELLER].

Some of the arguments advanced against the passage of this bill were highly controversial and in certain instances were also to some extent intemperate and bigoted.

Race, color, or creed has no place in a fair consideration of this or any other legislation.

After having read the hearings, the report, the bill itself, and having listened to the debate thus far from the floor of this Committee, I can come to no other conclusion but that I am duty bound to support and vote for this very good and proper bill.

If there existed any doubt whatsoever in my mind about how I should vote on this measure my own good tolerant American common sense would demand that I support wholeheartedly this bill, because all of the leading spokesmen for communism are vigorously opposed to the program which this proposed legislation seeks to carry out.

Mr. Chairman, if Communists are against this bill I am certainly for it, and it appears to me that every other good American should, I think, be for it also.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, June 11, 1948, the House of Representatives endorsed the principle of admitting displaced persons to our country at the rate of 205,000 in a 2-year period. However, the legislation in final form, known as the Revercomb bill, made admission of even that limited number of displaced persons impossible.

Here on the floor of the House of Representatives I opposed the restrictive and discriminatory provisions of that legislation and urged the then Republican leadership of the Congress to reconsider their position and enact instead an equitable basic law to permit an effective and just displaced persons program. Certainly the welfare of the homeless and war-weary people of Europe and Asia seeking new opportunity and freedom should have been far removed from the arena of partisan politics. Unfortunately, the legislation was handled in an arbitrary and political manner by the Republican leadership, in spite of the pleas of many Members of Congress and many outstanding social and religious organizations, and the program as authorized has been a sorry attempt at solution of serious difficulties in selection, admission, and transportation of displaced persons.

To remedy the obvious defects of the Displaced Persons Act of 1948, a month after it became law I introduced H. R. 7077, July 29, 1948, a bill which was also introduced by Senator MCGRATH for consideration by the other body. The leaders of the Eightieth Congress refused to take any action upon the improvements suggested, although it was generally recognized, even by members of their own party, that the displaced-persons program as set up was based on an undemocratic quota and preference distribution

The opening day of this session of Congress I reintroduced my displaced-persons bill, trusting that the provisions contained therein—H. R. 190—along with the recommendations made by the President and those directly responsible for the administration of the program, would be incorporated in a committee bill to rectify the injustices of the law as passed by the Eightieth Congress.

The bill which we are considering today, H. R. 4567, has my full support. I want to express my appreciation to Chairman CELLER and the members of the Committee on the Judiciary for the thorough review they have made of the displaced-persons program, and the painstaking care with which they have drawn up their bill.

The shocking need of corrective amendment of the Displaced Persons Act of 1948 is demonstrated by examination of its first 10 months of operation. The total number of displaced persons admitted by December 31, 1948, was 2,506. During the spring the program has been speeded up by administrative rulings on many puzzling policies of the statute—policies which should have been made crystal clear by the Congress. May 12, 1949, 24,249 displaced persons had been admitted under the act, only a small percentage of the limited quotas provided, and a tragically small proportion of the homeless in Europe deserving of the opportunity to immigrate to America.

Indications are that resettlement opportunities for the 205,000 persons authorized under the present law will have been made available by August of this year. Assurances of job and living accommodations for prospective immigrees are pouring into the Displaced Persons Commission at the rate of about 5,000 families or 9,650 persons per week. There is no lack of opportunity or welcome among the people of our country. It is the duty of Congress to make it possible for the program to proceed rapidly and efficiently.

The Celler bill contains a number of vital modifications of the present law to permit immigration and to remove clauses which, in effect, withheld from displaced persons of Catholic and Jewish faith their fair share of the quotas according to their numerical population and their present and past suffering.

The new provisions will also extend to refugees from Communist persecution the immigration opportunities offered refugees from nazism, and accord treatment equivalent to that granted to displaced persons' camp residents to families making their meager living outside the camps.

The bill will remedy the difficulties caused by the requirement that 40 percent of the visas authorized must be withheld from all groups not living in "de facto annexed areas" and 30 percent withheld for agriculturalists. Applications for these executive visas have not begun to reach 40 and 30 percent, respectively, of the number of visas authorized by the act. Meanwhile the Commission cannot act on applications from other worthy persons. This has been a major stumbling block, and adjustment is imperative.

The final date of application for permanent residence for aliens temporarily residing in the United States has been extended to permit eligible aliens to avail themselves of the privileges only 5,000 of an authorized 15,000 applicants have received.

The program for admission of persons of German ethnic origin will be defined, the policy clarified, and the time limit extended two more years.

Provision is made for displaced persons in the southeast Asia area, a phase of the problem overlooked in the present law.

Security checks to screen undesirable aliens are made more enforceable and more realistic.

RFC advances for loans to voluntary agencies assisting in resettlement are authorized.

The quota of displaced orphans is increased by 2,000.

I regret that time does not permit me to go into further detail in discussing the contents of the bill, however, the report the committee has issued, House Report 581, does so in simple and complete language.

This bill is an encouraging step forward in our efforts to demonstrate the sincerity of democratic principles. The people brought to our shores through the extension of our helping hand will repay us a thousandfold as have their relatives and friends who preceded them.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, the very words "displaced persons" conjure up such a picture of human misery and suffering, that this House should be more than willing to amend the Displaced Persons Act of 1948 to bring it into conformity with American democratic principles. Displaced persons are the human wreckage of the last war—victims of tyranny and cruelties beyond our imagination. The Displaced Persons Act of 1948 proved to be discriminatory, and it has not accomplished the desired results, in my opinion. We should now legislate with a view, not toward how little we can do for the 1,000,000 men, women, and children presently in displaced persons camps, but how much we can do—even to the point of sacrifice.

The present act permits the entry of only 200,000 persons, and the bill before us permits the entry of only 339,000 persons. I urge that we permit the entry

of at least 400,000 persons. The act of 1948 and the proposed bill have the effect of mortgaging future immigration quotas. In my opinion, it is most unfair to the many persons outside the displaced persons camps, who registered with the consuls years ago, to have the number of displaced persons allowed here charged against the normal immigration quotas.

Our country, which has led the world in offering haven to the oppressed, can well afford to open its doors wide to these individuals who suffered slavery, loss of home and all they had worked for, and the mental anguish brought about by the annihilation of their families. Our admitting 400,000 DP's and not charging them against the quotas would only mean our accepting our share of the responsibility as a leading world power, in caring for these suffering human beings.

I am opposed to the provision in this bill which provides that 50 percent of the German quota shall be available exclusively to persons of German ethnic origin—sometimes referred to as Volksdeutsche. This gives preference to the very people who helped Hitler in his tyrannical rise to power, and I object to this special consideration which is uncalled for and undeserved. Are our memories so poor that we have forgotten all about Buchenwald and Dachau? We recall that Members of Congress who visited the death camps in 1945 were shocked and sickened at what they found there. Reports which reached us should have made lasting impressions upon us.

Eligible displaced persons are again limited to a few locations. We can afford to be generous and to include in the definition of eligible displaced persons, all victims of racial and religious persecution wherever they may now be located. These people, by bringing to us their crafts, knowledge, arts, and talents, will more than repay us for any generosity we now show them. It was on this policy of the open door that our Nation became strong and great. Let us meet the challenge and open wide the door—for these people who suffered in the name of liberty.

The bill before us in its present form is still discriminatory, and I plan to support every amendment which will be proposed to this body which would liberalize the bill and give these sufferers of tyranny, oppression, and barbarism the right to come to these United States and permit them to live as free people once again.

Mr. GRAHAM. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, in 1945 and 1947 I was a member of a subcommittee of the Committee on the Armed Services that visited some of these DP camps. We went to Nordhausen, Dachau, Buchenwald, and others; and I got the imperishable impression then that America must do something to help these poor people find a place to start life over. I still have that opinion.

I am positive that this committee, which has gone into the matter very carefully, has provided adequately for screening and other matters so we can take these people into our country and give them an opportunity to help themselves and to help us. I do not have the fears that some of my colleagues have that many of these people may prove to be bad-citizen material. Most of them have been subjected to terrible punishment and torture. They are all persons who will welcome the opportunity to find a place where they have the utmost freedom to raise their family in the manner they think proper.

America has been built by people of this kind. Recently I made a survey as to the percentage of Members of the Congress who were the sons or daughters of immigrants. I found that over 17 percent of the Members of Congress—both Senate and House—had one or more parents who migrated to America. That indicates that the immigrants produce men and women who are worthy of what America offers. Undoubtedly the same ratio of those who have become prominent in industry, education, science, and so forth, would apply. I shall make a detailed report on my survey to the House so we may all know from what countries the parents of Members, who are the first generation of Americans, came from.

I do hope that the committee will be sustained and that this worthy bill will pass.

Mr. GRAHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, peace in the world depends in a very large measure on peace in Europe, and we can never have a real peaceful Europe until we make a real effort to solve the displaced-persons problem. There are now approximately 700,000 displaced persons in Germany, Austria, and Italy. The American taxpayer is bearing a heavy burden in the cost of dealing with these displaced persons, both through his contribution to the International Refugee Organization and the problem faced by the occupation forces in Germany. As a matter of selfish interest to the people of America, as a matter of sincere desire to work for international peace, and as a humanitarian venture the Congress of the United States should authorize the admission of a number of displaced persons adequate enough that, with the cooperation with other nations, we can solve this problem.

The United States, at the present time, has taken less refugees from Europe than Britain, Canada, and Israel. We have not done our share in solving an international problem anywhere near the degree that these other nations have contributed their part.

The Displaced Persons Commission reports that the people of the United States have been demanding displaced persons at a continuous and undiminished rate, that requests have been coming in from sponsors at the rate of approximately eight to ten thousand displaced persons per week.

Every interest that we have as Americans should motivate us to the fullest support of H. R. 4567 and the 339,000 displaced persons authorized to be admitted under the act. These people are needed by Americans, as witness the continued requests for their admission. They can perform important and needed functions in our economy, and in bringing them here we not only serve our own national interests economically but help to further our important international role in Europe.

Mr. GRAHAM. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. BRYSON], a member of our committee.

Mr. BRYSON. Mr. Chairman, I am everlastingly grateful to the distinguished gentleman from Pennsylvania for allowing me to speak on this extremely important measure, but manifestly one cannot develop it to any extent in the period of 5 minutes.

I wish to compliment the subcommittee for the splendid work they have done, and I would like to say a word in behalf of the subcommittee which handled this same problem in the Eightieth Congress, presided over by our distinguished colleague, the gentleman from Maine [Mr. FELLOWS].

I regret very much that I am not in accord with those who favor this legislation. I voted against the bill which was enacted into law in the Eightieth Congress with some misgiving, because at that time I had not had the privilege of visiting Europe. Since the enactment of that measure I had the privilege, in mid-December last, of going to Europe. Like some of my colleagues, I had the privilege of visiting these camps, and I am deeply sympathetic to the displaced people of Europe and of other countries in the world.

I do not know why we have been the most favored people in the world's history; surely we do not deserve this preferred treatment, but somehow or other through the goodness of Providence we are by far the most favored people that history has ever known. I have sought to express my appreciation and sympathy for these people over there by voting for every measure we have had before this body to provide for assistance and aid to them. I have no religious and racial prejudice. Early in my life I committed to memory some lines, I believe from the pen of Sir Thomas Moore:

Shall I ask the brave soldier who fights by my side
In the cause of mankind if our creeds agree?
Shall I forget the true friend so valiant and tried
If he kneel not before the same altar with me?

I do not consider racial characteristics or religious beliefs when considering a measure like this, but I am thoroughly convinced that we should not now further lift or amend our immigration laws. Therefore, I am going to propose an amendment to this measure to slough off 100,000 of those who would come in under the terms of the bill as it is written.

We are told that there are only about 500,000 people in the displaced-persons camps now. Originally we were told that our proportion of the number was 40 percent. If there are now some 500,000, by sloughing off 100,000 we would still be providing for 239,000 or nearly 50 percent of those remaining. I may say frankly that I do not intend to vote for the measure even if the amendment is adopted.

Mr. Chairman, I am thinking first of the problems within the confines of our

own great country. I have the privilege of representing a great industrial district. In fact, I am told that I speak for more textiles than any other congressional district in the country. There are a great many of my people engaged in tilling the soil and weaving the fabric of cloth to cover the naked of the world. I am told that employment in my district is dropping off almost daily. I get letters from my constituents advising me that an entire shift in a cotton factory has been deleted or cut off, that the weeks', days', or hours' employment are much shorter now than they have been heretofore.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. GRAHAM. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BRYSON. Mr. Chairman, I believe our first obligations are to our own people. We have this unprecedentedly large housing bill on the agenda for next week. There are now not sufficient places for people to live. Consequently, if we permit additional people to come to this country where will they live? They cannot move into houses where other families are living because already in a great many instances two or more families live in a place adequate only for one family. It has been wisely said that a house was never built large enough to hold two families. Therefore, we cannot pack any more people in the houses we have.

Mr. Chairman, I shall offer the amendment in good faith. I believe we have to keep faith with our own people. We have dealt generously in every manner with these unfortunate people. To be sure, everyone on the face of the globe might desire to come to the United States. As a matter of fact, I have accosted people on the streets of Berlin, Paris, Rome, Vienna, Trieste, and even in Spain and elsewhere. I would invite them, as is our custom, to come and see us. I would say, "You must come over to America to see us." And how their faces would lighten up. They would say, "I will never have a chance to come to the United States, but I do hope that some day my child or my grandchild may be able to go there."

Mr. Chairman, we simply do not have a place for them. We do not have opportunities of employment for these people. If they are as skilled as some people say they are, surely they are needed in their own native land. We saw the scarcity of labor over there. They should be put to work to till their own land and to reestablish their own industries.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. CELLER. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Chairman, I think it should be noted that the good features of the Fellows bill which passed the House last year and which were lost in conference, are included in this bill. The displaced persons who have come into this country under the provisions of the Displaced Persons Act of 1948 are the best endorsement for this bill.

Everyone readily recognizes the fact that continued operation of the displaced persons camps merely perpetuates a cancerous growth in the occupied countries which makes no contribution to the country's economy, continues a tax burden on our citizens, and deprives many God-fearing people of an opportunity to work out their destiny in an environment of freedom. With the exception of the expellees, their present status is the result of flight from fascism, nazism or communism, some having suffered the scourge of two of these plagues. Most of them were uprooted physically from their homelands and driven into slavery or forced to flee to escape it.

The appearances of most of these people are grim, wan, and weak, but their countenances reflect the spirit that helped them to persevere, and the hope that kindles within them.

In many of the camps which I visited there were established training centers where skilled craftsmen taught apprentices their trades. The trades were varied and numerous, from blacksmith to milliner. Page 18 of the committee report shows the variety of their occupational skills and the numbers in each category.

Each camp elected its own administrative officers to regulate and police the camps although use for the latter was negligible.

Will these displaced persons make desirable citizens? I believe they will. Thorough screening is provided in order to eliminate any undesirables. The screening process is explained on page 7 of the committee report. I agree that screening cannot be perfect, but it is as thorough as possible under the circumstances. There are many skilled and unskilled workers who can and will make a contribution to our economy. We need more skilled craftsmen. Carefully selected displaced persons as skilled workers and as consumers will bring to our country a net economic gain. The support of these displaced persons now is a burden upon the United States taxpayers. By bringing some of them here that tax burden will be eliminated and their support will be placed upon themselves and their sponsors.

One fact is very pertinent: Throughout our Nation requests for displaced persons, together with necessary assurances, are increasing daily, and undoubtedly more requests will be made than can be filled if 339,000 displaced persons are issued immigration visas. The response, not only from private welfare agencies but from the State displaced-persons commissions and committees for resettlement of displaced persons attest to that.

We must recognize a humanitarian consideration. We should not treat with irresponsibility the unfortunate victims of war, especially those who had the courage to uphold the ideologies which are so dear to us, and who opposed the ideologies which are bereft of freedom and liberty.

During the war we aided and abetted the antagonists of nazism and fascism. The tyranny of nazism, or fascism, or communism engulfed these displaced persons. Opposition to these tyrannies has caused the dislocation of these people. We cannot demand in good conscience that they be repatriated to a country where their very lives will be jeopardized by those forces which they bitterly opposed in their fight for liberty and the principles of freedom.

We have a moral obligation to lend assistance to those who fought against totalitarianism, and to urge other free countries to do likewise.

The paramount features of this bill are:

First. Number to be admitted: The number of displaced persons to be admitted would be increased from 205,000 in 2 years to 339,000 in 3 years. This number would include 5,000 orphans, 4,000 Shanghai refugees, 18,000 veterans of the Polish army in England, and 15,000 displaced persons who entered Italy or the American, British, or French zones or sectors of Germany or Austria since January 1, 1946, and whose admission to this country is recommended by the Secretary of State and the Secretary of Defense.

Second. Cut-off date: The cut-off date would be changed from December 22, 1945, to January 1, 1949.

Third. Displaced persons outside of Germany, Austria, and Italy: Fifty percent of the nonpreference portion of the immigration quotas would be made available to applicants for immigration visas who are predominantly of European national origin and who between September 1, 1939, and January 1, 1949, entered an area or country outside of Italy or the American, British, or French zones or sectors of either Germany or Austria. They must be displaced from the country of their birth or nationality or last residence as a result of events subsequent to the outbreak of World War II, must be unable to return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions, and must not have been firmly resettled in any other country.

Fourth. Selection of displaced persons: The selection of displaced persons would have to be made without discrimination in favor of or against a race, religion, or national origin, and the Commission would have to insure equitable opportunity for resettlement to displaced persons of all races, religions, and national origins.

Fifth. Preferences and priorities:

(a) The provision that 40 percent of all visas issued to displaced persons be reserved exclusively for certain nationalities and 30 percent for farmers would be eliminated, and agricultural pursuits would be listed with other occupational preferences.

(b) The requirement of assurances of employment and housing would be retained.

(c) The in-camp priority would be eliminated.

Sixth. Charge against future quotas: Visas issued under the act would continue to be charged against future quotas, with the provision that not more than 25 percent of future quotas could be used

for displaced persons for the next five fiscal years, but in any fiscal year thereafter up to 50 percent of any quota could be so used.

Seventh. Persons ineligible for visa issuance: Persons who advocated or assisted in the persecution of any person because of race, religion, or national origin would be added to those to whom no visas could be issued under the act.

Eighth. Displaced persons in the United States: The eligibility date for the adjustment of status of displaced persons already in the United States would be advanced from April 1, 1948, to April 1, 1949.

Ninth. Establishment of revolving fund: A revolving fund of $5,000,000 would be established for loans to public or private agencies to finance the reception and inland transportation of eligible displaced persons.

Tenth. Admission of ethnic Germans: Persons of German ethnic origin born in the Baltic countries and Russia would be added to those for whom 50 percent of the German quota would be exclusively reserved until July 1, 1952; no portion of the Austrian quota would in the future be so reserved.

Eleventh. Quota priority for certain adopted children: First priority in the issuance of visas chargeable to the German quota would be granted to children who were under 19 years of age on June 25, 1948, and were legally adopted, before May 1, 1949, by American citizens residing abroad temporarily. This provision is primarily intended to benefit children adopted by American military personnel stationed in Germany.

Twelfth. Eligible displaced orphans: Eligible displaced orphans would include displaced persons who were 19 years of age or under on June 25, 1948.

Thirteenth. Definition of "child": Where special provisions are made for children of eligible displaced persons, the term "child," would include adopted children and stepchildren of eligible displaced persons.

This bill has been given exceedingly careful consideration by the committee and I believe that it is equitable and just. I believe we may expect that other nations likewise will afford haven to sufficient numbers of these unfortunate displaced persons to close the camps and rid Europe of the displaced-persons problem and give renewed impetus and vigor to its rehabilitation and economic recovery.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, one of the most tragic situations growing out of World War II is the plight of Europe's displaced persons. It was expected that with the close of hostilities the 20,000,000 or more victims of nazism and fascism who had been exploited as slave laborers or who had been persecuted in the extermination camps would return to their homelands. Unfortunately the postwar situation in many of the central European countries has made it impossible for many of these people to return to their homes.

It was our country's representatives to the United Nations who first called attention to the plight of these people. In the American tradition they fought for the right of these people to live in dignity, free from the oppression of totalitarian regimes. It was the American delegation which led the way for the establishment of the International Refugee Organization and a program for the resettlement of the displaced persons in new countries.

Unfortunately, we have to date failed to make possible the discharging in any adequate measure of America's responsibility in carrying out this resettlement program. While we are today the wealthiest, most powerful country on earth, I have been advised that we have done far less proportionately than some other less privileged countries.

We have under consideration today H. R. 4567, a bill amending the Displaced Persons Act of 1948. The need for this legislation is obvious and urgent when a review is made of the purported goal of the present act—resettlement in the United States of 205,000 displaced persons in 2 years. The accomplished fact is that less than 28,000 displaced persons have been admitted or processed for admission to this country in the first 10 months of this 24-month program.

Admittedly some of this lag can be attributed to the difficulties of setting up the Commission, the recruitment of personnel, drafting of necessary regulations and the establishment of offices both overseas and here. However, a study of Commissioner Carusi's testimony before the House Judiciary Committee reveals that while these difficulties are being solved, the basic unworkability of many parts of the present law will continue to hamper the resettlement program. The present law was drafted with a timidity unworthy of the American people. A striking demonstration of American attitudes in contrast to this halfway measure is the fact that, to date, over 97,000 Americans have applied to the Displaced Persons Commission and agreed to sponsor over 192,000 displaced persons. Sponsorships continue to come into the Commission at the rate of several thousand per week. Most of these 97,000 Americans had been led to believe that under this law they would be able to extend a helping hand to their relatives or friends, and in some cases to total strangers whose lives in DP camps are indescribably dreary, hopeless and empty.

I sincerely hope that it was not callousness which inspired the ineffectiveness of the present law. On occasion one hears a person scoff at the hardships of the inmates of DP camps, saying: "They never had it so good before." But I have also talked with people who have worked with the DP's. A representative of the Protestant organization, Church World Service, has told me of four families living in an old army barracks 20 feet square, the only partitions being blankets hung from clothes lines. Their children have no schools and education is either haphazard or nonexistent. I have talked with a Catholic priest who told of mothers and their children living in pup tents on the island of Samar in the Philippines—refugees recently evacuated from Shanghai. Sanitation is virtually nonexistent. Child mortality has assumed murderous proportions, and it is doubted that any child under 3 will have survived by the time these people are finally resettled. A representative of the Jewish Joint Distribution Committee has told me of families who have had no home other than a concentration camp or DP camp for almost 10 years. To add to these examples would only belabor the question. The fact is that these people are in great distress and their only crime is unwillingness to live under totalitarian regimes.

During the Eightieth Congress, on the issue of displaced persons, Methodists joined with Catholics and Baptists with Greek-Orthodox, labor joined with management, and many civil groups were united in pleading with Congress to pass legislation for the admission of 400,000 displaced persons. Their pleas were ignored. I believe it is the duty of this Congress to make possible the fulfillment of the desires of the hundreds of thousands of Americans who wish to help these unfortunate displaced persons.

The Celler bill, which we are now considering, represents the minimum which Congress must do on this problem. I had hoped that the bill originally introduced by the distinguished chairman of the Judiciary Committee would be the one that the House would have the opportunity to accept. I believe that the original measure would have been easier of administration. At the same time, I am convinced that this measure before us eliminates the gross discrimination and bigotry implicit in the present act. Protestant, Catholic, and Jew will have an equal opportunity to come to our shores. A displaced person under this measure will be able to enter the United States whether his native land be Hungary or Estonia, Jugoslavia or Poland. If employment opportunity exists, the doctor will have the same chance as the tailor, and the steelworker the same opportunity as the farmer. This, I believe, is the American way—the democratic way.

It is my sincere hope that this bill will be passed with an overwhelming majority.

Mr. CELLER. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, I greatly deplore the fact that from time to time a gentleman who himself has no knowledge of foreign-born or those of foreign parentage can make unwarranted and unfair attacks upon them. A little while ago the statements of the gentleman from Texas [Mr. GOSSETT] indicated to me that the gentleman has been misled by a few professional immigration restrictionists who have been injecting their poisonous venom into Members and also into members of committees before whom legislation such as this is presented for consideration and action.

It is unnecessary for me to elaborate further on this important and humane legislation, as I expressed myself in my remarks yesterday. I must point out, however, that this legislation is endorsed by nearly all the civic and religious organizations in the United States and by

individuals who are interested in the plight of these unfortunate men, women, and children who were made homeless by the brutal, murderer, heartless barbarian, Hitler, whose cruelty exceeded by far that of the pirates and barbarians of olden times.

Of course, it is to be regretted that the memories of many people are so short, for they fail to remember and refuse to remember the atrocities of the gas chambers, mutilations, tortures, starvations, and the use of human skin for lamp shades. A great number of the present eligible displaced persons and those who will become eligible if this legislation is enacted into law have escaped with their lives and are presently homeless in the displaced persons camps—they have not forgotten.

I cannot quite fathom how these Members and those who have forgotten can urge and advocate our spending millions of dollars for the relief of these unfortunate people in all parts of the world and at the same time are unwilling to have them admitted to the United States notwithstanding the fact that thousands of good-hearted Americans are willing to sponsor them. I hope that the gentleman from Texas [Mr. GOSSETT] will in the future familiarize himself with the vast and great benefits that have accrued to his State and to the United States as a result of these foreign-born immigrants settling therein. I am satisfied that the State of Texas has benefited from these very capable immigrants.

I recollect personally that I was able to assist these immigrants in securing, purchasing, and acquiring vacant lands in the State of Texas some 60 years ago—which land was selling at two or three dollars an acre. I am proud to state that all of these hundreds of immigrants who took my advice and acquired land and settled in Texas, be they Czechs, Poles, or of Slavic stock, and regardless of national origin, have made good and have demonstrated to the world that they could develop the land with their own hands and labor to their own benefit and for the country's benefit. They have helped to develop our fields, our forests, and our mines.

I have talked to many Members in whose districts these immigrants have settled, and every one of them has the highest praise for these foreign born, for they are the epitome of good citizenship, loyalty, and have contributed materially to the betterment of our society.

In that connection, lest I forget, I remember reading a report by a Philadelphia Commission in 1790, which commission reported as follows: "We view with alarm the hordes of undesirables allowed to come to our shores, filling our penal institutions and poorhouses, and overcrowding sections of our country." Mind you, these immigrants that were coming to the United States in those days were not of the so-called newer immigrants coming from southeast and southwest Europe—but they came from Great Britain, Scotland, and adjacent countries. The aforementioned commission in 1790 was organized to investigate charges that the immigrants could not be absorbed by our country. Though the great Benjamin Franklin urged this investigation it only shows that we should not be surprised when men of lesser caliber and ability also make mistakes. Our population at that time was between three and four million people. The fears then expressed were not borne out by the facts because all of those people permitted to migrate have made possible the development of our great country so that today we are the greatest manufacturing, agricultural, most prosperous and democratic country in the entire world.

Yes, these people who came to our shores after the Irish famine and the Franco-Prussian War in 1870 from Germany, having fled here seeking freedom and liberty from oppression and persecution, and those arriving here in the early 1880's, all have made good, and I am proud of them.

During the First World War many men were unfamiliar with the patriotism and loyalty of these immigrants. At that time I assured the country that they would prove their loyalty and patriotism, and they did so prove. The same doubts occurred in World War II, and I am indeed gratified and pleased that my assurances in all these years have been justified and my confidence has not been misplaced, for these eligible immigrants and their eligible offsprings enlisted in both wars and fought courageously and valiantly, as do real freedom-loving patriots, for the country of their adoption, and recognizing at all times the benefits accrued to them by virtue of their heritage.

I recollect some years ago when some leaders of organized labor opposed the coming of the Industrial Revolution, which included the immigration of foreign-born and the advent of the machine age. I assured them that both of these factors would be to their advantage because more jobs would be created, and the immigrant would bring about the advancement of American labor to higher levels and better standards of living, which cannot be denied.

The gentleman from Texas [Mr. GOSSETT] should familiarize himself with the history and development of our country since the inception of our first immigration policy and dispel all poisonous prejudices from his mind in view of the aforementioned facts which I have briefly attempted to outline. If he does this, I am satisfied that he would refrain in the future from making these unwarranted remarks, as I said before, and would not oppose this humane bill. Rather, he would support this needy legislation and permit these long-suffering, unfortunate people to enter our doors, which incidentally does not in any way increase the extant immigration quota. The increase takes place on a horizontal rather than on a vertical level.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CELLER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I intend to support this bill. I sincerely hope it will pass this House with overwhelming support.

It is hard to understand how anyone in this House can oppose it. I have heard the protests of some of my colleagues that their opposition is not caused by any feeling of intolerance or by any desire to discriminate. While taking their protests at face value, I must admit that I fail to find any substance to their opposition.

I am supporting this bill despite the fact that my own coreligionists will benefit least by it. That is due in large part to the fact that the united efforts of enlightened peoples have helped establish the new State of Israel.

That new little democracy, hardly as large as our own State of Connecticut, has already absorbed more than 100,000 displaced persons. It will continue to do more than its share of relieving these distressed and harassed persons.

I have placed in the Appendix of the RECORD today a series of articles written by Robert S. Bird which appeared in the New York Herald Tribune. You will find there a complete factual answer to most of the arguments urged here today against this bill.

I have received letters urging support of this bill from Chamber of Commerce of the United States of America, Washington, D. C.; Methodist Committee for Overseas Relief, New York City; Joint Conference Committee on Public Relations, Baptists of the United States, Washington, D. C.; Brooklyn division, the Protestant Council of the City of New York; the Board of Christian Education of the Presbyterian Church in the United States of America, Philadelphia, Pa.; Brooklyn division, American Jewish Congress, Brooklyn, N. Y.

The committee hearings attracted support for this bill from every part of the country; farmers, labor unions, industrialists, veterans, clergymen, and church leaders are urging its passage.

Forty-nine percent of the present DP population are Catholics, 18 percent are Jewish, and 33 percent are members of Protestant and Orthodox faiths. Thirty-six percent of the DP's who have arrived here have settled in New York State. Slightly more than 7 percent settled in New Jersey. The other 57 percent have spread through the other 46 States.

We can easily accommodate in a single year the total number that this bill allows to enter over a 3-year period.

I urge the passage of this bill. We owe it to the immigrants who first settled this country. We owe it to our ancestors who came here and made it possible for us to be here today.

Mr. CELLER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That subsection (c) of section 2 of the Displaced Persons Act of 1948 (Public Law 774, 80th Cong.) is amended to read:

"(c) 'Eligible displaced person' means a displaced person as defined in subsection (b) above, (1) who on or after September 1, 1939, and on or before January 1, 1949, entered Germany, Austria, or Italy, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the

French zone of either Germany or Austria, or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances justifying such absence, and who has not been firmly resettled; or a person who, having resided in Germany or Austria, was a victim of persecution by the Nazi Government and was detained in, or was obliged to flee from such persecution and subsequently returned to, one of these countries, and who has not been firmly resettled, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons."

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, I have asked for five additional minutes because I have withheld my fire during general debate and have yielded all my time to my colleagues. I think, therefore, I am entitled to five additional minutes, being the author of the bill as well as chairman of the committee which reported the bill.

Mr. Chairman, some rather extravagant statements have been made about the character of these displaced persons. I believe the gentleman from Texas made some rather unfortunate statements to the effect that they were very much like the dregs of the earth, and so forth, and so on. His statement was echoed by other gentlemen. It is rather interesting to note, in view of the fact that the gentleman referred to the State of Texas, that in the gentleman's own State there has been set up a displaced-persons commission, which seeks to bring in these very displaced persons. Right into the State of Texas, where the gentleman resides, there exists a widespread demand for DP's; Texas needs the farmers and workers that are represented by DP's. It would be interesting to read some of the editorial comments which I placed in the hearings, notably, for example, on page 93 and pages following, where I set forth editorials from papers like the morning Star-Telegram, of Fort Worth, Tex. That editorial, I am sure, reflects the general opinion of the good people of the State of Texas that these displaced persons will make worth-while citizens and will immeasurably add to and improve the economy of Texas. I also placed in the record editorials from the Journal of Beaumont, Tex. I will read briefly therefrom:

These families have wandered over Europe, displaced because of their reluctance to be embraced by communism. * * * They are not the dregs of a dislocated European society. Rather they are the idealists, those who could not bring themselves to abide a form of government in which they don't believe.

I could go on and on and read from editorials all over the land which indicate clearly the general ground swell of public opinion in favor of this bill which is now before us. Some 30 States have already set up these displaced persons commissions, clearly indicating beyond the peradventure of a doubt that these people are not the dregs of the earth and that the people of the country generally want them to settle in the various States. They are like you and I. They are no different. They are God-fearing, decent, industrious, substantial individuals who want to make their way in honor and dignity. All of whom are those who have fled from totalitarianism, from communism and fascism, who seek the sunshine of our liberties as we know them in this fair land of ours.

Now, this bill is a compromise. The President sought to get 400,000. Where did this figure 400,000 come from? That is a question propounded by my distinguished colleague from Maine [Mr. FELLOWS], for whom we all have the most affectionate regard. We may differ with each other, but we are never disagreeable with one another. That figure came from many reputable and well-intentioned men, high in official life in this Nation. They know the national and international requirements of the country. Men, for example, like former Secretary of State General Marshall, former Secretary of War Patterson, Gen. Mark Clark, Ambassador Averell Harriman, former Justice of the Supreme Court Owen J. Roberts, and Colonel Sage. Also various religious and denominational institutions, like the Federal Council of Churches of Christ in America, the National Lutheran Conference, the Quakers, Mennonites, Jewish Joint Distribution Committee, the Catholic Welfare Council—all joined in an appeal that the number should be 400,000. That is, indeed, a respectable basis for the 400,000 DP's.

Well, this bill does not provide for 400,000. As I said before, it is a compromise. There is no perfect bill. There are many provisions of this bill with which I am in disaccord. Nobody can expect to get a perfect bill. We take some bad in order to get many good provisions in a bill. All civilization is the result of compromise, and particularly our civilization. All worth-while legislation is the fruitage of compromise. And this bill is a compromise. It is the best we could do under the circumstances, when we consider the various and divers interests represented by various members of the subcommittee, presided over so effectively by our distinguished colleague from Pennsylvania [Mr. WALTER], when we consider the conflicting interests represented by the various members of the full Committee on the Judicary of this House. Why did we pick our 339,000 to be brought in? We lifted the number of DP's to be brought in from 200,000, as at presently provided, to 300,000. Why the additional 39,000? Well, again, we sought to appease the various interests. The Polish groups, for example, wanted us to do something for the Polish soldiers, so we provided there shall be given entrance to 18,000 Polish soldiers who fought with the Allies in the recent holocaust. They are now in England. They are of General Anders' army. We say they shall come in. I was not keen to let them in, but I yielded in order to get in general a good bill. In addition thereto, the State Department asked us to give some relief to those who could escape from behind the iron curtain, people of Romania, Hungary, and Russia itself, and the Caucasian region, and Poland, and other satellite countries. The State Department says, "Give encouragement to at least 15,000 of those anti-Communists who will be able to escape, so that you can give them some surcease from their travail. They will make worthy citizens, and they will aid our intelligence and our counterintelligence departments of the Army and the State Department." Only with the approval of the State Department and War Department officials, can those 15,000 come into the country.

Also we provided for 2,000 additional orphans. We provided for 4,000 Shanghai refugees. They are to be principally but not exclusively white Russians, who had been able to escape the onslaughts and the coming of the Communists at Shanghai.

Take 18,000 Poles, 15,000 of those anti-Communists who have escaped from behind the iron curtain, 2,000 orphans, 4,000 refugees from Shanghai, and you have 39,000. We ask, therefore, that you give these poor unfortunates the right to come into this country.

There are presently in displaced-persons camps about 700,000. There have been taken out about 450,000. These are rough figures. It is costing us yearly as our share to maintain these camps, something like $73,000,000. This is an emergency measure to relieve the American taxpayers in the first place of that $73,000,000 yearly charge; and, secondly, to enable the camps to be closed. We do not want to be coming back here in the well of the House every year asking for some kind of relief for DP's. This will be the last bill (if passed as is) with reference to these displaced persons. I can assure you as chairman of the House Committee on the Judiciary that I shall never bring another bill into this House with reference to these displaced persons now in the camps in Italy, France, and Germany if the bill is accepted as presented to you. Let us dissipate this problem once and for all, and we do it by the passage of this bill. Furthermore, we will lend great encouragement to other nations to do their share in taking these displaced persons.

The CHAIRMAN. The time of the gentleman from New York his expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. The little state of Israel has taken almost a hundred thousand of these displaced persons; roughly, England is willing to take 100,000; Canada is willing to take 100,000; Australia is willing to take 100,000; but if we do not take our fair share, we do not lend encouragement, nay, we will lend discouragement to these countries to take their fair proportion.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. CHELF. As I understand, the population of little Israel at the beginning was only about 750,000. Am I right?

Mr. CELLER. The gentleman is correct.

Mr. CHELF. And it is even less than that. Israel has taken not only 100,000 of these displaced persons from the camps, but has taken an additional 25,000 from other sections; so the total is 125,000.

Mr. CELLER. The gentleman is correct. There is no ruining of the economy of the little nation of Israel in taking 100,000. We, because of our great strength of numbers and wealth and our strong, splendid economy, certainly cannot be adversely affected by taking in 300,000 displaced persons over a period of 3 years, or 100,000 every year, plus 39,000 of Polish soldiers, Shanghai refugees, and so forth. It must be so in the sense that the various localities do not fear the influx of these displaced persons; they want them to come in. Thirty State displaced persons commissions have been established, and these commissions are receiving assurances—that means a place where these displaced persons can dwell and assurances of jobs—to the extent of 9,650 each week. These accepted assurances will exceed the 200,000 under the present legislation in a very short period. There will be no trouble whatsoever to get assurances all over the land for the 300,000 as provided for in this bill.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. DINGELL. Is it not a fact that heretofore the great labor movement in this country has been traditionally and consistently opposed to any relaxation of the immigration bars?

Mr. CELLER. That is correct.

Mr. DINGELL. But in this particular instance am I right when I say that the CIO and the A. F. of L. both favor liberalization of the DP law?

Mr. CELLER. Not only the CIO and the A. F. of L., but also the railroad brotherhoods. Not only do they favor this bill to bring in 339,000, but they also approved the original proposition of 400,000.

Mr. DINGELL. Perhaps the gentleman inadvertently left out the fact that the great Roman Catholic communion in this country favors the present bill. As a matter of fact, they favored the allowance of 400,000 to come in.

Mr. CELLER. That is correct.

Mr. DINGELL. Is it not true, too, that unless we admit these people, in consonance with other nations, the displaced persons camps are going to be a burden upon this country and will cost us countless millions of dollars in the years to come?

Mr. CELLER. The gentleman is eminently sound in his views. If we pass this bill we will dissipate this problem, we will no longer have this expense on the taxpayers' backs and the camps will be closed.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KEATING. In listing these organizations the gentleman, I am sure, would not want to leave out that great organization, the National Grange, which has also endorsed this bill.

Mr. CELLER. Yes. Many farm organizations have endorsed this bill.

Mr. DINGELL. And chambers of commerce.

Mr. CELLER. Any number of chambers of commerce.

Now, a word about population. On January 1, 1948, our population was 148,000,000. We add one-quarter of 1 percent to our population over a 3-year period if we pass this bill. Furthermore, the increase is less than the total allowable immigration quotas for all nations for 3 years. We allow generally a little more than 150,000 persons to enter into the United States under our immigration statutes. For 3 years that would be 450,000. The number we allow entrance into this country under the present bill is 339,000. That is less than under permissible quotas for 3 years. To say that the United States cannot absorb this group of less than one-quarter of 1 percent of our population, to my mind, is to place a very small premium upon our democratic vitality, our economic strength, and the force and compelling significance of our national ideals.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, something has been stated about the possible discrimination against displaced persons of Jewish origin. I think I can speak rather expertly on that subject because I have dealt with it for many, many years.

At the beginning about 41 percent that came in were Jews. Why? Because the Jewish organizations were more vigilant than the others. They were ready with their applications. The Jewish Joint Distribution Committee and the Hebrew Immigration Aid Society were there on the ground waiting for the passage of the act and presented their applications immediately and expeditiously. Furthermore the plight of the Jews, who had generally suffered 6,000,000 martyred dead, dramatically cried out for immediate solution. The other religious organizations were not ready at that time. It took them some time to present their applications. That is why in the beginning more Jews proportionately came in. But now the percentage of Jews that are coming in is growing less and less every day. Recently it was 30 percent of the total admitted. Taking into consideration those en route the proportion of Jews is now down to 22 percent and I venture the assertion, when we contemplate the number going to Israel, that the percentage will be down to less than 5 percent. Why do I say all this? Because the Jewish Joint Distribution Committee in its reports indicates that by July 1, 1950, there will not be a single Jew left in the displaced-persons camps because most of them will have gone to the little new Republic of Israel, that brave little land whose soldiers held back the 30,000,000 Moslem hordes, although, as the gentleman from Kentucky says, there were only 750,000 of the Israeli in all. The Israeli are not afraid of things like houses and jobs. Why do some quail before this idea of jobs and housing? AFL and CIO do not worry about any employment dislocation. Frankly most of these DP's will reside with relatives. Israel has taken in these displaced persons willingly. They have received them with open arms. We should do the same. Those who have any doubt on the score of taking too many Jewish displaced persons in our country need have no fear about that because not many will come in in the future. Most of them will go to the Promised Land. They are going there with fervor and go singing into Zion.

But the Jews only want equality; they do not want discrimination in any law affecting them. Even if they do not avail themselves of the right to enter, they demand equality with all other faiths. The present law does not give equality. In that regard, read the testimony of the chairman of the Displaced Persons Commission, Mr. Carusi (p. 37 of the hearings March 2, 1949), who said that the largest group to be disqualified by the December 22, 1945, deadline or cut-off date—as contained in the present law—was the Jewish group, and the second largest—and I say this for the edification of the gentleman from Maine [Mr. FELLOWS]—group to be discriminated against was the Catholic group, and the third was the mixed Protestant-Orthodox group. Of course there was discrimination in the Revercomb law. It was deliberately planned to be discriminatory, and I want to say that the distinguished, now extinguished, Senator from West Virginia, was defeated mainly because of his extremely discriminatory attitude on his Revercomb bill. He was primarily to blame for the mischievous discriminations now in the present law. Fortunately he was defeated for his sins.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Now, that should be a warning. Revercomb was defeated in West Virginia because in effect on his banner were the words, "I want discriminatory legislation against Jews and against Catholics." Why, he who runs may read discrimination in the present law, and I could read and give you word by word the testimony of Mr. Carusi which clearly indicates deliberate, discriminatory provisions deliberately inserted in the Revercomb bill. The Revercomb bill—for example—provided that 40 percent of all displaced persons had to be those who come from the Baltic countries. That was avowedly discriminatory. Most of the displaced persons that come out of the Baltic countries are non-Catholic, are non-Jewish. If that is not discrimination, I will eat my hat. We know it was discriminatory, and purposely made so. The preference for Balts favors Protestants, because Estonians runs 8 to 12 percent Catholic; the Latvians 18 percent Catholic, while the Lithuanians are 80 to 85 percent Catholic. Also that provision of 40 percent was utterly unworkable and bogged down the machinery of the Displaced Persons Commission. Reflect one moment, if the Commission does not receive assurances covering these preferred people, the effect of this would be to shrink the whole program. For example, if only 40,000 displaced persons from these preferred areas were found eligible for entry into the United States, then only 60,000 others could be granted visas and thus only 100,000 instead of the originally anticipated 200,000 would be permitted to reach this country. If 20 percent of the total number of 200,000 now permitted would be Balts you cut down by 50 percent the balance of all other nationalities, the balance of all other DP's. Such results are ridiculous as well as discriminatory.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. FELLOWS. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FELLOWS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Maine.

Mr. FELLOWS. The gentleman knows that the reason for this situation was that we had to accept the date of December 22, 1945, as the cut-off date; is that not true?

Mr. CELLER. Yes, it is true, and I am very happy to say that both the gentleman from Maine and myself opposed that cut-off date of December 22, 1945, because it was discriminatory against the very people I have indicated, and this bill remedies that situation. We now bring the cut-off date up to January 1, 1949. We give you a decent bill, like the bill that the gentleman from Maine advocated and which bore his name. All this instant proposed legislation does is to give you the Fellows bill and as well advances the number of displaced persons who can come in from 200,000 to 300,000, plus 39,000 made up mainly of Polish soldiers, the 15,000 that the State Department wants, and the 2,000 orphans and 4,000 Shanghai refugees.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WHITE of Idaho. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I take this occasion to explain some of the difficulties encountered in the handling of immigration cases from Europe at the present time. You would think that when they moved Ugo Carusi with his commission and about 150 assistants over into Germany to bring in these displaced persons, that it would be easy to allow good, bona fide former United States citizens to come into the United States. Let me read into the RECORD a little corrrespondence from my files which came to me before I even took up my duties after the election. I was crushed with four or five heartbreaking cases. The Louise Athing case is one of them. I would like to have the members of this committee, who are planning to make it easy to bring in these people by opening our gates, know how difficult it is to get a deserving and legitimate case into this country at the present time.

I am reading now a letter from a very prosperous wheat grower in the town of Grangeville, Idaho:

GRANGEVILLE, IDAHO, *November 15, 1948.*
Mr. COMPTON I. WHITE,
Clarks Fork, Idaho.

Mr. WHITE: I have a matter to take up with you pertaining to a niece of mine living in Germany. She wants to come back to the United States, but is finding trouble in her effort.

I went into Attorney Wilbur Campbell's office in Grangeville the other day to consult him about the affair. He at once arvised me to take the matter up with you stating you were a very able man and a good scrapper and that you might take care of it before you went to Washington, D. C. I also mentioned the case to N. B. Pettibone, of Grangeville, and he advised by all means to have you take care of the matter for me.

Now I will proceed to explain the matter as best I can, hoping I can make myself understood. This niece is Miss Louise Ahting, age 51 years—was born in Germany and came to United States at the age of 2 years, with her mother who was born in this country—she married a man from Germany—they lived and farmed in this country 5 years then sold out and went to Germany where he owned a 60-acre farm. He died in a few years and Louise's mother, who is my sister, left Germany and came back to this country with Louise at the age of 2 years, as I stated before, and lived here continuously until the fore part of 1939, when Hitler refused to send their rent money to them in this country, telling them they would have to come to Germany to live and spend the money there. So when Hitler refused to send the money to this country Louise and her mother went to Germany to live, as they had no other income except the rent from their farm. Shortly after their arrival there war came on and we didn't hear from them until quite a while after the war was over, and when we did hear from them they both were in poor health from the effects of war. So this year February 8, Louise's mother died and she didn't know what to do. I advised her to come back to the United States to her old home in Hanover, Kans. She replied that she sure would like to come back here but had no money to buy her ticket. So I sent her a ticket in care of the United States Lines Co. at Seattle, Wash., from Bremerhaven, Germany, to New York, and sent a draft of $200 to New York in care of the Travelers Aid Society awaiting her arrival—she goes from New York to Hanover, Kans., her old home where she was raised and educated—then traveling expenses were placed sometime the fore part of August.

Now Miss Ahting writes me after seeing the American Consulate at Bremen she can't leave Germany—that her case would have to be taken up with Washington—the Consulate tells her she has lived in Germany too long and lost her American citizenship right of which she was unaware. Now Mr. WHITE if Miss Ahting did lose her American citizen right through ignorance, wouldn't it be possible to grant her that right again through proper procedure. If she would be allowed to come into this country and go to her old home in Hanover, Kans., I would be glad to meet her there and see that the proper steps were taken at once to get her nationalization papers, or if it do any good to go to Washington, D. C., or meet her in New York when she arrives I would do that. The fact of the matter is I am willing to do anything that is right and reasonable to get her back to the United States just as soon as possible before it is too late as her health is not too good, although she writes that her health has improved some since her mother's death. But she worries a lot about getting home.

Now I am not dictatory but just making suggestions. I think her case has been up before the authorities at Washington. I think that is about all for this time and whatever you do Mr. WHITE will be very much appreciated. Please let me know from time to time and if you need any more information I might furnish. I am enclosing a few names for reference in case it becomes necessary. Her they are:

N. B. Pettibone, Grangeville, Idaho, an old-time friend and a good democrat who served the State of Idaho as senator four terms and representative of State one term, and county commissioner four terms. Jake Jenny, Cottonwood, Idaho, who served the State as senator one term and on the State board of education for some time. J. D. Flannigan, Grangeville, Democratic county chairman. I can give more names of good men if necessary.

P. S.—Miss Ahting writes that she has the farm rent arranged now so it will be sent to her in this country.

Mr. WHITE, I will now close this lengthy letter with hearty congratulations to you for being elected again as Representative in Congress of which we are all glad and very proud.

Yours truly,

PHIL MEINEN.

Excuse me for using a lead pencil as I am a poor scribe, especially with pen and ink.

Now I am going to read a letter that we wrote to the chairman of the Immigration Committee. We had to introduce a bill. After being put off and off and off by the Department of State, we finally had to introduce a bill, and this explains the bill to let Miss Ahting return to her home, that is now pending before the committee of which the gen-

tleman from New York [Mr. CELLER] is chairman.

MAY 19, 1949.

Hon. EMANUEL CELLER,
Chairman, Judiciary Committee,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: I am transmitting two copies of H. R. 4747 for the relief of Miss Louise Ahting. Miss Ahting is an American citizen who had the misfortune of being a visitor in Germany at the outbreak of World War II and who, through no fault of her own, has been forced to remain in Germany. It is contended by the Bureau of Immigration and Naturalization that this prolonged absence from the United States has canceled her citizenship. Will you be good enough to ask for a report on this bill from the appropriate department which, in this instance, I believe, would be the State Department rather than the Department of Justice.

It may be helpful if I will briefly outline the facts in this case:

The mother of Louise Ahting was Helene Ahting, the sister of Phillip Meinen, of Grangeville, Idaho, both of whom were born in the United States and consequently were citizens of the United States. Helene Meinen (Louise Ahting's mother) married Jacob Ahting, who came to the United States from Germany and located at Hanover, Kans. Jacob Ahting remained in the United States about 7 years at Hanover, Kans., where I am advised he made application for citizenship in the early 1890's. About 1897 Mr. and Mrs. Ahting visited Germany to settle an estate that Jacob Ahting had inherited. During that time Louise Ahting was born, and her return to the United States was delayed because of the sickness and death of her father on that trip. But she and her mother returned to Hanover, Kans., when Louise was approximately 2 years of age and resided there continuously for 40 years.

However, Louise and her mother continued to hold title to the German inheritance (a farm) and collected rentals from it until 1939, when Hitler stopped the sending of such rentals to the United States. Her mother, feeling that this matter could best be settled by a visit to Germany, induced Louise to accompany her, and because of the war were unable to return. Both suffered many hardships during the war period and as a result of these hardships her mother died. Title to the German property has been restored to Louise Ahting since occupation of Germany by the Allies. Miss Ahting has a home awaiting her here either with her aunt, Miss Anna Meinen, of Hanover, Kans., or her uncle, Mr. Phillip Meinen, a substantial rancher of Grangeville, Idaho. Mr. Meinen has already made the usual depositions required that Miss Louise Ahting will never become a public charge.

However, I feel that Miss Ahting's citizenship should be restored as provided for in H. R. 4747, and trust you will have this matter expedited as speedily as possible.

Sincerely yours,

COMPTON I. WHITE,
Member of Congress.

Here is a letter from the Department of State raising some technicalities and refusing her admission. I want to know what you are up against when you try to get some hardship cases who are deserving citizens of the United States back into this country.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. WHITE of Idaho. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. WALTER. Mr. Chairman, reserving the right to object, the matter that the gentleman is discussing does not come within the purview of this bill, but is a matter which, if I may suggest, should be taken up with the officials of the Immigration Service.

Mr. WHITE of Idaho. We have used up some months exhausting our efforts to secure her right to reenter this country.

The CHAIRMAN. If there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Chairman, the letter reads as follows:

DEPARTMENT OF STATE,
Washington, May 23, 1949.

Hon. COMPTON I. WHITE,
House of Representatives

MY DEAR MR. WHITE: With reference to your letter of April 30, 1949 addressed to Mr. Coulter concerning the case of Louise Ella Ahting, I beg to say that when Miss Ahting applied for a passport in 1939 to proceed to Germany, she stated that she intended to proceed to that country on business. Under date of February 24, 1941 she stated under oath at the American Consulate at Bremen, Germany that she came to Germany to use up the money she had inherited from her father. In an application executed at Bremen on February 9, 1943, for protection by the Swiss Government, representing American interests at that time in Germany, Miss Ahting stated that her reasons for residing abroad were: "We have our property here, have no property in the United States of America." In a further application for protection by the Swiss Government, executed September 14, 1943, Miss Ahting stated that her reasons for residing abroad were: "As I have stated before, because we have our property here." Miss Ahting first alleged as a reason for her residence abroad that her mother was in poor health, when she applied for documentation by the Swiss authorities on June 7, 1944. While Miss Ahting submitted in connection with her application for registration as an American citizen, dated April 1, 1947, a medical certificate dated in September 1946 indicating that she was not capable of traveling to the United States, she stated that she did not wish to return to the United States until transfer of property is possible between Germany and this country and also that she wished to care for her aged mother.

In view of the foregoing the Department is unable to conclude that Miss Ahting's residence in Germany was for reasons beyond her control and remains of the opinion that Miss Ahting expatriated herself under the provisions of section 404 (b) of the Nationality Act of 1940, as of October 15, 1946, when that provision of law became effective. The reasons alleged by Miss Ahting for her residence abroad do not bring her case within the purview of any of the exceptions to the operation of section 404 of the Nationality Act of 1940, which exceptions are set forth in sections 405 and 406 of the act, as indicated in the enclosed circular.

Sincerely yours,

R. B. SHIPLEY,
Chief, Passport Division.

So Miss Ahting, a citizen of the United States, and raised here and educated here, must remain in Germany while at the same time we, by this bill, bring in all these people wholesale—good citizens and bad.

I think if we are going to change these immigration laws, we had better liberalize them when it comes to the matter of affecting people who were citizens of the United States and have, through circumstances beyond their control, lost their citizenship.

Mr. WALTER. Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with and that the bill be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The balance of the bill is as follows:

SEC. 2. Subsection (d) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(d) 'Eligible displaced person' shall also mean a person displaced from the country of his birth, or nationality, or of his last residence since January 1, 1946, who fled into Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria, and cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions, and (1) whose admission into the United States for permanent residence is recommended by or on behalf of the Secretary of State and the Secretary of Defense, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons: *Provided,* That a number of immigration visas not to exceed 15,000 may be issued within the total numerical limitations provided by section 3 of this act, as amended, to eligible displaced persons as defined in this subsection."

SEC. 3. Subsection (e) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(e) 'Eligible displaced orphan' means a displaced person (1) who was nineteen years of age or under on June 25, 1948, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) who is an orphan because of the death or disappearance of both parents, or who has been abandoned, or deserted by, or separated, or lost from both parents, or who has only one parent due to the death or disappearance of his other parent and the remaining parent is incapable of providing care for such displaced person and agrees to release him for emigration or adoption, and (4) who on or before the effective date of this act, as amended, was in Italy or in the American sector or the British sector or the French sector of either Berlin or Vienna or the American zone or the British zone or the French zone of either Germany or Austria, and (5) for whom satisfactory assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be cared for properly."

SEC. 4. Section 3 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than three hundred thirty-nine thousand such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

"(b) (1) A number of special nonquota immigration visas not to exceed five thousand may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced orphans.

"(2) A number of immigration visas not to exceed four thousand may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization who (1) resided in Shanghai, China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

"(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided*, That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

"(c) Upon the issuance of an immigration visa to any alien as provided for in this act, as amended, except to eligible displaced orphans, and except to aliens defined in section 12 of this act, as amended, the consular officer shall use a quota number from the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (8 U. S. C. 212), for the fiscal year then current at the time or, if no such quota number is available for said fiscal year, in that event for the first succeeding fiscal year in which a quota number is available: *Provided*, That not more than 25 percent of any quota shall be so used in any fiscal year beginning July 1, 1949, and ending June 30, 1954; and that not more than 50 percent of any quota shall be so used in any fiscal year beginning July 1, 1954: *Provided further*, That during the fiscal years beginning July 1, 1949, and ending June 30, 1954, 50 percent of the nonpreference portion of the immigration quotas as defined in section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), shall be available to applicants for immigration visas who (1) on or after September 1, 1939, and before January 1, 1949, entered an area or country outside Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; (2) establish that they are persons predominantly of European national origin displaced from the country of their birth, or nationality, or of their last residence, as a result of events subsequent to the outbreak of World War II; (3) that they cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions; and (4) that they have not been firmly resettled in any other country. The spouse and the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons who establish their eligibility for immigration into the United States under this proviso, shall also be granted such eligibility if otherwise qualified for admission into the United States for permanent residence.

"(d) The selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons, and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons of all races, religions, and national origins. The extent to which the Commission has accomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act."

SEC. 5. Section 4 (a) of the Displaced Persons Act of 1948 is hereby amended to read:

"(a) Any alien who (1) entered the United States prior to April 1, 1949, and was on that date in the United States, or if he was temporarily absent from the United States on that date for reasons which, in accordance with regulations to be promulgated by the Attorney General, show special circumstances justifying such absence, and (2) is otherwise admissible under the immigration laws, and (3) is a displaced person residing in the United States as defined in this section may, within 2 years next following the effective date of this act, as amended, apply to the Attorney General for an adjustment of his immigration status. If the Attorney General shall, upon consideration of all the facts and circumstances of the case, determine that such alien has been of good moral character for the preceding 5 years and that such alien is qualified under the provisions of this section, the Attorney General shall report to the Congress all of the pertinent facts in the case. If during the session of the Congress at which a case is reported, or prior to the end of the session of the Congress next following the session at which a case is reported, the Congress passes a concurrent resolution stating in substance that it favors the granting of the status of permanent residence to such alien the Attorney General is authorized, upon receipt of a fee of $18, which shall be deposited in the Treasury of the United States to the account of miscellaneous receipts, to record the admission of the alien for permanent residence as of the date of the alien's last entry into the United States. If prior to the end of the session of the Congress next following the session at which a case is reported, the Congress does not pass such resolution, the Attorney General shall thereupon deport such alien in the manner provided by law: *Provided*, That the number of displaced persons who shall be granted the status of permanent residence pursuant to this section shall not exceed 15,000. Upon the grant of status of permanent residence to such alien as provided for in this section, the Secretary of State shall, if the alien was a quota immigrant at the time of entry, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924, for the fiscal year then current or the next succeeding fiscal year in which a quota number is available, except that quota deductions provided for in this section shall be made within the limitations contained in the first proviso of subsection (c) of section 3 of this act, as amended."

SEC. 6. Section 6 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 6. The preferences provided within the quotas by section 6 of the Immigration Act of 1924, as amended (8 U. S. C. 206), shall not be applicable in the case of any eligible displaced person receiving an immigration visa under this act, but in lieu of such preferences the following preferences, without priority in time of issuance of visas as between such preferences or as between preference or nonpreference cases under this act, as amended, shall be granted to eligible displaced persons and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such persons, in the consideration of visa applications.

"(a) First. Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.

"(b) Second. Eligible displaced persons who are the blood relatives of citizens or lawfully admitted alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law."

SEC. 7. Section 7 of the Displaced Persons Act of 1948 is amended to read as follows:

"SEC. 7. Within the preferences provided in section 6, priority in the issuance of visas shall be given to eligible displaced persons who during World War II bore arms against the enemies of the United States or who served honorably in the Labor Service or Guard units of the United States Army, and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren."

SEC. 8. Section 8 of the Displaced Persons Act of 1948 is amended by striking out the date "June 30, 1951" in the first sentence and inserting in lieu thereof the date "June 30, 1952", and by amending the sixth sentence to read as follows:

"The Commission shall formulate and issue regulations for the purpose of obtaining the most general distribution and settlement of persons admitted under this act, consistent with housing and employment opportunities for resettlement, throughout the United States and their Territories and possessions."

SEC. 9. Section 12 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 12. Notwithstanding the provisions of section 12 of the act of May 26, 1924, as amended, until July 1, 1952, 50 percent of the German quota shall be available exclusively to persons of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Russia, or Yugoslavia, and who on January 1, 1949, resided in Germany or Austria; and, notwithstanding the preferences provided within the quotas by section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), first priority in the issuance of visas chargeable to the German quota under the provisions of section 12 of the act of May 26, 1924, as amended (8 U. S. C. 212), or under the provisions of this section, shall be granted to children who were 19

years of age or under on June 25, 1948, and who prior to May 1, 1949, were legally adopted under the laws of the country in which they resided by American citizens residing abroad temporarily."

SEC. 10. Section 13 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 13. No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of or participated in, any movement which is or has been hostile to the United States or the form of government of the United States, or who advocated or assisted in the persecution of any person because of race, religion, or national origin."

SEC. 11. Section 14 of the Displaced Persons Act of 1948 is renumbered as section 15 and a new section is added to the Displaced Persons Act of 1948 to be known as section 14 and to read:

"SEC. 14. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purposes of this section, to make advances not to exceed in the aggregate $5,000,000, to the Displaced Persons Commission which shall be employed by the Displaced Persons Commission for loans to public or private agencies to finance the reception and transportation of eligible displaced persons from ports of entry within the United States to places of final destination in the United States or its Territories or possessions. Such loans, which shall mature not later than June 30, 1953, shall be made under rules and regulations approved by the President. No interest shall be charged on advances made by the Treasury Department to the Reconstruction Finance Corporation for the purposes of this section, and the Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purposes of this section."

Mr. DEANE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hold in my hand two statements released by outstanding Protestant organizations in the United States, in support of H. R. 4567, to amend the Displaced Persons Act of 1948.

They are as follows:

JOINT CONFERENCE COMMITTEE
ON PUBLIC RELATIONS,
BAPTISTS OF THE UNITED STATES,
Washington, D. C., May 18, 1949.

Hon. CHARLES B. DEANE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: The Baptists of the United States are most seriously concerned with the welfare of the displaced persons. There are many Baptists among the displaced persons and we are actively at work to help these people resettle in the United States.

The broad general resolutions approving admission of displaced persons by the Southern Baptist Convention on May 4, 1947, and the Northern Baptist Convention on May 23 of the same year have since then been reaffirmed and amplified by several more recent and more detailed statements, urging amendment to the Displaced Persons Act of 1948.

The Joint Conference Committee on Public Relations for the Baptists of the United States at its meeting, February 8, 1949, voted unanimously to endorse Senate bill 311 and the bill in the House offered by Congressman CELLER, now known as H. R. 4567. We understand the general purpose of the amendments is to simplify procedures, to lengthen the life of the measure to enable additional numbers to be admitted, and to remove the several clauses which discriminated against certain groups.

I would appreciate it very much if you would be good enough to let me know whether you also feel able to support this legislation which we believe to be in the best interests of the United States and a humanitarian and Christian responsibility of the American people.

Sincerely yours,
Dr. JOSEPH M. DAWSON,
Executive Director.

METHODIST COMMITTEE FOR
OVERSEAS RELIEF,
New York, N. Y., May 23, 1949.

Hon. CHARLES B. DEANE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I am writing to let you know of the deep interest of the Methodist Church in the pending displaced persons legislation. Many Methodists are included among these homeless displaced persons. The Methodist Committee for Overseas Relief has been charged by the Methodist Church with the responsibility of participating in the resettlement of displaced persons under the present Displaced Persons Act of 1948. At its annual meeting in Chicago, February 8 and 9, the Methodist Committee for Overseas Relief passed the following resolution:

"That MCOR associate itself with the Federal Council of Churches in its action on January 18, 1949, urging that Congress and the American people support changes in legislation to effect more prompt and equitable assistance to displaced persons. The following changes we support are embodied in the modified Celler bill, H. R. 4567:

"(a) Moving the cut-off date from December 22, 1945, to such later date as will remove the present discriminations.

"(b) Removal of any discriminatory percentages based on race or nationality."

The Methodist Committee for Overseas Relief respectfully urges the present Congress to enact legislation in resettling these displaced persons which will be in agreement with the above-mentioned changes and in line with the spirit of the American people.

We would be grateful to learn from you whether this measure, which we have endorsed as being part of a Christian obligation and in the best tradition of our democratic heritage, will command your support.

Sincerely yours,
TITUS LOWE, *Bishop.*

I would like to point out that these outstanding religious organizations, according to these statements, have strongly gone on record in favor of this legislation. I supported the Displaced Persons Act of 1948. Today I speak for one of these religious groups in which it has been pointed out there is some feeling that discrimination exists, as against them. I was talking with the distinguished chairman of the committee, Mr. WALTER, a few moments ago. He gave me these figures. As of May 15 of this year, the break-down showing the number of visas issued to be as follows: Catholic, 43 percent; Jews, 31 percent; Protestants, 26 percent. As of today, the percentage is as follows: Catholic, 50 percent; Jews, 30 percent; Protestants, 20 percent.

Mr. Chairman, the reason I take this time is to point out further that the North Carolina Baptist State Convention has sponsored from December 1, 1948, up to the present time 75 families representing 210 individuals and up to this time none of them have been admitted.

The Baptist World Alliance, from December 1, 1948, up to the present time have sponsored and made application for 423 families, representing 1,135 people, but only 7 families and 20 individuals have arrived. May I inquire of the gentleman from New York [Mr. CELLER] who discussed this point a few minutes ago, why these applications cannot be cleared.

Mr. CELLER. Permit me to say in the first place that we must consider the complexion, religiously, of those in the camps. As of January 1, 1949, for example, 29 percent of all the DP's were Catholics; 18 percent Jewish, and 33 percent Protestants, or what they call orthodox. Secondly, I would like to make this observation, somewhat in the nature of the statement I made before, that the Jewish organizations were perhaps more vigilant in the earlier stages than the other organizations. They had their applications all ready. The Catholics came second. And I must confess the Protestants lagged third. I think the gentleman will find as time goes on that that situation will become reversed. Of course, you cannot go beyond the proportions, religiously, as they existed on January 1, 1949. Almost 50 percent were Catholic, 18 percent Jewish, and 15 percent Protestants.

Mr. DEANE. I appreciate the gentleman's statement. Let it be understood that I am mindful of the needs of all religious groups. I only wish to point out there is reason on the part of the Protestant groups to feel discouraged when it has made an honest attempt to clear a great number of these families and none whatsoever have been cleared.

Mr. GOSSETT. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. GOSSETT. My distinguished chairman probably left the impression in the House that the Jewish group had been discriminated against. That is far from true. Under the President's Executive order, issued December 22, 1945, relative to displaced persons, and under which we operated for almost 2 years, 75 percent of all visas issued at that time were for persons of the Jewish faith. Although there was a lot of contention made about last year's bill being discriminatory against Jewish persons, the facts are admitted here by our distinguished chairman himself that while only 20 percent of those in the camps were Jewish when the bill was passed last year, more than 30 percent of those who came in under the bill were persons of Jewish faith. So neither the Jewish nor Catholic groups have been discriminated against in any of this legislation whatsoever. So this cry of discrimination goes completely out the window.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. DEANE] has expired.

Mr. CURTIS. Mr. Chairman, I offer an amendment, which is on the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CURTIS: On page 14, line 3, after the period, add the following: "Those provisions of section 5 of the Displaced Persons Act of 1948, which relate to the contract labor clause of the immigration laws, and to the payment of

ticket or passage shall be applicable to persons whose admission is authorized under the provisions of this section."

Mr. CURTIS. Mr. Chairman, for some time in our immigration laws we have had what they call a contract labor law. It was put into the law for a very good purpose. It prohibited employers from contracting laborers in foreign lands and then bringing them here. For a similar reason we have had a law relating to the payment of transportation of an alien which prohibited individuals in this country from paying the passage of aliens to this country. In the enterprise that we are undertaking here neither of these laws fit into the program. Citizens of this country want to arrange for the passage of those people. They want to pay their transportation. They want to give them a job here. If they arrange a job or provide transportation for these unfortunates they cannot get them in. Those provisions are waived in this bill with respect to the displaced persons. That I approve. Those provisions of law contained in the contract labor law and the transportation act are not waived with respect to the individuals of German ethnic origin.

On page 13, line 11, it is provided that people of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Poland, Rumania, Russia, or Yugoslavia may under certain conditions come to this country. But if someone in this country arranges a job for a deserving person of German ethnic origin he cannot come in, or if someone provides his passage he cannot come in because of these provisions of law. These provisions are waived for displaced persons. My amendment asks the same waiver for these people of German ethnic origin.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. CELLER. I think what the gentleman says is eminently sound. There was an oversight. I think the gentleman's amendment should be accepted.

Mr. CURTIS. I thank the gentleman from New York. I wish to include in my remarks my statement made before the Committee on the Judiciary:

STATEMENT OF HON. CARL T. CURTIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. CURTIS. Mr. Chairman, I want to thank the committee for their courtesy in permitting me to appear here this morning. I appear to present a statement of Mr. Christian Fritz, of McCook, Nebr. Mr. Fritz' statement is as follows:

"Mr. Chairman, my purpose is to present to the committee a plea in behalf of those individuals known as Russian expellees.

"I am a Nebraska farmer, and for some months I have been trying to get certain relatives of mine into the United States. I am willing and able to sponsor eight of these people, my brother will sponsor five, and my cousin will sponsor one. We are able, and have made the necessary financial showing, and have taken such other preliminary steps as required by law.

"On February 8, 1949, I flew to Germany and visited the American consuls at Stuttgart and Munich. I looked up my relatives, all of whom are in the American zone. This group consists of five women, eight men, and one 14-year-old boy. They were born in Russia and were citizens of Russia. They are of German origin, however.

"My investigation in Europe, together with the previous facts that I had, show that all of these people were enthusiastically and vigorously anti-Communist. Some of their relatives did not get out of Russia and have suffered at the hands of the Communists. Others have met death or been sent to Siberia as slave labor.

"These 14 people of whom I speak are convinced, and I am convinced, that if they again fall into the hands of the Russians they will either be killed or sent to Siberia. All 14 are now in the American zone of Germany, having escaped from the Russian zone. They entered the American zone in sufficient time to qualify under the displaced-persons law so far as their date of entry is concerned.

"Notwithstanding the fact that all of these 14 are in reality displaced persons who have no place to go and who face death or something worse, they have not been successful in getting classified as displaced persons and registered as such with the IRO. All of them, with the possible exception of one, have registered with the American consuls.

"After conferring with consular officers in Europe and with certain officials in the State Department, I have been informed that the present displaced-persons law or the proposed law as it now stands does not take care of individuals such as these. My position, Mr. Chairman, in appearing here, is to ask you to amend this law now before you to take care of not only this group of people for whom I speak but all individuals similarly situated.

"In the beginning of my remarks, I mentioned that I was willing to do anything required of me to get these individuals here. I have already paid for their travel to America by air and I am willing to have my bank references checked if necessary. Let me assure you members of this committee that these people will become fine upright self-supporting citizens and that no one of them will ever become a public charge. I will spend full time and whatever of my resources are necessary to make good on this guaranty.

"Mr. Chairman, again let me say that this law ought to be so written that Russian expellees of German origin can be so classified to enter this country at once as displaced persons. This would relieve the crowded conditions and pressure in western Europe and it would reach a group of people in which great numbers of Americans are interested. Their situation is desperate. Their future is black. If they again fall into the hands of the Russians, their lot will be worse than death."

Mr. Chairman, that is the end of Mr. Fritz's statement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was agreed to.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY:

On page 14, line 6, strike out the plural "visas" and insert the singular "visa."

On page 14, line 7, after the word "person", strike out the remainder of said line, all of lines 8, 9, 10, 11, and 12, and insert in lieu thereof the following: "unless there is on file with the Secretary of State before the issuance of said visa an affidavit by an employee, agent, or officer of the International Refugee Organization, or an adult American citizen, that in his opinion the displaced person for whom the visa is isued is not (1) a member of the Communist Party or affiliated with such party, (2) that such displaced person does not believe in, and is not a member of or supports any organization that believes in or teaches, the overthrow of the United States Government by force or by any illegal or unconstitutional methods, and (3) that such displaced person does not advocate or assist, and will not advocate and assist in the persecution of any person because of race, religion, or national origin. The provisions of section 35A of the Criminal Code shall be applicable in respect to such affidavits."

Mr. BAILEY. Mr. Chairman, assuming that there will be no point of order raised against this proposed amendment, and with the thought that the full committee should have additional time to consider the impact of this proposal, I shall take from the time allotted to me whatever is necessary to reread the proposed change as submitted. The language of the bill would read as follows:

No visa shall be isued under the provisions of this act as amended to any person unless there is on file with the Secretary of State before the issuance of said visa an affidavit by an employee, agent, or officer of the International Refugee Organization, or an adult American citizen, that in his opinion the displaced person for whom the visa is issued is not (1) a member of the Communist Party or affiliated with such party, (2) that such displaced person does not believe in, and is not a member of or supports any organization that believes in or teaches, the overthrow of the United States Government by force or by any illegal or unconstitutional methods, and (3) that such displaced person does not advocate or assist, and will not advocate and assist in the persecution of any person because of race, religion, or national origin.

Mr. Chairman, the preceding Congress felt obliged to require a similar affidavit from millions of American workers, the vast majority of which are native-born citizens. If there was one legitimate reason for the action of the Eightieth Congress, it would be based on the thought that there was extreme danger to America and American institutions because of the hazards of communistic infiltration in labor groups.

The present Congress has seen fit, in consideration of new labor legislation, to go even further and require this same affidavit from employers as well as workers. The only legitimate excuse for this was that they wanted to treat both parties equally.

In the matter facing the Congress today we face in a much more concrete and tangible form the danger of communistic infiltration in admitting to this country as potential future American citizens approximately one-third of a million individuals, of which we American people know little or nothing as to their potentialities for future citizenship.

I shall not take the time of the committee in extended debate. The matter is so basic and the members of this committee so well informed as to the needs for greater safeguards that further debate is unnecessary. I personally am convinced that it is just and proper. I might add that I am also vitally interested in ascertaining whether the initial basic reason for the requirement of non-Communist affidavits is a patriotic one or whether this requirement was imposed as an economic sanction.

Mr. WALTER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from West Virginia.

Mr. Chairman, I am sure all of us seek to do that which the gentleman from West Virginia states caused him to offer his amendment, but the fact of the matter is if the amendment is adopted the entire law will be weakened.

Let me call attention to what the law is, and this section of existing law is not changed by the amendment:

SEC. 10. No eligible displaced person shall be admitted into the United States unless there shall have first been a thorough investigation and written report made and prepared by such agency of the Government of the United States as the President shall designate, regarding such person's character, history, and eligibility under this act.

Then we add section 13 which reads:

No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of or participated in, any movement—

And so forth. Under the amendment offered by the gentleman from West Virginia, the judgment of the IRO would be substituted for that of the FBI and the State Department. It seems to me that we ought to be unwilling to give to the IRO any more authority in this matter than it already has.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. CELLER. Not only the FBI and the State Department but the Army Counter Intelligence Corps must pass upon the qualifications of each one of these DP's.

Mr. WALTER. That is right. So the adoption of the gentleman's amendment would very materially weaken the screening process, which has already been under some criticism.

Mr. BIEMILLER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Wisconsin.

Mr. BIEMILLER. Also the Bailey amendment in effect would wipe out all of the screening process as far as expellees are concerned because his amendment is so worded it applies to displaced persons only.

Mr. WALTER. That is right. All of the people coming within the provisions of section 12 of the 1948 act would be excluded entirely from this screening under the amendment.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. KEATING. In addition to that, I just looked at the wording of this amendment, and it would not only allow this affidavit to be filed by one of the IRO organizations but by any adult American citizen.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. JAVITS. Would that not create an affidavit mill in which the very people we are trying to keep out can get in, and that one individual could make all the affidavits that they required?

Mr. WALTER. I do not know what it would create, but it is something that I would not want to be a party to.

Mr. DAVIS of Georgia. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The Clerk read as follows:

Substitute offered by Mr. DAVIS of Georgia: Mr. DAVIS of Georgia moves to amend section 10 of House bill H. R. 4567 by adding after the word "person" in line 7 on page 14 the following: "who is or has been a member of the Communist Party or of any organization which has been designated by the Attorney General of the United States as a Communist organization or to any person" and by adding after the word "origin" in line 12 on page 14 the following:

"Upon arrival at the port of entry in this country, every displaced person 18 years of age or older shall take and subscribe an oath or affirmation that he is not and has never been a member of any organization or movement named in this section, and shall be liable to prosecution for perjury if such oath or affirmation is willfully false.

"If any eligible displaced person not entitled to a visa under this section shall nevertheless gain admission to this country, in addition to the penalty above mentioned, such person shall be deported to the country from which his application was made under this act for admission to the United States."

Mr. DAVIS of Georgia. Mr. Chairman, I am in sympathy with the purpose of the amendment offered by the gentleman from West Virginia. I believe, however, that the amendment which I have offered as a substitute will answer the purpose much better. Whereas his amendment will require an affidavit to be made by some person other than the eligible displaced person who seeks entry, assume for the moment that that person is a Communist, the affidavit regarding him would be made by some third person, and the person who is a Communist would not be subject to prosecution for having made a false statement, and so far as that amendment is concerned, would not even be subject to prosecution for anything.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from West Virginia.

Mr. BAILEY. The last sentence of my amendment invokes the Federal law affecting false affidavits and false testimony.

Mr. DAVIS of Georgia. But it would be applicable to the person who made the affidavit and that, as I understand the gentleman's amendment, would not be the person who is seeking entry.

Mr. BAILEY. It would require it of both of them.

Mr. DAVIS of Georgia. My amendment requires three things; it requires an affidavit at the port of entry by the eligible displaced person that he is not and has never been a member of the Communist Party or of any organization designated by the Attorney General as a Communist organization. Certainly, I can see no objection to that on the part of anyone. It provides that he shall be liable for prosecution for the offense of perjury if he makes an affidavit to that effect which is willfully false. And, I see no objection to that. The third thing it provides is that notwithstanding these provisions and screening, if a person is successful in entering this country who is a Communist or who has been a Communist or a member of one of these organizations designated by the Attorney General, in addition to the other penalty provided he shall be deported to the country from which he began his journey to the United States.

I think there is a need for some strengthening of the security provisions. The committee recognized that, because in their report relating to section 10 of the 1948 bill the Judiciary Committee in dealing with section 10 said that for reasons of the internal security of the United States the committee had agreed to strengthen the exclusion clauses of the act. That language is on page 22 of the committee report.

The method of strengthening is that which is set out on page 14 in section 10 of this bill and the additional strengthening offered by the committee is this:

No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of or participated in, any movement which is or has been hostile to the United States or the form of government of the United States, or who advocated or assisted in the persecution of any person because of race, religion or national origin.

I have not undertaken to strike that out. I have left that in, with this amendment, and in addition have provided these three steps which I have outlined. I think these are worth-while provisions, necessary for the security of the United States, in order to prevent these Communists and subversives from coming in. I see no particular whatever in which this amendment would injuriously affect this bill.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from New York.

Mr. JAVITS. Is there any reason why the gentleman left out "Nazi or Fascist" or "sympathizers or adherents" in his amendment?

Mr. DAVIS of Georgia. They are covered by the language in this bill, which states, "who advocated or assisted in the persecution of any person because of race, religion, or national origin."

Mr. JAVITS. The gentleman has not seen fit to name them at the same time that he named Communists?

Mr. DAVIS of Georgia. The reason I named Communists is the Bridges case. If there ever was a person whom I believe was a Communist, it is Harry Bridges. He was prosecuted under existing laws relating to communism and the Government was not able to deport him. Now he is already here and has not been deported. We are about to bring in an additional number of people, many of whom may be Communists. This provision should be adopted to prevent that, and to provide for the deportation of Communists, if any should gain admission in the guise of displaced persons under this act.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I deeply sympathize with the purposes of the gentleman who has just addressed the House, and who has offered this amendment in the utmost good faith. I yield to no man in

strengthening the security of this country. I do not want anything that would impinge upon it or make the slightest dent in it. However, the language we have on page 14, section 10, is language that has been inserted there as the result of most mature deliberation. The amendment would be, I would not say fatal to the bill, but it would throw a sort of monkey wrench in the machinery. It would further complicate the duties of the Displaced Persons Commission to scrutinize the affidavit that is embodied in this amendment.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from West Virginia.

Mr. BAILEY. What is to prevent the gentleman from accepting a provision like this, "in addition to all other requirements of section 10, no visa shall be issued"? That protects the bill as it is.

Mr. CELLER. What is in the gentleman's affidavit is already in the requirements of the immigration statutes which are applicable. Further, how could a displaced person by any stretch of the imagination be a member of an organization that is on the Attorney General's subversive list? These DP's have not been in the United States. They could not possibly physically be affiliated with or remotely connected with any of these organizations that are on the subversive list as promulgated by the Attorney General. If the displaced person in the affidavits now required or in the applications that are now required makes a false statement, he can be prosecuted for perjury when his crime is discovered and can be sent out of the country. The United States still has jurisdiction over him and he can be deported. I do not see that anything is vitally added to the bill by the amendment, but I do see that it imposes additional difficulties on the Displaced Persons Commission in their processing of the applications.

Mr. COX. Mr. Chairman, will the gentleman yield?

Can the gentleman point out anything contained in the amendment which the gentleman from Georgia [Mr. DAVIS] has offered which is objectionable to him?

Mr. CELLER. I would not say it is objectionable.

Mr. COX. Does it do anything that this Congress ought not to do?

Mr. CELLER. I do not say that it is objectionable.

Mr. COX. Then why does the gentleman protest?

Mr. CELLER. I do not protest, but I am just making an observation. I wish to save the Displaced Persons Commission unnecessary labor.

Mr. COX. Will not the gentleman vote for the amendment?

Mr. CELLER. I cannot vote for the amendment, although I am not vitally opposed to it. I think it would make for bad administration and would cause the machinery of processing to slow down somewhat. We have placed on the shoulders of the Displaced Persons Commission so many requirements that have slowed up the processing work that the Displaced Persons Commission informs the committee they are getting complaints from all over the country as well as from Members of the House and of the other body to the effect that their work has been too delayed. If we place more burdens upon them, the work will become slower. I think the language that we have in the bill is uttermostly sufficient to cover exactly what the gentleman has in mind.

Mr. WALTER. Mr. Chairman, I rise in support of the amendment. I dislike very much to be placed in the position of being opposed to the stand taken by the chairman of the Committee on the Judiciary, but I do believe it would be a very fine thing if the first act done on American soil by the new immigrants would be the taking of the oath provided for in the amendment offered by the gentleman from Georgia. The balance of the amendment adds nothing to the law. As a matter of fact, the immigration laws are very plain as to the ability and the power of the Attorney General to deport subversives, and we are trying right now to do more about it. Under this amendment the very first act to be done officially by these displaced persons after they reach the United States would be to take the oath that they were not members of the Communist Party. I think the amendment should be agreed to.

Mr. FELLOWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. DAVIS] as a substitute for the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The amendment was agreed to.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 9, line 16, strike out the numeral "1," and insert the numeral "30."

Mr. FULTON. Mr. Chairman, if you will look at page 9 of the bill under section 5, this amendment simply changes line 16, where the date is April 1 to April 30, 1949. The reason is that section 4 (a) of the old Displaced Persons Act referred to granting people a permanent status who are in this country and are in a displaced-person status. This bill sets arbitrarily the date of April 1, 1949, for determining this group. I wish to change the provision to April 30, 1949, as the determining date. It does not make any change in the over-all limit of persons who will come into this country under this bill or the previous bill because there is a quota of 15,000 displaced persons in this country already set aside in the previous act to be admitted into the country.

According to the report of the Judiciary Committee on page 20, less than 5,000 have applied who are now in this country under the total quota available of 15,000 persons. My personal reason for making this amendment is as follows, and I would like the Congress to know it: When I was chairman of the Displaced Persons Investigating Committee and we were in Italy 2 years ago we met an ambitious young displaced person in a displaced-persons camp in Italy who was trying to get to the United States. He was helped by the Pope's assistance program out of Italy and got as far as Argentina. I had been in touch with him by letter to have him come to the United States by plane. On the telephone on March 25 of this year I said to that young man, "I will buy you plane passage to come into this country." But he said, "That will cost you almost $500. I can work my way up on a ship." So on March 27 he obtained a job on an American army ship as a machinist and worked his way back to the American zone of Germany and then worked his way back here, arriving on April 27 of this year. The University of Pittsburgh, because they felt that this young man is an outstanding person, and had been a premedical student in Vienna, has given him a scholarship to study here. I am asking the committee to extend this date, which will not increase the amount any, but will permit this young man to come in so he can qualify under this section for permanent residence. It extends the date simply from April 1, 1949, to April 30, 1949, to extend this group, which will thus include this displaced person who was on a United States ship under the United States flag on April 1, 1949, en route to the United States.

Mr. CELLER. Are there any other families or individuals who will be involved or endangered if this amendment is adopted?

Mr. FULTON. There is no danger, because your committee report says that 15,000 people who are here as displaced persons have a right to apply, and only 5,000 so far have applied. So I know of no particular person that this will affect, except this very tragic case, because he was on a United States vessel bound for the United States on April 1, 1949, a date which the committee, I understand, just took arbitrarily in order to set a definite date.

Mr. CELLER. I am sure the committee wants to accommodate the gentleman. If there are no serious repercussions, we will be glad to yield to the gentleman's amendment.

Mr. FULTON. I wish to thank the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was agreed to.

Mr. BRYSON. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. BRYSON: On page 5, line 19, strike out the word "three" in line 19 and insert the word "two."

Mr. BRYSON. Mr. Chairman, the adoption of the amendment offered by the gentleman from Pennsylvania [Mr. FULTON] is another example of why this bill should not be enacted.

In this country there is an acute shortage of doctors, that is true. Fortunately, we have an outstanding grade A

medical school in our State. Some of the States nearby, for instance, the great State of Florida, does not even have a medical school. There are at least 20 fine eligible applicants among our own native-born sons ready and anxious and already screened to go into medical schools, and here, by an amendment just adopted, you are importing a young man from Italy to take one of the places that some GI is qualified to take.

Mr. Chairman, one of the most tragic features of this proposed bill is the mortgage you are placing upon the quotas as they now exist. This mortgage will cover the quota in some countries for as long as a hundred years. If you enact this legislation, one of two things will happen. The mortgage will be lifted, and some of you know that men in high places are in favor of enacting this legislation without regard to quotas; that is, bringing in these 339,000 aliens in addition to the established quotas under which we now labor. If the mortgage is not lifted, then for centuries, no matter how talented, how gifted, how essential, how acceptable some outstanding scientist might be, he will have to stand by and bide his time, because someone who had such little energy and such little interest in shuffling for himself that he was in a DP camp at a given date, and by reason of that fact was given priority in his privilege to come to this country.

I do not intend to speak disparagingly of those who are in the DP camps. On our visit there I observed that as a rule those in the DP camps were better clothed than those in the adjacent territory around the camp. They had luxries undreamed of by those who worked in the fields and the little industries that had been established in the countryside around and about those DP camps. The people in those DP camps are satisfied, and if nothing is done to eject them from the camps they will remain there as long as they have an opportunity.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BRYSON. I gladly yield to the gentleman from Massachusetts.

Mr. McCORMACK. Who will feed them?

Mr. BRYSON. I do not think it is incumbent upon us to feed them indefinitely. These people are somewhat like children in an over-indulgent family where the parents do everything for their own kids but in so doing deprive the children of doing things for themselves. There is an appreciable number of people throughout the world, not only in Europe, but in our own country also who, just as soon as you give them something to eat and something to wear, will not make any effort on their own part to take care of themselves.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BRYSON. I yield.

Mr. GROSS. A while ago the chairman of the committee said that Britain would take 100,000 displaced persons; then he said that we were going to take 18,000 former Polish soldiers. If England is going to take 100,000 displaced persons why should we have to take 18,000 former Polish soldiers?

Mr. BRYSON. I do not know about that. I do not do things like they do in Britain, and I am glad that our country does not have the kind of government they have in Britain. I am sorry, however, to find so many people in this country who advocate the socialistic type of government they have in Britain. I will state that at Heidelberg, Germany, the head of the displaced persons agency told us that the great fertile continent of Australia would take every living soul in the DP camps, including women and children, if we would provide the shipping for them to be taken there. I would gladly assist in voting the money necessary to provide passage for them to Australia or some other country where they are wanted. But they do not want to go to Australia; they do not want to go to Canada; they do not want to go to any other country than the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BRYSON. I yield.

Mr. GROSS. Does the gentleman believe these other foreign countries will carry out their commitments to take the displaced persons they say they will?

Mr. BRYSON. I am not the one to judge foreign countries. We have had rather unpleasant experiences with them.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. WALTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I can understand why the people in these displaced persons camps wish to come to the United States; they wish to come to the United States because they believe that here there is such a thing as religious freedom; they believe that there is little bigotry in the United States; they believe that the American people are fair and that they practice the Golden Rule. I hope that these people and the people all over the world—other than those that we are considering today—will have as their burning desire the wish to come to the United States.

This amendment if adopted will destroy one of the principal objectives of this legislation. The principal purpose of this bill is to eliminate for all time to come these DP camps. If the number is reduced to 239,000 we are going to be compelled to consider similar legislation in the future or to continue our contribution to the International Refugee Organization, or the church groups of America, who are actively participating in this program, will have to supply the food for these people, because they are not going to let them starve.

It seems to me that we have an opportunity now to get rid of this problem. Let us get rid of it courageously. Let us not bite it off piece by piece. The subcommittee which considered this bill certainly is not going to let down the flood gates or increase immigration needlessly. We are Americans, all of us, we appreciate and understand all of the things that have been said about our great country—some of us have fought for it—and we are never going to do anything which in our judgment will in anywise affect our strength. When we reported this bill it was only after the most careful consideration and after considering first the interest of our own country.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CELLER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I agree with my distinguished colleague from Pennsylvania that the adoption of this amendment would vitiate the very efficacy and main purpose of this bill. It would take the guts out of it.

Testimony was introduced before the committee which clearly indicated that more than 200,000 assurances have been given. The demand for these DP's was so great, coming from the length and breadth of the country, that the Displaced Persons Commission figured it could bring in most readily all of these persons under the present legislation, namely, 200,000 persons. But the demand is for more than 200,000, and that demand comes from more than 30 States of the Union.

As the previous speaker has stated, we will not settle this problem if we take in 200,000. In the next Congress another bill will be offered to bring in displaced persons. We do not want to encourage another bill. I stated before I would not want to offer or sponsor another displaced persons bill. We want to get rid of this problem once and for all and the only way to get rid of it is to pass this bill permitting 339,000 to come in.

The President told a few members of the Committee on the Judiciary at the White House that at Potsdam he had agreed the United States would take a fair share of these displaced persons into the United States. As a result of the promise he made, England, Brazil, New Zealand, Argentina, and Australia have come forward and have actually taken their fair share of these displaced persons. Now we are reneging. The President did not say he had pledged 200,000. He said he gave a pledge for 400,000. The Judiciary Committee felt 400,000 was too great a number, so reduced it to 200,000.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Kentucky.

Mr. CHELF. May I say to the gentleman that he is exactly right. I happened to be present at the time the President made the statement to which the gentleman has just referred. We on the Subcommittee on Immigration and Naturalization were trying desperately to formulate a fair, reasonable, honorable bill and to give some more leeway as it were to the new and pending legislation, because were it not for the fact there was a need to increase the number some little bit there would be no necessity at all for the present bill at this particular time due to the fact existing legislation provides for 205,000, just what the gentleman would seek to cut it back to by his amendment. So we had the President with this promise, and his pledge, representing our great Nation, on the one hand, and we with our consciences on the other. After

many months of trying our best to get together on a compromise between the 400,000 and the 300,000, the 339,000 is the result of that compromise, and the only way in the world in which we can get any legislation is to compromise, give and take, live and let live.

Mr. CELLER. The gentleman speaks truly. I just want to reemphasize that if we leave it at 239,000, we do not add anything to the present bill as far as numbers are concerned, because all that the present legislation does is to take in 200,000 displaced persons and the amendment would say just take in 200,000 displaced persons plus the 39,000 Polish soldiers, Shanghai refugees, and so forth.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. JAVITS. I would like to ask the gentleman if he will yield to the sponsor of the amendment to answer a question. The question is: Has the gentleman advanced any special reason why the 100,000 should be cut off, which does not apply to eliminating the whole 300,000? I would like to ask that of the proposer of the amendment.

Mr. CELLER. Does the gentleman from South Carolina wish to answer?

Mr. GOSSETT. Does the gentleman desire to have me answer that question?

Mr. BRYSON. May I yield to my colleague from Texas?

Mr. CELLER. Yes.

Mr. GOSSETT. If you refer to the fact that numbers do not mean anything, let us raise it up to 1,000,000.

Mr. JAVITS. But there has been no argument raised so much at this 100,000. All you say is that you are against it, and you turn it down on the basis of the argument about housing and employment, and so forth.

Mr. CELLER. Just a moment. As to housing, we know that most of the displaced persons go to relatives and do not displace any home for any person. The bill provides that there must be housing for the displaced person. As to jobs, half of them are women and children. They do not work. Many of them are old people. They do not work, so that there will be no displacement of American labor. The A. F. of L. and CIO agree as to that.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for one additional minute.

The CHAIRMAN. Is there objection to the quest of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. JAVITS. Is it not a fact that on the issue of jobs, the job opportunities are the very bases for the committee's bringing in this bill now for 300,000; job opportunities of which the committee has notice?

Mr. CELLER. There is a great dearth of carpenters, lathers, saddlemakers and soapmakers, stenographers, domestics, bookkeepers, doctors, and dentists, and these displaced persons will supply that lag. Furthermore, they increase the demand for goods. They are consumers themselves and that, in turn, will make for more jobs.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GOSSETT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, my distinguished friend who just left the floor said we needed soapmakers. I happen to know of a good many soap factories in my part of the country who have gone out of business because of competition. So, I do not think we need any soapmakers. We are not in need of any skills that can be supplied out of the DP camps.

Let me call your attention to this. The big cry about last year's bill was that it was discriminatory. It was not a question of numbers; it was a question of discrimination so they contended. All of the alleged discriminatory features of last year's bill have been totally eliminated. Last year's bill provided for 206,000, I believe it was. Now, if we adopt the amendment offered by the gentleman from South Carolina we still bring in 239,000; in other words, we have conceded everything as to the restrictions in the current bill; we have removed all of the alleged administrative difficulties, and then we have raised the number by some 130,000. Without trying to rehash or reiterate the arguments made during general debate, we are rewarding the least deserving and the least desirable and the most dangerous of hundreds of millions of people who want to come here. Why increase the numbers, why make bad matters worse.

Let me make this point. When the 400,000 bill was introduced in the last Congress, there were 1,000,000 in the DP camps, and it was said that we ought to take care of 40 percent. Now there are only five-hundred-and-some-odd thousand in the DP camps, and they want to bring in 339,000 of those? Why raise the percentages? Gentlemen, if screening is done even in a superficial way, you cannot get 300,000 out of those that remain in the DP camps.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Ohio.

Mr. FEIGHAN. Is it not true that the reduction from 800,000 to 500,000 in the camps was not due to those that we took, but that the other nations have taken their fair share likewise?

Mr. GOSSETT. The other nations have taken only those that they wanted. It was not a question of fair share. Australia will take 500,000 people tomorrow if they can get them. But these people will not go to Australia or they cannot qualify under Australian laws. So why should we simply be a Santa Claus and our own worst enemies and take those who will not go or cannot go elsewhere?

Australia has 2.5 persons per square mile, Canada 3.1, South America 4.1, and we have 43.7 persons per square mile. We will come in here next week and be crying about the housing shortage and unemployment and medical assistance, and other problems which we must solve domestically. Still you want to dump on an already overburdened economy, insofar as housing, jobs, medical assistance, and education go, 339,000 of some 550,000 people left in DP camps. I say that is imposing too much on good nature, and that we in our own enlightened self-interest ought to cut this number back at least to 239,000.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Is not the gentleman in making that argument overlooking the fact that we have taken a comparatively small number of people up to this point?

Mr. GOSSETT. We are going to get, and according to the Commission we would get, under the old bill, every one provided for, and we will get 339,000 if this bill passes as written, or we will get 239,000 if the amendment offered by the gentleman is adopted. You can make sure of that. The Commission has already pretty well disregarded the sections in the old bill, so how much more do you want us to do? We have removed the restrictions, we have eliminated the cut-off date, about which the gentleman was so concerned last year, December 22, 1945, and it has been set up to January 1, 1949.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from New York.

Mr. CELLER. Will the gentleman vote for the bill if the amendment carries?

Mr. GOSSETT. No. I am against the bill in any form, but I think it ought to be just as little objectionable as possible.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from New York.

Mr. MULTER. Is it not a fact that the gentleman's own State of Texas has set up a displaced persons commission and wants some of these people in the State?

Mr. GOSSETT. We would be glad to have some more good farmers down in our country, but we cannot get them out of the DP camps.

Mr. MULTER. The Displaced Persons Commission of the gentleman's own State is set up to get them out of those camps.

Mr. GOSSETT. I say to the gentleman, that when this bill is passed, we still will not get 100 good farm families out of all those who will come in. The gentleman from South Carolina's amendment should be adopted.

Mr. DAVENPORT. Mr. Chairman, I move to strike out the last word.

I had a tougher time getting recognition here than I had getting into Congress.

Mr. Chairman, first of all I should like to congratulate the very able chairman of this subcommittee, my colleague from Pennsylvania, on the able job he and his committee have done in getting this very, very necessary legislation on the floor of the House. We should not be here talk-

ing about lessening the number of displaced persons, we should rather be considering bringing in more and more, more than this bill calls for.

What made this country great? It was the immigrants who came from Italy and Ireland and Poland and the Slavic countries. We could use a lot more of them. The very fact that they are so eager to come here makes it a welcome thing that they do come.

Mr. CHELF. Mr Chairman, will the gentleman yield?

Mr. DAVENPORT. I yield to the gentleman from Kentucky.

Mr. CHELF. The gentleman is exactly right, because in a recent poll taken of Members of Congress it was found that 17 percent of the Members of the House and Senate are sons of immigrants. One out of every 6 on this floor is an immigrant or the son of an immigrant.

Mr. DAVENPORT. Mr. Chairman, at the close of the European war, when Ivan and GI Joe were still shaking hands across the Elbe River, we found in Germany, Austria, and Italy more than 8,000,000 tortured persons now known by the name "displaced persons."

These 8,000,000 persons were the remains of one of the greatest tragedies of the twentieth century. Who were these 8,000,000 people? They were forced laborers, brought into the Axis countries to work as slaves in the war machine; they were prisoners of war, and they were remnants of the horrors of the concentration camps. They were the symbol of the millions who had opposed Hitler. Not many of us can forget the newsreels showing the ghostlike skeletons still alive in the Nazi horror camps. They were the most compelling reason why Hitlerism had to be wiped off the face of the earth.

When we cast out the Nazi factory supervisors and told the slave laborers they were no longer slaves, when we liberated the concentration camps and closed the furnaces where millions had met their death, there was no question in the minds of people everywhere that these long-time sufferers would be treated humanely. They were to be the first to be compensated for the horrible wrongs they had suffered. Yet today it is shameful that the problem of these displaced persons remains almost as unsolved as it was in mid-1945.

Of the 8,000,000, more than 7,000,000 somehow drifted back to their homes—most of them under their own power. But hundreds of thousands crept past eastern European border patrols into the non-Soviet zone, so that at the beginning of 1946, 6 months later, the total of displaced persons remained above 1,000,000. This group became known as the hard core of displaced persons.

We went into Germany with no program to care for 1,000,000 homeless and rootless people. Most of them we kept in the concentration camps while we tried to figure out what we would do with them. Some of them are still there. Our occupying army did not find the DP's as clean or as much fun as the native Germans. They were often treated with contempt and with a lack of courtesy. Pity soon turned to resentment. It was our own fault that our orientation program was so inept.

In 1946 the International Refugee Organization was established by the General Assembly of the United Nations to replace the bumbling Intergovernmental Committee and be responsible for the welfare and resettlement of these displaced persons.

The displaced persons were homeless. Most of them had witnessed the death of their loved ones and the destruction of their property. To return to their prewar homes meant only the return to heartbreaking memories. Others among them were children who did not know any other home except the concentration camps. Others did not want to return to the governments that had been set up in their native countries.

The IRO was given a pitifully small sum of money to handle its important task. The funds of IRO were earmarked mainly for its main task of resettlement. The result was that little was done about the immediate problems of the DP's. The DP's lived in Army barracks or in makeshift wooden huts. It was not uncommon to sleep 10 to 20 in a room. Rehabilitation plans were negligible.

There is little question that if it had not been for the great efforts of the National Catholic Welfare Conference, the American Joint Distribution Committee, the Church World Service, and the American Friends Service Committee, the DP's would have perished. They provided clothing, most of the food, recreation, teachers, and instruction so that these people could someday reclaim a useful life.

On January 1, 1947, the official count by the IRO placed the number of DP's in its charge at 1,000,000—the same number of DP's counted in early 1946. Even in its resettlement work, IRO was not doing a job. What was considered a short stay for the DP's while a master plan of settlement was formulated became a long-drawn-out waste of life and hope. On January 1, 1948, the number of displaced persons had dropped from 1,000,000 to 840,000 and on January 1, 1949, the number was acknowledged to be about 750,000. In 3 years the IRO was able to place only 315,000 of its 1,000,000 charges.

Whose fault is it that the DP problem remains almost as serious 4 years after the war as it did on VE-day? Some of the blame must fall on the IRO for not making use of every opportunity to resettle these people. But most of the blame must fall on the shoulders of two nations who did not and have not taken on their fair share of the responsibility for resettling the DP's. They are Switzerland and the United States.

Switzerland has paid only $5,000,000 of its promised $12,500,000 to the IRO. Switzerland is also holding a substantial amount of money belonging to people exterminated by the Nazis. All efforts to have Switzerland turn this money over to the IRO have failed.

General George C. Marshall, formerly Secretary of State, in a speech in 1946 stated that these DP's should be resettled in those countries willing to have them. The United States, he said, would surely take its fair share.

Under the Truman directive of December 22, 1945, several thousand refugees residing in Germany, Austria, and Italy as DP's were granted permission to come to this country, whichever their case was. In proportion to the number of DP's taken into other countries, the United States rate was negligible so President Truman asked Congress in 1948 to open the gates of America and permit about half the remaining DP's to enter this country.

From July 1947 through October 1948, the following numbers of DP's were taken into these countries to live:

The United Kingdom took 78,000.

Canada took 43,000.

Palestine took 30,000. Israel was not yet a free nation.

France took 21,000.

Belgium took 20,000.

Argentina took 18,000.

The United States took 18,000.

Need more be said about our lack of responsibility?

The Stratton bill was proposed in Congress but the Eightieth Congress, acting without charity, passed in its stead the Revercomb bill. This is a bill denounced even by the Republican nominee for President in 1948, Gov. Thomas E. Dewey of New York, who called it a bad bill, an evil bill, a bill based on national and religious prejudice.

The Revercomb Act was designed to curtail the displaced persons resettlement program and not to hasten the ending of the problem. In the first 6 months of its 2-year life span, it permitted only 2,500 DP's to come here. By setting up complicated rules, it has turned the DP's against each other by forcing them to compete in the low level of intolerance.

I might add that the DP's would have been better off if the Revercomb bill had never been passed by Congress. For even at the slow rate at which DP's were permitted to enter this country under Truman's emergency directive of December 22, 1945, more persons would have entered the country in 1949 than can under the Revercomb bill.

The problem of the DP's remains as urgent as ever. Much can be accomplished if the United States were to take its fair share of responsibility toward these people and pass a decent DP bill. This remains one of the most pressing matters for the Eighty-first Congress to consider and act upon.

For purposes of relief it is of no importance how long a person has been in a DP camp. All who are in such camps must be helped, whether they came to those camps in 1945 or 1949.

Another provision of the Revercomb bill states that 30 percent of all DP's entering the United States must be farmers by background. This is aimed specifically at the Jews, for practically all prewar European countries did not allow them to farm. As President Truman has put it, this provision discriminates against some displaced persons because of occupation. This is un-American.

Still another intolerant provision of the current law says that 40 percent of the 205,000 DP's to be must have been born in Estonia, Latvia, Lithuania, and eastern Poland. This is an obvious contrivance to discriminate against those

DP's from other parts of Europe—mainly the southern section. This provision has no place in American statutes.

Our immigration laws state that an American must make a commitment regarding each immigrant so that he will not become a public charge. The Revercomb Act was not satisfied with this accepted assurance. It amended this provision making it necessary for each DP immigrant to have an assurance for a specific job and specific residence before he can be cleared for entrance. Is it not ridiculous that a man of say 80 years of age must be able to prove he has a specific job waiting for him before he is acceptable? Our problem is to settle DP's and not make settlement more difficult. Let each DP, including our 80-year-old DP, have someone here in this country who will commit himself that he will not become a public charge and this will be stringent enough.

The Revercomb Act charges off each DP entering the United States against the future immigration quota of his mother country. This is a highly vicious provision for it works an intolerable hardship on those refugees now in temporary residence in such countries as Spain, Portugal, and Cuba. Those people have lived out of suitcases for years with the hope that one day they would obtain a quota number and find a permanent solution to their problems. The DP's should not be charged off to future quotas but should be treated as a very special problem—a unique problem as it were.

The Revercomb law has no place among American statutes. Ill conceived, it is dedicated to the proposition that the more complicated and intolerant it could be written the fewer would be the DP's eligible to come to the United States. It will not remain law much longer.

The tragedy that befell these unfortunate people will be eased by the Eighty-first Congress. These people who are now in greater bondage spiritually than they were right after VE-day will be given a new opportunity to reclaim their lives and add to the knowledge and wealth of the universe. More than our duty, it is our privilege to help them. We must. We shall.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DAVENPORT. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

Mr. NICHOLSON. Mr. Chairman, I object.

Mr. DAVENPORT. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. BREHM and Mr. JENNINGS objected.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to interrogate the chairman of the committee with reference to two sections of the bill. The first section of the bill refers to 15,000 persons. Would that take in my amendment concerning the 2,000 Czechs, or would it be possible for more than 2,000 to come in? If these Czechs were certified by the Secretary of State and they had come from behind the iron curtain from Czechoslovakia, they could come in. That would increase the number in which the gentleman is interested from 2,000 to a higher figure.

There is a possibility that more than 2,000 could come in?

Mr. CELLER. Yes.

Mr. STEFAN. Section 12, page 13, refers to people of German ethnic origin. Many people in the United States are very much interested in that particular section. I call to the attention of the membership of this committee that it was the intent of this Congress that this bill would be made applicable to those people of German ethnic origin, known as expellees, those to whom I referred in the general debate on this bill, of which there are about 14,000,000. The committee of which I am a member, the Subcommittee on Appropriations for the Department of State, Justice, and Commerce, of which the Honorable JOHN ROONEY, of New York, is chairman, were told that in spite of the fact that this bill has been in operation for 1 year, not one of those people of German ethnic origin has come to the United States because the agencies were unable to determine what a person of German ethnic origin is. In other words, they could not get a definition. However, as a result of long hearings on the part of my chairman, the gentleman from New York [Mr. ROONEY], we were able to get some compromise or some agreement from the Department of State, Immigration, and other agencies, on a definition. I would like to interrogate the chairman now as to how many of those people have come in under section 12.

Mr. CELLER. I would say to the gentleman I am informed about 700. But with reference to the expellees, we extend the privilege to come in under the German quota to the extent of 50 percent for 4 years. Now we add two additional years, so they could come in to the extent of some 54,000.

Mr. STEFAN. I understand the provisions of the section. I understand that thoroughly. We know the details of it but our complaint is that in spite of the fact that we passed this law a year ago not one has come in in the entire year of 1948.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. WALTER. If the gentleman will look at page 21 of the report, he will find that the subcommittee was very critical of this operation. I am glad to report to him that since the 1st of April, 700 visas have been granted in the type of cases the gentleman is now discussing.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. ROONEY. I might say that the fact that 700 have been admitted since the 1st of April is the result of the efforts on the part of the gentleman from Nebraska [Mr. STEFAN] and other members of the Subcommittee on Appropriations for the State, Commerce, and Justice Departments. It was the result of the efforts of this committee that a definition of persons of German ethnic origin was arrived at.

Mr. STEFAN. I wanted the RECORD to show that. I thank the gentleman very much for his statement. Not one of these people came in until the committee, of which the gentleman from New York [Mr. ROONEY] is chairman, took the matter up at great length. I am happy to hear that as a result of the action of the committee, of which I have the honor to be a member, something has been done about it.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. DINGELL. I hope the gentleman is not expressing any real concern about the Volkdeutscher who were in Sudetenland, who cooperated with Mr. Fritz Heinlein.

Mr. STEFAN. Under the provisions of this act, they could not have come in if they cooperated with the enemy. We seek to help those who are persecuted by Communists.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

Mr. JACOBS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS as a substitute for the amendment offered by Mr. BRYSON: On page 5, line 19, after the words "that not more than," strike out "339" and insert "400."

Mr. JACOBS. Mr. Chairman, unlike the author of the principal amendment, I am for this legislation.

I have offered this amendment at the request of almost every religious organization as well as many other organizations in my district. I mention this to bring to the attention of the Members of this House the identity of those who are interested and willing to take an additional 61,000 of these displaced persons.

The question has been raised here as to the political ideology of the people who might be brought in. I call your attention to the fact that church organizations headed by people whose patriotism cannot be questioned, and people who have traveled abroad and hence are in position to know; people who have investigated this matter thoroughly, are almost unanimous in requesting that this figure be raised to 400,000. I know many of the people who have written me and whose letters I hold in my hand: The officers of the Indianapolis Church Federation; the Council of Churchwomen of Indianapolis district; Women's Society of Christian Service of the Methodist Church, of my district, to say nothing of the position that has been taken by many other organizations, and by the Catholic Church upon which I do not lay great stress because I myself am a member of that faith.

I offer this amendment seriously. I hope that it will be considered carefully. I hope it is adopted, but at any rate I suggest to the membership of this House that it should be adopted as a substitute for the amendment of reduction offered by one who is admittedly opposed to this legislation. At least such course would be an indication of the feel-

ing of the representatives of the American people toward these unfortunate displaced persons.

I thank you.

Mr. CASE of New Jersey. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I, too, rise as one who is in favor of this legislation and who personally is in favor of the number suggested by the gentleman from Indiana. I oppose his amendment, however, for this reason: I am quite sure that its adoption would result in the defeat of this bill.

It seems to me that the considered judgment of the Committee on the Judiciary resulting in a compromise figure of 339,000 ought to be accepted by this Committee as the best bill that can be gotten through not only this body but the other body as well. As a matter of fact, as evidence of my own view of this matter, I offered in the subcommittee a motion, which was adopted by the subcommittee, to bring the total number to 400,000, the last 100,000 to be in the discretion of the President for use if he deemed it necessary. The bill was reported in that fashion to the full committee, but the full committee in its wisdom regarded the smaller number as the more likely to accomplish the result which we all favor, which we believe would pass the House and the other body and become law, and one which, considering everything, is likely to do the whole job. Therefore, as a real friend of this measure I ask that the substitute amendment not be accepted, that the amendment itself be defeated, and that the bill as reported by the Committee on the Judiciary be accepted by the Committee of the Whole House.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very glad to hear the forthright statement just made by our distinguished friend from New Jersey. I think his statement represents my state of mind: Personally, I would favor the 400,000, but on the other hand it is the settled opinion of the committee after weeks of consideration—and, yes, they lived with it in the last Congress, so it is a matter of some few years of consideration—that the lesser number is the proper one. Those of us who might be inclined to favor the increased number will view the problems of the committee, its difficulties and the necessity for compromise. The committee did arrive at a compromise which was of a satisfactory nature. It is a compromise that those who favor this legislation, which amends the Displaced Persons Act, can support.

I compliment the gentleman from Indiana for offering this amendment because I think it well for the amendment to be offered so that people out over the country will know it was not only offered but if defeated its defeat was due to the feeling that the bill as reported by the committee represents such a settled and sound compromise as to what can go through the Congress that it is desired to support the committee in its recommendation as to the number, 339,000.

Mr. Chairman, my purpose in rising was to speak against the amendment offered by the gentleman from South Carolina. The gentleman from Texas [Mr. GOSSETT] says he is opposed to any legislation; therefore, I think we can discount with some degree of effectiveness his position—not him personally, because he is a very fine and a very likable Member, but insofar as this particular matter is concerned we can discount his opposition because he is against anything so far as this bill is concerned. The same might apply to the gentleman from South Carolina because he stated that another example as to why this bill should not be enacted was the amendment offered by the gentleman from Pennsylvania which had reference to an alien who got a medical scholarship. So we might place him in the same position as being opposed to any legislation along these lines.

The committee has done a great job. Both the Democratic and Republican members of the committee are to be congratulated. They have approached this matter from the angle of a sincere effort to meet the problem as it appeals to us, not only from the humane standpoint but from the moral angle, because there is a strong moral question involved. As a matter of fact, the underlying reason for the legislation is a moral one.

I therefore hope, I sincerely trust, that the amendment offered by the gentleman from South Carolina will be defeated, that the bill as reported by the committee will be adopted and that the number as contained in the bill will be agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Indiana [Mr. JACOBS] for the amendment offered by the gentleman from South Carolina [Mr. BRYSON].

The substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. BRYSON].

The question was taken; and on a division (demanded by Mr. GOSSETT) there were—ayes 65, noes 118.

So the amendment was rejected.

Mr. LODGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to take up the time of the committee with a general discussion of this legislation. It has already been covered in penetrating detail by the members of the Judiciary Committee. I think that on the whole it is a fair bill. It is much closer to the Fellows bill of last year than to the present law.

I would like to touch briefly on one provision of this bill, the provision that has to do with the admission of 18,000 members of the Polish armed forces who are now in England. I had occasion when I was in England last December to visit the Grove Park Hostel at Iver Bucks, which is some short distance from London. We are in no position to criticize the British who have done far more for these men than we have. Nevertheless, I wish you could have observed the conditions under which some of these Polish soldiers are living. In many instances they are living in overcrowded quarters in quonset huts, under rather rugged conditions. In many of these Polish resettlement camps the conditions are no better than the conditions which obtain in some of the displaced-persons camps. These men, veterans of the Polish armed forces, fought during World War II with heroic determination to vanquish the common enemy. They fought with conspicuous valor in the skies over England. Eighteen percent of the RAF was made up of Polish fliers, and during the battle of London they constituted 34 percent of the RAF. They fought at Narvik. They fought on the Maginot Line. They fought with stubborn fortitude at Tobruk. They fought in the terrible hell of Monte Cassino. On the slopes of this Italian town alone 3,600 of these brave men gave their lives. They gave their lives, and in so doing they saved the lives of many of the Americans in Gen. Mark Clark's Fifth Army; they saved the lives of many of the Britishers in the Eighth Army of General Alexander; they saved the lives of many Frenchmen in the Army of General Juin. They gave their lives in a common cause. But they have not reaped the fruits of a common victory. In the eloquent and tragic words which form the title of the book written by the former Polish Ambassador to the United States, Jan Ciechanowski, they suffered "defeat in victory."

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman realizes, of course, that we have a good many hundred GI's with their wives and babies living in quonset huts and going to school in this country, does he not?

Mr. LODGE. I shall be glad if the gentleman will explain his comment further.

Mr. GROSS. The gentleman was speaking of Polish soldiers living in quonset huts in England under rugged conditions. I am saying that we have hundreds, perhaps thousands of GI's living in quonset huts with their wives and their babies today in this country.

Mr. LODGE. Any such condition I deplore, and therefore last January I introduced a housing measure. If the gentleman had had the opportunity that I have had of witnessing the conditions under which these Polish soldiers are living, I think he would agree with me that they are in no way better than the conditions under which the displaced persons are living. Surely these men who fought in the last war deserve consideration. In the first place they are in the most real sense displaced persons and, in the second place, by their sacrifice in this war they saved the lives of hundreds of thousands of American fighting men.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Connecticut.

Mr. PATTERSON. I want to commend the gentleman. I have seen some of those Polish aviators who supported us with fighter support in the bombardment of Germany. I think that we owe them an obligation by allowing some of them to come in. Furthermore they have given dramatic evidence of their deepseated anti-communism.

Mr. LODGE. I thank my friend from Connecticut.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is the gentleman speaking about what we have come to know as the Lodge amendment to this displaced persons legislation?

Mr. LODGE. I had the privilege of offering this amendment in committee, I will say to my friend from New Jersey.

Mr. CANFIELD. That was months ago, and I am glad the Lodge amendment is embraced in this bill. I say this as one who saw many of these stateless Polish soldiers in England and Europe shortly after the war's end. They will become good Americans and they will be stalwarts in resisting communism which they despise for what it has done to their native land.

Mr. LODGE. I thank my friend from New Jersey.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Connecticut.

Mr. SADLAK. It was my pleasure to be in attendance before the subcommittee of the Committee on the Judiciary when the gentleman from the Fourth Congressional District of the great State of Connecticut made a very fine presentation in regard to the inclusion of this number of our allies who served in the uniform of the Republic of Poland. He was able to convince the subcommittee of the merits of his proposal, and I therefore wish to thank the gentleman for his efforts and for the great humanitarian services which he has rendered.

Mr. LODGE. I thank my friend from Connecticut.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from New York.

Mr. KEATING. As a member of this committee, I want to pay my tribute to the work done by the gentleman in achieving the inclusion of this amendment. The Members will recall that in the last Congress the gentleman from Minnesota [Mr. MACKINNON] and the gentleman from Wisconsin [Mr. KERSTEN], and the gentleman now addressing the House, worked hard to get such an amendment included.

Mr. LODGE. That is correct. Mr. CLASON, of Massachusetts, also helped us out.

Mr. KEATING. The gentleman from Connecticut had to take up the cudgels where some of our fallen brothers left off, and he has done a magnificent job.

Mr. LODGE. I thank my friend from New York.

Now, I should like also to underscore a few of the salient features of this provision within the context of this bill. You will notice:

First. That the number of nonquota immigration visas to be granted shall be issued "within the total numerical limitations provided by subsection (a) of this section."

Second. That these Polish soldiers and their families must meet all requirements of the immigration laws other than quota limitations.

Third. That proper assurances must be given that persons admitted into the United States under this subsection will not become public charges.

Fourth. That these admissions must be consistent with housing and employment opportunities for resettlement throughout the United States and its Territories and possessions.

I need hardly point out that these men have given ample proof that they deserve to become citizens of the United States. They are anti-Fascist; they are anti-Nazi, they are anti-Communist. Their skills, their vitality, their love of honor, their hatred of slavery, their indomitable courage, their spiritual fervor will constitute a mighty contribution to American life. The ideals which have sustained them during their long years of combat and loneliness, of pain and privation will help America in her hour of trial. They will inject into our national bloodstream the kind of physical, mental, and moral attributes which we associate with our own beloved land. Here, I respectfully suggest, is excellent immigration material—young, able-bodied, tested, God-fearing men and women who will make fine citizens.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. LODGE. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

Mr. BREHM. I object, Mr. Chairman.

Mr. WHITE of Idaho. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Idaho: On page 2, line 16, after "suitably employed" insert "all qualified adult males will be suitably employed on a farm or in some related agricultural obligation within 60 days from the date of their admission into the United States."

Mr. WHITE of Idaho. Mr. Chairman and members of the Committee, realizing you want to vote and it is getting late, I am going to make just three points in support of the amendment.

The first is that Guatemala has that requirement in regard to admitting displaced persons, that they must be employed on a farm within 60 days after coming to that country, which I think is a constructive plan and a wise precaution.

The second point is that in the critical years back in 1933, when the population of this country had been attracted away from the farms by big wages in the cities, and was congregated in the industrial centers, there was so much unemployment and times were so bad that the administration, particularly Harry Hopkins, and the Relief Administration was so apprehensive that there would be bread riots in these industrial centers, such as are on the eastern seaboard, that Congress had to hurry and appropriate money to rush to the relief of the unemployed of the country by making huge relief appropriations.

If we bring in these people we should place them on farms so that we would be relieved of the necessity of bringing laborers in from Mexico and Jamaica, in a plan running counter to our policy as expressed in the immigration laws, to work in agriculture pursuits.

I hope that the committee will support this amendment and see to it that when we bring in these people they do not go into the congested industrial centers, the populous centers, to become a burden in times of financial stress, but go out on farms where they can become self-supporting and be a stabilizing influence in our national economy.

Mr. WALTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, according to an article written by Charles Grutzner appearing in the New York Times of Wednesday, May 25, in which a complete analysis is made of the DP program, 21 percent of the people who have come to this country under this program up to this point are agricultural workers. If the amendment offered by the gentleman from Idaho is adopted, it will very seriously affect the processing that has been about completed of 195,000 people. I hope the amendment is rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The amendment was rejected.

Mr. BIEMILLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Chairman, I am pleased the House rejected the Bryson amendment; I regret we could not adopt the Jacobs amendment. Certainly, the bill before us should be passed without further amendment. The committee is to be congratulated on drafting a good bill which does correct most of the bad features of the act passed by the Eightieth Congress. Thank God we are doing away with the un-Christian discrimination that act contained.

Remarks have been made on this floor that there are no job openings for DP's who will be coming to this country. May I suggest, Mr. Chairman, that in my State representation has been made to me that there are openings in at least three fields. Certainly, we need farmers. There are openings for needle trades workers. There is a demand for chefs and other categories of hotel and restaurant workers. If there were any fear that the addition of 300,000 DP's would upset our economy, certainly the great farm and labor organizations would not have been supporting this bill. But they have been among its most ardent advocates.

I also desire, Mr. Chairman, to comment briefly on the section affecting the ethnic Germans, sometimes called Volkdeutsche, sometimes referred to as expellees.

There are some who express fears that Nazis and Fascists may come in under this provision. I think those who express this fear are not fully familiar with the bill or with operations under the present law.

First, may I say that Catholic, Protestant and Jewish leaders who have visited in Germany assure me that the overwhelming majority of the expellees—at least 95 percent—are good, solid people who have no subversive views of any

description, neither Nazi nor Communist. The expellees lead a pitiful life. Several millions of them have been dumped into western Germany—homeless and propertyless. No one wants them. They cannot return to the land of their birth—they are a drain on the Germany economy. Here is a serious economic and social problem that some day the United Nations must solve.

We are permitting one-half of the German immigration quota to be assigned to these unfortunates for the next 4 years. That means about 13,000 a year will be permitted to come to America.

The State Department assures me that all applicants from the ranks of the expellees, as well as the DP's are carefully screened for any subversive tendencies. They have cited cases to me in which visas have been refused.

This bill provides:

No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of or participated in, any movement which is or has been hostile to the United States or the form of government of the United States, or who advocated or assisted in the persecution of any person because of race, religion, or national origin.

Certainly, that gives us all the protection we need.

The entire bill seems to me an act of Christian charity—the least we can do for these homeless people. I sincerely trust, Mr. Chairman, that it will pass.

Mr. PHILBIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Chairman, it is high time that this measure was brought before this House, and I congratulate and thank my friend, the distinguished chairman of the Judiciary Committee, the gentleman from New York [Mr. CELLER], and his committee for finally ironing out the many conflicts and difficulties and bringing this vital question to a vote.

As is the case in much of the legislation coming before us this measure is a compromise. It is too much for some of our colleagues who look with suspicion and distrust upon all immigration, and it is too little for those of us who, from intimate knowledge of the fine citizenship and sterling background and character of many families in our own districts of several national and racial strains, are eager to help in the solution of this great humane question and also to reunite many worthy human beings with their own flesh and blood here in our own land of opportunity and promise.

This bill wisely extends the authority and coverage of last year's measure. We are indebted to my good friend the distinguished gentleman from Maine [Mr. FELLOWS] and his associates for breaking the ground and laying the foundation for this legislation. Under the original bill almost 200,000 applications have been processed and very substantial progress has been made in clearing the way for early action in a large number of individual cases.

It is unfortunate that racial and religious questions should be brought to bear even in a slight degree upon the settlement and discussion of this question because I am convinced that this Congress, almost to a man, is willing to lend a helping hand to those in distress and need and pleading for a chance in life regardless of their race, creed, or social position. This bill will help to insure that result and will also assist materially in the solution of the problem of European social and economic stabilization.

It is noteworthy that safeguards are included in the bill to guarantee insofar as it is possible by legislation that we will secure a high-grade, loyal, industrious type of displaced person who will not bring subversion to this country but who will contribute those virtues and traits of character which in time will make for the national welfare and ultimately good, loyal, constructive citizenship. Therefore, the amendments which have been passed will serve to clarify and perfect the bill so as to protect against the influx of undesirable types of immigrants.

This bill will furnish new hope and promise to many distressed and shattered victims of the war. The Balts and the Poles, the ethnic Germans, Italians, and Jews, in fact, many of the peoples whose blood relatives in the past and present contributed, and are contributing, invaluably to this Nation will start virtually a new life because of this measure.

The Polish and the Lithuanians have long suffered from the scourge of war, from oppression and the postwar conditions of chaos, ferment, and privation which have afflicted so much of Europe. Together with the Italians and the ethnic Germans these peoples can and will carve out careers and find constructive lives in this country just as their relatives and fellow-country men and women have done. They all can add and contribute to the fullness and richness of our American way of life.

I am sure that the bill will pass by an overwhelming vote as it so well deserves, and I am happy indeed to lend my support to it. I hope this human and humane program will go forward efficiently, steadily, and expeditiously in order to process cases heretofore overlooked and to give early consideration and assistance to eager thousands whose relatives here are expectantly and prayerfully awaiting their arrival in the United States.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, the bill under discussion here affords us the opportunity to rightfully liberalize provisions for displaced persons admission and correct the inequities in the existing Emergency Displaced Persons Act.

When this subject was being debated here a year ago, I expressed, at that time, the earnest plea and hope for the adoption of a measure providing a wider acceptance of our responsibilities than was evidenced in the proposal then presented. I am pleased to observe that H. R. 4567, while not perfect, is a real attempt to extend a fuller measure of just treatment to those suffering thousands of displaced freedom seekers who are yearning for a new life in a new world. We all know in our hearts that their terrible predicament surrounds them through no personal fault of their own.

In our deliberation, we must not be unmindful of the fact that the elimination of these concentration camps, and other so-called zone faciiities, will remove from the American taxpayer their upkeep burden, which the experts tell us amounts to well over $200,000,000 a year. As you all know the majority portion of the expense involved in maintaining those displacement areas is carried by Uncle Sam, which means the average American citizen.

There is no intent here of breaking down our immigration barriers. All of the usual tests of fitness will continue to be applied and there is very little likelihood that the wrong kind of immigrants will be admitted. The requirements of financial guaranty, employment, and a suitable place to live, without deprivation of any American in these respects, make it practically impossible for newcomers to become public charges. The careful screening by the Federal Bureau of Investigation and the National Military Establishment will insure immigrants of good moral and physical well-being. There is no danger to our quota system and no threat of an excess of immigration beyond our power to assimilate.

A great number of these people have a long agricultural background. If we distribute them wisely and widely, according to their skills, we shall have adequate room for them without unbalancing our own economic and social stability.

These prospective immigrants are the kind of people who prized freedom enough to have suffered for it deeply and, in many cases, such as the members of the armed forces of the Republic of Poland, they fought side by side with our own soldiers in common cause against the scourge of dictatorship.

In advancing our position of world leadership, in these hesitating days, we can speak more convincingly for freedom everywhere when we have done our utmost to give real freedom to those now faced with totalitarian extinction. Let us implement our European recovery program with this further demonstration of willingness to assume a just obligation toward these persecuted refugees. They are the kind of people in whose behalf the original American tradition of asylum was established and whose immigration to these shores has enriched our country from its earliest days right up to this hour.

I heartfully urge you, my colleagues, to enact this bill into law without further delay.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PATMAN, Chairman of the Committee

of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, pursuant to House Resolution 226, had directed him to report the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. JENNINGS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JENNINGS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JENNINGS moves to recommit the bill to the Committee on the Judiciary.

Mr. CELLER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 2663) entitled "An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

SPECIAL COMMITTEE TO ATTEND WORLD ASSEMBLY FOR MORAL REARMAMENT

The SPEAKER. Pursuant to the provisions of House Resolution 232, Eighty-first Congress, the Chair appoints as members of the Special Committee To Attend the World Assembly for Moral Rearmament: Mr. PRESTON, of Georgia, chairman; Mr. O'TOOLE, of New York; Mr. BATTLE, of Alabama; Mr. DONDERO, of Michigan; Mr. WILSON, of Indiana.

PERSONAL EXPLANATION

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, several newspapers honestly carrying the news of yesterday's vote concerning the soldiers' pension bill stated that the gentleman from Pennsylvania [Mr. LICHTENWALTER] was paired against the bill. The gentleman from Pennsylvania [Mr. LICHTENWALTER] is confined to his home in Pennsylvania with illness. Had he been present, he would have voted for the bill. If he had been able to secure a pair, he would have been paired in favor of the bill. It was impossible for him to secure a pair, owing to the small number who were opposed to the bill.

I make this statement so that the erroneous report in the newspapers may be corrected.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. GRAHAM. Mr. Speaker, the gentleman from Pennsylvania [Mr. LICHTENWALTER] telephoned me and asked me to have him paired in favor of the bill. I endeavored to have that done. Unfortunately, that could not be done, due to the small number who were opposed to the bill. However, the gentleman from Pennsylvania [Mr. LICHTENWALTER] asked to have himself paired in favor of the passage of the bill. I make this statement in fairness to him about the matter.

COMMODITY CREDIT CORPORATION CHARTER ACT

Mr. SPENCE, from the Committee on Banking and Currency, submitted the following conference report and statement on the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, for printing in the RECORD:

CONFERENCE REPORT (H. REPT. NO. 723)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 2 of the Commodity Credit Corporation Charter Act (Public Law Numbered 806, Eightieth Congress) is amended by deleting the words 'direction and control of its Board of Directors' at the end of the said section and substituting therefor the words 'supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary")'.

"SEC. 2. Section 4 (h) of the said Commodity Credit Corporation Charter Act is amended by deleting the second sentence thereof and inserting in its place the following: 'The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *Provided further*, That no refrigerated cold-storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose: *And provided further*, That nothing contained in this subsection (h) shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the National Military Establishment, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets.'

"SEC. 3. Section 9 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 9. Directors, Advisory Board: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by the President by and with the advice and consent of the Senate.

In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the Classification Act of 1923, as amended, as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present.

"'(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each ninety days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed $50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings.'

"SEC. 4. Section 10 of the said Commodity Credit Corporation Charter Act is amended to read as follows:

"'SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the Classification Act of 1923, as amended (5 U. S. C., 1946 edition, 661).'

"SEC. 5. Section 4 (c) of the Commodity Credit Corporation Charter Act is amended—

"(a) by inserting in the second sentence thereof after the word 'jurisdiction' a comma and the following: 'without regard to the amount in controversy,';

"(b) by striking out the fourth sentence thereof and inserting in lieu thereof the following: 'No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within six years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within three years after the disability shall have ceased or within six years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit.'; and

"(c) by inserting before the period at the end thereof a comma and the following: 'except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this Act, be brought in such court.'"

"SEC. 6. Section 15 of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new subsection as follows:

"'USE OF WORDS "COMMODITY CREDIT CORPORATION"

"'(f) No individual, association, partnership, or corporation shall use the words "Commodity Credit Corporation" or any combination of the same, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.'"

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

ELMER THOMAS,
ALLEN J. ELLENDER,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference recommended that the Senate recede from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment and that the House agree to the same.

In general the conference substitute follows the language of the House amendment. Except for clarifying changes, the differences between the conference substitute and the House amendment are indicated below.

The House amendment provided that the members of the Board of Directors of the Commodity Credit Corporation would be appointed by the Secretary of Agriculture and serve at his pleasure. The Senate bill provided that the members of the Board of Directors would be appointed by the President, by and with the advice and consent of the Senate. The conference substitute contains the provision of the Senate bill providing that the Board of Directors of the Corporation be appointed by the President by and with the advice and consent of the Senate.

The House amendment modified the provision in the present Charter Act which prohibits the Corporation from acquiring real property or any interest therein in such a manner that the Corporation could rent or lease office space necessary for the conduct of its business, or acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing and discharging obligations owing to the Corporation, or of otherwise protecting the financial interest of the Corporation. The Senate bill contained a similar provision excepting, however, the Senate bill provided that such authority could not be used for storage for cotton, tobacco, and refrigerated cold storage. The conference substitute contains the language of the House amendment and the following proviso with respect to refrigerated cold storage: "*Provided further*, That no refrigerated cold storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose."

The conference substitute would permit the Corporation to lease refrigerated cold storage facilities but would prohibit it from constructing or purchasing such facilities except with funds specifically provided by Congress for that purpose. This limitation on the construction or purchase of refrigerated cold storage facilities is not intended to prevent the Corporation from making replacements of machines and equipment, repairs or improvements necessary to operate and maintain leased cold storage facilities.

Both the House amendment and the Senate bill contained a provision, included in the conference substitute, which provides that before the Corporation could acquire real property or any interest therein for the purpose of providing storage facilities for any commodity, it must determine that existing privately owned storage facilities for such commodity in the area concerned are not adequate. It is understood that the Corporation, in its determination of the adequacy of storage space "in the area concerned," will give due consideration to marketing and storage practices employed by private agencies in the case of the particular commodity involved. For some commodities, especially those which are largely consumed on or near the farms which produce them, the "area concerned" must of necessity mean the immediate area in which the commodity is produced, because it is not customary or practicable to store the commodity in areas remote from points of origin. For other commodities a different situation prevails. In the case of cotton, as an example, the "area concerned" could well mean the entire cotton-producing belt. The whole cotton-marketing system, as well as the freight-rate structure, is built around the fact that cotton moves for storage toward the ports and consuming mills at no additional expense to the grower.

Wool, as another example, normally is stored in the consuming areas of the Northeast, far removed from the heavier producing areas of the West.

This fact has been recognized by the Corporation in the operation of its cotton loan and purchase programs. Where threatened or confronted with total local cotton stocks in excess of local storage capacity, it has been the practice of the Corporation to "reconcentrate" sufficient loan or purchased stocks to provide storage space for the remainder of local cotton-storage demand. Such "reconcentrated" cotton has been moved to available cotton-storage facilities en route to ports of exportation and domestic consuming areas so that, under the railroad cotton rate and "transit" structure, the cotton could be reshipped to consuming destinations without loss in transportation costs. This practice—common among private cotton marketing agencies—recognizes the economy of utilizing available storage capacity along routes of normal movement, as opposed to the waste involved in providing additional local storage capacity which will not be substantially utilized year after year.

In its 1948 cotton-loan program, the Corporation applied this principle in inaugurating its "receiving agency" arrangements, under which the Corporation "receiving agent"

would receive the cotton from the producer, and, without delay, provide the producer with full benefits of the loan program. Such cotton was placed under railroad bills of lading, consigned to available cotton warehouses located along authorized railroad routes to seaports and domestic consuming areas. Under this procedure, the railroad bills of lading, initially used in lieu of warehouse receipts in consummating the loan, are later exchanged for insured warehouse receipts issued by the warehouses to which the cotton is consigned. This procedure has operated to the satisfaction of all concerned. It permits prompt use of the loan procedure by cotton producers, and maximum economical utilization of available cotton storage facilities.

The House amendment contained a provision with respect to the storage of grain on farms which provided that the Corporation shall make loans not to exceed 17½ cents per bushel of the estimated crop to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price-support loans or purchase agreements made by the Corporation and the growers. The Senate bill contained no similar provision. The conference substitute follows the language of the House amendment except that it eliminates the condition that the loans not exceed 17½ cents per bushel of the estimated crop.

The provision for loans to grain growers for financing the construction or purchase of suitable storage does not intend that the Corporation (1) shall be limited in any way in utilizing other authority contained in its charter to assist farmers including other than grain farmers by loans or other means in providing adequate storage facilities; (2) shall look exclusively to the proceeds of price-support loans or purchase agreements received by the grower for the repayment of the loan to the grower for storage facilities; (3) shall be restricted from making loans available to growers for storage facilities through banks and other established lending agencies; and (4) shall be required to apply the full amount of the proceeds of any price support received by a grower against the loan made to the grower for storage. (On the contrary, it is contemplated that the Corporation would provide for repayment of the loan over a period of time.)

Both the Senate bill and the House amendment contained provisions permitting the Commodity Credit Corporation to exchange agricultural commodities for strategic and critical materials produced abroad. The Senate bill placed these provisions in section 4 (h) of the Commodity Credit Corporation Charter Act. The House amendment set them forth as an amendment to the act approved August 11, 1939, entitled "An act to facilitate the execution of arrangements for the exchange of surplus agricultural commodities produced in the United States for reserve stocks of strategic and critical materials produced abroad." The conference substitute places these provisions in section 4 (h) of the Commodity Credit Corporation Charter Act and follows the language of the provision in the House amendment except that there was added thereto the words "easily storable," contained in the Senate bill, in the description of the agricultural commodities which shall be given priority in exchange for strategic and critical materials, and there was also added a provision contained in the Senate bill that strategic and critical materials acquired by Commodity Credit Corporation shall be transferred to the stock pile "to the extent approved by the Munitions Board of the National Military Establishment." In placing the authority for the exchange of agricultural commodities for strategic and critical materials in the Commodity Credit Corporation Charter Act, as did the Senate bill, the term "agricultural commodities" has the meaning ascribed to it in section 2 of the Commodity Credit Corporation Charter Act.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill S. 900, to amend the Commodity Credit Corporation Charter Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

Mr. NICHOLSON. Mr. Speaker, reserving the right to object, may I ask what the conference report has agreed to?

Mr. SPENCE. The Senate came back and instructed the conferees to insist that the board of directors be confirmed by the Senate. We agreed to that.

The Senate also receded on the provision that the Advisory Committee should be confirmed by the Senate. The Advisory Committee is not confirmed by the Senate. The board of directors is confirmed by the Senate.

The other provisions of the bill remain as they were in the previous report which was adopted by the House.

Mr. GAMBLE. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. GAMBLE. The appointment of the Board is made by the President, in addition to the confirmation?

Mr. SPENCE. The appointment is made by the President and confirmed by the Senate.

The SPEAKER. Is there objection to the present consideration of the conference report?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the statement as above set out.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid or the table.

COMPREHENSIVE PLAN FOR SITE ACQUISITIONS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that the conferees on S. 714, a bill to provide for comprehensive planning, and so forth, and for other purposes, have until midnight tonight to file the conference report for printing under the rule.

Members will recall that S. 714 was amended in the House to strike out all after the enacting clause and insert H. R. 3662.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection.

EXTENSION OF REMARKS

Mr. HARDY asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an address by General Vandenberg.

Mr. FLOOD asked and was granted permission to extend his remarks in the RECORD and include a statement from the United Mine Workers Journal.

PROGRAM FOR WEEK OF MONDAY, JUNE 6, 1949

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to ask about the program for the coming week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. On Monday we will have the Consent Calendar only.

Tuesday: The Private Calendar and the bill H. R. 2785, the United Nations International Pilgrims' Emergency Fund. We want to get through before 4 o'clock on Tuesday because there is to be a Democratic caucus.

Wednesday: H. R. 4754, the Federal Property and Administrative Service Act of 1949. This is a bill carrying out some of the reorganization recommendations and features of the Hoover Commission.

Thursday: The gentleman from Missouri [Mr. CANNON] just conferred with me and tells me that he will have the legislative appropriation bill ready for Thursday. That bill will be called up on Thursday

Conference reports, of course, may be called up at any time. I might say also that there are a couple of rules that might come out, one on extra clerk hire if that rule is reported out; and I think there is a bill on the Speaker's desk about overtime on overtime. If a rule is reported out on that from the Committee on Rules, it will be called up, but not on Monday or Tuesday.

If there is any further program, I will announce it during the coming week.

EXTENSION OF REMARKS

Mr. DEANE asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and to include letters from two religious organizations.

Mr. GARMATZ asked and was given permission to extend his remarks in the RECORD and include an article from the Baltimore Evening Sun.

Mr. JACKSON of Washington (at the request of Mr. BIEMILLER) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address by my old friend, the Honorable James A. Farley, which was delivered as part of the program at the Catholic Culture Center at London, Canada, on May 8 of this year.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KLEIN asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate

instances and in each to include extraneous matter.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a sermon.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD.

Mr. JOHNSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole and that the three letters from which I read extracts may be printed in their entirety at that point as part of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

ANNOUNCEMENT

Mr. WHITE of Idaho. Mr. Speaker, on yesterday when the vote was taken on the pension bill I was absent on a call to the White House. Had I been present I would have voted in favor of the bill.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask a question of the majority leader.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN of Michigan addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and include certain excerpts and extraneous material.

Mr. HILL (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a statement.

Mr. HARVEY (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an address delivered by Mrs. HARDEN, of Indiana.

Mr. COLE of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short newspaper article.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. KEEFE] is recognized for 30 minutes.

ARE WE HEADED TOWARD A SOCIALIST ECONOMY?

Mr. KEEFE. Mr. Speaker, many people in America fear that our Nation is inevitably headed toward a Socialist economy. Others fear the never-ending pressure of Communist propaganda. I reognize the tendency to stigmatize every new concept of government as "Socialist" or "Communist" that proposes to abandon the status quo. In our study of political trends, we have all taken note of the efforts of those who seek to maintain the status quo, and who refuse to recognize that under our system of government we never can "stand still" but must always be alert to the necessity for social and economic change that may result in the betterment of your country and mine. Thus, we have seen during the years many proposals stigmatized as "Socialist" or "Communist" which have gradually found acceptance in our political economy as a result of public demand and are now accepted as conservative, fundamental law. I cannot fail to indicate that many of the programs of social betterment advocated by earnest Socialists have been accepted by the major political parties of this country as planks in their respective national platforms. I therefore have great respect for intelligent, conscientious men like Norman Thomas, who for years have advocated the Socialist philosophy. They have done so in the free forum of public discussion and have never seen fit, generally, to mask themselves in the clothing furnished by another political party, or resort to mere expediency as a method of obtaining social objectives. We may disagree violently with the general concept of socialism. The American system of democratic procedure, however, protects every man or woman in his or her right to advocate social or economic change within the framework of our traditional constitutional concepts of government. I will defend the right of a citizen to express his or her honest political opinion in any forum of public discussion. However, a new technique seems to be developing by which disciples of the Marxian theory are abandoning their efforts to bring about a socialized state through the medium of the Socialist Party, and many such individuals have wormed their way into the councils of the Democratic Party on the theory that the New Deal or the Fair Deal offers a better opportunity to sell their program than if it were presented under the auspices of the Socialist Party.

My experience in life has indicated that there are many well-meaning, highly intelligent, well-educated individuals who for some reason I have never been able to thoroughly understand, take great delight in denouncing the capitalistic system of America and who look with great eagerness to the ultimate attainment of the Marxian or Communist objectives in Government. I believe it is well, therefore, that as we consider the various programs that are offered to the Congress embodying unusual social or economic change, we examine into the background of some of the sponsors of these programs in order that we might truly evaluate their testimony.

Let me be specific. The Congress is now considering a proposal for compulsory health insurance. It is a subject that should attract the earnest consideration and attention of people all over America. I have long been interested in public health and have tried, as one Member of Congress, to implement my thinking on the subject by the development of a vast program designed to provide more and more hospitals, more and more medical schools, more and better trained doctors, technicians, nurses, clinics, and State and local health services. I have recognized the problem of public health as being one of the paramount issues confronting our people. But the mere statement of the problem does not in itself prescribe the proper remedy.

Among the principal advocates of compulsory health insurance are Mr. J. Donald Kingsley, Assistant Administrator of the Federal Security Agency, and my colleague from Wisconsin, the Honorable ANDREW BIEMILLER. The bill under consideration, although it bears the names of various congressional sponsors, was written in the Federal Security Agency as a result of years of effort on the part of the research bureau of that agency, headed by Mr. Isadore Falk.

We think it can be safely said that Mr. J. Donald Kingsley, as assistant to Mr. Oscar Ewing, has demonstrated unusual capacity as an administrator and as a protagonist for the things in which he believes. He testified before the Senate committee in sponsorship of the administration's compulsory national health insurance program. The gentleman from Wisconsin [Mr. BIEMILLER] recently spoke under a special order in this Chamber and reiterated the comment of Mr. Kingsley as given before the Senate committee. Have we not the right, and have not the American people the right, to know the background of these gentlemen who are so vociferous in their advocacy of compulsory health insurance? Would not any judge instruct a jury as to the legal rules for the consideration of their evidence? We believe every Member of the House is fully aware of and acquainted with the elementary instructions that a judge would give to a jury in the matter of weighing evidence.

The opponents of this program stigmatize it as socialized medicine and paint a dire picture as to what will happen to medicine and hospitals in this country if such a program were undertaken. I do not share all of the misgivings that have been proclaimed. However, I believe we should search for the answer to the question as to whether compulsory health insurance means ultimate socialization of medicine and medical and hospital services.

True, Mr. J. Donald Kingsley in his statement to the Subcommittee on Health before the United States Senate stated:

> But still there are those who fear this program, who contend it would regiment the doctor, interfere with the freedom of the patient, destroy the standards of medical care, and lead to socialism. I submit that these are fearful phantoms and that not a single one of them could possibly materialize under the terms of this bill. It seems plain to me that only by this method of social insurance can we effectively shore up our voluntary hospitals and our system of private medical practice and forestall the need for a further extension of state medicine.

Thus, Mr. Kingsley and those who support that program, including my colleague from Wisconsin, do so on the theory that its adoption will prevent socialized medicine, while at the same time offering much-needed hospital and medical care for the people of the Nation. It is important, in my judgment, therefore, to examine into the background thinking of Mr. Kingsley and those who support this program to see whether or not there is the threat of socialization of medicine and nationalization of hospital services. What has been the thinking of these gentlemen in the past who now publicly abandon any thought of socialization of medicine?

My colleague, Mr. BIEMILLER, in his own biography published in the 1942 Wisconsin Blue Book states: "Mr. BIEMILLER came to Milwaukee in 1932, where he was educational director of the Socialist Party and editor of its weekly paper, the Wisconsin Leader, until 1936." He managed the 1932 campaign for Norman Thomas in the Middle Atlantic States—obviously well-indoctrinated in the tenets and philosophy of socialism.

As to Mr. Kingsley, I need only to refer to a book published in 1942 entitled "Strategy for Democracy" in which his coauthor was Mr. David W. Petegorsky, and in which book appear chapters written by Communists and fellow travelers, including Pierre Cot, Max Werner, Albert Guerard, Oscar I. Janowsky, and Mordecai Ezekiel. Let us examine this volume.

I think it fair to state that Mr. Kingsley was a teacher at Antioch College in Ohio and in 1941 and 1942 was the editor of the Antioch Review, a magazine full of articles written by Communists and fellow traveler writers. Mr. Kingsley was regional director in Cleveland for the War Manpower Commission and was in close contact with the left-wing elements in the CIO. Very good authority indicates that at the end of 1945, just before he resigned from Antioch College and the Review, he urged upon the magazine this policy:

> Social forces are moving in the Russian direction. We must go along with those forces. Europe's only hope lies in Russian communism and influence. When Tito invaded Trieste and Austria, we should have supported him.

Now let us turn to the book itself. The first sentence in the book states:

> This volume was born of the conviction that, if we are in the midst of a vast revolution that is transforming the traditional pattern of human relationships and social institutions, that transformation is one in whose shaping we can participate. With vision, courage, and energy we can make our future.

Anyone can subscribe to that philosophy. However, as we read on in this book, we find these gentlemen vitally concerned in the establishment of a planned economic order, the ultimate destruction of the capitalistic system, and the total abandonment of the profit motive. All through the various chapters in this book, the American system is denounced as the creation "of the commercial and trading classes" by which special privilege effectively controls and dominates the aspirations of the common man. They denounce the profit motive because they allege that it is "the mainspring of the system." Through page after page of this book, they industriously build an historical argument designed to demonstrate that "we are today, as Francis Williams has said, imprisoned in the strait-jacket of an economic theory—that of free capitalism—which has outlived its usefulness and become an enemy of the onward march of democracy which once it served."

Thus their thinking leads them to view with approval the advent of communism and the ultimate adoption of the Marxian philosophy here in America as the only ultimate solution for the benefit of the common man. They portray very skillfully the social, racial, and economic injustices that have developed under our capitalistic system and attempt to demonstrate that the great mass of our people are subject to the pressures of unrestrained privilege. Let me quote from page 305 of this volume:

> It is a far cry from the equalitarian ideas of a Jackson or a Lincoln to the view of the National Association of Manufacturers that the economically disinherited should be politically disinherited as well. Yet that is the sad and bitter road that America has been traveling. That is the tragic voyage upon which we have embarked. In America, scarcely less than in France, liberty, equality, and fraternity have been buried beneath the accumulated debris of 75 years of special privilege rampant. Here, as there, these slogans of hope, these symbols which above all others express the aspirations of the common man, have been rendered increasingly meaningless in the context of our economic and social life. One-third of the Nation ill-housed, ill-clothed, ill-fed. One-third of a nation disinherited in a land of plenty. Undernourishment, ignorance, disease. The American standard of living? Seventy-five thousand persons out of one hundred thirty millions in effective control of America's industrial tools. Seventy-five thousand persons. In France at this moment—

The book was written in 1942—

> tired and discouraged workers are engaged in wiping these symbols of hope from the facades of the public buildings; with chisel and grinder and heavy heart they are painfully erasing the last physical evidence of a dream that did not come true.

Nowhere in this entire book is there any reference to the glory of America toward which people from all over the world have cast longing eyes and to which millions of people in oppressed lands seek to come. Nowhere in this book is the glorious heritage of America as a land of opportunity depicted. Nowhere in this volume do they describe the American system that has permitted one of the common people to arise from political and economic obscurity to become President of the United States. Nowhere do they describe that here in America under our capitalistic system men from the poorest families have through diligence and effort and capacity been permitted to rise to positions of the highest order in our social, economic, and political life. Thus, these men have totally missed the meaning of the American system, imperfect as it may be, but which through the years has demonstrated to the peoples of the world that here liberty, freedom, and opportunity are within the grasp of every citizen. And so in their argument in this book they look with fishy eyes upon the New Deal when they say:

> Nor is it likely that the present political basis of the New Deal will prove at all adequate for those purposes. The New Deal, it is true, commanded widespread popular support, particularly when it showed promise of pushing forward to significant transformation of the social structure of this country. Born of crisis and nurtured in emergency, its social achievements represent real and considerable progress. But when all is said and done, the New Deal remains essentially a middle-class movement which introduced into this country social legislation and concepts that had been accepted in Europe decades ago. At no point did the New Deal itself directly effect any fundamental transformation of class relationships; and, as we have been arguing, it is extremely doubtful whether anything less than such transformation will prove adequate to the problems we confront.

After paying this compliment to the New Deal, these gentlemen further state:

> Nor can any of the existing minor radical parties serve as a nucleus for progressive political action. None of them has revealed the ability to attract to its banners any considerable section of the population. They have been discredited by failure; and through the factional and doctrinal strife that has marked their history, they have forfeited their claims to the leadership of any popular movement.

Do you find anything reminiscent of the statements of Henry Wallace and his new Progressive Party in such advocacy? They then attempt to describe the forces that must be marshalled in order to put over their concept of a Socialist state in America. And again they venture to suggest that the hard core of the radical elements in the CIO should be the force around which all of the other malcontent and discontent of the Nation can be rallied to form an instrument for political action.

It is interesting to note their description of the American Federation of Labor when they say:

> Rooted in the past and sprung from an expanding era of American capitalism, it displays all the conservatism of which trade unions have generally been accused. Today its progressive function on the social scene is a very limited one indeed. Events certainly are developing among its membership an appreciation of the newer realities. Its leadership, however, remains hopelessly wedded to the concept of its horse-and-buggy era.

Mr. Kingsley and his coauthor then continue to lay out their program and strategy of organizing for progress, and describe it as a broad movement based mainly on the organized working class that will foster among other groups whose destiny is linked with that of labor a whole network of progressive organizations through which they can take meaningful action. They take great care in this book to point out that progressive and radical movements where they have recognized the necessity of allying the professional, agrarian, and middle classes to their cause have generally tended to modify their programs in order to render their appeal to those groups more attractive, and their fear of alienating that support by aggressive action has

often led them to tread the path of caution and compromise. But compromise and lack of courage and decisiveness resulted in Europe in complete failure to solve the problems with which these movements had to cope. That failure cost these progressive movements their support and ultimately their power. They then suggest that democracy can provide that leadership only by decisive and radical action.

It is clear that these gentlemen saw in the postwar era the opportunity to foster their radical, drastic program through the organization of the so-called progressive thought of this Nation, and they envisioned an extremely severe depression that would follow the end of the war which would afford the opportunity to recruit discontented people to their banner and thus put into realistic action the long-delayed promise of state socialism.

Describing the preparations for the war effort, they state:

We must wage war through democratic revolution if we are to release to the full the creative energies of the American people in the battle of production. To date (1942) the conduct of that battle has everywhere been impaired by the whole structure of inequality upon which it has been based. Corporation executives have been unable or unwilling to plan war production except in a context of business and profits as usual, while labor has been unwilling to make sacrifices which were obviously not demanded of businessmen.

The result has been a costly failure to achieve full production in a reasonable time and the very real danger that our national effort may yet prove to have produced "too little and too late." We must wage war through democratic revolution for another reason as well. Such tactics will enable us to destroy an incipient native fascism by striking at the very roots of the disease. For the conclusion of hostilities will usher in a period of acute domestic crises provoked by the social and economic dislocations of war.

Thus, through page after page of this work, Mr. Kingsley and his coauthor describe the terrorism of special privilege rampant in America and the necessity for the adoption of pure production for use as a national policy, coupled with nationalization of basic industries. They even suggest—

It is obvious that taxation can be aggressively used, as even the British have been using it, to decrease inequality drastically. It can be employed to confiscate excess profits, to capture the unearned increment in land, to reduce excessive salaries, to limit inheritance, and to restrict the purchase of luxury goods. It is not being so used in the United States today, but it could be. At present, indeed, the tax structure operates to accentuate existing inequalities, but that is because the voice of the people has not been heard very clearly in Washington. We must use the tax structure aggressively for our democratic ends.

What are these democratic ends that these gentlemen seek to accomplish? In brief, examination of their argument leads to the inevitable conclusion that they seek a complete social revolution in America that would nationalize basic industries and ultimately develop a new economic state devoted to the principles of statism and complete subservience to government in all fields. They even suggested in 1942 that—

We could also, if we were so inclined, begin now to acquire a huge new industrial plant for all of the people. Everywhere in New York, Ohio, Indiana, Alabama, Tennessee, and Texas, in Washington, Oregon, and California, new factories are being built with the money of the American taxpayers. These factories are for the defense of America. Aluminum works, steel mills, rubber processing plants, great new industrial units which can be used for reconstruction as well as for war. For new houses, for schools and hospitals, new farm machinery, and automobiles, and household equipment. Factories built with public money but turned over to private owners. Why? The Nation has built them. The Nation should hold them in trust for the people. That would eliminate one unnecessary concession to privilege. Whatever strategic war industries are monopolistically organized, our Government should move to take them over. That would be true of aluminum. It would be true of oil. It would in large measure be true of electric power. When our national existence is at stake we cannot afford to have it depend upon the decisions and actions of irresponsible men. We cannot afford hostages to privilege. A nation at war cannot tolerate sick industries, and whenever they are found, nationalization should ensue. Nor should our policy look to the return of these monopolistic or sick enterprises to private ownership at the end of the emergency. They should be paid for at their going value and retained for the Nation.

Could any more definite statement of Marxian philosophy ever be uttered than that? Let us now turn specifically to the question of national health. Mr. Kingsley on page 310 of his book says:

We desperately need a national program of health insurance and a system of free medical clinics and public hospitals. This would benefit all of us, not merely the underprivileged. But so haphazard have been our approaches to the problem of the national health that we now face a serious shortage of doctors and nurses. We can therefore do little more now than to take effective steps to recruit and train a sufficient number and to assure them through socialized medicine a career.

I thought, Mr. Kingsley, that you were offering your program to the Congress as an antidote for socialized medicine. But in this book, where you have displayed your real thinking, you are definitely committed to a program of socialized medicine. Is it not perfectly clear, therefore, that in line with the whole gradualist policy of social revolution expounded by the authors in this book that they seek not to prevent ultimate socialization of medicine, and nationalization of hospital facilities, but in reality seek by this first step to achieve their ultimate goal. It therefore seems to me to be quite important in view of the past record and background of those who are behind the scenes in developing these various and sundry programs that we make thorough inquiry into their past advocacy and relationships in order to determine whether or not this first step is in reality another movement in the direction of a pure socialist state.

I agree with Mr. Kingsley and the gentleman from Wisconsin [Mr. BIEMILLER] in the necessity for Federal aid in the matter of public health. I believe that a great program such as that now envisioned by the Public Health Service can be developed that will bring health services within the reach of the common man without the necessity of socializing our entire medical and hospital program. The Administrator of the Federal Security Agency, Mr. Ewing, has vast power and control over the disposition of hundreds of millions of dollars appropriated annually to implement our medical, educational, and social services in this country. He and those responsible for the administration of these great programs have a responsibility to the American people not to utilize the power and the facilities granted to them to covertly and secretively and by indirection force upon the American people a system of state socialism with all of its implications of bureaucratic control.

I believe we have quoted sufficiently from the works and statements of Mr. Kingsley, who is the dynamic force behind Mr. Ewing, to indicate that unless he has recently abdicated his previously expressed argument and opinion, he is committed to a program of state socialism. Let us, therefore, argue these matters in the free forum of public discussion with all of the facts laid out clearly on the table. If we do, I believe that the judgment and intelligence and foresight of the American people will demand solution of these problems without resort to state socialism.

Mr. KELLEY. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Pennsylvania.

Mr. KELLEY. I do not care so much what the gentleman said in 1942. What I am interested in is what is he now? I should think in the important positions which he has held in the Government and is still holding, that he was declared a good citizen by the Loyalty Board, and that probably the FBI did some investigating——

Mr. KEEFE. Mr. Speaker, I do not yield to go off into that sort of a tangent or attack at all. I have made no charge at all that Mr. Kingsley is subversive. I have simply quoted his statements from his own book. I have attempted to portray the basic philosophy of Mr. Kingsley during all the time that he has been a teacher, educator, public servant, and right down to 1942 when his latest work was published, which I have before me, "Kingsley and Petegorsky, Strategy for Democracy."

I do not think my remarks call for that type of a statement on the part of the gentleman from Pennsylvania. However, I feel that it is necessary in any fair discussion of this problem when a man says, "I am offering this problem in order to prevent socialism and nationalization," that we inquire into his past background and find out what he has been advocating in the past. I am not arguing the merits or demerits of the proposition. I am presenting the picture so that the American people and the Congress can come to their own conclusions when they have the facts before them. And, my reference to the gentleman from Wisconsin [Mr. BIEMILLER] is motivated by nothing more or less than exactly the same thing. I wonder if

there has ever been any public proclamation by Mr. Kingsley that he now renounces the doctrine set forth in this book. I would be interested in view of the statements that I have made, that Mr. Kingsley have every opportunity in the world to publicly state to the people of America, "These were simply the mental aberrations of perhaps an adolescent mind, and I have now changed my opinion; I no longer believe in them." But, until that occurs, and until such a statement is made, a book such as this, well written, well organized, and very profound in its argument, is not to be passed over by any flimsy little bit of argument. If the gentleman from Wisconsin has renounced the principles of socialism which he advocated for so many years, then he has every opportunity and the door is open for him to renounce them, and I offer that opportunity.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. Stapp.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD and include a clipping.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD in two instances and include certain excerpts and statements and an editorial from the Times-Herald.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

COMPREHENSIVE PLANNING, FOR SITE ACQUISITION IN AND OUTSIDE OF THE DISTRICT OF COLUMBIA

Mr. WHITTINGTON submitted a conference report and statement on the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings, and for other purposes.

SOCIALISM

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Speaker, I think we have just witnessed an interesting attempt on the part of the gentleman from Wisconsin [Mr. KEEFE] to smear a large number of persons by association. It is a clever trick that has been used by a great many people in this modern age. You manage to find one statement somewhere and then from that one statement you build up a magnificent structure that can come toppling down if someone bothers to pull out that one statement at the bottom.

Let us just see where we are at the moment. First, may I just say this: As far as I am concerned, the people of Wisconsin know my record. They know for what I stand. I do not need any back door that has just been opened by the gentleman from Wisconsin [Mr. KEEFE] to say that I am no longer a member of the Socialist Party. That has been a matter of historical record in the State of Wisconsin for some 10 or 11 years. I do not see any point in pursuing that question any further.

It is also well known to the people of the State of Wisconsin, and I now show you the absurd degree to which this kind of attempt at guilt by association goes—that I was for some years employed as an organizer by the Wisconsin State Federation of Labor, the State branch of the American Federation of Labor. By inference, the gentleman from Wisconsin [Mr. KEEFE] has set up the American Federation of Labor as a very fine, respectable organization. I think it is, too. I know that in the files of the gentleman from Wisconsin [Mr. KEEFE] there is a letter from the president of the Wisconsin State Federation of Labor. That letter points out to him that in the opinion of that organization the gentleman from Wisconsin now addressing you is a good public servant and one who believes, and believes very sincerely, in the basic premises upon which our American economic and political system is based.

If you want to get into arguments about free capitalism, and so on, I might point out that within the past year two great religious bodies have spoken out to raise certain doubts about unbridled capitalism. One was the World Council of Churches, Protestar t, which met in Holland recently. Mr. Charles P. Taft, an eminent citizen from the State of Ohio, helped write the document that was adopted by those Protestant churches from all over the world in which they warned that if we are to permit free and unbridled capitalism to continue it will not be a Christian world in which we live. They suggested that certain checks and balances, as the New Deal developed, must be utilized if we are to prevent the excesses and misery brought on by our earlier unbridled capitalism.

Certainly as far as that other great religious body is concerned, the Catholic Church, in the various encyclicals of the Popes such as the Rerum Novarum and on atheistic communism, you will find plenty of criticism of this free and unbridled capitalism that the gentleman from Wisconsin [Mr. KEEFE] was evidently defending this afternoon. Only recently the Pope himself voiced some very grave doubts as to whether free and unbridled capitalism was consistent with honest Christianity.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the distinguished majority leader.

Mr. McCORMACK. In 1919 the Catholic bishops of America in a statement which they make to the American people every 20 years said that in order to obtain practical social justice in America there should be 11 laws enacted or brought into being. Among the proposals were old-age pensions, unemployment compensation, social security, legislation pertaining to the rights of labor, and so on. There were 11 progressive measures. They were condemned by the conservative press of the country at that time. That was in 1919. They were condemned for being extreme and radical, yet there is no more conservative mind in the world than in the Catholic Church. Yet, 10 of those suggestions became law under the late Franklin D. Roosevelt. One of the recommendations included legislation which came into being as a result of the leadership of the present Speaker.

I am talking about 1919. I can remember, as I said the other day, when the worst figure in America up in New England was Robert La Follette, Sr.; yet we know him now to be one of the greatest Americans of all time. I was not impressed with the argument that they made against him then. But they tried to destroy him by calling him names. He was a progressive fighting in the interests of the people. They tried to turn the very people against him for whom he was fighting. That is the purpose of calumny, and that is the purpose of name calling as applied to those who have a progressive outlook in the interests of the people.

Mr. BIEMILLER. I thank the distinguished majority leader for his contribution to the discussion. I think his point is very well taken. I want to make one more point.

If we were to follow this idea of guilt by association to its logical conclusion on the premise that the gentleman from Wisconsin started this afternoon, he would find himself in a somewhat peculiar position. It happens there are thousands of citizens in our American life who, at one time or another, have been members of the Socialist Party. They are no longer members. One of those gentlemen served on the Republican side in the House during the Eightieth Congress, Mr. John Brophy, who then represented the Fourth District of Wisconsin. As I recall the voting record of the Eightieth Congress, the voting record of Mr. Brophy and the gentleman from Wisconsin [Mr. KEEFE] bore striking similarity. Now, I would not draw the conclusion that therefore the gentleman from Wisconsin [Mr. KEEFE], because he voted like Mr. Brophy, must be in league with the Socialist philosophy, which at one time Mr. Brophy espoused. But I submit that is a perfect illustration of the kind of thing that happens when we follow this bad procedure of guilt by association.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman has indicated in his statement that my statement before the House this afternoon would indicate I am an advocate of unbridled, special privilege, to be exercised through unbridled capitalism. I challenge the gentleman's statement. He was here in the Chamber and presumably heard everything I said. On this occa-

sion I had every word I uttered reduced to a manuscript, a thing which I do not usually do, and I defy the gentleman to find anything in my statement that could, by even the remotest possibility, ascribe any such position to the gentleman from Wisconsin who is now speaking. May I say to my friend from Massachusetts that in the first two pages of that statement which I made this afternoon I reiterated the very sentiment that the gentleman from Massachusetts expressed here. Now, let us be fair. I have raised a question: I asked the question of the gentleman from Wisconsin [Mr. BIEMILLER] whether or not he has abandoned the philosophy of state socialism as a motivating influence in his political thinking.

Mr. BIEMILLER. Mr. Speaker, I refuse to yield further. The gentleman has asked his question. Mr. Speaker, I have answered that question many times in speeches during campaigns and in speeches on the floor of the House, and in the speech I have just made. I believe implicitly in the basic economic and political theory upon which our American democracy is based. It is upon that position that I intend to make future political arguments and campaigns.

Mr. KELLEY. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the distinguished gentleman from Pennsylvania.

Mr. KELLEY. The thought occurred to me as I listened to the gentleman from Wisconsin [Mr. KEEFE] that the quotations, from the book to which Mr. Kingsley was a contributor, he gave were criticisms of activities and bad conditions in this country, the existence of which we will not deny, and he had every perfect right to criticize. I do not agree with everything he said, by any means.

But Mr. Kingsley has every right to say those things. He does not advocate the overthrow of this Government. He is no revolutionary, advocating overthrow by force. Jefferson and many of our former statesmen in the past have been very critical of conditions in this country and they have said things that were just as bad as some of the things the gentleman quoted today.

Mr. BIEMILLER. I thank the gentleman for his contribution.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield.

Mr. McCORMACK. I do not want to get into this Wisconsin controversy. I hope the gentleman from Wisconsin [Mr. KEEFE] is listening. I am not going to get into this Wisconsin controversy. I am going to keep out of that.

Mr. KEEFE. May I say there is no Wisconsin controversy as far as I am concerned.

Mr. McCORMACK. The only inference I can draw is that you are trying to spot the gentleman from Wisconsin [Mr. BIEMILLER], because if anybody shot a question like that at me, I would consider it a most unfriendly question. I will say right here to the gentleman from Wisconsin [Mr. KEEFE], despite the great mental capacity of my friend from Wisconsin [Mr. BIEMILLER], who is quite capable of taking care of himself and coping with the gentleman, I call attention to the fact that it looked to me like it was a spotting proposition.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. Not at this point.

I want to point out one further aspect of this discussion before I relinquish the floor.

The gentleman from Wisconsin [Mr. KEEFE] very carefully protected his flanks at the beginning of his remarks by saying that he did not join with those who are prone to holler "socialism" and "communism" at any new idea that came along. If I recall correctly, he also said that he was not one who shuddered away from any mention of a national health insurance program. For that I respect the statements of the gentleman and I am glad that he made them. However, I fear greatly that at the end he came very close to repeating this old trick. He tried to prove by a very interesting review of a book which I have never read or heard of until Friday when, after the gentleman's remarks on Thursday I took the trouble to look up some of the writings of Mr. Kingsley—he gave a very interesting review of that book and then wound up with the inference that here is a great plot, echoing some of the more absurd and far-reaching statements of the American Medical Association that they are opposing such a health program, because it was the basis for a far-reaching attempt to establish state socialism. I would like to submit that among those who have testified publicly of their interest in public health insurance, probably the most interesting testimony I have heard in a long time was that given before the Priest subcommittee of the Committee on Interstate and Foreign Commerce, of which I have the privilege of being a member, some 10 days ago by Mr. Albert Lasker. Mr. Lasker identified himself as chairman of the War Shipping Board during the Harding administration and as special assistant to Will Hays when Will Hays was chairman of the National Republican Committee. It is a well-known fact that Mr. Albert Lasker is openly for national health insurance, and that he has spoken widely on the subject and that he has been giving of his wealth and his time to advance the cause of national health insurance. It is also a well-known fact in the State of Wisconsin, in a report made, if I recall correctly, by the gentleman from Wisconsin [Mr. KEEFE] that Mr. Albert Lasker contributed $1,000 to Mr. KEEFE's campaign in the last election. But I would not therefore draw the inference that the gentleman from Wisconsin [Mr. KEEFE] espouses the same views that Mr. Lasker does, nor would I in turn even dream of saying that Mr. Lasker ever thought of trying to establish any kind of state socialism.

I submit that as my last bit of evidence that when one starts this game of guilt by association you get led off into some weird channels indeed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to my good friend, the gentleman from Massachusetts.

Mr. McCORMACK. I think the RECORD ought to show that when President Truman made his recommendations, the American Medical Association voluntarily came out in opposition, as well as many of our Republican friends; yet now in the other body Republican Members have introduced a bill. This shows there is an admission on their part that there is something to the President's recommendations. The American Medical Association proposed a department of health. A department is established only after many years of existence of various agencies which are then assimilated and given a departmental status. Never in the history of our country has a new department been established simply upon a bill that has passed the Congress. The quickest way for the establishment of this so-called state socialism would be to follow the recommendation of the American Medical Association to create a department of health. That would be the quickest way, because it stretches out in this complex bureaucratic way with which we are familiar. The quickest way to establish that would be to follow the recommendation of the American Medical Association.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. NORTON, for the rest of the week, on account of illness.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. BYRNES of Wisconsin) was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

THE AIR NATIONAL GUARD OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is only a few months ago since I stood on the steps of the Capitol during the inauguration of President Truman and, then, during the afternoon I witnessed the parade and the aerial procession in the skies above Washington. I am sure that many of the Members remember that demonstration very well, the perfectly formed masses of Air Force and Navy airplanes which swept by overhead, and I believe that most of us took a certain sense of pride and security in the thought that, with all the concern which we feel for the national security, here was proof that American air power was still a highly potent factor in our unsettled world.

During the course of the afternoon, I found myself standing next to an Air Force general and I took the occasion to

tell him what a magnificent display the Air Force had put on and to express my surprise that the Air Force could throw such a force into the air at a time when we were operating the Berlin airlift in addition to our Occupation Air Force requirements in the Pacific and in Europe. The general said, "Well, yes, it is quite a demonstration, but you know, a great part of those planes are from the wings of the Air National Guard. I believe that about 25 Air National Guard squadrons are involved in the demonstration. If it were not for the Air National Guard we would not have anywhere near such a force available. You know, two-thirds of the whole air defense forces here in the United States are Air National Guard wings. Those which are overhead today are only from wings located east of the Mississippi." The general made his answer in a rather matter-of-fact manner but, to me, this was a revelation of the first magnitude. Here were these Air National Guard men flying squadron upon squadron of our first-line fighting planes and bombers, roaring by in absolutely perfect formation, undiscernible in any degree from those of the Regular full-time Air Force or from the Navy. I became curious as to just what this Air National Guard was doing, was it truly as effective in every respect as it gave evidence of being that day? By what methods of training was such proficiency gained? What kind of men make up the Air National Guard? What kind of leadership do they have? Yes, many, many questions suggested themselves to me that day. And I have gone to very considerable time and effort to get answers to those questions because I conceive that the answers to those questions have a bearing upon the entire military policy of this country. I visited the national headquarters of the Air National Guard, here in Washington. I talked with many Air Force headquarters people. I talked to the National Guard Bureau and I visited many Air National Guard bases and talked to Air National Guard commanders, to pilots and enlisted men. I want to say to the Members of this House that the Inaugural Day demonstration of the Air National Guard was no accident. It is a sample of professional military competency, of patriotism, of morale, and esprit de corps which is, in my opinion, unsurpassed in the world today. I felt proud, as an American, when I found for myself, without press agents or fanfare, the kind of job that the men of the Air National Guard are doing for their and my country.

The Air National Guard is not made up of civilian dilettantes. It is officered 100 percent by war and combat service veterans. More than a third of its enlisted men are also veterans of the recent war and this ratio is nearly 100 percent in the senior grades of noncommissioned officers. These men are not theorists. They have been trained in the crucible of war and, in no respect, is their combat service different from that of Regular Air Force men of equivalent rank and age. No wonder, then, that they are indistinguishable from the Regular Air Force when it comes to performance. Yes, these are Americans of a great breed—Americans who carry proudly the heritage of other great Americans who were also citizen soldiers—George Washington, Andrew Jackson, Abraham Lincoln, Theodore Roosevelt, and, of course, Harry Truman—citizen soldiers all.

The proud annals of the American Air Force in the recent war contain no more illustrious names than those who resumed their civilian pursuits at the close of the war and who now constitute the leadership of the Air National Guard. Right next door in Maryland, the senior Air Guard officer is Col. "Bob" Gould, whose brilliant war record with the B–29's in the Pacific was climaxed at the end of the war by a nonstop flight from Tokyo to Washington, a feat not since equaled. Out in the Dakotas the Air Guard commander is Col. Joe Foss, the top living ace of the Pacific war and holder of the Congressional Medal of Honor. Up in Massachusetts, the Chief of Staff is Col. Charles Sweeney, whom I know personally, who dropped the A-bomb on Nagasaki and who helped train the Bikini task force. I could go on and on but my point is, I think, quite clear. Is it any wonder that the Air Guard has established the records which it has when it is led by men like this?

There may have been times and places in bygone years when some National Guard commanders held their posts by reason of political connections rather than professional ability but that is water over the dam. It is dangerous though, to let any old hang-over of that kind persist today when we have a National Guard which is beyond reproach and which deserves the whole-hearted support and devotion of all of us.

I found in the Air Guard no recriminations by enlisted men against officers, no problems of discipline, no charges of favoritism or of politics. Those men are there because they conceive it their duty to be there, because they want to be there. There is no economic necessity for people to belong to the National Guard. The slight compensation which they receive is not enough to make up their out-of-pocket expenses.

The Government pays these men for 2 hours' drill per week and for 15 days of summer training. You can imagine just how far that goes to provide the training and operations which the Air Guard carries on. I asked a good many of these men just how much they actually worked on Guard duties. These men are self-effacing, they were embarrassed by my question as to their devotion to duty, but it soon became obvious to me that the average guardsman gives about 12 hours per week to the Guard, plus several full week ends per year while the higher-level staff and command people actually devote as much as 20 to 30 hours weekly to their duties. The wing commanders and some group commanders, as well, put in from one-third to one-half of their time on Guard matters. They travel to conferences at the various Air Force headquarters and to Washington at their own expense, sometimes as much as two and three trips per month. They seek no praise or commendation for their services. They do not seek added pay, either. They seek only the highest possible development of the Air National Guard as a shield for this Republic, as a running guard in the team for national security as, indeed, they have been aptly called, the minutemen of the air.

In this connection, I might tell you that I happened to be in Boston about 2 months ago when the Sixty-seventh Wing of the Air Guard up there called a test alert. All the radio stations in the Boston area began to broadcast the alert and the wing's telephone alert chain went into operation at the same time. An hour and 10 minutes later all units were operational and within 3 hours nearly 90 percent of the wing's personnel had reported in at their posts of duty. The wing commander said to me, "Well, it is not too bad but I had rather hoped that we would beat the time by another 10 minutes and I would like to have closer to 100 percent of personnel reported in." I told General Boutwell that I did not believe any Regular Navy or Army force organization in the country could beat his record. And remember these soldiers had to dash to their planes and control centers from their factories, their offices, and stores. Truly, these are the minutemen of our day even as the farmers of Lexington and Concord were the minutemen of their day.

And why should not this be so? It is, after all, in the true American tradition that the men of our country do their own fighting, without reliance on hired mercenaries or upon great standing military forces of any nature. From the very earliest days of the Republic it has been clearly understood that such great standing military forces, with all command centered in a few hands, constitute a deadly threat to our form of government and to our way of life. At the close of the American Revolution, George Washington wrote:

> The militia of this country must be considered as the palladium of our security and the first effectual resort in case of hostility.

The framers of the Constitution embodied that precept in article I, section 8, which firmly reserves to the States the peacetime control of their militia. Washington, Jefferson, Marshall, and Jay were agreed that America's security and its democratic institutions could best be preserved by a highly proficient, relatively small, regular military establishment backed up by a well-trained citizen-soldiery or National Guard under the peacetime control of the several States.

During this present Congress I have observed many attempts to circumvent the militia clause of the Constitution. There has even been a proposal that the Air National Guard be liquidated on the claim that the Regular Air Force does not have 100-percent command control over the Air Guard.

Let me say, here and now, that I am unalterably opposed to any such scheme. The National Guard, and, in today's situation, the Air National Guard, especially, is a uniquely American institution. Its roots derived from the hallowed soil of our earliest colonial and Revolutionary eras. The National Guard and its predecessors have provided the largest single increment of manpower for every war in which the Nation has

been engaged. The recent war found 18 National Guard divisions ready to go into action beginning at Bataan, where National Guard troops were among the first to meet the enemy and carrying through both theaters of war to the bitter end. Twelve combat-ready, full-strength air groups went into immediate service with the Air Force.

A full recital of the deeds of National Guard men during the war is obviously impossible but it is worth noting that the National Guard supplied more than 60 officers who rose to the rank of brigadier general or higher. Since the war has ended, more than 45 additional former National Guard men have been appointed to general officer rank in the Army on a permanent basis while incomplete figures reveal more than 20 former National Guard men who wear Air Force stars. It is estimated that approximately 40,000 commissioned officers came, during the war, from the enlisted ranks of the National Guard, percentagewise that amounts to about 1 enlisted man in 7 of those inducted with the National Guard who earned their bars the hard way. It is easy for me to understand that kind of war performance because I have made some study of the National Guard and I know what makes it tick. But it is not tradition or performance, alone, which, as George Washington said, makes the National Guard the very palladium of our national security. It is the integrity, the grass roots of democracy and honesty of the Guard system. Every one of these Guard outfits is located in some American community. Its members are also members of that community, participating in the day-to-day life of a typical American—exposed to the full impact of American life. These men are not sequestered in the narrow channels of a military autocracy. They must measure up to their responsibilities in both civilian life and in their Guard organizations in order to hold the respect of their subordinates. These men are not befuddled by the bureaucratic mania for "command." They know that the technicalities of command are as a shadow compared to the realities of leadership. Remember, American business, surely the greatest and most intricate organization which has ever existed upon this earth has grown great, and performed miracles of production during the war, all without the chimera of command. It was done on the solid basis of proven leadership and technical proficiency. Nobody bothered to figure out whether United States Steel was in command of North American Aircraft or if Standard Oil was subordinate to Alcoa in the war effort. All of these adjustments were made in accordance with good old American horse sense.

The Air National Guard represents not only the present-day embodiment of a tried and proven philosophy of national security; it is even more than that. I have told you that the Air National Guard represents two-thirds of our continental air defense. It is only a few weeks since Winston Churchill declared at Boston:

For good or ill, air mastery is today the supreme expression of military power, and fleets and armies, however necessary, must accept a subordinate rank. This is a memorable milestone in the march of man.

Gen. Carl Spaatz, first Chief of Staff of the United States Air Force, amplified that declaration when he said:

The Air National Guard is an integral part of the great United States Air Force. It is a part of the might of American air power which must be kept strong, regardless of all setbacks, all transient problems, all unfortunate delays.

Every governor to whom I have spoken has been high in his praise of the job the Air National Guard has done and is doing. For, remember, the Air National Guard renders a signal service to local government, too. Thousands of Americans owe the salvation of their lives and property to the service rendered by the Air Guard when disaster strikes, be it floods in the Midwest, blizzards in the Plains States, forest fires in New England and in the Northwest, or ice jams in the Great Lakes.

No wonder that both the American Legion and the Veterans of Foreign Wars have started their opposition to meddling with the National Guard. Collier's magazine recently contained a stirring account of the radar-controlled fighter screen, including jet fighters, which the Air National Guard provides against sneak enemy attacks, and, speaking editorially, Collier's said:

The roots of admiration and affection and pride for the companies and regiments that compose the National Guard go down deeply into our historical traditions.

That is why so much anger was aroused when the Gray Committee recommended the National Guard be federalized. In all our wars the National Guard has borne the brunt of our defense.

Collier's is against federalizing the National Guard for many fundamental reasons. First of all, ours is a federal and not a national government. The difference is far more than a matter of words. It is the difference between a Nazi or a Communist state and a free state. The American idea is to give the Federal Government only as much authority as the States cannot successfully administer. We have always thought that local governments and States should do what they could to govern the country. Where the State turned out to be too small the Federal Government stepped in.

We are against federalizing the National Guard for the same reason that we are opposed to federalizing other general activities such as, for instance, public education. If education were federalized, any national government would be tempted to use public schools as a medium of propaganda for whatever doctrines it wanted to preach. The federalization of the National Guard is open to similar objections.

The Constitution laid the foundation of the National Guard. From the very beginning both the States and the Federal Government have shared the control and the expense of maintaining the National Guard. Since 1787 the Congress has had the duty of prescribing the training and the discipline of the National Guard. In times of war the National Guard becomes a part of the United States Army. But the States have enduring control in times of peace. So nobody at Washington can indulge in military speculations with the idea of using the National Guard. The big thing is to retain the free way of life that makes America the envy of all other peoples. There are short cuts to efficiency but if we run even a small risk of sacrificing our freedoms by taking them, the risk is too great. Let's not federalize the National Guard. The militia belongs to the States. (Collier's Magazine, March 26, 1949.)

I am wholly in accord with those sentiments. I believe that everyone who has examined the evidence impartially holds the same view.

The Air National Guard is today organized into 12 combat wings, 27 tactical groups, 12 radar control and warning groups, and 84 tactical squadrons flying from 78 bases in the continental United States, in Puerto Rico, and in Hawaii. Authorized strength is very nearly 100 percent recruited and today aggregates more than 40,000 officers and airmen. Almost 2,200 aircraft are operated by the Air National Guard. That, I submit, is a very remarkable achievement to have accomplished in only 2½ years since they were given the green light to organize. The answer, of course, lies in the character of the men who make up the guard and in the traditions of the Air Guard itself.

Yes: these men of the Air National Guard deserve well of their country. They deserve well of the Congress and of the National Military Establishment. They deliver, in terms of money, $10 for every dollar we provide them. What they deliver in terms of national security, in devotion, and in patriotism cannot be measured.

The Air National Guard saluted the new Congress in January.

I should like to render the congressional salute, today, to our minutemen of the air, the Air National Guard men of America.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Monday, June 6, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

662. A letter from the Postmaster General, transmitting a draft of a bill entitled "A bill to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions"; to the Committee on Post Office and Civil Service.

663. A letter from the Administrator, Veterans' Administration, transmitting a draft of a bill entitled "A bill to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property"; to the Committee on Veterans' Affairs.

664. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Tennessee Valley Authority for the fiscal year ended June 30, 1948 (H. Doc. No. 203); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

665. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities"; to the Committee on Agriculture.

666. A letter from the Secretary, Department of the Air Force, transmitting a draft of a bill entitled "A bill for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria"; to the Committee on the Judiciary.

667. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of report on the lower Mississippi River with a view to determining whether additional flood protection should be provided for Cape Girardeau, Mo., requested by resolutions of the Committee on Flood Control, House of Representatives, adopted on November 16, 1943, and October 8, 1945 (H. Doc. No. 204); to the Committee on Public Works and ordered to be printed with eight illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 133. A bill to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes"; with an amendment (Rept. No. 719). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 212. A bill to amend section 3 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes"; with an amendment (Rept. No. 720). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4535. A bill granting the consent and approval of Congress to an interstate forest-fire protection compact; without amendment (Rept. No. 721). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts; with an amendment (Rept. No. 722). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of conference. S. 900. An act amending the Commodity Credit Corporation Charter Act; without amendment (Rept. No. 723). Ordered to be printed.

Mr. WHITTINGTON: Committee of conference. S. 714. An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes; with an amendment (Rept. No. 724). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 3982. A bill to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the Desert Laboratory Experimental Area of the Southwestern Forest and Range Experiment Station, and for other purposes; without amendment (Rept. No. 718). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 4963. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 4964. A bill to provide for a fair and equitable allocation of work on naval vessels between Government and privately owned shipyards; to the Committee on Armed Services.

By Mr. DOUGHTON:

H. R. 4965. A bill to grant certain extensions of time for tax purposes, and to facilitate tax administration; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 4966. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds; to the Committee on Public Lands.

H. R. 4967. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the construction of certain public-park improvements in the city of Honolulu; to the Committee on Public Lands.

H. R. 4968. A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue flood-control bonds; to the Committee on Public Lands.

By Mr. HAYS of Arkansas:

H. R. 4969. A bill to direct the Secretary of Agriculture and the Secretary of the Army to transfer and convey certain lands and thereby facilitate administration and give proper cognizance to the highest use of United States lands; to the Committee on Agriculture.

H. R. 4970. A bill to encourage the protection of soil and water resources of the Nation by providing for cooperation with the States in the restoration of the surface of the lands on which strip-mining operations are conducted, and for other purposes; to the Committee on Agriculture.

H. R. 4971. A bill to amend the National Housing Act to provide a special system of insurance designed to protect mortgagors against loss of their rental-housing projects; to the Committee on Banking and Currency.

By Mr. MACK of Washington:

H. R. 4972. A bill authorizing the construction of certain works of improvement on the lower Columbia River in the interest of flood control and allied purposes; to the Committee on Public Works.

By Mr. MITCHELL:

H. R. 4973. A bill to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of multiple sclerosis, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 4974. A bill to provide for the conveyance of certain property in Kitsap County, Wash., to such county for use as a civic activities center; to the Committee on Banking and Currency.

By Mr. O'BRIEN of Michigan:

H. R. 4975. A bill to provide aid for persons who served in the United States merchant marine during World War II, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PATTEN:

H. R. 4976. A bill authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes; to the Committee on Foreign Affairs.

By Mr. WHITE of Idaho:

H. R. 4977. A bill authorizing the construction of a multipurpose reservoir on the Kootenai River near Jennings, Mont., for flood control and other beneficial purposes, to be named, upon completion, Truman Dam; to the Committee on Public Works.

By Mr. BOGGS of Louisiana:

H. R. 4978. A bill to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes," approved June 3, 1924, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK:

H. R. 4979. A bill to authorize the incorporation of Army and Navy Legion of Valor of United States of America; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 4980. A bill to implement and augment existing statutes so as to increase the prevailing immigration quota for Greece; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 4981. A bill to provide for home rule and reorganization in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LESINSKI:

H. R. 4982. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. MILLER of California:

H. R. 4983. A bill to provide for a Commemorative Stamp Commission to select subjects for commemorative stamps; to the Committee on Post Office and Civil Service.

By Mr. BLATNIK.

H. R. 4984. A bill to repeal certain excise tax rates on scholastic and other jewelry; to the Committee on Ways and Means.

By Mr. EVINS:

H. R. 4985. A bill to amend the Sherman and Clayton Acts to provide a uniform period of limitations within which treble-damage actions may be instituted under the antitrust laws; to the Committee o the Judiciary.

By Mr. D'EWART:

H. R. 4986. A bill to amend an act entitled "An act to provide for the adjustment of irrigation charges on the Flathead Indian irrigation project, Montana, and for other purposes," approved May 25, 1948; to the Committee on Public Lands.

By Mr. MOULDER:

H. J. Res. 265. Joint resolution to authorize the issuance of a stamp to commemorate Bagnell Dam and the Lake of the Ozarks; to the Committee on Post Office and Civil Service.

By Mr. RODINO:

H. J. Res. 266. Joint resolution designating the 3d day of February in each year as "Dorchester Day"; to the Committee on the Judiciary.

By Mr. KLEIN:

H. J. Res. 267. Joint resolution to authorize and direct the Postmaster General to issue a special stamp commemorative of Jacob A. Riis, of New York; to the Committee on Post Office and Civil Service.

By Mr. KEE:

H. Res. 237. Resolution providing for expenses of conducting studies and investigations authorized by House Resolution 206; to the Committee on House Administration.

By Mr. WALTER:

H. Res. 238. Resolution to authorize the Committee on the Judiciary to undertake a study of immigration problems; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 4987. A bill to provide for the extension of patent No. 1,928,175, issued September 26, 1933, to William Howard Hailey, relating to receptacles for urine; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 4988. A bill to admit Janina Wojcicka and her two minor sons Wojciech Andrzej Wojcicki and Stanislaw Wojcicki to the United States for permanent residence; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 4989. A bill to provide for the payment of just compensation to John Ii Estate, Ltd., a Hawaiian corporation, for the taking by the United States of private fishery rights in Pearl Harbor, island of Oahu, T. H.; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 4990. A bill for the relief of the estate of the late Juan Eduardo O'Ferral; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 4991. A bill for the relief of the estate of William Walter See; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 4992. A bill for the relief of Anny Scher; to the Committee on the Judiciary.

By Mr. MARCANTONIO:

H. R. 4993. A bill for the relief of Arthur De Filippis; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 4994. A bill for the relief of George S. Paschke; to the Committee on the Judiciary.

By Mr. SASSCER:

H. R. 4995. A bill for the relief of T. M. Baldwin, Jr.; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 4996. A bill for the relief of Lonnie M. Abernathy; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

989. By Mr. DAVIS of Georgia: Petition of Georgia Society, Sons of the American Revolution, requesting investigation of interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file by the national society and the California Society of the Sons of the American Revolution; to the Committee on Rules.

990. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Racine, Wis., opposing House bills 4238 and 4239, relating to turning over animals in the District of Columbia Dog Pound for vivisection; to the Committee on the District of Columbia.

991. By Mr. WHITE of California: Petition signed by 43 members of the Veterans of Foreign Wars and members of the auxiliary of the Veterans of Foreign Wars, residents of the Ninth California Congressional District, opposing the test of unemployability clause in H. R. 4617; to the Committee on Veterans' Affairs.

992. By the SPEAKER: Petition of St. Luke's Hospital, San Francisco, Calif., expressing emphatic opposition to compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

993. Also, petitition of College of Medical Evangelists, Loma Linda and Los Angeles, Calif., expressing emphatic opposition to compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

994. Also, petition of Illinois State Dental Society, Peoria, Ill., requesting that Congress do not enact any legislation such as embodied in S. 1679, H. R. 4312, or H. R. 4313, which will in any way interfere with the existing system of private, competitive practice in American dentistry; to the Committee on Interstate and Foreign Commerce.

995. Also, petition of Kansas State Dental Hygienists Association, Wichita, Kans., requesting that Congress do not enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

996. Also, petition of Massachusetts Dental Society, Boston, Mass., requesting Congress not to enact any legislation containing the principles of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

997. Also, petition of Omaha-Douglas County Medical Society, Omaha, Nebr., stating opposition to any form of compulsory health insurance or any system of medical care designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

998. Also, petition of the Dental Society of the State of New York, New York, N. Y., requesting Congress not to enact any legislation containing the principles of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

999. Also, petition of Lake George Parent-Teacher Association, Lake George, N. Y., expressing opposition to any program of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1000. Also, petition of Oklahoma Association of Cleaners and Dyers, Norman, Okla., stating their opposition to any compulsory health insurance now pending before the Congress; to the Committee on Interstate and Foreign Commerce.

1001. Also, petition of Mrs. Zeta Mary Simpson-Smith and others, St. Petersburg, Fla., requesting and endorsing the establishment of compulsory universal free education; to the Committee on Education and Labor.

1002. Also, petition of David B. Harris, Houston, Tex., requesting enactment of Senate bill 1196 to protect the United States against un-American and subversive activities, and stating opposition to the granting of scholarships and fellowships to Communists by the Atomic Energy Commission; to the Committee on the Judiciary.

1003. Also, petition of pastor, Seventh-Day Adventist Church, Nashville, Tenn., requesting that Congress do not pass the Kefauver bill, S. 1415, or the Farrington bill, H. R. 53, or any legislation providing for a blank-day calendar; to the Committee on Foreign Affairs.

1004. Also, petition of pastor, Madison Seventh-Day Adventist Church, Madison College, Tenn., requesting that Congress do not pass the Kefauver bill, S. 1415, or the Farrington bill, H. R. 53, or any legislation providing for a blank-day calendar; to the Committee on Foreign Affairs.

1005. Also petition of the Associated General Contractors of America, Inc., Portland, Oreg., urging the Congress to oppose and reject any substitute plans for the development of the Columbia River Basin such as contained in the various CVA measures before the Congress for consideration, particularly S. 1645 and H. R. 4286; to the Committee on Public Works.

1006. Also petition of the American Psychoanalytic Association, New York, N. Y., requesting the Congress to give its full support to the program of the World Health Organization proposed for the year 1950; to the Committee on Foreign Affairs.

1007. Also, petition of United States-Mexico Public Health Association, El Paso, Tex., requesting that cooperative enterprises in health and sanitation between the United States and individual Latin-American countries be continued, based on achievements to date, and recommending that the program of the Institute of Inter-American Affairs be extended beyond June 30, 1950; to the Committee on Foreign Affairs.

1008. Also, petition of Grace Doyle and others, Lake Worth, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1009. Also, petition of Mrs. L. Z. Carroll and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1010. Also, petition of Mrs. A. C. Starke and others, Sanford, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1011. Also, petition of Josie B. Gardner and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

MONDAY, JUNE 6, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal spirit in whom alone is the strength of our hearts and the hope of our world, we come in our noonday fellowship of prayer, not so much to seek Thee, as to open our faltering lives in penitence to Thy waiting strength. In the midst of events so colossal that, as individuals on the confused world stage, we seem puny and inadequate, O God who sittest above the flood of man's insanity, lift us into the only greatness we will ever know, by using us as the channels of Thy purpose and intent. Give us spaciousness of mind and a transparent purity of heart that in a world stricken with hatred and pride we may see clearly and follow faithfully the things that belong to our peace and to the peace of the whole world. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 2, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 4, 1949, the President had approved and signed the act (S. 969) to transfer the Pomona station of the Agriculture Remount Service, Department of Agriculture, at Pomona, Calif.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 4567) to amend the Displaced Persons Act of 1948, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes, and it was signed by the President pro tempore.

CALL OF THE ROLL

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, will the majority leader withhold the suggestion for a moment?

Mr. LUCAS. I withhold the suggestion.

Mr. WHERRY. I should like to ask the distinguished majority leader if there is any intention on his part to displace temporarily the labor bill and take up the appropriation bill today?

Mr. LUCAS. I would rather make that announcement immediately after a quorum call, so that all Senators may be present.

I renew the suggestion of the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Murray
Baldwin	Hill	Neely
Brewster	Hoey	O'Conor
Bricker	Humphrey	Pepper
Butler	Ives	Reed
Chapman	Jenner	Robertson
Chavez	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Donnell	Kem	Schoeppel
Douglas	Kerr	Sparkman
Downey	Langer	Stennis
Eastland	Lodge	Taft
Ecton	Long	Thomas, Okla.
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tydings
Frear	McFarland	Wherry
Fulbright	McGrath	Wiley
George	McKellar	Williams
Green	Malone	Withers
Gurney	Martin	
Hayden	Maybank	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from North Carolina [Mr. GRAHAM], the Senator from Florida [Mr. HOLLAND], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Washington [Mr. MAGNUSON], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from Iowa [Mr. GILLETTE] is absent on official business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from South Dakota [Mr. MUNDT], the Senator from Utah [Mr. WATKINS], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE], the Senator from Maine [Mrs. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present for the RECORD routine matters, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT OF EXPENDITURES AND OPERATIONS UNDER UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION (H. DOC. NO. 210)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I am transmitting herewith the nineteenth quarterly report of expenditures and operations under the United Nations Relief and Rehabilitation Administration Joint Resolution, Public Law 267, Seventy-eighth Congress, approved March 28, 1944. This report covers the period from January 1, 1949, through March 31, 1949.

As a consequence of the substantial closure of the United Nations Relief and Rehabilitation Administration's activities on June 30, 1947, the present report is limited to a statement of the status of United States appropriations as of March 31, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE *June 6, 1949.*

NOTE.—The report accompanied a similar message to the House of Representatives.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities (with an accompanying paper); to the Committee on Agriculture and Forestry.

CLARIFICATION OF LAWS RELATING TO COMPENSATION OF CERTAIN POSTMASTERS

A letter from the Postmaster General, transmitting a draft of proposed legislation to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions (with an accompanying paper); to the Committee on Post Office and Civil Service.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of James Patrick Lynch from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on January 15, 1948; to the Committee on the Judiciary.

AUDIT REPORT OF TENNESSEE VALLEY AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Tennessee Valley Authority, for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Public Works:

"House Joint Resolution 28

"A joint memorial relating to the establishment of a flood-control project on the Alabama River in the vicinity of Montgomery, Ala.

"*To the President and the Congress of the United States of America:*

"Be it resolved by the house (the senate concurring), that—

"Your memorialist, the Legislature of the State of Alabama, represents that:

"The establishment of a flood-control project along the Alabama River in the vicinity of Montgomery, Ala., is urgently needed;

"Periodic floods in the vicinity of Montgomery, Ala., cause great property damage and human suffering;

"The uncontrolled flooding of the Alabama River in the vicinity of Montgomery, Ala., has created a grave problem in soil erosion.

"Therefore your memorialist prays that:

"1. The United States Corps of Engineers be requested to give its most earnest consideration to the construction of a flood control project along the Alabama River in the vicinity of Montgomery, Ala.

"2. The clerk of the House of Representatives of Alabama is directed to send a copy of this memorial to the President of the United States, to the Clerk of the House of Representatives of the United States, and to the Secretary of the Senate of the United States.

"Adopted by the house of representatives May 20, 1949.

"Concurred in and adopted by the senate July 3, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Armed Services:

"Senate Concurrent Resolution 12

"Concurrent resolution memorializing the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part

"Whereas the Secretary of Defense brought into being in 1947, the committee on civilian components, commonly known as the Gray board, and which committee was directed by said Secretary of Defense to make a comprehensive, objective, and impartial study of the armed forces; and

"Whereas said committee on civilian components on June 30, 1948, in its report to the Secretary of Defense, recommended, among other things, that national security required that all services have one Federal reserve force which should be accomplished:

"(a) By establishing the Reserve forces of the Army under the Army clause of the Constitution;

"(b) By similarly establishing the Reserve forces of the Air Force under appropriate legal authority;

"(c) By incorporating the National Guard and the Organized Reserve Corps into the Army Reserve Force under the name of the National Guard of the United States;

"(d) By incorporating the Air National Guard and Air Reserve into the Air Force Reserve Force under the name of the United States Air Force Reserve; and

"Whereas on December 15, 1948, the Secretary of Defense recommended to the President of the United States, among other things, the federalization of the Air National Guard; greater Federal control over the personnel, equipment, facilities, allocation of money to the States; and

"Whereas federalization of the National Guard, in whole or in part, by the organization of a single Federal reserve force under the Army clause of the Constitution instead of under the militia clauses of the Constitution, as the National Guard is now organized, and under which the sovereign States retain the authority for the appointment of the officers of the National Guard and the authority for the training of the National Guard in time of peace in accordance with the discipline prescribed by the Congress; and

"Whereas such federalization would violate the principle of State's rights in that the framers of the Constitution contemplated a standing Army as the only Federal force is clear from the arguments advanced by Hamilton, whereby he persuaded the States to accept the principle of a standing Army, large enough to accomplish the immediate purpose of the Congress only; its size to be controlled by limiting appropriations to a period of 2 years only with the further agreement that the States would maintain no troops in time of peace, other than with the consent of Congress, in exchange for the provision that the Congress would have power to provide for the organizing, arming, and disciplining (training) the militia and reserving to the States only the power to appoint officers and the authority to train the militia according to the discipline prescribed by Congress; and

"Whereas complete federalization would violate the principle upon which the States bargained, as above explained, by giving to the Federal Government, in addition to its own standing army, a part of the militia over which the States would have no control or power whatsoever, instead of the control provided in clause 16, section 8, article I of the Constitution; and

"Whereas nowhere in the Constitution is there any power given to the Federal Government to do other than raise and support armies, and standing armies only were contemplated with no power ever given to the Federal Government to organize and support a Federal militia and none exists; and

"Whereas federalization of the National Guard as now constituted under the militia clauses of the Constitution, in whole or in part, would not only violate the principle of States' rights but would violate existing agreements between the Federal Government and the sovereign States whereby the States accepted in good faith the allotments made by the War Department in 1945, and have completed the organization of such allotments, insofar as authorized by the Congress and for which funds have been provided; and

"Whereas federalization of the National Guard, air or ground, as recommended by the Secretary of Defense and the committee on civilian components, would destroy at one blow the National Guard as it now exists and which has rendered exceptional and valiant service to the Nation in two world wars and in time of peace would impose fantastic costs beyond the ability of the Nation to meet and would seriously jeopardize our national security and would result in the centralization of all military power in the Federal Government and ultimately in the hands of a few, and thus pave the way for the establishment of a dictatorship, military or otherwise, in this country; and

"Whereas the States would be left without an internal security force and would be compelled to organize and maintain State troops at great cost to the States with the result that there would thus be maintained a Federal reserve and State military force, creating a great duplication of effort and expense while the National Guard, as it is now constituted and controlled, not only furnishes the necessary internal security for the States, but in addition, serves as a component of the Army of the United States and a first line of defense thereof as provided by the National Defense Act: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress and the President of the United States are hereby memorialized to retain intact the National Guard of the United States, ground and air, as it is now organized under the militia clauses of the Federal Constitution and thus reserve to the States the controls provided by the Constitution in time of peace and ensure that it will be at the disposal of the State in time of peace and that there will be unity in the armed forces of the Nation at a time when unity is so essential; and be it further

"Resolved, That copies of this concurrent resolution be transmitted to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the chairman of the Armed Services Committees of the Congress, and the Michigan Members in the Senate and House of Representatives.

"Adopted by the senate May 4, 1949.

"Adopted by the house May 13, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Finance:

"House Concurrent Resolution 43

"Concurrent resolution requesting the Congress of the United States to enact legislation relative to the Federal excise tax on motor vehicles

"Whereas the ownership and operation of motor vehicles cannot be classified as a luxury, but a necessity for the citizens of the State of Michigan and the United States in connection with the conduct of their business and daily life: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature respectfully request the Congress of the United States to enact legislation either eliminating or reducing the Federal excise tax on motor vehicles, and parts thereof; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house April 29, 1949.

"Adopted by the senate May 17, 1949."

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on Labor and Public Welfare:

"House Concurrent Resolution 29

"Concurrent resolution memorializing the Congress of the United States to enact into law H. R. 1205 providing automobiles for certain blind veterans of World War II

"Whereas H. R. 1205 was introduced into the House of Representatives of Congress on January 10, 1949, providing for automobiles for blind veterans of World War II who are entitled to compensation for the loss, or loss of use, of one or both legs; and

"Whereas the members of the Michigan Legislature, as representatives of the people of the State of Michigan, feel that such blind veterans of World War II should receive the benefit provided for in H. R. 1205: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the members of the Michigan Legislature respectfully urge the Congress of the United States to enact into law the provisions of H. R. 1205 providing automobiles for certain blind veterans of World War II; and be it further

"Resolved, That copies of this resolution be transmitted to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of Congress, and to the Michigan Members in the Senate and House of Representatives of Congress.

"Adopted by the house April 29, 1949.

"Adopted by the senate May 20, 1949."

A concurrent resolution of the Legislature of the State of Michigan; ordered to lie on the table:

"Senate Resolution 30

"Resolution congratulating Senator ARTHUR H. VANDENBERG on the receipt of Collier's congressional award for the second time

"Whereas for a number of years Collier's Weekly has each year awarded a prize to the Member of Congress which its board of judges deems to have made an outstanding record for the year; and

"Whereas this year Michigan's senior Senator, ARTHUR H. VANDENBERG, has been awarded said prize; and

"Whereas for the first time in the history of this award it has been made to the same

man for the second time, and that unique honor has gone to Michigan's statesman son: Now, therefore, be it

"*Resolved*, That the Senate of the State of Michigan accords to its favorite Senator due recognition of the honor he has gained in national and international affairs and with particularity congratulates him on being the first person in the world to be accorded the Collier award for the second time; and be it further

"*Resolved*, That a copy of this resolution, suitably engrossed, be sent to Senator ARTHUR H. VANDENBERG and that a second copy be sent to the Vice President of the United States for presentation to the Senate.

"Adopted by the Senate, May 16, 1949."

The petition of Clarice Holzhalb, of Lincoln Park, N. J., relating to the disposition of unclaimed dogs in the District of Columbia; to the Committee on the District of Columbia.

A memorandum in the nature of a petition from the Committee for Restitution in Austria, signed by Eugene Marc Hofmann, Simon Jacob, and Fred Reiss, of New York, N. Y., relating to restitution and indemnity matters in Austria; to the Committee on Foreign Relations.

Resolutions adopted by the Omaha-Douglas County Medical Society, of Omaha, Nebr.; the Dental Society of the State of New York, Brooklyn, N. Y.; and the board of trustees of the College of Medical Evangelists, Loma Linda, Calif., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A letter in the nature of a memorial from the Danville-Pittsylvania Academy of Medicine, of Danville, Va., signed by John J. Marsella, M. D., secretary, remonstrating against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

PROTESTS AGAINST NATIONAL HEALTH INSURANCE PROGRAM

Mr. WILEY. Mr. President, like many of my colleagues I have received numerous communications and resolutions from organizations in my State and outside my State in opposition to the President's program for Federal compulsory health insurance. As I have previously indicated in Senate statements, I am, of course, opposed to socialized medicine, but I do favor cooperation with America's medical profession toward improvement of our health standards.

At this time, I have in my hand communications and resolutions from the forty-eighth annual meeting of the Health and Accident Underwriter's Conference, the St. Luke's Hospital Association of Milwaukee, and several other organizations in my State, all of which oppose the socialized medicine plan.

I ask unanimous consent that the text of these various communications and resolutions be printed at this point in the body of the RECORD.

There being no objection, the communications and resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas under the American system of free enterprise more than 33,000,000 persons (over half the labor force of the Nation) are protected against loss of income from sickness and accident, 55,000,000 persons are protected against hospital expense, and 29,000,000 have surgical expense coverage through voluntary insurance plans;

Whereas the American people have developed the highest standards of health and medical care of any Nation in the world today;

Whereas protection against loss of income or the cost of medical care on a prepaid budget basis is readily available through numerous plans of insurance offered by many kinds of voluntary organizations;

Whereas compulsory government disability and medical-care insurance would destroy these voluntary plans and would be less efficient and more costly: Now, therefore, be it

Resolved, That the Health and Accident Underwriters Conference, a trade association of 141 companies writing accident and health insurance, does hereby go on record against any form of compulsory disability or medical-care insurance or any system of political medicine designed for national bureaucratic control;

That a copy of this resolution be sent to the President of the United States and to all Members of Congress and to all members of this conference.

V. J. SKUTT,
President.
J. W. SCHERR, Jr.,
Secretary.

Dated this 17th day of May 1949.

ST. LUKE'S HOSPITAL,
Milwaukee, Wis., May 31, 1949.

Senator ALEXANDER WILEY,
Chippewa Falls, Wis.

DEAR SENATOR WILEY: Whereas the people of the United States now enjoy the highest standard of health care through the combined efforts of the several health professions; and

Whereas political control of these professions would stifle initiative, limit treatment, and progressively nullify the great achievements accomplished under a system of free enterprise; and

Whereas passage of compulsory health-insurance legislation will cause impairment of national health due to deterioration of medical care and institutional facilities, which history teaches is the inevitable result of socialization of medicine: Now, therefore, be it

Resolved, That the St. Luke's Hospital Association, Inc., expresses its emphatic opposition to Government health insurance, considering it a menace to the public health and an abuse of the individual freedom of choice; and be it further

Resolved, That copy of this resolution be forwarded to the President of the United States, Harry S. Truman; to the presiding officer of the United States Senate, of the United States House of Representatives, and to each Senator and Congressman from Wisconsin, and to the national education campaign of the American Medical Association at 1 North LaSalle Street, Chicago, 2, Ill.

C. T. SWENSON,
President.
E. E. OLSON,
Secretary.

DRUMMOND, WIS., *May 16, 1949.*

Senator ALEXANDER WILEY,
The United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: At the spring meeting of the Bayfield County Federation of Women's Clubs, held in Washburn, Wis., May 14, 1949, the following resolution was passed. We hope you will give it your attention.

"*Be it resolved*, That the Bayfield County Federation of Women's Clubs go on record as opposing the compulsory health insurance measure recommended to Congress in the President's message; and further be it

"*Resolved*, That a copy of this resolution be sent to each—Senator ALEXANDER WILEY, Senator JOSEPH MCCARTHY, and Congressman ALVIN O'KONSKI.

"Respectfully submitted.

"JESSIE L. AXEY.
"ALICE J. MORRIS.
"ALTA M. GUSTAFSON."

Very truly yours,
Mrs. C. A. CHRISTIANSON,
Secretary, Bayfield County Federation Women's Clubs.

CATHOLIC ORDER OF FORESTERS,
COURT NO. 1649,
Fennimore, Wis., May 9, 1949.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Congress is currently considering a number of bills which would establish a system of compulsory health insurance in this country. A resolution was passed at the last meeting of Court No. 1649, Catholic Order of Foresters, Fennimore, Wis., expressing emphatic opposition to compulsory health insurance. Reasons for this opposition are that it is believed by our court to be a step toward communism and also that any compulsory health insurance law would not attain the idealistic health conditions and give the protection that many people expect it would. It is also believed that the cost of such a program would prove to be unbearable to the United States economy.

I have been instructed to write the Senators from Wisconsin and the Congressman from our district of our stand on compulsory health insurance.

Very sincerely yours,
RAYMOND P. HOFFMAN,
Recording Secretary.

MVA AND RURAL TELEPHONE SERVICE—RESOLUTIONS OF SUTTON (N. DAK.) FARMERS UNION, LOCAL NO. 70

Mr. LANGER. Mr. President, I present for appropriate reference resolutions of the Sutton, N. Dak., Farmers Union, Local No. 70, relating to MVA and rural telephone service, and I ask unanimous consent that they may be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Public Works and ordered to be printed in the RECORD, as follows:

SUTTON CO-OP STORES,
Sutton, N. Dak., June 1, 1949.

Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: Enclosed are resolutions pertaining to MVA and rural telephone bills now pending before Congress. We thank you most sincerely for the efforts you are putting forth in behalf of these and other measures.

To the President and Congress of the United States:

Whereas the President of the United States has recommended the establishment of a Missouri Valley Authority; and

Whereas North Dakota has a definite power shortage; and

Whereas under the Pick-Sloan plan, very little relief will be afforded through construction of Garrison Dam; and

Whereas North Dakota can never hope to gain its rightful position in development of its vast natural resources until adequate power is developed: Now, therefore, be it

Resolved, That the Congress of the United States enact legislation for the establishment of a Missouri Valley Authority to coordinate the full development of power; water and other resources of the Missouri Valley.

Unanimously adopted by Sutton Local, NDFU.

Whereas there is a severe shortage of rural telephone service and in many places the existing service is very unsatisfactory; and

Whereas adequate telephone service is essential to successful operation of the farms: Therefore be it

Resolved, That we respectfully request the Congress of the United States to pass the pending legislation to amend the national REA Act to provide expansion of rural telephone service.

The above resolution was passed unanimously by the Sutton Local, No. 70, of the North Dakota Farmers' Union.

Yours truly,

SUTTON FARMERS' UNION, LOCAL No. 70,
Mrs. GLENN THOEN, *Secretary.*

EXTENSION OF SOCIAL SECURITY ACT AND COMPULSORY HEALTH INSURANCE PROGRAM

Mr. THYE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted by the house of delegates of the Minnesota State Medical Association, at St. Paul, Minn., on May 9, 1949, relating to the extension of the Social Security Act and the national compulsory health insurance program.

The PRESIDENT pro tempore. The resolutions will be received and appropriately referred, and, without objection, printed in the RECORD.

To the Committee on Finance:

"Resolution opposing extension of the Social Security Act

"Whereas legislation is now under consideration in committees of the Congress of the United States which proposes extension of the Social Security Act to include self-employed individuals; and

"Whereas such a measure is destructive of self-reliance in this group of individuals; and

"Whereas such individuals would be found to pay amounts greatly in excess of possible benefits to be derived; and

"Whereas such legislation would constitute another step toward a completely socialistic state: Now, therefore, be it

"*Resolved,* That the Minnesota State Medical Association hereby expresses unalterable opposition to such legislation. That a copy of this resolution be forwarded to the President of the United States, to each Senator and Representative from the State of Minnesota, and that said Senators and Representatives be and are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation.

"E. M. HAMMES,
"President.
"B. B. SOUSTER,
"Secretary.

"Adopted unanimously by the house of delegates of the Minnesota State Medical Association, May 9, 1949, at St. Paul, Minn."

To the Committee on Labor and Public Welfare:

"Whereas under the system of private practice of medicine, the health of the people of the United States is better than that of any other people; and

"Whereas voluntary democratic ways have been found most satisfactory in meeting the need for medical care of persons in all income groups: Now, therefore, be it

"*Resolved,* That the Minnesota State Medical Association do everything in its power to prevent enactment of laws intended to provide compulsory-health insurance or any similar plan which would jeopardize the health of the citizens of the United States. That a copy of this resolution be forwarded to the President of the United States, to each Senator and Representative from the State of Minnesota, and that said Senators and Representatives be and are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation.

"E. M. HAMMES,
"President.
"B. B. SOUSTER,
"Secretary.

"Unanimously adopted by the house of delegates of the Minnesota State Medical Association, May 9, 1949, at St. Paul, Minn."

CHANNEL IMPROVEMENTS OF MINNESOTA RIVER

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the Board of County Commissioners of Dakota County, Minn., relating to channel improvement of the Minnesota River, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Whereas it has come to the attention of this board that the United States Army engineer's St. Paul district office, has filed reports covering proposed channel improvements of the Minnesota River for the furtherance of navigation and flood control; and

Whereas at the present time the Minnesota River causes undue scouring and damage to roads in Dakota County along said stream which would be corrected by the proposed construction: Now, therefore, be it

Resolved, That the proper governmental agencies responsible for such proposed channel improvement be requested and urged to expedite the necessary work to actually accomplish this construction, and that copies of this resolution be forwarded to Senator THYE and Senator HUMPHREY and Representative JOSEPH P. O'HARA as request for their support in getting this work done in the near future.

PLEDGE OF ALLEGIANCE COMMEMORATIVE STAMP

Mr. MYERS. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted May 17, 1949, by Commissioners John J. Kane and Ernest Hillman, constituting at that time the Board of County Commissioners of Allegheny County, Pa., urging, first, that Postmaster General Jesse M. Donaldson select as one of the 12 commemorative-stamp issues he will authorize this year one honoring the official pledge of allegiance to the flag, and that, second, if this is done, the issue first be placed on sale at the Pittsburgh post office on August 11, 1949, the opening day of the convention of the American Legion, Department of Pennsylvania.

The resolution calls attention to the fact that the pledge of allegiance was made official by act of Congress in 1945 under a resolution introduced by Representative HERMAN P. EBERHARTER at the request of the Americanism committee of the American Legion of Allegheny County and that this same committee, headed by Col. John H. Shenkel, is now sponsoring the issuance of a commemorative stamp having as its theme the Pledge of Allegiance.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service and ordered to be printed in the RECORD, as follows:

Whereas through the efforts of the Americanism Committee of the Allegheny County Committee of the American Legion, Department of Pennsylvania, the United States Congress approved a resolution in 1945 officially adopting the pledge of allegiance to the flag of the United States of America, thereby vesting said pledge of allegiance with the same reverence that attends our national anthem; and

Whereas this same Americanism Committee from the County of Allegheny, Commonwealth of Pennsylvania, under the leadership of Col. John H. Shenkel sponsored House Resolution No. 4320 presented by Hon. Herman P. Eberharter on April 25, 1949, whereby Congress authorized the issuance of a new stamp having thereon an imprint of the Capitol of the United States, and the United States flag and the official pledge of allegiance to the flag; and

Whereas the authority of the Postmaster General of the United States to select commemorative issues of stamps is limited to 12 from more than 70 requests submitted for consideration; and

Whereas the selection of the official pledge of allegiance stamp would be in the interest of Americanism and in view of the fact that the resolutions of Congress to make the pledge of allegiance to the flag official and to authorize the pledge of allegiance stamp were first sponsored by the Americanism Committee of the American Legion in the County of Allegheny, Pa.: Now, therefore, be it

Resolved by John J. Kane and Ernest Hillman, county commissioners of the County of Allegheny, Pa., That the Postmaster General of the United States be requested to select the official pledge of allegiance to the flag stamp as a commemorative issue and further, if said stamp is selected that it be first placed on sale in the post office at Pittsburgh, Allegheny County, Pa., on August 11, 1949, the opening day of the convention of the American Legion, Department of Pennsylvania, and further, that copies of this resolution be sent to Hon. Jesse M. Donaldson, Postmaster General of the United States, Hon. Joseph J. Lawler, Assistant Postmaster General of the United States, Senator Francis J. Myers, Senator Edward Martin, Congressman Harry J. Davenport, Congressman Robert J. Corbett, Congressman James G. Fulton, Congressman Herman P. Eberharter and Congressman Frank Buchanan.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

H. R. 2282. A bill to make certain Government-owned facilities available for international broadcasting in the furtherance of authorized programs of the Department of State, and for other purposes; with amendments (Rept. No. 450).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 91. A bill to provide for the better assurance of the protection of persons within the several States from lynching, and for other purposes; with an amendment (Rept. No. 462);

S. 230. A bill for the relief of Mrs. Sonia Kaye Johnston; with an amendment (Rept. No. 463);

S. 622. A bill for the relief of Isaiah Johnson; without amendment (Rept. No. 451);

S. 652. A bill for the relief of Sadae Aoki; with an amendment (Rept. No. 464);

S. 897. A bill for the relief of William Henry Tickner; with an amendment (Rept. No. 465);

S. 980. A bill for the relief of Toshie Okutomi; with an amendment (Rept. No. 466);

S. 1003. A bill for the relief of Emory T. Wales; with an amendment (Rept. 467);

H. R. 717. A bill for the relief of Groover O'Connell; without amendment (Rept. No. 453);

H. R. 735. A bill for the relief of Phil H. Hubbard; without amendment (Rept. No. 454);

H. R. 750. A bill for the relief of Lee F. Bertuccioli; with an amendment (Rept. No. 468);

H. R. 1096. A bill for the relief of Mr. and Mrs. James Linzay; without amendment (Rept. No. 455);

H. R. 1125. A bill for the relief of Ellis C. Wagner and Barbara P. Wagner; without amendment (Rept. No. 456);

H. R. 1303. A bill for the relief of Dr. Elias Stavropoulas, his wife, and daughter; without amendment (Rept. No. 457);

H. R. 2078. A bill for the relief of Winston A. Brownie; without amendment (Rept. No. 458);

H. R. 3311. A bill for the relief of Carmen Morales, Aida Morales, and Lydia Cortes; without amendment (Rept. No. 459);

H. R. 3458. A bill for the relief of Celeste Iris Maeda; with an amendment (Rept. No. 469);

H. R. 3603. A bill for the relief of Michael Palazotta; without amendment (Rept. No. 460); and

H. R. 3992. A bill for the relief of J. L. Hitt; without amendment (Rept. No. 461).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation of certain aliens, and I submit a report (No. 452) thereon.

The PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 45) was ordered to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-7759876, Ackermann, Rose (nee Leider).
A-6388781, Bell, Trevor Reginald.
A-1381702, Bennardo, Pasquale.
A-6141778, Blin, Maurice Edme Lucien Roger.
A-2617650, Brehme, Julius Frederick Franz.
A-3895754, Cruz, Ismael or Isabel.
A-6178548, Dahlseide, Sharon Beverly.
A-4686615, Dahmen, Fernando.
A-6505623, David, Tuma, or Tuma Nasser David or Tom David.
A-6508984, Davison, Judith Barbara.
A-2527936, Delgado, Martin Lopez, or Martin D. Lopez.
A-4604550, Di Pino, Salvatore.
A-6341132, Emmanuel, Alexander Anastasios.
A-6172764, Emmanuel, Panorea Psaloudi or Panorea (Nora) Emmanuel (nee Panorea Synteli).
A-6713078, Falso, Maria Anna Elisabeth (nee Stumm).
A-6840140, Fidler, Archibald Raymond.
A-6211679, Fleischer, Joseph.
A-6920685, Ford, Elaine Lucy.
A-6485945, Gardis, Argyro (formerly Argyro Velendza nee Karra).
A-7713579, Goldman, Sylvia Cherill, or Cherill Sylvia Pastman or Sylvia Pastman or Sylvia Mazelow.
A-6787040, Gomez, Ernesto Gonzalez (alias Ernest Gomez Gonzalez).
A-5952737, Greaux, Paul Marceau.
A-6827838, Guement, Joelle Beatrix Therese Marthe.
A-2133711, Gutierrez, Jacinta (nee Luna).
A-4973912, Hopkins, Muriel Blanche (nee Mac Leod).
A-6697157, James, Josephine Constance, or Josephine James, also Josephine Constance Matthews.
A-6358005, Kessenides, Agapi, or Agapi Efstathrou Tsavdaridis or Agapi Kessinidi.
A-6602733, Kochan, Anne Betty (nee Birovcak).
A-4828807, Lenkiewicz, Antonina (nee Tracz).
A-6642540, Lerma, Aurora Saez.
A-2197906, Lopez, Herminia Aldaco de.
A-6664449, Mascolo, Vittoria Lo, or Vittoria Perrino (maiden name) Vittoria Perrino L. Mascolo.
A-2827195, Metz, Conrad.
A-6095040, Michos, Nicoleris Anastase.
A-4764938, Mikulsky, Edith Mary Mott (alias McClusky nee Mott).
A-5852743, Miniconi, Francois.
A-2387754, Murillo, Inez Murillo de.
A-6222812, McDonald, Barry Francis.
A-1385505, Papadelis, Emmanuel John.
A-6868039, Parra, Armando, or Armando Parra-Hernandez.
A-2060168, Parsons, Albert Earnest, or Bert Clark.
A-6743740, Perego, Giovanni Luigi.
A-6405637, Power, Melvin John.
A-6334558, Providence, Maude (nee Brathwaite).
A-9537786, Rasmussen, Aage.
A-9632307, Rebane, Paul, or Paul Fuks.
A-6867152, Robichaud, Helen Edna, or Helen Edna O'Brien.
A-7596063, Robinson, Alice Anna Antonia (nee Casagrande).
A-7596067, Robinson, Maruis Arthur.
A-7596066, Robinson, Harold Denis.
A-3252615, Roy, Marie Blanche Yvonne (alias Marie Blanche Yvonne LaPierre).
A-5522588, Schoenherr, Mary Elizabeth.
A-5351772, Scopinich, Anna Maria, or Anna Maria Tuna.
A-5312452, Simone, Celistina F. De (nee Francescutti).
A-1873028, Stevens, Herta Maria Juliana (nee Zarnikow).
A-6728297, Veldhuis, Cornelia Antonia.
A-7514694, Villasenor, Emilia (nee Emilia Parguian Castro).
A-4507171, Wainunsky, Berco Gelwan.
A-6698837, Williams, Doris Ismay.
A-9550601, Wright, George Frederic (alias George Frederico Wright).
A-6476905, Yu, Teh Fu.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 6, 1949, he presented to the President of the United States the enrolled bill (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 1983. A bill to prohibit the transmission through the mails of certain diseased chicks; to the Committee on Post Office and Civil Service.

By Mr. McGRATH (by request):

S. 1984. A bill to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health from the government of the District of Columbia to the Administrative Office of the United States Courts, for budgetary and administrative purposes; to the Committee on the District of Columbia.

By Mr. LUCAS (by request):

S. 1985. A bill to facilitate the deportation of aliens from the United States, to provide for the supervision and detention pending eventual deportation of aliens whose deportation cannot be readily effectuated because of reasons beyond the control of the United States, and for other purposes; to the Committee on the Judiciary.

(Mr. WHERRY (for himself, Mr. MAYBANK, Mr. CAIN, Mr. DOUGLAS, Mr. EASTLAND, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. KEFAUVER, Mr. KEM, Mr. KNOWLAND, Mr. MCCARTHY, Mr. SPARKMAN, Mr. TOBEY, Mr. TYDINGS, Mr. WILEY, Mr. LANGER, Mr. O'CONOR, Mr. DONNELL, Mr. HENDRICKSON, Mr. JENNER, Mr. BUTLER, Mr. FERGUSON, Mr. MARTIN, Mr. BREWSTER, Mr. GURNEY, Mr. THYE, Mrs. SMITH of Maine, and Mr. RUSSELL) introduced Senate bill 1986, to incorporate the Reserve Officers Association of the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. WHERRY (for Mr. CAIN) introduced Senate bill 1987, to amend the Immigration Act of February 5, 1917, so as to facilitate the deportation of aliens from the United States, and provide for the supervision and detention pending eventual deportation of aliens whose deportation cannot be readily effectuated because of reasons beyond the control of the United States, and for other purposes, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. WHERRY (for Mr. CAIN) also introduced Senate bill 1988, to provide for the holding of referendums among the citizens of the States to determine their wishes with respect to the establishment of valley authorities which would include their States, which was referred to the Committee on Public Works, and appears under a separate heading.)

By Mr. IVES (for himself and Mr. WAGNER):

S. 1989. A bill to authorize War Assets Administration or its successor to reimburse the people of the State of New York for certain lands at Manhattan Beach, Kings County, N. Y., in pursuance of an agreement between the people of the State of New York and the Government of the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. TYDINGS:

S. 1990. A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material; to the Committee on Armed Services.

By Mr. HUMPHREY:

S. 1991. A bill for the relief of Mrs. Skio Takayama Hull; to the Committee on the Judiciary.

(Mr. HUMPHREY also introduced Senate bill 1992, to create in the Department of Labor a Bureau of Accident Prevention for the purpose of promoting and maintaining safe and healthful conditions of employment in hazardous industries affecting commerce, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. BYRD (for himself and Mr. ROBERTSON):

S. 1993. A bill for the relief of Norfolk County, Va.; to the Committee on the Judiciary.

(Mr. MAYBANK introduced Senate bill 1994, to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. CHAVEZ:

S. 1995. A bill for the relief of Roberta Madrigali; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1996. A bill for the relief of Eugene Frohlinger; to the Committee on the Judiciary.

(Mr. McCARRAN introduced Senate bill 1997, to provide for the bonding of Federal officials and employees, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

(Mr. SPARKMAN introduced Senate bill 1998, to authorize the contribution to Cooperative for American Remittances to Europe, Inc., of an amount equal to the moneys received by the Selective Service System for work performed by persons assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended, which was referred to the Committee on Armed Services, and appears under a separate heading.)

By Mr. McCARRAN:

S. 1999. A bill relating to the policing of the building and grounds of the Supreme Court of the United States; to the Committee on the Judiciary.

(Mr. REED introduced Senate Joint Resolution 102, to provide for economy in Government by reducing expenditures for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

By Mr. MYERS:

S. J. Res. 103. Joint resolution designating June 14 of each year as Flag Day; to the Committee on the Judiciary.

INCORPORATION OF RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES

Mr. WHERRY. Mr. President, on behalf of myself, the Senator from South Carolina [Mr. MAYBANK], the Senator from Washington [Mr. CAIN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the senior Senator from Alabama [Mr. HILL], the Senator from Florida [Mr. HOLLAND], the junior Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Missouri [Mr. KEM], the Senator from California [Mr. KNOWLAND], the junior Senator from Wisconsin [Mr. McCARTHY], the junior Senator from Alabama [Mr. SPARKMAN], the Senator from New Hampshire [Mr. TOBEY], the senior Senator from Maryland [Mr. TYDINGS], the senior Senator from Wisconsin [Mr. WILEY], the Senator from North Dakota [Mr. LANGER], the junior Senator from Maryland [Mr. O'CONOR], the senior Senator from Missouri [Mr. DONNELL], the Senator from New Jersey [Mr. HENDRICKSON], the junior Senator from Indiana [Mr. JENNER], the senior Senator from Nebraska [Mr. BUTLER], the junior Senator from Michigan [Mr. FERGUSON], the junior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from Maine [Mr. BREWSTER], the senior Senator from South Dakota [Mr. GURNEY], the senior Senator from Minnesota [Mr. THYE], the junior Senator from Maine [Mrs. SMITH], and the Senator from Georgia [Mr. RUSSELL], I introduce for appropriate reference and printing in the RECORD a bill to incorporate the Reserve Officers Association of the United States, and I ask unanimous consent that I may be permitted to proceed for 3 minutes in connection therewith.

The PRESIDENT pro tempore. Without objection, the bill will be received, appropriately referred, and printed in the RECORD; and, without objection, the Senator from Nebraska may proceed for 3 minutes.

The bill (S. 1986) to incorporate the Reserve Officers Association of the United States, introduced by Mr. WHERRY (for himself, Mr. MAYBANK, Mr. CAIN, Mr. DOUGLAS, Mr. EASTLAND, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. KEFAUVER, Mr. KEM, Mr. KNOWLAND, Mr. McCARTHY, Mr. SPARKMAN, Mr. TOBEY, Mr. TYDINGS, Mr. WILEY, Mr. LANGER, Mr. O'CONOR, Mr. DONNELL, Mr. HENDRICKSON, Mr. JENNER, Mr. BUTLER, Mr. FERGUSON, Mr. MARTIN, Mr. BREWSTER, Mr. GURNEY, Mr. THYE, Mrs. SMITH of Maine, and Mr. RUSSELL), was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the following-named persons, to wit: Col. Clarence E. Barnes, MI-Res., Guthrie, Okla., Col. Henry G. Nulton, Inf-Res., 2 Broad Street, Elizabeth, N. J., Col. Horace B. Hanson, Jr., CE-Res., 700 Eighth Terrace, West Birmingham, Ala., Brig. Gen. Donald B. Adams, ORC, 391 Beachmont Drive, New Rochelle, N. Y., Commander John P. Bracken, USNR, 2107 Fidelity-Philadelphia Trust Building, Philadelphia, Pa., Capt. Robert A. Hall, USMCR., 4229 Emerson Street, Dallas, Tex., Capt. Jesse Draper, USNR, Grant Building, Atlanta, Ga., Col. Morris J. Brummer, USAFR, 2017 Mariposa Street, Fresno, Calif., Capt. Milton Zacharias, USAFR, 241 North Broadview, Wichita, Kans., Capt. Richard L. Wynes, USAFR, 2360 Coates Street, Dubuque, Iowa, Lt. Col. Thomas H. King, JAGC-Res., 5024 Bradley Boulevard, Chevy Chase, Md., Maj. Guilford D. Cummings, Jr., CE-Res., 2317 Stary Avenue, Schenectady, N. Y., Lt. Col. Harry P. Abbott, Ch-Res., 6510 Cautrell Road, Little Rock, Ark., Col. Edward M. Silverberg, DC-Res., 809 Republic Building, Denver 2, Colo., Col. Eugene P. Walters, FA-Res., First Military Government Battalion, APO 154, care of Postmaster New York, N. Y., Lt. Comdr. L. R. Smith, USNR., E. S. S.-IND-GHQ-SCAP, APO 500, San Francisco, Calif., Col. William H. Neblett, USAFR, 815 Fifteenth Street NW., Washington, D. C., Brig. Gen. E. A. Evans, ORC, 6336 Thirty-first Place, NW., Washington, D. C., Col. C. M. Boyer, Hon-Res., 3518 South Utah Street, Farlington, Va., Col. John P. Oliver, JAGC-Res., 4524 Fulton Avenue, Van Nuys, Calif., Col. John T. Carlton, Armd-Cav-Res., 1617 Crestwood Drive, Alexandria, Va., their successors, and persons admitted to membership pursuant to the provisions of this act, are hereby created a body corporate by the name of Reserve Officers Association of the United States (hereinafter referred to as the "corporation"), and by such name shall be known, and have perpetual succession and the powers, limitations, and restrictions contained in this act.

SEC. 2. A majority of the persons named in the first section of this act and other persons selected from the membership of the Reserve Officers Association of the United States, an unincorporated association with national headquarters in the District of Columbia, met in national convention in Denver, Colo., on June 16, 17, 18, and 19, 1948, and then and there, by and through duly elected delegates, adopted a national constitution and bylaws, elected national officers for such association, and did other acts and things necessary to the organization and continuance of the association. Such meeting in national convention, and the doing of such acts and things, on such dates, shall be held and considered to be a completion of the corporate organization of the Reserve Officers Association of the United States, the corporation created by this act.

SEC. 3. The object and purpose of the corporation shall be to support a military policy for the United States that will provide adequate national security and to assist in the development and execution thereof.

SEC. 4. The corporation shall have perpetual succession and power—

(1) To sue and be sued;

(2) To acquire, hold, lease, and dispose of such real and personal property as may be necessary to carry out the corporate object and purpose;

(3) To accept gifts, legacies, and devises in furtherance of the corporate object and purpose;

(4) To adopt and alter a corporate seal;

(5) To adopt and alter a constitution and bylaws not inconsistent with the laws of the United States or of any State;

(6) To establish, regulate, and discontinue subordinate departmental subdivisions and local chapters;

(7) To adopt and alter emblems and badges;

(8) To publish a newspaper, magazine, or other publications; and

(9) To do any and all acts and things necessary and proper to carry out the object and purpose of the corporation.

SEC. 5. Eligibility for membership in the corporation shall be determined according to the constitution and bylaws of the corporation.

SEC. 6. Officers of the corporation shall be a president, three vice presidents, three junior vice presidents, three national executive committeemen, an executive director, a national treasurer, judge advocate, surgeon, chaplain, historian, public relations officer, and such other officers as may be determined in national convention by the corporation.

SEC. 7. (a) The governing body of the corporation shall be a national executive committee consisting of the president, the last past president, three vice presidents, three junior vice presidents, three national executive committeemen, and the executive director. Each of such persons constituting the national executive committee, except the executive director, shall have one vote upon all matters determined by the committee.

(b) The national officers of the corporation shall be elected at an annual national convention and shall hold office for 1 year or until their successors have been duly elected and qualified, except the executive director, the national treasurer, and the national public relations officer who shall be appointed by the national executive committee. In the event of the death, inability to serve, or resignation of any member of the national executive committee, other than the last past president or the president, the vacancy shall be filed by the existing members of the national executive committee. Any person appointed by the committee to fill a vacancy shall serve until the next national convention when his successor shall

be elected for the unexpired term, if any, caused by the vacancy. The national vice president of the same service as the president shall assume the duties and have the powers of the president in the event of his death, inability to serve, resignation, or absence.

(c) The national convention shall be composed of delegates elected by the various departments.

(d) The present national executive committee is composed of the following: Col. Clarence E. Barnes, MI-Res., Guthrie, Okla., Col. William H. Neblett, USAFR, 815 Fifteenth Street, NW, Washington, D. C., Col. Henry G. Nulton, INF-Res., 2 Broad Street, Elizabeth, N. J., Commander John P. Bracken, USNR, 2107 Fidelity-Philadelphia Trust Building, Philadelphia 9, Pa., Col. Morris J. Brummer, USAFR, 2017 Mariposa Street, Fresno, Calif., Col. Horace B. Hanson, Jr., CE-Res., 700 Eighth Terrace, West Birmingham 4, Ala., Capt. Robert A. Hall, USMGR, 4229 Emerson Street, Dallas, Tex., Capt. Milton Zacharias, USAFR, 241 North Broadview, Wichita, Kans., Brig. Gen. Donald B. Adams, ORC, 391 Beachmont Drive, New Rochelle, N. Y., Capt. Jesse Draper, USNR, Grant Building, Atlanta, Ga., Capt. Richard L. Wynes, USAFR, 2360 Coates Street, Dubuque, Ia., and Brig. Gen. E. A. Evans, ORC, 6336 Thirty-first Place NW, Washington, D. C.

(e) In conducting the official business of any department or chapter each active member of such department or chapter shall have one vote.

SEC. 8. The corporation may acquire any or all of the assets of the unincorporated association, known as the Reserve Officers Association of the United States, upon discharging or satisfactorily providing for the payment and discharge of all the liabilities of such unincorporated association.

SEC. 9. The corporation shall have no power to issue capital stock or to engage in business for pecuniary profit or gain.

SEC. 10. The corporation, and its members and officers as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

SEC. 11. No part of the income or assets of the corporation shall inure to any member or officer thereof, or be distributable to any such person except upon dissolution and final liquidation of the corporation when, after the discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation shall be divided equally among the then active members and officers.

SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 13. The corporation shall keep current and complete books and records of account and shall also keep minutes of the proceedings of the national conventions, the national executive committee, and the national council. It shall keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney for any proper purpose at any reasonable time.

SEC. 14. The corporation shall not make loans to its officers or members of the national executive committee. Any member of the national executive committee who votes for or assents to the making of a loan or advance to an officer of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

SEC. 15. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than January 15 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds.

SEC. 16. The national headquarters of the corporation shall be located in the District of Columbia. The corporation shall maintain at all times in the District a designated agent authorized to accept service of legal process for the corporation. Notice to or service upon such agent shall be deemed to be notice to or service upon the corporation.

SEC. 17. As a condition precedent to the exercise of any power or privilege granted or conferred under this act, the corporation shall file in the office of the Secretary of State, or similar officer, in each State and in each Territory or possession of the United States, in which subordinate departments and local chapters are organized, the name and post-office address of an authorized agent in such State upon whom legal process or demands against the corporation may be served.

SEC. 18. The corporation and its subordinate departmental subdivisions and local chapters shall have the sole and exclusive right to have, and to use in carrying out its object and purpose, the name of "Reserve Officers Association of the United States" and such seals, emblems, and badges as the corporation may lawfully adopt.

SEC. 19. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. WHERRY. Mr. President, it is particularly appropriate on this fifth anniversary of D-day that recognition be paid our citizen-soldier veterans and the younger citizen soldiers who together form our active pool of Officer Reserves for the branches of the armed services.

In their behalf, I send to the desk for appropriate reference a bill in which I have been joined by a large number of fellow Senators on both sides of the aisle.

This bill provides for the issuance of a congressional charter for the incorporation of the Reserve Officers Association of the United States. The measure is open to further sponsors if other Senators care to add their names, and I hope they will.

The Reserve Officers Association is a voluntary organization of officers within the Army, Navy, and Air Corps Reserves. It was first organized in 1922 by a group of patriotic citizens who held commissions in the organized Reserve Corps. Its object and purpose is to support a military policy for the United States that will provide adequate national security; and to assist in the development and execution of such a policy.

Our country always has depended upon its citizen soldiers in time of national emergency. As a basic policy in our military program, the members of this association and others who are eligible through their membership in the active Reserve of the various armed services are dedicated to the defense of our country as an integral part of our Military Establishment.

Older members of the Reserve Officers Association will continue to take under their wing the new graduates of the several Reserve Officers Training Corps—and offer them inspiration in the necessary task of keeping themselves fully trained and prepared to answer the call to active military service whenever the Nation may require it.

Under these circumstances, it is the feeling of those of us who sponsor this bill that legislative sanction and encouragement should be given to the fulfilling of the objectives of the Reserve Officers Association.

The membership of the Reserve Officers Association desires to incorporate under a congressional charter, and leaders of the organization have strongly urged favorable congressional action.

A similar bill is also being introduced in the House of Representatives by Representative TEAGUE, of Texas, and a group of fellow House Members.

To the best of our ability we have tried to draw this measure so that it conforms with the policy laid down by the Senate Judiciary Committee for legislation to grant a congressional charter.

AMENDMENT OF IMMIGRATION ACT OF 1917, RELATING TO SUBVERSIVE ACTIVITIES

Mr. WHERRY. Mr. President, on behalf of the Senator from Washington [Mr. CAIN] I introduce for appropriate reference a bill to amend the Immigration Act of February 5, 1917, relating to subversive activities, and I ask unanimous consent that an explanatory statement of the bill by the Senator from Washington be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1987) to amend the Immigration Act of February 5, 1917, so as to facilitate the deportation of aliens from the United States, and provide for the supervision and detention pending eventual deportation of aliens whose deportation cannot be readily effectuated because of reasons beyond the control of the United States, and for other purposes, introduced by Mr. WHERRY (for Mr. CAIN), was read twice by its title, and referred to the Committee on the Judiciary.

The statement of Mr. CAIN is as follows:

STATEMENT BY SENATOR CAIN

Mr. President, a number of bills have been introduced recently to set up adequate machinery for the deportation of aliens who are engaged in subversive activities. As sound as some of these measures are, there is one aspect of the problem that they do not solve. That is the problem of subversive aliens who cannot be deported because the countries of their origin refuse to accept them.

I wonder how many Senators know that there are thousands of deportable aliens moving freely in our country, engaging in

the activities which have made them subject to deportation, for the simple reason that the immigration authorities can find no one who will take them back. By the simple device of refusing to accept their nationals, the Communist-controlled countries have been able to keep in the United States some of their most active agents.

As far back as September 1, 1947, there were 3,600 of these unenforceable deportation cases. The speed with which they accumulate is indicated by the fact that between September 1, 1947, and June 30, 1948, an additional 120 cases were added to the list.

There is one interesting case which was recalled to my mind by the recent escape of Gerhard Eisler aboard the Polish ship *Batory*, since the man in question used the same avenue of returning to his homeland.

Back in 1919, a deportation warrant was issued against Boleslaw Gebert, a Russian-born Communist agent. Because the Soviet Union would not accept deportees, his case was not pressed. During the succeeding years he became one of the top leaders of the Communist Party in this country, being particularly active in the Communist Panslav movement which is centered in the industrial areas of our country.

No further efforts were made after 1919 to get him deported. We are rid of him now only because a few months ago he slipped aboard the *Batory* and went to Poland to accept an important Communist position.

The Congress has been informed by the Attorney General that the difficulty lies in the lack of adequate legislation to take dangerous undeportable aliens into custody and keep them out of harm's way. I have, therefore, introduced a bill containing the following important provisions:

1. It authorizes the establishment of detention places by the Department of Justice.

2. It directs the Attorney General to take into custody and to detain in these camps any alien whose deportation is not possible by virtue of the refusing of a foreign country to accept them.

3. It places in the hands of the Attorney General authority to detain dangerous aliens while deportation proceedings are pending.

In order that no injustice may be worked, the bill provides for limited exemptions which may be granted by the Attorney General in such cases where the deportable aliens represent no danger to the security or to the peace or interest of the United States. The bill specifically authorizes the Attorney General to establish special places of detention for deportable aliens. The purpose of this section is to avoid, whenever possible, the detention of such persons in prisons or other places where criminals might be housed; to protect the aliens who might be subject to detention.

Mr. President, I think we will find that with the enactment of legislation of this sort the problem will quickly vanish. As the situation stands today, the Communist world can keep its agents in this country at will, because they know we will permit them to roam around and engage in their activities without restraint. I am convinced, however, that should we serve notice that deportable subversives will be confined if their countries of origin will not accept them, the Communist world will be happy to take them back. That way they can be used in other fields of activities rather than be here under control and surveillance of the American authorities.

REFERENDUMS RELATING TO ESTABLISHMENT OF VALLEY AUTHORITIES

Mr. WHERRY. Mr. President, on behalf of the Senator from Washington [Mr. CAIN] I introduce for appropriate reference a bill to provide for the holding of referendums among the citizens of the States to determine their wishes with respect to the establishment of valley authorities which would include their States, and at his request I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill (S. 1988) to provide for the holding of referendums among the citizens of the States to determine their wishes with respect to the establishment of valley authorities which would include their States, introduced by Mr. WHERRY (for Mr. CAIN), was read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in order to determine the wishes of the citizens of the various States with respect to the establishment by the Congress of valley authorities (similar to the Tennessee Valley Authority) which would include their State, the Secretary of the Interior is directed to provide for the holding of referendums within those States any part of which would be included in a valley authority proposed to be established by any bill introduced in the first session of the Eighty-first Congress.

SEC. 2. The Secretary is authorized to enter into an agreement with any State within which a referendum is required by this act to provide for the conducting of the referendum by the State at a general or special election. Any such agreement may provide for the reimbursement by the United States to the State of the expenses involved in conducting such referendum.

SEC. 3. (a) In any case in which an agreement with a State is not made, the Secretary shall conduct the referendum in such State. Eligible voters in a referendum conducted by the Secretary shall be the qualified electors of the State. Voting districts, precincts, and wards shall conform, as nearly as practicable, to the districts, precincts, and wards of the locality within which the referendum is being conducted.

(b) The Secretary is authorized to make all rules and regulations, not inconsistent with this act, necessary to conduct any such referendum.

SEC. 4. (a) The form of the question to be voted upon at the referendums required by this act shall be substantially as follows:

"Do you favor the establishment of a _____ Valley Authority?

"— Yes.

"— No."

(b) Each voter may be furnished a short description, not to exceed 250 words, of the nature and purposes of the valley authority with respect to which the referendum is being conducted.

SEC. 5. (a) The referendums required by this act shall be conducted not later than December 31, 1950.

(b) The Secretary shall, not later than the thirtieth day following the first day of the first session of the Eighty-second Congress, make a report to the Congress of his activities under this act which shall include—

(1) a detailed report of the results of each referendum conducted in each State; and

(2) a detailed report of the results of all referendums conducted pertaining to each proposed valley authority.

SEC. 6. As used in this act—

(1) the term "State" includes the District of Columbia;

(2) the term "valley authority" means any project, geographically limited by the areas of the drainage basins of one or more rivers and their tributaries, which (1) is primarily intended for the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, the reclamation of public lands, or the generation of electric energy, and (2) is similar in nature, scope, and purposes to the Tennessee Valley Authority.

SEC. 7. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 8. This act may be cited as the "Valley Authorities Referendum Act of 1949."

BUREAU OF ACCIDENT PREVENTION

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to create in the Department of Labor a Bureau of Accident Prevention for the purpose of promoting and maintaining safe and healthful conditions of employment in hazardous industries affecting commerce, and for other purposes, and I ask unanimous consent that a short description of the bill by me be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 1992) to create in the Department of Labor a Bureau of Accident Prevention for the purpose of promoting and maintaining safe and healthful conditions of employment in hazardous industries affecting commerce, and for other purposes, introduced by Mr. Humphrey, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The statement by Mr. HUMPHREY is as follows:

DESCRIPTION OF BILL INTRODUCED BY SENATOR HUMPHREY TO CREATE IN THE DEPARTMENT OF LABOR A BUREAU OF ACCIDENT PREVENTION

Section I: The enacting clause describing the bill as the "Accident Prevention Act of 1949."

Section II: Findings and declaration of policy. Unsafe and unhealthful conditions of employment in hazardous industries burden the Nation as a whole and thereby impair the general welfare. The policy of the act is "to establish means for ascertaining the existence of harmful and deleterious conditions and the development of remedial devices, processes, and safeguards, for promoting the utilization thereof and developing and promulgating for hazardous industries safety and health conditions having the force of law."

Section III: Definitions: A "hazardous industry" is one in which the injury frequency rate exceeds the over-all average injury frequency rate of all manufacturing and nonmanufacturing industries in the United States.

Section IV: The Bureau of Accident Prevention is to be under the direction of the Director of Accident Prevention appointed by the Secretary of Labor. Its duty is to engage in technical investigations into the conditions of employment in hazardous industries and develop reasonable standards for safe and healthful operations and for the prevention and correction of industrial hazards. It is also to promote the acceptance by employers and workers of standards developed by the Bureau.

Section V: Accident Prevention Boards should be established for each hazardous industry consisting of nine members appointed by the Secretary of Labor, four to represent employers, four to represent workers, and one to represent the public. The Director and Surgeon General are to be ex officio members. Board members are to receive no salary, but are to receive a reasonable per diem and necessary expenses.

Section VI. Rule-making power: The Boards shall have the power to establish health and safety standards upon "the basis

of substantial evidence presented at public hearings."

Section VII: Provides for hearings and court review of rules and regulations.

Section VIII: The Secretary of Labor and the Board are to be given the authority to require the assistance of witnesses and the production of books, papers, and documents for the purpose of any hearing or investigation provided for in the act.

Section IX. Right of entry and utilization of State agencies: The Secretary of Labor, the Director or any designated officers of the Department of Labor are given the right of entry and inspection. The Secretary of Labor may utilize the services of State and local agencies with their consent and cooperation, reimbursing those agencies for service rendered under the act.

Section X. Prohibitive acts: Violations are subject to fine of not more than $1,000 or to imprisonment for not more than 6 months, or both. Imprisonment is limited to second and subsequent offenses.

Section XI: The Secretary of Labor has the power to appeal to the United States courts for injunctions to restrain violations of this act.

Section XII: The act does not excuse noncompliance with any State law or municipal ordinance not inconsistent with it.

Section XIII: Separability.

CONTROL OF TIN AND TIN PRODUCTS

Mr. MAYBANK. Mr. President, I introduce for appropriate reference a bill relating to the control of tin and tin products, and I ask unanimous consent that a letter addressed to me as chairman of the Committee on Banking and Currency, from Secretary of Commerce Sawyer, dated June 5, 1949, relating to the matter be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the letter will be printed in the RECORD.

The bill (S. 1994) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes, introduced by Mr. MAYBANK, was read twice by its title, and referred to the Committee on Banking and Currency.

The letter is as follows:

THE SECRETARY OF COMMERCE,
Washington, June 6, 1949.

Hon. BURNET R. MAYBANK,
Chairman, Committee on Banking and Currency, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: My seventh quarterly report to the President and the Congress on export control and allocation powers states that the shortages resulting from wartime dislocations, which were the principal basis for the allocation powers contained in section 3 of the Second Decontrol Act of 1947, as amended, have been largely overcome and that these controls are therefore no longer necessary for the purpose for which they were enacted.

Among the controls authorized by section 3 of the Second Decontrol Act of 1947, as amended, is the authority to allocate tin and tin products. As you are aware from the previous reports submitted to the Congress under the Second Decontrol Act and from testimony on previous extensions of this act, tin is one of our most important critical and strategic materials. As there is no domestic production of tin ores, we are entirely dependent for our supply of tin upon foreign sources, principally the Far East and Bolivia. The Munitions Board has established a substantial stock-pile goal for this material and vigorous efforts are being made to meet these requirements.

While the tin shortage resulting from wartime dislocations was largely overcome by a substantial postwar increase in the supply from the Far East, the recent interruption of production in Bolivia has affected the continuation of the supply and raises a serious threat to our stock pile and to the national economy.

I therefore request that the Congress extend to June 30, 1950, the powers over tin and tin products now contained in the Second Decontrol Act. I enclose a suggested draft of legislation which would accomplish this purpose.

If these powers are granted, it would be my intention to use them only while serious stoppages of production affect our national security and the stock-pile objectives. Controls would be removed as soon after such interruptions had ended as this could be done without undue interference with the operations of industry.

As the present controls expire June 30, 1949, and it would be desirable to avoid a lapse between the termination of the present powers and the effective date of the proposed legislation, I would appreciate your prompt consideration of this proposal.

I am advised by the Bureau of the Budget that this proposal is within the program of the President.

Sincerely yours,

CHARLES SAWYER,
Secretary of Commerce.

BONDING OF FEDERAL OFFICIALS AND EMPLOYEES

Mr. McCARRAN. Mr. President, I introduce for appropriate reference a bill to provide for the bonding of Federal officials and employees.

This is a proposal which I first offered in 1943, during the first session of the Seventy-eighth Congress. At that time my proposal was not looked upon with favor by the Committee on Education and Labor, to which the bill was referred. It is my understanding that under the Legislative Reorganization Act the bill will go to the Committee on Expenditures in the Executive Departments. I am hopeful that, in view of the recommendations of the Hoover Commission with respect to this problem, and the interest in it by the members of the Committee on Expenditures in the Executive Departments, the bill may have a better fate in the present Congress.

The bill (S. 1997) to provide for the bonding of Federal officials and employees, introduced by Mr. McCARRAN, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

BOOK PROGRAM OF CARE

Mr. SPARKMAN. Mr. President, I introduce for appropriate reference a bill relating to the book program of CARE, and I ask unanimous consent that the bill, together with a statement prepared by me be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill and statement of the Senator from Alabama will be printed in the RECORD.

The bill (S. 1998) to authorize the contribution to Cooperative for American Remittances to Europe, Inc., of an amount equal to the moneys received by the Selective Service System for work performed by persons assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended, introduced by Mr. SPARKMAN, was read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Department of State is hereby authorized and directed to make to Cooperative for American Remittances to Europe, Inc., 50 Broad Street, New York, N. Y., a United States nonprofit voluntary relief agency registered with and recommended by the Advisory Committee on Voluntary Foreign Aid for operations in Europe, for use by said agency in its book program, a contribution in the amount appropriated pursuant to the authorization hereinafter made. There is hereby authorized to be appropriated for such purpose an amount equal to the amount covered into the Treasury as miscellaneous receipts on March 7, 1947, from the special deposit account which had theretofore been maintained in the Treasury for moneys received by the Selective Service System from private employers for work performed by persons who were assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended.

The statement by Mr. SPARKMAN is as follows:

STATEMENT BY SENATOR SPARKMAN

The proposed bill provides for a contribution to CARE for its book program. The contribution is to be in an amount equal to a fund which was created during the war out of wages earned by conscientious objectors, working on farms and in hospitals. Under orders of the Selective Service System, employers to whom conscientious objectors were assigned for work were required to pay regular wages, but the payments were made into the Treasury. The payments were kept in a special deposit in the Treasury until the end of hostilities.

On March 7, 1947, the amounts in the fund, totaling $1,247,018.47, were covered into the Treasury as miscellaneous receipts. Technically, therefore, the fund no longer exists. The Comptroller General has ruled that the payments received by the Treasury belonged to the United States (24 Dec. Compt. Gen. 75, August 7, 1944). However, the United States received these payments as the result of the work of the conscientious objectors and not from taxes. Accordingly, in connection with previous legislative efforts to appropriate the fund for relief purposes, the Treasury Department has indicated that it had no objection.

An informal poll was taken in 1945 among the men whose earnings created the fund. This poll indicated a preference that it be used for relief purposes.

In 1947, Congressman COLE of New York introduced a bill, H. R. 1938, authorizing a contribution to the International Children's Fund of the United Nations in an amount equal to the special deposit previously in the Treasury. This bill passed the House, but in the Senate it was dropped from the Unanimous Consent Calendar on the objection of a Senator who felt that sufficient funds had already been appropriated by the United States Government for the work of the International Children's Fund.

The CARE book program was developed to replace scientific, technical, and professional books lost during the war years in Europe and Asia. Distribution of the funds among the countries will be on a percentage basis determined by the original library facilities and the loss suffered.

The list of books to be sent has been prepared by a committee headed by Dr. Luther Evans, Librarian of the Library of Congress,

with the assistance of representatives of the American Library Association, the New York Public Library, and the Yale University Medical School.

It will be possible to deliver books abroad at their retail prices in the United States without any additional charge for delivery, shipping, insurance, or overhead. The program has the active support of the Library of Congress, the American Library Association, the United States National Committee for UNESCO, and a number of educational, scientific, and cultural organizations.

Each book will contain a book plate bearing the name of the donor or donors and indicating that it has been made available through the CARE book program. The plates in the books financed through the proposed legislation could carry as the name of the donor, "The American People," or some similar phrase.

PROPOSED REDUCTION IN GOVERNMENT EXPENDITURES

Mr. REED. Mr. President, I introduce for appropriate reference a joint resolution to provide for economy in Government by reducing expenditures for the fiscal year 1950 consistent with the public interest, and I ask unanimous consent to have printed in the RECORD a short statement which I refrain from taking time on the floor to make.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The joint resolution (S. J. Res. 102) to provide for economy in Government by reducing expenditures for the fiscal year 1950 consistent with the public interest, introduced by Mr. REED, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

The statement by Mr. REED is as follows:

STATEMENT OF SENATOR REED UPON INTRODUCING SENATE JOINT RESOLUTION PROVIDING FOR 10-PERCENT REDUCTION IN AMOUNTS TO BE EXPENDED FROM ALL APPROPRIATIONS

This country faces a desperate financial situation. The President's budget, and appropriations being made, are exceeding, and will exceed, revenues for the next fiscal year. There is only one of three ways in which we can go:

1. Reduce expenses.
2. Raise taxes.
3. Deficit spending.

We have a national debt of approximately $252,000,000,000. I am opposed to increasing that. I do not favor increased taxation. Taxes are too heavy now. That leaves only a reduction of expenses to meet the situation. That is what I favor.

In the Senate, we have made a number of efforts to reduce individual appropriation bills. All such efforts have failed. There are two joint resolutions now pending in the Senate directing reduction in expenditures of 5 percent of the amount appropriated. I am one of the sponsors of Senate Joint Resolution 94, introduced by Senator TYDINGS of Maryland.

I do not think the head of any department or agency will offer cooperation in making any substantial reduction in that department or agency's appropriation unless all of the heads of departments and agencies get positive instructions from the President to do so.

I do not think there is any chance for such instructions to be issued from the White House. President Truman has been very frank in expressing his support for an increase in taxation rather than a decrease in expenses. I totally disagree with him.

This joint resolution directs that a cut of 10 percent be made by the Bureau of the Budget. In order to prevent any serious impairment of public service, provision is made for a budget review board upon whose recommendation the President may cut the amount of the reduction to the needs of the service as recommended by the board.

The board is temporary—to be composed of five members. None of the members shall be employees of the Government and not more than three members shall be from the same political party. The compensation for the board will be $50 a day. Its life is limited to 120 days from the date of enactment of the law.

This is an affirmative approach to the question of reduction in Government spending. Under this plan we reduce the available appropriation by providing for restoration upon a showing that a restoration is necessary. All of the other plans are more or less a pious hope that the President and his administration might do something. This plan, if adopted, would require them to do something.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON PUBLIC WORKS

Mr. CHAVEZ submitted the following resolution (S. Res. 123), which was referred to the Committee on Public Works:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946, the Committee on Public Works, or any duly authorized subcommittee thereof, is authorized during the Eighty-first Congress to make such expenditures, and to employ upon a temporary basis such investigators, and such technical, clerical, and other assistants, as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

NATIONAL LABOR RELATIONS ACT OF 1949—AMENDMENTS

Mr. TAFT (for himself, Mr. SMITH of New Jersey, and Mr. DONNELL) submitted amendments intended to be proposed by them, jointly, to the so-called Thomas of Utah substitute to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. DOUGLAS (for himself, Mr. AIKEN, Mr. MORSE, Mr. TOBEY, Mrs. SMITH of Maine, Mr. HILL, Mr. HUMPHREY, and Mr. WITHERS) submitted an amendment intended to be proposed by them, jointly, to the so-called Thomas of Utah substitute to Senate bill 249, supra, which was ordered to lie on the table and to be printed.

Mr. AIKEN (for himself, Mr. MORSE, Mr. HILL, Mr. DOUGLAS, Mrs. SMITH of Maine, Mr. HUMPHREY, Mr. TOBEY, and Mr. WITHERS) submitted an amendment intended to be proposed by them, jointly, to the so-called Thomas of Utah substitute to Senate bill 249, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY (for himself, Mr. AIKEN, Mr. HILL, Mr. MORSE, Mr. DOUGLAS, Mr. WITHERS, Mr. TOBEY, Mrs. SMITH of Maine, and Mr. LANGER) submitted an amendment intended to be proposed by them, jointly, to the so-called Thomas of Utah substitute to Senate bill 249, supra, which was ordered to lie on the table and to be printed.

RESEARCH RELATING TO CHILD LIFE AND DEVELOPMENT—ADDITIONAL COSPONSOR OF BILL

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the name of the Senator from Florida [Mr. PEPPER] may be added as cosponsor of the bill (S. 904) to provide for research relating to child life and development; to disseminate information as to the practical application of such research by parents, professional persons, and others; and for other purposes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESS BY SENATOR JOHNSTON OF SOUTH CAROLINA AT CONFEDERATE MEMORIAL SERVICES

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD the address delivered by him at the Confederate memorial services, Arlington National Cemetery, June 5, 1949, which appears in the Appendix.]

COLUMBIA VALLEY ADMINISTRATION AS AN AID TO WESTERN DEVELOPMENT—STATEMENT BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement entitled "CVA as an Aid to Western Development," prepared by him, which appears in the Appendix.]

HOOVER GROUP WARNS CONGRESS—ARTICLE FROM THE BISMARCK (N. DAK.) LEADER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Hoover Group Warns Congress," published in the Bismarck (N. Dak.) Leader of June 2, 1949, which appears in the Appendix.]

TRIBUTE TO FORMER PRESIDENT HOOVER BY JULIUS KLEIN

[Mr. JENNER asked and obtained leave to have printed in the RECORD a tribute to former President Hoover by Julius Klein, of Chicago, published in his News Letter of March 1949, which appears in the Appendix.]

FRANCES PERSONS CARROLL—ARTICLE FROM ORLANDO (FLA.) SENTINEL AND LETTER FROM MRS. CARL J. FRIEDRICH

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "Orlando Tragedy in Far-Off Munich—and Happiness Lost," written by Martin Andersen and published in a recent issue of the Orlando (Fla.) Sentinel, together with a letter from Mrs. Carl J. Friedrich, which appear in the Appendix.]

THE MONTICELLO ODE, BY ED G. CLAYTON

[Mr. PEPPER asked and obtained leave to have printed in the RECORD verses under the heading The Monticello Ode, written by Ed G. Clayton, which appear in the Appendix.]

ADDRESS BY MISS LOUISE REPLOGLE TO NEW YORK STATE YOUNG REPUBLICAN CLUBS

[Mr. ECTON asked and obtained leave to have printed in the RECORD an address delivered by Miss Louise Replogle, county attorney and prosecutor of Fergus County, Mont., at the eighteenth annual convention of the

New York State Young Republican Clubs, at Fallsburgh, N. Y., May 20, 1949, which appears in the Appendix.]

THE PRESS, THE PEOPLE, AND THE POLICE STATE—ADDRESS BY DICK FINNEGAN

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address entitled "The Press, the People, and the Police State," delivered by Dick Finnegan, editor of the Chicago Sun-Times, to the American Society of Newspaper Editors, at Washington, D. C., April 22, 1949, which appears in the Appendix.]

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. CONNALLY, the Committee on Foreign Relations was granted permission to meet during the session of the Senate today.

On request of Mr. MCMAHON, the Joint Committee on Atomic Energy was granted permission to meet during the session of the Senate today.

PREVENTION OF ILLEGAL ENTRIES INTO THE UNITED STATES—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I have prepared a statement regarding the importance of combating illegal entries into our country. During the last 10 months a quarter of a million aliens have been apprehended at our borders by the United States border patrol. How many aliens, have succeeded in crossing into our country without apprehension no man can say.

One of the most dangerous aspects of the present situation is that aviation is being used to bring in these aliens, and this presents a tremendous challenge to United States national security. I am glad that the motion picture industry is beginning to focus attention on this problem. Many of my colleagues in the Senate and House, like myself, together with many Washington officials will attend on Wednesday the world premiere of a vital film on this very theme. It is a motion picture produced by Universal-International entitled "Illegal Entry." I understand that this is a powerful presentation on one of the most critical problems facing our Nation, and it is my earnest hope that the public will see it in large numbers and will take to its heart the message conveyed by the film the necessity for vigilance at America's borders against illegal entries.

At this time, Mr. President, I ask unanimous consent that there be printed the text of a statement which I have prepared on this same subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUGGESTION BY SENATOR WILEY FOR COORDINATING AIR PATROL WORK BETWEEN AIR FORCE AND UNITED STATES IMMIGRATION SERVICE TO PREVENT ILLEGAL ENTRIES

I believe that the Achilles' heel of United States security lies in the tremendous number of illegal entries to the United States. During the first 10 months of the 1949 fiscal year over 250,000 aliens have been apprehended before they crossed our borders by the efficient United States border patrol of the Immigration and Naturalization Service. How many aliens escaped the border patrol no one can know. It is a staggering fact to contemplate that in all the upward of 10,000 or 11,000 miles of coast line we have a scant 1,200 border patrol officers to prevent illegal entries.

One of the worst factors in the situation is that aviation has become a major channel for illegal entry. Within the last year the border patrol has discovered at least four air-smuggling rings, one of which resulted in the apprehension of 45 individuals.

COMPULSORY PLANE IDENTIFICATION TO PREVENT ILLEGAL ENTRY

It is obvious that the overworked Immigration Service with its limited aircraft equipment cannot possibly patrol the entire United States-Mexican-Canadian and other borders. I suggest therefore to Secretary of Defense Louis Johnson that he initiate discussions with the Immigration Service on ways and means of coordinating United States Air Force work (particularly in the case of air bases close to the borders) with the Immigration Service. During the Second World War in all war zones a system of identification was set up so that Air Force planes required identification on the part of unknown planes entering a specific zone. This system of compulsory plane identification should be carried through in connection with all United States borders.

It would be foolish for us in connection with the Gerhart Eisler incident to cry over spilled milk. The big question is, How many Eislers are coming into our country via aviation and other illegal means? Aliens have entered the United States through submarines, through land approaches, and now through the air.

When one considers the fact that any single alien can bring with him weapons of biological warfare or atomic weapons, one realized how seriously illegal entry constitutes an Achilles' heel of American defense.

The Congress should give serious consideration to expansion of the undermanned border patrol force of the Immigration Service, which is headed by Commissioner Watson Miller—a great public servant.

Next week marks the twenty-fifth anniversary of the Border Patrol Division, and I believe that no better time than now could be the occasion for initiation of such coordination between the Air Force and the Immigration Bureau.

THE NEXT PEARL HARBOR

The next Pearl Harbor will not occur 3,000 miles from America. It will occur in the heartland of our own country—in Washington, Chicago, New York, Milwaukee, San Francisco, Detroit, St. Louis, or some other major metropolitan center.

Unless we can intercept aliens before they enter the United States, we will find that they can conveniently lose themselves within our 148,000,000 population.

We are quite sure that the Soviet Union is running efficient training schools for the equipping of agents in the latest techniques of sabotage and subversion. We are dealing with a nation which by the very nature of its police state is ingenious in enabling individuals to cross borders in order to do their nefarious work. We have got to stay one jump ahead of Soviet Russia by utilizing all of the latest devices for intercepting Red agents, and we dare not overlook the air channel as one of the major approaches.

I do not for one moment underestimate the danger of subversive citizens in our country who need not be brought across the borders, but who will be doing their traitorous work independently of alien saboteurs. At the same time, it is obvious that Russia will place her greatest reliance upon her own and satellite agents trained abroad and equipped with the latest technological devices for penetration of the United States.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 30. An act to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service;

S. 213. An act to provide benefits for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training;

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 715. An act to amend the Agricultural Act of 1948:

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes;

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest; and

S. J. Res. 12. Joint resolution authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3005) to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government.

The message also announced that the House had passed a joint resolution (H. J. Res. 170) designating June 14 of each year as Flag Day, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to

the following enrolled bills, and they were signed by the President pro tempore:

H. R. 1053. An act for the relief of Frank O. Ward;

H. R. 1058. An act for the relief of Frederick W. Lass;

H. R. 1062. An act for the relief of Lorrayne E. Graus;

H. R. 1158. An act to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city;

H. R. 1222. An act to authorize the exchange of certain fishery facilities within the State of Washington;

H. R. 1497. An act for the relief of Ralph A. Wood;

H. R. 1878. An act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond;

H. R. 2249. An act for the relief of Al. W. Hosinski;

H. R. 3181. An act to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes; and

H. R. 3341. An act to authorize the attendance of the United States Marine Band at the Fifty-ninth Annual Reunion of Confederate Veterans to be held in Little Rock, Ark., September 27 through September 29, 1949.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. LUCAS. Mr. President, I desire to make a brief announcement for the benefit of Senators.

The unfinished business is Senate bill 249, to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes. It is my understanding that the Senator from Utah [Mr. THOMAS], the distinguished chairman of the Committee on Labor and Public Welfare, will discuss the bill at some length. Following the address of the able Senator from Utah I shall ask unanimous consent that the unfinished business be temporarily laid aside for the purpose of considering House bill 4016, the appropriation bill now on the calendar for the State, Justice, and Commerce Departments.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to inquire if the distinguished majority leader knows about what hour the appropriation bill will be taken up.

Mr. LUCAS. I cannot advise the able Senator from Nebraska. I shall have to yield to my good friend from Utah [Mr. THOMAS] to answer that question.

Mr. THOMAS of Utah. Mr. President, I think it will be about 3 o'clock.

TRANSPORTATION OF COMMUNIST LEADERS ON SHIPS OF COMMUNIST-CONTROLLED COUNTRIES

Mr. MCCARRAN. Mr. President, I know that the leadership on both sides of the aisle are desirous of proceeding with the unfinished business. However, I ask unanimous consent to make a statement which will require about 12 minutes, having to do with the sailing of the Polish ship *Batory*, which, according to the press, is about to sail from New York today without intervention. As I say, it will require 12 minutes to make the statement. The Senator from Utah [Mr. THOMAS] seems agreeable that I may have that time, and I ask unanimous consent to be permitted to proceed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none.

Mr. MCCARRAN. Mr. President, the escape of comrade Gerhart Eisler from American justice has brought into dramatic relief the fact that the ships of Communist-controlled countries are a part of the international network of espionage and subversion which is being directed against the people of the United States by the dictators of the Soviet Union.

The subcommittee on immigration has looked into this problem and has accumulated significant facts on the subject. There can no longer be any question that Eisler was acting on direct orders from Moscow, and that the captain of the Polish ship *Batory* on which he escaped was acting on orders from Moscow. There can be no question that the tale of his being a stowaway was a prefabricated lie also ordered directly from Moscow.

We know very well that a Communist agent of the importance of Eisler would act only on direct orders. He would not dare take such action without being under instructions from Communist headquarters in the Soviet Union.

There have been additional cases in which the *Batory* and other vessels from Communist-controlled countries have been used for the transportation of Communists, legally or otherwise. The Committee on the Judiciary has in its files information to show that these vessels regularly transport Communist agents and couriers between the United States and Comintern headquarters behind the iron curtain. Leading Communists have always found a great welcome aboard these ships. I should like to cite an example.

The name of Boleslaw Gebert is one of the most notorious names in Communist party activities in the United States. He has been a member of Red high command among foreign-language groups since the beginning of the Communist movement in the United States. Gebert has been a member of the national committee of the Communist Party and district organizer of the Communist Party. In addition to his leading role in the Communist Party itself, Gebert was president of the Polish-American section of the International Workers order, which is the insurance arm of the Communist Party.

He has been an organizer of the Russian-American Institute, a Communist front; he was active in connection with the American Slav Congress, which is one of the leading Communist fronts in America. The only attempt on record to deport this man back to his native Russia was made back in 1919.

Apparently the repeated exposé of his activities since the end of the war were damaging to his ability to continue to act as a Soviet agent. On August 16, 1947, he slipped aboard the Polish ship *Batory* and sailed for Poland, where he now holds a high position in the Communist government.

Another person who used the steamship *Batory* to obtain transportation to Communist-controlled Poland is a man by the name of Leo Krzycki, who is now in Poland. Krzycki has also been an active party member in the Communist movement in this country, particularly among Poles and other Slavic groups. His long history of affiliation with Communist-controlled organizations includes the American Committee for Yugoslav Relief, the National Council of American-Soviet Friendship, the American Relief for Greek Democracy, the National Citizens Political Action Committee, the Progressive Citizens Association of America, the International Workers Order, the American-Russian Institute, the Reichstag Fire Trail Anniversary Committee, and others. The name of Krzycki has recently been mentioned in connection with the work of Communist agents and the Polish Embassy in the drive to divert the loyalty of foreign-born citizens in this country. Nonetheless he was able to obtain, from the Department of State, a passport which entitled him to travel to Poland. One may well wonder at this point who is responsible for this indiscriminatory issuance of American papers to persons whose loyalty to the United States is so completely lacking. He has long served as propagandist of a foreign government; and for his service to the Communists of Poland, Leo Krzycki has been made a national hero of the Polish Republic, a high citation given only to the most trustworthy Communist and pro-Communists. Leo Krzycki, too, made his departure aboard the steamship *Batory*, and is now actively engaged in Poland.

This is only a partial list. Additional facts will be brought out by the committee as the hearings progress. We must of necessity keep much of it confidential until the investigation has been completed.

The Polish Government is not the only one which has been engaged in this work. The same situation exists with respect to the activities of all Communist-satellite countries.

We know, for example, that one of the most dangerous channels of communism is the Yugoslav steamship *Radnik*, which frequently puts into the port of New York to disgorge its stream of agents and couriers, to receive information, and to take on Communist agents on their return to their native lands.

One of the most notorious persons to make use of this avenue of return has been Stephen Loyen, who was one of the top organizers of the Yugoslav Communist Party in the city of Pittsburgh. His job was to organize Yugoslavs for subversive activities, espionage, and sabotage in our larger industrial establishments. One day he slipped aboard the *Radnik*, and turned up shortly thereafter in Yugoslavia. It is significant, Mr. President, that the *Radnik* has been used to "entertain" Yugoslav-Americans while the ship was in New York. We all know that this is not only a useful propaganda activity but a service to cover up the movement of agents on and off the vessel.

Let me present some information concerning a reception and entertainment held abroad the *Radnik* which was published in the Communist Yugoslav newspaper Slobodna Rec. Present at that Communist festivity were such notorious Yugoslav-Communists as Harry Justiz, who is now under conviction for contempt of Congress. The Communist paper which I have cited reports that thousands of Yugoslav immigrants attended, and that the ship displayed the Communist flag of Yugoslavia with the wonderful Red star, symbol of liberty, fraternity and unity. Under the bridge was a huge sign reading, "Welcome, Immigrant Brothers."

Let me impress upon the Senate the fact that this represents only a small part of the information which has been collected in the Immigration Subcommittee of the Committee on the Judiciary. This is only a fragment of the evidence which I have begun to present to the Senate to show that the Communist conspiracy in the United States is controlled by a foreign power, and that its activities are conducted by foreign agents who are sent here through legal and illegal channels. They use every facility—embassies, legations, and international organizations—to carry on their nefarious work. Under the present system, many of these persons carry on their work with immunity from our laws. The Immigration Subcommittee is now working out legislation to protect our people, our country, our Government from these untouchable agents. Mr. President, I am determined that they shall be—legally, by legislation enacted by the Congress—driven from our shores.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. THOMAS of Utah. Mr. President, at the opening of the session I introduced a bill which became Senate bill 249. It provided for the repeal of the Taft-Hartley Act and the restoration of the National Labor Relations Act, as it existed before the Industry-Labor Act of 1947.

Then, Mr. President, I offered as a substitute, from the committee, another bill, which added some amendments to the original bill, but left out the printing of the National Labor Relations Act as proposed to be amended.

In order that Senators may not have too many papers on their desks, and in order that amendments may be drawn to the proper bill, I now ask unanimous consent—for the purpose of clarifying the parliamentary situation—to submit, in lieu of the committee amendment, which is in the nature of a substitute for the Senate bill, certain language hereinafter set out, and that it may be regarded, for the purpose of amendment, as an original question, not as an amendment in the first degree. This is in accordance with the precedents for the consideration of a bill to which the committee reports an amendment in the nature of a substitute. Under this procedure an amendment offered to the substitute proposed by me would be an amendment in the first degree only, and such an amendment would in turn be subject to amendment.

The language which I ask to have inserted, in lieu of the committee substitute, would strike out all after the enacting clause and insert in lieu thereof what is provided in my amendment of May 31, which I ask to have printed in the RECORD.

There being no objection, the amendment in the nature of a substitute, offered by Mr. THOMAS of Utah, was ordered to be printed in the RECORD, as follows:

That this act may be cited as the "National Labor Relations Act of 1949."

TITLE I—REPEAL OF LABOR-MANAGEMENT RELATIONS ACT, 1947, AND REENACTMENT OF NATIONAL LABOR RELATIONS ACT OF 1935

REPEAL OF LABOR-MANAGEMENT RELATIONS ACT, 1947

SEC. 101. The Labor-Management Relations Act, 1947 (Public Law No. 101, 80th Cong.), is hereby repealed.

REENACTMENT OF THE NATIONAL LABOR RELATIONS ACT

SEC. 102. The National Labor Relations Act of 1935 (49 Stat. 449) is hereby reenacted with amendments to read as follows:

"FINDINGS AND POLICY

"SECTION 1. The denial by employers of the right of employees to organize and the refusal by employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce by (a) impairing the efficiency, safety, or operation of the instrumentalities of commerce; (b) occurring in the current of commerce; (c) materially affecting, restraining, or controlling the flow of raw materials or manufactured or processed goods from or into the channels of commerce, or the prices of such materials or goods in commerce; or (d) causing diminution of employment and wages in such volume as substantially to impair or disrupt the market for goods flowing from or into the channels of commerce.

"The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

"Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

"Experience has further demonstrated that certain unjustifiable conflicts between or among labor organizations lead to strikes and other forms of industrial strife which substantially burden or obstruct commerce, and that the failure of employers to maintain a neutral position aggravates and prolongs these conflicts. The public interest requires abatement of such industrial strife through just, peaceable, and final settlement.

"It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection.

"DEFINITIONS

"SEC. 2. When used in this act—

"(1) The term 'person' includes one or more individuals, partnerships, associations, corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

"(2) The term 'employer' includes any person acting in the interest of an employer, directly or indirectly, but shall not include the United States, or any State or political subdivision thereof, or any person subject to the Railway Labor Act, as amended from time to time, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"(3) The term 'employee' shall include any employee, and shall not be limited to the employees of a particular employer, unless the act explicitly states otherwise, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment, but shall not include any individual employed as an agricultural laborer, or in the domestic service of any family or person at his home, or any individual employed by his parent or spouse.

"(4) The term 'representatives' includes any individual or labor organization.

"(5) The term 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

"(6) The term 'commerce' means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any Territory of the United States and any State or other Territory, or between any foreign country and any State, Territory, or the District of Columbia, or within the District of Columbia or any Territory, or between points in the same State but through any other State or any Territory or the District of Columbia or any foreign country.

"(7) The term 'affecting commerce' means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce.

"(8) The term 'unfair labor practice' means any unfair labor practice listed in section 8.

"(9) The term 'labor dispute' includes any controversy concerning terms, tenure or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relation of employer and employee.

"(10) The term 'National Labor Relations Board' means the National Labor Relations Board created by section 3 of this act.

"(11) The term 'secondary boycott' means a concerted refusal in the course of employment by employees of one employer to pro-

duce, manufacture, transport, distribute, or otherwise work on articles, materials, goods, or commodities because they have been or are to be manufactured, produced, or distributed by another employer.

"(12) The term 'jurisdictional dispute' means a dispute between two or more labor organizations (not established, maintained, or assisted by any employer action defined in this act as an unfair labor practice) concerning the assignment or prospective assignment of a particular work task by an employer.

"SEC. 3. (a) The National Labor Relations Board (hereinafter called the 'Board') is hereby continued as an agency of the United States. The Board shall consist of five members appointed by the President by and with the advice and consent of the Senate. The terms of office of the members of the Board in office on the date of enactment of the National Labor Relations Act of 1949 shall expire as provided by law at the time of their appointment. Members appointed after such date of enactment shall be appointed for terms of five years each, excepting that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate one member to serve as Chairman of the Board. Any member of the Board may be removed by the President, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other cause.

"(b) The Board is authorized to delegate to any group of three or more members any or all of the powers which it may itself exercise. A vacancy in the Board shall not impair the right of the remaining members to exercise all of the powers of the Board, and three members of the Board shall, at all times, constitute a quorum of the Board, except that two members shall constitute a quorum of any group designated pursuant to the first sentence hereof. The Board shall have an official seal which shall be judicially noticed.

"(c) The Board shall at the close of each fiscal year make a report in writing to Congress and to the President stating in detail the cases it has heard, the decisions it has rendered, the names, salaries, and duties of all employees and officers in the employ or under the supervision of the Board, and an account of all moneys it has disbursed.

"SEC. 4. (a) Each member of the Board shall receive a salary of $17,500 a year, shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment. The Board shall appoint such employees as it may from time to time find necessary for the proper performance of its duties. Any arbitrators appointed by the Board under section 9 (d) may be appointed in the manner authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a) at per diem rates to be determined by the Board but not exceeding $100, and shall be entitled to traveling expenses as authorized by section 5 of such act (5 U. S. C. 73b–2) for persons so employed. The Board may establish or utilize such regional, local, or other agencies and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may, at the direction of the Board, appear for and represent the Board in any case in court. Nothing in this act shall be construed to authorize the Board to appoint individuals for the purpose of conciliation or mediation (or for statistical work), where such service may be obtained from the Department of Labor.

"(b) All of the expenses of the Board, including all necessary traveling and subsistence expenses outside the District of Columbia incurred by the members or employees of the Board under its orders, shall be allowed and paid on the presentation of itemized vouchers therefore approved by the Board or by any individual it designates for that purpose.

"SEC. 5. The principal office of the Board shall be in the District of Columbia, but it may meet and exercise any or all of its powers at any other place. The Board may, by one or more of its members or by such agents or agencies as it may designate, prosecute any inquiry necessary to its functions in any part of the United States. A member who participates in such an inquiry shall not be disqualified from subsequently participating in a decision of the Board in the same case.

"SEC. 6. (a) The Board shall have authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act. Such rules and regulations shall be effective upon publication in the manner which the Board shall prescribe.

"RIGHTS OF EMPLOYEES

"SEC. 7. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

"SEC. 8. (a) It shall be an unfair labor practice for an employer—

"(1) to interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7;

"(2) to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it: *Provided*, That subject to rules and regulations made and published by the Board pursuant to section 6 (a), an employer shall not be prohibited from permitting employees to confer with him during working hours without loss of time or pay;

"(3) by discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization: *Provided*, That nothing in this act, or in any other statute of the United States, or in any State law, shall preclude an employer engaged in commerce, or whose activities affect commerce, from making an agreement with a labor organization (not established, maintained, or assisted by any employer action defined in this act as an unfair labor practice) to require as a condition of employment membership therein, or from paying to such labor organization, pusuant to a collective-bargaining agreement, membership obligations or sums equivalent thereto by deduction from wages or salaries, if such labor organization is the representative of the employees as provided in section 9 (a), in the appropriate collective-bargaining unit covered by such agreement when made;

"(4) to discharge or otherwise discriminate against an employee because he has filed charges or given testimony under this act;

"(5) to refuse to bargain collectively with the representatives of his employees, subject to the provisions of section 9 (a);

"(6) to refuse to assign a particular work task in accordance with an award under section 9 (d) of this act.

"(b) It shall be an unfair labor practice for a labor organization—

"(1) to cause or attempt to cause employees to engage in a secondary boycott, or a concerted work stoppage, to compel an employer to bargain with a particular labor organization as the representative of his employees if—

"(a) another labor organization is the certified representative of such employees within the meaning of section 9 of this act; or

"(b) the employer is required by an order of the Board to bargain with another labor organization; or

"(c) the employer is currently recognizing another labor organization (not established, maintained, or assisted by any employer action defined in this act as an unfair labor practice) and has executed a collective-bargaining agreement with such other labor organization, and a question concerning representation may not appropriately be raised under section 9 of this act.

"(2) to cause or attempt to cause employees to engage in a secondary boycott, or a concerted work stoppage, in furtherance of a jurisdictional dispute if such labor organization is seeking to compel an employer to assign a particular work task contrary to an award made under section 9 (d) of this act."

"(c) It shall be an unfair labor practice for an employer or a labor organization to terminate or modify a collective-bargaining contract covering employees in an industry affecting commerce, unless the party desiring such termination or modification notifies the United States Conciliation Service of the proposed termination or modification at least 30 days prior to the expiration date of the contract, or 30 days prior to the time it is proposed to make such termination or modification, whichever is earlier.

"REPRESENTATIVES AND ELECTIONS

"SEC. 9. (a) Representatives designated or selected for the purposes of collective bargaining by the majority of the employees in a unit appropriate for such purposes, shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment: *Provided*, That any individual employee or a group of employees shall have the right at any time to present grievances to their employer.

"(b) The Board shall decide in each case whether, in order to insure to employees the full benefit of their right to self-organization and to collective bargaining, and otherwise to effectuate the policies of this act, the unit appropriate for the purposes of collective bargaining shall be the employer unit, craft unit, plant unit, or subdivision thereof.

"(c) Whenever a question affecting commerce arises concerning the representation of employees, the Board may investigate such controversy and certify to the parties in writing, the name or names of the representatives that have been designated or selected. In any such investigation, the Board shall provide for an appropriate hearing upon due notice, either in conjunction with a proceeding under section 10 or otherwise, and may take a secret ballot of employees, or utilize any other suitable method to ascertain such representatives.

"(d) Whenever a jurisdictional dispute results in or threatens to result in a concerted work stoppage, or a secondary boycott, affecting commerce, the Board may hear and determine, or appoint an arbitrator to hear and determine, the dispute, and issue an award, first affording the labor organizations involved in the dispute a reasonable opportunity to settle their controversy between or among themselves. In determining the dispute the Board or the arbitrator, as the case may be, may consider any prior Board certification under which any such labor organization claims the right to represent employees who are or may be hired or assigned to perform the work tasks in dispute, any union charters or interunion agreements purporting to define areas of jurisdiction between or among the contending labor organizations, the decisions of any agency established by unions to consider such disputes, the past work history of the organizations involved in the dispute, and the policies of this act. If an arbitrator is appointed to hear and determine a dispute, he shall proceed in accordance with such rules and regulations as the Board may prescribe; and his award determining the dispute shall have the same effect as an award of the Board. In

any proceeding under this section, the employer whose assignment or prospective assignment of a particular work task is in controversy shall have an opportunity to be heard in any hearing conducted by the Board, or an arbitrator, as the case may be. If at any stage of the proceeding it shall appear to the Board that the dispute is in fact one concerning representation, it shall treat the case as one instituted under section 9 (c) of this act and proceed accordingly.

"(e) Whenever an order of the Board made pursuant to section 10 (c) is based in whole or in part upon facts certified following an investigation pursuant to subsection (c) of this section, or upon an award made in proceedings under subsection (d) of this section, and there is a petition for the enforcement or review of such order, such certification and the record of such investigation, or such award and the record of the proceedings under subsection (d) of this section, as the case may be, shall be included in the transcript of the entire record required to be filed under subsections 10 (e) or 10 (f), and thereupon the decree of the court enforcing, modifying, or setting aside in whole or in part the order of the Board shall be made and entered upon the pleadings, testimony, and proceedings set forth in such transcript.

"PREVENTION OF UNFAIR LABOR PRACTICES

"SEC. 10. (a) The Board is empowered, as hereinafter provided, to prevent any person from engaging in any unfair labor practice (listed in section 8) affecting commerce. This power shall be exclusive, and shall not be affected by any other means of adjustment or prevention that has been or may be established by agreement, code, law, or otherwise.

"(b) Whenever it is charged that any person has engaged in or is engaging in any such unfair labor practice, the Board, or any agent or agency designated by the Board for such purposes, shall have power to issue and cause to be served upon such person a complaint stating the charges in that respect, and containing a notice of hearing before the Board or a member thereof, or before a designated agent or agency, at a place therein fixed, not less than 5 days after the serving of said complaint. Any such complaint may be amended by the member, agent, or agency conducting the hearing or the Board in its discretion at any time prior to the issuance of an order based thereon. The person so complained of shall have the right to file an answer to the original or amended complaint and to appear in person or otherwise and give testimony at the place and time fixed in the complaint. In the discretion of the member, agent, or agency conducting the hearing or the Board, any other person may be allowed to intervene in the said proceeding and to present testimony. In any such proceeding the rules of evidence prevailing in courts of law or equity shall not be controlling.

"(c) The testimony taken by such member, agent or agency, or the Board shall be reduced to writing and filed with the Board. Thereafter, in its discretion, the Board upon notice may take further testimony or hear argument. If upon all the testimony taken the Board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice, and to take such affirmative action, including reinstatement of employees with or without back pay, as will effectuate the policies of this act. Such order may further require such person to make reports from time to time showing the extent to which it has complied with the order. If upon all the testimony taken the Board shall be of the opinion that no person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue an order dismissing the said complaint.

"(d) Until a transcript of the record in a case shall have been filed in a court, as hereinafter provided, the Board may at any time, upon reasonable notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any finding or order made or issued by it.

"(e) The Board shall have power to petition any circuit court of appeals of the United States (including the Court of Appeals of the District of Columbia), or if all the circuit courts of appeals to which application may be made are in vacation, any district court of the United States (including the Supreme Court of the District of Columbia), within any circuit or district, respectively, wherein the unfair labor practice in question occurred or wherein such person resides or transacts business, for the enforcement of such order and for appropriate temporary relief or restraining order, and shall certify and file in the court a transcript of the entire record in the proceeding, including the pleadings and testimony upon which such order was entered and the findings and order of the Board. Upon such filing, the court shall cause notice thereof to be served upon such person, and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to grant such temporary relief or restraining order as it deems just and proper, and to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the Board. No objection that has not been urged before the Board, its member, agent, or agency, shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances. The findings of the Board as to the facts, if supported by evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Board, its member, agent, or agency, the court may order such additional evidence to be taken before the Board, its member, agent, or agency, and to be made a part of the transcript. The Board may modify its findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and it shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and shall file its recommendations, if any, for the modification or setting aside of its original order. The jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the appropriate circuit court of appeals if application was made to the district court as hereinabove provided, and by the Supreme Court of the United States upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

"(f) Any person aggrieved by a final order of the Board granting or denying in whole or in part the relief sought may obtain a review of such order in any circuit court of appeals of the United States in the circuit wherein the unfair labor practice in question was alleged to have been engaged in or wherein such person resides or transacts business, or in the Court of Appeals of the District of Columbia, by filing in such court a written petition praying that the order of the Board be modified or set aside. A copy of such petition shall be forthwith served upon the Board, and thereupon the aggrieved party shall file in the court a transcript of the entire record in the proceeding, certified by the Board, including the pleading and testimony upon which the order complained of was entered and the findings and order of the Board. Upon such filing, the court shall proceed in the same manner as in the case of an application by the Board under subsection (e), and shall have the same exclusive jurisdiction to grant to the Board such temporary relief or restraining order as it deems just and proper, and in like manner to make and enter a decree enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part the order of the Board; the findings of the Board as to the facts, if supported by evidence, shall in like manner be conclusive.

"(g) The commencement of proceedings under subsection (e) or (f) of this section shall not, unless specifically ordered by the court, operate as a stay of the Board's order.

"(h) When granting appropriate temporary relief or a restraining order, or making and entering a decree enforcing, modifying, and enforcing as so modified or setting aside in whole or in part an order of the Board, as provided in this section, the jurisdiction of courts sitting in equity shall not be limited by the act entitled 'An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes', approved March 23, 1932 (U. S. C., Supp. VII, title 29, secs. 101–115).

"(i) Petitions filed under this act shall be heard expeditiously, and if possible within 10 days after they have been docketed.

"INVESTIGATORY POWERS

"SEC. 11. For the purpose of all hearings and investigations, which, in the opinion of the Board, are necessary and proper for the exercise of the powers vested in it by section 9 and section 10—

"(1) The Board, or its duly authorized agents or agencies, shall at all reasonable times have access to, for the purpose of examination, and the right to copy any evidence of any person being investigated or proceeded against that relates to any matter under investigation or in question. Any member of the Board shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation or in question, before the Board, its member, agent, or agency conducting the hearing or investigation. Any member of the Board, or any agent or agency designated by the Board for such purposes, may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and the production of such evidence may be required from any place in the United States or any Territory or possession thereof, at any designated place of hearing.

"(2) In case of contumacy or refusal to obey a subpena issued to any person, any district court of the United States or the United States courts of any Territory or possession, or the Supreme Court of the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Board shall have jurisdiction to issue to such person an order requiring such person to appear before the Board, its member agent, or agency, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

"(3) No person shall be excused from attending and testifying or from producing books, records, correspondence, documents, or other evidence in obedience to the sub-

pena of the Board, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

"(4) Complaints, orders, and other process and papers of the Board, its member, agent, or agency, may be served either personally or by registered mail or by telegraph or by leaving a copy thereof at the principal office or place of business of the person required to be served. The verified return by the individual so serving the same setting forth the manner of such service shall be proof of the same, and the return post-office receipt or telegraph receipt therefor when registered and mailed or telegraphed as aforesaid shall be proof of service of the same. Witnesses summoned before the Board, its member, agent, or agency, shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

"(5) All process of any court to which application may be made under this act may be served in the judicial district wherein the defendant or other person required to be served resides or may be found.

"(6) The several departments and agencies of the Government, when directed by the President, shall furnish the Board, upon its request, all records, papers, and information in their possession relating to any matter before the Board.

"SEC. 12. Any person who shall willfully resist, prevent, impede, or interfere with any member of the Board or any of its agents or agencies in the performance of duties pursuant to this act shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 1 year, or both.

"LIMITATIONS

"SEC. 13. Nothing in this act shall be construed so as to interfere with or impede or diminish in any way the right to strike.

"SEC. 14. Wherever the application of the provisions of section 7 (a) of the National Industrial Recovery Act (U. S. C., Supp. VII, title 15, sec. 707 (a)), as amended from time to time, or of section 77 B, paragraphs (l) and (m) of the act approved June 7, 1934, entitled 'An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto' (48 Stat. 922, pars. (l) and (m)), as amended from time to time, or of Public Resolution No. 44, approved June 19, 1934 (48 Stat. 1183), conflicts with the application of the provisions of this act, this act shall prevail: *Provided*, That in any situation where the provisions of this act cannot be validly enforced, the provisions of such other acts shall remain in full force and effect.

"SEC. 15. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"SEC. 16. This act may be cited as the 'National Labor Relations Act'."

BAR TO CERTAIN PROCEEDINGS

SEC. 105. Notwithstanding the provisions of the act of February 25, 1871 (16 Stat. 432), neither the Board nor any court of the United States shall have jurisdiction to entertain, process, make, impose, or enforce any petition, complaint, order, liability, or punishment under the National Labor Relations Act, as amended by the Labor-Management Relations Act, 1947, with respect to any act or omission occurring prior to the date of enactment of this act, unless such petition, complaint, order, liability, or punishment could be entertained, processed, made, imposed, or enforced under the National Labor Relations Act with respect to a like act or omission occurring after the date of enactment of this act. No complaint shall hereafter be issued by the National Labor Relations Board based upon any unfair labor practice occurring prior to August 22, 1947, unless charges with respect thereto were pending before the Board on January 1, 1949.

TITLE II—MEDIATION AND ARBITRATION

THE UNITED STATES CONCILIATION SERVICE

SEC. 201. (a) The United States Conciliation Service is hereby reestablished in the Department of Labor; and the functions transferred to the Federal Mediation and Conciliation Service by section 202 (d) of the Labor-Management Relations Act, 1947, are hereby restored to the Secretary of Labor. The Service shall be under the direction of a Director of Conciliation (hereinafter called the "Director"), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of $15,000 per annum.

(b) The personnel, records, property, and unobligated balances of appropriations, allocations, or other funds of the Federal Mediation and Conciliation Service are hereby transferred to the Department of Labor. Such transfer shall not affect any proceedings pending before the Federal Mediation and Conciliation Service or any rule or regulation heretofore made by it or by the Federal Mediation and Conciliation Director.

(c) The United States Conciliation Service shall be administered under the general direction and supervision of the Secretary of Labor. General policies and standards for the operation of the service shall be formulated and promulgated by the Director of Conciliation, with the approval of the Secretary of Labor.

(d) The Secretary is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the service, and shall fix their compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such conciliators, mediators, and arbitrators as may be necessary to carry out the functions of the service.

FUNCTIONS OF THE SERVICE

SEC. 202. (a) The United States Conciliation Service (hereinafter called the "Service") shall assist labor and management in settling disputes through the processes of free collective bargaining. The Director shall have authority to proffer the facilities of the Service in any labor dispute in any industry affecting commerce either upon his own motion or upon the request of one or more of the parties to the dispute whenever, in his judgment, the facilities of the Service will assist the parties in settling the dispute.

(b) Upon request of the parties to the dispute, the Service shall cooperate in formulating an agreement for the arbitration of the dispute, in selecting an arbitrator or arbitrators, and in making such other arrangements and in taking such other action as may be necessary.

(c) The Service shall furnish to employer, employees, and other public and private agencies, information concerning the practicability and desirability of establishing suitable agencies and methods to aid in the settlement of labor disputes by mediation, conciliation, arbitration, and other peaceful means, and to promote and encourage the uses and procedures of sound collective bargaining. The Director is authorized to establish suitable procedures for cooperation with State and local mediation agencies and to enter into agreements with such State and local mediation agencies relating to the mediation of labor disputes whose effects are predominantly local in character.

(d) Through conferences and such other methods as it deems appropriate, the Service shall seek to improve relations between employers and the representatives of their employees for the purpose of avoiding labor disputes and preventing such disputes as might occur from developing into stoppages of operations which might affect commerce or develop consequences injurious to the general welfare.

CONDUCT OF CONCILIATION OFFICERS

SEC. 203. The Director and the Service shall be impartial. They shall respect the confidence of the parties to any dispute. Commissioners of Conciliation shall not engage in arbitration while serving as Commissioners and they shall not participate in cases in which they have a pecuniary or personal interest.

DUTIES OF EMPLOYERS AND EMPLOYEES

SEC. 204. In order to prevent or minimize labor disputes affecting the free flow of commerce or threatening consequences injurious to the general welfare, it shall be the duty of employers and employees, and their representatives to—

(a) exert every reasonable effort to make and maintain collective-bargaining agreements for definite periods of time, concerning (1) rates of pay, hours, and terms and conditions of work; (2) adequate notice of desire to terminate or change such agreements; (3) abstention from strikes, lockouts, or other acts of economic coercion in violation of such agreements; and (4) procedures for the peaceful settlement of disputes involving the interpretation or application of such agreements;

(b) participate fully and promptly in such meetings as may be undertaken by the Service for the purpose of aiding in a settlement of any dispute to which they are parties.

INTERPRETATION OF EXISTING AGREEMENTS

SEC. 205. It is the public policy of the United States that any collective-bargaining agreement in an industry affecting commerce shall provide procedures by which either party to such agreement may refer disputes growing out of the interpretation or application of the agreement to final and binding arbitration. The Service is authorized and directed to assist employers and labor organizations in—

(a) developing such procedures;

(b) applying such procedures to individual cases, including assistance in framing the issues in dispute and the terms and conditions under which the arbitration proceeding shall be conducted, including methods for the selection of the arbitrator or arbitrators; and

(c) selecting an arbitrator or arbitrators, including making available to the parties a roster of names from which the parties may choose one or more arbitrators and, if the parties so desire, designating one or more arbitrators.

LABOR-MANAGEMENT ADVISORY COMMITTEES

SEC. 206. (a) The Secretary of Labor shall appoint such labor-management advisory committees as he deems necessary or appropriate in the administration of this title. The membership of each such committee shall consist of equal numbers of labor and management representatives, and one or more public members. The Secretary shall

designate a public member as chairman. Members of such advisory committees shall serve without compensation, but shall receive transportation, and per diem in lieu of subsistence at a rate of $25 a day, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2), for persons so serving. Such committees shall have authority to adopt, amend, or rescind such rules and regulations as may be necessary to the performance of their functions.

(b) Such advisory committees shall advise the Secretary on questions of policy and administration affecting the work of the Service and shall perform such other functions to help in achieving the purposes of this title as the Secretary may request.

TITLE III—NATIONAL EMERGENCIES

DECLARATION OF NATIONAL EMERGENCY

SEC. 301. Whenever the President finds that a national emergency is threatened or exists because of a stoppage of work has resulted or threatens to result from a labor dispute (including the expiration of a collective-bargaining agreement) in a vital industry which affects the public interest, he shall issue a proclamation to that effect and call upon the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operations in the public interest.

EMERGENCY BOARDS

SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an emergency board.

(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 25 days after the issuance of the proclamation, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Secretary of Labor shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

(c) After a Presidential proclamation has been issued under section 301, and until 5 days have elapsed after the report has been made by the board appointed under this section, the parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties.

POWERS OF EMERGENCY BOARDS

SEC. 303. (a) A separate emergency board shall be appointed pursuant to section 302 for each dispute and shall be composed of such number of persons as the President may deem appropriate, none of whom shall be pecuniarily or otherwise interested in any organizations of employees or in any employer involved in the dispute. The provisions of section 11 of the National Labor Relations Act, as amended by this act (relating to the investigatory powers of the National Labor Relations Board) shall be applicable with respect to any board appointed under this section, and its members and agents, with respect to the exercise of their functions, in the same manner that such provisions are applicable with respect to the National Labor Relations Board. Any board appointed under this section may prescribe or adopt such rules and regulations as it deems necessary to govern its functions. Members of emergency board shall receive compensation, at rates determined by the President, when actually employed, and travel expenses as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2), for persons so employed. When a board appointed under this section has been dissolved, its records shall be transferred to the Secretary of Labor.

TITLE IV—MISCELLANEOUS PROVISIONS

APPLICATION OF ANTI-INJUNCTION STATUTES

SEC. 401. The act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes" (Norris-LaGuardia Act), approved March 24, 1932 (U. S. C., title 29, secs. 101–115), and sections 6 and 20 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" (Clayton Act), approved October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), are continued in full force and effect in accordance with the provisions of such acts; except that the provisions of such act and such sections shall not be construed to be applicable with respect to section 10 of the National Labor Relations Act.

POLITICAL CONTRIBUTIONS

SEC. 402. Section 610 of title 18 of the United States Code (Public Law 772, 80th Cong., 2d sess.), is amended to read as follows:

"SEC. 610. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress to make a contribution in connection with any election to any political office, or for any corporation whatever to make a contribution in connection with any election to any political office, or for any corporation whatever to make a contribution in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section. Every corporation which makes any contribution in violation of this section shall be fined not more than $5,000; and every officer or director of any corporation who consents to any contribution by the corporation in violation of this section shall be fined not more than $1,000, or imprisoned not more than 1 year, or both."

DEFINITIONS

SEC. 403. When used in this act—

(1) The term "industry affecting commerce" means any industry or activity in commerce or in which a labor dispute would burden or obstruct commerce or tend to burden or obstruct commerce or the free flow of commerce.

(2) The terms "commerce", "affecting commerce", "labor dispute", "employer", "employee", "labor organization", and "person" shall have the same meaning as when used in the National Labor Relations Act as reenacted by title I of this act.

SAVING PROVISION

SEC. 404. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

EXEMPTION OF RAILWAY LABOR ACT

SEC. 405. The provisions of titles II and III of this act shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended.

SEPARABILITY

SEC. 406. If any provision of this act, or the application thereof to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

Amend the title so as to read: "A bill to repeal the Labor-Management Act, 1947, to reenact the National Labor Relations Act of 1935, and for other purposes."

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah?

Mr. WHERRY. Mr. President, reserving the right to object, do I correctly understand that the request is that the new language be considered as an original question, and that amendments in the first degree and amendments in the second degree can be offered to it?

Mr. THOMAS of Utah. Yes; it will be an original bill, so far as the parliamentary situation is concerned.

Mr. WHERRY. And it can be amended by amendments in the first degree; can it?

Mr. THOMAS of Utah. It will be subject to amendment, as any original bill would be.

Mr. WHERRY. And amendments in the first degree which may be offered to it will, in turn, be subject to amendment in the second degree; is that true?

Mr. THOMAS of Utah. That is true.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Utah?

Mr. TAFT. Mr. President, reserving the right to object, do I correctly understand that the majority members of the Committee on Labor and Public Welfare have approved the proposed procedure?

Mr. THOMAS of Utah. Yes; I talked it over with the majority, and I think there has been no objection, wherever I have asked the members of the committee about it.

The reason we are proposing this, as the Senator from Ohio will know, is so that those Senators who wish to offer amendments will be offering amendments to the same bill. There is no change at all in the wording. There is some change in the arrangement.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. HILL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Alabama?

Mr. THOMAS of Utah. I yield.

Mr. HILL. I offer an amendment on behalf of myself, the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], and the Senator from Kentucky [Mr. WITHERS].

The PRESIDENT pro tempore. Does the Senator from Alabama desire to have the amendment placed before the Senate as the pending question?

Mr. HILL. I do, indeed. I now ask that the amendment be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, following line 21, it is proposed to insert a new paragraph (3), reading as follows:

(3) to refuse to bargain collectively with an employer, subject to the provisions of section 9 (a).

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HILL. Am I correct in my understanding that the amendment which I have just offered is now the pending question?

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama.

Mr. THOMAS of Utah. Mr. President, because of the extremely complex nature of the pending bill, and because of the fact that we may at any time be discussing the rulings of administrative boards and judicial reviews, I ask unanimous consent that during the debate I may have sit with me on the floor of the Senate Mr. Kenneth Mieklejohn, Assistant Solicitor of the Labor Department.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

Mr. THOMAS of Utah. Mr. President, in presenting to the Senate a statement in regard to the bill, I shall not only be talking upon the pending amendment offered by the Senator from Alabama, but I shall also be talking upon the bill in general, and since it is a long bill, and since my discussion may be lengthy, and also since undoubtedly it will be the basis on which future amendments will be offered, and on which much of the discussion will be based, I ask unanimous consent that I may proceed to discuss the amendment without being interrupted. I make that request now, for the information of Senators. For the further information of Senators, who may wish to allot their time, I may say that I shall take at least 2 hours.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. THOMAS of Utah. Mr. President, we are not here setting the stage for the consideration of Senate bill 249. The stage has already been set for us. It was set by others outside the Senate. In the first place, an idea of the pending bill reached the ears of all the people of the United States in one particular, during the Presidential campaign, when the President of the United States promised the people that if elected he would do his best to bring about the repeal of the Taft-Hartley Act. So that question became a campaign issue, giving rise to conditions under which anyone who speaks on the bill may discuss promises made, promises lived up to, and promises not lived up to, in a political way. Therefore, the setting of the stage is not entirely legislative; it is political. I grant that from the very beginning.

I should like to show how political it is by reading what the Democratic national platform said on the subject. I may repeat this at other points in the discussion. The platform declared in words that cannot be questioned:

We advocate the repeal of the Taft-Hartley Act. It was enacted by the Republican Eightieth Congress over the President's veto. That act was proposed with the promise that it would secure the legitimate rights of both employees and employers in their relations affecting commerce. It has failed. The number of labor-management disputes has increased. The number of cases before the National Labor Relations Board has more than doubled since the act was passed, and efficient and prompt administration is becoming more and more difficult. It has encouraged litigation in labor disputes and undermined the established American policy of collective bargaining. Recent decisions by the courts prove that the act was so poorly drawn that its application is uncertain, and that it is probably, in some provisions, unconstitutional. We advocate such legislation as is desirable to establish a just body of rules to assure free and effective collective bargaining, to determine, in the public interest, the rights of employees and employers, to reduce to a minimum their conflict of interests, and to enable unions to keep their membership free from communistic influences.

Mr. President, there is another part of the platform which has a bearing upon the pending bill, and I want to read that, too. I refer to the following statement:

We urge that the Department of Labor be rebuilt and strengthened, restoring to it the units, including the Federal Mediation and Conciliation Service and the United States Employment Service, which properly belong to it, and which the Republican Eightieth Congress stripped from it over the veto of President Truman. We urge that the Department's facilities for collecting and disseminating economic information be expanded, and that a Labor Education Extension Service be established in the Department of Labor.

In relation to the last paragraph read, I cannot but remind the Senate that such a bill is on the calendar at the present time, so that so far as the party declaration is concerned, so far as the aim of those who feel that a party declaration is something that should be respected, we have in the pending bill both the intent, the purpose, and the fulfillment of those promises; plus, of course, in the bill which is already on the calendar, the last provision included in that promise.

Mr. President, I for one realize that we can never have popular government in the United States, we can never have popular sovereignty, we can never have honest political parties, unless political parties take seriously the declarations which they make. I realize that our country got along for a long time after the Constitution was established before there was such a thing as a party declaration. But since 1828 political parties have made declarations to the people of the United States; and while it is ordinarily said that a platform is something to get in on" and is not necessarily to be taken seriously, I, for one, have never accepted that thesis. The committee has never accepted it. The committee feels that in the pending bill it is living up to the promise in the platform, and it wants its action to be so interpreted. The promise, in and of itself, Mr. President, is to me, justification enough for the bill besides the other reasons, which I hope to state, why the Taft-Hartley Act, as it is called, should be repealed.

This is not all of the political nature, Mr. President. I have already mentioned the fact that in every hamlet of the United States, wherever there were laboring men, wherever an appeal could be made to the interests of the people who were listening, such an appeal was always made on the basis of a promise that the Taft-Hartley Act would be repealed. It is written so completely in the language of the orators who went from coast to coast, so completely in the language of the President of the United States, so completely implied and written in the platform of the Democratic Party, that I, for one, want to live up to the promises made, and want to respect them. I repeat, that there is justification enough for what we are proposing to do, because the promises were made.

I know it will be said that all voters vote their own individual convictions; that no voter can express himself particularly from the platform; that all voters are more or less emotional. But in the whole history of political campaigns in America there has never been a time when a candidate went before the people with such explicit promises as did President Truman last fall. He did not talk generalities at all. As a politician, I sometimes felt—and I know all of my colleagues so felt—that it would be better to talk about the development of justice, orderly procedures, standing by the Constitution, and matters of that kind. But President Truman flatly said, "I stand for the repeal of the Taft-Hartley law." No one could misunderstand what he said, and no one could misunderstand what he meant. Everyone who voted for him knew that the repeal of the Taft-Hartley law would be a part of his program. Therefore, Mr. President, I think we cannot in any degree forget that situation, no matter how we may argue. I myself shall argue and point out that it was only an indirect promise in the way in which it has been interpreted.

When the President came to deliver to the Congress the state of the Union message, after he had been elected, he said:

If we want to keep our economy running in high gear, we must be sure that every group has the incentive to make its full contribution to the national welfare. At present, the working men and women of the Nation are unfairly discriminated against by a statute that abridges their rights, curtails their constructive efforts, and hampers our system of free collective bargaining. That statute is the Labor-Management Relations Act of 1947, sometimes called the Taft-Hartley Act.

That act should be repealed.

The Wagner Act should be reenacted. However, certain improvements, which I recommended to the Congress 2 years ago, are needed. Jurisdictional strikes and unjustifiable secondary boycotts should be prohibited. The use of economic force to decide issues arising out of the interpretation of existing contracts should be prevented. Without endangering our democratic freedoms, means should be provided for settling or preventing strikes in vital industries which affect the public interest.

The Department of Labor should be rebuilt and strengthened, and those units properly belonging within that Department should be placed in it.

That is the President of the United States speaking to the Congress. In that speech, as everyone knows, he did the very best he could to stand by his political promises and the party's promises. I do not know what the other Members of the Congress thought about the President's speech; I do not know how the people of the United States, in general, thought about whether the President was living up to his platform; but I do know that an analysis of the votes in the House of Representatives of the 88 freshmen Representatives who came to Congress for the first time on the platform on which the President stood, indicates that they understood that a pledge had been made, and they did their best to carry out that pledge. Eighty-eight freshmen Representatives voted against the Wood bill which substantially reaffirmed the Taft-Hartley Act, and only 28 voted for it. The House, as it will be remembered, passed that bill by a vote of 217 to 203, and subsequently recommitted it by a vote of 212 to 209.

Listen to this, Mr. President. Of the freshmen Members voting on the bill, 81 reversed the stand of their predecessors who had voted for the Taft-Hartley Act. Only one, a Representative from North Carolina, switched the other way: He voted for the Wood bill, while his predecessor, former Representative Folger, was against the Taft-Hartley Act.

I wonder, Mr. President, if there is any more conclusive judgment in the minds of the men who voted in the way in which they did vote that they were standing by the party platform, standing by their President, and standing by all that had been promised.

Mr. President, on the Committee on Labor and Public Welfare there are three members who have been chairmen of the committee during the past 15 or 16 years. Those three members have handled all labor legislation excepting the Smith-Connally Act and the amendments to the Portal-to-Portal Pay Act, which were handled by the Committee on the Judiciary. One was an amendment to the Selective Service Act, and the other was an amendment to the Fair Labor Standards Act. These members are not inexperienced in labor matters, the history of labor laws, and the changes which have been made. The committee, therefore, is one which should be commended in every way, both the majority and minority members, for the seriousness with which they undertook the task before them. Every member of the committee understands the significance of what we are doing today. Practically every man in the United States realizes its significance.

Mr. President, I am going to take just a minute or two to talk about our committee. But before doing so I want to call attention to the fact that the present committee, and its predecessors, some of the members of which are on the present committee, flew in the face of the Supreme Court in the adoption of the National Labor Relations Act. They wondered whether that act was wholly constitutional when they adopted it. They had received expert advice in regard to the matter and knew, when they adopted the act, that there would be tremendous opposition to it, and that there would be a test case carried to the Supreme Court of the United States the results of which would be momentous to the country because of its effect upon the passage of future labor laws.

It should be pointed out also—and I ask Senators to remember this point during the discussion we shall have on the bill—that the dictum which controlled the thinking of the Supreme Court of the United States before it passed on the National Labor Relations Act, was a dictum which said in so many words that manufacturing, mining, and agriculture were of purely local concern. The bill was adopted on the basis of a new interpretation of the interstate commerce clause of the Constitution. The Supreme Court made its interpretation of the act. It was because of the—shall I say—revolutionary approach of the constitutional force of the act that something like 69 of the country's greatest constitutional lawyers advised their clients that the act was patently unconstitutional, and advised them not to obey it, not to respect it, because it would shortly be cut down by the Supreme Court, and there was no need of their obeying it. That advice, and the fact that industry in the United States followed the advice, caused our committee, which was then the Committee on Education and Labor, to set up a substitute committee which was known as the Civil Liberties Committee, and which carried on as a committee in being for several years. It was then that we had before us some of the greatest industrialists in the United States. We had before us some of the greatest labor leaders in the United States. They gave us pictures of both sides of the situation. But the one thing that remains in my mind more than anything else is the fact that these 69 great constitutional lawyers had given their advice honestly upon the basis of a dictum pronounced by the Supreme Court, and rules which they had followed down to that time.

Mr. President, during the course of the discussion of the pending legislation we will almost inevitably swing into debate on labor versus industry, or something of that kind. Labor leaders will be condemned, labor organizations will be condemned, and some manufacturers' associations will be condemned, and so on. Employers' associations are like labor associations; they are advocates for their class. The distressing thing we learned from listening to testimony day after day was that even in its most liberal decisions the Supreme Court honestly and actually accepted the conclusion which Karl Marx accepts so completely, that there is a natural clash between employer and employee; that it is essential that they throw the weight of one class against the other. No such theory exists in connection with the philosophy or the thinking of the American people in regard to their Constitution, or in regard to the evolution of our industry-labor relations. None of the presidents of the great corporations of the United States that came before us were small men. The only criticism I have for those great men is that they do not study for themselves. They follow second raters and the advice of second raters. They follow the advice of employer organizations. They follow the advice of men who live by their wits, men who advise them to do certain things on the premise that the only way to beat labor is to swat it down, because there exists an inevitable clash between industry and labor. That I deny, Mr. President. That the National Labor Relations Act denies. There is none of that theory in it. There was none of that theory in the minds of those who wrote the Taft-Hartley Act, although they did return to the philosophy before they got through with it.

Mr. President, the presentation of the National Labor Relations Act to the country, its review by the Court, and the decision made by the Court, brought the Federal Government into the labor field. That was the big thing that happened. It got into the labor field in a general way. It had, of course, always been in the labor field in respect to interstate commerce, and the operation of railroads, and such things.

We ran right into a conflict which is going to remain with us so long as the American people accept the thesis of Karl Marx that there is a natural clash between the man who works and the man who does the hiring, and that the only way to win is to achieve the ultimate supremacy of a proletariat of some kind, as Karl Marx called it. Never in the whole history of the making and the framing of words did anyone do a greater injustice to the Latin language and that portion of it which became incorporated into the English language than when Karl Marx talked about the dictatorship of the proletariat, because that is not what he meant. When Cicero talked about a "proletarian," to use an English word, he spoke of a man who did nothing for his country but breed men for future Roman legions. That is the origin of the word. It is unfortunate that the word got into our language in the way it did. It has nothing to do with labor relations and when we hear the expression "the dictatorship of the proletariat" we hear something which has a meaning different from what it was originally.

I know the American people are not going to stand for that kind of eternal and everlasting clash, and are not going to believe in what is said to be a natural law which makes it impossible for men who are employed to be real men, and makes it impossible for the men who employ them to treat their employees as men. If they should ever stand for such a thing democracy would be destroyed, and all we have tried to do in the last one hundred and fifty-odd years would come to an end. It would result in all persons adhering to a theory in regard to labor which is as fallacious as anything can be, but which is adhered to by many industrial employer organizations to this very day: First, the theory that labor is in reality a commodity and, second, that it should be considered on the basis of cost production, thus losing sight of the fact that living men and women constitute labor.

Members of our present committee, and of its predecessor, are responsible

for the change in the theory of national economy. We have to stand by that change. The Supreme Court has stood by it. The National Labor Relations Act, plus the Fair Labor Standards Act, actually have given to the American laborer for the first time what he calls his magna carta.

When we passed the Fair Labor Standards Act we flew in the face of the Supreme Court again. The Supreme Court in 1918, in the Hammer versus Dagenhart case, decided that Congress had no power—listen to this, Mr. President—that Congress had no power to regulate the production of goods for commerce where the goods themselves were harmless. They did recognize that if goods were of such a nature that they should not be in commerce the Congress could stop their production and stop their getting into commerce, but if the goods themselves were harmless Congress had no power to act with respect to them.

It then struck down a child-labor law which made necessary the discussion of a constitutional amendment to overcome child labor. In the wake of the Dagenhart decision distinctions and qualifications were made in a long line of decisions. The Government seemed impotent on a national scale to get rid of the evil of child labor. Then in 1941, in a case involving the Fair Labor Standards Act, which became a law in 1938, and became a law as the result of the report of our committee, a unanimous Supreme Court overruled the Dagenhart case and the Fair Labor Standards Act remained in the law, and child labor was outlawed to the extent that it is outlawed in that law. It seems to me that those two events mark the two most remarkable things accomplished in the last decade and a half in our country in regard to the freeing of labor.

I cite this history for two reasons. First, I wish to emphasize the bigness of the subject which is before us. Second, I wish to point out the seriousness of the task facing the committee. What if we fail to repeal the Taft-Hartley law? Is the repeal of the Taft-Hartley law again to become a campaign issue? Is it to be discussed again? Are we to ask for another amendment? Whatever we do here will be reflected not only in 1950, but in 1952, because the next session of Congress will be loath to act if we do not act.

I wish the people of the country could become acquainted with the committee which is handling this legislation. When I say the committee, I mean all its members, not merely the majority. I mean both the majority and the minority. No more serious committee ever served the United States Senate. Two members of the committee were on the committee when the National Labor Relations Act was passed, so their memories go back and cover the entire scope of labor legislation as it evolved since the Supreme Court allowed Congress into these two great fields, if I may put it that way. Four members of the present committee were on the committee when the Fair Labor Standards Act became law.

When General Eisenhower, a great man in every way, was made Chief of Staff, and came before the Military Affairs Committee for the first time, I was a little afraid that he had the same ideas of Congress and congressional committees that many of our people get from reading the newspapers. The present chairman of the committee was at the committee meeting when I asked General Eisenhower if I could not introduce the committee to him. We went through the entire list of 23 members, and gave their background. After we had finished General Eisenhower said, "This is no place for me." A mutuality of appreciation developed as a result of that simple introduction. The general understood the committee, and the committee understood the general. The administration of General Eisenhower was undoubtedly too short. There has never been a time when relations were quite so good.

I am quite sure that if the American people were acquainted with the membership of the committee they, too, would realize that that which we are trying to do is grounded on statesmanship, and not merely on a notion of trying to fulfill a slogan, or something of that kind.

Of the present members of the committee, three have been chairmen of the committee or its predecessor. One was for a long time chairman of one of the major committees of the House of Representatives. On the committee there are three former governors; the former mayor of a great city; and 9 lawyers with wide and varied experience. When I say that, that is when I, as chairman of the committee, begin to shiver in my shoes, because the greatest of those lawyers are on the other side. They will take exception to the things I am saying now. I respect them with all my heart and all my soul, and will do my best to meet their arguments.

There are five university professors on the committee. What kind of professors are they? Are they ordinary university professors? No. One of them had experience on the War Labor Board. Another sat in judgment in many arbitration cases. Another had troops under his command during a period when martial law was invoked. I could go on and detail all the experiences which have to do with the legislation which is before us. The country is not going to accept what we do without very seriously considering it, and considering the leadership which this committee exercises in Congress at this time.

Despite the fact that the committee has faced opinions of the highest court and has recommended legislation to meet those opinions, the real opponents of the change have remained the same, and are talking today as they talked in 1934 and 1935. What they said in 1934 and 1935 found placement in the Labor-Management Act of 1947. So no matter what anyone may say, the opponents of the National Labor Relations Act of 1935 have fought that act from that time until the present. The things to which they objected in 1934 and 1935 found placement in the Labor-Management Act of 1947.

In that time labor organizations grew from a membership of approximately three or four million persons to nearly fifteen million. Entire industries began to recognize organized labor—industries that did not recognize it at all at the time the act of 1934 was passed. There has been a complete change in sentiment in the country, but no change of sentiment at all so far as the employer associations are concerned.

I am not afraid of industry. The men who own or manage our great industries are loyal Americans, and they understand the worth of their employees. But today I stand as much afraid of employer organizations, their judgment, their selfish approach, and what they are trying to do, as I did in 1934, when we brought about this change. They are where they were; and they accept so completely the fundamental thesis of the inevitable clash between the employer and the employee that they cannot get it out of their system.

Mr. President, in that statement I have probably said something I ought to prove. I could never prove it to the satisfaction of an employer association. I cannot prove it to the satisfaction of the man whom I shall quote, a man who was so full of hate of what we were trying to do that he went to my own city and told the people there that an employer had as much chance before the Senator from Utah as a Jew had before Hitler. Then he denied making the statement. He had never been treated disrespectfully by the Senator from Utah. He went back on his word. But the trouble was that the reporters banded together and assigned a statement that he had said it, and gave it to their managers. Let me say to him and to all men who use such tactics that no one has come before this committee and been treated in anything but a friendly way. No one has been treated before our committee in a way that he should not be treated.

I shall refer to some of the testimony on March 26, 1934. I shall require a minute or two to read it into the RECORD. However, I think the point I am trying to make is worth while.

NAM TESTIMONY ON LABOR LEGISLATION IN 1934 AND 1935

On March 26, 1934, Mr. James A. Emery, general counsel of the National Association of Manufacturers, presented testimony on behalf of the association before the Senate Committee on Education and Labor in opposition to Senator WAGNER'S bill to create a National Labor Board—Hearings on S. 2926, Seventy-third Congress, second session, pages 340–400.

The following year, on March 21 and April 2, 1935, he testified against the bill to create a National Labor Relations Board, which became the Wagner Act—Hearings on S. 1958, Seventy-fourth Congress, first session, pages 242–264, 840–868.

Although that testimony was given 14 and 15 years ago, it is replete with statements of position which are being advanced today, and some of which found legislative expression in the Taft-Hartley amendments. Inasmuch as those positions were formulated prior to the enactment of the Wagner Act, they cannot be said to have come into existence as

the result of alleged abuses in the administration of that law.

SCOPE OF NAM OPPOSITION

In both years the opposition of the National Association of Manufacturers to the proposed legislation was total. That is best illustrated by lengthy excerpts from the testimony. Mr. Emery said:

We resent the suggestion that the normal conduct of the employers should be outlawed and the abnormal conduct of other groups shall be encouraged by law. We therefore oppose the measure before you because we believe it invalid in law and unsound in policy. We will demonstrate it is not an exercise of the commerce power of Congress, but a deliberate and indefensible invasion of the right to regulate and even compel local employment relations, which the Supreme Court without exception has declared are exclusively a subject for State and not Federal control; but assuming the bill were within the commerce power, the administrative body established, the authority proposed, the manner of its exercise are arbitrary, destructive of the fundamental rights of the parties, and vest in an administrative body the determination of questions of fact and law, without judicial review, that may be adjudicated only by a court. Without itself being bound by the rules of evidence, the bill undertakes to compel the reviewing court to be bound by the Board's finding of fact. The Board is neither required to give reasonable notice of the character of the complaint nor the time of its hearing. It sets up as offenses a series of acts so vaguely described as to violate the essential requirements of a penal statute. Many of such acts represent the normal and necessary intercourse between employer and employee. * * * The prohibition of such acts would dstroy the natural and valid relationship between them. In form and substance, the measure violates elementary principles of justice and fair play.

The policy of the measure would not equalize the bargaining power of the employer and employee, as the title suggests, nor do we believe it would encourage the amicable settlement of disputes between them.

Let me stop for a moment reading the testimony of Mr. Emery. I should like to inquire, Mr. President, whether you think that today the president of any great corporation in the United States would say of the National Labor Relations Act and what it has done that in form and substance that measure violates elementary principles of justice and fair play. I do not think that is the case. From the beginning of the hearings on the Taft-Hartley law we had witnesses who said what Mr. Emery said away back in 1934 and 1935, as I shall point out in a moment, namely, that everything was one-sided before the National Labor Relations Act came into existence. One of my own friends from my section of the country said that all that was the matter was that we went too far, and now we would have to bring things back again. But I do not know of any witness who would condemn the progress made by the United States in its industry labor relations in the past 14 or 15 years. I am sure no one could honestly condemn what has taken place in the evolution of our country's industry labor relations.

Mr. Emery further said, when testifying before the Committee on Education and Labor:

On the contrary, analysis shows it to be so designed as to prevent the employer from exercising the natural circumstances of bargaining, impair its nature and extent, gratuitously presumes that he only exercises coercion in the employment relation, or indulges in unfair practices * * * makes no effort to define, regulate, or prohibit the equally reprehensible and long-recognized practices and abuses of labor organization, destructive of the rights of their fellow workers, of employers, and of the public. (Hearings on S. 2926, 73d Cong., 2d sess., pp. 341, 342.)

Now, Mr. Chairman, I will conclude very rapidly.

Our conclusion, then, is that in the light of the argument we have endeavored to present to you the bill is invalid in law and unsound in policy. By its structure, piece by piece, it is shaped into a design which by the author's own statements, by his rulings as a member of the Labor Board, by its unmistakable terms, is plainly intended to execute the declaration of the president of the American Federation of Labor. "There is no room in the United States for any other labor movement."

The issue it presents is plain. It is no mere dispute over policy between employers and labor unions. It is a deliberate step toward a nation unionized by the act of government. It would block the pathways of opportunity to all but members of a privileged organization. It would ultimately result in permitting the transportation and marketing of goods produced by unions only. It would destroy the elementary rights to remain unorganized, to select individual or collective bargaining, and to determine its form. If one is not equal in bargaining with many, many are not equal in bargaining power with one. One among 10,000 employees dealing individually with a corporation is at the same disadvantage, it is true, as the employer of one or more persons dealing with the power of a million men. Each deserves the protection of the law.

The bill multiplies the tremendous power for private and public injury of a vast combination without any corresponding legal responsibility. It is to be vested by law with the power of economic life and death over the worker who does not accept its dictation or rejects its leadership. Its enactment would mean that the public could be continually subjected to the interruption of production and distribution through a private association, enforcing its demands by the threatened paralyses of farm, factory, and mine.

The bill makes Government its recruiting sergeant. Its philosphy, realized in actuality and attaining the announced goal of its creed, means that the public could obtain its food, its fuel, its clothes, its shelter, and all its daily needs, conveniences and requirements, only under conditions fixed by a self-governing monopoly protected by an administrative body against interference. Every other form of organization and collective bargaining is outlawed and a single private organization is lifted to exclusive control of employment, while relieved of legal responsibility for the abuse of its power. (Hearings on S. 2926, 73d Cong., 2d sess., pp. 394, 395.)

* * * * *

The first day of spring, Mr. Chairman, is marked by consideration of an exotic in legislation, which we trust will find little favor in your cultivated consideration.

The bill is the lineal descendant or successor in interest of S. 2926, introduced by Mr. WAGNER, March 1, 1934. * * * It contains all its original errors and no remedial improvement. (Hearings on S. 1958, 74th Cong., 1st sess., p. 241.)

"COERCION FROM ANY SOURCE"

The proposition that a national labor law, devoted to encouragement of collective bargaining, should outlaw coercion practiced by unions, was advanced during the 1934 hearings. Mr. Emery secured the agreement of the Senator from New York [Mr. WAGNER] to an amendment so providing (Hearings 1934, p. 348). The following year Mr. Emery reproached the Senator from New York for having changed his mind as to the propriety of such an amendment. He complained that—

Neither the original nor the reported bill conform to the declaration of the President of March 1934:

"The Government makes it clear that it favors no particular union or particular form of employee organization or representation. The Government's only duty is to secure absolute and uninfluenced freedom of choice without coercion, restraint, or intimidation from any source." (1935 hearings, p. 242, also see p. 858.)

Legislative reflection of this insistence by the National Association of Manufacturers on provisions outlawing union coercion is found in section 8 (b) (1) (A) of the Taft-Hartley law.

ON THE EMPLOYER'S DUTY TO BARGAIN COLLECTIVELY

In 1934, Mr. Emery philosophized on the right of collective bargaining in the following words:

I recognize the right of the employer to deal with them (employees) or refrain from dealing with them as they may merit for the purpose of bargaining, because I want to make it clear here—I think it is one of the things overlooked in controversies—that the right to organize any association does not carry with it by that fact a duty on the part of everyone else to deal with it on its terms. Men may organize a corporation, but it does not carry any obligation on the part of the public to deal with them when it is organized, if it happens to be a merchandising or manufacturing corporation.

"A union, or any other organization of working men must attract those who wish to deal with it by the character of its membership, by the performance of its contracts, by its other evidence which it gives of good conduct and responsibility through which relations between men are established and sustained." (1934 hearings, p. 346.)

ON THE MAJORITY RULE PRINCIPLE

In 1935, Mr. Emery had this to say about the proposal that the representative selected by a majority of the employees should represent all for bargaining:

If this bill goes into effect, employees will lose the right to make individual agreements, and their labor agents and working conditions will be determined by the majority. That means out of 5,000 men, 2,501 can determine the representatives and bargain for the other 2,499.

If a man holding his membership voluntarily joins an organization, he can say, "I will disagree with them over matters of policy. I no longer wish them to represent me in the matter of making agreements with respect to hours and wages"; then what does he do? He may withdraw from the organization and not from employment. An employee in any employment unit cannot, under the majority principle as it operates in that employment unit, accept by arrangement with an employer, he cannot make an agreement for himself, he can present a grievance and utter a complaint, but he cannot bargain for himself. He can only withdraw from employment. There is a fundamental right of both liberty and property in labor, and that is the right to make a contract for yourself, and in not having it made for you by one not selected by you. That principle has been recognized ever since we have had any law (1935 hearings, pp. 261, 262).

Mr. President, I cannot refrain from stopping a moment to remind all Senators present of a thing which I am sure they know. In the beginning there was objection on the part of employer associations to the recognition of majority rule, but when representatives of the employer associations came before us, examined the constitutions of labor unions, and saw what the members who joined under those constitutions agreed to, they subscribed to the rule that whatever the unions decided was binding upon them. How did a union make up its mind? Was it by majority rule? Was it by unanimous rule? Or was its decision made by its officers? Majority rule is democratic under almost any sort of code that may be worked out. But minority rule is not democratic. A rule which binds a person or an organization to all the decisions of the organization may or may not be a majority rule. But the fact remains that employer associations may condemn majority rule on the part of others, and then find themselves bound by rules very much tighter than majority rule.

ON THE RIGHT OF EMPLOYEES TO REFRAIN FROM COLLECTIVE BARGAINING

It is most interesting to note the things that have found their way into the Taft-Hartley law, proposed by men who were against the National Labor Relations Act of 15 years ago.

The Taft-Hartley amendment of the rights guaranteed in section 7 of the Wagner Act has its direct ancestor in Mr. Emery's complaint, in 1935, that—

One thing this bill ignores, to which I beg to call your express attention, in its declaration of policy is the principle so well stated in the Norris-LaGuardia declaration of policy, and that is that the right of association includes the right to decline to associate with others.

The right to decline to associate with others is one of the most valuable rights that man possesses. He is free to associate with others as he sees it, but to refrain from doing so if he does not think his interest is advanced by so doing. That is a right of liberty, a right of property (1935 hearings, p. 853).

ON "COMPANY UNIONS"

Section 5 (3) of S. 2926, the forerunner of section 8 (2) of the Wagner Act, and section 8 (a) (2) of the Taft-Hartley Act proposed to make it an unfair labor practice for an employer—

To initiate, participate in, supervise, or influence the formation, constitution, bylaws, other governing rules, operations, policies or election of any labor organization.

Mr. Emery defended the right of employers—

To initiate a suggestion, suggest a plan, or offer a method of intercourse, in one of the most delicate and important of the relations of life (1934 hearings, p. 355).

ON LEGISLATIVE COMPULSION GENERALLY

Mr. Emery opposed what he conceived to be the compulsive aspects of Senate bill 2926, as follows:

I want to insist, Mr. Chairman, that you have ample machinery in the Department of Labor in the character of the conciliators and mediators whom you chose to do a very effective service in disputes in the United States, not by coercion, not by compulsion, but by persuasion and good will.

The fundamental defect of all these proposals of this character is that they speak in terms of conflict, and not of conference and cooperation. They are written in terms of bitterness, in which some party is to be forced to do something against his will, whereas the best results are accomplished, not when parties are in that state of mind or when the arbitrator is supposed to be in that state of mind (1934 hearings, p. 384).

SUMMARY

The following table indicates the principal positions—other than the attack on constitutionality—taken by the NAM in Mr. Emery's 1934 and 1935 testimony. Where feasible, the section of the Taft-Hartley Act which marks congressional adoption of these pre-Wagner Act NAM proposals is indicated:

NAM position	Hearings		Taft-Hartley Act
	1934	1935	
Attack on "one-sidedness" of proposals.	341	-----	Sec. 8 (b), 303.
Proposal to outlaw "coercion from any source."	348	242, 858	Sec. 8 (b) (1) (A).
Opposition to majority rule.	-----	261 (2)	
Opposition to closed shop.	-----	854 (5)	Sec. 8 (a) (3) 9 (3), 14(b).
Advocacy of employees' right "to refrain."	-----	853	Sec. 7.
Defense of "company unions."	355	-----	
Proposal to outlaw jurisdictional strikes.	-----	860	Sec. 8 (b) (4) (D).
Opposition to protection of strikers as "employees."	372	-----	Sec. 9 (c) (3), 8 (d).
Objection that rules of evidence do not apply.	341	244	Sec. 10 (b).
Objection to agency procedures.	341	244	Sec. 10 (c).
Objection to inadequacy of judicial review.	341	244	Sec. 10 (e), (f).
Objection to Board as "counsel, judge and jury."	-----	858	Sec. 3 (d).

I am indeed sad to have to bring out in the presence of the Senate the fact that what has been said and was said so much in favor of having a counsel to administer the board's affairs, was not an idea conceived in 1947 at all. It went away back to Mr. Emery, in 1934. It persisted in the ideas of employer associations until 1947, and it found complete lodgment in the 1947 act.

That, Mr. President, by way of history, and by way of summing up the way in which the laws I have mentioned have grown and developed. I proceed now to a discussion of the Labor-Management Act of 1947 and its political significance. The expression of one of the authors of the act, which, incidentally, was not uttered as the other statements I have quoted were, in the 1930's, but after the Taft-Hartley bill became a law, shows that one of the authors of the act at least realized that he had accomplished something of great political significance, and that the purpose of the Taft-Hartley Act was not merely to reform industry-labor relations, but to destroy the theory of industry-labor relations as they had previously existed under the New Deal. Its purpose not only was to destroy what had been accomplished in industry-labor relations under the New Deal, but also to initiate the destruction of all the economic, social and political changes that had come about in past 20 years.

Political parties usually "point with pride." They are always happy about their own accomplishments, and they like to tell the people about them. I know of no other time in the history of our country when a party which had something to talk about which was constructive and fine, instead of talking about and accepting that which had been accomplished, rejected it, outlawed it, and completely nullified it, as the great Republican Party did. Thus, the Labor-Management Act of 1947 stands as a political aim, as a monument to a political program that was to destroy the New Deal, but which was also to carry us back to a political philosophy of the late twenties, and to overcome whatever changes the Supreme Court and the Congress had brought about since 1932, the date of the passage of the Norris-LaGuardia Act, the Republican Party's contribution to labor reform. Not only did they wipe out all the New Deal had accomplished, but what had been accomplished by the Republican Party and a Republican Congress in the enactment of the Norris-LaGuardia Act.

At the time the Norris-LaGuardia bill became law a Senator who was President pro tempore of the Senate and who occupied the very chair which the Presiding Officer is now occupying made a pronouncement against the progressives in the Republican Party, calling them "sons of the wild jackasses." That expression remained for a long time. I do not know whether it had anything to do with the defeat of that President pro tempore, but, in any event, in 1932 he ceased to be a Senator of the United States. I do not know anything about politics, Mr. President, but I do know that when a political party turns its back upon that which it has itself done there are probably persons doing the planning other than the political party itself. Political parties usually accept change. They point with pride to the progress created by their accomplishments. But let us see what the author of the Taft-Hartley law had to say with reference to what he had accomplished.

This statement, Mr. President, is taken from chapter XV of a book entitled "Our New National Labor Policy," written by Representative Hartley, from which I now read:

No sooner had the Taft-Hartley law been enacted over the Truman veto than the Republican leaders of both the House and Senate decided that no more legislation to which organized labor could possibly object would be passed until after the presidential election of 1948.

Mr. President, it is all right for a man not in public life to open his heart, but it is dangerous to let out the secrets of the planners of the Republican Party and to say they have done enough violence to organized labor; in other words "Be quiet. We shall not do anything else for which we can be criticized. Probably the voters will forget about it by election time."

Let me again read what he said:

No sooner had the Taft-Hartley law been enacted over the Truman veto than the Republican leaders of both the House and Senate decided that no more legislation to which organized labor could possibly object would be passed until after the presidential election of 1948.

Why did they so decide, I wonder? Then he goes on to say:

I have never felt that the great body of the electorate which has been faithful and loyal to the Republican Party during the years would have approved this decision.

I hope he is right.

Nevertheless, the decision was made and adhered to with a steadfastness worthy of a better cause.

I regretted it at the time, and regret it now, both personally and on behalf of the Republican Party.

On pages 192, 193, and 194, he goes on to say:

To prevent this from sounding like a composite of the usual political speech, I shall be specific as to the sort of governmental activity which is costing us more than we can justify.

The Fair Labor Standards Act—

Imagine, Mr. President—the act which brought some sort of justice to forty or fifty million workers—

The Fair Labor Standards Act is typical of the New Deal legislation enacted to combat the depression. Such legislation failed to affect the depression one way or another and it has definitely outlived the usefulness it was supposed to have had.

The Federal Communications Commission has expanded its activities far beyond its simple original function of dividing up the available wavelengths among various radio stations.

The Federal Power Commission represents and perpetrates unwarranted encroachments upon the individual rights.

The innumerable Federal agencies charged with conflicting responsibilities in the field of housing have contributed more to the shortages of housing than any single factor except the wartime drain on materials. Not one has come to grips with the heart of the housing problem, which is in the inefficiency of the labor force in the construction field, due in part to labor union abuses but generally to outmoded and old-fashioned building methods still in use.

All of the top executive departments are over-staffed and are attempting to do far more than Congress ever authorized and more than the people want done.

This is a great Nation.

But the greatest of nations cannot last forever carrying a load of nonproductive Government officials and employees. We must develop a method to shrink our Federal establishment, and quickly.

I am well aware of the political difficulties of eliminating the New Deal social legislation. It cannot be repealed at a single stroke.

All legislation of this type requires interim treatment. To begin with, too many persons have come to depend upon the helping hand of government for that hand to be removed without a period of adjustment such as we provided for both labor and management under the Taft-Hartley Act.

But as soon as all segments of the populace become aware of the tremendous cost of the particular benefits of governmental labor-relations agencies as compared to reduced tax bills and we provide interim legislation which does not benefit any particular group, then, and only then, can we make appreciable headway in reducing the size of government.

Before the 1948 elections are finished, the Taft-Hartley Act will be hailed as the greatest single contribution the Republican Party has made to this Nation.

To my mind, the Taft-Hartley Act represents the greatest single contribution made by any political party for the past two decades. It corrects in a single piece of legislation the outstanding mistakes of the New Deal. At the same time, it points the way toward a method to be utilized in correcting other errors of government initiated during the 1930's.

Our final goal is, and must be, a strong but fair central government; one not too big to be managed but, on the contrary, small enough to accomplish the intelligent development of this land into the country it ought to be.

The Taft-Hartley Act is but a step toward that goal, but it is certainly the first definite step this Nation has taken since the merry-go-round began in 1933.

Mr. President, I cannot help saying what I said in the beginning. There are political aspects to the discussion of this subject, and that is one of them. But so completely were the forces of reaction in control in 1947 that the Republican Congress actually swept aside its own accomplishment, the Norris-LaGuardia Act, and handed over completely its leadership to reaction. He who pays the bill is usually responsible for the purposes of the feast. Who paid for the writing of the Labor-Management Act of 1947? I do not know. But here is the testimony of one who claims to have written it. I read from the transcript of hearings before the House Committee on Education and Labor, March 18, 1949, pages 2514, 2515, and 2516. Representative PERKINS, who evidently was presiding, said:

Mr. PERKINS. I want to make the observation that I have been wondering ever since we started these hearings, up until I heard this witness, just who prepared the act. I am glad to have this information, along with the other counsel that assisted you in the preparation of the act.

I notice from your statement that you applied approximtely 24 hours a day in drafting the act for a period of several months, and that you received no compensation until several months after the bill became law. You further stated that when you were paid compensation, you were paid by the Republican National Committee, and that you had had no contract with Representative HALLECK or Mr. Hartley concerning what your compensation would be. Inasmuch as you applied yourself so diligently, and you have disclosed the fact to the committee, would you mind telling the committee just how much compensation you received from the Republican National Committee for this difficult task that you have detailed to the committee?

Mr. MORGAN. No sir; I would not. I received $7,500.

Mr. PERKINS. That is from the Republican National Committee?

Mr. MORGAN. Yes, sir.

Mr. PERKINS. And also, how long did it take you to earn that money, if you do not mind telling the committee?

Mr. MORGAN. I started work on the bill in January 1947, and my work on the bill went through the conference committee on the bill; so it was a period of about 6 months. I did not mean to imply in answering your question the way I did that I spent 24 hours a day. There were periods during my work on the bill when it was morning, noon, and night. There were other periods when there would be a day, 2 days, or 3 days when I would be engaged in other matters.

Mr. PERKINS. You were looking to Mr. HALLECK and Mr. Hartley as paymasters for your services, were you not?

Mr. MORGAN. Yes, sir.

Mr. PERKINS. And from your conversations with those two gentlemen while you were drafting the act, you knew that you would be well paid for your services, even though you did not ask them directly?

Mr. MORGAN. Mr. HALLECK told me that he would see that I got paid for my services. Now, he said, "I do not know whether I can get you paid by the National Congress or whether I can get you paid by the Republican National Committee, or whether we will have to take up a collection. But you will be paid for your services."

Mr. PERKINS. Did they pay that fee at one time, the Republican National Committee, or did they pay it by installments?

Mr. MORGAN. They paid it by installments.

Mr. PERKINS. You do tell the committee that you received only $7,500 from the Republican National Committee; am I correct in that statement?

Mr. MORGAN. That is correct.

Thus my task in the opening statement is not merely to lay the ground for the repeal of the Taft-Hartley Act, but it is also to state why the attempt was made to attain the three unities which our committee did attain: Unity of administration thinking respecting what the President meant to put into law in his message; unity of the democratic membership of our committee; and unity of the labor organizations who have come to the support of our bill. These three unities must be preserved. In handling the bill I will do my very best to preserve them. They ought to be preserved.

Since the Taft-Hartley law has become political, since we campaigned over the whole Nation for its repeal, since I have made the point that under the theory of popular sovereignty, if the members of a political party cannot stand by the promises of their political party we simply cannot have popular sovereignty, since we have arrived at the point where we have gone so far as to ask the administration to unite its forces in regard to this law, I say it is incumbent upon us to respect at all hazards the political aspects of what we are doing.

I know that no matter what we may do, this question will remain in politics for a long time. I have shown the Senate, from the testimony of a representative of an employers' association, that such associations have advocated through one, two, three, four administrations the same principles, and have attempted to accomplish the same purposes, but the associations have given up much of their zeal, much of their interest, and have come to support as wise policy the labor policy initiated in 1934 and 1935.

I repeat, Mr. President, we cannot escape the political aspect of the question. I want every Senator on this side of the Chamber to realize that fact. We have arrived at the point where the people of the country can ask, and ask with real meaning, "When your political party speaks, does it mean what it says? When your President speaks, does he mean what he says? When you pose as Democrats and pose as supporters of administration bills, do you mean what you say?"

Those three questions, as I now pose them, are probably not politically wise to pose. Perhaps I should leave space for our Democratic forces to go in all directions. However, I do not want to do so. I want to hold them to the unity of the majority of the Committee on Labor and Public Welfare. I want to hold them to the unity attained in the administration. I want to hold them to

the unity we have accomplished by way of labor support. But above all, Mr. President, I want to be able to tell the people of the United States, that so far as the Democratic Party is concerned, that party stands on its pledges, it stands by its President, and its members stand by one another.

Mr. President, we now come to what to me is a most difficult task, and one which may bring about some repetition, but which at the same time is necessary. I have already stated that the law is complex. I have said that the decisions of the courts, the decisions of the board, and every phase of the law have a bearing on what we are trying to do. I have already stated that the primary aim is to repeal the Taft-Hartley Act, and by repealing it I mean to repudiate its spirit, its intent, the reasons why it was enacted, and the purposes behind it quite as much as I mean the repeal of the letter of the act.

Therefore, Mr. President, it is necessary in opening the debate to go into these matters in great detail. But when I have finished I hope I shall have at least proved the simple contention of the committee that the Taft-Hartley Act should be repealed.

Mr. President, in opening the debate on Senate bill 249 to repeal the Labor Management Relations Act, 1947, I do not think I need to emphasize its importance to the American people. Two years have elapsed since that act, which we commonly refer to as the Taft-Hartley Act, was passed. In that period it has been clear that it has been taking us down the dangerous road toward Government intervention and dictation in industry-labor relations. It has had harmful effects on harmonious labor relations throughout our land. Last November the American people in unmistakeable terms decided that its enactment was a mistake—a mistake which should be rectified by this Congress by repealing that act and by going back to the sound and constructive principles of the National Labor Relations Act.

I say advisedly that in the election last November the American people decided that the Taft-Hartley Act was a mistake and should be repealed. I am aware that the results of that election cannot be attributed to any single issue or factor. Yet perhaps no single question before the people in that election more clearly demonstrated the character of the choice the people had before them than the Taft-Hartley Act.

That choice was between two essentially conflicting theories of government. In the 1948 campaign, as in all previous campaigns since World War I, the theory which the Republican Party asked the American people to accept was that if sufficient protection is given to, and Government is not allowed to interfere too much with, the privileged few, the welfare of the people as a whole will take care of itself. In the 1948 campaign, as in previous campaigns, the theory which the Democratic Party, on the other hand, asked the American people to adopt, has been that the obligation of Government is to assure to every segment of our population and every individual in our broad and rich land a fair deal. While Republicans talked of unity in the ranks, assuming that the generalship would rest in the hands of a privileged few, we Democrats made clear in our campaign platform that—

> We reject the principle—which we have always rejected, but which the Republican Eightieth Congress enthusiastically accepted—that Government exists for the benefit of the privileged few.
>
> To serve the interest of all and not the few; to assure a world in which peace and justice can prevail; to achieve security, full production and full employment—this is our platform.

Put side by side the following statements of the Republican candidate for President in his campaign speech of October 11, 1948, and the platform pledge of the Democratic Party, and the choice the American people had to make in the 1948 election can be clearly seen. Governor Dewey attempted to give assurance to the voters in the ranks of labor that they did not need to fear too greatly the consequences of a Republican victory. But he then went on to defend the Taft-Hartley Act, which the Republican platform described as a sensible reform of the labor law, and to attack President Truman bitterly for his veto of the act.

Against these statements, what did we Democrats say about the Taft-Hartley Act during the election campaign? What did our Democratic platform say? You know the answer to these questions, Mr. President. President Truman, from one end of the country to the other, denounced the Taft-Hartley Act and called for its repeal. Our Democratic platform stated unequivocally:

> We advocate the repeal of the Taft-Hartley Act. It was enacted by the Republican Eightieth Congress over the President's veto. That act was proposed with the promise it would secure "the legitimate rights of both employees and employers in their relations affecting commerce." It has failed.
>
> The number of labor-management disputes has increased. The number of cases before the National Labor Relations Board has more than doubled since the act was passed, and efficient and prompt administration is becoming more and more difficult. It has encouraged litigation in labor disputes and undermined the established American policy of collective bargaining.

Putting these statements beside those of the Republican candidate and the Republican platform, can anyone say, Mr. President, that the American people did not have a clear-cut issue before them on the principles of sound labor-relations legislation in the 1948 election campaign? I do not contend that the decision which was made by the people when they went to the polls after the great campaign debates were over was solely a verdict on the Taft-Hartley Act. In an address to the Senate on March 18, 1949, my very able and distinguished colleague on the Committee on Labor and Public Welfare, the Senator from Oregon [Mr. MORSE] stated—in my judgment, quite correctly—that the election—

> could not be cited as a mandate for any specific action on labor legislation in the form of bill A as contrasted with bill B.

But I also agree with him in his further remarks, in which he said:

> I think all we can say about it with respect to that issue is that in a good many States the Taft-Hartley law was an issue, made so in the campaign as far as State elections were concerned, and as far as the President was concerned, by his reference to it. It undoubtedly had its effects on the election.
>
> I repeat, that taking the two campaigns in comparison, I think the conclusion must be reached that a majority of the people who did vote expressed a preference for the general program as offered by the Democratic Party in contrast with the program offered by the Republican Party. I say that was the view of a majority of those who voted, keeping in mind the fact that the Democratic Party, as far as the Presidential race is concerned, did not get a majority of the votes, but they got more than we got. So to the extent that they got more votes than we got I am inclined to attribute it to the fact that it represented a greater approval of those voters for the general program of the Democrats, and a tendency on the part of the voters to express a general disapproval of our program.

So even if there are some who think that the election was not a mandate to the Congress to repeal the Taft-Hartley Act, as my good friend from Oregon claims, it nevertheless clearly was an endorsement of the Democratic Party platform and program; and central in our platform and program is the repeal of the Taft-Hartley Act.

At any rate, Mr. President, as a result of the election we again have before us the question of putting our Federal labor relations legislation on a sound, constructive basis. The Committee on Labor and Public Welfare pointed this out in its report, saying:

> The facts concerning the Taft-Hartley Act and its operation were then fully presented to the American people. Now the task of the present Congress is to abandon the destructive principles of that law and to restore our national labor policy to a sound basis.
>
> This is the challenge before the Congress.

What are the principles which should guide us in meeting this challenge? What policies should we advance? What pitfalls should we avoid? These are questions we must answer, Mr. President, in the course of this debate.

In his state of the Union message of January 5, 1949, the President outlined to the Congress his ideas as to the manner in which this challenge should be met. He said:

> If we want to keep our economy running in high gear, we must be sure that every group has the incentive to make its full contribution to the national welfare. At present, the working men and women of the Nation are unfairly discriminated against by a statute that abridges their rights, curtails their constructive efforts, and hampers our system of free collective bargaining. That statute is the Labor-Management Relations Act of 1947, sometimes called the Taft-Hartley Act.
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> That act should be repealed.
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> The Wagner Act should be reenacted. However, certain improvements, which I recommended to the Congress 2 years ago, are needed. Jurisdictional strikes and unjustifiable secondary boycotts should be prohibited. The use of economic forces to decide issues arising out of the interpretation of existing contracts should be prevented. Without endangering our democratic freedoms, means should be provided for settling

or preventing strikes in vital industries which affect the public interest.

The Department of Labor should be rebuilt and strengthened and those units properly belonging within that Department should be placed in it.

Early in January I called a meeting in my office in an effort to devise an orderly plan of procedure in regard to legislation to carry out the recommendations of the President.

I go into detail because, with the exception of the President's message to the Congress, every move was initiated by those of us in the Congress—largely by myself. We talk about the President's bill, the President's amendments, and so forth. That is all right. Loosely that is correct, but that is not actually the case, because the agencies of Government acted in response to my request. That which they did was in keeping with my request.

Those with whom I conferred at that meeting were Mr. Maurice J. Tobin, the Secretary of Labor; Mr. Clark Clifford, special adviser to the President; Mr. Paul M. Herzog, the Chairman of the National Labor Relations Board, and his colleague, our former colleague in the Senate, former Senator Murdock, who is a member of that Board; and Mr. Cyrus S. Ching, the Federal Mediation and Conciliation Director.

As a result of that meeting, which was held in my office, a plan of procedure was devised. I stated at its close:

The repeal of the Taft-Hartley law was a campaign promise and is also part of the President's recommendation. It is not all of the President's recommendations but it affords a good starting point and one which will furnish a clear-cut issue and not result in confusion. No one knows better than I that the simple repeal of the Taft-Hartley Act will not suffice.

I say that because the Taft-Hartley law was built upon the National Labor Relations Act, and much in the National Labor Relations Act was reenacted in the Taft-Hartley law. No one expected that it would be desired to repeal the Taft-Hartley law to the extent of abolishing the labor-industry provisions of the act which had been functioning for the past 12 or 15 years.

I continue with the statement which I made at the close of the meeting to which I have referred:

The Government's labor program under the theory of the National Labor Relations Act has been functioning for over a decade. Thus it is upon that act that we should properly proceed in building our law. Knowing that I will be called upon for such legislation, I am asking each of you to appoint your best informed labor law expert to meet jointly under the leadership of the Secretary of Labor and proceed in the preparation of a bill and be ready when called upon.

They immediately went to work, and they did as good a job as any great group could have done. Following that meeting the legal staffs of the various Government agencies drafted alternate proposals dealing with the problems outlined by the President in his State of the Union message. Their proposals were then thoroughly threshed out by their principals and a draft of a bill was submitted to me. Thus, the bill represents the composite thinking of the various Government labor agencies as to the manner in which the President's recommendations could best be carried out. As the Secretary of Labor said when he appeared before the committee on the first day of our hearings:

The present bill which is before you was drafted as a result of the suggestions and the proposals that were offered, not as the official presentation of these departments, but as the thinking of probably the individual or head of the department, although they do not assume full responsibility, and the composite drafting of the members of the various departments.

Before reporting Senate bill 249, Mr. President, the Committee on Labor and Public Welfare held hearings from January 31 through February 23, 1949. The committee has had the benefit of the views and suggestions of the heads of the various Government labor agencies which participated in the preparation of the legislation. It heard a number of distinguished experts in the field of labor law and labor relations, such as Mr. William H. Davis, former Chairman of the National War Labor Board; Dr. William M. Leiserson, formerly Chairman of the National Mediation Board, and member of the National Labor Relations Board; and Prof. Nathan P. Feinsinger, a member of the faculty of the Law School of the University of Wisconsin, and formerly member of the National War Labor Board. In addition, the committee received voluminous testimony from representatives of the major labor organizations and from individual employers, employer associations, and their spokesmen. In all, more than 70 persons were heard; and the written statements of many more were received and made a part of the record of the committee hearings. The record of our hearings on this legislation, in fact, exceeds in volume the hearings held before the Committee on Labor and Public Welfare on proposed labor legislation during the first session of the Eightieth Congress, from which the Taft-Hartley Act emerged.

Our findings with respect to the operation of the Taft-Hartley Act are set forth in the report which we have filed to accompany Senate bill 249. That report contains a detailed record of experience under that act which shows conclusively that the act has—

First. Increased Government interference with and has restricted free collective bargaining;

Second. Hampered workers in the exercise of basic rights;

Third. Provided unsound procedures and administrative structures;

Fourth. Dealt with matters of public policy outside the proper scope of labor-management legislation; and

Fifth. Discriminated unfairly against labor organizations.

Experience under the act thus far, of course, shows only the beginnings of the trends which may be expected to develop from the operation of the Taft-Hartley Act. The act has been operating under the conditions of a prosperous economy, collective bargaining relations which were established in many of our great industries before the Taft-Hartley Act was passed, and the highest level of employment we have ever known in this country. There has been little incentive, as yet, for employers to utilize to the full the advantages which the Taft-Hartley Act has provided for them. We do not know yet how the provisions of that act would work in a period of declining business activity and a fluid labor market. Nevertheless, the record of 2 years' experience under the act shows the beginnings of trends sufficiently dangerous as to require the Congress to take steps immediately to repeal the act before the full impact of its destructive force is felt upon our economy.

The reason for this is, of course, Mr. President, that the basic theory of the Taft-Hartley Act—the theory that our labor legislation should undertake to define and delimit the intricate and interrelated rights and obligations of employees and employers and of unions and their members, rather than to promote collective bargaining—is false and will not work in our free American economy. This theory is stated in the very first section of the act, and runs through every change which the act thereafter made in or added to the preexisting Federal law with respect to industry-labor relations.

In a field as highly sensitive as that of the relations between employers and employees, we cannot afford to have the settlement of controversies constantly dependent upon the decisions of administrative bodies and the courts, as must be the case when we try to balance and define their respective rights and obligations. Labor and industry must work together, whether they like it or not; and we must provide means to enable them to do so successfully and harmoniously. If we go on the principle that we must alternately arm and defend unions and employers against each other, as if they were constantly contending one with the other, we cannot write sound legislation that will insure stable and constructive labor-management relations.

Mr. President, it is a curious thing that no one has preached more eloquently or more earnestly for unity and harmony than did the Republican candidate for President in the last election campaign. Yet I venture to assert that no piece of legislation in many years has had a greater effect than the Taft-Hartley Act in creating disunity, in promoting discord between employers and employees. This act assumes a basic antagonism between the interests of labor and industry. We Democrats do not agree that any such antagonism is necessary between employers and their employees organized in unions. We believe they can, and experience has shown they can, work together and solve their own problems, if there is scope for free collective bargaining. That is proved by the history of industry-labor relations. There are corporations with employees organized into unions that have not had strikes

for more than two generations. The relationships are entirely harmonious. That has occurred under free collective bargaining.

I do not deny, Mr. President, that labor organizations have at times arrogated to themselves arbitrary power, and that there have been abuses by employees and unions of their lawful rights; but I say that we cannot build a sound Federal labor-relations law upon the basis of prohibitions and restrictions, as if such practices were the rule rather than the exception. We must build upon the principles so well stated by Dr. William M. Leiserson in his testimony before the Committee on Labor and Public Welfare. He said:

I think the policy must be, basically, collective bargaining. There is nothing sacrosanct about the Wagner Act. It will need amendment from time to time, like any other law, but one idea must always be held: Anything that interferes with collective bargaining that we did not know about before, put an amendment in, and there will be a good deal. But nothing more than that should be done. Anything that weakens collective bargaining we do not want as an amendment. And the Taft-Hartley law is full of provisions that go counter to the collective bargaining policy and weaken collective bargaining.

Senate bill 249, as reported, is founded on these principles. Like the Wagner Act, it looks to collective bargaining as the way to achieve peaceful and constructive labor-management relations. It accomplishes this by—

First. Repealing the Labor-Management Relations Act, 1947;

Second. Reenacting the National Labor Relations Act of 1935 with amendments which will—

(a) promote and protect collective bargaining, as provided in the National Labor Relations Act, by enabling the National Labor Relations Board to protect employers from strikes and secondary boycotts designed to cause them to recognize a union in violation of the act or in furtherance of interunion jurisdictional disputes;

(b) strengthen the national labor policy declared in the Wagner Act by requiring the parties to a collective bargaining agreement to give the United States Conciliation Service 30 days' notice of desire to terminate or modify the agreement and by declaring the policy of the United States to be that collective bargaining agreements contain mutually satisfactory procedures by which either party to the agreement may refer issues arising out of the interpretation or application of the agreement to final and binding arbitration;

(c) expand the scope of free collective bargaining, since State laws restricting union security and the check-off will no longer be effective to bar collective-bargaining agreements dealing with these subjects, except where purely local enterprises are involved; and

(d) provide procedures whereby, under the auspices of the Government, including the findings and recommendations of an emergency board appointed by the President, and during a 30-day waiting period while the Board is engaged in its work, a national emergency arising from a threatened or actual work stoppage in a vital industry that affects the public interest can be averted.

Third. Restoring the Federal anti-injunction statutes with the full force and effect they had before the Taft-Hartley Act was enacted, and restoring the right of labor organizations to make expenditures in connection with Federal elections;

Fourth. Retaining the present five-member National Labor Relations Board and continuing to allow panels of three members of the Board to hear and decide cases, as at present;

Fifth. Reestablishing the United States Conciliation Service in the Department of Labor; specifying simply and clearly the functions and duties of the Service and the conduct of conciliation officers; defining the duties of employers and employees, and their representatives, with reference to the making and maintaining of collective-bargaining agreements and participation in meetings called by the Conciliation Service; and providing for a Labor-Management Advisory Committee, to be composed of an equal number of representatives of labor and management and one or more public members, to advise the Secretary of Labor on questions of policy and administration affecting the work of the Conciliation Service.

The bill contains a savings clause under which the provisions of titles II and III will not apply with respect to persons subject to the Railway Labor Act. Exemption with respect to employers subject to the Railway Labor Act from the provisions of title I will continue to be provided under section 2 (3) of the National Labor Relations Act, as amended.

These provisions of Senate bill 249, as reported, are wholly consistent, Mr. President, with the basic ideas and principles of a sound national labor policy—the policy that the Congress laid down as law of the land in 1935 when it enacted the National Labor Relations Act. No provision of the bill takes away rights from anyone who needs them for his protection. Every provision of the bill is clear and readily understandable. It does not contain a provision that is not workable.

In approaching this proposed legislation I ask the Senate to bear in mind certain basic principles and historical facts.

First, Mr. President, it is important to bear in mind that the kind of economy we want to maintain in America is a free economy in which the greatest number of our people can enjoy individual liberty and an American standard of living. Those words remind us of what we constantly hear. Nearly all employers at banquets express themselves as wanting to maintain free enterprise, individual liberty, and similar things, with which all of us heartily agree. It is interesting to note that those things are in accordance with the law of the land. When we wrote the Surplus Property Act, we asked that it should be administered in such a way as to preserve our established economic theory.

I do not want to read the law on this subject; but I shall place in the RECORD a statement concerning the Surplus Property Act of 1944. That law was not enacted as the result of a resolution adopted by a manufacturers' association. It did not come about as the result of someone's speech on free enterprise. It was enacted because it represented the thinking of such men as the Senator from Colorado [Mr. JOHNSON], who was a member of the committee, the Senator from Alabama [Mr. HILL], who was a member of the conference committee, the former Republican Senator from Vermont [Mr. AUSTIN] who was on the conference committee, and the Senator from Utah. I could name other Senators. The only definition of "free enterprise" which was written into the law of the land, that I know of, was written as the result of the activities of persons who were supposed to be opposed to free enterprise, and who in their political campaigns are always accused of trying to destroy this great free system. I need not read these things, but I ask that there be inserted in the RECORD at this point in my remarks, the objectives of Public Law 457, Seventy-eighth Congress, the Surplus Property Act of 1944, to stand, I hope, forever, as a part of our industry-labor aspirations and hopes, and as a clear definition of the way in which democracy should work.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PUBLIC LAW 457, SEVENTY-EIGHTH CONGRESS

OBJECTIVES

SEC. 2. The Congress hereby declares that the objectives of this act are to facilitate and regulate the orderly disposal of surplus property so as—

(a) to assure the most effective use of such property for war purposes and the common defense;

(b) to give maximum aid in the reestablishment of a peacetime economy of free independent private enterprise, the development of the maximum of independent operators in trade, industry, and agriculture, and to stimulate full employment;

(c) to facilitate the transition of enterprises from wartime to peacetime production and of individuals from wartime to peacetime employment;

(d) to discourage monopolistic practices and to strengthen and preserve the competitive position of small business concerns in an economy of free enterprise;

(e) to foster and to render more secure family-type farming as the traditional and desirable pattern of American agriculture;

(f) to afford returning veterans an opportunity to establish themselves as proprietors of agricultural, business, and professional enterprises;

(g) to encourage and foster post-war employment opportunities;

(h) to assure the sale of surplus property in such quantities and on such terms as will discourage disposal to speculators or for speculative purposes;

(i) to establish and develop foreign markets and promote mutually advantageous economic relations between the United States and other countries by the orderly disposition of surplus property in other countries;

(j) to avoid dislocations of the domestic economy and of international economic relations;

(k) to foster the wide distribution of surplus commodities to consumers at fair prices;

(l) to effect broad and equitable distribution of surplus property;

(m) to achieve the prompt and full utilization of surplus property at fair prices to the consumer through disposal at home and abroad with due regard for the protection of free markets and competitive prices from dislocation resulting from uncontrolled dumping;

(n) to utilize normal channels of trade and commerce to the extent consistent with efficient and economic distribution and the promotion of the general objectives of this act (without discriminating against the establishment of new enterprises);

(o) to promote production, employment of labor, and utilization of the productive capacity and the natural and agricultural resources of the country;

(p) to foster the development of new independent enterprise;

(q) to prevent insofar as possible unusual and excessive profits being made out of surplus property;

(r) to dispose of surplus property as promptly as feasible without fostering monopoly or restraint of trade, or unduly disturbing the economy, or encouraging hoarding of such property, and to facilitate prompt redistribution of such property to consumers;

(s) to displose of surplus Government-owned transportation facilities and equipment in such manner as to promote an adequate and economical national transportation system; and

(t) except as otherwise provided, to obtain for the Government, as nearly as possible, the fair value of surplus property upon its disposition.

Mr. THOMAS of Utah. Mr. President, I am sure that if anyone will refer to the statement, he will discover it to be as good a definition as can be made of free enterprise and of its meaning under our democratic system.

Second, we must remember that this is a common enterprise in which we all participate, in which it is essential that there be agreement on objectives and that the means we adopt to advance toward these objectives are soundly devised to enable us to attain them. Third, in the field of industry-labor relations we can realize our objectives only through free negotiation and collective bargaining between equals.

Our Federal labor-relations legislation, therefore, must, in the public interest, be founded on two basic principles: First, it must promote, not stymie and disrupt, free collective bargaining between industry and labor; and, second, it must advance, not defeat and obstruct, the constructive efforts of the working men and women of our Nation.

This conclusion is inescapable, Mr. President, if one has given careful study to the problem of legislation covering the difficult and complicated field of industry-labor relations. The experts who appeared before our committee during the course of our hearings were virtually unanimous on this point. This is the conclusion which I have come to as I have listened to witnesses testifying before our committees and to the many debates on the subject which we have had in this body since I came to the Senate in March 1933.

Before the enactment of section 7 (a) of the National Industrial Recovery Act and the National Labor Relations Act we tried out a governmental policy of letting labor and industry fight out their problems between themselves. In that period the Government was often brought into labor disputes, but usually only through injunctions—until the Norris-LaGuardia Anti-Injunction Act of March 4, 1932, put an end to this futile and unfair device—and with criminal prosecutions under the antitrust statutes. Almost invariably these actions were directed against the activities of labor organizations. That policy was productive of conflict and controversy. It undercut the living standards of our people and undermined the economic structure of our country. The lack of an affirmative national labor policy, it can truthfully be said, played no small part in bringing on the great depression of the early thirties. During that period we not only did not have a sound national labor policy—we had, in fact, no national labor policy at all.

With the adoption of section 7 (a) of the National Industrial Recovery Act and the National Labor Relations Act, however, the Federal Government began to exert an affirmative influence in promoting industry-labor peace through the protection of collective bargaining. With the adoption of that policy, we for the first time put ourselves in a position where our free-enterprise system could begin to assure more equitable distribution of the Nation's wealth among the people of our country and more stable and harmonious relations between employers and workers.

The theory of both the National Industrial Recovery Act and the National Labor Relations Act was clearly set forth in two paragraphs of section 1 of the latter act which I believe cannot be read too carefully for I am convinced they contain the key to any successful labor relations legislation. In those paragraphs the Congress declared in 1935:

The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries.

Experience has proved that protection by law of the right of employees to organize and bargain collectively safeguards commerce from injury, impairment, or interruption, and promotes the flow of commerce by removing certain recognized sources of industrial strife and unrest, by encouraging practices fundamental to the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions, and by restoring equality of bargaining power between employers and employees.

The National Labor Relations Act undertook to remedy "inequality of bargaining power" by recognizing the right of workers "to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection" and to remove "certain recognized sources of industrial strife and unrest" by declaring them to be unfair labor practices. Such unfair labor practices could be prevented under appropriate procedures administered by the National Labor Relations Board.

The principal obstacles to free collective bargaining which most commonly prevailed before the National Labor Relations Act was passed were certain employer practices, such as the "yellow-dog contract," the company union, and the refusal of employers to bargain or deal with unions representing their employees. Therefore, the act addressed itself to providing machinery by which such practices could be stopped.

The National Labor Relations Act was in all respects specifically devised to promote and maintain free collective bargaining. Thus, employers were prohibited from interfering with or coercing their employees in the right to form, join, or assist labor organizations for the purpose of collective bargaining or other mutual aid or protection. Employers were also forbidden to dominate or interfere with the formation or administration of labor unions, or to adopt employment practices discriminating against employees because of their membership in a labor union or because they had filed charges with the National Labor Relations Board. Employers were told they could not refuse to bargain with the duly chosen representatives of their employees. The act set up procedures whereby such representatives could be chosen peacefully, without the necessity of resort to strikes for recognition or other forms of economic coercion.

Just as the Norris-LaGuardia Act had for its purpose the denial of Federal court injunctions to employers involved in labor disputes, so the National Labor Relations Act denied protection to employers when they sought to interfere with their employees' rights of self-organization and collective bargaining by such practices as I have mentioned—yellow-dog contracts, company unions, and other unfair, harmful, and disruptive devices.

Because it undertook to recognize the right of workers to form and join unions and to eliminate certain unfair employer practices which had been obstacles to collective bargaining and peaceful industry-labor relations, there are some who have described the National Labor Relations Act as a prolabor measure. The National Labor Relations Act, however, undertook to protect the interests of employees and their organizations only as a means of advancing the practice and procedure of collective bargaining and thereby assuring stable and harmonious labor relations in the public interest. We should keep this in mind, Mr. President, for it is clear to me that unless such relations are protected, neither employers nor workers can have any assurance that their disputes can be resolved in a peaceful manner, and without this assurance our way of life and our free enterprise system cannot endure.

(At this point Mr. THOMAS of Utah yielded to Mr. LANGER, who entered a motion to reconsider the vote by which Senate bill 1008 was passed, and debate

ensued, which appears at the conclusion of the speech of Mr. THOMAS of Utah.)

Mr. THOMAS of Utah. Mr. President, experience during the first 8 years after the passage of the National Labor Relations Act amply justified the faith of those of us who were the original sponsors of that legislation in the Congress. Our economy emerged successfully from the period of depression and labor-management conflict. Millions of Americans, their right to form, join, and assist labor organizations recognized by law, discovered a new sense of dignity and responsibility along with their improved economic status.

Nevertheless, there were those, like the National Association of Manufacturers and the United States Chamber of Commerce who did not have faith in the capacity of our employers and our workers and their organizations to work out their problems through collective bargaining. I do not think they speak for all employers, but their voices have been loud in the daily press and in the records of congressional hearings over the years. And ultimately they once again had their way when the Taft-Hartley Act was passed by the Republican Eightieth Congress in June of 1947.

I have had occasion during previous debates on labor legislation in the United States Senate to warn the Congress of the seriousness of breaking what has been in the past one of the finest things about our industry and labor relations. When the Smith-Connally Act was before this body in June of 1943, I warned that if that act were passed we would move one step further away from the voluntary system for labor and the voluntary system for industry in our country and that its enactment would be a dangerous step for the Congress to take.

To the extent that the restrictions and procedures imposed on labor and industry in the Smith-Connally Act did not break down, was due, I think it is fair to say, to the pledge given by labor and industry at the conference called by President Roosevelt immediately after Pearl Harbor, that during the war there would be no strikes and no lock-outs and that all disputes would be settled by peaceful means. It is a source of great gratification to me that I was the author of the no-strike motion in that conference. Labor and industry lived up to their undertaking with relatively few exceptions during the war, and for this reason—and I think for this reason alone—the Smith-Connally Act did not have the dangerous consequences which many feared it would have.

The passage of that act did, however, mark the beginning of a process of undermining the sound practices and procedures in industry-labor relations which were developed during the era of the Wagner Act. That process reached full tide when the Congress passed the Taft-Hartley Act in 1947.

When the Taft-Hartley Act was being debated in the Congress, I made to the Senate a number of predictions as to what the effects of that act would be. At that time I said:

> I predict that * * * if the House labor bill becomes law, or if the bill now pending in the Senate becomes law, and we ask the Government of the United States and the courts of the United States to interpret all the new definitions which are written in those measures, we will be compelled to go through a period as long as the one we have heretofore gone through in attempting to discover what is the basic law of the land in regard to industry-labor relations. We will have to do all that over again, and the new interpretations will cover page after page of the law reports.
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> Mr. President, that is not the American way of establishing stability. That is not the way in which during the past 150 years we worked out the best and most stable government on earth, a government of law. When once great fundamentals have been established it is better to build on those fundamentals, and have them reinterpreted, than to invite the courts to move into the field of law which for 50 years the courts have been told to stay away from. Such action on the part of Congress will not bring about industrial peace, labor peace, or governmental stability. It will result in bringing into American life confusion, uncertainty, and in the end such confusion and uncertainty cannot help but promote evil in our body politic, in our social system, and in our economic life.

We all make predictions, and we all offer prophecies, but seldom do we have an opportunity to witness the fulfillment of those prophecies. There is hardly a sentence in that prediction which did not come true. Now we have an opportunity to return to the great fundamentals which were laid down in 1934 and 1935, and build our policy upon those great fundamentals, which are related to our democratic institutions, which in time will become a part of our democratic practice, and which could carry over into industry-labor relations the basic principles of our political life.

These predictions, I submit, Mr. President, have been amply borne out by experience with the act's provisions. For when the Taft-Hartley Act was passed in 1947, it radically reversed the constructive principles on which alone sound labor relations can be based and made a shambles of the standards and procedures of the Wagner Act even while it kept the language of the act upon the statute books. It revived the use of injunctions to prohibit unfair labor practices and special emphasis was placed upon the use of this weapon to interfere with many legitimate activities of labor unions. It opened the courts to law suits between the parties to collective-bargaining agreements thereby weakening the necessity for the parties to provide, and abide by, procedures established in their agreements for the settlement of controversies arising over their interpretation or application. It restricted the subjects of collective bargaining so that employers and labor unions may now make agreements with respect to such matters as union security, the check-off, and health and welfare funds only at the peril of running afoul of highly technical and complicated provisions for violation of which criminal penalties are imposed. It weakened the capacity of the Government labor agencies to be of assistance in promoting free negotiation and collective bargaining by establishing an unwieldly and burdensome separation of functions within the National Labor Relations Board, creating an all-powerful General Counsel, and depriving the Board of virtually all but its strictly quasi judicial powers and by taking mediation and conciliation functions out of the Department of Labor and setting up an independent Federal Mediation and Conciliation Service.

All of these provisions were backward steps. Yet, whereas in 1947 it was the labor organizations which maintained stubborn resistance to any changes in the National Labor Relations Act—and I observe parenthetically that this attitude of labor undoubtedly played a great part in making possible the passage of the Taft-Hartley Act—today the situation is reversed. Today, it is the employers who are opposed to the bill reported by the Committee on Labor and Public Welfare.

Today the employers—and many of them came before our committee during our hearings to say so—want to have the basic principles of the Taft-Hartley Act—if we can call them that—kept untouched. Why? Because they believe it gives back to them the power to drive a wedge between employees and their unions, thereby enabling them to restore the system of individual bargaining that prevailed before the Wagner Act was passed.

It does not seem to be realized by those who take this position that labor relations in the America of today are not what they were in the America of 100 or 50 or even 15 years ago. They cannot be the same. When we passed the Wagner Act in 1935, we graduated from the school of thought that regarded the worker's wages as simply one "cost of production." And we abandoned the philosophy of individual bargaining in the name of, but with the effect of denying, actual liberty of contract of the worker.

We cannot now go back to those outmoded schools of thought any more than, once we have graduated from grammar school into high school, we can go back with profit to kindergarden. Just as in our school system we move progressively on to greater understanding in the institutions of higher learning so, as we approach the problem of labor legislation, we need to broaden and develop our understanding of the essentials of good labor relations, and not to go back to practices and theories we have tried and have found to be worthless for our purposes.

Yet in the debates on the Taft-Hartley Act, in the hearings that preceded the passage of that act, and in the hearings we have recently completed before the Committee on Labor and Public Welfare, we have been urged to go backward, not forward. However, the old slogans have been given a more modern turn. Thus, while the talk is now of the rights of individual workers and a bill of rights for the individual worker not freedom of contract, the new slogans mean in fact the same as the old. One of the authors of the Taft-Hartley Act was more farsighted than some of its other defenders in predicting the direction in which the act is taking us when he wrote recently that "once we have accepted

the concepts of the Taft-Hartley Act as a model to begin an interim period leading to complete elimination of the Government labor relations agencies, we can apply that concept to other areas of Government activity." This can only mean that the real purpose and effect of the Taft-Hartley Act are to return to individual bargaining and to freedom of contract, for if we were to eliminate the Government agencies in the field of labor relations, it is perfectly clear that we could no longer assure protection to the practice and procedure of collective bargaining. This kind of thinking, which is at the core of the Taft-Hartley Act, takes us back, not merely 15 years, but more than 50 years.

We, here in the Congress, must legislate for today, not as if we were still living in the America of 50 years ago. Today 15,000,000 of our wage and salary earners are organized in labor unions. The fortunes and welfare of another 45,000,000 of our people are dependent on the pay those 15,000,000 workers bring home each week or month. These 60,000,000 Americans have made great strides toward achieving what we like to refer to as the American standard of living. That they could do so has been due in no small part to the greater security and economic independence which their unions and the protections afforded by the Wagner Act gave them. If our criterion is the welfare of our people as a whole, we must strengthen, not restrict, their capacity to make still greater strides in the future.

Mr. President, the task of the Congress is to determine how this purpose can best be carried out. Does Senate bill 249, as it has been reported from the Committee on Labor and Public Welfare, meet this test? It is my firm conviction, and I think it should be the conviction of every Senator who approaches this problem impartially and from the standpoint of promoting the welfare of our people as a whole, that Senate bill 249, as reported, does meet this test.

So much by way of general explanation. I turn now, Mr. President, to a comparative discussion of specific provisions of the Taft-Hartley Act, Senate bill 249, as reported, and the amendments which have been proposed by three of the Republican minority members of the Committee on Labor and Public Welfare.

COVERAGE

First, the Taft-Hartley Act removed from the coverage of the National Labor Relations Act several large groups of workers, such as employees of Government corporations, employees of Federal Reserve banks, hospital employees, supervisors, independent contractors, and employees of any person not otherwise defined as an employer under that act. Mr. President, I have never been able to understand the logic of those who defend the Taft-Hartley Act as contributing to sound labor relations, but deny the benefits of the act in the case of special groups of workers and employees. If we believe that the legislation we enact is constructive legislation, we should, I should think, bring within its beneficial influence as many workers as we can. This, at any rate, is the principle which underlies the coverage provisions of Senate bill 249. In this bill I hope we shall reverse the destructive tendency, manifested by the Taft-Hartley Act, of attempting to determine by law what employees within the scope of Federal jurisdiction may engage in collective bargaining. Such matters, it seems to me, can more appropriately be decided, within the policies laid down in the National Labor Relations Act, by the National Labor Relations Board. In this connection, Mr. President, it is worth noting that this point is, at least in part, conceded by our minority colleagues who now propose to restore the benefits of the act with respect to employees of Federal Reserve Banks and hospital employees.

Similarly, Senate bill 249 omits provisions of the Taft-Hartley Act which encourage special bargaining units for crafts, professional employees, and plant guards. Here again we are supported at least in part by the fact that the Republican minority of our committee are now willing to take out of the Taft-Hartley Act the special provisions applicable to plant guards. The problem of whether employees should bargain in special units is, it seems to me, one for the Board to work out, consistent with the over-all policy of the act to promote genuine collective bargaining to the maximum extent.

ADMINISTRATION

Mr. President, the Taft-Hartley Act imposed serious handicaps upon the efficient functioning of the Government agencies charged with responsibility for facilitating and implementing the policy of free collective bargaining and for furnishing facilities for the mediation and conciliation of labor controversies. For example, the act established the office of General Counsel of the National Labor Relations Board, an officer independent of the Board, and gave to this officer final authority to investigate charges and issue complaints of unfair labor practices. The General Counsel was authorized to exercise general supervision over all employees of the Board other than trial examiners and assistants to Board members.

That the creation of the office of General Counsel and the separation of so-called prosecuting and judicial functions were serious mistakes has been recognized by many authorities. The Hoover Commission has described the independent General Counsel not only as a prosecutor, but as an administrator and policy maker, as well.

(At this point Mr. THOMAS of Utah yielded to Mr. CHAVEZ, who presented a conference report on Senate bill 714, action on which appears at the conclusion of the speech of Mr. THOMAS of Utah.)

Mr. THOMAS of Utah. I note further, Mr. President, that the three members of the Republican minority on our committee who have filed minority views have likewise concluded that the establishment of this office was an error and that the office should be abolished. I do not believe, Mr. President, that I need say any more to indicate the reasons which have prompted us to omit from S. 249 provision for an independent General Counsel. Under our bill the organization of the Board's functions will be returned to the situation which existed before the Taft-Hartley Act was passed, and the problem of working out a proper separation of functions will be a matter for the National Labor Relations Board to work out in accordance with the principles which the Congress has prescribed for all other administrative agencies of the Government in the Administrative Procedure Act.

In other ways, as well, the Taft-Hartley Act restricted the authority of the National Labor Relations Board to further the policy of promoting collective bargaining by removing obstacles to its exercise. In addition, creating an independent general counsel, the Taft-Hartley Act also imposed limitations on the organization and functioning of the National Labor Relations Board which constituted, in my judgment, unwarranted and unnecessary legislative interference with the efficient carrying out by the Board of the administrative responsibilities with which it was charged by the Congress. The Board has always had the authority to issue rules and regulations to govern its organization and procedures. Under this rule-making authority, the Board functioned—not, of course, without criticism, as was to be expected in the course of its administration of a controversial statute—but the Board functioned fairly and efficiently during a period of approximately 12 years.

The Taft-Hartley Act, however, took away from the Board its administrative discretion in certain fields. For example, it abolished the review section, forbade the Board to employ persons for the purpose of economic analysis, and restricted trial examiners from advising or consulting with the Board in connection with their cases. These provisions are retained by the minority amendments. I do not mean to imply that these administrative changes have necessarily had bad results. It does seem to me that the Taft-Hartley Act provisions which made them, constitute an invasion of the management functions of the Board, and an interference with its experienced and expert carrying out of duties which the Congress had authorized and directed the Board to administer.

In this connection, Mr. President, it is interesting to note that when the Chairman of the National Labor Relations Board appeared at the hearings on S. 249 before the Committee on Labor and Public Welfare, he stated that he did not believe that if the Taft-Hartley Act were repealed, the Board would return to the system of review of cases which was used before the Taft-Hartley Act was passed. It was felt, he said, that the provisions for legal assistants to Board members had worked out successfully. If we allow the Board to regulate its own internal structure and procedures, these matters can, I am convinced, be resolved far more satisfactorily by the Board upon the basis of its experience in day-to-day administration of the law, rather than through legislative fiat. Accordingly, while we retain in S. 249 the desirable

enlargement of the membership of the Board and the provisions for hearing cases in panels of not less than three members of the Board, we have not attempted to dictate to the Board how it should organize itself or administer its functions. Under our bill, these matters are to be worked out by the Board in a manner consistent with the sound principles, policies, and provisions which the Congress has laid down for all administrative agencies of the Government in the Administrative Procedure Act.

In S. 249 we also return to the National Labor Relations Board the exclusive authority to effectuate the national policy of free collective bargaining. We have not included in the National Labor Relations Act of 1949 any provision for sharing Board jurisdiction with State agencies under certain conditions, as does the Taft-Hartley Act, and as would the three minority members of our committee. In fact, of course, the provisions on this matter now in the act have not been exercised, since none of the State labor-relations statutes is wholly consistent with the Taft-Hartley Act. I submit, however, that if such a provision is exercised, it can break down and undermine our whole national labor policy. If we are to have such a policy it must be truly national.

Mr. President, this brings us to another question in regard to the bill, namely, whether it is ever wise to attempt to have a national policy of any kind based upon the actions of 48 different jurisdictions. Under such a system there would be nothing but chaos, disorder, and disagreement. The structure of the Constitution of the United States, in recognizing the superiority of certain law over other law, and in granting to the Federal Government the authority to act in certain fields of governmental activity, and in granting to the States the authority to act in other fields, is wise law. I think it can be said that it is so wise that the entire structure of the Federal system depends upon it, and that if we were to try to have a Federal Government which was indeed non-Federal in nature, but, on the contrary, was a confederacy of independent, free States, we would run into exactly the same difficulties the Confederate States of America experienced when they attempted to unify their 11 States under one constitution, but with provisions which made it impossible actually to unify those 11 States. That experience indicates the distinction which should be drawn. The importance of law must never be lost sight of. If we attempt to put State law on a level with national law, if we attempt to let one small State dictate the laws of the entire Nation, we may break down the most precious thing we have instituted in our Federal system.

In S. 249 we also rid this Board of many of the numerous and burdensome elections for which the Taft-Hartley Act provides. The minority members of our committee have recognized that some of the elections are simply a waste of Government time and money. They would drop three types of elections—elections to authorize a union shop, elections on an employer's last offer under the auspices of the Federal Mediation and Conciliation Service, and elections on employers' last offer conducted by the National Labor Relations Board in so-called national emergency dispute cases. Numerous elections keep relations between labor and industry on an unstable basis and hamper and impede collective bargaining.

Again, we have not included in S. 249 the numerous changes in Board procedure and review of Board decisions provided for in the Taft-Hartley Act. Let me list some of the changes, and you will see, Mr. President, that they could have little constructive effect, but encompass Board proceedings within harassing restrictions and technicalities, and frustrate the policy of collective bargaining and the procedures designed to implement that policy:

First. The Taft-Hartley Act imposed a 6-month statute of limitations on the issuance of charges of unfair labor practice under the act. As to this, Mr. President, I may point out again that the minority of our committee apparently consider this provision to be an undue restriction on the Board's remedial functions and have proposed a 1-year statute instead.

Second. The Taft-Hartley Act required that proceedings before the Board be conducted in accordance with the rules of evidence applicable in the United States district courts. This provision, although it subjects the Board to a procedural requirement applicable to few, if any, other Federal administrative agencies, would be kept by the minority members of the committee.

Third. The Taft-Hartley Act further required that findings of the Board be based on a "preponderance of the evidence," that on review the courts are to consider whether an order of the Board is supported by "substantial evidence" on the record considered as a whole, and that the Board must—not may, but must—issue subpenas for the attendance of witnesses and production of documents, at the request of any party, without regard to the general scope and relevance of the evidence sought to be obtained. I do not contend, here, that these provisions are either bad or good in themselves, although again I will point out that the minority now propose to strike out the so-called preponderance-of-evidence rule. What I do contend is that these provisions cover details of procedure which are within the scope of the Administrative Procedure Act and which should be governed by the sound and carefully drafted principles and provisions of the act rather than by special legislation.

Fourth. Finally, the Taft-Hartley Act provided that decisions by trial examiners in unfair labor practice cases shall be final and binding as orders of the Board in the absence of exceptions filed with the Board by any of the interested parties within 20 days. This requirement, too, I note, the minority now propose to drop.

The foregoing procedural requirements are, as I have already indicated, restrictions on the National Labor Relations Board which are applicable to few, if any, other administrative agencies of the Government. There is no need to single out the Board for such special treatment. We enacted the Administrative Procedure Act in June 1946, only a year before the Taft-Hartley Act was passed, to meet, and I quote the report of the Senate Committee on the Judiciary filed on November 19, 1945, "a widespread demand for legislation to settle and regulate the field of Federal administrative law and procedure" and to provide "a simple and standard plan of administrative procedure." As the committee further stated in its report, the Administrative Procedure Act is "designed to afford parties affected by administrative powers a means of knowing what their rights are and how they may be protected. By the same token, administrators are provided with a simple course to follow in making administrative determinations. The jurisdiction of the courts is clearly stated. The bill thus provides for public information, administrative operation, and judicial review."

In enacting S. 49 we return to the provisions of the Administrative Procedure Act on all of these matters. This is essential to assure sound procedure. If the Administrative Procedure Act needs amendment, let us do it directly instead of in a piecemeal fashion, agency by agency, as was done in the Taft-Hartley Act.

I turn now, Mr. President, to another aspect of administration in connection with this legislation—an aspect which is, it seems to me, of great importance. The Taft-Hartley Act took the functions of Federal conciliation and mediation away from the Secretary of Labor and placed them under the authority of a Federal Mediation and Conciliation Director, who is the head of an independent Federal Mediation and Conciliation Service established by the Taft-Hartley Act outside the Department of Labor. This was done, and its continuance is urged now by the minority members of our committee, on the alleged ground that an inevitable suspicion of lack of impartiality must attach to a conciliation service located in the Department of Labor.

This is, of course, a type of argument that is easy to assert and difficult to refute. Suspicions do not yield readily to the persuasive force of reason. The facts show a record of successful administration of conciliation services in the Department of Labor covering 34 years. We have had administration of conciliation functions outside the Department for 2 years. How do these facts balance up for those who have suspicions as against those who try to judge situations on the basis of facts? The truth of the matter is that conciliation functions must be administered impartially wherever they are located.

The real question, it seems to me, is not whether we can have a conciliation service free from suspicion of lack of impartiality in the Department of Labor—I am convinced we shall—but rather whether we can have a major department of the Federal Government which will have general charge of functions

relating to labor matters. For it seems clear to me that the more functions we take out of the Department of Labor—and in recent years we have taken many—the more we force and compel that Department to appear as an advocate of a special interest rather than an administering agency of the Government. Thereafter, the fact that such a Department is made to appear as a special advocate is used to pry still other functions out of the Department. Perhaps that has been the intention. I do not know if that is so; I merely suggest that it may have been so. But I would observe, in any event, that, just as we can change the appearance of the Department of Labor by taking functions out of it, so we can build that Department back up again to the point where the shadow of suspicion can no longer attack its impartiality and integrity. The Hoover Commission has recommended just such a course of action.

An essential first step in this direction is the restoration of the conciliation and mediation functions to the Secretary of Labor, and the reestablishment of the United States Conciliation Service in the Department of Labor. We of the majority in this body have pledged ourselves to do this, Mr. President. Our campaign platform last fall stated:

> We urge the Department of Labor be rebuilt and strengthened, restoring to it the units, including the Federal Mediation and Conciliation Service and the United States Employment Service, which properly belong to it, and which the Republican Eightieth Congress stripped from it over the veto of President Truman.

By enacting S. 249, we shall redeem that pledge.

Finally, on the matter of administration, I should like to point out, without laboring either point, that in S. 249 we impose no rigid jurisdictional requirements on the Conciliation Service. The Service can continue to make agreements with State agencies to handle local cases, but it is not required to do so. Also we declare, as would the minority, the public policy of the United States that parties to collective-bargaining agreements include in their agreements procedures whereby such disputes can be finally adjusted, and we authorize and direct the Conciliation Service to assist parties in working out such procedures and in settling such cases. These, I think all will agree, are constructive improvements over the negative approach to these problems taken in the Taft-Hartley Act.

INDIVIDUAL BARGAINING

As I have said, Mr. President, the theory of protecting rights even if the policy of promoting collective bargaining suffers thereby runs through every provision of the Taft-Hartley Act. Before the act was passed, it had not been questioned that the right of employees to be free not to join a union, as well as to join and participate in union activities, was implicit in the freedom of organization provided for in the National Labor Relations Act. Insofar as question has been raised concerning this right, it has primarily been in connection with various kinds of measures by which unions have sought to protect the security of their collective-bargaining agreements. Other specific provisions of both the National Labor Relations Act and the Taft-Hartley Act deal with this matter.

The provision of the Taft-Hartley Act protecting in sweeping terms the right not to join unions has not as yet received definitive interpretation by the National Labor Relations Board or the courts. It seems clear to me, however, that its inclusion in the act can have no other effect than to give specific encouragement to individual bargaining, weaken unions, and discourage collective bargaining. This point, too, seems to have been acknowledged at least in part by the minority members of our committee, for they have dropped this provision from their amendments. Unfortunately, they would in lieu of this provision include substitute language restricting the right of unions to coerce employees in the right to work. This is another broad concept, Mr. President, in the name of which many sins can be committed. We have to consider these problems in the light of economic realities in the relations between the worker and his employer in modern industrial society. Without further definition, the right to work can be a slogan effectively to deprive employees of their right to protect themselves and to promote their interest through organization and collective bargaining.

Another provision of the Taft-Hartley Act permits employers to undermine the status of the recognized collective-bargaining representatives by making separate adjustment of grievances with individual employees, giving the union the right simply to be present at such adjustment; any such adjustment must not be inconsistent with the terms of the collective-bargaining agreement. Here, again, the concern for rights led the sponsors of the Taft-Hartley Act to undermine the integrity of agreements reached through collective bargaining. We have proposed in Senate bill 249 that grievances which involve the interpretation or application of collective-bargaining agreements be dealt with in accordance with procedures worked out by the parties to such agreements and included by them in their contracts. Such a provision will assure that procedures are available for individuals to obtain consideration of their grievances but will preserve the integrity of collective-bargaining agreements and the security of the union.

INTERFERENCE WITH RIGHTS OF UNION

Provision after provision of the Taft-Hartley Act represents direct intervention in the collective-bargaining process and interference with legitimate activities and rights of labor unions. An agreement between an employer and a union for a closed shop is prohibited. Before a union can even negotiate for a union shop it must be authorized to do so by a majority of the employees eligible to vote, which, incidentally, is a unique electoral procedure resulting in each employee who does not care to vote or is unable to vote being recorded as voting against the union shop. The outlawing of the closed shop is defended as being needed "to protect the individual's right to work." In this connection, it is interesting to note that, despite the obstacle represented by the requirement that authorization be by the vote of the majority of those eligible to vote, employees have voted to authorize the "union shop" in 98.2 percent of all elections held thus far. The minority have recognized the overwhelming desire on the part of workers for union security and have in their amendments dropped the Taft-Hartley provision for union-shop authorization elections.

The "closed shop," Mr. President, is an old and hitherto respectable feature of industrial relations in this country. It has been found by employers in certain industries to contribute to peaceful labor-management relations and to provide a ready pool of skilled labor. It cannot be denied that the printing industry, in which the closed shop was the practice for many years, was, prior to the enactment of the Taft-Hartley Act, a model of peaceful and stable industrial relations. In sharp contrast is the experience of the International Typographical Union under the disruptive provisions of the Taft-Hartley Act. This union, during the Taft-Hartley period, has had filed against it 18 charges, 9 complaints, 1 injunction suit, and 2 damage suits, and has been forced to participate in 8 strikes.

The Taft-Hartley Act placed additional obstacles in the way of union security and responsibility by providing that where a union shop exists the union cannot request the discharge of a worker except for the nonpayment of dues. Under the minority amendments, two additional reasons for discharge are provided: engaging in wildcat strikes and membership in subversive organizations. The employee may engage in the worst type of union-disrupting activity, yet the union cannot cause his dismissal so long as he pays his dues. It is impossible to achieve responsible unionism in the face of such legislative intervention in the affairs of unions.

The obstacles placed in the way of union security by the Taft-Hartley Act were not sufficient for its draftsmen. They felt compelled to provide further that nothing in the act should be construed as authorizing the execution or application of union security agreements if prohibited by State law. In other words, States may legislate to restrict or prohibit union security agreements to a greater extent than the Federal law, and such legislation prevails over the Federal law even with respect to activities affecting interstate commerce. Such a provision would be bad even if unaccompanied by other Taft-Hartley restrictions in that it subjects employers and unions in interstate industries to conflicting rules regarding union security in different States.

Although such provisions make for confusion and represent an unprecedented abdication of the power of the Federal Government to regulate interstate commerce, the minority would retain them. In Senate bill 249, however, we provide

specifically that the Federal law shall be supreme in our interstate industries.

The Taft-Hartley Act makes it an unfair labor practice for a union to restrain or coerce any employee in the exercise of his rights under section 7 of the act, or any employer in the selection of a representative for collective bargaining. Under this provision, Mr. President, the general counsel, in all seriousness, has advanced the theory that peaceful picketing by members of a striking union coerces members of other unions who refuse to cross the picket line. If the words are intended to mean violence, intimidation, or other acts amounting to a breach of peace, the provision is unnecessary and impracticable; unnecessary since such actions are of a criminal nature, and adequately covered by State laws, and impracticable because the only effective remedy against acts amounting to violence or physical coercion is quick arrest, trial, and conviction. Such a provision can lead only to interference with union organization and activity and undermines collective bargaining. Accordingly, we have not included any such provision in Senate bill 249.

The Taft-Hartley Act makes it an unfair labor practice for a union, as well as an employer, to refuse to bargain collectively, and proceeds to describe in detail what should constitute collective bargaining. A union or employer, failing to observe each of the steps of collective bargaining as defined in the act, could be found guilty of an unfair practice. In addition, however, a worker engaging in a strike during the period of the 60-day notice of contract modification or termination, prescribed in the act's description of collective bargaining, loses his status as an employee under the act. This means that the employee is not entitled to either reinstatement or to vote in any election held under the act while he is without employee status. If the employer violates the provision, however, his violation can be dealt with only through a cease-and-desist order, usually issued many months after the event has taken place. I am sure it will be agreed, Mr. President, that there is a drastic difference between the treatment of employers and employees violating this provision. In fact, the unfairness of this difference in the treatment of employer and union violations appears to be conceded by the minority, since the amendments they propose would strike from the act the sanctions of loss of status and ineligiblity to reinstatement and to vote in the case of employee violations.

The detailed definition of collective bargaining in the Taft-Hartley Act is unnecessary and tends to discourage collective bargaining. It pays too great attention to the form and overlooks the substance of collective bargaining. Senate bill 249, on the other hand, avoids the inclusion of a detailed description of collective bargaining, but recognizes the need for a reasonable requirement to inform the Conciliation Service of the possibility of a controversy in time to enable it to head it off before it breaks out into an economic conflict. The bill, therefore, requires 30 days' notice to the Conciliation Service of a proposal to modify or terminate any collective-bargaining agreement and makes it an unfair practice for either an employer or a union to terminate or modify an agreement without filing such notice.

The Taft-Hartley Act, Mr. President, contains provisions dealing with secondary boycotts so broad in scope as virtually to outlaw many types of union activity which have long been recognized as justifiable by the courts and by Congress in such laws as the Norris-LaGuardia Act and the National Labor Relations Act in order to preserve the existence of a union or gains made by collective bargaining. To paraphrase Justice Brandeis' famous dissenting opinion in the Duplex Printing Press case, the sweeping and indiscriminate ban on secondary boycotts provided in the Taft-Hartley Act prevents workers from "refusing to expend their labor upon articles whose very production constitutes an attack upon their standard of living and the institution which they are convinced supports it," and compels a union "to aid in destroying itself."

The Taft-Hartley Act, Mr. President, proceeded on the assumption that all secondary boycotts are unjustified, and indiscriminately prohibited secondary boycotts for any purpose. In addition to this sweeping prohibition, the Taft-Hartley Act subjected unions which engage in secondary boycotts to triple penalties: First, Board finding of guilt of an unfair labor practice; second, mandatory injunction pending Board determination of the case; and third, damages recoverable in a Federal court. All these provisions would be retained by the minority of our committee except that boycotts against struck goods in a limited type of situation would no longer be prohibited and the provision for mandatory injunction would be dropped. Here, again, however, as can be seen, Mr. President, the minority has made important concessions.

The Taft-Hartley Act prohibition against secondary boycotts, has been used to prevent unions to enlist the aid of other unions in disputes with employers; to prevent efforts by unions to induce employers to cease doing business with other employers who pay wages lower than those established in collective bargaining agreements; and even to prevent union members from rendering assistance to fellow members of an affiliated union. These provisions have been interpreted by the Board and by the courts to prohibit any form of picketing in aid of a secondary boycott.

It is recognized, Mr. President, that certain types of secondary boycotts are unjustifiable because they interfere with or prevent free collective bargaining and that employers and the public should be protected against such activities. S. 249 provides this protection by making it an unfair labor practice for a union to cause or attempt to cause employees to engage in a secondary boycott to compel an employer to bargain with a union if another has been certified by the Board, or if the employer has a contract with another union and a question of representation cannot appropriately be raised; or to compel an employer to assign particular work tasks contrary to an award issued by the Board.

A jurisdictional dispute, Mr. President, is ordinarily one between two or more labor organizations over the assignment of work tasks. In characteristic fashion, however, under the Taft-Hartley Act it is an unfair labor practice for a union to engage in a strike or secondary boycott to require any employer to assign particular work to employees not only in a particular union but in a particular trade, craft, or class. A strike or secondary boycott to restrain an employer from transferring work from an organized department of a plant to an unorganized department would apparently fall within this provision. Such strikes and boycotts may, under the Taft-Hartley Act, be enjoined and be the basis for a suit against the union for damages.

(At this point Mr. THOMAS of Utah yielded to Mr. TYDINGS, who presented a conference report on House bill 2663, action on which appears at the conclusion of the speech of Mr. THOMAS of Utah.)

Mr. THOMAS of Utah. Mr. President, S. 249 recognizes that disputes between unions as to the performance of particular work tasks do not advance free collective bargaining and that an employer may find himself helpless between two disputing unions. The bill accordingly provides—here, Mr. President, the minority adopts our provision as its own—machinery for settling such disputes peacefully by providing that the Board, or an arbitrator named by the Board, may hear and determine such disputes which have resulted in or threaten to result in a strike or secondary boycott. The authority to appoint arbitrators to hear and determine such disputes would enable the Board to enlist the assistance of experts in dealing with such questions. S. 249 further makes it an unfair labor practice to strike or engage in a secondary boycott to compel an employer to assign work tasks contrary to an award issued by the Board or for an employer to refuse to assign work tasks in accordance with such an award.

The Taft-Hartley Act has interfered with unions in bargaining for the check-off and health and welfare funds. No longer can an employer and the union which represents his employees bargain freely on these subjects. An employer can check-off membership dues only when authorized in writing to do so by each individual employee. Nor can an employer agree, even if he wishes to do so, to make payments to a health and welfare fund which is not set up in the exact manner specified in the act, in other words, one which is not administered jointly.

The minority amendments would change the Taft-Hartley Act provisions on the check-off and health and welfare fund in only minor respects. Specific authority to continue the check-off from year to year would be allowed. The Secretary of Labor would be required to scrutinize all health and welfare funds and to certify to their compliance with the act and employers could waive the

requirement for joint administration of such fund if they wanted to do so.

Under S. 249, on the other hand, both the check-off and health and welfare funds will again be matters to be agreed upon by unions and employers through free collective bargaining.

I should digress right there for one observation. During the campaign some sort of a ruling was made in regard to bargaining for welfare funds. Immediately it was announced to the country by those taking part in the campaign that as soon as the new Republican Congress came back into power it would amend the Taft-Hartley Act and make it impossible for employers and unions to bargain in regard to welfare funds, and to limit entirely the field of bargaining to wages and hours of labor.

EMPLOYER AND UNION RESPONSIBILITY

The Taft-Hartley Act changed the rule under the National Labor Relations Act that an employer was responsible for the acts of his superintendents and foremen and substituted for this rule the common-law rule of agency. The reason for the rule that prevailed under the Wagner Act, Mr. President, is apparent. In modern industrial society foremen and superintendents are management to the workers under them. In S. 249 we return to the rules of employers' responsibility which prevailed before the Taft-Hartley Act was passed.

At the same time the Taft-Hartley Act materially broadened the area of union responsibility for acts of its so-called agents. Mr. President, the principles of agency applied to labor organizations which were written into section 6 of the Norris-LaGuardia Act were developed out of the hard necessities of industrial relations during the period before the 1930's. Section 6 of the Norris-LaGuardia Act was no less significant in affording to unions protection of their right freely to engage in collective bargaining as the immunity which it provided for individual employees from yellow-dog contracts and interference with the legitimate activities of unions through the so-called labor injunction. These fact are recognized in part, Mr. President, by the minority of our committee, for they have been forced to concede that the new rule of agency for labor unions provided for in the Taft-Hartley Act is too broad and they propose in their amendments to modify this rule so that at least unions will not be held responsible for the acts of their members simply on the ground of membership. In S. 249, however, we propose to return to the sound and tested rules of agency provided for in the Norris-LaGuardia Act and the Wagner Act.

FREE SPEECH

The Taft-Hartley Act, by inserting the so-called free-speech provision, upset in still another vital way the balance of power between employers and employees which the original National Labor Relations Act was designed to establish. The provision should, one would think, apply equally to employers and employees. But as interpreted to date, it does not do so. It apparently permits employers to resort to all sorts of anti-union statements but at the same time bans uncoercive, peaceful language when used by unions in alleged secondary-boycott cases. It permits employers to call their employees together during working hours and to compel them to listen to antiunion speeches, or make other hostile statements, even when the statements are part of a course of conduct which includes unfair labor practices, if the statement itself contains "no threat of reprisal or force or promise of benefit." But it does not protect unions in the use of language which on its face is wholly uncoercive, even when it consists merely of a conversation, peaceful picketing with truthful signs, and the circulation of "do not patronize" lists in furtherance of a secondary boycott. The effect of the Taft-Hartley Act free-speech provision, therefore, although on its face it applies equally to employers and unions, when considered in the act as a whole, is to protect employers but not unions in the use of speech. These facts seem to be acknowledged by the minority, Mr. President. In their amendments they have written into the act a provision substantially like that applied by the National Labor Relations Board. I see no need for a statutory provision on this matter. I believe that the Board is the agency to deal with the matter, not the Congress. So, we have no provision on free speech in S. 249. The effect of our bill and the minority amendments on this matter, however, would be substantially the same. There has already been submitted an amendment which deals with free speech, which is in no sense an amendment which changes the nature of the law, because it makes statutory law that which has already become Board law by the Board's own action and decision.

SANCTIONS

The Taft-Hartley Act created and imposed numerous sanctions on unions and employees, many of which have no equivalent counterparts with respect to employer unfair practices.

The Taft-Hartley Act reversed the policy of protecting the public interest in collective bargaining during strikes by making economic strikers ineligible to vote in Board elections if they have been replaced and by depriving of employee status any workers who strike for any cause before the expiration of the 60-day notice period where there is a collective agreement.

The union-busting potentialities of the denial of voting rights to economic strikers, combined with the employer's right to petition for a representation election, are obvious and have apparently been conceded by the minority, for in the amendments they have proposed both of these sanctions would be dropped. No such sanctions, of course, are provided in Senate bill 249.

The feature of the Taft-Hartley Act which is perhaps the most serious threat to free collective bargaining and the legitimate rights of unions, namely, special emphasis on the use of injunctions in labor disputes, has, however, been retained by the minority in their amendments.

The Taft-Hartley Act empowers the Board to seek injunctions, notwithstanding the Norris-LaGuardia Act, in the case of any unfair labor practice. I am not impressed, Mr. President, that the use of such injunctions is discretionary and available in the case of employer, as well as union, unfair practices. There is an inherent one-sidedness in the use of injunctions in labor disputes, in that they are more effective against union action, the successful use of which so often depends upon strategic timing. They are, accordingly, too often used to tip the scales in favor of employers. Injunctions issued without a full adjudication of the merits of the case are supposed to offer only temporary relief, but more often they effectively and finally determine the outcome of a dispute. Discretionary authority in the Board to obtain such injunctions would be retained by the minority.

The Taft-Hartley Act also authorizes the use of injunctions to secure the cooling-off period required by the act in national-emergency disputes. Experience under these national-emergency provisions has indicated that the use of injunctions has increased the bitterness of the dispute and that the parties only delay any sincere efforts to settle the dispute until the end of the cooling-off period. An injunction may succeed in breaking a strike, but it cannot settle the merits of a dispute. The first annual report of the Federal Mediation and Conciliation Service states in this regard:

> One of the conclusions which the Service is undoubtedly justified in drawing from its experience is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

Yet these injunctions would not only be retained by the minority amendments, but the injunction power would be supplemented by court-ordered seizure.

Authorization to obtain injunctions is also provided in the Taft-Hartley Act to restrain violations of the provisions relating to health and welfare funds and the check-off. These injunctions, Mr. President, are not restricted to use by the Government but are available to private parties as well. The minority amendments would retain provisions for these injunctions.

It is necessary to mention only in passing at this time the provision of the Taft-Hartley Act which provides for mandatory injunctions in certain casse. As we know, this has been one of the most contested provisions of the act. The minority has, however, taken these provisions out of the realm of controversy by dropping any provisions for mandatory injunctions in their amendments.

In addition to board cease-and-desist orders and Federal court injunctions, the Taft-Hartley Act makes available against unions provision for damage suits in the Federal courts for contract violations. It also provides that unions may be sued for damages sustained as a result of a secondary boycott, jurisdictional strikes, or strikes to compel bargaining when a union other than the striking union has

been certified as the bargaining representative. None of these provisions would be changed by the minority amendments. These provisions are further examples of the punitive nature of the entire Taft-Hartley Act. Lawsuits cannot help but create and intensify feelings of animosity between parties to industrial disputes. They are not conducive to the creation of the attitude of mutual confidence and cooperation which is so essential if the collective-bargaining process is to function properly. Provisions encouraging resort to the courts to settle disputes involving the interpretation and application of collective-bargaining contracts have no place in a statute which is supposed to encourage free collective bargaining.

S. 249 proceeds on the basis that differences arising over the interpretation and application of collective-bargaining contracts can best be settled by encouraging the parties to resort to peaceful negotiations and arbitration instead of encouraging the parties to become antagonists in a court of law.

Another punitive provision of the Taft-Hartley Act makes it unlawful for employees of the Federal Government to engage in any strike, on penalty of immediate discharge, loss of civil-service status, and 3 year's disqualification for reemployment. These penalties are, I think, out of all proportion to the offense. Furthermore, it is my understanding that every appropriation act passed during the last several years has provided that none of the funds shall be used to pay the salary of any employee who engages in a strike against the Government or is a member of an organization that asserts the right to strike against the Government. We have seen no need to include such a provision in S. 249.

NATIONAL EMERGENCIES

Mr. President, the problem presented by so-called national emergency disputes presents probably the most difficult matter we have to deal with in the whole field of labor relations legislation. How are we to protect the public interest and at the same time allow collective bargaining its maximum scope in such cases? We have attempted to give constructive answers to this question in S. 249.

I wish to call particular attention, Mr. President, to two features of the Taft-Hartley Act emergency procedures which S. 249 corrects. One is the definition of the conditions which the President must find to exist before he can resort to the procedures. Any Government-imposed procedures, however mild, interfere with the processes of free collective bargaining, with the constitutionally protected right to strike, and with the right of employers and employees to settle their disputes privately. This country does not believe in Government by compulsion. Any emergency procedures which replace the private settlement of labor disputes with Government compulsions should not, and must not, in our free society, be invoked except when a truly national emergency exists. Financial loss by itself to even a considerable portion of an industry does not constitute a national emergency. Nor does the inconvenience to the public of doing without certain goods and services. Before the Government should step in with drastic compulsory procedures, the work stoppage should so vitally affect the public interest that we can truthfully say a real national emergency exists which the Government cannot permit to continue.

It is here that S. 249 differs from the Taft-Hartley Act. Under S. 249 the President cannot resort to the emergency procedures until he has found that a national emergency exists or is threatened, and he can make such a finding only when there is a work stoppage, or when there is a threat of one, in a vital industry which affects the public interest. The Taft-Hartley Act, on the other hand, does not require the President to make a finding of national emergency. He is authorized—and this, in practical terms, amounts to a mandate—to resort to the emergency procedures of that act whenever he believes that a work stoppage affecting a substantial part of any industry will imperil the national health or safety. Under this language the emergency procedures of the act have been resorted to in situations which are not a truly national emergency. Under S. 249 the President must issue a proclamation declaring a national emergency exists before the procedures provided in the bill are put into operation.

Another fault in the Taft-Hartley Act emergency procedures which is corrected in S. 249, lies in the fact that that act does not give boards of inquiry the power to make recommendations, as does S. 249.

This is a serious weakness which is demonstrated by a comparison of experience under the Taft-Hartley Act with that under prior emergency boards which had the power to make recommendations. In 1947, while the Conciliation Service was still in the Labor Department, the Secretary of Labor used emergency boards in nine major disputes. These boards had the power to make recommendations. No other procedures were used. Yet a settlement was reached in every case. Furthermore, the independent Conciliation Service reported that its experience in handling seven emergency disputes under the Taft-Hartley Act procedures demonstrated that relatively little notice was taken of the reports of the boards of inquiry. They attributed this to the fact that the reports carried no recommendations, but only an exposition of the issues in controversy, of which the public already had knowledge, although not in as much detail. The Service concluded that the objective of marshaling public opinion behind a settlement of the dispute had not been achieved under the Taft-Hartley Act.

It is obvious that this objective cannot be achieved unless the public has before it recommendations for settlement made by a group composed of recognized, impartial experts in the field, as the Thomas bill authorizes.

Mr. President, I have tried in these remarks to indicate the principles with which we should approach the task of writing sound labor-relations legislation. Basic among these is the repeal of the Taft-Hartley Act. Our new legislation must be founded on the policies and procedures of the National Labor Relations Act. As I have indicated, amendments to this act are needed at the present time in order to give full effect to these policies and procedures. In approaching these and any other amendments that may be offered, we must apply to each of them the simple test—Does it promote and advance collective bargaining? Will it make for harmonious industry-labor relations?

It is my hope that the legislation which will emerge from this debate will stand upon such firm foundations that we will not need again—2 years from now, or even 10 years from now—to recast or reshape it, as we are forced to do now. We must try at this time to draft labor legislation that will last. Such legislation must be fair; it must be wise; it must be effective. In my judgment, Mr. President, Senate bill 249 meets these objectives.

Mr. President, at least to my own satisfaction, if not to that of my hearers, I have proved that the Taft-Hartley Act should be repealed. Now I should like to give a list of confirming evidence, not coming from the majority members, but coming from the minority—evidence showing that even the minority believe that in 24 particulars the Taft-Hartley Act should be amended. It seems to me that the purposes of the amendments based on those particulars can best be achieved by the outright repeal of the Taft-Hartley Act, and the amendment of the National Labor Relations Act as suggested by Senate bill 249.

PROVISIONS OF TAFT-HARTLEY ACT DELETED BY TAFT-SMITH-DONNELL AMENDMENTS

I state now the provisions of the Taft-Hartley Act which would be deleted by the Taft-Smith-Donnell amendments, or the amendments based on the minority views:

First. Exclusion of Federal Reserve banks from coverage.

Second. Exclusion of hospitals from coverage.

Third. Independent general counsel.

Fourth. Protection of right not to join or assist unions—right to work inserted in lieu thereof.

Fifth. Union shop authorization election.

Sixth. Prohibition of union "restraint" of employees or employers.

Seventh. Prohibition of featherbedding.

Eighth. Loss of status under sections 8, 9, and 10 of strikers violating 60-day notice period.

Ninth. Special units for guards.

Tenth. Prohibition against recommendations by regional officers of Board in representation cases.

Eleventh. Requirement of union to file detailed statement of constitution and bylaws.

Twelfth. Denial of right to vote to economic strikers.

Thirteenth. Preponderance of evidence rule to support Board findings.

Fourteenth. Prohibition against award of back pay to employee discharged for cause.

Fifteenth. Provision that examiner's decision is to be final in the absence of exceptions filed with the Board.

Sixteenth. Provision for mandatory injunction actions in secondary boycott cases.

Seventeenth. Duty of Board to issue subpena on request.

Eighteenth. Provisions safeguarding union security agreements in effect when Taft-Hartley Act became operative.

Nineteenth. Votes on employer last offer.

Twentieth. Provision requiring Conciliation Service to avoid disputes over the interpretation or application of existing agreements.

Twenty-first. Provision prohibiting boards of inquiry in national emergency cases from making recommendations for settling disputes.

Twenty-second. Provision making an unlawful payment to employee representatives—check-off, health, and welfare fund—a crime.

Twenty-third. Prohibition against political expenditures.

Twenty-fourth. Watch-dog committee.

Mr. President, I state those recommendations of the minority members of the committee not only because I think the very fact that those amendments are proposed is proof of my contention that the act stands ready to be seriously amended, but also because they bring me back to the statement I made about the committee's work and the seriousness with which we handled this question. I commend with all my heart and soul the approach the minority members of the committee have taken. It is a statesmanlike approach. It is an outright admission that the Taft-Hartley Act has been found wanting, that it needs to be changed, that it should be changed. As I understand the minority views, those members of the committee are not going to interfere with the making of changes in those particulars.

In conclusion, Mr. President, I should say that as a result of the amendments which have been offered today, as a result of a study of the minority views, and as a result of the propositions I have set forth in defense of Senate bill 249, the Senate of the United States is faced with the question of accepting one of four propositions:

First, the Senate can vote for the Thomas bill as reported.

Second, the Senate can reject the Thomas bill, Senate bill 249, as reported. If that is done, the Taft-Hartley law will be left on the statute books.

Third, the Senate can vote for the Thomas bill as modified by the majority members of the committee and some members from the minority side. I am sure those amendments will be considered by the Senate as perfecting amendments, in harmony with the fundamental spirit of the Thomas bill.

Fourth, the Senate can accept the Thomas bill with amendments offered by the minority. That scheme will eliminate many bad features of the Taft-Hartley law; but from a majority standpoint it is objectionable and cannot be accepted as fulfilling the platform pledge or the requirements as laid down by the majority report.

PRICING PRACTICES—MORATORIUM—MOTION TO RECONSIDER

During the delivery of the speech of Mr. THOMAS of Utah,

Mr. LANGER. Mr. President, will the Senator yield for the purpose of my making a motion?

Mr. THOMAS of Utah. I yield to the Senator from North Dakota.

Mr. LANGER. Mr. President, I enter a motion to reconsider the vote by which the Senate passed Senate bill 1008, to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual good-faith delivered-price systems and freight-absorption practices. It is the so-called moratorium bill. I move that the House be requested to return the papers to the Senate.

The PRESIDING OFFICER (Mr. MCGRATH in the chair). The Senator's motion is privileged. The question is on agreeing to the motion of the Senator from North Dakota. It is not debatable.

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Maybank
Anderson	Ives	Murray
Brewster	Jenner	Myers
Bricker	Johnson, Tex.	Neely
Butler	Johnston, S. C.	O'Conor
Byrd	Kem	O'Mahoney
Chapman	Kerr	Robertson
Chavez	Kilgore	Russell
Connally	Knowland	Saltonstall
Cordon	Langer	Schoeppel
Donnell	Lodge	Sparkman
Douglas	Lucas	Stennis
Ferguson	McCarran	Taft
Flanders	McClellan	Taylor
Frear	McFarland	Thomas, Utah
Fulbright	McGrath	Thye
Green	McKellar	Wherry
Hendrickson	McMahon	Williams
Hill	Malone	Withers
Hoey	Martin	

The PRESIDENT pro tempore. A quorum is present.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LUCAS. Am I correct in my understanding that a motion has been made to reconsider the vote on the passage of Senate bill 1008, known as the basing-point bill, to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing systems, which was passed by the Senate on Wednesday, June 1?

The PRESIDENT pro tempore. The Senator is correct.

Mr. LUCAS. And also that a motion has been made that the papers be returned to the Senate from the House of Representatives?

The PRESIDENT pro tempore. A separate motion has been made requesting the return of the papers.

Mr. LUCAS. Am I further correct in my understanding that the motion is not debatable?

The PRESIDENT pro tempore. The Senator is correct.

Mr. LUCAS. And that a vote is now to be taken on that motion?

The PRESIDENT pro tempore. A vote will now be taken on the motion of the Senator from North Dakota [Mr. LANGER] that the House be requested to return the papers to the Senate.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. The vote now is on the sole question of whether the papers shall be returned from the House to the Senate?

The PRESIDENT pro tempore. The Senator is correct.

Mr. LANGER. On that motion I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is on the motion of the Senator from North Dakota that the House be requested to return the papers to the Senate. [Putting the question.] The "noes" appear to have it. The "noes" have it, and the motion is not agreed to.

PUBLIC BUILDINGS ACT OF 1949—CONFERENCE REPORT

During the delivery of the speech of Mr. THOMAS of Utah,

Mr. CHAVEZ. Mr. President, will the Senator yield, to permit the presentation of a conference report?

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that I may be permitted to yield for that privileged matter.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The Senator from New Mexico may proceed.

Mr. CHAVEZ. Mr. President, I submit the conference report on Senate bill 714, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House with an amendment as follows: Page 61, line 2, of the amendment, strike out the comma after the word "made" and insert a period in lieu thereof; and strike out the remainder of the subsection which reads as follows: "and thereupon the Secretary of the Treasury is authorized and directed to cancel notes or otherwise discharge the indebtedness to the Treasury of such corporation in an amount equal to the fair market value of the property at the time of the transfer of jurisdiction and control to the Federal Works Agency, which fair market value shall be determined by the

Federal Works Administrator and the head of such corporation: *Provided, however*, That in the event the Federal Works Administrator and the head of such corporation shall fail to agree, the fair market value of such property shall be determined by the Secretary of the Treasury."; and agree to the same.

DENNIS CHAVEZ,
SPESSARD L. HOLLAND,
HARRY P. CAIN,
EDWARD MARTIN,
Managers on the Part of the Senate.

WILL M. WHITTINGTON,
CHARLES A. BUCKLEY,
HENRY D. LARCADE, JR.,
GEO. A. DONDERO,
HOMER D. ANGELL,
Managers on the Part of the House.

The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. TAFT. Mr. President, I notice that the report is signed by two Republicans and two Democrats, conferees on the part of the Senate. Was the report unanimous, so far as the Senate conferees were concerned?

Mr. CHAVEZ. It was a unanimous report. One of the conferees—the Senator from Kentucky [Mr. CHAPMAN]—happened to be out of the city when we had the conference. That is why he did not sign the report.

Mr. TAFT. There was no objection, otherwise?

Mr. CHAVEZ. There was no objection.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

CENTRAL INTELLIGENCE AGENCY—CONFERENCE REPORT

During the delivery of the speech of Mr. THOMAS of Utah,

Mr. TYDINGS. Mr. President, will the Senator yield for consideration of a conference report, which will not require very much time?

Mr. THOMAS of Utah. I yield, if by so doing I am not taken off the floor.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the Senator from Utah may yield, without losing the floor thereby, for consideration of a conference report in which the Senate viewpoint has been adopted by the House. The conference report is on the Central Intelligence Agency bill, House bill 2663, which passed the Senate 3 or 4 days ago.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, do I correctly understand the Senator from Maryland to state that the Senate viewpoint was acceded to by the House?

Mr. TYDINGS. The House acceded to the Senate amendment.

Mr. President, I submit the conference report on the Central Intelligence Agency bill, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3; and agree to the same.

M. E. TYDINGS,
RICHARD B. RUSSELL,
HARRY F. BYRD,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

CARL T. DURHAM,
LANSDALE G. SASSCER,
FRANCK R. HAVENNER,
L. C. ARENDS,
CHARLES H. ELSTON,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. WHERRY. Mr. President, I ask the Senator from Maryland to make a brief statement respecting the report.

Mr. TYDINGS. Mr. President, the Senate will recall that at the instance of the Senator from North Dakota [Mr. LANGER], two small amendments of interpretation were placed in the bill. One was for the purpose of providing a wider check on immigration; the other confined the activities of the organization to external matters. The House adopted both amendments, which the Central Intelligence Agency was happy to approve, because the purposes sought by the amendments had originally been intended to be included.

Mr. WHERRY. That is all that is involved?

Mr. TYDINGS. Yes.

Mr. WHERRY. The Senate's viewpoint was adopted by the House?

Mr. TYDINGS. That is correct.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. TYDINGS. Mr. President, I ask unanimous consent that this matter may appear in the RECORD at the conclusion of the address now being delivered by the Senator from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE BILL AND JOINT RESOLUTION REFERRED

The following bill and joint resolution were each read twice by their titles, and referred to the Committee on the Judiciary:

H. R. 4567. An act to amend the Displaced Persons Act of 1948; and

H. J. Res. 170. Joint resolution designating June 14 of each year as Flag Day.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. THOMAS of Utah. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hill	Murray
Baldwin	Humphrey	O'Mahoney
Butler	Ives	Pepper
Chapman	Jenner	Russell
Chavez	Johnson, Tex.	Schoeppel
Donnell	Johnston, S. C.	Sparkman
Douglas	Kerr	Taft
Downey	McCarran	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Tydings
Frear	McGrath	Wiley
Fulbright	McKellar	
Green	Martin	

The PRESIDENT pro tempore. A quorum is not present. The clerk will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. ROBERTSON, Mr. KEFAUVER, Mr. LUCAS, Mr. WILLIAMS, and Mr. WITHERS answered to their names when called.

The PRESIDENT pro tempore. A quorum is not present.

Mr. LUCAS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. NEELY, Mr. MCCARTHY, Mr. ECTON, and Mr. KILGORE entered the Chamber and answered to their names.

Mr. BRICKER, Mr. ELLENDER, Mr. HAYDEN, Mr. HOEY, Mr. TAYLOR, and Mr. THOMAS of Oklahoma, also entered the Chamber and answered to their names.

The PRESIDENT pro tempore. A quorum is present.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment to Senate bill 249. The amendment is offered in behalf of myself, the Senator from Vermont [Mr. AIKEN], the Senator from Alabama [Mr. HILL], the Senator from Kentucky [Mr. WITHERS], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], and the Senator from Illinois [Mr. DOUGLAS].

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. MCCARRAN. Mr. President, I respectfully refer to the unanimous-consent agreement which was had this morning to the effect that on the conclusion of the speech by the Senator from Utah [Mr. THOMAS] in connection with the pending bill, the unfinished business would be laid aside and we would have an opportunity to present the appropriation bill for the Departments of State, Justice, Commerce, and the Judiciary, which is now pending on the calendar. At this hour it is entirely too late to go forward with that unanimous-consent agreement. I have had a short conference with the senior Senator from Ohio [Mr. TAFT]. In all fairness, I think the senior Senator from

Ohio might well proceed with the statement which he intends to make following the speech of the Senator from Utah [Mr. THOMAS], if that be his desire.

Mr. TAFT. Mr. President, at this hour I should prefer not to start my statement.

Mr. McCARRAN. Does the Senator wish to proceed with his statement tomorrow, on the reconvening of the Senate?

Mr. TAFT. Yes; I shall be ready to make a short statement tomorrow. I think it will not be more than 30 minutes.

Mr. McCARRAN. Then, Mr. President, may we understand that the unanimous-consent agreement will go into effect following the statement made by the Senator from Ohio on the reconvening of the Senate tomorrow?

Mr. LUCAS. Mr. President, reserving the right to object, I was under the impression that the Senator from Florida desired to take the floor.

Mr. THOMAS of Utah. He wanted to take the floor tomorrow.

Mr. LUCAS. I rather dislike to make any agreements, but I shall not object, if the Senator from Ohio will not take more than 30 minutes; but I would object if the Senator from Ohio were going to take all afternoon, in view of the fact that the Senator from Florida has made a request to speak. No Senator can obtain the floor unless he is properly recognized. But if the Senator from Ohio will not take more than 30 minutes, I shall not object.

Mr. McCARRAN. May we take that as a unanimous-consent agreement?

Mr. TAFT. Mr. President, I do not insist on being included in any unanimous-consent agreement. I will obtain the floor at some other time. It may be during the consideration of the appropriation bill.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1950

Mr. McCARRAN. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily and that the Senate proceed to the consideration of House bill 4016, making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes, the bill to be taken up on reconvening tomorrow.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing a nomination which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Pete Jarman, of Alabama, to be Ambassador Extraordinary and Plenipotentiary to Australia.

By Mr. THOMAS of Utah, from the Committee on Foreign Relations:

Executive M, Eighty-first Congress, first session, the international wheat agreement, which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries (Ex. Rept. No. 7).

NORTH ATLANTIC TREATY—REPORT OF COMMITTEE ON FOREIGN RELATIONS (EX. REPT. NO. 8)

Mr. CONNALLY. Mr. President, I desire to announce that the Senate Committee on Foreign Relations this afternoon, by a vote of 13 to 0, all members being present, voted to report favorably the North Atlantic Treaty, being Executive L, Eighty-first Congress, first session.

I now ask unanimous consent for permission to file the report later in the afternoon, or up to midnight.

The PRESIDENT pro tempore. Without objection, it is so ordered.

If there are no further reports of committees, the clerk will state the nomination on the calendar.

FEDERAL POWER COMMISSION

The executive clerk read the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member of the Federal Power Commission, for the remainder of the term expiring June 22, 1952.

Mr. MARTIN. Mr. President, I desire at this time to discuss the confirmation of Thomas C. Buchanan, of Pennsylvania, as a member of the Federal Power Commission.

It is not my intention to ask for a record vote, but I want to make my position clear in this matter.

Mr. Buchanan was nominated for this position by the President, and his nomination was referred to the Committee on Interstate and Foreign Commerce on April 15, 1948. Public hearings were first held by the full committee and further hearings were held by a subcommittee.

On June 2, 1948, the nomination of Mr. Buchanan was considered in executive session by the subcommittee and ordered reported adversely to the full committee. This was by a vote of 2 to 1. The full committee considered the subcommittee's report on June 3, 1948, and the following motion was adopted:

That pending the final vote upon the confirmation of Mr. Buchanan, the subcommittee be authorized to take such further testimony and make such supplemental report as in its judgment it deems wise and to report thereon to the full committee.

There was no further action on the nomination by the full committee or the subcommittee prior to the adjournment of the Eightieth Congress on June 19, 1948.

On July 14, 1948, the President made an interim appointment, again naming Mr. Thomas C. Buchanan to this same vacancy.

Congress reconvened in a special session on July 26, 1948, and on July 28, 1948, Mr. Buchanan's nomination by the President was again submitted to the Senate. No committee action was taken on the nomination prior to the adjournment of the special session of the Eightieth Congress on August 7, 1948.

The Eighty-first Congress convened on January 3, 1949, and on January 17, 1949, the nomination of Mr. Buchanan was again submitted by the President and referred to the Committee on Interstate and Foreign Commerce.

On May 25 of this year, I delivered a letter to the chairman of the committee requesting that action on the nomination of Mr. Buchanan be deferred in order that I might have an opportunity to offer further testimony.

That request was not granted, and on the same date, May 25 of this year, the committee, in executive session, voted to report his nomination favorably.

I shall not take the time of the Senate to read my letter to the committee, but I ask unanimous consent that it be made a part of my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 25, 1949.

Hon. EDWIN C. JOHNSON
Chairman, Senate Interstate and Foreign Commerce Committee,
Washington, D. C.

MY DEAR SENATOR JOHNSON: On Monday of this week I received notice that your committee would consider, in executive session, the nomination of Thomas C. Buchanan for the Federal Power Commission.

I immediately made an effort to contact some of the interested parties in Pennsylvania. Some of them are away, and I have been unable to reach them.

I appreciate the courtesies that have been extended to me by your committee, but I am compelled at this time to request that action upon the nomination of Mr. Buchanan be deferred to a later date, and that I be given an opportunity to present further testimony.

I also feel that action should be delayed so that this committee may have the opportunity of hearing Mr. Buchanan in connection with the other hearings which are being held before this committee.

I shall very much appreciate the granting of my request.

Very sincerely,

EDWARD MARTIN.

Mr. MARTIN. Mr. President, Mr. Buchanan was born in Pennsylvania, November 12, 1895, in Beaver County, which adjoins my home county of Washington. He has resided in Beaver County all his life. He is a lawyer by profession.

He graduated from Washington and Jefferson College which is located at Washington, Pa., my home town. I am a member of the board of trustees of that college.

Mr. Buchanan is a veteran of World War I. He and I are both members of

many of the same veterans', fraternal, and religious organizations.

Mr. Buchanan was appointed as a member of the Public Service Commission of Pennsylvania, March 16, 1936. When that commission by a "ripper" bill was superseded by the public utility commission in 1937, Mr. Buchanan was reappointed by Gov. George H. Earle for an 8-year term on that commission.

During the time he served on the commission, I had the opportunity to observe his conduct and his qualifications in that responsible position. Part of his term in office ran concurrently with my term as Governor of Pennsylvania.

Mr. Buchanan and I have always maintained a fine personal relationship.

Mr. President, you can see that with this background it was not pleasant for me to oppose the nomination of Mr. Buchanan when he was nominated by the President as a member of the Federal Power Commission during the Eightieth Congress. Having a deep conviction as to the qualifications and responsibilities of men and women appointed to public office, and particularly to judicial positions and to boards and commissions which are quasi-judicial, I felt obliged to oppose the nomination of Mr. Buchanan.

In this case I would not resort to one of the time-honored traditions of this body to say that Mr. Buchanan was personally objectionable to me in order to block his confirmation. My objections do not arise from any personal feeling toward Mr. Buchanan. Let me make it clear that I would not in any way reflect on his personal habits, morals, character, or loyalty to America. I made this clear before the Committee and I again want to make it clear to my colleagues of the Senate.

I was, however, compelled to oppose the confirmation of Mr. Buchanan by reason of the fact that I had had an opportunity, over the years, to observe him in his official capacity as a member of the Public Service Commission of Pennsylvania and of the public utility commission of our State. As a result of my own personal knowledge and observations and the testimony that was produced before the Committee, I was convinced that he did not possess the temperament, qualifications and appreciation of the effect of the decisions of our courts which are so essential to the proper performance of the duties and responsibilities of a Federal Power Commissioner.

A Federal Power Commissioner is responsible for sharing in decisions, not only where property rights are involved, but also which have an important impact on the economic life of our Nation and the welfare of its people.

I shall not attempt to review the testimony of the various witnesses who appeared at the hearings, but shall confine myself to a summary of what my personal knowledge and the testimony established:

First. Mr. Buchanan, while serving as a member of the Pennsylvania Public Utility Commission, publicly denounced, criticized and condemned proposed matters that might come before the commission before any formal application or petition was filed with the commission.

Second. Mr. Buchanan, as a member of the public utility commission, after formal applications were filed with the commission, frequently made public statements criticizing, condemning and expressing opposition to the requests made in pending applications before any investigation or testimony was taken by the commission.

Third. Mr. Buchanan, while a member of the public utility commission, after investigation and hearings on matters before the said commission, released confidential reports and recommendations of the staff of the public utility commission prior to the time that any executive session of the commission was held to discuss or determine what the final order of the commission would be. These were given out in such a way as to be the purported final decision of the said commission and in one particular instance the first public announcement was made through the Democratic State chairman at a political rally a few days before the November election of 1942.

Mr. Buchanan admits this course of conduct and states that "under the circumstances, I would repeat the performance." He also states that as a member of the Federal Power Commission he would do exactly the same thing under the same circumstances.

Fourth. Mr. Buchanan, as a member of the public utility commission, was a constant dissenter. With this fact alone there can be no complaint, but such dissenting opinions constantly included personal attacks upon the majority of the commission, and in one particular instance he called for the resignations of the majority membership of the commission.

Fifth. Mr. Buchanan, as a member of the public utility commission, in cases where appeals were taken to the Superior Court of Pennsylvania, the court having appellate jurisdiction over commission matters, frequently made public statements, not only criticizing the opinions, but made personal attacks upon members of the court.

Sixth. Mr. Buchanan, as a member of the public utility commission, when cases were remanded by the superior court to the commission with specific instructions as to the principles of law to be followed, defied and castigated the Pennsylvania Superior Court in statements to the press. In his dissenting opinions he refused to follow the instructions previously given, exemplifying his belief in government by men and not by law.

Seventh. A review of all of the decisions and orders of the public service commission and the public utility commission from 1936 to 1945, during the time Mr. Buchanan was a member of the respective commissions, and while costs were rising for everyone, including public service companies, and when the commission as a whole approved some rate increases and rejected others, Mr. Buchanan concurred in every rejection but dissented from every approval.

Eighth. A review of the same opinions and orders will show that in every case where the Pennsylvania Public Utility Commission, after investigation, found that rate cases had been brought against companies following losses or earnings so small that no decrease could possibly be required under Pennsylvania law and ordered the rate cases dismissed, Mr. Buchanan dissented.

Ninth. A review of the same opinions and orders will show that in every case where the Pennsylvania commission ordered utilities to reduce their rates, Mr. Buchanan either voted with the majority or filed dissents on the grounds that the reductions were inadequate.

Tenth. An examination of the opinions and orders of the commission during this same period will show that while Mr. Buchanan professes to believe that only the depreciated original cost formula shall be used as a basis for fixing the valuation of a utility property for rate purposes, he abandoned that principle in every case where he could favor fixing a valuation below the depreciated original cost.

Let me point out, however, that evaluating utility property at original cost less depreciation is not the law of Pennsylvania. It is only one of the elements which must be considered in arriving at the fair value of the property.

Eleventh. Mr. Buchanan, while a member of the Pennsylvania commission and a member of its personnel board, made a political football of the commission by loading the pay roll with an army of political appointees without regard for their ability or qualifications.

The effect of this misuse of authority for political purposes was to increase the number of commission employees from 201 to 764 in a period of less than 2 years, with a corresponding increase in the annual pay roll from $468,000 to $1,590,000.

Analysis shows that 235 employees were added to the commission pay roll in the 19 days preceding the end of the Democratic administration of George H. Earle, and prior to the inauguration of his Republican successor, Arthur H. James.

The increase in salaried personnel came about largely by transferring to the commission employees of departments about to come under Republican control.

A complete account of how this was done will be found in the statement of Dr. Edward Logan, Budget Secretary of Pennsylvania, beginning on page 59 of the committee hearing and supported by a further testimony by Dr. Logan beginning on page 234.

These 11 charges which I have outlined above are based upon Mr. Buchanan's conduct as a member of the Pennsylvania commission during the 9 years of his service. A careful reading of the testimony, which sustains these charges, convinces me that Mr. Buchanan is not qualified by temperament for the high office of Federal Power Commissioner, nor does he have an appreciation of the responsibilities of that office.

He has a perfect right to his own views. Mr. Buchanan has a perfect right as a private citizen to express his opinion on any subject, but I agree with the Honorable Joseph B. Eastman, former member of the Interstate Commerce Commission, who has stated that "zealots, evangelists, and crusaders have their value before an administrative tribunal, but not on it."

A member of a judicial body or a quasi-judicial body charged with the responsibility of determining the rights of litigants and making decisions that affect the economic life of our people should not be a zealot, an evangelist, or a crusader.

He must be imbued with the qualities of fairness and justice and must always endeavor to find a fair and just determination of the matter before him.

I am convinced from a reading of the record and from my personal knowledge and observation of Mr. Buchanan's conduct that he does not measure up to those requirements.

I cannot overlook his own statement when the facts were placed before him that under similar circumstances he would publicly discuss matters pending before the commission and would give out confidential reports and recommendations by the staff prior to final determination of an issue.

I want to make it crystal clear that I am not now, nor at any time have I advocated, the protection of public utilities. I have never represented any public utility in Pennsylvania, or elsewhere.

Without proper regulation, there would be some unscrupulous men in charge of the management of public-utility companies who would in every way possible take advantage of the public. I think we all agree that proper regulation is not only essential but mandatory. It is one thing for a commission to clean out of utility companies the abuses, but is quite another thing to hold that whenever litigation arises in which one of the parties is a public utility, that the utility company must always lose.

Senators may examine every decision of the commission and they will find that Mr. Buchanan held to the theory that under no circumstances could a utility company be right. Mr. Buchanan's record discloses that he held them to be wrong 100 percent of the time. Yes, and the record further discloses, that he could come to a conclusion and discuss it publicly without having first heard the testimony.

I greatly appreciate having the opportunity to address the Senate and to make my position clear.

I shall, however, not press for a record vote.

Mr. MYERS. Mr. President, when this nomination was before the Senate Committee on Interstate and Foreign Commerce last year I appeared before the committee and made a rather lengthy statement in support of the nominee. Among other things, I had this to say at that time:

He is thoroughly familiar with the work of the Federal Power Commission and with the entire utility field. When he was on the Pennsylvania commission, it supervised utilities with assets exceeding $2,000,000,000—the entire field. He has been a friend of Rural Electrification and REA cooperatives, but cannot be considered a foe of private enterprise by any stretch of the imagination. He is honest, decent. I am proud he is from my State. I recommend him proudly.

My entire statement was placed in the RECORD at that time. Therefore, I shall not burden the Senate now with a lengthy statement. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a copy of the committee report on this nomination.

There being no objection, the report (Ex. Rept. No. 6) was ordered to be printed in the RECORD, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the nomination of Thomas Chalmers Buchanan, of Pennsylvania, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1952, having considered the same, report favorably thereon and recommend that the nomination be confirmed by the Senate.

CHRONOLOGY AND BACKGROUND

The nomination of Thomas C. Buchanan to be a member of the Federal Power Commission was referred to the Committee on Interstate and Foreign Commerce on April 15, 1948. Public hearings were held by the full committee on April 29 and May 6, 1948. The nomination was considered in executive session on May 13, 1948, by the committee, and a subcommittee was appointed to consider the nomination, with instructions to report back to the full committee within 2 weeks. The subcommittee consisted of the Senator from Indiana [Mr. CAPEHART] chairman; the Senator from New Jersey [Mr. HAWKES]; and the Senator from Connecticut [Mr. MCMAHON].

The subcommittee held public hearings on May 13, 25, and 26, 1948. On May 27, 1948, the nomination was again considered in executive session by the subcommittee and a decision was reached to hold additional hearings on June 1. Thereafter the nomination was considered by the full committee on May 27, 1948, and the subcommittee was granted an additional week in which to report to the full committee. Pursuant to this authority the subcommittee held another public hearing on June 1, 1948.

On June 2, 1948, the nomination was considered in executive session by the subcommittee and ordered reported adversely to the full committee by a vote of 2 to 1.

The committee considered the subcommittee's report on June 3, 1948, and the following motion was adopted:

"That pending the final vote upon the confirmation of Mr. Buchanan, the subcommittee be authorized to take such action and such further testimony and make such supplemental report as in its judgment it deems wise, and to report thereon to the full committee."

There was no further action on the nomination, by the full committee or the subcommittee, prior to the adjournment of the Eightieth Congress on June 19, 1948.

Pursuant to the authority vested in him by law to make interim appointment of a nominee who has not been acted upon during a preceding congressional session, the President of the United States on July 14, 1948, appointed Mr. Buchanan to the vacancy then existing in the Federal Power Commission. He took oath of office as a Federal Power Commissioner on that day and has served continuously since then.

Congress reconvened on July 26, 1948, and 2 days later Mr. Buchanan's nomination again was submitted to the Senate by the President. No committee action was taken on the nomination prior to the adjournment of the Eightieth Congress on August 7, 1948.

The Eighty-first Congress convened on January 3, 1949, and 2 weeks later, on January 17, 1949, the nomination was again submitted by the President and referred to the Committee on Interstate and Foreign Commerce. On May 25, 1949, the nomination was considered by the committee in executive session and it was ordered reported favorably by a vote of 9 to 1.

THE NOMINEE

Thomas Chalmers Buchanan was born at Beaver, Pa., November 12, 1895, the son of John McFerron Buchanan and Jane (Mitchell) Buchanan. With his wife, Juliet Sophia (Bradford) Buchanan, and three children, he resides at 846 Turnpike Street, Beaver, Pa.

Mr. Buchanan was educated in the Beaver public schools; graduate of Washington and Jefferson College, Washington, Pa., A. B., 1917; attended University of Pittsburgh Law School, 2 years; law office of H. F. Reed, 1 year; admitted to practice law, Supreme Court of Pennsylvania, 1922; member Kappa Sigma Fraternity (social), Phi Delta Phi Fraternity (legal).

He is a World War I veteran and member of the American Legion.

Mr. Buchanan was appointed a member of the Public Service Commission of Pennsylvania, March 16, 1936; member of the Pennsylvania Public Utility Commission for a term of 8 years; coreceiver of the former Pittsburgh, Shawmut & Northern Railroad Co.; member of Federal Power Commission by interim appointment July 14, 1948, to date.

He is a registered Democrat.

SCOPE OF INQUIRY INTO NOMINEE'S QUALIFICATIONS

As the record will show, exhaustive and thorough hearings were held on the Buchanan nomination, first by the full committee and later by a subcommittee under the able direction of the senior Senator from Indiana [Mr. CAPEHART]. The public hearings lasted for 6 days, April 29, May 6, 13, 25, 26, and June 1, 1948. Thirteen witnesses were heard, and the printed record of those hearings which is available to Members of the Senate comprises 330 pages of testimony, letters, telegrams, and related material.

The nomination was referred to the committee on April 15, 1948, and thereupon the committee announced that consideration would be had on April 29. However, it was not until this latter date that the committee received formal notice that there was opposition to the nomination. During the period from April 15 to 29 no one formally communicated with the committee expressing a desire to be heard in opposition to Mr. Buchanan. The junior Senator from Pennsylvania [Mr. MARTIN] subsequently testified in opposition to Mr. Buchanan and suggested that additional individuals be invited to appear. Other witnesses in opposition to Mr. Buchanan, who testified at the hearings referred to above, thereupon appeared at the invitation of the committee or through subpena. None of them volunteered to testify. And in the present Congress, although the nomination has been pending for more than 4 months, not a single person has communicated with the committee and expressed any opposition to Mr. Buchanan or any desire to testify in opposition.

It was not until May 25, 1949, when the committee was ready to proceed to consideration of the nomination in executive session that a formal request was received that action on the nomination be deferred pending further hearings. That request was refused when the committee formally rejected a motion to hold further hearings.

It is the committee's considered opinion that the present record is as complete as it is possible to make it and that everyone who wanted be heard has had ample opportunity to testify. When the hearings were held last year the subcommittee chairman (Mr. CAPEHART) stated publicly during the course of those hearings that he would be glad to write, wire, or telephone to any witness who cared to appear in opposition to Mr. Buchanan. He said further:

The chairman will likewise, with the consent of the committee, subpena any witness who in their opinion should be called in respect to this matter."

The junior Senator from Pennsylvania [Mr. MARTIN] had emphasized to the committee at the time of the hearings last year that in his opinion 1 day of hearings on the nomination would be ample. Nevertheless, 6 days of open hearings were held to give every opportunity for all who desired to be heard. In the committee's opinion no good purpose can now be served by delaying longer the consideration of this nomination.

BUCHANAN IS EMINENTLY QUALIFIED

The testimony shows that Mr. Buchanan is an able attorney and thoroughly schooled in the fundamental theories and practices of utility regulation. His patriotism, his loyalty, his war record, and his character have never been questioned. He is now serving on the Federal Power Commission under an interim appointment. He has fully demonstrated in that capacity his qualifications for Senate confirmation to a full term.

The nominee previously served 9 years on the utility regulatory commissions of the Commonwealth of Pennsylvania, beginning in 1936. He played a prominent role in the drafting of legislation which for 11 years has remained unchanged as the basic utility regulatory law of that State.

As a commissioner of the Pennsylvania Public Service Commission and of the Pennsylvania Public Utility Commission, which replaced it in 1937, Mr. Buchanan demonstrated an intense insistence upon adequate regulation of public utilities in the public interest.

In his testimony before this committee he made clear that he believes wholeheartedly in private enterprise in the public-utility field and that the best assurrance for the continuation of private enterprise in this field lies in proper regulation of these utilities in the public's behalf.

Although Mr. Buchanan's nomination was opposed during the hearings by various individuals and by representatives of some Pennsylvania Utilities and utility associations, this opposition was based primarily, aside from personality issues and issues of attitudes," on differences of opinion on utility regulation principles.

The principles for which the nominee always has stood as an official of utility regulatory agencies, according to his own testimony and his record, have been those of a fair return for utilities as written into law by the Congress and as upheld over the years by the Federal courts, including the United States Supreme Court.

It may be significant in analyzing opposition to Buchanan that, although these principles have been settled with respect to policies of the Federal Power Commission, and that Congress has not changed these principles and policies by legislative action since they were established by court review, they are still a matter of controversy insofar as utility regulation in the Commonwealth of Pennsylvania is concerned.

Opponents of the nominee appearing before the committee based their opposition largely on grounds that he had sought to further similar principles of regulation in Pennsylvania.

Specifically, he had sought to establish in Pennsylvania the principle of rate making on a basis of fair return on invested capital, less depreciation, which is the principle followed by the Federal Power Commission and upheld by the courts and unchanged by Congress. In Pennsylvania, utility rates are based largely on return on reproduction cost estimates. The most recent session of the Pennsylvania Legislature considered but failed to pass a bill establishing the original-depreciated-cost principle in the State.

Mr. Buchanan was charged before the committee with lacking "judicial temperament." The committee believes it important to point out that the only communications received by the committee from members of the Judiciary unanimously endorsed the nomination of Mr. Buchanan to the Federal Power Commission. Among these was Hon. Chester H. Rhodes, the presiding judge of Pennsylvania's Superior Court, which has jurisdiction over appeals from decisions of the commission on which Mr. Buchanan served in Pennsylvania.

Of Mr. Buchanan, Judge Rhodes said:

"I can say without any reservation that he is a man of integrity and ability. His experience in the utility field should be of great value as a member of the Federal Power Commission. He served upon the Pennsylvania Public Utility Commission for 9 years, and his record discloses that he was fair, just and, impartial in the administration of that office. From my personal observation as a member of an appellate court of Pennsylvania for 14 years, I feel that a most essential qualification of a commissioner on either the Pennsylvania Utility Commission or the Federal Power Commission is an impartial approach to the problems with which such Commission is confronted. I am sure that Mr. Buchanan, as a member of the Federal Power Commission, would adhere to those same principles in the public interest and in the observance of our constitutional processes as he did while a member of the Pennsylvania Commission."

The Honorable Charles Alvin Jones, a member of the Supreme Court of the State of Pennsylvania, wrote to the chairman of the committee on April 30, 1948, stating in part:

"From personal knowledge of Mr. Buchanan over the past 20 years, I know him to be a man of highest moral and ethical standards, of unimpeachable honesty, and of excellent reputation. He is a lawyer of marked ability and industry and has long been interested and experienced in matters relating to governmental regulation of public-service companies. He served for 9 years as a member of the Public Service Commission of Pennsylvania (later the Public Utility Commission), where in the opinion of many citizens of this State, including myself, he made a creditable record by faithfully discharging the duties of his office with an eye single to the promotion of the public interest. His unswerving fidelity to his responsibility in such connection led at times to criticism of him in some quarters as "an enemy of the utilities." That characterization, however, I know to be entirely unfair and undeserved. Actually, if properly appraised in the light of its source and motive, the criticism was in truth a testimonial of his qualifications. He is fundamentally a fair-minded and just man, and I am quite certain that he always has been and will continue to be equally vigilant and alert to preserve and maintain the constitutional security of bona fide capital validly invested in private companies devoted to the service of the public."

On April 29, 1948, Hon. Guy K. Bard, of the United States District Court for the Eastern District of Pennsylvania, wrote to the committee:

"I can attest to Mr. Buchanan's unquestioned integrity and his alertness to the public interest. He is able, his views are sound, and he carried the respect of everyone who was interested in fair adjudications. In addition, he always exhibited rare courage in the discharge of his public duties."

P. Stephen Stahlnecker, former member of the Pennsylvania Public Utilities Commission, who opposed Buchanan's nomination, nevertheless said:

"I have no criticism whatever of Mr. Buchanan's ability as a citizen or as a lawyer or his integrity as a man."

David Dunlap, a former employee of the Pennsylvania Public Utilities Commission, who also appeared in opposition to Buchanan, also said:

"Commissioner Buchanan is an able man. He is very intelligent."

Hon. Clyde T. Ellis, executive manager of the National Rural Electric Cooperative Association, and a former Member of Congress, one of several witnesses who voluntarily testified in behalf of Mr. Buchanan, declared:

"I want to endorse Mr. Buchanan on behalf of all our people throughout the country. * * * They feel that he has a judicial temperament, that he was fair with them and all parties."

It may be significant that the testimony before the committee established the fact that Mr. Buchanan played a leading and important role in the investigation of the Associated Gas & Electric Co. This investigation unearthed one of the worst utility scandals in American history. The testimony before the committee also established that it was on Buchanan's motion that the complaint was made by the Pennsylvania Public Utility Commission to the Federal Power Commission, which led to the Hope Natural Gas Co. case in the Supreme Court under which the basic powers of the Federal Power Commission under the Natural Gas Act were upheld by the highest court.

The junior Senator from Pennsylvania [Mr. MARTIN] in opposing the nomination, stated that in his opinion the nominee "has demonstrated over a period of years that he does not have the qualifications that are essential to the proper performance of the duties incumbent upon a member of the Federal Power Commission."

The committee finds it difficult to understand this charge in view of the fact that the testimony before it makes clear that Mr. Buchanan is thoroughly trained in the law and practice of utility regulation; is a patriotic American devoted uncompromisingly to American principles of freedom and of justice under law; is independent in his thinking and forthright in his opinions; is a firm believer in free enterprise in public-utility operation; and is motivated by a desire to protect consumer interest.

The junior Senator from Pennsylvania [Mr. MARTIN] himself testified:

"He [Buchanan] is a man of integrity and fine standing."

The senior Senator from Pennsylvania [Mr. MYERS] in appearing before the committee on behalf of the nominee, stated:

"He [Buchanan] is thoroughly familiar with the work of the Federal Power Commission and with the entire utility field. When he was on the Pennsylvania Commission, it supervised utilities with assets exceeding $2,000,000,000—the entire field. He has been a friend of Rural Electrification and REA cooperatives, but cannot be considered a foe of private enterprise by any stretch of the imagination. He is honest, decent. I am proud he is from my State. I recommend him proudly."

The Federal Power Commission is one of our most important agencies. Although it deals largely with judicial matters, Mr. Buchanan is the only lawyer now a member of the Commission and his legal training and background, his ability and energy are extremely useful to its operation. Your committee has been most careful, perhaps overly cautious, to see to it that this nomination received full and complete consideration and that everyone desiring to do so had an opportunity to testify or make his views known to the committee. The nomination has been held up and subject to public scrutiny for almost a year and a half; the nominee has been serving in the office and exercising the full duties of a commissioner for almost a year. Since the close of last year's hearings and until 2 days ago no one has come forward and raised his voice in opposition to Mr. Buchanan.

It is the opinion of the committee that justice and fair play require that there be

no further delay. If the Federal Power Commission is to discharge properly the duties which Congress has delegated to it, the Commission should have a full complement of duly confirmed commissioners. It would be unfair to the Commission and unfair to this nominee to withhold action any longer. All of the facts pertaining to Mr. Buchanan's qualifications have been developed. The record is complete. No good purpose can be served by withholding Senate consideration of his nomination.

Therefore, the Committee on Interstate and Foreign Commerce reports favorably on the nomination of Thomas C. Buchanan to be a member of the Federal Power Commission for the term expiring June 22, 1952, and recommends Senate confirmation of the same.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Thomas Chalmers Buchanan to be a member of the Federal Power Commission?

The nomination was confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the Executive Calendar.

PROGRESS OF DE-NAZIFICATION PROGRAM IN GERMANY

The Senate resumed the consideration of legislative business.

Mr. PEPPER. Mr. President, I had hoped to have ready for submission in the Senate at this time, or before the end of this day, a resolution to be referred to the Senate Committee on Foreign Relations, the effect of which would be, if adopted, to authorize the Foreign Relations Committee or a subcommittee thereof to make an inquiry into the progress of the denazification program, which was one of the objects of this country and the Allied Powers upon the conclusion of the war. I thought it appropriate, upon this anniversary of D-day, which exacted such a fearful toll of American youth and manhood, to make inquiry as to how successful we have been in ridding Germany of the vicious forces of naziism whose heinous devilishness was responsible for the initiation of the war and for taking the lives of nearly half a million American men and women.

The resolution has not yet reached my desk. It appears that it will be necessary to defer its introduction until tomorrow. However, I wish to state, on this anniversary of D-day, that the American people have the right to know, and those who love the ones they lost have the duty to ascertain, how well we have succeeded in ridding Germany of those vermin, and of the odious influences which forced such a horrible tragedy upon mankind and devastated such a large part of the earth.

I make no charge, by the submission of this resolution, that the program which we have promulgated, and to which we have dedicated ourselves, has not been conscientiously, or even successfully, carried out. But I do seek, through appropriate sources, to make honest inquiry as to whether we are really ridding Germany of the Nazis and their evil influence, what progress we are making in instilling the sentiments of democracy in German youth and German citizenship, and whether or not we may depend upon it in the days ahead that we shall never again have to pay the price which we have paid twice in our time because of German nazism and German fascism.

RECESS

Mr. LUCAS. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 17 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 7, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 6 (legislative day of June 2), 1949:

TREASURY DEPARTMENT

TREASURER OF THE UNITED STATES

Mrs. Georgia Neese Clark, of Kansas, to be Treasurer of the United States, in place of the late Honorable William A. Julian, who died on May 29, 1949.

ASSISTANT REGISTER OF THE TREASURY

Harlan T. Chapman, of Elyria, Ohio, to be Assistant Register of the Treasury, to fill an existing vacancy.

INTERSTATE COMMERCE COMMISSION

Edward H. Davidson, of New Jersey, to be Director of Locomotive Inspection.

James E. Friend, of Texas, to be Assistant Director of Locomotive Inspection.

UNITED STATES ATTORNEY

Sam M. Wear, of Missouri, to be United States attorney for the western district of Missouri. He is now serving in this office under an appointment which expires June 2, 1949.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior surgeon (equivalent to the Army rank of lieutenant colonel), effective date of acceptance:

Thomas H. Smith

Nurse officers to be senior nurse officers (equivalent to the Army rank of lieutenant colonel):

Lucile Petry	Marie E. Wallace
Mary D. Forbes	Florence H. Callahan
Alice R. Fisher	Lily C. Hagerman
Pearl McIver	Hazel A. Shortal
Marion Ferguson	Margaret K. Schafer
Rosalie I. Peterson	F. Ruth Kahl
Mary E. Corcoran	

CONFIRMATION

Executive nomination confirmed by the Senate June 6 (legislative day of June 2), 1949:

FEDERAL POWER COMMISSION

Thomas Chalmers Buchanan to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1952.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 6 (legislative day of June 2), 1949:

POSTMASTER

SOUTH DAKOTA

William O. Jones, Delmont.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 6, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord, Thou knowest the way we take; there are no lonely coast lines where Thou art not. The wings of the morning are not strong enough to hide us from Thy hovering care.

In all our endeavors to spread the kingdom of truth, justice, and righteousness, we beseech Thee to guide us and help us, that we may stand and falter not, hope and fear not, trust Thee and never be dismayed. O lift us from the levels of a complacent and comfortable existence up to the heights of entire dedication to the eternal principles of human liberty, that we may fulfill our destiny and leave a title of honor that is worthy of memory. In our Saviour's name. Amen.

The Journal of the proceedings of Thursday, June 2, 1949, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On May 16, 1949:

H. R. 1010. An act for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok; and

H. R. 1035. An act for the relief of Mrs. Ada M. Ryan.

On May 17, 1949:

H. R. 668. An act for the relief of Alex Bail;

H. R. 1101. An act for the relief of Anna Malone and Rita Anderson;

H. R. 1460. An act for the relief of Mrs. Silvia Mapelli;

H. R. 1489. An act for the relief of James I. Matthews;

H. R. 1591. An act for the relief of Bram B. Tellekamp;

H. R. 3932. An act to exempt artificial limbs from duty if imported for personal use and not for sale; and

H. J. Res. 91. Joint resolution to authorize the cancellation and release of an agreement dated December 31, 1923, entered into between the port of Seattle and the United States of America, represented by the United States Shipping Board, acting through the United States Shipping Board Emergency Fleet Corporation.

On May 19, 1949:

H. R. 679. An act to authorize the admission of Mrs. Julia Balint to the United States;

H. R. 1629. An act for the relief of Kira and Nina Grigorieff;

H. R. 2360. An act for the relief of Theodore Papachristopoulos;

H. R. 2440. An act to authorize the Public Housing Commissioner to sell the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, without regard to provisions of law requiring competitive bidding or public advertising; and

H. R. 2710. An act for the relief of Emma Armstrong.

On May 24, 1949:

H. R. 2632. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; and

H. R. 3762. An act to amend title 18, entitled "Crimes and Criminal Procedure," and title 28, entitled "Judiciary and Judicial Procedure," of the United States Code, and for other purposes.

On May 27, 1949:

H. R. 636. An act for the relief of B. G. Jones;

H. R. 2812. An act to direct the Secretary of the Interior to sell certain land at South Naknek to the Russian Orthodox Greek Catholic Church of North America;

H. R. 3704. An act to provide additional revenue for the District of Columbia; and

H. R. 3259. An act to add to the Abraham Lincoln National Historical Park, Ky., certain land acquired by the United States for that purpose.

On May 31, 1949:

H. R. 55. An act to include certain lands in the Carson National Forest, N. Mex., and for other purposes;

H. R. 603. An act for the relief of Jeptha R. Macfarlane;

H. R. 688. An act for the relief of John P. Reilly;

H. R. 1037. An act for the relief of Samuel Ensler and Louis Puccinelli;

H. R. 2906. An act to provide a 1 year's extension of time for the disposition of farm-labor camps to public or semipublic agencies or nonprofit associations of farmers;

H. R. 3396. An act to amend the law relating to timber operations on the Menominee Indian Reservation in Wisconsin;

H. R. 4151. An act to grant the consent of the United States to the Arkansas River compact; and

H. J. Res. 200. Joint resolution to authorize the National Capital Sesquicentennial Commission to proceed with plans for the celebration and commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, and for other purposes.

On June 1, 1949:

H. R. 681. An act for the relief of the legal guardian of George Generazzo;

H. R. 692. An act for the relief of Joseph Thompson;

H. R. 1300. An act for the relief of Mrs. Hope Irene Buley;

H. R. 2089. An act for the relief of William Price;

H. R. 2261. An act for the relief of Eva C. Netzley Ridley, William G. Stuff, Lois Stuff, and Harry E. Ridley; and the estates of Clyde C. Netzley and Sarah C. Stuff;

H. R. 2268. An act for the relief of Forest L. Weatherly; and

H. R. 3663. An act for the relief of Lawrence Reves.

On June 2, 1949:

H. R. 580. An act for the relief of the Bank of Kodiak, Kodiak, Alaska;

H. R. 761. An act for the relief of Catherine S. Tremayne and A. I. Lang;

H. R. 1098. An act for the relief of the legal guardian of Andres Ferdinand DeWitt III, a minor; and

H. R. 2566. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of waters of the Yellowstone River.

On June 3, 1949:

H. R. 1076. An act for the relief of Jennie Olsen Anderson; and

H. R. 2285. An act to amend title 17 of the United States Code entitled "Copyrights," with respect to relaxation of provisions governing copyright of foreign works.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1053. An act for the relief of Frank O. Ward;

H. R. 1058. An act for the relief of Frederick W. Lass;

H. R. 1062. An act for the relief of Lorrayne E. Graus;

H. R. 1158. An act to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city;

H. R. 1222. An act to authorize the exchange of certain fishery facilities within the State of Washington;

H. R. 1497. An act for the relief of Ralph A. Wood;

H. R. 1878. An act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond;

H. R. 2249. An act for the relief of Al W. Hosinski;

H. R. 3181. An act to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes; and

H. R. 3341. An act to authorize the attendance of the United States Marine Band at the Fifty-ninth Annual Reunion of Confederate Veterans to be held in Little Rock, Ark., September 27 through September 29, 1949.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement;

H. R. 2737. An act to establish the decoration Medal for Humane Action for award to persons serving in or with the armed forces of the United States participating in the current military effort to supply necessities of life to the people of Berlin, Germany; and

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1505. An act to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947;

S. 1559. An act for the establishment of the National Monetary Commission;

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system;

S. 1746. An act to authorize the transfer to the Attorney General of the United States a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., for use in connection with the United States penitentiary at Terre Haute;

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service; and

S. Con. Res. 42. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4046. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. RUSSELL, Mr. BRIDGES, and Mr. GURNEY to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States.

The message also announced that the Senate insists upon its amendments to the foregoing bill and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. O'MAHONEY, Mr. MURRAY, Mr. DOWNEY, Mr. MILLIKIN, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 900) entitled "An act to amend the Commodity Credit Corporation Charter Act, and for other purposes."

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes today after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

PARLIAMENTARY INQUIRY

Mr. PATMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PATMAN. Mr. Speaker, may I ask the status of the bill S. 1008, which, I understand, was messaged over from the Senate on Friday last?

The SPEAKER. The Chair understands it is on the Speaker's table.

Mr. PATMAN. Will it be referred to the Committee on the Judiciary?

The SPEAKER. The Chair does not know about that.

Mr. PATMAN. What action will be necessary in order to get it referred to the committee?

The SPEAKER. It is the duty and the privilege of the Chair to refer bills to whatever committee he desires, after consultation with the Parliamentarian, of course. The Chair will not recognize any motion in that regard at this time.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in three instances and include certain statements.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a Confederate Memorial Day address he delivered over the radio on last Saturday.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an editorial and in the other a bulletin.

Mr. KEEFE asked and was given permission to extend his remarks in the RECORD and include a letter from the Atlas Powder Co. and his reply thereto.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Washington Sunday Star.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a letter from Mr. J. Donald Kingsley and my reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

DEFICIT SPENDING

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, when I read this statement that the feeling grows among the Members of Congress that deficit spending will lead to bankruptcy, I wondered how far it is taking root. Now, I would like to call your attention to the fact that according to the Treasury statement dated May 31 your national debt was $251,912,000,000; that your expenditures this year were exceeding your receipts by $2,906,608,687.38. The fact is that the Eightieth Congress had a credit at this time of the year on the same statement of $378,000,000. I wonder whether the Eightieth Congress, so far as spending is concerned, was not a whole lot better than the Eighty-first Congress. I wonder whether we, as Members of Congress are going to keep this a solvent Nation. We should begin to realize that we cannot do all this spending. The people of this country are going to be ruined if we do. The American people look to us as their elected representatives of looking after the finances of our Nation. A bankrupt nation is no good to anybody. It will ruin all of us. Stop squandering the Nation our forefathers built. I sometimes think that Congress is not a responsible body. We should be zealous to our trust of perpetuating our form of government, and our liberty, and our freedom. Let us do it. Be wise and economize.

HONORARY DEGREE BESTOWED ON CONGRESSMAN GRAHAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, last Saturday was the sixty-ninth commencement of Groves City College in Pennsylvania. The commencement address to the graduating class of 283 was delivered by a distinguished Member of this body, the gentleman from Pennsylvania, Hon. LOUIS E. GRAHAM. I am happy to note that the college in the distribution of the honors conferred the degree of doctor of laws under the statutes of the Commonwealth of Pennsylvania upon our distinguished colleague. I know I voice the sentiments of all in the House when we congratulate the gentleman from Pennsylvania [Mr. GRAHAM] upon the high honor that has come to him from this fine old Pennsylvania college.

PERMISSION TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include the text of a resolution adopted by the Aviation Writers Association on last Thursday.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. HINSHAW addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD in two instances and include editorials in each.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD in two instances and include newspaper material.

Mr. BRAMBLETT asked and was given permission to extend his remarks in the RECORD and include an article from the Pacific Grove Tribune.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include an address delivered by the gentleman from New Jersey, Representative TOWE.

NATIONAL EMERGENCY SEIZURE ACT OF 1949

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, while the other body debates the labor bill, the House need not stand idle on this issue. The House Committee on Education and Labor should promptly consider the unit question of labor disputes concerning the national health or security, investigate the alternatives offered, and come out with a solution to be enacted in a separate bill or incorporated in the Taft-Hartley law repealer.

The convinced and justified opposition to the use of injunctions in labor disputes, in which I have joined, has created a vacuum in the thinking of many citizens where labor disputes involve the national health or security, who understand completely labor's position but who want an alternative. The fundamental barrier to a real repeal of the Taft-Hartley Act is this fear of such disputes.

In the hope of stimulating the action I have described by the Committee on Education and Labor, I am today introducing this measure, which I have introduced before as amendments to the Taft-Hartley law and the recent Sims bill, and which gives the President plant-seizure powers but provides—as a very important answer to management's and labor's fears of plant seizure—that Government operation must be only on the minimum basis essential to the national health or security.

SPECIAL ORDER GRANTED

Mr. VURSELL asked and was given permission to address the House for 20 minutes on tomorrow at the conclusion of the legislative program of the day and following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. TOWE asked and was given permission to extend his remarks in the RECORD and include an address by Mr. Archibald McIntosh.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include a Memorial Day address by Rear Adm. Daniel E. Barbey, United States Navy.

ARMED SERVICES PAY BILL

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Speaker, today I have introduced a bill to supersede H. R. 4591, the armed-services pay bill, which was recently recommitted to the Committee on Armed Services. I want, at this time, to announce that tomorrow morning at 10 o'clock the subcommittee will begin hearings on the new proposal. The hearings will be held in the Armed Services Committee room. I want all Members to know that the committee will be glad to hear from any Member of the House either in support of or in opposition to the new proposal, at 10 o'clock tomorrow morning in the committee room of the Committee on Armed Services, when the bill will be explained and when we will be glad to hear any Member who wishes to support or oppose the bill.

SUBSISTENCE AND MILEAGE ALLOWANCES FOR GOVERNMENT EMPLOYEES

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3005) to regulate subsistense expenses and mileage allowances of civilian officers and employees of the Government, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 10, insert:

"(4) The term 'Members of Congress' means Senators, Representatives, Delegates, and Resident Commissioners."

Page 2, line 12, after "judges", insert "covered by section 456 of title 28 of the United States Code."

Page 3, line 16, strike out "officers" and insert "officers."

Page 3, after line 25, insert:

"SEC. 6. Except as otherwise permitted in by this Act or by the laws relating to military personnel, only actual and necessary traveling expenses shall be allowed to any person holding employment or appointment under the United States."

Page 4, line 1, strike out "6" and insert "7."

Page 4, line 2, strike out "allowances," and insert "allowances and."

Page 4, lines 3 and 4, strike out "under the act of March 3, 1875 (5 U. S. C. 73)" and insert "under this act."

Page 4, line 7, strike out "7" and insert "8."

Page 4, lines 9, 10, and 11, strike out ", President of the Senate, of Senators, Representatives, Delegates, and Resident Commissioners" and insert "or any Act providing for mileage allowances for the President of the Senate or Members of Congress."

Page 4, line 12, strike out "8" and insert "9."

Page 4, line 13, strike out all after "repealed." down to and including "expense;" in line 17 and insert "All Acts (other than appropriation items for examination of estimates in the field), applicable to civilian officers or employees of the departments and establishments providing for reimbursement of actual travel or transportation expense."

Page 5, line 14, strike out "9" and insert "10."

Page 5, lines 14 and 15, strike out "the thirtieth day after the date of its enactment" and insert "July 1, 1949."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, have these amendments been approved by the members of the gentleman's committee?

Mr. KARSTEN. They have. The amendments are purely technical in nature and are for purposes of clarification.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman explain the amendments briefly?

Mr. KARSTEN. I shall be glad to do so.

Section 2: Members of Congress are defined as including Senators, Representatives, Delegates, and Resident Commissioners.

Section 3: The judges and justices to be excepted from the per diem provisions are further identified by a reference to section 456 of title 28 of the United States Code, which covers the subject for the members of the judiciary.

Section 6: This is a new section. It would limit reimbursement to persons holding civilian appointment or employment under the United States Govment for official travel to only such actual and necessary expenses as are incurred except as otherwise provided by law. This proposed section substantially reenacts the act of March 3, 1875 (5 U. S. C. 73), which was repealed, evidently through a misunderstanding, by Public Law 773, approved June 25, 1948.

Section 7: This section appears as section 6 of the bill as passed by the House. Any changes in language are purely grammatical or are caused by the inclusion of section 6 above.

Section 8: This section appears as section 7 of the bill as passed by the House. The changes in language appear to be for purposes of clarification.

Section 9: This section appears as section 8 of the bill as passed by the House. Any changes are caused by the inclusion of section 6 above or appear to be for purposes of clarification.

Section 10: This section appears as section 9 in the bill as passed by the House. It would make the effective date July 1, 1949, rather than the thirtieth day after the date of enactment.

Mr. MARTIN of Massachusetts. These amendments would not increase the cost involved over the bill as passed by the House?

Mr. KARSTEN. The Senate amendments are simply clarifying and perfecting changes.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, is this the bill that increases the subsistence allowances by $3 a day?

Mr. KARSTEN. It increases them from the present $6 to a maximum of $9.

Mr. HOFFMAN of Michigan. That is $3 a day.

Mr. KARSTEN. There is no change in the rates, however.

Mr. HOFFMAN of Michigan. What does the gentleman mean by "no change in the rates"?

Mr. KARSTEN. There is no change in the rates as approved and passed by the House. I am referring of course to the amendments of the other body.

Mr. HOFFMAN of Michigan. The House gave them permission to increase the rates by $3 a day?

Mr. KARSTEN. That is correct; yes.

Mr. HOFFMAN of Michigan. Economy measure.

Mr. CHURCH. Reserving the right to object, Mr. Speaker, will the gentleman explain whether or not in this measure you have included the House clerk hire, a subject that has been discussed a great deal.

Mr. KARSTEN. The subject of clerk hire is not covered within the provisions of this bill. This legislation has nothing whatever to do with the employment of clerks in the House of Representatives.

Mr. CHURCH. The gentleman is acquainted with the number of the other bill, is he not?

Mr. KARSTEN. I am not familiar with the number but I am familiar with the contents of the bill.

Mr. CHURCH. And the subject matter of that bill, H. R. 4583, is not included in this bill?

Mr. KARSTEN. It is not included in this bill at all.

Mr. LANHAM. Mr. Speaker, reserving the right to object, will the gentleman explain the text of the new section 6? I do not quite understand its effect.

Mr. KARSTEN. It would limit reimbursement to persons holding civilian appointment or employment under the United States Government for official travel to only such actual and necessary expenses as are incurred, except as otherwise provided by law. This provision substantially reenacts the act of March 3, 1875, which was repealed, evidently through a misunderstanding, by Public Law 773, approved June 25, 1948.

Mr. LANHAM. Would the effect of that be that each person would have to submit an itemized statement of his expenses?

Mr. KARSTEN. There would be no change in the present procedure governing the payment of per diem and mileage. The bill under consideration would not require any more itemization or accounting work than is necessary under the present law. Under the pending bill, the heads of the various agencies have discretion in determining per diem rates. This is the same procedure that is now in effect and, of course, it will be followed under the new bill.

Generally, the bill as passed by the other body is substantially the same as the measure which previously passed the House. The amounts of per diem and mileage are the same and those persons who would be included or excluded from its various provisions are the same. The changes that have been made by the other body are relatively technical and are in furtherance of the purposes of the bill as passed by the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. KARSTEN]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. RIVERS]?

There was no objection.

Mr. RIVERS. Mr. Speaker, the recent and unprecedentedly brief negotiations between Canadian and American representatives regarding the exchange of air rights between the two countries has resulted in substantially a complete sellout of the Americans. The negotiations were carried on secretly so far as American carriers and the press were concerned. The American carriers' representative was sworn to secrecy so that he was unable to maintain contact with his principals. Across from him, however, sat the head of Canada's air carrier, Trans-Canada Air Lines, who was permitted to act as one of the Canadian negotiators.

Even before these negotiations the United States had treated the Canadians generously. Canadian carriers had been permitted to exploit population centers in the United States totaling more than 20,000,000 in population, whereas American carriers served only 3,000,000 Canadians.

But this year the Canadians used the leverage afforded them by the expiration of American rights at Gander Airport in Newfoundland because of that province's recent inclusion in the Dominion of Canada. These rights are negligible in value. What American carriers take into and out of Gander is less important to Canada than the fees they pay for the use of that airport and which Canada could not afford to give up.

The Americans retained these rights, but the price paid the Canadians was a route from Montreal to New York, a second route from Montreal and Toronto to Tampa and on to Caribbean and South America, and a third route from Vancouver to Hawaii and Australasia. The Americans also acquired insignificant traffic rights in the small town of Edmonton in British Columbia and the right to nonstop Toronto-New York which they were already serving through Buffalo.

The grant of the Montreal-New York route alone is likely to cost American taxpayers more than $1,000,000 in subsidy a year, of which the Civil Aeronautics Board has been advised. It has been flown for the last 19 years without a fatality by Colonial Airlines and over 60 percent of the revenues of that line are due to Montreal-New York traffic. These are now subjected to diversion by the Canadians and the price paid by the Canadians for that valuable privilege is substantially nothing.

The Colonial, which boasts of best safety record of the Nation, now faces almost complete disaster by this deceitful stroke of the negotiator's pen. One responsible newspaper columnist has referred to the action of the negotiating parties, particularly Americans, as the most deceitful act he has seen in 41 years of reporting.

Nothing more shocking has occurred in the field of international aviation diplomacy than this. It forces Americans to look to the United States Senate for their rights and demand that valuable rights shall not be sold down the river by secret negotiations never ratified by any of its elected representatives. As the matter now stands, Colonial's stockholders may be deprived of a substantial investment without either notice or hearing and in violation of the spirit of the Constitution of the United States.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous material.

Mr. GRANT asked and was given permission to extend his remarks in the RECORD and include a poem.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in two to include newspaper articles, and in the third a letter from a constituent.

Mr. HILL asked and was given permission to extend his remarks in the Appendix of the RECORD and include two petitions signed by constituents on the bill, H. R. 2026.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and to include extraneous matter.

THE LATE MRS. JOHN H. KERR

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am sure that I express the feeling of every Member of this House in extending sympathy to our distinguished colleague from North Carolina [Mr. KERR] in the loss of his loving wife who died in Richmond, Va., on last Saturday.

Mrs. Kerr was one of the most elegant ladies I have ever known, and I need not remind you that her distinguished husband is one of the most popular Members of this House.

As I said, I am sure that every Member of this body joins me in extending to Judge KERR and his two noble sons our heartfelt sympathy in their great bereavement.

PUBLIC BUILDINGS ACT OF 1949

Mr. WHITTINGTON. Mr. Speaker, I call up the conference report on the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 724)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 714) to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House with an amendment as follows:

Page 61, line 2, of the amendment, strike out the comma after the word "made" and insert a period in lieu thereof; and strike out the remainder of the subsection which reads as follows: "and thereupon the Secretary of the Treasury is authorized and directed to cancel notes or otherwise discharge the indebtedness to the Treasury of such corporation in an amount equal to the fair market value of the property at the time of the transfer of jurisdiction and control to the Federal Works Agency, which fair market value shall be determined by the Federal Works Administrator and the head of such corporation: *Provided, however,* That in the event the Federal Works Administrator and the head of such corporation shall fail to agree, the fair market value of such property shall be determined by the Secretary of the Treasury."; and agree to the same.

WILL M. WHITTINGTON,
CHARLES A. BUCKLEY,
HENRY D. LARCADE, Jr.,
GEO. A. DONDERO,
HOMER D. ANGELL,
Managers on the Part of the House.

DENNIS CHAVEZ,
SPESSARD L. HOLLAND,
HARRY P. CAIN,
EDWARD MARTIN,
Managers on the Part of the Senate.

STATEMENT

The conferees made only one change in the amendment as adopted by the House. The Federal Works Agency suggested the following amendment to the amendment of the House: On page 61, line 2, strike out the commia after the word "made", insert a period in lieu thereof, and strike out the balance of subsection (b), of section 205.

It seems that the Reconstruction Finance Corporation is the only Government Corporation affected by section 205, beginning on page 19, and the only properties to be transferred by RFC pursuant to that section, as amended by the House, are the properties described in subsections 16 and 17 of section 205 (a). A check of their records discloses that RFC has no funds invested in these properties. The property described in subsection 16 was acquired as the result of a transfer without any expenditure of RFC funds. The property described in subsection 17 was acquired by RFC in the course of its wartime activities and the Corporation has already been reimbursed for its expenditures in connection with such property by virtue of the omnibus cancellation of notes of the RFC, in an amount representing the Corporation's unrecovered costs in its wartime activities, pursuant to the Government Corporations Appropriation Act, 1949 (Public Law 860, 80th Cong., approved June 30, 1948).

In view of these circumstances, the note cancellation provision in section 205 (b) seems inappropriate. It would result in unnecessary complications in the accounts between the Treasury and RFC and the determination of fair market value, as required by section 205 (b), would serve no purpose.

WILL M. WHITTINGTON,
CHARLES A. BUCKLEY,
HENRY D. LARCADE, Jr.,
GEO. A. DONDERO,
HOMER D. ANGELL,
Managers on the Part of the House.

Mr. McGREGOR. Mr. Speaker, will the gentleman from Mississippi explain the bill and the conference report?

Mr. WHITTINGTON. Mr. Speaker, I yield myself 1 minute to answer the gentleman from Ohio.

The conference report provides for the passage of the bill exactly as it passed the House with one qualifiying amendment suggested by the Reconstruction Finance Corporation. This amendment has to do with the cancellation of certain instruments respecting two properties mentioned in section 205 of the House bill. This amendment was suggested by the Reconstruction Finance Corporation proposed by the Senate and the House agreed to it.

So the situation is this: As the Members will recall, the bill H. R. 3662 passed by the House was substituted for the Senate bill. The conference report provides for the passage of the bill just as it passed the House with this clarifying amendment to section 205 with respect to real properties in Tarrant County, Tex., and in Pittsburgh, Pa., in subsections 16 and 17 of said section 205. The Reconstruction Finance Corporation advised the commmittee that it had neglected to call this amendment to our attention when we presented certain perfecting amendments during consideration of the bill.

The House substituted H. R. 3662 for S. 714. The conference report agrees to the House bill with a clarifying or perfecting amendment by changing the comma to a period in line 2 of page 61 and striking out the remainder of subparagraph (17) (b) down to and including the word "Treasury" at the end of section 205, the language stricken being set forth in detail in the conference report, which was agreed to by all of the conferees on both the part of the Senate and the House.

Mr. Speaker, I have no further requests for time and I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NINETEENTH QUARTERLY REPORT, UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 210)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the Nineteenth Quarterly Report of expenditures and operations under the United Nations Relief and Rehabilitation Administration Joint Resolution, Public Law 267, Seventy-eighth Congress, approved March 28, 1944. This report covers the period from January 1, 1949, through March 31, 1949.

As a consequence of the substantial closure of the United Nations Relief and Rehabilitation Administration's activities on June 30, 1947, the present report is limited to a statement of the status of United States appropriations as of March 31, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 6, 1949.*

CONSENT CALENDAR

The SPEAKER. Today is Consent Calendar day. The Clerk will call the first bill on the calendar.

RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AMENDMENT TO ORGANIC ACTS OF HAWAII AND PUERTO RICO

The Clerk called the bill (H. R. 173) to amend the Hawaiian Organic Act to prevent the loss of nationality, by reason of continuous residence for 5 years in a foreign state, of certain persons declared to be citizens of the United States under such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Hawaiian Organic Act (U. S. C., 1946 edition, title 48, sec. 494) is hereby amended by adding at the end thereof the following new paragraph:

"Section 404 (c) of the Nationality Act of 1940, as amended (U. S. C., 1946 ed., title 8, sec. 804 (c)), shall not apply to persons who acquired citizenship under this section."

SEC. 2. The amendment made by this act to section 4 of the Hawaiian Organic Act shall take effect as of October 13, 1945.

With the following committee amendment:

Page 1, strike out lines 6 to 9 and page 2, lines 1 to 3, inclusive, and insert the following:

"'Subsections (b) and (c) of section 404 of the Nationality Act of 1940, as amended (U. S. C., 1946 ed., title 8, subsecs. (b) and (c) of sec. 804), shall not apply to persons who acquired citizenship under this section. This amendment to be retroactive to October 13, 1945.'"

"SEC. 2. Section 5 (b) of the Organic Act of Puerto Rico, as amended (62 Stat. 1015), is amended to read as follows:

"'(b) Subsections (b) and (c) of section 404 of the Nationality Act of 1940, as amended (U. S. C., 1946 ed., title 8, subsecs. (b) and (c) of sec. 804), shall not be applicable to persons who acquired citizenship under the provisions of sections 5 and 5a of this act. This amendment to be retroactive to October 13, 1945.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the organic acts of Hawaii and Puerto Rico to prevent the loss of nationality of certain persons declared to be citizens of the United States under said acts."

A motion to reconsider was laid on the table.

AMENDMENT TO ACT ENTITLED "AN ACT TO ESTABLISH A UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES"

The Clerk called the bill (H. R. 3111) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and section 118 thereof and all acts and parts of acts inconsistent therewith.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. STEFAN. Mr. Speaker, reserving the right to object, and I do not intend to object, will the author of this bill explain it?

Mr. REED of Illinois. Mr. Speaker, this is merely a corrective bill. It takes out certain sections of the Bankruptcy Act, applies to the entire act, and makes clerical changes which have been recommended by the National Bankruptcy Conference.

Mr. STEFAN. May I ask the gentleman if it has anything to do with what we of the Appropriations Committee did in setting up bankruptcy referees as officials of the court?

Mr. REED of Illinois. It has nothing whatever to do with that.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) paragraph (3) of section 1 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is amended to read as follows:

"(3) 'Appellate courts' shall include the United States courts of appeals and the Supreme Court of the United States;".

(b) Paragraph (5a) of such section is amended to read as follows:

"(5a) 'Circuit' shall mean judicial circuit;".

(c) Paragraph (7a) of such section is amended to read as follows:

"(7a) 'Conference' shall mean the Judicial Conference of the United States;".

(d) Paragraph (8a) of such section is amended to read as follows:

"(8a) 'Council' shall mean the Judicial Council of the circuit;".

(e) Paragraph (10) of such section is amended to read as follows:

"(10) 'Courts of bankruptcy' shall include the United States district courts and the district courts of the Territories and possessions to which this act is or may hereafter be applicable;".

(f) Paragraph (14a) of such section is amended to read as follows:

"(14a) 'Director' shall mean the Director of the Administrative Office of the United States Courts;".

(g) Paragraph (24) of such section is amended to read as follows:

"(24) 'Petition' shall mean a document filed in a court of bankruptcy or with a clerk thereof initiating a proceeding under this act;".

(h) Paragraph (30) of such section is amended to read as follows:

"(30) 'Transfer' shall include the sale and every other and different mode, direct or indirect, of disposing of or of parting with property or with an interest therein or with possession thereof or of fixing a lien upon property or upon an interest therein, absolutely or conditionally, voluntarily or involuntarily, by or without judicial proceedings, as a conveyance, sale, assignment, payment, pledge, mortgage, lien, encumbrance, gift, security, or otherwise; the retention of a security title to property delivered to a debtor shall be deemed a transfer suffered by such debtor;".

SEC. 2. (a) The introductory paragraph of subdivision a of section (2) of such act, as amended, is amended to read as follows:

"a. The courts of the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby invested, within their respective territorial limits as now established or as they may be hereafter changed, with such jurisdiction at law, in equity, and in admiralty as will enable them to exercise original jurisdiction in proceedings under this act, in vacation, in chambers, and during their respective terms, as they are now or may be hereafter held, to——".

(b) Subdivision a of such section is amended by inserting in its numerical order the following paragraph:

"(2½) Hear and determine, or cause to be heard and determined, any question arising as to the amount or legality of any tax, whether or not previously assessed, which has not prior to bankruptcy been contested before and adjudicated by a judicial or administrative tribunal of competent jurisdiction, or, if such question has been so contested and adjudicated and the time for appeal or review has not expired, to authorize the receiver or the trustee to prosecute such appeal or review."

(c) Paragraph (21) of subdivision a of such section is amended to read as follows:

"(21) Require receivers or trustees appointed in proceedings not under this act, assignees for the benefit of creditors, and agents authorized to take possession of or to liquidate a person's property to deliver the property in their possession or under their control to the receiver or trustee appointed under this act or, where an arrangement or a plan under this act has been confirmed and such property has not prior thereto been delivered to the receiver or trustee appointed under this act, to deliver such property to the debtor or other person entitled to such property according to the provisions of the arrangement or plan, and in all such cases to account to the court for the disposition by them of the property of such bankrupt or debtor: *Provided, however,* That such delivery and accounting shall not be required, except in proceedings under section 77 and chapters X and XII of this act, if the receiver or trustee was appointed, the assignment was made, or the agent was authorized more than 4 months prior to the date of bankruptcy. Upon such accounting, the court shall reexamine and determine the priority and reasonableness of all disbursements made out of such property by such receiver, trustee, assignee, or agent, either to himself or to others, for services and expenses under such receivership, trusteeship, assignment, or agency, and shall, unless such disbursements have been approved, upon notice to creditors and other parties in interest, by a court of competent jurisdiction prior to the proceeding under this act, surcharge such receiver, trustee, assignee, or agent the amount of any disbursement determined by the court to have been improper or excessive."

SEC. 3. (a) Subdivision a of section 3 of such act, as amended, is amended to read as follows:

"a. Acts of bankruptcy by a person shall consist of his having (1) concealed, removed, or permitted to be concealed or removed any part of his property, with intent to hinder, delay, or defraud his creditors or any of them, or made or suffered a transfer of any of his property, fraudulent under the provisions of section 67 or 70 of this act; or (2) made or suffered a preferential transfer, as defined in subdivision a of section 60 of this act; or (3) suffered or permitted, while insolvent, any creditor to obtain a lien upon any of his property through legal proceedings and not having vacated or discharged such lien within 30 days from the date thereof or at least 5 days before the date set for any sale or other disposition of such property; or (4) made a general assignment for the benefit of his creditors; or (5) while insolvent or unable to pay his debts as they mature, procured, permitted, or suffered voluntarily or involuntarily the appointment of a receiver or trustee to take charge of his property; or (6) admitted in writing his inability to pay his debts and his willingness to be adjudged a bankrupt."

(b) Subdivision b of such section is amended to read as follows:

"b. A petition may be filed against a person within 4 months after the commission of an act of bankruptcy. Such time with respect to the third act of bankruptcy shall expire 4 months after the date the lien through legal proceedings was obtained and, with respect to the first, second, third, or fourth act of bankruptcy, such time shall not expire until 4 months after the date when the transfer or assignment became so far perfected that no bona fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred or assigned superior to the rights of the transferee or assignee therein. For the purposes of this section, it is sufficient if intent to hinder, delay, or defraud where required to be proved under the first act of bankruptcy, or insolvency under the second act of bankruptcy, exists either at the time transfer was made or at the time when it became perfected, as hereinabove provided."

SEC. 4. Clause (8) of subdivision a of section 7 of such act, as amended, is amended to read as follows:

"(8) prepare, make oath to, and file in court within 5 days after adjudication, if an involuntary bankrupt, and with his petition, if a voluntary bankrupt, a schedule of his property, showing the amount and kind of property, the location thereof and its money value, in detail; and a list of all his creditors, including all persons asserting contingent, unliquidated, or disputed claims, showing their residences or places of business, if known, or if unknown that fact to be stated, the amount due to or claimed by each of them, the consideration thereof, the security held by them, if any, and what claims, if any, are contingent, unliquidated, or disputed; and a claim for such exemptions as he may be entitled to; all in triplicate, one copy for the clerk, one for the referee, and one for the trustee: *Provided, however,* That the court may for cause shown grant further time for the filing of such schedules if, with his petition in a voluntary proceeding or with his application to have such time extended in an involuntary proceeding, the bankrupt files a list of all such creditors and their addresses;".

SEC. 5. Subdivision a of section 11 of such act, as amended, is amended to read as follows:

"a. A suit which is founded upon a claim from which a discharge would be a release, and which is pending against a person at the time of the filing of a petition by or against him, shall be stayed until an adjudication or the dismissal of the petition; if such person is adjudged a bankrupt, such action may be further stayed until the question of his discharge is determined by the court after a hearing, or by the bankrupt's filing a waiver of, or having lost, his right to a discharge, or, in the case of a corporation, by its failure to file an application for a discharge within the time prescribed under this act: *Provided, however,* That such stay shall be vacated by the court if, in a proceeding under this act commenced within 6 years prior to the date of the filing of the petition in bankruptcy, such person has been granted a discharge, or has had a composition confirmed, or has had an arrangement by way of composition confirmed, or has had a wage earner's plan by way of composition confirmed."

SEC. 6. (a) Clause (1) of subdivision c of section 14 of such act, as amended, is amended to read as follows:

"(1) committed an offense punishable by imprisonment as provided under title 18, United States Code, section 152; or."

(b) Clause (5) of subdivision c of such section is amended to read as follows:

"(5) in a proceeding under this act commenced within 6 years prior to bankruptcy been granted a discharge, or had a composition or an arrangement by way of composition or a wage earner plan by way of composition confirmed under this act."

(c) Subdivision e of such section is amended to read as follows:

"e. If the bankrupt fails to appear at the hearing upon the objections to his application for a discharge, or having appeared refuses to submit himself to examination, or if the court finds after hearing upon notice that the bankrupt has failed without sufficient excuse to appear and submit himself to examination at the first meeting of creditors or at any meeting specially called for his examination, he shall be deemed to have waived his right to a discharge, and the court shall enter an order to that effect."

SEC. 7. Subdivision a of section 18 of such act, as amended, is amended to read as follows:

"a. Upon the filing of a petition for involuntary bankruptcy, service thereof, with a writ of subpena, shall be made upon the person therein named as defendant. Upon the filing of a voluntary petition in behalf of a partnership by less than all of the general partners, service thereof, with a writ of subpena, shall be made upon the general partner or partners not parties to the filing of such petition. Such service shall be returnable within 10 days, unless the court shall, for cause shown, fix a longer time, and shall be made at least 5 days prior to the return day, and in other respects shall be made in the same manner that service of such process is had upon the commencement of a civil action in the courts of the United States; but in case personal service cannot be made within the time allowed, then notice shall be given by publication in the same manner as provided by law for notice by publication in suits to enforce a legal or equitable lien in courts of the United States, except that, unless the court shall otherwise direct, the order shall be published only once and the return day shall be 5 days after such publication."

SEC. 8. Subdivision k of section 21 of such act, as amended, is amended to read as follows:

"k. In all proceedings under this act, the parties in interest shall be entitled to all rights and remedies granted by the Rules of Civil Procedure for the United States District Courts established from time to time by the Supreme Court pertaining to discovery, interrogatories, inspection and production of documents, and to the admission of execution and genuineness of instruments: *Provided, however,* That the limitations of time therein prescribed may be shortened by the court to expedite hearings."

SEC. 9. Subdivision a of section 23 of such act, as amended, is amended to read as follows:

"a. The United States district courts shall have jurisdiction of all controversies at law and in equity, as distinguished from proceedings under this act, between receivers and trustees as such and adverse claimants, concerning the property acquired or claimed by the receivers or trustees, in the same manner and to the same extent as though such proceedings had not been instituted and such controversies had been between the bankrupts and such adverse claimants. Where in a controversy arising in a proceeding in bankruptcy, the adverse claimant does not interpose objection to the summary jurisdiction of the court of bankruptcy at the first available opportunity, he shall be deemed to have consented to such jurisdiction."

SEC. 10. (a) Subdivision a of section 24 of such act, as amended, is amended to read as follows:

"a. The United States courts of appeals, in vacation, in chambers, and during their respective terms, as now or as they may be hereafter held, are hereby invested with appellate jurisdiction from the several courts of bankruptcy in their respective jurisdictions in proceedings in bankruptcy, either interlocutory or final, and in controversies arising in proceedings in bankruptcy, to review, affirm, revise, or reverse, both in matters of law and in matters of fact: *Provided, however,* That the jurisdiction upon appeal from a judgment on a verdict rendered by a jury shall extend to matters of law only: *And provided further,* That when any order, decree, or judgment involves less than $500, an appeal therefrom may be taken only upon allowance of the appellate court."

(b) Subdivision c of such section is amended to read as follows:

"c. The Supreme Court of the United States is hereby vested with jurisdiction to review judgments, decrees, and orders of the United States courts of appeals in proceedings under this act in accordance with the provisions of the laws of the United States now in force or such as may hereafter be enacted."

SEC. 11. Subdivision a of section 25 of such act, as amended, is amended to read as follows:

"a. The time for taking appeals under this act to the United States courts of appeals shall be governed by title 28, United States Code, section 2107."

SEC. 12. Section 32 of such act, as amended, is amended by lettering the present section 32 as subdivision a and inserting in the section the following two subdivisions:

"b. Where venue in any case filed under this act is laid in the wrong court of bankruptcy, the judge may, in the interest of justice, upon timely and sufficient objection to venue being made, transfer the case to any other court of bankruptcy in which it could have been brought.

"c. The judge may transfer any case under this act to a court of bankruptcy in any other district, regardless of the location of the principal assets of the bankrupt, or his principal place of business, or his residence, if the interests of the parties will be best served by such transfer."

SEC. 13. Clause (9) of subdivision a of section 39 of such act, as amended, is amended to read as follows:

"(9) transmit forthwith to the clerks all bonds filed with and approved by them, the originals of all orders made by them granting adjudications or dismissing the petitions as provided in this act, and certified copies of all orders made by them, granting, denying, or revoking discharges, confirming or refusing to confirm, or setting aside the confirmation of, arrangements or wage earner plans, and reinstating the proceedings or cases;".

SEC. 14. Subdivision a of section 42 of such act, as amended, is amended to read as follows:

"a. The records of all proceedings in each case before a referee shall be kept in the manner as prescribed by the Supreme Court of the United States."

SEC. 15. (a) Subdivision j of section 57 of such act, as amended, is amended to read as follows:

"j. (1) Debts owing to the United States or to any State or any subdivision thereof as a penalty or forefeiture shall not be allowed, except for the amount of the pecuniary loss sustained by the act, transaction, or proceeding out of which the penalty or forfeiture arose, with reasonable and actual costs occasioned thereby and such interest as may have accrued on the amount of such loss up to the date of bankruptcy.

"(2) Except where the estate of the bankrupt is solvent, interest accruing after the date of bankruptcy on taxes legally due and owing to the United States or to any State or any subdivision thereof shall not be allowed."

(b) Subdivision n of such section is amended to read as follows:

"n. Except as otherwise provided in this act, all claims provable under this act, including all claims of the United States and of any State or any subdivision thereof, shall be proved and filed in the manner provided in this section. Claims which are not filed within 6 months after the first date set for the first meeting of creditors shall not be allowed: *Provided, however,* That the court may, upon application before the expiration of such period and for cause shown, grant a reasonable fixed extension of time for the filing of claims by the United States or any State or any subdivision thereof: *Provided further,* That the right of infants and insane persons without guardians, without notice of the bankruptcy proceedings, may continue 6 months longer: *And provided further,* That a claim arising in favor of a person by reason of the recovery by the trustee from such person of money or property, or the avoidance by the trustee of a lien held by such person, may be filed within 30 days from the date of such recovery or avoidance, but if the recovery is by way of a proceeding in which a final judgment has been entered against such person, the claim shall not be allowed if the money is not paid or the property is not delivered to the trustee within 30 days from the date of the rendering of such final judgment, or within such further time as the court may allow. When in any case all claims which have been duly allowed have been paid in full, claims not filed within the time hereinabove prescribed may nevertheless be filed within such time as the court may fix or for cause shown extend and, if duly proved, shall be allowed against any surplus remaining in such case."

SEC. 16. Clause (8) of subdivision a of section 58 of such act, as amended, is amended to read as follows:

"(8) all applications by receivers, ancillary receivers, marshals, trustees, committees, and attorneys for compensation from the estate for services rendered, specifying the amount and by whom made: *Provided, however,* That where a creditors' committee has been appointed pursuant to this act, the notice required by clauses (1), (4), and (6) of this subdivision shall be sent only to such committee and to the creditors who have filed with the court a demand that all notices under this subdivision be mailed to them."

SEC. 17. Subdivision b of section 59 of such act, as amended, is amended to read as follows:

"b. Three or more creditors who have provable claims not contingent as to liability and liquidated as to amount against any person which amount in the aggregate in excess of the value of securities held by them, if any, to $500 or over, or, if all of the creditors of such persons are less than 12 in number, then one of such creditors whose claim equals such amount, may file a petition to have him adjudged a bankrupt."

SEC. 18. Subdivision a of section 60 of such act, as amended, is amended to read as follows:

"a. A preference is a transfer, as defined in this act, of any of the property of a debtor to or for the benefit of a creditor for or on account of an antecedent debt, made or suffered by such debtor while insolvent and within 4 months before the filing by or against him of the petition initiating a proceeding under this act, the effect of which transfer will be to enable such creditor to obtain a greater percentage of his debt than some other creditor of the same class. For the purposes of subdivisions a and b of this section, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, and, if such transfer is not so perfected prior to the filing of the petition initiating a proceeding under this act, it shall be deemed to have been made immediately before bankruptcy."

SEC. 19. Subdivision d of section 62 of such act, as amended, is amended to read as follows:

"d. A custodian, receiver, or trustee or the attorney for any of them, or any other attorney, seeking compensation for services rendered by him in a proceeding under this act or in connection with such proceeding, shall file with the court his petition setting forth the value and extent of the services rendered, the amount requested, and what allowances, if any, have theretofore been made to him. Such petition shall be accompanied by his affidavit stating whether an agreement or understanding exists between the petitioner and any other person for a division of compensation and if so, the nature and particulars thereof. If satisfied that the petitioner has, in any form or guise, shared or agreed to share his compensation or in the compensation of any other person contrary to the provisions of subdivision c of this section, the court shall withhold all compensation from such petitioner."

SEC. 20. Subdivision c of section 63 of such act, as amended, is amended to read as follows:

"c. Notwithstanding any State law to the contrary, the rejection of an executory contract or unexpired lease, as provided in this act, shall constitute a breach of such contract or lease as of the date of the filing of the petition initiating a proceeding under this act."

SEC. 21. (a) Clause (1) of subdivision a of section 64 of such act, as amended, is amended to read as follows:

"(1) The actual and necessary costs and expenses of preserving the estate subsequent to filing the petition; the fees for the referees' salary fund and for the referees' expense fund; the filing fees paid by creditors in involuntary cases or by persons other than the bankrupt in voluntary cases; where property of the bankrupt, transferred or concealed by him either before or after the filing of the petition, shall have been recovered for the benefit of the estate of the bankrupt by the efforts and at the cost and expense of one or more creditors, the reasonable costs and expenses of such recovery; the costs and expenses of administration, including the trustee's expenses in opposing the bankrupt's discharge or in connection

with the criminal prosecution of an offense punishable under title 18, United States Code, chapter 9, or an offense concerning the business or property of the bankrupt punishable under other laws, Federal or State; the fees and mileage payable to witnesses as now or hereafter provided by the laws of the United States, and one reasonable attorney's fee, for the professional services actually rendered, irrespective of the number of attorneys employed, to the petitioning creditors in involuntary cases and to the bankrupt in voluntary and involuntary cases, as the court may allow: *Provided, however,* That where an order is entered in a proceeding under any chapter of this act directing that bankruptcy be proceeded with, the costs and expenses of administration incurred in the ensuing bankruptcy proceeding shall have priority in advance of payment of the unpaid costs and expenses of administration, including the allowances provided for in such chapter, incurred in the superseded proceeding and in the suspended bankruptcy proceeding, if any;".

(b) Clause (3) of subdivision a of such section is amended to read as follows:

"(3) where the confirmation of an arrangement or wage earner plan or the bankrupt's discharge has been refused, revoked, or set aside upon the objection and through the efforts and at the cost and expense of one or more creditors, or, where through the efforts and at the cost and expense of one or more creditors, evidence shall have been adduced resulting in the conviction of any person of an offense punishable under title 18, United States Code, chapter 9, the reasonable costs and expenses of such creditors in obtaining such refusal, revocation, or setting aside, or in adducing such evidence;".

(c) Clause (4) of subdivision a of such section is amended to read as follows:

"(4) taxes legally due and owing by the bankrupt to the United States or any State or any subdivision thereof: *Provided,* That no order shall be made for the payment of a tax assessed against any property of the bankrupt in excess of the value of the interest of the bankrupt estate therein as determined by the court;".

(d) Subdivision b of such section is hereby repealed.

SEC. 22. (a) Paragraph (1) of subdivision a of section 67 of such act, as amended, is amended to read as follows:

"a. (1) Every lien against the property of a person obtained by attachment, judgment, levy, or other legal or equitable process or proceedings within 4 months before the filing of a petition initiating a proceeding under this act by or against such person shall be deemed null and void (a) if at the time when such lien was obtained such person was insolvent or (b) if such lien was sought and permitted in fraud of the provisions of this act: *Provided, however,* That if such person is not finally adjudged a bankrupt in any proceeding under this act and if no arrangement or plan is proposed and confirmed, such lien shall be deemed reinstated with the same effect as if it had not been nullified and voided."

(b) Paragraph (2) of subdivision a of such section is amended to read as follows:

"(2) If any lien deemed null and void under the provisions of paragraph (1) of this subdivision a, has been dissolved by the furnishing of a bond or other obligation, the surety on which has been indemnified directly or indirectly by the transfer of or the creation of a lien upon any of the nonexempt property of a person before the filing of a petition initiating a proceeding under this act by or against him, such indemnifying transfer or lien shall also be deemed null and void: *Provided, however,* That if such person is not finally adjudged a bankrupt in any proceeding under this act, and if no arrangement or plan is proposed and confirmed, such transfer or lien shall be deemed reinstated with the same effect as if it had not been nullified and voided."

(c) Subdivision b of such section is amended to read as follows:

"b. The provisions of section 60 of this act to the contrary notwithstanding, statutory liens in favor of employees, contractors, mechanics, landlords, or other classes of persons, and statutory liens for taxes and debts owing to the United States or to any State or any subdivision thereof, created or recognized by the laws of the United States or of any State, may be valid against the trustee, even though arising or perfected while the debtor is insolvent and within 4 months prior to the filing of the petition initiating a proceeding under this act by or against him. Where, by such laws, such liens are required to be perfected and arise but are not perfected before bankruptcy, they may nevertheless be valid, if perfected within the time permitted by and in accordance with the requirements of such laws, except that if such laws require the liens to be perfected by the seizure of property, they shall instead be perfected by filing notice thereof with the court."

(d) Subdivision c of such section is amended to read as follows:

"c. Where not enforced by sale before the filing of a petition initiating a proceeding under this act, except where the estate of the bankrupt is solvent: (1) Though valid against the trustee under subdivision b of this section, statutory liens, including liens for taxes or debts owing to the United States or to any State or any subdivision thereof, on personal property not accompanied by possession of such property, and liens, whether statutory or not, of distress for rent shall be postponed in payment to the debts specified in clauses (1) and (2) of subdivision a of section 64 of this act and such liens for wages or for rent shall be restricted in the amount of their payment to the same extent as provided for wages and rent respectively in subdivision a of section 64 of this act; and (2) the provisions of subdivision b of this section to the contrary notwithstanding, statutory liens created or recognized by the laws of any State for debts owing to any person, including any State or any subdivision thereof, on personal property not accompanied by possession of, or by levy upon or by sequestration or distraint of, such property, shall not be valid against the trustee: *Provided, however,* That so much of clause (1) of this subdivision c as restricts liens for wages, rent, and taxes and clause (2) of this subdivision c shall not apply in proceedings under chapter X of this act, unless an order shall be entered therein directing that bankruptcy be proceeded with, or in proceedings under, section 77 of this act. The court may on due notice order so much of any lien in excess of the restricted amount under clause (1) and any lien invalid under clause (2) of this subdivision c to be preserved for the benefit of the estate and, in any such event, such lien for the excess and such invalid lien, as the case may be, shall pass to the trustee."

(e) Paragraph (2) of subdivision d of such section is amended to read as follows:

"(2) Every transfer made and every obligation incurred by a debtor within 1 year prior to the filing of a petition initiating a proceeding under this act by or against him is fraudulent (a) as to creditors existing at the time of such transfer or obligation, if made or incurred without fair consideration by a debtor who is or will be thereby rendered insolvent, without regard to his actual intent; or (b) as to then existing creditors and as to other persons who become creditors during the continuance of a business or transaction, if made or incurred without fair consideration by a debtor who is engaged or is about to engage in such business or transaction, for which the property remaining in his hands is an unreasonably small capital, without regard to his actual intent: or (c) as to then existing and future creditors, if made or incurred without fair consideration by a debtor who intends to incur or believes that he will incur debts beyond his ability to pay as they mature; or (d) as to then existing and future creditors, if made or incurred with actual intent as distinguished from intent presumed in law, to hinder, delay, or defraud either existing or future creditors."

(f) Paragraph (3) of subdivision d of such section is amended to read as follows:

"(3) Every transfer made and every obligation incurred by a debtor within 4 months prior to the filing of a petition initiating a proceeding under this act by or against him is fraudulent, as to then existing and future creditors, if made or incurred and if received in contemplation of the bankruptcy of the debtor or of liquidation of the debtor's insolvent estate and with intent to use the consideration, obtained for the transfer or obligation, to enable any creditor of such debtor to obtain a greater percentage of his debt than some other creditor of the same class. The remedies of the trustee for the avoidance of such transfer or obligation and of any ensuing preference shall be cumulative: *Provided, however,* That the trustee shall be entitled to only one satisfaction with respect thereto."

(g) Paragraph (4) of subdivision d of such action is amended to read as follows:

"(4) Every transfer of partnership property and every partnership obligation incurred within 1 year prior to the filing of a petition initiating a proceeding under this act by or against the partnership, when the partnership is insolvent or will be thereby rendered insolvent, is fraudulent as to partnership creditors existing at the time of such transfer or obligation, without regard to actual intent if made or incurred (a) to a partner, whether with or without a promise by him to pay partnership debts, or (b) to a person not a partner without fair consideration to the partnership as distinguished from consideration to the individual partners."

(h) Paragraph (5) of subdivision d of such section is amended to read as follows:

"(5) For the purposes of this subdivision d, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona fide purchaser from the debtor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, but, if such transfer is not so perfected prior to the filing of the petition initiating a proceeding under this act, it shall be deemed to have been made immediately before the filing of such petition."

(i) Paragraph (6) of subdivision d of such section is amended to read as follows:

"(6) A transfer made or an obligation incurred by a debtor adjudged a bankrupt under this act, which is fraudulent under this subdivision d against creditors of such debtor having claims provable under this act, shall be null and void against the trustee, except as to a bona fide purchaser, lienor, or obligee for a present fair equivalent value: *Provided, however,* That the court may, on due notice, order such transfer or obligation to be preserved for the benefit of the estate, and in such event the trustee shall succeed to and may enforce the rights of such transferee or obligee: *And provided further,* That such purchaser, lienor, or obligee, who without actual fraudulent intent has given a consideration less than fair, as defined in this subdivision d, for such transfer, lien, or obligation, may retain the property, lien, or obligation as security for repayment."

SEC. 23. Subdivision d of section 69 of such act, as amended, is amended to read as follows:

"d. Upon the filing of a petition under this act, a receiver or trustee, appointed in proceedings not under this act, of any of the property of a bankrupt, an assignee for the benefit of creditors of a bankrupt, or an agent authorized to take possession of or to liquidate any of the property of a bankrupt shall be accountable to the bankruptcy court, in which the proceeding under this act is pending, for any action taken by him subsequent to the filing of such bankruptcy petition, and shall file in such bankruptcy court a sworn schedule setting forth a summary of the property in his charge and of the liabilities of the estate, both as of the time of and since becoming receiver, trustee, assignee, or agent, and a sworn statement of his administration of the estate. Such receiver, trustee, assignee, or agent, with knowledge of the filing of such bankruptcy proceeding, shall not make any disbursements or take any action in the administration of such property without first obtaining authorization therefor from the bankruptcy court."

SEC. 24. (a) The introductory clauses of subdivision a of section 70 of such act, as amended, are amended to read as follows:

"a. The trustee of the estate of a bankrupt and his successor or successors, if any, upon his or their appointment and qualification, shall in turn be vested by operation of law with the title of the bankrupt as of the date of the filing of the petition initiating a proceeding under this act, except insofar as it is to property which is held to be exempt, to all (1) * * *."

(b) Paragraph (2) of subdivision e of such section is amended to read as follows:

"(2) All property of the debtor affected by any such transfer shall be and remain a part of his assets and estate, discharged and released from such transfer and shall pass to, and every such transfer or obligation shall be avoided by, the trustee for the benefit of the estate: *Provided, however,* That the court may on due notice order such transfer or obligation to be preserved for the benefit of the estate and in such event the trustee shall succeed to and may enforce the rights of such transferee or obligee. The trustee shall reclaim and recover such property or collect its value from and avoid such transfer or obligation against whomever may hold or have received it, except a person as to whom the transfer or obligation specified in paragraph (1) of this subdivision e is valid under applicable Federal or State laws."

(c) Subdivision h of such section is hereby repealed and subdivision "i" of such section is relettered to read subdivision "h."

SEC. 25. Section 118 of such act, as amended, is hereby repealed.

SEC. 26. Section 221 of such act, as amended, is amended by inserting "a." after "SEC. 221." and before "The judge * * *," and by inserting at the end of such section the following subdivision:

"b. The judge shall, in the order confirming the plan, fix the time when the trustee or debtor in possession shall cease to operate the business and manage the property of the debtor, after which time such business and property shall be operated and managed by the debtor or other corporation or corporations provided for by the plan. Notice of the time fixed shall be given, in such manner and to such persons as may be specified by order of the judge, at least 10 days before the expiration of such time. If such time is extended, like notice shall be given at least 10 days before the expiration of the period of extension."

SEC. 27. Section 222 of such act, as amended, is amended to read as follows:

"SEC. 222. A plan may be altered or modified, with the approval of the judge, after its submission for acceptance and before or after its confirmation, and before or after the final time fixed under section 221b of this act, if, in the opinion of the judge, the alteration or modification does not materially and adversely affect the interests of creditors or stockholders. If the judge finds that the proposed alteration or modification, filed with his approval, does materially and adversely affect the interests of creditors or stockholders, and if the proposed alteration or modification is filed before the final time fixed under section 221b of this act, he shall fix a hearing for the consideration, and a subsequent time for the acceptance or rejection, of such alteration or modification, and the requirements in regard to notice of hearing, to submission to the Securities and Exchange Commission, to acceptance, to filing and hearing of objections to confirmation and to the confirmation, as prescribed in article VII of this chapter in regard to the plan proposed to be altered or modified, shall be complied with."

SEC. 28. Paragraph (4) of section 224 of such act, as amended, is amended to read as follows:

"(4) distribution shall be made, in accordance with the provisions of the plan, to creditors and stockholders (a) proofs of whose claims or stock have been filed prior to the date fixed by the judge and are allowed, or (b) if not so filed, whose claims or stock have been listed by the trustee or scheduled by the debtor in possession as not contingent claims or stock, liquidated in amount and not disputed."

SEC. 29. Paragraph (3) of section 238 of such act, as amended, is amended to read as follows:

"(3) only such claims as are provable under section 63 of this act shall be allowed and claims not already filed may be filed prior to the expiration of 6 months after the first date set for the first meeting of creditors as provided in section 55 of this act, or, if such date has been previously set, then prior to the expiration of 6 months after the mailing of notices to creditors of the entry of the order directing that bankruptcy be proceeded with."

SEC. 30. Chapter X of such act, as amended, is amended by inserting at the end of article XII of such chapter the following section:

"SEC. 239. Where, after the final time fixed under section 221b of this act, the judge shall enter an order directing that bankruptcy be proceeded with—

"(1) the unsecured debts incurred by the debtor in the operation of its business and the management of its property after the time fixed in such order shall, unless and except as otherwise provided in the plan or in the order confirming the plan, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced to the amounts respectively provided for them in the plan or in the order confirming the plan, less any payment made thereunder: *Provided, however,* That if the plan is grossly inequitable because of fraud, the extent to which such prior unsecured debts shall share in the ensuing bankruptcy proceeding shall be adjusted to cure such inequity; and

"(2) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts so incurred after the time fixed under section 221b of this act, and, for the purposes of such application, the date of bankruptcy shall be taken to be the date of the entry of the order directing that bankruptcy be proceeded with."

SEC. 31. Paragraph (11) of subdivision a of section 265 of such act, as amended, is amended to read as follows:

"(11) the orders directing that bankruptcy be proceeded with, or adjudging the debtors bankrupt and directing that bankruptcy be proceeded with or dismissing proceedings;".

SEC. 32. Section 324 of such act, as amended, is amended to read as follows:

"SEC. 324. The petition shall be accompanied by—

"(1) a statement of the executory contracts of the debtor, and the schedules and statement of affairs, if not previously filed: *Provided, however,* That if the debtor files with the petition a list of his creditors and their addresses and a summary of his assets and liabilities, the court may, on application by the debtor, grant for cause shown further time, not exceeding 10 days, for filing the statement of the executory contracts and the schedules and statement of affairs, and such time shall not further be extended except for cause shown and on such notice and to such persons as the court may direct; and

"(2) payment to the clerk of the fees, if not already paid, required by this act."

SEC. 33. Chapter XI of such act, as amended, is amended by inserting at the end of article IV of such chapter the following section 328:

"SEC. 328. At any time prior to the first date set for the meeting of creditors to be held pursuant to section 334 of this act, a judge may, upon application of any party in interest, and upon such notice to the debtor, to the Securities and Exchange Commission, and to such other persons as the court may direct, if he finds that the proceedings should have been brought under chapter X of this act, enter an order dismissing the proceedings under this chapter, unless the petition be amended to comply with the provisions of chapter X or a creditors' petition under such chapter be filed. Upon the filing of such amended petition, or of such creditors' petition, and the payment of such additional fees as may be required to comply with section 132 of this act, such amended or creditors' petition shall thereafter, for all purposes, be deemed to have been originally filed under chapter X of this act."

SEC. 34. Paragraph (2) of section 337 of such act, as amended, is amended to read as follows:

"(2) fix a time within which the debtor shall deposit, in such place as shall be designated by and subject to the order of the court, the consideration, if any, to be distributed to the creditors, the money necessary to pay all debts which have priority, unless such priority creditors shall have waived their claims or such deposit, or consented in writing to any provision of the arrangement for otherwise dealing with such claims, and the money necessary to pay the costs and expenses of the proceedings and the actual and necessary expenses incurred before or after the filing of the petition under this chapter by any committee of creditors selected by not less than a majority in amount of unsecured creditors, exclusive of creditors of the classes enumerated in subdivision e of section 59 of this act, in such amount as the court may allow: *Provided, however,* That in fixing any such allowances the court shall give consideration only to the services which contributed to the arrangement confirmed or to the refusal of confirmation of an arrangement, or which were beneficial in the administration of the estate, and the proper costs and expenses incidental thereto; and".

SEC. 35. Section 338 of such Act, as amended, is amended to read as follows:

"SEC. 338. At such meeting, if a trustee has not previously been appointed, the creditors may nominate a trustee who shall thereafter be appointed by the court in case it shall become necessary to administer the estate in bankruptcy as provided under this chapter."

SEC. 36. Section 354 of such act, as amended, is amended to read as follows:

"SEC. 354. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, claims provable under section 63 of this act, and not filed within the time prescribed by subdivision n of section 57 of this act, shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter."

SEC. 37. Section 355 of such act, as amended, is amended to read as follows:

"SEC. 355. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and claims not already filed, including claims of the United States and of any State or any subdivision thereof, shall be filed within 6 months after the first date set for the first meeting of creditors held pursuant to section 55 of this act, or if such date has previously been set, then within 6 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with."

SEC. 38. Section 366 of such act, as amended, is amended to read as follows:

"SEC. 366. The court shall confirm an arrangement if satisfied that—

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of the creditors and is feasible;

"(3) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt; and

"(4) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this act.

"Confirmation of an arrangement shall not be refused because the interest of a debtor or, if the debtor is a corporation, the interests of its stockholders or members will be preserved under the arrangement even though the arrangement or the order confirming the arrangement does not provide for payment in full of the claims of creditors."

SEC. 39. Paragraph (3) of section 367 of such act, as amended, is amended to read as follows:

"(3) the consideration deposited, if any, shall be distributed and the rights provided by the arrangement shall inure to the creditors affected by the arrangement whose claims (a) have been proved prior to the date of confirmation and are allowed or (b) whether or not proved have been scheduled by the debtor as not contingent liabilities, liquidated in amount, and are not disputed; and".

SEC. 40. The first unnumbered paragraph of section 369 of such act, as amended, is amended to read as follows:

"The court shall in any event retain jurisdiction until the final allowance or disallowance of all debts affected by the arrangement which——".

SEC. 41. Section 371 of such act, as amended, is amended to read as follows:

"SEC. 371. The confirmation of an arrangement shall discharge a debtor from all his unsecured debts and liabilities provided for by the arrangement, except as provided in the arrangement or the order confirming the arrangement, but excluding such debts as, under section 17 of this act, are not dischargeable."

SEC. 42. Chapter XI of such act, as amended, is amended by renumbering "Sec. 379." to read "Sec. 380." and "Sec. 380." to to read "Sec. 381.", and by inserting in its numerical order the following section:

"SEC. 379. Where, after the confirmation of an arrangement, the court shall enter an order directing that bankruptcy be proceeded with—

"(1) the trustee shall, upon his appointment and qualification, be vested with the title to all the property of the debtor as of the date of the entry of the order directing that bankruptcy be proceeded with;

"(2) the unsecured debts incurred by the debtor after the confirmation of the arrangement and before the date of the entry of the final order directing that bankruptcy be proceeded with shall, unless and except as otherwise provided in the arrangement or in the order confirming the arrangement, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced to the amounts respectively provided for them in the arrangement or in the order confirming the arrangement, less any payment made thereunder; and

"(3) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts incurred by the debtor after the confirmation of the arrangement and before the date of the final order directing that bankruptcy be proceeded with, and of all persons with respect to the property of the debtor, and, for the purposes of such application, the date of bankruptcy shall be taken to be the date of the entry of the order directing that bankruptcy be proceeded with."

SEC. 43. Section 424 of such act, as amended, is amended to read as follows:

"SEC. 424. The petition shall be accompanied by—

"(1) a statement of the executory contracts of the debtor, and the schedules and statement of affairs, if not previously filed: *Provided, however,* That if the debtor files with the petition a list of his creditors and their addresses and a summary of his assets and liabilities, the court may, on application by the debtor, grant for cause shown further time, not exceeding 10 days, for filing the statement of the executory contracts and the schedules and statement of affairs, and such time shall not further be extended except for cause shown and on such notice and to such persons as the court may direct; and

"(2) payment to the clerk of the fees, if not already paid, required by this act."

SEC. 44. Section 459 of such act, as amended, is amended to read as follows:

"SEC. 459. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and claims not already filed, including claims of the United States and of any State or any subdivision thereof, may be filed within 6 months after the first date set for the first meeting of creditors, held pursuant to section 55 of this act, or, if such date has previously been set, then within 6 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with."

SEC. 45. Section 472 of such act, as amended, is amended to read as follows:

"SEC. 472. The court shall confirm an arrangement if satisfied that—

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interest of creditors and is feasible;

"(3) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt;

"(4) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this act; and

"(5) all payments made or promised by the debtor, by any person issuing securities or acquiring property under the arrangement or by any other person, for sevices and for costs and expenses in, or in connection with, the proceeding or in connection with and incident to the arrangement, have been fully disclosed to the court and are reasonable, or, if to be fixed after confirmation of the arrangement, will be subject to the approval of the court.

"Confirmation of an arrangement shall not be refused because the interest of the debtor will be preserved under the arrangement even though the arrangement or the order confirming the arrangement does not provide for payment in full of the claims of creditors."

SEC. 46. Paragraph (3) of section 473 of such act, as amended, is amended to read as follows:

"(3) distribution shall be made, in accordance with the provisions of the arrangement, to the creditors, proofs of whose claims have been filed prior to the date fixed by the court and are allowed, or, if not so filed, whose claims have been scheduled by the debtor as not contingent debts, liquidated in amount and not disputed: *Provided, however,* That where such debts are objected to by any party in interest, the objections shall be heard and summarily determined by the court."

SEC. 47. Chapter XII of such act, as amended, is amended by renumbering "SEC. 484." to read "SEC. 485." and "SEC. 485." to read "SEC. 486.", and by inserting in its numerical order the following section:

"SEC. 484. Where, after the confirmation of an arrangement, the court shall enter an order directing that bankruptcy be proceeded with—

"(1) the trustee shall, upon his appointment and qualification, be vested with the title to all the property of the debtor as of the date of the entry of the order directing that bankruptcy be proceeded with;

"(2) the unsecured debts incurred by the debtor after the confirmation of the arrangement and before the date of the entry of the final order directing that bankruptcy be proceeded with shall, unless and except as otherwise provided in the arrangement or in the order confirming the arrangement, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced to the amounts respectively provided for them in the arrangement or in the order confirming the arrangement, less any payment made thereunder; and

"(3) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts incurred by the debtor after the confirmation of the arrangement and before the date of the final order directing that bankruptcy be proceeded with, and of all persons with respect to the property of the debtor, and, for the purposes of such application, the date of bankruptcy shall be taken to be the date of the entry of the order directing that bankruptcy be proceeded with."

SEC. 48. Paragraph (8) of section 606 of such act, as amended, is amended to read as follows:

"(8) 'wage earner' shall mean an individual who works for wages, salary, or hire

at a rate of compensation which, when added to all his other income, does not exceed $5,000 per year."

SEC. 49. Section 624 of such act, as amended, is amended to read as follows:

"SEC. 624. The petition shall be accompanied—

"(1) by a statement of the executory contracts of the debtor, and the schedules and statement of affairs, if not previously filed: *Provided, however,* That if the debtor files with the petition a list of his creditors and their addresses and a summary of his assets and liabilities, the court may, on application by the debtor, grant for cause shown further time, not exceeding 10 days, for filing the statement of the executory contracts and the schedules and statement of affairs, and such time shall not further be extended except for cause shown and on such notice and to such persons as the ccurt may direct; and

"(2) where a petition is filed under section 622 of this act, by payment to the clerk of $15 to be distributed, $10 to the Treasury of the United States for deposit in the referee's salary fund and $5 to the clerk, in lieu of the fees of $17 and $8 as prescribed in sections 40 and 52 of this act: *Provided, however,* That such fees may be paid in installments, if so authorized by General Order of the Supreme Court of the United States."

SEC. 50. Section 643 of such act, as amended, is amended to read as follows:

"SEC. 643. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, claims provable under section 63 of this act and not filed within the time prescribed by subdivision n of section 57 of this act shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter."

SEC. 51. Section 644 of such act, as amended, is amended to read as follows:

"SEC. 644. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this act shall be allowed and claims not already filed, including claims of the United States and of any State or subdivision thereof, shall be filed within 6 months after the first date set for the first meeting of creditors, held pursuant to section 55 of this act, or, if such date has previously been set, then within 6 months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with."

SEC. 52. Subdivision a of section 656 of such acts, as amended, is amended to read as follows:

"a. The court shall confirm a plan if satisfied that—

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of the creditors and is feasible;

"(3) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of the bankrupt; and

"(4) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this act.

"Confirmation of a plan shall not be refused because the interest of a debtor will be preserved under the plan even though the arrangement or the order confirming the plan does not provide for payment in full of the claims of creditors."

SEC. 53. Chapter XIII of such act, as amended, is amended by renumbering "SEC. 668." to read "SEC. 669." and by inserting in its numerical order the following section:

"SEC. 668. Where after the confirmation of a plan, the court shall enter an order directing that bankruptcy be proceeded with—

"(1) the trustee shall, upon his appointment and qualifications, be vested with the title to all the property of the debtor as of the date of the entry of the order directing that bankruptcy be proceeded with;

"(2) the unsecured debts incurred by the debtor after the confirmation of the plan and before the date of the entry of the final order directing that bankruptcy be proceeded with shall, unless and except as otherwise provided in the plan or in the order confirming the plan, share on a parity with the prior unsecured debts of the same classes, provable in the ensuing bankruptcy proceeding, and for such purpose the prior unsecured debts shall be deemed to be reduced to the amounts respectively provided for them in the plan or in the order confirming the plan, less any payment made thereunder; and

"(3) the provisions of chapters I to VII, inclusive, of this act shall, insofar as they are not inconsistent or in conflict with the provisions of this section, apply to the rights, duties, and liabilities of the creditors holding debts incurred by the debtor after the confirmation of the plan and before the date of the final order directing that bankruptcy be proceeded with, and of all persons with respect to the property of the debtor, and, for the purposes of such application, the date of bankruptcy shall be taken to be the date of the entry of the order directing that bankruptcy be proceeded with."

SEC. 54. (a) All acts or parts of acts inconsistent with any provisions of this amendatory act are hereby repealed.

(b) If any provision of this amendatory act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this amendatory act which can be given effect without the invalid provision or application, and to this end the provisions of this amendatory act are declared to be severable.

SEC. 55. Effect of this amendatory act: (a) Nothing herein contained shall have the effect to release or extinguish any penalty, forfeiture, or liability incurred under any act or acts of which this act is amendatory.

(b) The provisions of this amendatory act shall govern proceedings so far as practicable and applicable in cases pending when it takes effect; but proceedings in cases then pending to which the provisions of this amendatory act are not applicable shall be disposed of conformably to the provisions of said act approved July 1, 1898, and the acts amendatory thereof and supplementary thereto.

SEC. 56. This amendatory act shall take effect and be in force on and after 3 months from the date of its approval.

With the following committee amendments:

Page 17, strike out lines 8 through 24, and on page 18, strike out lines 1 and 2.

Page 18, line 3, strike out "SEC. 19" and insert in lieu "SEC. 18."

Page 18, line 21, strike out "SEC. 20" and insert in lieu "SEC. 19."

Page 19, line 3, strike out "SEC. 21" and insert in lieu "SEC. 20."

Page 21, line 12, strike out "SEC. 22" and insert in lieu "SEC. 21."

Page 28, line 3, strike out "SEC. 23" and insert in lieu "SEC. 22."

Page 28, line 23, strike out "SEC. 24" and insert in lieu "SEC. 23."

Page 30, line 3, strike out "SEC. 25" and insert in lieu "SEC. 24."

Page 30, line 5, strike out "SEC. 26" and insert in lieu "SEC. 25."

Page 30, line 20, strike out "SEC. 27" and insert in lieu "SEC. 26."

Page 31, line 16, strike out "SEC. 28" and insert in lieu "SEC. 27."

Page 32, line 1, strike out "SEC. 29" and insert in lieu "SEC. 28."

Page 32, line 12, strike out "SEC. 30" and insert in lieu "SEC. 29."

Page 32, line 20, strike out the word "such" and insert in lieu thereof "the" and after "order" in line 20 insert "under section 221b."

Page 33, line 17, strike out "SEC. 31" and insert in lieu "SEC. 30."

Page 33, line 23, strike out "SEC. 32" and insert in lieu "SEC. 31."

Page 34, line 16, strike out "SEC. 33" and insert in lieu "SEC. 32."

Page 35, line 10, strike out "SEC. 34" and insert in lieu "SEC. 33."

Page 36, line 9, strike out "SEC. 35" and insert in lieu "SEC. 34."

Page 36, line 16, strike out "SEC. 36" and insert in lieu "SEC. 35."

Page 37, line 1, strike out "SEC. 37" and insert in lieu "SEC. 36."

Page 37, line 14, strike out "SEC. 38" and insert in lieu "SEC. 37."

Page 38, line 11, strike out "SEC. 39" and insert in lieu "SEC. 38."

Page 38, line 21, strike out "SEC. 40" and insert in lieu "SEC. 39."

Page 39, line 1, strike out "SEC. 41" and insert in lieu "SEC. 40."

Page 39, line 9, strike out "SEC. 42" and insert in lieu "SEC. 41."

Page 40, line 19, strike out "SEC. 43" and insert in lieu "SEC. 42."

Page 41, line 10, strike out "SEC. 44" and insert in lieu "SEC. 43."

Page 41, line 23, strike out "SEC. 45" and insert in lieu "SEC. 44."

Page 43, line 2, strike out "SEC. 46" and insert in lieu "SEC. 45."

Page 43, line 13, strike out "SEC. 47" and insert in lieu "SEC. 46."

Page 44, line 23, strike out "SEC. 48" and insert in lieu "SEC. 47."

Page 45, line 4, strike out "SEC. 49" and insert in lieu "SEC. 48."

Page 46, line 3, strike out "SEC. 50" and insert in lieu "SEC. 49."

Page 46, line 12, strike out "SEC. 51" and insert in lieu "SEC. 50."

Page 47, line 1, strike out "SEC. 52" and insert in lieu "SEC. 51."

Page 47, line 19, strike out "SEC. 53" and insert in lieu "SEC. 52."

Page 49, line 6, strike out "SEC. 54" and insert in lieu "SEC. 53."

Page 49, line 16, strike out "SEC. 55" and insert in lieu "SEC. 54."

Page 50, line 5, strike out "SEC. 56" and insert in lieu "SEC. 55."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSOLIDATION OF THE PARKER DAM POWER PROJECT AND THE DAVIS DAM PROJECT

The Clerk called the bill (H. R. 2984) to consolidate the Parker Dam power project and the Davis Dam project.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING SECTION 77 OF THE BANKRUPTCY ACT

The Clerk called the bill (H. R. 2770) to amend section 77 of the act entitled

"An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. McGUIRE. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM, Mr. BYRNES of Wisconsin, and Mr. WAGNER objected.

AMENDING THE RECLAMATION PROJECT ACT OF 1939

The Clerk called the bill (H. R. 1770) to amend the Reclamation Project Act of 1939, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I am informed that this bill is now before the Committee on Rules. I therefore ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

THE FOREST SURVEY

The Clerk called the bill (H. R. 2001) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

Mr. CUNNINGHAM. Mr. Speaker, this bill calls for entirely too much money to be considered on the Consent Calendar. I therefore ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AIR-MAIL ROUTES

The Clerk called the bill (H. R. 4498) to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes," approved April 15, 1938 (39 U. S. C. 470), is hereby amended to read as follows:

"SEC. 6. Whenever he shall find it to be in the public interest, because of the nature of the terrain, or the impracticability or inadequacy of surface transportation, and where the cost thereof is reasonably compatible with the service to be provided, the Postmaster General may award contracts for the transportation by aircraft upon star routes of any or all classes of mail (including but not limited to air mail and air parcel post), payment for such service to be made from the appropriation for inland transportation by star routes: *Provided*, That all laws and regulations not in conflict with this section governing star routes shall be applicable to contracts made under the authority of this section: *Provided further*, That the provisions of title IV of the Civil Aeronautics Act of 1938, approved June 23, 1938 (52 Stat. 973), as amended, shall not apply to the transportation of mail under this section: *Provided further*, That prior to advertising for bids for the transportation of mail by aircraft on any star route, except as authorized by the act of October 14, 1940 (54 Stat. 1175), entitled 'An act authorizing special arrangements in the transportation of mail within the Territory of Alaska,' the Postmaster General (1) shall publish in the Federal Register a notice describing the proposed route, and (2) after such publication, shall obtain from the Civil Aeronautics Board a certification that the proposed route does not conflict with the development of air transportation as contemplated under the Civil Aeronautics Act of 1938, as amended: *Provided further*, That any such contract made under authority of this section shall be canceled upon the issuance by the Civil Aeronautics Board of an authorization under title IV of the Civil Aeronautics Act of 1938, as amended, to any air carrier to engage in the transportation of mail by aircraft between any of the points named in such contract: *And provided further*, That no bid for a contract under this section shall be considered unless the bidder (1) if an individual, is a resident of a State within which, or of a State adjoining a State within which, one or more points to be served under such proposed contract are located; or (2) if a corporation, company, association, partnership, or firm, is actually engaged in business in a State within which, or in a State adjoining a State within which, one or more points to be served under such proposed contract are located. As used in this section, the term 'State' includes the several States, the Territories of Alaska and Hawaii, and the District of Columbia."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHANGES IN THE CLASSIFICATION OF CROW INDIANS

The Clerk called the bill (H. R. 2170) declaring children of competent Crow Indians to be competent members of the Crow Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all Crow Indians born to parent or parents who were or are competent members of the Crow Tribe, shall automatically become competent members of the Crow Tribe on attaining majority (except any such Indian who is declared incompetent by a court of competent jurisdiction or who is incompetent under the laws of the State within which he resides), and shall be entitled to all rights and privileges accruing to members of the tribe classified as competent, including all rights and privileges accorded to such competent members by any other act.

With the following committee amendment:

At the end of the bill insert:

"SEC. 2. The act of March 3, 1931 (46 Stat. 1495), is hereby amended to read as follows: 'The Secretary of the Interior is hereby authorized, under such rules and regulations as he may prescribe, to classify adult unenrolled Crow Indians and add their names to the competent or incompetent rolls established pursuant to the act of June 4, 1920 (41 Stat. 751), and to reclassify those persons whose names now or hereafter appear on said rolls from incompetent to competent'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill authorizing changes in the classification of Crow Indians."

A motion to reconsider was laid on the table.

FURNISHING OF WATER TO YUMA AUXILIARY PROJECT

The Clerk called the bill (S. 690) to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of Gila project, Arizona, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask some Member to explain this bill.

Mr. MURDOCK. Mr. Speaker, this bill provides for an exchange of land—or rather an exchange of irrigation facility—under an old established project in Yuma County. The land involved was formerly watered by pumping out of the Yuma Valley with a lift of 72 feet. By the passage of this bill they are now able to put the water on the same land with a pump lift of only 52 feet in connection with a newer project. They can save money to the water users by the exchange. There will be very little expense involved in it, if any. It is a small exchange from one system to pumping to another newer system.

Mr. RICH. Has this been approved by the Department?

Mr. MURDOCK. It has been; in fact, this bill has passed the Senate. I have in my hand here S. 690, approved by the Senate and reported unanimously by the House committee.

Mr. RICH. What will be the cost of getting the machinery necessary to transfer the pumping from one project to the other?

Mr. MURDOCK. That question came up in the hearings and it was not decided definitely, but less than $10,000 would be involved altogther, all of which will be well spent and reimbursable.

Mr. RICH. What will be the saving in the pumping charges?

Mr. MURDOCK. It will be very considerable; I could not say just how much, because it is a 20-foot shorter lift under the proposed new project than under the old plan.

Mr. RICH. Well, the gentleman ought to have some idea. Is it going to pay for the installing of this machinery?

Mr. MURDOCK. Oh, yes; in fact, the new machinery is now installed. The farmers concerned are anxious to make the shift. The project itself was originated in 1917. They have been pumping water out of the Yuma Valley up on the mesa for 30 years. Their old equipment is about worn out and in need of repairs and replacement. It will be cheaper operation and also cheaper to hook up to a new project, bearing proportional cost, than to replace old equipment.

Mr. RICH. All I want to know is that the amount of money you are going to spend for the equipment is going to be paid for over a period of not more than 10 years by the installation and transfer. Will that happen?

Mr. MURDOCK. We were assured by the department officials that there would be no cost to the Federal Government, that all of this would be paid for because they will sell the old equipment and pay for their part of the new.

Mr. RICH. Why sell the old? Why not keep it for some other project? They have lots of projects. They may need it. They will sell it as they do the furniture here in the Government, and then go out and buy new equipment. We want to stop a lot of these practices. We had better tell them to store the equipment until they need it.

Mr. MURDOCK. That exchange is done by the Bureau of Reclamation.

Mr. RICH. I want to direct that to the Bureau of Reclamation, then.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all lands heretofore withdrawn under the reclamation law in connection with the Yuma project and set apart or otherwise dealt with as an auxiliary project under the provisions of the act of January 25, 1917 (39 Stat. 868), as amended, are hereby severed from said auxiliary project except those lands in the first Mesa unit of said auxiliary project which are north of the south line of the north half of the north half of the north half of sections 17 and 18, and north of the south line of the southwest quarter of the southwest quarter of section 9, township 10 south, range 23 west, Gila and Salt River base and meridian, which lands henceforth shall constitute the entire area of the Yuma auxiliary project. After application of the payments as provided in section 3 hereof, no costs heretofore allocated or charges heretofore assigned to the lands hereby severed from said auxiliary project shall be repayable to the United States.

SEC. 2. For a period of 5 years from the date of enactment of this act the owners of land with appurtenant water rights severed from the Yuma auxiliary project pursuant to the first section, the titles to which are deemed satisfactory by the Secretary of the Interior (hereinafter referred to as the Secretary) may exchange the same, acre for acre, for public lands and water rights within the Yuma auxiliary project as herein limited: *Provided*, That if any tract contains any fractional acreage, the area shall be computed to the nearest acre: *Provided further*, That such privilege of exchange shall be subject to the sale or other disposition or use by the United States of any of such public lands prior to the time an application for the exchange thereof shall have been made.

SEC. 3. The proportionate part of all payments heretofore made under the contract dated October 23, 1918, between the United States and Imperial irrigation district, of California, which, under the act of June 28, 1926 (44 Stat. 776), as amended, would have been applicable as a credit to the public lands of the United States severed from the Yuma auxiliary project pursuant to the provisions of the first section of this act, shall be applied as of the date of enactment of this act to offset that portion of the cost, originally allocated to such lands, of those facilities previously constructed to be used jointly for the furnishing of water to the lands of the Yuma project and the Yuma auxiliary project.

SEC. 4. (a) The Secretary is hereby authorized to negotiate and enter into a suitable contract with an organization, as defined in section 2 (g) of the Reclamation Project Act of 1939, as amended, satisfactory in form and powers to him, representing the water users of the Yuma auxiliary project as herein limited (hereafter referred to as the organization), for the repayment of certain costs in connection with the construction of works to enable the said project to obtain delivery of water appurtenant to the lands of its water users through the works of the Gila project; to carry such water through the works of the Gila project instead of the Yuma project when additional works for the purpose shall have been completed; and to extend and improve the existing distribution system of the Yuma auxiliary project so as more adequately to supply the needs of the water users. The contract, among other things, shall provide for the assumption of liability by the organization for (1) the repayment of the cost of the additional works necessary to supply water to the Yuma auxiliary project through the works of the Gila project, together with an appropriate share of the cost of works common to the Gila project and the Yuma auxiliary project; (2) the repayment of the cost of extending and improving the Yuma auxiliary project distribution system; (3) the payment annually in advance of estimated charges for the operation and maintenance of the works of the Yuma auxiliary project and an appropriate share of the estimated charges for the operation and maintenance of the works common to the Yuma auxiliary project and the Gila project. The general repayment obligation of any organization entering into such contract covering the repayment of the construction, extension, and improvement costs herein enumerated may be spread in annual installments, without the payment of interest, over such reasonable period, not exceeding 60 years, as the Secretary may determine: *Provided, however*, That repayment of costs allocated on a per acre basis to lands not under water-right application under the act of January 25, 1917 (39 Stat. 868), as amended, and the joint resolution of February 21, 1925 (43 Stat. 962), on the date of the contract may be deferred until after water-right application has been made: *Provided further*, That the liability of the organization with respect to the costs allocated to such lands shall be suspended upon cancellation of any water-right application as to any payments for the calendar year following such cancellation, and shall remain suspended until a new water-right application shall have been made. The contract may provide for the appointment of the organization as fiscal agent of the United States for the purpose of collecting any sums of money which may become due the United States with respect to land and water rights or water-right applications under the act of January 25, 1917, as amended, and the joint resolution of February 21, 1925, and shall provide that payments made to the organization or any of its representatives for any purpose by any land and water right or water-right applicant shall not be applied to any tax or assessment of the organization if any obligations payable to the United States under the act of January 25, 1917, as amended, or the joint resolution of February 21, 1925, remain due and unpaid. Such contract shall further provide that any lien held by the organization on lands covered by any land and water right or water-right application shall be inferior to the rights of the United States with respect to charges upon such lands under the act of January 25, 1917, as amended, or the joint resolution of February 21, 1925, and to the lien thereon reserved by the United States pursuant to section 5 (b) of this act.

(b) Upon the execution of a satisfactory contract pursuant to subsection (a), subject to the availability of funds therefor, the Secretary is authorized to proceed with such construction, extensions, and improvements as may be necessary to effectuate the purpose of such contract.

SEC. 5. (a) After a contract shall have been executed pursuant to section 4, land and water rights in the Yuma auxiliary project may be sold at private sale, pursuant to the provisions of the act of January 25, 1917 (39 Stat. 868), as amended and the joint resolution of February 21, 1925 (43 Stat. 962), for a purchase price of not less than (1) $32 per acre for the land and (2) a sum for the water right consisting of not less than $160 per acre for the cost of the reclamation works previously constructed exclusively for the Yuma auxiliary project. Such purchase price shall be in addition to any charges or assessments which may be levied by the organization to pay for the per acre construction, extension, and improvement costs allocable to such land under any contract executed pursuant to section 4 of this act: *Provided*, That said purchase price shall not include any part of the cost of works of the Yuma project and such costs, less applicable credits, shall not be repayable to the United States: *And provided further*, That after a contract shall have been executed pursuant to section 4 and water is ready for delivery to the Yuma auxiliary project through the works of the Gila project, the water users of the Yuma auxiliary project shall cease to be liable for any charges for the operation and maintenance of the Yuma project, except such charges as may then be due and unpaid.

(b) To insure payment of any sums due or which may become due to the United States under land and water right or water-right applications under the act of January 25, 1917, as amended, and the joint resolution of February 21, 1925, the United States, as of the date of the application, shall have a lien for the entire amount of its charges which shall be prior to all other liens, mortgages, claims, or interests whatsoever. Upon default of payment of any amount so due, the United States is empowered to declare the whole of the unaccrued portion of the charges due and payable and may file suit to foreclose the lien for all accrued charges in any court of competent jurisdiction and sell said land to satisfy the obligation due the United States. This remedy, however, shall not be exclusive.

SEC. 6. All provisions of the act of January 15, 1917 (39 Stat. 868), as amended, and the joint resolution of February 21, 1925 (43 Stat. 962), not inconsistent with the provisions of this act shall remain in full force and effect.

SEC. 7. After a contract shall have been executed pursuant to section 4 and water is ready for delivery to the Yuma auxiliary project through the works of the Gila project, the Secretary is hereby authorized to dismantle the existing B-lift pumping plant of the Yuma auxiliary project and to dispose of any salable parts thereof, either by public or private sale. All moneys realized from the sale of such parts shall be paid into the reclamation fund and credit therefor shall be given to the organization representing the water users of the Yuma auxiliary project toward the construction costs assumed by it pursuant to such contract.

SEC. 8. There are hereby authorized to be appropriated such sums as may be required for the purposes of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT BERTHOLD RESERVATION, N. DAK.

The Clerk called the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the

United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes.

Mr. TRIMBLE. Mr. Speaker, this is a good bill, and I hope it passes, but, in view of the fact that $14,000,000 is involved, I do not think it should pass by unanimous consent on the Consent Calendar. Therefore, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. After the call of the Consent Calendar is concluded the Chair will recognize the gentleman from North Dakota or the gentleman from Oklahoma to ask unanimous consent for the consideration of this bill, apart from the Consent Calendar, and the limit of $1,000,000 applying to bills on that calendar.

Is there objection to the request of the gentleman from Arkansas?

There was no objection.

BENEFITS FOR CERTAIN MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES

The Clerk called the bill (S. 213) to provide benefits for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, S. 213 which we have before us at the moment, and which is a companion to H. R. 564 introduced by me early in this Congress, has already passed the Senate and certainly should receive the approval of this body.

The purpose of the bill S. 213 is to extend to reservists and National Guard men, killed or injured while rendering service under competent orders for short period of time, the same benefits they would receive if serving for periods in excess of 30 days.

At the present time, members of the Regular Establishment and Reserves on extended active duty, if killed or disabled in line of duty, receive certain benefits as to hospitalization, pay, death benefits, and if permanently disabled, retirement benefits. However, such periods must be in excess of 30 days under existing law.

Reserves on duty for periods of less than 30 days have under existing law little or no protection. It has become increasingly obvious that training within the Reserves and National Guard is much more hazardous and exacting than it was in prewar days. This is particularly true in the field of aviation where, for example, there were 33 deaths in 1948 alone in civilian components of the Air Force as a result of plane crashes. Individuals who left the Regular service at the end of the war and went into the Reserves were, in many cases, under the belief that they had the same coverage afforded them as when they were on extended active duty. The growing knowledge that such coverage does not exist is having definite adverse affect on the Reserve program.

Thus, the effect of this bill would be to give a reservist or National Guardman serving under competent orders, with or without pay, the same coverage for injuries received while on short periods of training or duty that he would have if serving for a period in excess of 30 days. It would also cover service without pay, so long as such service was performed in accordance with competent orders.

The real benefit of this legislation is fully understood by me from an experience one of my constituents had last year while on active duty for training as a Marine reservist. In an amphibious landing he was washed off the ramp of a small landing boat and seriously injured.

He is still hospitalized at this time but because he was on duty for a period of less than 30 days, the only benefits he receives is from the United States Employees Compensation Commission and which are meager when compared with the benefits received by a Regular marine.

If this bill is enacted my constituent as will all Reserves on active duty for less than 30 days, if injured, will enjoy the same benefits as persons in the Regular military service.

It is estimated that the annual cost of the proposed bill would be approximately $850,000 a year. The bill is retroactive to August 14, 1945, insofar as Reserves injured or killed while serving on active duty for periods of 30 days or less is concerned.

Since August 14, 1945, 35 Reserve personnel of the Army have been killed and 660 injured who would not otherwise be eligible for the benefit of this act. In the Air Force, 135 Air Reserve personnel have been killed and 35 injured, and in the Navy and Marine Corps, 113 Reserve personnel have been killed and 98 injured. It is estimated that approximately 73 officers will be eligible for retirement under the provisions of this bill.

In the first fiscal year, it is estimated that the enactment of the proposed legislation would cost the Federal Government $720,000 for the retroactive features of the bill and $850,000 annually thereafter.

As already mentioned, this bill has passed the Senate and I hope there will be no delay on our part in approving it.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, this is a very deserving bill, but I should like to ask one question of the gentleman from Texas [Mr. KILDAY], and then I intend to withdraw my reservation of the right to object.

I have the case of a young man in the Marine Corps who engaged in about 50 missions during the war, and afterward was called back and served for 2 months. He had an unfortunate accident, as the result of which his arm was amputated. That was subsequent to the day stated in section 4, which is August 14, 1945, relating to the retroactive provisions of the bill. May I ask my friend from Texas whether under these circumstances this bill would cover that particular case?

Mr. KILDAY. I do not understand why he is not entitled to full retirement compensation now if he served as much as 60 days, because under existing law if a man is called back to duty for any period of time in excess of 30 days he has all the retirement provisions applicable to regulars. This bill would take care of anyone who since VJ-day was injured or killed while on active duty for a period of less than 30 days.

Mr. McCORMACK. I might say that he had served about 2 weeks after he was called back to active duty, and I wondered if this bill would cover that particular case.

Mr. KILDAY. Yes, this would cover anyone injured or killed when called back to active duty for a period of less than 30 days. It would put him in the same position as regulars. It would cover, for instance, the case of our colleague, Mr. Coffey, of Pennsylvania, who was killed while flying a jet plane.

Mr. McCORMACK. I congratulate the committee on reporting out this bill. It is based on justice.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Naval Aviation Personnel Act of 1940, as amended (U. S. C., title 34, sec. 855c–1), is amended to read as follows:

"SEC. 4. All officers, nurses, warrant officers, and enlisted men of the United States Naval Reserve or United States Marine Corps Reserve, who—

"(1) if called or ordered into active naval or military service by the Federal Government for extended naval or military service in excess of 30 days, suffer disability or death in line of duty from disease while so employed; or

"(2) if called or ordered by the Federal Government to active naval or military service or to perform active duty for training or inactive-duty training for any period of time, suffer disability or death in line of duty from injury while so employed;

shall be deemed to have been in the active naval service during such period, and they or their beneficiaries shall be in all respects entitled to receive the same pensions, compensation, death gratuity, retirement pay, hospital benefits, and pay and allowances as are now or may hereafter be provided by law or regulation for officers, warrant officers, nurses, and enlisted men of corresponding grades and length of service of the Regular Navy or Marine Corps: *Provided*, That if a person who is eligible for the benefits prescribed by this act be also eligible for pension under the provisions of the act of June 23, 1937 (50 Stat. 305), compensation from the Bureau of Employees' Compensation, Federal Security Agency, under the provisions of section 304 of the Naval Reserve Act of 1938 (52 Stat. 1181) or retired pay under the provision of section 310 of the Naval Reserve Act of 1938 (52 Stat. 1183), he shall elect which benefit he shall receive."

SEC. 2. The last proviso to section 5 of the act entitled "An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress", approved April 3, 1939, as amended is amended to read as follows: "*Provided further*, That all officers, warrant officers, and enlisted men of the Army of the United States, or the Air Force of the United States, other than the officers and enlisted men of the Regular Army, or the Regular Air Force who—

"(1) if called or ordered into the active military service by the Federal Government for extended military service in excess of thirty days suffer disability or death in line of duty from disease while so employed; or

"(2) if called or ordered by the Federal Government to active military service or to perform active duty for training or inactive-duty training for any period of time, suffer disability or death in line of duty from injury while so employed.

shall be deemed to have been in the active military service during such period and shall be in all respects entitled to receive the same pensions, compensation, death gratuity, retirement pay, hospital benefits, and pay and allowances as are now or may hereafter be provided by law or regulation for officers and enlisted men of corresponding grades and length of service of the Regular Army or the Regular Air Force."

SEC. 3. All officers, warrant officers, and enlisted men of the National Guard of the United States, both ground and air, the federally recognized National Guard of the several States, Territories, and the District of Columbia—

(1) if engaged for periods in excess of thirty days in any type of training or active duty under sections 5, 81, 92, 94, 97, or 99 of the National Defense act, as amended, suffer disability or death in line of duty from disease while so engaged; or

(2) if engaged for any period of time in any type of training or active duty under such sections of the National Defense Act, as amended, suffer disability or death in line of duty from injury while so employed, shall be in all respects entitled to receive the same pensions, compensation, death gratuity, retirement pay, hospital benefits, and pay and allowances as are now or may hereafter be provided by law or regulation for officers and enlisted men of corresponding grades and length of service of the Regular Army.

SEC. 4. The provisions of this act shall be effective from August 14, 1945, but no back pay, pension, compensation, death gratuity, or retirement pay shall be held to have accrued as the result of the enactment of this act for any period prior to such date: *Provided*, That in the case of persons electing to receive the benefits of this act, the amount of any monetary benefits received for any period subsequent to August 14, 1945, under any provisions of law providing benefits for disability or death incident to the service described in sections 1, 2, and 3 of this Act, shall be deducted from the monetary benefits provided for herein.

SEC. 5. Nothing contained in this Act shall be construed to deprive any person of any benefits to which he was entitled prior to its enactment.

SEC. 6. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL INTERAGENCY COMMITTEE ON RECREATION

The Clerk called the bill (H. R. 892) to authorize the establishment of a Federal Interagency Committee on Recreation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FEDERAL RECLAMATION PROJECTS

The Clerk called the bill (H. R. 1694) to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to have this bill explained before we let it go through.

Mr. REGAN. Mr. Speaker, during the war the reclamation projects in 17 of the Western States were run along for all that time without any rehabilitation or improvements. This will allow the Department of Reclamation to change from wooden to concrete structures and make such repairs as are necessary to get the full advantage of the project. The landowners will pay back to the Federal Government the full sums which might be advanced for such rehabilitation in the various projects.

Mr. RICH. Is there any cost to the Federal Government involved in this?

Mr. REGAN. There will be no cost which is not reimbursable at interest. There will be no cost to the Federal Government that is not repaid with interest.

Mr. RICH. Then everything is taken care of so far as the Federal Government is concerned. How about the Bureau of Reclamation?

Mr. REGAN. The Bureau of Reclamation will be permitted to put in such necessary repairs on these projects as will give them 100 percent efficiency which they are not now enjoying and the money will be repaid to the Federal Government.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which may be scheduled in whole or in part for return with their construction charge installments or otherwise scheduled as he shall determine. The term "rehabilitation and betterment," as used in this act, shall mean maintenance, including replacements, which cannot be financed currently, as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs, but shall not include construction, the costs of which are returnable, in whole or in part, through "construction charges" as that term is defined in section 2 (d) of the Reclamation Project Act of 1939 (53 Stat. 1187).

SEC. 2. This act shall be deemed a supplement to the Federal reclamation laws.

With the following committee amendments:

Page 2, line 1, strike out the word "may" and insert in lieu thereof the words "shall, to the fullest practicable extent."

Page 2, line 1, strike out the words "in whole or in part."

Page 2, line 11, add the following sentence: "Such rehabilitation and betterment work may be performed by contract, by force-account, or, notwithstanding any other law and subject only to such reasonable terms and conditions as the Secretary of the Interior shall deem appropriate for the protection of the United States, by contract entered into with the organization concerned whereby such organization shall perform such work."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NIAGARA FALLS BRIDGE COMMISSION

The Clerk called the joint resolution (H. J. Res. 208) to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, That the last sentence of the first section of the joint resolution entitled "Joint resolution creating the Niagara Falls Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y.," approved June 16, 1938, is hereby amended to read as follows: "For like purposes, and subject to all applicable conditions and limitations contained in this joint resolution the said Commission and its successors and assigns are hereby authorized (1), with the approval of the proper authorities in the Dominion of Canada, to purchase, and in accordance with the provisions of such act of March 23, 1906, to reconstruct, repair, maintain, and operate, existing bridges across the Niagara River at or near the city of Niagara Falls; and (2) to issue bonds to provide for the payment of the cost of acquiring any such bridge and its approaches and the necessary lands, easements, and appurtenances thereto, payable solely from the revenues of such bridge."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PHILIPPINE SCOUTS IN THE REGULAR ARMY

The Clerk called the bill (S. 1181) to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That until a date 1 year following the date of enactment of this act, and within the authorized active list commissioned officer strength of the Regular Army, the President, by and with the advice and consent of the Senate, is authorized to appoint officers on the active list of the Philippine Scouts, who were appointed therein prior to June 30, 1933, and who are or become citizens of the United States prior to appointment hereunder, in the Regular Army in the same commissioned officer grades as are held by such officers in the Philippine Scouts at the time of appointment.

SEC. 2. The names of officers so appointed shall be entered on the Army promotion list in their permanent grades, precedence within grades, being fixed in accordance with their relative permanent grade seniority among themselves and among Army promotion-list officers at the time of appointment.

SEC. 3. All active Federal service performed as commissioned officers of the Philippine Scouts by officers appointed under this act shall be creditable as active commissioned service as officers of the Regular Army for

all purposes: *Provided*, That their positions on the promotion list shall be determined as provided in section 2 hereof.

SEC. 4. The acceptance of appointments in the Regular Army under this act shall operate to vacate the military status in the Philippine Scouts theretofore occupied by each of the appointees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLESTON, S. C.

The Clerk called the bill (S. 1219) removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) with respect to the restrictions and conditions required by section 2 of the act entitled "An act authorizing the Secretary of Commerce to convey the Charleston Army Base Terminal to the city of Charleston, S. C.," approved May 27, 1936 (prohibiting the city of Charleston from transferring title to the property conveyed under such act and reserving a right to the United States to retake such property in the event of a national emergency), to be included in the deed executed pursuant to the provisions of such act the Secretary of the Army is hereby authorized and directed to release to the city of Charleston, S. C., by an appropriate written instrument, such restrictions and conditions so far as they pertain to the area designated as "tract numbered 2—part 1", comprising approximately two hundred seventy-eight and ninety-two one-hundredths acres, on the map on file in the Office, Chief of Engineers, Department of the Army, entitled "Tract No. 2, Portion of Charleston Ordnance Depot, North Charleston, S. C., Date: 2 Feb. 1949, Drawing Number RE-1/372 (Rev.), as further revised 9 Feb. 1949."

(b) In executing the written instrument referred to in subsection (a) the Secretary of the Army is authorized and directed to make provision for reservation and/or conveyance to the United States of all easements and rights-of-way (including use of water and sewer mains) that are now enjoyed by the United States with respect to such tract and are deemed necessary for retention by the Secretary of the Army, subject to the provision that any such easements and rights-of-way (including use of water and sewer mains) as may at any time, in the opinion of the Secretary of the Army, be no longer required for governmental use may be abandoned, and upon such abandonment will automatically terminate. Such instrument shall recite that with respect to that certain water main which intersects the northwesterly corner of the above-described premises, the City Council of Charleston, S. C., its successors, or assigns, may with the written consent of the Secretary of the Army, relocate at its sole cost and expense such water main on other lands and that in such event all rights and privileges now enjoyed by the United States with respect to such water main shall cease and terminate.

SEC. 2. The Secretary of the Army is authorized to convey by quitclaim deed to the City Council of Charleston, S. C., all or any part of the right, title, and interest of the United States in and to so much of that certain tract of land comprising one and two hundred and five one-thousandths acres, more or less, and designated as tract 5, exception "C", on the drawing described in the first section of this act, as the Secretary of the Army determines is no longer needed for military purposes. Any conveyance executed pursuant to the authority contained in this section shall be made upon payment by the City Council of Charleston, S. C., of the fair market value of the property to be conveyed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AVIATION TACTICAL UNITS

The Clerk called the bill (S. 1270) to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 8 of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended by the act of June 30, 1932 (ch. 326, 47 Stat. 451), and so much of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended by the act of July 2, 1926 (44 Stat. 781), reading "On and after July 1, 1929, and in time of peace, not less than 20 percent of the total number of pilots employed in tactical units of the Air Corps shall be enlisted men, except when the Secretary of War shall determine that it is impractical to secure that number of enlisted pilots.", are hereby repealed.

SEC. 2. Nothing in this act shall be construed as affecting the status of enlisted personnel of the armed services, including the reserve components thereof, designated as aviation or enlisted pilots or engaged in training relating to or leading to such designation.

With the following committee amendment:

Add a new section 3 as follows:

"SEC. 3. Nothing in this act shall be construed as affecting the eligibility of enlisted men of the Regular Army, Navy, Air Force, Marine Corps, or the reserve components thereof, for designation as aviation cadets: *Provided*, That except in time of war or emergency hereafter declared by the Congress, at least 20 percent of the total number of aviation cadets designated by the Navy and the Air Force respectively during each fiscal year after the date of enactment of this act shall be designated from among those enlisted men of the Regular Army, Navy, Air Force, or Marine Corps eligible and qualified for such designation: *And provided further*, That such designations shall be with the consent of such enlisted men."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRVINE CO.

The Clerk called the bill (H. R. 263) to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he hereby is, authorized to grant to the county of Orange, State of California, a perpetual easement for public-highway purposes over and upon that portion of the strip of land 50 feet in width described in paragraph g (a) of the judgment of condemnation made and entered July 14, 1947, in case No. 2398–Y, Civil, in the District Court of the United States for the Central Division of the Southern District of California, which lies within lot 67, block 10, of Irvine's subdivision, Orange County, Calif., subject to the rights, easements, and conditions relating thereto as provided in paragraph 3 of said judgment.

SEC. 2. That the Secretary of the Navy be, and he hereby is, authorized to grant to the Irvine Co., a West Virginia corporation, with place of business in Orange County, Calif., a perpetual easement for the operation, maintenance, repair, replacement, and use of that portion of the existing reinforced pipe line for the transportation of water particularly described in paragraph 1c of said judgment of condemnation of July 14, 1947, in said case No. 2398–Y, which lies within said lot 67, block 10, said Irvine's subdivision, to be operated and used by said grantee in connection with and as a part of the water pipeline easement excluded from and revested in the said Irvine Co., a corporation, in said judgment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTOCKING, PROPAGATION, AND CONSERVATION OF GAME IN THE EGLIN FIELD RESERVATION

The Clerk called the bill (H. R. 2418) to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. ASPINALL]?

There was no objection.

PUBLIC LAW 885

The Clerk called the bill (H. R. 3155) to amend Public Law 885, Eightieth Congress, chapter 813, second session.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law 885, Eightieth Congress, chapter 813, second session, is amended by striking out from section 1, paragraph I, the words "based upon the highest and best use of the property at the time it is offered for sale regardless of its former character or use" and by adding to section 1, paragraph I, at the end of the paragraph the following language: "which shall be taken into account in arriving at the fair value."

With the following committee amendment:

Page 1, line 7, after the word "and", strike out the balance of the line and down to and including the word "paragraph" in line 8, and insert: "by inserting before the colon at the end of the first paragraph of section 1."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF EXPERIMENTAL SUBMARINES

The Clerk called the bill (H. R. 4007) to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Reserving the right to object, Mr. Speaker, this seems to be a very meritorious bill and I believe the Congress would pass it if it were properly presented, but it involves entirely too much money to be considered on the Consent Calendar, as much as $10,000,000 more than the policy which the Consent Calendar objectors have settled on for bills that should be considered on the Consent Calendar.

I therefore ask unanimous consent that this bill be passed over without prejudice.

Mr. BROOKS. Mr. Speaker, I will withdraw it at this time, if that is agreeable to the gentleman.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that it be stricken from the calendar.

The SPEAKER. Without objection, it is so ordered. There was no objection.

MEDICAL DEPARTMENT OF THE ARMY

The Clerk called the bill (H. R. 4384) to provide for the appointment of female doctors and specialists in the Medical Department of the Army, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to know whether these bills that are being presented have been presented to the Armed Services Committee and if they approve of these bills.

Mr. VINSON. I will say to the distinguished gentleman from Pennsylvania that every bill on the Consent Calendar has had a hearing before a subcommittee of the Committee on Armed Services and then hearings before the full committee. I am happy to announce that every one of these bills has been unanimously reported by the 33 members of the Armed Services Committee, who were there when the bill was taken up.

Mr. GROSS. Reserving the right to object, Mr. Speaker, will this increase the number of doctors and nurses in the armed services?

Mr. VINSON. I do not have the figures before me which were presented by the distinguished gentleman from North Carolina [Mr. DURHAM] but this is a departmental bill and it will permit a few female doctors to be brought into the service. Not many are qualified to come in. They are to do a particular kind of work in the service.

Mr. GROSS. Can the gentleman tell me how many doctors are now used? Does one doctor serve 500 men or 1,000 or 2,000?

Mr. VINSON. Well, I do not know, but I know that sometime during this month some 1,500 doctors are going to resign from the service. I think probably the ratio is about one to five or seven or eight hundred.

Mr. GROSS. Will that be true after these resignations?

Mr. VINSON. Of course, it will be increased then because we are going to lose 1,500 doctors sometime during this month. They are short 2,200 in the armed services today. The services are up against it to get medical professional men.

Mr. GROSS. With one doctor for 500 men, how can you be very short?

Mr. VINSON. Of course, you must bear in mind that you must have doctors on ships and in isolated places, and for that reason it makes the percentage much higher.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Army Female Medical Department Act of 1949."

TITLE I

SEC. 101. That the President, by and with the advice and consent of the Senate, is authorized to appoint female doctors of medicine, dentistry, and veterinary medicine as commissioned officers, respectively, of the Medical Corps, Dental Corps, and Veterinary Corps in the Medical Department of the Regular Army in all respects in accordance with the provisions of the laws now or hereafter in effect relating to male doctors of medicine, dentistry, and veterinary medicine, respectively, as commissioned officers of the Medical Corps, Dental Corps, and Veterinary Corps in the Medical Department of the Regular Army, which laws are hereby made specifically applicable to the female personnel referred to in this section.

SEC. 102. That the President, by and with the advice and consent of the Senate, is authorized to appoint female pharmacists, sanitary engineers, optometrists, and specialists in sciences allied to medicine, as commissioned officers of the Medical Service Corps in the Medical Department of the Regular Army, in all respects in accordance with the provisions of the laws now or hereafter in effect relating to male pharmacists, sanitary engineers, optometrists, and specialists in sciences allied to medicine, commissioned as officers of the Medical Service Corps in the Medical Department of the Regular Army, which laws are hereby made specifically applicable to the female personnel referred to in this section.

SEC. 103. Except as otherwise specifically provided herein, all laws and parts of laws now or hereafter applicable to commissioned officers and former commissioned officers of the Regular Army, and to their dependents and beneficiaries, shall, in like cases, be applicable, respectively, to commissioned female officers and former commissioned female officers appointed pursuant to the provisions of this title, and to their dependents and beneficiaries.

SEC. 104. This title shall be effective from the date of its enactment.

TITLE II

SEC. 201. That appointments in the Medical Corps section, Dental Corps section, and the Veterinary Corps section, Officers' Reserve Corps, of the Army of the United States may be made in such commissioned grades and under such regulations as may be prescribed by the Secretary of the Army for Reserve officers of the Medical Department from qualified female doctors of medicine, dentistry, and veterinary medicine, respectively, who are citizens of the United States and who possess such physical and other qualifications as may be prescribed for other female officers of the Officers' Reserve Corps sections of the Army of the United States.

SEC. 202. That appointment of female pharmacists, sanitary engineers, optometrists, and specialists in sciences allied to medicine as commissioned officers in the Medical Service Corps section of the Officers' Reserve Corps of the Army of the United States may be made in such grades and under such regulations as may be prescribed by the Secretary of the Army from female citizens of the United States who possess such physical and other qualifications as may be prescribed for other female officers of the Officers' Reserve Corps sections of the Army of the United States.

SEC. 203. Except as otherwise specifically provided herein, all laws and regulations now or hereafter applicable to commissioned officers and former commissioned officers of the Officers' Reserve Corps of the Army of the United States and to their dependents and beneficiaries shall, in like cases, be applicable, respectively, to commissioned officers and former commissioned officers appointed pursuant to the provisions of this act, and to their dependents and beneficiaries.

SEC. 204. This title shall be effective from the date of its enactment.

With the following committee amendment:

Page 1, line 5, strike out all the balance of page 1, all of pages 2, 3 and 4, down to and including line 14, and insert:

"That all laws or parts of laws, which now or hereafter authorize appointment of commissioned officers in each of the several corps of the Medical Department of the Regular Army, shall be construed to include authority to appoint female personnel thereunder and, except as otherwise specifically provided therein, all laws and parts of laws now or hereafter applicable to commissioned officers and former commissioned officers of the Regular Army and to their dependents and beneficiaries, shall, in like cases, be applicable to commissioned female officers and former commissioned female officers so appointed and to their dependents and beneficiaries: *Provided,* That the husbands of female officers of the Regular Army shall not be considered dependents unless they are in fact dependent on their wives for their chief support, and the children of such officers shall not be considered dependents unless their father is dead or they are in fact dependent on their mother for their chief support: *Provided further,* That the Secretary of the Army, under the circumstances and in accordance with regulations prescribed by the President, may terminate the commission of any officer appointed pursuant hereto."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAY AND ALLOWANCES OF OFFICERS OF THE NAVAL ESTABLISHMENT

The Clerk called the bill (S. 779) relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to know if this bill is in line to be passed now when you are going to get another pay boost by the gentleman from Texas [Mr. KILDAY]. He suggested that this morning. I wonder whether this legislation should be passed now or should wait until after the other bill comes to the floor.

Mr. BROOKS. May I answer the gentleman in this way: That this bill will make more definite and certain certain phases of the law, and as a result of it we will save $30,000,000. We are anxious to get it through to save money.

Mr. RICH. If it saves $30,000,000 I will not object.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. VINSON. I wish to call the gentleman's attention to the fact that the bill introduced by the gentleman from Texas [Mr. KILDAY] reduces the original bill by some $78,000,000.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That permanent appointments issued after August 7, 1947, to officers of the Navy, Marine Corps, and Reserve components thereof, incident to the transition from temporary to permanent grades, shall in no case be effective for pay purposes prior to August 7, 1947, irrespective of the date of rank assigned for precedence purposes and notwithstanding the provisions of section 312 of the Naval Reserve Act of 1938, as amended, and the provisions of the act of March 4, 1913) 37 Stat. 892, 34 U. S. C. 870).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECREATIONAL FACILITIES AT EGLIN FIELD, FLA.

The Clerk called the bill (H. R. 2417) to authorize the Secretary of the Air Force to improve recreational facilities at Eglin Field, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Secretary of the Air Force, upon acceptance of title to the tract of land comprising the Valparaiso Golf Course of Valparaiso, Fla., near Eglin Air Force Base, for the Government of the United States, is hereby authorized to operate and maintain said tract of land as a recreational facility, in accordance with existing regulations governing the operation and maintenance of recreational facilities by the Government for military personnel.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility."

A motion to reconsider was laid on the table.

AMENDMENT OF NATIONALITY ACT OF 1940

The Clerk called House Joint Resolution 238, to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That section 303 of the Nationality Act of 1940, as amended (60 Stat. 416; 8 U. S. C. Supp. 703), is hereby amended to read as follows:

"SEC. 303. The right to become a naturalized citizen of the United States shall not be denied or abridged because of race: *Provided*, That no alien who, under law existing immediately prior to the enactment of this act, would have been ineligible to immigrate to the United States because of race shall become eligible for immigration to the United States by reason of the adoption of this resolution."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF 1930

The Clerk called the bill (H. R. 3338) to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made.

Mr. BYRNES of Wisconsin. Mr. Speaker, I wonder if the author of the bill will explain it for the benefit of the Members? [After a pause.] In the absence of explanation, Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF 1930

The Clerk called the bill (H. R. 3756) to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (d) of the Civil Service Retirement Act of May 29, 1930, as amended, is hereby amended by striking out "and the annuity of such officer or employee shall be equal to 2 percent of his average basic salary for the 5 years next preceding the date of his retirement, multiplied by the number of years of service, not exceeding 30 years" and inserting in lieu thereof "and the annuity of such officer or employee shall be equal to 2 percent of his average basic salary for any five consecutive years of allowable service at the option of such officer or employee, multiplied by the number of years of service, not exceeding 30 years."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF CERTAIN PERSONAL PROPERTY CLAIMS IN PENAL AND CORRECTIONAL INSTITUTIONS

The Clerk called the bill (S. 30) to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman from New York explain what this bill does?

Mr. CELLER. This bill permits the settlement of claims of employees of Federal penal institutions for personal property damaged or stolen by inmates of the prison where there is no negligence or carelessness on the part of the Federal employees.

The bill allows the Attorney General to make settlement in order to avoid a multiplicity of bills constantly coming to Congress. The adoption of this system will save us considerable burden, and no money will be paid out except on warrants.

Mr. RICH. In other words, the responsibility of looking after the equipment of the plants is put on the man who has authority to administer these affairs?

Mr. CELLER. The gentleman is correct.

Mr. RICH. He is going to continue to protect the property that belongs to the Government and not allow it to be destroyed or abused by anyone?

Mr. CELLER. There are no such cases at all, and should there be any negligence the claim would not be allowed.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General, and such other officer or officers as he may designate for such purpose, are hereby authorized to consider, determine, adjust, and pay claims, not exceeding in any case the sum of $1,000, of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to such employment. No claim shall be allowed under this act unless (a) the property claimed to be damaged, lost, or destroyed is determined to be reasonable, useful, necessary, or proper under the attendant circumstances; (b) such damage, loss, or destruction shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agent, or employee, and shall not have occurred at quarters occupied by the claimant which are not assigned to him or otherwise provided in kind by the Government; and (c) such claim shall have been presented in writing within 1 year after the occurrence of the accident or incident out of which such claim arises. Acceptance by any claimant of an award hereunder shall release the United States, its agents or employees, from any further claim by such claimant arising out of the same incident.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBINSON REMOUNT STATION, CRAWFORD, NEBR.

The Clerk called the bill (H. R. 1242) authorizing the transfer of a certain tract of land in the Robinson Remount

Station to the city of Crawford, Nebr., and for other purposes.

There being no objection, the Clerk read the title of the bill.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that a similar bill (S. 314) authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes, be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized to transfer by quitclaim deed to the city of Crawford, Nebr., the following-described tract of land lying within the Robinson Remount Station, Fort Robinson, Dawes County, Nebr.: Beginning at the northwest corner of the tract of land conveyed to the city of Crawford for public-park purposes by the act of Congress approved June 25, 1906 (34 Stat. 461); thence west along the north line of the said station a distance of one thousand one hundred and seventy-five feet; thence south three hundred and six feet; thence south twenty-seven degrees fifty-two minutes east to the westerly boundary line of the present park, the point of intersecion being approximately two thousand six hundred and fifteen feet south of the starting point; thence north two thousand six hundred and fifteen feet to point of beginning, containing an area of approximately forty-three and fifty-seven one-hundredths acres: *Provided*, That the city of Crawford shall pay 50 percent of the appraised fair market value of the property as determined by the United States Department of Agriculture.

SEC. 2. Said secretary is hereby authorized to grant to the city of Crawford, Nebr., a permanent easement across the lands of the United States comprising the Robinson Remount Station, Fort Robinson, Dawes County, Nebr., for a pipe line to carry water from the White River to the filters and purification plants of the city, which easement shall include all rights and privileges now enjoyed by the city under a revokable license to maintain such pipe line across such lands of the United States.

SEC. 3. The tract of land authorized to be transferred by the first section of this act shall be used by the grantee for purposes of a public park and recreational site or golf course or for similar and related purposes. If the grantee shall fail or cease to use such tract for such purposes, or shall alienate or attempt to alienate such lands, title thereto shall revert to the United States.

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 1242) was laid on the table.

A motion to reconsider was laid on the table.

CITRUS BLACKFLY, WHITE-FRINGED BEETLE, AND THE HALL SCALE

The Clerk called the bill (H. R. 4263) to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 102 (a) of the Department of Agriculture Organic Act of 1944 (act of September 21, 1944, 58 Stat. 735; 7 U. S. C. 147a (a)) be amended by deleting the word "and" immediately following the word "borer"; by adding a comma and the words "citrus blackfly, white-fringed beetle, and Hall scale" between the word "weevil" and the immediately following colon; and by adding the words "citrus blackfly" immediately following the comma after the word "fruitflies" in the proviso.

Mr. COOLEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Page 1, line 8, after the word "beetle", insert the words "wheat-stem sawfly, oriental fruitfly."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT REFUNDS

The Clerk called the bill (H. R. 2020) to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that an identical Senate bill, S. 1229, be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the last paragraph of section 8 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That any such officer or employee who has completed less than 20 years' civilian service may elect to forfeit his right to such annuity and elect to receive in lieu thereof the amount credited to his individual account together with interest compounded on December 31 of each year at the rate of 4 percent to the date of his separation or December 31, 1947, whichever may be the earlier, and at the rate of 3 percent for any period thereafter before April 1, 1948: *Provided further*, That if the separation of such officer or employee was involuntary, not by removal for cause on charges of misconduct or delinquency, the total amount of deductions, with such interest, shall be returned."

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 2020) was laid on the table.

A motion to reconsider was laid on the table.

AMENDMENT TO AGRICULTURAL ACT OF 1948 WITH RESPECT TO MARYLAND AND CIGAR-LEAF TYPES OF TOBACCO

The Clerk called the bill (S. 715) to amend the Agricultural Act of 1948.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, this would amend the act. What are we going to do?

Mr. COOLEY. Mr Speaker, a similar bill has already passed providing for an extension of the support prices on tobacco. There is a statement in the report which reads as follows:

The extension of the date from June 30, 1950, to September 30, 1950, is necessary if the support prices for the 1949 crops of Maryland and cigar-leaf types of tobacco are to be available during the entire marketing season. The marketing season for other kinds of tobacco will have ended by June 30. The extension of the price-support authority under this bill until September 30, 1950, will provide for Maryland and cigar-leaf types of tobacco the same treatment as that accorded to other kinds of tobacco.

Mr. RICH. Mr. Speaker, we are supporting the prices on various commodities—now its tobacco. Just how much of a support price will this give to the tobacco growers over and above what the legislation now on the statute books calls for?

Mr. COOLEY. It does not change the support price at all. Maryland tobacco is marketed during a different season and a longer season than other types of tobacco. Most tobacco markets close by June 30th, but the Maryland market is a little different.

Mr. RICH. Are we changing the rates?

Mr. COOLEY. No; it does not change anything except the date "June 30th" is changed to "September 30, 1950."

Mr. RICH. It is not going to cost the Government anything to do that unless some of the tobacco is held over, then they get the subsidy later on?

Mr. COOLEY. Not a subsidy. In other words, if the tobacco could all be marketed by June 30 there would be no necessity for this bill, but since a large part of the crop is marketed after June 30 it would not be fair to have a support price for one tobacco as of one date and another for another tobacco.

Mr. RICH. What is the support price?

Mr. COOLEY. The gentleman from Maryland [Mr. SASSCER] can advise what it is on Maryland tobacco. I do not know what it is.

Mr. SASSCER. I may say to the gentleman from Pennsylvania it is around 43 or 44 cents. Our market is considerably above the support price. As suggested a moment ago, this bill does not change the base or the rate. As will be recalled, last year in the extension bill, the Hope-Aiken bill, there was a consolidation in the conference report and it is necessary to pass this legislation because our crop is unusual. It is harvested in 1 year, then it is hung up in barns and marketed the next year. The southern crops are marketed in the same year as harvested. All this does is to extend the marketing period of 3 months. Under existing law it ends on June 1 unless raised in that year. This extends it 3 months.

Mr. RICH. If you are marketing the tobacco and getting more than the support price, what is the use of passing this law?

Mr. SASSCER. It helps hold the price up.

Mr. RICH. In other words, the support price has a tendency to keep prices up?

Mr. SASSCER. That is it.

Mr. RICH. Mr. Speaker, the President said last year that the Democrats helped raise the price of farmers' commodities, we helped raise the price of labor. In other words that the Democrats raised the price of labor and helped the farmer, but the Republicans were responsible for high prices. Did you ever hear of such a ridiculous statement? Now, I am a Republican and I want to get the prices down, and I do not think that you ought to do this. If you are not gaining anything by it, then let the prices come down so that the public will get some benefit. We, as Republicans, ought to object to this legislation, and I think we ought to do it right now.

Mr. SASSCER. Mr. Speaker, if the gentleman will yield, probably I have not made myself clear. This does not change the existing law at all. Under the present law crops raised in 1950 get this support price under the so-called Aiken bill. Under the present law crops raised in 1949—we market ours a year late; this applies to this year's crop—have the support price through June 1. June 1 was arbitrarily taken because all the crops are normally marketed by that time. I understand there are about four places, Wisconsin, Minnesota, one other northern State, and Maryland, whose market is not over by June 1. Our market is running now, and if this extension is not granted—of course, we are alright for this year—next year the support price would end with only about three-fourths of the market over.

Mr. RICH. Will this cost the Federal Government any money? If it does, I object.

Mr. SASSCER. I would not think so; no, sir.

Mr. COOLEY. Mr. Speaker, if the gentleman will yield, it could not cost the Federal Government any money as long as this tobacco is selling above the support price. It has been selling substantially above the support price and is now selling above the support price. But, the thing about it, and what we are trying to correct, is that under the situation we now have about two-thirds of the farmers would have the benefit of the support price and the other third would be denied the benefit because they were unable to sell their crops before June 30. This bill was very carefully considered in our committee by Republicans and Democrats, and there was a unanimous report.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection since it will not cost the Government anything.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 (a) of title I of the Agricultural Act of 1948 (Public Law 897, 80th Cong.) is amended by inserting, following the date "June 30, 1950,", a parenthetical clause reading as follows: "(September 30, 1950, in the case of Maryland and the cigar-leaf types of tobacco)."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OBSERVANCE OF PATRICK HENRY WEEK

The Clerk called the joint resolution (S. J. Res. 12) authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President is authorized and requested to issue a proclamation designating the week in which June 6, 1949, occurs as Patrick Henry Week, inviting the people of the United States to observe such week, and particularly the day, June 6, 1949, as the one hundred fiftieth anniversary of the death of Patrick Henry, in accordance with their religious faith, with appropriate ceremonies which will serve to recall his great contribution to the cause of our national independence and to the establishment of the liberties of the people of the United States.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEMORIAL DAY FOR BRIG. GEN. CASIMIR PULASKI

The Clerk called the joint resolution (H. J. Res. 241) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of General Casimir Pulaski.

With the following amendment:

Page 1, line 6, strike out "of each year" and insert "1949."

The committee amendment was agreed to.

Mr. COTTON. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SADLAK] may be permitted to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. SADLAK. Mr. Speaker, I want heartily to commend and to congratulate the gentleman from Delaware. We are, all of us, aware that a goodly number of bills was introduced in this session of Congress proclaiming October 11 as General Casimir Pulaski's Memorial Day. Included among this number was also a resolution introduced by me for the same purpose.

It cannot be said that we are slow to recognize the great service that General Pulaski had rendered this country. We are most anxious, in fact, to express our gratitude and to memorialize the deeds of this great man.

It pleases me immensely to see that this legislation, House Joint Resolution 241, introduced by my esteemed colleague from the Diamond State is now before this body. No less delighted am I that the Committee on the Judiciary saw fit to report out this particular measure. In every respect it is a highly desirable situation which I am sure can only result in all around satisfaction.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the President of the United States of America to proclaim October 11, 1949, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski."

A motion to reconsider was laid on the table.

TO REGULATE AND IMPROVE THE CIVIL SERVICE OF THE UNITED STATES

The Clerk called the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OF SECTION 16 OF HAWAIIAN ORGANIC ACT

The Clerk called the bill (H. R. 4000) to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 16 of the Hawaiian Organic Act is hereby amended to read as follows:

"SEC. 16. Disqualification of legislators: That no member of the legislature shall, during the term for which he is elected, be appointed or elected to any office of the Territory of Hawaii, except as otherwise provided by the Legislature of the Territory of Hawaii."

With the following committee amendments:

Page 1, line 8, after "Territory of", strike out "Hawaii, except as otherwise provided by the Legislature of the Territory of."

Line 9, after "Hawaii", insert a colon and the following: "*Provided*, That nothing in this act shall prevent a member of the legislature from serving as a delegate to a constitutional convention."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABANDONED SCHOOL PROPERTIES IN THE TERRITORY OF ALASKA

The Clerk called the bill (H. R. 2121) to authorize the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to convey to local town or city officials or to school authorities in the Territory of Alaska, all the right, title, and interest of the United States in and to any parcel or tract of land and the improvements thereon for school or other public purposes whenever he shall determine that such land and improvements are no longer required by the Alaska Native Service for school purposes: *Provided*, That any conveyance made pursuant to this act shall be subject to all valid existing rights and claims, shall reserve to the United States all mineral deposits in the lands and the right to prospect for and remove the deposits under such rules and regulations as the Secretary of the Interior may prescribe, and shall provide that the lands conveyed shall be used for school or other public purposes only and that if such lands and improvements shall cease to be used for such purposes they shall revert to the United States. The Secretary of the Interior may declare a forfeiture of the grant if at any time he shall determine that the grantee has not used such lands and improvements for school or other public purposes for more than one year. Such determination by the Secretary shall be final, and thereupon such lands and improvements shall become a part of the public domain subject to disposal under the public land laws.

With the following committee amendment:

Page 1, line 4, strike out "authorized, in his discretion," and insert "directed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to direct the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials."

A motion to reconsider was laid on the table.

VIRGIN ISLANDS

The Clerk called the bill (H. R. 4586) to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, in view of the fact that this bill seems to change the financial policy of the Virgin Islands I believe its author, the gentleman from Michigan [Mr. CRAWFORD], whom I see on the floor, should explain it.

Mr. CRAWFORD. The purpose of this bill is to authorize the municipal governments of the Virgin Islands—they have a municipal government in St. Thomas and also one in St. Croix—to issue bonds for the purpose of public improvements, and to increase the tax load necessary to meet the provisions of those obligations so issued. Recently the municipalities down there made application to the Reconstruction Finance Corporation for a loan to construct some of these public improvements. The Reconstruction Finance Corporation questioned the authority of the municipal councils under the Organic Act of the Virgin Islands to issue such bonds. Here is a case where the local people are willing to assume the necessary taxes to meet these obligations. The local municipal councils are willing to impose the necessary tax and to take on the liability, and to the extent they will do that it makes it unnecessary for the Congress of the United States to make the necessary appropriations for such public works.

As I recall, our committee has practically unanimously supported this bill. Personally I think it a wise move in the right direction, and I hope the House will accept the bill and permit it to go through.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. If they are permitted to issue these bonds, does that mean that they assume responsibility for taking care of these bonds, or are they going to come back to the Federal Government later on and ask it to put up the money for these various municipalities, as we have been doing the last 15 years? Then we will have to pay off the bonds in order to keep the people from having to foreclose.

Mr. CRAWFORD. I think this language will answer the gentleman's question. On page 3, lines 15 to 22, we find this language:

Provided further, That the government of the Virgin Islands and any municipality thereof shall be obliged to levy and collect sufficient taxes for servicing any of the outstanding bonds, even if such taxation is required at a rate in excess of or in addition to the tax or tax rate of 1.25 percent of the assessed value which is provided for in section 1401 (b) of title 48, U. S. Code, 1946 edition.

What we attempted to do was to bring to the floor of the House a bill which will make these bonds marketable. We have offered here as amendments the language suggested by the Reconstruction Finance Corporation from the standpoint of financially marketing these bonds. Personally, I think the bill is in good shape.

Mr. RICH. It will make the people responsible for the obligation as well.

Mr. CRAWFORD. Yes.

Mr. CUNNINGHAM. Will the Federal Government be responsible for these bonds in any way?

Mr. CRAWFORD. I think I should answer that straight from the shoulder. The Federal Government is responsible for the Virgin Island people. That is a possession of the United States, and we have to back it up lock, stock, and barrel regardless of what happens internally or externally.

Mr. CUNNINGHAM. If there should be a default on the bonds then it would be the obligation of the United States Government to make them good, is that correct?

Mr. CRAWFORD. If the people should fail to pay the necessary tax dollars into the tax box to meet these bonds then the Government of the United States will have to protect the bonds.

Mr. CUNNINGHAM. And the Government will pay no more then than it is paying now?

Mr. CRAWFORD. That is correct.

Mr. CUNNINGHAM. This gives private enterprise an opportunity to pay the bill if they can.

Mr. CRAWFORD. It gives private enterprise the opportunity and puts more responsibility on the local people. For these reasons and various other reasons, I am so anxious to put these people on a self-supporting basis.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

Mr. RICH. How many bonds can be issued, and in what amount?

Mr. CRAWFORD. They may issue bonds up to about 10 percent of the assessed valuation.

Mr. MILLER of Nebraska. Inasmuch as the other body is making a complete survey and study of the money that the Government of the United States has placed in the Virgin Islands, I wonder if it would not be wise to delay action on this piece of legislation until we have a chance to take a look at their study and survey of the entire situation.

Mr. CRAWFORD. May I illustrate to the gentleman from Nebraska? There is a situation where the islands want electricity. The Navy has turned over certain equipment down there along with certain lands, you might say, for the municipal government to manage. They want to go ahead and put this electrical plant into operation so that the capital of the Virgin Islands will have the electricity to use. I think any delay on a bill of this kind further discourages the people down there from carrying their own load.

Mr. MILLER of Nebraska. May I say to the gentleman that there are about a million people in the world that we could give automobiles to, but they would not have the money to run the automobiles. We might put electricity in down there, but they would not be able to pay for the electricity after we put it in.

Mr. CRAWFORD. I am not going to stand here and advocate that the Virgin Islands should not have electricity if they are willing to pay the taxes. I am going to support them and let them have the electricity. This bill helps them to finance that undertaking.

Mr. RICH. Are they going to use the money for a lot of facilities like swimming pools and things of that kind, and even for the purchase of automobiles?

Mr. CRAWFORD. The local municipalities now have a budget which takes care of such government automobiles as they may have. But this is for public improvement, as is recited in the bill.

Mr. RICH. Do you think those bonds could be sold if there were no Government guarantee on our part?

Mr. CRAWFORD. The RFC will buy the bonds. That is what this proposition is for, to meet the requirements of the RFC. They purchase the bonds and sell them.

Mr. RICH. They are going to issue them with the understanding that the Federal Government is going to be responsible for them?

Mr. CRAWFORD. No. They issue them with the understanding that the necessary taxes will be raised to meet the provisions of the bond issue.

Mr. RICH. Then maybe if we sell enough bonds, some day we may get rid of the Virgin Islands.

Mr. CRAWFORD. That might happen. No one can tell.

Mr. RICH. It might be a good thing.

Mr. BENNETT of Florida. I am a little disturbed about the possibility of the House of Representatives relinquishing its power of appropriations through this indirect method. I wonder if it would not be all right to insert in the bill a provision that the bonds would not be backed up by the United States Government? In other words, let these bonds be sold on their own merits and let the people who buy them decide whether they are justified.

Mr. CRAWFORD. I believe if the gentleman got the import of the language I read a few moments ago, which was put in at the request of the RFC, to the effect that the government of the Virgin Islands shall be obliged to levy and collect sufficient taxes for servicing outstanding bonds, he would understand that this is mandatory and it is not just a question of their wanting to do it. The RFC will not take these bonds unless the taxes are raised to meet them. So far as we understand our procedure and to the best of our ability to assess taxes and collect them, this proposition finances itself. But suppose everything goes haywire? I like to be frank about these things. Suppose nobody could pay any taxes under the American flag. I do not know what we are coming to. Suppose things collapse all over the world so that no taxes can be assessed or paid in the Virgin Islands? Then who is going to collect on any bonds? Who is going to collect on the $250,000,000,000 worth of Federal bonds that we have outstanding? These are matters that all of us are concerned about. The Virgin Islands are a possession of the United States. But still I say indirectly we have got to back up that proposition down there. That is the reason I want these people to be self-supporting. It is the reason I am so impatient at times when we withhold things from them, I mean opportunities, when we take the position that the Virgin Islands people are not as good as other people scattered over the world that we pour billions of dollars into. I believe in giving all our people an opportunity.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

FISHING INDUSTRY IN THE UNITED STATES

The Clerk called the next business, House Resolution 174, requesting the Secretary of State, the Secretary of Commerce, and the Tariff Commission to investigate the domestic fishing industry.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. HERTER. Reserving the right to object, Mr. Speaker, I wonder if some member of the Committee on Merchant Marine and Fisheries can tell us about this resolution. It covers a very wide scope. They are ordered to make final report within 1 week.

Mr. DOUGHTON. Mr. Speaker, this is a duplication of work always done by the State Department under H. R. 147.

Mr. THOMPSON. Mr. Speaker, it increases the scope and includes the Tariff Commission. It is a companion measure with the one that I brought up some weeks ago, which has now been reported out. All the data are in hand. They can make their report if they so desire. However, I am sure the author of the bill would have no objection to extending the time if it were thought necessary.

Mr. HERTER. As I understand the situation, the State Department has already made a report.

Mr. THOMPSON. They have.

Mr. HERTER. This includes the Department of Commerce as well as the Tariff Commission.

Mr. THOMPSON. That is correct.

Mr. HERTER. They are asked to make a report within a week of this time, June 15. In effect, you are asking them to rubber-stamp the report of the State Department and I doubt if they could do it in that length of time.

Mr. THOMPSON. The bill was introduced by the distinguished gentleman who headed the committee last year. He considered that the time was ample, and I am inclined to agree with him. I think his desire and the desire of the committee was to invite the attention of these departments to the condition of the fishing industry.

Mr. HERTER. I think until we get this straightened out and know how long it will take to make the report, that this is a foolish piece of legislation.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. HERTER. Mr. Speaker, I ask unanimous consent that this resolution go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. HERTER]?

There was no objection.

FISH HATCHERY AT OR NEAR MILLEN, GA.

The Clerk called the bill (H. R. 2740) to establish rearing ponds and a fish hatchery at or near Millen, Ga.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I wish to know if this bill was approved and recommended by the Department of Fisheries.

Mr. THOMPSON. It was.

Mr. RICH. Are they recommending it?

Mr. THOMPSON. Yes, sir.

Mr. RICH. I understood a year or so ago Appropriations Committee said we had so many of these hatcheries that they wanted the States to take them over. Now I am questioning whether additional hatcheries should be started at this particular time. I understand they are doing good work in the Department of Fisheries—furnishing fish to people all over the United States. It seems to me, however, that this is no time to start a lot of new projects.

Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXPANSION OF FACILITIES AT CAPE VINCENT, N. Y., FISH CULTURAL STATION

The Clerk called the bill (H. R. 3046) to authorize the expansion of facilities at the Cape Vincent, N. Y., fish cultural station.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in order to assure the natural propagation and survival of the smallmouth black bass and other fishes, there is hereby authorized to be appropriated the sum of $70,000 for the rehabilitation and expansion of rearing pond facilities at the Cape Vincent, N. Y., fish cultural station and for the purchase of lands adjoining such station in connection with the rehabilitation and expansion of such facilities.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That, in order to assure the natural propagation and survival of the smallmouth black bass and other fishes, the Secretary of the Interior is hereby authorized and directed to rehabilitate and expand the rearing pond facilities at the Cape Vincent, N. Y., fish cultural station and to purchase lands adjoining such station in connection with the rehabilitation and expansion of such facilities."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STUDY OF THE SHAD BY UNITED STATES FISH AND WILDLIFE SERVICE

The Clerk called the bill (H. R. 2501) authorizing and directing the United States Fish and Wildlife Service of the Department of the Interior to undertake a continuing study of the shad, alosa sapidissima, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such service may recommend to the several States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of this valuable food fish and for increasing the abundance and promoting the wisest utilization thereof.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Fish and Wildlife Service of the Department of the Interior is hereby directed to undertake a comprehensive continuing study of the shad, alosa sapidissima, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such Service may recommend to the States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of such shad, increasing the abundance of such species, and promoting the wisest utilization thereof, consistent with the maintenance of an adequate brood reserve.

SEC. 2. For these purposes the United States Fish and Wildlife Service is directed to institute a 6-year research program through the Division of Fisheries Biology for the

purposes enumerated in section 1 of this act and to invite the cooperation therein of the marine biologists of the several States and of educational institutions and laboratories devoted to fisheries research.

SEC. 3. All recommendations arising out of such study and reports of progress with respect thereto shall be made to the Atlantic States Marine Fisheries Commission before being released to others or to the press.

SEC. 4. The Service is hereby directed to make application through appropriate channels to the War Surplus Administration for such boats and other equipment as may be suitable for such study and available, and such Administration is hereby authorized to transfer such boats and other equipment to such Fish and Wildlife Service.

SEC. 5. This act shall take effect immediately.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word and do so rather than reserving the right to object, because I did not want to develop out of the colloquy that may follow any situation that might interfere with the passage of the bill.

I wish to ask the gentleman in charge of the bill if he will explain section 3, which reads:

All recommendations arising out of such study and reports of progress with respect thereto shall be made to the Atlantic States Marine Fisheries Commission before being released to others or to the press.

Will the gentleman explain the reason why that section is in the bill?

Mr. THOMPSON. I am sorry I cannot explain it to the gentleman from Massachusetts.

The bill was brought out by the chairman of the Committee on Merchant Marine and Fisheries, the gentleman from Virginia [Mr. BLAND]. He had considered it very thoroughly and considered it in conjunction with the Fish and Wildlife Service.

Mr. McCORMACK. This bill gives authority to the United States Fish and Wildlife Service to make certain investigations, a comprehensive, continuing study of shad, and so forth. Section 2 invited the cooperation therein for a 6-year research program of the marine biologists of the several States and educational institutions, and so forth; then in section 3 the statement is made:

All recommendations arising out of such study and reports of progress with respect thereto shall be made to the Atlantic States Marine Fisheries Commission.

What kind of agency is the Atlantic States Marine Fisheries Commission?

Mr. THOMPSON. That is a commission set up under a compact between the Atlantic States by which they work together in matters concerning the conservation and development of fish and the fishing industry.

Mr. McCORMACK. How are they appointed?

Mr. THOMPSON. By the governors of the several States.

Mr. McCORMACK. Section 3 carries the further statement: "before being released to others or to the press."

That means even before being released to the Congress. I was wondering if anyone could give any reason why this unusual language and this unusual restriction should be inserted in the bill? I just could not understand it.

Mr. THOMPSON. I will yield to the gentleman from California [Mr. ALLEN]; I think he can explain it.

Mr. ALLEN of California. My recollection is that the bill was prepared by the Atlantic States Marine Fisheries Commission. They wished to coordinate their efforts upon the basis of the reports that were made before any release that might be made which might embarrass them in their efforts to bring the several States into agreement. As I remember the discussion the Fish and Wildlife Service was brought into the investigation as the one agency that could carry on an interstate investigation; but the effort of both the Commission and the Fish and Wildlife Service was entirely coordinated and the bill was brought out through the coordination of these agencies.

Mr. McCORMACK. That explanation appears to be a justification for section 3. As I understand it, the Atlantic States Marine Fisheries Commission wishes to have an opportunity to consider the reports before they are finally acted upon so that any disagreements might be ironed out and that the final result would reflect the views of the Commission as well as the Fish and Wildlife Service.

Mr. ALLEN of California. The gentleman from Massachusetts is correct. That Commission on the Atlantic coast, and the recently authorized compact for the Gulf States, and the one likewise for the Pacific coast during the last session of Congress are all similarly set up. The Commission is an official organization under the compact between the States.

Mr. McCORMACK. In view of the unusual language of section 3, I think it well to have the colloquy that has taken place between the gentleman from Texas, the gentleman from California, two members of the committee, and myself so that the RECORD will show just why the unusual language of section 3 was inserted.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 2, lines 21 and 22, delete the words "War Surplus Administration" and insert in lieu thereof "War Assets Administration."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVESTIGATION AND ERADICATION OF PREDATORY SEA LAMPREYS OF THE GREAT LAKES

The Clerk called the joint resolution (H. J. Res. 202) to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection to the present consideration of the joint resolution?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this seems to be a very meritorious bill and the author is to be congratulated for introducing it. However, since there is no report yet received by the consent calendar objectors from the Bureau of the Budget, will the gentleman from Michigan give us an estimate as to what the approximate cost will be.

Mr. POTTER. The approximate cost of this bill will be, maximum, $350,000 and minimum about $250,000.

Mr. CUNNINGHAM. Again I wish to congratulate the gentleman. I think he has done a wonderful service for his State.

Mr. CHURCH. Mr. Speaker, I, too, wish to congratulate the gentleman on a very good bill and on his efforts in having it enacted into law.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the joint resolution of August 8, 1946 (60 Stat. 930), be amended to read as follows:

"That the Director of the Fish and Wildlife Service of the Department of the Interior is hereby authorized and directed to prosecute investigations of the abundance and distribution of sea lampreys and their effects on fishes, experiments to develop control measures, and a vigorous program for the elimination and eradication of sea lamprey populations of the Great Lakes.

"SEC. 2. In carrying out the foregoing purposes and objectives the Director of the Fish and Wildlife Service is authorized to cooperate with the official conservation agencies of the States bordering on the Great Lakes, with the commercial fishing industry, and with other governmental or private agencies, organizations, or individuals having jurisdiction over or an interest in the fisheries of the Great Lakes.

"SEC. 3. That the Director of the Fish and Wildlife Service of the Department of the Interior is hereby authorized and directod to survey the Great Lakes area to determine what localities would be most suitable for the establishment of fish hatcheries and rearing ponds if, and when, it becomes desirable for the Federal Government to operate such fish hatcheries and rearing ponds in the Great Lakes area. The Director of the Fish and Wildlife Service is authorized and directed to report to the Congress not later than December 31, 1950, the results of his survey and to make recommendations with respect thereto.

"SEC. 4. There is authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes and objectives of this joint resolution."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF REARING PONDS AND A FISH HATCHERY

The Clerk called the bill (H. R. 961) to establish rearing ponds and a fish hatchery.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MURDOCK. Mr. Speaker, reserving the right to object, and I shall not object, I have noticed several of these bills pertaining to fish hatcheries, all of which I am glad to see enacted into law. I have much correspondence on this particular subject from important people in my section of the country asking for more fish hatcheries than on any other

subject perhaps. There is a dearth of such help all through the West, particularly in my State. I desire to make this comment while we were passing these bills pertaining to fish hatcheries. The sportsmen are calling for hatcheries in Arizona.

Mr. POTTER. I may say to the gentleman that the committee this year has endeavored to work out a policy concerning fish hatcheries. In the past a Member of Congress who would like to have a fish hatchery in his district would designate a spot for it and write up a bill without regard to the Fish and Wildlife Service. During this present session of Congress we have with the Fish and Wildlife Service tried to establish a policy and to put these fish hatcheries where they are most needed and could be put to the best use.

In this particular case this applies to commercial fish. Fishing in Lake Michigan and Lake Huron has gone down to a point where it will be absolutely necessary for us to restock those lakes. The same thing is true of other fish-hatchery bills that have been brought up here for consideration, all of which have had careful consideration by the committee.

Mr. MURDOCK. I am thinking of the need for more fish for sportsmen.

Mr. POTTER. That has received the same consideration, I may say to the gentleman.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Does this cover fresh water fish?

Mr. POTTER. This covers fresh water fish, yes.

Mr. NICHOLSON. My State takes care of its fresh water fish. The only thing we would ask is legislation covering salt water fish.

Mr. POTTER. I may say to the gentleman we have considerably more fresh water fish than does the State of Massachusetts in our great inland lakes. This is a great industry we are trying to save.

Mr. RICH. Mr. Speaker, reserving the right to object, I realize that the statements just made by Members of Congress are correct. Of course, I would like to see a fish hatchery in every district in the United States, I would like to see an automobile in every home, I would like to see the people in this country have everything they want when they want it and be happy. But, Mr. Speaker, there is something that cannot go on forever. We are constantly inaugurating programs which increase our national expenditures. I hate very much to object to this bill because my colleague wants it, but I objected to a bill up above for the same reason and asked that it go over without prejudice. I do not want to make fish of one and fowl of the other, so that I shall ask unanimous consent that this bill be passed over without prejudice.

Mr. POTTER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. POTTER. I might say to the gentleman that I have no pride as to where this hatchery is located, but I do want to impress upon the gentleman that a great industry is at stake. Our commercial fishing industry, which is a multimillion dollar industry, is going into decay because of the lack of concern of the Federal Government to provide a sound fish program.

Mr. RICH. Well, we will all have to fish or cut bait pretty soon if we do not stop spending some place. I asked that one project go over in Georgia. I do not know where this one will be located, and that does not concern me. I just stated awhile ago that we will be $3,000,000,000 in the red this year. Well, we cannot go on and do this sort of thing. We cannot go on and build a lot of these things that we are not going to get some benefit out of in order to keep solvent and that is the thing that we ought to do.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. THOMPSON. Mr. Speaker, will the gentleman withhold his request for a moment?

Mr. RICH. Yes.

Mr. THOMPSON. This is a companion measure to the one just passed. This provides for the control of the Lamprey eel, which is wiping out the fishing industry on the east coast. It is one of the greatest natural phenomena that we have ever considered in our committee. What this bill does is to permit the continuation of the propagation of commercial fish. This is not sport fishing.

Mr. RICH. We are paying $250,000 to get rid of these eels. This is propaganda for fish. I just feel this way, gentlemen. I do not want to favor some Democrat against a Republican or a Republican against a Democrat; I have no desire to do that. I asked that the bill H. R. 183 go over, and I am going to ask unanimous consent of this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CERTIFYING OFFICERS OF TERMINATED WAR AGENCIES

The Clerk called the bill (H. R. 4387) to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow credit in the accounts of authorized certifying officers of terminated war agencies, in process of liquidation by the Treasury Department at the time of the enactment of this act, for the amounts of suspensions and disallowances, which have been, or may be, raised by the General Accounting Office on account of payments made in accordance with vouchers certified by such certifying officers: *Provided*, That the Secretary of the Treasury or his authorized representative shall certify that in his opinion there is no evidence of fraud or collusion on the part of the certifying officers in connection with the payments.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF TRAWLERS "ALASKA" AND "OREGON"

The Clerk called the bill (H. R. 4252) to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Reconstruction Finance Corporation is hereby authorized and directed to transfer the trawlers *Alaska* and *Oregon*, and all their equipment, to the Fish and Wildlife Service of the Department of the Interior. Such transfer shall be without reimbursement or transfer of funds.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary for the maintenance, repair, alteration, improvement, equipment, and operation of the vessels transferred pursuant to the first section of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COLMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and I make the same request for the gentleman from Texas [Mr. THOMPSON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I am very much interested in this legislation, sponsored jointly by the gentleman from Texas [Mr. THOMPSON] and myself. In fact, he and I introduced companion bills, H. R. 4252 and H. R. 4249, for the same objective, and that objective is, as the bills set out, to authorize the transfer of two trawlers, the *Alaska* and the *Oregon*, from the Reconstruction Finance Corporation to the Fish and Wildlife Service of the Interior Department.

The testimony before the Merchant Marine and Fisheries Committee showed that these ships were constructed during the late war by the Reconstruction Finance Corporation to increase the production of fish for food, which was so badly needed during that crisis. These ships were constructed, not for the purpose of catching sea food so much as for the purpose of exploring the possibilities of accentuating the taking of fish by finding new fishing grounds. Unfortunately, by the time the ships were constructed, or fortunately, as the case may be, the war was over, and the ships, therefore, became surplus for the purpose for which they were constructed.

The testimony before the committee further showed that ships of a similar type, built for a similar purpose, have been, prior and subsequent to the war, used in both the Atlantic and Pacific Oceans, as well as off the shores of our possessions, like Hawaii and Alaska, to a great advantage in discovering new fishing grounds in those areas.

But, Mr. Speaker, the Gulf of Mexico, which also has great possibilities for increased fisheries, has never had the benefit of this type of service. The testimony of the Fish and Wildlife Department agents before the committee further confirmed the fact that there are great pos-

sibilities in that large body of water for such development.

Therefore, with the passage of this legislation and the movement of these ships, which are now tied up on the west coast, with no possibility of bringing any adequate returns to the Treasury by the sale thereof, the possibilities of increased fishing production in that area can be explored. The Reconstruction Finance Corporation has already made extensive but unsuccessful attempts to dispose of these ships. They have been unsuccessful largely because the ships are of peculiar design and are constructed for this specific exploratory purpose. They cost the Government approximately $350,000 each.

I know of no way in which the interests of the Government could better be served in this instance than by the passage of this legislation.

In this connection, Mr. Speaker, I should like to point out that my interest in this matter was accentuated by the fact that there has recently been called to my attention the possibility of the development of the tuna fishing industry in the Gulf of Mexico and in the waters adjoining, in both the Atlantic and the Pacific. In fact, there is a definite commitment now on the part of some of the tuna fishing people to develop that industry on the Mississippi Gulf coast, and one or more large establishments are now actively taking steps to develop that industry there.

It is a fact that it is approximately 800 miles closer to the present tuna fishing grounds from the Mississippi coast than it is from the west coast.

The services of these boats will be utilized in this exploratory work not only for tuna, but for more abundant catches of mackerel, mullet, red snappers, and other fish which thrive in large quantities in the Gulf of Mexico.

To illustrate the possibilities in this field, I call attention to the fact that a couple of years ago the Fish and Wildlife Service sent a small exploratory craft into the Gulf of Mexico to study the habits, the migration, and production of shrimp, which has been one of the chief sea foods taken in that body of water.

Prior to that time shrimp were taken only along and adjacent to the coast line of the Gulf, but as a result of his exploration, large quantities of the large, jumbo type of shrimp were found out in the deep waters of the Gulf, many miles from the shore, and today the country and its citizens, who enjoy this great delicacy, are the beneficiaries.

Mr. Speaker, this is worth-while legislation. I am sure that these boats could not be used for a better purpose.

Mr. THOMPSON. Mr. Speaker, I am very much gratified that the House has passed unanimously H. R. 4252. The coauthor of this measure is the gentleman from Mississippi [Mr. COLMER] who has worked diligently and wisely toward the end that the vessels covered by the act may be made available to the fishing industry of the Gulf of Mexico.

For the benefit of those who have not had occasion to study the legislation, may I say that it provides for the transfer of two trawlers which were originally bought and outfitted during the war by the Reconstruction Finance Corporation. They were for the purpose of exploring various waters of the Pacific to try to discover otherwise unknown fishing grounds. When the war ended, their use to the RFC was over and they have been tied up awaiting disposal to someone who could use them. Since they are already equipped for research into the fishing industry, it is entirely fitting and proper that they should be turned over to the Fish and Wildlife Service of the Department of Interior.

Incidentally, to this economy minded House of Representatives, I might observe that the cost of the vessels was $750 a month to the RFC during the period of their inactivity. From now on it is contemplated that they will be based in the Gulf of Mexico and that, in accordance with the recently enacted Gulf States Fisheries Compact, they will explore the waters of the Gulf and discover new and important sources of seafood. One vessel is already equipped as a laboratory and will, in addition to the foregoing, look into the causes for an alarming depletion of the fish and shellfish along various sections of the coast.

I believe the House has acted with great wisdom in passing the bill. I know that this action will be very greatly appreciated by the States that border on the Gulf of Mexico.

INTERNATIONAL BANK FOR RECONSTRUCTION

The Clerk called the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, this bill involves entirely too much money to be considered on the Consent Calendar. I, therefore, ask unanimous consent that it go over without prejudice.

Mr. SPENCE. Mr. Speaker, will the gentleman withhold his reservation for a moment?

Mr. CUNNINGHAM. Yes.

Mr. SPENCE. I just want to say that this bill creates no additional rights; it gives no additional powers to the World Bank. It merely authorizes the national banks to deal in and underwrite the securities of the World Bank. It is approved by the Treasury, by the Board of Governors of the Federal Reserve System, and by the budget. The World Bank is very desirous to have it passed, because it gives a better field of competition for the sale of their securities. I hope the gentleman will withdraw his reservation of objection.

Mr. CUNNINGHAM. I might say to the gentleman from Kentucky that our information is that the Securities and Exchange Commission does not approve it. I really think that it is entirely too comprehensive and too large to be considered on the Consent Calendar. I must insist on my request that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the bill be stricken from the calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

MIDWAKANTON SIOUX INDIANS, STATE OF MINNESOTA

The Clerk called the bill (H. R. 2610) to include in section 3 of the act of June 26, 1936 (49 Stat. 1967), the Midwakanton Sioux Indians of the State of Minnesota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Midwakanton Sioux Indians residing on the Lower Sioux Reservation (Morton), at Prairie Island and at Granite Falls, all in the State of Minnesota, shall be recognized as a band of Indians residing in Minnesota within the meaning of section 3 of the Act of June 26, 1936 (49 Stat. 1967).

With the following committee amendment:

Strike out all after enacting clause and insert the following:

"That the Midwakanton and Wahpekute Sioux Indians residing on the Lower Sioux (Morton), Prairie Island, and Upper Sioux (Granite Falls) Reservations, in the State of Minnesota, shall be recognized as a band of Indians for the purpose of organizing in accordance with section 16 of the Act of June 18, 1934 (48 Stat. 984), except that the Indians residing on the Upper Sioux Reservation at Granite Falls, Minnesota, shall not be deprived of their right to hold land assignments by anything contained in this act, and the exercise of control with respect to such lands and land assignments shall be governed by rules adopted by the Granite Falls Community and approved by the Commissioner of Indian Affairs.'

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to include in section 16 of the Act of June 18, 1934 (48 Stat. 984), the Midwakanton and Wahpekute Sioux Indians of the State of Minnesota."

A motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO CITY OF ALPENA, MICH.

The Clerk called the bill (H. R. 2783) to authorize the Secretary of the Interior to convey a certain parcel of land, with improvements, to the city of Alpena, Mich.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, what do we get in return for the conveyance of this land?

Mr. POTTER. The Department of the Interior has a lot covering one-tenth of an acre that has not been used since 1936. It is of no value to the Department, and the Department has given a favorable report on this bill.

Mr. RICH. The title of this bill states "with improvements." They might have a 10-story building there, with a lot of machinery and equipment that might be worth $100,000,000.

Mr. POTTER. I doubt that the total value is over $500.

Mr. RICH. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey by quitclaim deed, without consideration therefor, to the city of Alpena, Mich., all the right, title, and interest of the United States in and to that certain parcel of real property situated in Alpena County, Mich., including all improvements and fixtures thereon, and more particularly described as follows:

Beginning at a stake on the westerly line of River Street (now Park Place) extended, two hundred and thirty-six feet southeasterly from the most northerly corner of lot 1 in block 3 of the Village Plat (now city of Alpena); thence southeasterly along the extended westerly line of Park Place forty-five feet; thence southwesterly parallel with First Street one hundred and forty feet to the extended alley line in said block 3; thence northwesterly forty-five feet on said extended alley line; thence northeasterly one hundred and forty feet to place of beginning, said property lying southeasterly and adjacent to the Bingham lot, and containing one hundred and forty-three one-thousandths acre, more or less.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANTA FE NATIONAL FOREST, N. MEX.

The Clerk called the bill (S. 353) to protect scenic values along the tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter mining locations made under mining laws of the United States within the following-described lands within the Santa Fe National Forest, Santa Fe, N. Mex.: Sections 1, 2, 3, the northeast quarter of section 11 and the north half of section 12, in surveyed township 17 north, range 10 east; sections 12, 13, 14, 15, 16, 36, and that portion of section 25, outside the boundaries of the Gabaldon Grant in surveyed township 18 north, range 10 east; three thousand eight hundred and forty acres, more or less, in unsurveyed township 18 north, range 11 east, expected to be legally described, when surveyed, as sections 7, 8, 18, 19, and 30, the northeast quarter of section 17, the west half of section 17 and the west half of section 20, township 18 north, range 11 east, New Mexico principal meridian, shall confer on the locator the right to occupy and use so much of the surface of the land covered by the location as may be reasonably necessary to carry on prospecting, mining, and beneficiation of ores including the taking of mineral deposits and timber required by or in the mining and ore reducing operations, and no permit shall be required or charge made for such use or occupancy: *Provided, however*, That the cutting and removal of timber, except where clearing is necessary in connection with mining operations or to provide space for buildings or structures used in connection with mining operations, shall be conducted in accordance with the rules for timber cutting on adjoining national-forest land, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining and prospecting shall be allowed except under the national-forest rules and regulations, nor shall the locator prevent or obstruct other occupancy of the surface or use of surface resources under authority of national-forest regulations, or permits issued thereunder, if such occupancy or use is not in conflict with mineral development.

SEC. 2. That hereafter all patents issued under the United States mining laws affecting lands within the above-described area shall convey title to the mineral deposits within the claim, together with the right to cut and remove so much of the mature timber therefrom as may be needed in extracting and removing and beneficiation of the mineral deposits, if the timber is cut under sound principles of forest management as defined by the national-forest rules and regulations, but each patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except under the rules and regulations of the Department of Agriculture.

SEC. 3. That valid mining claims within the said lands, existing on the date of the enactment of this act, and thereafter maintained in compliance with the law under which they were initiated and the laws of the State of New Mexico, may be perfected under this act, or under the laws under which they were initiated, as the claimant may desire.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING TRANSPORTATION OF PASSENGERS AND MERCHANDISE ON CANADIAN VESSELS IN ALASKA

The Clerk called the bill (H. R. 2634) to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of law of the United States restricting to vessels of the United States the transportation of passengers and merchandise directly or indirectly from any port in the United States to another port of the United States, passengers and merchandise may be transported on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation.

With the following committee amendment:

Page 1, line 3, after "That,", insert "until June 30, 1950."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That is the last bill eligible to be called on the Consent Calendar.

VIRGIN ISLANDS

Mr. CUNNINGHAM. Mr. Speaker, at the time that Calendar No. 181, the bill (H. R. 4586) to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations, was called, it was passed over without prejudice. I understand the gentleman who made that request now wishes to withdraw it, so I ask unanimous consent to return to that bill for immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That when necessary to anticipate taxes and revenues, and to construct, improve, extend, better, repair, reconstruct, acquire, and operate any and all types of public works which shall include, but not be limited to, streets, bridges, wharves, and harbor facilities, sewers and sewage-disposal plants, municipal buildings, schools, libraries, gymnasia and athletic fields, fire houses, electric distribution systems or other work pertaining to electric systems, and other public utilities, including those owned or operated by the St. Thomas Power Authority, negotiable general obligation bonds and other obligations may be issued by the government of the Virgin Islands or any municipality thereof: *Provided*, That no public indebtedness of the government of the Virgin Islands or of any municipality thereof shall be allowed in excess of 10 percent of the aggregate tax valuation of the real and personal property within the area governed by its authority.

With the following committee amendments:

Page 2, line 4, after "of", strike out the remainder of line 4 and all of lines 5, 6, 7, and 8, and insert the following: "any municipality thereof shall be incurred in excess of 10 percent of the aggregate assessed valuation of the taxable real property in such municipality and that no public indebtedness of the government of the Virgin Islands shall be incurred in excess of 10 percent of the aggregate assessed valuation of the taxable real property in the islands. Bonds issued pursuant to this act shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times, not exceeding 30 years from the date thereof, may be payable at such place or places, may be sold at either public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest, or principal only, and may be executed by such officers and in such manner, as shall be prescribed by the government of the Virgin Islands or of the municipality issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signature, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes, the same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate not to exceed 4 percent per annum, payable semiannually. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest."

Page 3, after "thereof" in line 9, insert "including specifically interests thereon."

Page 3, at the end of the bill insert: "*Provided, further*, that the government of the Virgin Islands and any municipality thereof shall be obliged to levy and collect sufficient taxes for servicing any of the outstanding bonds, even if such taxation is required at a rate in excess of or in addition to the tax or tax rate of 1.25 percent of the assessed value which is provided for in section 1401 (b) of title 48, U. S. C., 1946 edition."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EGLIN FIELD RESERVATION

Mr. SIKES. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Calendar No. 162, the bill (H. R. 2418) to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation. It is my understanding that questions concerning that bill have been cleared up satisfactorily to the objectors.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, is this the bill to which the Bureau of the Budget was opposed?

Mr. SIKES. I do not recall that there was any objection by the Bureau of the Budget. Frankly, I do not know whether or not they objected. I would like to point out to the gentleman that this does not involve any appropriation of funds, but simply permits us to carry on game and fish management and restocking on a half-million-acre reservation from funds acquired through permits sold to hunters and fishermen at $2 each. The conservation people are thoroughly in accord with the bill which is sponsored by the people in the area.

Mr. BYRNES of Wisconsin. That may all be true, but I am advised that the Bureau of the Budget informed the committee that the enactment of this bill would not be in accordance with the program of the President, and that the bill would establish a precedent and present a serious difficulty so far as military reservations in other areas are concerned. Therefore, Mr. Speaker, I am constrained to object.

Mr. SIKES. If I may proceed one moment further, I want to say that I regret I did not have the opportunity to clear this with the gentleman. I did not know that he had this reservation in mind. If there is objection on the part of the Bureau of the Budget, it is because in other establishments, the Department of the Interior, through the Fish and Wildlife Service has supervised game and fish management and restocking and conservation. That would simply involve bringing another Federal agency into this reservation and you would have another set of supervisors trying to operate the game and fish management totally unnecessarily with an additional cost for no reason at all.

Mr. BYRNES of Wisconsin. It occurs to me, if I may say so to the gentleman, that we should have a policy which is at least consistent, and if you are by this legislation, as I understand to be the case, making an exception so far as the Eglin Field Reservation is concerned, I would like to have the opportunity to go into this a little further with the gentleman.

Mr. SIKES. May I submit to my friend that the people in our district are in favor of this.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. SIKES]?

Mr. BYRNES of Wisconsin. Mr. Speaker, I must insist that the bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CENTRAL INTELLIGENCE AGENCY

Mr. SASSCER submitted a conference report and statement on the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

FORT BERTHOLD RESERVATION

Mr. MORRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 33) providing for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. MORRIS. Mr. Speaker, a contract was entered into by and between the United States of America, represented by the Chief of Engineers of the Army and the Three Affiliated Tribes of the Fort Berthold Reservation in North Dakota, providing for the payment of something over $5,000,000 for the land which was to be taken by reason of the building of a dam. They have insisted that the settlement was not sufficient and they reserve the right to either go into court or to petition the Congress for further redress of their grievances.

Mr. MARTIN of Massachusetts. That was reserved in the contract?

Mr. MORRIS. That was reserved in the contract. It is very short, and I will read you the reservation:

Article I of the contract: The tribes, notwithstanding this contract, reserve to themselves all their rights and privileges to pursue further their claims against the Government by filing suit in the Court of Claims in accordance with Public Law 296, or by petitioning Congress for additional relief legislation, or both.

They came before our committee and petitioned, and made showings of the value of the land and of the resulting damage to them and the tribes. It was decided unanimously by our committee that they were definitely entitled to that much and a great deal more, as a matter of fact.

Mr. MARTIN of Massachusetts. How much is the total amount?

Mr. MORRIS. The total amount is $14,605,625. We think they made a good showing on a total damage of $21,981,000.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CASE of South Dakota. Mr. Speaker, this bill deals with compensation to the Indians of North Dakota for the land taken for the Garrison Reservoir. The gentleman from North Dakota [Mr. LEMKE] is present, and he could state this much better than I, but it is my understanding that this is a settlement which has been agreed upon as the result of extended hearings both in Washington and in the field.

The United States Government has already invested upward of $60,000,000 in the Garrison Dam and is committed to the expenditure of a great deal more, as that is the key dam in the flood-control program for the entire Missouri River Basin. The Government is in the position of already having taken this land and having erected a structure which will flood this land out. So that under the general principle of the exercise of eminent domain, it is honor bound to reimburse the people from whom it took the land.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, subject to the additional terms and conditions hereinafter set forth in sections 2 to 11, inclusive, which are made a part of this ratification, the following contract by and between the United States of America and the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., entered into on May 20, 1948, pursuant to the provisions of the War Department Civil Appropriation Act, 1948 (Public Law 296, 80th Cong.), is hereby ratified by the Congress, to wit:

CONTRACT BY AND BETWEEN THE UNITED STATES AND THE INDIANS OF THE FORT BERTHOLD RESERVATION AS PROVIDED FOR BY PUBLIC LAW 296, EIGHTIETH CONGRESS, FIRST SESSION

This contract, made and entered into this 20th day of May 1948 by and between the United States of America, hereinafter called the "Government," represented by the Chief of Engineers, United States Army, and the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., hereinafter called the "tribes," with the approval of a majority of the adult members of said tribes, witnesseth that:

Whereas, an item in the War Department's Civil Appropriations Act, 1948 (Public Law 296, 80th Cong., approved July 31, 1947), appropriating funds for "Flood control, general," provides:

Garrison (N. Dak.) Reservoir: For acquisition of the lands and rights therein within the taking line of Garrison Reservoir which lands lie within the area now established as the Fort Berthold Indian Reservation, N. Dak., including all elements of value above or below the surface thereof and including all improvements, severance damages, and reestablishment and relocation costs the sum of $5,105,625, which said sum is included in the total allocated under this act for the said Garrison Reservoir and which shall be deposited in the Treasury of the United States to the credit of the Three Affiliated Tribes of Fort Berthold Reservation, to be subject to withdrawal and disbursement as herein provided. This amount is made available subject to the following conditions subsequent and in the event the said conditions are not complied with then this amount shall lapse and be thereby null and void. Said conditions subsequent are:

That a contract between the United States and the said Three Affiliated Tribes shall be negotiated and approved by a majority of

the adult members of said tribes and enacted into law by the Congress, providing for the conveyance of said lands and interests and the use and distribution of said fund and that disbursements from said fund shall be made forthwith in accordance with said approved contract and act of Congress.

That said contract shall be submitted to the Congress on or before the first day of June 1948: *Provided, however,* That notwithstanding said contract or the provisions of this act, the said Three Affiliated Tribes may bring suit in the Court of Claims as provided in section 24 of the act of August 13, 1946, on account of additional damages, if any, alleged to have been sustained by said tribes by reason of the taking of the said lands and rights in the said Fort Berthold Indian Reservation on account of any treaty obligation of the Government or any intangible cost of reestablishment or relocation, for which the said tribes are not compensated by the said $5,105,625.

Now, Therefore, the parties hereto do mutually agree as follows:

ARTICLE I

The tribes, notwithstanding this contract, reserve to themselves all their rights and privileges to pursue further their claims against the Government by filing suit in the Court of Claims in accordance with Public Law 296 or by petitioning Congress for additional relief legislation, or both.

ARTICLE II

The lands to be taken or acquired by the United States under this contract, to be hereinafter referred to as the "Taking Area," are described as follows:

Part A—Within reservation boundaries

Beginning at the Northwest corner of Section 6, Township 150 North, Range 93 West of the 5th P. M.; thence East to the West sixteenth line; thence South to the East and West quarter line; thence East to center of said Section; thence South to South quarter corner; thence East to the West line of the East half of the Southwest quarter of the Southeast quarter (E½SW¼SE¼); thence North to South sixteenth line; thence East to East Section line; thence South to Southeast corner of said Section 6; thence West to West line of the East half of the East half of the Northeast quarter (E½E½NE¼) of Section 7; thence South to East and West quarter line; thence East to the East line of the West half of the Northwest quarter of the Southwest quarter of Section 8; thence South to South sixteenth line; thence East to the North and South quarter line; thence North to center of said Section; thence East to East Section line; thence South to South sixteenth line; thence West to the East sixteenth line; thence South to North sixteenth line of Section 17; thence East to the West sixteenth line of Section 16; thence North to North Section line; thence East to North quarter corner; thence South to center of said Section; thence East to East sixteenth line of Section 15; thence South to South sixteenth line; thence West to North and South quarter line; thence South to North line of the South half to the Southeast quarter of the Southwest quarter (S½SE¼SW¼); thence West to West sixteenth line; thence South to the South Section line; thence West to the Southwest corner of Section 15; thence South to North sixteenth line of Section 22; thence East to North and South quarter line; thence North to the North line of the South half of the Northwest quarter of the Northeast quarter (S½NW¼NE¼); thence East to East sixteenth line; thence North to the North line of Section 22; thence East to West line of the East half of the Southeast quarter of the Southeast quarter (E½SE¼SE¼) of Section 15; thence North to the South sixteenth line; thence East to West sixteenth line of Section 14; thence South to the South Section line; thence West to the Southwest corner of said Section 14; thence South to the North sixteenth line of Section 23; thence East to the West sixteenth line; thence South to the South sixteenth line; thence East to the East sixteenth line; thence North to the North sixteenth line; thence East to the East Section line; thence North to the Northeast corner of Section 23; thence East to the East line of the West half of the East half of the Northwest quarter of Section 24; thence South to East and West quarter line; thence West to the East line of the West half of the West half of the Southwest quarter; thence South to South Section line; thence East to East sixteenth line; thence North to East and West quarter line; thence East to the East quarter corner of Section 24, Township 150 North, Range 93 West of the 5th P. M.; thence East to West sixteenth line of Section 19, Township 150 North, Range 92 West of the 5th P. M.; thence South to North sixteenth line of Section 30; thence East to East line of Section 30; thence south to the north line of the south half of the southwest quarter of the northwest quarter (S½SW¼NW¼) of section 29; thence east to the west sixteenth line; thence north to the south line of the north half of the northwest quarter of the northwest quarter (N½NW¼NW¼); thence west to the west section line; thence north to south sixteenth line of section 20; thence east to the west sixteenth line; thence south to south section line; thence east to the east sixteenth line; thence north to the east and west quarter line; thence east to the east quarter corner of section 20; thence south to the west quarter corner of section 28; thence east to center of said section; thence south to south sixteenth line; thence east to the east section line; thence south to the southeast corner of section 28; thence east to the east sixteenth line of section 34; thence south to the north sixteenth line; thence east to west sixteenth line of section 35; thence north to the north section line; thence east to the north quarter corner of section 35; thence north to the center of section 26; thence east to the east sixteenth line; thence north to south sixteenth line of section 23; thence west to the north and south quarter line; thence north to the north sixteenth line; thence west to the west line of the east half of the northwest quarter of the northwest quarter (E½NW¼NW¼); thence north to south sixteenth line of section 14; thence east to the north and south quarter line; thence south to south section line; thence east to west sixteenth line of section 13; thence north to south sixteenth line; thence east to north and south quarter line; thence south to south quarter corner; thence east to the east sixteenth line; thence north to south sixteenth line; thence east to east line of section 13, township 150 north, range 92 west of the 5th p. m.; thence north to the west quarter corner of section 18, township 150 north, range 91 west; thence east to the west sixteenth line; thence north to north sixteenth line; thence east to east sixteenth line; thence north to the north section line; thence west to the north quarter corner of section 18; thence north to south sixteenth line of section 7; thence east to the east section line; thence north to the northeast corner of section 7; thence west to south quarter corner of section 6; thence north to center of section 6; thence west to west sixteenth line; thence north to north line of section 6; thence east along township line between townships 150 and 151 north to the northwest corner of section 1; thence south to west quarter corner; thence east to west sixteenth line; thence south to south sixteenth line; thence east to north and south quarter line; thence south to south section line; thence east to southeast corner of section 1, township 150 north, range 91 west of 5th p. m.; thence south to the north line of the south half of lot 2 of section 7, township 150 north, range 90 west of the 5th p. m.; thence east to the west line of the east 20 acres of lot 2; thence south to the east and west quarter line; thence west to the west quarter corner; thence south to the southwest corner of section 7; thence east to the west line of the east 20 acres of lot 1 of section 18; thence south to south line of said section 18; thence east to the west sixteenth line of section 19; thence south to the north sixteenth line; thence west to west section line; thence south to southwest corner; thence east to the south quarter corner; thence north to center of section; thence east to east quarter corner; thence south to north sixteenth line of section 29; thence east to north and south quarter line; thence south to center of section; thence west to west quarter corner of section 29; thence south to south sixteenth line of section 30; thence west to west sixteenth line; thence south to the south line of section 31, township 150 north, range 90 west of the 5th p. m.; thence south along the west sixteenth line of section 6, township 149 north, range 90 west of the 5th p. m. to the south line of said section 6; thence east to north quarter corner of section 7; thence south to south sixteenth line; thence east to the west sixteenth line of section 8; thence north to east and west quarter line; thence west to west line of the east half of the southwest quarter of the northwest quarter (E½SW¼NW¼); thence north to the north line of the southeast quarter of the northwest quarter of the northwest quarter (SE¼NW¼NW¼); thence east to the east line of the southwest quarter of the northeast quarter of the northwest quarter (SW¼NE¼NW¼); thence south to north sixteenth line; thence east to the west line of the east half of the northwest quarter of the northeast quarter (E½NW¼NE¼); thence north to the north section line; thence east to the northeast corner of section 8; thence north to south sixteenth line of section 4; thence east to west sixteenth line; thence north to east and west quarter line; thence east to center of section; thence south to south sixteenth line; thence east to east sixteenth line; thence south to north sixteenth line of section 9; thence east to east line of section 9; thence south to south sixteenth line of section 10; thence east to west sixteenth line; thence north to north section line; thence east to east sixteenth line; thence south to east and west quarter line; thence east to east quarter corner of section 10; thence south to south sixteenth line of section 11; thence east to west sixteenth line of section 11; thence South to South Section line; thence East to East sixteenth line; thence North to East and West quarter line; thence East to East quarter corner of Section 11; thence South to South sixteenth line of Section 12; thence East to East Section line; thence South to North sixteenth line of Section 13; thence West to the East line of the West half of the Southeast quarter of the Northeast quarter (W½SE¼NE¼); thence South to the East and West quarter line; thence West to the East sixteenth line; thence South to South line of Section 13; thence East to the East line of the West half of the Northeast quarter of the Northeast quarter (W½NE¼NE¼) of Section 24; thence South to the North sixteenth line; thence West to the West sixteenth line; thence North to the North Section line; thence West to the Northwest corner of Section 24; thence South to the North sixteenth line of Section 23; thence West to North and South quarter line; thence North to the North line of the South half of the North half of the Northwest quarter (S½N½NW¼); thence West to the North and South quarter line of Section 22; thence South to center of Section; thence West to the East line of the West half of the Northwest quarter of the Southeast quarter of the Northwest quarter (W½SE¼NW¼); thence North to North sixteenth line; thence West to East

sixteenth line of Section 21; thence South to East and West quarter line; thence West to the East line of the West half of the West half of the Southeast quarter (W½W½ SE¼); thence South to South Section line; thence East to Southeast corner of Section 21; thence South to North sixteenth line of Section 27; thence East to West sixteenth line; thence South to East and West quarter line; thence East to center of Section; thence South to South sixteenth line; thence West to North and South quarter line of Section 28; thence North to center of Section; thence West to West sixteenth line; thence South to South sixteenth line; thence West to West Section line; thence South to West quarter corner of Section 33; thence East to West sixteenth line; thence South to South line of Section 33, Township 149 North, Range 90 West of the 5th P. M.; thence East along North line of Section 1, Township 148 North, Range 91 West of the 5th P. M. to the Northeast corner; thence South to South sixteenth line; thence West to East sixteenth line; thence South to East and West quarter line of Section 12; thence West to center of Section; thence South to South Section line; thence West to East sixteenth line of Section 14; thence South to East and West quarter line; thence West to East line of the West half of the Northwest quarter of the Southeast quarter (W½NW¼SE¼); thence South to South sixteenth line; thence West to North and South quarter line; thence South to South quarter corner; thence East to Southeast corner of Section 14; thence South to North sixteenth line of Section 24; thence East to West sixteenth line; thence South to East and West quarter line; thence East to East sixteenth line; thence North to North Section line; thence East to Northeast corner of Section 24, Township 148 North, Range 91 West of the 5th P. M.; thence South to West quarter corner of Section 19, Township 148 North, Range 90 West of the 5th P. M.; thence East to center of Section; thence South to South sixteenth line; thence East to East line of Section 19; thence North to North sixteenth line of Section 20; thence East to North and South quarter line; thence South to South sixteenth line; thence East to East sixteenth line; thence South to South Section line; thence East to the East line of the West half of the Northwest quarter of the Northwest quarter (W½NW¼NW¼) of Section 28; thence South to North sixteenth line; thence East to the North and South quarter line; thence North to the South sixteenth line of Section 21; thence East to West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼ SE¼); thence North to North sixteenth line; thence East to the East sixteenth line; thence South to East and West quarter line; thence East to the East quarter corner; thence South to the North sixteenth line of Section 27; thence East to the West sixteenth line; thence South to East and West quarter line; thence East to East quarter corner; thence North to North sixteenth line; thence West to East sixteenth line; thence North to North section line; thence East to West sixteenth line of Section 26; thence South to East and West quarter line; thence East to East line of the West half of the East half of the Southwest quarter (W½E½SW¼); thence South to South Section line; thence East to Southeast corner of Section 26; thence North to the West quarter corner of Section 25; thence East to West sixteenth line; thence South to South sixteenth line; thence East to East sixteenth line; thence South to South Section line; thence East to Southeast corner of Section 25, Township 148 North, Range 90 West of the 5th P. M.; thence North to South sixteenth line of Section 30, Township 148 North, Range 89 West of the 5th P. M.; thence East to West sixteenth line; thence South to North sixteenth line of Section 31; thence West to West Section line; thence South to Southwest corner; thence East to West sixteenth line; thence North to East and West quarter line; thence East to East sixteenth line; thence North to North sixteenth line; thence East to the East line of Section 31; thence South to South sixteenth line of Section 32; thence East to North and South quarter line; thence South to South quarter corner; thence East to East sixteenth line; thence North to South sixteenth line; thence East to East Section line; thence South to Southeast corner of section 32, Township 148 North, Range 89 West of the 5th P. M.; thence West to the West line of the East half of Lot 1 of section 5, Township 147 North, Range 89 West of the 5th P. M.; thence South to East and West quarter line; thence East to West sixteenth line of Section 4; thence North to North sixteenth line; thence East to East line of Section 4; thence South to South sixteenth line of Section 3; thence East to West sixteenth line; thence South to South line of Section 3, thence East to the East line of the West half of the Northwest quarter of the Northeast quarter of Section 10; thence South to North sixteenth line; thence East to the East sixteenth line; thence South to the East and West quarter line; thence East to East quarter corner of Section 10; thence South to South sixteenth line of Section 11; thence East to North and South quarter line of Section 12; thence North to North sixteenth line; thence West to West Section line; thence North to Northwest corner of Section 12; thence East to West sixteenth line of Section 1; thence North to South sixteenth line; thence West to West section line; thence North to North line of the South half of the Southwest quarter of the Northwest quarter (S½SW¼NW¼); thence East to West sixteenth line; thence South to East and West quarter line; thence East to center of Section; thence South to South quarter corner; thence East to Southeast corner of Section 1, Township 147 North, Range 89 West of the 5th P. M.; thence South to the North line of the South half of Lot 1 of Section 7, Township 147 North, Range 88 West of the 5th P. M.; thence East to the West sixteenth line; thence North to the North line of Section 7; thence East to the South quarter corner of Section 6; thence North to the North line of the South half of the Southwest quarter of the Southeast quarter (S½SW¼SE¼); thence East to the East sixteenth line; thence South to the South line of the North half of the Northwest quarter of the Northeast quarter (N½NW¼ NE¼) of Section 7; thence West to North and South quarter line; thence South to the North line of the South half of the North half of the Southeast quarter (S½N½SE¼); thence East to the East Section line; thence North to the East quarter corner of Section 7; thence East to the West line of the East half of the Southwest quarter of the Northwest quarter (E½SW¼NW¼) of Section 8; thence North to the North sixteenth line; thence East to the North and South quarter line; thence North to the North quarter corner; thence East to the Northeast corner; thence South to the South line of the North half of the Northeast quarter of the Northeast quarter (N½NE¼NE¼); thence West to East sixteenth line; thence South to the South line of the North half of the Southwest quarter of the Northeast quarter (N½SW¼NE¼); thence West to North and South quarter line; thence South to center of Section; thence West to the East line of the West half of the East half of the Southwest quarter (W½E½SW¼); thence South to the South line of Section 8; thence West to West sixteenth line of Section 17; thence South to the North line of the South half of the Northeast quarter of the Northwest quarter (S½NE¼NW¼); thence East to East sixteenth line; thence North to North line of Section 17; thence East to West line of the East half of the Southeast quarter of the Southeast quarter (S½SE¼SE¼) of Section 8; thence North to South sixteenth line; thence East to East line of Section 8; thence South to North line of the South half of the South half of the Southwest quarter (S½S½SW¼) of Section 9; thence East to North and South quarter line; thence South to South quarter corner of Section 9; thence West to West sixteenth line of Section 16; thence South to North line of the South half of the Northwest quarter of the Northwest quarter (S½NW¼NW¼); thence West to West Section line; thence South to North line of the South half of the Southwest quarter of the Northwest quarter (S½SW¼NW¼); thence East to West sixteenth line; thence South to East and West quarter line; thence East to center of Section; thence South to South sixteenth line; thence West to West sixteenth line; thence South to South Section line; thence East to Southeast corner of Section 16; thence North to South sixteenth line of Section 15; thence East to East sixteenth line; thence North to North Section line; thence East to Northeast corner of Section 15; thence South to North sixteenth line of Section 14; thence East to North and South quarter line; thence South to center of Section; thence East to East quarter corner of Section 14; thence North to North line of the South half of the North half of the Northwest quarter (S½N½NW¼) of Section 13; thence East to North and South quarter line; thence South to North sixteenth line; thence East to East sixteenth line; thence North to North line of the South half of the Northeast quarter of the Northeast quarter (S½NE¼NE¼); thence East to East line of Section 13, Township 147 North, Range 88 West of the 5th P. M.; thence North to West quarter corner of Section 7, Township 147 North, Range 87 West of the 5th P. M.; thence East to center of Section; thence North to North quarter corner; thence East to East sixteenth line; thence South to East and West quarter line; thence East to East quarter corner of Section 7; thence North to North line of the South half of the Southwest quarter of the Northwest quarter of Section 8; thence East to West sixteenth line; thence North to North sixteenth line; thence East to West line of the East half of the Northeast quarter of the Northwest quarter (E½NE¼NW¼); thence North to North Section line; thence East to East line of the West half of the Northeast quarter of the Northeast quarter (W½NW¼NE¼); thence South to North sixteenth line; thence West to North and South quarter line; thence South to center of Section; thence West to East line of the West half of the East half of the Southwest quarter (W½E½SW¼); thence South to South Section line; thence East to East sixteenth line; thence North to North line of the South half of the Southeast quarter of the Northeast quarter (S½SE¼NE¼); thence East to East Section line; thence South to Southeast corner of Section 8; thence East to South quarter corner of Section 9; thence North to North line of the South half of the North half of the Southeast quarter (S½N½SE¼); thence East to the East line of Section 9; thence South to South sixteenth line of Section 10; thence East to the East line of the Northwest quarter of the Southeast quarter of the Southwest quarter (NW¼SE¼SW¼); thence South to the North line of the Southeast quarter of the Southeast quarter of the Southwest quarter (SE¼SE¼SW¼); thence East to East sixteenth line; thence North to South sixteenth line; thence East to the East line of the West half of the Southwest quarter of the Southwest quarter (W½SW¼SW¼) of Section 11; thence South to the South line of the Northwest quarter of the Northwest quarter of the Northwest quarter (NW¼NW¼NW¼) of Section 14; thence West to the East line of the Southwest quarter of the Northeast quarter of the Northeast quarter (SW¼NE¼NE¼) of Section 15; thence South to the East and West quarter line; thence East to East quarter corner of Section 15; thence South to the

North line of the South half of the North half of the Southwest quarter (S½N½SW¼) of Section 14; thence East to North and South quarter line; thence South to the North line of the South half of the South half of the Southeast quarter (S½S½SE¼); thence East to the East line of Section 14; thence North to the South sixteenth line of section 13; thence East to the West line of the East half of the Northwest quarter of the Southwest quarter (E½NW¼SW¼); thence North to East and West quarter line; thence East to an intersection with the East boundary of the Fort Berthold Indian Reservation, as surveyed, at a point 2,321 feet East of the East quarter corner of Section 13, Township 147 North, Range 87 West of the 5th P. M.; thence South 25° West along said Reservation Boundary Line, as surveyed, to the low water line of the right bank of the Missouri River; thence upstream along said low water line of the right bank of the Missouri River to a point 1,663 feet North and 1,305 feet West of the East quarter corner of Section 1, Township 146 North, Range 88 West of the 5th P. M., said point being on the East boundar of the Fort Berthold Indian Reservation, as surveyed; thence South 53°09' West along said Reservation Boundary, as surveyed, to the East line of Section 16; thence North to the South sixteenth line of Section 10; thence East to West sixteenth line; thence North to East and West quarter line; thence West to West quarter corner of Section 10; thence North to North sixteenth line of Section 9; thence West to North and South quarter line; thence South to center of Section; thence West to West quarter corner; thence North to Northeast corner of Section 8; thence West to East sixteenth line of Section 8; thence South to South line of Section; thence East to Southeast corner of Section 8; thence South to North sixteenth line of Section 16; thence East to West sixteenth line; thence South to East and West quarter line; thence East to center of Section; thence South on North and South quarter line to the Fort Berthold Indian Reservation Boundary Line; thence South 53°09' West along said Boundary line to the Southeast corner of Section 17; thence West to the East sixteenth line of Section 18; thence North to the North line of Section 18; thence West to the West sixteenth line of Section 7; thence North to South sixteenth line; thence East to North and South quarter line; thence North to center of Section; thence West to West sixteenth line; thence North to North sixteenth line; thence West to the West line of Section 7, Township 146 North, Range 88 West of the 5th P. M.; thence West on North sixteenth line of Section 12, Township 146 North, Range 89 West of the 5th P. M. to the North and South quarter line; thence South to South sixteenth line; thence East to West line of the East half of the Southwest quarter of the Southeast quarter (E½SW¼SE¼); thence South to South Section line; thence West to East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼); thence North to South sixteenth line; thence West to West sixteenth line; thence North to East and West quarter line; thence West to center of Section 11; thence South to North line of the South half of the North half of the Southwest quarter (S½N½SW¼); thence West to West Section line; thence North to West quarter corner of Section 11; thence West to East sixteenth line of Section 10; thence North to North sixteenth line; thence East to East Section line; thence North to Northeast corner of Section 10; thence East to South quarter corner of Section 2; thence North to center of Section; thence West to West sixteenth line; thence North to North sixteenth line; thence East to East section line; thence North to Northeast corner of Section 2; thence East to West sixteenth line of Section 1; thence South to North sixteenth line; thence East to North and South quarter line; thence South to the South line of the North half of the South half of the Northeast quarter (N½S½NE¼); thence East to East line of Section 1, Township 146 North, Range 89 West of the 5th P. M.; thence North to the South sixteenth line of Section 36, Township 147 North, Range 89 West of the 5th P. M.; thence West to East sixteenth line; thence North to East and West quarter line; thence West to West quarter corner of Section 36; thence North to North sixteenth line of Section 35; thence West to West sixteenth line; thence North to North Section line; thence West to Southeast corner of Section 28; thence North to East quarter corner; thence West to the West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼); thence South to South sixteenth line; thence West to East line of the West half of the Northeast quarter of the Southwest quarter (W½NE¼SW¼); thence North to East and West quarter line; thence West to West quarter corner of Section 28; thence North to North sixteenth line of Section 29; thence West to East sixteenth line; thence South to East and West quarter line; thence West to center of Section; thence North to North sixteenth line; thence West to West sixteenth line; thence North to North line of Section 29; thence East to South quarter corner of Section 20; thence North to center of Section; thence West to West sixteenth line; thence South to South sixteenth line; thence West to the West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼) of Section 19; thence North to East and West quarter line; thence West to center of Section; thence South to South sixteenth line; thence West to the East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼); thence South to South Section line; thence West to the Southwest corner of Section 19, Township 147 North, Range 89 West of the 5th P. M.; thence West to North quarter corner of Section 25, Township 147 North, Range 90 West of the 5th P. M.; thence South to North Sixteenth line; thence East to East Section line; thence South to East quarter corner; thence West to the East line of the West half of the East half of the Southwest quarter (W½E½SW¼); thence South to South Section line; thence West to South quarter corner of Section 26; thence North to South sixteenth line; thence West to the West Section line; thence South to Southwest corner of Section 26; thence West to South quarter corner of Section 27; thence North to center of Section; thence East to East quarter corner of Section 27; thence North to North sixteenth line of Section 26; thence East to North and South quarter line; thence North to center of Section 23; thence West to West sixteenth line; thence North to North sixteenth line; thence East to East sixteenth line; thence North to North line of Section 23; thence east to Southeast corner of Section 14; thence North to East quarter corner; thence West to East sixteenth line; thence North to North sixteenth line; thence West to North and South quarter line; thence South to center of Section; thence West to West quarter corner of Section 14; thence North to North sixteenth line of Section 15; thence West to East sixteenth line; thence South to East and West quarter line; thence West to center of Section; thence North to North sixteenth line; thence West to West line of Section 15; thence South to South sixteenth line of Section 16; thence West to East sixteenth line; thence South to South Section line; thence West to South quarter corner; thence North to North quarter corner; thence West to West sixteenth line; thence South to East and West quarter line; thence West to West quarter corner of Section 16; thence South to North sixteenth line of Section 20; thence West to East sixteenth line; thence North to North Section line; thence West to North quarter corner; thence South to North sixteenth line; thence West to West sixteenth line; thence North to East and West quarter line of Section 17; thence West to West quarter corner of said Section 17; thence North to North line of the South half of the North half of the Northeast quarter (S½N½NE¼) of Section 18; thence West to North and South quarter line; thence North to North quarter corner; thence East to Northeast corner of Section 18; thence North to South sixteenth line of Section 7; thence West to North and South quarter line; thence North to center of Section; thence West to West line of the East 20 acres of Lot 5; thence South to South section line; thence West to Southwest corner of Section 7, Township 147 North, Range 90 West of the 5th P. M.; thence West along South line of Section 12, Township 147 North, Range 91 West of the 5th P. M. to the West line of the East half of the Southeast quarter of the Southwest quarter (E½SE¼SW¼); thence North to South sixteenth line; thence East to North and South quarter line; thence North to center of Section; thence West to the East line of the West half of the Northwest quarter of the Southwest quarter (W½NW¼SW¼); thence South to South sixteenth line; thence West to the West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼) of Section 11; thence North to East and West quarter line; thence East to East sixteenth line; thence North to North sixteenth line; thence East to East Section line; thence North to Northeast corner of Section 11; thence West to the West line of the East half of the Southeast quarter of the Southeast quarter (E½SE¼SE¼) of Section 2; thence North to South sixteenth line; thence West to East sixteenth line; thence North to East and West quarter line; thence West to East sixteenth line of Section 3; thence North to North sixteenth line; thence west to North and South quarter line; thence North to North quarter corner; thence West to Northwest corner; thence South to West quarter corner; thence East to West sixteenth line; thence South to South sixteenth line of said Section; thence West to North and South quarter line of Section 4; thence North to North sixteenth line; thence West to West Section line; thence South to West quarter corner of Section 4; thence West to center of Section 5; thence South to South sixteenth line; thence West to West sixteenth line; thence North to North sixteenth line; thence West to West line of Section 5; thence South to East quarter corner of Section 6; thence West to East sixteenth line; thence North to North line of said Section 6, Township 147 North, Range 91 West of the 5th P. M.; thence North on East sixteenth line of Section 31, Township 148 North, Range 91 West of the 5th P. M. to East and West quarter line; thence West to West quarter corner; thence South to South sixteenth line; thence East to West sixteenth line; thence South to South line of Section 31, Township 148 North, Range 91 West of the 5th P. M.; thence East to North quarter corner of Section 6, Township 147 North, Range 91 West of the 5th P. M.; thence South to North Sixteenth line; thence West to West section line; thence South to West quarter corner; thence East to the West line of the East 20 acres of Lot 6; thence South to South line of Section 6; thence East to West sixteenth line of Section 7; thence South to East and West quarter line; thence East to center of Section; thence South to South quarter corner; thence West to Southwest corner of Section 7, Township 147 North, Range 91 West of the 5th P. M.; thence West on North line of Section 13, Township 147 North, Range 92 West of the 5th P. M. to the East sixteenth line; thence South to East and West quarter line; thence West to West quarter corner; thence North to Northwest corner of Section 13; thence East to West sixteenth line of Section 12; thence North to North Section line; thence West to Southeast corner of Section 3; thence North to East quarter corner; thence West

to the West line of the East half of the Southwest quarter of the Northeast quarter (E½SW¼NE¼); thence North to North sixteenth line; thence West to the East line of the West half of the Southeast quarter of the Northwest quarter (W½SE¼NW¼); thence South to East and West quarter line; thence West to West sixteenth line; thence South to South sixteenth line; thence West to East sixteenth line of Section 4; thence North to North sixteenth line; thence West to East line of the West half of the Southeast quarter of the Northwest quarter (W½SE¼NW¼); thence South to South sixteenth line; thence West to West sixteenth line; thence South to South section line; thence East to South quarter corner of Section 4; thence South to North sixteenth line of Section 9; thence West to West sixteenth line; thence South to North line of the South half of the Northeast quarter of the Southwest quarter (S½NE¼SW¼); thence East to North and South quarter line; thence South to South quarter corner of Section 9; thence West to West sixteenth line of Section 16; thence South to East and West quarter line; thence West to the West line of the East half of the Southeast quarter of the Northeast quarter of Section 17; thence North to North line of said Section 17; thence West to East sixteenth line of Section 8; thence North to South sixteenth line; thence West to West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼); thence North to East and West quarter line; thence West to center of Section; thence South to South sixteenth line of Section 17; thence East to East sixteenth line; thence South to North line of the South half of the Southeast quarter of the Southeast quarter (S½SE¼SE¼; thence East to East Section line; thence South to Southeast corner; thence West to South quarter corner of Section 17; thence South to North sixteenth line of Section 20; thence East to East sixteenth line; thence South to East and West quarter line; thence West to center of Section; thence South to South quarter corner of Section 20; thence East to East line of the West half of the Northwest quarter of the Northeast quarter (W½NW¼NE¼) of Section 29; thence South to South line of the Northwest quarter of the Southwest quarter of the Northeast quarter (NW¼SW¼NE¼); thence West to North and South quarter line; thence South to South sixteenth line; thence East to East line of the West half of the Southwest quarter of the Southeast quarter (W½SW¼SE¼); thence South to South Section line; thence East to the Southeast corner of Section 29; thence South to West quarter corner of Section 33; thence East to West sixteenth line; thence South to South sixteenth line; thence East to North and South quarter line; thence North to center of Section; thence East to the East line of the West half of the West half of the Southeast quarter (W½W½SE¼); thence South to South line of Section 33, Township 147 North, Range 92 West of the 5th P. M.; thence East to Northwest corner of Section 3, Township 146 North, Range 92 West of the 5th P. M.; thence South to North line of the South half of the South half of the North half (S½S½N½), thence East to East Section line; thence South to East quarter corner of said Section 3; thence East to West sixteenth line of Section 2; thence South to South sixteenth line; thence East to West line of the East half of the Southeast quarter of the Southwest quarter (E½SE¼SW¼); thence South to the North line of the Southwest quarter of the Northeast quarter of the Northwest quarter (SW¼NE¼NW¼) of Section 11; thence West to West Section line; thence North to South line of the North half of the South half of the South half (N½S½S½) of Section 3; thence West to West line of said Section 3; thence North to South sixteenth line of Section 4; thence West to North and South quarter line; thence North to center of Section; thence West to West sixteenth line; thence South to South sixteenth line; thence West to West Section line; thence South to Southwest corner of Section 4; thence West to West line of the East half of the Southwest quarter of the Southeast quarter (E½SW¼SE¼) of Section 5; thence North to South sixteenth line; thence East to West line of the East half of the Northeast quarter of the Southeast quarter (E½NE¼SE¼); thence North to East and West quarter line; thence East to East quarter corner; thence North to North sixteenth line; thence West to East sixteenth line; thence North to North Section line; thence West to Northwest corner of Section 5, Township 146 North, Range 92 West of the 5th P. M.; thence North to the South line of the North half of the South half of the Southeast quarter (N½S½SE¼) of Section 31, Township 147 North, Range 92 West of the 5th P. M.; thence West to North and South quarter line; thence South to South quarter corner; thence West to Southwest corner of Section; thence North on the West line of said Section 31, Township 147 North, Range 92 West of the 5th P. M. to an intersection with the low water line of the Little Missouri River at the left or North bank of said stream; thence upstream in a Northwesterly direction with said low water line of the left bank, a distance of approximately 23 miles to an intersection with the North and South quarter line of Section 34, Township 148 North, Range 95 West of the 5th P. M.; thence North along said quarter line to the North quarter corner of said Section; thence East to Northeast corner of Section 34; thence South to North sixteenth line of Section 35; thence East to North and South quarter line; thence South to center of Section; thence East to East quarter corner; thence South to Southeast corner of Section 35, Township 148 North, Range 95 West of the 5th P. M.; thence East to North quarter corner of Section 1, Township 147 North, Range 95 West of the 5th P. M.; thence South to center of Section; thence East to East quarter corner of and Section 1, Township 147 North, Range 95 West of the 5th P. M.; thence East to West sixteenth line of Section 5, Township 147 North, Range 94 West of the 5th P. M.; thence South to South sixteenth line; thence East to East sixteenth line; thence South to South Section line; thence East to Southeast corner of Section 5; thence South to North sixteenth line of Section 17; thence West to East sixteenth line; thence South to South Section line; thence East to Southeast corner of said Section 17; thence South to West quarter corner of Section 21; thence East to center of Section; thence North to North sixteenth line; thence East to East sixteenth line; thence North to North Section line of Section 21; thence East to South quarter corner of Section 14; thence North to South line of the North half of the Northeast quarter of the Southwest quarter (N½NE¼SW¼); thence West to West sixteenth line; thence North to North line of the South half of the Southeast quarter of the Northwest quarter (S½SE¼NW¼); thence East to North and South quarter line; thence South to center of Section; thence East to East sixteenth line of Section 13; thence South to South sixteenth line; thence East to East section line; thence South to Southeast corner of said Section 13, Township 147 North, Range 94 West of the 5th P. M.; thence East to South quarter corner of Section 18, Township 147 North, Range 93 West of the 5th P. M.; thence North to South sixteenth line; thence East to East line of the West half of the Southwest quarter of the Southeast quarter (W½SW¼SE¼); thence South to South Section line; thence East to Southeast corner of said Section 18; thence South to South sixteenth line of Section 20; thence East to East Section line; thence South to the North line of the South half of the North half of the Northwest quarter (S½N½NW¼) of Section 28; thence East to North and South quarter line; thence South to North sixteenth line; thence East to the East line of the West half of the Southeast quarter of the Northeast quarter (W½SE¼NE¼); thence South to East and West quarter line; thence East to West sixteenth line of Section 27; thence North to North Section line; thence East to North quarter corner; thence South to center of Section; thence East to East sixteenth line; thence South to South sixteenth line; thence East to North and South quarter line of Section 26; thence North to center of Section; thence East to East sixteenth line; thence North to North sixteenth line; thence East to East line of said Section 26; thence South to South sixteenth line of Section 25; thence East to East line of said Section 25, Township 147 North, Range 93 West of the 5th P. M.; thence East along the South sixteenth line of Section 30, Township 147 North, Range 92 West of the 5th P. M. to the North and South quarter line; thence North to center of Section 19; thence East to East sixteenth line; thence North to North Section line; thence West to Northwest corner of said Section 19, Township 147 North, Range 92 West of the 5th P. M.; thence West to South quarter corner of Section 13, Township 147 North, Range 93 West of the 5th P. M.; thence North to center of Section; thence East to East quarter corner of said Section 13, Township 147 North, Range 93 West of the 5th P. M.; thence North to North sixteenth line of Section 7, Township 147 North, Range 92 West of 5th P. M.; thence East to West sixteenth line; thence North to South sixteenth line of Section 6; thence East to East sixteenth line; thence North to East and West quarter line; thence West to West line of said Section 6, Township 147 North, Range 92 West of the 5th P. M.; thence South to South sixteenth line of Section 1, Township 147 North, Range 93 West of the 5th P. M.; thence West to North and South quarter line; thence South to South quarter corner; thence West to West sixteenth line; thence North to South sixteenth line; thence West to West line of said Section 1; thence North to South line of the North half of the Northeast quarter of the Southeast quarter (N½NE¼SE¼) of Section 2; thence West to East sixteenth line; thence North to North line of the South half of the Southeast quarter of the Northeast quarter (S½SE¼NE¼); thence East to East Section Line; thence North to Northeast corner of said Section 2, Township 147 North, Range 93 West of the 5th P. M.; thence West to South quarter corner of Section 35, Township 148 North, Range 93 West of the 5th P. M.; thence North to South sixteenth line; thence West to West Section line; thence North to West quarter corner of said Section 35; thence West to center of Section 34; thence North to North quarter corner; thence East to North quarter corner of Section 35; thence South to center of Section; thence East to West sixteenth line of Section 36; thence South to South Section line; thence East to Southeast corner of said Section 36, Township 148 North, Range 93 West of the 5th P. M.; thence North to the North line of the South half of the South half of the Southwest quarter (S½S½SW¼) of Section 31, Township 148 North, Range 92 West of the 5th P. M.; thence East to North and South quarter line; thence South to South quarter corner; thence East to South quarter corner of Section 32; thence North to South Sixteenth line; thence West to East sixteenth line of Section 31; thence North to East and West quarter line; thence East to East quarter corner of said Section 31; thence North to North line of the South half of the North half (S½S½N½) of Section 32; thence East to East Section line; thence North to South line of the North half of the North half of the North half (N½N½N½); thence West to East sixteenth line of Section 31; thence North to North Section line; thence West to

Northwest corner of said Section 31, Township 148 North, Range 92 West of the 5th P. M.; thence North to South sixteenth line of Section 25, Township 14 North, Range 93 West of the 5th P. M.; thence West to East sixteenth line; thence North to East and West quarter line; thence West to center of Section; thence North to North quarter corner of said Section 25; thence West to West sixteenth line of Section 24, thence North to North line of the South half of the Northeast quarter of the Southwest quarter (S½NE¼SW¼); thence East to East sixteenth line; thence South to South Section line; thence East to Southeast corner of said Section 24, Township 148 North, Range 93 West of the 5th P. M.; thence South to the North line of the South half of Lot 2, Section 30, Township 148 North, Range 92 West of the 5th P. M.; thence East to North and South quarter line; thence South to center of Section; thence East to East quarter corner; thence North to Northeast corner of said Section 30; thence East to East line of the West half of the East half of the Northwest quarter (W½E½NW¼) of Section 29; thence South to East and West quarter line; thence East to East sixteenth line of Section 28; thence South to South sixteenth line; thence East to West sixteenth line of Section 27; thence North to East and West quarter line; thence West to West quarter corner; thence North to Northwest corner of said Section 2; thence West to East sixteenth line of Section 21; thence North to East and West quarter line; thence East to West sixteenth line of Section 22; thence South to South sixteenth line; thence East to East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼); thence South to South Section line; thence East to South quarter corner of said Section 22; thence South to North line of the South half of the North half of the Northeast quarter (S½N½NE¼) of Section 27; thence East to East line of said Section 27; thence South to North sixteenth line of Section 26; thence East to West line of the East half of the Southeast quarter of the Northwest quarter; thence South to South sixteenth line; thence West to the West sixteenth line; thence South to South Section line; thence East to East sixteenth line; thence North to South sixteenth line; thence East to East Section line; thence North to Northeast corner of said Section 26; thence East to Northeast corner of Section 25; thence North to South sixteenth line of Section 24; thence West to East sixteenth line; thence North to North Section line; thence East to Northeast corner of said Section 24, Township 148 North, Range 92 West of the 5th P. M.; thence South to North sixteenth line of Section 19, Township 148 North, Range 91 West of the 5th P. M.; thence East to West sixteenth line; thence South to East and West quarter line; thence East to center of Section; thence South to South sixteenth line; thence East to the East Section line; thence South to the Southeast corner of said Section 19; thence East to South quarter corner of Section 20; thence North to North sixteenth line; thence West to West sixteenth line; thence North to South sixteenth line of Section 17; thence West to West Section line; thence North to North sixteenth line; thence East to West sixteenth line; thence North to North line of said Section 17; thence West to the West line of the East half of the West half of the Southwest quarter (E½W½SW¼) of Section 8; thence North to East and West quarter line; thence East to center of Section; thence North to South line of the North half of the Southeast quarter of the Northwest quarter (N½SE¼NW¼); thence West to West sixteenth line; thence North to North sixteenth line; thence West to West Section line; thence North to Northwest corner of said Section 8; thence West to South quarter corner of Section 6; thence North to South sixteenth line; thence West to West sixteenth line; thence North to East and West quarter line; thence East to East quarter corner of said Section 6; thence South to South sixteenth line of Section 5; thence East to North and South quarter line; thence North to North sixteenth line; thence West to West sixteenth line; thence North to North line of said Section 5, Township 148 North, Range 91 West of the 5th P. M.; thence East to East sixteenth line of Section 34, Township 149 North, Range 91 West of the 5th P. M.; thence North to South sixteenth line; thence West to West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼); thence North to East and West quarter line; thence East to East quarter corner of section 34; thence South to South sixteenth line of Section 35; thence East to East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼); thence South to South Section line; thence East to South quarter corner; thence North to North sixteenth line; thence West to West sixteenth line; thence North to North Section line; thence East to North quarter corner of said Section 35; thence North to center of Section 26; thence East to East sixteenth line; thence North to North Section line; thence West to North quarter corner of said Section 26; thence North to South sixteenth line of Section 23; thence West to West line of the East half of the Northeast quarter of the Southwest quarter (E½NE¼SW¼); thence North to East and West quarter line; thence West to West sixteenth line; thence North to North sixteenth line; thence West to West Section line; thence North to Northwest corner of said Section 23; thence West to East sixteenth line of Section 15; thence North to East and West quarter line; thence West to West line of the East half of the West half of the Northeast quarter (E½W½NE¼); thence North to North Section line; thence West to North quarter corner of said Section 15; thence North to center of Section 10; thence West to West sixteenth line; thence North to North sixteenth line; thence West to East sixteenth line of Section 9; thence North to South sixteenth line of Section 4; thence West to West sixteenth line; thence North to North Section line; thence West to Northwest corner of said Section 4, Township 149 North, Range 91 West of the 5th P. M.; thence North to East quarter corner of Section 32, Township 150 North, Range 91 West of the 5th P. M.; thence West to West quarter corner; thence South to Southwest corner of said Section 32, Township 150 North, Range 91 West of the 5th P. M.; thence West to East sixteenth line of Section 6, Township 149 North, Range 91 West of the 5th P. M.; thence South to North sixteenth line; thence West to West sixteenth line; thence South to East and West quarter line; thence West to West Section line; thence South to North line of the South half of Lot 6 of said section; thence East to West sixteenth line; thence South to South sixteenth line; thence East to East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼); thence South to South Section line; thence West to Southwest corner of said Section 6, Township 149 North, Range 91 West of the 5th P. M.; thence West to East sixteenth line of Section 1, Township 149 North, Range 92 West of the 5th P. M.; thence North to South sixteenth line; thence West to the East line of the Northwest quarter of the Southeast quarter of the Southwest quarter (NW¼SE¼SW¼); thence South to South line of the Northwest quarter of the Southeast quarter of the Southwest quarter (NW¼SE¼SW¼); thence West to West Section line; thence South to Southwest corner of said Section 1; thence West to West sixteenth line of Section 11; thence South to North line of the South half of the Northeast quarter of the Northwest quarter (S½NE¼NW¼); thence East to the East line of the Southwest quarter of the Northwest quarter of the Northeast quarter (SW¼NW¼NE¼); thence South to North sixteenth line; thence East to East sixteenth line; thence South to North line of the Southwest quarter of the Southeast quarter of the Northeast quarter (SW¼SE¼NE¼); thence East to East line of the Southwest quarter of the Southeast quarter of the Northeast quarter (SW¼SE¼NE¼); thence South to East and West quarter line; thence East to East quarter corner; thence South to Southeast corner of said Section; thence West to East Sixteenth line; thence North to South sixteenth line; thence West to North and South quarter line of Section 11; thence South to North sixteenth line of Section 14; thence West to East line of the West half of the Southwest quarter of the Northwest quarter (W½SW¼NW¼); thence South to East and West quarter line; thence West to West quarter corner; thence South to Southwest corner of said Section 14; thence West to East sixteenth line of Section 15; thence North to East and West quarter line; thence West to the West line of the East half of the Southeast quarter of the Northeast quarter (E½SE¼NE¼) of Section 16; thence North to the North line of the Southeast quarter of the Northeast quarter of the Northeast quarter (SE¼NE¼-NE¼); thence East to East Section line; thence North to Northeast corner of said Section 16; thence East to the South quarter corner of Section 10; thence North to South sixteenth line; thence East to East sixteenth line; thence North to North line of said Section 10; thence West to East line of the West half of the Southeast quarter of the Southwest quarter (W½SE¼SW¼) of Section 3; thence North to South sixteenth line; thence West to West Section line; thence North to West quarter corner of said Section 3; thence West to center of Section 4, thence South to South quarter corner; thence West to West sixteenth line; thence North to South line of the North half of the Northwest quarter of the Southwest quarter (N½NW¼SW¼); thence West to West line of said Section 4; thence North to South line of the North half of the Northeast quarter (N½S½NE¼) of Section 5; thence West to North and South quarter line; thence North to North quarter corner; thence West to Northwest corner of said Section 5; thence South to North sixteenth line of Section 6; thence West to West sixteenth line; thence North to North line of said Section 6, Township 149 North, Range 92 West of the 5th P. M.; thence East to the West line of the East half of the Southeast quarter of the Southwest quarter (E½SE¼SW¼) of Section 31, Township 150 North, Range 92 West of the 5th P. M.; thence North to South sixteenth line; thence West to West Section line; thence South to Southwest corner of said Section 31, Township 150 North, Range 92 West of the 5th P. M.; thence West to East sixteenth line of Section 36, Township 150 North, Range 93 West of the 5th P. M.; thence North to East and West quarter line; thence West to center of Section; thence South to South quarter corner of said Section 36, Township 150 North, Range 93 West of the 5th P. M.; thence West to the East line of the West half of the East half of the Northwest quarter of Section 1, Township 149 North, Range 93 West of the 5th P. M.; thence South to East and West quarter line; thence West to West line of the East half of the Southwest quarter of the Northwest quarter (E½SW¼NW¼); thence North to North six-

teenth line; thence East to West sixteenth line; thence North to North line of said Section 1, Township 149 North, Range 93 West of the 5th P. M.; thence West to Southeast corner of Section 35, Township 150 North, Range 93 West of the 5th P. M.; thence North to South sixteenth line; thence West to East sixteenth line; thence South to South Section line; thence West to West sixteenth line; thence North to South sixteenth line; thence East to North and South quarter line; thence North to North sixteenth line; thence West to West sixteenth line; thence South to East and West quarter line of Section 35; thence West to West line of the East half of the Northeast quarter (E½E½NE¼) of Section 34; thence North to North Section line; thence West to North quarter corner; thence South to North sixteenth line; thence West to East sixteenth line of Section 33; thence North to North Section line; thence East to Northeast corner of said Section 33; thence North to East quarter corner of Section 28; thence West to West sixteenth line; thence North to North sixteenth line; thence West to East sixteenth line of Section 29; thence South to East and West quarter line; thence West to East line of the West half of the West half of the Southeast quarter (W½W½SE¼); thence South to South line of said Section 29; thence West to West sixteenth line of Section 32; thence South to North sixteenth line; thence West to West Section line; thence South to West quarter corner of said Section 32; thence West to East sixteenth line of Section 31; thence North to North Section line; thence East to Northeast corner of said Section 31; thence North to West quarter corner of Section 29; thence East to West sixteenth line; thence North to East and West quarter line of Section 20; thence West to West quarter corner of said Section 20; thence North to North sixteenth line of Section 19; thence West to West line of said Section 19, Township 150 North, Range 93 West of the 5th P. M.; thence South to East quarter corner of Section 24, Township 150 North, Range 94 West of the 5th P. M.; thence West to West line of the East half of the Southwest quarter of the Northeast quarter (E½SW¼NE¼); thence North to North sixteenth line; thence East to East sixteenth line; thence North to North line of said Section 24; thence West to Southeast corner of Section 14; thence North to South sixteenth line; thence West to West line of said Section 14; thence South to Southeast corner of Section 15; thence West to Southwest corner of said Section 15; thence North to South sixteenth line of Section 16; thence West to North and South quarter line; thence North to North sixteenth line; thence East to North and South quarter line of Section 15; thence South to center of Section; thence East to East quarter corner of said Section 15; thence North to Northwest corner of Section 14; thence East to North quarter corner of Section 13; thence South to North sixteenth line; thence East to East Section line; thence North to Northeast corner of said Section 13; thence West to East sixteenth line of Section 12; thence North to South sixteenth line; thence West to North and South quarter line; thence North to center of Section; thence West to West line of the East half of the Southeast quarter of the Northwest quarter (E½SE¼NW¼); thence North to North sixteenth line; thence West to West line of Section 12; thence North to North sixteenth line of Section 2; thence West to East sixteenth line; thence North to North line of said Section 2, Township 150 North, Range 94 West of the 5th P. M.; thence North on East sixteenth line of Section 35, Township 151 North, Range 94 West of the 5th P. M. to the East and West quarter line; thence East to East quarter corner; thence North to North sixteenth line; thence West to East sixteenth line; thence North to South sixteenth line of Section 26; thence West to North and South quarter line; thence North to center of Section; thence East to East quarter corner of said Section 26; thence North to Southwest corner of Section 24; thence East to West sixteenth line; thence North to South sixteenth line of Section 13; thence West to West Section line; thence South to Southwest corner of said Section 13; thence West to East sixteenth line of Section 14; thence North to East and West quarter line; thence West to West line of the East half of the West half of the Northeast quarter (E½W½NE¼); thence North to North line of said Section 14; thence East to East sixteenth line of Section 11; thence North to South sixteenth line; thence West to West Section line; thence South to Southwest corner of said Section 11; thence West to East sixteenth line of Section 10; thence North to East and West quarter line; thence East to East quarter corner; thence North to Northeast corner of said Section 10; thence West to South quarter corner of Section 3; thence North to North line of the South half of the Northwest quarter of the Southeast quarter (S½NW¼SE¼); thence East to the East line of the Southwest quarter of the Northeast quarter of the Southeast quarter (SW¼NE¼SE¼); thence South to South sixteenth line of Section 3; thence East to West sixteenth line of Section 2; thence South to South Section line; thence East to South quarter corner of said Section 2; thence South on North and South quarter line of Section 11 to North sixteenth line; thence East to East sixteenth line; thence North to North Section line; thence East to Northeast corner of said Section 11; thence South to North sixteenth line of Section 12; thence East to North and South quarter line; thence North to North sixteenth line of Section 1; thence West to West sixteenth line; thence North to North line of Section 1, Township 151 North, Range 94 West of the 5th P. M.; thence North on the West sixteenth line of Section 36, Township 152 North, Range 94 West of the 5th P. M. to the South sixteenth line; thence East to North and South quarter line; thence North to North quarter corner; thence East to Northeast corner of said Section 36, Township 152 North, Range 94 West of the 5th P. M.; thence East to the South quarter corner of Section 30, Township 152 North, Range 93 West of the 5th P. M.; thence North to South sixteenth line; thence East to the East Section line; thence North to Northeast corner of said Section 30; thence East to South quarter corner of Section 20; thence North to South sixteenth line; thence East to West line of the East half of the Northwest quarter of the Southeast quarter (E½NW¼SE¼); thence North to East and West quarter line; thence East to East quarter corner; thence North to West quarter corner of Section 16; thence East to West sixteenth line; thence South to South sixteenth line; thence East to East sixteenth line; thence South to South Section line; thence East to Southeast corner of said Section 16; thence North to Southeast corner of Section 9; thence West to South quarter corner; thence North 2,441.3 feet along the North and South quarter line to the North boundary of the Ft. Berthold Indian Reservation line as surveyed; thence East with said Reservation line approximately two (2) miles to the low water line of the Missouri River at the left bank of said stream; thence downstream with said low water line approximately seven (7) miles to the East and West quarter line of Section 7, Township 151 North, Range 93 West of the 5th P. M.; thence East to center of Section; thence South to South quarter corner of said Section 7; thence West to the West sixteenth line of Section 18; thence South to South Section line; thence East to South quarter corner of said Section 18; thence South to North sixteenth line of Section 30; thence West to West sixteenth line; thence South to South sixteenth line; thence West to the West Section line; thence South to the Southwest corner of Section 31, Township 151 North, Range 93 West of the 5th P. M., being the same point as the point of beginning; also Lot 2, Southeast quarter of the Northeast quarter of the Southeast quarter (SE¼NE¼SE¼), Southeast quarter of the Southwest quarter of the Southeast quarter (SE¼SW¼SE¼) of Section 12, and that portion of Lot 5 of Section 13 bounded on the North by the North Section line, on the East by the Ft. Berthold Indian Reservation Line, on the South by a line 660 feet South and parallel to the North Section Line and on the West by a line 660 feet East and parallel to the North and South quarter line of said Section 13, Township 147 North, Range 87 West of the 5th P. M., containing in the aggregate, less water surface 175,716.44 acres, more or less, excepting therefrom the following described lands:

DUNN COUNTY

Township	Range	Section	Description	Acres
146 N	92 W	5	Lot 1	40.10
147 N	91 W	2	Lots 3, 4, S½NW¼	158.20
147 N	92 W	4	Lots 3, 4 & 5	71.60
		5	Lots 1, 2, 3	75.62
		32	Lot 7, NE¼SE¼, S½SE¼	149.36
147 N	94 W	14	W½SE¼	80.00
		22	Lots 7, 8, 9, 11	102.45
		23	Lots 5, 6, 7, 8, N½NW¼, SW¼NW¼	209.81
148 N	91 W	17	NW¼NE¼	40.00
		33	W½NW¼NW¼NW¼, SE¼NE¼	45.00
148 N	92 W	32	Lots 4 & 5	66.03
149 N	91 W	11	NW¼NW¼	40.00
		14	S½NW¼	80.00
		15	NE¼SE¼	40.00
		23	NW¼NE¼	40.00
150 N	91 W	34	SE¼NE¼SE¼	10.00

M'KENZIE COUNTY

Township	Range	Section	Description	Acres
152 N	93 W	15	SW¼	160.00
		28	Lot 1, SW¼NE¼ less erosions	62.91
		29	N½, SW¼	480.00
		31	Lots 1, 2, E½NW¼, NE¼	308.88
		32	Lots 1, 2, 3, 5, W½NW¼, NE¼NW¼, NW¼NE¼ plus accretions	324.54
		33	Lot 2, plus accretions	18.91
152 N	94 W	36	NE¼	160.00

M'LEAN COUNTY

147 N	87 W	13	That portion of Lot 5 of Section 13 bounded on the North by the North Section line, on the East by the Fort Berthold Indian Reservation Line, on the South by a line 660 feet South and parallel to the North Section line and on the West by a line 660 feet East and parallel to the North and South quarter line of Section 13.	11.58
		17	NW¼	160.00
		18	Lots 1, 2, E½NW¼	150.28
		19	Lots 3, 4, E½SW¼, SE¼	310.88
		20	N½NE¼, SW¼SW¼SW¼SW¼	82.50
		21	NE¼, SE¼	320.00
		22	Lots 1, 2, N½SE¼ less erosions	111.42
		23	Lots 3 & 4 less erosions	67.79
		30	Lots 1 & 2, E½NW¼, NE¼, N½SE¼	391.19
147 N	88 W	14	W½W½SW¼SE¼	10.00
		17	S½NW¼, NE¼NE¼	120.00
		19	SW¼NE¼	40.00
		20	SE¼SE¼, SE¼SW¼	80.00
		21	NE¼SE¼, SW¼NW¼	80.00
		24	W½E½	160.00
		28	E½E½NW¼	40.00
		28	Tract of land described as follows: Beginning at a stake on the Section line between Sections 21 and 28 which is 13 chains West of the NE Section corner of Section 28; thence running N 89°-44' W a distance of 4 chains; thence South 5 chains; thence N 89°-44' E a distance of 4 chains and thence North to the place of beginning, the land described being embraced in Section 28, Township 147 North, Range 88 West of the 5th P. M. containing 2 acres.	2.00
		29	SE¼NE¼	40.00
		36	Lots 1, 2 & 3	53.00
147 N	89 W	1	S½SW¼NW¼	20.00
		6	Lot 4	35.90
		12	NE¼, NW¼NW¼	200.00
147 N	90 W	3	Lot 2, SW¼NE¼, NW¼SE¼	119.94
		4	SE¼NE¼, E½E½E½SW¼NE¼	45.00
		5	Lots 1, 2, 4 and S½NE¼	198.26
148 N	89 W	30	Lot 4	35.14
148 N	90 W	19	Lot 4, SE¼SW¼, SW¼SE¼	115.52
		20	SW¼NW¼, SW¼SE¼	80.00
		21	NE¼SE¼, S½SE¼	120.00
148 N	90 W	25	S½SW¼, NW¼SW¼, SW¼SE¼	160.00
		26	W½SW¼, W½E½SW¼	120.00
		27	SW¼, SW¼NW¼, NE¼NE¼	240.00
		28	SE¼NE¼, S½SE¼, N½NE¼	200.00
		29	NW¼NE¼, SW¼, SE¼	360.00
		30	Lots 3 & 4, E½SW¼, SE¼	311.47
		31	Lots 1 & 2, E½NW¼, NE¼	311.81
		32	SW¼	160.00
		33	SW¼, S½SE¼, NW¼NE¼	280.00
		34	SE¼NW¼, W½SE¼, SE¼SE¼	160.00
		35	N½NE¼	80.00
		36	W½NW¼, NE¼NW¼, N½NE¼	200.00
148 N	91 W	1	SW¼SE¼, SW¼, Lot 4, SW¼NW¼	268.44
		2	Lots 1 & 2, SE¼NE¼, SE¼, S½SW¼, NW¼SW¼	377.35
		12	NW¼NW¼	40.00
		23	NE¼NW¼	40.00
148 N	91 W	24	SE¼SE¼, W½SE¼	120.00
		25	NE¼, SE¼, SW¼	480.00
		26	Lots 4 & 5 plus accretions	74.88
		36	NE¼	160.00
149 N	90 W	8	SE¼E½SW¼, SW¼SW¼	280.00
		10	SE¼, W½NE¼	240.00
		12	S½S½	160.00
		13	N½N½, W½SE¼	240.00
		14	NE¼NW¼, NE¼, N½SE¼	280.00
		15	NE¼	160.00
		16	NW¼NE¼, NW¼SW¼, S½SW¼	160.00
		17	NW¼SW¼, SW¼NW¼, NE¼SW¼, SE¼SE¼SE¼NW¼	122.50
		18	Lots 1 & 2, E½NW¼, W½NE¼, SE¼NE¼	278.87
		19	NE¼	160.00
		20	W½NW¼	80.00
		21	S½SW¼, NE¼NE¼	120.00
		22	N½NW¼, E½SE¼NW¼	100.00
		23	N½N½NW¼	40.00
		24	NE¼NW¼, NW¼NE¼, W½NE¼NE¼	100.00
		27	NW¼SW¼	40.00
		28	NW¼NE¼, N½SE¼, NW¼SW¼	160.00
		29	SE¼, W½NE¼	240.00
		31	NE¼SE¼	40.00
		32	S½	320.00
		33	W½SW¼	80.00
149 N	91 W	13	Lot 1	45.78
150 N	91 W	1	W½SW¼	239.36
		2	Lot 4, SW¼NW¼, SE¼	239.36
		4	Lots 1 & 2 and S½NE¼	158.44
		6	Lots 1 & 2, S½E¼, SE¼	319.21
		9	SE¼NW¼, N½NW¼, N½NE¼, 1 acre in the extreme SE corner of NE¼SW¼	201.00
		10	NE¼, Lots 1, 2, 3 and SW¼SW¼	259.60
		11	NE¼NW¼, S½SE¼	120.00
		12	W½NE¼, NW¼, SW¼, SE¼	560.00
		13	NW¼, NE¼, SE¼	480.00
		14	Lots 1, 2, 3, SW¼NW¼, SW¼	259.00
		15	Lots 1, 2, 3, S½N½, N½S½	397.30
		16	S½NE¼, W½NW¼NW¼NW¼, also the following described tract; Beginning at a stake on the Section line between Sections 9 and 16; thence running due West a distance of 4 chains; thence due South 10 chains; thence due East 4 chains; thence due North to place of beginning, in Section 16 in Township 150 North, Range 91 West of the 5th P. M., containing 4 acres.	89.00
		17	NE¼NE¼, NE¼NE¼NW¼SE¼	42.50
		18	SW¼NE¼	40.00
		19	Lot 3	33.83
		23	N½NW¼	80.00
		24	Lot 1, SW¼NW¼, NE¼SW¼, E½SE¼	248.05

MERCER COUNTY

Township	Range	Sect'on	Description	Acres
146 N	88 W	4	Lots 1, 2, 3 & 4	356.11
		5	Lots 1 & 2, NE¼SW¼	288.29
		8	W½NE¼, SE¼SW¼, W½SE¼, NW¼SW¼	240.00
		9	NW¼	160.00
146 N	89 W	2	SW¼NE¼	40.00
		11	N½, N½N½SW¼	360.00
147 N	89 W	18	SE¼SW¼	40.00
		19	SW¼NE¼	40.00
		27	SW¼NE¼	40.00
		28	S½NE¼, NW¼	240.00
		29	SW¼NE¼	40.00
147 N	90 W	25	E½NW¼	80.00

MOUNTRAIL COUNTY

150 N	92 W	20	NE¼SE¼	40.00
		23	NW¼SE¼	40.00
		26	W½SE¼, SE¼SE¼, SE¼NE¼	160.00
		28	S½SE¼	80.00
		29	E½	320.00
		33	SE¼NE¼	40.00
		34	SW¼NW¼, S½NE¼	120.00
		35	N½SE¼	80.00
		36	S½S½	160.00
150 N	93 W	14	SW¼SW¼	40.00
		15	N½SW¼, NW¼SE¼	120.00
		16	Lot 1 and SE¼SW¼ plus accretions	79.90
		17	NE¼NW¼	40.06
		22	N½S½SE¼	40.00
		23	SW¼NW¼, S½SW¼, NW¼SW¼	160.07
		25	Lots 1, 2, 3, NE¼NE¼, N½NW¼ plus accretions	178.20
		26	N½NE¼NE¼	20.00

said exceptions, as tabulated above, containing 20,804.83 acres, more or less.

Total area of lands held by the Three Affiliated Tribes within the reservation boundaries and within the taking line of the Garrison Reservoir is 154,911.61 acres, more or less.

Part B—Rural areas

MOUNTRAIL COUNTY

Township	Range	Section	Description	Acres
151 N	92 W	24	W½NW¼	80.00
151 N	93 W	6	Lot 5	32.11
		7	Lot 2	10.69
		8	NW¼	160.00
152 N	93 W	22	Lot 3	29.24
		23	Lots 1 and 2	65.76
		27	Lot 4, SW¼NE¼	67.97
		32	Lots 4, 6, SE¼SE¼	98.12
			Total	543.89

Part C—In town sites of Van Hook and Sanish, N. Dak.

VAN HOOK

[All numbers inclusive]

Block	Lots
8 & 9	All.
10	3, 5 to 16.
15	6, 15, 16.
16	9, 10, 16.
17	8, 9, 10, 12 to 15.
18	All.
19	2 to 9.
20 to 26	All.
27	1 to 8.
28 to 29	All.
30	9 to 16.
31	All.
33 to 36	All.
37	5 to 16.
38 to 40	All.
41	1, 2, 9 to 16.
42	All.

SANISH

1 to 14	All.
15	1 to 17, 19, 20.
16 & 17	All.
18	1 to 6, 9, 10, 12.
19 & 20	All.
21	1 to 9.
22	1 to 6, 10.

Part C—In town sites of Van Hook and Sanish, N. Dak.—Continued

SANISH—continued

[All numbers inclusive]

Block	Lots
23 & 24	All.
25	1, 2, 3.
26	1 to 6, 8, 11, 12.
27	1, 2, 9, 11.
28	2, 11, 12.
29 & 30	All.
32	1 to 6, 11.
33	1 to 6.
34	2 to 8, 12 to 20.
35 & 36	All.
37	1 to 7, 10 to 12.
39	1 to 6, 12.
40	All.
41	1 to 14, 19, 20.
42	2, 4, 8.
44	2 to 7.
46	1 to 3, 9, 10, 12.
47	2 to 6, 9.
48	1 to 6, 8 to 12.
49	1, 4 to 12.
50	7 to 12.
51 & 52	All.
53	1 to 6, 9 to 12.
54	8, 9, 10, 12.
55	7, 8.
56	10, 11, 12.
57	10, 11.
58	9 to 12.
59	5, 6.
60	1 to 6.
61	1, 2, 3, 9 to 20.
62	1 to 5, 8.
65	3 to 6.
66	1 to 4, 6.
67	1 to 15.

Part C—In town sites of Van Hook and Sanish, N. Dak.—Continued

SANISH—continued

[All numbers inclusive]

Block	Lots
68	1 to 6, 8 to 12.
69	5, 6, 7.
70	1, 2, 4.
71 & 72	All.
73	3, 7 to 12.
74	All.
75	1, 2, 7 to 10.
76 to 81	All.
82	1, 2, 3.
84	3.

Part D—Public reserves in town sites of Sanish and Van Hook, N. Dak.

VAN HOOK

Block	Lots
32	All.

SANISH

31	All.
42	6, 7.
43	All.

Part E, all rights in coal heretofore reserved to the Tribes in the following described lands:

DUNN COUNTY

Township	Range	Section	Description	Acres
146 N	92 W	5	Lot 1	40.10
147 N	92 W	4	Lots 3, 4 & 5	71.60
		5	Lots 1, 2 & 3	75.62
		32	Lot 7, NE¼SE¼, S½SE¼	149.36
147 N	94 W	22	Lots 7, 8, 9 & 11	102.45
		23	Lots 5, 6, 7 & 8, N½NW¼, SW¼NW¼	209.81
148 N	92 W	32	Lots 4 & 5, S½SW¼	146.03
149 N	91 W	14	S½NW¼	80.00

M'KENZIE COUNTY

152 N	93 W	29	N½, SW¼	480.00
		31	Lots 1 & 2, E½NW¼	148.88
152 N	94 W	36	NE¼	160.00

M'LEAN COUNTY

Township	Range	Section	Description	Acres
147 N.	87 W.	13	That portion of Lot 5 bounded on the North Section line, on the East by the Fort Berthold Indian Reservation Line, on the South by a line 600 feet South and parallel to the North Section line and on the West by a line 600 feet East and parallel to the North and South quarter line of Section 13.	11.58
		17	NW¼	160.00
		30	N½SE¼	80.00
147 N.	88 W.	19	SW¼NE¼	40.00
		21	SW¼NW¼	40.00
148 N.	90 W.	21	S½SE¼	80.00
149 N.	90 W.	12	S½SE¼	80.00
		13	N½NW¼	80.00
		16	NW¼SW¼	40.00
		17	SW¼NW¼	40.00
150 N.	91 W.	9	SE¼NW¼	40.00
		14	N½SW¼	80.00
		18	SW¼NE¼	40.00

MERCER COUNTY

146 N.	88 W.	4	Lots 1 & 2	85.90
147 N.	9 W.	28	S½NE¼, NW¼	240.00
		29	SW¼NE¼	40.00

MOUNTRAIL COUNTY

150 N.	9 W.	17	NE¼NW¼	40.00
			Grand total	2,881.33

Together with all rights in coal reserved to the tribes in patents issued for other lands within the Garrison Reservoir.

ARTICLE III

SECTION 1 The fund of $5,105,625 shall be subject to disbursement under the direction of the Commissioner of Indian Affairs, Bureau of Indian Affairs, United States Department of the Interior, hereinafter called the "Commissioner", for the following purposes:

(a) Payment for tribal and allotted Indian lands and improvements, including heirship interests, and values above and below the surface, to be taken for the Garrison project;

(b) Costs of relocating and reestablishing the members of the tribes who reside within the Taking Area of the Garrison project; and

(c) Costs of relocating and reestablishing Indian cemeteries, tribal monuments, and shrines within the Taking Area of the Garrison project.

SEC. 2. The cost of relocating and reestablishing Government-owned buildings, facilities, roads, and bridges will be paid from appropriations made or to be made for the construction of Garrison Reservoir, and funds for these purposes may, in the discretion of the Chief of Engineers, be transferred to the Commissioner for expenditure.

SEC. 3. No portion of the said fund of $5,105,625 shall be expended by any agency of the Government for any expense or cost incurred by it in carrying out the terms of this contract.

SEC. 4. Any unexpended balance remaining from the said fund of $5,105,625 after the completion of the purposes set forth in subsections (a), (b), and (c) of section 1 of this article shall remain to the credit of the tribes.

SEC. 5. Lands and improvements belonging to any church, mission, missionary society, or to any person not a member of the tribes are excluded from this contract, and no part of the fund dealt with in this article shall be used to pay for the same.

ARTICLE IV

SECTION 1. The Commissioner shall have prepared an appraisal schedule on an individual tract basis of the tribal and allotted lands and improvements, including heirship interests, located within the Taking Area. In the preparation thereof, he shall determine the fair market value of the land and imrovements, giving full and proper weight to the following elements of appraisal: Damage suffered by partial taking of any tract of land, value of standing timber, mineral rights, and the uses to which the lands are reasonably adapted. He shall also have the said schedule of appraisal submitted to the Chief of Engineers for approval.

SEC. 2. Upon approval by the Chief of Engineers, the Commissioner shall transmit to the Council the schedule of appraisal in its entirety and such portions of the said schedule to individual Indians as relate to their respective interests. The Council and the interested individual Indians will have 90 days from the date of transmittal in which to present to the Commissioner their objections, if any, for consideration and action thereon.

SEC. 3. The right of the tribes and of the allottees and heirs of allottees to accept or reject the appraisal covering their respective property is reserved to them. Upon the rejection of the appraisal affecting the lands or the respective interests, the Department of the Army shall institute proceedings in the United States District Court for North Dakota for the purpose of having the just compensation for such property judicially determined. Any judgment entered against the United States in such proceedings shall be charged against the said fund of $5,105,625.

SEC. 4. In all proceedings instituted in accordance with section 3 of this article, individual members of the tribes may request the Commissioner of Indian Affairs to designate attorneys of the Bureau of Indian Affairs to represent them.

ARTICLE V

SECTION 1. The administrative responsibility for the removal, relocation, and reestablishment of the members of the tribes shall be vested in the Commissioner. The Commissioner shall prepare a plan of removal, together with the estimates of cost, and submit the same to the Chief of Engineers. Upon approval by the Chief of Engineers, the plan and estimates shall be transmitted to the Council and on approval by it the Commissioner shall carry out such plan. The plan shall include but shall not be restricted to the cost of transporting to their new locations members of the tribes, their household goods, farming equipment, livestock, and other property, the cost of constructing fences and of developing domestic and livestock water supplies on the residual reservation as it may be extended, and the cost of dismantling, transporting, and reerecting salvagable buildings and improvement.

SEC. 2. The Chief of Engineers shall promptly submit to the Commissioner a schedule showing the approximate time of clearing the right-of-way of the Garrison project within the taking area of the Fort Berthold Reservation. Thereafter the Chief of Engineers and the Commission shall at least annually review the schedule of removal to decide upon any changes proposed by either party. The Chief of Engineers shall, however, have final authority to determine any necessary changes required to be made in the schedule. The schedule shall provide for systematic and orderly clearing of the right-of-way by succession of segments.

ARTICLE VI

SECTION 1. The Commissioner shall prepare a plan, together with cost estimates, for the relocation and reestablishment of tribal monuments, shrines, and other tribal facilities, and for the disinterment and reinterment of all bodies within the Taking Area, designated by the Council, allottees, heirs, and churches, and submit the same to the Chief of Engineers. Upon approval of the plan and cost estimates by the Chief of Engineers the Commissioner shall transmit the same to the Council and upon approval by it, the Commissioner shall carry out such plan.

SEC. 2. New sites for the reestablishment of monuments, shrines, private burials, and cemeteries shall be acquired out of the proceeds from the taking of present sites within the Taking Area. Titles to the new sites shall be of like character as exist for the sites acquired by the United States within the Taking Area.

SEC. 3. Responsibility for carrying out the plan provided for in section 1 of this article shall be undertaken, insofar as practicable, by the interested churches, heirs, allottees, Council, or keepers of a particular shrine. The removal plan shall provide for the employment of Indians and for tribal and religious ceremonies. The Commissioner, however, is authorized and directed to assume any responsibility not assumed by any other interested party or parties.

ARTICLE VII

The amount determined to be due the tribes for tribal lands and interests under the terms and conditions of this contract shall be held in trust by the United States for said tribes and may be used to acquire such other lands or other tribal property, or for such other purposes, as may be determined by the Council with the approval of the Commissioner. All lands thus acquired shall be held by the United States in trust for the benefit of the tribes as other tribal lands and shall be inalienable and nontaxable until otherwise provided by Congress, notwithstanding any other restrictions on the purchase of land under any other law.

ARTICLE VIII

SECTION 1. The amount determined to be due the individual allottees and other individual Indians shall be deposited to such individual Indians in their Individual Indian Money Accounts and shall be available for expenditures under the terms of this contract.

SEC. 2. Under regulations of the Secretary of the Interior or his duly authorized representative, the Superintendent of the Fort Berthold Reservation may authorize the disbursement of funds deposited in the Individual Money Accounts of nonresident members of the tribe and of such other members who, in his opinion, do not require supervision over such funds. Expenditures may be made from the accounts of individual Indians whenever necessary and desirable for the purchase of new lands, homes, or other property for such Indians.

SEC. 3. Title to new lands acquired with the proceeds deposited to the credit of the allottees or heirs shall be taken in the name of the United States in trust for the individual Indians entitled thereto, and

shall be nonalienable and nontaxable until otherwise provided by Congress.

ARTICLE IX

SECTION 1. Upon the approval of this contract by the Council and by a majority of the adult members of the tribes and its enactment into law, it is, and shall be held to be a relinquishment and conveyance to the Government of all lands, rights and interests within the taking area by the tribes as to tribal lands and by the allottees and heirs as to allotted lands, and no further relinquishment or instrument of conveyance shall be required to extinguish the Indians' interest in and to such lands and rights and to vest the title in the United States.

ARTICLE X

SECTION 1. Within 2 years from the date of this contract the Commissioner, with the approval of the Council, will transmit to the Chief of Engineers a plan for the grazing of livestock between the taking line and the actual water line of the Garrison Reservoir within the residual Fort Berthold Reservation. The said plan shall be based upon the fullest development of the residual reservation for livestock, and shall be accompanied by one or more maps upon which the areas required for grazing shall be delimited. Upon approval of the plan by the Chief of Engineers, the grazing areas delimited for the use of reservation livestock shall be permanently reserved to the tribes and the members thereof, and may not be reduced or changed thereafter except with the consent of the Commissioner and approval of the council. The Council may promulgate rules and regulations for the utilization of the areas so reserved.

SEC. 2. In the preparation of the grazing area plan, provided for in section 1 of this article, the commissioner shall, upon the advice of the chief of engineers, eliminate any feature which would interfere with the operation of the Garrison project, but no reservation of land below the taking line of Garrison Reservoir for park, recreational, or wildlife conservation within the Fort Berthold Reservation shall operate to interfere with the prior right of the tribes and the members thereof to the grazing areas delimited by the commissioner and approved by the chief of engineers, notwithstanding the provisions of section 4 of the Flood Control Act of December 22, 1944 (Public Law 534, 78th Cong.) as amended or supplemented by section 4 of the Flood Control Act of July 24, 1946 (Public Law 526, 79th Cong.).

SEC. 3. The Council will cooperate with the Government and with the State of North Dakota in the conservation, development, and utilization of the wildlife resources within the Taking Area. The hunting and trapping rights of the tribes and the members thereof, as presently established, are expressly reserved to them, and the Council will have the right to issue licenses in accordance with tribal regulations. The tribes and the members thereof will be entitled to fish in Garrison Reservoir under such rules and regulations as the Chief of Engineers may establish, but they shall not be required to pay any license fee therefor.

SEC. 4. The right is reserved to the tribes for use by its members, under such terms and conditions as shall be determined upon by the Council and in accordance with plans approved by the Chief of Engineers, to establish boat harbors, wharfs, and recreational areas within the taking area, provided that service and dock privileges shall not be made available to nonmembers of the tribes within the Taking Area of the reservoir located within the exterior boundaries of the reservation except in accordance with regulations and schedules of rates approved by the tribes with the concurrence or approval of the Chief of Engineers.

ARTICLE XI

SECTION 1. The tribes and the members thereof may salvage, remove, reuse, sell, or otherwise dispose of all or any part of their improvements within the Taking Area without any deduction therefor in the appraisal schedule to be prepared by the Commissioner, subject to the condition that the district engineer, Garrison district, may not enter for the purpose of clearing the said improvements until at least October 1, 1952, and subject further to the condition that the district engineer shall serve notice of such purpose at least 3 months prior thereto.

SEC. 2. The tribes and the members thereof shall have the privilege of cutting timber and all forest products and removing sand and gravel, and may use, sell, or otherwise dispose of the same until at least October 1, 1950, without any deduction therefor in the appraisal schedule to be prepared by the Commissioner, subject to the condition that the said date may be adjusted to a later date by the Chief of Engineers on the request of the Commissioner, and subject to the further condition that the district engineer, Garrison district, shall serve notice of clearing at least 3 months prior thereto.

SEC. 3. The tribes and the members thereof may remove, sell, or otherwise dispose of lignite until such date as the district engineer, Garrison district, fixes for the impoundment of waters.

SEC. 4. The district engineer, Garrison district, will give notice at least 6 months in advance of the date on or after which impoundment of waters may begin, and no damage for loss of life or property due to impoundment of waters on or after the date specified in said notice may be claimed. The date established by such notification will not be earlier than October 1, 1952.

ARTICLE XII

If, in the future, subsurface values are discovered within the Taking Area, which if known at this time would increase the value of said area, and said values are reduced to money, then the tribes shall be entitled to have paid to them a royalty of one-eighth of the money received for the oil and gas extracted after the ratification of this agreement. Said royalties to be deposited to the tribal funds, or paid to allottees or heirs as their interests now appear.

ARTICLE XIII

This agreement has been reached upon the understanding that it was the intention of Congress that the entire reasonable cost of accomplishing the purposes set forth in subparagraphs (a), (b), and (c) of section 1, article III, should be paid from appropriations made or to be made for the construction of Garrison Reservoir; and that if the $5,105,625 now available is insufficient to meet such reasonable costs as approved by the Chief of Engineers, such additional sum or sums as may be necessary therefor will be made available from appropriations for construction of Garrison Reservoir.

ARTICLE XIV

No Member of or Delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE XV

This contract shall not become effective until it has been ratified by a majority of the adult members of the tribes, by the Council of the tribes, and on behalf of the United States by the enactment into law by the Congress.

In witness whereof, the parties hereto have executed this contract as of the day and year first above written.

THE UNITED STATES OF AMERICA,
By R. A. WHEELER,
Lieutenant General, Chief of Engineers, United States Army.

Witnesses:

RACHEL MORRIS.
JOSEPH W. KIMBEL.

THE THREE AFFILIATED TRIBES OF FORT BERTHOLD INDIAN RESERVATION,
By GEORGE GILLETTE,
JAMES HALL, Sr.,
MARK MAHTO,
GEORGE CHARGING, Sr.,
JOSEPH PACKINEAU,
LEVI WATERS,
EARL BATEMAN,
LEO YOUNG WOLF,
RUFUS STEVENSON, JBS,
JAMES BAKER,
Members of the Tribal Business Council.

Witnesses:

ALLAN G. HARPER.
J. B. SMITH.
RALPH H. CASE.
JOHN G. HUNTER.
D'ARCY MCNICKLE.

I, Mark Mahto, certify that I am the secretary of the Tribal Business Council of the Three Affiliated Tribes named as a party to this contract, and that George Gillette, James Hall, Sr., Mark Mahto, George Charging, Joseph Packineau, Levi Waters, Earl Bateman, Leo Young Wolf, Rufus Stevenson, James Baker, who signed this contract on behalf of said tribes, constitute the duly elected and qualified Tribal Business Council.

In witness whereof, I have hereunto affixed my hand this 20th day of May 1948.

[SEAL] MARK MAHTO, *Secretary.*

We, Mark Mahto, secretary of the Tribal Council of the Three Affiliated Tribes of the Fort Berthold Reservation, and Ben Reifel, Superintendent of the Fort Berthold Indian Agency, hereby jointly certify that 625 adult members of the said tribes have signified their approval of the foregoing contract consisting of 44 pages numbered 1 to 44 by affixing their signatures to papers bearing the legend "We approve the contract with the United States relating to lands affected by Garrison Reservoir," which papers are on file in the office of the Fort Berthold Indian Agency. We further certify that the signatures on said paper represent a majority of the adult members of the said tribes, the total number of adult members as of this date being 960.

MARK MAHTO, *Secretary.*
BEN REIFEL, *Superintendent.*

I concur: May 20, 1948.

J. A. KRUG,
Secretary of the Interior.

SEC. 2. That there is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $3,000,000 for the establishment of a land Readjustment Fund which shall be administered by the Commissioner of Indian Affairs. The fund shall be operated for the benefit of the Indians of the Three Affiliated Tribes in consolidating their land holdings and in purchasing land for needy members thereof. The fund shall be operated for a period of 10 years from the date of the appropriation act therefor and at the termination of said period of 10 years any balance remaining therein shall revert to the Treasury, and all lands acquired by the fund which have not been deeded in trust to members of the Three Affiliated Tribes shall be held by the United States in trust for the Three Affiliated Tribes and shall be nontaxable and nonalienable until otherwise provided by Congress.

SEC. 3. That the sum authorized to be appropriated by section 2 of this joint resolution shall be used to bring about the consolidation of Indian allotted and tribal lands into economic use units. The Commissioner of Indian Affairs is authorized to acquire by purchase or exchange any allotted, inherited, or unrestricted lands, interests in lands and improvements, located in the Fort Berthold Reservation. Lands so acquired by purchase or exchange for the Indians will be taken in the name of the United States in trust for the tribes or individual Indians and lands so acquired by the tribes may be sold to or exchanged with members of the Three Affiliated Tribes. Preference shall be given to the original allottee in the purchase of or exchange for lands acquired by the tribes under this section. These lands shall have the same status as other tribal lands and be subject to existing laws relating to sales or exchanges, and shall remain nontaxable and nonalienable until otherwise provided by Congress. Proceeds derived by members of the Three Affiliated Tribes for lands taken for the Garrison project may be used to purchase lands acquired by the tribe with land readjustment funds. The tribal authorities may make assignments of land to needy members of the tribes in the manner provided by existing law.

SEC. 4. To compensate adequately the Three Affiliated Tribes and the individual members thereof for all breaches of their treaty with the United States of September 17, 1851 (11 Stat. 749), for the abrogation of section 5 (e) of article VI of the constitution and bylaws of the said Three Affiliated Tribes of the Fort Berthold Reservation, adopted in accordance with section 16 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984); for the disruption of the economic, social, religious, and community life of the said tribes; for reducing the said tribes to the condition of displaced persons; for the destruction of the basic industry of the said tribes; for the intangible costs of relocation and the reestablishment of a sound economic base for the future of said tribes and their adjustment to the new fields of endeavor to be created by the construction and operation of Garrison Dam and Reservoir, none of which is covered by or compensated for by the appropriation made by said act of July 31, 1947, and which is not covered by or compensated for in the contract hereinbefore set out, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $6,500,000, and when said sum shall have been appropriated it shall be credited to the Three Affiliated Tribes in the Treasury of the United States and draw interest at the rate of 4 percent per annum, and shall be available for expenditure by the Tribal Council of the said Three Affiliated Tribes of the Fort Berthold Reservation with the approval of the Commissioner of Indian Affairs.

SEC. 5. That when electric power is available at the Garrison project, there is hereby reserved and set aside a block of power amounting to at least 20,000 kilowatts to be delivered at a point or points on the reservation and at a voltage to be determined by the Commissioner of Indian Affairs for use of the Three Affiliated Tribes on the residual Fort Berthold Reservation as it may be extended, and that the tribe or its authorized representative with the approval of the Commissioner of Indian Affairs shall pay for the amount of power used at a rate not to exceed 2 mills per kilowatt-hour. Until such time as the tribe shall require for uses on the reservation for the benefit of tribal enterprises and other enterprises, individual members and for other uses within the exterior boundaries of the reservation, as it may be extended, the amount of the reserved unit of power not actually being used within the reservation may be used by the United States or its agency as may be required off the Fort Berthold Reservation. This electric energy may be used for any and all purposes as may be determined upon by the Tribal Council with the approval of the Commissioner of Indian Affairs.

SEC. 6. That, under the direction of the Secretary of the Interior, there shall be made complete investigations as to the feasibility of providing irrigation within the residual areas of the Fort Berthold Reservation and there shall be constructed, maintained, and operated irrigation works on the lands within the residual area upon the findings of feasibility of providing such irrigation facilities. The provisions for such investigations and irrigation works shall extend to any Indian individual or tribal trust lands acquired in the future. The facilities thus provided for the irrigation of Indian lands shall be not less favorable to the Indian lands than for non-Indian lands provided with such irrigation facilities, and the cost assessable against the land properly chargeable as an irrigation cost shall be not more than the cost of providing similar facilities to other lands receiving benefits from the Garrison Dam. The repayment of the share of the cost to be borne by the Indian lands shall be subject to the terms and conditions of other laws applicable to Indian lands, including the act of July 1, 1932 (47 Stat. 564–565).

SEC. 7. The fund of $5,105,625, appropriated by Public Law 296, Eightieth Congress, for compensation to the Three Affiliated Tribes shall bear interest at 4 percentum per annum in the Treasury of the United States, from July 31, 1947, and the interest shall likewise be credited to the Three Affiliated Tribes. The said funds shall be and remain nontaxable.

SEC. 8. In no event shall any portion of the fund of $5,105,625 and any or all funds appropriated under the authority of this joint resolution become liable, payable, or subject to any debt or debts of the Three Affiliated Tribes and the members thereof contracted prior to the passage of this joint resolution, except debts to the United States or the Three Affiliated Tribes: *Provided*, That all outstanding obligations incurred by members of the Three Affiliated Tribes in connection with Farm Security Administration, Farm Home Administration, and seed and feed loan programs of the Federal Government shall be and are hereby canceled.

SEC. 9. The foregoing conditions and requirements, and the funds made available and those authorized to be appropriated in this joint resolution, when appropriated, shall be in complete and final settlement of all the rights, interests, and claims whatsoever of the Three Affiliated Tribes and the members thereof against the United States by reason of the construction of the Garrison Dam and Reservoir project, North Dakota.

SEC. 10. It is hereby recognized that the royalties provided for in article XII of the contract shall apply to all minerals, including oil and gas, as therein dealt with.

SEC. 11. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as are required to carry out the conditions, provisions, and requirements of this joint resolution.

With the following committee amendments:

Page 20, line 18, strike out the first "East" and insert in lieu thereof "West."

Page 69, line 11, capitalize the word "land."

Page 69, line 12, strike out the words "Commissioner of Indian Affairs" and insert in lieu thereof the words "Secretary of the Interior, or his duly authorized representative."

Page 69, line 16, delete the second "d" from the word "period."

Page 70, line 4, strike out the words "Commissioner of Indian Affairs" and insert in lieu thereof the words "Secretary of the Interior, or his duly authorized representative."

Page 70, lines 12 to 14, strike out the following sentence:

"Preference shall be given to the original allottee in the purchase of or exchange for lands acquired by the tribes under this section."

Page 70, line 25, strike out the word "all" and insert in lieu thereof the words "any and all claims which they may have for."

Page 71, line 2, insert before the semicolon the words "by reason of the construction and operation of Garrison Dam and Reservoir project, North Dakota."

Page 71, line 2, insert after the word "the" the words "disregard or."

Page 72, line 2, strike out the words "Commissioner of Indian Affairs" and insert in lieu thereof the words "Secretary of the Interior, or his duly authorized representative."

Page 72, lines 3 to 23, strike out all of section 5 and insert in lieu thereof the following:

"SEC. 5. When electric power is available from the Garrison Dam, there is hereby reserved and set aside a block of power of 20,000 kilowatts for sale and distribution by the Three Affiliated Tribes for use of such power on the residual Fort Berthold Reservation as it may be extended. This block of power shall be delivered at such point or points on the reservation and at such voltage as may be determined by the Secretary of the Interior. Payment shall be made for the power actually used at the lowest wholesale rate or rates, applicable to the same class of service, made available to other customers receiving electric power from the Garrison Dam power plant. The transmission and distribution system necessary for the delivery of such block of power to the customers of the said Three Affiliated Tribes shall be constructed from time to time as needed by the said tribes, with funds made available therefor by the United States without cost to the said tribes, and there is hereby authorized to be appropriated from time to time such sums as may be required for the construction of the said distribution system to make available to the customers of the said Three Affiliated Tribes the block of power herein reserved to them. The rates for the sale of the power by the Three Affiliated Tribes shall be subject to approval by the Secretary of the Interior. Until such time as the said Three Affiliated Tribes shall require all of the electric power reserved to them, any amount in excess of that actually required by the said Three Affiliated Tribes shall be available to the Secretary of the Interior for sale or disposition off the Fort Berthold Reservation as extended."

Page 73, lines 1 to 8, strike out the following: "within the residual areas of the Fort Berthold Reservation and there shall be constructed, maintained, and operated irrigation works on the lands within the residual area upon the findings of feasibility of providing such irrigation facilities. The provisions for such investigations and irrigation works shall extend to any Indan individual or tribal trust lands acquired in the future."

Insert in lieu thereof the following: "for any Indian individual or tribal trust lands within the residual Fort Berthold Reservation as it may be extended, including any such lands acquired in the future. Any irrigation works and related facilities which, on the basis of such investigations, the Secretary of the Interior determines to be feasible are hereby authorized to be constructed, maintained, and operated under his direction."

Page 73, lines 22 to 23, strike out the date "July 31, 1947" and insert in lieu thereof "May 20, 1948."

Page 74, lines 7 to 12, strike out the colon and remainder of the section and insert a period after the word "Tribes."

Page 74, line 15, after the word "when" insert the words "accepted by the Tribal Business Council of the Three Affiliated Tribes and."

Page 74, line 20, change the period to a colon and insert the following:

"*Provided*, That no funds authorized in this Act shall be made available to the Three Affiliated Tribes or their members until the Secretary of the Interior has received an appropriate resolution adopted by the Tribal Council and approved by a majority of the adult members of said tribes as accepting payment authorized by this Act as "full, complete and final settlement of all rights, interest, and claims whatsoever of the Three Affiliated Tribes and the members thereof against the United States by reason of the construction of Garrison Dam and Reservoir Project, North Dakota."

Page 75, add the following new section:

"SEC. 12. Lands or interests in lands acquired pursuant to article VII or article VIII of the contract set forth in section 1 of this joint resolution may be sold to or exchanged with the Three Affiliated Tribes or members thereof, or may be exchanged with other persons, in the manner now or hereafter authorized by law for the sale or exchange of lands owned by such tribes or members thereof."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALIFORNIA AGAINST ITSELF

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement made by a California State official before the House Committee on Public Lands.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH of California. Mr. Speaker, Harper's magazine has published a number of articles concerning the West by Bernard De Voto, one of which was The West Against Itself. This able writer could have written a convincing article entitled "California Against Itself" without much effort, based on the CONGRESSIONAL RECORD of this House and a hearing before the Public Lands Committee.

Mr. Edward Hyatt appeared before the Committee on Public Lands on March 4, 1949, and identified himself as follows:

I am State engineer of the State of California and executive officer of the Water Project Authority of that State. I have a statement which is being handed around. I request the privilege of this being included in the record. * * * I am appearing before you on H. R. 1770 in response to instructions from Mr. Charles H. Purcell, director of Public Works and chairman of the authority. I am accompanied by Mr. Northcutt Ely, special counsel for the authority.

The statement by Mr. Hyatt, which I offer for the RECORD, is one of the original which he requested be handed around to the members of the House Committee on Public Lands.

I call special attention to No. 7 of Mr. Hyatt's suggested amendments to the Reclamation project act of 1939 which reads as follows:

The interest component of revenues, including power revenues, should not be assigned or otherwise applied to repayment of capital or other costs, but should be accounted for and paid as compensation for use of funds advanced.

If this recommendation of Mr. Hyatt's were carried out it would double if not treble the cost of water to farmers, irrigationists, and water users in the great Central Valley.

STATEMENT BY EDWARD HYATT, STATE ENGINEER OF CALIFORNIA, AND EXECUTIVE OFFICER OF THE WATER PROJECT AUTHORITY OF THE STATE OF CALIFORNIA, ON H. R. 1770, EIGHTY-FIRST CONGRESS, FIRST SESSION, BEFORE THE HOUSE COMMITTEE ON PUBLIC LANDS, MARCH 4, 1949

My name is Edward Hyatt. I am State engineer and executive officer of the Water Project Authority of California. I am appearing before you on H. R. 1770, in response to instructions from Mr. C. H. Purcell, director of public works and chairman of the authority. I am accompanied by Mr. Northcutt Ely, special counsel for the authority.

The California Water Project Authority is a statutory body consisting of the attorney general, State controller, State treasurer, director of public works, and director of finance. Its duties are particularly in connection with the Central Valley project of California. Therefore, it has for many years followed policies and procedures of the United States Bureau of Reclamation closely. It has interested itself in the various efforts over the last 3 years to revise the Reclamation Project Act of 1939, particularly so during the last year, when it made an intensive study of the whole matter.

At its meeting on November 30, 1938, the authority received a full report on the study that had been made of the reclamation laws and adopted certain principles which could be used in amending the Reclamation Project Act of 1939. These principles, taken from the minutes of the meeting of November 30, 1948, are appended at the end of this statement.

As executive officer of the Water Project Authority, I am in Washington primarily in the interests of the Central Valley project. I have just received word from Chairman Purcell that a preliminary examination of H. R. 1770 indicates that this bill does not incorporate some important principles which have been approved by the Authority. He asks that the committee be advised that the Authority cannot support the bill unless amendments are made to it putting into effect at least the more important principles approved by the Authority. The Authority believes that Federal reclamation projects should be economically justified and financially feasible. The feasibility of each project should be determined by specific and clearly expressed standards and criteria fixed by the Congress in order to protect Federal investments therein. Some liberalization in such standards is justified at this time in order to permit the development of new reclamation projects in the Western States. For example, it is believed that an extension of the repayment period beyond 40 or 50 years probably to 60 years or perhaps longer should be made. It should, however, be a definite figure determined and fixed by the Congress.

The principles approved by the authority November 30, 1948, are as follows:

"EXPLANATORY FOREWORD

"The accompanying principles to govern amendments to the Reclamation Project Act of 1939, and the text of amendments to carry them into effect, were formulated to attain the following objectives:

"(1) To return to the Congress the power to authorize projects, and to allocate the cost thereof to project purposes, reimbursable and nonreimbursable. Experience, it is believed, has demonstrated that the delegation of powers of this nature to administrative discretion is improper. A primary objective of the present program is to require return to sound principles of government.

"(2) To enable investigations to be made of problems arising on existing and future projects, the formulation of solutions, and authorization of reports and recommendations to the Congress. By eliminating power to authorize projects, and to allocate costs thereof, much of the law would then occupy the status, in effect, not of positive law, but of standards of feasibility, which would guide the Secretary in reporting to the Congress, but which that body could, but need not, follow in acting on such reports. The program of proposed legislation, providing, in effect, that future project authorizations and cost allocations shall be made by special acts of Congress, properly also provides for keeping Congress currently informed of difficulties encountered and recommended solutions.

"(3) To liberalize standards of repayment. In formulating the program, representations on behalf of other western reclamation States have been accepted, among others, to the effect that existing standards of repayment are inadequate. Actions taken by the Eightieth Congress in liberalizing those standards as applied to a number of projects are considered as supporting those representations. At the same time, adherence to sound standards for the reclamation program is believed necessary in order to unite the support not only of the western reclamation States, but of the entire Nation. In devising the program, therefore, some concessions have been made to the expressed views of representatives of other States, but at the same time holding in view the objective of a sound and cohesive program.

"(4) To determine experimental programs of questionable validity and of doubtful expediency. In connection herewith, it is not believed that the Congress ever contemplated the United States embarking upon a program of delivering water on a utility basis. Another prime objective of the program is to prevent any further extensions of such experiments.

"(5) To preserve the integrity of the law of waters of the western reclamation States. In the past, a sensitive balance has been more or less precariously maintained between State and national policies relating to the use, control, and distribution of western water resources. Of recent years applications and interpretations of Federal law in this field have tended to upset this balance. A major objective of the program is to restore that balance in particular by requiring return to traditional conceptions of repayment contracts whereby continuing rights to the use of water may be acquired pursuant to State law.

"(6) To eliminate hidden subsidies. It is believed that continuation and advancement of the reclamation program is justified as supporting a balanced national economy by creating new wealth in agricultural, urban, and industrial fields. Therefore, on the basis of benefits received, it is considered that the Nation as a whole should continue to participate in the cost of the reclamation program on a reasonable basis, but the division of cost should be open and clearly disclosed, not hidden nor subject to devious and uncertain interpretations. Another major objective of the program is to clearly state the share of project costs to be borne by the Federal Treasury.

"(7) To avoid undue interference with local control where local interests predominate. Recent Federal contract programs have indicated an intent to invade the field of the internal economy of organizations formed under State law. This is considered an unwarranted extension of Federal power. Another guiding objective of the program is to require confinement of Federal control to the due protection of Federal interest and investment.

"Some of these objectives are expressly stated in the following principles. Those not expressed are considered inherent in those expressed.

"SUGGESTED PRINCIPLES TO GOVERN AMENDMENTS TO THE RECLAMATION PROJECT ACT OF 1939

"(1) The Secretary of the Interior should formulate a feasibility report on each proposed new project, new division, or new supplemental works with sufficient particularity to enable review and conclusion as to whether the project is desirable and is economically justified, and, subject to section 1 of the 1944 Flood Control Act, such report should be transmitted to the President and to the Congress, and authorization should be granted by the Congress in its discretion.

"(2) The feasibility report should include allocations of the estimated cost. Cost allocations made for existing projects should, in like manner with new projects, be effective only when approved by Congress, and reports thereon should be formulated and transmitted in like manner and effect as feasibility reports.

"(3) Nonreimbursable cost allocations should be made for recreation, silt and general salinity control, in addition to allocations now authorized to navigation and flood control, and preservation and propagation of fish and wildlife. Such allocations to recreation, silt and salinity control, and preservation and propagation of fish and wildlife should be limited to increased costs for those functions unless such limitation renders the project infeasible. Operation and maintenance costs, and replacement cost, attributable to nonreimbursable functions should likewise be nonreimbursable.

"(4) The period of repayment of costs allocated to irrigation and assigned to be repaid by water users should be limited to a maximum permissible period of 60 years, and costs allocated to power, or municipal water supply and miscellaneous purposes, should be limited to a maximum permissible period of 50 years, to commence with the first delivery of water or power to each contracting organization.

"(5) Reimbursable, repayable, or returnable cost allocations to irrigation should be interest free, while cost allocations to power, municipal water supply, and miscellaneous purposes should bear interest.

"(6) Interest, when imposed, should be at a rate adequate to recover the cost of money advanced, computed on the unpaid balance of the capital account, from date of commencement of service.

"(7) The insert component of revenues, including power revenues, should not be assigned or otherwise applied to repayment of capital or other costs, but should be accounted for and paid as compensation for use of funds advanced.

"(8) When costs allocated to irrigation have been assigned for repayment from net power revenues or net revenues from municipal water supply or miscellaneous purposes, such net revenues should be ratably apportioned each year so as to pay the annual payment required by such assignment, as well as the annual payment required on costs allocated to commercial power, or such other purposes, and such amounts so apportioned should be applied only to such repayment until the total irrigation allocation so assigned has been repaid in full to the United States.

"(9) The generation and sale of electric energy under the provisions of the act should be undertaken only as incidental to, and whenever feasible in connection with, other authorized objectives and as a means of financially aiding and assisting such undertakings and in order to permit the full utilization of works constructed to accomplish such objectives.

"(10) Contracts with irrigation water users, other than for delivery of water during development periods and for temporary use of surplus water, should be restricted to repayment contracts executed in conformity with section 8 of the Reclamation Act of June 17, 1902, and affording opportunity to the contracting organization to acquire continuing rights to the use of water for irrigation, appurtenant to the land, in accordance with State law.

"(11) Construction charges allocated to irrigation and assigned to be repaid by water users should be fixed in amounts reasonably within the ability of the water users to repay.

"(12) Annual installments of construction charges should not be required to be equal.

"(13) Repayment contracts should provide for the transfer to contracting organizations, on request, for care, operation, and maintenance, of irrigation works, upon substantial completion, including any distribution system constructed by the United States to serve a contracting organization exclusively; and irrigation works jointly serving two or more such contracting organizations, on request of such organizations, should likewise be transferred for care, operation, and maintenance. Such transfers should be subject to conditions necessary to protect the Federal interests and investment.

"(14) Although recognizing that there should be authority to include provisions in repayment contracts appropriate to secure adoption of proper accounting, to protect the condition of project works, and to provide for the proper operation and maintenance thereof, interference with local control over use of land and water by the contracting organization should be held to the minimum feasible extent.

"(15) Terms contracts for water delivery should not be authorized as a substitute for repayment contracts, but should be authorized during a development period of not to exceed 10 years pending execution of a repayment contract. In event of execution of such a term contract, and a repayment contract is executed during the term, the period of such term contract should be deducted from the permissible development period.

"(16) In event of full repayment of the reimbursable cost of a distribution system, according to the terms of a repayment contract executed therefor, on request of the contracting organization the Secretary of the Interior should recommend to the Congress transfer of title to such distribution system.

"(17) Throughout the history of the Federal reclamation laws, the Congress has repeatedly recognized that problems arising upon particular projects require resolution through special legislation. If therefore existing law, as amended, appears inadequate for resolution of problems arising upon projects heretofore authorized, the Secretary of the Interior should be authorized to investigate such problems and to formulate reports thereon recommending enactment of special legislation, which reports, subject to section 1 of the Flood Control Act of 1944, should be transmitted to the President and to the Congress."

HON. JOHN LAWRENCE SULLIVAN

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD with reference to former Secretary of the Navy John L. Sullivan.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, a short time ago, a brilliant and distinguished career of public service was concluded—temporarily, I hope—by the resignation of Hon. John Lawrence Sullivan from his post as Secretary of the Navy.

My esteem and regard for both the person and accomplishments of Mr. Sullivan prompts me to note with regret his departure from official life in Washington, and to express a sincere wish that his return to private life will inaugurate but another chapter in the book of a life already replete with enduring achievements.

As the first Secretary of the Navy to serve under the National Defense Act of 1947, John Sullivan brought to that post his qualities of leadership, executive ability, organizational genius and tremendous energy. Devoting all of these talents to dynamic direction of the Department of the Navy, he has left the imprint of his personality upon that branch of our Armed Service and has left it with the distinctive reputation of being the world's best naval organization.

His career record in the service of our Nation is one of matchless and progressive accomplishment.

Entering the service as Assistant to the Commissioner of Internal Revenue in 1939, he successively held the responsible positions of Assistant Secretary of the Treasury, Assistant Secretary of the Navy for Air, Under Secretary of the Navy, and finally, Secretary of the Navy in the National Defense Establishment. His appointment to the last named office by President Truman on September 18, 1947, constituted a fitting climax to a career in the American tradition which had begun with service as an apprentice seaman in the United States Naval Reserve Force during World War I.

As a native of New England, Mr. Sullivan received his academic and legal training at Dartmouth College and Harvard Law School, respectively, and after admission to the New Hampshire bar, he embarked upon a professional career which has been marked with outstanding success both in New Hampshire and the District of Columbia. His ability in his chosen field of the law sustained him when he plunged with wholehearted fervor into the solution of the manifold administrative and legal problems which faced him in his various governmental positions. The record of his service proves that he solved those problems with vigor, dispatch, and expert efficiency.

Preoccupied as he was with such important duties, however, John Sullivan found time out of the abundance of his ability to devote his talents to nonofficial areas of activity. He has been prominently identified with civic, veteran, welfare, and political activities, and he has brought to those self-assumed tasks the same high order of accomplishment which has characterized his official life.

Perhaps the best encomium of his career will be found in the words of the

citation presented to him when our President bestowed upon him the Medal of Merit in well-earned recognition of his creditable service to the Navy during World War II:

Mr. Sullivan, as Assistant Secretary of the Treasury from January 1940 to November 1944 displayed great tact, skill, and knowledge in formulating and coordinating the Treasury Department's tax legislation, which gained for him national prominence as an authority on taxation matters. As Assistant Secretary of the Navy for Air, and as Under Secretary of the Navy, he was a vital factor in the operation and administration of the Navy Department, and has made, by his vision, courage, and intelligent approach to the many problems of national significance, a contribution to the administration of the Government of this country which is outstanding in every respect. Mr. Sullivan's forceful performance of his duties has been in keeping with the highest traditions of the United States, and worthy of the greatest praise.

The well-deserved praise of that citation is high testimony to the character, zeal, and integrity of the former Secretary of the Navy. It serves as tangible evidence that his devoted service was keenly appreciated by those who had best cause to measure it.

In leaving that service, John L. Sullivan has taken with him the heartfelt thanks of a grateful Nation for a task done well and faithfully. With him also goes the sincere good wishes of the host of his friends to whom his friendship is the most precious monument which he has left behind him.

EXTENSION OF REMARKS

Mr. PRICE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article from the Christian Science Monitor, Keeping the Pledge Made at Yalta.

FURTHER CONTRIBUTION TO INTERNATIONAL CHILDREN'S EMERGENCY FUND

Mr. McSWEENEY (at the request of Mr. MADDEN), from the Committee on Rules, submitted the following resolution (H. Res. 239) on the bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund, which was referred to the House Calendar and ordered to be printed:

Resolved, that immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER GRANTED

Mr. O'SULLIVAN asked and was given permission to address the House for 20 minutes on tomorrow, following the legislative business of the day and any other special orders heretofore entered.

EXTENSION OF REMARKS

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix and include a transcription of a radio discussion in which he participated on the subject of the Brannan plan.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include three editorials.

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. BURKE] is recognized for 1 hour.

ACCIDENT PREVENTION

Mr. BURKE. Mr. Speaker, I have today introduced a bill (H. R. 4997–S. 1992) to create in the Department of Labor a Bureau of Accident Prevention for the purpose of promoting and maintaining safe and healthful conditions in hazardous industries affecting commerce, and I intend to propose to the Committee on Education and Labor a special investigation and study of the interrelated subject of workmen's compensation.

Today we have in the United States, its Territories, and possessions a crazy quilt of health and safety provisions and workmen's compensation.

In my judgment and the judgment of others who have given thought to the matter, this crazy-quilt pattern permits and promotes a species of unfair competition.

Some employers and organizations, carrying the flag of States' rights in one hand, carry in the other hand the excuse that they cannot agree to drastic improvements in standards of health, safety, and workmen's compensation because competitors in other States—always "other States"—would then enjoy lower costs of production because of lower expenditures for health, safety, and workmen's compensation insurance.

And employers, industries, and States who really want to do more to promote and maintain workers' health and safety and to provide more nearly adequate compensation payments for deaths and disabilities resulting from accidents and disease incurred on the job are slowed down because—

First. We do not have uniform standards of health and safety;

Second. We do not have uniform enforcement of such standards as now exist; and

Third. We do not have uniform workmen's compensation payments and workmen's compensation insurance charges.

It is high time that we act to take workers' lives, workers' health, and workers' disability payments out of competition as between plant and plant, industry and industry, State and State. Fair competition requires this action.

My bill proposes to make a beginning by bringing hazardous industries under a uniform health and safety code and under uniform enforcement. The bill defines hazardous industries as those manufacturing and nonmanufacturing industries having injury frequency rates higher than the over-all average frequency rate for all manufacturing industries.

It would not cover agriculture, where most of the shockingly large numbers of fatal accidents and disabling accidents are suffered by farmers themselves and members of their families.

The bill would avoid duplication of State labor departments' work in the field by authorizing the Secretary of Labor to make agreements with State and local agencies for the enforcement of the health and safety codes to be set up under the act. But the standards in those codes shall be uniform and their enforcement would be uniform.

A worker's life, or any part of it, would be guarded with the same vigilance everywhere in the United States. And, if the investigation I am proposing shall result in action to bring about a uniform system of workmen's compensation, a workers' life, or any part of it, or the impairment or loss of use of any part of his body, will have the same value everywhere in the United States, with due regard to his skill and normal earning power.

Of course, I am proposing that our industrial health, safety, and workmen's compensation standards and their enforcement shall be leveled up to the standards prevailing in some of the more highly industrialized States, not down toward the inhumanly low standards of some States where industrialization is more recent and where lower labor costs are still offered as bait to lure plants from other States.

We should go higher than even the best standards prevailing anywhere. And, freed from the blood- and tear-stained unfair competion that now prevails, we can quickly set new highs in safety and new lows in industrial deaths and disabilities. We can take much of the blood and tears and some of the sweat out of hazardous industries. Thereby we can add greatly to our productive strength, our national welfare and the happiness of the millions of families who today are subjected to the shock of injury or death of the principal wage earner.

Mr. Speaker, I can say to the Members that labor is fed up with the States' rights argument against Federal standards of health and safety. Wage earners know quite well that, when a citizen of Ohio and a citizen of Georgia, or Texas, or California, or Tennessee, or Oregon, or New York are given passports for travel abroad, they are given the

identical assurances of the protection of the Government of the United States. The same parity which they enjoy abroad should be assured to them at home and on the job, certainly the matter of protection against industrial accidents and disease and in the matter of compensation for death or disability accidents.

Labor is impatient with the uneven progress of improving State laws and with the unfair competition argument that meets every attempt to improve standards State by State. This does not mean that labor, conscientious employers and other citizens of good will are going to, or that they should, relax their efforts to get improvement in State laws, standards, and enforcement. The fight for industrial health and safety should be continued on both the State and Federal fronts.

In proposing this bill for the creation of uniform Federal health and safety standards in hazardous industries and for their uniform enforcement, I am not opposing the bill, H. R. 3853, introduced by the learned and able gentleman from Indiana [Mr. JACOBS] which would provide grants-in-aid to State labor departments to assist them in promoting industrial health and safety. That bill is needed. But, in my judgment, it does not go far enough. It would help. But it would not meet adequately and in time the problem of unfair competition that is now a drag upon all our efforts to reduce the shocking toll of industrial fatalities and disabling accidents.

Similarly, no conflict is intended with the Price bill, H. R. 3023, which would empower Federal coal-mine inspectors to order the closing down of unsafe mines, the penalty for noncompliance to be a fine of not more than $500 or imprisonment not to exceed 60 days, or both. The penalties provided in my bill, it will be noted, are more severe than those proposed in H. R. 3023.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. BURKE. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Does the gentleman's bill cover the same subject that the Price bill covers?

Mr. BURKE. My bill covers hazardous industries. The Price bill only covers the field of mine safety.

Mr. GOLDEN. I take it from the gentleman's remarks that he is favor of the Price bill?

Mr. BURKE. I am very much in favor of the Price bill.

Mr. GOLDEN. I am, too.

Mr. BURKE. Mr. Speaker, before giving a short description of this bill I have introduced, let me state some reasons why such action is justified and, in my opinion, is long overdue.

Mr. Speaker, last year, 1948, approximately 16,500 men and women were killed while at work or as the result of injuries sustained on the job.

Of these 16,500, approximately 4,400 were in agriculture. Of those 4,400, 3,300 were farmers themselves, or members of their families; 1,100 were hired farm workers, according to Bureau of Labor Statistics estimates based on what the Bureau called fragmentary data.

The remaining 12,100 deaths, about which more is known, were of workers in nonagricultural industries. Twelve hundred were of self-employed and unpaid family workers; 11,900 were of paid workers in industry.

An army of productive workers went to their deaths last year—10 regiments of men and women.

Because we escaped major industrial disasters such as the Centralia mine explosion and the Texas City explosion of 1947, the record for 1948 was an improvement over previous years.

In 1947, the latest year for which complete data are available, about 17,000 workers were killed in on-the-job accidents, according to the authoritative Bureau of Labor Statistics study, Work Injuries in the United States During 1947.

The total number of disabling work injuries in 1947 is estimated by the Bureau of Labor Statistics as 2,059,000. Approximately 90,000 workers sustained permanent partial impairments; another 1,800 were totally disabled, leaving a total of 1,950,200 disabling injuries which resulted in an inability to work that lasted at least one full day after the day of injury.

The actual time lost because of work injuries which occurred in 1947 is estimated as about 44,700,000 man-days, or the equivalent of a year's full-time employment for approximately 150,000 workers. However, as the BLS points out, this represents only a part of the total production losses accruing from these injuries. Making due allowance for the future effects of the deaths and permanent physical impairments included in the 1947 total, the economic time loss chargeable to these injuries would amount to about 233,700,000 man-days. This, says the BLS, "is equivalent to a year's employment for 780,000 workers, or about six times as much time as was lost during the year because of strikes."

Mr. Speaker, I think it is of tragic significance that while this Congress has spent many hundreds of man-years in the consideration of so-called labor legislation relating to strikes and industrial disputes, it has spent almost no time on the problem of reducing the shocking total of industrial deaths and injuries which, each year, bring tragedy and hardship into millions of American homes, and, speaking in cold-blooded economic terms, reduce our industrial production far more than it is reduced by strikes. I suggest that we strike a healthy balance between attention to strikes and attention to the problem of industrial health and safety.

I insert at this point in my remarks a summary table giving the estimated number of disabling injuries during 1947, by industry groups, taken from page 2 of the BLS study, Work Injuries in the United States During 1947:

TABLE A.—*Estimated number of disabling injuries during 1947, by industry group*

[Difference between total number of injuries and injuries to employees represents injuries to self-employed workers]

Industry group	All disabilities		Fatalities		Permanent-total disabilities		Permanent-partial disabilities		Temporary-total disabilities	
	Total	To employees	Total	To employees	Total	To employees	Total	To employees	Total	To employees
All groups	2,059,000	1,634,600	17,000	12,300	1,800	1,400	90,000	71,800	1,950,200	1,549,100
Agriculture [1]	298,000	70,600	4,300	1,000	400	100	14,900	3,500	278,400	66,000
Mining and quarrying [2]	92,900	88,300	1,500	1,400	200	200	4,100	3,900	87,100	82,800
Construction [3]	151,700	105,100	2,400	1,800	300	200	4,300	3,000	144,700	100,100
Manufacturing [4]	539,000	530,100	2,700	2,600	200	200	7,200	6,800	508,900	500,500
Public utilities	27,700	27,700	400	400	(5)	(5)	600	600	26,700	26,700
Trade [3]	260,600	287,700	1,500	1,300	100	100	8,600	6,900	250,400	279,400
Railroads [6]	71,900	71,900	800	800	300	300	5,000	5,000	65,800	65,800
Miscellaneous transportation [3]	135,200	116,200	900	700	100	100	7,400	6,400	126,800	109,000
Services, government, and miscellaneous industries [3]	382,000	337,000	2,500	2,300	200	200	17,900	15,700	361,400	318,800

[1] Based on fragmentary data.
[2] Based largely on Bureau of Mines data.
[3] Based on small sample studies.
[4] Based on comprehensive survey.
[5] Less than 50.
[6] Based on Interstate Commerce Commission data.

It will be noted from this table that manufacturing has the largest volume of disabling injuries, a total of 539,000 in 1947, of which all but 9,000 were sustained by employees.

In construction, there were 151,700 disabling injuries, an increase of 15 percent over 1946, largely accounted for by increased employment.

In mining and quarrying, the BLS points out, "fatalities increased 15 percent over 1946, although the total volume of injuries rose only 11 percent. Three large explosions in bituminous coal mines contributed 146 fatalities—111 workers were killed in the Centralia explosion alone—and 3 explosions in the anthracite field accounted for 33 additional deaths."

My bill defines hazardous industries as those manufacturing and nonmanu-

facturing industries having an injury frequency rate higher than the over-all frequency rate for all manufacturing industries. This over-all average frequency rate was 18.8 in 1947, nearly 6 percent below the 1946 average of 19.9 disabling injuries per 1,000,000 employee hours worked.

While 83 of the 151 industries compared showed reductions in frequency rates from 1946 to 1947, 23 had higher rates, the most pronounced being for logging, up from 80.4 in 1946 to 102.8 in 1947; up from 35.1 to 42.3 for planing mills; up from 18.2 to 25 for battery manufacturing; and from 10.7 to 15.8 for plants manufacturing professional and scientific instruments and supplies.

The highest frequency rate among the manufacturing industries was 102.8 for logging. Saw mills had a rate of 66.6, and combination saw and planing mills, a rate of 56.7. Other industries with excessively high rates included iron foundries, 44.5; structural clay products, 43.9; planing mills, 42.3; and wooden containers, 41.9.

Injury frequency rates for the various classifications of mining and quarrying furnished by the United States Bureau of Mines were generally higher than the rates for most manufacturing industries. Anthracite mining, with a rate of 83.4, ranked near the top of the highest-rate group of industries. The more extensive bituminous-coal mining industry had a lower rate, 59.8, but this also was considerably higher than the rates for nonmanufacturing industries.

In the metal-mining group, the frequency rates for iron mining—24.5—gold-placer mining—33.5—and copper mining—44.7—were within the general range of rates for the manufacturing industries. But the small gold-silver mining industry had the highest rate recorded for any industry—108.4, disabling injuries per million employee hours worked.

Although the injury-frequency rate is generally accepted as the most useful measure of injury experience, it is worth while to look at some of the severity rates, that is, the number of days lost per disabling injury.

Stevedoring had the highest ratio of time lost because of work injuries, 10.6 days per thousand employee hours worked, as compared with an average rate for all manufacturing of 1.4 days per thousand employee hours worked.

Logging's rate was 9.7; cut stone and cut stone products, 6; heavy engineering construction, 5.4; and sawmills, 5.3. In each of these industries, a comparatively high frequency rate was coupled with a higher-than-average ratio of fatalities.

Although the iron and steel industry had a severity rate of 1.7, it had 203 days lost per disabling injury; 1.7 percent of all reported disabilities were fatalities or permanent-total disabilities as compared with a 0.3 percent average for all manufacturing industries. And 7 percent were permanent partial disabilities, as compared with an average of 4.4 percent for all manufacturing industries.

Other high severity averages included: 164 days per disabling injury for the paving and roofing industry; 162 for cut stone and cut stone products; 150 for the electric light and power industry; and 146 for stevedoring. High ratios of fatalities or high average time charges for permanent-partial impairments were primarily responsible for each of these high severity averages.

I include at this point in my remarks table B, derived from the BLS study, Work Injuries in the United States During 1947, showing the injury rates and injuries by extent of disability, in 1947, for hazardous industries, that is, those having an injury frequency rate higher than the average—18.8—per million employee hours worked:

TABLE B.—*Injury rates and injuries by extent of disability, 1947*

[In hazardous industries, those having an injury frequency rate higher than the average (18.8), for all manufacturing]

Industry	Number of establishments	Average number of employees	Employee-hours worked (thousands)	Number of disabling injuries	Percent of disabling injuries resulting in [1]—			Average days lost and charged per disability [2]			Injury rates	
					Death and permanent total disability [3]	Permanent partial disability	Temporary total disability	All disabilities	Permanent partial disability	Temporary total disability	Frequency	Severity
All industries [4]	51,994	10,323,623	21,307,506	359,094								
MANUFACTURING												
Total, manufacturing	33,162	8,318,009	16,917,671	295,016	0.3	4.4	95.3	73	863	16	[5] 18.8	[5] 1.4
Chemicals and allied products:												
Fertilizers	418	24,260	48,554	1,534	.5	2.5	97.0	78	1,269	15	31.6	2.5
Vegetable and animal oils	37	4,946	10,699	218	1.4	5.5	93.1	181	1,588	12	20.4	3.7
Electrical machinery, equipment, and supplies:												
Batteries	47	15,503	30,821	770	.3	1.4	98.3	43	1,100	11	25.0	1.0
Automotive electrical equipment	34	19,100	37,279	714	(6)	(6)	(6)	(6)	(6)	(6)	19.2	.4
Food products	4,171	536,754	1,112,622	29,036	.3	3.0	96.7	65	1,118	14	[5] 24.0	[5] 1.6
Beverages, not elsewhere classified	284	6,998	14,349	463		1.3	98.7	25	1,142	10	32.3	.8
Breweries	284	53,898	114,591	4,399	.3	4.9	94.8	96	1,295	13	38.4	3.7
Canning and preserving	418	72,427	120,619	3,290	.4	3.4	96.2	79	1,126	19	27.3	2.3
Dairy products	359	23,810	55,760	1,266	.4	2.0	97.6	56	991	15	22.7	1.3
Flour, feed, and grain-mill products	545	50,589	108,585	2,943	.3	2.7	97.0	65	1,219	13	27.1	2.0
Slaughtering and meat packing	828	135,977	298,426	8,929	.2	1.4	98.4	31	684	11	29.9	1.3
Sugar refining	99	29,166	62,649	2,056	.6	2.5	96.9	76	1,033	16	32.8	2.5
Furniture and finished lumber products	2,262	232,439	477,794	14,366	.2	5.4	94.4	64	743	12	[5] 29.5	2.0
Furniture, metal	82	22,277	45,548	891	.1	8.1	91.8	59	517	11	19.6	1.1
Furniture, except metal	838	95,069	197,597	5,569	.2	6.3	93.5	72	774	12	28.2	2.1
Mattresses and bedsprings	272	21,329	42,773	1,066		3.6	96.4	27	458	11	24.9	.8
Morticians' supplies	102	7,413	14,271	357		2.8	97.2	44	1,200	10	25.0	1.1
Wooden containers	470	42,180	86,228	3,610	.4	4.1	95.5	66	734	13	41.9	2.8
Not elsewhere classified	382	32,825	68,618	2,330	.3	4.1	95.6	68	892	14	34.0	2.7
Iron and steel and their products	4,655	1,469,141	2,962,106	61,828	.5	4.9	94.6	91	836	18	[5] 22.3	[5] 1.9
Bolts, nuts, washers, and rivets	82	21,893	44,347	868		3.5	96.5	50	940	17	19.6	.8
Cold-finished steel	46	12,323	25,533	581		7.3	92.7	88	957	20	22.8	2.1
Cutlery and edge tools	126	23,453	49,199	1,161		5.3	94.7	63	972	12	23.6	1.6
Fabricated structural steel	420	57,754	119,526	3,261	.4	4.7	94.9	77	757	16	27.3	1.8
Forgings iron and steel	172	52,928	106,049	3,011	.2	4.5	95.3	49	608	13	28.4	1.6
Foundries, iron	792	138,438	284,342	12,644	.3	2.1	97.6	50	1,028	12	44.5	2.3
Foundries, steel	127	52,800	104,883	3,380	.8	2.7	96.5	86	653	21	32.2	2.1
Heating equipment not elsewhere classified	250	61,102	120,829	4,148	.3	4.4	95.3	62	783	13	34.3	2.4
Metal coating and engraving	120	13,758	26,781	770	.3	3.9	95.8	49	570	11	28.8	1.5
Ornamental and metal work	119	11,830	24,475	681	.4	2.6	97.0	52	600	11	27.8	1.5
Plate fabrication and boilershop products	218	40,951	83,307	3,099	.4	4.5	95.1	86	992	17	37.2	2.7
Screw-machine products	178	26,925	56,169	1,084		6.6	93.4	52	629	11	19.3	1.1
Sheet-metal work	130	11,881	23,991	580		3.1	96.9	46	978	16	24.2	1.3
Stamped and pressed metal products, not elsewhere classified	437	103,207	207,468	4,853	.3	7.5	92.2	89	783	14	23.4	2.1
Steam fittings and apparatus	180	40,260	80,496	2,030	.4	6.1	93.5	91	870	15	25.2	3.1
Steel barrels, kegs, drums, and packages	39	7,832	16,335	317	(6)	(6)	(6)	(6)	(6)	(6)	19.4	1.4
Steel springs	33	13,960	27,263	578		5.9	94.1	57	736	15	21.2	1.0
Tools, except edge tools	196	27,143	55,019	1,304	.1	5.5	94.4	55	624	13	23.7	1.5

See footnotes at end of table.

TABLE B.—*Injury rates and injuries by extent of disability, 1947*—Continued

[In hazardous industries, those having an injury frequency rate higher than the average (18.8), for all manufacturing]

Industry	Number of establishments	Average number of employees	Employee-hours worked (thousands)	Number of disabling injuries	Percent of disabling injuries resulting in [1]— Death and permanent total disability [2]	Permanent partial disability	Temporary total disability	Average days lost and charged per disability [2] All disabilities	Permanent partial disability	Temporary total disability	Injury rates Frequency	Severity
MANUFACTURING—continued												
Iron and steel and their products—Continued												
Vitreous-enameled products	20	5,268	10,090	231	-------	4.8	95.2	46	600	19	22.9	1.1
Wire and wire products	220	54,637	106,741	2,296	.4	4.5	95.1	85	938	17	21.5	2.0
Wrought pipes, welded and heavy riveted	17	6,623	12,840	311	(6)	(6)	(6)	(6)	(6)	(6)	24.2	2.0
Not elsewhere classified	162	18,349	37,921	929	.1	5.2	94.7	69	875	15	24.5	1.8
Leather and leather products:												
Leather	171	32,356	66,087	1,942	.2	2.3	97.5	48	899	15	29.4	1.4
Lumber and timber basic products	1,667	141,714	292,945	16,600	.6	2.8	96.6	85	1,102	17	[5] 66.0	[5] 5.9
Logging	239	19,742	37,887	3,895	.8	1.9	97.3	95	1,424	17	102.8	9.7
Sawmills	510	37,593	76,558	5,096	.5	2.7	96.8	78	1,122	18	66.6	5.3
Sawmills and planing mills combined	128	20,302	42,604	2,416	.4	3.5	96.1	75	990	18	56.7	4.0
Planing mills	246	14,893	32,158	1,359	.8	5.0	94.2	111	1,013	13	42.3	4.1
Plywood mills	69	14,681	31,967	1,231	.4	5.9	93.7	88	884	15	38.5	3.5
Veneer mills	67	5,939	13,241	521	.8	3.3	95.9	104	1,179	16	39.3	4.8
Millwork (structural)	408	28,564	58,528	2,142	.3	3.2	96.5	57	620	19	36.6	2.6
Machinery, except electric	3,586	1,105,450	2,245,598	41,897	.2	5.1	94.7	56	672	13	[5] 19.7	[5] 1.2
Agricultural machinery and tractors	229	134,092	270,664	6,241	-------	5.8	94.2	50	686	11	23.4	1.7
Construction and mining machinery	295	93,150	192,277	5,472	.2	3.5	96.3	54	879	14	28.5	1.8
Elevators, escalators, and conveyors	53	15,290	32,472	650	-------	4.0	96.0	28	422	11	20.0	.7
Fabricated pipe and fittings	9	1,158	2,348	69	(6)	(6)	(6)	(6)	(6)	(6)	29.4	.9
Food-products machinery	145	27,627	57,633	1,418	.2	4.6	95.2	54	668	12	24.6	1.3
General industrial machinery and equipment, not elsewhere classified	499	126,613	254,508	5,740	.1	5.4	94.5	53	676	12	22.6	1.2
General machine shops (jobbing and repair)	317	16,347	32,994	817	-------	3.4	96.6	52	1,218	12	24.8	1.5
Mechanical power transmission equipment, except ball and roller bearings	86	30,008	60,329	1,227	-------	6.9	93.1	47	450	18	20.3	1.0
Pumps and compressors	131	37,403	77,782	1,564	-------	3.9	96.1	33	523	13	20.1	.6
Special industry machinery, not elsewhere classified	376	73,710	154,392	3,300	.2	4.2	95.6	48	575	12	21.4	1.0
Nonferrous metals and their products:												
Aluminum and magnesium products	50	15,134	30,969	644	-------	7.0	93.0	55	534	19	20.8	.9
Foundries, nonferrous	386	32,029	64,289	1,737	.2	3.9	95.9	50	742	12	27.0	1.5
Primary smelting and refining: [7]												
Copper	(8)	12,400	31,940	707	[9] 1.0	(8)	(8)	(8)	(8)	(8)	22.1	(8)
Zinc	(8)	10,500	28,670	996	[9] .1	(8)	(8)	(8)	(8)	(8)	34.7	(8)
Miscellaneous	(8)	6,100	14,180	362	[9] .6	(8)	(8)	(8)	(8)	(8)	25.5	(8)
Paper and allied products	1,411	315,126	679,190	15,295	.3	4.6	95.1	79	1,039	15	[5] 22.1	[5] 1.9
Paper boxes and containers	623	63,112	130,053	2,794	.2	8.1	91.7	109	1,073	14	21.5	2.6
Paper and pulp	491	204,191	451,184	10,630	.4	3.2	96.4	74	1,061	17	23.6	1.9
Not elsewhere classified	220	39,378	80,392	1,655	.2	3.7	96.1	62	947	13	20.6	1.4
Stone, clay, and glass products	1,299	247,714	516,324	11,814	.5	2.5	97.0	65	904	14	[5] 24.3	[5] 1.9
Clay products (structural)	445	43,426	88,674	3,892	.6	1.5	97.9	58	737	13	43.9	2.7
Concrete, gypsum, and plaster products	270	11,869	26,180	946	.2	3.4	96.4	80	1,328	25	36.1	2.8
Cut stone and cut-stone products	74	2,793	5,873	216	2.3	2.8	94.9	162	400	13	36.8	6.0
Pottery and related products	142	34,760	71,471	1,508	.5	1.9	97.6	56	753	12	21.1	1.2
Not elsewhere classified	145	35,959	71,720	1,565	.6	5.1	94.3	89	869	12	21.8	2.1
Textile and textile-mill products:												
Cordage and twine	56	9,696	19,220	447	-------	5.4	94.6	54	681	18	23.3	1.2
Dyeing and finishing textiles	363	62,686	127,936	2,457	.1	3.7	96.2	67	1,272	18	19.2	1.5
Not elsewhere classified	66	11,416	22,450	534	.3	3.5	96.2	84	1,495	12	23.8	2.1
Transportation equipment:												
Boatbuilding and repairs	80	4,496	9,264	313	(6)	(6)	(6)	(6)	(6)	(6)	33.8	1.2
Shipbuilding and repairs	168	85,667	172,742	4,849	.9	3.0	96.1	114	896	37	28.1	3.2
Not elsewhere classified	21	10,620	19,800	379	.3	6.9	92.8	64	531	13	19.1	1.2
Miscellaneous manufacturing:												
Coke ovens: [7]												
Beehive	(8)	2,900	5,990	224	[9] 1.8	(8)	(8)	(8)	(8)	(8)	37.4	(8)
NONMANUFACTURING												
Construction [10]	2,297	(8)	276,197	11,384	.8	2.2	97.0	87	1,259	14	40.9	3.6
Building construction	1,640	(8)	164,004	6,351	.6	2.3	97.1	78	1,348	13	38.7	3.0
Heavy engineering	186	(8)	57,723	2,411	1.3	2.5	96.2	129	1,269	19	41.8	5.4
Highway construction	339	(8)	45,044	2,109	.6	1.8	97.6	63	941	11	46.8	2.9
Not elsewhere classified	128	(8)	9,289	500	1.2	1.2	97.6	96	1,100	11	53.8	5.2
Transportation [10]	1,175	220,204	552,519	15,169	.4	2.1	97.5	76	1,453	20	27.5	2.1
Stevedoring	73	(8)	41,022	2,971	.5	5.8	93.7	146	1,553	28	72.4	10.6
Streetcar	19	10,909	24,840	546	.2	2.4	97.4	67	1,777	14	22.0	1.5
Streetcar and bus	52	98,674	234,874	5,226	.3	.9	98.8	53	1,514	23	22.3	1.2
Trucking and hauling	456	13,186	28,947	1,107	.5	1.6	97.9	60	914	13	38.2	2.3
Warehousing and storage	252	15,826	31,848	1,067	.3	2.4	97.3	62	1,356	13	33.5	2.1
Heat, light, and power: [10]												
Gas	219	88,237	182,720	4,201	.5	2.3	97.2	80	1,573	12	23.0	1.8
Steam heat and power	14	516	1,143	23	(6)	(6)	(6)	(6)	(6)	(6)	20.1	.2
Waterworks [10]	151	10,018	21,230	445	.2	.9	98.9	41	1,225	17	21.0	.9
Business services:												
Miscellaneous repair services	259	4,244	8,960	254	-------	1.2	98.8	18	400	13	28.3	.5
Fire departments	211	27,834	96,285	2,392	1.1	.5	98.4	97	2,618	18	24.8	2.4
Police departments	159	18,585	44,435	1,293	1.3	.5	98.2	107	1,957	18	29.1	3.1
Trade: [10]												
Wholesale distributors	2,437	88,059	185,453	3,771	.3	1.8	97.9	50	1,148	12	20.3	1.0
Wholesale and retail dairy products	358	22,646	54,945	1,344	.3	3.0	96.7	77	1,491	15	24.5	1.9
Wholesale and retail building supplies	541	16,433	35,659	1,238	.5	4.7	94.8	86	914	15	34.7	3.0
Mining and quarrying: [7]												
Coal mines:												
Bituminous	(8)	390,500	781,190	46,690	[9] 2.1	(8)	(8)	(8)	(8)	(8)	59.8	(8)
Anthracite	(8)	78,500	152,000	12,675	[9] 1.4	(8)	(8)	(8)	(8)	(8)	83.4	(8)
Metal mines:												
Iron	(8)	26,400	58,890	1,441	[9] 2.5	(8)	(8)	(8)	(8)	(8)	24.5	(8)
Copper	(8)	16,100	39,510	1,767	[9] 1.8	(8)	(8)	(8)	(8)	(8)	44.7	(8)
Lead-zinc	(8)	16,800	35,540	3,233	[9] 1.0	(8)	(8)	(8)	(8)	(8)	91.0	(8)
Gold-silver	(8)	5,600	11,570	1,254	[9] 1.1	(8)	(8)	(8)	(8)	(8)	108.4	(8)
Gold placer	(8)	3,600	6,930	232	[9] .9	(8)	(8)	(8)	(8)	(8)	33.5	(8)
Miscellaneous metal	(8)	8,200	7,150	677	[9] 1.0	(8)	(8)	(8)	(8)	(8)	94.7	(8)

See footnotes at end of table.

TABLE B.—*Injury rates and injuries by extent of disability, 1947*—Continued

[In hazardous industries, those having an injury frequency rate higher than the average (18.8), for all manufacturing]

Industry	Number of establishments	Average number of employees	Employee-hours worked (thousands)	Number of disabling injuries	Percent of disabling injuries resulting in [1]— Death and permanent total disability [3]	Permanent partial disability	Temporary total disability	Average days lost and charged per disability [2] All disabilities	Permanent partial disability	Temporary total disability	Injury rates Frequency	Severity
NONMANUFACTURING—continued												
Nonmetal mines	(8)	12,300	29,280	1,347	[9] 0.9	(8)	(8)	(8)	(8)	(8)	46.0	(8)
Quarries:												
Limestone	(8)	25,600	44,560	1,987	[9] 1.4	(8)	(8)	(8)	(8)	(8)	44.6	(8)
Lime	(8)	9,400	22,680	1,236	[9] .5	(8)	(8)	(8)	(8)	(8)	54.5	(8)
Marble	(8)	2,900	6,420	167	[9] 1.2	(8)	(8)	(8)	(8)	(8)	26.0	(8)
Granite	(8)	5,700	12,280	767	[9] .3	(8)	(8)	(8)	(8)	(8)	62.5	(8)
Traprock	(8)	2,600	5,290	271	[9] .4	(8)	(8)	(8)	(8)	(8)	51.2	(8)
Slate	(8)	1,700	4,510	243	[9] 1.2	(8)	(8)	(8)	(8)	(8)	53.9	(8)
Sandstone	(8)	3,900	7,910	461	[9] 1.3	(8)	(8)	(8)	(8)	(8)	58.3	(8)
Ore dressing (mills and auxiliaries):												
Copper	(8)	5,900	15,330	302	[9] .7	(8)	(8)	(8)	(8)	(8)	19.7	(8)
Gold-silver	(8)	1,000	2,330	117	[9] 1.7	(8)	(8)	(8)	(8)	(8)	50.2	(8)
Lead-zinc	(8)	4,300	9,270	272	[9] .7	(8)	(8)	(8)	(8)	(8)	29.3	(8)
Miscellaneous metals	(8)	1,300	2,770	100	--------	(8)	(8)	(8)	(8)	(8)	36.1	(8)

[1] Based on reports which furnished details regarding the resulting disabilities, constituting approximately 60 percent of the total sample.
[2] The frequency rate is the average number of disabling injuries for each million employee-hours worked. The severity rate is the average number of days lost for each thousand employee-hours worked. The standard time-loss ratings for fatalities and permanent disabilities are given in Method of Compiling Industrial Injury Rates, approved by the American Standards Association, 1945. Relatively few of the injuries resulting from the Texas City disaster were reported in the survey. The injury rates, therefore, reflect normal operations only and exclude the effect of this unusual occurrence. This is particularly true in respect to the rates for chemical manufacturing and stevedoring.
[3] Each death or permanent-total disability is charged with a time loss of 6,000 days in the computation of severity rates.
[4] Except Mining and Quarrying data compiled by the Bureau of Mines, U. S. Department of Interior.
[5] Weighted according to estimates of total current employment in each industry.
[6] Disability distribution and average time charges not given because of small number of injuries for which details were reported.
[7] Preliminary data compiled by the Bureau of Mines, U. S. Department of Interior.
[8] Not available.
[9] Fatalities only.
[10] Primarily reported by company instead of by establishment.

Mr. Speaker, I now include at this point in my remarks a short description of the bill:

SECTION I—THE ENACTING CLAUSE

Describes the bill as the Accident Prevention Act of 1949.

SECTION II—FINDINGS AND DECLARATION OF POLICY

The Congress finds and declares that unsafe and unhealthful conditions of employment in hazardous industries engaged in the production of goods for commerce or in any other activity affecting interstate and foreign commerce, burdens and obstructs such commerce and the free flow thereof, first, through unfair competition between products produced under unsafe and unhealthful conditions with products produced under safe and healthful conditions of employment; second, through use of commerce and its channels and instrumentalities to promote such unfair competition, thereby spreading unsafe and unhealthful conditions among the workers in hazardous industries in the several States and "due to the facility with which hazardous operations may be moved from one State to another, with the result that regulation and control under State laws describing safe and healthful conditions of employment are not reasonably effective means of eliminating such conditions; and, third, through leading to strikes, labor disputes and other forms of industrial unrest." Unsafe and unhealthful conditions of employment in hazardous industries burden the Nation as a whole, thereby impairing the general welfare.

The policy of this act is "to establish means for ascertaining the existence of harmful and deleterious conditions and develop remedial devices, processes and safeguards, for promoting the utilization thereof and developing and promulgating for hazardous industries safety and health codes having the force of law."

SECTION III—DEFINITIONS

The term "hazardous industry" means a manufacturing or nonmanufacturing industry except agriculture in which the injury frequency rate, as computed by the United States Bureau of Labor Statistics during the last preceding calendar year for which such rates were so computed, exceeds the over-all average injury frequency rate of all manufacturing and nonmanufacturing industries in the United States during such period.

The other definitions have the usual meaning.

SECTION IV—BUREAU OF ACCIDENT PREVENTION

The Bureau of Accident Prevention is to be under the direction of a Director of Accident Prevention, appointed by the Secretary of Labor. The Director shall be a person equipped by technical education or practical experience in the field of industrial health and safety engineering and in practical administration.

The duty of the Bureau and its Director is, first, technical investigation into conditions of employment in hazardous industries for the purpose of improving the health, safety, and general well-being of the employees therein; second, to develop reasonable standards of safe and healthy operations, and for the prevention and correction of industrial hazards; and to promote the acceptance by employers and workers of standards developed by the Bureau.

SECTION V—ACCIDENT PREVENTION BOARDS

An Accident Prevention Board shall be established for each hazardous industry. It shall consist of nine members to be appointed by the Secretary of Labor, four to represent employers in each hazardous industry, four to represent workers in each such industry, and one member representing the public who shall be designated chairman. The Director and the Surgeon General, United States Public Health Service, are to be ex officio members, without vote. Board members are to receive no salary but are to receive a reasonable per diem and necessary expenses.

SECTION VI—RULE-MAKING POWER

The boards shall make and modify rules and regulations "for the elimination of unsafe and unhealthful conditions, including the prevention of accidents and occupational diseases in hazardous industries and for the construction, repair, inspection, and maintenance of establishments in such industries and for the instruction of employees thereof, in accordance with reasonable standards in health and safety therein."

The boards shall set such standards upon "the basis of substantial evidence presented at a public hearing."

In making such findings the boards shall consider, first, causes of accidents and industrial and occupational diseases; second, the testing of new materials, machinery, devices, and methods for health and safety prior to use in production; third, the effectiveness of particular equipment, devices, processes, plant layouts, lighting systems, heating and ventilation, and inspection and instruction in preventing accidents and diseases; and, fourth, standards and operations in hazardous industries which do maintain reasonably safe and healthful conditions of employment.

No rule or amendment is to be effective unless approved by the Secretary of Labor and published in the Federal Register and elsewhere as required by law.

The Secretary of Labor, the Director, and, upon petition, any group of 50 or more persons shall have the right to propose to the boards such rules and amendments as they may deem necessary to carry out the act.

SECTION VII

Provides for hearings and court review of rules and regulations.

SECTION VIII—INVESTIGATIONS, WITNESSES

The Secretary of Labor and the Board are to be given authority to require the attendance of witnesses and the production of books, papers, and documents for the purpose of any hearing or investigation provided for in the act.

SECTION IX—RIGHT OF ENTRY, UTILIZATION OF STATE AGENCIES

The Secretary of Labor, the director or any designated officers or agent of the Department of Labor is authorized to enter and inspect "such places and such records, question such employees, and investigate such facts, conditions, practices or matters as they may deem necessary or appropriate to determine whether any person has violated any provision of this act, or which may aid in the enforcement of the provisions of this act."

The Secretary of Labor may utilize the services of State and local agencies, with the consent and cooperation of State agencies, reimbursing such agencies and their employees for services rendered under the act.

SECTION X—PROHIBITED ACTS

It shall be unlawful for any person to fail to comply with the act or any rule or regulation issued pursuant to section 6 or to interfere with, impede, or obstruct the Secretary of Labor, the director, the boards or any of their designated representatives in the performance of official duties under the act. Any person who willfully violates this section shall, upon conviction, be subject to a fine of not more than $1,000 or to imprisonment for not more than 6 months, or both. Imprisonment is limited to second and subsequent offenses.

SECTION XI—INJUNCTION PROCEEDINGS

The Secretary of Labor shall have the power to appeal to the United States courts for injunctions to restrain violations of this act.

SECTION XII—RELATION TO OTHER LAWS

This act or any rule or regulation thereof shall not excuse noncompliance with any State law or municipal ordinance that is "not inconsistent with the provisions of this act or any rule or regulation issued thereunder."

SECTION XIII—SEPARABILITY

The usual saving provision for the remainder, should any provision of the act or its application thereof be held invalid.

WORKMEN'S COMPENSATION STUDY

When it comes to workmen's compensation, the providing of medical care and some measure of recompense to those injured on the job and to the widows and children of those killed on the job, we find a crazy quilt that not only lacks rhyme, reason or uniformity, but is half full of holes. Let me read from Bulletin 99, State Workmen's Compensation Laws, published by the Bureau of Labor Standards October 1, 1948:

Because of coverage limitations and the adoption by half of the States of an "elective" rather than a compulsory system of workmen's compensation, it has been estimated that only about half of the workers are protected under these laws. * * * In States which have an elective law, employers may refuse to operate under the compensation act if they prefer to risk an injured worker's suit for damages. * * * Workers are also deprived of protection in a number of States because of numerical limitations on required coverage and in others due to the fact that the law applies only to certain "hazardous" industries.

This Bureau of Labor Standards study amounts to an earnest attempt to chart and describe a chaotic situation. This study contains 11 tables which will make plain to anyone examining them the utter discord prevailing among the 48 States and Territories. Some of the tables are qualified by as many as 25 footnotes explaining, modifying and attempting to bring to some sort of statistical order the anarchy among the States in the field of workmen's compensation.

For example, table I shows the States that have compulsory and elective laws and the insurance requirements in the different State acts. Twenty-eight State acts are compulsory, 26 are elective. Included in the compulsory list are Alaska, the District of Columbia, Hawaii, Puerto Rico, the Longshoremen's and Harbor Workers' Act, the United States Civil Service Employees' Act, also the States of Arizona, Arkansas, California, Delaware, Idaho, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, New York, North Dakota, Ohio, Oklahoma, Utah, Virginia, Washington, Wisconsin, Wyoming.

The States having elective laws are: Alabama, Colorado, Connecticut, Florida, Georgia, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Missouri, Montana, Nebraska, New Jersey, New Mexico, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, and West Virginia.

Of the 26 elective laws, 20 presume that the employers and employees accept the act unless they file specific notice of rejection; under the other elective laws the employer must accept and take out insurance or show notice of acceptance. In some cases the laws "are in part compulsory and in part elective." Many of the laws which are elective as to private employments are compulsory as to public employments.

States require that the covered employer shall obtain insurance or give proof of his qualifications to carry his own risk, which is known as self-insurance. This is to make certain that benefit payments will be made when due.

In most of the States the employer is permitted to insure with private insurance companies. State insurance systems exist in 18 States and in Puerto Rico. In 7 of these States and in Puerto Rico the system is called exclusive because employers are required to insure their risks in the State fund. Competitive State funds exist in 11 States, where employers may choose whether they will insure their risks in the State fund, or with private insurance companies, or qualify as self-insurers with the privilege of carrying their own risks.

For the convenience of Members, I insert at this point in my remarks table 1 and its 21 footnotes:

TABLE 1.—*Insurance requirements*

Jurisdictions	Compensation compulsory or elective*	Insurance provided in— State fund: Exclusive or competitive	Insurance provided in— Private companies or by self-insurance
Alabama	Elective [1]		Either.
Alaska	Compulsory.		Do.
Arizona	do.[2]	Competitive.	Do.
Arkansas	do.[3]		Do.
California	do.	Competitive.	Do.
Colorado	Elective [4]	do.	Do.
Connecticut	do.		Do.
Delaware	Compulsory.[3]		Do.
District of Columbia.	do.		Do.
Florida	Elective		Do.
Georgia	do.[5]		Do.
Hawaii	Compulsory.		Do.
Idaho	do.	Competitive.	Do.
Illinois	do.[6]		Do.
Indiana	Elective [7]		Do.
Iowa	do.[7]		Do.
Kansas	do.		Do.
Kentucky	do.		Do.
Louisiana	do.[4]		Do.
Maine	do.[4]		Do.
Maryland	Compulsory.[8]	Competitive.	Do.
Massachusetts	do.[9]		Do.
Michigan	do.[10]	Competitive	Do.
Minnesota	do.		Do.
Mississippi	do.[11]		Do.
Missouri	Elective		Do.
Montana	do.[12]	Competitive	Do.
Nebraska	do.[13]		Do.
Nevada	Compulsory[14]	Exclusive	
New Hampshire	do.[15]		Do.
New Jersey	Elective [4]		Do.
New Mexico	do.[16]		Do.
New York	Compulsory	Competitive	Do.
North Carolina	Elective [4]		Do.
North Dakota	Compulsory	Exclusive	
Ohio	do.	do.	Self-insurance.
Oklahoma	do.[8]	Competitive	Either.
Oregon	Elective [17]	Exclusive	
Pennsylvania	do.[18]	Competitive	Do.
Puerto Rico	Compulsory	Exclusive	
Rhode Island	Elective [4]		Do.
South Carolina	do.[19]		Do.
South Dakota	do.[4]		Do.
Tennessee	do.		Do.
Texas	do.[20]		Private companies.
Utah	Compulsory	Competitive	Either.
Vermont	Elective [4]		Do.
Virginia	Compulsory		Do.
Washington	do.[8]	Exclusive	
West Virginia	Elective [4]	do.	Self-insurance.
Wisconsin	Compulsory		Either
Wyoming	do.[8]	Exclusive	
United States: Longshoremen's Act.	do.		Do
Civil Employees.	do.	[21]	

*Elective as used here means that the employer has the option of either accepting or rejecting the act, but in case he rejects, he loses the customary common law defenses—assumed risk of employment, negligence of fellow servant, contributory negligence.

[1] State employees exempted.
[2] Employees may elect to reject act.
[3] Elective as to public employees.
[4] Compulsory as to public employees.
[5] Compulsory as to public employees, county employees excepted.
[6] Elective as to occupational disease.
[7] Compulsory as to public employees and coal mining.
[8] Compulsory as to hazardous employment only.
[9] Elective as to employers of 3 or less.
[10] Elective as to private employers of less than 8.
[11] No provision as to public employees.
[12] Elective as to hazardous employment only; compulsory as to coal mining business and as to public corporations.
[13] Under ruling of State Compensation Court, all public employees are subject to act without right of rejection by either employer or employee.
[14] Elective as to employers with less than 4 employees.
[15] Compulsory as to private employment.
[16] Elective as to hazardous employment only.
[17] Law covers hazardous employment only; compulsory as to public employment, elective as to private employment.
[18] Compulsory as to public employees and contractors on public works.
[19] Compulsory as to State employees.
[20] Compulsory as to motorbus companies and as to public employees, except State employees.
[21] By direct appropriation of Congress.

Table 2 in this study has only nine footnotes. It attempts to make plain for the reader the differences among the laws of 30 States, Alaska, and Puerto Rico, all of which exempt from workmen's compensation coverage employers having less than a stipulated number of employees.

In Oklahoma, employers of fewer than two employees are exempt.

Employers of fewer than three employees are exempt in Alaska, Arizona, Delaware, Florida, Kentucky, Ohio, Texas, Utah, Wisconsin, and Puerto Rico.

Employers of less than four employees are exempt in Colorado, Massachusetts, Nevada, New Mexico, New York, and Rhode Island.

Employers of less than five are exempt in Arkansas, Connecticut, Kansas, New Hampshire, North Carolina, and Tennessee.

Employers of less than six employees are exempt in Maine.

Employers of less than seven employees are exempt in Virginia.

Employers of less than eight employees are exempt in Alabama, Michigan, Mississippi, and Vermont.

Employers of less than 10 employees are exempt in Georgia.

Employers of less than 11 employees are exempt in Missouri.

Employers of less than 15 are exempt in South Carolina.

But this is before we read the footnotes.

Footnote No. 1 tells us that—

The following jurisdictions do not make numerical exemptions: California, District of Columbia, Hawaii, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Minnesota, Montana, Nebraska, New Jersey, North Dakota, Oregon, Pennsylvania, South Dakota, Washington, West Virginia, Wyoming, and United States (Civil Employees' and Longshoremen's Acts). In some of these laws, however, coverage is limited to listed industries.

Footnote No. 2 tells us that in Puerto Rico "numerical exemption does not apply to employers operating quarries or engaged in overland transportation of freight."

Footnote No. 3 tells us that in Massachusetts, Nevada, and Michigan, "numerical exemption applies only to compulsory coverage."

Footnote No. 4 tells us that in Arkansas, "contractor engaged in building or building-repair work is covered if he employs two or more employees at any one time."

Footnote No. 5 tells us that in New Mexico "the numerical exemption does not apply if injury occurs when at work upon any derrick, scaffolding, or pole, or such structure 10 feet or more above ground."

Footnote No. 6 tells us that in Missouri, "if Workmen's Compensation Commission determines that employer of 10 or less employees is engaged in hazardous employment, such employer shall be covered unless he rejects act within 10 days."

Footnote No. 7 tells us that in New York, "numerical exemption applies only in case of nonhazardous employments. However, the 14 groups of hazardous industries are so comprehensive that the numerical exemption seldom applies."

Footnote No. 8 tells us that in Kansas, "numerical exemption does not apply to employment in mines and building construction."

Footnote No. 9 tells us that in North Carolina, the exemption of employers having less than 5 employees applies "except in the case of individual sawmill and logging operators with less than 10 employees, whose principal business is unrelated to sawmills and logging and who operate less than 60 days in 6 consecutive months."

It will be noted from table 2, which I insert at this point in my remarks, that the chaos described in table 1 is compounded by the wide variation in exemptions, ranging from zero in several States to employers of fewer than 15 employees in South Carolina.

TABLE 2.—*States making numerical exemptions* [1]

Employers are exempt who have fewer than—
- 2 employees: Oklahoma
- 3 employees:
  - Alaska
  - Arizona
  - Delaware
  - Florida
  - Kentucky
  - Ohio
  - Puerto Rico [2]
  - Texas
  - Utah
  - Wisconsin
- 4 employees:
  - Colorado
  - Massachusetts [3]
  - Nevada [3]
  - New Mexico [4]
  - New York [7]
  - Rhode Island
- 5 employees:
  - Arkansas [4]
  - Connecticut
  - Kansas [8]
  - New Hampshire
  - North Carolina [9]
  - Tennessee
- 6 employees: Maine
- 7 employees: Virginia
- 8 employees:
  - Alabama
  - Michigan [3]
  - Mississippi
  - Vermont
- 10 employees: Georgia
- 11 employees: Missouri [6]
- 15 employees: South Carolina

[1] The following jurisdictions do not make numerical exemptions: California, District of Columbia, Hawaii, Idaho, Illinois, Indiana, Iowa, Louisiana, Maryland, Minnesota, Montana, Nebraska, New Jersey, North Dakota, Oregon, Pennsylvania, South Dakota, Washington, West Virginia, Wyoming, and United States (Civil Employees' and Longshoremen's Acts). In some of these laws, however, coverage is limited to listed industries.

[2] Numerical exemption does not apply to employers operating quarries or engaged in overland transportation of freight.

[3] Numerical exemption applies only to compulsory coverage.

[4] Contractor engaged in building or building repair work is covered if he employs 2 or more employees at any one time.

[5] The numerical exemption does not apply if injury occurs when at work upon any derrick, scaffolding, or pole, or such structure 10 feet or more above ground.

[6] If Workmen's Compensation Commission determines that employer of 10 or less employees is engaged in hazardous employment, such employer shall be covered unless he rejects act within 10 days.

[7] Numerical exemption applies only in case of nonhazardous employments. However, the 14 groups of hazardous industries are so comprehensive that the numerical exemption seldom applies.

[8] Numerical exemption does not apply to employment in mines and building construction.

[9] Except in the case of individual sawmill and logging operators with less than 10 employees, whose principal business is unrelated to sawmills and logging and who operate less than 60 days in 6 consecutive months

Next we come to injuries and diseases covered by State workmen's compensation laws. Sixteen States, Alaska, District of Columbia, Hawaii and the United States (civil employees and longshoremen's acts) cover all occupational diseases while 23 other States and Puerto Rico cover only listed diseases.

Table 3, which I include at this point in my remarks, is relatively simple—it has only five footnotes. It lists the States which have full coverage of occupational diseases and those which lists certain occupational diseases for coverage.

TABLE 3.—*Occupational diseases*

Full coverage	Schedule coverage	
	Jurisdiction	Number of diseases [1]
Alaska.	Arizona	36
California.	Arkansas	15
Connecticut.	Colorado	21
District of Columbia.	Delaware	16
Florida.	Georgia	14
Hawaii.	Idaho	11
Illinois.	Iowa	16
Indiana.	Kentucky [2]	(2)
Massachusetts.	Maine	13
Michigan.	Maryland	39
Minnesota.	Nevada	23
Missouri.	New Hampshire	(2)
Nebraska.	New Jersey	13
New York.	New Mexico	30
North Dakota.	North Carolina	25
Ohio.	Pennsylvania	12
Oregon.	Puerto Rico	17
Washington.	Rhode Island	31
Wisconsin.	South Dakota	24
United States:	Tennessee	[4] 9
Civil employees.	Texas	15
Longshoremen's Act.	Utah	27
	Virginia	[4] 6
	West Virginia	[5] 1

[1] In some States the number of diseases refers to "groups of diseases."

[2] Covers only injury or death by gas or smoke in mines and poisonous gas in any occupation. Voluntary as to silicosis.

[3] Covers silicosis and other pulmonary diseases, anthrax, lead poisoning, dermatitis venenata, and diseases due to the inhalation of poisonous gases or fumes.

[4] Full coverage permissible.

[5] Silicosis only.

But the study qualifies the table further by stating:

In addition to the States in which compensation is provided for occupational diseases, Montana has a separate act providing for the payment of $40 a month out of public funds to persons totally disabled from silicosis, if they have been residents of the State for 10 years.

The provisions regarding payments for disability or death, medical care, or coverage, in the case of occupational diseases, are usually the same as for accidental injuries except with respect to silicosis, asbestosis, or other dust diseases.

In 21 States, (Arizona, Arkansas, Colorado, Florida, Georgia, Idaho, Iowa, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New Mexico, Oregon, Pennsylvania, Rhode Island, South Dakota, Texas, Utah, and West Virginia) benefits payable for silicosis or asbestosis are subject to limitations that are not placed on benefits for accidental injuries, while in 15 States, (Arizona, Colorado, Florida, Idaho, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, South Dakota, and Utah) no benefits are paid for partial disability.

Likewise, in 9 States (Arizona, Arkansas, Idaho, Illinois, Nevada, New York, North Carolina, Rhode Island, and Utah), special

limitations on the amounts allowed for medical care or the periods during which such care may be given for silicosis or asbestosis are stricter than those placed on medical care for other injuries. One additional State (West Virginia) makes no allowance for medical treatment in case of silicosis.

The chaotic variations in the amount and duration of benefits paid for death, permanent total or partial disability, or temporary total or partial disability are set forth in table 4, which shows the maximum percentages of wages payable in death cases, the maximum number of weeks during which benefits are paid and the limitations upon weekly and total amounts.

The minimum stated is that payable to the widow. Variations in benefits payable to dependent parents, brothers, and sisters are not indicated in the table.

This table, which is burdened with 22 complicating footnotes, shows, among many other facts, that a worker's life has a maximum value in terms of workmen's compensation benefit payments to his widow and children of $5,000 in Kansas, Maine, and South Dakota, as compared with $12,000 in Missouri and even more in States such as New York, which do not have a limit on the length of time benefits related to the worker's earnings while alive are to be paid. In Puerto Rico, the maximum is set at $3,500. I include at this point in my remarks table 4:

TABLE 4.—*Minimum and maximum benefits for widows and children in death cases*

State	Maximum percentage of wages		Maximum period*	Limit of payments per week		Total maximum stated in law
	Widow only	Widow plus children		Minimum	Maximum	
Alabama	35	65	300 weeks [1]	[2] $5.00	$18.00	$6,000
Alaska						9,000
Arizona	35	66⅔	Widowhood, or to children until 18 or marriage, or to children over 18 if incapable of self-support.			
Arkansas	35	65	450 weeks	7.00	20.00	7,000
California	61¾	61¾		9.75	30.00	[3] 7,500
Colorado	50	50	312 weeks [1]	7.00	17.50	5,475
Connecticut	50	50	312 weeks; thereafter reduced payments to children until 18 [4]	9.00	32.00	
Delaware	25	65	312 weeks; thereafter to children until 16	10.00	[5] 17.50–22.75	
District of Columbia	35	66⅔	Widowhood, or to children until 18 [6]	6.30	[5] 13.38–35.00	
Florida	35	60	350 weeks	8.00	22.00	
Georgia	[7]	[7]	300 weeks [1]		17.00	
Hawaii	40	66⅔	Widowhood, or to children until 18 [7]	4.80	[5] 15.00–25.00	7,500
Idaho	45	55	400 weeks; thereafter to children until 18 [8]	[2] 8.00	12.00	
Illinois	50	65		9.75	[5] 19.50–26.00	[10] 7,150
Indiana	55	55	350 weeks [1]	[2] 11.00	20.08	7,500
Iowa	60	60	300 weeks [1]	[2] 8.00	20.00	
Kansas					20.00	[10] 5,000
Kentucky	65	65	400 weeks [1]	7.00	20.00	8,000
Louisiana	32½	65	300 weeks [1]	[2] 3.00	30.00	
Maine	66⅔	66⅔	300 weeks [1]	7.00	21.00	5,000
Maryland	66⅔	66⅔	500 weeks [1]	[2] 10.00	20.00	7,500
Massachusetts			400 weeks [1]; thereafter to children until 18		[11] 15.00	[12] 7,600
Michigan	66⅔	66⅔	400 weeks [1]	8.00	[5] 19.00–27.00	
Minnesota	40	66⅔	Widowhood, or to children until 18 or over 18 if physically or mentally incapacitated.	[2] 13.50	27.00	[13] 7,500
Mississippi	35	66⅔	450 weeks	7.00	[14] 25.00	8,600
Missouri	66⅔	66⅔		8.00	25.00	12,000
Montana	50	66⅔	400 weeks [1]	10.50	[5] 17.50–23.50	
Nebraska	66⅔	66⅔	325 weeks [1]	[2] 6.00	18.00	
Nevada	40	80	Widowhood, or to children until 18		[5] 13.84–27.69	
New Hampshire	66⅔	66⅔	300 weeks [10]	15.00	25.00	7,500
New Jersey	35	60	300 weeks; thereafter to children until 18	10.00	25.00	
New Mexico	40	60	300 weeks [1]	12.00	22.00	
New York	40	66⅔	Widowhood, or to children until 18 or over 18 if blind or crippled	7.20	[5] 12.60–35.00	
North Carolina	60	60	350 weeks [1]	8.00	24.00	6,000
North Dakota	35	66⅔	Widowhood, or to children until 18	8.75	[5] 12.25–23.33	
Ohio	66⅔	66⅔	416 weeks [1]		25.00	7,500
Oklahoma [21]						
Oregon			Widowhood, or to children until 18		[5] 13.85–31.62	
Pennsylvania	44	66⅔	300 weeks,[1] thereafter reduced payments to children until 16	7.48	[5] 12.00–20.00	
Puerto Rico						3,500
Rhode Island	60	60	600 weeks [1]	12.00	[5] 16.00–20.00	
South Carolina	60	60	350 weeks [1]	5.00	25.00	6,000
South Dakota	50	[15] 50				[15] 5,000
Tennessee	35	60	400 weeks [1]	[16] 8.00	20.00	6,500
Texas	60	60	369 weeks [1]	9.00	25.00	9,000
Utah	60	60	313 weeks [1]		22.50	7,000
Vermont	40	50	260 weeks [1]	10.00	20.00	5,200
Virginia	60	60	300 weeks [1]	6.00	20.00	6,000
Washington			Widowhood, or to children until 18		[17] 17.31	
West Virginia			Widowhood, or to children until 16		[18] 6.92	
Wisconsin	50	[22] 50	400 weeks widow only; additional weeks for children under 16, dependent upon age of child.[19]	10.00	20.00	8,000 widow only.[19]
Wyoming			Widowhood, or to children until 18		[20] 16.15	[20] 4,950
United States:						
Civil employees	35	66⅔	Widowhood, or to children until 18 [6]	7.07	[5] 14.13–26.92	
Longshoremen	35	66⅔	Widowhood, or to children until 18 [6]	6.30	[5] 13.38–35.00	

*A few laws also provide lump sums payable to widow upon remarriage.

[1] Less period of disability payments, if any.

[2] Actual wage if less.

[3] Less disability payments, if death occurs more than 1 year after injury.

[4] Less period of disability payments, if death occurs more than 2 years after injury.

[5] May be continued beyond age 18 if incapable of self-support.

[6] 85 percent of compensation provided for total disability.

[7] Continues for 104 weeks thereafter if child is unmarried and incapable of self-support.

[8] Less period of disability payments, if any. In case of incapacitated unmarried child, payments are made for 400 weeks after he becomes 18.

[9] According to number of dependents.

[10] Less disability payments, if any.

[11] Plus $5 per week for each child under 18 or over 18 if physically or mentally incapacitated from earning.

[12] Except that benefits continue to children until they become 18. Payments continue also to a child over 18 physically or mentally incapacitated and to a dependent widow during periods in which such child or widow is not in fact self-supporting.

[13] Less disability payments, if any. After maximum death benefits are paid to widow with a dependent child, she is entitled to additional compensation from a special fund, maximum $15, a week until youngest child is 18 or total additional payments amount to $2,500.

[14] In addition to an immediate lump sum payment of $100 to widow.

[15] Death benefits equal 4 times average annual earnings of employee, minimum benefits $2,400, maximum $5,000, payable at same intervals as wages or weekly, plus $10 a month for each child (not to exceed 5) under 18; total payments not to exceed $7,500. Less disability payments if any.

[16] Actual wage if less, minimum $5.

[17] Plus $4.62 per week for youngest or only child; $3.46 for the next or second youngest child; $2.31 for each additional child; total payments may not exceed $32.31 a week.

[18] Plus $2.31 per week for each child and $3.46 for each invalid child as long as he remains an invalid.

[19] A child 1 year or age or under would receive a sum equal to the average annual earnings of the deceased employee; for children in each successive yearly age group the amount allowed would be reduced by one-fifteenth part of such earnings, with no allowance for any child 16 years of age or over unless such child is physically or mentally incapacitated from earning. Maximum for children under 16, 780 weeks. Total amount payable to children and widow may be in excess of $20,000.

[20] In addition $240 per year for each child under 18, with maximum for all children of $6,050.

[21] No death benefits.

[22] Plus specified percentage according to age of child.

Payments for permanent total disabilities are made for life in 18 States—Arizona, California, Colorado, Delaware, Idaho, Illinois, Massachusetts, Missouri, Nebraska, Nevada, New Jersey, New York, North Dakota, Ohio, Oregon, Washington, West Virginia, Wisconsin—the District of Columbia, and under the United States acts for compensating injuries to civil employees and to longshoremen.

In the other States, such payments are limited as to time, amount, or both. The time periods range from 260 to 1,000 weeks and the money limitation from $5,200 to $12,000.

Table 5, which I insert in the RECORD at this point in my remarks, shows minimum and maximum benefits for permanent total disability by States, the percentage of wages payable, the period during which payments are made, limitations on minimum and maximum weekly payments, and the maximum total amount payable to a single worker without dependents. Additional payments for dependents are indicated in some of the 12 complicating footnotes:

TABLE 5.—*Minimum and maximum benefits for permanent total disability*

State	Maximum percentage of wages	Maximum period	Limit of payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	65	400 weeks [1]	[2] $5.00	$18.00	$6,000
Alaska					9,000
Arizona	65	Life			
Arkansas	65	450 weeks	7.00	20.00	7,000
California	61¾	Life [4]	9.75	30.00	
Colorado	50	Life	7.00	17.50	
Connecticut	50	520 weeks	9.00	32.00	
Delaware	60	Period of disability	[2] 8.00	21.00	
District of Columbia	66⅔	do	[2] 12.00	[5] 35.00	
Florida	60	350 weeks	[2] 8.00	22.00	
Georgia	50	do	[2] 4.00	20.00	7,000
Hawaii	66⅔	Period of disability	8.00	[2] 25.00	7,500
Idaho	60	400 weeks; thereafter $8 per week for life	8.00	[6] 14.00	
Illinois	65	Life	9.75	[6] 19.50	[7] 7,150
Indiana	55	500 weeks	[2] 11.00	20.08	7,500
Iowa	60	400 weeks	[2] 8.00	20.00	
Kansas	60	416 weeks	7.00	20.00	
Kentucky	65	520 weeks	7.00	21.00	9,500
Louisiana	65	400 weeks	[2] 3.00	30.00	
Maine	66⅔	500 weeks	7.00	21.00	7,500
Maryland	66⅔	Period of disability [7] [8]	[2] 10.00	25.00	7,500
Massachusetts	66⅔	Period of disability [8]	[2] 18.00	[6] 25.00	([9])
Michigan	66⅔	750 weeks	10.00	21.00	
Minnesota	66⅔	Period of disability	[2] 13.50	27.00	[8] 10,000
Mississippi	66⅔	450 weeks	7.00	25.00	[10] 8,600
Missouri	66⅔	300 weeks; thereafter 25 percent of wages for life, minimum $8, maximum $18	8.00	25.00	
Montana	66⅔	500 weeks	10.50	[6] 17.50	
Nebraska	66⅔	300 weeks; thereafter 45 percent of wages for life, maximum $12, minimum $4.50 (or actual wage, if less).	[2] 6.00	18.00	
Nevada	70	Life	10.38	[2] 17.30	
New Hampshire	66⅔	300 weeks	15.00	25.00	
New Jersey	66⅔	450 weeks; thereafter during disability, if employee has submitted to physical or educational rehabilitation, at a rate reduced in proportion to earning capacity, or to $5 if wages equal or exceed those received at time of accident.	10.00	25.00	
New Mexico	60	550 weeks	[2] 12.00	22.00	
New York	66⅔	Life	[2] 15.00	[4] 32.00	
North Carolina	60	400 weeks; [11] 500 weeks for 2 injuries in some employment	8.00	24.00	[11] 6,000
North Dakota	66⅔	Life	9.00	20.00	
Ohio	66⅔	do	[2] 10.00	25.00	
Oklahoma	66⅔	500 weeks	[2] 10.00	21.00	
Oregon		Life	[6] 13.85	[6] 13.85	
Pennsylvania	66⅔	500 weeks	[12] 10.00	20.00	10,000
Puerto Rico	50	340 weeks	4.00	15.00	3,000
Rhode Island	60	1,000 weeks	12.00	20.00	12,000
South Carolina	60	500 weeks	5.00	25.00	6,000
South Dakota	55	300 weeks, thereafter 20 percent of earnings for life, minimum $5, maximum $10	[2] 7.50	20.00	7,500
Tennessee	60	550 weeks, but during period in excess of 400 weeks, compensation exceeding $8 a week is reduced to $8.	[12] 8.00	20.00	6,500
Texas	60	401 weeks	9.00	25.00	10,025
Utah	60	260 weeks; thereafter 45 percent of wages during disability	10.00	[4] 22.50	8,500
Vermont	50	260 weeks	[4] 10.00	20.00	5,200
Virginia	60	500 weeks	6.00	20.00	7,800
Washington		Life		[4] 17.31	
West Virginia	66⅔	do	10.00	18.00	
Wisconsin	70	do	14.00	[2] 28.00	
Wyoming				[6] 16.15	6,600
United States:					
Civil employees	66⅔	Life	13.46	[2] 26.92	
Longshoremen	66⅔	Period of disability	[4] 12.00	[2] 35.00	

[1] $5 (or actual wage if less) for additional 150 weeks, in case of loss of both eyes or both arms, paralysis, or mental incapacity which totally incapacitates employee from earning.

[2] Actual wage if less. But, in Massachusetts not less than $10 where normal working hours are 15 or more a week.

[3] Additional allowance for constant attendant if necessary. See also footnote 6, Washington.

[4] After 240 weeks, benefits are reduced to 40 percent of average weekly wages. In case injury causes both temporary and permanent disability, payment for temporary disability is also allowed, limited, however, to a period of 104 weeks where permanent disability is 70 percent or greater.

[5] Additional compensation for vocational rehabilitation.

[6] Additional amounts are allowed according to the number of dependents as follows:

Idaho: $16 for married employee, plus $1 per week for each dependent child, maximum $20, minimum $10.

Illinois: $20.80 if employee has 2 children under 16; $23.40 if 3 children; and $26 if 4 or more children.

Massachusetts: $2.50 added to weekly compensation for each total dependent, but aggregate of such amounts limited to weekly wage.

Montana: $19.50 if employee has 1 dependent; $20.50 if 2 dependents; $21.50 if 3 dependents; $22.50 if 4 dependents; and $23.50 if 5 or more dependents.

Oregon: For unmarried workman. For married workman, $16.15 weekly, plus $4.15 weekly for each of first 2 children under 18, $2.77 for each additional child, maximum $31.62.

Utah: Plus 5 percent for each dependent child (not to exceed 5) under 18 years.

Washington: For unmarried workman; for married workman $23.08, plus $4.61 per week for youngest or only child; $3.46 for the next or second youngest child, $2.31 for each additional child, but total monthly payments shall not exceed $165 a month ($38.08 a week). Additional allowance for constant attendant if necessary.

Wyoming: For unmarried workman. For married workman $20.76 per week. In addition $240 per year for each child under 18 with maximum for all children of $6,050.

[7] Thereafter, annually, 12 percent of the total previous payments in specific case of total and permanent disability and 8 percent of such amount in other cases.

[7a] Law expressly provides that such payments are in addition to payments for temporary totals.

[8] After $10,000 is paid, compensation is paid at the rate of 50 percent of average weekly wages for life, maximum $25 per week and minimum $18 per week, plus $2.50 per week for each dependent with total benefits limited to amount of weekly wage.

[9] After $10,000 is paid, additional compensation at rate of 50 percent of wages is payable out of special fund, maximum $15, minimum $8 (or actual wage if less) maximum amount, $5,000.

[10] Maximum 450 weeks or $8,600, whichever is less.

[11] If disability is due to paralysis resulting from injuries to the spinal cord, compensation is payable for life and without regard to total maximum amount.

[12] Actual wage, but not less than $5.

The same picture of chaos is depicted in table 6, giving minimum and maximum benefits for permanent partial disability, which I include at this point in my remarks. The footnotes to this table are even more complicated than for table 5.

TABLE 6.—*Minimum and maximum benefits for permanent partial disability*

State	Maximum percentage of wages	Maximum period*	Limit of payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	65	400 weeks [1]	[2] $5.00	$18.00	$6,000
Alaska					7,200
Arizona	55	260 weeks;[3] during disability for nonlisted disability			
Arkansas	65	200 weeks;[3] 450 weeks for nonlisted disability	7.00	20.00	7,000
California	61¾	240 weeks [4]	9.75	30.00	
Colorado	50	208 weeks [3]	5.00	14.00	4,550
Connecticut	50	275 weeks;[3] 520 weeks for nonlisted disability	[5] 9.00	32.00	
Delaware	60	220 weeks;[3] 300 weeks for nonlisted disability	[2] 8.00	21.00	
District of Columbia	66⅔	288 weeks;[6] during disability for nonlisted disability	[2] 12.00	35.00	[6a] 11,000
Florida	60	200 weeks;[7] 350 weeks for nonlisted disability	[2] 8.00	22.00	5,000
Georgia	50	200 weeks;[3] 300 weeks for nonlisted disability, maximum $12 weekly	[2] 4.00	20.00	5,000
Hawaii	66⅔	280 weeks [9]	[2] 8.00	25.00	7,500
Idaho	55	237.6 weeks [10]		[11] 14.00	
Illinois	65	225 weeks;[3] 417 weeks for nonlisted disability	9.75	[11] 19.50	
Indiana	55	250 weeks;[12] 500 weeks for nonlisted disability	[2] 11.00	20.08	7,500
Iowa	60	225 weeks	[2] 8.00	20.00	
Kansas	60	210 weeks;[13] 415 weeks for nonlisted disability		20.00	
Kentucky	65	200 weeks;[10] 450 weeks for nonlisted disability	7.00	18.00	8,100
Louisiana	65	400 weeks [1]	[2] 3.00	30.00	
Maine	66⅔	150 weeks; 300 weeks for nonlisted disability	7.00	21.00	
Maryland	66⅔	212 weeks for single schedule injuries, 375 weeks for combination of schedule injuries; during disability for nonlisted disability, maximum $5,000.[3]	[2] 10.00	20.00	7,500
Massachusetts	[14]	During disability		[11] 25.00	10,000
Michigan	66⅔	250 weeks; 500 weeks for nonlisted disability	10.00	21.00	
Minnesota	66⅔	400 weeks [15]	[2] 13.50	27.00	
Mississippi	66⅔	200 weeks; [3] 450 weeks for nonlisted disability	7.00	25.00	8,600
Missouri	66⅔	232 weeks; 400 weeks for nonlisted disability [1]	8.00	25.00	
Montana	66⅔	200 weeks; 500 weeks for nonlisted disability	10.50	[11] 17.50	
Nebraska	66⅔	225 weeks [10]; 300 weeks for nonlisted disability	[2] 6.00	18.00	
Nevada	50	260 weeks [3]	10.38	17.30	
New Hampshire	66⅔	170 weeks [10]; 300 weeks for nonlisted disability	15.00	25.00	7,500
New Jersey	66⅔	300 weeks; cumulative for 2 or more specified injuries; 550 weeks for nonlisted disability [10]	10.00	25.00	
New Mexico	60	180 weeks [3]	[2] 10.00	18.00	
New York	66⅔	312 weeks; during disability for nonlisted disability [16]	[2] 12.00	32.00	
North Carolina	60	220 weeks; [3] 300 weeks for nonlisted disability	8.00	24.00	6,000
North Dakota	66⅔	292.5 weeks; 450 weeks for nonlisted disability		20.00	
Ohio	66⅔	215 weeks; 250 weeks for nonlisted disability [16]	14.00	25.00	6,000
Oklahoma	66⅔	250 weeks; [1] 500 weeks for nonlisted disability	10.00	21.00	
Oregon		[17]	11.54	[11] 18.46	
Pennsylvania	66⅔	215 weeks; 300 weeks for nonlisted disability, weekly maximum $17.[1]	[18] 10.00	20.00	
Puerto Rico	50	300 weeks [3]	4.00	15.00	2,500
Rhode Island	50	300 weeks; [19] 800 weeks for nonlisted disability, weekly maximum $18, at rate of 60 percent of loss of earnings.	8.00	20.00	
South Carolina	60	200 weeks; 300 weeks for nonlisted disability [1]	5.00	25.00	6,000
South Dakota	55	200 weeks; [3] 312 weeks for nonlisted disability, at rate of 50 percent of loss of earnings	[2] 7.50	20.00	
Tennessee	60	400 weeks [10]	[18] 8.00	20.00	6,500
Texas	60	200 weeks; 300 weeks for nonlisted disability	9.00	25.00	7,500
Utah	60	200 weeks; [3] 312 weeks for nonlisted disability		[11] 22.50	5,624
Vermont	50	170 weeks; [10] 260 weeks for nonlisted disability	10.00	20.00	
Virginia	60	200 weeks; 300 weeks for nonlisted disability [1]	6.00	20.00	7,800
Washington					[19] 5,000
West Virginia	66⅔	240 weeks; 340 weeks for nonlisted disability	10.00	18.00	
Wisconsin	70	500 weeks for single schedule injury, 1,000 weeks for combination of schedule injuries; [20] 1,000 weeks for nonlisted disability.	14.00	[21] 28.00	
Wyoming		[22]		[11] 16.15	3,465
United States:					
Civil employees	66⅔	Period of disability		26.92	
Longshoremen	66⅔	288 weeks; [6] during disability for nonlisted disability	[2] 12.00	35.00	[6a] 11,000

[1] Special provisions for disfigurement.
[2] Actual wage if less.
[3] In addition to compensation for temporary total disability; in some States, such compensation for temporary total disability is limited to a specified number of weeks. Special provisions for disfigurement.
[4] Thereafter if disability exceeds 60 percent, life pension of 1 percent of average weekly earnings for each 1 percent of disability in excess of 60 percent. In case injury causes both temporary and permanent disability, payment of temporary disability is also allowed, limited however, to a period of 104 weeks where permanent disability is 70 percent or greater.
[5] For specified disabilities including disfigurement.
[6] In addition to compensation for temporary disability. Special provisions for disfigurement and for vocational rehabilitation.
[6a] For schedule injuries; $10,000 for nonlisted injuries.
[7] Special provision for disfigurement.
[8] In addition to compensation for temporary total disability for not more than 10 weeks.
[9] In addition to compensation for temporary total disability. Additional amount allowed for disfigurement and for constant attendant if necessary.
[10] In addition to compensation for temporary total disability limited in some States to a specified number of weeks.
[11] Additional compensation allowed according to number of dependents:
Idaho: $16 for married employee plus $4 per week for each dependent child, maximum, $20.
Illinois: $20.80 if employee has 2 children under 16; $23.40 if 3 children; and $26 if 4 or more children.
Massachusetts: $2.50 added to weekly compensation for each total dependent, but aggregate of such amounts limited to weekly wage. In case of loss of members, payments in addition to all other compensation are authorized of $10 weekly for specified periods ranging from 12 to 300 weeks.
Montana: $17.50 if employee has 1 dependent, $20.50 if 2 dependents, $21.50 if 3 dependents, $22.50 if 4 dependents, and $23.50 if 5 or more dependents.
Oregon: For unmarried workman. For married workman without children, $21.92; if he has 1 child under 18, $26.08; if 2 children, $28.85; if 3 children, $31.62; if 4 or more children, $34.38.
Utah: Plus 5 percent for each dependent child (not to exceed 5) under 18 years.
Wyoming: For unmarried workman. $20.76 per week for married workman. In addition to compensation for temporary total disability. Special provisions for disfigurement.
[12] Payments for certain scheduled injuries, including loss by amputation, are in addition to payments for temporary total disability for not exceeding 26 weeks. In case of "loss of use" of certain members, however, payments under this schedule are in lieu of all other compensation. Special provisions for disfigurement.
[13] Compensation for temporary total disability may be allowed, maximum 15 weeks but not to exceed 10 percent of schedule.
[14] Entire wage loss, but not more than $25 a week.
[15] In addition to compensation for temporary total disability for 15 weeks which may be extended by Commission for additional 35 weeks. Also compensation for 25 weeks during period of retraining, if period of regular compensation is at least 75 weeks
[16] In addition to compensation for temporary total disability. Special provisions for disfigurement and vocational rehabilitation.
[17] The maximum period is not specified in the law. However, there is a schedule providing for payment of $35 for each degree of disability which ranges from 1 to 192 degrees, payable at the same rate per month as is provided for compensation for temporary total disability but in no case less than $50 a month. These payments are in addition to compensation for temporary total disability.
[18] Actual wage but not under $5.
[19] Benefits are fixed sums ranging from $50 to $5,000. Where there are 2 or more injuries, an employee may receive compensation in excess of maximum given. These payments are in addition to payments for temporary total disability.
[20] In addition to compensation for temporary total disability. Special provisions for disfigurement. Periods during which payments are made for scheduled injuries are based upon employee who is 50 years of age or less. Where employee is above 50, periods specified reduced by 2 percent for each year the age of such employee exceeds 50.
[21] In addition employee receiving rehabilitation is paid cost of maintenance.
[22] Benefits are paid in fixed sums ranging from $385 to $3,300.

Table 7, setting forth minimum and maximum benefits by States for temporary total disability, covers the great majority of compensation cases. It shows the same irrational, inhuman, and unfairly competitive variations in payments, ranging from a minimum of $5 and a maximum of $18 per week up to 300 weeks in Alabama to a minimum of $12 and a maximum of $32 per week for the entire period of disability provided the payments do not exceed $5,000. I include table 7 in the RECORD at this point:

TABLE 7.—*Minimum and maximum benefits for temporary total disability*

State	Maximum percentage of wages	Maximum period	Limit of payments per week		Total maximum stated in law
			Minimum	Maximum	
Alabama	65	300 weeks	[1] $5.00	$18.00	
Alaska	65	Period of disability			
Arizona	[2] 65	433 weeks			
Arkansas	65	450 weeks	7.00	20.00	$7,000
California	61¾	240 weeks	9.75	30.00	7,200
Colorado	50	Period of disability	7.00	17.50	
Connecticut	50	520 weeks	9.00	32.00	
Delaware	60	Period of disability	[1] 8.00	21.00	
District of Columbia	66⅔	do	[1] 12.00	[3] 35.00	11,000
Florida	60	350 weeks	[1] 8.00	22.00	
Georgia	50	do	[1] 4.00	20.00	7,000
Hawaii	66⅔	Period of disability	[1] 8.00	25.00	7,500
Idaho	60	400 weeks; thereafter $8 per week	8.00	[4] 14.00	
Illinois	65	Period of disability	9.75	[5] 19.50	7,150
Indiana	55	500 weeks	[1] 11.00	20.08	7,500
Iowa	60	300 weeks	[1] 8.00	20.00	
Kansas	60	416 weeks	7.00	20.00	
Kentucky	65	520 weeks	7.00	21.00	9,500
Louisiana	65	300 weeks	[1] 3.00	30.00	
Maine	66⅔	500 weeks	7.00	21.00	7,500
Maryland	66⅔	312 weeks	[1] 10.00	25.00	3,750
Massachusetts	66⅔	Period of disability	[6] 18.00	[7] 25.00	10,000
Michigan	66⅔	500 weeks	10.00	21.00	10,500
Minnesota	66⅔	300 weeks	[1] 13.50	27.00	
Mississippi	66⅔	450 weeks [8]	7.00	25.00	8,600
Missouri	66⅔	400 weeks	[1] 8.00	25.00	
Montana	66⅔	300 weeks	10.50	[9] 17.50	
Nebraska	66⅔	Period of disability	[1] 6.00	18.00	
Nevada	66⅔	433 weeks	10.38	[10] 20.77	9,000
New Hampshire	66⅔	300 weeks	[1] 10.00	25.00	7,500
New Jersey	66⅔	300 weeks	10.00	25.00	
New Mexico	60	550 weeks	[1] 12.00	22.00	
New York	66⅔	Period of disability	[1] 12.00	32.00	5,000
North Carolina	60	400 weeks	8.00	24.00	6,000
North Dakota	66⅔	Period of disability	9.00	[11] 20.00	
Ohio	66⅔	312 weeks	[1] 10.00	25.00	4,200
Oklahoma	66⅔	300 weeks; may be extended to 500 weeks	[1] 10.00	21.00	
Oregon	66⅔	Period of disability	[1] 11.54	[12] 18.46	
Pennsylvania	66⅔	500 weeks	[13] 10.00	20.00	10,000
Puerto Rico	50	104 weeks	3.00	15.00	
Rhode Island	60	1,000 weeks	12.00	20.00	12,000
South Carolina	60	500 weeks	5.00	25.00	6,000
South Dakota	55	312 weeks	[1] 7.50	20.00	
Tennessee	60	300 weeks	[13] 8.00	20.00	
Texas	60	401 weeks	9.00	25.00	10,025
Utah	60	313 weeks	[1] 10.00	[14] 22.50	8,500
Vermont	50	260 weeks	[1] 10.00	20.00	
Virginia	60	500 weeks	6.00	20.00	7,800
Washington		Period of disability		[15] 17.31	
West Virginia	66⅔	156 weeks	10.00	18.00	
Wisconsin	70	Period of disability	8.75	[3] 28.00	
Wyoming		Period of disability		[16] 16.15	
United States:					
Civil employees	66⅔	Period of disability	13.46	26.92	
Longshoremen	66⅔	Period of disability	12.00	[3] 35.00	11,000

[1] Actual wage if less.
[2] Plus $10 per month for total dependents residing in the United States.
[3] Additional compensation for maintenance during vocational rehabilitation.
[4] $16 for married employee, plus $1 per week for each dependent child, maximum $20, minimum $10.
[5] $20.80 if employee has 2 children under 18; $23.40 if 3 children; and $26 if 4 or more children.
[6] Actual wages if less but minimum shall not be less than $10 a week if employee's number of normal working hours are 15 or more a week.
[7] $2.50 added to weekly compensation for each total dependent, but aggregate of such amounts limited to weekly wage.
[8] 450 weeks or $8,600, whichever is less.
[9] $19.50 if employee has 1 dependent; $20.50 if 2 dependents; $21.50 if 3 dependents; $22.50 if 4 dependents; and $23.50 if 5 or more dependents.
[10] Plus $3.46 a week for each total dependent residing in the United States, maximum $31.15 a week.
[11] Plus $2 per week for each dependent child under 18, maximum $32.
[12] For unmarried workman. For married workman without children, $21.92; if he has 1 child under 18, $26.08; if 2 children, $28.85; if 3 children, $31.62; if 4 or more children, $34.38.
[13] Actual wage if less, but not less than $5.
[14] Plus 5 percent for each dependent child (not to exceed 5) under 18 years.
[15] For unmarried workman. Same amount for married workman with wife and no children; with wife and 1 child, $21.92 a week; with wife and 2 children, $25.38 a week; and $2.31 for each additional child, but total payments shall not exceed $32.31 a week.
[16] For married workman, $20.76; plus $3 for each dependent child under 18 with total maximum weekly payments of $35.76.

Table 8, which is complicated by 25 footnotes, gives the number of weeks for which compensation is payable for specific injuries to the worker's arm, hand, thumb, other fingers, leg, foot, toes, eyesight, and hearing.

Mr. Speaker, here, in this table, which I insert in the RECORD at this point in my remarks, we have, as of October 1, 1948, an indication of the going market values for the parts of a worker's body, listed State by State, in terms of the weeks for which benefits are to be paid—and nothing said about the amounts of the payments per week per injured member of the worker's body. I hope to obtain, at a later date, a similar table showing not only the number of weeks for which compensation is payable but the amounts per week for specified injuries. When we have that, Mr. Speaker, we will have a fuller picture of the chaos in workmen's compensation.

TABLE 8.—*Number of weeks for which compensation is payable for specified injuries*

State	Loss or loss of use of—													
	Arm (at shoulder)	Hand	Thumb	First finger	Second finger	Third finger	Little finger	Leg	Foot	Great toe	Other toe	Sight of an eye	Hearing, 1 ear	Hearing, both ears
Alabama [1]	200	150	60	45	30	20	15	175	125	30	10	100		150
Alaska [2]														
Arizona [3]	[4] 260 [5] 217	[4] 217 [5] 173	65	39	30	22	17	217	173	30	11	[6] 130	87	260
Arkansas [3]	200	150	60	35	30	20	15	175	125	30	10	100	40	150
California [7]	[4] 240 [5] 220	[4] 180 [5] 160	[4] 40 [5] 36	[4] 32 [5] 28	[4] 24 [5] 20	[4] 24 [5] 20	[4] 16 [5] 12	240	160	32	8	80	40	160
Colorado [3]	208	104	50	26	18	11	13	208	104	26	11	[6] 139	35	139
Connecticut [3]	275	208	75	48	38	25	20	208	156	38	13	208	52	156
Delaware [3]	220	200	60	35	30	20	15	220	150	30	10	125	52	104
District of Columbia [3]	280	212	51	28	18	17	7	248	173	26	8	140	52	200
Florida [3]	200	175	60	35	30	20	15	200	175	30	10	175	40	150
Georgia [3]	200	150	60	35	30	20	15	175	125	30	10	100		150
Hawaii [3]	280	212	51	28	18	17	7	248	173	26	8	140	52	200
Idaho [3]	240	200	70	40	40	30	20	180	125	30	12	[6] 140	35	150
Illinois [3]	225	170	70	40	35	25	20	190	135	35	12	120	50	125
Indiana [9]	250	200	60	40	35	30	20	200	150	60	[10]	150	75	200
Iowa [1]	225	150	40	30	25	20	15	200	125	25	15	100	50	150
Kansas [11]	210	150	60	37	30	20	15	200	125	30	10	110	25	100
Kentucky [3]	200	150	[12] 60	[12] 45	[12] 30	[12] 20	[12] 15	200	125	30	10	[12a] 100	75	
Louisiana [1]	200	150	50	30	20	20	20	175	125	20	10	100		
Maine [13]	150	125	50	30	25	18	15	150	125	25	10	100		
Maryland [3]	[4a] 212	166	50	30	25	20	15	212	150	25	10	160	50	150
Massachusetts [14]														
Michigan [1]	250	200	60	35	30	20	15	200	150	30	10	150		
Minnesota [3]	200	175	60	35	30	20	15	200	150	30	10	100	52	156
Mississippi [3]	200	150	60	35	30	20	15	175	125	30	10	100	40	150
Missouri [1]	[4] 232 [5] 212	[4] 175 [5] 160	[4] 60 [5] 55	[4] 45 [5] 40	[4] 35 [5] 30	[4] 35 [5] 30	[4] 22 [5] 16	207	150	40	14	[6] 118	44	168
Montana [1]	200	150	60	30	30	20	12	200	125	30	12	[6] 120	20	120
Nebraska [3]	225	175	60	35	30	20	15	215	150	30	10	125	50	100
Nevada [3]	[4] 260 [5] 217	[4] 217 [6] 173	65	39	30	22	17	217	173	30	11	[6] 130	87	260
New Hampshire [15]	170	140	40	25	20	15	10	170	120	20	8	100	42	170
New Jersey [3]	300	230	75	50	40	30	20	275	200	40	15	[6] 175	60	200
New Mexico [3]	[4] 180 [5] 160	[4] 110 [5] 100	50	25	20	15	12	180	100	30	12	[6] 125	35	135
New York [16]	312	244	75	46	30	25	15	288	205	38	16	160	60	150
North Carolina [3]	220	170	65	40	35	22	16	200	144	35	10	120	70	150
North Dakota [1]	[17] 234	[17] 195	[12] 60	[12] 35	[12] 25	[12] 18	[12] 16	234	136½	25	10	100	29¼	156
Ohio [3]	215	165	[12] 60	[12] 35	[12] 30	[12] 20	[12] 15	190	140	30	10	125		
Oklahoma [1]	250	200	60	35	30	20	15	175	150	30	10	100		[18]
Oregon [19]	[19a] 485 [19b] 243	[19a] 273 [19b] 192	91	61	40	25	15	[19a] 333 [19b] 222 [21] 215	[19a] 263 [19b] 162 150	45	10	202	121	485
Pennsylvania [1]	[20] 215	175	60	35	30	20	15			40	16	125		150
Puerto Rico [3]	300	[4] 200 [5] 180	50	35	25	25	15	275	160	25	15	[22]	25	200
Rhode Island [3]	300	199	60	36	26	20	18	300	150	30	10	120	60	150
South Carolina [3]	200	150	60	35	30	20	15	175	125	30	10	100	70	150
South Dakota [3]	200	150	50	35	30	20	15	160	125	30	10	150		
Tennessee [1]	200	150	60	35	30	20	15	175	125	30	10	100		150
Texas [1]	200	150	[12] 60	[12] 45	[12] 30	[12] 21	[12] 15	200	125	30	10	100	[18]	150
Utah [3]	200	150	60	30	30	20	12	180	125	30	12	[6] 120	40	200
Vermont [3]	170	140	40	25	20	15	10	170	120	20	8	100	[23] 42½	170
Virginia [1]	200	150	60	35	30	20	15	175	125	30	10	100	50	100
Washington [3]														
West Virginia [1]	240	200	80	40	28	20	20	240	140	40	16	132		
Wisconsin [23]	500	400	125	60	45	26	28	500	250	83½	[24] 20	[6] 275	50	333½
Wyoming [3]														
Unites States: Longshoremen [3]	280	212	51	28	18	17	7	248	173	26		140	52	20

[1] Payments under this schedule are in lieu of all other payments.
[2] Law provides for payment of fixed sum for scheduled injuries.
[3] Payments under this schedule are in addition to payments for temporary total disability during the healing period.
[3a] For loss of arm at or above elbow.
[4] For major member.
[5] For minor member.
[6] By enucleation.
[7] Payments are in lieu of all other payments. Amounts depend on age and occupation of employee. Figures given are for unskilled workman 39 years old.
[8] Payments under this schedule are in addition to payments for temporary total disability during healing period; 99 percent of specific schedule to be paid employee. Employer must pay 2 percent additional to special indemnity fund.
[9] Payments for certain scheduled injuries, including loss by amputation, are in addition to payments for temporary total disability for not exceeding 26 weeks. In case of "loss of use" of certain members, however, payments under this schedule are in lieu of all other compensation.
[10] For loss of second toe, 30 weeks; third toe, 20 weeks; fourth toe, 15 weeks; and fifth toe, 10 weeks.
[11] Temporary total disability may be allowed during healing period for not to exceed 10 percent of schedule period, maximum 15 weeks.
[12] For loss of a metacarpal bone for corresponding thumb, finger, or fingers, 10 weeks is added.
[12a] 20 weeks additional if eye is enucleated.
[13] Payments cover total disability for period specified. Partial disability based upon wage loss may be compensated at end of period given for not over 300 weeks in all.
[14] Specific schedule, $10 weekly, for specified periods ranging from 12 to 300 weeks, in addition to all other compensation.
[15] Plus compensation for actual healing period not in excess of specified number of weeks, except in case of loss of hearing.
[16] In lieu of other payments unless period of temporary total disability exceeds fixed periods for each class of injury.
[17] 25 percent additional for loss of master hand or members thereof.
[18] In Oklahoma for loss of hearing special compensation; maximum $3,000. In Texas, Board allows 75 weeks for loss of hearing in one ear.
[19] In addition to payments for temporary total disability. Computations based on compensation for a married man or a man with dependent child.
[19a] By separation.
[19b] Loss of complete function.
[20] Forearm (from wrist to elbow) 195 weeks.
[21] Lower leg (from ankle to knee) 180 weeks.
[22] In lieu of all other benefits except medical and hospital.
[23] In addition to payments for temporary total disability. Periods during which payments are made for scheduled injuries are based upon employee who is 50 years of age or less. Where employee is above 50, periods specified reduced by 2 percent for each year the age of such employee exceeds 50.
[24] For loss of second toe, 25 weeks.
[25] In Puerto Rico permanent visual disabilities are to be determined by the manager of the State Insurance Fund.

Table 9 shows the variation in State provisions for medical benefits. Some States provide full benefits by statute, some by administrative authority and others limited by statutes as to the period of time and the amount in dollar values.

I include table 9 at this point in my remarks:

TABLE 9.—*Statutory provisions relating to medical benefits*

FULL BENEFITS

State	By statute	By administrative authority [1]
Arkansas [2]		[2] X
Arizona	(4)	(4)
California	X	
Connecticut	X	
Delaware		[3] X
District of Columbia	X	
Florida		[4] X
Hawaii	X	
Idaho [6]	X	
Illinois [7]	X	
Indiana		[8] X
Maine		[8] X
Massachusetts	X	
Minnesota	X	
Mississippi	X	
Missouri		[9] X
Nebraska	X	
New Hampshire		[3] X
New Jersey		[3] X
New Mexico		[9] X
New York	X	
North Carolina [10]		[3] X
North Dakota	X	
Ohio		[5] X
Oklahoma		[5] X
Oregon		[9] X
Puerto Rico	X	
Rhode Island [2]		[5] X
South Carolina		[3] X
Utah [11]		[5] X
Washington	X	
Wisconsin	X	
United States:		
Civil employees	X	
Longshoremen	X	

[1] After an initial period or amount (given in the notes) the administrative agency may extend the time or amount indefinitely.

[2] In case of silicosis or asbestosis, 90-day limit; may be extended 90 days.

[3] After period specified, as follows: Arkansas, 60 days; Delaware, 30 days; Indiana, 180 days; New Hampshire, 90 days; North Carolina, 10 weeks; Oklahoma, 60 days; South Carolina, 10 weeks.

[4] Full medical aid is authorized through a combination of the medical care and rehabilitation provisions of the law. Occupational disease benefits are payable only for total disability, maximum $500.

[5] After expenditure of specified amounts as follows: Florida, $1,000; New Jersey, $100; Ohio, $200; Oregon, $250; Rhode Island, $300 or $500 depending upon circumstances; Utah, $500.

[6] In case of occupational disease, 90-day limit; may be extended 90 days.

[7] Limited to 6 months in case of silicosis or asbestosis.

[8] After specified time and amount as follows: Maine, 30 days and $100; Missouri, 90 days and $750.

[9] After expenditure of $700, district court, which has jurisdiction over claims for compensation, may order additional services as appear reasonably necessary, upon application of employee.

[10] Medical benefits for occupational disease are unlimited, except that in the case of silicosis or asbestosis, treatment is limited to 3 years, with maximum expenditure of $1,000 per year. In paralysis cases due to spinal injuries, medical benefits are unlimited.

[11] In case of occupational diseases, medical benefits are payable only for total disability, maximum $500.

TABLE 9.—*Statutory provisions relating to medical benefits*—Continued

LIMITED BENEFITS

State	Period	Amount
Alabama	90 days	$200
Alaska	1 year	
Colorado	4 months	500
Georgia	10 weeks [12]	500
Iowa		[13] 800
Kansas	120 days	[14] 100
Kentucky		[14] 500
Louisiana		500
Maryland		[15] 1,500
Michigan	6 months [16]	
Montana	9 months	500
Nevada	6 months [17]	([18])
Pennsylvania	60 days	[19] 150
South Dakota	20 weeks	400
Tennessee	3 months	[20] 200
Texas	4 weeks [21]	
Vermont	60 days [22]	[22] 75
Virginia	60 days [23]	
West Virginia		[24] 800
Wyoming		[25] 165

[12] Period may be extended.

[13] In Iowa additional special nursing and ambulance charges are allowed in full.

[14] In Kansas, Commissioner may extend to $750; in Kentucky, the Workmen's Compensation Board may allow up to $800.

[15] Additional benefits of not more than $500 may be allowed for hospital services.

[16] Commission may extend additional 6 months.

[17] May be extended additional 1 year.

[18] Maximum in case of silicosis, $500.

[19] May be extended for 30 days with additional expenditure of $75. Hospital services allowed for 60 days, maximum $150, which may be extended for 30 days, maximum $75.

[20] $100 for medical services and $100 for hospital services; may be extended to $300 for medical expenses and $200 for hospital expenses.

[21] May be extended to 91 days. Hospital services may be extended for additional 2 weeks.

[22] Also hospital charges 60 days, maximum $300 plus unexpended balance of $75 allowed for medical service.

[23] Additional services not to exceed 180 days.

[24] Additional $800 may be authorized. $800 may also be paid for vocational rehabilitation. No allowance for medical treatment for silicosis.

[25] Additional $220 for medical treatment and $330 for hospital treatment; hospital services may be further extended for 6-month periods.

Table 10, which I include, shows the variations in waiting time before benefits are payable under workmen's compensation laws. Of the 11 footnotes complicating this table, I call attention only to No. 8, which states that in Montana the waiting period is doubled "if injured has no dependent residing in the United States."

TABLE 10.—*Waiting time required under workmen's compensation laws*

No waiting period: Oregon.

1 to 6 days:
- Alaska (1 day).
- Delaware (3 days).
- Florida (4 days).
- Illinois (6 days).[1]
- Maryland (3 days).
- Mississippi (5 days).
- Missouri (3 days).
- Nevada (5 days).
- North Dakota (4 days).
- Oklahoma (5 days).
- Puerto Rico (5 days).[2]
- Rhode Island (3 days).
- South Carolina (3 days).
- Utah (3 days).
- Washington (3 days).
- Wisconsin (3 days).
- United States:
  - Civil employees (3 days).

[1] Applies only to temporary total disability.

[2] Applies only to temporary disability.

TABLE 10.—*Waiting time required under workmen's compensation laws*—Con.

7 days unless otherwise specified:
- Alabama.[3]
- Arizona.
- Arkansas.
- California.
- Colorado (10 days).[3]
- Connecticut.
- District of Columbia.
- Georgia.
- Hawaii.[4]
- Idaho.
- Indiana.
- Iowa.[5]
- Kansas.
- Kentucky.
- Louisiana.
- Maine.
- Massachusetts.
- Michigan.[6]
- Minnesota.[7]
- Montana.[8]
- Nebraska.
- New Hampshire.
- New Jersey.
- New Mexico.
- New York.
- North Carolina.
- Ohio.[9]
- Pennsylvania.
- South Dakota.
- Tennessee.
- Texas.
- Vermont.
- Virginia.
- West Virginia.
- Wyoming.[1]
- United States: Longshoremen.

Compensation paid for waiting period if disability lasts specified time:
- Arizona (2 weeks).
- Arkansas (4 weeks).
- Connecticut (2 weeks).
- District of Columbia (7 weeks).
- Hawaii (7 weeks).
- Idaho.[10]
- Illinois (28 days).[1]
- Iowa.[11]
- Kentucky (3 weeks).
- Louisiana (6 weeks).
- Maine (6 weeks).
- Massachusetts (2 weeks).
- Michigan (4 weeks).
- Minnesota (4 weeks).
- Mississippi (14 days).
- Missouri (4 weeks).
- Montana (3 weeks).[8]
- Nebraska (6 weeks).
- Nevada (5 days).
- New Hampshire (7 days).
- New Jersey (29 days).
- New York (35 days).
- North Carolina (28 days).
- North Dakota (5 days).
- Puerto Rico (4 weeks).
- Rhode Island (2 weeks).
- South Carolina (14 days).
- South Dakota (6 weeks).
- Tennessee (4 weeks).
- Texas (4 weeks).
- Vermont (28 days).
- Virginia (6 weeks).
- West Virginia (21 days).
- Wisconsin (10 days).
- Wyoming (15 days).
- United States: Longshoremen (7 weeks).

[1] Applies only to temporary total disability.

[2] Applies only to temporary disability.

[3] 30 days in case of occupational disease, but payable from date of disability if disability lasts 60 days or more.

[4] For total disability. No waiting period in case of partial disability.

[5] No waiting period in case of permanent partial disability.

[6] In case of death, compensation is payable from date of injury.

[7] Applies only to partial disability.

[8] Period doubled if injured has no dependent residing in the United States.

[9] Also, no compensation allowed for the first week of total disability, whenever it may occur.

[10] If disability period exceeds 4 weeks, waiting period is to be reduced by 4 days, and by 1 additional day for each week the total disability exceeds 4 weeks.

[11] If compensation extends beyond fourth, fifth, or sixth week after injury, compensation for such fourth, fifth, or sixth week is increased by one-third.

Finally, table 11, which I include at this point in my remarks, sets forth the provision of State workmen's compensation laws regarding nonresident alien dependents. This table shows outrageous discrimination against such dependents.

TABLE 11.—*Provisions of workmen's compensation laws regarding nonresident alien dependents* [1]

Exclusion:
- Alabama.
- Hawaii.
- New Mexico.
- Pennsylvania.
- South Dakota.
- West Virginia.

Reduced benefits:
- Alaska.
- Arizona.
- Colorado.
- Delaware.
- Florida.
- Georgia.
- Idaho.[2]
- Illinois.
- Iowa.[2]
- Kansas.
- Kentucky.
- Maine.
- Michigan.
- Montana.[2]
- Nevada.
- Oregon.
- Utah.
- Virginia.
- Washington.
- Wyoming.
- United States: Civil employees.

Permitting commutations to lump sums in reduced amounts:
- Arkansas.
- District of Columbia.
- Florida.
- Kentucky.
- Maryland.
- Mississippi.
- Nebraska.
- New York.[3]
- North Carolina.
- Oklahoma.
- South Carolina.
- United States: Longshoremen.

Restricting possible beneficiaries:
- Arkansas.
- Delaware.
- District of Columbia.
- Florida.
- Illinois.
- Kentucky.
- Maryland.
- Mississippi.
- Montana.
- Nebraska.
- New York.
- North Carolina.
- Oregon.
- South Carolina.
- Washington.
- Wisconsin.
- Wyoming.
- United States: Longshoremen.

Presumption of dependency not applicable to nonresident aliens:
- California.
- Wisconsin.[1]

Excluding payments to dependents in countries not maintaining diplomatic relations with United States:
- Washington. (See also under "Reduced benefits.")

Placed on same footing as resident dependents:
- Connecticut.[4]
- Minnesota.
- Ohio.
- Tennessee.
- Texas.
- United States: Civil employees.

No provision:
- Indiana.
- Louisiana.
- Massachusetts.
- Missouri.
- New Hampshire.
- New Jersey.[5]
- North Dakota.
- Puerto Rico.
- Rhode Island.
- Vermont.

[1] In addition, if a deceased employee has been a resident for 8 years, the law provides that no person who has been a nonresident during that period is dependent upon him for support.

[2] If foreign government excludes payment to United States citizens, then payments are excluded under State law.

[3] If nonresident would not have full control of compensation, employer or insurer may be required to pay it to State comptroller.

[4] If dependents as defined under the law are nonresidents and there are residents who are dependents in fact, compensation may be apportioned between them.

[5] New Jersey reports that nonresident alien dependents are not excluded from benefits.

FOUNDRY STUDY

Let us look for a moment at one of the hazardous industries, foundries, which, according to workers' common knowledge and BLS Bulletin No. 805, Injuries and Accident Causes in the Foundry Industry, 1942, includes some of the most hazardous operations found in any manufacturing activity. The injury frequency rate has consistently been more than double the national average for all manufacturing.

In 1942, the independent iron and steel foundries rate of 43.4 was exceeded in manufacturing only by logging, 89.6; sawmills, 66.7; fiber boxes, 55.3; and wooden containers, 50.2.

The most hazardous departments in the hazardous foundry industry were found in that study to be shake-out, melting and cleaning, chipping and finishing.

As they examine excerpts from this study of foundries, Mr. Speaker, I ask that the Members notice how rarely the study proposes basic reforms in manufacturing methods and how often recommendations are made for workers to protect themselves against the extremely hazardous methods employed by management.

It would be my hope that, under this bill which I have today introduced, health and safety codes would be developed which would not be limited to adjusting workers to hazardous operations but would give more attention to changes in the operations themselves so as to reduce the hazards and thereby cut down the toll of deaths and disabling injuries more sharply than can be done by health and safety work that is limited largely to safeguarding workers against materials, machinery, methods and housekeeping that are basically hazardous and wasteful of human life.

I include at this point in my remarks certain excerpts from the foundry study to which I have already referred:

TYPES OF INJURIES IN FOUNDRIES

The BLS study included a detailed study of 4,600 accidents reported by 66 ferrous job foundries, gray-iron, malleable iron, and steel. The experience of these three types of job foundries, says the BLS study, is fairly representative of all ferrous foundries and, to a somewhat less extent, may be considered as similar to that of the nonferrous foundries.

The detailed analysis indicated that 26 percent of the disabling foundry injuries were foot and toe cases, 23 percent were hand and finger injuries, 10 percent were eye injuries, 12 percent were back injuries, and 10 percent were other trunk injuries.

The greater part of the injuries to toes, feet, hands, and fingers consisted of cuts, sprains, bruises, or fractures resulting from mishandling of heavy materials.

Most of the eye injuries were cuts or lacerations inflicted by flying particles, and nearly all of the back injuries were strains or sprains resulting from lifting excessive weights or lifting improperly.

Burns, however, were quite numerous and affected all parts of the body.

Poor housekeeping and the lack of proper personal safety equipment for use in hazardous operations were the outstanding unsafe working conditions which led to the injuries. On the personnel side, the outstanding unsafe acts which contributed to the occurrence of injuries were (1) using unsafe equipment or using equipment improperly, (2) assuming an unsafe position or posture, (3) failing to wear safe clothing or provided safety equipment, and (4) unsafe lifting.

HAZARDS COMMONLY FACED BY FOUNDRY WORKERS

In a general description of hazards in foundries, the study states:

Although most of the hazards encountered in foundry work are directly connected with particular operations and, therefore, are of primary concern to the workers engaged in those specific operations, there are certain hazards which in some degree must be faced by all foundry workers regardless of their assignments. Practically all workers in foundries at times must move, or assist in moving, heavy materials and thereby are exposed to the possibilities of sprains, or crushed fingers or toes. Nearly all workers on the foundry floor at times must work in proximity to pouring operations and are thus exposed to injury from spilled or splashed molten metal. The movement of heavy materials is frequently accomplished by means of overhead cranes which may swing their loads over the heads of workers who are unaware of the imminent possibility of materials falling upon them. Improperly piled materials present dangers to any workers who approach them. Many parts of foundries are always quite warm while other sections may be cool or even cold, and these differences in temperature present the possibility of chills to all workers who must move around the plant.

PATTERN SHOPS

Injury frequency rates in pattern shops were relatively low.

In the ferrous job foundries the wood-pattern shops had an average frequency rate of 21.2 disabling injuries per million employee-hours worked, while the metal-pattern shops had an average rate of 29.8. In the nonjob foundries the rates were lower, but the relationship was reversed, the wood-pattern shop average being 15.0 compared with an average of 7.4 in the metal-pattern shops. In the nonferrous foundries the average frequency rate for all pattern shops was 20.9. It is pertinent to note that one in every nine of the injuries reported in wood-pattern shops resulted in some form of permanent impairment.

Finger injuries were more numerous in the pattern shops than were injuries to any other part of the body, with foot and toe injuries constituting the second most important group. The frequency of finger injuries in these departments reflects the use of power tools, particularly powered woodworking tools, and points to a need for greater emphasis upon the proper guarding of such equipment. The relatively high proportion of foot and toe injuries is somewhat surprising, and indicates that the desirability of more general use of safety shoes should not be overlooked in this department.

CORE ROOMS

The frequency of injuries reported for the core rooms was somewhat greater than that for the pattern shops, but was less than that for any of the other major departments. In the ferrous job foundries the core rooms had an average of 30.9 disabling injuries for each million employee-hours worked. In the nonferrous job foundries the average frequency rate for core-room work was 12.7, and in the nonjob foundries it was 18.6.

Injuries to hands, fingers, feet, toes, and backs were outstanding among the reported injuries to core-room workers. Injuries in these categories are all closely related to the use of hazardous machines or to the handling of heavy, bulky, or awkward materials, and indicate a need for better machine guarding and for careful planning and training of the workers in the operations they must perform. The volume of foot and toe injuries also indicates that the use of safety

shoes or foot guards might well be emphasized in the core rooms.

MOLDING DEPARTMENTS

The greatest hazard connected with pouring operations is that of severe burns from contact with the molten metal which may splash or spill as it is being carried or poured, or may overflow if the mold is poured too full, or may even break out of the mold if the mold is not properly vented so as to permit the escape of gases formed by the contact of the molten metal with the sand. It is recognized as essential, therefore, that workers engaged in pouring operations should wear goggles and insulated clothing, particularly leggings, gloves, and molder's type safety shoes, which can be pulled off instantly in case molten metal should get inside them. It is also important to maintain good housekeeping in the pouring area to avoid the possibility of bumping the ladle against improperly placed materials and to eliminate tripping hazards which might cause the ladle carriers to spill the metal. Only workers who are participating in the pouring should be permitted to be within the range of a possible spill, and all steps in the pouring should be under close supervision.

The removal of the casting from the mold after the metal has solidified and cooled sufficiently to be handled, generally termed "shake-out work," is commonly a function of the molding department although it is not unusual for this work to be assigned to a general-labor department or even to be constituted as a separate department in large foundries. This operation consists of opening the flask and removing the sand, pulling the casting from the sand, shaking off any adhering sand, breaking out the cores, transporting the castings to the finishing department, and returning the flasks and sand to stock. Jolting machines are sometimes used to loosen the sand, but usually the only equipment used consists of sledges, mallets, bars, shovels, wedges, wheelbarrows, or hand trucks, and, when the castings are large, hoists or cranes. The principal hazards are those involved in handling heavy, rough, and sharp-edged materials. Safety shoes and gloves are generally considered to be essential equipment in this operation.

* * * In the ferrous job foundry group the average for the molding departments was 59.7 disabling injuries per million employee-hours worked; in the nonferrous job foundries the molding department average was 34.2; and in the nonjob group it was 43. In some of the ferrous job foundries and in some nonjob foundries it was possible to report shake-out work separately. The resulting frequency rates for this particular operation strikingly emphasize its extreme hazards. In the ferrous job foundries shake-out work had an average of 110.3 disabling injuries per million employee-hours worked and in the nonjob foundries it had a comparable average rate of 85.9. Each of these was the highest rate recorded for any operation in its group.

The high proportion of injuries to the lower extremities reported for the molding departments points to a need for greater emphasis upon the use of footguards, safety shoes, and leggings. Similarly the large volume of hand and finger injuries indicates need for more general use of gloves and for better training in the safe procedures in handling materials. Back injuries were very common in this department, a situation which points to a need for more instruction in the proper methods of lifting and closer supervision to see that the proper methods are used. Eye injuries were also quite numerous, indicating that more extensive use of goggles would be highly desirable.

MELTING DEPARTMENTS

The procedure of dropping bottom to clear the furnace presents the most spectacular hazard of cupola operations. Cupola workers, however, are also exposed to a wide variety of other hazards, such as burns from spattering metal while tapping or from slag thrown from the slag hole; injury from falling objects, such as may occur when a scrap-iron pile collapses or when workmen on the charging floor drop tools or other objects into or outside the cupola or onto the ground; and eye injuries from flying particles or radiations from the hot metal. Charging operations generally involve the use of an elevator; in some cases they are otherwise mechanized. Considerable manual labor is involved, however, even in the highly mechanized plants; and the workers are constantly exposed to the hazards of crushed hands or feet while moving heavy pieces of scrap or pig iron, and of cuts from the sharp edges of scrap. The elevators are frequently hazardous, and there is danger of burns from sparks thrown through the open charging door. Insulated clothing, gloves, goggles, hard hats, and safety shoes can help to reduce the possibilities of injury to cupola workers. Good housekeeping practices around the furnace, particularly on the charging floor, and the provision of safety devices, such as shields suspended over the workers while they are cleaning or repairing the inside of the cupola, can also do much to reduce the volume of accidents arising from cupola operations. * * *

Reverberatory furnace workers are exposed to intense heat during slagging, sampling, and tapping operations, and they frequently experience burns and eye injuries from spattering metal. They are also exposed to all the hazards of crane operations while charging their furnaces. Safety shoes, goggles, and heavy clothing are generally considered essential for the protection of these workers.

Electric-furnace operators are exposed to the hazards of handling heavy, rough, and sharp materials in charging; are faced with intense heat in slagging, rearranging or adding to the charge, and when taking samples of the melt in hand ladles; and are subject to injuries and burns from spilled or spattered metal in pouring. There is also some danger of shock or burns from contact with electric circuits. Gloves, goggles, safety shoes, and heavy clothing are essential equipment.

The injury-frequency rates for the melting departments were uniformly high, both actually and in comparison with the rates for other foundry departments. In the ferrous-job-foundry group the melting departments had an over-all average of 68 disabling injuries per million employee-hours worked, which was exceeded only by the averages for cleaning, chipping, and finishing; general labor; and shake-out work. In the non-ferrous-job-foundry group the melting department's average frequency rate of 74.2 was the highest departmental rate recorded. Similarly the average rate of 53.1 for the melting departments of the nonjob foundries was higher than that for any of the other departments except the shake-out departments. Among the melting departments of the ferrous job foundries, those which operated electric furnaces had the highest average frequency rates (77.9) and those which operated the open-hearth furnaces had the lowest (51.8). Among the melting departments of the nonjob foundries, on the other hand, those operating cupola furnaces had the highest average rate (61.7) and those operating crucible furnaces had the lowest (34.4).

Injuries to feet and toes, hands and fingers, eyes, and backs were most common among the melting department injuries reported in the survey. Protection from hot and heavy materials is recognized as essential in this department, but the injury distribution indicates that the proper protective equipment frequently is not used. It is evident that greater attention should be given to the use of protective equipment for the lower extremities, and that the use of gloves and goggles should be stressed."

CLEANING, CHIPPING, AND FINISHING

When castings are first removed from the mold they are generally somewhat rough and have armlike spurs resulting from the molten metal which fills the gates and risers. These superfluous projections are removed with a sledge, a metal bandsaw, or a power-operated shear. The castings are then either tumbled or sandblasted to smooth the rough surfaces and to impart a dull finish to the metal. * * * Great quantities of flying particles and dust accompany all sandblasting and present serious hazards to all workers in the vicinity unless proper precautions are taken. Gloves and goggles are essential equipment for the operator of a blasting machine, and blasting-room workers should wear fresh-air-supplied air-line helmets or masks, gloves, and heavy clothing. The blasting room should have an efficient exhaust system discharging into a dust arrester, in order to provide visibility and to prevent the dust from escaping into the plant.

After the castings have been tumbled or sandblasted any remaining undesirable projections are removed either by chipping or by burning with an oxyacetylene torch. Chipping is generally performed with a pneumatic chisel, although a hand hammer and chisel are used at times. The chisels shave off small pieces of metal which frequently fly considerable distances and strike with great force. Goggles, gloves, and heavy garments are essential for the protection of the chippers and for all others who come near the chippers.

In the burning process the operator directs the flame from an oxyacetylene torch against a spot on the parting line and heats it to incandescence; then he releases a stream of oxygen against it by pressing a valve on the torch and guides the torch across the projection as the metal is burned and melted away. Filter-lens goggles must be worn as protection against the glare of the torch flame and the molten metal, while heavy gloves and heavy clothing are essential for protection against burns from the hot metal and sparks.

The final, or finishing, process in cleaning castings is to grind off the remaining rough spots and chisel marks, left by the chipper, by the use of an abrasive wheel. * * * Grinding produces large quantities of flying emery and metal particles, which constitute a very great eye hazard not only for the operator but also for everyone else in the vicinity of the operation. Goggles are essential equipment in this operation, even when there is an exhaust attached to the grinding wheel. Grinding wheels also present number of other hazards. If they are improperly mounted, operated at excessive speed, struck a sharp blow while in motion, or used for a type of work other than that for which they were designed they may shatter and the pieces may fly in any direction. It is not unusual for workers to be killed when struck by parts of a broken grinding wheel. It is important, therefore, that grinding wheels be mounted property and used only in accordance with the manufacturer's instructions, and that each wheel be covered with a guard which will effectively check any flying pieces if the wheel should break. Grinders are also exposed to the danger of severe cuts or abrasions if they come into contact with the moving wheel.

In all cleaning, chipping, and finishing operations the workers are constantly exposed to the possibility of injury arising from the necessary handling of the castings. The castings, which are frequently quite heavy, must be moved and turned so that all surfaces can be reached. This presents great possibilities of strained backs and of bruised or mashed fingers and toes. Rough spots and sharp edges on the castings also present the possibility of severe cuts and scratches to the workers who handle them. The use of gloves and safety shoes by all workers in this department is generally recognized as desirable.

In the ferrous-job-foundry group the cleaning, chipping, and finishing departments had the highest average injury-frequency rate (73.1) among the major operating departments. * * *

Eye injuries were of outstanding importance in the cleaning, chipping, and finishing departments and by their numbers indicate strongly the great need for the universal use of goggles by workers in these departments. The high proportions of finger, hand, foot, toe, and back injuries, all of which are related to the handling of heavy, rough, and awkward-shaped materials, call for greater attention to the methods of handling such materials and call for the wider use of gloves, foot guards, and safety shoes.

MACHINE SHOPS

In the machine shops also, the frequency of eye injuries indicates a serious need for greater eye protection through the use of transparent shields on the machines or the use of face shields or goggles by the operators. The desirability of more widespread use of safety shoes by machinists is indicated by the high proportion of foot-and-toe injuries, and the need for better machine guards is stressed by the considerable number of finger-and-hand injuries.

MAINTENANCE

By the very nature of their work, maintenance workers meet on occasion every hazard faced by any foundry worker and in addition must contend with many which are seldom present in normal operations. As a result maintenance workers sustain all types of injuries; and the outstanding fact indicated by their experience is that these workers need to be furnished with every type of safety equipment and thoroughly trained to recognize and cope with every foundry hazard. The record indicates that as a very minimum every maintenance worker should have and use safety shoes, goggles, and gloves.

SHIPPING, STORAGE, AND TRANSPORTATION

In these departments most of the injuries are experienced in lifting or moving heavy objects. Foot, toe, hand, finger, back, and trunk injuries predominate. Most important from the accident-prevention standpoint would be greater attention to the training of employees in safe-handling methods coupled with closer supervision to insure that those methods are followed. The general use of safety shoes, however, would reduce the volume of foot and toe injuries and a greater use of gloves would avoid many of the hand and finger injuries.

The BLS study makes this significant statement regarding its study of the 2,188 foundries located in 46 States:

Basically, the wide variations in average injury-frequency rates for similar foundry operations in different areas reflect variations in safety activities rather than differences in actual hazards. Many factors contribute to these differences, and in particular instances it may be very difficult to specify which is the controlling factor. Differences in State safety requirements and in the degree to which the requirements are enforced have a very direct influence upon the frequency-rate levels in different States. Similarly, safety activities, or the lack of such activities, on the part of trade associations or other organizations can have considerable effect upon the general accident record of an area. The average size of the plants in different areas, and the availability or the lack of experienced foundry personnel, are also factors which may influence the injury-frequency rate levels.

In its conclusions, the BLS study makes safety and health recommendations which in a measure restore the balance between the responsibility of employers and the responsibility of workers:

Foundry operations undoubtedly present a wide variety of inherent hazards, and the problem of achieving safe working conditions in foundries may seem more difficult than in most other industries. There are, however, obvious and well-known methods of overcoming practically all foundry hazards, and the existence of unsafe working conditions generally may be taken as an indication of slack supervision.

The great majority of the unsafe conditions revealed by the accident analysis fell into five general categories. Within individual plants the relative importance of these categories of unsafe conditions varied widely. It is apparent, however, that foundries generally should—

(1) Improve housekeeping conditions in and around all workplaces;

(2) Provide and require the use of adequate personal safety equipment in all operations presenting hazards which such equipment can overcome;

(3) Provide mechanical equipment or sufficient assistance when heavy or bulky materials are to be lifted or moved;

(4) Regularly inspect all tools, material, and equipment for defects, and immediately repair or replace all defective items; and

(5) Provide and require the use of proper guards for machinery and equipment.

(Mr. BURKE asked and was given permission to revise and extend his remarks and include various tables and other extraneous matter.)

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include certain statements and excerpts.)

PRIVATE MONOPOLIES—BASING POINT A HANDY INSTRUMENT TO CREATE

Mr. PATMAN. Mr. Speaker, the Democratic Party platform for more than 50 years has contained the phrase that "private monopoly is indefensible and intolerable." The Republican Party platform likewise has contained a similar and exact phrase over a period of decades. It is my opinion that our country is in the greatest danger of real monopoly today it has ever been in. The reason that our platforms provide private monopoly is indefensible is obviously based on the fact that if a monopoly has the price-fixing power and the power to charge consumers anything the officials of the monopoly desire to charge them, it is against the public interest and, therefore the Government should doubtless take over and fix the prices in the public interest and prevent the people and the consumers from being oppressed by monopolistic greed, if it is not feasible to break up the monopoly or until it is broken up. On April 26, 1948, the Supreme Court of the United States rendered a very important decision involving the cement industry. In this country over a period of almost a half century, cement companies have been fixing prices, and even their bids over areas involving thousands of miles and over periods of time of from 1 to 12 months, the bids would be exactly the same, whether 10 companies bid on a contract or 25 companies, or 2 companies. The prices were exactly the same, and the bids were identical. This has been going on over a period of nearly half a century. But the Supreme Court recognized that the basing-point system was the handy instrument which permitted these cement companies to make these identical bids, and the Court therefore outlawed what is commonly called, and generally referred to as the basing-point system when used for unfair or unlawful purposes. Since that time, there has been a decision in a steel case.

The result has been that the steel companies and the cement companies have been compelled to abandon a system half a century old, which enabled them to fix identical prices. So the steel companies had a monopoly and the cement companies had a monopoly, and these monopolies have been outlawed by the Supreme Court of the United States. Since that decision was announced, there has been a big lobby formed, the biggest lobby that I have ever known in this country over such a short period of time. One person was sent here as a lobbyist, who wanted to change that Supreme Court decision by enactment of this Congress, so as to permit these concerns to resume their practice of fixing identical prices to the people throughout the length and breadth of the land. One of these lobbyists receives $11,000 a month with all expenses paid. They have been running full-page advertisements throughout the Nation trying to mislead and deceive people and especially their Representatives and Senators in Congress into believing that the basing-point system is in the public interest, and that it is in the public interest that identical prices be charged, with no competitive bidding. Members of Congress have been concerned about this problem. Some of them have been honestly led into believing that some change should be made, and that there was confusion in the law. They have introduced legislation for the purpose of change. I do not know of one of these Members who would endorse what the cement and steel companies were guilty of, and I do not know of one of them who would advocate that it be restored. But the point is, the legislation which has been introduced, if it passes, as the lobbyists on the outside would like to see it passed, would permit the resumption of this vehicle which was used to charge identical prices all over the country with no competition.

MORATORIUM BILL

The other day in the other body, a so-called moratorium bill came up. The number is S. 1008. The object of the moratorium bill is to not permit any more suits to be brought under the basing-point system for the next 2 years. When the resolution was brought up on the floor of the other body, there was a substitute offered which was in no way similar to the proposal in the moratorium. It was entirely different. It contained new words—new phrases—new language for the antitrust statutes; words that have never been defined by law, judicially, and writes into the antitrust statutes entirely new language.

I know that the sponsor of that substitute, the distinguished United States Senator from Wyoming [Mr. O'MAHONEY] did not intend for that proposal to scuttle the antitrust laws or to weaken the antitrust laws in any way. In fact, he has been one of the most ardent, most enthusiastic supporters of antitrust legislation in our entire Congress. Yet I am apprehensive if that bill were to become law, as the Senator from Wyoming offered it, and as approved by the United States Senate, it would definitely weaken, seriously weaken and impair the effectiveness of our antitrust laws.

That bill came to the House of Repretentatives from the Senate last Friday. It is being referred to a committee. I trust that that committee will go into this question thoroughly and fully and make sure that our antitrust laws are not seriously weakened or interfered with in any way.

In order to let you know that there is some justification for my fears on this proposition, the bill passed the Senate last Thursday. On Friday morning, June 3, 1949, the New York Times carried this heading: "Steel men happier on O'Mahoney bill. Admit privately that measure seems to provide means of solving pricing problem."

Then skipping on down in the article:

Whether the steel industry returns to the basing-point system which it had used for half a century before adopting the f. o. b. pricing last year is dependent upon many factors, among which are these:

1. That the O'Mahoney bill receive approval in substantially its present form in the House of Representatives.

That is the bill as passed in the other body on last Thursday. This statement appeared in the New York Times the next morning, in which the steel men say that this will restore the basing-point system. If it restores it to steel it will restore it to cement.

I have an item here from the Journal of Commerce of June 3, which was last Friday, the day after the bill passed the Senate. It says:

Basing-point restoration by the Senate hailed widely as business safeguard.

Remember the Supreme Court said the basing point is a handy instrument for monopoly. The Supreme Court has said that the basing point is used as a vehicle to create monopoly. This item says that the basing-point restoration by the Senate is hailed widely.

Among the effects of the O'Mahoney bill, if it becomes law, are the following:

I am reading from the New York Journal of Commerce item:

The steel and cement industries, which abandoned freight absorption a year ago following the action of the Supreme Court in outlawing the delivered-price system of the cement industry, will promptly resume freight absorptions.

Some people call freight absorption the basing point, and call the basing point freight absorption. The truth is that there is no freight absorption. That is just a phrase that is used to confuse the issue and make it possible to mislead a lot of people. "Jones pays the freight." You have heard that phrase all your life. Jones has always paid the freight and always will pay the freight. That freight-absorption phrase is a misnomer for the purpose of confusing people. That powerful, highly paid lobbyist is always using the phrase "freight absorption," "freight absorption," when there is no freight absorption.

I believe in small business institutions and enterprises; I believe in the free-enterprise system; I think it is the finest, the greatest, and the best system on earth: The private-enterprise system under our capitalistic system. I do not want to see it weakened or impaired in any way, shape, or manner. Monopoly is the greatest threat to our private-enterprise system. At one time one of the greatest engineers with the General Electric Co. was Dr. Steinmetz. Dr. Steinmetz was a Socialist. He often made talks for socialism. At one time he lectured at one of our famous universities advocating socialism. At the end of his lecture a bright student asked permission to submit a question, and the request was granted. He asked Dr. Steinmetz: "Why it is that you, as a Socialist, believing in socialism, attending socialistic functions, helping write their platforms, always writing newspaper articles about socialism, yet are working for one of the biggest monopolies in the country?"

Dr. Steinmetz replied:

That is perfectly consistent, for Socialists believe in monopoly because it is such a narrow and such a short step from monopoly over to government ownership and socialism.

At another time he expanded a little more fully on that subject, that the Government could never take over 40,000 or 50,000 businesses; no, but if all these businesses were brought into one management or ownership they could be taken under control; and, therefore, once monopoly is created, it is a very short step over to government ownership.

The Democratic Party platform years ago contained the statement: "Private monopoly is indefensible and intolerable"; years ago, likewise, the Republican platform contained the same language: "Private monopoly is indefensible and intolerable." There is no quicker way to Government ownership or Socialist government in this country. The little loud-mouthed orator on the soap box on the street corner talking about socialism is nowhere near as dangerous as the big man who is putting all the units of industry into one package and making them ripe for Government ownership; they are our real dangerous Socialists in this country. So we do not want to return to any basing-point system that the United States Supreme Court has said is a handy instrument for monopoly, and that the United States Supreme Court has said has created monopolies and permitted identical prices to be submitted by basic industries like steel and cement for upward of 50 years with the consumer paying the bill, because that is the way it works out and the consumers have paid multiplied billions of dollars in excess of what they should have because of these monopolistic practices.

I want to ask the committee which considers the bill that has come over to us from the other body to consider it fully and to look carefully into its possible implications, and especially as to whether or not it will weaken, impair, or destroy in any way our present antitrust statutes, because they must be preserved.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I shall be pleased to yield to the gentleman from Wisconsin.

Mr. KEEFE. I have listened with great interest to the statement of the distinguished gentleman from Texas; and, may I say, that I have listened to him for many years; and I am now going on the eleventh year of my service in the Congress, and the gentleman from Texas has been here many more years than I.

Mr. PATMAN. And has had the pleasure of listening to the gentleman from Wisconsin for a long time.

Mr. KEEFE. But the thing that always bothers me when I hear the gentleman talk and complain about monopoly—and I agree with the basic philosophy the gentleman entertains. The gentleman's party has been in complete control of things for 16 years. I have heard the gentleman discuss this subject for 10 of those 16 years. From what I heard the gentleman state this afternoon, the situation is that the monopolistic control of industries in America is greater today than it has been at any other time.

Mr. PATMAN. I agree with the gentleman.

Mr. KEEFE. What has the gentleman's party been doing all these 16 years to drive the money changers from the temple that I heard so much about away back and to destroy monopoly and monopolistic tendencies? How long will it take the gentleman and his party to achieve the things that the gentleman has in mind? That is what I want to know.

Mr. PATMAN. The gentleman has asked a very fair question, one that should be asked by every Member of Congress.

In the first place, the gentleman's party almost wrecked this country preceding 1933. At that time the country was in awfully bad shape. The banks were closed, there were bankruptcies throughout the length and breath of the land. I doubt if there was a county out of the 3,071 counties of the United States where there was not a large number of bankruptcies. So when the Democrats came into power they had a wrecked economy and a wrecked Government to deal with.

The first thing our people had to do was to prevent communism. The most dangerous threat to our Government from communism was right there. At that time the country was ripe for communism.

The way to stop this threat was, first, through relief. So relief was afforded. Then through reform. We had many reform measures like the SEC, the truth in securities, social security, and many other good reform measures. I have great faith in the gentleman. I listen intently to his talks and I agree with a lot the gentleman says. I am always interested

in what he says. I have heard the opposition tell about New Deal measures, these reform measures, and how bad they were, but I have never yet seen a bill introduced by the gentleman to repeal any of those New Deal measures, nor have I seen a bill introduced by the members of his party.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. No, not right now. I want to finish answering the gentleman.

Mr. KEEFE. I wish the gentleman would answer my question.

Mr. PATMAN. There were 29 New Deal measures. All of the New Deal measures are now on the statute books.

I do not know of any effort made by the gentleman's party to change substantially or to repeal any of those New Deal measures. They are good laws, they are the reform measures which brought about recovery. So we had relief, reform and recovery—three R's.

And about that time, regardless of what we did over here or how we felt, there was another thing that came up. We cannot prevent wars when we have dictators and totalitarian governments that are just determined to have a war, which they were. They commenced to prepare for war over there in Europe in the thirties. In 1939 we commenced to prepare for war just as an emergency measure, just in case we should need that protection. We were wise in doing that. In doing that we had to call upon the biggest concerns in the United States, and they served a mighty good purpose. They had the know-how and they had the capital.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, these big concerns had everything that it took. They had the engineers and they had the scientists. So they were very helpful in this war effort. We tried to help small business, too. We created the Smaller War Plants Corporation. We spread out a lot of these contracts which otherwise would not have been spread out. Fighting one of the greatest depressions on earth and licking it, and fighting one of the greatest wars on earth, we did not have the time to devote to the monopoly question to the extent we could solve it. We have now reached the time when we must give it attention so that we may prevent monopoly from taking over the small businesses of this country.

Mr. Speaker, I hope this question may be approached from a nonpartisan or a bypartisan or an nonpolitical standpoint and that every Republican and every Democrat will put his shoulder to the wheel and try to prevent this movement toward socialism, not by the little fellows but by the big ones. They are the ones that are creating socialism in this country.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I may say to the gentleman that I find myself in accord with much of the basic philosophy that the gentleman has expressed with respect to monopolies. But, the gentleman has evaded the answer to my question by taking us back, as he inevitably does, to 1932 and attempts to trace all the ills of the country from there until doomsday.

Mr. PATMAN. Probably so.

Mr. KEEFE. What transpired prior to 1932?

Mr. PATMAN. Probably so, because that is when the Republicans went out and the Democrats came in.

Mr. KEEFE. And may I say to the gentleman, and this perhaps might be of interest to him, that I happened to be one of those independents who, in 1932, supported Franklin D. Roosevelt, and was here at his inaugural, and one who had great hopes that we would have in this country a return, perhaps, to some government by the people. I saw that challenge just as the gentleman saw it at that time. But now, you have been in charge since March 4, 1933, and you are painting a picture of giant monopolies that have grown up throughout this country. You say you have not had time to attack it during the depression; you had to have relief; you did not have time later on because you had to have reform, and you did not have time because of the war.

Mr. PATMAN. The issue was overshadowed at that time because of the war and the depression.

Mr. KEEFE. You have been in charge of this situation. What is the thing that has brought about this development of monopoly of which the gentleman complains, and why has not your party done something to stop it and legislate in a very effective manner to stop it? The gentleman cannot challenge me to offer legislation to stop monopolies. His party is charged with that responsibility.

Mr. PATMAN. I thoroughly agree with the gentleman that we are charged with that responsibility, and we should assume that burden now.

Mr. KEEFE. And something ought to be done.

Mr. PATMAN. We must admit that monopolies have continued out of hand during the Democratic administration; yes.

Mr. KEEFE. Yes.

Mr. PATMAN. Because the issue has been overshadowed by other issues: The greatest depression of all times and the greatest war of all history, and we have been grappling with that and overlooking a very devastating and destructive enemy in the form of monopoly, and we have been overlooking it too long, and now we must commence to try to do something about it.

Mr. KEEFE. You do not charge them, as I understand the gentleman—and I thank him for his fairness in the matter—that this growth toward monopoly is one that has developed because of some responsibility of the Republican Party?

Mr. PATMAN. Yes; I charge them, too.

Mr. KEEFE. And the gentleman admits, as I understand, that the Democrats are responsible.

Mr. PATMAN. That is the Democratic responsibility now.

Mr. KEEFE. Yes.

Mr. PATMAN. But you must admit that during the twenties the monopolies got a pretty good start.

Mr. KEEFE. And they got pretty well busted up during the early thirties, and you have allowed them to grow now. The most gigantic monopolies in the country are here now.

Mr. PATMAN. That is true.

Mr. KEEFE. And what are you doing to stop them?

Mr. PATMAN. Everything. I have been trying to do something about it.

Mr. KEEFE. The gentleman is talking about what he has been doing. What is your party doing about it? You have not done anything.

Mr. PATMAN. You take the giant chain stores. I have tried to break up the chains. I do not believe that a retail chain store should operate outside of one State or area of a certain radius. I do not believe they should operate all over the United States.

Mr. KEEFE. What has your party done about it?

Mr. PATMAN. I believe that the people in every community can carry on retail business, but you know it is awfully hard to get a measure through without cooperation of Members on both sides of the aisle.

Mr. KEEFE. Ah, that is the point; it is a good thing to talk about.

Mr. PATMAN. On both sides of the aisle. So, I am glad the gentleman is interested and I hope he will work shoulder to shoulder to get it accomplished.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

EXTENSION OF REMARKS

Mr. STEED asked and was given permission to extend his remarks in the RECORD and include an editorial.

WHY WE SHOULD ENACT THE HOUSING BILL, H. R. 4009

Mr. O'BRIEN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'BRIEN of Michigan. Mr. Speaker, the two most critical problems in our country today are, one, housing; and two, unemployment.

For long years and for a variety of reasons, housing has been neglected. The PWA under the early New Deal started slum clearance and low-rent housing. Later, the United States Housing Authority Act of 1937 was enacted. Shortly after that program was inaugurated, the war in Europe started and then our intervention and wholehearted participation in the war temporarily ended the solving of housing problems within our own country except for temporary hous-

ing of war workers. Today, housing legislation and recovery from a measure of unemployment are essentially linked together.

The pending bill, H. R. 4009, proposes a legislative program for clearing slums and for building 1,000,500 dwellings under the Public Housing Authority program in concert with local public housing authorities over a period of 7 years. The reciprocal financial arrangements with local housing authorities and the Federal Government are substantially identified with the provisions of the United States Housing Act of 1937. The local communities contribute one-third and the Federal Government, within the total limits provided by law, contributes two-thirds.

Our cities cannot be rehabilitated only by the construction of new residence units in place of the old. When a local project is developed, it should include in its plan the community facilities that are requisite for a right society. So that it need not be slum clearance merely of house for house and resident for resident, although we are providing that the resident displaced by demolition shall, together with veterans, have a preference for tenancy in the new construction.

It is also provided in the pending legislation that a subsidy rental be paid. This would be in the joint undertaking by contract between the Federal agency and the local housing authority. The resident in the slum area was there because he did not have the financial ability to pay the economic rent required for better property. Of course the displaced tenant could not afford to pay the economic rent that would be charged to occupy newly constructed homes. Hence, the necessity for the subsidy in the rents to be charged.

Is there a relation between slum clearance and public housing? Many persons say they are for slum clearance but that they are not for what is called public housing. The demolition of slums takes some time and people have to live in dwellings during that period of demolition and reconstruction. Hence, houses under this program will have to be under construction during such periods of demolition, or else disastrous want of essential shelter might develop. Inasmuch as the rentals of the new housing are to be subsidized to make their occupancy within the attainment of those in the hitherto slum areas, the logical formula is to give the preference for occupancy to the former slum residents who have been displaced and then it is logical that those within the same economic means have similar, if not equal, eligibility. Hence, there is adopted the income test for eligibility generally for occupancy of such subsidized housing.

Then there is asked, "Why should the Public Treasury be subject to expense for slum clearance and public housing?" It might be a fair reply that the Public Treasury rather is aided by Government going into this field and seeing that the job is done. Public ill health flourishes in the slums and is contagious and expensive. Tuberculosis and juvenile delinquency flourish in the slums and society as a whole cannot, if it wishes, get away from the resulting costs of disease and crime and human waste that occur in and result from the slums.

We have achieved an era of comparative peace after a Global War that interrupted the progress we were making within our own country and which has cost us tremendously, first, in the sacrifice of our soldiers' lives, and, second, in the Treasury of our Nation. Permanent peace is now our hope and our objective though war is still a danger. Whether it is peace or war, and God forbid that it may be the latter, we have no time to waste and we have no better way to utilize a measure of the Nation's resources than in planning and consummating an adequate availability of shelter for the families of this country.

Furthermore, this construction program will aid employment. There are at least 3,500,000 persons unemployed in the United States. That fact makes it all the more timely that we now set out in this too-long-deferred program of slum clearance and public housing.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. NORTON (at the request of Mr. MCCORMACK), for an indefinite period, on account of illness.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1008. An act to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices; to the Committee on the Judiciary.

S. 1559. An act for the establishment of the National Monetary Commission; to the Committee on Banking and Currency.

S. 1745. An act to authorize the transfer to the Attorney General of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., to supplement the farm lands required for the United States prison system; to the Committee on Expenditures in the Executive Departments.

S. 1746. An act to authorize the transfer to the Attorney General of the United States a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., for use in connection with the United States penitentiary at Terre Haute; to the Committee on Expenditures in the Executive Departments.

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service; to the Committee on Armed Service.

S. Con. Res. 42. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1053. An act for the relief of Frank O. Ward;

H. R. 1058. An act for the relief of Frederick W. Lass;

H. R. 1062. An act for the relief of Lorrayne E. Graus;

H. R. 1158. An act to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city;

H. R. 1222. An act to authorize the exchange of certain fishery facilities within the State of Washington;

H. R. 1497. An act for the relief of Ralph A. Wood;

H. R. 1578. An act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond;

H. R. 2249. An act for the relief of Al. W. Hosinski;

H. R. 3181. An act to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes; and

H. R. 3341. An act to authorize the attendance of the United States Marine Band at the fifty-ninth annual reunion of Confederate veterans to be held in Little Rock, Ark., September 27 through September 29, 1949.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 900. An act to amend the Commodity Credit Corporation Charter Act, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on June 2, 1949, present to the President, for his approval, a bill of the House of the following title:

H. R. 1357. An act to authorize the establishment of the St. Croix Island National Monument, in the State of Maine.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 7, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

668. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal Home Loan Bank Administration and the Federal home loan banks for the fiscal year ended June 30, 1947 (H. Doc. No. 209); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

669. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to require the recordation of scrip, lieu selection, and similar rights"; to the Committee on Public Lands.

670. A letter from the Attorney General, transmitting a letter relating to the case of James Patrick Lynch, file No. A-3415507 CR 21869, and requesting that it be withdrawn from the cases now pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

671. A letter from the executive secretary, National Advisory Committee for Aeronautics, transmitting a draft of proposed legislation entitled "A bill to promote the national defense by authorizing specifically certain functions of the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, and for other purposes"; to the Committee on Armed Services.

672. A letter from the Secretary of Commerce, transmitting the seventh quarterly report, required under the Second Decontrol Act of 1947, on export control and allocation

powers; to the Committee on Banking and Currency.

673. A letter from the Acting Secretary of the Navy, transmitting a list of organizations, nonprofit and eligible, which have requested donations of material from the Navy Department under the provisions of section 2 of Public Law 649, Seventy-ninth Congress, approved August 7, 1946; to the Committee on Armed Services.

674. A letter from the Acting Secretary of Commerce, transmitting certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by the United States military forces at six public airports; to the Committee on Interstate and Foreign Commerce.

675. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill for the administration of Indian livestock loans, and for other purposes"; to the Committee on Public Lands.

676. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases"; to the Committee on Public Lands.

677. A letter from the assistant to the Attorney General, transmitting a draft of a proposed bill entitled "A bill to require a witness seeking immunity from prosecution under certain acts to claim his privilege against self-incrimination"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DURHAM: Committee of conference. H. R. 2663. A bill to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes (Rept. No. 725). Ordered to be printed.

Mr. MADDEN: Committee on Rules. House Resolution 239. Resolution for consideration of H. R. 2785, a bill to provide for further contributions to the International Children's Emergency Fund; without amendment (Rept. No. 726). Referred to the House Calendar.

Mr. BUCKLEY of New York: Committee on Public Works. H. R. 1154. A bill to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes; with an amendment (Rept. No. 727). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Public Works. H. R. 1771. A bill relating to loans by Federal agencies for the construction of certain public works; without amendment (Rept. No. 728). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Education and Labor. H. R. 3191. A bill to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes; with an amendment (Rept. No. 729). Referred to the Committee of the Whole House on the State of the Union.

Mr. McGUIRE: Committee on Interstate and Foreign Commerce. H. R. 3511. A bill to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33°53'36" west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream; without amendment (Rept. No. 730). Referred to the Committee of the Whole House on the State of the Union.

Mr. KARST: Committee on Post Office and Civil Service. H. R. 4295. A bill to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948; with an amendment (Rept. No. 731). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Education and Labor. House Joint Resolution 228. Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; without amendment (Rept. No. 732). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. Senate Joint Resolution 53. Joint resolution to provide for the reforestation and revegetation of the forest and range lands of the national forests, and for other purposes; without amendment (Rept. No. 733). Referred to the Committee of the Whole House on the State of the Union.

Mr. LEMKE: Committee on Public Lands. H. R. 4424. A bill to provide for the settlement of certain parts of Alaska by war veterans; with an amendment (Rept. No. 734). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE:

H. R. 4997. A bill to create in the Department of Labor a Bureau of Accident Prevention for the purpose of promoting and maintaining safe and healthful conditions of employment in hazardous industries affecting commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. ELLIOTT:

H. R. 4998. A bill to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid; to the Committee on Veterans' Affairs.

By Mr. HAGEN:

H. R. 4999. A bill to provide that the Veterans' Administration shall furnish the children of certain deceased veterans medical, hospital, and domiciliary care; to the Committee on Veterans' Affairs.

By Mr. TEAGUE (by request):

H. R. 5000. A bill to increase the compensation schedules for certain officers and employees of the Federal Government and the municipal government of the District of Columbia, to provide for making a survey of position classification and efficiency rating, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H. R. 5001. A bill to provide greater security to certain disabled veterans who are permanent classified civil-service employees of the United States; to the Committee on Post Office and Civil Service.

H. R. 5002. A bill to incorporate the Reserve Officers Association of the United States; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 5003. A bill to authorize War Assets Administration or its successor to reimburse the people of the State of New York for certain lands at Manhattan Beach, Kings County, N. Y., in pursuance of an agreement between the people of the State of New York and the Government of the United States; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. R. 5004. A bill to accord privileges of free importation to members of the armed forces of other United Nations; to the Committee on Ways and Means.

By Mr. GOLDEN:

H. R. 5005. A bill to amend the Railroad Retirement Act of 1937 to permit retirement regardless of age, to permit payment of widow's insurance annuities regardless of age, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. JAVITS:

H. R. 5006. A bill to establish authority relating to the seizure, use, and operation by the United States of certain plants, mines, and facilities in the event of a national emergency due to strikes, lock-outs, and stoppages of production, and for other purposes; to the Committee on Education and Labor.

By Mr. KILDAY:

H. R. 5007. A bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; to the Committee on Armed Services.

By Mr. LESINSKI (by request):

H. R. 5008. A bill to amend the National Labor Relations Act; to the Committee on Education and Labor.

By Mr. O'BRIEN of Michigan:

H. R. 5009. A bill to promote the economic welfare of the countries of North and South America; to the Committee on Ways and Means.

H. R. 5010. A bill to authorize the expenditure of $5,000,000,000 through the Federal Works Agency to provide for needed public improvements and to promote full employment; to the Committee on Public Works.

By Mr. HAVENNER:

H. R. 5011. A bill to extend the benefits of the Longshoremen's and Harbor Workers' Act to employees covered by the Federal Employers' Liability Act, and to repeal the Federal Employers' Liability Act; to the Committee on Education and Labor.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama, memorializing the President and the Congress of the United States to extend the rights and privileges of veterans of World War II under title V of the Servicemen's Readjustment Act of 1944; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Alabama, relating to the establishment of a flood-control project on the Alabama River in the vicinity of Montgomery, Ala.; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Oklahoma, relating to the appointment of Hon. Henry Sixkiller Knight as principal chief of the Cherokee Nation; to the Committee on Public Lands.

Also, memorial of the Legislature of the State of South Carolina, memorializing the President and the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 5012. A bill for the relief of Francesca Teresa Mancinelli; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 5013. A bill for the relief of José A. García Galarza and his wife María Sobrino Pérez de García Galarza; to the Committee on the Judiciary.

H. R. 5014. A bill for the relief of Ruperto Varela Canosa, his wife María del Carmen Menéndez de Varela Canosa, and his sons Ivan Ruperto Varela Menéndez and Igor Félix Varela Menéndez; to the Committee on the Judiciary.

H. R. 5015. A bill for the relief of José Vázquez San Martín and his wife María de los Angeles Crespo de Vázquez San Martín; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 5016. A bill for the relief of Mrs. Virginia Dalla Rosa Prati and her minor son, Rolando Dalla Rosa Prati; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 5017. A bill for the relief of Ng Soo Lip and Ng Yut Chee; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 5018. A bill for the relief of the New Amsterdam Casualty Co.; to the Committee on the Judiciary.

H. R. 5019. A bill for the relief of Fella H. Holbrook; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 5020. A bill for the relief of Dr. Miguel Capo; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 5021. A bill for the relief of Raimondo Carneglias; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5022. A bill for the relief of Henry Leonard Hoffman; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 5023. A bill for the relief of Fede Vita Guzzardi; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 5024. A bill for the relief of Salvatore Tandurella; to the Committee on the Judiciary.

By Mr. POTTER:

H. R. 5025. A bill granting authority to the Secretary of the Army to renew the license of the Ira D. Maclachlan Post, No. 3, the American Legion, Sault Ste. Marie, Mich., to use a certain parcel of land in Fort Brady Reservation; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1012. By Mr. O'BRIEN of Michigan: Petition of Michigan Society, Sons of the American Revolution, for investigation of subversive textbooks and teaching material; to the Committeee on Rules.

1013. By Mr. PETERSON: Memorial of the Legislature of the State of Florida recommending to the Congress of the United States the carrying into effect of the administrative recommendations of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

1014. Also, petition of Chester Hillebert, Zephyrhills, Fla., and others, requesting the passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce, and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1015. By the SPEAKER: Petition of Ulster County Tuberculosis and Health Association, Kingston, N. Y., stating their opposition to the national health program; to the Committee on Interstate and Foreign Commerce.

1016. Also, petition of the General Alliance of Unitarian and Other Liberal Christian Women, Boston, Mass., urging the carrying out of the recommendations of the report of the President's Commission on Civil Rights by establishing a permanent Commission on Civil Rights within the executive branch of the Government; to the Committee on the Judiciary.

1017. Also, petition of Mrs. James H. Wolfe, the General Alliance of Unitarian and Other Liberal Christian Women, Boston, Mass., requesting passage of legislation to provide a long-range integrated program for the rehabilitation of Navajo and other American Indians, including the bills S. 1407 and H. R. 3476; to the Committee on Public Lands.

1018. Also, petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., relative to presenting 13 petitions containing a total of 488 signatures for L. Everett Gest, General Welfare Federation of America Club for the State of New Jersey, requesting legislation to increase social-security and old-age benefits and the lowering of the retirement age to 60 years; to the Committee on Ways and Means.

1019. Also, petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., relative to presenting 5 petitions containing total of 104 signatures for L. W. Lewis, of Liberty Pension Club, No. 8, Buffalo, N. Y., endorsing H. R. 2620, calling for an old-age pension; to the Committee on Ways and Means.

1020. Also, petition of Mrs. Chas. H. Nutting and others, Ormond, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1021. Also, petition of George Fuller and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1022. Also, petition of Mrs. L. C. Zimmerman and others, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1023. Also, petition of W. A. Bloom and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1024. Also, petition of F. J. Dock and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1025. Also, petition of Mrs. Della Mae Smith and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1026. Also, petition of Mr. and Mrs. C. Grandlee and others, Lakeland, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1027. Also, petition of Orlando Townsend Club, No. 2, Orlando, Fla., requesting passage of H. R. 2135, and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1028. Also, petition of Mrs. Jeannette Kellogg and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1029. Also, petition of Lillian R. Pfeiffer and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1030. Also, petition of Mrs. R. Mae Clayton and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, JUNE 7, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God: In these vernal days, thrilling and throbbing with the loveliness of spring, we thank Thee for every sacrament of beauty of which our enraptured senses partake. Thou hast called us to play our part in a day of crisis and destiny. May we not be found wanting. Save us from being little men in a big day. Forgetting the unworthy things that are behind and stretching forth to the better things of a fairer world which are before, enable us to lay aside the weight of prejudice and the covetous sins that do so easily beset us, as with glad and eager feet we march with those who go to free and not to bind, to develop and not to rule, to cooperate and not to dominate, until the knowledge of the Lord, who is no respecter of persons, shall cover the earth as the waters now cover the sea. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 6, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1270) to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 173. An act to amend the Organic Acts of Hawaii and Puerto Rico to prevent the loss of nationality of certain persons declared to be citizens of the United States under said acts;

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 1694. An act to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects;

H. R. 2121. An act to direct the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials;

H. R. 2170. An act authorizing changes in the classification of Crow Indians;

H. R. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility;

H. R. 2501. An act authorizing and directing the United States Fish and Wildlife Service of the Department of the Interior to undertake a continuing study of the shad, alosa sapidissima, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such Service may recommend to the several States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of this valuable food fish and for increasing the abundance and promoting the wisest utilization thereof;

H. R. 2610. An act to include in section 16 of the act of June 18, 1934 (48 Stat. 984), the Midwakanton and Wahpekute Sioux Indians of the State of Minnesota;

H. R. 2634. An act to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 2783. An act to authorize the Secretary of the Interior to convey a certain parcel of land, with improvements, to the city of Alpena, Mich.;

H. R. 3046. An act to authorize the expansion of facilities at the Cape Vincent, N. Y., fish cultural station;

H. R. 3111. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and section 118 thereof and all acts and parts of acts inconsistent therewith;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session;

H. R. 3756. An act to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4252. An act to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale;

H. R. 4384. An act to provide for the appointment of female doctors and specialists in the Medical Department of the Army, and for other purposes;

H. R. 4387. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Treasury Department;

H. R. 4493. An act to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes;

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations;

H. J. Res. 33. Joint resolution for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes;

H. J. Res. 202. Joint resolution to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes;

H. J. Res. 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938;

H. J. Res. 238. Joint resolution to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; and

H. J. Res. 241. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1949, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Humphrey	Murray
Baldwin	Hunt	Myers
Bricker	Ives	Neely
Butler	Jenner	O'Mahoney
Chapman	Johnson, Tex.	Pepper
Chavez	Johnston, S. C.	Reed
Cordon	Kem	Robertson
Donnell	Kerr	Russell
Downey	Kilgore	Saltonstall
Ecton	Langer	Schoeppel
Ellender	Lodge	Smith, Maine
Ferguson	Long	Sparkman
Flanders	Lucas	Taft
Frear	McCarran	Taylor
Fulbright	McCarthy	Thomas, Utah
George	McFarland	Thye
Gillette	McGrath	Vandenberg
Graham	McKellar	Wherry
Green	McMahon	Wiley
Gurney	Malone	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	
Hill	Millikin	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from Illinois [Mr. DOUGLAS], the Senator from Colorado [Mr. JOHNSON], the Senator from Arkansas [Mr. MCCLELLAN], the Senators from Maryland [Mr. O'CONOR and Mr. TYDINGS], the Senator from Mississippi [Mr. STENNIS], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business in meetings of committees of the Senate.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Idaho [Mr. MILLER], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Florida [Mr. HOLLAND], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. CAPEHART], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

CONTINUATION OF ECONOMIC ASSISTANCE TO REPUBLIC OF KOREA—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 212)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and referred to the Committee on Foreign Relations.

(For President's message, see today's proceedings of the House of Representatives on p. 7358.)

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and place in the RECORD routine matters, as though the Senate were in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred, as indicated:

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF INTERIOR (S. DOC. NO. 80)

A communication from the President of the United States, transmitting supplemental estimates of appropriation, amounting to $1,121,166, contract authorization in the amount of $1,675,000, and drafts of proposed provisions for the Department of the Interior, in the form of amendments to the Budget, fiscal year 1950 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

RECORDATION OF SCRIP, LIEU SELECTION, AND SIMILAR RIGHTS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to require the recordation of scrip, lieu selection and similar rights (with accompanying papers); to the Committee on Interior and Insular Affairs.

ADMINISTRATION OF INDIAN LIVESTOCK LOANS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the administration of Indian livestock loans and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

LEASING OF RESTRICTED INDIAN LANDS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DONATIONS BY NAVY DEPARTMENT TO NONPROFIT INSTITUTIONS AND ORGANIZATIONS

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, a list of institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department; to the Committee on Armed Services.

REPORT ON EXPORT CONTROL AND ALLOCATION POWERS

A letter from the Secretary of Commerce, transmitting, pursuant to law, the seventh quarterly report on export control and allocation powers (with an accompanying report); to the Committee on Banking and Currency.

REHABILITATION AND REPAIR OF DAMAGES CAUSED BY MILITARY FORCES AT PUBLIC AIRPORTS

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, certifications of the cost of rehabilitation and repair of damages caused by the United States military forces at six public airports (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

JURISDICTION OF LANDS BENEATH NAVIGABLE WATERS

A letter signed by the Secretary of Defense, the Attorney General, and the Secretary of the Interior, transmitting a draft of proposed legislation relating to the rights of the several States in lands beneath inland navigable waters and to the recognition of equities in submerged coastal lands adjacent to the shores of the United States, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

AUDIT REPORT OF FEDERAL HOME LOAN BANK ADMINISTRATION AND FEDERAL HOME LOAN BANKS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Federal Home Loan Bank Administration and the Federal home loan banks, for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

WILLOW RIVER POWER COMPANY *v.* UNITED STATES

A letter from the clerk of the Court of Claims of the United States, transmitting, pursuant to Senate Resolution 231, of May 24, 1948, a copy of the opinion rendered by that court in the case of the Willow River Power Co. (with an accompanying opinion); to the Committee on the Judiciary.

J. B. MCCRARY COMPANY, INC., *v.* UNITED STATES

A letter from the clerk of the Court of Claims of the United States, transmitting, pursuant to Senate Resolution 122, of June 16, 1947, a copy of the opinion rendered by that court in the case of *J. B. McCrary Company, Inc.*, v. *The United States* (with an accompanying opinion); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from the Kentucky section of the American Society of Civil Engineers, signed by C. L. Cowan, secretary-treasurer, of Jeffersontown, Ky., relating to stream-pollution abatement in the Ohio River Basin; to the Committee on Interstate and Foreign Commerce.

A letter in the nature of a petition from the General Alliance of Unitarian and Other Liberal Christian Women, of Boston, Mass., signed by Carolyn Wolfe, chairman, resolution committee, relating to the integration of minority groups into the national life; to the Committee on the Judiciary.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., relating to monetary relief and restitution to owners of property caused by the flooding of Palolo Stream; to the Committee on the Judiciary.

A telegram in the nature of a petition from Longshore and Allied Workers, ILWU, local 136; United Sugar Workers, ILWU, local 142; Warehouse Manufacturing and Allied Workers, ILWU, local 150; and Pineapple and Cannery Workers, ILWU, local 152, of Honolulu, T. H., relating to the labor-management situation in Hawaii; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Iowa State Dental Society, of Des Moines, Iowa; the House of Delegates of the Illinois State Medical Society, of Monmouth, Ill.; the Maine Dental Hygienists' Association, of Augusta, Maine; the North Carolina Dental Hygienists' Association, of Charlotte, N. C.; the Northern District Dental Society, of Atlanta, Ga.; the Norfolk County Medical Society, of Norfolk, Va.; the Ulster County (N. Y.) Tuberculosis and Health Association, of Kingston, N. Y.; the Warren County Medical Society, of Glens Falls, N. Y.; the Woman's Auxiliary to the Medical Society of Kentucky, Mount Vernon, Ky.; and the Board of Directors of the Bethesda Hospital Society, of Goessel, Kans., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

By Mr. PEPPER:

A resolution of the Senate of the State of Florida; to the Committee on Agriculture and Forestry:

"Senate Resolution 1122

"Resolution requesting the Congress of the United States of America to enact into law immediately the necessary legislation requiring the Forest Service of the United States Department of Agriculture or any other governmental agency having title thereto, to sell or exchange certain lands in the Apalachicola National Forest

"Whereas the Apalachicola National Forest has within its boundary approximately 55 percent of the total acreage of Liberty County, Fla., also a larger percentage of the total acreage in Wakulla County, and practically all of the lands that are suitable for agricultural and improved pasture purposes; and

"Whereas it is absolutely impossible for any progress to be made in the agricultural and livestock industry, or any other industry in this entire area due to the fact the Government will not sell or otherwise dispose of any of its fertile lands in the Apalachicola National Forest; and

"Whereas the United States procured the lands in question approximately 10 years ago from large landowners at a price of from $1 to $2.75 per acre; and

"Whereas this property has never at any time been made available to the citizen of small or average means for the development of farms or improved pasture; and

"Whereas this land in question has always been sold in large blocks which prohibited the average citizen from acquiring the same and the development of farms and pastures were thereby prevented; and

"Whereas the United States Forest Service has sold and permitted to be cut and removed from the lands in question, a sufficient amount of merchantable saw timber, pulpwood, tarwood, etc., to more than reimburse the Government for the original purchase price, plus all improvements; and

"Whereas a considerable amount of these lands are ideal for growing tobacco, sugar cane, potatoes, corn, beans, and many other general agricultural products, also ideal for improved pastures for cattle; and

"Whereas during the 1947 session of the Florida Legislature, the adjoining counties of Gadsden and Leon passed a local no-fence law; and

"Whereas the 1949 legislature has passed a State-wide no-fence law; and

"Whereas all livestock will have to be placed under fence, and within the area of the Apalachicola National Forest which includes practically all the lands in the south half of Liberty County, there will be no lands owned by individuals, and it will become necessary that many thousands of cattle, hogs, etc., now in the area will have to be disposed of as there will be no lands available upon which to graze cattle; and

"Whereas the financial structure of Liberty County and Wakulla County, Fla., need additional lands for tax purposes as well as for development and progress within the area which will give the counties in question a balanced economy, and as long as the areas that are suitable for development is owned by the Federal Government and cannot be used for any purpose toward the development of the area, the counties will never make any progress and development; and

"Whereas it is the expressed desire and urgent request of the citizens in the area that United States Senator CLAUDE PEPPER, United States Senator SPESSARD L. HOLLAND and Representative BOB SIKES of the Third Congressional District of Florida recognize the deplorable conditions now confronting their constituency in this area, and take immediate action to comply fully with the provisions contained in this resolution by introducing and enacting into law at the earliest possible date, the necessary legislation to meet the objective: Now, therefore, be it

"*Resolved by the Senate of the State of Florida:*

"1. That the Congress of the United States be requested to pass the necessary legislation requiring the Forest Service of the United States Department of Agriculture or any other governmental agency having title to said lands, to sell or exchange said lands to and with individuals, firms or corporations, however, only to such applicants as may be approved by a committee which shall consist of three members, namely: One member to be appointed by both United States Senators and the Congressman from the Third District, said member to reside in area lands are located, one member of the board of county commissioners in which commissioner's district the lands are located, and the State senator of the fifth senatorial district of Florida, any acreage from 1 acre to 3,840 acres, but not to exceed 3,840 acres to any one individual, firm, or private corporation, at a price not to exceed the original purchase price which the United States Government paid for such lands as hereinafter described in the Apalachicola National Forest, to wit:

"All that part of the Apalachicola National Forest in Liberty County, Fla., that is south and west of the following line: Begin at the northwest corner of section 4 of township 3 south, range 8 west, and run east to the northeast corner of section 1 of township 3 south, range 8 west; thence run south on the range line between ranges 7 and 8 west to the southeast corner of section 12 of township 5 south, range 8 west; thence run east to the northeast corner of section 16 of township 5 south, range 7 west; thence run south to the Liberty-Franklin County line.

"All that part of the Apalachicola National Forest that is now in Franklin County, Fla.

"All that part of the Apalachicola National Forest in Wakulla County, Fla., described as follows: Begin at the Leon-Wakulla County line and lying east of the Ochlocknee River, and west of State Road 375, south-southeast to the intersection State Road 375 and State Road 377 at Sopchoppy; thence south along said State Road 377 to the Ochlocknee River.

"Also all Government lands in township 4 south, range 2 west—Wakulla County.

"2. That a certified copy of this resolution be transmitted to each of the following: Hon. CLAUDE PEPPER and Hon. SPESSARD L. HOLLAND, both United States Senators from Florida, and the Honorable BOB SIKES, Member of the House of Representatives of the United States from the Third District of Florida.

"I hereby certify that the above and foregoing is a true and correct copy of Senate Resolution 1132, introduced in the senate by Senator Tucker of the fifth senatorial district, and unanimously adopted by the senate on June 2, 1949, as more fully appears from the journal of the senate of said date.

"NEWMAN C. BRACKIN,
"President of the Senate.

"Attest:
[SEAL] "ROBT. W. DAVIS,
"Secretary of the Senate."

CONNECTICUT VALLEY AUTHORITY—RESOLUTION OF SENATE OF CONNECTICUT

Mr. McMAHON. Mr. President, I present for appropriate reference and printing in the RECORD a resolution adopted by the Senate of Connecticut, favoring the enactment of legislation to establish in the Connecticut Valley a unified planning and development administration similar to the Tennessee Valley Authority.

The resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolved by this assembly:

Whereas the tremendous losses to the Connecticut Valley, its environs, and the Nation from floods and pollution and from the failure to develop to the fullest the potentialities of the Connecticut River and its tributaries for power production, city supply, recreational, and other purposes, and the attendant business and industrial losses, are matters of common knowledge; and

Whereas techniques of governmental administration for the multi-purpose development of river valleys have now been thoroughly tried and tested in various areas of the country, and with the most conspicuous and enduring success in the Tennessee Valley: Now, therefore, be it

Resolved by this senate, That it urge the Congress of the United States to take measures with the greatest dispatch to establish in the Connecticut Valley a unified planning and development administration like that of the Tennessee Valley Authority adapted as local conditions may require to promote the greatest wealth and prosperity of the region and the Nation; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of the State of Connecticut, to the President of the United States and to all Senators and Representatives for the State of Connecticut now serving in the National Congress.

Given under my hand and the seal of the State, this 2d day of May A. D. 1949.

[SEAL] CHESTER BOWLES,
Governor.

By His Excellency's command:
WINNIFRED MCDONALD,
Secretary.

TERRITORIAL INTEGRITY OF IRELAND—RESOLUTION OF UNITED IRISH-AMERICAN SOCIETIES, NEW YORK

Mr. LANGER. Mr. President, I present for appropriate reference a resolution unanimously adopted by delegates to the United Irish-American Societies of New York, N. Y., May 25, 1949, relating to the territorial integrity of Ireland, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the English Government (known officially as the Government of the United Kingdom) passed into law in the London Parliament in 1920 an act which violated the territorial integrity of Ireland by setting up a spite fence, called a boundary, around six of the northeastern Irish counties, cutting them off from the rest of Ireland; and

Whereas not a single representative of an Irish constituency, not even the Unionists then sitting in the English Parliament, voted for this dismemberment of the Irish nation, for which the English Government was and is alone responsible; and

Whereas the English Government has shown by the introduction of the Ireland bill, which has been given a second reading in the House of Commons, its determination not to undo this gross injustice and its desire to transfer the responsibility for it to the puppet government which it established in Belfast after Ireland had been divided and to which it now wants to give the appearance of permanence; and

Whereas the vast gifts and loans which the English Government has received and is receiving from the public funds of the United States, at the expense of the American taxpayers, are used in part to subsidize and support the puppet government in Belfast and keep the people of Ireland from uniting while the English Government professes an intense interest in the unification of the nations of western Europe against communism; and

Whereas in addition to the financial aid which the English Government is receiving from the United States, which enables it to continue its policy of division and discord in Ireland, a cunning attempt is being made, through a provision in article 4 of the Atlantic Pact (which would guarantee for the next 20 years the territorial integrity and political independence of the nations subscribing to the pact) to maneuver the United States Government into the position of supparting the partition of Ireland and making American armed forces available for the defence of the puppet government in Belfast: Therefore be it

Resolved, That we, as citizens and taxpayers, speaking with authority for the organizations affiliated with the United Irish-American Societies of New York, protest against the use of the money of the American people for the furtherance of England's imperialistic policy in Ireland, which is a negation of the principles enunciated by this country's spokesmen in wartime, and we earnestly request the Committee on Foreign Relations of the United States Senate and that body, when the Atlantic Pact comes before it for ratification, to amend article 4 of the pact in such a way as to keep the Government and the people of the United States from being made sharers in the responsibility of the maintenance of the unjust partition of Ireland for the next 20 years and defenders of the puppet government of Northern Ireland, which has functioned since its inception as a ruthless and bigoted despotism in violation of the principles proclaimed in the "four freedoms" and the Atlantic Charter.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FREAR, from the Committee on Post Office and Civil Service:

S. 689. A bill to permit certain postal employees or substitute postal employees to receive credit for military service; with an amendment (Rept. No. 471).

By Mr. SPARKMAN, from the Committee on Banking and Currency:

S. 525. A bill to remove restrictions upon loans by Federal agencies to finance the construction of certain public works; without amendment (Rept. No. 470).

By Mr. TAYLOR, from the Committee on Banking and Currency:

S. 803. A bill to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard Armory; with amendments (Rept. No. 473).

By Mr. MCCARRAN, from the Committee on the Judiciary:

S. 1730. A bill to authorize the purchase of additional farming land for Leavenworth Penitentiary; with an amendment (Rept. No. 472).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 2859. A bill to authorize the sale of public lands in Alaska; with an amendment (Rept. No. 474).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 2000. A bill to adjust the salaries of certain railway postal clerks who were not promoted from a substitute position to a regular position before July 1, 1945; to the Committee on Post Office and Civil Service.

By Mr. THYE:

S. 2001. A bill to amend section 7 (c) of the Fair Labor Standards Act of 1938; to the Committee on Labor and Public Welfare.

By Mr. THYE (for himself and Mr. MCCARTHY):

S. 2002. A bill to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes; to the Committee on Public Works.

By Mr. HENDRICKSON:

S. 2003. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MCCARRAN:

S. 2004. A bill to provide for Federal loans and grants for the construction, remodeling, improvement, and extension of school facilities; to the Committee on Labor and Public Welfare.

By Mr. LODGE (for himself and Mr. SALTONSTALL):

S. 2005. A bill to authorize a preliminary examination and survey of the Mystic River, Mass., for flood control and for other purposes; to the Committee on Public Works.

(Mr. MAYBANK (for himself, Mr. TOBEY, and Mr. IVES) introduced Senate bill 2006, to amend the Home Owners' Loan Act of 1933, with respect to Federal savings and loan associations, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. TAYLOR introduced Senate bill 2007, to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes, was re-

ferred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

By Mr. THOMAS of Utah (by request):

S. 2008. A bill to consolidate certain hospital, medical, and public-health functions of the Government in a united medical administration; to the Committee on Labor and Public Welfare.

By Mr. GEORGE:

S. 2009. A bill for the relief of J. B. McCrary Co., Inc., and for other purposes; to the Committee on the Judiciary.

S. 2010. A bill to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property; to the Committee on Finance.

By Mr. THOMAS of Oklahoma:

S. 2011. A bill providing for the support of prices of wheat produced in 1949; to the Committee on Agriculture and Forestry.

AMENDMENT OF HOME OWNERS' LOAN ACT OF 1933

Mr. MAYBANK. Mr. President, on behalf of the Senator from New Hampshire [Mr. TOBEY], the Senator from New York [Mr. IVES], and myself, I introduce a bill to amend the Home Owners' Loan Act of 1933, with respect to Federal savings and loan associations. The reason for introducing this bill is that a similar bill has been introduced in the House by Representative SPENCE, of Kentucky, and we desire to hold hearings as soon as possible on this bill in order that the State and National situations, as they affect each other, may be better known to the committee, and in order that we may have consideration, through the committee, of the advisability of enacting such legislation.

The bill (S. 2006) to amend the Home Owners' Loan Act of 1933, with respect to Federal savings and loan associations, introduced by Mr. MAYBANK (for himself, Mr. TOBEY, and Mr. IVES), was read twice by its title, and referred to the Committee on Banking and Currency.

AMENDMENT OF IDAHO ADMISSION ACT RELATING TO CERTAIN PUBLIC LANDS FOR EDUCATIONAL PURPOSES

Mr. TAYLOR. Mr. President, on March 11, 1949, I introduced Senate bill 1225, to amend the Act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes. I now introduce for proper reference a bill to replace Senate bill 1225, and ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of Senate bill 1225, and that it be indefinitely postponed.

The VICE PRESIDENT. The bill introduced by the Senator from Idaho will be received and appropriately referred, and, without objection the Committee on Interior and Insular Affairs will be discharged from the further consideration of Senate bill 1225, and it will be indefinitely postponed. The Chair hears no objection.

The bill (S. 2007) to amend the Act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such Act for educational purposes, was read twice by its title and referred to the Committeee on Interior and Insular Affairs.

PRINTING OF REPORT ON FEDERAL-STATE RELATIONS BY COUNCIL OF STATE GOVERNMENTS

Mr. McCLELLAN submitted the following resolution (S. Res. 124), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed as a Senate document the report on Federal-State Relations by the Council of State Governments, prepared for the consideration of the Commission on Organization of the Executive Branch of the Government; and that 2,000 additional copies be printed for the use of the Senate Committee on Expenditures in the Executive Departments.

INQUIRY INTO PROGRESS OF DENAZIFICATION PROGRAM IN AMERICAN ZONE IN GERMANY

Mr. PEPPER (for himself, Mr. GILLETTE, Mr. HENDRICKSON, and Mr. IVES) submitted the following resolution (S. Res. 125), which was referred to the Committee on Foreign Relations:

Resolved, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation of all matters relating to the conduct and status of the denazification program in the zone of Germany under occupation by the United States, especially as concerns (a) the result of transferring responsibility for denazification to the German authorities; (b) whether or not there is infiltration of former Nazis, Nazi supporters and other antidemocratic elements into renazification tribunals; (c) whether or not former Nazis and other antidemocratic elements have been eliminated from high position in public office and the economic life of Germany; (d) whether or not there has been reinstatement of thousands of Nazi teachers to former or higher positions in the Bavarian and other public school systems; (e) whether or not there is resurgence of intensive anti-Semitism and militant nationalism in the United States zone; (f) whether or not there is a rise of strong new political parties based on Nazi doctrine and militarism; (g) whether or not there has been reappearance of Nazi-type propaganda in the German press; (h) whether or not there is development in the German youth of appreciation of and devotion to democratic institutions; and to report with expedition its findings, together with such recommendations as it deems proper, to the Senate.

SEC. 2. For the purposes of this resolution, the Committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eighty-first Congress, as to employ upon a temporary basis such technical, clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The committee is authorized, with the consent of the head of the department or agency concerned, to utilize the service, information, and facilities of any of the departments or agencies of the Government. The expenses of the Committee under this resolution, which shall not exceed , shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee.

INCORPORATION OF RESERVE OFFICERS OF UNITED STATES—ADDITIONAL COSPONSOR OF BILL

Mr. BRICKER. Mr. President, I ask unanimous consent that the Senator from New Hampshire [Mr. BRIDGES] be joined as a cosponsor of Senate bill 1986, to incorporate the Reserve Officers Association of the United States.

The VICE PRESIDENT. Without objection, it is so ordered.

FERNANDO GERASSI ET AL.—INDEFINITE POSTPONEMENT OF BILL

Mr. KILGORE. Mr. President, Senate bills 1155 and 1199, for the relief of Fernando Gerassi, Estefania Maria Gerassi, and John Gerassi, are pending before the Committee on the Judiciary, both introduced by me. The bills are identical. I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of Senate bill 1199, and that it be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred, as indicated:

H. R. 173. An act to amend the Organic Acts of Hawaii and Puerto Rico to prevent the loss of nationality of certain persons declared to be citizens of the United States under said acts;

H. R. 1694. An act to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects;

H. R. 2121. An act to direct the Secretary of the Interior to convey abandoned school properties in the Territory of Alaska to local school officials;

H. R. 2170. An act authorizing changes in the classification of Crow Indians;

H. R. 2610. An act to include in section 16 of the act of June 18, 1934 (48 Stat. 984), the Mdewakanton and Wahpekute Sioux Indians of the State of Minnesota;

H. R. 2783. An act to authorize the Secretary of the Interior to convey a certain parcel of land, with improvements, to the city of Alpena, Mich.;

H. R. 4000. An act to amend section 16 of the Hawaiian Organic Act relative to disqualification of legislators;

H. R. 4586. An act to authorize the government of the Virgin Islands or any municipality thereof to issue bonds and other obligations; and

H. J. Res. 33. Joint resolution for the ratification by Congress of a contract for the purchase of certain Indian lands by the United States from the Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., and for other related purposes; to the Committee on Interior and Insular Affairs.

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 2417. An act to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valpariso, Fla., near Eglin Air Force Base, as a recreational facility;

H. R. 3155. An act to amend Public Law 885, Eightieth Congress, chapter 813, second session; and

H. R. 4384. An act to provide for the appointment of female doctors and specialists in the Medical Department of the Army, and for other purposes; to the Committee on Armed Services.

H. R. 2501. An act authorizing and directing the United States Fish and Wildlife Service of the Department of the Interior to undertake a continuing study of the shad, alosa sapidissima, of the Atlantic coast with respect to the biology, propagation, and abundance of such species to the end that such Service may recommend to the several States of the Atlantic coast through the Atlantic States Marine Fisheries Commission appropriate measures for arresting the decline of this valuable food fish and for increasing the abundance and promoting the wisest utilization thereof;

H. R. 2634. An act to provide transportation of passengers and merchandise on Canadian vessels between Skagway, Alaska, and other points in Alaska, between Haines, Alaska, and other points in Alaska, and between Hyder, Alaska, and other points in Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation;

H. R. 3046. An act to authorize the expansion of facilities at the Cape Vincent, N. Y., fish cultural station;

H. R. 4252. An act to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service; and

H. J. Res. 202. Joint resolution to amend the act of August 8, 1946, relating to investigation and eradication of predatory sea lampreys of the Great Lakes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 3111. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and section 118 thereof and all acts and parts of acts inconsistent therewith;

H. R. 4387. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Treasury Department;

H. J. Res. 238. Joint resolution to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; and

H. J. Res. 241. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1949, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

H. R. 3756. An act to amend the Civil Service Retirement Act of May 29, 1930, to provide that the annuities of certain officers and employees engaged in the enforcement of the criminal laws of the United States shall be computed on the basis of their average basic salaries for any five consecutive years of allowable service; and

H. R. 4498. A bill to amend section 6 of the act of April 15, 1938, to expedite the carriage of mail by granting additional authority to the Postmaster General to award contracts for the transportation of mail by aircraft upon star routes; to the Committee on Post Office and Civil Service.

H. J. Res. 208. Joint resolution to amend the joint resolution creating the Niagara Falls Bridge Commission, approved June 16, 1938; to the Committee on Foreign Relations.

ADDRESS BY SENATOR GRAHAM AT GRADUATION EXERCISES OF THE UNIVERSITY OF NORTH CAROLINA

[Mr. HOEY asked and obtained leave to have printed in the RECORD the Commencement Address delivered by Senator GRAHAM at the University of North Carolina on June 6, 1949, which appears in the Appendix.]

ADDRESS BY OSCAR L. CHAPMAN AT FRANKLIN D. ROOSEVELT MEMORIAL SERVICES

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address by Hon. Oscar L. Chapman, Under Secretary of the Interior, at the memorial services for Franklin D. Roosevelt at Hyde Park, N. Y., May 30, 1949, which appears in the Appendix.]

GOVERNMENT WHEAT FILLS STORAGE SPACE—EDITORIAL FROM KANSAS CITY (MO.) GRAIN MARKET REVIEW

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "Government Wheat Fills Storage Space," published in the Kansas City (Mo.) Grain Market Review of June 2, 1949, which appears in the Appendix.]

AMERICA AT THE CROSS ROADS—EXCERPT FROM ADDRESS BY G. E. BLEWETT

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an excerpt from an address delivered by G. E. Blewett, before the Kiwanis Club of Denton, Tex., on the subject American at the Cross Roads, which appears in the Appendix.]

POLITICS BEFORE PEACE—EDITORIAL FROM THE PITTSBURGH PRESS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Politics Before Peace," published in the Pittsburgh Press of June 5, 1949, which appears in the Appendix.]

TO THE VICTORS—EDITORIAL FROM THE SOMERSET (PA.) DAILY AMERICAN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "To the Victors," published in the Somerset (Pa.) Daily American of June 4, 1949, which appears in the Appendix.]

SOCIALISM IN GREAT BRITAIN—ARTICLES FROM LONDON DAILY TELEGRAPH

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD two articles from the London Daily Telegraph, one entitled "Abandoned Coal-to-Oil Plan Cost £3,000,000," and the other entitled "Nationalism Is Frustrating," which appear in the Appendix.]

GENERAL MOTORS REQUEST FOR BONUS APPROVAL BY SECURITIES AND EXCHANGE COMMISSION

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "General Motors Asks SEC O. K. on $20,000,000 Bonus," published in the Washington Times-Herald of June 2, 1949, which appears in the Appendix.]

UNITED STATES OCCUPATION POLICIES IN JAPAN AND GERMANY

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "VFW Head Flays 'Soft' Policies in the United States Occupation Forces," published in the Washington Times-Herald of May 8, 1949, and a radio address delivered by Commander in Chief Loyall T. Beggs, of the Veterans of Foreign Wars on May 7, 1949, which appear in the Appendix.]

A CIVIL RIGHTS BILL—EDITORIAL FROM THE NEW YORK TIMES

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an editorial entitled "A Civil Rights Bill," published in the New York Times of June 7, 1949 which appears in the Appendix.]

THE TAFT-HARTLEY LAW—EDITORIAL FROM WAUKESHA DAILY FREEMAN AND STATEMENT BY DEWITT EMERY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Waukesha Daily Freeman of May 4, 1949, and a statement by DeWitt Emery, president of the National Small Businessmen's Association, regarding the Taft-Hartley law, which appear in the Appendix.]

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSTON of South Carolina, the Subcommittee on Postal Rates of the Committee on Post Office and Civil Service was granted permission to meet during the session of the Senate today.

MEETING OF SUBCOMMITTEE ON BANKING AND CURRENCY

Mr. FREAR. I ask unanimous consent that a subcommittee of the Committee on Banking and Currency may hold a conference this afternoon at 2:30. I should like to extend an invitation to any Senator who may be interested to attend the meeting, which is to be held in the District of Columbia Committee room.

The VICE PRESIDENT. Is there objection to the request? The Chair hears none, and it is so ordered.

COMPARISON OF WAGNER ACT, TAFT-HARTLEY ACT, AND SENATE BILL 249

Mr. WILEY. Mr. President, I am not a member of the Committee on Labor and Public Welfare. I suppose that shortly we shall resume the consideration and discussion of the national labor policy. I have before me a comparison of the National Labor Relations Act, that is to say, the Wagner Act of 1935; the Labor-Management Act of 1947, known as the Taft Hartley Act; and Senate bill 249, the administration's labor-relations bill which was introduced by the Senator from Utah [Mr. THOMAS]. This comparison is nonpartisan. It sets forth in a very fine, comparative manner the various provisions of the three measures. It has been prepared by the National Small Business Men's Association. No conclusions are presented; it is simply a comparison.

I have been informed that in order to have this comparison placed on the desks of Senators, it will be necessary for me to obtain unanimous consent to that effect, in view of some regulation or rule which we have. So, Mr. President, I ask unanimous consent that I may be permitted to have this comparison circulated in the Senate Chamber and placed on the desks of Senators, because as we enter into the debate on the labor-relations bill, I feel that all of us should have the benefit of this comparative statement, in succinct form, which will bring much information and light to those of us in the Senate who have not had the privilege of serving on the Committee on Labor and Public Welfare. I ask such unanimous consent.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes.

Mr. McCARRAN. Mr. President, there is pending before the Senate, House bill 4016, making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Judiciary. I request the particular attention of the Senate, because this measure is the first appropriation bill which has come from the Senate Appropriations Committee to the floor of the Senate this year with a reduction in the amount of the appropriations allowed by the House of Representatives. I especially invite the attention of the Senate to the fact that the amount of the bill as passed by the House of Representatives was $684,616,106. The amount of the decrease recommended by the Senate committee is a net of $12,833,821; the amount of the bill as reported from the Senate Appropriations Committee to the Senate is $671,782,281.

There should be drawn to the attention of the Senate the further fact that the entire appropriation bill for 1949 for these agencies was in the amount of $599,704,390. I especially call attention to the further fact that the first and second deficiency appropriation bills for these agencies for 1949 increased that amount by $90,178,731, making a total of funds for those agencies available for the year 1949, inclusive of the deficiency allowances, of $697,892,121.

The bill now before the Senate, making appropriations for 1950, provides for appropriation allowances, as recommended by the committee, of $671,782,281. The bill in that amount, for appropriations for these agencies for the year 1950, the year following the current year, provides less than the corresponding appropriation for the current year, 1949, by $26,109,840. I especially invite the attention of the Senate to those figures, because they may become vital as the Senate proceeds with the consideration of the bill.

Mr. President, under the State Department appropriation there is what is known as the building fund. The building fund relates to a very extensive program for building and acquiring embassies abroad. The attention of the committee was particularly attracted by the fact that the full amount of the building fund—that is, for the building and acquisition of embassies abroad, extending over a period of years, of course—was a total of $239,633,847. Using the round number of $240,000,000, to be expended for the construction and acquisition of embassies abroad over a period of years, that figure, together with certain facts in relation to it, arrested the attention of the Committee on Appropriations, and especially the subcommittee which had this matter in hand. Our attention was especially arrested by the fact that in China it is proposed to expend, this year, $2,465,000 at the Embassy; in Finland, $400,000; in Hungary, $100,000; making a total of $2,965,000 to be expended in those three countries alone.

Today the American Ambassador to China is, or at least was just a few days ago, a prisoner at the Embassy; he was not allowed to leave the Embassy grounds. Yet it has been proposed that the United States put $2,465,000 in that Embassy, where our Ambassador has not been permitted to move at large; and indeed there is no telling, and no one can advise us, what will be the nature of the government of that country in a very short time. If I were to quote from the current press, perhaps I should say it appears that all China will shortly be under communistic control. If I were to quote from the current press, it would appear that all of Asia within a very short time will be under communistic control. Indeed if I were to quote further from the current press and from apparent authorities on the subject the Philippine Islands are now being inundated, if I may use that expression, by communism. Moreover, Japan is not to be regarded as free from that flow.

The subcommittee having the bill in charge believed that it was not a time for vast expenditures of money in countries behind the iron curtain, at least in countries where in many instances we were not even allowed in freedom to visit our own embassies. So the subcommittee reduced the appropriation by $2,965,000. The program of the State Department for buildings in these three countries is especially disallowed by the committee, and the additional reduction can be distributed by the Department. The Department of State has embarked on an ambitious 7-year program of acquiring buildings in foreign lands with an estimated total as I have already stated of $239,633,847. In some instances, elaborate buildings are being secured, and the Committee on Appropriations of the Senate is fearful that future maintenance and operation costs may exceed any savings which the Department might claim as the result of having its own quarters.

So, Mr. President, the subcommittee reduced this appropriation by $2,965,000. Following that, the full committee took the matter under consideration and reduced the entire sum from $20,000,000 approved by the House to a figure of $9,520,100. I justify that position and action of the Committee on Appropriations because at this time the people of the United States are spending not only millions but billions of dollars, if you please, abroad for the rehabilitation of peoples and countries. It seemed to us that this was a time when we could well afford to curtail expenditures along lavish lines, particularly in the matter of constructing embassies or building or acquiring palatial edifices abroad. Especially is that true of countries behind the iron curtain, or countries that may very shortly go behind the iron curtain—I believe China is one of those, and perhaps India is another—where we are not at liberty even to visit our own embassies, and where our own Ambassador is not a freeman, as in the case of the Embassy in China.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. McCARRAN. I yield.

Mr. FULBRIGHT. I am in entire accord with the committee's position on that matter. I happen to know something about it, through having seen the elaborate building operations that were under way at Ankara last fall, and also the new expenditures in Rome and in Bermuda. I might add that I had hoped many of the funds which are being used for those purposes, especially in Italy and Turkey, would be devoted, at least in part, to the program of exchange; that is, they were credits which I believe Congress intended to be devoted to this purpose when the bill was passed in 1946, but because of various reasons the program was slow to develop. In the meantime, the building program has intervened in many of the countries, taking over a great part of the sums which were available there. I am in full accord with the action of the committee on this item.

Mr. McCARRAN. I am very glad to have the expression of the able Senator from Arkansas on the subject.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Michigan?

Mr. McCARRAN. I yield to the Senator from Michigan.

Mr. VANDENBERG. The Senator identifies three building projects which are to be specifically eliminated. The total reduction, however, recommended by the committee covers an additional seven or eight million dollars of deletion. Can the Senator indicate the total list which represents the projects included in the original $20,000,000 sought by the State Department?

Mr. McCARRAN. I may say to the Senator from Michigan that the three countries mentioned—China, Finland, and Hungary—to which the Senator refers, were used largely by way of illustration, to show that money was intended to be expended in countries where, to say the least, and to put it exceedingly mildly, there was lack of cooperation, where relations were not harmonious, and there was no freedom of action. We used those three countries merely for purposes of illustration. But the amount deducted from the $20,000,000 allowed by the House may be adjusted by the State Department as it sees fit, in the various places where they propose or where they think best under an economic program to acquire embassies. We suggested, however, as forcefully as we could that in countries either so communistically controlled that we do not have freedom of action there, or in countries which are about to go under communistic control, the State Department should not proceed with the building program, for the time being at least.

Mr. VANDENBERG. I follow the Senator's argument in respect to the countries he identifies. I have been handed a memorandum from the Appropriations

Committee, which, at page 9, lists the total building prospectus.

Mr. McCARRAN. I have that in my hand.

Mr. VANDENBERG. Is that the list which covers the entire project, the proposal of the committee leaving the State Department free, with the execption of these three mandatory provisions, to apply the reduction anywhere on this list? Is that correct?

Mr. McCARRAN. That is the position of the committee. But I desire to draw the attention of the Senator from Michigan to the fourth column of the instrument which the Senator has in his hand, page 9, "estimated 1950." The Senator will there see the various estimates of proposed expenditures. I draw attention to the total of $25,000,000 expenditures for 1950. My answer to the Senator's question is that page 9 of the instrument which he has in his hand sets forth the full list of 56 projects, and the places indicated are the countries where it is proposed to expend the money.

The State Department may take the $9,000,000-plus the committee has allowed, and. we hope, with wise discretion, will expend it, not behind the iron curtain nor in countries that do not evince a friendly attitude toward our country.

Mr. VANDENBERG. I understand the Senator fully at that point, and I agree with him. The point on which I wished to be reassured was that the committee has left a sufficient building fund to cover at least any commitments by way of present partial construction in other projects.

Mr. McCARRAN. The advice we received from the State Department was that the funds would be sufficient.

Mr. VANDENBERG. That is satisfactory to me.

Mr. McCARRAN. Mr. President, to continue, the State Department requested the committee to restore a reduction of $19,700 in the appropriation which was made by the House, under the head of "Salaries and expenses, American sections, international commissions." I especially invite the attention of the Senate to this item. The amount approved by the House was $500,000, and no distribution was made in the House report as to this reduction. The Department allocated the reduction to the International Pacific Salmon Fisheries Commission and presented evidence which indicated the joint interests of the United States and Canada would be jeopardized in connection with the rebuilding of the valuable potential of the Fraser River sockeye salmon fishery.

That is a favorite indoor sport on the part of some of our departments. In other words, where there is a reduction, and the department has the power to centralize the reduction on one particular object, it usually takes an object which will elicit the greatest extent of opposition to the application. So, in this case, they applied the whole reduction to the International Pacific Salmon Fisheries Commission, knowing that many persons would be interested in that Commission, its advancement, and its progress.

The committee does not believe it was the intention of the House to reduce this particular item. The appropriation for these American sections in 1949 totaled $434,130, and the budget estimate of $519,700 contemplated an expansion in the number of positions from 32 to 36.

The committee has not increased the appropriation as requested by the department. The $500,000 provided in the bill will be sufficient for all these American sections, and the department can make economies in travel and other objects of expenditure and not curtail any important functions. Therefore, it is the desire of the committee that this reduction of $19,700 be allocated equitably to all the commissions coming under this appropriation.

I especially invite the attention of the Senate to that matter, because there may be Senators who are particularly interested in it.

The next heading is "International information and educational activities." We now come to a subject which may have some controversial features. To use a familiar expression, this topic may, I think, be appropriately designated under the term "Voice of America." It is not all the "Voice of America"; there are other phases to it; but the general subject is perhaps best understood under that term.

I desire, Mr. President, to read the language of the report of the committee with reference to that subject:

> The committee has effected a reduction in this program as contemplated by the budget estimate of $3,656,100. The budget estimate is $36,000,000, the House approved $34,000,000, and the committee has recommended $32,343,900. Included in the figure allowed by the committee is $514,900 for the establishment of domestic radio facilities. These facilities include new curtain-type antennas at domestic short-wave transmitters. The House committee in its report suggested these facilities be deleted; however, the committee was impressed with the necessity for this equipment. One hundred and seventy-one thousand dollars for aid to American sponsored schools abroad which was requested by the Department is disapproved by the committee. With the $32,343,900 approved by the committee, the program during fiscal year 1950 will be expanded over the program during the fiscal year 1949.

I invite the special attention of the Senate to the fact that it will exceed the program during the fiscal year 1949 by approximately $3,700,000.

The $32,343,900 includes $1,000,000 for payment of obligations incurred as a result of contract authority previously approved. The appropriation for 1949 was $31,100,000, but included in that figure for 1949—and I again invite the attention of the Senate to this statement—was $4,000,000 for cost of overseas relay stations, which is a strictly nonrecurring item. Consequently, the appropriation this year exceeds that of last year by approximately $3,700,000 for straight operation of information and educational programs.

Mr. President, our Government is expending approximately $6,000,000,000, through ECA, the Army, and other agencies, for the rehabilitation of Europe and other areas of the world. Naturally we want those people to understand what we are doing in their behalf and our reasons therefor. We want them to understand our ideals and standards of living. With an appropriation of $32,343,900, which exceeds by more than 10 percent that for 1949, we believe we have provided sufficient funds for a good information and educational program to be undertaken.

Now, Mr. President, we come to the Department of Justice. The budget estimate for the Lands Division of the Department of Justice is $2,496,000. The House allowed an appropriation of $2,450,000, or a reduction of $46,000. Representatives of the Lands Division appeared before the committee and advised that as of May 1, 1949, there were 11,741 cases and matters pending, which is an increase of 21 percent since July 1, 1948. The reduction of $46,000 by the House would result in the elimination of field employees, which would further aggravate the delinquency.

Let me dwell on that subject for a moment. The field employees are in reality those who do the work out in the field. There are land condemnation cases, water adjudication cases, all cases along the line of land and its administration, and the agents of the Department of Justice in the field are those who appear in court, who try the cases, who prepare the cases, and who present the cases either to a court sitting without a jury or to a jury. So the committee was impressed with the idea that at least the $46,000 reduction made by the House should be restored. With the additional funds, the Lands Division will be in a position to continue in 1950 at its current level of activity.

The House eliminated the language which has been carried in the bill for years for the Lands Division and consolidated its personal services appropriation with the appropriation "For legal activities not otherwise provided for." It consolidated the contingent expense appropriation of the Lands Division with the contingent expense appropriation of the Department and also consolidated the travel funds with the traveling expenses appropriation of the Department. The committee does not agree with the House in this consolidation. It is the feeling of the committee that the Lands Division appropriation should be kept separate from miscellaneous small appropriations in the Department. It is believed that more effective operation will result from a separate appropriation for the Lands Division, and, accordingly, it is recommended to the Senate that the bill be amended to provide a separate paragraph for the Lands Division with a total appropriation of $2,496,000.

Mr. President, I now come to that part of the bill which deals with the Tax Division.

A supplemental estimate in the amount of $114,500 was submitted to the committee in Senate Document No. 63, dated May 3, 1949, for the Tax Division. The funds were requested to provide 12 attorneys and 10 stenographers in addition to the number provided for in the regular estimates. The additional amount requested was not granted by the committee. For the fiscal year 1949 the Tax Division will have a total of $910,000 in funds available and the House has allowed in this bill $920,000

for the fiscal year 1950 for the Tax Division.

I now come to the part of the bill dealing with the Antitrust Division of the Department of Justice. The bill, as passed by the House, includes $3,750,000 for the Antitrust Division, which is $100,000 in excess of the budget estimate. I again draw the attention of the Senate to the statement that it is $100,000 in excess of the budget estimate.

The House committee in its report stated it was granting the Antitrust Division the amount it had requested of the Bureau of the Budget. The committee requested from the Bureau of the Budget a report with respect to the reduction of $100,000 it had made in the request of the Antitrust Division. The Bureau of the Budget explained that the $3,650,000 contained in the President's budget for 1950, included additional amounts required as a result of pay increases pursuant to Public Law 900 and contemplated continuance of antitrust activities throughout the fiscal year at the level of 1949. The Bureau of the Budget stated that because of the substantial expansion of antitrust programs undertaken during 1949, resulting from the increase in funds made available for this purpose, and the consequent necessity of extensive training of personnel for this work, it was concluded that 1950 fiscal year should be utilized to consolidate the expanded activities, deferring additional increases until such time as further expansion could be undertaken efficiently. The committee is in complete agreement with the Bureau of the Budget with respect to this appropriation and, accordingly, it is recommended to the Senate that the bill be amended to provide an appropriation of $3,650,000, or a reduction of $100,000 from the amount allowed by the House.

I now come to another item to which I especially draw the attention of the Senate, namely, the appropriation for the Federal Bureau of Investigation.

The House has approved an appropriation of $52,585,141 for the Federal Bureau of Investigation for the fiscal year 1950. The House Appropriations Committee in its report stated it had approved an increase of $1,598,141 for the FBI over the budget estimate of $50,987,000, the increase representing the amount of the reduction made by the Bureau of the Budget in the Department's estimates. The Bureau of the Budget was requested by the Committee to submit a report with respect to this appropriation, and the report is before the Senate. I wish to say that the report justifies the action of the Senate Committee. The Committee is recommending to the Senate that the FBI be allowed the amount of the budget estimate, $50,987,000, or a reduction of $1,598,141 in the House bill. Language has been included in the bill providing for $750,000 of 1950 funds to be made immediately available.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Nevada yield to the Senator from Louisiana?

Mr. McCARRAN. I yield.

Mr. LONG. Going back to the appropriation for the Antitrust Division, I wonder if the Senator noticed any information to the effect that the appropriation for this Division would not be sufficient to permit the Antitrust Division to maintain the same staff it had prior to the war. I understand it would take about $5,000,000 to enable the Federal Trade Commission to have the same staff it had during the war in its antitrust work.

Mr. McCARRAN. Mr. President, I think I could best answer that in the language of the Budget Bureau. I may say to the Senator that in my judgment the Budget Bureau always has a better opportunity to go to the very bottom of these matters than has either House of Congress. Estimates come to the Bureau of the Budget from the departments early in the year, usually months ahead of time, and the Bureau of the Budget has the opportunity to go into every detail. The investigation made by the Bureau, resulting in its recommendation, is a long and tedious one. It is a serious question whether the Congress should go over the Budget's recommendations unless there be very outstanding proof submitted to Congress that it should make a reexamination of the same subject. I believe we should follow the rule of either staying with the recommendations of the Bureau of the Budget or going under them, because after all the Bureau of the Budget is the agency which must meet and study the requests for appropriations which come from the departments.

Mr. LONG. Of course, the Congressional appropriations committees are supposed to study the requests for appropriations which come from the departments, and determine whether the Bureau of the Budget is correct in its estimates.

Mr. McCARRAN. Let me say, Mr. President, that the figures for salaries and expenses of the Antitrust Division of the Department of Justice from 1940 to date are as follows: Amount appropriated in 1940, $1,309,000; in 1941, $1,325,000; in 1942—and I ask the Senator from Louisiana to keep this question in mind, please, while I am giving these figures—the amount appropriated was $2,325,000. In 1943, $1,800,000; in 1944, $1,600,000, plus a supplemental appropriation of $160,000, or a total for the year of $1,760,000. In 1945, $1,390,000, plus a supplemental appropriation of $150,000, or a total of $1,540,000. In 1946, $1,700,000, plus a supplemental appropriation of $175,000, or a total of $1,875,000. In 1947, $1,900,000, plus one supplemental appropriation of $30,000, and another supplemental appropriation of $159,000, or a total of $2,089,000. In 1948, $2,400,000. In 1949, $3,411,700, plus a supplemental appropriation of $160,000, or a total of $3,571,700. For 1950, we have given $3,650,000.

Mr. LONG. I had received certain very informal information, largely of the hearsay character, which indicated that at certain times prior to the war the effect of the money provided was to enable the Division to have a larger staff.

Mr. McCARRAN. I would not say so, judging from the report I have at hand and which I shall submit to the Senate. I thank the Senator for his observations.

Mr. President, on the subject raised by the able Senator from Louisiana I again draw the attention of the Senate to the report which we received from the Bureau of the Budget which appears in fine print in the report of the Committee to the Senate.

I now come to the Department of Commerce. In the Department of Commerce are the Civil Aeronautics Administration and Civil Aeronautics Board, to which I respectfully draw the attention of the Senate. I read from the report of the Committee on Appropriations to the Senate, on page 7, under the heading "Civil Aeronautics Administration—Salaries and Expenses," as follows:

> Testimony was presented to the committee as to the necessity for establishing air traffic control towers at Hilo and Puunene Air Fields, Territory of Hawaii. The committee was impressed with the necessity for these towers. The traffic at the fields justify towers under CAA standards.

Let me say in that connection, Mr. President, that there is now no means of transportation between the islands except by air. The boats which formerly plied between the islands are not plying between them now, or not catering to passenger service. The only way there can be passenger travel between the islands of Hawaii is by air. So the committee thought that the traffic at the fields jutified towers under CAA standards for the protection of life and property.

I continue to read from the report:

> The House has approved an appropriation of $94,402,105 for "Salaries and expenses" and $18,650,000 for "Establishment of air navigation facilities," and the committee directs the CAA to commence operation of these two towers as soon as possible and to absorb the costs within the appropriations approved by the House.
>
> A request for an air traffic control tower for the Pinellas County International Airport at St. Petersburg, Fla.—

To which I draw the attention of the senior Senator from Florida—

> was not approved by the committee—

Although it was very vehemently and very ably advocated by the able Senator from Florida. It was not approved for the reasons set forth in the report—

> because there are 14 airfields in the United States with a higher traffic score than the St. Petersburg field which do not have towers at the present time.

I have in my hand a list of the 14 fields mentioned. They are as follows:

Pontiac, Mich.; La Crosse, Wis.; Islip, N. Y.; Hot Springs, Ark.; Grand Forks, N. Dak.; Columbus, Ga.; Macon, Ga.; Avoca, Pa. (Wilkes-Barre); Brunswick, Ga.; Everett, Wash.; New Bedford, Mass.; Wheeling, W. Va.; Old Town, Maine; Bellingham, Wash.; and then St. Petersburg, Fla. St. Petersburg, Fla., makes the fifteenth.

It would cost $670,200 to install these 15 towers, and the total cost of 1 year's operation would be $509,340. The cost of each tower is divided as follows:

Installation cost, $44,680. One year's operation, $33,956; or a total for each tower of $78,636.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. PEPPER. When we made our request for the appropriation for installation of the tower at St. Petersburg we did not intend to ask what was not our just due. At that time I was not informed as to how many other stations had some priority in respect to their status. Of course, we have no right to come ahead of the 14 other towers, much as the need prevails at St. Petersburg. However, it seems to me that it is worthy of consideration as to whether all fields mentioned should not receive the aid by way of control towers which they require to meet Federal safety standards. In the case in which I was interested, St. Petersburg, a commercial airline engaged in regular scheduled traffic, uses that field. The local people have not been able to provide tower equipment and tower facilities that meet minimum Federal standards, and they are not able to do so without assistance from the Federal Government. I cannot doubt that there is a safety hazard to the people who use that air line and those who are engaged in air commerce. I am not, as I said, making any special request for my State, but I submit to the able Senator from Nevada, who has been such an illustrious and unfaltering leader in the cause of aviation, whether the Government might not with perfect propriety make possible minimum standards of equipment and operation at all these fields mentioned.

Mr. McCARRAN. Mr. President, the committee was especially attracted by the able argument made by the distinguished Senator from Florida when he appeared before the committee. As one member of the committee, let me say that there is no one more interested in the subject of safety or more aware of what is necessary for safety of travel by air than is the Senator in charge of the bill. It has been my effort to make a study of this subject during my entire career in the Senate. Just so soon as I believe it is possible—in fact, even before I believe it is too urgent—I hope to have all these air fields properly equipped. I hope to have the field to which the Senator from Florida has referred also equipped, because the traveling public deserves every method and means of safety that can possibly be devised.

Mr. PEPPER. I thank the Senator for his statement. Those who are interested in the St. Petersburg airport will be very much encouraged to learn of the Senator's continuing and deep interest in the subject.

Mr. McCARRAN. The subject of establishment of air-navigation facilities will be of interest to those who are concerned with this item. I read from the report of the committee:

For the establishment of air-navigation facilities, the House approved $18,650,000 in appropriations and $18,300,000 in contract authorization. The CAA requested the committee to provide an additional $5,000,000 in appropriations and $4,000,000 in contract authorizations. It is doubtful whether the CAA would be able to utilize appropriations in excess of the amount approved by the House and consequently the additional cash is not provided. However, the committee has recommended to the Senate an additional contract authority of $9,000,000 which will provide for the program contemplated by the CAA. The CAA is directed by the committee to utilize out of existing cash available, $198,700 for the rehabilitation of the intermediate landing fields at Bryce Canyon, Utah; St. George, Utah; Daggett, Calif.; Desert Center, Calif.; Lovelock, Nev.; Winnemucca, Nev.; and Wells, Nev. As a result of the extensive emergency air operations conducted on some of these fields during the past winter under the "Operation Haylift" the surface of the fields are deteriorating. Weather deterioration and surface erosion, if allowed to progress, will create an unsafe landing surface and result in costly repair work. These fields are CAA intermediate landing fields and the CAA maintains a project list in priority order, listing the more urgently required project first. The air fields set forth above have the highest priority for the reconditioning requirements.

The next item in the bill is the Federal-aid airport program. Senators who are interested in aviation and in the installation of airports in their respective communities will be interested in this item.

I read from the committee report:

FEDERAL-AID AIRPORT PROGRAM

The budget estimate for the Federal-aid airport program for fiscal year 1950 is $3,500,000 for administrative and other expenses and $36,500,000 in contract authority for construction. The House allowed $3,000,000 for administrative expenses and $36,500,000 in contract authority for construction. No change has been made by the committee in the amounts to be available. The committee has approved a limitation of $80,000 on the amount which may be used for services in connection with the Office of the General Counsel.

Perhaps Senators would be interested in an explanation of that item. The item was placed in the bill because the matter of determining the title to land was brought to the attention of the Civil Aeronautics Authority by the Senator from Nevada, now in charge of this bill. By this action much of the controversy which had theretofore been indulged in was dissipated. Additional funds for the legal staff seemed to the committee unnecessary.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. PEPPER. Before the Senator passes the Federal-aid airport program, let me say that at the appropriate time I wish to offer an amendment to increase the item on page 50, line 13, from $36,500,000 to $50,000,000. I shall attempt to offer a justification for such an increase. Will it be some time before the Senator finishes his explanation of the bill and comes back to this item?

Mr. McCARRAN. I shall be through in a few minutes. I shall then ask that the bill be read for amendment. Then, of course, the Senator will have an opportunity to offer his amendment.

I now pass to the Bureau of Foreign and Domestic Commerce, Field Service. I invite the attention of the Senate to the fact that under the House bill, which carries an appropriation of $2,031,000, the department contemplates the closing of field offices at Phoenix, Ariz.; Reno, Nev.; Albuquerque, N. Mex.; and Cheyenne, Wyo. The committee has recommended that the appropriations be increased to the budget estimate of $2,106,000, and directs the Department to retain these field offices in operation.

I invite the attention of the Senate to the fact that the offices which it is proposed to close serve the great interbasin region extending between the Pacific and the Rocky Mountains. If these offices are closed, none of the benefits coming from such offices would accrue to the people or the States in that great region.

I again bring to the attention of the Senate the fact that this is the first bill which has come from the Appropriations Committee with a reduction from the appropriation allowed by the House. The reduction is $12,833,000. Not a single cut in this bill will interfere with the efficiency of a single agency. All the work of the agencies affected by the bill can be done efficiently with the amount allowed.

So far as my observation goes—and I say this with due respect for the departments—in all appropriation bills there is a certain amount of what we may call padding. Some call it fat. Others call it slack. In every bill that comes to the Congress from the various departments there are, to use a friendly expression, felicitous accommodations, always bearing in mind the fact that Congress will be looking toward economy. In this case the Appropriations Committee is looking to economy, and we hope the bill may stand just as it has been reported from the committee.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Humphrey	Mundt
Baldwin	Ives	Murray
Brewster	Jenner	Neely
Bricker	Johnson, Colo.	O'Conor
Bridges	Johnson, Tex.	O'Mahoney
Butler	Johnston, S. C.	Pepper
Byrd	Kem	Reed
Chapman	Kerr	Robertson
Cordon	Kilgore	Saltonstall
Donnell	Knowland	Schoeppel
Douglas	Langer	Smith, Maine
Ecton	Lodge	Sparkman
Ellender	McCarran	Stennis
Flanders	McCarthy	Taft
Frear	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
Graham	McGrath	Vandenberg
Gurney	McKellar	Wiley
Hayden	McMahon	Williams
Hendrickson	Martin	Withers

The PRESIDING OFFICER. A quorum is present.

Mr. McCARRAN. I ask unanimous consent that the formal reading of the pending bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Department of State—Salaries and expenses," on page 3, line 18, after "18 U. S. C.", to strike out "659" and insert "3192."

The amendment was agreed to.

The next amendment was, under the subhead "Buildings fund," on page 5, line 17, after the word "act", to strike out "$20,000,000" and insert "$9,520,100."

Mr. LANGER. Madam President, will the Senator yield for a question?

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. McCARRAN. I yield.

Mr. LANGER. On page 3 of the committee report I note the following statement:

> The Department of State has embarked on an ambitious 7-year program of acquiring buildings in foreign lands with an estimated total cost of $239,633,847.

I ask the distinguished Senator from Nevada, was that matter gone over carefully in committee, and did the committee recommend it?

Mr. McCARRAN. No, we did not recommend it; hence the report of the bill is as it is. The House sent to the Senate a bill calling for an appropriation of $20,000,000 with which to carry on the program. I have in my hand a copy of the program. Does the Senator wish me to read it?

Mr. LANGER. Yes, indeed. If we are to embark upon a program of buying or constructing $239,000,000 worth of buildings in foreign countries for the use of the State Department, the people of the country ought to know about it.

Mr. McCARRAN. The appropriation is to be expended over a period of years, however, and the plan also contemplates the utilization of foreign credits. It therefore does not contemplate altogether an appropriation of money in that amount. But it covers the acquisition and construction of embassies—in Afghanistan, $1,250,000; in Australia, $2,000,000; in Austria, $2,000,000——

Mr. LANGER. Madam President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LANGER. Does that mean that in Australia we are going to buy an embassy that will cost $2,000,000 altogether?

Mr. McCARRAN. The purpose is either to buy or to build one. It will be a matter either of buying, building, or improving. In some instances it will call for buying an existing building, perhaps one of the old palaces in Europe that were undoubtedly utilized in centuries past by the forefathers of the able Senator from North Dakota. An old palace might be purchased and used as an embassy. I say that facetiously. I hope the Senator so understands it.

Mr. LANGER. Oh, yes, indeed.

Mr. McCARRAN. I shall read on, if the Senator wishes me to do so.

Mr. LANGER. I am very much interested.

Mr. McCARRAN. May I shorten the matter by asking unanimous consent that there be inserted in the RECORD page 9 of the so-called side-slips of the Committee on Appropriations. Otherwise, I shall take the time to read the whole thing.

There being no objection, the page referred to was ordered to be printed in the RECORD, as follows:

Buildings fund

(House hearings, p. 394)

(Senate hearings, p. 111)

(The budget estimate was $25,000,000 and the House allowed $20,000,000. The Department of State did not request the committee to restore the $5,000,000 cut by the House. The following is the contemplated program through 1953:)

SCHEDULE B.—ESTIMATE FOR 1950 (FOR PAYMENTS INTO U. S. TREASURY TO COVER UTILIZATION OF FOREIGN CREDITS)

	Total estimated cost	Obligated, 1948	Estimated, 1949	Estimated, 1950	Estimated, 1951	Estimated, 1952	Estimated, 1953	Balance to complete after 1953
1. Afghanistan	$1,250,000		$600,000		$350,000	$300,000		
2. Australia	2,000,000	$762,373	210,000		527,627	250,000	$250,000	
3. Austria	2,000,000	762,103	345,000		192,897	100,000	100,000	$500,000
4. Belgium and Luxemburg and possessions	5,450,000	1,176,548	1,660,000	$110,000	753,452	750,000	500,000	500,000
5. Bolivia	1,000,000	110,000	300,000	250,000	200,000	140,000		
6. Brazil	8,000,000	175,890	2,020,000	740,000	3,064,110	2,000,000		
7. Bulgaria	500,000	107,000						393,000
8. Burma	1,830,000	843,601		220,000	266,399	250,000	250,000	
9. Chile	1,500,000	268,696		260,000	471,304	300,000	200,000	
10. China	35,000,000	5,915,182	9,307,405	2,465,000	4,312,413	3,000,000	3,000,000	7,000,000
11. Costa Rica	17,182	17,182						
12. Colombia	1,500,000		640,000	300,000	300,000	260,000		
13. Czechoslovakia	2,500,000	2,120,000						380,000
14. Denmark	1,500,000	99,262	150,000	520,000	500,000	230,738		
15. Ecuador	1,000,000		103,000	340,000	357,000	200,000		
16. Egypt	6,000,000	1,417,196	400,000	800,000	1,382,804	1,000,000	1,000,000	
17. Ethiopia	426,761	6,648	100,000	150,000	170,113			
18. Finland	5,000,000	647,764	70,000	400,000	682,236	600,000	600,000	2,000,000
19. France and colonies	15,000,000	4,576,246	770,000	1,780,000	1,873,754	2,000,000	2,000,000	2,000,000
20. Germany	5,000,000				1,000,000	1,000,000	1,000,000	2,000,000
21. Great Briain and possessions	30,000,000	10,392,579	3,946,000	1,800,000	2,861,421	2,000,000	2,000,000	7,000,000
22. Greece	5,000,000	752,744	740,000	1,630,000	677,256	600,000	600,000	
23. Haiti	200,000							200,000
24. Honduras	450,000		124,000					326,000
25. Hungary	2,500,000	1,602,543	150,000	100,000	247,457	200,000	200,000	
26. Iceland	1,400,000	281,072	750,000					368,928
27. India	5,000,000	2,950,282	915,000	665,000	469,718			
28. Iran	5,000,000	646,008	390,000	640,000	823,992	800,000	700,000	1,000,000
29. Iraq	1,700,000	570,278	250,000	800,000	79,722			
30. Italy	20,000,000	3,805,184	2,090,000	510,000	2,594,816	2,000,000	2,000,000	7,000,000
31. Japan	6,000,000				2,000,000	2,000,000	1,000,000	1,000,000
32. Korea	6,000,000		4,180,000		620,000	600,000	600,000	
33. Lebanon	1,000,000	436,783	150,000	400,000	13,217			
34. Mexico	9,000,000		850,000	5,370,000	1,780,000	1,000,000		
35. Netherlands Netherlands East Indies	10,000,000	955,066	1,240,000	840,000	964,934	1,000,000	1,000,000	4,000,000
36. New Zealand	1,200,000	32,400	250,000		517,600	400,000		
37. Nicaragua	106,400	106,400						
38. Norway	900,000	169,418		430,000	300,582			
39. Pakistan	2,200,000	944,835	275,000	945,000	35,165			
40. Palestine	850,000	169,518	300,000	350,000	30,482			
41. Panama	38,642	38,642						
42. Paraguay	400,000			200,000	200,000			
43. Peru	1,500,000	375,393	460,000		364,607	300,000		
44. Philippines	2,000,000		750,000	100,000	400,000	400,000	350,000	
45. Poland	2,000,000	313,608	250,000		736,392	700,000		
46. Portugal and possessions	1,500,000	14,400						1,485,600
47. Saudi Arabia	1,564,862	1,564,862						
48. Siam	2,000,000	2,890	150,000	700,000	347,110	400,000	400,000	
49. Spain	2,750,000		1,200,000	315,000	435,000	400,000	400,000	
50. Sweden	1,000,000				400,000	300,000	300,000	
51. Switzerland	1,250,000	165,000			485,000	300,000	300,000	
52. Syria	1,500,000	862,322	260,000	300,000	77,678			
53. Turkey	2,500,000	706,111	620,000	340,000	433,889	400,000		
54. Union of South Africa	1,400,000	629,771	370,000	230,000	100,229	70,000		
55. Union of Soviet Socialist Republics	10,000,000				2,000,000	2,000,000	2,000,000	4,000,000
56. Venezuela	1,500,000				500,000	500,000	500,000	
57. Yemen	250,000							250,000
58. Yugoslavia	1,500,000	170,795			229,205	150,000	150,000	800,000
Total	239,633,847	47,664,595	37,335,405	25,000,000	37,129,581	28,900,738	21,400,000	42,203,528

Mr. LANGER. I notice on page 9 Belgium and Luxemburg are included.

Mr. McCARRAN. That is correct.

Mr. LANGER. Do I correctly understand that the United States Government will spend $5,450,000 to build embassies in those countries?

Mr. McCARRAN. Between 1948 and 1953; yes.

Mr. LANGER. Embassies which will cost between $5,000,000 and $6,000,000? Is that correct?

Mr. McCARRAN. I do not know whether we shall build them, but that is the program.

Mr. LANGER. Who established the program, and who agreed with reference to it?

Mr. McCARRAN. I do not know. It was not the Senate, so far as I know.

Mr. SALTONSTALL. Madam President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. As a practical matter, I will say to the Senator, as I understand, the committee this year cut the program from $25,000,000 to $9,285,000. Furthermore, there must be money to maintain our embassies abroad. We believe, if that is the program, they should not proceed as rapidly as is stated in the request. Is not that a fact?

Mr. McCARRAN. The State Department set up this program, projected over a period of years extending from 1949 to 1953. In order that it may be clarified, I think it is best for me to continue reading——

Mr. LANGER. Madam President, will the Senator yield further for a question?

Mr. McCARRAN. I yield.

Mr. LANGER. Supposing we finally build these embassies for approximately $5,000,000; does that amount include the necessary furniture?

Mr. McCARRAN. I could not tell the Senator whether a gas range is included; I do not know.

Mr. LANGER. Does an ambassador have to furnish the Embassy himself?

Mr. McCARRAN. In many instances our ambassador and, indeed, our ministers, contrary to the custom of other nations, are compelled to maintain their own households and to acquire, either by rent or purchase, their own houses. In all fairness to the program, I want to say that it has been one of the critical things occurring in years past. In other words, our ambassadors and ministers, contrary to the custom of other countries, have been compelled to furnish their own homes and their own places of residence. So far as the program of the Congress has been concerned, we have sought gradually to acquire embassies for our ambassadors and places of residence for our ministers. This program, however, is one which extends from 1948 to 1953 and would provide for the expenditure of approximately $239,633,000 for the acquisition of embassies or the construction of embassies in countries abroad. Frankly speaking, I think a country of our magnitude and our dignity, the leading Nation of the world, should furnish its ambassadors and ministers with proper homes and proper surroundings. But the committee did not think this was the time to go further than an expenditure of approximately $9,000,000 this year. That is the reason we reduced the amount in the subcommittee and in the full committee.

Mr. LANGER. Madam President, will the Senator further yield?

Mr. McCARRAN. I yield.

Mr. LANGER. In China we are to have an embassy which will cost $35,000,000. Does not the Senator think that is entirely unreasonable?

Mr. McCARRAN. The committee recommended as follows:

> The committee has recommended that the appropriation for the buildings fund be reduced from the $20,000,000 approved by the House to a figure of $9,520,100. It was noted in the State Department program that funds were provided for the following countries:
>
> | | |
> |---|---|
> | China | $2,465,000 |
> | Finland | 400,000 |
> | Hungary | 100,000 |
> | Total | 2,965,000 |

China is now in the throes of a great war between her free people and communism. The real truth of the matter is that our own ambassador is a prisoner in the embassy grounds at the present time. We do not know what the form of government of China will be. We do not think this expenditure should be made in China.

The committee also drew the attention of the Senate to Finland. Finland is behind the iron curtain, as is also Hungary. We invited the attention of the Senate to those places in which we did not think there was a friendly attitude toward our Nation.

Mr. KILGORE. Madam President, will the Senator yield?

Mr. McCARRAN. I yield, first, to the Senator from North Dakota.

Mr. LANGER. Does an ambassador employ his own servants?

Mr. McCARRAN. In most instances, excepting those engaged in official business.

Mr. LANGER. If an ambassador employs his own servants and has a residence costing two or three millions of dollars, it means that only a millionaire could be an ambassador. Is not that correct?

Mr. McCARRAN. Madam President, there is some cogency to the statement made by the Senator. The British Embassy in Washington is one of the palatial places of Washington. All over the world, wherever a British ambassador is located, he has a fine home with fine surroundings. Other nations carry out similar programs. I am sorry to say this country has not followed that policy in times past. No one excepting a very wealthy man could afford to be an ambassador or a minister from the United States. But, Madam President, I am sympathetic toward the idea that some day we should be able to furnish our ambassadors and our representatives in the higher echelons with proper homes and surroundings. But this did not seem to the committee to be the proper time.

Mr. LANGER. Madam President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. LANGER. Will the Senator agree with me that, using Brazil as an example, building an embassy costing $8,000,000 would mean that in Brazil, China, and perhaps other places, if we allow anywhere near these figures, we are fastening upon the backs of the people of the United States a great burden, and in future ambassadors and ministers must be millionaires in order to be able to operate such residences?

Mr. McCARRAN. In places where they have no home they must not only acquire a home by rental or purchase, but they must maintain the home after it is acquired. If we furnish a home they will at least be relieved of that burden. No one but a wealthy man can be a minister or an ambassador from the United States, if he is to carry on the usual life which must be carried on by representatives of the greatest country in the world.

Let me invite attention to a further fact, namely, that the amount allowed by other nations for entertainment by ambassadors and ministers is 20 times what this Nation allows to its ministers and ambassadors for that purpose. I think it is more than 20 times. The representatives of Great Britain in this country in the higher echelons get far more than our representatives in Great Britain are allowed for entertainment.

Mr. LANGER. Madam President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from North Dakota.

Mr. LANGER. I should like to ask the distinguished Senator why Ireland is excluded.

Mr. McCARRAN. I do not know. I did not look into that.

Mr. LANGER. I notice Ireland is left out.

Mr. McCARRAN. I would not have allowed that if I had noticed it.

Mr. LANGER. I wonder if we cannot amend the bill in that regard.

Mr. McCARRAN. I do not want to have the bill amended, not even for Ireland.

Mr. LANGER. I should like to know how a Senator can vote for this bill without voting for these embassies for millionaires. Is there any way to deal with that aside from amending the bill?

Mr. McCARRAN. These are items which come to the Congress each year, and we can deal with them just as we are dealing with them this year. In other words, the program set up by the State Department would, if the Congress approved of it, entail $239,000,000-plus. But of that sum the House allowed $20,000,000 for this year. The Senate committee cut that down to $9,000,000 for this year. So Senators are not voting for this program when they vote for the pending bill.

Mr. LANGER. I notice that the appropriation for the embassy in Russia is $10,000,000. Is it the understanding of the Senator from Nevada that sooner or later, next year or the year after, whenever it may be, under the projected program, we are going to spend $10,000,000 for an embassy in Russia?

Mr. McCARRAN. If the Congress of the United States approves of it; not otherwise. We are not going to spend anything on that item in Russia this year.

Mr. LANGER. How much have previous Congresses approved for this item? How much did Congress approve last year?

Mr. McCARRAN. The obligated amount for the program in 1948 was $47,664,995. In 1949 it was $35,000,000.

Mr. LANGER. How much was spent in 1947?

Mr. McCARRAN. This program started only in 1948.

Mr. LANGER. It started last year?

Mr. McCARRAN. Yes; it is a program extending from 1948 to and including 1953.

Let me explain to the Senator something which will not be so easily understood, but I hope to make it clear. There are in foreign countries what are known as foreign credits. In other words, after the war property that was sent to foreign countries, war property of all kinds and descriptions, was sold, some of it at 10 cents on the dollar. I make that rather broad statement without any authority behind it. I use it as an illustration. Whatever the amount was, the property was sold, and the amount of money collected for it was held in the country in which the sale took place as a credit for this country. So these foreign credits are being utilized for this program. But remember, these foreign credits are nevertheless our credits, they belong to us, and we may call upon them for any purpose. So it is proposed that we call on them for the purpose of constructing or improving these embassy buildings.

Mr. BALDWIN. Madam President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield to the Senator from Connecticut.

Mr. BALDWIN. As I understand the Senator's explanation, the appropriations for embassy buildings in foreign countries do not necessarily mean that the cash will be taken out of the Federal Treasury for these expenditures.

Mr. McCARRAN. Not necessarily, but behind the expenditures, nevertheless, is the American dollar.

Mr. BALDWIN. This does not mean that in order to pay for these appropriations we have to take cash out of the Federal Treasury. We can apply the cost of the buildings against the foreign credits. Is that the situation?

Mr. McCARRAN. We have to pay the Treasury in order to get the credits.

Mr. BALDWIN. In other words, then, the money to take care of these appropriations does have to come out of the Federal Treasury?

Mr. McCARRAN. That is correct.

Mr. BALDWIN. How do we apply the foreign credits, if that is the case?

Mr. McCARRAN. The money is appropriated, by this bill, for instance, to this account, and the Treasury makes available to the State Department the credits abroad.

Mr. BALDWIN. In other words, this bill makes an appropriation which results in the utilization of foreign credits, so that we do not actually take cash out of the Treasury to make these expenditures?

Mr. McCARRAN. That is correct. Let me read a statement which may be explanatory. This statement comes from the State Department:

> Public Law 547, approved July 25, 1946, authorized the appropriation of $125,000,000 of which $110,000,000 would be available exclusively for payments representing the value of property or credits acquired through lend-lease settlements, the disposal of surplus property abroad, or otherwise, and held by or owing the Government, which property or credits may be used by the Department of State for sites, buildings, equipment construction, and lease-holds.

That about covers the subject. As I tried to explain, that is language which comes to the Senator in charge of the bill from the Department of State.

Mr. LANGER. Madam President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. LANGER. Let us take Italy as an example. When the war was over we had hundreds of millions of dollars' worth of trucks and other war equipment in Italy, which we sold for 1 cent on the dollar—1 cent. As I understand the Senator from Nevada, the proceeds went into a special fund in Italy, we will say.

Mr. McCARRAN. I do not know about the 1 cent, but otherwise the statement is correct.

Mr. LANGER. I know it was 1 percent. It was sold by the Foreign Division of the War Assets Corporation. If a nobleman in Italy, who has political pull over there, owns a castle, he may sell it possibly for the $20,000,000 that is appropriated by the Congress of the United States, together with the equipment and the furniture, or whatever there is in the castle—and if that is not enough we will appropriate more. Then later some millionaire will be appointed from this country, one who can afford to have servants enough to run such a place. Is that about the way it operates?

Mr. McCARRAN. Let me say that a portion of this program represents office buildings, embassies, and so forth, essential for our diplomatic representatives abroad. There is no use denying the statement that the Government should have its own buildings abroad to house and accommodate its representatives in the proper manner. The only thing the committee did in this case was to curtail the expenditures for this year. We believed the expenditures for this year could be curtailed, and that we could at the same time carry on the program reasonably well.

In my judgment the Senator's question entails too much in the way of fancy. It might be that it would be necessary to acquire a building abroad which, in years past may have cost millions of dollars. We might be able to acquire such a building for a pittance, when compared to what it cost originally. We might be able to convert it into an embassy, and it might be a credit to our country after it was so converted.

I do not go along with the idea of doing away with the program entirely. I think the program of housing our representatives abroad has merit. But I stand with my committee emphatically in the belief that for this year, when we are at the turning point between great, lush prosperity and what might possibly be a decline financially over the world, it is well for us to go a little slow, and that we can curtail expenditures at this time.

Mr. LANGER. Madam President, will the Senator yield for a further question?

Mr. McCARRAN. I yield.

Mr. LANGER. Who makes the decision as to what kind of a place shall be bought? Does the State Department make the decision, or does the Treasury Department make the decision, or who actually buys the place?

Mr. McCARRAN. The State Department.

Mr. LANGER. Madam President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. LANGER. So, if someone in the State Department decided he wanted to buy a castle over there, that decision would be final, and there would be no appeal from his decision.

Mr. McCARRAN. I think it would be final, because some agency must have the final decision in such a case as that. Congress would not want to make the decision. I cannot imagine that Congress would be willing to make such a decision. Congress could not go to the foreign country to take a look at the place to be purchased. The State Department has facilities for looking into such matters, determining the value, and deciding whether to make the purchase. We must trust some representatives of the Government.

Mr. LANGER. Madam President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. LANGER. Does not the Senator from Nevada believe that the Senate ought to devise some way so that a man of ability and character, though he may not have wealth, may be appointed ambassador to a country; so that it will not be necessary to appoint some millionaire who may have contributed a large sum of money either to the Republican or to the Democratic Party?

Mr. McCARRAN. I am not ready to say that a millionaire does not have ability or courage. I sometimes envy millionaires because they have ability and courage. Then they have something I never did have, that is, the acumen for accumulating wealth. I do not look upon them as being desperadoes or anything of that kind. I have what may be considered an unusual way of looking at such a situation. I think a millionaire nowadays is more to be pitied than to be envied, to be perfectly frank.

Mr. LANGER. Madam President, will the Senator again yield?

Mr. McCARRAN. I yield.

Mr. LANGER. The Senator from Nevada surely does not mean to tell the Senate, does he, that in his judgment it should necessarily be a prerequisite for appointment as ambassador that the appointee be a millionaire, or have enough money to enable him to maintain a considerable number of servants?

Mr. McCARRAN. No, indeed.

Mr. LANGER. Does not the Senator, then, agree that the Senate ought to devise some way by which a man of moderate means would have just as much

chance to become an ambassador to a foreign country as a man who had accumulated several million dollars?

Mr. McCARRAN. I agree with the Senator on that point: that is if he can perform the duties of the office.

Mr. LANGER. Does not the Senator agree with me that if we continue to vote every year to purchase or to build very expensive embassies the result will be that only men of great wealth can staff them with the required number of servants, and maintain the establishments?

Mr. McCARRAN. I do not agree with the Senator on that point. I cannot quite follow him. At the present time, in many instances a man appointed ambassador to one of the leading countries abroad, must not only find a place to live, and pay for his housing, but he must also sustain himself and his servants, whereas some foreign countries, indeed many of them, have very elaborate embassies in the Capital City. A man of great means may have great ability as well.

There is always a certain decorum to be maintained between the representatives of great nations. One may say what one likes, but in order to facilitate matters certain programs must be adhered to. The program for entertaining must be carried out. That is something which has been going on for centuries. Such a program should be carried out because it is a means by which the representatives of one government meet with the representatives of another in friendly association. I am not against this building program, and the committee is not against it. We are, however, in favor, for the time being, of curtailing the program within what we think are proper limits. It is all within our hands. I hope I have answered the Senator to his satisfaction.

Mr. LANGER. Madam President, I very respectfully wish to say that as one Senator I thoroughly disagree with the proposition that we should spend $20,000,000 in Italy to buy an embassy, and then must appoint as ambassador some one who has a sufficient amount of money so he can maintain the necessary number of servants and other help, in order to do a considerable amount of entertaining. The Senator says that is something which has been done for centuries. During the two world wars in which we were engaged we have heard a great deal about America being a democracy. It has been said that we are endeavoring to establish something brand new in other countries. Yet if this program of the Department of State is carried out it will mean that we are not only following what has been done for centuries, but indeed are elaborating on it.

Many of the ambassadors we are sending abroad are men of great wealth. I have fought the confirmation of some of them on this floor. One of those appointed to be ambassador to a foreign country was the head of a dairy trust, which bought up 300 dairies. That organization raised the price of milk and ice cream all over the country. I voted against the confirmation of that appointment. I cannot believe that the Senator from Nevada, whom I know well, would say that it would be necessary to appoint a man of that kind, a man who had made so vast a fortune as he had made, ambassador to a foreign country, simply because he could afford to accept such a post.

Mr. McCARRAN. He may be a great salesman for dairy products in foreign countries.

Mr. LANGER. Does the Senator believe that is the kind of man we want to be an ambassador?

Mr. McCARRAN. I do not know. I cannot answer that question. I think we should have as our ambassadors men of the very highest type. I think they should be given every opportunity properly to represent the leading country of the world. I believe a great obligation rests on the shoulders of any man who is an ambassador or minister from our country. I am entirely content from year to year to go along with the program which will properly take care of them, in keeping with the dignity and position of our country in the family of the nations of the world.

At this time, due to conditions prevailing abroad in many countries, this country is being scoffed at; this country is not given proper consideration nor is it accorded the respect or dignity it should be accorded. Therefore, we did not believe the program should be abandoned, but we did not feel that we should expend the money of the people of the United States in the amount asked, even though it might be by way of counterpart funds, so called. So we reduced the amount which the House allowed, from $20,000,000 to $9,000,000, to be expended on this program. It might be that next year conditions will be different. But the program cannot go forward without appropriations being made by the Congress of the United States. We always have it in hand.

Mr. LANGER. I thank the Senator.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the committee amendment on page 5, line 17.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the subhead "International Boundary and Water Commission, United States and Mexico," on page 13, line 21, after the word "of", to strike out "fourteen" and insert "ten."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses," on page 14, line 19, after the word "investigations", to strike out "$1,120,000" and insert "$1,122,800."

The amendment was agreed to.

The next amendment was, under the subhead "Construction," on page 14, after line 20, to strike out:

In addition to the appropriation of $1,500,000 under the heading "Construction" in the Department of State Appropriation Act, 1949 (Public Law 597), and to previous appropriations for detail plan preparation and construction of projects authorized by the convention concluded February 1, 1933, between the United States and Mexico, the acts approved August 19, 1935, as amended (22 U. S. C. 277–277d), August 29, 1935 (Public Law 392), June 4, 1936 (Public Law 648), June 28, 1941 (22 U. S. C. 277f), and the projects stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, the Department of State is authorized to enter into contracts, prior to July 1, 1950, for the purposes hereinabove set forth in an amount not to exceed $2,900,000: *Provided*, That no contract shall be entered into for the Lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That contracts for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the act approved April 25, 1945 (Public Law 40).

And in lieu thereof, to insert:

For detail plan preparation and construction of projects authorized by the Convention concluded February 1, 1933, between the United States and Mexico, the acts approved August 19, 1935, as amended (22 U. S. C. 277–277d), August 29, 1935 (Public Law 392), June 4, 1936 (Public Law 648), June 28, 1941 (22 U. S. C. 277f), and the projects stipulated in the treaty between the United States and Mexico signed at Washington on February 3, 1944, $900,000, to be immediately available, and to remain available until expended: *Provided*, That no expenditures shall be made for the lower Rio Grande flood-control project for construction on any land, site, or easement in connection with this project except such as has been acquired by donation and the title thereto has been approved by the Attorney General of the United States: *Provided further*, That expenditures for the Rio Grande bank-protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the act approved April 25, 1945 (Public Law 40): *Provided further*, That unexpended balances of appropriations for construction under the International Boundary and Water Commission available for the next preceding fiscal year shall be merged with this appropriation and shall continue available until expended.

The amendment was agreed to.

The next amendment was, under the subhead "International information and educational activities," on page 20, line 13, after "(22 U. S. C. 801–1158)", to strike out the comma and "except title VIII"; and in line 17, after the word "exceed", where it occurs the second time, to strike out "three" and insert "four."

The amendment was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, agreed to the conference asked by the Senate on

the disagreeing votes of the two Houses thereon, and that Mr. FOGARTY, Mr. HEDRICK, Mr. MCGRATH, Mr. CANNON, Mr. KEEFE, and Mr. SCRIVNER were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE of California, Mr. MURDOCK, Mr. REGAN, Mr. LEMKE, and Mr. BARRETT of Wyoming were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTEN, Mr. STIGLER, Mr. KRUSE, Mr. CANNON, Mr. H. CARL ANDERSEN, and Mr. HORAN were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ABERNETHY, Mr. GRANGER, and Mr. MILLER of Nebraska were appointed managers on the part of the House at the conference.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 21, line 12, after the word "Statutes", to strike out "$34,000,000" and insert "$32,343,900."

Mr. FLANDERS. Mr. President, on behalf of the Senator from Maine [Mrs. SMITH], the Senator from South Dakota [Mr. MUNDT], the Senator from Arkansas [Mr. FULBRIGHT], and myself I offer the amendment to the committee amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 21, line 12, in lieu of the figure proposed to be inserted by the committee, it is proposed to insert "$36,000,000."

Mr. MUNDT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Malone
Anderson	Hill	Maybank
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Bridges	Jenner	Neely
Butler	Johnson, Colo.	Pepper
Byrd	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Donnell	Kefauver	Saltonstall
Douglas	Kerr	Schoeppel
Eastland	Kilgore	Smith, Maine
Flanders	Langer	Sparkman
Frear	Long	Taft
Fulbright	Lucas	Taylor
George	McCarran	Thomas, Utah
Gillette	McCarthy	Thye
Graham	McClellan	Wiley
Green	McKellar	Williams

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). A quorum is present.

Mr. FLANDERS. Mr. President, the purpose of the amendment which I have just submitted to the committee amendment on page 21, in line 12, is to restore the appropriation for "International Information and Educational Activities" to the sum of $36,000,000, as asked for in the budget estimate of the Bureau. This amendment increases the amount of the committee amendment by $3,656,100.

There has been a very great disparity of emphasis among the people of the country, and reflected in the Congress, in my judgment, on the question of the most appropriate means to use to overcome the definite, purposeful, intensive, continuous campaign of the Union of Soviet Republics to destroy the social, economic, and political systems under which we live. I say there has been a disparity of emphasis. For many months, even years past, we have worked under the assumption that the problem could best be met by a large increase in the appropriations for our armed forces, in building them up and in providing them with a great store of equipment and matériel. I agree completely with the notion that that must be done. What I disagree with is the idea that that is the only way or even the most immediately effective way to counter this tremendously serious campaign which not only the United States, but the entire world is facing. Very fortunately, a year and a half or so ago, we undertook another step, one outside the military field, for countering such global subversive activity. We set up the ECA. The success of the ECA to date in countering that subversive activity has been a justification of the expenditure for that purpose which is plain to be seen by all men.

I know there are difficulties in the economic problems, all of which have not been solved, or perhaps all of which cannot be solved, by the ECA program. But the political effects and the political usefulness of it, I think, are beyond question.

Mr. President, I feel strongly that the evidence shows that we have not yet clearly seen the possibilities of, or given sufficient attention to, this third field, which in the bill comes under the heading "International Information and Educational Activities." Furthermore, I am convinced that we can obtain a larger measure of effective defense against subversive activities from $1,000,000 spent in connection with this phase of our undertaking than we can by any other means whatsoever.

We wish to meet our opponents where they are. We are meeting them in the military field; we are meeting them in the economic field; but we are not yet meeting them to the extent of our ability in the field of propaganda. Even the amount proposed in the budget is small, as compared to what might appropriately be directed toward this purpose, because, as I have said, I believe that $1,000,000 spent in this endeavor goes much farther in achieving the desired results than does a million dollars devoted to any other line of effort on our part. In fact, I would not object to, but would be very much in favor of, doubling or tripling or quadrupling this appropriation, were there built up a program which required such an increased amount. However, such a program is not yet built up. I feel that we should support completely the program so far as it is built up. We should encourage the further development of this program, and we should give it further financial support as it is rationally and carefully developed.

Mr. President, this is a major, not a minor, undertaking on the part of this country. All of us are witnesses to the tremendous success abroad of what we have come to call "propaganda." We are only beginning to realize our own possibilities with regard to this matter. Anything which not merely cripples, but prevents, the further and effective development of the Voice of America is something to which we must not agree. There are other things involved in this matter, besides the Voice of America, which is the part which has appealed to us most directly, and as to which in recent months there has been developed, in general, a considerable body of approval.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. BRIDGES. How can we cripple a program when we are providing for it more money than has previously been provided for it?

Mr. FLANDERS. Mr. President, I say to the Senator from New Hampshire that in my previous remarks I said that if a sensible program which required the tripling of the amount had been presented, I would have been for it. But that has not been done, as I have indicated.

Mr. BRIDGES. Mr. President, I think the Senator from Vermont has misunderstood me. I did not use the word "tripling." I understood the Senator from Vermont to say that we did not want to cripple the program. I say to him, How can we cripple the program for next year when we are providing for it more money than has previously been provided for that purpose? How could we cripple a program under such circumstances? That is a new one to me.

I know the Senator from Vermont is very resourceful, and that he has the Yankee instincts which are characteristic of those who come from the great State of Vermont. I wish he would use them for economy now. But I should like to have him tell me how we can cripple a program if we provide for it more money than has previously been provided for it.

Mr. FLANDERS. Mr. President, I shall endeavor to answer my associate from across the Connecticut River. My answer will be in two sections. The first section is this: If a growing boy is put into a box barely big enough for him, and if he is fed and permitted to grow, soon he will be crippled. That is the first point.

The second point is that, from my standpoint, this is an economy program, because in this great campaign $1,000,000 can be used far more successfully than hundreds of millions of dollars can be used in other lines of activity. So I have tried to answer the Senator, both on the crippling and on the economy phases of the program.

Mr. BRIDGES. I merely want to say that I, too, am for the program. I want those conducting it to have adequate funds. But I think they have. I think they are adequately provided for, on the basis, certainly, of anything they have shown in the testimony before the committee.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. FLANDERS. I yield.

Mr. BALDWIN. Let me preface my question with a statement. I am in hearty accord with the junior Senator from Vermont. I feel, as he does, that this is a field in which we can do a much bigger, and eventually a much better job than is being done now. I think it is work that needs doing very much, indeed. But I wondered whether the junior Senator from Vermont would be willing to modify his amendment so we would not exceed the total amount of the appropriations in the bill. I ask that, because it seems to me that the committee has done a very commendable job in reducing the appropriations called for in the pending bill below the amount the House reduced them; and the House reduced them considerably lower than the requests contained in the estimate of the Budget Bureau and in the requests from the different departments. I wonder, for example, whether we could not reduce by $3,656,000 the appropriation for the construction of new embassies, appearing on page 5, in the amount of $9,520,100, and restore this amount to $36,000,000. Will the Senator from Vermont accept that by way of a modification of his amendment?

Mr. FLANDERS. I may say to the Senator from Connecticut that is a very attractive scheme, and I should like to follow it through. But I have fear of getting my feet in the flypaper in endeavoring to follow it.

Mr. BALDWIN. I may tell my friend from Vermont that I live on the same side of the Connecticut River that he does, a little further down, and it also seems to me to be important to develop the program. On the other hand, every program that we have must be fitted into some scheme for economy, and what I have suggested would make possible the expansion of the necessary program and at the same time keep within the limits of the appropriation in the bill.

Mr. FLANDERS. I should like to say to the Senator from Connecticut that I have been giving some study to the military appropriations bill, and have satisfied myself that many times the reduction of $3,656,100 can be made in the military appropriation bill without harming the national defense in the slightest degree. That is where my own thinking had led me in connection with making up for this small increase in the pending appropriation bill.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Maine?

Mr. FLANDERS. I yield.

Mrs. SMITH of Maine. I may say to the Senator from Vermont that I feel very strongly about the Voice of America program, especially since it has been our only way of penetrating the iron curtain, and, to that extent, curbing aggressive Russian moves which threaten peace and force us to maintain a $15,000,000,000 Army, Navy, and Air Force. Would it not be economy in the long run to restore the amount that has been cut?

Mr. FLANDERS. Mr. President, I agree thoroughly with the Senator from Maine. This I think is an economy measure. I realize that that is a frequent phrase on the lips of Senators when they are trying to get an appropriation restored. But I submit that this is a unique situation. We are spending billions upon billions of dollars. It is our duty to look, to see where not billions but millions of dollars can be spent for the purpose most effectively. I may say to the Senator from Maine that I find an opportunity here.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I make the statement to the Senator from Vermont that I am for the Voice of America program. I have, in committee and on the floor, fought for it in the past. I am for it today. But I am unable to see the philosophy of Members of the Senate, including the distinguished Senator from Vermont. I could name other Senators here, very distinguished Members.

Mr. FLANDERS. The Senator might just pick me as the shining example, and leave the other Senators out of it.

Mr. BRIDGES. Very well. When we were putting through the ECA program in the Senate, it was pointed out and demonstrated that billions of dollars worth of goods were going to foreign countries not properly labeled. When we were asked to give things to the people of other nations by the billions of dollars worth, and when all we had to do was to label them, in order that the people who received them might know the goods came from America, Senator after Senator, including the Senator from Vermont, opposed a very simple amendment to require compulsory labeling. I have here the record. It is a very distinguished record. I want to commend Senators who voted to label American goods. They were:

Brewster, Bridges, Butler, Cain, Capehart, Ecton, Ferguson, Hendrickson, Hickenlooper, Jenner, Johnson of Colorado, Kem, Knowland, Langer, McCarran, McFarland, Malone, Maybank, Millikin, Russell, Schoeppel, Tobey, Watkins, Wherry, Williams, and Young.

Twenty-six Members of the United States Senate recognized that, when we were spending billions of dollars, we could by requiring a label let the recipients of the goods know from whom they were receiving them. I said then that Senators who opposed it would be on the floor of the Senate trying to appropriate millions of dollars, when it cost money to accomplish the same things we could have accomplished in the way I suggested.

In order that record may be clear, let me read the names of Senators who did not vote, so that they may not be in the condemned class:

Baldwin—

I may say to the Senator from Connecticut, I could not place him on the honor roll, but I leave him out of the list of Senators who voted against labeling American products.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. BRIDGES. I am glad to yield.

Mr. FLANDERS. If the Senator will excuse me, I have the floor.

Mr. BALDWIN. Mr. President, will the Senator permit me to answer the Senator from New Hampshire?

Mr. FLANDERS. I gladly yield.

Mr. BALDWIN. I may say to my distinguished friend, I am grateful for his consideration in connection with the honor roll. But I should like to ask the Senator from Vermont if he might not have been thinking at the time he voted that, rather than label the goods, it would be a good deal better to add $3,656,100 for use in connection with this appropriation, to tell the people of recipient countries about it over the radio? Is that my friend's point?

Mr. FLANDERS. I may say to the Senator from Connecticut that I think he has rescued me gracefully from a very difficult situation. My gratitude goes out to him in unmeasured terms.

Mr. BRIDGES. Let me read the names of other Senators not voting, besides the Senator from Connecticut:

Bricker, Byrd, Graham, Lucas, McCarthy, McClellan, Martin, Mundt, Reed, Smith of New Jersey, Taft, and Wagner.

The first list I read, which I call the honor roll, is a list of Senators who believed in labeling American goods going abroad, so that the people, knowing from whom the goods were received, could give credit where credit was due, enabling us thereby to create good will when we had it in our hands to do so. The second list

contains the names of Senators who did not vote on the amendment, and whom, therefore, I am unable to put on the honor roll. The remaining 57 Senators turned deaf ears to a simple amendment calling for the labeling of American goods. I venture the assertion that nearly all of them will be in favor of increasing the appropriation, taking more money out of the Treasury, to be spent on this program. We want to appropriate adequate funds. I may say I join with the Senator from Vermont in that desire, but when we had an opportunity to accomplish something, as we did in the matter of labeling, I regret that only 26 Senators took advantage of the opportunity. It is an issue every American can understand.

Mrs. SMITH of Maine. Mr. President, will the Senator from Vermont yield for a question?

Mr. FLANDERS. I yield.

Mrs. SMITH of Maine. I should like to ask the Senator from New Hampshire if it would not be expected that the ECA would label American goods and attend to such details, rather than to legislate that detail into the bill? Whether it is by label or radio broadcast, we should always advertise the American way of life.

Mr. BRIDGES. I will say to the distinguished Senator from Maine, if I may answer the question in the time of the Senator from Vermont, that what she has suggested would be expected, but events showed it was not happening, and, in order to make it compulsory, the mandatory amendment was offered. Away back in the beginning, when the ECA bill was passed, we thought, of course, it would be done without the necessity of a mandatory amendment, but the language of the bill was such that it left a great many loopholes. The intent was to assure the labeling, but the language was not mandatory.

I am not, of course, criticizing any Senator, but I point out that in such a situation as the one we have been discussing I should like to see the cooperation of all Senators, rather than having it come to the point of digging into the Treasury for more money.

Mrs. SMITH of Maine. Mr. President, will the Senator from Vermont yield further?

Mr. FLANDERS. I yield.

Mrs. SMITH of Maine. I should like to ask if restoration of the amount of $3,650,000 would not be such a realistic step toward attaining real peace, that we could ultimately cut billions of dollars from our national defense cost?

Mr. FLANDERS. I will say to the Senator from Maine that that is the idea which has been guiding the Senator from Vermont in considering this question. We can disintegrate the influence of the country against which we are spending billions of dollars in armament for what is, as yet, a nonexistent war. We can disintegrate the necessity for that armament more quickly and more cheaply by this means than by any other means.

Mrs. SMITH of Maine. Mr. President, will the Senator yield further?

Mr. FLANDERS. I yield.

Mrs. SMITH of Maine. In other words, we can make it really an economy and not an extravagance? Is not this proposed restoration really an economy move?

Mr. FLANDERS. I believe the Senator from Maine has put the correct tag on it.

Mr. President, I want to come back for a moment to the Senator from New Hampshire and say that I lay no claim whatsoever to having voted correctly on every measure which has come before the Senate since I became a Member of it. This is very likely one of the mistakes of my youth. As nearly as I can remember, in going over the matter, I was moved not by any feeling that the purpose of the Senator from New Hampshire should not be realized, because I subscribed to it heartily. I have a recollection that there were certain practical difficulties which gave pause, "and thus the native hue of resolution was sicklied o'er with the pale cast of thought."

Mr. President, I have here a letter from Mr. James E. Webb, Acting Secretary of State, which I wish to have placed in the RECORD at this point in my remarks. I will read from it only the two final paragraphs:

A reduction of $3,656,000,100 below the original submission to the Congress will mean, in effect, that the Department's international information and educational exchange activities would have to be cut slightly below the existing level of operations in fiscal 1949, since the annual rate for the programs is now approximately $32,947,080.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. McCARRAN. I think the Senator misread the figures.

Mr. FLANDERS. It is $3,656,000,100.

Mr. McCARRAN. No; it is $3,656,100.

Mr. FLANDERS. Did I say "billions"?

Mr. McCARRAN. Yes.

Mr. FLANDERS. I have contracted a disease which is altogether too prevalent beneath this roof and within these walls, and I ask the pardon of the Senator.

Mr. McCARRAN. I have been trying to get away from "billions" for a long time.

Mr. FLANDERS. I stand corrected, Mr. President.

The second paragraph of the letter which I wish to read is as follows:

The United States Advisory Commission on Information, in its semiannual report to the Congress, has expressed its firm conviction as to the importance of continuing to build up this program.

I invite attention to the marked passage on page 2 of the report, which I shall read. It is signed by the Advisory Commission, consisting of Mr. Canham, of the Christian Science Monitor; Mr. Reed, of the General Electric Co.; Professor May, of Yale University; and Mr. Miller, of the National Association of Broadcasters. I read:

In our judgment, the budgetary recommendations which have been sent to the Congress for this program for 1950 are a bare minimum for continuing the beginning which has been made. While it is important to spend well rather than merely to spend a lot, the vital need for broadening this program as speedily and effectively as possible calls for a much larger expenditure. Indeed, a realistic approach requires that we provide a budget better balanced—

I emphasize this passage—

a budget better balanced between the three-pronged program of military, economic, and information policy. A budget which contemplates $15,000,000 for military, $5,000,000 for economic, and only $36,000,000 for information and educational services does not provide an effective tool for cleaning out the Augean stables of international confusion and misunderstanding.

Mr. President, I want to refer to one or two other things besides the Voice of America——

The PRESIDING OFFICER. Did the Senator ask unanimous consent that a letter be included in the RECORD?

Mr. FLANDERS. Yes; I wish to have it inserted in the RECORD.

There being no objection, the letter with its accompanying statement was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, June 6, 1949.

The Honorable RALPH E. FLANDERS,
United States Senate.

DEAR SENATOR FLANDERS: The attached memorandum answers your telephone request of June 6 for a summary statement of the effect of the reduction proposed by the Senate Committee on Appropriations in the appropriation for the fiscal year 1950 for International Information and Educational Exchange activities.

You will find on pages 460–472 of the Senate Hearings a more detailed analysis of the effect of the House reduction of $2,000,000 in the original request of $36,000,000 and the effect of a proposed additional $2,000,000 Senate reduction. The analysis was submitted to the Senate Committee on Appropriations at their request and reflects the Department's judgement as to the best manner of allocating among the several activities a further reduction of $2,000,000. This statement, except for two specific changes made by the committee, is still accurate. The two changes are: (a) in radio, where the committee allowed $514,900 for two curtain-type antennae, and (b) in the libraries and institutes program, where the committee eliminated the sum of $171,000 for aid to American-sponsored schools abroad. With these two adjustments, the bill as reported reflects a reduction of the total available in fiscal 1950 for International Information and Education Exchange activities from the original request of $36,000,000 to $32,343,900.

As you will see from the attached statement, the effect of this reduction will be particularly serious in the international broadcasting field, and in certain of the film, press, and educational exchange activities.

A reduction of $3,656,100 below the original submission to the Congress will mean, in effect, that the Department's international information and educational exchange activities would have to be cut slightly below the existing level of operations in fiscal 1949, since the annual rate for the programs is now approximately $32,947,080.

The United States Advisory Commission on Information, in its Semiannual Report to the Congress, has expressed its firm conviction as to the importance of continuing to build up this program. I call your attention to the marked passage on page 2 of the report, a copy of which I attach.

Sincerely yours,

JAMES E. WEBB,
Acting Secretary.

Effect of proposed reduction in fiscal 1950 appropriation for international information and educational activities

The fiscal 1950 appropriation for information and educational exchange activities, as recommended by the Senate Appropriation Committee, breaks down in to the following major program components:

	1949	Budget, 1950 estimate to Congress	House reduction	Fiscal year 1950	
				Senate committee reduction	Adjusted estimates
Policy and program guidance	$903,234	$1,084,568		−$10,000	$1,074,568
Radio broadcasting	11,977,771	9,417,313	−$857,878	+266,279	8,825,714
Press and publications	5,292,337	6,278,385	−318,481	−175,000	5,784,904
Motion pictures	4,030,687	4,404,584		−200,000	4,204,584
Libraries and institutes	2,977,746	3,393,286	−115,000	−221,000	3,257,286
Exchange of persons	2,057,282	3,100,464	−100,000	−63,000	2,937,464
Scientific and technical program	2,857,264	4,199,400	−446,641	−1,091,379	2,661,380
Adjusting entries to arrive at appropriation or estimate total (administrative transfers including contract authority administrative support, Public Law 500, etc.)	1,003,679	3,922,000	−162,000	−162,000	3,598,000
Grand total	31,100,000	36,000,000	−2,000,000	−1,656,100	32,343,900

The field program staff is included in the above program break-down. This field staff, as proposed in the original request for 1950, would consist of 447 Americans and 1,908 local alien personnel. This staff in 1949 consists of 400 Americans and 1,508 local alien personnel. The cost of the field operation in 1949 would be $7,374,295; $9,136,000 was requested for 1950. After the House reduction and that proposed by the Senate committee, $8,793,022 would be available. The apparent increase of $1,400,000 is virtually wiped out, however, by the fact that the bulk of the 1949 field personnel who are now on duty have not been on duty for the full year. Some specific important items which will have to be eliminated or drastically curtailed are:

1. Radio: Production of packaged shows for local overseas broadcast, $200,000: Because of listening habits or the limited number of short-wave sets available, short-wave broadcasting to certain countries is relatively unproductive. During 1950 it was planned to produce recorded programs in the United States for local broadcast abroad over standard broadcast stations at a cost of $200,000. Under the House reduction it would be necessary to eliminate this activity entirely.

The elimination of broadcasts in five languages on which plans have gone forward—Finnish, Ukrainian, Arabic, Turkish, and Hebrew—and one language—Persian—which is now being broadcast. All of these languages are beamed to areas strategically important from a political standpoint, and with the other languages to be broadcast represent the very minimum that should be undertaken in the fiscal year 1950. This would save $248,621.

2. Press: Production of the Arabic edition of the magazine Amerika, $318,481: It is proposed to publish the magazine Amerika in Arabic during 1950 at a cost of $318,481. Our critical problems in the Near East and the fact that private United States publications are barred from certain Arab countries make this project highly desirable, but under the reduction it will not be possible to carry it out.

3. Films: A reduction of $150,000 as indicated will have the following effect on activities: Foreign version, $120,000: This reduction would make it necessary to eliminate an average of 3 language versions for each of the 100 reels of general program film. This reduction would permit the making of only 10 foreign language versions, other than English, to reach general audiences overseas with informational films about the United States.

Distribution prints, $30,000: It would be necessary to reduce the number of exhibition prints of the above foreign versions for use in the program overseas from a proposed 215 prints of each subject to approximately 200 prints.

4. Aid to American-sponsored schools: A reduction, as proposed, of $271,000 would eliminate not only assistance to schools in the Near East and Africa, but also force a closing out of the 10-year-old successful program in Latin America where 270 such schools receive small amounts of assistance.

American-sponsored schools in several Near Eastern countries represent the principal focal points of American culture and information in that area. The reduction of this amount would eliminate all assistance to American-sponsored schools in the Eastern Hemisphere planned for 1950, including provision for 18 American teachers, professional services and educational materials for six schools in the Near East and African area.

5. Field staff: Local overseas broadcasting for Europe and the Middle East, $142,978: Expenses connected with local radio broadcasting in Europe and the Near East, including hire of station time and the local production of programs have been estimated at $142,978 for 1950. The elimination of this item will make it possible only to support local broadcasting in the Latin-American countries next year and thus significantly reduce the span of radio coverage.

The planned level of the USIE mission staffs overseas was based on political considerations. Those considerations have not changed, and were based on the Department's experience, field reports, and recommendations of the Smith-Mundt committee which toured Europe in the fall of 1947.

It was felt the minimum increase of overseas activities for 1950 would be the opening of six new posts and hiring of additional personnel required for minimum effective operations.

The Department, having to reduce by $100,000 in the item for opening of new posts, would be able to open only two new posts instead of six as proposed in the estimates. Four posts which could not be opened are: Surabaya, Indonesia; Bologna, Italy; Birmingham, England; Amsterdam, the Netherlands.

The elimination of new posts leaves the Department no alternative but to reduce by $100,000 the funds requested for the hiring of local personnel. The Department requested an increase of 403 local employees in 1950 over the 1949 complement of 1,647. This reduction in funds, therefore, will mean that the requested increase of 403 new positions will be reduced to 303 employees.

The Department considered the increase requested in 1950 as a minimum necessary to carry on the level of activities of this program. The Department will be operating for a full year at 145 overseas posts, and this increase provided for an average of only 2 additional locals at each post.

This reduction represents a 25-percent decrease in the services which were to be performed by these locals in the fields of press, publications, distribution of printed material, radio, motion-picture services, secretarial assistance, library services, and other activities for which they are required.

Mr. FLANDERS. Mr. President, I desire now to speak regarding one or two elements of the educational part of the program. There have been, for instance, for two or three generations past, two schools in the Near East supported by American funds. One was Roberts College, in Constantinople, as it was then called, and the other was the American College in Beirut. Those two colleges were sources of a tremendous amount of appreciation of American life, American character, and American influence. There was a similar effect from the bringing over of Chinese scholars to this country, financed by the Boxer indemnities. The means of spreading abroad American ideas and American ideals are exceedingly important. I should like, however, to invite the attention of the Senate to the fact that they are not permanent and everlasting. Generations succeed generations. The influence of those earlier graduates of the two schools which I have mentioned was of tremendous effect while they lived. We must maintain this particular type of expanding American influence. We must sharpen it up and expand it.

In conclusion, I repeat that this is the most effective way to use money for arresting the subversive influences of communism.

Mr. FULBRIGHT. Mr. President, I wish to say a few words in support of the amendment offered by the Senator from Vermont. First, let me say that I do not recall exactly the circumstances and the arguments made with regard to the labeling, but it is my impression that the reason for the opposition was really a practical one, namely, whether the goods could be effectively labeled. I think some one remarked that it would be extremely difficult to label each grain of wheat, that such goods were actually shipped in bulk, that only a few items would lend themselves to labeling.

I also recall the remark made by a member of our embassy in Rome last fall when I was there. He stated that the effectiveness of the Russian propaganda was so great because under a program similar to the Voice of America they persuaded the Italians that in those cases where the boxes were labeled as having come from the United States, all the contents had been donated by Russia. That approach, by newspapers and radio programs, was so effective that they made many Italian people believe it.

For myself, I think the opposition to the amendment was purely on the ground that there was no effective way of labeling the type of goods we were sending abroad, principally in bulk, such as flour and wheat. An automobile, for instance, if such an article were involved, of course would be labeled. It was not because we were not interested in informing the Italians, or Europeans in general, about

the sources of materials we were sending. Of course we were all interested, and I dare say that all who voted against the amendment were extremely anxious to inform those people about the facts of life in this field of international affairs.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BRIDGES. Even though they might have been greatly in favor of informing these people of the facts of life, they did not want to try, however, by their votes.

Mr. FULBRIGHT. Unless they were persuaded that there was an effective and practical way of doing it, there would certainly be no point in putting burdens upon the administration to go through a lot of formalities which would not be effective in the long run. I am quite sure that when we examine into the facts—as I have not done—that will appear to have been the principal argument in opposition. I do not think there was any other. I know it was not, because we did not want to inform the people of Europe about the sources of the materials which we were shipping abroad.

Mr. President, the program of information and educational exchange proposed by the State Department in its request for $36,000,000 is, in my opinion, wholly inadequate to meet the urgent national need. That this item, after having been cut $2,000,000 by the House, should be subjected to a further cut of $1,656,100, as proposed by the Senate Appropriations Committee, is wholly inconsistent with the situation existing in the world today.

The instruments of propaganda have become principal weapons in a new kind of warfare. The United States is now under attack by the heaviest concentration of these new weapons in the hands or under the control of Soviet Russia.

The populations of the world who are within earshot of the radio, or who can read, or who can understand the spoken word, are being subjected to false propaganda so bitter in its vilification of the United States as to defy adequate description. It pours forth not only from Moscow, but with equal viciousness from the capitals of Russia's satellites which she has captured and enslaved through the very kind of aggression which she falsely charges against us. It comes from the Communist cells which she has built up in all countries, including our own, and in all parts of the world.

The only effective voice in which we can speak the truth about ourselves to the rest of the world, in the face of this vicious assault, is the program which we are asked to cut to an extent all out of proportion to its vital importance.

It is estimated by American officers in the field that Russia is spending at least 10 times the amount spent by the United States in these activities. Several times in the hearings that specific question was testified to by some of our most responsible foreign officers. In France alone there are at least 16 Communist daily papers and more than 100 Communist periodicals, not to mention bulletins, pamphlets, and so on.

I recall one place in the testimony where Assistant Secretary Allen, I think it was, stated that to the best of his information there were some 1,541 offices, or reading rooms, or other types of propaganda sources, maintained by the Russians, as against 6 by the United States, about 1,500-plus to 6. We have about six offices, in some of the principal towns of France. The Russians have a tremendous organization, of Communists, of course, most of them manned by local French Communists, but directed in the main by Russian Communists, men like Thorez and Duclo, who have been trained in Moscow and who have gone back to lead the movement in France.

Mr. President, reduced to simple terms, there are only three weapons available to us in the cold war—guns, food, and ideas. It is proposed that we spend $15,000,000,000 for guns, to protect ourselves against possible Communist aggression. We will spend about $5,000,000,000 for food and materials to prevent that condition of desperation among our friends under which Communist ideas may flourish. Yet, it is proposed to cut a very modest request for the only program we have which strikes at the roots of this conflict of ideologies, which proposes to increase understanding of our own way of life, and what our purposes and objectives are in these great programs in other fields.

The Soviet Government has long since adopted fully the weapon of ideas. I think one of the principal reasons for the advances they are making is directly traceable to that fact. When we compare the other activities in which they are engaged in the foreign field we can account for the success of the Russians, and the Communists in the satellite countries, in no other way. I mean that they have not engaged in anything comparable with ECA. They have given nothing to these people. In fact, in most cases they have taken from them. That is, they have looted countries like western Germany, Czechoslovakia, and Rumania, but they have offset that by the use of this propaganda weapon and by the use of ideas.

One of the principal means by which communism has now gained control of China is through the activities of Chinese who have been indoctrinated in Moscow over a long period of time. Senators will notice, if they read carefully, that practically all the leaders, like Mao Tse-tung in China, or Tito in Yugoslavia, or Togliatti in Italy, were trained under programs very similar to the one which is supported by the appropriation we are considering. They were trained in Moscow by that type of program, leaders throughout the world, people who have been brought to Moscow under educational exchange programs. Since the earliest days of the Soviet regime it has maintained and expanded its educational exchange program.

Our military and economic programs demonstrate our strength, our might; and it is no doubt true that a demonstration of our strength is sufficient to convert many to our cause. But to rely wholly on our might, with little or no attempt to convince our potential enemies and to sustain our friends in the rightness of our cause, is shortsighted. To do so is a mockery of our pride in our freedom under democratic government.

It is a strange situation. Members of Congress talk more than any other group about Americanism, the America way of life, and so on. Yet we are unwilling to explain to the world what those nebulous phrases mean in the only practical way there is to do it. We are constantly comparing our ideology with the Communists', yet we seem unwilling to permit such a comparison to be made by those who are constantly subject to the enemy's propaganda. We are extremely diligent in exposing communism for what it is—we are constantly investigating it and its adherents—we spend quite large sums in our investigations of these activities in the Congress—and it is strange that we are not equally diligent in explaining and exposing the good that is in our own country—the reverse of the coin.

The President, in his inaugural address, advocated a bold new program, known as point 4, having its basis in the sharing of American technological and scientific knowledge with the backward areas of the world, to help them to better standards of living. This bold new program is in itself a proposal to broaden the very type of work that has been conducted in the program which we are now asked to reduce. At the invitation of the United States, a commission of the United Nations is now preparing to institute a program for the implementation of point 4. According to reports of the United Nations commission's work, it will recommend that the very type of educational work which is now being done under this budget item—in the field of exchanges of scientific and technical knowledge—be intensified.

Mr. President, I think it would be interesting to place in the RECORD at this point an article which appeared in the New York Times, written by Mr. George Barrett, describing the United Nations budget to meet point 4. The article is dated Lake Success, June 2. It says that there was a proposal made in the United States calling for an outlay of $85,000,000-plus during the first 2 years to raise living standards in economically backward countries.

I think it would be well to place the article in the RECORD so that anyone can see the closely analagous character of that proposal and what is actually being done under the present proposal, only in this case on a smaller scale. That is merely one point I wanted to call particular attention to. One of the items in the break-down of costs for the United Nations is as follows:

United Nations educational, scientific, and cultural organization, for elementary, technical, and adult education—$16,855,500.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McCARRAN. When the proposal for a reduction of $2,000,000 was submitted to the State Department they suggested a reduction of $1,091,379 in

the program of which the Senator is now speaking.

Mr. FULBRIGHT. That is correct.

Mr. McCARRAN. That does not indicate that the State Department thought the reduction would be of any great effect.

Mr. FULBRIGHT. The Senator raises a very difficult point. Each time an objection has been made to a specific reduction which the State Department has said must be made if an over-all cut is ordered, the response has usually been that the Department does not have to cut that particular item. If it represents a particularly desirable project they can cut another project. That is a matter which is extremely difficult to answer on our part because there is here an over-all cut, except for several items, two of which I wish to mention a little later on.

The Senator from Nevada knows I am particularly interested, and have been, in the exchange of students. I think the committee has done what is a very fair job in that respect. They have not cut the item unduly. I may say that that program is just getting under way. The argument that the item is larger than it was last year is certainly completely met by the statement that the program for exchange of students is just coming into being this coming fall. Up to now there has only been preliminary work done. Most of the agreements under which that program can be developed have been signed only within the past 6 to 9 months; so heretofore there has not been any program in existence. Therefore, of course, it will be necessary that there be an increase in the amount for this item. Without an increase the amount will remain continually at the figure for the previous year. I am not directing most of my remarks at that particular aspect, because I think the committee took that point into consideration in a fair way. I am trying to make the point that the item which the Senator just mentioned of more than $1,000,000, which the State Department says must be cut, was a new undertaking under the Smith-Mundt bill which was passed last year.

In the case of Public Law 584 of 1946, which is the law providing for exchange of students, based upon foreign currencies and credits derived from the sale of surplus property, and the Smith-Mundt bill, in both cases those activities have not really begun, although the authorization for them has been made. Last year I made a motion on the floor of the Senate to appropriate $1,000,000 in order to implement the Smith-Mundt bill and get it started. That was defeated, and if I recall correctly, the Senator from Minnesota stated on the floor, among other things, that since the other program, that is the program under Public Law 584 in which I have been particularly interested, had not gotten under way, there was no need for the $1,000,000, but that when it had gotten under way there would be plenty of time to ask for the million dollars to implement that program. That was the argument which took place, I think about a year ago.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McCARRAN. I do not wish to interrupt the Senator's presentation. The Senator and I have discussed the matter before. In the initiation of the program 1,440 students were exchanged. The committee action respecting the program in which the Senator from Arkansas is interested makes provision for 3,004 students to come to this country, which is more than double the number initially provided for.

Mr. FULBRIGHT. I think the Senator will find that practically all the increase in number of students comes under the program provided by Public Law 584, under which, however, very few dollars, relatively, are employed. In other words, that is because this fall it is anticipated the real beginning will occur in the exchange of students under that law. The State Department in their response respecting the cut said that they will find it necessary to cut down some 75 South American scholarships which had formerly been conducted under their existing program, the old Inter-American Affairs program. The great increase in exchange of students will occur under the provisions of Public Law 584. There will be but a slight increase under the other program.

I wish to say to the Senator from Nevada that I am not complaining today so strongly about that aspect of the matter. I wanted to base my objection primarily on the broad ground that in the field of propaganda, in the field of information, we have been deficient in the past and are deficient this year. As I have stated before to the Senator from Nevada, I think it would be a much better investment—if it is a question of keeping appropriations down, and I am concerned with trying to keep the total appropriations down—and a much wiser way to spend our money to take $50,000,000 from ECA, respecting which we passed an authorization bill a short time ago, and apply that money to this field of exchange of students, simply as matter of wise investment of the money, assuming we are going to spend that much money, or whatever amount is provided. I think it would be much wiser to take a part of the ECA money and apply it to the project for exchange of students. I say that because I believe we are not doing an adequate job and never have done an adequate job since the war in simply telling the people of the various countries what is going on and what the United States purposes are in undertaking a project such as the ECA. I think there are serious misconceptions all through Europe, in the very countries in which we are spending the money, about why we have an ECA.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McCARRAN. Let me say to the Senator that as chairman of the Joint Committee of the House and Senate known as the "watchdog committee," I shall present an amendment to the ECA program for a $650,000,000 reduction, and I will base the reduction on facts set forth in the reports of the ECA itself. But that does not add anything in the way of justifying the position of the Senator from Arkansas on this bill.

Mr. FULBRIGHT. The reason I made the reference is that I am assuming in undertaking a program such as the ECA, and also our military budget, we have certain objectives to be achieved in the foreign field. On the one hand, of course, the primary objective is security. A part of that security, however, is the attitude of these countries with which we are dealing. It is a mixed interest, of course. One is physical security. The other is economic security. I say that when we accept those objectives, our program is entirely out of proportion, out of balance. Relatively speaking we are putting too little in the latter field. I do not think we can dissociate the two purposes. The very fact that we have approved and are undertaking programs such as the ECA is one of the justifications for a program adequate to explain to the people concerned why we are doing it. The Russians, who do not have the ECA, have an entirely different motive than we have. They have what I think is a purpose to confuse the people who are concerned, and certainly to prevent their understanding of just why we are engaging in any program such as the European recovery program.

I wish to point out that the officials of the United Nations and responsible people in this country have accepted point 4, as it is called, which was initiated by the President's speech in January, as a proper approach toward a solution of our international difficulties. That is one aspect of the matter. The activities contemplated in point 4 are almost identical with part of the activities which are being carried on in a small way under this program. It seems to me very strange indeed that, on the one hand, we have cut out $3,500,000, and on the other hand responsible persons are seriously proposing that we adopt a project which involves an over-all expenditure of $85,000,000—I think it is $35,000,000 for the first year and $50,000,000 for the second. That kind of approach does not make any sense to me.

I offer this article simply to draw attention to the fact that it seems to me that there is a conflict in our approach to the problem.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UN BUDGET TO MEET POINT 4 IS SET BY LIE AT $85,942,383—WORLD ORGANIZATION MAKES UP A 2-YEAR PLAN TO EXECUTE TRUMAN'S BOLD NEW PROGRAM TO AID BACKWARD LANDS

(By George Barrett)

LAKE SUCCESS, June 2.—The first comprehensive global program to raise living standards in economically backward countries was outlined today in a United Nations proposal calling for an outlay of $85,942,383 during the first 2 years.

Submitted to the Economic and Social Council by Secretary General Trygve Lie, the 328-page report sets forth an international program of technical assistance to explore and improve virtually the whole field of economic activity in the forgotten regions of the world, ranging through industry, power, health, transportation, navigation, agriculture, labor, education, and other activities.

Emphasizing the need for a blueprint to guide the underdeveloped areas and peoples to fuller participation in the economic life of the world, initially by teaching them how

to tap their own resources, the United Nations survey is the first positive result of President Truman's proposal for a bold new program of aid for the backward areas.

Mr. Lie notes that the Economic Council asked for such an analysis upon the initiative of the United States delegation and in pursuance of President Truman's point 4. The Secretary General then indicates that the main purpose of the United Nations plan is to "prime the pump" in the underdeveloped countries so that at some later date it will be practical and profitable to pour investment funds into the same regions.

In outlining details of the blueprint, reached after long consultations between Mr. Lie and the directors of the various specialized agencies, the report emphasizes that progress in economic development must be measured in decades, not in years. This was also one of the main stipulations of the United States delegation when it requested an over-all program from the United Nations. The report also explains that the technical assistance projects described are merely a pattern for future action on a large scale.

Basically the United Nations plan calls for the establishment of a system of expert teams to go into the field, study the special economic aspects in the underdeveloped regions, and show local authorities and inhabitants how they can better exploit their resources for their own good, and ultimately for the good of world society, which needs many of the resources that are still largely buried for lack of know-how.

With the specialized agencies of the United Nations undertaking to do most of the task by enlarging their own fields of activity—health, food, labor, and the like—Mr. Lie proposes to insure the closest cooperation between the various agency programs, on one hand, and the program that is to be followed by the parent organization itself, by establishing a central clearance point, the Technical Assistance Committee.

This committee is to be made up of a representative of each of the agencies. Governments seeking advice or technical assistance under the global plan would approach either the individual agencies, as they do now on a more limited scale, or the committee directly. It would turn the request over to the appropriate authority.

WOULD PUSH SELF-HELP

In only a few cases are needy countries listed by name. The United Nations plan emphasizes that the character, size, location and costs of the specific projects that will be undertaken will depend upon the requests received from governments. Particularly, it is emphasized, the international aid program is designed to help needy countries help themselves in developing their resources and productive capacity. For that reason, the report goes on to say, the success of the plan in the long run will depend in great measure upon the support given to it by the underdeveloped countries themselves.

Generally the program suggested by the United Nations mentions only geographical regions that presumably will require technical assistance, such as Asia, Latin America and Africa, thus leaving it up to the countries within those regions to make formal applications at the time the program is accepted, first by the Economic Council and later by the General Assembly.

It is noted for example, that there are scientific problems common to large areas of the earth—namely, those of the so-called arid zones, of the tropical humid zone (the Amazon basin, for instance) and of the high-altitude plateaus (Andes and Himalayas). In each of these areas, it was said, studies are necessary on conditions of life for human being and animals, on problems of power production and, in the arid areas, on the more economical and effective use of water.

The report says that in underdeveloped countries having a critical need for improved road transport, demonstrations of road construction might be carried out by missions lasting approximately 6 months. An indication of the scope the plan might eventually take is given in a table that shows the United Nations (parent organization) will require 160 advisers during the 2 years at a cost of $2,400,000.

BREAK-DOWN OF COSTS

A break-down by costs for the United Nations itself and the major specialized agencies involved in the 2-year program follows:

United Nations, for industry, transport, power, government administration, etc., $15,185,000.

International Labor Organization, for training, migration, social security, industrial safety, etc., $11,471,900.

Food and Agriculture Organization, for fisheries, forestry, nutrition, etc., $20,770,839.

United Nations Educational, Scientific and Cultural Organization, for elementary, technical, and adult education—$16,855,500.

International Civil Aviation Organization for development of air navigation and transportation—$1,523,600.

World Health Organization, for malarial control, environment, sanitation, public health administration, etc., $20,135,544.

The total first-year cost will be $35,862,576, the second-year cost $50,079,807. Special budgets will be set up for the projects, with each country volunteering quota contributions. In some cases, it is believed, the United States as prime mover of the whole idea and as the country with the most money and technical resources would pay the bulk of the initial costs.

Mr. FULBRIGHT. Mr. President, there are one or two other specific items which I wish merely to mention. One of them, I think, is particularly appealing. It is a small item, and was specifically eliminated by the committee, as I understand. It involves an amount of $171,000 for the support of schools in South America. The program was begun in 1941. It had nothing to do with this particular legislation, or with either of the programs for exchange of students which I mentioned a moment ago.

I should like to read a prepared statement, to give a little background. I think it is a very interesting story of how we first became involved in this program:

AMERICAN-SPONSORED SCHOOLS IN LATIN AMERICA

Immediately after the First World War, the Germans residing in most of the important cities of the Latin-American Republics organized grade and high schools. These schools were open not only to the children of the Germans residing in the cities in which they were established, but they were also open to the children of Latin Americans. In fact, prominent and influential Latin Americans were encouraged to send their children to these schools which, in most cases, were well organized and offered an excellent course of study. They were directed by headmasters from Germany and they had on their staffs a few teachers from the fatherland. Other teachers were employed locally. With the advent of the Second World War, it was found that these schools had been the most effective agencies in promoting the cultural and political interests of Germany in the other Americas.

When the Second World War began, the governments and citizens of many Latin American countries decided to close the German schools, but at the same time they expressed an interest in establishing American-type schools to take their place.

At the request of the Office of the Coordinator of Inter-American Affairs, the American Council on Education, a nonprofit, nongovernmental educational organization, set up an office known as the Inter-American Schools Service, to establish, develop, and assist American-sponsored schools in the other Americas. A grant was made to the American council for this purpose. Since 1943 the Inter-American Schools Service has operated under a grant made to the American Council on Education by the Department of State. The project is carried on as one of the features of the cultural relations program in Latin America.

The Inter-American Schools Service is now serving approximately 270 American-type schools in the other Americas. These schools are not imposed upon Latin America. They have been sponsored by Americans and nationals of the communities in which they are located. There are now approximately 60,000 Latin-American children enrolled in these schools. They operate under permits or charters granted by the governments of the countries in which they are located. The board of directors, in each case, is made up of both Americans and nationals. The schools employ principals from the United States and several United States citizens as teachers. These schools interpret our ideals of democracy without being propaganda centers. They also represent our theory and practices in education. They have been so well received that thousands of children are now on the waiting lists for enrollment in the schools.

Latin-American children attending these schools learn English. They also study United States history and other subjects offered in our public schools. At the same time they study the history, geography, civics, and language of their respective countries in the language of the country. Hundreds of the graduates of these schools are now seeking admission to colleges and universities in the United States.

The schools also are useful in promoting American commerce. Before they were established, it was difficult for American business concerns to send responsible American representatives to Latin-America because there were no schools for their children. As a result, many American business interests were represented by men without family and home ties. A much more responsible type of representative is now available for the promotion of our business interests in Latin-America because these schools are available.

The State Department and the Inter-American Schools Service, in carrying out the school program, have insisted that the schools be largely supported from local income rather than from grants from United States Government funds. A survey shows that more than $6,000,000 has been obtained from local sources in Latin America to maintain these schools. The investment made by the United States Government through its appropriation to the Department of State for carrying on this school program is approximately $171,000.

It is highly desirable to maintain and expand the American school program in the other Americas. These schools are serving the best interests of the United States, and at the same time they are serving the communities in which they are located. Funds are needed to continue the advisory service and to provide United States teachers in special cases.

The program is enthusiastically supported by Government officials and citizens of Latin-American countries as well as by our diplomatic missions and American citizens residing in Latin America.

I wish only to emphasize this point: Here are a large number of schools, 270 schools. Approximately $6,000,000 of local funds, native funds, so to speak,

from those countries is spent on the schools. Our contribution is only $171,000 in this budget. The item was specifically eliminated. It seems to me that that is an extremely efficient way to invest our money for the purpose of acquainting other people with American purposes and political ideals, and what we call our way of life. I cannot think of any more efficient way to spend our money than that. An appropriation of $171,000 spread over the schools throughout Latin America would be very efficiently spent. As the Senator from Maine [Mrs. SMITH] said, it is a very economical way to spend money for this purpose. I am assuming, of course, that it is a legitimate and proper purpose. I think it is. We have accepted it for a number of years.

The other instance which I wish to reemphasize is the item which was referred to by the Senator from Vermont [Mr. FLANDERS], relating to the American schools. I think there are several more than he mentioned. He mentioned two of the leading schools, Robert College and the American College. There is also one in Athens, called Athens College, and I believe there are one or two in Egypt which were established by private American citizens.

The need for some help is perfectly obvious. The Government has not helped them before, but economic conditions at home, together with high taxation, have put a terrific strain even on institutions in the United States. The reduction in income from endowments and the practical impossibility of obtaining new endowments under present conditions have put a very severe strain on those schools. The purpose of the $100,000 which was intended to be devoted to this school was to help pay the cost of sending professors to the schools.

I visited Robert College last September. It has a very excellent physical property, on the Bosporus. Those who teach in it are all Americans, or persons who have been trained in America. I cannot imagine a more efficient way to spend $100,000 for the attainment of the purposes of the Voice of America program, the Smith-Mundt bill, or Public Law 584, than some small assistance to those schools. I was told at the time of my visit that there was great likelihood that the school of engineering, which, as everyone knows, is an expensive school to maintain, is in grave danger of being closed because of the lack of money to employ an adequate staff.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McCARRAN. The Senator undoubtedly knows that we have never made contributions for those near eastern schools.

Mr. FULBRIGHT. That is correct. In the case of South America, of course, we have done so for years. I only say that conditions have changed so greatly with regard to the usual sources of income for those American schools in the Near East that I think consideration for them in this appropriation would be entirely justified—all of it on the ground that it is our national policy to try to inform the rest of the world as to what our purposes are. In other words, it is in accord with our foreign policy. If that were not in the picture, of course we would not be in the business of charity for the sake of charity alone in these programs. It seems to me that this program fits in directly with what we have expressed as our national policy.

Mr. President, I do not wish to delay the Senate further. I think this matter is of sufficient importance that, regardless of what action the Senate may take on this particular amendment, the subject should receive further consideration. I realize that the committee had great difficulty in connection with this program, and that there was strong opposition to this item. Many members of the committee feel that they did the best they could. I recognize that situation. But in order to provide at least a source of further information about it, I wish to insert certain material at this point in the RECORD, so that at least we may have an opportunity to enlighten ourselves, for I am sure this matter will later be before us for consideration again. So, Mr. President, I ask unanimous consent to have printed at this point in the RECORD three articles—all very short. One of them deals with the schools in Latin America. Another is a current description of the signing of the agreement with Norway. This publication is dated June 4, and is by the Norwegian Information Service. It describes the character of the programs which are affected by this appropriation.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Record, Department of State, January 1949]

SCHOOLROOM EMBASSIES

(By Roy Tasco Davis [1])

On the morning of October 4, 1948, his Excellency, Galo Plaza, President of Ecuador, and the Honorable John F. Simmons, American Ambassador to that country, stood at attention as the flags of Ecuador and the United States were raised side by side to commemorate the anniversary of the founding of a successful experiment in cooperative education. They were participating in the ceremonies marking the opening of the eighth annual session of the American School of Quito, in the presence of the minister of education, the mayor of Quito, and other officials of the two Governments. In the audience were hundreds of patrons and friends of the school as well as 600 enthusiastic students awaiting the beginning of a new school year.

It was particularly appropriate for President Galo Plaza to participate in this ceremony, because in 1939 he fostered the movement to establish this school. Mr. Plaza was not satisfied with the education his children were receiving in the German-sponsored school of Quito, which was one of many such schools established throughout Latin America after the First World War by the Germans. He had noted that these schools were winning over the students and their parents to the support of German ideas and ideologies. "I wonder," said Mr. Plaza, "if the methods that are being used so effectively to win people over to a strange philosophy could not be applied more constructively to strengthen our own American principles. I wonder if it might be possible to make the American school system available to our children in Ecuador."

Mr. Plaza not only wondered—he acted. Under his leadership, which was enthusiastically supported by the American Ambassador, the Honorable Boaz Long, and by many Ecuadorians, a cooperative organization was formed of Ecuadorians and Americans, and funds were raised to start a small school. In October 1940, the school opened with 112 students, in a rented building, under the direction of two educators from the United States. The movement met with immediate success, and within 5 years its sponsors had constructed, with the assistance of United States agencies, a modern plant consisting of four buildings on a campus of 12 acres. The school now has an enrollment of 600 students and faculty of 41 administrators and teachers, 14 of whom are citizens of the United States. Operating on a nonprofit cooperative plan, under a board of directors of Ecuadorians and Americans, the school is coeducational, nonsectarian, and bilingual. It offers a course of study from kindergarten through high school based on the essentials of the educational programs of Ecuador and of the United States.

The American School of Quito is one of 24 similar cooperative schools now operating in 15 Latin American republics. They form a part of the program for cooperation with Latin America which is sponsored by the Department of State through its Division of Libraries and Institutes. The Latin American school program is administered by the Inter-American Schools Service of the American Council on Education under a contract with the Department.

The Department of State and the Inter-American Schools Service set up the following guiding principles in connection with the school program in Latin America:

1. That North American-sponsored schools in Latin America have been established to supplement, rather than to compete with, the work and activities of national schools.

2. That the purpose of this service is to cooperate with North American-sponsored schools in their efforts to improve the educational programs offered to the communities which they serve. It is not its purpose to act as an agency to promote the interests of the United States, except as its activities result incidentally in strengthening confidence in North American institutions generally and in promoting mutual international understanding and respect.

3. That this service will be developed as a nongovernmental voluntary agency of coordination and cooperation for schools in Latin America having related interests. It will make available to eligible schools technical and professional advice and assistance, without attempting to determine their policies.

Under this program as administered by the Inter-American Schools Service, many services are made available to the American-sponsored schools, including the following: Recruiting of United States personnel to serve as administrators and teachers; technical and professional advice in connection with the school programs; information and help on accreditation and transfer of students; recommendations as to teaching materials and advice on financial problems. The Inter-American Schools Service maintains a file of the credentials of more than 500 United States educators who are available for service in Latin America. The program for cooperation with Latin America through the school project has grown in volume and in effectiveness since it was established in 1942.

The growth and success of the American School of Quito has been duplicated in many other communities.

[1] Mr. Davis is director of the Inter-American Schools Services, American Council on Education, Washington, D. C., and former Minister to Panama and Costa Rica.

The American School in Puebla, Mexico, which was founded in 1943 by a small group of Americans headed by Mr. William O. Jenkins, will open its school year in February 1949, in a new and modern building which was provided largely through the generosity of Mr. Jenkins. The American School in Monterrey, Mexico, which was organized in 1943, is housed in an adequate plant purchased through local contributions. The school has increased its enrollment from 49 to 300, and its high-school department was recently accredited by the Southern Association of Colleges and Secondary Schools. The American School of Mexico City, which has been operating for many years with the active financial and moral support of the American colony and of Mexican friends, recently moved its 1,400 students into its new plant built on an adequate campus near Chapultepec Park.

American-sponsored primary schools in El Salvador, Guatemala, Honduras, and Nicaragua have grown rapidly in enrollment and in usefulness to the communities in which they are located. The American School in San José, Costa Rica, known as the Lincoln School, was established in 1944, largely with funds subscribed by Costa Ricans. That it has been successful is evidenced by the fact that its high school department was recently fully accredited by the Southern Association of Colleges and Secondary Schools. Four successful schools are operating in the Republic of Colombia. The sponsors of the school at Barranquilla recently raised funds locally and erected a modern school building. In Caracas, Venezuela, the American-sponsored cooperative school recently moved into its new building, which was erected at a cost of approximately $300,000 from funds subscribed locally. Successful schools are also in operation in Ecuador, Bolivia, Argentina, and Brazil.

In addition to the American-sponsored cooperative community schools operating in Latin America there are two other types of American schools sponsored by United States organizations or citizens. The larger group of such schools is supported by United States Protestant and Catholic organizations. A smaller group is composed of company schools supported by United States commercial organizations operating in the other Americas. The Inter-American Schools Service also assists these schools by providing them with technical and professional advice and assistance in connection with their secular activities.

Over 60,000 Latin-American students are enrolled in the various types of American-sponsored schools in Latin America. Approximately $6,000,000 received from local sources, in the forms of tuition and gifts, is spent annually in the operation of these schools. The contribution of the United States Government to the school program, in the form of grants for the employment of personnel in the community schools, and in the form of service to all schools, was only $171,000 during the past fiscal year.

Scores of letters commending the cooperative American school program in Latin America have been received from officials and citizens of the countries in which the schools are located, from officials of the United States Government in those countries, and from patrons of the schools, both Americans and nationals. The following excerpts from these communications represent the general reaction to the school program:

The American Ambassador in one of the Central-American countries concludes a report on the activities of the American-sponsored school there with the statement:

"I should like to add that it is my sincere opinion that the cooperation which the United States Government is giving American schools is one of the most useful and vital phases of our entire program of cultural cooperation. Aid to such schools necessarily comes under the heading of a long-range program for the promotion of mutual understanding, and there is nothing we are doing in this part of the world which is going to prove more fruitful over the years than this."

A United States citizen residing in Colombia, whose children are enrolled in one of these schools, makes the following comment:

"I feel that the school is one of the most important forces now operating in Bogota in the development of friendships between Colombia and the United States. My children have made firm friendships with their Colombian classmates. They play together and frequently visit one another's homes in addition to working together in the team-like spirit which is fostered by the school. Through this constant day-by-day meeting of children of two nationalities, each absorbs more than he realizes of the other's culture and develops a deep fondness for and understanding of the other."

A Latin-American patron of one of the American-sponsored schools in Colombia writes as follows:

"As a Colombian who has great faith in the cultural future of the American Continent based upon friendship and understanding between its peoples, I selected the Columbus School for my son because I am convinced that under the influence of a common education our children will become better acquainted, and their friendship will be more spontaneous upon discovering that their human interests are the same, irrespective of their distinct nationalities. This conviction has been fully confirmed by the intelligent program carried out in the Columbus School."

At the conclusion of the ceremonies commemorating the foundation of the American School in Quito, the President of Ecuador requested that the students and guests join in singing the national anthems of Ecuador and of the United States. This gesture interprets the spirit under which the American school program operates in Latin America.

[From the Elementary School Journal for October 1948]

Some Significant Experiments in Latin-American Education

A beautiful new school building is being occupied this fall in Puebla, Mexico. It is designed in the traditional Mexican style, with a roof garden and patio, but its classrooms and other facilities are completely modern. The building stands on a hill near the edge of the city. In one direction it provides a clear view toward the church town of Cholula, and, beyond that, the towering snow-capped mass of Popocatepetl and Ixtaccihuatl. In the other direction lies the city of Puebla with its light-colored buildings, the fortressed hill, on which was fought the famous Battle of the Cinco de Mayo, and, in the distance, the great Malinche Mountain. In the early morning of a clear day, one may even see, many miles away, the peak of Orizaba, the highest mountain in Mexico.

The school which is thus located in this beautiful and dramatic setting is itself of considerable interest and significance. Its construction and occupation represent a new triumph in a broad program extending throughout Latin America and constitute another tangible symbol of that program's success. For the American school—or El Colegio Americano, as the Mexicans call it—is one of approximately 270 elementary and secondary schools in Latin America which are now being sponsored by United States citizens or organizations.

The story of these schools, and of the American school in particular, is the story of a broad educational endeavor whose history has extended over a number of years. It is, however, a story with which most American educators are unfamiliar. During the summer months of 1947, the writer took advantage of the opportunities afforded by an extended stay in Puebla, Mexico, to make first-hand inquiries and observations relating to the facilities and administration of these schools operated under American sponsorship.

They were originated and sponsored in three ways.

The first, and largest, group are church-related and are supported by various denominations in the United States. The major American sponsoring groups are Presbyterian, Methodist, Adventist, Baptist, Catholic, and Episcopalian.

The second group are company schools, developed, sponsored, and supported by American industrial and commercial organizations which carry on their work at various locations in Latin America. These company schools are designed to provide education for the children of both imported American and indigenous native employees. (The word "American" will here be used in its popular rather than its exact sense.)

The third group are independent community schools which have been developed and administered by local boards of directors made up of Americans and nationals of the countries in which such schools are located. While they are autonomous and largely self-supported, some of these schools have had assistance from the American Council on Education to enable them to employ administrators and teachers from the United States. There are now 28 independent community schools operating in Latin America. The American School is one of them.

In 1947–48, approximately 60,000 students were enrolled in all 3 types of schools. About 3,000 of this number were the children of citizens of the United States, the balance being the children of nationals. The schools employed more than 500 United States citizens as administrators and teachers and were supported chiefly by tuition charges and local gifts, approximately $6,000,000 having been obtained from these sources.

The methods of developing and supporting these schools are in marked contrast to those used by other countries. This fact is particularly true of the German schools, which had a rapid growth prior to the last World War. Even yet Americans find it hard to realize the extent to which German influence pervaded Latin America during the period between the two great wars. One method of infiltration was the establishment of schools supported and directed by the German Government. Frequently these schools were the best in the community and therefore attracted its ablest and most promising young people, who later rose to positions of authority and responsibility. More than one American educator who has voyaged to Latin-American countries with little command of Spanish or Portuguese has found it necessary to fall back on his reading knowledge of German in order to communicate with his hosts.

The German schools were used as centers for the spread of Nazi propaganda and the inculcation of the philosophy—and even the factual misinformation—on which that form of dictatorship rested. Earnest proponents of nazism either ran the schools or intimidated those who did. The American schools, on the other hand, have been concerned primarily with attempting to achieve sound educational objectives. Their very lack of a central controlling agency has made them diversified and responsive to the needs of their local communities. They could not be used as instruments for a unified program of propaganda. The determination of their programs has remained, for the most part, in the hands of their teachers and administrators.

Early in World War II, the United States Government realized that such schools had, for many years, been instrumental in the development of a better inter-American spirit. In 1942 the Office of the Coordinator of Inter-American Affairs asked the American Council on Education to develop an association of these schools in Latin America and to establish an office to serve them.

This office was continued after the close of the war and is now known as the Inter-American Schools Service. It is still operated by the American Council on Education, acting now in conjunction with the Division of Cultural Cooperation of the United States Department of State. Its director is Mr. Roy Tasco Davis who, for 13 years, was American Minister to several Latin-American countries and who has had a deep interest in educational activities for many years. The committee in charge of the service includes E. D. Grizzell (chairman), Henry Grattan Doyle, Edgar J. Fisher, Willard E. Givens, Harold Benjamin, Dana G. Munro, Henry L. Smith, William C. Johnstone, and George F. Zook, ex officio.

In its operation the service observes the following principles:

1. That North American sponsored schools in Latin America have been established to supplement, rather than compete with, the work and activities of national schools.

2. That the purpose of this Service is to cooperate with North American sponsored schools in their efforts to improve the educational programs offered to the communities they serve. It is not its purpose to act as an agency to promote the interest of the United States, except as its activities result incidentally in strengthening confidence in North American institutions generally and in promoting mutual international understanding and respect.

3. That this Service will be developed as a nongovernmental, voluntary agency of coordination and cooperation for schools in Latin America having related interests. It will make available to eligible schools technical and professional advice and assistance, without attempting to determine their policies.

In line with these principles, the Service provides information and liaison, counseling of students and families, sponsorship of conferences, information and help on accreditation, and technical advice in connection with building programs, the securing of personnel, the offering of professional services, and the problems of financing. A more detailed statement concerning the functioning of the Service may be secured by writing to Mr. Davis at the offices of the American Council on Education, 744 Jackson Place, Washington 6, D. C.

Each of the schools which the Service assists has its own particular problems, stresses, and achievements. None could be said to be typical. The description of the American school in Puebla may, however, give the readers of the Elementary School Journal an insight into the nature of the educational enterprises which are scattered so widely over two continents.

The American school was founded in 1943 by a small group of American citizens: Mr. William O. Jenkins, Dr. F. L. Meadows, Mrs. Paul Buntzler, Mr. Simon Utay, and Mr. Virgil Metcalfe. This group formed itself into a board and proceeded to undertake all the steps necessary to the creation of a new school. It was necessary to define the purpose of the school, convince their fellow citizens of its importance, and go through the innumerable details of securing a temporary location, finding a staff, putting the whole program into operation, and securing the necessary finances. Since the school's founding in 1943, there has been ample evidence of the effectiveness of the board's enthusiasm and labor.

The major development of the school has come since 1946 when the board, with the aid of the Inter-American Schools Service, secured the present administative officers, Mr. and Mrs. H. S. Stockmeyer. Both of the Stockmeyers had had many years of experience in first-class American schools and brought to their work in Puebla a rich background of understanding concerning the philosophy and methods of education. In addition, Mary Welles Stockmeyer had been a cofounder of the Anglo-American School in Bogota, Colombia. Under their direction, the American School offers a complete elementary-school program, including a nursery school. There are three sections of grades I and II, two of grades III, IV, and V, and one each of grades VI, VII, and VIII. There is now a capacity enrollment of 304 children, but the new school will be large enough to accommodate 200 more.

About 96 percent of the students are Mexican nationals, the other 4 percent being made up of several nationalities. Virtually all the teachers are Mexicans. Most of the instruction is in English although it is necessary to use Spanish in some classes.

As would be the case with any American teachers who went to administer a school in a foreign land, the Stockmeyers have had to face and solve many problems. They have converted a former private home into a remarkably useful and flexible schoolhouse. They have had to adapt school routines to the Mexican daily schedule, which calls for work from 8:30 a. m. to 1:30 p. m., a long interval for dinner and siesta, and a resumption of the day's activities for another 2 hours in the late afternoon. They have had to adhere scrupulously to the laws and regulations governing education, even to those which grew out of a different philosophy from that prevailing in the American school. They have had to provide ways to teach many children to speak and read English before their regular instruction could proceed. They have had to interpret standardized achievement examinations and other forms of evaluation and instruction in a situation widely different from those for which such devices were originally constructed. They have had to train Mexican teachers in a philosophy and methodology for which the instructors have sometimes had little previous preparation. They have had to supplement the children's reading materials from a library which, according to American standards, is highly inadequate.

The Stockmeyers feel that their efforts and their successes have been rewarding. They enjoy working with Mexican children and believe them to be more poised, responsive, and artistic than American children. The Stockmeyers have been thoroughly accepted by the community and share in its problems and enthusiasms. When their immigration status was threatened recently, the people of the community spontaneously used every means possible to remove the difficulty.

There are other tangible evidences of the success of the school. The new building, which will cost over 2,000,000 pesos, has been given by Mr. Jenkins, one of the board members. The scores on standardized tests have shown satisfactory progress. The social atmosphere of the school is different from that in most Mexican schools, which rely heavily on rote learning and reciting in unison. A large number of older children have entered the school—and have, incidentally, created some new difficulties because of the wide age span in some grades. The school's reputation is spreading, and a number of educators from both Mexico and the United States are visiting it. It has provided a resource for at least one American research worker who wished to compare the social development of American and Mexican children. There is great pressure on the school for admission, and the occasional suspension or dismissal of a student is always cause for great parental concern. There is already a nursery-school application for the admittance in February 1952, of a child who will not be born until late November 1948!

The new building will enable the school to increase its success, but it will not solve some of the problems which the Stockmeyers face. The meagerness of the library will continue to provide a real difficulty despite the aid of the Benjamin Franklin Library in Mexico City. It will still be hard to find competent teachers who can teach in English. Mexico's economic problems are pressing, and they will make the financial problems of the school more difficult. There are, as well, all the other exigencies which are faced by every school and which tend to be accentuated when the school is a pioneering institution.

No one who is familiar with the American school, however, or with the other American schools in Latin America which it represents, can doubt that the importance of the task to be done will stimulate the local boards of directors and the teaching staffs of the schools to use their ingenuity and resources to preserve and expand these demonstrations of inter-American cooperation and democracy.

[From the Norwegian Information Service of June 4, 1949]

NORWAY-UNITED STATES SIGN FULBRIGHT ACCORD

On Wednesday, May 25, Norway and the United States signed an agreement under the Fulbright Act making $1,250,000 in kroner available for the financing of a five-year cultural exchange between the two lands. The amount represents a portion of the credit due the United States for war-surplus material purchased by Norway.

Signing in Oslo took place at the Norwegian Ministry of Foreign Affairs where American Chargé d'Affaires Henry S. Villard and Norwegian Foreign Minister Halvard M. Lange signed for their respective lands. Three days later in Washington, D. C., Helge Sivertsen, Norwegian State Secretary for Church and Education met with the United States Board of Foreign Scholarships which formally approved the Norwegian program. Also present at this meeting in the United States Department of State was Norwegian Cultural Attaché Dr. Erling Christophersen.

Commenting on the two-way aspects of the program, Dr. Christophersen termed it a broad advance in strengthening ties between the two lands. "This is a real milestone," he said, "for everyone interested in expanding the channels of cultural exchange between Norway and the United States, and we nurture the greatest expectations for what this program can mean in the future. Though Norwegian kroner rather than dollars are involved—necessitating pretty much of a one-way movement of persons—the ultimate results will be truly reciprocal, in that ideas will be flowing in both directions.

IMPLEMENTS ATLANTIC PACT

"American teachers and professors will bring of their knowledge—knowledge in fields which may be less developed in Norway than in America. In return, American research scholars concluding a period of study in Norway, can bring back with them a broader insight into fields where Norway is far advanced, such as meteorology and social institutions.

"While the Fulbright program was conceived long before the North Atlantic Pact, its initiation—as far as Norway is concerned—coincides significantly with that of the pact, and serves to implement the cultural cooperation clause of the North Atlantic Treaty."

Under the new accord, increasing numbers of American professors, researchers, and students will be brought to Norwegian schools and institutions, and in certain respects the westward movement of Norwegian students, teachers, and technicians to the United States will be facilitated.

Particularly since the war, the exchange of persons between the United States and Norway has developed by leaps and bounds.

EXCHANGE ALREADY FAR ADVANCED

At the present time, about 600 Norwegian students are studying at American institu-

tions of higher learning, not to mention scores of technicians and trainees. By late summer some 700 American college youth will have spent 6 weeks at the University of Oslo Summer School for American Students—one of the largest institutions of its kind in Europe.

A board composed of four Norwegians and four Americans, with the United States Ambassador as honorary chairman, will administer the newly established fund. Norwegian members include Prof. Harald U. Sverdrup, director of the Polar Research Institute and head of the University of Oslo Summer School for American Students; Haakon Lie, secretary general of the Norwegian Labor Party; Helge Sivertsen, State Secretary for Church and Education; and Bjarne Bassöe, secretary general of the Norwegian Engineers Association. Ted Olsen, American press attaché in Norway; Dr. John Lund, American cultural attaché in Norway; Dr. Philip Boardman, managing director of the University of Oslo Summer School for American Students; and Harry B. Daggard, district director of American Overseas Airlines, comprise the American members of the committee.

Mr. FULBRIGHT. Mr. President, I wish to make a further brief statement. In the May 25 issue of the Summary of Developments of the Economic Cooperation Administration, on page 3, is an item entitled "Technical Assistance Program." Under the ECA, of course, we have carried on, to a limited extent, a program of bringing to the United States technical persons from various other countries. In the case to which I now refer, such persons have come to the United States from Britain, but they may come from any of the participating countries under the European recovery program. They are brought to the United States to learn our techniques, and so forth. The purpose is exactly the same as the purpose of the program for the exchange of students. I do not know how much money is required; but under the ECA program a small amount of money is allocated for that purpose. This program is a reaffirmation of the idea that we have attached value to this sort of activity in other fields. So I think it would be a great mistake to eliminate or even substantially to cripple this particular activity, because this program is applied at the proper place. In other words, it should be administered by the State Department, and should be an activity which will continue for many years. In fact, I think it will continue until a secure peace has been achieved, and I am unable to see any very clear signs that that is to be expected in the near future.

Mr. President, I believe that is all I wish to say at this time, except to point out that early in the debate the suggestion was made that we cannot say that the reduction recommended by the committee would cripple the program, because the amount recommended by the committee is more than the amount provided last year. I wish to emphasize that there are several items which have come into being in connection with the program only this year. In the first place, I may say I think the program last year was much too small, even without the newly added items. However, when we compare the undertakings under the Smith-Mundt bill for the exchange of students and the coming into operation of Public Law 584 and the extension to the Eastern Hemisphere of programs which were authorized under the Smith-Mundt bill, I think there is no doubt that this cut certainly must be considered one which cripples the program, as we expected it would develop when we passed the Smith-Mundt bill. I do not think the reasoning advanced for the making of the cut is at all logical. If the program had called for the expenditure of $1,000,000, and if the appropriation had been increased this year to $2,000,000, I suppose that would be said to be a tremendous increase in the appropriation for this purpose. In that case, Mr. President, all I can say is that I think the original appropriation would have been too small, just as the appropriation now is too small. I think this entire program is very much too small to meet the obligation we have assumed in other fields.

So I hope the Senate will adopt the amendment of the Senator from Vermont.

Mr. WILEY. Mr. President, I do not happen to be a member of the Appropriations Committee, so I am not aware of the process by which the committee arrived at the cut it recommends. I think it was Dante who said:

Give light, and the people will find the way.

From the discussion to which I have listened today, I have wondered whether the basis for the cut has been that the dollar has appreciated in purchasing power in recent months. It was only 6 or 7 months ago that we had evidence to show that the United States dollar was worth only 40 or 50 cents in terms of purchasing power. Another figure given us was, I believe, 54 cents. Now it is said that the United States dollar is worth 67 cents. So, Mr. President, if the cut recommended by the committee is based on the theory that the appreciation in the value of the United States dollar will permit the amount recommended by the committee to do the job, I think there is reason for the cut. On the other hand, if the cut is an arbitrary one, it would seem to me that we shall be missing the greatest arm which we have to bring to the people of Europe and the people of the rest of the world knowledge of the Americana, as it has been called, the way of life in America.

Personally, I feel that we can well reduce the military appropriations, although again I say that not being a member of the Appropriations Committee, I would not be able to present the facts in that connection; I should merely have to guess so far as that is concerned. So I think that matter must have the earnest consideration of the Appropriations Committee.

Americans want a balanced budget if it is humanly possible. This amount if spent to "give light" to the people may well operate to save $1 for each dollar spent to "give light."

We are spending billions to feed the stomachs of Europe. Man does not live by bread alone. He is a thinking specimen. To live right, he must think right. And this program provides ideas for the mind of Europe.

Mr. President, I am satisfied that we have been missing the boat in many places because we have not been issuing the information which we should if we are to provide an antidote for what has been called the Russian propaganda. Everyone knows that a psychological war is now going on, not only abroad, but in the United States. Ideas are in conflict. Of course, on the world stage the great conflict is the one between Marxism and what may be called the American way of life. In Europe there are many persons who, because of their economic and mental condition, are targets for almost any kind of synthetic thinking. If the cut recommended by the committee is not based upon the thought that the recent appreciation in the value of the United States dollar will enable the smaller amount of money, as recommended, to do the job that was contemplated in connection with the budget request, I shall vote in favor of the adoption of the amendment to the committee amendment.

Mr. MUNDT. Mr. President, I was happy to associate myself with the Senator from Vermont [Mr. FLANDERS] in the pending amendment to the committee amendment, by which the appropriation for the educational service would be increased to $36,000,000; and I join the Senator from Vermont in his persuasive arguments in support of the recommended increase.

First of all, I should like to say, in reply to the remarks of the Senator from Wisconsin [Mr. WILEY], that the decision to reduce the budgetary request from $36,000,000 to $32,000,000 in no wise reflects any contention on the part of the committee that $32,000,000 will now buy the information services that $36,000,000 was expected to buy. The increase in the purchasing power of the dollar, if any, did not contribute to that decision.

A study of the various restrictions of service which are going to take place, if Congress lacks the wisdom, in my opinion, to restore the amount to $36,000,000, is set forth on pages 466 to 469 of the hearings on the bill, where we can specifically see, I may say in answer to the Senator from Wisconsin, precisely the type of information service which will be stopped entirely if we make what I consider to be the highly unjustifiable and unintelligent reduction in the appropriation as recommended by the committee.

Mr. President, in these days all of us should begin doing a little more realistic thinking about the problems we confront overseas. We all recognize that communism is on the move abroad. We all, in one way or another, have dedicated ourselves, our finances, and our talents, to doing something about aggressive communism. But when it comes to the practical job of meeting the challenge in an intelligent and effective manner, I think all of us can afford to reflect somewhat upon the procedures in which we find ourselves engaged.

As has been said earlier, one-half of the whole budget the President of the United States requests for the fiscal year 1950, or approximately $21,000,000,000, is being requested directly or indirectly because there is such a thing loose in the

world as communism. As we prepare to spend some $21,000,000,000 of our resources to fight communism, let us look at the strange, paradoxical, and in my opinion, utterly indefensible position in which this body finds itself. We propose to spend from $15,000,000,000 to $16,000,000,000 for guns, armament, and machinery with which to wage war, for ships and battleships and submarines. Then we expect to spend another $1,000,000,000 for the purpose of buying weapons with which to kill people, such weapons to be shipped to foreign countries allied with us in the Atlantic pact. So about $16,000,000,000 is proposed to be spent on death-dealing weapons under a military establishment program. Another $5,000,000,000 or more we propose to spend in sending to European countries machinery, equipment, matériel, butter, bread, wearing apparel, tangible material for rehabilitating their economies. Yet in the most important sphere of the whole program, in the business of building friends by having people understand the American ideal, in the business of having the rest of the world know why we are spending $21,000,000,000, we propose to spend the paltry sum of $32,000,000; and then we wonder why we do not win the cold war. We wonder why it is necessary to spend the $21,000,000,000.

Speaking of economy, Mr. President, the best economy this body can effect this week is to vote the full $36,000,000 for the information program. I am convinced that every dollar slashed from that amount will cost us $100, perhaps $500, in additional costs for weapons, in additional costs for food, in additional costs for the ECA program, the Atlantic alliance program, and the military defense program of this country and of the free world.

I think we should recognize that in dealing with the onrushing menace of communism we can do one of three things. We can ignore the menace. We can go back to the stark days of complete isolationism. We can say there is not a menace, and if there is, it is not going to affect us; and, if it is likely to affect us, we are going to meet it at our shores, if we meet it at all. I do not know very many of my colleagues who believe in that. I do not know very many people of the country who believe in that. I do not believe anybody can build a very persuasive and logical argument in support of that position today.

Again, we can take a second course. We can say, "Yes, we are confronted with the very serious danger of communism. We propose to meet it with guns, we propose to meet it by making the hungry people of Europe less hungry, by giving homeless people in Europe houses in which to live, by enabling European industry to rehabilitate itself. We propose to meet it then by purely a materialistic approach and the assumption of a position which cannot be demonstrated to be true at any place in the world, at any place in history, namely, that we are going to buy permanent friendships by feeding hungry people. That wears out after a while. When we cease to satisfy the pangs of hunger, the flow of gratitude begins to become rather thin, after a while. But there are those in America, who say, "Yes, we will spend $21,000,000,000, and will fight the menace of communism in that way." In my opinion they are almost as completely in error as those who say, "We will deal with the problem by ignoring it."

There is a third approach, an approach which recognizes that in ideological warfare the place a man carries his ideals is in his mind, not in his stomach. It is the approach which recognizes that in a war of various policies of economics, various philosophies of government, if we are to win that kind of war, we must do it by convincing a man in his mind that our position is sound and right. We have, at long last, in this Congress, reluctantly accepted the idea that the place to work on an idea is in a man's mind. The Eightieth Congress, after long deliberation and much delay, reluctantly set in motion the Voice of America program. Then, with great parsimony and extreme caution, we appropriated an obviously inadequate fund to set it in motion.

The management in the State Department has made a great many corrections in a program which was pretty hard to justify on the basis on which it was formerly conducted. It has cleaned house of its personnel until nobody any more points a finger at this or that individual and says there is an un-American operative in the Voice of America set-up, or somebody is trying to sabotage freedom in that Department.

They have done a good job in the State Department, administratively, with inadequate funds, in putting the machine into motion, and we are just beginning to see some of the results. There are now in this country two Yugoslav aviators from behind the iron curtain. They flew out of Yugoslavia into this free land because they had heard about America on the Voice of America broadcasts. We have been using them to help to inform other persons living in the slave camps of Europe what freedom actually means, what it means to escape from that kind of prison. That illustration is multiplied with reference to almost every country behind the iron curtain. We witnessed the success of the elections in Italy, aiding, by the Voice of America in defeating the forces of Togliatti. We are tremendously aiding the program in France by circulating English-language editions of American newspapers, by the circulation of American magazines, and by the broadcasting of American programs. In other words, where we have permitted the program to function at all, it has succeeded.

Mr. President, I expect to support the ECA program, so, perhaps, it serves no good purpose to point out that ECA has failed to do as well as has the Voice of America program. It does not have nearly as much consistency of successful activity as has the Voice of America.

All that the Senator from Vermont and I ask is an appropriation of $36,000,000. We are not asking for an appropriation of $15,000,000,000, which the Military Establishment asks. We are not asking for $5,000,000,000, which is the sum asked by ECA, and we are not asking for an appropriation of $1,000,000,000 to arm other nations. We are asking for $36,000,000 in order to give the program an opportunity to function, for once, at full speed ahead. It has demonstrated that wherever it has been given an opportunity to operate, it has operated successfully. We must be realistic about it. We are members of the board of directors of the greatest business institution in the world. Perhaps if we followed a few more of the precepts of business it might be profitable from the standpoint of the taxpayers. For instance, if we were meeting here today as the board of directors of an American corporation, instead of the United States, considering how much money it might be proper to spend in advertising the product we have to sell, we would follow an altogether different rule of thumb from that which we have been following this afternoon.

I have prepared some figures in that connection. General Electric is a pretty well-known and well-established American institution, with annual sales of $1,632,000,000. It spends for advertising $11,772,000. In other words, it spends nearly 1 percent of its income for advertising.

Procter & Gamble spends 3.7 of its income for advertising.

The Reynolds Tobacco Co. spends 1.1 percent for advertising.

What are we asking the Senate to do? We are asking it to spend $36,000,000. We propose to spend $21,000,000,000 to fight communism with guns, with machinery, and with tangible shipments of merchandise. In asking for $36,000,000 we are asking the Government to spend in ideological warfare, working on the minds of men, less than 1 percent, or approximately one-sixth of 1 percent, to be exact, of the military and foreign budget. Under the ECA program, of the $6,000,000,000 we are proposing to spend in Europe this year, if we spend $36,000,000, it would amount to one-half of 1 percent of the total in telling Europe and the world the reason why we are spending the other 99.50 percent.

I submit that we should either do this work intelligently or we should take the burden off the backs of the American taxpayers. If we propose to spend $6,000,000,000 for ECA, we should well spend somewhere near what is required to tell the recipients and their neighbors what we have in mind in spending such terrific amounts in Europe.

We have already heard from the Senator from Arkansas figures which I had expected to quote, indicating that the Russians are spending 10 times the amount we propose to spend in telling Europe why we are spending $6,000,000,000. I think we are not properly meeting our challenge as representatives of the people when we take from the taxpayers $6,000,000,000 and spend it in Europe and give the Russians the almost exclusive privilege of telling the European nations what the money is being sent there to do. That is what is happening, and that is what will continue to happen until we vote for an adequate appropriation for the Voice of America program. I do not think $36,000,000 is adequate. If I had been offering the amendment alone, I would have had it

provide for at least $50,000,000. I would gladly support an amendment to spend even $100,000,000, and I could defend it on the basis of economy, because, if we should spend $100,000,000, we would be working on the minds of the people of Europe in an ideological warfare, instead of trying to reach their minds through their stomachs. We would be going directly to the source, and we could reduce expenditures for military preparedness by billions of dollars because of the adequacy of our information program.

Mr. President, I want to be specific about this question. We have been considering the idea that we can reduce the appropriation by three or four million dollars without hurting anyone; that we can cut it from $36,000,000 to $34,000,000 in the House of Representatives, without injuring anyone, and that we can cut it further in the Senate, and not deprive the Nation of some of the eyes, some of the ears, and some of the powers of projection we need in order to serve as intelligent defenders of freedom.

What will happen if we reduce the amount by $2,000,000? Let me point out specifically some of the things that will happen. It will mean that broadcasting which we had expected to start in the fiscal year 1950, in the Finnish language and in the Ukrainian language, on the borders of Russia, cannot be begun. In other words, in one of the hottest spots of the ideological warfare, because we would save in that particular connection $200,000, we pull down the flag and surrender that front to the Communists, and then wonder why they continue to push in our direction. That information is found in the report which the committee itself has placed before us. If we do not vote to restore this money, we vote to discontinue the contest with communism, through the radio, in one of the touchiest spots in the whole world conflict.

What else will happen if we reduce this amount? Considering the matter of publications, it was expected that we would establish a press service and a magazine to try to recapture some friends for America among the Arab countries, where, of late, we have been losing ground from the standpoint of friendly relationships. It has been hoped we could send out a little magazine containing information on what America is, what it means, and what our ideals are. That magazine was to be circulated among the Arab countries in order to revive, if we can, the former friendly relationships existing between those people and ourselves. We want to do it, because we think it is important to have friends, and we want to do it because Arab oil is important to our international defense. But we cannot do it unless we restore this money which has been cut from the appropriation, because it is proposed to save $75,000 by eliminating that program. Saving that $75,000 may cost us hundreds of millions of dollars in the next 2 years, unless somehow or other we can maintain relationships with the Arab countries which will not be prejudicial to us and our interests in the tremendous oil deposits of Saudi Arabia and other countries in that area.

The Senator from Arkansas [Mr. FULBRIGHT] spoke very eloquently and very effectively with regard to what will happen because we are saving $275,000 by discontinuing aid to Robert College and to the American University at Beirut. It means that if we make that saving, instead of training young students in the Middle East, in Turkey, Egypt, Lebanon, Syria, Iran, and Iraq, instead of training them, under American professors, to speak and read the English language, and training them to understand American governmental and economic ideals, they will have to look elsewhere for their training, because in saving $270,000,000 we stop a program there which has been operating successfully for years.

We go further, Mr. President, we terminate a program with Latin America which for almost 10 years has produced virtually miraculous results. I challenge the administrators of ECA to show how and where, with all the billions they have spent, they have been able to create atmospheres of friendly relations with the countries with which they have been dealing which will measure up with the atmosphere of friendly relations established with the Latin-American Republics, where it has been almost wholly a question of education and student exchange, where we are spending nickels in comparison with the ECA spending thousands of dollars. I say that reluctantly, because I expect to support ECA, but I say it because it is so important, in my opinion, that we begin facing up to the facts, and not be deceived that we are going to buy friendship exclusively by giving bread to men to put in their stomachs, guns to carry on their shoulders, and rails with which to build railroads, and other things with which to develop economic enterprises. We have only ourselves to condemn if in our shortsightedness we believe that the world lives by bread alone, and that the place to attack in ideological warfare is in a man's major intestine instead of working with his head and his mind.

Mr. FULBRIGHT. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. First, I wish to compliment the Senator on his description of the program, but I desire to emphasize that in the Latin-American program our expenditure is only $171,000, and in the same program $6,000,000 of local funds are expended. There is nowhere in any of these programs a comparable contribution of any foreign country for the maintenance of a program of the sort we are discussing. In most of the countries we pay all the freight. We pay a much greater percentage in maintaining the United Nations, or any activity of that kind. I think this is almost a unique opportunity for us to participate in a program where there is such efficiency.

Mr. MUNDT. The Senator is right. As he well knows, if we are permitted to continue this program with the Far East and the Middle East, the same conditions as to contributions from private sources are going to be met.

I should like to mention some of the specific losses we are going to suffer if we follow this reduction. One either favors the program to the extent of being willing to vote the money to operate it or he is in favor of stopping the program. In its wisdom—and I commend the subcommittee—it has to take the estimates of what is going to happen if they save this $2,000,000. So we know for what we vote. We have not anything to hide behind. We are either voting for an exchange program of students or against it. We are either voting for an adequate radio-broadcast program or against it. We are either voting to provide adequate information to the Arab countries or voting against it.

Let us consider the matter of student exchange. It is proposed to save $100,000 in that. If we save that money, it means that we cannot start at all this year the student-exchange program under Public Law 402 with many European countries or the Far East. It will mean that we will have drastically to curtail it with Latin-American countries, where it has been operating successfully for so many years.

Mr. President, those are serious considerations when one realizes the loss it will mean to the whole program for world rehabilitation, and the measly little $4,000,000 we are to save by cutting this particular function in an international budget totaling well over $5,000,000,000.

It means, further, that we are not going to be able to carry out the programs of interchange of Government technicians and experts with the Far East. We are going to have to reduce them, especially with European countries, and circumscribe them with Latin America.

Here is a program which, on a dollar basis, has paid greater dividends than anything America has ever done in its history from the standpoint of improving international relations. I am willing to compare 1 year of student exchanges with any continent in the world, with all of the international conferences which have been held under the banner of the United Nations up to the present, from the standpoint of improving international relations and cementing the ties that make for peace.

About 2 weeks ago I had the privilege, at the Pan American Building, of addressing what they called the Latin-American Trainee Seminar, a hundred young Latin-Americans, governmental officials—bureaucrats, we would call them—who have been in this country from 3 to 9 months studying techniques in various American departments and bureaus, getting acquainted with the people of our own country, finding out the difference between a good bureaucrat and a bad bureaucrat, trying to find out how to do those things which are good and to refrain from doing those which are bad.

At the concluding session, at which I was privileged to speak, there irradiated from every quarter a respect for all things American, which money simply cannot buy. It is certain that in the years ahead those youngsters will come into increased importance in their own

governments, and it is of great and tremendous significance to us all that they have a friendly relationship with this great country of ours.

It is now proposed to extend that to Europe. It is proposed to say to the people on whom we expect to spend a billion dollars for arms, five billion dollars for food, and around whom we expect to throw the mantle of defense of a $15,000,000,000 American defense establishment, that we propose to spend $200,000 in really cultivating respect and admiration of the people in government who count the most by setting up an exchange program. In a few minutes Members of this body are going to be permitted to vote to support that program or defeat it, because if we do not get the additional money it cannot be put into operation with Europe and Asia.

Mr. President, I think it is of tremendous importance. I think the vote we are about to cast has as great a significance in terms of permanent peace as any we will be permitted to cast in this session of the Congress. For that reason I am concerned that Members of this body understand thoroughly what they are called upon to do.

I was impelled to make these remarks by the statement made by the Senator from Wisconsin [Mr. WILEY], who preceded me, who said—and I would concur with him—that if all we are to do is to reduce the appropriation because we can buy as much information this year with less money as we did last year with more money, he, too, would go along. That is why I wanted to point out what is proposed. It is proposed that we sacrifice and amputate great segments of the program. It is proposed to do it in complete defiance of every objective student who has studied the program in operation. In writing the Smith-Mundt bill we put in it the provision that there should be an advisory committee on information and another advisory committee on education. We provided that its members should be selected without regard to partisanship, and they have been so selected. We provided that they should make recommendations to the Congress and to the State Department on the manner in which the program is being administered. We provided that they should tell the State Department what corrections they wanted to have made, and report to Congress on the recommendations they had made to the State Department. That has been done.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. WILEY. My previous inquiry was whether or not with the reduced amount, as it is proposed to be cut, in view of the increased purchasing power of the dollar, as I showed, we would be able to fulfill the plan or plans we had in mind. The Senator's conclusion, as I understand, is that despite the increased purchasing power of the dollar the amount proposed to be appropriated will not do the job?

Mr. MUNDT. The Senator is exactly correct. If the appropriation is reduced, the increasing purchasing power of the dollar will not enable the State Department to do the job it has projected as the minimum which has to be done if we are going to get our program across to the people of the world and win this cold war.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. WILEY. Was the budget estimate of $36,000,000 submitted to the President in November?

Mr. MUNDT. I am not sure, but I presume it was submitted to the President in November or December. That is the customary time for such submission to be made.

Mr. WILEY. Is there any evidence in the record to show on what basis the Appropriations Committee has made this cut? What is the reason for the committee making the cut?

Mr. MUNDT. The Senator will find the specific parts of the program the committee expect to delete set forth in the hearings beginning on page 466. The committee's reason is the same reason the Senator from Wisconsin has and the same reason I have for voting for economy, which is that we must economize. I concur in that idea. I have voted for a great many of the proposals for horizontal 5-percent cuts, and the Senator from Wisconsin has also voted for them. If this over-all bill is submitted to a 5-percent horizontal cut I shall also vote for such a cut. But I do not want the big cut to be made at the one place in the program where it would result in losing large segments of peace at cheap or small cost. I do not want the cut made at the place where it will mean that we must continue spending vast amounts in preparation for war. I do not want the cuts to be made at the place where we are fighting ideological wars. I do not want to cut our effort in the cold war so we have to face the necessity of fighting a hot, shooting war.

Mr. WILEY. Mr. President, I have been greatly concerned for years over the fact that we have acted on the theory that we could gain friendship, gain allies in fact and in spirit, simply by making material contributions to them. The Senator has made a wonderful address, and I compliment him on it. This is my question: Is it the Senator's conclusion, as I understand, from all the evidence in the record, that if the proposed cut is made, these very vital sources of information and mental health to other nations will be done away with?

Mr. MUNDT. Not entirely done away with. They will, however, be definitely crippled. It will mean that insofar as we are waging an ideological war in Finland is concerned we quit. It will mean that we will not make any effort to get the Voice of America broadcast over to the people of the Ukraine in a language which they can understand. So it will mean in certain areas that we surrender to communism, as the State Department has already surrendered to communism, I might add, in China. We will then be surrendering to communism in other ways and for different reasons and for different causes. I do not think we are ever going to whip communism by surrendering to it in the place where the battle is the hottest.

Why the committee particularly selected those cuts to be made I do not know, but I simply show the record of what the committee has inserted in the hearings.

As I began to say before the present colloquy took place, every objective observer of the program has asked for more adequate funds so that this job can be more completely and expeditiously carried out. The time to fight an ideological war is while there is still a chance to win. That is why we should get into this program in a big way now. We can still win. It is not enough to say, "Let us drive in low gear or in second gear for three or four or more years, and after a while we will appropriate more money." It is easier to keep a country out of the clutches of communism than to bail it out once it has gone behind the iron curtain. So I am interested in fighting this thing out when we have a chance now to win in these great areas of the world.

The commissions we have appointed, one headed by the editor of the Christian Science Monitor, Erwin D. Canham, and another headed by the president of a great southern university, Harvie Branscomb, both say we need additional funds to do this job successfully now. All Senators have received telegrams and letters from prominent educators in their States or their neighborhoods urging them to support this increase in funds so we can put the educational program into operation on an effective scale without further delay.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. McCARRAN. What limitation would the Senator place on this program?

Mr. MUNDT. What limitation would I place upon the program?

Mr. McCARRAN. Yes.

Mr. MUNDT. As I said a little earlier, if I were able simply to wave a magic wand and appropriate for this cause the money I think we could adequately use, I would suggest $100,000,000 next year.

Mr. McCARRAN. How much?

Mr. MUNDT. One hundred million dollars next year. I should like to advocate $50,000,000 at once. I joined in offering the amendment proposed by the Senator from Vermont which calls for $36,000,000, because that was the budget estimate. I would take the additional funds either from the money expected to be appropriated for arms under the Atlantic Pact, or else from ECA, so there would be no extra cost to the American taxpayer.

Mr. McCARRAN. Why would not the Senator ask for $1,000,000,000?

Mr. MUNDT. I would not ask for $1,000,000,000 because I think that the spending of $100,000,000 would obviate the necessity of asking for $1,000,000,000. It would make the need for such a great amount improbable. We do not need $1,000,000,000.

Mr. McCARRAN. The Senator used the word "improbable."

Mr. MUNDT. I do not think we would need $1,000,000,000. I think $100,000,000 is as much money as we would need.

Mr. McCARRAN. Will the Senator kindly tell the Senate of the United States why we would need $100,000,000 and how it could be expended?

Mr. MUNDT. Yes. We know what we expect to do with $36,000,000. One hundred million dollars is a little less than three times that much.

Mr. McCARRAN. Do not avoid the question.

Mr. MUNDT. I am not avoiding it. I am leading up to my answer.

Mr. McCARRAN. How could the agency expend $100,000,000 when it asked for only $50,000,000 from the Bureau of the Budget?

Mr. MUNDT. Yes, and it received an estimate from the Bureau of the Budget of only $36,000,000. I would suggest that the way they spend it would be to step up the broadcasting program.

Mr. McCARRAN. What part of the project?

Mr. MUNDT. Step up the broadcasting program.

Mr. McCARRAN. What part of the project would the Senator step up?

Mr. MUNDT. I would step up the broadcasting to all the countries behind the iron curtain and in the Russian environment.

Mr. McCARRAN. No, what part of the project—never mind the countries—what part of the project would the Senator step up?

Mr. MUNDT. The Voice of America broadcast emanating from New York.

Mr. McCARRAN. The Voice of America is divided into five or six projects. Which one of those projects would the Senator step up?

Mr. MUNDT. I would step up the direct program beamed by short wave from the New York studios to the countries of Europe, by 300 percent, to try to cover Russia and its satellites.

Mr. McCARRAN. That has already been stepped up. That project is already going on.

Mr. MUNDT. Yes; but the Senator asked, "If you had three times more money, what would you step up?" I would step up the program three times more.

Mr. McCARRAN. Three times more where?

Mr. MUNDT. Three times more in reaching the people.

Mr. McCARRAN. Where?

Mr. MUNDT. In every country, but the United States, in languages which the people of those countries can understand.

Mr. McCARRAN. In every country. And where the people can understand what?

Mr. MUNDT. In a language that they can understand.

Mr. McCARRAN. Let me ask the Senator another question.

Mr. MUNDT. I have not finished answering the Senator's previous question. I have not gotten the $100,000,000 spent.

Mr. McCARRAN. Would the Senator from South Dakota ask for the broadcasting of the following news letter:

[From Foreign Service section news letter (for information of missions and not for publication)]

C. F. M. AGENDA; CUT IN ECA FUNDS; ATOM INQUIRY

David Lilienthal, ECA Chairman, is under fire again for alleged mishandling of investigation into missing 4 grams of uranium at Argonne laboratory. Critics also assail admission of Communist sympathizers to Commission's fellowship program.

Senator HICKENLOOPER, ranking Republican member of Senate-House Committee on Atomic Energy, demands Lilienthal's ouster, says, "Our atomic program is suffering from equivocation, misplaced emphasis, and waste."

Two years ago Lilienthal was subjected to similar ordeal when Senate was considering his appointment to head Commission. His confirmation was in doubt for long time as critics challenged his qualifications and hinted at pro-Communist leanings.

Would the Senator want to spend $2,000,000,000 on that?

Mr. MUNDT. I would not spend $2,000,000,000 on that.

Mr. McCARRAN. That is what the Senator talked about.

Mr. MUNDT. I think that is perfectly legitimate news to be broadcast to the world, because it is one of the things that is occurring over here. I see nothing wrong with broadcasting it. I see considerable wrong in the conditions which give rise to the necessity of broadcasting such information; but since the information is there, I see no reason why it should not be broadcast.

There is another place where we are going to reduce the activities if the cuts go through. If we had $50,000,000 or $100,000,000 I should like to see carried on in a big manner a program which it was hoped to carry on in a small manner, but which is going to be entirely eliminated if we do not get the increase. I refer to the broadcasting of packaged programs over foreign radio stations, on their own wave bands and in their own language, so that we can increasingly reach the people of those countries.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. BALDWIN. I should like to ask the Senator from South Dakota if he does not think it would be a wholesome thing for the people behind the iron curtain to know that in America public officials can be called to account by Members of Congress, or by any other citizen. Does not the Senator believe that the people behind the iron curtain would think it would be a grand thing to live in a country—we know, they do not live in such a country—where public officials can be called to account for their public acts?

Mr. MUNDT. I certainly think so. I see nothing at all wrong with broadcasting the information concerning the current unpleasantness with David Lilienthal.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. McCARRAN. Let me say to the Senator from Connecticut that this news item did not go behind the iron curtain. It went to the embassies. It was a misstatement of fact all the way through.

Mr. BALDWIN. Mr. President, will the Senator yield for just one point in answer to that observation?

Mr. MUNDT. I yield.

Mr. BALDWIN. I think there is a great deal wrong with the way the Voice of America program has been handled in the past. I think there is no question about that——

Mr. McCARRAN. That is exactly why we do not want them to spend billions of dollars when $32,000,000 would suffice.

Mr. BALDWIN. It is not the suggestion of the junior Senator from Connecticut that they spend billions of dollars. The position which the junior Senator from Connecticut takes is that this program ought to have adequate funds, and that it ought to be carefully administered. The fact that mistakes have been made in the past does not seem to me to warrant discontinuing the program. The idea of the program is fundamentally sound. We must make it effective. The point to which the Senator from South Dakota is speaking, and the point to which the junior Senator from Connecticut speaks, is that here is a vitally effective way of dealing with a foreign ideology; and we want to do the best job we can in that particular field.

Mr. McCARRAN. Mr. President, will one of the Senators who has the floor yield to me?

Mr. MUNDT. Mr. President, I have the floor. As an inexperienced Senator I do not want to lose the floor to a more experienced Senator. I yield with the understanding that I may continue to hold the floor.

Mr. McCARRAN. Before the Senator concludes, will he kindly state to the Senate how this program is effective? Will he state that it is absolutely effective? If he does, he will do more than the Secretary of State dared to do.

Mr. MUNDT. I shall be happy to go into that question.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. FLANDERS. I should like to ask the Senator from South Dakota whether he is sure that the instance brought out by the Senator from Nevada relates to the Voice of America program. As I heard him, he seemed to be quoting a news letter from the State Department for the information of missions, and not for publication. I doubt if the Senator from Nevada is talking about the Voice of America. Regrettably, what the State Department tells its missions is an internal affair. But that is an entirely different question.

Mr. MUNDT. The first time the Senator from Nevada mentioned the item, I gathered that he was reading from a radio script; but the second time I believe he said that it was an intradepartmental communication between the home office and our embassies abroad, in which case it would not be a part of the Voice of America program.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. McCARRAN. Inasmuch as the right of the Senator in charge of the bill to make the statement has been challenged, let me say that this entire bulletin comes under the Voice of America program. The excerpts which I read to the Senator were excerpts from a bulletin which is issued as a part of the Voice of America program.

Mr. MUNDT. But it is not broadcast. The Senator stated that the item was not broadcast behind the iron curtain.

Mr. McCARRAN. No. It was sent to the embassies.

Mr. MUNDT. By telegraph or by radio.

Mr. McCARRAN. Yes; but it all comes under this particular item, with respect to which the Senator is now advocating an increase from $32,000,000 to $36,000,000.

Mr. MUNDT. Yes; but the extension I wish to see made is not an increase in the amount of wordage sent by the State Department to our embassies, but an increase in the number of broadcasts sent through the Voice of America to the countries behind the iron curtain, and on this side of the iron curtain.

Mr. McCARRAN. Will the Senator tell the American public that the program is reaching behind the iron curtain?

Mr. MUNDT. Yes.

Mr. McCARRAN. If the Senator says that it is, he is saying more than former Secretary Byrnes said, and more than Secretary Acheson, or anyone else connected with the program has stated to the Appropriations Committee. I shall be glad to have the Senator state where the program has been effective, who received it, who listened to it, and what kind of effect it had.

Mr. MUNDT. A little earlier this afternoon I mentioned the specific case of two Yugoslav aviators who came to this country after listening to the Voice of America broadcast in Yugoslavia. There were two specific illustrations, which the Senator did not hear. Since he wants additional information of a specific nature, let me read a letter from Europe, dated May 2. For obvious reasons, which will be apparent as I read excerpts from the letter, I cannot give the name of the writer of the letter. However, the letter comes from a man who has been listening to the Voice of America broadcasts in that area of the world which I am exceedingly desirous that we reach.

To the VOICE OF AMERICA:

DEAR FRIENDS: We Russians from the Soviet Union follow all your broadcasts very attentively.

These broadcasts are most necessary to the Soviet people who are still on the other side of the iron curtain, held in the vice of the Bolshevik government headed by the bandit Stalin.

You don't realize what an immense role is played by your seemingly insignificant Voice. We have just come from there, and we ourselves were among those who tried eagerly to catch every word of the free radio that brought truthful information from the West.

I remember the broadcasts of the German radio during the war which carried information and criticism of the Bolshevik Politbureau. Of course, listening to these broadcasts in the Russian language was strictly forbidden on pain of punishment, including death. You will not believe me, of course, but I witnessed myself how a man happened to tune in music, a Soviet song, and as he listened to it the song was suddenly followed by a talk in Russian about the Stalin regime and the crimes inspired by the Politbureau which are committed in the Soviet Union. The man was caught listening to this by an agent of the third section of the NKVD attached to the army, and was immediately shot by a firing squad as an enemy sympathizer, so that others would not be tempted to listen to foreign radio.

He points out how he and his friends and neighbors behind the iron curtain listen to these radio broadcasts.

Mr. Eric Johnston, former president of the United States Chamber of Commerce, reports that on a recent trip to Russia he spoke to many people in Russia who had been listening to the Voice of America program. When I was in Russia I talked with Russians far from Moscow who listened to the program. I helped to distribute some of the copies of Amerika, an English language magazine published in Russia by our State Department.

I am not trying to point out that there is complete freedom of distribution of this information behind the iron curtain, but I do point out that we are getting through the iron curtain. The best and most convincing testimony to that effect, it seems to me, comes from the fact that our monitoring of the Russian programs indicates that a large percentage of them is devoted to answering the statements that are made in the American broadcasts to Russia. The Russians devote a large part of their programs to that purpose—not just to waste their time, but to try to convince the people in Russia that what we say in our broadcasts is not true.

As I have pointed out, those who have investigated this program have explained that money spent for this purpose produces, in term of peace and security, many, many times, in amount and in volume, what is obtained from the other programs and in connection with the other purposes for which we spend money overseas. Just recently the brother of a distinguished Member of the Senate, with whom I served for many years on the House Foreign Affairs Committee, JOHN DAVIS LODGE, returned from Europe. In the past few weeks he issued a report of what he saw over there. On page 23 of the report he refers to the $36,000,000 which the Senator from Vermont and I, and the other Senators who join in sponsoring the amendment, request this body now in its good judgment and in the name of economy to appropriate before it is too late, before we have to appropriate hundreds of billions of dollars in war; and thus we ask the Senate to appropriate now a few extra millions of dollars in peace, to meet the challenge. Mr. LODGE says:

This figure is insufficient, if this aspect of our foreign policy is to be vigorously prosecuted.

Mr. President, I do not wish to consume further of the time of this patient and generous body. I am very earnest about this matter. I have worked on it now for nearly 3 years. I have studied it in every country behind the iron curtain and in every country on this side of the iron curtain. I know with what reluctance we engaged upon a program of this kind in the first place; but I also know that we cannot escape this ideological war. Someone is going to win it. Either we are going to have to surmount communism, or else we shall have to surrender to it. Either we are going to control it and curtail it in peace, or we are going to have to defeat it in war. Time is running through the hour glass very rapidly.

In an ideological war, in my opinion, we need to place more emphasis on the kind of mechanism which can reach a man's mind, and less emphasis on the kind that deals solely with his body or his stomach.

So I am happy to be associated with the Senator from Vermont, the Senator from Maine, and the Senator from Arkansas in asking for this slight increase, so that we can put into operation all of the facets of this program, can get all of it going, and can begin to obtain, while yet there is time, the dividends which flow from an intelligent effort to win friends abroad and convince them of the true purpose of the mighty multibillion-dollar expenditures which we are compelled to make.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 42. An act for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson;

S. 146. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others;

S. 147. An act for the relief of H. Lawrence Hull;

S. 165. An act for the relief of William F. Thomas;

S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken;

S. 408. An act for the relief of the estate of William E. O'Brien;

S. 782. An act for the relief of William S. Meany;

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 948. An act for the relief of Mickey Baine;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog; and

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; and

S. J. Res. 12. Joint resolution authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry.

CONTINUATION OF NURSERIES AND NURSERY SCHOOLS, DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McGRATH. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McGRATH, Mr. KEFAUVER, and Mrs. SMITH of Maine conferees on the part of the Senate.

Mr. McGRATH subsequently said: Mr. President, early in the day the Chair appointed me, the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Maine [Mrs. SMITH] conferees on the part of the Senate on the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950. I now ask unanimous consent that the Senator from Tennessee [Mr. KEFAUVER] be excused from further service as a conferee on that bill, and that the Senator from Wyoming [Mr. HUNT] be appointed in his place.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1950

The Senate resumed the consideration of the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1950, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS], for himself, the Senator from Maine [Mrs. SMITH], the Senator from South Dakota [Mr. MUNDT], and the Senator from Arkansas [Mr. FULBRIGHT], to the committee amendment on page 21, in line 12.

Mr. McCARRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Mundt
Anderson	Hill	Murray
Baldwin	Hoey	Myers
Brewster	Hunt	Neely
Bricker	Ives	O'Mahoney
Bridges	Jenner	Pepper
Butler	Johnson, Colo.	Robertson
Byrd	Johnson, Tex.	Russell
Capehart	Johnston, S. C.	Saltonstall
Chapman	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Taft
Douglas	Long	Taylor
Downey	Lucas	Thomas, Okla.
Eastland	McCarran	Thye
Ellender	McCarthy	Tydings
Ferguson	McClellan	Vandenberg
Flanders	McFarland	Wherry
Fulbright	McGrath	Wiley
Gillette	McKellar	Williams
Graham	McMahon	Withers
Green	Malone	Young
Gurney	Martin	
Hayden	Maybank	

The PRESIDING OFFICER. A quorum is present.

Mr. KEM. Mr. President, I have noticed with interest that the amount in the pending bill as passed by the House has been decreased by the Senate committee in the sum of $12,833,821. This is the first time within my recollection, since I have been a Member of this body, that a bill coming from the House has been decreased in the report of the Senate Appropriations Committee. I congratulate the able chairman of the subcommittee, the Senator from Nevada, and the committee on this accomplishment. It is sometimes said in a spirit of disparagement that this body attempts to secure its position as the upper House by "upping" every appropriation bill that comes from the House. I know that no Senator wants distinction acquired in such a way. I think it is a matter of congratulation for the entire Senate that the pending bill has been reported in this way.

Sometimes I doubt whether many of us, or at least all of us, appreciate the burden the taxes required to finance appropriation bills impose upon the American people. The people are particularly restive now owing to the fact that they are asked to pay in many cases wartime taxes in time of peace.

I recently received from a woman in my State a letter which it seems to me expresses this idea so well that I am going to take the time of the Senate to read it. It is not very long. It is a letter from Mrs. Amazon Miller, who lives in Kansas City, Mo. She has written me under date of June 1, as follows:

JUNE 1, 1949.

Mr. JAMES P. KEM,
Kansas City, Mo.

MY DEAR MR. KEM: The war is over, but the 20-percent Federal excise tax goes on forever. Will the women of America have to face this burden indefinitely? Or can we depend on our Congressmen to do something about this excessive tax?

Cleansing creams, hand creams, deodorants and baby preparations are a necessity and not a luxury in every household. As for luggage and pocketbooks, are we supposed to carry our needs in a knapsack over our backs?

All during the war, I shivered and shook in a cloth coat, because I will not pay an excessive tax of 20 percent on a fur coat.

It is high time that the excise tax be repealed. As a representative of the people, you are in the position to oppose and hasten the legislation of repealing such an unjust and discriminatory bill.

This has gone on long enough, let's have some action.

Sincerely,

(Mrs.) AMAZON MILLER.

KANSAS CITY, MO.

I dare say every Member of this body receives, and, has been receiving, for some time, similar letters. I hope the Appropriations Committee has set a pattern which will be followed in bills to be reported during the remainder of the session. I indulge the hope that other subcommittees of the Senate Appropriations Committee will be inspired to emulate this admirable performance.

Mr. ROBERTSON. Mr. President, I wish to make but a brief statement concerning the pending amendment. There was a sharp difference of opinion in the committee concerning the Voice of America program. I am disclosing no official secrets when I say there was a motion to eliminate it completely. There was also a motion to reduce the figure below the House figure. I made a fight for more than was reported by the committee. In that fight I had the assistance of the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. Through our joint efforts we received some valuable concessions in the committee for the program. We are not appropriating all the money the State Department requested. We are perhaps not appropriating all it could use to good advantage in the international cooperative effort. But I made my fight in the committee, and, as I say, we received some valuable concessions, and I feel in honor bound to stand by the committee in what has been done.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. In order to bring out more clearly what the Senator has just stated, the Senator from Virginia urged very strongly, did he not, the inclusion of $514,000 for radio antennas in this country, which the Department considered the most vital matter eliminated by the House?

Mr. ROBERTSON. The Senator from Virginia did. But I did not like specifically to mention what I did, and it is very kind of my colleague from Massachusetts to give me credit for working in the committee for the item which the State Department wanted above all else, namely, new transmitters which could beam programs to the specific spots at which the Department wanted them to land, and not to diffuse them all over a great

many different foreign-language countries.

Mr. President, we gave full consideration to all the testimony presented to us. We notified the State Department of proposed reductions and got the Department to allocate them. The bill which is presented today is allocated on the basis recommended by the State Department itself, assuming that only so much would be the total amount.

I personally feel that we have not "hamstrung" the program. I personally feel that a very effective use can be made of it on the basis the committee has recommended.

Naturally, Mr. President, I appreciate the kind reference made by the Senator from Missouri when he said that this is the first bill which the Appropriations Committee has reported the total of which is below that recommended by the House. Certainly we do not want to add to a prospective deficit more than we have to add.

For those reasons, Mr. President, I shall stand by the committee with reference to this bill, and I hope very much that the other Senators will do likewise.

Mr. McCARRAN. Mr. President, I come before the Senate with this bill in deep humiliation. I hope this bill will start a new trend in this body. Any Senator who comes before the Senate with a bill reducing the amount allowed by the other branch of the Congress, naturally comes with humiliation.

This bill contains a curtailment of nearly $13,000,000. I am in hope that we may from now on look to a curtailment of appropriations, so that some day we may be able to say to the people of America that, representing them in the Congress of the United States, we have curtailed all unnecessary expenditures to the best of our ability.

Mr. President, we dealt in extreme fairness with the departments in the formulation of this bill. As soon as the subcommittee had studied the bill and had heard all the testimony, the chairman of the subcommittee made suggestions for a curtailment. The staff of the committee called upon the respective agencies of the Government involved, the State Department, and the Department of Commerce, and asked them, if such and such a curtailment were effected, how they would allocate the cuts. Do not misunderstand me. Do not think for a moment they were asked to agree with the curtailment we were about to effect. They were asked, "How will you put the curtailments into effect?"

We received a report from the State Department which I think it would be proper to read to the Senate. In other words, if we curtailed $2,000,000 under the amount the House had appropriated with reference to this particular program, which I choose to term the "Voice of America," the State Department reported, under the caption of Office of Director, International Information, $10,000 would be curtailed, which would give them $214,534 to carry on for the year 1950.

Under the head of "Radio broadcasting, domestic activities, No. 1, supervision and production of radio programs," they would curtail $248,631, leaving them a balance for the fiscal year 1950 of $3,413,408.

Under the head of "Press and publications, domestic activities, No. 1, teacher news program," consisting of air bulletins, mission service material, special articles, magazine reprints, technical news letters, and so forth, they would curtail $20,251, leaving them a balance for the fiscal year 1950 of $240,909.

Under the head of "Photographic program, production of plastic profiles, feature photographs, and visual display materials," they would curtail $31,974, leaving them a balance for the year 1950 of $641,611.

Under the head of "Daily news services to overseas missions, production of the Wireless Bulletin and the European and Middle East press transmissions," they would curtail $22,775, leaving them a balance of $727,527. This is the Department of State suggesting these curtailments in response to the request of the Committee on Appropriations.

Under the head of "Cost of USIE mission staffs overseas," they would curtail $100,000, leaving them a balance of $3,538,688 for the year 1950.

Under the head of "Motion pictures" and the subhead "General program," they would curtail $30,000, leaving them a balance of $354,176 for the year 1950.

Under the head of "Foreign versions," they would curtail $120,000, leaving them a balance of $338,304 for the year 1950.

Under the head of "Cost of USIE mission staffs overseas," they would curtail $50,000, leaving them a balance of $2,278,315 for the year 1950.

Under the head of "Libraries and Institutes, B, cost of USIE mission staffs overseas," they would curtail $50,000, leaving them a balance of $1,588,127 for the year 1950.

Under the head of "Exchange of Persons" and under No. 3, "Students, United States appropriated dollars, Fulbright dollar equivalent," they would curtail $63,000, leaving a balance of $756,009, for the year 1950.

Under the head of "VII. Scientific and Technical Program, Assignment of United States Government experts to foreign countries on cooperative basis," they would curtail $824,038—and listen to this—leaving them a balance for the year 1950 of $2,289,008.

Under the head of "In-Service Training in Government Agencies, Type A," they would curtail $231,565, leaving a balance of $195,115 for the year 1950.

Under the head of "Type C" they would curtail $35,776, leaving them a balance of $177,257 for the year 1950.

Under the head of "Adjusting Entries to Arrive at Appropriation or Estimate Total," and under the subhead "Transfers from this appropriation to other State Department appropriations for administrative expenses of this program," they would curtail $162,000, leaving them a balance for the fiscal year 1950 of $2,598,000.

I now wish to draw the attention of the Senate to some other items. The first is, "Army radios overseas, transporting and transferring American information into the Army centers overseas," which in turn are listened to by hundreds of thousands of people, we hope, and, as a matter of fact, we know. We expend $5,000,000 outside, above, and beyond this bill for Army radios overseas for our own troops. That is another item, covering information transferred from this country into the various agencies and centers abroad.

Let me now turn to ECA, that great program in which so many of us are interested. How much for the information program, local currency for films, publications, and so forth? It is $3,500,000. Add that to the $5,000,000 that goes overseas in informational programs, and we have a program of $8,500,000 in addition to the program provided for in the pending bill.

Mr. President, I appeal to the Senate. I come before my colleagues with deep humility, because I am appealing for a curtailment, in the hope that some day or other we may have the budget balanced.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Are the figures the Senator has last read, and the type of program integrated with the Voice of America to a certain degree?

Mr. McCARRAN. Not necessarily integrated, but they undoubtedly work along with the Voice of America.

Mr. SCHOEPPEL. I thank the Senator.

Mr. KEM. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield to the Senator from Missouri.

Mr. KEM. The Senator spoke of a balanced budget. I should like to ask him if it is not true that the experts of the Joint Committee on Internal Revenue Taxation recently estimated that in view of the changed economic conditions of the country the total income of the Government would be about $2,000,000,000 less than the estimate in the President's budget.

Mr. McCARRAN. My recollection is that the figure was $3,000,000,000. I may be in error.

Mr. KEM. It is either two billion or three billion dollars.

Mr. McCARRAN. My recollection is that it was $3,000,000,000. I think the time is coming when we must curtail. I would not cripple the agency whose appropriations we are considering. I do not think there is a Senator on the floor of the Senate today, however solicitous he may be, who will say that we are getting anywhere near 50 percent of value out of the dollars expended on this program. But if we are getting only fifty percent, if we are getting only thirty three and a third percent, I would not cripple the program, because I think that thirty three and a half percent of the dollar expended in this way is worth much more than three times the dollar expended by way of war. So I am entirely content to go along with the program, much as I doubt its efficacy. I doubted it from the very first. I do not deny to the Senate or to the world that I have doubted it. When we put the question to Secretary Byrnes when he was before the Committee on Appropriations, while he was Secretary of State, "Is this program worth while?" he said,

"Is there anybody who can answer your question?"

Mr. President, I am not questioning the program; I am only wishing, and praying to God, that it may be effective, but I do not want to throw away two dollars where one dollar might do the work.

Mr. BALDWIN. Mr. President, I send to the desk an amendment to the bill which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 5, line 18, it is proposed to strike out "$9,520,100" and to insert in lieu thereof "$5,864,000"; and on page 21, line 12, it is proposed to strike out "$32,343,900", and to insert in lieu thereof "$36,000,000."

Mr. BALDWIN. Mr. President, I wish to explain briefly what the amendment would accomplish. On page 5 of the bill there is an appropriation of $9,520,100, which is to be used exclusively under the provisions of the act which relate to payments representing the value of foreign property or credits, and which is to be expended for the construction and furnishing of embassies in foreign lands. It seems to me that if we have been able to get along with what we have in foreign lands in the way of embassies and other equipment, we could continue to do so for another year at least. I know that a very extensive program has been previously authorized by the Congress for constructing embassy buildings of various kinds throughout the world. Some of them strike the junior Senator from Connecticut as being very extravagant.

The junior Senator from Connecticut wants to commend the chairman of the subcommittee and the members of the committee for the very substantial reduction which has already been made in this particular item of the bill. In other words, the House passed the bill with an item of $20,000,000 in it. The Senate committee cut that to $9,520,100. It seems to me that if the amount could have been cut in half, it could be cut a little bit more and not dangerously interfere with the development of the program. If we could reduce that amount from $9,520,100 to $5,864,000, and transfer the amount thus saved and add it to the figure on page 21 of the bill, thus increasing the amount there contained from $32,343,900 to $36,000,000, we would be adopting the bill eventually with the same over-all amount as it had when it came from the committee. Yet it seems to the junior Senator from Connecticut that we would be transferring this sum from one item where it seems to me it is not so much needed, to another item where it seems to me it is needed.

Mr. President, that is the purpose of the amendment, and I ask that after consideration has been had of the amendment offered by the junior Senator from Vermont, the junior Senator from Connecticut may be permitted to call up his amendment.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. ROBERTSON. I have a feeling that the Senator is cutting an item for capital outlay which eventually must be made, and therefore while what the Senator proposes to do would not result in raising the total amount of the bill, it would result in increasing the obligations of the Government which eventually must be met, because we must eventually build these embassies abroad and make arrangements for them, and the State Department thought it could do so now. The Senate committee cut the amount in question about in half. If that cut were now further to be reduced, it would have to be restored at a later date. I contend it would not effect any economy.

Mr. KNOWLAND. Mr. President, will the Senator from Connecticut yield to me so I may ask a question of the Senator from Virginia?

Mr. BALDWIN. I yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I should like to ask the able Senator from Virginia whether he has any figures as to the amount that may be spent, or is proposed under the committee bill, with its amendments, to be spent on embassies in the ECA countries? The point of my question is whether or not it would be practicable at the proper time to use some of the counterpart funds under ECA for the building of embassies or purchasing of equipment for embassies.

Mr. ROBERTSON. Mr. President, I would say to the distinguished Senator from California that undoubtedly we will do that if there is any portion of the counterpart fund left when the whole show is over. But most of these embassies are in countries where there are no counterpart funds. I ask the chairman of the subcommittee, the Senator from Nevada [Mr. McCARRAN] if that is not correct. I ask the Senator from Nevada: Is it not true that most of the appropriation for embassies will be spent in countries where we do not have the counterpart fund of ECA, and if we have not already cut the amount in half, or more than in half?

Mr. McCARRAN. Mr. President, I read from a statement prepared by the Department of State:

> Public Law 547, approved July 25, 1946, authorized the appropriation of $125,000,000 of which $110,000,000 would be available exclusively for payments representing the value of property or credits acquired through lend-lease settlements, the disposal of surplus property abroad, or otherwise, and held by or owing the Government, which property or credits may be used by the Department of State for sites, buildings, equipment construction, and leaseholds.

If I may interject myself into the colloquy taking place between the Senator from Connecticut and the Senator from Virginia, I wish to say that the thing boils itself down to this: The committee worked the matter out so as not to cripple any of the facilities or agencies involved in the bill. With $9,000,000-plus, whatever the plus amount may be, the building program may go on. The State Department may carry on its building program where it thinks it is proper to go forward with it, within the countries which are not behind the iron curtain. I think sufficient hint was given to them that they should not build embassies behind the iron curtain.

On the other hand we curtailed the Voice of America program to a point where it will not be stymied, it will not be curtailed to a breaking point, but will go forward with its facilities. As against the number of personnel it had for this year, it will have a total of 3,700, which is 700 in excess of what it had for the current year. I do not know whether I have answered the question.

Mr. ROBERTSON. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield.

Mr. ROBERTSON. I call the attention of the Senator from Connecticut and the Senator from California to page 9 of what we call the slip sheet of memoranda on amendments, where we find that in the first column 58 countries are listed. In the fourth column to the right, we find 50 countries are listed where this money is to be spent. Senators will notice on page 2 that for 1950 the item of $25,000,000 appears, which has been cut to $9,000,000. They will find there the words:

> Schedule B. Estimate for 1950. For payments into United States Treasury to cover utilization of foreign credits.

I understand that all the $25,000,000 which the Bureau of the Budget recommended for this purpose was to be used from foreign credits, but it seems to me we have to make a payment in some way into the Treasury to utilize the foreign credits. I do not know the technique of the operation, but apparently it is merely a bookkeeping entry. But that is the present situation, and I certainly think that item ought not to be cut any more than it has been cut.

Mr. BALDWIN. Mr. President, I understand that those foreign credits represent United States money, or credits, or money due to the United States in foreign countries as an asset on the books of the United States, and if we do not spend it we simply do not spend it. The over-all appropriation, whether taken out of credits or taken out of the Treasury, or wherever it is taken, represents an expenditure. It is the elimination of what was previously an asset until it was expended. It does not seem to me that we can argue against this item by saying that because this is a foreign credit we are not spending any money. It is a credit which has been built up as the result of an expenditure of United States funds.

Mr. SALTONSTALL. Mr. President, let me say to my colleague from New England [Mr. BALDWIN] that I hope he will not press his amendment, for this reason: The State Department originally submitted an estimate of $25,000,000 for the building program. The House reduced it to $20,000,000. Now the Senate committee has reduced it to $9,250,000, in round figures. I have tried to obtain a break-down showing how this very much reduced program would be revised, but I have been unable to do so. Obviously, the Department will have to eliminate the building program in countries behind the iron curtain and in other countries. Until we know what obligations have been assumed, or what contracts have been

made for repairs, alterations, and improvements, we may be simply cutting this item and putting it back later. As the Senator from Virginia [Mr. ROBERTSON] says, these are all capital improvements. We can go forward more slowly with our capital-improvement program; but I believe that to reduce it from $25,000,000 to $9,275,000 is as far as we should go, and, to be perfectly frank, is a little further than I should like to go.

I hope the Senator from Connecticut will not press his amendment.

Mr. BALDWIN. Mr. President, it does not seem to me that, in connection with this capital outlay, anyone in the Federal Government is authorized to make a contract committing the United States until Congress has made an appropriation. It does not seem to the junior Senator from Connecticut that there could be legal contracts now outstanding which would call for expenditures from funds which have not yet been appropriated.

The point which the junior Senator from Connecticut makes is this: Is it wiser, in a day when we must curtail, to spend an additional $3,656,000 for the Voice of America than it is to spend $3,656,000 for building embassies and other structures? It seems obvious to the junior Senator from Connecticut that $3,656,000 additional can be more effectively spent at this stage of our affairs for the Voice of America program than for building and furnishing embassies in foreign lands. That is the purpose of the amendment.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. ROBERTSON. I think I can explain the foreign credits. The Treasury has so many francs, so many marks, and so many units of other currencies. But the State Department does not have the money. In order to transfer it from the Treasury Department to the State Department, so that it can be spent by the State Department in the currency of the country where it is to be spent, we must reimburse the Treasury in dollars.

Mr. BALDWIN. Let me say to my friend from Virginia that if we do not spend it for embassies, we still have it as a credit, and it can be transferred into American funds to be spent for something else. If it is a foreign credit, it is a credit created by something of value which we have given, and it is an asset on our books. If it is not spent for embassies, it can be transferred into the Treasury and spent for other purposes.

Mr. ROBERTSON. I do not know the technicalities of bookkeeping in the Treasury Department, but we were told that this was the way the transfer would have to be handled. I feel satisfied that if we add so many dollars to the Voice of America program, we shall spend that much more.

Mr. McCARRAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. As I understand the parliamentary situation, the pending question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS] to the committee amendment.

The PRESIDING OFFICER. That is correct.

Mr. McCARRAN. I ask for the yeas and nays.

Mr. FLANDERS. Mr. President, I should like to make an exceedingly brief statement. This subject has been approached from the standpoint of balancing the budget. The proposal to restore the curtailment which the Senator from Nevada [Mr. McCARRAN] has described in so much detail, is an undertaking to reduce the expenses of the United States Government, to apply millions of dollars where they will best save billions of dollars in future conflict, and to apply them at the point where the great aggressor against humanity is working, which is in the minds and souls of men. We cannot conquer the great aggressor in the minds and souls of men if we insistently and predominantly prepare to shoot bullets into the carcasses and hides of men whose minds and souls have been contaminated. Therefore I trust that Senators will vote for this amendment as an economy measure.

Mr. McMAHON. Mr. President, it is with no intention to delay the vote that I rise at this time. I have been engaged in an executive session of the Joint Committee on Atomic Energy all afternoon. Otherwise, I would have been present, because I am deeply interested in the amendment which has been offered to restore the cut which has been made in the Voice of America program.

Mr. President, wars do not start in the hands of men. They start in the minds of men. For us to spend $15,000,000,000 or $16,000,000,000 for the sake of arming America, and then spend many billions of dollars in restoration of the economic life of Europe, while at the same time neglecting to make the greatest possible effort in order to capture the minds of men, is to me the worst and the silliest kind of economy. I can think of no greater benefit that could come from any appropriation we might make than to convert people to our way of life and our way of thinking. That is the objective of this program. I certainly hope that the cut will be restored.

Mr. SALTONSTALL. Mr. President, I should like to address myself very briefly to the amendment offered by the Senator from Vermont. This seems to be entirely a New England party. First, the suggestion has been made that we put this money back into the Voice of America program and take it away from the armed forces program and from the ECA. Let me answer that argument very simply in this way:

A number of years ago a referendum was proposed in Massachusetts on the subject of economy. Four or more questions were asked. The first question was, "Are you in favor of reducing government expenses?" Ninety-six percent of the people answered affirmatively. Then followed three or four additional questions: "Are you in favor of reducing the road program? Are you in favor of reducing some other program?" Seventy-five or eighty percent of the people answered that they were not in favor of reducing any of the particular programs. So 96 percent of the people were in favor of economies, but no one wanted to economize in connection with his own particular program.

As a member of the minority party I sat through all the hearings on this appropriation bill with the Senator from Nevada. I attended the subcommittee meetings and the meetings of the full committee. I was one of those who joined in commending him for the clarity with which he drafted the report. He analyzed the various amendments. We have increased some items and decreased others. The total net decrease is approximately $12,000,000, as compared with what the House provided. In my brief experience in this body, this is the first time that has happened.

With relation to this specific amendment, I have voted in favor of every request on behalf of the Voice of America program, for the information program, and for student activities in other countries. I sincerely believe in what the senior Senator from Connecticut [Mr. McMAHON] has said.

The situation in our committee is very simple. The program which we have recommended in the committee report would increase the appropriation for the activities of this division of the State Department by about $4,000,000, as compared with last year, or slightly more than 10 percent.

As the Senator from Virginia [Mr. ROBERTSON] has said, there was a motion in the committee to eliminate this entire appropriation. There were other motions to reduce it to a very much smaller amount than that which the committee has reported. The committee has increased by half a million dollars one item for radio antennas in this country, which the State Department said was the most valuable part of the program, and the thing it most desired. We provided for that item in the bill. We reduced some other items. I am not in favor of all the reductions. I am in favor of this program. Under all the circumstances, I believe that if we are to obtain any reduction in governmental expenses anywhere, this is a proper place to make a reduction. After all, in this particular instance, we are giving the State Department a fair and proper amount to enable it to go forward with its activities. It is true that we do not propose to give the State Department everything it requests. Of course, if we were to give every department of Government everything it requested, certainly we would not be able to balance the budget and certainly we would not be able to bring about any reductions in governmental expenses, which I believe we should endeavor to do whenever they can properly be made.

I believe we are giving this program a "good break" and a good chance to go ahead. We are providing $4,000,000 of actual spending money beyond what was allowed last year, and we are providing at least one of the very important capital improvements—in the nature of radio antennas—which the Department has requested.

As one who has favored the Voice of America program, as one who wishes that war to be won, as one who believes in this method of ending wars, I hope the Appropriations Committee will be sustained and supported, and I hope the amendment offered by the Senator from Vermont for himself and other Senators to the committee amendent will be rejected.

If the Senator from Connecticut offers a further amendment, I hope it likewise will be rejected, because it would call for a "blind" cut which would handicap the State Department in its building program.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS], for himself and other Senators, to the committee amendment on page 21, in line 12.

Mr. McCARRAN. On this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, I shall vote against the amendment to the committee amendment. If I had my way about it, I would reduce the appropriation for this item to $25,000,000, and would spend the other $7,500,000 for a "Voice" to our own American people, to teach them the blessings and value of our own form of government and the dangers of communism. I think that would make more sense and would be more practical and more beneficial to the taxpayers of the United States. We should be appropriating some money to teach our own people the great value and blessings of our own form of government, which is the greatest asset we have.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont, for himself and other Senators, to the committee amendment on page 21, in line 12. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG (when his name was called). On this vote, I have a pair with the senior Senator from Georgia [Mr. GEORGE]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], the Senator from Idaho [Mr. MILLER], the Senator from Maryland [Mr. O'CONOR], the Senator from Mississippi [Mr. STENNIS], the Senator from Oklahoma [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Florida [Mr. HOLLAND], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Montana [Mr. ECTON] and the Senator from Kansas [Mr. REED] are detained on official business.

The result was announced—yeas 33, nays 45, as follows:

YEAS—33

Aiken	Johnson, Tex.	Mundt
Baldwin	Johnston, S. C.	Murray
Douglas	Kerr	Myers
Flanders	Langer	Neely
Fulbright	Lodge	Pepper
Graham	Lucas	Russell
Green	McCarthy	Smith, Maine
Hayden	McFarland	Sparkman
Hendrickson	McGrath	Thomas, Utah
Humphrey	McMahon	Thye
Ives	Malone	Wiley

NAYS—45

Anderson	Frear	Martin
Brewster	Gillette	Maybank
Bricker	Gurney	Millikin
Bridges	Hickenlooper	O'Mahoney
Butler	Hill	Robertson
Byrd	Hoey	Saltonstall
Capehart	Hunt	Schoeppel
Chapman	Jenner	Taft
Connally	Johnson, Colo.	Taylor
Cordon	Kem	Tydings
Donnell	Kilgore	Vandenberg
Downey	Knowland	Wherry
Eastland	McCarran	Williams
Ellender	McClellan	Withers
Ferguson	McKellar	Young

NOT VOTING—18

Cain	Long	Smith, N. J.
Chavez	Magnuson	Stennis
Ecton	Miller	Thomas, Okla.
George	Morse	Tobey
Holland	O'Conor	Wagner
Kefauver	Reed	Watkins

So the amendment offered by Mr. FLANDERS for himself and other Senators to the committee amendment was rejected.

Mr. BALDWIN. Mr. President, the junior Senator from Connecticut desires to call up the amendment that he sent to the desk just previous to the last vote.

The PRESIDING OFFICER. For the information of the Senate, the clerk will restate the amendment.

The LEGISLATIVE CLERK. On page 5, line 18, it is proposed to strike out "$9,520,100" and to insert in lieu thereof "$5,864,000"; and on page 21, line 12, it is proposed to strike out "$32,343,900" and to insert in lieu thereof "$36,000,000."

Mr. BALDWIN. In connection with the amendment, the junior Senator from Connecticut moves that the Senate now reconsider the vote by which the Senate agreed to the committee amendment on page 5, the amendment which reduced the appropriation as passed by the House, in the sum of $20,000,000, to $9,520,100.

The PRESIDING OFFICER. For the information of the Senate, the clerk will restate the committee amendment.

The LEGISLATIVE CLERK. On page 5, in line 17, strike out "$20,000,000" and insert "$9,520,100."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut to reconsider the vote by which the committee amendment was agreed to.

Mr. BALDWIN. The junior Senator from Connecticut states the purpose of his motion to be to reduce the $9,520,100 by $3,656,100, making the figure $5,864,000, in order that the $3,656,100 may be added on page 21, line 12, to make the figure there, of $32,343,900, $36,000,000. In other words, the purpose of the amendment is to reduce the appropriation for improving, altering, and building embassies by $3,656,000, and to add that sum to the cut made in the appropriation for the Voice of America, bringing it up to $36,000,000.

There is no need of discussing the matter further, because it had been adequately discussed. It seems to me that as between the two, obviously we could spend the additional $3,656,000 to much greater advantage in the Voice of America program than on embassy buildings.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut to reconsider the vote by which the committee amendment was agreed to.

The motion was rejected.

The PRESIDING OFFICER. The question now recurs on the committee amendment on page 21, line 12.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 21, line 17, after the word "exceed", to strike out "$2,760,000" and insert "$2,598,000."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Department of Justice—Legal activities and general administration," on page 28, at the beginning of line 20, to strike out "$5,640,400" and insert "$3,709,400."

The amendment was agreed to.

The next amendment was, on page 29, line 24, after the word "field", to strike out "$1,114,600, of which $398,800 shall be available for contractual services and services authorized by section 15 of the act of August 2, 1946, in the Lands Division" and insert "$663,600."

The amendment was agreed to.

The next amendment was, on page 30, line 4, after the word "for", to strike out "$218,000" and insert "$150,000."

The amendment was agreed to.

The next amendment was, on page 30, line 9, after the word "Columbia", to strike out "$3,750,000" and insert "$3,650,000."

The amendment was agreed to.

The next amendment was, on page 30, after line 24, to insert:

Salaries and expenses, Lands Division: For personal services in the District of Columbia and for other necessary expenses, including travel expenses, services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and notarial fees or like services, $2,496,000.

The amendment was agreed to.

The next amendment was, on page 31, after line 11, to insert:

Property claims of alien enemies: For payment of claims, pursuant to the act of March

15, 1949 (Public Law 17), relating to property deposited by alien enemies or United States citizens of Japanese ancestry, $44,000.

The amendment was agreed to.

The next amendment was, under the subhead "Federal Bureau of Investigation," on page 34, line 20, after the word "expended", to strike out "$52,585,141" and insert "$50,987,000, of which not to exceed $750,000 shall be immediately available."

The amendment was agreed to.

The next amendment was, under the heading "Title III—Department of Commerce—Office of the Secretary," on page 42, line 21, after the word "only", to insert "and one"; in the same line, after the word "exceed", to strike out "$3,000" and insert "$5,000"; and on page 43, line 1, after the figures "$1,000", to strike out "$1,200,000" and insert "$1,358,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Census," on page 45, line 14, after the word "work", to strike out "$43,000,000" and insert "$41,885,000."

The amendment was agreed to.

The next amendment was, on page 45, line 20, after the word "binding", to strike out "$755,000" and insert. "$870,000"

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Administration," on page 48, line 1, after the word "exceeding", to strike out "$18,300,000" and insert "$27,300,000."

The amendment was agreed to.

The next amendment was, on page 50, line 1, after the word "for", to insert "the"; in line 2, after the word "tank", to insert "and a steam line"; and in line 2, after the amendment just above stated, to strike out "$21,500" and insert "$196,500."

Mr. PEPPER. Mr. President, I have an amendment on page 50, which I send to the desk.

The PRESIDING OFFICER. The Chair states that the amendment is not in order at this time. Committee amendments are now being considered. The question is on agreeing to the committee amendment, on page 50, which has just been stated by the clerk.

The amendment was agreed to.

The next amendment was, on page 51, line 5, after the word "appropriation", to insert the following additional proviso: "*Provided further*, That of the appropriation made herein not to exceed $80,000 may be used for services connected with the Office of the General Counsel."

The amendment was agreed to.

The next amendment was, on page 52, line 2, after the word "work", to strike out "not to exceed $130,000 for administrative expenses"; and in line 6, after the figures "$4,000,000", to insert a colon and the following proviso: "*Provided*, That not to exceed $56,600 may be transferred to the Appropriation 'Salaries and expenses, Civil Aeronautics Administration,' for necessary administrative costs, including the maintenance and operation of aircraft and printing and binding."

The amendment was agreed to.

The next amendment was, under the subhead "Civil Aeronautics Board," on page 52, line 22, after the word "field", to insert "purchase (not to exceed four, for replacement only) and"; and in line 25, after the word "binding", to strike out "$3,620,500" and insert "$3,780,000."

The amendment was agreed to.

The next amendment was, on page 55, line 13, after the word "binding", to strike out "$2,031,000" and insert "$2,106,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Foreign and Domestic Commerce," on page 55, line 22, after the word "binding", to strike out "$5,000,000' and insert "$4,550,000."

The amendment was agreed to.

The next amendment was, under the subhead "Patent Office," on page 56, line 16, after the word "photolithography", to strike out "$10,625,000" and insert "$10,925,000."

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 57, line 3, after the word "exceed", to strike out "$600,000" and insert "$800,000."

The amendment was agreed to.

The next amendment was, on page 57, line 23, after the word "thereto", to strike out "$1,310,000" and insert "$1,510,000."

The amendment was agreed to.

The next amendment was, under the subhead "Weather Bureau," on page 60, line 19, after the word "available", to strike out "$24,000,000" and insert "$24,359,000."

The amendment was agreed to.

The next amendment was, under the heading "Title IV—The Judiciary—Customs Court—Salaries and expenses," on page 64, line 16, after the word "judge", to strike out "$400,100" and insert "$401,120."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous salaries," on page 68, line 3, after the word "for", to strike out "$2,037,000" and insert "$2,067,000"; in line 23, after the word "enacted", to insert "or within-grade promotional increases and of compensation paid for temporary assistance needed because of an emergency"; on page 69, line 3, after the word "exceed", to strike out "$6,500" and insert "$6,700"; in line 4, after the words "of the", to strike out "senior circuit" and insert "chief"; in line 5, after the word "and", to strike out "senior district judge of each district" and insert "the chief judge of each district court"; and in line 8, after the word "exceed", to strike out "$7,500" and insert "$9,000."

The amendment was agreed to.

The next amendment was, under the heading "Title VI—General provisions," on page 74, line 9, after the word "act", to insert "or of the funds available for expenditure by any corporation included in this act"; and on page 75, line 11, after the word "appropriation", to insert "or fund."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is now open to further amendment.

Mr. PEPPER. Mr. President, I call up the amendment which I sent to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 50, line 13, it is proposed to strike out "$36,500,000" and insert "$60,000,000"; and, in line 14, to strike out "$36,000,000" and insert "$59,500,000."

Mr. PEPPER. Mr. President, I wish to make only a brief statement as to the purpose of this amendment. Its purpose is to increase from $36,500,000 to $60,000,000 the contract authorization for Federal assistance in the construction of airports.

The Federal statute which permitted Federal participation in the airport-construction program of the Nation authorized, in section 5, the expenditure of $500,000,000 over a period of 7 years. That is for Federal aid in the construction of airports. It would have meant an average expenditure per annum of approximately $71,000,000. That was the comprehensive airport-construction program which was carefully worked out under the able leadership and direction of the Senator from Nevada, and it contemplated a comprehensive and adequate airport-construction program for the Nation. Instead of Congress having appropriated the $71,000,000 a year necessary to carry out that program, for the fiscal year 1947 Congress appropriated $45,000,000; for the fiscal year 1948, $32,500,000; for the fiscal year 1949, $40,000,000; and if the appropriation item stands as it was passed by the House and recommended by the distinguished Committee on Appropriations, the amount for the fiscal year 1950 would be $39,500,000, as I have the figures. In other words, only $157,000,000 for 4 years, when the Congress itself, in laying out the airport-construction program, authorized $500,000,000 for 5 years. So the Senate can see how far we are behind in giving Federal assistance in the execution of this Nation-wide airport-construction program.

The Civil Aeronautics Authority has on hand $260,000,000 worth of projects which it is ready to put under construction when the authority for contracting for those projects is granted by the Congress. This represents only authority for contract authorization, not the actual appropriation of the money.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BRIDGES. Does the Senator know that several million dollars is on hand now for utilization when and if certain communities are able to do their matching?

Mr. PEPPER. My information is that this sum is necessary to permit the contracting in connection with a list of projects, which I shall read, distributed over the country, and all they need is the contracting authority. Every one of the projects has been carefully screened and carefully examined, and the Civil Aeronautics Authority considers it in the public interest that this program be put into effect.

I should like to read the list of States in which these projects are located:

In Connecticut, at Hartford, $150,000; in Massachusetts, $1,500,000, at Worcester and Boston. New York, $8,350,000 which would be expended at New York City, Buffalo, Syracuse, and Rochester.

In Rhode Island, $3,000,000, at Providence. In West Virginia, $750,000, to be expended at Huntington, Beckley, and Clarksburg.

In Georgia, $1,000,000, to be spent in Atlanta, Savannah, and Brunswick. Tennessee, $275,000, to be spent in Nashville and Memphis. Illinois, $3,725,000, to be expended at Chicago, Moline, Quincy, Springfield, Rockford, Charleston, Jacksonvile, and Effingham.

In Maryland, $1,500,000, to be expended at Baltimore and Hagerstown. In New Jersey, $1,200,000, at Newark. Pennsylvania, $6,000,000, for Pittsburgh, Philadelphia, Erie, Harrisburg, and Wilkes-Barre-Scranton.

Virginia, $300,000, for Roanoke, Richmond, and Norfolk.

Florida, $1,000,000, for Miami. Indiana, $700,000, for Evansville, Fort Wayne, Indianapolis, Gary, and South Bend.

In Michigan, $700,000, for Detroit. Ohio, $1,400,000, for Cleveland and Cincinnati.

Mr. BRIDGES. May I inquire if those are requests which have come in?

Mr. PEPPER. These are projects which have been presented to the Civil Aeronautics Administration, which have been screened and are considered the most desirable of $260,000,000 worth of projects applied for and which the Civil Aeronautics Administration feels would be initiated if contract authority were had.

Mr. BRIDGES. Mr. President, in order to get the matter straight, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. BRIDGES. Is it not a fact that these projects have been requested, and is it not a further fact that the local communities which have requested them have in no case gone to the extent of preparing to finance them or to provide local assistance, and it is only a desire on their part, with nothing tangible on which to base their request?

Mr. PEPPER. It is not my understanding that that is the situation. It is my understanding that if contract authority were granted to the Civil Aeronautics Administration, they would be able to meet conditions that are usual in such cases and initiate construction of all the projects I have identified.

Mr. BRIDGES. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. BRIDGES. Can the Senator give an example, from the items he has mentioned, of a particular community which is ready to go ahead if it had the funds, and which has voted a local bond issue and is prepared to proceed?

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. PEPPER. I shall yield to the Senator from Nevada. I think he has somethink he wishes to contribute.

Mr. McCARRAN. I think I can clear the atmosphere in a moment. I think the Senator from Florida is being misled by a list of cities and States in which additional funds would be expended if discretionary funds were increased. If the Senator is being misled by that fact, let me say that there is pending today before the Committee on Interstate and Foreign Commerce by my own bill, introduced on March 16, to increase the discretionary funds. If the discretionary funds are not increased, the items which the Senator from Florida mentions cannot go into effect. The Senator from Florida mentioned Maryland, where $1,500,000 is to be expended at Baltimore and Hagerstown. He has mentioned Pittsburgh, Philadelphia, Erie, Harrisburg, Wilkes-Barre, and Scranton. Projects at those points are to be constructed, providing my bill shall be adopted by the Senate. But it is still pending in the committee and has not yet been reported. The headline indicates that the figures cover a list of cities and States in which additional funds can be expended if discretionary funds are increased.

The bill which I have introduced and which is pending before the Committee on Interstate and Foreign Commerce provides as follows:

That section 6 of the Federal Airport Act is amended by striking out the figures "75," in the first sentence, and inserting in lieu thereof the figures "60"——

Mr. PEPPER. May I ask the able Senator from Nevada a question?

Mr. McCARRAN. Certainly.

Mr. PEPPER. I am addressing myself to the same category of projects which I understand were contemplated under the $500,000,000 authorization enacted a few years ago.

Mr. McCARRAN. No. Under the $500,000,000 program, the projects must be allocated to the States in keeping with population, area, and so forth. If that be what the Senator from Florida is referring to, let me read the Act. In other words, the money would be allocated by States. The Senator is undoubtedly being misled by that which appears in the side-sheets of the Appropriations Committee, because it could not be otherwise——

Mr. PEPPER. No. I would be more than diffident, Mr. President, in disagreeing with any opinion of the able Senator from Nevada, but I have had personal contacts with representatives of several municipalities, some of whom are from my own State. They have told me they were prepared to put up their part of the funds, and I am told by the Civil Aeronautics Administration that that agency is ready to proceed with the construction if they may have additional funds, which I am seeking to secure by increasing the item from $36,500,000 to $60,000,000.

They certainly should know the technical aspects of the matter, and when inquiry was made of them, they said that it was true that the Bureau of the Budget recommended only $36,500,000. Nevertheless, these projects are in exactly the same category, I am informed by the Civil Aeronautics Authority, as the projects covered in the $36,500,000 item which is carried in the bill. It was put in by the House, it was retained by the Senate Committee on Appropriations. If it is an error, it is an error in the advice I have from the applicants and from the Civil Aeronautics Authority. Whether they are in error or not I am not prepared to say.

Mr. McCARRAN. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from Nevada.

Mr. McCARRAN. There is no one more anxious than I am to further airports construction, but let me say to the Senator that I offered this matter to the subcommittee having this item in charge, and it was not deemed to be advisable, I went along with them, and I go along with them now.

As the author of the bill I have mentioned, let me recite to the Senator what would happen if he got his $77,000,000, or $60,000,000. Florida would receive $457,392. If the discretionary fund were increased, Florida would receive $1,000,000.

I am merely again drawing the Senator's attention to the fact that I think he is being misled. There is pending before the Committee on Interstate and Foreign Commerce my own bill to increase what is known as the discretionary fund, which has been objected to by some members of the committee, perhaps rightfully. It makes no difference, and I shall not argue that question here. It is my idea the fund should be increased.

Mr. PEPPER. Mr. President, I gained the impression from some source that the Senator from Nevada himself, who has always been so zealous in behalf of the aviation of the country, would have preferred a larger appropriation for this item than was provided by the House and the Senate committee.

Mr. McCARRAN. I thought we could well afford to provide a contract authorization up to $77,000,000, but my committee did not look upon that with favor, I was convinced that my committee was right, and I receded from my position. If we had made it $77,000,000——

Mr. PEPPER. That is the point I want to get to.

Mr. McCARRAN. Let me read the Senator how the money would have been distributed. I read the amounts in round figures.

Alabama would have received $1,107,000; Arizona, $1,171,000; Arkansas, $922,000; California, $2,995,000; Colorado, $1,218,000; Connecticut, $426,000; Delaware, $80,000; District of Columbia, $146,000; Florida, $978,000. If there is no objection, I will insert the whole table at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Table showing where $41,000,000 additional contract authority would be expended if the discretionary fund were not increased

	State apportionment based on—		
	$36,000,000 construction funds	$41,000,000 construction funds	$77,000,000 construction funds
Alabama	$517,888	$589,817	$1,107,705
Arizona	547,765	623,843	1,171,608
Arkansas	431,363	491,275	922,638
California	1,400,320	1,594,809	2,995,129
Colorado	569,626	648,741	1,218,367
Connecticut	199,582	227,302	426,884
Delaware	37,818	43,070	80,888
Dist. of Columbia	68,287	77,772	146,059
Florida	457,392	520,918	978,310
Georgia	577,148	657,307	1,234,455
Idaho	418,074	476,140	894,214
Illinois	1,062,223	1,209,755	2,271,978
Indiana	510,652	581,576	1,092,228
Iowa	505,595	575,817	1,081,412
Kansas	543,333	618,797	1,162,130
Kentucky	467,860	532,840	1,000,700
Louisiana	458,329	521,985	980,314
Maine	236,467	269,310	505,777
Maryland	240,365	273,749	514,114
Massachusetts	482,768	549,819	1,032,587
Michigan	960,858	1,094,310	2,055,168
Minnesota	662,423	754,426	1,416,849
Mississippi	434,341	494,666	929,007
Missouri	691,778	787,858	1,479,636
Montana	698,795	795,850	1,494,645
Nebraska	471,620	537,122	1,008,742
Nevada	493,193	561,691	1,054,884
New Hampshire	909,956	103,588	194,544
New Jersey	462,374	526,593	988,967
New Mexico	584,919	666,157	1,251,076
New York	1,617,210	1,841,822	3,459,032
North Carolina	595,990	678,767	1,274,757
North Dakota	373,875	425,802	799,677
Ohio	903,009	1,028,427	1,931,436
Oklahoma	544,359	619,965	1,164,324
Oregon	534,714	608,980	1,143,694
Pennsylvania	1,215,890	1,384,764	2,600,654
Rhode Island	78,493	89,394	167,887
South Carolina	330,769	376,709	707,478
South Dakota	401,802	457,608	859,410
Tennessee	483,127	550,229	1,033,356
Texas	1,823,180	2,076,399	3,899,579
Utah	426,607	485,858	912,465
Vermont	78,721	89,655	168,376
Virginia	459,067	522,827	981,894
Washington	485,737	553,201	1,038,938
West Virginia	300,424	342,149	642,573
Wisconsin	610,358	695,130	1,305,488
Wyoming	452,556	515,411	967,967
United States total	27,000,000	30,750,000	57,750,000
Territorial total	500,000	0	500,000
Total State apportionment	27,500,000	30,750,000	58,250,000
Discretionary funds	[1] 9,000,000	[1] 10,250,000	[1] 19,250,000
Administrative funds	3,000,000	[2] 850,000	3,850,000
Grand total	39,500,000	41,850,000	81,350,000

[1] The discretionary fund will be allocated to the most urgently needed projects, consisting mainly of major air terminals in approximately 30 States.

[2] This amount has been added to bring the total administrative money to 5 percent as authorized in sec. 5 (a) Public Law 377, Federal Airport Act.

LIST OF CITIES AND STATES WHERE ADDITIONAL FUNDS WOULD BE EXPENDED IF DISCRETIONARY FUND IS INCREASED

REGION 1

Connecticut, $150,000: Hartford, runway, apron, access road.

Maryland, $1,500,000: Baltimore, building, access road, sewers; Hagerstown.

Massachusetts, $1,500,000: Worcester, administration building, access parking area; Boston, runway, apron, lights.

New Jersey, $1,200,000: Newark, runways, lighting, administration building.

New York, $8,350,000: New York; Buffalo, runways, lights; Syracuse, administration building, on Army field; Rochester, administration building, apron, runway.

Pennsylvania, $6,000,000: Pittsburgh, Philadelphia, Erie, Harrisburg, Wilkes-Barre-Scranton.

Rhode Island, $3,000,000: Providence, new airport.

Virginia, $300,000: Roanoke, extend runway, administration building, clear approaches; Richmond, lighting, apron; Norfolk, access, obstruction, landscape.

West Virginia, $750,000: Huntington, grade, pave one runway; Beckley, grade and pave runway; Clarksburg, grade and pave runway.

REGION 2

Florida, $1,000,000: Miami, apron, terminal area, and building.

Georgia, $1,000,00 : Atlanta, construct new runway and taxiway; Savannah, building, lights.

Tennessee, $275,000: Nashville, terminal area, taxiway; Memphis, runway, lights, administration building.

REGION 3

Illinois, $3,725,000: Chicago, Moline, Quincy, Springfield, Rockford, Charleston, Jacksonville, Effingham.

Indiana, $700,000: Evansville, Fort Wayne, Indianapolis, Gary, South Bend.

Michigan, $700,000: Wayne County, Detroit, aprons, taxiway, lights.

Minnesota, $300,000: Minneapolis-St. Paul, runway, apron lights.

Ohio, $1,400,000: Cleveland, Cincinnati.

Wisconsin, $642,000: Milwaukee, La Crosse.

REGION 4

Arkansas, $100,000: Little Rock, runway extension, taxiway, aprons, lighting.

Louisiana, $1,500,000: New Orleans, lights, administration building; Shreveport, paving, administration building, lighting.

Texas, $1,300,000: Fort Worth, lighting, apron, administration building; Houston, extend and strengthen runway, lighting; San Antonio, administration building, lighting; Dallas, runway, administration building, taxiways.

REGION 5

Colorado, $240,000: Grand Junction, runway; Craig, runway; Durango, runway; Montrose, runway.

Iowa, $800,000: Cedar Rapids, lighting, access; Des Moines, lighting; Iowa City, lighting, building; Ames, runway; Sioux City, building, lights.

Kansas, $200,000: Wichita, lights; Dodge City, lights; Emporia, runway; Winfield-Arkansas City, lights.

Missouri, $1,500,000: Kansas City, new municipal, $1,000,000; St. Louis, runway, taxiway, apron lights, $500,000.

Nebraska, $250,000: Omaha, apron and taxiway; Chaldron, runway; Beatrice, administration building.

REGION 6

Arizona, $600,000: Phoenix, apron, administration building, taxiway.

California, $2,000,000: Los Angeles, runway extension; San Francisco, taxiway, apron, administration building.

REGION 7

Oregon, $500,000: Portland, extend runway, apron lights.

Washington, $500,000: Seattle, lighting, runway extension, apron.

Mr. McCARRAN. Mr. President, the table indicates what would have been the distribution under the basic law. That is the way the money would have been distributed under the basic law, of which I happen to be the author.

Mr. PEPPER. Did the Senator propose to increase this particular item, which is now thirty-six and a half million dollars, to $77,000,000.

Mr. McCARRAN. That was my thought, and I offered it to my subcommittee, but they would not accept it.

Mr. PEPPER. I am addressing myself to the question of the propriety of the amendment, in other words, whether the Senator did not feel that the passage of his bill, which is now pending in the Committee on Interstate and Foreign Commerce, was a condition precedent to the power to provide this contract authority by amending the same item I am attempting to amend here today.

Mr. McCARRAN. If my bill had been passed, then it would have augmented the building of airports in certain places, because it would have permitted the Authority to use the discretionary fund in a different way.

Mr. PEPPER. The only question I am raising is this: It is a matter of judgment for the Senate to decide as to the amount, whether the Senate wants thirty-six and a half million dollars or $60,000,000. The Senator gave me the impression, when I first offered the amendment, that it would be futile, even if the Senate were to adopt it. I thought that if the Senator, with his special knowledge on the subject, had originally proposed to increase the same item, probably he himself at that time thought that the increase in the amount of this particular item would be efficacious if it were adopted by the committee and the Congress.

Mr. McCARRAN. I proposed to follow it right up by trying to get my bill out of the Committee on Interstate and Foreign Commerce so that the Authority would go forward on the new program with the discretionary fund.

Mr. PEPPER. Do I correctly understand the Senator to say that if he had gotten the $77,000,000 figure instead of the $36,500,000, the money would not have become available unless he had also secured the passage of his discretionary fund increase which is before the Committee on Interstate and Foreign Commerce?

Mr. McCARRAN. It would not have been available for distribution to the list the Senator from Florida is using, which is captioned—and I hope the Senator has the same manuscript I have—"Additional funds needed in addition to the contractual authority authorized for 1950." Is that the caption?

Mr. PEPPER. That is the one I have.

Mr. McCARRAN. It would not have become available.

Mr. PEPPER. I will ask the Senator, then, as an expert in this field, to give us his advice in this matter.

Mr. McCARRAN. I am not an expert on anything.

Mr. PEPPER. The Senator is certainly recognized as an expert in this field, so far as the Congress is concerned. Will the Senator tell us whether, if we leave this item as it is today, we will have any other opportunity at this session to provide further Federal aid to the States and communities in the construction of an adequate airport program?

Mr. McCARRAN. I think perhaps some more money might be expended, but I think that, in all justice, the amount allowed by the pending bill, carried in the bill as it is before the Sen-

ate, is about all that the Civil Aeronautics Authority can utilize for the current year. If they can utilize more, and more is essential, they can come to the Congress for it by way of a deficiency.

Mr. PEPPER. The Senator from Nevada, who knows this subject thoroughly, evidently thought that some advantage would be gained by increasing in the committee the thirty-six-and-one-half-million-dollar item to $77,000,000. His committee in its wisdom saw fit not to go along with the proposal of the Senator from Nevada. But it is a question of judgment as to the amount of money that should be provided. All I am asking is that the Senate exercise its judgment. If the Senate does not feel that it wishes to provide any more aid to the communities in the construction of airports, of course, that is the prerogative of the Senate. But I think that if the Senator from Nevada had been followed by his committee he would have put $77,000,000 in this particular place, when I am asking that only $60,000,000 be provided. The Senator must have thought that increase would have had some beneficial effect on the airport construction program.

I do not wish to take the time of the Senate longer. The Senator from Nevada also has the list I have in my hand, but I shall mention the States, and not the projects: Connecticut, Massachusetts, New York, Rhode Island, West Virginia, Georgia, Tennessee, Illinois, Michigan, Ohio, Maryland, New Jersey, Pennsylvania, Virginia, Florida, Indiana, Minnesota, Wisconsin, Arkansas, Texas, Colorado, Kansas, Nebraska, Arizona, Oregon, Louisiana, Iowa, Missouri, California, and Washington.

I remind the Senate again that Congress authorized $500,000,000 to be spent over a period of 7 years, that we are away behind in the schedule, and all we are asking this year is $60,000,000, which, if it had been provided every year, would have been $11,000,000 lower than the average for each year for a 7-year authorization which we provided at an earlier date.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. The Senator has spoken about the attitude of the Senator from Nevada in the committee. I should like to call to the attention of the Senator from Florida a fact which influenced me as one member of the committee to vote for the appropriation as it is now in the bill. I refer to the establishment of air navigation facilities in the program for 1950, under which there was authorized cash of $18,650,000 and contract authorizations of $27,300,000, or a total of $45,950,000.

Mr. PEPPER. For what?

Mr. SALTONSTALL. For air navigation facilities. Our committee in this bill has increased the contract authorizations in that program by $9,000,000, because we felt that safety in the air was of the utmost importance. Let us build the airports, then make them safe, and then spend money for more airports.

In the new airport program, which the Senator from Florida seeks to amend by adding $24,000,000, there is provided for this year's program in the committee bill, cash of $14,500,000, and contract authority of $36,500,000, or a total of $51,000,000. So for the two programs of safety facilities and airports there is provided $96,950,000 in cash and contract authorizations.

Mr. PEPPER. Yes; and the difference between that and $60,000,000 represents the minimum needs for airport construction. I hope the amendment will be adopted.

The PRESIDING OFFICER. Without objection, the two amendments offered by the Senator from Florida will be considered together. The amendments are on page 50, line 13 to insert "$60,000,000" in lieu of "$36,500,000" and in line 14 to insert "$59,500,000" in lieu of "$36,000,000."

The question is on the amendment of the Senator from Florida.

The amendment was rejected.

Mr. FERGUSON. Mr. President, I wish to make the following statement:

First. The State-Justice-Commerce bill (H. R. 4016) represents a possible turning point in the appropriations battle for fiscal 1950, and the Committee on Appropriations deserves commendation.

Its total is 9.3 percent below the budget estimates; 1.9 percent below the House figure.

Second. It is in contrast with the Senate's action on the four appropriation bills previously passed. Their totals were 6.3 percent above the House figure; 1.25 percent above the Budget.

Third. The report on this bill represents the action sought in previous motions to recommit with instructions to make a 5-percent reduction.

It cuts appropriations, where they can only be cut—in Congress.

It leaves no room for doubt as to the Senate's intentions; it is even better than a directive to cut expenditures.

It therefore makes a recommital motion at this time, on this bill, unnecessary.

Fourth. Even if this is a turning point it does not end the fight.

This bill is for only $671,782,281. Except for the District of Columbia and the legislative appropriations it is the second smallest regular bill that will be acted upon.

It is under the President's estimates by $68,580,675, which is only a drop in the bucket.

Fifth. It does not remove the need for further reductions and a complete reversal of Senate attitude as shown in its action on the four earlier appropriation bills.

Sixth. It is merely a statement of policy which must be reiterated and made consistent.

(a) If the policy represented in this bill is not pursued the Senate will wind up approving appropriations about $500,000 above the budget estimates.

(b) Such a consequence, combined with supplemental requirements and the great drop in anticipated receipts will result in a deficit which the most conservative estimates now place at $3,400,000,000.

Seventh. Even though further pressure on this bill, at this time, is not in order, the cutting program must go on.

(a) We must reduce appropriations on every bill, by recommital motions if necessary.

(b) We must also seek reductions in expenditures, by instructions to the executive department.

(c) We must bear in mind that the four bills already approved by the Senate and which increased the budget figures were about 25 percent of the regular appropriations (excluding foreign aid) which will be brought before Congress this session. We need to regain the ground lost on those measures.

Eighth. We must bear in mind that whatever we do is merely a stopgap, good for fiscal 1950 and intended to avoid the fiscal crisis impending in that year.

We must keep an eye to long-range economies and efficiency processes.

We must look to the fiscal consequences of all authorizations.

We must look to improving the appropriations process by:

(a) A consolidated budget (S. J. Res. 18);

(b) Budget and accounting reforms making for a more intelligible budget document (basic recommendation of Hoover Commission); and

(c) Closer checks by the Appropriations Committees; informal consultation with Executive in formulation of the budget; larger staffs for committees; and abandonment of idea Senate is merely a court of appeals on appropriations.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4016) was read the third time and passed.

Mr. McCARRAN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. McKELLAR, Mr. ELLENDER, Mr. GREEN, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. WHERRY conferees on the part of the Senate.

PERCENTAGE OF ENLISTED PERSONNEL EMPLOYED IN AVIATION TACTICAL UNITS

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1270) to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes, which was, on page 2, after line 9, insert:

SEC. 3. Nothing in this act shall be construed as affecting the eligibility of enlisted men of the Regular Army, Navy, Air Force, Marine Corps, or the Reserve components

thereof, for designation as aviation cadets: *Provided*, That, except in time of war or emergency hereafter declared by the Congress, at least 20 percent of the total number of aviation cadets designated by the Navy and the Air Force, respectively, during each fiscal year after the date of enactment of this act shall be designated from among those enlisted men of the Regular Army, Navy, Air Force, or Marine Corps eligible and qualified for such designation: *And provided further*, That such designations shall be with the consent of such enlisted men.

Mr. TYDINGS. Mr. President, since the amendment proposed to the Senate bill by the House of Representatives is a minor amendment and safeguards only the number of enlisted men who may become aviation cadets, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maryland.

The motion was agreed to.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing sundry nominations, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees, the Clerk will state the nomination on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Pete Jarman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified.

That completes the Executive Calendar.

RECESS

Mr. LUCAS. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 19 minutes p. m.), the Senate took a recess until tomorrow, Wednesday, June 8, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received June 7 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

John J. McCloy, of New York, to be United States High Commissioner for Germany and Chief of Mission, class 1, within the meaning of the Foreign Service Act of 1946 (60 Stat. 999).

DEPARTMENT OF THE ARMY

Gordon Gray, of North Carolina, to be Secretary of the Army.

IN THE COAST GUARD

The following officers of the United States Coast Guard to be captains, to rank from March 20, 1945:

Joseph A. Kerrins	Nathaniel S. Fulford, Jr.
Edward H. Thiele	
Reginald H. French	Julius F. Jacot
John W. Ryssy	Chester A. A. Anderson
Richard L. Burke	Edward E. Hahn, Jr.

The following officers of the United States Coast Guard to be commanders, to rank from January 1, 1944:

Robert E. McCaffery	Warren L. David
Albert E. Harned	Louis M. Thayer, Jr.
David H. Bartlett	Evor S. Kerr, Jr.
Vaino O. Johnson	Walter S. Bakutis
Richard F. Rea	Edgar V. Carlson

The following officers of the United States Coast Guard to be commanders, to rank from March 1, 1944:

Clayton M. Opp	Adrian F. Werner
Loren E. Brunner	Woodrow W. Vennel
Charles E. Columbus	Gilbert F. Schumacher
William L. Sutter	Charles Tighe
Gilbert R. Evans	Richard Baxter
Wallace L. Hancock, Jr.	

The following officers of the United States Coast Guard to be lieutenant commanders, to rank from December 1, 1943:

Carlton V. Legg	William K. Kehoe
George E. Alston	Cecil C. Humphreys
Virgil L. McLean	Robert L. Blanchett
George M. Gallagher	Carl E. Roberts
Henry M. Anthony	Harry F. Bradley
Cloyd C. Lantz	James E. Rivard
Henry E. Solomon	William E. Lowe
Herbert L. Scales	George D. Batey

The following officers of the United States Coast Guard to be lieutenant commanders, to rank from April 1, 1944:

Robert E. Reed-Hill (P)	Paul E. Burhorst
	Edwin C. Crosby
Joseph J. McClelland	Ira H. McMullan
Raymond G. Miller	William C. Foster
John P. Latimer	Holmes F. Crouch
James A. Martin	Kenneth H. Potts
Robert E. Hammond	James W. Paine
Clyde R. Burton	James A. Cornish
Ottis T. Estes, Jr.	William K. Earle
James F. Bills	

The following officer of the United States Coast Guard to be a lieutenant commander, to rank from August 1, 1944:

Edward H. Houghtaling

The following officers of the United States Coast Guard to be lieutenant commanders, to rank from July 20, 1945:

William D. Strauch Jr.	Helmer S. Pearson
	Chester A. Richmond Jr.
Robert F. Barber	
Herschel E. Sanders	James M. McLaughlin
Russell A. Serenberg	Whitney M. Prall, Jr.
Benjamin M. Chiswell, Jr.	Henry F. Rohrkemper
	Charles F. Scharfenstein, Jr.
John C. Saussy	
Joe L. Horne	Robert S. McLendon

The following officers of the United States Coast Guard to be lieutenants, to rank from October 5, 1945:

Lynn L. Baker	John Dalin
Thomas F. McKenna	Ludlow S. Baker
Glenn J. Shannon	Frank D. Hilditch
Ernest A. Bigelow	Arthur M. Watson
Sidney K. Broussard	Arthur H. Sheppard
Louis J. Glatz	Frank W. Dunford

The following officers of the United States Coast Guard to be lieutenants, to rank from October 7, 1945:

Donald A. Brown	Raymond W. Siegel
Charles H. Freymueller	Harry A. Solberg
Robert O. Bracken	Henry A. Campbell, Jr.
John W. Hume.	Armand J. Bush
John S. MacCormack	Lester A. Levine
Herbert Krause	John J. O'Meara
Theodore J. Kozanecki	Glenn O. Thompson
Errol H. Seegers	Arthur F. Heffelfinger
Forrest H. Willoughby	Eugene F. Walsh
Robert D. Burkheimer	Andrew J. Cupples
Jack E. Forrester	John A. Weber
Lewis R. Davison	Lloyd E. Franke
John H. Hawley	Samuel E. Taylor
Carol L. Mason	Richard C. Wilkie
George H. Waddell	George A. Philbrick
Robert M. Becker	George J. Bodie
Franklin A. Colburn	Henry W. Stinson, Jr.
Robert S. Wilson	Earl E. Broussard
Charles E. MacDowell	Cletis L. Caribo
Elmer P. Mathison	John F. Fitzgerald
Warren C. Mitchell	

The following officers of the United States Coast Guard to be lieutenants, to rank from the effective date of appointment:

Peter E. Gibney	Edward M. F. Kirchner
Lewis R. LaValley	Mitchell A. Perry
Leonard M. Dalton	Garth H. Read
James P. Van Etten	William E. Dennis
Joseph R. Steele	Robert J. LoForte
LeWayne N. Felts	Owen W. Siler

The following officers of the United States Coast Guard to be lieutenants (junior grade), to rank from January 1, 1947:

David R. Rondestvedt
Oliver W. Harrison

The following officers of the United States Coast Guard to be lieutenants (junior grade), to rank from September 15, 1948:

Robert D. Parkhurst	David P. Bates, Jr.
Otto F. Unsinn	Rudolph E. Lenczyk
James E. Heywood	William L. Faulkenberry
Henry V. Harman	
Walter O. Henry	Donald C. Davis
Verne D. Finks	John H. Bruce
William L. Aitkenhead	James H. MacDonald
Charles F. Baker	Donald R. Vaughn
James P. Stewart	Frederick S. Kelsey
James H. Swint	Robert S. Gershkoff
Shirl J. Stephany	William C. Pinder, Jr
George F. Rodgers	Thomas W. Powers
Leslie D. High	James A. Gary III
George H. P. Bursley	Douglas C. Ryan
Frank E. Parker	Archibald B. How
Milton R. Neuman	John L. Wright
Arthur W. Rouzie	John B. Saunders, Jr.
Leland C. Batdorf	Herbert H. Sharpe, Jr.
David Jenkins	Michael B. Lemly
William F. Tighe, Jr	Glenn M. Loboudger
Bruce C. Johnson	Robert A. Patrick
Bruce H. Edwards	John E. Murray
Richard B. Humbert	William R. Chandler
Roy K. Angell	Vincent A. Bogucki
Robert C. Krulish	Charles I. Foss III
William J. Kirkley	James P. Hynes
Edward E. Chambers	Robert A. Lee
Robert W. Johnson	Jay H. Bramson
Charles S. Marple	John W. Steffey
Roger G. Devan	Lloyd W. Goddu, Jr
Wilfred F. Raes	Donald J. McCann
Albert H. Clough	Edward D. Cassidy
Walter B. Murfin	John B. Hayes
Randolph Ross, Jr.	Robert L. Davis, Jr
Lawrence Davis, Jr	Richard B. Bowden, Jr
Robert W. Smith	Glenn R. Taylor
Alfred E. McKenney, Jr.	Ian E. Holland
	Walter F. Guy
David E. Perkins	Dudley C. Goodwin, Jr
Robertson P. Dinsmore	Warren S. Petterson
John H. K. Miner	Harold E. DeLong
James W. Bolding, Jr.	William C. Wallace
Alfred J. Tatman	Henry G. Cassel
George T. Sain, Jr	Harley B. Shank
Malcolm E. Clark	Raymond M. Miller
Richard M. Underwood, Jr.	Hardy M. Willis
	Fred E. Wilson
Charles M. Mayes	Clarence G. Porter
Dan Rayacich	Leroy Flatt
William M. Page, Jr.	Charles R. Howell
Thomas C. Thompson	Robert E. Bracken
Arthur N. Garden, Jr.	

CONFIRMATION

Executive nomination confirmed by the Senate June 7 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Pete Jarman to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Australia.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 7 (legislative day of June 2), 1949:

POSTMASTERS

CALIFORNIA

Henry M. Brandenberger, Cornell.
Leah M. Corporon, Riverbank.

CONNECTICUT

Meta D. Neusse, Hanover.

IOWA

Arlo W. Mugge, Calumet.
Pearl R. Ormsby, Stockton.
Mae H. DeBeer, Stout.
Vivian B. Christen, Walford.

MISSOURI

John K. Morris, Bakersfield.

MICHIGAN

Evelyn Panyan Nikorak, Copper City.

PENNSYLVANIA

Nellie E. Feeley, Tunnelton.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 7, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord God, as we face the urgent call to duty this day, we pray for mental poise, that all our works shall show forth a balance in our thought and in our decisions. Lead us in honesty of purpose and deed, helping us so to live that we can stand unashamed before Thee. If we are inclined to doubt, steady our faith; if we are tempted, make us strong to resist; if we should miss the mark, give us courage to try again.

Grant, our Father, that no entanglements may deter or defeat us, but that the path shall be made plain by the presence of Thy spirit divine. Let the words of our mouths and the meditations of our hearts be always acceptable in Thy sight, our strength and our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on June 7, 1949, the President approved and signed bills of the House of the following titles:

H. R. 738. An act for the relief of the estate of Mrs. Minerva C. Davis; and

H. R. 1057. An act for the relief of John Keith.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2663) entitled "An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 714) entitled "An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes."

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1950

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTEN, STIGLER, KRUSE, CANNON, H. CARL ANDERSEN, and HORAN.

EXTENSION OF REMARKS

Mr. MILLER of Nebraska (at the request of Mr. STEFAN) was given permission to extend his remarks in the RECORD in two instances and include in one an address delivered by Dr. Marvin.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD on the International Children's Fund and include a table.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD.

Mr. ELLSWORTH asked and was given permission to extend his remarks in two instances in the RECORD, in one to include an editorial and in the second to include a resolution from the National Wildlife Federation.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include an editorial on the basing-point system.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD and include extraneous material.

THE LATE HONORABLE WILLIS G. SEARS

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, I desire to call the attention of the membership of this House that yesterday I received unanimous consent to address the House for 20 minutes at the conclusion of the legislative program of the day and following any special orders to be entered.

I shall at that time pay tribute to the memory of a very fine Republican friend of mine, Willis G. Sears, who represented the Second Nebraska District in this House for four consecutive terms, from 1922 to 1930, and who died at Omaha, Nebr., on June 1, 1949, and I hope that those who remember him favorably will be there, if possible, to add their tribute to mine.

EXTENSION OF REMARKS

Mr. ELLIOTT asked and was given permission to extend his remarks in the RECORD and include certain extraneous matter.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include a statement made before the Committee on Merchant Marine and Fisheries.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in three instances and include therein certain statements and excerpts.

THE WHEAT SITUATION

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, I take the floor at this time to call your attention to the wheat situation. The Eightieth Congress, when it tied the hands of the Commodity Credit Corporation so that they could not provide wheat storage for this crop, sowed to the wind, and now they will have an opportunity to contend with the whirlwind. The combines are rolling in southern Texas, and it will not be long before they will be in Kansas, Nebraska, and the Dakotas. Much of that wheat will go on the ground and, if the weather is unfavorable, it will rot, and farmers will be forced to take 30 or 40 or maybe 50 cents less than the loan price for their wheat because they will not have storage for it. I want the people who are responsible for that condition to accept that responsibility, and I am laying it flatly at their door this morning.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. Certainly.

Mr. RICH. The Democrats have been in power for the last 20 years. Why have you not done something about it if you think it is so great? Why do you single out the Eightieth Congress? You ought to be ashamed.

Mr. CHRISTOPHER. Every time we try to do something there are enough men who get up to try to keep us from doing it. The gentleman from Pennsylvania is one of the very gentlemen who always objects.

Mr. RICH. What I object to is the spending.

Mr. CHRISTOPHER. I would like to invite the attention of the Members of this House to the fact that we have only recently emerged from the shooting stage of the greatest war in all history. We emerged from the conflict victorious only because we bent every energy and resource of this Nation to accomplish victory. Steel was vitally needed in the war effort; other building material was either scarce or impossible to obtain. Until 1947, building of additional grain storage was either impossible or impractical. Grain storage could have been built, and should have been built, last year, but the Eightieth Congress so tied the hands of the Commodity Credit Corporation that it was impossible for them to do so under the law, and many Members of that party tried again on the floor of this House to pass a bill that would leave the Commodity Credit Corporation without power to provide storage in the future. But because we have a Democratic majority, we restored to the Commodity Credit Corporation the power to provide storage, which is the only way to make the loan program effective, but that power has probably come too late for this crop.

A recent issue of the Kansas City Star reports that many Texas grain elevators which have available storage for wheat are refusing to store grain for Texas farmers. They have all the storage needed for wheat that they can buy for 32 to 40 cents per bushel below the loan figure. Wheat is reported selling in Wichita Falls, Tex., for $1.55 per bushel, and it is freely predicted that it will go as low as $1.25 before combines have finished the harvest. The Star reports that a large number of elevators are denying farmers storage space for wheat, and it is estimated that Texas farmers alone stand to lose thirty to forty million dollars on this year's wheat crop alone. Those same conditions will apply in Oklahoma, Kansas, Nebraska, and the Dakotas, and all because the Eightieth Congress took the position it would be communistic, socialistic, and unjust for the Commodity Credit Corporation to be allowed to buy, lease, and build storage for loan grain. This same condition prevailed last fall when the corn pickers were gathering a great corn crop.

The gentleman from Kansas [Mr. HOPE] is reported by the Kansas City Star as saying:

> Reports by the railroads indicate that there are 217,000,000 bushels of available grain-storage space east of the Rocky Mountains.

The gentleman from Kansas [Mr. HOPE] is further reported as saying that—

> Railroad figures indicate that public elevator space east of the Rocky Mountains totals 386,313,000 bushels and is now carrying 150,355,000 bushels, or 40 percent of its capacity.

The gentleman from Kansas [Mr. HOPE] says that he thinks it ridiculous that people do not know about the storage situation. One thing the gentleman from Kansas [Mr. HOPE] failed to tell us is what percent of that 217,000,000 bushels of storage was available for loan wheat. It is my opinion that most of that storage space will be filled with distressed wheat on which the grain trade will, no doubt, make a profit of 30 to 50 cents per bushel and thereby defraud the American farmer of the just reward of his toil. If the Commodity Credit Corporation had been given the power to buy, build, or lease grain storage a year ago and had failed to do so, then the Commodity Credit Corporation and the Democratic administration and the Secretary of Agriculture could be held responsible for the present deplorable situation, but the fact remains that the Eightieth Congress denied the Commodity Credit Corporation those powers and must therefore stand accountable for what happened last fall with corn and what is happening again now with wheat.

How many times will the American farmer have to go through things like this before he realizes that their basic philosophy makes it impossible for the Republican Party to ever be a friend of the farmer and the laboring man?

LABOR-FEDERAL SECURITY AND RELATED AGENCIES APPROPRIATIONS, 1950

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, do the minority members of the committee know that this action was to be taken today?

Mr. FOGARTY. I notified the ranking minority member of the committee, the gentleman from Wisconsin [Mr. KEEFE] this morning.

Mr. MARTIN of Massachusetts. Did he have any objection?

Mr. FOGARTY. No; he has no objection.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island. [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. FOGARTY, HEDRICK, MCGRATH, CANNON, KEEFE, and SCRIVNER.

EXTENSION OF REMARKS

Mr. JONES of Missouri asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include certain extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I would like to read the substance of a resolution which the gentleman from Minnesota [Mr. JUDD] and I are introducing today. We regard this as a matter of considerable importance, as I believe the Members will agree.

We are joined in the resolution on the majority side by the gentleman from South Carolina [Mr. RICHARDS], the gentleman from New York [Mr. BYRNE], the gentleman from Tennessee [Mr. PRIEST], and the gentleman from Montana [Mr. MANSFIELD], and on the minority side, by the gentleman from Ohio [Mr. VORYS], the gentleman from Maine [Mr. HALE], and the gentleman from New York [Mr. JAVITS].

The resolution (H. Con. Res. 64) is as follows:

> *Resolved by the House of Representatives (the Senate concurring)*, That it is the sense of the Congress that it should be a fundamental objective of the foreign policy of the United States to support and strengthen the United Nations and to seek its development into a world federation, open to all nations, with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation, and enforcement of world law.

I am also authorized by 90 other Members of the House to state they are also sponsoring this resolution. A list by States follows:

Alabama: BATTLE, Democrat.

Arizona: PATTEN, Democrat.

Arkansas: HAYS, Democrat; MILLS, Democrat; TRIMBLE, Democrat.

California: ANDERSON, Republican; HAVENNER, Democrat; HOLIFIELD, Democrat; JACKSON, Republican; JOHNSON, Republican; MCKINNON, Democrat; MILLER, Democrat; PHILLIPS, Republican; SCUDDER, Republican; WELCH, Republican; WHITE, Democrat.

Colorado: ASPINALL, Democrat; CARROLL, Democrat.

Connecticut: LODGE, Republican; RIBICOFF, Democrat; WOODHOUSE, Democrat.

Florida: HERLONG, Democrat; SIKES, Democrat; SMATHERS, Democrat.

Georgia: LANHAM, Democrat; WHEELER, Democrat.

Illinois: DAWSON, Democrat; MACK, Democrat; VELDE, Republican; YATES, Democrat.

Indiana: CROOK, Democrat; JACOBS, Democrat; NOLAND, Democrat.

Maine: HALE, Republican.

Maryland: MILLER, Republican.

Massachusetts: DONOHUE, Democrat; FURCOLO, Democrat; HERTER, Republican; HESELTON, Republican; KENNEDY, Democrat.

Michigan: FORD, Republican.

Minnesota: BLATNIK, Democrat; JUDD, Republican.
Missouri: BOLLING, Democrat; KARST, Democrat.
Montana: MANSFIELD, Democrat.
Nevada: BARING, Democrat.
New Hampshire: COTTON, Republican.
New Jersey: ADDONIZIO, Democrat; AUCHINCLOSS, Republican; CASE, Republican; EATON, Republican; HOWELL, Democrat; RODINO, Democrat; TOWE, Republican.
New York: BYRNE, Democrat; CELLER, Democrat; DAVIES, Democrat; HELLER, Democrat; JAVITS, Republican; KEARNEY, Republican; KLEIN, Democrat; KEATING, Republican; MULTER, Democrat; POWELL, Democrat; RIEHLMAN, Republican; TAURIELLO, Democrat.
North Carolina: CHATHAM, Democrat.
Ohio: BURKE, Democrat; CROSSER, Democrat; VORYS, Republican.
Pennsylvania: BUCHANAN, Democrat; DAVENPORT, Democrat; EBERHARTER, Democrat; FULTON, Republican; GRANAHAN, Democrat.
South Carolina: RICHARDS, Democrat.
Tennessee: PRIEST, Democrat.
Texas: TEAGUE, Democrat.
Utah: BOSONE, Democrat; GRANGER, Democrat.
Virginia: GARY, Democrat; HARRISON, Democrat; STANLEY, Democrat.
Washington: JACKSON, Democrat; MITCHELL, Democrat; TOLLEFSON, Republican.
West Virginia: BURNSIDE, Democrat.
Wisconsin: BIEMILLER, Democrat; ZABLOCKI, Democrat.

The SPEAKER. The time of the gentleman from Arkansas [Mr. HAYS] has expired.

DEVELOPING THE UNITED NATIONS

Mr. JUDD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, in August 1944, while the war was still on, the gentleman from Arkansas [Mr. HAYS] and I introduced identical resolutions, seeking to develop in the Congress and in the Government administration and in the country at large agreement on a national foreign policy for dealing with our problems today just as the Monroe Doctrine has been for over a century a national policy—neither Republican nor Democratic, but American. Four times since then we have introduced identical resolutions dealing with one or another phase of this most important problem. In 1947 and 1948 we were joined with other Members including most of those whose names the gentleman from Arkansas has just read, or included in his statement.

If a foreign policy is to be continuing and therefore predictable and dependable so that both we and people abroad can know what to count on, it must be supported by both major parties. If both parties are to support it, both parties must have a real share in formulating and developing it.

It is clear on the basis of 4 years' experience with the United Nations that in its present form it cannot do the job that the peaceful peoples of the world hoped for from it. The remedy is not to abandon it, or to give lip service to it while bypassing it as we have of necessity done so frequently, but to try to correct the demonstrated defects. The course that gives greatest hope with respect to world organization for peace is not back; or around; but ahead.

We are fully aware of the difficulties involved in developing the United Nations into a world federation or other world organization with powers carefully defined and limited but adequate to enable it to prevent war through enacting, interpreting and enforcing world law governing relations between nations. But the difficulties in any other course are still greater.

The objectives cannot be attained immediately. But we can determine immdiately that this is our objective, the only objective that gives real hope and toward which we must, therefore, direct our unceasing and utmost efforts.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I am happy to join with my colleagues on both sides of the aisle in the introduction of this joint resolution. It signifies our bipartisan interest and desire to make the United Nations a real functioning organization, dedicated to the ideals of world peace. We believe that the United Nations must be made strong, to the end that it will be able to stop aggression and give security to the peoples of the world and insure peace based on mutual tolerance and understanding.

It is my hope that because of these joint resolutions that are being introduced today we will be able to bring about the creation of a world monetary fund to administer to the financial needs of the world and to take the burden off the shoulders of the United States, a world court to administer the law and to render judgment among and in the family of nations, and a world police force in the United Nations to enforce world peace and to put down aggression. This and other reforms are the objectives which we seek. We believe firmly that only through a strengthened United Nations can man's best and perhaps last hope for peace and security be achieved. This is the goal for all mankind. Only through the United Nations, a strengthened United Nations, can the needs of the peoples of the world be realized.

The SPEAKER. The time of the gentleman from Montana has expired.

EXTENSION OF REMARKS

Mr. JACKSON of Washington (at the request of Mr. MANSFIELD) was given permission to extend his remarks in the Appendix of the RECORD and include certain material.

DEVELOPMENT OF UNITED NATIONS

Mr. VORYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Speaker, this resolution we introduced today is unfinished business for Congress, our country, the world. Last year in the Eightieth Congress, our Foreign Affairs Committee, by unanimous vote, brought out H. R. 6802, the United Nations Participation Act. Section 1 spelled out the five progressive steps needed then and now to develop the United Nations.

First. Confirming the status of the United Nations in its site within the United States with appropriate privileges and immunities, facilitating its headquarters building program, and increasing the effectiveness of the United States in the work of the United Nations;

Second. Seeking by voluntary agreements, interpretations, and practices to improve the functioning of the United Nations, to liberalize the voting procedures in the Security Council, and to eliminate the veto on all questions involving pacific settlement of international disputes and situations and the admission of new members;

Third. Pressing for agreements to provide the United Nations with armed forces as contemplated in the Charter, and for agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments including armed forces under adequate safeguards to protect complying nations against violation and evasion;

Fourth. Encouraging, and associating the United States with, such regional and other collective arrangements for self-defense as are consistent with the Charter, are based on continuous and effective self-help and mutual aid between free nations, and affect the national security of the United States; and making clear the determination of the United States to exercise the right under the Charter of individual or collective self-defense in the event of any armed attack against a member affecting the national security of the United States; and

Fifth. Initiating consultations with other members concerning the need for and possibility of so amending the Charter as to enable the United Nations more effectively to prohibit, and prevent aggression or other breaches of the peace.

To do all this will take courage, patience, and ingenuity. We can do it.

EXTENSION OF REMARKS

Mr. LODGE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances, in one to include an address by the gentleman from Ohio [Mr. BROWN] and in the other a newspaper article.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD regarding a bill he is today introducing.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. Paul O. Peters.

Mr. KEEFE asked and was given permission to extend his own remarks in the RECORD.

THE PRESIDENT'S PROGRAM

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I was very much interested in what the gentleman from Missouri [Mr. CHRISTOPHER] had to say lambasting the Eightieth Congress, but let me say that President Truman in his message to Congress last January recommended many things that I believe should be deferred or cut out entirely.

Cut out program to build steel plants. The industry now is running at 92 percent capacity.

Cut out spending.

Cut out Federal hand-outs.

Cut out demand for commodity regulation.

Cut out Federal aid for education.

Cut out socialized-medicine program.

Cut out demand for increased taxes.

Cut out demand for 75-cent minimum wage.

Cut out Brannan plan of farm-price support.

Cut out rural-telephone expansion under the REA.

Cut out St. Lawrence seaway.

Cut out civil-rights program.

Cut out public power plants.

Cut out demand for Taft-Hartley repeal.

Cut out slum clearance now.

Cut out universal military training.

Cut out reciprocal trade agreements and lowering of tariff.

Cut out the Fair Deal program of socialization or it will end up a misdeal.

Cut out spending and now adjourn.

There are many more projects which could be well cut out and leave the country in better shape than if we attempted to carry out the recommendations of the President to the Congress in his January message.

TRIUMPHS OF MEDICAL RESEARCH

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, in the midst of so many of the perils that apparently confuse the thinking of the people not only of the Congress but the people of America, it is reassuring to note that in the great field of scientific research, in the field of public health, the most marvelous accomplishment has just been announced that ought to be reassuring not only to the people of America, but also to the people of the world; I refer to the announcement of the discovery of Compound E by the Mayo Foundation at Rochester, Minn., and the discovery of a companion compound known as ACTH produced by Armour & Co., of Chicago. That has been the most electrifying thing in any medical research and scientific research in the last 75 years. These discoveries bid fair to relieve mankind of many of the crippling ailments and many of the degenerative diseases that now respond almost like magic to these new compounds. This ought to give a note of hope to the people of America.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. GATHINGS asked and was given permission to extend his remarks in the RECORD and include an article entitled "The Hardwood Story."

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech, notwithstanding that it exceeds two pages of the RECORD, and, according to the Public Printer, will cost $168.75 to print.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution and two bills.

Mr. CHIPERFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD.

TEMPORARY DEFERMENT IN CERTAIN UNAVOIDABLE CONTINGENCIES OF ANNUAL ASSESSMENT WORK OF MINING CLAIMS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arizona? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE of California, MURDOCK, REGAN, LEMKE, and BARRETT of Wyoming.

RESIGNATION AS MEMBER OF SPECIAL COMMITTEE

The SPEAKER laid before the House the following communication which was read:

JUNE 3, 1949.

Hon. SAM RAYBURN,
The Speaker, House of Representatives, United States, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the special committee appointed to attend as observers the World Assembly for Moral Rearmament at Caux-Sur-Montreaux, Switzerland. This special committee was appointed pursuant to House Resolution 232, Eighty-first Congress.

Respectfully,

LAURIE BATTLE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT AS MEMBER OF SPECIAL COMMITTEE TO ATTEND THE WORLD ASSEMBLY FOR MORAL REARMAMENT

The SPEAKER. Pursuant to the provisions of House Resolution 232, Eighty-first Congress, the Chair appoints as a member of the special committee to attend the World Assembly for Moral Rearmament the gentleman from Pennsylvania [Mr. FLOOD] to fill the existing vacancy thereon.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

ECONOMIC ASSISTANCE TO THE REPUBLIC OF KOREA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 212)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I recommend that the Congress authorize the continuation of economic assistance to the Republic of Korea for the fiscal year ending June 30, 1950.

The United States is now providing relief and a small amount of assistance in rehabilitation to the Republic of Korea under Public Law 793, Eightieth Congress. The continuation of that assistance is of great importance to the successful achievement of the foreign-policy aims of the United States. The authority of the present act extends only until June 30, 1949. For this reason legislation is urgently needed, and I am hopeful that the Congress may give it early consideration.

The people of the United States have long had sympathetic feelings for the Korean people. American missionaries, supported by American churches of many denominations, brought spiritual guidance, education, and medical aid to the Korean people during their 40 years of Japanese bondage. All Americans who have come to know the Korean people appreciate their fierce passion for freedom and their keen desire to become an independent nation.

Early in the war with Japan, it was resolved that Korea should be liberated. In the Cairo Declaration of December 1943 the United States joined with the United Kingdom and China to express their determination that in due course Korea should become free and independent. This pledge was reaffirmed in the Potsdam Declaration of July 26, 1945, with which the Soviet Union associated itself upon its entrance into the war against Japan in the following month. With our victory over Japan, it was hoped that the Korean Nation would be reborn. Unfortunately, however, only the people of Korea south of the 38° parallel have thus far attained their freedom and independence.

The present division of Korea along the 38° parallel was never intended by the United States. The sole purpose of the line along the 38° parallel was to facilitate acceptance by the Soviet and United States forces of the surrender of

Japanese troops north and south of that line. Immediately after the completion of the Japanese surrender, the United States through direct negotiations with the Soviet Union sought to restore the unity of Korea.

For 2 years these efforts were rendered unavailing by the attitude of the Soviet Union. When it became apparent that further delay would be injurious to the interests of the Korean people, the United States submitted the matter to the General Assembly of the United Nations, in the hope that the United Nations could assist the people of Korea to assume their rightful place as an independent, democratic nation.

By vote of an overwhelming majority, General Assembly adopted a resolution on November 14, 1947, calling for an election, under the observation of a United Nations Temporary Commission on Korea, to choose a representative national assembly for the purpose of drafting a democratic constitution and establishing a national government. The Soviet Union refused to permit the United Nations Commission to enter its zone. Consequently, the right of the Korean people to participate in a free election to establish a free government was confined to south Korea. As a result of this election, the Government of the Republic of Korea was inaugurated August 15, 1948.

The General Assembly of the United Nations at its next session considered the report of its Commission and in December 1948 adopted a resolution holding the Government of the Republic of Korea to be the validly elected, lawful government of the area in which elections were held under the Commission's observation—and the only such government in Korea. The Genreal Assembly established a reconstituted Commission to consult with the occupying powers on the withdrawal of their forces and to continue to work for the unification of Korea under representative government.

The United States terminated its military government in Korea upon the inauguration of the Government of the Republic of Korea and recognized the new government on New Year's Day, 1949.

The December 1948 resolution of the General Assembly called on the occupying powers to withdraw their forces as soon as practicable. The United States has thus far retained a small number of troops in Korea at the request of the Government of the Republic to give the Republic an opportunity to establish forces adequate to protect itself against internal disturbances and external attacks short of an aggressive war supported by a major power. A military advisory group requested by the Korean Government for training purposes will be retained in Korea after the withdrawal of United States troops.

The debilitated state in which the Korean economy was left by the Japanese has been accentuated by the separation of the hydroelectric power, coal and metal and fertilizer industries of the north from the agricultural and textile industries of the south and by the effects of continuing Communist agitation. The United States has furnished the people of south Korea with basic relief during the period of military government. Despite such assistance, however, the Republic is still far short of being able to support itself, even at the present modest standard of living of its people. It is in urgent need of further assistance in the difficult period ahead until it can stand on its own feet economically.

The aid now being provided to Korea is essentially for basic relief. Without the continuation of such relief, its economy would collapse—inevitably and rapidly. Bare relief alone, however, would not make it possible for the republic to become self-supporting. The republic would remain dependent upon the continuation of relief from the United States at a costly level into the indefinite future—and subject to the same inevitable collapse at any time the relief should be withdrawn. For these reasons the aid granted should be not for mere relief but for recovery. The kind of program which is needed is the kind which the Congress has authorized for the countries of western Europe and under which those countries have achieved such rapid progress toward recovery during the past year. Full advantage should be taken of the broad and successful experience in western Europe by continuing responsibility for the administration of the Korean aid program in the Economic Cooperation Administration, which has been administering aid to Korea since January 1 of this year.

Prior to January 1 of this year, aid to Korea was administered by the Army as a part of its program for government and relief in occupied areas. The budget which I submitted to the Congress in January contemplated that economic assistance to Korea would be continued outside of the Army's program for government and relief in occupied areas. The needs of the Republic of Korea for economic assistance have been carefully studied in the light of the latest available information. I am convinced that the sum of $150,000,000 is the minimum aid essential during the coming year for progress toward economic recovery.

Such a recovery program will cost only a relatively small amount more than a bare relief program. Yet a recovery program—and only a recovery program—will enable the Republic of Korea to commence building up the coal production, electric-power capacity, and fertilizer production which are fundamental to the establishment of a self-supporting economy and to the termination of the need for aid from the United States. Aid in the restoration of the Korean economy should be less costly to the United States in the end than a continued program of relief.

The recovery program which is recommended is not only the soundest course economically but also the most effective from the standpoint of helping to achieve the objectives of peaceful and democratic conditions in the Far East.

Korea has become a testing ground in which the validity and practical value of the ideals and principles of democracy which the Republic is putting into practice are being matched against the practices of communism which have been imposed upon the people of north Korea. The survival and progress of the Republic toward a self-supporting, stable economy will have an immense and far-reaching influence on the people of Asia. Such progress by the young Republic will encourage the people of southern and southeastern Asia and the islands of the Pacific to resist and reject the Communist propaganda with which they are besieged. Moreover, the Korean Republic, by demonstrating the success and tenacity of democracy in resisting communism, will stand as a beacon to the people of northern Asia in resisting the control of the Communist forces which have overrun them.

The Republic of Korea, and the freedom-seeking people of north Korea held under Soviet domination, seek for themselves a united, self-governing and sovereign country, independent of foreign control and support and with membership in the United Nations. In their desire for unity and independence, they are supported by the United Nations.

The United States has a deep interest in the continuing progress of the Korean people toward these objectives. The most effective, practical aid which the United States can give toward reaching them will be to assist the Republic to move toward self support at a decent standard of living. In the absence of such assistance, there can be no real hope of achieving a unified, free and democratic Korea.

If we are faithful to our ideals and mindful of our interest in establishing peaceful and prosperous conditions in the world, we will not fail to provide the aid which is so essential to Korea at this critical time.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 7, 1949.*

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

JOHN F. GALVIN

The Clerk called the bill (H. R. 766) for the relief of John F. Galvin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $20,000 to John F. Galvin, of Hoosick Falls, N. Y., in full settlement of all claims against the United States for personal injuries sustained as a result of an operation on November 21, 1944, at the Thirteenth Field Hospital, Stolberg, Germany: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$20,000" and insert "$15,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE H. WHIKE CONSTRUCTION CO.

The Clerk called the bill (H. R. 4419) for the relief of George H. Whike Construction Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $14,483.45 to George H. Whike Construction Co., of Canton, Ohio, in full settlement of all claims against the United States for losses sustained on Jackson Park homes project contract No. OH 33037, Canton, Ohio, as the result of Executive Order 9301 which changed the workweek from 40 hours to 48 hours on same date (February 11, 1943) that such contract was signed: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. J. HAND

The Clerk called the bill (H. R. 4261) authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to issue to L. J. Hand, a patent in fee to the following-described land, to wit: The southwest quarter of the southwest quarter, section 30, and the northwest quarter of the northwest quarter, section 31, township 15 north, range 4 east, Choctaw meridian, Holmes County, Miss., containing seventy-nine and eighty-seven one-hundredths acres, more or less: *Provided, however*, That the issuance of such patent shall operate only as a conveyance of all the right, title, and interest of the United States in and to the land described herein, but shall not affect any valid adverse rights of third parties should any such rights exist.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN K. JACKSON

The Clerk called the bill (H. R. 1499) for the relief of John K. Jackson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John K. Jackson, of Astoria, Oreg., the sum of $4,442.30, in full satisfaction of his claim against the United States for damages for personal injuries suffered on December 22, 1937, at Astoria, Oreg., when shot by Garwyn S. Diehl, radioman, first class, United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF RENO, NEV.

The Clerk called the bill (S. 41) for the relief of the city of Reno, Nev.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ELLEN HUDSON

The Clerk called the bill (S. 42) for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ellen Hudson, of 804 South Verdugo Road, Glendale, Calif., as administratrix of the estate of Walter R. Hudson, deceased, the sum of $7,500, in full satisfaction of the claim of such estate against the United States for compensation for the death of said Walter R. Hudson as a result of personal injuries sustained by him when the automobile in which he was riding was struck by a United States Army vehicle, near Pittman, Nev., on April 4, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim; and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. N. JONES AND OTHERS

The Clerk called the bill (S. 146) conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of United States district courts to hear, determine, and render judgment on tort claims against the United States which accrue prior to January 1, 1945, jurisdiction is hereby conferred upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of the following-named persons, all of Malheur County, Oreg., against the United States for damages incurred by them when their properties were flooded as the result of a break on May 7, 1942, in the reservoir gates which controlled the flow of water into canals of the Vale-Oregon Irrigation District; the projects in such district being then under the exclusive control of the United States: (1) J. N. Jones; (2) May Delsole, successor in interest and heir at law of L. P. Delsole; (3) Anna Curry, administratrix of the estate of Fred Curry; (4) John U. Hoffman; (5) Orrin Curry; (6) Tom Joyce; (7) W. W. Seaward; (8) Gilbert Masterson; (9) Drexell Williams; (10) John Joyce and Kate Joyce; and (11) Mary Robertson, sucessor in interest and heir at law of W. A. Robertson.

SEC. 2. In the determination of such claims, the United States shall be held liable for damages, and for any negligent or wrongful acts or omissions of any of its officers or employees, to the same extent as if the United States were a private person in accordance with the law of the place where the acts or omissions occurred.

SEC. 3. Suit upon such claims may be instituted by or on behalf of the claimants listed in section 1 at any time within one year after the date of enactment of this Act. Proceedings for the determination of such claims and review thereof, and payment of any judgments thereon shall be had as in the case of claims over which such court has jurisdiction under the Federal Tort Claims Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. LAWRENCE HULL

The Clerk called the bill (S. 147) for the relief of H. Lawrence Hull.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. Lawrence Hull, of Newport, Oreg., the sum of $551.66, in full settlement of all claims against the United States on account of property damages sustained by him when a United States Army vehicle struck and destroyed two gasoline pumps owned by him on December 2, 1943, at Newport, Oreg.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM F. THOMAS

The Clerk called the bill (S. 165) for the relief of William F. Thomas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William F. Thomas, of Orlando, Fla., the sum of $15,000, in full satisfaction of his claims against the United States (1) for compensation for the personal injuries he suffered when involved in an accident with an Army truck on August 2, 1943, and his disability resulting from

said injuries; (2) for reimbursement of medical and hospital expenses incurred by him as a result of said injuries; and (3) for compensation for loss and damage to his personal property as a result of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FLORENCE BENOLKEN

The Clerk called the bill (S. 189) conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken, of Omaha, Nebr., for compensation for any and all losses sustained by her as a result of having been advised by representatives of the War Department that she was not entitled to have her household goods shipped at Government expense from Seattle, Wash., to Omaha, Nebr., subsequent to the death in October 1942 of her husband, Lt. Francis John Benolken, while serving on active duty in the Army of the United States.

SEC. 2. In the determination of such claims, the United States shall be held liable for damages, and for any negligent or wrongful acts or omissions of any of its officers or employees, to the same extent as if the United States were a private person in accordance with the law of the place where the acts or omissions occurred.

SEC. 3. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under the provisions of paragraph "Twentieth" of section 24 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed. and a motion to reconsider was laid on the table.

LOUIS J. WALINE

The Clerk called the bill (S. 191) for the relief of Louis J. Waline.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis J. Waline, of Lincoln, Nebr., the sum of $2,500, in full settlement of all claims against the United States on account of personal injuries sustained by him on October 28, 1943, at the Lincoln Army Air Field, Lincoln, Nebr., when he was struck by an airplane operated by a member of the Civil Air Patrol on business for the Army Air Forces: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any subrogee: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. TRIMBLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRIMBLE: On page 1, line 5, after the word "to", insert "the legal guardian of."

The amendment was agreed to.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, during the Eightieth Congress I introduced a bill for the relief of Mr. Louis J. Waline, of Lincoln, Nebr., to take care of his claim against the United States for the injury he suffered on October 28, 1943, when he was struck by an Army airplane at the Lincoln Army Air Base where he was employed. The bill was not reached for action in the last Congress and this year I reintroduced the measure. It is known as H. R. 2345. The senior Senator from Nebraska, the Honorable HUGH BUTLER, introduced a similar bill in the Senate, S. 191. It so happens that the Senate has already acted on their bill so that today we are asking for the passage of S. 191 instead of the House bill, with an amendment that has been offered by the chairman. I concur in that amendment and I want to say that this is a meritorious piece of legislation.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the legal guardian of Louis J. Waline."

A motion to reconsider was laid on the table.

WILLIAM E. O'BRIEN

The Clerk called the bill (S. 408) for the relief of the estate of William E. O'Brien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of William E. O'Brien, deceased, late of Detroit, Mich., the sum of $10,232, in full settlement of all claims of the said estate against the United States on account of the death of the said William E. O'Brien, on November 20, 1943, as a result of injuries sustained when an airplane in which he was sitting was struck by an Army airplane at the Detroit City Airport, Detroit, Mich.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM S. MEANY

The Clerk called the bill (S. 782) for the relief of William S. Meany.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to credit the accounts of William S. Meany, postmaster at Greenwich, Conn., in the sum of $17,573.80, representing the amount due the United States on account of the embezzlement of post office funds by Joseph W. Delaney, the former assistant postmaster at the Greenwich, Conn., post office.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICKEY BAINE

The Clerk called the bill (S. 948) for the relief of Mickey Baine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mickey Baine, of Nashville, Tenn., the sum of $4,500, in full satisfaction of his claim against the United States (1) for compensation for personal injuries, property damage, and loss of earnings suffered by him, and (2) for reimbursement of medical and hospital expenses incurred by him as a result of an automobile accident which occurred in 1943 in Nashville, Tenn., when his automobile was struck by a United States Army vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUNGE NORTH-AMERICAN GRAIN CORP. AND OTHERS

The Clerk called the bill (H. R. 4094) for the relief of Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury of the United States is hereby authorized and directed to make full and complete examination into the claims of Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp. against the United States for the sum alleged to be due them, and to pay claimants, out of any money in the Treasury not otherwise appropriated, for their costs, or damages, consequential, incidental, or otherwise, which said claimants suffered by reason of the condemnation in 1942 by the War Department of the United States of

property known as the New York Foreign Trade Zone, situated in the Borough of Richmond, city and State of New York, of which claimants had an interest therein.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEEDLES, CALIF.

The Clerk called the bill (H. R. 559) for the relief of the city of Needles, Calif.

Mr. DEANE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

JAMES B. STIRLING

The Clerk called the bill (H. R. 605) for the relief of the estate of James B. Stirling, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Northern District of New York to hear, determine, and render judgment, as if the United States were suable in tort, and the United States waives any applicable statute of limitation in the premises upon the claim of Robina Stirling, as administratrix of the goods, chattels, and credits of James B. Stirling, deceased, for damages resulting from the death of said James B. Stirling, when said James B. Stirling was struck by Department of Justice 1942 Chevrolet sedan automobile, bearing New York State registration No. 9A 5238 for the year 1944, on New York State Route 5, Albany-Schenectady Road, Albany County, N. Y., on September 8, 1944.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOLAN CALCUTT

The Clerk called the bill (H. R. 701) for the relief of Dolan Calcutt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,500 to Dolan Calcutt, of Florence, S. C., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and property damage sustained as a result of an accident involving a United States Coast Guard vehicle, on United States Highway No. 52, between Charleston, S. C., and Savannah, Ga., on December 27, 1943: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MABEL H. SLOCUM

The Clerk called the bill (H. R. 1132) for the relief of Mabel H. Slocum.

Mr. POTTER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JAMES MADISON BURTON

The Clerk called the bill (S. 835) authorizing the issuance of a patent in fee to James Madison Burton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to James Madison Burton, of Kaysville, Utah, a patent in fee to the following described lands allotted to him on the Crow Indian Reservation, Mont.: Allotment No. 3118, the south half of section 13, and the south half of section 14, northeast quarter section 22, and the northwest quarter section 23, township 9 south, range 36 east, Montana principal meridian.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARENCE M. SCOTT

The Clerk called the bill (S. 836) authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Clarence M. Scott for the following-described lands in the State of Montana: Lots 3, 4, 5, 6, 11, 12, 13, 14 in section 2, and lots 1, 2, 7, 8, 9, 16 in section 3, township 3 south, range 28 east, Montana principal meridian, and containing four hundred and forty and fifty-two one-hundredths acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRENE SCOTT BASSETT

The Clerk called the bill (S. 837) authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Irene Scott Bassett for the following-described lands in the State of Montana: Northeast quarter of section 22; south half of the northwest quarter and the south half of section 23; east half of the northeast quarter of section 26, all in township 6 south, range 32 east, Montana principal meridian, containing approximately six hundred and forty acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAVANTIA PEARSON

The Clerk called the bill (S. 1036) authorizing the issuance of a patent in fee to Lavantia Pearson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Lavantia Pearson, Crow allottee numbered 183 S. A., of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The south half of section 29, township 2 south, range 30 east, Montana principal meridian, containing three hundred and twenty acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGINIA PEARSON

The Clerk called the bill (S. 1037) authorizing the issuance of a patent in fee to Virginia Pearson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Virginia Pearson, Crow allottee No. 1328, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: Lots 1, 2, 3, 4, and the north half of the northeast quarter, and the east half of the west half of section 30, township 2 south, range 30 east, Montana principal meridian, containing three hundred eighty-two and twelve one-hundredths acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETHEL M. PEARSON GEORGE

The Clerk called the bill (S. 1038) authorizing the issuance of a patent in fee to Ethel M. Pearson George. There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Ethel M. Pearson George, Crow allottee No. 1330, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The east half of section 25, and the northeast quarter of section 36, township 2 south, range 29 east, Montana principal meridian, containing four hundred and eighty acres.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

LEAH L. PEARSON LOUK

The Clerk called the bill (S. 1040) authorizing the issuance of a patent in fee to Leah L. Pearson Louk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon application in writing, the Secretary of the Interior is authorized and directed to issue to Leah L. Pearson Louk, Crow allottee No. 1331, of Phoenix, Ariz., a patent in fee to the following-described lands allotted to her on the Crow Indian Reservation, Mont.: The east half of the southwest quarter, and the southeast quarter of section 24; the northwest quarter of section 25; and the east half of the east half of the northeast quarter, and the east half of the west half of the east half of the northeast quarter of section 26, township 2 south, range 29 east, Montana principal meridian, containing four hundred sixty acres.

The bill was ordered to be read a third time, was read the third time, and

passed, and a motion to reconsider was laid on the table.

KATHLEEN DOYLE HARRIS

The Clerk called the bill (S. 1057) authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Kathleen Doyle Harris for the following-described lands in the State of Montana: South half of the northeast quarter and the southeast quarter of section 20; east half of section 29; lots 3 and 4, and northeast quarter, and north half of the southeast quarter of section 32, all township 9 south, range 36 east, Montana principal meridian, containing eight hundred seventy-three and fifty-two one-hundredths acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUNE SCOTT SKOOG

The Clerk called the bill (S. 1058) authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to June Scott Skoog for the following-described lands in the State of Montana: Southwest quarter of section 15; south half of the south half of section 12; and north half of section 13, all in township 6 south, range 32 east, Montana principal meridian, containing approximately six hundred and forty acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. PEARL SCOTT LOUKES

The Clerk called the bill (S. 1142) authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to Mrs. Pearl Scott Loukes for the following-described lands in the State of Montana: The southeast quarter, section 12, township 7 south, range 27 east; lot 4, section 7, township 7 south, range 28 east; the northwest quarter of the northeast quarter, section 11; the west half of the southwest quarter of the northwest quarter, section 16; lots 1, 2, and 3, northeast quarter, east half of the northwest quarter, the east half of the east half of the west half of the northwest quarter, section 17, lots 1, 2, and 3, section 18, township 7 south, range 28 east, Montana principal meridian, containing approximately six hundred and twenty-eight acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RIEGEL TEXTILE CORP.

The Clerk called the bill (H. R. 1054) for the relief of the Riegel Textile Corp.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is their objection to the request of the gentleman from Montana [Mr. D'EWART]?

There was no objection.

WALTER P. GARDNER

The Clerk called the bill (H. R. 1603) for the relief of Walter P. Gardner, sole surviving trustee of the property of the Central Railroad Co. of New Jersey.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter P. Gardner, sole surviving trustee of the property of the Central Railroad Co. of New Jersey, Jersey City, N. J., the sum of $124,112.46, in full satisfaction of all claims of such trustee against the United States for indemnification and reimbursement of the claims paid by such trustee arising out of a contract between the United States of America, as licensee, and Shelton Pitney (now deceased) and Walter P. Gardner, solely as trustees of the property of the Central Railroad Co. of New Jersey, as licensors, dated February 16, 1942, and known as contract No. W-1097-eng-2444, for the construction and maintenance of a road crossing over the right-of-way of the licensors, as modified and supplemented by contract between the same parties dated April 30, 1943, and known as contract No. W-1097-eng-2444, modification No. 1, and contract between the same parties dated September 7, 1944, and known as contract No. W-1097-eng-2444, modification No. 2: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BREINIG BROS., INC.

The Clerk called the bill (H. R. 1604) conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction be, and the same hereby is, conferred upon the United States Court of Claims to hear and determine the claim of Breinig Bros., Inc., against the United States for damages caused by the forced eviction by the Navy Department of said claimant for the premises occupied by Breinig Bros., Inc., at Hoboken, N. J.

With the following committee amendments:

Line 4, after the word "determine", insert ", and render judgment upon."

Line 6, immediately preceding the word "damages", insert "alleged."

At the end of bill insert:

"SEC. 2. Proceedings for the determination of said claim shall be had in the same manner as in cases of which said court has jurisdiction under the provisions of section 145 of the Judicial Code, as amended: *Provided*, That suit hereunder shall be instituted within 4 months after the enactment of this act: *And provided further*, That this act shall be construed only to waive the immunity from suit of the Government of the United States with respect to the claim of said Breinig Bros., Inc., its successors or assigns, and not otherwise to affect any substantive rights of the parties."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KENELM E. RUCKER

The Clerk called the bill (H. R. 601) for the relief of Kenelm E. Rucker.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Kenelm E. Rucker, of Elberton, Ga., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States on account of injuries sustained while a Reserve Officers Training Corps cadet at Fort Benning, Ga., on January 28, 1943.

With the following committee amendments:

Line 6, strike out "5,000," and insert "2,500." At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF JAMES LANDER THOMAS

The Clerk called the bill (H. R. 1065) for the relief of the estate of James Lander Thomas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of James Lander Thomas, deceased minor son of J. L. Thomas and Viola Wood Thomas, of Thomas, La., the sum of $50,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of the said James Lander Thomas which resulted from an accident on August 12, 1939, in the gymnasium of the Thomas High School, Thomas, La., while such gymnasium was under construction by the National Youth Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$50,000" and insert in lieu thereof "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROMULUS OSCAR BEAN, JR.

The Clerk called the bill (H. R. 1289) for the relief of Romulus Oscar Bean, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Romulus Oscar Bean, Jr., of Knox County, Tenn., the sum of $10,000, in full satisfaction of his claim against the United States for damages sustained by him by reason of the following facts: On, prior to, and after October 7, 1942, said Romulus Oscar Bean, Jr., while in the Army of the United States and whose Army serial number was and is 14008931 was assigned by his superiors, whose orders it was his duty to obey, as a member of a detail composed of himself and other members of the armed forces to unload some steel from a railroad car owned by the Nashville, Chattanooga & St. Louis Railway Co., and to load said steel on an Army truck; that said truck was driven alongside, up to, and against said railway car in order that said Romulus Oscar Bean, Jr might unload said steel from said railway car onto said Army truck; and that while the said Romulus Oscar Bean, Jr., along with his comrades were in the process of unloading said heavy steel from said railway car onto said Army truck, a railroad engine of the said Nashville, Chattanooga & St. Louis Railway Co. collided with and ran into and against said railway car from which said steel was being unloaded and as a result of the violence of said collision the said Romulus Oscar Bean, Jr., and his comrades who were engaged with him in the performance of said task were thrown off of the truck and the said Romulus Oscar Bean, Jr., was thrown with great violence onto and against the ground and was caused to and did strike the ground with his head, was rendered unconscious, suffered a fractured skull, and while in said unconscious condition was removed to a hospital by an Army ambulance; that said Romulus Oscar Bean, Jr., as a result of his said injury was forced to submit to an operation on his skull and is now compelled to and does wear a plastic plate in his skull and he suffers constant pain from said injury, is intensely nervous and is permanently injured and disabled to work and earn money for the support of himself and wife. The Army officials not only ordered the said Romulus Oscar Bean, Jr., to perform said hazardous duties without warning and instructing him how to avoid the dangers incident thereto, but in addition to assigning him to the performance of said hazardous task they failed to make and/or keep records of the investigation of the facts of the manner in which said Romulus Oscar Bean, Jr., was injured, he at the time of said injury being rendered unconscious and remaining in an unconscious and disabled condition for a long period of time from and after the time said injuries were inflicted upon him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert in lieu thereof "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DORA FRUMAN

The Clerk called the bill (H. R. 1637) for the relief of Mrs. Dora Fruman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Dora Fruman, Philadelphia, Pa., the sum of $35,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Dora Fruman against the United States on account of personal injuries, pain and suffering, loss of earnings, and medical, hospital, and other expenses sustained by her as a result of slipping and falling on August 14, 1942, on the steps of the William Penn Annex, United States post office, Philadelphia, Pa.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$35,000" and insert in lieu thereof "$15,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK PHILLIPS

The Clerk called the bill (H. R. 1672) for the relief of Jack Phillips.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of funds of the District of Columbia, to Jack Phillips, District of Columbia, the sum of $337.15. Such sum represents reimbursement to the said Jack Phillips for repairing, at his own cost, his automobile struck by a fire truck while parked on Fourteenth Street SE, on January 23, 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM WOOTEN ET AL.

The Clerk called the bill (H. R. 2090) for the relief of Sam Wooten, F. M. Maloy, and Mrs. Alethea Arthur.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WINONA MACHINE & FOUNDRY CO.

The Clerk called the bill (H. R. 2224) for the relief of the Winona Machine & Foundry Co., a corporation of Winona, Minn.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Winona Machine & Foundry Co., a corporation of Winona, Minn., is hereby released from all liability to the United States arising out of the termination by the Navy Department of contract NOs-74270, dated June 11, 1940, and a purchase by the Navy Department against the account of the Winona Machine & Foundry Co., and the Comptroller General of the United States is hereby authorized and directed to cancel and remove from the records of the General Accounting Office the debt which has been raised therein against the Winona Machine & Foundry Co. in the sum of $7,148.77, together with interest and any other charges arising out of the aforesaid termination of contract NOs-74270 and the purchase against the account of the Winona Machine & Foundry Co.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESTER B. McALLISTER ET AL.

The Clerk called the bill (H. R. 3461) for the relief of Lester B. McAllister and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of Lester B. McAllister, former postmaster at Oak Park, Ill., with the sum of $11,165.20; and the account of Jesse W. Beeman, assistant postmaster, with the balance due on the apportionment of $2,791.30; to refund to Jesse W. Beeman and Willis H. Coates the amounts paid to the United States on their apportionment of the total sum embezzled by Kenneth T. Barber, a special clerk employed at said post office.

With the following committee amendment:

At the end of the bill add the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such amounts which have been refunded by Jesse W. Beeman and Willis H. Coates."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOIS E. LILLIE

The Clerk called the bill (H. R. 1023) for the relief of Lois E. Lillie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Lois E. Lillie, of Dover, Del., in full settlement of all claims against the United States for personal injuries, pain, and suffering sustained as a result of an accident involving a United States Army vehicle, on United States Highway No. 301, between Richmond, Va., and Washington, D. C., on June 7, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$3,000" and insert "$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERT BURNS

The Clerk called the bill (H. R. 1069) for the relief of Albert Burns.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert Burns, Covington, La., the sum of $73.20. The payment of such sum shall be in full settlement of all claims of the said Albert Burns against the United States on account of damage to his automobile sustained on June 30, 1947, when such automobile was in collision with a United States Army truck on Columbia Street, Covington, La. The driver, an enlisted man of the Army, was not acting within his scope of employment when such accident occurred: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with his claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$73.20" and insert "$70.50."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY C. METTS

The Clerk called the bill (H. R. 1075) for the relief of Harry C. Metts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Harry C. Metts, of Summerville, S. C., in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and loss of earnings sustained as a result of an accident involving a United States Army vehicle near Summerville, S. C., on September 15, 1941: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. T. A. ROBERTSON

The Clerk called the bill (H. R. 1282) for the relief of Mrs. T. A. Robertson.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

LENA MAE WEST, A MINOR

The Clerk called the bill (H. R. 1285) for the relief of the legal guardian of Lena Mae West.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Lena Mae West, a minor, of Manchester, Coffee County, Tenn., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States (1) for compensation in the nature of damages for personal injuries permanently sustained by the said Lena Mae West on June 23, 1942, when she was struck near her home by a United States Army vehicle, and (2) for reimbursement of hospital and medical expenses incurred by reason of such injuries. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. A. SULLIVAN & SONS, INC., ET AL.

The Clerk called the bill (H. R. 1598) for the relief of D. A. Sullivan & Sons, Inc., and Thomas F. Harney, Jr., doing business as Harney Engineering Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of D. A. Sullivan & Sons, Inc., for the benefit of its subcontractor, Thomas F. Harney, Jr., doing business as Harney Engineering Co., for reimbursement of costs incurred for labor and materials furnished and supplied by the said Harney Engineering Co. in the performance of lump-sum contracts W-6101-qm-127 and W-6101-qm-150, dated August 23 and September 21, 1940, respectively, covering the construction and completion of temporary housing at Fort Devens, Mass., and to allow in full and final settlement of this claim the sum of not to exceed $35,000. The increased labor and material costs were incurred by the said Harney Engineering Co. in carrying out extra work and in making alterations, enlargements, and changes in work described in the above contracts, all of which was performed at the request and by order of the War Department or its representatives.

All of the above claims are exclusive and beyond the sums of money paid by the War Department to D. A. Sullivan & Sons, Inc., in full and final settlement of the claims for increased labor costs for which allowance has already been made and paid to the said corporation.

There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $35,000, or so much thereof as may be necessary, for the payment of said claims.

With the following committee amendments:

Page 2, line 5, strike out "$35,000" and insert "$17,767.86."

Page 2, line 18, strike out "$35,000" and insert "$17,767.86."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. JOSEPHINE WAGNON WALKER

The Clerk called the bill (H. R. 3665) for the relief of Mrs. Josephine Wagnon Walker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to Mrs. Josephine Wagnon Walker, of Harlingen, Tex., in full settlement of all claims against the United States on account of the death of her husband, David E. Walker, who was killed in a collision with a United States Army truck which occurred near Harlingen, Tex., on March 13, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOTOR VESSEL "FLB-5005"

The Clerk called the bill (H. R. 579) to permit the motor vessel *FLB-5005* to engage in the fisheries.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the motor vessel *FLB-5005* may be documented as a vessel of the United States and may engage in the foreign and coastwise trade and in the fisheries as long as such vessel is owned by a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOWER SOURIS NATIONAL WILDLIFE REFUGE

The Clerk called the bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Secretary of the Interior is authorized to donate and transfer to the International Peace Garden, Inc., the steel fire tower located on the Lower Souris National Wildlife Refuge near Westhope, N. Dak.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONRAD L. WIRTH

The Clerk called the bill (H. R. 1446) for the relief of Conrad L. Wirth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Conrad L. Wirth, of Chevy Chase, Md., the sum of $85.86, in full satisfaction of all claims against the United States for reimbursement of expenses incident to the transfer of his household goods from Glencoe, Ill., to Chevy Chase, Md., in connection with the change of his official station from Chicago, Ill., to Washington, D. C.: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the time, and passed, and a motion to reconsider was laid on the table.

HARRY WARREN

The Clerk called the bill (H. R. 1505) for the relief of Harry Warren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Warren, of San Fernando, Calif., the sum of $2,616.60. The payment of such sum shall be in full settlement of all claims against the United States for certain losses sustained by the said Harry Warren in 1942, which losses resulted (1) from the destruction of certain domesticated game birds, and (2) from the condemnation by the United States for military purposes of certain real property in Van Nuys, Calif., owned by the said Harry Warren: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$2,616.60" and insert "$1,212."

Page 1, line 9, strike out "(1)."

Page 1, line 10, after the word "birds", strike out the balance of the line down to and including the word "Warren" on page 2, and insert: "sustained as a result of military activities."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. VESTA MEINN AND MRS. EDNA WILLIAMS

The Clerk called the bill (H. R. 1701) for the relief of Mrs. Vesta Meinn and Mrs. Edna Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Vesta Meinn, Concord, Calif., the sum of $2,508.39, and to Mrs. Edna Williams, San Francisco, Calif., the sum of $2,500. The payment of such sums shall be in full settlement of all claims against the United States on account of personal injuries sustained by the said Mrs. Vesta Meinn and Mrs. Edna Williams, and on account of damage to the automobile owned by the said Mrs. Vesta Meinn and her husband, Louis Meinn, when such automobile which the said Mrs. Vesta Meinn was driving and in which the said Mrs. Edna Williams was a passenger was involved on July 27, 1944, in a collision with a United States Marine Corps truck on Third Street at or about China Basin in the city of San Francisco, Calif. At the time of such collision the said Mrs. Edna Williams was an unmarried woman known as Edna Rosen: *Provided*, That no part of either of the sums appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims settled by the payment of such sums, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$2,508.39" and insert "$1,000."

Page 1, line 7, strike out "$2,500" and insert "$630."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALT W. ROSTOW

The Clerk called the bill (H. R. 2471) for the relief of Walt W. Rostow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walt W. Rastow, New Haven, Conn., the sum of $585.50. Such sum represents reimbursement for certain items of personal property owned by the said Walt W. Rostow and lost at sea while being transported on the *Empire Mersey* from New York, N. Y., to the said Walt W. Rostow in London, England, where he was assigned to duty as a civilian employee with the Office of Strategic Services. The steamship *Empire Mersey*, a tanker of British registry, was lost as a result of enemy action on October 13, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$585.50" and insert "$468.40."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE M. BEESLEY ET AL.

The Clerk called the bill (H. R. 4097) for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George M. Beesley, Gulfport, Miss., the sum of $238.30; to Edward D. Sexton, Gulfport, Miss., the sum of $494.70; and to Herman J. Williams, Gulfport, Miss., the sum of $504.53. The payment of such sums shall be in full settlement of their claims against the United States for the loss of personal property while on duty at the United States quarantine station, Ship Island, during the hurricane of September 19, 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY FUCHS

The Clerk called the bill (H. R. 4792) for the relief of Harry Fuchs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Harry Fuchs for refund of certain amounts paid for property purchased from the United States Marine Detachment, Tientsin, China, on or about December 5, 1941, but which property was never delivered to Mr. Fuchs by the Government and to allow in full and final settlement of the claim the amount of not to exceed $859. There is hereby appropriated the sum of $859, or so much thereof as may be necessary for the payment of the said claim.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT A. ATLAS

The Clerk called the bill (H. R. 4807) for the relief of Robert A. Atlas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert A. Atlas, of Minneapolis, Minn., the sum of $615. The payment of such sum shall be in full settlement of all claims of the said Robert A. Atlas against the United States for services rendered to the War Department during February and March 1946, when he served as civilian optometrist at Fort Snelling, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIRKKA SIIRI SAARELAINEN

The Clerk called the bill (H. R. 1127) for the relief of Sirkka Siiri Saarelainen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sirkka Siiri Saarelainen, who arrived at the port of New York, N. Y., August 16, 1946, shall, upon the payment of the required visa fee and head tax, be considered for the purposes of immigration and naturalization laws, to have been lawfully admitted to the United States for permanent residence. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Finland for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DANIEL KIM

The Clerk called the bill (H. R. 1466) for the relief of Daniel Kim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of the immigration or naturalization laws excluding persons of certain races from permanent admission to, or from naturalization as citizens of, the United States, the alien Daniel Kim (adopted son of David C. Kim and Mrs. Agnes Davis Kim, husband and wife, both citizens of the United States) (1) shall be held and considered to have been lawfully admitted, on September 1, 1948, at San Francisco, Calif., to the United States for permanent residence, and (2) may become naturalized as a citizen of the United States upon compliance with the other requirements of the naturalization laws applicable in his case. The Attorney General is hereby directed to cancel forthwith any departure bond executed and filed in the case of the said Daniel Kim.

With the following committee amendment:

Strike out all after the enacting clause and insert "that in the administration of the Immigration and Naturalization laws the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission into the United States persons who are ineligible to citizenship, shall not hereafter apply to Daniel Kim, a native of Korea, Korean race, national of Japan (the minor adopted son of Mr. and Mrs. David C. Kim, citizens of the United States, the father being an honorably discharged veteran of World War II) who last arrived in the United States at San Francisco, Calif., on September 1, 1948, and he shall be deemed to have been lawfully admitted for permanent residence as of the date of his last entry, and any departure bond outstanding in his case shall be canceled."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTINE KONO

The Clerk called the bill (H. R. 1625) for the relief of Christine Kono.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law to the contrary, the alien, Christine Kono, of Dutch Japanese descent, a Japanese national engaged to marry one Charles Kramer, an American citizen and veteran of World War II, shall be admitted to the United States for permanent residence.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, or any of the other provisions of the immigration laws relating to the exclusion of aliens ineligible to citizenship, the Attorney General is authorized and directed to permit the entry into the United States for permanent residence of Christine Kono, the Dutch-Japanese fiancée of Charles Kramer, a citizen of the United States and an honorably discharged veteran of World War II: *Provided*, That the administrative authorities find that the said Christine Kono is coming to the United States with a bona fide intention of being married to Charles Kramer and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Christine Kono, she shall be required to depart from the United States and upon failure to do so shall be deported at any time after entry in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUDOLF A. V. RAFF

The Clerk called the bill (H. R. 1975) for the relief of Rudolf A. V. Raff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the Immigration Quota Act of May 26, 1924 (43 Stat. 153), Rudolf A. V. Raff, a native of Austria, shall be granted a visa by an American consul, provided he is admissible under all provisions of the immigration laws other than the Quota Act referred to herein. Upon the issuance of the visa to the said Rudolf A. V. Raff the Secretary of State shall make appropriate deduction of one quota number from the Austrian quota.

With the following committee amendment:

Strike out all after the enacting clause and insert "That in the administration of the immigration laws Rudolf A. V. Raff shall, upon application at a port of entry of the United States, be admitted for permanent residence without an immigration visa, provided he meets all the other requirements of the immigration laws. Upon his admission into the United States, the Secretary of State shall deduct one number from the quota for Austria for the year in which the admission occurs or from such quota for the first succeeding year."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 584) for the relief of Rudolf A. V. Raff.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws and notwithstanding the provisions of section 12 of the Immigration Act of 1924, as amended, Rudolf A. V. Raff, a naturalized citizen of Canada, shall be deemed to have been born in Canada.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: Strike out all after the enacting clause and insert the provisions of the bill H. R. 1975 as amended, as follows: "That in the administration of the immigration laws Rudolf A. V. Raff shall, upon application at a port of entry of the United States, be admitted for permanent residence without an immigration visa, provided he meets all the other requirements of the immigration laws. Upon his admission into the United States, the Secretary of State shall deduct one number from the quota for Austria for the year in which the admission occurs or from such quota for the first succeeding year."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby the bill (H. R. 1975) was passed were vacated, and the bill was laid on the table.

TEIKO HORIKAWA AND YOSHIKO HORIKAWA

The Clerk called the bill (H. R. 2084) for the relief of Teiko Horikawa and Yoshiko Horikawa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law to the contrary, the aliens Teiko Horikawa and Yoshiko Horikawa, minor twin stepdaughters of David Bailey Carpenter, a World War II veteran who married Yoshi Horikawa Higo (now Mrs. Yoshi Horikawa Carpenter), a Japanese national and the mother of such minor stepdaughters, on August 6, 1947, shall be admitted to the United States for permanent residence.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That in the administration of the immigration and naturalization laws the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States persons who are ineligible to citizenship, shall not apply to Teiko and Yoshiko Horikawa, minor twin stepdaughters of David Bailey Carpenter, a World War II veteran who married Yoshi Horikawa Higo, a Japanese national and the mother of such minor stepdaughters, on August 6, 1947, and that if otherwise admissible under the immigration laws they shall be granted admission into the United States for permanent residence upon application hereafter filed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SADAE AOKI

The Clerk called the bill (H. R. 2709) for the relief of Sadae Aoki.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 13 (c) of the Immigration Act of 1924, as amended, or any of the other provisions of the immigration laws relating to the exclusion of aliens ineligible to citizenship, the Attorney General is authorized and directed to permit the entry into the United States for permanent residence of Sadae Aoki, the Japanese fiancée of A. George Kato, a citizen of the United States and an honorably discharged veteran of World War II: *Provided*, That the administrative authorities find that the said Sadae Aoki is coming to the United States with a bona fide intention of being married to A. George Kato and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above named parties does not occur within 3 months after the entry of said Sadae Aoki, she shall be required to depart from the United States and upon failure to do so shall be deported at any time after entry in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN LANDS TO SISTERS OF ST. JOSEPH IN ARIZONA

The Clerk called the bill (H. R. 3982) to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., Tucson, Ariz., to consolidate the Desert Laboratory Experimental Area of the Southwestern Forest and Range Experiment Station, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Secretary of Agriculture is hereby authorized, in his discretion, to sell and convey, in whole or from time to time in separate parcels, by quitclaim deed or deeds, to the Sisters of St. Joseph in Arizona, of the city of Tucson, State of Arizona, an Arizona corporation, for cash, at a price or prices not less than the appraised value thereof as determined by him, the following-described lands situated in the county of Pima, State of Arizona, to wit: That portion of tract 37, section 10, township 14 south, range 13 east, Gila and Salt River meridian, Arizona, as shown on the official public survey plat approved August 5, 1944, lying north of a line extending westerly from corner numbered 7 of the official survey to the west line of said tract at a point twelve and forty one-hundredths chains south of official corner numbered 2, containing fifteen and eighty-six one-hundredths acres, more or less, subject, however, to a reservation to the United States of all uranium, thorium, and all other materials determined pursuant to section 5 (b) (1) of the Atomic Energy Act of 1946 (60 Stat. 755, 761), to be peculiarly essential to the production of fissionable material, as provided in Executive Order No. 9908 (12 F. R. 8223). Subject, also to a right-of-way 40 feet in width outstanding in Pima County for the Silver Bell Road as now located and defined, and to the reservations contained in the United States patent to sail lands. The proceeds of such sale or sales shall be available to the Secretary of Agriculture for the purchase of any lands described in the second section of this act which are not owned by the United States and the construction of improvements for the Desert Laboratory of the Southewestern Forest and Range Experiment Station in replacement of the lands and facilities disposed of hereunder.

SEC. 2. That, subject to any valid existing claim or entry, all lands of the United States situated within the area hereafter described are hereby added to and made parts of the Coronado National Forest, State of Arizona, and all lands in the described area hereinafter under the first and third sections of this act shall thereupon become parts of the said national forest and shall be subject to the laws and regulations relating to the national forests, but shall be reserved from entry and location under the public lands and mining laws of the United States as an experimental area for watershed management and range research:

South half southeast quarter section 9; that portion of tract 37, section 10, township 14 south, range 13 east, Gila and Salt River meridian, Arizona, as established by the General Land Office, Department of the Interior, as approved by the Acting Assistant Commissioner on August 5, 1944, lying south of a line extending westerly from corner numbered 7 of the official survey to the west line of said tract at a point twelve and forty one-hundredths chains south of official corner numbered 2, containing nine and sixty one-hundredths acres, more or less; four acres, more or less, out of the south half southeast quarter northwest quarter southeast quarter, south half southwest quarter, southwest quarter southeast quarter, section 10; west half northwest quarter northeast quarter, west half section 15 and east half section 16, all in township 14 south, range 13 east, Gila and Salt River meridian.

SEC. 3. That the provisions of the act approved March 20, 1922 (42 Stat. 465, 16 U. S. C. 485), as amended, are hereby extended and made applicable to all lands within the area described in the second section of this act which are not owned by the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DAVIS of Wisconsin (at the request of Mr. SMITH of Wisconsin) was given permission to extend his remarks in the RECORD.

ADMINISTRATION OF THE CENTRAL INTELLIGENCE AGENCY

Mr. SASSCER. Mr. Speaker, I call up the conference report on the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 725)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3, and agree to the same.

CARL T. DURHAM,
LANSDALE G. SASSCER,
FRANCK R. HAVENNER,
L. C. ARENDS,
CHAS. H. ELSTON,
Managers on the Part of the House.

M. E. TYDINGS,
RICHARD B. RUSSELL,
HARRY F. BYRD,
STYLES BRIDGES,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2663) to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: The House bill provided that officers and employees of the Central Intelligence Agency who are in the continen-

tal United States on leave should be available for work or duties in the agency or elsewhere. The Senate amendment provided that officers or employees of the Agency who are in the continental United States on leave should be available for work or duties only in the Agency or for training or for reorientation for work. The conference agreement adopts the provisions of the Senate amendment.

Amendments Nos. 2 and 3: The House bill provided that whenever the Director of the Central Intelligence Agency and the Attorney General should determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family could be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations and without regard to their failure to comply with such laws and regulations pertaining to admissibility. The House bill limited the number of aliens admissible under such authority to not more than 100 in any one fiscal year. The effect of Senate amendments Nos. 2 and 3 was to add the Commissioner of Immigration to the officials who would determine what aliens should be admitted under this authority. The conference agreement adopts the Senate amendments.

CARL T. DURHAM,
LANSDALE G. SASSCER,
FRANCK R. HAVENNER,
L. C. ARENDS,
CHAS. H. ELSTON.
Managers on the Part of the House.

Mr. SASSCER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, this bill originally came before the House under the suspension of the rules procedure. At that time I pointed out in my opposition to the bill that in the report accompanying the bill, there was a statement to the effect that not all of the provisions of this bill would be explained to the Members of Congress. We were presented with a most extraordinary situation. The House voted to pass this hush-hush bill, despite the fact that all of its provisions had not been explained and would not be explained to the membership. I stated then that this bill was subversive of our Bill of Rights. The Senate amendments have not cured that. The situation with respect to elementary democracy, as it is endangered by this bill, remains the same. I opposed the bill then, and I have opposed this bill at every step, and I oppose it now in its final stage.

In the last analysis, Mr. Speaker, the security of this Nation rests on the strength of its democratic institutions. This bill undermines those democratic institutions. It substitutes for our constitutional guaranties a Gestapo system. It is being sold to the country by hysteria, and it is being imposed on the people as preparation for a war which the American people do not want. Mr. Speaker, I shall vote against the adoption of the conference report.

Mr. SASSCER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, in a colloquy which took place in the other body several days ago a Senator inquired of another Senator as to the reason why the Attorney General's recommendation pertaining to suspension of deportation was not being acted on in the House. The reply was that the House was not going along with the policy of the Senate. The fact of the matter is that under existing law where the Attorney General suspends the deportation of an alien under section 19 (c) of the Immigration Act of 1917, as amended, it is incumbent on each body to review the action thus taken, and unless each body affirmatively approves of such suspension of deportation, then the deportation is proceeded with. At the last session of the Congress our distinguished colleague, the gentleman from Maine [Mr. FELLOWS] introduced legislation which had the purpose of giving each body the authority to review the action taken by the Attorney General, but did not make it incumbent on the House as well as the Senate to act affirmatively. The House of Representatives at this session passed practically the same bill. In an informal conference attended by the ranking members of both sides of the Committee on the Judiciary, it was agreed that either body would have the authority to object to the Attorney General's ruling but that neither body would be obliged to act affirmatively. The Senate is adamant in its position, but my bill, H. R. 3875, similar to the Fellows bill of last year, is now pending in the Senate Committee on the Judiciary. Recently I suggested a compromise amendment to this bill and I sincerely hope that the other body will bring about its early passage, thus helping to break the log-jam. We want to retain the power to object to the Attorney General's rulings, but the House does not want to be obligated to act affirmatively on nearly 2,000 cases per session. Certainly it seems to me that Members of Congress, both of the House and Senate, should know what the real situation is.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. VORYS. This may not be on the same subject, but I wanted to know whether there is a practice now to stay deportations in cases where bills are introduced. I understand there was a practice for many years, but that practice is no longer followed by the immigration authorities.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. SASSCER. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. WALTER. The Committee on the Judiciary 2 years ago, when our distinguished colleague the gentleman from Michigan [Mr. MICHENER] was chairman of the committee, reviewed the practice of staying deportations where a bill was introduced, and it was decided that unless the Member who introduced the bill requested a hearing, and we so notified the Immigration Service, the proceedings would continue. It was only in those cases where it was apparent that the Member intended to vigorously press for the enactment of the private legislation that deportation would be stayed. However, that is not the practice in the other body. There it is necessary only to introduce a bill in order to stay deportation. Incidentally, there have been a number of cases where the House has refused to intercede, and even after bills have been introduced and unfavorably acted upon by our committee, a Senator has introduced a bill, and the deportation of some alien who, in the judgment of the House Judiciary Committee ought to be deported, has been stayed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. McCORMACK. Of course, when you introduce these bills, it takes quite a long time to have reports received from the appropriate agencies. That is correct, is it not?

Mr. WALTER. Yes.

Mr. McCORMACK. I do know that it has created a rather compromising situation for Members of the House who have introduced a bill to know that that of itself does not stay the deportation until an opportunity has been had to receive reports sought and hearings held.

Mr. WALTER. I do not think the gentleman is correct in that, because, if a bill is introduced and a request is made of the Judiciary Committee, then the committee notifies the Immigration and Naturalization Service, and all proceedings are stayed until action has been taken on the bill.

Mr. McCORMACK. I am glad to hear that, because that clarifies an honest misapprehension that existed in my mind and must have existed in the minds of other Members. We all have communications on this subject at some time or another, perhaps two or three times a year, and, frankly, I have written to friends of mine stating that while I would be glad to introduce a private bill and submit it to the committee, and I have asked them to give me the evidence in affidavit form to present to the subcommittee, that they had better get somebody on the other side to introduce a bill to get a stay of deportation. It has been rather embarrassing. From now on I will utilize the information the gentleman has given me, and relieve that embarrassment to which I have been subjected.

The SPEAKER. The time of the gentleman from Pennsylvania has again expired.

Mr. SASSCER. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the conference report as it comes before the House has two minor amendments which were offered by the Senate and adopted by the conferees. These amendments do not change the scope or substance of the bill. One provides that if any employee of the Central Intelligence Agency is on leave in the United States, he cannot be assigned to

duty outside the agency. It is not the intention of the agency to use these employees for duty within the United States other than within the agency. They are simply brought back here for training, and so on, as the functions are carried on in the continental United States.

The other amendment provides that in addition to the approval of the Attorney General on the admission of any of these aliens who may be brought in because of their high potential security value the alien must also be approved by the Commissioner of Immigration.

The bill was carefully considered in the committee, unanimously reported, and passed overwhelmingly in the House. It outlines and spells out the functions of the Central Intelligence Agency, and attempts to build up a career service.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 74, noes 1.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NURSERY SCHOOLS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, with Senate amendment, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ABERNETHY, GRANGER, and MILLER of Nebraska.

TELEPHONE, TELEGRAPH SERVICE, AND CLERK HIRE FOR MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 240) to take from the Speaker's table the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives (Rept. No. 735), which was referred to the House calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby agreed to.

INVESTIGATION OF THE B–36 BOMBERS

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 234) directing the Committee on the Armed Services to conduct thorough studies and investigations of the B–36 bomber and for other purposes (Rept. No. 736), which was referred to the House calendar and ordered to be printed:

Resolved, That the Committee on Armed Services or any subcommittee thereof is authorized and directed to conduct thorough studies and investigations relating to matters involving the B–36 bomber, including, specifically, all facts relating to when this bomber was purchased, why it has been purchased, how it was purchased, any cancellations of other aircraft procurement that may have been resulted from such purchases, and any and all other collateral matters that such inquiries may develop, and for such purposes the said committee is authorized to sit and act during the Eighty-first Congress at such times and places, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee, or by any member designated by such chairman, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

The committee shall report to the House of Representatives during the present session of Congress the results of its studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

PROGRAM FOR JUNE 8

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask for this time for the purpose of announcing that on the report just received from the Committee on Rules giving to the armed services certain powers of investigation, I shall call the rule up tomorrow. It will be the first order of business. I make this announcement so that the membership of the House will be aware of it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HOFFMAN of Michigan. What is the number of the bill? Is it H. R. 4583?

Mr. McCORMACK. No.

Mr. VINSON. If the gentleman will yield, it is a resolution.

Mr. McCORMACK. The other bill to which the gentleman from Michigan refers will come up later, but not tomorrow.

INTERNATIONAL CHILDREN'S EMERGENCY FUND

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 239 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may desire to use and also 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this resolution calls for consideration of the bill (H. R. 2785) which will merely extend for a 1-year period legislation making funds available for children that have been left destitute by reason of the war.

There have been over 4,500,000 children taken care of through this fund. It was originally established by the United Nations Organization in 1946, and called the Children's Emergency Fund. The purpose of the fund is to aid these children in their formative years, and also mothers during pregnancy and nursing period.

I believe the greatest statement that was ever made on behalf of this legislation at the time it was considered was by former Secretary of State George C. Marshall. When he was addressing the United Nations General Assembly he stated:

Children whose bodies have been starved and warped are likely to develop, if they survive, into a generation of embittered adults. Our national interests, as well as our humanitarian instinct, demands that we do not permit this to happen. If we fail to do our part for the nourishment, and care and normal development today of the children with whom our children will have to live tomorrow, we shall have failed in statesmanship as well as in humanity.

Mr. Speaker, this legislation is not to be considered as of permanent effect in any way but is merely to extend what has already been in the process of operation. This bill would merely extend the time until June 1950.

I may say further that the operation of this fund has been nonpolitical in every way. The committee has made an investigation on various reports as to the administration of the fund and we have been advised that the personnel operating the disposal of the fund to these children make their check from the distribution and supply depots and that the fund is disbursed equitably to the various sources that are in need of aid.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Illinois.

Mr. SABATH. This does not call for any additional appropriation. There is an unexpended balance out of last year's authorization and appropriation of about $21,000,000. This would only authorize

the expenditure of the unexpended balance, and will extend the time until June 30, 1950.

Mr. MADDEN. The gentleman is correct. The Committee on Foreign Affairs has held extensive hearings on this legislation. It is temporary legislation. The whole program will be diverted into permanent organizations after it is completed in 1950.

Mr. ALLEN of Illinois. Mr. Speaker, there is no opposition to the adoption of the rule by anyone on this side of the aisle that I know of.

I now yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

CHILDREN'S FEEDING FUND

Mr. STEFAN. Mr. Speaker, I rise in support of this legislation, H. R. 2785, in order to continue for another year the activities of the United Nations International Children's Emergency Fund. This is needed in order to keep children fed until the world-health people get started. It was my privilege last year to see this organization at work among the needy children in several of the countries of Europe, and I feel that the work has been valuable and that the supplementary feeding of the needy children resulted in saving the lives of many of them in a number of those countries. I can assure the membership of the House that in spite of the fact that this is a matching program and that many other countries contribute to it, most of the recipients are aware that the major portion of this relief comes from the people of the United States of America. Contrary to some statements made, efforts have been taken to mark the food coming from the United States in such a way that the recipient countries know of its American origin. I feel that this international organization is fortunate in havng as its executive director, Mr. Morris Pate, a former Nebraskan, who has had extensive and outstanding relief experience. Mr. Pate was a member of the Missions to Europe headed by former President Herbert Hoover, after both world wars, and during the Second World War he was the director of the prisoners of war relief section of the American Red Cross. I had the pleasure of meeting Mr. Pate in Europe last year when he made an exhaustive tour of inspection into many of the countries where this children's feeding program was in operaton. At that time, I called his attention to the fact that many of the refugee children in Germany were in serious need of supplemental food and he was quick to recognize the situation and his prompt action resulted in considerable improvement there. It is my understanding that if the fund is given this interim additional authorization it will be possible for Mr. Pate to extend further the supplemental feeding of hundreds of thousands of refugee children in Germany who are seriously undernourished.

This House, a few days ago, passed the amendment to the Displaced Persons Act. When this bill finally becomes law, much of the problem facing the 700,000 displaced persons scattered over the world should be partially solved. But it will not do much toward solving the problem of the approximately 14,000,000 expellees who I am told are presently in the western zone of Germany. These are the refugees who were expelled from various countries of Europe under the Potsdam Agreement. The economic problem created by these 14,000,000 expellees in Germany is beyond human comprehension and it is high time that the people of the world pay some attention to it now. I visited many of the camps of these expellees and I can testify to the pathetic conditions under which they exist. In Bavaria alone, 30 percent of the population is represented by these expellees and displaced persons and there is no longer living quarters either in the towns, cities, or farms for these unwanted human beings. The overflow of these expellees are placed in temporary barracks and I found as many as 40 people living in one barrack room. Among these 40 people were families coming from five or six different countries, speaking five or six different languages or dialects. The children in these barrack rooms were dying of tuberculosis which is the prevailing disease. Malnutrition was prevalent then and it is prevalent today because the German economy is not abundant enough to provide even the minimum food required to sustain life. It is therefore necessary that the work of the United Nations International Children's Emergency Fund be expanded to this part of the world and also be given encouragement to continue to give a food supplement to the undernourished children elsewhere.

There are about 30 or more governments besides our own participating in this international fund. For the information of the House, I would like to give a brief history of this international children's program. The first contributions from various governments started in 1946, when UNRRA was giving one meal a day to 5,000,000 children in 7 countries, namely, Austria, Czechoslovakia, Greece, Hungary, Italy, Poland, and Yugoslavia. The fund, in March 1947, laid before the Economic and Social Council its plan of operations for that year; the goal was to give a food supplement of 230 to 300 calories, roughly, half a meal, each day, to 20,000,000 children. To do so would have required $200,000,000 from donor governments for that year alone. The fund has actually received from donor governments for both 1947 and 1948 about $60,000,000, and has had the promise of a further matching contribution from the United States. However, the fund is so limited it has been able to give its half meal to only 4,500,000 children. It received much less money than was expected and considerable delay was experienced in starting operation because of the time taken by other governments to make donations for this new international machinery. UNRRA stopped its operations in Europe in 1946 and the fund was left to take over the operation without funds, and it was not until September 1947 that the first substantial installment of the promised residual assets of UNRRA became available. There was a lag of 5 months before the fund received its first government contribution. Our country, in May 1947, made the first of two generous appropriations. A first authorization of $15,000,000 outright with a promise of an additional $25,000,000 was promised on a matching basis. The first allocations to countries based on information from UNRRA and some expert authorities were made in 1947, when shipments of food went to various countries in Europe and some to China, but the fund's real operations did not actually begin until 1948—1 year after its establishment by the General Assembly. Contributions totaling approximately $60,000,000 have been received from 25 governments and further matching is conditionally available from the United States.

In answer to some questions about UNRRA funds, I am informed that the equivalent of $30,000,000 of UNRRA assets were transferred to the fund. The fund share of the money raised in 28 countries through the United Nations Appeal for Children, I am informed, amounted to more than $10,000,000. In all, and up to this time, according to my information, the fund has received or has pledged to it about $100,000,000 equivalents. The fund is operating in 12 European countries, including Albania, Austria, Bulgaria, Czechoslovakia, Finland, France, Greece, Hungary, Italy, Poland, Rumania and Yugoslavia, and bringing aid to about 4,500,000 children. As I told you previously, it is planning to expand a program in the four zones of Germany. A feeding program has been started in a number of cities in China where the work of expansion depends upon additional funds. Eight or nine other countries and a number of British territories in the Far East are on the agenda. You might be interested to know that in Palestine and neighboring countries, this organization is bringing help to more than a quarter of a million mothers and children among the refugees in combat areas. Besides this work, the program includes mass vaccinations against tuberculosis, children have been inoculated in six European countries, and this program is to be expanded in other countries, especially outside of Europe during the present year.

Only on a personal visit among the thousands of expellees and refugees in foreign countries does one actually receive the real significance of the importance of the work of the United Nations International Children's Emergency Fund. Only on a personal visit among the children suffering from malnutrition and tuberculosis in the crowded barracks can one really realize the importance of this supplemental and direct feeding. While conditions are reported somewhat better during this summer, the coming winter will again bring terrible hardship to thousands of mothers and children. It is necessary to start planning now for the hard months to come. The matching of other countries depends entirely upon what the United States will do.

The role of the United States is so important that the eyes of millions of suffering humanity are directed toward us now. The appeal of the hungry is great. The international staff which assists the organizations and committees sponsored by their respective governments is a small one, and I am informed that every effort is being made to cut the administrative expense to a minimum. I am asked what countries and territories participate in this appeal and I add the names as follows: Afghanistan, Australia, Austria, Belgium, Canada, Ceylon, Chile, China, Cuba, Czechoslovakia, Denmark, Dominican Republic, Ecuador, Finland, France, Greece, Guatemala, Honduras, Iceland, India, Iran, Italy, Liberia, Liechtenstein, Luxemburg, Monaco, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Panama, Peru, Philippines, Poland, San Marino, Sweden, Switzerland, Thailand, Union of South Africa, United Kingdom, United States, Uruguay, Venezuela, Yugoslavia, 28 British territories, 4 French territories, East Indonesia, and Mozambique.

By leave granted me, I include in my remarks, a statement and tables contained in the report made to the General Assembly of the United Nations by the United States and Australian delegates on the work of the UNICEF:

THE FUND'S FINANCES

As of May 1, 1949, the fund has received approximately $118,000,000 from the following sources:

[Thousands of dollars]

	1947	1948	1949	Total
Government contribution and pledges	26,283	35,545	14,235	76,063
Through United Nations Appeal for Children	------	10,350	------	10,350
UNRRA residual assets	11,100	18,774	1,790	31,664
Other private donors	502	98	23	623
Total	37,885	64,767	16,048	118,700

Of the amount so far received, 65 percent has come from governments; 26 percent from the residual assets of the United Nations Relief and Rehabilitation Administration; and 9 percent from individual contributions, principally from the 1948 United Nations Appeal for Children.

Practically the entire amount has either been spent or is allocated, as shown in table 2. The first year $46,500,000 was spent, for the most part for the European program; for 1949, some $70,000,000 has been spent or is allocated for programs in Europe, Asia, the Middle East, North Africa, and Latin America. Funds available will permit operation of the current European programs only at a reduced level and only until the beginning of winter. In the other areas only limited programs can be undertaken, although the need is no less great and many requests for assistance are being received. To carry the European program at more nearly adequate levels and permit an extension of the program in other areas would require $98,200,000. The fund is, therefore, short of its minimum requirements through 1949 of approximately $28,000,000.

The United States Congress authorized a contribution of $100,000,000 to the fund and appropriated $75,000,000 of that amount to be made available immediately on the basis of $2.57 for every $1 equivalent subscribed by other governments. On this basis, the United States has contributed, as of March 31, 1949, approximately $55,000,000 against approximately $22,000,000 subscribed by other governments. There is required a further $8,000,000 of contributions from other governments before the balance of $20,000,000 from the United States appropriation can be obtained by the fund for its 1949 requirements.

A further $10,000,000 would be needed from other governments to obtain the balance of $25,000,000 authorized by Congress. Thus, the fund would have $35,000,000 with which to continue operations in the first half of 1950, as against the $50,000,000 that it is estimated would be needed. It is hoped that voluntary contributions through the United Nations Appeal for Children will provide a large part of the $15,000,000 remainder.

TABLE 1.—*Contributions and pledges by country as of May 1, 1949*

[Thousands of dollars]

	1947, Government	1948		1949, Government	Total Government contributions
		Government	UNAC		
Australia	3,224	3,933	1,741	------	7,157
Austria	------	------	------	25	25
Belgium	------	5	114	------	5
Bulgaria	------	------	------	9	9
Canada	5,000	200	1,150	------	5,200
Ceylon	------	------	10	------	------
Cuba	------	------	54	------	------
Czechoslovakia	600	400	307	------	1,009
Denmark	------	417	------	------	417
Dominican Republic	20	50	11	200	270
Ecuador	------	------	13	------	------
Finland	------	37	------	------	37
France	900	160	103	------	1,060
Greece	------	10	9	------	10
Honduras	------	------	11	------	------
Hungary	------	------	------	17	17
Iceland	40	------	497	------	40
India	------	30	------	------	30
Israel	------	------	------	20	20
Italy	------	106	35	4	110
Liberia	------	------	1	------	------
Liechtenstein	------	------	2	------	------
Luxemburg	2	------	------	------	2
Monaco	------	------	3	------	------
Netherlands	------	3	27	------	3
Newfoundland	100	------	------	------	100
New Zealand	810	------	1,578	403	1,213
Norway	69	22	213	------	91
Panama	------	------	3	------	------
Philippines	------	------	60	------	------
Poland	50	200	------	500	750
San Marino	------	------	1	------	------
Sweden	------	------	350	------	------
Switzerland	468	907	150	234	1,609
Thailand	------	86	10	------	86
Union of South Africa	------	443	1,511	------	443
United Kingdom	------	403	1,411	------	403
British Colonial Territories	------	------	157	------	------
United States	15,000	27,122	618	12,640	*54,762
Uruguay	------	1,000	------	------	1,000
Venezuela	------	------	16	------	------
Yugoslavia	------	11	60	183	194
UNAC, Lake Success, N. Y.	------	------	124	------	------
Total	26,283	35,545	10,350	14,235	76,063

*Drawn against $75,000,000 appropriation. Approximately $20,000,000 remained to be drawn as of May 1, 1949, on basis of $2.57 for every $1 contributed by other governments.

The fund's money is spent in accord with allocations made by its executive board. By far the largest part is spent for food, medical supplies, and raw materials, allocated on a country-by-country basis. Smaller sums are allocated for special projects; e. g., training programs. The remainder is spent for moving the supplies and for administration. Costs of administration are held to less than 4 percent.

In general, allocations are fixed for 4 or 6 months' periods to permit procurement in advance and to enable the recipients to make their plans accordingly.

TABLE 2.—*Expenditures and allocations through March 1949*

[Millions of dollars]

	1948, value of supplies consumed	1949		
		Carry-over from 1948	Allocations for 1949 [1]	Total allocations now available for 1949
Europe (Albania, Austria, Bulgaria, Czechoslovakia, Finland, France, Germany, Greece, Hungary, Italy, Poland, Rumania, Yugoslavia)	36.80	1.0	34.9	35.9
Asia (China: India, Ceylon, Pakistan; Burma, Indochina, Indonesia, the Philippines, Thailand, United Kingdom Territories; Japan, Korea)	.45	10.8	4.5	15.3
Middle East (Arab and Jewish refugees)	.41	-----	6.0	6.0
Latin America	-----	-----	2.0	2.0
Antituberculosis vaccination program	1.42	1.5	[2] .5	[2] 2.0
Antisyphilis program	-----	2.0	-----	2.0
Training program and operational services	.34	-----	.5	.5
Shipping	5.23	-----	3.5	3.5
Administration	1.85	-----	2.1	2.1
Reserve	-----	-----	.9	.9
Total	46.5	15.3	54.9	70.2

[1] Including decisions of executive board through March 1949.
[2] In addition, $1,500,000 is included in country totals for this work.

(Mr. STEFAN asked and was given permission to revise and extend his remarks and include a table.)

Mr. MADDEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and I make the same request for the gentleman from California [Mr. MILLER].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks, I wish to include an article appearing in the New York Times of Sunday, June 5, 1949, by Clare M. Reckert, which is a summarization of published reports of 300 companies which reveals total net profits of $974,512,000 which is 9 percent above last year's first quarter's returns of $891,682,540. The article is entitled "Net Profits of 300 Companies Up 9 Percent for First Quarter of 1949."

NET PROFITS OF 300 COMPANIES UP 9 PERCENT FOR FIRST QUARTER OF 1949

(By Clare M. Reckert)

The effects of the general economic readjustment on production and corporate earnings became quite decisive in the first quarter of this year. Temporary spurts are expected in some lines, but the general trend is heading back to a normal peacetime basis which is expected to be above the prewar level.

A summarization of published reports of 300 companies reveals total net profits of $974,512,000, only 9 percent above last year's initial quarterly returns of $891,682,540. Of the 38 manufacturing classifications included in this review, 38 different fields showed

reduced income from the corresponding 8 months of 1948. In these instances, lower prices for products in growing competitive markets, or a leveling off in demand, was primarily responsible for the drop. Meanwhile, inventory profits are disappearing and profit margins are narrowing as pay-rolls continue to be the major item of high operating costs.

CALCULATIONS REVISED

This has become a period of searching self-examination and analysis of business trends in which all industry has revised downward its calculations of future prospects. An attitude of caution, therefore, prevails as industrial leaders ponder the outcome of forthcoming labor-management negotiations of automobile, steel, coal and rubber companies. A fourth round of wage increases, in the face of the present recession, would have serious results on business and the general economy of the Nation.

While indications of the downslide were noted in the final quarter of last year, they became more pronounced in the first 3 months of this year, when price cuts were made on numerous products from electrical appliances to basic materials. Other important signs were the increase in unemployment, the $1,000,000,000 drop in durable goods purchases, and about $3,000,000,000 in consumer purchases. Manufacturing inventories contracted to $31,728,000,000 at the end of March from $32,065,000,000 a month before.

PRODUCTION INDEXES RECEDE

The Federal Reserve Board's adjusted index of industrial production of the Nation also illustrates the curtailment of activity. From the postwar high of 195 percent of capacity registered last October and November, the index fell to 191 percent in January, 189 percent in February and 184 percent in March. At 179 percent in April, the rate was the lowest since July of 1947, when output stood at 176 percent.

While the uneven changes in the earnings of manufacturers were accented further, the durable-goods industries again made the best showings. These included the steel, railroad-equipment, automobile, heavy machinery, aviation and chemical fields. The petroleum industry, which had consistently reported record profits, had a decline in the March quarter this year for the first time since the war. Also reflecting the more normal balance in supply and demand was the receding income of the automotive equipment makers.

STEEL INDUSTRY'S EARNINGS

Operating at the record high average of 101.3 percent of capacity in the first quarter this year, compared with the 94 percent average for the similar period of 1948, earnings of the steel industry showed the greatest increase over the previous year. With the slow-up in demand and in production for the metal in recent weeks, it is believed that the industry has passed its peak. The combined net income of the 11 leading steel producers rose 62 percent in the initial quarter this year from the $98,283,371 earned by this group in the similar 3 months a year ago. Ten of the small companies made $11,795,752, or 42 percent more than last year's $8,282,677.

With more steel available, automobile assembly lines were able to step up operations to a record production of 1,376,059 motor vehicles in the first 3 months this year. Translated into earnings, 10 automotive manufacturers chalked up a 39-percent gain with a net income of $176,044,498, against $126,794,136 the year before. Significantly, however, automobiles are now among the growing list of products which have been cut in price to stimulate sales.

Chemical companies also showed improvement, with an increase of 22 percent scored by 18 concerns. As in the case of a few other divisions of industry, the better results stemmed from larger plant capacity rather than any improvement in business.

PETROLEUM INDUSTRY

Reduction in demand as well as in the prices of heavy fuel and heating oil, coupled with lower profit margins, caused a reversal in the trend of earnings of petroleum companies, which almost unanimously forecast reduced income for 1949 as compared with last year. The combined net profits of 18 companies amounted to $194,425,630 for the March quarter this year, against $228,933,057 last year, a decline of 15 percent.

The reaction of industry to falling prices has curtailed forward buying. Coupled with the hand-to-mouth policy generally evident in the consumer-goods industry is the problem of attaining sufficient volume to insure profitable operations. Eight electrical-appliance manufacturers showed a drop of 31 percent in earnings from a year ago. The textile industry continued its downward course, with six companies reporting a decline of 41 percent in the quarterly comparisons.

STATISTICAL RESULTS

Results of manufacturing companies for the first quarters of 1949 and 1948 may be seen in the following tabulation listing various industries by groups. The number of companies in each field is given in bracketed figures.

Industry	Quarter ended Mar. 31	
	1949	1948
Steel leaders (11)	$159, 592, 665	$98, 283, 371
Steel, small (10)	11, 795, 752	8, 282, 677
Iron and steel (15)	9, 797, 283	9, 218, 707
Coal and coke (8)	6, 004, 448	7, 381, 569
Metal products (5)	2, 652, 966	3, 484, 724
Outdoor machinery (4)	4, 029, 127	2, 153, 502
Factory machinery (7)	2, 029, 127	2, 153, 502
Machine tools (5)	952, 050	1, 094, 737
Railroad equipment (11)	12, 791, 322	9, 168, 078
Total (76)	210, 360, 348	141, 832, 651
Petroleum (18)	194, 426, 630	228, 933, 057
Mining (11)	41, 044, 441	33, 251, 487
Total (29)	235, 471, 071	262, 184, 544
Chemical (18)	95, 281, 268	78, 087, 337
Paper and pulp (10)	8, 328, 682	11, 895, 559
Containers and seals (8)	7, 646, 738	13, 736, 015
Newsprint (3)	16, 230, 526	16, 636, 536
Total (39)	127, 487, 214	120, 355, 447
Automobile (10)	176, 044, 498	126, 794, 136
Auto equipment (23)	27, 178, 483	31, 993, 883
Aviation (4)	3, 911, 388	2, 888, 131
Total (37)	207, 134, 369	161, 676, 150
Electrical manufacturing (8)	47, 777, 820	46, 050, 969
Electrical appliances (8)	8, 783, 549	12, 761, 186
Heating and plumbing (8)	4, 971, 811	9, 025, 255
Furniture (3)	720, 976	884, 996
Floor covering (5)	2, 773, 084	2, 663, 460
Paint and varnish (3)	2, 722, 983	1, 886, 948
Hardware (2)	929, 389	1, 336, 756
Building materials (10)	14, 484, 986	15, 794, 450
Cement (3)	1, 449, 408	845, 023
Office equipment (7)	14, 393, 265	14, 464, 277
Total (57)	99, 007, 271	105, 713, 320
Food (8)	16, 408, 130	16, 502, 127
Dairy products (4)	905, 958	606, 820
Soft drink (4)	7, 251, 134	7, 438, 865
Liquor (3)	10, 544, 522	14, 608, 357
Baking (8)	12, 041, 951	11, 224, 233
Candy (5)	7, 549, 255	6, 471, 549
Textile (6)	12, 360, 586	20, 849, 613
Apparel (6)	1, 266, 429	1, 711, 454
Cigars (4)	718, 417	922, 480
Drug (14)	26, 035, 345	20, 798, 570
Total (62)	95, 051, 727	99, 920, 428
Grand total (300)	974, 512, 000	891, 682, 540

The combined net income of 297 industrial manufacturers for the first quarter of 1948 increased 26 percent over the period in 1947. In a comparison of 282 companies for the initial 3 months of 1947 with the corresponding quarter of 1946, the earnings showed a decrease of 48 percent. The results for the 282 companies included in a review of the March quarter of 1946, when industry was reconverting to peacetime operations and labor troubles crippled operations, showed a drop of 48 percent from the earnings for the initial quarter of 1945.

Mr. MILLER of California. Mr. Speaker, again the Oakland, Calif., Observer has come forward with a pertinent article on the parallel span versus southern crossing controversy that is of high interest in the San Francisco Bay economic area right now.

The article which appeared in the May 28 number of the Observer, reads:

BRIDGE HEARINGS ADMIT FRESH AIR

The Dolwig assembly hearings that have been held in the various counties during the past few weeks anent the battle of the bridges, has clarified the situation considerably for the man-on-the-street. Since the inception of the plan for another crossing to speed up traffic across San Francisco Bay the citizens of Alameda County have had a biased and garbled picture of the over-all problem presented to them and have never, until Richard Dolwig demanded an investigation, heard all the arguments for both bridges. From the first, without exception or consideration for any facts to the contrary, the so-called vested interests in this county have stuck to the parallel span and made every effort to influence county, State, and Federal officials to clear the way for its construction. Putting personal objectives ahead of the needs of the entire bay area's development, refusing to consider the needs of rural areas, and ignoring the pleas of traffic engineers to consider the problems that the parallel bridge would create, chambers of commerce, real-estate boards, and local governments have blindly followed the pattern laid down for them.

The results of the Dolwig hearings have at least opened the eyes of the people who will pay the tolls to the fact that the twin bridge is not absolutely necessary, nor is excessive expenditure imperative to construct a southern crossing that would produce immediate relief. At last, and again thanks to the determination of an aggressive assemblyman, the public is able to evaluate both sides of the situation. Last Friday the hearings were held in the court house in Oakland and on Saturday they were continued in Hayward. At these times the local chambers of commerce had their representatives present their reasons for the parallel span. The ineptitude of these representatives to speak authoritatively for the multi-million-dollar expenditure for which they have shouted so loudly for so long, was nothing short of pathetic. That they were speaking by rote and were hopelessly unprepared to stand up under the keen questioning of the investigating committee undetermined the parallel-span cause materially.

From Washington, which has been the point of last call in the whole decision, comes word that Senator SHERIDAN DOWNEY is going to call an investigation of the affair this summer. Roused by the reports that have come to him from Californians who feel that they have been bamboozled into a crossing that will upset rather than alleviate local traffic and cause definite danger in case of emergency, he will study the situation before Senator KNOWLAND'S bill requesting right-of-way over Yerba Buena Island is considered. The arduous fight that Congressmen

GEORGE P. MILLER, FRANCK HAVENNER, and RICHARD WELCH have made for the past 2 years to prevent selfish interests from saddling the public with the twin monstrosity has gone by almost unheard of in local publications; the intervention of Senator DOWNEY will give an added boost to their determined fight to air the facts in this matter.

The reports that have been made by the independent engineers employed by the Dolwig committee substantiate the original plans drawn by Frank Bonner, of Piedmont, which advocated the construction of two two-lane tubes rather than three tubes, and which would enter Alameda at Main rather than Fifth Street. The additional tube, which was included in the toll bridge authority's estimate on the southern crossing, padded the cost by nearly $25,000,000; entering Alameda by Fifth Street rather than Main involved the removal of a great many homes from the tax rolls and was one of that city's arguments against the southern crossing. As the construction cost is lowered and the entrance on Main Street conceded, Alameda has little left to warrant its apelike stand for the parallel span.

It is hoped that the results of the State and Federal investigation will produce a transbay crossing that will be of benefit to all and develop this great metropolitan area to its greatest limit.

Mr. MADDEN. Mr. Speaker, I yield 6 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I address myself this morning briefly to this legislation with considerable misgivings because if there is anything that appeals to the heart and emotions of the father of children, it is legislation of this type, providing, as it does, for the feeding and care of hungry and destitute children. I spent considerable time in Europe on an investigating committee immediately following the war, and I, too, had my heart strings torn by the pitiful plight of those children overseas. From a humanitarian point of view there is nothing that could appeal to me more than this legislation. I do not expect to defeat this legislation nor do I expect to contribute anything to the nonpassage of this legislation, by these remarks; but the thing that concerns me as a Member of Congress, charged with the responsibility, among other things, for the stability of the financial condition and the economy of this country, is just how far we can afford to go in this type of legislation.

Now, it is true as has been said here by my distinguished colleague the gentleman from Indiana [Mr. MADDEN] that this is no new appropriation. This is an extension of the time to give those entrusted with those funds additional time within which to expend them. That they will be expended for laudable purposes I do not deny nor do I challenge.

This involves approximately $20,000,000, a very small sum as we appropriate money these days, but it still is $20,000,000. We have now pending in the various committees of this House legislation which authorizes additional twenty millions; yes, additional twenty billions. I saw some figures the other day which I am sure would appeal to you as being fantastic, as they did to me, but governmental experts were the authority for them. Those figures shows that we have bills pending that would run into the trillions of dollars over the period of the next 50 years. If millions and billions do not concern you, certainly trillions must.

So my purpose in rising here this morning is to raise the storm signal, to call the attention of the Members of this body again to the dangers ahead if we keep embarking upon these undertakings. Laudable undertakings they are, but they are still undertakings that endanger the solidity, the solvency, and the future of this country.

I understand the gentleman from California [Mr. JACKSON], who has made a thorough study of this along with the other members of the Committee on Foreign Affairs, will offer an amendment which will declare in effect that this program will terminate at the end of the year. I dare say that when that time arrives the need will possibly be as great and the urge will be there appealing to your heart and to my heart to help these people.

Will we be able any better then than now to apply the brakes? Some question was raised before the Committee on Rules about feeding children behind the iron curtain with these appropriations. That does not concern me too much, because if there is an appeal here it is on the basis of humanity. As far as I am personally concerned, I do not want to see the children behind the iron curtain, any more than I want to see those who are not behind the iron curtain, suffer from starvation and privation, because if you justify this program it must be justified on the basis of humanitarianism. I do not think, Mr. Speaker, that we can go on indefinitely with this type of program. Therefore, as laudable as it may be and as laudable as other programs may be that are coming up, and as appealing as they may be, from a humanitarian basis, I feel it my duty as an humble Member of this body to again raise that flag of warning; to oppose some of these programs.

Mr. Speaker, as I have intimated, I get no pleasure either in opposing the present administration, or in the making available of $20,000,000 for this cause; but, in my humble judgment, the time has come when we must stop, look, and consider the future of this country, as well as the future of the peoples of other countries. I believe that we are about to reach, if we have not already reached, the saturation point, beyond which we cannot go. In other words, I think we have come to the crossroads, and the whole future of this glorious Republic is involved, because I still believe that the faith and credit of these United States cannot be continuously extended without reaching the crashing point. I believe there is a bottom to the Government's meal barrel, just as there is to mine and any other citizen's. And if we are to perpetuate this democratic system of ours, we are going to have to do some sharp retrenching and economizing. We now have the greatest national debt ever incurred by any government in the history of the world, most of which has been accumulated as a result of our efforts to help foreign peoples. We cannot go on like drunken sailors, spending and spending, without some day reaching the reckoning point. Frankly, I have reached the point where I am more concerned about the loss of this, the greatest Republic, from our own unsound financing, than I am about the foreign situation. I shall, therefore, vote against this legislation.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. MADDEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. CHESNEY].

Mr. CHESNEY. Mr. Speaker, above the din of many hammers busily engaged rebuilding the homes, schools, churches, factories, and business offices in foreign countries devastated by the recent war and weakened by disease and hardships, we in Congress are asked to heed the voices of millions of suffering children.

Mr. Speaker, these children are innocent of the greed and avarice which caused the recent war. They did not ask to be born into the squalor and disease now running rampant throughout many foreign lands. They bear no malice in their hearts toward anyone. A child's heart can hold only love—or fear.

A boy of 10 is almost a grown man in many European nations. But he is not the kind of man who will help to build his country into something of which he can be justly proud. His face is old beyond years—made that way by fear and hatred. His cheeks are hollow and pale. His eyes are weary of seeing only suffering and death at every turn. His body has never felt the warmth and well-being that comes from good meals served at regular times and under pleasant and healthful conditions. His ears are still deafened by the repeated bombings and shell fire. His mind is still confused by the loss of his family and his sudden transportation into an atmosphere which would tax the sanity of people much older than himself. His feet are deformed from disease and freezing weather. He has never known the pleasure of well-fitted shoes. He spends his time loafing, worrying where the next meal is coming from, or, worse, stealing from his neighbors to provide food sufficient to keep body and soul together.

If it were possible for each of us personally to help these children, not one of us would refuse. There is, however, a plan whereby all of us here in the United States can give those unfortunate children a bit of the security and happiness which we feel at home. That is through the United Nations International Children's Emergeny Fund. We have been asked to appropriate money for this cause. This is no new appropriation. The money is there.

I realize that we are planning and working for greater economy in Government and I also realize how great the need is for this economy. However, I do not feel that human lives are mere commodities for which we can bargain or on which we should practice measures of economy. It we should try to do this, we would be penny-wise but pound-foolish.

What good are the homes, schools, factories, and business offices if there is no one to operate and govern them in a peaceful and wise manner? We would find ourselves in the same situa-

tion as did the gardener, who, in lavishing so much care and attention on the greenhouse which he was constructing, neglected the plants and flowers and allowed them to die. It would, indeed, be a hollow victory.

How often have we heard the axiom: "A sound mind in a sound body"?

How often have we quoted this axiom to others?

We must now practice what we preach.

We must now give the children in Europe and other foreign countries the freedom of opportunity which we have held so dear in our own country.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker the United Nations International Children's Emergency Fund was established by the General Assembly in December 1946. Today it is bringing aid to nearly 4,000,000 children and mothers in 13 European countries, and has programs under way in China. On an emergency basis, aid is also being given to child refugees and mothers in the Palestine area. Soon programs will be in operation in Germany; in India, Pakistan, and Ceylon if this bill passes; and in southeast Asia, including Burma, Indochina, Indonesia, the Phillipines, and Siam. The fund is working, too, with organizations in the American Republics concerned with advancing the health and well-being of their children. In addition, the fund, in cooperation with the Danish Red Cross and its Scandinavian associates and the World Health Organization, is engaged in a world-wide mass vaccination program against tuberculosis. Other child-health and child-welfare projects are being developed. This help is coming from many countries in many parts of the world. It is being offered in the name of the peoples of the United Nations. In turn, this undertaking is calling forth a great effort on the part of those who are receiving aid for their children. In sum, the Children's Fund is providing a practical demonstration of how many nations and peoples can work together for the common good.

Mr. Speaker, I greatly deplore the viewpoint of the gentleman from Mississippi [Mr. COLMER] in finding fault with this humanitarian bill. We are appropriating not only millions and millions of dollars annually, but billions of dollars for warfare and guns and ammunition. When it comes to appropriating an unexpended sum of money, such as is the extant case, which amount we appropriated in the last Congress for the purpose of meeting the contributions and payments of other nations who have joined with us upon the recommendation of the United Nations, I feel it is manifestly unfair and unjustified to find fault with the passage of a bill which will utilize this unexpended sum of $21,000,000, as I said before, for the purpose of feeding starving mothers and children in all parts of the world.

I do not know of any bill which we have hitherto been called upon to consider that is more meritorious, more deserving, and more humanitarian than the present bill, H. R. 2785.

Only this morning I learned that the Secretary of Agriculture, Mr. Brannan, is vitally interested in this legislation. Mr. Brannan says that his Department has been furnishing these destitute children with dried eggs, fats, oils, dried milk, and other essential food products. This, he stated, has helped in disposing of the egg surpluses and large quantities of dried milk that we have in our country today. The Secretary of Agriculture stated further that the matching countries have defrayed half of the costs of this program, and it will be to our economic advantage to continue in the disposal of the aforementioned items—the authorization has already been made and no further appropriations are necessary. He continues to point out that although some of the food will reach Russian satellite countries, most of it would reach France, Italy, and other countries friendly to the United States.

Consequently, I feel that this bill should be passed by a unanimous vote. I believe I know the sentiment of the membership and know that the vast majority, if not all, feel as I do, that in a situation such as this we should not refuse to contribute our share and allow the unexpended balance to be utilized in a worthwhile manner. All of the other nations have already done their part and contributed according to their wealth and ability. Therefore, I strongly urge the passage of this humanitarian measure, as I said before, in order to feed the unfortunate children and mothers who are presently starving throughout the world.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2785) to provide for further contributions for the International Children's Emergency Fund.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2785, with Mr. KARSTEN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield myself such time as I may require to make a short statement.

Mr. Chairman, the membership of the House will recall that the first authorization and appropriation made by the Congress for the Children's Emergency Fund was $40,000,000, under Public Law 84, known as the Residual Aid Act. Afterward, in 1948, under the European Assistance Act, an additional $60,000,000 was authorized. Of that authorization of $60,000,000, only $35,000,000 has been appropriated to date. Therefore, the total funds appropriated by the Congress for this fund amounts to $75,000,000. All of that $75,000,000 except $21,000,000, as of May 1, had been expended through the matching formula, for the purposes for which it was authorized. Since May 1, the United States has matched other funds. Australia, for instance, contributed an additional sum amounting to between one and two million dollars. The United States matched that amount. Therefore, this authorization extending the time 1 year for the expenditure of the funds already appropriated will only apply to about $17,000,000 residue.

The members of the Rules Committee in their speeches here have gone into the provisions of the bill pretty thoroughly. I hope there will not be opposition to the bill. It is for a great and worthy cause.

The CHAIRMAN. The gentleman has consumed 3 minutes.

Mr. VORYS. Mr. Chairman, I yield myself such time as I may require to make a short statement.

Mr. Chairman, this bill for the International Children's Fund has the support of President Hoover who has felt it was one of the great hopeful international movements. It was always a great favorite of our late chairman, Mr. Bloom. I feel that its continuation until next year will not be questioned when the House has the facts.

Mr. Chairman, I now yield 8 minutes to the gentleman from Minnesota [Mr. JUDD], who has been so instrumental in carrying forward this program.

Mr. JUDD. Mr. Chairman, this bill merely extends for one year the period during which unused funds that have already been appropriated may be used for the International Children's Emergency Fund, if matched by contributions from other countries. If the other countries do not come through with their contributions, of course these funds, at the end of the next fiscal year will be covered into the Treasury.

May I say a word about the history of this program? In 1946 the United Nations voted to wind up the affairs of UNRRA. There were eight or ten areas in the world where acute need for relief assistance still existed, especially for children. So the United Nations Assembly, in December 1946 voted to establish the International Children's Emergency Fund to carry on the particularly urgent the strategically important program for these children in war-devastated countries. That organization was set up, and in the beginning appealed for voluntary contributions in this country and elsewhere.

When we were considering the so-called post-UNRRA relief measure for six or seven countries—the act, Public Law 84, was signed by the President 2 years ago, May 31, 1947—it was my privilege to introduce the amendment which was adopted on the floor of the House whereby $15,000,000 of the $350,000,000 authorized in the bill was to be used at once for getting this Children's Fund program going. Twenty-five million dollars more was authorized to be used if and when it should be matched by contributions from other countries. At that time the formula agreed upon was 57 percent from the United States to be matched by 43 percent from other countries.

When we passed the Foreign Assistance Act a year ago two modifications were made in the program: First, as the gentleman from South Carolina [Mr. RICHARDS], has just stated, the total amount of the authorization was increased from $40,000,000 to $100,000,000; and second, the matching formula was changed from 57–43 to 72–28; and made retroactive. The United States under that formula has provided 72 cents for every 28 cents contributed by other countries not receiving assistance from the fund. When the fund gives assistance to a country, usually in such protective foods as milk, meat, fats, fish-liver oils, the recipient country is required to provide such foods as cereals, wheat, corn, rice, millet, and potatoes, vegetables, sugar, if available. The cost of the supplies that they contribute locally for their own children is not figured in the over-all matching formula. But if, for example, France while receiving certain special assistance from the fund for her children should also make a contribution to the general fund for relief in other countries, that contribution would be considered in the matching of our contribution.

About $54,000,000 of the $75,000,000 that has actually been appropriated by the United States has been used; there is about $21,000,000 that has not yet been matched by other countries and will revert to the Treasury on June 30 unless this bill is passed extending until June 30, 1950, the period during which the money can be used if matched.

We had assurances in the Committee that there are several other countries which have already made informal commitments to make contributions. If they amount to as much as $8,000,000 that will draw out on the 72–28 basis approximately the $21,000,000 made available by this bill.

I feel strongly that this bill should be passed, and also that it should probably be the final contribution for this particular organization. It is an emergency program, to bridge over the gap between the end of UNRRA and the period when the permanent organizations of the United Nations, like the Food and Agricultural Organization whose job is nutrition, and the World Health Organization, whose job is health, can take over the long-term program in those fields.

Now may I say a word about the work the organization has done? The first and most important task it had when it took over as UNRRA was ending was to give one meal a day, a sort of school lunch, to approximately 4,500,000 children. To each lunch the fund supplied such items as dried milk and foods rich in vitamins, fats, and oils that are so essential for health. You can feed children cereals, potatoes, and grain in abundance as far as calories are concerned but unless you give also foods containing certain essential proteins, minerals and vitamins, they will not attain good health. Those are the biggest items in this lunch of 400 to 600 calories administered to each child each day. They are prepared in soup kitchens, usually in the schools, much as Mr. Hoover did when he fed the Belgian children after the end of World War I. In fact, the director of this International Children's Program is a man named Mr. Maurice Pate who worked with Mr. Hoover during the Belgian relief program following World War I. He is highly trained and experienced in this field, and has been exceedingly efficient and successful in carrying on the program.

The second major effort has to do with the children's health frequently that requires beginning with the parents. In many of these areas that were overrun repeatedly by soldiers an astonishingly large number of mothers is infected with venereal disease. Of course, not to treat those mothers and to allow their disease to be passed on to the children would result in a generation of people doomed for life to be less than adequate citizens, to put it mildly. So there has been a mass program of treatment with penicillin and other effective modern drugs against syphilis and other venereal diseases.

Another objective was to control tuberculosis, one of the worst curses that always follow war, concentration camps, marching armies, displaced peoples—the great white plague. Some decades ago in Europe a vaccine known as BCG was developed for immunizing against tuberculosis. You can take children that have not been exposed to tuberculosis, have not yet contracted the disease, and vaccinate them with this mild form of tuberculosis, and thereby develop an immunity which usually protects them all the rest of their life against active or virulent tuberculosis. It has been tried out extensively, especially in the Scandinavian countries, and they have acquired great experience and skill in its use. The Children's Fund was able to get the services of a corps of distinguished Norwegian, Danish, Swedish, and other physicians mostly contributed by their own countries. In the needy areas they have tested or will test something like 50,000,000 children. If they are not immune they vaccinate them with BCG and those children should be protected from tuberculosis for life. Some 15,000,000 children will be so immunized.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. VORYS. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. JUDD. Mr. Chairman, another part of the program is the training of medical and social personnel to work with child victims of the war. Two countries, France and Switzerland, are providing such training as part of their contributions to the fund. Another part is concerned with helping communities to produce greater quantities and better grades of milk for their people, also the installation of milk-processing machinery. Thus the fund not only helps take care of their immediate needs but helps them prepare to provide better for their long-term needs.

Mr. Chairman, may I summarize my reasons for supporting this bill?

First, serious need still exists in many war-devastated areas and it seems to me inconceivable that we should terminate the aid without giving a period to taper off.

Second, the job on the whole has been well handled. There has not been any substantial criticism of its administration.

Third, other governments are offering to give more money and we should continue to have funds available to match such contributions as they may make.

Fourth, extending this for a year will take care of most of the emergency needs and permit orderly transfer of the nutritional program to FAO, and the health program to WHO, the permanent UN agencies set up to deal with these problems wherever they are.

If the objection is brought up, as it may be, and understandably so, that approximately half of this aid has been going to children behind the iron curtain, that to me is not a valid argument against it. If the Soviet Union's oppressive control of these countries is to be ended, it must be ended by the people within those countries. It is not going to be overthrown by sending our boys over there. What better weapon have we to win over or keep on our side the hearts of the people in these tragic lands than to have visible to all an agency daily bringing in free milk powder with the American label on it? This gives the unanswerable lie to the charges of our enemies that America is a materialistic, selfish country unconcerned with the sufferings of people of other countries.

It is not only needed relief to them, it is a matter of good sense for ourselves to keep this characteristic American type of humanitarian program going. To help the children is bound to have the greatest effect upon the fathers and mothers also. They may not be able to do much now about the police state which is fastened upon them, but their hearts are being molded for the future. It therefore seems to me that from every possible consideration we should pass this bill and make the unused funds available to be spent during the next fiscal year if and when matched by contributions from other countries.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Chairman, on December 11, 1946, a resolution was passed by the United Nations General Assembly which set up the United Nations International Children's Emergency Fund. This organization did not begin work immediately due to the fact that there were not any funds available. It was not until the winter of 1947–48 when America made the first contribution of $15,000,000 and the matching funds began to come in that the work got under way.

That was just 2 years ago. Two years ago, right here in Washington, in a small room with one person, the Children's Fund of the United Nations began to function.

Remember that when the Children's Fund was established, the World Health Organization was not in existence. There was an interim committee working on plans for a World Health Organization. The Food and Agricultural Organization was just getting started. I

point this out because some people have felt that the work of the Children's Fund was perhaps overlapping the work of certain specialized agencies within the United Nations. This was not true when the Children's Fund was set up, and it is not true today.

The Children's Fund was set up by the United Nations for one specific purpose: To get aid to children. War-torn countries that had been victims of aggression were given priority. The fund's aid was also to be used for child-health purposes generally.

Help has been given to children of ex-enemy nations.

In outlining the program for the Children's Fund, an effort was made to try in a very small way to lay out some blueprints for child-care work that would encourage and stimulate governments to develop the most adequate possible program for children.

As the speaker before me has said, children were aided in those countries which were overrun by armies; some countries were overrun once, some twice, some three, four or five times. The population of course, felt the impact of those armies. Sickness and disease followed the devastation of war.

The children suffered most acutely.

When the representatives of the fund went into the countries requesting aid, they found that feeding must be given first priority. Milk was needed most of all. There were other serious emergency conditions. Tuberculosis was the first problem. A large-scale program of vaccination of children against tuberculosis was undertaken. Venereal disease among children was alarming. Penicillin was provided for children and mothers. There was a shortage of trained personnel. Doctors and nurses had been killed. There were few social workers. What trained personnel there was had been shut off from the outside world for a long period of years with the result that their knowledge of the developments for handling children's diseases and children's problems was far behind that of other countries.

As I said before the most pressing problem for the Children's Fund was one of providing food, especially milk. Dried whole milk and dried skimmed milk are the principal items of food plus fats and cod-liver oil.

It is interesting to note how the food is handled. Goods come into a port of a country receiving aid. From the port they go to regional warehouses. From the regional warehouses the supplies are moved on down to 100 or 200 local warehouses. In a city there will be a great central kitchen. Here the milk is prepared.

Whole milk goes to infants and is distributed from milk centers.

SKIMMED MILK IS SENT TO THE PUBLIC SCHOOLS

In order to make up for the lack of butter fat in skimmed milk a fat is sent to the public schools for the children to use on their bread. The bread is supplied by the school. The food is given to the children at lunch time and is managed much as is our school-lunch program in the United States. There isn't always enough food to go around even though the local communities try to make what contributions they can. The fund sends food to those public schools where the need is most acute.

The food is roughly distributed this way: One-third to infants and preschool children and nursing and pregnant women and two-thirds to adolescent school children. Some food is sent to children in institutions.

The governments of 30 nations have contributed to the children's fund. Voluntary contributions from individuals have come from these 30 countries and 10 others. Ten million dollars has been donated to the children's fund by voluntary contributions. This $10,000,000 cannot be used to match the United States contribution.

Many of the countries which have received or are receiving aid have themselves made a contribution to the children's fund.

Mr. Pate, who heads the Children's Fund program under the United Nations, worked with Mr. Hoover at the end of World War I. He made a point of the fact that they had tried in operating the fund to use the same formula they used after World War I, which was to try to have a matching program at every single level.

For instance, the cities will pay the storage, transportation and distribution of the dried milk and other foods. The schools will pay for the serving of the food and all the costs that are connected with it. The administrative costs of this program are less than any program that has ever come to our committee, amazingly so, all because they have worked it out on a matching basis right down to the grass roots.

Each time the fund gives something at whatever level they receive the maximum amount in counterpart for it, thus benefiting many more children.

Our committee went very carefully into the way in which this program actually works in the communities. We are convinced that the program is being well presented. The people know that the United Nations is the source of the aid they are receiving. This must inspire confidence in the United Nations Organization and faith in world cooperation.

Most of the dried milk is bought in this country. Over $22,000,000 was spent last year for dried milk, and $18,000,000 of that sum was spent in the United States. Great cans of dried milk go to Europe. They not only have the United Nations label on them but also the name of the city and State from which they have come in the United States.

I have great respect for the gentleman from Mississippi [Mr. COLMER], who spoke earlier on the Children's Fund and I think that what he said must be considered very carefully, but there is something that has not been taken into consideration.

This is more than a humanitarian problem. This is a sound investment in the future. This program is a cooperative program between the nations of the world. It is a cooperative program in front of the iron curtain and back of the iron curtain. The story of the United Nations is carried to little children. The United Nations flag, the United Nations posters are a part of the lunch program. The medical centers where the little children and their mothers are given vaccines, carry the United Nations flag. The United Nations Children's Fund sends doctors and nurses to Paris, London, Stockholm, Copenhagen, and Switzerland to training centers. Think of the good will they carry with them when they return home.

The United States can be very proud of the help they have given to the Children's Fund.

It seems to me that the fact that the United States contributes to this kind of program shows more than anything else that we believe that ultimately, if we keep at it, peace is attainable. In contributing to the Children's Fund we make an investment in the future of our own children.

Although our contribution has been very large, and it is large because we are a rich Nation, it is interesting to note that actually, per capita, some of the small nations have made the largest contributions, much larger than ours has been. Iceland has contributed $4.01 per inhabitant; New Zealand, Australia, and the Union of South Africa are the next three largest contributors. New Zealand contributed $1.52 per inhabitant; Australia, $1.15; the Union of South Africa, 97 cents, Canada, 49 cents; Uruguay,; 43 cents; Denmark, 40 cents; Switzerland, 38 cents; the United States, so far has contributed 33 cents per capita.

Nations far removed from war have invested in the Children's Fund. Nations devastated by war have invested in the Children's Fund. Forty nations believed enough in the possibility of peace to invest in the future of little children.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, this bill covers the extension for 1 year of the United Nations Children's Emergency Fund. This is an interim fund. It is not a long time proposition, because the representatives of the fund are trying now to work out with the World Health Organization, and the Food and Agricultural Organization of the United Nations the necessary transfers and organization changes. Of course, this will take time. There is no doubt it will be a transition as we go along. That is the argument that some people have been using against the fund, that it was a long-time organization with no particular termination in sight. It is definitely an organization which is interim, a transitory organization the duties of which will wind up in one of the permanent bodies of the United Nations with those permanent bodies taking over the functions within the foreseeable future. As has been said here, this bill simply extends the date from June 30, 1949, to June 30, 1950, and does not add one penny of appropriations. Already appropriated and unused is about $21,000,000 which, if matched, will make a fund of $29,000,000 for the current program of this children's fund.

The broader purpose of the bill was well stated by the former Secretary of

State, George C. Marshall on May 25, 1948, when he said:

Children whose bodies have been starved and warped are likely to develop, if they survive, into a generation of embittered adults. Our national interests, as well as our humanitarian instinct, demands that we do not permit this to happen. If we fail to do our part for the nourishment and care and normal development today of the children with whom our children will have to live tomorrow, we shall have failed in statesmanship as well as in humanity.

Let us see just how far we have gone on our own contributions. Actually the contributions are set up at the rate of 72 percent for the United States Government and 28 percent to be matched by foreign governments. It is not matched when there is the situation of the foreign government contributing solely for use within their own country.

The program involves primarily supplementary feeding of children. This program has been so extensive and well handled that it gave a supplemental meal to four and one-half million children as was pointed out. In addition there is the medical angle of the program, mass vaccination, the fight against tuberculosis among children in 12 European countries, and the antivenereal-disease campaign among children. In the third place there is medical training, to teach these people hygiene and teach them child care. Fourthly there is the program to obtain an increase in the production of milk. Two million dollars of the fund has been set aside for t at.

We have heard here a statement by the gentleman from Mississippi that this might endanger our resources. Well, let us look to see what the other countries have done as a comparison. There is little Iceland, that has made a contribution by the Government of $40,281, and voluntary contributions from Iceland, from the people themselves, of $496,771, making a total contribution of $4.01 for each person in Iceland. What has the United States done? We have given, as of this particular time, per capita, only 33½ cents' worth. So I think we can readily destroy the argument of the gentleman from Mississippi that this amount of money given by the greatest power on earth is certainly not endangering our economy, if we are simply giving 33½ cents—not for war, but to see that the next war does not happen, and to let these children know that this world is a much more humane place than they have known by bitter war experience—and they are able even to see it behind the iron curtain.

This program is one place where most governments except Russia are cooperating without regard to the so-called iron curtain, which is a remarkable thing. We should look to see what countries are cooperating. We have Hungary putting money in. We have Finland. We have sturdy Czechoslovakia continuing her contributions. We even have Bulgaria and Yugoslavia cooperating. These countries are acting not only for their own children but to send supplies and help to children of other lands, both behind and before the iron curtain, and without any mark of distinction whatever.

We hear such tirades against Russia and the satellite countries on this floor. It seems to me a very popular political thing back in the districts, but we should stop sometimes and say, "Well, here is a pat on the back to you countries behind the iron curtain for what you are doing on some things, and here is a good resounding pat on the back for what you are doing for the children of the world."

In my district in Fittsburgh we have many people who have contributed to this fund because they want to see their relatives' children in countries behind the iron curtain grow up healthy and with respect not only for the United Nations but for America.

The man who is directing this program is none other than a former capable Hoover man, Maurice Pate, and the man on the Republican side in the Senate, who is also sponsoring the introduction of this bill, is none other than Senator TAFT, of Ohio. In the House, I have introduced a bill that extends the time just as the bill offered by the gentleman from New York, Mr. Bloom. I have gone a little further on the matching, to permit matching through private sources, but I will not introduce that amendment, in order that we may have unanimity across the aisle on the approach to this important problem, and have a bipartisan approach that will assure the children in 12 European countries, in 4 zones in Germany, in countries behind the iron curtain, and in China and South America and north Africa another winter of this supplemental meal and care.

I do not think that the sum of $21,000,000 is either going to bankrupt this Nation or really be adequate. I believe the fund needs an additional $15,000,000 to arrive at anywhere near an adequate program. But this amount under discussion today will constitute a bipartisan extension and a bipartisan step toward peace—a bipartisan step toward something that does not require arms or munitions or threats of force or fear.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. MURRAY of Wisconsin. The conclusive evidence that it is nonpartisan is the fact that the Eightieth Congress initiated the legislation.

Mr. FULTON. That is right. As a matter of fact, on the committee level I had actually put in the amendment to make title II of the ECA, but had done so with the cooperation of both Judge Kee, the present chairman, and Mr. Bloom, former chairman of the Foreign Affairs Committee, and our former chairman, the distinguished Dr. Eaton.

Mr. MURRAY of Wisconsin. I have not heard it brought out in any of the discussions, but do you not think it would be well to also point out that some seven or eight million dollars of this fund has been used to take care of the Arabs?

Mr. FULTON. Yes.

Mr. MURRAY of Wisconsin. Women and children—at least 60 percent of it.

Mr. FULTON. Yes. The funds that have been used, have been used without any distinction between race, creed, or religion, and have been used where the emergencies arose. I am glad the gentleman brought up that question.

I might say to the gentleman from Mississippi [Mr. COLMER] that the sum of $21,000,000 is only four times the amount the American people spent last year for goldfish. So if we might possibly give away some of our goldfish and save some children it might be a better direction of our economy than some of the things that are coming out.

Mr. MURRAY of Wisconsin. I have not heard it mentioned anywhere the possibility of doing something in the Carribean area for the children.

Mr. FULTON. Slightly over 2 percent of this fund has been used in South American and Latin-American countries. There is a program in that area that has had to be done on the local level because of conditions, and it has been more or less the meeting of substandard conditions in a small way. My feeling on it is that you should in no way leave out the Latin-Americans, our good friends who stood by us in the war, or forget their children when in dire need.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RICHARDS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I hope very much that the bill under consideration may be agreed to. I am not adverse to seeing action taken by the Eightieth Congress approved here today. We agreed a year ago that $100,000,000 was the proper amount of money for this purpose and the balance unexpended to date is still needed.

The people in charge of the distribution of this money are unchallenged so far as ability, planning, and method are concerned. I am greatly impressed by an article appearing in the Saturday Evening Post several issues ago outlining in some detail the operation of the committee in charge of the distribution of this money; it made most interesting reading. It made one who is an American feel proud that his or her country did take this active part in preserving the lives of little children throughout the world.

In the report accompanying the bill the following statement is found:

Support for the International Children's Emergency Fund has gone on along with the above legislative enactments, assistance to children and pregnant and nursing mothers, in an objective beyond the foreign policy considerations that necessarily enter upon the wider scope of the United States foreign economic policy.

I suppose that means that in considering this matter we should adopt a humanitarian approach rather than one which carries out the foreign policy of the United States. Of course I see a combination here; I see in this proposed legislation both the humanitarian principle to which no one objects, and a carrying out of what I am sure is the basic foreign policy of the United States. If I were the head of the Voice of America propagandizing the United States behind the iron curtain, I could think of nothing better than to be able to get to the people in back of the curtain, through the air lanes, the word that we are sending help, that we are offering our surplus, that we,

through the greatness and goodness of our hearts, want to help the downtrodden people of the world; as a representative of the Voice of America I would like to be able to say to those people back of the iron curtain: "You can look within your own country and right there you can see what we did." That is propaganda with a kick, that is propaganda that can be nailed down because we may be sure that any Czechoslovakian, anyone living behind the iron curtain who, after hearing the Voice of America, goes and sees with his own eyes what we have done for his people, can have no further doubt. He will know that the Voice of America tells the truth. He cannot fail to believe in the people of the United States. He cannot fail to believe in the capitalistic manner of conducting business. He cannot fail to believe in the justness and in the goodness of a government wherein the free enterprise system is in operation.

I am interested in the United Nations just as each Member is. We have, time after time, supported legislation appropriating money to the United Nations, feeling that it is the one means that in the long run will secure lasting peace in the world. This kind of relief is something people will remember; it is something tangible; it is something that can be pinned down, something that will be appreciated.

Mr. Chairman, here is our chance. I hope the House will approve the bill in question, because I know that the money will be spent properly, and I believe the effect in this country and in the nations which are the recipients of the fund will be very good.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VORYS. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from California [Mr. JACKSON].

Mr. JACKSON of California. Mr. Chairman, at the proper time it is my intention to introduce an amendment to the legislation currently under consideration which will signify the intention of the Congress to terminate this program on June 30, 1950, insofar as the operations of the International Children's Emergency Fund are concerned, without respect to what portions of the program may later be carried on by the permanent agencies of the United Nations.

The International Children's Emergency Fund operation was originally established, as the name implies, to take care of an emergency situation which was the result of war aggression and post-war devastation in the countries of Europe, both in front of and behind the iron curtain. The fund was set up for the purpose of alleviating hardship and suffering among children and nursing mothers. It was confidently expected when the program was established that when it became possible to transfer the activities of the Children's Fund to other and more permanent agencies of the United Nations that step would be taken.

It is not my intention to labor on many serious doubts that many Members have with respect to the operations of this fund because I am assured the committee will accept the amendment which it is my intention to offer. I do feel it is essential that we soon commence, to make our foreign aid contributions in a more businesslike and understandable manner than we have been doing in the past. In the first place, I think the House should consider this measure strictly on its merits as a spending operation. The residual fund of $21,000,000, or perhaps slightly less than that at the present time, is in the United States Treasury. When matched on the basis of roughly 75 percent in American contributions to 25 percent foreign government contributions, that fund can be withdrawn from the Federal Treasury; however, if the money is not spent it will in the due and normal course of events be covered back into the United States Treasury, thus representing something of a savings to this country.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Will the gentleman inform me if under this bill it is possible for the children of Spain to get any help from this fund?

Mr. JACKSON of California. I may say to the gentleman that during the course of discussion in the committee the question of Spain and its participation in the fund was the subject of considerable conversation. It appeared that up to the time the question was brought up in committee Spain had not made an application for participation in that fund.

However, we were given to understand or, at least, it was my understanding, that should Spain make such a request it would be considered by the Board of the Children's Fund on its merits. However, at the present time the children of Spain do not participate in the program.

Mr. O'KONSKI. But it is possible for them, if they make the proper request through regular channels, to receive the sanction of getting some help.

Mr. JACKSON of California. We were told in the committee that such an application would undoubtedly be given consideration by the Board.

Mr. O'KONSKI. I am glad to hear that, because this program is being sold as a humanitarian program. If the children of Communist Russia and Nazi Germany are to receive this treatment, I just wonder whether it is possible for the starving children of Spain to get this help, since it is such a great humanitarian program.

Mr. JACKSON of California. We were assured by the board that this entire project is above political considerations, and that funds are made available to beneficiary countries on the basis of the needs of children. I am sure if such an application is made, it will be given consideration by the board.

A matter of considerable concern to many of us is the proposed extension of this emergency program into other portions of the world. Here we have an organization which was established on a basis of interim need. Now, it is our understanding that the program is to be extended to north Africa, to Latin America and to other portions of the earth where the conditions existent are not conditions following on wartime aggression but are, rather, conditions which are peculiar to bad government, or to unsound economic conditions. For that reason alone any extension of the program at this time must be viewed with considerable concern.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to associate myself completely with the remarks the gentleman has just made. It seems to me completely unjustified and unjustifiable for the board of an organization set up for a particular emergency need in war-devastated countries to have expanded or be planning to expand its activities to Africa and Latin America and other parts of the world where the need of the children is no greater than it normally is and which have not suffered from the war.

I think we should make clear that we do not want these funds to be used for that purpose. If, later, it is deemed necessary or advisable to give assistance to those areas, that should come up under other legislation than this.

Mr. JACKSON of California. I am in thorough accord with the gentleman.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from Pennsylvania.

Mr. FULTON. So that on the record there can be put a difference of opinion in the committee, some of us in the committee feel that it is absolutely wise that this be done all over the world where emergency conditions arise, as long as the fund is set up for it, and especially we should not leave out our Latin-American neighbors who helped us in the war.

Mr. JACKSON of California. I thank the gentleman.

Mr. JUDD. Mr. Chairman, if the gentleman will yield further, of course, the situation in Latin America is not an emergency.

Mr. JACKSON of California. That is true.

Mr. JUDD. We are not at all unmindful of the need there, but this is an emergency program for war-devastated countries.

Mr. JACKSON of California. If we are to undertake to meet these ever-recurring and ever-increasing needs on emergency bases wherever they occur and whenever they occur, it will be necessary for us to effect some great economies in our domestic legislative actions to meet the foreign demands. I might say that I have been a supporter of the Children's Fund; I have been a supporter of practically every commitment which we have made abroad in which we had a moral responsibility, but it is still my feeling that I have a duty to point out to the membership of the House some of the drawbacks, some of the dangers which are inherent in perpetuating organizations which are set up to be temporary groups, but which, as we all know so well, take on all of the trappings of permanency as the months and the years go by. Eventually history repeats itself and we find that we are shouldered with another permanent organization and that we have this fixed

moral commitment which does not permit us to retreat in any way.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RICHARDS. Mr. Chairman, I yield 3 minutes to the gentleman from California.

Mr. JACKSON of California. It was admitted during the course of the hearings on this measure that the operation of this fund by the emergency organization was in no way a sacred cow, and that this work could be done by existing organizations within the framework of the United Nations.

We participate in both the World Health Organization and the Food and Agriculture Organization. We contribute over 38 percent of the operating budget of the World Health Organization and 25 percent of the operating budget of the Food and Agriculture Organization. It appears to many of us that it is inevitable that with the passage of time and as these two agencies expand there will come into being an ever-increasing era of duplication of services, a situation which certainly should be avoided if at all possible.

It is also my opinion that the cause of humanity, the cause of the work being done by the Children's Emergency Fund, will be better served if we indicate in this legislation our intention that on June 30, 1950, the United States Government will cease its participation in the Emergency Fund without prejudice to what is done by the permanent agencies. Otherwise, we are apt to find ourselves in the situation on next June 30 of having the organization back again for a new allocation of funds and quite conceivably an increase in funds in order to take care of this vastly expanded program which was not contemplated when the original program was set up. When that time comes and the Congress conceivably might deny funds to the Children's Emergency Fund, then a chaotic situation may well prevail to the detriment of the very people we are trying to help overseas.

So it appears to me, and I know it appears to a great many members of the committee, that the logical, the sensible thing to do at this time is to notify the other member nations of the Children's Emergency Fund that it is the intention of the United States to withdraw from participation in that fund on the 30th of June 1950. Otherwise we are only continuing stop-gap, piecemeal, hodgepodge legislation, and we take every chance, we run every risk of perpetuating in fact an emergency organization to the detriment of the permanent agencies and the permanent groupings within the United Nations.

Mr. RICHARDS. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, I am very pleased that my first return to the floor of this Congress from my native State of California, where I have been for a few days on an official task, was to hear my distinguished colleague from California [Mr. JACKSON], whose district neighbors mine.

I think I am not in substantial difference with him, because I know if he would forget analyzing technicalities, and bookkeeping methods a bit, and such things as to just what fund this money should be spent through, now and then, he would agree with me that, fundamentally, America must never allow the children of the world to feel that the children of America are not part of the same world, and that we are not the only blessed nation in the world when it comes to creating a consciousness by the children of the world that the world they live in shall be better than the adult world that you and I, as present-generation adults, have created. Let us not put barbed wire and unnecessary stones and gunpowder into the paths of the children of this generation by reason of refusing to participate to the fullest in the program of the international children's emergency fund. This bill rightfully continues, until the close of the year 1950, the period of time during which the United States appropriations to the fund may continue to be available to match any contributions by other nations in the world in support of the activities of the nations of the world who participate in the international children's emergency fund.

What will other nations of the world think of us, being the richest and the most powerful nation in the world—yes, the most blessed in the world in terms of material resources—if we deny unto the least of the children of the world means of sustenance—a meal, a glass of milk, a drop of fish-liver oil, a bite of meat—these items of necessary diet for child health are such as we furnish, and the matching nation furnishes a slice of bread or a small bowl of cereal or a bit of green vegetables, or whatever else may be available to supplement the necessary food supply for these kiddies who will determine in their generation as adults the sort of a world they live in. Let us not forget, gentlemen, that the children of today will be the voting citizens tomorrow; and, as voting citizens, they will control the destiny of the world.

And can we, at this date, dream the closeness with which the children of the world of today will live as adult citizens in their generation. Technological development in the field of speed, transportation, communication, and electronics will so shrink distances of travel and space of communication by the time the present generation of children are adults, that they will almost literally live in each other's cities.

I am opposed to this amendment by my distinguished colleague from California because I feel it is unnecessary. In fact, the bill, in itself, on its very face, specifies that it shall expire June 30, 1950. But I fear that the peoples in Communist-controlled nations and the peoples in the nations which now fraternize with us in this International Children's Emergency Fund will both justly get the idea, if this amendment is passed, that the great heart of the American people is not quite as firm in its unselfishness or willingness to sacrifice its material prosperity to the end that the children who are the next-door neighbors of our own children shall likewise have a chance to grow in wisdom and stature and favor with God and man, for the strength of the spirit has little opportunity for the production of fruit unless the strength of the body is such as to honorably use the spirit and the soul of children as well as adults. What the world is to be, the children of the world are now becoming. Let's not save a dollar or two out of the hides of any child in the world. Let's not worry too much about there being a continuation of this committee or that committee or this department or that department if it means that a child in any part of the world is to have less efficiency in the field of the expressed understanding of the people of America.

I fear, also, if this amendment carries, it will give a lever or a handle to those who control the Communists of the world to blatantly advertise and propagandize that the great American Nation has at last called a halt to further strengthening the sinews of the democratic way of life by reason of having curtailed or eliminated its aid to the children of the world. The Communists know well that, as the children of the world of today live, so will communism live or die in the hearts of men. I believe it is inexpedient that we overemphasize by this amendment that we sort of insist that this fund expire in its present relationship by June 30, 1950. The bill, itself, says:

> *Be it enacted, etc.*, That, in order to enable the President through June 30, 1950, to carry out the purpose of the International Children's Emergency Fund Assistance Act of 1948 (title II of the Foreign Assistance Act of 1948) the date "1949", wherever it appears in such Act, is hereby amended to read "1950", and in section 206 of such Act the word "through" is hereby substituted for the words "for the fiscal year ending."

What more do we wish? Is it not clear enough that the time limit shall only be through June 30, 1950?

I will never forget, and I know it affects me in my thinking and my speaking thus extemporaneously, my own distinguished son wrote me one time after flying in the Aleutians in the United States Army Air Force how in the same unit there were boys from different nations flying for the protection of our national security and how he also recognized that the boys in the other planes were flying planes of other nations but were just as patriotic as he was, and how he never could come to hate the boys of the enemy nations because he knew those boys were the creatures of the civilization under which they were born, educated, and reared. So I am hoping that our great Nation will never become so small and petty, or so narrow-minded that we will hesitate to spend whatever reasonable money is necessary to make the world safer for democracy because the children of the world of today are the hope of democracy for the world. It is far wiser to spend money to see that the children of the world have healthy bodies and healthy minds and a chance to think clearly than not to do so. It is a lot cheaper to do that, no matter what it costs, than it is to let the children of the world or the children in any great part of the world grow up with suspicion and hate or mistrust toward America because we have not shared; or with warped minds and bodies because

we have sought selfishly to shut our eyes to world responsibilities.

Actual facts compel us to recognize that we are a world neighborhood; that the condition of the health and the mind and the spirit of the children in South America or Europe or Africa or in China is related to the life and the spirit and the welfare of the children in America, for as the childhood of China goes, or as the childhood of India starves, or as the childhood of Europe thinks, or as the childhood of Russia shapes its thoughts finally—these and each of them and all together will determine more of the destiny of the world when the present children are adults than we would now like to admit.

And, lastly, let us not weaken the thinking of any part of the world toward the efficiency and the necessity of the United Nations Organization. Let us not distribute any thought anywhere in the world that the United Nations Organization is not of an abundant achievement; for we know that it is abundantly successful with the look at the long pull of civilization.

The sharp compulsion or determination of the present arrangement with regard to the need of the childhood of the nations may then soon, in my judgment, be a constructive act in the best interests of the stability of the childhood of the world.

The mass of testimony given before our committee showed that the able programs carried on by the International Children's Emergency Fund are in the category of feeding, medical, the training of medical and social personnel, and in the area of increasing milk production. Surely none of these four essentials of world progress in the area of childhood are less than absolute necessities. In my judgment, whenever in the world there are absolute necessities of such sustenance and such protection for the children of the world, it is in these areas, gentlemen, that our democracy will either be perpetuated or weakened and even discontinued.

So, I see no need of the amendment; it is already covered in the text of the bill; I do see the overemphasis and overexaggeration of the fact that the Congress is trying to make it deliberately clear that the President of the United States is not, after June 30, 1950, to spend any money through this present fund, regardless of the condition of the controls of the fund or the condition of the childhood of the world at that time. Therefore, I must vote against this amendment.

Mr. O'HARA of Illinois. Mr. Chairman, it seems to me that the best investment we can make with the dollars of America is in the childhood of the world. During the year and a half of the operation of the United Nations Children's Emergency Fund food and medicine have been given to 4,000,000 children of 20 nations who without that source of help would have gone to bed at night unfed and would have endured the pains of diseases without the relief of the simplest of medical care.

I thrill with pride in my country, and increased is my faith in her destiny as the servitor of manhood, that her dollars go for such a purpose. How can those of us in this Congress who profess the faith of the gentle Christ, or who walk the paths of the daily routine with the spiritual guidance of the prophets and of the rabbis, withhold from this bill either our votes or our prayers of thankfulness that we have the dollars and such a divine use to make of them.

I join with the Board of Christian Education of the great Presbyterian Church in the United States of America in urging support of the "homeless, hungry, innocent victims of World War II."

I join with the millions of worshipers in Protestant and Catholic churches and in the synagogues in support of this noblest of all uses to which dollars can be put.

I join in support of this bill with those who have no defined creed, but find their religion in the song of a bird, the smile of a flower or the laugh of a little child.

Yes, Mr. Chairman, I join with the mothers of America, the mothers in every State of our glorious Union and in our Territories and possessions, in giving to this bill the full endorsement of my heart and the support of my vote.

If we were to reach our appraisement of this bill solely from selfish considerations—which I hope and pray will never be the all-controlling motivation of our actions—nevertheless we would be compelled to give it our full support. I repeat, there could be no better investment for our dollars than in the childhood of the world. The children that our dollars are now penciling the sunshine upon—the children of 20 war-scarred nations—will be our best missionaries in the generation of their prime when in the formation of a world public opinion it is the hope of all of us today, as it was the purpose of our forefathers, that the place of the United States of America should be fixed in the minds of all the people of all the world as the nation dedicated to the good of all mankind and to the advancement of God's kingdom here on earth through the instrumentality of government truly of, for, and by the people.

I do not know with certainty, nor does any of my distinguished colleagues, whether the expenditure of fifteen or sixteen billion dollars for the national defense will assure our security. That only time will determine. But I do know that dollar for dollar the money that we spend in feeding and caring for little children in war-wracked countries—the men and women of the dawning tomorrow—will return a thousandfold greater dividends in real security than any of the expenditures of such character that we in the Eighty-first Congress have authorized.

Mr. Chairman, this is a contribution at the right time and at the right place to peace—that permanent peace among the children of God on earth which comes only from understanding.

That which we give to these little children will come back to bless us long after the rust has settled deep upon, and rendered useless, the engines of martial destruction purchased in the presence of an apparent need at the cost of many billions.

I would think, Mr. Chairman, that the vote on this bill would be unanimous.

Mr. RICHARDS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That, in order to enable the President through June 30, 1950, to carry out the purpose of the International Children's Emergency Fund Assistance Act of 1948 (title II of the Foreign Assistance Act of 1948) the date "1949", wherever it appears in such act, is hereby amended to read "1950", and in section 206 of such act the word "through" is hereby substituted for the words "for the fiscal year ending."

Mr. JACKSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACKSON of California: On page 1, line 9, insert after the word "ending", the following: *"Provided however,* That in authorizing such continued extension of United States participation in the International Emergency Children's Fund, it is the expressed intention of the Congress that such participation by the United States shall cease on June 30, 1950."

Mr. JACKSON of California. Mr. Chairman, I do not think there is a great deal that I can add to what I have just said with respect to my amendment, except that by and large all of the individuals most intimately concerned with the legislation are generally speaking in a measure of accord on the amendment. I understand that it is the intention of the committee to accept the amendment. I feel it is necessary first of all in terms of good business practice. Secondly, I feel it is necessary in justice to the work which is now being done in feeding the children of Europe. Thirdly, I believe it may have the effect and the very necessary effect of restricting any considerable expansion of the program, an expansion which, if it takes place, I very much fear will result in permanent tenure of the emergency organization, and will result in an increased demand on this country for contributions. Like my distinguished colleague the gentleman from California [Mr. DOYLE] I am very fond of children. It is almost impossible not to like children. It is an old newspaper adage that if you cannot put anything else in a picture to gain attention put in either a child or a puppy. These are sure-fire attention getters. I must deplore any suggestion that I am opposed to feeding children. However, I do think that the best interests of the children who are being fed under this program will be served by the early transfer of these activities to organizations which are established as permanent agencies of the United Nations—long-range agencies, agencies whose plans are projected many years into the future, rather than letting the program go along on a hit-and-miss basis, which requires action after action by this legislative body and by other legislative bodies of the nations which participate in the program. I hope that the committee will see fit to accept my amendment.

Mr. BATTLE. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I am happy to yield to my distinguished friend from Alabama.

Mr. BATTLE. I would like to compliment the gentleman from California for his forthrightness and his objectives. I am in agreement with him that this program should end in 1950. It is my understanding, and I believe the chairman will substantiate this, that the committee will accept the gentleman's amendment.

I would like to ask the gentleman if this amendment overcomes the objections that he has to the present bill.

Mr. JACKSON of California. By and large, yes. I still have some mental reservations but they have nothing to do with the passage of this bill, so I will not comment on them.

Mr. BATTLE. I would like to say that I am in support of the gentleman's amendment.

Mr. JACKSON of California. I thank the gentleman from Alabama, who has done very fine work on the majority report.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. RICHARDS. I would like to say to the gentleman from California that as far as I am concerned and as far as anybody I know of on this side is concerned, we have no objection to the gentleman's amendment.

Mr. JACKSON of California. I thank the distinguished gentleman from South Carolina [Mr. RICHARDS].

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. FULTON. It should be pointed out that actually the program is set up under the United Nations' auspices. We are joining in the United Nations' program. It is our hope that it will finish, as I said before the Rules Committee, and that the transfer to the World Help Organization and the Food and Agriculture Organization will be made by June 30, 1950, but we should not overlook the fact that it takes man- decisions of an organizational character, and that there may be circumstances arising that we do not see. While this is a target date, I am not opposing the gentleman's amendment, trying to get the transfer made expeditiously over into the permanent end of the United Nations, and a dissolution of this Organization.

The CHAIRMAN. The time of the gentleman from California [Mr. JACKSON] has expired.

Mr. JACKSON of California. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JACKSON of California. It should be made clear, of course, that this emergency fund is within the framework of the United Nations. I did not think there was any question about that. However, I do believe that by writing statutory intent into the legislation we will serve definite notice of our intentions, and that it will facilitate the orderly transfer of these functions to the other agencies.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret very much to differ with my colleague and close friend from California [Mr. JACKSON]. I know him well enough to know that he will like me the better for my frankness in differing.

I am forced to speak, though I had no intention whatever of speaking on this bill, because my friend and colleague on the Democratic side has seen fit to accept this amendment. I have no doubt that the amendment will be passed, but I would like it to be recorded that I will vote against it and I would like to state why.

This is a very august body and sometimes it is necessary to speak for the RECORD, so that whatever is thought, as part of the debate, shall be recorded for the future.

What are we doing by this amendment? We are doing what is popularly called saying positively. This bill already states that the extension of the date is until 1950, and by adding this proviso which is offered by way of amendment we say, "We not only mean it is only until 1950, but we mean positively." And what do we accomplish by that? We hand to every Communist propagandist behind the iron curtain the opportunity completely to nullify what we are doing here today. It adds nothing whatever to the legislation and completely saps it of whatever effectiveness it may have, and it has important effectiveness as a propaganda weapon.

There is nothing to stop the Children's Fund from expanding its program, even if we write this proviso into this legislation, and there is nothing whatever to stop any Member of this body from putting in a bill contiguous to next June 30 despite what is put into this legislation by this language, which will seek to extend it to 1951. There is nothing to stop this House from doing it; and I may say that if the urgency is upon us the House will undoubtedly not be deterred by this proviso from doing it.

In short, by adopting this amendment we are going through a pointless exercise in the interest of making a pass at economy and nullifying completely the propaganda effect of a very potent propaganda instrument, because here we are dealing with a very sympathetic question, the lives and the welfare of children. The United States shows by this legislation that it is not alone trying to put the American flag on everything that it sends over to Europe, that it is perfectly willing to cooperate in an effective United Nations program. I am not saying this in the hope that this amendment will not be adopted, for it will be adopted, but I am saying it anyhow, because I think by adopting this phraseology we are nullifying much of the propaganda effect of our action in making these funds further available.

The gentleman from California is one of the most ardent advocates of effective anti-Communist propaganda, but the effect of his amendment will be to nullify it insofar as this measure is concerned, I am sorry to say.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mrs. DOUGLAS. I want to support the gentleman in everything he said in his argument against the amendment offered by the gentleman from California [Mr. JACKSON]. I think the gentleman from New York has made a very sound argument. I shall vote against the amendment. We know this program is going to end in another year; we agreed to that in the Committee; all the testimony given before the Committee was to that effect, and I see no point whatsoever in adding this amendment.

Mr. JACKSON of California. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from California.

Mr. JACKSON of California. I failed to read a very brief comment, a quotation from a letter written by the State Department in answer to an inquiry of mine as to whether or not these activities should be carried on elsewhere within the United Nations. The answer reads:

> 2. The World Health Organization and the Food and Agricultural Organization could, of course, establish facilities to carry on the types of program which the ICEF is now operating. They have not heretofore been equipped to do this, partly because of lack of plans and organizational arrangements and partly because of insufficient funds. There would appear to be a definite advantage in working out plans for an early transfer to these agencies of such of the activities of the ICEF as appear to be desirable for continuance.

Mr. JAVITS. If the gentleman will note, I was not quarreling with him or with the Department about the fact that this program will probably be ended, or about the desirability of ending it, in 1950. This bill states exactly that. The only thing I object to is the insertion of the gratuitous word "positively" which gives the very argument, that we are trying to save in a propaganda sense, to these influences that are working against us. You do not need it; you are doing something for nothing.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. VORYS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment, of course, merely expresses the present intention of the Congress; that is all we can do. I had an active part in having the Congress express its intentions last year that the ECA program was to last 4 years. It was conceded, of course, that each succeeding Congress could repeal the law, or change it, but we felt at that time that it was vitally important that the intention of the Eightieth Congress to have it a 4-year program should be expressed in law. By the same token, it seems to me it is wise in this instance that the intention of the Eighty-first Congress that the program shall be wound up next year so far as our participation is concerned be expressed in law. Of course, we cannot bind the next Congress or even the next session of the present Congress, but in view of the fact we have had so many laws which were ex-

tended from year to year, where the annual extension, or the 3-year extension, did not mean termination at the end of that time, we had better make it clear that this extension is different. It seems to me in this situation, where our Government, where the committee, where our Congress feel it is wise that this emergency children's program be wound up and its beneficent work turned over to other agencies next year that we should say so. That is why I am supporting the pending amendment.

Mr. CRAWFORD. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I am not supporting this amendment because I think it will be efficacious. I am supporting it because it is the only way I can get a chance to express my views with regard to this program, which I hope will be discontinued at the end of the stated period. But I have not any idea it will be discontinued; I have not any idea that those who are primarily back of this movement expect it to be discontinued. I think this international expenditure program will continue until it runs its course and substantially devastates the economy of the United States. I am going to give you one or two reasons why I think that is so.

I understand that within a few days there will be before this House a proposal to authorize the national banks of this country to purchase the debentures and other issues put out by the International Credit Bank. This is an undercover way of saying that when the 4-year Marshall plan has reached its end the International Credit Bank will take up the financing of these international activities. I certainly hope that the Congress will not be so foolish as to authorize the national banks of this country to fill their portfolios with the debentures and other issues of the International Credit Bank. I certainly hope that the management of the national banks of this country will not be so asinine as to take the deposits of the people who have put their money in those banks and use the deposits with which to purchase debentures without the depositors knowing what is going on.

This is the means I have of protesting against the whole program. The State legislatures of this country are now being pressed to approve legislation authorizing State banks, building and loan associations, and other credit institutions to fill their portfolios with debentures issued by the International Credit Bank. To me that is an underhanded method of taking the savings of our people and shuttling them off to foreign countries in the way of export capital through the mechanism of the International Credit Bank.

On this general subject let me say that back in 1887 there was a tremendous drought down in my native State of Texas. Congress approved H. R. 10203, which was vetoed by President Grover Cleveland. In his veto message, after reciting some of the provisions of the bill where Congress proposed to throw great sums of money in the form of agricultural seed, and so forth, into the State, Mr. Cleveland said:

> I can find no warrant for such an appropriation in the Constitution, and I do not believe that the power and duty of the General Government ought to be extended to the relief of individual suffering which is in no manner properly related to the public service or benefit.
>
> A prevalent tendency to disregard the limited mission of this power and duty should, I think, be steadfastly resisted, to the end that the lesson should be constantly enforced that though the people support the Government the Government should not support the people.

Some day the people of the United States will, through the very means of economic pressure, be forced back to that philosophy. I may not live to see that day, but that is no reason why I should not protest against what I think is wild, extravagant meddling in world affairs through compulsion on our people.

Mr. Cleveland also pointed out in his message that our people are sufficiently generous to do these things voluntarily; and you can go out across this country and raise the necessary funds for this kind of a program through voluntary subscription, and I do not like to have it imposed upon our people by compulsion.

So I am simply supporting this amendment because it is the only thing that is offered here to show that there is any tendency whatsoever to set the brakes on this program we are now pursuing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. JACKSON].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KARSTEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2785) to provide for further contributions to the International Children's Emergency Fund, pursuant to House Resolution 239, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. VELDE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, in an open session of the Un-American Activities Committee yesterday three witnesses testified concerning acts of espionage. These witnesses were Mr. Loren G. Haas, of Buffalo, N. Y., and Mr. and Mrs. Joseph J. Franey, of Niagara Falls, N. Y. All three witnesses testified that they acted as under-cover agents for the FBI during the year 1945 in the investigation of one Andrie Schevshenko, a representative of Amtorg, which is a Russian-American trading corporation. They testified concerning the attempts of Schevshenko to obtain various highly confidential pieces of information about jet-propelled airplanes.

The reliability and honesty of these witnesses could not be questioned by anyone who heard their testimony yesterday. They produced information that would lead any person to conclude that acts of espionage, and conspiracy to commit espionage, had been committed by Schevshenko during his stay in this country. They stated that in January of 1946, Agent Schevshenko left this country to return to Russia without having been arrested. This recalls to my mind other cases of Russian espionage agents who have escaped our country without arrest or prosecution.

There is the case of Arthur Adams, who was believed to be the head of the Russian espionage ring operating in this country. He escaped in 1945 without having been brought to justice. We all agree that it is better for the internal security of our country that these agents be in a foreign land, rather than our own. Allowing such criminals to escape, however, sets a bad precedent for others who are engaged in spy work here. If this is to continue, encouragement will be lent to others to escape. The American people are demanding to know the reason for their escape. They want to know if our laws are inadequate to prosecute crimes of espionage and other internal-security laws. If they are inadequate, they want Congress to change them so that the security of our country will be protected in the future.

I cannot give them the reason—J. Edgar Hoover cannot give them the reason either. His duties and the duties of his Bureau are only to investigate and produce the evidence which will lead up to the apprehension of these criminals. He cannot issue a warrant for the arrest of any suspected criminals.

The answer to this question lies within the knowledge of the President of the United States, and his Cabinet officials. Possibly President Truman has a good explanation for allowing these escapes. He has called the investigations carried on by the Un-American Activities Committee a "red herring." The committee

has now established too many cases of actual espionage and subversive activities which thoroughly discredit that statement. The American people demand an explanation. Now the story can be told—now it should be told.

E. LA REE SMOOT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 211)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H. R. 1471, a bill "for the relief of E. La Ree Smoot."

This bill would award $7,000 to Miss Smoot in full settlement of all claims against the United States for permanent disfigurement of face and hands sustained by her as the result of injuries on November 13, 1943, while employed as a junior clerk-stenographer at the Army Air Base, Madras, Oreg.

It appears from the records of the Bureau of Employees' Compensation of the Federal Security Agency that the injuries in question were sustained by Miss Smoot while effecting an escape from the building in which she was employed, which had caught fire as a result of an explosion. She sustained burns about the head, arms, and body. According to a report of the Marine Hospital of the Public Health Service at Seattle, Wash., dated November 15, 1944, these burns left rather extensive scars on the right forearm, elbow, and left shoulder and extending down her back, and "minor pit-like scars on her forehead and nose," but "these scars are rather smooth and not greatly disfiguring." On the other hand, according to an affidavit by Dr. R. W. Christiansen, dated November 5, 1947, and submitted by Miss Smoot, the "scars on the forehead, arms, and hands are quite disfiguring" and also cause some disability.

The former Employees' Compensation Commission, whose functions have since been transferred to the Federal Security Agency, awarded compensation to Miss Smoot from the time of her injury to December 31, 1943, less 3 days' waiting period required by law and less a period during which she received her full pay on account of sick and annual leave. Because of these deductions, the amount received by her as workmen's compensation benefits, apart from hospitalization furnished at Government expense, was only $87.60. There was also paid by the Commission $15.30 for private medical and transportation expenses. Compensation was terminated because of Miss Smoot's return to her former work at her regular rate of pay.

In her affidavit of February 3, 1947, printed in the committee report, she states that she is now employed in a small telephone office and that she has been unable and probably will never be able to do stenographic or secretarial work again.

If as a result of the injury Miss Smoot has sustained or will sustain a further loss of wage-earning capacity, she is entitled under the provisions of the Federal Employees' Compensation Act to apply for a modification of the original award in order to compensate her for such loss of wage-earning capacity. H. R. 1471 apparently is not intended to settle any claim for such future compensation which she may have, but rather to award her an additional sum of $7,000 solely for the disfigurement caused by the injuries.

Needless to say, I sympathize deeply with Miss Smoot for the pain and suffering which she has undergone and for the injury to her appearance which she will carry through life. I, therefore, appreciate the motives of generosity and of equity which have prompted the Congress to enact this special relief. At the same time I believe strongly in the importance of maintaining the principle of equal treatment of all citizens under the law where the circumstances are similar and where an orderly system of relief is provided by law. It is true that the Employees' Compensation Act at present provides no compensation for disfigurement as such, but the unfortunate effect of this on the claimant is no greater, indeed less great, than in many other cases for which no such relief is given.

There is an additional reason why I am regretfully constrained to withhold my approval from this bill. The Congress is now giving active consideration to proposed legislation sponsored by the administration and designed to liberalize and improve the Federal Employees' Compensation Act. This proposed legislation, among other things, would amend the Compensation Act to provide, in addition to any other compensation payable under the act, proper and equitable compensation not to exceed $3,500 for serious disfigurement of the face, head, or neck, if of a character likely to handicap a person in securing or maintaining employment. This cosmetic-disfigurement provision in the pending legislation is retroactively applicable to all cases in which the injury occurred on or after January 1, 1940.

While it was believed that compensation for disfigurement should be provided for, it was also felt that, in view of the certainty of the benefits provided for by the act regardless of fault, compensation for disfigurement should be limited to the amount stated. This amount, it should be noted, is also the amount specified as the maximum "for serious facial or head disfigurement" in section 8 of the Longshoremen's and Harbor Workers' Compensation Act (33 U. S. C. 908), which, moreover, applies to private employment in the District of Columbia. Unless Congress should decide to increase this amount, it would thus be discriminatory in that respect to award twice that sum to the claimant, even assuming that she should be singled out for an award in advance of passage of general legislation.

The enactment of the retroactive cosmetic-disfigurement provision in the pending legislation, with which I am in full accord, will make possible the equitable treatment of all deserving cases in which permanent cosmetic disfigurement was sustained during the war years.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 7, 1949.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and, without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

YOUTH OF ALL NATIONS, INC.

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial and a news release.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, every once in a while one runs into courageous, forward-looking activity on the part of some individual aimed to alleviate the distress and confusion resulting from war. This is especially heartening when it has to do with youth, who, after all, are the world's future for peace.

To share with the Members of the House awareness of one such piece of work, I am including in my remarks an editorial from the April 1949 issue of the magazine Tomorrow, together with a news release from Youth of All Nations, Inc.:

[From Tomorrow Magazine of April 1949]

YOUTH'S APPEAL FOR A UNITED WORLD

The weakness of history is that it has to leave unheralded the glowing records of the humble and the individual acts of so many vital pioneers and benefactors of mankind. Thus, although the sum total of history is in large part the story of the unsung heroism of unknown individuals, the change and progress these men and women helped bring about are all too often unrecorded. As Emerson put it long ago, a great institution is but the lengthened shadow of an individual—and yet how careless we are in supporting and remembering these benefactors. It is well, therefore, to pause from time to time to pay tribute to such individuals and to rescue from obscurity their work in behalf of a better world.

In New York City today, there is a woman who has worked valiantly for the youth of all nations despite the crippling effect of her activities on her personal life and economic fortunes. Telling the world about the plight of young people in all lands in these days of unending political and economic upheavals demands courage and unwavering faith. Although the story of the needs of youth is not new, the fact remains that very much more will have to be revealed regarding their plight before they cease to be a major world problem.

One trembles at even the thought of the horrible conditions that prevail at this moment in the children's camps of Asia and Europe. These horrors continue partly because of our lack of interest in the problem; yet one day they will have to be noted and acted on so that the reawakened conscience of humanity must in the end prevail. The law of love and understanding which has been set aside to permit the grossest barbarities to take place throughout the world only served to quicken the imagination of Clara Leiser, that magnificent pioneer in the problems of world youth to whom I referred above. Love of youth, with intelligence, has permitted her to continue in her single-minded purpose to be, not only the productive, but also the practical link between the children of the old world and the new. In

this her effort has been unique. Five years ago she singlehandedly organized Youth of All Nations, Inc., a nonprofit, nonsectarian, nonpolitical group to help young people all over the world, regardless of race, color, or religion, understand each other through a carefully guided interchange of letters. This simple and yet profound idea has been so effective that Miss Leiser and her staff of unpaid volunteers are continually engaged in replying to letters from countries in every continent. These letters come from young men and women of strange and ancient civilizations who want to know about the new world—and they also come from students and others in streamlined high-school and college buildings all over the new world who want more direct, intimate and revealing contact with young people in distant lands.

Miss Leiser has continued this fight for all young people, never losing faith and never doubting that eventually many will come forward to help her answer all the questions which the youth of the world daily put to her. It is her hope to expand her organization and ultimately to establish a magazine of ideas to bring the youth of the world nearer to each other in understanding. The daily activity of this organization has already revealed hitherto unknown information about the deplorable conditions under which children must make their way. But the even greater contribution of this organization may be its efforts to give youth the opportunity it yearns for everywhere to blot out permanently the unhappy past and start building anew toward a happier future.

Recently another agency resettled 40,000 young men and women, all victims of Hitler's rise to power, in the agricultural communities of the little Republic of Israel, giving that new nation the nucleus of the youngest population in the world. That is an impressive example of what can be done for young people of every race and religion in every land, particularly in the vast and fertile expanses of the United States, Canada, and South America—if the will and the organization are present. Clara Leiser's work has manifested this will and organization in a magnificent and moving degree. Perhaps her dream can be realized in the greatest republic of all. Whoever wishes to help Miss Leiser achieve her goal is invited to send contributions or requests for information to her at the following address: Youth of All Nations, 16 St. Luke's Place, New York 14, N. Y.

EILEEN J. GARRETT.

[From Youth of All Nations, Inc., New York, N. Y.]

WORLD'S EDITORS ASKED TO HELP INVITE WORLD YOUTH TO PALAIS POSTAL TO AIR VIEWS ON PEACEFUL RELATIONS WITH GERMAN YOUTH

While the Big Four foreign ministers discuss Germany's future in the Palais Rose in Paris young people in all countries, big and small alike, are being invited to convene in a palais postal in New York to air their views on peaceful relations with Germany's youth.

The palais postal is run by Youth of All Nations, Inc., at 16 St. Luke's Place, New York. "Our files bear quiet but pretty important testimony," said Clara Leiser, the organization's founder, "to how much peacemindedness—and action to support it—can be achieved through a carefully thought-out system of letter exchanges whereby customs, experience, beliefs are really shared, differences thrashed out, and prejudices leveled."

The palais postal, it turns out, is the Youth of All Nations mailbox. In addition to stimulating individual letter-friendships among youth of all races, religious beliefs, and nations, this global ideas-exchange conducts a continuing letter-forum. Just now its members on all continents are being asked to air their views on relations with German youth. "The attitudes of other countries' youth toward the youth of Germany 4 years after the end of the war, and how they believe they can manage to get along peacefully when they are 10, 15, or 25 years older, is at least as important," suggested Miss Leiser, "as economic and military agreements, or national boundaries, arranged by Government officials. Today's youth is informed, articulate, and determined to allow less slaughtering of humanity than their elders have permitted."

Youth of All Nations is appealing to newspaper editors the world over to give the generation which war always compels to do the most killing and dying a chance to speak its own mind on the German problem. Boys and girls and young adults everywhere are asked to write in their answers to specific questions depending on whether their countries suffered Nazi occupation, were allies, neutrals, or enemies.

Young Americans are being asked to say:

1. What knowledge of Germany and its youth did you have before 1939?

2. Did you or relatives or friends of yours fight in the war against Germany or are they now in the occupation forces? If so, in exactly what respects has this confirmed or changed your feelings about Germans as individuals or Germany's place in the world?

3. If you correspond with Germans, what have they written about their Nazi training and their war experiences?

4. Have your German correspondents criticized American, British, French or Russian occupation policies, and in exactly what ways?

5. How do you personally believe peaceful relations between German and world youth, especially American, can be permanently maintained?

No prizes are being offered beyond the satisfaction of helping to throw light upon a problem of deep and long importance.

All replies should be sent to Youth of All Nations, Inc., 16 St. Luke's Place, New York 14, N. Y.

(The sponsors of Youth of All Nations, Inc. include men, women, and organizations active in education, religion, and international relations. Among them: Dr. Gordon Allport, Harvard University; Barry Bingham, Louisville Courier-Journal; Lyman Bryson, CBS; Henry Smith Leiper, World Council of Churches; Helen White, American Association of University Women; Harry Scherman, president, Book of the Month Club; State school superintendents; American Friends Service Committee; National Council of Jewish Women; Institute of International Education. Directors include: Mrs. Eileen Garrett, publisher of Tomorrow magazine; Mrs. Clara Savage Littledale, editor Parents' magazine; Pearl Buck, writer; Louis Lochner, etc.)

EXTENSION OF REMARKS

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include an interview granted by Dr. Valentine de Balla.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. PRICE (at the request of Mr. ALBERT) was given permission to extend his remarks in the RECORD and include a speech delivered by Gen. Omar Bradley, together with other extraneous articles, notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $243.75.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. KENNEDY (at the request of Mr. WAGNER) was given permission to extend his remarks in the RECORD in three instances.

Mr. KLEIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. DINGELL asked and was given permission to extend his remarks in the RECORD and include two articles by Mr. Stokes, one appearing in the Star on May 13 and the other on May 16.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. BENNETT of Florida asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in five instances and include extraneous material.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. VURSELL] is recognized for 20 minutes.

FEDERAL HOUSING

Mr. VURSELL. Mr. Speaker, within a few days the Members of the House will be called upon to consider the Federal housing bill, H. R. 4009. I am opposed to this legislation because, in my judgment, it has no merit and is not necessary.

This is the most dangerous proposal that has come before the Congress during the 6 years I have been a Member of this body. If this legislation is passed, it will be a dark day for this Nation. We will have embarked upon a socialistic policy of Federal housing from which we will never be able to turn back.

It will add a continuing burden of expense that will add to the cost of government the colossal sum of over $20,000,000,000 before it runs its course. It will mean less housing facilities at much greater cost per unit. It will reduce the building of homes and apartments, rather than increase them. It will destroy personal thrift and initiative among our citizens and will encourage the building up of an indigent class of citizens in our Nation.

It will increase the cost of rent and transfer the increase of such rentals through taxation which must be paid by the thrifty citizens of America who have built their own homes.

It will take us down the road to socialism in America farther than any legislation yet enacted. It will destroy to a certain extent the initiative and incentive of private industry and builders who are rapidly providing houses and closing the gap between supply and demand of homes and rental units.

It will place an additional burden of $518 in taxes on every family in the United States at a time when the tax burden is now so great that it should be reduced.

Mr. Speaker, this housing bill provides that out of Federal funds the Government will build 1,050,000 family units of public housing within the next 6 years at a cost to the Federal taxpayers of $16,000,000,000 for direct grants and loans.

It also authorizes grants and loans of $1,500,000,000 to be used in what is termed "slum clearance" in the big cities. That means the tearing down of old buildings in which people now live, and building modern buildings on those sites.

It also authorizes loans up to $312,500,000 to repair and improve farm homes and buildings where such loans cannot be obtained from local banks. The total expenditure for this first experience in Federal or socialized housing will amount to $19,312,500,000.

Mr. Speaker, the bill provides that there may be expended up to $2,500 per room—exclusive of land, and so forth—in the cost of the building alone. If you multiply $2,500 by five in determining the cost of a five-room apartment, this will bring the cost for the building only to $12,500. When you add the land and other expenses, such apartments would cost a total of $15,000 or more, each.

Then if you divide the $16,000,000,000 by a little over $15,000, you come out with a figure of 1,050,000 houses or apartments, which uses up your $16,000,000,000.

Some may cost less, and some more. But it is estimated that at the present high cost of material and labor, the cost per unit will run somewhere on an average of between $12,000 to $15,000. I submit that the building of such modern houses and apartments to house 1,050,000 families who do not earn sufficient wages to furnish their own housing is unfair to other millions of taxpayers who must pay for this housing through taxes who own their own homes which are not as comfortable and modern as this bill proposes for those who are not able to pay full rent and who do not own their own homes.

The Members of the Congress and the people should know that the people who occupy these homes will be charged a rental far less than they should pay according to the investment in the homes, and probably in many instances not more than 50 percent of the real rental that should be paid.

The Members of the Congress and the people should know that none of these houses or apartments built under this proposed legislation are ever to be sold. They are to be perpetually owned by the Government, and perpetually rented for far less than the real rental value.

The Members of the Congress and the people should know that this bill provides there may be used for the building of these houses and apartments, and taken out of the Federal Treasury, a subsidy to these renters of $400,000,000 a year for 40 years which will be paid to the various housing authorities set up under the bill to pay the difference in rent that these tenants should pay.

POLITICAL HOUSING

This bill should be named a political housing bill, because the political possibilities are almost unlimited.

If the Government builds 1,050,000 units, this many families with an average of 4 people to the unit should total the housing of over 4,000,000 people, all securing their rent from the Government at probably 50 percent lower than normal rental rates. It is estimated that each of the over 2,000,000 people on the Federal pay roll is worth politically to the administration in power 3 votes per person, or a total of 6,000,000 votes. Now, if you add 4,000,000 more people who would be getting modern housing at a 50- to 60-percent normal rental, you can readily see the tremendous politically influenced votes that can result from this legislation. Such a condition will threaten our system of representative government. It is a dangerous mixture of paternalism and socialism. It will remove the incentive for people to work, produce, and save to build their own homes. It will, in fact, hurt the very people it is designed to help. It will destroy the incentive of private investment of capital and private building of homes. If we pass this legislation, we will be further drinking from the cup of socialism which leads ultimately to the lethal poison of communism.

Mr. Speaker, to further show how political such legislation is, may I quote from a book entitled "The Challenge of Housing," by Langdon W. Post, former chairman of the New York City Housing Authority and nationally known as a proponent of public housing. His remarks are quoted in his book on pages 259-260, and I quote:

> It is obvious that housing is now in politics, and must be so if you are to house decently the poor of our cities. A large housing program benefits not only the slum dwellers, but business in general. In a housing program there are land to be bought, houses to be built, and tenants to be selected. Each step holds great possibilities for the politicians and the businessmen. The real estate operator has land to sell; the banks have mortgages which they are anxious to have rescued; there are building contracts to be awarded; the inhabitants of slums are tumbling over themselves to get into the developments, which means there will not only be the usual jobs for those in control to give out, but apartments as well.
>
> This last plum is a new brand of political fruit which has enormous possibilities for exploitation. Imagine the golden opportunity in a $500,000,000 housing program in New York City, commissions, profits, fees, jobs, and finally, apartments for at least 200,000 voters. It is a bonanza beyond the wildest dreams of the most optimistic politician.

This is as it appears to Mr. Post, former chairman of the New York City Housing Authority and nationally known proponent of public housing.

The Senate recently made a study and investigation of Federal housing constructed by the Government during the past few years. The chairman of that committee, Senator MCCARTHY, had this to say:

> We made a very thorough investigation of the Federal Housing Administration and found many things wrong with that agency.

Senator MCCARTHY pointed out that the situation got so bad that the Government General Accounting Office, in attempting to make an audit, reported that it was absolutely impossible to intelligently audit the books of the Federal Public Housing Agency. The committee called in Price & Waterhouse, public accountants, who agreed that no possible audit could be made.

An investigation of Federal housing experience up to date shows gross inefficiency and the waste of millions of dollars; and, at times, graft of the taxpayers' money.

Mr. Speaker, in my opinion, one of the greatest mistakes this Congress can make is to put the Government into the housing and rental business. It is the same long step toward socialism France took after the First World War that almost stopped the investment of private funds in building construction, and has turned France largely into a nation of slums so far as the cities are concerned. The same results can happen here. This legislation is political and socialistic to the core.

Let me offer some further proof that this bill is wrapped up in politics. I want to quote the testimony of John W. Edelman, representing the CIO, before the Senate committee at the hearings on this bill. Here is what Edelman said:

> Once this program is well underway it will develop sufficient political momentum in the future to increase and extend this authorization to whatever extent may be necessary.

The move toward control of the tenant's vote was further indicated with the published statement in the New York Post of Charles Abrams, one of the leading socialized housing advocates and former consultant to the United States Housing Authority, when he said, and I quote:

> Within a few years public housing will dominate nearly 10 percent of the city's families in New York City and this will mean a tremendous volume of construction contracts, patronage, and other rewards for the worthy.

He added that—

> Public housing is political housing * * * selection of sites enables carving out blocks where hostile votes are numerous and then retenanting the projects with those who vote right.

This philosophy, it seems to me, establishes a dangerous precedent for the continued best interests of the American people. Abrams is one of the present high pressure lobbyists for this Federal housing bill.

The vote-pulling power in public housing projects was borne out recently in California. Though the State voted heavily against public housing, where the people lived in public-housing projects, they voted 2 to 1 for this kind of subsidized rentals. Public housing has been defeated twice in Missouri and North Carolina, with similar opposition in Utah, Minnesota, South Carolina, Colorado, and Wyoming. When the issue is brought before the people and they understand its ramifications, public housing in every instance has been defeated.

Mr. Speaker, the $1,500,000,000 provided for in the bill for slum clearance will go, most of it, for the purchase of land in the heart of the big cities like Chicago, New York, and several other big cities. About one billion will be spent for the purchase of land sites. Then the people living in these run-down, blighted areas will have to be moved out for a year or two to give the Government time to tear down the old buildings and to build new ones. It will cost a lot of money to relocate these people in temporary housing.

Modern buildings will be built on these old sites, fully equipped with electrical appliances, and then rented to people in low-income groups at a price they can afford to pay.

For instance: A twelve- to eighteen thousand-dollar residence or an apartment will be rented, say to people earning up to maybe $3,000 a year. These apartments or residences that would normally rent on the investment put into them from $60 to $90 a month may be rented say, from $30 to $50 a month.

The Government and local housing authority would own and operate this Federal housing. For instance: The people in southern Illinois and the Nation, through taxes, would be compelled to pay the difference between the rental paid by these so-called low-income groups, and the rental they would have to pay if such rentals were fixed at high enough rates to carry the investment in the property. The Federal Government in subsidizing these rental properties would make up the difference with checks out of the Federal Treasury.

Mr. Speaker, let us assume that 50,000 rental units are built by the Federal Government in Chicago. An organization is set up of State and Federal employees to manage these rental units and to take applications for rentals. They are supposed to find out what the person earns, what is his financial condition, how big an apartment or residence he needs to house his family, and if he earns, let us say, less than $3,500 a year, as the Government may fix, the rental price is fixed on the apartment or house which the manager thinks the renter is able to pay when he moves in. Whatever he fails to pay, whether it is $15 or $40 a month to reach a rental level that would pay for the cost of management and the interest on the rental unit, is paid out of the Federal Treasury.

Before and during the war, thousands of such buildings were constructed and rented by the Federal Government. In practically every such Federal housing district the record shows that families earning from $3,000 up to $5,000, $10,000 and $22,000 a year were allowed to move into these buildings, and many are still occupying these buildings 4 years after the war is over.

If this housing bill is passed, Federal and State politicians on the pay roll who have done just what I have explained to you in a great many instances, will doubtless follow the same policy of taking care of their personal and political friends. If there are 50,000 rental units built in Chicago under this bill, I think you can see that such renters will be in a position where those in charge of the Housing Authority and its management will be able to control, if they so desire, a majority of the votes in such Housing Authority.

Now the facts are that in every housing authority in the United States today a check of the vote shows that they have been used politically by big majorities. It happened in Chicago, in California, and every place where the Federal Government is in charge of the rental of a housing section.

Mr. Speaker, let me use Chicago again as an example and point out to you who is responsible for these Chicago slums. The mayors of the city of Chicago, beginning with William H. Thompson, and even further back than him, on down through Mayor Cermak and Mayor Kelly up to the present time allowed these slum conditions to be brought about. They failed to enforce the public-health laws of the city that would have compelled the owners to keep these buildings in good repair and sanitary condition. Worse than that, the extravagance of city administrations in Chicago, by padding their pay rolls and the pay rolls of the sanitary district to the point where they run the cost of government so high that they had to raise taxes each year, helped to bring about these slum conditions.

By the waste and extravagance of the city governments of Chicago, taxes have become so high that practically no one will build a rental building in Chicago. If they want to build a residence or an apartment, they go out of the city limits into the suburbs of Oak Park, or other places, where government is better and taxes are lower.

Mr. Speaker, now after these city administrations and city politicians through the years have brought about these slum conditions because of neglect of their duty, and by waste and extravagance of public funds, the taxpayers in my district of southern Illinois, who have worked and saved to build their own homes, are called upon after they have paid their own taxes and kept their own homes in livable conditions, to contribute money in taxes and rentals for the next 40 years under this bill to build modern residence and living units that will cost from $10,000 to $15,000, on this high-priced land in Chicago to help house the low-income groups.

Yes, and the taxpayers of southern Illinois and the Nation who have been thrifty enough to own their own homes will be taxed to clear city slums throughout the Nation. They will have to clear the slums brought about by the waste and high taxes by former Mayor Frank Hague, the powerful political Democratic boss of Jersey City, N. J. Time magazine last week had this to say with reference to Hague, whose regime had just been defeated for mayor:

> Left to the new mayor was a city with one of the highest tax rates in the Nation, rigged assessments, discouraged businesses, factories deserted by fleeting industry, a city turned into a patchwork of slums by political graft.

If this legislation is passed, the taxpayers of southern Illinois and the taxpayers of the Nation will also have to contribute to the rebuilding of the slums in New Jersey and other cities.

Mr. Speaker, I dare say that not over 10 percent of all the residences in my district cost the owners $15,000, or could be sold above $15,000. Many workingmen are living in nice comfortable cottages that they struggled and saved to build that cost them from $3,000 to $7,000. Many a farmer has raised a fine family, and after his children have moved away, is living in a farm home that when built cost less than $3,000 to $4,000. Yet these people and these farmers must pay additional taxes for the shiftless in the Chicago area.

I do not believe when they understand this wild political scheme of socialized housing that 20 percent of the people of my district, or the Nation would support it. When the Government begins to spend these billions of dollars for material and for labor, it will be tough on the little fellows who want to build a home or business building, to compete with the Government in securing this material. The Government will bid up the prices of construction and the waste in these projects will amount to millions of dollars, a part of which will be taken from every family in my district, and the Nation.

Mr. Speaker, if this program goes through, housing will cost more money and we will get less units of housing. You cannot get houses by legislation. Houses are built by contractors, carpenters, painters, and workmen. Practically every workman in the building-trades industry that wants to work can work every day at the present time in the building of new houses or in the repairing of old ones. When the Federal Government goes into the housing business it will slow down private capital investment which otherwise would go into housing.

There will be less units built under this new bill and the units will cost the Government far more than if they were built through private enterprise. In 1947 and 1948, even with the shortage of material then, private builders built 1,785,000 homes, which was the greatest number of housing units in 2 years ever built in the history of this Nation.

If the Government will stay out of this housing business, within a short space of time the housing needs of the people will be met, and, as the cost of material drops, at prices the people can afford to pay.

The people of my district should not be compelled to help pay the rentals of Chicago citizens and for other cities for the next 40 years. There are a hundred reasons why the Government should not go into socialized housing.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman has labeled this measure a step toward socialism; would not the gentleman agree with me that it is sort of establishing a socialistic "give-me-ism"?

Mr. VURSELL. Yes; the gentleman is quite right. I think it is bad to offer

incentives that may retard the efforts of people to work and save and get these things for themselves. I think any so-called gift legislation or Santa Claus legislation strikes at one of the greatest moral and fundamental wealths in the Nation; that is, the desire and incentive of the people on their own, independently to struggle and strive for the things they desire.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the former distinguished Lieutenant Governor of Illinois, now a Member of this body.

Mr. O'HARA of Illinois. Does the gentleman mean to imply that the Republican Members of the Senate who voted for a similar bill intended to encourage socialism?

Mr. VURSELL. No. I do not pass judgment upon their intent. I think this bill was probably passed without due study in the Senate. Regardless of that, I am so certain this House ought to stop it if it can, that I would not support this legislation if I knew it would block every opportunity whatsoever for me ever again to return to Congress. I am that sincere in opposing this piece of legislation.

Mr. O'HARA of Illinois. Would the gentleman then request the Republican Members of the Senate who voted for this bill to leave the Republican Party and join the Socialist Party?

Mr. VURSELL. No; and I do not believe that any considerable number of Members of the Senate, either Republicans or Democrats, wish to follow socialistic trends. I think some, maybe many of them may not feel this proposed legislation is socialistic. I as one Member of this Congress think it is.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to my able friend and colleague.

Mr. CHURCH. I wish to commend the gentleman for his courage. I wish to say to the gentleman from Illinois [Mr. O'HARA] that it does take courage for the gentleman from Illinois [Mr. VURSELL] to make this statement. I am glad I made a statement something along the same lines before the Committee on Rules the other day. I did it because this year the bill has about $10,000,000 more of this so-called socialistic "give-me-ism" in it than did the bill which the Committee on Rules was able to hold in its committee a year ago, when it found out the nature of the bill. Then, thereafter, in the other body that kind of legislation was abandoned.

I am sure when the gentleman's thoughts go out to the public and when they find out what is in this bill, they will appreciate the courage of the gentleman from Illinois who is now speaking.

Mr. VURSELL. I thank the gentleman. I have a considerable knowledge of Chicago, the home of the distinguished former Lieutenant Governor of Illinois [Mr. O'HARA], my good friend for many years back. I remember back when he was Lieutenant Governor of Illinois in 1915 when I was a member of the Illinois House of Representatives. That goes back some 33 years ago.

Mr. O'HARA of Illinois. I have a profound respect and great affection for the gentleman from Illinois who is now speaking.

Mr. VURSELL. I have always had a very high regard for the gentleman from Illinois [Mr. O'HARA], who is now an honored Member of this House. But let us take the Chicago situation. I remember the days of Mayor of Chicago Big Bill Thompson, the builder, then there followed Mayor Cermak, and then followed Mayor Kelly. All of them could have helped prevent these slums by enforcing the public-health laws compelling property owners to keep their buildings in good repair and in sanitary condition. But they did not do it. I will tell you what they did do, though. They had such extravagant administrations, all of them, Republicans and Democrats alike, that they got their tax rates higher and higher each year until everybody who wants to build moves out of Chicago to the suburbs where there is better government and lower taxes.

The SPEAKER. Under previous order of the House, the gentleman from Nebraska [Mr. O'SULLIVAN] is recognized for 20 minutes.

THE LATE WILLIS GRANTZ SEARS

Mr. O'SULLIVAN. Mr. Speaker, pursuant to the request granted to me yesterday to address the House for 20 minutes, I arise today to announce to the House of Representatives that one of our former splendid Members, Judge Willis Grantz Sears, has died. As many of you will doubtless remember, he served for four terms, from 1922 to 1930, as Congressman from the Second Nebraska District, which district I now represent. He died at his home in Omaha, Nebr., on Wednesday, June 1, 1949.

By way of a biographical sketch for the permanent records of this House, I secured most of the following factual information respecting Willis Grantz Sears and the families of his father and mother from page 6 of the History of Nebraska:

He was born August 16, 1860, in Willoughby, Ohio, and was the son of Rev. Stephen S. Sears and Mary (Wilson) Sears. He was only about a year old when his father, a minister of the Methodist Episcopal Church, died. The widowed mother survived the husband of her youth and was 89 years old at the time of her death, in 1922. Both the Sears and Wilson families settled in the United States of America in the colonial period and both were represented by soldiers in the War of the Revolution. Mrs. Sears' maternal great-grandfather, James Wilson, served under General Washington and was with that great commander at Valley Forge. After the death of her husband, Mrs. Mary Wilson Sears returned to her former home at Meadville, Pa., where Willis G. Sears acquired his early education in the public schools. In 1879, when he was about 19 years old, the family came to Burt County, Nebr.

I am sure that the following, also from the afore-mentioned work, will be of historical interest to Nebraskans:

James E. Wilson, brother of Judge Sears' mother, was prominently associated with the development of the town site of Decatur, Nebr., and had the distinction of serving as first sheriff of Burt County, being appointed by Governor Burt, in whose honor the town was named. The area of Burt County at the time Mr. Wilson became its first sheriff was 80 by 120 miles, and the jurisdiction of the county for judicial and taxation purposes extended from the southern boundary of Burt County, Nebr., to the Canadian line, and from the Missouri River to the peak of the Rocky Mountains.

In the years 1882 and 1883, Willis G. Sears was a student in the law department of the University of Kansas, and in April 1884, at Tekamah, Nebr., county seat of Burt county, he was admitted to the bar. He continued in the active and successful practice of his profession of law at Tekamah, Nebr., until 1904. He served as county judge, member of the board of insanity, and on the school board, all of Burt County, and for 6 years, from 1895 to 1901, he was county attorney of Burt County, Nebr. He was an elected member of the Nebraska House of Representatives from 1901 to 1904, and was chosen as speaker of the house in the 1901 session. He also served three terms as mayor of Tekamah, Nebr. He was one of the elected judges of the district court from January 1904 to March 1923. He resigned his judicial office to enter upon his duties as Representative of the Second Nebraska Congressional District. He was elected to Congress as a Republican in November 1922. In 1924 he was reelected and again in 1926 and 1928 he was the choice of his district for a third and a fourth term. During his first term in Congress he was assigned to the House Committees on Claims, Contested Elections, Revision of Laws, and Expenditures of the Department of Justice. Judge Sears was a recognized leader of the Midwest Representatives in Congress. Expert students of politics and congressional activities gave much attention to him as chairman of the congressional bloc in the House of Representatives, which bloc numbered about 125 Members. The primary purpose of this bloc was to secure legislation and appropriations for the improvement and navigation of the Missouri River and with incidental flood control of western rivers. The bloc endorsed the passage of an amendment to the rivers and harbors bill in the House of Representatives, accepting the principles of navigation of the Missouri River from Kansas City to Sioux City, and the plan in full embraced improvements and projects as far up the river as Fort Benton, Mont. After having been succeeded in Congress by Malcolm Baldridge, of Omaha, Nebr., he was elected again to the office of district judge and served as such for 16 additional years, from 1932 to 1948.

Judge Sears had his residence in Tekamah, Nebr., until 1915, and thereafter he took up his residence in Omaha, Nebr. He was a member of the Nebraska State Bar Association, a Knight Templar, and a thirty-second degree Scottish Rite Mason and Shriner, was a past exalted ruler of the Benevolent and Protective Order of Elks No. 39, of Omaha, Nebr., was a member of the Independent Order of Odd Fellows, and Loyal Order of Moose. He was an active member of the Omaha Chamber of Commerce, and as a citizen, lawyer, and public official, rendered distinctive service and was ever loyal to Nebraska and to the Nation.

Judge Sears in 1887 married Miss Belle V. Hoadley, of Turin, Iowa. Her death occurred in May 1902. Five children—Edgar A., Mabel (Mrs. Clifford Palin), Flora (Mrs. Harry A. Nelson), Sigsby S., and Charles—were born to them, and all but Charles survive him.

Judge Sears was a man of simple wants and desires. He had a fine sense of humor, was easy to approach, and was helpful at all times.

To borrow the language of that great poet John Boyle O'Reilly:

He was poor and free, and not rich and a slave. He realized that man's higher being was knowing and seeing and not having and toiling for more.

He knew the age-old secret that—

A man to be free must a poor man be, for unhappy is he who thrives; he fears for his ventures, his rent and debentures, his crops and his son and his wife.

Like a well-known saint of old he feared lest he be deprived by do-gooders of his precious heritage of poverty if he determined that poverty was his choice.

As a citizen of our Republic he was as unobtrusive as bluegrass, as shy as a violet, had a considerate, kindly and understanding mind, a good, stout heart, and the courage of a patriot if the occasion required it.

As a judge he possessed a marvelous knowledge of the law, and its basic purposes and eventual objectives. He had a fine judicial temperament, his decisions on the whole were most just and proper. The administration of justice to him was not a cruel, harsh, exacting thing as some judges whom I have known seem to think, but on the contrary to him it was a quiet, orderly, dignified search for the truth. The justice he dispensed was always tempered with mercy, because he always had in mind, what he termed "his own petty frailties and unworthiness."

He was very mindful of his family obligations and for many years after the death of his good wife he was both father and mother to his five children whom he reared up as good useful men and women.

He was a true graduate philosopher of the school of experience. He was an avid and fruitful reader and a poet in his own right, as these two poems of his will disclose:

HYMN TO LIFE SUPREME

Spirit of life supreme,
Pilot of life's wide stream,
Immortal of mortal;
Be thou a guide to me,
Till my bark finds the sea;
And I the portal.

There are wild storms abroad
Still 'neath the eye of God
That seek my undoing;
Oh, calm the turbulent,
That on such mischief's bent,
While still 'tis brewing.

Then shall I reach the goal;
Safe is the wandering soul
At voyage's closing.
With heart that undismayed;
With spirit unafraid;
All Thy disposing.

When I have reached the goal,
Home of the ever soul,
With journey ended,
Will I full life enjoy,
Will I all gifts employ,
With all good, blended.

Peace with the life supreme;
Following the fitful dream—
Where naught's confusion.
Life where there is no bound;
Where all that is, is found;
Without conclusion.

—*Willis G. Sears.*

REINCARNATION

Dark storm clouds lowered, and snow beat fiercely down,
Cold nipping weather settled far and near;
Old Mother Nature donned her crystal crown,
And all without was chill, and ice and drear.
A snowflake came from out the frozen north,
O'er cheerless wastes and drifts 'twas borne along;
It felt its way through others back and forth,
A fleecy atom, in a countless throng.
And then it chose to fold its hands, and rest
Beside the dried stock of a withered flower;
Well knowing that soon it could give its best,
And add to beauty for a passing hour.
The warm sun came, and touched all that was wild;
A rose burst forth with fragrance for a child.

—*Willis G. Sears.*

It has been observed by some students of human nature, and perhaps correctly, that every man and every woman ceases to be interesting when one is able to discover their limitations. From the time I first met Willis G. Sears as one of my teachers when I was a law student at Creighton University, Omaha, Nebr., in September 1907 until I said good-by to him at a testimonial dinner, which I, as then president of the Omaha Bar Association caused to be tendered to him upon his retirement as district judge, he was always interesting. He was one of the most interesting men whom I have ever known.

He was fortunate indeed not to have been taken from this world in the wonderful childhood days, or in the days of youth and manhood, or in the days of middle life, "like a toiler dead on the hillside before the heighth was won or a workman dead on the building before the work was done," or in the more complete period of life, but it was his and Nebraska's good fortune to be called to rest after he had enjoyed a full, complete and useful life and while still in the full possession of his faculties and able to be about almost up to the end without troubling anyone or needing any physical help or assistance.

His life span, in my opinion, covered the most interesting and wonderful period in the known history of the world, and he added much to the spheres of life in which he moved. He was not only a receiver but was an unselfish bountiful giver always.

Very few of us, I am sure, give very much approval to this claimed last writing of Robert Ingersoll:

Is there beyond the silent night an endless day?
Is death a door that leads to light? We cannot say.
The tongueless secret locked in fate we do not know,
We hope, only hope and wait.

When the cold hand of death stills a friend, or someone else who perhaps is nearer and dearer to us, it is a good time, I think, to take stock of our own past actions. The cryptic words "he was born and he died" await all of us also, and if one does not have a well-founded belief in a life hereafter then death is a terrible, a frightful, a monstrous thing.

A great statesman once said:

If the longest and most fortunate life be not supplemented and perfected after its termination here, then he who dreads to die should fear to live, for life then is a tragedy more terrible, more inexplicable than death.

Judge Willis G. Sears had 88 years, 9 months, and 15 days allotted to him in which to prepare for that eternal life after death which he became a potential heir to at his birth. God was generous indeed to him to allow him all that time for preparation, for his rebirth into that unseen and most coveted land called heaven, where there is no old age, where there are no material wants, and where man never survives his usefulness, where there is no more "gathering and sowing, grasping and losing or laboring and sleeping"—or any of the other earthly vexations and perplexities which flesh is also heir to.

To borrow the language of Charles Dickens, it is my hope that Judge Sears "has joined his Eternal Father—his Creator—and is now far beyond the twilight judgments of this world and far above its mists and obscurities."

As the great former Senator from Kansas, John J. Ingalls would put it: For him "the wrangle of the mart and the forum is over. His life's fitful fever has been spent and I hope, sincerely, that he sleeps well," or as another great author would say it:

He is dead but the end was fitting,
His life to the latest breath,
Was poured like wax on the chart of right,
And was sealed with the stamp of death.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. McGUIRE, for Wednesday, June 8, 1949, on account of attending funeral of Rev. Richard P. Morrisey at Wallingford, Conn.

To Mr. GILLETTE (at the request of Mr. GRAHAM), for 1 week, on account of official business.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. CHURCH) was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by Massachusetts commissioner of corporation and taxation, Henry F. Long, and if it exceeds the usual amount, I ask unanimous consent that notwithstanding the same it be inserted in the Appendix.

The SPEAKER. Notwithstanding and without objection, it is so ordered.

There was no objection.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government.

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 12. Joint resolution authorizing the President to proclaim the week in which

June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 28 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 8, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

678. A letter from the Secretary of Defense, transmitting a letter from the Acting Secretary of the Navy recommending the enactment of a proposed draft of legislation entitled "A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material"; to the Committee on Armed Services.

679. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill relating to the rights of the several States in lands beneath inland navigable waters and to the recognition of equities in submerged coastal lands adjacent to the shores of the United States, and for other purposes"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 240. Resolution for consideration of H. R. 4583, a bill relating to telephone and telegraph service and clerk hire for Members of the House of Representatives; with an amendment (Rept. No. 735). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 234. Resolution to authorize and direct the Committee on Armed Services to conduct thorough studies and investigations relating to matters involving the B-36 bomber, and for other purposes; with an amendment (Rept. No. 736). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1125. An act to amend section 16-415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony; without amendment (Rept. No. 737). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will; without amendment (Rept. No. 738). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1129. An act to amend section 16-416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure; without amendment (Rept. No. 739). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative, without amendment (Rept. No. 740). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated; without amendment (Rept. No. 741). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1133. An act to amend section 16-418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases; without amendment (Rept. No. 742). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 1134. An act to amend section 13-108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions; without amendment (Rept. No. 743). Referred to the House Calendar.

Mr. HARRIS: Committee on the District of Columbia. S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates; without amendment (Rept. No. 744). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 3368. A bill to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000; without amendment (Rept. No. 745). Referred to the House Calendar.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 4237. A bill to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia"; with an amendment (Rept. No. 746). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on the District of Columbia. H. R. 2437. A bill to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947; without amendment (Rept. No. 747). Referred to the Committee of the Whole House on the State of the Union.

Mr. THORNBERRY: Committee on Post Office and Civil Service. H. R. 459. A bill to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum, toxin, or analogous products for use in the treatment of domestic animals; with an amendment (Rept. No. 748). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Georgia: Committee on the District of Columbia. H. R. 2021. A bill to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia; without amendment (Rept. No. 753). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARDY: Committee on Armed Services. H. R. 3946. A bill to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study; with an amendment (Rept. No. 754). Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 4381. A bill to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; without amendment (Rept. No. 755). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Georgia: Committee on the District of Columbia. H. R. 4408. A bill to amend th act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty; without amendment (Rept. No. 756). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 4449. A bill to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army; without amendment (Rept. No. 757). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARDY: Committee on Armed Services. H. R. 4516. A bill to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy; without amendment (Rept. No. 758). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 4573. A bill to repeal certain obsolete provisions of law relating to the naval service; with an amendment (Rept. No. 759). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Armed Services. H. R. 4646. A bill to authorize the Secretary of the Army to lend certain property of the Department of the Army to national veterans' organizations for use at national youth tournaments; with an amendment (Rept. No. 760). Referred to the Committee of the Whole House on the State of the Union.

Mr. DEGRAFFENRIED: Committee on Armed Services. H. R. 4767. A bill to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes; with an amendment (Rept. No. 761). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. S. 646. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion; without amendment (Rept. No. 749). Referred to the Committee of the Whole House.

Mr. BRYSON: Committee on the Judiciary. S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary; without amendment (Rept. No. 750). Referred to the Committee of the Whole House.

Mr. BRYSON: Committee on the Judiciary. S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion; without amendment (Rept. No. 751). Referred to the Committee of the Whole House.

Mr. RIVERS: Committee on Armed Services. H. R. 4466. A bill removing certain restrictions imposed by section 2 of the act of March 8, 1888, on certain lands conveyed by such act to the trustees of Porter Academy; with an amendment (Rept. No. 752). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 5026. A bill to provide for the reimbursement of the States and their political subdivisions for the loss of tax revenue with respect to certain real property, and improvements thereon, acquired by the United States and used by the armed forces for recreational and welfare purposes; to the Committee on Public Lands.

H. R. 5027. A bill to require a premarital examination of all applicants for marriage licenses in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BATTLE:

H. R. 5028. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

H. R. 5029. A bill to provide that overages in postal clerks' accounts may offset shortages; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Florida:

H. R. 5030. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

By Mr. BENNETT of Michigan:

H. R. 5031. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. BURDICK:

H. R. 5032. A bill to adjust the rates of annuities for certain employees retired under the Civil Service Retirement Act of May 29, 1930, as amended, prior to April 1, 1948; to the Committee on Post Office and Civil Service.

By Mr. DAGUE:

H. R. 5033. A bill to provide that veterans in Army or Navy hospitals shall be admitted free to motion pictures shown at such hospitals; to the Committee on Veterans' Affairs.

By Mr. D'EWART:

H. R. 5034. A bill to authorize the taxation of Indian landholdings in the town of Lodge Grass, Mont., to assist in financing a municipal water supply and sewerage system; to the Committee on Public Lands.

By Mr. GOODWIN:

H. R. 5035. A bill to authorize a preliminary examination and survey of the Mystic River, Mass., for flood control, and for other purposes; to the Committee on Public Works.

By Mr. KEATING:

H. R. 5036. A bill to provide a correctional system for juvenile delinquents proceeded against in the courts of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 5037. A bill to place on the retired list certain commissioned officers of the Army who served during World War I; to the Committee on Armed Services.

By Mr. MILLS:

H. R. 5038. A bill designating the reservoir created by the construction of the Norfolk Dam in Baxter County, Ark., as Lake John Morrow; to the Committee on Public Works.

H. R. 5039. A bill designating the reservoir created by the construction of the Bull Shoals Dam in Baxter and Marion Counties, Ark., as Lake Tom Shiras; to the Committee on Public Works.

By Mr. MOULDER:

H. R. 5040. A bill to authorize the issuance of a stamp to commemorate the Old Tavern at Arrow Rock, Mo.; to the Committee on Post Office and Civil Service.

By Mr. MULTER:

H. R. 5041. A bill to amend the act entitled "An act to promote export trade, and for other purposes," approved April 10, 1918, to provide that no export trade association shall restrict any foreign buyer from dealing directly, or through an agent of his own selection, with any producer, manufacturer, or seller; to the Committee on the Judiciary.

By Mr. SIMPSON of Illinois:

H. R. 5042. A bill to amend section 23 (c) (1) (E) of the Internal Revenue Code, relating to the deductibility of taxes assessed for local benefits to land; to the Committee on Ways and Means.

H. R. 5043. A bill to amend the Commodity Credit Corporation Charter Act so as to increase the borrowing power of the Commodity Credit Corporation by $1,000,000,000, subject to certain conditions; to the Committee on Banking and Currency.

By Mr. SPENCE:

H. R. 5044. A bill to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes; to the Committee on Banking and Currency.

By Mr. WALTER:

H. R. 5045. A bill to amend section 811 (c) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. BIEMILLER:

H. R. 5046. A bill to amend the Public Health Service Act to support research and training in blindness and eye diseases, and to aid the States in the development of community programs for the control of blindness, eye diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN (by request):

H. R. 5047. A bill to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property; to the Committee on Veterans' Affairs.

By Mr. TALLE:

H. R. 5048. A bill to revive and reenact, as amended, the act entitled "An act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill," approved December 21, 1944; to the Committee on Public Works.

By Mr. MURPHY:

H. J. Res. 268. Joint resolution to authorize and request the President to undertake to mobilize at some convenient place in the United States an adequate number of the world's outstanding experts, and coordinate and utilize their services in a supreme endeavor to discover means of curing and preventing cancer; to the Committee on Foreign Affairs.

By Mr. AUCHINCLOSS:

H. J. Res. 269. Joint resolution creating a joint committee on the use of land by the armed forces; to the Committee on Rules.

By Mr. BENNETT of Florida:

H. J. Res. 270. Joint resolution proposing an amendment to the Constitution to provide for United States participation in a limited world government; to the Committee on the Judiciary.

By Mr. DINGELL:

H. J. Res. 271. Joint resolution approving the agreement between the United States and Canada relating to the Great Lakes-St. Lawrence Basin with the exception of certain provisions thereof, expressing the sense of the Congress with respect to the negotiation of certain treaties, providing for making the St. Lawrence seaway self-liquidating, and for other purposes; to the Committee on Public Works.

By Mr. HAYS of Arkansas:

H. Con. Res. 64. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. JUDD:

H. Con. Res. 65. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. RICHARDS:

H. Con. Res. 66. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. MANSFIELD:

H. Con. Res. 67. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. BYRNE of New York:

H. Con. Res. 68. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. PRIEST:

H. Con. Res. 69. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. VORYS:

H. Con. Res. 70. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. HALE:

H. Con. Res. 71. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. GWINN:

H. Con. Res. 72. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. JAVITS:

H. Con. Res. 73. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. ADDONIZIO:

H. Con. Res. 74. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. BATTLE:

H. Con. Res. 75. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. BENNETT of Florida:

H. Con. Res. 76. Concurrent resolution to announce United States policy on the United

Nations and on a limited world government; to the Committee on Foreign Affairs.

By Mr. CHATHAM:

H. Con. Res. 77. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. HARRISON:

H. Con. Res. 78. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. HOWELL:

H. Con. Res. 79. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. JACKSON of Washington:

H. Con. Res. 80. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. JACOBS:

H. Con. Res. 81. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. KEATING:

H. Con. Res. 82. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. LODGE:

H. Con. Res. 83. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. RIBICOFF:

H. Con. Res. 84. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. RODINO:

H. Con. Res. 85. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. Con. Res. 86. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. WHITE of California:

H. Con. Res. 87. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. TAURIELLO:

H. Con. Res. 88. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. GRANGER:

H. Con. Res. 89. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Res. 241. Resolution to provide for the consideration of H. R. 4007, a bill to amend the act entitled "An act to authorize the construction of experimental submarines, and for other purposes," approved May 16, 1947; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to increase the status of the representative to the Irish Republic to that of an ambassador; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Oklahoma, advocating that movie makers have an end at making the American Indian the villain in pictures and that the American Indian be displayed in pageantry and drama in his true light; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States to enact a bill requiring persons selling or disposing of cigarettes for profit by shipments in interstate commerce to furnish the taxing authority of the State to which shipped an invoice on each such shipment; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 5049. A bill for the relief of Severio Tavella; to the Committee on the Judiciary.

By Mr. BATES of Massachusetts:

H. R. 5050. A bill for the relief of Giovanni Langella, of Gloucester, Mass.; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 5051. A bill for the relief of Mrs. Juan Antonio Rivera, Mrs. Paul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria to the Committee on the Judiciary.

By Mr. CHELF:

H. R. 5052. A bill for the relief of F. L. McGary, of Breckinridge County, Ky.; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 5053. A bill for the relief of J. B. McCrary, Co., Inc., and for other purposes; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 5054. A bill authorizing the Secretary of the Interior to issue a patent in fee to Andrew White and Alice Scott W[illegible]e; to the Committee on Public Lands.

H. R. 5055. A bill authorizing the Secretary of the Interior to issue a patent in fee to Joseph B. Reddoor; to the Committee on Public Lands.

H. R. 5056. A bill authorizing the Secretary of the Interior to issue a patent in fee to Andrew White and Alice Scott White; to the Committee on Public Lands.

By Mr. HARRIS:

H. R. 5057. A bill for the relief of the Reynolds-Gammill Lumber Co.; to the Committee on the Judiciary.

By Mr. KING:

H. R. 5058. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 5059. A bill for the relief of Tanju M. Ergil; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1031. By Mr. GRAHAM: Petition of 38 residents of Vanport, Beaver County, Pa., in opposition to H. R. 4238 and H. R. 4349, to provide that unclaimed animals in the pound of the District of Columbia be made available to licensed institutions for scientific purposes; to the Committee on the District of Columbia.

1032. By Mr. PRICE: Resolution of the Senate of the Sixty-sixth General Assembly of the State of Illinois, urging Congress to enact H. R. 4391 and H. R. 4398, which would authorize the coinage of 500,000 silver 50-cent pieces in commemoration of a century of railroad operations out of Chicago; to the Committee on Banking and Currency.

1033. By Mr. SMITH of Wisconsin: Petition of sundry citizens of Kenosha, Wis., protesting against House bill 4238 and 4349; relating to turning over animals in the District of Columbia dog pound for vivisection; to the Committee on the District of Columbia.

1034. Also, petition of sundry citizens of Racine, Wis., protesting against the passage of H. R. 4238 and H. R. 4349, relating to turning over animals in the District of Columbia dog pound for vivisection; to the Committee on the District of Columbia.

1035. By Mr. WADSWORTH: Petition of the New York Society, Sons of the American Revolution, for an investigation of subversive textbooks and teaching materials; to the Committee on Rules.

1036. By the SPEAKER: Petition of Maine Dental Hygienists' Association, Augusta, Maine, requesting the Congress not to enact any legislation which will hamper freedom, such as proposed in the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1037. Also, petition of Health and Accident Underwriters Conference, Chicago, Ill., going on record as being opposed to any form of compulsory disability or medical-care insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

1038. Also, petition of Medical Society of the County of Warren, Glens Falls, N. Y., stating their opposition to S. 5, H. R. 783, and H. R. 345 and any other present or future bills embodying the compulsory health insurance principle; to the committee on Interstate and Foreign Commerce.

1039. Also, petition of Northern District Dental Society, Atlanta, Ga., requesting Congress not to enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1040. Also, petition of city and county clerk, Honolulu, T. H., petitioning consideration of their resolution with reference to affording monetary relief and restitution for the owners of property damaged by the flooding of Palolo Stream; to the Committee on the Judiciary.

1041. Also, petition of the chairman of Dáil Éireann, Dublin, Ireland, placing on record its indignant protest against the introduction in the British Parliament of legislation purporting to endorse and continue the existing partition of Ireland; to the Committee on Foreign Affairs.

1042. Also, petition of Ethel Wilson and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1043. Also, petition of Mrs. Zeta Mary Simpson-Smith and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1044. Also, petition of C. B. Adams, Bayamon, P. R., petitioning redress of grievance relative to an invention known as photogrammetry or aerosurveying, and his application for patent thereon; to the Committee on the Judiciary.

1045. Also, petition of Miss Frances Eddy Curtiss, Dames of the Loyal Legion of the United States of America, Detroit, Mich., stating opposition to any weakening of our national security by any change in the present two-thirds Senate treaty confirmation requirement of the Constitution; to the Committee on the Judiciary.

1046. Also, petition of Daisy D. Wilson, Wichita, Kans., relative to her redress of grievance in reference to the case of Daisy D. Wilson against Ralph S. Hinman and others; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 8, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of all men, at noontide amidst the clamor of busy concerns and cares, for this hallowed moment we seek a quiet cloister of the soul, where spirit with spirit may meet. In this anguished day of the world's confusion and uncertainty, we pray that our own hearts may be purged and purified as we face the high demands of public good committed to our keeping. Override the errors of our faulty judgment. In these perilous times, through the sincere expression of differing appraisals, may the final wisdom that charts the Nation's course be higher than our own. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 7, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 7, 1949, the President had approved and signed the act (S. 900) to amend the Commodity Credit Corporation Charter Act, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 584) for the relief of Rudolf A. V. Raff, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 191) for the relief of Louis J. Waline, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 579. An act to permit the motor vessel *FLB–5005* to engage in the fisheries;

H. R. 601. An act for the relief of Kenelm E. Rucker;

H. R. 605. An act for the relief of the estate of James B. Stirling, deceased;

H. R. 701. An act for the relief of Dolan Calcutt;

H. R. 766. An act for the relief of John F. Galvin;

H. R. 1023. An act for the relief of Lois E. Lillie;

H. R. 1065. An act for the relief of the estate of James Lander Thomas;

H. R. 1069. An act for the relief of Albert Burns;

H. R. 1075. An act for the relief of Harry C. Metts;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1285. An act for the relief of the legal guardian of Lena Mae West, a minor;

H. R. 1289. An act for the relief of Romulus Oscar Bean, Jr.;

H. R. 1446. An act for the relief of Conrad L. Wirth;

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1499. An act for the relief of John K. Jackson;

H. R. 1505. An act for the relief of Harry Warren;

H. R. 1598. An act for the relief of D. A. Sullivan & Sons, Inc., and Thomas F. Harney, Jr., doing business as Harney Engineering Co.;

H. R. 1603. An act for the relief of Walter P. Gardner, sole surviving trustee of the property of the Central Railroad Co. of New Jersey;

H. R. 1604. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc.;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 1672. An act for the relief of Jack Phillips;

H. R. 1701. An act for the relief of Mrs. Vesta Meinn and Mrs. Edna Williams;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2224. An act for the relief of the Winona Machine & Foundry Co., a corporation of Winona, Minn.;

H. R. 2471. An act for the relief of Walt W. Rostow;

H. R. 2709. An act for the relief of Sadae Aoki;

H. R. 2785. An act to provide for further contributions to the International Children's Emergency Fund;

H. R. 3461. An act for the relief of Lester B. McAllister and others;

H. R. 3665. An act for the relief of Mrs. Josephine Wagnon Walker;

H. R. 3751. An act to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota;

H. R. 3982. An act to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the desert laboratory experimental area of the southwestern forest and range experiment station, and for other purposes;

H. R. 4094. An act for the relief of Bunge North American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp.;

H. R. 4097. An act for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams;

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi;

H. R. 4419. An act for the relief of George H. Whike Construction Co.;

H. R. 4792. An act for the relief of Harry Fuchs; and

H. R. 4807. An act for the relief of Robert A. Atlas.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 30. An act to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service;

S. 213. An act to provide for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training;

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 715. An act to amend the Agricultural Act of 1948;

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1217. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C., and for other purposes;

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest; and

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Myers
Anderson	Hunt	Neely
Baldwin	Ives	O'Conor
Bricker	Jenner	O'Mahoney
Butler	Johnson, Tex.	Pepper
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Saltonstall
Donnell	Kerr	Schoeppel
Douglas	Kilgore	Smith, Maine
Eastland	Langer	Sparkman
Ecton	Lodge	Taft
Ferguson	Long	Taylor
Flanders	Lucas	Thomas, Okla.
George	McCarran	Thomas, Utah
Gillette	McCarthy	Thye
Graham	McClellan	Tobey
Green	McFarland	Tydings
Hendrickson	McKellar	Wherry
Hill	Martin	Williams
Hoey	Maybank	Withers
Holland	Mundt	Young

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Montana [Mr. MURRAY] are detained on official business in meetings of committees of the Senate.

The Senator from Rhode Island [Mr. McGRATH] is absent on public business.

The Senator from Connecticut [Mr. McMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Idaho [Mr. MILLER], the Senator from Mississippi [Mr. STENNIS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], and the Senator from Kansas [Mr. REED] are detained on official business at a meeting of the Committee on Appropriations.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER], the Senator from Nevada [Mr. MALONE], and the Senator from Oregon [Mr. MORSE] are detained on official business.

The Senator from Wisconsin [Mr. WILEY] is detained on official committee business.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators desiring to introduce bills and joint resolutions and submit routine matters for the RECORD, as though we were in the morning hour, may be permitted to do so, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, the annual report of the Department of Justice for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on the Judiciary.

PURCHASE OF RESTRICTED LANDS OF INDIVIDUAL INDIANS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the United States to purchase restricted lands of individual Indians, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 26

"Joint resolution requesting the Congress of the United States of America to pass legislation enabling the legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue sewer bonds

"Whereas the city and county of Honolulu, in 1947, commenced a program of public improvements, including the construction of the first phase of the sewerage systems in the city of Honolulu, which was delayed by World War II; and

"Whereas such sewerage systems are necessary and essential to the health, safety, and welfare of the people of the city and county of Honolulu; and

"Whereas, pursuant to authority given by Public Law 200 (80th Cong., 1st sess.), approved July 18, 1947, the said city and county of Honolulu did issue sewer bonds in the total sum of $6,500,000 in 1948 and 1949 to finance the construction of the first phase of the sewerage systems in the city of Honolulu, amounting approximately to one-half of the trunk sewers and pumping stations actually needed for the sewerage systems in the city of Honolulu; and

"Whereas the said city and county of Honolulu proposes and desires to continue the construction of the sewerage systems by commencing the construction of the second phase of the sewerage systems in the city of Honolulu in 1950 and 1951, and such second phase is estimated to cost approximately $4,500,000; and

"Whereas the limitations on bonded indebtedness as set forth in the Hawaiian Organic Act and the Revised Laws of Hawaii, 1945, forbid the city and county of Honolulu to make further bond issues to finance the construction of the second phase of the sewerage systems in the city of Honolulu, without the consent and approval of the legislature of the Territory of Hawaii and the Congress of the United States; and

"Whereas it shall be a loss to the city and county of Honolulu and a danger to the health, safety, and welfare of the people of the city and county of Honolulu to cause an interruption and delay in the completion of such sewerage system construction program: Now therefore

"Be it enacted by the legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it hereby is, requested through the Delegate to Congress from the Territory of Hawaii to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act, of any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, to authorize the board of supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $4,500,000 for construction of the sewerage systems in the city of Honolulu and to that end the Congress of the United States of America is hereby requested and urged, through said Delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds

"*'Be it enacted, etc.*, That the Legislature of the Territory of Hawaii, any provisions of the Hawaiian Organic Act, of any laws of the Territory of Hawaii, or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $4,500,000 for the purpose of enabling it to construct sewerage systems in the city of Honolulu.

"'SEC. 2. The bonds issued under authority of this act may be either term or serial bonds, maturing, in the case of term bonds, not later than 30 years from the date of issue thereof, and, in the case of serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 3. Act 270 of the Session Laws of Hawaii, 1949, pertaining to the issuance of sewer bonds, as authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however,* That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvements authorized by such legislation and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. That certified copies of this resolution be transmitted to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States of America, to the Secretary of the Interior, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 24th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

"Joint Resolution 30

"Joint resolution requesting Congress of the United States of America to enact a bill enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings

"Whereas the city and county of Honolulu is prepared to initiate a program of public improvements, interrupted and delayed by the war; and

"Whereas it is the desire of the Territory of Hawaii to aid, assist, and cooperate with the city and county in its program of public improvements; and

"Whereas the limitation on bonded indebtedness as set forth in the Hawaiian Organic Act and the Revised Laws of Hawaii, 1945, as amended, limits the city and county in the issuance of bonds to finance such public improvements; and

"Whereas it is needful that such public improvements be constructed: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be, and it hereby is, requested, through the Delegate to Congress from the Territory of Hawaii to enact legislation which will enable the Territory of Hawaii, any provision of the Hawaiian Organic Act or of any act of this Congress to the contrary notwithstanding, to authorize the board of supervisors of the city and county of Honolulu to issue general obligation bonds in the sum of $1,000,000 for the purpose of defraying the cost of the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings and to that end, the Congress of the United States of America is hereby requested and urged,

through said Delegate to Congress, to adopt a bill in substantially the following form, to wit:

"'An act to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue bonds for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings

"'*Be it enacted, etc.*—

"'SECTION 1. That the Legislature of the Territory of Hawaii, any provision of the Hawaiian Organic Act or of any act of this Congress to the contrary notwithstanding, may authorize the city and county of Honolulu, a municipal corporation of the Territory of Hawaii, to issue general obligation bonds in the sum of $1,000,000 for the purpose of defraying the city and county's share of the cost of public improvements constructed pursuant to improvement district proceedings.

"'SEC. 2. The bonds issued under the authority of this act shall be serial bonds, payable in substantially equal annual installments, the first installment to mature not later than 5 years from the date of the issue of such series and the last installment to mature not later than 30 years from the date of such issue. Such bonds may be issued without the approval of the President of the United States.

"'SEC. 3. Act 375 of the Session Laws of Hawaii, 1949, pertaining to the issuance of bonds authorized by this act, is hereby ratified and confirmed subject to the provisions of this act: *Provided, however*, That nothing herein contained shall be deemed to prohibit the amendment of such Territorial legislation by the Legislature of the Territory of Hawaii from time to time to provide for changes in the improvement district proceedings contemplated by this act and for the disposition of unexpended moneys realized from the sale of said bonds.'

"SEC. 2. This joint resolution shall take effect upon its approval.

"Approved this 25th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A resolution adopted by the Board of Chosen Freeholders, of Passaic County, N. J., favoring the enactment of House bill 1356, creating a Commission on Federal Reimbursement to States and local governments by reason of Federal ownership of improved and unimproved real property; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Harvey-Howe-Carper Post No. 30, the American Legion, of Radford, Va., favoring extension of time during which readjustment allowances may be paid until July 25, 1954; to the Committee on Labor and Public Welfare.

A resolution adopted by the American Academy of Restorative Dentistry of Chicago, Ill., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

AMBASSADOR TO THE IRISH REPUBLIC—RESOLUTIONS OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. LODGE. Mr. President, on behalf of my colleague [Mr. SALTONSTALL] and myself, I present for appropriate reference resolutions adopted by the General Court of the Commonwealth of Massachusetts, memorializing the Secretary of State to raise the status of the American representative to the Irish Republic from that of Minister to that of Ambassador. I merely wish to add the expression of my own personal hope that this well-merited increase in rank will be accorded as a gesture of friendship to the Irish Republic.

The resolutions were referred to the Committee on Foreign Relations, as follows:

Resolutions memorializing the honorable Secretary of State of the United States to increase the status of the representative to the Irish Republic to that of an Ambassador

Whereas the ancient and honorable country of Ireland was formally proclaimed a free, independent, and sovereign republic on the historic day of Easter Monday, 1949; and

Whereas the Commonwealth of Massachusetts and the people thereof have always maintained the closest ties with the Irish nation: Therefore be it

Resolved, That the General Court of Massachusetts respectfully urges the honorable the Secretary of State of the United States in order to accord the proper recognition to the new Irish Republic, to increase the present status of the United States representative from that of a Minister to an Ambassador; and it be it further

Resolved, That copies of these resolutions be sent forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, to the Members thereof from this Commonwealth and the honorable the Secretary of State of the United States.

In house of representatives, adopted, May 26, 1949.

LAWRENCE R. GROVE,
Clerk.

In senate, adopted, in concurrence, June 1, 1949.

IRVING N. HAYDEN,
Clerk.

The PRESIDENT pro tempore laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on Foreign Relations.

RESERVE REQUIREMENTS OF NONMEMBER BANKS AND CONTROLS OF CONSUMER CREDIT—RESOLUTION OF NEBRASKA BANKERS ASSOCIATION

Mr. BUTLER. Mr. President, I present for appropriate reference a resolution adopted by the Federal legislative committee of the Nebraska Bankers Association, relating to reserve requirements of nonmember banks and controls over consumer credit, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE FEDERAL LEGISLATIVE COMMITTEE OF THE NEBRASKA BANKERS ASSOCIATION ON MAY 27, 1949, AND APPROVED BY THE EXECUTIVE COUNCIL OF THE NEBRASKA BANKERS ASSOCIATION

Whereas there is now pending before Congress Senate bill No. 1775 which will subject insured nonmember banks to the reserve requirements promulgated by the Federal Reserve Board and Senate Joint Resolution No. 87 covering controls over consumer credit; and

Whereas passage of such measures will make permanent the temporary power of the Federal Reserve Board to regulate reserve requirements of its member banks and continue the consumer credit controls expiring June 30, 1949; and

Whereas in our opinion enactment of this legislation would constitute unwarranted infringement upon the legislative functions of the sovereign States; it would constitute a serious threat to the dual banking system of our Nation; it would transfer permanently legislative function from the Congress to the executive branch of the Government; and

Whereas continuation of these emergency measures is not warranted due to the present abatement of inflation, nor is a broadening of the powers of the Federal Reserve Board to the interest of the economy of the country: Now, therefore, be it

Resolved, That the Federal legislative committee of the Nebraska Bankers Association respectfully urges our congressional delegation to strongly oppose such proposed legislation or any substitute or continuing bill or resolution.

Federal Legislative Committee: O. A. Riley, Chairman, President, Hastings National Bank, Hastings; Wm. N. Mitten, President, Stephens National Bank, Fremont; R. W. Trefz, President, Beatrice State Bank, Beatrice; Rolland Larmon, President, First National Bank, McCook; Earl H. Wilkins, President, Geneva State Bank, Geneva.

Approved:

The Executive Council: J. R. Kenner, President, Thayer County Bank, Hebron; A. L. Vickery, Vice President, United States National Bank, Omaha; Glen T. Gibson, President, Exchange Bank, Gibbon; J. O. Peck, President, Central National Bank, Columbus; Charles Novak, President, Bank of Brainard, Brainard; H. H. Echtermeyer, Vice President, Live Stock National Bank, Omaha; Fred S. Aldrich, Vice President, Continental National Bank Lincoln; H. W. Schepman, Vice President, Johnson County Bank, Tecumseh; James Zoubek, President, Stanton National Bank, Stanton; W. H. Munger, Executive Vice President, First National Bank, North Platte; W. J. Stafford, President, Scottsbluff National Bank, Scottsbluff; A. Thuman, President, State Bank of Trenton, Trenton; J. F. Davis, Vice President, First National Bank, Omaha; Burnham Yates, Vice President, First National Bank of Lincoln; W. H. Pierce, President, First National Bank, Shelby, First National Bank, Osceola.

NATIONAL HEALTH PROGRAM—RESOLUTION OF HOUSE OF DELEGATES, OHIO STATE MEDICAL ASSOCIATION

Mr. BRICKER. Mr. President, I present for appropriate reference a resolution adopted by the House of Delegates of the Ohio State Medical Association, of Columbus, Ohio, relating to various phases of the national-health program, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE HOUSE OF DELEGATES, OHIO STATE MEDICAL ASSOCIATION, COLUMBUS, OHIO, APRIL 21, 1949

We, the house of delegates of the Ohio State Medical Association, composed of duly elected representatives of the association's 88 component county medical societies, with an aggregate membership of approximately 7,400 doctors of medicine, in annual session in Columbus, Ohio, April 19–22, 1949, officially endorse the following statement of policy with respect to proposals and programs dealing with the health of the people of Ohio and the Nation at large:

1. We reendorse the 25 point health program for Ohio, adopted by the house of delegates of this association on May 6, 1946. This program pledges the facilities and active support of the medical profession to sound and constructive activities to find solutions for problems in the following fields: Economic improvement, improved housing, malnutrition, sanitation, smoke abatement, communicable diseases, venereal diseases, tuberculosis control, health education, physical examinations, cancer and chronic diseases, mental diseases, rehabilitation of the handicapped, recreation facilities, school health, industrial health, medical care of the needy, State and local health department services, maternal and child-health services, hospital facilities, prepaid medical-care plans, prepaid hospital-care plans, care of the disabled veterans, rural health, and medical education.

2. We endorse the new 12-point program of the American Medical Association, which charts for the Nation activities which parallel those enumerated above. We pledge the active support of the Ohio State Medical Association to positive programs which are being launched to achieve the objectives of the AMA program.

3. We endorse the action of the house of delegates of the American Medical Association in requesting members to make a financial contribution to a Nation-wide public educational campaign and urge all members of the Ohio State Medical Association to pay the $25 AMA per capita assessment which has been levied for that purpose.

4. We endorse and support, particularly, efforts being made to bring about rapidly the further development and wider coverage of those voluntary medical and hospital insurance plans which will provide the people of Ohio and elsewhere with good protection against the costs of illness.

5. We endorse in principle, and will support, properly drafted legislation, State and National, which may be deemed necessary to carry out the recommendations of the programs of the Ohio State Medical Association and the American Medical Association.

6. We are opposed to proposals which would establish a National or State system of political medical or hospital care. Specifically, we are opposed to any system of compulsory sickness or health insurance. We pledge the association to efforts to defeat such legislation now pending in the Congress and similar measures which may be introduced at any future time.

7. We are confident that the benefits of modern medical and health services can be made available to all Americans through the initiation and development of voluntary programs and through safe and sane activities of governmental agencies in fields which are the proper function and responsibilities of government. On the other hand, we are convinced that costly, compulsory, bureaucratic, political schemes will force the American people to accept substandard medical and health services, the inevitable result of state socialism which experiences in other nations confirm.

PROPOSED REPEAL OF TAFT-HARTLEY LABOR LAW—RESOLUTION OF PENNSYLVANIA STATE FEDERATION OF LABOR

Mr. MYERS. Mr. President, I present for appropriate reference a resolution adopted by the Pennsylvania State Federation of Labor, relating to the proposed repeal of the Taft-Hartley labor law, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

Resolution 20

Whereas the Taft-Hartley Act and the Labor Relations Act of the Eightieth Congress in 1947 has weakened and partly destroyed the functions of the Department of Labor and its services to both management and labor; and

Whereas there has been widespread disorder and dissatisfaction throughout the land since the enactment of these acts: Therefore be it

Resolved, That the Pennsylvania State Federation of Labor in convention assembled demand the repeal of the Labor-Management Relations Act of 1947, the reenactment of the Wagner Labor Relations Act; the passage of the amendment of the Fair Labor Standards Act as proposed in committee print of January 20, 1949, House Committee on Education and Labor, and in S. 563, introduced by Senator THOMAS; and the return of the Conciliations Service and all other Federal agencies which deal with labor to the United States Department of Labor; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, and the two Senators from Pennsylvania; and be it further

Resolved, That a copy of this resolution be forwarded to President Green, of the American Federation of Labor, and a copy to be presented to the coming convention of the American Federation of Labor.

Submitted by International Molders and Foundry Workers, Local 1, Philadelphia, Pa.

WILLIAM R. HAYS,
Secretary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. KERR, from the Committee on Interior and Insular Affairs:

H. R. 2989. A bill to incorporate the Virgin Islands Corporation, and for other purposes; with amendments (Rept. No. 477).

PROCUREMENT AND DISPOSAL OF GOVERNMENT PROPERTY—REPORT OF A COMMITTEE

Mr. McCLELLAN. Mr. President, from the Committee on Expenditures in the Executive Departments, I report an original bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, and I submit a report (No. 475) thereon.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2020) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, was read twice by its title, and ordered to be placed on the calendar.

INTERNATIONAL REFUGEE ORGANIZATION—REPORT OF A COMMITTEE (REPT. NO. 476)

Mr. O'CONOR. Mr. President, from the Committee on Expenditures in the Executive Departments, I submit, pursuant to Public Law 601, Seventy-ninth Congress, a report on the International Refugee Organization, which was prepared by the Subcommittee on Relations with International Organizations.

The PRESIDENT pro tempore. The report will be received and printed.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 8, 1949, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 30. An act to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occuring incident to their service;

S. 213. An act to provide for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training;

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 715. An act to amend the Agricultural Act of 1948;

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C., and for other purposes;

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of of their contributions with interest; and

S. J. Res. 12. Joint resolution authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversay of the death of Patrick Henry.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN:

S. 2012. A bill for the relief of Mrs. Jenti Zilberberg;

S. 2013. A bill for the relief of Victor Alexandrovitch Martinuk; and

S. 2014. A bill for the relief of Anna Tobolik and her children, Teresa, Kornelia, and Peter Tobolik; to the Committee on the Judiciary.

By Mr. LONG:

S. 2015. A bill to direct the Chief of Engineers to fill a portion of a canal in Lake Providence, La.; to the Committee on Public Works.

By Mr. McFARLAND (for himself and Mr. HAYDEN):

S. 2016. A bill for the relief of Mr. and Mrs. Charles R. Proctor; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 2017. A bill to direct the Secretary of Agriculture and the Secretary of the Army to transfer and convey certain lands and thereby facilitate administration and give proper cognizance to the highest use of United States lands; to the Committee on Agriculture and Forestry.

S. 2018. A bill to authorize advancements to and the reimbursement of certain agencies of the Treasury Department for services performed for other Government agencies, and for other purposes; to the Committee on Expenditures in the Executive Departments.

(Mr. McCLELLAN (by request) also introduced Senate bill 2019, creating a Veterans' Insurance Corporation to perform the functions now vested in the Administrator of Veterans' Affairs with respect to Government life insurance and national service life insurance, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported an original bill (S. 2020) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, which was ordered to be placed on the calendar, and appears under a separate heading.)

(Mr. WILEY introduced Senate bill 2021, to provide for the issuance of medals for meritorious service to Federal employees engaged in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. McFARLAND (for himself, Mr. HAYDEN, Mr. McCARRAN, Mr. THOMAS of Utah, Mr. MURRAY, Mr. FERGUSON, Mr. WATKINS, Mr. CHAVEZ, Mr. MALONE, Mr. AIKEN, Mr. ANDERSON, and Mr. JOHNSON of Colorado):

S. 2022. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Finance.

Mr. SPARKMAN (for himself and Mr. HILL):

S. 2023. A bill for the relief of Moody L. Smitherman, Jr., a minor, and Moody L. Smitherman; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2024. A bill for the relief of Mary Thomas Schiek; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 2025. A bill to authorize the appointment of doctors of chiropractic in the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Labor and Public Welfare.

By Mr. BRICKER:

S. J. Res. 104. Joint resolution designating September 17 of each year as Constitution Day and I Am an American Day; to the Committee on the Judiciary.

VETERANS' INSURANCE CORPORATION

Mr. McCLELLAN. Mr. President, I introduce for appropriate reference a bill to create a Veterans' Insurance Corporation to perform the functions now vested in the Administrator of Veterans' Affairs with respect to Government life insurance and national service life insurance. The bill is one of particular importance and should receive a great deal of study before any action is taken on it.

The bill (S. 2019) creating a Veterans' Insurance Corporation to perform the functions now vested in the Administrator of Veterans Affairs with respect to Government life insurance and national service life insurance, introduced by Mr. McCLELLAN (by request), was read twice by its title, and referred to the Committee on Finance.

ISSUANCE OF MEDALS TO CERTAIN FEDERAL LAW-ENFORCEMENT OFFICERS

Mr. WILEY. Mr. President, I introduce for appropriate reference a bill authorizing the issuance of medals by the President to certain Federal law-enforcement officers. I ask unanimous consent that the text of the bill be printed at this point in the RECORD, followed by a statement which I have prepared on the general theme.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill and statement presented by the Senator from Wisconsin will be printed in the RECORD.

The bill (S. 2021) to provide for the issuance of medals for meritorious service to Federal employees engaged in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal laws of the United States, introduced by Mr. Wiley, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the President is authorized to award, under such rules and regulations as he may prescribe, a medal of appropriate design to persons who have rendered or who hereafter render especially meritorious service in the performance of their duties as officers or employees of the United States who are primarily engaged in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the laws of the United States.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The statement presented by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY ON INTRODUCTION OF A RESOLUTION FOR GRANTING OF MEDALS IN HONOR OF MERITORIOUS SERVICE IN LINE OF DUTY BY UNITED STATES GOVERNMENT LAW-ENFORCEMENT AGENTS AND POLICE OFFICERS

Mr. President, I am introducing today a simple resolution which would set up a special category of medals to be issued by the President to individuals of various Government departments who distinguish themselves in the line of policy duty by their efficient work on behalf of the United States Government. These medals would be confined to those individuals involved not in routine Government service, but rather in cases involving the use of firearms and display of extraordinary courage and ingenuity in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the laws of the United States.

UNITED STATES BUREAUS AFFECTED

Among the Government bureaus which would be covered would of course be: The border patrol of the Immigration and Naturalization Service, the United States Customs Bureau, the intelligence units of the Treasury Department, Postal Inspection Service, the Federal Bureau of Investigation, the United States Secret Service, Army and Navy Intelligence, the Narcotics Service, etc.

TWENTY-FIFTH ANNIVERSARY OF BORDER PATROL

The United States border patrol has, for example, lost 43 men in line of duty during its 25 years of existence. This week marks the twenty-fifth anniversary of the establishment of the border patrol. Without detracting in any way from other Government agencies like the FBI (whose personnel and whose great Director, J. Edgar Hoover, have done magnificent work and whom I have previously commended on many occasions) I should like to cite the case of the border patrol in detail. Its some 1,200 men are handling an almost impossible burden, patrolling around 11,000 miles of coastline. Never before has it been so important that the United States apprehend illegal entries. During the last 10 months, 250,000 individuals have been apprehended by the border patrol for trying illegal entry. How many individuals came across our borders without being apprehended no man can say.

THE MOTION PICTURE, ILLEGAL ENTRY

I have commented on this matter in a statement placed on Monday, June 6, in the CONGRESSIONAL RECORD, on page 7224. At that time, I was glad to invite attention to an excellent motion picture, the Universal International semidocumentary film, Illegal Entry, whose world premiere will be held tonight in Washington. From all reports which I have received, this picture should be seen by every American not only as:

(a) An exciting film in its own right, but

(b) As a patriotic inspiration on the work of border-patrol officers; and

(c) As an education in this vital problem, illegal entries.

GIVING PRAISE WHERE PRAISE IS DUE

Ordinarily, I would not comment on a private motion picture, but I do feel that too often, we neglect to point out worth-while Hollywood films on worth-while subjects. Too often, too, we point out deficiencies in the public service and neglect to mention jobs well done by Government workers.

GIVING MEDALS AS RECOGNITION

With regard to my resolution on medals, right now, if a border patrol man loses his life in the line of duty, about the only thing that can be done and is being done is for the able Commissioner of Immigration Watson Miller to write a letter of commendation to the family. If the border-patrol man is still living, he can get a slight within-grade increase in pay. I do believe, however, that the United States Government should honor these peacetime soldiers just as it honors its wartime soldiers by various types of medals.

Of course, I would not want the medal idea to be abused by granting medals en masse. But I do believe that such an honor with its insignificant cost could help to improve employee morale in the above and other Government bureaus which are doing splendid and oftentime little known but terribly dangerous work.

FBI agents, Treasury agents, Immigration agents, will do a good job whether or not they receive medals for exceptional gallantry but there is none of us who does not appreciate a bit of recognition for tasks well performed.

ACQUISITION OF SITES FOR FEDERAL BUILDINGS—CORRECTIONS IN ENROLLED BILL

Mr. CHAVEZ. Mr. President, 2 or 3 days ago the Senate passed Senate bill 714, to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over

certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes. The enrolling clerk has found that there were some mispelled words in the House version of the bill which was passed by the Senate. I send to the desk a concurrent resolution, the purpose of which is to rectify those clerical errors, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The concurrent resolution will be read.

The legislative clerk read the concurrent resolution (S. Con. Res. 46), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 714) entitled "An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes," to make the following corrections in the House engrossed amendment, namely: On page 38 of the said engrossed amendment, in lines 21 and 22, respectively, strike out the word "Kaeser" and insert "Kaczor"; on page 43, in lines 20 and 24, respectively, and on page 44, in line 1, strike out the word "Marie" and insert "Mari"; and on said page 44, in line 12, strike out the word "Kaczar" and insert "Kaczor."

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF FINAL REPORT OF UNITED STATES DE SOTO EXPEDITION COMMISSION

Mr. PEPPER submitted the following concurrent resolution (S. Con. Res. 47), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed 1,000 copies of the final report of the United States De Soto Expedition Commission (H. Doc. No. 71, 76th Cong.) for the use of the Senate Document Room.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES—AMENDMENTS

Mr. BRICKER submitted amendments intended to be proposed by him to the bill (S. 52) to authorize the appointment of additional circuit and district judges, which were referred to the Committee on the Judiciary and ordered to be printed.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar:

H. R. 579. An act to permit the motor vessel *FLB–5005* to engage in the fisheries; to the Committee on Interstate and Foreign Commerce.

H. R. 601. An act for the relief of Kenelm E. Rucker;

H. R. 605. An act for the relief of the estate of James B. Stirling, deceased;

H. R. 701. An act for the relief of Dolan Calcutt;

H. R. 766. An act for the relief of John F. Galvin;

H. R. 1023. An act for the relief of Lois E. Lillie;

H. R. 1065. An act for the relief of the estate of James Lander Thomas;

H. R. 1069. An act for the relief of Albert Burns;

H. R. 1075. An act for the relief of Harry C. Metts;

H. R. 1127. An act for the relief of Sirkka Siiri Saarelainen;

H. R. 1285. An act for the relief of the legal guardian of Lena Mae West, a minor;

H. R. 1289. An act for the relief of Romulus Oscar Bean, Jr.;

H. R. 1446. An act for the relief of Conrad L. Wirth;

H. R. 1466. An act for the relief of Daniel Kim;

H. R. 1499. An act for the relief of John K. Jackson;

H. R. 1505. An act for the relief of Harry Warren;

H. R. 1598. An act for the relief of D. A. Sullivan & Sons, Inc., and Thomas F. Harney, Jr., doing business as Harney Engineering Co.;

H. R. 1603. An act for the relief of Walter P. Gardner, sole surviving trustee of the property of the Central Railroad Co. of New Jersey;

H. R. 1604. An act conferring jurisdiction upon the Court of Claims to hear and determine the claim of Breinig Bros., Inc.;

H. R. 1625. An act for the relief of Christine Kono;

H. R. 1637. An act for the relief of Mrs. Dora Fruman;

H. R. 1672. An act for the relief of Jack Phillips;

H. R. 1701. An act for the relief of Mrs. Vesta Meinn and Mrs. Edna Williams;

H. R. 2084. An act for the relief of Teiko Horikawa and Yoshiko Horikawa;

H. R. 2224. An act for the relief of the Winona Machine & Foundry Co., a corporation of Winona, Minn.;

H. R. 2471. An act for the relief of Walt W. Rostow;

H. R. 3461. An act for the relief of Lester B. McAllister and others;

H. R. 3665. An act for the relief of Mrs. Josephine Wagnon Walker;

H. R. 4094. An act for the relief of Bunge North-American Grain Corp., the Corporacion Argentina de Productores de Carnes, Herman M. Gidden, and the Overseas Metal & Ore Corp.;

H. R. 4097. An act for the relief of George M. Beesley, Edward D. Sexton, and Herman J. Williams;

H. R. 4419. An act for the relief of George H. Whike Construction Co.;

H. R. 4792. An act for the relief of Harry Fuchs; and

H. R. 4807. An act for the relief of Robert A. Atlas; to the Committee on the Judiciary.

H. R. 2709. An act for the relief of Sadae Aoki; and

H. R. 3751. An act to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota; ordered to be placed on the calendar.

H. R. 2785. An act to provide for further contributions to the International Children's Emergency Fund; to the Committee on Foreign Relations.

H. R. 3982. An act to authorize the Secretary of Agriculture to sell certain lands to the Sisters of St. Joseph in Arizona, Inc., of Tucson, Ariz., to consolidate the desert laboratory experimental area of the Southwestern Forest and Range Experiment Station, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 4261. An act authorizing the Secretary of the Interior to issue to L. J. Hand a patent in fee to certain lands in the State of Mississippi; to the Committee on Interior and Insular Affairs.

COMPULSORY NATIONAL HEALTH INSURANCE—ADDRESS BY SENATOR McCLELLAN

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an address on the subject of the proposed compulsory national health insurance law delivered by him before the National Conference of County Medical Society Officers at Atlantic City, N. J., on June 5, 1949, which appears in the Appendix.]

WHAT MAKES THEM COMMIES?—ARTICLE BY BENJAMIN GITLOW

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an article entitled "What Makes Them Commies?" written by Benjamin Gitlow and published in the American Legion magazine for June 1949, which appears in the Appendix.]

ONE HUNDRED PERCENT OF PARITY AND THE BRANNAN PLAN—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address entitled "I Am for 100-Percent Parity and the Brannan Plan," recently delivered by him, which appears in the Appendix.]

THE BRANNAN FARM INCOME SUPPORT PROGRAM—EDITORIAL FROM BISMARCK CAPITAL

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Congress Leans Toward Brannan Plan," published in the Bismarck (N. Dak.) Capital of May 27, 1949, which appears in the Appendix.]

HUMAN RIGHTS IN THE WESTERN HEMISPHERE—ADDRESS BY JACK B. TATE

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an address entitled "Human Rights in the Western Hemisphere," delivered by Mr. Jack B. Tate, acting legal adviser, Department of State, before the sixth conference of the Inter-American Bar Association, Detroit, Mich., May 26, 1949, which appears in the Appendix.]

JACKSON DAY DINNER ADDRESS BY ASSOCIATE JUSTICE OF THE SUPREME COURT OF HAWAII, LOUIS LE BARON

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD the address delivered by the Honorable Louis Le Baron, Associate Justice of the Supreme Court of Hawaii, to the Democratic Party of Hawaii at its Jackson Day dinner on February 24, 1949, in Honolulu, T. H., which appears in the Appendix.]

ADDRESS BY PAUL A. STRACHAN BEFORE AMERICAN FEDERATION OF PHYSICALLY HANDICAPPED

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by Paul A. Strachan, national president of the American Federation of the Physically Handicapped, before the Tri-State Conference of Handicapped, at Pittsburgh, Pa., on May 22, 1949, which appears in the Appendix.]

SOUTH DAKOTA—TODAY'S LAND OF OPPORTUNITY

[Mr. MUNDT asked and obtained leave to have printed in the RECORD statistics prepared by the Greater South Dakota Association relative to the State of South Dakota, which appear in the Appendix.]

THE UNEMPLOYMENT SITUATION

Mr. MARTIN. Mr. President, there is growing concern in many parts of the Nation over increasing unemployment.

In many States this situation threatens to reach serious proportions and it is not surprising that many people are fearful that we will soon be plunged into a depression.

I ask unanimous consent to insert in the RECORD as part of my remarks at this point a letter from Mr. August Hunger, of Erie, Pa., recording secretary of Local 616, United Electrical, Radio and Machine Workers of America, relative to the unemployment situation and my reply to his inquiry as to what the Senate is doing to keep the country out of a depression.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED ELECTRICAL, RADIO AND MACHINE WORKERS OF AMERICA, LOCAL 616,
Erie, Pa., June 6, 1949.

HON. EDWARD MARTIN.

DEAR SIR: Unemployment is increasing every day and a lot of people still working are on short timet, as little as 2 days a week.

We of Local No. 616 would like to know what Senate is doing to keep the country out of a depression. Please answer this as the members of our local would like a report on what Senate is doing about unemployment.

Thanking you in advance.

AUGUST HUNGER,
Recording Secretary.

JUNE 7, 1949.

Mr. AUGUST HUNGER,
Local 646, U. E. R. and M. Workers of America, Erie, Pa.

DEAR MR. HUNGER: This will acknowledge your letter of June 6, in which you ask what the Senate is doing to keep the country out of a depression.

Unfortunately, there is a great deal of unemployment throughout the country at the present time. In western Pennsylvania, particularly, many men and women have been laid off in recent months.

It has seemed to me that the future prosperity of our country is threatened mainly by three factors, namely:

(1) The anticipated flooding of American markets with foreign-made goods, produced in countries where wage levels are low.

(2) The present program of deficit financing by the Federal Government which will discourage more and more the investment of risk capital in new industries and for the expansion of existing companies. The lack of confidence in administration policies already has caused serious losses in the market value of American firms. The presidential request for new and burdensome taxes, the refusal of the administration to lower existing excise taxes and other onerous levies, and the failure of the Democratic leadership to allow appropriation cuts when waste and extravagance in the executive departments is at an all-time high has instilled in business a fear which has led to widespread lay-offs.

(3) The attempted substitution of a welfare state for our traditional free enterprise system, which has made possible the highest standard of living in the world. American workmen do not want a Government dole. They would prefer to achieve security through their own efforts, realizing that each Government hand-out places in the hands of some bureaucrat here in Washington more control over the destinies of all of us.

Answering your question, therefore: I am afraid the administration leadership in the United States Senate is following a course which can only lead to further unemployment and the eventual bankruptcy of our country.

Not having sufficient votes to alter that course, I and other Senators who view the situation similarly can give no assurance that unemployment will not continue to rise and that a major depression will not overtake us. Having served my State and my country in war and in peace for many years, I must admit that the outlook is discouraging. I would not want you or your membership to conclude, however, that I intend to stop fighting for what I believe to be right. Such is not the case. There is still hope if you and others like you continue to insist that the Congress pass legislation to correct the factors which I have outlined above.

With best wishes, believe me,

Sincerely yours,

EDWARD MARTIN.

THE AMERICAN PHILOSOPHY AND WAY OF LIFE—STATEMENTS OF WINNERS OF MINNESOTA STATE BAR CONTEST

Mr. THYE. Mr. President, the Minnesota State Bar Association during the spring of this year sponsored a Statewide contest in my State. The contest was for all school children not above the twelfth grade. My reason for mentioning the contest is primarily that it was of a character designed to stimulate thought and study and consideration of the American philosophy. I quote one of the simple rules of the contest:

Dictators always lay down the law to the people. Their henchmen interpret it. Thus, they hold themselves above the law. In America, we believe that all government must be kept under law. The lawyers of Minnesota invite you to write a statement of not more than 50 words on the subject, Why Freedom Depends on Government Under Law.

The two young people who won the contest were Arland Brusven, age 17, the son of a farmer, a junior in the Barnesville (Minn.) High School, a member of the debating team; and Miss Dona Pearson, a senior in the Kennedy (Minn.) High School. I shall not read the statements of these two young people, but I should like to have them appear in the RECORD as a part of my remarks.

I may say further that I had the pleasure this noon of having luncheon with them and also with members of the Minnesota State Bar Association, together with members of the press and radio, who accompanied them to Washington. I believe that contests of this kind, sponsored by such organizations as State bar associations, will do a great deal to focus public attention on what we are and what we have within the United States of America.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF ARLAND BRUSVEN

For all things there is a normal habitat. Freedom's habitat is in a democracy. Bondage abides in a dictatorship. There is but one difference between democracies and dictatorship. A dictatorship is above law, a democratic government is under law. Freedom depends on the control of government by the governed.

STATEMENT OF DONA PEARSON

Our country is a Nation of freemen. It is so because its citizens believe in a government controlled by all, and not one. Our freedom is dependent on a government controlled by the laws we make; and as long as that government is secure we shall remain—freemen.

LOUIS J. WALINE

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 191) for the relief of Louis J. Waline, which were, on page 1, line 5, after the word "to", to insert "the legal guardian of," and to amend the title so as to read: "An act for the relief of the legal guardian of Louis J. Waline."

Mr. BUTLER. Mr. President, the amendment to Senate bill 191 adopted by the House is perfectly acceptable to the Senate Committee on the Judiciary. The amendment does not change the bill in any way except to make the amount payable to the legal guardian of Louis J. Waline. I move that the Senate accept the amendment of the House.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Nebraska.

The motion was agreed to.

EXTENSION OF TIME FOR COMPLETION OF ANNUAL ASSESSMENT WORK ON CERTAIN MINING CLAIMS—CONFERENCE REPORT

Mr. O'MAHONEY. Mr. President, I submit a conference report on House bill 1754, extending the time for completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The conference report will be read for the information of the Senate.

The conference report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1754) extending the time for completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States until the hour of 12 o'clock meridian of the 1st day of July 1949: *Provided*, That every claimant of any such mining claim in order to obtain the benefits of this Act shall file, or cause to be filed,

in the office where the location notice or certificate is recorded, on or before 12 o'clock meridian of August 1, 1949, a notice of his desire to hold said mining claim under this Act: *Provided further*, That any labor performed or improvements made on any such mining claim during the year ending July 1, 1949 may be credited against the labor or improvements required to be performed or made for the year ending at 12 o'clock meridian on the 1st day of July 1950.

"SEC. 2. Notwithstanding the provisions of any Act of Congress to the contrary, any person who hereafter prospects for, mines, or removes, by strip or open pit mining methods, any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing Act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be construed to impair any vested right in existence on the effective date of this section."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

JOSEPH C. O'MAHONEY,
JAMES E. MURRAY,
SHERIDAN DOWNEY,
EUGENE D. MILLIKIN,
GUY CORDON,
Managers on the Part of the Senate.

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideratio of the conference report?

There being no objection, the report was considered and agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL], for himself and other Senators, to the so-called Thomas substitute.

Mr. TAFT. Mr. President, I desire to speak in rather general terms, and with brevity, regarding the general situation, the history of labor legislation, and the parliamentary situation in which the Senate finds itself. I do not intend at this time to discuss the merits of the various provisions of the bill and of the substitutes offered by certain minority Senators.

My purpose is to oppose the bill presented by the distinguished Senator from Utah [Mr. THOMAS], chairman of the Committee on Labor and Public Welfare, and in general to speak in favor of the substitute, in the form of two amendments, presented by three minority members of the committee.

In the first place, I appeal to the Senate to consider this bill on its merits, and to consider each provision of the bill on its merits. The distinguished Senator from Utah takes the position that this is a political matter, and must be determined by political considerations. I utterly deny that it was considered on a political basis in the Eightieth Congress; and it should not be considered on a political basis in this Congress. Certainly that is an abandonment of the proper function of any legislative body. What I have asked from the beginning this year is that we consider the provisions of the Taft-Hartley law; that we consider those which have met with approval; that we consider the criticisms of its provisions; and that we pass on each of those provisions in accordance with its merits. I quite agree that the majority of the Senate Committee on Labor and Public Welfare have approached the question from a political standpoint, and it is quite well within my understanding that the distinguished chairman of that committee should therefore take that position; but that certainly was not the position of the minority, and I do not think it ought to be the position of the Senate itself.

In presenting its amendments, the minority has considered the provisions of the Taft-Hartley law, section by section, in the light of their actual operation and the testimony before the committee. The members of the minority tried to revise the act on the basis of the merits of each proposed amendment, and that is all they ask the Senate to do. That should be the basis of our decision.

Before leaving the general question of the political consideration, I point out that yesterday the Senator from Utah suggested that there was a mandate from the people for the repeal of the Taft-Hartley law. Of course, his own bill incorporates some provisions of that law, but in general I admit that it is a repeal of the Taft-Hartley law. The chairman of the committee argues that because President Truman advocated the repeal of the act and was elected, therefore there is a mandate on Congress to repeal it. There may, of course, be a mandate on the President to request the repeal, but there certainly is no mandate on Congress, or either House of Congress. Of the present Members of the House of Representatives, 223, or more than a majority, voted to override the President's veto in 1947. The voters of their districts, knowing the position they took on labor legislation, reelected them to the Congress, and they now constitute a majority of the House of Representatives.

In the Senate, 54 of the sitting Senators, or more than a majority, voted to override the President's veto in 1947. Of the Senators elected in 1948, more than a majority committed themselves against the repeal of the Taft-Hartley Act.

With regard to the general election, even the election for President, Governor Dewey gained, over 1944, in industrial districts. In general he lost only in agricultural districts. The representatives of agricultural organizations testified that the agricultural vote was not swayed by any desire to repeal the Taft-Hartley law. In the State of Ohio, where I happen to be closer to the situation than elsewhere, comparing Governor Dewey's vote in 1944 with his vote in 1948, he gained in 15 out of 17 industrial counties. He lost in 71 out of 73 rural counties in the State of Ohio.

However the President may be bound by his promises, certainly the people did not elect a Congress in any way pledged to repeal the Taft-Hartley law; nor is there any justification for doing other than we should do on all proper legislation, and that is to consider the merits of the legislation, the reasons for it, and adopt those things which we think are in the public interest.

Mr. President, the Taft-Hartley law was a sincere, unprejudiced attempt to deal with serious abuses which had arisen under the labor laws previously in effect. There was no question when the Eightieth Congress began that such abuses had arisen; I think every Member of the House of Representatives and every Senator agreed that such abuses had arisen under those laws; and in the committee, when we had the witnesses before us, there were few, indeed, who disputed the need for some amendment of those laws.

Before the passage of the Norris-LaGuardia Act and the Wagner Act, there is no question that employers had a great advantage in dealing with their employees. They could deal with the employees one by one. Abuses grew up which were clearly shown; and they were shown by the committee, of which the present distinguished chairman of our Committee on Education and Labor was then a member. Such abuses gave the employer, in effect, the power to impose his will, as against the will of the employees, and without necessary regard to the reasonableness of his demands. There is no question that the balance swung that way. Congress was certainly justified in enacting the laws which were passed to redress those wrongs, or to adjust the balance, so as to get back to a fair degree of equality between employer and employee. However, the laws which were passed, together with their interpretations by the National Labor Relations Board and the courts, resulted in an intolerable situation. Those laws were construed to give complete immunity to labor union officials and labor unions from any damage which their actions, however arbitrary, might cause to employers, to union members themselves, or to the public. In effect, they made the Government a partisan of the union in nearly every strike. They enabled the National Labor Relations Board to take a completely one-sided position which resulted in some of the greatest miscarriages of justice this country has ever seen.

I sat on the Labor Committee when we had the hearings in 1939 in regard to the operation of the Wagner Act, and certainly it was denounced by no one more bitterly than by William Green, of the American Federation of Labor, and his counsel, Mr. Padway, because they said that the National Labor Relations Board had conceived itself as appointed to conduct a crusade to put a CIO union in every plant in the United States; and, in effect, that is what the Board did, justified by the utterly one-sided character of the Wagner Act which was then the law of the land.

I may say that at that time I felt that if there had been a desire for complete judicial determination on the part of the Board, perhaps those difficulties would not have arisen. But the effect of the

interpretation by the first Board, composed of the two Smiths and Mr. Madden, who were gradually replaced by President Roosevelt himself because they were so obviously prejudiced, was to build up an utterly one-sided interpretation and administration of the Wagner Act, which shifted the entire burden, until the labor-union officials were relieved of almost every responsibility, and their powerful unions were able to enforce their will as against that of all but the most powerful employers in the United States.

The Senator from New Hampshire [Mr. TOBEY] has just suggested what I already knew, namely, that one of the members of the first Board was an avowed Communist. The other two were very friendly. The personnel which they built up was of that very extreme political leaning, and there is no question that they were encouraged to do so by the one-sided character of the Wagner Act.

Many labor-union leaders used their power with discretion; but inevitably, when arbitrary power is granted, men are found who will use it to the limit, and it was used to the limit. That power was used to make such unreasonable demands that the whole country was tied up by strikes during the reconstruction period, until the President himself demanded of Congress that he be given the power to draft strikers into the Army, in order to meet that threat.

Of course, it is quite possible that we might have undertaken to deal with the situation by repealing the Wagner Act, repealing the Norris-LaGuardia Act, and going back to the rule of the jungle in labor-management relations. That is the position taken, with some reason, by the head of the United Mine Workers today. But we did not feel we should do that, because we believed that those two laws enacted certain principles affecting labor-management relations which should be retained. The Wagner Act required the employer to deal with his employees as a unit, as one man, instead of as a thousand men. Certainly, if he could break them up and could deal with them individually, one at a time, he would have every advantage. The Wagner Act said to the employer, "You must deal with one representative of your employees"; and we wished to keep that principle.

The Norris-LaGuardia Act abolished the rule of injunction in the case of all strikes in the United States, so that no longer would every strike be regulated by a Federal court. We felt that we should not return to the former conditions, by repealing those acts.

So we thought we should try to balance the situation by adopting amendments which would restore a substantial equality as between management and labor. Of course, Mr. President, a powerful employer will always be stronger than a weak union, and a powerful union will always be stronger than a weak employer. But we felt we should attempt to restore reasonable equality, so that if an arbitrary demand were made, it would not be backed up by the courts of the land. If there is equality, and no feeling that unreasonable demands will be backed up, such demands will be less likely to be made, and there will be fewer difficulties in management-labor relations.

To meet those conditions, the Case bill was passed in 1946, and was vetoed by the President. It was passed at about the same time the President demanded the enactment of a law to give him the right to draft into the Army railroad strikers and coal strikers, in order to break the strikes in the railroad and coal industries. I opposed that proposal because it seemed to me to be contrary to every principle of free and collective bargaining.

In 1947, when the Eightieth Congress met, the Committee on Labor and Public Welfare went to work earnestly and sincerely on this matter. There has been a great deal of talk about how that act was passed in a period of hysteria and of antilabor feeling. Mr. President, if there was any hysteria, it was the year before then, for at the time when that act was passed, the committee held hearings for over 6 weeks, and gave everyone an opportunity to be heard. I think that approach was as much of a bipartisan approach to the problem as I have seen made in any committee. In the committee we secured as our counsel Mr. Gerard Reilly, who had been Solicitor of the Department of Labor for many years, who had been a member of the National Labor Relations Board, and whom President Truman had offered to reappoint to the National Labor Relations Board. We secured him as the chief counsel; and we secured Mr. Tom Shroyer, who now sits beside me here who had been counsel for the National Labor Relations Board in Cincinnati and Cleveland, as Mr. Reilly's assistant to aid in the preparation of the law. I think every member of the Labor Committee had a proposed law of his own, of some kind, covering some phase of the subject. We had a long list of proposed laws. When we concluded the hearings, we tried to draft a proper law. We asked the committee counsel to go through the hearings and pick out the particular abuses, and draft a bill along the lines indicated by the committee, a bill which would attempt to correct the abuses shown by the testimony presented before the committee. That is the way the law was drawn. It was approved by 11 of the 13 members of the committee; and I, as chairman of the committee, was asked to introduce the bill. It was not my bill; it was the committee bill. There was no member of the National Association of Manufacturers who ever came near the committee or its counsel, so far as I know, except in the role of lobbyists, just as did all the representatives of labor and industry who were interested in that bill.

The bill was reported to the Senate. It was passed by the Senate, after two or three amendments had been adopted by the Senate. The Senate then passed the bill by a vote of 68 to 24. A somewhat similar bill was passed by the House of Representatives by a vote of 308 to 107.

The bill went to conference, and the conferees on the part of the Senate had to accept a good many of the House provisions, although the basic structure of the bill which was accepted was the Senate committee's bill. Of course, that bill was vetoed by the President, but was passed over his veto. On the vote to consider the veto in the Senate, 20 Democrats voted to override the President, as against 22 voting to sustain. In the House of Representatives, 106 Democrats voted to override as compared to 71 voting to sustain. A substantial majority of the Democrats in Congress voted for the law and voted to override the President's veto.

The act was passed for only one purpose, namely, to restore justice and equality in labor relations and to eliminate special privileges. Just as Congress passed the Sherman Act to eliminate special privilege in industry, and has passed a hundred laws to eliminate abuses in different types of industry and different types of business, it passed this law to eliminate abuses which had arisen in the field of labor-management relations. It was not passed because of any hysteria or because of any labor prejudice, nor was there any reason, so far as I know, for the violent controversies that arose, except a determination by the labor unions to have the law repealed. They have carried on consistent propaganda throughout the United States, attacking the law by name, avoiding largely the fundamental questions involved in the law, and simply trying, through the spreading of a vast propaganda, to smear the law itself, in order to bring about its repeal.

How has the act worked? Except for the rather violent labor propaganda, so far as I can see it has entirely satisfied the people of the United States. The act has worked as intended, has restored equality, and has provided no substantial interference with the legitimate activities of unions. According to Secretary Tobin himself, in a table appearing at page 49 of volume 1 of the record of the committee hearings, during the period from the end of the war to the passage of the Taft-Hartley Act, work stoppages averaged 401 a month, with an average of seven and one-half million man-days idle a month, for the whole period of 16 months, from the end of the war to the passage of this law. In the first 18 months of the Taft-Hartley law period, the stoppages averaged only 259 a month, as compared to 401, and 2,500,000 man-days idle a month, as compared to 7,500,000 man-days idle a month, or just one-third of the stoppages during the pre-Taft-Hartley Act period.

According to the best testimony, during that period, in spite of the falling off in strikes, union membership increased by more than a million members, so that at the end of 2 years today the unions are stronger than they have ever been before, so far as their power to recruit members and to retain their membership is concerned. The only serious difficulty of which I am aware arose with regard to the International Typographical Union, and that was because they in effect struck against the law, as testified before our committee by Mr. Randolph, himself. They refused to comply with the law, because it prohibited the closed shop, and that has presented a controversy involving a fundamental question of difference as to legal policy.

Other unions, including unions in the very same industry, the newspaper industry, accepted the union shop authorized by the law, found it a complete protection to union security, and had no difficulty in their union activities.

There is no reason for a closed shop, no reason for giving any union the right to say, "You cannot work at the trade at which you wish to work, in a plant which is willing to give you a job," except to the extent necessary to give what is required in the way of union security. During the war, the War Labor Board accomplished that by various maintenance-of-membership clauses. The law authorized a union shop, which to my mind completely protects union security, but prohibited the extreme form of union security known as the closed shop.

Of course, there has been an increase in litigation since the law was passed, just as there was under the Wagner Act, after that was first passed. Any new law brings about differences of interpretation and causes litigation. The main principles of the law are now well established by interpretation of the courts.

Mr. President, we have before us the Thomas bill, the effect of which is to restore the Wagner Act. That is its purpose. It proposes to go back to the one-sided act which met, I think, with almost the unanimous disapproval of the people of the United States outside the labor union officials themselves. We have no objection to the technical repeal of the Taft-Hartley law. We recognize that whatever is passed at this time will be a new labor-management relations act. But we insist that it should retain the main basic principles of the Labor-Management Relations Act of 1947. The Thomas bill modifies the Wagner Act somewhat by accepting substantially the Taft-Hartley provision relating to the outlawing of jurisdictional strikes. That is about the only important provision of the Taft-Hartley law which it adopts. It understakes to outlaw one type of secondary boycott when used in behalf of a jurisdictional strike; but in effect it would legalize 90 percent of all secondary boycotts. It recognizes the necessity for some kind of law to deal with strikes affecting national safety and health, by putting in a national-emergency section, which was not in the Wagner Act. But it is a very weak provision, amounting to no more than a request to the parties to behave.

The Thomas bill was written at the Labor Department, and was forced out of committee by a party vote of 8 to 5, without permitting any member even to offer an amendment—a procedure which certainly I had never before seen, and which I had never had used against me at any time during my service in the Senate of the United States. Then, after the bill reached the floor, it was completely rewritten without ever again being submitted to the committee, so that the bill we are now considering was never before the committee at all. In effect the original Thomas bill restored to full force and effect the Wagner Act and eliminated all the features embodied in the Taft-Hartley law.

After the bill was reported, the minority members of the committee met and went to work. We invited the junior Senator from New York [Mr. IVES], who had been a member of the committee last year, to sit with us. We considered the present act, section by section, in the light of the testimony the committee had received. We had always contemplated amendments to the act. We had set up a special joint committee to deal on their merits with criticisms of the act. We analyzed the criticisms of the act. and I think we were the only Senators who ever undertook to deal with those criticisms in detail and on their merits. We attempted by amendments to meet every legitimate criticism. In some unimportant matters we met criticism which we thought unjustified but which appeared to be made sincerely, where the matter was not of a sufficient importance in our opinion to cause us to resist the change which was requested.

In general, we went back to the bill as passed by the Senate as distinguished from the bill finally agreed to in conference, and we eliminated a number of the provisions agreed to in conference. That accounts for the considerable number of amendments we are proposing to the law as finally passed by Congress. We retain in our substitute the essential principles of the Taft-Hartley Act, which we feel necessary in order to maintain equality in labor-management relations.

Mr. President, you have on your desk a pamphlet, pertaining to the minority substitute, in which I have listed, first, the essential principles of the Taft-Hartley Act, to the number of 22, which are repealed, with one exception, by the Thomas bill now before the Senate. I then list a number of proposed changes in the Taft-Hartley Act which are contained in the minority substitute.

I invite attention to the pamphlet entitled "Minority Views" which sets forth the reasons for the various amendments which are proposed to the Taft-Hartley Act, and the reason why we feel that the provisions retained have been justified by experience and by reason. I hope all Members of the Senate will read that report.

At the end of the report will be found a printing of the Taft-Hartley Act with the amendments, the omissions, and the additions proposed in the minority substitute, for the convenience of Senators who wish to see the respects in which we think the bill should be amended.

The substitute is presented to the Senate, not as proposed in the committee report, in the form of five amendments, but in the form of two amendments, because five amendments seemed to add complications to an already complicated situation.

One amendment is to title III, dealing with national emergency strikes. The other amendment would replace all the other titles of the bill.

Taking these two amendments, which I shall refer to as the minority substitute, the substitute, like the Taft-Hartley Act, is based on the definition of unfair labor practices on the part of labor unions corresponding to those on the part of management, which were taken over in identical wording from the Wagner Act and incorporated into the Taft-Hartley Act. The substitute is based on the principle that unions shall have the same responsibility as have employers and corporations on their contracts, and shall be responsible for their acts which cause damage to third parties. I see no reason why they should be exempt from such liability from which they were exempted by interpretations of the previous law.

The substitute is based on free and equal collective bargaining as a foundation for our labor-relations policy. It has been said that it is a return to individual bargaining. There is no return to individual bargaining. The answer to that is complete in the fact, as I have indicated, that there have been a million more union members, a million more men represented in collective bargaining with their employers, than there were before the act was passed. There is no suggestion that any individual has the right of individual bargaining. We have adopted in that respect exactly the principle of the Wagner Act. Personally, I believe very strongly that labor relations should be based on free and equal collective bargaining. But collective bargaining cannot be free and equal unless both parties are bound by the terms of their contract, unless both parties are required to eliminate unfair and improper practices in conducting the bargaining, and unless both parties are held to a responsibility for their acts and for the things they do in the course of bargaining.

Through the operation of the unfair labor practice provision we eliminate specific abuses, such as jurisdictional strikes and secondary boycotts, defended by few labor leaders, the closed shop and the arbitrary union shop, permitting a union shop to operate which apparently has worked out satisfactorily where it has been tried, just as the act also forces employers to recognize the union, to cease coercion of employees and employment of labor spies, and other action damaging to unions.

There have been presented four amendments to the Thomas bill, concurred in by some Republican members of the committee and by some Democratic members, particularly from members of the Senate Committee on Labor and Education, the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Kentucky [Mr. WITHERS]. These Senators joined, in the committee, in refusing to permit the consideration of any amendment. They now propose to accept in the Thomas bill four provisions of the Taft-Hartley law.

If the Senators will turn to the pamphlet on their desks, they will find that of the 22 important features of the law retained in the minority substitute, they accept 4; Nos. 2, 6, 15, and 16. They do not accept the more important provisions to which I have referred. Even though these amendments are accepted by the author of the pending bill, the Thomas bill will still be, in effect, a return to the Wagner Act and its one-sided procedure. It will still repeal 18 of the essential 22 provisions of the Taft-Hartley Act which I have listed.

I think the amendment now pending is the most important of these four amendments. It recognizes the duty of unions to engage in collective bargaining. It recognizes that the Wagner Act was completely one-sided in that respect. But that is only the first feature of the responsibility of unions. It does not accept the further responsibility of liability for contracts, and their responsibility to make good damages which they cause.

Republican Senators joining in these four amendments have always favored such amendments, but I think the reason for the change of mind on the part of the majority of Senators on the Labor Committee is clear. They realize that the Senate will not approve the Thomas bill as presented, and they hope to make it more like the Taft-Hartley Act in order to secure votes for its support. Unfortunately, they cannot guarantee that the bill, even as amended, would be acceptable to labor-union officials or to the President. Already a violent difference of opinion has been expressed. Other important leaders have not expressed any opinion.

I see no reason why the minority Members should object in any way to incorporation of the four amendments in the Thomas bill, but after they are included it is just as important to adopt the minority substitute.

There are some slight differences between the amendments. I think our amendments are better, but in substance they are practically the same.

The free-speech provision in their amendment does not apply to elections, as we have made it apply, so that elections can be set aside even though the speech itself is unobjectionable.

One amendment proposes to exempt certain labor-union officials from signing the anti-Communist oath if the union adopts a rule providing there shall be no Communists as officers of the union and the Labor Board shall find there is a sincere effort to comply with that rule. I think that might somewhat weaken the anti-Communist-oath provision, but it is a matter to be discussed.

The report section includes many reports by employers which have to be made under many other laws, and, while I would not object to it, I think it forces an undue amount of red tape into a field already covered. However, that also is a question for further discussion.

But, after we have all these amendments, we still have a completely one-sided bill which is essentially a return to the Wagner Act.

Mr. President, we have offered our national emergency strike substitute as a separate amendment. It involves the question of seizure and the question of injunction. I understand that besides the provision in the Thomas bill, the distinguished Senator from Oregon [Mr. MORSE] will offer another substitute for the national emergency section, so that there will be three or four different proposals for dealing with national emergency strikes, involving the basic questions of injunction and seizure. I think we should fight that question out and decide what we want to do on that subject.

Our other amendment is a substitute for all the rest of the bill. In effect, it is a rewriting of the Taft-Hartley Act. That seemed to be the most reasonable way, so far as I could figure out the parliamentary procedure, to get the issues clearly before the Senate. We might have offered an amendment to each section of the Thomas bill, but it would have taken much longer, and the reasonable way seemed to be to present our case in the form of two substitutes.

If there is any objection to any specific feature of the minority substitute, I should be very glad to consider and discuss modifications to meet objections. If the difference is a serious one and cannot be reconciled, I should recommend or help prepare amendments to the substitute so that we could determine the real views of the majority of the Senate.

Fundamentally, Mr. President, the trouble is that the Wagner Act is written on a different basis from the Taft-Hartley law. We cannot go through and amend word after word on the Senate floor. The Wagner Act presents throughout a one-sided approach. The Taft-Hartley Act was drafted throughout on the reciprocal basis, designed to make the National Labor Relations Board a judicial body, holding the scales equal between employers and employees. It seems to me the logical procedure for any legislative body is to take the existing law and eliminate its defects, not try to draft portions of the Taft-Hartley law onto a resuscitated Wagner Act, which is the proposal made by the administration today.

Mr. President, as I see it, after the administration has modified its bill, and after amendments to the substitute have also been considered, and adopted or rejected, the final vote should be on substituting the minority amendment for the committee bill.

I should think it would be simpler to dispose of the national emergency section first, as to which we will have three or four different proposals, which I believe should be decided. Then, whatever is adopted could be inserted in both bills.

Mr. President, that is all I have to say on the subject at this time. I merely ask that we debate, as I am prepared to debate from time to time, as the issues arise, the various fundamental principles contained in the bill. We should not debate merely on a political basis, on the basis of repeal of the law or no repeal, but we should consider, amendment by amendment, the questions which the Senate desires to consider. I suggest that as to those provisions of the Taft-Hartley Act which have worked satisfactorily, and to which no objection has been made, we should accept the minority substitute rather than the committee bill.

I do not know whether the distinguished Senator in charge of the bill is going to accept the four amendments which have been offered. So far as I am concerned, I am quite willing to accept those amendments. We have all of them already in the minority substitute, in substance, so that naturally we can have no objection whatever to their acceptance by the chairman of the committee.

Mr. President, I therefore appeal to the Senate for a consideration of the merits of the proposals presented, and on their merits I feel confident Senators will adopt substantially the work done by the members of the minority of the committee. We propose a constructive solution of the labor-management problem, correcting defects in the existing legislation which may have become apparent, and leaving in effect those portions which have proved their worth and desirability.

I appeal to the Senate not to enact a law which will relieve labor-union officials again of all responsibility to the public, to their own members, or to the people of the United States.

Mr. PEPPER. Mr. President, it seems to me apparent that the Senator from Ohio [Mr. TAFT] is determined again to put the purple robes of disparagement and discouragement about American labor, and to attempt to drive it to another Golgotha bearing his own name. I take my position with those who, on the contrary, feel that the worthy working men and women of America, who have borne the brunt of the Nation's toil, and carried without complaint the added weight of a good part of Europe and the world, rather deserve to be free of the shackles and the shame of the present Taft-Hartley law, and recognized and rewarded and trusted as they so richly deserve. In short, Mr. President, I take my stand squarely behind the Thomas bill, its author, its principles, and its high purposes, and I oppose all amendments to that bill from whatever source derived.

Mr. President, my mind naturally turns back to the day in the Senate, the 23d of June, 1947, when the act which we now attempt to correct was consummated, when the Senate voted to override the veto of President Truman and made possible the unhappy decision which gave America the Taft-Hartley law. At that time I ventured to express the sentiments I had about the subject, and to make what might be considered certain predictions as to the future, as well as to indicate certain ominous signs, perhaps to give certain encouragement to those at that time who might have been discouraged.

Amongst other things I said, if I may refer to those remarks:

> Mr. President, I think all of us feel this is a critical vote we are about to cast this afternoon. As the President said in his message, the significance of the vote will be felt for decades yet to come. When the historian looks back upon this period, and seeks to discover some of the criteria of the sentiment of this era, I am sure this will be one of the votes upon which the historian will place his finger in accusing condemnation.
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> Mr. President, this is not the first time a decision has been made between the special and the general interests. This is not the first time the mighty storm of reaction has burst over a nation or a people. This is not the first time the mighty waves of selfishness have broken upon the helpless and defenseless masses of the people. But I am comforted by the memory, and by the testimony of history, that those victories of reaction have not been permanent, and that the masses of the people, however constantly

pressed to earth, have, like truth, always risen again.

Mr. President, the Republican majority in this body cannot destroy the labor movement of America, nor can it retard the inevitable progress of both economic and political democracy. I foresee the day when we shall do in the Congress what the labor government in Great Britain did to the stupid legislation enacted after the general strike in Great Britain in 1926, which rankled in the breast of labor and the lovers of democracy until it was wiped from the statute books of that great nation. This, too, will not endure if it, in this moment of frenzy, in this moment of intolerance, in the sweep of reaction, shall come to be a part of the statute law of this land.

No, Mr. President, the common man is on the march; he is going forward, not backward. He is going to enjoy more democratic liberties, not less. He will have stronger collective-bargaining power, not weaker, and he will have more laws upon the statute books of a nation as his protecting shield, not fewer laws, in the bitter struggle to lift himself and his family up to the accepted American level and standard of decency.

Mr. President, while there may be passing comfort for those who may gain the victory in this cause—should they gain it—I venture to remind them of another who gained a victory. It was the great Pyrrhus, who lost his army in his victory, and to those who are—if they do—to achieve this political victory, it will be a pyrrhic economic victory in the first place, and I dare say a pyrrhic political victory as well.

The workers of America have been accustomed to economic and political democracy. They are not going to forget it, and they are not going to allow it to be snatched away from them. It has become a part of the American tradition. It has become a part of the heart and sentiment of American democracy.

Mr. President, neither should those who may feel a temporary disappointment or dejection consider there is any permanence in that sentiment, because the tide will inevitably turn, and whether this reactionary wave shall break upon the jagged rocks of another depression, or whether it shall finally be hurled back by the determined persistence of the masses of the working people of America, be sure, Mr. President, it will not endure.

Yet, the people could be spared so much tragedy, so much strife, so much bitter conflict. After the last war similar policies were adopted. Not I, but Gov. Harold E. Stassen, of Minnesota, said it was the antilabor policy of the United States Government, then in charge of the majority party of today in the Senate, that contributed to the depression of the late 1929's, and hurled America into the darkest economic abyss of our time. That, too, could have been spared. But we chose not to spare our generation that ordeal. If the same party shall be responsible for the same folly, Mr. President, they will have to take the responsibility for the same inevitable and tragic consequences.

So, Mr. President, I wish we could learn more from history. We might have been saved a depression and spared a war, could we have learned more, Mr. President, about economic democracy and about collaboration for world peace.

But, Mr. President, if we shall have to pay the cost of another depression, and, God forbid, another war, for our folly, then I shall still hope that, at long last, we may learn that economic and political democracy is best for all, Mr. President, not just for a favored class; it is best for all; and the American people are determined to have it, however bitter may be the temporary assaults upon their struggle, whatever passing victories may be achieved by those who come into temporary command and authority.

Mr. President, I have nothing to retract nor regret about those utterances of mine on the 23d of June, 1947, when the Senate was about to take the vote, which it later took, of overriding the veto of President Truman.

Now what do we have, Mr. President? Here today we have the able Senator from Ohio offering to his colleagues an admission for the repeal of the Taft-Hartley law in the language of repeal, and a statement submitted to his colleagues that he proposes to change 28 different provisions of that law, and pointing out in his own enumeration that he retains 22 provisions of that law. According to the able Senator's own division of his changes and his retentions, he changes 28 provisions and retains 22 of the law he so proudly fathered in 1947.

Mr. President, whether this law has contributed toward the depression that some of us feared, as Governor Stassen said antilabor policies contributed to the depression after World War I, I do not know. I only recall the headline in this morning's Washington Post, which tells of the growing volume of unemployment, and says that the number of unemployed now exceeds 3,000,000. The headline is "Number of idle rises 273,000 in 5 weeks to 3,289,000."

There was no such unemployment, if I recall correctly, in 1947, when the Taft-Hartley law was enacted. Let it be remembered also, Mr. President, that it is against the prospect of declining employment and growing rigor in our economy that we are asked again to repudiate the Democratic platform and pledge to join our Republican colleagues in what they promise the country and to retain even 22 of the unfair and unfavorable provisions of the Taft-Hartley law.

Mr. President, I also like to recall something further of the background against which the Taft-Hartley law was enacted. Before doing so, however, I want to give one more pledge for the comfort and satisfaction of those who today may feel that the prospect is not the best for achieving everything they desire. I may say on behalf of labor and those who are the friends of labor, to those who are again the advocates of unfavorable, unfriendly, and unfair labor legislation, that, as Churchill said to those who were the enemies of his people, "Labor shall not surrender, nor shall it cease to fight in Congress and in court and in country until it achieves a national management-labor policy which shall be fair to all the people—to those who labor and toil for their livelihood as well as to those who have a more fortunate position in the economic life of the country."

I venture to say, with the utmost of kindness, that when the able Senator from Ohio shall come to the more mellow period of retrospect and contemplation, he will recall with more delight and satisfaction, with more warmth in his heart and memory, what he has done to help the schoolchildren of America secure care for their bodies, administration of medical aid for their health, to get a better opportunity for an education in order to fit themselves for the challenging tasks of life, and what he has done to make it possible for the families of America to forsake hovels and live in better homes, than he will recall his Herculean success in putting the retarding fist of his power in the face of the multitudes struggling up the ladder of life to enjoy a few of the satisfactions to which the fortunate were born.

But, Mr. President, I say this is just another battle in that long war which stretches back to the day when the curtain of history was first drawn, when the many were struggling for a larger share in the good things of the life and the generation of which they were a part.

Sometimes when we are in the midst of these struggles, when we are beset by these obstacles, we tend to think that maybe we are about to slide back down the hill up which we have come with so much struggle and strife. But, Mr. President, all one has to do is to look back down through the days, the weeks, the months, the years, not to speak of the decades and the centuries, to see how man has been lifted up, and to compare the elevation of the pedestal upon which he stands and works today with that of almost any period in the past. Let that long and favorable experience give confidence and comfort to those who are determined that this is but the platform upon which we shall go on to yet greater satisfactions, liberties, enjoyments, and securities for the masses of the people of America, who are, after all, Americans, because they bear the brunt and burden of what this great Nation is and ever will be.

Mr. President, it is true that there are these temporary set-backs; that the forces of selfishness and shortsightedness sometimes combine and are able to achieve that which looks like a temporary retrogression. It looked that way after the Taft-Hartley law was enacted, for that measure, for example, took the Conciliation Service, which for a third of a century and 1 year more had been lodged in the Department of Labor, and made it a separate and distinct agency as a part of a general process for the emasculation of the powers of the Secretary of Labor and his department. It is true that we who thought we had forever seen the end of labor management relations coerced by injunction were discouraged to see wiped away the Norris-LaGuardia Act which had removed the injunction from the category of weapons to be used in management-labor disputes, and which had been on the statute books for 15 years, from May 1932 to 1947. Of course it was a subject of some temporary discouragement to see the Wagner Act, which laid down the basic labor-management policy of this ccuntry and had successfully served its high purpose for 12 years, swept away by those who appeared to wish to deprive labor of a larger share in the income and profits of industry in our land.

Today we have, before the Senate, the Thomas bill, recommended unequivocally by the President of the United States, who was recently elected by the American people. The bill comes to us with a favorable report by 8 of 13 members of the Committee on Labor and Public

Welfare. I cannot doubt that that measure, unimpaired as it came from the committee, will certainly receive the support of a majority of the Democratic Party, and I truly hope, not only for the best interests of labor, but of the country, that it will receive the support of a majority of the Senate and of the House of Representatives.

If we do not get the 22 provisions which are left, in the language of the Senator from Ohio out of the Taft-Hartley bill at this session, we will get rid of some of the provisions which are presently in the Taft-Hartley law. The 28 changes will be achieved even if the Taft amendments are adopted. I venture to say that the number retained in the next session of Congress will not be 22. If any at all are retained, there will be many fewer. It is only a question of time until we achieve the desired result.

When the Labor Party came into power in Great Britain it eradicated the shame and the shackle of the labor law adopted after the general strike in 1926. It was wiped from the statute books of the land. We shall do the same to the Taft-Hartley law, which is a symbol of infamy in the sentiment and the hearts of the men and women of America who are our working people.

So, Mr. President, be assured that the Taft-Hartley law will go. It will continue to be the issue in the Congress and before the country until finally public opinion comes to rest upon the basic labor law embodied in the Wagner Act of 1935. We have upon the statute books of the country legislation with respect to management-labor relations which is class legislation. It is antilabor in its effect, if not in its design. It constricts the essential democratic freedoms of the American working man and woman. It diminishes the purchasing power of the people of the Nation, and is detrimental to the private interest of the worker as well as to the welfare of the entire country.

Let me say another word to point out the background against which this legislation was enacted. More than 500,000 small firms were eliminated from the market during the war years. Small business, too, has been feeling the effect of the same trend and policy, the same encouragement and protection of monopoly on the part of big business. Between 1940 and 1946, more than 1,800 independent competitive firms in manufacturing and mining disappeared as a result of mergers and acquisitions. Their assets were equal to $4,100,000,000, or 5 percent of the total assets during the war. The policy has been the protection of the big and the constriction of the rights and privileges of the little, whether they be little-working men or little-business men. The two programs have been concurrent and contemporary. Essentially and basically, those who have encouraged the one policy have encouraged and protected the other.

The concentration of employment and industrial-manufacturing facilities is now greater than ever before. In 1939 the number of firms with fewer than 500 employees in manufacturing industries was 51.7 percent; in 1944, 38.1. It is estimated that manufacturing firms with more than 500 employees received 70 percent of the war contracts, and that companies with 500 or fewer workers received 30 percent of the war contracts.

At the beginning of 1948, 113 manufacturing companies, with assets of more than $100,000,000, owned 50 percent of the Nation's manufacturing property, plants, and equipment.

Mr. President, I marvel at what appears to be the general congruity of our courses and the consistency of our policies. It is very seldom that one hears those who are the principal advocates of what might be called antilabor legislation advocating antitrust legislation. It is very seldom that those who want to tighten the restrictions on labor are ever heard complaining about the license of monopoly, or attempting to apply strictures to its excesses and abuses of power.

Talk about equality of bargaining power. Talk about protecting American industry against the power of the colossal labor unions. More than half of all the industrial workers of America are employed by a handful of American industrial concerns. At the beginning of 1948, 113 manufacturing companies, with assets of more than $100,000,000 owned 50 percent of the Nation's manufacturing property, plants, and equipment. What are we going to do about the 133 concerns? It is all right to denounce Lewis, Green, Murray, and the heads of other unions as giants. They are not the ones who wield power in America. The economic power of America is vested in those 113 manufacturing companies. I heard singularly little in the Eightieth Congress, which was dominated by those who were the authors of the Taft-Hartley law, about any effort to diminish, restrict, or impair any of the power possessed by industry.

In 1939, 250 of the largest corporations held $25,900,000,000, or 60 percent of the gross value of the manufacturing facilities of the country. By 1947, the year of the Taft-Hartley Act, they had acquired $37,000,000,000, primarily because they had acquired about 70 percent of the Government-financed plants through the War Assets Administration.

In 1935, one-tenth of 1 percent of the corporations earned 50 percent of the net income of all corporations. Of manufacturing corporations, less than 4 percent earned 84 percent of all the net profits in 1935. Is American labor skimming the cream off the American profit system? Yet, Mr. President, the Taft-Hartley law is ever reaching down to take a weapon from the hand of the little worker who is trying to get a decent wage and have honorable and democratic working conditions, who is trying to obtain a little better living conditions for himself and his family, and to open the narrow doors of opportunity for himself and his children.

In 1944, of the total number of corporations submitting income-tax returns, about 3,900 corporations had assets of $10,000,000,000 or more. Those 3,900 companies owned more than three-fourths of all the assets in the country—all the assets, not merely corporate assets; everything in America. Those 3,900 corporations, headed by 3,900 presidents of corporations, owned more than three-fourths of all the assets in the country, and had more than 60 percent of the total net income of all corporations.

Do we need protection against the American workingman to prevent him from demanding and receiving a fair share of America's income? Do we need to be protected against the American workingman obtaining an unjustifiable share of America's assets?

Now a word about corporate profits, Mr. President. Corporate profits, after taxes, were as follows:

1939	$5,000,000,000
1940	6,400,000,000
1941	9,400,000,000
1942	9,400,000,000
1943	10,400,000,000
1944	10,800,000,000
1945	8,700,000,000
1946	12,800,000,000

Nineteen hundred and forty-seven—the year of the Taft-Hartley law—$18,100,000,000, nearly $6,000,000,000 more than in 1946, when we had the maximum of industrial strife because of the workers' efforts to adjust themselves to the rising costs of living and to get a fair share of the profits of the economic system of which they are an essential and responsible part.

1948	$20,900,000,000

Mr. President, mind you, these are the figures for corporate profits in the United States, after taxes.

I have here the figures from the Economic Outlook, issued by the Congress of Industrial Organizations, Department of Education and Research, volume 10, No. 4, for April 1949, which I have no reason to doubt. Here is what it shows: For the year 1945, taking corporate profits after taxes and the wages and salaries of all employees, we find that each one is listed at 100—for the year 1945, at the end of the war. By 1946, employees' wages and salaries had dropped to 95, from 100; but corporate profits had gone up to 148. As I have said, that was the year when labor was trying to obtain a readjustment of wages, when controls were being taken off, and when many corporations were changing the wage rate and wage structure of the war period. Mr. President, I am afraid the history of the times will record that some persons were trying to accomplish the purpose—avowed during the war—of getting rid of labor unions entirely.

But what about 1947, the Taft-Hartley law year? By that time wages and salaries had risen to 104, as compared to 100 in 1945; but corporate profits, after taxes, had risen to 208, more than twice as much as they had been. While wages and salaries were rising 4 percent, corporate profits, after taxes, had risen to 8 percent, more than double, or 108 percent more than they were in 1945.

What about 1948, the year just passed? Wages and salaries are shown in the graph in this publication at 113, or 13 points above the level of 1945, whereas corporate profits after taxes had mounted to 226. In other words, the accelerating disparity continued. Yet, Mr. President, we find that it is the purpose of some persons to have this restrictive

labor legislation continued, on the ground that it is necessary to curb the abuses on the part of labor in the United States.

Only yesterday the able Senator from West Virginia [Mr. KILGORE] placed in the CONGRESSIONAL RECORD an article about a request by General Motors for approval by the Securities and Exchange Commission of a bonus for certain of its officials and employees. I shall read from the article, which was inserted in the Appendix of the RECORD for yesterday by the Senator from West Virginia. The article he inserted is entitled "General Motors Asks SEC O. K. on $20,000,000 Bonus." The article was published in the Washington Times-Herald of June 2, 1949, and I shall read it:

GENERAL MOTORS ASKS SEC O. K. ON $20,000,000 BONUS

DETROIT, June 1.—The Detroit Free Press said today the General Motors Corp. has asked the Securities and Exchange Commission to approve a $20,000,000 bonus for 950 officers and employees.

Mr. President, I have not divided that up; but to cut a $20,000,000 cake for a guest list of 950 will mean that there will be a considerable slice of sweets for each one; and we can imagine how much those at the head of the table will get.

I read further:

In a Washington dispatch, the newspaper reported the bonus will be paid partly in stock, with a market value of $55 a share, and partly in five annual cash payments. The bonus is for 1948.

Mr. President, that is in reference to the proposed cutting of the profit melon, which I have just described, although corporate profits were 126 percent above what they were in 1945, and 18 percent above what they were in the year 1947, which will always be known as a sort of famine year for labor, the Taft-Hartley year. In 1948 General Motors did $4,738,000,000 in gross volume of business, and had a net income of $440,447,000, according to the article. Yet, in 1947, the authors of the Taft-Hartley law felt the time had come when it was imperative to protect American big business against the big labor leaders of the United States and against the working people of the land.

I read further from the article:

The newspaper gave this account of the bonus plan:

It is made subject to future corporation's earnings.

A report to the SEC lists 71,309 shares and $17,043,876 cash in the bonus.

One-half the stock and a fifth of the cash awarded has been paid. The balance of the stock and a second 20 percent of the cash will be paid in January. The balance of the cash will be paid in the three following years.

General Motors asked SEC to keep certain details of the bonus confidential. The Commission has not yet acted upon the request.

Those splitting the bonus earned more than $20,000 in 1948.

So they made more than $20,000 apiece in 1948, although the average of the incomes of all the families in the United States is, I take it, approximately $2,600 or $2,700 a year at the present time. In other words, half the families in the United States make less money than that—most of the families whom the Taft-Hartley law, and now the bobtailed Taft law, would regulate by the structures of his proposal.

I read further from the article:

Charles E. Wilson, corporation president, heads the bonus list with an award of 1,180 shares of stock and $280,026 in cash in addition to his $166,000 salary.

Albert Bradley and Marvin E. Coyle, executive vice presidents, get 1,062 shares of stock and $252,023 cash each in addition to their $126,100 salaries.

Other individual bonus payments listed: Ormond E. Hunt, 1,062 shares, $240,048 cash; Harlow H. Curtice, 1,013 shares, $240,048 cash; Frederick G. Donner, 893 shares, $212,048—

And so forth. Mr. President, yesterday when a stockholder of the General Motors Corp. heard about that request, I heard him make a rather strong exclamation, and say, "I own a certain number of shares of General Motors stock, and I resent and protest against such a policy or program." Yet, Mr. President, how much do you imagine his voice—that of a little stockholder—will be heard in opposition to the proposed cutting of this $20,000,000 melon, as against the favored executives of the General Motors Corp.?

When men talk about protecting the individual worker against his union, Mr. President, composed of his brethren in labor, generally his neighbors in the community, his fellow citizens of kindred kind and spirit, it is strange to me that when public-utility questions and private power interests are involved they do not have a little sympathy for the widows and orphans—stockholders of large corporations. Why is it, Mr. President, we never find the advocates of antilabor laws trying to tighten the antimonopoly legislation of the land, or trying to protect the small stockholders against those who are the dominant power in the big corporations of America? I cannot escape the conclusion expressed in the old Biblical reference, "For where your treasure is, there will your heart be also."

In these matters a great deal depends upon one's point of view. One person will look at the industrial picture of America and say we must tighten the reins of control upon labor. Another will look and say that really the dominant force of the American economy is corporate power; that is where the force is; that is where the money goes. If I may be permitted to tell it, I heard a story that illustrates the point. A father and mother walked one evening to the nursery. Before them lay a sleeping baby son. Both gazed in rapture upon his beautiful face, his noble brow, his curly locks, as they stood at the foot of the bed, enraptured by the glory of their offspring. The wife stood silent for a while as she gazed upon the lovely figure of her son. She imagined the time when he would grow up, would be running around the house clad in his little rompers; the time when he would first join the neighborhood children to go to school. She could see him engaged in athletic contests, when she would be proud of his prowess. She could imagine the day when he would go off to college, the triumphs of that period; and, finally, when he should enter into his professional life, the distinction he would probably achieve at the bar, of which she imagined him a member. His life's accomplishments and ambitions realized, the mother's heart warmed in the contemplated imaginative picture that some day she might be the happy mother to see him as it were named and inaugurated President of the United States of America. In that moment of meditation, tears of joy must have welled up in her eyes. She looked, and there stood the husband, too, engaged in the same intense meditation and concentration. She patted him on the back and said, "John, what were you thinking about?" He said, "I was just wondering how in the dickens anybody could make a cradle as good as that for $3.65." So a great deal depends on one's point of view—on how one sees things.

There are those today who think that the Taft-Hartley Act is a law which imposes an equal burden upon management and labor, and I am persuaded that some of them conscientiously do so, because they are too honest to go contrary to their sincere convictions. Mr. President, this is not a law that imposes equal burden and obligation upon labor and management, unless we start off with the assumption and hypothesis, as fallacious as error can be, that a voluntary, unincorporated association of working people is the same in substance and in form as a corporation. Yet our distinguished friend all the way through his remarks on this subject, almost it seems without being quite aware of it, regards a labor union as for all practical purposes a corporation, so that there is one corporation on one side of the table, and another corporation on the other side of the table, both of whom should be treated alike. If the corporations were of comparable character, one on one side of the table and one on the other, without further facts, of course they should be treated alike. Let us read what the able Senator from Ohio says in point 9 of his statement of May 4, 1949, which was placed on our desks, and which has been helpful to us in understanding the Senator's point of view in the matter. I read from page 3:

9. Unions are held responsible for the acts of their agents as if they were corporations, but not for the acts of individual members as such.

As I shall show, in another place he refers to the law of agency, built up by the common law to be applicable to corporations and to individual business concerns, usually not more than a partnership in number. He relegates the law of agency applicable to corporations to single proprietors and partnerships of ordinary limited numbers and makes it applicable to the unincorporated voluntary association even of ordinary people, working men and women.

Mr. LONG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LONG. Would it not be a fair distinction to say that the difference between the labor union and the corporation is that the labor-union members are on the "putting up" end, and the corpo-

ration stockholders are on the "taking down" end?

Mr. PEPPER. That is very true. I thank the Senator for the fitting analogy.

I think, in another instance, in his own statement the Senator from Ohio also refers to the labor union as an organization to be dealt with, for all practical purposes, as a corporation. Unless we regard a labor union, a group of working men and women working together for their common good to achieve the basic satisfactions and justices of life, as an inanimate, soulless corporation which has no being from the Deity but which is the creature of a state, it is false to say that this law deals equally with management and labor by its provisions.

Let me point out a few of those provisions. But first, a word more about the background under which the law was enacted. It was set forth as designed to stop management-labor strife in America. Yes; there was strife in 1946; and we know largely why it existed—for the same reason that it existed in 1919; because it was the first year after the end of a world war, with all the consequent dislocations a world war brings to industrial relations. However, we, in our report, point out that there were not so many man-days lost, there were not so many people involved in work stoppages, in 1946 as in 1919, the first year after World War I. We show in our report that there were more strikes also in the second half of 1948, after the Taft-Hartley law had been in effect for a year, or nearly a year, than in the last half of 1947, which was the first period of its existence.

Not only that, Mr. President, but we show in our report that it has had the effect of diminishing membership in labor unions. We point out that the Bureau of Statistics estimates that there was a net increase of 256,000, or 1.7 percent, in the membership of labor organizations in the United States between the autumn of 1947 and the autumn of 1948. This increase was smaller than the annual increase experienced in 8 of the 10 peacetime years since 1933. The restrictions imposed on the organization of unions, the greater difficulties of creating such organizations and getting members, the increased tendency of management to use what are really unfair labor practices against union organizations—all those things, of course, diminished the accelerating rate of increase in labor-union membership in America.

Mr. President, I do not think it is necessary in 1949 for anyone to speak of the virtues of labor unions. Of course a labor union has its vices, as does almost every other human institution. However, by and large, the labor union is more responsible for bettering the conditions of workers in America than is any other single force. Break the labor union movement in America, and you break the standard of living of the American worker, for one is the inevitable and necessary shield and protection of the other. I am not at all sure, Mr. President, but what there are some who are well disposed to seeing the labor union weakened, so that management, disposed to do so, will be able to exact a larger share of the profits of enterprise.

Again, Mr. President, I point out that corporate profits in 1947 were higher than they had ever been, that there was greater national employment, and that industrial relations were getting better, had the Taft-Hartley law not intervened. It did not retard strikes; it accelerated labor disputes. Many labor disputes were deliberately provoked, resulting in turning millions of workers into unemployment and into protest which they felt they had to express.

So, Mr. President, the Taft-Hartley law will be remembered by those who examine that period as having retarded the reconciliation of labor and management. That reconciliation was already making progress and inevitably would have gained momentum through 1947, 1948, and 1949, had the Taft-Hartley law not intervened.

The way labor feels toward this legislation can best be illustrated by the fact that throughout the Nation there has come the determined protest of labor against the shackles and the shame which have been foisted upon workers by those persons whom they cannot but regard as unfriendly to their legitimate interests. There is no single subject which can be mentioned to a labor audience, whether it be in the North, the South, the East, or the West, whether the subject be housing, health, security under old-age or unemployment compensation, or working conditions—I say, Mr. President, there is no subject which can be mentioned which so deeply stirs the indignation and resentment, as well as the determination, of an audience of labor people, as the Taft-Hartley law. They feel it has applied the badge of degradation to the laborer of the land. That is the reason they are determined to fight it until it is thrown out, just as people throughout all history have struggled against their oppressors until they were dethroned, and against tyrannies until they were dislodged. Be assured, Mr. President, that labor will struggle against the Taft-Hartley law.

Let me advert to a few instances of glaring inequality in the application of the Taft-Hartley law to management and labor. I shall take the enumeration of the provisions of the Taft-Hartley law which the Senator from Ohio said in his statement of May 4 he is retaining, so there will be no question about the point at issue. In his first point the Senator from Ohio said that unions as well as employers will be forbidden to engage in unfair labor practices, and will be subject to the procedures of the board to prevent such practices.

The Taft-Hartley law will retain many of the unfair labor practices which were first imposed upon labor under that law, one of which was the refusal to permit collective bargaining. Why should not a worker want to bargain with an employer who holds in his hand his livelihood, the very food he eats, the clothes he and his family wear, and the house in which he lives? What can he gain by idleness, Mr. President, except loss of livelihood? He needs the job, or he would not be working. He has the strong appeal of hunger and the need for shelter and raiment. He does not need any compulsion to make him bargain for his food, his clothes, and his shelter, which another man is ready and reasonably willing to give.

Mr. President, that suggests the whole basic change in the philosophy of the Wagner Act. What was the Wagner Act, which was passed in 1935, and whose author was one of the most illustrious men who ever sat in this great body and who had the encouragement of one of the greatest figures of all times, who sat in the White House? It was a very simple law. When the Senator from Ohio this afternoon was saying that the Wagner Act was one-sided, I wish he had pointed out the language which was one-sided. He said the National Labor Relations Board was unfair. I have known judges who were unfair, but that did not make the laws they administered unfair. They were themselves at fault. The Wagner Act was simply a charter for the working men, giving them the right to bargain together collectively with management. In order to bargain, they had to get together in an organization. The law gave to working men and women the right to get together and organize a union. Is there anything in that which is against management? Do not stockholders get together and organize into a corporation? Do they not appoint directors, and do not the directors elect the president and chairman of the board? Was there anything unfair in giving to workers the privilege of organizing for their common good and protection? That was the basic thing the Wagner Act did. But it did one other thing, it foresaw that management would resist the exercise of that right. So it said to management, "Thou shalt not interfere with them organizing this union. They are American citizens." Sometimes when I have heard management talk about "my labor" I have ventured to ask such a witness, "Are you speaking about your fellow Americans in the possessive? We got rid of slavery a good long while ago, and while you might, perhaps with propriety, refer to your children in the possessive, since you are their father and have a certain legal control, as a parent, over their custody and conduct, I wonder what you signify and connote when you say, 'I am good to my labor.' When they put an 'X' on a ballot and deposit it in a box, thank God we do not make any distinction in this country, and when you and they go to court, thank God there is not supposed to be any distinction. We stand before our Creator as fellow men."

Yet it is all too true that the laborer has been the minion and the servant of his master, just as in the common law the employee was always called the "servant." "Master and servant" was the law of employer-employee relations.

Mr. President, we tried to get away from that, but we have not completely gotten away from it. The Wagner Act was an effort to get away from it. I said that the Wagner Act gave the members of the union, the workers, the right to organize, and said to management, "Thou shalt not interfere with them, nor shall you discharge one of them for joining a union, on some trumped up excuse, or

otherwise." That did not impose any burden on management.

Then the Wagner Act made it a duty on the part of management to bargain with the members of the union collectively, which meant to deal with their agent when they sent him to talk wages, working conditions and hours. Why was that? The employers had not wanted to do that. They wanted to deal with the worker individually. They wanted to say, "Listen. I will hire you, I will hire the other fellow. I will get rid of you. I will give you so much, and the other so much, and another so much." They wanted to deal with them individually, and if one fellow said, "I cannot live on that," the reply would be, "Well, if you don't like it, get out, somebody else will take your job." That has been done too many times when a man protested and said he wanted more. The reply would be, "If you don't like it, get out," with little ceremony attached to his dismissal. When management said that, the reply was, "All right. We will all get out." Ah, that made a difference.

I shall never forget something I heard, which I have related here before, but which I venture to repeat. A close friend of mine, who started off life the hard way, worked in some of the coal mines in the South, and because he and some of his fellow workers tried to organize he was dismissed and run off the premises, and kept off by the militia, who shot at the workers when they tried to return to the premises of their employer. This friend of mine hid out in the mountains for days, fearful he would be caught, having tried, with his fellow men, in a peaceful and lawful way, to organize a union to further the common interests of the workers.

Without any money, he found his way down to New Orleans, determined to go west and work in a gold mine. He had heard that in that area the workers had a union, and he heard that instead of getting a dollar a day, as he had been paid, they received $2.75 a day.

He tells a graphic story of his finding his way to the West, finally getting there, arriving hungry, and going into a saloon over which the labor union was supposed to meet. He asked the bartender how he could get into the union. The bartender said, "Well, you'll have to get the privilege of going in. They wouldn't let you go in unless you could get somebody to sponsor you." Finally the bartender let him clean the spittoons and the floor, and gave him something from the counter to eat. The bartender thought he looked like a pretty decent fellow, a young man, bright-eyed, with glowing spirit, so the bartender said: "I tell you what you do. Go over to the mine and wait there, at the end of the day, for a certain man. He is the most powerful man in that union. If he will sponsor you, you will probably get in and get the right to work in that mine."

The fellow went over and waited until the workers left, spotted this fellow, and followed him until finally the fellow turned off from the main road and went up the mountain to a little cottage of his own. My friend followed him, and the fellow turned back and asked him what he wanted. He told him his story. The mine leader said, "Let me see your hand." The fellow put out his hand. The miner rubbed his hand in his calloused palm and said, "You've got an honest hand. I have to go and eat my supper, but I will be back down there. We have a meeting tonight. If you will be down there, you stand outside of the door, and if I can get them to take you, I will send for you." To make a long story short, the man sent for him, he got in and told his story, and they agreed to admit him to the union.

He said he had been working but a few days when there was a crash in the mine, a timber or something of the kind had weakened, which jeopardized the safety of the workers. This man said that in the coal mine in Tennessee, where the workers had not been organized, he had seen timbers begin cracking, and crumblings beginning to occur, and when a worker in the area would protest or complain, an arrogant foreman would say, "If you don't like it, get out; somebody else will take your place." And maybe he stayed to his death or his injury.

This friend of mine said that in the gold mine, when that danger appeared, a worker protested to the foreman, and the foreman was a little cocksure and said, "There is no danger there. You just keep on working. There is no danger."

As I recall, the union had paid a fellow of their own, who had been injured in the mine, to be a sort of safety inspector. The workman sent for that fellow, he came and looked at the damage, and he told the foreman the place was dangerous. The foreman said to him, "I told the man there was not any danger there, and I don't want to hear anything more about it." The labor union's safety man turned to the fellow and said, "Lay down your tools," to another, "Lay down your tools," and to another, "Lay down your tools." He walked through the mine, and in 10 minutes every one of the workers stood at the mine door ready to leave. Then they did not deal with the foreman any further. The boss came running and said, "What's the matter?" Of course, the safety of the workers was assured.

There was union, Mr. President, giving strength to workers and protecting them. That is what the Wagner Act was doing, giving them the right to organize, to protect themselves, simply saying to management, "We do not ask you to give them what they ask, we do not ask you to hire them if you do not care to, but receive their chosen representatives, whom they themselves select in their own free election, which we forbid you to interfere with. You must bargain with these workers' representatives who come in to see you, or meet with you by mutual agreement, to discuss terms and conditions of employment."

Except for creating the National Labor Relations Board to administer the law, that is about all the Wagner Act did. It did not regulate corporations, nor did it regulate labor unions. It did not purport to deal with the relations between the union and the individual member of the union, nor did it attempt to deal with the corporation and the individual stockholder, the relationship of the whole number of stockholders to the individual stockholder. It did not purport to protect the right of the individual union member any more than it undertook to protect the right of the individual stockholder in the management corporation. It did not deal with those subjects. It merely set up the machinery of group bargaining with group.

For whom did the president of the company speak, Mr. President? Perhaps for $100,000,000. I said a while ago that in 1948, 113 manufacturing companies in this country each had assets of more than $100,000,000. For whom did the president of one of those companies speak? For $100,000,000, and perhaps for thousands or ten of thousands of stockholders. Yet they, the stockholders, spoke with one voice in those negotiations with labor. All in the world the Wagner Act did was to say that one president of the corporation will deal with one president of a labor union. Management and labor are both essential to the common enterprise that makes the wheels of industry go. There is the partnership. But the mutuality exists only in the fact that each one needs to bargain with the other.

Now I ask again: What is there in that law which is unfair either to management or labor? We do not have that kind of law in the Taft-Hartley Act. Nor will such law be retained in the Taft bill. I certainly hope that if the Taft bill is adopted it will not have the effect upon the able Senator from Ohio that the adoption of the Taft-Hartley bill had upon his coauthor in the House. The latter did not run again after that. The Senator from Ohio was voted one of the most useful of all Senators, and I deem him so if one likes his philosophy. He is one of the finest gentlemen I have ever known. I at least hope he will not voluntarily retire from the Senate as his colleague in the Taft-Hartley law retired from the House of Representatives. Some think he retired because of the adoption of the Taft-Hartley law. I know the Senator from Ohio is far too courageous, has too stern a stuff within him for him voluntarily to retire from the Senate the way his colleague, Mr. Hartley—who was what I would call the tail of the Taft-Hartley law, while the Senator from Ohio was the head—retired from the House of Representatives last year.

Mr. President, what did the Taft-Hartley law do, and what would the two amendments the Senator from Ohio sponsors, with the 22 Taft-Hartley provisions he would retain, accomplish if they were adopted by the Congress?

The Taft-Hartley law is primarily a law to regulate labor unions. The new burdens it imposes upon management are infinitesimal compared to the degree of restriction and of regulation and restraint and coercion it applies to the free men and women who associate themselves together into labor unions. It is not a law to balance up. It is a law for the Federal Government to regulate labor unions.

Mr. President, I do not believe the Taft-Hartley law has proved to be in the

public interest. I do not believe it has been conducive to the national welfare. I do not believe it has added to the economic strength and power of America. I do not believe it has bettered relations between management and labor. I do not believe it has improved the techniques for the reconciliation of management and labor disputes which previously existed. I say, and labor feels, and I feel the fair judgment of the critic is, that this is an antilabor law. All one has to do is to observe what this law added as a constriction upon labor compared with what it added to the duties of management, to see that it has had the effect, if it was not its design, to curb the power and to retard the welfare and progress of the working men and women of America.

Mr. President, when you strike down a soldier's shield you have impaired his security. It may mean the end of his life. The union is the shield of the worker. Law cannot protect the worker. We have a minimum-wage law. We hope to present to the Senate shortly a bill which will increase the minimum wage the worker subject to the effect of that bill will receive, to extend perhaps the coverage, and to curtail the exemption, but all it would do would be to apply to those down at the bottom of the ladder. The minimum wage now is 40 cents an hour. That is the wage fixed under the minimum wage law. The mass of the skilled workers of America are, of course, far beyond its reach or its salutary effect. In fact the reason we have the minimum wage law is that it is necessary to apply such a law respecting the unorganized mass at the bottom of the ladder which cannot protect itself. Those workers do not have the union and the unity that gives strength.

Most of the labor unions which have grown strong when given a fair and free bargaining position are not asking Government help. They are willing to stand up man against man and fight their battles. They have their labor to sell, and if a man is not willing to buy it on fair terms they, as American citizens, may withhold it from him. So they have something he needs, and he has the job which they must have. That is the kind of equality, Mr. President, that a union spokesman asks. He asks that his Government not put its fist in his face when he exerts the power he possesses to better himself in the bargaining relationship; not to hamstring him by trying one of his hands behind him when he has to fight his powerful adversary. He says, "Let me be free to fight my battle with my strength and skill." That is what he asks of the Congress. He says, "Tear away from me the shackles that are embodied in the Taft-Hartley law and I will fight my battles. Give me the essential right which the Wagner Act conferred upon me in 1935; then I will not be asking the Government to intervene for my assistance."

As I said, we know we cannot help them. We cannot negotiate their contracts, nor can we prescribe the general details of the conditions under which labor shall work and live.

Mr. President, the law now proposed by the Senator from Ohio would impose upon labor all these unfair labor practices. It would subject labor to suits. It would make labor amenable to injunctions. It would subject labor to all these curbs and restraints. It would do that to the workers of America who happen to wish to bargain collectively with their employers.

Mr. President, I want to repeat words of warning to some of those who are giving aid and encouragement to that proposed policy. These are not essentially my warnings. They are simply the repetition of the testimony of men such as Dr. Feinsinger, of the University of Wisconsin, and skilled experts in this field like Dr. Leiserson, and Mr. William H. Davis, men who are not members of labor unions, and who are not labor leaders, but who are skilled in the lore of this subject by reason of years of study and experience. They hold up the warning finger to that misguided segment of management in America which is egging on the effort to pass these restrictive laws against labor unions.

Let me give an illustration. The Taft-Hartley law says that a labor union cannot, without committing an unfair labor practice, attempt to induce or require an employer with whom the union has a contract to get rid of a member of the union when the employer has agreed to a union association in his shop, for any other reason than nonpayment of his dues to the labor union. For all practical purposes that means that the labor union cannot oust a member, or at least cannot demand that there be dissociated from the union one who has formerly been of them, but is now inimical to their welfare. He might even by a spy against them. In other words, they are saying that the relationship of the union to the member with respect to employment, hiring and firing, is going to be determined by this proposed Federal law.

There comes a warning. At the present time the converse is true, under the Taft-Hartley law. Management can fire an employee for any reason except his union membership, that is, being a member or not being a member of a labor union. I do not know of any other impairment of the right of management to discharge an employee. If Congress is going to regulate the relationship with respect to employment, as between a union member employee and his union, and tell the union the cases in which it can demand his discharge, the employees are going to implore the Congress to limit the instances in which management may discharge its workers.

In some of the countries of the world, as set forth in our report, it is already the law that an employer may discharge a worker only for certain enumerated reasons. The employee has the right of hearing and appeal if he is discharged. Does management want to have the law lay down, as do the civil-service rules, the terms upon which it can get rid of a worker whom it does not like, whom it regards as out of harmony and sympathy with the plant, its objectives and purposes? Mr. President, I warn management that if it is to launch this Congress upon a course of imposing detailed, restrictive regulations and rules upon the labor unions of America, it should prepare for its day, when we shall not have less than 1 percent of the stockholders of a big corporation controlling the entire enterprise and the little stockholders complaining that they cannot have any voice because of the proxies and controls which the favored few are able to exercise.

Do Senators suppose that the gentleman who told me that he owned 200 shares of General Motors' stock had anything to say about the $20,000,000 bonus which the officers asked the Securities and Exchange Commission to permit them to divide among themselves? That money came from my friends stock dividends. Yet he was as helpless as the impotent man at the pool of Bethesda to do anything about it. When corporate heads are spending their money in the metropolitan press to advocate Taft-Hartley laws against labor, when they are lobbying in support of such laws, if they are—I dare say some of them have at least made their sentiments felt—when they are spending their money to help elect those who will try to secure the adoption of such legislation, I warn them to beware. That policy will reach those misguided corporate leaders in a very short time. If we really want free enterprise in America, we do not want more restrictions and curbs than we now have. The Congress had better stop before it goes farther down this dangerous road, and come back to the Wagner Act, with a few reasonable, consistent, and logical amendments, such as are proposed in the Thomas bill. Otherwise, we shall be saying, "Now that we have regulated labor unions we might just as well start to regulate corporations."

Let me give a few illustrations of some of the inequities in this legislation. Consider the matter of the privilege of free speech. A great deal is made of it. The supporters of the Taft-Hartley law have an amendment to protect, in statutory form, the privilege of free speech. The National Labor Relations Board had already been told by the United States Supreme Court that we had a Constitution in this country, and that the National Labor Relations Board could not take away the right of free speech which a citizen enjoyed under the Constitution. No statute was necessary to tell a citizen that he had the right of free speech under the Constitution, so long as the courts were functioning. Of course, sometimes it is necessary to obtain an interpretation of an administrative ruling or regulation, just as it is necessary to obtain a construction of statutory language before we are sure what it means. But the National Labor Relations Board, pursuant to the mandate of the United States Supreme Court, before the Taft-Hartley law was enacted, had already recognized and guaranteed all the constitutional rights of free speech which an employer had. It was not necessary to put them into the law.

However, the National Labor Relations Board, going contrary to what was probably the obvious intent of the Taft-Hartley law, finally held that management could not make threats or statements to workers upon the eve of an

election which would create an unfair, unfavorable, and unwholesome atmosphere for the conduct of the election. It held that while the employer might, for all practical purposes, threaten the workers in respect to other things, at least he could not, on the eve of one of their elections, say things which, for all practical purposes, would constitute intimidation against those workers in the exercise of their political right to vote freely for a union or against it in an election.

In his amendments the Senator from Ohio would extend the curbs of the statute to the election. He would apply the same principle to the election as the law has previously applied to other things to which it may be addressed. The Senator from Ohio has somewhat liberalized the free-speech provision generally, and for all practical purposes has gone back to the Wagner Act as it was being construed and interpreted by the National Labor Relations Board and by the Supreme Court at the time the Taft-Hartley law was enacted.

Let me show how unfair some of the provisions of the Taft-Hartley law are in this respect. The supporters of that law are very zealous to protect the right of free speech on the part of management. But what do they do to protect the free speech of the worker? I shall show in a moment that if the workers in factory A place a sign upon a board and walk down the street, telling the workers in factory B that they ought not to work on a commodity produced in factory A because the management in factory A is unfair to labor—if they merely walk down the street in front of factory B, with signs over their shoulders saying that factory A is unfair to its employees, and asking the employees of factory B not to work upon the commodities produced in factory A, that is forbidden. That is an unfair-labor practice. It can be enjoined; and if damage ensues from it, it can be the subject of a suit in a Federal court.

We brought out that fact through Mr. Denham during the hearings, as members of the committee will recall. After it had been disclosed that approximately 40 applications for injunction had been made, and that 39 of them were against labor, we followed through with some of the facts. After about an hour and a half of persistent questioning of the general counsel, we finally obtained an admission from him that all the workers did was to walk down the street following a truck, or to gather in proximity to it, carrying standards such as I have described, protecting the unfairness of the employer whose commodities were involved. There was no violence, no unlawful conduct, no breach of the peace. The employees simply walked down the street carrying signs. But if an employee violates the secondary boycott provision, if he merely tries to persuade the minds of other workers to cooperate for their common betterment, he violates the law.

Yet the president of the company could come along just behind the employee, walk into the office of the president of the other company, and say, "I hope you will never do anything for any of the workers participating in this activity, and if any of your workers show sympathy for them, I hope you will fire them," and no one could do anything to him. This law is directed primarily against the workers.

If a few workers from factory A were to assemble in the living room of a private residence with a few of the workers in another factory, which was working on a commodity produced in factory A, tell them about the conditions in factory A, and ask them to put pressure on their boss not to accept or work on those goods, and not to work on them themselves, they would be violating the law, because the language of the law is that they are forbidden to attempt to persuade, induce, or bring about a situation in which one factory will not work on goods which come from another factory, no matter how much the policy in the other factory may beat down wages and worsen working conditions in that community.

Another point is that it is forbidden that the workers attempt a secondary boycott upon the goods on which they labor, but it is perfectly all right for management to tell a factory that is about to take in a union, "We will not any longer process your goods if you put a union in your plant." Mr. President, I know of nothing in this law which would forbid the employer to tell another employer with whom he had been doing business, "If you put a union in, you can just count your contract as being at an end; there will not be a renewal when it expires"—if it is for a fixed period. So we see that management may use its economic strength for the protection of what it regards as its legitimate interest, but the worker is forbidden to do the same thing. Is that a reasonable privilege for one to exercise?

I have before me the language of Mr. Justice Brandeis, written back in 1920, as it appears at page 480 of 254 United States Supreme Court, in the case of Duplex Co. against Deering. That case related to a secondary boycott. Mind you, Mr. President, the Senator from Ohio eliminates one type of secondary boycott, but retains the secondary boycott I am talking about as a forbidden act on the part of the employees. Mr. Justice Brandeis was talking about exactly that sort of situation. I read from that case:

> Defendants' justification is that of self-interest. They have supported the strike at the employer's factory by a strike elsewhere against its product. They have injured the plaintiff, not maliciously, but in self-defense. They contend that the Duplex Co.'s refusal to deal with the machinists' union and to observe its standards threatened the interest not only of such union members as were its factory employees, but even more of all members of the several affiliated unions employed by plaintiff's competitors and by others whose more advanced standards the plaintiff was, in reality, attacking; and that none of the defendants and no person whom they are endeavoring to induce to refrain from working in connection with the setting up of presses made by plaintiff is an outsider, an interloper. In other words, that the contest between the company and the machinists' union involves vitally the interest of every person whose cooperation is sought. May not all with a common interest join in refusing to expend their labor upon articles whose very production constitutes an attack upon their standard of living and the institution which they are convinced supports it? Applying common-law principles the answer should, in my opinion, be: Yes, if as a matter of fact those who so cooperate have a common interest.

Yet, the Senator from Ohio would say Mr. Justice Brandeis is wrong, and that workers cannot cooperate where they have a common interest, if an independent employer is involved.

Another case is this: Today, as I have said, in spite of the guaranteed privilege of free speech in the Taft-Hartley law, peaceful mass picketing is forbidden. In other words, management can walk up and down the street with a sign, if it wishes to do so; it can make telephone calls or can address itself to its fellow employers. But labor cannot walk up and down the public street or road in front of such an enterprise without being guilty of violating the law, without being guilty of an unfair labor practice under the law, and amenable to all its penalties.

Mr. President, the same thing applies to the election, in respect to the employees' representative in the bargaining relationship. The manager, the employer, can go to the workers and tell them they ought not have a union; he can tell them that that would be contrary to their best interests, that he would rather not see it done. He can tell them it is not a good bargaining representative, in his opinion. In other words, as an exercise of the asserted privileges of free speech, he can for all practical purposes coerce the union members in the selection of their bargaining representative. But under the statute itself, which the Senator from Ohio would preserve, it is an unfair labor practice if the employees attempt to coerce management with respect to his representation in the bargaining relationship.

Mr. President, I wish to pass on now to some of the other points. I spoke of the right of injunction. The Senator from Ohio says, "We retain the Board's right to seek temporary injunctions against unfair labor practices by both employers and employees." What about the matter of injunction, Mr. President? The Taft-Hartley law created the independent general counsel's office. That was the only instance in which that had been done, the only instance in which there was a general counsel independent of the Board, who actually had uncontrolled power to initiate complaints and injunctions; and in some instances under the statute he had a mandatory power, in respect to unfair labor practices growing out of secondary boycotts, to apply for an injunction; and injunction applications were given priority over everything else before the court at the time when they were filed. That was provided by the Taft-Hartley law. Finally, Mr. President, the Senator from Ohio has been willing to concede that we ought not any longer have this independent general counsel. He proposes to eliminate that provision, fortunately. Of course, it should never have been adopted. The Senator from Ohio also proposes to eliminate the provision for mandatory injunction. It, likewise, never should have been allowed. It was

curb and coercion in the hand of management which could persuade the general counsel who was the very embodiment of the abuses the Norris-LaGuardia Act was intended to curb away back in 1932. The Senator from Ohio has been willing to eliminate that provision.

Incidentally, the only thing wrong with the amendments of the Senator from Ohio generally is that he is not eliminating enough of the Taft-Hartley Act. I hope that in the future he will find himself able to get rid of the other 22 provisions, as well as the 28 which he has already agreed should be changed. But he still would retain the power to use injunctions in labor disputes—a power which does not exist under the Thomas bill and did not exist under the Wagner Act.

Mr. President, let me show how that will work, and the fairness of the Wagner Act and the Thomas bill, as compared to the unfairness of the measure of the Senator from Ohio. If there is an allegation that labor has committed an unfair labor practice, under the Wagner Act and under the Thomas bill a complaint is filed, and then there is notice of the complaint, and then there is a hearing at which each side has an opportunity to be heard fully and fairly. Finally the examiner makes his report to the Board, and then exceptions may be filed by either side to the examiner's report, and then briefs may be filed, and then oral arguments may be had. Finally the Board concludes the matter, after all that record has been compiled and after that fair opportunity for filing briefs and presenting arguments has been given to either side. Then if the Board decides, for example, against labor in the dispute, and if labor fails to comply with the Board's cease-and-desist order, the Board can go to the United States Circuit Court of Appeals, a court composed, as I recall, of a minimum of five members. In this case, at least three of the members would be required for any decision. The case has to be presented to the court, and if the court finds that the Board's cease-and-desist order was proper and is not being complied with, it may issue a process against the offending party, to make that party comply with the Board's decision. That may be weeks or months or over a year from the time the complaint was filed, no doubt; but both sides have been fairly heard, and when enforcement is attempted, it is by the circuit court of appeals. But, by the procedure suggested by the Senator from Ohio, when the case is made the subject of complaint, suppose management says the union has committed an unfair labor practice. If they can induce the Board to do so, the Board can direct the general counsel to seek a temporary restraining order, a temporary injunction with only one side being heard, with no fair argument, with no fair opportunity for the defendant to bring his witnesses and put his case before the court. That injunction might take effect, if granted by one judge—a district judge; not a circuit court of appeals, on a full record, but one district judge—on the petition or affidavit of the applicant. The injunction would remain in force for 6 months, a year, or a year and a half, before the Board could finally get around to hearing the case and eventually deciding it on its merits. In other words, it is like saying, "This man and I have a dispute, Judge. I want you to give me what I ask, while the dispute is being settled." That is the unfairness of it, Mr. President. As I said, under the general counsel, there were about 41 injunctions applied for, 39 of which were applied for against labor, because it is generally a case of management attempting to enjoin labor. That is the reason the Norris-LaGuardia Act in 1932 forbade that sort of thing.

Mr. President, labor disputes cannot be solved by court injunction. The only way labor disputes can be solved is by fair collective bargaining and by arbitration voluntarily agreed to. All the Government can do is provide favorable opportunity for fair negotiations and encouragement for agreement. Labor disputes are not settled by injunction, and I shall attempt to show in a few moments that none have been settled by injunction. What has been done under the Taft-Hartley law is, the club and power of injunction has been employed sometimes actually, and other times as a threat, in order to keep workers in America from exercising the legitimate rights they have the privilege of exercising. The Senator from Ohio retains the vice of the Taft-Hartley law, which casts aside the essence and substance of the Norris-LaGuardia Act.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The essence of the Norris-LaGuardia Act is to prevent any individual from bringing an injunction in a labor dispute, but with certain exceptions, and with a right under certain circumstances to get an injunction, which could not last for more than 5 days. Neither can the injunction under this law last more than 5 days. The Norris-LaGuardia Act applied to employers. There is nothing in this law or in the proposed amendment which authorizes any employer to go into a Federal court to get an injunction. That is the essence of the Norris-LaGuardia Act. It is not even clear that the Norris-LaGuardia Act prohibited the Government from getting an injunction at all. It did not apply to the Government, according to its authors. This act deals only with injunctions obtained by a Government department that determines it is in the public interest to get the injunction.

Mr. PEPPER. If I may, I will ask the Senator, does the bill, as it would exist by virtue of his amendment, specifically provide that in certain cases the Norris-LaGuardia Act shall not be in effect?

Mr. TAFT. That is correct; because it is doubtful, the courts are still divided as to whether the Norris-LaGuardia Act applies to the Government. If we said nothing about the Norris-LaGuardia Act, I think the injunction provision probably would be perfectly valid. I do not think the injunction provision would apply probably to actions by the Government. The Senator is aware that it was held it did not apply in the coal case. That is not squarely in point, because in that case the Government was, in theory, enjoining its own employees.

Mr. PEPPER. In reply to the Senator, I wish to make two or three points. First, about all the Senator has done in changing the Taft-Hartley law is to abolish the general counsel and to abolish the mandatory injunction, is it not, except in respect to a national emergency? He leaves all the other provisions of the Taft-Hartley law in effect, except the mandatory injunction, where it was required that the injunction be sought, but he leaves the discretionary power to get an injunction. That was already in the Taft-Hartley Act.

Mr. TAFT. It rests entirely on the determination of the Government of the United States that it is in the public interest. If the Government of the United States thinks an injunction is in the public interest, I think the Government ought to have power to stop unfair labor practices or other injustices on the part of labor unions as well as on the part of employers.

Mr. PEPPER. In the first place, there must be some significance to the two sets of words I am going to read to the Senator. Then I want to comment upon the other point. In the bill of the able Senator from Ohio, S. 249, his provision is embodied, is it not? I read:

(h) When granting appropriate temporary relief or a restraining order, or making and entering a decree enforcing, modifying, and enforcing as so modified or setting aside in whole or in part an order of the Board, as provided in this section, the jurisdiction of courts sitting in equity shall not be limited by the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (U. S. C., Supp. VII, title 29, secs. 101–115).

That is the Norris-LaGuardia Act.

Mr. TAFT. That is correct.

Mr. PEPPER. The Senator is expressly cutting down some of the restraints and restrictions of the Norris-LaGuardia Act in his bill.

Mr. TAFT. Yes, but the Senator said we were destroying the essence of the Norris-LaGuardia Act.

Mr. PEPPER. Yes; I am coming to that.

Mr. TAFT. The essence of the Norris-LaGuardia Act was to prevent injunctions by private parties. Nothing in this law has ever at any time restored the right of injunction to private parties.

Mr. PEPPER. I am turning now to the language of the Thomas bill, which expressly revives the Norris-LaGuardia Act. On page 34 of the Thomas bill I find the following provision:

SEC. 401. The act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes" (Norris-LaGuardia Act), approved March 24, 1932 (U. S. C., title 29, secs. 101–115), and sections 6 and 20 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" (Clayton Act), approved October 15, 1914, as amended (U. S. C., title 15, sec. 17, and title 29, sec. 52), are continued in full force and effect in accordance with the provisions of such acts—"

In other words, whereas the amendment of the Senator from Ohio expressly limits in terms the Norris-LaGuardia Act, the Thomas bill expressly revives it and puts it into full force and effect.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I shall yield, and then I shall return to the other point raised by the Senator from Ohio.

Mr. DOUGLAS. I wonder if the Senator from Florida will turn to pages 35 and 36 of the Taft-Smith-Donnell amendment, specifically to paragraph (j) on page 35.

Mr. PEPPER. I read:

The Board shall have power, upon issuance of a complaint as provided in subsection (b) charging that any person has engaged in or is engaging in unfair labor practice, to petition any United States district court—

Yes; I was coming to that. When I referred to it a while ago I did not mention literally the Norris-LaGuardia Act; I said the substance and essence was the right to resort to injunction in a labor dispute. Under the Taft-Hartley Act, that could not be done by an employer, but if Government counsel made himself an agent of the employer, as he did in some cases, I think some persons believe, and if 39 out of 41 injunctions were decided against labor, it rather occurs to me that the substance and essence to which I have referred were being observed.

The Senator from Ohio was charging that the Board was prejudiced in favor of labor. In some instances it may have been said to be prejudiced against management. How do we know that at some time in the future a Board may not be prejudiced in favor of management and against labor, or vice versa? The power to use the injunction process in a labor dispute in a preliminary way, rather than to enforce an order arrived at after full hearing and a full record, is the abuse of which I was complaining. That is, in my opinion, the essence and substance of the Norris-LaGuardia prohibition.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. We provide expressly that notice must be given, and that no temporary restraining order shall be issued without notice unless the petition alleges substantial and irreparable injury.

We also provide that such temporary restraining order shall be effective for no longer than 5 days and will become void at the expiration of such period. We provide that—

Upon filing of any such petition the courts shall cause notice thereof to be served upon any person involved in the charge and such person, including the charging party, shall be given an opportunity to appear by counsel and present any relevant testimony.

That is all taken directly from the Norris-LaGuardia Act. I even question whether it is necessary to put in a provision that this action shall prevail over the Norris-LaGuardia Act, because it is very doubtful whether that Act applies to an injunction by the Government or any department of the Government. In the debate the authors of the Act said it did not apply.

Mr. PEPPER. Nevertheless, I think the Senator will agree that only twice in 12 years, if I recall correctly, under the Wagner Act, did the Board ever apply for a temporary restraining order, whereas, there was such a tone and spirit injected into the Taft-Hartley Act that there were approximately 40 applications for injunction by the counsel or by the Board—I think they were made by the general counsel—in the 2 years of the existence of the Taft-Hartley law.

Mr. TAFT. As to the wisdom of a temporary injunction, the Wagner Act always permitted an injunction, but only after the Board had held a hearing and issued a cease-and-desist order which was not complied with. In such a case the Board could get an injunction. When the Board finds that an unfair labor practice causes irreparable damage to someone, it has a right to get a temporary injunction. There are many cases where unfair labor practices have caused irreparable damage, but before the Board can get around to a hearing, the whole thing is over and done, but the damage is, in fact, irreparable.

So the method of temporary injunction, on the application of the Government, seems to me to be a fair method of preventing unfair labor practices on the part of both labor and management. As the Senator knows, the counsel sought to obtain an injunction in connection with a pension system. I think there were two cases, and the Board decided both ways.

Mr. PEPPER. The Senator overlooks two very pertinent facts. One is that the Board, which is supposed to conduct the hearings, is not a court, but the National Labor Relations Board. The parties cannot go into a district court, where there is one judge, and have the case thrashed out there in full, because the judge will pass only upon the granting of a preliminary injunction. He is not deciding the merits of the case. Yet if the judge grants an injunction against labor, for all practical purposes it has the effect of a final decision of the case by an independent judge. It takes jurisdiction, for all practical purposes, away from the Board which is established to settle labor disputes. The Board consists of five individuals who are specialists in that field. A judge is not a specialist in that field.

That is one thing. Another point is that the parties can never, before a judge, receive a full hearing on the merits of the case, because he is not supposed to decide the issues in the case; he decides only the preliminary necessities of the case. Injunctions have not settled any national strikes; they have provoked some strikes, and have made others worse.

Mr. President, we were supposed to have grown up. As the Bible says, "When I was a child I spake as a child, I thought as a child, I understood as a child; but when I became a man, I put away childish things."

I thought we had grown up and had passed the puerile stage of thinking and an injunction was an effective method of settling labor disputes. Those who hold to the contrary find it extremely difficult to learn the obvious lesson of history.

I now turn to the point numbered 2 in the list of important features retained, which is as follows:

Unions as well as employers are required to bargain collectively.

As I said, this is the second point of the Taft-Hartley law which the Senator from Ohio says he would retain. As I stated a while ago, we do not need to have the coercion of law to make workers bargain with a man who has in his control a job which is essential to their livelihood. All it can do is to impose another harassment upon the workers through management claiming they are guilty of an unfair labor practice if they hold out for a little more than he is disposed to give. There, again, Mr. President, the fact that it can be called an unfair labor practice does not make them agree. If they are determined to be fraudulent about it, all they need to do is to talk about something else, carry on idle chatter, or simply refuse to agree, because the law says they cannot be made to agree. So nothing is to be gained from it except harassment, to give a club to management to use against labor in case they are disposed to employ it.

We got along pretty well for 12 years, from 1935 to 1947. We hear talk about the indispensable man. I do not think experience has shown that the Taft-Hartley law is the indispensable statute. We got along pretty well from 1935 to 1947, and we would be getting along better now if the prophets of the Taft-Hartley procedure had not come along with that fallacious method of settling labor disputes.

3. Unions as well as employers remain responsible on their contracts, and are liable to suit as if they were corporations.

That is the other case in which the Senator from Ohio referred to the unions as corporations. The first one I read, it will be remembered, was from No. 9—

Unions are held responsible for the acts of their agents as if they were corporations.

Here again, in No. 3, it is said:

Unions as well as employers remain responsible on their contracts, and are liable to suit as if they were corporations in the Federal courts.

Mr. President, they are not the same. You can sue an employer to make him pay you money, to perform his part under a contract. He can sue you if you promise to pay him money and do not do it. But if you promise to perform labor for him and you decline to perform it, he cannot put you in jail, unless he can get a court to hold you in contempt, as was done in the past, by some legal shenanigans. In their nature the obligations are different. Yet the Senator from Ohio tries to assimilate a group of working men and women who get together in a loose sort of way to help one another, and call them a legal entity, as is a corporation created by the power of the State and having no soul and only an intangible muniment of body. The

Senator from Ohio says they are liable to suit. We have already pointed out in the previous debate that the Taft-Hartley law created a new right in the Federal court, a right which did not heretofore exist in many cases. It gave the right of suit in a Federal court regardless of whether there was diversity of citizenship and whether as much as $3,000 was involved. Those are the criteria which have to be met when one ordinarily goes into a Federal court, but if it is a suit where a labor union is involved, it is not necessary to meet the ordinary conditions. A new right is conferred in the Federal court, regardless of the fact that, generally speaking, these rights exist in the State courts, where the union or the corporation or the employer could sue each other if they chose to do so.

Mr. President, this power to sue is a new power given, mind you, which did not exist under the Wagner Act. The Wagner Act did not purport to regulate that kind of thing, it merely regulated collective bargaining between the two; it assumed that the law of contracts was already existent other than in the Wagner Act, and it did not change it, taking from it or adding to it. We said that the power to sue could be employed to ruin and to wreck the labor unions of the country if management chose to use it. I have here a newspaper clipping stating that a judgment for $750,000 was awarded against the CIO Longshoremen's Union and its Juneau local by the Federal court in Alaska. There was a wage dispute and a secondary boycott, and a suit, under the language to which I shall refer in a minute, which authorized suits only for damages caused to management by a union, not for damages caused to a union by management. Under that one-sided statute this union was assessed $750,000 in damages.

Mr. President, you do not have to get a judgment against labor unions to intimidate them, you can just threaten them with a suit that will empty their treasury and impose upon them the loss of all the accumulations of a long period of time. While the Senator from Ohio does exempt the individual member from liability, nevertheless the union treasury is subject to complete depletion. Is not that so?

Mr. TAFT. What is the case to which the Senator referred?

Mr. PEPPER. This is a newspaper clipping under date of May 14. It reads as follows:

JUNEAU, ALASKA, May 14.—The CIO Longshoremen's Union and its Juneau local have been ordered by a Federal jury to pay the Juneau Spruce Corp. $750,000 damages.

The award is the first in this region ever made under the Taft-Hartley Act's union-liability clause.

The article goes on to tell about it being a secondary boycott case, and management sued the union and got a judgment of $750,000 in the Federal court.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. I recall two cases, where a neon sign company was put out of business by unions exercising their right of secondary boycott. Why should they not get damages from the union?

Mr. PEPPER. Because if all they did was to withhold their labor from some other man's commodity, they had a right to do it.

Mr. TAFT. I do not know the circumstances of the Alaskan case, but in the other cases they were not withholding their labor. They were merely refusing to erect the signs which were manufactured by a certain company because they did not happen to be in the union working for that particular company. It was a secondary boycott. Why should not the union, like anybody else who destroyed business, be liable in damages?

Mr. PEPPER. Because the basis of liability is a violation of duty, and until the Taft-Hartley law imposed a duty not to withhold one's labor from another man's goods, there was not any breach of duty if he did it, and therefore no liability for doing it.

On that point, the Senator might have a million dollar deal which he could make if he could get to the other end of Pennsylvania Avenue, and he might ask me to give him a ride in my car, and if I could imagine myself being so uncivil as to deny the Senator's request, and he lost a million dollars, he could not sue me for not giving him a ride.

Mr. TAFT. The Senator may be certain I will never sue him for a million dollars or any other sum.

Mr. PEPPER. That is not an act of charity, that is good judgment on the Senator's part. He would not want to sue a worthless subject.

Mr. President, the fallacy in the Senator's assumption is that there is a duty on the part of the worker not to withhold his labor even if he is dissatisfied with the terms on which he is to extend it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Illinois.

Mr. LUCAS. Even though the Senator from Ohio is not going to bring a suit against the Senator from Florida—and that is understood—I understand that the question of an automobile ride between the two of them is not out of the question, but is still open.

Mr. PEPPER. We do not have any difficulty in our personal relations. It is only in these matters of policy on which we find ourselves sometimes opposed to each other.

Mr. President, this newspaper clipping says that this is one of the first of these damage suits. I wonder if it is going to be the last. I wonder if the situation is not changing somewhat. Why have there not been more suits? Perhaps it is because there has been a tight labor market. Perhaps management did not want to attempt to sue, but preferred rather to have a settlement. But, if we are to have a surplus of labor, a condition we are now approaching, perhaps, I wonder if the damage suits and the other techniques of the Taft-Hartley law are not going to become a far more ominous danger to labor than they are at a time when management needs every worker it can get, and tries to get along as best it can without asserting every technical right.

Furthermore, there is such a thing as vexatious litigation. It can be quite a harassment. In this bill the labor union is given the right to strike. It is supposed to be a protective right. But suppose the workers know they are going to be threatened with a suit that denies that right. They are going to have to defend that suit, pay a large fee to a lawyer, get together a great many witnesses, spend a great deal of time in court, and I wonder if the mere privilege of threatening may not be an impairment of the exercise of the right they possess.

Mr. President, this is the statutory provision under which that $750,000 judgment was obtained. It is contained in the Taft-Hartley law, and the Senator from Ohio does not propose to change this language:

Whoever shall be injured in his business or property by reason of any violation of subsection (a) may sue therefor in any district court of the United States, subject to the limitations and provisions of section 301 hereof, without respect to the amount in controversy, or in any other court having jurisdiction of the case, and shall recover the damages by him sustained and the cost of suit.

Mr. President, what is it that the suit may be for? It may be for unfair labor practices which may be committed by labor. But there is nothing in the law about unfair labor practices which may be committed by management being a subject of a suit. If there is, if I am in error, I wish the able Senator from Ohio would correct me. The law speaks of unfair labor practices committed by labor, and primarily the secondary boycott. But it does not confer the right on labor to sue management under that statute for its unfair labor practices which may wreck the union, which may cost the union every dollar of the large sums it may have spent in organizing the union, and in getting up to the period of collective bargaining with the employer.

Let me give the illustration of the CIO, and I believe also the A. F. of L., whose members have been spending their hard-earned money to organize the South. I certainly wish them the best of luck. The more workers they organize the better off those workers will be and the better off the country will be. Every honorable, fair American union is welcome, so far as I am concerned, to appeal to the citizens of my State for associating themselves with them and with one another for legitimate labor union purposes and privileges. But suppose a union spent one-half million dollars getting ready for a big election, and then the unfair labor practice of management defeats them in the election; the union cannot sue for the half million dollars which has been expended by it. No; there is no protection in the language of the law for the union against management's unfair labor practices. The law provides only

for management's right to sue for the unfair labor practices of the worker. That, Mr. President, is simply illustrative of the unfairness and the inequality of the legislation.

Under No. 3 of the statement of the Senator from Ohio the unions are also liable for damages caused by secondary boycotts and jurisdictional strikes. I have just referred to that.

I come now to No. 4 in the list of important features retained:

> The unfair labor practice of secondary boycott and jurisdictional strike is continued, although one type of secondary boycott is permitted against work transferred from a struck plant.

Let me, for illustration, say that I am employer A, and some people work for me who belong to a union. They get into a dispute with me about wages. They strike. Under the law I can get another company to take over the work that was done in my factory, and do it for me, I paying them a fee for doing so. Let us assume that the workers who have been working for me, who lost their jobs, went over to the workers in the other factory and said, "Do not take our jobs away from us. Do not take our livelihood away from us. Do not do this employer's work which we had been doing. Make our employer come to fair terms with us." If my workers did that they would have violated the Taft-Hartley law and would have been subject to injunction. They would have committed an unfair labor practice. If there had been damage to their employer they could have been sued in the courts, and every dollar they had in the union treasury could have been taken away in damages and paid to their employer.

The Senator from Ohio has recognized the monstrous unfairness of a law under which labor has had to live for 2 years, and I dare say would be living under so long as the Republicans were in power. I have some evidence in my possession that the Republicans were disposed to strengthen it and tighten it rather than to liberalize it in a good many essential respects. Yet for 2 years the workers have had to live under that very unfairness, under the 28 unfairnesses, I may say, which the Senator from Ohio himself has been willing to acknowledge.

Now he has provided that no longer are they forbidden to try to secure the help of their fellow workers, provided the other factory in which the other workers work is subcontracting for the first factory, but only in that one limited case.

In the illustration I gave awhile ago there are only two factories in the community. In one case the workers get together and organize a union. They get management to recognize their union and they enter into a collective bargaining contract. They secure a better wage scale, as unions generally do, than the unorganized workers in factory B in the same community receive. The fact that the other factory, factory B, is not organized, that it pays lower wages, and has no collective bargaining, is a continuing threat to the security of the workers in factory A. Yet if they go to the workers in factory B and say to them, "Why do you not organize, and why do not the people in this community buy from and deal only with those who employ workers who are organized and make the goods in the factories where there is organization; and why do you not support us in our efforts to secure and to keep union security?" they are still, under the law the Senator would retain upon the statute books, guilty of a secondary boycott, and all the penalties applicable for the violation of that provision may be inflicted upon them.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I do not understand the Senator's argument. Certainly any union that is organized can go to the workers in another factory and urge all the workers in the other factory to organize. The freedom to do that exists. That is not a secondary boycott. However they cannot go to the other factory and picket the output of that factory and prevent its workers from delivering goods, and so forth, when those workers are not organized, or when perhaps they belong to a different union, or do not want to join the union to which the workers in the first factory belong, or do not want to join any union at all. The workers in the first factory have every right to go to the second factory and urge its workers to organize.

Mr. PEPPER. The workers of the first factory cannot go to the second factory and mass picket and petition them to organize.

Mr. TAFT. Surely the Senator from Florida is not defending mass picketing. He is not defending a condition in which a union can mass picket and prevent people from going over the public highway.

Mr. PEPPER. Oh, there is no question about going over the public highway in the case I cited a while ago, where Mr. Denham obtained an injunction. It was not a question of obstructing the highway. Mass picketing has been unlawful, even though it has not in it any element of secondary boycott, under the Taft-Hartley law.

Mr. TAFT. Mass picketing is unlawful under the laws of 48 States of the United States, is it not? Certainly the Senator from Florida is not standing here on the floor of the Senate advocating mass picketing as the right of any union under any circumstances, is he?

Mr. PEPPER. I am defending the right of American citizens to put a sign over their shoulders and walk down the street even though it be in front of the place of business of an employer. [Manifestations of applause in the galleries.]

Mr. TAFT. That is all right, but when picketing is so massed that a man cannot get through, such picketing is unlawful in every State in the United States.

Mr. PEPPER. It was not the density of the picketing, it was the appeal the workers made which was found objectionable in the cases under the Taft-Hartley law.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. As the majority leader of the Senate, I am constrained to advise those in the galleries that it is a rule of the Senate that there must be no manifestations of approval or disapproval on the part of the occupants of the galleries.

I make a point of order, Mr. President, and suggest to the Presiding Officer that he admonish the occupants of the galleries to that effect. We must maintain order in the Senate of the United States.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Illinois?

Mr. PEPPER. I yield to the junior Senator from Illinois.

Mr. LUCAS. Mr. President, is the point of order which I made sustained or overruled?

The PRESIDING OFFICER. It is sustained.

Mr. PEPPER. I yield to the junior Senator from Illinois.

Mr. DOUGLAS. I would appreciate it if the Senator from Florida would turn to pages 16 and 17 in the amendment submitted by the Senator from Ohio. Is it not true that the only change which is made by the Senator from Ohio in the provisions concerning secondary boycotts is this: Whereas formerly all forms of secondary boycotts were made illegal, now in one case, and one case only, are they made legal, namely, when there is a strike in plant A, and when the goods which otherwise would be manufactured in plant A are put out to be worked upon in another plant. It is now stated by the Senator from Ohio that a secondary boycott in such a case is not illegal, and cannot be enjoined. Is that not true?

Mr. PEPPER. The Senator is correct. I appreciate his clarification of the subject. That is the only change which the Senator from Ohio would make. He would provide that when plant B, with respect to which the secondary boycott was attempted, was a subcontractor for plant A, and only in that case, the privilege of the secondary boycott would exist.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. Assume a case in which goods are manufactured in plant A, and are then sent to another plant to be further processed——

Mr. PEPPER. Not as a subcontractor?

Mr. DOUGLAS. Not as a subcontractor. The goods are sent to another plant to be further processed. Under the amendment of the Senator from Ohio, a secondary boycott in such a case would still be an illegal act, and could be enjoined.

Mr. PEPPER. That is correct. If the employees of plant A attempted to induce the employees of plant B not to process the articles from plant A, or if they went to plant B with picketing signs asking the employees of plant B not to process the articles, or if they did anything to induce or persuade them not to work on the goods which came from plant A, they would be guilty of an unfair labor practice under the law which

the Senator from Ohio wishes to leave on the books.

Mr. DOUGLAS. Would not that, therefore, put into effect the statute law decisions which the United States Supreme Court rendered in the case of Duplex against Deering, and in the Bedford Cut Stone case, from which we thought we had escaped?

Mr. PEPPER. Exactly. The Senator from Ohio would deny the right of workers to exert their own peaceful efforts, free from violence, to persuade those who have a common interest to follow a common course.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. PEPPER. I yield.

Mr. DOUGLAS. Is it not true that if there were a plant which paid appreciably less than the going rate of wages, a plant which workers in other plants regarded as unfair, they would then be compelled to continue to work on material sent to their plants from the plant which they regard as unfair?

Mr. PEPPER. They would.

Mr. DOUGLAS. And if they should refuse so to work, they could be enjoined and penalized if they continued to refuse.

Mr. PEPPER. That is correct.

Mr. DOUGLAS. In other words, the modification made by the Senator from Ohio is an extremely minor one, and the essentials of the injunctive process are retained.

Mr. PEPPER. That is correct. The right of self-help, the right of cooperative effort, is denied to the workers, and some of the basic iniquities of the injunction as a club against the worker are retained.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LUCAS. As a result of the colloquy between the able Senator from Florida and my distinguished colleague [Mr. DOUGLAS], I reach the conclusion that by making a slight concession the Senator from Ohio has practically left the secondary-boycott situation the same as it is at the present time, with the single exception which was stated for the RECORD by my colleague.

Mr. PEPPER. That is correct.

Mr. LUCAS. In fact, the Senator from Ohio has done nothing which makes any major difference as compared with the previously existing situation.

Mr. PEPPER. I think that is true.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I want to give the Senator from Florida credit for having brought about that amendment and having convinced me that the modification should be made. As I remember, the Senator's most violent attack in the committee was with respect to just the kind of case which has been mentioned. He maintained that it was unjust, in a Florida newspaper case, to permit work which had been done in a struck newspaper to be done in another printing shop. I thought he was right. The amendment which has been suggested is a substantial amendment, and is offered directly to meet the kind of case which the Senator from Florida brought up. So I do not think it is fair to say that the amendment is trivial, that it has not been carefully considered, and that it is offered only because it looks like a concession when it is not.

Mr. PEPPER. The Senator from Ohio knows how much I commend him for following my good judgment and advice in this connection. As I previously stated, the amendment is fine so far as it goes; but the Senator has not gone far enough. The case which he has eliminated was, of course, the more obvious case. Yet labor has had to live under this provision for 2 years. We fought it 2 years ago, just as we are fighting it now, but we were unable to change it. The Senator from Ohio had the votes, and he insisted upon that provision being included in the law. While the amendment of the Senator from Ohio is an improvement, an amelioration of the injustice, the Senator should go further and permit legitimate cooperation among workers who have a common interest for their common good, just as Mr. Justice Brandeis said they had a right to do.

In the Thomas bill we outlaw the secondary boycott in aid of the jurisdictional strike, or in aid of anything which would clog collective bargaining. But we preserve the right of the worker to try to induce his fellow workers to work with him to better their common condition; and the Senator from Ohio has not yet removed the burdens which obstruct and restrict that right.

Mr. TAFT. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator may remember that 2 years ago when we were considering the question of the secondary boycott, the secondary boycott was universally condemned. I stated to the heads of labor unions at that time, "If you can point out a case in which the secondary boycott is justified, we will except it from the prohibition." They refused to cooperate. Their position was that they wanted no change in the law. They would not discuss any changes in the Wagner Act. They wanted the Wagner Act as it was. So we drafted the language which is found in the act.

Then the case to which the Senator from Florida refers arose. No other secondary-boycott case was brought to our attention and alleged to be a case in which the secondary-boycott provision was an abuse. At least I do not remember any testimony to that effect before the committee. So we met the case which was brought to our attention this year.

The Senator from Florida may have noticed the announcement of the teamsters' union. If this law is repealed they propose to go throughout the United States to every warehouse and every place where goods are loaded or received and insist that every one of the workers in such places join the teamsters' union, or they will not deliver or receive goods at that place. That practice was testified to 2 years ago. Cases were shown in which they went to the employer and said, "We want your men to join our union." The employer said, "I do not care. Call them in." The workers said, "We do not want to join the union." The teamsters said, "It makes no difference. We are going to refuse to deliver goods to your place until these men join our union." In some cases warehouses were closed, and in other cases the men finally yielded and joined the teamsters' union. That is the kind of abuse at which we are aiming in the secondary-boycott provision.

Mr. PEPPER. My answer to the Senator is that until we forbid the management of a business concern to deal freely with whomever he wishes to deal, until we forbid him to impose his own conditions for dealing with other firms and working with those whom he deems to be working toward the ends he is trying to reach, until we make such actions illegal—aside from certain prohibitions in the antitrust laws—I say that we have no right to deny the same privilege and freedom af effort and association to workingmen to better their common interests.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of the South Carolina in the chair). Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. Of course the logical conclusion from the statement the Senator from Florida has made is that if the railroad unions were to attempt to take the same position the teamsters' union has threatened to take, every railroad in the United States would be tied up, and half the goods in interstate commerce would be "hot" goods and would not be shipped. The transportation system of the United States would be entirely disrupted and destroyed if that kind of practice were permitted to prevail.

Mr. PEPPER. Mr. President, the Senator from Ohio is overlooking the fact that the railroads as common carriers have the duty to carry goods. However, the railroads can buy cross ties or rails from whomever they will, and they have freedom to buy rails and cross ties from a nonunion producer. They have that freedom of contract, that freedom of cooperation, to discourage the unions, if they wish to do so. I say the same privilege of freedom to promote their common interest should be accorded the employees.

Mr. TAFT. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator from Florida referred a while ago to the case of a man who might say to an employer, "If you do business with this union, I will not buy any goods from you," and pointed that out as an unfair labor practice under the Taft-Hartley law, and said that such a man would be just as liable as the employer himself would be for discouraging the formation of unions, either under the Taft-Hartley Act or under the Wagner Act and the decisions based upon it.

Mr. PEPPER. I am not quite clear about the point the Senator from Ohio has just made.

Mr. TAFT. A while ago the Senator from Florida cited a case, and I thought he was going to go back to it. He pointed out that procedure as an unfair labor practice, one intended to discourage unionization, an action against the formation of unions, and an attack on collective bargaining, and that a man who assists in doing that is assisting in such an attack.

Mr. PEPPER. Will the Senator from Ohio state the case he has in mind?

Mr. TAFT. It is the case the Senator from Florida cited, namely, that of a purchaser who says to a manufacturer, "I will not buy your goods if you make a contract with an A. F. of L. union. You must have a nonunion plant. If you do not, I will not buy your goods." I say that man would be committing an unfair labor practice, just as much as the employer himself would be if he refused to deal with the union.

Mr. PEPPER. The Senator from Ohio does no mean that a private citizen cannot buy from anyone from whom he wishes to buy; does he? Certainly I have the right to say that I will not buy goods from a union shop or that I will buy only from a union shop. There is no prohibition against that, so far as I know.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. I should like to ask unanimous consent that the Senator from Ohio cite the section of the Taft-Hartley law which outlaws such action on the part of an employer.

Mr. TAFT. I should like to get the cases, and I shall present them later.

Mr. PEPPER. Very well.

Mr. DOUGLAS. Until the cases are produced, is it not true that we have always assumed that the unfair labor practices on the part of the employer which were enjoined were acts committed by the employer against the employees, not acts committed by employers against other employers? If I am in error as to that, I should like very much to be enlightened. But I have always assumed that was the nature of the law.

Mr. PEPPER. Not only that, but what the employer does to interfere with and discourage unionism, I think, has to be done to his own employees in order to come under these provisions. Would not the Senator from Ohio agree to that? In section 8 (a) (1) we find the words "to interfere with, restrain, or coerce employees."

In other words, his own employees.

Mr. DOUGLAS. That is precisely the point.

Mr. PEPPER. Mr. President, let me proceed with my discussion of the features the Senator from Ohio would retain in the law.

I have spoken about the secondary boycott provisions. The fifth important feature the Senator from Ohio would retain is stated by him as follows:

5. It remains an unfair labor practice for a union or an employer to coerce employees in such a way as to interfere with their right of organization or their right to work. This prohibits mass picketing.

Again, Mr. President, I ask: Is this a bill to regulate union rules and regulations and the relationship of a labor-union member to his fellow union members? That is already covered by their own constitution and bylaws, which they freely adopt, or by such local law as might be pertinent to the case. Is that the sort of thing about which the Congress should legislate? If the Congress is going to regulate that sort of thing—in other words, if we are to deny to the union the right to coerce its own members—shall not we have to deny management the right to coerce a stockholder, or deny to a group of stockholders the right to coerce one stockholder? Yet there is nothing about those matters in this measure. The Thomas bill and the Wagner Act deal with collective bargaining. We were thinking about the relationships between labor and management. We were trying to keep an open channel of association between those two, and to protect that right. But now the Congress of the United States is asked to assert its power in the form of a police regulation relative to the relationship of a union to each of its individual members. If a union commits a tort upon one of its members, if A assaults B, Congress does not have to legislate about that, does it?

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. Is it not true that the coercion exercised by some employees upon other employees tends to be physical in nature, and that physical acts of coercion are universally against the criminal law and generally are against the local police ordinances and can be efficiently punished by the local courts, and that the best and most immediate remedy is arrest and sentence, and that it is not necessary to supersede local police and criminal law by a national statute?

Mr. PEPPER. Exactly; the Senator from Illinois has stated the case most effectively. Yet that is what we are asked to do.

At the beginning of my remarks I said this is not a measure to promote national industrial peace between management and labor, but is a bill to regulate unions and workers in their relationships between one another.

Mr. President, we have plenty to do in this one bill besides correcting all the ills of the world. Of course, as the Senator points out, there are many other things that are unlawful. Sometimes workers are assaulted and sometimes other rights or privileges which the workers have are abused. However, all we are interested in here is what adversely affects the open channel of collective bargaining between management and labor. That shows the difference between the theory of the Senator from Ohio and the theory of those of us who are advocates of the Thomas bill.

It could also be provided that no labor-union member should beat his wife, neglect his children, stay out too late at night, drink anything he should not drink, and so forth. It would be just as pertinent to do that as in this proposed legislation, to try to regulate the details of the relationship of the individual union members to their union, when we do not attempt to regulate the relationship of a stockholder to his company. I hope we shall never attempt to do so in proposed legislation of this sort.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator from Florida knows of the great body of public law regulating the relationships between corporations and their stockholders. There is a great body of public law, including common law, which regulates that.

Mr. PEPPER. Yes; and there is a great body of law regulating the relation of people to each other. That body of law applies to all parts of the United States. A part of it is the common law. The enactment of a national statute is not required in that connection.

So I say that the relationhip of the individual labor-union members is completely changed by the Taft-Hartley law, and now would be completely changed by the proposed Taft law. We say that so long as management is permitted to represent collectively its stockholders, we should allow labor-union members to have their unions represent them, and to choose their representatives, and to permit the National Labor Relations Board to decide their disputes, and to permit free enterprise—of which we hear so much from certain sources—to operate as between management and labor, as some persons say they want it to operate in this country.

The sixth important feature which the Senator from Ohio would retain in the law is stated by his as follows:

6. The guaranty of the right of free speech has been retained with a slight modification.

However, Mr. President, I have already adverted to the fact that the Senator from Ohio would reduce somewhat, unfavorably to labor, the application of the decision of the National Labor Relations Board holding that the free-speech provisions of the Taft-Hartley law do not apply to elections where labor unions are selecting their representatives. I have also pointed out that there is no provision for equality as to freedom of speech; that freedom of speech is permitted when management attempts to exercise it, but is not permitted when labor attempts to exercise it, even in the form of free picketing or persuasion which may be attempted of their fellow workers, and which they deem to be in their common interest. Strangely enough, so far as I am advised, I do not know of any instances under the Taft-Hartley law where free speech by the workers has been protected. All the cases I recall have been cases where management rushed in asserting that their free speech should be protected. I realize that the Supreme Court has not gone that far, but I assert my individual belief that it is no more the legitimate business of an employer whether those who work for him belong to any labor union or to a particular labor union than it is whether they belong to any church or to a particular church or fra-

ternal association. I think that is the workers' business, and in the very nature of the relationship what the employer says to them has the practical effect of intimidating them in the exercise of their rights.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. As the Senator may know, this is a point on which I differ from the position taken by the Senator from Florida. I should like to ask: Does the Senator not think the representatives of the workers should have the right to circularize stockholders and urge them to vote for one set of directors rather than another? Would the Senator say the workers have a right to try to influence the stockholders in their choice of directors?

Mr. PEPPER. They have that right, undoubtedly. So far as I know they can write a letter to anybody they desire. I suppose a worker may write a letter to anybody, telling him that he thinks it would be a mistake for him to do so and so. But the difference is, in that case the relationship is not so immediate. The threat, the intimidation, it seems to me, is not so real as it is when an employer calls all his workers into a large room and makes a speech to them about the evils of unionism. He probably has his lawyer sitting beside him. He is clever enough not to go too far, because he knows that somebody in the room may be taking down his speech, or there may be witnesses who will testify later to what he said. But a man does not have to hit another man in the face to let him know that he is trying to get something over to him. The employer can merely say, "I think it would be a great mistake for this group of employees to identify themselves with a labor union. I think in the long run it would probably mean you would get less wages, and we would be less prosperous," and all that sort of thing. Then, as he looks around the audience, suppose a worker has the temerity to get up and argue with him, that is, to argue with the boss. Then suppose the next day there is a matter of up-grading a worker. The foreman comes in and says, "I have two workers out there. I am thinking of making one of them a supervisor or an assistant manager or plant manager, or giving him charge of that room or that department." The boss, who may have a strong feeling against the union, will say, "Is that the guy who was so hot for the union the other day in the meeting?" When told that he is, does anyone think that man, with that prejudice as an hypothesis, is as likely to get the job as the worker who sat meekly in the room and nodded his head, and who got up in front of the boss and said, "I think the boss is right. He is always right. We have got the finest boss in the world." Does anyone think the worker who had the temerity to stand up and argue with the boss would likely get along as well or be promoted as fast as the other? That simply shows that, when one man has the power of economic life and death over another, human nature being what it is, men try to please those who have such power. The father does not have to take a stick and hit his son over the head with it. He may say, "Son, I do not think you ought to do that." Ordinarily, is the boy going to do it? Has the father not indicated what he wants the boy to do? Yet all he said was, "Son, I do not think you ought to do that." He does not grab a stick and say, "I will hit you over the head if you do that." So this provision is unrealistic, and it inevitably mitigates against the freedom of the worker.

Under item 7 of the statement by the Senator from Ohio, the closed-shop prohibition is retained. The Senator is telling us that if we vote for his substitute we shall still have a Federal statute outlawing the closed shop, which in many unions has been in effect for over a century and oftentimes has been an exemplary predicate for favorable and friendly relationships with the employer. The Senator from Ohio would tell us that the ITU would still have to stay on strike unless they were willing to have their union broken and their closed-shop relationships impaired, because in many cases—the ITU is illustrative of several of them—they actually have a closed shop at the present time, although it is being bootlegged, as a matter of fact, that is, it is being countenanced because of the thought and the hope that the Taft-Hartley law is going to be changed. The management is satisfied with the closed-shop arrangement, and is not trying effectively to put it out of existence.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that in most of the printing industry and in the newspaper industry, where the employers have had long experience with the closed shop, they prefer it to the open shop?

Mr. PEPPER. Unmistakably so. That is the reason a great many of them are making a clandestine agreement with the workers to preserve the closed shop in spite of the prohibition of the Taft-Hartley law.

Mr. DOUGLAS. Is it not true that under the closed shop the employer by applying to the union for workers is assured that he can get an ample supply of skilled workers?

Mr. PEPPER. Unmistakably, it has that advantage.

Mr. DOUGLAS. And that in getting the workers, he does not have to pay a premium above the union rate, but merely the union rate itself?

Mr. PEPPER. That is correct.

Mr. DOUGLAS. And that the union therefore serves as an agency which provides him with an ample flow of qualified labor at a given price?

Mr. PEPPER. That is indeed true.

Mr. DOUGLAS. And that the employers find this to be of such great advantage that large numbers of them want to have the closed shop?

Mr. PEPPER. That is correct.

Mr. DOUGLAS. And that the prohibition of the closed shop in the Taft-Hartley law disrupted long-established relationships and worked adversely to the interests of the employers?

Mr. PEPPER. That is the record that we had unmistakably presented to us at our hearings.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. Can the Senator tell me a single witness who testified to that, except the head of the printers' union himself?

Mr. PEPPER. Yes.

Mr. TAFT. Is it not true that the testimony was directly the opposite? Is it not true that the only representatives of printing trades who appeared before the committee said it was absolutely impossible for them to go on operating under the closed shop, that they attacked the closed shop and the absolute denial of collective bargaining when they dealt with the ITU? Was not that the evidence before the committee?

Mr. PEPPER. There was some evidence, of course, against the closed shop, because we tried to hear both sides. But there was also credible evidence—the committee thought it represented the weight of the evidence—justifying the freedom of the employer and the employees to contract for a closed shop, if they freely chose to do so. That is all that is involved here. And certainly the electrical contractors and some of the contractors that were engaged in construction work found it desirable. In fact, the Senator may recall that long ago some of the electrical contractors testified before the Labor-Management Committee that they had to use the closed shop, because the workers do not ordinarily work at the same place, many times, as much as 30 days, and that if the 30-day provision of the Taft-Hartley law applied, the men never could belong to a union; yet they would not work unless they had the privilege of belonging to a union.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I do not remember a single employer witness who did not oppose the closed shop, in the printing trades, or otherwise.

Mr. PEPPER. Will the Senator allow me to read a paragraph?

Mr. TAFT. Mr. Randolph put in testimony to the effect that somebody had said, on a secondary basis, the closed shop was unsatisfactory.

Mr. PEPPER. If the Senator will allow me, I think he asked if a single witness appeared, and I should like to read from page 2018 of the hearings on the bill (S. 249), part IV, as follows:

As employers—

I think this was stated by an electrical contractor. Yes; I see it is the statement of Paul M. Geary, executive vice president, National Electrical Contractors' Association. Here is what he said:

As employers, we feel that legislation outlawing the closed shop impairs the employer's right of contract. If an employer prefers to deal only with a group of men who have sold him their worth and responsibility, should he not be permitted to do so? To ban the closed shop is merely to restrict further the employer's right to bargain and to contract with persons of his own choice.

It was an employer who said that.

Mr. TAFT. I understood the Senator from Illinois was referring to newspaper strikes.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. May the junior Senator from Illinois qualify himself as a witness, and thus appear in a double role, as a member of the committee and as a witness?

Mr. PEPPER. He may, so far as I am concerned.

Mr. DOUGLAS. It so happened that for 17 years I was chairman of the International Board of Arbitration in the newspaper industry, between the pressmen's union on the one hand and newspaper companies on the other, with the exception of three newspapers, one in Buffalo, N. Y., one in Nashville, Tenn., and one in another city. It was the universal practice in the newspaper industry to have the closed shop. During the whole time in which I arbitrated some 85 cases, I never heard an objection on the part of the employers to the closed shop. I heard a great deal of testimony that, on the whole, the unions had taken over the job of furnishing the employers with skilled labor at a good rate and had greatly diminished the problems of the newspaper companies.

Mr. PEPPER. Is it the judgment, opinion, and experience of the Senator from Illinois that the initiative and impulse for abolishing the closed shop through the Taft-Hartley law came rather from the authors of the legislation than from the newspapers of the country?

Mr. DOUGLAS. So far as my own city of Chicago is concerned, the clause in the Taft-Hartley law which made the closed shop illegal was the primary reason for the newspaper strike which started in November, 1947, which has continued for over 18 months, and which has disrupted the industry. In that instance the law has been provocative not of industrial peace, but of industrial unrest, and has caused incalculable damage to both the newspapers and the workers of the city of Chicago.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. In a moment. I recall from the testimony of the head of the ITU, that from $11,000,000 to $14,000,000 had been spent by that union in trying to protect a right which had been enjoyed for over a century, to enter into a free collective-bargaining contract with employers, and that there had generally been a peaceful relationship.

I now yield to the Senator from Ohio.

Mr. TAFT. The Senator from Florida referred to the testimony of Paul M. Geary, executive vice president of the National Electrical Contractors' Association. The Senator will remember, also, that in the discussion which I had with the witness I referred to a Supreme Court finding that the Electrical Contractors' Association had conspired with the union to monopolize the entire electrical industry of New York City. I wish to read from the opinion of the Supreme Court, written by Mr. Justice Black:

> The union's consistent aim for many years has been to expand its membership, to obtain shorter hours and increased wages, and to enlarge employment opportunities for its members. To achieve that latter goal the union realized that local manufacturers, employers of the local members, must have the widest possible outlets for their product. The union therefore waged aggressive campaigns to obtain closed-shop agreements with all local electrical equipment manufacturers and contractors. Using conventional labor-union methods, such as strikes and boycotts, it gradually obtained more and more closed-shop agreements in the New York City area. Under these agreements contractors were obligated to purchase equipment from none but local manufacturers who also had closed-shop agreements with local No. 3; manufacturers obligated themselves to confine their New York City sales to contractors, employing the local's members. In the course of time this type of individual employer-employee agreement expanded into industry-wide understandings, looking not merely to terms and conditions of employment, but also to price and market control. Agencies were set up composed of representatives of all three groups to boycott recalcitrant local contractors and manufacturers and to bar from the area equipment manufactured outside its boundaries. The combination among the three groups, unions, contractors, and manufacturers, became highly successful from the standpoint of all of them. The business of New York City manufacturers had a phenomenal growth, thereby multiplying the jobs available for the local's members. Wages went up, hours were shortened, and the New York electrical equipment prices soared, to the decided financial profit of local contractors and manufacturers. The success is illustrated by the fact that some New York City manufacturers sold their goods in the protected city markets at one price and sold identical goods outside of New York at the far lower price.
>
> All of this took place, as the circuit court of appeals declared "through the stifling competition" and because three groups in combination as "copartners" achieved "a complete monopoly which they used to boycott the equipment manufactured by the plaintiffs."
>
> Interstate sale of various types of electrical equipment has, by this powerful combination, been wholly suppressed.

In other words, this man was for a closed shop because, in fact, it gave the electrical manufacturers in New York City a complete monopoly of that market. The conspiracy went on, and now it is carried on through closed-shop control of the union itself.

Mr. PEPPER. He expressly said he thought employers should have a right to enter into a contract with employees with respect to an agreement on the part of management that it would not employ anyone who did not belong to the union. That, as we see it, is free collective bargaining. If the effect of that kind of a relationship is to give them some sort of a trade advantage in New York City, it is a matter for the Federal Trade Commission; and if they violate the national antitrust law, that is a matter for the antitrust law authorities to examine. But the bill with which we are dealing is designed to work out a friendly and favorable relationship between management and labor. All we are trying to do is to protect the right of free collective bargaining; and that is what the Senator from Ohio would prohibit.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The conspiracy to which I have referred does not exist on the surface any more, but the electrical union in New York is exercising a secondary boycott, and, so far as it can, it refuses to admit into New York for use in the electrical industry any electrical equipment manufactured outside New York City.

Mr. PEPPER. Am I not correct in suggesting that the Senator was a little inaccurate in the language he used? He says the members of the union do not permit such equipment to come into New York. They do not stand at the city limits and prevent the equipment from entering the city. They refuse to work on it.

Mr. TAFT. That is correct. They refuse to install it. They have a closed-shop agreement, and they are the only persons who can install the equipment. They therefore exclude from New York electrical equipment manufactured outside, except that they have been restrained by the Taft-Hartley law.

Mr. PEPPER. We have already discussed the secondary boycott and our reasons for differences of opinion. Shall Congress step in and say that management and labor cannot enter into a free collective-bargaining contract? That is all that is involved. We say that several million workers had been employed under such contracts; that in some cases peaceful relationships existed for over a century, and that in some cases they had been regarded as exemplary relationships. We say that Congress should not have stepped in and stopped them, because, by doing so, strike after strike has been provoked between management and labor which formerly got along agreeably.

I now turn to point 7, which I read:

> The closed shop prohibition is retained, although we permit employers to give the union a reasonable time in which to submit names to fill employment vacancies.

The Senator from Ohio has a sort of compromise provision by which he is trying to find a way of circumlocuting his former prohibition by saying we will not let them enter into a free contract, but we will let the union submit names. However under another provision, if the management discriminates because of the union association, it is an unfair labor practice. It really does not mean anything, because management is forbidden in another section to discriminate on account of union membership of the person whose name is submitted. Of course, it is under no obligation to accept the name submitted. I suppose anybody can submit a name, including the office boy, but without a contract that the names will be accepted, if for some meritorious reason they are not satisfactory.

The outsiders who come into the plant, get a free ride on the union dues, paid by the union members, are a constant menace to the union standards and the union contract, unless the union workers can assert their right to say, "We will not work with such persons." They do not coerce anybody. They say, "We are free Americans. We do not like the company

you are asking us to keep. We do not have to work with those people, and we will not, if they are constantly going to be here aiming an economic dagger at the standard of living of every one of us." That is all it is. If they can persuade management that they will get along better with that sort of contract, and management wants to accept it, management has a right to do so without Congress coming in and forbidding it, as the Taft-Hartley law has done, and as the Senator from Ohio would have it continue to do.

I continue to read:

The authorization of union-shop contracts is continued without requiring any vote.

Here is another concession the Senator from Ohio has made. We argued against it to the limit of our ability 2 years ago, and could make no impression on the Senator. Two years of injustices have elapsed, when the unions have had to do two things in order to have even a union charter, let alone a closed shop. First, they had to select their chosen representatives, and those representatives had to get a union-shop contract with management. Then they had to have an extra election to see whether two-thirds of the membership agreed to the contract their chosen representatives had already entered into with their employer.

Of course, as we heard, the Senator from Ohio has found that in nearly every case the workers would vote the way their representatives had contracted. It was simply an additional burden upon a union organization and an additional interference with collective bargaining. Of course he sees now that the provision was a mistake, and he is willing now to eliminate the extra election. But for 2 years labor has had to put up with it; it has cost large sums of money and caused a great deal of trouble to have these elections all over the country. Happily the Senator from Ohio now proposes to eliminate the provision, but he still, in another point to which I am coming, would make possible the outlawing of even a union shop, as I shall show in a moment. I quote further:

Unions may require the discharge of union members only for nonpayment of dues, engaging in wildcat strikes in breach of contract, or Communist membership.

The Senator from Ohio has there added two things to the Taft-Hartley law. He gives the union now three causes for which it can have a union member discharged by the employer—nonpayment of dues, engaging in wildcat strikes, or becoming a member of the Communist Party. Those are the only three causes, however, limited by law. The union could say, "This man is no longer in good standing in our union. We have caught him spying on us in our meetings, he is unsympathetic to our objectives, he is attacking our standards, he is not one of us." Yet management could say, "That is all right. He is all right. He suits us all right."

If we are to give the union the right to get rid of a member, why should we limit it to three causes? Yet we give management the right to dismiss a man for any cause but one. Management cannot dismiss him because he belongs to a union, but it can dismiss him for any other reason.

The unions may well ask: "If we are to have a fair law, why should not the employers say, 'All right; we will agree not to fire a worker who is otherwise qualified except for one of the causes to which the unions are limited'? If the unions are to be limited, why should not management be limited, provided the man is qualified to do the work?" It just shows the one-sided application of the law.

I now read No. 8:

The power of the States to regulate compulsory unionism within their boundaries is preserved.

That looks like a wonderful States' rights plank in what might be called a Republican proposal. Let us examine that and see that things are not always what they seem. I read the language in section 14 (b):

Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in the State or Territory in which their execution or application is prohibited by State or territorial law.

In other words, there cannot be a closed shop provided a State, through a constitutional provision or a statutory provision, forbids it. But suppose a State says, "You can have a closed shop." Would the Federal law allow it? Would the Taft-Hartley bill permit it? No. The Taft-Hartley bill is only a heads-I-win tails-you-lose proposition for labor. In other words, if the State law is tighter against labor than the Federal law, the State law prevails. But it is not said that if the State law is more friendly to labor than the Federal law the more liberal law shall prevail. Oh, no. If the Federal law is tighter, that is applied. If the State law is tighter, that is applied. In either case the course is taken which squeezes labor the more.

I have here a list of the States which more or less permit union shops, contracts of union security. The Taft-Hartley law did not make an exception where a State chose to permit a closed shop. Moreover, if a State had permitted a union shop, they could not have had it in effect under the Taft-Hartley law unless the union held an election. Two-thirds of the members had to vote to sustain what their representatives had already contracted, or it could not have been valid, in spite of the fact that the State might have said that it was perfectly legal to have a union shop without the necessity of an unnecessary, and as has been proved, futile election.

Mr. President, my State has a constitutional amendment containing what we call the right-to-work provision. Some say, "I am bound by what my State has done." I try to discharge my duty to my State, of which I am very proud, to which I pay all possible respect. But neither the State of Florida, nor any other State, has the power to deny to the Congress of the United States the privilege to regulate interstate commerce. We are considering a Federal statute with respect to keeping open the channels of collective bargaining, to promote interstate commerce and the general welfare of the United States of America.

We have a minimum-wage law on the statute books of the Federal Government providing a minimum wage of 40 cents an hour. Suppose Florida should adopt a constitutional amendment affecting interstate commerce, providing that nobody could be paid more than 30 cents an hour. I respect the opinions of others, but I am stating my views. In that case the Federal law would prevail, employers would have to pay 40 cents an hour.

We have child-labor legislation. We have legislation in the form of a Fair Labor Standards Act, providing that one cannot ship, in interstate commerce, goods which are made under oppressive conditions by child labor. A State by constitutional amendment or by statute cannot interfere with that Federal prohibition.

I believe it is admitted by all of us who are lawyers that we have the power to regulate interstate commerce wherever we choose to exert that power. We do not have to do so unless we think it is wise to do so. I believe we all agree that until Congress occupies the field, the State law is supreme. Of course it is. Interstate commerce may be regulated by the States until the Federal Government steps in to occupy an area in which, under the Constitution, it is supreme and cares to exercise its authority. I think we should exercise our authority here. I think it should be possible that a national standard of comparable character be maintained. Unions today reach across the country, and if they are going to enter into a collective-bargaining agreement with the United States Steel Corp., for example, which has plants all over the country, they should not have to modify that contract, when interstate commerce is concerned, to fit the laws and regulations and requirements and the point of view of every particular area which happens to be affected.

If one proprietor gains a competitive advantage over another because he can pay a lower wage in one part of the country, by taking it out of the living standards of his workers, that, in my opinion, is contrary to public interest.

The only way we can have uniform national standards and principles, the only way we can maintain fair national competition, is to permit collective bargaining, where appropriate, on a national basis. The Federal Government is the only one that can keep those channels open and easy of access by management and labor.

In respect to interstate commerce, local commerce, that which has only local significance and character, of course, the State is supreme in that field. We have no right to regulate such commerce. We do not generally regulate transportation from point to point in a State, but when it comes to commerce which crosses State lines, that is Federal business. That is where the Federal power not only can, but in my opinion should, attach, and where sound national principles and policies should be inaugurated, protected, and preserved by the Federal Government.

Mr. President, the Senator from Ohio, contrary to the provisions of the Thomas

bill, which makes the Federal Government occupy this field and open the channels of collective bargaining freely to management and labor, says that where the State has a contrary provision, a provision which is restrictive, the State provision shall prevail, that is to say, if a State has outlawed the closed shop we cannot permit it by Federal law, even though it is a matter pertaining to and exclusively within the field of interstate commerce.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. The Senator is no doubt familiar, however, with the fact that in a decision under the Wagner Act the Supreme Court has held that State laws prohibiting closed shops are valid although the Wagner Act itself permits a closed shop.

Mr. PEPPER. Yes; but the Senator will also recognize that the difference between the Wagner Act and the Thomas bill is that the Thomas bill in affirmative terms preserves throughout the country the right of entering into a closed-shop contract, whereas the Wagner Act was silent on the subject.

Mr. TAFT. I merely want to point out that the Thomas bill is undertaking to reverse the Supreme Court of the United States.

Mr. PEPPER. No; I beg the Senator's pardon. The Thomas bill, as I construe it, is not attempting to reverse the United States Supreme Court. The United States Supreme Court has said that when Congress has not prescribed a national policy, the State may prescribe a policy on a given subject, although it affects interstate commerce. But I dare say the Senator from Ohio would not deny that if the Thomas bill should be enacted, the provision in the Thomas bill permitting the closed-shop contract anywhere in the country in connection with interstate commerce would prevail over a contrary provision in a State constitution or State statute.

Mr. TAFT. I quite agree that the Thomas bill would nullify provisions against the closed shop in some 17 States, including the constitutional provisions in those States. I am pointing out that under the Wagner Act that is not true. This is an addition to the Wagner Act put in for the express purpose of nullifying the decision of the Supreme Court.

Mr. PEPPER. No, Mr. President. I disagree with my friend. It is not nullifying the Supreme Court decision. It is simply put in to clarify the situation in view of the decision of the United States Supreme Court. The Supreme Court has never held that Congress did not have the power to regulate commerce in this field and to permit the closed shop. It has only said that where the Wagner Act did not affirmatively provide that a contract for the closed shop could be entered into by free collective bargaining between management and labor, a provision in a State constitution, or a statute outlawing or prohibiting the closed shop would prevail. Of course, it would. We have always known that to be true with respect to interstate and intrastate commerce.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Does the Senator from Florida yield to the Senator from Minnesota?

Mr. PEPPER. I yield.

Mr. HUMPHREY. That provision is, is it not, nothing more nor less than a standard which is being applied, which would be the equivalent to the standard applied to the Fair Labor Standards Act, giving uniformity? It is not a reversal of the decision; it is not a nullification of the decision. It is not any extreme use of Federal power. It is the constitutional right of the Congress of the United States to legislate standards in the field of interstate commerce.

Mr. PEPPER. The Senator from Minnesota is correct. It is the same principle that has been employed from the foundation of our Government.

Mr. President, permit me to suggest two or three imaginary cases. Suppose a State should place provisions in its statutes or make amendments to its constitution providing that there could not be a union in connection with goods manufactured which were in interstate commerce. Let us say the State did not like the principle of organized labor. Would Congress countenance such a prohibition. Suppose a State should say that the labor unions should not have access to the National Labor Relations Board, and the State should set up a board of its own. Would Congress countenance such a prohibition? We can go through every provision set forth by the Senator from Ohio and imagine cases in which the State might say, "We do not like that provision." I dare say the Senator from Ohio would not be willing to surrender what he regards as the essence of this law if some State disagreed with it.

Mr. President, in respect to the minimum wage law, in respect to child labor legislation, in respect to the Walsh-Healey Act, and the general legislation on the subject of labor, whenever we determine to go into a field and lay down what we believe to be salutary standards, they prevail, and we do not concede the right of a State to enact a contrary provision which would invalidate the Federal statute.

I realize there are honest differences of opinion respecting this matter, but I say that we should not give the States the paramount power to do something which will make conditions more onerous on labor, without at the same time giving the States the right to negative any other provision of the law they do not like, if they desire to liberalize and to lighten the conditions under which labor must work. I realize the appeal it makes. Senators are reluctant and hesitant to act in the face of State legislation. A Senator may say, "What shall I do? My State has adopted a constitutional amendment to such and such effect." Or "My State has passed a statute to such and such effect." As a politician a man may be afraid the people of his State will not vote for him the next time he comes up to be elected, if he acts contrary to the judgment of the people of his State. That is perfectly all right.

Senators may individually think that the closed shop is bad. Senators have a right to think so or they have a right to think it is good. But I do not see how we can escape the obligation to legislate on an essential matter one way or the other clearly and unequivocally, and let that legislation be, under the Constitution, the supreme law of the land.

Mr. President, when we came to the Congress from our States, I do not think we were expected to abdicate our duty to act as United States Senators. We are not merely ambassadors from our States, so much as we are their representatives, proudly charged with their trust and confidence. The Government of the United States is an organism, and we are a cell in it. We are a part of the government of a great nation. We must act for it. This is a national field in which we are operating. I feel that it is our obligation to discharge our duty. If we do not like the closed shop, let us say that there shall not be one anywhere. If we think it is all right and should be permitted, let us say that it is proper in interstate commerce and that no one shall prevent it. I think that is being logical and consistent. So far as I am personally concerned, I am not taking an inconsistent position, because I stated publicly that I thought it was a mistake for my State to adopt the constitutional amendment which it adopted. I still think so. One house of the legislature proposed a constitutional amendment to allow the people to vote on the question again. I do not know whether the other house adopted it, but I dare say that it will be a subject which may be considered in the future by the electorate of the State.

When I vote as a citizen, I can vote on questions involving interstate commerce until Congress has acted. I can always vote on matters having to do with intrastate or local commerce; but I have no right, as a citizen of my State, to deny to the Congress of the United States the prerogative to do its duty in a field which involves the national welfare and the national interest when a uniform national standard is prescribed. As I stated a while ago, we now provide for a minimum wage of 40 cents an hour in all the States except certain States.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. Before we leave the question of the supremacy or the gradation of the various laws, is it not true that all the Supreme Court held in the decision which it handed down was that since the Congress had not spoken definitely upon this subject, the State law was therefore recognized as being valid; but if Congress should speak definitely on it, of course, the Supreme Court would then have to sustain the law of Congress in the field of interstate commerce, where the supremacy is placed in Congress?

Mr. PEPPER. The Senator has stated the point very clearly. I believe that the provision in the Thomas bill is a salutary one, and I propose to support it.

Point No. 9 in the statement of the Senator from Ohio read as follows:

Unions are held responsible for the acts of their agents as if they were corporations, but not for the acts of individual members as such.

The Senator from Ohio has clearly made the law of agency, as developed by the common law, applicable to a labor union. That law is applicable to a corporation. It is applicable to a single executive. It is applicable, perhaps, to a small partnership; but I do not think it is generally applicable, or should be generally applicable, to a great organization of men and women who have associated themselves generally and loosely to promote their common economic interests.

Mr. WITHERS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WITHERS. If an individual should act beyond the scope of his authority, would that act be legal, regardless of whether or not he was an agent of a corporation?

Mr. PEPPER. No.

Mr. WITHERS. If an agent were to engage in an unlawful act, would it be imputed to his principal?

Mr. PEPPER. No. It is generally assumed that an unlawful act is not within the scope of authority of an agent.

Mr. WITHERS. And the corporation would not be bound unless the act were directly or impliedly authorized.

Mr. PEPPER. That is correct. However, in the Taft-Hartley Act the law was tightened beyond what it had ever been. It is provided that strict authorization or ratification shall not be the criterion of liability in respect to a labor union. In other words, the Taft-Hartley Act seems to have opened the door as wide as possible to establish liability on the part of the union.

A union may have 1,000 members, or 100,000 members, with all sorts of local, district, regional, State, and national representatives and associations, and all sorts of people in it. Under the present law, if one assumes to do something when he is apparently acting for the union, but when in fact and in truth he is not the agent of the union, yet he can subject the union to all manner of litigation, which may drain all the money from its treasury and result in vexatious and grievous burdens. That is certainly an unwise and unjust provision to be applied to labor unions. That is another reason why I prefer the Thomas bill, in which the question of agency is more limited, and there is a far stricter relationship. A far clearer showing would be required in order to make the union responsible for the acts of an individual than under the present law.

Mr. WITHERS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WITHERS. Does the Senator know of any other organization or body except a labor union which is held responsible for the unauthorized acts of its agents?

Mr. PEPPER. I do not know of any. I know of one case in which there was a strike. A statement was published in the national publication, to the effect that someone was to do something. It was held that that individual was acting as the agent for the union, and that the union was liable for his action, when actually he was not an agent of the union at all.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Does the Senator interpret feature No. 9, which he is now discussing, as reverting to the common-law rule of agency?

Mr. PEPPER. I think the Senator from Ohio has expressly indicated that it is his intention that the common-law rules of agency which were built up in respect to corporations, proprietors, and partnerships shall be applied to labor unions.

Mr. HUMPHREY. Is the Senator from Florida familiar with the statement of the National Labor Relations Board with respect to the application of the common-law rule of agency as interpreted in the provisions of the Taft-Hartley Act? In the Perry Norvell case and the Sunset Line & Twine case, both National Labor Relations Board cases, the Board said:

A principal may be responsible for the act of his agent within the scope of the agent's general authority or the "scope of his employment" if the agent is a servant, even though the principal has not specifically authorized, or, indeed, may have specifically forbidden, the act in question.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. It is enough if the principal empowered the agent to represent him in a general way.

Mr. PEPPER. Yes.

Mr. HUMPHREY. In other words, without any positive prohibition or positive affirmation, the servant of the principal can be held fully responsible, and, therefore, the principal is held responsible.

Mr. PEPPER. That is correct. A labor union has a great many agents, and it is very difficult to keep a check on all of them. To apply such a rule of agency to the ordinary labor union would open the door to almost unlimited liability.

Mr. HUMPHREY. Is it not true, for example, that a labor union may have grievance committees, shop stewards, and a host of different committeemen who are not officers of the union or business agents of the union? Every one of such committeemen, some of whom might be members of a negotiating committee or a special committee for some particular purpose, could be held liable as the servants of the principal, thereby making the principal liable under the provision outlined by the Senator from Ohio.

Mr. PEPPER. The Senator is absolutely correct. Then when we add the other provisions in the Taft-Hartley Act, which would be in the new act if they were retained, giving the right of suit against labor unions in the Federal courts, a right which did not previously exist, and the provisions defining unfair labor practices which did not previously exist, making the unions subject to certain injunctions to which they were not previously subjected—when we add all those weapons to the arsenal of the employer, and broaden the principle of agency and responsibility, it can be seen what a disastrous effect the employment of such weapons might have against workers.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Let us assume that there is a strike situation, and that the union asks for 25 pickets to picket a certain area—or for two pickets, or one picket. Is it not true that under the provision outlined by the Senator from Ohio the union could be held liable for the action of any one of those pickets, even though the pickets had never been individually and specifically designated? The union might ask for 10 pickets. The next morning 10 pickets might present themselves, and the union could be held liable for the action of any one of them.

Mr. PEPPER. I think that is so, because the Senator from Ohio puts no limitation upon the application of the principle of common law agency to such cases, except as he says the union is not liable for the acts of individual members as such.

But the case the Senator from Minnesota suggests—in which the men were chosen as the representatives of the union, and did not simply act on their own—would not come within the exception referred to by the Senator from Ohio, and so I judge that if the men engaged in wrongful conduct, they could easily be regarded as involving liability on the part of the union.

So, Mr. President, it can be seen what the sum total of the suggestions of the Senator from Ohio is. Everywhere we turn, we find in them something "tighter" against the union, something more restrictive and limited so far as the rights of unions are concerned, some obligation more burdensome on the unions. When we consider all those suggested provisions, taken together, we find they constitute a curb against the organized workingmen's movement in the United States.

The tenth provision of the Taft-Hartley law which the Senator from Ohio now would retain is stated by him as follows:

10. We have continued the exclusion of foremen from coverage.

Mr. KERR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KERR. Before the Senator leaves the discussion of the question of agency I should like to ask a question. The principal is liable for the act of the agent—only, as I understand, when the agent has either express or implied authority to act or if the principal subsequently ratifies the act of the agent. That is the general rule of law which applies. It is the common-law rule which applies in every common-law

State, and I assume it is the rule which applies in every Federal court.

Mr. PEPPER. That is correct.

Mr. KERR. So any condition under which a different rule might be applied would constitute an exception, would it not, as provided for by a legislative body?

Mr. PEPPER. Yes.

Mr. KERR. So far as the Senator from Florida knows, that exception exists only as against organized labor, when a member or members could bring liability upon the union, even though the member's act was wholly unauthorized by the union. Is that correct?

Mr. PEPPER. That is correct. In my opinion, there is no doubt that numerous cases of that kind would occur.

As I said a moment ago, Mr. President, the tenth provision of the Taft-Hartley Act which the Senator from Ohio now tells us he would retain, is stated by him as follows:

10. We have continued the exclusion of foremen from coverage.

Under the Taft-Hartley law, foremen were denied the right to organize into unions. Before the passage of the Taft-Hartley law foremen could organize. The Taft-Hartley law forbade foremen to organize for their self-protection. Now the Senator from Ohio would retain that exclusion. However, as I understand him, he would narrow somewhat the definition of "supervisor" or "foreman," so that in the future the privilege of organization would not be denied to as many persons as were denied that privilege under the Taft-Hartley Act. Nevertheless the Senator from Ohio still would exclude a large number of such persons from having the privilege of organization. He would deny that privilege to all foremen engaged in industry who might wish to organize, and, in that connection, the title or designation "foreman" might extend further than simply to technical foremen, as we ordinarily think of the term.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. Of course, the Senator from Florida is aware that, under the Wagner Act, foremen were similarly excluded until 1945, when the National Labor Relations Board reversed its rule excluding them, and took the opposite position, thus including them: and that position finally was upheld by the Supreme Court.

Mr. PEPPER. That is correct.

Mr. TAFT. The Senator from Florida is also aware of the fact, I am sure, that under the Wagner Act it was very doubtful whether foremen were included—so much so, that for a long time they were regarded as management, and were not included, and that question was a most controversial and debated one until the very end.

Mr. PEPPER. That is correct. I know that to be true. However, at the time of the enactment of the Taft-Hartley law, and for 2 years prior thereto, foremen had been permitted to organize. The Taft-Hartley law forbade them to organize, although they had been permitted to organize theretofore, for that period of time. Now the Senator from Ohio would preserve the provisions forbidding them to organize.

Mr. President, foremen have the right to associate themselves together in their common interest and for their common protection, it seems to me. The fact that they are a chain in the line of command does not seem to me to exclude them from the right to have some kind of organization. I would not insist that they have a right to be members of the same union to which the employees belong; in other words, to state the matter in another way, I would not insist that the sergeants have to belong to the privates' organization, but I would not deny to the sergeants the right to form their own organization for their own protection, if we are going to permit the privates to associate themselves together. By keeping them separate, we certainly preserve something of the detachment which some persons think gives a better leadership, although I am not so sure that is true. I have found that the people who have capacity for leadership do not need to coerce and dictate to those whom they lead.

So, Mr. President, here again we have a denial of a right for the protection of workers, by permitting them to act together—a right which existed at the time when the Taft-Hartley law was passed. We find that now the Senator from Ohio would retain the denial of that right.

The eleventh feature of the Taft-Hartley law which the Senator from Ohio now would retain is stated by him as follows:

11. Labor organizations as well as corporations are prohibited from making contributions to political candidates, but the word "expenditures" is removed from the act. We feel that expenditures of any importance are in fact contributions.

Mr. President, again I say I am glad the Senator from Ohio has proposed that certain changes be made, in this case, to eliminate from the act the use of the word "expenditures"—a provision which, if literally construed, really deprives working people of the right of free speech and the right of free press. The Senator from Ohio says he never intended that. However, the court has held that to be the effect of the provision. I am glad that now the Senator from Ohio would not forbid expenditures of that sort. However, if he is going to suggest that the word "contribution" really is synonymous with the word "expenditures"—as he does when he says:

We feel that expenditures of any importance are in fact contributions.

Then I am not sure that he is liberalizing the present law very much.

I know there are many persons who do not like the fact that labor has become politically articulate in the United States. Heretofore, all the money was on the side of big business and management; and a candidate could not pass the hat around in a factory and ask the workers to give him a nickel or a quarter or a dollar to help him. On the other hand, management and their sympathizers and associates could find plenty of ways to fill the coffers of the candidates who spoke their language and represented their point of view.

However, the Taft-Hartley law, as I think it probably would be construed, would still forbid a labor leader to use labor-union dues, even if his fellow union members agreed that that be done, to buy radio time in which to make a speech for or against some candidate, according to the way he might think labor's interests would lie. Many persons do not like the idea of having labor unions contribute to such activities. Yet, Mr. President, after all, what is a labor union but an association of a number of individual citizens? If they give their consent to such use of their dues, paid in as citizens, I do not see why they should not be permitted to make a political contribution in that way, if they wish to do so.

However, again the Senator from Ohio lapses into the hypothesis that a labor union is a corporation. Corporations are forbidden directly to contribute for political purposes, although they never have been prevented or stopped from contributing indirectly in whatever ways the ingenuity of man could devise. But since corporations cannot contribute for such purposes, the Senator from Ohio thinks labor unions should not be permitted to contribute. However, he is ignoring the essential difference between corporations and labor unions. Of course, a corporation is an entity of law, a creature of a State, whereas a labor-union member is a citizen, and has all the rights, privileges, and prerogatives of citizenship.

The twelfth feature of the Taft-Hartley law which the Senator from Ohio still would retain is stated by him as follows:

12. The prohibition of strikes by Government employees is continued.

Mr. President, we do not need that prohibition in this law. We already have it in the appropriation bills which we pass every year. We deny an appropriation to anyone who belongs to a union which asserts the right to strike against the Government. I do not see any necessity for retaining it in the law, except to reiterate this curb upon workers.

13. The independent Mediation Service is continued and not placed in the Department of Labor.

I have already adverted to that. That service was in the Department of Labor 34 years, until the Taft-Hartley law took it out. That is where it was; that is where it should be. The commerce bill of course puts it back in the Department, but the Taft-Hartley law would keep it independent from the Department of Labor, where for more than a third of a century the Service was very successfully carried on.

14. While extensive changes are made in the procedure dealing with national paralysis strikes, the power of the President to secure an injunction for 60 days is retained.

Let me at this time read also the following:

16. The requirement that unions make a financial report to the Secretary of Labor and to their members is retained.

Again I say this is merely a bill to regulate labor unions. It even specifies in detail the kind of financial reports they must make to the Secretary of Labor. Are business concerns required to make reports to the Secretary of Commerce, or to the Secretary of Labor? The unions were getting along pretty well before the enactment of the Taft-Hartley law. If union funds were misapplied or misappropriated the courts could be resorted to for redress against such abuses. I think practically every union made an accounting of its finances to its members, anyway. In any event, the members elected their officers, and if they wanted them to make an accounting of a certain character, they certainly had the right and power to make them do so without the Congress having to legislate in that detailed field. Incidentally they are required to give a long list of information that management is not required to give either to the Secretary of Commerce or to the Department of Labor.

15. The non-Communist affidavit requirement has been retained and extended to employers.

It is known of course that Hitler could have signed an affidavit that he was not a Communist, and that Mussolini could have done the same thing. It could have been done by any other dictator or Fascist. But management is not asked to sign an affidavit. The officer of a company is not required to sign an affidavit that he does not believe in principles which are contrary to basic American doctrine, and that he does not believe in the denial of democratic rights in either an economic or a political sense. It is perfectly all right for Communists to be denied offices in labor organizations, but the shame of the Taft-Hartley law has been the innuendo, by way of the requirement that labor leaders and officers sign non-Communist affidavits, that they are Communists. Of course there have been some Communists among the ranks of the workers of this country, perhaps even among their leaders. But I say again what I have said before, there is no larger percentage of Communists in the ranks of labor than of Fascists in the ranks of management, and in both cases the number is negligible. Yet Congress requires every single labor union official to sign a non-Communist affidavit. In the present Taft-Hartley law, management was not required to sign anything. A management leader could have been a member of the Silver Shirts and of all the various Fascist organizations that existed here before the war. We later found many of them. They were here at our doors. Some of them hanged me in effigy in front of the Capitol, one day. Later it was disclosed who they were—Fascists who were here trying to impede the national defense effort. Yet not one of them is outlawed. One of them could be president of any corporation in the country that employs labor. But every labor leader, even going down to some of the lesser ones, must come forward and deny that he is a Communist.

The provision is broadened here a little bit, as I say. Management is required to sign the non-Communist affidavit. There is something in it about a representative of management also having to make an affidavit that he does not believe in denying anybody his constitutional rights. I do not know just what that might mean, as it might actually be applied, but I know that neither management nor labor as a class is suspect as to its patriotism; and I know that we ought not to lay down that sort of standard with respect to management or labor, or management and labor, and leave out all the doctors, lawyers, independent businessmen who are not employers of labor, and the rest of the population of the country. If it is to be provided for at all, it should be required of everybody. A person can be president of a bank and be a Communist or a Fascist, but in order to be the head of a labor union, he must, under the Taft requirement, sign a non-Communist affidavit. If it is desired to say that nobody can hold an office of profit or trust in any public or private place, who is a Communist or a Fascist, or who is in any other way un-American, very well; let us make it a general statute, and let us penalize anybody who violates it, as we provide in the statute, and let us subject them to trial in the courts of the country. That is the way to prohibit that which is wrong and dangerous. But all that is proposed to be done here is to castigate as suspect the working people, whose record for patriotic cooperation and loyalty is not excelled by any other class or segment of our citizenship. If I had to sign an affidavit that I had never committed murder and had never committed a list of other crimes, and if only a few people of my group were required to sign that kind of affidavit, I would call it an outrageous discrimination against the group. That is exactly what has been done here. Until we deal with the question of communism on a Nation-wide basis, make its prohibition applicable equally to all, and provide the safeguards of the courts for those we condemn, then, I say, let us stay away from the subject.

Let us consider men like William Green and Philip Murray. I believe Mr. Green signed the affidavit. Philip Murray has never signed it. His organization has not had redress in the National Labor Relations Board against management for unfair conduct, because of this provision of the Taft-Hartley law. John L. Lewis has never signed the affidavit, yet his record has been bitter against communism. No one has been more zealous to clean out communism where it has infiltrated their organizations than Phil Murray or John L. Lewis, just to mention two men. They have not wanted to accept the principle of labor being labeled as suspect by congressional enactment. Therefore they have refused to sign the affidavit. Therefore they have not been able to use the facilities of the National Labor Relations Board. Yet, even if they were Communists, I do not think the denial of the right of the use of the Board is the way to approach it.

Mr. President, if I take an automobile and drive it away and am arrested by a police officer, I could laugh in his face and say, "The joke is on you. This automobile belongs to a Communist. I have a right to take it. He is outlawed." If an officer appears just as I am about to shoot someone, suppose I should say, "You do not know what the background is. This man is a Communist. I can kill Communists any time I want to." That is not the way we are dealing with the question. So far as I know, we are not denying a Communist the right to go into court to recover his goods if someone has taken them wrongfully, or to punish someone for an assault and battery committed on him. If a Communist should be elected by a labor union—although I do not think Communists should be permitted to be elected to membership in labor unions—the way to handle it should be by prohibition rather than by refusing access to the Board, because failure to give such access makes bitter strife and turmoil the prevailing picture.

I now come to point 17, which is as follows:

The requirement for a 60 days' notice of proposed termination or modification of collective-bargaining contracts, so that strikes may not be called without notice to the employer and the Mediation Service, is retained.

In the Thomas bill the time is reduced to 30 days, which is a far more reasonable requirement than is the 60-day period provided for in the Taft bill. In the Thomas bill there is no prohibition against strikes. There is a provision that notice be given to the Conciliation Service.

Point 18 provides as follows:

The ban on check-off of employees' dues without their written consent remains in the act, though modified to make it unnecessary to obtain new consents every year.

While the Senator from Ohio does liberalize the present law somewhat, nevertheless, as I recall, under the language I have just read, every individual has to authorize the check-off rather than its being provided for in the contract between the representatives of the union chosen by the workers in their own free election, and the management. Thus, again, it is something which makes it a little more difficult to maintain the union than would otherwise be the case.

Point 19:

The Board's right to prevent excessive discriminatory initiation fees in union-shop situations is continued.

Mr. President, is that a matter of such national import that Congress has to legislate with reference to it? Are not the workers who have paid fees to their union officials going to revolt like other free Americans if they are abused, at least, for any length of time? We do not go back into corporate management practices and outlaw some rule which has been promulgated by the directors, or some regulation which has been provided for by stockholders.

Point 20 is as follows:

The protection of welfare funds is continued, but placed under the direct supervision of the Secretary of Labor.

Mr. President, we knew when this provision was adopted in 1947 that there were many unions having large memberships which had successfully handled the

operation of their welfare funds for many years. They were operated by the workers for whose benefit they were provided. Yet the advocates of the Taft-Hartley law demanded that management have a voice in the matter, that redress was to be had in court, if the funds were administered and operated in certain ways to meet certain conditions, and it was especially insisted that management had to have a voice in it, although it was for the benefit of the workers and had been administered in the past by the workers.

Again a mistake has been found, and now the management can withdraw if it so desires. Management does not want to get mixed up in all the rules, regulations, and decisions the workers have in connection with their own welfare funds. They would prefer to let the workers handle it for themselves through their chosen representatives. Yet, Mr. President, the Senator from Ohio still retains the requirement that the funds must meet certain conditions and must be administered in a certain way, and a number of safeguards are thrown around them. The size of the welfare fund is not limited. Mr. Lewis has steadily increased the amount of his take per ton of coal in order to provide more welfare funds, even under the Taft-Hartley law. Nothing has been done about it. It is not for the protection of the public. Here, again, we have a case of protecting the workers against themselves without the workers needing to be protected by Congress in matters which they can handle for themselves.

Point 21 reads as follows:

> While we do not retain the independent counsel of the National Labor Relations Board, we have retained many of the procedural reforms made in the Taft-Hartley law, including: (a) an enlarged Board operating in panels to expedite case handling; (b) the abolition of the review section; (c) the emphasis on proper rules of evidence; (d) the greater power of review by the courts; (e) reforms in election procedures permitting employer petitions, petitions for decertification, the limiting of elections to one per year and the permitting of a vote for no union in a run-off election.

There, again, Mr. President, the net effect is to make it more difficult to organize, operate, maintain, and protect a union. It is an additional curb on the power of working people.

Point 22 is as follows:

> We have retained the requirements that equal treatment be accorded to independent unions, that professional employees be given an opportunity to separate representation, that greater consideration be given craft employees, and we have also continued the abolition of the extent-of-organization theory.

We were getting along pretty well, Mr. President, for 12 years, and it seems to me it would be better, and the public interest would be better served tc go back to those salutary principles.

I have only one matter remaining, to which I should like to refer briefly. That is the matter of the national emergency. Under the Taft-Hartley law the President of the United States, when he found that a strike adversely affected national health and safety, could order the Attorney General to get an injunction. The Attorney General got an injunction, which could remain in effect for 80 days. The President, at the initiation of the controversy, could also have a fact-finding board appointed, but that board had no power to make recommendations. The Taft bill would give the board the power to make recommendations. I think that is a salutary provision. But, in addition to that, the Senator from Ohio would confer two additional powers upon the President, first, the power of seizure of a plant, and, second, the power of injunction, or both seizure and injunction could be employed.

The Thomas bill provides that labor shall not strike for 30 days after a Presidential proclamation that the national health, safety, and security are involved. It provides that if labor has struck in that kind of a case, the workers shall resume their employment. It provides for the appointment of a fact-finding board with power to make recommendations.

I submit that that proposal is better, in the public interest, than is the Taft proposal for seizure or injunction or both, or than the proposal offered by some of our colleagues in the committee which provides for seizure with injunction as an incident of seizure, and possibly allows injunction for as much as 90 days after the proclamation.

Mr. President, injunction does not settle national emergency disputes any more than it settles other labor-management disputes, and I think the record is generally clear that the injunctive power has not settled the national emergency disputes we have had since the Taft-Hartley law has been in effect. I think that men like William H. Davis, who are thoroughly informed in this field, are correct in saying that not a single one of these disputes was settled during the cooling-off period which is preserved by the injunction. He differentiates one of the cases by saying that the strike was already in progress, and that there was not a cooling-off period.

We did in our hearing have testimony which I thought was very impressive, to the conclusion that the reason why Mr. Lewis and the coal miners settled the coal strike, where there was an injunction against them, was that the able Senator from New Hampshire [Mr. BRIDGES] broke the tie on the board of trustees and essentially granted to the United Mine Workers the welfare benefits which they had sought and struck to receive. I think that one is justified in thinking that that was the basic, effective impulse for the settlement of the coal strike. I know Mr. Davis said, for example, that even the atomic-energy strike was not settled by the injunction until after the 80 days were passed, and the conciliators went there and conciliated the matter to settle the strike. But the injunction did not even settle the atomic-energy employees' strike that was in effect.

In the case of the longshoremen and maritime workers, they went far beyond 80 days. The injunction did not settle the strike, and did not stop the dispute. Obviously the Taft-Hartley law cannot settle industrial disputes, because it provokes differences between management and labor, rather than making an atmosphere conducive to a friendly settlement.

I am just as much against the seizure provision as I am against the injunction provision, at least unless we give the power of seizure without the power of injunction, and give the Government, during the custody of the plant, the power to enter into new contracts with workers respecting employment, wages, and working conditions. If we are willing to do that, that gives the Government the power to step in and to give to the workers, if they feel they are justified in asking it, what they have requested, or a part of what they have requested. But as these amendments, including the amendments of my good friends on the committee, have given the power of seizure without the power of fixing wages and entering into new provisions relative to working conditions, they simply freeze the worker to a job when he is willing to strike to protest against the terms of employment because he thinks they are unfair to him. In other words, it is chaining him to a job when he feels that he is willing even to give up pay to protest against conditions of work.

It is said, "How are you going to settle national emergency strikes?" I think the honest answer is that I do not know, and I have not heard anyone of responsibility suggest that he knows. We all realize the problem. Some say we should have compulsory arbitration. But that would give Government practically complete power over business. Some say that we should adopt one method and some another.

I believe the best thing to do is, first, to show the workers that the Government trusts them, that it asks them to do only reasonable things, such as we ask here, namely, to stay on the job for 30 days after the Presidential proclamation, until the fact-finding board can hear the case, make an inquiry about it, and make its recommendations. We say, "All we ask of you is to wait for 30 days, and we will see what the board thinks, and what its recommendations are, which we presume will be from competent and honest people. If you get what you want through the recommendations of the board, you will have all the force of public opinion behind those recommendations. Do not strike for 30 days." That is not an unreasonable request to make of reasonable citizens, nor is it unreasonable to ask them for 30 days to continue employment under the same terms as previously prevailing. But it is a very different thing when a court order is put on their backs, when the lash of court command is put upon their consciences. That is a very different situation.

Moreover, under the Taft-Hartley law they could be restrained for 80 days, which is 2½ months, after they have tried to negotiate and failed, and finally determined, as a last resort, that they could do nothing but strike. Our friends on the committee, I believe, would make it as much as 90 days. I may be 30 days in error.

The Senator from Ohio would allow 60 days and would allow seizure or injunction, or both. As I read his amend-

ment, he does not allow the Government, during the period of seizure, to vary a contract, as was possible under the Smith-Connally law, and under the Smith-Connally law welfare funds were for the first time recognized by Secretary Krug of the Department of the Interior, and put into the contract with the mine workers. Wage scales were varied and improved. Management might not be so recalcitrant if they felt that there was the power to give a more favorable contract to workers during the time of governmental seizure.

Mr. President, we say that the injunction has not solved labor disputes in the past, and that it will not in the future. But we also say that we believe the Thomas method is reasonable, that it will appeal to the workers as reasonable, and that the machinery is provided whereby a fair inquiry can be made, fair and competent recommendations made, and a dispute can be examined and commented upon and its solution reported by some outside but objective and qualified observer and juror.

Now, Mr. President, just this last thing. It is said, "Well, what are you going to do if we have one of these bad situations and there is a strike, the national interest is adversely affected, and the workers do not stay on the job 30 days, or, having stayed on 30 days, do not observe the recommendations of the fact-finding board? Then what are we going to do?"

My answer is, first, we are going to do exactly what we did prior to the Taft-Hartley Act. This country has been here a long time. Our Government has been functioning ever since 1789. We have had many crises and much trouble during all that time, but somehow or other we managed to get up to the position of being the strongest power in the world, before the Taft-Hartley law ever came into effect. Do Senators realize that American industry, management and labor, produced the most colossal output which was ever achieved in the history of man before the Taft-Hartley bill was ever passed? Do they realize that somehow or other this Nation held together, that rowing management and labor did not tear it asunder, before the Taft-Hartley law was ever imposed? Are Senators aware of the fact that we have had thirty-odd Presidents, and that each one of them has had his problems, but somehow they managed to keep America together before the Taft-Hartley law?

I dare say, Mr. President, that if by some magic stroke this night the statute books of the land were to be swept clean of the Taft-Hartley law, America would not collapse tomorrow.

The other answer I make is this: The President of the United States has power, the limit of which no man knows. He is the head of a government. He is the Chief Magistrate of the land. He is the Chief Executive. He is the Commander in Chief of the Army and the Navy. He has the duty to see that laws are enforced. He is the head of a great state. All sorts of constitutional and statutory authority and power and duty rest solemnly upon him. It is commonly agreed that the President of the United States is the most powerful individual on earth. I believe the President of the United States, having defended the public interest in the past, is able to do so in the future. I do not know just how he will do it in each case. I daresay he does not either. It would depend upon the facts and circumstances of each case. We want to preserve the freedom of action to the President to do what he might think proper within his power. I know he did stop strikes and he did keep transportation running, and he was able to preserve the public welfare before the Taft-Hartley law was enacted.

My third answer is this: What do we do when the 80-day period expires under the Taft-Hartley law, as it now exists? What would we do when the 60-day period expires under the Taft bill, if it should be adopted, when both the right of seizure and injunction terminate at the end of 60 days? What would we do then if the workers should continue to strike? We would then be in exactly the same position we would be in under the Thomas bill 60 days before.

So, Mr. President, we have not yet found the solution to this problem. It is one of the things which must be worked out by evolution. But for the first time the Thomas bill puts the power in the Board to make recommendations. Its recommendations do not have the effect of law. They are not binding, but they represent the decision of an objective tribunal which is fair, which is appointed by the President. The recommendations inevitably will make a great appeal to public opinion. That, together with the statutory declaration that it is the duty of the workers to stay on the job 30 days—or if they are off when the Presidential proclamation is made, to go back to work—is the law of the land. I believe American working men and women are law-abiding citizens. I believe they try to observe the laws of their country properly promulgated by their Congress.

So it may be asked, what has been done? Well, we have provided that during the 30-day working period it shall be the duty of the workers to continue their work. Then we provide for the fact-finding board. We provide that it shall make its recommendations, and if management or labor do not observe the recommendations thus made, then the President may exercise such powers as he has under the Constitution and laws of the country, or if he does not think that he can solve the problem, he lays it upon the doorstep of the Congress, and we exercise such power as we possess and are disposed to employ.

That, Mr. President, is our approach to the problem. I think we will achieve better results by the Thomas approach than we will by any other. I know that labor hates the injunction as the devil hates holy water, because labor has good reason to regard it as its principal enemy. Ingrained in labor is a bitter hatred of the injunction because of the hardships labor has suffered under court injunctions which they will never forget. It is the symbol of all they dislike that is painful in their past. Of course, they are not going to accept it without fighting it with every bit of strength they possess.

Mr. President, I have undertaken to describe the kind of a bill, the Taft bill, which the Senator from Ohio would still have us pass. It is a kind of law which would still burden the bended backs of American labor. It is still the Taft-Hartley law, although it has lost the "Hartley." It is still the hand of Esau but the voice of Jacob. It is still an antilabor law. It is still an enactment contrary to public interest, as well as to the private welfare of the millions of patriotic American workers.

Mr. President, we have made great progress. The country has been agitated by this issue, and I think the people of the country have spoken. The Democratic platform spoke out on this subject.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. In reference to the Senator's discussion of the question of national emergency, I should like to say that I have been checking over some testimony given in the hearings. I recall that one of the national emergency strikes, which was so declared and determined under the Taft-Hartley Act, was the west coast longshoremen's strike. Is that not correct?

Mr. PEPPER. That is correct.

Mr. HUMPHREY. That strike, I think, continued for 95 days after the expiration of the 80-day injunction period.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. My question is: What is the definition of a national emergency? If we can have an 80-day application of an injunction, and a continuation of a strike for 95 days after the injunction ceases to have any effect, and the country still goes on, prosperity still continues, employment reaches the highest figures ever reached in the United States history, what do we really mean when we use the phrase "national emergency"? What kind of an emergency is a national emergency?

I think that question is very pertinent to the discussion of what we mean when we talk about the use of the unusual powers of the Federal Government. The Federal Government has unusual powers, first of all under the Taft-Hartley Act of having a fact-finding board investigate, and after reporting the facts which it has found, an injunction may be asked for, which, if obtained, applies for 80 days, after which the strike still continues, and yet the country continues to prosper. I mention this to the distinguished Senator from Florida because I believe that by using the term "national emergency" in connection with a situation which does not seem to break down the national welfare, we have weakened the meaning of the term.

Mr. PEPPER. I agree with the Senator from Minnesota completely. He not only suggests the case, but gives an illustration of the danger of conferring in express terms this power upon any executive of the country. In the first place, an error may be made. The Executive may think that a case constitutes a national emergency, but that is only his judgment. As I recall the terms of the law, he is the one who determines

whether a situation constitutes a national emergency. So it is a power which we have confirmed upon the Executive, who may exercise it at his single discretion. It is he, as I recall, who determines whether to initiate, through the Attorney General, application for injunction.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I wish to suggest that the provisions of the Taft-Hartley law and of the amendments we submit are much narrower, it seems to me, than the definition contained in the Thomas bill. The provision of the Taft-Hartley law is that—

> Whenever in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade * * * will * * * imperil the national health or safety.

Then he must make a finding that it will imperil the national health or safety.

Under the Thomas bill all we have is the following:

> Whenever the President finds that a national emergency is threatened or exists because a stoppage of work has resulted.

So it seems to me that the Thomas bill makes the discretion much broader. I think it should be very narrow. I agree that the powers in question are extraordinary powers, and should only be exercised in the case of a real national emergency. We tried to make the power as narrow as we could in the Taft-Hartley law. We eliminated the word "welfare." We cut the terms down to "health or safety" of the people. That is a matter which must be passed upon first by the President and then by the court. In the case of the Thomas bill it is entirely to be passed upon by the President, and it is simply for him to say whether a national emergency exists. That is giving a man almost nothing, in the language of our present Executive.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. I wonder whether or not the Senator would make the observation that there seems to be a bit of difference, however, between the intent and the purpose and the action under the Thomas bill and that under the Taft-Hartley Act. For example, the Taft-Hartley Act gives expressly to the Government of the United States the power of injunction.

Mr. PEPPER. And seizure.

Mr. HUMPHREY. And of seizure.

Mr. PEPPER. Or both.

Mr. HUMPHREY. However, under the Thomas bill what we give the Government of the United States, through the President, is the power of appointing fact-finding boards, boards of conciliation and negotiation, and boards to make recommendations. For that reason the broadness of the language could well be justified, as compared with the extreme relief provided under the Taft-Hartley Act.

Mr. PEPPER. I do not mean that the Taft-Hartley Act gave the power of both seizure and injunction; but the amendment of the Senator from Ohio really broadens the executive power beyond what it was under the Taft-Hartley Act, and permits the privilege both of seizure and injunction, whereas under the Taft-Hartley law there was only the power of injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. PEPPER. I yield.

Mr. HUMPHREY. I should like to ask the Senator a question with reference to national emergencies. There were three disputes in which the machinery of the Taft-Hartley Act pertaining to national emergencies was partly used. One dispute involved the meat-packing industry, in which there was a prolonged strike. On March 15, 1948, a board of inquiry was appointed, and the following day a strike began, involving approximately 83,000 workers. The board of inquiry made its findings on April 8. This was a national emergency, under the terms of the Taft-Hartley Act. However, the President refused to seek injunctive relief, saying that, in his opinion, there was no national emergency. Is it not true that that strike, which was apparently about to imperil the entire national welfare—because that is what "national emergency" must mean—was settled on May 21? The workers went back to work, and the country seemed to get along quite well. Those are the facts, are they not?

Mr. PEPPER. The Senator is correct.

Mr. HUMPHREY. The second dispute in which the Taft-Hartley machinery was only partly used was the telephone strike, which all of us well remember. A board of inquiry was appointed on May 18, 1948, but the parties were negotiating, despite the fact that the national emergency procedures under the Taft-Hartley Act were being used. So the board made no effort to intervene. During all that time we had a national emergency. Is it not true that 2 weeks later, on the 4th of June, with the country supposed to be imperiled, and everything having gone from one extreme to the other, the parties reached an agreement?

Mr. PEPPER. The Senator is correct.

Mr. HUMPHREY. Is not the evidence quite clear that in the instances in which the machinery of the Taft-Hartley Act for handling national emergency situations had been applied, or partly applied, actually what happened was that the parties to the dispute made their own settlement, and, so far as the Government was concerned, it did not do a thing to promote reconciliation or to afford a settlement?

Mr. PEPPER. I think it is fair to make that very clear statement. Mr. William H. Davis knows this subject. He says that the Taft-Hartley injunction procedure did not settle any disputes; that they were settled either by the negotiation of the parties or by the Conciliation Service after the injunction had failed to settle the dispute, except in the Lewis case. I think the testimony is undoubtedly preponderant that what caused the settlement of the Lewis coal strike, as we call it, was the fact that the miners got the welfare fund which they wanted.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Is it not true that not a single dispute was ever settled by the elaborate machinery established under the Taft-Hartley Act for settling so-called national emergency cases, and that the most that can be said about any of the cases which were brought under the terms of the national emergency procedures of the Taft-Hartley Act is that such procedures postponed settlement of the strike by a minimum of 80 days?

Mr. PEPPER. Yes.

Mr. HUMPHREY. Is it not true that possibly the greatest hoax ever perpetrated on the American people in terms of emotion and misinformation is the contention that the emergency procedures under the Taft-Hartley Act ever protected the national welfare?

Mr. PEPPER. It certainly is. Essentially that testimony was given by the attorney for the coal companies during the hearings. When we pointed out that the Taft-Hartley law had all these defects and loopholes in it about which the public did not know, the gentleman substantially agreed with us that because of lack of information there was great dependence by the public upon a statute which was a supposed shield, but which, as a matter of fact, was nothing in the world but a screen full of holes.

Mr. HUMPHREY. Is it not the Senator's opinion, in view of the letters which he has received from his constituents and from other persons all over the Nation, that the American people have been led to believe that the Taft-Hartley Act was foolproof so far as protecting the national welfare in a national crisis is concerned?

Mr. PEPPER. Exactly.

Mr. HUMPHREY. Do not the facts revealed before the committee, before the National Labor Relations Board, and before the Congress, and any other facts which are obtainable, show that the Taft-Hartley Act did nothing more nor less than to stop the orderly processes of bargaining, which would have settled the disputes?

Mr. PEPPER. Exactly. In addition, it injected an atmosphere of enmity and bitterness into the controversy which made it more difficult to settle the dispute.

Mr. HUMPHREY. If there is one thing which needs to be driven home in the public mind, it is the fraud, deceit, hoax, and buncombe that the Taft-Hartley Act ever settled anything under the national emergency procedures prescribed in the act. It is a complete double-cross and fraud on public opinion and public morale.

Mr. PEPPER. I am glad to have that clear and effective statement, to which I thoroughly subscribe, made by the able Senator from Minnesota. I though we made it very clear in the hearings as well.

Mr. President, we have not yet realized the American dream. The people of this country are still struggling for better things than they yet have been able to enjoy. The way to get industrial peace in America is for the Government of the United States to encourage economic

justice and fair play for the worker as well as for management. Let us give the worker a square deal. Give him his due. Give the laborer his hire. Treat him as an American and we shall have very little labor strife in America. Give him an opportunity to better himself, to upgrade himself. Give him access to some of the things which we are proud to call American, things which are characteristic of our country.

Let the Senator from Ohio go ahead with his housing program and provide more homes for workmen. Let him go ahead with his Federal-aid-to-education program, to educate our children better. Let him go ahead with his program to give the citizenry better health and the child a stronger body. Let us keep the doors of opportunity open to the little-business man, as well as the big-business man. Let us preserve the privilege and right of collective bargaining for workers and management. Let us encourage them to use the machinery which makes that sort of agreement possible, and we shall have a far greater degree of industrial peace than we shall have by legislation which burns into the very soul of the worker the impression of hostility on the part of those in authority and embitters him because he thinks they have turned their hand against him and raised against him the weapons of their power and denied him what he thinks is justly his.

The Thomas bill is in the interest of national industrial peace and prosperity. The Taft bill is the period of the past coming to haunt us again, preserving the old ills and wrongs which have already been displayed.

I hope, therefore, Mr. President, that the bill proposed by the able chairman of the Committee on Labor and Public Welfare and recommended by the President of the United States will become the law of this good land.

Mr. HUMPHREY. Mr. President, will the Senator yield before he takes his seat?

Mr. PEPPER. I yield to the Senator from Minnesota.

Mr. HUMPHREY. In view of the fact that one of the real issues before the American people in reference to labor-management relations is the problem of national emergencies, national crises, which would threaten the welfare, peace, and security of the American people, I ask the Senator whether or not the provisions of the Thomas bill are basically similar to, if not identical with, the provisions of the National Railway Labor Act?

Mr. PEPPER. They are.

Mr. HUMPHREY. Is it not true that under the terms of the National Railway Labor Act we have had no national emergency except the one which took place in 1946?

Mr. PEPPER. That was after the cooling-off period had elapsed.

Mr. HUMPHREY. That is correct. Is it not true that that dispute was not settled by injunction?

Mr. PEPPER. The Senator is correct.

Mr. HUMPHREY. It was not settled by any type of Taft-Hartley Act procedure, but was settled primarily by public opinion, and by the message delivered to Congress by the President of the United States.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. And the workers went back on the job.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. If we set that record against the record of the so-called and well-heralded great provisions of the Taft-Hartley Act, what is the record of 25 years of experience under the National Railway Act, as compared with the record of the 2 years of experience under the Taft-Hartley Act? All at once, Mr. President, we seem to find all kinds of emergencies which the Taft-Hartley Act has never settled, and yet we have one of the greatest industries—the railway labor industry—and one of the greatest labor organizations of the world—the railway labor unions and brotherhoods—with a record of 25 years of peaceful and sound relationships.

So I ask the Senator from Florida if it is not correct that these two propositions should not be judged on the basis of academic theory or cryptic remarks, but on the basis of experience?

Mr. PEPPER. Exactly.

Mr. HUMPHREY. And even in the same period in which we have had the Taft-Hartley Act, we have also had the National Railway Act. In that period the railway workers have experienced the effect of the rise in the cost of living, and yet has not that act worked for peace? Yet the Taft-Hartley Act has worked for 80-day injunctions, which never have settled a single dispute since that act has been on the statute books.

Mr. PEPPER. Mr. President, the Senator from Minnesota is absolutely correct, and what he has said justifies the statement I made, namely, that I think the Thomas bill approaches this entire subject in the correct way, and that the experience we have had prior to the enactment of the Taft-Hartley law and since its enactment demonstrates that the Thomas bill is the correct approach.

Mr. President, remember that we have tried the Taft-Hartley Act for 2 years. Now let us have a trial of the Thomas bill. Try our method of approach. Get the venom of hate out of the heart of labor. Let labor feel that their Government is their friend and their protector, that their Government asks only what is right and fair, that their Government has not taken the side of their employer against them, to deny to them what they believe to be just.

Ah, Mr. President, if that is done, we will find a new American labor movement in this country; we will find the laboring men of America acting like men who have thrown off their irons and their shackles, and are standing erect to breathe again the air of freeman, willing to act according to the responsibilities of freemen.

Remember, Mr. President, that the workingmen and women of the United States are citizens of the United States. They, too, are American. We do not have to trust the welfare of the United States to the small managerial clique, valuable as they are; we do not need to rely solely upon them for the defense of the United States. American workingmen and women are not going to try to destroy America, any more than any other of our citizens are. They are the people of the United States, Mr. President, the very bone and heart and sinew of the strength of this land. Rid them of this onerous Taft-Hartley law, which has ignominiously failed, whose very author concedes the need for 28 changes in it, after 2 years of experience with a law which he admits has stirred American labor to its very roots; wipe that law off the statute books, and go back to where we were in 1947 when we turned off the right road. Let us get back again on the right track. If we do that, it will be amazing what happy accord and what progress we shall achieve.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 42. An act for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson;

S. 146. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others;

S. 147 An act for the relief of H. Lawrence Hull;

S. 165. An act for the relief of William F. Thomas;

S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken;

S. 408 An act for the relief of the estate of William E. O'Brien;

S. 782. An act for the relief of William S. Meany;

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 948. An act for the relief of Mickey Baine;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog;

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes; and

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1929 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. IVES. Mr. President, it seems to me that the primary purpose of any statutory provision aimed at meeting the problems inherent in labor-management disputes which imperil the national health and safety is twofold. Of first importance is the settlement of the dispute and the reaching of an agreement which is satisfactory to all the parties in dispute. Of next and almost equal importance is the prevention of a work stoppage attributable to such dispute—or, at least, the limiting of any work stoppage to such a point that it will not prove damaging to the national health and safety.

As is generally known, the Taft-Hartley Act provision which deals with this type of emergency, while providing for a cooling-off period and a fact-finding board and other procedures calculated to bring about a settlement of the controversy, nevertheless emphasizes the injunction as the principal means by which to meet the problem. By this method of approach, the most salutary media for reaching settlements in labor-management disputes have been given secondary consideration. Moreover, the definition of "national emergency," or the means by which such a national emergency is determined, has not been written or expressed in the act, save by indirection.

For these reasons, a number of disputes have been proclaimed to be national in scope and emergency in character, although in fact they have not met these qualifications. At the same time, the injunction has been employed in instances in which its use did not seem justified. In any event, procedures could have been followed, and action taken in keeping with the nature of the dispute, which would have produced the ultimate results which were sought, without stirring up additional controversy because of the injunction and because of the questionable use of the act's emergency provisions.

I have never been convinced that the injunction, as a permanent device in the process of resolving labor-management controversies, is either sound or appropriate. The fact that after it has been used, a dispute may finally have been resolved, has not justified its use. The fact remains that its exercise may have handicapped earlier settlement of disputes and may have kept alive animosities and ill-feeling which otherwise might have been dissipated.

Two other proposals to meet national emergency conditions which may arise in labor relations have been proposed and seriously considered. One of these proposals is compulsory arbitration, but neither management nor labor wishes compulsory arbitration of any nature, and this proposal has long since been abandoned.

The second proposal is plant or industry seizure by the Government. This procedure is most dubious as a palliative by which to produce industrial peace and bring about satisfactory agreement, where the injunction by indirection would seem to reflect against employees, seizure, by the same token, would appear to be an indictment of management and ownership. Furthermore, seizure opens up avenues for the encroachment of Government into private enterprise, which are not pleasant to contemplate.

It seems to me that there is a fourth course which can be taken effectively to meet these national emergency labor-management controversies. This course avoids compulsory arbitration, or the injunction, or seizure—except by specific congressional authorization in each particular instance—and offers a technique by which it should be possible to resolve this kind of controversy. By this course it is utterly improbable that any labor-management dispute would be declared to be of national status, if, in fact, it was not national. Neither would there be opportunity for work stoppage or a lock-out of sufficient duration to endanger the health and safety of the Nation.

Both the Thomas bill and the amendment offered by Senator from Ohio [Mr. TAFT], the Senator from Missouri [Mr. DONNELL] and the Senator from New Jersey [Mr. SMITH] set up legal machinery to require a cooling-off period, an emergency board, and a report and recommendation by such board. In addition, the Taft amendment provides for the utilization of the full mediation and conciliation services. Insofar as preventing a work stoppage is concerned, the Thomas bill offers only pious hope, while the Taft amendment provides the injunction, or seizure, or both.

I approve, in the main, the Taft amendment, with the exception of those provisions pertaining to seizure or use of the injunction. I feel that, although the Thomas bill approach has merit, it is not sufficiently comprehensive to meet a situation of the seriousness and import which must inevitably attach to the type of national emergency in question.

For these reasons, I would strike from the Taft amendment section 304 and section 305, which relate to the use of the injunction and seizure, and I would rewrite subdivision (b) of section 303, so as to have it read as follows:

> In any case in which a strike or lockout occurs or continues after the issuance of the proclamation pursuant to section 301 the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as he may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken; *Provided*, That during the period in which the United States shall have taken possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department of the United States designated to operate such enterprise or enterprises shall have no authority to enter into negotiations with the employer or with any labor organization for a collective bargaining contract or to alter the wages, hours, or the conditions of employment existing in such industry prior to the dispute. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, the President shall convene the Congress, or such House for the purpose of consideration of and appropriate action pursuant to such statement and recommendations.

This provision, as rewritten, is self-explanatory. It simply means that, in the case of a national emergency of the type to which I refer, whenever there may be a work stoppage after such emergency shall have been proclaimed, the President is mandated immediately to bring the matter to the attention of the Congress, if in session, or if the Congress shall not happen to be in session at that time, to convene it immediately for this purpose.

This kind of procedure should be productive of most effective and desirable results. In the first place, the President will be apt to be very careful not to proclaim a national emergency of this character unless he is reasonably certain that the emergency is national in scope.

In the next place, labor organizations will hesitate considerably before occasioning a work stoppage in industries involved in such an emergency, when they appreciate that by occasioning a work stoppage they will bring the whole matter immediately before the Congress for action.

In the third place, if the Congress shall be faced with a crisis of this nature, it will be in a position to pass ad hoc legislation geared appropriately to meet the immediate situation.

In the fourth place, the free-play of mediation, conciliation, conference, and persuasion will be given the greatest possible latitude with the least possible restriction.

Finally, in the fifth place, the opportunity for reaching a peaceful settlement of the labor-management dispute should be at a maximum, and interference with such settlement should be at a minimum, and there should be a far greater chance that a settlement reached under these conditions would be durable.

I realize that I do not offer a plan which is guaranteed to prevent a work stoppage, but I point out that, with the probable exception of atomic energy, no national emergency is likely to occur in which a limited period of work stoppage would be damaging. Where the matter of atomic energy is concerned, it seems to me that special legislation should be enacted to meet a condition such as is involved in this question.

At the same time, however, this proposal would prevent undue interference by Government, either in the activities of labor organizations and workers, through the injunction, or in the operation of industry, through seizure. It should be productive of a better feeling between management and labor than can be realized by any scheme which would force labor to work against its will or

force industry to operate by Government edict and direction.

Mr. President, at this point, I ask unanimous consent to have inserted in the RECORD as a part of my remarks the full text of this national emergency provision.

There being no objection, the text of the provision was ordered to be printed in the RECORD, as follows:

Strike out all of title III of the amendment of Mr. THOMAS of Utah, dated May 31, 1949, and insert in lieu thereof the following:

"TITLE III—NATIONAL EMERGENCIES

"SEC. 301. Whenever in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, if permitted to occur or to continue, will imperil the national health or safety, he shall issue a proclamation to that effect and urge the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operation in the public interest.

"SEC 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an 'emergency board.'

"(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the appointment of the board, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

"(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings, either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(d) Members of an emergency board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

"(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

"(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Director of the Federal Mediation and Conciliation Service.

"(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organizations of employees or in any employer involved in the dispute.

"SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301, the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

"(b) In any case in which a strike or lock-out occurs or continues after the issuance of the proclamation pursuant to section 301, the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as he may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken; provided, that during the period in which the United States shall have taken possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department of the United States designated to operate such enterprise or enterprises shall have no authority to enter into negotiations with the employer or with any labor organization for a collective-bargaining contract or to alter the wages, hours, or the conditions of employment existing in such industry prior to the dispute. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, the President shall convene the Congress, or such House, for the purpose of consideration of and appropriate action pursuant to such statement and recommendations.

"SEC. 304. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

"SEC. 305. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

Mr. IVES. I now offer the amendment of which I have just spoken, and ask unanimous consent that it may be printed and placed on the desks of the Members.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, at this late hour I shall not take more than 5 or 10 minutes' time to make a preliminary statement of my position on labor legislation.

I am very glad that the Senator from New York introduced his proposal for the handling of emergency disputes. There is much in his proposal to commend itself to the Members of the Senate. I think the Senator from New York will permit me to say that, because in the course of the past several weeks the Senator from New York and the junior Senator from Oregon have held a series of conferences in which we endeavored to work out an emergency-dispute procedure which we hoped might be acceptable to the Senate, short of the injunctive process. The amendment which the Senator from New York has submitted is partially the product of those joint conferences. I am glad the amendment has been introduced, because it is one of the amendments which should be considered on the floor of the Senate, along with others, in this task of writing a labor bill on the floor of the Senate.

As the Senator from Ohio [Mr. TAFT] intimated earlier in his remarks, we find ourselves, because of the procedure followed in the Labor Committee, in the undesirable position of having to draft legislation on the floor of the Senate.

It was my hope, and I think it was the wish of the Nation, that the labor bill reported to the floor of the Senate this year might be a bipartisan bill, the product of careful, thorough committee discussion. But the Thomas bill is not the product of executive-session discussion. The fact is that we did not have any executive-session discussions of the Thomas bill. At the very first executive session held by the committee, after the hearings were closed, a Democratic Senator moved that the bill be reported favorably to the Senate. Another Democratic Senator seconded the motion. When Republican Senators sought to offer amendments, they were declared out of order, on the ground that the motion was not subject to amendment. Even an appeal from the decision of the Chair did not change the determination of the Democrats on the committee to report the Thomas bill to the Senate without amendment.

Thus we find ourselves in the present unfortunate predicament of trying on the floor of the Senate to write the detailed provisions of labor legislation which should have been written in the committee. If we are to do anything which will approach a statesmanlike job, it is important that all the various suggestions with reference to handling the many problems which will arise in connection with this piece of labor legislation which must now be written on the floor of the Senate be considered as in Committee of the Whole. We are forced here to look at suggestions which would have been and should have been made in the committee, had we been permitted by the Democratic majority to follow the usual course of action in executive sessions of a Senate committee.

Mr. President, some interesting developments have occurred in the Senate since the Thomas bill was reported. Some Senators have apparently learned to count noses more accurately than they could last January. Some of us who thought we could count last January and February made public announcements on the floor of the Senate that the administration bill did not have a ghost of a chance of passing the Senate. There are many Members of the Senate who did not believe us then who have now come to believe us. They are willing to admit that we counted correctly last January.

Those of us who are devoted to the ideal of passing in this session of Congress legislation which will be fair to the

legitimate rights of labor and management, and will thereby protect the public interest in the only way it can be protected, namely, by not discriminating against either management or labor and by not permitting one to exercise an unfair labor practice against the other, know that revengeful or vindictive legislation passed as the result of public hysteria will not protect the public interest. And we think the public needs to be told this. That is why I have consistently held to the point of view that in 1947 the Congress of the United States yielded to public heat, not to public reason. Unfortunately, in 1947 the American public, by and large, was not thinking clearly on the subject of labor legislation. The public was mad at labor's excesses, and, as I warned from this desk at the time, in January, February, and March 1947, labor was acting outside the framework of public opinion. Whenever labor or any other group in this country follows that course of action, then, sooner or later, the public has a tendency to substitute its feelings for good, reasoned judgment, and we get legislation which is too extreme. I hold to the view that that is what the Taft-Hartley law was and is—too extreme. We went too far. We are now confronted here on the floor of the Senate with a challenge to statesmanship in the Eighty-first Congress. We must try to work out the conscionable compromises necessary to give us a fair piece of labor legislation.

I have been devoting a great deal of my time and interest to that challenge. Within recent weeks a group of Democratic Senators came to me in private and said, "We are now of the point of view that we ought to have a bipartisan bill and not a partisan one, and that we should consider some bipartisan amendments." I said, "You can count me in on a team that will try to work out some bipartisan amendments." I have been endeavoring to do that.

Let us be frank about it, Mr. President. If we intend to work for conscionable compromises—and that is what we must do—each and every one who goes along with what we are satisfied is such a compromise will sometimes be voting for something which is not just what he would like. I find myself in that position with respect to some amendments already introduced, and I suspect I shall find myself in that position with respect to some amendments yet to be introduced. The test I shall apply will be whether I think each amendment representing the compromise is within the framework of one principle which is always going to guide me, so far as my conscious endeavor is concerned, that it does not violate what I think is a sound principle. I am perfectly aware of the fact that by following that course of action I shall probably be condemned by both groups, one group that wants extreme legislation in favor of management, and another group that wants extreme legislation in favor of labor.

In these short remarks this afternoon I wish to make a plea to my colleagues. The time has come for us to write the legislation. We have heard labor, we have heard management, we know what the pressure on both sides can be politically. Let us ignore it. Let us sit down now in these compromises we have to make on the floor of the Senate and be guided by just one test, namely, will this particular amendment work in protecting the legitimate rights of labor and management and promoting the public welfare?

I do not know what the final pattern is going to be. But I do know that if we start playing party politics upon the floor of the Senate, or if we permit the interest of certain individuals in the 1950 election to govern us, we will not come out with a good piece of legislation. But I have confidence in my 95 colleagues in the Senate. I am convinced that they can rise to the challenge which I think is theirs. We can rewrite the Thomas bill in those respects necessary in order to give us fair legislation on emergency disputes, on secondary boycotts, on jurisdictional disputes, on free speech, on the conciliation service, on welfare and trust funds, and on the other issues which are going to arise for our decision in the course of the consideration of the amendments which are to be presented to us.

I am going to continue to do what I can to try to find that middle road of conscionable compromise which will give us the type of amendment which I think we should have. There are some principles within the Taft minority report which are sound, and I shall be voting for them, but where I think the Senator from Ohio is wrong, I shall be voting against him.

On one subject, on which I am making my major comment this afternoon—and I am going to close with this—I am going to vote against any emergency-dispute section which proposes to try to settle emergency disputes by way of the injunctive process, because I am satisfied it will not work, for one very simple, realistic reason. Mr. President, that reason is that American labor is convinced that any step backward, I care not how short the step, in the direction of government by injunction, jeopardizes the fundamental freedom of the workers of this country. I know of nothing that will do more to stir up and intensify an already growing class-conscious conflict in this country than an attempt in the Eighty-first Congress to pass labor legislation that invites a resort to the injunctive process as almost one of the first weapons to be used in connection with the settlement of emergency disputes.

I like that feature of the amendment of the junior Senator from New York [Mr. IVES] which proposes that if in an emergency-dispute case, labor or management does not accept the decision of the emergency board, then the President shall have the obligation of immediately laying the case before the representatives of the people in the Congress assembled. It seems to me that if there is a dispute of such significance that it threatens the health and safety of this Nation, it is really an emergency and the elected representatives of the people should immediately proceed to consider what should be done about it.

Such a dispute is not a matter that can be or should be handled through the injunctive process. I care not what kind of paper case one can make with the injunctive processes of the Taft-Hartley law. As demonstrated to date, the fact remains that in each one of the major emergency dispute cases where resort has been had to the injunction, it has not been the injunction that has settled the case. The American people may have been persuaded otherwise, but after studying the records of the coal case, I am very much of the opinion that it was not the injunction that settled that case, but the Bridges award that settled it. And that award came 12 days after the injunction. It was a decision negotiated between the parties, on the basis of the parties' own procedures, that really settled the coal case.

Mr. President, that leads me to make, with all the emphasis at my command, this point. I want an emergency board, under an emergency-dispute section of the new law we are going to pass, that will have the power of decision. Call it recommendation if you care to. I am perfectly willing to say that the Board shall have the mandatory obligation of handing down a decision as to how it thinks a case should be settled. Its recommendations are in fact a decision on the merits of the case, in accordance with the record made before it. It is important in settling a labor dispute and giving a decision on the basis of a fair procedure, to keep the public fully informed as to the merits of the decision.

I am not worried about labor and management accepting such decisions in 999 out of 1,000 cases. But bring in the injunction, and whether you like it or not you bring in a device that stirs the emotions of American labor to the quick, and they will fight. They will resist. They will not accept it, because they believe that if we put it in the law the injunctive process puts the Government on the employer's side of the table from the beginning of the case. That is labor's point of view. The public must understand labor's viewpoint in this. We do not have to agree with labor, but let us try to understand them. From the standpoint of labor the injunctive process written into the law puts the Government on the employer's side of the table from the beginning of the negotiation, because labor says that the employer can stall, that he can refuse to accept offers of the union, knowing that, in the last analysis, if he can sufficiently provoke the union to cause it to resort to threatening economic action, the Government goes in on the employer's side of the table by poisoning the mind of the public against the union and, as labor says, putting the union in a hole. Let us not fool ourselves, every time an injunction issues, the moment the injunction issues, public opinion goes against the union, and the average man and woman say, "There must be something wrong with the union or the court would not have issued the injunction."

I am therefore pleading for some emergency-dispute provision—short of injunction—which will put both man-

agement and labor in a position where they will have no justification for refusing to abide by a fair decision rendered by an emergency board upon the basis of the facts put into the record through a fair hearing. I say that in 999 cases out of 1,000 it will work. Human institutions are not perfect, and when we get one of those cases in which it does not work, then let the representatives of the people sit here and consider it, since it truly will be a great national emergency. Then, by congressional enactment, we can tell whichever side in the case is wrong what the will of the people, through their representatives, is with respect to the particular case.

Mr. President, I did not mean to talk this long, but I feel very deeply about this subject. A very serious situation has developed in America in respect to labor legislation. With events going on as they are in the rest of the world, it is most unfortunate that we continue any longer the bitter political partisanship and class conflict which is becoming characteristic of discussions of labor legislation in this country. It is a conflict which stems from the very deep-seated resentment that has been stirred up during the past 2 years following the passage of the Taft-Hartley Act in 1947.

Now is the time to stop it. Now is the time, I think, to go back for the most part to the broad framework of the bill which the junior Senator from New York and the junior Senator from Oregon urged in 1947, a bill which was known as the Morse-Ives bill at that time. It constituted the major section of the committee bill that was reported to the Senate. The Senator from New York and I then agreed, in a series of long conferences, upon amendments, most of which came to the floor of the Senate out of the committee.

Mr. President, I think now is the time to go back to the general framework of that bill. It is not perfect. Let us make such amendments to it as are necessary. Let us try it and see whether it will not bring a great reduction in the type of class conflict which is coming into existence in this country and which is so endangering industrial peace in America.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Jules F. Fern, and sundry other officers of the United States Coast Guard Reserve, to be commissioned in the United States Coast Guard.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Three hundred and twenty-two postmasters.

RECESS

Mr. THOMAS of Utah. I move that the Senate stand in recess until 12 o'clock tomorrow.

The motion was agreed to; and (at 6 o'clock and 11 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 9, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8 (legislative day of June 2), 1949:

FEDERAL POWER COMMISSION

Leland Olds, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1954. (Reappointment.)

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major general

Maj. Gen. John Ernest Dahlquist, O7120, Army of the United States (brigadier general, U. S. Army).

To be brigadier generals

Brig. Gen. Hugh French Thomason Hoffman, O12353, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Howell Collier, O12388, Army of the United States (colonel, U. S. Army).

Brig. Gen. Robert William Crichlow, Jr., O12430, Army of the United States (colonel, U. S. Army).

Brig. Gen. Claude Birkett Ferenbaugh, O12479, Army of the United States (colonel, U. S. Army).

TEMPORARY APPOINTMENTS IN THE REGULAR ARMY

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be major generals

Brig Gen. Robinson Earl Duff, O7388, United States Army.

Brig. Gen. Thomas Wade Herren, O7430, United States Army.

Brig. Gen. Alonzo Patrick Fox, O8434, United States Army.

To be brigadier generals

Col. Roland Paget Shugg, O4476, United States Army.

Col. Stanley Raymond Mickelsen, O7042, United States Army.

Col. Frank Albert Allen, Jr., O7415, United States Army.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 8, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, the source of eternal hope and wisdom, let Thy name be exalted in all the earth. We pray that in every home in our land there may be an altar dedicated to the sacred things of life, where we may kneel in supplication for the cleansing of our souls.

Grant that more and more we may emphasize the eternal values, namely, the value of devotion to our obligations, and of the priceless truth that freedom cannot die. Enjoin us to take firm steps that will encourage unity and cooperation of our people, with faith in things unseen, when weakness shall grow strong, and strength grow kind, and men shall know themselves as the sons of God. Through Christ our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4016. An act making appropriations for the Departments of State, Justice, Commerce, and the judiciary, for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. MCKELLAR, Mr. ELLENDER, Mr. GREEN, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 3967) entitled "An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCGRATH, Mr. HUNT, and Mrs. SMITH of Maine to be the conferees on the part of the Senate.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes today, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. DAGUE asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HARVEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Munsey Star.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include an article written by Louis Bromfield.

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. KEARNEY asked and was given permission to extend his remarks in the RECORD and include an article which appeared in the Leader-Republican, of Gloversville, N. Y., notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, costs $150 to print.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Christian Science Monitor.

Mr. McCULLOCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Christian Science Monitor.

PERMISSION TO ADDRESS THE HOUSE

Mr. FARRINGTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include two letters.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

[Mr. FARRINGTON addressed the House. His remarks appear in the Appendix.]

COMMODITY CREDIT CORPORATION

Mr. COLE of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLE of Kansas. Mr. Speaker, when the Commodity Credit Corporation charter amendment was debated upon the floor of the House, I charged that the difficulty with the farm storage problem had been maladministration on the part of the Secretary of Agriculture.

Today I notice in the paper that Mr. Truman has signed a bill for grain storage and that he is "dramatically moving to keep one of his most productive farm-belt campaign promises." Six things are to be done by the Secretary of Agriculture under this "dramatic move," according to the news release. Three of them could and should have been done prior to the adoption of this bill.

The other three things are not necessary, but political moves.

First, the three things the Secretary has always had power to do, but now are dramatic moves made 10 minutes after the President signed the bill:

1. He announced distress loans will be made on wheat piled on the ground in the open. He has always had that authority.

2. Announced that government will find suitable emergency storage where it is not feasible to store in the open. He has always had this authority.

3. Called a meeting of manufacturers of on-the-farm-type grain storage to make a survey of need. Dramatic move?

Now, the three unnecessary moves:

The first is to provide for loans to farmers to build wheat storage. Why, wheat farmers are loaning to the Government.

The other two provide for acquiring facilities for storage when other facilities are not available.

East of the Mississippi are storage facilities for over 100,000,000 bushels of grain, sufficient for this year's crop.

Can failure to use this space be the dramatic move to create an artificial shortage to prove who is the real friend of the farmer?

The SPEAKER. The time of the gentleman from Kansas has expired.

YOUTH-IN-GOVERNMENT PROGRAM

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, it is once more my honor to speak in the well of this House about the very splendid youth-in-Government program, sponsored by the YMCA in my home county of Orange, in the Twenty-ninth District of the State of New York.

This project, in which the high-school seniors of the whole county take part and in which they elect all county and State officials and a representative to Congress, is the truest way for these young people to learn in a practical way the mechanics and the workings of our system of representative government under the two-party system.

Representative government will not survive unless it is strengthened in these United States. And it will not gain that strength here unless our young people learn politics, which is the science of government, and not merely a grab at the Federal and State treasuries undertaken by gentlemen wearing big black cigars, as some would have us believe.

I am happy to have the young lady who was elected to Congress by an overwhelming vote of her classmates in her home district here, where she can see first-hand the workings of the Congress. I know she will return home with an added desire to pursue her political studies and do her part in the years to come to strengthen our Republic.

EXTENSION OF REMARKS

Mr. HOEVEN asked and was given permission to extend his remarks in the RECORD and include a prize-winning oration delivered by a high-school student in his district.

Mr. RIEHLMAN asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Syracuse Post-Standard on Federal aid to education.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Mark Sullivan.

PERMISSION TO ADDRESS THE HOUSE

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a letter with tables.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

[Mr. HILL addressed the House. His remarks appear in the Appendix.]

REMODELING OF HOUSE CHAMBER

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, we are spending our last weeks in this Chamber, and then we are going to be turned out by a fore-handed contractor who is already on the job building aluminum huts and other shelter for the work which was discussed on this floor. I refer you to the RECORD of February 15. The few of us who had seen the plans for the changes were deeply disturbed. We are still.

On last Monday I was in Nashville, Tenn., giving the commencement address to the graduating classes in medicine, dentistry, and nursing of that extraordinarily fine Negro college of Meharry. In the Tuesday morning Nashville Tennessean I found a column in which this is the description given after saying that only half the job will be done this year so we shall have to be turned out twice:

> Next year about this same time they hope to evict Congress again and remodel both Chambers into something neat and not quite so gaudy as now. The skylights with the State seals will go, the walls will be paneled in light woods and the Congressmen will work under artificial light, as in a wartime munitions factory.
>
> The whole job will cost about $5,000,000, which seems like a high price for a new roof and an exterior decorating job, but a committee of celebrated architects claim the work couldn't be done properly any cheaper.
>
> Critics of the enterprise, including a number of Senators who have talked bitterly on the subject, claim the seat of our laws is going to look something like a cocktail lounge de luxe. I had a long look at the water-color sketches myself, and I cannot agree. I'd say that the place will resemble more than anything else an ultra-modern dress salon in a high-class department store.

I expressed myself somewhat bitterly in February that we were to lose the beautiful State seals of our present ceiling, and I remind you that as the plans then were we would lose all our daylight and would function under a closed ceiling of some soundproofing construction, with artificial light entirely.

So there you have it, gentlemen. I thought you would be interested.

EXTENSION OF REMARKS

Mr. BURNSIDE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Charleston Gazette.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. PASSMAN asked and was given permission to extend his remarks in the RECORD and include a commencement address he delivered at the Northeast Junior College, Monroe, La.

Mr. CROOK asked and was given permission to extend his remarks in the RECORD and include a statement by Mrs. Joseph W. Walker, president, Indiana Congress of Parents and Teachers, concerning Federal aid to education.

FOREIGN BUDGET BALANCING

Mr. NORBLAD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. NORBLAD. Mr. Speaker, the ECA has many and divergent methods of spending the American taxpayers' dollars in its recovery efforts, but I think one of the most interesting proposals concerns foreign budget balancing.

May I quote to you from page 738 of the hearings wherein we find buried in very fine print and contained in a lengthy written statement by ECA, these budgetary proposals.

ECA states:

> Under the bilateral agreements, participating countries are obliged to make all practicable measures to balance their internal budgets. * * *
>
> Inadequate controls over governmental expenditures and ineffective and inadequate systems of taxation create unbalanced budgets, thereby contributing to inflation and postponing recovery.

Now in order to assist these European countries to balance their budgets and improve their general government administration, the ECA plans to spend next year the sum of one-half million United States taxpayers' dollars to bring European fiscal experts here to study our methods. At the same time the ECA will spend $800,000 sending our experts to Europe to assist them in these two fields. ECA states that 36,000 man-days will be spent in this program.

It seems to me that the only lesson they will learn here is the horrible example of how a budget can remain unbalanced in a period of this Nation's highest income level.

The fact of the matter is that we have only balanced our budget once in the last 17 years and are certainly going in the red to the tune of about $2,000,000,000 again this year. Yet we spend an additional half million to bring Europeans here to study our methods and at the same time we go into the red another $800,000 by sending our experts to Europe to teach them budget balancing and efficient government operation.

If our Government were operated efficiently and our budgetary system sound, the expenditure could possibly be justified, but in face of our prevailing conditions this proposal hardly makes sense to me.

Let us hope that the Europeans who come here do not take to heart the lessons of our overlapping bureaus and agencies and our army of Federal employees. Let us hope further that they do not seriously consider our lesson of how to run a Government by going further in the hole each day.

REMODELING OF HOUSE CHAMBER

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the gentlewoman from Ohio made some remarks about remodeling the House Chamber. You will recall that 2 years ago I introduced a bill asking that an electric voting system be placed in the House of Representatives. I know some of the older Members will object to an electric voting system. We have had one in the Capitol Building at Lincoln, Nebr., for a number of years, and find it a very efficient manner of recording votes. We waste a great deal of time in this House in the matter of voting.

I have contacted the Architect of the Capitol on this matter. I think that when we make the plans for remodeling this Chamber they ought to be set up to include not only an electric voting system but provision for broadcasting and television. We ought to anticipate what changes may occur in the next 50 years.

When the remodeling is completed in this Chamber, it should meet all the demands that might be anticipated in the next half century. There has been much discussion as to the advisability of broadcasting a part of our procedure. With broadcasting will come television. Times change and the House of Representatives will need to change to meet the demands of modern time. One of these advancements is an electric voting system. The Chamber ought to be wired with that purpose in mind. It ought to be wired for broadcasting and television. There may be other new advancements which might even call for heating the Capitol with the products of atomic energy.

I would respectfully suggest that the Architect of the Capitol and the committee in charge of remodeling, keep all of these ideas in mind and anticipate the future needs and demands of those who will occupy this Chamber in the years to come.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include two tables and a report from the Bureau of the Budget.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

INVESTIGATIONS INVOLVING B–36 BOMBERS

Mr. COLMER. Mr. Speaker, I call up House Resolution 234 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved,* That the Committee on Armed Services is authorized and directed to conduct thorough studies and investigations relating to matters involving the B–36 bomber, including, specifically, all facts relating to when this bomber was purchased, why it has been purchased, how it was purchased, any cancellations of other aircraft procurement that may have been resulted from such purchases, and any and all other collateral matters that such inquiries may develop, and for such purposes the said committee is authorized to sit and act during the Eighty-first Congress at such times and places, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee, or by any member designed by such chairman, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.
>
> The committee shall report to the House of Representatives during the present session of Congress the results of its studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable

With the following committee amendment:

> Line 1, page 1, after the word "Services", insert the following: "or any subcommittee thereof."

Mr. COLMER. Mr. Speaker, I yield myself such time as I may require, and also yield to the gentleman from Illinois [Mr. ALLEN] at the appropriate time, 30 minutes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. RICH. I think this is a proper resolution and I am glad it is being brought before the House. But there is the Committee on Un-American Activities and I have not heard from that committee for some time. Yet, we hear so much of un-American activities going on in this country. I wonder what they are doing with reference to investigating the Un-American activities situation. I do not hear from them.

Mr. COLMER. Mr. Speaker, in reply to my distinguished colleague from Pennsylvania, I am not quite sure at just what his question is directed. But if the gentleman will permit me, I will endeavor to explain the purpose of this resolution and then if he wishes to ask anything further about it, I shall be glad to answer him if I can.

Mr. RICH. Will the gentleman yield further?

Mr. COLMER. I yield.

Mr. RICH. We had a Committee on Un-American Activities last year, and we heard from that committee from time to time and knew what was going on. But we do not hear anything about that committee now. I think when we hear

in the courts and read in the papers about the communistic movements that are going on, we ought to wake up.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I have to yield to my colleague, of course, but I am afraid that we are getting off the track here.

Mr. RANKIN. I doubt if you are. I think this is more important than appropriations. I want to say to the gentleman from Pennsylvania that if he will read the reports from the New York courts this morning, he will find what was contained in the evidence which was withheld from the Committee on Un-American Activities last year.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield? I want to talk about the resolution.

Mr. COLMER. If the gentleman will permit me, that is what I want to talk about.

Mr. MILLER of Nebraska. Go right ahead.

Mr. COLMER. Then I will be very happy to yield to my colleague.

Mr. Speaker, the resolution presented here this morning by the Committee on Rules is in response to a wide demand for a congressional investigation of rumors, counterrumors, and charges and countercharges concerning our national defense. The purpose of this resolution is to investigate those charges, countercharges, and rumors that have been carried in the newspaper columns, over the radio, in the cloakrooms, on the street, and upon the floor of this House, as to just what is behind all of this controversy on the question of unification, upon the question of the effectiveness of the B–36, upon the question of the controversy between the Navy on the one hand and the Air Force on the other hand.

Frankly, I do not think that any of us are optimistic enough to conceive the idea that by this investigation all of these questions are going to be answered, but with equal frankness I do feel that this investigation is justified. I believe the American people are entitled to have a committee of this Congress, an able committee, made up of many able Members of this House, to delve into this matter, to study it, and to come up in an unbiased and unpartisan manner, insofar as human frailties will permit, with the conclusions and as many answers as they can.

Frankly, as a layman, this question has given me much concern. I have some ideas of my own about that. What my ideas as a layman are worth, I do not know. I take it they are not worth a great deal, because I am not in a position to pass upon these questions that require expert knowledge. For instance, when the distinguished chairman of the Armed Services Committee was conducting the armed services bill on the floor, I engaged in a colloquy with him at that time, because I had certain preconceived ideas about the matter and I wanted to get the benefit of his judgment on that phase of this matter. That was the question of the B–36. There is still that question in my mind. I would be presumptuous, indeed, to set myself up as an expert in the field of military science, but that question in my mind is simply this—and I think the people will want to know something more about that as their money is appropriated in the matter of national defense—are we justified in expending billions of dollars on the B–36? I do not say we are not. I do not know that we are, but the question that arose in my mind, having made some brief study about that in the immediate postwar period, and having read quite a bit about it and having talked with those who were supposed to be experts, was whether a gas-propelled plane, such as the B–36, can compete with a jet-propelled plane. The B–36 undoubtedly is a great machine. It is a great bombing machine. But the question that is in my mind is whether that gas-propelled machine can successfully combat a group of jet fighters that might attack it.

Another phase of this controversy which has concerned me considerably is, as I pointed out to the gentleman from Georgia, Chairman VINSON—CONGRESSIONAL RECORD of March 16, 1949, page 2632—whether there is a sufficient impending emergency in our international affairs to justify the expenditure of untold billions on the B–36, which all authorities will admit is bound to be outmoded and ineffective within a period of a comparatively few years. And, while we realize that we cannot afford to permit ourselves to become defenseless, I am sure we are all now, or had better be, concerned about the financial stability of this Government.

Commenting on this matter of the financial stability of the Government, on yesterday, in connection with the authorization of expenditure of additional millions of dollars in Europe, I pointed out then, and repeat now, that there is a limit beyond which we cannot go and still maintain the faith and credit of the Government. Personally, believing, as I do, that we are not in any imminent danger of a war, which position I have taken ever since Russia began to act up, the thought of emphasis upon the scientific development of our machines of national defense should be considered, with a limited but necessary, number of the latest products of scientific research being always kept available, with plans for mass production, should mass production become necessary.

That was the gist of the colloquy that I had with the distinguished gentleman from Georgia [Mr. VINSON], the chairman of the committee, on that occasion several months ago. We might be able to do it; I do not know, but those are among the questions that will have to be studied by this investigation authorized by this resolution.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield.

Mr. MILLER of Nebraska. I am in accord with the purposes of the resolution; I think it is a wise move on the part of the Committee on the Armed Services. I am sure that in my country there is quite a feeling among the citizens that there is rather keen competition between the military which has not reacted to the benefit of the taxpayers in the spending of their dollars. I notice these words in line 8:

> And any and all collateral matters that such inquiries may develop.

I am wondering if these words are broad enough to permit the committee to give some study of the 70-group air force which Congress authorized but with the carrying out of which the administration apparently is not in sympathy.

Mr. COLMER. Answering the gentleman's question, I may say that it was the Rules Committee's opinion, and it was the opinion given by the distinguished chairman of the Committee on the Armed Services, that the resolution was amply broad to go into the whole field.

I want to comment here briefly upon another phase of this matter. I do not like to go into questions of rumor or to attack those who circulate charges against people in high office. I recognize that in a democracy such as we have that it is inevitable that we should have rumors. We are going to have charges, and so forth, but I do think, and I am sure that every fair-minded person will agree with me in that, that before these charges are made against those in high places in the conduct of the affairs of this country the charges should be investigated; they should be investigated before they are made. While every charge that has been made against those charged with our national defense in connection with this controversy may be true, so far as I, personally, know, every one of those charges is without foundation. That is one of the questions this committee is going to look into and decide. But may I remind my colleagues, and may I remind those who read as they run through this CONGRESSIONAL RECORD that many of these men who come here, to occupy high places in this Government, often do so at great sacrifice to themselves. They are all human; they are all subject to mistakes, to the commission of human errors, but they should not be charged on the floor of this House or in the columns of the press, or on the radio with flagrant violation of their trust without some examination being made of those charges before they are made. I am approaching this objectively. I hope that this great Committee on Armed Services of the House will approach this investigation objectively also. Let the truth come out, let the chips fall where they may, in order that the great body of people known as the American public may have their day in this controversy.

While the name-calling phase of this matter, and the rivalry between the various branches of the armed services might be important to the persons involved, the real importance lies in the fact that the country is entitled to know whether or not there has been any misconduct on the part of its trusted officials; and, if it is humanly possible, a solution to this important matter should be reached. To this end, of course, personalities should not exist. No person should be spared and no pride in a particular branch of the service should be permitted to interfere with the national defense and security of this country.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, it should be crystal clear to all of us that this resolution should pass. With so much comment over the radio and in the press, the American people are entitled to be fully informed.

The matter of defense is of great importance to the American people. They are entitled that the billions of dollars which we are appropriating be spent to the best of advantage. Congress must so insist.

The names of many prominent people have been named over the radio and in the press. I personally know but one, Secretary of the Air W. Stuart Symington. Knowing him as I do, I know well that he welcomes this investigation. During my 18 years in Congress, I have never met a more honest, courageous, and efficient public servant. I am certain that all of you who know him fully agree.

With such men as CARL VINSON and DEWEY SHORT on the Armed Services Committee, we all know that this investigation will be conducted in a fair and impartial manner. I recommend the passage of this resolution.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1950

Mr. NORRELL, from the Committee on Appropriations, reported the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. STEFAN reserved all points of order.

ANNUAL ASSESSMENT ON MINING CLAIMS

Mr. ENGLE of California submitted a conference report and statement on the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, for printing under the rule.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 46. Concurrent resolution authorizing certain changes to be made in the enrollment of S. 714, the Public Buildings Act of 1949.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 191. An act for the relief of Louis J. Waline.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1754) entitled "An act extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949."

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. SABATH. Mr. Speaker, I call up House Resolution 230 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, I hope not to consume more than 10 minutes. If I do, I would appreciate it if my attention would be called when 10 minutes are up. After that I shall yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, the rule before us, which provides for 2 hours general debate, after which the bill will be taken up under the 5-minute rule, being an open rule, makes in order the most constructive, far-reaching and beneficial piece of legislation ever enacted in many years. The bill comes from the Committee on Expenditures in the Executive Departments, chairmanned by the able gentleman from Illinois [Mr. DAWSON]. Some of you may recollect that in March 1948, the President of the United States sent to both Houses a message in which he pleaded, urged, and recommended this legislation. But even as far back as 1933 President Roosevelt recommended this legislation, and again urged the Congress in 1939 to take action, and President Truman in 1945 also recommended that legislation be passed. Unfortunately during the last Congress it was not enacted into law. In this Congress, when the matter was recommended and reported and submitted to the splendid and capable committee, it started hearings, and to my mind it devoted a great deal of its time to considering this important piece of legislation. In years gone by I have called attention to the fact that there should be unification of the purchasing of all the governmental needs and properties, as well as the disposition of properties, but unfortunately such legislation, notwithstanding that it has also been recommended before, has not received the consideration that it deserves.

So, today we have before us a bill that will unify many of these various branches of our Government. It will simplify purchasing, selling procedures and record methods and will tend for economy. It might be stated by some gentlemen on the other side that it does not comply exactly with all of the recommendations of the so-called Hoover Commission that the President appointed, but I am of the opinion that it really complies with most of the provisions, and I have confidence in that great committee that reported this bill that they have embodied in the bill all the worthy and deserving provisions in the interest of economy and the simplification of the activities of the various agencies.

REPUBLICAN COMPLAINTS

Mr. Speaker, the gentleman from Ohio [Mr. BROWN], while stating the bill "is not on all fours," approves of it, but still complains that it is not strictly in conformity with the recommendations of the Hoover Commission. In this connection, I also concede that the Hoover Commission had the cooperation of many outstanding Americans. It was not a cheap commission. The Commission, in fact, under Mr. Hoover's direction, has spent $2,000,000, but the Congress has not given the Commission the power to legislate. Congress does not intend to abrogate its rights and powers and reserves to itself the right to legislate. Not only the gentleman from Ohio [Mr. BROWN], but the former Republican leader, the gentleman from Indiana [Mr. HALLECK], in his adroit and clever remarks would have the people believe that the recommendations of the Hoover Commission should be followed, and stresses the fact that thus far Congress has not yet enacted the reorganization bill to give the President authority to recommend reorganizations, which bill is now in conference. He believes, if I remember his statement correctly, that the House conferees have not yielded to the wishes of the conferees of the other body—that it would be better if they did yield and obtain some legislation rather than none. However, I question the belief of the gentleman from Indiana that the House conferees are responsible for the delay and when the proceedings of the secret conferences of the conferees are revealed, I am sure it will be found that the Republicans are responsible for the delay. I agree with the gentleman that it would be better to have a half a loaf than none, but this has been answered by the gentleman from Massachusetts, the majority leader, who is a member of the conference committee. However, I do not believe it will be in the interest of the country to tie the hands of the President who is striving to obtain legislative authority to bring about a real reorganization of all governmental agencies in the interest of

economy and efficiency. As I understand, one of the items in disagreement by the conferees concerns the Board of Engineers of the War Department. This agency or unit of the War Department, as I have pointed out in the past, through those in supervision, has been one of the most reckless spending agencies of public funds—taxpayers' moneys—of any in the Government. If there is any unit in our Government agencies that should be properly, efficiently, and economically organized and restricted in its expenditures, that is the one.

CONGRESS NOT BOUND TO ADOPT HOOVER COMMISSION RECOMMENDATIONS

Mr. Speaker, it strikes me that undue stress is being placed on the fact that this bill does not conform, in various aspects, to the recommendations of the Hoover Commission.

For a number of reasons I believe this emphasis is being exaggerated for political reasons beyond its real value, at least in relation to this bill now before us.

In the first place, although the Congress authorized the creation of the Commission on Reorganization of the Executive Branch, and supplied it with the funds to perform its functions, we are not necessarily bound to adopt all of its suggestions in toto and unquestioningly.

As we have frequently done in the past in other matters, the Congress authorized this Commission and delegated to it the task of doing the spade work and making the detailed studies involved, and presenting recommendations based on that work and study. It does not follow necessarily that the Congress thereby committed itself in advance to follow those recommendations without crossing a "t" or dotting an "i." It does not follow that the Congress thereby waived its right to exercise its own independent judgment.

Bear in mind the Hoover Commission was authorized to recommend its findings, not to become a substitute for the Congress and do our legislating for us.

Another point: The mere fact that Mr. Hoover is chairman of the Commission, and no doubt was influential, if not dominant, in its work, does not make every one of the Commission's reports sacrosanct or binding upon us.

While I recognize the fact that Mr. Hoover is our only living ex-President, and that in his own way he contributed out of his experience to these reports.

Since he departed from office the Republican Party has not been able to elect another President. I hope that this condition may continue—but the point is, we must weigh the judgment of Mr. Hoover and the Hoover Commission in proper balance. Certainly it is not infallible in the light of his record.

MR. HOOVER'S RECORD

I want you to know that it is rather embarrassing for me to speak or to remind you of some perhaps, unpleasant matters relative to a former Republican President. However, I know that many on your side of the aisle have actually attacked President Woodrow Wilson, President Franklin D. Roosevelt, and on every occasion that presents, to attack President Truman that you do so. Therefore, I feel justified on my part in calling attention to ex-President Hoover, whom the Republicans are attempting to sell to the Nation as a wonder man. The Republicans have endeavored for many years to build up a Hoover legend surrounding him with humanitarian projects. I fully realize that the Republican Party is naturally building up his reputation because he has been and is recognized as the leader. For at every National Republican Convention he is allotted a special place on the Convention program and there in a biased and prejudiced manner for political purposes has seized upon the opportunity to assail the principles and labors of the Democratic Party, heap abuse with carping criticism upon such great men as Franklin Delano Roosevelt whose memory shall grow in luster and in dignity with each succeeding year, in spite of the assaults upon it by Mr. Hoover.

Does Mr. Hoover's record before he became President justify that confidence, or is he deserving of that confidence?

I direct your attention to the record with which some of us who have been here during the Hoover regime are familiar. I remember well the year 1929, when we voted $500,000,000 to aid the farmers. Under his direction and administration, these funds did not aid or relieve the farmers one iota. This appropriation was used recklessly and expended in a disgraceful manner. I also remember when the needy veterans came to Washington pleading for work and asking for bread, and upon his orders they were fed with lead. I recall two of these men vividly who received this treatment, for they came from my district, and were shot down for appealing for assistance to the Hoover administration in time of need.

I remember thoroughly the time when our crop production was at an all-time high and when peace reigned supreme throughout the world. Yet there was a $2,000,000,000 deficiency during the last 2 years of the Hoover administration, with little, if any, spending on our national defense, which during his 4-year term he shamefully neglected.

I also remember, notwithstanding my plea to him in 1929 to close the gambling institution commonly known as the stock exchange for a few months to permit the people to adjust themselves and better combat the conditions underlying the depression, he not only failed to do so, but he even refused to stop short-selling and manipulators' activities which had been largely instrumental in bringing about the great depression and crash. It resulted in making stocks and bonds valueless and produced untold suffering and anguish throughout the land. Nevertheless, in spite of the existence of these deplorable conditions, he and his Secretary Mellon and Assistant Secretary Mills refused to approve in 1931 my bill aimed to aid business—a bill to create the RFC. Instead of urging the passage of the legislation at that time, he insisted on waiting until the following year—election year of 1932. Surely none will claim that his judgment then was infallible—no one will argue that he was a master mind and deserved any praise or is endowed with knowledge superior to all.

Again, I remember that $50,000,000 was appropriated to care for cattle dying from lack of feed in some States because of the drought in the areas. Within a few days after the passage of the bill Mr. Hoover suddenly found that conditions had improved and the money appropriated was no longer needed because a rain had fallen and made possible the elimination of the drought, all of which has a wholesome effect on the situation relative to the cattle. But when an effort was made shortly thereafter to provide for hundreds of thousands of needy veterans who were unemployed, unsheltered, and starving, this unexpended $50,000,000 was refused.

So in view of that record, I fail to see why his judgment and viewpoints today should be entitled to such confidence as some of you gentlemen feel prone to urge and demand it should receive.

I know it must be painful for my Republican friends to be reminded of these things: the depression of 1929, the unemployment of the thirties, the tragic attack upon the bonus army here in Washington, and the apple sellers on the street corners.

Hence, I feel that particularly in matters such as this bill, involving as it does economy and simplification of governmental activities, we need not be so concerned about differing with the views of Mr. Hoover.

Mr. Speaker, I repeat that all recommendations submitted by the Commission on Reorganization of the Executive Branch are entitled to the usual thought and study given to similar commissions. But no commission's recommendations should be used to create opposition to House legislative proposals which may be useful and are necessary to promote the general welfare.

Stripped of any partisan consideration, this bill is a good bill and is worthy of enactment. Its passage will give further impetus to the building of another addition to the monument of lasting and noble works of President Delano Roosevelt under whose guidance and direction the Reorganization Act of 1939 was instituted.

Mr. Speaker, I wish to commend the Committee on Expenditures in the Executive Departments for its diligent and earnest work in connection with the consideration of the bill in committee. It devoted a great deal of time and study to the provisions of the bill and it has submitted a splendid report. I shall not detain the House in explaining the provisions of the bill, knowing that the members of this great committee can do so most clearly and effectively to the satisfaction of the entire membership.

Mr. Speaker, I hope the rule will be adopted and that the bill, in the interest of economy and efficiency in Government, will receive the unanimous support of the membership.

Mr. Speaker, I now yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, as the gentleman from Illinois, the chairman of the Committee on Rules [Mr. SABATH], has explained, House Resolution 230 provides for the consideration of the bill, H. R. 4754, to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, as reported by the House Committee on Expenditures in the Executive Departments, general debate to be confined to 2 hours and to be equally divided between the chairman and the ranking minority member of that committee.

Before discussing this legislation—because I am exceedingly interested in this bill inasmuch as I have served for nearly 2 years as a member of the Commission on Organization of the Executive Branch of the Government—I should like to correct one misconception that has arisen in connection with this Commission. Several Members have called it to my attention.

So that there will be no misunderstanding in the mind of the general public, this Commission is not nor has it been a Presidential commission. The Commission was created by the Congress, and two-thirds of the Commission were named by the Congress, there being 12 members of the Commission. Four members were named by the Speaker of the House in consultation with the minority leader of the House, four were named by the President of the Senate in consultation with and upon the advice of the minority leader of the Senate, and four were named by the President of the United States.

This primarily is a congressional commission and the Commission has worked under the direction of, and by the orders of the Congress. In other words, the Commission has been an arm of the Congress. And, of course, the Congress must lead the way in making possible the great reforms that can come from the recommendations and findings of the Commission.

In the very beginning let me also say I am hopeful we may soon be able to have a reorganization act through this Congress and on the desk of the President so that he can submit to the Congress his plans for the reorganization of the executive branch of the Government. As I have studied this problem, it seems to me that about 20 to 25 percent of the 318 recommendations and findings made by the Commission and submitted to the Congress and can be put into effect through executive or administrative orders. In other words the Commission has pointed out the deficiencies and delinquencies in the operation of the executive branch many of which can be corrected by better administration or by some change in a rule or regulation which can be made by the order of some administrator or department head or by an Executive order from the President. Another 35 or 40 percent of the recommendations and findings of the Commission can be made effective if we have a workable reorganization act authorizing the President to submit to the Congress reorganization plans for the consideration of the Congress. If the Congress disapproves, of course the plans will not become effective. But, in about 40 percent of the Commission's recommendations and findings, it will be absolutely necessary to have legislation enacted providing changes in our present laws. So the Committee on Expenditures has brought in this bill to make statutory changes absolutely necessary if we are to carry out the Commission recommendations on the particular matters.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I was just home for a few days and saw a lot of people. I find they are tremendously interested in the accomplishment of the objectives of the Hoover Commission.

The gentleman has referred to the failure of this Congress to date to enact the basic reorganization legislation. I would just like to point out that certainly those of us in the minority should not be charged with that responsibility and that the primary responsibility for bringing that legislation to final enactment rests upon the majority in this body, and in the other body. I want, on this occasion, to insist that the conference proceed to agreement so that the basic reorganization legislation may be enacted to the end that the work of the Hoover Commission shall not be wasted and forgotten.

Mr. BROWN of Ohio. I thank the gentleman for his contribution. In that connection may I say that of course the House did pass many weeks ago the Reorganization Act of 1949. The bill has gone to the other body where certain changes were made in it. The measure has been in conference now for some time. It seems to me we must move rather quickly now if we are to get the benefits of the Reorganization Act in this session of Congress, because of the 60-day limitation. On May 6 the Commission filed its final report with the Congress and with the President. We had a little ceremony down at the White House and discussed this problem with the President, as a commission, for about an hour and a quarter. The President indicated his great interest in our whole program and his support of the recommendations, in general, as made by the Commission. He further advised us, and I do not believe I am speaking out of turn when I say to you, that he had in preparation, ready and waiting for the enactment of the Reorganization Act, several reorganization plans to submit to the Congress just as soon as the Reorganization Act should become law. Seemingly an impasse has been reached between the House and Senate in the conference committee, as to which version of the Reorganization Act should prevail. I am hoping that in some way that impasse can be solved; that we can get the legislation through promptly. It may be necessary for the House to give in somewhat. It may be necessary for the Senate to give in somewhat. Perhaps we can work out some compromise which will permit this whole program to move ahead.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will be glad to yield to the distinguished majority leader who has been quite active in connection with this matter.

Mr. McCORMACK. My friend does not expect the House to give in completely, does he?

Mr. BROWN of Ohio. I do not expect the House to give in completely. I do hope, however, that the House and Senate can reach some satisfactory compromise that might not entirely please the gentleman from Massachusetts or might not even please me, or may not please anyone. The fact of the matter is, it has been my experience that about half the time the Congress does not do what I would like to have it do.

Mr. McCORMACK. Will the gentleman yield further?

Mr. BROWN of Ohio. Yes; I yield.

Mr. McCORMACK. In view of the statement made yesterday by a Member of the other body, I am going to make a few observations, and it will be amazing just what the facts are, and how far the House conferees have gone in an effort to arrive at an agreement.

Mr. BROWN of Ohio. Of course, I cannot speak about a Member of the other body.

Mr. McCORMACK. Well, there was a statement made outside of Congress.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Yes; I yield.

Mr. HOFFMAN of Michigan. Will the gentleman from Massachusetts make that statement pretty soon? I am all "het up" and nervous.

Mr. McCORMACK. The gentleman is naturally nervous anyway.

Mr. HOFFMAN of Michigan. But I am getting more so. How long will it be?

Mr. BROWN of Ohio. I hope the gentlemen will not take up too much of my time.

Mr. HOFFMAN of Michigan. Well, I am serious about this. Is the gentleman from Massachusetts going to enlighten us, on this rule?

Mr. BROWN of Ohio. Let me answer.

Mr. HOFFMAN of Michigan. You cannot answer for him.

Mr. BROWN of Ohio. I yielded to the gentleman from Michigan, so I can use my own time, thank you.

Mr. HOFFMAN of Michigan. But you yielded to me.

Mr. BROWN of Ohio. I am rather sure that we must get this Reorganization Act through, somehow. As far as I am concerned, I am willing to give and take a little in order to have that measure enacted into law so that we may get along with this greater job we have to do.

Now, Mr. Speaker, I want to discuss for a few minutes H. R. 4754. H. R. 4754 is an example of what we will face in connection with all legislation affecting recommendations and findings of the so-called Hoover Commission. From the very beginning of the Commission's work I have maintained that the Commission's recommendations and findings cannot be considered as sacrosanct; that we cannot, as a Commission, expect the Congress or the President to take every detailed recommendation or finding that

we might make, and make it effective, without changing a single letter or a single word. What we have done as a Commission, as an arm of the Congress, is to bring to the Congress our best judgment, our best recommendations, our best findings to be used as guides by the Congress, and by the President, if the Reorganization Act becomes effective, as I hope it will, in carrying out the greater responsibility of getting economy and efficiency in the operation of the Federal Government.

H. R. 4754, while a splendid bill, is not exactly the measure that I would write if I had my own personal way about it. It does not carry out all of the recommendations or all of the findings of the Hoover Commission in connection with the subjects covered. The committee, however, does make a very good argument and states a very good reason why it has approached the problem as it has in connection with H. R. 4754. However, this bill does, in the main, follow the Commission recommendations. The committee does point out that certain of the provisions made in this legislation in a reorganizational way are only temporary; so that later on when the Reorganization Act becomes effective, or when the Congress has the opportunity to pass on other legislation dealing with reorganization plans that the necessary changes and transfer of agencies and personnel can be made in an orderly way. I think the committee has done as good a job as could be expected with this very, very difficult problem, and I want to congratulate the committee on the work that it has done in connection with it.

What this particular bill does is to set up the Office of General Services. You may say at first blush that it is creating a new office. In a sense it is, but at the same time it is bringing together quite a number of other agencies of the Government into this one central office, with the over-all result being an elimination of several separate or independent agencies through their consolidation into one, which would come under the Office of General Services directly under the President, with one man as Administrator heading up the Office. Brought into this one Office of General Services would be the contract settlement functions from the Treasury Department, and all procurement activities from the Department of the Treasury, including the Bureau of Federal Supply. There is also brought under this new Office of General Services the Federal Works Agency, which is not directly on all fours with the Hoover Commission recommendation, but as I understand the report, and the testimony, and the intent of the committee, and of the Congress, that recommendation will be dealt with later after the proper place is arranged to put the Public Works Agency. Records and Management is also brought under this new Office, and that follows fairly close, but not exactly the Commission recommendation because there still has to be some other legislation enacted before the committee can go the full way on the original Hoover recommendation. The War Assets Administration is brought under the new Office for liquidation.

The largest single governmental function with which this legislation deals, in my opinion, the place where we can get the greatest economy, and make the greatest savings, is in connection with Government purchases or procurement. If you could take the time, all of you, to read the task force report to the Hoover Commission on Government procurement you would understand what a terrible task this committee has had, and the Commission has had, with the whole procurement problem. May I just take a minute or two to give you some of the high lights of that problem? In the first place, our whole procurement set-up has been builded upon the proposition that we had to prevent fraud, with the result that we are following a terribly expensive system in making purchases. All purchases are made through purchase orders issued by the Government, and half of them are for less than $10, yet our studies showed that it cost more than $10 to process each purchase order. If I remember the figures correctly, the average cost of handling each purchase order was $11.28, and yet half of the purchase orders are for less than $10. In other words, if the Government makes a purchase of $1 it costs $11.28, on the average, to process that purchase order; so the actual cost of the $1 worth of goods is, in fact, $12.28. That is not good business.

Then we have had the problem of centralization of supplies in some places, where you have to send clear across the country to get a little item that you ought to be able to get closer to home. On the other hand, there is also a great diversification. It has all been a terrible mess.

This is perhaps the first realistic approach that any Congress has made, as far as I can ascertain, to bring together and simplify our procurement efforts and activities in the name of efficiency and economy. I want to predict that if this legislation is enacted into law, and if the administration of the law is all that we expect it to be, the result will be huge savings for the benefit of the Federal taxpayer. It is my honest opinion that under this procurement program, as provided by the legislation before us, there will be very definite improvements in the way Government purchases are handled. Of course, it still has to be implemented. I think the gentleman from Massachusetts will agree that there are still many things to be done. There may have to be some additional legislation enacted to fit the Commission's recommendations to all departments. However, a billion dollars a year may be saved in procurement alone if we get it on a sound, businesslike basis. A billion dollars may mean a great deal each year to us in the not-too-distant future.

So while this measure is perhaps not all that it should be, and it may be said that it is not on all fours with the recommendations and findings of the Hoover Commission, it has gone about as far, in my opinion, as the Congress can go at this particular moment to implement those certain recommendations and findings. I have the assurances of the Committee on Expenditures that as they move along and take up other facets of the reorganization plans, the program, as outlined, will be made effective in an over-all way.

Mr. HARVEY. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HARVEY. At this time I want to pay particular tribute to the gentleman from Ohio [Mr. BROWN] for the very fine, persistent, and consistent efforts he has put forth as a member of the Hoover Commission in an endeavor to bring about just such type of legislation as we have before us today.

Mr. BROWN of Ohio. I thank the gentleman very much for his very kind statement.

I would also like to mention for a moment the records-management section of this bill, which is very, very important. I hope that the Members will listen to the detailed explanation to be made by the members of the Expenditures Committee as to how this new records-management matter will be worked out. There will be huge savings possible there also, and not only savings but, perhaps even more important, an increased efficiency in the functioning and operation of the Federal Government.

So, Mr. Speaker, I am very happy that the House is again leading the way in bringing in the pending legislation, which I am sure will be enacted today, putting these particular recommendations and findings of the Hoover Commission into effect and this new agency into being. It is necessary, it is wise, and the legislation is a great step in the right direction. There is still much to be done. I hope that we may get some other legislative bodies to be a little more reasonable so that we can work out a reorganization act that will permit us to function effectively. As I have stated, I stand willing and ready, as far as I am personally concerned, to compromise a little bit in order to get this program moving along.

May I extend my thanks and congratulations to the members of the Committee on Expenditures of the House, and particularly to the subcommittee which has been handling this legislation, for the difficult task that they have been engaged in. I hope the pending rule will be adopted and that the bill will be passed by the House unanimously.

Mr. SABATH. Mr. Speaker, realizing that the Members desire to hear from our majority leader, I yield 10 minutes at this time to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I agree with the gentleman from Ohio [Mr. BROWN] that the subcommittee and the full committee have done a very good job on this bill; that it represents decided progress, and that the bill as reported out of the committee should pass the House.

Underlying the whole success of reorganization, however, is the passage of the reorganization bill that is now in conference. My friend, the gentleman from Indiana [Mr. HALLECK] has made a statement that I am in complete agreement with, also the gentleman from

Ohio [Mr. BROWN] of the importance of that bill being agreed upon and enacted into law as soon as possible. That requires an understanding mind on the part of both sides. The House conferees have gone at least 80 percent of the way in trying to bring about a compromise. I realize the necessity of time, and if time was not involved, I could not in conscience have gone as far as I have been willing to go.

One of the distinguished Members in an outside statement yesterday made some observations that are rather amusing to me, exceedingly so, and to those of us who have sat in the conference. The basic difference was a two-body veto or one-body veto. This House passed a bill providing for a two-body veto. We have simply followed what the Congress has done on three previous occasions when we passed reorganization bills during the past 8 or 10 years, and both branches finally enacted into law reorganization bills calling for a two-branch veto. It is true there was a termination date, and that is why we had to pass, from time to time, new reorganization authority legislation.

This House went on record by a pretty strong vote in favor of the two-body veto. If we are going to pass a reorganization bill we might as well pass one that is going to do the job. There is no use passing a bill where a few groups in either branch, on both sides of the aisle, can get together and defeat any plan that comes up. To do that would be mockery.

Now, the main basic difference is not so much the question of whether it is permanent legislation or solely for a period of time. That could be adjusted in 5 minutes. There is not any question in dispute between the two bodies but what could be adjusted in 5 minutes. But, the basic difference is the two-body veto or one-body veto. Now, that gives quite a wide field for compromise.

Let us see some of the compromises, because I cannot tell what took place in the conference committee, and I would not divulge such information. But, just let us see what some of the compromises might be. We, on the part of the House, could offer a compromise of a two-body veto and an alternative one-body veto with a straight two-thirds or strict two-thirds. We could offer a two-body veto or an alternative two-thirds veto of one branch. The Senate could offer a one-body veto or a straight majority of 218 in House and 49 in the Senate. The Senate could offer a compromise of a two-body veto or a majority, a straight majority, called a constitutional majority, but I will call it a straight majority, of 218 in the House and 49 in the Senate. But if you have that proposition you might as well not have the two-body veto, you might as well accept the one-body veto, because, for all practical purposes, a two-body veto under those circumstances would mean nothing. On the other hand, the House could offer a two-body veto or three-fifths straight as an alternative. Further, the House could go to a two-body veto or an alternative of three-fifths of those present and voting thereon; or the House could go to a one-body veto of three-fifths straight or three-fifths present and voting thereon. As between those two, there is nothing else you can do except have a straight majority of one body or three-fifths of one body present and voting thereon.

If the House conferees have gone to three-fifths of one body present and voting thereon, I do not know how much further we can go without a complete abdication. If we have done that we have done it because of the 60-day proposition, in the hope that plans will be set up, if we have gone that far, three-fifths of one body.

Yes, we could have in the case of two-thirds of one body, and the two bodies as an alternative proposition brought back the single package. Yes, we could have made an exemption of the Army Corps of Engineers, which is the key. Do not worry about that, that is the key. Maybe we did. Maybe we explored all those things, and in a desire to do something may have gone to three-fifths of the membership of one body possessing the power of veto.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. I do not want to inject politics into the matter of these proposals because they are not political and they should not be. However, I recall occasions during the conduct of the affairs of the Eightieth Congress when it was said to us that certain things must be accomplished, that we must get them done, and we did get them done.

Now, I should just like to remind the gentleman that his party is in control of the Eighty-first Congress. We have been in session for 5 months. The Hoover Commission has done its work. The people of the country are demanding action. Again, I must insist that this legislation somehow or other must be brought to accomplishment in order that we may proceed with the Hoover Commission's proposals.

Mr. McCORMACK. It is very nice to hear the gentleman say that, but does he want to have an ineffective bill?

Mr. HALLECK. I do not want an ineffective bill, and I am not completely sure what would be ineffective and what would be effective. There are thoughtful people who believe that a one-House veto would still permit the accomplishment of reorganization. I supported the bill providing for a two-House veto. However, I would say to the gentleman very frankly that as between no reorganization measure at all and even a constitutional majority of one House, I would take the latter and see how it works. If it does not work, then we can try something else, but certainly that would be better than a complete stalemate that would prevent the people of the country from getting the benefit of the advantages of the Hoover Commission recommendations.

Mr. McCORMACK. May I say that the gentleman goes directly contrary to the recommendation of former President Hoover, who came out absolutely for a two-House veto.

Mr. HALLECK. I recognize that, and I say again I voted for the House bill providing for the two-House veto. However, we are confronted with a practical situation. So again I say we had better try something than nothing.

Mr. McCORMACK. It is much better, in my opinion, to try nothing than to try a proposal for a single-house veto on a straight majority, because there is nothing to stop any plan which is sent up being defeated. The first situation we met was that unless such-and-such an agency is exempt, there will be no bill. Then, what are you going to exempt?

On the question of whether or not we are going to put some kind of bill through that will have some reasonable assurance of effective reorganization, the matter could be adjusted in 5 minutes. So far as the House conferees are concerned, we are in a position where you will take one proposition or nothing. I submit that if we had gone to the extent of being willing to accept a proposition calling for a veto by three-fifths of one body, if we had gone that far, then we certainly would have gone the full distance and some of us would have had to sacrifice firm convictions because we believe that the only way you could have real effective reorganization is through a two-body veto. We would have had to see the Congress take the journey back from what it has done in the last three bills when there was no difficulty in the proposals providing for a two-body veto going through. But now the Army engineers are the key. The Army engineers are afraid. I am friendly to the Army engineers, but all I can say is that some of the friends of the Army engineers are doing them irreparable harm because they are putting the Army engineers in a position of being more powerful than Congress, more powerful than the President, more powerful than everybody, more powerful than the Government itself. That is a dangerous position for any agency to permit itself to get into. It is a dangerous position for any of its friends to put an agency in. If it were not for the Army engineers, this would have been settled in 5 minutes. If we had capitulated, I could not come back here with even a minimum of respect for my convictions. All I can say is we have done everything within our power which should appeal to reasonable men, going at least 80 percent of the distance, in my opinion, to make a compromise in order to bring about an adjustment of the differences.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. BROWN of Ohio. I have listened with a great deal of interest to the gentleman from Massachusetts, and I realize how sincere he is in his position and in his great anxiety to carry forward this program and the recommendations of the Hoover Commission. However, I believe I should say to the gentleman from Massachusetts and to the House that, as a member of the Commission, when the question was up before the Commission, I opposed the two-House veto recommendation and took the position that in my opinion inasmuch as it would require the action of both Houses to enact legislation to do the things which the

Commission might recommend, that perhaps at least from a constitutional angle, and to protect the integrity of the Congress, one House should be given the right to veto any action with which they did not agree, and which the President might take in submitting a reorganization plan. However, because I was so deeply interested in seeing that this whole program move forward, I dropped my objections and went along with the Commission in the general recommendation that there be a two-House veto provision in the Reorganization Act. Then, when the reorganization measure came to the floor, I said to the House that it was not in entirely the form I would write the legislation I expected to support it, and I did vote for it.

I rather have the feeling that it is more necessary to have some sort of a Reorganization Act on the President's desk so he may proceed with the submission of his reorganization plans to the Congress than it is to have the two-House veto provision, because I believe that the President will submit plans to us which, will be substantially near the recommendations of the Hoover Commission, and will have so much support from the country and the Congress that this whole question of one- or two-House veto power will simply be an academic one, and there will not be any objections to the reorganization plans.

Mr. HOFFMAN of Michigan. Mr. Speaker, in my somewhat feeble way, I will attempt to answer the gentleman from Massachusetts [Mr. McCORMACK] insofar as the rules and ethics permit, during the general debate.

I yield back the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, in looking over this bill it occurs to me that in one respect the committee has reported a bill which is better than the chart would indicate, which has been distributed here. The chart would indicate that the Federal Works Agency is continued, with the Public Buildings Administration, the Public Roads Administration, and the Bureau of Community Facilities as constituent parts of it. Actually, the Federal Works Agency is abolished under the language of subparagraph (b), section 103, on page 9, which I would think is as it should be. Otherwise, the Federal Works Agency would be a layer between these constituent agencies and the Administrator of General Services.

There may be some question raised as to whether or not the Public Roads Administration, a construction unit, should be put in the same bracket as War Assets and some of these other agencies which are administrative in character. I shall listen to the debate on that point with interest. There is another section which gives me concern—section 109.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. CASE of South Dakota. I would like to invite the attention of the Members to the paragraph on page 12, section 109, relating to salaries of officers. I would like to sound a note of caution and ask the committee for its intent. Section 109 proposes to give the President the right to fix the rate of compensation for the Administrator of General Services, the Deputy Administrator, the Commissioner of Federal Supply, the Commissioner of Public Buildings, the Archivist of the United States, and the Commissioner of Public Roads. The President is to fix their rates of compensation, pending the effective date of other provisions of law fixing the rate of compensation.

This means that if we never pass a new pay bill the President from now on will be determining the rate of pay for these individuals. He could make them out of all proportion to the other heads of executive agencies, in the hope, perhaps, that that would set a pattern for a general lifting or a general lowering of other salaries. Or he could adopt a figure which would be at considerable variance with any legislation which we might subsequently adopt, and it might mean a considerable reduction for them.

It is a bad precedent to start.

These people, when transferred to the General Services Administration, should continue at the salaries now applicable under existing law, until a general pay bill is adopted, in my opinion. I cannot understand why you should want to set any such precedent as giving the President this authority at this time.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman from South Dakota yield for an answer?

Mr. CASE of South Dakota. I gladly yield to the gentleman from California.

Mr. HOLIFIELD. The committee considered setting specific salaries on this group of officers. In the first place, we could not put all of them in at existing salaries.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentleman from South Dakota the balance of my time.

The SPEAKER. The gentleman from South Dakota is recognized for two additional minutes.

Mr. HOLIFIELD. The offices of Administrator of General Services and the Deputy Administrator, of course, are new offices for which we have no precedent. As to the Commissioner of Public Roads and the Commissioner of Public Buildings I understand that their salaries are set in the deficiency appropriation bill.

Mr. CASE of South Dakota. They are established, I might say to the gentleman from California, in the independent offices appropriation bill; and the reason I am concerned is that we gave careful consideration to this in reporting the independent offices appropriation bill this year, and did advance the salary of the present Commissioner of Public Buildings and the present Commissioner of Public Roads by a provision in the independent offices appropriation bill. We thought that was giving them some consideration, but we did not feel that we should advance them above a comparable scale for other persons with similar responsibilities. Here you give the President the opportunity to set these salaries up, we will say, to $16,000 a year which might be and would be way beyond that of the members of the Federal Communications Commission, the Interstate Commerce Commissioners and officials of other agencies of that class; and it certainly would not be desirable to have these few men brought up to that high level and then perhaps have nothing at all done on a general pay bill. And basically, I believe that Congress should control the purse. We, not the executive, should determine pay schedules.

Mr. HOLIFIELD. The reference to other existing laws includes the Federal salary bill which, as we understand, will be reported in this session of Congress, and also the independent offices appropriation bill. We also include the phrase "commensurate with their responsibilities." We feel that their responsibilities can be adjusted in relation to those of other administrative officials in other departments of the Government.

Mr. CASE of South Dakota. That may be so, but it gives the President the opportunity to prejudge what the Congress should do on the salary question and certainly is a bad precedent. When the bill is read for amendment this should be corrected.

The SPEAKER. The time of the gentleman from South Dakota has again expired.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Speaker, following the question asked by the gentleman from South Dakota [Mr. CASE], I may say by way of explanation that the committee itself was not particularly happy over this provision. At the time this bill was drafted, however, the independent offices appropriation bill had not been passed by the Senate, so we first came up with a bill leaving that particular salary provision blank; then realizing that that in itself was not a wise proceeding or good way to present legislation to the House, we included this language. I believe the gentleman from California, chairman of the subcommittee, will agree with me that the subcommittee is willing to go along on any reasonable provision with regard to that. We did have to bring a specific bill before the House.

Mr. Speaker, I yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I had intended to answer the gentleman from Ohio and the gentleman from Indiana and comment on their respective statements, but I will forego that pleasure and now move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. HOLIFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4754, the Federal Property and Administrative Services Act of 1949, with Mr. PETERSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, when the rule covering this bill was being considered, the discussion representing the conflicting views on the part of the gentlemen on both sides of the aisle had nothing to do with the bill we are presently considering. Their views were on another matter entirely.

Mr. Chairman, we have under consideration H. R. 4754, which may be cited as the Federal Property and Administrative Services Act of 1949. This measure was reported out unanimously from the Committee on Expenditures in the Executive Departments.

This bill establishes a basis for a plan to simplify the procurement, utilization, and disposal of Government property, and to reorganize certain agencies of the Government, and for other purposes.

The major purpose of this bill is to provide for a uniform system of property management and supply for the entire Federal Government. Accordingly H. R. 4754 creates a new General Services Administration, which will include the property-management functions now scattered among several Federal agencies and carry with it certain other related service activities.

Many of our States and some of our large cities have excellent uniform property-management systems; practically every large business enterprise and most small concerns have devised and developed such systems. These bodies and organizations have learned from experience that they must have these systems in order to run their business efficiently and economically. However, in the Federal Government there is a definite need for this phase of management, and at the present time we find it lacking. In the Report on an Office of General Services, compiled by the Commission on Organization of the Executive Branch of the Government and dealing with the supply activities of our Government, we see a vivid description of the staggering size of the supply problem besetting our Government. This Commission, popularly termed the "Hoover Commission," has this to say:

> The Federal Government runs one of the greatest supply businesses in the world. It is spending more than $6,000,000,000 a year for new material, supplies, and equipment for the regular activities of the civilian and military agencies. The Federal Government has in storage also in the continental United States, military and civilian inventories valued at $27,000,000,000. * * * The Government also pays out more than $1,000,000,000 yearly for transportation of property and $440,000,000 in salaries of the nearly 150,000 employees working in supply operations.

At the present time the administration of this vast Federal supply business is largely uncoordinated, to some extent duplicative, and definitely in need of better methods and procedures. Corrective steps, which are indeed long overdue, are now critically required. Under the existing law, the War Assets Administration will be dismembered on June 30, 1949—just 22 days from now—its sizable remaining inventory, as well as the disposal of surplus property generated in the future, will be scattered throughout the Government; thus we will see the present lack of better uniform management continued in this regard. Having this urgency in view, together with the complexity and scope of the property management problem, and the desire and enthusiasm on all sides for an immediate solution for the needs, our committee held long and extensive hearings, encompassing several weeks. These hearings were based on a bill, H. R. 2781, presented by the Federal Works Administrator, with the approval of the Director of the Bureau of the Budget, acting on behalf of the President. We sought testimony from many experts in this field, and we solicited and heard everyone who evinced a desire to be heard. This list of witnesses included Mr. Carter Manasco and Mr. CLARENCE BROWN, the two Members of the House who served on the Commission on Government Organization, among others. The bill brought out by our committee—H. R. 4754—is based upon the Administration's early bill, upon the report and recommendations of the Commission on Government Organization, upon the recommendation of the Comptroller General of the United States, and upon several salient factors we believe merited attention and consideration. Under the able leadership of the gentleman from Illinois, the distinguished chairman of the full committee [Mr. DAWSON], the members of our subcommittee, particularly Messrs. BURNSIDE, BOLLING, and HARVEY, have labored on the problem long and patiently. Mr. RIEHLMAN, though not a member of the subcommittee, often sat in with us and made many valuable contributions. Thanks are due to these gentlemen, and the remaining members of our committee. We think we have in our bill here today as fine and clear charter for Government property management as can be developed at the present time.

Thus in strict accordance with the recommendations of the Commission on Organization, the bill creates a new General Services Administration. Likewise as recommended by the Commission in its very recent concluding report, we have set up this General Services Administration as an independent establishment, and not as a part of the President's Office. However, the Administrator of General Services will be appointed by the President and will be personally and directly responsible to him. Continuing in this vein we see that property management affects every executive agency and so the bill expressly authorizes the President, himself, to prescribe policies and directives, and specifies that these Presidential policies and directives shall govern—not merely guide—not only the Administrator but all executive agencies in carrying out these property-management functions. Here we have established, therefore, a clear-cut line of authority running directly from the President and involving a very close working relationship between the President and the Administrator. This objective is accomplished without resort to the unworkable extreme of placing an operational, or line activity, having approximately 35,000 employees, within the small staff or advisory body which ministers to the President in policy matters.

I cannot help but bring out at this point that there are only 1,204 individuals in the President's advisory staff, what we properly call the President's office, to show how ridiculous it would be to bring in an operational governmental function of some 35,000 people and place them in the President's office, which now has only 1,204 people.

In keeping with the recommendations of the Commission on Organization, our bill lodges in the General Services Administration: (A) the management and operation of most Federal office buildings and warehouses now under the general administration of the Federal Works Agency; (B) the procurement, cataloging, supply, and related functions of the Government, including the present Bureau of Federal Supply, now in the Treasury Department; and (C) records management functions, including the National Archives establishment.

The disposal of surplus property is the reverse process of procurement and supply. In our bill the functions of disposing of surplus Government property has been placed in the General Services Administration. This latter is presently the responsibility of the War Assets Administration, where World War II generated surplus is involved; the Federal Works Agency and the Bureau of Federal Supply handle the remaining surplus. Another end result of procurement is contract settlement, this fast dwindling function is within the purview of the Bureau of Federal Supply. Acting in conformance with the strongest recommendations of the Secretary of the Treasury, H. R. 4754 transfers these contract-settlement functions to our newly created agency.

I want to point out that the function of the Contract Settlement Board operates under its own statute, and that it is merely placed in this office of general services for housekeeping functions, as it has been placed in the Treasury Department for housekeeping purposes alone. Neither the Secretary of the Treasury nor the Administrator of Federal Services can interfere with the function of the Contract Settlement Board, because it rests upon its own statutory authority.

The backbone and hard core of the new organization will be the Federal Works Agency, administering as it does the largest single segment and providing about 80 percent of the total personnel.

This bill reposes in the General Services Administration the remaining activities of the Federal Works Agency, which are (A) the design and construction of public buildings; (B) the conduct—in the Public Roads Administration—of the administration of the Federal-aid road program; and (C) community facilities. The Commission on

Government Organization recommended that the Federal-aid to the States for the development of roads be transferred to the Department of Commerce as part of a new alinement of transportation services. The Commission also recommended that the design and construction of public buildings, and the provision of community facilities become part of centralized building construction services in the Department of the Interior. No matter how meritorious these considerations may be, such proposals are separate subjects worthy of independent treatment and not to be cursorily handled as a byproduct, or collateral issue of property management. As soon as possible it is our committee's intention to give careful study, weight, and evaluation to these proposals, but feel that at this time no opinion should be expressed concerning them. Thus, meanwhile, rather than leave these public works service functions dangling in thin air, our bill carries them into the General Services Administration. After we have gathered within the four walls of our structure these related ingredients, it is the intention of the committee, after deliberation and study, to effect the best possible solution for these constituent agencies.

Merely placing the several property management and service agencies under one roof obviously will not in itself eliminate overlapping and duplication.

In the Federal Works Agency at the present time are the Public Buildings Administration, the Public Roads Administration, and the Bureau of Community Facilities, so that without disturbing their operational functions at this time we place them in this office as the means of bringing related things together. Later we are going to define the functions of each one of these agencies that are placed in the General Service Administration. Then if at that time the recommendations regarding Public Roads and Public Buildings, after being given a fair hearing before our committee, show that they should be transferred to other bodies, whether it be the Department of Commerce or the Department of the Interior or any other department, at that time, when the whole subject is being considered, we expect to take such action as our committee deems to be wise.

Accordingly, and again in line with the recommendations of the Commission on Government Reorganization, the bill centers in the Administrator the responsibility to carry out all functions and authorizes him to delegate his authority to subordinates as he deems appropriate. The bill further authorizes the Administrator to regroup and redistribute the various segments and functions of the agencies incorporated in the General Services Administration.

Let me clarify that by saying he can only regroup and redistribute in the office itself. He cannot take it outside or get somebody else and bring it in. This is clearly for the purpose of redistributing and eliminating overlapping and duplication within these related agencies of Government. There we hope we can achieve some measure of economy.

The superlative record of the new Federal Works Administrator, Mr. Jess Larson, in bringing improved management into the War Assets Administration fully guarantees that he will, in carrying out his duties, so regroup and redistribute the elements of the General Services Administration as to eliminate overlapping and duplicative activities, and thus promote efficiency and economy in the Government.

The Federal Government needs immediately a comprehensive, workable plan for property management. This plan, had it been established in the past, would have returned enormous savings to the Federal Government through the elimination of competition by the executive agencies for the same articles in the same markets, by prudent buying, and including quantity purchases. This is made even more glaringly apparent when we consider that losses to the Government are particularly acute when one agency has purchased new articles while at the same time, another agency in the Government has been disposing of the same articles by sale at low prices or storing same in their basements. There is a definite need for a clearinghouse of information as to goods on hand and usable. In the role of the General Services Administration, we see this defect cured. Through lack of central coordination, waste and losses have occurred in the field of warehousing and other space utilization. Appearing before our committee, the former Federal Works Administrator, General Fleming, said that the Department of Agriculture paid $4,000,000 a year rent to store wool in private buildings in the New England area. While at the same time in this particular area, there was enough empty, available, warehouse space, owned by the Government, which might have been pressed into service for this purpose. General Fleming cited this $4,000,000 a year loss as directly attributable to lack of coordinated information, and a lack of centralized controls and supervision in this regard in the executive branch. This type of situation will be eliminated under this bill.

The key to the bill is section 201 which provides for a uniform yet flexible system—Government-wide—for procurement, warehousing, property identification, supply, traffic management, and management of public utility services. As pointed out by the Commission on Government Organization, uniform policies and methods are absolutely essential to achieve economy, efficiency, and substantial savings.

It is expected, however, that the carrying out of these functions will often be delegated to the various executive agencies for operational purposes, and the bill so provides. Primarily, centralized procurement will be limited only to those items commonly used by a number of agencies. Also, the bill specially provides that the Secretary of Defense may, unless the President directs otherwise, exempt the National Military Establishment from action by the Administrator, whenever the Secretary deems such exemption to be in the best interests of national security.

The bill contains strong provisions for maximum utilization by the Government of its own property. Everyone familiar with this phase considers that efficient use by the Government of its own property will save more money than any other phase of property management. It will reduce to a minimum the procurement of new supplies. It will cut to the bone the sale of used supplies at less than their cost. Section 202 of the bill directs the Administrator to prescribe over-all systems for property use, and requires every executive agency to maintain adequate inventory controls and report any needs for new property to the Administrator. It also requires these agencies to report to the Administrator any property on hand no longer needed by such agencies. Independent of these reports, the Administrator is authorized to conduct his own surveys with respect to the use of property by other agencies.

Acting in conjunction with the Comptroller General of the United States, the Honorable Lindsay Warren, our Committee developed a most important phase of property accounting. In this regard, the Comptroller General is directed to prescribe principles and standards of property accounting, to cooperate with the Administrator and executive agencies in developing property accounting systems, to approve those systems, and to report to the Congress any failure by any executive agency adequately to account for its property. This section, in itself, is very important. Existing property accounting legislation is incomplete and largely antiquated. The development of sound and uniform principles and standards in this field and the devising and installation of modern systems of inventory control and property accounting will go a long way in aiding Government agencies to do a better job and make substantial savings in appropriated funds by making better and fuller use of property owned by the Government. Furthermore, by another section—206 (C)—the Comptroller General is directed to audit all types of property accounts at the places, as far as practicable, where the property or records are kept. To prevent augmentation of appropriations contrary to congressional intent, the bill provides that in general all transfers of excess property from one Federal agency to another shall be at the fair value thereof, as determined by the Administrator, and the proceeds covered into the Treasury. The present limited authority of the Federal Works Administrator to assign office and storage space in Government buildings is enlarged and strengthened. This will prevent hoarding of space by executive agencies and will reduce both the demands for private leased space and for the construction of new expensive Government buildings.

Under this bill property becomes surplus to the needs of the entire Government, only when so determined by the Administrator and only after he has exhausted all efforts to find another Federal use for it. The provisions relating to the disposal of such property generally follow those contained in the present Surplus Property Act of 1944 with these

significant exceptions. After December 31 of this year—the date of expiration of the Surplus Property Act—all property valued in excess of $500 must be disposed of by advertising for competitive bids. There are no priorities or preferences in the disposition of such property. The special conditions which induced the Congress to establish certain priorities in the disposition of World War II generated surpluses will not apply to the relatively small and widely scattered peacetime generated surpluses which will occur over the years. The bill recognizes, however, that occasionally there will be surplus to the Government books, equipment, or other supplies the sale of which would realize little cash return but which would greatly benefit our schools and colleges. The bill, therefore, authorizes the Administrator, in his discretion, to donate such surplus property for educational purposes, but only upon the recommendations of the Federal Security Administrator. Furthermore, the bill authorizes the Federal Security Administrator to take any action respecting the enforcement of compliance with or the amendment of contracts and deeds by which property has heretofore been transferred under the Surplus Property Act of 1944 for educational or health use.

The bill retains, in substance, first, the present authority of the Secretary of Agriculture to control the disposition of surplus agricultural commodities so as to prevent dumping or disruption of price-support programs; second, the authority of the United States Maritime Commission to dispose of surplus vessels of 1,500 gross tons or more; and, third, the authority of the Attorney General to investigate and advise the Administrator with respect to possible inconsistencies with the antitrust laws in the disposition of surplus property.

It is not our thought that having passed this bill the Congress should forget about the whole problem of property management. On the contrary, the bill requires the Administrator to submit a report on his operations in each January and at other times as he deems desirable. He is also directed to submit to the Congress with his report any recommendations for amendments which he may consider necessary for better affectment and administration as a result of operating experience.

Title III adopts completely another recommendation of the Commission on Government Organization. It extends to the General Services Administration virtually the same flexible procurement procedure that the Congress granted to the National Military Establishment in the Armed Services Procurement Act of 1947. The language of this title was drafted in cooperation with representatives of the General Accounting Office and is endorsed by the Comptroller General. This title also requires that a fair proportion of all purchases shall be placed with small-business concerns.

In considering title IV we find excess property located in foreign countries has far less potential for general Government use than property physically located within the borders of United States. In our Government, the armed services are the only substantial users of property in foreign countries. Further, the costs of transporting foreign excess property back to the United States and of rehabilitating it would, in most cases, equal or exceed its value for use by a civilian agency here. And, most importantly, the disposal of foreign excess property to foreign governments has proved in the past, and should continue to prove in the future, an effective instrument for aiding our foreign policy. Accordingly, this bill in title IV provides generally that the responsibility, for the disposition of foreign excess property, shall be lodged in the agency charged with its custody, subject however, to policy guidance and direction by the Secretary of State.

Under title V in order to prevent uncertainty before the new order is brought into being, this bill temporarily preserves existing policies and directives, until modified by administrative authority under the new legislation. The bill repeals the Surplus Property Act of 1944 except for the sections relating to transfers for the airport programs and for parks and historic monuments, and the sections relating to the foreign-scholarship program, all of which are retained as permanent legislation. The bill likewise repeals (a) that portion of Public Law 862 of the Eightieth Congress which would abolish War Assets Administration on June 30, 1949, and scatter its functions throughout the Government; (b) Executive Order No. 6166, the present limited procurement authority, and (c) also some 20 statutes relating to the use of trade-in allowances. In other respects, the act will supplement, but will not supersede, existing laws relating to property management. In conclusion, the bill exempts certain specialized activities, the principal ones being programs of the Department of Agriculture for price support and stabilization, grants to farmers, foreign aid, the stockpiling of critical materials, the national school-lunch program, the Atomic Energy Commission, the Central Intelligence Agency, and some responsibilities of the Tennessee Valley Authority.

Thus we have by virtue of this bill, taken the first of a series of steps which will inevitably result in the increase of efficiency in Government. Vast savings and better management methods will be introduced to keep the Government service abreast of the developments and plans for operation in these fields.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. JENSEN. Do I understand that by the provisions of this bill none of the functions and responsibilities of the Department of the Interior, so far as public works are concerned, such as reclamation, irrigation, and so on, are placed under the functions and responsibilities of the administrator of general services?

Mr. HOLIFIELD. The gentleman is exactly right. We have not disturbed the functions of any of these agencies by adding to them or taking some of their functions and putting them under another department. The Hoover Commission recommended a separate study of the Department of the Interior. It is our understanding that that particular report has been referred to the Committee on Public Lands, and we feel that those matters would rightly come under their functions, because that is the overall problem of Interior.

Mr. JENSEN. There is a possibility however, that the public works of the Department of the Interior may at some later date be put under the jurisdiction of the administrator of general services?

Mr. HOLIFIELD. Of course, I do not know about that. As far as I know, it is not recommended in the Hoover Commission report and it has never been considered by our committee. As to what will occur in the future in the way of additional substantive legislation or reorganization plans which may be submitted to the Congress, I have no knowledge.

Mr. JENSEN. Of course the public works functions of the Department of the Interior and also the civil functions of the Army engineers fall under the category of public works.

Mr. HOLIFIELD. That is right.

Mr. JENSEN. That is why I raise the question: Is this going to be an over-all administrative change handled by public works, or is it contemplated that the Department of Interior public works, and the Army engineers civil functions may be put under a different department?

Mr. HOLIFIELD. Any answer that I would give would be purely speculative. I can only assure the gentleman that they are not affected by this bill.

Mr. JENSEN. I thank the gentleman.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. PICKETT. In connection with the effect of the bill to improve the Administration of General Services that is being dealt with, does it also provide for a reduction in personnel and does it require a reduction in personnel?

Mr. HOLIFIELD. Is that a question?

Mr. PICKETT. Yes.

Mr. HOLIFIELD. Does it require a reduction in personnel?

Mr. PICKETT. Yes.

Mr. HOLIFIELD. It requires the General Services Administration to regroup the agencies under the office of Administrator of General Services and to eliminate duplicating activities and duplicating functions of personnel. We therefore feel there will be some elimination of personnel. So far as providing for a specific reduction, it does not, because that would be going at it a meat-axe way, not going at it intelligently, as I think the Administrator of General Services can do after he has had some operating experience.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Chairman, I yield myself three additional minutes.

Mr. PICKETT. The committee has had the advantage of the Hoover Commission studies as well as its own study. It knows, of course, of the good work of the Hoover Commission, and the committee itself has done good work, for

which I commend the gentleman and the committee. As a result of the knowledge gained from the studies the gentleman and his committee have made, does the gentleman think he could very advantageously apply an intelligent meat-axe cut in connection with some of these departments by writing it into the legislation itself?

Mr. HOLIFIELD. I disagree with the gentleman as to how it should be done, but I am in complete accord with the gentleman so far as making any move that it is possible to make in eliminating costs that are excessive to the taxpayers.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from New York.

Mr. KEATING. Has the committee made any estimate in its report or otherwise of the number of employees it is anticipated would be saved by the enactment of this legislation?

Mr. HOLIFIELD. The committee has not and any estimate would be entirely speculative. What we have done is not to eliminate any functions. We have taken these agencies in their present form and moved them into a central office where one Administrator will be responsible for the over-all scrutiny of the agencies, the screening of personnel, as well as reporting to the President and to the Congress the savings he thinks may be effected. The Hoover Commission report estimates that two and one-half billion dollars can be saved by properly working out the administrative problems in these agencies.

Mr. KEATING. An annual saving of two and a half billion dollars?

Mr. HOLIFIELD. No.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman does not mean to be understood as saying this bill, according to the Hoover estimate, will save two and one-half billion dollars?

Mr. HOLIFIELD. That is on the last page of the report.

Mr. HOFFMAN of Michigan. Where?

Mr. HOLIFIELD. There is such a statement on the last page of the report.

Mr. HOFFMAN of Michigan. All right, if the gentleman says so, but that is not my understanding.

Mr. HOLIFIELD. May I read from the Hoover Commission report to the gentleman:

> The task force also estimates that it should be possible to reduce stores inventories, both military and civilian, by over $2,500,000,000. This would permit a cut in personnel engaged in stores activities. The adoption of the recommendations relating to traffic management would produce additional savings.

Mr. HOFFMAN of Michigan. Yes; but the whole over-all saving that the Hoover Commission thinks will be obtained is only $3,000,000,0000; not this one bill.

Mr. HOLIFIELD. I think most of the savings that can be made will be made in the services which are being rendered by these agencies, including the Military Establishment.

Mr. HOFFMAN of Michigan. I hope I am mistaken and the gentleman is right because this new agency will require the services of 60,000 employees.

Mr. HOLIFIELD. No; the gentleman is wrong. There is a 60,000 figure in the hearings, but that is inaccurate. The amount is less than 35,000.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill is not the kind of a bill that was recommended by the Hoover Commission, and the reasons I say that are pointed out in the minority report which I filed, and which is printed herewith, marked "Exhibit A," and made a part of my remarks.

Nevertheless, I am impelled by two reasons not to oppose the bill. As the gentleman from Indiana [Mr. HALLECK] so accurately stated when the debate was had on the rule, the people throughout the country, aware of our present situation, are thoroughly convinced that there must be economy in the Federal administration. They are confused, and get the idea that anything that comes in under the Hoover name is going to give them economy and efficiency, and anyone who votes against any one of these so-called plans is going to be misunderstood; there is no question about that.

Now, that might not be a compelling reason for not opposing the bill. But there is another reason, a real reason, not an excuse. I learned through discouraging, bitter experience that sometimes you have to take what you can get, and this is the best we can get at this time.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Briefly.

Mr. FORD. I would like to state that the major portion of my mail concerns the Hoover Commission reports, and most of the people want to know when it is going into effect. Would the gentleman, as one of the members of the conference committee, tell us when enabling legislation will be enacted?

Mr. HOFFMAN of Michigan. Well, now, I would be very, very happy to answer that question in detail if free to do so. The gentleman from Massachusetts, the majority leader [Mr. MCCORMACK] and one of the conferees, discussed that matter somewhat at length during the debate on the rule. I spoke to him a few minutes ago and I told him that I would attempt to make some reply to his statement.

It is difficult to answer the question, may I say to the gentleman from Michigan, for this reason, that it has always been my understanding that the conferees held what might be termed executive sessions, and there was a very good reason for not disclosing what was said in conference. The newspaper reporters get a rumor, they enlarge on it, and if that practice continues then there is disagreement between the two Houses and there is misunderstanding.

But apparently that rule does not apply in this case, because the press quotes one of the conferees from the other body as saying in a public statement that one of the House conferees, the gentleman from Massachusetts [Mr. MCCORMACK], on the radio last Sunday said that "the Senate proposal means no reorganization bill at all." So I do not know whether that opens the gates to everyone to say what he thinks has happened.

I do not care to say what happened in conference. But, I am, I think, justified in making reply to the gentleman from Massachusetts who stated that the House conferees had gone a long way in an effort to agree—and two of them sit here, the gentleman from Illinois, the chairman of our committee [Mr. DAWSON], and the gentleman from California, the chairman of the subcommittee [Mr. HOLIFIELD], and while we all have different understandings—I do not know what theirs may be; I know what the gentleman from Massachusetts stated—my understanding as one of the conferees is that the House has not given one-millionth part of an inch on its proposal. So I cannot accept the statement of the gentleman from Massachusetts that the House conferees had yielded 80 percent.

My understanding also is that while Mr. Hoover in his report recommended the acceptance of the plan unless both Houses vetoed it, or some similar proposition—that is, he was in favor of the House method of vetoing—since that time, and I get it from reliable authority, from responsible individuals, both Mr. Hoover and President Truman are now willing to accept the Senate provision as to when and how a reorganization plan becomes effective.

Mr. FORD. In other words, we cannot have any real reorganization until the enabling legislation is passed?

Mr. HOFFMAN of Michigan. You cannot get the Hoover plan of reorganization until the enabling legislation is approved. The gentleman is correct in that conclusion. Why that bill has not come down, why it has not been reported back, is for the majority side to explain to the people.

As the gentleman from Indiana [Mr. HALLECK] stated, and it was a pertinent statement, the people want reorganization so that they may have economy and efficiency. The Democratic Party has a clear majority in each House and that party is responsible for the failure to act.

According to the majority opinion of the House, the Congress lacks either the inclination or the courage, and has lacked it over the years, to make the proper reorganization to give us those two things, economy and efficiency.

On the table there is a document, a copy of which every Member of the House received from the Library, of 400 and some odd pages, giving us the history of reorganization plans from 1912 right down to the present time. It shows that all those plans have failed because of opposition in and from the departments.

Former President Hoover and President Truman are today, according to the information I have received from these reliable gentlemen who are in personal touch with them, willing to accept the

Senate's method of the proposed plans becoming legislation, and the House conferees have not so far agreed to that. I am correct in that.

All this talk about three-fifths and two-thirds and three-fourths of each or either House voting to approve or disapprove is just water over the dam, for the reason that every informed Member of this House and the other body knows that you will never get out of that other body any bill which permits the President to enact or create legislation without the consent of that body or of this. You might just as well hang up your hat and go home if you have any other idea on that subject. So I cannot see why the Members of the House do not agree to accept that Senate bill; that is, if they want reorganization and economy.

One other thing. The House bill made certain exemptions. The Hoover Commission and Mr. Hoover do not want any exemptions. The Senate bill is a clean bill. It is the kind of bill that the former Executive and the President now want, a clean bill without exemptions. Why do we not give it to them, I do not know. You will have to ask someone who is objecting.

I know this, that Mr. Hoover warned the public, and he warned the Congress time and time again, that the proposals set forth in their reports would meet with the opposition of the departments, and we had it right at the very beginning of the session.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. KEEFE. Many Members who are on the floor would like to have it specifically stated in connection with your remarks the exact difference between the House and Senate conferees as to the basic reorganization plan, which has caused the impasse in the conference.

Mr. HOFFMAN of Michigan. If I had before me the committee print, I could explain those in detail. But here are the principal ones. The House bill gives the President authority to create a department.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN of Michigan. I yield myself five additional minutes, Mr. Chairman.

The President sent up word to the House and also to the Senate that he does not want that power. By the way, that is power that is given to the Congress by the Constitution. He does not want the power to create a department. I do not know why that should be put in if he does not want it. But that does not raise any serious objection.

Then the House bill also requires that plans to reorganize seven agencies be sent up in what we call a separate package. That was the method that was finally agreed upon by the gentleman from Georgia, [Mr. VINSON], of the Armed Services Committee. That is not making any very serious trouble. The Senate left that out.

The bone of contention, the rock on which we split, is this method of how the plan becomes law. The House bill, as you will remember, provided for a two-House veto. The Senate bill provides that the legislation can be vetoed by one House. Personally, I did not think any plan should become law, under article I, section 1 and section 7 of the Constitution, unless the House affirmatively approved of the plan. A gentleman from the other body was at the other extreme, but we said, "All right. Let us go along. Let one House do it." That seemed to be the opinion of the overwhelming majority in number of the conferees; but you will recall that the conferees act as a unit. So when three Members of one body do not approve, then we are split.

It is a matter of common knowledge that the Senate being made up as it is, there is no prospect of ever getting through that body a reorganization bill unless they retain authority to veto a plan or the appointment of the head of a department. I have heard that they are willing to accept a bill which permits a plan to become the law of the land unless both Houses by a simple majority veto it, or unless one House by a constitutional majority vetoes it. But apparently that compromise has not been accepted. Evidently that is the thing that splits us. The gentleman from Massachusetts [Mr. MCCORMACK] said over the radio the Senate proposal means no reorganization bill. I do not agree with him. I cannot go along with those who seem to believe that we are so lacking in intelligence and knowledge that we would not permit a plan that was sound to become the law of the land. I cannot subscribe to my own ignorance.

Mr. KEEFE. Mr. Chairman, will the gentleman yield further?

Mr. HOFFMAN of Michigan. I yield.

Mr. KEEFE. In further amplification of your answer to the question asked by the gentleman from Michigan [Mr. FORD], I have received hundreds of letters from people all over the State of Wisconsin and many other places, who are demanding that the Hoover Commission reports be implemented by legislation. It is true, is it not, that unless the basic law is passed, the bill which is now the subject of conference between the other body and the House, we will be confronted from time to time with these piecemeal attempts.

Mr. HOFFMAN of Michigan. All the time.

Mr. KEEFE. All the time, going on forever and a day, and we shall ultimately find that these piecemeal attempts will be bills that have been written down in the departments; and instead of reorganization being an implementation of the over-all Hoover Commission findings and report, it will be just the bills that are being sent up here from time to time, taking pieces out here and there, and prepared in the departments to carry it out as they wish, as I believe the gentleman has already indicated in his remarks.

Mr. HOFFMAN of Michigan. The gentleman has expressed it far better than I could have. These bills will come up from the departments as the bill which the gentleman holds in his hand which is before us today, came up, as the bill creating the General Welfare Department came up, giving us neither efficiency, nor economy, nor giving us the kind of reorganization of these departments which should be reorganized, which we should have and to which the people are entitled.

The departments are not economical, they are not efficient; they do not want to be reorganized, and we will not get what the people want unless that reorganization bill comes out of conference.

DEPARTMENTS AND POLITICIANS STILL SUCCESSFULLY BLOCKING ECONOMY AND EFFICIENCY IN THE EXECUTIVE DEPARTMENTS

With a national debt of more than $250,000,000,000, carrying an annual interest charge of $5,000,000,000; with this administration, as of May 23, having spent, during the 1949 fiscal year, $1,274,000,000 more than it received, and with an operating deficit of $11,000,000,000 in sight by July 1, 1951, and an ever-increasing Federal pay roll, it is not surprising that faced by increasing unemployment and falling prices, hard-headed citizens are now demanding—not requesting—that the Congress do the house cleaning which has been overdue since December 9, 1932, when Herbert Hoover, then President of the United States, sent to the Congress Executive orders—the forerunner of executive reorganization plans—designed to regroup 58 executive agencies.

It was on January 19, 1933, that the Democratic House, there being then a Republican Senate, by House Resolution 334, disapproved of the Executive order and defeated a motion to recommit by a vote of 202 nays to 176 yeas. Those Executive orders of President Hoover, had they then been legalized, would have given us at least some economy, some additional efficiency in the executive departments. They would have paved the way for later, more far-reaching reforms. That attempt, so courageously made, to inject some order, some saving into the executive departments, was defeated by the bureaucrats and the politicians.

Then for the past 16 years, a free-spending Democratic administration followed policies which gave us more waste, less efficiency, in government.

The country was saved from a disastrous depression, not by New Deal wisdom, but by World War II, which created an era of false prosperity.

It is now apparent to every thinking person that, unless there is retrenchment in both private, municipal, and national affairs, the country will be forced to go through another severe depression, carrying unemployment, overwhelming financial losses, and perhaps acute suffering to millions of our citizens.

And, as unscrupulous politicians sometimes win because of unrest, discontent, and suffering of the masses, unless the crushing burden imposed by the Federal Government is lifted, our people may turn to some free-promising office seeker who, if given power, will become a dictator.

Foreseeing the coming inevitable and ruinous results of the New Deal policies, the Eightieth Congress created the Hoover Commission. That Commission, after expending some $2,000,000, at the

end of an 18 months' investigation, turned in a report. If substantially followed, the report will not only demonstrate that the money was well spent, the studies helpful, but will give us a reorganization in the executive departments which will save billions of dollars and create a degree of efficiency long absent from Federal affairs.

Citizens may wonder as to why, if Federal expenditures were so excessive, inefficiency so prevalent, their representatives in Congress did not long ago apply a remedy. To those familiar with Washington the answer is simple.

Taxpayers who elect Congressmen and Senators have fallen into the habit of asking ever-increasing aid from the Federal Government, always overlooking the fact that they are the sole source of Federal funds; that always the Federal Government, or, for that matter, every other government, has a service-, a carrying-charge against every dollar collected from the taxpayer, and later in part given back to him.

To make available the new services demanded by the taxpayers, new departments, new agencies, have been created. Once created, an agency or a department always seeks to expand itself, always asks the Congress for more power and additional funds. The result is a top-heavy, expensive, cumbersome, almost limitless Federal structure here in Washington and throughout the country.

Its recent rate of growth, if continued, would shortly have on the Federal pay roll more than half of the wage-earning population.

It was to aid in remedying this intolerable and extremely dangerous situation that the Hoover Commission was created.

The people are all for the announced objectives—economy and efficiency. Unfortunately, they do not understand the present situation. They assume that all that is needed is for the Senate and the House to assemble some fair day in their respective Chambers and adopt the report of the Hoover Commission. It is not that simple.

Presidents, to a limited extent, have always had the power to cut down expenditures in Federal departments. The Congress has always had, and now has, the power to, by curtailing appropriations, limit Federal expenditures.

But neither the President nor the Congress to date has at any time possessed the inclination and the courage to do a worth-while job.

Every time the President or the Congress has sought to limit the activities of an agency or a department, the agencies and the departments, with the bureaucrats at their heads, have succeeded in, to a large extent, blocking the proposed remedial changes.

Some of the bureaucrats are canny and unscrupulous and the moment their authority is questioned or threatened, or their funds menaced, they put the "heat" on the people's representatives. Let me give you just one illustration:

Not long ago, the Congress attempted to cut the appropriation for one or two departments. Straightaway, the employees, for example, in the Post Office Department, directed by Washington, out in the home districts of the Senators and the Congressmen curtailed their services and, when the taxpayer wanted to know why his mail did not come through on time or why the service was not as good as formerly, he was promptly told that it was the fault of his Congressman, who had cut off the funds.

When the amount requested was denied another department, it pulled in its customs inspectors and those who enforced the law on the borders.

The activities in those two departments were curtailed out in the country when the desired economies could have been brought about by discharging here in Washington and in other cities unneeded surplus employees who were not earning the money paid them.

To state the case briefly and accurately, every time the Congress has attempted to give to the taxpayers what they now insist they are going to have, that is, Federal expenditures brought within the range of Federal income and Federal employees earning the money paid them, the Congress has yielded to the pressure of their constituents, whose usual service was needlessly curtailed or taken from them and who, in turn, had been propagandized by the bureaucrats.

So, in desperation, lacking either the inclination or the courage—and this is matter of common knowledge and freely admitted—to pass the necessary legislation and see that it is carried out, it is argued that the Congress should turn this disagreeable job of reorganization, of effecting needed economies, over to a President.

Personally, I would prefer that Congress do its own house cleaning, but that seemingly being impossible of accomplishment, I have no objection to letting the President do the job, for it is in his house—the executive department—that the disinfecting, the renovating, and the redecorating is to be done.

The Hoover Commission has filed its reports. What is delaying the job?

Here and briefly is the situation as it exists today, Wednesday, June 8, 1949:

To enable the President to do the disagreeable but necessary job which the Congress declines to do for him, certain legislation, known as a reorganization bill, is proposed.

Under the Constitution, the Congress, and only the Congress, is given the authority to make the law, although the President is charged with the duty of giving to the Congress a message on the state of the Union and he has the authority to make recommendations to the Congress.

But to lay this squalling, disagreeable, and extravagant baby squarely on the President's doorstep, something more was needed. So the House, passing the buck to the President, on February 7, 1949, passed the Reorganization Act of 1949. It imposed certain duties upon the President in the language which follows:

SEC. 2. (a) The President shall examine and from time to time reexamine the organization of all agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:

(1) to promote the better execution of the laws, the more effective management of the executive branch of the Government and of its agencies and functions, and the expeditious administration of the public business;

(2) to reduce expenditures and promote economy, to the fullest extent consistent with the efficient operation of the Government;

(3) to increase the efficiency of the operations of the Government to the fullest extent practicable;

(4) to group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

(5) to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof as may not be necessary for the efficient conduct of the Government; and

(6) to eliminate overlapping and duplication of effort.

(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by proceeding under the provisions of this act, and can be accomplished more speedily thereby than by the enactment of specific legislation.

It then directed that, after investigation, if the President found certain laws to be necessary, he should, under certain limitations, send a reorganization plan to the Congress.

It was assumed that such a plan would save the people money and give them greater efficiency in the executive departments of the Government.

Permit me to repeat a part of what I said in answer to the gentleman from Wisconsin [Mr. KEEFE].

The House bill further provided that the plan so sent up by the President should become the law of the land unless both Houses, within 60 legislative days, passed a concurrent resolution stating in substance that the Congress did not favor the reorganization plan then under consideration.

The Senate, on May 16, 1949, passed a somewhat similar bill, withholding, however, from the President the power to create or transfer an executive department—that being a power which the President does not want and which, under the Constitution, belongs exclusively to the Congress—and providing that the plan should not become a law if either the Senate or the House adopted a resolution stating that it did not favor the proposed plan.

There were certain other minor but relatively unimportant differences in the two bills.

Following the usual course, conferees from the Senate were appointed on May 16 and from the House on May 17, 1949, to consider and, if possible, reconcile the differences between the two bills.

The reason that the will of the people is being thwarted, that their demand that the Congress proceed to cut out much of the waste, the needless and exorbitant spending and the gross inefficiency and overemployment now existing in the executive departments of the Federal Government, is the failure of the conferees to reconcile the difference existing between the Senate and the House as to the method of vetoing a proposed reor-

ganization plan submitted by the President.

Everyone is entitled to his opinion as to the reason for this failure to agree as to the circumstances under which a proposed plan submitted by the President shall become law. I can only give my own opinion, based not upon what I have learned as one of the conferees, but upon what I gather from the press and from the talk I hear, from what I see, in the House, in the House lobbies, the House restaurant, and the corridors of the Capitol.

Let us be frank. It is my understanding that the President and Mr. Hoover are both willing to accept as a compromise the Senate provision that any plan sent down by the President shall become the law of the land unless it is, within 60 legislative days, vetoed by either House.

Why, then, is there not agreement? Why, then, is a reorganization bill not passed now, instead of at some later date?

In my humble opinion, the opposition comes not from the President—at least, not directly—but from the departments which, in years gone by, have always been able to block any reorganization plan which would curtail their activities.

That opinion just expressed is based not only upon my understanding that the President and Mr. Hoover are willing to accept this provision of the Senate bill, but upon the fact—and it is a fact—that departments have anticipated the Hoover report and have sent to the Congress plans of their own—plans devised to serve their own interests, to increase their power, and enable them to demand greater appropriations from the Congress.

Permit me to cite one instance. On January 5, 1949, there was sent to the Congress a bill to constitute the Federal Security Agency a Department of Welfare. The purpose of that bill was to blow up an agency into a department. It was the brain child of the Federal Security Agency, headed by Mr. Ewing, who is a shameless propagandist for socialized medicine and compulsory health insurance.

Instead of waiting for President Truman to send down a plan which would give the people a little economy, a little efficiency, Mr. Ewing jumps the gun and his legal department sends up a bill which would make his agency a separate executive department and which would have promoted him, for the time being, from head of an agency to secretary of a department and a Cabinet post.

Mr. Ewing made no excuses for his propagandizing in behalf of the agency he heads; in fact, he seemed to insist that it was his right to act as a special advocate of all the schemes and plans he had in mind.

This bill, H. R. 782, sent up by Mr. Ewing's legal department, was reported to the House, with amendments, from the House Committee on Expenditures in the Executive Departments, on the 15th day of February 1949 and is now pending, as No. 32, on the Union Calendar.

At least one other bill has been given consideration by the House Committee on Expenditures in the Executive Departments, and has been reported out, H. R. 4754, the bill which is now under consideration.

Now before the committee is H. R. 1844, introduced by the gentlewoman from Massachusetts [Mrs. ROGERS] on January 25, 1949, to establish a Department of Veterans' Affairs; also H. R. 2830, introduced by the gentleman from California [Mr. HOLIFIELD] on February 17, 1949, to provide for the payment by the United States of premiums on bonds of Government officers and employees.

On page 44 of the Hoover Commission's report on Budgeting and Accounting, we find this statement:

> The problem it seems could be better solved by establishing a fidelity insurance fund in the Treasury to which accountable officers would be required to contribute.

And the Commission's Recommendation No. 13, on the same page, is as follows:

> We further recommend that the Congress continue its study of the whole question of fidelity insurance for the accountable officers of the Government in order to arrive at a simpler and less expensive procedure.

Mr. Hoover anticipated this opposition of the departments and agencies, warned the people and the Congress against it, and frequently has advised that there will be no worth-while reorganization unless the people insist that the Congress act, and that without delay.

There is ample evidence that the bureaucrats and the politicians have their heads together and that they are making a stand, effectual as of the moment, to block the adoption of the Hoover Commission's recommendations.

It is my understanding that the President has on his desk a series of plans designed to save the taxpayers' money, to give them greater efficiency in the executive departments.

It is my understanding that those plans are ready to be sent down to the Congress immediately upon the passage of the reorganization bill.

It is my understanding that the only thing which is holding up the passage of that bill is the failure of the conferees to compromise on the method by which a plan submitted to the Congress shall become the law.

Under the Senate bill—and I make no comment as to whether a compromise has been offered by the Senate conferees—this Congress can get a reorganization bill; it can get the plans, now on the President's desk, and, if the Congress stays in session the first few days in August, those plans can and will become the law of the land, and the people will have an opportunity to learn through experience whether the reorganization law and the plans proposed by the President will give them the long-desired economy and efficiency in the executive departments.

To date, the departments and the politicians have blocked the adoption of the rorganization bill; prevented the submission of the President's recommendations outlined in the Hoover Commission's report; prevented legislation which would give us what the people are now demanding, which they intend to get—even if they have to defeat present Members of the Congress, elect others who will do their will—economy and efficiency in the executive departments of the Federal Government.

Let me repeat. We are not now getting legislation which would enable the President to send down his plans for economy and efficiency because, and only because, those in power do not choose to permit the enabling legislation to be enacted.

EXHIBIT A

MINORITY REPORT

The Federal Property Act of 1949, H. R. 2781, introduced by Mr. DAWSON, chairman of the House Committee on Expenditures in the Executive Departments, was substantially the same as a similar bill which received favorable consideration by the Senate Expenditures Committee of the Eightieth Congress.

A subcommittee of the House Committee on Expenditures in the Executive Departments of the Eighty-first Congress, composed of four Democrats and two Republicans, held hearings on this bill and reported it favorably to the full committee, which, after adding certain amendments, reported it out favorably on the 13th day of May.

Introduced on May 18, 1949, H. R. 4754, which is now before the House for consideration, as a bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, and is cited as "Federal Property and Administrative Services Act of 1949," is a clean bill, purporting to carry the amendments agreed to by the full committee.

Prior to the introduction of H. R. 2781, the chairman of the committee had introduced H. R. 2641, which was a bill embodying the recommendations of the Hoover Commission on the subject of Federal supply and related activities. No hearings were held on either this bill or several other somewhat similar bills.

The original bill, H. R. 2781, transferred the Bureau of Federal Supply, the functions of the Director of Contract Settlement, and the affairs of the War Assets Administrator to the Federal Works Agency and endowed the Federal Works Administrator with certain duties and authority over the procurement, warehousing, utilization, surveying, and disposal of Government property.

H. R. 2781, as presented to the full committee, created a new agency to be known as the General Services Administration and transferred to it all the functions of Federal Works Agency and all the other duties and functions which the original bill would have placed in the Federal Works Agency.

It was said this change in name was made in order to bring the bill into line with the recommendations of the Hoover Commission on the subject of general services and supply activities.

Obviously the recommendations of the Hoover Commission contemplate a great deal more than a mere change in the name of an existing agency and clothing it with additional duties and authority.

That the subcommittee apparently held hearings and considered only H. R. 2781, which was written prior to the release of the Hoover Commission reports, is evidenced by the fact that in a number of respects to which reference is hereinafter made, H. R. 4754, does not follow the Hoover Commission recommendations.

Because of this situation, it is urged that the membership of the House give more than the usual consideration of this bill.

SIZE AND LOCATION OF NEW AGENCY

If H. R. 4754 in its present form is enacted into law the new agency which it creates—the General Services Administration—will be

one of the largest independent agencies of our Government. The number of its employees was given as 60,000.

In its Report on General Management of the Executive Branch, Office of General Services (p. 28), the Hoover Commission said:

"In the direction and supervision of the operations of the executive branch, the President needs an organization which will include some of the agencies that serve all the departments."

In its Report on the Office of General Services and Supply Activities (p. 1), the Commission stated further that these major internal activities of the Federal Government, namely, supply, records management, and the operation and maintenance of public buildings, now suffer from the lack of central direction.

Recommendations Nos. 1 and 3 of this unanimous report of the Hoover Commission on the Office of General Services and Supply Activities are as follows:

"No. 1. The Commission recommends that responsibility for these three internal service operations should be placed in an Office of General Services under a director appointed by the President.

"No. 3. The Commission recommends that the following functions, each under a director, shall be placed in the Office of General Services:

"(a) Supply.

"(b) Records management.

"(c) Operation and maintenance of public buildings.

"(d) Certain relations with the Smithsonian Institution, the National Parks and Planning Commission, the National Capital Housing Authority, the Commission of Fine Arts, and the District of Columbia."

It is clear from these recommendations and a reading of the report from which they were taken that the Commission intended that the proposed Office of General Services be comparatively small and that its functions be limited to those named, if it were to be effective.

Although the Commission's report on the Office of General Services emphasizes the close relationship between this Office and the President in the matter of authority and responsibility, the Commission did not state where, in the executive branch structure, this Office should be located.

The Hoover Commission task force on the Federal supply system said in its report (appendix B, p. 25):

"To discharge these responsibilities effectively, the Central Supply Organization should be part of the Executive Office of the President. Such location is deemed necessary to give the organization the prestige and authority required to command respect for and compliance with its policies, rules, and regulations among the other agencies of the Government."

This bill places the new agency under the direction of the President, but it does not put it in the Executive Office, as the Commission recommended, nor apparently would it be on a level with the Bureau of the Budget.

The only two members of the Hoover Commission, Commissioners Brown and Manasco, who appeared before the committee, testified that they were in favor of the Office of General Services being in the Executive Office of the President.

At least one other witness, a representative of the Department of Agriculture, testified (pp. 64 to 69, inclusive, of the hearings) in favor of the Office of General Services being in the Executive Office of the President and on a par with the Bureau of the Budget.

Part of the testimony of Commissioner Manasco on this point is as follows:

"For that reason I think that it is most important that this agency be set up in the Office of the President.

"Now, the argument will probably be made that all of the executive agencies are directly under the President. That is true. He is charged with a responsibility. But you have so many responsibilities placed upon the Administrator in this bill: For instance, the surveying of departments to find out if they have any property excess to their own needs. Now if the responsible administrator goes into an executive department and starts making surveys the one involved might pick up the telephone and call the White House and say, "Get this fellow out of our hair," and they will kick him out; in all probability he would be kicked out. But if that responsibility were coming from an agency on the level with the Bureau of the Budget, although that agency or bureau would like to see him kicked out, there would be very few people who would be courageous enough to go to the President and ask him to get him out; I know that while they hate it, nevertheless, they fear the Bureau of the Budget; that is, the executive agencies.

"And in order to make the organization effective it is going to have to have the same level of authority that the Bureau of the Budget has."

It is understood that Jess Larson, the present Federal Works Administrator, who under the terms of H. R. 2781, would have been the new Administrator of General Services, expressed the opinion that it would be desirable for this office to be in the Executive Office of the President, but that if the office is to be as large as this bill would make it, placing it there might not be practical.

This bill places in the Office of General Services a number of functions and activities which the Hoover Commission recommended be placed under other Government departments or agencies.

It is thought that confining the functions of this office to those recommended by the Hoover Commission and locating the Office of General Services in the Executive Office of the President, offers the best opportunity for an efficient conduct of these housekeeping services, and a realization of the purposes of the Hoover Commission.

Throughout the hearings on H. R. 2781, it was generally admitted that the accomplishments of the Bureau of Federal Supply under the Treasury Department were inadequate.

Under this bill, the supply functions of our Government will be submerged in the new agency among numerous other unrelated functions and therefore no great improvement or savings can be guaranteed.

H. R. 4754 IS CONTRARY TO CERTAIN SPECIFIC RECOMMENDATIONS OF THE HOOVER COMMISSION

Section 103 (a), in addition to transferring the Public Buildings Administration from the Federal Works Agency, also transfers to the General Services Administration the functions of Public Buildings Construction, Community Services, the Public Roads Administration, and all other functions of the Federal Works Agency.

Recommendation No. 4 of the Hoover Commission in its report on the Department of the Interior (pp. 8, 9, and 10) is as follows:

"We recommend that the following agencies related to the major purposes of the Department be transferred to it:

* * * * *

"(b) Public Buildings Construction from the Federal Works Agency.

"(c) Community Services from the Federal Works Agency."

Recommendation No. 7 of the Hoover Commission in its report on the Department of Commerce (p. 21) is as follows:

"The Public Roads Administration should be transferred from the Federal Works Agency to the Department (meaning Commerce Department)."

The majority report of the committee fails to disclose any reason for ignoring in the provisions of this bill the Hoover Commission recommendation that Public Buildings Construction and Community Facilities be transferred to the Department of the Interior.

The majority report does excuse the transfer of the Bureau of Public Roads to the new agency rather than to the Department of Commerce as recommended by the Hoover Commission with the statement that the committee has withheld action on such transfer until some determination is made relative to the over-all program to be accepted by Congress on the reorganization of the Department of Commerce, and on the proposed consolidation of transportation agencies.

As excuses go, this one is in the "A hope and a prayer" category. The people demand prompt action and now is the time to avail ourselves of the advice of that body, and insofar as we can, follow its recommendations. We are either for the recommendations of the Hoover Commission or we are against them.

Section 205 (b) of H. R. 4754, among other things, provides that the Comptroller General shall prescribe principles and standards of accounting for property, cooperate with the Administrator and with the executive agencies in the development of property accounting systems and approve such systems when deemed to be adequate and in conformity with prescribed principles and standards.

This provision which grants additional administrative or executive authority to the Comptroller General is directly contrary to recommendation No. 10 of the Hoover Commission in its Report on Budgeting and Accounting (p. 39). That recommendation is as follows:

"Therefore, the Commission recommends that—

"(a) An Accountant General be established under the Secretary of the Treasury with authority to prescribe general accounting methods and enforce accounting procedures. These methods and procedures should be subject to the approval of the Comptroller General within the powers now conferred upon him by the Congress."

The Commission's report states further (pp. 39 and 41) that—

"Our recommendation would create a single officer in the Treasury Department with authority to prescribe a single system of fiscal accounts and to represent the executive branch in working out an administrative accounting system with the Comptroller General. The Accountant General would further supervise all departmental accounting activities throughout the executive branch and assist departments in performing their accounting duties.

"We believe there is no inherent conflict between the present position of the Comptroller General and our recommendation to create the position of Accountant General."

In the task-force Report on the Federal Supply System (appendix B) (p. 9), we find this statement:

"It is hoped that the project on fiscal, budgeting, and accounting will recommend a clear-cut distinction between legislative and executive functions which would confine the Comptroller General's role to postaudit and to reports to Congress of his findings, with recommendations for further investigation or legislative remedies."

This particular provision extending the authority of the Comptroller General was not discussed in the hearings on H. R. 2781 in relation to the above-cited recommendation of the Hoover Commission. Its inclusion in this bill can only be interpreted as an attempt to anticipate the Hoover Commission's recommendations on the subject of budgeting and accounting.

OTHER INSTANCES IN WHICH THE HOOVER COMMISSION'S RECOMMENDATIONS ARE APPARENTLY IGNORED

Section 102 (b) of H. R. 4754 transfers the Office of Contract Settlement to the General Services Administration.

As pointed out, the Hoover Commission in its report on the Office of General Services and Supply Activities recommended that only certain functions be placed in the Office of General Services. This transfer was not recommended by the Hoover Commission.

The same is true of certain other functions which this bill transfers from the Federal Works Agency to the General Services Administration, that is, the custody and maintenance, on behalf of the National Military Establishment, of plants and machine tools in the national industrial reserve, disaster relief, and the administration of certain functions of the water-pollution-control program.

RECOMMENDATIONS

Inasmuch as the Congress authorized the Hoover Commission to make the studies and report its conclusions, and as the people, generally, without too adequate a knowledge of what is in those reports, are demanding that the Congress make the recommendations contained therein effective, we should, if possible, perfect this bill on the floor.

The Hoover Commission spent almost $2,000,000—spent it wisely—its reports are invaluable, but the job it undertook is but half completed.

The Hoover Commission told us of the changes that were needed, but it did not draft proposed legislation which would bring about the needed economy and efficiency.

The Hoover Commission, with the aid of experts, spent some 18 months in an effort to tell us what to do, where we should go, but it did not, because it was not a part of its job, tell us how to get there.

In the judgment of the writer of this report, the chairman of the subcommittee, Mr. Holifield, who has worked so earnestly and conscientiously on the proposed legislation, should be given by the House ample funds to employ some of the experts who served with the Hoover Commission to assist in drafting the bills which are necessary to translate those recommendations into legislation.

Respectfully submitted.

CLARE E. HOFFMAN.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman——

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield to permit me to ask a question of the gentleman from Michigan [Mr. HOFFMAN]?

Mr. HARVEY. I will yield to the gentleman for a brief question.

Mr. CRAWFORD. If the situation develops which the gentleman from Michigan [Mr. HOFFMAN] has just outlined in response to the gentleman from Wisconsin [Mr. KEEFE] the departments themselves will be able to use the Hoover Commission report as a vehicle insofar as public opinion is concerned upon which to ride into the Congress and the minds of the people to get their piece-by-piece reorganization plans enacted into law.

Mr. HOFFMAN of Michigan. They have already slipped in. I spoke of the bill creating the Department of Welfare, which is still pending. Other bills will come in and they will use the Hoover Commission report as their own false front and the Congress will find itself just where other Congresses have been—with no worth-while legislation.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. NICHOLSON. Does this bill give the President authority to raise salaries or to set salaries? That is a right which has always been lodged in the legislative branch of Government.

Mr. HARVEY. There is one particular place in the bill dealing with that. If the gentleman will permit me I will touch upon it before I am through.

Mr. Chairman, the present bill we are considering, H. R. 4754, is the result of many weeks and months of arduous effort on the part of this subcommittee headed very ably by the gentleman from California [Mr. HOLIFIELD]. We have also had, I might say, the complete cooperation of the entire Committee on Executive Expenditures. I wish to pay my respects at this time to the chairman, the gentleman from Illinois [Mr. DAWSON].

This legislation, in my opinion, should be noncontroversial and receive bipartisan support. It has long been common knowledge that purchasing, storage, record-keeping, and other housekeeping functions of the executive branch of our Government are inefficient and much too costly. That this is true should not be charged in every instance to the agency that has been functioning, for it has been due also to ineffective legislation. As the executive branch of Government has continued to grow it has not been organized but has simply grown up Topsy-like. The phase receiving the attention of the Hoover Commission in this particular bill is the first effort in attempting to effectuate the economies that are suggested by the report of the Hoover Commission. With reference to the question raised by the gentleman from South Dakota [Mr. CASE], about that provision of the bill, may I say that it does not set forth a salary for the Administrator or any of his lieutenants. So far as I am concerned, and I am speaking now as one member of the committee only, if an amendment is proposed fixing the salary of the Administrator, I would be willing to go along with the amendment, with the understanding, of course, that when we fix the salary of the Administrator other salaries will have to be stepped down in proportion. If we fix a ceiling for the department, the subdivisions thereof would have to have salaries scaled down accordingly.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Kansas.

Mr. REES. Does not the gentleman think we are going pretty far afield when we place in the hands of the President complete authority to fix salaries in the departments of our Government?

Mr. HARVEY. I may say to the gentleman that there is no disposition on the part of this committee to abdicate the responsibilities of Congress in this legislation.

Mr. REES. That is what we appear to be doing in this legislation.

Mr. HARVEY. That is right.

Mr. REES. Unless an amendment to the contrary is approved.

Mr. HARVEY. The gentleman is correct.

Mr. Chairman, I should also like to refer at this time to the gentleman from Ohio [Mr. BROWN], the daddy of the legislation establishing the Hoover Commission, also Mr. Manasco, former chairman of the committee and Member of Congress, both of whom contributed valuable evidence to our hearings. I want to mention the fact too that the gentleman from New York [Mr. RIEHLMAN], although not a member of the subcommittee, did contribute ably in his effort to bring out a good bill.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from New York.

Mr. KEATING. May I say a word about that phase of the matter? As I understand it, this measure is very similar, except perhaps weaker, than the measure introduced by our distinguished colleague from New York [Mr. RIEHLMAN], in the last Congress. He was really the pioneer in this movement to formulate a method of saving money and cutting out some personnel among these procurement agencies. I want to commend my neighbor from New York in that regard.

Mr. HARVEY. I thank the gentleman for his contribution. I want to reaffirm the statement the gentleman has made concerning the contribution of the gentleman from New York [Mr. RIEHLMAN].

We have had valuable aid and assistance from the various departments affected. All of the departments in the executive branch had a right to appear if they cared to. The Bureau of the Budget was especially helpful.

Mr. Chairman, I wish to quote at this time from the task-force report submitted in February of this year, as follows:

One of the major weaknesses in Federal purchasing stems from the lack of any central body to coordinate Government purchasing activities.

We have witnessed in the period since the end of World War II great losses to the Federal Government in the disposal of surplus war material. This was largely occasioned because we had no adequate purchasing program and cataloging system. The report of the War Assets Administration was replete with instances where the Government was contracting to sell huge quantities of material that they did not actually have and in other instances found great quantities of material that were not even listed. This was a wasteful procedure and was due largely to the fact that we did not have any adequate and unified cataloging system for purchasing.

While the provisions of this bill exempts the military specifically from the agencies that are bound to use the cataloging facilities of this agency, it does set up a procedure whereby we will have the civilian components using the

same cataloging system that is presently being prepared by the War Munitions Board.

I have had a great deal of mail, as has been suggested here on the floor, concerning the need for economy by adopting the Hoover Commission reports.

Now, allow me to say this, that when the War Munitions Board went about setting up a uniform cataloging system, they said, in effect, to the Army and the Navy and other minor components of our Military Establishment—at that time we did not have the Air Force established—"Please go about getting a uniform cataloging system, because we did not have it during the war, and it was very wasteful and extravagant." When they went to work they found out that they had—how many would you guess?—12,000,000 items cataloged, and they said that "by 1952 we will be able to reduce this to 3,000,000 items." That is a reduction from 12,000,000 to 3,000,000, simply by eliminating duplication or near duplication in their buying procedure. Of this 3,000,000 approximately 2,500,000 items are used by the military and 1,500,000 items are used by civilians. The total makes 4,000,000. So, it means that at least 1,000,000 of those are common to both. This is, in essence, the gain that must come from a uniform cataloging system. It will not prevent the losses that we incurred following World War II or even during the war, but certainly we do not want that to happen again.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I will be happy to yield to the gentleman from New York.

Mr. WADSWORTH. I assume that the gentleman means in describing the situation that we find that in the armed services a single little item, which may be purchased by one branch of the service, carries a certain descriptive number or title.

Mr. HARVEY. That is correct.

Mr. WADSWORTH. And exactly the same item published by another service carries an entirely different number or descriptive title.

Mr. HARVEY. That is right.

Mr. WADSWORTH. That results in the 13,000,000, not items, but 13,000,000 descriptive titles.

Mr. HARVEY. Catalog numbers, that is right. A great many times they were not identical but were so near identical that there was no reason why they should not have been.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I ask this kind of a practical question? Suppose the perpetual inventory records, which will have to be carried if you have the information, indicates that at San Francisco you have one keg of bolts 2 inches long and five-eighths inch in diameter, and you need 250 bolts of that description at San Diego, what is to be the practical situation?

Mr. HARVEY. As a matter of fact, in the event that you get your firm inventory to begin with—you will agree with me, I think, that that is essential—you get a firm inventory, you will find that the administrator of this new agency will have the power and ability to say to San Diego, "Now, San Francisco has 10 tons of these bolts and we will order the amount that you have requested transferred to you from there" rather than to go through an entirely different purchasing procedure for that particular item.

Another thing I would like to point out is that when you have contracts for acquisition of common use items, in most instances you develop a contract for an indeterminate amount of each of the particular items, and then you can simply put an O. K. upon this given department or subdivision request and it will be sent to them direct, if you do not have a supply in a nearby warehouse.

Mr. CRAWFORD. In other words, you will establish a working inventory at all basing points of items in common use?

Mr. HARVEY. That is right.

Mr. CRAWFORD. And thereby cutting down the inventory on parts and commodities which are used occasionally?

Mr. HARVEY. That is right.

Mr. CRAWFORD. By having them in reserve.

Mr. HARVEY. That is right. I would like to say to the gentleman, and he probably well knows, that during World War II there were many instances where the Army would be in dire need of a particular item and the Navy would have an ample supply of the same, but there was no way of knowing, since they did not have a uniform cataloging system, what the other component had.

The scope of this responsibility is very great. Testimony before our committee by military personnel revealed that it will require at least until 1952 and a task force of almost 2,000 people to accomplish. Since most all of the items purchased by the military are used by the civilian branches of our Government it was thought best to allow the military to complete the task and then coordinate the activities of this Administration to it.

The problem of adequately providing for records management has only been slightly touched upon in this bill. We have transferred the National Archives Establishment to the General Services Administration with the thought in mind that this agency should be treated in later legislation so that it can adequately handle the records management problem. The hearings showed evidence that the keeping of Government records has become almost an oppressively expensive task that needs more realistic consideration. First of all many of the records are kept in what amounts to storage conditions, in scarce office facilities, when they could just as well be kept in storerooms or microfilmed. This particular type of legislation we feel should be treated in a subsequent bill, however.

The procurement procedure is designed to give a realistic approach to the problem. It was brought out in the hearings that our present purchasing policy, in many instances, was unduly expensive. In following the law on purchase of small items it was costing more to procure the articles than the article itself cost. It should not be regarded, however, in our attempt to streamline the procurement procedure that small business has been ignored. It is expressly written into the law in section 302, subsection B:

> It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small-business concerns.

There are escape clauses also in the law to provide for emergency purchases, when so declared by the President or the Congress. An example of this type of exception would be the recent break in the flood walls of the Mississippi in Louisiana. Obviously in such an emergency the necessity for advertising and bid-letting would not be in the public interest.

For different, but for very obvious reasons, certain agencies are excepted, such as the Atomic Energy Commission.

We have eliminated one of the causes of much friction, which has heretofore hampered the activities of the Bureau of Federal Supplies, which has been transferred from the Department of the Treasury to the new General Services Administration. This objection was the fee system that this agency was supposed to charge on a proportionate basis for services rendered. My own experience at the State level has proved that this is a wasteful and highly unsatisfactory procedure. In addition it is the cause of much friction between the procuring officials and the agencies served.

We have not attempted in this legislation to bring into the picture foreign property. The reason for this is that most of the work is accomplished by the Secretary of State and they have adequate staff to care for this problem already.

In conclusion, may I say, that this is a constructive step in taking care of the long-needed program and while it does not carry out exactly the Hoover Commission recommendations, it does very closely approach them. There is nothing in this bill, should it become a law that will preclude the President from taking further steps, when the legislation is passed, granting him this authority.

We should all realize that achieving complete success in enacting the Hoover Commission recommendations into law will have to be accomplished in a series of steps. This bill, H. R. 4754, is the first big step and there is no reason to believe that succeeding ones will not eventually achieve the desired results.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BROWN of Ohio. Let me congratulate the gentleman from Indiana not only on the statement he has made here but on the splendid work he has done in connection with this legislation. May I ask him whether in his opinion the enactment of this bill will not make it possible to save a great deal of money in the conduct of our procurement activities in the Federal Government?

Mr. HARVEY. I think undoubtedly it will. I want to say I think the prospect

of having Mr. Larson, as the new Administrator, with the confidence and faith I have in his ability, will vastly improve the working powers of this legislation. I thank the gentleman from Ohio [Mr. BROWN].

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HORAN. It is my understanding that certain Europeans are coming here to study our methods of balancing the budget. In the light of the inefficiencies that we here discuss would it not be much more beneficial to them and to us if we enact some of the Hoover Commission suggestions if we are going to set an example to the whole world?

Mr. HARVEY. I will agree with the gentleman that example is the best teacher.

Mr. Chairman, I yield back the balance of my time.

Mr. HOLIFIELD. Mr. Chairman, I yield myself 2 minutes.

May I point out to the gentleman from New York [Mr. KEATING] that I inadvertently gave him the incorrect figure in answer to his question a few moments ago. In fairness to the gentleman and the committee, I want to correct that. The savings which I spoke of were $2,500,000,000 in the reduction of the inventory, and it was not annual savings.

Mr. KEATING. I thank the gentleman for that correction. Does the gentleman have any figures with regard to the estimated saving by the enactment of this legislation?

Mr. HOLIFIELD. No. We asked the Bureau of the Budget representatives and the GAO. They could not give us an estimate as to the savings that might accrue. I want to point out that the savings do not refer only to the elimination of personnel. In this act we seek to set up uniform standards of procurement methods, and standard specifications and a uniform Federal catalog, which we direct the executive agencies to use in their procurement and which we believe will effect savings which are not reflected strictly in personnel.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. BROWN of Ohio. If the gentleman will refer to the task force report, it will show a careful study of the procurement program indicates the adoption of these reforms as provided in this legislation, will permit huge savings running into hundreds of millions of dollars, not only in procurement, but in the disbursal of Government supplies.

Mr. KEATING. That will only be done, I am sure the gentleman will agree, if the executive agencies carry out the provisions of this legislation sincerely and with a purpose and just do not use it as something that can be disregarded.

Mr. BROWN of Ohio. Of course all the Congress can do is to pass legislation. Congress cannot administer the laws. That is up to the executive branch.

Mr. HOLIFIELD. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, I have asked for this time to call the attention of the full committee to a question with reference to certain bills which arose in the subcommittee on expenditures this morning, particularly on one bill (H. R. 2204) which has reference to the Coast Guard Auxiliary. The Coast Guard is mentioned in the bill (H. R. 4754), but the auxiliary of the Coast Guard is not authorized under law. Therefore, I ask whether any property transferred to the Coast Guard could be subtransferred, or could be utilized by the Coast Guard Auxiliary?

Mr. HOLIFIELD. In my opinion, that is within the purview of the administrator and under clearance from the head of the Coast Guard, that could be done by administrative action.

Mr. BONNER. The Coast Guard Auxiliary being supervised by the Coast Guard, this property would still remain in the jurisdiction of the Coast Guard, though it was being used by the auxiliary. Therefore, it would be proper for the administrator to transfer such property to the Coast Guard for use by the Coast Guard Auxiliary.

Mr. HOLIFIELD. That would be my judgment—and can be construed as the intent of this act—after all other agencies that are named have had their chance.

Mr. BONNER. The subcommittee was unanimously in favor of reporting out the bill (H. R. 2204) making the Coast Guard Auxiliary eligible to have transferred to it such surplus property as might be available.

Mr. HOLIFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I wish to compliment the excellent work that has been done by the chairman of this subcommittee [Mr. HOLIFIELD]; also to compliment the nice cooperation we have received from the gentleman from Indiana [Mr. HARVEY], minority member on our subcommittee. They have put in long hours of work, and I think they have presented an excellent bill for this House to seriously consider and pass today.

I wish to answer some other questions that have arisen today. One is as to the size of this new agency that we are creating. The number of employees will be 32,850. As to the Federal works, I wish to give the size there, since several Members have asked for the number. There will be 22,734 employed under the Federal works, which in turn will be divided into Public Buildings Administration, with 18,934, which does have a large housekeeping function, and also the Public Roads Administration, with 3,269, which will probably be transferred.

As to the War Assets Administration, which is meeting its demise on the 30th of this month, it would carry over 7,000, being reduced 35,000 from its "heyday," and that is an excellent savings.

As to the Bureau of Federal Supply, 2,000; National Archives, 380; and a small number of 8 for the Office of Contract Settlement and Appeals Board.

One other thing, to clear up another question that has been asked. That is the question of how much will this work which we are doing here affect the overall picture. We have only one-sixth of the cost affected by civilians, in place of the five-sixths for the military, for the last war cost, and for the national indebtedness, and for other things of that nature. The present war scare also takes up $16,000,000,000 of our cost.

Now let us turn to the technical questions involved in this bill.

Because of the importance of the framework of this act, I should like to dwell for a few moments on some of the more important features of title I. Here is recited the intent of Congress in enacting this legislation to provide for the Government an economical and efficient system for—

(a) The procurement and supply of personal property and nonpersonal services, including many related features, such as inspection, property identification and classification, establishment of inventory level and representation before Federal and State regulatory bodies;

(b) Utilization of available property;

(c) Disposal of surplus property;

(d) Records management.

It may be well to note, at this time, that excess property is defined as any property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities, as determined by the head thereof. On the other hand, surplus property means any excess property not required for the needs and the discharge of responsibilities of any Federal agency, as determined by the Administrator.

Proceeding further, by force of this section, there is established in the executive branch of the Government an agency known as the General Services Administration. At the head of this Administration stands an Administrator of General Services, appointed by the President, by and with the consent of the Senate, who will perform his functions subject to the direction and control of the President.

Into this new General Services Administration the Bureau of Federal Supply, now under the Department of the Treasury, is transferred, together with the contract-settlement functions also presently reposing in the Treasury. We see carried into effect here, also, a transfer of the affairs of the Federal Works Agency. The transfer for liquidation of the affairs of the War Assets Administration is also brought into this new agency.

Records management is a new field of study, long neglected, which receives its first recognition in this bill. As the first step in the dealing with records management this bill transfers the National Archives to the General Services Administration. This field will receive much study and closer scrutiny in the course of our continued interest in efficient and economical Government. In this, vast savings can be realized. The Commission on Organization, headed by former President Hoover, reflected the weight this study should receive, when it devoted a separate task force report to it. In this task force report, enabling legislation dealing with this subject matter was urged. By enactment of H. R. 4754 we have taken the first step for the accomplishment of this worthy object.

In summary let me repeat that the first job in management is to develop an effective organization. All closely related units should be brought together under

strong administration. Title I of H. R. 4754 does just this by bringing the procurement, storage, issue, space, disposal and records agencies together to operate under a new charter.

We are going to make sure that the agencies know what they have, where it is located; that they protect what they own, buy only what they need and release excesses at the earliest possible date.

It is not necessary for me to go into a long discussion of this most worthy undertaking; as Members of this House, I am positive you can readily see the advantages of this long-overdue legislation. Mr. Chairman, I yield back the balance of my time.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. RIEHLMAN].

Mr. RIEHLMAN. Mr. Chairman, and members of the committee, although I am not a member of the subcommittee which considered this legislation, I have had a deep interest in this matter for the past 2 years, and I wish to speak briefly in support of the bill, H. R. 4754.

This bill would establish a General Services Administration into which it would transfer the Federal Works Agency, the Bureau of Federal Supply, War Assets Administration, the Office of Contract Settlement and the National Archives. The Administrator of General Services would preside over this new agency and, in addition, would be responsible for prescribing policies and methods of procurement, supply, and property utilization.

While this bill is not as strong or as comprehensive as I desire, I am of the opinion that it is a step in the right direction and that it warrants nonpartisan support. Executive agencies concerned with procurement, property management, surplus disposal and governmental records would be uprooted and brought together into a single management unit or agency as the Hoover Commission recommended. Having accomplished this initial step, the Congress can strengthen the law and increase its scope from time to time as the need becomes more apparent. The distinguished chairman of our committee the gentleman from Illinois [Mr. DAWSON] and the gentleman from California [Mr. HOLIFIELD], who is the author of this legislation, as well as other members on the Expenditures Committee, are conscious of the possible weaknesses in the present bill. Therefore, they can be depended upon to keep in close touch with developments and recommend congressional action to strengthen the bill as the need becomes more immediate.

Within a short time after the new agency is established, amendments may, in my opinion, be necessary to correct a fundamental and important weakness. The bill would place responsibility on the proposed Administrator of General Services without clothing him with the authority necessary to assure satisfactory discharge of that responsibility. This weakness results from the committee's efforts to draft a bill which will be acceptable to the Bureau of the Budget, the General Accounting Office, and each of the various executive agencies. It is difficult to draft a bill which would be strong, comprehensive and also acceptable to these various agencies. The Bureau of the Budget, the General Accounting Office and each of the executive agencies jealously guard their respective jurisdiction, authority, responsibility, and prerogatives. As the price of withholding opposition, they have demanded numerous exceptions and qualifications which, I believe, weaken the authority of the Administrator.

The Administrator of General Services will have a big job before him, and in view of the lack of direct authority, we in Congress have a continuing responsibility to watch developments closely. As his need for greater authority becomes more immediate, we should step in and grant it to him. This responsibility is particularly great today in view of declining national income and governmental revenue. We must husband our financial strength by promoting efficiency and economy. Initiation of modern business management controls and techniques is a most important step in this direction. We in Congress should give the Administrator of General Services all the powers which he may need to enforce efficient management controls.

However, I am opposed to any major amendments at this present time. Many concessions have been made to obtain this initial step. Amendments should be postponed until the Administrator has evaluated the situation and provided us with his recommendations. In the light of his experience, we can then correct any organizational errors and grant such additional powers as may be necessary.

The committee has done a fine job under the circumstances. The chairman of the subcommittee, the gentleman from California [Mr. HOLIFIELD] deserves particular credit for the tremendous amount of work that he has done and for the deep interest he has in this legislation. As the need for amendments becomes more immediate, I am sure that he will be among the first to bring that need to your attention. As a minority member, I wish in closing to thank him for the candid manner in which he has discussed this problem and for the interest he has shown in the bill which I introduced on this subject.

Mr. HOLIFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Chairman, my remarks will be in connection with titles II and III of H. R. 4754.

Mr. Chairman, title II of H. R. 4754 gives to the Administrator of General Services the responsibility to develop plans and policies which will lead to uniform procedures by the executive agencies in the whole field of property management. The purpose of this title is to make possible a situation in which the procedures of all executive agencies with regard to procurement, warehousing, property utilization, and disposal of surplus property will approach uniformity. In this field the Administrator will act to develop uniform policy or, when it is to the advantage of the Government in increased efficiency, economy, and so forth, will actually act as an operating agency in the field of procurement, servicing, or disposal. The Administrator is specifically charged with representing the executive agencies with respect to transportation and other public-utility services in negotiations with carriers, and so forth.

In this connection, because of the unique responsibilities of the National Military Establishment, the Secretary of Defense, subject to the will of the President, is authorized to exempt the Military Establishment from the policies of the General Services Administrator when it is in the best interest of national security.

It is to be noted that the Administrator, in formulating policies having to do with the disposal of surplus agricultural commodities, must consult with the Secretary of Agriculture. Further, such policies shall be so formulated as to prevent surplus agricultural commodities, and so forth, from being dumped on the market in a disorderly manner with a possible disruption of market prices. In the field of price support or stabilization, where the Secretary of Agriculture determines that he requires such for the carrying out of responsibilities, it is incumbent upon the Administrator to transfer, without charge to the Department of Agriculture, any surplus agricultural commodities—foods, cotton, or woolen goods—to be disposed of. Later, in the act, provision is made for the orderly disposition of property not required for Federal use by donating it for educational purposes in the States, Territories, and possessions without cost.

In drafting this legislation the President was given the power to prescribe policies and directives which he may deem necessary to carry out the provisions thereunder. These policies and directives must govern the action of the Administrator and the executive agencies. This accomplishes for all intents and purposes the same objective that could be obtained by placing the General Services Administration in the Office of the President.

We might dwell for a moment on the provision which was recommended by the Comptroller General of the United States, Mr. Lindsay Warren. This would allow the latter, after surveying the executive agencies affected, to prescribe plans and standards of accounting for property. This would give the Comptroller General the lead in the development and approval of systems in conformity with accepted principles and standards. In addition, the Comptroller General would be obliged to report any noncompliance by the executive agencies to the Congress. Also, under this provision, the Comptroller General would have the right to account, review, and audit.

One of the most fundamental problems now confronting the executive agencies is the lack of a standardized Federal property catalog. Without such a standardized catalog, there can be no real efficiency in property management. At the present, the National Military Establishment, in cooperation with the Bureau of Federal Supply, is working to develop such a catalog for the items necessary to it. Section 206 deals with this prob-

lem and charges the Administrator with carrying on to a successful conclusion the present program which is based on a signed agreement of delimitation between the civilian and military.

TITLE III

In 1861, the Congress passed a law, now Revised Statute 3709, which provided the procedures under which competitive bidding should be secured by Government agencies.

The law, though adequate initially, has become the subject of innumerable decisions by responsible accounting officers and the experience of the agencies generally has been that administrative officers need more authority to meet unusual circumstances if they are now to redeem their vast responsibilities.

The Congress took cognizance of these facts and passed a law in the Eightieth Congress, first session, known as the Armed Services Procurement Act—Public Law 413. This act provides that competition in bidding, will, as a general rule be used but where special market, emergency, or service conditions prevail, the agencies named therein, that is, the military service, the Coast Guard, may procure upon a controlled basis of negotiation.

The world situation in 1947 was such that the Congress considered it advisable to enact this law without delay although it was recognized that other agencies, and particularly the Government's central procurement agency, the Bureau of Federal Supply, should be equipped with as efficient tools as any other agency. However, since some of the provisions of the Armed Services Procurement Act were purely military and not applicable to the civilian agencies, a bill has been drafted to meet civilian requirements. This bill has been most carefully considered by the staff of the General Accounting Office, the Budget Bureau, and other interested staff and operating agencies and the substance is now incorporated as title III in this bill we are now considering. All agencies involved have endorsed this title as a sound step.

The title is in substantial agreement with the recommendations of the Hoover Commission except that full authority to negotiate contracts is not automatically extended to all civilian agencies. Some, obviously, do not need this authority. Therefore, this administration is given limited authority to permit the use by other civilian agencies which are able to show a real need to operate under its provisions.

It should be emphasized that the General Accounting Office will continue to make such audits as may be necessary.

I would like to point out that elsewhere in the act—section 201 (d)—section 3709, revised statutes, is amended by raising from $100 to $500 the ceiling for purchases or sales without advertising. Under title III, where centralized purchasing is involved, the ceiling for purchases without advertising is $1,000, which is the ceiling so provided in the Armed Services Procurement Act of 1947. I believe that these higher ceilings for purchases without advertising should be of help in reducing the overhead costs of processing small purchase transactions. This again is in line with recommendations of the Hoover Commission.

It should be stressed that these changes in procurement procedure will not eliminate the use of competition but merely alter, in some cases, the manner in which it will be obtained. This title will permit the modernization and simplification of procurement methods and make for economy and efficiency.

A further word about this title.

Section 302 (b) makes specific provision that Congress intends that a fair proportion of the total purchases and contracts for supplies and services shall be placed with small-business concerns. Under existing competitive procedures, the consolidation of larger and larger quantities into one bid has had a tendency to create a monopolative situation whereby small suppliers could not compete for the business.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, to those friends of mine of Vermont and other places who sent me that multitude of stereotyped and mimeographed letters asking me to support the recommendations of the Hoover Commission, may I say that in order that I may save myself some time, quite a little clerical assistance, and a lot of taxpayers' money, publicly and now, I shall support the recommendations, generally, of the Hoover Commission, with some reservations—concerning which reservations I may say something later.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I, too, am among those Members of the House who are disappointed in the failure to secure legislation that would give opportunity to put into effect the recommendations of the Hoover Commission.

We have been in session more than 5 months and yet, up to date, we do not have legislation that will give opportunity to make these recommendations effective. I should add, however, that there are a good many proposals in the recommendations of the Commission that can be made effective without legislative action.

I call attention also to the fact that the administration now has the authority to carry out a good many of these proposals, but up to date, has not done so. Therefore, we are in the same position with respect to the Hoover program as we were at the beginning of the year. This is the first move to carry out any part of the program.

We have today a proposal that takes care of a small part of the Hoover recommendations. Of course, I shall support it, but if we are going to handle these recommendations by piecemeal legislation, it will take a long, long time.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from California.

Mr. HOLIFIELD. I have here an analysis of the Hoover Commission recommendations. There are approximately 200 recommendations. Seventy-five of them will require substantive legislation, and can be accomplished by the Congress through the type of measure we are considering today. About 51 of them will require administrative action or executive orders of the President, or appropriations by the Committee on Appropriations. Out of the 200 about 74 of the recommendations could be embodied in reorganization plans sent up to the Congress by the President. So that, I believe, should give the Congress an idea of the kind of recommendations which are involved in the stalemated reorganization act.

Mr. REES. I appreciate the gentleman's statement. I further call attention to the fact that more than 50 percent and perhaps 60 percent of the recommendations of this commission could be made effective by executive order and legislation would not be required. Perhaps my percentage is a little too high, but at least no legislative action would be required such as we are considering today.

Mr. HOLIFIELD. I believe the analysis of the Bureau of the Budget shows that 25 percent can be accomplished through executive order or by funds appropriated by the Committee on Appropriations.

Mr. REES. I appreciate the gentleman's statement with respect to those figures. I still think that a greater percentage could be put into effect by Executive order. In any event, I do not know of any action taken by the administration to make recommendations effective by Executive order.

Mr. Chairman, I am one of those who, for a long period of time, has tried to bring about a little more efficiency and economy in Government. I have tried by offering legislation to get rid of a lot of this duplication and multiplication of effort that has been going on in the Government for a long time. We have before us today one comparatively small segment of legislation dealing with that problem. I feel quite sure this legislation will go through without any serious objection. Of course, I shall support it. But, if we are going to have to proceed as the committee has outlined, by doing this piecemeal, it is going to take us all summer and then get only a part of it done. So I hope that this body as well as the other body will finally agree on legislation passed here long ago so that we can get to work on this in a real way.

When the bill is read for amendment, I intend to offer an amendment at pages 12 and 13 wherein it is provided in the bill that the President may fix the salaries of the three new employees. Under the bill he will have the authority to fix whatever salary he deems advisable, until legislative action is taken thereon. I am going to offer an amendment with which I hope the committee will agree, that these three new officials, and they probably will be the same officials we presently have, will receive salaries as follows: That the first one, the new one, should receive the salary of the present Federal Works Administrator; the second one, to receive the salary of the assistant to the Federal Works Administrator; and the third, the

salary of the present director of the Bureau of Federal Supply. I trust the committee will accept the amendment, because after all you are only fixing it until legislative action is taken thereon. But the principle of permitting the President to fix the salaries, I think is wrong. That authority belongs to Congress and should remain there.

Here is what the bill says:

SALARIES OF OFFICERS

SEC. 109. Pending the effective date of other provisions of law fixing the rate of compensation of any of the following officers, namely, the Administrator of General Services, the Deputy Administrator of General Services, the Commissioner of Federal Supply, the Commissioner of Public Buildings, the Archivist of the United States, and the Commissioner of Public Roads, and without regard to existing provisions of law governing such compensation, the President shall fix for each of them a rate of compensation which he shall deem to be commensurate with the responsibilities and duties of the respective offices involved.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield.

Mr. HOLIFIELD. I would like to point out that this is no precedent. The same language, practically, was contained in the National Security Act, where the President was given the privilege of fixing the salary of the National Defense Secretary.

Mr. REES. But only until the Congress should pass on the question.

Mr. HOLIFIELD. That is right.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOFFMAN of Michigan. I yield myself 2 minutes to ask the gentleman a question, Mr. Chairman.

I understood the gentleman from California to say there were a number of recommendations of the Hoover Commission that would require the President to submit plans. How many were there?

Mr. HOLIFIELD. I hold in my hand an analysis of the Hoover Commission recommendations prepared by the Bureau of the Budget. I have made a quick computation of it. Seventy-four of the recommendations are marked to be achieved by reorganization plans and 75 by substantive legislation.

Mr. HOFFMAN of Michigan. Seventy-four to be brought about by plans sent down by the President?

Mr. HOLIFIELD. By reorganization plans.

Mr. HOFFMAN of Michigan. Has the gentleman any information as to how many of those plans are now ready in the Executive Office?

Mr. HOLIFIELD. I do not have that before me, but I may say that one plan might include many of the 74 recommendations, even as this bill has many of the Hoover Commission recommendations in it. So it would be of no value to the gentleman if I knew the number of the plans, because one plan might be large or small.

Mr. HOFFMAN of Michigan. But under the reorganization bill as passed by the House, those plans have to come down in one package.

Mr. HOLIFIELD. I believe there are seven agencies which have been given the so-called one-package treatment as contained in the House reorganization bill. Obviously it would take seven separate plans to take care of these agencies if the bill finally passes the Congress in that shape.

Mr. HOFFMAN of Michigan. As I understand, the President already has on his desk some of these plans—somewhere between seven and a dozen.

Mr. HOLIFIELD. But each one of those separate plans might take care of many of the recommendations of the Hoover Commission, because the recommendations are not numerically controlled by the plan submitted.

Mr. HOFFMAN of Michigan. I understand that, but is it not your understanding that the President is already prepared to send to the Congress several of these plans for the reorganization, carrying the Hoover recommendations?

Mr. HOLIFIELD. That is my understanding.

Mr. HOFFMAN of Michigan. And the only thing that is holding it up is this failure to pass the basic legislation, where the conferees have already been appointed.

Mr. HOLIFIELD. I will be glad to discuss with the gentleman at some other time a matter which is not included in this legislation. I have my own views on that. I think nothing can be gained by continuing the dispute which has already occurred today with reference to something which is not contained in this legislation.

Mr. HOFFMAN of Michigan. I understand that, but I assume that the gentleman and the people generally are interested in getting these recommendations of the Hoover Commission enacted into law, and I cannot think of any reason that prevents those plans from coming down except the failure of the two Houses to enact some reorganization bill.

Mr. HOLIFIELD. Of course, the gentleman is exactly right. It is a matter of agreeing upon the terms of the conference report. The gentleman has been very good in his attendance at those meetings. The gentleman knows the issues, and I submit this is no particular place to debate the issue of an extraneous matter.

Mr. HOFFMAN of Michigan. I have attended every meeting of the conference and stayed as long as they were in session. I do not know how it is extraneous to discuss this issue now. It is the foundation upon which we are going to build if we have any reorganization worth while. It is all right with me, however, if you do not want to discuss it now. If you cannot agree among yourselves, I do not want to mix in your family quarrels. It is your responsibility.

Mr. HOLIFIELD. I know the gentleman has very strong views on the matter, and I appreciate them, too.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOLIFIELD. Mr. Chairman, I assume the gentleman has no further requests for time.

Mr. HOFFMAN of Michigan. I have no further requests.

Mr. HOLIFIELD. I yield myself 5 minutes, and I shall conclude in those 5 minutes and save the House that much time.

In the conclusion of these 2 hours of debate, I want to again express my appreciation for the help which I have received from each and every member of my subcommittee and from the full Committee on Expenditures in the Executive Departments, including the chairman.

Mr. BROWN of Ohio. Will the gentleman yield at that point?

Mr. HOLIFIELD. I yield.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. BROWN of Ohio. I wish to say for the benefit of the House that I know something of the tremendous task this subcommittee has taken upon its shoulders in connection with this entire reorganization program; it is a difficult work and it will be a long and tiring work, a work which cannot be accomplished in a day. I believe the subcommittee has started very, very well and I hope it will carry on to a final conclusion that will be satisfactory to all of us here and to the country in general. I wish to congratulate the chairman of the subcommittee and the members of the subcommittee for the attention they are giving to this great task.

Mr. HOLIFIELD. I thank the gentleman from Ohio for those kind words. His testimony before the committee and his counsel were invaluable, as well as was the assistance of the former chairman of this committee, Mr. Carter Manasco, who is no longer a Member of the House but who has been ever present when we needed him to help us over some of the rough points of this legislation. This type of legislation is not an emotional or hysterical type; it is a long and arduous job to bring out this type of bill, and I know that the bill is a good one. I am sure that it will bring many savings, and I want to say to the House that since I have gotten into this subject it has become more and more interesting. I want to pledge to the House that my subcommittee is not going to forget this bill after it is once passed, but after the Administrator of General Services has had some operational experience we are going to review his function, and if additional legislation is necessary, or additional clarification—and I am sure it will be, particularly in the field of records management, and in the field of traffic management, those two fields particularly I feel will need additional legislation—we are going to come back to this floor with we hope just as good a bill as we have here, and we hope we receive the same fine, courteous cooperation from the membership that we have had today.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. WHITE of Idaho. I may say to the gentleman that at the conclusion of the First World War there was a very considerable supply of explosives left over. Those explosives were donated to the Public Health Service and sent by them to farmers throughout the country

to help clear land. I remind the gentleman that after this war there was no such surplus of explosives turned over to the Bureau of Public Roads to be in turn placed in the hands of farmers needing them. I may say to the gentleman that it is my information that 12 shiploads of first-class explosives left Saipan headed for the coast and delivery at San Francisco, but when the boats arrived all those 12 cargoes had been jettisoned and thrown overboard.

Is there anything in this bill to protect a situation of that kind?

Mr. HOLIFIELD. The gentleman brings up a point which I wish he had called to our attention in the Committee when we were holding hearings.

Mr. WHITE of Idaho. The gentleman from Idaho has plenty of committees to attend, two, and sometimes three, meeting simultaneously.

Mr. HOLIFIELD. I recognize that the gentleman from Idaho is one of the busiest Members of the House and one of the most valuable Members of the House. I thank the gentleman for bringing this matter to my attention. We will take the matter under consideration and if possible arrive at a solution that will be satisfactory to the gentleman from Idaho.

Mr. WHITE of Idaho. That is a rather broad promise. Is there anything in the bill that will take care of such a situation?

Mr. HOLIFIELD. I regret to advise the gentleman that there is nothing directly written into the bill to transfer explosives to the farmers.

Mr. WHITE of Idaho. But there is control of surplus commodities. Some provision should be made to get them to the place where they will do the most good.

Mr. HOLIFIELD. Yes; that provision is in the bill and in the matter of surplus commodities the farmer can bid as well as any other person. If the explosives are declared surplus the farmers under this bill can come in and bid for the explosives.

Mr. WHITE of Idaho. The gentleman knows that the stuff that has been destroyed did not do anybody any good.

The CHAIRMAN. The time of the gentleman from California has expired, all time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.—

SHORT TITLE

That this act may be cited as the "Federal Property and Administrative Services Act of 1949."

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DECLARATION OF POLICY

SEC. 2. It is the intent of the Congress in enacting this legislation to provide for the Government an economical and efficient system for (a) the procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, specifications, property identification and classification, transportation and traffic management, management of public-utility services, repairing and converting, establishment of inventory levels, establishment of forms and procedures, and representation before Federal and State regulatory bodies; (b) the utilization of available property; (c) the disposal of surplus property; and (d) records management.

DEFINITIONS

SEC. 3. As used in this act—

(a) The term "executive agency" means any executive department or independent establishment in the executive branch of the Government, including any wholly owned Government corporation.

(b) The term "Federal agency" means any executive agency or any establishment in the legislative or judicial branch of the Government.

(c) The term "Administrator" means the Administrator of General Services provided for in title I hereof.

(d) The term "property" means any interest in property of any kind except (i) the public domain and lands reserved or dedicated for national forest or national park purposes; and (ii) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines.

(e) The term "excess property" means any property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities, as determined by the head thereof.

(f) The term "foreign excess property" means any excess property located outside the continental United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

(g) The term "surplus property" means any excess property not required for the needs and the discharge of the responsibilities of any Federal agency, as determined by the Administrator.

(h) The term "care and handling" includes completing, repairing, converting, rehabilitating, operating, preserving, protecting, insuring, packing, storing, handling, conserving, and transporting excess and surplus property, and, in the case of property which is dangerous to public health or safety, destroying or rendering inocuous such property.

(i) The term "person" includes any corporation, partnership, firm, association, trust, estate, or other enity.

(j) The term "nonpersonal services" means such contractual services, other than personal and professional services, as the Administrator shall designate.

(k) The term "contractor inventory" means (i) any property acquired by and in the possession of a contractor or subcontractor under a contract pursuant to the terms of which title is vested in the Government, and in excess of the amounts needed to complete full performance under the entire contract; and (ii) any property which the Government is obligated to take over under any type of contract as a result either of any changes in the specifications or plans thereunder or of the termination of such contract (or subcontract thereunder), prior to completion of the work, for the convenience or at the option of the Government.

TITLE I—ORGANIZATION

GENERAL SERVICES ADMINISTRATION

SEC. 101. (a) There is hereby established an agency in the executive branch of the Government which shall be known as the General Services Administration.

(b) There shall be at the head of the General Services Administration an Administrator of General Services who shall be appointed by the President by and with the advice and consent of the Senate and perform his functions subject to the direction and control of the President.

(c) There shall be in the General Services Administration a Deputy Administrator of General Services who shall be appointed by the Administrator of General Services. The Deputy Administrator shall perform such functions as the Administrator shall designate and shall be Acting Administrator of General Services during the absence or disability of the Administrator and, unless the President shall designate another officer of the Government, in the event of a vacancy in the office of Administrator.

(d) Pending the first appointment of the Administrator under the provisions of this section the President may designate the Federal Works Administrator in office immediately prior to the taking effect of the provisions of this act to perform temporarily the functions of the Administrator of General Services; and such designee, while serving in this capacity under this subsection shall receive the compensation of the Administrator of General Services.

TRANSFER OF BUREAU OF FEDERAL SUPPLY

SEC. 102. (a) The Bureau of Federal Supply in the Department of the Treasury and its functions, records, property, personnel, obligations, and commitments, are hereby transferred from the Department of the Treasury to the General Services Administration, together with such additional records, property, and personnel of the Department of the Treasury as the Director of the Bureau of the Budget shall determine to

relate primarily to functions transferred by this section or vested in the Administrator by titles II, III, and V of this act. There shall be at the head of the Bureau of Federal Supply a Commissioner of Federal Supply, who shall be appointed by the Administrator. The functions of (1) the Director of the Bureau of Federal Supply, (2) the personnel of such Bureau, and (3) the Secretary of the Treasury, relating to the Bureau of Federal Supply, are hereby transferred to the Administrator.

(b) The functions of the Director of Contract Settlement and of the Office of Contract Settlement, transferred to the Secretary of the Treasury by Reorganization Plan No. 1 of 1947, are transferred to the Administrator and shall be performed by him or, subject to his direction and control, by such officers and agencies of the General Services Agency as he may designate. The Contract Settlement Act Advisory Board created by section 5 of the Contract Settlement Act of 1944 (58 Stat. 649) and the Appeal Board established under section 13 (d) of that act are transferred from the Department of the Treasury to the General Services Administration, but the functions of these Boards shall be performed by them, respectively, under conditions and limitations prescribed by law. There shall also be transferred to the General Services Administration such records, property, personnel, obligations, commitments, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Treasury Department as the Director of the Bureau of the Budget shall determine to relate primarily to the functions transferred by the provisions of this subsection.

(c) Any other provision of this section notwithstanding there may be retained in the Department of the Treasury any function referred to in subsection (a) of this section which the Director of the Bureau of the Budget shall, within 10 days after the effective date of this act, determine to be essential to the orderly administration of the affairs of the agencies of such Department, other than the Bureau of Federal Supply, together with such records, property, personnel, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds, available or to be made available, of said Department, as said Director shall determine.

TRANSFER OF AFFAIRS OF THE FEDERAL WORKS AGENCY

SEC. 103. (a) There are hereby transferred to the General Services Administration (1) the Public Buildings Administration, which shall hereafter be known as the Bureau of Public Buildings, and its functions, records, property, personnel, obligations, and commitments; (2) the Public Roads Administration, which shall hereafter be known as the Bureau of Public Roads, and its functions, records, property, personnel, obligations, and commitments; and (3) all other functions, records, property, personnel, obligations, and commitments of the Federal Works Agency; (4) all functions of the Federal Works Administrator and all functions of the Commissioner of Public Buildings and the Commissioner of Public Roads are hereby transferred to the Administrator of General Services.

(b) There are hereby abolished the Federal Works Agency, the office of Federal Works Administrator, and the office of Assistant Federal Works Administrator.

(c) Without regard to the provisions of section 103 (b), the President may continue, for such duration as he shall determine, as a constitutent agency of the General Services Administration, the heretofore existing Bureau of Community Facilities of the Federal Works Agency.

RECORDS MANAGEMENT: TRANSFER OF THE NATIONAL ARCHIVES

SEC. 104. (a) The National Archives Establishment and its functions, records, property, personnel, obligations, and commitments are hereby transferred to the General Services Administration. There are transferred to the Administrator (1) the functions of the Archivist of the United States, except his functions under the act of July 7, 1943 (57 Stat. 380, as amended), which excepted functions shall be performed by the Archivist subject to the direction and control of the Administrator, and except that the Archivist shall continue to be a member or chairman, as the case may be, of the bodies referred to in subsection (b) of this section, and (2) the functions of the Director of the Division of the Federal Register of the National Archives Establishment. The Archivist of the United States shall hereafter be appointed by the Administrator.

(b) There are also transferred to the General Services Administration the following bodies, together with their respective functions and such funds as are derived from Federal sources: (1) The National Archives Council and the National Historical Publications Commission, established by the act of June 19, 1934 (48 Stat. 1122), (2) the National Archives Trust Fund Board, established by the act of July 9, 1941 (55 Stat. 581), (3) the Board of Trustees of the Franklin D. Roosevelt Library, established by the Joint Resolution of July 18, 1939 (53 Stat. 1062), and (4) the Administrative Committee established by section 6 of the act of July 26, 1935 (49 Stat. 501), which shall hereafter be known as the Administrative Committee of the Federal Register. The authority of the Administrator under section 106 hereof shall not extend to the bodies or functions affected by this subsection.

TRANSFER FOR LIQUIDATION OF THE AFFAIRS OF THE WAR ASSETS ADMINISTRATION

SEC. 105. The functions, records, property, personnel, obligations, and commitments of the War Assets Administration are hereby transferred to the General Services Administration. The functions of the War Assets Administrator are hereby transferred to the Administrator of General Services. The War Assets Administration, the office of the War Assets Administrator, and the office of Associate War Assets Administrator are hereby abolished. Personnel now holding appointments granted under the second sentence of section 5 (b) of the Surplus Property Act of 1944, as amended, may be continued in such positions or may be appointed to similar positions for such time as the Administrator may determine.

REDISTRIBUTION OF FUNCTIONS

SEC. 106. The Administrator is hereby authorized, in his discretion and from time to time, to regroup, transfer, and distribute any functions within the General Services Administration, in order to effectively accomplish such functions. The Administrator is hereby authorized to transfer the funds necessary to accomplish said functions and report such transfers of funds to the Director of the Bureau of the Budget.

TRANSFER OF FUNDS

SEC. 107. All unexpended balances of appropriations, allocations, or other funds available or to be made available, for the use of the Bureau of Federal Supply, the War Assets Administration, the Federal Works agency, and the National Archives Establishment, and so much of the other unexpended balances of appropriations, allocations, or other funds of the Department of the Treasury, available or to be made available as the Director of the Bureau of the Budget shall determine to relate primarily to functions transferred to or vested in the Administrator by the provisions of this Act, shall be transferred to the General Services Administration for use in connection with the functions to which such balances relate, respectively.

STATUS OF TRANSFERRED EMPLOYEES

SEC. 108. Subject to other provisions of this title relating to personnel, employees transferred by the provisions of this title shall be deemed to be employees of the General Services Administration and their reappointment shall not be required by reason of the enactment of this act.

SALARIES OF OFFICERS

SEC. 109. Pending the effective date of other provisions of law fixing the rate of compensation of any of the following officers, namely, the Administrator of General Services, the Deputy Administrator of General Services, the Commissioner of Federal Supply, the Commissioner of Public Buildings, the Archivist of the United States, and the Commissioner of Public Roads, and without regard to existing provisions of law governing such compensation, the President shall fix for each of them a rate of compensation which he shall deem to be commensurate with the responsibilities and duties of the respective offices involved.

TITLE II—PROPERTY MANAGEMENT

PROCUREMENT, WAREHOUSING, AND RELATED ACTIVITIES

SEC. 201. (a) The Administrator shall, in respect of executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service, and with due regard to the program activities of the agencies concerned—

(1) prescribe policies and methods of procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, property identification and classification, transportation and traffic management, management of public utility services, repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

(3) procure and supply personal property and nonpersonal services for the use of executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply such as those mentioned above in subparagraph (1); and

(4) with respect to transportation and other public-utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies; *Provided*, That the Secretary of Defense may from time to time, and unless the President shall otherwise direct, exempt the National Military Establishment from action taken or which may be taken by the Administrator under clauses (1), (2), (3), and (4) above whenever he determines such exemption to be in the best interests of national security.

(b) The Administrator shall as far as practicable provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed ownership corporation (as defined in the Government Corporation Control Act), or the District of Columbia, upon its request.

(c) In acquiring personal property, any executive agency, under regulations to be prescribed by the Administrator, may exchange or sell similar items, and may apply the exchange allowance or proceeds of sale

in such cases in whole or in part payment for the property acquired: *Provided*, That any transaction carried out under the authority of this subsection shall be evidenced in writing.

(d) Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), is hereby further amended by striking out the figures "$100" wherever they appear and inserting in lieu thereof the figures "$500."

(e) Section 2 of the act of February 27, 1929 (ch. 35d, 45 Stat. 1324), is hereby amended to read as follows: "Each executive department and independent establishment shall furnish from time to time, when called on to do so, estimates of its requirements for inclusion in purchases which it is proposed to have made by the Administrator of General Services, and there shall be reserved from proper appropriations sufficient amounts in each case to reimburse the general supply funds hereinafter created. The Administrator of General Services shall charge the estimated cost of supplies, and bill the same to each requisitioning department and independent establishment; and each such requisitioning department and establishment shall reimburse said general supply fund out of its appropriation upon proper vouchers. Other expenses such as, breakage, shrinkage, inspection, and handling by the General Services Administration shall be charged to funds appropriated to cover such expense."

PROPERTY UTILIZATION

SEC. 202. (a) In order to minimize expenditures for property, the Administrator shall prescribe policies and methods to promote the maximum utilization of excess property by executive agencies, and he shall provide for the transfer of excess property among Federal agencies.

(b) Each executive agency shall (1) maintain adequate inventory controls and accountability systems for the property under its control, (2) continuously survey property under its control to determine which is excess property, and promptly report such property to the Administrator, (3) perform the care and handling of such excess property, and (4) transfer or dispose of such property as promptly as possible in accordance with authority delegated and regulations prescribed by the Administrator.

(c) Each executive agency shall, as far as practicable, (1) make reassignments of property among activities within the agency when such property is determined to be no longer required for the purposes of the appropriation from which it was purchased, (2) transfer excess property under its control to our Federal agencies, and (3) obtain excess property from other Federal agencies.

(d) Under existing provisions of law and procedures defined by the Secretary of Defense, and without regard to the requirements of this section except subsection (f) excess property of one of the departments of the National Military Establishment may be transferred to another department thereof.

(e) Transfers of excess property between Federal agencies (except transfers for redistribution to other Federal agencies or for disposal as surplus property) shall be at the fair value thereof, as determined by, or pursuant to regulations of, the Administrator, unless such transfer is otherwise authorized by any law approved subsequent to June 21, 1944, to be without reimbursement or transfer of funds.

(f) The Director of the Bureau of the Budget shall prescribe regulations providing for the reporting to said Director by executive agencies of such reassignments or transfers of property between activities financed by different appropriations as he shall deem appropriate, and the reassignments and transfers so reported shall be reported to the Congress in the annual budget or otherwise as said Director may determine.

(g) Whenever the Administrator determines that the temporary assignment or reassignment of any space in excess real property to any Federal agency for office, storage, or related facilities would be more advantageous than the permanent transfer of such property, he may make such assignment or reassignment for such period of time as he shall determine and obtain, in the absence of appropriation available to him therefor, appropriate reimbursement from the using agency for the expense of maintaining such space.

(h) The Administrator may authorize the abandonment, destruction, or donation to public bodies of property which has no commercial value, or of which the estimated cost of continued care and handling would exceed the estimated proceeds from its sale.

DISPOSAL OF SURPLUS PROPERTY

SEC. 203. (a) Except as otherwise provided in this section, the Administrator shall have supervision and direction over the disposition of surplus property. Such property shall be disposed of to such extent, at such time, in such areas, by such agencies, at such terms and conditions, and in such manner, as may be prescribed in or pursuant to this act.

(b) The care and handling of surplus property, pending its disposition, and the disposal of surplus property, may be performed by the General Services Administration or, when so determined by the Administrator, by the executive agency in possession thereof or by any other executive agency consenting thereto.

(c) Any executive agency designated or authorized by the Administrator to dispose of surplus property may do so by sale, exchange, lease, permit, or transfer, for cash, credit, or other property with or without warranty, and upon such other terms and conditions as the Administrator deems proper, and it may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this title.

(d) A deed, bill of sale, lease, or other instrument executed by or on behalf of any executive agency purporting to transfer title or any other interest in surplus property under this title shall be conclusive evidence of compliance with the provisions of this title insofar as concerns title or other interest of any bona fide grantee or transferee for value and without notice of lack of such compliance.

(e) Unless the Administrator shall determine that disposal by advertising will in a given case better protect the public interest, surplus property disposals may be made without regard to any provision of existing law for advertising until 12 o'clock noon, eastern standard time, December 31, 1949.

(f) Subject to regulations of the Administrator, any executive agency may authorize any contractor with such agency or subcontractor thereunder to retain or dispose of any contractor inventory.

(g) The Administrator, in formulating policies with respect to the disposal of surplus agricultural commodities, surplus foods processed from agricultural commodities, and surplus cotton or woolen goods, shall consult with the Secretary of Agriculture. Such policies shall be so formulated as to prevent surplus agricultural commodities, or surplus food processed from agricultural commodities, from being dumped on the market in a disorderly manner and disrupting the market prices for agricultural commodities.

(h) Whenever the Secretary of Agriculture determines such action to be required to assist him in carrying out his responsibilities with respect to price support or stabilization, the Administrator shall transfer without charge to the Department of Agriculture any surplus agricultural commodities, foods, or cotton or woolen goods to be disposed of. Receipts resulting from disposal by the Department of Agriculture under this subsection shall be deposited pursuant to any authority available to the Secretary of Agriculture, except that net proceeds of any sale of surplus property so transferred shall be credited pursuant to section 204 (b), when applicable. Surplus farm commodities so transferred shall not be sold, other than for export, in quantities in excess of, or at prices less than, those applicable with respect to sales of such commodities by the Commodity Credit Corporation.

(i) The United States Maritime Commission shall dispose of surplus vessels of 1,500 gross tons or more which the Commission determines to be merchant vessels or capable of conversion to merchant use, and such vessels shall be disposed of only in accordance with the provisions of the Merchant Marine Act, 1936, as amended, and other laws authorizing the sale of such vessels.

(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate for educational purposes in the States, Territories, and possessions without cost (except for costs of care and handling) such equipment, materials, books, or other supplies under the control of any executive agency as shall have been determined to be surplus property and which shall have been determined under paragraph 2 or paragraph 3 of this subsection to be usable for educational purposes.

(2) Determination whether such surplus property (except surplus property donated in conformity with paragraph 3 of this subsection) is usable and necessary for educational purposes shall be made by the Federal Security Administrator, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator of General Services to tax-supported school systems, schools, colleges, and universities, and to other nonprofit schools, colleges, and universities which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code, or to State departments of education for distribution to such tax-supported and nonprofit school systems, schools, colleges, and universities; except that in any State where another agency is designated by State law for such purpose such transfer shall be made to said agency for such distribution within the State.

(3) In the case of surplus property under the control of the National Military Establishment, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities that are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If such Secretary shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator to such educational activities. If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph 2 of this subsection.

(k) Subject to the disapproval of the Administrator within 30 days after the proposal of any action to be taken under this subsection—

(1) the Federal Security Administrator, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions and instrumentalities thereof, and tax-supported and other nonprofit educational institutions

for school, classroom, or other educational use;

(2) the Federal Security Administrator, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

(3) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public; or

(4) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumentalities thereof for use in the training and maintenance of civilian components of the armed forces,

is authorized and directed—

(A) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

(B) to reform, correct, or amend any such instrument by the execution of a corrective, reformative, or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

(C) to (i) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (ii) convey, quitclaim, or release any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, and that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States.

(l) The Administrator is authorized to take possession of abandoned and other unclaimed property on premises owned or leased by the Government, to determine when title thereto vested in the United States, and to utilize, transfer, or otherwise dispose of such property. Former owners of such property upon proper claim filed within 3 years from the date of vesting of title in the United States shall be paid the proceeds realized from the disposition of such property or, if the property is used or transferred, the fair value therefor as of the time title was vested in the United States as determined by the Administrator, less in either case the costs incident to the care and handling of such property as determined by the Administrator.

PROCEEDS FROM TRANSFER OR DISPOSITION OF PROPERTY

SEC. 204. (a) All proceeds under this title from any transfer of excess property to a Federal agency for its use, or from any sale, lease, or other disposition of surplus property, shall be covered into the Treasury as miscellaneous receipts, except as provided in subsections (b), (c), and (d) of this section.

(b) Where the property transferred or disposed of was acquired by the use of funds either not appropriated from the general fund of the Treasury or appropriated therefrom but by law reimbursable from assessment, tax, or other revenue or receipts, then the net proceeds of the disposition or transfer shall be credited to the reimbursable fund or appropriation or paid to the Federal agency which determined such property to be excess: *Provided*, That the proceeds shall be credited to miscellaneous receipts in any case when the agency which determined the property to be excess shall deem it uneconomical or impractical to ascertain the amount of net proceeds. As used in this subsection, the term "net proceeds of the disposition or transfer" means the proceeds of the disposition or transfer minus all expenses incurred for care and handling and disposition or transfer.

(c) Any Federal agency disposing of surplus property under this title (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

(d) Where any contract entered into by an executive agency or any subcontract under such contract authorizes the proceeds of any sale of property in the custody of the contractor or subcontractor to be credited to the price or cost of the work covered by such contract or subcontract, the proceeds of any such sale shall be credited in accordance with the contract or subcontract.

(e) Where any mortgage, lien, or other interest as security is retained in connection with any disposition of surplus property under this title, the Administrator shall preserve and manage such security and may enforce and settle any right of the Government with respect thereto in such manner and upon such terms as he deems in the best interest of the Government.

POLICIES, REGULATIONS, AND DELEGATIONS

SEC. 205. (a) The President may prescribe such policies and directives, not inconsistent with the provisions of this act, as he shall deem necessary to effectuate the provisions of this act, which policies and directives shall govern the Administrator and executive agencies in carrying out their respective functions hereunder.

(b) The Comptroller General after considering the needs and requirements of the executive agencies shall prescribe principles and standards of accounting for property, cooperate with the Administrator and with the executive agencies in the development of property accounting systems and approve such systems when deemed to be adequate and in conformity with prescribed principles and standards. From time to time the General Accounting Office shall examine such property accounting systems as are established by the executive agencies to determine the extent of compliance with prescribed principles and standards and approved systems, and the Comptroller General shall report to the Congress any failure to comply with such principles and standards or to adequately account for property.

(c) The Administrator shall prescribe such regulations as he deems necessary to effectuate his functions under this act, and the head of each executive agency shall cause to be issued such orders and directives as such head deems necessary to carry out such regulations.

(d) The Administrator is authorized to delegate and to authorize successive redelegation of any authority transferred to or vested in him by this act (except for the authority to issue regulations on matters of policy having application to executive agencies, the authority contained in section 106, and as otherwise provided in this act) to any official in the General Services Administration or to the head of any other Federal agency.

(e) With respect to any function transferred to or vested in the General Services Agency or the Administrator by this act, the Administrator may (1) direct the undertaking of its performance by the General Services Administration or by any constituent organization therein which he may designate or establish; or (2) designate and authorize any executive agency to perform such function for itself; or (3) designate and authorize any other executive agency to perform such function; or (4) provide for such performance by any combination of the foregoing methods. Any designation or assignment of functions or delegation of authority to another executive agency under this section shall be made only with the consent of the executive agency concerned, or upon direction of the President.

(f) When any executive agency (including the General Services Administration and constituent organizations thereof) is authorized and directed by the Administrator to carry out any function under this act, the Administrator may, with the approval of the Director of the Bureau of the Budget, provide for the transfer of appropriate personnel, records, property, and allocated funds of the General Services Administration, or of such other executive agency as has therefore carried out such function, to the executive agency so authorized and directed.

(g) The Administrator may establish advisory committees, to advise with him with respect to any function transferred to or vested in the Administrator by this act. The members thereof shall serve without compensation but shall be entitled to transportation and not to exceed $25 per diem in lieu of subsistence, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2), for persons so serving.

(h) The Administrator shall advise and consult with interested Federal agencies with a view to obtaining their advice and assistance in carrying out the purposes of this title.

SURVEYS, STANDARDIZATION, AND CATALOGING

SEC. 206. (a) As he may deem necessary for the effectuation of his functions under this title, and after adequate advance notice to the executive agencies affected, and with due regard to the requirements of the National Military Establishment as determined by the Secretary of Defense, the Administrator is authorized (1) to make surveys of Government property and property management practices and obtain reports thereon from executive agencies; (2) to cooperate with executive agencies in the establishment of reasonable inventory levels for property stocked by them and from time to time report any excessive stocking to the Congress and to the Director of the Bureau of the Budget; (3) to establish and maintain such uniform Federal supply catalog system as may be appropriate to identify and classify personal property under the control of Federal agencies: *Provided*, That the Administrator and the Secretary of Defense shall coordinate the cataloging activities of the General Services Agency and the National Military Establishment so as to avoid unnecessary duplication; and (4) to prescribe standardized forms and procedures, except such as the Comptroller General is authorized by law to prescribe, and standard purchase specifications.

(b) Each Federal agency shall utilize such uniform Federal supply catalog system and standard purchase specifications, except as the Administrator, taking into consideration efficiency, economy, and other interests of the Government, shall otherwise provide.

(c) The General Accounting Office shall audit all types of property accounts and transactions at such times and in such manner as determined by the Comptroller General. Such audit shall be conducted as far

as practicable at the place or places where the property or records of the executive agencies are kept and shall include but not necessarily be limited to an evaluation of the effectiveness of internal controls and audits, and a general audit of the discharge of accountability for Government-owned or controlled property based upon generally accepted principles of auditing.

APPLICABILITY OF ANTITRUST LAWS

SEC. 207. Whenever any executive agency shall begin negotiations for the disposition to private interests of a plant or plants, or other property, which cost the Government $1,000,000 or more, or of patents, processes, techniques, or inventions, irrespective of cost, the executive agency shall promptly notify the Attorney General of the proposed disposal and the probable terms or conditions thereof. Within a reasonable time, in no event to exceed 90 days after receiving such notification, the Attorney General shall advise the Administrator and the interested executive agency whether, insofar as he can determine, the proposed disposition would tend to create or maintain a situation inconsistent with the antitrust laws. Upon the request of the Attorney General, the Administrator or interested executive agency shall furnish or cause to be furnished such information as it may possess which the Attorney General determines to be appropriate or necessary to enable him to give the advice called for by this section or to determine whether any other disposition or proposed disposition of surplus property violates the antitrust laws. Nothing in this act shall impair, amend, or modify the antitrust laws or limit and prevent their application to persons who buy or otherwise acquire property under the provisions of this act. As used in this section, the term "antitrust laws" include the act of July 2, 1890 (ch. 647, 26 Stat. 209), as amended; the act of October 15, 1914 (ch. 323, 38 Stat. 730), as amended; the Federal Trade Commission Act (38 Stat. 717), as amended; and sections 73 and 74 of the act of August 27, 1984 (28 Stat. 570), as amended.

EMPLOYMENT OF PERSONNEL

SEC. 208. (a) The Administrator is authorized, subject to the civil-service and classification laws, to appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of titles I, II, III, and V of this act.

(b) To such extent as he finds necessary to carry out the provisions of titles I, II, III, and V of this act, the Administrator is hereby authorized to procure the temporary (not in excess of 1 year) or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

(c) Notwithstanding the provisions of section 1222 of the Revised Statutes (10 U. S. C. 576) or of any other provision of law, the Administrator in carrying out the functions imposed upon him by this act is authorized to utilize in his agency the services of officials, officers, and other personnel in other executive agencies, including personnel of the armed services, with the consent of the head of the agency concerned.

CIVIL REMEDIES AND PENALTIES

SEC. 209. (a) Where any property is transferred or disposed of in accordance with this act and any regulations prescribed hereunder, no officer or employee of the Government shall (1) be liable with respect to such transfer or disposition except for his own fraud, or (2) be accountable for the collection of any purchase price for such property which is determined to be uncollectible by the Federal agency responsible therefor.

(b) Every person who shall use or engage in, or cause to be used or engaged in, or enter into an agreement, combination, or conspiracy to use or engage in or to cause to be used or engaged in, any fraudulent trick, scheme, or device, for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any payment, property, or other benefits from the United States or any Federal agency in connection with the procurement, transfer, or disposition of property hereunder—

(1) shall pay to the United States the sum of $2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof, together with the cost of suit; or

(2) shall, if the United States shall so elect, pay to the United States, as liquidated damages, a sum equal to twice the consideration agreed to be given by the United States or any Federal agency to such person or by such person to the United States or any Federal agency, as the case may be; or

(3) shall, if the United States shall so elect, restore to the United States the money or property thus secured and obtained and the United States shall retain as liquidated damages any property, money, or other consideration given to the United States or any Federal agency for such money or property, as the case may be.

(c) The several district courts of the United States, the District Court of the United States for the District of Columbia, and the several district courts of the Territories and possessions of the United States, within whose jurisdictional limits the person, or persons, doing or committing such act, or any one of them, resides or shall be found, shall wheresoever such act may have been done or committeed, have full power and jurisdiction to hear, try, and determine such suit, and such person or persons as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication or in such other reasonable manner as the court may direct.

(d) The civil remedies provided in this section shall be in addition to all other criminal penalties and civil remedies provided by law.

REPORTS TO CONGRESS

SEC. 210. The Administrator shall submit a report to the Congress, in January of each year and at such other times as he may deem it desirable, regarding the administration of his functions under this act, together with such recommendations for amendments to this act as he may deem appropriate as the result of the administration of such functions, at which time he shall also cite the laws becoming obsolete by reason of passage or operation of the provisions of this act.

TITLE III—PROCUREMENT PROCEDURE

DECLARATION OF PURPOSE

SEC. 301. The purpose of this title is to facilitate the procurement of supplies and services.

APPLICATION AND PROCUREMENT METHODS

SEC. 302. (a) The provisions of this title shall be applicable to purchases and contracts for supplies or services made—

(1) by the General Services Administration for the use of such agency or otherwise; and

(2) by any other executive agency (except any agency named in section 2 (a) of the Armed Services Procurement Act of 1947), to the extent of and in conformity with authority delegated by the Administrator pursuant to the provisions of this subsection. The Administrator may delegate to the head of any other such agency authority to make purchases and contracts for supplies or services pursuant to the provisions of this title (A) for the use of two or more executive agencies or (B) in other cases upon a determination by the Administrator that by reason of circumstances set forth in such determination such delegation is advantageous to the Government in terms of economy, efficiency, or national security. Notice of every such delegation of authority so made shall be furnished to the General Accounting Office.

(b) It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small-business concerns. Whenever it is proposed to make a contract or purchase in excess of $10,000 by negotiation and without advertising, pursuant to the authority of paragraph (7) or (8) of section 302 (c) of this title, suitable advance publicity, as determined by the agency head with due regard to the type of supplies involved and other relevant considerations, shall be given for a period of at least 15 days, wherever practicable, as determined by the agency head.

(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 303, except that such purchases and contracts may be negotiated by the agency head without advertising if—

(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;

(2) the public exigency will not admit of the delay incident to advertising;

(3) the aggregate amount involved does not exceed $1,000: *Provided*, That no agency other than the General Services Agency shall make any purchase of, or contract for, supplies or services in excess of $500 under this paragraph except in the exercise of authority conferred by the Administrator to procure and furnish supplies and services for the use of two or more executive agencies;

(4) for personal or professional services;

(5) for any service to be rendered by any university, college, or other educational institution;

(6) the supplies or services are to be procured and used outside the limits of the United States and its possessions;

(7) for medicines or medical supplies;

(8) for supplies purchased for authorized resale;

(9) for supplies or services for which it is impracticable to secure competition;

(10) the agency head determines that the purchase or contract is for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test: *Provided*, That beginning 6 months after the effective date of this title and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this paragraph (10) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder.

(11) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

(12) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in special situations or in particular localities in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

(13) for supplies or services as to which the agency head determines that bid prices after advertising therefor are not reasonable (either as to all or as to some part of the requirements) or have not been independently arrived at in open competition: *Provided*, That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all or some of the bids received unless (A) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder and (B) the negotiated price is the lowest negotiated price offered by any responsible supplier; or

(14) otherwise authorized by law.

(d) If in the opinion of the agency head bids received after advertising evidence any violation of the antitrust laws he shall refer such bids to the Attorney General for appropriate action.

(e) This section shall not be construed to (A) authorize the erection, repair, or furnishing of any public building or public improvement, but such authorization shall be required in the same manner as heretofore, or (B) permit any contract for the construction or repair of buildings, roads, sidewalks, sewers, mains, or similar items to be negotiated without advertising as required by section 303, unless such contract is to be performed outside the continental United States or unless negotiation of such contract is authorized by the provisions of paragraph (1), (2), (3), (9), (10), (11), or (13) of subsection (c) of this section.

ADVERTISING REQUIREMENTS

SEC. 303. Whenever advertising is required—

(a) The advertisement for bids shall be made a sufficient time previous to the purchase or contract, and specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of types of supplies and services necessary to meet the requirements of the agency concerned.

(b) All bids shall be publicly opened at the time and place stated in the advertisement. Award shall be made with reasonable promptness by written notice to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors considered: *Provided*, That all bids may be rejected when the agency head determines that it is in the public interest so to do.

REQUIREMENTS OF NEGOTIATED CONTRACTS

SEC. 304. (a) Except as provided in subsection (b) of this section, contracts negotiated pursuant to section 302 (c) may be of any type which in the opinion of the agency head will promote the best interests of the Government. Every contract negotiated pursuant to section 302 (c) shall contain a suitable warranty, as determined by the agency head, by the contractor that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business, for the breach or violation of which warranty the Government shall have the right to annul such contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

(b) The cost-plus-a-percentage-of-cost system of contracting shall not be used, and in the case of a cost-plus-a-fixed-fee contract the fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the agency head at the time of entering into such contract (except that a fee not in excess of 15 percent of such estimated cost is authorized in any such contract for experimental, developmental, or research work and that a fee inclusive of the contractor's costs and not in excess of 6 percent of the estimated cost, exclusive of fees, as determined by the agency head at the time of entering into the contract, of the project to which such fee is applicable is authorized in contracts for architectual or engineering services relating to any public works or utility project). Neither a cost nor a cost-plus-a-fixed-fee contract nor an incentive-type contract shall be used unless the agency head determines that such method of contracting is likely to be less costly than other methods or that it is impractical to secure supplies or services of the kind or quality required without the use of a cost or cost-plus-a-fixed-fee contract or an incentive-type contract. All cost and cost-plus-a-fixed-fee contracts shall provide for advance notification by the contractor to the procuring agency of any subcontract thereunder on a cost-plus-a-fixed-fee basis and of any fixed-price subcontract or purchase order which exceeds in dollar amount either $25,000 or 5 percent of the total estimated cost of the prime contract; and a procuring agency, through any authorized representative thereof, shall have the right to inspect the plans and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a cost or cost-plus-a-fixed-fee contract.

ADVANCE PAYMENTS

SEC. 305. (a) The agency head may make advance payments under negotiated contracts heretofore or hereafter executed in any amount not exceeding the contract price upon such terms as the parties shall agree: *Provided*, That advance payments shall be made only upon adequate security and if the agency head determines that provision for such advance payments is in the public interest or in the interest of the national defense and is necessary and appropriate in order to procure required supplies or services under the contract.

(b) The terms governing advance payments may include as security provision for, and upon inclusion of such provision there shall thereby be created, a lien in favor of the Government, upon the supplies contracted for, upon the credit balance in any special account in which such payments may be deposited and upon such of the material and other property acquired for performance of the contract as the parties shall agree.

WAIVER OF LIQUIDATED DAMAGES

SEC. 306. Whenever any contract made on behalf of the Government by the agency head or by officers authorized by him so to do includes a provision for liquidated damages for delay, the Comptroller General on the recommendation of the agency head is authorized and empowered to remit the whole or any part of such damages as in his discretion may be just and equitable.

ADMINISTRATIVE DETERMINATIONS AND DELEGATIONS

SEC. 307. (a) The determinations and decisions provided in this title to be made by the Administrator or other agency head may be made with respect to individual purchases and contracts or with respect to classes of purchases or contracts, and shall be final. Except as provided in subsection (b) of this section, the agency head is authorized to delegate his powers provided by this title, including the making of such determinations and decisions, in his discretion and subject to his direction, to any other officer or officers or officals of the agency.

(b) The power of the agency head to make the determinations or decisions specified in paragraphs (11) and (12) of section 302 (c) and in section 305 (a) shall not be delegable, and the power to make the determinations or decisions specified in paragraph (10) of section 302 (c) shall be delegable only to a chief officer responsible for procurement and only with respect to contracts which will not require the expenditure of more than $25,000. The power of the Administrator to make the delegations and determinations specified in section 302 (a) shall be delegable only to the Deputy Administrator of the General Services Administration or to the chief official of any principal constituent agency of the General Services Administration.

(c) Each determination or decision required by paragraphs (10), (11), (12), or (13) of section 302 (c), by section 304 or by section 305 (a) shall be based upon written findings made by the official making such determination, which findings shall be final and shall be available within the agency for a period of at least 6 years following the date of the determination. A copy of the findings shall be submitted to the General Accounting Office with the contract.

(d) In any case where any purchase or contract is negotiated pursuant to the provisions of section 302 (c), except in a case covered by paragraphs (2), (3), (4), (5), or (6) thereof, the data with respect to the negotiation shall be preserved in the files of the agency for a period of 6 years following final payment on such contract.

STATUTES CONTINUED IN EFFECT

SEC. 308. No purchase or contract shall be exempt from the act of June 30, 1936 (49 Stat. 2036, as amended; 41 U. S. C. 35 to 45), or from the act of March 3, 1931 (46 Stat. 1494, as amended; 40 U. S. C. 276a to 276a–6), solely by reason of having been entered into pursuant to section 302 (c) hereof without advertising, and the provisions of said acts and of the act of June 19, 1912 (37 Stat. 137, as amended; 40 U. S. C. 324 and 325a), if otherwise applicable, shall apply to such purchases and contracts.

DEFINITIONS

SEC. 309. As used in this title—

(a) The term "agency head" shall mean the head or any assistant head of any executive agency, and may at the option of the Administrator include the chief official of any principal constituent agency of the General Services Administration.

(b) The term "supplies" shall mean all property except land, and shall include, by way of description and without limitation, public works, buildings, facilities, ships, floating equipment, and vessels of every character, type and description, aircraft, parts, accessories, equipment, machine tools and alteration or installation thereof.

STATUTES NOT APPLICABLE

SEC. 310. The following provisions of law shall not apply to the procurement of supplies or services (1) by the General Services Administration, or (2) within the scope of authority delegated by the Administrator to any other executive agency:

Revised Statutes, section 3709, as amended (41 U. S. C. 5);

Revised Statutes, section 3735 (41 U. S. C. 13);

Sections 1 and 2 of the act of October 10, 1940 (54 Stat. 1109, as amended; 41 U. S. C. 6 and 6a).

TITLE IV—FOREIGN EXCESS PROPERTY

DISPOSAL OF FOREIGN EXCESS PROPERTY

SEC. 401. Each executive agency having foreign excess property shall be responsible for the disposal thereof: *Provided*, That (a) the head of each such executive agency shall, with respect to the disposition of such property, conform to the foreign policy of the United States; (b) the Secretary of State shall have the authority to use foreign currencies and credits acquired by the United States under section 402 (b) of this act in

order to effectuate the purposes of section 32 (b) (2) of the Surplus Property Act of 1944, as amended, and the Foreign Service Buildings Act of May 7, 1926, as amended (including Public Law 547, Seventy-ninth Congress (60 Stat. 663)), and for the purpose of paying any other governmental expenses payable in local currencies, and the authority to amend, modify, and renew agreements in effect on the effective date of this act; (c) any foreign currencies or credits acquired by the Department of State pursuant to such agreements shall be administered in accordance with procedures that may from time to time be established by the Secretary of the Treasury and, if and when reduced to United States currency, shall be covered into the Treasury as miscellaneous receipts; and (d) the Department of State shall, except to such extent as the President shall otherwise determine, continue to perform other functions with respect to agreements for the disposal of foreign excess property in effect on the effective date of this act.

METHODS AND TERMS OF DISPOSAL

SEC. 402. Foreign excess property may be disposed of (a) by sale, exchange, lease, or transfer, for cash, credit, or other property, with or without warranty and upon such other terms and conditions as the head of the executive agency concerned deems proper; but in no event shall any agricultural commodity, food, or cotton or woolen goods be sold without a condition forbidding their importation into the United States, unless the Secretary of Agriculture determines that such property is in short supply in this country, or (b) for foreign currencies or credits, or substantial benefits or the discharge of claims resulting from the compromise or settlement of such claims by any executive agency in accordance with the law, whenever the head of the executive agency concerned determines that it is in the interest of the United States to do so. Such property may be disposed of without advertising when the head of the executive agency concerned finds so doing to be most practicable and to be advantageous to the Government. The head of each executive agency responsible for the disposal of foreign excess property may execute such documents for the transfer of title or other interest in property and take such other action as he deems necessary or proper to dispose of such property; and may authorize the abandonment, destruction, or donation of foreign excess property under his control which has no commercial value or the estimated cost of care and handling of which would exceed the estimated proceeds from its sale.

PROCEEDS, FOREIGN CURRENCIES

SEC. 403. Proceeds from the sale, lease, or other disposition of foreign excess property, (a) shall, if in the form of foreign currencies or credits, be administered in accordance with procedures that may from time to time be established by the Secretary of the Treasury, and (b) shall, if in United States currency, or when any proceeds in foreign currencies or credits shall be reduced to United States currency, be covered into the Treasury as miscellaneous receipts: *Provided*, That the provisions of section 204 (b) (which by their terms apply to property disposed of under title II) shall be applicable to proceeds of foreign excess property disposed of for United States currency under this title III: *And provided further*, That any executive agency disposing of foreign excess property under this title (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

MISCELLANEOUS PROVISIONS

SEC. 404. (a) The President may prescribe such policies not inconsistent with the provisions of this title, as he shall deem necessary to effectuate the provisions of this title, which provisions shall guide each executive agency in carrying out its functions hereunder.

(b) Any authority conferred upon any executive agency or the head thereof by the provisions of this title may be delegated, and successive redelegation thereof may be authorized, by such head to any official in such agency or to the head of any other executive agency.

(c) The head of each executive agency responsible for the disposal of foreign excess property hereunder may, as may be necessary to carry out his functions under this title, (1) subject to the civil-service and classification laws, appoint and fix the compensation of personnel, and (2) without regard to civil-service and classification laws, appoint and fix the compensation of personnel outside the continental limits of the United States.

(d) Each executive agency responsible for the disposal of foreign excess property under this title shall submit a report to Congress in January of each year or at such other times as he may deem desirable relative to its activities under this title, together with any appropriate recommendations.

(e) There shall be transferred from the Department of State to each other executive agency affected by this title such records, property, personnel, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds, available or to be made available, as the Director of the Bureau of the Budget shall determine to relate to functions of such agency under this title which have heretofore been administered by the Department of State.

TITLE V—GENERAL PROVISIONS

APPLICABILITY OF EXISTING PROCEDURES

SEC. 501. All policies, procedures, and directives prescribed—

(a) by either the Director, Bureau of Federal Supply, or the Secretary of the Treasury and relating to any function transferred to or vested in the Administrator, by the provisions of this act;

(b) by any officer of the Government under the authority of the Surplus Property Act of 1944, as amended, or under other authority with respect to surplus property or foreign excess property;

(c) by or under the authority of the Federal Works Administrator or the head of any constituent agency of the Federal Works Agency; and

(d) by the Archivist of the United States or any other officer or body whose functions are transferred by title I of this act,

in effect upon the effective date of this act and not inconsistent therewith, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this act or under other appropriate authority.

REPEAL AND SAVING PROVISIONS

SEC. 502. (a) There are hereby repealed—

(1) the Surplus Property Act of 1944, as amended (except secs. 13 (g), 13 (h), 28, and 32 (b) (2)), and sections 501 and 502 of Reorganization Plan No. 1 of 1947: *Provided*, That, with respect to the disposal under this act of any surplus real estate, all priorities and preferences provided for in said act, as amended, shall continue in effect until 12 o'clock noon (eastern standard time), December 31, 1949.

(2) that portion of the act entitled "An act making supplemental appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1949, and for other purposes," approved June 30, 1948 (Public Law 862, 80th Cong.), as amended, appearing under the caption "Surplus property disposal";

(3) the act entitled "An act to authorize the Secretary of War to dispose of material no longer needed by the Army," approved February 28, 1936 (49 Stat. 1147; 10 U. S. C. 1258);

(4) the act entitled "An act to authorize the Secretary of the Navy to dispose of material no longer needed by the Navy," approved May 23, 1930, as amended (46 Stat. 378; 34 U. S. C. 546c);

(5) section 5 of the act of July 11, 1919 (41 Stat. 67; 40 U. S. C. 311);

(6) section 1 of the act of December 20, 1928 (45 Stat. 1030; 40 U. S. C. 311a);

(7) the act entitled "An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to donate excess and surplus property for educational purposes," approved July 2, 1948 (Public Law 889, 80th Cong.);

(8) section 203 of the act of June 26, 1943 (57 Stat. 195, as amended; 5 U. S. C. 118d–1);

(9) the act of April 15, 1937 (50 Stat. 64; 5 U. S. C. 118d);

(10) the second proviso contained in the paragraph of the act of August 10, 1912 (37 Stat. 296; 5 U. S. C. 545), headed "Contingent expenses, Department of Agriculture";

(11) the second proviso contained in the twentieth paragraph of section 1 of the act of March 2, 1917 (39 Stat. 973; 5 U. S. C. 494);

(12) the twenty-sixth paragraph under the heading "National parks" of the act of January 24, 1923 (42 Stat. 1215; 16 U. S. C. 9);

(13) the fifth paragraph under the heading "Experiments and demonstrations in livestock production in the cane-sugar and cotton districts of the United States" of the act of June 30, 1914 (38 Stat. 441; 5 U. S. C. 546);

(14) the proviso contained in the second paragraph under the heading "Library, Department of Agriculture" of the act of March 4, 1915 (38 Stat. 1107; 5 U. S. C. 548);

(15) the second proviso contained in the second paragraph under the heading "Clothing and camp and garrison equipage" of section 1 of the act of August 29, 1916 (39 Stat. 635; 10 U. S. C. 1271);

(16) the act of May 11, 1939 (53 Stat. 739; 10 U. S. C. 1271a);

(17) the fifth paragraph under the heading "Office of the Chief Signal Officer" of the act of May 12, 1917 (40 Stat. 43, as amended; 10 U. S. C. 1272);

(18) the third proviso contained in the second paragraph under the heading "Office of the Chief Signal Officer" of the act of March 4, 1915 (38 Stat. 1064; 10 U. S. C. 1273);

(19) the fourteenth paragraph under the heading "Smithsonian Institution" of section 1 of the act of March 3, 1915 (38 Stat. 839; 20 U. S. C. 66);

(20) the second paragraph under the heading "Government hospital for the insane" of section 1 of the act of August 1, 1914 (38 Stat. 649; 24 U. S. C. 173);

(21) the second paragraph under the heading "St. Elizabeths Hospital" of section 1 of the act of June 12, 1917 (40 Stat. 153; 24 U. S. C. 174);

(22) the proviso contained in the second paragraph under the heading "Bureau of Supplies and Accounts" of the act of August 22, 1912 (37 Stat. 346; 34 U. S. C. 531a);

(23) the second proviso of the first paragraph under the heading "Bureau of Yards and Docks" of the act of August 29, 1916 (34 U. S. C. 532);

(24) the proviso contained in the second paragraph under the heading "Maintenance, Quartermaster's Department, Marine Corps" of the act of March 4, 1917 (39 Stat. 1189; 34 U. S. C. 723);

(25) the twentieth paragraph under the heading "Bureau of Mines" of section 1 of the act of July 19, 1919 (41 Stat. 200; 40 U. S. C. 118);

(26) the first sentence of section 5 of the act of March 4, 1915 (38 Stat. 1161; 41 U. S. C. 26);

(27) the third paragraph under the heading "Interstate Commerce Commission" of section 1 of the act of August 1, 1914 (38 Stat. 627; 49 U. S. C. 58); and

(28) the act of June 6, 1941 (55 Stat. 247; 14 U. S. C. 31b); and

(29) the word "proportionate" and the words "including breaking, shrinkage, transportation, cost of handling, by the Treasury Department, and inspection" appearing in section 2 of the act of February 27, 1929 (ch. 354, 45 Stat. 1342; 41 U. S. C. (7b)).

(b) The provisions of the first, third, and fifth paragraphs of section 1 of Executive Order No. 6166 of June 10, 1933, are hereby superseded, insofar as they relate to any function now administered by the Bureau of Federal Supply except functions with respect to standard contract forms.

(c) The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith, except that sections 205 (b) and 206 (c) of this act shall not be applicable to any Government corporation or agency which is subject to the Government Corporation Control Act (59 Stat. 597; 31 U. S. C. 841).

(d) Nothing in this act shall impair or affect any authority of—

(1) the President under the Philippine Property Act of 1946 (60 Stat. 418; 22 U. S. C. 1381);

(2) any executive agency with respect to any phase (including, but not limited to, procurement, storage, transportation, processing, and disposal) of any program conducted for purposes of resale, price support, grants to farmers, stabilization, transfer to foreign governments, or foreign aid, relief, or rehabilitation: *Provided*, That the agency carrying out such program shall, to the maximum extent practicable, consistent with the fulfillment of the purposes of the program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this act and the policies and regulations prescribed pursuant thereto;

(3) any executive agency named in the Armed Services Procurement Act of 1947, and the head thereof, with respect to the administration of said act;

(4) the National Military Establishment with respect to property required for or located in occupied territories;

(5) the Secretary of Defense with respect to the administration of the National Industrial Reserve Act of 1948;

(6) the Secretary of Defense, the Munitions Board, and the Secretaries of the Army, Navy, and Air Force with respect to the administration of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596), and provided that any imported materials which the authorized procuring agency shall certify to the Commissioner of Customs to be strategic and critical materials procured under said act may be entered, or withdrawn from warehouse, free of duty.

(7) the Secretary of State under the Foreign Service Buildings Act of May 7, 1926, as amended:

(8) the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force with respect to the administration of section 1 (b) of the act entitled "An act to expedite the strengthening of the national defense," approved July 2, 1940 (54 Stat. 712);

(9) the Secretary of Agriculture or the Department of Agriculture under (A) the National School Lunch Act (60 Stat. 230); (B) the Farmers Home Administration Act of 1946 (60 Stat. 1062); (C) the act of August 31, 1947, Public Law 298, Eightieth Congress, with respect to the disposal of labor supply centers, and labor homes, labor camps, or facilities; (D) section 32 of the act of August 24, 1935 (49 Stat. 774), as amended, with respect to the exportation and domestic consumption of agricultural products; or (E) section 201 of the Agricultural Adjustment Act of 1938 (52 Stat. 36) or section 203 (j) of the Agricultural Marketing Act of 1946 (60 Stat. 1082);

(10) the Secretary of Agriculture, Farm Credit Administration, or any farm credit board under section 6 (b) of the Farm Credit Act of 1937 (50 Stat. 706), with respect to the acquisition or disposal of property;

(11) the Housing and Home Finance Agency, or any officer or constituent agency therein, with respect to the disposal of residential property, or of other property (real or personal) held as part of or acquired for or in connection with residential property, or in connection with the insurance of mortgages, loans, or savings and loan accounts under the National Housing Act;

(12) the Tennessee Valley Authority with respect to nonpersonal services, with respect to the matters referred to in section 201 (a) (iv), and with respect to any property acquired or to be acquired for or in connection with any program of processing, manufacture, production, or force account construction: *Provided*, That the Tennessee Valley Authority shall to the maximum extent that it may deem practicable, consistent with the fulfillment of the purpose of its program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this act and the policies and regulations prescribed pursuant thereto;

(13) the Atomic Energy Commission;

(14) the Administrator of Civil Aeronautics or the Chief of the Weather Bureau with respect to the disposal of airport property and airway property for use as such property. For the purpose of this paragraph the terms "airport property" and "airway property" shall have the respective meanings ascribed to them in the International Aviation Facilities Act (62 Stat. 450);

(15) the Postmaster General or the Postal Establishment with respect to the means and methods of distribution and transportation of the mails, and contracts, negotiations, and proceedings before Federal and State regulatory and rate-making bodies, relating to the transportation of the mails;

(16) the United States Maritime Commission with respect to the construction, reconstruction, and reconditioning (including outfitting and equipping incident to the foregoing), the acquisition, procurement, operation, maintenance, preservation, sale, lease, or charter of any merchant vessel or of any shipyard, ship site, terminal, pier, dock, warehouse, or other installation necessary or appropriate for the carrying out of any program of such Commission authorized by law, or nonadministrative activities incidental thereto: *Provided*, That the United States Maritime Commission shall to the maximum extent that it may deem practicable, consistent with the fulfillment of the purposes of such programs and the effective and efficient conduct of such activities, coordinate its operations with the requirements of this act, and the policies and regulations prescribed pursuant thereto;

(17) except as provided in subsections (a) and (b) hereof, any other law relating to the procurement, utilization, or disposal of property: *Provided*, That, subject to, and within the scope of authority conferred on the Administrator by other provisions of this act, he is authorized to prescribe regulations to govern any procurement, utilization, or disposal of property under any such law, whenever but only to the extent he deems such action necessary to effectuate the provisions of title II; nor

(18) for such period of time as the President may specify, any other authority of any executive agency which the President determines within 1 year after the effective date of this act should, in the public interest, stand unimpaired by this act.

AUTHORIZATION FOR APPROPRIATIONS AND TRANSFER OF AUTHORITY

SEC. 503. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

(b) When authorized by the Director of the Bureau of the Budget, any Federal agency may use, for the disposition of property under this act, and for its care and handling pending such disposition, any funds heretofore or hereafter appropriated, allocated, or available to it for purposes similar to those provided for in sections 201, 202, 203, and 205 of this act.

SEPARABILITY

SEC. 504. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

EFFECTIVE DATE

SEC. 505. This act shall become effective on July 1, 1949, except that (1) the provisions of section 402 (a) (2) shall become effective on June 30, 1949; (2) the provisions of section 502 (a) (29) shall become effective on July 1, 1950.

Mr. HOLIFIELD (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that the bill be considered as read, printed in the RECORD, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the committee amendments, as follows:

Page 2, title II, sec. 206, strike the period and add ", and cataloging."

Page 3, line 5, strike "-", after the word "public."

Page 3, line 23, strike "i" in parentheses and insert "1."

Page 3, line 25, strike "ii" in parentheses and insert "2."

Page 5, line 3, strike "i" in parentheses and insert "1."

Page 5, line 8, strike "ii" in parentheses and insert "2."

Page 7, line 16, strike the word "Agency", and insert in lieu "Administration."

Page 8, line 24, after the word "Administration" insert ",."

Page 13, line 21, after the word "public", strike "-."

Page 14, line 9, after the word "public", strike "-."

Page 15, line 13, strike "35d" and insert "354"; strike ")" and insert ", 41 U. S. C. (7b))."

Page 18, line 8, after the word "value" strike "."

Page 19, line 2, after the word "property", insert ",."

Page 21, line 15, after the word "usable", insert "and necessary."

Page 22, line 2, after "non", strike "-."

Page 38, line 8, strike the word "Agency" and insert in lieu "Administration."

Page 50, line 14, strike "III" and insert in lieu "IV."

Page 54, line 7, after "(6)" insert "The first and second provisos contained in the fourth paragraph under the heading 'Division of Supply' in."

Page 57, line 5, after the parenthesis, strike ": and."

Page 57, line 6, strike out entire subsection "(29)."

Page 60, line 17, strike "iv" in parentheses and insert "4."

Page 62, between lines 10 and 11, insert new subsection, "(17) Central Intelligence Agency;."

Page 62, line 11, strike figure "17" in parentheses and insert "18."

Page 62, line 21, strike figure "18" in parentheses and insert "19."

Page 63, line 21, strike figure "402" and insert in lieu "502."

Page 63, line 23, strike "502 (a) (29)," and insert in lieu "201 (e)."

The committee amendments were agreed to.

Mr. HOLIFIELD. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: Page 28, line 22, strike out the word "Agency" and insert in lieu thereof the word "Administration."

The amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, I offer another committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: Page 22, strike out line 24 and on page 25 lines 1 and 2 and insert the following:

"(k) (1) Under such regulations as he may prescribe, the Administrator is authorized, in his discretion, to assign to the Federal Security Administrator for disposal such surplus real property, including buildings, fixtures, and equipment situated thereon, as is recommended by the Federal Security Administrator as being needed for school, classroom, or other educational use, or for use in the protection of public health, including research.

"(A) Subject to the disapproval of the Administrator within 30 days after notice to him by the Federal Security Administrator of a proposed transfer of property for school, classroom, or other educational use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease such real property, including buildings, fixtures, and equipment situated thereon, for educational purposes to the States and their political subdivisions and instrumentalities, and tax-supported educational institutions, and to other nonprofit educational institutions which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code.

"(B) Subject to the disapproval of the Administrator within 30 days after notice to him by the Federal Security Administrator of a proposed transfer of property for public-health use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease such real property for public-health purposes, including research, to the States and their political subdivisions and instrumentalities, and to tax-supported medical institutions, and to hospitals or other similar institutions not operated for profit which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code.

"(C) In fixing the sale or lease value of property to be disposed of under subparagraph (A) and subparagraph (B) of this paragraph, the Federal Security Administrator shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution.

"(D) 'States' as used in this subsection includes the District of Columbia and the Territories and possessions of the United States.

"(2) Subject to the disapproval of the Administrator within 30 days after notice to him of any action to be taken under this subsection—

"(A) the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this act, to States, political subdivisions, and instrumentalities thereof, and tax-supported and other nonprofit educational institutions for school, classroom, or other educational use;

"(B) the Federal Security Administrator, through such officer or employees of the Federal Security Agency as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

"(C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public; or

"(D) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumentalities thereof for use in the training and maintenance of civilian components of the armed forces.

"is authorized and directed—

"(i) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

"(ii) to reform, correct, or amend any such instrument by the execution of a corrective, reformative, or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

"(iii) to (I) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (II) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, and that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States."

Mr. HOLIFIELD (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and that the gentleman from West Virginia [Mr. BURNSIDE] be recognized for 5 minutes to explain it. It is a technical amendment, and I believe most of the members of the committee are familiar with it.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, some of the members of the committee might be familiar with it, but I have never heard of it. I am willing that the gentleman explain it.

Mr. HOLIFIELD. My idea that the further reading be dispensed with at this time is because it is quite technical, and the gentleman from West Virginia is ready to explain it, so that I believe the gentleman from Michigan will obtain more information from the explanation than the technical reading of the amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I have no objection to that, but I would like to have a copy of the amendment.

Mr. HOLIFIELD. We will send it to the gentleman.

Mr. HOFFMAN of Michigan. I thank the gentleman for his courtesy.

Mr. HOLIFIELD. This is an amendment which was accepted by the Senate in its revision of the words regarding the educational provision which puts schools and the health departments on the same parity as recreation and parks.

Mr. HOFFMAN of Michigan. It never came before the committee, did it?

Mr. HOLIFIELD. The substance of it came before the committee, and we instructed the Federal Works Administrator representative and the Bureau of the Budget and the educational people to get together and draw the proper language that they could agree on, and all the agencies have agreed on the language and they now bring it back to us. It is a revision of the language that is contained there, and it places the schools and the health agencies on the same level as recreation and parks and monuments as far as the obtaining of surplus property is concerned.

Mr. HOFFMAN of Michigan. I am inquiring when this was ever before the committee. I have been to the committee meetings and I never heard of this amendment.

Mr. HOLIFIELD. It was before the committee at a time when the gentleman was not present.

Mr. HOFFMAN of Michigan. Oh, I see. The full committee?

Mr. HOLIFIELD. The subcommittee.

Mr. HOFFMAN of Michigan. I was in the full committee when the bill was reported out. This was not there then. All right, let me have a copy of it.

Mr. HOLIFIELD. This was during the time the subcommittee was holding its meetings.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BURNSIDE. Mr. Chairman, we have just received a letter from Mr. Larson that I think will explain this amendment.

Mr. Chairman, when the Committee on Expenditures in Executive Departments had under consideration H. R. 4754, the War Assets Administrator who has since become Federal Works Administrator, advised the committee that he wished to offer an amendment to the bill in connection with the disposal of property for education and public health use.

The Surplus Property Act of 1944 provides for Public Benefit Allowances in the transfer of property for health and education purposes to State and political

subdivisions thereof and to tax-supported and nonprofit educational and health institutions which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code. The Surplus Property Act of 1944 also provides for conveyance of property for airport purposes without monetary consideration to the State, political subdivision, municipality or tax-supported institution and for the transfer of property for park and recreational purposes at a price equal to 50 percent of the fair value. The bill as now written repeals the provision granting public benefit allowances to health and education organizations and institutions.

Our committee suggested that the Administrator confer with health and education officials of the Federal Security Agency and submit to the committee an amendment which would authorize a continuation of public benefits to health and education organizations and institutions as is already provided for airports, public parks, public recreation areas, or historical monuments.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from Vermont.

Mr. PLUMLEY. In order to know how to vote on this proposition, may I ask the gentleman if the pending amendment was submitted to the members of the subcommittee?

Mr. BURNSIDE. It was, and the gentleman from Indiana [Mr. HARVEY] is in full accord. He sat on the committee and we worked it out together.

Mr. PLUMLEY. But the members of that subcommittee had a copy of the amendment?

Mr. BURNSIDE. I would not say everyone has, but a number of us who have been working on this matter have copies.

Mr. SCUDDER. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from California.

Mr. SCUDDER. Will the Post Office Department be able to buy under the provisions of this amendment? I know postmasters in my district have authority to buy trucks, but they could not buy any of the surplus trucks. They could not get new trucks to service their departments.

Mr. BURNSIDE. They could buy under this bill even if we did not have this amendment. Any Federal agency can get the first choice on any of these products that are available.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield to the gentleman from Indiana.

Mr. HARVEY. I think it would be wise to bring out that the Senate had in their bill one proviso with which the House did not see fit to go along. As most of you know, this carries an item for the disposition of surplus real estate. It provides that the former owners can acquire ownership again. The Senate proviso gives them no time in which to complete any deals in which they might be engaged. We struck that provision from the amendment and set the cut-off date as of December 31, 1949. In other words, they are given 6 months time and notice after the probable effective date of this act in which to complete the acquisition of property they might have owned previously.

Mr. BURNSIDE. The gentleman from Indiana is entirely correct.

Repeating, our committee suggested that the Administrator confer with health and education officials of the Federal Security Agency and submit to the committee an amendment which would authorize a continuation of public benefits to health and education organizations and institutions as is already provided for airports, public parks, public recreation areas, or historical monuments.

It was agreed that we would approve such an amendment provided a joint recommendation could be made by the Administrator and the officials of the Federal Security Agency. After our committee reported the bill to the House the Administrator submitted an amendment in accordance with our suggestion. This amendment has been adopted by the Senate Committee on Expenditures in Executive Departments and is now a part of the Senate bill "Federal Property and Administrative Services Act of 1949." It is the exact wording of the Senate bill with the exception the gentleman from Indiana stated.

In accordance with our suggestion to the Administrator and with due consideration to the needs of health and education of the United States, we desire to offer as a committee amendment to H. R. 4754 a substitute for the language in 203 (k), beginning on page 22, line 24 through line 2, page 25. The substitution will take care of the omission in our original bill of public-benefit allowances for health and education.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I am glad to yield to the gentleman.

Mr. HOLIFIELD. Is it not true that this particular educational amendment was brought before us by the representative of the National Association of Education of the State agencies, and that we were asked to put this in at their request?

Mr. BURNSIDE. The gentleman from California is absolutely correct. In addition to that, the National Education Association also made the request that we add this here.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I am glad to yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What this amendment does, then, is to create what might be termed a priority for educational purposes; does it not?

Mr. BURNSIDE. No; this puts them on an equal basis with the parks and monuments.

Mr. HOFFMAN of Michigan. They are in a special class.

Mr. BURNSIDE. Yes; this puts them under the same classification.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. BURNSIDE. I yield.

Mr. HOLIFIELD. It keeps the parks and recreation groups from having priority over schools and health groups.

Mr. BURNSIDE. That is entirely correct.

Mr. HOLIFIELD. It puts them on a level with them.

Mr. BURNSIDE. These changes in H. R. 4754 would grant to those institutions and organizations serving the public interest in the fields of health and education the same recognition as the bill now gives to airports, public parks, public recreation areas, and historical monuments. Without these changes, health and educational claimants for surplus real property would be forced to compete with the highest bidders for such property without recognition of the benefits to accrue to the United States through the educational or health utilization.

Mr. Chairman, on instructions from the committee, the gentleman from California [Mr. HOLIFIELD] has offered this amendment.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, having had no opportunity to study this amendment, it is rather difficult to understand its entire import; but as I heard the first part of the amendment read the thought came to my mind, so far as the question of the transfer of real property for public-health use is concerned, that there is a situation in my district which may be duplicated in the districts of other Members, which I would like to find out about in connection with the bill. The amendment on the Clerk's desk reads, in section (k) (1) (B):

> Subject to the disapproval of the Administrator within 30 days after notice to him by the Federal Security Administrator of a proposed transfer of property for public-health use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease such real property for public-health purposes, including research, to the States and their political subdivisions and instrumentalities and to tax-supported medical institutions and to hospitals or other similar institutions not operated for profit which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code.

It so happens in my district that there is a military hospital which has been turned over to the Corps of Engineers for disposal because it was declared to be unnecessary to the military program by the committee appointed pursuant to the order of the Secretary of Defense last winter which committee was known as the Hawley committee. I have placed a bill (H. R. 3986) in the hopper, and it has been there since the first of April, which would transfer that hospital to the Veterans' Administration. If this bill now before us passes with this amendment, that property can be transferred to the county for use as a hospital for indigents. The reason I say that is because a very strong movement is afoot within the county government to get this hospital to be used as a county hospital

for indigents. The City Council of Pasadena, which there is called the board of city directors, in which city the hospital happens to be located, is opposed to such use.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. BURNSIDE. I am glad to explain to the gentleman that the Veterans' Administration would have the first choice.

Mr. HINSHAW. The Veterans' Administration would have the first choice, but thus far the Veterans' Administration has not seen fit to request this hospital. They apparently want to build one of their own hospitals at a cost of many millions, when they can get this one for nothing.

Mr. BURNSIDE. We cannot force the Veterans' Administration to ask for this hospital.

Mr. HINSHAW. That is right as I have learned.

My bill now in the Veterans' Affairs Committee would transfer the hospital to the VA. On the other hand, if this amendment is adopted, the chances that it would be transferred to the Veterans' Administration are small and the chances that it would be transferred to the county hospital organization are improved materially. That is in opposition, as I understand it, to the wishes of the board of city directors of my home city. I received such information by long-distance telephone earlier today.

Mr. BURNSIDE. Will the gentleman yield further?

Mr. HINSHAW. I yield.

Mr. BURNSIDE. They cannot give it away to any one of these organizations until after the Federal Government has declared that they are not interested in that particular hospital.

Mr. HINSHAW. I thank the gentleman. I gathered that. The Veterans' Administration has had quite a serious period of time, as the gentleman from California [Mr. MILLER] knows. The gentleman has been chairman of a subcommittee of our delegation which is concerned with veterans' affairs. There are several hospitals in California, which have been operated by the Army or Navy, which should be taken over by the Veterans' Administration and operated as veterans' hospitals, because the funds that are necessary to build enough hospitals in the United States to take care o' the veterans are not adequate for all of the requirements today.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. HOLIFIELD. I submit that the gentleman has a point as far as the nonuse of these facilities by the Veterans' Administration is concerned, but I do not think it would be good legislative practice for us to withhold from all the schools and health agencies of the United States certain facilities which they might need because some one branch of the Federal Government refuses to use them. I think that action must be taken either through the Veterans' Affairs Committee or through reference to the Committee on Efficiency of Operation in the Committee on Expenditures.

The CHAIRMAN. The time of the gentleman from California [Mr. HINSHAW] has expired.

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOLIFIELD. I hope the gentleman will not throw a monkey wrench into the whole educational system of the United States just because of an isolated condition in his own district.

Mr. HINSHAW. I am not contemplating that as the gentleman knows. I did not rise in opposition to the amendment. I rose to strike out the last word in order to obtain recognition as the gentleman is aware.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. CANFIELD. I am persuaded by the argument of the gentleman from California [Mr. HINSHAW]. I think the Veterans' Administration should know that Members from States other than California are concerned about the situation he explains to the House at this time.

Mr. HINSHAW. I am very much concerned about it, because as we all know, the budget submitted by the Veterans' Administration to the President for veterans' hospitals, which in turn came to us, is considerably below the original request made by the Bureau. The budget for the VA was materially reduced. There are these military facilities however, which should be taken over by the Veterans' Administration and operated, where Veterans' Administration hospital facilities are badly needed, such as they are in my State, as well as in a number of other States. Yet for reasons unknown to me, this has not been done. The only thing I can say is, it would appear that the Veterans' Administration wants to spend its own money to build new hospitals, rather than to take over existing surplus military institutions. With the stringency of money that we are suffering in the Federal Government, and the proposed increase in taxes to take care of the deficit, it seems to me wholly unreasonable for the Veterans' Administration to refuse to take over these properties which are so badly needed in so many areas. They are completely equipped. They are ready to go today—not next year. I submit to the committee, while I do not intend to oppose this amendment, that it can be greatly abused. I trust the committee will stand guard and see to it that these facilities, wherever they are needed by a Government agency, such as the Veterans' Administration, are promptly taken over by that Administration and operated in the interest of the veterans of the United States.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. WHITE of Idaho. The gentleman will remember that General Bradley, when he was head of the Veterans' Administration, said he was not interested in these Army hospitals; that he wanted his hospitals near the big centers of population.

Mr. HINSHAW. Yes, and this one is so located.

Mr. WHITE of Idaho. I was wondering when he said that about this great medical institution out in Minnesota, where the Mayos have created such a great medical facility which brings people from all over the world. I wondered if the Army could not do just as well.

Mr. HINSHAW. Well, I do not know, but it seems to me that we should guard this very carefully, because the Veterans' Administration budget for hospital construction is a very large one and even then it is not large enough. Existing facilities are presently available however, such as the one I have mentioned, which will be good for quite a number of years to come.

Mr. Chairman, under authority granted to extend my remarks I include the following correspondence which arrived in my office after the conclusion of the debate on this bill:

CITY OF PASADENA,
Pasadena, Calif., June 7, 1949.

Hon. CARL HINSHAW,
New House Office Building,
Washington, D. C.

DEAR CARL: I am enclosing copies of letters to Congressman RANKIN and General Bradley and a copy of a motion adopted by the board today. These refer to H. R. 3986 and are self-explanatory.

There is considerable interest here as to the disposition of McCornack and the ultimate use of the building. If there is anything we should do in connection with your bill, let me know.

Sincerely,

ALSON E. ABERNETHY,
Vice Chairman of the Board of Directors of the City of Pasadena.

PASADENA, CALIF., *June 7, 1949.*

Hon. JOHN E. RANKIN,
Chairman, Veterans' Administration Committee, New House Office Building, Washington, D. C.

DEAR SIR: As you probably know, McCornack General Hospital here in Pasadena has been ordered closed by the Army as of July 1, this year. Removal of the equipment from said building is proceeding at the present time.

This hospital is located in one of Pasadena's former fine hotels situated in one of our choice residential areas. For this reason Pasadena is very much concerned with the ultimate disposition of the building.

Pursuant to action taken by the legislative body of said city at its meeting today, a copy of which is enclosed, I am requesting that you inform me as soon as conveniently possible as to the status and likely future disposition of H. R. 3986. The effect of this bill is to transfer said hospital to the Veterans' Administration for operation of a veterans' hospital.

Your early reply will be very much appreciated.

Very truly yours,

ALSON E. ABERNETHY,
Vice Chairman of the Board of Directors of the City of Pasadena.

PASADENA, CALIF., *June 7, 1949.*

Gen. OMAR BRADLEY,
Chief of Staff, United States Army,
Washington, D. C.

MY DEAR GENERAL BRADLEY: You will recall from your visit to Pasadena on New Year's Day 1948, that McCornack General Hospital is located in one of our former fine hotels. You are, of course, aware that the use of this hospital has been ordered discontinued as of

July 1, this year. Needless to say, Pasadena is very much concerned as to the ultimate use to be made of this building.

If the building is to be continued as a hospital, it would seem highly desirable that the present hospital equipment be retained there subject to disposition with the building.

The board of directors at its meeting today adopted a motion directing me to request of you that said equipment be retained in place until a solution of this problem is reached. A copy of the motion adopted is enclosed.

I should very much appreciate receiving an early response to our request.

On behalf of the city of Pasadena may I extend cordial greetings to you and an invitation for a return visit at any time.

Very truly yours,

ALSON E. ABERNETHY,
Vice Chairman of the Board of Directors of the City of Pasadena.

That the chairman of the board of directors communicate with the Honorable JOHN E. RANKIN, chairman of the Veterans' Administration Committee of the Congress indicating that the board of directors of the city of Pasadena is interested in the disposition of McCornack General Hospital in Pasadena and inquiring as to the present status and likely future disposition of H. R. No. 3986 introduced on April 1, 1949, and now pending before the Congress; that, in view of the suggestion made by a representative of the Junior Chamber of Commerce of Pasadena that all hospital equipment be retained at said hospital until the future use of said building is determined, the chairman communicate with Gen. Omar Bradley, Chief of Staff of the United States Army, requesting that movement of equipment from said hospital be discontinued immediately.

The CHAIRMAN. The time of the gentleman from California has expired.

The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: On page 13, line 3, strike out the word "without" and substitute the word "with."

The amendment was agreed to.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to say to the gentleman from Kansas [Mr. REES] that the amendment which has just been adopted I believe takes care of the situation by striking out the words "without consideration of existing law" and inserting "with consideration of existing law."

Mr. REES. I am not so sure that the amendment offered by the gentleman from California will take care of the problem that I have mentioned. It takes care of it partly, but I have an amendment at the Clerk's desk which definitely does take care of it. I have no objection to the amendment which the gentleman from California offered, although I think we might just as well spell it out definitely as to leave any question about it.

Mr. HOLIFIELD. It was my understanding that the gentleman was satisfied with the committee amendment; if he is not he is privileged to offer his amendment.

Mr. REES. My amendment definitely takes care of the situation, but the gentleman's amendment does not take care of the situation which I mentioned a moment ago. I intend to submit my amendment.

Mr. HOLIFIELD. The gentleman has that privilege.

By unanimous consent the pro forma amendment was withdrawn.

Mr. REES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES:

Page 13, line 1, after the word "supply" strike out the remainder of the section and insert in lieu thereof the following:

"They shall receive the compensation provided under existing law for Federal Works Administrator, Assistant Federal Works Administrator, and Director of the Bureau of Federal Supply, respectively."

Mr. REES. Mr. Chairman, I direct your attention to section 109, "Salaries of Officers." Here is what the bill as amended by the gentleman from California provides:

SEC. 109. Pending the effective date of other provisions of law fixing the rate of compensation of any of the following officers, namely, the Administrator of General Services, the Deputy Administrator of General Services, the Commissioner of Federal Supply, the Commissioner of Public Buildings, the Archivist of the United States, and the Commissioner of Public Roads, and with regard to existing provisions of law governing such compensation, the President shall fix for each of them a rate of compensation which he shall deem to be commensurate with the responsibilities and duties of the respective offices involved.

We are following a policy of permitting the President to fix the salaries. The gentleman from California a while ago said it was not new and was done once before; but whether it be new or not, it seems to me that it is a policy that we ought not to adopt in this House; certainly the Congress ought to determine the salaries of the employees, and not place that authority in the hands of the Administration, yet you put that authority in the hands of the President.

My amendment provides in substance that the Administrator of General Services shall receive the same salary as the present Federal Works Administrator, which is $12,000; that the Assistant Administrator shall receive the same salary as the Assistant Federal Works Administrator, and that the Commissioner of Federal Supply shall receive the present salary of the Director of the Bureau of Federal Supply.

It seems to me this amendment is fair because the Congress can and should fix those salaries. For the present, let us put them as they are here. If the President should see fit to fix these salaries at $17,500, $20,000, or $22,500, as proposed in a bill now being considered by the Rules Committee of the House, you can understand very well the situation with which you will be confronted. It is possible and probable some of the salaries should be increased, but it should be done in an orderly manner.

It is my contention that at least temporarily we should fix the salaries as they are presently. If the House and the other body deem proper to increase the salaries, good and well.

The only thing I am doing by this amendment is to leave the salaries right where they are, pay the same people the same salaries they now receive until the Congress can determine whether the salaries should be increased.

If you are going to place the authority of determining these salaries in the hands of the Chief Executive, then you are establishing a policy whereby you say in substance, let the President fix these salaries and the Congress adjust them afterward. The proper thing to do is to let the President make recommendations on the basis of the work and responsibilities assumed, and then let the Congress determine what the salaries should be.

The House and the other body presently have bills pending dealing with the adjustment of salaries of topflight officials. I am surprised that you are not willing to handle these matters by regular procedure, especially those of you who complain about "giving the President more power." In fairness, I am informed the President has not even asked for this authority.

One thing further, there are additional positions in this bill whose duties remain the same, but you are authorizing the President to change their salaries, notwithstanding the fact their salaries are already fixed by law.

Mr. Chairman, I hope the amendment will be approved.

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kansas [Mr. REES] and I ask unanimous consent that the amendment offered by the gentleman from Kansas be reread.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk reread the Rees amendment.

Mr. HOLIFIELD. Mr. Chairman, in writing this section 109 we had several conferences with the parallel committee in the other body and we have attempted to arrive among ourselves at a fair salary for these men. The three new officers, the Administrator of General Services, the Deputy Administrator and Commissioner of Federal Supplies, are not included in the Classification Act, as I understand it.

First, we tried to set up a rate of salary which we thought was commensurate with their duties. We came to the conclusion that their duties are going to be drastically changed under this particular set-up; therefore, in view of the fact that the Commissioner of Public Buildings and the Commissioner of Public Roads are being taken care of in the Deficiency Appropriation Act, we thought we would leave these other three to the judgment of the President.

As I pointed out before, this is not new language. The discretion was left to the President to set the salary for the Secretary of National Defense. In writing my amendment and in conferring with the gentleman from Kansas, I agreed with him to change the words "and without regard to existing provisions of law governing such compensation" to "with regard to existing provisions of law governing such compensation, the President shall fix for each of

them a rate of compensation which he shall deem to be commensurate with the responsibilities and duties of the respective offices involved."

These offices do have new and additional duties. I have confidence that the President will not put an extortionate salary on these offices. If he did, he would cause untold friction in the administrative departments. If he placed a salary for these men higher than they should have it would lead to various difficulties.

I realize we have to face this salary situation but I think it should be faced in the proper place, which is the Classification Act, and in a legislative way. If the amendment offered by the gentleman from Kansas is agreed to, the gentleman is arbitrarily taking upon himself the determination of what these men should receive without knowing what their duties will be.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Kansas.

Mr. REES. This amendment simply fixes the amount of compensation until such time as the Congress shall determine what the salary shall be; that is all we are doing. Under the proposal offered by the gentleman from California, you are saying that the President shall fix those salaries until the Congress shall determine the question. I think that the Congress ought to determine the question before the President fixes the salary, because if the President should happen to put them out of line with salaries of other officials that have commensurate duties, the gentleman can well see the difficulty we are going to have. If the gentleman's proposal was correct in the first place, then I observe that the committee did not see fit to fix the salaries here at all. That was left wide open. But, when you leave it wide open, leave it to the House and the other body and do not put it in the hands of the President. I think the premise is wrong, once you permit the President to fix the salaries and then afterward have the matter determined by Congress. Let Congress fix them. Let the President make his recommendations.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I rather agree with the objective of the gentleman from Kansas, but this law does establish certain new positions. The Administrator of General Services and the Deputy Administrator, for instance, are new officers with a great deal of responsibility heading up a new agency that will handle many, many millions of dollars, up into the hundreds of millions of dollars, in all probability. Now, with the amendment offered by the gentleman from California to change the word "without" to "with," it means that the President shall fix the compensation at a rate which he shall deem to be commensurate with the duties and responsibilities of the respective officers involved or with regard to the existing provisions of law governing such compensation.

Mr. HOLIFIELD. That is right.

Mr. BROWN of Ohio. It means that he is to fix the compensation on about the same basis as provided by the laws on the statute books today for similar positions where the rate of pay has been fixed by Congress. We are not exactly certain just what each of these persons will be called upon to do or what their responsibilities will be. We name them rather generally. I want to say further to the gentleman that this general pay increase bill for some of the higher officers of the Government has been held up until we see what we can work out with some of these reorganization plans, and whether they are worth more money or not. So I think this is really a tempest in a teapot. I think you are protected.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Missouri.

Mr. BOLLING. I think it might clarify this matter to realize that under the proposed amendment offered by the gentleman from Kansas [Mr. REES], the Administrator of General Services would receive $12,000. It happens, I am informed, that one of the appropriation bills contains a provision which would mean that a number of his subordinates would receive precisely the same amount per year. Those subordinates are the Commissioner of Public Roads and the Commissioner of Buildings.

Mr. HOLIFIELD. That is the item that I referred to in the deficiency appropriation bill where their salary is already set out at $12,500, I think.

Mr. BOLLING. I think it is $12,000. They would receive substantially the same as their boss would.

Mr. HOLIFIELD. That shows the difficulty of jumping in and making a rigid rate on the floor without a proper study of the over-all salary schedule as it exists at the present time and the commensurate duties and responsibilities which these gentlemen will have which I submit no Member of Congress can know until they get into operation.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Kansas.

Mr. REES. As a Member of this great body, I do not want to be one who would say that I would be the one to pass on the question of what these salaries should be.

Mr. HOLIFIELD. I say this is no way to do it. We should do it under due consideration by the proper committee.

Mr. REES. All in the world we are doing here is to say that these salaries shall remain as they are for the present, and then let the House and the other body determine what the salaries shall be. Let us not start the policy of saying that the President is the one who shall say what salaries ought to be, and then let the House pass on the thing afterward. The policy you are following this afternoon is wrong, in my judgment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Iowa.

Mr. GROSS. I disagree with the gentleman from Ohio when he says that under your language, saying "with" instead of "without," the President has to fix the salaries commensurate with the law. It does not say any such thing. That still leaves it discretionary with the President to fix them at any rate he wants to make them. There is nothing mandatory about it.

Mr. HOLIFIELD. I disagree with the gentleman. When it says that the President shall fix these compensations with regard to existing provisions of the law, I think he has to take that into consideration. I certainly think that any such salary that was set but that was not in accordance with existing provisions of law and in accordance with commensurate duties and responsibilities would be subject to action in the Committee on Appropriations when the matter came up, or in the classification bill.

Mr. GROSS. That might be true, but there is still nothing mandatory about it.

Mr. HOLIFIELD. Mr. Chairman, I ask that the House uphold the committee in its position and vote "no" on the amendment offered by the gentleman from Kansas [Mr. REES].

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me that we get ourselves into a rather involved and complicated state of mind when we are dealing with a problem of this character. I would not take this time except that I feel that perhaps some clarification of the present situation is in order.

As I understand the present situation, the jobs proposed to be created under this bill, the Administrator of General Services, the Deputy Administrator of General Services, and the Commissioner of Federal Supply, are new jobs. They have not had job specifications written for them so as to have them set up under the Classification Act, and until we create the jobs the determination is made as to their responsibilities and the job specifications are written, it is impossible to determine what their salaries might be under existing law.

Once, however, we pass this legislation creating these new jobs and the responsibilities are determined administratively, and the job specifications are written up, the general law relative to the classification of Federal jobs would come into play and fix their salaries.

Therefore, it seems to me perfectly clear that the amendment we have already adopted, which states that the President shall fix their salaries with regard to existing law, means that the job specifications shall describe the nature and character of the work to be performed, and when those job specifications are once written up, as all Federal jobs

are written up and specified, the Classification Act will determine the amount of the salary. It seems to me it is just exactly as simple as that. If we indulge in any further amendment, we will be complicating and tying the hands of the effort that is being made to reorganize this Government and to give some power to the President to make an effective reorganization.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Indiana.

Mr. HARVEY. Am I to understand that the gentleman is supporting the committee?

Mr. KEEFE. I am definitely supporting the committee, and I believe it would be unwise to adopt the amendment suggested by the gentleman from Kansas [Mr. REES].

Mr. REES. In this measure, and I assume if the gentleman has read it he will agree, the Archivist is included. His salary is already fixed, but so far as we know, he will have no additional duties. Under this bill that you are supporting, the President can fix that salary.

Mr. KEEFE. I understand the gentleman's position with regard to the archivist, the commissioner of public roads, and the commissioner of public buildings, but under this law, can the gentleman state what the new responsibilities and duties of those three positions are going to be?

The gentleman does not know, and I do not know until the jobs are created under the law. The Classification Act will then determine what the salaries are to be. That is why they are included. I, for one, as one Member of Congress, want to see this reorganization program move forward. I, for one, am not going to stand in the well of the House and, in a picayunish manner, attempt wherever it is possible to tie the hands of the people to whom we must give some credit and responsibility in order to make this program work. If we are always doing that, we will never get a reorganization of the Government.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. Mr. Chairman, the gentleman from Wisconsin just referred to the fact that the amendment of the gentleman from California had been agreed to. As I understand it, the gentleman from California offered an amendment and then moved to strike out the last word. Then I believe the pro forma amendment was withdrawn. Then the gentleman from Kansas offered another amendment which I do not know whether it was in the nature of a substitute, or whether the other amendment had been agreed to. Would the Chair clarify the situation?

The CHAIRMAN. The amendment offered by the gentleman from California [Mr. HOLIFIELD], at line 3, page 13, was adopted before the Rees amendment was submitted. Thus, the Rees amendment is now pending and will be voted on as soon as debate is concluded thereon.

Mr. HINSHAW. Then the Chair states that the amendment of the gentleman from California was agreed to?

The CHAIRMAN. Yes; it was agreed to, prior to the submission of the Rees amendment which is now pending.

The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was rejected.

Mr. HOLIFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLIFIELD: On page 54, line 19, strike out "fourth" and insert "fifth."

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PETERSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee, having had under consideration the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, pursuant to House Resolution 230, he reported the bill back to the House with sundry amendments adopted by the committee of the whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them engross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FEDERALIZATION OF THE NATIONAL GUARD

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, we view with great alarm the constant tendency on the part of the Federal Government to further absorb the constitutional rights of the several States.

This Congress, constituted as it is of many students of the law, has flagrantly violated the provisions of the Federal Constitution by invading the province of State rights. I shall not enumerate the bills on our calendars, over which we have no constitutional authority, because they are well known even by the laity.

President George Washington appropriately anticipated this trend in our national life by his prophetic words when he observed that our form of government was in greater danger of being undermined from within than from without.

Let us take heed now lest the constant whittling away of the powers of the States leave them impotent to our great loss.

The general assembly of my State has appropriately memorialized the Congress regarding the proposal to federalizing our National Guard.

Attached hereto is a copy of a resolution with which terms I am in full accord:

A concurrent resolution memorializing the Congress of the United States to oppose the Federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part

Whereas the Secretary of Defense brought into being in 1947, the Committee on Civilian Components, commonly known as the Gray Board, and which committee was directed by said Secretary of Defense to make a comprehensive, objective, and impartial study of the armed forces; and

Whereas said Committee on Civilian Components on June 30, 1948, in its report to the Secretary of Defense, recommended, among other things, that national security required that all services have one Federal Reserve Force which should be accomplished:

(a) by establishing the Reserve forces of the Army under the Army clause of the Constitution;

(b) by similarly establishing the Reserve forces of the Air Force under appropriate legal authority;

(c) by incorporating the National Guard and the Organized Reserve Corps into the Army Reserve force under the name of "The National Guard of the United States";

(d) by incorporating the Air National Guard and Air Reserve into the Air Force Reserve under the name of the "United States Air Force Reserve"; and

Whereas on December 15, 1948, the Secretary of Defense recommended to the President of the United States, among other things, the federalization of the Air National Guard; greater Federal control over the personnel, equipment, facilities, allocation of money to the States; and

Whereas Federalization of the National Guard, in whole or in part, by the organization of a single Federal Reserve Force under the Army clause of the Constitution instead of under the militia clauses of the Constitution, as the National Guard is now organized, and under which the sovereign States retain the authority for the appointment of the officers of the National Guard and the authority for the training of the National Guard in time of peace in accordance with the discipline prescribed by the Congress, would violate the principle of States' rights in that the framers of the Constitution contemplated a standing Army as the only Federal force which is made clear from the arguments advanced by Hamilton, whereby he persuaded the States to accept the principle of a standing army, large enough to accomplish the immediate purpose of the Congress only; its size to be controlled by limiting appropriations to a period of 2 years only with the further agreement that the States would maintain no troops in time of peace, other than with the consent of Congress, in exchange for the provision that the Congress would have power to provide for the organizing, arming, and disciplining (training) the militia and reserving to the State only the power to appoint officers and the authority to train the militia according to the discipline prescribed by Congress; and

Whereas complete federalization would violate the principle upon which the States

bargained, as above explained, by giving to the Federal Government, in addition to its own standing army, a part of the militia over which the States would have no control or power whatsoever, instead of the control provided in clause 16, section 8, article I of the Constitution; and

Whereas nowhere in the Constitution is there any power given to the Federal Government to do other than raise and support armies and standing armies only were contemplated with no power ever given to the Federal Government to organize and support a Federal militia and none exists; and

Whereas federalization of the National Guard as now constituted under the militia clauses of the Constitution, in whole or in part, would not only violate the principle of States' rights but would violate existing agreements between the Federal Government and the sovereign States whereby the States accepted in good faith the allotments made by the War Department in 1945, and have completed the organization of such allotments, insofar as authorized by the Congress and for which funds have been provided; and

Whereas federalization of the National Guard, Air or Ground, as recommended by the Secretary of Defense and the Committee on Civilian Components, would destroy at one blow the National Guard as it now exists and which has rendered exceptional and valiant service to the Nation in two World Wars, and in time of peace would impose fantastic costs beyond the ability of the Nation to meet and would seriously jeopardize our national security and would result in the centralization of all military power in the Federal Government and ultimately in the hands of a few, and thus pave the way for the establishment of a dictatorship, military or otherwise, in this country; and

Whereas the States would be left without an internal security force and would be compelled to organize and maintain State troops at great cost to the States with the result that there would thus be maintained a Federal Reserve and State military force, creating a great duplication of effort and expense, while the National Guard, as it is now constituted and controlled, not only furnishes the necessary internal security for the States but, in addition, serves as a component of the Army of the United States and a first line of defense thereof as provided by the National Defense Act: Be it

Resolved by the house of representatives (the senate concurring), That the Congress and the President of the United States are hereby memorialized to retain intact the National Guard of the United States, Ground and Air, as it is now organized under the militia clauses of the Federal Constitution and thus reserve to the States the controls provided by the Constitution in time of peace and insure that it will be at the disposal of the State in time of peace and that there will be unity in the armed forces of the Nation at a time when unity is so essential; and be it further

Resolved, That copies of this concurrent resolution be transmitted to the President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairman of the Armed Services Committees of the Congress, and Members of the South Carolina delegation in Congress.

In the house of representatives, Columbia, S. C., June 1, 1949.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the house of representatives and concurred in by the senate.

[SEAL] JAMES E. HUNTER, Jr.,
Clerk of the House.

TEMPORARY APPROPRIATIONS FOR FISCAL YEAR 1949

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations, I submit a privileged report on the joint resolution (H. J. Res. 272) making temporary appropriations for the fiscal year 1949, and for other purposes, and I ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That there are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such amounts as may be necessary to permit departments, agencies, corporations, or other organizational units in any branch of the Government to meet increased pay costs authorized by the act of July 3, 1948 (Public Law 900), and comparable increases granted by administrative action pursuant to law, to the extent and in the manner which would be provided for in appropriations, funds, limitations, restrictions, or other authority contained in or made available by either title I or title II of the Second Deficiency Appropriation Act, 1949 (H. R. 4046), as amended and passed by the Senate: *Provided*, That in any case where the amount intended for meeting such increased pay costs is not set forth in the terms of title II of such act (H. R. 4046) but is included in title I of such act the Bureau of the Budget shall determine the amount to be made available hereunder: *Provided further*, That expenditures from appropriations or funds made available by this joint resolution shall be charged to the corresponding appropriation or fund contained in said appropriation act when it is enacted into law.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. WIGGLESWORTH. Mr. Speaker, reserving the right to object, will the gentleman state briefly the purport of the joint resolution?

Mr. CANNON. It is a continuing resolution providing money to meet pay rolls which will otherwise be without funds.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Do I understand that this resolution is made necessary because of the inability of the House and Senate conferees to agree upon the provisions contained in the second deficiency appropriation bill?

Mr. CANNON. Owing to unforeseen events, with which the gentleman is doubtless familiar, calling the two ranking majority members of the committee from Washington, we have been unable to hold a conference. When we do hold a conference it will be too late to provide funds to meet these pay rolls.

Mr. KEEFE. This is simply to take care of some of these pay rolls that otherwise would have been provided for in the second deficiency bill?

Mr. CANNON. Pending agreement with the Senate upon the final form of the bill.

Mr. WIGGLESWORTH. Mr. Speaker, I shall not object because under the circumstances I see no alternative to passing this joint resolution. It is impossible to meet the pay rolls otherwise. While I do not like this way of doing business, normally, I offer no objection to the passage of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the second deficiency appropriation bill, which has passed both the House and Senate and which will be sent to conference as soon as the chairman of the subcommittee reaches Washington, carries items providing funds for increased compensation of employees authorized under Public Law 900 of the Eightieth Congress. Funds for the agencies involved were appropriated prior to the enactment of the law authorizing the increase and of course without taking into consideration the additional cost of the increased rates of compensation.

Practically every Government agency is now, or will be by next Tuesday, without money to meet their pay rolls unless this continuing resolution is enacted.

This resolution affects only the pay items in the second deficiency bill. All other items of the bill will remain in disagreement pending an early conference.

I ask for a vote on the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PLANNING, SITE ACQUISITION, AND DESIGN OF FEDERAL BUILDING PROJECTS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution 46.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 714) entitled "An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes," to make the following corrections in the House engrossed amendment, namely:

On page 38 of the said engrossed amendment, in lines 21 and 22, respectively, strike out the word "Kaeser" and insert "Kaczor"; on page 43, in lines 20 and 24, respectively, and on page 44, in line 1, strike out the word "Marie" and insert "Mari"; and on said page 44, in line 12, strike out the word "Kaczar" and insert "Kaczor."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand that these are just clerical amendments.

Mr. WHITTINGTON. They are, as disclosed by the reading of the amendments. I may say that I conferred with the gentleman from Massachusetts and also the gentleman from Oregon, the ranking member of the committee.

Mr. MARTIN of Massachusetts. There is no substantial change in the legislation?

Mr. WHITTINGTON. No; just merely to correct the spelling four names in districts of some property that is authorized to be transferred under the terms of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND ON H. R. 4754

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill H. R. 4754, the Federal Property and Administrative Services Act of 1949.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill, H. R. 1754, extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, and ask that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. LEMKE. Mr. Speaker, reserving the right to object, may I ask that the gentleman from California explain the bill?

The SPEAKER. The Chair thinks it would be proper to ask the gentleman from California to explain the bill after the statement was read. If the gentleman desires it otherwise, of course, he may so state.

Mr. LEMKE. I wish to have the chairman of the committee explain this bill so that the membership may know what it is all about.

Mr. ENGLE of California. Will the gentleman from North Dakota permit the Clerk to read the statement?

Mr. LEMKE. I will.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 764)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate to the text of the bill, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than $100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United States until the hour of 12 o'clock meridian of the 1st day of July 1949: *Provided*, That every claimant of any such mining claim in order to obtain the benefits of this Act shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock meridian of August 1, 1949, a notice of his desire to hold said mining claim under this Act: *Provided further*, That any labor performed or improvements made on any such mining claim during the year ending July 1, 1949, may be credited against the labor or improvements required to be performed or made for the year ending at 12 o'clock meridian on the 1st day of July 1950.

"SEC. 2. Notwithstanding the provisions of any Act of Congress to the contrary, any person who hereafter prospects for, mines, or removes, by strip or open pit mining methods, any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing Act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be construed to impair any vested right in existence on the effective date of this section."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
JAMES E. MURRAY,
E. D. MILLIKIN,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1754) extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending 12 o'clock meridian July 1, 1949, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

(a) The change of date from "1950" to "1949" provides a 1-year instead of a 2-year suspension of annual assessment work.

(b) The change of date from July to August extends by 1 month the time for a claimant of a mining claim held by location to file "a notice of his desire to hold said mining claim under this Act."

(c) The proviso added to section 1 credits any assessment work performed on a mining claim during the year ending July 1, 1949, against annual assessment work required on such claim for the year ending July 1, 1950.

(d) Enlargement of the liability for damage caused to the value of land for grazing on a stock raising or other homestead entry or patent was confined to the prospecting for, mining, or removal of any minerals on such lands "by strip or open pit mining methods."

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

Mr. ENGLE of California. Mr. Speaker, answering the gentleman from North Dakota, I may say that the bill as agreed to by the committee of conference gives a moratorium on mining assessment work for 1 year and provides that those miners who have now done their work will be credited for that work on the succeeding year when assessment work is required.

The change in date was due to inadvertence on the other side.

The extension of the period for filing notice was in order to give the miners a little more time to do it. The time ends on the 1st of July, and we have got to act expeditiously if this bill is to become law before the end of the month. This gives them one additional month in which to file their notice of intention to hold their claims under the moratorium.

Mr. LEMKE. Am I correct in stating that the time will expire on June 30?

Mr. ENGLE of California. That is correct.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

TEMPORARY DEFERMENT IN CERTAIN UNAVOIDABLE CONTINGENCIES OF ANNUAL ASSESSMENT WORK ON MINING CLAIMS

Mr. ENGLE of California submitted the following conference report and statement on the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States:

CONFERENCE REPORT (H. REPT. NO. 769)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "*Provided further*, That the relief available under this Act is in addition to any relief available under any other Act of Congress with respect to mining claims."

And agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 5. Notwithstanding the provisions of any Act of Congress to the contrary, any person who hereafter prospects for, mines, or removes by strip or open pit mining methods, any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing Act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be considered to impair any vested right in existence on the effective date of this section."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
JAMES E. MURRAY,
E. D. MILLIKIN,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

(1) The words "on any homestead entry" were deleted in order to extend the relief provisions of the act to any mining claim or group of claims in the United States.

(2) The proviso at the end of section two was removed to make it clear "That the relief available under this Act is in addition to any relief available under any other Act of Congress with respect to mining claims."

(3) The enlargement of the liability for damage caused to the value of land for grazing on a stock raising, or other homestead entry or patent, as provided by section five, was confined to the prospecting for, mining, or removal of any minerals on such lands "by strip or open pit mining methods."

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

Mr. ENGLE of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 3754 just filed and that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HINSHAW asked and was given permission to revise and extend the remarks he previously made in connection with H. R. 4754 and include certain correspondence.

Mr. SADLAK asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech he made on last Saturday.

Mr. MURRAY of Wisconsin (at the request of Mr. HARVEY) was given permission to extend his remarks in the Appendix of the RECORD and include a table.

Mr. POLK asked and was given permission to extend his remarks in the RECORD and include a statement of the Secretary of Agriculture relating to the grain-storage program, notwithstanding that it will exceed two pages of the RECORD.

Mr. DOYLE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include an address given at the President's Conference of Religion and Welfare with reference to the Armed Services by Mrs. Meyer, notwithstanding that it will exceed two pages of the RECORD and, according to the Public Printer, will cost $200 to print.

Mr. YATES asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address made by Mr. Marshall Field on May 25, 1949, at the convocation of the University of Wisconsin.

Mr. ROONEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial appearing in yesterday's Evening Star.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I understand there has been a change in the legislative program for tomorrow and I would like to inquire of the majority leader what the situation is.

Mr. McCORMACK. Yes. After the disposition of the legislative appropriation bill we will take up the rule on H. R. 4583, extra clerk hire for Members of the House.

Mr. MARTIN of Massachusetts. The legislative appropriation bill will come first?

Mr. McCORMACK. Yes. I intend, after the disposal of those two matters, to adjourn over until Monday. On Monday next will be District day, and I will announce the bills tomorrow.

Mr. MARTIN of Massachusetts. I just thought the House might like to know about Friday.

Mr. McCORMACK. There will be no roll call on Friday, and if there is a bill, nothing other than general debate.

Mr. MARTIN of Massachusetts. I appreciate the gentleman's consideration.

Mr. McCORMACK. That will depend, in turn, upon whether the Committee on Rules reports out a rule. As a matter of fact, I might say that we are all caught up with all of the rules out of the Committee on Rules that I can assign on the program as of this time.

EXTENSION OF REMARKS

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include an address by Secretary Krug, Senator YOUNG, and himself at the dedication of Theodore Roosevelt Memorial National Park.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a resolution adopted by the seventh district AMVETS at their recent district convention relative to Federal housing, and in the other a letter regarding Federal housing.

Mr. HAYS of Arkansas (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include a statement he made before the Committee on House Administration.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the time allotted me for today be transferred to Monday next after the other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. BENNETT of Michigan (at the request of Mr. MICHENER), for 3 days, on account of illness in family.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 30. An act to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service;

S. 42. An act for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson;

S. 146. An act conferring jurisdiction upon the United States Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others;

S. 147. An act for the relief of H. Lawrence Hull;

S. 165. An act for the relief of William F. Thomas;

S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and

render judgment upon the claim of Mrs. Florence Benolken;

S. 213. An act to provide for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training;

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 408. An act for the relief of the estate of William E. O'Brien;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 715. An act to amend the Agricultural Act of 1948;

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 782. An act for the relief of William S. Meany;

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 948. An act for the relief of Mickey Baine;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog;

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes;

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest; and

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1929 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On June 6, 1949:

H. R. 1053. An act for the relief of Frank O. Ward;

H. R. 1058. An act for the relief of Frederick W. Lass;

H. R. 1062. An act for the relief of Lorrayne E. Graus;

H. R. 1158. An act to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city;

H. R. 1222. An act to authorize the exchange of certain fishery facilities within the State of Washington;

H. R. 1497. An act for the relief of Ralph A. Wood;

H. R. 1878. An act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond;

H. R. 2249. An act for the relief of Al W. Hosinski;

H. R. 3181. An act to provide for more effective conservation in the arid and semiarid areas of the United States, and for other purposes; and

H. R. 3341. An act to authorize the attendance of the United States Marine Band at the fifty-ninth annual reunion of Confederate Veterans to be held in Little Rock, Ark., September 27 through September 29, 1949.

On June 8, 1949:

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government.

ADJOURNMENT

Mr. MORRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, June 9, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

680. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to authorize the United States to purchase restricted lands of individual Indians, and for other purposes; to the Committee on Public Lands.

681. A letter from the Director, Division of Territories and Island Possessions, Department of the Interior, transmitting copies of two joint resolutions as follows: Requesting the passage of legislation enabling the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu to issue sewer bonds, and to adopt a bill substantially in the following form: "A bill to enable the Legislature of the Territory of Hawaii to authorize the city and county of Honolulu, a municipal corporation, to issue sewer bonds"; to the Committee on Public Lands.

682. A letter from the Attorney General, transmitting a report on the activities of the Department of Justice for the fiscal year ended June 30, 1948; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Post Office and Civil Service. H. R. 3445. A bill to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable; with an amendment (Rept. No. 762). Referred to the Committee of the Whole House on the State of the Union.

Mr. NORRELL: Committee on Appropriations. H. R. 5060. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes; without amendment (Rept. No. 763). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee of conference. H. R. 1754. A bill extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949 (Rept. No. 764). Ordered to be printed.

Mr. ENGLE of California: Committee on Public Lands. H. R. 163. A bill to authorize Sacramento Valley irrigation canals, Central Valley project, California; without amendment (Rept. No. 765). Referred to the Committee of the Whole House on the State of the Union.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders; without amendment (Rept. No. 766). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Public Works. H. R. 2214. A bill to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway and the Suitland Parkway in the State of Maryland as extensions of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes; with an amendment (Rept. No. 767). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 272. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes; without amendment (Rept. No. 768). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee of conference. H. R. 3754. A bill providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States (Rept. No. 769). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. NORRELL:

H. R. 5060. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes; to the Committee on Appropriations.

By Mr. BARING:

H. R. 5061. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. CASE of South Dakota:

H. R. 5062. A bill to insure to consumers within a State a portion of the power and energy produced from Federal reservoir proj-

ects which flood lands of that State; to the Committee on Public Works.

By Mr. CLEMENTE:

H. R. 5063. A bill to authorize and direct the Secretary of the Army to accept the Croix de Guerre from the Government of France on behalf of the Seventh Armored Division; to the Committee on Armed Services.

By Mr. MASON:

H. R. 5064. A bill to impose income taxes on the business income of certain exempt corporations, and for other purposes; to the Committee on Ways and Means.

By Mr. PATTEN:

H. R. 5065. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. ALLEN of California (by request):

H. R. 5066. A bill to amend the act of March 3, 1901, so as to provide for a divorce from the bond of marriage for permanent and incurable unsoundness of mind; to the Committee on the District of Columbia.

By Mr. KING:

H. R. 5067. A bill to give effect to the convention between the United States of America and the Republic of Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington, May 31, 1949; to the Committee on Foreign Affairs.

By Mr. FELLOWS:

H. R. 5068. A bill to authorize the conveyance, for school purposes, of certain land in Acadia National Park to the town of Tremont, Maine, and for other purposes; to the Committee on Public Lands.

By Mr. MORRISON:

H. R. 5069. A bill to provide greater security to certain disabled veterans who are permanent classified civil-service employees of the United States; to the Committee on Post Office and Civil Service.

By Mr. MURDOCK:

H. R. 5070. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. RIVERS:

H. R. 5071. A bill to transfer control of federally owned golf courses under the jurisdiction of the Department of the Interior in the District of Columbia to the District of Columbia Recreation Board; to the Committee on Public Lands.

By Mr. SIMPSON of Pennsylvania:

H. R. 5072. A bill to amend section 131 (c) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 5073. A bill to amend the Public Health Service Act to provide for research and investigation with respect to the cause, prevention, and treatment of multiple sclerosis and related neurological diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 5074. A bill to promote the national defense by authorizing specifically certain functions of the National Advisory Committee for Aeronautics necessary to the effective prosecution of aeronautical research, and for other purposes; to the Committee on Armed Services.

By Mr. CARROLL:

H. R. 5075. A bill directing the Secretary of Agriculture to continue to operate and maintain an experiment station at or near Akron, Colo.; to the Committee on Agriculture.

By Mr. ZABLOCKI:

H. Con. Res. 90. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. VINSON:

H. Res. 242. Resolution to provide funds for the expenses of investigations and studies authorized by House Resolution 234; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 5076. A bill for the relief of Mrs. Ester Aspegren Bloom; to the Committee on the Judiciary.

By Mr. BOGGS of Delaware:

H. R. 5077. A bill for the relief of Mrs. Anna E. McSorley; to the Committee on the Judiciary.

By Mr. BUCKLEY of New York:

H. R. 5078. A bill for the relief of Jakob Clue, also known as Jacob Klueh; to the Committee on the Judiciary.

By Mr. CAMP:

H. R. 5079. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H. R. 5080. A bill for the relief of Arthur de C. Sowerby; to the Committee on the Judiciary.

By Mr. FUGATE:

H. R. 5081. A bill for the relief of Preston Lodge, No. 47, Ancient Free and Accepted Masons, of Jonesville, Va.; to the Committee on the Judiciary.

By Mr. JONES of North Carolina:

H. R. 5082. A bill for the relief of Mrs. Elizabeth McDowell Goekler (now Miss Elizabeth McDowell); to the Committee on the Judiciary.

By Mr. RIBICOFF:

H. R. 5083. A bill for the relief of Sister Maria Emelia (Anna Bohn); to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 5084. A bill for the relief of Mrs. Alene Niemann; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1047. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, memorializing the Secretary of State of the United States to increase the status of the representative to the Irish Republic to that of an ambassador; to the Committee on Foreign Affairs.

1048. By Mrs. ST. GEORGE: Petition protesting the transportation of alcoholic-beverage advertising in interstate commerce and the advertising of alcoholic beverages over the radio; to the Committee on Interstate and Foreign Commerce.

1049. By the SPEAKER: Petition of the Board of Chosen Freeholders of the County of Passaic, Paterson, N. J., relative to their endorsement and support of the bills H. R. 1356 and S. 362; to the Committee on Public Lands.

1050. Also, petition of Mrs. Marie A. Wood and others, Hialeah, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1051. Also, petition of John E. Brooks and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1052. Also, petition of Mrs. W. S. Sherman and others, Safety Harbor, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 9, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Let us pray: Almighty God, the God and Father of our Lord, Jesus Christ, and in Him, our Father also, we beseech Thee to teach us to pray. Knowing that perishing things of clay are at the last but vanity and vexation of spirit, help us to love Thee with all our heart and soul and mind and strength. Wilt Thou enter into our lives this very day and make them Thine—redeem them from fear and frustration, equip them, and empower them by Thy heavenly grace that they may be adequate for all the demanding duties and responsibilities confronting us as servants of the commonwealth and of the needy world. For Thine is the kingdom, the power, and the glory. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 8, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 8, 1949, the President had approved and signed the joint resolution (S. J. Res. 12) authorizing the President to proclaim the week in which June 6, 1949, occurs as Patrick Henry Week in commemoration of the sesquicentennial anniversary of the death of Patrick Henry.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, informed the Senate that Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, had been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to each of the following bills:

H. R. 1754. An act extending the time for the completion of annual assessment work on mining claims held by location in the United States for the year ending at 12 o'clock meridian July 1, 1949; and

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States.

The message also announced that the House had passed the following bill and

joint resolution, in which it requested the concurrence of the Senate:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; and

H. J. Res. 272. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 46) authorizing certain changes to be made in the enrollment of S. 714, the Public Buildings Act of 1949.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hoey	Neely
Baldwin	Holland	O'Conor
Brewster	Humphrey	O'Mahoney
Butler	Hunt	Pepper
Chapman	Ives	Reed
Connally	Jenner	Robertson
Cordon	Johnson, Colo.	Russell
Donnell	Johnston, S. C.	Saltonstall
Douglas	Kefauver	Schoeppel
Downey	Kem	Smith, Maine
Eastland	Kerr	Sparkman
Ecton	Langer	Taft
Ellender	Lodge	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McGrath	Tobey
Gillette	McKellar	Tydings
Graham	Martin	Wherry
Green	Maybank	Wiley
Gurney	Morse	Williams
Hayden	Mundt	Withers
Hendrickson	Murray	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. HILL], the Senator from Texas [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], and the Senator from Nevada [Mr. MCCARRAN] are detained on official business in meetings of committees of the Senate.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Idaho [Mr. MILLER], the Senator from Mississippi [Mr. STENNIS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] and the Senator from Wisconsin [Mr. MCCARTHY] are absent on official business.

The Senator from Washington [Mr. CAIN] and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Vermont [Mr. AIKEN] and the Senator from Indiana [Mr. CAPEHART] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. YOUNG] are detained because of their attendance at a meeting of the Committee on Appropriations.

The Senator from Nevada [Mr. MALONE] is necessarily absent.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may be permitted to introduce bills and joint resolutions and present routine matters for printing in the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

NATIONAL COMPULSORY HEALTH INSURANCE PROGRAM—RESOLUTION OF STATE COUNCIL OF SONS AND DAUGHTERS OF LIBERTY

Mr. JOHNSTON of South Carolina. Mr. President, I am in receipt of a letter from Mrs. Mabel Hall, chairman of the legislative committee, State Council of the Sons and Daughters of Liberty, Washington, D. C., together with a resolution adopted by the council, protesting against compulsory health insurance. I present them for appropriate reference and ask unanimous consent that they be printed in the RECORD.

There being no objection, the letter and resolution were referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 9, 1949.*

The Honorable Senator OLIN JOHNSTON,
United States Senate,
Washington, D. C.

DEAR SENATOR JOHNSTON: You will find, enclosed with this letter, a copy of the resolution passed by the State Council of the Sons and Daughters of Liberty, who assembled and went on record as opposing the compulsory health insurance.

This organization has a membership of over 45,000 members throughout the United States and, as chairman of the legislative committee, I oppose this bill in behalf of the National Council of the Sons and Daughters of Liberty.

Very truly yours,

MRS. MABEL HALL.

Whereas the American family has received the finest quality of medical care available in any country in the world, developed under our system of free enterprise; and

Whereas compulsory health insurance, wherever tried, has caused a decline in national health and deterioration of medical standards, and facilities, to the detriment of family welfare; and

Whereas compulsory health insurance, wherever tried, has taken away the family's right to choose its own family physician; and

Whereas invasion of family privacy and violation of the sancity of the patient-physician relationship have proved to be one of the most objectionable features of compulsory health insurance, wherever tried; and

Whereas compulsory health insurance would result immediately in a tax of 3 percent on the income of the American working man, rising within a few years to 6 percent, and higher, creating a new tax burden which would reduce household budgets and bring down family standards of living; and

Whereas Government control of medical services, by gradually undermining free enterprise and establishing heavy new tax burdens and unprecedented national deficits, would threaten national bankruptcy and encourage the spread of socialism, which would endanger the rights of our children to the individual freedoms which have been the American heritage: Now, therefore, be it

Resolved, That the Sons and Daughters of Liberty does hereby go on record against any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control;

That a copy of this resolution be forwarded to the President of the United States and to each Senator and Representative, and that said Senators and Representatives be and are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation.

SONS AND DAUGHTERS OF LIBERTY.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Armed Services:

S. 1742. A bill removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy; without amendment (Rept. No. 478).

By Mr. SALTONSTALL, from the Committee on Armed Services:

S. 1688. A bill to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army; with an amendment (Rept. No. 481).

By Mr. GEORGE, from the Committee on Finance:

S. 2010. A bill to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property; without amendment (Rept. No. 480).

By Mr. NEELY, from the Committee on Post Office and Civil Service:

S. 771. A bill to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes; without amendment (Rept. No. 479).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 12. An act to amend the Civil Aeronautics Act of 1938, as amended; without amendment (Rept. No. 482).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

H. J. Res. 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes; with amendments (Rept. No. 483).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 9, 1949, he presented to the President of the United States the following enrolled bills:

S. 42. An act for the relief of Ellen Hudson, as administratrix of the estate of Walter R. Hudson;

S. 146. An act conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others;

S. 147. An act for the relief of H. Lawrence Hull;

S. 165. An act for the relief of William F. Thomas;

S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken;

S. 408. An act for the relief of the estate of William E. O'Brien;

S. 782. An act for the relief of William S. Meany;

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 948. An act for the relief of Mickey Baine;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog;

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes; and

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1929 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

S. 2026. A bill to provide for the preservation of the frigate *Constellation;* to the Committee on Armed Services.

By Mr. TAYLOR:

S. 2027. A bill to provide for the appointment of postmasters at post offices of the first, second, and third classes by promotions within the service; to the Committee on Post Office and Civil Service.

(Mr. MUNDT introduced Senate bill 2028, to permit the Board of Education of the District of Columbia to participate in the foreign-teacher exchange program in cooperation with the United States Office of Education, which was referred to the Committee on the District of Columbia, and appears under a separate heading.)

By Mr. GREEN:

S. 2029. A bill to authorize the admission into the United States of certain aliens possessing special skills, namely, Teodor Egle, Karlis Fogelis, Vasily Kils, and Aleksanders Zelmenis; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 2030. A bill to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions; to the Committee on Post Office and Civil Service.

By Mr. WILEY:

S. 2031. A bill for the relief of the Willow River Power Co.; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. J. Res. 105. Joint resolution to provide unrestricted entry privileges for Sister Elizabeth Kenny; to the Committee on the Judiciary.

PARTICIPATION IN FOREIGN TEACHER EXCHANGE PROGRAM BY DISTRICT OF COLUMBIA TEACHERS

Mr. MUNDT. Mr. President, I introduce for appropriate reference a bill to make teachers of the District of Columbia eligible for the foreign teacher exchange program under the terms of the so-called Smith-Mundt bill.

The bill (S. 2028) to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education, was received, read twice by its title, and referred to the Committee on the District of Columbia.

INCREASE IN LIMIT OF EXPENDITURES FOR INVESTIGATIONS BY COMMITTEE ON APPROPRIATIONS

Mr. McKELLAR, from the Committee on Appropriations, reported an original resolution (S. Res. 126), which, under the rule, was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for other purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

SALE OF CERTAIN GOVERNMENT REAL PROPERTY TO FORMER OWNERS—AMENDMENT

Mr. DOWNEY submitted an amendment intended to be proposed by him to the bill (S. 1600) to give former owners of certain Government real property a right to purchase such property if and when it is offered for sale, which was referred to the Committee on Public Works, and ordered to be printed.

DEPORTATION OF CERTAIN ALIENS—INDEFINITE POSTPONEMENT OF BILL

Mr. LUCAS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (S. 1985), to facilitate the deportation of aliens from the United States, to provide for the supervision and detention pending eventual deportation of aliens whose deportation cannot be readily effectuated because of reasons beyond the control of the United States, and for other purposes, and that it be indefinitely postponed, in order that I may give it further study and consideration.

The VICE PRESIDENT. Without objection, it is so ordered.

HOUSE BILL AND JOINT RESOLUTION PLACED ON CALENDAR OR REFERRED

The following bill and joint resolution of the House of Representatives were each read twice by their titles and ordered to be placed on the calendar, or referred, as indicated:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; ordered to be placed on the calendar.

H. J. Res. 272. Joint resolution making temporary appropriations for the fiscal year 1949, and for other purposes; to the Committee on Appropriations.

NOTICE OF HEARING ON S. 1681, TO PROHIBIT THE PICKETING OF COURTS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Wednesday, June 15, 1949, at 10:30 a. m., in room 424, Senate Office Building, on S. 1681, to prohibit the picketing of courts. The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], chairman, the Senator from North Carolina [Mr. GRAHAM], and the Senator from Indiana [Mr. JENNER].

NOTICE OF HEARINGS ON S. 873 AND H. R. 3436, TO AMEND SECTION 3 OF THE LUCAS ACT WITH RESPECT TO REDEFINITION OF REQUEST FOR RELIEF

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled to be resumed on Monday, June 13, 1949, at 2 p. m., in room 424, Senate Office Building, on S. 873 and H. R. 3436, to amend section 3 of the Lucas Act with respect to redefinition of request for relief. The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], chairman, the Senator from Maryland [Mr. O'CONOR], and the Senator from Michigan [Mr. FERGUSON].

LEAVES OF ABSENCE

Mr. MARTIN asked and obtained consent to be absent from the Senate beginning at 2 o'clock this afternoon, and including Tuesday next.

Mr. FLANDERS asked and obtained consent to be absent from the Senate tomorrow.

Mr. BALDWIN asked and obtained consent to be absent from the Senate tomorrow.

Mr. McCLELLAN asked and obtained consent to be absent from the Senate tomorrow and Saturday.

Mr. ROBERTSON asked and obtained consent to be absent from the Senate tomorrow and Saturday.

Mr. FULBRIGHT asked and obtained consent to be absent from the Senate tomorrow and Saturday.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GILLETTE the subcommittee of the Senate Committee on Agriculture and Forestry considering the question of the utilization of farm products was authorized to meet this afternoon during the session of the Senate.

CONSTRUCTION OF SCHOOL FACILITIES—STATEMENT BY SENATOR MAGNUSON BEFORE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a statement relative to the construction of school facilities, made by him before a subcommittee of the Senate Committee on Labor and Public Welfare, which appears in the Appendix.]

DEATH OF THEOPHOLIS BOND—EDITORIAL AND RESOLUTION

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an editorial published in the Memphis Press-Scimitar of April 29, 1949, and a resolution adopted by the Memphis Negro Chamber of Commerce, concerning the death of Theopholis Bond, which appear in the Appendix.]

MR. GIANNINI'S FORMULA—EDITORIAL FROM PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Giannini's Formula," published in the Philadelphia Inquirer of June 7, 1949, which appears in the Appendix.]

OPERATIONS OF GENERAL COUNSEL'S OFFICE OF NATIONAL LABOR RELATIONS BOARD—ARTICLE BY PAUL KLEIN

[Mr. NEELY asked and obtained leave to have printed in the RECORD an article entitled "Mr. Denham Plays God," written by Paul Klein and published in the Nation for December 13, 1947, which appears in the Appendix.]

PHILIP B. PERLMAN, SOLICITOR GENERAL OF THE UNITED STATES—ARTICLE BY FRANK R. KENT, JR.

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an article entitled "Philip Perlman's Score 'Perfect' for Term of Supreme Court," written by Frank R. Kent, Jr., and published in the Baltimore Evening Sun, of June 8, 1949, which appears in the Appendix.]

PREAMBLE OF THE NORTH ATLANTIC PACT—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement which I have prepared regarding Senate Resolution 121 cosponsored by 14 Senators and myself regarding a spiritual interpretation of America's heritage in connection with the preamble of the North Atlantic Pact. I ask unanimous consent that the text of this statement be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON SENATE RESOLUTION 121

Mr. President, on May 27 it was my pleasure to offer on behalf of the senior Senator of New Jersey, our able colleague [Mr. SMITH] and on behalf of 13 other Senators, Senate Resolution 121. The purpose of this resolution was to indicate the interpretation of the United States Senate of the preamble to the North Atlantic Treaty as including "this Nation's most precious heritage—our continuing faith in our dependence upon Almighty God and His guidance in affairs of men and nations."

May I respectfully refer the attention of my colleagues to page 6944 in the RECORD in which I submitted my own statement, along with excellent commentary which the Senator from New Jersey had prepared but which he was unable to deliver personally at the time.

The reason for my comment now is that I am glad to report that the Senate Foreign Relations Committee has wisely decided to place in Executive Report No. 8 on the North Atlantic Pact the following last paragraph:

"In tendering this unanimous report on the North Atlantic Treaty, we do so in furtherance of our Nation's most precious heritage—shared in common with the other signatories—continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations."

Mr. President, some cynics may scoff to the effect that this is a minor or insignificant commentary in the report. Some folks who are exclusively concerned with material force and material meaning may not see the dynamic spiritual import of that single paragraph. As I stated, however, on May 27, the single idea expressed in Senate Resolution 121 and now in Executive Report No. 8 is the sort of idea that we need in this troubled world which is hungering for "light."

Here, we hold aloft the torch of man's spiritual heritage, although our totalitarian enemies extinguish the flame of spiritual splendor in so many areas of the globe.

Every American churchgoer rejoices in the unanimous action of the Senate Foreign Relations Committee. Every man of good will, every man and woman and child of God throughout the civilized globe takes heart in this single, humble, simple paragraph of the Foreign Relations Report. We hope that the flame of that thought will be fanned so that it may glow ever brighter in this darkening world.

ENDORSEMENTS OF RESOLUTION

Within the short time since Senate Resolution 121 was introduced I have been happy to hear from many folks in my State and elsewhere endorsing the idea of Senate Resolution 121. No single objection has come. There has been only praise of Senator SMITH, my colleagues, and this humble servant on behalf of our action. We take pride in this effort which the men of materialism may sneer at. We take pride because the action of the Foreign Relations Committee is in complete harmony with the actions of the founding fathers of our Nation and of Americans throughout our history in reaffirming our spiritual heritage.

Mr. President, as an indication of grassroots endorsement of our action, I ask unanimous consent that there be printed at this point in the RECORD three sample quotations from two clergymen and one layman in my own State of Wisconsin. I have omitted their names out of respect of the private confidence in which they wrote. Suffice it to say that these three communications represent the thinking of different religious faiths. Here men of different denominations have joined in a common objective just as Senators of different religions joined in backing Senate Resolution 121 and in writing the Foreign Relations report.

We hope our action and the sentiments of grass-roots America will be a symbol which will be seen throughout the world.

QUOTATIONS FROM THE GRASS ROOTS OF AMERICA

From a clergyman in Milwaukee:

"JUNE 6, 1949.

"A few days ago I received a copy of your statement made in the United States Senate on Friday, May 27, 1949, in which you gave a spiritual interpretation of the North Atlantic Pact. I want you to know of my personal appreciation to you for your interest in the spiritual aspect of our American liberty. Many of us have been aware, and that with a note of sadness, of the United Nations' omissions of that which pertains to faith in Almighty God. It is regretful that no session of the UN has ever been opened with prayer. I am convinced, Senator, that as a Nation we can go no further than we are willing to go upon our knees. I am often reminded of the words found in II Chronicles 7: 14, with which I am sure you are familiar.

"I trust, Mr. WILEY, that the resolution which you offered on behalf of Senator SMITH of New Jersey, 14 other Senators, and yourself will be favorably received and acted upon by the Committee on Foreign Relations.

"With kindest personal regards and every good wish, I am,

"Yours in Christ."

From a church group in Manitowoc County:

"JUNE 6, 1949.

"We have read with much interest your statement in the United States Senate relating to the spiritual interpretation of the North Atlantic Pact.

"In a meeting of our County Churchmen's Society, held on June 4, the secretary was authorized to write you to thank you for the statement, and also that we endorse your resolution (S. Res. 121), which was referred to the Foreign Relations Committee for their consideration.

"We are writing the Foreign Relations Committee telling them that we have endorsed the resolution."

From another Milwaukee clergyman:

"MAY 31, 1949.

"I am pleased with the valuable services you rendered when you introduced the resolution giving a spiritual interpretation to an important clause of the North Atlantic Pact.

"Your remarks introducing the interpretation by plainly stating 'our continuing faith in our dependence upon Almighty God and His guidance in the affairs of men and nations' are an encouraging sign that thinking men want to give God the recognition due Him. For those courageous words I thank you even more.

"May Wisconsin continue to be blessed by your valuable services for years to come."

PROMOTIONS IN THE MARINE CORPS

Mr. TYDINGS. Mr. President, as in executive session, I send to the desk a list of routine promotions in the Marine Corps, which are reported unanimously from the Committee on the Armed Services, and to which no objections have been filed by any person.

The VICE PRESIDENT. The report will be received.

Mr. TYDINGS. Mr. President, I now ask unanimous consent for immediate consideration of the promotions in the Marine Corps, that the nominations may be confirmed, and the President notified.

The VICE PRESIDENT. Is there objection? The Chair hears none and, without objection, the nominations in the Marine Corps are confirmed, and the President will be notified.

TREASURER OF THE UNITED STATES

Mr. GEORGE. Mr. President, as in executive session, I ask unanimous consent to file a favorable report from the Committee on Finance on the nomination of Mrs. Georgia Neese Clark, of Kansas, to be Treasurer of the United States.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. GEORGE. Mr. President, as in executive session, I now ask unanimous consent that the Senate consider and confirm the nomination, and that the President be notified.

Mr. SALTONSTALL. Mr. President, reserving the right to object, I wish to say that I understand from the Senator from Georgia that the reason for his request is that the Office of Treasurer of the United States is not filled at this time, so there is no one who can sign the currency; and that the report from the Committee on Finance on the nomination is unanimous.

Mr. GEORGE. The report from the Committee on Finance is unanimous. As Senators all know, Mr. Julian, the Treasurer of the United States, lost his life in an automobile accident a few days ago.

Mr. President, the nominee comes from the State of Kansas. She not only has the unanimous approval of the Senate Finance Committee, but she is approved by both the senior and junior Senators from the State of Kansas.

Mr. REED. Mr. President, I rise to support the statement just made by the Senator from Georgia, the chairman of the Finance Committee. Speaking for myself and the junior Senator from Kansas, I wish to say that we have no objection to this nomination, in fact, we desire very much that it be confirmed.

Mr. SCHOEPPEL. Mr. President, I desire to concur in the statement of the senior Senator from Kansas, and to join in the request made by the distinguished Senator from Georgia for immediate confirmation of the nomination.

Mr. GEORGE. Mr. President, I wish to thank the Senators from Kansas.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia for the immediate consideration of the nomination? The Chair hears none and, without objection, the nomination is confirmed. Without objection, the President will be notified.

DISMANTLING OF GERMAN PLANTS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram which I have received from Frankfort, Germany, relative to the dismantling of the Fischer-Tropsch plant. The telegram is signed by the management director and the chairman of the workers.

Also a telegram from the same place, signed by Director Combles, for the Workers Council.

Also a radiogram received in connection with the same plant, from the Workers Council, signed by Dr. Kampf Moellmann.

Also another radiogram signed by E. Tombers, chairman of the Workers Delegation.

Also a telegram dealing with the dismantling of another plant over there, signed by the Workers Council, H. D. Weber, chairman.

Later in the day I expect to speak on this subject.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

FRANKFURT AM MAIN, *June 9, 1949.*

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Senate Office Building, Washington, D. C.:

As we are informed about your interest in helping campaign against destruction and in economical and political revival in Europe, we kindly ask you to consider following facts: Destruction has been ordered for the Fischer-Tropsch plant of hard coal mine Rheinpreussen; plant never served armament purpose; our products are destined for peacetime consumption; our synthesis plant works with coal-mine and coke-oven plants technical teamwork; 50 percent of factory inmates are invalids and disabled workers; we consider procedure of dismantling nonsensical since Fischer-Tropsch plants or eastern zone Germany continue and enlarge working capacity, while general dismantling stop was ordered in Japan under MacArthur; impending destruction of our peaceful industry causes tremendous unrest amongst population; in view coming western German elections danger of radicalization is no propaganda farce; we are willing to put our whole plant under allied control; we intend contribution to establishment of unified Europe as teamwork unit devoid of both narrow nationalism and radicalism.

STEINKOHLENBERGWERK, RHEINPREUSSEN, HOMBERG, NIEDERRHEIN, DEUTSCHLAND,
DR. GRIMME,
For the Management.
G. WIELAND,
Chairman, for the Workers Council.

FRANKFURT AM MAIN, *June 9, 1949.*

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Senate Office Building, Washington, D. C.:

Since we are informed that you concentrate your interest recovery of western Europe by ERP, we want you to know that we received order by British Government by June 4, 1949 announcing dismantling of our Fischer-Tropsch plant in Wanneeickel. Start of dismantling has been fixed on June 8, 1949, to be accomplished not later than by the end of this year. Consternation amongst workmen and employees is tremendous since nobody comprehends order for further dismantling in this town already extremely ravaged. The plant was restored in 1946 immediately by order of British military government. Unemployment in this town already twice the average of north Rhine Westfalia. In case of closing down this plant number of unemployed in this region would increase dangerously, 50 percent of employees are pit-invalids, disabled men and women. No other jobs available, political radicalism amongst population; for this purpose 12,000,000 marks were invested. Mr. Heimueller, trade-union representative, Wanne-Eickel, declared: "Why should building materials and iron be wasted by dismantling?" Considering that these materials could instead have been used to build and to repair houses. Inevitable democratic teamwork idea being periled immensely. On posters workmen proclaimed following slogan: "Bevin, why don't you stop dismantling? Don't forget: War is won, peace not yet," and "Is Vishinsky right? 10,000 more proletarians." Production of plant is serving the peace market as everybody can give evidence of. Therefore nobody grasps idea of enlisting plant in war industries category. We produce raw materials for chemical industries of peacetime character, which in dismantling case must be imported via foreign exchange expenditures; this would imply increase of exports at any price. Allied control of plant would be accepted readily; your assistance badly needed. Help us. Stop dismantling.

FISCHER-TROPSCH ANLAGE, TRIEBSTOFF-WERK WANNE-EICKEL, RUHGEBIET,
COMBELS, *Chairman.*
For the Management, Chairman of the Workers.

FRANKFURT AM MAIN, *June 9, 1949.*

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Senate Office Building, Washington, D. C.:

Knowing about your interest in quick realization ERP. We kindly appeal for your cooperation in concerted effort to save German Fischer-Tropsch production of which Gewerkschaft Victor is vital part. Many international authoritative statements against "dismantling nonsense" available. New order is particularly decisive for our plant, since Fischer-Tropsch factory works with coke oven plant and nitrogen plant in unison. Four hundred workers would have to be fired. Though big percentage workers consists of out-bombed, war crippled, and bodily disabled persons. Psychological situation tense amongst workers though discipline extraordinary so far. Anxiety about future of 35,000 workers plus dependents during period of increasing unemployment seriously affects morale whole Ruhr population. Tremendous unrest breeding amongst employees and population. Our workers do not grasp this prevention of peaceful production calling the measure a crazy result of Morgenthauism. We are not offering Potemkin villages to American public, any investigation by official or private organization welcome. A "watchdog committee" wanted representing both practical and spiritual Marshall-plan conception. Repeated security argumentation out of date. Success ERP and Christian civilization gravely endangered by dismantling. Let teamwork march. Stop dismantling, stop it now.

GEWERKSCHAFT VICTOR,
Dr. KAMPF MOELLMANN,
Castrop-Rauxel Ruhr District for the Management, for the Workers Council.

FRANKFURT AM MAIN, *June 9, 1949.*

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Senate Office Building, Washington, D. C.:

We kindly ask you to direct your attention to following vital facts. Our Fischer-Tropsch Plant I on the verge of destruction because of application of the Washington agreement on prohibited and limited industries in Germany. 500 workers of the Ruhrchemie Company would have to quit amongst whom many war victims and disabled persons. 1,200 Germans including persons disabled by war and female workers could find productive jobs in case of a working permit for them. Withdrawal of license means important set-back to plant and to fetted Red genius of invention amongst younger gerneration since Ruhrchemie developed the Fischer-Tropsch procedure from small laboratory stages into big scale technique. Nobody catches the purpose of this measure since Fischer-Tropsch production definitely does not serve the war potential. From start on our aim of production was the output of Fischer-Tropsch products, different types of hydrocarbons serving as raw material for the chemical industries. We anticipate political radicalization. Jammed workers meeting unanimously okayed spontaneous statement by Johann Tombers, president of Workers Council: "Our young democracy will faint by these dismantlings."

RUHRCHEMIE, A. G.,
OBERHAUSEN HOLTEN,
Dr. TRAMM,
For the Management,
E. TOMBERS,
Chairman of Workers Delegation.

FRANKFURT AM MAIN, *June 9, 1949.*

Hon. WILLIAM LANGER,
United States Senator from North Dakota, Senate Office Building, Washington, D. C.:

We are sure to find your interest for following fateful events: Our Bergkamen plant received dismantling order to be carried out without delay. Bergkamen produced only products supplying civilian population thereby not being liable under Potsdam agreement. Military government held same opinion and therefore gave license for reconstruction of plant which had been seriously damaged by war events. This happened in November 1945 and 12,000,000 marks were spent for reconstruction. Close tieup with Nehbor mine and coke oven plant is basis of economic operation. Plant achieved one-third of net gains of entire mining company comprising 18,000 workers. Plant occupies 200 women apart from 600 men amongst which many mining invalids. Nehbor mine Grimberg suffered biggest mining catastrophe of whole Ruhr in February 1946, totaling 404 victims. Family members of victims lost all means of existence by western German currency reform and can be occupied in our plant whilst otherwise they would be dependent upon public welfare. Population of war damaged community Bergkamen cannot grasp allied dismantlomania. Embittered Ruhr inhabitants point out that similar plants in Russian occupied zone and behind iron curtain are in full swing. Special conditions in plant invite participation in long distance gas supply. Nobody all over the Ruhr comprehends contradiction of military government orders first okaying reconstruction then ordering redestruction. We depend on your assistance for helping us to put common sense into practice in Europe too.

ESSENER STEINKOHLENBERGWERKE,
ESSEN,
Director SCHWENKE,
For the Management.
H. D. WEBER,
Chairman, for the Workers Council.

THE WHEAT PROGRAM OF THE DEPARTMENT OF AGRICULTURE

Mr. WILLIAMS. Mr. President, yesterday the price of wheat in the Southwest advanced 10 cents a bushel, the large part of which advance was attributed to the fact that at the same time the Secretary of Agriculture announced that the President had signed the bill to amend the Commodity Credit Corporation Charter Act, he also announced his new three-phase program to support the current crop of wheat, the application of which had been withheld until the bill was signed, in order that it might have a spectacular influence on the market, and thereby further substantiate his claims made during the recent political campaign that the old law was too restrictive.

To set the stage for yesterday's spectacular advance, the record shows that within a few hours after the Senate on May 26 refused to give the Secretary of Agriculture exclusive control over the $5,000,000,000 Commodity Credit Corporation by rejecting the conference report, the Department almost completely suspended its operations in the wheat market, with the inevitable result that the market declined drastically. During the period between May 26 and yesterday the Department withheld the announcement of its program to handle the new crop wheat, thus forcing the farmers to dump their wheat on the market for what they could get. The situation was that with the market in this demoralized condition, any announcement by the Department stating that it was going to stabilize the market by placing into full-scale operation a more liberal loan and purchase program was bound to be reflected in higher prices.

This is not the first instance in which the Secretary of Agriculture, at the expense of the taxpayer and to the detriment of the farmer, has manipulated the markets for a purpose. I have already called to the attention of the Senate how, immediately preceding the election, the Department of Agriculture not only failed to apply the support program on corn but also withheld, during this same period, purchases of this commodity for the export program with the result that in the period immediately preceding the election of 1948 corn was allowed to drop as low as $1 a bushel on the farm. Proof that this was not caused by lack of storage facilities is evidenced by the fact that during the 8 weeks' period immediately following the election, over 80,000,000 bushels of corn alone were handled under the support program without the addition of a single grain bin.

The first step of the Secretary's three-phase program announced to the press yesterday includes the "liberation of provisions of the Department's price support grain loan program," and that the "Commodity Credit Corporation will grant distress grain loans immediately," amounting to "75 percent of the full support level," which would be advanced to the farmer at the time he takes out the distress loan, with the remaining balance of the full price support loan being paid when the grain was in storage. The Secretary also said that the Department would "use Government-owned war surplus facilities where available." He emphasized that this would help the farmers in the movement of their grain during the current harvest period.

In announcing the above proposals, the Secretary of Agriculture gave the impression that this program was the result of the passage of the new law of the Eighty-first Congress amending the Commodity Credit Corporation Charter Act. The truth of the matter is that there is not one single proposal outlined above which could not have been carried out in its entirety under the provisions of the old law as passed by the Eightieth Congress.

In the second step outlined in the Secretary's press release he announced that "as part of this effort to increase farm storage quickly, CCC will make loans to farmers for the purchase or construction of farm storage to the extent of 85 percent of the cost of the facilities. These loans, bearing interest at the rate of 4 percent a year, will be payable in five annual installments, or earlier at the farmer's option." Once again he deliberately gave the impression that this new procedure was the result of authority extended to him under the new act just signed by the President. But I emphasize once again that there was not a single provision in the law as passed by the Eightieth Congress last year which would have prevented him from carrying out exactly the program outlined above. The legislative counsel of the United States Senate had ruled that under section 5 (b) of the Commodity Credit Corporation Charter Act, the Corporation was authorized to make available facilities required in connection with the production and marketing of agriculture commodities, which would include grain bins, and that under the charter was authorized to render assistance to the farmer through either loans or subsidies. The failure of the Secretary to exercise his authority under the law as passed by the Eightieth Congress can be attributed to one thing only, and that is that the Secretary of Agriculture thought it more important to influence the outcome of last year's election than it was to protect the interests of the American farmer by carrying out the provisions of the law.

In the third step outlined by the Secretary in his announcement yesterday he said:

> The Corporation at present owns approximately 45,000,000 bushels capacity of bin-type storage and believes that an additional 50,000,000 bushels of comparable storage, properly located, will materially assist in meeting storage needs for the immediate future. This additional storage for the CCC stocks will help make it possible for farmers, grain dealers, and the railroads to handle the volumes of grain coming in at the peak of harvest.

It is true that under section 4 (h) of the law as passed by the Eightieth Congress the Corporation was restricted from purchasing additional storage capacity in its own name. This is the only restriction, as related to storage facilities, which was placed upon the Corporation by the Eightieth Congress, and this restriction was agreed upon by every Member of the United States Senate, including the 47 Democratic Members. The reason this restriction was placed in the bill was that at that time Congress did not know that the Corporation, through gross mismanagement, had dissipated its once adequate storage facilities. It was only after the Secretary of Agriculture and President Truman, during the political campaign, complained of an inadequacy in storage facilities that Congress, upon investigation, found that the Corporation had liquidated or lost track of over 80 percent of its storage capacity. Actually, the records show that at one time the Corporation owned a total of over 292,000,000 bushels capacity which was liquidated down to slightly over 41,000,000 bushels. This liquidation was actually being conducted by one branch of the Department of Agriculture as late as December 1948, during the same period in which the Secretary, in political speeches, was pleading for more storage. This 250,000,000-bushel storage capacity owned by the Corporation which was declared surplus and sold at a fraction of its replacement value resulted in a loss to the taxpayers of over $9,000,000.

The Comptroller General, Hon. Lindsay Warren, in auditing the books of this Corporation reported to the Senate on March 30, 1949, the inefficient and incompetent manner in which the storage

program of the Corporation had been conducted when he said:

> The Corporation did not exercise satisfactory control over its investment in fixed assets, particularly grain bins and related equipment. Records were not maintained in such a way as to enable the Corporation (or us) to know the location or condition of such assets, whether, in fact, they were still owned by the Corporation, or whether all income resulting from rental or sale has been received.

It is hard to understand how the Secretary of Agriculture can justify his claim that the Eightieth Congress was responsible for the inadequate facilities, when according to the Corporation's own records they at one time owned more than double the amount they have ever claimed as essential and that not only had these been disposed of, but, actually, according to the Comptroller General, they did not even know at that time how many bins they owned or where they were located, if they did know they owned them.

There are just two reasons to which I can attribute the failure of the Secretary of Agriculture to assist the farmer in providing on-the-farm storage last year and this year, as authorized under the law, and his determination to place on the Eightieth Congress the responsibility for their lack of adequate storage facilities. The first reason is that the Secretary of Agriculture was more interested in influencing the outcome of the recent election than he was in rendering assistance to the farmers. The second reason was that he was trying to create a critical situation in the storage program in a deliberate attempt to divert the attention of Congress from the books of the Corporation, when he knew these books, if made public, would show that for the staggering sum of over $366,000,000 which had been spent, no accounting was available.

THE FISCAL AND ECONOMIC SITUATION

Mr. WILEY. Mr. President, I wish to say a few words in regard to what I think is a very interesting and significant matter of great concern to all the people of our country. I am sure every Senator receives letters expressing concern over the fiscal policies of our country and over the large amount of bonds outstanding and the unemployment that is creeping over our land.

In this connection I wish to quote two great Americans. Thomas Jefferson said:

> The principle of spending money to be paid by posterity under the name of funding is but swindling futility on a large scale.

As to the matter of funding, I say that one of the ideas now current, coming from the administration, is that we should create a larger indebtedness. At the present time we are putting on a big bond-selling drive. I hope the money resulting from the sale of the bonds will simply be used to fill the gap between Government income and what is required to be paid out for the bonds which come due this year.

Woodrow Wilson said:

> The way to stop financial joy-riding is to arrest the chauffeur—not the automobile.

Mr. President, the Congress of the United States is beginning to think soberly about this subject of a balanced budget, largely because people back home are becoming concerned about the economic situation. Woodrow Wilson said that the thing to do was to arrest the chauffeur. Of course, Congress is the chauffeur. The appropriations the Congress is going to make will determine whether we shall go on the financial joy-ride about which Woodrow Wilson spoke.

Mr. President, I was very much interested in a news letter which I received today, in which it is said that the ECA misisons abroad point out that, before the war, trade among what are now known as the Marshall-plan countries amounted to from 40 to 50 percent of their total trade, whereas under the wholesale bilateralism which immediately followed the war, that trade approached the vanishing point. In the news letter it is said that the payments plan made effective last year has not worked well, for under it intra-European trade has reached only 10 percent of the total trade.

The significant statement made in that connection, Mr. President, is that the firm American policy is that, regardless of the ultimate decision as to currency valuation, the United States is no longer going to finance, through ECA, a program which makes no progress away from bilateral restrictions, and which more and more operates as a barrier to the competition of American exports in world markets.

Mr. President, economically we are living in more or less one world, so that conditions in one section of the world affect conditions in another. Therefore we must think this matter through. When we consider the amount of Government currency and bonds outstanding, we begin to realize that this is a government-note world. When we consider what the government bonds in other countries are worth, we are caused to wonder what would happen to the $250,000,000,000 indebtedness of the United States Government if we were to permit ourselves to go into an economic tailspin or to set forth upon an economic joy ride.

We are the masters of our destiny, if we really demonstrate mastery. In the words of Woodrow Wilson, if we, the chauffeurs, demonstrate our mastery, we shall not go on an economic joy ride.

Mr. President, this matter calls for the exercise of economic common sense in a creative economy in which we shall omit superfluous spending, and shall make only such governmental expenditures as will bring about economic health. We must avoid unnecessary expenditures, bearing in mind that in government, as with the individual, it is wise to follow the directive: Neither a prodigal nor a miser be.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. WITHERS. Mr. President, I wish to address myself to the pending measure.

At the outset, I should like to say that I hope I am reasonable in my attitude regarding this matter. It is said that when a man thinks he is reasonable, he always finds a reason for the position he wishes to take. I am not claiming that I have arrived at the position I advocate through any process of thinking, although of course I wish to say I believe I have, and one hardly has any trouble believing what he wishes to believe.

I am sure I find myself at variance with quite a few good lawyers, more especially with the Senator from Ohio. I doubt whether we shall be at much variance 2 years from now, if he continues to show the progress he has shown in the past. Already he has traveled quite a long way from the position he took at the time when the Taft-Hartley bill was passed, for thus far he has found as many as 26 mistakes in that law, leaving approximately 20 points or features which he now regards as good, although I think he will abandon them between now and the next Congress, when probably we shall find him and the Senator from Utah [Mr. THOMAS] sitting down at the same table, and the two of them will be sufficient to write a splendid labor bill.

I have the greatest confidence in the integrity and ability of the distinguished Senator from Ohio, and I know he intends to aid in the passage of only what he considers just and proper legislation. But, in some respects, he might find himself in the same position in which I find myself, namely, hoping that he is a reasonable man and that he will be actuated by sound reasons, although, Mr. President, we should recall that Benjamin Franklin said he could always find a good reason for believing what he wanted to believe.

The amendment to be offered by the Senator from Illinois, for himself and other Senators, defining certain powers of the President, does not constitute, according to the opinion of many good lawyers, any enlargement of power to him or a grant to him of any specific powers, but only an act of Congress defining certain powers which he should exercise. I am inclined to follow the opinion of those lawyers who believe that the President has implied powers to act in cases of emergency. It is contended by some that he does not have any implied powers, but only such powers as are specifically granted to him by the Constitution and the acts of Congress. It will be noted the Constitution does not give to him very many specific powers, but it does declare him to be the President and Chief Executive Officer of the United States and Commander in Chief of the Army and Navy.

The mere naming of his position—Executive Officer—in my opinion charges the President with maintaining the administration of affairs. Failure to do so to a full measure could even mean the violation of his oath as such executive.

The Federal Government has never adopted the common law as a national law, though it has been adopted by several States. Yet, many governors under the common law have implied powers to carry out their duties and responsibilities. For instance, President Coolidge,

while Governor of Massachusetts, exercised the power to break the policemen's strike, in the absence of any specific authority. Many of the States have more extensive powers enumerated in their constitutions, and, furthermore, they have their common-law principles which may be applied in certain cases by the governor.

The several States of the Union have the right of injunction against the destruction of property, and such relief may be granted under the laws of the several States in respect to preserving the status quo of the properties of management and of labor.

It may be insisted the Constitution is a grant of powers by the several States, and all powers not specifically granted are reserved to the States. Or it may be insisted the President has no powers except as expressed by the Constitution and by law. I am inclined to the opinion there is a difference between the "limiting of power" and "implied authority." The power of the President would certainly be limited if he could only act under legislation. Suppose Congress were not in session and certain emergencies should arise that Congress had not anticipated, and there was no specific legislation to cover the particular situation. Such an emergency would be upon us before Congress could be convened or could act.

Again we refer to the President's position as that of the Chief Executive Officer. Again we point out that should the Executive fail to act, he might well be charged with ignoring his responsibility to preserve and maintain the Nation's safety. Are we afraid to recognize in him any implied authority? We have a remedy against an abuse of power. Congress on its return to the seat of government has the right to curb gross violations even to the point of impeachment.

Under a condition where the national welfare is imperiled, all of us would demand the President take some action. Certainly he would, whether or not we made the demand. I am glad I believe the President does have such powers. It may be contended they are dangerous powers and would make of the President a dictator. He always has dictatorial power in case of war. If he has the right as the Chief Executive Officer to act to maintain the peace and dignity of this country abroad in case we are attacked, he certainly should have the right to act to maintain its peace and dignity at home when the national safety is imperiled by a cold war.

Mr. TAFT. Mr. President, does the Senator care to yield, or does he prefer to finish his statement first?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Ohio?

Mr. WITHERS. I yield.

Mr. TAFT. I ask whether the Senator believes that the President not only has inherent power to secure an injunction but also has inherent power to seize property in case he thinks there is an emergency?

Mr. WITHERS. I may answer the Senator in this way: It would be difficult to find two cases which were parallel. I would say the powers of the President should be general and that he should be governed by the exigencies of the occasion. I would say that whatever power seemed to be justified at the time should be exercised by him.

Mr. TAFT. Is the President the sole judge of whether an emergency exists, such as would justify the exercise of those powers? If not, who is the judge?

Mr. WITHERS. I should think the President would do as the Senator would do if he were President—call in his chief advisers and those in whom he had confidence, and work the matter out with them, just as we try to do in committee.

Mr. TAFT. Then, the existence of such power necessarily implies that the President has complete discretion to determine when there is an emergency and when there is not. Is that the Senator's view?

Mr. WITHERS. He could be said to have complete discretion, but I think, as all reasonable men would do, he would seek all the good counsel he could obtain.

Mr. TAFT. Does the Senator mean that the mere existence of such power brings a complete end to the whole representative and legislative system under which this Government is operated?

Mr. WITHERS. I would not think so; but I should hate to think I lived under a government which did not permit somebody to act to save the country in case of an emergency.

Mr. TAFT. I think Congress can act.

Mr. WITHERS. That would be true, if Congress were in session. Suppose Congress were not in session, and before they could meet and act, the emergency occurred. Our national welfare would already have suffered material damage.

Mr. TAFT. Congress could be here within a day, if necessary. It seems to me the very existence of such power denies the whole basis on which the Government of the United States is established, of a division of powers among the executive, legislative, and judicial branches of the Government.

Mr. WITHERS. I cannot see in it the hazards the Senator sees. We are under a republican form of government and under a constitution. In case the President should far exceed his authority when the Congress meets it would have the right to impeach him and to remove him from office. The Constitution stands between Congress and any arbitrary acts on the part of the President amounting to an abuse of his constitutional authority.

Mr. TAFT. But who is to determine that? Is the Congress to determine it? If the President possesses this power, he is the judge of whether an emergency exists. He could not be impeached for exercising a legal power. I suggest to the Senator, even if he feels that the President might do so, that is a very different thing from saying the President has a constitutional and legal right to do it. Certainly he might do it.

Mr. WITHERS. I may say to the Senator, no officer has any right to abuse his discretion or his authority. He has only the right to exercise valid and proper discretion under any circumstances. No officer of the United States, high or low, ever had authority to go beyond what is decreed. It is not implied that any officer in any station of life has the right to abuse his discretion. If the Congress itself should determine that the President had abused his discretion, he would subject himself to impeachment.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. WITHERS. I yield.

Mr. TAFT. Does the Senator's conclusion on this subject lead him to support the portion of the Thomas bill relating to national emergency, which has no provision for injunctions or seizures?

Mr. WITHERS. Taking the position I do, I do not think I would be bound to support any amendment. The only reason I would support any amendment providing for seizure in case of emergency would be to satisfy those who do not believe the President has implied authority, as the Senator does not believe.

Mr. TAFT. Does the Senator feel that if the President has such power, it would be very wise to spell out that power and the proper limitations on it in legislation? If the President has the power anyway, why do we not spell it out in legislation, defining the exact scope of the power to secure an injunction or to seize property?

Mr. WITHERS. If the power to decree that people shall labor is spelled out specifically, I say it would be a sword hanging over a man's liberties. He would know that he would be required not to do specific things under a specific act of Congress. When liberties are to be abridged, I think any man would much prefer to not know what specific plan is to be resorted to in order to abridge his liberties than to have knowledge. That is the reason I might oppose it. I think it is too much like pointing out to a man the day of his doom. Any man would rather not know when the last moment will come.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WITHERS. I yield to the Senator from Alabama.

Mr. HILL. Has the Senator had an occasion to examine the cases decided by the Supreme Court in reference to the powers of the President, as the Commander in Chief of the armed forces, and defining the vast extent of the President's powers in the protection of the vital interests of the United States?

Mr. WITHERS. I have read some of them.

Mr. HILL. The Senator, of course, recalls that John Marshall wrote the basic decision himself.

Mr. WITHERS. Yes.

Mr. HILL. The Senator knows how far the Court went in recognition of the powers of the President, so far as the protection of the vital interests of the United States is concerned. As I recall those cases, they held that the President had power to send the armed forces of the United States to any part of the globe.

Mr. WITHERS. Whether or not the Nation should be attacked.

Mr. HILL. Yes. It is not a question of attack. The question is whether, in his judgment as President of the United States, he feels that the vital interests

of the United States demand that he send the armed forces.

Mr. WITHERS. I thank the Senator for his statement.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WITHERS. I yield to the Senator from Illinois.

Mr. LUCAS. I think the records will show that there have been more than a hundred occasions in the life of the Republic when the President has sent troops here or there. Even in the Boxer Rebellion he sent several divisions without any confirmation of his power by the Congress of the United States.

Mr. WITHERS. In all that time the President has never been termed a dictator.

Mr. LUCAS. That is correct. He has never been termed a dictator.

Mr. THOMAS of Utah. Mr. President, will the Senator yield for one remark and one question?

Mr. WITHERS. I yield.

Mr. THOMAS of Utah. Since we are discussing the discretion of the Executive, as to how broad it is and how far it should go, I recall that the question was asked, Should not Congress prescribe what the President should do, when he shall do it, and how he shall do it? Does that in any sense remove the discretion of the President?

Mr. WITHERS. I should say that it does not, if it merely specified what particular things he should do. But it does not have a tendency to restrict his powers. That is my idea of it. I take the position that Congress has not the right to restrict the President's implied constitutional powers.

Mr. THOMAS of Utah. Is there any way in which Congress can act in an executive capacity?

Mr. WITHERS. I do not think so. It is the duty of the President to execute the laws.

Mr. THOMAS of Utah. We must leave judgment with the President.

Mr. WITHERS. Yes. The manner of the execution of the laws should be left to the President.

Mr. THOMAS of Utah. Is there not a guaranty that the republican form of government of the United States will be preserved in all our States?

Mr. WITHERS. Yes.

Mr. THOMAS of Utah. Who is to see that that is done?

Mr. WITHERS. I would say the President of the United States, the Chief Executive Officer.

Mr. THOMAS of Utah. Is not that a very large grant of discretion?

Mr. WITHERS. It is, indeed, unless the opposition is correct in the contention that Congress should define and limit the authority which the President may exercise. I would anticipate that as being the position of the opposition. But I agree with the able Senator from Utah that Congress has no right, by any congressional act, to restrict the President's authority.

Mr. President, I favor just legislation for management, labor, and the public. It is the only kind of legislation that will endure. I maintain that partial or biased legislation granted to any side will ultimately redound to the detriment of the side attempted to be favored. We have proved this by aiding our infant industries, by favoring capital for a while and then favoring labor for a while, distributing our errors equitably.

When I speak of infant industries, I speak of the industries which first had their beginning in this country. They did not remain infant industries. We so protected them in the past that, as W. J. Bryan said, they were not only able to stand upon their own feet but to walk upon the feet of others. That is why some of this legislation is necessary.

I do not think labor and management are so far apart in their ideas of the kind and character of labor legislation they can work under peaceably. I do not have the fear some have of a national emergency in case of strikes, for the reason that the corporate interests are composed of men who are citizens of this country, as are the laboring people. The same conditions that will bring suffering to the public will likewise affect labor and the employer.

We must not forget we are attempting to work with American people who are accustomed to freedom of speech, of thought, and of action. Such people will never subject themselves to involuntary servitude under specific remedies. I do not consider it a question as to the time men may be in involuntary servitude. Time is not the essence. The question is, Are they to be placed in such servitude by specific acts of Congress? All of us recognize the delicacy of this situation. By far the great majority of American laborers are fine citizens with the same devotion to their country and its principles of freedom as is possessed by the majority of management. The greatest assistance we can render to them is to use our good offices to further improve the relationship between them and to aid in composing their differences. Make them more conscious of the need to live and work together in peace and harmony. They are learning to do this. I can see considerable improvement in the relationship now existing between them as compared to what it was when I first became interested in these problems.

I was agreeably surprised at the fine attitude shown by the leaders of management and labor when they appeared before the committee. Of course, there are extremists in each category, but most of them had their feet on the ground and were seeking only justice and fair dealing. The employer is not a slave; neither is the laboring man; but each is a citizen with the right to live, to work in peace and under suitable conditions, to support his family comfortably and educate his children to become useful citizens of our country. I live among both classes, and most of them are among the finest citizens of our community.

The leaders of management and labor, in the main, have assumed a just and fair attitude toward working out these controversial questions, and it has not been one of imposition. Of course, they are going to bargain. It frequently occurs to me that we try to enact too much "must" legislation where management and labor are concerned. I sometimes wonder whether they would be glad if we would repeal all labor laws and leave the whole matter to them to settle by collective bargaining, and let us only counsel, advise, and appoint advisory boards.

I have faith that both management and labor can settle all these matters by collective bargaining with as little interference from the Government as is necessary. The hope of all of us is that we may learn to work together, regardless of our differences on labor questions and differences on all matters of government, and each of us may look to the interests and welfare of all the people, realizing that special privilege to any group will bring ruin to it.

We have experienced many examples of industries being especially favored and becoming all powerful. As a result of the power they obtained the Government was forced to lay heavy taxes upon their incomes in order to even up the wealth of the country, because of mistakes the Government had made in its early history in protecting great interests at the expense of the masses.

As for me, I am not chancing our liberties on a guess when this remedy leads us only to the brink, with a partial admission that there is no other power or remedy; afraid to admit the President has implied power enough to save us, fearing he would, therefore, become a dictator. This is straining at a gnat and swallowing a camel. Even if we deny the President this authority, I still have faith in that combination of power and force known as the American people and their ability to save the Nation without placing any citizens in bondage. I do not believe our freedom can be or should be perpetuated in any other way.

Does anyone think the present labor act has worked satisfactorily? Does the able Senator from Ohio think it has worked, when he admits that 26 or more amendments to the present act are necessary? Does he believe it has worked? He seems perfectly willing to have it repealed and remove its monumental effects from his life, and substitute the Thomas bill and his amendments as the law of the land. It would then lose its identity as the Taft-Hartley Act and become the Thomas bill. If he were sure his amendments were safe and sound, he would be here fighting for the amendment of the Taft-Hartley Act and save all the glory for his namesake. But if these amendments are adequate when tied onto the Thomas bill, he could then say the Thomas bill failed, even though its failure were due solely to his amendments.

So, before it is too late, why should not the able Senator save his bill and amend its 26 admitted defects instead of taking any chance of doing violence to the Thomas bill, and let it sail under its true colors? Put the two up—the Taft-Hartley Act on the one side with its admittedly needed amendments, and the Thomas bill on the other—and let that be the issue.

Labor is a commodity, but the laborer is not. We must deal with both the employer and the laborer justly and as citizens. It is not possible to spell out all the rights and duties of each to the other and to the remainder of the public. The combined wisdom of the past has not been sufficient to meet even the existing

conditions. We have met most emergencies by applying analogous principles. So, in this field, if we attempted to limit ourselves to specific remedies we might find ourselves with an emergency without a remedy. Chance no remedy until you are reasonably certain of its virtues.

I am sure many Senators feel safe in supporting the amendments offered by the able Senator from Ohio. Some of them are satisfied with the Taft-Tartley Act as it is. The Senator from Ohio is not. He sees it has 26 weaknesses, leaving some 20 good points. Judging from the way he has moved forward in his thinking, by the time the next Congress convenes he and the senior Senator from Utah can write a good labor law.

I shall now quote from a colloquy between the Senator from Ohio and the Honorable W. H. Davis, an able attorney, who was a witness before the committee a few weeks ago:

Mr. DAVIS. What did the Congress do in the Taft-Hartley Act? They were face to face with that emergency, that question of a final emergency; and they said, "If it arises, the President shall thereupon report to Congress with his recommendations."

Now, it may be that that is a sufficient safeguard in such a crisis. I personally would be inclined, perhaps, more than a lot of other people to believe that perhaps it is sufficient.

I must say, if I may, Senators, that I often asked myself when I read the act, whether, on the one hand the Eightieth Congress had an ace in the hole which it was prepared to lay on the table if there was a call for a show-down, or whether, on the other hand, the Congress did not know what in the world to do if such an emergency did arise.

Senator TAFT. Well, we had an ace, but it was a little vague.

Mr. DAVIS. I suspected so.

Senator TAFT. It was kind of outlined on some of our minds, but not written down on paper.

Of course, we do not know what was in his mind, and what was in his mind is not the law of the land.

Senator MORSE. I think it was out of a different deck, Mr. Davis.

Mr. DAVIS. Yes. At any rate, that is all they did.

The CHAIRMAN. I think the trouble, Mr. Davis, was the size of that hole, rather than the ace part of it.

Mr. DAVIS. Let me tell you the trouble, Senator—I know it, and Senator TAFT and I—we have not talked about this particular point, but I think we feel the same on it, and that is that you cannot in our system of free enterprise and free labor compel men to work by law, to work unwillingly for a private employer, because if you tell John Jones to do that, John is going to say, "Who, me?" and he just will not do it.

There was never any denial of that positive statement by Mr. Davis.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WITHERS. I yield.

Mr. TAFT. I did not agree with Mr. Davis. I might as well say that.

Mr. WITHERS. I know the Senator did not, but I notice he did not deny that statement.

It sounds as though the able Senator from Ohio realizes he is engaged in a game of chance. And what are the stakes? The liberties of our country? Are Senators willing to sit down in this game and make even a part of the liberties of any of our citizens the ante? No, they are not. I would feel sanguine in following the able leader when he had a good hand, but I am not willing to follow him when he holds only a vague ace.

Mr. TAFT. Mr. President, will the Senator mind if I make a statement on this subject?

Mr. WITHERS. I am glad to yield.

Mr. TAFT. This particular provision provides for an injunction for a period of 60 days—it was 80 days under the Taft-Hartley law—the purpose being to maintain the status quo while the settlement is brought about, if one can be brought about. That is the sole purpose of it. It violates my general theory that when there is an economic strike there should not be an injunction against the strike, because I believe in the right to strike, but when the national safety and health are involved, I see nothing whatever excessive in asking both labor and management to continue temporarily to maintain the status quo, rather than starve the people to death. It is a limitation on a general principle in which I believe. Nevertheless, it seems to me a reasonable limitation.

The Senator says, "What is the last recourse?" If after the time specified is exhausted, and men are still striking, all the railroads in the country are tied up, and we begin to have threats of starvation, the last recourse is for Congress to grant all-inclusive power, for that particular emergency, to the President, or to whatever officer it chooses to invest with the power.

I think that power is very much like the power given in England in 1925, when there was a general strike. The Government seized everything. It not only seized the railroads but it requisitioned all the trucks in Great Britain, it called for volunteers, operated industries, and fed the people. In the last analysis the Government must have such power if it is going to preserve the lives of its own people.

Every government, in the last analysis, certainly is going to maintain the right to protect its own people from destruction. But I think it would be very unwise to give any such power in a general law as part of any labor-management relationship. It is not labor-management relationship. A strike carried to that extent is practically a revolution against the Government of the United States, and it is necessary to give revolutionary power.

The power, the Senator says, is vague, because the statute is not written. Our Government has been in existence for 150 year, and never has gotten to that point, but my theory is that if we ever got to that point, that is the kind of statute Congress would have to enact. The statute would include everything—seizure of the union offices, calling out the Army to protect those who would work, every power we could think of. But I do not believe we should put any such statute on the books, and if we ever do, it should be for the particular emergency at hand, and no other emergency.

That is the ace in the hole to which the Senator is referring, and to which I was referring during the testimony which the Senator has read.

Mr. WITHERS. I think I understood the Senator's position to be exactly as he has stated it. I wish to say, in answer to the Senator, that Nero fiddled while Rome burned, and sometimes I have seen the Senate when it would fiddle while our Government might be destroyed. I have seen Senators take the floor and conscientiously talk for 4, 5, or 6 hours, and that 5 or 6 hours might be an emergency point in the United States. We differ in our opinions, and someone might possibly filibuster a certain bill, and he could be just as patriotic about it as any other Senator who was anxious for immediate action. I say it is too serious a matter for the President of the United States, in case of dire emergency such as the Senator mentions—which has not happened more than once in 150 years—not to have the implied power to act, under the very statement made by the Senator when he said this country would be in revolution. There is no difference between revolution and war. Whether we declare war or not when it exists, the President has the right to act in case of war, even before Congress has declared it.

Some may insist that the President cannot act until Congress declares war, but the only duty of the Congress is to declare that a state of war exists, and if a revolution arises I would say it would be ridiculous, and inconsistent with the whole principle of our Government, if the President, who can send our ships and troops abroad to protect us when we are attacked, could not use our forces at home to protect us from internal strife arising as a rebellion against our peace and dignity. I say that no legislation is needed. When this country has reached the point where the conduct of strikers amounts to rebellion, the country is at war, and all the emergency powers of which the Senator speaks can be exercised by the President.

Mr. TAFT. What does the Senator think of the fifth amendment, which provides that no person shall be deprived of life, liberty, or property without due process of law?

Mr. WITHERS. I believe in it.

Mr. TAFT. How does the Senator think the President can seize property or make people work without law?

Mr. WITHERS. I would say he would be clothed with the full power of martial law in such a case, and would for that time become a dictator as he is in war. Then he is a dictator. He can then exercise extreme power inconsistent with the laws and the powers in effect in peacetime.

Further evidence of his feeling of uncertainty is found in these statements at the same hearing:

Mr. DAVIS. I happen to know a good deal about the case down at Oak Ridge with respect to atomic energy. That dispute was in the laboratory down there. The 80-day period was established by injunction, and it went by. There was no settlement. The controversy was just as acute when the injunction was discharged as it was the day it was issued.

Well, what was the result? The men were free to strike. They had almost been authorized by law to strike, in my judgment. But in that case the counsel of the American Federation of Labor certainly rose to the

occasion. They recognized the tremendous responsibility and importance of the atomic-energy program, and they sent Brownlow down there and settled it without a strike.

In the west coast maritime case, the 80-day period went through, not by getting a settlement; they could not even get the people to vote on the final offer. In fact, there was not any final offer; it had been withdrawn by voting time, and they had a strike that lasted for over 3 months.

I think maybe it did them a lot of good, so I am told. Relations are much better. But it was a costly strike, and if it was true, it did imperil the health and safety of the Nation, as I do not think it ever did—that was the finding on which the injunction issued—then it still imperiled the health and safety of the Nation.

Senator TAFT. Mr. Davis, that question has not been raised, I just interrupted you to remind you. I was anxious to try to limit this thing just as much as possible. In other words, I feel that the inconvenience of the strike was no reason for declining it, and I tried to make it just as narrow as it could be, and I must say that I agree with you that it had been used in cases beyond what I thought it should be used in.

All of this is persuasive that we should not gamble any of our liberties away or even chance them on a vague ace.

In the language of this vernacular, when the Senator draws a winner, then all of us will follow him. But if he is skeptical of the bill and amendments, he should not draw faith from those who follow him, since he may be the reason for their following.

I can say sincerely that I have confidence in the ability and character of the Senator from Ohio. I know he is desirous of being just in his position on this bill and I respect him for it. I will say to those Democrats who object to the seizure clause in the amendment offered by the junior Senator from Illinois [Mr. DOUGLAS] that they will find a seizure clause in the amendment of the Senator from Ohio. In his amendment there are alterate remedies: Seizure? Injunction? Or both. So Senators can see his amendments move him a long way from the Taft-Hartley Act. I congratulate him on his progress.

On the question of the powers of the President, I quote further from the evidence of Mr. Davis:

That brings us, it seems to me, to the question, are you going to say, perhaps, "Is the Congress satisfied to leave the thing the way it is, with just a report to Congress in such an emergency, Congress not always being in session; or is it going to indicate the course to be followed, or is it going to leave it to the constitutional duties of the President?

My theory of that is that the President's constitutional powers are adequate to deal with an emergency which his constitutional duties require him to deal with. They have never been defined but they may be presumed to be commensurate with the emergency.

What we we need in a free democracy is the utmost economy of coercion, and that is what we need in this field that is developing very well by itself. That is a generalization. We certainly want now to act. I am sure the Senate does, and the House, the country, and everyone here wants to act now without any reflection of fear or hatred or revenge or resentment.

Now, if that is true, you had better leave out the injunction. You do not need it in the cooling-off period, and it does not, under the Taft-Hartley Act, extend beyond the cooling-off period.

Whatever the Congress does it will not compel John Jones to work for the XYZ company against his will for private profit. It won't do that.

The question is asked as to what the difference is between the President acting under his implied powers, and proceeding under an act authorizing the issuance of an injunction requiring laborers to work. There is this difference: When an injunction is provided for, the laborer knows it is a rule calling for involuntary servitude. Even though the strike be just, he thinks the President has implied powers to which he may resort for all peaceable means of settlement before resorting to extreme measures.

There would be no opposition among the laborers to the general power of the President to exercise such authority as would be necessary to protect the Nation if it were imperiled. Under the President's seizure, they would be working with their Government and would do it willingly, but would resist being compelled to labor for a private employer. Many of them so expressed themselves in testimony before the committee, believing that in case of emergency the President could and would act.

I am wondering whether or not some of us in this body and in the House of Representatives do not become personally frightened in certain situations and imagine our national safety has become imperiled, when the circumstances warrant no such conclusion. When we are frightened, we are inclined to go to extremes and are not in full possession of all our faculties. Has the national safety ever been imperiled by strikes?

I do not mean by this that we should assume a passive and indifferent attitude when a critical situation arises, but we should encourage both labor and management to adjust their differences, rather than have the Government resort to force.

Therefore, let us not through fear of what we may consider impending perils, abandon those principles which have made our country great.

I am not opposed to the injunction because union labor is opposed to it. I am opposed to it for the reason labor will not submit to it permanently. It may work for a short time, but the opposition to it will grow. I am opposed to it because it puts us in a bad light with foreign countries where we wish to uphold our principles of freedom and liberty. I am opposed to it because I, myself, would not want to be coerced to labor against my will. In fact I do not believe anyone could make me labor at all. I am opposed to it because it is the beginning of the abridgement of our liberties.

I am in favor of the amendment offered by the Senator from Illinois [Mr. DOUGLAS] and others to satisfy those who feel that the powers granted to the President should be spelled out. His amendment merely spells out some of the powers I think the President now has under his implied authority. I am for it with the idea of satisfying some of those who do not believe the President has any implied authority.

Granting the amendment will be adopted authorizing an injunction for a limited and fixed period of time, let me interpose this serious question: What is the remedy after the duration of the cooling-off period providing labor and management have not cooled off?

By the adoption of the amendment Senators place their whole faith in the fitness and the adequacy of the injunction to save the Nation when it is imperiled, if they do not agree the President has the implied power to take adequate and effective steps at the end of the cooling-off period. And Senators must remember the injunction only extends to the end of the cooling-off period.

I doubt so drastic a law has ever been passed as one authorizing an injunction forcing a man to labor for a private employer against his will. For that reason, I am agreeing with the able Senator from Ohio in including in his amendment the right of seizure, so, if men are forced to work they will be laboring for the Government instead of private individuals.

Some one remarked the other day, that Stalin or Hitler would have those who refused to labor shot down. Is that more humane than our law? How would Jefferson have answered? Yes? And Patrick Henry, who said, "Give me liberty or give me death?" Are we to permit Stalin or Hitler to be more considerate? They strike their workers down. We let ours live, but force them to work and suffer the loss of liberty, more priceless than life itself.

Permit me to say: Why not begin by mutually assisting both employer and laborer by releasing many of the restrictions contained in the law? This is in accord with a letter I received from one of the small business firms in my State, which also cited its payments to labor, as follows:

If all of our competitors worked on the same basis, we would all be even, but so many of them do not, and it presents a problem at times. However, I fully believe that small business can look after itself pretty well, if it is not bound by too many regulations, and I hope, when the matter comes up before the Senate again, that any bill you may pass will remove just as many shackles as possible from both labor and management.

It has been our experience that labor relations run much more smoothly with a minimum of laws, when individuals are permitted to get together and work out their own problems. They are working in a group in the same boat, and, when they don't work together, they get to a point where neither of them is working at all.

Let us not permit any one union leader, or any other leader, at this time to arouse us to anger, and thereby cause us to enact laws which will not be equitable and fair to the public and to labor and to management, but let us keep ourselves in the proper attitude to be just in our dealings to all alike.

I thank Senators for their kindness in indulging me. I assure them that I do not pretend to be an authority on the law. However, I have a right, as a humble citizen of the land, to express my opinions fearlessly, and to cling to them until I am shown a reason for giving them up.

Up to this time no such reason has been exhibited to me.

I am not a statesman. I do not claim to be. I am only "one of the boys," telling the Senate what I think we want back home.

Mr. MORSE. Mr. President, I rise primarily to discuss the amendment dealing with the Mediation and Conciliation Service. However, my good friend the Senator from Kentucky [Mr. WITHERS] has laid down in his speech today a doctrine which I think is so dangerous to representative government that I believe it must be answered forthwith.

The answer to the Senator from Kentucky is very easy to make. The answer is the Constitution of the United States itself. The discussion which has arisen during this session of Congress, so well set forth and epitomized this afternoon by the Senator from Kentucky, in regard to the alleged implied powers of the President of the United States, represents, in my opinion, one of the most dangerous divergences from the Constitution of the United States that has ever been expressed on the floor of the United States Senate.

I say to the Senator from Kentucky that the answer to him is the law. Therefore, I issue two challenges this afternoon to those in the administration who purport to support the doctrine laid down by the Senator from Kentucky.

First, I want them to produce one single phrase, word, or sentence in the Constitution of the United States which gives to the President any such implied power as the Senator from Kentucky supported in his argument this afternoon.

The second challenge is that they produce one single United States Supreme Court decision which supports any such contention as that offered by the Senator from Kentucky and by other spokesmen for the Democratic administration.

Mr. President, this is a simple matter of law. When we talk about implied power in American jurisprudence, we cannot pick it out of a vacuum. Let us talk for a moment about implied conditions in a contract, which, of course, raises the entire question of law by way of implication. We cannot find in the American lawbooks a case which has gone to the highest appellate court of the land in which the court has ever found an implied condition in a contract that cannot be related to the specific language of the contract. The notion that implied powers or implied conditions in a legal instrument can exist in a vacuum is naive. We cannot read them into the Constitution through wishful thinking that it might be a good idea to have such implied powers. They are either there or they are not.

No matter how desirable it might be from the standpoint of a lawyer in a specific case to have an implied condition spring up in a contract, it cannot be placed there by magic. It can be placed there only by well-established laws of construction and judicial interpretation in relation to language which is in the contract. The court cannot write a contract for the parties. The court cannot write any legal instrument for the parties. All the court can do is to interpret the instrument on the basis of its legal meaning, derived from the language used by the parties.

Therefore I seek to call a halt in the United States Senate today to all the talk about the implied powers of the President of the United States, by issuing again those two challenges: Show me the language in the Constitution or show me a case which supports any such weird interpretation of the Constitution of the United States.

In reply to the argument of the Senator from Kentucky that it is important for the President to exercise power in case of a national emergency, let me say, as the Supreme Court has held time and time again, that no emergency creates constitutional power. The only constitutional power the President of the United States has is in that document now, and it cannot be written into that document by any emergency. The Founding Fathers either gave the President such power or they did not.

In view of the fact that this question has been raised on the floor of the Senate, in order to keep the RECORD straight I must necessarily now do exactly the same thing I did in committee when that very remarkable letter was received by the committee from the Attorney General of the United States. The letter will be found set forth in the printed record of the hearings, beginning at page 261. On page 263 of the printed hearings we find this language of the Attorney General:

> However, with regard to the question of the power of the Government under title III, I might point out that the inherent power of the President to deal with emergencies that affect the health, safety, and welfare of the entire Nation is exceedingly great. See opinion of Attorney General Murphy of October 4, 1939 (39 Op. Atty. Gen. 344, 347); *United States* v. *United Mine Workers of America* (330 U. S. 258 (1947)).

I say to the Attorney General of the United States, reread the Murphy opinion. Reread the Supreme Court decision, and then tell the Senate of the United States what there is in either the opinion or the case which justifies any argument supporting the fantastic contention that the President of the United States has implied powers not set forth in the Constitution.

As I asked witnesses in committee, I now ask any Senator, or the Attorney General of the United States, to follow me in this analysis. Whatever executive power the President of the United States has is to be found in article II of the Constitution. Dry as the reading of it may be, I shall place it in the RECORD at this time, line by line, paragraph by paragraph, accompanied by appropriate comments and questions.

Section 1 of article II reads as follows:

> The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of 4 years, and, together with the Vice President, chosen for the same term, be elected as follows:
>
> Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress, but no Senator or Representative, or person holding an office of trust or profit under the United States shall be appointed an elector.

My question is this: Is there any phrase, word, or sentence in section 1 of article II of the Constitution of the United States that gives to the President of the United States any such implied power as that for which the Senator from Kentucky argued here this afternoon? That question should be answered either "Yes" or "No." Either such implied power is to be found in section 1 of article II of the Constitution or it is not. If any Member of the Senate believes that section 1 of article II of the Constitution gives the President of the United States any such power as that for which the Senator from Kentucky has argued here this afternoon, let him stand up on the floor of the Senate and point it out. We cannot run away from the issue, Mr. President. Either the power is to be found in the Constitution or it is not.

Then let us consider the next provision of the Constitution:

> The Congress may determine the time of choosing the electors, and the day on which they shall give their votes; which day shall be the same throughout the United States.

No implied power is to be found there.

The next provision of the Constitution reads as follows:

> No person except a natural-born citizen, or a citizen of the United States at the time of the adoption of this Constitution, shall be eligible to the office of President; neither shall any person be eligible to that office who shall not have attained to the age of 35 years and been 14 years a resident within the United States.

Obviously that paragraph contains no implied power to exercise the dangerous power for which the Senator from Kentucky has contended.

The next provision of the Constitution reads as follows:

> In case of the removal of the President from office, or of his death, resignation, or inability to discharge the powers and duties of the said office, the same shall devolve on the Vice President, and the Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly until the disability be removed or a President shall be elected.

No implied power is to be found in that paragraph.

Let us consider the next provision of the Constitution:

> The President shall, at stated times, receive for his services, a compensation, which shall neither be increased nor diminished during the period for which he shall have been elected, and he shall not receive within that period any other emolument from the United States, or any of them.

There is no implied power in that paragraph.

The next provision of the Constitution reads as follows:

> Before he enter on the execution of his office, he shall take the following oath or affirmation: "I do solemnly swear (or affirm) that I will faithfully execute the office of the President of the United States, and will to the best of my ability, preserve, protect, and defend the Constitution of the United States."

There is no implied power in that paragraph, Mr. President.

The first paragraph of section 2 of article II of the Constitution reads as follows:

SEC. 2. The President shall be Commander in Chief of the Army and Navy of the United States, and of the militia of the several States, when called into the actual service of the United States; he may require the opinion, in writing, of the principal officer in each of the executive departments, upon any subject relating to the duties of their respective offices, and he shall have power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment.

Mr. President, if any Senator thinks that any such implied power as that for which the Senator from Kentucky has contended this afternoon is to be found in the language "The President shall be Commander in Chief of the Army and Navy of the United States, and of the militia of the several States," let him produce a decision which so holds. That is my challenge.

Mr. President, the founding fathers were very careful to see to it that the President of the United States would be forced to recognize that his powers were delegated powers. They made him Commander in Chief in time of war, but nowhere in the Constitution did they give him any power, for example, to do what the Attorney General implies in his letter the President might be able to do through inherent power, because it is to be noted that the Attorney General failed to relate his claim as to inherent power to any specific section of the Constitution or to any court decision which holds that the President has any such power as that which the Senator from Kentucky contended for this afternoon.

The next provision of the Constitution reads as follows:

He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

No such power as that contended for today by the Senator from Kentucky is to be found in that paragraph.

The next paragraph of the Constitution reads as follows:

The President shall have power to fill up all vacancies that may happen during the recess of the Senate, by granting commissions which shall expire at the end of their next session.

Obviously the power contended for is not to be found in that paragraph.

Section 3 of this article reads as follows:

SEC. 3. He shall from time to time give to the Congress information of the State of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient—

Mr. President, I digress for a moment to illustrate how clear was the thinking of the founding fathers in regard to the President of the United States. The sentence I have just read makes very clear their intent to circumscribe him with very definite limitations, placing upon him the duty from time to time to give the Congress information regarding the state of the Union and to recommend to Congress such measures as he shall judge necessary and expedient. Mr. President, what conclusion are we to draw from that provision? We are to draw the conclusion that the next step will be congressional action on those recommendations.

The founding fathers were very careful, under our republican form of government which they devised, to see to it that they did not place at the head of the Government an executive with power, through implication to proceed to exercise the dangerous authority which the Senator from Kentucky sought to defend on the floor of the Senate this afternoon. This is a Government functioning through the elected representatives of the people, with its checks and its balances; and the document from which I am reading, the Constitution of the United States, is characterized chiefly by its checks and its balances. This is one of the checks. The President cannot act in a dictatorial fashion. All men in the day in which they live have a tendency to minimize the danger of the development of a trend which in the future may cause a serious threat to the form of government under which they live. The Senator from Kentucky illustrated that very nicely this afternoon when he dismissed rather lightly the danger inherent in recognizing in the President of the United States any such inherent or implied power for which the Senator contended in his argument.

Let me tell you, Mr. President, that it is our solemn obligation as United States Senators to see to it that as we sit here in the Senate of the United States, we always are careful to protect the American people from the development in our system of government of trends which, in the years to come—and with world events moving so rapidly as they now move, such developments sometimes can come very quickly—might cause the Congress of the United States to function more or less either as a rubber stamp or as a body which acts after the fact, after the President of the United States has proceeded to exercise powers not presently given him in the Constitution.

Another answer of mine to the Senator from Kentucky is this: If we should want the President to have any such power as that which the Senator from Kentucky has proposed, then let us submit it by constitutional amendment, and see what the American people will say about it. Let me say, Mr. President, that once the American people come to understand the implications in and the significance of the argument made to the Senate today by the Senator from Kentucky, I have no doubt what their answer will be. It will be that the Congress of the United States should constantly take all steps necessary to protect them from the development of any such dictatorial power as is implicit in the argument which has been made to us for inherent and implied powers of the President, not expressed in the Constitution.

I return to section 3 of article II of the Constitution:

He may, on extraordinary occasions, convene both Houses, or either of them, and in case of disagreement between them, with respect to the time of adjournment, he may adjourn them to such time as he shall think proper.

That is a significant provision, Mr. President, making once again crystal clear what was in the minds of the founding fathers, that when the country is confronted with extraordinary situations—and emergency disputes are such—the President under the Constitution, may convene the Congress. He ought to do so, and the Congress ought to act on them. But I shall not be a party to what, I say most respectfully, constitutes an obvious attempt upon the part of the administration and some of its spokesmen in the Senate to work both sides of the political street on the question of emergency disputes. It was perfectly obvious that the Attorney General's letter which was inserted in the record of the hearing was a political document in which the Attorney General laid down the basis for the political contention on the part of the Democratic Party that, although the Thomas bill does not provide directly for injunctions, the President has the power anyway under his implied authority, so ably but mistakenly contended for by the Senator from Kentucky on the floor of the Senate this afternoon.

I think labor sees through it, and I think management sees through it. I think it now devolves upon the Senate in the legislation it writes on the floor to make perfectly clear what procedures shall be followed in emergency disputes, and in a manner that will be so indelibly recorded in history that in the years to come the year 1949 will stand out in Senate debates as the year in which the Senate maintained and insisted that the language of the Constitution be followed in the handling of legislation dealing with emergency disputes, and rejected the dangerous notion that the President has some reservoir of implied power not even referred to anywhere in the Constitution.

Let me finish reading article II:

SEC. 4. The President, Vice President, and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors.

Thus, as we go through article II of the Constitution paragraph by paragraph, line by line, word by word, there is not a scintilla of evidence in the entire article upon which the Senator from Kentucky can base his erroneous premise.

I intend to hold to the Constitution. I intend to hold to the proposition that expediency never justifies proposing a

course of action at variance with the organic law. If a Democratic administration does not like the organic law contained in the Constitution of the United States, in respect to the powers given to the President, let them propose a constitutional amendment. Let them not try to becloud the issue by giving the American people the false impression that the President has some power not expressed in the Constitution. It is a denial of our whole theory of Federal Government.

As a lawyer I cannot listen in silence to the dangerous constitutional doctrine expounded on the floor of the Senate today and which I heard expressed so many times during the committee hearings. I call for proof; and I state the proof I call for. I call for that section of the Constitution which supports the argument of those who contend the President has any such inherent power as they are contending for in regard to emergency disputes. I call for a United States Supreme Court case in point that supports any such dangerous contention. I issue those two challenges without any fear whatever that they can be met. They cannot be met. The power is not there for what we are dealing with in the year 1949, and the argument of the proponents can best be described as an argument of political expediency. Surely, we have a hot potato in the emergency dispute problem, but let us meet it in a constitutional way. Let us not try to pull out of the air and insert into the Constitution a doctrine the founding fathers did not write into it.

There was comment this afternoon on the part of the Senator from Kentucky about the duty of the President in case of a revolution or in case of a need for martial law. There is nothing implied about that, Mr. President. The founding fathers made perfectly clear in the Constitution that in such situations as that the President shall act as Commander in Chief of the Army and the Navy. But do we really mean that a dispute between management and labor, even in an industry affecting the national health and safety, which leads to a threatened strike or to a strike, or to a threatened lock-out or to a lock-out, is a revolution? The contention is silly.

Mr. President, the right to strike represents the exercise of a basic American freedom. Until and unless the politicians of America are willing to stand up on the floor of the Senate and say they are opposed to the right to strike and that they believe it should be abolished, and forthrightly they propose legislation to accomplish that end, then let us have no more of this talk about the exercise of the free right to strike or lock-out being revolutionary in America.

Labor disturbances and strikes may prove to be exceedingly inconvenient and costly; they may result in serious suffering, reaching a point where national health and safety are involved, but when that danger exists there is an obligation on the part of the Congress of the United States, as the representatives of the people, to step in. We should be ready to step in by passing legislation in the Eighty-first Congress which will give us effective machinery for a fair determination of such a dispute, but not for the destruction of the right of free men in America to seek to better their economic condition by the use of economic force, if necessary, up to the point where national health and safety are jeopardized.

So I say, Mr. President, the answer is not to be found in talking in terms of revolution resulting from an employee-management dispute in connection with coal, railroads, utilities, or the maritime industry. We must protect the right of the workers in those industries to bargain collectively and to make clear that they need not permit themselves to be subjected to working conditions which free workers under a capitalistic system should not have to bear in this land. Let us give them machinery which, in the case of disputes involving the national health and safety, will make possible a determination which will be fair to all parties concerned. Let us also recognize that there is a great deal of talk about disputes involving national health and safety when, in fact, the disputes do not involve national health and safety.

There is also in this argument—and we need to keep it in mind—a very clever jumping of premises. By that I mean the argument that every time a labor dispute arises in the railroad industry in the maritime industry, or in some other phase of the transportation system of the country, or in the coal industry, the very calling of the strike immediately involves national health and safety. It is not so.

Mr. President, there are forces in America that really want to do away with the right to strike. So, when we are faced with one of the so-called national emergencies, they take the position that the economic life of the section of the country affected by the dispute should go on without change, as it did before the dispute. That is very fallacious reasoning.

Let me give an example. Let me take New York City as an example. Let us assume New York City is tied up by a transit strike. We know there are certain minimum activities related to the health and safety of the public which should continue, and it becomes the duty of Government, in my judgment, and I have always consistently so contended, to see to it that minimum services are maintained in the city of New York. But what do the antilabor forces of America want in connection with such disputes? They want New York City to operate during the dispute on the same level of economic activity as existed prior to the start of the dispute. That is not necessary in order to protect health and safety. We must not allow ourselves to be put into a position in which we pass legislation which will guarantee to management and antilabor forces in a given community that their economic life can go on without any impairment whatsoever, because, if that be true, the right to strike becomes a meaningless thing. It is no right at all. Thus in those instances in which national health and safety are jeopardized, the Government should say that it will take the steps necessary to protect the health and safety of New York City, but that it will not take the steps necessary to protect the making of profits during the term of the strike on the same level on which profits were made by business prior to the beginning of the strike.

The American public needs to recognize that, after all, the right to strike necessarily carries with it public inconvenience and loss. So many members of the public seem to think that we can have the right to strike and, at the same time, the public not suffer. I say to the American people, "Are you willing to pay the price for the right to strike? It will cost you something. Would you rather live in a society where freemen cannot organize themselves into unions and bargain collectively with their employers and, when deadlocks are reached, use economic force? Do you want to eliminate and prohibit the use of economic force in employee-management relations in America? If you do, then say so directly and let the Congress of the United States pass a piece of legislation abolishing the right to strike, forthrightly and directly."

We know, Mr. President, that when the American people come to grips with the stark reality which I have tried to put into that simple premise, the answer is going to be that they do not want to live in a society where free workers do not have the right to strike. They want to live in a society in which the striking power will not be exercised in a manner which imperils national health and safety. They do not propose that we pass legislation which protects every businessman in New York City, in the case of a New York City strike, so that he may be allowed to operate his business and make the profits he made prior to the strike.

The right to strike, Mr. President, carries with it the price of loss to the people of the country. So we have to ask ourselves, as free citizens, whether we are willing to pay the price for that freedom. I hope the American people will never live in a society where the precious right to strike and to lock out is denied free employers and free workers.

So, Mr. President, I come back to the question of emergency disputes, and I say to my distinguished friend from Kentucky that I think in the last analysis the Congress of the United States, not the President of the United States, must determine the procedures under which emergency disputes that, in fact, threaten the health and safety of the Nation, shall be settled. Never by my vote, Mr. President, in the Senate of the United States, will I recognize any implied or inherent power on the part of the President of the United States to proceed to take a course of action which is not specifically allowable to him under the terms of the Constitution of the United States.

I shall have more to say on this subject, Mr. President, when we come to the consideration of specific emergency dispute amendments, but I wanted to say this much today because I wanted today's RECORD to contain a categorical denial of every major premise laid down by the Senator from Kentucky in regard to the so-called implied and inherent powers of the President of the United

States. I wanted today's RECORD clear that I have asked for the proof which the Senator from Kentucky did not offer by references either to any language in the Constitution or any Supreme Court decision which would give the President any such power as the Senator insists the President has by implication.

Mr. President, I now turn for 5 or 10 minutes to explain an amendment which I wish to offer in respect to the Conciliation Service. I first offer the amendment, and ask to have it printed and lie on the table.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Without objection, the amendment will be received, printed, and lie on the table.

Mr. MORSE. Mr. President, this amendment proposes a new title II, dealing with mediation, conciliation, and arbitration. Aside from providing that the Conciliation Service shall remain independent, it makes technical revisions of parallel provisions in the Thomas bill (S. 249) and the Taft amendment. The conflict over the provisions of title I and whether the Conciliation Service shall be returned to the Department of Labor has tended to distract attention from the very important task of enacting legislation which, to the satisfaction of Congress, would embody the most carefully considered policies dealing with the role of the Government in the field of labor disputes. This task is no less important than that of providing workable legislation concerned with matters best handled by the National Labor Relations Board or with the unusual and infrequent disputes resulting in a national emergency. Indeed, the mediation and arbitration policies of our Government may have a greater impact on our long-range industrial relations than most of the other provisions in the new labor bill.

The Thomas bill ignores whatever values there may have been in the provisions of title II of the Taft-Hartley Act. On the other hand, the Taft amendment, although it seeks to retain some of those provisions and borrows from other provisions of the Thomas bill, can be improved in details and organization. The amendment I propose seeks to combine the best of both measures. There is no substantial or important difference between my amendment and the Taft proposals; the only difference of consequence between it and the Thomas proposals is that I would continue the Federal Mediation and Conciliation Service as an independent agency, whereas the Thomas bill would transfer mediation and conciliation functions to the Department of Labor. I regard the independent status of the Service to be a matter of the very highest importance in any fair labor law.

Section 201 sets forth a basic statement of national policy as to the role of Government in labor disputes. Such a statement has the virtue of giving direction and scope to the substantive provisions of title II. The Thomas bill unfortunately omits such a policy declaration. The Taft amendment preserves the policy provisions of the Taft-Hartley Act, but it seems advisable to emphasize that the primary responsibility for collective bargaining and industrial peace rests on employers and unions rather than on Government facilities.

Section 202 continues the Federal Mediation and Conciliation Service as an independent agency of Government.

Mediation is accomplished by persuasion, not by law, and it can be most effectively performed only if the disputing parties repose unqualified trust and confidence in the mediators. The most important factor in achieving such trust and confidence is, undoubtedly, the personal qualifications of the mediator. It is an unfortunate fact, however, that many employers do not extend to the Department of Labor that full confidence which is required for effective mediation. They suspect or fear that in an economic contest between employers and unions, the officials of the Department will tend to be sympathetic with the views of labor organizations which have recently achieved important political status and maturity. However lacking in foundation these fears and suspicions may be, it is clear that the public interest in industrial peace requires that the most effective mediation facilities be extended in disputes involving such employers as well as other employers who do not entertain similar fears and suspicions. I wish to give status and strength to the Department of Labor, but certainly not at the expense of less effective mediation of labor disputes. My proposal is for the continuance of an independent Service under the superintendence of officials who are not obliged to urge the Congress to adopt policies and enact legislation which many employers and their associations oppose and which are frequently parallel to the legislative policies of unions. The officials of an independent Service have the great advantage of being able to avoid taking positions on controversial matters affecting employers and labor organizations—a position which enhances their acceptability to both sides in labor disputes. This conclusion represents no disparagement of officials of the Department of Labor whom I personally regard as impartial and completely trustworthy public servants.

This section also gives authority to the Director of the Service—absent in section 201 of the Thomas bill and section 202 of the Taft amendment—to appoint and fix the compensation, within stated limits, of members of fact-finding and other boards and panels and of arbitrators to assist in the settlement of labor disputes. There are some disputes which do not yield to the usual mediation procedures, and it is important that there be a specific legislative base for such appointments and appropriations therefor.

This section also serves to make clear the requirement for the annual report of the Director contained in the Taft-Hartley Act and the Taft amendment. That requirement is ambiguous as to the period for which the report should be made. The Thomas bill omits the requirement for such a report.

Section 203 does not embody any substantial or important controversial departures from the provisions of section 203 of the Taft amendment or section 202 of the Thomas bill.

Subsection (a) employs the "affecting commerce" designation of the jurisdiction of the Service rather than the confusing "industry affecting commerce" phrase which is in the Taft-Hartley Act and is continued in the Taft amendment and the Thomas bill.

Subsection (c) makes it a duty of the Service, when other mediation procedures fail, to seek to induce the parties to a dispute to agree to special procedures such as voluntary arbitration and cooperation with special boards and panels, and to accept their recommendations and findings. No equivalent provisions are found in the Thomas bill or the Taft amendment.

The provisions of 202 (b) of the Thomas bill relating to arbitration functions of the Service, for drafting reasons, are incorporated in section 206 of my amendment. There appears to be no sound reason for distributing provisions relating to the arbitration duties and functions of the Service in different sections of the legislative proposal.

Section 204 differs from section 203 of the Thomas bill and section 204 of the Taft amendment only in respect of the fact that it strengthens the provisions relating to the confidential character of information divulged to the Service. The Thomas bill and Taft amendment provisions require the Service to respect the confidence of the parties but do not afford any protection to the parties if officials of the Service are subpenaed to testify in lawsuits when the public policy of respecting the confidential character of the information outweighs the public interest in the disposition of the lawsuit. If the Service is obliged to testify, particularly in private litigation, as to statements made in confidence to it by employer or union representatives at the bargaining table, its effectiveness will be quickly impaired.

Section 205: Section 204 of the Thomas bill and section 205 of the Taft amendment are substantially the same. My amendment endeavors to perfect those provisions relating to the duties of employers and employees by substituting more specific language.

In addition to affording greater scope and flexibility, this substitution has the virtue of encouraging the parties to determine for themselves the breadth of their grievance and arbitration clauses. Many collective agreements contain grievance and arbitration clauses either more or less restrictive than that suggested in the Thomas bill and the Taft amendment, as, for example, "involving the interpretation or application of such agreements." In a statement of national policy such as those legislative proposals advance, it is believed to be more consistent with the basic principles of free collective bargaining to encourage the parties to tailor the breadth and scope of their grievance and arbitration clauses to their particular relationship and circumstances and to their individual needs and preferences.

Section 206 of my amendment endeavors to spell out with greater clarity

the duty of the service in promoting grievance and arbitration procedures as alternatives to economic action. It is believed that all of the essential elements of sections 202 (b) and 205 of the Thomas bill and section 206 of the Taft amendment are included. It should be noted that a proviso is added making clear that failure or refusal to agree to an arbitration clause does not constitute a violation of any duty imposed.

Section 207 of my amendment is identical with section 206 of the Thomas bill and section 207 of the Taft amendment, excepting in the following respects:

First. It eliminates the provision for one or more public members on the theory that if the Labor-Management Advisory Committees are to be truly advisory they can be of the greatest use and help to the service if the Director or his regional representatives sit with the labor and management representatives. If this be true there is no need for public members on such committees.

Second. It eliminates statutory reference to committee rules and regulations as unnecessary and tending to formalize a body which may reasonably be expected to operate most satisfactorily and efficiently on a more informal basis.

Third. The power of appointment is vested in the President, rather than the Director or the Secretary of Labor.

Section 208 provides for the compilation of collective bargaining agreements by the Bureau of Labor Statistics, as does the Taft amendment but not the Thomas bill.

Section 209 exempts matters subject to the Railway Labor Act, as does the Thomas bill and the Taft amendment.

Mr. President, I close the discussion of my amendment respecting the Mediation and Conciliation Service with this observation: First, we have tried the Mediation and Conciliation Service as an independent agency. I ask those who would return it to the Department of Labor to submit in the course of this debate proof that as an independent agency it has not functioned in an impartial manner.

Second, I ask them to submit proof that the Mediation and Conciliation Service, functioning as an independent agency, has failed to increase the confidence of management in the impartiality of conciliation and mediation.

Third, I ask them to summit proof that the Mediation and Conciliation Service, as an independent agency, has discriminated against the fair interests of labor.

We are now dealing with something which has been put to practice, and, as one who wants to help build up the Department of Labor, I say this is not the type of function that should be included within the Department of Labor any more than it should be included within the Department of Commerce. This is a function, this is a service, which should be above suspicion. It should be so devised procedurally and so set up administratively that there can be no question about its impartiality.

There is no denying the fact, from the record which was made at our public hearings, both in 1947 and again this year, that many employers across this land say they would make greater use of conciliation and mediation and they would have greater confidence in conciliation and mediation under an independent agency than if it is placed under the Department of Labor.

I wish to present one other fact in regard to the debate on this point, Mr. President, because I know that undoubtedly some reference will be made to the Labor-Management Conference of 1945. In our hearings there was testimony to the effect that that conference came out with the recommendation that the Mediation and Conciliation Service be retained within the Department of Labor. I went into that issue in great detail. Senators will find the testimony in the printed record of the hearings.

I summarize that testimony with this very brief statement about that argument: When that conference opened the employer members of it took the position that the Mediation and Conciliation Service should be set up as an independent agency. One group of labor, somewhat reluctantly I understand, agreed that it would have no serious objection to the Service as an independent agency. The Management and Labor Conference of 1945 was itself a mediation conference, in that a great deal of mediating and compromising and trading was done by management and labor in an endeavor to narrow their areas of differences and come forward, if they could, with some recommendations for improved procedures for the handling of labor-management relations. Therefore, a compromise was made that, in return for certain concessions on the part of labor, the management members of the conference would agree to go along for a trial period with a recommendation that the Mediation and Conciliation Service be left in the Department of Labor, but that there be created an advisory committee or council composed of representatives of management and of labor to advise with the Department of Labor concerning improvements in the Mediation and Conciliation Service and concerning procedures which would help remove the widespread fear on the part of management that if the Service were left in the Department of Labor it would be suspect so far as impartiality is concerned.

I am satisfied there can be no question that that understanding was reached as a compromise, because spokesmen for management who testified before our committee left no room for doubt about it, and at no time did the management members of the Labor-Management Conference of 1945 desire, as a matter of first choice, to have the Mediation and Conciliation Service within the Department of Labor. But they yielded on the point under the condition I have stated, in an endeavor to help promote better understanding in the conference by way of narrowing the area of disagreement between management and labor.

Therefore I think the recommendation of the Labor-Management Conference of 1945 is not entitled to the weight the proponents of the proposal to return the Mediation and Conciliation Service to the Department of Labor would have us give to it. On the basis of the record of the hearings and the proof I have asked for, which I say I am certain cannot be offered, I am satisfied that my amendment, which seeks to continue the Mediation and Conciliation Service as an independent agency, and which seeks to perfect some of its procedures, deserves an overwhelming majority vote in the Senate of the United States when we come to vote upon it.

Mr. THOMAS of Utah. Mr. President, we have heard discussion and colloquy back and forth, by three of the greatest lawyers on our committee. I have no place in that kind of discussion, and perhaps should not say anything. In their discussion they reached the point where they were speaking of a vague ace in the hole. When such language is used I become entirely lost, and in my innocence I am thinking what a vague ace would be in industry-labor relations. In my innocence I simply assume that a vague ace in industry-labor relations would be something like a cross between a club and a heart. Undoubtedly that is exactly where all our discussions always turn in connection with industry-labor relations. The club, I imagine, is the Government of the United States. The heart is the common sense of American democracy.

We have talked about the President's discretion. We have talked about the inherent powers of the President; and we have talked about a letter from the Attorney General. It is for that reason that I rise at this time. Really and truly, we are not going to legislate the Attorney General's letter into law. Immediately a lawyer should rise and say, "But the Attorney General is the legal adviser of the President of the United States, and if he prejudges a law, or prejudges an action which the President might take, it can be assumed that the President will follow his advice."

If I may use the words which have been used—I challenge anyone—that does not sound right coming from me, Mr. President, because I have never challenged anyone; I defy anyone to find anything in the Constitution of the United States which says that the President of the United States must follow the advice of his Attorney General.

It is because we are discussing this law, and not the Attorney General's letter, that I rise at this time. The Senator from Oregon [Mr. MORSE] has read to us an entire article of the Constitution. I think we should read the Constitution very often. I love the document. I taught it for years, as did the Senator from Oregon. Every time I ponder it I find something new in it. For example, the Senator from Oregon read a provision to the effect that elections for the President of the United States shall be held on the same day throughout the entire United States. I am sure that the founding fathers must have made a mistake when they wrote that provision, because I have been told all my life that "as Maine goes, so goes the Nation." Is the Constitution falling to pieces? Has the State of Maine acted as a rebel in the Union because it has an election day on some other day? I defy anyone to go to the decisions of the Supreme Court and show that the Court ever handed

down a decision in regard to the legality of Maine's elections. Since no one has ever found such a decision, and since the Constitution says that all elections must be on the same day, surely the Constitution has been grossly hurt, and ill has been done to it.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Utah yield to the Senator from Ohio?

Mr. THOMAS of Utah. I yield.

Mr. TAFT. Because of the fact that my colleagues from Maine [Mr. BREWSTER and Mrs. SMITH] are not present to defend the good name of the State of Maine——

Mr. THOMAS of Utah. I do not think I have charged the State of Maine with anything very serious.

Mr. TAFT. I wish only to point out that the election for President in Maine occurs on the same day as the election in the rest of the Nation.

Mr. THOMAS of Utah. I realize that.

Mr. TAFT. Only the governor and members of the Senate and House are elected in September; not the President.

Mr. THOMAS of Utah. I shall go to one of the Southern States to make my point.

There is a great question in my mind whether the Constitution is respected. I know that legally, just as in Maine, the presidential electors are elected on the same day, so I suppose the Constitution is preserved.

Everyone knows that I am talking in a way I should not talk. We love the lawyers on our committee. I am not going to do what I should probably do, and that is to read every sentence in title III with relation to national emergencies and defy anyone to find an enlargement of the Presidential discretionary powers, or a taking away of his inherent rights. There is nothing whatsoever on that subject in that title.

When we enact the pending bill, we shall not be enacting the Attorney General's letter. I think it ought to be told how the Attorney General's letter got here. Everyone knows that the Attorney General does not advise Congress about legislation. Someone announced that the next witness would be the Attorney General. I have forgotten who made the announcement. I suppose the record will show. But the chairman did not announce it. I know the Senator from Ohio did not announce it, and I know the Senator from Oregon did not announce it. But the announcement was made. I suppose—and this is merely a supposition—that the Attorney General felt that he should send the committee a letter, since he himself would not come. That is how the letter got into the record. It made the hearings very much more interesting. It made them very much longer. It made me, as a member of the committee, fear the responsibilities which are now facing us, when I realized the wisdom and energy stored up in the words of members of the committee who attacked the Attorney General's letter.

I suppose that we can formally defend this title when the time comes. I do not know anything about particular decisions of the Supreme Court in regard to the Presidential discretion and the inherent powers of the President. I do not even know what the Constitution means when it says that—

> The executive power shall be vested in a President of the United States of America.

However, I do know that the history of the United States shows that we have not had a President who has not taken his job seriously. We have not had a President who has ever been charged with not having lived up to his oath. We have had one impeachment trial of a President, but no President has ever been successfully impeached. We have had many statements to the effect that certain Presidents should have been impeached, and we shall have such statements as long as our Republic lasts. I hope and pray that our Republic will endure as long as John Marshall hoped it would endure under the Constitution; namely, through the ages. I hope the day will never come when any law will either add to or take away from the discretion which the Executive has because he is the Executive. I hope that no circumstances with which we shall ever be confronted will ever add to or take away from the President's inherent powers. They are just as indefinable as the executive power of the United States. They cannot be defined.

The Government is not some unnatural thing. The Constitution is not some unnatural contract. I do not know what the Constitution of the United States means; and if I were to give an address on the Constitution before a high-school audience, I would say that the Constitution is not only the original document, but all its amendments, all the laws which have been made under it, all the treaties which have been ratified, and all the customs, plus all the history of those matters. All those things are not taken into consideration when a given case or cause is before the Supreme Court of the United States. The Supreme Court decided at the very beginning of our Government—although not because it had a constitutional right to decide so, not because the Constitution gave it that privilege—that it would hear only real causes. It is rather interesting to realize that we have gotten along this far without ever having had a single advisory opinion from the Supreme Court of the United States. In fact, such great lawyers as Senator Borah, of Idaho, Senator Johnson, of California, and other distinguished men who opposed the World Court did so primarily on the theory that the Covenant of the League of Nations gave that Court authority to hand down advisory opinions.

So it is very interesting to consider what actually happens in our country, the ideas that different people have about their jobs, and so forth. One comes to my mind now: The President sent me to Europe at the time when the discussion of how to control the atomic bomb was going on and when the bill on that subject was before the Congress. It was introduced in the Senate by the Senator from Colorado [Mr. JOHNSON], because he was acting chairman of the committee. When I came home, I made the simple statement that the atomic bomb had been invented as a result of the use of $2,000,000,000 worth of the people's money, and therefore the bomb and the related information which had been discovered belonged to the people of the United States, and therefore we should set up some kind of informal commission to take charge of such matters until definite law on the subject was written. I suggested that all branches of the Government should be represented on the commission, including the Chief Justice of the Supreme Court of the United States. One of the Members of the Senate immediately took himself rather seriously, and wrote to the Chief Justice of the Supreme Court, and asking whether he would think it was within his power to sit on such a commission. The Chief Justice replied, "No." But, Mr. President, the point is, What if the Congress asked him to sit on such a commission? What would the answer be then? We do not have definite things in our Government, any more than we have definite things in our lives.

So I hope when it comes to the discussion of title III, the national emergency title, we shall be able to discuss it objectively, and not spend all our time discussing the inherent powers of the President. Such a discussion is germane; I do not deny that; but I hope we shall not lose sight of the fact that in title III we have provided a plan in which those of us who are the authors of this bill believe. We think it will work. But it is not in any sense a title which will add to or detract from the inherent powers or the discretionary power of the President to act.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROONEY, Mr. FLOOD, Mr. PRESTON, Mr. CANNON, Mr. STEFAN, and Mr. FENTON were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

ENROLLED BILLS SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 191. An act for the relief of the legal guardian of Louis J. Waline;

S. 714. An act to provide for comprehensive planning, for site acquisition in and

outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes; and

H. R. 1754. An act providing for the suspension of annual assessment work on mining claims held by location in the United States and enlarging the liability for damages caused to stock raising and other homesteads by mining activities.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. DOUGLAS. Mr. President, I do not wish to discuss the emergency powers of the President, but I should like to discuss the Taft-Hartley law, the proposed Taft amendments and, in a general way, the Thomas bill and certain amendments which a bipartisan group of Senators have proposed.

As we consider the Taft-Hartley law, we need to know from whence we have come in order to know where we should go next.

THE SITUATION PRIOR TO THE WAGNER ACT

Let us begin with the Wagner Act of 1935. Before that act was passed, workers had slowly won the legal right, if they so desired, to join unions. During the first half of the nineteenth century even this right had been denied them and membership in a union had been ruled by the Cordwainers cases of 1806 to be illegal and in the nature of a conspiracy. However, beginning with the Massachusetts case of Commonwealth against Hunt, this liability was slowly removed. But while the workers had the legal right to join unions, their employers had both the legal and the effective right to fire them if they did. The right of the employer to hire and fire as he wished was regarded as an absolute property right which was not to be limited by law.

Since most employers tended to be hostile to unions and to collective bargaining, most workmen could exercise their legal freedom to join a union or be active in its affairs only at the grave peril of losing the chance to work and to support themselves and their families. Even amongst those broad-minded employers who would not fire a man because he was a union member, union activity commonly decreased a man's chance of being promoted or being retained in periods of unemployment.

Moreover, in many industries and localities there were formal and informal blacklists. And men dropped from one firm because of union activity were banned from work elsewhere. Thousands of men were thus victimized and they and their families suffered cruelly. So great were these pressures that in many regions, only men of heroic mold joined unions or were active in their affairs. And since the number of heroes is by definition limited, the result was that large masses of men were afraid to join.

Discharge and discrimination with the consequent fear constituted one of the major reasons why unionism in the United States was weak prior to 1933, when there were probably fewer than 3,000,000 men in unions and these mostly in the building and service industries. The great mass-production industries of the country, such as steel, automobiles, machinery, rubber, chemicals, textiles, and food products, were almost entirely free of unions, which found themselves practically helpless to gain a foothold. By 1930, there were scarcely 3,000,000 union members in the country and by 1933 even fewer.

THE "YELLOW DOG" CONTRACT

Nor were these the only weapons of the employers. In addition, they extensively used the "yellow dog" contract. By this, workmen were asked as a condition of obtaining or retaining their jobs to sign an agreement that they would not join a union. The scope of "yellow dog" contracts was so extended that workmen had to promise they would not even talk to union agents and organizers, and finally, the mere posting of "yellow dog" requirements by employers tacitly bound workmen unless they specifically refused to agree.

When the Federal Government tried to outlaw the "yellow dog" contract on the railways and a number of States passed similar laws outlawing "yellow dog" contracts for other industries, the courts of that day struck these statutes down as unconstitutional in *Adair* v. *United States* (208 U. S. 161, 1908), and *Coppage* v. *Kansas* (236 U. S. 1, 1915). It was unconstitutional, declared the courts, for Government to try to free the workers from these bonds because to do so would be to interfere with the workers' sacred and constitutional right to sign away their right to belong to a union.

Then the employers and the courts went one step farther. In the Hitchman case, *Hitchman Coal and Coke Co.* v. *Mitchell* (245 U. S. 229, 1917), the Supreme Court held that once workmen had agreed to a "yellow dog" contract, the employer could get an injunction to restrain union representatives from approaching the workers and asking them to join either at the moment or at a future time when they left employment. If a union representative then tried to talk to a man enchained by the "yellow dog" contract, he could be tried before the judge who issued the injunction, and without a jury trial, sentenced to jail for contempt. The courts of the land, therefore, not only insisted that employers could use their full economic strength to compel needy workmen to sign away their chance for mutual aid but that they could then put up legal "keep off the grass" signs which prevented outsiders from coming to their aid. The courts failed to see that necessitous men are not truly free men, but that instead, because of their necessities, they can be forced to agree to terms which ultimately still further decrease their freedom.

The courts of that day interpreted the freedom of workers so narrowly as to restrict it by insisting that the mighty must be permitted to use their economic power to become still more powerful. Failing to see that the labor contract in a free society is an at-will contract, they nevertheless insisted that the employer had property rights in preventing his employees from unionizing in the future even after they left their job.

INEQUALITIES IN EMPLOYER-EMPLOYEE RELATIONSHIP

Thus the workers of the country, relatively poor and without appreciable reserves, were in the main afraid to join unions for they knew that if they did, they would usually be turned out on the streets and the doors of industry would be closed to them. If they exercised their legal right to join a union, they would, over a large section of America become industrial pariahs who would lose the chance to earn their living and who would see their wives and children go hungry because they exercised their right. Moreover, they knew that even if they tried to keep their union membership a secret, there were many company spies and spotters in their midst who tracked down the unionists and turned in their names to their employers so that the vengeful ax of dismissal might fall.

Nor was even this all. Even if, after great risks and sacrifices, a majority of the workers in a given plant did join a union there was no obligation upon the employer to bargain with them or their representatives. The head of the company could curtly say, "There is nothing to discuss," or "I will be glad to consider the grievance of any individual workman, but I will not bargain with a union." This was the attitude of Judge Gary, the head of the United States Steel Corp. in 1919, who refused to meet with union representatives to discuss the ending of the 12-hour workday and whose refusal to bargain on this and other points helped to precipitate the disastrous steel strike of that year.

In order to get recognition and the right to bargain collectively, workmen commonly had either to strike or threaten to strike. Thus, industry had to be shut down for men to transform the legal right to bargain collectively into the effective right to do so. Since modern industry was dominated by huge corporations, employing thousands of men and with tens of millions of capital, to pit the isolated workers against them in order to win recognition was like pitting pygmies armed only with spears against a corps of giants equipped with all the weapons of modern warfare.

This was no true basis for life in a democracy. This was seen in the First World War when the War Labor Board tried to prevent men from being fired for union membership and to give some form of collective bargaining where the employees wanted it. But its efforts died when peace came, and it was not until the National Industrial Recovery Act of 1933, with its section 7A, came along that a similar effort was made.

THE WAGNER ACT

It was the Wagner Act of 1935, however, which brought a real fundamental change in both the law and the public

attitude toward unionism. This much criticized act, I am proud to point out, was passed by the Democratic Party under the leadership of President Franklin D. Roosevelt. In order to make it possible for workers who desired to bargain collectively actually to do so, two fundamental changes were made: First, it became an unfair labor practice for an employer to discharge or discriminate against a workman because he was a member of a union or active in its affairs; and second, if, in a free and fair election, a majority of the workers in a bargaining unit chose a given union to represent them for bargaining purposes, it then became an obligation upon the part of the employer to sit down with the chosen representatives and bargain collectively with them. Let us see what each of these two major provisions meant.

If an employer was found guilty of discharging a man because he was a member of a union or active in its affairs, the Labor Relations Board could order the man restored to his job without loss of earnings. This was a distinct deterrent, since the employer who was guilty of such a practice would have to pay for time during which the discharged man had not worked. But, in the nature of the case, only the grossest forms of discrimination could be detected and proved. Subtler forms of discrimination, such as laying off active union men during a recession, being severe to them when they were caught in minor infractions of the rules and not promoting them, although they might be qualified for promotion so far as their work was concerned, could generally not be proved. The act, therefore, did not prevent discrimination; it merely reduced it. Employees were also prohibited from setting up or financing company unions. Workers were, of course, free to join independent unions which were not affiliated with any national body such as the A. F. of L. or the CIO, but these must be genuinely independent and not company dominated or assisted bodies. In other words, unions were supposed to represent their members, the workers, and not the employers. For true collective bargaining to take place, the law correctly provided that employers should not be dealing with themselves through dummy or stooge unions which represented adverse interests, but should deal only with bodies installed, controlled, and financed by the wage earners. Here again, only the grossest forms of company domination or influence could be caught. Of necessity, the subtler forms slipped through the rough mesh of the law.

The second major provision was that the employer must bargain collectively with representatives whom the workers chose in a free and fair election. The Board was given the power to determine whether the bargaining unit should be a craft, plant, or employer unit. If a majority of the workers did not want to bargain collectively, there was of course no obligation for the employer to bargain. But it was the workers themselves who made the decision as to whether or not they wanted to bargain and the workers made that decision by that most democratic of methods, a free and fair election.

THE MEANING OF COLLECTIVE BARGAINING

Now what does the phrase "to bargain collectively" mean? Both the Board and the court have made it abundantly clear that it does not mean that one side must agree with the other. See Virginia Railroad Co. System Federation and NLRB versus Jones & Laughlin Co. cases. For example, an employer can finally reject union demands just as a union can reject the demands of an employer. Nor do they have to yield to specific demands any more than to general programs.

For example, an employer who is inalienably opposed to granting the closed shop must bargain over whether he will yield, but he can refuse to yield; and a union which insists that seniority be followed in lay-offs can hold to that position. Collective bargaining does not compel agreement. All that it does is first to require both sides to sit down together around a table and to discuss in good faith the issues at stake. In other words, while the parties do not have to reach an agreement, they should make an honest effort to do so. Nor does the requirement to bargain collectively carry with it any definite bargaining procedure which must be followed. No definite sequence of topics is prescribed, but at one time or another the issues raised should be considered.

OPPOSITION TO WAGNER ACT

The conservative and the employing interests of the country immediately opened a drumfire of criticism against the Wagner Act when it was passed in 1935, and this, in one form or another, has continued ever since. But despite all these attacks, the essential fairness of its two basic proposals has by now won general support. These two principles, as I have said, are, first, that workers should not be penalized for joining a union and they should not be discriminated against economically because they carry out what is a legal right; and second, that if a majority of the workers in a given unit want to bargain collectively, the employer should be willing to meet with their representatives and at least make an effort to reach an agreement.

But for the first 2 years after the Wagner Act was passed, the major employing interests of the country virtually refused to obey the law. Fortified by statements made by 69 Liberty League lawyers that the act was unconstitutional, they followed the intricate and to me unsound conclusion that a law can be treated as unconstitutional until it is specifically upheld by the United States Supreme Court.

During this period, moreover, a very large group of employers, as the investigations by the La Follette Committee disclosed, were fighting unionization by every weapon at their disposal. Company spies were hired in large numbers, tear gas and munitions were purchased and rough stuff galore was practiced.

RAPID UNION GROWTH

When the Supreme Court in the spring of 1937 upheld the constitutionality of the Wagner Act, however, the log jam of repression burst. Men and women poured into unions by the millions. Industries which hitherto had been bitterly antiunion were organized, and the unions carried hundreds of elections by huge majorities. Steel, automobiles, machinery, rubber, chemicals, shipping, and longshore work moved into collective bargaining. In the decade from 1937 to 1947, the period in which the Wagner Act was in effect, great progress was made. Union membership tripled, rising to approximately 14,000,000. Hours of work were decreased, real wages rose rapidly, workers were protected from arbitrary discharge and had the chance to develop themselves by taking a greater part in union activities, making decisions about industrial policy and engaging in political activity. They became better citizens by all this because they became participants in life and not dumb beasts of burden driven forward by the goads of power and of want.

Instead of lamenting these developments, as has been the custom of comfortable gentlemen ensconced in the fashionable clubs of our cities, I personally glory in them because they have helped to build a better, a more stable, and a more democratic America.

DEVELOPMENT OF UNDERSTANDING

Inside the factories also, as workers and employers sat down together around tables and discussed matters of mutual interest, each group found that the other fellows were not as bad as they had assumed and that in general they could get along if they only met. Employers in general found that it was better for them to deal with the workers directly rather than to act arbitrarily upon distorted information furnished by undercover spies who had a vested interest in provoking trouble. Workers, in their turn, became more aware of the problems of production and finance which their employers faced.

The Wagner Act has fortunately not prescribed what decisions were to be reached around the conference table. What it did do, to borrow the phrase of the immortal Woodrow Wilson, was to set up permanent processes of conciliation and adjustment under which men with diverse interests could make mutual adjustments. American industry was a better place because the old dictatorial spirit of arbitrary power based upon fear was slowly giving way to self-respecting independence and mutual trust.

Of course, I will not pretend that everything was perfect. It could not be with imperfect human beings. Workers smarting under old repressions and injustices could not quickly turn into understanding saints. Suspicious employers could not be quickly converted into tolerant sharers of power. Unions which had fought for their very lives could not immediately discard the strong-arm methods which had been practiced against them. There were some abuses of power by unions and union officials. Unreasonable demands were sometimes made. Here and there, corruption was practiced by union leaders; and in some

unions Communists came to power by deceiving the workers into believing that they were working for the benefit of the rank and file.

But in spite of all these errors and abuses, the record of the unions during that decade was at least as good as that of business organizations and of State and local governments—all of them institutions of which we are justly proud.

RECORD OF THE NLRB

Nor do I assert that the record of the Labor Relations Board itself was perfect. Of course it was not. Officials who found many employers stalling and trying to evade or nullify the law could not be expected to preserve an icy impartiality. Some were probably biased. Here and there Communists and Communist sympathizers posing as liberals may have found entrance into its ranks.

But after the Supreme Court established the constitutionality of the law in 1937, and increasingly with the coming of Harry Millis, William M. Leiserson, and John Houston to the Board, conditions were greatly improved and this was continued under the chairmanship of Paul Herzog. Greater fairness was insisted upon. Many injudicious officials were weeded out and the standards were raised. Despite all these difficulties and imperfections, on the whole a remarkable job was done. Despite the fact that the Board was overworked and understaffed, the Board worked hard at a staggering docket. Its elections were conducted so fairly that I have never heard an employer question their accuracy—a record which cannot always be matched in our political elections. It dropped or adjusted locally most of the cases initially filed with it, and tended to proceed only when the evidence was strong or overwhelming.

Its rulings were upheld in the vast majority of the cases which were appealed to the courts. Thus, from 1935 to 1947, Board orders carried to the Supreme Court were upheld in whole or in part in 91 percent of the cases, and therefore were set aside or remanded in less than 9 percent. On the whole, it made a good record, particularly during the years from 1940 to 1947.

RENEWED OPPOSITION TO COLLECTIVE BARGAINING

While large numbers of employers were gradually becoming converted to collective bargaining there was, however, a hard core of employers who never reconciled themselves to the new order. These men bitterly distrusted the New Deal and all its works. They resented the sharing of power. They wanted to be unlimited boss again and hold the fate of millions in their hands. So in the late thirties they tried to gut the law by amendment, and after the industrial truce which prevailed during the war they returned to the attack in 1946. Using the familiar bipartisan coalition of conservative northern Republicans and conservative southern Democrats, they jammed the antiunion Case bill through Congress. Only President Truman's veto saved the country from it, and, fortunately, there were enough progressives in the House to uphold his veto.

But in the fall of 1946 the conservatives won a sweeping victory. People were angry because they did not have enough pork chops, soap, and shirts. They stayed away from the polls, and as a result most of the liberal candidates were defeated and the conservatives rode back into power. They interpreted the election as a mandate to pass a severe antiunion law and to turn the clock back. The Taft-Hartley law was the result.

THE TAFT-HARTLEY LAW

I shall have some deservedly severe things to say about the Taft-Hartley law, but I want to make it clear that when I am criticizing that law I am not criticizing the good faith of our distinguished colleague, the senior Senator from Ohio [Mr. TAFT], whose name is borne—I think unfortunately for him—by this act. We all know that the Senator from Ohio is not only a man of great ability—in my judgment, probably the ablest man in the United States Senate—but that he is also honest, candid, and courageous. I say this, not in obedience to senatorial courtesy, which sometimes impels us to pay compliments to colleagues in a fashion which is not always meant in a 100-percent degree, but I say it because it is the sober truth. But, precisely because it is the truth, I regard it as one of the tragedies of congressional history that this honorable and able man should have gotten himself mixed up with the vicious piece of legislation which was sent over to this body in 1947 by the Republican leadership of the House, and that he unfortunately yielded to many of their worst demands. He may have done it reluctantly and unwillingly. I will not say that he was seduced, but I will say that he yielded, and that I regret it. Let me say again, that while I shall condemn the act, and justly so, I speak without the slightest taint of animus toward its author. On the contrary—and I repeat this, and I think it is true of every Senator—we admire and respect him.

I also respect justice and fair play in legislation, however, as well as in person-to-person relations. And it is self-evident to me that the Taft-Hartley law, as a law, is permeated by a vindictive spirit toward unionism and labor and that it is contrary to the spirit of equal justice upon which our democracy is based.

This shows itself in two ways: First, the able Senator from Ohio yesterday, in his defense of the Taft-Hartley law, said it was based upon the principle of mutuality, that the same treatment which had been given employers was now being meted out to labor. I have no doubt at all that the Senator from Ohio believes that, but I should like to point out, if I may, some of the manifest inequalities of the law, and some of the obvious features of the law which deny mutuality. Then, after I have finished with that, I shall in the second place refer to some of the more substantive features of the law, many of which are still retained in the Taft amendments, which not only weaken unions but give to those employers who wish to use them weapons with which to endanger the security of unions.

ONE-SIDED CHARACTER OF TAFT-HARTLEY

Let us first examine some of the patently one-sided features of the act which, like the inadvertent words and acts of a man, betray its real character. We can usually judge a man, not when he is on guard, not when he is making a formal statement, but by the inadvertent acts which he commits.

First, when workers vote on whether they want a union shop, all those who do not vote are counted as voting "No," even though if present they would have voted "Yes"—section 8 (a) (3). All the sick, the absentees, and the indifferent are thus thrown into the scales against the union shop. All this procedure is in sharp contrast with the predominant practice in our political democracy of requiring a victorious candidate or proposition to poll only a majority of the vote actually cast.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. TAFT. In the Ohio Legislature there must be a majority vote of all those elected to that body. That is exactly the same thing as the vote to which the Senator has referred. There are many other instances. As a matter of fact, when this amendment was offered by, I think, the Senator from Indiana, it provided that in order to have a union shop there must be a two-thirds vote rather than half. There is no reason why it should be half. In this instance we are protecting the interests of a minority, and it is right, it seems to me, that there should be more than a majority for that purpose. But, in any event, it is nothing new in parliamentary history for that kind of a vote to be required.

Mr. DOUGLAS. There may be a few curiosities in elections, such as the procedure of the Ohio Legislature or the cloture rule of the United States Senate, the latter requiring a vote of two-thirds of all those eligible to vote. But the predominant rule over the country in choosing officials is by a majority of the votes cast.

Mr. TAFT. Mr. President, will the Senator further yield?

Mr. DOUGLAS. Yes.

Mr. TAFT. What about the constitutional requirement of a two-thirds vote to ratify a treaty in the Senate of the United States?

Mr. DOUGLAS. I do not know that we are discussing treaties. We are discussing elections. I have never heard of an election of this kind which required the vote of a majority of all those eligible to vote. The almost universal rule is a majority of the votes cast. If that is not true 100 percent, it is 99.44 percent correct, and therefore, by the standard of Ivory soap, my statement is pure.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Florida.

Mr. PEPPER. Is not the Senator correct in his suggestion that there is a difference in the two cases, one being an election and the other a case in which, under the Constitution, advice and consent of a segment of the Congress is required to make the action of the executive effective to bind the Nation? It is obviously an anomalous situation, because the House of Representatives is not

included in the requirement. It is not two-thirds of the House and two-thirds of the Senate, but just two-thirds of the Senate. It is simply an anomalous provision in the Constitution to meet a peculiar situation.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAFT. A large number of elections in the State of Ohio require more than a majority vote, such as voting on tax levies and bond issues. Bond issues require in some places 55 percent, and in others 60 percent, because of the fact that it is felt greater protection should be afforded the minority. I do not think the Senator is correct in saying that this is anything unprecedented.

Mr. DOUGLAS. I said it was in sharp contrast to the prevailing practice in our political democracy.

The Taft-Hartley law, by requiring that the union shop must win a majority of those eligible to vote before the workers can effectively ask for it, not only weights the scales against union security but in a sense destroys the secrecy of the ballot. Since those who stay away from the polls are openly identified as voting "No," men can curry favor with their employers by absenting themselves, and word can be subtly passed down the line that the boss will appreciate it if men stay away.

MORE SEVERE STATE LAWS GIVEN PREFERENCE

Secondly, while the Taft-Hartley law utilizes the commerce power of the National Government to heap disadvantages upon labor, it surrenders these powers to the States where the State laws on union security are more severe—section 14 (b).

The law is made to behave like the proverbial Irishman at Donnybrook Fair, namely, when it sees a union-security head, it hits it with whatever weapon comes handy.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. PEPPER. The Senator was discussing a moment ago a point in connection with the election of a representative of the workers to bargain for the union shop——

Mr. DOUGLAS. I was discussing the referendum as to whether the union was privileged to ask for the so-called union shop. In the choice of bargaining units, elections turn on a majority of the votes cast, but on the question as to whether a union is permitted to ask for the union shop, the requirement is that the question must be decided by the majority of all those persons eligible to vote, so that absentees are counted as voting "No."

Mr. PEPPER. Did the Senator emphasize the fact that there were two elections which had to be held? In the first instance, they choose their representatives to enter into a union-shop agreement with the employer, and when they act within the scope of their authority it might well have been assumed, as the Senator from Ohio now provides, that they were authorized to enter into the contract providing for the union shop, but under the provisions of the Taft-Hartley law, which is now on the books, and under which labor has had to live for 2 years, in addition to choosing their representatives and then having their chosen representatives enter into this kind of a contract, which presumptively they were authorized to do, there must be another election in order to ratify, by the difficult procedure which the Senator has emphasized, what their representatives did.

Mr. DOUGLAS. That is correct. As a matter of fact, they could not even ask for a union shop until they had won a referendum by a majority of all the members of the organization who were eligible to vote.

Mr. PEPPER. In other words, there were simply more and more difficulties and burdens thrown upon the effort to get a union shop.

Mr. DOUGLAS. That is correct. These are the instances which I am bringing forth to indicate that the Taft-Hartley law violated the very principle of mutuality which it has been said is its virtue.

On union security the law, therefore, enables the employer to say, in effect, to the employees, "Heads I win and tails I win also." In connection with those matters in which the Federal law is more severe than are State laws, the Federal law has jurisdiction, but where there is, under State laws, the outlawing not only of the closed shop but also of the union shop, and the outlawing of the maintenance of membership clause, the Federal Government surrenders jurisdiction to the States.

In other words, under the Taft-Hartley law the Government says, "Where we impose severity upon labor, the Federal law prevails, and where the State imposes severity the State has jurisdiction." That does not seem to me to be a good way to determine how interstate commerce in this country should be regulated.

REPLACED STRIKERS CANNOT VOTE

Thirdly, during a strike, when the Board orders an election to determine the choice of a bargaining representative—which it can do upon a petition presented by an employer—it must deny the vote to the men out on strike and grant it only to the strikebreakers, who have taken their place—section 9 (c) (3).

In other words, the act assumes that replaced strikers have no rights in their former jobs which the law need respect, and that only the strikebreakers, or those who have replaced the strikers, are entitled to decide whether collective bargaining shall continue, and if so, upon what terms and through what bargaining agent. Since it is easy to see on whose side the strikebreakers will range themselves, the denial of a vote to the replaced strikers is one of those features which former Congressman Hartley must have had in mind when he declared, "There is more to this act than meets the eye."

PRIORITY FOR ACTIONS AGAINST UNIONS

In the fourth place, complaints by labor alleging unfair practices by an employer must first go through the long-drawn-out administrative process which now consumes, on the average, over 14 months from the time the charge is filed until the Board decision is rendered, with the further possibility of the delays of judicial review heaped upon that.

In sharp distinction to this protracted course for complaints filed by labor, however, the act—section 10, subsections (b) to (e), inclusive—requires that complaints against labor for using the secondary boycott are "to be given priority over all other cases"—section 10 (e). Then, if the local officer of the Board believes the complaint to be well-founded, he can go directly to a Federal court and get an injunction restraining the union from acting, without waiting for the case to go through the administrative process. In fact, such an injunction may well be in effect 14 or more months later when the Board itself finally hands down its decision, and when it may hold that the original complaint was ill-founded and should be dismissed. But by that time the effective damage will have been done, and yet no redress will be afforded to the union.

Therefore, the worker who has suffered injustices must be exposed to the long delays of administrative and legal review, and therefore suffers from the fact that justice delayed is justice denied. But the employer is given immediate relief, even though the board ultimately decides that his case should be dismissed. It is as though in the chow line from which justice is dispensed the workers are always put at the end of the line, but the employers are rushed to the front. We all know that there is nothing which men properly resent more than this because it is so patently unfair, yet this is what the act expressly prescribes.

EMERGENCY BOARDS LIMITED TO FINDINGS

In the fifth place, in national emergency strikes the board which makes the investigation is confined in its report to a bare recital of facts, but is prevented from making any recommendations, lest possibly the public might conclude that the strikers might be right in whole or in part—section 206.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAFT. I think the Senator's interpretation of that is entirely incorrect. The reason why no finding was made, as I recollect, was that both the Senator from New York [Mr. IVES] and the Senator from Oregon [Mr. MORSE] felt that that might amount to something close to compulsory arbitration. It certainly was in no way against labor to have the Government make a wage pattern, which was the subject of the discussion at the time, after the General Motors case, and certainly there was no slanting of the case in either direction. I had very little to do with it myself, but there was simply a feeling on the part of the Senator from New York and the Senator from Oregon that we should not have a definite finding which in effect would be an arbitration to be enforced by public opinion. They have changed their minds on that question, and they now feel as most of the witnesses felt, although there were some witnesses who testified that we ought to run the risk of the decision being by compulsory arbitration. But I

am sure there was nothing against labor intended, nor can I see how it could operate adversely to labor more than to management.

Mr. DOUGLAS. Mr. President, I helped to organize the labor-management conference in the fall of 1945, which later turned out to be such a disappointment, and I conferred with a great many employers during the preliminary months and found a great many of them opposed to the idea of any Presidential board of mediation or investigation making recommendations to the public. When they would let their hair down and be frank they would generally say that they thought that a board might make recommendations favorable to labor which would marshal public opinion behind labor and help to effect a settlement, and that they therefore preferred, I will not say to have the board muzzled, but to have the board stopped from making recommendations lest it strengthen the strategic position of labor in the dispute that was under way.

I am sure this was not the intention of the Senator from Oregon or the Senator from New York or the Senator from Ohio, but I say it was the intention of many employers, and I have heard it from the lips of many employers who were very influential in framing employer-labor policy.

EMPLOYERS' LAST OFFER GIVEN PREFERENCE

In the sixth place, as the 80-day cooling-off period in national emergency strikes is about to expire and no settlement is agreed upon, the Government, through the Labor Relations Board, is directed to go over the heads of the union and behind its back and poll the workers individually on whether they want to accept the last offer of the employers. (Sec. 209 (b).)

But the Board does not have the power to go over the heads of the company and poll the stockholders, whom the officials of the company presumably represent, on whether they will accept the last offer of the union. The Taft-Hartley law, therefore, permits a company management to act as the definitive representative of the owners, but does not extend an equal right to a union to represent the workers.

ONLY UNION FINANCIAL STATEMENTS REQUIRED

In the seventh place, while the act requires unions to file financial reports with the Secretary of Labor and furnish them to their members and, hence, indirectly to the public, it lays no similar obligation upon either a corporation or an employers' association. (Sec. 9 (f) and (g).) And yet employers' associations are as weighty factors in industrial relations as are unions, and it is as important that their members and the public should know how their funds are spent. If the A. F. of L. and the CIO should give an accounting of their funds, so should the National Association of Manufacturers and the United States Chamber of Commerce. If the Textile Workers' Union should file, so should the Cotton and Woolen Institutes. If the United Steel Workers should file their report, so should the Iron and Steel Institute. And if financial reporting is required of the United Mine Workers, it should similarly be required of the Northern and Southern Coal Operators.

ONLY UNIONS REQUIRED TO FILE NONCOMMUNIST AFFIDAVITS

Finally, while officers of unions must file non-Communist affidavits with the Board—section 9 (h)—and I wish to say that I would never have objected to this section of the act had it been more inclusive—no such requirement is made of employers, nor are they required to state whether they are members of any Fascist or totalitarian organization which, like the Communists, may be working to overthrow the Government by force or violence or seeking to deprive people of their constitutional rights. There is a presumption, therefore, of disloyalty upon the part of unions alone. Only they are to be scrutinized.

I could go on, but I think I have abundantly made my point. While the Taft-Hartley law was sold to the public in the name of mutuality, it violated almost every standard of true mutuality. It slipped in restrictions which crippled labor without imposing corresponding obligations upon the opposite parties—the employers. By these one-sided provisions cunningly concealed within the texture of the law it betrayed the bias of its framers. It, therefore, properly stands condemned by all those who wish equal justice to all classes. And it is for that, and only for that—not justice for any one class—that I am contending.

Now let it be said in justice to the Senator from Ohio that, upon the mature reflection which time affords, and after due brooding upon the sins of the Taft-Hartley law, he has apparently repented of many of these manifest unfairnesses. We appreciate this change of heart, and want to congratulate him upon it. It brings to our minds the saying chronicled in the New Testament—I believe it is in the fifteenth chapter of Luke, the seventh verse—"There is more joy in Heaven over the one sinner that repenteth than over the ninety and nine righteous who need no repentance." But while the Senator from Ohio is improving, it is a pity that his redemption has only taken its first steps, and that he still insists on maintaining, as he admits, the main features of the Taft-Hartley law. So if I could send a message to the celestial host of angels, it would be that they should not strum their harps too loudly about the Senator's conversion. They should give their harps a preliminary twang, but they should not beat a full chorus. He has made a partial recognition of error. He is improving. But he still has the major distance to go.

TAFT SUBSTITUTE EMBODIES MAIN TAFT-HARTLEY PROVISIONS

For, Mr. President, the proposed Taft substitute embodies most of the real substantive features of the Taft-Hartley law. The Senator from Ohio [Mr. TAFT] made a statement on the subject yesterday with his customary candor. I suppose no more candid or honest man ever debated on the floor of the Senate. He states what he means with bluntness and with frankness, and we know where we stand with him. Sometimes he bruises us very severely, but he never leaves us in doubt as to his position, although at times he is somewhat subtle in his phrases. With his customary candor the Senator from Ohio yesterday said that his substitute embodies the essential features of the Taft-Hartley law. Very well, so be it. Let us see what those main features are and whether they are sound or unsound.

CLOSED SHOP PROHIBITED

Workers and employers are forbidden to agree upon the closed shop even though they may desire to do so. There are a few weasel words chucked in, but the prohibition on the closed shop, as the Senator from Ohio said yesterday, still holds.

What superficial critics of the closed shop fail to recognize is that in many instances the closed shop is of distinct benefit to most employers. For under the closed shop, the union guarantees to furnish skilled labor to an employer upon demand and at a given wage rate. This is a big help to an employer who is thereby freed from the worry and trouble of trying to get a skilled working force. And when he wants to increase his force in a period of labor shortage, he is commonly freed from the necessity of increasing his wage rate as he hires more men. In other words, he does not have to pay a bonus.

If I may be pardoned a personal reference, I came to know this at first-hand when for 17 years I served as a chairman of the National Board of Arbitration of the Newspaper Industry. I found that virtually every newspaper in the country would admit privately that the closed shop was of distinct aid to them.

I should like to read into the RECORD, if I may, part of an editorial from a newspaper by the name of the Chicago Tribune, which is published in my city. The editorial was published on the 22d of November 1947. This newspaper has never been accused of being radical. It has never been accused of being markedly unfriendly toward the Senator from Ohio, and therefore its statement on the matter of the closed shop has, I think, some importance. I quote from the Chicago Tribune:

> When the law was under discussion in Congress, as our readers will recall, we advised against outlawing the closed shop. We did so, among other reasons, because we knew that the closed shop worked well in our own plant and had worked well for half a century or more.

That is from the Chicago Tribune, and I am sure the Senator from Ohio will not wish to question the importance of that statement.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the Senator from Florida.

Mr. PEPPER. Does the Senator from Illinois present the evidence which he has just brought forth, in response to the request of the Senator from Ohio made yesterday that the testimony of one editor who favored the closed shop be presented?

Mr. DOUGLAS. I thought this statement might make an appeal to the Senator from Ohio, and that therefore it would be proper for me to include it.

The same thing is largely true of the building trades over which Mr. Denham,

the counsel for the Board, has been trying to take jurisdiction. For the average contractor in the North and Midwest does little business during the winter months and requires an ever shifting force of craftsmen during the building season. If he had to recruit and train all the men he hired, he would not have as much time left to supervise and to get the work done. The union, by furnishing him trained and skilled men takes this big load off his shoulders.

From the standpoint of the workers, the closed shop frees the unionists from one of their most pressing fears, namely, that if the employer is given complete freedom of hiring, he will discriminate against unionists and that an open shop plant will wind up as a non-union plant. And if it be objected that the clause in the Wagner Act prohibiting discrimination against union men is still in effect, and that therefore the closed shop is not needed, the real answer is that only the grosser kinds of rank discrimination are caught by the Labor Relations Act, while the subtler forms cannot be reached by the law. The closed shop, on the other hand, gives unionists the assurance that they won't be discriminated against because of union membership since there will be no motive for the employer to do so. For if the employer fires one union man, he will have to replace him with another. By agreement of the parties, it thus removes from controversy one of the most frequent causes of bitterness in employment relations—the struggle over the status and security of the union.

Now, of course there are defects in the closed shop. The most vexatious is that of the man who does not want to join. Many of these, but not all, are "free riders," as the Senator from Florida said yesterday, who want the benefits of unionism, but who do not want to contribute to its support. I say frankly that if I had to make a choice between the closed shop and the union shop in industries that operate steadily throughout the year, I would prefer the union shop to the closed shop. For here a man does not have to be a union member to get a job, the employer is free to hire, and yet the man hired must join a union within a given period of time, generally 30 days. But I should like to point out that this method is totally inapplicable to such industries as building, music, and longshore work where men are customarily hired for such short periods that they would not have time to join a union.

On the docks a man works for a few hours or at most for a few days. If the employer is given the right to hire the worker only on the condition that he will join the union within 30 days, he will not join the union. The same thing is true in connection with building, over which, as I have said, Mr. Denham for some reason known only to himself is trying to take jurisdiction. The same is true in connection with music, where an orchestra is hired for a night. Here a union shop would not only become an open shop, but might quickly become a nonunion shop or one closed to unionists.

In short we have such a variety of conditions, we have such a complicated texture of economic life in this country, that it is foolish as well as wrong for Congress to impose a blanket prohibition against the closed shop, as is done under the Taft-Hartley law and as is proposed to be done under the Taft amendment.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield gladly to the Senator from Ohio.

Mr. TAFT. With relation to the position of the newspaper industry, I call the Senator's attention to the communication from the general manager of the American Newspaper Publishers' Association, which is the only testimony in the record I could find. On page 3545 of the hearings he said:

> Insofar as all other unions are concerned with which newspapers do business, all have filed the required affidavits and financial statements and as their contracts have expired, all of them have stated their willingness to enter into union-shop contracts as a substitute for former closed-shop contracts. In those places where the ITU has struck, all of the other unions with which the newspapers have had contractual agreements have observed their agreements and publication has continued almost without interruption.
>
> Experience of publishers has demonstrated the practicability of the nondiscriminatory hiring provisions in the Taft-Hartley Act. One of the chief objectives of the ITU is to control the labor supply in such a way as to maintain a shortage of printers in most areas of employment. The ITU uses its control to force up wages and increase overtime costs. Since the enactment of the Taft-Hartley Act, publishers are free to hire applicants without respect to union membership or union training.
>
> All in all, with the single exception of their experience with the ITU, publishers on the whole have enjoyed the most cordial relations with all other unions during the life of the Taft-Hartley Act, and I know of no instance where any of the provisions of that act has adversely affected either the unions or the operations of publishers.

That is, so far as I know, the only testimony from the newspaper industry.

The distinguished Senator from Florida [Mr. PEPPER] yesterday asked for other evidence. We have the testimony of the head of the printing industry—that is, the printing shops throughout the country——

Mr. DOUGLAS. The so-called book-and-job industry?

Mr. TAFT. Yes. He stated as follows:

> Printing has often been pointed to as an example of an industry which, before the Taft-Hartley law, got along ideally with its unions. This impression is entitled to some correction. Actually if the printing industry seemed to get along ideally with its unions in many instances, it was because it did not have the bargaining strength to resist exorbitant demands and the imposition of uneconomic practices.
>
> * * * * *
>
> Of course, prior to the Wagner Act it might have been contended that since Federal law placed no employer under an obligation to bargain, the unions were also justified in their policy.
>
> Even after that act became law, however, some of these unions of ours still reserve the right to impose working conditions unilaterally. For example, the general laws of the International Typographical Union fix the ratio of apprentices to journeymen, set overtime rates, lay down rigid rules for hiring and discharging, provide for a closed shop, define standards with respect to seniority and establish rules of conduct for the foremen, who must be a member of the union.
>
> Although all of these matters are of vital importance to us, none of them are bargainable or even subject to arbitration.
>
> Section 2, article III, of these ITU general laws reads as follows:
>
> "No local union shall sign a contract guaranteeing its members to work for any proprietor, firm, or corporation unless such contract is in accordance with international law and approved by the international president."
>
> In other words, such union laws have been constantly narrowing the area of bargaining by preventing employers and locals in their negotiations from arriving at any agreement unless the employer is willing to agree to all the "must" rules of the international union.

So I do not think it is quite reasonable to say that the relationships were ideal between the ITU and the various employers.

Mr. DOUGLAS. I did not say that the relationships between the unions and the employers were ideal. I did say that, in my experience, I found only three newspaper publishers who wanted at that time to do away with the closed shop.

What I am trying to point out is that while the Senator from Ohio and I could argue until the Senate adjourns on the merits and demerits of the closed shop, it seems to me that it is safer for us not to pass judgment on that issue in Congress, but instead to let the workers and employers decide, through the process of collective bargaining, whether or not they want to establish it. There is no obligation under the Wagner Act for the employer to take the closed shop. It is merely one of the items of collective bargaining, and he has authority to refuse it.

Mr. TAFT. It is not the employer about whom I am concerned. The employer is of very little concern to me. What I am concerned about is the individual man. The union has so limited the number of people who can become printers that today we have a shortage of printers. If that policy were pursued in all the industries, we should have so much unemployment that the Government itself could not support it.

As an example, take the case of a printer who came from a small town in Ohio, where there was only one shop, a nonunion shop. He learned his printing in that shop. He went to Youngstown and sought a position on the newspaper. He was sent to the union, and the union told him, "No; we will not take you into this union. You learned in a nonunion shop. If you want to go through 6 years of apprenticeship, all right. Otherwise you cannot be a printer in Youngstown." Every shop in Youngstown is a union shop.

It is that arbitrary power against the individual to which I object in the closed shop. It is a matter of civil rights of members of the union and of various persons who seek employment. Those rights are just as important as any of the other civil rights which have been discussed on the floor of the Senate.

Mr. DOUGLAS. I will say to the Senator from Ohio that, as he knows, I have never defended the combination of the closed shop and the closed union. I believe that the workers and employers have the right to agree upon a closed shop,

but that if the closed shop is agreed upon, there is an obligation upon the part of the union to make its terms of entrance comparatively open.

Mr. PEPPER. Mr. President——

Mr. DOUGLAS. Just a moment.

When we get into that question, we get into a great many complexities. The apprenticeship issue is not as simple as some believe, because the ratio of apprentices is a rather complicated mathematical equation which depends not merely on the time required to learn the trade and the industrial expectation of life, so to speak—the period during which workers stay in the trade—but also involves growth rates, internal changes in the industry and so forth. After having worked on the apprenticeship issue for many years, off and on, I can say that there is no easy answer to it. We found that in a great many cases in the newspaper industry, as well as in the book and job printing industry, employers did not hire the number of apprentices they were allowed to hire. We cannot charge the shortage of apprentices in the newspaper industry solely to the unions.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAFT. It is true, however, that the closed shop gives the printers' union, the ITU, practical control over the number of persons who go into the printing trade in the United States. Is not that such an arbitrary power that no one outside the Government ought to exercise it?

Mr. DOUGLAS. It gives them some control. There is no doubt about that. I do not believe that it gives them complete control.

Mr. TAFT. No. There are a certain number of nonunion shops throughout the country.

In considering the question of prohibiting the closed shop, we considered the alternative to which the Senator has referred. As an alternative to the closed shop we might say, "All right; have a closed shop. But the National Labor Relations Board will have to determine whether you are fair in admitting some and excluding others, or in firing some and not firing others; whether your apprenticeship rules are in accord with public policy; and how many apprentices there shall be. Those questions will all be subject to the control of the Board."

That is a possible approach to the problem which we are trying to meet. But I have the great difficulty there that we are going much further into the internal management of unions than I like to go. I do not like regulation of the internal affairs of business, and I do not like to regulate the internal affairs of unions. Frankly, I never did like these elections, because they are a step in that direction. I am glad to eliminate them from the present bill.

However, it seems to me that that course is not as wise as the course of laying down a rule as to what shall be done, and establishing a reasonable kind of union shop which I think is perfectly adequate union security, better than the maintenance of membership which the War Labor Board gave the unions during the war. In that way we would completely eliminate the problem of the closed shop. There is the other alternative; and if the prohibition does not meet the approval of the Senate, it might well be considered.

Mr. DOUGLAS. I will say in reply to the Senator from Ohio that I think he made his initial mistake when he turned his back on the question of free collective bargaining and prohibited the unions and the employers from reaching an agreement on the closed shop if they desired to do so. Once having made that mistake, we became involved in a whole series of further regulations.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Florida.

Mr. PEPPER. That was the point to which I wished to invite the attention of the Senator. In the first place, as the Senator from Illinois has so well said, the so-called closed shop agreement which the committee is supporting is simply to preserve to the employer and the employee freedom of contract. The employer will not employ men who are not members of the union, if the union provides members of its organization for his employment. That is basically what we are seeking, is it not?

Mr. DOUGLAS. That is correct. We seek to permit the parties to make such agreements when they decide it is desirable to do so.

Mr. PEPPER. The Senator will recall that yesterday I read from the statement of Mr. Geary, an electrical contractor, given before our committee during the hearings, that to deny the employer the right to make this kind of contract was an interference with the right of contract which an employer should have. The Senator is familiar with that testimony, is he not?

Mr. DOUGLAS. I am.

Mr. PEPPER. Is it not a fact that if public policy, declared and supported by the Congress, does not require to the contrary, and no appropriate statutory authority requires contrary action, an employer has complete freedom as to whom he will hire to work for him?

Mr. DOUGLAS. He hires a union man.

Mr. PEPPER. Ordinarily the employer has freedom to hire whomever he would like to hire.

Mr. DOUGLAS. I thought the Senator was speaking about the closed shop.

Mr. PEPPER. No. I am speaking about the right of the employer. If the employer contracts that he will exercise his right to hire those whom he deems best qualified to work for him, may he not contract to exercise that judgment or authority in a certain way, with people who have an interest in maintaining certain minimum standards in that enterprise?

Mr. DOUGLAS. So it has always seemed to me.

Mr. PEPPER. Is it not rather strange that those like the distinguished Senator from Ohio, who are able and eloquent advocates of free enterprise and private initiative, wish in this case to deny to the employer his own freedom to employ, and to contract with respect to the use of his authority to employ?

Mr. DOUGLAS. I believe there is a phrase in Shakespeare which describes that:

'twas strange, 'twas passing strange.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. WILEY. I have listened with profit to this discourse, but it seems to me the whole theory includes simply the dear old employer and the dear old union. However, does not the independent citizen have a right to employment? Has not the public the right to some interest in this picture? I am wondering where that enters into the logic of the distinguished Senator from Illinois.

Mr. DOUGLAS. Of course, the whole question of the relationship of individuals to voluntary organizations in society is an extremely complicated one.

Mr. WILEY. I realize that. But if the Senator will yield further, let me say, as has been suggested here, that one of the inherent, fundamental rights of the individual is the right to make a living.

A moment ago I said, facetiously, to one of the gentlemen at the desk, "In the early days, I used to go around painting houses. In those days there were no unions. I suspect that if and when I am retired from the Senate, not being a union man, I would have a hard time going back to house painting."

How about it, Mr. President? Perhaps Harry Truman would give me a job in Independence; what do you think?

Mr. PEPPER. He already has a house.

Mr. WILEY. And he hired a nonunion man to paint it.

Mr. DOUGLAS. Mr. President, I am sure the Senator from Wisconsin will be successful in any occupation he takes up.

Mr. WILEY. Mr. President, I am serious about this matter. I have enjoyed the discussion heretofore; but as I have said, it has been limited simply to the rights of management and the rights of union labor. However, there is a third party interested in all these matters, namely, the public, which is made up largely of nonunion and nonmanagement individuals. If we make between management and labor an arrangement whereby the rights of the independent citizens are curtailed, we shall be interfering with their constitutional rights.

Mr. DOUGLAS. I think that goes into the question of why men do not want to join unions. I would say that if they do not want to join unions because they want to get the benefits of unions without contributing to the support of unions, that scruple is not one which deserves much consideration. On the other hand, if they feel that unions are fundamentally wrong, and therefore they do not want to join them, that is a very puzzling problem indeed; and under those conditions I think a union would be wise if it permitted—as some unions do in the case of some religious groups—such persons to pay some dues, but not be required to join.

The whole question of the individual who has scruples which go counter to the

traditions of society is a very, very difficult one. There is no absolute answer to it. I do not think it is numerically as important as it is made to appear in debate; but I wish to say that I think unions should not be closed, that sooner or later they should open themselves, so that those who wish to join and who are qualified to join would be admitted. I do not know that this is the time to require that to be done. I should like to see a Presidential commission go into that whole question; but it is true that sooner or later, if there is a closed shop, the union should be open.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Utah.

Mr. THOMAS of Utah. Mr. President, before we leave the question about freedom versus restriction in regard to the activities of persons in connection with unions, I think it should be pointed out that that question is hardly valid to the debate at this time, because there is no absolute freedom in the union shop. In other words, after a person gets a job, he is required to join the union. So there is restriction upon the individual's activities.

Mr. DOUGLAS. Which the Senator from Ohio [Mr. TAFT] concedes the law should allow.

Mr. THOMAS of Utah. So that does limit, to a degree, the activities of the individual.

Mr. WILEY. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I am glad to yield to the Senator from Wisconsin.

Mr. WILEY. Probably I should beg the Senator's pardon for interjecting myself into this discussion.

Mr. DOUGLAS. Oh, no; not at all. I am delighted to have the Senator participate in it.

Mr. WILEY. My attention was particularly attracted by the discussion on the subject of the closed shop. While the recent statement of the Senator from Utah has relation to it, yet his statement is only partly related to it, because what we are doing by means of the closed shop is to close out the right of the independent citizen to work.

I agree fully with the Senator from Illinois when he says the closed shop should not be closed.

Mr. DOUGLAS. I say the union should not be closed. A closed shop and an open union will not bar anyone from work.

Mr. WILEY. The effective operation of a closed shop means that unless they let a worker in, he is closed out.

Mr. DOUGLAS. But I am saying that I think it will be found that a very large number of the unions—the great majority, I think—permit qualified men to enter them. I do not say all of them do, for that is not so. But a very large majority of the unions do permit that.

Mr. WILEY. I thank the Senator.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. TAFT. Let me suggest that the whole problem of the open union was very largely taken care of by the provisions of the Taft-Hartley Act in regard to closed shops. It requires every union to admit any individual who wants to be admitted, if he has a job. Those provisions really carry out, it seems to me, the whole substance and theory of an open shop.

Mr. DOUGLAS. The Senator from Ohio may not have been in the Chamber when I said that if I had to make a personal choice in the case of industries which operate steadily throughout the year—such as the steel industry, the automobile industry, and so forth—I, also, would prefer a union shop to a closed shop. But I pointed out that in certain industries where the workers work at only certain, usually brief periods of time during the year—such as in music, among longshore workers, in the building industry, and in other industries—the union shop is totally inapplicable, because the men are not employed for the period of time during which they can join the union; and in those cases the closed shop is a means by which the employer can obtain, upon quick notice, a group of trained, skilled workers, at a given wage, instead of being compelled to go out and find them and hire them one by one. In such cases he may want a closed shop; yet the law prohibits him from having it.

Mr. TAFT. The testimony about the closed shop was presented before our committee when we were originally considering the proposals leading up to the Taft-Hartley law.

The Senator from Illinois has referred to longshoremen. As I recall the testimony as to that industry—and certainly this was the testimony which was presented ? years ago—the closed shop operated to force upon the employer men whom he did not want to employ. For instance, if a man was discharged from a ship for drunkenness, 2 weeks later he might be back on the ship, because the closed shop required the employer to take the men sent to him by the union. The shipowners on the west coast certainly do not want the closed shop, because I have talked with all of them, and they have testified in this case.

Mr. DOUGLAS. Nevertheless, in such cases, as I have shown, it affords the union a security which the union shop does not.

Mr. President, I should also like to make clear that, of course, if closed-shop unions and employers combine together to gouge the public through joint monopolistic action, they can and should be prosecuted under the antitrust laws.

This much I can say—as I said in the colloquy yesterday: That the outright prohibition of the closed shop by the Taft-Hartley law has disrupted the newspaper industry in my own city of Chicago. The newspapers of my city had gladly gone along with the closed shop for decades, and the Chicago Tribune had done so for 50 years. But the Taft-Hartley law made it illegal to do so, and the newspapers felt they had to obey the law. A strike resulted, and for 18 months the printers have been out. The newspapers have suffered losses, the reading public has been deprived of quick news and full news coverage, and the printers have suffered a loss of millions of dollars. Instead of the peace which formerly prevailed in the industry, it has been shot full of conflict, distrust, and hatred. The same prohibition against the closed shop has also been a basic cause of the strikes on the west and east coasts in the longshore industry. The prohibition has been a disruptive influence; and I submit that instead of fastening it into our labor law, we should return to the principles of free collective bargaining, and should let the employers and the employees decide whether they want it.

MOST SECONDARY BOYCOTTS STILL OUTLAWED

The Taft-Hartley law—section 8 (b)—as we all know, makes all forms of the secondary boycott illegal, and makes it mandatory for the council of the Board to restrain such action by getting a temporary injunction from a Federal district court—section 10 (1). The senior Senator from Ohio now proposes a slight modification of this rule. By the terms of his modification, where struck goods are shipped out to another firm, to go through an identical work process, it is not to be illegal for men to refuse to work upon it, and the mandatory feature of the injunction is no longer insisted upon.

But the overwhelming proportion of secondary boycotts are still outlawed. As was brought out in the colloquy yesterday, the Senator from Ohio would still outlaw the following cases: (a) When goods produced under nonunion conditions are shipped to another plant for additional processing; (b) where semiprocessed goods are being shipped to a nonunion plant for further processing; and (c) when goods produced under inferior working conditions come into competition with goods produced under superior and union conditions.

Now, where the Senator from Ohio errs is that, like the Supreme Court of the twenties, he fails to see that workers in other plants may have a legitimate interest in what goes on in a given establishment which produces goods similar to his own. If the plant is nonunion and has substandard conditions, it is a constant threat to the jobs, conditions, and the organization of the workers in other plants. I believe, along with Justices Brandeis and Holmes, that it is legitimate for men in the same industry, craft, or occupation, or the same international union, to refuse to buy or handle the products which are produced in nonunion or substandard shops. The Senator from Ohio is, therefore, in reality proposing that we return to the bad law of Duplex against Deering and the Bedford Cut Stone case, which had been specifically repudiated by the Norris-LaGuardia Act of 1932 (sec. 4A of Public Law 65, 72d Cong.).

"COERCION" PROVISION RETAINED

The Taft-Hartley law of 1947 erred greatly when it superimposed national regulation upon the common law, the criminal law, and most local police ordinances by outlawing "restraint or coercion" practiced by workers against other workers. This national regulation is now modified by the Senator from

Ohio [Mr. TAFT] to omit the word "restraint" and retain only the word "coerce."

Both the original Taft-Hartley law and the proposed bobtailed Taft Act, however, operate as though there were no other remedy for coercion. This is not so. When a picket slugs a man returning to work, it is assault. The slugger can and should be arrested and, if found guilty, sentenced. If he threatens by word and act to slug a man and puts him in bodily fear, he can be arrested and sentenced. If a mass of pickets blocks a street and prevents a returning worker from entering a plant, they violate the principle that all citizens are entitled to travel the public highways, and they can be arrested and sentenced. We actually have enough laws to deal with such offenses. Why do we need national laws to deal with them?

It is really extraordinary that a great defender of the principle of State and local government, who so frequently attacks the regulations on the part of the Federal Government as interfering with the rights of localities, should propose a measure which largely superimposes national regulation upon local police regulation.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. THOMAS of Utah. The last point which the Senator from Illinois made is one which bears out what we have pointed out heretofore, but it needs emphasis at this place, in spite of the strong way in which the Senator has put it. Before the National Labor Relations Act came into force, those who opposed the act did so on the ground that it was unconstitutional. They contended the Federal Government had no right to enter this field at all, that it should not be in it. The reason for the opposition which is apparent to everyone, lies in the unequal control which the employer has over the employee, the strength he possesses. He may have even more strength in one State than in another, because he is controlled by State law. The moment the Supreme Court of the United States sustained the philosophy of the National Labor Relations Act and upheld its constitutionality, and the Federal Government entered the field, then immediately the same opposition started its campaign to try to make the Government crack down on labor and to make the Federal Government a partner of the employer, in the same manner that State governments through the injunctive process had always been the partner of the employer in trying to curb the activities of labor. I think we cannot emphasize that fact too strongly as one of the real reasons why this bill is before the Senate. The punitive nature of the Taft-Hartley law is apparent at all times. It was passed for the purpose of overcoming certain freedoms which labor had gained as a result of being able to get into the Federal field.

Mr. DOUGLAS. I thank the able Senator from Utah. I shall try to develop that point in further detail in a few moments, when I come to it.

Mr. THOMAS of Utah. I am sorry if I have anticipated what the Senator intended to say.

Mr. DOUGLAS. No; I appreciate the contribution which the Senator from Utah has made.

This provision is all the more nonsensical, and I use the word advisedly, when we reflect that the local remedy is immediate and direct, while the Taft-Hartley law and, if I may say so, the bobtailed proposal, can only be utilized through a long drawn-out and indirect process. When pickets commit violence, the remedy is simple, namely, to put those who have committed it into a patrol wagon, sometimes known as the paddy wagon, lock them up, and try them. This is swift and direct. But the apparent remedy under Taft-Hartley Act and the proposed Taft law involves complaint, investigation, charges, hearings, review and final award, which now takes, as I have said, about 14 months. If it is the purpose to restrain violence or threats upon the spot, then this is certainly not the way to do it. The way to deal with violence is through the local police. If this is not the purpose, what is the purpose of the phrase? Can it be that the real purpose is to get a National Labor Relations Board which will give such a broad interpretation of the coercive effect of the term "coercion" that we may go to or approach the standard laid down by the Supreme Court in the American Steel Foundries case, a case involving two cities in my own State of Illinois, Rock Island and Moline, as well as the opposite city of Davenport, in Iowa, in which case the eminent Chief Justice declared in an obiter dicta that the presence of more than two pickets at a gate constitutes coercion.

Is that where it is hoped this labor law of this country will go? I hope we do not turn in that direction, but, by retaining the word "coercion" the way is open for the National Labor Relations Board, subject to "review," to place such an interpretation on it.

I suppose that the defenders of this provision will allege (1) that national prohibition of this type is necessary because it is charged that the local police and courts will not enforce the law against unions, and (2) that if it is proper by national legislation to prevent employers from coercing workers, it is similarly proper to employ national legislation to prevent one set of workers from coercing another.

These defenses, however, are ill-taken. So far as the police and the courts are concerned, there is no general tendency for them to favor labor unduly. Here and there they may, but the general preponderance, as a matter of fact, has been and is the other way.

For, in addition to economic influences which are all too often at work, the unions who try to prevent a plant from resuming work are almost inevitably forced into a position where it becomes difficult for them to get along with the police who are charged with the duty of keeping the streets open. Unless great care is exercised by both sides, it is easy for hostility therefore to develop between pickets and the police with a consequent bias of the latter against the former, and sometimes the former against the latter.

The second argument for allegedly parallel treatment disregards the fact that the coercion practiced by workers against workers is primarily physical and is a violation, as I have said, of both the common and criminal law and can be punished locally. The coercion practiced by employers upon workers is, however, primarily economic in nature and springs from the employer's control over the job. This coercion was formerly legal and even now cannot be restrained by local authority. It needed national legislation in the form of the Wagner Act to outlaw this type of coercion but this does not carry with it any justification for national legislation about coercion practiced by workers against workers, for as I have pointed out, there are abundant local remedies for this.

THE INJUNCTION FAVORS THE EMPLOYER

Both the Taft-Hartley law and the Taft proposal authorize the use of injunctions to restrain unfair-labor practices, and the former made such use mandatory where the secondary boycott is concerned. The Senator from Ohio seems to think that he has met all objections to the use of the injunction in connection with these unfair-labor practices by saying that they can be applied against employers as well as unions and that the temporary injunctions are not to last for more than 5 days.

But what he fails to see is that the courts have always tended to be more conscious of the possible damages to the property rights of employers than to the losses which workers may suffer. It is hard for the courts to realize what the loss of a job may mean to a man, and they are inclined to believe that he can always get another one or will ultimately be reinstated. Nor are they alert to the damage which is done to a union if an employer stalls in bargaining collectively and gives the union representatives the run-around. Even if the Board should seek an injunction in these cases, if past experience is any guide, the courts would virtually always fail to find that there was any irreparable damage.

But they have always been aware of the damage done to the good will and flow of business of employers by secondary boycotts and by picket lines. So in practice, it would be the employers who would get from the courts the benefits of injunctions against the unions, and not vice versa. And they would get them, moreover, upon the basis of one-sided pleadings with the unions not appearing before the courts.

But an injunction, it is said, would merely stay matters temporarily until it was found out whether or not it was valid and, if it should turn out to be ill-founded, it could then be dropped, with no damage done.

This is the familiar mistake which lawyers fall into in discussing the matter of injunctions. They proceed as though it were a situation in which the ownership of a tree is in dispute, A claiming it and B claiming it. B takes an ax and wants to cut down the tree which gives shade, let us say, to a portion of A's lawn. A

gets an injunction restraining B from cutting the tree down until the ownership of the tree is determined. If it is found that A owns the tree, he can prevent it from being cut down. If it is found that B owns the tree, he can cut it down. No damage has been done. The tree still remains. It is the same when we finish as when we began. It has not been altered. The injunction has been granted to prevent irreparable damages. Time has not altered the situation.

But in a labor dispute time is of the very essence of the situation. Since the reserves of the worker are in nearly all cases less than those of an employer, a worker's case grows weaker with time. Tie him up for a period, and he loses ground. Therefore, the injunctive process which ties up labor, even though at a later time the injunction is dissolved, leaves the workers in a weaker position than that which they initially occupied.

These are some of the reasons why I think we should not embrace the delusive short-cuts of the injunction process and why we should in these cases stick to administrative procedures.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CAPEHART in the chair). Does the Senator from Illinois yield to the Senator from Alabama?

Mr. DOUGLAS. I yield.

Mr. HILL. The Senator has discussed the effect of public sentiment on labor, so far as sympathy for the worker is concerned. The Senator, of course, recognizes the tremendous force and power of public sentiment in any local community in the Nation. I hope the Senator will amplify and discuss what it means to the workers for a court to issue an injunction, deciding against them and condemning them, so far as the public is concerned.

Mr. DOUGLAS. The Senator from Alabama has made an extremely good point. The public does not understand that this injunctive process presumably carries with it no final conclusion as to right or wrong. It views a temporary injunction as a decision by a court deciding whether a certain line of action is legal or ethical. If a union is enjoined from carrying out its line of action, the public tends to conclude it is an improper action, and, to the degree that people have respect for law, it crystallizes public opinion against the union.

As I say, these are some of the reasons why I think we should not embrace the delusive short-cuts of the injunction process and that we should stick to administrative procedures. To do otherwise would be, indeed, to reverse one of the reasons why the Administrative Procedures Act was passed, namely, that the parties should have a fair chance to refute the charges made against them.

Mr. HILL. Mr. President, will the Senator yield further in that connection?

Mr. DOUGLAS. I yield.

Mr. HILL. Does the Senator know of any case in which an injunction has been used against an employer? I suppose, theoretically, there are cases in which it should be used, but does the Senator know of any cases in which the injunction process has been used against an employer, when the Board has considered all the testimony, has heard both sides, and a full and complete opportunity has been given to present the case? Such hearings may continue over weeks or months, and in some instances years of time have elapsed.

Mr. DOUGLAS. If there are any such cases, they are exceptional, and there is a great contrast between the deliberation with which the Board has moved in connection with the consideration of evidence, with the party against whom the complaint has been lodged being given a full chance to be heard—there is a great contrast between that and the court process of granting a temporary injunction under the Taft-Hartley law. The new Taft proposal permits the Board to go before a Federal judge, without the other side being present, and, upon ex parte testimony, to obtain an injunction, which, as the Senator says, serves to stigmatize in the public mind the union against whom the injunction is issued.

If we are in favor of administrative procedure which permits the accused to have an opportunity to be heard, I do not see how we can favor the injunctive process.

Mr. HILL. If a temporary injunction is asked and granted within a 5-day period, then the question comes up of the other side entering into it, and the court will be rather slow to reverse its original action which has been played up in the press—splattered all over the front pages of the newspapers? The judge will have to say, "It was entirely ex parte. I heard only one side. I think the injunction was not warranted or justified, so I shall not continue it." Is not that correct?

Mr. DOUGLAS. That is quite correct. The weight of inertia will tend to lead to a continuation of the temporary injunction beyond its originally stated period.

Mr. HILL. And the atmosphere created by the temporary injunction will have a very deterrent effect, so far as the court not continuing the injunction is concerned.

Mr. DOUGLAS. That is correct.

Mr. HILL. And the public opinion, to which the Senator earlier alluded, crystallizes, and surrounds the labor union with more or less an unfavorable and unfriendly, we might even say a hostile, atmosphere.

Mr. DOUGLAS. That is correct.

AGENCY AND SUABILITY OF UNION

I now venture upon a topic which I suppose a layman should beware of entering, namely, the question of the suability of unions and the law of agency under the Taft-Hartley law. But, after all, the law is made for laymen, too, and it should not be the exclusive province of lawyers.

In my attempt as a layman to understand this rather technical subject I have come upon some rather interesting conclusions.

The original Taft-Hartley law provided that unions could be held responsible for the acts of agents and that "the question of whether the specific acts performed were actually authorized or subsequently ratified shall not be controling." In other words, it was not necessary that the so-called agent should be given authorization in advance or that his action be ratified after the acts were committed. If, in the opinion of the court, those acts did damage to the employer and had some sort of connection with the union, the union could be sued and might be held liable for his acts.

I hope the Senator from Ohio will pardon me if I repeat my characterization of the new proposal, which was made in no critical spirit, but in an attempt at genial humor. I would say that if the original act could be called the Taft-Hartley Act, the proposed act should be called the bobtailed Taft proposal.

AGENCY RULES BROADER AGAINST UNIONS

In the present proposal it is said, "The common-law rules of agency shall be applicable." When I first read that I thought it was adequate. There is a ring of plausibility to the phrase "the common-law rules of agency." Then, as I began to go into the question, I discovered what I thought was a very great weakness in the phrase. I am sure that it was unintended, but it exists nevertheless, because the fact is that prior to the passage of the Norris-LaGuardia Act the rules of agency were interpreted much more broadly in the case of unions than they were in the general law of agency. I should like for the sake of the record, as well as for the purpose of carrying out some obligation of public education, to cite a few cases.

Instructions to use peaceful methods were not enough to avoid liability. *Cumberland Glass Company* v. *Blowers Association* (59 N. J. Eq. 49).

Callers of a strike were held liable as fomenters of violence. *U. S.* v. *Railway Employees* (283 Fed. 479).

The acts of pickets were imputed to members of a union by use of a presumption that the members had knowledge of the acts. *Aluminum Castings Company* v. *Molders Union* (197 Fed. 221).

So that prior to the Norris-LaGuardia Act, the law of agency, as it was applied to unions, was so broad that the courts would not require authorization in advance or ratification afterward in order to hold a union responsible, and members who committed some act of violence on the picket line were thereby said to make the union liable for their act, and the union could be sued. This is what is continued in the new Taft proposal.

THE NORRIS-LAGUARDIA ACT

In 1932 Congress passed the Norris-LaGuardia Act, a great act, which bore the names of two great statesmen, George W. Norris, of Nebraska, and Fiorello LaGuardia, of New York, I think two of the noblest Americans who have lived in the last generation. They tried to outlaw this very abuse of the law of agency by specifically writing it into the law of the land that the same law of agency should apply to all parties—see sections 6 and 7. In their report to the Seventy-second Congress on this act, the members of the Senate committee clearly

pointed out the evils of the common-law rules of agency as applied to unions, when they made this statement:

It has often occurred that employers themselves have secured the services of detectives who * * * have gained admission into labor unions. When this happens these detectives are usually doing everything within their power to incite employees who are on strike to commit acts of violence, and such detectives, contrary to the definite instructions of labor-union leaders, sometimes commit unlawful acts for the express and only purpose of laying the foundation for injunctive process, of bringing discredit upon the union, and of making its officers and members liable for damages.

Where the officers of the labor union are doing everything within their power to prevent acts of violence from being committed by any person, the law should fully protect them and save them and the members of their organization who are following their advice from liability in damages because of unlawful acts of persons who are either directly or indirectly connected with those who are trying to defeat the purpose of the strike.

Why should an officer of a labor union, who has specifically advised members that violence must be avoided, become responsible for the hot-headed action of some member in perhaps assaulting a strikebreaker?

The doctrine that a few lawless men can change the character of an organization whose members and officers are very largely law abiding is one which has been developed peculiarly as judge-made law in labor disputes, and it is high time that, by legislative action, the courts should be required to uphold the long-established law that guilt is personal and that men can only be held responsible for the unlawful acts of associates because of participation in, authorization, or ratification of such acts.

I think we should return to the spirit of the Norris-LaGuardia Act, and that we should not adopt this proposal of the Taft amendment. Incidentally, if this is retained in the Taft amendment, it will be possible to trump up suits which would break almost any labor union in the land.

HAS THE TAFT-HARTLEY LAW PREVENTED STRIKES?

Mr. President, I know the hour is getting late, and I shall try to be brief, but there are certain comments made by the Senator from Ohio in his address yesterday upon which I wish to speak. It was a very able address, as is everything the Senator does. In his remarks, as they appear on page 7401 of the RECORD, the Senator from Ohio pointed with great pride to the record of the Taft-Hartley law in reducing strikes and in increasing union membership.

In connection with strikes, let me point out that strikes are largely determined by the rate at which prices are increasing.

Let the cost of living rise rapidly; then we have strikes increasing, because the workers are trying to raise the wage rates to maintain their real earnings.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Ohio.

Mr. TAFT. How does the Senator from Illinois reconcile that with the calling of the coal strike at the present time of falling prices?

Mr. DOUGLAS. There seems to be a practice in the coal industry which cannot be brought under any general classification. I do not want to show off my Latin tags, but if the Senator from New Hampshire [Mr. TOBEY] can quote Latin upon occasions, perhaps I may be permited to quote a phrase. I would say the situation in the coal industry is "sui generis."

But let me go back. We find strikes increasing when the cost of living is rising rapidly. That is why there were many strikes in 1919 and early 1920. That is why we had many strikes in 1946, particularly after the famous coalition gutted price control and let prices jump through the roof. Then the cost of living went up and there were strikes in response to that.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HILL. And at the same time the overtime pay passed out of the picture. Is that not true?

Mr. DOUGLAS. Yes.

Mr. HILL. So wages went down while prices shot up.

Mr. DOUGLAS. I would say prices shot up, and then the workers, in order that their wages might keep pace with prices, staged strikes. By the time the Taft-Hartley law was in full effect, while things had not completely evened off, the increase in the cost of living had begun to level off, and from then on became more stable. Therefore in the period from August 1947, until the present time, since the cost of living has advanced only about 5 or 6 percent, we naturally would not expect so many strikes.

Now the Senator from Ohio claims for his act the results which really came about because of the lesser increase in the cost of living. That act had no more to do with diminishing strikes than the fly upon the chariot wheel had upon the progress of the chariot.

HAS THE TAFT-HARTLEY LAW INCREASED UNION MEMBERSHIP?

The Senator from Ohio also implies that the act has been a fine thing for unions because their membership has increased by 1,000,000 since the act went into effect.

It is true that in those lines where the unions were already established, where they had dug themselves in firmly, their membership did expand. But the onward march of unionism in organizing new industries has almost completely stopped, and has largely stopped because the Taft-Hartley law puts into the hands of employers the weapons which they can use to stop it. And I think the Senators who come from south of the Mason and Dixon's line know what I mean when I say that.

"TIME BOMB" ASPECTS OF THE TAFT-HARTLEY ACT

The truth of the matter is that up until November 1948 a large section of the employers in the country did not want to utilize the full provisions of the Taft-Hartley law lest they frighten the workers of the country. They had won a great election in 1946, and they looked confidently upon the November election of 1948 as one which would return them to power by overwhelming majorities in the House and Senate, and send the Governor of New York to the White House. They did not want to "stir the animals up" before election, because they knew that it might have an adverse effect upon that election. That was one reason why the full powers of the Taft-Hartley law were not used prior to November 1948.

But suppose we go into a depression, which we all hope we will not, but which may occur, much as we dread it. And suppose we have, not 3,500,000 unemployed people in the country but 7,000,000 unemployed people in the country. There will then be a terrific temptation for employers who do not like unions—I do not say that this means all employers, but I say that for those employers who do not like unions there will be a terrific temptation then—to take full advantage of the Taft-Hartley law. If the present provisions remain on the books, they can start suits against unions if strikes occur. They can have union activity greatly restrained. Secondary boycotts will be outlawed. New elections can be called for. And when the new elections are held under the present law, as I have said, the strikebreakers vote, and the replaced strikers do not vote. Thus, the Taft-Hartley law gives to employers in a period of depression the weapons with which they can break unions.

THE PUBLIC INTEREST IN INDUSTRIAL PEACE

The Senator from Wisconsin said I was talking only about workers and employers. I want to say that the people of the country, the farmers and the middle class, the white-collared people, have an interest in industrial peace. I think the people of the country have decided that they want the system of collective bargaining to endure, and that they do not want the country to be torn to pieces by civil strife over this issue, and that it would be extremely dangerous to give into the hands of people who have been hostile to unionism the weapon which they can use to break it in a period of depression.

So I ask the Senate to consider very carefully whether, in the dangers and storms which are ahead, they want to impose that danger upon the country.

I have discussed the proposal of the Senator from Ohio. I now want to say a few words about the Thomas bill, and a few general words about the amendments which a number of us are also proposing.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Ohio.

Mr. TAFT. I do not quite see where at any time any weapon is given to employers to enable them to break a union. If a union has a contract and keeps its contract, when the contract expires its members have a perfect right to strike for any length of time, without being sued. There can be no suit of any kind entered against a union, except that unions should be liable on their contracts as other people are.

Mr. DOUGLAS. There is always a question as to wildcat strikes, whether they are violations of the contracts, and whether the union can be held financially responsible for the unauthorized acts of members who have started an unauthorized strike.

Mr. TAFT. We made it perfectly clear that the unions are not liable for unauthorized acts of members. The amendments make it doubly clear, but it was clear before the amendments were proposed. There is no way I can understand what the Senator means when he says that there are any weapons here to break the strength or the legitimate activities of unions.

Mr. DOUGLAS. Perhaps the Senator from Ohio was not present when I mentioned, in my laymanlike fashion, or pointed out, that the common law of agency prior to the Norris-LaGuardia Act, was infinitely more strict in imposing liability as it applied to unions, than in general commercial relations, and that what the Senator is proposing to do is to reenact or put in statute form this "common law of agency" which, because of its "abusive misapplication" in the case of unions, we thought we had repealed by the Norris-LaGuardia Act.

Mr. TAFT. Mr. President, I cannot see why unions should not be just as responsible for the acts of their agents, in accordance with the provisions of the law, as a corporation or other organization is responsible for the acts of its agents. I cannot understand why unions should be exempt from laws which apply to every other citizen.

Mr. DOUGLAS. We come now to the nub of the question. I agree that unions should be just as responsible as others for the acts of agents, but they should not be made more responsible. The common law of agency, as I understand, prior to the Norris-LaGuardia Act—if we may believe the courts, and may also believe Mr. Justice Frankfurter and Mr. Greene in the book they wrote—the common law of agency prior to the Norris-LaGuardia Act embodies liabilities against unions for the actions by union members with comparatively little proof of authorization or ratification. In other words, the courts were interpreting those acts as acts of agents, on a much lesser showing than was required in other commercial transactions.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. TAFT. I do not think it is true that a union is responsible for the acts of a man simply because he is a union member. But we have inserted in our amendments an express provision that a man shall not be considered an agent because of his relationship as a union member.

Mr. DOUGLAS. Would the Senator from Ohio permit me to read from a book entitled "The Labor Injunction," by Mr. Frankfurter, now Mr. Justice Frankfurter, and Mr. Greene. I think both men were formerly on the faculty of the law school which the Senator from Ohio attended. I read from page 74, as follows:

> For the solution of the other important issue of fact—responsibility for acts of disorder—"presumptions" are invoked.

Listen to this:

> The union and its officers may repudiate the violent deeds, may solemnly disavow them, may importune the strikers to be orderly and law abiding, and yet may be held. "Authorization" has been found as a fact where the unlawful acts "have been on such a large scale, and in point of time and place so connected with the admitted conduct of the strike, that it is impossible on the record here to view them in any other light than as done in furtherance of a common purpose and as part of a common plan"; where the union has failed to discipline the wrongdoer; where the union has granted strike benefits. Other courts, contrariwise have held fast to general agency principles and have exacted the full quantum of proof normally required to establish the responsibility of one person for the acts of another.

As I understand, the first part relates to the general law of agency as many courts applied it to unions. It is that in which we would probably be plunged if the proposal of the Senator from Ohio were to go into effect.

THE THOMAS BILL

Mr. President, I think the Thomas bill is a good bill. It reenacts the basic principles of the Wagner Act, and aims to return this Nation to the principle of mutual collective bargaining. But it has four added provisions the worth of which has, I think, been demonstrated by time.

It not only outlaws jurisdictional strikes, which are a blot on American labor, and which cause a distinct disadvantage to the public, but it provides a means for settling them, machinery whereby they can be settled, which is not done under the Taft-Hartley law.

In the second place, it prevents outside workers from trying to change the choice of bargaining representatives made by workers inside a plant. I think this is necessary and logical. If the workers in a plant, in a free and fair election, choose a given union to represent them, an outside union should not be permitted to try to change the choice of bargaining representative made by the workers inside the plant. I think this feature of the Thomas bill is an extremely good one, and is one to which the leaders of organized labor should have agreed a long time ago.

Third, it declares it to be against public policy to have strikes or lock-outs during the life of a contract, in disputes which arise concerning the interpretation of that contract. I have always believed that if there were a contract, machinery should be provided whereby disputes concerning interpretation could be decided either mutually or by arbitration, rather than to have the respective sides given the right to strike or to declare a lock-out and tie things up pending the interpretation of the contract. The Thomas bill declares it to be against public policy that there should be a strike or lock-out during the life of a contract if the strike or lock-out arises from disputes concerning its interpretation. It goes further. It lays down a system of mediation and conciliation, and the possible use of arbitration to adjust such disputes.

Finally, it deals, I think in a fairly satisfactory way—although I am not perfectly satisfied with it—with the great question of national emergencies.

BIPARTISAN AMENDMENTS TO THE THOMAS BILL

I think it is a good bill, but I believe that the four amendments which have already been submitted by four Members on the Republican side and four on our side would make it a better bill. Those four amendments are sponsored by the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mrs. SMITH], and the Senator from New Hampshire [Mr. TOBEY], and, on our side of the aisle, by the Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Kentucky [Mr. WITHERS], and myself.

Mr. President, we are offering these amendments not to bail out any political party, not to help any one class, but to try to help the people of the United States. We are trying to do it on a bipartisan or nonpartisan basis.

Yesterday in the heat of debate the Senator from Ohio made some statements which had a somewhat uncharitable imputation, about the motives of those who are sponsoring these amendments. He said:

> I think the reason for the change of mind on the part of the majority of Senators on the Labor Committee is clear. They realize that the Senate will not approve the Thomas bill as presented, and they hope to make it more like the Taft-Hartley Act in order to secure votes for its support.

The charge was made implicitly that this was purely a political move to get votes. Let me say to the Senator from Ohio that inside the caucus of the Democratic members of the Committee on Labor and Public Welfare I advocated the very amendments which I am now joining in sponsoring. Several members on the Democratic side favored them. We were not able to get a majority of the committee. In the interest of party harmony, we felt that the measure should be brought to the floor of the Senate, but in committee I explicitly reserved the right to propose and support these amendments when the bill reached the floor.

When we came to the final vote in the committee as to how we should act on the Thomas bill, I asked permission to make a statement, and immediately a point of order was raised by a Republican—a very nice Republican—the Senator from Missouri [Mr. DONNELL], and the gag was placed in my mouth, not by my side, but by the other side, to keep me from attempting to explain that I dissented on certain points and reserved freedom of action on the floor. The Senator from Ohio will remember that, and I believe the stenographic minutes of the committee will bear me out.

PROVISIONS OF THE BIPARTISAN AMENDMENTS

What are the amendments which we are proposing? First, that collective bargaining should be mutual, that it should be an obligation on the part of the unions as well as an obligation on the part of employers. I believe that it was a technical omission by which such a provision was not included in the original Wagner Act. The purpose of unions is collective bargaining; and I believe that there is as great an obligation for unions to bargain collectively with employers as there is for employers to bargain with unions. The act is one-sided unless it includes such a provision. I believe that this change should be made.

We provide for freedom of speech for both sides. That seems to me to be fundamentally sound, even though it gives employers a great advantage by reason of loudspeaker systems, plant newspapers, and so forth, which they can use. Still, even with all those disadvantages to labor and advantages to employers, I believe that it is a fundamentally sound and ethical procedure, and that such a provision should be included in any labor bill.

We provide also for financial reports by unions to the Secretary of Labor and to their members. We also provide something which is not in the Taft-Hartley law or in the Taft proposal. We provide for financial reporting by employers' associations as well. I should like to see how they spend their money, and I think the general public would also be interested.

Fourth, we provide for an anti-Communist, anti-Fascist affidavit from the officials of unions, and from the officials of employers' associations. The provision is mutual in a double fashion, requiring employers as well as union officials to file affidavits, and requiring, in addition to a non-Communist oath, a non-Fascist oath. Today communism is the danger. Ten years ago fascism was more of a danger than communism. Ten years from now, who can say?

I submit that these are fair amendments, and I was pleased to see that the Senator from Ohio agreed.

Because of the lateness of the hour, I shall not attempt to deal with the vexing subject of national emergency strikes. There will be a long debate on that question in which I hope to participate.

NONPOLITICAL VALUES OF THE BIPARTISAN AMENDMENTS

But in view of the comments which have been made by the Senator from Ohio, there is one point which I think I should mention: These comments are not made in a political spirit. They are not advanced to take the Democratic Party "off the hook." It is not on a hook; nor are they advanced to take the labor movement in this country "off the hook." They are advanced because we believe they are just, they are sound, and they conform to the principles of universal justice.

If they win political support from my fellow Democrats and, I hope, from an increasing number of Republicans, we shall be greatly pleased; but we ask only that they win support by the merit of their case. If large numbers of Republicans come flocking to us, as some of their choicest spirits already have done, we shall welcome them with open arms, and with no questions asked, but only with prayers.

If the labor movement comes to agree with these amendments, I congratulate them upon their good judgment; but if they come, they will come because of the merits of these amendments, not because of any "deal."

I wish to say—and I do not here indulge in mock heroics—that I would have fought for these amendments even if they had been opposed by the combined Democratic and Republican Parties and even if my voice had been the only one raised in their defense—although I know it would not have been. These amendments are the result of mature thought and very careful consultation and deliberation.

I understand that some of my Democratic colleagues have been grieved about me because I have been negotiating with the Republicans. On the other hand, the Senator from Ohio says this is a proposal to help the Democrats. I understand that a heresy trial has been started inside the Democratic Party on the charge that I have been consorting with Republicans. Mr. President, I wish to say that I feel honored to consort with such Senators as the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Maine [Mrs. SMITH], and I shall continue to negotiate with any Senator, Republican or Democrat, if it be for the welfare of this country.

I found great pleasure in consorting with the Senator from Ohio [Mr. TAFT] on the housing bill and the aid-to-education bill and the school-health bill. He was magnificent in the brilliant mind which he brought to bear on those questions, and in the ardor with which he threw himself into them. I am willing to consort with him if he will come over and join us, and will get rid of the bad ideas he has in his head, and if he really will repent. [Laughter.] If that occurs, Mr. President, then instead of a slight tinkling of the cymbals and twanging of the harps in heaven, we shall have a full 60-piece orchestra play for him. [Laughter.]

Mr. President, my colleagues on the Democratic side can blame me if they want to, but I shall associate with any Senator—as I have most frequently with Members from my own party—who has the welfare of the United States at heart. I think that is what all Senators should do and I am confident most, if not all, of my colleagues will agree. I am not going to be taken in by any stereotype that if a Senator proposes things which have merit in themselves, he is a liberal or a conservative or a reactionary or a radical. I am going to try to judge every issue on its own merits, so far as I am concerned.

Mr. President, I have talked too long, but I hope I have convinced at least those who are here and those who read the RECORD that the Taft-Hartley law was a bad law, and that although the proposed Taft amendment is not quite as bad, it is still dangerously bad, and should not be fastened to the Thomas bill.

Mr. President, with apologies for the length of my speech, and with appreciation for the courtesy with which the Senate has treated me, I will sit down.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL], on behalf of himself and other Senators.

LEGISLATIVE PROGRAM—EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I desire to make a brief announcement regarding the order of business in the Senate tomorrow and possibly on Monday.

It is my understanding that general debate on the measure now before the Senate—the national labor relations law—will continue tomorrow, with the Senator from Minnesota [Mr. HUMPHREY] and other Senators discussing the measure in a general way.

I think it is the consensus that on Monday we shall probably ask that the unfinished business be temporarily laid aside, so that the Senate may take up the international wheat agreement. The distinguished Senator from Utah [Mr. THOMAS] is chairman of the subcommittee of the Committee on Foreign Relations which has reported that agreement. It is an emergency matter, because of the deadline, for the existing agreement expires, as I understand, on June 30, and it is necessary that we act on the agreement before that time. I believe it probably will be the business before the Senate on Friday and Monday.

After the disposition of the international wheat agreement, it is anticipated that we shall return to the consideration of the present unfinished business, the national labor relations law.

It is the hope of the Senator from Illinois that in the early part of next week we may be able to reach a vote on the a nendments now before the Senate, and to reach a vote as soon as possible upon all the amendments, and ultimately, before that week expires, have a vote on the bill itself. That may be a slightly optimistic desire, but I certainly hope it will be realized.

Mr. President, it is now 20 minutes to 5. Although it is a little early to close shop for the day, nevertheless, I believe perhaps under the circumstances it will be wise for the Senate to take a recess after a brief executive session.

Therefore, Mr. President, inasmuch as there are some postmaster nominations to be confirmed—and, of course, we do not have much trouble this year in having postmaster nominations confirmed, not nearly as much trouble as we had last year—I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CAPEHART in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years, and until his successor is appointed and qualified. (Reappointment.)

By Mr. TYDINGS, from the Committee on Armed Services:

Gordon Gray, of North Carolina, to be Secretary of the Army.

The PRESIDING OFFICER. If there are no further reports of committees, the clerk will proceed to state the nominations on the calendar.

UNITED STATES COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

The PRESIDING OFFICER. Without objection, the Coast Guard nominations are confirmed en bloc.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

Without objection, the President will be notified forthwith of all confirmations of today.

RECESS

Mr. LUCAS. Mr. President, as in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 38 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 10, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 9 (legislative day of June 2), 1949:

UNITED STATES DISTRICT JUDGE

Carroll O. Switzer, of Iowa, to be United States district judge for the southern district of Iowa, vice Hon. Charles A. Dewey, retired.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 881, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress:

To be majors

Fred A. Heimstra, MC, O23575.
Isidore Markowitz, MC, O318336.
Joseph T. Sullivan, MC, O329414.

To be captains

Paul E. Edson, DC, O23349.
George D. Gordon, DC, O368420.
Arthur B. Harris, DC.
Henry J. Krawczek, MC, O1765338.
Hubert W. Merchant, DC, O487380.
Stephen Mourat, MC, O1746566.
Donald W. Pohl, DC, O1785229.
Ralph B. Smith, MC, O479939.
Bagher Sotoodeh, MC.

To be first lieutenants

Elmer V. Ayres, DC, O945353.
Frederick C. Barrett, MC, O1705321.
Otto C. Brosius, MC.
Robert G. Campbell, MC.
John A. Chapman, DC, O1757007.
Kenneth P. Crawford, MC, O1746504.
Henry F. Fancy, MC, O1704955.
Albert B. Finch, Jr., MC, O1736177.
Douglas W. Frerichs, MC.
Franklin Y. Gates, Jr., MC.
Bruce N. Gillaspey, JAGC, O397033.
Kenneth J. Hovanic, MC, O1745883.
Irvine G. Jordan, Jr., MC, O1776424.
Winchester Kelso, Jr., JAGC, O1825863.
Marvin G. Krieger, JAGC, O426667.
Thomas S. Martin, MC, O1766625.
Robert M. Moore, Jr., MC, O1746872.
Nicholas H. Nauert, Jr., MC, O1767422.
Alan H. Reckhow, MC, O936914.
Robert T. Reese, DC, O965289.
Charles J. Ruth, MC.
Thomas M. Sterling, JAGC, O386287.
Lee B. Stevenson, MC, O1757072.
Lucian Szmyd, DC, O959920.
Ernest O. Theilen, MC.
Ernest R. Trice, MC.
Richard K. Vogel, MC.
Rhey Walker, MC.
Robert K. Weaver, JAGC, O56993.
Thomas J. Whelan, MC, O935967.
Ralph L. White, MC.

To be second lieutenants

Margaret L. DuPlease, ANC, N754900.
Gladys J. Gallineri, ANC, N768774.
Julia E. Hambrick, ANC, N797025.
Margaret A. Josway, ANC, N769379.
Margaret E. Knox, ANC, N767882.
Betty L. Madden, ANC, N792137.

The following-named persons, subject to completion of internship, for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Benjamin L. Archer, O958877.
George W. Barker, Jr., O956687.
William R. Beisel, O956160.
William J. Belliveau, O959004.
Leland M. Bitner, O959008.
Alexander M. Boysen, O960851.
Carl O. Brackebusch, O956161.
Donald G. W. Brooking, O960852.
David P. Buchanan, O958450.
Charles E. Butterworth, Jr., O961447.
Irvin W. Cavedo, Jr., O954966.
Bruce F. Chandler, O961446.
Richard K. Cole, Jr., O960461.
Robert A. Collins, Jr., O956686.
Warren J. Collins, O958604.
William J. Conroy, O961452.
Robert F. Conway, O959005.
William F. Crepps, O962922.
John B. Crow, O961686.
Albert J. Davis, Jr., O956012.
William J. Dean, O960855.
Arthur C. Dietrick, O958944.
Donald L. Duerk, O960858.
Orin B. Elliott, O959003.
Robert A. Etherington, O958945.
Donald F. Farrell, O949505.
Gordon E. Gifford, O954269.
Cleston W. Gilpatrick.
Joseph L. Girardeau, O963953.
Donald H. Glew, Jr., O954653.
Frederick D. Good, O955523.
Purdue L. Gould, O961444.
Leon D. Graybill, O958942.
Robert J. Hall, O962924.
James F. Hammill, O947937.
William R. Hancock, O956688.
Joseph L. Hannon, O958512.
Ira B. Harrison, O960863.
James W. Haynes, O954273.
Charles L. Hedberg, O958767.
Armand E. Hendee, O960466.
Boyd C. Hindall, O961685.
Harry F. Hurd, O959344.
Robert W. Irvin, Jr., O954967.
William H. Isham, O961039.
Edward J. Jahnke, Jr., O959628.
Park C. Jeans, Jr., O960864.
Edward H. Johnston, O947903.
Sheldon W. Joseph, O960865.
Albert J. Kanter, O958887.
Cecil H. Kimball, O959233.
Harold Kolansky, O959040.
James M. Lauderdale, O958509.
Boude B. Leavel, O959629.
John B. Logan, O960468.
Donald R. Lyon, O963147.
Roscoe E. Mason, O961692.
William C. Matousek, O959002.
Richard E. McGovern, O958947.
Carter L. Meadows, O962728.
Raymond C. Mellinger, O961945.
Charles A. Moore, O959343.
Kenneth N. Morese, O962717.
Robert W. Moseley, O954958.
Thomas H. Moseley, O954959.
Robert H. Moser, O960867.
Arthur A. Murray, O959271.
John T. Olive, O963267.
Lawrence J. Oot, O960470.
Kenneth N. Owens, O959205.
John H. Painter, O958507.
John W. Payne, O953809.
Francis J. Peisel, O958453.
William G. Phippen, O959001.
Donald G. Pocock, O961440.
James R. Prest, Jr., O958885.
Anthony J. Puglisi, O966542.
Gordon K. Pyles, O957131.
Robert K. Rawers, O954275.
Robert W. Regan, O959614.
Robert H. Reid, O961941.
Charles W. Roth, O961041.
Samuel M. Rothermel, O959272.
William D. Sanderson, O953810.
John E. Scott, O959006.
Richard L. Sedlacek, O948544.
Lee S. Serfas, O961437.
John H. Sharp, O954277.
Jacques L. Sherman, Jr., O1284592.
Alvin Sholk, O962721.
Lee A. Steele, O959245.
Robert J. Steinborg, O960869.
Billie G. Streete, O958951.
Frank L. Swift, O959038.
Arthur A. Terrill, O959342.
Paul E. Teschan, O960870.
Nathaniel A. Thornton II, O956685.
David M. Tormey, O961043.
Molloy G. Veal, Jr., O958886.
David W. Wardell, O961044.
George W. Weber, O961938.
William H. Weingarten, O960872.
William H. Whitmore, Jr., O954964.
Robert C. Wingfield, O962722.
William H. Wright, O958939.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

James W. Ferguson.
Melvin E. King.
William G. Myers.
Neil G. Nelson.
Joseph F. Schwartz III, O956244.

The following-named person, subject to designation as a distinguished military graduate, for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Lester M. Bornstein.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 9 (legislative day of June 2), 1949:

TREASURER OF THE UNITED STATES

Mrs. Georgia Neese Clark to be Treasurer of the United States.

UNITED STATES COAST GUARD

The following officers of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard, dates of rank to be computed upon execution of oath in accordance with regulations:

To be lieutenants (junior grade)

Jules F. Fern
Richard H. Hagadorn
Richard E. Weinacht

To be ensign

Maurice Dean Bowers

The following licensed officers of the United States merchant marine to be commissioned in the United States Coast Guard:

To be lieutenants

Emerson Hayes, Jr.
John Wilfred McCurdy
Warren F. Stevenson

To be lieutenants (junior grade)

Rollin Tabbutt Young
Cornelius George Farley
Rex Langdon Stone, Jr.

The following temporarily commissioned officer to be commissioned in the United States Coast Guard:

To be lieutenant (junior grade), to rank from January 15, 1947

Martin S. Hanson, Jr.

IN THE MARINE CORPS

The following-named officers for appointment to the permanent grade of brigadier general in the Marine Corps:

William O. Brice
Vernon E. Megee
Ivan W. Miller
Fred S. Robillard

The following-named officers for appointment to the temporary grade of brigadier general in the Marine Corps:

William S. Fellers
Edwin A. Pollock
William J. Whaling

The following-named officer for appointment to the permanent grade of colonel in the Marine Corps:

Frederic L. Wieseman

The following-named officers for appointment to the temporary grade of major in the Marine Corps:

Dorn E. Arnold
Roy E. Hagerdon
Albert C. Hartkopf
Raymond H. Leeper
James G. Petrie
Evard J. Snell
Harold E. Swain
George W. Torbert

The following-named officers for appointment to the temporary grade of captain in the Marine Corps:

Gus C. Daskalakis
Robert H. Fore
Harley L. Grant
George Kross

The following-named officers for appointment to the permanent grade of major for limited duty in the Marine Corps:

George K. Acker
Harry D. Hargrave
Frederick O'Connor
Vernon A. Tuson

The following-named officer for appointment to the permanent grade of captain for limited duty in the Marine Corps:

William G. Reid

The following-named officers for appointment to the permanent grade of first lieutenant for limited duty in the Marine Corps:

Edgar S. Hamilton
John C. Hudock
David R. McGrew, Jr.

The following-named officers for appointment to the permanent grade of second lieutenant for limited duty in the Marine Corps:

Harold Bartlett
Robert E. Boze
Irving F. Buckland
Roger D. Buckley
Herbert G. Cantrell
Henry T. Dawes
William M. Dwiggins
Ewing B. Harvey
Richard F. Henderson
Henry S. Jozwicki
Robert D. Leach
Harry N. McCutcheon
Calvin C. Miles III
Derilas A. Moore
James M. Riley, Jr.

The following-named midshipmen for appointment to the permanent grade of second lieutenant in the Marine Corps:

Samuel P. Gardner
Nick J. Kapetan
Richard S. McCutchen

The following-named citizens (contract Naval Reserve Officers' Training Corps students) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Robert L. Lockhart
Theodore R. Wall

The following-named officer (former enlisted man) for appointment to the permanent grade of second lieutenant in the Marine Corps:

Fredric W. Golles, Jr.

POSTMASTERS

CALIFORNIA

Paul K. Ihrig, Acton.
Everett R. Stanford, Alhambra.
Philip G. Hall, Alpine.
Ethel B. Beckman, Armona.
Louis W. Pellegrini, Asti.
Nora L. Passadori, Ballico.
Edward Edwards, Bass Lake.
C. Margaret Dashiell, Baxter.
Florence M. Dedmon, Belden.
Harold W. Crandall, Belmont.
Luther A. Dunlap, Berkeley.
Eva A. Harvey, Bieber.
Orville A. Eddy, Blythe.
Josephine B. Loomis, Bonita.
Joseph G. Koehler, Bonsall.
John Joseph Broderick, Burlingame.
Myra E. Aten, Cabazon.
Ella Boyd, Calpella.
Harold A. Fornell, Calwa City.
Della C. Newburn, Carlsbad.
Rosa M. Maupin, Castaic.
Albert C. Specht, China Lake.
Buena L. Phillips, Chino.
Marjorie L. Woods, Citrus Heights.
Clarence G. McCarn, Covina.
Helen M. Heitman, Crannell.
Catherine C. Krolfifer, Del Monte.
Glayds M. Krug, Del Rosa.
Gene Martin, Denair.
Anne R. Birch, Descanso.
Nina I. Clark, Dorris.
Forrest S. McNabb, Durham.
Evelyn S. Smith, East Nicolaus.
Mary V. N. Flick, Edison.
Hazel D. Ashby, Etna.
Maxine A. Bartle, Fall River Mills.
James C. Wallace, Garden Grove.
Duane J. Cox, Groveland.
Marvin Harmon Wharton, Grover City.
Lawrence E. Watts, Half Moon Bay.
Doris M. Alexander, Highland.
Walter J. Reynolds, Holtville.
Norma C. Hollar, Hood.
Martin G. Murray, Huntington Beach.
James Henley Brammer, Independence.
Thelma W. Zitlau, Irvine.
Thomas Soloman Dunning, Jacumba.
Charles J. Shumaker, Jamul.
Helen G. Hoe, Kenwood.
Laurence J. Eberhardt, Lone Pine.
James A. Elliott, Malibu.
Hugh M. Reynolds, Manhattan Beach.
Theresa A. Casazza, Martell.
Wilbern C. Kluck, Miranda.
Edward L. Tompkins, Monolith.
Willie A. Harp, Montara.
Andrew J. O'Sullivan, Monterey Park.
Harry L. Fox, Norwalk.
Eva May Oates, Nubieber.
Mae Edna Whitehead, Oakhurst.
Zelda A. Kunkle, Oak View.
Helen G. Braden, Oceano.
John B. Heintz, Orland.
Kalidas Le Page, Pearblossom.
Roy Corhan, Pinecrest.
Minnie Tyler, Puente.
Geraldine M. Webster, Project City.
Florence M. Raub, Ramona.
Max K. Stewart, Red Bluff.
Kathryne E. Minnick, Red Mountain.
Blanche B. Denton, Represa.
Katherine Spengler, Richardson Grove.
George Perry, San Leandro.
Charles W. Gartrell, Santa Barbara.
Lloyd H. Skiles, Springville.
Otto O. Wiseman, Standard.
Jean A. Caple, Stateline.
Esther C. M. Landrum, Storrie.
Theoda H. Stackhouse, Summit City.
Oliver Corona, Tahoe.
Johannes Philipsen, Tahoe Valley.
Irene B. Hawkins, Tennant.
Maxwell Carr Salladay, Terra Bella.
Abless B. Dickinson, Tomales.
Gertrude R. Hellwig, Victor.
Robert S. Sleeth, Jr., Walteria.
Marjorie L. Dietz, Wilseyville.
Otto G. Niemann, Woodland.
Lyman C. Mason, Wrightwood.
Hilda J. Hardesty, Yucca Valley.

CONNECTICUT

Sadie G. Turshen, Amston.
Austin M. Ackerman, Durham Center.
Domenic Sebben, East Canaan.
Lionel E. Boucher, Jewett City.
Vincent P. Kelley, Lebanon.
Charles A. O'Connell, Niantic.
Mehitable Baker, Oronoque.
George L. Rockwell, Jr., Ridgefield.
Edward J. Connors, Rockville.
David H. Short, Rowayton.
Muriel S. O'Nell, Taconic.
James J. Morway, Thompson.
Robert C. Burrill, Wapping.
Rhea M. Brouillard, Wauregan.
William K. Bell, West Redding.
Elizabeth R. Rockwood, West Suffield.

DELAWARE

Anna May Upright, Winterthur.
Grover C. Gregg, Jr., Yorklyn.

FLORIDA

Clarence A. Nettles, Chiefland.
Lawrence P. Abney, City Point.
John L. Blanchet, Copeland.
Henry L. Bayless, Grand Island.
Zackary V. Smallwood, Gulf Hammock.
Cecil H. Pillans, Haines City.
Mary H. Wetz, Lake Jem.
Francis E. Moore, Marathon.
Mark Enfinger, Molino.
Russell L. Saxon, New Smyrna Beach.
Marie M. Zimmerman, Ozona.
John Graham Jones, St. Andrew.

ILLINOIS

John P. Mallon, Bushnell.
Samuel E. Caldwell, Canton.
Mildred G. Thompson, Kirkwood.
Paul E. Ross, Mount Carroll.
Paul H. Schenk, Nauvoo.
Andrew Zimmerman, Roanoke.
Joseph Brown, Rossville.

IOWA

Daryl W. Pearson, Ainsworth.
Donald E. Castle, Alta.
Harold R. Rammelsberg, Atkins.
Monrad C. Paulson, Aurelia.
Joseph C. Brady, Belmond.
Jack T. Christy, Bonaparte.
Peter H. F. Sievers, Charter Oak.
Wendell Dean Nowels, College Springs.
Walter S. Keagle, Collins.
Ronald V. Clark, Corwith.
Ben H. Swegle, Corydon.
Myrtle A. Hansen, Coulter.
Nellie M. Easton, Curlew.
Aloysius J. Dotzler, Defiance.
James E. McMenamin, Dexter.
Clarence A. Buss, Dumont.
Philip W. Thurtle, Eagle Grove.
Earle Eldon Cox, Gilmore City.
Anna M. Unruh, Gooselake.
A. Alice Daughton, Grand River.
Aloysius L. Jenn, Hills.
Dale W. Stover, Hospers.
Timon Roetman, Hull.
Theodore E. Murphy, Ida Grove.
Robert E. Keller, Janesville.
Otto O. Ostby, Kensett.
Franklin G. Kluckhohn, Klemme.
Anna M. Gade, Low Moor.
William R. Sharrett, McClelland.
Willie D. Davis, Mapleton.
Eva F. Sult, Marble Rock.

Thomas David Casey, Massena.
Carl William Hergert, Middle.
Edith M. Wehrle, Middletown.
Nellie M. Delaney, Milford.
George R. Patterson, Jr., Minden.
Gerald J. Carroll, Monona.
Don T. Pettibone, Moravia.
Clarence F. Wunnenberg, Morning Sun.
Hobert A. Bair, Mount Vernon.
Richard F. Babcock, Moville.
Bill R. Klinzman, New Sharon.
Claude C. McCarl, Newton.
Ladislav C. Peckosh, Oxford Junction.
Ida E. Heffernan, Peosta.
Marie C. McMillen, Quasqueton.
Carl H. Wright, Russell.
Albert H. Kuennen, St. Lucas.
I. Lucille Larson, Scarville.
William A. Keenan, Schaller.
Herbert A. Rickert, Schleswig.
Chester L. Kious, Scranton.
Edwin F. Borcherding, Sumner.
Kathryn H. Chesley, Sutherland.
John L. Weatherhead, Tabor.
Robert M. Klingman, Wadena.
Mark W. Harris, Jr., Wever.
George E. Brubaker, Winthrop.

KANSAS

Ronald K. Cram, Bird City.
Marie Robinson, Hill City.
Jessie M. Thompson, Rolla.
Earl H. Gibson, Smith Center.

LOUISIANA

Elizabeth H. Landry, Grand Isle.

MASSACHUSETTS

Roger W. Fegan, Beverly.

MINNESOTA

Leo C. Roerig, Adrian.
Clarence F. Olafson, Akeley.
Marshall E. Gibson, Beaver Creek.
Lyle A. Mattke, Danube.
Arnold F. Bolluyt, Edgerton.
Kenneth R. Busch, Hardwick.
Joseph F. Ruzek, Hayfield.
Norman A. Moe, Madison.
Jerome L. Chmielewski, Princeton.
Fred W. Lange, Sargeant.
Ernest O. Ellingson, Spring Grove.

MISSOURI

Richard J. Burger, Billings.
Winifred M. Hunter, Bowling Green.
Robley H. Hogue, Sr., Bragg City.
Roy Junior Haley, Browning.
Louis A. Jones, Cabool.
Harry M. Groves, Cameron.
Edward C. Allen, Conception Junction.
William M. Riley, Corder.
Andrew L. Schatz, Ellisville.
Daphne D. Howerton, Elmer.
Max L. Newkirk, Everton.
Jesse V. Moore, Forsyth.
Walter R. Cummings, Grant City.
Wilma Mae Posson, Ionia.
Cynthia M. Scheperle, Lohman.
Neal R. Dawson, Maysville.
Goldie D. Pence, Osceola.
Robert M. Kirkpatrick, Prairie Home.
Harold W. Harter, Purdy.
Nelson J. Holt, Reeds Spring.
Edgar E. McMullin, Rivermines.
Stuart G. Greene, Sparta.
Joe M. Bilbrey, Summersville.

MONTANA

Clarence D. Tichenor, Opheim.
Mildred B. Ramsbacher, Richland.
Orris M. Anderson, Westby.
Mary F. DeBree, Willow Creek.

NEW HAMPSHIRE

William L. Wright, Bretton Woods.
Mertie L. McAllister, Center Barnstead.
Roger P. Clark, Francestown.
Russell A. Rolston, Greenland.
Dennis Paul St. Germain, Hooksett.
Roger Louis Boucher, Hudson.
Frank C. Blanchard, Mont Vernon.
Oliver E. Andrews, New Boston.
Hollis Gordon, Jr., North Woodstock.
Marion J. Atwood, Pelham.

NEW JERSEY

Theodore S. Cawley, Asbury.
Herbert W. Posten, Atlantic Highlands.
Margaret E. Erny, Beach Haven Terrace.
Victoria E. Wise, Blackwood Terrace.
William M. Ritchie, Jr., Boonton.
Martin Luther Dunn, Bordentown.
Elmer S. Kletzing, Jr., Bridgeport.
Frank A. Caracciolo, Cliffwood.
Barbara A. Grosskreuz, Crosswicks.
Verna B. Brader, Delaware.
Helen Steele Price, Eatontown.
Grace K. Harrison, Edgewater Park.
Mary L. Callaghan, Essex Fells.
Roderick A. MacKenzie, Jr., Flanders.
Marie Saulter, Flatbrookville.
Lillian M. McIntyre, Gibbsboro.
John Calvin Semler, Haddonfield.
Marion C. Murphy, Hamilton Square.
Barbara Wissing, Haworth.
Raymond D. Caufield, Hudson Height
John Frank Bird, Kenvil.
Evelyn J. McGann, Laurelton.
Martin Gerard Kennedy, Locust.
Clarence Frone, Long Valley.
Walter F. Janusz, Manville.
Owen Vincent McNany, Maplewood.
Roland P. Buccialia, Marlton.
Charles J. Hasemann, Matawan.
John William Comiskey, Menlo Park.
Lillian F. Slover, Morganville.
Marie A. Rossiter, National Park.
Owen F. Moore, New Egypt.
Anna Parcell, North Branch.
Rhoda B. Downnam, Ocean View.
Thomas F. Hardiman, Oxford.
Maurice J. Long, Jr., Palmyra.
Benjamin L. Card, Peapack.
Vincent J. McCall, Ramsey.
Robert B. Cunningham, River Edge.
Paul F. Shedoff, Salem.
Charles L. Skinner, Schooleys Mountain.
Harold Wilson, Sussex.
Samuel B. Pierce, Toms River.
Pearl O. Bonnell, Waretown.
Maynard C. Rosenfeld, Woodbine.
Mary A. Kiely, West Norwood.

NEW YORK

William T. Burnash, Adams Center.
Wallace H. Sykes, Hubbardsville.

NORTH DAKOTA

Donald J. Baggenstoss, Lansford.

OKLAHOMA

Charles H. Terbush, Alva.
Grover C. Bayless, Arnett.
Donald D. Fry, Beaver.
Kathleen C. Camp, Buffalo.
John D. Corbett, Byars.
William F. Stratton, Carnegie.
Maureta G. Pappan, Chilocco.
Richard H. Maxey, Clayton.
Grover Franklin Smith, Clinton.
Olen V. Lowther, Davis.
Howard D. Gerber, Dover.
Bessie L. M. Fleer, Drummond.
Lucy M. Sims, Hanna.
Ruby Irene Horn, Haworth.
Walter P. Herscher, Hennessey.
Bolin E. Braswell, Hollis.
Raphael F. Jeffries, Lexington.
Clarence A. Reffner, Manitou.
Wilbur L. Smith, Red Oak.
Rial M. Rainwater, Ripley.
William W. Sanders, Rocky.
Stanley R. Roff, Roff.
Bessie Gossett, Savanna.
Flavis S. Besett, Sterling.
Mayme L. Field, Stratford.
B. Mace Williams, Sulphur.
LeCarl Wooten, Texhoma.
Cordia M. Martin, Velma.
Donald D. Brown, Verden.
Bessie R. Houston, Woodward.
Louis L. Whitaker, Wynne Wood.

OREGON

Leonard A. Ficker, Mount Angel.

WYOMING

Lula L. Ayer, Baggs.
George L. Barp, Big Piney.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 9 (legislative day of June 2), 1949:

POSTMASTER

IOWA

Daniel P. McCarty, Parnell.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 9, 1949

The House met at 12 o'clock noon.

Rev. Edward B. Willingham, D. D., pastor, National Memorial Baptist Church, Washington, D. C., offered the following prayer:

Our Father God of our Lord and Saviour Jesus Christ, we lift our hearts to Thee in praise. Make this moment an experience of personal fellowship with Thee as we pause with reverence in Thy presence.

Accept our thanksgiving for the blessings so richly bestowed upon our land and people. We are grateful for a heritage built upon faith in Thee. Keep us steadfast in Thy way and lead us by Thy holy spirit.

We pray for our Nation and these who represent the people. Grant special wisdom to these who have such heavy responsibilities as our chosen leaders. Be with our President and all in authority. As they must give an account of their stewardship to Thee as well as to the people, sustain them in that which is true and right in Thy sight. Cause them to know Thy will, and strengthen them in every noble purpose. May they be diligent to preserve the rights and freedoms for which our fathers lived and died.

Look with mercy upon all nations. Overrule the prejudices and false pride of mankind and establish the world in the way of righteousness and peace. This, our prayer, is in the name and spirit of Christ ou· Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

REFERENCE OF PETITION

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of a resolution adopted by the executive committee of the Bar Association of Hawaii on May 20, 1949, at Honolulu, T. H., and that it be referred to the Committee on Un-American Activities. I have consulted with the Parliamentarian and with the ranking member on the Republican side of my committee, and they agree.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. SHEPPARD asked and was given permission to extend his remarks in the

RECORD and include a news release with reference to the tidelands of the Pacific West.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article on the case for a National Science Foundation by Ralph W. Gerard, professor of the University of Chicago. It may exceed the limit set by the Joint Committee on Printing; nevertheless, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, and without objection, the extension may be made.

There was no objection.

Mr. WELCH of Missouri asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. BARING asked and was given permission to extend his remarks in the RECORD and include an article entitled "Proposed Solutions to the Problem of Migratory Divorces," notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing, and is estimated by the Public Printer to cost $168.75.

Mr. ZABLOCKI asked and was given permission to extend his remarks in the RECORD and include an editorial.

COMMITTEE ON ARMED SERVICES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tomorrow night to file a report on the bill H. R. 5007.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include an address by one Richard Courts, notwithstanding the fact that it exceeds the limit set by the Joint Committee on Printing and is estimated by the Public Printer to cost $187.50.

THE COMICS AND THE ATOM

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, the comics generally have recently come in for considerable adverse comment and criticism. It is, therefore, worthy of note when through the medium of the comics a really constructive and educational program is begun. I have just learned through my good friend, Bradley Kelly, vice president of King Features Syndicate, of New York, that Joe Musial has prepared an educational comic entitled "Learn How Dagwood Splits the Atom," prepared with the scientific advice of Lt. Gen. Leslie R. Groves, retired; Dr. John R. Dunning; and Dr. Louis M. Heil. We all know how interestingly Dagwood does everything. That he has turned his talents to explaining in simple language how the atom is split is further to his credit. Chic Young, creator of Blondie, the authors, King Features Syndicate, and Puck, the comic weekly, should, I think, be commended.

BROOKLYN SUNDAY SCHOOL UNION

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, this beautiful day is more beautiful in the Borough of Brooklyn. There today, as on 119 previous occasions, a legal holiday celebrates the founding of the Brooklyn Sunday School Union. In that fair borough of the world's greatest city hundreds of thousands of men, women, and children will again proudly proclaim their belief in the eternal and the good God to whom we must all look on all occasions.

Mr. Speaker, would that the world were in Brooklyn today; the moral armament and the reenforcement of the virtues of a good life would spread immeasurably over a stricken and a harried world.

PROPOSED CHANGES IN HOUSE CHAMBER

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, yesterday on the floor of the House I took up the matter of the changes to be made in this Chamber. To my great delight, after I finished speaking, the Speaker advised me that he had informed the committee and those in charge that the changes originally planned would not be made. We are not to be cooped up below an ultramodern Johns-Manville ceiling. We will retain our State seals. In addition to that, we are not to be made into what was described in a Tennessee paper, which I read yesterday, as being something like a dress salon of a department store. The Speaker is as interested as all the rest of us are and since he has the power we can trust to it that the walls of the Chamber are not going to be redesigned along modernistic lines, but will be returned to the warmth and beauty that was theirs when he first entered this Chamber as a Member. I want to express my own personal deep appreciation of the fine judgment of the Speaker and the use he is making of his authority as well as to express to him the appreciation of future generations of Americans.

PERMISSION TO ADDRESS THE HOUSE

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

[Mr. SADLAK addressed the House. His remarks appear in the Appendix.]

The SPEAKER. The time of the gentleman from Connecticut has expired.

PIONEER WOMAN—THE GI BILL OF RIGHTS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article by Robert C. Ruark.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this article of yesterday evening's Washington News by Mr. Ruark begins:

> There are all kinds and grades and shapes of valor for which medals are bestowed. If the bestowal were up to me, I would be handing out a lot of decorations this week to girls named Mary, and Jane, and Betty, and their husbands, Joe, Jim, and Pete.
>
> At Ohio State University it is graduation time for 1,500 veterans, the finish of the first full cycle of the GI education plan. All over the Nation thousands of weary women are saying, "Thank God the old man's finally won his diploma. Maybe now we can start to live like human beings again."

Both the men and the women have been very courageous in their work and deserve great praise for what they have accomplished.

The full text of the article by Mr. Ruark is as follows:

PIONEER WOMAN?—THE GI BILL BRIDE IS HER EQUAL

(By Robert C. Ruark)

COLUMBUS, OHIO, June 8.—There are all kinds and grades and shapes of valor, for which medals are bestowed. If the bestowal were up to me, I would be handing out a lot of decorations this week to girls named Mary, and Jane, and Betty, and their husbands, Joe, Jim, and Pete.

At Ohio State University it is graduation time for 1,500 veterans, the finish of the first full cycle of the GI education plan. All over the Nation, thousands of weary women are saying thank God the old man's finally won his diploma. Maybe now we can start to live like human beings again.

You can cite me the pioneer woman, who birthed her babies in between spring planting and a raid by hostile Injuns, but I don't think she had it much rougher than the women whose husbands were collecting culture and know-how under the GI bill of rights. In a Nation which was swollen with postwar plenty, these men and women are just emerging from what, for them, has been a bitter apprenticeship.

The fact that most of them had the guts to keep after an education is almost unbelievable. They put in the full study hours, plus summer school, worked another half-dozen daily hours, boned on their home work, and in their spare time, worked valiantly at the assignment of husband and father.

They lived in trailers, in chopped-up Army barracks, in furnished rooms at $17 a week with eight families using one bath. They had budgets so trimmed to the wind that a lost quarter was a tragedy. A sick kid in the trailer was a calamity that could only be

answered by a loan shark. I know one recent GI graduate who has been sending instalments—on a dead baby—to a hospital for nearly 2 years.

Somehow, some way, the girls you used to see around the Army and Navy bases during the war have been the winning ingredient in the postwar battle of the bulging cranium. They managed to spread the monthly grant around, to invest it in diapers and milk and hamburger and rent. They strode staunchly through 3 years in a trailer settlement, walking a million miles to draw the water, and ministering to each other in a camaraderie born of mutual desperation.

Atop the press of meeting ends, they maneuvered to keep the baby quiet when Pa was boning on his political science or animal husbandry. Most of them have had little in the way of clothes or girlish gew-gaws and play-pretties. They sublimated their frailties to the big chore—Pa's education.

The old man—who started in as a freshman at an age when prewar seniors were graduated—has come out of the mill a pretty remarkable fellow. He is a grown man—a little grim, maybe a touch cynical—but he seems to know what he wants and what he's going to do to get it.

He's 24, 25, 26, 27 years old. He reads and thinks and questions. His grades have shown him to be a superior student.

I've talked with a few of our new old-man, battle-and-peace-scarred graduates of 1949. At least one of them will wind up in the White House, and I will wager none will ever decorate a relief roll with his name.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. MASON asked and was given permission to extend his remarks in the RECORD and include a memorial address made by the gentleman from Illinois, Mr. CHAUNCEY W. REED.

Mr. KILBURN asked and was granted permission to extend his remarks in the RECORD and include a citation.

SPECIAL ORDER GRANTED

Mr. MURDOCK asked and was given permission to address the House for 10 minutes today at the conclusion of the legislative business of the day and any other special orders heretofore entered.

RECLAMATION IN ARIZONA

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, yesterday I received at my office a release from the gentleman from California [Mr. POULSON] entitled "Arizona's Scheme Threatens Reclamation Appropriations for All Other States."

Accompanying the document was a tabulation pertaining to reclamation appropriations during the 10-year period from 1939 to 1949, both inclusive, which tabulation for a proper use is quite valuable.

I presume each Member of the House received a copy of the same. It strikes at a bill which I have before the Congress. I trust each Member has received this document and will give it careful study. In truth it reveals something probably not intended.

I have just asked for 10 minutes at the close of the legislative program today to bring the matter up before you again and discuss it in detail. The comparison which the gentleman from California makes is not a fair comparison which ought to be made, as I shall show this afternoon. My bill is a long-range authorization for a comprehensive plan on which the future economy of a great American community depends. If comparisons are to be made, they should be between things comparable. My authorization proposed for Arizona will stand comparison with the authorization of developments in similar great areas and projects, as in the Central Valley of California or the Columbia Valley or the Missouri Valley.

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. POULSON]?

There was no objection.

Mr. POULSON. Mr. Speaker, we always know that they holler when it hurts.

All I have presented is the true facts with reference to the amount of appropriations made for all irrigation and reclamation projects for the past 11 years, as the statement shows, prepared by the Reference Service of the Library of Congress.

Here Arizona is asking for a project which will cost at least one and a half times the entire appropriations for that period. All I am doing is calling the attention of the people to the fact that when you give one and one-half times the total amount for one single project, which is going to be financed by the people of the United States, it means that all other projects will be reduced, at least. The irrigation part of that proposal absolutely cannot pay for the cost of operation, let alone any payment on the principal.

I merely wanted to bring to the attention of the House just an idea of what types of fantastic schemes they are attempting to put before the people of the United States. I believe the gentleman from Arizona [Mr. MURDOCK] will have to admit that the figures shown in the table are correct, because they are submitted by the proper people.

The SPEAKER. The time of the gentleman from California has expired.

THE BRANNAN FARM PROGRAM AND POLITICS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, meeting this week in Des Moines, Iowa, will be a group of Democrats and Fair Dealers from the several States in the Midwest. According to press reports they are meeting for the purpose of courting the farmers' vote. Word has gone out from the Department of Agriculture to their field men in Iowa, that they should be present and bring with them 8 or 10 farmers as guests. The Public Relations Division of the Department of Agriculture indicates that there will be 20 or 25 top Government men attending this meeting. All of this, of course, will be at the taxpayer's expense. It is a political meeting. It is called for the purpose of selling the fantastic Brannan program to the farmers. The propaganda and information will be slanted to suit their purposes.

Mr. Speaker, the Brannan farm program would junk the present parity principle and attempt to maintain farm prices at near-war levels and at the same time attempt to give consumers cheap food. This is an amazing sleight-of-hand performance — a political Christmas tree—a Pandora's box, with a Mortimer Snerd philosophy. It is a political program to snare votes from the farmer and the consumer. It is not a farm program.

Brannan attempts to introduce a cheap food philosophy and establish the principle that taxpayers should pay a considerable portion of the grocery bill of the consumers. The program would mean Government-administered farm prices and farm income with complete control of the land and the livestock production. It penalizes efficiency. The cost would be staggering—estimated at $2,500,000,000 for milk alone.

We would find the farmer dependent upon annual appropriations from Congress. Perhaps some Congress might refuse appropriations. If we are to guarantee farm income, via the subsidy route, why should not labor, management, and all investments demand that they be protected by subsidies?

The plan is a political hoax. The housewife would find the Government putting money in one hand, and then grabbing the same amount, plus administration charges, from her pocketbook or bank account by hiking taxes, to pay the subsidies.

Mr. Speaker, the basic economy of the United States has always had a support price for agriculture in the form of a protective tariff. This is now being broken down because of the huge imports of agricultural products into the country. We are importing products that are in huge surplus in our own country. Yet we are trying to support the price at home. It really means we are supporting the price of certain agricultural products all over the world. It is absolutely necessary that we have a healthy agricultural economy. Otherwise the entire structure of our national economy will collapse.

There are about 6,000,000 farms in the United States and about 3,800,000 other

business units. The farms produce 70 percent of all the raw materials which go into manufactured goods. It seems to me that American agriculture must be dealt with on sound economic terms, not on political terms. The farmer merely wants a fair return on his investment and not a political hand-out from his Government.

Mr. Speaker, your party, meeting in Des Moines, had better get behind a sound farm program. You will remember that on April 7, the Secretary of Agriculture proposed a new philosophy for American agriculture and said, in glowing words, that he would have a bill within a few days. It was nearly 2 months before the new farm program was revealed officially. It carried the slogan, "Prosperity income for farmers and lower food prices for consumers." I would remind you and your party that all that glitters is not gold. This Brannan farm program may glitter, but it has no future for American agriculture.

Now what about Brannan's plan as it relates to the livestock industry. The Secretary was both contradictory and uncertain when he was questioned about the application of his plan to the beef cattle industry, as to who would get the subsidy, the producer, the seller, the feeder, or the consumer.

The Government has had experience in the payment of consumer beef subsidies before. It never did involve a workable plan for the direct payment of subsidies to the beef cattle producer. If the Secretary will take a good look at this important segment of agriculture, he will strain his optic nerve and perhaps his patience, because he cannot come up with a practical working plan of operation. The cattle industry cannot operate on guesses, hopes, and dreamy expectations. The cattle industry testified before the Committee on Agriculture to the effect that they wanted no part of this fantastic scheme.

Mr. Speaker, the Brannan farm program is a prize exhibit of the Fair Deal. It is a perpetual motion of prosperity. It has all the familiar gimmicks including "deducts" and "git backs." It promises high prices to farmers and at the same time lower prices to the consumers. The public would be the one over the barrel and would take its usual spanking from the administration. The plan has all the earmarks of a perfect political scheme, but I do not believe that the farmers or the consumers of this country can be so easily deceived.

Mr. Speaker, I would suggest that those meeting in Des Moines, take prompt steps to junk the Brannan program and proceed to make the agriculture bill passed by the Eightieth Congress workable. At that time the Department of Agriculture and your party supported that program. It ought to be given a fair trial. The system of 90 percent parity for staple farm products is not new. It is understood by the farmers. Why take on such a revolutionary scheme as proposed by Secretary Brannan?

The SPEAKER. The time of the gentleman from Nebraska has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. BYRNES of Wisconsin addressed the House. His remarks appear in the Appendix.]

Mr. LOVRE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

[Mr. LOVRE addressed the House. His remarks appear in the Appendix.]

APOLOGY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from South Dakota [Mr. LOVRE] who just left the floor called attention to the fact that on yesterday he was seeking recognition but did not get it. I happened to be in control of the time at that moment and was speaking from the well of the House. It is quite true that I failed to yield to the gentleman as I should have, but yielded to the gentleman from Wisconsin [Mr. KEEFE]. The gentleman from South Dakota is a member of the committee which reported the bill, and one of the conferees, and was entitled to recognition. For some reason I just failed to yield to him although he was standing right there in front of me. I was so intent on making my point that I just continued my talk. I apologized to him just as quickly as I left the floor and he called my attention to the oversight. I do not believe in offending someone publicly, then apologizing in private, so I am taking this occasion to again apologize, not only to him but to all of you. I should have yielded. My failure to do so was just one of those frailties of human nature. And I do not often find cause to apologize, but this time I do.

EXTENSION OF REMARKS

Mr. MERROW asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

ARMS ASSISTANCE TO COUNTRIES OF WESTERN EUROPE

Mr. MERROW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Speaker, it is my hope that before this session of Congress is terminated, legislation providing adequate arms assistance to the countries of western Europe will be enacted. The aid program to Greece and Turkey, interim aid to France and Italy, the European recovery program, the airlift and the North Atlantic Treaty have been most successful in blocking the westward drive of international communism.

Because of these wise and effective policies the West is now at the dawn of a lasting victory over the sinister menace of communism. It would be unfortunate, indeed tragic, if, by any hesitancy or indecision on the vital question of implementing the North Atlantic Treaty, this victory should be allowed to slip from the grasp of the Atlantic community.

By implementing the North Atlantic Treaty, by extending arms assistance to the members of the pact, the United States will have made its position on any possible future aggression perfectly clear. We will have taken the paramount and essential step necessary to avert another disastrous conflict. There should be no thought of adjournment until this imperative action for guaranteeing our security is consummated. I have long been ready to support legislation designed to implement the North Atlantic Treaty and in my opinion this is one of the most important issues of foreign policy on which we must at once render a decision.

EXTENSION OF REMARKS

Mr. POTTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter by a constituent of his to the President of the United States, notwithstanding the fact the extension will exceed two pages of the RECORD and, according to the Public Printer, will cost $168.75 to print.

SHIPPING OPERATIONS BETWEEN CONTINENTAL UNITED STATES AND ITS TERRITORIES

Mr. FARRINGTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. FARRINGTON. Mr. Speaker, I have introduced a bill today to authorize the President of the United States to seize all the facilities necessary to sustain shipping operations between the continental United States and the Territories and possessions of this country in the event of an interruption of this service as the result of a strike, threatened strike, or work stoppage.

The legislation is designed to establish definitely the authority of the President to take such action in situations such as that which prevails in the Territory of Hawaii today as the result of a strike of longshoremen.

The strike is now in its fortieth day, and has caused widespread suffering.

I wish to point out particularly that this legislation is intended to deal exclusively with shipping between the continent and the Territories, and in no other area.

It is not my purpose that its authority be extended beyond that which is necessary to protect the Territories.

Some such authority is imperative as the life of Hawaii, particularly, is dependent on ocean transportation. It is the economic lifeline of the islands, and any discontinuance of this service will inevitably result in great hardship.

I present this legislation following a conference yesterday with President Truman in which he indicated that there was some question as to whether he had adequate authority to deal with the situation now confronting Hawaii.

I earnestly hope that this measure will receive prompt consideration.

PERMISSION TO ADDRESS THE HOUSE

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. WELCH of California addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. WALSH asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. O'NEILL asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a statement by the Norwegian Ambassador, Mr. Morgenstierne.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. It will not be possible for the Speaker to be here on Monday or Tuesday of next week. For that reason, the Chair recognizes the gentleman from Tennessee [Mr. GORE].

ELECTION OF SPEAKER PRO TEMPORE

Mr. GORE. Mr. Speaker, I offer a resolution (H. Res. 243) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. JOHN W. MCCORMACK as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. This action is taken for two reasons: First, the Speaker will not be here Monday and Tuesday, and the immediate necessity is that there might be some enrolled bills that must be signed.

Mr. MCCORMACK appeared at the bar of the House and took the oath of office.

ADJOURNMENT OVER AND PROGRAM FOR NEXT WEEK

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I do so only in order to get the program for next week.

Mr. MCCORMACK. Monday is District day. I understand there are 16 bills on the program.

On Tuesday, if a rule is reported out, and dependent upon that, H. R. 5007, the armed services pay increase bill, will be brought up, but only for general debate. The reading of the bill under the 5-minute rule will be had on Wednesday.

There is no other program that I can announce now for the rest of the week. That will be dependent upon action by the Committee on Rules following its meeting on Monday. You notice, my assignment of the armed services pay increase bill is dependent upon a rule being reported out. Every rule has been brought up that could be brought up and programed to date, so that further business for next week will be dependent upon the action on the part of the Committee on Rules. Does that answer the gentleman's inquiry?

Mr. MARTIN of Massachusetts. Yes.

Mr. MCCORMACK. Of course, conference reports will be in order when presented, with this exception.

Mr. MARTIN of Massachusetts. As I understand, any conference report of any controversial nature will not be brought up on Tuesday.

Mr. MCCORMACK. That is the observation I was just about to make, yes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SIGNING OF ENROLLED BILLS

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1950

Mr. NORRELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 1 hour, to be equally divided and controlled by the gentleman from Nebraska [Mr. STEFAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5060, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. NORRELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am going to make a brief statement explaining the bill as presented by the committee. I shall, for the most part, touch only the major and essential points and facts. The report of the committee goes into somewhat more details as to the committee's action on the budget estimates.

SUMMARY AMOUNTS

The bill as reported recommends total appropriations of $62,200,705. This is $11,697,479 below the budget estimates of $73,898,184. We do recommend, however, a net increase of $686,114 above the 1949 appropriations to date of $61,514,591. The principal item represented by the reduction below the budget estimates is the one for $10,000,000 under the Architect of the Capitol as the first major request for an appropriation to liquidate contract payments under the contract authority granted last year for construction of a new Senate office building. That project is estimated to cost approximately $21,700,000. I should like to emphasize here what the committee has tried to make crystal clear in its report, namely, that the failure to include this ten million in the bill should in no wise be construed as indicative of an affirmative attitude on the part of the committee with respect to the merits of the project. I am sure all Members are aware of the usual custom of the Appropriations Committee of the House not passing judgment on appropriations for the Senate; that body, likewise, customarily does not change action of the House on appropriations pertaining to operation on this side of the Capitol. Unlike the regular annual operating expenses for the Senate, the $10,000,000 item is a

nonrecurring type of appropriation, it involves a substantial amount of money, and was presented in the annual budget estimates for the first time. We held no hearings on it and made no inquiry as to whether the project would require more or less than the $10,000,000 next year. We have therefore omitted it from the bill and recommend that it be left for determination by the Senate. I make these comments particularly because of premature reports which have appeared in the press in the last few days regarding the bill.

With regard to the net increase of $686,114 recommended over 1949 appropriations, I shall touch on them very briefly as I go along. Suffice it to say here that the committee has attempted to make what it considers to be reasonable provision for essential activities and functions of the general legislative establishment which must be maintained. The general pay raise bill of last July for Federal employees accounts for some of the increase. We are recommending some increases in such items as the Capitol Building, House Office Buildings, Botanic Gardens, and the Library of Congress for ordinary physical maintenance and upkeep expenses. Many of these things have been held at a very low level since before the war and we felt that the time had arrived when we must make at least minimum provision for them. Wage increases for skilled employees at the Printing Office last December, which reflect themselves in increased costs of congressional printing, have also had to be allowed.

THE SENATE

Eleven million one hundred and sixty-four thousand three hundred and five dollars is included in the bill for items under the Senate heading. That includes full provision for certain joint congressional committees, including the so-called foreign-aid "watchdog committee" set up by the Foreign Aid Act of 1948. The budget for that committee is $344,000. We are recommending no funds for it for fiscal 1950. The foreign-aid program is now in its second year of operation, policies have been established, and it is in the hands of an efficient administrative organization. All the data that the Congress needs is either already available or can be secured by the standing committees having jurisdiction in this field any time they desire to obtain it from the executive branch. It is felt that the joint committee has served its original purpose and the committee staff should be discontinued, and for that reason we have omitted it from the bill. I mention this also at this point because the way the budget is set up it is reflected in the committee's report as a reduction in estimates for the Senate.

HOUSE OF REPRESENTATIVES

We have reduced the budget estimates of $19,390,310 for all items under the House by $363,835, recommending $19,026,475, this amount being $334,115 above appropriations to date.

REDUCTIONS BELOW ESTIMATES

Several reductions below the amounts requested make up the total cut of $363,835. We are not recommending approval of an additional $27,500 requested for the Clerk's office to employ more administrative assistants because we are not convinced of the need.

One hundred seventy-four thousand five hundred and fifteen dollars has been cut from the request for staff of standing committees of the House. On the other hand, the amount we have allowed will, we believe, be quite adequate for the coming year.

The Capitol Police asked for funds to employ 16 additional police on the House side of the force, which we have denied. There is no legislative authorization for these additional police and, furthermore, the committee does not believe they are justified at this time.

Some increases have been granted for replacement of various items of furniture and equipment but not to the extent recommended to the committee. Those items are explained in more detail in the report.

INCREASES ALLOWED

The $334,115 aggregate net increase over this year's appropriations includes $150,000 to begin preliminary work on preparation of a new edition 2 or 3 years hence of the United States Code. This is a continuing thing which must be provided for.

Approximately $223,000 is attributable to the $330 pay raise granted employees this year and to increased salaries and new positions established by specific House resolutions in the past few months.

Approximately $106,000 is for furniture and equipment purchases and replacements. Two or three decreases of no particular significance bring the net amount down to the $334,115.

ARCHITECT OF THE CAPITOL

The committee is recommending a total of $5,692,300 for the various maintenance, repair, and operational functions of the Architect of the Capitol. The budget estimates were for a total of $15,863,800, and $10,000,000 of the difference between the estimates and the amounts recommended is represented by the new Senate Office Building item, which I have heretofore explained. In total, the bill for the Architect is $687,180 below corresponding 1949 appropriations, but when certain large nonrecurring items are removed from the comparison it will be found—and the report goes into this in some detail—that we have allowed several comparatively small increases for maintenance upkeep and replacement costs in the Capitol and House Office Buildings, the Library Buildings and grounds, and other functions for which the Architect is responsible. As I indicated at the beginning of my statement, much ordinary maintenance and replacement work in and about these buildings and grounds have been put off for several years, and we simply must make some provision for keeping them in a reasonable state of repair. I do not think I need dwell on these various items any further at this time.

LIBRARY OF CONGRESS

For the Library of Congress, which is unquestionably the greatest library in the world, the committee has included a total of $8,082,800, or an increase of approximately $643,000 above their current-year appropriations. We have, however, made reductions below the budget requests in several instances, aggregating $494,000. The requests of the librarian are not of the magnitude of submissions of the past 2 or 3 years. Aside from the Legislative Reference Service, practically all of the increases allowed above the present year are justified by either increased cost of operations or for what might be termed normal growth of the basic functions of the library and in respect to items falling in those categories, we believe we have been generous under all the circumstances. We have specifically omitted funds which the librarian wanted for new projects and programs and for expansion of recently established activities within the general framework of basic library operations. They can add a few additional personnel within the funds granted for meeting increased demands of normal growth.

COPYRIGHT OFFICE

A full budget estimate of $798,700 has been allowed for the statutory functions of the copyright office. This is an old activity of the Government and currently is more than paying for itself in the form of fees and charges assessed under the copyright law.

LEGISLATIVE REFERENCE SERVICE

The committee is recommending approval of a very substantial increase of $185,000 over the current appropriation for the Legislative Reference Service. I feel sure that many Members of Congress who find this a valuable service will support the committee in this particular recommendation. The Committee on House Administration has made a detailed study of the status of the work of the Legislative Reference Service and appeared before our committee and unanimously recommended approval of the full budget estimate of $725,000. We gave very careful consideration to the needs of Congress for assistance of the kinds that were visualized in the Legislative Reorganization Act when the enabling statute for this service was rewritten and reenacted. The evidence is convincing that not only has lack of adequate funds for this Service resulted in delay in handling inquiries and requests from the Congress but that the quality of the service has been somewhat abridged. I might also add that our committee is in hopes that with the approval of this expansion in the Legislative Reference Service, the Committee on House Administration, which has primary jurisdiction for considering requests from the standing committees for special investigative funds, will be able to hold down, and even reduce, the number and amount of these special authorizations. The suggestion has been made that this is a distinct possibility for the years to come.

SALE AND DISTRIBUTION OF CATALOG CARDS

Aside from approving some increase for the old-established activity of selling copies of library catalog cards to libraries and other institutions all over the country, I am sure many Members will wish to know of our action in the matter of inclusion of a portion of the original

cataloging cost in the final sales price of these cards. I know that Members have received protests from libraries all over the country against the policy established last year of including cataloging costs in the sales price. We considered the matter very carefully and, as set out in more detail in our report, we have suggested that when the Library recasts its price structure on these cards for the coming fiscal year the cataloging costs be left out. It seems manifestly unfair to single out this particular operation for separate and distinct treatment on the point while the long-established Government policy in arriving at the sales price of other Government publications remains unchanged.

INDEX TO STATE LEGISLATION

For the first time in many years no funds are included in the bill for preparing and printing the biennial index to State legislation which the Library of Congress produces. In our opinion, there are available at reasonable cost from private law-publishing houses similar publications which are more complete, handier to use, better organized, and produced and distributed more quickly and currently than is the State law index. Copies of these publications are available today in the Library of Congress and it seems clear to the committee that we can save some money by discontinuing this activity and letting the Library buy such copies of these private publications as may be necessary for each and every purpose they are intended to serve.

They wanted some additional personnel under this same appropriation to service committees and Members of Congress on matters in the field of State legislation. As to that, the Legislative Reference Service, which as I have already indicated has been given a very substantial increase in funds, has adequate authority to take care of any such requests and can do so within what we have provided.

BOOKS FOR ADULT BLIND

We have approved the full budget estimate of $1,000,000 for books for the adult blind. This is a most worth-while program and it has been unhestitatingly granted.

GOVERNMENT PRINTING OFFICE

For all items under the Government Printing Office, including the working-capital fund, we have recommended $17,793,800. We have made reductions in two items, namely, one of $250,000 in the Public Printer's estimate of the cost of furnishing and printing and binding for the Congress and the other of $71,000 in the appropriation for the Superintendent of Documents. We felt that the estimate for congressional binding and printing might be a little on the high side although it is almost anybody's guess at this point just what the requirements will be.

Notwithstanding these reductions, we have necessarily had to allow some increases over the current year mainly on account of statutory within-grade salary promotions for the classified employees and to take care of a wage increase approved for the Government Printing Office last December by the Joint Committee on Printing.

Mr. Chairman, I have tried to cover the main features of the bill now before the Committee, but if there are any questions which Members may have, we shall do our best to try to answer them.

Mr. STEFAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we again bring before you the appropriation bill making appropriations for the legislative branch of your Government for the fiscal year 1950.

Your committee has worked long and diligently on this bill, going into every item of money requests from all of the different divisions of this branch of Government.

At the outset I want to commend the chairman of this committee, the gentleman from Arkansas [Mr. NORRELL], the gentleman from Tennessee [Mr. GORE], the gentleman from Alabama [Mr. GRANT], the gentleman from Kansas [Mr. SCRIVNER], and our committee clerk, Mr. Paul Wilson. These gentlemen have rendered a great service to the Congress in their work on this bill.

Those of you who have worked on appropriation bills realize, more than those of you who have not, what a tremendous task it is to go into these many appropriation items.

In spite of the fact that this bill is called a housekeeping bill for the House of Representatives, it is really one of the most important bills that is brought before you, because it includes appropriations for all of the facilities here on this 153 or 154 acres of land, containing historic buildings, and a location which is visited by hundreds of thousands of people from every State of the Union and every country in the world. It includes appropriations for the greatest printing establishment in the world, the Government Printing Office, which does a business of $55,000,000 a year, with 46 agencies of Government; the Library of Congress, which has more volumes in it than any other library in the world. It is true that we in the House do not appropriate for the United States Senate. The Senate does its own appropriating. This is a custom of many years' standing. The Senate does not appropriate for the House.

If you will look at the report you will find it is a very detailed report, giving full information about all of the activities so far as expenses are concerned, in connection with the legislative branch of Government. Your committee went into every item dealing with the House of Representatives, and other facilities, other than those of the Senate, over which we have no control. However, we did eliminate one item that has to do with the beginning of construction of a Senate Office Building. The committee eliminated $10,000,000 requested, leaving that entirely to the Senate, as it does its other items of expense.

If you will look at page 2 of the report you will find the committee did a pretty good job in eliminating unnecessary expense so far as appropriations for the House of Representatives are concerned. We felt that economy should be practiced in the legislative branch of Government as well as in other branches, so we made reductions and denied many requests for increases. We went into every detail with a fine-toothed comb and practiced economy in every respect.

We found that the automatic pay-raise bill, Public Law 900, resulted in some increase. You will find that the reductions in this bill amount to $11,697,479 under the budget estimate.

I am very happy to have learned today that after many months of struggle those of us who are endeavoring to preserve American architecture are assured that the historical seals in the ceiling of this historic Chamber will not be removed. This is only a partial victory for those of us who have and will continue to oppose any attempt to destroy valuable American architecture in our Nation's Capitol.

I have been asked if this bill includes the extra clerk hire and the new proposal for telephone and telegraph. In answer to that question I will state that this bill does not carry any extra clerk hire for Members nor does it contain any new provision for telegraph or telephone. This bill contains no changes in the amount for clerk hire for House Members. I understand the proposal for extra clerk hire is to come up in a resolution some time today. While I oppose this resolution and shall vote against it, discussion on it does not come in this bill because it is not included in any item under present consideration.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. NORRELL. Mr. Chairman, I have no further requests for time on this side of the aisle.

Mr. STEFAN. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, economy, like charity, must begin at home. This subcommittee on legislative appropriations has done an excellent job of exercising economy in the expenditures relating to the legislative branch of the Government. The increase in the number of employees is minor, although I can assure you that the requests made were for a considerable number. Except for the pay raise of $330 a year for each employee, and the automatic in-grade promotions you would have very little, if any, increase in this expenditure if any at all.

It is interesting to note that under the supplemental pay act plus the automatic promotions and the increased pay on new jobs that will be allowed, the amount is $1,959,000 in itself. It is, of course, only $330 a person, but when you multiply this by many persons it amounts to a great deal of money. That accounts for the greatest portion of increase in this bill over last year.

Repairs, painting, and other housekeeping items were necessarily delayed by the war. Further delay will prove costly—hence items here for these purposes have been increased somewhat over

last year—but no more than absolutely needed.

You will notice on page 3 of the Report that the committee points out that in keeping with tradition—and when the tradition started no one knows—we did not even have an opportunity to look into the items of appropriations for the other body. To my amazement, as a new member of this subcommittee, we were asked to pass upon these blindly and in faith. I am serving notice now that next year, if I am permitted the privilege and honor of sitting upon this subcommittee, I will not approve, without facts to back them, any appropriations for the other body. In fact, if necessary, I will then offer an amendment to strike out all items relating to the other body.

Mention has been made of the amount appropriated for the Government Printing Office, a $55,000,000 a year concern; and yet, there is no one committee of the House of Representatives that has any control or supervision whatsoever over that huge plant or its operations. Its money comes from many appropriations. It would be interesting, Mr. Chairman, to insert here, as found on page 79 of the hearings, the list of Government agencies from which the Government Printing Office obtains its funds in payment for printing and binding. It is illuminating; it is interesting; and the situation calls for some study on the part of Congress to bring about better coordination of these items for printing and binding.

The matter referred to follows:

Charges for work delivered during the fiscal years 1947, 1948, and 8 months of 1949

	1947	1948	8 months of fiscal year 1949
Congress	$5,375,000.00	$6,730,447.45	$4,297,160.91
Private orders and speeches	92,300.67	145,793.94	101,421.13
Congressional repay	2,860.37	1,663.74	2,629.62
Superintendent of Documents	2,097,496.29	2,669,339.87	1,600,459.79
Library of Congress	790,677.40	889,191.53	597,146.71
Agriculture	1,807,935.22	2,084,584.88	1,812,972.37
Air Force			4,771.06
Army	8,318,747.82	8,620,647.24	6,720,650.65
Commerce	1,638,226.55	2,041,828.94	1,319,262.64
Interior	672,190.23	996,503.32	641,499.48
Justice	580,096.80	852,339.32	506,338.55
Labor	573,019.40	515,057.68	255,980.97
Navy	5,414,748.72	4,888,977.82	3,206,198.01
Post Office	3,482,731.41	4,802,720.37	3,307,501.33
State	1,087,098.76	1,175,396.82	780,263.83
Treasury	4,725,677.00	5,073,174.63	3,937,688.82
Administrative Office of the United States Courts	72,473.53	134,987.36	95,017.71
Alien Property Custodian	8,511.84	(1)	(1)
American Battle Monuments Commission	194.89	104.53	154.42
American Committee for Protection and Salvage, etc	4,028.72		
Atomic Energy Commission	700.93	81,070.32	82,071.43
Board of Governors, Federal Reserve System	738.47	984.18	698.23
Bureau of the Budget	179,934.01	121,475.47	131,236.98
Central Intelligence Agency	49,350.78	244,021.74	193,126.03
Citizens Food Committee		88,716.61	
Civil Service Commission	315,996.16	422,750.60	292,543.05
Civilian Production Administration	164,837.67	(2)	
Committee on Fair Employment Practice	5.70		
Commission of Fine Arts	276.92	179.88	124.96
Commission on Organization of Executive Departments		130.66	4,952.04
Council of Economic Advisers	2,893.17	10,222.08	12,385.94
Court of Claims	30,549.35	35,703.76	22,987.42
Court of Customs and Patent Appeals	7,825.37	7,690.53	7,581.91
Displaced Persons Commission			2,797.44
District of Columbia government	106,994.25	152,301.89	86,553.11
Economic Cooperation Administration		3,937.95	40,905.06
Export-Import Bank of Washington	5,208.64	5,822.53	2,997.16
Farm Credit Administration	26,721.58	41,236.47	33,242.69
Farm Security Administration	25,360.27	(3)	
Farmers Home Administration	65,978.92	189,980.67	66,560.07
Federal Communications Commission	44,127.52	55,200.38	34,223.75
Federal Deposit Insurance Corporation	13,173.77	15,909.61	3,327.89
Federal Mediation and Conciliation Service		3,088.75	10,784.55
Federal Power Commission	49,534.44	72,203.93	51,178.44
Federal Security Agency	873,221.67	1,305,542.02	1,177,060.15
Federal Trade Commission	43,184.81	50,922.03	23,703.99
Federal Works Agency	150,384.19	151,228.60	95,831.79
Foreign Economic Administration	304.08		
General Accounting Office	274,514.71	289,193.87	136,163.64
Government Printing Office, field service	350,301.60	249,629.71	98,715.35
Housing and Home Finance Agency	744,772.51	504,528.55	234,963.44
Indian Claims Commission		$812.02	$119.21
International Monetary Fund		1,282.17	23.80
Interstate Commerce Commission	$204,877.29	234,263.25	166,122.52
National Academy of Science	355.12	254.05	286.67
National Advisory Committee for Aeronautics	31,983.55	102,866.50	68,851.76
National Archives	8,574.44	13,946.69	8,976.13
National Capital Housing Authority	2,641.91	5,039.31	2,703.46
National Capital Park and Planning Commission	92.37	105.40	14.61
National Capital Sesquicentennial Commission			223.87
National Forest Reservation Commission	830.85	1,010.58	953.74
National Gallery of Art	7,206.23	6,549.17	5,304.77
National Labor Relations Board	147,931.50	194,068.23	115,484.15
National Mediation Board	5,599.29	10,601.50	5,415.66
National Security Resources Board			17,933.52
Office of Civilian Defense	6.50		
Office of Defense Transportation	7,998.50	8,250.35	4,092.25
Office of Economic Stabilization	2.70		
Office of Government Reports	1,105.87	7,487.21	8,783.59
Office of Housing Expediter	8,028.79	151,666.26	140,099.01
Office of Price Administration	905,973.53	(4)	
Office of Scientific Research and Development	267.95	21.24	
Office of Temporary Controls	798,850.63	279,098.37	15,989.20
Office of War Mobilization and Reconversion	17,007.36	(4)	
Panama Canal	96,826.20	167,454.67	45,666.93
Panama Railroad		13.09	6.56
Pan American Union	54,767.74	77,886.07	29,899.71
Patent Office	622,597.30	1,049,189.66	823,847.99
Petroleum Administrator for War	129.45	(5)	
Philippine Alien Property Administration	36.59	98.69	831.57
Philippine War Damage Commission	29,063.75	12,072.55	2,825.66
Price Decontrol Board	312.33	17.83	
Railroad Retirement Board	76,768.07	164,133.16	79,135.76
Reconstruction Finance Corporation	13,734.39	43,066.85	23,435.79
Securities and Exchange Commission	58,214.11	71,393.90	46,237.42
Selective Service System	85,028.62	158,639.44	584,938.84
Smaller War Plants Corporation	177.30		
Smithsonian Institution	125,175.20	105,819.76	56,944.52
Supreme Court of the United States	64,826.59	20,222.81	8,532.87
Tax Court of the United States	11,906.46	14,302.38	7,331.33
Tennessee Valley Authority	78,701.77	93,381.91	45,103.25
United Nations Relief and Rehabilitation		2,280.45	26.91
United Nations	183,399.51	159,402.96	2,571.81
U. S. Maritime Commission	188,533.62	110,944.70	36,426.16
U. S. Tariff Commission	17,856.28	19,632.40	17,210.82
Veterans' Administration	5,055,211.57	4,042,265.12	1,879,777.59
War Assets Administration	3,693,936.26	1,963,840.49	139,798.19
War Shipping Administration	1,670.07	(6)	
White House	11,636.02	68,585.71	6,831.18
Total	53,009,753.69	55,088,399.13	36,432,593.29

[1] To Justice, Oct. 15, 1946.
[2] To Office of Temporary Controls, Dec. 12, 1946.
[3] To Farmers Home Administration, Nov. 1, 1946.
[4] To Office of Temporary Controls.
[5] To Interior, May 8, 1946.
[6] To U. S. Maritime, Sept. 1, 1946.

You will see there is an item of $7,500,000 in this bill for the Government Printing Office. That actually is not a real appropriation, because it comes back into the Treasury at the end of 6 months; it is merely an advance of funds for the operation of the Printing Office until the funds can be obtained from the agencies of the Government from this appropriation. This causes the time lag of about 6 months which requires this advance or loan through this measure. The main item, and the only item, which this subcommittee was requested to pass upon for the Government Printing Office was that of $8,000,000 for congressional printing, most of which is to pay for the printing of the CONGRESSIONAL RECORD. If you are going to practice economy, as all of us must, each and every one of us can contribute greatly to governmental economy by cuttting out the excessive and extensive extension of remarks in the RECORD, because each one of those costs a little more than $45 a page to print.

One item that has not been mentioned was the fact that under the appropriation for the Sergeant at Arms there is an item which gives recognition, and properly so, to two members of the Metropolitan Police Department who are on duty here on the Hill, one on the House side and one on the Senate side. Both of these men have been here for many years and being on duty up here have no opportunity to gain the promotions that other members of the Metropolitan Police Force have. Recognizing this inequity, the matter has been corrected by this subcommittee.

Although there were many more positions asked for, there are 40 new positions granted to the legislative reference service in the Congressional Library. We will look at this item again next year and possibly find that this service has grown as far as it properly should. Incidentally, I may point out that while the Congressional Library comes under the legislative appropriations and is charged up to the expense of the operation of Congress, which includes, of course, the Senate as well as the House, it is not altogether a legislative expenditure. The so-called Congressional Library has now become in effect the national library of

the United States. It is probably the biggest library in the world. In it will be found books and publications of untold value. In a few years there will be donated to this Library additional volumes of very great value, rare books, old books, that must, of course, be cared for. If we are to accept these gifts and continue to expand the Library, Congress and the Nation must expect gradually increasing expenditures for that purpose, and it should not be charged against Congress as part of its expenditures.

Many more employees were requested for maintenance of the Library buildings, but we allowed only the reinstatement of nine that had been carried in unfilled vacancies for many years.

The Botanic Garden as you will see on page 51 of the hearings, is included in the legislative appropriation. The Botanic Garden houses a very valuable collection of plant life but it has nothing to do with the Congress, although it is on the Capitol Grounds. The Superintendent of the Botanic Garden has done a good job in holding his requests down both for personnel and for the operations of the garden itself, which is visited by probably 200,000 people each year.

Mr. Chairman, I want to go back to one point relating to appropriations for the other body. The practice has grown, and rather rapidly in recent months, of referring to the Members of the other body as Senators and to Members of the House of Representatives as Congressmen. The members of both bodies are Congressmen. We are Representatives. The result has been that whenever there has been criticism about some action of the Congress, automatically the folks at home look to the Members of the House of Representatives and blame us for those shortcomings, even though the criticism is actually against some action or lack of action by the other body. This practice has grown up but should not be carried on longer by ourselves, by the radio, by the press, by the commentators.

It is going to be interesting to see what public comment may be made on some of the items for the other body. If this bill does come back in conference, this subcommittee will then, for the first time, have an opportunity to look over the justification for some of those items. As I have said before this is wrong, and should be—it must be—corrected.

Mr. Chairman, on the whole, this committee and the House of Representatives should approve the work done by this subcommittee on appropriations and the report it has made and the way that it has held down requests for increased expenditures which have been mounting too rapidly. If all other agencies of the Government would follow the example set by the House of Representatives in presenting its appropriations for the House, we might well be a long way toward retrenchment and to lessened expenditures for governmental operations.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. NORRELL. Mr. Chairman, I have no further requests for time.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, from the testimony which has been taken by a subcommittee of the Senate Committee on Expenditures in the Executive Departments it is apparent that the Members of the other body at least—and I think it may be safe to assume some of the Members of this body—are becoming worried over the inability of the Government at this time to live within its income. From testimony to which I listened—and the testimony was given by a prominent Member of the other body, a Democrat—and then from the testimony which followed—and that came from the minority leader of the Republican Party in the other body—it seems that there must be some reduction in Government expenditures. They gave the impression—in fact, one of them said—that we would go into a tailspin unless we mended our ways. From what I hear from our colleagues here in the House who have been home and who are returning, they seem to be of the same opinion; that is, the folks back home now know that we are, month after month and year after year, continuing to spend more than we take in. They realize, too, that there are indications that the Government's income may drop. That being so, they are insisting that we do something about it in the Congress and that we do it now.

I do not know what mail my colleagues are receiving except as they tell me, but from the mail which I receive and from what my colleagues say, from day to day our folks are insisting that we cut our expenditures.

I realize that the Eightieth Congress was given a bad name by certain candidates for office, but unless the Eighty-first Congress gets a "move-on," to use a common expression, move-on and begins to either fish or cut bait on the Hoover recommendations, the Eighty-first Congress is going to stand at the top for a bad reputation.

Now, what does this all lead to? The Hoover Commission pointed the way and the people are sold on the report of the Hoover Commission. The House and the Senate have passed basic legislation for reorganization, for enacting into legislation the recommendations made by the Hoover Commission. What is the matter? What is holding us up? Only the failure of the conferees to agree upon a reorganization, a basic reorganization bill. And, where does the responsibility for that failure to agree rest? You cannot shove it off on the Republicans. The Democratic Party has a clear working majority in the other body; it has a clear working majority here. There is no argument about that. You can ram legislation down our necks whenever you feel like it. You cannot make us like it but yau can make us take it. You have a majority of the conferees. Of the conferees on that reorganization bill 6 are Democrats and 4 Republicans. The Republicans from the Senate and from House have said, "All right, the people elected President Truman." We heard a lot about that mandate from you gentlemen—never from the ladies; they are more polite—and we are going along in this particular instance with President Truman; and strange as it may seem to some who can only see through partisan glasses, the Democratic President, Mr. Truman, and a former Republican President, Mr. Hoover, are together on the proposition, and we Republicans in the House and in the Senate who are on that conference are going along with those two distinguished gentlemen; wholeheartedly we are going along.

The failure to get a reorganization bill now is due to the refusal of members of the Democratic Party organization to accept a compromise which is acceptable to President Truman and former President Hoover and to 7 of the 10 conferees from the Senate and House.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent to proceed out of order, and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the action of the Secretary of Agriculture day before yesterday—Tuesday—is another clear demonstration of the manner in which the Truman administration is playing politics with the welfare of the farmers of the Nation. I refer to Mr. Brannan's gracious announcement that the Commodity Credit Corporation would make loans up to 75 percent of support prices on wheat stored on the ground.

The administration through the Commodity Credit Corporation has always had full authority to make loans of this kind under present law. Last year during the campaign, the President and all of his followers declared that the Republicans were responsible for the slump in grain prices of between 25 and 35 cents a bushel below support level. In the meantime, the CCC steadfastly refused to make any grain loans unless so-called proper storage was provided.

Secretary Brannan would not loan farmers one red cent on wheat stored on the ground, and this action cost wheat producers at least $100,000,000. Now, with the same legal authority possessed in 1948 political expediency for the Truman administration caused Secretary Brannan to offer a large loan on all wheat stored on the ground in the 1949 harvest.

As a result of Secretary Brannan's ground storage announcement, the price of wheat advanced as much as 9 cents a bushel on the exchanges yesterday. This change in policy was no accident. There is a big Democratic pow-wow in Des Moines this week-end. As a prelude to the meeting, it was deemed politically advisable for the Truman administration to demonstrate its power to dominate the welfare of 6,000,000 American

farmers. Many farmers will be asking for the reason why the Secretary of Agriculture did not give them the same protection in the harvest of 1948.

Democratic leaders and a retinue of administration office holders will be on hand at Des Moines to tell a glowing story of what the Truman administration intends to do to Midwest farmers, if they will follow the Fair Deal. Midwestern farmers still remember that farm prices have declined from 25 to 40 percent during the past year, under the Truman administration, and they will not forget that Secretary Brannan could have made grain storage loans in 1948 under the same legal authority used by him on Tuesday. These farmers will not be fooled again by political trickery.

The Democrats in control of Congress wasted 5 months before enacting grain storage legislation, well knowing that we would have the largest wheat crop in history.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, when the Eightieth Congress authorized the European recovery plan, it created a Joint Committee on Foreign Economic Cooperation, nicknamed the watchdog committee, to keep an eye on how that money was to be spent by the Executive. A few months ago when ECA extension was up, an amendment was offered in our committee to eliminate that watchdog committee. It was defeated, and in neither House of Congress was any further attempt made this year to strike out the provision for this watchdog committee, which, under the law, is supposed to exist and continue to function as long as the ECA is in existence. However, in the bill before you the Committee on Appropriations, although it dealt with 40 different special and select committees, including 4 joint committees, has omitted any appropriation at all for the watchdog committee. You can search through the hearings. You will not find the President's budget request for $344,000. You will not find the justifications presented to the committee by the joint committee. You will not find the testimony of the chairman of the committee although he requested an opportunity to be heard when this matter was reached in the budget. You will find nothing in the hearings about this watchdog committee, which was created for the purpose of securing and insuring economy in this program.

I submit to you there is no justification for an attempt to wind up a committee created by law in this manner. Remember this joint congressional committee, under section 124 (a) of the ECA Act, still has the duty to make a continuing study of the programs and to review the progress and it shall make a report to the Senate and the House of Representatives. What this cutting off all appropriations means is that this committee must function without any staff at all. I admit this committee has not been perfect. For one thing it has kept out of the newspapers. Some congressional committees and joint committees like to carry on their activities in the newspapers, but, because of the international character of the work involved, this committee has seen fit, and I think wisely, to make its suggestions and corrections and recommendations with as little publicity as possible.

But here are some of the things this committee has done. On oil purchases it stopped the payment of prohibited bonuses and caused the recovery of $950,000, which had been illegally paid by some of the countries involved. It recommended the use of war-assets surpluses, resulting in savings of over $5,000,000 where the purchase of the same articles from new sources of supply was proposed. It instituted an investigation of the aluminum reexport situation which caused so much interest last winter. It eliminated the 2½-percent commission on shipping pools by the French, resulting in a shipping savings of $1,125,000. On coal it caused, by suggesting a system for competitive bidding on that commodity, a minimum savings of a million dollars. Altogether on these small unpublicized items there were $8,000,000 in actual savings and recoveries, and additional countless millions of dollars saved as a result of the corrections in practices which were brought about.

Here is a significant thing. This committee staff is making recommendations now to the Committee on Appropriations of the other body for a savings of $740,000,000 in appropriations on ECA without injury to the program. That same information on appropriation was available, if called for, by our own Appropriations Committee. Mr. Hoffman does not criticize this committee. He says it is helpful to have this committee watching his operations, and admits the benefits he is receiving. I wonder what is the reason why this committee, established to create an independent audit, with Hon. Charles Dewey, a former Member of this House at the head of its staff, is stricken from this appropriation.

An amendment will be offered to correct it.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. NORRELL. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I want to begin by saying that I understand the Chairman has allowed me 10 minutes in order that I may make a statement. I want to begin by suggesting to the Members of this House that they allow me to make that statement. I have been recognized for these 10 minutes and I believe I should be allowed to use them. If when I have made my statement there is any of that 10 minutes left, I will be glad to yield to anybody who wants to ask me a question and answer it if I can.

The gentleman who just left this floor said the Democrats are going to hold a pow-wow out at Des Moines, and while I cannot quote him exactly, I inferred that it was his intention to say that that meeting was being held to show 6,000,000 American farmers that the Truman administration dominates the agriculture of the United States.

Well, the meeting is not to be held for any such purpose. The meeting is to be held to discuss a program to take the place of that piece of iniquitous legislation known as the Aiken bill that was passed by the Eightieth Congress, and that certain Republicans—not all of them, I am proud to say—are intending to try to saddle on the farmers of the United States come January 1 next. That is why we are going to Des Moines.

I deny that the Truman administration is trying to dominate or regiment the American farmer, and I want to call to the attention of the gentleman who just left the floor the fact that what the Republican Party did to us in 1930–32 was not just to control us. It was to absolutely bankrupt us and put us out of business. In our desperation we reached up and laid hold of every other industry and every other business in the United States, and by 1932 we had pulled them all down to ruin with us. If we get a sliding scale of parity that will allow our prices to go from 90 percent, which is wrong by 10 percent to begin with, down to 60 percent, that will be about the place we occupied in 1932, and we will again be desperate and we will not be able to pay our taxes, we will not be able to pay our interest, and we will reach up in our desperation and again pull down the whole financial structure of the United States. Why gentlemen who come from agricultural districts will talk for a plan like that is more than I can understand.

The gentleman referred to the Secretary of Agriculture offering to loan 75 percent of the loan value on wheat stored on the ground. That is an emergency measure, made necessary by the action of the Eightieth Congress right here in Washington. They tied the hands of the Commodity Credit Corporation so that they could not buy, lease, or build storage for this grain crop that is coming on. The gentleman from Kansas said, according to the Kansas City Star, there were 217,000,000 bushels of storage left east of the Rocky Mountains, but he did not tell us how many of that 217,000,000 bushels was open to Government-loan wheat. I have had a little experience along this wheat line.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. CHRISTOPHER. No. I have only 10 minutes. At the end of those 10 minutes, if you can get me five more minutes I will stand here the whole 5 minutes and let you ask me questions.

Mr. AUGUST H. ANDRESEN. I know the gentleman is a very able Member. I just wanted to ask him whether the Commodity Credit Corporation did not have the same authority last year to make loans on wheat on the ground that the Secretary wants now?

Mr. CHRISTOPHER. There was not the tremendous amount of wheat on the ground last year that there is going to be on the ground this year.

Mr. AUGUST H. ANDRESEN. They had one of the biggest crops in history last year.

Mr. CHRISTOPHER. And we are going to have another one this year with no storage provided for it.

Mr. AUGUST H. ANDRESEN. And the Secretary could have lent money on wheat on the ground last year but did not do it because he wanted to blame it on the Eightieth Congress.

Mr. CHRISTOPHER. We do not want that to happen this year.

Mr. AUGUST H. ANDRESEN. I agree with the gentleman; neverthless, for political expediency they did not do that very thing last year.

Mr. CHRISTOPHER. The Democratic Party and the Republican Party alike have done many things for political expediency in the history of our country.

Mr. AUGUST H. ANDRESEN. But it has been about 18 years since the Republican Party has had any opportunity to do anything for political expediency.

Mr. CHRISTOPHER. But the Republicans had 12 years before that and what they did during those 12 years is the reason they have been out for the past 18 years.

Back in the days when I was taking care of the wheat-loan program in my home county, our local elevator man had accumulated in his bins 12 carloads of wheat belonging to Bates County farmers. This wheat was to be shipped to storage in Kansas City and farmers intended to borrow, using their warehouse receipts as collateral. Our local elevator man had been shipping to a certain large grain company in Kansas City but the president of the company notified him that his storage in Kansas City was full but that he had available storage, in Joplin, Mo., 100 miles to the south. Consequently the 12 cars of wheat went to storage in Joplin. The loan rate on wheat was based on market in Chicago, Ill., and we learned that wheat stored in Joplin was worth 2½ cents per bushel less than it would have been in Kansas City, Mo. Our local elevator man felt obligated to make up the difference of 2½ cents per bushel to his farmer customers because they had delivered their wheat to him thinking it would be stored in Kansas City. The Kansas City Grain Co. had storage in Galveston, Tex., and exported wheat from that point. So we asked the president of this Kansas City Grain Co. to trade warehouse receipts with us, they owned wheat in both Joplin and Kansas City and wheat in Joplin was nearer to their tide-water shipping point than wheat in Kansas City. The president of this grain company made this reply, "I could do that and it would not cost me a cent but I am not going to do it and I will tell you why I am not going to do it, I do not like this commodity credit wheat loan program to interfere with my business." The local elevator man and I then contacted the market administrator and asked him if he could do anything. He said he could do nothing but he did agree to call the grain company and ask them to change warehouse receipts with us and tell them if they refused he would try to prevent them from getting any more loan-storage business. The market administrator called the president of this grain company and said to him, "If you don't straighten this matter out for your elevator man who has been your customer for many years, I am going to try to see that you get no more Government grain for storage." Well the result was the grain company changed warehouse receipts with us but the president of the company was mad about it and said, "I hope I live long enough to see the Government have to take its blankety-blank fingers out of my business."

I asked him if he did not make 10 cents a bushel on the storage of it. He said yes, but that he had seen the day when he had his elevators filled to the roof and made 60 cents on every bushel of it. He said he did not like to have the Government messing in his business.

That is the kind of private enterprise I like to interfere with.

People ask what the Brannan program will cost if we get it. If farm prices do not go down below the cost of production, it will not cost the Federal Government anything; if they do go below the cost of production ,what will it cost us if we do not have it? We know what it cost us in 1932 not to have it; it will cost us more now than it cost us then if we do not have a program that will keep the price to agriculture in line with the price of things the farmer has to buy. If it is wrong to keep the prices of agricultural products in line with the prices that the farmer has to pay, then I am a Chinaman's great-grandfather.

It has been said that the debacle of 1932 was just a backlash of World War No. 1 and that Mr. Hoover should not be blamed for that depression. I do not blame Mr. Hoover personally; he was the victim of the basic philosophy of the party whose candidate he became. The cornerstone on which that party rests are five in number: high interest rates, tight credit, low wages for labor, low prices for farm products, and low taxes for the superrich. If we can avoid these five things and enact the Truman Fair Deal program, we will avoid being thrown into another depression by the backlash of World War No. 2. We have and we must continue to have low interest rates, liberal credit, good wages and full employment, parity prices for farm products, and a tax scale high enough to keep the Federal Government out of the red. We know what to do to avoid the so-called Truman depression, and I hope and trust there will not be a Member of this House so steeped in political prejudice that he would be willing to see his people returned to the conditions that prevailed in 1932.

Mr. NORRELL. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

For office of the secretary, $334,615.

Mr. REES. Mr. Chairman, I offer this motion in order to make inquiry with respect to certain items in this bill and help clarify the situation. If I may have the attention of the distinguished gentleman from Nebraska, who is quite familiar with this legislation, I would like to ask him a few questions in regard to certain items of appropriation for the other body. I have been informed—and I wonder if it is the fact—that in these bills we pass on appropriations for the other body but do not seem to be in position to examine any of the items. Is that correct?

Mr. STEFAN. For many years—in fact, since we have had a Congress—the Senate makes its own appropriations, and through regular routine the bill comes back in the regular way. The appropriations originate in the House; however, we do not interfere with or have anything to say about the appropriations for the other body.

Mr. REES. I have noticed items in the newspapers from time to time to the effect that Members of Congress are allowed so-called gratuities. So I am going to ask for the RECORD, Is there anything in this bill that provides for free shaves and shines and haircuts for Members of the House?

Mr. STEFAN. Not for the Members of the House of Representatives.

Mr. REES. Nor for mineral water?

Mr. STEFAN. Not for Members of the House of Representatives.

Mr. REES. I have noticed items in the newspapers that Members of Congress are furnished refrigerators for their offices.

Mr. STEFAN. Not for Members of the House of Representatives.

Mr. REES. And that they receive free telephone service for long-distance calls.

Mr. STEFAN. Not for the House of Representatives.

Mr. REES. I understand there is legislation pending providing for increasing staff salaries from $10,000 to $12,500. Is there anything in this legislation on that subject matter?

Mr. SCRIVNER. There is an increase provided for some of the staff for the other body, but we have no facts whatsoever on that. There was not one line of testimony relating to the expenditures in the other body. I raised the question when I became a member of the committee, being a new member of the subcommittee, if they were going to go into it and I was informed that as a matter of custom and tradition our subcommittee had no right whatsoever to go into the expenditures made by the other body. That is the reason I made the suggestion I did earlier in the day that if I serve on this committee again I must have some information on those items or I will not approve the appropriation.

Mr. REES. There has been considerable discussion with respect to allowances for additional clerk hire for Members of the House. Is that provision included in this legislation?

Mr. STEFAN. There is nothing in this bill for additional clerk hire for Members of the House of Representatives. This bill provides only the regular appropriations as they were last year, with the exception of some increases under Public Law 900. There is no additional clerk hire, there is no additional staff, there is no additional telephone and there is no additional telegraph expense. The bill provides for the housekeeping of the House of Representatives as it did last year.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from New Jersey.

Mr. CANFIELD. It is my understanding that one of Mr. Hoover's proposals

is that Members of Congress receive more pay and that they be accorded additional help in their offices, and more efficient help. It is also my understanding after talking to members of the House Appropriations Committee that the Senate is moving to that end and in this bill.

I would not be misunderstood. Members of the other body should work out their own expenses. They know their own problems. I have in mind two things. First, to clarify statements that have appeared in the papers that the House receives emoluments we do not have, although they may have them in the other body, and secondly, they ought to justify and handle their own appropriations as we are doing here.

With regard to the Hoover Commission's recommendations, I am in favor of giving immediate consideration to the Hoover Commission report. I regret it has been so long delayed.

Mr. REES. What I am trying to do here is to clarify the atmosphere with respect to a lot of questioning that has been going on regarding these items. Of course, it is difficult for me to understand why we should be responsible for items for the other body and not even examine them. I assume it is a gentleman's agreement, and are expected to approve them without even looking at them.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Michigan.

Mr. CRAWFORD. I wish the gentleman would ask the chairman of the committee under what provision of law, whether in this bill or some other bill, a Member of the House of Representatives, not a Member of the other body—I emphasize that—can obtain free medical service and hospitalization for his wife and children. The reason I ask that question is, I think as late as last Sunday one of the very outstanding columnists who writes for the Washington papers, as I recall, wrote an article to the people of this country to the effect that House Members had all of these things to which the gentleman has been referring, and also free medical service for his wife and children. I have been a Member of the House for 14 years, and I never heard of that before. In the last 2 years I have paid out several hundred dollars in cash for medical service for my wife and child without any reference whatsoever to free service on the part of the House. Will the gentleman ask the chairman of the committee that question?

Mr. REES. Since I have been accorded the opportunity to remain on the floor for additional time, I shall ask the chairman of this subcommittee or any member of the subcommittee to answer the question of the distinguished gentleman from Michigan. It will be most helpful to have this matter clarified for the record. I do know that we have seen considerable publicity to the effect that the Members of the House are granted free hospitalization. I feel sure it is untrue, but it will be helpful if the situation is explained.

Mr. NORRELL. There is absolutely no medical care provided for anybody in this bill.

Mr. REES. I appreciate very much the gentleman's statement.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Tennessee.

Mr. GORE. I have been so fortunate never to have needed to be in a hospital, and therefore cannot answer from personal experience as for myself. But, I have heard many Members who have had to go to hospitals say that they paid their own bills, and when I had members of my own family go to the hospital I have had to pay the bills. I know of no free hospitalization or medical care.

Mr. REES. That is my understanding, too. The gentleman's statement is appreciated.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The Members of the other body believe in having efficient and highly paid help. It is my understanding in this bill before us now that they are increasing their administrative aides $2,500 a year.

Of course, we all believe in efficient help in our offices. I have efficient help in my office, and I am sure the same applies to offices of other Members of this House. These employees, of course, are hired on the basis of their efficiency.

Now, Mr. Chairman, I certainly do not want to appear critical, but I would like to direct your attention to the fact that this bill contains an item of approximately $600,000 for the other body, and yet the report contains the following language, and I quote:

> Following the usual custom, the committee has excluded from its consideration all items set up under the Senate which relate solely to that body. No hearings were held on such items and the bill carries the full amount of the budget's estimate therefor.

It seems to me that if the House is expected to take the responsibility of submitting this legislation, and passing on it, that it should be examined just the same as the other body should examine the items that appear in the appropriations for the House of Representatives.

If the House is to follow the custom above-mentioned by not examining the items then this bill should go to the other body without the Senate provision and let the Members of that body include their items and be responsible therefor.

If the Members of the other body feel they are entitled to these various items, good and well, but let them be responsible for including them and not let the House take the responsibility of including a lump sum.

As I suggested at the beginning, newspaper commentators have criticized Congressmen, which includes House Members, for various items of so-called services that are not rendered and are not requested for Members of the House, even though some of them may be furnished Members of the other body.

Mr. VURSELL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I would like to direct my remarks to the subject raised by the gentleman from Missouri who again spoke of the Hoover depression. It seems he continues on the floor of the House to refer adversely to the record of the Hoover administration. It would seem to me that it is about time that a new issue, new evidence, and new arguments should be brought up rather than to try to justify by lack of reasoning and argument one's position, by trying to further impugn the work of our great former President. I do not believe a majority of the Members on the Democratic side of the House appreciate his continuously trying to drag down the accomplishments of former President Hoover.

It is difficult to remember all of the political situations of the days when the depression came upon us, but I do not think any responsible critic or any responsible commentator has placed the blame for the great depression on the leadership, or the acts or the lack of leadership, of President Hoover. As all reasonable men and women know, it was the result of the backwash and the destruction caused by the First World War.

Let me say to the gentleman from Missouri that President Hoover at that time had a Democratic Congress, and he was not, by lack of its cooperation and its opposition to his policies, able to exert the leadership he and the Nation so much needed. I would like to recall, and I rather hate to recall the sad story, that when the Nation was in such dire distress out of the backlash of the war, those in charge of the Democratic Party at that time made every effort to prevent the success of his administration. In contrast after his defeat, the Republican minority came in when President Roosevelt succeeded Hoover, and placed our efforts and the efforts of the leadership of our party at the disposal of the President and backed him up in legislation, an honorable position for the minority party to take in the interest of the Nation. It certainly was not in line with the position that the Members of the House and Senate of the Democratic Party took when the country found itself in distress when President Hoover was then at the helm of the Government.

What did the Democrat leaders do? Did they bring in their cooperation and their effort to help President Hoover? No. With the approval of Raskob and his millions, and others, they sought to defeat Mr. Hoover's policies and to drive the country down further into the depths of the depression by setting up for the first time a publicity lobby of a million dollars to help destroy the Hoover administration. They hired Charlie Michelson, the smear artist from Chicago, to come here as the head of their publicity organization to constantly try to smear and destroy the effort of President Hoover. This publicity bureau was officially set up by the Democratic Na-

tional Committee. President Hoover's efforts were thwarted and defeated by the Democrats in the House and by the Democrats in the other body, for the very purpose of preventing the recovery of the economy of this country. They wrote the sad story of putting political advantage ahead of the relief and welfare of a suffering people. Let me say to you that he sweated it out here alone at the helm in the heat of Washington. He did not go off to a summer resort for a vacation, as did those who constantly tried to wreck his administration. He established the Rapidan Camp, near Washington, where he could be close by when he could find a few hours he could spare from the White House. He is the one who had the courage to stand and continue to fight to save what he could of the economy of this country.

It was President Hoover who came forth with a farm program at that time, and brought forward legislation that was approved to buy $500,000,000 worth of wheat. Five hundred million dollars was a lot of money in those days of depression.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I remember very well in those dark days when the Democrats who were in control of this House were saying that President Hoover was going to bankrupt the country because we were appropriating four and a half or five billion dollars to run the Government.

Mr. VURSELL. Yes, I remember that and many of the people will remember it. But following this recent world war, whom did they call on? They called on this grand old man to come out of retirement. He rode in airplanes, went to Europe at the behest of the President of the United States, and made a survey. He did all he could to try to help his country and to help this administration. He risked his life at his advanced age to go all over Europe and all over the South American Continent, and at the request of President Truman. And again he came out of retirement and became chairman of the Hoover Commission seeking to bring about reorganization of the executive branch of the Government, in the interest of the economy of the Nation and in the interest of all the people of the Nation. I think it is about time that people generally, Democrats and Republicans alike, when they have seen the star of confidence of the people rise to the heights it has for this noble man, one of the greatest men this Republic has ever produced. I think it is time the gentleman from Missouri got in step with the sentiment of the people and quit trying to drag the name of President Hoover and his public service in the dust.

Mr. Chairman, I yield back the balance of my time.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are considering an appropriation bill here. Under the Rules of Procedure of the House, as I understand them, a Member should obtain the unanimous consent of the Committee to speak out of order, and he ought to be considering the matters that are now pending before the Committee. I take this time, if I may, as a member of the Committee on Appropriations, to get us back to the issue before us. The gentleman from Minnesota, in accordance with the rules, secured unanimous consent to address the Committee out of order, but the gentleman from Missouri failed to do so in his answer and thus we have precipitated a discussion which threatens to get us off the subject which we ought now to be giving some consideration to.

As one Member of the Congress I am becoming increasingly concerned over the criticism appearing in the press of the country and the stories attempting to build up the idea that Members of Congress are surreptitiously providing funds for themselves in appropriation bills. One commentator built such a story up into an article which was published all over the country and indicated that the annual "take" of a Member of the House of Representatives is over $50,000 a year. Anybody with a grain of sense knows that is an absurdity. I refer to an article which was published over the signature of Bob Allen. Many of you perhaps read it. Yet, my friends, we have here initially brought before the House in accordance with the constitutional mandate an appropriation bill originating in the House of Representatives in which we are asked to appropriate over $11,000,000 to pay the housekeeping expenses of the other body, many items of which are subject to continuous shooting by these commentators who charge it as the responsibility of the entire Congress. Yet we have a report of this committee which states on page 3, and I quote:

> Following the usual custom, the committee has excluded from its consideration all items set up under the Senate which related solely to that body.
>
> No hearings were held on such items, and the bill carries the full amount of the budget estimates therefor.

Therefore, I, as a Member of this House, and you, as a Member of this House, are called upon initially today to place your seal of approval upon a whole lot of items that are the subject of constant irritation to Members of the House in the press, and you do not have the right, because of tradition or comity that exists between the two Houses that apparently has attempted to assume the dignity of unwritten law, to even ask a question about the $600,000 contingent fund that is contained in this appropriation. When this bill is passed you will see the sharpshooters taking their darts, and we will be accused of responsibility, of shirking our legislative responsibility, and failing to even ask a question. I, for one, think it is about time that we began to ask some questions and lay the cards on the table.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. No, not just at this moment. I know as well as anybody, having served on the Appropriations Committee for 10 years, what that comity of relationship is, but there comes a time when the people of America are entitled to know the facts.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection? There was no objection.

Mr. KEEFE. I want to challenge the attention of the Members of this House to this situation. You are going to have it brought to your attention out in the hinterland and in the press of this country. When specific items are brought to your attention and you are asked the question: "You voted for this appropriation, didn't you? Do you know what is in it? Did you know what you were voting for?" Your answer has to be, "No," because you do not know, and you cannot point to a single fact or figure in this report or any other place to indicate what many of these items are for.

The items for the Senate are their business. That is their business and it is their responsibility. The items for this body are our business and it is our responsibility. I want to submit what appears to me to be a fair question.

If under this rule of comity the appropriation items necessary for the housekeeping of the Senate are their business, why do we not permit the Senate to write those items in the bill instead of the House doing it initially, and placing its seal of approval upon all of those items—items that they do not know anything about and have never discussed? Take the item of $10,000,000 that was contained in the budget estimate to make the first payment on a new Senate Office Building. It has been authorized. A row has developed over there, I am told, as to whether they should carry that project forward. There is a considerable battle going on. It is their business. The budget estimate contained $10,000,000 that the other body wanted. This committee has stricken it from the bill on the theory that it is their business. If that item is their business, why are not all these other items their business? Why are they not all stricken from this bill and let the Senate put into the bill the things that they feel are necessary for the housekeeping affairs of the Senate, and let us retain the items in this bill that we think are necessary for the House? Then the responsibility will be upon each body that will intelligently pass the amounts necessary in the appropriation bill, to carry on their housekeeping activities.

However, I am fearful as time goes on and as this issue continues to develop, and with the wave of economy that is sweeping this country, that I am going to find it difficult, and so are you, to go out and face your constituency when they ask these questions:

"You voted for all these millions of dollars; did you not?"

"Yes; I did."

"Did you know what you were voting for?"

"No; I did not."

"Do you know what is in these items?"

"No, I do not; I just took the word of the other body."

I am willing to take their word if they initiate the procedure, as I want them to take our word; that is perfect comity

between the two Houses: You tell us in this bill, Mr. Senate, what you want, and put it in here. But I dislike very much to initiate these items in the first instance in view of what I know is contained in some of these items. It would make a very good story, but because of comity I shall not go into some of the details on some of these things which some of us who have gone into it happen to know about.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Kansas.

Mr. SCRIVNER. I am glad to hear the gentleman make these remarks. They are substantially similar to comments I made on yesterday. I endorse his statement, for I feel as he does.

Mr. KEEFE. I do not know, Mr. Chairman, whether it would be proper or not, but at this moment I feel impelled to offer an amendment that would strike all these items out of this bill on the simple theory that under this relationship of comity what the Senate needs is their business; let them put it in the bill themselves. What the House needs is our business, and we will put our items in, and when the bill comes back from conference we then can know a little bit more about these items than we know now.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Clerk read as follows:

Joint Committee on Printing: For salaries for the Joint Committee on Printing, $21,030, and for expenses of compiling, preparing, and indexing the Congressional Directory, $1,600; in all, $22,630.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: Page 4, after line 15, insert the following:

"Joint Committee on Foreign Economic Cooperation, as authorized by Public Law 472, Eightieth Congress, $244,000."

Mr. VORYS. Mr. Chairman, this amendment would continue in some fashion the Joint Committee on Foreign Economic Cooperation. It is inserted in the bill right after the provision made for three different joint committees. All this talk about comity in accepting proposals from the other body ignores one point; this request for appropriations for a joint committee of which a Member of the other body is chairman, was ignored, as far as his appearance in the hearings or as far as having anything in the hearings is concerned, and the entire request is omitted from the bill.

I have offered this amendment to restore $244,000 for the "watchdog committee." The President's budget proposed $344,000, and that amount could well be used; but for the purpose of securing some consideration here I have made this suggestion which involves a $100,000 cut below the budget, and a reduction below the amount of $262,000 which was appropriated last year, not all of which has been spent.

This committee is really a bipartisan committee and its staff is a bipartisan, nonpartisan staff. It is headed by our former colleague, Hon. Charles Dewey. Of the 21 on the staff none have been fired for political reasons and there have been only slight changes made, approved by every member. After all, it is an independent "watchdog committee" to go out and attempt to carry out the will of the Congress, recently reiterated when the ECA law was extended, that this committee should make a continuous study of the program and report to the Congress. They cannot do this work, even though the committee still stands on the statute books, unless a staff is provided. My amendment will permit such a staff.

Mr. Chairman, one purpose of this joint committee was to supplement the staffs of four committees—the Foreign Affairs Committee of the House, the Foreign Relations Committee of the other body and the Appropriations Committees of both bodies. I find to my dismay that the Appropriations Committee of this body has not sought the information which was available and is today being furnished to the Appropriations Committee of the other body, suggesting reductions which can be made in ECA appropriations. It is not the fault of the joint committee if a committee that it might serve does not take full advantage of its opportunities. My main plea is this: Do not abolish in this roundabout, indirect way, this bipartisan creation of last year. If you want to wipe it out, wait until next year and wipe out the provision in the basic legislation which has been passed by both Houses and signed by the President.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Illinois.

Mr. YATES. I think perhaps the gentleman is misinformed. I was one of those who sat on the ECA appropriations committee. I have before me the transcript of testimony of Senator MCCARRAN, chairman of the "watchdog committee," and the testimony of the "watchdog committee" itself. Mr. Dewey appeared, and two of his experts appeared before the House Appropriations Committee. On the first day before we commenced hearing Mr. Hoffman or any of Mr. Hoffman's witnesses we thought it incumbent to find out what the "watchdog committee" could tell us. For that reason we called the Senator and we called members of the "watchdog" staff to give us the benefit of their stories. I sat and listened to their stories, and I was able to find nothing from the testimony that they gave us which was of value in our discussions and in our hearings on the ECA appropriation.

Mr. VORYS. Would the gentleman say whether they had before it the recommendations of the committee staff which involved suggested reductions of $740,000,000 in the appropriations?

Mr. YATES. I have here the full transcript of the questions that were asked as to what recommendations they had to give us with relation to the operation of the ECA program during its first year. Ostensibly, it was the purpose of the committee to tell us how the ECA had operated. I challenge the gentleman to look over the transcript of these hearings and point to anything of consequence that was reported by the "watchdog committee" to our group.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio.

Mr. Chairman, may I say to the Members of the House that when this idea first came before the House it was voted down. I call attention to one or two statements then made. The gentleman from New Jersey, Congressman EATON, chairman of the Foreign Affairs Committee, opposed the amendment and stated that the Foreign Affairs Committees would look after the matter in the House and in the Senate, and the Subcommittees on Appropriations in the House and Senate also would watch the matter.

I quote the gentleman from New Jersey [Mr. EATON]:

This legislation when it is passed will be followed up by the Committee on Foreign Affairs, as our foreign program has been, and that is the only observation that is required. We do not need a "watchdog committee" composed of folks from the other end of the Capitol as well as here. We are responsible people. Let me read the provisions of the Reorganization Act under which we are operating.

The gentleman from New York [Mr. TABER] on that occasion made this statement:

The more committees you have involved in doing a job of this kind, the more opportunity there is for the Committee on Foreign Affairs to feel that it has no responsibility and that it does not pay any attention to its job, and the more you have of other committees butting in, the more you make the Committee on Appropriations feel that it has no responsibility and does not have a job to do.

Now, that statement was made on March 31, 1948, and then when the matter came back to the House with the report from the conference committee, the provision for this committee was in the conference report, and it was submitted again to the House. I want to read another extraction from what the gentleman from New Jersey, Congressman EATON, said at that time, which is dated April 2, 1948:

As to the "watchdog committee," I do not like watchdogs, which constitute a reflection upon the integrity of that to be watched. The House voted overwhelmingly not to have one. But we in conference decided to have a little imitation one to satisfy the brethren who had a hungering in that direction. So I am going along with them to that extent.

Now, you have a hungering "watchdog committee." What did Congressman EATON mean by that? The budget estimate before the committee contains items like this: Personnel, professional, $187,800; secretarial, $26,350; office expense, $10,000 plus. Listen to this, will you. Hungering! Foreign travel, $104,000. I think a lot of foreign travel can be done on that.

Mr. VORYS. Does the gentleman want that explained?

Mr. NORRELL. I will yield in just a moment, but not just now. Now let us have a break-down of the professional personnel. Remember, this was in 1948

when this personnel was selected. The General Director was placed on a salary of $15,000 per annum. He ought not to be hungry at this time. Then they have some counsel, executive assistants, and of course, a chairman. We find one man is drawing $12,000 a year; another $12,000; and so on down the line. I will not read all that. The personnel break-down given to us shows an expenditure of $181,250, yet the amendment offered by the gentleman from Ohio would give them $244,000 for that purpose.

Now, in conclusion I want to say this: This committee has probably done a good job. It was created in order to watch organization of the foreign relief set-up; that is, to get the activity started and check it, recheck it, and carry it along. That job has been done. We are advised that it has been completed, and with four committees of the House watching, executive agencies watching, with the FBI checking, with the General Accounting Office checking, and with the other agents, and some of them that are secret and private, we think that this money can be saved.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. NORRELL. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman certainly does not criticize the committee because it failed to spend all the money appropriated?

Mr. NORRELL. The gentleman from Arkansas has complimented the committee on the great work it has probably done, but the work has been done.

Mr. VORYS. Can the gentleman tell how a watchdog can watchdog what is going on in 16 countries of Europe without travel? Should we simply read reports here, or should we have agents over there snooping around, if you please, to find out what is going on, an activity which apparently some Members of this House want to have stopped?

I want to point out one other thing: The gentleman quoted the gentleman from New York [Mr. TABER] and the gentleman from New Jersey [Mr. EATON] a year ago. As a matter of fact, the gentleman from New Jersey [Mr. EATON] signed the conference report. When this bill was before us here only a few months ago, neither of those gentlemen then proposed that the watchdog committee be abolished, the gentleman from New York [Mr. TABER] being a member of the Committee on Appropriations; and neither did the gentleman from Missouri [Mr. CANNON] who is also a member.

Mr. NORRELL. Mr. Chairman, this has been a good speech. I yield back the balance of my time.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

I know the House wants to vote, but some of us have an interest in this matter.

Why was this committee created in the first place? It was created to help sell the ECA program to the people of the United States, that is why. We go out and pray these prayers under a certain slogan, but the work is to occur under the table without any reference to the slogan with which the prayer was prayed. This committee was created in an effort to make the people of the United States have some faith in the administration of the billions of dollars which they are providing to be sent to other countries of the world under the so-called ECA program.

If the committee has done any work worth while, and apparently we have very little information on it, that was in connection with the funds that were expended during the period under review. But we should not overlook, as representatives of the taxpayers, the fact that this House just recently appropriated in excess of 5½ billion dollars to be used along the same lines during another period. I wish somebody would show me why the committee is not just as necessary during the coming 12 months or 15 months as it was during the previous 15 months.

I understand the chairman of this committee is not in favor of this amendment. I should like to get some information from him. Will the chairman of the committee state why this committee was created in the first place?

Mr. NORRELL. As I understand, and I am not as familiar with it as some of my colleagues here, the committee was created over serious objections of the gentleman from New Jersey [Mr. EATON] and the gentleman from New York [Mr. TABER]. Finally, though, as a surrender compromise, it was created on the theory that they could look into the general organization and the needs and the set-up of that fundamental work.

I see the gentleman from New Jersey [Mr. EATON] is on the floor now. I am glad he has come in. I had occasion to read from the RECORD his remarks at an earlier time, but under no circumstances do I want to misstate his attitude, because we all love him.

My position is that the work of the committee has been completed. It is now about to end. It ought to end. The Committees on Foreign Affairs of the House and the other body, and the Committees on Appropriations of the House and the other body, and all the other investigative bodies that we have, including the FBI and the General Accounting Office and the number of secret men we have in Europe snooping around all the time trying to find out what is going on that concerns us, all of these committees and agencies and men are carrying on such a magnificent job so that we think this committee ought to be ended.

Mr. CRAWFORD. Mr. Chairman, I should like to address a question to the gentleman from New Jersey, the ranking minority member of the Committee on Foreign Affairs, and ask him if he feels that the committee for investigation now under discussion should be done away with.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CANFIELD. Would the gentleman from Michigan explain for the benefit of the gentleman from New Jersey and the members of the committee what the amendment is which is now before us?

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. VORYS. The question is whether an appropriation for the so-called watchdog committee should be made—whether there should be perhaps some appropriation or none at all, and whether the committee's work should be finished even though it stands on the statute books. That is the question before the Committee.

Mr. EATON. My answer is that I was opposed to the watchdog committee on the ground that I did not want any watchdogs chasing Congressmen around. But the watchdog committee has done good work, and if it is going to be continued, it ought to be supported.

Mr. CRAWFORD. In reply to that I wish to say as a Member of the House that I do not care how many watchdogs are chasing me around when I am dealing with money provided by the taxpayers of my district. I think this committee could probably do some very good work in auditing these vast expenditures. A great corporation needs an auditing committee to work with its board of directors for the protection of the stockholders and creditors. Here are vast funds provided by taxpayers. The funds are inherently loosely administered. The public needs protection.

To argue the committee is not necessary is contrary to all successfully operated business in this country. To argue this committee should be abolished is to argue a corporate auditor is not necessary. If one will read the committee's reports on these vast operations, and if he believes in a careful check on the use of such vast funds, he will see the necessity. Of course, if a person is so lavish with the taxpayers' dollars he does not want any checks made, he will not support the work of the committee. I voted against the major appropriations for ECA, but I do want the funds protected now they are voted. The work is there for the committee to do, as time will prove.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Committee on Foreign Affairs, I did not originally approve this proposal for a watchdog committee for ECA for the reasons that the gentleman from New Jersey has just given. However, I have seen it in operation for a year and I strongly favor its continuance. It gives its full time to observing and studying the actual operation of this one enormously complicated and important program. Its work has been invaluable to me as one member of the Committee on Foreign Affairs, and I know it has to others, also. It has been able to do a far more thorough job than we could do with our own committee staff and certainly than we could do on our own, with all our other duties.

The amendment offered by the gentleman from Ohio provides less than

$250,000, which is one twenty-thousandths of the amount that the ECA is expending a year. That is one two-hundredths of a percent. It seems to me it would be incredibly short-sighted, penny-wise and pound-foolish, to refuse to provide one two-hundredths of 1 percent to keep constantly on the job a group of able and careful men watching operations—to look for possible irregularities—yes, but more important to avoid waste, overlapping, and confusion. So, I hope very much that the gentleman's amendment will be accepted.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. YATES. The gentleman stated that the committee has performed valuable services. I wonder whether the gentleman can tell us what services the committee has performed when, in fact, we on the Committee on Appropriations in considering the ECA matter asked them to tell us what services they had performed, and we were unable to get that information from them.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. VORYS. The gentleman from Illinois was on the subcommittee having jurisdiction of the ECA appropriation, whose work was very vastly changed by the full committee of the House.

Apparently the gentleman's views on this whole ECA matter are not shared by the full Committee on Appropriations or by the House.

Mr. YATES. That may very well be, but I must say that your remarks are not directed to the question which I addressed to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. I wonder if the gentleman from Illinois has carefully examined the reports that this watchdog committee has periodically issued. They have been extremely useful to me in presenting factual information, even more than we could get from the ECA itself in some fields. Certainly more valuable than we could get by digging at the problem by ourselves. The very fact that the committee exists is a constant stimulus and check to the ECA.

Mr. YATES. I happen to be a new Member of Congress and that is why I was interested in the activities of this watchdog committee when they appeared before our subcommittee on ECA appropriations. I had assumed that they would be able to tell us just what ECA had done during the past year which deserved their approval or disapproval. That, I assumed, was the function of the particular committee. Yet here in this transcript I challenge the gentleman from Ohio and the gentleman from Minnesota to find one scintilla of proof or testimony which shows the value of the continuance of this committee.

Mr. JUDD. I have not seen that transcript, but I have seen the reports that the committee issued. I am not a member of the watchdog committee so it is nothing to me personally, but I have had the benefit of its studies and reports. They have been as valuable a source of information as we have had. To carry on careful supervision and bring to our attention points here and there that we would not even think of otherwise, or have time to study, seems to me the minimum of insurance we should carry. If it does not find anything to improve or suggest, then we have at the worst wasted one two-hundredths of 1 percent, $1 out of $20,000 spent. Is one-quarter of a million too much to spend to keep track of the spending of 5,000 millions, $1 to watch $19,999? No agency is inclined to reveal its own mistakes. When it comes next year to the question of extension of ECA, I would like to have the results of the watchdog committee's work as an independent source of information responsible to the Congress, not to any executive agency. I hope for the sake of our committee which has to come in here next year and recommend to the House what to do with ECA that this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. GARY. Mr. Chairman, I move to strike out the requisite number of words.

I hesitate, Mr. Chairman, to oppose an amendment offered by my good friend, the gentleman from Ohio [Mr. VORYS], but, frankly, if this committee has accomplished anything it certainly has not been of any assistance to the Appropriations Committee in the consideration of its foreign-aid appropriations.

I happen to be chairman of the subcommittee which the gentleman from Ohio says was repudiated by the full committee and by this House. If our subcommittee was repudiated, which I deny, perhaps the reason was that we did not get sufficient information from the committee which this bill seeks to abolish. We certainly called members of its staff before our committee. We asked them for information. They would not express an opinion as to what amount should be appropriated. They could not or did not tell us, what the ECA had accomplished.

I think the ECA has one of the most efficient organizations in the Government. From Mr. Hoffman down, we were tremendously impressed with the men that they brought before us and with the information which they supplied to our committee.

Mr. Bissell had the information with reference to operations and statistics relating to European recovery at his fingertips. He had sitting next to him his industrial adviser, Mr. Anderson, who could give us any statistics requested on the industrial production in Europe. Sitting next to him was Dr. FitzGerald, adviser on agricultural affairs, who was equally prompt and well informed on agricultural conditions. I would say to you that the staff of the ECA presented a striking contrast to the staff of this joint committee which appeared before us.

Now, we hear a lot of talk about economy, yet every time you begin to cut out anything in the organization of the Federal Government somebody rises up to defend them. This committee last year had $262,000. They are asking this year for $324,000. They are growing. They are sending their staff all over Europe, doing what? Checking on an organization that is far more efficient than the staff of the committee, snooping around in an effort to find something wrong, and I fear creating a wrong impression in the countries in which they operate.

They want additional money; they have explored the fields of Europe, now they want to send representatives into Japan, to see what is going on there. In my judgment, this committee is absolutely useless; it should never have been created in the first place. If we do not have a proper organization administering the ECA then we ought to start a clean-up of that organization and not create a watchdog committee to snoop on them. Watchdogs cannot improve administration, you have got to have good administration to begin with.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JUDD. You will never be sure you have efficient administration unless somebody checks on it in the field. You cannot do it adequately in the Appropriations Committee hearings where you have to take the word of the very people you want to check on. It seems to me we should have an independent staff under the Congress just as we have independent auditors.

Mr. GARY. Are we going to send snoopers out to check on the State Department in every country of the world?

Mr. JUDD. Well, worse things could be done than that.

Mr. GARY. Are we going to send out snoopers to check on the Treasury Department? Are we going to employ snoopers to snoop around all of the agencies of the Government?

Mr. JUDD. There is a very great difference between this emergency program of such magnitude and the year-to-year activities of a regular department.

Mr. GARY. Are we going to send snoopers into the Army, Navy, and Marine Corps? They spend three times as much as the ECA.

Mr. JUDD. Does the gentleman object to auditors?

Mr. GARY. No; I do not object to auditors.

Mr. JUDD. What are they but snoopers?

Mr. GARY. Not at all. The staff of the Joint Committee on Foreign Economic Cooperation is making no effort to audit the ECA. I do not know what they were doing.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. YATES. On the basis of what has transpired in the last few minutes I think perhaps we need a watchdog committee to spark the present watchdog committee.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. NORRELL. Mr. Chairman, we have had quite extensive argument on this paragraph. I wonder if we cannot agree to a limitation of debate. I see seven Members on their feet.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph

and all amendments thereto close in 12 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Ohio [Mr. VORYS]. I rise to state that, in my opinion, it is very short-sighted policy to deny the funds required by the staff in question to function as the agent of the four committees of Congress which are concerned.

During the last 2 years the Appropriations Committee of the House had a very effective, highly competent, nonpartisan investigating staff which enabled the committee in 2 years to effect reductions or rescissions, detailed in the CONGRESSIONAL RECORD, amounting to some $9,800,000,000.

That staff, Mr. Chairman, was completely eliminated at the opening of the present session by vote of the Democratic members of the Appropriations Committee.

I thought then, and I think now, that the committee made a tremendous mistake in eliminating that staff. In my opinion, it has already cost the people of the country hundreds of millions of dollars.

Now the proposition before us today seems to me to be more or less on all fours with that situation. It is proposed to wipe out completely the funds recommended by the President to permit the staff of the Joint Committee on Foreign Economic Cooperation to operate as the agent of the Foreign Relations Committee of the Senate, the Foreign Affairs Committee of the House, the Appropriations Committee of the Senate, and the Appropriations Committee of the House.

ECA, as we all know, is a tremendous undertaking. It is an operation in some 16 different countries. It involves the spending of billions of dollars. Its success or failure depends on how it is operated and how the money is spent.

I hold in my hand, Mr. Chairman, a printed pamphlet, 152 pages in length, which is one of the publications of this so-called watchdog committee. It is filled with tables and detailed information in respect to all of the countries involved. To me the pamphlet has been invaluable. It is a sample of the work that the committee has done during the first year of operations, referred to in more detail by the gentleman from Ohio [Mr. VORYS]. It is a sample of further work which it can do in the all-important second year of operations.

The appropriation recommended by the President for this watchdog committee, Mr. Chairman, has been stricken out by the subcommittee, as I understand it, without any testimony whatsoever from the watchdog committee itself or from the chairman of the joint committee, the Senator from Nevada [Mr. MCCARRAN], despite a specific request to be heard in this connection by the Senator.

The budget estimate was for $344,000. The gentleman from Ohio [Mr. VORYS] proposes to reduce the amount by $100,000 and to allow the watchdog committee $244,000 to carry on its important work through the vital second year of operations by ECA.

I believe strongly, Mr. Chairman, that it will prove to be economy in the long run, and I mean real economy, to allow the watchdog committee to continue to function.

Mr. Chairman, I hope the amendment will be adopted.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. JUDD. Can the gentleman explain the psychology that sometimes we find here where we are willing to entrust billions of dollars to executive agencies but we will not trust ourselves and our own congressional committees and the staffs that we develop under those committees? That is hard for me to understand.

Mr. WIGGLESWORTH. It seems to me the last thing we should cut is the staff essential to effective work on our part.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Minnesota [Mr. JUDD] brought out the fact that after all this amendment will only cost one part of 20,000 of the amount that we spend for ECA, and certainly it is surely worth more than that to the Nation to audit this particular enormous proceeding.

Mr. WIGGLESWORTH. And the gentleman knows that neither the Committees on Appropriations of the House or the Senate, or the Committee on Foreign Affairs of the House, nor the Committee on Foreign Relations of the Senate have other staff which can properly supervise work going on overseas in 16 different nations. It just is not humanly possible to appraise operations without having staffs overseas.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Ohio.

Mr. VORYS. The significant point is that this is still a nonpartisan staff continuing its work from last year. That may be why it is desired to end it at this time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish the gentleman would have the watchdog committee investigate the expenditures of the ECA in Africa.

Mr. WIGGLESWORTH. The committee should function wherever there is ECA expenditure.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, it is seldom that we bring a proposition on the floor carrying an appropriation but what somebody says, "Why, surely, we could find a more expensive way of doing it than that." And rarely do we come to the floor with a project requiring the employment of a certain number of employees at the expense of the United States Government but what somebody insists. "Why, surely, we can use more men than that—and at higher salaries."

That is the situation before us here this afternoon. The House has just passed a bill giving the Economic Cooperation Administration every penny and every man it ought to have. But this amendment insists we can spend more money and employ more men—at the highest salaries that could possibly be paid.

Mr. Chairman, if the question could be put individually to any Member of this House and he could be asked what he thought was the issue uppermost in the minds of the people and of the Congress, he would tell you "a reduction of expenditures in order to avoid more taxes." I believe that that would be the answer of every Member of this House and of every citizen of the Republic, regardless of the party to which he may belong, or what his business may be, or in what part of the Union he may reside. There is a universal demand that this Congress reduce expenditures—that we spend no money that we do not have to spend.

And certainly there is no sensible reason why we should spend the additional money or employ the additional men called for by this amendment.

I wish to make a statement, Mr. Chairman—a rather sweeping statement—but I make it considerately and advisedly and after consulting with everybody who is in a position to know anything about it. I do not believe we have had any return whatever from the money that has been expended by this committee. And I am speaking with some personal knowledge because I am a member of the committee myself and have been a member of it from the time it was first created. I have attended practically every meeting, and I am convinced that nothing of value to the country has been obtained for the money spent by the committee.

Claims are made of certain instances and of certain sums which have been saved through the intercession of the committee. I have inquired carefully and in no instance has there been a saving which would not have been made had the committee never been created. It is a thoroughly useless appendage—a fifth wheel on the wagon. Why, Mr. Chairman, they have never been able to get a meeting of the full committee at any time in this entire session of Congress. Here a week or two ago, in a desperate effort to secure the attendance of the full membership of the committee, they gave a luncheon in order to induce the members to attend. You know, we fellows will often fall for a free lunch when we cannot be herded in by any other strategem. But even with the seductive enticement of a free feed, only three members of the committee showed up on that auspicious occasion.

And, here only yesterday we were importuned to attend the most important session of all—to consider the preservation of the committee—and again they

set out an elaborate repast in order to toll us in. And even then under the most pressing solicitation we were unable to secure the attendance of the full membership of the committee.

Why has there been so little interest on the part of the membership of this committee they are seeking to perpetuate by this amendment? Because everybody realizes that they have accomplished nothing and that there is no reason whatever for the existence of such a committee.

The able and distinguisned ranking member of the House Committee on Foreign Affairs, the gentleman from New Jersey, Dr. EATON, who served as chairman of that great committee in the Eightieth Congress, one of the truly great American statesmen of his time—opposed the creation of this committee. And he still opposes it. They tried just now to commit him in favor of this amendment, but he refused to retract a single word. He did not believe in the useless expenditure of this money then, and he does not believe in it now.

The gentleman from New York [Mr. TABER], the chairman last year, and the ranking minority member this year, of the Committee on Appropriations—and I do not think anybody in Congress is better informed on appropriation matters or is more expert in getting a dollar's value for every dollar spent by the United States than the gentleman from New York [Mr. TABER]—the gentleman from New York opposed it then, and he opposes it now.

Why, Mr. Chairman, it is absolutely absurd to spend this money for a committee that is doing nothing, and can do nothing of any value to ECA or to the country.

All evidence adduced in long and exhaustive hearings in both Houses of Congress testify to the efficiency and integrity of the administration of Director Hoffman and his associates. No single instance of incompetency or maladministration has ever been charged against them, much less substantiated.

The Committee on Appropriations has repudiated this spendthrift amendment by its unanimous report to the House, and we trust the House will endorse the considered recommendation of the committee.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. CRAWFORD) there were—ayes 43, noes 117.

So the amendment was rejected.

Mr. NORRELL. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and be open to points of order and amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. Are there any points of order to be raised at this time?

Are there any amendments to be offered?

Mr. NORRELL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCCORMACK) having assumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, had directed him to report the bill back to the House without amendment with the recommendation that the bill do pass.

Mr. NORRELL. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SCRIVNER asked and was given permission to revise and extend his remarks made in Committee of the Whole and include a table found on pages 79 and 80 of the hearings of the Subcommittee on Appropriations for the legislative branch.

APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY, 1950

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4016) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs. ROONEY, FLOOD, PRESTON, CANNON, STEFAN, and FENTON.

CLERK HIRE FOR MEMBERS OF HOUSE OF REPRESENTATIVES

Mr. SABATH. Mr. Speaker, I call up House Resolution 240 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 4583) relating to telephone and telegraph service and clerk hire for Members of the House of Representatives, with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby, agreed to.

Mr. SABATH. Mr. Speaker, there has been objection to taking H. R. 4583 from the Speaker's table, and, consequently, this rule was requested in order to make that possible. This rule permits the taking from the Speaker's table of the bill H. R. 4583 and agrees to the Senate amendments. The bill was originally passed by the House and the other body amended same by embodying two restrictions therein, which I feel are justifiable and reasonable in order to protect and safeguard the Members of the House, as well as the Treasury of the United States, from any unnecessary expenditures.

In other words, the restrictive amendments that have been passed by the Senate merely clarify the term "charges on long-distance telephone calls" by prefacing this statement with the word "toll," and, further, such calls originating outside the District of Columbia but made by the Member to his office in the District of Columbia must be on strictly official business in order to come within the purview of this bill. The aggregate amount of the charges which may be paid from the contingent fund for any fiscal year shall not exceed $500 for toll charges and telegrams coming under the scope of this bill.

No doubt the committee had in mind when they reported this bill that in years gone by, unfortunately, many Members abused their telegram privileges and dispatched telegrams unnecessarily costing the Government hundreds upon hundreds of dollars. Some of the Members have exceeded a reasonable amount for telegrams. I fully appreciate the fact that Members are obliged to send telegrams and make long-distance telephone calls on matters of vital importance because of inquiries or demands that are made from time to time. Consequently, I feel that it is a wise provision on the part of the committee and should be agreed to.

As to the other increase—that is, the clerk hire—I have been informed that there are a few Members who feel that the increase in clerk hire is not necessary. I say to those Members that they are not compelled to appoint additional clerks if they do not need them, and I hope that they will not under those circumstances. At the same time, however, there are some Members who cannot get along efficiently with the present clerk-hire allowance.

I recall when I first came to this House, 43 years ago, the clerk hire was considerably less than it is today, but I venture to say that in those days I did not receive as many telegrams, letters, and resolutions in 1 month as I receive today in 1 day. This same thing applies to each and every Member. I know that tremendous demands are made upon the Members, as I said before, and I feel that they owe it to their constituencies and to themselves to acknowledge these various communications and comply with the requests that are made upon them so far as possible. We all know that it is virtually impossible for a Member to attend to all of his voluminous office and departmental matters personally. He must have capable clerks, secretaries, and assistants. In view of that fact, I feel that

the increase in clerk hire is justifiable and worth while. To those Members who are objecting to this bill, I repeat, it is not mandatory for them to appoint a clerk, and, as I said before, I hope that they will not do so if they do not need one.

I feel that the Committee on House Administration has acted very wisely in order to meet a definite need. I, therefore, ask for the adoption of this resolution which will permit taking the bill from the Speaker's table so that we may vote on the Senate amendments.

Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, it was gratifying to hear the gentleman from Illinois [Mr. SABATH] say that two amendments to this bill had been added in the other body which he thought were timely and advisable. That is right, is it not?

Mr. SABATH. And restrictive.

Mr. HOFFMAN of Michigan. I am glad to hear the gentleman say that; I wrote those amendments and sent them over to the other body and it is encouraging to see them in the bill.

To avoid any charge of demagoguery and to answer any questions that may be in anyone's mind on this point, while I shall oppose this resolution—now, do not make any mistake about it—if it is adopted and if afterward because of increased demands for service I find the money is needed for additional clerk hire, it will be used for that purpose. I do not need it now, and I do not think the other Members need it; or if they do need it I think the proposal is out of line with a general economy program which we should accept and adopt.

I recall the time when there was a bill to give the Congressmen $2,500 for expense money. I voted for that but I did not take the money because I did not need it at that time. When I did need it I took it.

I do not like the way the bill was put through the House. The people are willing to give us everything we need if they are convinced we need it.

Mrs. NORTON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I cannot yield just now.

The people appreciate what we are trying to do. I am going to write a newsletter to my editors this week, entitled "You Can't Please 'Em." Why? After hearing the testimony before a Senate subcommittee I reached the conclusion that economy being the watchword we here in Congress should take a cut in our salaries, and I introduced a bill to that effect. And then the editor came back with this:

EVERY LITTLE BIT HELPS

Congressman HOFFMAN has introduced a bill providing a 5-percent voluntary reduction in congressional salaries and expense accounts.

Congressmen now get a salary of $12,500 a year, plus $2,500 in nontaxable expense money. (They don't have to buy postage stamps, either.) This adds up to $15,000. Five percent of $15,000 is $750, which would make the annual take-home pay of House Members $14,250 if the bill should be passed.

This sounds to us like those $15 cuts on $2,000 motorcars.

How is that for a doubtful compliment? And I really thought I was moving in the right direction.

LET US BE CONSISTENT

On the 31st day of May, I heard Senator TYDINGS, of Maryland, testifying before a subcommittee of the Senate Committee on Expenditures in the Executive Departments, express deep concern over the Nation's financial condition. He expressed the opinion that, unless there was a reduction in Federal expenditures, this Nation would run head-on into a disastrous depression.

Senator FERGUSON, of Michigan, and others competent to judge gave voice to the same thought. Senator TYDINGS suggested that, to be consistent, Senators and Representatives should take a cut in their salaries.

The following day Senator WHERRY, the Republican floor leader in the Senate, told the subcommittee that the latest estimate made by competent authorities was that, as he testified, the Federal deficit for the current fiscal year stood at $1,435,509,944.64. He also said that competent authorities, including Senators GEORGE and BYRD and our own distinguished chairman of the House Ways and Means Committee, Mr. DOUGHTON, estimated that the deficit for 1950 would be between $3,000,000,000 and $4,000,000,000. He stated that we face the prospect of an $11,000,000,000 deficit by July 1, 1951, and that all these estimates were based upon a national income of the high level of last January.

Many believe that our national income may fall during the next few years and if it does and we continue the present rate of spending, the deficit will of course be far greater.

With the present national debt of more than $250,000,000,000 and an annual interest charge of $5,000,000,000, with unavoidable appropriations in sight for necessary Government expenditures and for the veterans, and other billions needed for unavoidable activities of the Federal Government, it is apparent to every thinking individual that, if we are to avoid another depression, we must cut Federal expenditures.

We have long known that we were spending altogether too much money. We have been warned time and again that our current expenditures were exceeding our income, that we were borrowing against the future. We know, without being told, that such a course means trouble for all of us, suffering and privation for many of our citizens.

I was around during the 1895 depression, the Grover Cleveland hard times. I was around during another recession and I was among those present when the 1929—the so-called Hoover—depression hit us.

Many of the younger Members of this body were not doing business or depending upon their earnings during the 1929 depression, and many here do not know from experience what national financial bankruptcy means.

In some of the depressions which have hit this country and which to date seem unavoidable because we insist at times in living beyond our means, many of our people have gone hungry, have felt the pinch of poverty, have been forced to strive from day to day to get enough to eat, necessary clothing, and to find a place to sleep where it was warm and where one could be sheltered from the weather. But just as long as the sun shines and the weather is fair, there are always people who will never anticipate the coming storms or frost.

Our present situation is not due wholly to our own desires to spend. Our constituents, unorganized and organized, have over the years been putting on the heat, demanding that we vote appropriations for special purposes. We were pressured, and I think wrongly, into voting billions, which we could not afford to give, to foreign nations.

That is water under the bridge and I would forget it were it not for the fact that day after day letters come to me from my constituents, from the Auxiliaries of the American Legion and the Veterans of Foreign Wars, demanding that they be given the appropriations which they want, and if reply is made that there is not money enough, back comes the answer: "Well, the Congress is giving billions for aid to Europe and other lands. We demand that we be taken care of first."

Our people today see the danger and are demanding that Federal expenditures be cut. Members of the other body—a number of them—have introduced bills to cut expenditures in the Federal departments 5 percent. A similar bill has been introduced by me in the House. To carry out Senator TYDINGS' suggestion, I introduced a bill that we should take a 5 percent cut in our compensation.

Do not misunderstand me—I do not believe that we are being overpaid, that we could not earn more in some other way. But I do sincerely believe that, inasmuch as it is apparent that Federal expenditures must be reduced, we, in common with all of our constituents, should be willing to assume and carry temporarily, at least, a part of the necessary reduction.

If we are honest, if we are sincere and straightforward, it will be necessary for us to advise our constituents that we cannot vote for some of the appropriations for which they are asking. That being true, when a letter of that kind is written, for example, to the postal employees, to Federal employees, to the armed-services personnel—when we say to them that there just is not money enough to meet their requests and they come back with the answer: "Why don't you take a cut yourself?"—what reply can we consistently make?

Regardless of the merits of the controversy, we are never going to be able to satisfy an asking constituent when we deny his request for an increase unless we are willing ourselves to take a reduction. And here we are not taking a cut but asking for an additional $3,000 for clerk hire. It is not a matter of saving a large amount, for the sum saved by denying this congressional request for $3,000 clerk hire amounts to very

little, but it is the principle involved that really matters.

Some of my colleagues have told me that it was nothing but demagoguery on my part to oppose the granting of this additional clerk hire. They are entitled to their opinion and I do not criticize them for expressing it. One who proposes that his colleagues take less or do not get more, is not popular with his fellow Members. It certainly is not pleasant to oppose additional compensation for those with whom you come in daily contact but, after all, one has his conscience to live with, and some satisfaction can be derived from being consistent.

Few Members come to this body because of the compensation they receive. Many have been successful in business or in professional life, and many could earn more in some other activity. But the money received for services rendered here is not the only compensation. One's sense of importance—and all have it—is satisfied to a certain degree by being selected by the people of his district to represent them in the National Capital. There is not a little satisfaction in having the people of one's district express their respect and their conviction in his ability and integrity by sending him to Congress. Then again, every American who is worth his salt, takes satisfaction in rendering service to his country.

I became a candidate for Congress when the salary was $7,500 and I was not a candidate because that was the salary or because it might sometime be more. I practiced law for some 30 years; I felt I was entitled to what I thought would comparatively be a vacation. I was conceited enough to think that my services might be of some benefit to the country, and so I put effort and money into a campaign in order that I might have the honor of being elected to this body and have an opportunity to aid in making the laws of the land, an opportunity to serve the country which was my country.

Undoubtedly, an overwhelming majority of the House are here, not solely because of the financial reward, but because being elected to the Congress of the United States is an honor, a high honor, gives an opportunity to serve one's fellow citizens.

Being here then in large part from unselfish motives, at a time when retrenchment must be practiced in Federal expenditures, we are only being consistent if we refuse at this time to vote ourselves additional clerk hire.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I have the utmost regard and respect for every Member of this body and I certainly do not impugn the motives of anyone. In the past, I have voted against things that people wanted, I have voted against the things that were needed. Recently we turned down a request for an Army pay bill. I voted against that bill because there was not any money in the till. I voted against it because I did not want to either raise taxes or have deficit financing.

I am fully aware that in connection with the great sums that it takes to run this Government the amount here involved is very, very small; but the point is, unless we can say no to ourselves, unless we can deny ourselves some things that are needed, we are not in a position to deny others.

I therefore expect to vote no on this resolution, which is also a vote on the bill. If the noes prevail the measure will be defeated. If the yeas prevail the expenditure will be made. I propose to vote "no."

The SPEAKER pro tempore. The time of the gentleman from Nebraska has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, it is perfectly obvious to me when I see the very unusual number of Members here present, especially on the other side of the aisle, that this bill is going to go through and that it will not be possible for a Member to have his vote recorded by roll-call vote. I want my vote recorded now against this measure. I shall attempt to get a roll call.

Mr. SABATH. The gentleman will have a chance because I am going to demand a roll call.

Mr. KEEFE. I hope we will have a roll call and that everyone will be put on record.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, this proposed legislation should be viewed coldly and analytically. I have no desire to demagogue it to death, but at the same time I consider it my duty to express my personal opposition and to give my reason therefore. All of us fully appreciate and are cognizant of the fact that Federal revenues are declining at an alarming rate and at the same time our governmental expenditures, in most instances, are continuing unabated. With this fiscal crisis staring us in the face, the citizens of this Nation expect us, as their representatives, to do our share in curtailing Federal expenditures, regardless of the amount involved. If we enact this legislation we are not doing our share and on the sole basis of economy I am against any increased allowance for clerk hire or telegraphic messages.

It is unfortunate that the public has erroneously been led to believe that this additional allowance, if approved, would, in effect, be an increase in salary to each Member. We ourselves know this is an incorrect impression and I hope this discussion today corrects the record in this regard. Those who favor the proposal honestly believe that as a result better service could be rendered by us to our citizens back home. That may be true in certain instances, but nevertheless, if we expect our own constituents to pull in their belts and sacrifice in an economy program, we in turn must do our share. By being against this proposal we can cooperate in this economy drive. For this sole reason I hope the House does not approve this legislation.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Speaker, we expect others in this Nation to economize. I do not criticize any Members in this body who, because of their need for help in their offices, favor this bill. I need more help myself, but in order to get others to economize we must economize ourselves. I intend to vote "no" on this measure.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Speaker, I wanted to say to the gentleman from Wisconsin that I, too, welcome a record vote. Any time I vote on the floor of this House, either by voice or standing or passing through the tellers for anything, I will be glad to have my vote recorded. My folks back in Missouri showed they had confidence in me when they sent me up here to represent them, and I have confidence enough in them that I am glad to have my vote recorded. Sixty-five copies of the CONGRESSIONAL RECORD go back into my district, and I am proud of every vote of mine in that RECORD since I came to this House. If I could not be proud of it, I would not make it. I am going to vote for this measure because I need another clerk, because I am writing around 100 letters a day, and my folks expect to be represented, and I expect, if God gives me the strength, to represent them.

I am reminded of one of Ben Franklin's stories. One of his nephews came to him one day and he said, "Uncle Ben, I have just fallen heir to $2,000. It is all mine." Ben said, "I give you my sympathy." "Why," said the boy, "aren't you glad?" Ben said, "No; I am not glad. Now that you have that $2,000, what are you going to do with it? If you spend it, you are a spendthrift. If you keep it, you are a miser. If you give it away, the folks will say you are a blankety-blank fool. I am sorry for you." The gentleman from Michigan could cut his salary 90 percent, and all the folks at home will be saying, "He is a blankety-blank fool. There is no use doing it."

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, I shall vote "no" on the resolution to provide an additional $3,000 per year to employ extra clerk hire in the offices of the Members of the House. I think it should be observed that the $3,000 item is "base pay" and really means pay of approximately $4,500.

I have the highest regard for the opinion of other Members of this House who take the opposite view and feel they are entitled to the additional allowance. It is my feeling that although many offices can use the extra assistance, the thing is wrong in principle, because in supporting this legislation we are not, in my judgment, setting a very good example of economy.

Do not misunderstand me. I am in favor of paying those employed in our

offices, as well as those employed in other Government positions, fair and reasonable salaries. The total cost to the Treasury under this resolution is more than one and a half million dollars. It comes at a time when the people of this country are demanding economy—and they are right in making these demands. They are asking for reductions in Government expenses. It seems to me that the right thing to do is for the Members of the House to tighten their belts and work just a little harder, rather than make this demand against the Federal Treasury, especially at the present time.

Mr. Speaker, let me say again that I have no feeling because others may differ from me on this question. I represent a rather large constituency; in fact, larger than an average district, which I understand is about 300,000. There are about 500,000 people in my district, but, even so, I think we should forego this proposal as an example of showing a little economy on our part.

Mr. Speaker, I make this statement on this resolution so there may be no misunderstanding with regard to how I feel with respect to this proposal. I realize there are many other economies that are just as important as this one, and I shall vote for such economies where I think they are right, just as I shall do in this case.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, as a matter of principle I am going to vote for this resolution. I voted against the bill to increase our salaries 2 or 3 years ago and I am willing to vote now to reduce our own salaries if that should become advisable as a matter of economy. But, it is not economy to try to represent the people of my district without adequate help to do the job they need to the extent I am capable of it. I cannot do it without additional help in my office and that is true for many others, especially the Members who represent districts that have all sorts and varieties of industries, interests and institutions in them. I repeat, I will take a cut in my own salary but I will vote for this increase in clerical allowance to enable me to do the best possible job for the people who sent me down here to represent them.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Speaker, what amuses me in listening to a discussion like this is the inconsistency of what has been said. We stand on the floor and vote $75,000,000 for some 45 publicity and propaganda agencies in the departments, to produce information which we have no means of checking. We call a hearing and a representative of one of the bureaucratic agencies of Government comes up here accompanied by economists and statisticians. Then some of us oppose a suggestion to give ourselves the clerical and statistical help which would save the taxpayers millions. We are not asking to increase our own salaries. Like the gentleman from Minnesota [Mr. JUDD], I feel if everybody wants to cut salaries I will go right along with them and vote to cut mine, but we are asking today to make it possible for us to do a little better work for the people we represent. I have no hesitation in saying that I am going to vote for this because I believe it is for the good of the people of my district.

What amuses me is the fact that for some 17 years I have been hearing arguments like this one, and I have yet to see a constitutent blame a person for a vote in favor of more service to the people. I have seen, in the State of California, people make demagogic speeches, such as you hear upon the floor against a bill like this, and then go back to their districts and be defeated in the next election, because the people at home, when they knew about it, thought it was a rather stupid position to take when the proposal was to give the people more service.

If any of you are still in doubt, I am going to vote "yes," in favor of the resolution.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is the gentleman in the well willing to concede that any Senator's secretary is entitled to receive $6,000 more yearly than his own secretary?

Mr. PHILLIPS of California. The gentleman is right. Let us not discuss the other body at the moment. I have some strong feelings on that subject also.

Mr. BROWN of Ohio. Mr. Speaker, I yield one-half minute to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, I wish to remind the House that the Hoover Commission has recommended better paid and larger staffed congressional offices, in the interest of the economy of the Nation.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, I am taking these 2 minutes to explain the section on the telegrams. There seems to be some misunderstanding about that. Some Members think that they cannot send a telegram to their constituents.

On page 2, line 5, it reads:

> Charges on telegrams sent by or on behalf of the Member from the District of Columbia.

There is no restriction on that. You can send them to anyone. The only restriction is on telegrams sent from outside the District back to the District, collect. They must be sent by a Member to his office or to any department, agency, or office of the Federal Government or the Government of the District of Columbia or to any department, agency, or office of the Government of any State or any political subdivision of a State.

I would like to relate something about this business of pleasing constituents. I happen to have served a time as commissioner in Ohio. We built a lot of highways in my State. The newspapers undertook to criticize us bitterly because they said these highways were costing too much. A member of the board of commissioners got excited and he said, "Don't you think this will react against us?" I said, "No; not at all, because the people who will benefit from these highways are not going to care about the cost. We are letting them on competitive bids as cheaply as we can and the ones who do not benefit are going to come in and ask that we build a highway for them."

I did not run for reelection for commissioner, but the man who was excited about it did run for his third term, and he received the largest vote he ever received, because he produced what the people wanted.

This bill simply gives a Member a chance to produce for his constituents. Give them the service. Answer their requests and their letters.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield one-half minute to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. All I want to say in defense of those of us who are the sole representatives of several States, is just be fair and be honorably decent.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members may be given five legislative days in which to extend their remarks on this resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]?

There was no objection.

Mr. JOHNSON. Mr. Speaker, this allowance is one that I intend to vote for. It is for more clerical hire and to provide a limit of $500 for telegraph and telephone services in connection with official business. This is not for the Congressman but is for the sole benefit of our constituents and others with whom we must deal, in our official capacity.

Most of us learn after being here for several terms or more that while we are legislative officers, we also have a big administrative job. All kinds of requests are made of us by constituents. Ninety-nine percent of them are legitimate and reasonable requests. We are the only direct contact that the constituents have with the Federal Government. If they have dealings with an executive department and delay is encountered they write us. All this is but the natural result of our system of Government. They feel and some know that by getting their Congressman to help them with their problems in connection with the National Government that more expedition will result.

Also, it happens that my district is an unusually complex and diversified one, considering its activities and resources. To mention just some of the things in the district that provide reasons why my constituents may wish to contact me, I refer to the following: In the Third District are about 25 crops, each of which has special problems; every water problem exists in this area, navigation, flood control, hydroelectric development, salinity control, fish and wildlife preservation, and so forth; the State capital is the largest city in the district and most State officials write to me when they have dealings with Washington, as I expect them to; we have many industries such as

railway shops, canneries, iron industries, and others; there are 10 military installations, representing every branch of the service, and the personnel of these have correspondence on various matters; about 100 wineries are in the district; mining problems, and manufacturing of various kinds. In fact, almost every human activity has something in our district.

It has been a pleasure to serve my constituents, although sometimes the work is arduous. But this will help us do better work for them by giving us one more clerk. I want to again emphasize that not one dollar of this money goes to the Congressman. If we do not use the money allotted, it remains in the Treasury.

Mr. BRYSON. Mr. Speaker, in voting against H. R. 4583, I now make this statement with regard to the provisions therein contained.

Under present provisions of law Members of Congress are permitted to send official telegrams anywhere within the confines of the United States and have them charged to the Government. We are not restricted in the official use of said telegram privileges. While I have no idea how many official telegrams go out of my office, I know that the charges therefor must be considerable. The present arrangements regarding official telegrams seems more advantageous, more satisfactory, and more convenient than the plans provided for in this resolution.

The provision in the resolution providing for the official use of long-distance telephone calls is reasonable and, I believe, should be authorized. Oftentimes it is necessary to get a message to a constituent where a telephone call would be more effective than a telegram or letter. The specific language of the resolution is not clear to me nor has it been sufficiently explained to the House. I hope that the terms of the resolution will be made more understandable so that Members will be authorized to use the telephone in an official capacity whenever necessary regardless of where the call originates or where it is received.

While I have more people in my district than resides in the average congressional district and they have been trained to write to me, I find that it is possible to carry on the official business of the district with my present staff. Therefore, I do not believe we should authorize an additional clerk hire of $3,000.

If times were normal, we might be justified in taking a more liberal view of the subjects under discussion. But these are not normal times. We definitely are in a recession to say the least. We are confronted with a deficit, which means we must increase taxes or reduce expenditures. Our people are neither able nor willing to pay more taxes; hence the only other alternative is to economize. In economizing ourselves we will be setting a good example for others. I, therefore, hope H. R. 4583 will not be enacted into law.

Mr. MILLER of Nebraska. Mr. Speaker, the legislation before the House at this time makes provisions for two items for Members of the Congress. The one item, which allocates $500 to each Member to be used for official telephone calls and telegrams, is a step in the right direction. At the present time, many of us pay out some thirty or forty dollars a month on telephone and telegraphic service in order to keep in touch with our districts. I also understand that it has been the policy of certain Members of the House to answer most of their mail by using telegrams which are paid for out of the contingent fund of the House. Several of these Members are using up to four hundred and five hundred dollars a month of the taxpayers' money in answering their mail. I think this provision is wrong. The allocation of $500 for each Member will put everyone on the same base and there can then be no abuse of the use of these services. It should actually save money.

The other item, which calls for $3,000 to be allotted to each Member for additional clerical help, is in a different category. It is my opinion there are some Members in the House that need this extra help. In my own office we have three people on the pay roll. They work more than 60 hours a week, seldom having any time off. We do try to answer our mail the day it comes in. The mail has been much heavier recently because of the interest that the people at home have in national problems. I think every Member of the House is receiving more mail. Sometimes there are petitions with hundreds of names. At the present time we answer these by mimeographed letters. It all takes time.

As I understand the legislation, no Member need take this extra money for clerical hire unless it is needed. Unless it is used each month the money goes back into the Treasury of the United States.

At the present time Members of the House are allocated $9,500 for clerical hire. In the other branch of the Congress $50,000 is allocated to each Senator. While I want the Members of the House to have sufficient money to handle all of their mail promptly, it does seem that now is a poor time to be increasing the cost of Government. In my opinion we have been entirely too liberal with the other Chamber. It is true we have no control over their appropriations. Perhaps the time has arrived when we should insist that they set up their own appropriation bill and carry the responsibility of their own appropriations.

Because of the economical conditions in the country, I am constrained to vote against this legislation even though I feel there are certain Members in the House which may need the appropriation worse than I do. We could probably use it about half the time. On the other hand, if the mail continues as heavy in the future as it has in the past, it would be necessary for the present office help to work longer hours, or to receive less pay, so additional personnel could be put to work.

I suggest, Mr. Speaker, now is the time for economy. The time may not be far distant when we will be cutting not only our own salaries but those in the executive and administrative branches of the Government. Our economic machine is out of balance. We ought to set a good example in our own housekeeping if we are to keep the ship of state from being wrecked upon the rough economic shoals all around us. I have no doubt but what my office force will be willing to work longer hours and adopt the most efficient methods known to meet the demands from my district. I trust the legislation will be defeated.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself the balance of the time and I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, there seems to be a little more heat than there is light on this entire subject. Perhaps it might be wise to pause for just a moment to see what it is that we have before us. What we actually have before us is the question as to whether we will accept or reject the Senate amendment to a measure which has already been passed by both Houses. In other words, the House and the Senate have both approved this legislation dealing with clerk hire and the extra allowance for telephone calls.

The Senate, however, did put in the House bill, by amendment, a provision that the telephone allowances would apply only to toll charges, and also that the telephone and telegraph tolls could not be charged against the Government except for official business. I do not believe anybody wants to vote against the amendment that would limit this allowance to official business, because I can see very easily where some demagog might say: "Well, that fellow voted against that limitation because he wants to send telegrams or telephone to his best girl or to his county chairman." So the real question here is actually on the amendment to limit telephone and telegraph use to official business.

Let me explain quickly what the parliamentary situation is: When a House bill is amended by the Senate a message is sent back to the House advising as to the action taken by the Senate. The individual in charge of the bill in the House, usually the chairman of the committee reporting the bill then makes one of two requests: He either asks unanimous consent that the Senate amendments be taken from the Speaker's desk and agreed to, or that they be taken from the Speaker's desk, disagreed to, and that conferees be appointed. In this instance the consent request to take the Senate amendments from the Speaker's desk and concur in the Senate amendments was submitted but was objected to. The matter was then referred back to the legislative committee, as I understand it. The legislative committee then asked for a rule making in order the consideration of the Senate amendments. So that you have before you today the question as to whether or not you want to take these Senate amendments from the Clerk's desk and agree or disagree with them. The answer is entirely up to you. I do, however, want to call the attention of the House to one or two facts that I believe are just a little pertinent.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Yes; I yield to my colleague from Michigan.

Mr. HOFFMAN of Michigan. And if the vote "aye," if the aye vote prevails and the Senate amendments are adopted that means we get the $3,000, does it not?

Mr. BROWN of Ohio. The bill becomes effective.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. HALLECK. I dislike to disagree with my friend, the gentleman from Michigan, when he says that we get the $3,000. I am sure he did not mean to create a wrong impression, but that just lends itself to the misinterpretation that is too often current that the money allowed to us for clerk hire comes to us personally.

Mr. HOFFMAN of Michigan. I did not mean that; I mean the clerk will get it.

Mr. HALLECK. Well, the clerk gets it and I know the gentleman from Michigan intended to say only that, but I think that it ought to be made perfectly clear that that does not in any way profit a Member of Congress and misrepresentations on that score should be corrected. It profits only the people he is permitted and privileged to represent, because but for that help we could not answer the scores and scores of letters that come into our offices every day; we could not take care of the interests of our people; we could not fulfill our obligation which we have come to carry to act as the contact man between the people whom we represent and the Federal Government, the scope of which is enlarging every day.

Mr. BROWN of Ohio. I thank the gentleman from Indiana very much.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield briefly.

Mr. SHAFER. I just want to add the thought that we are today legislating for pressure groups mostly, are we not?

Mr. BROWN of Ohio. I am afraid that is right, seemingly.

Mr. SHAFER. And every one of them is pouring it on to the Membership and so on, to write their Member of Congress.

Mr. BROWN of Ohio. That is right.

Mr. SHAFER. And the Members of Congress are supposed to answer their letters.

Mr. BROWN of Ohio. That is our duty and responsibility.

Mr. Speaker, I regret I cannot yield further because my time is limited.

I wish to call attention quickly to two or three rather pertinent facts: First, that just a little less than an hour ago, we passed the legislative appropriation bill in this House, and, of course, most of us know what was in it—every item.

I want to call your attention to the fact that on page 20 of the report on the legislative appropriation bill you will find that we appropriated $6,401,000 for clerk hire for the 438 Members and Delegates of this House—or $14,000 less than for 1949. On page 17 of the legislative appropriation bill report you will find an item that you just voted to appropriate to another legislative body, not the House of Representatives, for administrative and clerical assistants, to "Senators" I think the word is, for 96 of them, the sum of $4,786,155, compared with the $6,401,000 appropriated for the 438 Members of the House. The $4,786,155 that you just appropriated for administrative and clerical assistants to the Senators, is $303,000 more than is being spent by those same legislators for clerical hire this year.

Mr. Speaker, I just wonder how consistent we are. If we were really interested in economy as strongly as some suggest, perhaps we would not have voted for that increased appropriation today.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. SABATH. Mr. Speaker, I yield the gentleman four additional minutes.

Mr. BROWN of Ohio. Mr. Speaker, may I point out that, in my opinion, there are some Members of the House who may not need additional help, but the average Member of the House does.

In the issue of the New York Times of a week ago Sunday there was a very able article by a Mr. Cabell Phillips, who had made a complete survey of Congress to see why Congressmen "acted that way," or why "they voted that way." There are two or three bits of information in that article the folks back home should have. I certainly want everyone in my district to read it. Mr. Phillips' study, survey, or investigation shows that the average Member of Congress puts in 11 hours a day 6 days a week, or 66 hours per week, on his job, and that does not include any of the time he may use for social engagements, for campaigning, or for making speeches outside of the Congress. It is simply the time he gives to his official work. The report also shows, by the way, that the average congressional staff is too small and is badly overworked, that the clerical staff averages from 12 to 14 hours a day on the job, most of the time 6 days a week. Sometimes a few do quit, now and then, at 1 or 2 o'clock on Saturday afternoon, but often they work on Sundays, too, may the Lord forgive them, for many congressional offices are open a part of each Sunday. None of us likes Sunday work, of course, but it is often necessary to render proper service to the people we represent. So I think the American people ought to realize and appreciate the kind of folks who are representing them in Congress, and the work that is being done by these office staffs.

As far as I am concerned, I do not believe that any Member of Congress who does not need the clerical help should take it, if this measure should become law, and I have enough confidence in my colleagues that I do not believe there is any of them who would hire an unnecessary clerk just to throw public money away.

As the gentleman from Indiana has pointed out, the Members of Congress cannot draw this clerk-hire money for themselves. The fact of the matter is that we have to us the pro rata share of the funds appropriated every month or it reverts back to the Treasury. I know many, many Congressmen, who have not drawn all of the allowances that they are entitled to, or used all of the clerical help they are allotted, so that the Treasury has recovered the money originally appropriated. Personally, during congressional sessions, I pay an extra office girl out of my own pocket. The Lord has been good enough to me that I have been able to do that, but I am frank to say that I do not like it. I think if I work 11 or 12 hours a day that the Government ought to give me the clerical help I need, but if the Government does not, I will still try to take care of my district as long as the good Lord lets me make enough money to do so. If not, then the district will have to get a rich man to represent it in Congress. I believe we are just straining at a gnat, because the only real question before us is whether we want to require that we spend public money on official telegrams and telephone calls only, or if we want to vote against that amendment, and it is up to you to vote one way or the other. There will always be some one demagog against you if they want to do it, but that has been the situation as far as the Members of Congress are concerned since the first Congress met. No one can prevent demagogery by an opponent who wishes to misrepresent something, or to color it, and make a thing appear black when it is actually white. Yes, I have a lot of confidence in the Members of Congress. I believe they can be trusted to do the right thing on this legislation and in efficiently running their offices in an economical way.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. IRVING].

Mr. IRVING. Mr. Speaker, I rise not in opposition to the resolution but rather to register some thoughts that I have on the subject. I want them recorded because I feel they are pertinent, particularly in the light of much of the discussion on the floor of this Chamber these past several months, and further in view of the legislation that I voted for here yesterday. I felt it was a step toward reorganization as recommended by the Hoover Commission and I hope it will cause great savings to be made along with more efficiency in the affairs of our Government.

As I stated at the beginning of my remarks that I was not opposing the resolution and the reasons for that position are that I do not feel that it would be fair to the rest of the Members to do so. I have no certain knowledge, information, or facts relative to conditions that exist in each of their offices, with regard to the amount of work, size of the districts they represent, nor the requirements of their constituency. It would be positively unjust to take such a stand in my opinion under such circumstances.

However, let me say that I did not vote for the resolution originally, and felt at the time that it was first presented that I would have to be against it. Certainly I signed the petition to have the proposition brought up, but I believed that that was the proper and democratic way to act in the matter. I wanted to make it possible to give all a chance to express themselves, discuss the matter, and vote on it.

It is very likely that many of them need additional help, and perhaps I will find that I will need it later on. However, I cannot help but reflect upon that statement made by the gentleman from Ohio [Mr. BROWN] that as charity begins at home so might economy. I feel that the people may look at it in that light, that economy should start right here in Congress particularly when they do not understand the existing problems.

I certainly am not for cutting anybody's salary or wages at any time. That, of course, is if they are not unreasonable. I believe we should endeavor to continue to raise our standard of living for all the citizens of this great country. It may be as some have stated that they need additional help and others may feel that some of the clerks are not getting enough money and, of course, if that is the case it should be rectified as I certainly feel that everyone should have enough to live decently on. I feel that we Members of Congress have an obligation to uphold the prestige of our position as lawmakers of this Nation and a responsibility to represent our districts adequately, that we earn all we get and of necessity spend it.

Now I am actually interested in seeing that any additional money is spent to good advantage. I think we should use it in an educational program in our districts, and by that I mean that instead of writing nice, polite, on-the-fence letters we attempt to answer all inquiries as fully as possible, particularly before legislation is acted upon. I think this would tend to eliminate much of our work in answering critical letters after the legislation is passed. I think in that way we could create a better understanding of our laws and our work, as well as educating the people to a desire to know their Government. I am not in favor of cultivating more work or letter writing just for our own political benefit.

The gentleman from Indiana said in his remarks that a labor paper had made some misstatements in regard to the matter. I am sure that if they did they must have been in error and that if he would ask them to make a correction they surely would. However, I would call his attention to what other Members have said here this afternoon about regular newspapers—not labor papers—in regard to what they as well as newscasts have apparently misinformed the public about this whole matter. In many instances, giving the impression that about $3,500 was going to the Congressmen as salary increases. This, of course, is regrettable to say the least and I hope the gentleman from Indiana will attempt to have the paper he referred to correct any mistake they might have made.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Speaker, I, for one, propose to vote "aye" on this legislation.

I do not know whether or not you realize it, but the 435 Members of the House of Representatives and our 96 Senators make up the board of directors of the biggest business in the world, the United States Government. It is no easy task to do our job even with adequate secretarial assistance, because we do not only serve our individual congressional districts; as Members of Congress, acting as a director of the greatest business on the face of the earth, we necessarily represent the people of the whole United States during this crucial moment of the world's history. We will be called upon before this year is out to appropriate approximately $40,000,000,000 of the taxpayers' money. It naturally goes without saying that you have to have help in order to get this most difficult task accomplished. I represent a country district. I want to say to you that when I first came here in 1945 I had a little time to gather a few statistics. At the completion of my first year in Congress, in 1945, I had sent out to my good people over 113,410 pieces of mail. Bear in mind since I represent 300,000 constituents, such means that 1 out of every 3 of my people heard from my office back in 1945 about some particular legislation in which they were directly interested, or they had the answer to some difficult problem that they had written to me requesting information. Now, those letters did not just answer themselves—it took an awful lot of hard work—checking with departments, boards, agencies, and commissions of our Government in order to get the facts so as to be able to serve my people. Frankly, since 1945, I have been so busy that I have not had a chance to even think of securing additional data to show how my mail has increased from year to year. Mind you, the 113,410 pieces of mail sent out by my office in 1945 did not include telegrams or long-distance calls which were in addition thereto. One of my secretaries has a slogan hanging over her desk which states the case quite fluently. It reads:

Anyone who loves work can have a "helluva" good time here.

I say to you that the three girls in my office are just as loyal, devoted, conscientious, sincere, intelligent, and competent as any faithful employee found on the face of the map. They work hard, they come in early and stay, not until 5 o'clock or 6 o'clock, but they stay with me until the job is done, even if it is as late as 9 o'clock or 10 o'clock. For instance, if we are in session until midnight those kids stay there until I return to the office. They do not leave until the last letter has been folded and sealed and put into the mail box. Quite a few of them have to be stamped because I do, naturally, have to write some personal letters and I put stamps on them. From my personal observation over the past 5 years here on this Hill I know of no Government employee that works as long and as faithfully as the congressional secretaries. We need this appropriation for three reasons: First, in order to serve our people better; secondly, to help keep current on our daily mail; and, last, but not least, to help relieve the terrific work load from the backs of our loyal, devoted staffs.

In conclusion, I want to tell you of an experiment that I conducted during my recent 1948 campaign. At every speech I made I asked my constituents in the audience how many of them had received mail from me since I became a Member of Congress. It was literally amazing to learn and to actually be able to publicly count between 75 and 80 percent of the audience as they raised their hands. That is a positive indication that the mail is getting back home, but, frankly, it has been done by working my staff until they are actually hanging on the ropes. They are tired, they need help, and I would not be a man worth working for if I did not champion their cause when they need me. My people need and are entitled to the best service of which I am capable; an extra secretary will help me get the job done. In the interest of good, efficient government I therefore shall vote "Aye." We are not voting any pay raise for Congress as the press might want the public to believe. This is for office help. If you need as do I, you ought to have it; if you do not need it you surely do not have to appoint another clerk.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Speaker, judging from the attitude of the Members at the present moment, you are ready to vote favorably on this legislation. I desire to take time, however, to commend the gentleman on my left as well as the gentleman on my right for standing here and speaking in support of this legislation. We stand on this floor and champion the rights of labor and the workingman; we pass legislation in support of minimum wages and maximum hours and then are forced to drive our staffs to the limit of their endurance. We simply do not practice in our office what we fight for on the floor of this House.

I was interested in this observation made to me by one of my colleagues today. He stated that he was talking to another Member and that this Member stated he would have to vote against the bill but secretly he hoped it would pass because it was just and right.

Since the House has been asked to agree to the Senate amendments, and in view of the position we face in justifying this legislation it can be pointed out even with passage of this legislation we are far from a comparable position with the other body. In the offices of the other body they have for clerk hire a maximum of $32,400, a minimum of $23,800, based upon population. This figure does not include an executive assistant, calling for a base of $8,000. If this legislation becomes law, the base figure for Members of the House would only be $12,500. I could discuss the liberal telephone and telegraph allowance available to the other body, and what I have pointed out is not with any idea of criticism.

The time has come when as Members of the House we should be willing to stand up and do what is right and just for the members of our own staff.

As a member of the Committee on Accounts that conducted hearings and brought out this legislation, I want to point out that I was greatly impressed with the Members who appeared before us in support of this legislation. They came from both sides of the aisle. Among those who did, I recall the gentleman from Alabama [Mr. BATTLE]; the gentleman from North Carolina [Mr.

CHATHAM]; the gentleman from New Jersey [Mr. CANFIELD]; the gentleman from Tennessee [Mr. SUTTON]; the gentleman from Texas [Mr. POAGE]; the gentleman from California [Mr. DOYLE]; and the gentleman from California [Mr. KING].

The gentleman from Washington [Mr. JACKSON], the gentleman from Pennsylvania [Mr. EBERHARTER], the gentleman from California [Mr. PHILLIPS], the gentleman from New York [Mr. DAVIES], the gentleman from Tennessee [Mr. PRIEST], the gentleman from Washington [Mr. MITCHELL], and others.

There was also before our committee a petition signed by over 250 Members of the House urging favorable action upon this legislation.

Mr. SHAFER. Mr. Speaker, will the gentleman yield?

Mr. DEANE. Yes; I yield.

Mr. SHAFER. I would like to know if we are not entitled to a sufficient amount of money for a little additional clerk hire, which would not be very much more than we appropriate for mineral water for the Senate?

Mr. DEANE. My colleagues of the House, I hope we will promptly agree to the Senate amendments.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. SABATH. Mr. Speaker, I yield the remainder of my time to the chairman of the committee, the lady from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker, as has been so well said this afternoon, the question we must consider is, Shall we or shall we not concur in the Senate amendment? That is the question that we shall vote on in a few minutes.

However, I want to say to the Members that your Committee on House Administration is very conscious of its responsibility to the Members of the House. When a great number of those Members came to our committee and asked us to provide additional clerk hire for them, they made a very good case before the committee, so good a case that the bill was reported out of the committee unanimously.

As you know, most of the bills from our committee are privileged bills. There is very little debate on the bills reported from our committee. May I say also it is a nonpolitical committee. That is absolutely true. We work in that committee for the benefit of the House, and we think we do a pretty good job. We thought we were doing a good job when we decided to go along with those Members who told us they did not have sufficient clerk hire to do the kind of work they believed their constituents were entitled to have done. After due consideration, the bill was reported out of the full committee, and it was brought to the floor for consideration. I asked unanimous consent to present H. R. 4583 and nobody objected. It was up to the House, if they did not like to have it considered under unanimous consent, to say so; but I did not hear a peep.

Let us face the facts. You know and I know that probably a large majority of the Members of the House do need this additional clerk. If they do not need an additional clerk they certainly do not have to name one. Nobody is forcing a clerk on anybody. If you need a clerk, you need a clerk, and you are going to have the privilege of naming a clerk. If you do not need a clerk, for goodness' sake do not ask the Treasury of the United States to supply you with something you do not need.

Now, that is the crux of this whole situation. Then, too, your committee considered what would be fair and right with regard to telegrams. I am sorry to say that a great many Members have abused their privilege of sending telegrams. Under this bill all Members will be treated equally. If they do not use the money that is appropriated, not only for telegrams but for telephone messages as well, that money goes back to the Treasury. The Members cannot withdraw any part of the money from the fund.

Any of that money, therefore, that is left over will revert to the Treasury. I believe the Members will all find that it is to their advantage to know exactly what they can spend for telegrams and telephone messages.

May I say also in that connection that under the provision of this bill we will be saving money. The total allowance for telegrams and telephone calls will amount to $219,000 at $500 each; whereas the budget estimate for telegrams and telephone calls for 1950 was $350,000. This includes local District calls as well.

In conclusion let me say that I feel that the criticism that has been leveled at the committee has not been exactly fair. Your committee has acted with good faith; it has particularly tried to help those new Members who have come to us with their problems. We had a great many new Members this year, a great many young men who are here for the first time and are not used to the ways of the House. They are very scrupulous, and I am glad they are. They are trying to do as good a job as they possibly can.

Mr. BATTLE. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. BATTLE. Let me thank the gentlewoman from New Jersey and her committee for reporting out this bill. I represent some 600,000 people in a large industrial area. It is absolutely essential that I have some relief, and I believe this bill will give it. I appreciate the efforts that the gentlewoman has made.

Mrs. NORTON. I thank the gentleman from Alabama, both for myself personally and in the name of the committee.

Mr. Speaker, I sincerely hope the Members will be fair when the vote is taken and that those who believe we are trying to do the job will vote "Aye" on this bill and give the Members who need it the authority to employ this extra clerk.

The SPEAKER pro tempore. The time of the gentlewoman from New Jersey has expired. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tomorrow night to file a report on the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. CORBETT asked and was given permission to extend his remarks in the RECORD and include testimony before the Senate Committee on the Post Office.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

FINANCIAL OPERATION OF THE PANAMA CANAL

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 245.

The Clerk read the resolution, as follows:

Resolved, That House Resolution 44, Eighty-first Congress, providing that the Committee on Merchant Marine and Fisheries, making a study and analysis of the financial operation of the Panama Canal, shall report its findings not later than June 30, 1949, is hereby amended to extend the time of such report until September 1, 1949.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous material.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD.

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous material.

Mr. BUCKLEY of Illinois (at the request of Mr. PRIEST) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include two short articles.

Mr. BOLTON of Maryland asked and was given permission to extend his remarks in the RECORD.

Mr. DONOHUE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in each to include extraneous material.

Mr. SABATH asked and was given permission to extend his remarks in the

RECORD and include one article and an editorial.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include an article.

Mrs. HARDEN asked and was given permission to extend her remarks in the RECORD and include an address by the gentleman from Indiana, Hon. RALPH HARVEY.

SYLVIA M. MISETICH

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to withdraw the complete file in the case of H. R. 572, for the relief of Sylvia M. Misetich.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 3 minutes today after other special orders.

Mr. JAVITS asked and was given permission to address the House for 30 minutes on Thursday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

AN INTERNATIONAL POLICE FORCE

Mr. GWINN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GWINN. Mr. Speaker, I arise to a point of personal privilege. Within the last 48 hours I have had a perfect demonstration of how a sincere and honest effort to prevent mass murder through an international police force can be twisted by the Socialist elements to advance their own plot for a Socialist-dominated world planned government. I have always opposed any such plan. Yet I have for more than 2 years advocated a resolution by this House to strengthen the United Nations in its efforts to organize an international police force under law to stop the production of the instruments of mass aggression and war. I now find myself associated with a group endorsing the very thing I opposed; namely, a Socialist-planned economy by world government.

The nations of the earth today have no common concepts of individual rights so as to warrant the formation of anything comparable to a world government for general purposes. Nor do we have in the world today any common concepts of the proper limited functions of government. Because of the misuse of House Concurrent Resolutions 64 and 72, dated June 7, 1949, on the very next morning in a three-column advertisement of a mass meeting in Madison Square Garden, I am withdrawing the resolution introduced by me. I will not join in any other resolution until the words and phrases of it regarding the international police force are made so specific as to be free from misinterpretation by anyone.

Mr. Speaker, I hereby ask unanimous consent that the permanent RECORD be corrected by striking my name from the list of supporters of House Concurrent Resolution 64 as it now appears on page 7356 of the CONGRESSIONAL RECORD for June 7, 1949, and elsewhere.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PUERTO RICAN AIRPLANE TRAGEDY

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, the people of my district were shocked to read of the airplane accident that took place off San Juan, Puerto Rico, on June 6. Fifty-four men, women, and children were killed. I have been investigating this matter to the best of my limited ability and have been trying to obtain information relative thereto. I hold in my hand a preliminary report which shows that there is something rotten. This plane carried 82 people, and I find the following comment in a report, specifically from the Acting Director of the Office of Aviation Safety. Here is how they try to explain this tragedy away. I just want to read one sentence which is very, very revealing of the attitude of this Government agency toward accidents of airplanes that come from Puerto Rico:

> While the number of passengers aboard appears to be very high and would commonly cause questioning on the gross weight, the average weight of a Puerto Rican seems to be around 105 pounds.

Now, those last words show to me that somebody is getting ready with a pail of whitewash and permit those guilty to escape. These words in this report reveal a callous attitude, treating these Puerto Ricans as though they were cattle. They admit that the number of passengers aboard appears to be very high and would commonly cause questioning on the gross weight, but then attempt to explain it away by saying: "The average weight of a Puerto Rican seems to be around 105 pounds."

I find other material in this preliminary report that makes me very, very suspicious. It shows that on a spot inspection they found poor execution of weight and balance forms; fuel requirement based on past maximum requirements; first-aid kits were found inadequate; emergency equipment was not dated and no indication was shown when inspection of equipment was made.

Mr. HUBER. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from Ohio.

Mr. HUBER. I want to say this, that I, too, was shocked to read of that tragic accident that befell those unfortunate people. Several months ago I visited in Puerto Rico and I remember seeing the ads, "Fly to New York, Cut Rate." I am glad the gentleman brought this matter up.

I would like to ask the gentleman this: Is he familiar with the type of plane involved? Was this the two-motor type plane that is called the C–47 that we fly in our commercial flights that hold 18 passengers?

Mr. MARCANTONIO. The report here describes the plane. It indicates that it is a C–46 aircraft and it gives the number NC92857 and that it was carrying a crew of 6, total of 82; 18 of which were babies. This plane was purchased as surplus from the air services. It was a two motor plane. I am not an expert on aviation, so I cannot give the gentleman more information, but I am convinced of one proposition, that it is high time that Congress stepped into this matter, it is high time that a full-dress investigation of the accident and of all those involved be had if for no other purpose than to prevent these tragedies in the future.

ATOMIC ENERGY FELLOWSHIPS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, there has been a great deal of newspaper publicity in regard to the granting of Atomic Energy Commission fellowships in the fields of nonsecret and secret scientific research. It should be clearly understood that any fellowship grant to an individual in the field of secret or restricted research carries with it the obligation of a complete FBI investigation.

However, in the field of nonsecret research, which has mainly to do with medical and biological experimentation and studies, the requirement has not been made for an FBI investigation of the recipients. This is in accord with similar fellowships which have been granted by various foundations, such as the Rockefeller Foundation, RCA, Merck & Co., and the American Cancer Society. Research in these fields does not impinge upon the field of national defense or related subjects, such as atomic-bomb development or secret-weapon development.

The National Research Council, which selects fellows for the Atomic Energy Commission and the other fellowship foundations named heretofore, is composed of 28 of the outstanding university professors and deans in America. It operates on a nonprofit basis, charging only administrative costs to the foundations for which it serves as an agent. It makes these selections on the basis of the scholastic standings and qualifications of the most brilliant students in our American universities and colleges.

It is true that the foundations can refuse the recommendations of the National Research Council at any time; and when evidence of a mistake or an undesirable selection on the part of the Council has been offered, such fellowships have been denied previous to the signing of a fellowship contract. After a fellowship contract has been signed, a different relationship exists as the sanctity of the contract is then in question.

Mr. Speaker, I ask unanimous consent to have printed at this point in the RECORD a list of the famous educators who have been serving on the National Research Council. The list has been extracted from the fifth semiannual report of the Atomic Energy Commission dated January 31, 1949.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(The list is as follows:)

FELLOWSHIP BOARDS

POSTDOCTORAL RESEARCH IN MEDICAL SCIENCES

Dr. Homer W. Smith, director, physiological laboratories, New York University College of Medicine, New York, N. Y., chairman.

Dr. Austin M. Brues, director, biology division, Argonne National Laboratory, Chicago, Ill.

Dr. Sam L. Clark, associate dean, Vanderbilt University School of Medicine, Nashville, Tenn.

Dr. Hymer Louis Friedell, professor of radiology, Western Reserve University, Cleveland, Ohio.

Dr. Joseph G. Hamilton, associate professor of experimental medicine and radiology, associate professor of medical physics, Crocker Laboratory, University of California, Berkeley, Calif.

Dr. Roy R. Kracke, dean and professor of clinical medicine, Medical College of Alabama, Birmingham, Ala.

POSTDOCTORAL RESEARCH IN PHYSICAL SCIENCES

Dr. Roger Adams, professor and head, department of chemistry, University of Illinois, Urbana, Ill., chairman.

Dr. Carl D. Anderson, professor of physics, California Institute of Technology, Pasadena, Calif.

Dr. Kenneth T. Bainbridge, professor of physics, Harvard University, Cambridge, Mass.

Dr. George Glockler, professor of physical chemistry and head, department of chemistry and chemical engineering, the State University of Iowa, Iowa City, Iowa.

Dr. William W. Rubey, principal geologist, United States Geological Survey, Washington, D. C.

Dr. Marshall H. Stone, Andrew MacLeish, distinguished service, professor of mathematics, and chairman, department of mathematics, University of Chicago, Chicago, Ill.

POSTDOCTORAL RESEARCH IN BIOLOGICAL AND AGRICULTURAL SCIENCES

Dr. R. G. Gustavson, chancellor, University of Nebraska, Lincoln, Nebr., chairman.

Dr. H. K. Hartline, professor of Biophysics, Johnson Research Foundation, University of Pennsylvania, Philadelphia, Pa.

Dr. G. Evelyn Hutchinson, professor of zoology, Yale University, New Haven, Conn.

Dr. W. J. Robbins, professor of botany, Columbia University, director, New York Botanical Gardens, New York, N. Y.

Dr. L. J. Stadler, professor of fields crops, University of Missouri, Columbia, Mo.

PREDOCTORAL RESEARCH IN BIOLOGICAL SCIENCES

Dr. Douglas Whitaker, professor of biology, dean, school of biological sciences, Stanford University, Calif.; chairman.

Dr. Eric G. Ball, professor of biochemistry, Harvard Medical School, Boston, Mass.

Dr. J. H. Bodine, professor of zoology, the State University of Iowa, Iowa City, Iowa.

Dr. Howard B. Lewis, professor of biological chemistry, University of Michigan, Ann Arbor, Mich.

Dr. Raymond E. Zirkle, professor of radiology, Institute of Radiobiology and Biophysics, University of Chicago, Chicago, Ill.

PREDOCTORAL RESEARCH IN PHYSICAL SCIENCES

Dr. Henry A. Barton, director, American Institute of Physics, New York, N. Y., chairman.

Dr. John C. Ballar, Jr., professor of chemistry, University of Illinois, Urbana, Ill.

Dr. Tom W. Bonner, professor of physics, Rice Institute, Houston, Tex.

Dr. J. William Buchta, professor of physics and chairman, department of physics, University of Minnesota, Minneapolis, Minn.

Dr. G. A. Hedlund, professor of mathematics, Yale University, New Haven, Conn.

Dr. Charles C. Price, professor of chemistry, and head, department of chemistry, University of Notre Dame, Notre Dame, Ind.

WOOSTER COLLEGE CONGRESSIONAL CLUB

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McSWEENEY. Mr. Speaker, in 1908, when I was a student at Wooster College in Wooster, Ohio, several of the students were deeply interested in congressional programs and in congressional procedure, and outside of their curricular activities they were interested in learning more about the proceedings of our National Congress. They formed a club which has carried on through from 1908 to the present moment. I am very proud today to find that the members of that club are continuing their interest. In the Capitol today are 12 of those men who have come from Wooster to improve themselves and learn more about the actual operations of the Congress. They are visiting all sections of Washington and making themselves more familiar with our activities. They are accompanied by some Wooster instructors. I am very proud to have them as my guests today.

I think I can say, in the words of Daniel Webster, as he referred to Dartmouth College:

> Wooster is a little college, but there are those who love her.

We are trying to carry on her traditions and I think I may safely say that it is the only congressional club in any college in America. These young men, I am proud to say, are fine descendents of those who felt that they had started a new idea in college concepts.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. MURDOCK] is recognized for 10 minutes.

CENTRAL ARIZONA PROJECT

Mr. MURDOCK. Mr. Speaker, there is a controversy between Arizona and California with regard to the waters of the Colorado River. There is legislation pending in the House at the moment covering a part of this controversy. It is inevitable that there should be comparisons made in such a case. I do not know that all comparisons are odious, but some are. I want to take more time at a later date to deal with some of these other comparisons, but today I want to talk about just one comparison that has been made.

A statement from the gentleman from California [Mr. POULSON], was delivered at my office on June 8, which statement, I presume, was furnished to each Member of the House. The opening sentence of it reads as follows:

> The proposed central Arizona project would cost at least $600,000,000 more than has been appropriated for all projects in all the 17 western-reclamation States in the past 11 years.

I am not criticizing his figures, because I presume they are official, but I do criticize that statement in two respects. First, because it is a gross exaggeration, and second, because I regard it as an improper comparison of the things that are not comparable.

Congressman POULSON, in support of that opening statement, submitted a tabulation sheet showing the reclamation appropriations for the 17 Western States for the fiscal years 1939 to 1949, both inclusive. I am assuming that each Member of the House has seen this document and has it on his desk for ready reference. I want to call attention further to what the tabulation actually shows. Note that the last column on the right-hand side of the tabulation indicates that the appropriation for reclamation within each of the States, for each of the reclamation projects totals a little less than $1,000,000,000; to be exact, it is $993,307,017. I appreciate receiving this statement from Congressman POULSON, but I question the fairness of this comparison severely adverse to Arizona made by the gentleman from California. Note that the Congressman, in giving the total of appropriations over the given period of 11 years is comparing that total with my proposed authorization. He is comparing to my disadvantage things which are not comparable. It would be much fairer had he given the total authorizations made for reclamation for the given period, in comparison with my proposed authorization.

As all Members know, great projects, for instance, like the Central Valley development in California, may be authorized with the expectation that it will take many years of continuing appropriations to complete them.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. DINGELL. Is it not true as a matter of fact that anything that can be done at this stage of the game to put Arizona at a disadvantage will, of course, be to the advantage of California, and that is precisely what it is aimed at?

Mr. MURDOCK. I think that is true.

Therefore, if one really wants to find out how the Congress feels about any great project like the Central Valley project in California, one ought not only inquire how much money has been appropriated annually toward its development, but rather how much is expected to be appropriated in the course of many future years to carry out the authorization. Viewed in this light, the authorization over the given period, 1939 to

1949 will be seen actually to total many times the appropriations for the same period.

By referring again to the tabulation which I find has been furnished for all 17 Western States, you will see the States have received various appropriations. However, if the gentleman will examine the appropriations carefully, he will see that Arizona has not been too generously included in that list totaling $993,000,000 during this 11-year period.

I submit, ladies and gentlemen, that Arizona has years ago proven herself most worthy in reclamation, with the first, greatest, and most profitable reclamation project in America in my State. This was started in 1903, with the first great dam, dedicated by Theodore Roosevelt in 1911, named after him. Who can rise in his place in this Chamber and point to a better project any place on this continent than that great, successful project in Arizona? It is an old and proved project. Splendid as it is, it has made for Arizona only the beginning in the possibilities of reclamation within that State.

Time after time I have called attention in this House to the fact that 240,000 acres of land around my home town, Phoenix, the capital of Arizona, have been watered by this great project. Two hundred and forty thousand acres of land; and I have called attention to the fact that 75 percent of the money invested by the Government in that project has already been repaid, and that the project is paying in advance in repayments. I have called attention to the fact that more than $40,000,000 in cash value every 12 months has been produced on that project, and it has paid in income taxes alone more than the investment made by Uncle Sam. Certainly nobody can rise in his place and say that Arizona has not shown successful irrigation.

I submit, ladies and gentlemen, that in 1939, when this tabulation began, there was no greater challenge in any of the Western States for reclamation than Arizona yet presented and afforded. What appropriations has Arizona received during those 11 years?

Refer to the tabulation which you have there and see what is listed for Arizona. In that examination, note where the word "Arizona" appeared in the first column and the appropriations connected with it. Arizona is listed there six times, but in three of these six times the appropriation was for a dam only one end of which was in the State of Arizona and which dam did not contribute one dipperful of water to the State of Arizona. True, the last two items you see there concern water. One of them is for $600,000 and the last one you will notice there, I may say to the gentlemen, is for $100,000. Three of these refer to water, but only one of them furnishes water from the Colorado River for Arizona.

These three appropriations out of this total of nearly a billion appropriation provide $12,500,000 for Arizona for actual reclamation. Just think of it. That is all Arizona got out of this block of nearly a billion dollars that has been appropriated during the last 11 years for my State that affords the greatest opportunity for worth-while development in reclamation. Actually, Arizona, according to this tabulation, received less than 2 percent of the money appropriated for all the 17 Western States. Hold in mind that the biggest appropriation listed for Arizona is for Davis Dam, only one end of which is in Arizona, the other end being in Nevada, and that Davis Dam, on the Colorado River, does not contribute one drop of water for irrigation in Arizona. It is being built to carry out a treaty stipulation, and not for irrigation.

Although I could use other areas for illustration, it is a well-known fact that I have all along been friendly to the proper development of the great Central Valley project in California. In fact, I probably have been more friendly to it than the gentleman from California [Mr. POULSON] has been, but perhaps a little comparison directly between my Arizona proposal and the actuality and proposals for central California would be in order at this point. I mean no odious comparison, for I favor both. In plain truth, Arizona is not asking for anything more from Congress—not really as much, relatively—as has been afforded California by Congress. On that score House Document 165 of the last Congress makes very interesting reading.

A few weeks ago my committee reported out, and the House passed, a measure providing for the building of the Folsom Dam on the American River to afford protection for Sacramento and to be a key part of the great Central Valley development aiding irrigation. This will cost upward of $200,000,000. Let me call attention to the fact that the farmers receiving irrigation benefits will repay only about $55,000,000 and that without interest, up to the year 2009, and that the balance will be repaid by the sale of power. Thus the proper development of the great Central Valley in California—which I favor and vigorously support—depends upon power revenues to aid irrigation.

California has already actually received $722,000,000 from the Government in flood-control benefits which are not to be repaid to the United States Treasury. Taking the Central Valley in California as a whole then, more than $800,000,000 has already been authorized specifically and about half of that amount has already been appropriated and expended, and that is well known to be only a start. The Bureau of Reclamation estimates that the cost of the great Central Valley project in California will total $3,800,000,000, and what will result will certainly be worth every cent of it. Just compare the total of appropriations in Congressman POULSON'S list for the great Central Valley in California with the estimated cost of $3,800,000,000 which is authorized for that same project and it will be quite clear the unfairness of comparing the authorization in my bill with the total tabulated appropriations.

The 11-year period covered by this tabulation is an interesting period, because of the fact that Congress has taken a broad outlook and has acted with vision in authorizing developments in the 17 Western States through the coming years. Congress has already authorized projects by the Bureau of Reclamation totaling $6,000,000,000. We have not set any 10-year period for this great building program to be completed, and it may extend over a half century. It is planned in wisdom for the creation of a greater, more prosperous, and wealth-creating West. Congress recognizes that where there is no vision the people perish. Thus Congress has seen fit to plan on spending from 6 to 10 billion dollars in future years on reclamation. I have introduced a bill asking for three-fourths of a billion dollars more to be authorized and devoted to the further development of reclamation in the State of Arizona, where reclamation has already proved its wealth-producing power.

It should always be held in mind that the Federal Bureau of Reclamation projects in Arizona have repaid and that all such reclamation projects, including my proposal, will repay, and thus they constitute the best possible national investment for ourselves and our posterity.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

CENTRAL ARIZONA PROJECT

Mr. POULSON. Mr. Speaker, with the permission of the gentlewoman from Massachusetts, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. POULSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein this schedule which my very able colleague from Arizona has presented.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. POULSON. Mr. Speaker, as I stated earlier today, I am always glad to know that my statement has some merit, and you can see how excited the gentleman got. The gentleman did not deny that those were the facts which I had presented, that they are asking for a project to be authorized which will be 1½ times the amount we have appropriated in the last 11 years.

When I was a boy we used to hunt coyotes out in my country and when we ran across a nest of young coyotes we always found the mother a long way off trying to distract our attention, barking about something else.

The gentleman from Arizona did not tell you that this project which they want to have authorized is a project the cost of which cannot be repaid from irrigation benefits and is not attempted to be repaid; they cannot pay even part of the operation cost, let alone the principal; the balance is to be paid from revenue taken from power and from the taxpayers of the United States. Just as a mother coyote used to draw the hunter's attention from the nest of young, so the gentleman from Arizona now is trying to draw your attention from the fact that the amount we appropriated in the last 11 years for reclamation projects will not equal the amount of this one single project which Arizona asks the United

States taxpayers to pay for and which cannot be paid for by the Arizona users of the irrigation features of the project. Since the gentleman from Arizona [Mr. MURDOCK] has not inserted in the RECORD the statement on which he is attacking me, I am asking permission that it be inserted.

ARIZONA SCHEME THREATENS RECLAMATION APPROPRIATIONS FOR ALL OTHER STATES

The proposed central Arizona project would cost at least $600,000,000 more than has been appropriated for projects in all the 17 reclamation States in the past 11 years.

The attached tabulation, prepared by the Library of Congress, shows that $993,307,017 has been appropriated for projects in the 17 western reclamation States in the years 1939 to 1949.

Arizona is now seeking authorization for the central Arizona project (H. R. 934) in Congress.

The Bureau of Reclamation report on this project states that its minimum cost would be $738,408,000. But this amount does not include additional appropriations of approximately $800,000,000 for tunnels, canals, a great dam at Glen Canyon, and other works which, it is admitted, are absolutely necessary to protect and complete the central Arizona project.

Therefore, a minimum of $1,500,000,000 would be required for this single project in Arizona. That is $600,000,000 more than Congress has given to the 17 reclamation States in the last 11 years.

Should this vast amount of money be handed to Arizona for a single project, what chance have other reclamation States to get money vital to their own progress and development?

The central Arizona project would empty the reclamation money barrel for years to come.

Here is another fact to consider:

History shows that the actual cost of reclamation projects exceeds original estimates by two or three times. Good examples of this are the Colorado-Big Thompson and the Central Valley projects.

There is no reason to believe the central Arizona project would not cost at least twice as much as the present estimates. Thus, if the central Arizona project were authorized, reclamation funds which might have gone to other States would be denied them for at least a generation.

In addition to the prohibitive cost of the central Arizona project:

1. There is no assured water supply for it.

2. Those who would benefit from the central Arizona project do not intend to repay 1 cent of its cost. The United States Treasury—taxpayers from all States—would have to pay the cost.

3. The central Arizona project is so infeasible that it could not pay even the cost of its operation and maintenance.

The following tabulation shows the exact amounts appropriated for all reclamation projects in the years 1939 to 1949. It was prepared by the Legislative Service of the Library of Congress.

UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION

Direct appropriations and emergency-fund allocations, construction, fiscal years 1939–49

State	Project	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	Total
California	All-American Canal	$500,000	$2,000,000	$1,500,000	$2,000,000	$1,000,000			$6,000,000	$5,000,000	$3,245,000	$4,000,000	$25,245,000
Oklahoma	W. C. Austin		1,000,000	630,000	350,000	800,000	$1,650,000	$1,045,000	3,023,000	2,664,610		329,000	11,479,610
Idaho	Boise-Anderson	750,000			3,250,000	2,249,970	3,000,000	4,300,000	4,925,000	2,040,735	4,574,000	5,100,000	30,189,705
	Boise-Payette	500,000	500,000	900,000	1,500,000		100,000		2,000,000	2,782,659	1,697,000	1,525,000	11,504,659
Arizona-Nevada	Boulder Canyon	3,500,000	5,000,000	5,000,000	6,900,000	4,999,750	775,000			433,605	435,000	2,300,000	29,343,355
New Mexico	Carlsbad	100,000	100,000	100,000	100,000						21,000		421,000
California	Central Valley	9,000,000	15,000,000	23,600,000	37,750,000	39,019,000	22,569,000	960,200	23,715,000	12,685,622	21,546,288	41,358,900	247,204,010
Colorado	Colorado-Big Thompson.	1,650,000	2,350,000	2,000,000	3,000,000	6,249,070	3,500,000	2,482,000	6,550,000	7,504,075	16,650,000	20,225,000	72,160,145
Texas	Colorado River	3,280,000	5,000,000	5,513,517				126,000	6,900	68,400			13,994,817
Washington	Columbia Basin	13,000,000	30,000,000	19,500,000	17,000,000	19,172,675		1,900,000	16,275,000	18,000,000	31,084,000	45,312,000	211,243,675
Arizona-Nevada	Davis Dam				4,000,000	3,999,475			5,900,000	7,500,000	12,500,000	22,125,000	56,024,475
Oregon	Deschutes	300,000	400,000	400,000	1,000,000	100,000	100,000	2,250,000	1,450,000	1,716,837	1,698,000	580,000	9,994,837
Montana	Fort Peck					499,475		400,000	955,800	932,893	1,500,000	429,803	4,717,971
Arizona	Gila	900,000	700,000		500,000	1,249,750			2,550,000	2,000,000	1,400,000	2,470,000	11,769,750
Nevada	Humboldt	10,000		100,000									110,000
Montana	Hungry Horse								1,700,000	867,210	2,500,000	14,611,650	19,678,860
Utah	Hyrum					6,000							6,000
Wyoming	Kendrick	1,000,000	925,000	900,000	265,000	20,000			500,000	1,895,000			5,505,000
California	Kern River											42,500	42,500
	Kings River									100,000	100,000		200,000
	Klamath	100,000		200,000	500,000		420,000	400,000	1,000,000	1,281,605	1,800,000		5,701,605
Idaho	Lewiston Orchards										500,000	1,136,000	1,636,000
	Minidoka	941,662	100,000		125,000				720,000	1,000,000			2,886,662
	Missouri River Basin.[1]								13,980,300	17,500,000	23,400,000	54,786,650	109,666,950
Utah	Moon Lake		49,851										49,851
Do	Ogden River	100,000			60,000					62,000	30,000	34,000	286,000
Oregon	Owyhee	310,000	270,000		200,000	25,000			190,000	125,000		150,000	1,270,000
Idaho	Palisades							250,000	1,450,000	650,410	930,750		3,281,160
Colorado	Paonia		300,000		600,000							471,000	1,371,000
Arizona-California	Parker Dam power	4,024,992		3,500,000	6,000,000	1,939,400						212,000	15,676,392
Colorado	Pine River		1,000,000	800,000									1,800,000
Idaho	Preston Bench											453,000	453,000
Utah	Provo River	350,000	1,350,000	1,250,000	1,250,000	2,000,000			2,860,000	2,223,520	1,000,000	1,980,000	14,263,520
Idaho	Rathdrum Prairie										109,500		109,500
New Mexico-Texas	Rio Grande	500,000	1,570,968	72,000					1,240,000	360,675	755,000	57,985	4,556,628
Wyoming	Riverton	225,000	100,000	200,000	100,000	724,840	100,000		1,000,000	3,520,550		1,780,175	7,750,565
Arizona	Salt River	600,000											600,000
Colorado	San Luis Valley			150,000	110,000				1,450,000	650,410			2,360,410
California	Santa Barbara											1,000,000	1,000,000
Wyoming	Shoshone	700,000	495,000	350,000	707,000		100,000		2,147,500	2,114,567	443,000	430,000	7,487,067
Montana	Sun River	300,000		50,000	100,000	50,000		110,000	60,000	41,625		45,000	756,625
New Mexico	Tucumcari	250,000	2,750,000		1,200,000	750,000	500,000	2,500,000	4,000,000	1,738,000		1,293,000	14,981,000
Colorado	Uncompahgre		29,904	100,000	80,000								209,904
Oregon	Vale				24,824				3,000				27,824
Texas	Valley Gravity				2,500,000								2,500,000
	W. C. U.[2]		5,029,235	3,500,000	5,000,000		1,064,000	1,700,000		3,340,000			19,633,235
Washington	Yakima	1,400,000	900,000	500,000	600,000	800,000	865,000	1,121,000	1,975,000	2,597,100		1,298,650	12,056,750
Arizona	Yuma	100,000											100,000
	Total construction	44,391,654	76,919,958	70,815,517	96,771,824	85,654,405	34,743,000	19,544,200	107,623,500	103,397,108	127,918,538	225,527,313	993,307,017

[1] Missouri River Basin includes North Dakota, South Dakota, Nebraska, and Kansas.
[2] W. C. U. stands for water conservation and utilization in all reclamation States.

Reclamation States: Arizona, California, Colorado, Idaho, Kansas, Montana Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming.
Prepared by the Library of Congress Legislative Reference Service.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 3 minutes.

AUTOMOBILES FOR AMPUTEES

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the attention of Members of the House to the expiration of the present Amputee Car Act, Public Law 663, Seventy-ninth Congress, and the effect of such expiration on June 30.

During the past month or so I have received numerous letters from individual veterans who are still in the Army hospitals receiving treatment for leg amputations. Thse are combat-wounded men who are still in the service and who cannot, under the wording of the law, receive an automobile until they are discharged.

The cost would be very small. It would amount to only $352,000 to provide cars for these men.

I wish again to remind the House that a short time ago 44 amputees with 1 blind

veteran came over from New York in cars provided by the Government in order to try to save the jobs in the New York office for the amputees. My understanding is that those men have retained their jobs as a result of their efforts. I would like to point out the fact that at the time the first amputee bill was passed some Members of the Congress stated that perhaps the men would not try to work after they have their cars. However, the contrary has been the case. This very example of the men motoring over from New York in a cavalcade of amputees to save their jobs demonstrates that they are determined to work and that they can work if they have these cars. Doctors have told me it is one of the finest rehabilitation measures ever passed by the House of Representatives.

May I also point out that because these men have jobs they are taxpayers, so a good deal of the money comes back into the Federal Treasury.

Some of these veterans are deeply disturbed, as can be seen by reading the two letters I am attaching. They are worried and troubled about their future and their chances of establishing themselves as independent individuals in their communities after they have been discharged from the hospitals and services. They cannot help feeling that they would be unduly penalized if their entitlement to automobiles was allowed to lapse. The fact that their combat disabilities necessitated longer treatment than their more fortunate comrades should not militate against them.

Some of the Members may be surprised that there are so many amputee veterans remaining in the service and still undergoing treament in Army and Navy hospitals for their combat wounds. You will note that the letter I received from Murphy General Hospital, located at Waltham, Mass., lists 36 of these amputees, and states that this is but a portion of the patients at that hospital who are affected by the act.

Upon inquiry at the Veterans' Administration, I find that the total number affected is 220. The cost of supplying automobiles to these men would be $352,000.

I hope that a way can be found to include this item in the appropriation bills now pending in Congress. We must not let these men down. The fault is not theirs that they could not apply for the benefits given to veterans who were more fortunate than they.

Following are two letters I have received upon the subject:

MURPHY GENERAL HOSPITAL,
Waltham, Mass., May 25, 1949.

The Honorable EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR MRS. ROGERS: We, the undersigned, patients of Murphy General Hospital, are desirous of enlisting your interest and help in having the law which grants automobiles to disabled veterans extended beyond its expiration date of June 30, 1949.

We represent a group of servicemen who are battle casualties of World War II. Each of us has been under treatment in Army hospitals for from 4 to 5 years, and is in need of continued hospitalization for an indefinite period of time. When we are finally ready for discharge, because of our disabilities we shall be unable to return to the so-called normal way of life. Our needs shall be many. We are sure that for some of us one of those needs will be special-built automobiles to accommodate our incapacities, due to the loss of the use of limbs and paralysis. All of us following discharge from the hospital wish, if possible, to engage in some productive activity, and again take our places as contributing citizens in our communities. We shall, however, be limited to a large extent in the kind and degree of activity which we shall be able to undertake. For those of us who shall need the facility of an automobile in the pursuit of our endeavors, the cost will be prohibitive.

Many of our colleagues, already returned to civilian life, would never have been able to make satisfactory adjustments without the assistance of the automobiles granted them under the law which expires on June 30, 1949. We who still remain in the hospitals cannot help but feel that we would be unduly penalized if this same privilege were denied us because we were not among those fortunate enough to have received the maximum benefits from medical care in the Army before that date.

Because we know of your interest in fighting for justice, and your personal efforts in bringing about the extension of this law last year, we are turning to you with the hope that you will again take whatever action is necessary to assure that the law granting automobiles to disabled veterans will not become invalid after June 30, 1949.

Gratefully yours.

(Here followed a list of 36 names.)

P. S.—The above signatures represent but a portion of the patients at Murphy General Hospital who are affected by the act under discussion.

PERCY JONES GENERAL HOSPITAL,
Battle Creek, Mich., June 2, 1949.

MY DEAR CONGRESSWOMAN ROGERS: We are in receipt of your letter of May 27, 1949, in regards to extension of the Amputee Car Act. We appreciate your prompt reply.

As I pointed out in our initial correspondence, there are men here not yet fit for discharge and still under medical and surgical care, who will have to take, if possible, premature discharges to qualify under the present Car Act unless prompt action is taken to extend it.

I am enclosing a list of those men who are for the most part combat-wounded. Nine days are required to give a man a CDD discharge, so you can see what a state of mind we are in. The men spoken of are:

(Here followed a list of 16 names.)

We deeply appreciate your efforts in our behalf and place our full confidence in the hope you will again be successful.

Respectfully,

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. JOSEPH L. PFEIFER, for an indefinite period, on account of being named an adviser to the delegation of the United States of America to the second World Health Assembly to convene at Rome, Italy, on June 13, 1949.

To Mr. HAYS of Arkansas, for Thursday, June 9, on account of official business.

To Mr. GORDON, for Thursday, June 9, on account of being absent attending a funeral.

To Mr. EDWIN ARTHUR HALL, indefinitely, on account of illness in family.

EXTENSION OF REMARKS

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article appearing in Collier's magazine of May 28, 1949, entitled "Kid Killers at the Wheel." The author is Ralph Wallace.

Mr. PATTERSON (at the request of Mr. HALLECK) was given permission to extend his remarks in the RECORD and include certain correspondence.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. R. 1754. An act providing for the suspension of annual assessment work on mining claims held by location in the United States and enlarging the liability for damages caused to stock raising and other homesteads by mining activities.

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 191. An act for the relief of the legal guardian of Louis J. Waline; and

S. 714. An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

ADJOURNMENT

Mr. MILES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 22 minutes p. m.), under its previous order, the House adjourned until Monday, June 13, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

683. A letter from the Acting Archivist of the United States, transmitting a report of the Archivist of the United States on records proposed for disposal; to the Committee on House Administration.

684. A letter from the Attorney General, transmitting a letter on the case of Felipe Dominguez Hurtado, file No. A-6509198 CR 23103, requesting that it be withdrawn from those now pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

685. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Anahulu River and other streams and tributaries in the Waialua district, and Kawainui

swamp in the Kailua district, island of Oahu, T. H., authorized by the Flood Control Act approved on August 11, 1939 (H. Doc. No. 214); to the Committee on Public Works and ordered to be printed, with two illustrations.

686. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated November 29, 1948, submitting a report, together with accompanying papers and illustrations, on a review of report on, and a preliminary examination and survey of, the Platte River, Colo., Wyo., and Nebr., with a view to improvements for flood control and allied purposes on the Elkhorn River and tributaries, Nebraska, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on June 21, 1944, and also authorized by the Flood Control Act approved on December 22, 1944 (H. Doc. No. 215); to the Committee on Public Works and ordered to be printed, with eight illustrations.

687. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 24, 1948, submitting a report, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of, the Yellowstone River and tributaries, Wyoming, Montana, and North Dakota, including the Big Horn River and tributaries, Powder River and tributaries and the North and South fork of the Shoshone River and tributaries, Wyoming, and Big Horn Canyon Reservoir, Mont. This investigation was requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on August 18, 1937, and also authorized by the flood-control acts approved on June 22, 1936, August 28, 1937, and August 18, 1941 (H. Doc. No. 216); to the Committee on Public Works and ordered to be printed, with nine illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIBICOFF: Committee on Foreign Affairs. H. R. 4406. A bill to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments; with an amendment (Rept. No. 770). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia; without amendment (Rept. No. 777). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on the District of Columbia. H. R. 3901. A bill to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia; with an amendment (Rept. No. 778). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on the Judiciary. H. R. 571. A bill for the relief of Bankers & Shippers Insurance Co.; without amendment (Rept. No. 771). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 632. A bill for the relief of John E. Burns; without amendment (Rept. No. 772). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1034. A bill for the relief of the Jansson Gage Co.; with an amendment (Rept. No. 773). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2456. A bill for the relief of Charlie Hales; without amendment (Rept. No. 774). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2806. A bill for the relief of Paul C. Juneau; with an amendment (Rept. No. 775). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5018. A bill for the relief of the New Amsterdam Casualty Co.; without amendment (Rept. No. 776). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 5085. A bill to provide for slum clearance and the redevelopment of slum lands in private, taxpaying ownership according to the highest and best use, as far as possible; to provide housing for families of low income; to amend the Servicemen's Readjustment Act of 1944 to provide homes for veterans through veterans' homestead associations and the public facilities essential therefor; to provide for technical, statistical, and economic research in the field of housing; to provide financial assistance by the Secretary of Agriculture for farm housing; and to provide for the disposition of war housing; to the Committee on Banking and Currency.

By Mr. DOUGHTON:

H. R. 5086. A bill to accord privileges of free importation to members of the armed forces of other nations; to the Committee on Ways and Means.

By Mr. AUCHINCLOSS:

H. R. 5087. A bill to facilitate the broader distribution of health services, to increase the quantity and improve the quality of health services and facilities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BARTLETT:

H. R. 5088. A bill to amend the act approved March 12, 1914 (38 Stat. 305; 48 U. S. C., 1946 ed., secs. 301–308), entitled "An act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes," to authorize the construction and operation of a cement plant in the Territory of Alaska; to the Committee on Public Lands.

By Mr. BYRNES of Wisconsin:

H. R. 5089. A bill to encourage the prevention of water pollution by allowing amounts paid for industrial waste treatment works to be amortized at an accelerated rate for income-tax purposes; to the Committee on Ways and Means.

By Mr. CASE of South Dakota:

H. R. 5090. A bill to establish a Bureau of Reserve Affairs in the Department of the Army and to establish a Bureau of Reserve Affairs in the Department of the Air Force; to the Committee on Armed Services.

By Mr. CHATHAM:

H. R. 5091. A bill to encourage the prevention of water pollution by allowing amounts paid for industrial waste treatment works to be amortized at an accelerated rate for income-tax purposes; to the Committee on Ways and Means.

By Mr. CROSSER:

H. R. 5092. A bill to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FARRINGTON:

H. R. 5093. A bill to authorize the President of the United States, under certain conditions, to take possession of and operate vessels and other facilities used in trade between continental United States and Territories or possessions or Trust Territory of the Pacific islands, and for other purposes; to the Committee on Education and Labor.

By Mr. HINSHAW:

H. R. 5094. A bill to amend section 405 of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MILES:

H. R. 5095. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 5096. A bill to adjust the rates of annuities for certain employees retired under the Civil Service Retirement Act of May 29, 1930, as amended, prior to April 1, 1948; to the Committee on Post Office and Civil Service.

By Mr. MORRIS:

H. R. 5097. A bill for the administration of Indian livestock loans, and for other purposes; to the Committee on Public Lands.

H. R. 5098. A bill to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases; to the Committee on Public Lands.

H. R. 5099. A bill to authorize the United States to purchase restricted lands of individual Indians, and for other purposes; to the Committee on Public Lands.

By Mr. MURRAY of Tennessee:

H. R. 5100. A bill to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. TOLLEFSON:

H. R. 5101. A bill to provide for the transfer to Pierce County, Wash., of certain surplus land in the Fort Lewis Military Reservation; to the Committee on Armed Services.

By Mr. GRANGER:

H. R. 5102. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. HOWELL:

H. R. 5103. A bill to provide for clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LANHAM:

H. R. 5104. A bill to amend the Soil Conservation and Domestic Allotment Act to authorize payments to States and agencies thereof for certain farming operations in compliance with the conservation program under such act; to the Committee on Agriculture.

By Mr. BOLTON of Maryland:

H. J. Res. 274. Joint resolution proposing an amendment to the Constitution to redefine treason; to the Committee on the Judiciary.

By Mr. CORBETT:

H. Con. Res. 91. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. KILDAY:

H. Res. 244. Resolution for the consideration of the bill H. R. 5007; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 5105. A bill authorizing the issuance of a patent in fee to Jessie American Horse; to the Committee on Public Lands.

By Mr. CORBETT:

H. R. 5106. A bill for the relief of Carmine Arnaldo; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 5107. A bill for the relief of Eunice Hayes, Kathryn Hayes, and Florence Hayes Gaines; to the Committee on the Judiciary.

H. R. 5108. A bill for the relief of Mrs. Myrtle A. Segar; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 5109. A bill for the relief of Thomas Clayton Smith; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 5110. A bill for the relief of Janos (John) Treber and Mrs. Katalin (Katherine) Treber; to the Committee on the Judiciary.

By Mr. TAURIELLO:

H. J. Res. 273. Joint resolution to provide unrestricted entry privileges for Sister Elizabeth Kenny; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1053. By Mr. RICH: Petition of Paul Taynton and other citizens of Wellsboro, Pa., and surrounding area to (1) discontinue or reduce the rates of those wartime emergency excise taxes which were placed on so-called luxuries and certain public services during World War II and (2) extend to alcoholic beverages specifically, at the same time, the equivalent relief; to the Committee on Ways and Means.

1054. By the SPEAKER: Petition of the American Academy of Restorative Dentistry, Chicago, Ill., requesting Congress not to enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1055. Also, petition of L. L. Porter and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, JUNE 10, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Edward H. Pruden, D. D., pastor, First Baptist Church, Washington, D. C., offered the following prayer:

Our gracious God and Father, to Thee we turn at the beginning of this day's session with a true sense of absolute dependence upon Thy divine leadership. The gigantic problems of this critical hour in the world's history are constantly reminding us of our human limitations and of our common inadequacy. Help us to learn the difficult lesson that reverence for God is the beginning of wisdom, and in a genuine humility may we address ourselves to the responsibilities before us, with the assurance that Thou wilt lead us each step of the way. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 9, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, June 10, 1949, the President had approved and signed the act (S. 30) to provide for the settlement of claims of persons employed in Federal penal and correctional institutions for damage to or loss or destruction of personal property occurring incident to their service.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, in which it requested the concurrence of the Senate.

LEAVES OF ABSENCE

Mr. SALTONSTALL asked and obtained consent to be absent from the Senate on Monday.

Mr. THOMAS of Utah. Mr. President, yesterday the Senator from Florida [Mr. PEPPER] occupied much time in debate, and forgot, because of his zeal in speaking, to ask that he be excused from the Senate today. I therefore ask unanimous consent that the RECORD show that I asked that he be excused from the sessions of the Senate today.

The VICE PRESIDENT. Without objection, the leave is granted.

CALL OF THE ROLL

Mr. MYERS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Mundt
Anderson	Hoey	Murray
Brewster	Holland	Myers
Bridges	Humphrey	Neely
Butler	Hunt	O'Conor
Capehart	Ives	O'Mahoney
Chapman	Johnson, Tex.	Reed
Chavez	Kefauver	Saltonstall
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Eastland	Langer	Sparkman
Ecton	Lodge	Taft
Ferguson	Long	Thomas, Okla.
George	McCarran	Thomas, Utah
Gillette	McFarland	Thye
Graham	McGrath	Vandenberg
Green	McKellar	Williams
Gurney	Maybank	Withers
Hendrickson	Morse	Young

Mr. MYERS. I announce that the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arizona [Mr. HAYDEN], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] are detained on official business in meetings of committees of the Senate.

The Senator from Virginia [Mr. BYRD], the Senator from Illinois [Mr. DOUGLAS], the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Illinois [Mr. LUCAS] are absent on public business.

The Senators from Arkansas [Mr. FULBRIGHT and Mr. MCCLELLAN], the Senator from Florida [Mr. PEPPER], and the Senator from Virginia [Mr. ROBERTSON] are absent by leave of the Senate.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the junior Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Hampshire [Mr. TOBEY], and the senior Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Connecticut [Mr. BALDWIN], the Senator from Washington [Mr. CAIN], the Senator from Vermont [Mr. FLANDERS], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from Utah [Mr. WATKINS] are absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Missouri [Mr. KEM] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Indiana [Mr. JENNER], the Senator from Nevada [Mr. MALONE], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. MYERS. Mr. President, I ask unanimous consent that Senators may be permitted to introduce bills and joint resolutions and present routine matters for printing in the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEHOOD FOR HAWAII—LETTER AND RESOLUTION OF FORT FAIRFIELD (MAINE) CHAMBER OF COMMERCE

Mrs. SMITH of Maine. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter from the Fort Fairfield, Maine, Chamber of Commerce, together with a resolution adopted by the chamber, relating to statehood for Hawaii.

There being no objection, the letter and resolution were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

MAY 21, 1949.

Hon. MARGARET CHASE SMITH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Fort Fairfield Chamber of Commerce and its citizens, cognizant of the historical struggle of our forebears, appeal to you for your support favoring statehood for Hawaii.

Attached find resolution voted upon and passed by the members of our chamber of commerce.

We feel that the citizens of Hawaii have earned the right to statehood, and we solicit your support of our resolution.

Sincerely yours,

RUSSELL E. ROSS,
Executive Secretary.

Resolution favoring statehood for Hawaii

Whereas Hawaii was annexed as a Territory of the United States by mutual agreement between the former Republic of Hawaii and the United States, and such annexation has been of immeasurable value to the United States as well as the people of Hawaii; and

Whereas Hawaii is one of the two remaining Territories of the United States, the other 29 Territories which have been organized in the Territory of the Union all having been admitted to statehood; and

Whereas it was well understood when Hawaii was organized as a Territory that it too would be admitted as a State; the territorial form of government being necessarily only a transitory one, to be followed by statehood as soon as the people of the Territory are capable of self-government; and

Whereas in the 50 years since annexation of Hawaii it has become a modern American community, with a sound economy and a healthy and literate people, who have shown themselves to be fully capable of self-government; and

Whereas the people of Hawaii have demonstrated beyond question their loyalty and patriotism to the Government of the United States, as found by the Public Lands Committee of the House of Representatives in March 1947, in a report concluding that: "The Committee on Public Lands is unanimously convinced that the Territory of Hawaii has met every necessary requirement to be admitted as a State of the Union"; and

Whereas the people of Hawaii have served a satisfactory pupilage in the limited self-government permitted by the Organic Act of Congress as found by five congressional investigations, most recent being that of a subcommittee of the Senate Committee on Interior and Insular Affairs in January 1948, which after extensive hearings in Hawaii, recommended immediate action granting statehood to Hawaii; and

Whereas the Committee on Public Lands of the House of Representatives on March 8, 1949, concluded its report on statehood for Hawaii by recommending prompt enactment; and

Whereas the Secretary of the Interior and the President of the United States have unqualifiedly endorsed immediate statehood for Hawaii; and

Whereas the Territory of Hawaii has since its annexation been subject to the same Federal taxes as those imposed upon all other States; and

Whereas the National Chamber of Commerce of the United States, at their annual meeting held in Washington, D. C., in May 1949, voted that Hawaii be admitted to statehood; and

Whereas the membership of the Fort Fairfield Chamber of Commerce are cognizant of the historical struggle of their forebears; and

Whereas the board of directors of the Fort Fairfield Chamber of Commerce do hereby approve the action of our National Chamber of Commerce; and

Whereas taxation without representation offends our sense of fair play and is not the form of government our citizens down through history have fought for: Now, therefore, be it

Resolved by the Chamber of Commerce of Fort Fairfield, Maine, That this organization endorse and it hereby goes on record as favoring immediate action by the Eighty-first Congress of the United States to enable Hawaii to be admitted as a State; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the chairman of the United States Senate Committee on Interior and Insular Affairs, the chairman of the United States House of Representatives Committee on Public Lands, the Secretary of the Interior, the Delegate to Congress from Hawaii, the Governor of Hawaii, United States Senator MARGARET CHASE SMITH, United States Senator OWEN BREWSTER, United States Representative FRANK FELLOWS, United States Representative ROBERT HALE, and United States Representative CHARLES P. NELSON, and the Maine State Chamber of Commerce.

Signed this 21st day of May 1949.

FORT FAIRFIELD CHAMBER OF COMMERCE,
LOUIS E. ALFOOB, *President.*
RUSSELL E. ROSS, *Executive Secretary.*

POSTMASTER AT COFFEYVILLE, KANS.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed in the RECORD a letter received by me from Don Winston, chairman of the public affairs committee of the Kiwanis Club of Coffeyville, Kans., together with a letter written by him to the United States Civil Service Commission.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KIWANIS CLUB OF COFFEYVILLE,
Coffeyville, Kans., June 7, 1949.

Senator ANDREW F. SCHOEPPEL,
Washington, D. C.

DEAR SENATOR SCHOEPPEL: As a matter of information you will please find attached a copy of a letter written by the public affairs committee of the Coffeyville Kiwanis Club.

I believe you will find the attached letter self-explanatory.

Yours very truly,

DON WINSTON,
Chairman, Public Affairs Committee.

KIWANIS CLUB OF COFFEYVILLE,
Coffeyville, Kans., May 27, 1949.

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C.

GENTLEMEN: Your communication of May 11, 1949, file PM, addressed to the Coffeyville Kiwanis Club, box 366, Coffeyville, Kans., has been handed to me for action.

Your communication suggests that the Civil Service Commission desires our assistance in bringing this examination to the attention of as many persons as possible within our community who are of high character and standing.

A search of your records will reveal that your organization announced this same examination for the purpose of filling the job as postmaster here in Coffeyville, and various civic clubs and veterans' organizations had sufficient faith in our Civil Service Commission to give it considerable thought and consideration and as a result, you had a sufficient number of well-qualified, high-type applicants apply for this job. The results of this examination was front-page news in black type in the Coffeyville Daily Journal.

The man ranking No. 1 on the civil-service register for the job of postmaster was John C. McArthur. John C. McArthur is by training and experience a well-qualified man. He has a master's degree from Kansas University, spent a number of years as school superintendent, and is a veteran of both World War I and II, being discharged from the last war as a lieutenant colonel. He is an active member of the Coffeyville Legion Post, No. 20, the Coffeyville Rotary Club, the Presbyterian Church, and a number of other organizations.

It at once becomes evident that civil service does not mean what the general public has been led to believe and what you say in your communication which states: "The Civil Service Commission, having in mind only the best interests of the postal service, both from the standpoint of the Government and of the patrons of the office, is desirous of having applications from the most highly qualified persons who can be induced to enter the examination. The Commission has no interest whatever in the political, religious, or fraternal affiliations of any applicant; it is interested only in his qualifications and suitability to perform efficiently and satisfactorily the duties of postmaster. All applicants are rated strictly in accordance with their merits and on the basis set forth in the enclosed announcement." The only possible reason for not selecting the No. 1 man from the register you now have is purely political.

If the job of postmaster is a political job, and we now realize that it is, let your organization openly admit this condition and make your appointments on the basis of party service rendered and not say in writing, "The Commission has no interest whatever in political affiliations."

We realize that in a two-party system of government that patronage must be and is a part of our system and perhaps justly so, but our objection is the hypocrisy of our Civil Service Commission which with one hand writes communications to service clubs and other organizations stating high sounding ideals and in actual practice only appointing applicants on basis of politics.

We also know the subterfuge used by your Commission in eventually appointing a loyal party member to a job. It seems the three highest on the eligible register were checked for loyal party affiliation; apparently if no acceptable party man is found on this list, another three are called for and so on until the desired party is reached. If the desired party does not even reach the eligibility register, this register is discarded and a new examination is given, and of course applicants ranking high on the first examination will be discouraged and disgusted realizing that it is politics and will not again take the examination. Thus, by delay and subterfuge the loyal party member will eventually get on the eligible list and be appointed by much fanfare and publicity.

We, as a civic-minded organization consider it an insult to our intelligence to be asked to help recruit qualified applicants for this position. If in the future your organization should see its way clear to follow the rules of the Civil Service Commission in filling this vacancy, we will give it serious attention.

Sincerely,

DONALD F. WINSTON,
Chairman of Public and Business Affairs Committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Armed Services:

H. R. 263. A bill to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water-pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.; without amendment (Rept. No. 484); and

H. R. 2417. A bill to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force Base, as a recreational facility; without amendment (Rept. No. 485).

By Mr. KEFAUVER, from the Committee on Armed Services:

H. R. 4080. A bill to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the Disciplinary Laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice; with an amendment (Rept. No. 486).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

H. R. 4471. A bill to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard; without amendment (Rept. No. 487).

By Mr. BREWSTER, from the Committee on Interstate and Foreign Commerce:

S. Res. 92. Resolution relative to relief for the fishing industry of the United States; without amendment.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 10, 1949, he presented to the President of the United States the following enrolled bills:

S. 191. An act for the relief of the legal guardian of Louis J. Waline; and

S. 714. An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

John J. McCloy, of New York, to be United States High Commissioner for Germany and Chief of Mission, class 1, within the meaning of the Foreign Service Act of 1946 (60 Stat. 999);

William C. Foster, of New York, to be Deputy Administrator for Economic Cooperation; and

Milton Katz, of Massachusetts, to be deputy special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ECTON:

S. 2032. A bill for the relief of Joseph C. Eastland; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2033. A bill to authorize the Commissioners of the District of Columbia to enter into agreements with certain organizations to carry out the functions of the poundmaster of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. THOMAS of Oklahoma:

S. 2034. A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; to the Committee on Agriculture and Forestry.

S. 2035. A bill for the relief of John David Logan; to the Committee on the Judiciary.

(Mr. KEFAUVER (for himself, Mr. CHAVEZ, Mr. DOUGLAS, Mr. DOWNEY, Mr. GILLETTE, Mr. GRAHAM, Mr. HUNT, Mr. MAGNUSON, Mr. MURRAY, Mr. NEELY, Mr. PEPPER, Mr. SPARKMAN, Mr. THOMAS of Utah, Mr. AIKEN, Mr. BALDWIN, Mr. CAPEHART, Mr. LANGER, Mr. MORSE, Mrs. SMITH of Maine, and Mr. TOBEY) introduced Senate bill 2036, to provide for the admission of Alaska into the Union, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

By Mr. HOEY:

S. 2037. A bill for the relief of David E. Taylor; to the Committee on Finance.

S. 2038. A bill to authorize the issuance of a special series of stamps commemorative of the sesquicentennial of the discovery of gold in Cabarrus County, N. C.; to the Committee on Post Office and Civil Service.

By Mr. VANDENBERG:

S. 2039. A bill for the relief of Itzchak Shafer; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2040. A bill for the relief of Adele De Pauli; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 2041. A bill for the relief of Alphonse Coppola; to the Committee on the Judiciary.

By Mr. ECTON (for himself and Mr. MURRAY):

S. 2042. A bill to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction-cost obligation, and for other purposes; to the Committee on Interior and Insular Affairs.

ADMISSION OF ALASKA INTO THE UNION

Mr. KEFAUVER. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. PEPPER], the Senator from Alabama [Mr. SPARKMAN], the Senator from Utah [Mr. THOMAS], the Senator from Vermont [Mr. AIKEN], the Senator from Connecticut [Mr. BALDWIN], the Senator from Indiana [Mr. CAPEHART], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mrs. SMITH], the Senator from New Hampshire [Mr. TOBEY], and myself, I introduce for appropriate reference a bill to provide for the admission of Alaska into the Union, and I ask unanimous consent that an explanatory statement prepared by me may be printed in the RECORD.

The VICE-PRESIDENT. The bill will be received and appropriately referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2036) to provide for the admission of Alaska into the Union, introduced by Mr. KEFAUVER (for himself, Mr. CHAVEZ, Mr. DOUGLAS, Mr. DOWNEY, Mr. GILLETTE, Mr. GRAHAM, Mr. HUNT, Mr. MAGNUSON, Mr. MURRAY, Mr. NEELY, Mr. PEPPER, Mr. SPARKMAN, Mr. THOMAS of Utah, Mr. AIKEN, Mr. BALDWIN, Mr. CAPEHART, Mr. LANGER, Mr. MORSE, Mrs. SMITH of Maine, and Mr. TOBEY) was read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The explanatory statement presented by Mr. KEFAUVER is as follows:

EXPLANATORY STATEMENT BY SENATOR KEFAUVER

It is my honor today to introduce in the Senate a bill designed to admit our northern Territory, Alaska, as a State of the Union.

Alaska, occupying one of the most important areas on earth, is peopled by 100,000 good Americans who were either born there under the Stars and Stripes or who have gone there voluntarily from all parts of the United States to make their homes on what is truly described as this Nation's last frontier.

Alaska meets all the qualifications for statehood. There is no longer any valid reason for withholding full citizenship from the loyal and energetic residents of Alaska, who have signified their desire to assume the responsibilities of statehood in this Nation and let me add that the same reasons apply with equal force to the admission of Hawaii.

Alaska has belonged to the United States ever since Secretary of State William H. Seward had the foresight to purchase the area from Czarist Russia in 1867. Since 1912 Alaska has been an organized incorporated Territory with limited powers of self-government and representation. The Territory has served well her apprenticeship for statehood. Her people have done their part in demonstrating how democracy under our free system can operate as successfully in those northern latitudes as it has elsewhere. But Alaskans have gone as far as they can within the restricting limits of the territorial form of government. They yearn to breathe the air of greater freedom, greater opportunity for self-government and participation in the national councils, the very air of full statehood under which the respective areas of this country, known as States, have become great and the Nation strong. The people of Alaska have done their part, meeting every test for statehood. Now it is up to us to do our part.

Alaska's Delegate to Congress, a man who under the Territorial system has no vote, has introduced in the House an Alaska statehood bill whose provisions are identical with those of the measure I am introducing in the Senate today. It is an enabling act. It would permit the people of Alaska to proceed with the organization of a constitutional convention. The process toward statehood would lead us from there over a period of a year or two. The earliest date on which Alaska could come in would, in my opinion, be none too soon.

We have all heard the argument that an area such as Alaska, with so few people, should not be entitled to statehood, which would bring with it the right to send two Senators to this body. Those who so argue are forgetting history; they are forgetting their own youth. My own State of Tennessee, when it became a State, had fewer people than Alaska has today. It has grown great and populous under statehood.

As we consider the application of the hundred thousand Alaskans who now stand at the door and ask admission, let us think back upon our own condition when we were suppliants. Three of the Original Thirteen States had fewer than 85,000 souls when the Union was formed. The first State, Delaware, had but 59,000 by the census of 1790, 3 years after it set the pattern for the 47 States which were to follow. Not until the census of 1860, after nearly fourscore years of statehood, did Delaware pass the 100,000 mark. Georgia and Rhode Island had many fewer than has Alaska.

As a matter of fact, very nearly half the States came in with fewer than 100,000 people. With fewer people on admission than Alaska has today were Vermont, Kentucky, Tennessee, as I have mentioned, Ohio, Louisiana, Indiana, Mississippi, Illinois (it had less than 50,000), Missouri, Arkansas, California, Oregon, Nevada, Nebraska, Wyoming and Idaho. It isn't easy to tell about some of the others, since the census is taken only every 10 years, but the suspicion is that Alabama, Michigan, Iowa, Minnesota and Colorado as well may have had fewer inhabitants on admission than Alaska has today.

The important consideration here is not what is, or what has been, but what will be. Between the 1930 census and that of 1940 Alaska grew at a rate three times faster than the States as a whole. Since 1940 the rate has been stepped up even more remarkably. Alaska posseses the resources and the opportunities which, given a chance for development under statehood, will make it in time one of our more populous States.

Neither does the argument that statehood should not be extended to any area not contiguous with the rest of the 48 States appeal to me as having any real merit. Under modern conditions of transportation and communication, the farthest reaches of Alaska are actually closer to us than the cities of Boston and New York were to the capital in the early days of the Nation. Time has annihilated distance. Time will further annihilate distance in the future.

The issue of whether or not an American Territory should be admitted to full statehood has to be decided on some other grounds than whether it touches one of the 48 States. Actually, here too we are forgetting our past. Eight of the present States were noncontiguous with the body of States at the time of admission. Conspicuous examples of this were Louisiana and California. California was separated from the nearest State, Texas, by more than 450 miles, and Texas itself had been an independent foreign nation only 5 years earlier. And that was in 1850 when many weeks of difficult overland travel were involved in covering the distance. Only 515 miles of friendly Canadian territory separates Alaska from the body of States.

If further precedent is required it might be mentioned that there actually exist within the Union today, as parts of States, several areas of noncontiguous territory. In addition to islands off the coasts and in the Great Lakes, these include two portions of the North American mainland separated entirely, as is Alaska, by intervening Canadian territory. One is the part of Minnesota lying north of Lake of the Woods. The other is the peninsular portion of the State of Washington containing the village of Point Roberts, which is cut off by the forty-ninth parallel, British Columbia, and Boundary Bay from the rest of the State.

Only geographically, at the worst, is Alaska separated from the 48 States. Alaska is as American as anyone could wish. And that is the important thing.

Alaskans read the same magazines, see the same motion pictures, hear the same radio programs and are concerned with the same national and similar local problems as the rest of us.

If any proof be needed of how typically American the Alaskans are we might look at their political record. Alaskans are not permitted to vote for President, but they do elect a Delegate to Congress. Their election precedes by several weeks that held generally in the Nation. Beginning with the presidential election of 1916, and in every presidential year since that time without exception, the people of Alaska have forecast what party would triumph nationally. If the candidate chosen by Alaskans in October for Delegate was a Democrat, a Democrat would be chosen by the people of the United States in November for President. If Alaskans elected a Republican, the Republicans would send their man to the White House. As Alaska goes, so goes the Nation. This can mean only that Alaskans react to issues in exactly the same way as do their brothers in the States.

In taking up the matter of statehood for Alaska we are not turning to a side isue. We are considering an issue which is right in the center of the stream of events. Here we see 100,000 Americans who qualify in every way to enjoy the rights of full citizenship and of participation in the national life. They ask us to make it possible for Alaska to become a State. They ask for something that is basic to Americans. They petition for representation to go along with the taxation which they bear in exactly the same measure as Americans elsewhere. They ask for a form of government of, by, and for the people. They ask us to put into practice what we profess.

I am sure it would have been inconceivable to the founding fathers that Americans anywhere or in any era should exist for long under a form of government which denies them the benefits of suffrage and representation. Alaskans have been denied statehood for more than four score years. They should be denied no longer.

I bespeak for the Alaska statehood bill the earnest and expeditious consideration from the committees and Members of the Senate which it deserves.

APPROPRIATIONS FOR FOREIGN AID—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (H. R. 4830) making appropriations for foreign aid for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

ECONOMY—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address entitled "Economy," delivered by him over the radio on June 8, 1949, which appears in the Appendix.]

ADDRESS BY VICE ADMIRAL PRICE AT FIFTY-FOURTH ANNUAL MEMORIAL SERVICES OF THE JEWISH WAR VETERANS

[Mr. IVES asked and obtained leave to have printed in the RECORD the address delivered by Vice Adm. John Dale Price, Vice Chief of Naval Operations, at Temple Emanuel, New York City, May 22, upon the occasion of the fifty-fourth annual memorial services of the Jewish War Veterans of the United States, which appears in the Appendix.]

DECLINE OF FARM PRICES—ARTICLE BY JOHN W. BALL

[Mr. THYE asked and obtained leave to have printed in the RECORD an article dealing with the decline of farm prices, written by John W. Ball and published in the Washington Post of June 10, 1949, which appears in the Appendix.]

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MCMAHON, the Joint Committee on Atomic Energy was granted permission to hold a hearing during the session of the Senate this afternoon.

TRIBUTES TO HOWARD BRUCE, DEPUTY ADMINISTRATOR OF THE ECA

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to read a brief statement of well-earned praise of a distinguished public servant, prepared by my colleague the able senior Senator from New Jersey [Mr. SMITH].

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. HENDRICKSON. My colleague's statement is as follows:

Mr. President, it is a great regret to me that I am unable to be present in person in the Senate to pay tribute to a distinguished American. But through the courtesy of my colleague from New Jersey, Senator HENDRICKSON, I desire to make this brief statement:

I am advised that in the near future Mr. Howard Bruce, of Baltimore, Md., will retire as Deputy Administrator of the ECA. I think I can say without fear of contradiction that the Hoffman-Bruce team, in setting up the ECA in its initial stages, rendered an outstanding patriotic service to America and made a notable contribution to the stabilization of a troubled world.

Howard Bruce made a dstinguished military contribution during the war through his procurement services for the African campaign and for the final drive to victory. For this he has been honored by a grateful Government. But his contribution to the peace has been no less significant, and I know all who are familiar with the details of the operation share the view that the vision and drive of Howard Bruce had as much to do as any other single factor in making the ECA a brilliant going concern from the very beginning.

I am happy to pay this tribute to a great American as he retires to private life.

Mr. President, of course, it gives me genuine pleasure to join my colleague in this well-deserved tribute.

Mr. O'CONOR. Mr. President, in line with the statement just made by the distinguished Senator from New Jersey, I desire to invite the attention of the Senate to the splendid service rendered by the distinguished public servant, the Deputy Administrator of the ECA, Mr. Howard Bruce, of Baltimore, Md., who

for many years has been a leader in the civic and industrial life of Maryland, and who made a contribution to the war effort which I am sure few heroes of the war could surpass.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared regarding Mr. Bruce, immediately following the statement just made by the Senator from New Jersey.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR O'CONOR

One of the saving graces of democracy, history would indicate, is that in every hour of stress and emergency, there are at hand men of loyalty and of exceptional qualifications and abilities who are ready and willing to devote themselves unselfishly to service of their country.

In view of the impending retirement from his high Government post, as Deputy Administrator of ECA, after outstanding service to his country, during the emergency of war, and more lately, in the critical efforts to rebuild the world economy, of Howard Bruce, one of Maryland's distinguished citizens, I think we would be remiss if official recognition were not given to one so richly deserving.

Mr. Bruce, for many years a leader in the industrial and civic progress of Maryland, made a contribution to the war effort during World War II which I am sure few heroes of the armed forces could have surpassed. Far beyond the age for volunteering for active service in the armed forces, he put himself at the disposal of his country in the one post where his exceptional organizational ability and his outstanding leadership could be best utilized—that is, in the function of assuring to our fighting men all over the world a continuing and adequate supply of all the things they needed for victory.

As director of material in the Army service forces, Mr. Bruce labored diligently and successfully to keep the supplies of armaments and the other thousand and one necessities of war rolling to all the far corners of the world. For his efforts a grateful country awarded him the Distinguished Service Medal, the outstanding honor that could be conferred upon a civilian.

His war services concluded, Mr. Bruce retired, supposedly to the enjoyments of comparative leisure. But his country's need for him was not yet ended. When the Marshall plan became a reality and the tedious details of setting up the Economic Cooperation Administration were faced, Mr. Bruce's brilliant record of achievement for the armed forces singled him out as the man who could best assist the Administrator for ECA, Mr. Hoffman, to whip this vital organization into being in the shortest possible time.

Mr. Bruce, with his unfailing devotion to his country's cause, responded nobly and has been a bulwark of strength and support to the ECA during the all-important months since its inception.

In Mr. Bruce's own words, he agreed to do a job with ECA, with the understanding that when the job was finished, his services could be dispensed with. Now, with ECA firmly established and functioning as a few believed it ever would be able to function in so short a time, Mr. Bruce feels that he could give way to a younger man without detriment to the Nation's interests.

Those of us who have known Mr. Bruce well throughout the years, and have been familiar with his most unusual capacity for organization, are no more surprised by his achievements with ECA than we were at his contribution to the war effort. Such services as he has given, however, though they be offered with the utmost readiness and willingness, are not to be taken lightly. Mr. Bruce has twice forsaken his own private interests to serve his country as few men could have done. He deserves to be acclaimed as an American of exceptional stature. He merits the wholehearted gratitude not only of every Member of Congress and of the Government but of every one of his fellow citizens throughout this great country.

CONTROL OF CITRUS BLACKFLY AND OTHER PESTS

Mr. THOMAS of Oklahoma. Mr. President, on May 23 the Senate passed Senate bill 1749, relating to the control of certain fruitflies. On the 6th of this month the House passed its bill, House bill 4263, an identical bill save in one particular. The House bill adds the pest called the oriental fruitfly. Otherwise the two bills are the same. I ask unanimous consent for the present consideration of House bill 4263.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oklahoma?

Mr. SALTONSTALL. Mr. President, may the title of the bill be stated?

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The bill (H. R. 4263) to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale was read twice by its title.

Mr. SALTONSTALL. Mr. President, I am sorry to say that I did not hear the explanation of the Senator from Oklahoma, because I was carrying on a conversation. I am not a member of the Committee on Agriculture and Forestry. I should like to ask if this bill has the unanimous approval of the Committee on Agriculture and Forestry.

Mr. THOMAS of Oklahoma. Mr. President, the Senate passed an identical bill, save in one particular. The House bill adds the pest called the Oriental fruit fly, in addition to those listed in the Senate bill. I communicated with the Department of Agriculture, and the Department is hopeful that the additional pest known as the Oriental fruit fly may be included in the bill. That is the only difference.

Mr. SALTONSTALL. In the opinion of the Senator from Oklahoma, who is chairman of the committee, is that a proper addition?

Mr. THOMAS of Oklahoma. I would not know an Oriental fruit fly if I saw one; but I am making the request on the strength of the recommendation of the Department of Agriculture.

Mr. SALTONSTALL. And it will not cost the Government too much more money?

Mr. THOMAS of Oklahoma. I cannot answer that question. If it did, I think it would be justified.

The VICE PRESIDENT. The Senate passed a bill and sent it to the House, and the House acted on its own bill instead of on the Senate bill.

Is there objection to the present consideration of House bill 4263?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

TEMPORARY DEFERMENT OF ANNUAL ASSESSMENT WORK ON CERTAIN MINING CLAIMS—CONFERENCE REPORT

Mr. O'MAHONEY submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3754) providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 1.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *"Provided further*, That the relief available under this Act is in addition to any relief available under any other Act of Congress with respect to mining claims"; and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Notwithstanding the provisions of any Act of Congress to the contrary, any person who hereafter prospects for, mines, or removes by strip or open pit mining methods, any minerals from any land included in a stock raising or other homestead entry or patent, and who had been liable under such an existing Act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals. Nothing in this section shall be considered to impair any vested right in existence on the effective date of this section"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

JOSEPH C. O'MAHONEY,
JAMES E. MURRAY,
E. D. MILLIKIN,
GUY CORDON,
Managers on the Part of the Senate.

CLAIR ENGLE,
KEN REGAN,
WM. LEMKE,
Managers on the Part of the House.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the immediate consideration of the conference report. There is no controversy over the report.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. SALTONSTALL. Mr. President, has this report been signed by all the Senate conferees?

Mr. O'MAHONEY. It has.

Mr. SALTONSTALL. And is it a unanimous report?

Mr. O'MAHONEY. On the part of the Senate conferees, it is.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered, and agreed to.

CONTINUATION OF VIRGIN ISLANDS COMPANY

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 470, House bill 2989, a bill to incorporate the Virgin Islands Corporation, and for other purposes.

This bill, passed by the House, was not accepted by the Senate committee. The Senate Committee on Interior and Insular Affairs, after extensive hearings, decided that instead of creating a new corporation we should grant an extension of the old corporation for 2 years, thereby giving opportunity to members of the committees of both Houses to visit the Virgin Islands. This amendment was unanimously recommended by the subcommittee which held hearings. The distinguished senior Senator from Nebraska [Mr. BUTLER] was a member of the subcommittee. It was then unanimously approved by the full committee.

The present corporation expires on the 30th of June. For that reason it is very important that this bill go to conference at the earliest possible date. That is the only reason why I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. The Senator from Wyoming asks unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of a bill which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming?

Mr. TAFT. Mr. President, I must enter an objection. During the pendency of the labor bill, I do not think we can consider other bills. This particular bill is not printed. It is not in the books. There is no report. As a matter of principle, I do not think that we can permit bills of that kind to be taken up when there is any question at all. I think there is some question to be discussed.

The VICE PRESIDENT. The bill was reported day before yesterday, and is available.

Mr. TAFT. It is not in the books.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. CORDON. I express the hope that the Senator from Ohio will withdraw his objection in this instance. We have a situation in which time is of the essence. I recognize the validity of an objection predicated upon lack of time at least to look over a bill. I hope the Senator from Ohio will accept the word of those of us who have worked on the bill.

The bill represents only a continuance of the status quo in a manner which is vital to the every-day living of most of the people on one of the Virgin Islands. It is absolutely essential that if any action be had, it be had at the earliest possible moment. We have differed with the House to the extent that we feel we need more time to look into the proposal of the House for a permanent corporation in the Virgin Islands. We seek only to maintain the status quo of the present company, which owns, among other things, a sugar mill and a rum factory, and employs the greater number of the employed persons on St. Croix. The life of the corporation will expire unless we continue it; and unless we can get action on this bill in time for the conference, the life of the corporation will be extinguished by operation of law.

Mr. TAFT. Mr. President, I cannot see what possible harm could be done by putting it over until Monday. All I know about the situation is that I have letters on my desk protesting against any continuation. I have not looked into the question, and do not know anything about it. The bill is not before us, and the report is not available. If the corporation is to last until June 30, I cannot see why the bill cannot go over until Monday or Tuesday, so that we may have an opportunity to take a look at it. I would not continue to object if I should find no good ground for objection, but I feel that the bill should not be passed at this time. I assure the Senator from Wyoming that I will withdraw my objection unless it materializes into something very substantial. However, I should like to have an opportunity to look into the question.

Mr. O'MAHONEY. Mr. President, I invite the attention of the Senator to the fact that the bill as reported, and the report, are both printed and available. If they are not in the Senator's file, it is merely because they have not been distributed.

I trust that later in the day, after the Senator from Ohio has had an opportunity to examine the bill and the report, I may renew the request.

Mr. KERR subsequently said: Mr. President, House bill 2989, to incorporate the Virgin Islands Cormpany, and for other purposes, was referred to a little earlier in the session today by the senior Senator from Wyoming [Mr. O'MAHONEY], and on the basis of his request I ask that the bill be considered at this time, with the belief that the objections have been withdrawn.

The PRESIDING OFFICER [Mr. HENDRICKSON in the chair]. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, to strike out all after the enacting clause and insert:

That, nothwithstanding the provisions of the Government Corporation Control Act of 1945 on any other provision of law, the Virgin Islands Company shall continue as an agency of the United States until (a) the close of business on June 30, 1951, or (b) the date of the creation of a corporation pursuant to an act of Congress to continue the company's primary functions, whichever is earlier, and until such time shall possess all powers conferred upon it by the Virgin Islands Company Act of 1934, enacted by the Colonial Council for St. Thomas and St. John on April 9, 1934.

SEC. 2. There are hereby authorized to be appropriated to the Virgin Islands Company for the fiscal year ending June 30, 1950, such sums, not in excess of $1,275,960, as may be required for its operation, including expenditures for the repair and necessary replacements of the sugar cane grinding facilities owned and operated by the said company.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to continue the Virgin Islands Company as an agency of the United States."

Mr. KERR. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KERR, Mr. O'MAHONEY, Mr. MILLER, Mr. BUTLER, and Mr. CORDON conferees on the part of the Senate.

THE REPUBLICAN PARTY AND UNITED STATES FOREIGN POLICY

Mr. BRIDGES. Mr. President, there appeared in the Saturday Evening Post of June 11, 1949, a very interesting and appealing editorial entitled "The GOP Must Stay Awake on Foreign Policy."

Personally I feel that the American people should be grateful to the Saturday Evening Post for the editorial, and that its suggestions should be heeded. Some of us have made the same suggestions before, in both general and specific terms. There are many of us who are aware that in recent years the Republican Party has not completely met its responsibility to America in the field of foreign policy.

I am not merely criticizing, Mr. President; I am constructively offering this reminder that in many respects and on various occasions, we of the minority have failed regarding a very vital duty; I am speaking of the minority as a whole.

I have repeatedly urged upon the administration action which would indicate to Russia and to all other nations that free America is opposed to Communist slavery and intrigue and conspiracy everywhere in the world. Frequently the Senate has been warned that America cannot be safe from the Communist threat by working against it in the west, but closing our eyes to it in the east. Others have joined in warning that the loss of China to the forces of communism can well mean the loss of all Asia, with the resulting peril to the security of our own country.

Mr. President, the freedom with which representatives of the Soviet Union and other iron curtain countries move about the United States has become notorious. Without success, some of us have attempted to establish a strict rule of reciprocity between the United States and Russia in the matter of visas and access to information. That attempt has been frowned upon, to the extent that such proposals have been pigeonholed.

Mr. President, the Republican Party has shown wisdom in supporting the administration in some matters pertaining to our relations with other nations of the world; but often our acquiescence or our

failure to speak out as a responsible party and a part of the legislative branch of the Government on other matters which needed criticism and needed challenge, in my judgment, has been an error.

Therefore, I think the editorial entitled "The GOP Must Stay Awake on Foreign Policy," appearing in the Saturday Evening Post, is very pertinent, and I ask unanimous consent that it be included in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE GOP MUST STAY AWAKE ON FOREIGN POLICY

There's no reason why the Republican Party should either tag behind the Administration's foreign policy or take haphazard pot shots at it. A basically bipartisan policy is well and good. But that doesn't mean the GOP must continually waddle in the tracks of the Democrats, shouting "Me too!" at suitable intervals.

Statesmanship means leadership. It's about time the Republican Party proved once more that it has both. It can show that best by keeping its eye on all foreign matters on which both parties are agreed, and by pointing new ways toward strengthening this country's world position.

Here are some of the points that look important to us in developing a militant GOP stand on foreign policy:

1. It should be stated clearly that our effort to halt the march of Soviet communism takes precedence over all regional and local problems. Wherever in the world the fight against Moscow's agents is obscured by other issues, the over-all policy of halting communism must have priority.

2. The Republican Party should press for equal representation, official and private, between the United States and Russia. We are now permitting Soviet diplomats to roam about our country while our diplomats and correspondents are kept caged up in Moscow. Sometime we may want to show some Russians how democracy works in our land. The privilege should be reciprocal. The same goes for dealing with all Soviet satellites. The Communist countries must be made to understand that world relations are not a one-way street.

3. The Republican Party should draw public attention to the fact that the Soviet Union is represented by three delegations to the United Nations. For the past 4 years we have got used to the hypocrisy of seeing delegates from the Ukraine and Byelorussia get away with the fiction that they represent sovereign states. Even if it proves difficult to oust them from the UN, the record must be kept clear at all times. The GOP has the job of keeping the truth alive, and to see to it that no Soviet fraud is accepted as internationally legal.

4. The whole of our sorry performance in Asia needs to be brought into the open. The Republican Party might prepare a thoroughly documented white paper about the influence of Communist fellow travelers on the State Department's Far Eastern Division. The country has a right to know just why we failed so miserably in China, are at odds on Japan, and insist on hitting ourselves over the head with a bamboo stick in Indonesia.

5. Our prestige in the Middle East is full of holes that need mending. The American position should be restated somewhat like this: we want to see a prosperous and healthy near-eastern region, reasonably free of rivalries that sap the strength of small young nations. Only an economically integrated Middle East, with the Arab nations, Iran, Israel, and Turkey contributing their share to stability, can withstand the fifth-column tactics of communism.

6. Is the Marshall plan succeeding as a giant relief operation or is it helping long-range recovery? The GOP should try to find the answer to that question. No flamboyant congressional speech can do that job. What is needed is a careful Republican report to the people of the United States, measuring the effect of this bipartisan venture into European economic life. The Marshall plan, the North Atlantic Treaty, and our arms-for-Europe program call for constant checking on efficiency in performance and control of expenditure.

7. The GOP's militant foreign policy should bring the facts of our role in the world into every precinct. We need an informed electorate in 1952 as well as right now. Neither a great nation nor a great party can afford to be swept along by events. Men make history. And history is waiting for the men of the Republican Party to help make it.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. HUMPHREY. Mr. President, I desire to speak at some length on the pending measure, Senate bill 249, to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Before I begin my formal remarks I must say that I was deeply interested in the remarks just made by the Senator from New Hampshire [Mr. BRIDGES], in which he pointed out that the Republican Party has not lived up to its responsibilities in foreign-policy matters. There are some of us who believe that the Republican Party has not lived up to its responsibilities in terms of labor-management policy, and I intend to direct my remarks toward the consideration of what I and many of us consider to be a sound, constructive, modern labor-management policy for the industrial economy of the United States.

I wish to trace the development and the growth of the trade-union movement in this Nation and the growth of legislation which deals with the problems of labor-management relationships.

The first subject of my remarks is, therefore, I believe, a timely one at this stage of the debate on the pending measure.

OBJECTIVES OF A NATIONAL LABOR POLICY

A sound and workable labor policy adopted by the Government of the United States must begin with an understanding of the appropriate purposes of such policy. What can a Government labor policy achieve and what are its limits? What should a Government try to do in that field, and what should it refrain from trying to do?

Statements of objectives too often are mere generalizations on which everyone can agree. This is true of much of the "declaration of policy" in the preamble of the Taft-Hartley Act. Few will disagree with the following statement from the preamble of that act:

Industrial strife which interferes with the normal flow of commerce and with the full production of articles and commodities for commerce, can be avoided or substantially minimized if employers, employees, and labor organizations each recognize under law one another's legitimate rights in their relations with each other, and above all recognize under law that neither party has any right in its relations with any other to engage in acts or practices which jeopardize the public health, safety, or interest.

The second paragraph of the preamble of the Taft-Hartley Act also states some laudable objectives. The purpose of the act, it is stated, is to promote the full flow of commerce, to prescribe the legitimate rights of both employers and employees in their relations affecting commerce, to provide orderly and peaceful procedures, to protect the rights of the public, and so forth. But even in the highly generalized statement of objectives the preamble of the act betrays the bias of the act when it states that its aim is "to protect the rights of individual employees in their relations with labor organizations." That aim in itself may sound praiseworthy, but what about the protection of the individual employee in his relations with his employer and in his relations with the Government?

When various provisions of the act are considered it is apparent that the objective of the act, in respect to the so-called rights of the individual employee, is to go back to a condition of industry and industrial relations that ceased to exist when large companies and gigantic corporations came upon the scene. The act ignores a fundamental fact which was recognized by numerous Supreme Court decisions, as when the Court in the Jones and Laughlin case relied in its decision on the helplessness of the single employee, his complete dependence on his daily wage and consequent inability separately to resist arbitrary and unfair treatment, and his dependence on his union for equality in dealing with his employer. In other words, Mr. President, labor relations in the year 1949 cannot be conceived of as being in some sort of fairyland, as might have been the case in the days of 1800, before the growth of the giant corporation or what is commonly known as big business. Labor relations cannot be considered in a theoretical vacuum. That question is no longer an academic one; it is the very substance of a sound, productive economy.

Equally important is the fact that the individual employee is helpless as compared with his employer in making use of the laws of the land designed for the maintenance of rights, and in appealing to the courts or to administrative agencies for the interpretation and enforcement of these rights.

The Taft-Hartley Act is profoundly reactionary. It ignores the facts of economic life by assuming that the individual worker can successfully pit himself against the power of a highly organized and complex economic system. The act, however, is worse than reactionary, in the sense of seeking to reinstate a one-sided individualism applicable to the worker but not to the employer. It departs from our past traditions and policies by setting up a governmental system for the direct and detailed intervention of government into areas of economic activity always heretofore reserved to

the parties in the field of industrial relations.

Mr. President, let me say that some of the proponents of the Taft-Hartley Act and some of the groups in the United States that so staunchly defend it are the very first to criticize the use of government in any area of our economy, the very first to use the phrases "free enterprise" and "private property," the very first to call such developments to the attention of the Congress and the President, and to point to the fear of statism or socialism. These same people and concerns are the ones who today would say that in the great area of our productive process, where management and labor in a free economy are to meet together, the strong arm of government should project itself and be the final determiner of what is just and right.

Is this a biased view? If so, the bias is not restricted to those who are commonly charged with pro-labor bias. In evidence it is worth while to recall the editorial views expressed in Business Week of February 19, 1949. The following is a quotation from the editorial in that journal:

> What was wrong was that the Taft-Hartley Act went too far. It crossed the narrow line separating a law which aims only to regulate from one which could destroy.
>
> Given a few million unemployed in America, given an administration in Washington which was not pro-union—and the Taft-Hartley Act conceivably could wreck the labor movement.
>
> These are the provisions that could do it: (1) Picketing can be restrained by injunction; (2) employers can petition for a collective-bargaining election; (3) strikers can be held ineligible to vote—while the strike replacements cast the only ballots; and (4) if the outcome of this is a "no union" vote, the Government must certify and enforce it.

The editorial from Business Week continues:

> Any time there is a surplus labor pool from which an employer can hire at least token strike replacements, these four provisions, linked together, presumably can destroy a union.

Mr. President, the editorial writer of Business Week understands one of the basic reactionary tendencies of the Taft-Hartley Act. I submit that the real danger of the Taft-Hartley Act to sound labor-management relationships does not lie in its individual provisions alone, considering them one by one, but, as this wise editor has said, the real danger lies in their being linked together; and all too often they are linked together.

The facts of life in our highly complex and highly organized economy with its powerful corporations and associations of employers are recognized far more realistically in the statement of objectives of the Wagner Act. The preamble of that act recognizes, furthermore, the highly desirable limitations on the functions of Government in avoiding as far as possible a positive interference with the liberties and rights of both parties; it attempted merely to remove obstructions and prevent the bad effects of inequalities of power in the carrying on of industrial relations, not by the Government but by the parties—free action by free citizens in a free economy in a free country.

The Wagner Act in its statement of policy recognizes the actual facts of inequality in bargaining power between employees when they do not have full freedom of association and collective bargaining rights and employers who are organized in corporate or other forms of ownership association. The preamble of the Wagner Act recognizes the fact that this inequality interferes with the flow of commerce, tends to aggravate business depressions, and causes industrial strife or unrest. The whole purpose of the act was consistent with the traditional and basic principles of Government in the United States. It sought to avoid unnecessary positive intervention by Government. It sought merely to use the functions of Government for removing obstructions and inequalities and encouraging free and equal collective bargaining. It assumed the carrying on of industrial relations, not by Government but by the parties, under conditions of full and mutual freedom of association, self-organization, and negotiation of the terms and conditions of employment on a free and equal basis.

Many authorities, eminent for their long experience and impartial attitudes in dealing with labor-management relations, have spoken on the proper objectives of Government policy in labor-management relations. Probably none is more eminent or more widely respected than William M. Leiserson. Mr. Leiserson, a well-recognized authority and student in the field of labor-management relationships, expressed himself in the New York Times of February 6, 1949. Before I read the statement, let me say, I feel that as Members of the Senate, as members of the Committee on Labor and Public Welfare, the testimony which was the most vital, the testimony which seemed to ring most true, the testimony which I felt came in with the least evidence of bias, the testimony which was the most direct, did not come from either labor or business. I wanted to rest my judgment on the kind of testimony which was submitted by those who have made labor-management relations a life profession, and are known for their objectivity and their impartiality in dealing with labor-management problems. So I have literally for all practical purposes, taken to myself for consideration the testimony of William H. Davis, of William M. Leiserson, and of Dr. Nathan P. Feinsinger, professor of law, of the University of Wisconsin, three eminent men, who have been hired by business, who have been used by Government, and who have proved themselves over the years as knowing the sound economic facts of labor-management relationships. They think in terms of public policy, not in terms of special privilege or of private advantage.

What did Mr. Leiserson say in his article in the New York Times?

> A good way to begin thinking about a new labor law, now taking shape in congressional hearings, is to compare the policy pronouncements of the Taft-Hartley Act and the Wagner Act.
>
> The Taft-Hartley Act says: "It is the purpose and policy of this act to prescribe the legitimate rights of both employees and employers, to (prevent) interference by either with the legitimate rights of the other, to protect the rights of individual employees in their relations with labor organizations * * *, to define and prescribe practices (inimical to general welfare) on the part of labor and management, and to protect the rights of the public."
>
> Quite different was the purpose of the Wagner Act. It declared the policy of the United States to be "encouraging the practice and procedure of collective bargaining * * *, protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing for the purpose of negotiating terms and conditions of their employment or mutual aid or protection."

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. HUMPHREY. I yield to the distinguished Senator.

Mr. THOMAS of Utah. Mr. President, I think the contrast between the two bills should be emphasized, one being based upon rights of conflicting interests, the other upon the theory of having these interests work together and come to a decision. I know of no conflict which has ever been settled so that the people could carry on together where the arguments were left entirely in the sphere of rights. One right is posed against another right. Probably the best illustration I could give would be a case involving domestic relations, for example, in which the husband declares his rights and the wife declares her rights. There is never a reconciliation so long as they talk about rights. There is such a thing in law as divorce. If we attempt, in view of this conflict of rights in labor relations, to make a decision in the field of rights, there is a divorce and not a reconciliation.

Mr. HUMPHREY. Mr. President, I must say that the observations of the distinguished chairman of the Senate Committee on Labor and Public Welfare are surely to the point and exemplify his deep and sound knowledge of the problems of economic and human relationships. I think his presentation in the beginning of the debate was clear and adequate testimony of his intimate acquaintanceship with the problems confronting our economy in the field of labor relationships.

I continue with what Mr. Leiserson has to say on the subject:

> The two laws approached the problems of employer-employee relations differently, and they went off in different directions to find solutions. The Wagner Act put its faith in collective bargaining, but while the Taft-Hartley Act paid lip service to the principle of collective bargaining, its insistence on "legal rights" encouraged individual bargaining and, to an even greater extent, Government determination of the labor bargain.

Mr. Leiserson continues:

> The act's attempt to pursue three incompatible labor policies at the same time could result only in confusion.
>
> The confusion was soon reflected in the administration of the law—the NLRB and its coordinate general counsel being unable to agree as to its intentions.

Apparently the voters sensed the act was working at cross purposes, and returned to office the President over whose veto it was adopted with a Congress dominated by the party whose platform called for its repeal.

Mr. Leiserson says, further:

No one is in a position to say precisely what the mandate is as to the kind of a new labor law that should be adopted. But we shall not go far astray if we assume that the public wants a law based on a clear-cut labor policy that it can understand, with specific provisions reasonably calculated to carry out the policy. Making a definite choice among possible national labor policies is in any case an indispensable preliminary requirement for drafting a workable law to govern so emotion-filled and explosive a subject as labor and management relationships.

That statement indicates the political sagacity and the philosophical maturity of Mr. Leiserson in the field of labor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Ohio.

Mr. TAFT. Does the Senator from Minnesota also agree with Mr. Leiserson when he says that the closed shop and the union shop should be prohibited?

Mr. HUMPHREY. The Senator from Minnesota will continue to read from Mr. Leiserson and from the opinions of the other men whom I have mentioned. I do not say that Mr. Leiserson is a saint. I said I considered that, in the main, he is a wise man.

Mr. TAFT. The Senator said he had a high opinion for Mr. Leiserson's views. I wondered if he agreed also with his view that the union shop and the closed shop should be prohibited.

Mr. HUMPHREY. I have a high respect for the Senator from Ohio, on some subjects. There are some things on which we disagree. I am agreeing with Mr. Leiserson's views on the broad, general principles of labor-management relationships. I shall arrive, in the course of my remarks, at the question of the closed shop, and I shall be more than anxious to receive questions from the distinguished Senator from Ohio, so that once and for all we can dismiss the subject of the closed shop and the union shop, so far as those two subjects concern the junior Senator from Minnesota and the senior Senator from Ohio, because there is plenty of sound argument, not only on the floor of the Senate, but in the long-range practice in American industry, for the closed shop, the Taft-Hartley Act notwithstanding.

I proceed, then, with Mr. Leiserson's comments and his general observations:

But what are the possible choices? Broadly speaking, there are only the three: (1) individual bargaining; (2) collective bargaining; (3) Government dictation. The first leaves labor relations to be governed by individual contracts of employment. This means, as the Supreme Court said as far back as 1898, "The proprietors lay down the rules and the laborers are practically constrained to obey them"; in other words, management dictation. The second policy requires the rules to be made jointly by representatives of managements and the workers, and embody them in collective agreements. The third is the policy by which the Government determines the rules or terms of employment, or both.

The Taft-Hartley Act favors this third policy. Although it did not venture to fix wages, it did decide by congressional fiat vital issues of rules and working conditions involved in labor contracting, under the guise of determining legitimate rights. In doing this it purported to further the policy of collective bargaining, but its concern that strikes and other forms of industrial unrest or concerted activities (shall not) impair the interest of the public led it to prescribe rights which had the effect of determining disputed issues and removing them from the field of bargaining. Incidentally, in encouraging individual bargaining, the act in effect stipulated for employees a right to refrain from collective bargaining.

That is the conclusion of the substance of the article which appeared in the New York Times on February 9, 1949.

Mr. President, among the many other eminent authorities with long experience and whose impartial views are beyond question, mention may be made of Mr. Nathan P. Feinsinger. As a professor of law, a public official in both State and Federal capacities, and a conciliator or arbitrator in numerous cases, Mr. Feinsinger's views have special value. These are already familiar to members of the Committee on Labor and Public Welfare who were so greatly impressed with his testimony, but they should also command the earnest attention of all. He summarized his views for consideration by the committee as follows:

Legislation in this vital field should follow a long-range national policy; it should be confined to basic problems; it should provide practical measures.

I would state my conception of a sound labor policy for America as follows: As a nation, we are dedicated to the ideal of a free society, through which individual liberties may be exercised to the highest degree consistent with like liberties for others. We endorse a system of free enterprise because we believe it most conducive to a free society. We seek to promote industrial self-government, through labor-management cooperation and self-discipline, because we believe it to be, in the long run, most consistent with a system of free enterprise. We adopt free, voluntary collective bargaining as the instrumentality best suited to the practice of industrial self-government; to the protection of the liberties of the individual worker; to the attainment of practical democracy within our modern industrial society; to the achievement of industrial peace; to the maintenance and increase of purchasing power; and, through all these, to the safeguarding and advancement of public interest.

If our national policy is to be effectuated through collective bargaining, we cannot simultaneously encourage a competing system of individual bargaining. If collective bargaining is to be free and voluntary, we cannot have governmental intervention, except to insure the conditions under which free bargaining can take place. (I use the term "governmental intervention" advisedly. I have observed that the term used is "government interference" when it helps the other fellow, and "Government protecting the public interest" when it helps our side.) If we are to have realistic bargaining, each side must be free in the final analysis to say "Yes" or "No," which means the right to strike and the right to lock-out if no agreement be reached. The exercise of the right to strike or to lock-out entails the risk of economic injury not only to the adversary but to neutrals. Such risks are inevitable in a democracy. Only a democracy can meet such risks, and take them in stride.

Mr. President, I think it is of paramount importance that the American people, who speak of freedom, who believe in freedom, who want freedom, political freedom, economic freedom, remember that there is a price for it, and a real price. In the economic area it is the price of a strike or a lock-out; it is the price sometimes of a stubborn union or a stubborn employer. There is no doubt that at times some neutrals, those who are not involved, possibly, are affected, at least for a period of time, short or long, as it may be. But every one of us has a stake in economic freedom, not merely those who are participating in an individual or particular dispute. Every one of us has a deep concern for and a vital interest in political freedom, free speech, free press, freedom of religion, freedom of enterprise. These are precious heritages for everyone. We need to remember that the right to strike is a vital part of the American system of freedom, and the right of the employer to lock-out is a vital part. I am not one of those who believe we can get freedom cheaply. We have to be willing to pay the cost for individual freedom.

Mr. Feinsinger then discusses recent history, the wartime interruption of normal collective bargaining, and the disturbing problems of the transitional period. He then states:

The Taft-Hartley Act was a product of anger, confusion, and compromise, but also of considerable idealism.

He then describes the act as "a throwback to doctrines once discarded as unrealistic and unfair. The antiboycott sections, for example, restore the discredited notion that the only persons interested in a labor dispute are the employer and his employees, thus ignoring the facts of industrial life. Implicit in the act is the notion that individual bargaining is on a par, policy-wise, with collective bargaining, and the process of organization for collective bargaining is at bottom a contest between the employer and the union for the loyalties of the unorganized workers."

The "severest indictment of the Taft-Hartley Act," Mr. Feinsinger continues, is the "invasion by legislative fiat of the area of collective bargaining." He states that "We have now in embryo the legislative determination of the terms and conditions of private employment." He concludes:

I do not say that legislative control of the employment relation in its entirety is good or bad. But I am certain that the proponents of the act did not intend or foresee such a result. Yet they have started the ball rolling in that direction, and who is to say where and when it will stop?

We are really at the crossroads of two conflicting ideologies. The choice is clear. We must either return the incidents of the employment relation, beyond the establishment of minimum standards, to the parties or we must be prepared to have the Government play the role of the camel in the tent of collective bargaining.

Now, Mr. President, having discussed the objectives of a national labor policy, I turn to a closely related subject.

THE PLACE OF LABOR UNIONS IN OUR ECONOMY

Mr. President, I wish to discuss the place of the labor union in our economy—not the economy of Alice in Wonderland, not the economy of Henry VIII, or Thomas Jefferson, but in the economy of 1948 and 1949, when we produced more than $200,000,000,000, gross, of commodities, in an economy that has seen great concentration of business. No one can deny the fact that instead of there being less merger and less concentration of economic power in this Nation, there is more and more of it. Let us take a look at the place of the labor union in our economy.

Public policy toward unions and labor-management relations should be viewed in the light of the place of union organizations in our economy. The actual role of unions in the United States should, in turn, be viewed in the light of conditions existing in many other countries, and also in the light of conditions that would prevail here in the absence of a free and strong labor movement.

It is worth while to recall some of the main facts as to the nature and functions of unions in the United States. There are approximately 200 national and international unions, affiliated either with the American Federation of Labor or the Congress of Industrial Organizations. The A. F. of L. and the CIO are somewhat loosely organized groupings of these nationals and internationals. The unions which make up the A. F. of L. and the CIO are autonomous, and are composed of local organizations of workers in the various crafts, trades, professions, and industries. The locals themselves are more or less autonomous, the degree of autonomy varying from union to union.

The national and international unions range widely in size; 16 of them each had less than 10 locals in 1948; more than half of them had less than 200 locals; and only 6 had as many as 2,000 locals. Among the national and international unions, 16 had less than 1,000 members and all but 37 had less than 100,000 members.

In addition to the national and international unions, both the A. F. of L. and CIO maintain city and State organizations with which these are ordinarily joined by the affiliated unions in the area. Early in 1948 the A. F. of L. had 795 city centrals and 50 State federations of labor; the CIO reported 243 city, county, and district councils and 39 State industrial councils.

Several of the larger and more influential unions are not affiliated with either A. F. of L. or the CIO.

The total membership of the unions in the United States now exceeds 15,000,000 workers. These workers comprise roughly one out of four workers in the total labor force, including the self-employed and managerial and supervisory workers.

I submit, Mr. President, that corporate business in America does better than 25 percent of the total business, and has more than 25 percent of the control of the Nation's economy. Yet all the unions in America put together represent only one out of every four of the total available labor force.

So when we start comparing, with a pat on the back for the one and a pat on the back for the other, and a kick for the one and a kick for the other, let us not forget that we are not patting on the back people of equal physique, of equal strength, of equal maturity, of equal power. It is something like patting on the back a 2-year-old son and a 40-year uncle, and then coming along and giving equally vigorous kicks to the 2-year-old son and the 40-year-old uncle. It can be said theoretically that both have equally received a pat and have equally received a kick, and then call it equality of treatment. It is like Anatole France's statement, that all men have certain basic rights; that the rich and the poor alike can sleep under the bridges and eat in the gutter. Both can do so equally, and that may be called equality of opportunity, if one should desire to call it such. I do not.

Union members probably comprise between 40 and 50 percent of that portion of the labor force in which unions have concentrated their organizing efforts.

Unions are thus extremely diversified in size, in types of membership, and in their relations with central or over-all organizations. They have certain basic common interests but they do not have any strong central authority or any means of concerted action except in restricted fields and for limited purposes. Union organizations in general are characterized by the typical spirit of autonomy, independence, and action on the basis of discussion and agreement. Tendencies toward organic unity and concerted action have been promoted chiefly by a defensive attitude—which in turn has arisen most significantly in recent years from policies which Business Week editorially described as potentially destructive of unionism.

Laboring men in this country are fearful of the Taft-Hartley Act, because of their keen insight. Although they do not possess Phi Beta Kappa keys, though they may not have Harvard degrees, without being profound students of economics, but simply by reason of their experience, their suffering, they have looked at this law and they have said they were against it, long before the editorial writer of Business Week ever got around to finding out about it. The plain ordinary worker of America looked at the law and came to his conclusion about it 1 week after the law was passed, whereas it took the editor of Business Week 2 years to find out about it. But I am glad the editor of Business Week has found out about it.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. HUMPHREY. I yield.

Mr. LONG. I ask the Senator from Minnesota what the effect is when strikebreakers replace union workers? About 6 months ago some laborers came to me and asked if something could not be done to help them. They had gone out on strike and had been replaced by strikebreakers. At that time there was a shortage of labor and it was difficult to replace union workers, but nevertheless the strikers had been replaced. The Board was then in the process of declaring that the strikebreakers were entitled to bargain, and could avail themselves of the provisions of the Taft-Hartley law. The union workers were out on the street, and were obliged to find employment in other fields of industry.

My question is, What protection has the Taft-Hartley law conferred upon those strikebreakers?

Mr. HUMPHREY. The Taft-Hartley law made it possible for the strikebreakers to come in and take the jobs of the legitimate bargaining workers, and to be certified as the legitimate new bargaining agent.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. In the first place, the persons in question are not strikebreakers. They are persons who are permanently employed, who live in that section. In order to take the place of the strikers they must be permanent employees.

This question arose first under the Wagner Act, not under the Taft-Hartley Act. Under the Wagner Act the Supreme Court held that a striker who was replaced by a permanent employee, that is, not by a man brought in from the outside, but a man employed permanently, was not entitled to reinstatement. He was no longer an employee for the purposes of the act. The Board had great difficulty at that time in determining whether or not he could vote. The Board held, under the Wagner Act, that both the strikers and those who had replaced the strikers as permanent employees could vote. That created a very anomalous situation. When we considered the question originally we had the case of the Redwood strike in California. The strike had been in progress for 2 years. The men had struck, and they had been gradually replaced by veterans who came back and settled in the community, until all but a few workers had been replaced. Various elections were held. The strikers always came back and carried the election by half a dozen votes, although both the strikers and those who replaced them voted. So, although the strikers had jobs elsewhere, one man with a picket sign remained in front of the place, and, so far as anyone could judge, that strike could continue for the next 10 years, although all the workers had been replaced, and most of them had moved out of the neighborhood.

That was the question we had before us. Who should vote under those circumstances? The Taft-Hartley Act provided that only the replacements could vote, and that those who were no longer entitled to reinstatement were not entitled to vote. Under the Supreme Court's own ruling they could not vote in an election as employees.

I think on the whole that argument was justified. As pointed out in the Business Week editorial, that was based upon

one section of the act. Under the amendments which I have presented, we remove that provision and return to the provisions of the Wagner Act in that respect. Therefore, so far as any argument can be based upon that section, the argument is removed by the amendments which we are now offering. I think the argument of the editor of Business Week is also removed by the amendment which strikes out that provision. It was regarded as a very minor matter. It was passed over without very serious consideration by the committee. Certainly from the point of view of argument, the argument can be made that by adding that provision to four other provisions in the act, it can be made a weapon for the destruction of unions. While it is a rather tenuous argument, I can see the logical argument that could be made, and I thought we ought to remove the provision about voting, and we do remove it in our amendments.

Mr. HUMPHREY. I am very grateful to the Senator from Ohio for his explanation with reference to that particular question. I think the explanation points up the fact that we have seen the error of our way in the Taft-Hartley law. It points out, first of all, the fact that under the Wagner Act both the strikers and the replacements were allowed to vote.

The Wagner Act was based on good American capitalist doctrine. The man who owns stock in a company is never around. He does not even know who the manager is. The stockholder is operating a garage, or he owns a drug store, or a farm, or has a job at the local utility company. But he never loses his right to vote. He has a property interest in the corporation.

When the union is a certified bargaining agent, and when there is a legitimate economic dispute, the workers who have been on the job have a property interest in their job. That is their life. It is their bread and butter. As the distinguished Senator from Ohio says, realizing the error of the Taft-Hartley law, which has been pointed out only recently, certain amendments have been offered. Great damage has already taken place. Surely there was no need for it. It is a very basic illustration of the vice of legislation based upon isolated situations. If the proponents of the Taft-Hartley Act had not been in such a hurry and had listened to reason, and had listened to those who had been in the field of labor-management relationships all their lives, they would never have put such a provision in the Taft-Hartley Act in the first place. In the spirit of a good clergyman, I rejoice that someone has repented of his sins and returned to the fold, at least partially. He is at least in the vestibule.

Why do workers join unions? The basic answer to that question is to be found in the fact that the liberty of the individual worker can be maintained only by means of group action. Free and independent unionism, under the American economic system, is absolutely essential if the individual worker is to maintain anything approaching equality in his relations with his employer. Free and independent unionism is, furthermore, essential to the individual worker if he is to express his views and protect his interests in the vital field of public opinion and public policy. Unions, as representative institutions in the economic field, are closely analogous to representative institutions in the political field. The individual citizen votes for Members of Congress for the purpose of having them represent him in the formulation and enactment of laws. Members of unions necessarily delegate to their officials the representative function of formulating collective agreements.

I think the analogy is clear. Once a person is a member of a union, he has the right to vote. There is no class A, class B, and non-voting stock. There are no preferred stockholders or bondholders. Let us not compare a union with a corporation. Corporation lawyers have been able to figure out more "gadgets" to deny people who own the company the right to say anything about the policy than a Philadelphia lawyer could figure out in a hundred years.

In the case of a union, when a person joins, he is in. If he does not show up to vote, the situation is no different than it was in the last national election. Some people did not show up to vote last November, as they were expected to do. They have no one to blame but themselves. They could have voted, but they did not vote. In those areas where they cannot vote, we are making frantic efforts to see that they do vote.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Does the Senator mean to imply that if they had voted the result would have been different?

Mr. HUMPHREY. I do mean to imply that. I think the majority would have been even greater.

What I was trying to point out was that there has been a tendency to compare a union with a corporation.

No, Mr. President, a union is just what it purports to be. It is an independent organization of free individuals, all of whom have the same rights and privileges, coming together for purposes of their own benefit, and for the formulation of their own policies. In a corporation the situation is entirely different. People invest in a corporation for profit. Some have something to say about it. Some do not. Some get more profit than others. Some get the first "take," some get the last "take," and some simply get "taken." A union is not like a corporation.

In our system of private enterprise as it has developed in a more or less democratic way, the central fact of labor-management relations is collective bargaining. Industrial government, in the sense of participation by workers as well as employers, is primarily to be found in the procedures and processes of collective bargaining. In the economic field the scope, limits, and end results of democracy in the field of industrial government are to be found primarily in the terms and the administration of collective agreements.

Collective bargaining is, of course, not the only function of unions. But the integrity and equality of unions, as well as employers and their organizations, in the collective-bargaining process, is the outstanding fact in the American experiment, under present-day large-scale and complex enterprises, in the maintenance of a free and democratic society.

Let me emphasize that point. A union is a very fundamental part of our system for preserving a free economy, in a day when business is big. We need big business for big production. Sometimes I think that merely shouting against big business is failing to see some of the economic facts. The question is, How shall the public have an opportunity to get some of the fruits of this production? How shall we prevent concentration of economic power which would grind into the dust the little people who are weak in their individual power?

One answer is for the Government to take over. That is what has happened in Russia. There are no strikes in Russia. There is collective bargaining under government edict, but not free collective bargaining.

Another answer is to have the kind of system which we have in the United States, which says that the best answer to the concentration of economic power is to permit those who work with that economic power to join together so as to achieve a balance in equity. I believe in that system.

We have only to look at conditions in iron-curtain countries to realize the grave disadvantages of subordinating unions to governmental control. And it must be recognized that the more extensive is the authority and responsibility of the Government over the processes and terms of collective bargaining the greater must be the authority and responsibility of Government not only over unions, but over the employers of the members of unions.

Another possibility, which unfortunately has been actually experienced to a limited extent in the United States, is the control of unions by their employers. It is not necessary, even if there were time, to go into the history of company unions and company towns in the United States. Fortunately, they were never firmly established in the United States except in very limited areas and fortunately they are now both on the wane.

What needs to be emphasized, Mr. President, and kept in mind alike by workers, employers, and those of us who are charged with the responsibility of formulating public policy, is that free and democratic enterprise has no alternative to the maintenance of free and vigorous unionism. It is only in that way that the integrity and success of voluntary collective bargaining can be maintained. And employers above all should recognize—and let me say that many of them do recognize—that the alternative in our modern society to voluntary and effective collective bargaining is not so-called individual bargaining, nor is it control of enterprise by employers. The alternative is necessarily a far greater extension of public authority and responsibility over enterprise than has been necessary in the past. This is the view, as we have seen, of outstanding and im-

partial authorities in the field of labor-management relations.

In other words, there are three choices: First, free, collective bargaining between free management and free labor; or, second, individual bargaining, which merely means taking orders; it means that a man might go to the Standard Oil Co. and might say, "I want a job at so much an hour," and the company's representative would say, "I will not pay you that much," so then the individual has to say, "Then I will bargain with you." That does not make much sense, of course. The choice, then, is between free, collective bargaining between free management and free labor; or, second, individual bargaining—and, as a matter of fact, very few persons would be inclined to attempt that, so for all practical purposes we may disregard it; or, third, a much greater extension of public authority and public responsibility over both management and labor than have existed in the past.

So I think the choice can be narrowed down to this: Do you want free, collective bargaining or do you want Government-controlled, Government-regulated, and Government-dominated collective bargaining—in other words, not merely to have the head of the camel under the tent, but to have all the camel in the tent. Mr. President, do our people want to have the Government of the United States draw up a labor policy which brings the respective parties to the door of conciliation, or do they want the Government to draw up a policy which not only takes the respective parties to the door of conciliation but kicks open the door and brings the parties to the table, and says to them, "Look, fellows; you are going to bargain in the way I tell you to bargain." To my mind, that will mark the end of free labor and free management in this country.

The question of the place of unions in our economy involves one of the oldest and most vital of American traditions. I refer to the right of free association. That right has been legally recognized and protected in the case of unions of workers more recently than in the case of associations generally. The continued maintenance of the right of free and equal association for employers and farmers and for citizens, irrespective of their economic connections, is, in fact, involved in the present controversy. The denial or the impairment of free and equal association of workers in unions will sooner or later imperil the rights of other groups to maintain freedom of association.

I take it that there are some persons who would like to destroy the United States Chamber of Commerce. Mr. President, we may disagree with the United States Chamber of Commerce on occasion; but I would never vote for a law to destroy it or limit its freedom of action. American business institutions have the right to join together for purposes of formulating policy and decision. Each one of us must make up his mind either to be in favor of freedom or to be opposed to freedom; we cannot be a little bit in favor of freedom.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Utah.

Mr. THOMAS of Utah. If we tried to outlaw such an organization as the United States Chamber of Commerce, would not it be like trying to outlaw the comic papers or some of the other things which are a part of our life and which the people rather enjoy, but never take seriously?

Mr. HUMPHREY. I shall accept the statement of the distinguished chairman of the committee. I must say to my good friend and colleague that at times I have taken the Chamber of Commerce quite seriously. The new president of it is a very good personal friend of mine, and I think a great deal of him. I frequently disagree with him, but I think the right to disagree is one of the luxuries we have in this country.

(At this point Mr. HUMPHREY yielded to Mr. KEFAUVER, who made a statement relative to Gordon R. Clapp, Chairman of the Tennessee Valley Authority, which appears at the conclusion of the speech of Mr. HUMPHREY.)

Mr. HUMPHREY. As I have related, Mr. President, unions were created out of the needs of people who were working for their livelihood, and who could not cope with their economic problems as individuals. Although many of us recognize unions as an important force in our economy, some do not approach them with a sympathetic attitude, as though they are true representatives of the aspirations of the working people in the United States. Some of us are sometimes inclined to become impatient with these working people because their interests seem to be pushed by their representatives to a degree which makes it uncomfortable to people whose aim is to maintain the economic status quo.

There are many explanations of the reason for the labor-management conflict. A former Member of Congress, Representative Hartley, has explained this conflict in his book, published, I believe, last year, by saying simply, "Management wants to make all the money it can; labor wants to make all the money it can. The result is," says Mr. Hartley, "labor-management conflict, strife, and strikes." This is too much of a simplification of the problem, but it is a view which is popular at the present time. Historically, unions have been interested in much more than the selfish fight, if one will call it that, for money for their members. The first demands of labor unions were as much for union security, recognition of group action, status in the community, and free education for their children, as they were for raises in wages.

I should like merely to point out, Mr. President, that some of the same type of folk who today have fought bitterly for the retention of the Taft-Hartley Act—I say some, not all—are the same kind of folk, if you please, who fought against public education. It is to the eternal credit of the great trade-unions and their members that in the early history of the Nation they went forth and did battle for the right of an educational opportunity for the children of America. That is a little more than certain other groups can claim. In regard to those things which have elevated the general living and cultural standards of our people, such as public health measures, workmen's compensation laws, child-maternal care, social security, and all sorts of legislation commonly called social-welfare legislation, the labor movement must be given credit for having worked for those things; and it did not always do so merely for wages.

I make bold to assert that sometime American business had better find out that the people of America do not live by bread alone. Some of us are interested in education for our children, decent living standards, and decent social standards. As I said to one of my very good and distinguished friends in a business deal, "Be for something, for a change. We know what you are against. Be for something, do not come around, being for it, 2 years after everybody else is for it, because you do not get credit for it then." The first demands of labor unions were as much for union security, recognition of group action, status in the community, and free education for the children, as they were for raises in wages. Of course, we must admit that, especially among the low paid, the financial interest is an important one.

Our economy is so complex that members of economic groups must form organizations to represent them. Farmers, employers, wage workers, small-business men, all feel the need for organizing to attain their objectives.

The American Medical Association organizes to obtain its objectives. I ask, why do we not pass laws about the AMA? Why do we not pass laws about the bar associations? Because, Mr. President, those distinguished professional people have the right to join together; and when we start segregating every little group, and passing a special law because we do not like some of the things that some of their officers do, we are then going to be so busy passing laws against every little organization that we shall not get anything else done.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. LONG. The Senator asks, Why do we not pass laws relating to bar associations? I would point out to the Senator that we attorneys have one of the strongest closed shops in America. Anyone who will investigate will find that we have laws on the statute books of every State in America. We prescribe an examination which everyone must take who wants to practice before the courts, before he can stand in court to plead a case for anyone except himself.

Mr. HUMPHREY. I am very happy to have the observations of my friend, the able and distinguished Senator from Louisana. I am not an attorney, and I hesitate to make any remarks which could in any way be interpreted as not being friendly to that great and noble profession. What I was pointing out was that there is no effort on the part of the Congress of the United States to pass

laws against what the distinguished Senator has said is a closed shop. I have never looked at it in that way. I am glad to have that opinion; it is very edifying.

Until the New Deal period began, the organization of workers into groups to meet their economic needs was either frowned upon or, at best, not protected. That is a mild statement. I weighed that statement many times. This Nation is filled with men who were once in jail because they said they would not work for someone for 25 cents an hour, because they organized a group of other persons to work with them for 40 cents an hour. In every State where there is a trade-union we can find men who have jail records of that kind. It is an honor; it is not anything to be looked down upon, because they had the courage to say, "We shall not be economic slaves." But the stigma of that experience is on them, and they resent it. We hear it said that they should forget it. I know they should. We should forget some of the conflicts between the North and the South, between the big city and the rural area. But we are people, not gods, and we remember some of those things. We are working with the hope that we can erase them from our memories.

Once the Wagner Act was passed, its enemies directed their efforts toward reestablishing the pre-New Deal freedom under which employers and employees had the right to form organizations while the employers had the right to destroy employees' organizations by the use of the means which I shall discuss a little later. They wanted to go back to the good old days, the pre-New Deal days of freedom. Freedom for what? I have often thought about it. Freedom to go into business, freedom to get a job, individual freedom. It is something like being free to have a fight with Joe Louis. That is not freedom; it is pure nonsense, foolishness, and suicide. That is the kind of freedom that some persons talk about. The individual worker was only a pawn, merely another parcel of the economic structure, dealt with as if he were not human.

If the trade-union existed simply as a means for workers to get more money, one would think that unions would not exist where workers were well off. Some of them are well off. Why is it that some of them are the most well off? Why is it that the railroad brotherhoods, which have fairly good standards, and which have operated over a long period of time, are well off? Ask a good conductor. Ask a member of the Brotherhood of Railroad Trainmen if they want their union. They are better off than some of the others who have not been long organized. Ask them if they want their union. Try to take it away, and see whether they want it. As we know, it is among some of the best-paid groups in our economy that the unions have maintained their strength. It is among these groups that unions can afford to be active as proponents of so many unselfish and humanitarian efforts.

Mr. President, the trade-union movement is necessary for the mental health of this Nation. Every American ought to have the right to "gripe" and be heard. Every American ought to have the right to have a grievance, if he wants to have it, and be heard. The distinguished head of the Conciliation Service—and I do not think I am breaking any rule by telling the Senate about this—told me that if there were no other excuse for trade-unions, they were necessary on the basis that they provide an outlet for members to have their story told. The people in this great, complex society must have their story told. They must have a chance to "tell the boss off" once in a while, or we will have a Nation of psychotics and neurotics. We all like to "tell off" people once in a while Why do our constituents come to visit us occasionally? They back us up into a corner and tell us things we need to be told. It is a very good thing. Freedom of expression is a meaningless thing unless the medium of expression is provided. An individual worker employed in an oil field or in a mine is not going to see the boss of the company, but under unionism, his representative can see the boss. His representative says, "There are at least a hundred workers who are complaining about such and such—they are complaining about the general condition of the air in the plant, or about the fact that the washrooms are not in proper condition." The individual worker knows that his voice is being heard. Otherwise, his voice would never be heard.

The trade-union of today can be explained better by describing it as I have done, as the sole medium for meeting the aspirations of workers in all fields.

With advanced technology, a trade-union meets the psychological needs of workers for a voice in the decisions which have to be made concerning their day-to-day working conditions. The unions fit their pattern of organization to that of the economy in which they operate. We have big unions only because they have to deal with big managements. Mr. President, we do not go around putting Model T brakes on a 1949 Cadillac automobile or the wrong kind of pistons or mechanical equipment on certain parts of the motor of a 1949 truck. Frankly, when some persons say to me, "Why do we need big unions?" I have always had an answer. I say "If you do not want big unions, do not have big business. If you do not want big government, do not have big business. Bigness begets bigness. If you have a big family, you have to have a big house. With big families it is necessary to have big houses. If we do not want big unions in this country, let us not have 60,000,000 persons available for gainful employment; let us not have big industry. Instead of complaining about it, why not develop a pattern by which they can work together?"

The lone laborer in a steel mill theoretically could bargain as to wages, hours, and working conditions with his employer. He might have to go to Florida to find him, but he could bargain with him. But, we know, as a matter of fact, that under that type of bargaining the employer would merely determine, on his own, the job conditions and rates of pay for the worker. The individual therefore is forced by the organization of his employer, to form a trade-union to represent him. In this respect the trade-union is a reflection of the type of democracy we have in our political and economic life.

Even assuming that an employer is unselfish and kind to his employees—and there are hundreds of such employers—such an attitude does not constitute a substitute for this democracy. Many good employers have come to the committee and made statements to this effect: "I have always been good to my workers. I give them better conditions than the union can get for them. I pay them better than the union pays them. They have shorter hours than the union is requesting. They have a pension fund; they are given turkeys at Christmas, Easter bunnies at Easter, and firecrackers on the Fourth of July."

Let me remind you, Mr. President, that there have been times in the history of this world when nations were ruled by great and benevolent kings who were more noble in their generosity, more gracious, and more kindly, possibly, than any democracy has ever been; but he who giveth can take away, and the one who may be kindly on Wednesday may have dyspepsia on Thursday, and be not so kindly on Friday.

What the workers of America are asking for is not paternalism; they are not asking for the spirit of benevolent monarchy; they are asking the right to do something about their own condition, which is a very normal, traditional, American attitude. They are asking the right to make some of their own decisions. Even if their decisions are not so good as those handed down by somebody else, they want to make them, rather than have the perfection of the philosophy of Plato. Even the well-treated slave prefers freedom to security; and it is to the credit of the people of the United States that this is a fact which faces us. It was an employer, not a union, who made the statement:

> No; labor doesn't want paternalism. Grown men and women don't want to be bribed by philanthropists. * * * In their private lives they want the free right of self-expression.

Unfortunately, trade-union activities, by their very nature, attract attention chiefly when they take a negative turn. If from fifty to one hundred thousand collective agreements are signed each year, the large majority of these would not make the headlines. The strikes do make the headlines. Without fear of successful contradiction, I say that more money was lost because of unemployment during the depression than has ever been lost because of strikes. Let those who were so concerned about strikers think of what was happening to the country. The Republic was starting to rock and quake all over. Those same people were not concerned about the problem of unemployment, or what should be done about it. We could have paid off our whole national debt, or at least that of World War II, in what we lost in gainful employment in the 1933 crisis if we could have had all the people back to work. That was a real problem, a problem of real dimensions.

In the first place, managements generally have more of an opportunity to come before the public in a favorable

light. Everyone knows, for example, what the new cars look like; we see them every day, we recognize them as they pass before us in the streets. We recognize them by their names, which are associated, in our minds, with management. All of us have seen the advertisements of the new Chrysler, for instance, the new Ford, the new Dodge, the new Cadillac. The name Chrysler, when we see it in print or hear it over the radio, strikes a favorable response, or at the worst, a neutral response. Even if we cannot afford the car we do not hate it. Now, in the next 6 months negotiations will take place between the union which has organized the employees of the Chrysler Corp. and the management of the corporation. If these new negotiations are successfully concluded, as we hope they will be, there will be a notice to that effect in the newspapers, and after 1 day the incident will be forgotten. If, however, these negotiations are not successful, the union will be at a disadvantage. For it is the union which declares the strike. Even in cases where impartial observers might agree that management was wrong, the fact that the union declares the strike puts the onus of the strike upon the employees.

People who do not look too carefully into a situation, therefore, tend to be influenced against the unions. They do not realize, and the newspapers have failed to help them realize in many instances, not every time, that careful consideration is given before a strike is called. Thousands of Americans, good, hard-working, decent citizens, learn of a strike, never realizing the procedure which is followed. One of the most democratic unions in the United States, one of the oldest and most influential, is the International Typographical Union. By the way, the International Typographical Union was written up less than 2 years ago in the Reader's Digest as the model union of the world, the best in the world. It was praised by the labor editors of the Reader's Digest. The editorial writers of the Reader's Digest pointed out that the International Typographical Union was not only the model union of the world but the most democratic union, one of the finest examples of trade-unionism in the world. Yet that union, because of the Taft-Hartley law, is supporting a strike of its members in Chicago to the tune of many millions of dollars spent out of its treasury. The wages lost will never be regained by the employees. It is fair to assume, therefore, that much more was involved in the decision to call this strike than mere monetary consideration. These employees must have been interested in ultimate security, and, further, in the right to exist as an organization; if not, at any moment they want to, through their organization, they can give up the strike and return humbly to their employment. But they are not going to give up. They are Americans. This is the union which just before the passage of the Taft-Hartley bill was held to be the best in the land, and it has literally been ruined, crushed, destroyed, because of the provisions of the Taft-Hartley law.

I wonder how many young Americans know about the International Typographical Union, its laws and constitution, the caliber of its membership. I wonder if as many know about that as know, let us say, about one of the great newspapers of this country, for instance, the Chicago Tribune, the New York Times, the Washington Post, the Washington Star, the Times-Herald, or any other newspaper.

It is this feeling on the part of employees—the feeling that makes them stick together even in the face of serious financial straits—which illustrates the difference between labor organizations and business organizations. The unions are not profit-making institutions; they do not sell a product; their objectives cannot be measured in dollars and cents. They are not managed like business concerns, where the people who have invested the most money are the responsible officials; they are managed by an elected leadership which is subject to being turned out of office if its policies are not popular. I point to these facts because of the dangerous tendency reflected in the Taft-Hartley law of treating unions, as I said a while ago, as if they are business concerns. It must be realized that the trade-union faces us with an economic problem, one which cannot be oversimplified by creating an artificial comparison between it as an institution, and the business enterprise as a parallel institution. It is the trade-union which needs the protection of laws rather than private enterprise. Both of them should be able to operate freely, but the trade-union, by its very nature, cannot be considered as an equal partner devoid of any need for protective standards. It is the trade-union, therefore, which requires that the Government guarantee to it its right to represent its members in the collective-bargaining process.

Mr. THOMAS of Utah. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. HUMPHREY. I yield for that purpose.

Mr. THOMAS of Utah. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MURRAY in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Brewster	Hoey	Mundt
Bridges	Holland	Murray
Butler	Humphrey	Myers
Capehart	Hunt	O'Mahoney
Chapman	Ives	Russell
Chavez	Johnson, Tex.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kem	Smith, Maine
Donnell	Kerr	Sparkman
Ellender	Kilgore	Taft
Ferguson	Langer	Thomas, Okla.
George	Lodge	Thomas, Utah
Gillette	McFarland	Thye
Graham	McGrath	Tydings
Green	McKellar	Vandenberg
Gurney	McMahon	Williams
Hayden	Magnuson	Young
Hendrickson	Maybank	

The PRESIDING OFFICER (Mr. HOEY in the chair). A quorum is present.

Mr. HUMPHREY. Mr. President, I should now like to devote some time to a discussion of the historical background of this subject. I thought it would be a good idea to have a little labor history in this debate, because I am one of those who believe we cannot debate present situations without a full and complete knowledge of what has transpired in the years before. So for that purpose I wish to take the time of the Senate to trace the development of trade-union organization in this country. Goodness knows we need to know about it. I submit that in the vast number of public schools children who are sooner or later going to go into industry, who are sooner or later going to be factory workers, have literally never heard a word about a labor union. That was surely true, if it is not true today, 10 years ago or 15 years ago. If those children heard anything they heard it, if you please, not on the basis of fact, but on the basis of opinion and rumor.

We have taught history in America all right, and I am sure that my distinguished colleague the chairman of the committee, the Senator from Utah [Mr. THOMAS], as one of the great teachers of the country, has recognized and recognizes this fact much more than does the Senator from Minnesota. But in teaching history in the elementary and secondary schools, in the public and private and parochial schools of America in the past, we have ignored the real history of the people of America.

We have spent a great deal of time reading the history of the country's battles. We have spent a great deal of time reading the history of the powerful men of industry. But I submit that those of us who have been in the field of education can say that with very few exceptions the great rank and file of the American children in school have not heard the history of farmers and workers. They have heard of the battle of Gettysburg. They have heard of the battle of Bunker Hill. They have read about the battles of the War of 1812 and of the Mexican War. But they have never really studied the great strivings and the great desires of the American people, the little people who were the buttress of the country, who were the workers, the people who literally slaved. Possibly if they did hear about them they would understand the plight of those who are today seeking better recognition.

I wonder how many of our people knew, for example, what has happened to coal miners, despite the activities of those who represent them at this day. Let us think of what has happened down in the pits of those mines. How many of our children can remember the shooting down of workers in this country? Shot down, why? Because they wanted shorter working hours. How many remember the hanging of innocent people in connection with the Haymarket riot—innocent people who were never even near the scene of the crime.

That, Mr. President, is why I feel we need to trace some of this labor history.

HISTORICAL BACKGROUND OF GOVERNMENT'S ATTITUDE TOWARD LABOR RELATIONS

Labor organizations have existed in one form or another throughout our history. They have their antecedents, in fact, in the guilds and friendly societies

of England and the Continent. But these early organizations were small, local, and merely incidental to an economy that was largely agricultural and characterized by a predominantly personal relationship between workers and their employers. For generations of our colonial history and the early history of the Republic there was comparatively little need for unions of the modern type. Unions of today are a natural accompaniment of the change from agriculture and the handicrafts and local trade to modern factories and corporations and employer associations, and to gigantic enterprises extending from mining and even agriculture to manufacturing and transportation, to trade and public utilities, and even to services and recreational facilities. Workers have naturally and inevitably attempted to adapt themselves to these conditions by resort to the traditional and characteristic American method of free association.

Mr. President, I believe that a brief survey of the history and development of unions will contribute to an understanding of their present vital role in our society That role, as I have indicated, is closely connected with our basic traditions and way of life, and the maintenance of free and vigorous unionism is a vital part of the maintenance of that way of life in a system of free association and free enterprise.

It appears that the first unions to maintain a continuous existence were the shoemakers in Philadelphia, organized in 1792, and the printers of New York City, organized in 1794.

During the period immediately before and after the turn of the nineteenth century, shipbuilders, printers, cordwainers, and tailors formed unions and went on strike for wage increases. The early organizations of labor unions were paralleled by the formation of employers' associations which attempted to obtain nonunion labor, and frequently resorted to the courts under the aegis of the criminal conspiracy doctrine.

The attitude of the courts was hostile to the organization and activities of the newly formed labor unions. Between 1806 and 1815, of six recorded cases charging criminal conspiracy against the shoemakers, four were decided in favor of the employers. Under the criminal-conspiracy concept, both the act of forming a union and the end sought—that is, raising of wages—were considered unlawful. In its charge to the jury during the trial of shoemakers in Philadelphia in 1806, the court stated:

> A combination of workmen to raise their wages may be considered in a twofold point of view: One is to benefit themselves * * * the other is to injure those who do not join their society. The rule of law condemns both.

This doctrine remained unchallenged until, in 1842, the highest court of the State of Massachusetts, in the case of Commonwealth against Hunt, declared that a strike of workers for better conditions was lawful, and not a criminal conspiracy.

Union activities suffered a decline with the panic of 1817, which ushered in periodic business depressions and times of prosperity similar to those of recent years. When business conditions improved trade-union activity increased. In 1825, Boston carpenters struck to secure the 10-hour day, and were met by the objections of the employers that a shorter workday would lead to idleness and vice, that the strike was run by outside agitators, and that the employers would suspend operations rather than give in to the union. In case there be any doubt as to the year in which that occurred, Mr. President, it was 1825, not 1948 or 1949.

During the 1820's and early 1830's labor unions were active in pressing for legislation in the various States which would abolish imprisonment for debt, establish free universal public education, mechanics' lien laws, and fair division of the public lands. Thus, at an early stage in the country's history, trade-unions were seeking to better the lot of the common man by securing for him the promised blessings of the new world.

The years 1833–37 witnessed the development of labor unions among hitherto unorganized workers, such as weavers, plasterers, cigarmakers, seamstresses, and milliners, and in newly settled cities like Pittsburgh, Cincinnati, and St. Louis. The first Nation-wide body of trade-unions was formed in 1834. It consisted of the city central trades' councils, and it had as its principal objective securing the 10-hour day. However, this movement, known as the National Trades Union, failed to survive the panic of 1837.

The growth of the railroads and the widening of the competitive market beyond the limits of a single city or State, together with the development of American industry in the 1850's and the Civil War, favored the organization and continued existence of the national union in the various crafts of the day. The printers formed the National Typographical Union in 1850; the stonecutters' local formed a national union in 1853; the hat finishers in 1854; and the molders, machinists, and puddlers in 1859. Particular impetus to union organization was given by the rapid rise in retail prices during the Civil War in the face of lagging wages. In the years 1861–72, 26 new national unions were formed.

Impressed by the increased output of commodities made possible by the use of machinery, trade-unions began to give more attention to the problem of securing the 8-hour day in order that the workers might be able to enjoy the benefits of a higher standard of living. The National Labor Union, established in 1866, pressed for an 8-hour day for Federal employees in the hope that such a law would make it easier to obtain an 8-hour day elsewhere. The Congress enacted an 8-hour day for Federal employees in 1868; and in 1872, President Grant prohibited by proclamation any wage decreases in putting the law into effect. However, the 8-hour day for workers in industry remained to be achieved at a later period.

The Knights of Labor represented the first large-scale labor organization in America, whose membership at the peak exceeded 700,000 workers. The early history of the Knights of Labor reflects an interest in social reform, rather than in immediate gains in wages and hours. Mr. President, that is what I have tried to emphasize repeatedly in my remarks, namely, that not only has the desire for monetary gain been the incentive of the labor-union movement, but frequently it has been the necessity for social reform, through political or labor-movement action.

However, the organization was soon compelled to give attention to the striking railwaymen employed in the Gould-owned lines, and in 1885, the Knights were successful in their efforts to restore a wage cut and to secure the reinstatement of locked-out employees. In structure the Knights of Labor had as its foundation the local assembly, in which skilled and unskilled, male and female, white and colored, and even farmers could and did find membership. By seeking to include all American workers in a single organization, the Knights of Labor antagonized many trade-unions. This factor, together with the rivalry between the local assemblies and the general assemblies, the conflict between long-run objectives and immediate wage-and-hour demands, and the emergence of the American Federation of Labor, brought about the decline of the Knights of Labor to the point where, in 1893, the membership had dropped to 75,000.

In the depression years of the 1870's there was much unemployment and destitution among the anthracite-coal miners of Pennsylvania. The strike of 1874 and 1875 against a wage cut ended in defeat and the dissolution of the mine workers' union, the Workingmen's Benevolent Association. A number of miners refused to go back to work and resorted to violence against mine owners in answer to wage reductions and discharges for union activity. The employers hired a Pinkerton spy to obtain information as to the activities of the Molly Maguires, as the workers' group was known. Eventually 24 Molly Maguires were convicted and 10 were executed for murder. The episode indicates the extremes to which workers have been driven in the past in order to resist injustice.

The great railroad strikes of 1877 were brought on by continued wage reductions in the midst of depression conditions.

I might interject here, Mr. President, it seems as though we have a great deal of depression. Practically every time we have trouble pertaining to workers, there is a depression. The plain, humble folk of this land, the farmers and the workers, are the first to feel the impact of the panics and all the depressions.

State and Federal troops were called out to suppress the strikes, which extended from Pennsylvania to San Francisco. A permanent consequence of those strikes was the enactment of conspiracy laws, the hostility of the courts to labor, the demand for additional armories, and the reorganization of the militia; the latter arising out of the fact that, in many instances, the militia could not be relied upon to fire upon the strikers—their own neighbors.

With the revival of business in 1879, the national unions, such as the molders, the locomotive engineers, the bricklay-

ers and masons, and the railway conductors, looked toward the formation of a federation of trade-unions which would concern itself with pure trade-unionism based on wage-and-hour consciousness. Its primary objective would be the furtherance of trade-union agreements designed to obtain immediate economic benefits for the membership. Its methods would be those of collective bargaining, and where they failed the methods would be the strike, boycott, and picket line. The far-flung political and social activities of the Knights of Labor were regarded as detrimental to the interests of the craft-conscious worker. In order to achieve these objectives, the American Federation of Labor was organized in 1886 and the national unions were made the basic units in the new organization.

In the 1880's the drive for the 8-hour day was resumed by the predecessor of the American Federation of Labor—that is, the Federation of Trades and Labor Unions—by the Knights of Labor, and later by the American Federation of Labor itself. By the 1890's the 8-hour day became prevalent in the building trades, but it was not until the decade of World War I that 8 hours became the standard for a large proportion of the American workers.

In 1892 a number of strikes took place in the steel industry, including the strike at Homestead, Pa., which developed into a pitched battle between strikers and Pinkerton detectives hired by the Carnegie Steel Co. Most of those strikes were unsuccessful and they virtually eliminated unionization in the plants of the larger steel companies.

Mr. President, and Members of the Senate, it is this background of viciousness, antagonism and bitterness that still colors the labor-management picture in America. When one looks at it with a sense of objectivity and, let me say, with a sense of humanity, I think it is understandable that there are still people in the ranks of labor who smarted under the whiplash and under the vindictiveness of the law, in the days not too far in the past.

The railroads were once more the scene of a major strike when, in 1894, the American Railway Union led the workers of the Pullman Co. in protest against wage cuts and the discharge of union members. The company refused to submit the issues to arbitration as requested by the workers. The strike was soon supported by railroad employees throughout the country.

The Federal Government, in cooperation with the General Managers' Association of the railroads, instituted proceedings under the law prohibiting obstructions to the mail and invoking the new Sherman Antitrust Act which had been enacted for the purpose of outlawing combinations in restraint of trade. The Attorney General obtained a sweeping injunction prohibiting all persons from interfering with the business of the railroads entering Chicago. The Attorney General then proceeded to obtain indictments against the officers of the union, charging them with interfering with the mail and hindering interstate commerce. The leaders of the strike were eventually sent to jail for contempt of court, and the strike was brought to an unsuccessful conclusion. The Sherman Antitrust Act had been perverted to serve the cause of the big business which it had been intended to restrain. That is why the workers detest a government injunction. They have suffered by the cruel rule of the tyranny of government, and there is plenty of background to substantiate their case.

The persistent refusal of most employers to recognize the legitimate existence of trade-unions continued to bring about major strikes with resulting loss of lives and property. In 1902 the anthracite coal strike followed refusal of the operators even to discuss the wage-and-hour issues with the United Mine Workers Union. Possibly we will now understand why Mr. Lewis does some of the things he does. Men are victims, and sometimes let me say products, of their environment and of their experiences. The coal operators refused even to discuss wage-and-hour issues with the United Mine Workers Union. The strike was terminated by the appointment of an arbitration commission satisfactory to both sides. It marked the first time in our history when a President of the United States played an active part in securing the settlement of a strike. Though the union was not recognized by the operators, the award of the Presidential commission provided for a wage increase and a grievance procedure.

By the way, I may say the injunction was not used. A Presidential commission, such as is authorized under the Thomas bill, was used.

In 1905 a rival union was organized in opposition to the American Federation of Labor. The Industrial Workers of the World advocated opposition to capitalism by means of aggressive strikes. Its leadership consisted, in part, of officials of the Western Federation of Miners who had been exposed to the violence employed by mine operators in opposing unionism. Consequently the new union did not have to go far to copy the ready example of employer violence. I think we all remember the IWW, which also capitalized on the failure of the A. F. of L. effectively to interest itself in the plight of agricultural labor, textile workers, lumber workers, and other badly exploited sections of the working population. Although the IWW gained public attention by the use of spectacular methods, as in the Lawrence textile strike of 1912 and in the free-speech fight of 1909 to 1912, at no time did its membership exceed 100,000 workers.

I know of no greater testimonial to the honor, the integrity, and the democracy of American workers than to point out that every time an aggressive, violent type of unionism has been offered to them, they have rejected it. I know of no better testimonial to the American workers than to say that today the greatest bulwark against any type of subversive element, Fascist or Communist, is the free trade-union movement of America. They have done more to rid the country of the "commies" than all the agencies of Government combined.

Lacking the stable base afforded by a policy of collective bargaining, and insistent upon a revolutionary goal, the IWW became unimportant in the American labor scene after 1918.

The years 1909 and 1910 saw strikes in the garment industry arising out of unsanitary sweatshops, extremely low wages, and job insecurity. The settlement of those strikes laid the foundation for a system of grievance and arbitration machinery which has since become a model for orderly, peaceful adjustment of disputes arising out of collective-bargaining agreements.

It will be seen, Mr. President, that the workers identified their lives and their security with their union. It is not good enough now for people to come by and say, "Well, employers will be good. They are good." The workers have spoken. They look back into the pages of their history, and they find that everything they ever got that was good, they had to fight and die for. In industry after industry, industries which are looked upon as respectable, fine industries, those having to do with forests and mines, shipping and railroad transportation, textiles, steel, whatever the line may be, there is hardly to be found one but what workers died for the right of a decent living. If anybody thinks he is going to cripple the unions, Mr. President, believe me, he will have trouble on his hands, because it was out of the unions that the workers gained dignity as American citizens.

The Sherman Antitrust Act received further application at the hands of the courts in the case of *Loewe* v. *Lawlor* (208 U. S. 274, 1908), the famous Danbury Hatters case. The Supreme Court declared that the acts of labor unions, if they involved restraint of commerce among the States, were covered by the Sherman Act. It held further that Congress clearly intended that the Sherman Act should be applicable to combinations of labor as well as those of capital. The final judgment against the officers and members of the union amounted to $252,000, and only the fact the trade-unions raised funds to pay the judgment saved the members of the union the loss of their homes and other property. I should like to have the sum of $252,000, under the Sherman Antitrust Act, compared with some of the "peanut" fines of a few thousand dollars paid by big business.

Labor, Mr. President, is a bit fearful when the Government begins to legislate in labor-management relations, because the history, on the part of the Government, is one of punitive aspects. It is one which has borne unfairly upon the brow and the back of labor.

This decision stirred labor to secure exemption from the operation of the Sherman Act, and Samuel Gompers hailed the Clayton Antitrust Act as the answer to the problem. He called it labor's Magna Carta. In other words, labor was no longer to be considered as a commodity, no longer to be considered as a part of a corporation. We decided that, as a matter of public policy, labor was not a commodity, but was flesh, blood, soul, created in the image of its Maker. However, the courts were to continue to place interpretations upon the lawful and peaceful activities of unions

which left them with the same legal disabilities and restraints that had existed prior to the passage of the Act.

In the latter part of the nineteenth century employers began to use the yellow-dog contract as a condition of employment by which a worker promised not to join a trade union so long as he remained an employee of the concern. In *Coppage* v. *Kansas* (236 U. S. 1 (1915)) and *Hitchman* v. *Mitchell* (245 U. S. 229 (1917)) the Supreme Court ruled that yellow-dog contracts were consistent with the fourteenth amendment and that any law or attempt by unions to abolish them would be depriving persons of their property without due process of law. The use of yellow-dog contracts became common in an increasing number of American industries and in such districts as West Virginia and Kentucky the courts became the principal aids of antiunion coal operators in their fight against organization.

Mr. President, it is patently clear why unions do not trust the process of injunction and, at times, even the processes of courts. They have suffered. It is not theory with them. Laws passed specifically to restrain monopoly, big business, were pushed down upon the brow and the back of labor. Courts which were supposed to be impartial, judicial, fair, and equitable, interpreted law after law to bear down upon the working people, underwriting, legalizing, yellow-dog contracts. Is it any wonder, then, that miners in West Virginia and in Kentucky take a strong position with reference to labor legislation?

The injunctive process was used to prevent attempts, however peaceful, to organize workers who had been compelled by economic circumstances to agree not to belong to a union.

The period of the First World War was of considerable significance for American labor unions. Membership almost doubled in the period 1915–20, to reach a high of more than 5,000,000 workers; important labor legislation was enacted; organized labor was represented on Government war agencies; and there was a vigorous effort made to organize mass-production industries.

In 1916 the railroad unions threatened to strike for the 8-hour day. Upon the intervention of the beloved and distinguished President Wilson the strike was averted and the Congress passed the Adamson Act which provided for the establishment of the 8-hour day for workers engaged in operating trains in interstate commerce. However, it took the threat of a major war and the continued intervention of the President, to bring the railroad managers to accept the provisions of the law in the form of a signed agreement with the railroad brotherhoods. When in 1917 the Federal Government took over the operation of the railroads, a railroad wage commission was appointed to investigate wage disputes. This body functioned effectively in preventing strikes during the war years.

In March 1918, the National War Labor Board was created with tripartite representation. No strikes or lock-outs were to take place during the war. The right of workers to organize into trade-unions and to bargain collectively was affirmed and was not to be interfered with by employers in any manner. The right of employers to organize in order to bargain collectively was also affirmed. The union shop and union standards were to be continued where they existed. These principles were in one respect regarded as unsatisfactory to union workers, for unions were not to attempt to bring about a union shop where the open shop was in existence.

In applying its policies, the War Labor Board sought to prevent both employers and unions from engaging in activities which would disturb production in essential war industries. In the Western Union and Postal Telegraph case, the Government took over the telegraph and telephone systems in order to show its determination to carry out its policies, even in the face of the opposition of the great corporations. The Smith and Wesson case indicated that the Government would not permit aggressive antiunion activities to be carried on in war industries. In the case of the Bridgeport machinists it displayed no hesitation about bringing pressure to bear upon employees who struck against an award by which they had agreed to abide.

Unions held considerable representation on Government boards during the war. In addition to the National War Labor Board, union representatives were to be found on the Emergency Construction Board, the Fuel Administration Board, the Food Administration Board, and the War Industries Board. This favorable attitude of Government toward labor, together with the labor shortage induced by the war and the rapid rise in prices, stimulated the tremendous growth in organization during the war years.

In 1918 the A. F. of L. began an organization drive in the steel industry in an effort to aid the workers to raise their low wages and to wipe out the 12-hour day. The companies affected embarked upon aggressive antiunion activities, discharging union men, and prohibiting union meetings in the company-controlled towns. The United States Steel Corp., through Judge Gary, announced its intention to refuse to deal with unions. The strike which ensued involved 300,000 or more workers and affected steel production in every region of the country. Direct clashes between strikers and private guards were frequent, especially when attempts were made to suppress meetings. In other words, they employed private militiamen. Imagine, Mr. President, having private armies in the United States of America. That is what we had in this country, a situation comparable to that under the war lords of China.

Throughout the strike the press gave much space to the employer's position and pursued a studied policy of alienating public sympathy away from the strikers. The strike ended in failure in the early part of 1920, and the steel industry remained an open shop until the advent of the Congress of Industrial Organizations in 1937. Why were they striking? They did not want to work 12 hours a day in the heat of the steel furnaces.

Think of it, Mr. President. In one of the great industries of this country there was no really effective union organization until 1937. Why? Because of guns, because of blacklisting, because of every antiunion activity that could be employed—beating workers up, hiring private armies, spies, guards. Is it any wonder that the steel workers are a little bit concerned with regard to labor-management law? They suffered under the impact of injunctions. They know that Government can be cruel as well as can be an employer. They learned the hard way. They did not go to school. They did not read it in textbooks. They lived and died with it.

The miners had suffered a continuous decrease in real wages during the war years. When they attempted, in 1919, to use their only effective weapon—the strike—to raise their wage standards, they were met by the combined forces of the employers, the Federal Government, and the courts. This was the year after the war, and I do not recall that the mine owners were losing any money during the war.

The Attorney General of the United States obtained an injunction in the Federal district court of Indiana. Here we again hear of an injunction. Whenever there is a dispute, let the Attorney General get an injunction. He obtained this injunction on the plea that the armistice did not end the wartime emergency, and that until the treaty of peace was concluded, the Lever Act, providing for Federal control of fuel, was in force, and that, in effect, the strike was one against the Government.

Mr. President, I wish to note that in this instance the Government did not own the mines, the Government had not taken over the mines, and these men were not Government employees. They were employees working for a private company, the profits going into a private company's treasury. Yet the Government stepped in with an injunction and said to the workers, "You must continue to lose real wages. You will not be given a real opportunity to adjudicate your case, either in the courts, by arbitration, through negotiation, or mediation."

Henry David, in his chapters on the American labor movement—Labor Problems in America, published by Farrar & Rinehart, New York, 1940—well describes the American plan of the twenties. Now we are getting close to home, and this is what this distinguished citizen had to say:

> At the close of the war the antiunion campaign which began in 1920 was disguised as a drive for the American plan.

After every war there is a little antiunion campaign. That is a traditional step which no one can dispute. I read further:

> Its objective was the open shop, but it made its plea in terms of American principles and the inalienable right of every worker to enter any trade and to accept employment under conditions satisfactory to himself without the intercession of a union.

That sounds very familiar.

Conservative farmers' organizations and the American Bankers' Association came to the aid of the employers promoting the American plan for the abolition of the un-American closed shop. In New York State alone there were at least 50 active open-shop associations, and Massachusetts had 18 such organizations in eight cities. The State manufacturers' associations were extremely active in the campaign, which included employers' associations in various industries and local chambers of commerce, to put the open shop into effect. In Illinois, where there were 46 open-shop associations, the Manufacturers' Association in October 1920, offered aid to any employer fighting for the open shop.

Unionism came practically with the Declaration of Independence. It was there much sooner than the Massachusetts industry group or association of manufacturers.

In January 1921, 22 State manufacturers' associations meeting in conference in Chicago officially adopted the name "American plan." For a number of years thereafter the employers carried on an aggressive struggle against unionism, which resulted in the defeat of many strikes and destroyed many trade-unions. The campaign was aided by the turn in business conditions which occurred in 1920, and which, by 1921, had resulted in widespread unemployment in industrial centers.

Mr. President, do we remember the recession of 1921 and what happened? Little businessmen were liquidated. Workers were unemployed. Wages kept tumbling. Farm prices were destroyed. Mortgages were foreclosed. Farmers were liquidated. But while all this was going on, 22 State manufacturers' associations joined in conference for the "American plan."

What was the American plan? I think perhaps we might take a look at it. It appears to me as if it was a plan to rob the American people. There were more bankruptcies than we ever dreamed of. In 1921 and 1922 farm income was down 60 percent, wages were off 50 percent, unions were destroyed, but big business was getting bigger and fatter every day. That is why some of us feel a little keenly about this matter. We are thinking about people who owned corner drug stores who were liquidated; we are thinking about people who lost their farms in the land swindle, about people who lost their life savings in the bank failures. I did not see the 22 rich manufacturers' associations joining together to save the people from those disasters, or the National Association of Manufacturers, or any other such organization coming to their aid. Oh, no, they were not concerned about that. They had joined together to beat down the unions. I read further:

The growth of militant employers' associations, the principal purpose of which was to fight the closed shop, helped to make the campaign for the American plan a success. The most strenuous opposition to the employers' efforts were encountered in the building trades. Here the well-organized unions succeeded in numerous instances in resisting the employers' attack. In many cities of the country, however, strikes to maintain union conditions were defeated, and building operations were resumed under open-shop conditions.

Under constant pressure from the open-shop drive following the end of the First World War, organized labor in the United States did not make much headway during the so-called prosperous era of the twenties, and it suffered the ravages of the prolonged depression and the mass unemployment that followed the stock-market debacle in 1929.

Every young American has had painted to him that great period in American history, from 1920 to 1929, the period of normalcy, the period of prosperity. What was happening? We need not go over that again. This country was being ditched, dammed, and drained; a little money was being made in the stock market by a few, the unions were destroyed, farmers were liquidated, small-business men were destroyed by the thousands, banks failed all over the country. It was a great period. It is strange about these great periods. They seem to be great to a handful of people who are not so great.

Mr. President, I speak with some feeling about that period because the kind of people the junior Senator from Minnesota knew, the kind of people who worked and produced, were liquidated in the great American plan of the 22 manufacturers' associations. Some of them were not in unions. They were ground up, and they were ground up by some of the same forces which today have just repainted the old job, just repainted the surface, and are now going around through the country, as they become richer and more monopolistic and more noncompetitive and more exploiting by the hour, saying, "Of course we believe in unions; we believe in free enterprise; we believe in a free economy."

By 1932 the total membership of the American Federation of Labor stood at approximately 2,500,000, as contrasted with the high mark of slightly over 4,000,000 in 1920. It declined further to about 2,100,000 in 1933.

It was not until after the enactment of the National Industrial Recovery Act in the spring of 1933, including section 7 (a), which guaranteed the right of employees to organize into unions of their own choosing and to bargain collectively with employers, that trade-unionism in the United States began to revive. With it came a tremendous influx of new members into the ranks of unions.

Mr. President, there is a strange parallel. As the real wealth of this country went down, unions went down. As the burglars, the speculators, the finaglers, had their way, unions and working people were destroyed. Finally the country came tumbling down almost into economic collapse, and unions with it. Since 1933, the unions, under section 7A have been given a chance to reorganize again, and have a legal status. The Norris-LaGuardia Act was passed, so that the injunction process could not be flung in their faces. From that day the country began to move forward and upward. The unions began to grow in membership and in strength and security.

EMPLOYERS AND EMPLOYERS' ORGANIZATIONS

Having discussed the nature of unions, and the historical background of our attitude toward labor relations, let us now turn to a discussion of employers and their organizations. Historically, as I have developed before, employers opposed unions in various ways, overtly and covertly, directly and indirectly. Always, however, the purpose was the same, to see to it that control of the business enterprise rested solely in the hands of the employer. The activities of the unions, of course, have been directed to an increasing participation in the determination of the conditions of their employment. Even after the passage of the Norris-LaGuardia Act, the NRA, and the Wagner Act, these antilabor activities continued. Their character changed, but their purposes have ever been the same.

By the way, the Norris-LaGuardia Act was passed in 1932, passed by a Republican Congress, signed by a Republican President, and the records of the congressional debates indicate just what we are talking about on the floor of the Senate in 1949; that is, the evil of injunction, the tyranny of government, the tyranny of giving people special privilege with government backing to be enjoyed promiscuously in connection with labor-management disputes.

I propose to examine in some detail the nature of these antilabor activities of employers because I believe that the objective of those who wish to retain the Taft-Hartley law is to reestablish the relative strengths of labor and management to the degree where we may have again such antilabor activities.

I think it is a matter of common history which is not too well known, because it is not spoken about too much, but the chairman of our committee, the distinguished Senator from Utah [Mr. THOMAS], pointed it out, that after the Wagner Act had been passed, and the President had signed it, and it was placed on the books, 69 corporation attorneys advised the employers that the act was unconstitutional and not to obey it. They said, from 1935 to 1937, it was unconstitutional, and that employers should not obey it. Mr. President, I may be able to find an attorney who will advise me that some other laws are also unconstitutional; but I wonder what would happen to me if I would take his advice and not pay my income taxes. I wonder what would happen to me if I failed to abide by the rules and laws of cities, counties, and States. Those who followed that advice got by with it for a while. Believe me, that is something which still smarts and still hurts in the flesh and the mind of labor.

More than 10 years ago the Senate Labor Committee did some pioneer work in the field of investigating employers' antilabor activities—that was just 10 years ago, so we are now getting right up to date—by establishing a subcommittee under the chairmanship of Senator LaFollette with whom was associated the present chairman of our committee, the distinguished Senator from Utah [Mr. THOMAS]. This subcommittee investigated the union-busting methodology of the time. It is, of course, impossible to go through the 75 thick volumes published by the Senate Labor Committee, reviewing the evidence put before it.

I shall take just a few of the high lights and review them briefly with the hope that they will impress you as deeply as they have this new Member of your body, and perhaps recall to those of you who were here when these revelations were made the type of atmosphere which I do not wish to see encouraged again in the United States.

Strikebreaking services were performed on almost an open basis prior to the Wagner Act, and even after the Wagner Act. Here is the type of offer made by a strikebreaking service to an employer. Now we are getting down to the LaFollette committee reports to the Congress of the United States, made just 10 years ago. I quote from a committee report the type of offer made by a strikebreaking service to an employer:

Your letter of July 28 is received. With reference to your inquiry about my experience and what I am prepared to do in case of disturbance, etc.

First, I will say that if we are employed before any union or organization is formed by the employees, there will be no strike and no disturbance. This does not say there will be no unions formed, but it does say that we will control the activities of the union and direct its policies, provided we are allowed a free hand by our clients.

Second, if a union is already formed and no strike is on or expected to be declared within 30 or 60 days, although we are not in the same position as we would be in the above case, we could—and I believe with success—carry on an intrigue which would result in factions, disagreements, resignations of officers, and general decrease in the membership.

From what we know now, we might be able to advise this employer that it would be better to recognize his union—better for his business, and perhaps better for his conscience. But prior to the Wagner Act, and, unfortunately, even for some time subsequent to its enactment, this was the fashion of the time.

There were other means used to break the hold unions might have upon employees. The company union was such a device. A Brookings Institution report states that—

The evidence shows conclusively that the great majority of the plans (company unions) were favored and fostered by the companies in order to forestall outside unionization.

Parallel to the tactics of smashing unions directly, was the use of industrial spies to report on the self-organization activities of employees. Detective agencies which supplied guards, and strikebreakers, generally also operated espionage services. More than 200 of such agencies operated during the 1930's—200 private, hoodlum outfits, 200 private strikebreaking firms, 200 private groups that could organize a private army for anybody who wanted it almost at any time.

In addition to the private agencies conducting such espionage, employers' associations also furnished spying services to their fellow members.

Generally, spying activities were conducted through the device of secretly sending agents into unions to report on the activities of union officers and to identify union members. Through such devices, also, the policies of unions and the internal discussions would be reported upon. In this way, the employer figuratively sat on both sides of the bargaining table, having information as to the views and plans of his employees' representatives.

Sometimes even this type of control over employee activities was not sufficient. In those cases, the strikebreaking agencies arranged to have their spies elected as officers of the unions. Here, literally, the employer sat on both sides of the bargaining table. The employer could thus order ill-advised strikes and other actions designed to weaken the unions.

The record is clear, Mr. President. These are not words that have not been considered. These are words that come from the records of the United States Senate.

The low moral quality of spying activities is indicated by the extent to which strikebreaking agencies would go in order to recruit spies. There is an intriguing discussion in the Senate committee reports of the process by which an innocent worker is caught and converted into a labor spy.

This process is called "hooking" or "roping." The innocent man is hooked by having a representative of a strikebreaking agency call at his home. The hooker represents himself as a Government agent or a delegate from a group of stockholders interested in the company. He offers compensation for the receipt of some unimportant piece of information. Gradually the demands made upon the innocent employee come closer and closer to the requirement to spy on his fellow workers. The job was remunerative; if the worker needed money, he might succumb. If he refused to act as a spy, he would be threatened with exposure.

Those are familiar tactics of people who are immoral. After its investigation, the Senate subcommittee made a report on strikebreaking services and espionage against representatives of employees. Here is a short quotation from the report of the Senate subcommittee. The quotation is not so short. We cannot be brief in connection with something that has such a long, nasty history.

The strike services which the committee has examined fall into three categories. The first is the provision of so-called strikebreakers, who are commonly understood to be persons who temporarily replace striking workers.

In some industries such temporary replacements have been, in the past, competent and skilled workmen. In most cases, however, strikebreakers are not qualified employees. The agencies engaged in the business of providing such replacements have even advertised that their function was simply to provide industrial shock troops with which to break strikes and cause strikers to return to work.

That was 10 years ago, in America. I continue with the quotation from the report of the Senate subcommittee:

The second category of strike services is the provision of guards or watchmen. The ostensible purpose of utilizing such guards, who are generally armed, is the protection of the strikebreakers, the loyal workers, or the plant property. Guards provided by the agencies must be distinguished from regular plant police and the local police force of the community. Usually they are strangers to the controversy and the locality in which they serve. In many cases these guards have been deputized as local police officers. An analysis of the commercial strike services reveals that men who offer themselves as guards in strikes form a more or less distinct occupational group, and can be designated as strikeguards.

The history of industrial disputes in this country indicates that the almost inevitable effect of employing outsiders of either of these classes, in an industrial dispute, is to produce resentment, bitterness, violence, and bloodshed. Nor is this surprising. The purpose for which such persons are offered by those who make a business of selling their services and the objective for which they are hired is to weaken or destroy the organizations which workmen have built up for their own protection.

The third category of strike services is the furnishing of persons to mingle with striking employees, or townspeople, disguised as strikers, strike sympathizers, or salesmen, as the case may be. In the trade these persons are designated as strike missionaries or street operators. Unlike the strikebreaker or the strikeguard, the connection between the missionary and the employer is always concealed.

I can assure the Senate that this missionary is not doing the Lord's work.

While the missionary's ostensible function is to act as word-of-mouth propagandist against the strike, he is often found in the ranks of the strikers, urging or committing acts of violence.

For such acts the union might well be sued.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MURRAY. Is it not true that at that time there were in the country organizations which advertised themselves to industry as being in a position to supply men of that character who would be qualified to enter the unions? In many instances they became officials of the unions, and became the strongest advocates of strikes and of rough action on the part of the workers. In one instance I know of in Montana, such a man was employed by the mining corporations, and he became one of the high officials of the union. He prepared a new constitution and bylaws for the union, which were so radical and so extreme that, of course, they aroused the resentment of the people of the community. They could see how extreme the workers were becoming. Such activity was a fraud perpetrated by industry, as the Senator has explained.

Mr. HUMPHREY. Exactly. I am very glad to have the interruption of the distinguished Senator from Montana, and his practical observation with respect to what I have been trying to describe. Let me say to my colleague from Montana, our companion and colleague on the Senate committee, that the tactics which were used in strikebreaking and spying are almost identical with the tactics used by the Communists.

Labor remembers those things, Mr. President. Some members of the labor movement still carry scars. Even some Members of Congress know what it is to have suffered from this sort of nefarious activity.

I continue to read from the report of the subcommittee:

At the outset it may appear difficult to understand how these three strike services, so diverse in function, can be offered by the same agency. If things were what they seem in the field of industrial warfare, the function of the strikebreaker would be to work efficiently and to operate the plant; the function of the strike guard would be to exercise a restricted degree of police power with the authority and moderation required in tense strike situations; while the function of the word-of-mouth propagandist would be to present the employers' side of the strike. As they exist, however, these three types of strike personnel have one purpose: to break strikes. Like industrial espionage, these strike services are weapons for the employer in his battle against the recognition of organizations of his employees. Thus, united in purpose, these services can be most profitably organized and offered by agencies or associations specializing in the practices of antiunionism.

Strikebreaking tactics alone were not sufficient, Mr. President. They frequently had to be backed up by the use of force. And for this use of force new techniques were in order. We did not wait until World War II to perfect new techniques of attack. The LaFollette committee studies found evidence of the use of virtually all types of firearms except Army field guns. They kept out the heavy artillery. Tear gas and electrically charged wires were used in industrial disputes. At one time large industrial employers spent more than half a million dollars in purchasing equipment to be used in emergencies when their employees made an attempt to organize. Employers were purchasing more than $500,000 worth of guns, tear gas, bullets, and machine guns—for what purpose? Because workers were preparing, through their union, to ask for a little more money. This was only 10 or 11 years ago. Chemical companies made large profits from the sale of industrial munitions.

I wish to quote in a little detail from the report of the LaFollette committee on this subject. I almost apologize for taking so much of the time of the Senate. But before we can really consider the question of labor-management law we must know the background and the history of the labor-management pattern in America. We cannot dream up a law in some nebulous environment, or in a vacuum. We have to know what the forces and the pressures were over a long period of time. Perhaps some of our distinguished colleagues and friends or associates have not read the history of labor-management relationships in this country.

I am quoting from the records of the Congress of the United States. I quote from the record of the committee of which the distinguished former Senator LaFollette, of Wisconsin, was chairman:

The utilization of any or all antiunion services, such as espionage, strike guards, or private policemen, involves the ultimate use of force. In the consideration of such services the committee soon became aware of certain means employed to implement such a policy. Chief among these was the use of firearms and chemical munitions. Thus, the committee found it necessary to turn its attention to the character and effect of industrial munitions.

The committee, in its inquiry into various strikes and their violent episodes, gathered much information concerning the industrial use of weapons and munitions. The committee's report on strikebreaking services made mention of the participation of certain detective agencies in the traffic in newer forms of industrial weapons, as well as their use, and the report on private police systems dwelt at length on the use of arms by certain of the police systems discussed. These reports did not, however, treat of the arms used in industrial relations as a subject in themselves.

In the earlier stages of its inquiry, the committee learned that there existed an established business of supplying weapons especially adapted for use in industrial disputes. The weapons furnished for such use were principally the various forms of tear and sickening gases, with equipment such as grenades, shells, and guns for discharging them. Submachine guns are also supplied for such use, though to a lesser extent. When held by public authorities for use in the exigencies of riotous situations, the possession of such weapons is, of course, legitimate and proper—

By proper police authorities—police authorities of the public, not by some private constabulary.

I read further:

Because such weapons are, however, designed and adapted for use by public authority in the exercise of police power in conditions of civil disorder, their purchase and possession by private employers raises problems of far-reaching significance. The committee found that gas weapons are widely purchased by employers and frequently used by them in industrial disputes, and that submachine guns have, to a lesser extent, been so purchased and so used.

A study of the purchase of such weapons by employers revealed that both machine and submachine guns and gas weapons are bought most frequently either in anticipation of or during labor disputes. Extending its inquiry to cover all kinds of weapons purchased by certain employers, the committee found the same correlation existing, in many cases, between the purchase of other types of firearms, and the ammunition therefor, and developments in the labor-relations situation of the purchaser.

In other words, when it looked as if there was going to be a strike or when it looked as if a union was forming, there always seemed to be a strange correlation between the growth of the union, the possibility of some collective-bargaining discussion over wages and hours, and the sales of tear-gas bombs, machine guns, submachine guns, pistols, rifles, and ammunition. Mr. President, that is a sad chapter—an almost unbelievable chapter—in American economic life.

I continue to read:

The committee's data on the purchase of the more common firearms are necessarily less complete than its information concerning the sale of machine guns, which is now subject to Federal regulation, and the trade in gas weapons, which are purveyed by a limited number of concerns, practically all of which the committee was able to investigate in detail. Nevertheless a study of the records of selected employers, concerning the purchase of revolvers, rifles, and shotguns, indicates that purchases of such weapons in quantities above the necessary minimum required to equip plant watchmen and to guard valuables, was inspired by the fear of strikes or labor disputes.

The committee's investigation disclosed not only that industrial munitions were purchased by employers at critical periods in the course of their relations with their employees but also that such purchases bore marked correlation to the labor policies of such employers. Almost invariably those employers who have assumed an attitude of hostility to bargaining with so-called outside unions have been discovered to be the largest purchasers of industrial munitions. Conversely, the establishment of cordial relations based on the principles of collective bargaining seems to appease the appetite for arms, and terminate the purchases of such weapons.

Mr. President, in addition to the use of strikebreaking agencies and various forms of violence against employees guilty of attempting to organize—tremendous guilt is said to be involved; they are free Americans, but are to be considered guilty of attempting to organize a union—employers had a novel method for utilizing the community as a strikebreaking device. "Citizens' committees" were formed in many localities to make it appear that the public, in a disinterested sort of way, desired to end a strike. After an investigation that usually lasted only until leaflets could be printed and distributed, the citizens' committee would declare publicly that the employer was right and that the employees should return to work at the conditions prescribed by employers. Although ostensibly dedicated to the preservation of law and order, citizens' committees were used as a strikebreaking device. Many such committees employed publicity firms to write advertisements attacking the strike, and they urged vigorous action against strikers, against their picket lines, and against their organizations.

The public was also used as a device to appeal to strikers to go back to work. This appeal was usually made in the form of petitions, frequently circulated by an anonymous group, in an effort to break the back of the strike. After some trial and error in this field of strikebreaking activity, a famous device was hit upon. I wish to refresh the memory of some of my colleagues. The device was called the Mohawk Valley formula. It is described very effectively in a decision of the National Labor Relations Board finding the Remington Rand Co. guilty of unfair labor practices against its employees. I should like to read to you the details of this Mohawk Valley formula so that you will have before you a picture of what happens when employers can feel free to engage in antilabor activities against unions; it is a picture which should be before the Senate at all times in the debate now under way:

First. When a strike is threatened, label the union leaders as "agitators" to discredit them with the public and their own followers. In the plant, conduct a forced balloting under the direction of foremen in an attempt to ascertain the strength of the union and to make possible misrepresentation of the strikers as a small minority imposing their will upon the majority. At the same time, disseminate propaganda, by means of press releases, advertisements, and the activities of "missionaries," such propaganda falsely stating the issues involved in the strike so that the strikers appear to be making arbitrary demands, and the real issues, such as the employer's refusal to bargain collectively, are obscured. Concurrently with these moves, by exerting economic pressure through threats to move the plant, align the influential members of the community

into a cohesive group opposed to the strike. Included in this group, usually designated a "citizens' committee," are representatives of the bankers, real-estate owners, and businessmen, i. e., those most sensitive to any threat of removal of the plant because of its effect upon property values and purchasing power flowing from pay rolls.

Second. When the strike is called raise high the banner of "law and order," thereby causing the community to mass legal and police weapons against a wholly imagined violence and to forget that those of its members who are employees have equal rights with the other members of the community.

Third. Call a "mass meeting" of the citizens to coordinate public sentiment against the strike and to strengthen the power of the citizens' committee, which organization, thus supported, will both aid the employer in exerting pressure upon the local authorities and itself sponsor vigilante activities.

Fourth. Bring about the formation of a large armed police force to intimidate the strikers and to exert a psychological effect upon the citizens. This force is built up by utilizing local police, State police, if the Governor cooperates, vigilantes, and special deputies, the deputies being chosen if possible from other neighborhoods, so that there will be no personal relationships to induce sympathy for the strikers. Coach the deputies and vigilantes on the law of unlawful assembly, inciting to riot, disorderly conduct, etc., so that, unhampered by any thought that the strikers may also possess some rights, they will be ready and anxious to use their newly acquired authority to the limit.

Fifth. And perhaps most important, heighten the demoralizing effect of the above measures—all designed to convince the strikers that their cause is hopeless—by a back-to-work movement, operated by a puppet association of so-called loyal employees secretly organized by the employer. Have this association wage a publicity campaign in its own name and coordinate such campaign with the work of the "missionaries" circulating among the strikers and visiting their homes. This back-to-work movement has these results: It causes the public to believe that the strikers are in the minority and that most of the employees desire to return to work, thereby winning sympathy for the employer and an endorsement of his activities to such an extent that the public is willing to pay the huge costs, direct and indirect, resulting from the heavy forces of police. This back-to-work movement also enables the employer, when the plant is later opened, to operate it with strikebreakers if necessary and to continue to refuse to bargain collectively with the strikers. In addition, the back-to-work movement permits the employer to keep a constant check on the strength of the union through the number of applications received from employees ready to break ranks and return to work, such number being kept a secret from the public and the other employees, so that the doubts and fears created by such secrecy will in turn induce still others to make applications.

Sixth. When a sufficient number of applications are on hand, fix a date for an opening of the plant through the device of having such opening requested by the back-to-work association. Together with the citizens' committee, prepare for such opening by making provision for a peak army of police by roping off the areas surrounding the plant, by securing arms and ammunition, etc. The purpose of the opening of the plant is threefold: To see if enough employees are ready to return to work; to induce still others to return as a result of the demoralizing effect produced by the opening of the plant and the return of some of their number; and lastly, even if the maneuver fails to induce a sufficient number of persons to return, to persuade the public through pictures and news releases that the opening was nevertheless successful.

Seventh. Stage the opening theatrically, throwing open the gates at the propitious moment and having the employees march into the plant grounds in a massed group protected by squads of armed police, so as to give to the opening a dramatic and exaggerated quality and thus heighten its demoralizing effect. Along with the opening provide a spectacle—speeches, flag raising, and praises for the employees, citizens, and local authorities, so that, their vanity touched, they will feel responsible for the continued success of the scheme and will increase their efforts to induce additional employees to return to work.

Eighth. Capitalize on the demoralization of the strikers by continuing the show of police force and the pressure of the citizen's committee, both to insure that those employees who have returned will continue at work and to force the remaining strikers to capitulate. If necessary, turn the locality into a warlike camp through the declaration of a state of emergency tantamount to martial law and barricade it from the outside world so that nothing may interfere with the successful conclusion of the formula, thereby driving home to the union leaders the futility of further efforts to hold their ranks intact.

Ninth. Close the publicity barrage, which day by day during the entire period has increased the demoralization worked by all of these measures, on the theme that the plant is in full operation and that the strikers were merely a minority attempting to interfere with the right to work, thus inducing the public to place a moral stamp of approval upon the above measures. With this, the campaign is over—the employer has broken the strike.

THE WAGNER ACT

Mr. President, I come now to the portion of my remarks in which I deal directly with the Wagner Act.

A review of these anti-labor activities of employees leads us logically to a discussion of the act which succeeded in changing this picture so drastically in the 12 years it was in operation. Some people may wonder how it was that we got the Wagner Act. It was because of what I have been reciting today on the floor of the Senate, namely, because of injustice, inequity, unfairness, because we in America should not tolerate such things, because basically the American people are fair-minded, and they are unwilling to have the sins of the few become the basis for a national policy.

The things I have mentioned this afternoon undoubtedly may be taken as examples of the iniquitous practices of a handful of people out of the total population, but a handful of people, Mr. President, who have great power. In 1933, under section 7 (a), things became a little different, and then the Wagner Act was passed. Let us go back to the early period of the New Deal and imagine ourselves in 1933 with a depression staring us in the face, and with business and labor both sadly in need of economic measures to alleviate the depression. The National Industrial Recovery Act was passed and its imaginative character resulted in the economic spurt needed by all elements in our economy. As part of the NRA program, workers for the first time—other than for a brief period in World War I—were given some measure of protection in their right to organize. Employees were given the right to organize and to bargain collectively under section 7 (a) of the NIRA, and employees could not be required to join company unions. But this was found to be insufficient because there was not enough of the power of the Government behind the guaranty of the right to organize freely. Before this act was in effect for very long the Weirton Steel Co. defied the Board created to enforce section 7 (a). Before long, too, the Budd Manufacturing Co. refused to abide by a decision of the Board. By the beginning of 1934 section 7 (a) was not too meaningful. The reason for this was clear; there was a lack of statutory power in the phraseology of section 7 (a). Any employer violating the law could be punished only by withdrawing the right of that company to use the "Blue Eagle" insignia of compliance with the NRA.

It was clear that something more had to be done. An attempt was made to correct some of the deficiencies, but in May 1935 the NRA was declared unconstitutional and we were temporarily back in the pre-New Deal conditions of industrial relations. Within 40 days after the Supreme Court's decision declaring the NRA unconstitutional, which Congress had passed and President Roosevelt had signed the act that was to become the cornerstone of labor relations policy for the Government for the years to come.

That was just 40 days after NRA was declared unconstitutional. The act I refer to was known as the National Labor Relations Act, more commonly known as the Wagner Act. I may say that for the purposes of my discussion this afternoon I have started out by using the desk of the distinguished Senator from New York [Mr. WAGNER]. I felt it appropriate that in the defense of sound labor-management relations I should speak from the place in the Senate which is designated as the desk of the distinguished statesman and Senator who unfortunately is ill and unable to be with us, the senior Senator from the State of New York.

Let us examine this act, Mr. President, which, in an important sense, marked a turning point in the relationship of the Government to labor and management. In the early days, as I have indicated, the Government had been openly opposed to defense of workers' rights to organize. Later on there developed a sort of neutral attitude under which employees had the right to join unions but employers had the parallel right to fire employees who joined unions. This equality of rights naturally resulted in discouragement of union organization. It was clear to the Congress that equality of rights was not enough; that the workers not only should have the freedom to join organizations, but that the freedom must be protected from interference by employers. In a sense, therefore, the Wagner Act was truly one-sided in the same way that the hunting laws are one-sided which protect wild game from hunters' guns, but do not provide similar protection of the hunters from the wild game. The Senator from New York [Mr. WAGNER], in an address at Yale University in 1937, described in interest-

ing fashion this aspect of the law which bears his name. I quote from the Senator's address at Yale University:

If an uninitiated person were to examine the act in a vacuum or on the planet Mars, he would be overwhelmed by the ostensible justice of this criticism.

But when the act is placed in the factual context of a complete and functioning social system, the criticism becomes absolutely meaningless. No one would assail a traffic law because it regulates the speed at which automobiles run and not the speed at which people walk. No one would attack the law of domestic relations because the obligations imposed upon parent toward child are not the same as those imposed upon child toward parent. No one feels that the Securities and Exchange Act is iniquitous because it places duties upon brokers but not upon buyers. The only sane test of a particular law is whether the restrictions which it imposes are in themselves fair, and whether, when added to the sum total of social controls, the particular law promotes or retards a just relationship among the respective forces in modern economic society.

No reference to the facts would indicate that the National Labor Relations Act creates an unbalanced equation in the relationship between employer and worker. Certainly the employer had the right to bargain collectively through the corporate form and through Nation-wide trade associations. Certainly, in dealing with labor, and in all other business affairs, he had the privilege of selecting his own spokesman by majority rule.

No working group has ever challenged the employer's right to use the collective-bargaining procedure in dealing with his employees, his competitors, and the general public. The simple truth is that the correlative rights which labor is accorded under the act have all been enjoyed by industry for a century or more.

Of course, Mr. President, just as the Wagner Act was considered to be equitable for the situation that existed at that time, in view of the background which has been discussed here, so we of the majority of the committee, feel that the Wagner Act now must be reevaluated in terms of modern problems and experience, and a series of amendments have been offered to the act.

It should be crystal clear, Mr. President, that those of us who support the Thomas bill, even with the four amendments which have been offered by some members of the committee and by other Senators who have joined with them, believe that the issue still is whether we want free collective bargaining or Government-controlled, regulated, and managed bargaining. The amendments are offered, as the distinguished chairman of the committee said, within the spirit of the Thomas bill, because they are within the realm of free play between employer and employee.

The Wagner Act, important though it was, was simple in objective, clear in intent. It announced to the country that the Government was no longer neutral in the field of collective bargaining. It would no longer look disinterestedly upon employees' attempts to join unions and upon employers' ability to discharge employees who did join unions. The Government declared that this neutrality policy was to be discarded; instead, we were to enter upon an era in which the Government openly declared its view that collective bargaining was preferable to individual bargaining. This has been the policy of the Government ever since 1935, and even the Taft-Hartley law gives lip service to that policy. Now under the Wagner Act, the Government went further than a pious declaration of intent, and stated that collective bargaining was so desirable that the Government would protect those people who decided to govern their labor-management relationship in such a fashion. So, two things were done. First, we added to the right to self-organize specific descriptions of employer practices which interfered with those rights. We said, generally, that it was an unfair labor practice for employers to interfere with the rights enunciated in the act, and specifically that it was an unfair labor practice to interfere with those rights by forming or assisting company unions, by discharging employees or discriminating against them in any other way for joining labor organizations or for testifying in connection with a proceeding under this act, or by refusing to bargain with a duly selected representative of a group of employees. Second, the act provided a means by which employees could select representatives. It provided for the collective bargaining election as a device for the selection of representatives of employees for purposes of collective bargaining.

Then, to give meaning to these provisions of the act, the law established an agency, the National Labor Relations Board, to administer this act and to arrange for enforcement of its decisions through the courts of the United States of America. This was a simple law; it was a law that did not give power to, as much as it removed pressures from, employees and their organizations.

I repeat that, Mr. President. It was a law that did not give power to, as much as it removed pressures from, employees and their organizations. Traditionally, liberty is supposed to be the absence of restraint. The National Labor Relations Act of 1935 was in the traditional concept of American liberty—absence of restraint—a fundamental part of our political philosophy, I think, if we still believe in liberty.

It was natural to assume that removal of these pressures would result in an increase in free organization of workers. When employers no longer have the right to spy on their employees and may no longer participate in any other of these activities which I have described and which discourage union organization, it is natural to expect an increase of union activity and a resultant increase in union membership. This was not a bad sign; it was a good sign. So we find trade-union membership increasing fourfold under the Wagner Act. More than 7,000,000 employees voted in elections conducted by the National Labor Relations Board, with 80 percent of them voting in favor of representation by some union.

The forces opposed to the enactment of the Wagner Act did not stop when the act was passed. A group of self-appointed and self-annointed labor experts, calling themselves the National Lawyers' Committee, and associated with the American Liberty League, examined this law and came to the conclusion that it was unconstitutional.

No one asked them to do that. According to the Constitution, courts are appointed by the President and the Justices are confirmed by the Senate for the purpose of deciding as to the constitutionality of laws passed by the Congress. But the National Lawyers' Committee wanted to be helpful. So they set themselves up as a court. They were not content with nine members. There was a large group of them. They declared that the law was unconstitutional. They even went to the extent of writing a legal brief of 127 printed pages to prove this contention. They made a magnanimous gesture. They offered, to anyone who was charged with an unfair labor practice under the Wagner Act, free use of this legal brief. The result was that more employers were encouraged to violate the law. Not only did they have their early animus to back them up, but they had million-dollar legal talent to help them in continuing their activities.

The Board was prevented by court injunctions from carrying on its activities for the better part of a full 2-year period. For it was not until the Supreme Court, on April 12, 1937, declared the Wagner Act constitutional, that the act could really begin to be enforced. For 2 years after the act was passed the Board was harassed day and night with court injunctions.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the distinguished Senator from Utah.

Mr. THOMAS of Utah. Ordinarily in our country when there is widespread discussion concerning the constitutionality of a law, it is generally decided to try a test case. Everyone is satisfied with it, and it goes up as one case. But that was not what was done in 1937 and 1938. Different cases were presented to practically every court in the country, which harassed the administration of justice. The Senator has pointed out how the organization of lawyers offered their services. It was even stronger than an offer. They suggested that employers did not need to obey the law. There are all sorts of grades of legal morals, but, to me, probably the worst thing a lawyer can do is to say, "Do not obey the law, because we will take care of you." If that were generally done, what kind of Government would we have? We would have no Government at all. We would have something very close to anarchy. By having one case of John Jones, another case of Peter Smith, another case of a different name, in another place, and so forth, the boards which were established were so harassed in attempting to handle the various cases that they almost became exhausted. In all the history of the United States, in all the various efforts made to overcome an activity which the Government had attempted to establish, never was there such a fight for liberty as that which was made in those days. The question was supposed to be argued and decided in the courts, but the courts were as much harassed as was the Board itself.

I thank the Senator from Minnesota for yielding to me.

Mr. HUMPHREY. Mr. President, I am deeply appreciative of the assistance of the distinguished Senator from Utah in explaining what happened in the early days of the Wagner Act. The Senator from Utah is very familiar with the legal contests in connection with the early application of the act. I again state that through the studied experience of men such as the distinguished Senator from Utah we gain a proper perspective of the pattern of labor-management relationships. The observations of the distinguished Senator are very pertinent in this debate and discussion.

Mr. President, once the Supreme Court threw out the legal arguments prepared by the Liberty League talent, the real history of the Wagner Act began. That was not the only case, by the way, the Liberty League lost. I think they lost the election of 1936, too. From that time on, the decisions of the Board were supported by the courts to a degree unprecedented in the history of our country.

Many were the evidences of how successful the act was operating. One of the purposes of the act was to make it easier for employees to organize without interference by their employers. In 1937, the year in which the act was declared constitutional, 60 percent of the workers involved in strikes were involved in disputes which included the issue of union recognition.

By 1946 collective bargaining was the rule rather than the exception. Although strikes were numerous in that year—a natural occurrence in view of the post war situation—only 12 percent of the workers involved in strikes were involved in disputes relating to union recognition.

While discussing the subject of strikes, let me make it clear that, serious as they are as a reflection of industrial stresses and strains, or industrial tension, strikes in 1946 were relatively no more serious than after the First World War. We were passing through a period of reconversion. Prices were rising rapidly, the whole cost of living was rising rapidly, and we could have expected nothing else. In fact, a smaller proportion of the work force was involved in strikes in 1945 and 1946 than in 1919, the year after the First World War.

Mr. President, I brought along with me charts which have been prepared by competent labor economists. The first one shows the "Trends in work stoppages following World War I and World War II. Number of strikes and workers involved."

The second chart shows the "Number of workers involved in strikes in proportion to total employed."

It was pointed out in the majority report of the Senate Committee on Labor and Public Welfare that actually after World War II the number of strikes dropped rapidly as compared with what happened after World War I. The black line on the chart is the line of World War II. From the high peak in the first postwar year, starting in 1945–46, it goes down sharply by 1946 into the beginning of the second postwar year, and down even more in the third postwar year.

It is perfectly obvious from a look at this chart, that the curve indicating the period from 1918 to 1921 does not show such a precipitous decline. The strikes went on up in the first postwar year, and did not decline rapidly between 1918 and 1921.

What is important is the number of workers involved in strikes in proportion to the total number employed. We find that in 1918 to 1921 approximately from 21 to 22 percent of the working forces were involved in strikes. In 1945 to 1948 we find about 14 percent, at the peak, involved in labor disputes.

Senators will notice the heavy, dark lines, indicating the period from 1945 to 1948, the top line being from 1918 to 1921. They will notice that, first of all, there was a smaller percentage of the total working force out on strike in 1945 to 1948 as compared to 1918 to 1921, and they will notice that, as compared with the third postwar year after World War I, the workers today, in the third postwar year, have fewer strikes in proportion to the number of workers. That is, the number of workers involved in strikes is smaller than it was in 1918 to 1921. These are proportionate figures. It is perfectly understandable that there were not as many workers employed in 1918 to 1921.

The record is resplendent with the testimony given by the Secretary of Labor, which was included in the report of the majority of the committee. From page 5 of the report I read:

> Significantly, the incidence of strikes in 1946 was by comparison well below that of the comparable postwar year 1919. In 1919, 20.8 percent of all employed workers were involved in work stoppages. In 1946 14.5 percent of all employed workers were involved in work stoppages. The existence of a stronger union movement and the stabilizing influence of the Wagner Act on labor-management relations, which in 1946 had not been amended by the Labor Management Relations Act, served to encourage the peaceful settlement of differences, even under difficult conditions.
>
> Problems of transition from war to peace caused a relatively high incidence of strikes in 1946, just as they did in 1919. Opportunities for earnings from overtime work had largely evaporated; peacetime jobs in many instances were at pay scales below those of wartime, and living costs rose rapidly with the lifting of price controls. During the period between June 1946 and June 1947 the Bureau of Labor Statistics consumers' price index rose from 133.3 to 157.1, or 17.8 percent, while average hourly earnings, exclusive of overtime, increased from $1.05 to $1.17, or 11.4 percent.

We could go on and on discussing the economies, but I think it would be well to place in the RECORD something which I said in an address placed in the RECORD some time ago. I said:

> The question of labor-management relations does not exist in a vacuum. To understand the bills we are discussing—the Taft-Hartley Act and the bill that will replace it, the Thomas Act—we must deal with it in relation to the whole economy and the entire community. To understand these laws we must keep in mind the whole history of American trade-unionism and the whole picture of American business.

That is what I have tried to do in the discussion this afternoon.

> Further, we must look deeply into the matter of community and social relationships, beyond the matters of dollars and cents. Nowhere, as I recall, has the committee or any of its witnesses brought to mind the important function that American trade-unionism has already achieved. Through their unions the workers of America have attained their rightful status in the community—they have become an equal part of the community—equal with management, equal with the farmer. They are, through their unions, represented on Government boards and commissions, on radio programs and religious and patriotic occasions, on local committees and community councils. They have achieved social equality—real democracy.
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> But it is with the economic aspect of the labor-relations picture that I want to deal right now, for I think we have lost sight of it here. Let us look back to that immediate postwar period of labor friction and disputes and see what exactly the economy looked like at that time.

In other words, Mr. President, we cannot talk about the number of strikes and simply leave the discussion there. We must talk about the number of labor disputes in relationship to the rest of the economy. What was happening in America? What was happening in the first year after World War II? Many things were happening. Families had been broken up, workers had gone from one side of the country to the other. Thousands and millions of people went from one end of the country to the other, whole communities were upset, there were people going into communities and people going out of them. All of that has to be put into the picture, and the economic facts have to be put into the picture. I read further:

> Let me quote from the report of the economic report of the President transmitted to the Congress in January 1949.

Let us take a look and see what happened in the economic picture. This is the record of corporate profits after taxes:

Corporate profits, after taxes, in 1940, were $6,400,000,000.

In 1941 the profits were $9,400,000,000, after taxes, and after reserves had been set aside.

In 1942 corporate profits, after taxes, were $9,400,000,000 again.

In 1943 they were $10,000,000,000.

In 1944 they were $10,800,000,000.

In 1945, the last year of the war, conditions were becoming bad. The corporations' profits were only $8,700,000,000.

Then we come to 1946. By the way, up to 1945, the corporations made a total of $60,000,000,000 net profit, after taxes, after reserves, after plant replacement, after business thrifts. After all these things there were about $60,000,000,000 of profits, and all during that time the American workers were on the job producing. Union after union was decorated for heroic service to the country, and I know very few of the industrial workers who ended up having a seat on the Stock Exchange. I know very few of them who ended up by buying for themselves $50,000 or $60,000 homes. As a matter of fact, the record reveals that the workers have spent almost all their war bonds already.

Then comes 1946. Corporation profits after taxes in that year were $12,800,000,000. Then we cut off price control.

In 1947 corporation profits were $18,100,000,000.

In 1948 corporation profits after taxes were $20,800,000,000.

Add them all up and we have a total of $106,700,000,000 net profits for corporations in 8 years.

We had a labor-management emergency in the coal industry soon after the war. I think every Member of the Senate remembers that situation in the coal industry. Let us investigate the coal industry as carefully as we have looked into the union.

In hard coal, an industry that had gone 8 years without profits, after-taxes profits leaped from $6,000,000 in 1940 to $16,000,000 in 1944, $9,000,000 in 1945, and $14,000,000 in 1946. The profits for each of the years from 1941 through 1947 far exceeded the profits in the boom year of 1929, when the mine owners did not have any unions around.

In soft coal, the picture was even more spectacular. In an industry that earned $9,000,000 in 1929, profits averaged over $88,000,000 in each of the 7 years from 1941 to 1947, after taxes, Mr. President.

In coal and petroleum industries, corporations were earning the fantastic profits of 14 percent on investment in 1947, which leaped to 23.2 percent in the first quarter of 1948, 20 percent in the second quarter, and which started to go down badly to 18 percent in the third quarter. Those are the corporation earnings after taxes—15 to 20 cents a year for every dollar invested in these million-dollar industries. Certainly, we had a coal strike. Yes, and there was some background for it, too.

Other industries were making similar profits. Lumber and wood products earned 19.2 percent on investment the third quarter of 1948, and nearly 25 percent on investment in the first quarter of last year. Iron and steel earned 15 percent, and automobiles earned over 21 percent on investment. That is not bad, Mr. President—21 percent on an investment.

What was happening to wages during this time? From 1945 to 1946, when profits shot up 47 percent, average weekly wages in manufacturing actually dropped more than 1 percent. Of course, we are supposed to be happy about that. The next year profits rose again, this time 41 percent, and weekly wages limped a sickly 12 percent. In other words, from 1946 to 1947, when industrial profits went up from $12,800,000,000 to $18,100,000,000, which was a 41 percent net increase, the workers were doing simply fine, they were having a big time, they were getting rich—they received a 12-percent increase. That was not net. No, that was merely a 12-percent increase. If there was anything net in what they received they were lucky, fortunate.

The next year, that is from 1947 to 1948, profits rose 13 percent. They could not go much higher. Corporate profits after taxes went from $18,100,000,000 in 1947 to $20,800,000,000 in 1948. The profits went up only 13 percent, Senators must understand, from 1947 to 1948. Profits went up 41 percent from 1946 to 1947, and they went up 47 percent from 1945 to 1946. But things were beginning to slow down a little bit after 1947, when profits were $18,100,000,000, and they went up only 13 percent in 1948, to $20,800,000,000.

What happened to wages in that year? Wages went up only 10 percent. So all the time profits have gone up by a total of over 100 percent, wages have gone up by a total of between 25 and 30 percent.

Mr. President, that is a part of the economic background. Those were very prosperous surroundings for management, and probably reminded them of the open-shop days of the twenties, and it is my contention that they felt their oats and began the campaign against labor that resulted in the Taft-Hartley Act.

I should like to remind Senators of the lengthy strikes in the auto industries following the war, and remind them further that at that time profits in the auto industry broke all records in terms of percentage profit on investment.

What I have said about the auto industry was also true of steel.

In the period of labor disputes in 1945 and 1946, we find a strange correlation, just as we find it between disease and slums, just as we find a relationship between strikes and profits right down the line; just as we find a relationship between depression and unemployment and the break-down of union organizations. The Eightieth Congress, which looked for a solution to labor-management troubles of 1945 and 1946, did nothing to get at the real causes.

While the incomes of our citizens began to spread apart more and more and wealth began to concentrate once more, while real profits rose and real wages dropped, the Republicans decided that the workers were becoming too strong. It was not only the Republicans who came to that decision, but also some Members on this side of the aisle. This contrary analysis brought on the Taft-Hartley Act, brought on the Knutson tax-cut bill. Parenthetically I might remind Senators that neither Mr. Hartley nor Mr. Knutson are with us today in the Congress.

While the Taft-Hartley bill made union organizing harder, the same group was cracking down on the unorganized worker by refusing to raise minimum wages to anywhere near a sensible level.

In other words, Mr. President, there has been a pattern in this country, a pattern which I think does not augur well for the future. There has been a lack of concern over the basic element of our prosperity—the welfare of the individual citizen and his purchasing power. The man who is today doing his job—the truck driver, the man working in the plant, the man who brings home $35, $40, or $50 a week—is the man who keeps the corner drug store and the corner grocery store going. He is the man on whom the economy is based. There has been a great lack of consideration for his economic well being.

We are always talking about what we are going to do about investment capital. There is plenty of it lying around. If some of those who are talking so much about it would invest some of their capital, they could do something about it. Investment capital can be obtained at cheap rates of interest. A man who wants to buy a house pays 5 percent; but a corporation can obtain money for 2 percent. The working man of the country is willing to take a chance at a job. He does not say to the plant manager, "Are you going to give me a job for 3 years?" He does not say, "Are you going to guarantee me employment for 5 years? If not, I will not buy a new pair of overalls. How can I invest in overalls unless I am sure that I am going to be on the job for 5 years?" He cannot go to the Reconstruction Finance Corporation and obtain a loan to buy a new car, or an old car, so that he may drive to work.

There is a great deal of talk about lack of confidence. The people who lack confidence are those who have always lacked confidence when they could not have their way. They are not happy over the fact that in the year 1948 they made only 13 percent more than they made in 1947. They thought that the increase of between 41 and 45 percent ought to continue every year. There happens to be a saturation point. That is why I say that when we study labor law we must study it in relation to the economic facts of our time.

What are the economic facts today? Farm prices are going down. More than three and a half million American workers are unemployed. But the quarterly report for the second quarter of 1949 indicates that American corporate business will make $18,000,000,000 net profit this year. It was $17,930,000,000 on the basis of the last quarterly report. Hard times? I am worried about those folks.

It was natural for the Wagner Act to be criticized, because it did interfere with the freedom which some employers had felt in their efforts to destroy unions in the past. Those who criticized the act before our congressional committees generally represented groups which had lost power through the growth of collective bargaining.

I can understand why certain people would be critical of the Wagner Act. Of course, they were critical of the Wagner Act, because the Wagner Act started to spread the power around. That is the question over which the political battle in this country has been fought. The political battle in America is over the issue as to who is to have power and control in America—privilege or the people. That is what the fight was about. That was the fight over the New Deal. The rich became richer than ever before. They could not even lose money under the New Deal. Everything was insured. A man could put his money in the bank and be sure to get it out. He could invest in the stock market and be reasonably sure of not being swindled.

Why did not certain people like the Wagner Act? It was because they did not write the rules. They only benefited from the rules written by the people. Why do not certain people like the Fair Deal? It is because they cannot give us a raw deal under the rules of the Fair Deal. The political question in America is, Who is going to run the United States—the 300 top corporations or the people? The people have been doing pretty well. They seem to have sensed in some way or other, despite a certain

lack of printed information, that they are perfectly capable of self-government.

Those who criticized the Wagner Act were generally represented by the groups which lost power. Before 1935 workers in the United States were generally not bargaining on equal plane with their employers. The Wagner Act gave them such a position of equality. Justice Holmes once said that it is necessary "to establish that equality of position between * * * parties in which liberty of contract begins." It is such an equality of position that the Wagner Act gave employees, and it is precisely that equality of position which was criticized by those who wished to destroy the Wagner Act.

Was there a need to amend the Wagner Act? As soon as the act was declared constitutional a new tack was taken by the unsuccessful Liberty League entourage. They could no longer claim that the Act was unconstitutional, so they attempted to amend the act so that it could not perform its historic task of removing the chains which bound the American worker in solitary confinement. As late as 1946 one member of the National Labor Relations Board eloquently described the reasons why the act had to be retained. He said, reminding us of the pre-Wagner Act evils:

> Under ordinary circumstances, a law which has been as completely interpreted by thousands of decisions and approved by the Federal courts in hundreds of additional decisions, would have nothing more serious to face ahead than refinements of procedure and exploration of borderline situations. However, this cannot be the fate of the National Labor Relations Act. A governmental agency responsible for the prevention of deep-rooted and cherished practices inevitably will arouse opposition. The Wagner Act had attempted to control a strong group of American citizens who wanted to go on in their own uncontrolled way.

The NAM was against the Wagner Act. It has been against everything except the Panama Canal; and that was a split decision. The NAM was against the Securities and Exchange Commission. The NAM was against the social-security program. The NAM was against the abolition of child labor. The NAM was against farm-price supports. The NAM was against the Fair Labor Standards Act. It was against the Holding Company Act. It was against the TVA. The NAM has been just against, period. Its record has been printed in the Harvard Business Review. Rather than burden the Senate with any further exploration of the record, I remind Senators to check the May issue, 1947, of the Harvard Business Review:

> The Wagner Act had attempted to control a strong group of American citizens who wanted to go on in their own uncontrolled way.
>
> The law had as its target what that group thought its inalienable and sovereign rights. Fifty years of violence had fastened the habit of industrial absolutism and violence on American industry. Understandably enough, when the Wagner Act came along it was bitterly fought.
>
> Today, the battle in somewhat different fashion is still being fought in certain industrial areas. This battle normally takes the form of opposition against labor organizations as such, or against any form of Government protection of such organization. True enough, the instruments of public opinion show that we have come a long way. The outcries of "kangaroo court" and demands for outright repeal and outspoken opposition to the principles of collective bargaining have been supplanted for the most part by criticism of particular decisions. Furthermore, thousands of collective-bargaining contracts have been entered into in industrial areas where such practices were theretofore unknown or bitterly fought.
>
> Nevertheless, you know as well as I do, that the process of converting the theory of collective bargaining into industrial practice is far from complete, that the law of the land has yet to become the law of thousands of our industrial plants. As I see it, in the very near future the acceptance and practice of collective bargaining in certain areas may well be put to as severe a test as any one of our other institutions have had to face. Let us not forget what happened after World War I, when the open-shop plan swept certain areas and left a wake of disrupted unionism.

Mr. President, the strength of that argument is not limited one whit by the fact that the Board member who made that statement is now one of the active opponents of the Wagner Act philosophy, is one of the authors of the Taft-Hartley law, and is today a well-paid propagandist of big business. His name is Gerard D. Reilly.

What has been necessary at all times since the Wagner Act went into effect was not to weaken it but to strengthen it. A great authority in the field of labor relations, one who has made important contributions, both to the administration of the law and the mediation of disputes, former NLRB member William M. Leiserson, reviewed some of the criticisms of the National Labor Relations Act, and in his concise fashion described the problem as follows:

> Much of the criticism of the Labor Relations Act stems from disappointment that it has not achieved harmonious labor relations despite its success in spreading collective bargaining and safeguarding workers' organizing rights. Some of the criticism even suggests that the act may be too successful in accomplishing these purposes. Nevertheless, hardly anyone will now publicly acknowledge that he is opposed to unionism and collective bargaining. Everybody seems to agree—in public at least—that these are desirable. There is a tendency, however, to blame the act for failing to allay industrial unrest and bring the hoped-for amicable relations between employers and employees.

I read further:

> This is due to a misunderstanding. Despite the statement of policy and aims in section 1, it is a misconception to assume that the act was designed to do more than lay the foundations for a labor policy. Its provisions do not cover the whole field of labor relations, but are strictly limited to one phase. They assume other laws and agencies for dealing with other problems of labor relations, which also affect the attitudes of management and workers. The NLRB is not given any duties or responsibilities in connection with the settlement of disputes between employers and workers regarding terms of employment. It is restricted to removing unfair labor practices by employers and to determining disputes as to who is authorized to represent employees for collective bargaining purposes. Once the employer recognizes the chosen representative of the employees and bargains in good faith, the Board is without authority to intervene in the collective bargaining process. Conciliation, mediation, arbitration or investigation of the merits of disputes about wages, hours or working conditions are entrusted to the Department of Labor and other Government agencies. The right of employees to organize and bargain collectively through representatives of their own choosing is all that the act deals with.
>
> Section 1 of the act mentions other general purposes besides removing unrest and encouraging friendly adjustment of disputes. It states that absence of collective bargaining "tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries." The act evidently is aimed at these evils also. But no one expects the NLRB to stabilize wage rates or to prevent depression of wages and purchasing power of working people.

In other words, the law was written to provide a means of promoting conciliation, understanding, mediation, and collective bargaining between workers and their employees, not to set up a lot of artificial standards, but to promote and provide machinery for a free exchange of opinions, attitudes, and information, and to provide an opportunity for arriving at a contract or decision as to the terms of employment.

I read further from the statement:

> Congress provided other legislation and agencies for accomplishing these purposes, just as it provided that the Department of Labor (supplemented later by the War Labor Board) shall concern itself with the peaceful settlement of labor disputes by intervening in the processes of collective bargaining and dealing with the merits of labor disputes. Nevertheless, when the expected peaceful and friendly labor relations do not materialize, it is commonly assumed that the Labor Relations Act is at fault rather than any weaknesses in the methods or machinery for settling disputes.
>
> The Labor Relations Act is designed to protect and to encourage the institution of collective bargaining, as marriage laws are designed to protect and encourage the institution of the family. But happy labor relations are no more guaranteed by the one than happy domestic relations are by the others. These desirable ends depend on other factors and devices, the laws being merely a conditioning circumstance. In the field of labor relations attitudes, mutual forbearance and consideration are no less important than in family relations. Conciliation, mediation, and voluntary arbitration can be effective, when properly used, to promote good will and understanding, and to help maintain peaceful relations. These ends are not to be achieved by changing the provisions of the Labor Relations Act. They require strengthening of the machinery for voluntary adjustments of labor disputes and the development of effective conciliation and mediation policies.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. HUMPHREY. I yield.

Mr. TAFT. Does the Senator from Minnesota agree with one distinguished labor-union official that we would be better off by simply repealing the Wagner Act and all the other labor laws, including the Taft-Hartley Act and all the others; or does the Senator from Minnesota feel that we should have an act dealing with this question?

Mr. HUMPHREY. Mr. President, I shall be happy to inform the distinguished Senator from Ohio that inasmuch as we have been on the committee together for some time, it would appear to me that my position in this matter is quite obvious. I believe that the Wagner Act, with the several amendments which were offered in the committee and with several of the amendments which have been offered thus far on the floor of the Senate, is desirable labor law.

The Senator from Ohio knows very well, as I am sure he knows many other things very well, that the junior Senator from Minnesota at no time thought we should have an absence of law on this subject. I think the Wagner Act was far superior to the Taft-Hartley Act without any amendments, and I think the Wagner Act is far superior to the Thomas bill; and I believe that with the amendments suggested, we might receive concurrence by a majority of the Senate, so as to have a sound pattern of labor law.

Mr. TAFT. If the Senator will further yield, let me ask whether he believes that once the Government enters into the field of labor-management relations, it should at least cover the field, so as to prevent abuses on both sides.

Mr. HUMPHREY. No; I believe, as I have said this afternoon, that the job of government in the field of labor-management relations is to provide a means for labor and management to settle their own disputes. I say there should be a basic minimum of any restraints on that kind of action between labor and management.

Mr. TAFT. The Senator from Minnesota has denounced the idea of having the Government govern labor relations, but apparently he himself is in favor of the idea of having the Government prevent unfair labor practices on the part of management, and now, also is in favor, through his amendments, of having the Government prevent some unfair practices on the part of labor. So apparently it comes down to the question of what is an abuse and what is not.

Mr. HUMPHREY. It comes down to the question of how far to go in the exercise of good sense and common sense. In other words, I am in favor of traffic lights, but I would not have them located every 2 feet. Perhaps they should be located every block or every two blocks, so as to promote the flow of traffic, but not so as to stop it. Similarly, I am in favor of the use of aspirin tablets, when they are needed; but I am not in favor of having anyone take a whole box of aspirin tablets, when the directions say to take only two. In the same way, I am in favor of aiding the flow of traffic in transportation, but that does not mean that automobiles should be driven on city streets at 90 miles an hour. No, Mr. President; we should not reduce our position to the point of absurdity.

When we provide certain precautions which experience has proved desirable—I say desirable even though perhaps they have not been proved to be absolutely essential—I think we are in a sound position, and I think it exemplifies a reasonably prudent and intelligent attitude in regard to the matter of labor-management relations and policy.

THE TAFT-HARTLEY ACT

Mr. President, I come now to the issue of the Taft-Hartley Act. Thus far in my remarks I have discussed several stages of iniquity through which we went during the early days of our history. In the time which has been mine in the Senate debate, I have tried to trace the history of the labor movement from 1790 through the 1800's, through the period of strikes and imprisonment, through the period of industrial spies, through the period of the use of strikebreakers in industrial plants.

After that, we came through the perilous period of World War I. We have seen what has happened every time there has been a depression, and we have seen who has suffered. We have seen what happened in the period of the 1920's, when the program was the open-shop plan, what was called the American plan, which destroyed the trade-union movement.

We saw what happened under section 7 (a) of the National Industrial Recovery Act. We saw how that act was flaunted. I pointed out case after case in which the act was wanting and there was a lack of enforcement powers. The junior Senator from Minnesota then went into the consideration of the Wagner Act and of the purpose of the Wagner Act, quoting responsible authority—quoting none other than the distinguished Senator from the State of New York [Mr. WAGNER]. Now we are down to the Taft-Hartley Act.

It is too bad that we have to report on so many unpleasant things. Better if we could report on the joyous moments and happy ones. But we are considering legislation, and are trying to consider it, I hope, in a spirit of obtaining good legislation. There is no great national emergency now. We have an opportunity as Members of the Senate to consider labor legislation under a condition, I may say, of calm, at least of reasonable calm. I, for one, am not going to be disturbed because there may be a little difficulty upon the economic scene. This is the time to prepare for what may be more serious difficulties.

Mr. President, in spite of these words buttressed as they were by the authority of the most experienced persons in the field of labor relations, despite all that, despite the heroic record of labor in the war, despite the factual record that there were fewer workers percentagewise on strike after World War II than after World War I, despite the economic factors which were present, of tremendous profits, inflation, loss of purchasing power, the Taft-Hartley law was enacted.

Speaking of wage increases, of course the workers got wage increases, but they never caught up with the rising prices, and they never have in the history of economics. All one needs to do is to take one-quarter of Economics I at the University of Minnesota or at the University of Ohio, or at the University of Pennsylvania, to find that wages never keep up with prices in an inflationary time.

What I have stated was the environmental pattern under which the Taft-Hartley Act was conceived and created.

The campaign which preceded the passage of the act was described on this floor by the Senator from Vermont [Mr. AIKEN]. I thought the distinguished Senator was present, but I shall read officially from the RECORD. Nor are these remarks to be interpreted that the Senator from Vermont agrees in all points with the position of the Senator from Minnesota. But the Senator did make some observations in reference to the passage of the Taft-Hartley Act. I quote from that distinguished statesman of this honorable body, a man for whom I have great personal respect, as follows:

> It is a wonder that Members of the Senate can hold their tempers and vote on the bill according to their best judgment because we have been subjected to the most intensive, expensive, and vicious propaganda campaign that any Congress has ever been subjected to.

That is the end of the first quotation. The second quotation is:

> I do not refer to the propaganda campaign of labor unions, although I hold no brief for that. I refer to a propaganda campaign which has cost well into the millions of dollars. I should not be surprised if the total amount spent in this campaign would amount to $100,000,000. I told the Senate last spring that the single March advertising campaign in the newspapers against labor by the National Association of Manufacturers cost $2,000,000, and that statement has not been contradicted as yet, although it was made a year ago.

The third quotation from the same address in the CONGRESSIONAL RECORD is one which distinguished colleagues have read. It was brought to the attention of the committee and is as follows:

> This propaganda campaign has been conducted through letters to the press; it has been conducted through radio commentators whose services have been for hire by various organizations. It has been conducted through speakers sent everywhere in the United States where they would get an opportunity to expound the anti-labor doctrine.

I do not want to make an estimate, Mr. President, of how much money has been spent, or was spent. I know, however, that a man who praised the Wagner Act only a year before the Taft-Hartley Act was passed, a member of the National Labor Relations Board staff, later on became a propagandist for Taft-Hartley. It could have been, of course, a new insight into life. I would not want to impugn anyone's motives.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. HUMPHREY. I yield.

Mr. TAFT. I want to say that I deeply resent the imputations on Mr. Reilly. The fact is Mr. Reilly was for 6 years the Solicitor of the Department of Labor under Mrs. Perkins. He was recognized as a leading authority on labor. He was appointed a member of the National Labor Relations Board. I think, once he got on that Board, once he saw how the Board was run, his opinion gradually changed. He found that a member who defied the CIO in even one opinion was immediately subjected to an attack as being entirely opposed to labor. I think his whole attitude was changed by that, so that he came to approach the Wagner Act in a

perfectly impartial way without his former tendency, one might say toward the left side, which he had when he started. It was the result of his experience on the National Labor Relations Board. The Senator's implication that in some way he was paid or hired to change his opinion is utterly unjustified by the facts. Mr. Reilly was offered reappointment on the National Labor Relations Board by President Truman, and declined it. He became a counsel for our committee, and at our request wrote the law. He wrote the law in the light of his experience on the National Labor Relations Board, to eliminate various injustices which he himself had come to see when he was serving as a member of the Board, to correct the faults in the Wagner Act, which he had come to see as a member of the Board.

Mr. HUMPHREY. Mr. President, is the Senator from Ohio asking me a question?

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. TAFT. Certainly, Mr. Reilly is not today a propagandist. After he left the committee he went into the law business, dealing especially with the law of labor relations. As a lawyer, he has clients, and is entitled now as a lawyer to present their point of view. But I think the imputation of the Senator that he is in some way motivated to serve as a propagandist by the spending of money, as the Senator has linked up the facts, is utterly and completely unjustified.

Mr. HUMPHREY. Mr. President, I said I was not going to impugn the motives of the gentleman. I merely recited the facts. If the distinguished Senator from Ohio wishes to bring in by indirection that Mr. Reilly has somehow or other done something that he should not have done, he will have to do it. I have not done that. I merely said he changed his position. I have said he was a propagandist for the Taft-Hartley Act. I did not say he was paid.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. The Senator from Ohio might well point out that it was as late as 1946 that I quoted from the record of the gentleman to whom I referred, who was a member of the National Labor Relations Board. The National Labor Relations Board was not a CIO organization. Nobody knows better about it than the distinguished Senator from Ohio. He cannot drag in the matter of the policy of the National Labor Relations Board as being prejudiced toward the CIO. The record is crystal clear on that. We are not going to be bludgeoned into saying or having it put into the RECORD that by 1946 the National Labor Relations Board was a prejudiced outfit, because it was not. By 1946, the gentleman to whom the Senator from Ohio refers was on the National Labor Relations Board. With reference to the fact that he was offered reappointment, I should think he would be offered reappointment in view of his very favorable remarks in 1946 about the Wagner Act. I complimented the gentleman upon his alertness, his insight into what the forces were that were at work to destroy the Wagner Act. I made the statement to my colleagues that this gentleman, who once praised the Wagner Act, a year later became the author of the Taft-Hartley law, which is an indication, to me, that something must have happened. I said he may have seen the light. Maybe he received new information. I do not impugn the gentleman's motives.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. The Senator has impugned, in the words and tone he has just used, the honesty of Mr. Reilly, and I completely resent the implication. Mr. Reilly was on the Board in 1946, and it will be found that he dissented from a majority of the Board in a large number of cases because he found their views to be unfair and unjust, and he was of the opinion that their interpretations should be corrected by law. He was interested in making changes in the Wagner Act which were necessary to bring about justice.

Mr. HUMPHREY. I appreciate the Senator's defense of Mr. Reilly. I appreciate the fact that he feels so deeply about it, because Mr. Reilly apparently did write the kind of a law in which the Senator would be interested. I shall not try to render judgment as to why his point of view changed. I know it was changed, and I also know that a tremendous program was put forward to get the law changed. I know that the program started in 1946, at the conclusion of the war, and by 1947 the Taft-Hartley Act was upon the statute books. There has been plenty of testimony as to who wrote the act. I feel that the committee and the Congress wrote it. I would never say that anyone else wrote it, not even Mr. Reilly. I am of the opinion that Congress is supposed to write laws. I shall continue to assume that Congress writes laws. I do appreciate the defense, and I am glad that at long last we have found out about the background, the status, and the general attitude of Mr. Reilly. I did not realize he was quite so important. I thought he was just another one of the gentlemen helping out in the legislative process.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. HUMPHREY. I yield.

Mr. TAFT. I think I made it perfectly clear that Mr. Reilly was employed by the Committee on Labor and Public Welfare, with the consent of all members, to assist the committee in writing the bill. Just as our administrative assistants assist us in writing bills, he wrote that bill for the committee. He was employed for that particular purpose.

May I ask the Senator where the Thomas bill was written? I understood it was written in the Department of Labor.

Mr. HUMPHREY. If the Senator from Ohio wants to know where it was written, I would refer him to the chairman of the committee. I am sure the distinguished Senator from Utah is perfectly capable of telling the Senator from Ohio where the bill was written. I gathered it was written by the Senator from Utah [Mr. THOMAS].

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. The Senator from Utah made it perfectly clear that the ideas were his, but that the bill was written in the Department of Labor. He so stated, as I understood him. That is perfectly proper. But the Senator from Minnesota was implying that the Taft-Hartley law was written outside the Senate. I am stating that it was written in the Senate, whereas the Thomas bill, under the direction of the distinguished Senator from Utah, was written in the Department of Labor.

Mr. HUMPHREY. The best way to find out is to ask the Senator who is the author of it. If the Senator wants to know where a Humphrey bill was written, I shall be glad to tell him. I am finding out where the Taft-Hartley law was written.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THOMAS of Utah. The original bill which became Senate bill 249, which is hardly a bill, merely providing for the repeal of the Taft-Hartley Act and the restoration of the Wagner Act, was written wholly and entirely by the Senator from Utah. In my opening statement in the debate, as every Senator knows, I spoke of the origin and genesis of the bill which became the substitute, and I also called attention to the fact that a gentleman by the name of Morgan has said he wrote the House version of the Taft-Hartley bill and that he received money for so doing. He was paid by the Republican National Committee. That is an interesting fact, if it be true. I think there is no reason to believe that it is not true, because the testimony was taken before a valid committee of the House of Representatives. I suppose, if the Thomas bill shall become law and shall become very successful in its operation, the Senator from Utah will claim that he wrote the whole thing. But it would not be wholly true, although he did have something to do with the writing of the original National Labor Relations Act which became known as the Wagner Act. I think it is hardly proper to say the Thomas bill was written in the Labor Department, after my having called attention to the fact that we brought together representatives from the White House, two representatives from the National Labor Relations Board, and the Director of the Conciliation Service. That group acted as a committee under the direction of the Secretary of Labor. But in the injunction given them—if I may use that term in this debate—they were to select the leading legal authority in each of their groups and compensate them. But we should always remember, Mr. President, that the minority, under my leadership, when the Taft-Hartley bill was being discussed in the Senate, offered as a substitute another bill which contained most of the provisions which are now, in addition to the Wagner Act, in the bill which is called the Thomas bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Although I do not know Mr. Reilly and I know very little about the matter, it is my impression, and I wonder if the Senator will agree that it is true, that one of the worst things in our American form of government is the growing tendency of men who have worked for the Federal Government in very important and responsible positions to resign from those positions and sell their services to employers against whom they were formerly employed to protect the Government's interests. What special interests want to accomplish can be done with better advice and with persons who are more wise in the workings of the agencies of which those men have been members.

Mr. HUMPHREY. I would say to my friend the Senator from Louisiana that it is a fact which is taking place in American economic life, and at times it has very serious ramifications.

But in reference to Mr. Reilly, whose name has been brought into the discussion, the only observation the junior Senator from Minnesota was making was the observation of the record, which is that late in 1946 this gentleman who worked for the National Labor Relations Board, praised the Wagner Act and cited its clarity. As I say, he may have changed his mind. I was not criticizing the gentleman for his term of service with the Federal Government. I said, and I say again, that since his termination of service with the Congress of the United States he is a propagandist for the Taft-Hartley law.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. LONG. Can the Senator from Minnesota inform me for whom Mr. Reilly is working today?

Mr. HUMPHREY. I understand he is working for the General Motors Corp. Possibly the distinguished Senator from Ohio can inform us as to whether that observation is correct.

Mr. TAFT. He has a number of clients, I think, and I believe General Motors is one of them.

Mr. HUMPHREY. Now I wish to continue for just a short time longer.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. With reference to the question of the Senator from Louisiana, I suppose most of those who have resigned in recent years must have been Democrats rather than Republicans. [Laughter.]

Mr. HUMPHREY. Of course, there has been very little opportunity for Republicans to resign, because they never got in. [Laughter.]

Mr. LONG. May I also suggest that those Democrats who may have resigned probably went to work for Republican interests after they got out.

Mr. HUMPHREY. Mr. President, I now resume the discussion at the point where I was interrupted.

Before examining in detail many of the specific provisions of the Taft-Hartley law, I should like to contrast the spirit of that law with that of the Wagner Act. You will remember that I pointed out that the Wagner Act enunciated certain rights of employees and, except for the fact that it prohibited employers from interfering with those rights, it did not in any way interfere with the collective-bargaining process. How different is the spirit of the Taft-Hartley law. In hundreds of different ways it dips its procedural fingers into the collective-bargaining process. It goes further than merely removing what it conceives of as being interferences with the rights of employers. It puts the Government into one of the chairs around the collective-bargaining table. In effect, it forces the Government to say to labor and management seated at this table: "You may not agree to this or that provision in your contract, even though you have been happy with such a contract for many years." That was the situation in the case of the International Typographical Union, for example.

Instead of the Government bringing both parties together, wishing them well, and departing while they settle their mutual problems, the Government presumes to interfere in their discussions.

It would be somewhat analogous to a mother-in-law who seems to have a maternal instinct and says to the young bride and the young groom, "Now not only are you going to be permitted to settle your difficulties, my dear children, but I am going to sit around and listen to the discussion and help you settle them, and tell you what you can talk about and what you cannot." That has often been a happy arrangement in the case of newly married couples which has recruited many a client for the divorce courts.

The Government tells the workers that a hiring hall, which has been found so successful in some industries, can no longer be agreed to. It tells them that the closed shop, developed historically by some of the oldest and most responsible unions as a protective device and as insurance to employers of an adequate and competent labor force, can no longer be enforced by the parties to such a contract. It tells them that they may agree to a so-called union-shop contract; but even if they do agree to such a provision in their contract, they may not put it into effect until the Labor Board consults these employees—who have already designated the union to represent them in all collective bargaining matters—on whether or not a majority of those to be covered by the contract agree that they want such a provision. Even in the overwhelming proportion of cases, more than 98 percent, in which the employees do inform the Board that their representatives have truly represented them in demanding a union-shop provision, this union-shop election serves only as a ticket which the union may present to the employer, humbly asking that the employer agree to include it in the contract.

This is the spirit of the Taft-Hartley law: The spirit of interference with free collective bargaining; the spirit of the strait-jacket placed upon the parties who must live together in a relationship where the Government, acting as an unwanted mother-in-law haunting the honeymooning couple, makes more serious each minor disagreement. The American Federation of Labor has summed up the Taft-Hartley law by concluding that it has put unions under a cloud of suspicion; that it has disrupted peaceful collective bargaining relationships; that it has turned the National Labor Relations Board into a weapon against organized labor; that it has helped employers to evade unionization; that it has made it impossible for unions to act together as a labor movement, and that it has increased hostility between employees and employers. This is a damning indictment of a law which was designed to create industrial peace. My specific discussions of the provisions of the Taft-Hartley law which would be retained by the Taft amendments will make it clear that this indictment is not too harsh.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THOMAS of Utah. I am wondering if the Senator would object if I broke in at this time.

Mr. HUMPHREY. As I said to the Senator earlier today, I am now getting down to the consideration of the amendments which have been discussed, and I wish to reserve the right, if I yield the floor at this time, or if a recess should be taken, to face these particular amendments and discuss them and analyze them, with reference to the Thomas bill, and the entire picture of labor-management relationship.

Mr. THOMAS of Utah. I certainly hope the Senator will do that.

GORDON R. CLAPP

During the delivery of Mr. HUMPHREY's speech,

Mr. KEFAUVER. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the remarks I am about to make may appear in the RECORD at the conclusion of the remarks of the Senator from Minnesota, and that the parliamentary situation may not be disturbed or changed.

Mr. HUMPHREY. I yield with that understanding, provided that I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection it is so ordered; and the Senator from Tennessee may proceed.

Mr. KEFAUVER. Mr. President, the New York Times of June 10, 1949, carried a story from Frankfurt, Germany, under the byline of Jack Raymond, stating that Gordon R. Clapp, chairman of the Tennessee Valley Authority, has been declared ineligible by Army authorities in Washington for a special assignment with the military government. The story states further that Mr. Clapp has never been approached about the assignment. I happen to know that he did not know anything about it until the matter was brought to his attention this morning. The story quotes an official of

the military government, who is not named, as inquiring—

If Clapp is "unemployable" in the military government, why should he be permitted to remain as head of TVA? I think this is a terrible situation and ought to get an airing.

I agree with whoever made that statement, Mr. President, that the situation should be gone into and aired. And it will be fully explored if I have my way about it.

Mr. President, Gordon Clapp is a man of great ability and of unimpeachable integrity and loyalty. I think it is a travesty on justice that men of his caliber are smeared in such a manner on the unsubstantiated and unexplained charges of officials of the military government.

It is a known fact that those of us who participate in the Government of our Nation are subjected to the most searching limelight of public opinion. For this reason many outstanding and capable persons are unwilling to place their private lives in the public limelight. That is bad enough; but when good citizens are smeared on unsubstantiated reports, the matter is getting out of hand and has certainly gone too far.

Mr. President, I call attention to the fact that the spokesman for the military government refused to say who made the charges, or what the charges were. Yet, the whole thing is printed on the front page of the New York Times, and is continued on page 9 of that newspaper, where Mr. Clapp's picture appears. Then the spokesman has the audacity to decline to elaborate on the findings, either as to their possible content or as to the time when they were made. The article states:

"Further comment," an official Army answer stated, "should come from Mr. Clapp."

Mr. President, how very wrong it is to smear a man in such a fashion, by making a charge that he is unemployable, and then refusing to say where the charge came from, or who is responsible for it, when the man involved knew nothing whatever about it and had no opportunity to find out; and then how improper and unreasonable it is to say that any further comment should come from the man accused. In other words, Mr. President, a man is smeared by an unsubstantiated report for which no one will take responsibility and then a spokesman of the Army says that the burden is on the accused. I want to know who this official is. If we have men in high Government places who have so little respect for the rights of a citizen, we ought to learn who they are and get them out of Government.

Mr. President, this matter has gone too far. It is not fair; it is not in keeping with our constitutional form of Government and the fundamental and sacred freedoms which people enjoy in our land. Men in the public life of our country should enjoy some protection from smear methods. Our people should not be treated in any such manner.

All of us agree that dangerous persons must be ferreted out of Government, but the purposes of legitimate investigation are injured when a Government agency goes off half-cocked, as our military government has in this instance. Certainly if charges are to be made against a person in high Government position, the person making the charges should be quoted directly to the newspapers, and we ought to know who the person is who is making the charges, and what the charges are. Too many people never read beneath the headlines. I think in this instance, where the good name of an unimpeachable man, a great public servant, has been defamed on the front page of the New York Times, many people will read the smear and will forever think he is the wrong sort of person to have in the Government, whereas later on if an explanation is printed, it is usually on the back page of the newspapers, not on the front. The harm is done and it is difficult to correct. Some newspapers are to blame also. If they print derogatory statements which have no substantiation, they ought to give the same prominence to the reply. They seldom do.

I have asked the President of the United States to order a full and complete explanation of this matter, and I have asked the Secretary of Defense and the Secretary of the Army to make full disclosures of all information available, and of the persons responsible for the report. I am happy to say that the distinguished chairman of the Committee on the Armed Services has appointed a subcommittee to go into this matter and to find out what the charge was, who made the report, and, if the report is unsubstantiated, why the name of a good, loyal public servant should have been smeared through the carelessness or the unthoughtfulness of some person in the Military Establishment. The practice should be stopped, and, if necessary, I hope the Armed Services Committee or some other committee will take the burden of seeing that legislation is passed to stop this sort of thing. Of course, the agencies can and should do it themselves. We are liable to lose the protections guaranteed us under the Constitution, the thing we have been fighting for and trying to protect so long, if we allow this sort of thing to go on in Government agencies, the smearing of the names of good people and of Government officials without substantiation, without the public even knowing who it is that makes the complaint or where it comes from.

I felt it my duty to bring this matter to the attention of the Senate and of the Congress, and I shall insist that there be a full disclosure of the charges and of the persons involved, in order that we may do what we can to remedy a great injustice that has been done to a good man and a loyal public official. I thank the Senator from Minnesota for yielding to me.

Mr. HUMPHREY. I was very happy to yield to the distinguished Senator from Tennessee. He always makes a very worthy contribution, and surely his remarks are again within the substance, may I say, of what we are talking about, the protection of basic civil rights, the opportunity for fair treatment. That is really what we are talking about when we discuss labor-management relationships.

RECESS TO MONDAY

Mr. THOMAS of Utah. Mr. President, I move that the Senate stand in recess until 12 o'clock noon Monday.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until Monday, June 13, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 10 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

John Wesley Jones, of Iowa, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Sidney A. Belovsky, of New York.
James E. Henderson, of California.
Andrew G. Lynch, of New York.

Joseph Palmer 2d, of Massachusetts, now a Foreign Service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Eugene H. Johnson, of Wisconsin, a Foreign Service staff officer, to be a consul of the United States of America.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Eric C. Bellquist, of California.
Thomas T. Driver, of New York.

Monteagle Stearns, of New York, a Foreign Service reserve officer, to be a vice consul of the United States of America.

SENATE

MONDAY, JUNE 13, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Philip Gordon Scott, pastor of the Westmoreland Congregational Church, Washington, D. C., offered the following prayer:

Eternal God, our Heavenly Father, who hast not left us to live a day without a holy guidance, let Thy truth direct our ways, that we may serve Thee in honor all the day, abiding ever in Thy strength.

Help us here to reverence the tasks committed to our hands, the truth entrusted to our lives, and make us worthy, in all our words and work, of the fellowship of Thy spirit.

Teach us what answer to make to this day and all it will ask of us. Sustain us in every service that comes with rightful claim.

Guide and guard this land of our heritage that we may build, in all our ways, upon foundation of Thy righteousness, a peaceful home for all men's hopes. Through Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 10, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 10, 1949, the President had approved and signed the following acts:

S. 353. An act to protect scenic values along and tributary to Aspen Basin Road, and contiguous scenic area, within the Santa Fe National Forest, N. Mex.;

S. 715. An act to amend the Agricultural Act of 1948;

S. 1181. An act to authorize the appointment of officers on the active list of the Philippine Scouts in the Regular Army, and for other purposes;

S. 1219. An act removing certain restrictions and conditions imposed by section 2 of the act of May 27, 1936, on certain of the lands conveyed by such act to the city of Charleston, S. C.; and for other purposes; and

S. 1229. An act to enable certain former officers or employees of the United States separated from the service subsequent to January 23, 1942, to elect to forfeit their rights to civil-service retirement annuities and to obtain in lieu thereof returns of their contributions with interest.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; and

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Ferguson	Johnson, Colo.
Brewster	Flanders	Johnson, Tex.
Bricker	Fulbright	Johnston, S. C.
Bridges	George	Kefauver
Butler	Gillette	Kem
Capehart	Graham	Kerr
Chapman	Green	Kilgore
Chavez	Gurney	Langer
Connally	Hayden	Lodge
Cordon	Hendrickson	Long
Donnell	Hill	Lucas
Douglas	Hoey	McCarthy
Eastland	Hunt	McClellan
Ecton	Ives	McFarland
Ellender	Jenner	McKellar
Maybank	Reed	Thye
Miller	Robertson	Tydings
Morse	Russell	Vandenberg
Mundt	Schoeppel	Watkins
Murray	Sparkman	Wherry
Neely	Taylor	Wiley
O'Mahoney	Thomas, Okla.	Withers
Pepper	Thomas, Utah	Young

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Delaware [Mr. FREAR], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. O'CONOR] are detained on official business in meetings of committees of the Senate.

The Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate on public business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. WHERRY. I announce that the Senator from Ohio [Mr. TAFT] is necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from Massachusetts [Mr. SALTONSTALL] are absent by leave of the Senate.

The Senator from Maine [Mrs. SMITH] and the Senator from Delaware [Mr. WILLIAMS] are absent on official business.

The Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Washington [Mr. CAIN], the Senator from Nevada [Mr. MALONE], and the Senator from New Hampshire [Mr. TOBEY] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to introduce bills and joint resolutions and present routine matters for the record, as though in the morning hour, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications, which were referred as indicated:

SUPPLEMENTAL ESTIMATE, LEGISLATIVE BRANCH, ARCHITECT OF THE CAPITOL (S. Doc. No. 83)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, amounting to $28,000, for the legislative branch, Architect of the Capitol, fiscal year 1950, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, NATIONAL MILITARY ESTABLISHMENT (S. Doc. No. 82)

A communication from the President of the United States, transmitting supplemental estimates of appropriation, amounting to $33,400,000, and contract authorization in the amount of $17,000,000, for the National Military Establishment, fiscal year 1950, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. O'CONOR:

A joint resolution of the Legislature of the State of Maryland; to the Committee on Armed Services:

"Senate Joint Resolution 11

"Joint resolution memorializing the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, territories and the District of Columbia in whole or in part

"Whereas the Secretary of Defense brought into being in 1947 the Committee on Civilian Components, commonly known as the Gray Board, and which Committee was directed by said Secretary of Defense to make a comprehensive, objective and impartial study of the armed forces; and

"Whereas said Committee on Civilian Components on 30 June 1948, in its report to the Secretary of Defense, recommended, among other things, that National Security required that all services have one Federal Reserve Force which should be accomplished:

"(a) by establishing the reserve forces of the Army under the "Army Clause" of the Constitution;

"(b) by similarly establishing the reserve forces of the Air Force under appropriate legal authority;

"(c) by incorporating the National Guard and the Organized Reserve Corps into the Army Reserve Force under the name of "The National Guard of the United States";

"(d) by incorporating the Air National Guard and Air Reserve into the Air Force Reserve Force under the name of the "United States Air Force Reserve"; and

"Whereas on December 15, 1948, the Secretary of Defense recommended to the President of the United States, among other things, the federalization of the Air National Guard and greater Federal control over the personnel, equipment, facilities and allocation of money to the States; and

"Whereas federalization of the National Guard, in whole or in part, by the organization of a single Federal Reserve Force under the Army Clause of the Constitution (instead of under the Militia clauses of the Constitution as the National Guard is now organized, and under which the sovereign States retain

authority for the appointment of National Guard officers and the training of the Guard in time of peace, in accordance with the discipline prescribed by Congress) would violate the principle of "States' Rights"; and

"Whereas the fact that the framers of the Constitution contemplated a standing army as the only Federal force, is clear from the arguments advanced by Hamilton, who persuaded the States to accept the principle of a standing army large enough to accomplish the immediate purpose of the Congress only—its size to be controlled by limiting appropriations to a period of 2 years only, with the further agreement that the States would maintain no troops in time of peace other than with the consent of Congress, in exchange for the provision that the Congress would have power to provide for organizing, arming and disciplining (training) the militia, reserving to the States only the power to appoint officers and the authority to train the militia according to the discipline prescribed by Congress; and

"Whereas complete federalization would violate the principle upon which the States bargained, as above explained, by giving to the Federal Government, in addition to its own standing army, a part of the militia over which the States would have no control or power whatsoever, instead of the control provided in clause 16, section 8, article I of the Constitution; and

"Whereas nowhere in the Constitution is there any power given to the Federal Government to do other than raise and support armies, and standing armies only were contemplated with no power ever given to the Federal Government to organize and support a Federal Militia, and none exists; and

"Whereas federalization of the National Guard as now constituted under the militia clauses of the Constitution, in whole or in part, would not only violate the principle of States' rights but would violate existing agreements between the Federal Government and the sovereign States whereby the States accepted in good faith the allotments made by the War Department in 1945, and have completed the organization of such allotments, insofar as authorized by the Congress and for which funds have been provided; and

"Whereas federalization of the National Guard, Air or Army, as recommended by the Secretary of Defense and the Committee on Civilian Components, would destroy at one blow the National Guard as it now exists and which has rendered exceptional and valiant service to the Nation in two World Wars; and in time of peace would impose fantastic costs beyond the ability of the Nation to meet, and would seriously jeopardize our national security and would result in the centralization of all military power in the Federal Government and ultimately in the hands of a few, and thus pave the way for the establishment of a dictatorship, military or otherwise, in this country; and

"Whereas the States would be left without an internal security force and would be compelled to organize and maintain State troops at great cost to the States, with the result that there would thus be maintained a Federal Reserve and State military force, creating a great duplication of effort and expense; while the National Guard, as it is now constituted and controlled, not only furnishes the necessary internal security for the States but, in addition, serves as a component of the Army of the United States and a first line of defense thereof, as provided by the National Defense Act; and

"Whereas the National Guard, both Army and Air, can, under the present National Defense Act, be efficiently and competently supervised as to its training and equipment in time of peace, and in preparation for its prompt use in time of emergency, without resort to federalization, if there is the proper disposition within the Federal authorities to render such supervision: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the Congress and the President of the United States are hereby memorialized to retain intact the National Guard, Army and Air, as it is now organized under the militia clauses of the Federal Constitution, and thus reserve to the States the controls provided by the Constitution in time of peace and insure that it will be at the disposal of the State in time of peace, and that there will be unity in the armed forces of the Nation at a time when unity is so essential; and be it further

"*Resolved*, That the secretary of state be and he is hereby directed to send, under the great seal of the State of Maryland, copies of this resolution to the President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairman of the Armed Services Committee of the Congress, and Members of the Maryland delegation in Congress.

"Approved:

"WM. PRESTON LANE, Jr.,
"Governor."

A joint resolution of the Legislature of the State of Maryland; to the Committee on Interstate and Foreign Commerce:

"House Joint Resolution 12

"Joint resolution requesting the United States to use other than poisonous means for the purpose of clearing growth from the right of way of the railroad to the naval powder factory in Charles County

"Whereas the United States has been using poison for the purpose of clearing growth from the right of way of its railroad running from the Naval Powder Factory at Indian Head, Md., to White Plains, Md.; and

"Whereas the Maryland State Game Farm at Ripley, Md., borders on said railroad, and many partridges, rabbits, deer, and other game and wild fowl have been killed or are in imminent danger of being killed, by contact with the poison, and the conservation program of the State of Maryland has accordingly suffered; and

"Whereas it is the understanding of the General Assembly of Maryland that the Pennsylvania Railroad keeps clear its right of way from Bowie to Pope's Creek without finding it necessary to use poisons detrimental to wildlife: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the United States be requested to discontinue the use of poisons detrimental to wildlife for the purpose of clearing its right of way from Indian Head to White Plains, Md.; and be it further

"*Resolved*, That the secretary of state be and he is hereby directed to send a copy of this resolution, under the great seal of the State of Maryland, to the Governor of the State of Maryland, the Secretary of the Navy, the United States Senators from Maryland, Congressman LANSDALE G. SASSCER, and the Commandant, United States Naval Powder Factory, Indian Head, Md.

"Approved April 22, 1949.

"WM. PRESTON LANE, Jr.,
"Governor."

A joint resolution of the Legislature of the State of Maryland; to the Committee on Labor and Public Welfare:

"House Joint Resolution 11

"Joint resolution memorializing the Congress of the United States not to federalize the practice of medicine

"Whereas the American people now enjoy the highest level of health, the finest standards of scientific care and the best quality of medical institutions thus far achieved by any major country in the world; and

"Whereas the great accomplishments of American medicine are the results of a free profession working under a free system unhampered by Government control; and

"Whereas the experience of all countries where Government has assumed control of medical care has been progressive deterioration of the standards of that care to the serious detriment of the sick and the needy: Now, therefore, be it

"*Resolved by the General Assembly of Maryland*, That the Congress of the United States be, and is hereby, memorialized not to enact legislation that has been proposed the effect of which will be to bring the practice of medicine in this country under Federal direction and control; and be it further

"*Resolved*, That the Senators and Representatives from Maryland in the Congress of the United States be, and they are hereby, respectfully requested to use every effort at their command to prevent the enactment of such legislation; and be it further

"*Resolved*, That copies of these resolutions be transmitted by the secretary of state of Maryland, under the great seal of this State, to the President of the United States, to the presiding officer of each branch of the Congress, and to the Members thereof from this State."

NATIONAL ALL FAITH MEMORIAL—RESOLUTION OF BOARD OF ALDERMEN OF SOMERVILLE, MASS.

Mr. LODGE. Mr. President, I present for appropriate reference a resolution adopted by the Board of Aldermen of the City of Somerville, Mass., and signed by the mayor, endorsing the plan for the establishment of a National All Faith Memorial, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

CITY OF SOMERVILLE,
OFFICE OF THE MAYOR,
June 6, 1949.

The honorable the BOARD OF ALDERMEN,
City of Somerville, Mass.

GENTLEMEN: Whereas there has been introduced in the Senate of the United States on January 31, 1949, a joint resolution (S. J. Res. 43) providing for "establishing a commission to select a site and design for a memorial to contributions of members of all religious faiths to American military and naval history," which joint resolution has been referred to the Senate Committee on Rules and Administration; and

Whereas such memorial will serve as a living symbol of the traditional spirit of American unity and tolerance, as well as a perpetual reminder that supreme demands of heorism recognize no barriers of race, religion, or national origin; and

Whereas the city of Somerville has always been in the forefront in promoting understanding and harmony among people of all faiths; particularly so today because many of her sons and daughters have served so courageously in defense of our country in World War II, regardless of race, creed, or color; Now, therefore, be it

Resolved, That the Board of Aldermen of the City of Somerville endorse the plan for the establishment of a national all faith memorial and direct the city clerk to send copies of this resolution to the chairman of the Committee on Rules and Administration of the United States Senate and to the United States Senators, LEVERETT SALTONSTALL and HENRY CABOT LODGE, JR.

Respectfully yours,

G. EDWARD BRADLEY,
Mayor.

LETTER FROM BOARD OF DIRECTORS OF DICKEY COUNTY, N. DAK., FARMERS UNION

Mr. LANGER. Mr. President, I present for appropriate reference a letter from the board of directors of the Dickey County, N. Dak., Farmers Union, signed by Leona Meyer, secretary, relating to the North Atlantic Treaty, the Brannan farm bill, and the TVA, and I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was ordered to lie on the table, and to be printed in the RECORD, as follows:

DICKEY COUNTY FARMERS UNION,
Monango, N. Dak., June 7, 1949.

Senator WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: We, the board of directors of the Dickey County Farmers Union, at a meeting on this 6th day of June 1949, have had under discussion problems which we term to be of vital importance to the welfare of the people of this Nation.

Briefly stated:

1. We feel such acts as approving the North Atlantic Pact would be a great mistake and would eventually lead us into another world conflict.

2. In view of the fact that we well recall the depression of the thirties, which came about due to no precautionary measures prior to that time, therefore we feel that the farm program proposed by Secretary Brannan is a step in the right direction for the protection of the American farmer and consumer.

3. We favor the development of our natural resources for the benefit and service of the people it serves and in view of the success of the TVA, we favor the development of our natural waterways under such a plan.

Yours truly,

DICKEY COUNTY FARMERS UNION,
LEONA MEYER, *Secretary.*

GARRISON DAM—RESOLUTIONS OF MOUNTRAIL COUNTY, N. DAK., FARMERS UNION

Mr. LANGER. Mr. President, I present for appropriate reference resolutions adopted by the Mountrail County, N. Dak., Farmers Union, Van Hook, N. Dak., signed by Mrs. Albert N. Winge, county secretary, relating to the Garrison Dam, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

VAN HOOK, N. DAK., *April 15, 1949.*

Messrs. WILLIAM LANGER, YOUNG, BURDICK, and LEMKE,
Washington, D. C.

DEAR SIRS: I am herewith sending you resolutions passed at our recent county board meeting.

We, the Farmers Union of Mountrail County, N. Dak., consisting of 1,215 members, do hereby present the following resolutic s and we hope due consideration will be given each and every one of them:

"Be it resolved, The southern half of Mountrail County will be the hardest hit by the proposed Garrison Dam, and we do hereby petition the Congress of the United States to consider the wishes of the people affected by this Garrison Dam, that the 1,830-foot level of the dam is sufficient and to keep the appropriations to that limit."

"Be it resolved, That farmers get a fair price for their land and buildings so they do not have to fight it out in court. We must be able to replace what we have had to give up.

"We do hereby petition the Congress of the United States to create a MVA for the Missouri Valley."

"Be it resolved, That the most of the farmers are not as well off as reports have been publicized and that paying the old seed and feed loans will cause a tremendous hardship on the farmers; for this reason, most of the farmers who received these feed and seed loans are now in the sunset of life, and were heavily in debt when crops did come back into production and prices were reasonable. If they are forced to pay these feed and seed loans plus interest, it will mean for them to spend their remaining years in some charitable home and become public charges. Certainly we farmers who put forth our all for the World War can be given some consideration, when we can cancel all debts for these warring nations. Do consider giving us farmers a new lease on life."

"We also resolve, That fluctuations in farm prices keep the farmer at sea and we therefore urge and petition the Congress of the United States to work for 100 percent of parity. No other industry works for less than 100 percent, so why should the farmers? We demand 100 percent parity in all farm products."

"Be it resolved, The reason wheat prices fluctuate is because most of the crop is simply dumped on the market in the fall, and naturally because of a seeming surplus in the fall of the year prices fall to a depressingly low level. We thereby petition the Government of the United States to provide for more storage so the grain crop may be more evenly distributed during the year."

"We also resolve, That since the Army is buying all this land for the Garrison Dam that we farmers be allowed to live on the farms for the time until the water comes and that our rental would be the taxes."

We plead with you to give these resolutions your utmost and let us know from time to time the progress being made.

Respectfully,

Mrs. ALBERT N. WINGE,
Corresponding Secretary, Mountrail County Farmers Union.

DEPARTMENT OF DEFENSE—RESOLUTION OF CITY COUNCIL OF GREEN BAY, WIS.

Mr. WILEY. Mr. President, I have in my hand a resolution adopted by the City Council of Green Bay opposing Senate bill 1269, to convert the National Military Establishment into an executive department of the Government, to be known as the Department of Defense; to provide the Secretary of Defense with appropriate responsibility and authority, and with civilian and military assistance adequate to fulfill his enlarged responsibility; and for other purposes, which is now being reviewed by the Senate Armed Services Committee. I ask unanimous consent that the text of the resolution be appropriately referred and printed at this point in the RECORD.

There being no objection, the resolution was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

GREEN BAY, WIS., *June 7, 1949.*

Resolved, By the mayor and Council of the City of Green Bay:

Whereas, since its inception, the Marine Corps has functioned as a separate arm of the armed forces; and

Whereas the valiant and efficient record of the Marine Corps throughout the years of peace and war since its inception has proved the worthwhileness of its functioning as a separate unit; and

Whereas the Tydings bill, S. 1269, would destroy the independent operation of the Marine Corps and so submerge its identity so as to virtually mean the end of the Marine Corps as such: Now, therefore, be it

Resolved, That this council go on record as opposing the Tydings bill, S. 1269, and that the city clerk be directed to register the opposition of the City Council of the City of Green Bay to the Tydings bill with Senators WILEY and MCCARTHY and Congressman BYRNES.

LEO O'BRIEN.

PUBLIC WELFARE ACT OF 1949—LETTER FROM KNIGHTS OF COLUMBUS COUNCIL, MARSHFIELD, WIS.

Mr. WILEY. Mr. President, all of us are deeply interested in the work being performed by the House Ways and Means Committee in analyzing social security legislation. We recognize the importance of revision of the present obsolete social security set-up with its inadequate pensions, its disuniformity, and other bad features.

However, there are many fine American groups which are deeply concerned about some changes that have been proposed in the social security system. I have in my hand, for example, a letter from the Knights of Columbus, Council of Marshfield, Wis., expressing opposition to the Public Welfare Act of 1949, H. R. 2892, as tending to lead to over-centralization of control of orphans and neglected children. I feel that this resolution will be of interest to my colleagues, and I ask unanimous consent that the letter be appropriately referred and printed at this point in the RECORD.

There being no objection, the letter was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

KNIGHTS OF COLUMBUS,
JOHN EISEN COUNCIL, No. 1799,
Marshfield, Wis., June 7, 1949.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: It is our understanding that bill H. R. 2892, known as the Public Welfare Act of 1949 proposes to set up a complete national pattern of direct governmental care of all orphaned and neglected children. We are also acutely aware that the tendency expressed in the appearance of this bill is already strongly present in State administrations.

We hereby wish to record our unequivocal and unyielding opposition to this bill and the tendency which it represents. We view with alarm this new attempt to encroach on the right of individual and local self-determination. We see it as another step toward that extreme centralization of authority which characterized the late dictatorships and which now is the basic operating

principle of communism in Russia. Furthermore it would result in the secularization of the care of the children involved, a prospect which is both repugnant in its religious aspect and dangerous both politically and socially.

We therefore request your most careful consideration of this bill with the view to halting the spread of the dangerous tendency which it represents.

Respectfully yours,

H. A. PROSCHAK,
Grand Knight.

(By direction expressed in unanimous vote of 600 members.)

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TAYLOR, from the Committee on Expenditures in the Executive Departments:

S. 1946. A bill to establish a permanent National Commission on Intergovernmental Relations; with amendments (Rept. No. 488).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1977. A bill to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act; without amendment (Rept. No. 489).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 1405. A bill to provide for the admission to, and the permanent residence in, the United States of Poon Lim; with an amendment (Rept. No. 490);

H. R. 593. A bill for the relief of Hampton Institute; without amendment (Rept. No. 491);

H. R. 716. A bill for the relief of Mark H. Potter; without amendment (Rept. No. 492);

H. R. 1136. A bill for the relief of June C. Dollar; without amendment (Rept. No. 493);

H. R. 1837. A bill to amend the Nationality Act of 1940; without amendment (Rept. No. 494);

H. R. 1858. A bill for the relief of the legal guardian of John Waipa Wilson; without amendment (Rept. No. 495);

H. R. 1981. A bill for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan; without amendment (Rept. No. 496); and

H. R. 3324. A bill for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi; without amendment (Rept. No. 497).

PRINTING OF REPORTS ON FEDERAL-STATE RELATIONS BY COUNCIL OF STATE GOVERNMENTS (S. DOC. NO. 81)

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, with an amendment, Senate Resolution 124, and ask unanimous consent for its present consideration. The resolution provides for the printing as a Senate document of the Report on Federal-State Relations by the Council of State Governments, prepared for the consideration of the Commission on Organization of the Executive Branch of the Government. The reason for haste is that there is to be a governors' conference in about 2 weeks.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 124) submitted by Mr. MCCLELLAN on June 7, 1949, was read, as follows:

Resolved, That there be printed as a Senate document the report on Federal-State Relations by the Council of State Governments, prepared for the consideration of the Commission on Organization of the Executive Branch of the Government; and that 2,000 additional copies be printed for the use of the Senate Committee on Expenditures in the Executive Departments.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object, I should like to have the Chairman of the Committee on Rules and Administration again state his reason for the immediate consideration of the resolution.

Mr. HAYDEN. As I have stated, the report contains, as stated on its face, information of great value to the governors' conference, which is soon to meet. If the resolution can be agreed to now, the printed copies will be available for the conference. The report has to do with the relationship between the States and the Federal Government in various fields of taxation, and in other particulars.

Mr. WHERRY. How much will the printing cost?

Mr. HAYDEN. Approximately $3,000.

Mr. WHERRY. Does this report have to do with the reorganization legislation?

Mr. HAYDEN. The information is valuable to the Committee on Expenditures in the Executive Departments, and it is valuable to the State governments, because of the interrelationships between the two.

Mr. WHERRY. Does the Senator mean that it is valuable because of the study of the finances of the Federal Government?

Mr. HAYDEN. This is one of the reports of the task force of the Hoover Commission.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 1, line 1, after the word "document", to insert "with illustrations."

The amendment was agreed to.

The resolution, as amended, was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TAYLOR:

S. 2043. A bill to provide pensions for citizens of the United States who have reached the age of 65; to the Committee on Finance.

By Mr. WILEY:

S. 2044. A bill for the relief of Alfredo Dante Perfumo; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 2045. A bill for the relief of Florrie Groke; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 2046. A bill to provide authority for certain functions and activities of the National Bureau of Standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMAHON:

S. 2047. A bill for the relief of Marie C. Araujo, also known as Marie Conceipaco de Brito; and

S. 2048. A bill for the relief of Moe Tanger; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2049. A bill for the relief of R. J. McGarry; to the Committee on the Judiciary.

S. 2050. A bill for the relief of Jesse Stokes Bowling, Jr.; to the Committee on Finance.

By Mr. GREEN:

S. 2051. A bill to amend the provisions of law authorizing the granting of leave to Government employees so as to provide that such employees shall not be required to use annual leave for the purpose of preventing its accumulation; to the Committee on Post Office and Civil Service.

By Mr. IVES:

S. 2052. A bill to provide for the conferring of the degree of bachelor of science upon graduates of the United States Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 2053. A bill for the relief of Mrs. James A. Vaughn and daughter Mary Ann Vaughn; to the Committee on the Judiciary.

(Mr. McCARTHY introduced the following bills, which were referred, as indicated, and appear under a separate heading:

S. 2054. A bill to authorize the President to determine the form of the National Budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.)

(Mr. McCARTHY also introduced Senate bill 2062, making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. CONNALLY (by request):

S. J. Res. 106. Joint resolution granting permission to Vernon G. MacKenzie, Sanitary Engineer Director, Public Health Service, to accept and wear a certain decoration bestowed upon him by the King of Greece; and

S. J. Res. 107. Joint resolution granting permission to Hildrus A. Poindexter, Senior Surgeon (Reserve), and Mary L. Mills, Senior Assistant Nurse Officer, of the Public Health Service, to accept the diplomas and wear the insignia of certain decorations bestowed upon them by Liberia; to the Committee on Foreign Relations.

(Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. McCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEM, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON) introduced Senate Joint Resolution 108, to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

REORGANIZATION OF GOVERNMENT—INTRODUCTION OF BILLS

Mr. McCARTHY. Mr. President, I introduce for appropriate reference eight bills relating to reorganization of the Government, and I ask unanimous consent that I may proceed a few minutes in connection therewith.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the Senator may proceed. The Chair hears no objection.

The bills introduced by Mr. McCARTHY were severally read twice by their titles, and referred as indicated:

S. 2054. A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 2055. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture and Forestry.

S. 2056. A bill to provide for an additional Assistant Secretary of Commerce, and to give the Secretary of Commerce authority to reorganize his Department, so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

S. 2057. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interior and Insular Affairs.

S. 2058. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Finance.

S. 2059. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government;

S. 2060. A bill to establish a Department of Welfare; and

S. 2061. A bill to create a Commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.

Mr. McCARTHY. Mr. President, I should like to state, first, that the bills which I have introduced are not the result of work on my part, but the result of almost unlimited work on the part of the Hoover Commission. The bills which I have introduced have been drafted by the legal staff of the Hoover Commission.

At this time I wish to express a thought which has been in the minds of all members of the Committee on Expenditures in the Executive Departments. The chairman of that committee, the Senator from Arkansas [Mr. McCLELLAN] has been doing what we consider to be an outstanding job. He has been conducting a completely nonpartisan, nonpolitical study of the Hoover Commission recommendations. To this date he has succeeded in the unusual accomplishment of having every piece of legislation reported from that committee approved by a unanimous vote, despite the fact among the membership of the committee is represented a vast range of opinions and political philosophies, all the way from the opinions and philosophy of the Senator from Idaho [Mr. TAYLOR], for example, to those of the Senator from Mississippi [Mr. EASTLAND]. Up to this time every bill which has been reported from that committee has been reported by a unanimous vote. I think that is a great tribute to the chairman of the committee. I think the people of the Nation will owe the Senator from Arkansas a great debt of gratitude if and when the Hoover Commission recommendations are enacted into law.

ECONOMY IN GOVERNMENT EXPENDITURES

Mr. McCLELLAN. Mr. President, I ask unanimous consent to make an announcement at this time.

The PRESIDENT pro tempore. Without objection, the Senator from Arkansas may proceed.

Mr. McCLELLAN. This morning the Committee on Expenditures in the Executive Departments approved a joint resolution to be introduced today for myself and certain other Senators. It is a measure dealing with the subject of economy. It is in line with measures introduced by the Senator from Maryland [Mr. TYDINGS], the Senator from Nebraska [Mr. WHERRY], and other Senators. The joint resolution is the committee's product. The committee worked it out. A number of Senators have expressed a desire to join as sponsors in introducing the joint resolution. So I make the announcement that the joint resolution will be on the clerk's desk during today and we shall be very happy to have any Senator who wishes to join as cosponsor do so.

The joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, introduced by Mr. McCLELLAN (for himself, Mr. TYDINGS, Mr. WHERRY, Mr. REED, Mr. YOUNG, Mr. RUSSELL, Mr. BRIDGES, Mr. BYRD, Mr. EASTLAND, Mr. FULBRIGHT, Mr. FERGUSON, Mr. HOEY, Mr. IVES, Mr. McCARTHY, Mr. WILEY, Mr. MUNDT, Mr. O'CONOR, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. GILLETTE, Mr. DOUGLAS, Mr. KEM, Mr. BRICKER, Mr. CAPEHART, Mr. ECTON, Mr. JENNER, Mr. MILLIKIN, Mr. BREWSTER, Mr. ELLENDER, and Mr. ROBERTSON), was received, read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

Subsequently,

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, to which was referred the joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, reported it without amendment and submitted a report (No. 498) thereon.

LEAVES OF ABSENCE

Mr. PEPPER. Mr. President, I ask unanimous consent that my colleague [Mr. HOLLAND], who is in Florida upon public business today and tomorrow, may be excused from attendance upon the sessions of the Senate for those 2 days.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUNDT asked and obtained consent to be absent from the session of the Senate tomorrow for the purpose of participating in the annual Flag Day exercises at Philadelphia, Pa.

FARM SURPLUSES AND THEIR SOLUTION—ADDRESS BY SENATOR WHERRY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address entitled "Farm Surpluses and Their Solution," delivered by him before the Nebraska Stock Growers' Association at Alliance, Nebr., on June 10, 1949, which appears in the Appendix.]

WORLD PEACE OR A WORLD IN PIECES—ADDRESS BY SENATOR TOBEY

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an address entitled "World Peace or a World in Pieces," delivered by him before the United World Federalists, at Madison Square Garden, New York City, on June 9, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR LANGER AT CONVENTION OF UNITED LABOR PARTY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address delivered by him at the convention of the United Labor Party in Cleveland, Ohio, on June 12, 1949, which appears in the Appendix.]

ADDRESS BY HON. TRYGVE LIE AT THE UNIVERSITY OF CHATTANOOGA

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD the text of an address delivered by Hon. Trygve Lie, United Nations Secretary-General, at the University of Chattanooga on June 6, 1949, which appears in the Appendix.]

THE WORK OF THE TVA—COMPOSITION BY PHIL WHITAKER, JR.

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a composition entitled "The Work of the TVA," written by Phil Whitaker, Jr., of Chattanooga, Tenn., which appears in the Appendix.]

ADDRESS BY ALEX HILLMAN AT COMMENCEMENT EXERCISES OF PACIFIC UNIVERSITY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD the address delivered by Alex Hillman, at the commencement exercises of Pacific University, which appears in the Appendix.]

HOW MUCH DO PEOPLE CARE?—ARTICLE BY WHEELER McMILLEN

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "How Much Do People Care?" written for the Pathfinder magazine by Wheeler McMillen, publisher, which appears in the Appendix.]

BACK POST-OFFICE EMPLOYEES—EDITORIAL FROM THE NEW YORK WORLD-TELEGRAM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Back Post-Office Employees," published in the New York World-Telegram of June 9, 1949:

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BACK POST-OFFICE EMPLOYEES

Congress would be unfair to some 375,000 faithful post-office workers if it ended its current session without acting on their cost-of-living and other requests which are, briefly:

Salary increase of $650 a year for all postal employees.

Vacation of 26 days and 15 days' sick leave. This is what other Federal employees get now, whereas postal employees are allowed only a present 15 days' vacation and 10 days' sick leave.

Service in the armed forces in World War II to be credited as time employed in the post office for promotion in automatic pay grades.

Past service credits in longevity grades for older workers.

Retirement at a full annuity after 30 years of service, with minimum age 55.

The above are what seem reasonable equalizations urged upon congressional committees by the more than 18,000 members of the Joint Conference of Affiliated Postal Employees (A. F. of L.) in Greater New York and vicinity, through their legislative representative, Jerome J. Strauber.

These postal employees, remember, have no strike weapon. For fair treatment in the matter of wage and living standards, they have to rely solely on Congress and pressure of public opinion.

Amid "rounds" of industrial wage boosts the public should be in no mood to see post office workers forced to take extra jobs to eke out insufficient incomes the Post Office Department is against raising unless it gets bigger revenues.

Nothing compels Congress to neglect postal personnel while handing out pay increases for other Federal employee groups.

Nor has Congress ever yet declared the Post Office must be self-supporting, no matter how its own employees may suffer.

The danger is that Congress may stall along on these postal workers' requests until it can suddenly pretend it's too late.

To prevent that, it's up to the public to do some prompt and pointed prodding. Letters and telegrams to Congressmen are still delivered—often with marked effect.

NATIONAL COMMITTEE FOR FREE EUROPE, INC.

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD two statements, one by the distinguished senior Senator from New Jersey, my colleague [Mr. SMITH], in respect to Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, who has been made chairman of the National Committee for Free Europe, Inc., and the other a declaration of policy of the National Committee for Free Europe, Inc., including a statement to the press by Mr. Grew.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SMITH

JUNE 13, 1949.

Mr. President, I have just been advised that Hon. Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of the Pearl Harbor attack, has recently been made chairman of an important voluntary committee entitled "National Committee for Free Europe, Inc."

This committee, which has a distinguished list of sponsors, in addition to Mr. Grew, aims to give special aid to those democratic leaders who have escaped from eastern Europe to the United States, and are prepared to continue their stand against communism, looking forward to the day when the iron curtain will fall and eastern Europe will be ripe for democratic remaking.

This undertaking appears to me to be of first importance, not only because of the distinction of the chairman but also because of the outstanding list of sponsors who have been organized to develop the program.

I ask unanimous consent to insert in the body of the RECORD a statement issued by the committee on June 1 last, together with a copy of the declaration of policy of the committee, and a copy of Chairman Grew's introductory remarks to the press on the same subject. The statement which follows includes the names of the distinguished sponsors of the new program.

STATEMENT OF NATIONAL COMMITTEE FOR FREE EUROPE, INC.

NEW YORK, N. Y., June 1.—Joseph C. Grew, former Under Secretary of State and Ambassador to Japan at the time of Pearl Harbor, today announced the formation of the National Committee for Free Europe, Inc.

Among the sponsors of the new organization, of which Mr. Grew is chairman, are: Frank Altschul, treasurer; Hamilton Fish Armstrong; A. A. Berle, Jr.; Francis Biddle; Robert Woods Bliss; James B. Carey; Hugh A. Drum; Allen W. Dulles; Dwight D. Eisenhower; Mark F. Ethridge; William Green; Charles R. Hook; Arthur Bliss Lane; Henry R. Luce; Arthur W. Page; Dewitt C. Poole, executive secretary; Charles M. Spofford; Charles P. Taft; Dewitt Wallace; Matthew Woll; and James A. Farley.

The objective of the committee, Mr. Grew stated, will be to help those democratic leaders who have escaped to the United States from Communist oppression in eastern Europe.

"In addition to maintaining the American tradition of hospitality to political refugees," he said, "we will aid these leaders to continue their stand against communism, anticipating the day when the iron curtain will fall and eastern Europe will be ripe for democratic remaking:

"Specifically," Mr. Grew continued, "the committee will assist these leaders:

"1. To maintain themselves in useful occupations during their enforced stay in the United States.

"2. To come to know the people of the United States and to understand their spirit and aims.

"3. To engage in efforts by radio, press, and other means to keep alive in their fellow citizens in Europe the ideals of individual and national freedom.

"4. To establish effective means of cooperation with like-minded European leaders in the United States and to coordinate their plans with those of similar leaders abroad.

"The committee will encourage these leaders to maintain in this country national committees which will stand as symbols of democratic hope to their peoples—the peoples of Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, and Yugoslavia, to whom at Yalta in 1945 we promised free elections and the fundamental freedoms.

"Arms and economic aid are indispensable but by themselves are not enough. Only in the field of ideas and spiritual values can victory be lasting."

Annexed hereto are:

(a) Copy of the declaration of policy of the NCFE.

(b) Copy of Mr. Grew's introductory remarks to the press.

DECLARATION OF POLICY OF NATIONAL COMMITTEE FOR FREE EUROPE, INC.

Our Nation was founded by men who believed in individual freedom under law. They declared this in our Declaration of Independence. That Declaration, as Lincoln said, was designed to give liberty not alone to the people of this country, but hope to the world for all future time.

Much has been done to give substance to that hope, and, in the course of our history, our belief in human liberties and our power to defend them have been continuously strengthened by those millions, largely from Europe, who have found asylum from oppression within our frontiers. We declared the Monroe Doctrine so that despotism might not reach out to strangle human liberty in this hemisphere, and we have fought two great wars to destroy centers of despotism that threatened freedom everywhere.

As World War II came to a close the United States joined with Great Britain and the Soviet Union in the Declaration on Liberated Europe, signed at Yalta on February 11, 1945. In that declaration we affirmed our determination to cooperate with other peace-loving nations in building "world order under law dedicated to peace, security, freedom, and the well-being of all mankind." In particular, we pledged ourselves in that document to assist the peoples liberated from the domination of Nazi Germany "to solve by democratic means their pressing political and economic problems."

With other nations, and in the vanguard of the movement, the United States helped to plan a United Nations that would assure justice and lasting peace. At San Francisco the United Nations Charter was adopted by

statesmen acting on behalf of the peoples who were determined to reaffirm faith in fundamental human rights and the dignity and worth of the individual. Other nations, which are not members, assumed the same obligations through the provisions of treaties of peace whereby these states regained their sovereignty.

Four years have passed since the Yalta declaration was adopted and the Charter signed. Eighteen months have passed since the peace treaties with Bulgaria, Hungary, and Rumania entered into force. Yet, in the intervening period, the peoples of eastern Europe have increasingly been deprived of freedom of association, freedom of speech, freedom of worship, freedom to perform the work of their choice. Equality before the law and protection of life and property are denied. Government by representation through free elections does not exist. Meanwhile, the peoples of western Europe strive to guard their freedoms against a fifth-column attack which is without precedent for its lack of principle, its intensity and its range of action.

This situation is the direct consequence of the determination of the leaders of international communism to dominate the world through the creation of police states subservient to them. It is this which has frustrated our hopes of peace and increasingly threatens to bring on a third major war. The threat cannot be removed and stable peace achieved until the peoples of Europe are once more able to live without fear. Only as the specter of the police state is dissipated can personal liberty and individual security return.

The peoples of eastern and western Europe look to us who for the moment are the most secure in our freedom. We, on our side, are reminded by the scale of our economic aid under the Marshall plan and by the Atlantic Pact for purposes of mutual defense, that the frontiers of our security are not those of our own continent.

Action of governments alone is not enough. As American citizens we all share in the moral responsibilities assumed by our country, as we also share in the dangers. Acting together in such private associations as are appropriate and in consonance with the established views of our Government in world and human affairs, we must help to further the cause of liberty and peace.

To this end the National Committee for Free Europe, Inc., is formed.

The committee's support will be offered in particular to the intellectual and political leaders who have come temporarily to this country, seeking the freedom denied them in their own lands. It will aid them in their peaceful efforts to prepare the way toward the restoration in eastern Europe of the social, political, and religious liberties in which they and we believe.

Specifically, the committee will help these non-Fascist and non-Communist leaders:

To maintain themselves in useful occupations during their enforced stay in the United States;

To come to know the people of the United States and to understand their spirit and aims;

To engage in efforts by radio, press, and other means to keep alive among their fellow citizens in Europe the ideals of individual and national freedom;

To establish effective means of cooperation with like-minded European leaders in the United States and to coordinate their plans with those of similar leaders abroad.

The committee will rally popular support in the United States for the cause of free Europe and, in this way, will aid the cause of freedom everywhere. It will raise and dispense funds in behalf of this cause.

PORTION OF INTRODUCTORY STATEMENT TO THE PRESS BY JOSEPH C. GREW

In an immediate sense our enterprise derives from Yalta. There in 1945, as you will recall, the United States joined with the United Kingdom and the U. S. S. R. in promising to the peoples liberated from the Nazi tyranny free elections and the fundamental freedoms. The peoples in question are those of Poland, Czechoslovakia, Hungary, Rumania, Yugoslavia, and Bulgaria. That promise has not been kept.

On the contrary, a new oppression has arisen; and from that oppression the democratic leaders of the six nations mentioned have escaped abroad, so far as they could. A good number have arrived in the United States and are among us as exiles and refugees; more may come.

Our program begins with the tangible fact of the presence here of these exiles and refugees. There is an American tradition of hospitality to political refugees. The promise which we gave at Yalta remains unredeemed. More than that we have a definite self-interest in helping to keep alive, and in full vigor, political leaders who share our view of life—leaders who have refused to knuckle under, men who have not hesitated to risk their lives for their democratic faith.

As item No. 1 in our immediate program we propose—have in fact already begun—to find suitable occupations for these democratic exiles who have come to us from eastern Europe. We are setting out to find suitable positions for them in colleges and universities. We are proposing to ask others of them to prepare studies on topics for which they are especially equipped, and, of course, to accept stipends for the work done. We would not presume to offer charity but we can offer work.

At the same time we are encouraging each national group of exiles to draw together politically—all democratic elements, that is, those neither Fascist nor Communist—in order to form in their temporary American haven national committees which can stand as symbols of democratic hope for their countrymen in eastern Europe—the faithful masses in the six countries I have mentioned who still somehow preserve their heritage against the Communist oppression.

And we look forward to the day when there will no longer be an iron curtain—that day must come—and these six nations which we helped liberate from the Nazi oppression will be free of the Communist oppression and once more can organize their existence in their own way. When that time comes, there will be something close to social chaos and political vacuum, for the first effort of totalitarian regimes is to destroy all constructive elements which might build anything different from themselves. Looking forward to that historic and critical time we have in mind that, if meanwhile democratic leaders have been helped to keep alive and in vigor in the democratic havens to which they have been driven, we can hope that, returning, they can have parts in a democratic reconstruction.

Coming now to another major aim in our immediate program—we have in view an ambitious effort, and I want to say at once that I am not now in a position to tell you precisely how we are going to accomplish it. Our second purpose will be to put the voices of these exiled leaders on the air, addressed to their own peoples back in Europe, in their own languages, in the familiar tones. We shall help them also, if we can, to get their messages back by the printed word.

Of course, we are not going to compete with the Voice of America. We shall endeavor to supplement the Voice of America for the Voice is under restrictions by reason of its official character. It is our American habit not to leave everything to Government. In the field of the contest of ideas there is much which private initiative can accomplish best.

A third aim in our immediate program is to set out at once to bring the exiled political leaders into a broad contact with American life. Most of them, naturally, have settled down in New York and Washington. Few among them have the means to travel. We plan to get them out, so far as they may care to go, around the broad United States for informal gatherings and conferences or platform lectures if that is desired, before trade-unions, farm organizations, colleges and universities, civic organizations, and so on.

Our idea is to enable these proven champions of democracy to see with their own eyes how freedom and democracy are working out in the United States—with all the imperfections, but with what seems to us at least to be a generally good result. We hope that their impressions will be on balance favorable.

If their impressions are on balance favorable, these exiles and refugees will become independent witnesses to the worth of our American endeavor. Then, if we enable them to communicate by radio or printed word with their peoples in the east European homelands, their messages will not be formed of theory and hypothesis but living substance. They can testify to what the trial of freedom and democracy in the United States has brought.

That, gentlemen, stated as briefly as possible, is our immediate program. We hope that its practical bearing on the present crisis will be perceived and that we shall find support among the public. We start next week an advertising campaign and appeal for funds.

I have no doubt that as we go along other activities will be added to our program. You have our declaration of policy. Members of the committee have joined up on the basis of this declaration. The declaration makes clear that what we are doing basically is to dedicate ourselves in broad terms to the defense of freedom against the mounting Communist assault.

Let me add, then, just a word or two about our basic concept. There goes on in the world these days a struggle to determine the future of civilization. How our children are going to live depends upon the outcome.

Until not long ago we all took it for granted that the basically Christian civilization we have known for a good many centuries would continue to spread over the world and prevail by its own momentum. But now this future has been challenged very seriously. Our way of life is being assailed by every conceivable device.

Three types of defense are at hand. First, there is military preparation. On that we are spending billions. Military safeguard is indispensable certainly, but it is a safeguard only for the time being. Even if we win a war, we are still defeated by the social destitution and chaos which must ensue.

In the economic field we support the Marshall plan, very wisely. The Marshall plan promises many enduring results. Our military and economic efforts are superb, but there remains the field of ideas.

Only in the field of the contest of ideas can we hope to achieve a victory which will last. The committee's basic purpose, which we shall implement in every way which we find to be feasible as we go along, is to contribute to that lasting victory.

I have told you some of the things that we hope to do. Now I would like to ask you to do a few things for us. We have no final blueprint for the activities of this committee. We wish and need suggestions from all those who share our feeling about the final goal. We need, particularly, suggestions

from you who are so informed and alive to the problems of this period.

As I think I told you, we wish, wherever possible, to find useful activity for these foreign friends who are in our land. We believe that you may have many ideas on this subject and many concrete and practical suggestions to give us. Please let us have the value of your cooperation along these lines.

Without using any names, I will try to describe one case with which we are now concerned. An outstanding foreign correspondent, for many years a correspondent with more than one of the great news agencies, who was imprisoned by the Nazis and who more recently got out of his own land just one jump ahead of the political police, has had most valuable experiences in reporting the truth from areas where there is little or no freedom of the press. We should imagine that his experiences and ideas would be of value in any school of journalism, and he would like to put his experience to use in this field. There may be many other things with which he could usefully occupy himself. Perhaps you will have some useful hints as to effective procedure.

That leads me to another thought. We shall naturally have early relations with organized groups of foreign refugees such as the national councils that have been organized or may be organized in this country. We believe, however, that there may be many foreign friends, who, for one reason or another, may not be on such lists, but who, nonetheless, can contribute much toward the accomplishment of the task in which we are interested. We should like to receive from you, names of deserving individuals who can play an active role in the battle of ideas in which you and we are engaged.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

Mr. LUCAS. Mr. President, I ask unanimous consent that the International Wheat Agreement, which is the first item on the Executive Calendar, be passed over temporarily, and that the Senate proceed to consider the nominations on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will proceed to state the nominations on the Executive Calendar.

SECRETARY OF THE ARMY

The Chief Clerk read the nomination of Gordon Gray to be Secretary of the Army.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of John Russell Young to be Commissioner of the District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HIGH COMMISSIONER FOR GERMANY AND CHIEF OF MISSION

The Chief Clerk read the nomination of John J. McCloy to be United States High Commissioner for Germany and Chief of Mission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPUTY ADMINISTRATOR FOR ECONOMIC COOPERATION

The Chief Clerk read the nomination of William C. Foster, to be Deputy Administrator for Economic Cooperation.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

The Chief Clerk read the nomination of Milton Katz to be deputy United States special representative in Europe.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. LUCAS. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed this day.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the list of executive nominations.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, proceeded to consider the International Wheat Agreement, Executive M (81st Cong., 1st sess.), which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries, which was read the second time, as follows:

INTERNATIONAL WHEAT AGREEMENT

The Governments parties to this Agreement,

Intending to overcome the serious hardship caused to producers and consumers by burdensome surpluses and critical shortages of wheat, and

Having resolved that it is desirable to conclude an international wheat agreement for this purpose,

Have agreed as follows:

PART 1—GENERAL

Article I—Objectives

The objectives of this Agreement are to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices.

Article II—Definitions

1. For the purposes of this Agreement:

"Advisory Committee on Price Equivalents" means the Committee established under Article XV.

"Bushel" means sixty pounds avoirdupois.

"Carrying charges" means the costs incurred for storage, interest and insurance in holding wheat.

"C. & f." means cost and freight.

"Council" means the International Wheat Council established by Article XIII.

"Crop-year" means the period from August 1 to July 31, except that in Article VII it means in respect of Australia and Uruguay the period from December 1 to November 30 and in respect of the United States of America the period from July 1 to June 30.

"Executive Committee" means the committee established under Article XIV.

"Exporting country" means, as the context requires, either (i) the government of a country listed in Annex B to Article III which has accepted or acceded to this agreement and has not withdrawn therefrom, or (ii) that country itself and the territories in respect of which the rights and obligations of its Government apply under Article XXIII.

"F. a. q." means fair average quality.

"F. o. b." means free on board ocean vessel.

"Guaranteed quantity" means in relation to an importing country its guaranteed purchases for a crop-year and in relation to an exporting country its guaranteed sales for a crop-year.

"Importing country" means, as the context requires, either (i) the Government of a country listed in Annex A to Article III which has accepted or acceded to this agreement and has not withdrawn therefrom, or (ii) that country itself and the territories in respect of which the rights and obligations of its Government apply under Article XXIII.

"International Trade Organization" means the organization provided for in the Havana Charter, dated March 24, 1948, or, pending the establishment of that Organization, the Interim Commission established by a resolution adopted by the United Nations Conference on Trade and Employment held in Havana from November 21, 1947 to March 24, 1948.

"Marketing costs" means all usual charges incurred in procurement, marketing, chartering, and forwarding.

"Metric ton" means 36.74371 bushels.

"Old crop wheat" means wheat harvested more than two months prior to the beginning of the current crop-year of the exporting country concerned.

"Territory" in relation to an exporting or importing country includes any territory in respect of which the rights and obligations under this Agreement of the Government of that country apply under Article XXIII.

"Transaction" means a sale for import into an importing country of wheat exported or to be exported from an exporting country, or the quantity of such wheat so sold, as the context requires. Where reference is made in this Agreement to a transaction between an exporting country and an importing country, it shall be understood to refer not only to transactions between the government of an exporting country and the government of an importing country but also to transactions between private traders and to transactions between a private trader and the government of an exporting or an importing country. In this definition "government" shall be deemed to include the government of any territory in respect of which the rights and obligations of any Government accepting or acceding to this Agreement apply under Article XXIII.

"Unfulfilled guaranteed quantity" means the difference between the quantities entered in the Council's records in accordance with Article IV in respect of any exporting or importing country for a crop-year and that country's guaranteed quantity for that crop-year.

"Wheat" includes wheat grain and, except in Article VI, wheat-flour.

2. Seventy-two units by weight of wheat-flour shall be deemed to be equivalent to one hundred units by weight of wheat grain in all calculations relating to guaranteed purchases or guaranteed sales, unless the Council decides otherwise.

PART 2—RIGHTS AND OBLIGATIONS

Article III—Guaranteed purchases and guaranteed sales

1. The quantities of wheat set out in Annex A to this Article for each importing country represent, subject to any increase or reduction made in accordance with the provisions of Part 3 of this Agreement, the guaranteed purchases of that country for each of the four crop-years covered by this Agreement.

2. The quantities of wheat set out in Annex B to this Article for each exporting country represent, subject to any increase or reduction made in accordance with the provisions of Part 3 of this Agreement, the guaranteed sales of that country for each of the four crop-years covered by this Agreement.

3. The guaranteed purchases of an importing country represent the maximum quantity of wheat which, subject to deduction of the amount of the transactions entered in the Council's records in accordance with Article IV against those guaranteed purchases,

(a) that importing country may be required by the Council, as provided in Article V, to purchase from the exporting countries at prices consistent with the minimum prices specified in or determined under Article VI, or

(b) the exporting countries may be required by the Council, as provided in Article V, to sell to that importing country at prices consistent with the maximum prices specified in or determined under Article VI.

4. The guaranteed sales of an exporting country represent the maximum quantity of wheat which, subject to deduction of the amount of the transactions entered in the Council's records in accordance with Article IV against those guaranteed sales,

(a) that exporting country may be required by the Council, as provided in Article V, to sell to the importing countries at prices consistent with the maximum prices specified in or determined under Article VI, or

(b) the importing countries may be required by the Council, as provided in Article V, to purchase from that exporting country at prices consistent with the minimum prices specified in or determined under Article VI.

5. If an importing country finds difficulty in exercising its right to purchase its unfulfilled guaranteed quantities at prices consistent with the maximum prices specified in or determined under article VI or an exporting country finds difficulty in exercising its right to sell its unfulfilled guaranteed quantities at prices consistent with the minimum prices so specified or determined, it may have resort to the procedure in article V.

6. Exporting countries are under no obligation to sell any wheat under this Agreement unless required to do so as provided in article V at prices consistent with the maximum prices specified in or determined under article VI. Importing countries are under no obligation to purchase any wheat under this Agreement unless required to do so as provided in article V at prices consistent with the minimum prices specified in or determined under article VI.

7. The quantity, if any, of wheat-flour to be supplied by the exporting country and accepted by the importing country against their respective guaranteed quantities shall, subject to the provisions of article V, be determined by agreement between the buyer and seller in each transaction.

8. Exporting and importing countries shall be free to fulfill their guaranteed quantities through private trade channels or otherwise. Nothing in this Agreement shall be construed to exempt any private trader from any laws or regulations to which he is otherwise subject.

ANNEX A TO ARTICLE III

Guaranteed purchases

Crop-year August 1 to July 31	1949/50	1950/51	1951/52	1952/53	Equivalent in bushels for each crop-year
	Thousands of metric tons*				
Austria	300	300	300	300	11,023,113
Belgium	550	550	550	550	20,209,040
Bolivia	75	75	75	75	2,755,778
Brazil	360	360	360	360	13,227,786
Ceylon	80	80	80	80	2,939,497
China	200	200	200	200	7,348,742
Colombia	20	20	20	20	734,874
Cuba	202	202	202	202	7,422,229
Denmark	44	44	44	44	1,616,723
Dominican Republic	20	20	20	20	734,874
Ecuador	30	30	30	30	1,102,311
Egypt	190	190	190	190	6,981,305
El Salvador	11	11	11	11	404,181
Greece	428	428	428	428	15,726,308
Guatemala	10	10	10	10	367,437
India	1,042	1,042	1,042	1,042	38,286,946
Ireland	275	275	275	275	10,104,520
Israel	100	100	100	100	3,674,371
Italy	1,100	1,100	1,100	1,100	40,418,081
Lebanon	65	65	65	65	2,388,341
Liberia	1	1	1	1	36,744
Mexico	170	170	170	170	6,246,431
Netherlands**	700	700	700	700	25,720,597
New Zealand	125	125	125	125	4,592,964
Nicaragua	8	8	8	8	293,950
Norway	210	210	210	210	7,716,179
Panama	17	17	17	17	624,643
Paraguay	60	60	60	60	2,204,623
Peru	200	200	200	200	7,348,742
Philippines	196	196	196	196	7,201,767
Portugal	120	120	120	120	4,409,245
Saudi Arabia	50	50	50	50	1,837,185
Sweden	75	75	75	75	2,755,778
Switzerland	175	175	175	175	6,430,149
Union of South Africa	300	300	300	300	11,023,113
United Kingdom	4,819	4,819	4,819	4,819	177,067,938
Venezuela	90	90	90	90	3,306,934
Total (37 countries)	12,418	12,418	12,418	12,418	456,283,389

*Unless the Council decides otherwise, 72 metric tons of wheat-flour shall be deemed equivalent to 100 metric tons of wheat for the purpose of relating quantities of wheat-flour to the quantities specified in this Annex.

**Quantity listed for The Netherlands includes for each crop-year 75,000 metric tons or 2,755,778 bushels for Indonesia.

ANNEX B TO ARTICLE III

Guaranteed sales

Crop-year August 1 to July 31	1949/50	1950/51	1951/52	1952/53	Equivalent in bushels for each crop-year
	Thousands of metric tons*				
Australia	2,177	2,177	2,177	2,177	80,000,000
Canada	5,527	5,527	5,527	5,527	203,069,635
France	90	90	90	90	3,306,934
United States of America**	4,574	4,574	4,574	4,574	168,069,635
Uruguay	50	50	50	50	1,837,185
Total	12,418	12,418	12,418	12,418	456,283,389

*Unless the Council decides otherwise, 72 metric tons of wheat-flour shall be deemed equivalent to 100 metric tons of wheat for the purpose of relating quantities of wheat-flour to the quantities specified in this Annex.

**In the event of the provisions of Article X being invoked by reason of a short crop it will be recognized that these guaranteed sales do not include the minimum requirements of wheat of any Occupied Area for which the United States of America has, or may assume, supply responsibility, and that the necessity of meeting these requirements will be one of the factors considered in determining the ability of the United States of America to deliver its guaranteed sales under this Agreement.

Article IV—Recording of transactions against guaranteed quantities

1. The Council shall keep records for each crop-year of those transactions and parts of transactions in wheat which are part of the guaranteed quantities in Annexes A and B to Article III.

2. A transaction or part of a transaction in wheat grain between an exporting country and an importing country shall be entered in the Council's records against the guaranteed quantities of those countries for a crop-year:

(a) provided that (i) it is at a price not higher than the maximum nor lower than the minimum specified in or determined under Article VI for that crop-year, and (ii) the exporting country and the importing country have not agreed that it shall not be entered against their guaranteed quantities; and

(b) to the extent that (i) both the exporting and the importing country concerned have unfulfilled guaranteed quantities for that crop-year, and (ii) the loading period specified in the transaction falls within that crop-year.

3. If the exporting country and the importing country concerned so agree, a transaction or part of a transaction made under an agreement for the purchase and sale of wheat entered into prior to the entry into force of Part 2 of this Agreement shall, irrespective of price but subject to the conditions in (b) of paragraph 2 of this Article, also be entered in the Council's records against the guaranteed quantities of those countries.

4. If a commercial contract or governmental agreement on the sale and purchase of wheat-flour contains a statement, or if the exporting country and the importing country concerned inform the Council that they are agreed, that the price of such wheat-flour is consistent with the prices specified in or determined under Article VI, the wheat grain equivalent of such wheat-flour shall, subject to the conditions prescribed in (a) (ii) and (b) of paragraph 2 of this Article, be entered in the Council's records against the guaranteed quantities of those countries. If the commercial contract or governmental agreement does not contain a statement of the nature referred to above and the exporting country and the importing country concerned do not agree that the price of the wheat-flour is consistent with the prices specified in or determined under Article VI, either of those countries may, unless they have agreed that the wheat grain equivalent of that wheat-flour shall not be entered in the Council's records against their guaranteed quantities, request the Council to decide the issue. Should the Council, on consideration of such a request, decide that the price of such wheat-flour is consistent with the prices specified in or determined under Article VI, the wheat grain equivalent of the wheat-flour shall be entered against the guaranteed quantities of the exporting and importing countries concerned, subject to the conditions prescribed in (b) of paragraph 2 of this Article. Should the Council, on consideration of such a request, decide that the price of such wheat-flour is inconsistent with the prices specified in or determined under Article VI, the wheat grain equivalent of the wheat-flour shall not be so entered.

5. The Council shall prescribe rules of procedure, in accordance with the following provisions, for the reporting and recording of transactions which are part of the guaranteed quantities:

(a) Any transaction or part of a transaction, between an exporting country and an importing country, qualifying under paragraph 2, 3, or 4 of this article to form part of the guaranteed quantities of those countries shall be reported to the Council within such period and in such detail and by one or both of those countries as the Council shall lay down in its rules of procedure.

(b) Any transaction or part of a transaction reported in accordance with the provisions of subparagraph (a) shall be entered in the Council's records against the guaranteed quantities of the exporting country and the importing country between which the transaction is made.

(c) The order in which transactions and parts of transactions shall be entered in the Council's records as against the guaranteed quantities shall be prescribed by the Council in its rules of procedure.

(d) The Council shall, within a time to be prescribed in its rules of procedure, notify each exporting country and each importing country of the entry of any transaction or part of a transaction in the Council's records against the guaranteed quantities of that country.

(e) If, within a period which the Council shall prescribe in its rules of procedure, the importing country or the exporting country concerned objects in any respect to the entry of a transaction or part of a transaction in the Council's records against its guaranteed quantities, the Council shall review the matter and, if it decides that the objection is well-founded, shall amend its records accordingly.

(f) If any exporting or importing country considers it probable that the full amount of wheat already entered in the Council's records against its guaranteed quantity for the current crop-year will not be loaded within that crop-year, that country may request the Council to make appropriate reductions in the amounts entered in its records. The Council shall consider the matter and, if it decides that the request is justified, shall amend its records accordingly.

(g) Any wheat purchased by an importing country from an exporting country and resold to another importing country may by agreement of the importing countries concerned, be entered against the unfulfilled guaranteed purchases of the importing country to which the wheat is finally resold provided that a corresponding reduction is made in the amount entered against the guaranteed purchases of the first importing country.

(h) The Council shall send to all exporting and importing countries, weekly or at such other interval as the Council may prescribe in its rules of procedure, a statement of the amounts entered in its records against guaranteed quantities.

(i) The Council shall notify all exporting and importing countries immediately when the guaranteed quantity of any exporting or importing country for any crop-year has been fulfilled.

6. Each exporting country and each importing country may be permitted, in the fulfillment of its guaranteed quantities, a degree of tolerance to be prescribed by the Council for that country on the basis of the size of its guaranteed quantities and other relevant factors.

Article V—Enforcement of rights

1. (a) Any importing country which finds difficulty in purchasing its unfulfilled guaranteed quantity for any crop-year at prices consistent with the maximum prices specified in or determined under Article VI may request the Council's help in making the desired purchases.

(b) Within three days of the receipt of a request under subparagraph (a) the Secretary of the Council shall notify those exporting countries which have unfulfilled guaranteed quantities for the relevant crop-year of the amount of the unfulfilled guaranteed quantity of the importing country which has requested the Council's help and invite them to offer to sell wheat at prices consistent with the maximum prices specified in or determined under Article VI.

(c) If within fourteen days of the notification by the Secretary of the Council under subparagraph (b) the whole of the unfulfilled guaranteed quantity of the importing country concerned, or such part thereof as in the opinion of the Council is reasonable at the time the request is made, has not been offered for sale, the Council, having regard to any circumstances which the exporting and the importing countries may wish to submit for consideration and in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat-flour and wheat grain imported by the importing country concerned, shall, within seven days, decide the quantities, and also if requested to do so the quality and grade, of wheat grain and/or wheat-flour which it is appropriate for each or any of the exporting countries to sell to that importing country for loading during the relevant crop-year.

(d) Each exporting country required by the Council's decision under subparagraph (c) to offer quantities of wheat grain and/or wheat-flour for sale to the importing country shall, within thirty days from the date of that decision, offer to sell those quantities to such importing country for loading during the relevant crop-year at prices consistent with the maximum prices specified in or determined under Article VI and, unless those countries agree otherwise, on the same conditions regarding the currency in which payment is to be made as prevail generally between them at that time. If no trade relations have hitherto existed between the exporting country and the importing country concerned and if those countries fail to agree on the currency in which payment is to be made, the Council shall decide the issue.

(e) In case of disagreement between an exporting country and an importing country on the quantity of wheat-flour to be included in a particular transaction being negotiated in compliance with the Council's decision under subparagraph (c), or on the relation of the price of such wheat-flour to the maximum prices of wheat grain specified in or determined under Article VI, or on the conditions on which the wheat grain and/or wheat-flour shall be bought and sold, the matter shall be referred to the Council for decision.

2. (a) Any exporting country which finds difficulty in selling its unfulfilled guaranteed quantity for any crop-year at prices consistent with the minimum prices specified in or determined under Article VI may request the Council's help in making the desired sales.

(b) Within three days of the receipt of a request under subparagraph (a) the Secretary of the Council shall notify those importing countries which have unfulfilled guaranteed quantities for the relevant crop-year of the amount of the unfulfilled guaranteed quantity of the exporting country which has requested the council's help and invite them to offer to purchase wheat at prices consistent with the minimum prices specified in or determined under Article VI.

(c) If within fourteen days of the notification by the secretary of the Council under subparagraph (b) the whole of the unfulfilled guaranteed quantity of the exporting country concerned, or such part thereof as in the opinion of the Council is reasonable at the time the request is made, has not been purchased, the Council, having regard to any circumstances which the exporting and the importing countries may wish to submit for consideration and in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat-flour and wheat grain imported by the importing countries concerned, shall, within seven days, decide the quantities, and also if requested to do so the quality and grade of wheat grain and/or wheat-flour which it is appropriate for each or any of the importing countries to purchase from that exporting country for loading during the relevant crop-year.

(d) Each importing country required by the Council's decision under subparagraph (c) to offer to purchase quantities of wheat grain and/or wheat-flour from the exporting country shall, within thirty days from the date of that decision, offer to purchase those quantities from such exporting country for loading during the relevant crop-year at prices consistent with the minimum prices specified in or determined under Article VI and, unless those countries agree otherwise, on the same conditions regarding the currency in which payment is to be made as prevail generally between them at that time. If no trade relations have hitherto existed between the exporting country and the importing country concerned and if those countries fail to agree on the currency in which payment is to be made, the Council shall decide the issue.

(e) In case of disagreement between an exporting country and an importing country on the quantity of wheat-flour to be included in a particular transaction being negotiated in compliance with the Council's decision under subparagraph (c), or on the relation of the price of such wheat-flour to the minimum prices of wheat grain specified in or determined under Article VI, or on the conditions on which the wheat grain and/or wheat-flour shall be bought and sold, the matter shall be referred to the Council for decision.

Article VI—Prices

1. The basic minimum and maximum prices for the duration of this Agreement shall be:

Crop-year	Minimum	Maximum
1949/50	$1.50	$1.80
1950/51	$1.40	$1.80
1951/52	$1.30	$1.80
1952/53	$1.20	$1.80

Canadian currency per bushel at the parity for the Canadian dollar, determined for the purposes of the International Monetary Fund as at March 1, 1949 for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur. The basic minimum and maximum prices, and the equivalents thereof hereafter referred to, shall exclude such carrying charges and marketing costs as may be agreed between the buyer and the seller.

2. The equivalent maximum prices for bulk wheat for:

(a) No. 1 Manitoba Northern wheat in store Vancouver shall be the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article;

(b) f. a. q. wheat f. o. b. Australia, sample wheat of France (minimum natural weight seventy-six kilograms per hectolitre; minimum protein content ten percent; maximum dockage and moisture content two per cent and fifteen per cent respectively) f. o. b. French ports, and f. a. q. top grade wheat f. o. b. Uruguay, shall be whichever is the lower of:

(i) the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article converted into the currency of Australia, France, or Uruguay, as the case may be, at the prevailing rate of exchange, or

(ii) the price f. o. b. Australia, France, or Uruguay, as the case may be, equivalent to the c. & f. price in the country of destination of the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and, in those importing countries where a quality differential is recognized, by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned;

(c) No. 1 Hard Winter wheat f. o. b. Gulf/Atlantic ports of the United States of America shall be the price equivalent to the c. & f. price in the country of destination of the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned; and

(d) No. 1 Soft White wheat or No. 1 Hard Winter wheat in store Pacific ports of the United States of America shall be the maximum price for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using the prevailing rate of exchange and by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned.

3. The equivalent minimum price for bulk wheat for:

(a) No. 1 Manitoba Northern wheat f. o. b. Vancouver,

(b) f. a. q. wheat f. o. b. Australia,

(c) sample wheat of France (minimum natural weight seventy-six kilograms per hectolitre; minimum protein content ten per cent; maximum dockage and moisture content two per cent and fifteen per cent respectively) f. o. b. French ports,

(d) f. a. q. top grade wheat f. o. b. Uruguay,

(e) No. 1 Hard Winter wheat f. o. b. Gulf/Atlantic ports of the United States of America, and

(f) No. 1 Soft White wheat or No. 1 Hard Winter wheat f. o. b. Pacific ports of the United States of America,

shall be respectively:

the f. o. b. prices Vancouver, Australia, France, Uruguay, United States of America Gulf/Atlantic ports and the United States of America Pacific ports equivalent to the c. & f. prices in the United Kingdom of Great Britain and Northern Ireland of the minimum prices for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur specified in paragraph 1 of this Article, computed by using currently prevailing transportation costs and exchange rates and, in those importing countries where a quality differential is recognized, by making such allowance for difference in quality as may be agreed between the exporting country and the importing country concerned.

4. The Executive Committee may, in consultation with the Advisory Committee on Price Equivalents, at any date subsequent to August 1, 1949, designate any description of wheat other than those specified in paragraphs 2 and 3 above and determine the minimum and maximum price equivalents thereof; provided that in the case of any other description of wheat the price equivalent of which has not yet been determined, the minimum and maximum prices for the time being shall be derived from the minimum and maximum prices of the description of wheat specified in this Article, or subsequently designated by the Executive Committee in consultation with the Advisory Committee on Price Equivalents, which is most closely comparable to such other description, by the addition of an appropriate premium or by the deduction of an appropriate discount.

5. If any exporting or importing country represents to the Executive Committee that any price equivalent established under paragraph 2, 3, or 4 of this Article is, in the light of current transportation or exchange rates or market premiums or discounts, no longer fair, the Executive Committee shall consider the matter and may, in consultation with the Advisory Committee on Price Equivalents, make such adjustments as it considers desirable.

6. If a dispute arises as to what premium or discount is appropriate for the purposes of paragraphs 4 and 5 of this Article in respect of any description of wheat specified in paragraph 2 or 3 or designated under paragraph 4 of this Article, the Executive Committee, in consultation with the Advisory Committee on Price Equivalents, shall on the request of the exporting or importing country concerned decide the issue.

7. All decisions of the Executive Committee under paragraphs 4, 5, and 6 of this Article shall be binding on all exporting and importing countries, provided that any of those countries which considers that any such decision is disadvantageous to it may ask the Council to review that decision.

8. In order to encourage and expedite the conclusion of transactions in wheat between them at prices mutually acceptable in the light of all the circumstances, the exporting and importing countries, while reserving to themselves complete liberty of action in the determination and administration of their internal agricultural and price policies, shall endeavor not to operate those policies in such a way as to impede the free movement of prices between the maximum price and the minimum price in respect of transactions in wheat into which the exporting and importing countries are prepared to enter. Should any exporting or importing country consider that it is suffering hardship as the result of such policies, it may draw the attention of the Council to the matter and the Council shall inquire into and make a report on the complaint.

Article VII—Stocks

1. In order to assure supplies of wheat to importing countries, each exporting country shall endeavor to maintain stocks of old crop wheat at the end of its crop-year at a level adequate to ensure that it will fulfill its guaranteed sales under this Agreement in each subsequent crop-year.

2. In the event of a short crop being harvested by an exporting country, particular consideration shall be given by the Council to the efforts made by that exporting country to maintain adequate stocks as required by paragraph 1 of this Article before that country is relieved of any of its obligations under Article X.

3. In order to avoid disproportionate purchases of wheat at the beginning and end of a crop-year, which might prejudice the stabilization of prices under this Agreement and render difficult the fulfillment of the obligations of all exporting and importing countries, importing countries shall endeavor to maintain adequate stocks at all times.

4. In the event of an appeal by an importing country under Article XII, particular consideration shall be given by the Council to the efforts made by that importing country to maintain adequate stocks as required by paragraph 3 of this Article before it decides in favor of such an appeal.

Article VIII—Information to be supplied to the Council

The exporting and importing countries shall report to the Council, within the time prescribed by it, such information as the Council may request in connection with the administration of this Agreement.

PART 3—ADJUSTMENT OF GUARANTEED QUANTITIES

Article IX—Adjustments in case of non-participation or withdrawal of countries

1. In the event of any difference occuring between the total of the guaranteed purchases in Annex A to Article III and the total of the guaranteed sales in Annex B to Article III as a result of any country or countries listed in Annex A or Annex B (a) not signing or (b) not depositing an instrument of acceptance of or (c) withdrawing under paragraph 5, 6, or 7 of Article XXII from or (d) being expelled under Article XIX from or (e) being found by the Council under Article XIX to be in default of the whole or part of its guaranteed quantities under this Agreement, the Council shall, without prejudice to the right of any country to withdraw from this Agreement under paragraph 6 of Article XXII, adjust the remaining guaranteed quantities so as to make the total in the one Annex equal to the total in the other Annex.

2. The adjustment under this Article shall, unless the Council decides otherwise by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, be made by reducing pro rata the guaranteed quantities in Annex A or Annex B, as the case may be, by the amount necessary to make the total in the one Annex equal to the total in the other annex.

3. In making adjustments under this Article, the Council shall keep in mind the general desirability of maintaining the total guaranteed purchases and the total guaranteed sales at the highest possible level.

Article X—Adjustment in case of short crop or necessity to safeguard balance of payments or monetary reserves

1. Any exporting or importing country which fears that it may be prevented, by a short crop in the case of an exporting country or the necessity to safeguard its balance of payments or monetary reserves in the case of an importing country, from carrying out its obligations under this Agreement in respect of a particular crop-year shall report the matter to the Council.

2. If the matter reported relates to balance of payments or monetary reserves, the Council shall seek and take into account, together with all facts which it considers relevant, the opinion of the International Monetary Fund, as far as the matter concerns a country which is a member of the Fund, on the existence and extent of the necessity referred to in paragraph 1 of this Article.

3. The Council shall discuss with the reporting country the matter reported under paragraph 1 of this Article and shall decide whether such country's representations are well founded. If it finds that they are well founded, it shall decide whether and to what extent and on what conditions the reporting country shall be relieved of its guaranteed quantity for the crop-year concerned. The Council shall inform the reporting country of its decision.

4. If the Council decides that the reporting country shall be relieved of the whole or part of its guaranteed quantity for the crop-year concerned, the following procedure shall apply:

(a) The Council shall, if the reporting country is an importing country, invite the other importing countries, or, if the reporting country is an exporting country, invite the other exporting countries, to increase their guaranteed quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved; provided that an increase in the guaranteed quantities of an exporting country shall require approval by the Council by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries if any importing country, within such period as the Council shall prescribe, objects to such increase on the ground that it will have the effect of making the balance of payments problems of that importing country more difficult.

(b) If the amount of which the importing country is relieved cannot be fully offset in the manner provided in (a) of this paragraph, the Council shall invite the exporting countries, if the reporting country is an importing country, or the importing countries, if the reporting country is an exporting country, to accept a reduction of their guaranteed

quantities for the crop-year concerned up to the amount of the guaranteed quantity of which the reporting country is relieved, after taking account of any adjustments made under (a) of this paragraph.

(c) If the total offers received by the Council from the exporting and importing countries to increase their guaranteed quantities under (a) of this paragraph or to reduce their guaranteed quantities under (b) of this paragraph exceed the amount of the guaranteed quantity of which the reporting country is relieved, their guaranteed quantities shall, unless the Council decides otherwise, be increased or reduced, as the case may be, on a pro rata basis, provided that the increase or reduction of the guaranteed quantity of any such country shall not exceed its offer.

(d) If the amount of the guaranteed quantity of which the reporting country is relieved cannot be fully offset in the manner provided in (a) and (b) of this paragraph, the Council shall reduce the guaranteed quantities in Annex A to Article III, if the reporting country is an exporting country, or in Annex B to Article III, if the reporting country is an importing country, for the crop-year concerned by the amount necessary to make the total in the one Annex equal to the total in the other Annex. Unless the exporting countries, in the case of a reduction in Annex B, or the importing countries, in the case of a reduction in Annex A, agree otherwise, the reduction shall be made on a pro rata basis, account being taken of any reduction already made under (b) of this paragraph.

Article XI—Increase of guaranteed quantities by consent

The Council may at any time, upon request by an exporting or importing country, approve an increase in the figures in one Annex for the remaining period of this Agreement if an equal increase is made in the other Annex for that period, provided that the exporting and importing countries whose figures would thereby be changed consent.

Article XII—Additional purchases in case of critical need

In order to meet a critical need which has arisen or threatens to arise in its territory, an importing country may appeal to the Council for assistance in obtaining supplies of wheat in addition to its guaranteed purchases. On consideration of such an appeal the Council may reduce pro rata the guaranteed quantities of the other importing countries in order to provide the quantity of wheat which it determines to be necessary to relieve the emergency created by the critical need, provided that it considers that such emergency cannot be met in any other manner. Two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries shall be required for any reduction of guaranteed purchases under this paragraph.

PART 4—ADMINISTRATION

Article XIII—The Council

A. Constitution

1. An International Wheat Council is hereby established to administer this Agreement.

2. Each exporting country and each importing country shall be a voting member of the Council and may be represented at its meetings by one delegate, one alternate, and advisers.

3. Any country which the Council recognizes as an irregular exporter or an irregular importer of wheat may become a non-voting member of the Council, provided that it accepts the obligations prescribed in Article VIII and agrees to pay such membership fees as shall be determined by the Council. Each country which is a non-voting member of the Council shall be entitled to have one representative at its meetings.

4. The Food and Agriculture Organization of the United Nations, the International Trade Organization, the Interim Coordinating Committee for International Commodity Arrangements, and such other intergovernmental organizations as the Council may decide, shall each be entitled to have one non-voting representative at meetings of the Council.

5. The Council shall elect for each crop-year a Chairman and a Vice Chairman.

B. Powers and Functions

6. The Council shall establish its rules of procedure.

7. The Council shall keep such records as are required by the terms of this Agreement and may keep such other records as it considers desirable.

8. The Council shall publish an annual report and may publish any other information concerning matters within the scope of this Agreement.

9. The Council, after consultation with the International Wheat Council established under the Memorandum of Agreement approved in June 1942 and amended in June 1946, may take over the records, assets and liabilities of that body.

10. The Council shall have such other powers and perform such other functions as it may deem necessary to carry out the terms of this Agreement.

11. The Council may, by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, delegate the exercise of any of its powers or functions. The Council may at any time revoke such delegation by a majority of the votes cast. Any decision made under any powers or functions delegated by the Council in accordance with this paragraph shall be subject to review by the Council at the request of any exporting or importing country made within a period which the Council shall prescribe. Any decision, in respect of which no request for review has been made within the prescribed period, shall be binding on all exporting and importing countries.

C. Voting

12. The importing countries shall hold 1,000 votes, which shall be distributed between them in the proportions which their respective guaranteed purchases for the current crop-year bear to the total of the guaranteed purchases for that crop-year. The exporting countries shall also hold 1,000 votes, which shall be distributed between them in the proportions which their respective guaranteed sales for the current crop-year bear to the total of the guaranteed sales for that crop-year. No exporting country or importing country shall have less than one vote and there shall be no fractional votes.

13. The Council shall redistribute the votes in accordance with the provisions of paragraph 12 of this Article whenever there is any change in the guaranteed purchases or guaranteed sales for the current crop-year.

14. If an exporting or an importing country forfeits its votes under paragraph 5 of Article XVII or is deprived of its votes under paragraph 3 of Article XIX, the Council shall redistribute the votes as if that country had no guaranteed quantity for the current crop-year.

15. Except where otherwise specified in this agreement, decisions of the Council shall be by a majority of the total votes cast.

16. Any exporting country may authorize any other exporting country, and any importing country may authorize any other importing country, to represent its interests and to exercise its votes at any meeting or meetings of the Council. Evidence of such authorization satisfactory to the Council shall be submitted to the Council.

D. Sessions

17. The Council shall meet at least once during each half of each crop-year and at such other times as the Chairman may decide.

18. The Chairman shall convene a Session of the Council if so requested by (a) any five delegates of the exporting and importing countries or (b) the delegate or delegates of any of the exporting and importing countries holding a total of not less than ten per cent of the total votes or (c) the Executive Committee.

E. Quorum

19. The presence of delegates with a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries shall be necessary to constitute a quorum at any meeting of the Council.

F. Seat

20. The Council shall select in July 1949 its temporary seat. The Council shall select, so soon as it deems the time propitious, its permanent seat after consultation with the appropriate organs and specialized agencies of the United Nations.

G. Legal Capacity

21. The Council shall have in the territory of each exporting and importing country such legal capacity as may be necessary for the exercise of its functions under this agreement.

H. Decisions

22. Each exporting and importing country undertakes to accept as binding all decisions of the Council under the provisions of this Agreement.

Article XIV—Executive Committee

1. The Council shall establish an Executive Committee. The members of the Executive Committee shall be three exporting countries elected annually by the exporting countries and not more than seven importing countries elected annually by the importing countries. The Council shall appoint the Chairman of the Executive Committee and may appoint a Vice Chairman.

2. The Executive Committee shall be responsible to and work under the general direction of the Council. It shall have such powers and functions as are expressly assigned to it under this Agreement and such other powers and functions as the Council may delegate to it under paragraph 11 of Article XIII.

3. The exporting countries on the Executive Committee shall have the same total number of votes as the importing countries. The votes of the exporting countries shall be divided among them as they shall decide, providing that no exporting country shall have more than forty percent of the total votes of the exporting countries. The votes of the importing countries shall be divided among them as they shall decide, provided that no importing country shall have more than forty percent of the total votes of the importing countries.

4. The Council shall prescribe rules of procedure regarding voting in the Executive Committee, and may make such other provisions regarding rules of procedure in the Executive Committee as it thinks fit. A decision of the Executive Committee shall require the same majority of votes as this Agreement prescribes for the Council when making a decision on a similar matter.

5. Any exporting or importing country which is not a member of the Executive Committee may participate, without voting, in the discussion of any question before the Executive Committee whenever the latter considers that the interests of that country are affected.

Article XV—Advisory Committee on Price Equivalents

The Council shall establish an Advisory Committee on Price Equivalents consisting of representatives of three exporting countries and of three importing countries. The

Committee shall advise the Council and the Executive Committee on the matters referred to in paragraphs 4, 5, and 6 of Article VI and on such other questions as the Council or the Executive Committee may refer to it. The Chairman of the Committee shall be appointed by the Council.

Article XVI—The Secretariat

1. The Council shall have a Secretariat consisting of a Secretary and such staff as may be required for the work of the Council and of its committees.

2. The Council shall appoint the Secretary and determine his duties.

3. The staff shall be appointed by the Secretary in accordance with regulations established by the Council.

Article XVII—Finance

1. The expenses of delegations to the Council, of representatives on the Executive Committee, and of representatives on the Advisory Committee on Price Equivalents shall be met by their respective Governments. The other expenses necessary for the administration of this Agreement, including those of the Secretariat and any remuneration which the Council may decide to pay to its Chairman or its Vice-Chairman, shall be met by annual contributions from the exporting and importing countries. The contributions of each such country for each crop-year shall be proportionate to the number of votes held by it when the budget for that crop-year is settled.

2. At its first Session, the Council shall approve its budget for the period ending July 31, 1950 and assess the contribution to be paid by each exporting and importing country.

3. The Council shall, at its first Session during the second half of each crop-year, approve its budget for the following crop-year and assess the contribution to be paid by each exporting and importing country for that crop-year.

4. The initial contribution of any exporting or importing country acceding to this Agreement under Article XXI shall be assessed by the Council on the basis of the number of votes to be held by it and the period remaining in the current crop-year, but the assessments made upon other exporting and importing countries for the current crop-year shall not be altered.

5. Contributions shall be payable immediately upon assessment. Any exporting or importing country failing to pay its contribution within one year of its assessment shall forfeit its voting rights until its contribution is paid, but shall not be deprived of its other rights nor relieved of its obligations under this Agreement. In the event of any exporting or importing country forfeiting its voting rights under this paragraph its votes shall be redistributed as provided in paragraph 14 of Article XIII.

6. The Council shall, each crop-year, publish an audited statement of its receipts and expenditures in the previous crop-year.

7. The government of the country where the temporary or permanent seat of the Council is situated shall grant exemption from taxation on the salaries paid by the Council to its employees except that such exemption need not apply to the nationals of that country.

8. The Council shall, prior to its dissolution, provide for the settlement of its liabilities and the disposal of its records and assets upon the termination of this Agreement.

Article XVIII—Cooperation with other intergovernmental organizations

1. The Council shall make whatever arrangements are required for consultation and cooperation with the appropriate organs of the United Nations and its specialized agencies and with other intergovernmental organizations.

2. If the Council finds that any terms of this Agreement are materially inconsistent with such requirements as may be laid down by the United Nations or through its appropriate organs and specialized agencies regarding intergovernmental commodity agreements, the inconsistency shall be deemed to be a circumstance affecting adversely the operation of this Agreement and the procedure prescribed in paragraphs 3, 4, and 5 of Article XXII shall be applied.

Article XIX—Disputes and complaints

1. Any dispute concerning the interpretation or application of this Agreement which is not settled by negotiation and any complaint that any exporting or importing country has failed to fulfill its obligations under this Agreement, shall, at the request of any exporting or importing country party to the dispute or making the complaint, be referred to the Council which shall make a decision on the matter.

2. No exporting or importing country shall be found to have committed a breach of this Agreement except by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries. Any finding that an exporting or importing country is in breach of this Agreement shall specify the nature of the breach and, if the breach involves default by that country in its guaranteed quantities, the extent of such default.

3. If the Council finds that an exporting country or an importing country has committed a breach of this Agreement, it may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, deprive the country concerned of its voting rights until it fulfills its obligations or expel that country from the Agreement.

4. If any exporting or importing country is deprived of its votes under this Article, the votes shall be redistributed as provided in paragraph 14 of Article XIII. If any exporting or importing country is found in default of the whole or part of its guaranteed quantities or is expelled from this Agreement, the remaining guaranteed quantities shall be adjusted as provided in Article IX.

PART 5—FINAL PROVISIONS

Article XX—Signature, acceptance, and entry into force

1. This Agreement shall be open for signature in Washington until April 15, 1949 by the Governments of the countries listed in Annex A and Annex B to Article III.

2. This Agreement shall be subject to acceptance by signatory Governments in accordance with their respective constitutional procedures. Subject to the provisions of paragraph 4 of this Article, instruments of acceptance shall be deposited with the Government of the United States of America not later than July 1, 1949.

3. Provided that the Governments of countries listed in Annex A to Article III responsible for not less than seventy per cent of the guaranteed purchases and the Governments of countries listed in Annex B to Article III responsible for not less than eighty per cent of the guaranteed sales have accepted this Agreement by July 1, 1949, Parts 1, 3, 4, and 5 of the Agreement shall enter into force on July 1, 1949 between those Governments which have accepted it. The Council shall fix a date which shall not be later than September 1, 1949 on which Part 2 of this Agreement shall enter into force between those Governments which have accepted it.

4. Any signatory Government which has not accepted this Agreement by July 1, 1949 may be granted by the Council an extension of time after that date for depositing its instrument of acceptance. Parts 1, 3, 4, and 5 of this Agreement shall enter into force for that Government on the date of the deposit of its instrument of acceptance, and Part 2 of the Agreement shall enter into force for that Government on the date fixed under paragraph 3 of this Article for the entry into force of that Part.

5. The Government of the United States of America will notify all signatory Governments of each signature and acceptance of this Agreement.

Article XXI—Accession

The Council may, by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries, approve accession to this Agreement by any Government not already a party to it and prescribe conditions for such accession. Accession shall be effected by depositing an instrument of accession with the Government of the United States of America, which will notify all signatory and acceding Governments of each such accession.

Article XXII—Duration, amendment, withdrawal and termination

1. This Agreement shall remain in force until July 31, 1953.

2. The Council shall, not later than July 31, 1952, communicate to the exporting and importing countries its recommendations regarding the renewal of this Agreement.

3. If circumstances arise which, in the opinion of the Council, affect or threaten to affect adversely the operation of this Agreement, the Council may, by a majority of the votes held by the exporting countries and a majority of the votes held by the importing countries, recommend an amendment of this Agreement to the exporting and importing countries.

4. The Council may fix a time within which each exporting and importing country shall notify the Government of the United States of America whether or not it accepts the amendment. The amendment shall become effective upon its acceptance by exporting countries which hold two-thirds of the votes of the exporting countries and by importing countries which hold two-thirds of the votes of the importing countries.

5. Any exporting or importing country which has not notified the Government of the United States of America of its acceptance of an amendment by the date on which such amendment becomes effective may, after giving such written notice of withdrawal to the Government of the United States of America as the Council may require in each case, withdraw from this Agreement at the end of the current crop-year, but shall not thereby be released from any obligations under this Agreement which have not been discharged by the end of that crop-year.

6. Any exporting country which considers its interests to be seriously prejudiced by the nonparticipation in or withdrawal from this Agreement of any country listed in Annex A to Article III responsible for more than five percent of the guaranteed quantities in that Annex, or any importing country which considers its interests to be seriously prejudiced by the nonparticipation in or withdrawal from the Agreement of any country listed in Annex B to Article III responsible for more than five per cent of the guaranteed quantities in that Annex may withdraw from this Agreement by giving written notice or withdrawal to the Government of the United States of America before September 1, 1949 or such earlier date as the Council may fix by two-thirds of the votes cast by the exporting countries and by two-thirds of the votes cast by the importing countries.

7. Any exporting or importing country which considers its national security to be endangered by the outbreak of hostilities may withdraw from this Agreement by giving thirty days' written notice of withdrawal

to the Government of the United States of America.

8. The Government of the United States of America will inform all signatory and acceding Governments of each notification and notice received under this Article.

Article XXIII—Territorial application

1. Any Government may, at the time of signature or acceptance of or accession to this Agreement, declare that its rights and obligations under the Agreement shall not apply in respect of all or any of the overseas territories for the foreign relations of which it is responsible.

2. With the exception of territories in respect of which a declaration has been made in accordance with paragraph 1 of this Article, the rights and obligations of any Government under this Agreement shall apply in respect of all territories for the foreign relations of which that Government is responsible.

3. Any Government may, at any time after its acceptance of or accession to this Agreement, by notification to the Government of the United States of America, declare that its rights and obligations under the Agreement shall apply in respect of all or any of the territories regarding which it has made a declaration in accordance with paragraph 1 of this Article.

4. Any Government may, by giving notification of withdrawal to the Government of the United States of America, withdraw from this Agreement separately in respect of all or any of the overseas territories for whose foreign relations it is responsible.

5. The Government of the United States of America will inform all signatory and acceding Governments of any declaration or notification made under this Article.

In witness whereof the undersigned, having been duly authorized to this effect by their respective Governments, have signed this Agreement on the dates appearing opposite their signatures.

Done at Washington, this twenty-third day of March 1949, in the English and French languages, both texts being equally authentic, the original to be deposited in the archives of the Government of the United States of America, which shall transmit certified copies thereof to each signatory and acceding Government.

For Australia:
EDWIN MCCARTHY Mar 23rd 1949
For Austria:
L. KLEINWAECHTER March 23rd, 1949
For Belgium:
SILVERCRUYS March 23rd, 1949.
For Bolivia:
R MARTINEZ VARGAS April 13/49
For Brazil:
WALDER LIMA SARMANHO. March 25th, 1949
For Canada:
CHARLES F WILSON March 23, 1949
For Ceylon:
G. C. S. COREA March 23, 1949
For China:
V. K. Wellington Koo March 23, 1949
For Colombia:
E GALLEGO. March 23, 1949
For Cuba:
R SARABASA. March 23, 1949.
For Denmark:
A. F. KNUDSON Mar. 23, 1949.
For the Dominican Republic:
JOAQUIN E. SALAZAR March 23, 1949.
For Ecuador:
A DILLON April 14, 1949
For Egypt:
A. HASSAN March 23rd, 1949.
For El Salvador:
SALVADOR JÁUREGUI March 23rd., 1949.
For France:
M BONNET 23 Mars 1949
For Greece:
COSTAS P. CARANICAS March 23d, 1949
For Guatemala:
I. GONZÁLEZ ARÉVALO March 23, 1949
For India:
N. G. ABHYANKAR March 23rd 1949.
R. R. SAKSENA March 23, 1949
For Ireland:
TIMOTHY O'CONNELL. March 23rd 1949
For Israel:
L. SAMUEL March 23 1949
ARTHUR C A LIVERHANT March 23, 1949
For Italy:
ALBERTO TARCHIANI March 23rd 1949
For Lebanon:
EMILE MATTAR March 23, 1949
For Liberia:
W. R. TOLBERT March 23, 1949
For Mexico:
C. M. CINTA April 15th 1949.
For the Netherlands:
J. B. RITZEMA VAN IKEMA March 23, 1949.
For New Zealand:
R. W. MARSHALL 25th March. 1949.
For Nicaragua:
ALFREDO J. SACASA March 23, 1949
For Norway:
WILHELM MUNTHE MORGENSTIERNE April 13th 1949
For Panama:
O. A. VALLARINO April 12th, 1949.
For Paraguay:

For Peru: Subject to the reservation that the guaranteed purchases in the case of Peru, specified in Annex A to Article III, shall be changed from 200.000 to 150.000 metric tons.
C DONAYRE— April 15, 1949
For the Republic of the Philippines:
EMILIO ABELLO March 23, 1949
URBANO A. ZAFRA March 23, 1949
JUSTINIANO D. QUIRINO March 23, 1949
For Portugal:
ANTONIO FERREIRA D'ALMEIDA March 23, 1949.
For Saudi Arabia:
AHMED ABDUL JABBAR March 23, 1949
For Sweden:
A AMINOFF April 11, 1949.
For Switzerland:
WERNER FUCHSS April 11, 1949.
For the Union of South Africa:
W A HORROCKS March 23rd 1949
For the United Kingdom of Great Britain and Northern Ireland:
F. S. ANDERSON March 23rd, 1949
For the United States of America:
CHARLES F. BRANNAN March 23, 1949.
ALBERT J. LOVELAND Mar. 23—1949
For Uruguay:
JUAN FELIPE YRIART March 23, 1949.
For Venezuela:
SANT E VERA April 12, 1949

I CERTIFY THAT the foregoing is a true copy of the International Wheat Agreement which was open for signature in the English and French languages at Washington from March 23, 1949 until April 15, 1949, the signed original of which is deposited in the archives of the Government of the United States of America.

IN TESTIMONY WHEREOF, I, DEAN ACHESON, Secretary of State of the United States of America, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Authentication Officer of the said Department, at the city of Washington, in the District of Columbia, this sixteenth day of April, 1949.

DEAN ACHESON
Secretary of State
By M. P. CHAUVIN
Authentication Officer
Department of State
[SEAL]

The PRESIDENT pro tempore. The agreement is open to amendment.

Mr. THOMAS of Utah. Mr. President, on the desks of Senators are copies of the hearings on the wheat agreement, and also the agreement itself, and the reports on the agreement.

This is the second time in less than a year that a wheat agreement has been before the United States Senate. On August 6, 1948, the Foreign Relations Committee after having held hearings and considering the 1948 wheat agreement, reported it to the Senate calendar. Unfortunately, the report came at the end of a short special session and the calendar was so crowded that it was impossible for the Senate to take final action before Congress adjourned.

However, the committee did not let the matter rest there but looked forward to a resubmittal of the agreement during the Eighty-first Congress. In a unanimous report it voiced its belief in the principle of marketing commodities in surplus by international agreement. But let the report speak for itself. Here are two pertinent paragraphs:

The Senate Committee on Foreign Relations reports the international wheat agreement to the Senate Executive Calendar because of the committee's earnest belief that the principle of surplus marketing by international agreement is sound and because it wishes to encourage this objective. It will not ask for Senate consideration until early in the next Congress because of contingent factors which make it impossible, as it is also unnecessary, to apply the agreement to this year's wheat crop, and because these factors can more wisely and safely be resolved at that time.

* * * * *

The committee regrets that it was physically impossible to complete the work on the treaty at the recent regular session in the relatively few weeks available for this purpose. In view of its novelty and its complications and its controversies, there was no chance to reach a responsible finality. These complications increased in the brief recess preceding the present special session. But so also did the conviction that a useful principle is involved. So also did the committee's desire to revive the treaty and keep it open for ratification and renegotiation.

In accordance with these desires the agreement was renegotiated at a conference called for that purpose in Washington from January 26 to March 23 of this year. The new instrument was then signed and submitted to the Senate by the President on April 19, whereupon it was referred to the Foreign Relations Committee, which appointed a subcommittee to conduct hearings and to give the matter all necessary study. As to the question of the necessary study, everyone knows that any international treaty is a complicated affair. This wheat treaty is no exception. In fact, it is a pioneering effort on the part of our country, insofar as this particular matter is concerned.

In this case a deadline is involved; in order that the treaty may become effective and in order that the various nations of the world may get their houses in order so that they, too, may cooperate, if the treaty is to be in force, it must be accepted by the Senate by July 1, 1949.

Obviously that is one of the reasons for bringing up the treaty at this time. The subcommittee has done all it possibly can to meet that deadline, in order to live up to the action taken last year by the committee, on the assumption that the treaty should be renegotiated and the further assumption that the principle of the treaty is sound.

The agreement we are now considering embodies a generation of negotiations in an extended effort to stabilize the international marketing of wheat. Of course, the farmers of the United States realize perhaps more keenly than does anyone else what happens if stability comes into the wheat market and if a depression occurs and we have no exportation of wheat and no support for wheat. The farmers realize just what happens in such an event to their interests, their homes, their farms, their loans, their part payments, and all their other interests.

So the problem is an old one. In fact, one of the older international organizations is the agricultural organization; and one of the first organizations under the United Nations was the International Food and Agricultural Organization. Such organizations have constantly been studying the problem of attempting to bring stability in this field and to care for the problems of distribution, great surpluses, crop failures, lack of storage facilities, and so forth. Great parts of the world have frequently experienced severe trouble because of a lack of their basic food products.

The initial step was taken when the first wheat conference was convened in Rome in 1931. Two years later, in 1933, pursuant to the recommendations of the London International Monetary and Economic Conference, the first international wheat agreement was drafted. Of course, at that time we were in the depths of the depression. That agreement established the first export quotas for wheat, which lasted for only 2 years. The Wheat Advisory Committee, which it created, lasted until the 1940's.

In 1939 a Preparatory Committee was appointed by the Wheat Advisory Committee to draft a comprehensive wheat agreement; but the war ensued before the work could be completed.

I refer to this bit of history, Mr. President, to emphasize the fact that what has been done in this case has not been done out of the clear blue sky, but preliminary attempts have been made; and, through them, a new knowledge regarding the wheat economics of the world has developed.

In July 1941, during the war, representatives of Australia, Canada, Argentina, the United States, and Great Britain met in Washington, and succeeded in drafting a memorandum of agreement covering trade in wheat among them. That memorandum of agreement went into force and effect on July 27, 1942. The memorandum was not a full-fledged wheat agreement, but it created an International Wheat Council, and thus paved the way for a general postwar conference of the States interested in exporting and importing wheat.

After that preliminary work, a conference was held in Washington from January 28 to March 6, 1948. It resulted in the International Wheat Agreement, signed on March 6, 1948, and transmitted by the President to the Senate, for its advice and consent leading to ratification, on April 30, 1948. That agreement, in renegotiated form, is now before the Senate, and has the support of the agricultural and processing groups in the United States.

Mr. President, let me repeat what many have heard before, namely, that in 1948 there was not unanimous support for the wheat treaty. However, this year the support is general, not only from the producers of wheat, the farmers, but also from the processors of wheat, the millers, and from the organizations which have to do with the wheat trade.

In this connection, I send to the desk and ask to have read a telegram received at the end of last week from a group of persons interested in wheat, who are meeting in convention in Canada. Most of them are Americans.

The PRESIDENT pro tempore. Without objection, the telegram will be read.

The legislative clerk read as follows:

GUELPH, ONTARIO,
June 6, 1949.

ELBERT D. THOMAS,
United States Senate,
Senate Office Building:

In addition to our May 31 telegram calling your attention to the unanimity of the undersigned on the wheat agreement we now call your attention to the resolution unanimously adopted by the International Federation of Agricultural Producers in session June 2, at Guelph, Ont., "This annual conference of IFAP meeting in specially convened plenary session for this purpose strongly urges all governments of signatory countries immediately to ratify the International Wheat Agreement. It is the responsibility of producers to provide for sufficient agricultural production so that the consumer can be assured of continuity of supply. This can only be assured by stability in the basic commodity-price structure. Progress of industry and commerce generally required that world trade in wheat should be conducted within an agreed framework providing orderliness with flexibility. The International Wheat Agreement is designed to, and IFAP believe can, attain these objectives and is therefore in the interest of both exporting and importing countries. The IFAP hereby records its unanimous support of the International Wheat Agreement and repeats its declaration of the urgency of early ratification."

ALLAN B. KLINE,
American Farm Bureau Federation.
JOHN DAVIS,
National Council of Farmer Cooperatives.
JAMES G. PATTON,
National Farmers Union.
ALBERT S. GOSS,
National Grange.

Mr. THOMAS of Utah. The new pact is a refinement and an improvement upon the 1948 version. The differences between the two instruments have been set forth in the committee report. In general the 1949 agreement is improved in language, its terms are clearer, and the arrangement of articles is more lucid. Thirty-six importing countries and five exporting countries, representing roughly four-fifths of the wheat trade of the world, have signed. The number alone is significant and is in a sense a gage of the desirability of the instrument.

While the agreement embodies considerable technical detail its main outline is clear and understandable to the layman. Article I states that the objective is to assure supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices. The subsequent articles provide for an international wheat council, in fact, the treaty has adopted the name of the old council which was created before the war, (1) on which all participating countries are to be represented; (2) which is responsible for keeping records for the operation of the agreement; and (3) which will serve as the agency to enforce the rights of participating countries to sell and purchase wheat under the agreement.

Since, of course, this treaty together with the aims of the governments parties to the treaty is a matter which is highly experimental, the international wheat council, which in a different way, has had existence for some years, will study this question. That in and of itself is a contribution to the great wheat industry from one end of the world to the other, because in its study the council will remove naturally many of the hazards which have arisen in the past, and it will furnish information which will contribute to the stabilization of wheat in the future.

Participating countries are allotted votes in proportion to their share of the total quantity of the wheat covered by the agreement. Each exporting country guarantees to sell a specific quantity of wheat at a specified maximum price and each importing country agrees to purchase a specific amount annually at a specified minimum price. The total guaranteed sales equal the total guaranteed purchases. While the maximum prices will remain the same for the four years during which the agreement is to run, namely $1.80 a bushel, the minimum prices will be reduced each year by 10 cents per bushel, or from $1.50 to $1.20 a bushel. Prices are fixed in Canadian dollars and quality is set in terms of No. 1 Manitoba Northern Canada wheat, in bulk in store at Fort William or Port Arthur.

Member countries which have difficulty in securing their guaranteed sales or purchases may seek the assistance of the Council in securing the contracted quantities under the agreement. All transactions over and above those contracted are not affected by the agreement.

Ratifications must be deposited by July 1, 1949, or the agreement fails to become operative. We must ratify before that date or the agreement is impossible, because in the agreement the exporting countries must be represented by 80 percent, and our total is more than 20 percent, therefore it is necessary for us to take the lead in the treaty.

The administrative machinery, which will be set up, will revolve about a central organization, the International Wheat Council, composed of representatives of all the exporting and importing

countries. It will be the primary agency responsible for carrying the agreement into effect, and it will act as a tribunal of last resort where disputes between the parties concerning the agreement will be settled. All the importing countries will have 1,000 votes and all the exporting countries will have 1,000 votes. Each country will be allocated votes in the same ratio as its guaranteed sales or purchases bears to the total sales or purchases under the agreement. The United States will have 369 of the exporting votes. While decisions will be taken by a majority vote on ordinary matters, vital decisions can only be taken by a two-thirds vote, exporting and importing countries voting separately. The latter applies to amendments, adjustments of quantity, guaranteed purchases to meet critical needs, and a number of other matters set forth in the report.

This is significant because the question has frequently been asked as to whether or not United States interests have been properly safeguarded. The answer, of course, is that in all vital matters the United States is in a position to veto action which might adversely affect her interests.

The Council will met at least once every half crop year and will be assisted by an executive committee, composed of three exporting and seven importing countries, and an advisory committee on price equivalents. The routine and administrative work will be carried on by a secretariat appointed by the Council.

The agreement runs for 4 years and covers an annual trade in wheat of 456,283,389 bushels. When the 168,000,000 bushels of wheat guaranteed under the agreement by the United States are added to the requirements of the occupied areas there is an assured annual market for United States wheat of 300,000,000 bushels for each of the next 4 years. The agreement makes due provision for the priority of wheat for the occupied areas in case any difficulty is experienced with supplying the 168,000,000 bushels guaranteed.

Last year great concern was expressed by the wheat flour interests.

Mr. LUCAS. Mr. President, before the Senator proceeds to the next line of discussion, will he yield for a question?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Illinois?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. Will the Senator from Utah elaborate a little on the 300,000,000 bushels guaranteed, according to his statement, for export by this country to certain other nations parties to the treaty?

Mr. THOMAS of Utah. Our country guarantees 168,000,000 bushels.

Mr. LUCAS. I understand that part of it.

Mr. THOMAS of Utah. The portion of the 300,000,000 bushels we shall have to send to the occupied areas for which we are responsible, under other arrangements, has nothing at all to do with this.

Mr. LUCAS. The Senator is now talking, I presume, of the Marshall plan.

Mr. THOMAS of Utah. No.

Mr. LUCAS. When the Senator says "occupied areas," to what does he refer? Will the Senator explain that a little bit?

Mr. THOMAS of Utah. I refer to areas for which the United States is responsible, principally Germany and Japan. We are now exporting in the neighborhood of 150,000,000 bushels of wheat a year to those areas.

Mr. LUCAS. But, under the International Wheat Agreement we are now debating, 168,000,000 bushels is the maximum amount which would go to the countries that are involved. Am I correct in that?

Mr. THOMAS of Utah. That is correct.

Mr. LUCAS. If we have a surplus of 300,000,000 bushels, then we shall have to look for other places for the purpose of disposing of that surplus, though at the present time, due to conditions following the war, we can dispose of the remainder in Japan and Germany, and, presumably, to some extent, under the Marshall plan. I do not know the amount.

Mr. THOMAS of Utah. Very much of it could be disposed of under the Marshall plan. I think I should say that the guaranty is a minimum one, so far as our exportations are concerned. It does not interfere with countries purchasing wheat; it does not interfere with the ordinary wheat trade at all, except to the extent that we have to guarantee the export of that much when it is asked for.

Mr. LUCAS. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. As I understand, certain exporting countries agree to sell, upon request, to importing countries certain quotas of wheat at maximum prices.

Mr. THOMAS of Utah. That is correct.

Mr. LUCAS. Who fixes the minimum and maximum prices?

Mr. THOMAS of Utah. The maximum and minimum are fixed in the treaty itself.

Mr. LUCAS. So there cannot be any question about it?

Mr. THOMAS of Utah. No. Last year great concern was expressed by the wheat and flour interests because they feared that the pressure of so much wheat would promote milling in countries where none now exists, and would thus interfere with traditional wheat flour markets of the United States. The 1949 agreement makes proper safeguard at this point. Wheat flour can be substituted for wheat grain according to an agreed-upon formula for fulfillment of obligations under the contract if the buyer and seller agree. Where countries cannot agree on the relative amounts of wheat grain and wheat flour, which they are to buy and sell, the Council determines the proportions. Even if there be fear that we are sending out too much wheat, the buyer and the seller can make negotiations through the Wheat Council to make proper adjustment. That is proper, because the whole aim is stability; the whole aim is to try to keep the international wheat market on a stable basis so that importing countries can count upon their necessary wheat and so that exporting countries will not be met with surpluses.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. THOMAS of Utah. I yield.

Mr. LUCAS. Am I correct in my understanding that, last year, when the treaty was being debated, the processors were against the treaty for that reason, and that now, because of arrangements for the proper determination of ratios, the processors are no longer objecting?

Mr. THOMAS of Utah. That is true. I think, in addition to that, the processors generally did not understand the meaning of the wheat agreement, because they were not parties to the negotiations. In negotiating the 1949 treaty they were invited into the negotiations. They properly should be present. So this treaty is an improvement on the other treaty, to the extent that it has become more universal in its aim and desire. I think all those things put together make it possible to receive support from persons on all sides of the economic picture in regard to wheat.

In reaching its decision the Council is directed to consider the industrial programs of the countries involved as they may bear upon the problem, and also to take into account the normal traditional volume and ratio of wheat flour to wheat grain brought in annually by the importing countries concerned.

Another matter which came up constantly during the committee's study was the amount of the subsidy that will be required to make the agreement operate. The exact amount will depend upon the price of wheat. The President's budget carries an estimated $56,000,000 for subsidy purposes, but that figure was based upon the expectation that we could secure the same maximum as last year, or $2 a bushel for wheat. As Senators know, the maximum in the agreement is $1.80, and on the basis of that figure and wheat prices as of March 1, 1949, it is now estimated that the cost for subsidy purposes will be about $84,000,000 for the 1949–50 market year. While it is expected that $84,000,000 will be required in the first year of the agreement, the need of a subsidy will decline or disappear in the last years. If we recall that the wheat trade operates under a price-support program, the subsidy here in question becomes relatively small. As a matter of fact, it is expected that a large part of that subsidy will be returned to the United States Treasury due to savings by ECA in its purchases of wheat. ECA estimates that if it can buy wheat at $1.80 a bushel under the agreement it can save $60,000,000 of its estimated cost for the coming year, and its appropriations for the current year have been cut to that extent. Thus, it would appear that the subsidy figures will be offset by savings of a substantial character.

This is probably the most complicated feature of the economics in connection with the treaty. In the first place, we have to support prices, and that goes on regardless of whether we have a treaty or do not have one. But the price of the wheat in the ordinary market is another factor which has to be considered with

reference to exactly how much parity money or how much subsidy money goes into this particular wheat. It is highly complicated, and it might become controversial because of its complications. But I think we can say, in general, that so long as the Federal Government has a support policy in the production of wheat and for maintenance of price, the comparatively small amount which figures under the provisions of the wheat treaty is such that, in the long run, considering all factors, the treaty really and truly does not affect the governmental cost very much, because it both gains and gives.

Mr. LUCAS. Mr. President, will the Senator yield for another question along that line?

Mr. LODGE. Mr. President, we cannot hear the questions of the Senator from Illinois.

Mr. LUCAS. I regret that the Senator cannot hear me. I want to make an observation along the line which the Senator from Utah has just been discussing. As I understand, under this agreement we are going to export 168,000,000 bushels of wheat. We have support prices, as the Senator says. So, does not the treaty really have this effect? Under the support price, the Government might be compelled to take over a number of millions of bushels of wheat and perhaps might be compelled to hold it, while, on the other hand, we are guaranteeing that 168,000,000 bushels of wheat will be exported to certain countries, and from the viewpoint, at least, of the 168,000,000 bushels of wheat we are better off than we would be directly under a support program and nothing else. Is that correct?

Mr. THOMAS of Utah. There, again, I cannot answer the question "Yes" or "No." Let us say we have a surplus of wheat, and all of a sudden there is a great scarcity and the price goes up; or let us say we have an added surplus, and the price goes down. We have to support it in relation to those prices. An exact answer will never be possible. Of course the answer to the Senator's question is, relatively speaking, "Yes."

Mr. LUCAS. Insofar as this year is concerned, when the Senator says we may have to subsidize the wheat growers of this country in the amount of $84,000,000——

Mr. THOMAS of Utah. Providing the amount of wheat remains as it is.

Mr. LUCAS. So far as this year is concerned, we are much better off with the treaty, by being able to export 168,000,000 bushels of wheat to the countries which are parties to the treaty, rather than taking a chance on the Government, under the support program, being compelled to take over the 168,000,000 bushels of wheat, not knowing what it will be able to do with it.

Mr. THOMAS of Utah. The whole international economy is at least better off by the amount of money received from the exports.

Mr. THYE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I yield to the Senator from Minnesota.

Mr. THYE. Did I understand the Senator correctly to say that the ECA requirements would be taken out of the 168,000,000 bushels provided for in the treaty?

Mr. THOMAS of Utah. The ECA requirements are outside of that.

Mr. THYE. I understood the Senator to say that there will be a saving to the ECA, in that the ECA would make the purchases out of this wheat, even though there would be a subsidy payment under the lower price agreed to in the treaty.

Mr. THOMAS of Utah. They will make their savings because, so far as the ECA wheat goes to the countries which are parties to the agreement, buyers of our export wheat in accordance with the agreement, the ECA has promised to give them so much wheat, which we ourselves pay for, and they are able to buy it at the Government figure, $1.80, instead of at the market price of wheat as it is today, $2.25.

Mr. THYE. That is what I understood the Senator to say, and that is why I interpreted his remarks to mean that the ECA would obtain their wheat from the wheat allotted under the treaty.

Mr. THOMAS of Utah. I think the ECA wheat amounts to more than 168,000,000 bushels.

Mr. THYE. I understand so, but the Senator's remark led me to believe that the wheat acquired or required by those countries would be taken out of the wheat they would be now offered under the treaty. That is what I understood the Senator to say.

Mr. THOMAS of Utah. Yes, it could be so construed, in the accounting system which is set up. All we are doing under the treaty is to guarantee to supply 168,000,000 bushels to the purchasing countries.

Mr. THYE. If I may be allowed to make this remark, one advantage which I see in the International Wheat Treaty as of this year is that with the accumulation, or the carry-over, of wheat from last year, plus the tremendous crop that is now being harvested, there cannot be a scarcity of wheat, in my opinion, for at least two more years, and we would have to have a very short yield in the crop of 1950 before we would find ourselves pinched domestically, or even in the exportable quantities of wheat. I think the international treaty on wheat is an excellent step, insofar as our wheat supplies this year are concerned.

Mr. THOMAS of Utah. In other words, the treaty will contribute to the end of overcoming great surpluses. Is not that true?

Mr. THYE. That is true. Of course, there is now being harvested in the United States the largest crop in our history, insofar as wheat is concerned, and that, plus the carry-over of more than 300,000,000 bushels of wheat from last year, is going to give us a tremendous volume of wheat to dispose of.

Mr. GILLETTE. Mr. President, will the Senator from Utah yield?

Mr. THOMAS of Utah. I am glad to yield to the Senator from Iowa.

Mr. GILLETTE. I should like to ask a couple of questions with reference to the mechanics of the treaty. Are these transactions to be conducted with the signatory countries, the wheat sold to them, and on their account, through officials of the country itself, or some importing agency of the country?

Mr. THOMAS of Utah. They may be conducted by the country, or they may be conducted in the way in which commercial transactions are ordinarily conducted. Since we will never get into such a position that there will not be a free market and free trading in wheat, the United States merely becomes a record-keeping agency to see that we live up to our promises under the treaty. On the other hand, if the United States should have accumulated a great surplus of its own, and had that surplus, which it had taken under our wheat-support program, it of course could sell from that surplus. So that so far as the United States is concerned, in a case like that, it is an outright governmental transaction. But even in such a case the wheat would move through the ordinary channels of trade, because the Government will not set up an agency for transportation and for the care of its own wheat being delivered to foreign countries.

Mr. GILLETTE. That is a clear statement so far as one party to the contract is concerned, namely, the United States. My first question was directed more to the other party to the contract. Are we looking to another country, the country itself, to carry out its responsibilities under the treaty? If we are dealing with an importing agency for the other country and it refuses or neglects to take the wheat, what recourse have we?

Mr. THOMAS of Utah. Ordinarily under any international agreement the recourse is not very effective unless there is an absolute sanction of some kind. There is no sanction in this treaty.

Mr. GILLETTE. There is no sanction in the treaty?

Mr. THOMAS of Utah. There is not a sanction, because there is no punitive result, except that if the country does not live up to its obligation, its vote in the Council can be taken away from it, and it ceases to be a member by its own action.

With regard to the other question, if, for instance, we are dealing with a country which has made the wheat trade practically a governmental monopoly because it does not grow enough for its own population, and it has to guarantee a supply, our dealings will be with an outright governmental representation. But understand a similar arrangement will be set up in a country which has the same sort of free enterprise ours has and the same way of doing things. It must be kept in mind, however, that price is a fluctuating factor, as are money, the medium of exchange, and other things. So under the Wheat Council there is a committee which is named the Advisory Committee on Price Equivalents. That is a high-sounding title, but everyone knows that with the world in the state in which it is sometimes it is necessary to have high-sounding titles.

Mr. GILLETTE. If I may make one additional comment, I wish to support the treaty; I think it is wholly worth while; but I am seriously concerned with

the thought that we are making substantial concessions, and in effect promising subsidies which we will have to pay in some form. I wish to know what assurance we have that, for the concessions we are making, if we are to have a guaranteed market, there is a guaranty which can be enforced. Are we to get something in return for the concessions we are making?

Mr. THOMAS of Utah. I think it is not a guarantee which can be enforced, as I said before, in the sense that one nation would do something to another nation, but it is a guarantee which will be enforced, because the operation of the treaty is to the advantage of both parties, and if the treaty does not operate and function properly, there is a disadvantage to each party. Surely a stable wheat market is probably the greatest advantage any government can have for its people at any time. Food is always essential. With the fluctuating world of today, any effort to bring about stability is good.

We have to pay for stability. We have to make a guarantee to depositors in savings banks. Probably that has cost the little depositor money, if his bank was all right, but insofar as he is willing to pay it, it is insurance. If we could have a stable world, where there were no fluctuations all the time, farmers would have the risk taken out of their work. The whole parity system is based on the idea of trying in some way or other to guarantee a stable market, stable arrangements, so that a farmer can from time to time count his assets and know what they are.

Let us see what the report says about enforcement, to answer the Senator's question. Probably I should have used the language of the report all the time, rather than my own words, though I sometimes read sentences in the report and do not understand them as well as I understand my own words.

The enforcement of the 1949 agreement, as was the case with that of 1948, depends to a large extent upon the good faith of the parties.

I forgot to use the expression "good faith," and am glad it appears in this language.

But that does not mean the Council and the member governments are without remedy to enforce their rights. Penalties are provided in case of breach of agreement. These include loss of voting rights and expulsion from the Council.

Mr. President, in view of the question asked by the Senator from Illinois I believe I should turn again to words which are not my words, and place in the RECORD what the negotiators of the treaty and what the experts of the Department of Agriculture and the experts of the State Department have said in answer to questions. I should like to say that the documents from both Departments are very able. We are indebted to the State Department and to the Department of Agriculture for answers to a series of questions numbering 40 or 50. The answers were given at our request. In addition, there appear in the report questions and answers on the subject. The questions were asked by the Senator from Massachusetts [Mr. LODGE], who was chairman of the subcommittee which dealt with the 1948 treaty, and the answers are by experts who have handled the treaty.

In connection with the question asked by the Senator from Illinois, let us see what the experts say:

Will the fulfillment of United States obligations require a subsidy?

Yes. It will require a subsidy whenever United States prices for wheat are over the maximum price. For example, during 1949 our price support policy is aimed at holding the domestic price of wheat at 90 percent of parity, which—using March 15, 1949, parity figures—would be $1.95 per bushel average farm price.

If the United States price holds at approximately the support level throughout the marketing year, the amount of subsidy required might be as much as 50 cents per bushel on the total amount of the United States obligations (168,000,000 bushels) or approximately $84,000,000. If, as occurred this past year, the free price of wheat in the United States is below the support price at certain times when wheat could be obtained and exported under the agreement, the total subsidy required would be correspondingly decreased. In the less likely event that domestic price is higher than the domestic support price more subsidy could be required if the wheat had to be purchased in the domestic market at these prices. Barring widespread unfavorable weather conditions the latter situation seems unlikely to occur.

It may be advisable under certain conditions to use CCC stocks of wheat acquired under the price-support program to assist in fulfilling our obligations under the agreement. Some subsidy may also be advisable to move wheat into export even when the United States price is below the equivalent maximum price, if the price which importers are willing to pay, and for which other exporters are willing to sell, is below the current United States price. A question of policy to be determined is whether any or all of any loss thus sustained should be charged against other United States programs rather than to the operations under the agreement. When world prices are below the floor there will be an offsetting gain for the United States under the agreement. Just how the scales will balance can not now be determined.

That is, we are in the realm of theory.

It is not without significance to recall that export subsidies on wheat and flour have been used in the past, and with or without an agreement they may have to be used again in the future if the United States hopes to maintain adequate farm prices for its total production and at the same time compete in the world wheat market. As for the administrative costs they, it is expected, will be small. Not over $25,000 a year will be required for this purpose.

It may interest the Senate to know that in renegotiating the agreement the State and Agricultural Departments used as advisers representatives from all groups that had previously indicated an interest in the agreement. These included both producers and processors. In this way most of the controversial points of the 1948 agreement were eliminated. Thus, for example, the grain trade, which opposed the 1948 agreement, is now reconciled that its interests are adequately protected and has filed a statement of support with the committee. Any opposition which may still remain can only be sporadic and scattered. It can be said with complete confidence that the agreement represents the will of the agricultural population and the acquiescence of the processing interests. The National Grange, the Farm Bureau Federation, and the National Farmers Union have testified in its favor. So has the National Grain Trade Council.

One witness appeared against the treaty. The witness said that he represented, he thought, groups of farmers coming from wheat-producing States, such as Ohio, Illinois, Iowa, and he thought that his representation reached about 5,000 members. His opposition was based upon the general fear, I may say, of doing anything—a logical opposition for persons to take who are generally against moving into experimental activities. The committee has been unable to discover any effective or substantial opposition. This is in marked contrast to the situation which prevailed with regard to the 1948 agreement.

The committee report and the 1948 and 1949 hearings are before the Senate. Permit me to draw a few conclusions.

First. The boom period of high prices for wheat and a demand for an ever-expanding United States wheat production is over. The time of surpluses is at hand. And if we are to avoid letting the surpluses become burdensome, we must take action under the agreement. This agreement, when combined with the need of the occupied areas, will assure a market for 300,000,000 bushels of wheat abroad for the United States during the next 4 years and thus will balance our agricultural economy while production readjustments take place.

Second. The agreement in stabilizing wheat-trading conditions and in maintaining that stability during the life of that agreement will contribute to economic recovery of the world and permit the most efficient production possible of wheat.

Third. The agreement will combat the long-term bilateral agreements by which many countries are now fencing off wheat markets throughout the world, and thus will prevent the freezing of these markets to the disadvantage of the United States.

Fourth. The subsidy involved is not excessive in terms of the anticipated good which will result from the agreement.

Fifth. The agreement embodies a most useful test of the general principle of handling burdensome surplus commodities by international agreement.

Sixth. Private trade should flourish under the agreement, which gives it ample freedom and scope.

Seventh. The United States interests are properly safeguarded in all important matters.

Eighth. Adequate provisions are made for the escape from embarrassing situations due to short crops and unexpected political developments abroad.

Ninth. Testimony before the committee makes clear that the agricultural groups believe the prices set up under the agreement are fair.

Tenth. All interested parties which have indicated a desire to be heard have been heard, and every effort has been made to safeguard the interests of each and every group concerned.

Eleventh. The agreement does not make the United States Government a state-trading government in wheat.

Twelfth. Enough importing and exporting wheat states are members to make the agreement workable.

Since the 1948 agreement failed because the United States did not ratify it, it is of the utmost importance for the life of the instrument before us that we should ratify it well in advance of its July 1, 1949, deadline. That is especially true if we remember that legislation must be passed at this session in order to implement the agreement. Since 42 of the states of the world have signed the instrument representing the bulk of both the exporting and the importing wheat trade of the world, and since every state has signed of its own volition, we can only reach the conclusion that a very useful principle is involved. The United States leadership will determine the future of this agreement, and therefore the Senate Foreign Relations Committee recommends that the Senate do advise and consent to ratification of the International Wheat Agreement of 1949.

In conclusion, I merely wish to say this: Every thoughtful person in the world knows, of course, that the uncertainties of tomorrow are great. All that we are doing in international relations—and we are doing very much more than we have ever done before—is being done because of that fact. On the wheat level, likely there is no group of people in the whole United States who are more greatly concerned about tomorrow than are the farmers.

The farmer has a memory even longer than that of the rest of us. His memory goes back to great surpluses, and the depression period before the war; and he is frightened. It makes no difference where one meets any of those great people—and they are great people—whether we meet them on the lecture platform, meet them socially, or meet them while moving among them; they are frightened, and they should be frightened. The world is not the easiest thing to understand that has ever come into our lives. We have not yet stabilized currencies. We have not yet stabilized trade. We have not yet brought peace under treaty arrangements in many parts of the world. Peace treaties are well overdue. We are experimenting in international organization, international control of certain things. Nevertheless, the world remains in a condition of flux.

This agreement is highly experimental. It is not put forth with anything else but an honest faith in the belief that if we understand the fundamental economics of world conditions we can assist. Deflation is with us. It is bound to be with us; and all the fears that go with it are present.

Everyone knows that no matter how well a nation plans to live up to its obligations, if it has no money reserves, if it is in a condition in which it is living upon hope, and to some extent upon charity, we are dealing with unknowable consequences.

My feeling is that this treaty has in it an invitation to stability. It has in it also the factor of the desire and the will to see if we cannot build upon the experiences of past generations and to do something more certain in our international relations than most of the other things we have attempted in a long while.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the questions and answers relating to the 1949 wheat agreement, from which I have previously read.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SOME QUESTIONS AND ANSWERS RELATING TO THE 1949 INTERNATIONAL WHEAT AGREEMENT

On April 19, 1949, the proposed International Wheat Agreement, signed by 41 countries, was transmitted to the United States Senate for consideration as a treaty.

In view of the many inquiries being received by the Department of Agriculture regarding the agreement, answer to some of the most frequently raised questions are presented herewith to promote a broader understanding of its provisions.

CHARLES F. BRANNAN,
Secretary.

GENERAL

1. Why an international wheat agreement?

It is an attempt, by introducing an element of stability into the world wheat trade, to overcome the hardships caused to producers and consumers by burdensome surpluses and critical shortages of wheat.

2. How does the present agreement propose to accomplish this?

By assuring supplies of wheat to importing countries and markets for wheat to exporting countries at equitable and stable prices.

3. When will the agreement enter into force?

The administrative parts of the agreement shall enter into force on July 1, 1949, provided that importing countries responsible for 70 percent of the wheat coverage and 80 percent of the signatory exporters (percentages based on quantities) have formally accepted it.

The marketing year for trade under the agreement will be August 1 to July 31. However, because of the technical details involved in starting off the first year of the agreement, its substantive parts (price and quantity) may be put into force as late as September 1, 1949.

4. How does this agreement compare with the 1948 pact?

Item	1948 agreement	1949 agreement
Duration	5 years [1]	4 years.[2]
Total quantity (millions of bushels).	500	456.
United States quantity (millions of bushels).	185	168.
Number of exporters	3	5.
Number of importers	33	37.
Maximum price per bushel	$2	$1.80.
Minimum price per bushel	$1.50-$1.10.	$1.50-$1.20.

[1] 1948-49 to 1952-53.
[2] 1949-50 to 1952-53.

It is important to note that the minimum price is 10 cents higher for each year covered by the 1949 agreement than was provided for those same years in the 1948 agreement. This is shown by the following comparison:

Minimum prices

Agreement	1948-49	1949-50	1950-51	1951-52	1952-53
1948	$1.50	$1.40	$1.30	$1.20	$1.10
1949		1.50	1.40	1.30	1.20

5. How many countries are involved in the agreement?

Forty-two countries indicated an intention of participating in the agreement (37 as importers, and 5 as exporters). The principal exporting countries in this group account for approximately 85 percent of the current total world exports of wheat. Participating importing countries account for about 65 percent of current world wheat imports. The occupied areas of Germany and Japan—not parties to the agreement—take an additional 15 percent.

6. Did all countries indicating an intention of participating in the agreement sign?

All countries except Paraguay signed the agreement by the closing date, April 15. At the time of signing, however, Peru reduced its guaranteed purchases from 200,000 to 150,000 metric tons.

The net effect of these two actions is a reduction of 110,000 metric tons—4,000,000 bushels—in the total guaranteed purchases of 456,000,000 bushels. Unless other importing countries are willing to raise their guaranteed purchases by an offsetting amount, it will be necessary to make a slight reduction in the guaranteed sales of exporting countries.

7. What proportion of the world wheat trade is covered?

The yearly total of 456,000,000 bushels of wheat included in the agreement is approximately one-half of the current annual world trade in wheat, and compares with a prewar (1933-34 to 1937-38) average annual trade of 545,000,000 bushels. Guaranteed purchases of wheat under the agreement represent less than the total import requirements of many of the participating importing countries. In other words, allowance has been made by these countries for trade in wheat with exporting countries not in the agreement at present. Brazil, for example, is committed to purchase less than 40 percent of her estimated total annual import requirement because Argentina—Brazil's chief source of supply—is not a participating exporting country. Similarly, other participating importing countries—mostly European—have made allowance for some variation in domestic yields and for imports of wheat from the U. S. S. R. (an estimated 40,000,000 bushels), as well as from Argentina and the Danube Basin.

Recognizing that there will be additional trade in wheat, the agreement applies only to the 456,000,000 bushels of wheat covered by its terms. The agreement does not apply to international distribution, marketing, or price of any other wheat. For example, it does not apply to United States shipments to the occupied areas of Germany and Japan.

8. Why did not the U. S. S. R. and Argentina participate in this agreement?

The U. S. S. R. did not participate in the final negotiations because it considered unacceptable the 50,000,000 bushels offered as their share of the guaranteed sales. Russia's final position was for a quantity of 75,000,000 bushels.

Argentina considered the maximum price too low and, therefore, did not participate.

9. What will be the effect of their absence?

It is to be expected that all trade in wheat outside the agreement, including that of Argentina, the U. S. S. R., and other nonparticipating exporting countries, will take place at competitive world prices. Exporting countries participating in the agreement, however, will be assured of a market for the quantity guaranteed under the agreement.

10. Can they and other nonparticipating countries join in the agreement later?

Yes. The Council may by two-thirds of the votes cast by the exporting countries and two-thirds of the votes cast by the importing countries approve accession to the agreement by any government not already a party

to it. The Council may also prescribe conditions for such accession. Under these provisions, approval by the United States will be required for such action.

11. What is the nature of the agreement?

It is a contractual arrangement between the governments of certain importing and exporting countries involving the annual trade of 456,000,000 bushels of wheat, over a period of 4 years beginning August 1, 1949, within a fixed range of prices.

12. Does the agreement contain escape clauses?

Yes.

An exporting country may be relieved of all or part of its obligation in a particular crop-year by reason of a short crop.

An importing country may be relieved of all or part of its obligations for a particular crop year by reason of the necessity to safeguard its balance of payments or monetary reserves. Such relief, however, is only given by a majority vote of the Council. In taking this decision, the Council is directed to seek and take into account the opinion of the International Monetary Fund—where the matter concerns a country which is a member[1] of the fund—on the existence and extent of the necessity for relief in the crop year concerned.

Finally, provision is also made for any exporting or importing country which considers its national security to be endangered by the outbreak of hostilities to withdraw from the agreement.

13. Do the "escape clauses" weaken the agreement?

No. The agreement is necessarily based on good faith and should be accepted by the United States on that basis. To do otherwise is to reject the whole concept of international cooperation.

14. What is the penalty for default?

A country may suffer loss of its voting rights or may be expelled from the Council for breach of the agreement.

QUANTITIES

15. Does each country have a specific guaranteed quantity for purchase or sale?

Yes. The guaranteed purchases or sales for each country are shown in annexes A and B to article III of the agreement. These quantities are the same for each country for each year of the agreement.

16. What is the United States quantity?

One hundred and sixty-eight million bushels of wheat each year, during the 4-year period of the agreement. (See reply to question 6.)

17. Why is the United States quantity lower than in the 1948 agreement?

Because total purchases guaranteed by importing countries in the agreement are lower than a year ago, reflecting in part the improved supply position—particularly in the case of France—in the current marketing season. The United States has taken a cut of 17,000,000 bushels out of the total reduction of 44,000,000.

18. Will the agreement limit United States wheat exports to 168,000,000 bushels?

No. Provided the United States meets its commitments under the agreement, we are free to export any additional quantity of wheat, at any price, to any country in which there is a market. Wheat requirements in the occupied areas of Germany and Japan, together with other exports outside the agreement, should result in average annual wheat exports from the United States, over the next 4 years, of at least 300,000,000 bushels—a total which is about as large as we could safely commit for export during that period.

19. How does the United States quantity compare with that of other exporters this year and last?

The following is a comparison of the guaranteed sales under the 1949 agreement with those under the 1948 draft.

[Millions of bushels]

	1949	1948
Canada	203	230
United States	168	185
Australia	80	85
France	3	----------
Uruguay	2	----------
Total	456	500

20. How was the quantity for each exporter determined?

By a process of negotiation. In the beginning both importers and exporters submitted quantities which they were prepared to purchase or sell. It was necessary to equate total purchases and sales. The division of this total among exporters was based roughly on a combination of factors relating to ability to supply, historical trade patterns, and supply responsibilities outside the agreement (e. g., United States occupied areas).

21. What obligations are connected with guaranteed sales and purchases?

Exporters are obligated to sell wheat only at maximum prices and importers are obligated to buy wheat only at minimum prices. Between the floor and ceiling, wheat is free to move at prices agreed between buyer and seller.

22. What will be the effect on exports when prices are between the maximum and minimum?

There are no obligations on either side in this situation; however, both importers and exporters must keep in mind their obligations at the minimum and maximum. For example, any participating country, realizing that rights and obligations may be imposed sometime during the marketing year, will be disposed to trade with signatory countries toward the amount under the agreement. This will be done so as to have satisfactory quantities recorded against their obligations.

23. Is wheat flour included in the guaranteed quantities?

Yes. Within the total guaranteed sales and purchases, the amount of wheat flour to be supplied by exporters and accepted by importers will be determined by agreement between buyer and seller in each transaction.

24. What happens if importing and exporting countries cannot agree on the amount of wheat flour to move?

In such case, the quantity of wheat flour to be taken shall be decided by the council, having regard in particular to the industrial programs of any country as well as to the normal traditional volume and ratio of imports of wheat flour and wheat grain imported by the importing country concerned.

25. Does the agreement prevent private trade in wheat?

No. The agreement specifically provides that exporting and importing countries shall be free to fulfill their guaranteed quantities through private trade channels.

PRICES

26. At what price will the United States be obligated to sell wheat under the agreement?

At prices equivalent to the maximum price specified in the agreement ($1.80 per bushel for No. 1 Manitoba Northern Wheat in store Fort William/Port Arthur) if the participating importing countries so request.

27. Why was Canadian wheat and Canadian currency specified as the base?

Because, historically, Canada has exported wheat to most of the participating countries. Canadian wheat is generally regarded as the standard for transactions in world trade.

28. What is the Canadian dollar equivalent in United States currency?

Under the agreement one United States dollar is equal to one Canadian dollar. Any future change in the value of the Canadian dollar will not affect the price equivalents for United States wheat.

29. Will equivalent maximum and minimum prices for United States wheat vary from those quoted for No. 1 Manitoba northern wheat in store Fort William/Port Arthur?

Yes. There are two variable factors which will cause the prices of United States wheat to differ from the Canadian price.

First, transportation costs on wheat exported from a United States Gulf or Atlantic seaport to the importing country are less than from Fort William/Port Arthur to that importing country. The maximum equivalent prices at these ports will be higher because of this differential. For example, the maximum equivalent price f. o. b. ship at Baltimore for wheat of quality equal to No. 1 Manitoba Northern and destined for western Europe would be $1.96¾ per bushel, calculated on transportation costs as of mid-April 1949. Because of a special provision in the agreement, the equivalent maximum price for wheat in store at United States Pacific seaports is set at $1.80 per bushel for wheat of quality equal to No. 1 Manitoba Northern. Minimum equivalent prices for wheat f. o. b. at all United States seaport locations vary as ocean transportation costs from any given port to the United Kingdom vary.

Second, the price equivalents for United States wheat may be varied because of quality differentials between No. 1 Manitoba Northern and grade and quality of the wheat being exported in any particular transaction. This quality differential is to be mutually agreed upon between the importing and exporting parties concerned. In actual practice such quality differentials will vary up or down from time to time depending upon the availability of supplies of the kind of wheat desired by the imported and offered by the exporter.

30. What are the equivalent prices for typical classes and grades of United States wheat at United States seaports and at a few representative interior terminal and subterminal points in the United States?

Examples: Approximate United States price equivalents using mid-April costs and without allowances for quality differentials.

Location	Destination			
	Western Europe		India, Ceylon, etc.	
	Maximum	Minimum	Maximum	Minimum
No. 1 Manitoba Northern in store, Fort William, Ontario	$1.80	$1.50	$1.80	$1.50
No. 1 Hard Winter, f. o. b. Galveston, Tex.	1.91	1.61	1.92	1.61
No. 1 Hard Winter, f. o. b. Baltimore, Md.	1.96¾	1.66¾	1.94	1.66¾
No. 1 Soft White/No. 1 Hard Winter, in store, Portland, Oreg.	1.80	1.41⅝	1.80	1.41⅝
No. 1 Hard Winter in store, Kansas City, Mo.	1.67	1.37	1.68	1.37
No. 1 Hard Winter in store, Dodge City, Kans.	1.51¾	1.21¾	1.52¾	1.21¾

31. Will the prices in the wheat agreement set prices for the United States farmer?

No. The total amount of United States wheat involved in the terms of the agreement is 168,000,000 bushels compared to domestic wheat crops of over a billion bushels

[1] Of the total of 37 importing countries in the agreement, 28 are members of the International Monetary Fund. Those not members of the fund are Ceylon, Ireland, Israel, Liberia, New Zealand, Portugal, Saudi Arabia, Switzerland, and Sweden. All of the participating exporting countries are members of the fund.

a year for the last 5 years. The agreement undertakes to assure outlet for 168,000,000 bushels of the domestic production. In years of ample supply the price of wheat to the United States farmer will largely be governed by domestic price-support policies. In years of short supply, nothing in the agreement will operate to impede the free movement of domestic prices above the price support level.

32. Will the fulfillment of United States obligations require a subsidy?

Yes. It will require a subsidy whenever United States prices for wheat are over the maximum price. For example, during 1949 our price-support policy is aimed at holding the domestic price of wheat at 90 percent of parity, which—using March 15, 1949, parity figures—would be $1.95 per bushel average farm price.

If the United States price holds at approximately the support level throughout the marketing year, the amount of subsidy required might be as much as 50 cents per bushel on the total amount of the United States obligation (168,000,000 bushels) or approximately $84,000,000. If, as occurred this past year, the free price of wheat in the United States is below the support price at certain times when wheat could be obtained and exported under the agreement, the total subsidy required would be correspondingly decreased. In the less-likely event that domestic price is higher than the domestic support price more subsidy could be required if the wheat had to be purchased in the domestic market at these prices. Barring widespread unfavorable weather conditions the latter situation seems unlikely to occur.

It may be advisable under certain conditions to use CCC stocks of wheat acquired under the price-support program to assist in fulfilling our obligations under the agreement. Some subsidy may also be advisable to move wheat into export even when the United States price is below the equivalent maximum price, if the price which importers are willing to pay, and for which other exporters are willing to sell, is below the current United States price. A question of policy to be determined is whether any or all of any loss thus sustained should be charged against other United States programs rather than to the operations under the agreement. When world prices are below the floor there will be an offsetting gain for the United States under the agreement. Just how the scales will balance cannot now be determined.

ADMINISTRATION

33. How is the agreement to be administered?

By an International Wheat Council composed of a voting member from each of the exporting and importing countries in the agreement.

34. Does each member of the Council have equal vote?

No. Provision is made for a proportional system of representation. Importing countries hold 1,000 votes and exporting countries hold 1,000 votes. The total number of votes held by each group (importers and exporters) is divided among the members of that group in the proportion which their respective guaranteed purchases or sales bear to the total purchases or sales.

This group-voting procedure gives equal representation in the Council to both importing and exporting interests.

35. How many votes will the United States hold?

As the agreement now stands, the United States will hold 369 of the total of 1,000 votes held by exporting countries.

36. Is this number significant?

Yes. It means that any decisions of the Council which require a two-thirds majority of the importing and exporting countries voting separately, must have the approval of the United States among others.

Such decisions relate to (1) amendment of the agreement, (2) adjustment of quantities in cases of nonparticipation or withdrawal of a country, (3) any pro rata reduction in guaranteed purchases in order to meet a critical need which has arisen in a participating importing country, (4) delegation of powers and functions of the Council to the executive committee, and (5) accession to the agreement of any government not already a part to it.

37. How are decisions of the Council to be made?

In some cases (see reply to question 36) by a two-thirds majority of the importing and exporting countries voting separately.

In article XIX (disputes and complaints) a majority of votes held by importing countries and a majority of votes held by exporting countries is required for the Council to find any participating country in breach of the agreement, and to assess penalty for such breach.

In other cases, decisions of the Council shall be by a majority of the total votes cast.

38. Are decisions of the Council binding?

Each exporting and importing country undertakes to accept as binding all decisions of the Council under the provisions of the agreement.

39. Will this undertaking affect or restrict our domestic policies and programs?

No. Under the terms of the agreement, the United States or any other country reserves to itself complete liberty of action in the determination and administration of its internal agricultural and price policies. We endeavor only to operate those policies in such a way as not to impede the free movement of prices between the maximum and minimum set for transactions under the agreement.

40. What other administrative bodies are provided for in the agreement?

An Executive Committee composed of members from three exporting countries (elected annually by the exporting countries) and not more than seven importing countries (elected annually by the importing countries). A weighted system of voting is provided so that the total vote of the exporters is equal to the total vote of the importers. The Executive Committee shall be responsible to and work under the general direction of the Council.

An Advisory Committee on Price Equivalents, consisting of representatives of three exporting countries and of three importing countries, is established to advise the Council and the Executive Committee on technical matters relating to equivalent prices.

Provision is also made for a Secretariat.

41. How will disputes and complaints be handled?

Any disputes not settled by negotiation and any complaints regarding failure to fulfill obligations are referred to the Council for decision. It is expected that the same spirit of cooperation which made possible the negotiation of the agreement will prevail in its administration.

UNITED STATES PARTICIPATION

42. Who decides the United States position with respect to this agreement?

The commitments we propose to undertake were decided by the executive branch of our Government. In establishing the United States position, the executive branch had the counsel of an advisory group consisting of representatives of Congress, the farm organizations, and members of the private grain trade and milling industry.

Final decision as to participation in the agreement will, of course, be made in accordance with our constitutional processes of Government. As a treaty, the agreement will require ratification by the President, by and with the advice and consent of the Senate.

43. What was the function of the advisory group?

The advisory group was invited by the Secretary of Agriculture to participate in discussions of the proposed 1949 agreement both before and during the negotiations. Several meetings of the whole group and informal meetings with different segments of the group were held at which views were exchanged and controversial issues thoroughly explored. Through these discussions, the United States delegation was given invaluable assistance not only in establishing our general position, but also in shaping specific provisions of the proposed agreement to the best interests of all concerned. As an example of more direct assistance, the private grain trade generously provided these services of a technical expert to assist the United States member of the working party on price equivalents at the Conference.

44. How does the agreement affect our domestic agricultural program and policies?

The agreement implements our domestic program by helping to maintain and to assure an expanded foreign market for wheat. The extent of postwar readjustment necessary in our wheat economy will depend in large measure, on the future size of our exports. The market provided under the wheat agreement would absorb average production from over 10,000,000 acres. If we are to maintain a prosperous agriculture, we must find outlets for that portion of the production of agriculture commodities which is surplus to our domestic needs. In the case of wheat, we believe the agreement provides a workable method of achieving this objective.

45. How does the agreement affect our foreign policy?

The agreement also implements our foreign policy in the field of agriculture by promoting the idea of solving specific commodity problems through international cooperation.

46. How does the agreement relate to the ECA program?

The agreement complements the ECA program insofar as it promotes economic recovery by assuring supplies of wheat to ECA countries at reasonable prices. Such assurance should lessen the tendency toward uneconomic programs of self-sufficiency in many wheat importing countries.

ECA importing countries are committed to take a total of 323,000,000 bushels of wheat under the agreement. This compares with estimated prewar average imports of wheat and flour, in terms of wheat, for this same group of countries, of 380,000,000 bushels, of which the participating exporting countries supplied 210,000,000. Estimated wheat import requirements of ECA participants in the agreement for the current (1948–49) marketing year total about 470,000,000 bushels, of which 435,000,000 will be supplied by Canada, Australia, and the United States.

47. Will the ECA be required to finance Canadian or Australian wheat exports under the agreement?

No. Under the terms of the proposed wheat agreement, the financing of wheat purchased in Canada and Australia is a matter to be settled directly by those exporters and the importing countries concerned. Payment for any transaction under the agreement is to be on the same conditions, regarding the currency in which payment is to be made, as prevail generally between the countries concerned at that time.

Neither does the agreement restrict or impede recourse to section 112 of the ECA Act, under which ECA is required ot purchase in the United States agricultural commodities which the Secretary of Agriculture has declared surplus to domestic needs and which we are in a position to supply.

48. Does this agreement supersede existing bilateral contracts between participating countries?

No. Provision is made in the agreement for accommodating existing contracts covering wheat sales and purchases. If the

exporting country and the importing country concerned agree, a transaction or part of a transaction for the purchase and sale of wheat entered into before the entry into force of the operating sections of the new agreement shall, irrespective of price, count toward the guaranteed quantities of those countries.

49. Will Government controls be required to implement this agreement?

Yes. Certain Government controls will be required to assure meeting our commitments under the agreement. These would include a licensing procedure to control the destination of our wheat exports and a requirement for reporting quantities, prices, and related information in order that the Government can meet its undertaking to report such information as may be required for the recording of transactions by the council.

50. If this agreement is approved will the United States be able to carry out its provisions under existing legislation or will there be need for implementing legislation?

There will be need for implementing legislation.

51. Does the Department of Agriculture propose to submit such implementing legislation?

Yes. A proposed draft is being submitted to the Congress with the hope that both the agreement and the implementing legislation may be considered together by the Congress.

52. Is there sufficient legal authority now available to the Department of Agriculture or any other governmental agency to meet the subsidies that may be needed when domestic prices are above the agreed maximum prices?

There are certain provisions of law which might, under certain condition, be interpreted as furnishing authority for such subsidies. However, to make certain that sufficient authority and funds are available for the full 4 years to meet all possible subsidy requirements, the CCC would be specifically authorized to pay such subsidies under the proposed implementing legislation.

53. How can these subsidies be paid to private industry?

The proposed enabling legislation will provide the authority for making subsidy payments. Detailed methods for making payments to private traders who are entitled to them are proposed to be handled by administrative regulation within the framework of the enabling legislation. Experience in making subsidy payments during the last war indicates that regulations satisfactory to the trade and to the Government can be worked out.

Mr. VANDENBERG. Mr. President, I wish only to make a brief observation regarding the pending international wheat agreement.

Under all the circumstances, I shall vote to try this experiment for 4 years; but I do not want to overlook the fact that it is an experiment, and that before it becomes any sort of precedent in respect to this or any other export commodity it is distinctly on trial.

The distinguished Senator from Utah [Mr. THOMAS] has just underscored the fact that the adventure is "highly experimental." I am rather reluctantly persuaded that the experiment is justified as such under existing circumstances. But as usual, the proof of the pudding will be in the eating.

One year ago the forerunner of the present agreement came to the Senate too late for action. Our committee report at that time frankly recognized the elements of controversy involved, but said that "the principle of surplus marketing by international agreement is sound" and worthy of renewed exploration at this session.

In the interim, as the distinguished Senator from Utah has indicated, most of the opposition confronted a year ago by the proposed agreement has not only failed to be renewed but actually has been recorded in favor of this adventure. Meanwhile all the leading farm organizations speaking for American agriculture have registered their urgent approval. So very generally also have the Senators upon whom I have come to rely as soundly dependable friends of agriculture. For example, it is of particular interest to me that the distinguished Senator from Vermont [Mr. AIKEN], while fully recognizing the liabilities as well as the assets in this pending agreement, believes that it should be undertaken.

I shall not reiterate the contents of the agreement. The distinguished Senator from Utah has fully presented the subject. Neither shall I belabor the question marks which are in my mind, but I wish to record them. I simply remark:

First That the treaty prices for export wheat, prices well below current support prices, might become a depressing effect upon the natural price of wheat in due course.

Second. That the operation of the system involves an almost inevitable subsidy on export wheat, although this results from support prices rather than from the agreement itself.

Third. That the proposed process is the equivalent of at least partial state trading on a quota basis, which runs counter to our reciprocal policies of international trade, which seek a minimum of artificial barriers.

Fourth. That even this much State trading in wheat exports may logically precipitate a demand for an expansion of the system to other commodities.

Fifth. That the absence of Russia and the Argentine, two great wheat exporters, leaves a serious unknown quantity in the world wheat situation.

Sixth. That this program will involve certain agricultural controls, which we shall have to provide by supplementary legislation before this session of Congress adjourns.

I wish to add an urgent suggestion to my colleagues, and that is that they read the questionnaire submitted by the distinguished Senator from Massachusetts [Mr. LODGE], which, with its answers, is printed beginning at page 8 in the committee report. It probes a number of the dubious factors which ought to be frankly acknowledged in connection with what is frankly an experiment.

But in the face of the heavy exportable wheat surplus which we probably confront for keeps, this much of a semi-guaranteed market for American surplus wheat offers an arguable advantage which, on balance, would seem to warrant this experiment, particularly if state trading in other wheat-exporting countries should preempt these foreign import markets by making agreements without us.

Mr. President, I hope our American wheat farmers do not expect too much from this agreement. It is full of loopholes. In the final analysis, it is worth no more, by way of guaranteeing export markets, than the degree of foreign recuperation in dollar credits. But I repeat that, on balance, it seem to be a justified adventure in export stabilization for American agriculture. Indeed, we may learn a number of things as a result.

Mr. President, I would not be misunderstood. I support the treaty hopefully, but I do so with distinct reservations in respect to its impacts.

Mr. LODGE. Mr. President, this wheat agreement does not, so far as I can ascertain, affect or have any particular impact to a significant degree, one way or the other, on the consuming public in the United States. It contains changes from the portions of the former agreement which aroused opposition in 1948 when I was chairman of the subcommittee considering the matter.

Frankly, however, it is hard for me to believe that this wheat agreement is in the best long-range interests of the American farmer. Indeed, I would be surprised if the expectations which have been aroused even as to the quick results to be obtained under the terms of this wheat agreement ever are actually fulfilled.

Taking a long look into the future, I cannot help but doubt whether this wheat agreement is a step in the right direction, from the farmers' standpoint. Although I realize that what I say may be considered a little advanced, nevertheless it seems to me that if we are to have international agreements of this type, it would be better for the American farmer, and would make more sense, to have them built around an animal product, such as dried skimmed milk or dried eggs. In such a case, the United States would have fed the grain in this country, kept the manure in this country, built up the land in this country, furnished the income to our family farms in America that produced the eggs and milk, and, of course, would have built up the industries which handled these products. This would tend to improve the diet of the American consumers in the cities, which is a factor of tremendous importance. There would be all these great advantages, and at the same time the wheat farmer probably would receive a greater advantage than he would under the proposed agreement which now is before the Senate.

In fact, Mr. President, I often think that the talk about the so-called overproduction of agricultural products indicates a confusion of thought. Actually, the trouble is not over-production so much as it is under-consumption.

If all the children in our cities drank all the milk and ate all the eggs, and meat they wanted, there would be very little left of the so-called farm surplus. But for that to take place, several things must happen, one of which is that agriculture must grow the things that people want to eat. For this reason, I submit that the "ever-normal icebox," filled with the products of animal agriculture, is a more worth while and profitable goal than the ever-normal granary, and I think this is particularly true insofar as the grain producer is concerned.

That is the way the matter appeals to me, Mr. President. However, I have lived long enough to know that it is impossible for any man to "play every instrument in the band." I am certainly no agricultural expert, and shall not try to pose as one. I am simply one of millions of citizens who are interested in agricultural questions, and who consult experts in whom they have confidence. For this reason, I do not feel that I can put my judgment against that of the four leading farm organizations which are strongly in support of this International Wheat Agreement.

Mr. THYE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. LODGE. I yield.

Mr. THYE. In the drafting of the agricultural bill in the Eightieth Congress, the reference the Senator from Massachusetts has made just now to the "ever-normal icebox" or "ever-normal refrigerator" was written into the 1948 act in order to increase the values given to dairy products, beef, and pork in the support-price relationships, in the belief that by doing so there would be an abundance for the consumers, which would result in exactly what the Senator from Massachusetts says he favors, namely, to increase the so-called "icebox supply." Such provisions were written into the Aiken Act in the Eightieth Congress. Unfortunately, it was eclipsed by the political smoke screen of last fall. Otherwise there would be more people who would understand the full intent of that piece of farm legislation.

Mr. LODGE. I thank the Senator. I feel that it is in the development of our animal agriculture that the hope for the future really lies, because if we improve the diet of the consumers in the industrial sections we shall render a tremendous service to the country.

Mr. President, I was about to conclude my remarks. I have said that is the way the matter appeals to me, but that when the four leading farm organizations are strongly in support of this international wheat agreement, and inasmuch as there is no one in opposition to it, but there is unanimous agreement, apparently—for, so far as I know, no one who appeared before the committee opposed the treaty—I shall, therefore, with some misgivings, vote in favor of the agreement.

Mr. BUTLER. Mr. President, I hesitate somewhat to follow the previous speakers, including the chairman of the subcommittee, who has just made a splendid presentation of the proposed agreement, and the other two members of the Foreign Relations Committee who have spoken in support of the agreement. However, in spite of what I regard as the excellent statement made by the leader among the minority of the committee, the Senator from Michigan [Mr. VANDENBERG], I wish to say that I feel that although each one of us is trying to arrive at what he personally believes is for the best interests of the American agriculture, yet there is sufficient doubt as to the wisdom of the proposed agreement so that I wish to register myself as being opposed to it, in spite of what the distinguished Senator from Massachusetts [Mr. LODGE] has just said, in stating that there is no opposition to it.

Mr. President, at about this time last year the Foreign Relations Committee of the Senate had under consideration the so-called International Wheat Agreement, which was designed to control and direct our international trade in wheat for a 5-year period. At that time I addressed the Senate, and proved conclusively, I believe, that the agreement could not possibly benefit the wheat farmers of this country. My statement will be found in the CONGRESSIONAL RECORD for July 29, 1948, at pages 9485 to 9488. I pointed out a number of the principal defects of the agreement; and my statements, so far as I know, have never been challenged. Last year the Senate never took action to give its consent to that agreement, and I believe that decision of the Senate was wise.

This year we have had presented to us a new International Wheat Agreement. It follows substantially the same general lines as last year's agreement. None of the principal defects which I and others have pointed out has been corrected. It still does not offer any real hope of benefits to our wheat farmers, in my judgment. I am just as much opposed to this new agreement as I was to last year's agreement.

I shall not make a long statement, Mr. President, but I would like to read from just two recent newspaper editorials regarding the agreement. First of all, let me quote briefly from an editorial which appeared in the Chicago Daily Tribune in the issue of June 9. After giving a brief summary of the principal provisions of the agreement, this editorial goes on to say:

> On the other hand, if the world wheat price goes below the minimum of $1.50–$1.20 the importing countries will buy their grain from the country that will sell the cheapest. With Russia and Argentina declining to participate in the agreement, they will be in a position to sell at world prices. All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses, such as the one providing that an importer may be excused from paying the minimum if to do so would weaken his currency.

I call the particular attention of the Senate to the last sentence:

> All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses.

In other words, we would not have any real guaranty at all that other countries would take our grain at the so-called minimum price. In our experience with most of our trade agreements we have found that other countries escaped the intent of the agreements when it suited them by invoking quotas and other quantitative restrictions or exchange controls against us. That has been our experience. This proposed wheat agreement permits the importing countries to escape their obligations in exactly the same way. To avoid fulfilling those obligations, they need only invoke their exchange-control systems and then turn around and buy their wheat from Argentina or Russia by some sort of bilateral deal of the type that has become so common. There is absolutely no guaranty against such a thing happening, and all our experience tells us that it will happen. I ask unanimous consent to insert the editorial from the Chicago Daily Tribune in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SKIN GAME

Senator LUCAS told the press after the meeting of the Democratic Party big-wigs at the White House Monday that the international wheat agreement would be pressed for Senate ratification this month. This is the agreement signed by 47 countries in Washington in March. The Senate turned thumbs down on a similar proposal last July.

The agreement undertakes to give the United States a foreign market for 168,000,000 bushels of wheat every year for the next 4 years, and obligates the United States to supply that much to a specified list of countries. Canada, Australia, France, and Uruguay also have quotas as suppliers.

During the crop year starting July 1 and for 4 years thereafter the United States is to receive no more than $1.80 per bushel for the 168,000,000 bushels it is required to supply, no matter how high the price goes in the market. The wheat importers are required to pay $1.50 for specified amounts of wheat during the next crop year, no matter how low the price goes. The minimum declines 10 cents a bushel in succeeding years, reaching $1.20 in 1952–53.

The 168,000,000 bushels the United States is to supply this year under this deal, at a maximum of $1.80, is wheat on which the Government has lent the farmers about $2.35. Under the most favorable construction of the transaction, the Government has a loss of $84,000,000 in 1949–50.

In 1947, wheat went above $3 in our markets, with exports limited by the international emergency food council. Argentina, which had no truck with the IEFC, was able to sell wheat at the world price, which was $5. In 1947 conditions recurred as is possible, though, of course, unlikely, the agreement would involve a loss to the American taxpayers of at least $200,000,000 in a year.

On the other hand, if the world wheat price goes below the minimum of $1.50–$1.20, the importing countries will buy their grain from the country that will sell the cheapest. With Russia and Argentina declining to participate in the agreement, they will be in a position to sell at world prices. All the countries would have to do to avoid paying us $1.50 for grain available at $1 would be to invoke one of the escape clauses, such as the one providing that an importer may be excused from paying the minimum if to do so would weaken his currency.

The wheat agreement is a sucker deal for the United States. It means that if food is high the American taxpayer is to provide food at a discount to other countries. It also means that if food prices are low we shall lose our export business to Russia and Argentina. Heads we lose, tails others win.

We have made wheat agreements before and none has ever been kept when there was any advantage to the other countries to violate it. Why do it again?

The rush to get the agreement through by June 30 is based upon phony grounds. The Government plans to export 450,000,000 bushels in the new crop year, so an agreement setting minimum exports at 168,000,000 bushels is empty. We cannot believe the forecasts that the Senate is going to approve this agreement, from which we have nothing to gain and much to lose.

Mr. BUTLER. The other editorial is from a leading newspaper whose philosophy is at the opposite pole from that of the Chicago Daily Tribune. I refer to the New York Times. The Times certainly disagrees with the Chicago Daily Tribune on almost every question relating to our international relationships. The wheat agreement is practically the only question of that type on which these two newspapers agree. Both of them agree that it is a bad agreement. Here is what the New York Times editorial, appearing in the June 8 issue, says:

The 1949 version of this plan is less realistic, if anything, than that of 1948, which the Senate did not get around to ratifying. The major wheat producing and exporting countries of the world are the United States, Canada, Argentina, Australia, and Russia. Argentina and Russia have elected to sit the experiment out. So what happens? So, in order to retain the original pattern, the authors of this fanciful scheme have now decided that Uruguay and France are "exporting" countries, and have assigned them to the roles originally planned for Argentina and Russia.

The original wheat agreement, in the thirties, collapsed because Argentina, even though included, refused to adhere to its export quota. Only an incorrigible optimist would assume, therefore, that the 1949 version would stand up with two of the major grain-producing countries of the world on the outside and in a position to offer importing nations barter agreements in which wheat would be exchanged for machinery and other needed products.

Those are the statements of a leading newspaper which has almost without exception gone along with everything else proposed by the directors of our international relations. I ask unanimous consent to insert this editorial in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"PLANNING" AT ITS WORST

At a time when such genuinely important foreign policies as the Atlantic Treaty and the Hull trade agreements program demand the country's serious attention it is unfortunate, to put it mildly, that such unrealistic schemes as the so-called international wheat agreement should be permitted to force their way onto the same stage and share at least a part of the spotlight.

For years the cosmic bureaucrats to whom stabilization is a word of magic meaning have been fascinated by the prospects of setting up an ever-normal world granary for wheat. They have worked out a plan which comes down to this: The countries which are normally importers of wheat would commit themselves to the purchase of some 450,000,000 bushels of wheat annually over the next 4 years, while the exporting countries would undertake to provide that amount. Such a movement of wheat is, of course, what might naturally be expected in the normal course of events. But the authors of the wheat agreement have given it the typical planners' touch by establishing quotas and setting a range of prices at which transactions would have to be carried out. The maximum price that this country could ask, as an exporter of wheat, would be $1.80 a bushel. Importing nations, on the other hand, would have to commit themselves for a period of 4 years to accept their assigned quotas at minimum prices starting at $1.50 a bushel and descending to $1.20 by the fourth year.

The 1949 version of this plan is less realistic, if anything, than that of 1948, which the Senate did not get around to ratifying. The major wheat-producing and exporting countries of the world are the United States, Canada, Argentina, Australia, and Russia. Argentina and Russia have elected to sit the experiment out. So what happens? So, in order to retain the original pattern, the authors of this fanciful scheme have now decided that Uruguay and France are "exporting" countries, and have assigned them to the roles originally planned for Argentina and Russia.

The original wheat agreement, in the thirties, collapsed because Argentina, even though included, refused to adhere to its export quota. Only an incorrigible optimist would assume, therefore, that the 1949 version would stand up with two of the major grain-producing countries of the world on the outside and in a position to offer importing nations barter agreements in which wheat would be exchanged for machinery and other needed products. Why, then, should American Government officials such as Secretary of Agriculture Brannan give this scheme their blessing?

The answer is, because it promises to relieve the Government, in some measure at least, of the consequences of its own folly with respect to farm policy. The crop prospect at the present time is for a 1948–49 wheat harvest of 1,350,000,000 bushels. Added to the prospective carry-over, this would give us the largest supply of that grain in the Nation's entire history, some 1,650,000,000 bushels. This situation is not the product of chance. It stems, in the main from the misguided support policy pursued by the Government since the war—a policy under which wheat farmers have been encouraged to produce not for the market but for the loans which they were guaranteed under the Government's program.

It has been pointed out that we are committed to provide wheat-importing nations with some 170,000,000 bushels of wheat annually for the next 4 years at $1.80 a bushel. But the farmer can turn his wheat over to the Government here today at around $2.25 a bushel. Why, then, should he export it at a much lower price? The answer is that he shouldn't, and he won't. But the Government can, and, in fact, would have to, under the proposed plan. But since this would mean buying wheat at around $2.25 and selling it at the American equivalent of $1.80 at Fort William, Canada, the Government would take a substantial loss on every bushel sold. And how could the Government do that? It could do it because it could charge the difference—an outright subsidy—to the American taxpayer.

The refrain to which the authors of the wheat agreement are attempting to sell their plan to the American people is that it will "assure the American farmer an export market of 300,000,000 bushels of wheat over the next 4 years." It is worth noting that this generous offer is being made at a time when for 4 years American wheat exports have actually been running at an annual rate of 450,000,000 bushels, and when the Marshall European Aid Plan still has three more years to run. By contrast, in the 3 years immediately preceding the Second World War our wheat exports averaged only 65,000,000 bushels a year, and nearly 50,000,000 of these annual exports were made possible by subsidies. Not only does this proposal for an "assured export market" for 300,000,000 bushels of wheat, therefore, come when it is least needed, but to the extent that it provides an artificial market for our surplus at the expense of the taxpayer it can only serve to divert attention from the real nature of the farm problem and postpone a realistic approach to its solution.

Mr. BUTLER. Mr. President, wheat production is one of the leading industries of my State. It is absolutely essential for the prosperity of Nebraska that we take effective measures to maintain a fair price for wheat. Along that line, I have been an advocate of the farm program, including measures to support wheat prices through Commodity Credit Corporation's activities and otherwise. That program can work, as it has in the past.

Export markets are, of course, an essential need for the wheat producer. If any sound means could be presented to guarantee our farmers those markets, I would favor it. At the present time we are selling wheat abroad because of the European recovery program. In other words, we are giving it away. So long as we continue to give it away, we should have no difficulty in getting rid of it. Once we stop giving it away there is nothing in this wheat agreement to guarantee that we can continue to sell our wheat surplus. That is the simple truth. Until some really workable plan for selling our wheat surplus abroad is proposed, I do not see any reason why our wheat farmers should accept a proposal that has no real chance of solving their problems.

Mr. President, the wheat-price schedule in the agreement as proposed is away below our domestic price and below the price-support program in effect. The principal effect of the adoption of the proposed treaty will, in my opinion, be very bearish and depressing on our market instead of beneficial.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. FERGUSON. Does the Senator think the lower price under the treaty may cause the domestic market to reach that price?

Mr. BUTLER. The tendency I think, I may say to the Senator from Michigan, would be in that direction.

Mr. FERGUSON. Has there been any tendency in the last few weeks or months in relation to this agreement toward prices coming down to meet the proposed treaty price?

Mr. BUTLER. I am sorry I cannot give the Senator an answer on that point, because I have not been in touch with the market closely for a great many years. Something is radically depressing the price, and I think the wheat agreement has made its contribution in that direction.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. BUTLER. I yield.

Mr. FERGUSON. This practically amounts to what is known as state trading, does it not?

Mr. BUTLER. That is correct.

Mr. FERGUSON. All of our exporting will really be done by the Government, and it will be in the nature of a cartel, will it not?

Mr. BUTLER. I think one of the objections to the treaty is that it does join us up with the cartel system of trading.

Mr. FERGUSON. Is this the first example of our having entered into a treaty

whereby we become a party to cartel or State trading?

Mr. BUTLER. It is, so far as I know.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Vermont.

Mr. AIKEN. I may suggest, I do not believe we can blame a nonexistent, nonapproved wheat treaty for the collapse of the price of wheat on the farm in the last few weeks. That collapse has been due in my opinion primarily to the failure of the Commodity Credit Corporation to support the price of wheat on the farms as provided for by law.

Mr. FERGUSON. Mr. President, will the Senator yield? I should like to have a question answered.

Mr. BUTLER. I yield to the Senator from Michigan.

Mr. FERGUSON. I should like to have the Senator from Vermont state, if he can, the reason why the Commodity Credit Corporation has not supported the wheat price according to law. Do I correctly understand that the Commodity Credit Corporation can, in its discretion, permit prices to go lower, and, in its discretion, can decide to buy or not to buy, as it sees fit?

Mr. AIKEN. The Commodity Credit Corporation has the discretion of prescribing the rules and regulations under which it will support the price of wheat. Last year, and this year, up to a week ago, the Commodity Credit Corporation, as directed by the Secretary of Agriculture, has refused to support the price of wheat unless stored in the sort of storage facilities which the Commodity Credit Corporation approved. After the amendments to the act were approved by the Congress and signed by the President a few days ago, the Secretary immediately announced a good program for farm storage, and also a program for distress loans to wheat growers who are unable to find storage for their wheat which they had been selling, perhaps, to dealers and speculators for 40 or 50 cents a bushel below the support level. The Secretary of Agriculture, through the Commodity Credit Corporation, has had full authority to support the price of wheat on the farm at the support level by the same program which he now proposes to employ in connection with this year's crop.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. BUTLER. I shall first yield further to the Senator from Michigan.

Mr. FERGUSON. Did the Secretary take advantage of the situation by saying that the legislation had not yet been approved, when, in the opinion of the Senator from Vermont, the Secretary had exactly the same power before as he had after the act was passed, but he did not use it?

Mr. AIKEN. He had the same power to assist in a program of farm storage, and he had exactly the same power to permit loans for wheat stored on the ground. He did not previously have power to buy land on which to erect Government storage, but he had full authority to assist a farmer in getting storage, and he had full authority to make loans on wheat piled on the ground.

Mr. FERGUSON. In other words, he is doing, subsequent to the passage of the act, things which he refused to do prior to the passage of the act, but which he had authority to do prior to its passage, namely, to make certain loans on wheat.

Mr. AIKEN. That is correct.

Mr. FERGUSON. Does the Senator know the reason why the Secretary of Agriculture used his power in one way before the act was passed and in another way after it was passed?

Mr. AIKEN. No. I do not know what went on in the Secretary's mind, but I do know that some days ago, before he announced he would make loans on wheat stored on the ground, I urged him to make such provision as he later made. I do not know how much the farmers lost last year and this year through failure to make authorized loans on grain when the farmer could not get storage, but it must have been a very substantial sum. My opinion is that it is in the hundreds of millions of dollars.

Mr. FERGUSON. I should like to read from the speech made by the Secretary of Agriculture a short time ago. He said:

> It has also been charged—and this is extremely painful to me—that my proposal is political. In fact, one spokesman went so far as to call it "politico-economic philosophy," which I believe is meant to convey the idea that he doesn't like my politics. Well, I want to confess to you that I do think there should be and is such a thing as party responsibility. I am also under the impression that the people have devised a political system for the purpose of self-government.

Here is another quotation from his speech:

> If it is political to appeal to the judgment of the American people in farm-program matters, so be it. Let us be done with this nonsense. Let us trust the people.

Does the Senator think politics had something to do with what the Secretary had done prior to the passage of the Commodity Credit Corporation Act?

Mr. AIKEN. I do not know much about party responsibility, but I do know that the Department of Agriculture had a definite responsibility to support the price of grain to the farmers at the support level. Only last week, after a certain amendment to the Commodity Credit Corporation Act had been adopted, the Department announced it would take steps to meet that responsibility.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. THYE. I wanted to emphasize the point which the Senator from Vermont brought out with reference to advancing commodity loans on grain on the farms which is stored on the ground. The Secretary of Agriculture could have advanced such commodity loans any day or any week, at any time, prior to the amendment of the Commodity Credit Corporation Act. Am I correct in that statement?

Mr. AIKEN. The Senator is correct. He has no more authority to make loans on wheat stored on the ground at this time than he had many months previously.

Mr. THYE. He could have made loans at the very outset of the harvest. The harvest started in the panhandle area 10 days or 2 weeks ago, and the Secretary could have advanced loans on wheat stored on the ground prior to the action of the Congress in connection with the Commodity Credit Corporation Act.

Mr. AIKEN. He could have done that. The Senator from Oklahoma [Mr. THOMAS] has introduced a bill to reimburse the farmers for what they lost in that respect. When the bill comes before the committee I shall be glad to vote favorably to report it. It may not be a good type of legislation, but it is a matter of simple justice.

Mr. THYE. Mr. President, will the Senator from Nebraska yield further?

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. THYE. It has been announced that governmental warehouses will be furnished in which to store wheat which is now on the ground. There was no provision of law which prohibited the Secretary of Agriculture from using surplus military warehouses for such a purpose. There was no restriction in the act which would prohibit him from using such governmental property for wheat storage. Is that correct?

Mr. AIKEN. So far as I know, there was no restriction against using any presently owned Government property for storing other Government property.

Mr. THYE. The Secretary stated last week that the commodity loan was an emergency loan carrying 75 percent of the commodity loan for a 90-day period, and within that time the Department will assist the producer in moving the wheat off the ground into warehouses which are now surplus War Department property. If the grain can now be moved into surplus Army warehouses, why could it not have been moved 2 weeks ago or 2 months ago, or why could not the same thing have been done a year ago.

Mr. BUTLER. I think the answer to the Senator's question is very apparent to all of us.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. FERGUSON. Does the Senator think the meeting in Iowa had anything to do with what has been going on in the agricultural program, as to whether it was a demonstration, or at least an attempt to get the farmers to believe that any legislation of the past would not work, and that a whole new agricultural program is required in order to solve the farmers' problems.

Mr. THYE. I cannot answer the junior Senator from Michigan as to what has taken place in the conference held in the Middle West, but I can say that on the night the conference committee sat in connection with the discussion of the Commodity Credit Corporation legislative provisions, we were endeavoring to agree upon the proper type of language. The bill was referred to representatives of the Department of

Agriculture who administered the Commodity Credit Corporation's functions, and they were specifically asked if the language proposed by the House, which we were then considering in the bill, would in any sense interfere with or prevent them from proceeding to meet the storage needs of the producers in order to qualify them for commodity loans.

I know that there are two members of that conference committee sitting in the Chamber at this time, namely, the senior Senator from Vermont [Mr. AIKEN] and the junior Senator from North Dakota [Mr. YOUNG]. We were told at the conference committee meeting that night that there were nothing in the language of the Commodity Credit Corporation provision which restricted them, in their opinion, in assisting the producer to obtain commodity loans on the farm. If I am incorrect in that statement, I want both these Senators on the floor to correct me.

At that time we were concerned about the producer, the farmer. We were trying to write the type of legislation which would assist him in becoming qualified to obtain a commodity loan. All of us knew that a tremendous corn crop was maturing, we knew of the tremendous wheat harvest which had just been completed, or was in process of completion. We knew that there would be a vital storage question before the producers in the fall of 1948. That was why we directed the question to the administrators of the Commodity Credit Corporation in a specific inquiry as to whether the language in the bill met with their approval.

I will frankly say, Mr. President, that if the price of wheat had not broken sharply in the month of August 1948, as it did, no question would have been raised, and likewise if the corn price had not broken, as it did in October 1948, no question would have been raised. But I again say that the Commodity Credit Corporation could have used the old Army warehouses for the storage of grain, corn, cotton, or any such commodity which did not require cold-storage facilities. The Government owned the property, and they could have converted the property to a storage facility for grain just as easily in the past year as they can now. There can be no question about that.

Mr. BUTLER. Mr. President, the colloquy which has been in progress among the several Senators is interesting and instructive, I think highly instructive, as to the situation as it now exists, but I wish to return for a moment to the question which was under discussion, the international wheat agreement. I again state that it is my opinion that if we get good prices, if we are in position to guarantee good prices to American producers, it is going to be through a domestic program rather than an international wheat agreement. I think I can prove that by referring to a sentence or two on page 6 of the report on the pending treaty, near the bottom of the page:

It is estimated by the Department of Agriculture that a maximum of $84,000,000 will be required to subsidize our guaranteed sales of 168,000,000 bushels of wheat at maximum prices during the first year of the agreement. The possible cost of a subsidy beyond the first year cannot be estimated.

Senators all want American wheat farmers to be treated fairly, and to get good prices for what they produce. It is our responsibility to assist them in that program. We are not rendering the American wheat producer any service by the ratification of this kind of an agreement. We should support our own domestic program.

Mr. AIKEN. Mr. President, it is my intention to vote for the ratification of the wheat-agreement treaty now before the Senate. I think it represents a very earnest effort at international cooperation pertaining to what is known the world over as the staff of life.

As has been said on the floor of the Senate, I realize that the treaty is not a panacea for all the troubles caused by surpluses and shortages throughout the world. It is true there are loopholes in the agreement, but there are loopholes on our side as well as on the side of the purchasing nations.

It is also true, as the Senator from Massachusetts [Mr. LODGE] stated, that probably the greatest assistance in the broadening of the market for grain in this country is the development of a greater animal industry. But I believe this first effort to work out an agreement whereby food will not spoil in one nation while people are starving in another is very much worth while, and I hope the treaty will be approved.

However, Mr. President, this international wheat agreement is only one matter which pertains to the welfare of the American farmer today. There are several other matters of vital importance to farm prosperity and farm security in the United States, and I should like to speak for a few minutes on one of those subjects.

Mr. President, my attention has been called to a 10-page mimeographed document prepared by the office of the Secretary of the United States Department of Agriculture and which contains a series of 46 questions and answers purporting to explain the proposed plan submitted by the Secretary to the Congress on April 7, 1949.

It is my understanding that this document has been distributed to the 94,000 PMA committeemen located in every agricultural community in the United States. I have spot-checked in two States, and every committeeman contacted had received a copy of it, so I assume it was distributed to the entire number of 94,000 committeemen.

It is also reported that large quantities of this document have been made available by the Department for distribution to certain labor and other organizations.

Frankly, I know of no provision of law which authorizes the distribution of this document, nor do I know what appropriation by the Congress could ethically be used to finance its preparation and distribution.

The document does not relate to existing law, or convey to the PMA committeemen any information which would be helpful to them in carrying out their duties, for which they receive per diem compensation from the Government, and which might legitimately be used in their work as now legally authorized.

It is purely and simply propaganda designed to promote a political plan of prosperity for farmers.

I do not believe that the United States Department of Agriculture should engage in purely political activities of this nature. If anyone can find in this document anything which is not purely political, I should like to have him point it out to me. The tradition and prestige of this fine old Department of Government should be kept free from party politics.

Most of this bulky document relates to a program which is not on the statute books, but which is set forth like a utopian dream.

On pages 2 and 3, however, under questions and answers Nos. 8 and 9, we find the probable main purpose in distributing this misleading document; namely, to discredit the Agricultural Act of 1948, and put the plan proposed by the Secretary in the most favorable light.

Question No. 8 is buried among the other 45, but this is how it reads:

In what specific ways does the proposed program differ from the program now authorized by the Agricultural Act of 1948?

The answer reads as follows:

The essential differences are these: (1) The proposed program concerns itself with income from farm production, whereas the Agricultural Act of 1948 emphasizes price without regard to any minimum level of income. (2) The proposed program would provide effective support for more commodities at a generally higher level than is available under present legislation. Specifically, it would afford more definite assurance of support for certain perishable commodities, such as meats, whole milk, eggs, and others, which have major importance in the farmers' income and in the consumers' diet. The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities. Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations. (3) The proposed program puts more emphasis on encouraging shifts in farm production, particularly toward livestock production, as one important means of overcoming the problem of surpluses. It puts more specific emphasis on conservation as a requirement for price support. (4) The proposed program follows the long-established national policy of encouraging family farming, and in order to avoid the use of public funds to encourage big-scale, industrialized farming, it introduces the idea of placing an upper limit on the amount of commodities on which any one farm can get price support.

Most of the answers given to this question No. 8 are false, yet they are sent to 94,000 PMA committeemen of the country with the expectation that these people will pass on such falsehoods to their uninformed farm neighbors.

I wish to discuss these answers in order.

Answer No. (1) to question 8:

(1) The proposed program concerns itself with income from farm production, whereas

the Agricultural Act of 1948 emphasizes price without regard to any minimum level of income.

This is a completely false statement.

The Agricultural Act of 1948 points directly to the maintenance of a minimum farm income.

Through a formula in the act, the minimum support level is tied directly to the volume of production and the Secretary is required to fix the support price for all basic commodities between the minimum support level provided for in the act and 90 percent of parity.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. THYE. In other words, the 90 percent of parity is the support price of the commodity if we had a normal supply. Is not that about the factor? The 90-percent figure would apply when the supply was normal or above normal?

Mr. AIKEN. No; not necessarily. The support would have to be between the minimum provided for in the act and 90 percent of parity.

Mr. THYE. What I was trying to convey to the Senator, in the form of a question, is, that the 90 percent of parity is the figure that would prevail when the supply was near normal.

Mr. AIKEN. And if acreage allotments were in effect.

Mr. THYE. Yes. If acreage allotments were in effect.

Mr. AIKEN. Yes; that would be 90 percent.

Mr. THYE. And that only when we have an unusually large supply would the support price go down the scale toward 60 percent, and 60 percent would be in effect on a commodity when we had practically 130 percent of the normal supply of that commodity, and providing further that the producer refused to vote himself either acreage allotments or quotas. My endeavor is to have the Senator from Vermont explain specifically that sliding scale, at this point in the RECORD, in order that more of us may understand it fully.

Mr. AIKEN. I should like to take up the answers to questions first, and then I will take up the matter to which the Senator from Minnesota has referred.

Mr. THYE. Since that is the intention of the Senator from Vermont, I will say that I am sorry I interrupted him.

Mr. AIKEN. As I have said, the Agricultural Act of 1948 points directly toward supporting a minimum farm income.

On the other hand, the program proposed by the Secretary for a fixed level of commodity price support, regardless of the supply of the commodity, would unstabilize farm income to a very great degree.

Answer No. 2 in the Secretary's document is as follows:

(2) The prosed program would provide effective support for more commodities at a generally higher level than is available under present legislation. Specifically, it would afford more definite assurance of support for certain perishable commodities, such as meats, whole milk, eggs, and others, which have major importance in the farmers' income and in the consumers' diet. The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities.

I hope my colleagues will mark that statement from the Secretary's document.

Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations.

This answer contains two false statements and one true one. Let us take the true one first.

The Agricultural Act of 1948 would limit support for the perishable commodities enumerated to 90 percent of parity. The Secretary would allow up to 100 percent.

Now for the false answer.

Unless the Secretary intends to disregard the purpose and provisions of the 1948 law, he will fix the support for meats, whole milk, eggs, and certain other major commodities at a level comparable to that which is given the basic commodities.

In my analysis of the 1948 bill on the floor of the Senate last year, I made this statement on behalf of the Committee on Agriculture:

A question entered the minds of the committees as to whether we should designate certain crops which should be supported at from 60 to 90 percent of parity, as the basic commodities are to be supported under the requirements of the bill. Then we realized that there were 151 farm commodities which were not basic. We did not know where to draw the line. We expect that important commodities—and I include field peas, beans, potatoes, soybeans, barley, and oats—will be supported at the same rate as the basic commodities, which is 60 to 90 percent of parity. But there are other nonbasic commodities, such as summer squash, which we would not want to support even at 10 percent of parity. Then there are peppers and tomatoes. Producers of various commodities have come to me suggesting that the commodity they produce should be supported. There were mohair producers from Texas, honey producers from Iowa, Minnesota, and other States, and producers of hops. We felt we had to leave such products to the discretion of the Secretary, but it is the belief of the committee that commodities which correspond closely to the Steagall commodities should be supported at a rate of from 60 to 90 percent of parity.

Furthermore, in fixing the level of support for each nonbasic commodity the Secretary is required under the 1948 act to take into consideration its importance to agriculture and the national economy.

Inasmuch as meats, poultry, and dairy products are the most important agricultural commodities, the Secretary must support them at a level comparable to that given the so-called basic commodities.

The second misleading statement in answer No. 2 of the Secretary's document is this:

The Agricultural Act of 1948 has a general prohibition on the use of Commodity Credit Corporation funds for the support of perishable commodities. Both the proposed program and the Agricultural Act of 1948 assume continued use of section 32 funds for surplus disposal operations.

What the Secretary fails to say is that it is the Secretary and not the Commodity Credit Corporation that is charged with the support of perishable commodities.

Under the 1948 act he has full authority to support any perishable commodity up to 90 percent of parity if funds are available. He cannot support any commodity under any law without funds.

What he further fails to say is that Commodity Credit Corporation funds are authorized for the support of products processed from perishable commodities.

Therefore, he has every right to support the price of orange juice, powdered milk, lard, and a thousand and one other commodities which are processed from perishable farm commodities. I quote directly from the 1948 act:

Provided, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity.

Mr. THYE. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Vermont yield to the Senator from Minnesota?

Mr. AIKEN. I yield.

Mr. THYE. Would not the Senator say that this particular paragraph would cover butter, powdered milk, and such processed dairy products?

Mr. AIKEN. It certainly would. It is intended to. It would also cover canned vegetables and fruits. That is the purpose of the provision.

Mr. THYE. That was the definite discussion which took place at the time the language was prepared in order to safeguard the Department of Agriculture and the Commodity Credit Corporation and permit them to proceed to buy either powdered milk, butter, frozen eggs, powdered eggs, or any of the perishable commodities once they were processed. That was what this particular paragraph was intended to cover.

Mr. AIKEN. The Senator is correct. The Commodity Credit Corporation is supposed to see that perishable commodities are put into such form that they will keep for a reasonable length of time before supporting them. There are other funds available for supporting perishable commodities which will not keep, and probably would not be processed into storable commodities.

Mr. THYE. I am raising this question because the question was raised by some of the creamery and dairy operators in Minnesota. It was raised with the Dairy Division of the Department of Agriculture. The Department made the explanation to the creamery operators that the Department is very fearful that the language in the act which goes into effect in the calendar year 1950—the Aiken Act, as we refer to it—is so vague that when they come to administer the provisions of the Aiken Act they will not be able to purchase powdered milk or butter, because the act does not specifically authorize them to do so.

I am taking this opportunity to ask the question and to discuss it, because if there is need for an amendment to clarify the language in the Aiken Act, we should be considering such an amendment, because we are now late in the first session of the Eighty-first Congress, and with all the legislative material which is waiting on our desks for action, I do not know how the Department of Agriculture and the agricultural committees of the House and the Senate will be able to study and consider legislation which would represent a major change. If the statement which has been made is correct, we had better amend the act now on the statute books, to prepare ourselves to meet the conditions with which we shall be confronted in the calendar year 1950. That is the reason why I am asking these questions of the Senator from Vermont, who was chairman of the subcommittee which conducted all the public hearings and made the thorough study which was made throughout the calendar years 1947 and 1948 in the development of what is known as the Aiken Act. The Aiken Act has not been in operation in this calendar year. We extended the Steagall amendments for the calendar year 1949, which caused us embarrassment in connection with the potato subsidy or support-price payments, and which caused other embarrassments which the Aiken Act would have avoided if we had been fortunate enough to have the Aiken Act in operation in the calendar year 1949.

The only reason I ask the question concerning the language in the act which relates to support or so-called purchases on the part of the Department of Agriculture of any of the perishable or nonperishable commodities in the general administration of the over-all support program is that if there is any language in the Aiken Act which must be clarified, we should get under way with it.

Mr. AIKEN. The language of the 1948 act in regard to the support of nonstorable commodities is as clear as we could find words to make it clear. The Department of Agriculture knows exactly what the intent of this wording is. I have talked it over with the keymen in the Department of Agriculture time and again. They know exactly what we mean. They are supposed to support prices of meats and dairy products at a level comparable to that of the basic commodities.

Mr. THYE. Mr. President, will the Senator yield for a further question?

Mr. AIKEN. I yield.

Mr. THYE. Did not the Senator receive a report from the Solicitor's office with respect to what the Aiken Act provided, and what it authorized the Department to do?

Mr. AIKEN. I did.

Mr. THYE. Does the Senator have that report in his records?

Mr. AIKEN. Yes. Some of the statements now being made by the high officials of the Department of Agriculture are unfortunate, in view of the fact that the Solicitor put his interpretation of the bill in such clear language soon after it was passed. I shall come to some of those questions very shortly.

Mr. THYE. I thank the able Senator from Vermont for the time he has allowed me to ask questions and to discuss what the creamery operators in Minnesota are confronted with as they think ahead for the year 1950.

Mr. AIKEN. So far as the 1948 law is concerned, the creamery operators of Minnesota are not confronted with any danger that they have not had so far. The only danger that they are confronted with is that the Department of Agriculture will not apply the law as intended by the Congress. If the Senator from Minnesota or anyone else can devise any language that can be put into legislation which will prevent agencies of the executive branch of the Government from misinterpreting and misapplying the law, he will have made a major contribution to the sanctity and security of his country.

Mr. THYE. Further commenting on the very able statement of the senior Senator from Vermont, he has just read the following language from the 1948 act:

Provided, That the foregoing provisions shall not be construed to prohibit the Commodity Credit Corporation from supporting the price of any perishable nonbasic agricultural commodity by a loan, purchase, payment, or other operation undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity.

The only reason I read the paragraph over again is that I do not know what language could be written into the act to permit them to purchase and support powdered milk, butter, and other dairy products which are processed, which would be any stronger than this language. It would include also citrus fruits and dried raisins, would it not?

Mr. AIKEN. Yes. As I stated, the officials of the Department of Agriculture, from the Secretary down, know exactly what this language means.

Mr. THYE. That language certainly would permit them to take frozen eggs and powdered eggs.

Mr. AIKEN. It certainly would.

Mr. THYE. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CAPEHART. Are we to understand that the Department of Agriculture is refusing to follow the law?

Mr. AIKEN. The Department is giving the farmers of the country misleading information concerning the law. My purpose in speaking today is to try to make some of those things clear.

Mr. CAPEHART. Are we to understand that the Department is doing this purposely and deliberately?

Mr. AIKEN. It is a repetitious accident; if it is an accident, because it is being done on a Nation-wide basis.

I believe the Senator from Indiana was not present when I started speaking with reference to a 10-page document of questions and answers which is apparently being sent to the 94,000 PMA committeemen of the country, besides being made available in large quantities to labor organizations and others. It does not relate to existing law except to disparage existing law. It has nothing whatever to do with the work which the PMA committeemen are supposed to do under the provisions of the present law.

Mr. CAPEHART. In that document, is the Department making statements which are absolutely untrue?

Mr. AIKEN. I am pointing out those statements as I go along.

Mr. CAPEHART. In the Senator's opinion, has the Department made statements which are untrue?

Mr. AIKEN. That is correct. The answers are untrue.

I now come to answer No. 3:

(3) The proposed program—

This refers to the Secretary's program—

puts more emphasis on encouraging shifts in farm production, particularly toward livestock production, as one important means of overcoming the problems of surpluses. It puts mere specific emphasis on conservation as a requirement for price support.

The latter part of this statement is correct. The 1948 law does not require the farmer to comply with soil-conservation practices as prescribed by the Secretary in order to qualify for price support.

The statement that the Secretary's plan offers more encouragement to livestock producers is not correct. The 1948 act gives almost the same identical encouragement to a shift toward livestock production as does the proposed plan of the Secretary. This encouragement is given through the revision of the parity formula which raises the value of livestock products to a higher position in relation to other farm commodities.

Answer No. 4:

(4) The proposed program follows the long-established national policy of encouraging family farming, and, in order to avoid the use of public funds to encourage big-scale industrialized farming, it introduces the idea of placing an upper limit on the amount of commodities on which any one farm can get price support.

This relates to the limitation of production on any one farm which can qualify for support.

There may be some merit in this proposal, but I believe it will be a good while before it will become necessary to break up the large farms of America or operate them collectively.

If the proposal to limit production per farm were effected now, the result would be to penalize the more efficient producers and the more efficient producing areas.

Question No. 9 of that document deals with Government control and regimentation of farmers, and the reply would indicate that the Agricultural Act of 1948 provides all the controls which would be necessary in the Secretary's program. That statement is not in accord with the facts.

The Agricultural Act of 1948 contains no provisions whatever that the farmer must use his land and operate it in such a manner "as may be prescribed by the Secretary."

Your Agriculture Committee of 1948 considered this proposal, but believed that there are thousands of farmers in this country who need every dollar of their income for the support of their families for education, for doctor bills, etc., and that they should not be required to spend part of a meager income in terracing their land, digging ditches,

abandoning part of their farm land, or doing other things which the Secretary might deem essential to "minimum and sound soil-conservation practices."

In Senate bill 1971, which the Secretary has asked the Congress to approve, we find this statement on page 10, under Title II, Price Support:

> Compliance by the producer with acreage allotments, production goals, marketing practices, including marketing quotas, and conservation and good land-use practices as prescribed by the Secretary may be required as a condition of eligibility for price support.

Both title I of the Agricultural Act of 1948, under which we are operating today, and title II, which goes into effect next January, provide that—

> Compliance by the producer with acreage allotments, production goals, marketing practices, including marketing quotas, may be required as a condition of eligibility for price support.

But nowhere does it state that conservation and good land-use practices as prescribed by the Secretary may be required as a condition of eligibility for price support. If, as the Secretary says, he has all that authority now, why in the world does the Secretary ask that Congress provide that authority?

It is true that the Agricultural Act of 1948 continues the provisions for acreage allotments, quotas, and penalties as embodied in the act of 1938.

Under the 1948 act, however, with its flexible support floor, these controls would be used only in emergencies, and then only temporarily, whereas under the Secretary's program, carrying a rigid 100-percent support-level, controls would have to be applied immediately, completely, and permanently.

It is silly to state that the farmer would be subject to as much control under the 1948 act as he would be under the Secretary's plan. It is a major purpose of the 1948 act to leave the farmer free to exercise his own initiative, and to avoid regimentation to the fullest extent possible.

I have only one other comment to make about this document and the Secretary's plan in general, and that is this: When addressing farmers, the supporters of this plan emphasize high prices for farm commodities, and soft-pedal the matter of complete regimentation and control. When appealing to the consumer, they emphasize the idea that the program would result in greater quantities of high-grade food at low prices. Then they tell the taxpayer that the whole program will cost him almost nothing because—and I quote from this remarkable political document with which our country has been flooded:

> Except in case of depression, prices of most farm commodities should usually be above support levels (being 100 percent) and, of course, it is only when prices are actually supported that public funds are used.

Mr. THYE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. THYE. Would the Senator say we are in a major depression at the present time? I ask that question for the reason that we know what the price of wheat is today, and we know the price of wheat was quoted at $1.50 in the Oklahoma area last week, and we know that the support price was $1.90 a bushel. There, in itself, is the answer to the question of whether the Secretary's statement was correct or incorrect, because we are not in a major depression now, and yet the cash price of wheat at the harvest fields in Oklahoma was way below the actual parity or support price which it should obtain under a commodity loan.

Mr. AIKEN. It is also true that the Secretary recommends support at 100 percent of income-support standard—which is one way of saying "parity" in three words—instead of at 90 percent.

The absurdity of the whole thing is apparent when we read the promise to consumers that low prices will result while the taxpayer is told that under this same plan the prices of farm commodities will be well above 100 percent of parity in the open market.

In view of the fact that this false information relating to the Agricultural Act of 1948 has been systematically, willfully, and extravagantly distributed over this whole country, I now wish to make clear the effect which some of the provisions of the 1948 law will have.

First, let me call attention to the assertion that the Secretary's plan, as put forward by its proponents, will permit him to fix the support level of commodities in advance of planting or even planning time. This is called forward pricing. This is desirable. But title II of the Agricultural Act of 1948 permits forward pricing and the Secretary has already used this authority to fix the support level of pork at 90 percent of parity until April 1, 1950, in anticipation of title II of the 1948 law going into effect on January 1 next year.

Another provision concerns the method of supporting prices.

One provision of the Secretary's plan, which has received much attention, is the proposal to let the producer sell his commodity on the open market, and then reimburse him for the difference between the average market price received and the support level.

This provision is already in title II of the Agricultural Act of 1948. Section 202 reads as follows:

> SEC. 202. (a) Section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:
>
> "SEC. 302. (a) The Secretary, through the Commodity Credit Corporation (except as provided in subsection (c)) and other means available to him, is authorized to support prices of agricultural commodities to producers through loans, purchases, payments, and other operations."

The "other operations" is intended to mean finding markets for farm commodities which will make supports unnecessary. It was never intended by the Congress that this provision should be used to bring about generally lower price levels.

I call attention to one provision of section 302 (a) of the 1948 act, which has not received much prominence. It is this:

> The Secretary shall in all cases give consideration to the practicability of supporting prices indirectly, as by the development of improved merchandising methods, rather than directly by purchase or loan.

The Secretary has indicated a desire to have this provision of the law made effective at once so as to permit payments to be made in supporting the price of hogs and possibly other perishable commodities.

When it is suggested that nonperishable commodities should also be permitted to find their own market level, the inference has been given that title II of the 1948 law permitting use of payments applies to a few commodities only.

This is not the case.

"An Analysis of the Principal Provisions of the Agricultural Act of 1948 and Related Legislation," prepared in the office of the Solicitor of the Department of Agriculture in July 1948, carries on page 9, this statement:

> The methods of price support consist of loans, purchases, and other operations and, subsequent to January 1, 1950, also payments and indirect operations such as an improved merchandising practice. The use of any particular method or methods rests within administrative discretion.

Furthermore, volume 34, No. 2, of the Iowa Law Review published January 1949, contains an analysis of the 1948 law prepared by Robert H. Shields, ex-Solicitor for the Department of Agriculture, and Edward M. Shulman, present Associate Solicitor in charge of commodity credit production and adjustment of the United States Department of Agriculture. On page 200 we find this statement:

> The provisions of the act respecting the methods to be employed in providing price support are also broad and flexible. Price support may be made available to producers with respect to both basic and nonbasic agricultural commodities through loans, purchases, payments, other operations, or any combination of these methods.

Those are the words of lawyers in the Department of Agriculture charged with advising the Secretary as to the meaning of the law and as to his duties and powers under the law. With these interpretations by Mr. Shulman and Mr. Shields, it is clear beyond a doubt that the provision for making payments in a support-price program applies equally to perishable and nonperishable commodities, regardless of what the Secretary or anybody else says.

Now, let us concern ourselves with another distortion of fact, which is being spread particularly among the wheat and cotton farmers.

These farmers are being told that under the act of 1948 the price of both wheat and cotton may be reduced to 60 percent of parity and that farm prosperity may be destroyed. What are the facts? The support price for neither wheat nor cotton can possibly drop to 60 percent of parity. If, by any chance, the price of either of these commodities should drop to 66 percent of parity for a 3-month period, quotas would automatically have to be called for under the law. When quotas or acreage allotments are in effect, the support price is increased by 20 percent.

However, quotas would undoubtedly be imposed upon a supply basis long before the price could drop to 66 percent of parity. Quotas are to be imposed upon cotton when the total supply reaches 108

percent of the normal supply, as defined in the act.

It looks now as if the carry-over of cotton on August 1, plus estimated production for this year, will total about 20,000,000 bales. This is 118 percent of a normal supply and will therefore necessitate quotas.

Under the provisions of the 1948 act, a 118-percent supply would require the Secretary to fix the support level for cotton between 79 and 90 percent of parity for next year. He would have 11 points in which to exercise his discretion.

Mr. THYE. Mr. President, will the Senator yield at that point?

Mr. AIKEN. Let me finish the next sentence. Then I will yield to the Senator from Minnesota.

Assuming that the parity index representing the cost of things the farmers buy remains as it was on May 15, this means that the support level for cotton will have to be fixed between 23 and 26 cents per pound for the 1950 crop. It cannot possibly drop to the 17 cents per pound level, which is the figure which has been bandied around the cotton-growing States rather indiscriminately. I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, earlier in the Senator's statement, I asked him about the 90 percent, and as to what supply would have to be on hand before the parity price went down to a lower figure in the scale. I did not realize that the Senator had such a clear and explicit statement as he has here, and it was for that reason that I wanted to ask the question and get a further explanation of the parity programs, particularly with reference to the sliding scale. But the Senator has stated it so clearly that I apologize for having interrupted the Senator the first time for a question.

Mr. AIKEN. I am always glad to be interrupted by the Senator from Minnesota, so long as I do not lose the floor by reason thereof.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Indiana.

Mr. CAPEHART. Are we to understand that the Secretary of Agriculture, in violation of the law, is telling the cotton farmers that the price of cotton will go to 17 cents?

Mr. AIKEN. No; I do not say the Secretary of Agriculture has been doing that, but I do know that reports and rumors have spread throughout the South that the support on cotton next year will be 60 percent. I received word from Arkansas the other day from one of the officials of the State that many farmers are being told that their support price for cotton will be 40 percent, because it is said to the farmers, "You are going to get 60 percent anyway, and that will necessitate quotas; and when you get quotas, they take off 20 percent." Of course, that is a completely false statement, but many farmers I find are believing it.

Mr. CAPEHART. Should not the Secretary of Agriculture get out a statement to the farmers telling them the truth?

Mr. AIKEN. The Secretary of Agriculture should do that, in my opinion.

Mr. CAPEHART. Perhaps we had better make certain that he does it.

Mr. AIKEN. I want to come now to wheat. It appears that the total supply of wheat may possibly reach 120 percent of normal by July 1, 1949; that is, the carry-over of wheat plus the anticipated crop for this year will be almost exactly 120 percent of normal. Nobody knows, right now, whether it will quite reach that or not, but if it does happen, it will necessitate quotas. The Secretary in that case will be required to fix the support level for wheat somewhere between 78 and 90 percent of parity.

The parity index is going down, which means the costs of production also will go down. But the costs of the things the farmer buys are going down. Assuming no change in the parity index as of May 15, which is the last date I have, this means that the support level for wheat for 1950 will have to be fixed between $1.63 and $1.89 a bushel.

I consider these levels of support to be very liberal in view of changing conditions. They certainly compare favorably with the prewar support levels of 52 to 75 percent.

I want to make it clear that although the range of support for basic commodities in the 1948 act lies between 60 percent and 90 percent of parity, the 60-percent figure could never apply because quotas would be imposed long before that figure is reached. Let me make this clear, too. The Secretary at all times has full authority to fix the support at 90 percent of parity if conditions warrant it.

If quotas are proclaimed by the Secretary and rejected by the producers, a 50-percent support level is required by the 1948 law.

The committee felt that even though quotas were voted down, it would be disastrous to the national economy to have the price of major basic commodities fall below 50 percent of parity.

The Secretary of Agriculture did not agree with this viewpoint, however, believing that no support should be given unless producers voted for controls and penalties.

This was about the only point on which the Department did not agree. It has had a change of heart since that time.

Finally, I would like to say a word about the prospects for more crops going under quotas next year.

Due to the incentive support price of 90 percent of parity, required by title I of the 1948 act, we are likely to have an extremely large production of cotton, wheat, and, possibly, corn this year.

I see little likelihood that cotton can avoid quotas for 1950.

We are operating this year under title I of the Agricultural Act of 1948, which is the House part of the law, and the old definitions of "total" and "normal" supply still prevail.

The 1948 act changes these definitions so that the total supply may be larger without requiring the imposition of quotas.

For instance, under the present law, a total supply of corn amounting to approximately 3,743,000,000 bushels would necessitate the imposition of quotas.

Under title II of the 1948 act, a total supply of approximately 4,013,000,000 bushels would be permitted without imposing marketing quotas.

Under the present law, a total supply of 1,418,000,000 bushels of wheat would necessitate marketing quotas.

Under the 1948 act, a total supply of about 1,656,000,000 bushels would be permitted. The total supply of wheat as of July 1 is sure to exceed the amount permitted by the old law but may possibly come within the limit set by title II of the 1948 act.

Some weeks ago, the Senate unanimously passed and sent to the House a bill providing that the definitions of "total" and "normal" supply in the 1948 act, which go into effect on January 1, 1950, be set forward to apply immediately.

I do not know what action the House may take on this bill. If it is approved, the chances are that quotas on corn for 1950 will be avoided.

If the House approves the bill before July 1, there is a possibility that quotas on wheat may also be avoided.

When title II of the Agricultural Act of 1948 takes effect on January 1, 1950, the farmers of the United States will have the best assurance of personal freedom and economic security they have ever had.

Under such guaranties, they will produce abundantly to meet the food and fiber requirements of the Nation.

This assertion is made on the assumption that the Secretary of Agriculture will apply this law as the Congress intended it to be applied.

We have sometimes observed instances of laws enacted by the Congress being misinterpreted and misapplied by agencies of the executive department.

I recognize the fact that the long-range support-price program as enacted last year can be improved by a few minor amendments.

With these few amendments, however, this act may well stand for years to come as the cornerstone in the foundation of American farm prosperity.

LEAVE OF ABSENCE

Mr. PEPPER. Mr. President, I ask unanimous consent to be excused from attendance upon the remainder of the session on this day, and also tomorrow and the day following, on account of my absence in Florida, in attendance upon public business.

Let me add that should I miss the vote upon the pending agreement or treaty, I wish to state that I am a member of the Foreign Relations Committee which has recommended the treaty to the Senate, and I would vote that the Senate advise and consent to the ratification of the treaty.

The PRESIDING OFFICER. Without objection, consent is given.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, resumed the consideration of the International Wheat Agreement, Execu-

tive M (81st Cong., 1st sess.), which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries.

Mr. LANGER. Mr. President, first of all I want to compliment my colleagues on the other side of the aisle for helping to take care of the farmers of the United States. I remember that all through the Eightieth Congress my distinguished colleague from Vermont [Mr. AIKEN] pleaded many times with the Republican majority to get action on the farm bill. Finally, Mr. President, on the very last day of the session, after my distinguished friend had plead, with tears in his eyes, and stated that the bill as passed was unsatisfactory to him because it did not contain what it should contain, at the twenty-fourth hour, on the very last day of the session the Republican Eightieth Congress finally passed the act which is now in full force and effect.

It all simmers down to what we observed throughout the Eightieth Congress. There was a little clique in charge of the Republican Party, Mr. President, and when some of us protested and wanted to be heard before the Republican policy committee, we could not even get before our own policy committee. The committee did not need the Senator from Oregon [Mr. MORSE]; it did not need the Senator from Vermont [Mr. AIKEN], and it did not need certain other Senators whom the Republican voters had elected to the Senate. The Democrats were smart enough to take advantage of the fact that it had been a Republican President who vetoed the McNary-Haugen bill. If the McNary-Haugen bill had not been vetoed time and time again by a Republican President, the farmers of the country would not have had the terrible depression which they went through.

So far as I am concerned, I shall vote for the International Wheat Agreement, because I am entirely satisfied that it is a step in the right direction. I wish to call attention, however, to the farm record made by the Democrats ever since 1933. We do not hear any more about Leiter or anyone else getting a corner on wheat. Why? Because legislation was passed to make it impossible so to deal in the grain markets of Chicago and other cities.

Mr. President, in North Dakota—and this is true of the whole Northwest—the entire system of agriculture was changed by Henry Wallace. He did a remarkable job. When I think back, Mr. President, to what we went through in the depression—25-cent wheat—and I sold some myself at 19 cents a bushel——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Vermont.

Mr. AIKEN. I should like to say that if the Agriculture Act of 1948 had been in effect in the 1930's the lowest the price of wheat would have been permitted to go would have been 76 cents a bushel. Corn could have gone to approximately 54 or 55 cents a bushel. The Senator will agree with me that those are not exorbitant prices, but they are far above what farmers obtained at that time. It probably would have kept this country from falling into the depths of the depression into which it did fall.

Mr. LANGER. Mr. President, I agree wholly, completely, and entirely with what the distinguished Senator says. If under Mr. Harding, Mr. Coolidge, or Mr. Hoover, the Republicans had had an act passed like one we finally passed with some amendments—the Senator calls them minor amendments, but when the act was passed at the end of the Eightieth Congress he called some of them major, and said he was dissatisfied then with the act that was passed at the very last moment—I say, if under Mr. Harding or Mr. Coolidge or Mr. Hoover the Republicans had had passed the act as it was finally passed, we would not have had the depression.

I call attention to another matter, that it was laws passed by the Democratic administration which made impossible the cornering of the markets in wheat and some of the other products on which the farmers depend for a livelihood.

Mr. President, it makes me feel sad to think of what happened after all the pleading my distinguished friend, the Senator from Vermont, did last year, and after all the pleading that was done by the Committee on Agriculture and Forestry. I could mention various members of the committee, both Republicans and Democrats, who during the last 2 months of the Eightieth Congress were unable to get the act passed in the form in which they thought it should be passed. I call attention to that fact again, and state that if the Republican Party finds itself in the doldrums, it has only itself to blame.

Mr. President, I wish to refer for just a moment to what took place 25 years ago in this body, when Senator Frazier, of North Dakota, introduced legislation which, if it had been adopted, would have taken care of the wheat and grain farmers, but he was unable to get it through the Congress. Twenty-five years ago, 24 years ago, and 23 years ago, Senator Frazier endeavored to get legislation passed to protect the farmers of the Northwest. It was only after 1932 that some kind of legislation was passed which at least half way took care of the farmers, and we would not have had it then if it had not been for the depression.

In North Dakota the situation got so desperate, the farmers continued to be robbed and robbed and robbed so outrageously, that the State of North Dakota went into the grain business itself. When I hear my distinguished colleagues on this side talk about free enterprise, I am reminded of the time when free enterprise out in the Northwest was looked on apparently as permission to a few corporations to rob the farmers to their hearts' content. There was a time when the farmers could not own an elevator on the railroad right-of-way; when they could not have a cooperative. There has been one long, continuous fight. Finally in 1911 the people of North Dakota, first by a vote of 3 to 1, then in 1913 by a vote of 4 to 1, with every daily newspaper against them, finally amended their constitution so that the State could build its own terminal elevators, but even a Republican governor and a Republican legislature in our State refused to carry out the will of the people as expressed by a vote of 3 to 1 and then by a vote of 4 to 1. It was then that we put into effect the program that was criticized a few days ago by the junior Senator from Missouri [Mr. KEM], when he said that the State of North Dakota lost a good deal of money because we had gone into the grain-elevator business.

Mr. President, for the 1947 year the profits from the State elevator in North Dakota were $865,000. Just a few days ago we took $500,000 from the profits of the elevator owned by the State of North Dakota and turned it over to a soldier bonus fund, so that our soldiers might have that much more money to be applied to their bonus.

In my judgment the international wheat agreement we are considering is a step in the right direction. I will say further that if the Republican Party in the Eightieth Congress had followed the advice of the distinguished Senator from Vermont, who time and time again, I repeat, plead for them to do something about the farm problem, in my judgment the votes of the farmers of Iowa and some of the other States would not have gone to Mr. Truman.

I say again, Mr. President, that in my judgment the Senator from Vermont deserves the thanks of the farm population of the entire United States of America. He is and has been a fearless fighter for the farmer. But he could not win the fight alone, he could not win it when he had a majority on this side of the aisle, which would not carry out what he as acting chairman of the Senate Agricultural Committee, recommended time and time again.

Certainly, Mr. President, we remember the sneers. Some men sitting here at that time sneered at what GEORGE AIKEN of Vermont said. But some of them were not reelected. I say again, Mr. President, that some of the men sitting now on this side of the aisle, unless they attempt to carry out the will of the people of this country, will not be here after the next election. I said that before, and I repeat it today. If one has any doubt about it, all he has to do is to do what I have been doing, go out among the people. It will be found that there is almost universal commendation of the domestic policy of the Democratic Party. That is not true of their foreign policy, but it certainly is true of their domestic policy, because they are trying to help the common man, the rank and file of the people of this country.

Mr. President, I intend to vote for the ratification of the international wheat agreement.

Mr. YOUNG. Mr. President, I wish to say a few words in behalf of the international wheat agreement. It is not perhaps as good an agreement as many of us would like, but I think it would improve the position of the American farmers materially. The price of wheat

under the agreement is reduced to $1.80 a bushel, which was about 20 cents below the present farm price-support level. The Commodity Credit Corporation will have to make up the difference between the market price here and the price at which we are supplying the wheat to European governments. But the price of $1.80 a bushel I submit is far above anything we are getting from the foreign countries at the present time. We are shipping approximately 350,000,000 bushels a year, most of it as a pure gift. In the fall of 1947 I had the privilege of attending the World Food and Agricultural Conference, held in Geneva, as one of the two representatives of the Senate. There I found great concern among all the countries of Europe about their future supply of bread grain. The people of those countries wanted to be assured, as they do now, where they were to get their future supply of wheat. The pending agreement gives them assurance that we will supply in the future a certain amount of wheat to them, regardless of conditions.

In the past we were furnishing them as much wheat as we possibly could, at reasonable prices, I believe something around $3 a bushel since the war. At the same time these countries had to purchase in other markets of the world as much wheat as they could get. Argentina was charging them as much as $6 a bushel for wheat. European countries want to be assured of a supply. If they cannot get from the United States and other countries the supply of wheat they need, they will want to increase wheat production in their own countries and by programs in new areas, such as Africa, so that they will be assured of something to eat in the future.

Mr. President, the program has been worked out very carefully by the three major farm organizations of the United States, and they have had able men working on it. It is not their opinion or mine that this agreement will reduce the price of wheat to farmers but on the contrary assure a greater outlet for surplus wheat and improve our entire position. I have particular reference to the American Farm Bureau Federation, the Grange, and the Farmers Union. I do not believe those people would do anything against the best interests of the farmers. I believe the international wheat treaty will be a good step for the entire Nation, and I hope it will be ratified.

Mr. THOMAS of Utah. Mr. President, I am in hearty agreement with the last statement made by the Senator from Nebraska in the debate on the wheat treaty. No one assumes that our wheat economy will be governed entirely by an international treaty. We do assume, however, that the international treaty will help to make more stable and more certain and regular the income of the farmers. Therefore it is wholly in keeping with what we are trying to do along domestic lines.

Everyone knows that with a crop of a billion bushels in a year, and a guaranty of the export of merely 168,000,000 bushels, we are not depending on the international wheat treaty to guarantee prosperity to the farmers of our country. But, Mr. President, we must never lose sight of the fact that once we have come to the place where we have a surplus, that once we are actually producing more than we are consuming of any commodity, we may have arrived at a dangerous point, so far as stability in prices is concerned, and a situation especially dangerous for the welfare of the producer. Therefore the wheat treaty aims, and consistently aims, at attempting to help the producer in such a way that he will not be in a position of uncertainty.

We must not, however, lose sight of the other side of the question. In our international relations since the war we have entered into a field of broad morals, into a field also of putting faith in other nations and in other peoples. It may sound strange to some to hear it said that we are building a foreign policy upon the basis of good faith and upon a system of morality, upon a theory not only that we want to live but that we want other people to have the chance to live, because we believe that maintenance of stability and decent democratic principles, and the raising of ever higher standards of living for the average person, and especially the raising of the standards of living for those who do not have enough, is our greatest bulwark, is the opposite of instability and uncertainty in our political life.

The world today fears moral instability. The thing which dictators thrive upon is moral instability, which brings their people to a condition under which the dictators can make effective use of slogans and thereby gain control over their people. Wherever in the world there is a nation with a single will, whose people have been brought to that condition by a dictator who rules and directs the activities of all its people, who leave their welfare to the will of that dictator, we find just exactly the opposite of what we call democracy, exactly the opposite of what we call free enterprise, exactly the opposite of what we like to think our democracy is.

Mr. President, we can support the wheat treaty with the same notions, the same ideals, the same hopes, the same aspirations with which we have supported all our foreign policy during the last several years, or since the end of the war. The peace we want in the world is a peace based upon economic stability, a peace based upon faith in one another, a peace based upon decent morality as between peoples.

I should like to point out that the editorial quoted by the Senator from Nebraska [Mr. BUTLER] was not based upon fact, it was based on surmise. An assumption had been made. First an assumption was made that without Argentina and without Russia the wheat treaty would not succeed, because Argentina and Russia would be free lances in the world wheat market, and Argentina and Russia will undersell other nations, and that, therefore, the importing nations would not want to live up to their promises in regard to taking wheat from the exporting nations.

Mr. President, that is hardly factual. In the beginning of the negotiations both Argentina and Russia were represented. Argentina refused to stay with the agreement because she did not like the price which the nations of the world had set. She wanted a higher price than the $1.80 maximum guaranty. In view of that fact, it seems to me we would not have the type of competition which has been hinted at, of Argentina offering to underbid. She refused to join the group and remain with the group because the price was not high enough.

We do not know how price support works out in Argentina, but their trading really and truly is governmental trading, so far as the export trade of Argentina is concerned. The government does all the trading. Whatever profit is made, the Government itself keeps the profit. The profit does not go back to the Argentine producer or purchaser. That is the type of governmental economic handling of products that we, who live under the American theory, do not like. That is the type of thing we are trying to overcome in the world. We like free trading conducted by private persons. We like trading on the basis of freedom. That does not mean absolutely free trade, Mr. President.

In the case of Russia, she refused to stay in and abide by the decision of the negotiators because Russia wanted a bigger quota than the rest of the nations were willing to give her. She wanted to export wheat on so large a scale as probably would have resulted in Russia being obliged to neglect her own population in order to fulfill the promises made to export to foreign countries.

Wherever there is a single-will state, Mr. President—and we can prove this by reading the history of single-will states of all time—we find that such a state will not keep its promises merely in order to fulfill those promises, but in order to receive pay. If, for instance, a single-will country in the natural or ordinary wheat economics delivers as much as it promises to, even though it hurts its own people, it will deliver and hurt its own people, because dictators do not think of the welfare of their own people, but think only of their own welfare.

Mr. President, I am not criticizing Argentina, at least in my own mind, although my words may sound as if I were critical of Argentina. I am not criticizing Russia. The facts do not bear out Russia's ability to deliver the quota of wheat she wanted applied to herself. She wanted a quota of 100,000,000 bushels of wheat for export. The negotiators wanted Russia to accept a quota of 50,000,000 bushels. They finally settled on 75,000,000 bushels for Russia, but Russia would not accept that quota. She stuck to her first request of 100,000,000 bushels.

Let us see whether the Russians were thinking in terms of good wheat economics, in view of what has since taken place. Russia was a great exporter of wheat for the period between 1909 and

1913, before the First World War. During that time she exported an average of 164,000,000 bushels of wheat a year. The wheat habits of the world revolve around the Ukraine to a certain extent and around the Balkan countries and the Danubian countries.

By 1925, after the First World War, after the Russian Revolution, and after the controls in Russia, Russia was able to export in the world wheat market 28,000,000 bushels. In 1926 her exports went up to 49,000,000 bushels, but in 1927 Russia's exports dropped to 3,000,000 bushels. In 1928 she did not export any wheat. In 1929 she was back to the export stage again, and she exported 10,000,000 bushels. In 1930, when our export trade had fallen off due to a great number of factors, Russia was again back in the export market, and she exported 114,000,000 bushels; in 1931, 66,000,000 bushels; but in 1932 she was down to 17,000,000 bushels. In other words, based upon a study of her exports, Russia's wheat economy has not been a stable economy.

In 1933 she was back to 35,000,000 bushels, and in 1934 she dropped to 2,000,000 bushels. There have been great fluctuations, and stability has not yet come to her. In 1935 she was back to 28,000,000 bushels. In 1936 she fell from 28,000,000 to 4,000,000 bushels. In 1937 she exported 43,000,000 bushels; in 1939 34,000,000 bushels. Then came the war, and from 1939 on she has had only one export year, and that was 1940, when she exported 40,000,000 bushels.

Mr. President, I have had nothing to do with the negotiation of this treaty, but I think the nations of the world were realists when they told Russia that she could not live up to a consistent exportation of 100,000,000 bushels, or even 75,000,000 bushels. Because facts show that she could not have done it. If one great exporting country does not fulfill its obligations, it puts great responsibilities on the other countries. While Russia's withdrawal was wholly voluntary, the reason for her withdrawal, given by herself, was that she did not get what she wanted. I think, in the light of all the circumstances, it is fortunate that she did not get what she wanted.

I think those facts will show that the editorial in the New York Times which the Senator from Nebraska quoted was not based upon facts, and that the premises, namely, that Argentina would undercut us, and that Russia might come into the market with great exports and therefore interfere with the even way in which the wheat treaty should operate, are rather farfetched and not consistent with the facts.

Mr. President, mention was made of the cartel question. The question was raised as to whether this wheat treaty would make the Government a governmental trading agency, and whether it would result in a great cartel. Of course it will not, or Senators on this side of the aisle, and Senators on the other side of the aisle who support the treaty would not be recommending it.

Mr. President, for the purpose of the record I ask unanimous consent that the answer in regard to cartels which was made when the first treaty was negotiated be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

14. THE AGREEMENT IS A CARTEL WHICH WAS WORKED UP IN SECRET BY A GROUP OF GOVERNMENT BUREAUCRATS

The agreement differs from a cartel in a number of particulars. It is an agreement between governments and not between private firms. There is no tie-in of transactions as between buyers and sellers. For example, the United Kingdom may purchase wheat in Canada, Australia, or the United States on the basis of price and is required to take it from any of these three countries only to the extent of the quantity covered by the agreement. The agreement, unlike cartels, contains representatives of both producers and consumers, and the two groups, as indicated earlier, have an equal voice. With respect to the charge of secrecy, it may be pointed out that negotiations leading to the wheat agreement extended over a period of approximately 15 years, that ever since 1942 the United States has been committed to the principle of an international wheat agreement as the best means of meeting specific wheat problems, that the memorandum of agreement in which this commitment was made was distributed as a public document soon after it was initialed. The international wheat agreement itself was the direct result of two international conferences, one in London in March and April 1947 and one in Washington from January 28 to March 6, 1948. During the preparation which preceded both of these conferences the Government representatives met frequently with and consulted interested United States groups, principally representatives of the farm organizations and staff members of the two congressional Committees on Agriculture. Members of these two committees themselves were also invited to certain of the meetings, but usually did not attend. The final session of the London Conference was open to the press and the draft agreement produced by the conference, upon which full agreement was not reached during the conference, was given to the press at that time and was subsequently publicized in the United States in a number of ways. For example, an article on the London Conference and the text of the draft agreement were published in the State Department Bulletin on June 1, 1947. The final meeting on March 6, 1948, of the special session of the Wheat Council, in which the agreement was actually negotiated, was likewise open to the press and the text of the agreement itself was given to the press at that time. Those interested in the negotiations were therefore given a full opportunity to keep informed of their progress and to examine the various draft agreements which precede the final one signed on March 6, 1948. The final draft differed from the one which came out in the London Conference in only a very limited number of provisions. The forms of the two drafts were identical.

Mr. THOMAS of Utah. Mr. President, many persons have asked about prices. I should like to be able to place the figures in the RECORD as a part of my remarks, to show how we reached the deduction that the wheat treaty might cost, in various kinds of subsidies and support payments, as much as $84,000,000. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks certain price support figures and calculations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

1948 price support of wheat	
1. Base period price of wheat (August 1909 to July 1914) average (cents per bushel)	84.4
2. Index of prices, June 15, 1948	251
3. Parity price (1 multiplied by 2) (per bushel)	$2.22
4. Support price (90 percent of parity) (per bushel)	$2.00
1949 price support as of May	
5. Base price (same as 1) (cents per bushel)	88.4
6. Index of prices, May 15, 1949	245
7. Parity price (5 multiplied by 6) (per bushel)	$2.17
8. Support price (90 percent of parity) (per bushel)	$1.95
Calculation of 1949 subsidy	
	Per bushel
9. Cost of wheat on the farm	$1.95
10. Cost of moving crop to port or marketing center	.45
11. Cost of wheat at center (9 plus 10)	2.40
12. Cost of wheat under the agreement	1.80
13. Cost of moving wheat to port	.11
14. Cost of wheat under agreement at port (12 plus 13)	1.91
15. Subsidy required $2.40 less $1.91	.49
16. Guaranteed 168,000,000 bushels at nearest round number 50 cents	84,000,000.00

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1125. An act to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will;

S. 1129. An act to amend section 16–416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative;

S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated;

S. 1133. An act to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by

the court to defend all uncontested annulment cases;

S. 1134. An act to amend section 13–108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions;

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PETERSON, Mr. REDDEN, Mr. BENTSEN, Mr. WELCH of California, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. KERR, Mr. RABAUT, Mr. TABER, and Mr. ENGEL of Michigan were appointed managers on the part of the House at the conference.

REORGANIZATION OF THE EXECUTIVE BRANCH

As in legislative session,

Mr. McCARTHY. Mr. President, I hesitate to discuss something not germane to the issue before the Senate today, because I realize that the matter which the distinguished Senator from Utah [Mr. THOMAS] is sponsoring is of great importance and should not be delayed. However, I have waited for about 4 days to obtain the floor. I do not intend to take more than 10 or 15 minutes of the time of the Senate.

Today, Mr. President, I wish to present a program for utilizing the work of the Commission on Organization of the Executive Branch of the Government. Yesterday, June 12, 1949, that distinguished body passed into history, leaving behind it the finest organizational study in the history of our Republic.

Mr. President, in that connection it should be noted that the Hoover Commission established an unusual record. As we know, whenever the Congress or the President establishes a commission or a committee, it is normal procedure to find the organization living beyond its life span and coming before the Congress for additional appropriations and deficiency appropriations. However, the Hoover Commission was due to end at midnight Sunday. It did so. All its equipment—all the typewriters and office equipment and office space—had been surrendered by that time; and instead of requesting a deficiency appropriation, as most committees and commissions do, the Hoover Commission actually turned back part of its funds to the Federal Treasury.

Mr. Hoover has often stated that this matter should remain above partisanship, and that the efforts of the commission should be entirely nonpolitical—as they were. I am sure all of us agree that they should remain so. I am not, therefore, speaking today as a member of any political party; all of us are interested primarily in one thing: the best possible government at the lowest possible price.

Lavish praise has been bestowed upon the Hoover Commission from all quarters. President Truman has said that the study represents a landmark in the field of Government organization. Life magazine states that the reports are characterized by intellectual honesty and sheer brilliance. Newspapers in my State of Wisconsin have been strongly endorsing the Commission's reports. The morning mails bring similar testimonials to each of us.

The Nation is enthusiastic about the reports. Everyone seems to be agreed that Mr. Hoover, the distinguished Senator from Arkansas, the most able Senator from Vermont, and the other members of the Commission have superbly performed an exceedingly difficult task.

This conclusion of their efforts in preparing the reports brings to an end phase one of our attempt to give the Nation a more effective government.

We are now passing into phase two, the action phase. This is the crucial stage. Perhaps the most important question currently before the Senate today is: What action is to be taken on the Hoover blueprints?

At this stage, the Hoover Commission reports lie in our laps. It is now up to us, as Members of the Congress of the United States, to take action on the Hoover reports. Phase two is our phase.

As Mr. Hoover has so often said, this is probably our last chance to give the Nation an efficient government. Time and again, since the earliest days of our history, efforts have been made to do this. One hundred and twenty-one years ago the founding father of the present majority party wrote—and this might well have been written today:

> I think that we have more machinery of government than is necessary, too many parasites living on the labor of the industrious. I believe it might be much simplified to the relief of those who maintain it.

Mr. President, that was said 121 years ago today. So we are not dealing with a new problem.

Neither are we dealing with a problem which has been ignored in the past. The father of the senior Senator from Ohio created a Commission on Economy and Efficiency, in 1910. Presidents Harding, Hoover, Roosevelt, and Truman have also made serious efforts to reorganize our Government. Both political parties have pressed for reorganization in the past. All of their efforts have produced more smoke than they have fire—in fact, practically all smoke and no fire.

As a result, what kind of Government have we today? The answer to this question is disappointing. We most assuredly have an inefficient Government. We have a Government which meticuously pays itself interest on its own money; which maintains four separate sets of books for public debt transactions; which takes 18 months to fire an incompetent secretary; which pays some subordinate officials $4,670 per annum more than it pays their superiors; which does not know how many armored tanks it has; which takes about 8 months before paying benefits to a veteran's widow.

These are but a few striking examples from the thousands in the Hoover reports. They dramatically illustrate a grievous situation, and indicate an urgent need for reform.

Since all of us are familiar with these matters and with the Hoover reports, I shall not belabor the Senate with a further discussion of them. All of us, I know, feel that the reports urgently require action, and that it is our duty to act upon them at this time. The question is not: Should we do anything about the Hoover reports? The question is, How should we do it, and when do we start?

With this in mind, I have carefully restudied the Hoover reports in an effort to answer two questions:

First. What is the present status of legislation required to effect the Hoover reports?

Second. What further legislative steps are necessary?

It is to these two questions that I am addressing the remainder of my remarks today. They will be divided into two parts: Part 1, the status of Hoover Commission legislation, and Part 2, a program to effect the Hoover reports.

PART 1. THE STATUS OF HOOVER COMMISSION LEGISLATION

The Hoover Commission has forwarded to the pertinent committees in each House drafts of legislation required to effect many of its recommendations. Some of these bills have been introduced; some have not yet been introduced. At least one more bill is in process of preparation. We hope to introduce the last bill within the next week or 10 days. Today I have introduced the bills which thus far have been prepared. These bills are being introduced in order to set in motion the hearings, discussion, and debate on the Hoover reports. I believe that the success of reorganization depends upon the taking of prompt action on these bills, but I wish to make it clear that by introducing them I am not endorsing them in every detail, nor am I endorsing every specific proposal which they contain. My purpose in introducing these bills—all of them drafted by the staff of the Hoover Commission—is, in effect, to get the ball rolling.

I am sure Mr. Hoover would be the very last to maintain that these bills in their present form are letter perfect. They might be more appropriately characterized as skeletons upon which we in the

Congress must now hang the flesh. However, they should be used as the starting point for our deliberations on the subject of reorganization. It is vital that these bills be considered at the earliest possible moment. Mr. President, they are the keystone of the structure proposed in the Hoover Commission reports.

The recommendations of the Hoover Commission can be effected in three ways, through three different channels.

First, through firm administrative action by the President and by the heads of departments and agencies, within their own bailiwicks. This phase does not require further legal authority from the Congress.

Second, through reorganization plans which the President would submit to the Congress. In that respect, Mr. President, I think we have today an extremely unfortunate situation. The Senate, as Senators know, unanimously passed the so-called reorganization bill. That is the bill giving the President almost unlimited power, power which he does not now have, the power to clean house, or in effect to clear away the brush.

Mr. TOBEY. The debris.

Mr. McCARTHY. That is correct, the debris. My figure may be off a little, but there are roughly 80 of the Hoover recommendations that can be put into effect by the President if he is given the power which the Senate would give him. Speaking only of the major recommendations, there are some 130 or 140 of the recommendations which of course could not be put into effect by the President even if he had this power, but must be put into effect by the Congress.

The Senate, as the President knows, unanimously passed a bill giving the President almost unlimited power to clean house, giving him a completely clean bill, despite the tremendous clamor on the part of those interested in various of the 118 different agencies, clamors that their agencies alone should be exempted. All Senators know, although those of us on the Expenditures Committee I believe are more painfully aware of of the situation, tremendous pressure was exerted during the time the bill was being considered, by those who were heartily in favor of reorganization and of streamlining, but only so far as it did not touch their pet agencies.

I do not propose to criticize what the House has done. The House passed an entirely different piece of legislation. It passed a bill known as a single-package bill, which in effect ties the hands of the President and makes it almost impossible for him to do the job which we are now, in the reorganization bill, asking him to do. The House, in effect, at least to some extent, exempts—and I perhaps should not use that word, but I believe it is the proper word to use—exempts nearly half of the vast sprawling Federal structure. The Senate bill differs from the House bill in one other respect. The Senate bill provides that a plan that comes to the Congress from the President can be vetoed by a majority of either House. In other words, it follows the usual legislative procedure, that the President and both Houses shall agree on a reorganization bill. Of course, it gives the President a great number of advantages that he does not have in suggesting normal legislation. First, any plan he sends down cannot be amended even in the slightest degree. Second, the President is sure that his plan will be voted upon within 60 days, so that he is not in the position he would be in if he were merely recommending legislation.

The conferees on the part of the Senate and on the part of the House met, and we thought the differences were not so major but that we could iron them out. It seems, however, that we have reached a stalemate—a stalemate because of the sitdown strike—and I do not question the individual's honesty in doing it—the sit-down strike of one man. As of this time, the Democratic and Republican conferees from the Senate agree wholeheartedly as to what should be done. I believe I am not violating a confidence when I say we have every reason to believe that the President of the United States is in full accord with what the Senate conferees propose to do, and I believe he would for example take the veto provision as it passed the Senate, providing for a veto by a majority of either House. I understand the President did not like that provision. He felt that that would result in the veto of too many of the plans which he would send to the Congress. I, of course, disagree with him on that. I think the Senate and the House are so reorganization minded that if the President sends to the Congress a plan that is half way efficient it will be approved. However, as a concession, the Senate conferees agreed that the veto could only be effected by a constitutional majority; which, of course, means that the President automatically has in favor of his plan all absentee votes, and that would normally mean that in the Senate he would start out with anywhere from 8 to 15 votes in favor of the plan.

Regarding concessions that the House might be willing to make, I was surprised to find that the chairman of the House conferees, who is also the leader of the majority party in the House, made a public statement the other day to the effect that the House conferees were willing to offer a further compromise. The strange thing is that their further compromise was to exempt more agencies of the Federal Government. That seems to be ridiculous in the extreme. We go into conference and we say, "We feel the President should be given a free hand to reorganize. We think he can send to the Congress plans that are good enough to be approved by Congress. We will give him, in favor of his plans, all the absentee votes." The House says, "We will compromise, but our system of compromise is to make the bill even worse than when we passed it. Instead of exempting in excess of one-third of the whole sprawling Federal structure, we will compromise by making it impossible for the President to reorganize. We will give him more of the things he does not want in this bill." That is the compromise offer the House has made.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. McCARTHY. I yield.

Mr. LUCAS. Are the conferees still meeting?

Mr. McCARTHY. The conferees are no longer meeting. We adjourned without setting another date. We felt it was useless, because the chairman of the managers on the part of the House—I am not sure whether Mr. McCORMACK is technically the chairman or not, but he is acting as such—has in effect told us he would not accept what we have offered. He has offered a single compromise. I may say I very much dislike to do anything that appears to be criticizing a Member of the House on this floor, but I do think the Senate needs to picture Mr. McCORMACK'S only compromise, which is one to exempt more of the agencies—a compromise which I think would be fatal to the bill. I stand corrected. He made one other offer of compromise. He said he would take the one-House veto, if it were done by a three-fifths vote. But actually, a three-fifths vote is practically the same as a constitutional majority, and that is no stumbling block. A stumbling block as of today is the insistence upon the part of three of the House conferees that we exempt a vast number of agencies. As of the present moment, five Senate conferees and, incidentally, the two Republican Members of the House agreed wholeheartedly that we should go along with this compromise, and in effect give the President what he wants. We have been informed that the President has a number of plans which he wants to send to the Congress. We know, of course, that there is a 60-day waiting period between the time the plan comes to the Congress and the adjournment of Congress, so that unless we get some action on the part of the majority leader of the House very soon, all of our plans for reorganization will in effect be thrown out the window.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. McCARTHY. Certainly. But may I first make it clear that I am not criticising the President? I do not know how much power he has over his majority leader. I did not see the President. I have no authority to say what he has agreed to do. But I understand the Senate conferees' version of the bill is acceptable to him. If that is true, I think the President himself has gone a considerable distance in attempting to get reorganization. I do not know how much authority he has over his majority leader in the House, but I certainly hope he exerts whatever power he has. I may say he perhaps could use some of the threat of patronage which he used in order to censure some of the southern Democrats. It might be effective.

I yield to the Senator from Illinois.

Mr. LUCAS. Of course, Mr. President, I do not want to go into the question of patronage in connection with this reorganization plan, because a reorganization would certainly be a nonpartisan approach to what seems to me to be one

of the most important schemes of bringing about efficiency and savings to the Government of which I am aware.

Mr. McCARTHY. I will say to the Senator from Illinois that he certainly contributed a great deal to getting the reorganization plan through the Senate. I think the Senator from Illinois, who is the leader of the majority party in the Senate, should receive a great deal of credit for getting the bill through the Senate. I think it required only 40 minutes of debates, and I certainly give the Senator credit. I know from statements he has made in the past that he is deeply concerned with having an efficient reorganization of the Federal Government.

Mr. LUCAS. I appreciate what the Senator says regarding the expeditious way in which the bill was handled in the Senate, but it was necessary to have the cooperation of the Members of the Senate in order to do what was done. I have before congratulated the Members of the Senate, both Democrats and Republicans, for the expeditious way in which we passed the bill. But I regret to learn that the Senator from Wisconsin feels that no more conferences will be held.

I should like to say, also, that while I am not sure what position the President of the United States takes with respect to what should be done in the Congress, I know that he is very loath to go into conference and express his opinion as to what should be done as between the conferees of the Senate and the House. I have heard him make the statement that he does not want to do that, because he does not feel it is his prerogative to come up to the Capitol and tell the House and Senate what should be done. Former President Herbert Hoover, in whom America has confidence, and President Truman have agreed that reorganization is very essential at this hour when everyone is clamoring for reduction in expenditures by the Government, and the Hoover Commission tells us there is a great opportunity, through reorganization of the Government, to do that very thing. Then we find a deadlock between the House and the Senate. The country will place the responsibility upon the House and the Senate for the failure to pass the legislation. It will not place it upon the President of the United States.

The Senator from Arkansas [Mr. McCLELLAN] is not in the Chamber at the present time, but I should like to say that I hope the committee will continue to confer with Members of the House of Representatives with a view of attempting to reach some agreement with respect to what should be done with reference to the reorganization bill.

I can corroborate what the Senator from Wisconsin said a moment ago, and I say to the Senate and to the country that the President of the United States at this very moment has half a dozen plans which he wishes to submit to the Congress for action, and he would like to do it quickly, but he cannot do it so long as there is an impasse.

Mr. McCARTHY. I thank the Senator from Illinois.

I believe we all agree that the Hoover Commission, a completely nonpartisan commission, composed of Democrats and Republicans, have estimated that we can save in excess of $3,000,000,000 if we put into effect the major portions of the Hoover recommendations, those which are fairly noncontroversial. I think that is an extremely conservative estimate. Individual members of the committee estimated that savings might amount to five or six billion dollars. I think it is nothing short of tragic that this deadlock exists. I would rather call it a sit-down strike. If the Senator from Illinois suggests that we should continue the conference, the Senator from Wisconsin will be very happy to go back to the conference. I do not know how many times we have been in conference. The attitude on the part of the majority leader of the House, who, unfortunately, is acting as chairman of the conference, is simply that unless the bill will continue to exempt a vast number of Federal agencies, we shall not pass any reorganization plan.

I should like to say to him now, for the record, that he does not need to be so concerned about any of those things. I believe that if the plan which the President sends down is a good one and fairly treats all the Government agencies, the Senate and the House will have a chance to vote upon it. I am sure no agency will be unfairly treated.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CAPEHART. What agencies does the House wish to retain?

Mr. McCARTHY. I do not have the bill before me, but there are 9 or 10 of them.

Mr. CAPEHART. But the Senator cannot name them?

Mr. McCARTHY. One of the agencies would be the entire Military Establishment. The House bill does not say "exempt." It provides for what is known as a separate package. But if we say to the President, "You must send down a separate package in regard to agencies A, B, C, D, E, F, and G," and we attempt to accomplish some over-all reorganization so far as personnel may be concerned, his hands are completely tied.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. McCARTHY. I yield.

Mr. CAPEHART. Are we to understand, then, that the only difference between the House and Senate conferees is that the House desires to retain some existing agencies? Is that the only difference?

Mr. McCARTHY. No; that is not the only difference. The House also takes the position that the plan should become law unless by joint resolution it is rejected. The Senate takes the position that both the Senate and the House should have a chance to vote upon the plan. In other words, if the House plan were adopted, forgetting about the agencies exempted, if the reorganization plan came first to the House and were passed by a majority of one vote, the Senate would never have an opportunity to scrutinize the legislation.

Mr. CAPEHART. The House is insisting upon one branch of the Congress having the right to place the plan into effect; is that correct?

Mr. McCARTHY. Yes, together with the President. I discussed it with some of the Members of the House in order to get their thought. One of the reasons why many of them have felt that certain agencies should be exempted is that they contend that under the House plan, if the bill should first come to the Senate and the Senate should approve it by a close vote, the House would never have a chance to vote on it. If I thought the Senate could never have an opportunity to scrutinize the plan and vote upon it, I am inclined to think I might favor exempting certain agencies. In other words, I do not think the President should have unlimited power to legislate with one House. It is fundamental that whenever we pass new laws we must have the approval of both Houses of the Congress. We have gone a step beyond that, one of which I did not approve, but I joined in it in the hope that by compromising we could get the bill through. We did agree that a veto could only be effected by a constitutional majority, which, as I explained before, and as the Senate knows, means that any plan the President sends down would automatically have in its favor all absentee votes.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. McCARTHY. I yield.

Mr. CAPEHART. Who is the chairman of the conference committee?

Mr. McCARTHY. The very able Senator from Arkansas [Mr. McCLELLAN], who, I believe, has made every effort to break the log jam, to end the "sit-down strike."

The third channel through which these recommendations can be accomplished is through the passage of legislation by the Congress. The Commission's bills have been drafted with two assumptions in mind: first, that firm administrative action will be taken; and, second, that reorganization authority would be granted to the President. A very considerable portion of the Commission's program—say 60 percent—can be effected by these two methods The legislative proposals are, therefore, premised upon these assumptions. Unless these two steps are taken, and taken aggressively, the Commission's bills may have to be revised materially.

It should be particularly noted that substantial changes may be required in the bills; that is, if the reorganization plans submitted by the President to Congress do not conform to the wishes of the Congress.

I shall now discuss the progress being made in current legislative proposals arising from the Hoover Commission reports.

The Senate has passed the general reorganization bill, Senate 526, which I have discussed.

General management of the executive branch: The Hoover Commission submitted its first report to Congress on February 5, 1949. A few days thereafter S. 942 was introduced in the Senate and a companion bill, H. R. 2613, was intro-

duced in the House. The Committee on Expenditures in the Executive Departments, on which I have the honor to be the ranking minority member, is still working on this bill. Its primary importance would be to clarify, insofar as organizational matters are concerned, the authority granted to the President in the Constitution "to take care that the laws be faithfully executed."

Military reorganization: In response to a Presidential message regarding the Hoover Commission report on the national security organization, the Senate has passed the Tydings bill, S. 1843. This bill would give to the Secretary of Defense further authority to unify the armed services. It also provides for modernized budgetary and fiscal procedures. The latter provision is particularly important, because the military spends over one-third of the total budget of the Federal Government. This most promising bill should, according to Secretary Johnson, permit over $1,000,000,000 per annum of savings in the next few years. Mr. Hoover and Mr. Eberstadt, who worked closely with the Armed Services Committee on it, estimate $1,500,000,000 of savings if the grant of authority is vigorously executed.

General services: The expenditures committees of both Houses have reported favorably upon a bill to establish a General Services Administration, and to simplify and modernize Federal supply activities—S. 2020 and H. R. 4754. The Senate bill originally was not in accord with the Commission's recommendations, but has been substantially rewritten and does now so conform, except in one major respect. It would place the construction functions of the Federal Works Agency in the new General Services Administration.

However, the Committee on Expenditures in the Executive Departments I believe is unanimous in its feeling that this was merely a temporary resting place for this agency, and that at a subsequent time it would be transferred, either by the approval of a Presidential plan, or by separate legislation, into the Interior Department.

According to the Commission's task forces, annual savings from this measure should exceed $250,000,000 per annum, if it is vigorously executed.

Federal-State relations: The Committee on Expenditures in the Executive Departments has completed hearings on several bills and has introduced S. 1946, to establish a National Commission on Intergovernmental Relations. The impetus for these bills came in part from the Hoover reports. Under it a bipartisan commission, comparable to the Hoover Commission, would be created to work out the interrelationships between Federal, State, municipal and county governments. The savings attainable through eliminating duplication of taxes and administration between Federal, State, and local governments could be very great.

The Hoover Commission's bills on the reports to which I now refer were introduced on June 8, 1949. The first was the Veterans' Life Insurance Corporation bill. Next was the Federal personnel policies bill.

The following bills were introduced today: A bill providing for budgeting and accounting. I had originally listed the medical services bill, but this bill was introduced by the Senator from Utah [Mr. THOMAS] earlier. There were also introduced bills relating to the Treasury Department, the Commerce Department, and to social security, education and Indian affairs, and overseas administration. The Commission has not yet forwarded to the Congress its bill relating to the Federal business enterprises.

I might say that I am of the opinion that while we are hopeful that we may have something drafted in rough form within the next 2 or 3 weeks, I do think there is a very great possibility that we will be unable to introduce all the necessary legislation this year. The amount of work involved in drafting legislation to implement the Hoover Commission reports in regard to the Federal business enterprises is so vast, that I doubt very much if we will be able to have that in presentable legislative form at this session of the Congress.

It is felt that legislation is not required on reports Nos. 18 and 19, that is, the Federal research activities, and the concluding report.

In addition to the bills listed above, two bills stemming from the Hoover Commission reports have been enacted into law: (1) H. R. 2216, providing for an Under Secretary of Defense; (2) S. 1704, which gives to the Secretary of State authority to reorganize that Department, as was recommended by the Commission. This bill also creates four additional Assistant Secretaries of State, two more than the Commission recommended; but it fails to mention the Commission's recommendations relating to the Foreign Service Act of 1946.

While I believe that Senate bill 1704 is essential and excellent legislation, and will accomplish much, I believe the unfortunate thing is that it may establish a trend, though I sincerely hope not. It deals with the Hoover Commission report insofar as adding additional personnel is concerned, but completely disregards the Hoover Commission report insofar as eliminating unnecessary personnel is concerned. I sincerely hope that this will not be the pattern we will follow, because if we do, it will certainly cut down the value of the legislation tremendously.

So far, I have described the bills on the major Hoover Commission recommendations. In addition, there are several independent bills under consideration which stem, to some extent at least, from the Hoover Commission recommendations. These include:

S. 498, to increase rates of compensation for key Government officials.

S. 247, to create a National Science Foundation.

Senate joint resolution to investigate air-mail subsidies.

S. 1518, to revise the Classification Act.

Senate bill to create a Department of Welfare.

These measures conform in certain respects with the Hoover Commission's recommendations, but deal only with segments of reports.

Furthermore, other major legislative proposals under consideration are affected materially, in their organizational aspects, by the Hoover Commission recommendations.

Among these are the bill to broaden and extend the social security system, the housing bill, and a bill dealing with health insurance. I emphasize that these bills are influenced by the Hoover Commission report insofar as the organizational procedure is concerned and not as to the policy set forth in the bills.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Louisiana.

Mr. LONG. I would say to the Senator that I believe he will find a substantial number of the Hoover recommendations included in whatever pay legislation is brought forth from the subcommittee on classification and pay. I believe he will find that those personnel-management suggestions which have been made, so far as they are practicable, will be incorporated in the legislation.

Mr. McCARTHY. I think the Senator is correct, and happily so.

Mr. President, almost every piece of major legislation before the Congress today is affected to some extent by the Hoover Commission recommendations.

In summary, this is the present statun of the Hoover Commission bills:

	Bills
Enacted into law	2
Passed by the Senate	2
Pending before the Senate	2
In Senate committees	4
Introduced in Senate today	9
Not yet received from Commission	1
Total	20

As a matter of first priority, the Senate should, in my opinion, proceed promptly on the two bills which have been reported out by the Committee on Expenditures in the Executive Departments, and reported out unanimously, the general services bill, S. 2020, and the Federal-State relations bill, S. 1946.

The committees concerned I believe should act vigorously on the three bills which are in committee, S. 942 and the other two bills I have mentioned, and the other eight bills which I introduced today.

It will be of considerable interest to the Senate to know the priorities which Mr. Hoover has himself informally assigned to these bills. In his opinion the three bills which require priority treatment in the Senate are, No. 1, the personnel bill; No. 2, the budgeting and accounting bill; and, No. 3, the post office bill. Without reforms in personnel and without reforms in budgeting and accounting, any other steps we may take will be like building a house on sand. The grievous deficiencies in these two matters permeate all agencies and all activities of the executive branch.

The postal deficits, as we all know, are continually soaring, and the need for very urgent action in this matter is obvious to all of us.

The general services bill, S. 2020, is noncontroversial and should be handled as part of the normal business of the Senate.

I may say, in connection with postal deficiencies, Mr. President, that there has been suggested by the head of the Post Office Department a bill specifically increasing the postal rates, especially on second-class matter. I think it would be a grievous mistake for the Senate to attempt to pass that legislation in its present form. I think we should go into legislation of that nature, but to pass it in its present form would be a grievous mistake. I believe it is impossible for us at this time to determine what postal increases, if any, are necessary, because of the haphazard bookkeeping methods in the Post Office Department.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LONG. If the Senator would investigate the situation thoroughly I believe he would not find anything like the deficiency in the Post Office Department which he believes to be there. I rather believe he would find that the rural delivery service, for example, is delivering about 50 or 60 percent more mail, with the same number of persons employed, as was delivered in the past. I believe the Senator will further find that the cost of handling the mail has declined, but he will also find that the Post Office deficit is created almost entirely by the fact that as the result of the war and higher cost of living we have been obliged to increase the pay of the postal employees—at least, the present Congress and the previous Congress did—just as everyone else has received an increase in pay, although at the same time there has not been a substantial increase in the number of employees.

Mr. McCARTHY. Mr. President, I must say that I heartily disagree with the Senator from Louisiana. It must be understood that I have made no personal survey, but the Hoover Commission has made a survey. The members of that Commission have not indulged in any investigation of a political nature. They are competent men.

Let me give an example of what the Hoover Commission has stated. We cannot blame the head of the Post Office Department for the situation as it is. His hands are tied to a great extent by red tape.

One of the things the Hoover Commission found, and on which it made a recommendation, was the need for mechanization. It has reported that by proper mechanization of the Post Office Department a saving of $150,000,000—I believe the figure is—could be made in a year.

Another reason for a deficiency in the Post Office Department is an artificial shortage, which comes about through hidden subsidies. As of today we subsidize the air lines. I believe that is necessary. We subsidize the railroads to a certain extent. We subsidize shipping. I am not criticizing these subsidies at this time, and I do not want to go into a discussion of these subsidies. But if we decide it to be the policy of the Government to pay these subsidies, it seems to me foolhardy and rather ridiculous that we should charge those subsidies to the Post Office Department. They should be a charge against the general tax fund, I believe. It is an artificial deficit, but it is there. I do not believe we can pass a law to increase postal rates—and certainly not the one which has been recommended—until we have isolated those hidden subsidies and brought the Post Office Department up to date.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LONG. I would say to the Senator that I believe the only item which would result in any savings to the Government is that of increasing mechanization. What good would it do to shift the loss resulting from the subsidy paid to the air lines to some other account? The shifting of the loss from one place to another would not result in any saving. It would simply mean that we would try to pull ourselves up by the left bootstrap instead of the right. It would not mean the saving of any money.

Mr. McCARTHY. Mr. President, I believe we cannot charge to the users of second-class mail, for example, a subsidy which we pay to the steamship lines or the air lines or the rail lines. In other words, the proposed postal increase would saddle onto the users of the mails the cost of subsidies which should be charged against the general tax fund. I do not see how we can do away with any loss in that particular respect. But I say we cannot intelligently pass a bill providing for a postal increase unless we have isolated those hidden subsidies, and say, "Those subsidies shall be charged against the general tax fund."

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. Yes.

Mr. LONG. I should like to say to the Senator that it is conceivable that we might bring about substantial savings in the Post Office Department by greater mechanization. I do not really know whether such savings could be brought about. But I agree that possibly it is true that such savings might be brought about. I doubt, however, whether the savings would amount to $150,000,000. But even if it were true that such savings could be brought about, and that we could eliminate the hidden subsidies in the Post Office Department, amounting in all to $150,000,000 or even to a total of as much as $200,000,000, yet we have a deficit in the Post Office Department of more than $300,000,000.

Certain mails carried by the Post Office Department could not possibly begin to pay their way. For example, a man mails a third-class letter. He pays 1 cent postage on that letter. We know, by cost accounting, that it costs us 2.7 cents to deliver that letter. If the cost of mailing such a letter were more in line with the service rendered to the person who mails the letter to someone who is not soliciting that letter at all—and I believe 90 percent of such mail goes into the wastebasket—we would not have the enormous deficit that now exists. I do not see how we can begin to wipe out the deficit unless we make the postal rates somewhat more in line with the service we are rendering.

Mr. McCARTHY. Mr. President, I do not personally claim to be an authority on the Post Office Department. I have not made any personal investigation of it. All I can do is rely on the Hoover Commission report. The report, I believe, was unanimously made. No one dissented. Therefore, you and I must assume that since those who made the report spent roughly 17 months in investigating the Post Office Department, and since there is no dissent in the report, and the report says that the bookkeeping system in the Post Office Department is so haphazard, so out-moded that it is impossible to know what type of an increase is necessary in order to put the Post Office Department on a paying basis—when the Hoover Commission unanimously, I believe, and I am not aware of any dissenting opinion, says that the Post Office Department has completely lost any sense of cost-consciousness and is very incompetently and inefficiently operated, then all I can do, until I have some proof to the contrary, is to assume that that is true, and if it is true I do not believe we should load what I believe would be really a tremendous burden on the users of mail at this time to pay for increased and added efficiency.

Let me call a matter to the Senator's attention of which he may not be aware. What I shall speak of is true in my State, and I am sure it is true in his State. There are a great number of weekly newspapers in my State. They are fairly small. There are also a great number of small daily newspapers. There are a great number of small church and labor periodicals. Practically all those newspapers and periodicals must depend upon the mails as their outlets, their delivery service. I believe it has been quite definitely established that if we increased the rate on second-class mail, as the Postmaster General has suggested, it would put out of business practically all the smaller newspapers and would create what I believe would be a dangerous monopoly in the larger newspapers. The larger a magazine or newspaper becomes, the less it must depend upon mail delivery service. It can depend upon newsstands and its own trucking service. I have spoken to owners of larger newspapers who have said they will be hurt by such an increase in postal rates, not so much by reason of the added postal expense, but by reason of the fact that they will have to resort to their own truck delivery service. If we pass the bill providing for a rate increase at this time, as suggested by the Postmaster General, I believe that within a very short time we shall find most of the small newspapers, the church newspapers, the labor newspapers, and the small farm magazines and newspapers going bankrupt. We shall find a great monopoly in the larger newspapers and national magazines, which can depend upon the newsstands and their own trucks for an outlet. The end result would be that the Post Office Department would be deeper in the red than it is at present. I think we should not follow the suggestion which has been made under any circumstances until we have brought the Post Office Department

up to date. Let us enact legislation mechanizing the postal service to whatever extent is necessary, and bring it up to date so that it will be competently and efficiently operated. After that is done, I believe we should consider what additional postal increases are necessary.

Mr. LONG. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. I yield.

Mr. LONG. It is really more in the nature of a statement. The Senator is assuming that the finding of great inefficiency in the Post Office Department by the Hoover Commission is correct. I have found, in a study of some of the Hoover Commission reports, that although some of them are extremely sound, some are completely off base. In some instances the Hoover Commission has no conception of what it is talking about.

For example, there is a recommendation in the Hoover Commission report that the Inland Waterways Corporation be dissolved. That recommendation is based upon certain assumptions. One of those assumptions is that the Inland Waterways Corporation has almost continuously lost money. Rather than having lost money almost continuously, the facts show that from the time it started in 1924 until 1938, before the war, it almost continuously made money. As I understand, it made money in every one of those years up to 1938.

The second assumption, and the second statement set forth as a finding following the study, was that the Inland Waterways Corporation was rendering service which private enterprise was already performing. Representatives of the private barge lines testified in the hearings that they were not in a position to render service to small shippers, which means in effect, that 60,000 shippers would not have service, and that only 15 or 20 large corporations would be served if the Inland Waterways Corporation were dissolved. That assumption was wrong.

In addition, other assumptions were made in the Hoover Commission report which were found to be incorrect as a basis for recommending that the Inland Waterways Corporation be dissolved.

Mr. McCARTHY. Let me say to the Senator from Louisiana that I think it is entirely possible to find in the Hoover Commission Report, which consists roughly of 2,000,000 words, a number of things that are mistakes. But when the Hoover Commission unanimously recommends something, I believe that its recommendations should be entitled to great consideration. The members of that Commission had no grudge against the Post Office Department. They are interested in more efficient postal service for less money. When they say that the situation in the Post Office Department is almost hopeless, that the bookkeeping is bad, and that the management is bad—not because of the work of any one man in the Post Office Department, but because of the particular organization—I believe it is up to the Congress to change the situation. What I say is not intended as criticism of the Post Office Department or of the Postmaster General. I do not believe that he has authority under existing law to clean house and create an efficient organization. However, I think it is up to us to give him such power.

The cost of delivering mail will undoubtedly increase in some respects. For example, there are some necessary wage increases so far as postal workers are concerned. There are additional retirement benefits to which they are entitled, and which I hope they will get at this session. Those factors will increase the cost of the postal service. I am not speaking of cutting down those expenses. I am speaking of cutting down waste, incompetency, and inefficiency. I do not claim to be an authority. However, I have assumed that when this report says that the situation is very bad, there must be something wrong.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McCARTHY. I yield.

Mr. LONG. I point out to the Senator that if he will check the recommendation with respect to the Inland Waterways Corporation, he will find that it is based upon three major assumptions; and he will find that all three major assumptions are wrong as a basis for recommending that that Corporation be dissolved. If that type of mistake was made in connection with that recommendation, we should check the others to find out if the assumptions on which they are based are sound before we rely upon the Hoover Commission report.

Mr. McCARTHY. Mr. President, at this time I ask unanimous consent, out of order, to introduce a bill. I must say that I am doing it only because it has just been handed to me, and not because of what the Senator from Louisiana [Mr. LONG] has said. I introduce a bill making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes. Again I emphasize that I am not introducing it at this time because of the exchange with the Senator from Louisiana, but because it has just been handed to me.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 2062) making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes, introduced by Mr. McCARTHY, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. McCARTHY. Mr. President, while speed in the passage of this legislation is, of course, necessary, it must be borne in mind that most of the Hoover Commission bills have been received fairly recently. They deal with exceedingly complex matters. Of course, we would be derelict in our duty if we did not take the necessary time to consider them very carefully and make the changes which we feel may be necessary.

In that connection, let me say to the Senator from Louisiana that I do not blindly subscribe to all the Hoover Commission recommendations. I think it would be too much to expect that that body could, in 17 months, give us recommendations which should be adopted in toto and which would do the job which the Commission thinks should be done. For example, there are many features of the bill with respect to medical services with which I heartily disagree. There are two schools of thought on that subject which are poles apart. The Senator from Louisiana and I are members of the same committee. I should like to sit down and discuss the question with him. I am sure that we shall have no difficulty, under the leadership of the Senator from Arkansas [Mr. McCLELLAN], in agreeing upon a bill which will do the job which we all want to do.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. McCARTHY. I yield.

Mr. LONG. I am sure that there are a great number of valuable recommendations in the Hoover Commission report, many of which I have studied, and to which I intend to address myself in connection with legislation coming from the Committee on Post Office and Civil Service. I also find that there are a substantial number of inaccuracies, as I assumed there would be in a report so long and comprehensive. I believe that we should study each of these proposals before we attempt blindly to enact them.

Mr. McCARTHY. I heartily agree with the Senator.

Mr. President, the Eighty-first Congress can make a brilliant record in connection with these bills at the present session. For this reason I strongly recommend that we proceed with all possible speed, at the same time giving due consideration to every line of thought and to every suggested amendment to the bills. I shall discuss more specifically a suggested program for effectuating the Hoover reports.

PART 2. A PROGRAM TO EFFECT THE HOOVER REPORTS

In its report on S. 164, of the Eightieth Congress, a bill to create a Commission on Organization of the Executive Branch of the Government, the Committee on Expenditures in the Executive Departments made the following statement of intentions:

> The substance of these findings and recommendations cannot, of course, be anticipated, except in the general terms already discussed. It is, however, the sense of the committee that the Commission's recommendations should be in the form of specific legislative proposals to effectuate the changes indicated by its findings. It is recognized that findings and recommendations of investigatory bodies too often take the form of voluminous records from which the Congress must extract the material for legislation, a process which is, unfortunately, apt to result in no legislative proposals at all. Therefore, the Commission will achieve one of its most valuable services if it lays before the Congress a prepared bill for the reorganization of the executive branch.

The Hoover Commission has virtually fulfilled this obligation. As I have previously noted, we are hopeful that within the next week or 10 days or 3 weeks it will have done so entirely. At the same time, various pieces of independent legislation have originated within both Houses, or have resulted from Presidential messages on reorganization. The present situation is confused. In some

cases this independent legislation has not followed the basic premise of the Hoover reports. In some cases it has. In most cases it deals only with portions of reports. The subject is too important to be handled by patchwork. In my opinion the situation must be clarified.

In order that there may be systematic coverage and adequate consideration of the questions raised in these reports, I believe that we should adopt the following specific program:

First. The Hoover reports should be given a definite priority in the Congress.

Second. The Hoover bills should be the basis for congressional action. Unless we use the bills submitted by the Commission and perfect them, rather than enact piecemeal legislation inspired by the Hoover Commission reports, the presently confused situation will soon get completely out of hand. There are at least 25—and perhaps 50—independent bills now under consideration. Most of them are excellent bills. Most of them have been drafted by men who are deeply concerned with improving the Federal structure. Most of them are inspired by the Hoover Commission reports, but handle the subject piecemeal. Some deal with trivial matters. Some deal with segments of reports, and others are quite inconsistent with the Hoover Commission reports. Comparing all those bills with the Hoover Commission bills is far beyond my capacity at this time, or the capacity of my limited staff.

By failing to use the Hoover bills, we are bound to be inconsistent and to omit major proposals of the Commission. The sheer mechanics of controlling and following these matters requires systematic treatment. Using the Commission's bills is the only way I know of doing it.

Third. Hearings should be held promptly on the Hoover Commission bills and its experts should be utilized wherever possible. These hearings should be commenced on these bills as soon as possible. They should be as abbreviated as possible. In view of the heavy demands already being placed on the staffs of our committees, they will need assistance. The representatives of the executive branch, of the General Accounting Office, and of the Hoover Commission and its task forces should be brought in to assist the committees' staffs in the drafting of detailed legislation.

At this point, Mr. President, I would like to say that we found the legal staff of the Bureau of the Budget and the staff of the General Accounting Office and of any number of other executive agencies 100 percent cooperative in helping us iron out the details and the kinks in the various Hoover Commission bills. I think they certainly should be complimented for their assistance to us.

In this matter, it is vital that the Hoover Commission's experts be used before they have lost contact with the Commission and with the subject matter of their surveys.

Fourth. The reorganization plans of the President should be considered at the earliest possible date, realizing, of course, that we cannot consider them until the President sends them to us, and realizing that until the conferees work out the House and Senate versions of the legislation giving the President this authority, he cannot send them to us. Due consideration should be given to the reorganization powers that may be vested in the President and to the substance of any reorganization plans which he may submit.

Fifth, and I think this is of the utmost importance—Congress should not adjourn until it takes action. As many of these bills as possible should be passed in full at this session. At least three-fourths of them would be a reasonable expectation. I repeat that I do not believe the Congress should adjourn under any circumstances until it takes action on as many of these bills as possible. Mr. President, I think Congress would be derelict in its duty if it adjourned before passing on at least three-fourths, I would say, if not all, of the Hoover Commission bills. In fact, there is no reason why the Congress should not pass on every one of them except the one to which I referred previously, which, frankly, I believe will not be in legislative form at this session.

I grant that this program presents major difficulties. We are dealing here with many complex matters and some matters of controversial nature. Fortunately, however, most of the Hoover Commission's recommendations are not too controversial. Of course, many of us have not yet read all the Hoover Commission's reports. The legislation which we do enact, therefore, will perhaps be neither perfect nor complete; but I believe we must make a strong start. The refinements can be made later.

To date the Congress and the Administration have followed what might be called the piecemeal approach to the Hoover reports. This, it seems to me, is not the best way to undertake our task. Mr. Hoover, the distinguished Senator from Arkansas, the very able Senator from Vermont, and the other members of the Commission have given us an integrated blueprint. The legislative proposals submitted to us by the Commission have been based upon the interrelationships of the various parts. If we fail to use them, the pitfalls will be many.

Mr. President, this matter is of great importance. If, for example, the personnel recommendations of the Commission are not followed, numerous revisions might be required in every one of the departmental bills. These bills are premised upon a personnel bill providing for a first-class merit system. Similarly, the bill on the Department of Commerce and that on the independent regulatory commissions are dependent on each other. This integrated pattern runs throughout the legislative proposals. Unless these bills are considered in relation to each other, the entire reorganization may end up a total failure.

As I said at the beginning of this speech, I am not speaking as a member of a political party. I think it is of the utmost importance that we treat this subject in a completely nonpartisan manner, just as the very able chairman of the Committee on Expenditures in the Executive Departments has treated it in the committee. For example, there are many among us who are in favor of various parts of the President's social program. From this point of view the Hoover reports are of extreme urgency, because they could permit the Federal Government to do 10 percent more for the people with the same amount of money.

There are others among us who believe that a program of rigid economy is necessary. From this point of view the Commission reports offer a basis for tremendous savings.

So, Mr. President, in effect, whether Senators belong to the so-called economy bloc, who feel that at this time we cannot afford any major parts of the President's social program, or whether Senators feel that the President's program should be enacted into law, regardless of the group to which Senators may belong, I believe we cannot help but unite on this program, which will save some three or four or five billion dollars. This is one program on which those of all points of view should be able to agree. The policy issues involved in health insurance, housing, welfare, and so forth, should be fought out on the floors of Congress according to their merits. But it is hard for us, as representatives of the people, to feel that we are acting in good faith in pressing our views on these matters, if, at the same time, we have a Government which is wasting its substance in needless overhead and ineffective management.

THE INTERNATIONAL WHEAT AGREEMENT

The Senate, as in Committee of the Whole, resumed the consideration of the International Wheat Agreement, Executive M, Eighty-first Congress, first session, which was open for signature in Washington from March 23 to April 15, 1949, and was signed during that period on behalf of the Government of the United States of America and the governments of 40 other countries.

Mr. THOMAS of Utah. Mr. President, we have made a canvass of the Members of the Senate, and we find no opposition at all to the treaty.

Inasmuch as the Senators who have wished to address themselves to the treaty have concluded their remarks, I think we are justified in suggesting now that the treaty be ratified by voice vote. So I suggest that we now proceed with the various phases of the consideration of the treaty, leading up to its ratification.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The agreement is open to amendment. If there be no amendment to be proposed, the agreement will be reported to the Senate.

The agreement was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive M, Eighty-first Congress, first session, the International Wheat Agreement, which was open for signature in Washington from March 23, 1949, to April 15, 1949, and was signed, during that period, on behalf of the Government of the United States of America and the governments of 40 other countries.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-third of the Senators present concurring therein, the resolution of ratification is agreed to, and the agreement is ratified.

RECESS

Mr. THOMAS of Utah. Mr. President, I am about to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator wish to do so in executive session or does he desire to have the Senate return to the consideration of legislative business?

Mr. THOMAS of Utah. Mr. President, it has just been suggested that I not suggest the absence of a quorum.

Therefore, as in legislative session, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 39 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 14, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 13 (legislative day of June 2), 1949:

IN THE ARMY

Maj. Gen. Harold Roe Bull, O3707, United States Army, for appointment as Commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

IN THE COAST GUARD

The following officers of the United States Coast Guard Reserve to be commissioned in the United States Coast Guard, dates of rank to be computed upon execution of oath in accordance with regulations:

To be lieutenants (junior grade)

James E. Fleming
Edward J. Johnson
Carleton W. Wahl.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13 (legislative day of June 2), 1949:

SECRETARY OF THE ARMY

Gordon Gray to be Secretary of the Army.

DISTRICT OF COLUMBIA

John Russell Young to be a Commissioner of the District of Columbia, term of 3 years, and until his successor is appointed and qualified.

HIGH COMMISSIONER FOR GERMANY AND CHIEF OF MISSION

John J. McCloy to be United States High Commissioner for Germany and Chief of Mission, class 1, within the meaning of the Foreign Service Act of 1946 (60 Stat. 999).

DEPUTY ADMINISTRATOR FOR ECONOMIC COOPERATION

William C. Foster to be Deputy Administrator for Economic Cooperation.

DEPUTY UNITED STATES SPECIAL REPRESENTATIVE IN EUROPE

Milton Katz to be Deputy United States special representative in Europe, with the rank of Ambassador Extraordinary and Plenipotentiary.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 13, 1949

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

Rev. Father David M. Buckley, pastor of St. Agnes Parish, Edna, Tex., offered the following prayer:

Almighty Father, Son, and Holy Spirit, shed Thy divine light and power upon this great national legislative body so that all of their deliberations and all of their activity as representatives of a great democratic people may redound to Thy greater honor and glory and to the humility and confidence of all holy men and women who have glorified Thy holy name so wonderfully and contributed to our well-being so powerfully.

In all humility, but with unbounded confidence in Thee, O God of majesty and goodness, I most earnestly implore, O Almighty God, I, Thy most insignificant little child, approach Thy divine majesty, infinitely perfect and infinitely good, remembering the greatness of Thy prophets, who were full of faith and confidence in Thee and yet most childlike and humble before Thee; Thy holy apostles filled with faith and zeal for Thy honor and glory and the welfare of Thy people; the perpetuation of the American way of life for all time.

O God, we have no hope but in Thee; and since Thou art goodness itself and capable of accomplishing all things we hope, in Thy divine majesty, love, grace, and strength, to spend ourselves to Thy honor and glory for the welfare of Thy children here in this great Republic and throughout the whole world. Honor and glory and power to Thee, O God, and to our people peace, charity, goodness, and virtue.

The Journal of the proceedings of Thursday, June 9, 1949, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KERR, Mr. O'MAHONEY, Mr. MILLER, Mr. BUTLER, and Mr. CORDON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3754) entitled "An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 49–14.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous material.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous material.

Mr. HOWELL asked and was given permission to extend his remarks in the RECORD and include a statement by the national board of the Americans for Democratic Action.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include a short article appearing in this morning's Washington Post.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include certain statements and excerpts.

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in three instances and include in each extraneous matter.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include a radio address in which he participated.

Mr. SMITH of Kansas asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. COLE of Kansas asked and was given permission to extend his remarks in the RECORD and include a resolution by the physician veterans of World War II.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD in three instances and include letters in two.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 20 minutes on Tuesday and Wednesday of

this week, at the conclusion of the legislative program of the day and following any special orders heretofore entered, in lieu of the time he had for today.

Mr. MASON asked and was given permission to address the House for 30 minutes on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

Mr. MACK of Washington asked and was given permission to address the House for 10 minutes on tomorrow, following any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix.]

LUCILLE PETRY

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, there has been an innovation in the Public Health Service of the United States: a woman has been appointed Assistant Surgeon General. She is a nurse, Lucille Petry, a nurse with a matchless career of experience, who has served the Government for some years. She was the head of the Cadet Nurse Corps and piloted that very essential and important corps through the years of the war with rare understanding and ability. Our country is to be congratulated that the Public Health Service has recognized the fact that health is so largely a woman's job, that the Public Health Service of the United States can no longer function except it have in its top councils a nurse, a woman, so qualified in every respect, so consecrated to the service of humanity as is Miss Lucille Petry.

Lucille Petry was born in Lewisburg, Ohio, but soon moved to Delaware. She had her bachelor of arts degree from the University of Delaware, her nursing diploma at John Hopkins Hospital in Baltimore, Md.; then serving on the staff there and at the Yale School of Nursing. Her master's degree from Teachers College, Columbia University, preceded her appointment as assistant director of the school of nursing at the University of Minnesota, from which post she joined the United States Public Health Service in 1941.

Her steps since then have been: 1941, nurse consultant; 1943, on the nursing education committee; 1943, director, Division of Nurse Education; 1943, director, United States Cadet Nurse Corps; 1945, nurse director of the commissioned corps; 1946, Chief of the new Division of Nursing; June 8, 1949, made Assistant Surgeon General, the first woman to be so named. She has been given honorary degrees also; doctor of laws, Syracuse University, doctor of humane letters, Adelphia College, New York; doctor of letters, Wagner College, New York.

This is the visible record, one of honor, showing unusual capacity, rare ability. But Lucille Petry has been so much more. The influence of her gentle strength, her courage, her unswerving loyalty, her tireless purpose is felt in ever-widening circles as the years come and go. The charm of her personality gives a rare beauty to the intelligent purposefulness of her living. We are indeed fortunate to have such a woman appointed as Assistant Surgeon General of the United States Public Health Service.

The SPEAKER pro tempore. The time of the gentlewoman from Ohio has expired.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2989, an act to incorporate the Virgin Islands Corporation, and for other purposes, with Senate amendment thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there obection to the request of the gentleman from Florida. [After a pause.] The Chair hears none, and, without objection, appoints the following conferees: Messrs. PETERSON, REDDEN, BENTSEN, WELCH of California, and CRAWFORD.

ALASKA COUNCIL OF BOY SCOUTS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, after line 15, insert:

"SEC. 3. That such conveyance shall contain the further provision that if the Alaska Council of Boy Scouts of America shall at any time cease to use the property so conveyed for recreation and other public purposes title thereto shall revert to the United States."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. HALLECK. Mr. Speaker, reserving the right to object, would the gentleman explain the amendment?

Mr. PETERSON. Mr. Speaker, the other body passed the bill with a new section providing that in the event the Alaska Council of Boy Scouts should at any time cease to use this property for recreational and public purposes, it will revert to the United States. It involves a small tract of land which was originally conveyed to the Boy Scouts. The other body thought best to insert a reverter clause in the bill and we have no objection to it.

Mr. HALLECK. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ELECTRICAL ROLL-CALL SYSTEM

Mr. NOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. NOLAND. Mr. Speaker, I have today introduced a resolution which would authorize the installation of an electrical roll-call system. Other resolutions and bills with a similar purpose have been introduced from time to time in recent years.

The House of Representatives owes it to itself as well as to the people to install such a system to facilitate the conduct of legislative business.

We are even now passing on legislation to facilitate reorganization of the executive departments. Improvements in efficiency should not be limited to the executive branch but should be extended to the legislative branch as well.

During my short tenure, I have discussed the electrical roll-call system with many Members and valid objections have been few.

It is high time the National Congress caught up with some 20 State legislatures and installed a modern voting system which would save approximately 25 legislative days per session.

My own State of Indiana has successfully used an electrical roll-call system for several sessions. It has proved more than satisfactory.

Present plans call for the expenditure of several million dollars for the renovation of the House Chamber. I think we would be committing a grave error if we did not survey the possibility of installing an electrical system and make provision therefor at this time.

Several practical difficulties in this system have been pointed out.

It has been said that there must be sufficient time for a Member to come from his office or some Government agency to the floor of the House when there is a roll call. This problem could easily be circumvented by providing a 15-minute or so period of time for a vote to be recorded. With the time saved by an electrical system, 1 day per week could be saved in session permitting Members more time to study legislation and conduct congressional business with Government agencies.

Another objection has been that time is necessary to give due deliberation to a vote. Surely a Member can make up his mind how he is going to vote on a measure that has been under consideration for hours or even days.

With a little study the rules of the House could be adjusted to the use of an electrical roll-call system.

In the days of the jet plane, the atomic bomb, and strato-rocket, is there any

reason why we should cling to the antiquated roll-call system of 1789?

EXTENSION OF REMARKS

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD in three instances and include certain articles.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to-morrow, following the disposition of business on the Speaker's desk, and at the conclusion of special orders heretofore granted, I may address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. DEANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MARSHALL asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

DISTRICT OF COLUMBIA LEGISLATION

The SPEAKER pro tempore. This is District of Columbia Day. The gentleman from South Carolina [Mr. MCMILLAN] is recognized.

SALARY INCREASES FOR JUDGES OF MUNICIPAL COURTS

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 3901) to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia authorized by the act approved April 1, 1942 (56 Stat. 191, 194; D. C. Code, title XI, secs. 753 and 771), are hereby increased so that the salary of the chief judge of the Municipal Court of Appeals for the District of Columbia shall be $14,500 per annum and the salary of each associate judge shall be $14,000 per annum; the salary of the chief judge of the Municipal Court for the District of Columbia shall be $13,500 per annum and the salary of each associate judge shall be $13,000 per annum.

SEC. 2. Section 2 of said act of April 1, 1942, is amended by striking out the words "The salary of the chief judge shall be $8,500 per annum and the salary of each associate judge shall be $8,000 per annum" and substitute in lieu thereof the following: "The salary of the chief judge shall be $13,500 per annum and the salary of each associate judge shall be $13,000 per annum."

SEC. 3. Section 6 of said act of April 1, 1942, is amended by striking out the words "The salary of the chief judge shall be $9,500 per annum and the salary of each associate judge shall be $9,000 per annum" and substitute in lieu thereof the following: "The salary of the chief judge shall be $14,500 per annum and the salary of each associate judge shall be $14,000 per annum."

With the following committee amendments:

Page 1, line 9, strike out "$14,500" and insert "$13,000."

Page 2, line 1, strike out "$14,000" and insert "$12,500."

Page 2, line 3, strike out "$13,500" and insert "$13,000."

Page 2, line 4, strike out "$13,000" and insert "$12,500."

Page 2, line 5, strike out all of sections 2 and 3.

The committee amendments were agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill was reported from the committee amended. It proposes to increase the salaries of the judges of the Municipal Court of Appeals—3 judges—and the Municipal Court for the District of Columbia—10 judges.

These are the only judges appointed by the President and confirmed by the Senate who were not included in Federal judicial pay-raise bill of 1946, by which all salaries of Federal district judges were increased from $10,000 to $15,000 a year. They were not included in the Lucas pay bill S. 498, although numerous officials receiving the same salaries as these judges were so included.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. MCMILLAN of South Carolina. I yield.

Mr. O'HARA of Minnesota. How do these salary increases compare with the salaries of the municipal judges of other cities of this size in the United States?

Mr. MCMILLAN of South Carolina. I think just about equal; perhaps a little higher than in some of the others.

Mr. O'HARA of Minnesota. I think they are just a little higher than the average.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO REGULATE THE PRACTICE OF OPTOMETRY IN THE DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4237) to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to regulate the practice of optometry in the District of Columbia," approved May 28, 1924, is amended to read as follows:

"That (a) the practice of optometry in the District of Columbia is hereby declared to affect the public health and safety and to be subject to regulation and control in the public interest. Optometry is hereby declared to be a profession and it is further declared to be a matter of public interest and concern that the optometric profession merit and receive the confidence of the public and that only qualified optometrists be permitted to practice optometry in the District of Columbia. All provisions of this act relating to the practice of optometry shall be construed in accordance with this declaration of policy.

"(b) As used in this act, the term 'optometry' means the science devoted to the examination of the human eye; to the analysis of ocular functions; or to the prescribing, providing, furnishing, adapting, and employing of lenses, prisms, contact lenses, visual training orthoptics, and all preventive or corrective optometric methods for the aid, correction, or relief of the human eye; and the term 'optometrist' means a person who practices optometry, or any part thereof, as defined in this subsection."

SEC. 2. Section 2 of such act is amended to read as follows:

"SEC. 2. (a) It shall be unlawful for any person in the District of Columbia to engage in the practice of optometry or represent himself to be a practitioner of optometry, or attempt to determine by an examination of the eyes the kind of eyeglasses required by any person, or represent himself to be a licensed optometrist when not so licensed, or to represent himself as capable of examining the eyes of any person for the purposes of fitting glasses, excepting those hereinafter exempted, unless he shall have fulfilled the requirements and complied with the conditions of this act and shall have obtained a license from the District of Columbia Board of Optometry, created by this act; nor shall it be lawful for any person in the District of Columbia to represent that he is a lawful holder of a license as provided by this act when in fact he is not such lawful holder, or to impersonate any licensed practitioner of optometry, or shall fail to register the certificate as provided in section 13.

"(b) It shall be unlawful in the District of Columbia for any person to include in an advertisement offering to furnish to the public professional services relating to the examination of the human eye; or in an advertisement relating to the analysis of ocular functions; or in an advertisement relating to the prescribing, providing, furnishing, adapting, and employing of lenses, prisms, contact lenses, ocular exercises, visual training, orthoptics, and all preventive or corrective optometric methods for the aid, correction, or relief of the human eye; or in an advertisement relating to the furnishing to the public of spectacles, eyeglasses, lenses, frames, mountings, or similar prosthetic devices, whether such advertisement is made by print, radio, letter, display, or any other means: (1) the fee for such professional services, or any reference to such fee; (2) the prices of such prosthetic devices, or any reference to such prices; (3) the terms of credit or payment for such professional services or prosthetic devices, or any reference to such terms; (4) an offer of such professional services or prosthetic devices at a discount, as a gift, or free of charge, or any reference

to such an offer; or (5) a guaranty of satisfaction of such professional services or prosthetic devices, or any reference to such a guaranty, except that it shall not be unlawful for each such advertisement to contain a single statement announcing the fact that optometric services may be obtained on credit.

"(c) It shall be unlawful in the District of Columbia for any person to sell, dispense, or supply to any person an ophthalmic lens which is not of first quality, unless prior thereto such person is informed that such lens is substandard, and designate the particulars in which it is substandard. For the purpose of this subsection, a substandard lens is one which has been sold by the manufacturer as substandard, or which according to usage in the optometric profession is not of first quality.

"(d) Any person violating any of the provisions of this section shall upon conviction be fined not more than $300, or imprisoned not more than 90 days."

SEC. 3. The first sentence of section 3 of such act is amended by inserting before the word "five" the following: "the Health Officer of the District of Columbia, ex officio, and."

SEC. 4. Section 5 of such law is amended to read as follows:

"SEC. 5. The Board shall have authority (a) to prescribe minimum standards for refraction, (b) to make reasonable regulations for the proper discharge of its duties, and (c) to make reasonable regulations prohibiting advertising by means of large display, glaring light sign, or display or sign containing as a part thereof the representation of the human eye or any part thereof. Any such regulation shall, before it becomes effective, be approved by the Commissioners of the District of Columbia: *Provided*, That prior to the approval of any regulation, notice thereof shall be given by publication in two newspapers of general circulation in the District of Columbia at least 10 days prior to the date set for a hearing on such proposed regulation, and a hearing had thereon before the said Commissioners."

SEC. 5. Section 11 of such act is amended to read as follows:

"SEC. 11. Any person over the age of 21 years, of good moral character, who has had a preliminary education equivalent to a 4 years' high-school course of instruction acceptable to the Board (which shall be determined either by examination or by certificate as to work done in an approved institution), and who is a graduate of a school or college of optometry in good standing (as determined by the Board and which maintains a course in optometry of not less than 4 years), shall be entitled to take the standard examination. Such standard examination shall consist of test in—

"(a) Practical optics;

"(b) Theoretic optometry;

"(c) Anatomy and physiology and such pathology as may be applied to optometry;

"(d) Practical optometry;

"(e) Theoretic and physiologic optics;

"(f) Theory and practice of orthoptics;

"(g) Theory and practice of contact lens fitting."

SEC. 6. Section 16 of such act is amended to read as follows:

"SEC. 16. (a) The Board may, in its discretion, after a hearing as provided in section 17, refuse to grant a license to any applicant for any of the following reasons:

"(1) That the applicant has been convicted of a crime involving moral turpitude.

"(2) That the applicant is a habitual user of narcotics or any other drugs which impair the intellect and judgment to such an extent as to incapacitate the applicant for the duties of an optometrist.

"(b) The Board, may in its discretion, after a hearing as provided in section 17, cancel, revoke, or suspend the operation of any license by it granted for any of the following reasons:

"(1) That such license was procured through fraud or misrepresentation.

"(2) That the holder thereof has been a habitual user of narcotics or any other drugs which impair the intellect and judgment to such an extent as to incapacitate the holder for the duties of an optometrist.

"(3) That the holder thereof has been convicted of a crime involving moral turpitude.

"(4) That the holder thereof has been guilty of advertising professional superiority or the performance of professional services in a superior manner; advertising prices for professional services; advertising contrary to regulations prescribed by the Board of Optometry in accordance with section 5 of this act; employing or making use of solicitors or free publicity press agents, directly or indirectly, or advertising any free optometric service or free examination; or advertising to guarantee optometric services.

"(5) That the holder thereof has been guilty of practicing while his license is suspended

"(6) That the holder thereof has been convicted of an offense in violation of section 2 of this act.

"(7) That such person has been guilty of practicing optometry while suffering from an infectious or otherwise contagious disease.

"(8) That the holder thereof has been guilty of using the title 'Doctor' or 'Dr.' as a prefix to his name without using the word 'optometrist' as a suffix to his name.

"(9) That the holder thereof has been guilty of wilifully deceiving or attempting to deceive the Board or its agents with reference to any matter under investigation by the Board.

"(10) That the holder thereof has been guilty of violating the provisions of this act or aiding any person to violate this act.

"(11) That the holder thereof has been guilty of practicing in the employment of or in association with any person who is practicing in an unlawful manner as prohibited by this act, or the regulations adopted under the authority of this act."

SEC. 7. Section 17 of this act is amended to read as follows:

"SEC. 17. Any person who is the holder of a license or who is an applicant for a license against whom any charges are preferred shall be furnished by the Board with a copy of the complaint and shall have a hearing before the Board at which hearing he may be represented by counsel. At such hearing witnesses may be examined for and against the accused respecting such charges; the Board shall thereupon pass upon such charges. An appeal may be taken from the decision of the Board to the United States District Court for the District of Columbia."

SEC. 8. Section 20 of such act is amended to read as follows:

"SEC. 20. The provisions of this act, except the provisions of subsections (b), (c), and (d) of section 2, shall not apply to a person licensed to practice in the District of Columbia either as the result of having passed an examination given by the Board of Examiners established by section 12 of the act approved February 27, 1929, as amended, or who, by reason of reciprocity, previous practice, or a diploma issued by a national examining board, is licensed as though he had passed such examination."

SEC. 8. This act is further amended by adding a new section to follow section 22 to read as follows:

"SEC. 23. Nothing contained in this act, as amended, shall be construed as prohibiting—

"(a) a nurse or technician from functioning under the immediate supervision and direction of a physician licensed to practice medicine in the District of Columbia;

"(b) a person from dispensing, providing, or furnishing ophthalmic materials on prescription of a physician or optometrist, or repairing, replacing, or duplicating ophthalmic materials or devices;

"(c) a person from selling spectacles or eyeglasses: *Provided*, That such person does not attempt either directly or indirectly to adapt them to the human eye, or does not otherwise attempt to engage in the practice of optometry."

With the following committee amendment:

Page 9, line 24, strike out the word "medicine."

The committee amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. MCMILLAN of South Carolina: On page 9, line 18, strike out the figure "8" and insert the figure "9."

The committee amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MCMILLAN of South Carolina: On page 9, line 24, at the end of the line insert the following: "*Provided*, That in such functioning the nurse or technician does not engage directly or indirectly in the practice of optometry as defined in this act or any part thereof."

Mr. MCMILLAN of South Carolina. Mr. Speaker, H. R. 4237, to amend the law regulating the practice of the profession of optometry in the District of Columbia is a rewrite of bills introduced in this Congress by the gentleman from Nebraska, Dr. MILLER, and myself.

There have been several compromises worked out and one of these provided for the inclusion of a new section in the law to be known as section 23.

Its purpose was to assure physicians who were practicing ethically that they would not be interfered with in availing themselves of the services of nurses and technicians in their own offices. It was not the intention of the District Committee that this new section should open the door either to production-line methods or to permit lay persons to practice optometry, either directly or indirectly.

The amendment was agreed to.

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill amends the optometry law; it declares optometry to be a profession and establishes certain standards. It would prohibit certain advertising stating a fee or price of prosthetic devices, credit, gifts, guaranty of services or devices. This is a compromise bill and has resulted from hearings in the House District of Columbia Committee and those held recently by the Commissioners.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING COMPENSATION OF CERTAIN EMPLOYEES OF THE MUNICIPAL GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, I yield to the gentleman from Georgia, chairman of the Firemen

and Policemen Subcommittee of the District of Columbia.

Mr. DAVIS of Georgia. Mr. Speaker, I call up the bill (H. R. 3088) to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the annual basic salary of each officer and member of the Metropolitan Police, the United States Park Police, the White House Police, and of the Fire Department of the District of Columbia, as increased by the act entitled "An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia," approved July 14, 1945, as amended, shall be further increased by $330, plus 8 percent of such $330 as additional compensation in lieu of overtime pay and night pay differential: *Provided, however*, That no such officer or member shall, by reason of the enactment of this act, be paid with respect to any pay period, basic salary, or basic salary plus additional compensation, at a rate in excess of $10,330 per annum. This section shall take effect as of the first day of the first pay period which began after June 30, 1948.

SEC. 2. The first section of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved July 1, 1930 (D. C. Code, title 4, sec. 108), is amended by inserting after the phrase "sergeants, $2,750 each;" the following: "corporals, $2,600 each." This section shall take effect as of July 1, 1945.

SEC. 3. (a) Each employee of the Board of Education of the District of Columbia whose salary is fixed and regulated by the District of Columbia Teachers' Salary Act of 1947, except the Superintendent of Schools, shall receive, in addition to the compensation already provided by such act, compensation at the rate of $330 per annum.

(b) The basic and maximum salaries for all salary classes in title I of the District of Columbia Teachers' Salary Act of 1947, except class 29, are hereby increased $330, respectively.

(c) This section shall take effect as of the first day of the first pay period which began after June 30, 1948.

SEC. 4. No additional compensation shall be payable by reason of the enactment of this act for any period prior to the date of enactment hereof in the case of any person who is not an employee in or under the municipal government of the District of Columbia on such date of enactment.

SEC. 5. The additional compensation granted by this act shall not be due or payable, and no action may be maintained for the recovery thereof, until Congress shall have enacted legislation to provide additional revenues for the District of Columbia to meet the estimated obligations of the District, including such additional compensation.

Mr. DAVIS of Georgia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: Insert on page 3 following line 2, a new section 4 to read as follows:

"SEC. 4. Authority is hereby granted to the Commissioners and to other wage-fixing authorities of the municipal government of the District of Columbia, in their discretion, to grant, retroactive to the first day of the first pay period which began after January 30, 1949 additional compensation at rates not to exceed $330 per annum to each employee in or under the municipal government of the District of Columbia whose compensation is fixed and adjusted from time to time by a wage board, or whose compensation is fixed without reference to the Classification Act of 1923, as amended, or whose compensation is limited or fixed specifically by the provisions of the District of Columbia Appropriation Act, 1949: *Provided*, That the authority granted by this section shall expire 90 days after the enactment of this act."

Mr. O'HARA of Minnesota. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, may I ask my distinguished colleague from Georgia if this amendment is one which has been agreed upon in the subcommittee which held hearings upon this bill, and whether these amendments were offered to the District Committee at the time this bill was considered?

Mr. DAVIS of Georgia. I may say to the gentleman from Minnesota that these amendments were considered and discussed. They were drawn by the corporation counsel. There has been no objection whatever. I may say that for all practical purposes they are committee amendments.

Mr. O'HARA of Minnesota. I know, but were they considered by the committee at the time this bill was before the committee?

Mr. DAVIS of Georgia. The provisions which are contained in this amendment and two others which I shall offer were discussed, and it was understood that the bill would have to be amended as these amendments now propose when it came up for final passage. I may say that the amendment to section 4 gives the Commissioners of the District of Columbia the authority to pay the per diem employees back to June 30, 1948; and, under existing law, the Commissioners of the District have the authority to increase the rates of pay for their per diem employees but do not have authority to pay back increases to such class of employees without this specific legislation.

Mr. O'HARA of Minnesota. And that amendment is consistent with the understanding that the gentleman had with the subcommittee and the full committee?

Mr. DAVIS of Georgia. Yes.

The amendment was agreed to.

Mr. DAVIS of Georgia. Mr. Speaker, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia:

Amend section 4 as follows: (a) renumber said section as section 5; and (b) add at the end of such section the following:

"No person whose salary or compensation is increased by this act shall be entitled to additional compensation for overtime, night, or holiday work, as provided in sections 201, 203, 301, and 302 of the Federal Employees' Pay Act of 1945, as amended, or as provided in section 23 of the act approved March 28, 1934, as amended (Sec. 673c, United States Code), based on the additional compensation provided by this act for any pay period ending prior to the date of enactment of this act except that such additional compensation shall be paid a retired employee for services rendered between the first day of the first pay period which began after June 30, 1948, and the date of his retirement."

Strike section 5 in its entirety.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEFICIENCY APPROPRIATION BILL

Mr. KERR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, KERR, RABAUT, TABER, and ENGEL of Michigan.

UNITED STATES PARK POLICE

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4408) to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of May 27, 1924 (43 Stat. 174), is hereby amended by adding, at the end of such section, a new paragraph, as follows: "That in lieu of Sunday there shall be granted to members of the United States Park Police force 1 day off out of each week of 7 days, which shall be in addition to their annual leave and sick leave: *Provided, however*, That whenever the Secretary of the Interior declares that an emergency exists of such a character as to require the continuous service of all the members of the United States Park Police force, the Superintendent of National Capitals Parks shall have authority, and it shall be his duty, to suspend and discontinue the granting of said 1 day in seven during the continuation of such emergency."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS FOR WIDOWS AND CHILDREN OF DECEASED AND RETIRED POLICE AND FIREMEN OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2021) to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That so much of the fourth paragraph of section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916 (39 Stat. 718), as amended, as follows the first sentence thereof is hereby amended to read as follows:

"In case of the death of any member of the Police Department or the Fire Department of the District of Columbia, before or after retirement from the service thereof, leaving a widow, or a child or children under 18 years of age, the widow shall be entitled to receive relief from the said policemen and firemen's relief fund, District of Columbia, in an amount not to exceed $125 per month, and each child under the age of 18 years in an amount not exceeding $25 per month: *Provided*, That such payments or any right thereto shall cease upon death or remarriage of the widow: *Provided further*, That any benefits to a child or children shall cease upon (1) attaining the age of 18 years, (2) marriage, or (3) death: *And provided further*, That no widow, child or children of any deceased member of the said Police Department or Fire Department resulting from any marriage contracted subsequent to the date of retirement of such member shall be entitled to any relief under the provisions of this act."

SEC. 2. All widows and children of deceased members of the Police Department or of the Fire Department of the District of Columbia receiving relief under the provisions of section 12 of the act of Congress, approved September 1, 1916 (39 Stat. 718), as amended, shall be entitled to receive relief to the same extent and in the same manner as is provided by the fourth paragraph of said section as amended by the first section of this act: *Provided*, That no relief shall be increased or allowed under the authority of this section for any period prior to the effective date of this act: *Provided further*, That any child or children who had attained the age of 16 years and whose benefits were terminated shall be entitled to receive relief as provided by the fourth paragraph of said section 12, as amended by the first section of this act, until the attainment of 18 years of age.

SEC. 3. Section 5 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved July 1, 1930 (39 Stat. 839), be, and the same hereby is, amended by striking out therefrom the figures "3½" and substituting in lieu thereof the figure "5."

SEC. 4. This act shall take effect on the first day of the second month following the date of approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALARIES OF TEACHERS, SCHOOL OFFICERS, AND OTHER EMPLOYEES OF BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2437) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. MANSFIELD. Mr. Speaker, reserving the right to object, may I get some information on this bill? Is this a salary increase bill which will be retroactive to July 1?

Mr. McMILLAN of South Carolina. No, this has reference to jurisdiction and the number of rooms involved. The effect is to provide that elementary school principalships be determined by the number of teachers and pupils supervised rather than by the number of rooms under the jurisdiction of the principal.

Mr. MANSFIELD. Is the teachers' pay increase bill coming up today?

Mr. McMILLAN of South Carolina. Yes.

Mr. MANSFIELD. What is its number?

Mr. McMILLAN of South Carolina. It has already been passed.

Mr. MANSFIELD. The teachers' pay increase?

Mr. McMILLAN of South Carolina. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That article II of title I of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947, be and the same hereby is amended by striking out the following words and figures:

"CLASS 13—PRINCIPALS IN ELEMENTARY SCHOOLS WITH SIXTEEN OR MORE ROOMS, AND PRINCIPALS IN AMERICANIZATION SCHOOLS

"A basic salary of $4,300 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $5,300 per year is reached."

and inserting in lieu thereof the following:

"CLASS 13—PRINCIPALS IN ELEMENTARY SCHOOLS AND PRINCIPALS IN AMERICANIZATION SCHOOLS

"A basic salary of $4,300 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $5,300 per year is reached."

SEC. 2. Paragraph (ap) of section 6 of title III of said act is hereby amended by inserting the following at the end of said paragraph: "No longevity increases for placement as provided in this paragraph shall be granted to any probationary or temporary teacher, librarian, research assistant, counselor, or instructor in the teachers colleges appointed after June 30, 1949, to group C in salary classes 1 to 8, inclusive, in article I of title I, unless credit for such increases is based upon approved teaching or other service rendered after the master's degree had been conferred upon the appointee: *Provided*, That this limitation on placement credit shall not apply to appointments made from current eligible lists effective on July 1, 1949."

SEC. 3. Section 6 of title III of said act is further amended by inserting at the end thereof a new paragraph to be lettered "(ar)" and to read as follows: "Every permanent and probationary teacher, librarian, research assistant, counselor, and instructor in the teachers colleges in the employ of the Board of Education on June 30, 1947, who either possessed a master's degree on June 30, 1947, or shall have received a master's degree during the fiscal year ending June 30, 1948, and whose salary during the fiscal year ending June 30, 1948, was less than $3,500, shall be entitled to receive in lieu thereof a salary of $3,000 per annum plus longevity increases for placement in group C in salary classes 1 to 8, inclusive, in article I of title I, of $100 for each year of like service in the public schools of the District of Columbia acceptable to and approved by the Board of Education, including military leave and educational leave with part pay, subsequent to probationary appointment and prior to July 1, 1947, but for not more than the fifth year of such service, to be effective as of July 1, 1947, or on the first of the month immediately following the date on which the master's degree was conferred, whichever is later, and shall be entitled to receive annual increases thereafter in accordance with the provisions of sections 5 and 7 of this act. The provisions of this paragraph shall not operate to reduce the amount of annual compensation of any teacher, librarian, research assistant, counsel, or instructor in the teachers colleges, below the amount of annual compensation received by him during the fiscal year ending June 30, 1948."

SEC. 4. (a) Paragraph (b) of section 21 of title V of said act is hereby amended to read as follows: "After the effective date of this act, the act entitled 'An act for the retirement of the public-school teachers in the District of Columbia', approved August 7, 1946, shall apply to permanent employees of the Board of Education whose salaries are fixed by this act, and all references in said act to the District of Columbia Teachers' Salary Act of 1945, as amended, shall be interpreted to apply to this act. Nothing in this subsection shall require the recomputation of the annuity of any person retired under the act of August 7, 1946, prior to the effective date of this act, or of any person retired prior to the effective date of the act of August 7, 1946, whose annuity is computed in accordance with the provisions of that act."

(b) This section shall be effective as of July 1, 1947.

SEC. 5. This act except as otherwise provided herein shall become effective on July 1, 1948.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to correct certain inequities now existing with respect to salary schedules for teachers in the District of Columbia. This bill is identical to the bill which passed the House and one which passed the Senate in the Eightieth Congress, but through an error neither House accepted the other's bill.

It provides a salary schedule without changing the amounts of salaries paid principals in elementary schools and de-

termines elementary principalship by number of teachers the principals supervise, rather than by the number of rooms under jurisdiction of principal.

Section 2 provides that placement credit for salary purposes in a specified group shall not be granted new teachers unless approved teaching service is rendered after attainment of master's degree.

Section 3 provides for granting of placement credit for salary purposes in public schools for those with master's degree who received a salary less than $3,500 during the present fiscal year.

Section 4 corrects an oversight in the 1947 salary act by making the teachers retirement act applicable to all permanent employees of the board of education.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CUMULATIVE SICK AND EMERGENCY LEAVE FOR TEACHERS AND ATTENDANCE OFFICERS IN THE EMPLOY OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 4381) to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That all teachers and attendance officers in the employ of the Board of Education of the District of Columbia shall be entitled to cumulative leave with pay for personal illness, presence of contagious disease or death in the home, or pressing emergency, in accordance with such rules and regulations as the said Board of Education may prescribe. Such cumulative leave with pay shall be granted at the rate of 1 day for each month from September through June of each year, both inclusive. The total cumulation shall not exceed 60 days for probationary and permanent teachers and attendance officers, and the total cumulation shall not exceed 10 days for temporary teachers and attendance officers.

SEC. 2. In addition to the cumulative leave provided by the first section of this act, each probationary and permanent teacher shall be credited on July 1, 1949, with 1 day of leave with pay for each complete year of service in the public schools of the District of Columbia prior to July 1, 1949: *Provided*, That the total amount to be credited under the provisions of this section shall not exceed 20 days and shall be granted for the same purposes as leave with pay is provided in the first section of this act. Attendance officers shall be credited on July 1, 1949, with all cumulative leave with pay to which they are entitled on June 30, 1949, under the provisions of section 18 of the District of Columbia Teachers' Salary Act of 1947. The total cumulation of leave with pay allowable under this act and the District of Columbia Teachers' Salary Act of 1947 shall not exceed 60 days, and no attendance officer shall be entitled to annual or sick leave with pay under the provisions of any other act.

SEC. 3. Probationary and permanent teachers and attendance officers shall be entitled to use all leave to their credit when they are granted maternity leave by the Board of Education.

SEC. 4. In cases of serious disability or ailments, and when required by the exigencies of the situation, and in accordance with such rules and regulations as the Board of Education may prescribe, the superintendent of schools may advance additional leave with pay not to exceed 20 days to every probationary or permanent teacher or attendance officer who may apply for such advanced leave.

SEC. 5. In the event of separation from the service of any teacher or attendance officer who is indebted for unearned advanced leave, such teacher or attendance officer shall refund the amount of pay received for the period of such excess. If such teacher or attendance officer fails to make such refund, deductions therefor shall be made from any salary due him or from any amount standing to his credit under the provisions of the act entitled "An act for the retirement of public-school teachers in the District of Columbia," approved August 7, 1946. The provisions of this section shall not apply in cases of death, retirement for disability, or in the event that the teacher or attendance officer to whom leave with pay has been advanced is unable to return to duty because of disability.

SEC. 6. The Board of Education is hereby authorized to employ substitute teachers and attendance officers for service during the absence of any teacher or attendance officer on leave with pay and to fix the rate of compensation to be paid such substitutes.

SEC. 7. The Board of Education is hereby authorized to prescribe such rules and regulations as it may deem necessary to carry this act into effect. The term "teacher" used in this act shall include all employees whose salaries are fixed by article I of title I of the District of Columbia Teachers' Salary Act of 1947. The term "attendance officers" shall include all employees whose salaries are fixed by class 32 in article II of title I of the District of Columbia Teachers' Salary Act of 1947.

SEC. 8. There is authorized to be appropriated, out of any moneys in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act, and any appropriations for the public schools of the District of Columbia for personal services are hereby made available for the payment of the substitutes provided for in section 6 of this act.

SEC. 9. The following parts of acts are hereby repealed:

(a) So much of section 14 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947, as reads: "The said Board shall prescribe the amount to be deducted from the salary of any absent teacher for whom an annual substitute may perform service";

(b) Section 18 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947; and

(c) So much of the first section of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1912, and for other purposes," approved March 4, 1911 (36 Stat. 1395), under the subheading "District of Columbia," as reads: "*Provided*, That leave of absence of any regularly employed teacher shall not exceed 30 calendar days in any one school year, and for this period such teacher who may be absent shall be paid, in case the absence is due to personal illness, death in family, or quarantine on account of contagious disease, the salary of the position, less the amount paid to the substitute teacher, and any absence in excess of said 30 days or absence for cause other than herein specified shall be without compensation: *Provided further*, That all other employees of the Board of Education may, in the discretion of said Board, be granted not exceeding 30 days' leave of absence with pay in any one calendar year, and in the event of the absence of any janitor, assistant janitor, engineer, assistant engineer, or caretaker, at any time during school sessions the Board of Education is hereby authorized to appoint a substitute, who shall be paid the salary of the position in which employed, and the amount paid to such substitute shall be deducted from the salary of the absent employee."

SEC. 10. This act may be cited as "District of Columbia Teachers' Leave Act of 1949."

SEC. 11. This act shall become effective July 1, 1949.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this proposed legislation is to give teachers in the public schools paid sick leave. It provides for granting 1 day's leave for each month through the school year and permits the accumulation of 60 days. Temporary teachers may accumulate 10 days' sick leave.

There is also a provision that additional leave shall be credited to each teacher at the rate of 1 day for each complete year of service rendered prior to July 1, 1949, but this shall not be in excess of 20 days. All leave would be granted in accordance with rules and regulations of the board of education. Provision is made for maternity leave and for that advancement of unearned leave when necessary. This closely follows the leave provisions for classified employees in the District.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTIVE SERVICE BY PUBLICATION IN ANNULMENT

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1134) to amend section 13–108 of the Code of the District of Columbia, to provide for constructive service by publication in annulment actions, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 105 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (31 Stat. 1206, ch. 854), as amended (sec. 13–108, D. of C. Code, 1940 ed.), is amended to read as follows:

"Publication may be substituted for personal service of process upon any defendant who cannot be found and who is shown by affidavit to be a nonresident, or to have been absent from the District for at least 6

months, or against the unknown heirs or devisees of deceased persons, in suits for partition, divorce, annulment, by attachment, foreclosure of mortgages and deeds of trust, the establishment of title to real estate by possession, the enforcement of mechanics' liens, and all other liens against real or personal property within the District, and in all actions at law and in equity which have for their immediate object the enforcement or establishment of any lawful right, claim, or demand to or against any real or personal property within the jurisdiction of the court."

Mr. MCMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to add annulment actions to those where it is now provided that substituted service may be had by publication in lieu of personal service when the defendant cannot be found, and it is shown by affidavit to be a nonresident or to have been absent from the District of Columbia for at least 6 months.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF LAW FOR DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1127) to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 130 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 19, sec. 301, D. C. Code, 1940), is amended to read as follows:

"SEC. 130. Notice of petition for probate: Upon the filing of a petition for probate of a will, notice, as hereinafter provided, shall be issued to all persons who would be entitled to or interested in the estate of the testator in case such will had not been executed to appear in said court on a date named in the notice, and to show cause why the prayer of the petition should not be granted.

"(a) Such notice may be by a citation in which the return date named is not earlier than 10 days after the filing of said petition, and which citation shall be served in the District of Columbia, by the United States marshal, or deputy marshal, not less than 5 days before the return day named in said citation.

"(b) Such notice may be a citation in which the return date named is not earlier than 20 days after the filing of said petition, and which citation shall be served not less than 10 days before the return date named in said citation: *Provided*, That such citation may be served only on nonresidents of the District of Columbia, and upon residents of said District who have been returned 'Not to be found' under paragraph (a) of this section, and such service may be made only by a person not less than 18 years of age who is not a party to or otherwise interested in the estate of the decedent, and the return in such case must be made under oath in the District of Columbia, unless the person making the service be a sheriff or deputy sheriff, a marshal or deputy marshal, authorized to serve process where service is made, and such return must show the time and place of service.

"(c) Such notice, whenever there is proof by the petition for probate or by other affidavit that any or all of such persons, interested as aforesaid, are nonresidents of the District of Columbia, or whenever they or any of them have been returned 'Not to be found' under paragraph (a) of this section, may be by a publication in which the return date named is not less than 30 days after the date of the first appearance of the publication, and which shall be published once in each of three successive weeks in some newspaper of general circulation in the District of Columbia, and a copy of this published notice shall be mailed to the last-known address of each of the persons, interested as aforesaid, who is not shown to have been returned served personally under either paragraph (a) or paragraph (b) of this section. The court may by general rule prescribe the form of such notice by publication, and may order such other publication as the case may require."

SEC. 2. Section 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 19, sec. 305, D. C. Code, 1940), is amended to read as follows:

"SEC. 131. Probate: When notice as prescribed in section 130 has been completed in any case, the court shall proceed, if no caveat be filed, to take the proofs, or to consider the proofs theretofore taken, of the execution of the will. All the witnesses to such will who are within the District and competent to testify must be produced and examined, or the absence of any of them satisfactorily accounted for."

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill would change the method of giving notice on a petition for probate of a will. Presently it is by letter to the last address and by publication. This authorizes notice by the marshal or deputy marshal. It would also restrict the service to those over 18 years of age and provides that return be made under oath showing time and place of service. This act follows rule 45c of the Federal Rules of Civil Procedure.

The bill was ordered read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CODE OF LAW FOR DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 3368) to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 356 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 18, sec. 520, D. C. Code, 1940, line 4), is amended by striking out the words "six hundred" and inserting in lieu thereof the words "one thousand."

SEC. 2. Section 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 20, sec. 605, D. C. Code, 1940, line 5), is amended by striking out the words *"Provided*, That for special cause shown the court may make such additional allowance not exceeding $300 as such special circumstances may warrant," and inserting in lieu thereof the words: *"Provided*, That for special cause shown the court may make such additional allowance not exceeding $700 as such special circumstances may warrant."

Mr. MCMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his funeral expenses from $600 to $1,000.

The register of wills would continue under his general powers, to approve funeral bills up to $300 and the limit which might be approved by the court as a preferred charge would be increased by striking "six hundred" and substituting "one thousand" and by striking "three hundred" and substituting "$700."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECTION 16–415 OF CODE OF LAWS OF DISTRICT OF COLUMBIA

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1125) to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That that act of March 3, 1901 (31 Stat. 1346, ch. 854, sec. 980), otherwise known as section 16–415 of the Code of Laws of the District of Columbia, 1940 edition, is amended to read as follows:

"Whenever any husband shall fail, or refuse to maintain his wife and minor children, if any, although able so to do, the court, on application of the wife, pendente lite and permanently, may decree that he shall pay her, periodically, such sums as would be allowed to her as pendente lite or permanent alimony in case of divorce for the maintenance of herself and the minor children, if any, committed to her care by the court, and the payment thereof may be enforced in the same manner as directed in regard to the payment of permanent alimony."

Mr. MCMILLAN of South Carolina. Mr. Speaker, this bill would amend the present law to provide for enforcement of court orders and the payment of temporary and permanent maintenance in the same manner as the present law provides for enforcing orders for permanent alimony. That is, it would permit a wife with minor children to apply to the court for maintenance, pleading nonsupport by a husband and father financially able to furnish support. The court could during the time the suit is pending establish the sum to be paid. Provision is made for enforcement as in the manner of permanent alimony.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 16–416 OF THE CODE OF LAWS OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1129) to amend section 16–416 of the Code of Laws of the District of Columbia to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the acts of March 3, 1901 (31 Stat. 1345, ch. 854, sec. 963), and of June 30, 1902 (32 Stat. 537, ch. 1329), otherwise known as section 16–416 of the Code of Laws of the District of Columbia, 1940 edition, are amended to read as follows:

"All applications for divorce or for a decree annulling a marriage shall be made by complaint to the United States District Court for the District of Columbia, and the proceedings thereupon shall be the same as in equity causes, except so far as otherwise herein provided."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is one of clarification. It would change the name of a bill for petition to complaint so that it would conform to the nomenclature and practice prescribed by the Federal rules of civil procedure.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CERTAIN SECTIONS OF DISTRICT OF COLUMBIA CODE

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1131) to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 260 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended by the act approved June 30, 1902 (title 18, sec. 501, D. C. Code, 1940, line 11), is amended by striking out therefrom the words "one year" and inserting in lieu thereof the words "six months."

SEC. 2. Section 267 of said act approved March 3, 1901 (title 20, sec. 306, D. C. Code, 1940, lines 6 and 9), is amended by striking out the word "twenty" and inserting in lieu thereof the word "five" and by striking out the words "within thirty days after the first publication" and inserting in lieu thereof the words "within ten days after publication."

SEC. 3. Section 309 of said act approved March 3, 1901 (title 18, sec. 401, D. C. Code, 1940, line 2), is amended by striking out the words "three months" and inserting in lieu thereof the words "two months."

SEC. 4. Section 315 of said act approved March 3, 1901 (title 18, sec. 407, D. C. Code, 1940, line 3), is amended by striking out the words "three months" and inserting in lieu thereof the words "two months."

SEC. 5. Section 348 of said act approved March 3, 1901 (title 18, sec. 518, D. C. Code, 1940, lines 9, 15, and 19), is amended by striking out the words "nine months" where they appear three times in said section and inserting each time in lieu thereof the words "three months."

SEC. 6. Section 350 of said act approved March 3, 1901 (title 18, sec. 526, D. C. Code, 1940, lines 2 and 6), is amended by striking out the words "one year" and inserting in lieu thereof the words "six months" and by striking out the words "at least six months" and inserting in lieu thereof the words "at least three months."

SEC. 7. Section 361 of said act approved March 3, 1901 (title 20, sec. 601, D. C. Code, 1940), is amended by striking the period at the end of said section and inserting in lieu thereof a colon and the following words: "*Provided*, That said account may be rendered six months from the date of his letters."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TIME WITHIN WHICH A CAVEAT MAY BE FILED

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1132) to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated, and ask for its immediate consideration.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (title 19, sec. 309, D. C. Code, 1940), is amended to read as follows:

"SEC. 137. Caveat. If, upon the hearing of the application to admit a will to probate, the court shall decree that the same be admitted to probate, any person in interest may file a caveat to said will and pray that the probate thereof may be revoked at any time within 1 year after such decree."

Mr. McMILLAN of South Carolina. Mr. Speaker, this bill relates to a period of limitation for filing a caveat of a will. It has three purposes, namely, to provide certainty as to the time for post-probate caveats: secondly, to provide a uniform time for such caveats, whether the will be one of personality, or of realty, or of both; and thirdly, to fix the time for such caveats.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 16–418 OF THE CODE OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the bill (S. 1133) to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of March 3, 1901 (31 Stat. 1347, ch. 854, sec. 982), otherwise known as section 16–418 of the Code of Laws of the District of Columbia, 1940 edition, is amended to read as follows:

"In all uncontested divorce or annulment cases, and in any other divorce or annulment case where the court may deem it necessary or proper, a disinterested attorney shall be assigned by the court to enter his appearance for the defendant and actively defend the cause, and such attorney shall receive such compensation for his services as the court may determine to be proper, such compensation to be paid by the parties as the court may direct."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide for the assignment by the court of a disinterested attorney to safeguard the interests of the public and to make an impartial investigation in behalf of the court in uncontested annulment cases as is now true in the practice concerning uncontested divorce cases.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLEMENT OF SMALL ESTATES

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1135) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. NICHOLSON. Reserving the right to object, Mr. Speaker, may I ask what this bill does?

Mr. McMILLAN of South Carolina. Mr. Speaker, I yield to the chairman of the Subcommittee on the Judiciary, the gentleman from Arkansas [Mr. HARRIS] to explain the bill.

Mr. HARRIS. All it does, Mr. Speaker, is to simplify the administration of an estate to make it easier for the families in the case of small estates to receive funds out of the estate in order to take care of their families, in such instances as the court may deem desirable and necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended, is amended by adding to

chapter 5 thereof a new subchapter 9 to read as follows:

"FAMILY ALLOWANCE AND ADMINISTRATION OF SMALL ESTATES

"SEC. 394. (a) Upon the death of any person leaving a surviving spouse the said surviving spouse shall be entitled to an allowance out of the personal estate of said decedent of the sum of $500 for his or her use, and that of any minor children, to be paid in money or in specific property at its fair value as may be elected, and which allowance shall be exempt from any and all debts and obligations of the decedent, and subject only to payment of funeral expenses not exceeding $200; and, if there be no surviving spouse, the surviving minor children if any there be shall be entitled to a like allowance, and which shall be payable, in the discretion of the probate court, to the person having their custody or to such other person as it shall designate, and shall be used by such person solely for said minor's care and maintenance. Said family allowance shall be in addition to the respective share or shares of the surviving spouse and children.

"(b) When any person dies, leaving a small estate consisting only of personal property of a value not in excess of $500, and there be a surviving spouse or minor children entitled to the family allowance authorized in the preceding section, if such surviving spouse or minor children (acting through the person having their custody or a next friend) file in the probate court a petition, under oath, declaring: The time and place of decedent's death; the known next of kin; the known assets and by whom held; that petitioner has made a diligent search to discover all assets of the deceased; the amount of funeral expenses and to whom due; and that said assets do not exceed $500 in value; the probate court, if satisfied that the allegations in the petition are true, shall pass a final order (1) declaring that no formal administration is necessary and no probate is required of any will; (2) fixing the amount of funeral expenses allowable, to whom due, and out of what property to be paid; (3) vesting title to the remainder of the property in the surviving spouse or minor children, as the case may be, in satisfaction of his, her, or their family allowance; and (4) directing the person or persons having possession of said property to pay over, transfer, and deliver the same as allotted. The probate court may also authorize in said order, or by further order, the sale of any of said property as the exigencies of the situation require.

"(c) (1) When anyone dies intestate, leaving a small estate consisting only of personal property of a value not in excess of $500, and there be no spouse or minor children surviving, if the person entitled to be preferred in the appointment of an administrator files in the probate court a petition, under oath, declaring: The time and place of decedent's death; the known next of kin; that diligent search has been made for a will; the known creditors, together with the amount of each claim, including contingent and disputed claims; and funeral expenses; the known assets and by whom held; that petitioner has made a diligent search to discover all assets and debts of the deceased; that said assets do not exceed $500 in value; and that there are no known legal proceedings pending in which the decedent is a party; the probate court, if satisfied that the allegations in said petition are true, shall pass a preliminary order declaring that no formal administration is necessary and instructing the petitioner to publish once in substantially the usual form notice to creditors to exhibit their claims duly authenticated, within 30 days after such notice, and which notice shall be inserted in one newspaper of general circulation in the District of Columbia as said court shall direct.

"(2) Whenever such a preliminary order has been passed and the notice has been published and the time provided in such notice has expired, the petitioner shall file, under oath, a statement, with the usual proof of publication attached, that the notice has been published, and that the said time has expired, and listing all then known creditors, including contingent and disputed claims, and the amount of each claim. If satisfied that said statement is true, and after hearing and disposing of any objections filed in the probate court by anyone interested in the estate, the probate court shall pass a final order (1) directing the petitioner to pay from the estate all of said claims, in the order of priority provided by law, and (2) authorizing any person having possession of any property of the decedent's estate to transfer, pay over, and deliver the same in accordance with petitioner's directions, and (3) decreeing that, after the Register of Wills certifies upon said final order that he has seen the vouchers for the payment of said claims and is satisfied that said claims, as well as the fees hereinafter provided for, have been paid, then the remaining balance of the estate, if any, shall be vested as follows: First, in the adult surviving children equally, and, secondly, if there be no adult surviving children, then in those persons who would be entitled thereto under the statute of distributions (the share of any minor shall be payable, in the discretion of the probate court, to the person having custody or to such other person as it shall designate, to be used solely for the care and maintenance of such minor).

"(3) The probate court may also provide in its final order for sale of any property, upon such terms as it deems advisable, and for the distribution of the proceeds in accordance with its final order.

"(d) In the absence of fraud, no person who pays over, transfers, or delivers any property pursuant to the provisions of a final order entered under section 394 (b), or to the directions of a petitioner acting under authority of a final order under section 394 (c), shall be liable for the application thereof, nor shall any such person, nor any person who receives any property pursuant to the provisions of a final order entered under section 394 (b), or to the directions of a petitioner acting under authority of a final order under section 394 (c), be responsible for any claims on account of the payment, transfer, delivery, or receipt of such property; and the property distributed pursuant to a final order in either case shall be and become the absolute property of the respective distributees thereof.

"(e) No petitioner under this act shall be required to be represented by an attorney, or to give bond, nor receive any commission for performing any work or services hereunder.

"(f) The Register of Wills shall prepare, and make available, forms whereby the petition and final order under section 394 (b), and the petition, preliminary order, the statement, the final order, and the certificate of payment under section 394 (c), shall constitute in each case one connected instrument. In lieu of all other fees, costs, or charges, the Register of Wills shall receive a fee of $5 for all services and work administered under this act, including the taking of all affidavits, plus a fee of 25 cents for each certified copy of the aforesaid instruments.

"(g) The discovery of any additional property of the decedent, after the filing of a petition in either case provided for in this act, shall be reported by the petitioner to the probate court as soon as discovered by him. The existence of said additional property shall not invalidate any proceedings under this act except when the additional property is discovered before the passage of the final order provided for, and either (1) is real estate or (2) increases the total value of the estate to more than $500, in which case no final order shall be passed under this act and the court shall require regular administration. Where additional property is discovered after passage of the final order, if said property is entirely personal and does not increase the value of the total estate to more than $500, then such additional property may be distributed pursuant to a new petition under the appropriate section of this act; in all other cases such additional property may not be distributed under this act.

"(h) Any person who makes a false affidavit under this act, or who willfully violates any order of the probate court under this act or any other provision of this act, shall be liable to a fine of not exceeding $500 for each offense.

"(i) All acts or parts of acts inconsistent with the provisions of this act shall be, and they are hereby, repealed to the extent of such inconsistency but only to such extent.

"(j) This act shall apply to the estates of all persons dying after the date of the approval of this act."

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide a family allowance of $500 and a simplified procedure in the settlement of small estates. This act grants, upon the death of any married person, a $500 family allowance to the surviving spouse, if any, for the use of such spouse and any minor children, or if there be no spouse surviving then to the minor children (payable to the person having their custody) for their care and maintenance—said allowance being subject only to payment of funeral expenses not exceeding $200.

Provision is made when there is no one entitled to the family allowance for the person preferred as administrator to secure an order for publication for one month against creditors, and thereupon pay them and account, and the court then vests the balance to those entitled.

No petitioner shall be required to be represented by an attorney nor to give bond and the register of wills shall prepare and make available forms and receive $5 for all services plus 25 cents each for copies.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF AN ADDITIONAL JUDGE FOR THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1557) to provide for the appointment of an additional judge for the juvenile court of the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, That the President is authorized to appoint, by and with the consent of the Senate, for a term of 6 years, or until his successor is appointed and confirmed, one additional judge for the juvenile court of the District of Columbia, who shall at the time of appointment be a resident of the

District of Columbia. The position occupied by the present judge of said juvenile court shall be abolished when a vacancy shall occur in said position or at the expiration of the present 6-year term of said judge, whichever shall first occur.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to provide for an appointment of a resident of the District of Columbia as an additional judge for the Juvenile Court of the District of Columbia for a term of 6 years. The position of the present judge shall be abolished when a vacancy occurs or at the expiration of the present term.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes in connection with the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Speaker, we have just passed a bill which provides for the appointment of an additional judge, to take care of an emergency situation in the Juvenile Court of the District of Columbia. The present incumbent of that position has been ill for something over a year. This bill provides for the appointment of another judge to fill the office of the juvenile court judge in the District of Columbia.

As I understand the situation, under the bill just passed we have made no steps toward meeting what is obviously a bad situation existing as far as the retirement of juvenile court judges in the District is concerned. We have in this position an incumbent who is incapaciated and who is drawing her full salary.

If we appoint another judge, we are, in actuality, creating another judgeship to the juvenile court in the event the present incumbent comes back and seeks to act as judge of the juvenile court. My whole objection to this proposed solution to the problem is that we are not approaching it on the basis of the principle involved in establishing a retirement system for the juvenile court in the District.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. HARRIS. Mr. Speaker, I have asked my distinguished friend and colleague to yield for the purpose of explaining further what this bill does.

Technically and for a short period of time, of course, there would be two juvenile court judges for the District of Columbia. But as a practical matter there would be only one juvenile court judge because the bill provides that at the expiration of the term of the present incumbent, that particular position will be abolished, or if there is a vacancy in that position before the expiration of the term, the position will be abolished. Consequently, for all practical purposes, this bill continues in effect a one-judge Juvenile Court for the District of Columbia.

Mr. O'HARA of Minnesota. Actually the effect is not to have a one-judge juvenile court because if the present incumbent comes back and wants to act as juvenile court judge, we will have two juvenile court judges in the District of Columbia.

Mr. HARRIS. Will the gentleman yield further?

Mr. O'HARA of Minnesota. Will the gentleman deny that that is true?

Mr. HARRIS. I do not deny that it is true, but I say from the practical standpoint, the gentleman knows what the situation is with reference to the condition of the present judge, and that her return to the bench is not expected. Certainly, unless a miracle happens, that will not come about. Furthermore, the term of the present incumbent expires in a little more than 2 years.

Mr. O'HARA of Minnesota. It expires in a little over 3 years.

Mr. HARRIS. It expires in August of 1952, I believe.

Mr. O'HARA of Minnesota. Mr. Speaker, I am going to go along with this and not make any objection to the bill because of the so-called emergency situation which exists, and further, on the basis that this committee will in the very near future provide permanent legislation for a retirement system in the Juvenile Court for the District of Columbia, which system should be somewhat similar to that which exists in the municipal court.

Mr. McMILLAN of South Carolina. Mr. Speaker, that concludes the business from the Committee on the District of Columbia.

COMMITTEE ON RULES

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GRANAHAN (at the request of Mr. WALTER), for an indefinite period, on account of illness.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; and

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 14, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

688. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $92,175,407, together with certain proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 218); to the Committee on Appropriations and ordered to be printed.

689. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1949 and prior fiscal years in the amount of $55,422,354.44, together with certain proposed provisions pertaining to existing appropriations (H. Doc. No. 217); to the Committee on Appropriations and ordered to be printed.

690. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill relating to customs duties on articles coming into the United States from the Virgin Islands"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 5007. A bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; with an amendment (Rept. No. 779). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 4963. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; without amendment (Rept. No. 780). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of New York: Committee on Ways and Means. House Joint Resolution 242. Joint resolution extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad; without amendment (Rept. No. 781). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILSON of Oklahoma: Committee on Interstate and Foreign Commerce. H. R. 160. A bill to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended; with an amendment (Rept. No. 784). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 785. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 786. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. McSWEENEY: Committee on Rules. House Resolution 247. Resolution for consideration of H. R. 2214, a bill to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway and the Suitland Parkway in the State of Maryland as extensions of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes; without amendment (Rept. No. 787). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 248. Resolution for consideration of H. R. 4963, a bill to provide for the appointment of additional circuit and district judges, and for other purposes; without amendment (Rept. No. 788). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 249. Resolution for consideration of H. R. 5007, a bill to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; with an amendment (Rept. No. 789). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 250. Resolution for consideration of House Joint Resolution 228, joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; without amendment (Rept. No. 790). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. H. R. 2848. A bill for the relief of Leon Nikolaivich Volkov; without amendment (Rept. No. 782). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4804. A bill to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker; without amendment (Rept. No. 783). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAVALCANTE:

H. R. 5111. A bill to extend certain benefits under the War Claims Act of 1948 to specified civilian Philippine citizens; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM:

H. R. 5112. A bill establishing a procedure by which the Administrator may assure veterans full educational and training opportunities, commensurate with the tuition charges by educational and training institutions, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. D'EWART:

H. R. 5113. A bill to authorize the Secretary of the Interior to complete construction of the irrigation facilities and to contract with the water users on the Buffalo Rapids project, Montana, increasing the reimbursable construction cost obligation, and for other purposes; to the Committee on Public Lands.

By Mr. EBERHARTER:

H. R. 5114. A bill to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes; to the Committee on Ways and Means.

By Mr. FARRINGTON:

H. R. 5115. A bill to amend the Veterans' Preference Act of 1944 to give veterans' preference to certain civilian employees of the United States who served in combat zones during World War II; to the Committee on Post Office and Civil Service.

By Mr. FOGARTY:

H. R. 5116. A bill to exempt volunteer fire companies from the tax imposed on billiard and pool tables; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 5117. A bill to permit the United States, as well as private persons, to commence treble-damage actions under section 7 of the Sherman Act and section 4 of the Clayton Act; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 5118. A bill to provide for the disposition of the fund known as United States Treasury special deposit account No. 3; to the Committee on Foreign Affairs.

By Mr. MANSFIELD:

H. R. 5119. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 33, 81st Cong.); to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 5120. A bill to increase the expense allowance of Members of Congress; to the Committee on House Administration.

By Mr. NOLAND:

H. R. 5121. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives; to the Committee on House Administration.

By Mr. PETERSON:

H. R. 5122. A bill to require the recordation of scrip, lieu selection, and similar rights; to the Committee on Public Lands.

By Mr. VINSON:

H. R. 5123. A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material; to the Committee on Armed Services.

H. R. 5124. A bill to amend certain retirement laws of the armed forces, and for other purposes; to the Committee on Armed Services.

By Mr. HOFFMAN or Michigan:

H. J. Res. 275. Joint resolution to reduce the compensation of Members of the House of Representatives by 5 percent, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. Res. 246. Resolution authorizing expenses of conducting studies and investigations of certain matters pertaining to immigration; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBLE (by request):

H. R. 5125. A bill for the relief of the Manufacturers Machine & Tool Co., Inc.; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 5126. A bill for the relief of Mrs. Nathalie E. Cobb; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5127. A bill for the relief of Benedetto Campo; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5128. A bill for the relief of the Thomas Cruse Mining & Development Co.; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 5129. A bill for the relief of John G. Brown; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1056. By Mr. WILSON of Oklahoma (for himself and the entire Oklahoma delegation): Memorial of the Senate of Oklahoma, memorializing Congress to give favorable consideration to the recommendations of the Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

1057. By the SPEAKER: Petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., transmitting a petition by Tom Roberts and 102 others, of the General Welfare of America Club, Los Angeles, Calif., asking that the Social Security Act be amended to broaden coverage and increase retirement payments and survivors' benefits by at least 50 percent; to the Committee on Ways and Means.

1058. Also, petition of R. W. Ross and others, New Port Richey, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1059. Also, petition by Mrs. Frank G. Newhart and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1060. Also, petition of Mrs. Annie Hoppe and others, St. Cloud, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1061. Also, petition of Ole Anders and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1062. Also, petition of Mr. and Mrs. J. J. Matson and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1063. Also, petition of Mrs. Ethel Wilson and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1064. Also, petition of M. S. Diller and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1065. Also, petition of Bob Smith and others, Zephyrhills, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan to the Committee on Ways and Means.

1066. Also, petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., transmitting two petitions in behalf of L. W. Lewis, Liberty Club, Buffalo, N. Y., and Raymond Boudreau, Progressive Chapter, General Welfare Federation of America, containing a total of 420 signatures, endorsing the bill H. R. 2620, calling for a national old-age pension of $60 per month at age 60; to the Committee on Ways and Means.

1067. Also, petition of Helen Russell and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1068. Also, petition of Edwin Morse Coe and others, Miami, Fla., requesting passage

of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1069. Also, petition of George E. Petty and others, Pierson, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1070. Also, petition of S. D. Foster and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1071. Also, petition of American Trucking Asscciations, Inc., Washington, D. C., protesting the nationalization of any phase of professional medical service; to the Committee on Interstate and Foreign Commerce.

1072. Also, petition of Central Wisconsin Dental Society, Mosinee, Wis., requesting that the Congress do not enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, JUNE 14, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. R. Orman Roberts, D. D., pastor of the Temple Methodist Church, San Francisco, Calif., offered the following prayer:

We remember, O God, that in the conception and birth of this Government the founding fathers turned unto Thee for inspiration and guidance. Thou didst satisfy their hunger and thirst for righteousness, wisdom, justice, and liberty. So much so that on this special day, when we unfurl to the breeze the starred and striped symbol of our Nation, our souls thrill, and around the world wistful millions look upon it as their symbol of hope.

We lift our hearts in gratitude for all in the past that justifies the quickened pulse as our flag is raised to the masthead; and we pray, Eternal God, that through Thy continued guidance and our courageous following succeeding generations, while earnestly exercising their world citizenship, will likewise thrill as the emblem flies over this sweet land of liberty. In the name and spirit of Christ we pray. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 13, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 13, 1949, the President had approved and signed the following acts:

S. 314. An act authorizing the transfer of a certain tract of land in the Robinson Remount Station to the city of Crawford, Nebr., and for other purposes;

S. 690. An act to authorize the furnishing of water to the Yuma auxiliary project, Arizona, through the works of the Gila project, Arizona, and for other purposes;

S. 779. An act relating to the pay and allowances of officers of the Naval Establishment appointed to permanent grades;

S. 782. An act for the relief of William S. Meany;

S. 948. An act for the relief of Mickey Baine; and

S. 1270. An act to repeal that part of section 3 of the act of June 24, 1926 (44 Stat. 767), as amended, and that part of section 13a of the act of June 3, 1916 (39 Stat. 166), as amended, relating to the percentage, in time of peace, of enlisted personnel employed in aviation tactical units of the Navy, Marine Corps, and Air Corps, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia;

H. R. 2437. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947;

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes;

H. R. 3368. An act to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to increase the maximum sum allowable by the court out of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000;

H. R. 3901. An act to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia;

H. R. 4237. An act to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia";

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; and

H. R. 4408. An act to amend the act approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 1337) to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Morse
Anderson	Hendrickson	Murray
Brewster	Hill	Myers
Bricker	Hoey	Neely
Bridges	Humphrey	Robertson
Butler	Hunt	Russell
Cain	Ives	Saltonstall
Capehart	Jenner	Schoeppel
Chapman	Johnson, Tex.	Smith, Maine
Cordon	Johnston, S. C.	Sparkman
Donnell	Kem	Taft
Douglas	Kerr	Taylor
Eastland	Knowland	Thomas, Okla.
Ecton	Langer	Thomas, Utah
Ellender	Lodge	Thye
Ferguson	Long	Tobey
Flanders	Lucas	Tydings
Frear	McClellan	Vandenberg
George	McFarland	Watkins
Gillette	McGrath	Wherry
Graham	McKellar	Wiley
Green	McMahon	Young
Gurney	Maybank	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Kentucky [Mr. WITHERS] are detained on official business in meetings of committees of the Senate.

The Senator from Arkansas [Mr. FULBRIGHT] is absent on public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senators from Florida [Mr. HOLLAND and Mr. PEPPER] are absent by leave of the Senate on public business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Delaware [Mr. WILLIAMS] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Kansas [Mr. REED] is detained on official business bcause of attendance at a meeting of the Committee on Interstate and Foreign Commerce.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at

a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

Mr. O'MAHONEY subsequently said: Mr. President, I should like to announce that at the time of the quorum call this morning the Committee on Interior and Insular Affairs was in session, and the following members of the committee were present at the meeting, and unable to respond to the quorum call: The Senator from Montana [Mr. MURRAY], the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. MCFARLAND], the Senator from Oklahoma [Mr. KERR], the Senator from Nebraska [Mr. BUTLER], the Senator from Colorado [Mr. MILLIKIN], the Senator from Montana [Mr. ECTON], the Senator from Nevada [Mr. MALONE], the Senator from Utah [Mr. WATKINS], and the Senator from Wyoming [Mr. O'MAHONEY].

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and request permission to have printed in the RECORD routine matters, as though the Senate were in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

USE OF WATER OF COLORADO RIVER—JOINT RESOLUTION OF CALIFORNIA LEGISLATURE

Mr. KNOWLAND. Mr. President, I present for appropriate reference and printing in the RECORD a joint resolution of the Legislature of the State of California, relating to the use of the water of the Colorado River.

The joint resolution was referred to the Committee on Interior and Insular Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 32

Joint resolution relative to Colorado River water

Whereas more than 3,500,000 inhabitants of this State are dependent upon the Colorado River as a source of supplemental water supply for domestic, agricultural, municipal, and industrial use; and

Whereas the States of California and Arizona have been unable to agree as to their respective rights under the Colorado River compact and the Boulder Canyon Project Act to the use of the waters of the Colorado River; and

Whereas resolutions (S. J. Res. 4 and H. J. Res. 3) are now pending before the United States Congress which would, if adopted, authorize a suit in the United States Supreme Court to determine the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the action taken by this legislature on January 25, 1949, in adopting Assembly Joint Resolution No. 10 to memorialize the President and the Congress of the United States to adopt Senate Joint Resolution 4 or House Joint Resolution 3 is reaffirmed and this legislature again respectfully memorializes the President and the Congress of the United States to adopt Senate Joint Resolution 4 or House Joint Resolution 3 authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; and be it further

Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

PENSIONS TO VETERANS OF WORLD WARS I AND II—RESOLUTION OF FRANK GREINER POST, NO. 224, NIOBRARA, NEBR.

Mr. BUTLER. Mr. President, I present for appropriate reference a resolution adopted by Frank Greiner Post, No. 224, of the American Legion, of Niobrara, Nebr., relating to pensions for veterans of World Wars I and II, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas a bill has been passed by the House of Representatives and is now pending before the United States Senate providing for the payment of pensions to veterans of World Wars I and II upon their reaching the age of 65 years in the sum of $72 per month, and whereas it has always been the traditional policy of our country to provide pensions for our soldiers in their old age, which policy we consider to be just and right, and in accordance with the beliefs of Washington and Lincoln, and whereas it appears that the total estimated cost of said pensions, to wit, $65,000,000,000, though sounding like big money, is to be spread over a period of 50 years, and the cost of said pensions for the first year is estimated to be only $65,000,000, a small amount as Government outlays go today, and whereas the Government has paid out over $70,000,000,000 to foreign nations since the outbreak of World War II, which is over $5,000,000,000 more than the entire estimated cost of said pensions, and is preparing to send many billions of dollars more to foreign nations under the Marshall plan, and whereas we believe that the rights of our old soldiers should be protected before so much of our money is spent in helping foreigners that there will be none left for pensions for our own veterans in their old age: Therefore be it

Resolved by Frank Greiner Post, No. 224, of the American Legion, located at Niobrara, Nebr., That our honorable Senators from Nebraska, to wit, Senator HUGH BUTLER and Senator KENNETH WHERRY, should be, and are hereby, respectfully urged to support and vote for the said bill providing for pensions to veterans of World Wars I and II upon their reaching the age of 65 years, and that copies of this resolution be sent to each of said Senators.

Respectfully,

GEORGE SKOKAN,
Post Commander.
FULTON OLSON,
Post Adjutant.

HOSPITAL FACILITIES FOR EX-SERVICEMEN—RESOLUTION OF LA CROSSE COUNTY (WIS.) WAR VETERANS ALLIED COUNCIL

Mr. WILEY. Mr. President, I have in my hand a resolution adopted by the La Crosse County (Wis.) War Veterans Allied Council. The council is affiliated with the American Legion, the Disabled American Veterans, Spanish War Veterans, Veterans of Foreign Wars, Second Division Club, Thirty-Second Division Club, Catholic War Veterans, and AMVETS. The resolution pertains to the important matter of hospital facilities for the Nation's ex-servicemen, a topic which has been studied by the House Appropriations Committee, the House Veterans' Affairs Committee, and other groups of the Congress. I feel that this resolution will be of interest and I ask unanimous consent that it be appropriately referred and printed at this point in the body of the RECORD.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

WAR VETERANS ALLIED COUNCIL,
La Crosse, Wis., June 9, 1949.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D. C.

MR. PRESIDENT: The following resolution was accepted with the unanimous approval of the La Crosse County Allied Council:

"Whereas there has been within the past few weeks a marked change in the hospital expansion program of the Veterans' Administration, which in the opinion of the Allied Council of La Crosse is detrimental to the best interests of America's war veterans and contrary to laws passed by the Congress of the United States; and

"Whereas the recent order of the Administrator reduces the number of beds by 16,000, which are vitally needed at this time and will be more needed in the immediate future; and that in spite of the fact that 30 hospitals have been authorized and under contract only two VA hospitals have been completed since the close of the war, though the veteran population has increased some 15,000,000; and

"Whereas powerful organizations are working to retard if not destroy the accepted hospital program of the Veterans' Administration as authorized by Congress and that the Hoover Committee in its report to Congress recommends the merger of the veterans hospital program with other agencies, which will mean the complete destruction of the VA hospital program; and

"Whereas a Nation-wide survey of the hospital situation has been conducted by the Allied Council of La Crosse which discloses that the hospital construction program which existed prior to the ordered reduction of 16,000 beds was in itself inadequate and will not meet the hospital needs of America's war veterans; and

"Whereas that thousands have been denied hospitalization because of technicalities and difficulties in securing records: Now, therefore, be it

"*Resolved,* That the Allied Council of La Crosse vigorously protest the proposed reduction of the hospital-bed load as contrary to the express desire of the Congress and the pressing need of America's war veterans, and that the Allied Council of La Crosse militantly oppose any merger of the VA hospital with other services as recommended by the Hoover Commission as a complete breach of faith between this Government and its wartime defenders."

WAR VETERANS ALLIED COUNCIL,
JAMES M. GUND,
Secretary, La Crosse County.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FREAR, from the Committee on Post Office and Civil Service:

S. 115. A bill to amend the Veterans' Preference Act of 1944 with respect to preference accorded in Federal employment to

disabled veterans, and for other purposes; with amendments (Rept. No. 499); and

S. 974. A bill to amend the Veterans' Preference Act of 1944 with respect to certain mothers of veterans; with amendments (Rept. No. 500).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 1694. A bill to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects; without amendment (Rept. No. 501).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 1076. A bill to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended; with amendments (Rept. No. 503).

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting several nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOUGLAS:

S. 2063. A bill to incorporate the Army and Navy Union; and

S. 2064. A bill for the relief of Delbert Henson; to the Committee on the Judiciary.

By Mr. McGRATH (for Mr. WAGNER):

S. 2065. A bill to record the lawful admission of Miran John Aprahamian to the United States for permanent residence; to the Committee on the Judiciary.

By Mr. McGRATH (for himself, Mr. IVES, and Mr. WAGNER):

S. 2066. A bill to amend title X of the Social Security Act, as amended, so as to provide for the encouragement and stimulation of aid to the blind recipients to become wholly or partially self-supporting; to the Committee on Finance.

By Mr. MURRAY:

S. 2067. A bill for the relief of certain claimants against the United States who suffered property losses as a result of the failure of the Big Porcupine Dam on the Fort Peck project, Mont.; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2068. A bill for the relief of Fireman's Fund Insurance Co.; and

S. 2069. A bill for the relief of Fireman's Fund Insurance Co.; to the Committee on the Judiciary.

By Mr. NEELY:

S. 2070. A bill for the relief of the Clark Funeral Home, Hundred, W. Va.; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2071. A bill for the relief of Mrs. Alice Willmarth; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 2072. A bill to create a Commission to make a study of the administration of overseas activities of the Government, and to make recommendations to Congress with respect thereto; and

S. 2073. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

By Mr. BUTLER:

S. 2074. A bill to provide for the deduction from gross income for income tax purposes of expenses incurred by farmers in erecting facilities for the storage of crops; to the Committee on Finance.

By Mr. TAFT:

S. 2075. A bill for the relief of Graphic Arts Corporation of Ohio; to the Committee on the Judiciary.

By Mr. DOWNEY:

S. 2076. A bill for the relief of Freda Corber;

S. 2077. A bill for the relief of Francisco Gonzalez Perez; and

S. 2078. A bill for the relief of George Lutley Sclater-Booth; to the Committee on the Judiciary.

By Mr. MAYBANK:

S. 2079. A bill for the relief of Mrs. Lydia L. Smith; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 2080. A bill to authorize the regulation of whaling and to give effect to the International Convention for the Regulation of Whaling signed at Washington under date of December 2, 1946, by the United States of America and certain other governments, and for other purposes; to the Committee on Interstate and Foreign Commerce.

INTERIOR DEPARTMENT APPROPRIATIONS—AMENDMENT

Mr. MURRAY submitted an amendment intended to be proposed by him to the bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred to the Committee on the District of Columbia:

H. R. 2021. An act to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia;

H. R. 2437. An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes," approved July 7, 1947;

H. R. 3088. An act to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes;

H. R. 3901. An act to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia;

H. R. 4237. An act to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia";

H. R. 4381. An act to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; and

H. R. 4408. An act to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty.

ADDRESS BY SENATOR LUCAS AT CENTENNIAL CELEBRATION OF THE NORTH AMERICAN SINGING SOCIETIES

[Mr. LUCAS asked and obtained leave to have printed in the RECORD the address delivered by him on June 10, 1949, at the centennial celebration of the North American Singing Societies, in Chicago, Ill., which appears in the Appendix.]

STATUS OF AMERICAN REPRESENTATIVE TO THE IRISH REPUBLIC—STATEMENT BY SENATOR LODGE

[Mr. LODGE asked and obtained leave to have printed in the RECORD a statement prepared by him on the proposal to raise the status of the American representative to the Irish Republic from that of Minister to that of Ambassador, which appears in the Appendix.]

COMPETITION IN RUBBER TRADE—STATEMENT BY JOHN L. COLLYER

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Collyer Favors Competition in Rubber Trade," published in the New York Herald Tribune of May 24, 1949, which appears in the Appendix.]

COAL STOPPAGE—EDITORIAL FROM THE FAIRMONT (W. VA.) TIMES

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "Coal Stoppage," published in the Fairmont (W. Va.) Times, which appears in the Appendix.]

COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the subcommittee of the Committee on Labor and Public Welfare which is engaged in holding hearings on school construction be permitted to meet during the sessions of the Senate until it completes its work.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ANDERSON. Mr. President, I ask unanimous consent that a subcommittee of the Committee on Agriculture and Forestry may sit during the session of the Senate this afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

CHINA—ARTICLES BY STEWART ALSOP

Mr. KNOWLAND. Mr. President, at the request of the senior Senator from New Jersey [Mr. SMITH], I ask unanimous consent to have printed in the body of the RECORD four articles by Stewart Alsop, published in the New York Herald Tribune, dealing with the situation in China and the Far East. I believe they will furnish Senators with important information on the subject.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of May 30, 1949]

WHAT IS LEFT

(By Stewart Alsop)

CANTON.—In the present situation in China, it is first important to realize that the National government's resistance to the Communists is virtually at an end. Second, however, it is also important to realize that in this still semi-feudal country, major local centers of resistance to the Communists will survive long after the last plump Kuomintang official has skedaddled for his life.

The geographical location of these local resistance centers is of the utmost strategic interest to the United States. First, of course, is the island stronghold which Generalissimo Chiang Kai-shek has already prepared for himself on Formosa.

As has been previously pointed out in this space, it is vital to safeguard Formosa, which

is the key to our own Japan-Okinawa-Philippines defense line in the Pacific. Then, besides Formosa, the other Chinese resistance centers may be cataloged as follows:

1. Kwangsi Province lies west of Canton astride the Canton-Hankow railroad. For decades, it has been the domain of Acting President Li Tsung-jen and his partner the able Gen. Pai Chung-hsi. Thence Li and Pai sallied forth, with a huge armed retinue, to camp in Nanking until they persuaded Chiang Kai-shek to declare war on Japan. Thence Pai led the Kwangsi armies into the national struggle. And thence Li and Pai have now returned. Pai has already moved his main headquarters back to the province. It is rugged country. The troops are good fighters. The people are loyal to their leaders. This will be a hard nut for the Communists to crack.

YUNNAN A KEY AREA

2. The province of Yunnan, which has the great wartime air force base of Kunming for its capital, is strategically the most important area of the Chinese mainland. It shares borders with, and commands the Chinese approaches into, both Indochina and Burma. If Yunnan falls into Communist hands, the Chinese Communists can link up with their Indochinese and Burma brethren.

No Chinese province is more backward or complex than Yunnan. The strongest man is still the former Governor, old Lung Yun, the immensely rich old rebel who was arrested 4 years ago by the generalissimo, then secretly rescued by Maj. Gen. C. L. Chennault from Nanking. But Lung has not reestablished his home power. His brother-in-law, Gen. Lu Han, the official ruler of Yunnan, has retired in defeat to his Kunming palace. The province is ravaged by bandits, who are partly inspired by the Communists. The place has, indeed, only one defense.

Geography makes Yunnan almost impregnable. It is an immensely high plateau, pitted with rich valleys, bristling with high mountains. There are only two feasible routes of attack—an appalling road from the north and an even more dreadful road from the east. Only a few divisions can hold Yunnan—if a few divisions can be got together.

3. The province of Szechuan, above the Yangtze gorges, was the old fortress against the Japanese. Its immense agricultural wealth derives from the great Chengtu plain, still watered by the irrigation works built by the first universal emperor in the third century B. C. Its 60,000,000 inhabitants make this mere province a nation within a nation. And it can be reached only through grim mountains from the north, or up the terrible Yangtze gorges from the east.

Here again, the power is atomized. The former governor and former prime minister of China, Chang Chun, is an important figure. So is the great landowner, Liu Wen-hui. There are several others. There are also considerable numbers of Szechuanese troops, owing various allegiances. The defense of Szechuan will be inexpensive, as Chiang Kai-shek proved at Chunking. But the question really is whether any defense will be organized.

VOW TO FIGHT ON

4. Last but not least are the northwest Provinces, infinitely remote, fantastically rugged and dominated by a tough, hard-fighting Moslem minority. The northwestern Chinese Moslems are in turn dominated by the Ma Clan, who have about 80,000 men under arms and assert they could put another 200,000 in the field if they had the equipment. Even with their 80,000, the Mas have already cut the Communist armies to ribbons in five successive engagements. They say they will never surrender, and there is better reason to believe them than most of the southern war lords who make the same claim.

This about completes the list. Possibly the Communists will mop up these pockets of resistance one by one. On the other hand, it is also possible that the Chinese feudal leaders will defend their lairs for a long time. And it is certainly in the immediate American interest—the hard, practical American interest—that this time should be as long as possible.

[From the New York Herald Tribune of June 6, 1949]

CHINA, A SUMMING UP

(By Stewart Alsop)

CANTON.—It is not pleasant to watch a nation in defeat and decay. It is not pleasant to realize that this defeat and decay in China, which constitute a disaster for the United States, could have been prevented by wise, forehanded American action. But the important thing at the moment is not to bewail the disaster that has occurred here, but to try to find out what should now be done about it.

American policy in the Far East can now have only one primary aim. The aim must be to stop the threatened absorption of all of Asia into the Soviet sphere. As this correspondent reported from Tokyo, even Japan and the Philippines will be in immediate danger if the Communist tide washes out of China into Indochina, Siam, Malaya, Burma, and Indonesia. The disaster in China will thus become a world catastrophe. The first task is to prevent this.

The task will not be easy, since the Communist movement of Ho Chi Minh is already strongly established in northern Indochina, while the harassed Burmese Government is being challenged by two simultaneous Communist rebellions. The task will be almost impossible if the Chinese Communists gain the southern border of China and link up with their Burmese and Indochinese brethren. Hence the Chinese border Provinces of Yunnan and Kwangsi, remote, backward, mountainous, and impoverished though they may be, are now one of the vital strategic areas of the modern world.

ANY ACTION A GAMBLE

It must be said that very few official Americans in China believe that Kwangsi and Yunnan can be kept out of Communist hands, to become an insulating zone between Communist China and southeast Asia. But then, the consistent defeatism of responsible Americans has already caused us to miss every other earlier opportunity to get the Far Eastern situation in hand. Whatever is done now will be a gamble. But the stakes upon the table are now so enormous that a gamble is justified.

The conditions that permit a gamble for Kwangsi and Yunnan have been described at length in a previous report. Very briefly, Kwangsi is the private domain of China's acting president, Li Tsung-jen, and Li's partner, one of the ablest Chinese military leaders, General Pai Chung-hsi. The province has always been well governed by Li and Pai. It is loyal to them. And it is defended by their large army, which they have now concentrated in their home territory.

Yunnan, on the other hand, is in turmoil at present. But bandits, not Communists, are the Yunnanese problem. For the present, moreover, Yunnan is sealed off from the Communist armies by Kwangsi, which lies to the east. And even if the Communists quickly penetrate the high natural barriers and capture Szechuan Province to the north of Yunnan they must still fight their way into Yunnan down one of the most difficult roads in the world.

Thus if Kwangsi can be held, the whole strategically vital area can be held—for a time. The time thus gained may then be used to organize a better situation in Yunnan. It may even be used to explore the possibility of aiding the non-Communist groups in Szechuan and the Chinese northwest, which would be a far more ambitious project.

Holding Kwangsi will not be so difficult as one might suppose. In this strange war, there has been very little real fighting since the fall of Peiping. Even Nanking, the capital, was taken because the generals of three Nationalist divisions and the defenders of Kiang Yin Fort sold out to the Communists. The Communists have merely poured into a vacuum left by the economic and moral collapse of the Nationalists.

There has been no moral collapse in Kwangsi. The approaches are forbidding. There are troops there in plenty, ready to fight. But President Li and General Pai are disastrously short of funds, which, in China more even than anywhere else, are the sinews of war. For a long time they have been pleading fruitlessly with Generalissimo Chiang Kai-shek for some of his hoarded silver from Formosa.

LINK WITH LI VITAL

The first step, therefore, if the gamble for Yunnan and Kwangsi is decided upon, is to forget the fiction that we must have dealings only with the Nationalist Government of China, which has ceased to exist for all practical purposes. We must continue to do business with Generalissimo Chiang, because he holds Formosa, which is also strategically vital to us. But, without regard for Chiang, we must begin to do business directly with President Li and General Pai as well.

Only self-confidence deriving from assurance of direct American support will sustain Li's and Pai's will to resist. Fortunately, not much support is immediately needed. A manageable quantity of arms, plus about $50,000,000 of the useless silver that we bought to please the silver lobby and have hoarded at West Point, should be enough to transform Kwangsi into an anti-Communist stronghold, at least for a considerable period. The Communist tide may thus at least be checked. And even a fairly short check should have two crucial results.

It should give the French time to seal the Indochinese border, which is the worst danger point, and it should give us time to begin making far eastern policy in a bold, clear-headed way, instead of continuing to imitate chickens with their heads cut off.

[From the New York Herald-Tribune of June 8, 1949]

CHINA, A SUMMING UP—II

(By Stewart Alsop)

HONG KONG.—Even at 10,000 feet you sense it—too many people, too little food. Most countries look almost uninhabited from the air. But China, with its scratched and scrabbled land, its scarred mountains, its endless jumble of mud villages, its brick-red rivers carrying precious topsoil to the sea, looks like some vast hungry ant heap.

The Communists are inheriting the ant heap. Now they are faced with the ancient, unanswered question which has faced all China's rulers: How are the ants to be fed?

This is the central fact. China's ageless ills have not suddenly disappeared with the substitution of one political power for another. When the Communists took over the big cities, they also took over China's deficit economy, and they are beginning to suffer the consequences.

Now, for the first time, they are having trouble with the peasants. The reports of peasant resistance to food collections come from so many sources that they must be based on fact. The reason is obvious—the peasants are now being forced to share their production with the hungry populations of the great cities. Partly because of peasant reluctance to share the food and partly because they lack skilled technicians, the Communists are also having trouble with their newly won urban industries.

MINE PRODUCTION OFF

A European recently returned from the great Kailan coal mines in the north told this reporter that production fell off almost 50 percent after the Communists took over. There are other reports of the same pattern being repeated elsewhere.

Not enough food and not enough industrial production spells inflation. In Peiping the "people's banknote" was officially pegged at 80 to the dollar. It has slithered down to hardly a tenth of that value.

In Shanghai the Communist currency is reported to have depreciated by half in a single day.

Inflation begets corruption because honest officials starve. The Communist chieftains are believed wholly incorruptible. But corruption is already attacking the lower reaches of the new officialdom. According to one new reliable first-hand witness, for example, "You can buy your way through Tientsin right now, if you've got the money."

All this does not mean that Communist China is faced with imminent economic collapse, nor that inflation and corruption have even begun to reach the full and hideous flower they attained in Nationalist China. Yet an ancient process has started, and for precisely the same reasons that it has always started in China: Too many people, too little food.

TO IMITATE RUSSIA

The central committee of the Chinese Communist Party has now announced how the party means to attack China's economic disease—by what amounts to a slavish imitation of Russia's 5-year plans. The whole political and economic emphasis is to be shifted from the peasants to the big-city industrial workers. This program has horrified China's pro-Communist intellectuals, who like many American intellectuals have fondly imagined that the Chinese Communists were kindly agrarian reformers.

For it is obvious on the face of it that the Communists plan to industrialize China as Russia was industrialized—by the blood and sweat of peasants.

Another fact is obvious on the face of it. Let the peasants sweat until they drop. China cannot even be started on the way toward an urban industrial economy without very extensive trade with the west. Russia can supply no substitute for western trade, which built Shanghai from a mud flat to the fourth greatest city in the world. Moreover, the Communist leaders know it.

Here the evidence is conclusive. It ranges from semiofficial assurances conveyed to western businessmen in Shanghai to the fact that the Communists have approached a great Belgian bank to act as their trading agent in Hong Kong; from the trade which has already quietly started between Japan and the Communist north to the alacrity with thich Shanghai has been opened to western shipping.

REDS SEEK TRADE

The Communists mean to trade with the west simply because they must. Their only alternative is a China permanently condemned to a subsistence-level agrarian economy; too many people and too little food.

This suggests a conclusion worth pondering. Only the Chinese Communists can now provide what the western nations desperately want—a China independent of the Kremlin. But only the western nations can provide what the Chinese Communists desperately want—the wherewithal, from machine tools and capital to technical skills, to industrialize their country. In considering western policy toward Communist China, it is worth bearing this fact in mind. For to have what another nation wants is to be capable of influencing the policy of that nation.

[From the New York Herald Tribune of June 10, 1949]

CHINA, A SUMMING UP—III

(By Stewart Alsop)

HONG KONG.—It is time to stop asking nervously on what terms the west is to be allowed to trade with Communist China, as the Chinese coast businessmen do. The real question is, on what terms will Communist China be allowed to trade with the west? And there is every reason to believe that the Chinese Communists are fully aware of this.

The difficulties confronting the new rulers of China are already being dramatically underlined. The Red Spears are one of the traditional peasant undergrounds that have, for centuries, launched guerrilla war against any dynasty whose methods became too oppressive. And now, especially in Honan Province, the Red Spears have risen again, in revolt against Communist food collections for the cities. This is but one of many symptoms.

PROBLEM OF INDUSTRIALIZATION

The truth is that the Communist problem is in some ways more difficult than that which has confronted the founders of any new Chinese government since the time of Chin Shih Huang Ti, over 2,000 years ago. The Communist movement has been mainly a peasant movement. It was easy to conciliate the peasants when there were no urban populations to be fed. But now that has changed. Their movement is also a Marxist movement. Consequently, Mao Tse-tung has already raised the banner of industrialization. But that means even more grinding sacrifices for the peasantry. The idyllic agrarian period which the United States State Department observers at Yenan used to describe in language suitable for Arcadia, is now over for good.

Mao Tse-tung and his comrades hope, however, to escape from the worst of their dilemma by trading with the western world. To this end, they have already established a foreign trade control bureau. Its functions is clearly to play one rapacious, profit-hungry capitalist nation off against the other. Thus they expect to hold the whip hand in this dangerous trade—and with some reason, if the western nations permit their policies to be shaped by certain of their business representatives here.

If the China coast businessmen can be controlled, however, there is an easy way out for the west. The western trading nations, and especially the United States and Britain must reach a firm agreement on common economic and political objectives in China. They must then set up an international authority, or devise some other mechanism, to enforce the agreement. If all trade with China, down to the last machine tool and barrel of fuel oil, is thus brought under control, the whip hand will pass to the west.

NEED TO ACT IS URGENT

It is urgent to gain this advantage. The emergency objective of our far eastern policy must be to prevent the catastrophe of the communization of all of Asia. The Peiping radio is already promising material aid and moral support to the southeast Asiatic Communist movements. If the west quickly and wisely mobilizes its economic power, it should be possible to minimize this danger rather rapidly.

But our far eastern policy must also have the long-range objective of promoting Chinese independence of the Kremlin. There are many rumors, but there is no particle of solid evidence for the existence of Titoism in the Chinese Communist leadership. In any case, the Kremlin mistrusts Mao Tse-tung and his group. Li Li-san, Mao's enemy, was long ago dug out of his Moscow exile and made Viceroy of Manchuria; and there have been other, more recent, signs. The reason for this distrust is obvious. Whether or not Titoism has emerged among the Chinese Communists, the necessary conditions for Titoism are present.

The Chinese Communists owe nothing to Russia, which actually used to help Chiang Kai-shek. They cannot hope to have their economic needs satisfied by Russia. They are intensely nationalist, and at least in secret they must resent the ruthless, nineteenth-century-style Russian exploitation of Manchuria, Sinkiang, and Mongolia. They have their own army and their own secret police. In short, as was the case with Tito, many factors tend to divide them from the Kremlin, and they have the same freedom as the Yugoslavs to make their own choice.

BASIC RULE IS GIVEN

Using the economic weapon to capitalize on this situation will require the most brilliant improvisation by the west. But there is one basic rule: The aim must emphatically not be to interfere with Mao Tse-tung's organization of China. The sole aim must be to promote the western contacts and the spirit of Chinese national independence which the Kremlin, by its very nature, will not tolerate.

It is a curious device to exchange oil; locomotives, and Diesel engines, sheet steel, and trucks against Chinese products plus freedom of movement in China, freedom of information in China, and a reasonably friendly attitude of the Chinese Government. But it can be done. Furthermore, it can probably be done successfully and may well produce major results if constant care is taken to stress the fact that Chinese independence is all the west desires.

After all, if western imperialism is Moscow's trump card in Asia, there is no reason why we cannot make Moscow's far more brutal imperialism into our trump card. All we need is the power of organization, the intelligence, and the toughness which, unfortunately, appear to be rather rare commodities in Washington at the moment.

NATIONAL COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. HENDRICKSON. Mr. President, yesterday the Committee on Expenditures in the Executive Departments reported Senate bill 1946, to establish a permanent National Commission on Intergovernmental Relations, cosponsored by the following: The senior Senator from Idaho [Mr. TAYLOR], the junior Senator from Maryland [Mr. O'CONOR], the junior Senator from Ohio [Mr. BRICKER], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from Maine [Mrs. SMITH], the junior Senator from Louisiana [Mr. LONG], the junior Senator from Kansas [Mr. SCHOEPPEL], the junior Senator from Delaware [Mr. FREAR], the junior Senator from Connecticut [Mr. BALDWIN], the junior Senator from Wyoming [Mr. HUNT], the senior Senator from Iowa [Mr. HICKENLOOPER], the senior Senator from Kansas [Mr. REED], the senior Senator from Maine [Mr. BREWSTER], the senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Minnesota [Mr. THYE], the senior Senator from North Dakota [Mr. LANGER], the junior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from Vermont [Mr. AIKEN], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Hampshire [Mr. TOBEY], the senior Senator from Missouri [Mr. DONNELL], the senior Senator from

New Hampshire [Mr. BRIDGES], the junior Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from Delaware [Mr. WILLIAMS], the senior Senator from Wisconsin [Mr. WILEY], the junior Senator from New York [Mr. IVES], the senior Senator from North Carolina [Mr. HOEY], the senior Senator from Florida [Mr. PEPPER], and myself.

Mr. President, in my humble judgment, no more important or worthy legislation has been presented for consideration at this session.

The purpose of the bill is to establish a permanent National Commission on Intergovernmental Relations, whose objectives will be to eliminate overlapping, duplication, and wasteful costs in the operations of Government at all levels.

In the April edition of the Tax Review, Roswell Magill, a former Under Secretary of the Treasury and an outstanding authority on taxation, has written an article entitled "The Tax Scramble," which bears squarely upon the objectives of Senate bill 1946.

Hoping that this article will be carefully studied by every Member of this body, as well as by the Members of the House of Representatives, I ask unanimous consent that it be inserted at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TAX SCRAMBLE

(By Roswell Magill)

The sheer weight of taxes pressing upon every American today has served to obscure an increasingly critical tax problem—disorganized overlapping of Federal, State, and local tax systems. A citizen of St. Louis, for instance, pays three different income taxes—to his city, to his State, and to his National Government. Elsewhere, purchase of a package of cigarettes involves taxes to the three levels of government.

The result of the present situation is that few taxes are really general, in the sense that they are borne by every citizen. The selection of the same tax source, both by the States and by the Federal Government, means that that particular object of taxation is bearing a double load, while other objects and transactions and citizens are bearing none. Consequently, it has long been agreed that State and National duplication of taxation should be reduced and eliminated as promptly as possible.

The reason for the present critical duplication of taxes is plain. Tremendous increases in National, State, and local budgets, which have followed each of the two world wars, have led to increasing exploitation by each level of government of all available sources of revenue. Although the Federal Constitution imposes some restrictions on State and local taxation, the Constitution does not divide tax sources between the States and the National Government. Such division as has existed in the past has rested on comity and tradition, not on agreement or constitutional prohibition. As pressures for revenue have increased, more and more overlaps of taxes have been enacted, and steady increases in rates have made the overlaps more serious and more inequitable.

Any program designed to solve the problem should begin, ideally, with consideration of the proper allocation of functional responsibilities. A complete solution along these lines is now hardly possible, although some adjustments can be made. The trend since the Civil War has been toward greater federalization. With respect to each case of added Federal power or control, these appeared at the time to be good ground for the step taken, usually because of the difficulty of securing coordinated action by all of the States. This difficulty is characteristic, however, of the democratic process, in which concerted action is slow because of the differences of opinion as to the need for action or as to the best procedure to follow. Some functions have been gathered unnecessarily into the Federal jurisdiction through an overhasty disregard of the legitimate reasons which some States have had for not acting. It is impossible here to go into the broad questions of relative administrative efficiency and appropriate allocation of functional responsibility which lie at the root of the problem. These are matters which will require long study and much patience on all sides for their solution.

One of the suggestions for minimizing the overlapping of Federal and State taxes which is most deserving of consideration is the separation of tax sources. The separation of revenue sources means an assignment of certain forms of taxation to Federal and to State jurisdictions, respectively, under an arrangement whereby each form of government will not trespass upon the other's preserves. It aims at termination of the overlapping taxation of the same item of wealth or income or transaction by two or three levels of government.

Prior to the First World War there was in effect a virtual separation of revenue sources, interrupted only during periods of war. The Federal Government was supported mainly by the customs and excise taxes, while the State and local governments relied upon property, business, and inheritance taxes, with a few early experiments in income taxation. There was some, though not much, overlapping of excise taxes. How far we have moved from this simple condition, and a suggested program for returning the relationship to a more sensible basis, are indicated in this brief summary.

The following proposals for distribution of taxes are offered, not as an arbitrary delimiting of the areas of taxation, but as a suggested ideal approach to the problem. Since it is undesirable to subordinate the States to the National Government, or to attempt to coerce them, an attempt has been made to work out suggestions that by fairness and practicality will win voluntary adoption. This is a field where even a good beginning will be extremely helpful.

In this connection, the following program should not be construed as one susceptible of immediate, complete adoption. It is not designed as a pragmatic solution which can be readily instituted, but as an ideal goal to have in mind constantly as the practical adjustments are being fitted together in a piecemeal fashion over an extended period of time. Just as the present scrambled tax situation has been a long time a-building, so also a proper solution will take time.

INCOME TAXES

1. The National Government relies on the income tax for 72 percent of its total tax receipts. It is hard to see how that Government could possibly finance itself without the income tax. The National Government preceded the States (with a few exceptions) in the income-tax field. Hence it is appropriate to request those States that levy an individual income tax, 31 States and the District of Columbia, to give it up in favor of the National Government. The States would lose a total of $1,079,000,000 thereby, based on fiscal 1948 figures. The result would be a notable benefit to the citizen, not only in tax dollars saved but in the elimination of the nuisance of filing two sets of income-tax returns, each with its own peculiar set of requirements, deductions, exemptions, and rates.

To implement this step, the National Government should repeal the present deduction of State income taxes allowed in computing net income for Federal tax purposes.

INHERITANCE TAXES

2. The law of the State in which a citizen lives controls the transfer of his property at his death. Hence States have a strong claim to the inheritance or estate tax, a tax imposed on that transfer. Moreover, the Federal Government was a late arrival in this field, and until the years after World War I, had imposed the tax only in time of war. Congress began to relinquish the tax to the States in 1926, by means of an 80-percent credit against the Federal tax for State inheritance taxes paid, but the revenue needs of the 1930's led to the imposition of additional Federal estate taxes not subject to that credit. Hence at present the overlap is serious, for the National Government collects $888,000,000 from estate and gift taxation, and the States a total of $187,000,000. Every State save Nevada imposes such a tax.

It is proposed that the National Government relinquish the field of inheritance and estate taxation to the States. The loss of revenue to the Federal Government would not be very serious; even in 1948, this tax produced only 2 percent of total Federal revenue. The States have on the whole built up adequate systems for administering the tax, and would benefit materially from being able to develop it free from Federal interference. The citizen and his beneficiaries would gain greatly by the elimination of troublesome double administration and payment.

GASOLINE TAXES

3. The States early enacted gasoline taxes as a means of paying for the highway improvement and construction the automobile made necessary. The tax is frequently cited as an example of taxation proportionate to benefits reecived. All the States levy gasoline taxes. The Federal Government intruded into the field in 1932, and now derives $560,000,000 from this source (including lubricating oils). At the same time the Federal Government votes large sums to the States for highways; in the current fiscal year, $436,000,000.

An obvious solution of this tax overlap, then, is for the National Government to yield the gasoline tax to the States, and, correspondingly, to yield to the States total responsibility for highways, through the elimination of the highway grants in aid. The net effects on the Federal and State budgets would be small.

RETAIL SALES TAXES

4. The States have come increasingly to rely on retail-sales taxation as a major source of revenue. Twenty-seven States now levy such a tax, and in 1948 they collected a total of $1,478,000,000. The National Government has never levied a general sales tax, but it imposes a number of burdensome retail-sales taxes at high rates, now generally 20 percent.

This field of taxation ought to be left to the States, for they need it, and can administer it satisfactorily. It is recommended, therefore, that the National Government relinquish to the States the field of retail sales and excise taxation.

ADMISSIONS TAXES

5. The Federal tax on admissions and club dues was introduced under the Revenue Act of 1917. The revenue yield has expanded from $29,000,000 in fiscal year 1918 to $464,000,000 in fiscal year 1948. State amusement taxation began with the Connecticut tax of 1921. Currently, general admissions taxes are found in fewer than half of the States, in most cases as part of a general sales tax. A number of cities are also currently deriving revenue from this source (in a few cases, substantial revenue), and there are indications of increasing use of this tax at the local level.

Withdrawal of the Federal Government from this field is recommended. The reve-

nue is relatively small (a little more than 1 percent) in terms of the Federal budget, but the tax could develop into a significant contributor to State and local revenues. If this source were exclusively available to State and local governments, perhaps the present tendency to encroach on sources more properly Federal, such as the income tax, would be halted.

CUSTOMS, LIQUOR, AND TOBACCO

6. For a long period before World War I, the National Government relied for all its revenue upon customs duties, and excises on liquor and tobacco. Customs are one of the few taxes expressly reserved to the National Government. Liquor and tobacco taxes other than local license fees should be restricted to that Government as well.

Administration by the Federal Government of such taxes is well organized, and can be much more efficiently conducted than by any State administration, since the taxes are collected from the manufacturers at relatively few sources. Both sets of taxes are very important sources of revenue to the National Government ($2,195,000,000 in 1948). The same sources should not also be heavily burdened by the States.

CORPORATION TAXES

7. The taxation of corporations doing business in the various States is a tangled web, surmounted by a heavy Federal income tax. It is well-established law that States have the power to prescribe the terms on which corporations may do business within their borders, including a tax for the privilege. Since each State may enact its own tax formula, there can be and is much overlapping between the States in taxing transactions which originate in one State and are completed in another. The situation would be greatly improved, if the States could be induced to adopt a uniform, nonduplicating plan for the taxation of corporations and of transactions that cross State lines. Here is a case where it would be entirely legitimate for Congress to prescribe a plan, since the power to regulate commerce between the States is vested in Congress.

It is urged, therefore, that the Congress enact a statute providing how interstate transactions, and corporations doing business in more than one State, shall be taxed. A great amount of needless paper work, controversy, and confusion can thereby be eliminated with no necessary loss of revenue at all.

UNEMPLOYMENT TAXES

8. The effect of the title IX in the original Social Security Act was to force the States to establish systems of unemployment compensation. Since this purpose has been accomplished, the States should be freed to finance, as well as to administer their systems, on the basis of their own legislation.

The current effect of the Federal unemployment tax is to net the Federal Government about $135,000,000 a year. This is the difference between Federal receipts, which represent one-tenth of the 3-percent payroll tax levied by the act, and Federal expenditures in the form of grants to the States for their administration of these programs. The Federal Government is also holding in trust for each State (under section 904 of the Social Security Act), an increasingly large reserve of the excesses of unemployment tax collections over the benefits paid. The total of these State accounts is now well over $8,000,000,000. Since each State deposits to and withdraws from its own reserve, the function of the Federal Government in the process is merely that of a central bank.

The States should be given complete authority to finance and to operate their own unemployment-compensation systems. The Federal Unemployment Tax Act and section 904 of the Social Security Act should be repealed. The States should enact such additional legislation as necessary for their own needs, for example, provisions for establishment of State trust funds to hold reserve funds.

The adoption of these proposals would not end all tax overlaps between the National Government and the States but would end the most troublesome. The gain to the citizens affected would be great, primarily in the elimination of one of the duplicate sets of returns, administrative controversies, and tax payments to which they are now subjected. The revenue loss to the two governments would be slight, much less in importance than the positive gain to the citizen.

Federal and State revenue losses involved in proposed relinquishment of certain revenue sources

[Based on revenues, fiscal year 1948 (millions)]

Revenue source	Revenue loss to Federal Government	Revenue loss to State governments
Tax revenue:		
Individual income tax		$1,079
Estate and gift tax	$888	
Gasoline and lubricating oils	560	
Retail sales	470	
Liquor and tobacco		769
Admissions and club dues	464	
Federal unemployment tax	205	
Nontax revenue:		
Federal highway aid		[1] 436
Administrative grants under Federal unemployment tax		67
Total	2,587	2,351

[1] The estimated fiscal year 1949 expenditure of the Public Roads Administration.

Source: Treasury Department and Department of Commerce.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. HUMPHREY. Mr. President, on Friday of last week the junior Senator from Minnesota was discussing the historical background of labor-management relations, and the efforts on the part of the Federal Government to legislate in that particularly important field of industrial relations. I began my discussion by consideration of the labor movement even as far back as 1792, with the very first unions that were organized in this country. From that point I carried on up through the nineteenth century the experiences of the labor movement under the common law, and the experiences of the labor movement as it had suffered under the impact of injunction and court orders. I brought to the attention of the Senate such devices for pitting the community against labor as the infamous Mohawk Valley formula. I pointed out in some detail the efforts which had been made on the part of employers in the 1930's to break up what we may term successful, sound, and constructive union organizations. Today I wish to direct my remarks primarily to the Taft-Hartley Act, and to the amendments proposed by the Senator from Ohio [Mr. TAFT].

THE TAFT-HARTLEY ACT AND THE TAFT AMENDMENTS

Mr. President, the able Senator from Ohio has stated that the substitutes for the Thomas bill, which he has advanced on behalf of himself and two of our Republican minority colleagues on the Labor and Public Welfare Committee, will remove 28 provisions from the Taft-Hartley Act. Here is further evidence—though none, of course, is needed—of his forthright approach to the responsibilities of his high office.

And yet, Mr. President, there are those who would distort this brave acknowledgment of inadequacy into something quite the opposite. They would make it appear that the author of 28 profound mistakes has, somehow, demonstrated a wisdom that qualifies him to formulate the basic national policy on the very subject in which he has so unhappily, so extensively, and so admittedly failed. This, Mr. President, is truly strange reasoning, more akin to magic than to logic; strange reasoning that would be highly dangerous were it ever to find acceptance among our people and our lawmakers.

I have heard it said, too—by those who pay but hypocritical lip service to party platforms, to campaign pledges, and to the unequivocal expression of the American people—that platform, pledge, and people's will can be fulfilled by 28 changes in the Taft-Hartley Act. Such cynicism, Mr. President, insults the intelligence of our citizenry and vulgarizes the values of our democracy. Repeal is not an elastic, abstruse word amenable to the crude techniques of political double talk; it is a simple word, with meaning clear and inflexible. It means annul, abolish, cancel—and the people know its meaning. They want this law annihilated, not rehashed, polished over, or covered up by a changed, attractive new look.

And so, Mr. President, there is plainly no relevance in the "numbers" approach to the basic issue before us—the issue of repeal. Still, there are many who are intrigued by imposing statistics. For these, I have taken the trouble to count the changes in the Wagner Act effected by the Taft-Hartley Act, and I find that there are 100 such changes. Thus even by this standard the Taft amendments retain the bulk of the Taft-Hartley Act—72 of the original 100 changes, about three-fourths of all its provisions.

I repeat, however, that issues like the one we are debating—issues that turn on our fundamental concepts of justice and morality—are not illumined by that kind of mathematical formula. We do not measure justice—we dispense or withhold it in toto. We do not compromise morality—we practice or scoff it. The question we face is one of principle—not figures and statistics.

The distinguished Senator from Ohio, in the course of his remarks on June 8 stated:

> We retain in our substitute the essential principles of the Taft-Hartley Act.

That, Mr. President, fairly and precisely poses the issue. Shall we perpetuate the principles of the Taft-Hartley Act or shall we return to the principles of the Wagner Act?

I have already, in the course of my remarks last Friday, shown that these principles are mutually exclusive, that the philosophy of Taft-Hartley is irreconcilably antagonistic to that of Wagner and equally antagonistic both to the continued health of our economy and to our

most cherished concepts of freedom and democracy.

It is now my purpose to address myself to some of the salient provisions of the Taft-Hartley Act which would survive the Taft amendments and which epitomize its essential principles.

Preliminarily, however, I should like to emphasize a crucial fact which has been overlooked by many and deliberately obscured by some. I refer, Mr. President, to the completely false basis on which the Taft-Hartley law was presented to our people. The American public, through one of the most subtle, expensive, and effective propoganda campaigns in our history, was led to believe that new legislation was necessary merely to remove the excesses of the Wagner Act. The people were told that the Wagner Act was a good thing, that its basic objectives must be continued, but that, like most new social legislation, it had created its own excesses and its own problems. Hence, the argument ran, the Congress, after 12 years of experience under that statute, should resolve those problems and remove those excesses.

The success of that propaganda is not difficult to understand. It made its appeal to the traditional fair-mindedness of Americans. Unhappily, however, that great American attribute was crudely exploited by those whose own sense of fairness leaves so very much to be desired.

The real thrust of Taft-Hartley, its true objective, was not to redress a real or fancied unbalance created in 1935, but, rather, to rob the American worker and his union of every major legal victory laboriously achieved in the preceding 50 years. The National Association of Manufacturers was not anxious to return to 1935. It nostalgically desired and effectively attained a return to the dark ages of industrial history when there was a master who imperiously commanded and a servant who meekly obeyed, when the very thought of a labor organization was unspeakably evil and when the fact of a trade-union was condemned and punished as a criminal conspiracy.

Let me briefly document that assertion. The Wagner Act of 1935 did not abolish the labor injunction. That was abolished in 1932, after 50 years of continucus agitation and political support by both major parties.

The Wagner Act did not grant to labor the right to boycott. That basic right was achieved only after years of distressing litigation, culminating in the widespread acceptance by the judiciary that working men and women, like other groups in our society, have a natural right to come to the aid of their fellows and to refuse to contribute to their own ultimate destruction or injury.

The closed shop was not the liberal gift of a generous Congress in 1935; it was an institution of many years standing and proved constructive value, an institution whose legality was almost universally accepted long before 1935.

And so, too, with other provisions of Taft-Hartley. It is clear that the essential effort was not to equalize rights rendered unequal by the Congress in 1935, but to destroy the legal props of American trade-unionism and to restore the old condition of complete and unconscionable inequality.

UNION SECURITY

The Taft-Hartley Act entirely prohibits an agreement between an employer and a union for a closed shop. Before a union can obtain even what the act calls a union shop it must be authorized to do so by a majority of all the employees eligible to vote. This was very capably and well pointed out by the distinguished junior Senator from Illinois [Mr. DOUGLAS] last week. The union shop affords more illusory than real security. Under the Taft-Hartley Act the union can require the discharge of a worker only for failure to pay dues. It has no defense against the infiltration of subversives, disrupters, stooges, spies, provocateurs, gangsters—names and titles which have all too often been used against the labor movement.

Even more important, it gives the employer unfettered freedom to hire in the open market, which is to say, it gives to antilabor employers the full opportunity to man their shops with antiunion workers able and anxious to undermine union conditions and the union itself.

The Taft amendments make only the slightest concessions to union security. Under the amendments an employer can notify the union of job openings and the union can refer qualified applicants for employment. That does not mean that the employer needs to employ them.

Under the Taft amendments, the discredited union-shop authorization election would be eliminated and unions would be permitted to require the discharge of employees for engaging in wildcat strikes or for being affiliated with the Communist Party. Still retained, however, is the absolute prohibition of the closed shop and the provisions for de-authorization elections and those making State antiunion security laws paramount to the Federal law.

One of the predictions made by opponents of the Taft-Hartley Act at the time of its passage was that the outlawing of the closed shop would disrupt long-established and voluntarily maintained union-security agreements which have been mutually beneficial to management and labor for many years. This prediction has been borne out in several important industries, particularly the printing industry. The closed shop has been the practice in this industry for almost 100 years. The International Typographical Union, which had attained full growth long before 1935, even long before the Wagner Act, is universally recognized as a model, responsible union. In fact, Mr. President, in an issue of the Reader's Digest of about 2 years ago, this union was painted not only as the model union of the Nation but as a model for all unions all over the world. Its democracy was upheld and was proclaimed; and its efficiency and effectiveness, both to the employer and to the employee, are well documented. The majority report of the Joint Committee on Labor Management Relations stated:

> The International Typographical Union has long enjoyed public confidence by its record of winning gains for its members while maintaining peaceful relations with employers.

While it is not my custom to quote the Chicago Tribune, I feel compelled to refer to its editorial of November 22, 1947, which describes the peaceful relations which had existed between the newspaper and the typographical union prior to the Taft-Hartley Act:

> In 1852, the Chicago Tribune entered into contractual relationships with the Chicago Typographical Union, No. 16, which has continued until this day, without interruption of so much as an hour. * * * We regret that this record, as a matter of great pride to us as well as to the union, has now been interrupted. * * *
>
> When the law was under discussion in Congress, as our readers will recall, we advised against outlawing the closed shop. We did so, among other reasons, because we know that the closed shop worked well in our plant and had worked well for a half century or more.
>
> Congress did not take our advice.
>
> The Tribune hopes that the present difficulties will be resolved speedily.

Mr. President, I should like also to quote from the hearings before the subcommittee of the Committee on Education and Labor of the House of Representatives, where Mr. John O'Keefe, secretary to the Chicago Newspaper Publishers Association, testified on December 22, 1947. Representative Kersten was asking the questions. I quote the following from the testimony:

> Mr. KERSTEN. Up until now and for a great many years past you had a closed-shop agreement, didn't you?
>
> Mr. O'KEEFE. Yes; we did.
>
> Mr. KERSTEN. How did that feature work out in your previous contracts, so far as your closed-shop provision of the contract was concerned?
>
> Mr. O'KEEFE. We never even discussed it. It had been there for years and it has remained there.
>
> Mr. KERSTEN. Did you have any real difficulty with it, so far as your union (the ITU) is concerned?
>
> Mr. O'KEEFE. We did not * * * as a matter of fact most of the Chicago publishers, or all of the Chicago publishers, I would say, would prefer to continue a closed shop if it were legal.
>
> Mr. KERSTEN. The reason for that is that this particular union has been a long-term institution that has a certain amount of tradition behind it, a considerable amount, and it is a responsible union, and under those conditions a closed shop has worked out so far as the Chicago publishers are concerned, is that right?
>
> Mr. O'KEEFE. Yes; it has.

The experience of the International Typographical Union under the Taft-Hartley Act is the outstanding example of the disruptive effects of the Taft-Hartley closed-shop prohibition. The typographical union has been subjected to 18 charges, 9 complaints, 1 injunction suit, 1 contempt action, and 2 damage suits. Yet this is the same union that 2 years ago was hailed as the finest union in the world; this is the same union that had a record of labor-management peace second to none, the same union which was looked upon as one of the most responsible and one of the most honorable and effective unions in the world. Yet under the Taft-Hartley Act, which has as its theoretical purpose the promotion of union-management peace and the im-

provement of relations between employer and employee and the development of an amicable, friendly atmosphere for labor-management relationships, we find that the typographical union has been subjected, as I have said, to 18 charges, 9 complaints, 1 injunction suit, 1 contempt action, and 2 damage suits, and has been forced to participate in 8 strikes, and has been compelled to spend more than $11,000,000 to resist the attacks upon its security.

Too many have failed to recognize the importance of union security to the maintenance of stable labor relations.

The impact of the Taft-Hartley Act and the Taft amendments on union security is further aggravated by those provisions which permit more restrictive State laws to prevail over the Federal statute. The result is that employers and unions in interstate industries are governed by conflicting rules in the different States where they operate. A multiplicity of standards applicable to these employers and unions is hardly conducive to stability in labor relations. Particularly when American industry has its plants and its processing firms located all over the Nation, and when great industry is negotiating with large unions in the same type of production process, it is of the utmost importance that there be a uniformity of standards. If we are to have a labor policy which is national in scope, rather than 48 different labor policies, it behooves us to supplant any State laws which seek to regulate or prohibit union security agreements in interstate industries in a manner inconsistent with whatever policy we may establish. Either Congress should establish a uniform Federal policy in this admittedly Federal field or we should leave the entire matter of labor legislation to the States—either one or the other.

Mr. President, a word about the tactics employed by those who seek to legislate the closed shop out of existence. Many of them—not all—parade as the high-minded defenders of the individual, unorganized worker, and cloak themselves with the noble, attractive slogan of "the right to work." I say, Mr. President, that I know of nothing more revoltingly sanctimonious on the American scene today. One look behind the cloak will show that these pretenders to such touching solicitude for the unprotected worker are the same forces who have bitterly resisted and sometimes blocked every social or legislative movement designed to improve the lot of the American worker, farmer, and small-business man.

Let us carefully analyze the full significance of that slogan, "the right to work." What does the "right to work" really mean? Are those who so noisily proclaim its desirability prepared to go the whole way? Are they prepared to lay down a great national policy not only of the right to work but of jobs on which to work? Are they prepared to call on the Congress or on the various State legislatures to guarantee that every able-bodied citizen shall have a job—a job of his own choosing?

Everyone of course will admit that full employment is a worthy national objective, but I wonder whether those who talk about "the right to work" are willing to have the right to work without discrimination because of race, color, or creed? Are they willing to adopt a full employment bill on the part of the Congress as a national policy which will see to it that every individual in the Nation does have the right to work at a job of his own choosing, at wages which provide him with a decent standard of living? Unless that is accomplished, the phrase "the right to work" is meaningless and empty. The obvious fact is that "the right to work" is meaningless and is empty, without a job on which to work.

The major drive of almost every labor organization in this country is to obtain jobs for its present and future members, to resist the blind rush of employers to cash in on quick profits by wholesale discharges, artificial cut-backs in production, and other devices that keep profits up and wages down. We are going through some of that now. There are 3,700,000 Americans who want the right to work. I mean they want a job on which to work, which makes the right to work meaningful. These Americans have been laid off, their names taken off the industrial pay rolls, by some of those who today are talking the loudest about the right of every American to work. The truth is that those who sermonize on the sacred "right to work" really are thinking of the sacred right to starve. The truth is that the very unions who exhaust their energy and ingenuity in maintaining work are accused of feather-bedding practices and sometimes even worse.

Mr. President, when the unions asked for a 40-hour week, in order to spread the work, these great proponents of the right to work were not in favor of it. When the unions say, "Because of mechanization, we ought to have a 30-hour week, so jobs may be available to the American people," the proponents of the right to work say, "Well, that goes too far, that is too extensive; we cannot go that far." So, the right to work does not seem to mean very much. Likewise when unions have fought for the right of time-and-a-half for overtime as a penalty, which is a type of penalty payment so as to spread out the work for full-time employees, there has been bitter resistance.

Mr. LONG. Mr. President, will the Senator at that point yield for a question?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. HUMPHREY. I yield.

Mr. LONG. I wonder if the Senator has seen some of the methods used to promote the "right to work"? I know in my own State legislature people who were actually financing the "right to work" bill and seeking its enactment did not testify before the committee. They brought in pool-hall loafers who said in effect they were trying to find jobs, and could not get jobs. At the same time, all over the State there were hanging out "help wanted" signs offering jobs which these men would not take. When we really get to the facts, the reason they do not take the jobs that are available is because the jobs do not pay enough. The jobs they want are in places where the workers have organized a union and obtained better conditions. They want a union man's job, which has been made possible by men who have paid dues in order to obtain good working conditions.

Mr. HUMPHREY. I do recognize that the observation of the Senator from Louisiana is one of real merit, and refers to a situation which has prevailed in many States. I think we need to know that the principle of the right to work is based upon a productive, solvent, prosperous economy. Men had the right to work in 1932. There was plenty of "the right to work," but there were no jobs on which to work. Men have the right to work in 1949, and yet 3,700,000 people find no jobs on which to work. So really what we are getting down to is this: Here is a slogan which has been used against the unions by the very same people who fought the 40-hour week, who fought time-and-a-half payment for overtime, who fought the elimination of child labor, who fought fair labor standards, and, Mr. President, who in fact even fought the social-security program.

My predecessor in this body was one of the leading champions of the "right to work" principle. On May 12, 1947, in the course of debate on behalf of provisions of the Taft-Hartley Act designed to eliminate union security, he stated:

> Mr. President, I think that that is the real magna carta—
>
> Referring to the right to work—
>
> for the American working men and women. I object to the whole basis of compulsory membership, but I think the bill—
>
> Namely, the Taft-Hartley bill—
>
> is largely going to eliminate compulsory membership unless the union leadership is so good that a majority of all the employees want it and will get out and vote for it in a secret election. Obviously the union leaders—and I heard one of them the other night make his major argument against this provision—are quite sure that a majority of the employees are not going to want it—and I agree with them. So this provision, in my opinion, is far more the magna carta of American working men and women than is the present so-called Wagner Act.

The statistics of the National Labor Relations Board, Mr. President, demonstrate that my predecessor had never been more wrong than when he made the above statement. These statistics show that in the secret elections referred to, unions won 98.2 percent of the elections, and 84 percent of the eligible voters voted in favor of the union shop permitted by the act.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. HUMPHREY. I yield.

Mr. TAFT. Of course, our contention has always been that the union security furnished by the act, the union shop which the men voted for, is adequate union security. It is an absolute guard of union security, and, of course, the fact that the men voted for it is rather in its support than in its opposition, I should suppose.

Mr. HUMPHREY. I should like to make the observation to one of the authors of the Taft-Hartley Act that the evidence was replete, and the authors should have known about it before it was ever written into the act, that 98.2 percent of the elections were crystal clear proof of what the workers wanted, and had the authors of the act listened to labor instead of listening to some of the people they listened to, we would not have had unnecessary governmental expenditures connected with these long elections, where 84 percent of the voters who were eligible to vote voted for union security.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. TAFT. I quite agree. I have never disagreed with that. But the act was a compromise, and most of the Senators, or a majority of the Senators felt that the men ought to vote on that question themselves, and I yielded to that persuasion. However, the Senator I suppose is familiar with the fact that under the regulations of the State laws, and under the Wagner Act itself, the Supreme Court of the United States by a vote, as I recall, of 8 to 1, held that State laws prohibiting union shops were perfectly legal under the Wagner Act. Is not that a fact?

Mr. HUMPHREY. The junior Senator from Minnesota is very familiar with that. Under the Wagner Act there was no legislation pertaining to State laws. Where there is an absence of legislation, of course the Supreme Court rules that the States' action prevails. But the Supreme Court has also ruled, and it is clear and conclusive constitutional law, that in the field of interstate commerce the Federal Government can legislate. What we are doing in the Thomas bill is to legislate, within a field which is constitutional, which belongs to the Congress. The Supreme Court will uphold the right of the Congress to legislate in that particular field.

Mr. TAFT. Is the Senator also familiar with the general attitude taken, for example, by Mr. Justice Brandeis and Mr. Justice Frankfurter, particularly as reflected in the decision by Mr. Justice Frankfurter, in upholding the State laws prohibiting the closed shop?

Mr. HUMPHREY. The junior Senator from Minnesota is familiar with the comments of the late Justice Brandeis and of Justice Frankfurter. He is also fully familiar with the fact that the Congress of the United States has the right, under the Constitution of the United States, to legislate in the field of interstate commerce, and he is not going to permit either himself or the public to be deluded into believing that because the Supreme Court, under the Wagner Act, upheld State laws, under this bill the same thing will be done, or that that should be the principle. Without any express affirmation on the part of the Federal Congress, the Supreme Court upheld the constitutionality of State laws. Distinguished lawyers in this body know that, and they should not delude the American people.

Mr. TAFT. I do not quite understand the Senator's statement on that point.

Mr. HUMPHREY. To delude the American people into believing that under the Wagner Act the same thing was done as has been done under the Taft-Hartley Act.

Mr. TAFT. What I wanted to point out was that while the Wagner Act authorized the closed shop, it took no position whatever——

Mr. HUMPHREY. As we have matured through experience, we say we should take a position, for the same reason that we have a national policy on social security, a national policy on fair labor standards, a national policy in reference to the control of narcotics, a national policy with reference to taxes. I may say to the distinguished Senator from Ohio that, in the absence of Federal law for the control of narcotics, State laws would be upheld. The reason why the Wagner Act did not legislate in this field was because at that particular time it was felt it was not necessary; but the record of today proves it is necessary.

Mr. TAFT. Does the Senator from Minnesota agree with the following conclusion of Mr. Brandeis, quoted by Mr. Justice Frankfurter in January of this year:

> The objections, legal, economic, and social, against the closed shop are so strong, and the ideas of the closed shop so antagonistic to the American spirit, that the insistence upon it has been a serious obstacle to union progress.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. Is the Senator from Minnesota aware that some time after Justice Brandeis wrote this statement he acted as the impartial arbitrator for the Women's Clothing Industry in New York City, and in that capacity he obtained the consent of both the union and the employers to a preferential union shop, namely, that the union would first refer candidates for employment to the employer, and he would take them, and that only after the submission of union members to the employer had been exhausted and the firm still needed employees, were employers permitted to take nonunion employees? Is he further familiar with the fact that this union preferential shop, over a period of time, has become virtually a closed shop, and that Brandeis was its father?

Mr. HUMPHREY. I am very appreciative for that historical observation. Only recently the National Planning Commission, which represents industry and labor, in a New York Times article issued in the month of February, which was introduced in evidence in the hearings, pointed out that the pattern of the closed shop in the garment industry was a model pattern in the United States, and that it should be restored as a means of good, sound labor-management relationship.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. LONG. I certainly hope that neither the Senator nor anyone else is confused regarding the right of Congress to legislate in the field of the closed shop, insofar as it affects interstate commerce. Certainly if the Taft-Hartley law can say a State cannot have a closed shop, even if the State wants it, then the Thomas bill can go in the opposite direction and provide that if a State does not want it, it must have it anyway. What is good for the goose is good for the gander; if it works in one way, it works in the other way. I do not see that there is any reason why it cannot be done.

Mr. HUMPHREY. I am very grateful to the Senator from Louisiana.

Not only was there prohibition against the closed shop, but it was provided that any State law which was more restrictive, more arbitrary, would be the law insofar as labor-management relationships were concerned. This great friend of labor said, "If you can find us a law that is worse, we will make it the law of the land." That is what the Taft-Hartley Act said. We say we are going to legislate in a field in which we should legislate, and not permit workers to be placed under the impact of a law which is given respectability, if we can call it that, by the Taft-Hartley Act, by saying to the State legislatures, "Pass the most iniquitous piece of legislation you can find, if you can do worse than we did, which is a job in itself, and we will make it the law of the land." That is not a principle which promotes friendly relationships. I think it clearly sets forth the attitude which was prevalent when the Taft-Hartley Act was placed upon the books.

INJUNCTIONS

Mr. President, I desire now to refer to that very great and controversial issue known as the injunction.

In 1932 the use of injunctions in labor disputes was, at least so it was thought, effectively laid to rest by the Norris-LaGuardia Act. As stated by the Supreme Court in the case of Milk Wagon Drivers Union against Lake Valley Farm Products, that act was the culmination of a bitter political, social, and economic controversy extending over half a century. In 1947 that controversy was—quite unnecessarily and quite recklessly—fully revived by the Taft-Hartley Act. In other words, that great mandate on the part of the Congress to the working people of America, the Norris-LaGuardia Act, passed under the administration of a Republican President, has been thrown aside. One of the authors of that act was George W. Norris, the great, venerable saint of the Midwest, who worked so hard in this Chamber, and the other was that great humanitarian, that great mayor of New York City, Fiorella H. LaGuardia. They had the kind of a philosophy which this country needs—not the philosophy of the Taft-Hartley law, but the philosophy of understanding, of friendship, and of peace.

I know, Mr. President, that the Taft-Hartley apologists will take exception to that statement. They have repeatedly asserted a vast distinction between the pre-Norris-LaGuardia and the post-Taft-Hartley injunction. They say that Norris-LaGuardia put an end to private employer injunctions but did not touch Government injunctions, and that Taft-Hartley continues the same scheme. But they are wrong, woefully wrong.

I think it is apropos, Mr. President, to say that the wolf changes its fur, but it never changes its mind. I submit that we can change some of the titles, but the same old principle and the same old philosophy are there. The Taft-Hartley Act philosophy is that of the pre-Norris-LaGuardia era, the philosophy of bitterness, of injunction, of inequity, the philosophy which was repudiated by former President Hoover and repudiated by the Congress in 1932; a philosophy repudiated by both the Republican and Democratic Parties, until one of them got hooked in with the Taft-Hartley Act by some strange quirk. Both political parties were opposed to government by injunction, until 1947, and then the keeper of the keys, the NAM, walked back in, opened the doors, and took over.

Nothing is more demonstrably certain than that the Congress in 1932 deliberatively terminated the power of the Government to obtain labor injunctions.

Why this purposeful action by Congress? For the all sufficient—the excellent—reason that some of the most outrageous abuses of the labor injunction were perpetrated in cases instituted by the Government.

This should be good doctrine for many folks. There are always people worrying for fear the Government is going to regiment us, there are always people worrying for fear the Government is going to socialize us. I know of no better way of being socialized than having an injunction applied to us. We are really under the control of the Government then.

Those who are worrying about the Government going to socialize somebody because it is going to help the farmer with a little price support, are the same people who would deliberately put the American worker behind the eight ball of a court injunction, which is not only a step toward socialization, but which is a contemptible type of legal totalitarianism, forcing a man to work against his will.

I present my colleagues a strange paradox: The great defenders of the free way of life are the very first ones to deny freedom to individuals who want to live. The great defenders of free economy, who want competition, who want people to have a chance to express themselves, are the very first to argue for the right of the Government to get an injunction to hold a man in his place against his will. What kind of consistency is that? It is the consistency of the selfish to have their selfish way.

The first important labor injunction in this country was the notorious Debs injunction—the one obtained by the Government in the Pullman strike of 1894. That injunction, as Mr. Justice Brandeis describes it in Truax against Corrigan, precipitated "storms of protest" over the perversion of an equitable remedy in a manner that "endangered the personal liberty of wage earners."

The clamor for relief almost immediately found political support. By 1896 the Democratic Party denounced labor injunctions as a highly dangerous form of oppression. Just 12 years later, beginning in 1908, the Republican Party, too, advocated the elimination of the abuses inherent in labor injunctions. That is a normal timetable of Republican backwardness.

A flood of legislative proposals was introduced and discussed in Congress. As Justice Brandeis observed, "These legislative proposals occupied the attention of Congress during every session but one in the 20 years between 1894 and 1914."

At long last, in 1914, Congress enacted the Clayton Act, which was described by President Wilson as "a veritable emancipation of the workingmen of America," and was hailed by Samuel Gompers as "the industrial magna carta upon which the working people will rear their construction of industrial freedom." But the hopes thus engendered proved wholly illusory. They were completely frustrated by the interpretation placed by the courts on the Clayton Act.

Inevitably, the failure of the Clayton Act to accomplish its plain purposes renewed, with even greater force, the agitation against injunctions in labor disputes. Beginning with the Sixty-sixth Congress, numerous bills seeking to offset the crippling effects of the decisions of the Supreme Court were introduced. These eventuated in the Norris-LaGuardia Act of 1932. And throughout that period, up to and including the Congressional debates and committee reports on Norris-LaGuardia, the injunction against Debs obtained by the Government continued, in the words of one representative active in the debate as "the cause célèbre from which sprang the agitation to destroy the power of the Federal courts to issue such—labor—injunctions."

Let us not delude ourselves; the Congress through the many years, from 1894 on, argued year in and year out for the right of the Congress to deny the courts the power to issue injunctions on the part of the Government against employees

Perhaps no injunction was more bitterly assailed during the same debates than that issued by Judge Wilkerson, on the request of Attorney General Daugherty, during the railway shopmen's strike of 1922. Representative LaGuardia, for example, stated:

> Let me tell you how that was obtained—this is not hearsay, not from what somebody else tells me, but from the inside story as told by Harry Daugherty himself. * * * Daugherty says in his book: "After looking around for a judge, Judge Wilkerson was finally accepted. He was out of the city, but came back to Chicago. I * * * was most fortunate in getting Wilkerson. He had long been in the service of the Government as district attorney. * * * He agreed with me on every point and granted the temporary injunction without a minute's delay."

That is justice, Mr. President, that is wonderful justice, the Attorney General of the United States finding a friendly judge, and, without a minute's delay, they agreed to do what? To deny the workers the right even to strike. That is not a matter of hearsay, as the distinguished LaGuardia said, it is a matter of record, the printed word of the former Attorney General himself.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not a fact that in the Wilkerson injunction the union officials were prohibited from communicating with their members?

Mr. HUMPHREY. The injunction was so sweeping that for all practical purposes it put the unions into complete, total silence and inactivity. I dare say hardly any injunction has been so sweeping. That is why labor fears injunctions. This is not a theoretical discussion, to be conducted in the classroom. This is a part of the life of laboring men. They know what it means to have suffered from the injunction, whether it is obtained from an employer going to the district court, or by Government.

Even stronger, Mr. President, was the published criticism of Professor—now Mr. Justice—Frankfurter, who is recognized as one of the leading authorities on the labor injunction, and who was heavily relied upon by Congress in enacting the Norris-LaGuardia Act.

He wrote—see his work entitled "Law and Politics," at page 218:

> Never in American history has an appeal by the Goverment to the courts * * * been received with such widespread condemnation as the injunction granted to Attorney General Daugherty at Chicago. Criticism does not abate with time nor with reflection.
>
> The simple truth is that Harry M. Daugherty * * * with the complicity of Judge Wilkerson, has set himself above the Constitution. * * * What's the Constitution between friends—even though one of them happens to be the Attorney General of the United States and the other a Federal judge.

Small wonder, Mr. President, in the face of that background, in the face of the congressional debates, and in the face of the plain language of the statute, that the Supreme Court, in a per curiam decision, in the case of *United States* v. *American Federation of Musicians* (318 U. S. 741), unanimously ruled that the Norris-LaGuardia Act barred the Government from obtaining labor injunctions in disputes between private employers and employees.

What gives me serious pause is the callous manner in which the foregoing history has been forgotten or perverted. What gives me equally serious reflection and concern, Mr. President, is that this story, which is written in the pages of American history, has not been told, as it should have been told, again and again to the American people.

They have been led to believe that the injunction is a fair and equitable tool of government. They have been led to believe that injunctions which oftentimes have been termed "temporary" are really temporary, being in effect for 2 or 3 days, or a day. But the record is replete with facts indicating that injunctions were neither fair nor were they the equitable tools of government, nor were they brief in their duration.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. HUMPHREY. I yield.

Mr. TAFT. What is the Senator's view on the question, which has been debated here already, as to the President's inherent right to secure an injunction without a statute in connection with what he deems to be a national emergency? Does the Senator think the Government has the right to secure an injunction under those circumstances?

Mr. HUMPHREY. I shall be very glad to give the Senator from Ohio my observations on that subject. Not being an attorney, but just one of those who has been interested in the field of administrative law, and being also one who is interested in the Constitution, I would make this observation.

Mr TAFT. Mr. President, will the Senator again yield?

Mr. HUMPHREY. Yes, I yield.

Mr. TAFT. The Senator from Minnesota has shown such wide knowledge of the cases he has cited, and of the various legal principles he has discussed, that I thought he was a lawyer.

Mr. HUMPHREY. I may say to the distinguished Senator from Ohio that I am gratified by his compliment. I did take basic courses in constitutional law, and I wish some of my professors were here today to see how well their pupil is doing. [Laughter.]

Referring to the question asked by the Senator from Ohio: Does the President have inherent powers to obtain injunctions? I am not a member of the Supreme Court. I have not been asked to rule on this subject as a member of the judiciary. So rather than try to distort the meaning of the Constitution, I may say that I think the right to use the injunction, or the inability to use the injunction, should be a matter of congressional legislation. In other words, I do not want to have invested in anyone a sort of power which may be in the air somewhere, but with respect to which Congress has not legislated. I am opposed to the injunction, and I am so opposed to it I want Congress to reenact the Norris-LaGuardia Act, and then we will know there is no power of injunction. We cannot always be sure that as a result of what occurs on a certain day in November a great humanitarian President will always be in the White House. It may happen sometime that we will be brought back to the point where we were some years ago—and I take Senators back to 1932, lest there be any doubt as to the meaning of my observation—and therefore the junior Senator from Minnesota says frankly that the job of this Congress should not be that of thinking about whether or not the President has the right to use the injunctive process, whether he ought to have it, or whether it is implied or inherent. Let us not worry about that. Let us simply outlaw, not only for the employer, not only for the Attorney General, but for the President and all his agents, the power of injunction, and that will save us a great deal of trouble. That is not a radical suggestion. That is not something new. I want to return to good Republican doctrine, to the Norris-LaGuardia Act.

Mr. TAFT. Mr. President, will the Senator again yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. The Senator then, would have us amend the Norrris-LaGuardia Act to make it perfectly clear that it applies to the Government as well as to private employers.

Mr. HUMPHREY. I may say to the distinguished Senator from Ohio that I can hardly concur in what he has said. Apparently he has not listened to the dissertation I have given.

Mr. TAFT. The Senator read from the coal case, but in that case the Supreme Court avoided that question, and based the right of government injunction on the fact that the employees involved were technically at that time employees of the government, which was operating the coal mines. But it seemed to me there was a very considerable legal doubt under that opinion as to whether the Government was barred by the Norris-LaGuardia Act.

Mr. HUMPHREY. I should like to state my point of view to the Senator from Ohio. The Norris-LaGuardia Act denies to the Government the right of injunction. It denies the right of injunction for an employer. It outlaws the use of injunctions. Six of the Supreme Court justices expressly stated in the Mine Workers case, the one referred to by the Senator from Ohio, that the Norris-LaGuardia Act did apply where the Government sought an injunction in a private dispute. This happened to be, as the Senator pointed out, a situation where the Government could seize, own, and operate, in which event the employees become the employees of the Government of the United States. But I may say that even there, the junior Senator from Minnesota says, if there is to be seizure, I want it written into the law what the rights of the workers will be under seizure. I want no Houdini principles in legislation. I want to know what the legislation means.

Let us not confuse the issue. Under the Taft-Hartley law the injunction was not used only when the Government was theoretically, or, let me say, in fact operating the business. Let us not permit the issue to be beclouded. Under section 10 (l) and section 10 (j) of the Taft-Hartley Act the Government of the United States obtained injunctions for the employer against the worker.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Of course, the Senator is not distinguishing between the two situations. In a national emergency the Taft-Hartley Act simply gave the Government the right to secure an injunction in the public interest, with no relation to the private employer. Is not that a correct statement?

Mr. HUMPHREY. I would say it was a statement, but I would not say it was correct. I will say it was not correct because, first of all, what is basically the public interest? The Government was not operating the ships in the case of the Pacific longshoremen's strike or in the case of the Atlantic longshoremen's strike. The Government said in effect that a national emergency existed in both cases, and the national emergency provisions were made use of in behalf of the employers, supposedly in behalf of the public interest. Since none of the strikes were settled under the Taft-Hartley Act I do not see how the public interest was protected.

I refer the Members of the Senate to page 37 of Report No. 99 of the Eighty-first Congress, first session, on the National Labor Relations Act of 1949, where the following appears:

> William H. Davis, former Chairman of the National War Labor Board and an acknowledged impartial authority in this field, testified before the committee on February 7, 1949, that:
>
> "The record on this subject is absolutely clear. As I have pointed out, there has not been a case under the Taft-Hartley law in which a settlement has been reached during the cooling-off period under an injunction, because in the coal case there was no cooling-off period, there was a strike. In the other three cases it did not settle them. Well, why? Because men are not encouraged to be reasonable and to reach an agreed settlement when they are under order of the court to work for a private employer, whether they want to or not. The evidence shows that that is not a good way to get a cooling-off period."

I say to the distinguished Senator from Ohio that when they are under the order of a court to work for a private employer, whether it be called in the public interest or whatever it may be called, I call it public skulduggery. That is what it amounts to.

I read further from page 37 of the report:

> This record of experience under the emergency provisions of the Labor Management Relations Act, confirms the appraisal made by Dr. William M. Leiserson, long recognized as one of the leading authorities in this field, that "the emergency procedures just went haywire, * * * having no relation to the realties of what happens at this point in the labor-relations picture."

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Am I to understand, then, that the Senator from Minnesota not only wants to repeal the Taft-Hartley Act on the subject of injunctions in labor emergency disputes, but he also wishes to make it perfectly clear by statute, by reenactment of the Norris-LaGuardia Act, that the President has no inherent power to seek an injunction in the absence of seizure of operations by the Government? Is that the Senator's position?

Mr. HUMPHREY. That is the Senator's position, and, of course, the Senator will be delighted to have others concur with him. He will be delighted to have reenactment of the Norris-LaGuardia Act, which can well be done without too much confusion, by repealing the Taft-Hartley law and getting back to basic principles of labor-management law.

With reference to what we have been speaking of, I should like to quote from the hearings of the Committee on Labor and Public Welfare, part II, February 4, 5, and 7, 1949, where the distinguished Senator from Ohio had this to say to Mr. Davis:

> Senator TAFT. Mr. Davis, that question had not been raised, I just interrupt you to re-

mind you. I was anxious to try to limit this thing just as much as possible. In other words, I feel that the inconvenience of the strike was no reason for declining it, and I tried to make it just as narrow as it could be, and I must say that I agree with you that it has been used in cases beyond what I thought it should be used in.

I thought it was just a fundamental kind of thing, like a railroad strike which would close everything down.

That refers to the use of the national emergency provisions of the Taft-Hartley Act in ways which may be called public interest ways. Even the distinguished Senator from Ohio felt that the provisions had been used in an unexpected manner.

Mr. President, I desire to make some general observations on the historic significance of the injunction and the lesson learned from injunctions after the breaking away from the Norris-LaGuardia Act, and going back to pre-Norris-LaGuardia conditions.

There is little hope for constructive progress if we are thus to ignore the important lessons learned with such difficulty only yesterday. Particularly when, as in this instance, the lesson concretized and reaffirmed the fundamental tenet of our revolutionary fathers that tyrany flourishes where courts of justice do the bidding or give preference to the petitions of the executive.

It is true that the Taft amendments would eliminate the peculiarly offensive and one-sided mandatory injunction under section 10 (l). That is an admitted improvement. It is one of those things for which we are very grateful. But it merely removes an irritating detail while perpetuating an odious practice. There was no mandate on the Attorney General to apply for the Debs and Wilkerson injunctions. The Attorney General had discretion, as is provided for in the Taft amendments. Experience to date under the Taft-Hartley Act's permissive injunctions does not inspire confidence that the abuse will not be repeated.

I mention this because the Senator from Ohio has an amendment which would do away with section 10 (l). Section 10 (l) was so patently unfair, that anyone would want to do away with it. It provided for a mandatory injunction in the case of unfair labor practices on the part of the employee. There was no mandatory injunction in the case of unfair labor practices on the part of the employer. If the employee did something, the courts went to work immediately. If the employer did something, the case went to the bottom of the list, and 2 years later we might hear about it. That is a 50–50 proposition—one horse and one rabbit.

It has been stated that the amendment which has been offered is a conciliatory amendment—a compromise. I say that it is nothing but a fraud. Why? Because that which is mandatory under the Taft-Hartley Act will become discretionary. Surely the evidence has convinced all of us that what may be discretionary can be just as mandatory as even the prescribed mandatory provisions.

At the outset under the Taft-Hartley Act, General Counsel Denham solemnly announced that he considered the vast authority vested in him by section 10 (j), which is the discretionary injunction, to be "a very sacred trust." He said that he would use it sparingly, and only "where either a large segment of the public welfare is in danger or where life and property are seriously and in reality threatened or where there is a principle involved that will result in substantial and widespread irreparable damage or injury of more than a merely private nature."

These are very high-sounding words; but let us consider some of the pressing issues which led the general counsel to use this "sacred trust." One case involved the retail meat departments of only 11 A. & P. stores out of the 5,000 stores which comprise the national chain. Look at the situation. With 11 meat markets on strike out of 5,000 great super markets, the general counsel feels that it is a case calling for the exercise of his "sacred trust," and that it is a pressing issue calling for resort to the powers of the injunction.

The "sacred trust" was resorted to in the International Typographical Union case, on the ground that there would be paralysis in the newspaper industry, although newspapers printed by substitute methods had continued to reach readers in the Chicago area throughout the period of the strike.

Another of the great public welfare cases involved the operations of a small motor carrier doing a negligible volume of interstate work. In a companion case there had been a temporary cessation of deliveries to the shipping dock of a single store in the multiple Montgomery Ward chain. The Government of the United States was called in because there was a stoppage at the shipping dock of a single store in the great Montgomery Ward chain.

Not one of these cases involved danger to "a large segment of the public welfare" or "substantial and widespread irreparable damage or injury of more than a merely private nature."

Nor is it any answer to say that under the Taft amendments injunctions will be equally available against employers. Experience to date indicates that they will be sought far more frequently against unions than against employers. Two wrongs do not make a right. The argument is, in effect, that since we have wronged labor, the way to make it good is to wrong the employer. Then twice as many people would be unhappy. So far only two injunctions have been sought against employers, as compared with 41 against unions.

More important, however, is the fact that in the very nature of things injunctions operate more oppressively against unions than against employers. The reason is quite obvious. Injunctions deprive unions of the only weapons they have in labor disputes—the strike, the picket, and the lawful boycott. It is axiomatic that in most instances a strike temporarily delayed will be completely defeated because of the delay.

The public has been told repeatedly that, after all, these injunctions are only temporary, and that the men can go back and fight for their rights. Mr. President, a strike is a weapon for economic purposes, to gain an end or an objective. An injunction against a strike would be like an injunction against a field commander who is trying to get the advantage of a quick strategic forward movement. He would be told, "Wait a minute; we are going to take about 3 months off, until we get our troops lined up, and then we will have a good war."

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Does not the Senator distinguish between strikes which are not covered by any of the cases which the Senator has cited, and secondary boycotts against third parties, who are not involved in the dispute? Every case which the Senator has been citing has been a case of a secondary boycott, in which the injunction is not against a strike, but against interference with a third party, with whom the strikers have no direct relationship.

Mr. HUMPHREY. I wish my mental processes worked in such a way that I could dissociate what is actually happening in a strike with what is happening in the rest of the community. If there is a little strike which involves the public welfare, it is made to appear that it involves the whole Nation. The Senator from Ohio must admit that the boycott is a fundamental part of the economic dispute pattern.

Rather than deal with this subject by way of extemporaneous, spontaneous, and sporadic statements, the junior Senator from Minnesota has prepared an exhaustive study on the subject of secondary boycotts. I am within two paragraphs of reaching that point.

I shall continue by referring to what the Senate committee had to say in reference to the Norris-LaGuardia Act. I quote from the Senate committee report:

> The suspension of strike activities, even temporarily, may defeat the strike for all practical purposes and foredoom its resumption, even if the injunction is later lifted (S. Rept. 1060, 71st Cong., 2d sess., p. 201).

Let us not maintain the hated and hateful injunction as a weapon in American industrial conflicts. In the exceedingly apt language of Mr. Justice Frankfurter in 31 Columbia Law Review, page 385, we find this statement referring to the injunction:

> It does not work. It neither mines coal, nor moves trains, nor makes clothing. As an adjustor of industrial conflict the injunction has been an utter failure. It has been used as a short cut—but it has not cut anything, except to cut off labor from confidence in the rule of law and of the courts as its impartial organs. No disinterested student of American industry, or of American law, can have the slightest doubt that, beginning with the Debs case, the use of labor injunctions has, predominantly, been a cumulative influence for discord in our national life.

Then Mr. Justice Frankfurter goes on to say what is patently clear about the injunction:

> It neither mines coal, nor moves trains, nor makes clothing. As an adjustor of industrial conflict the injunction has been an utter failure. It has been used as a short cut—but it has not cut anything, except to cut off

labor from confidence in the rule of law and of the courts as its impartial organs.

That sentence—that the injunction has "cut off labor from confidence in the rule of law and of the courts as its impartial organs"—is most important, for I submit that in these days of doubt and uncertainty, the courts of the United States must stand lily white in their justice and their equity. Profound students who have studied the record find that, instead of that, the ordinary people of the United States, if such practices continue, will be led to believe that the rule of law is not fair and that the courts are not impartial.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Does not that fairly well illustrate the old adage that you can lead a horse to water, but you cannot make him drink? In other words, you can put a man in a coal mine, but you cannot make him mine coal. So if a man is made to go into a coal mine, and if he then acts in a rather lackadaisical way, he can be fined, perhaps, and can be put in jail, but that does not result in the mining of coal.

Mr. HUMPHREY. That is correct, and the ultimate result is to implant bitterness in the hearts of many of the American people. Today there are large numbers of them who have in their hearts a bitterness against the judicial process and the rule of law, as a result of that situation.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THOMAS of Utah. I think the Senator from Minnesota is about to take up the subject of secondary boycotts; is he not?

Mr. HUMPHREY. That is correct.

Mr. THOMAS of Utah. I wonder whether the Senator from Minesota will yield, to permit me to suggest the absence of a quorum, so that other Senators may hear this important part of his speech.

Mr. HUMPHREY. Mr. President, I am very grateful to the Senator from Utah for that suggestion. I think he is a little more optimistic than I am as to the number of Senators who will remain in the Chamber to hear my remarks. However, I yield, with the understanding that I do not lose the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll, and called Mr. AIKEN'S name.

Mr. TAFT. Mr. President, I object.

Mr. LONG. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. The call of the roll has already been begun.

Mr. HUMPHREY. Mr. President, let me say that I feel very well today; and if the Senator who made the suggestion of the absence of a quorum will withdraw the suggestion, I shall be very happy to proceed, because those who need the information are here, and we should continue the proceedings.

Mr. TAFT. Mr. President, my position is that this bill has now been before the Senate for some 8 days. Apparently those who are in favor of the bill have occupied the floor practically all of that time, with the exception of 40 minutes, I believe. I do not know that they are filibustering against a vote on the bill; but I feel that the rule as to the number of times a Senator may speak in 1 day on the same subject should be enforced, and that therefore if a quorum call is had now, and if thereafter the Senator from Minesota is recognized again—as I have no doubt he will be, and I have no objection to his being recognized when the quorum call is over—that will be the second time he will have spoken on this subject today. Certainly we should not, by a series of quorum calls, permit a Senator to speak a number of times on the same subject on the same day.

The PRESIDING OFFICER. In view of the objection, does the Senator from Utah withdraw his suggestion of the absence of a quorum?

Mr. THOMAS of Utah. Mr. President, I should like to say just a word, and I think I am entitled to that. It has been my understanding all the time that a Senator who speaks at some length may have one quorum call, and that does not in any way interfere with the rules.

I agree with all that has been said. The debate has proceeded for quite a long time, and many Senators have not been in the Chamber during all this time. But there has been no filibustering, as everyone knows; and not an ungermane sentence has been uttered, as everyone knows.

My purpose in suggesting the absence of a quorum was, not to cause delay, but to be fair to those who are attempting to explain the bill and are attempting to give the reasons why the Taft-Hartley law should be repealed.

However, if the Senator from Minnesota does not wish to be interrupted, I shall be very glad to withdraw my suggestion of the absence of a quorum.

Mr. TAFT. Mr. President, my only objection is based on the theory that the result of agreeing to the unanimous-consent request—whatever it was—which was made would be to set aside the rule which would make the next speech of the Senator from Minnesota his second speech today. Certainly I have no objection to having one quorum call; but if we are going to go on to three quorum calls, I think the same speaker should not be permitted to continue indefinitely.

Mr. LONG. Mr. President, I should like to state at this point that if the Senator from Ohio thinks he is going to keep the Senator from Minnesota from talking as much as he pleases, he had better think again, because there are six or eight amendments pending to this measure, and the Senator from Minnesota can speak on each one of them if he wishes to do so, and thus could consume about 12 days of speaking time, if he would like to do so.

Mr. HUMPHREY. Mr. President, I am glad to continue speaking. I think we are now in a frame of mind to discuss secondary boycotts. I say that in a discussion of the length of the one in which I have been engaging, it is not easy to analyze and discuss 100 mistakes of the Taft-Hartley law without spending some time on them. If we were to discuss something which was commonly agreed to by all, of course, that would not take much time.

But, Mr. President, after all, the matter of time could well be referred to. I was trying to refer to the Taft-Hartley law in connection with the International Typographical Union case, where there was a temporary injunction which went into effect on March 27, 1948, and still is in effect. So, evidently, time has not been given too much consideration in connection with the Taft-Hartley Act.

I am now endeavoring to present a complete discussion of some of the important points of that piece of legislation.

SECONDARY BOYCOTTS

I shall refer now to secondary boycotts. I realize that subject is a highly controversial one. I also realize that this matter must be brought out into the open. I do not pose as having the answers to all these problems. In this portion of my remarks I am endeavoring to place this problem before the Senate and to ask Senators for their fair and honest consideration of it, because all too often the matter of secondary boycotts has been brushed aside as if it were a complete evil. The Thomas bill deals with that subject, as we all realize. Mr. President, this discussion of secondary boycotts is presented for the purpose of having the subject brought up and considered on the floor of the Senate, so that we may see whether the approach which has been made to it in the Taft-Hartley Act is the proper approach in the public interest and for the welfare of the participating parties.

The Taft-Hartley Act sweepingly prohibits all forms of secondary boycotts, without attempting to distinguish between those which are justifiable and those which are not. When I say "justifiable," I mean what I regard as justifiable. In addition to this indiscriminate prohibition, the act further provides for triple penalties against those unions which engage in such forms of union activity: First, the union is guilty of an unfair labor practice; second, the Board must petition the court for injunctive relief pending the Board's final adjudication of such cases; and third, the union is subject to damage suit by any person injured by a secondary boycott.

The Taft amendments retain all of the Taft-Hartley Act's prohibitions on secondary boycotts with the narrow exception that a secondary boycott is, in limited circumstances, permitted against work transferred from a struck plant. As already indicated, the Taft amendments eliminate the mandatory injunction in boycott cases, but provide for injunction at the discretion of the Board.

The effect of this broad prohibition of secondary boycotts has been drastically to curb resort by unions to legitimate economic sanctions. As of February 1, 1949, injunctions had been sought in 33 cases involving the secondary-boycott provisions of the Taft-Hartley Act. This is but a small percentage, however, of the number of cases in which secondary boycott charges have been made and in

which the possibility of the issuance of an injunction caused unions to discontinue legitimate secondary activities.

In other words, the threat of the injunction was as effective as the injunction. The threat of the injunction was used in many instances where there was a legal right to undertake a boycott, but rather than run again into the arm of the law, and be placed in public view as breaking the law, the union abstained from the practice, and the injunction was not issued.

One of the few boycott cases which has finally been decided by the Board illustrates all the evils of the secondary boycott provisions of the Taft-Hartley Act. That has been one of the real problems under the act, in getting around to a decision. The injunction is used. The whole thing is in line with the hope that the Board will decide as in the ITU case; but no decision. Finally we have one, and I refer to the Wadsworth Building Co. case.

In this case a building contractor used the products of a manufacturer of prefabricated houses who refused to deal with the carpenters' union. The carpenters picketed the contractor and placed his name on the unfair list. In addition, a single union carpenter left the employment of the contractor.

The decision of the Board, and the injunction which was issued in anticipation of it, held that an employer who aids another to undermine a union's conditions is immune from peaceful pressures of the union.

All that was here involved was a simple, peaceful refusal by workers to handle a product which they rightfully believed threatened their welfare and their union. Yet this, under Taft-Hartley, was held to be unlawful subject to the severe penalties I have described.

In reaching its conclusion, the Board was forced to the startling holding that the free-speech provision of the Taft-Hartley bill, about which so many eloquent statements have been made, does not protect the freedom of the organized worker to speak by way of picket or otherwise. The incredible philosophy of the Taft-Hartley Act appears to be that the Constitution protects the free speech only of our propertied citizens.

Another interesting phase of this decision is the holding that the quitting of work by a single carpenter is a concerted activity prohibited by the act.

I recognize, Mr. President, that there are certain secondary boycotts which are unjustifiable. Employers and the public should be protected against these types of activities. The Thomas bill, accordingly, makes it an unfair labor practice for a union to cause or attempt to cause employees to engage in a secondary boycott or a strike for the following purposes:

First. To compel an employer to bargain with one union:

(a) If another has been certified by the Board, or

(b) If the employer is required by an order of the Board to bargain with another union, or

(c) If the employer has a contract with another union and a question of representation cannot appropriately be raised under the act.

Second. To compel an employer to assign particular work tasks contrary to an award issued by the Board under that section of the bill relating to the determination of jurisdictional disputes.

But, Mr. President, the Thomas bill scrupulously avoids the blanket prohibition of all secondary boycotts. It does so, because the learned and distinguished Senator from Utah is familiar with our industrial history and with the realities of our free-enterprise economy.

The fact is, Mr. President, tnat the boycott is a vital necessity in any competitive society that pretends to offer opportunity for advancement to its working citizens. In the earliest beginnings of trade-unionism in this country, it was realized that a gain in wages and working conditions meant only bankruptcy for the employer and loss of jobs for his employees if their joint product had to compete on the same market with the products of cheap labor and substandard working conditions. The operation of a substandard plant means that the fair and humane employer desirous of maintaining decent working standards must, out of pressure of competition, either be forced out of business or abandon his fair and humane practices. Unrestricted competition among employers on wage costs leads inevitably to the establishment of the lowest wage as the prevailing wage in any given industry, and leads, also, to the continuous lowering of wages to the point of bare survival.

These stark, immutable, economic facts are in flagrant conflict with the great concepts of human rights which democracy and America symbolize.

In this crucial conflict between property and human rights, those who are on the side of humanity suffered many setbacks, largely because the courts then alined themselves with property interests. For many years the courts regarded human skill and energy as being simply an additional item of production costs and therefore gave full protection to all manufacturers who insisted upon maintaining their costs at the lowest possible level. But these judicial rulings were grossly offensive to the moral sense of America, which found its first political expression in 1914 when the Congress declared that "the labor of a human being is not an article or commodity of commerce."

The congressional declaration meant that it would no longer be the policy of the Government to encourage a system which rested on the exploitation of human beings; that working men and women could and should resist the destructive competition of cheap labor.

But the mere declaration by Congress in the Clayton Act of 1914 did not immediately terminate the conflict and bring victory for human rights. The temper of the times was not such as to allow so easy a victory; the views of the Supreme Court were still too deeply entrenched on the side of business and profits.

The two outstanding cases of that period were the Bedford Stone Co. case and the Duplex Printing Co. case.

I suggest, Mr. President, these are the cases that are literally the foundation cases in this field of boycott.

(At this point Mr. HUMPHREY yielded to Mr. KNOWLAND, and debate ensued, which, on request of Mr. HUMPHREY, was ordered to be printed at the conclusion of his speech.)

Mr. HUMPHREY. In the Bedford case members of a small union refused to work on stone which had been produced at quarries where their fellow members were on strike. A majority of the Court, in plain defiance of the express and specific language of the Clayton Act, held that that refusal constituted an unlawful secondary boycott. But Justices Holmes and Brandeis wrote a stirring and provocative dissent. They said:

> Members of the Journeymen Stone Cutters' Association could not work anywhere on stone which had been cut at the quarries by "men working in opposition" to it without aiding and abetting the enemy. Observance by each member of the provision of their constitution, which forbids such action, was essential to his own self-protection. It was demanded of each by loyalty to the organization and to his fellows. If, on the indisputed facts of this case, refusal to work can be enjoined, Congress created by the Sherman law and the Clayton Act an instrument for imposing restraints upon labor which reminds one of involuntary servitude.

I want to repeat the measured language of these two great Justices:

> Congress created * * * an instrument * * * which reminds one of involuntary servitude.

I repeat it because organized labor has been criticized for describing Taft-Hartley as a "slave-labor law," because, among many other things, it imposes the same restraints that were imposed by the Bedford decision.

The Duplex case involved this typical situation: Of the four printing-press manufacturers in the country, three were organized and one was nonunion. When the contracts with the three organized employers expired the union was informed that their employers would prefer to maintain union standards but could not do so in the face of the competition of the fourth, the unfair employer. Thus, in order to preserve the gains they had made, the union called upon its fellow members in New York and elsewhere not to install or work on the unfair printing presses.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I shall continue with my remarks, and yield at the conclusion of the discussion of the case to which I am referring.

Once again the majority of the Court found this to be an unlawful boycott, and once again Justices Brandeis and Holmes spoke out in sharp and compellingly persuasive dissent. They said:

> May not all with a common interest join in refusing to expend their labor upon articles whose very production constitutes an attack upon their standard of living and the institution which they are convinced supports it? * * * Courts, with better appreciation of the facts of industry, recognized the unity of interest throughout the union, and that, in refusing to work on materials which threatened it, the union was only refusing to aid in destroying itself.

In the Duplex case there were three union firms, there was one nonunion firm. Working conditions were not involved in the case, nor were wages. Whether the conditions were substandard or above standard was not the issue. What did Justices Brandeis and Holmes say in their great dissenting opinion?

> May not all with a common interest join in refusing to expend their labor upon articles whose very production constitutes an attack upon their standard of living and the institution which they are convinced supports it? * * * Courts, with better appreciation of the facts of industry, recognized the unity of interest throughout the union, and that, in refusing to work on materials which threatened it, the union was only refusing to aid in destroying itself.

The persistence on the part of the majority of the Court to perpetuate a repudiated doctrine aroused the just resentment of the country. In 1932 Congress responded with the Norris-LaGuardia Act, which completely adopted the reasoning and philosophy of the Holmes-Brandeis dissents. This time the victory was complete—at least until June 23, 1947. No longer did the Supreme Court have difficulty in recognizing and enforcing the elementary right of workers to protect their status and conditions by refusing to work on nonunion goods. The Court's repudiation of the old doctrine was complete and unqualified.

In the Apex case the Court declared:

> An elimination of competition based on differences in labor standards is the objective of any national labor organization.

In the Thornhill case the Court stated:

> The health of the present generation and of those as yet unborn may depend on these matters and the practices in a single factory may have economic repercussions upon a whole region.

And in the Swing case the entire Court agreed that—

> Interdependence of economic interests of all engaged in the same industry has become a commonplace.

In the language of some of our outstanding Supreme Court justices, then, the Taft-Hartley Act, by outlawing all boycotts and subjecting those who engage in them to injunctions, to cease and desist orders by the Board, and to extensive damage suits in the Federal courts, has ignored a commonplace, has shown a careless disregard for the health of the present generation, has destroyed the necessary objective of any national labor organization, and has created an instrument for imposing restraints upon labor which reminds one of involuntary servitude.

Mr. KNOWLAND. Mr. President, will the Senator yield for an inquiry at that point?

Mr. HUMPHREY. I do not have much more to read, and then I shall gladly yield to the Senator from California, the Senator from New York, and to any other Senator who wishes to continue to debate on this issue.

I say, Mr. President, that the legitimate boycott must be restored if we are not to invite economic chaos. Let us not, as the Taft-Hartley Act does, encourage large-scale migrations to low-wage areas. Let us not revive the ugly misery of the sweatshop. Let us not intensify the evil of the runaway shop. All this, and worse, will surely occur with the advent of the first sizable recession unless we do what history, logic, and simple justice mandate; unless we return to the American worker the basic right of the legitimate boycott.

DAMAGE SUITS

The Taft-Hartley Act, in addition to its indiscriminate prohibition of secondary boycotts, provides for suits in Federal courts for damages resulting from boycotts and breach of contract. These suits may be brought without regard to the amount in controversy or to diversity of the citizenship of the parties.

Doubts have been expressed by some of the lawyers who appeared before the committee as to the constitutionality of making a breach of a labor agreement subject to suit in Federal courts, regardless of the amount involved or the diversity of citizenship of the parties involved. Not being a lawyer, I shall not attempt to discuss this phase. But there are more than sufficient other reasons to object to these provisions. As Mr. William H. Davis said in his testimony before the committee:

> I do not know whether it is unconstitutional or not. I think it is wholly unnecessary and I am against it. I think it is unconstitutional. I am sure it is un-American, and it is unnecessary, and altogether, in my opinion, in a vengeful spirit.

I can think of no provision which has less place in a labor-relations statute than one which facilitates and encourages labor and management to look to the courts to settle their grievances. Sound labor relations require that employers live in good faith with their employees. Lawsuits obviously are not a means of achieving such industrial relations. This has been well stated by an authority in this field, and I should like to quote him:

> It would be unfortunate if there should develop any strong tendency to look to the Federal courts to settle questions concerning the interpretation and application of collective-bargaining agreements. A collective agreement is most workable when it is treated as a constitutional instrument or basic statute charging an administrative authority with the day-to-day application of general aims. The determination of disputes arising during this process is more a matter of creating new law than of construing the provisions of a tightly drawn document. Few judges are equipped for this task by experience or insight; in addition, they would be hampered by the restrictions and delays of legal doctrine and court procedure. Wider voluntary use of arbitration offers a more promising method of settling such disputes. (Cox, Some Aspects of the Labor-Management Relations Act, 1947; 51 Harv. L. Rev. 1274305.)

The Thomas bill proceeds on the basis suggested by Mr. Cox, namely the encouragement of the parties to resort to peaceful negotiations and arbitration to settle disputes. The Taft amendments, on the other hand, retain these punitive legalistic provisions but would place them in title I as the National Labor Relations Act, a particularly incongruous place for them in view of the policy expressed in its first section of "encouraging the practice and procedure of collective bargaining."

After all, Mr. President, the labor-management relationship is essentially a human relationship, an exceedingly difficult and complicated one. Successful adjustments in human relations can seldom be imposed from the outside. Usually, the very opposite is true. External interference in the form of compulsive laws or orders is the surest way of preventing mature, thoroughgoing adjustments. The only realistic and workable rules are those that labor and management have, themselves, voluntarily devised and accepted. That is what we mean by collective bargaining; we mean labor and management sitting down together to evaluate their joint experience and, with the application of reason and good will, working out together their joint problems. The Taft-Hartley law completely violates those elementary principles. It imposes lawyers, the Labor Board, and the Federal courts as what I believe to be unwelcome guests at every collective-bargaining table. It takes from the persons most intimately affected, the actual parties to the relationship, every opportunity to exercise their own ingenuity in meeting their own difficulties. In a word, it completely demolishes the natural, organic development which is collective bargaining, and substitutes in its place what is, at best, a dangerous form of paternalistic statism.

Mr. President, the next portion of my remarks pertain to the Conciliation Service. I realize that the Senator from Oregon has offered an amendment to disassociate the Conciliation Service from the Department of Labor. But I believe, in order to conserve time, I shall ask that this portion of my remarks be incorporated in the RECORD as a printed statement in the context of my address.

The PRESIDING OFFICER. The Senator understands, of course, that it will be printed in small type.

Mr. HUMPHREY. I understand.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Do I correctly understand that the Senator is in agreement with the amendment offered by the Senator from Oregon?

Mr. HUMPHREY. I was just getting ready to inform Senators what the junior Senator from Minnesota's position was on the matter of conciliation service; and, since we have had a question about it, I will read it instead of having it merely printed in the RECORD.

CONCILIATION SERVICE

The conciliation or mediation services of the Government, Mr. President, raise another point of issue under the Taft-Hartley Act. Until 1947 these services were in the Department of Labor. They had been there for 30 to 40 years. So far as I have been able to ascertain from sifting the recent testimony before the Senate Committee on Labor and Public Welfare, this Service has functioned effectively in the Department of Labor during this entire period.

As all of us know, however, the Conciliation Service was nevertheless wiped out by the Taft-Hartley Act and re-created as an independent agency of the Government.

I may say, Mr. President, that this was done despite the labor-management conferences which had been held, which approved in principle the Conciliation Service being a part of the Department of Labor. That was one of the few things on which labor and management agreed upon. They agreed that it would be best to leave the Conciliation Service in the Department of Labor. But the Taft-Hartley Act made it an independent agency. This was done, then, presumably, because some employers and some of my distinguished colleagues considered the Conciliation Service a partial agency of Government—partial toward labor because the Service was in the Department of Labor and responsible to a Cabinet officer, the Secretary of Labor. Yet to my knowledge there was no reliable evidence—no concrete facts—no history of abuse or mismanagement to support this legislative action.

Now, after 2 years of independent operation of the mediation service, the Commission on Organization of the Executive Branch of the Government, the so-called Hoover Commission, has, after prolonged and detailed study, established with the greatest good sense a fundamental principle that independent agencies of the Government should be sheltered within major executive departments reporting to the President through the appropriate Cabinet officer.

In spite of this sound recommendation, some distinguished Members of the Senate continue to advocate the independence of conciliation services. Among these distinguished Senators is my friend, the very capable and able Senator from Oregon [Mr. MORSE]. During debate last week he said independence was required because some employers still felt that these services would be partial if performed through the Department of Labor. He emphasized, however, his conviction that none of the officials of the Department of Labor are partial and, if I interpret his remarks correctly, that they are impartial public servants of highest competence. At the same time, he has called for proof that the present service has been anything but impartial in any of its operations.

As I understand him, it appears to me that the able Senator from Oregon feels that the record of the 2 years is sufficiently good to justify the continuation of the Conciliation Service as an independent agency. I know that the Senator from Oregon wants an impartial agency, and if I could have revealed to me any facts which would cause me to believe that the Conciliation Service as a part of the Department of Labor would become a partial or a biased agency, I, too, would join with him in declaring for its independence; but in view of what the labor-management conference proclaimed—and in view of what the Hoover Commission has already stated, it is my considered judgment that we would be wise to strengthen the Department of Labor by returning to it the Conciliation Service.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Did the Senator say that the Hoover Commission recommended that the Conciliation Service be returned to the Department of Labor?

Mr. HUMPHREY. I said that after 2 years of independent operation of the Mediation Service, the Commission on Organization of the Executive Branch of the Government, the Hoover Commission, has, after prolonged and detailed study, established with the greatest good sense a fundamental principle that independent agencies of the Government should be sheltered within major executive departments reporting to the President through the appropriate Cabinet officer.

Mr. TAFT. The Senator has not answered my question. I asked the Senator whether he said the Hoover Commission recommended that the Conciliation Service be returned to the Department of Labor.

Mr. HUMPHREY. I repeat, that after long and detailed study, the Hoover Commission has established with the greatest good sense the fundamental principle that independent agencies of the Government should be sheltered within major executive departments reporting to the President through the appropriate Cabinet officer. I am happy to present that part of the Hoover Commission Report for the RECORD:

The question has been raised as to the restoration of the Federal Mediation and Conciliation Service to the Department, and placing in the Department, for housekeeping purposes, the National Mediation Board, which deals with labor disputes involving rail and air carriers, and the National Labor Relations Board.

The Congress is engaged in revising labor policies which will affect some of these agencies. The Commission can make no recommendations as to their organization until these questions are settled.

GENERAL COMMENT

In general, it can be said that the Department of Labor has lost much of its significance and should have restored to it the many agencies we have here recommended. This would make for greater efficiency in the Government.

Mr. TAFT. Is it the Senator's opinion that they departed from this fundamental principle in cases where they felt there should be independent action?

Mr. HUMPHREY. I think the Senator from Ohio is familiar with the fact that they did not depart from it.

Mr. TAFT. My recollection is that they did. For that reason I asked the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Minnesota was very careful to point out that the fundamental principle has been established.

The United States Conciliation Service was abolished as an arm of the Department of Labor without any proof whatever of partiality. It was given an independent status in complete disregard for established principles of governmental administration. It appears to me that the more agencies we can put back under department heads, the better government we shall have in terms of proper governmental functioning.

The Thomas bill would reestablish the Conciliation Service in the Department of Labor squarely upon the grounds of governmental efficiency. We make no more contention of partiality on the part of the present independent agency, than does the Senator from Oregon with respect to the Department of Labor. We are, however, directly and seriously concerned on the merits with the question of how to run our Government in the best possible manner in the public interest. It is an obvious principle of organization, Mr. President, that functions must be grouped under responsible leaders who in turn are directly responsible to the Chief Executive. If we scatter and divide these functions and create many leaders, we will, and in many cases already have, placed impossible burdens of direction, coordination, and guidance upon the President.

Last fall we had a maritime strike in which one of the chief obstacles to peaceful settlement was a question of so-called clock overtime under the Fair Labor Standards Act, administered in the Department of Labor. The Director of Mediation and Conciliation asked the Secretary of Labor to arrange for such assurances to the parties as would effectively settle this issue. These assurances were given and as a result the strike was settled. The Secretary of Labor is not responsible to the Director of Mediation and Conciliation and the Director is not responsible to the Secretary. Here was an important wage issue in the labor field in which two independent agencies of the Government were involved, and yet neither could legally command the cooperation of the other.

Our objective, Mr. President, is to prevent such situations from arising in our Government to the embarrassment of officials and to the detriment of the public interest. It is our sincere desire to improve the services of Government through proper organization. The Conciliation Service needed and utilized while it was in the Department of Labor the various services and facilities which the Department of Labor possesses in the field of Government labor functions.

These include, to cite some examples, information and assistance on labor laws, statistical research, employment and apprenticeship problems, and on the employment of women. These services become immediately available for the prevention or settlement of disputes where the Conciliation Service is in the Department of Labor. Where the dispute is to be settled by an independent agency, however, all of these services are available at sufferance.

There has been a lot of talk, Mr. President, about what employers think concerning the impartiality of the Department of Labor. This is presented as the crux of the argument by the able Senator from Oregon. He has expressed the opinion that there is something special about conciliation which requires primary consideration to be given not to the true facts of the situation but to the misconception of some groups. I submit, Mr. President, with all respect for the Senator from Oregon, for whom I have the highest respect, that misconceptions provide an unsound basis for legislation. I am sure, and I believe that the facts will bear me out, that some employers think that the Wage and Hour Division and the Bureau of Labor Statistics should

not be in the Department of Labor because these employers regard the Department of Labor as a partial agency. It may be that some of the Senators equally believe that because these agencies serve or affect employers every step should be taken to allay the fears of these employers by creating additional independent agencies. I do not, and I am confident that a majority of the Senators do not share this view. It was, however, this very philosophy, this untoward deference to the thoughts of employers, which caused the Eightieth Congress to strip the Department of Labor of its functions and funds.

I know the Senator from Oregon is sincere when he says on this floor that he is a friend of the Department of Labor and wishes to see its functions rebuilt. He says, however, that this should not be done through reestablishing the Conciliation Service in the Department of Labor. There are other Senators, perhaps, who, when the issue arises, may take a similar stand with respect to other functions sought to be more effectively discharged through the Department of Labor. If we take counsel of such reservations, Mr. President, solely upon the basis of what employers may think, I very much fear that the public interest alone will suffer.

For these sound reasons, Mr. President, I am convinced in the merits of the need to carry out the specific provisions of the Democratic platform by restoring the Conciliation Service to the Department of Labor.

CONCLUSION

Mr. President, I now come to my conclusions.

First. The Taft-Hartley law was designed to meet a danger that did not exist. The Wagner Act was successful; it was operating satisfactorily; no basic need for change was needed.

Second. The Taft-Hartley law did not produce the results its authors claimed for it. It did not create industrial peace. It did not put labor and management on an equal footing. It did not prevent national emergencies, nor did it settle any. It did not even prevent pro-Communists from receiving collective bargaining recognition, as witness the fact that an open Communist can disavow his party affiliations one day and file affidavits permitting him to come before the National Labor Relations Board the next day.

Third. The Taft-Hartley law did succeed in creating industrial relations chaos. Relationships satisfactory for many years were destroyed. Some satisfactory relationships were able to continue by under-the-table deals for tacit avoidance of the law.

Fourth. For the first time in our peacetime history the Government has been embroiled in the substance of collective bargaining. As I have indicated, the place of the Government in the collective bargaining process is to create a favorable atmosphere and to protect the rights of the parties rather than to tell those parties what they may agree to and what they may not agree to.

The failure is obvious. Our duty is plain. We must go back to the fundamentals of the Wagner Act with the hope that the atmosphere of free collective bargaining can be reestablished without having suffered any permanent damage from the irresponsible experiment of the past 2 years.

Yes, Mr. President, let us go back to the fundamentals of the Wagner Act which included the tenets of the Norris-LaGuardia Act. Then we can eliminate from the picture the unfair and inequitable tool of the injunction which all too often has been used in an ex parte manner.

Labor relations under the Wagner Act were better handled by far than they are at present, or than they would be under the Taft amendments.

To those who unduly fear that unions will hurt our economy—as they have never done before—I reply by quoting from a book which is the basic economic text of the prophet of free enterprise, Adam Smith. In book I, chapter 8, of The Wealth of Nations, Smith, writing in the year our independence was established, stated:

> We rarely hear * * * of the combinations of masters, though frequently of those of workmen. But whoever imagines, upon this account, that masters rarely combine, is as ignorant of the world as of the subject. Masters are always and everywhere in a sort of tacit, but constant and uniform combination, not to raise the wages of labor. * * * To violate this combination is everywhere a most unpopular action, and a sort of reproach to a master among his neighbors and equals. * * * Masters too sometimes enter into particular combinations to sink the wages of labor. * * *
>
> Such combinations, however, are frequently resisted by a contrary defensive combination of the workmen, who sometimes, too, without any provocation of this kind, combine of their own accord to raise the price of their labor. Their usual pretenses are sometimes the high price of provisions; sometimes the great profit which their masters make by their works. But whether their combinations be offensive or defensive, they are always abundantly heard of. In order to bring the point to a speedy decision, they have always recourse to the loudest clamor, and sometimes to the most shocking violence, and outrage. They are desperate, and act * * * (to) * * * frighten their masters into an immediate compliance with their demands.
>
> The masters upon these occasions are just as clamorous upon the other side and never cease to call aloud for the assistance of the civil magistrate, and the rigorous execution of those laws which have been enacted with so much severity against combinations of * * * laborers and journeymen.

One of the great authorities I have cited before, Dr. William M. Leiserson, after citing the paragraphs I have read, warned us against changing the Wagner Act. He said:

> Like Adam Smith, however, we must not be misled by the clamor of those who have been masters. The picture is not as dark as they paint it. No employer has gone to jail for violating the Labor Relations Act, but workers are still going to jail for their unfair labor practices, for disorderly conduct in connection with strikes, for mass picketing, as well as for the violence they resort to in desperate efforts to bring their disputes to a speedy decision.

I have often thought about how dark is the picture. Here we are in this country boasting about our great production—and we have great production—boasting about the tremendous amount of steel, and the automobiles, refrigerators, telephones, clothing, and everything else we produce, and while we are boasting about our production, while our national economy goes well over the $200,000,000,000 mark, while profits skyrocket, while the country is busy at work, one would think when he reads the newspapers, at times, or hears some of the orators who are proponents of the Taft-Hartley Act, that every worker in America was on strike.

I think the record is pretty clear, in a nation which has had the production we have enjoyed since 1940, in a nation which has had the record of production we have had since 1945, the end of the war, that American workers have been hard at work. The fact is that in the days when the workers were supposed to be abusing their power, in 1946, corporate wealth in this country had net profits which were unprecedented up to that time, far beyond anything ever known.

As I pointed out through the charts I used on Friday, the number of strikes, percentagewise, after World War II, was less than after World War I. I have before me now a chart of real net weekly earnings of workers, and they are down from 1944 and down from 1945.

The point is that during the war the American worker did not make riches. When the war was over many of them were dismissed temporarily, many of them had to spend their life's savings, which had been invested in war bonds. Wages never did catch up with prices, and the workers got restless. But big business said, "We have done quite well during the war. Perhaps we can have a show-down." That was because never in the history of this country had so much money been made by so few as was made from 1940 to 1946. Never in the history of the world was so much money made by so few. Never in the history of the world had so few companies controlled the economic destiny of so many.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Was not that an ideal time to come along with the Ruml plan, and forget about three-fourths of a year's taxes?

Mr. HUMPHREY. It seemed to work very much that way. I am just pointing out that there was no such great national catastrophe as necessitated this abrupt departure from the pattern of labor-managementships, literally scuttling the basic law of this land, and moving pell-mell into something else.

I appeal to the American people, and ask them if the same people who were beating the tom-toms for the Taft-Hartley Act were not the very same people who were making their millions and billions, the same people who forced the discontinuance of any type of price control, at the very time when inflation was threatening. I ask if they were not the very same people who have had very much their own way in the economic picture from 1946 to 1948.

Mr. President, the time has come for a consideration of these things, and I think it is a little bit overdue.

What is necessary in order to build a sound labor relations policy, in addition to reinstating the spirit of the Wagner Act, is fairly simple: We must give the working people in the United States a standard of living which they deserve in view of our productive capacity. The Taft-Hartley law was passed because there were many strikes in 1946 after price control was repealed. I want to add, that the profits then were the greatest in the history of the country.

For the life of me I cannot see why so many plain ordinary people were denied the information, or, let me say, were not concerned with the information as to what was happening in the economic life of America. Concentration of business? We have never known anything like it, Mr. President. We have had mergers, interlocking directorates, bigger and bigger business, and all the time that the bigger and bigger business has been coming somebody has been saying, "Hay, look at the big union. Don't look at the big business, look at that big union." That is a clever game, and it is called the diversionary attack.

Mr. President, it is the opinion of the junior Senator from Minnesota that the welfare of this country is pretty much dependent upon the purchasing power of the American people. I like to try to put first things first. People come before capital. I think that a people which is at work, a people that will buy, a people that is productive, a people that produces efficiently, is a people which produces wealth. I am convinced most people think as I do in that respect.

Mr. President, I am one who believes that this Nation is as strong—not as the Chase National Bank, not as the stock market, not even as the great powerful corporations, but the Nation is only as strong as the productivity, the intelligence, the health, and the education of its people—and, I repeat, of its people. I believe that if we put more emphasis upon the human element we will take care of the financial element.

Mr. President, it is people who today are rebuilding Europe. Many of its buildings were blown all to pieces. Many of its banks were destroyed. Many of its railroads were destroyed. But if there are people left who are free, and if they can become happy people, they will rebuild the destroyed railroads, they will rebuild the destroyed buildings and factories. The free people will do that.

Mr. President, too many times in this country we have been fooled by the golden glow of the painted domes of high privilege. Too many times we have been fooled into believing that because so many people were wealthy the people of the country were strong. I remember in 1929 we were told that everything was in good condition. Why were we told that? Because conditions were good in Wall Street. Because conditions were good with the coupon clippers. Because conditions were good on the stock market. But conditions were not good back in the Dakotas or Montana. Conditions were not good in Ohio or in Tennessee or in Louisiana.

What happened to the people? Well, one thing that happened, Mr. President, was that the union movement had literally been destroyed. The number of members of the unions had been reduced from 5,000,000 in 1919 to less than 2,000,000 in 1930. With the destruction of the union movement wages went down. It was not prices that went down, but wages went down. These are facts. Farm income went down. Mortgages increased. Interest rates remained high. A handful of people took a lot of people to the cleaners. That is the record.

It was not necessary for that to have happened. I submit that a strong farm movement and a strong labor movement at that time could have combated the powerful vested interests in this country. And now we are on the move. But, Mr. President, the same folks who attacked the labor movement in 1946 were attacking the cooperative movement by 1947. The farmers' cooperatives were next on the list. Already the tom-toms are starting to beat out that familiar old rhythm: "The farmers also have gotten too strong now." The farmers have producers' cooperatives. They join together to market their products. They do not let the people on the grain exchange clean them up any more. So some day it is necessary to watch out for these cooperatives, too. But they did not quite get that done 2 years ago, Mr. President, because the farmer is a pretty rugged individual. He was at one time left almost ragged. Now he is rugged. He fought back. Those engaged in the farm and the labor movement are standing shoulder to shoulder fighting for its rights right now.

Mr. President, who are these high and mighty people who think there is anything in this country besides those who really produce; the men who work in the shops, in the factories, on the farms? They are the producers. Business cannot continue unless people have purchasing power. Their rights are basic rights, are fundamental rights, and come even before the privileges of those on top, those in the higher brackets.

I repeat, this Nation is only as strong as its working people, its farmers, its craftsmen, its skilled workers, whose boys and girls need homes, need pork chops, need clothes. They are the people who make America strong. If we ever forget that and attempt to enact punitive legislation against them, then we shall have lost our American heritage.

I appeal to Senators today to remember that when we consider labor-management relationships we are not considering them merely within the borders of the United States. The eyes of the world are fixed upon us. The people of other countries want to know whether this great America is concerned about people or about the golden calf. I am one of those who believe that we literally improve our situation throughout the world and win the battle for men's minds when we recognize that plain, ordinary people everywhere are interested in our humanitarian accomplishments.

Sometimes I think that what we need in America is a little greater sense of humility, a sense of ordinary, common, humane decency. We are watched for the little things we do. As the distinguished Senator from Illinois [Mr. DOUGLAS] said the other day, it is when the people are off guard that we can best judge them, not when they are on guard.

America needs to speak for her people. She needs the spoken word which comes not merely from the lips, but from the living example of her experiences.

I conclude by asking, Would not a labor-relations policy be better directed toward raising real wages back to their earlier level rather than artificially clamping down on the rights of the people who struck in retaliation against the economic blows they suffered in 1946? Certainly they struck in 1946. Some employers tried to tell the American people that if they had to pay 5 cents an hour more they would be bankrupt. They were guilty of a deliberate falsehood. In 1946 net profits after taxes were $12,800,000,000; in 1947, $17,300,000,000, after taxes; in 1948, almost $21,000,000,000 net after taxes.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KILGORE. Has the Senator seen the news item recently placed in the Appendix of the RECORD, to the effect that General Motors had applied to the Securities and Exchange Commission for the privilege of distributing a $20,000,000 cash bonus plus a $20,000,000 stock bonus among its directors and top executives?

Mr. HUMPHREY. I am very happy to receive that information. I know that there are those who have all sorts of information along that line. I recall that when I was a student, 1 year before the City National Bank of New York closed its doors, I read that it had distributed millions of dollars in bonuses among its directors. A little later it cleaned the American people out of millions of dollars of deposits; but, after all, the directors had their fun.

What I am trying to point out is that the way to preserve a free economy and a free-enterprise system is to preserve the opportunity for men and women to earn a living. We have found that that opportunity can best be preserved through organizations of their own—cooperatives, unions, and trade associations at local, district, and State levels. We are talking about trying to preserve the kind of economy which makes it possible for the American people to be self-sustaining and self-respecting.

Would it not be better, then, to raise the minimum wage, for example, to 75 cents an hour so as to give some measure of security to the underprivileged, without whose economic freedom none of us is secure? The same Congress which found the time to enact the Taft-Hartley law did not find time to learn what was happening to the cost of living. It did not find time to learn what was happening to those who were working under a minimum wage of 40 or 50 cents an hour. The same Congress which saw fit to reduce taxes on the high, the mighty, and the rich did not find time to raise the level of the unorganized workers.

I have seen many tears shed over the unorganized workers. I will believe some of the talk I hear about love for the unorganized workers when the Congress

sees fit to enact a minimum wage which is fit for a human being. If any Member of Congress can tell me how he can live on 50 cents an hour, I want to see him, but soon.

All these questions are a part of a single pattern. We should not consider legislation piece by piece, and say, "Is not this a fine bill?" Let us find out how it stands up alongside other things.

What about the effect of the Taft-Hartley Act upon labor? What about those who do not have homes in which to live? What about the slums? What about the lack of educational opportunity? We could go all the way down the line with such questions.

I believe that the philosophy behind the Taft-Hartley Act was quite clear. Apparently there was one group in America which had to be really "taken care of." That was labor. Why? Because her leaders had been honored during the war for beautiful and wonderful cooperation. Because her leaders and her rank and file had produced fabulous quantities of war material. Because her sons and daughters had been faithful and loyal. Because labor had helped to build America. I refer to the working people who emerged from that period with a few little series E war bonds, working people who, after the war, still had eight or nine children of their in-laws living with them in the same little house, because there was a housing shortage.

What was going on during that time was that while the whiplash of war was being placed on the backs of labor in 1946 and 1947, more exploitation of America's economic resources was going on by those in vested, privileged positions than at any time before in American history. I make that statement without fear of successful contradiction.

Two wrongs do not make a right. Business deserves a fair profit. It deserves an opportunity to enjoy economic conditions which make possible a fair profit. But when I speak of business I speak of the kind of people whom I have known in business—those who made this country, those in the grocery stores, the drugstores, and the clothing stores. They are the ones who made America.

Little business in America is suffering more and more every day. The big boys have tried to pit little business against labor. They have tried to tell the little businessman, like the little contractor in California, that his enemy is the union. Someday he will find out who his enemy is. He will wake up to discover that when he wants to borrow money he must pay 4-percent interest. When big business wants to borrow money, it gets it for 2 percent. That is a 2-percent handicap at the start. The little-business man will wake up and find out that the only important customers he ever had were those who worked in overalls. There are not enough corporation directors to keep every store in America busy.

That is our philosophy. That is the philosophy to which the Wagner Act was dedicated—the philosophy that the American people have the right to organize to protect themselves, to lift their own standards, and to equalize the situation in the light of economic realities.

The question of obtaining a satisfactory labor-relations policy, therefore, is broader than the question of the Labor-Relations Act itself. I have gone to the large cities of America and have looked over the slum areas. I have said to myself, "I wonder who lives there." I find that many of those who live there work in factories. They may work in one of the electrical factories, or in an automobile factory. When I look at the kind of hovels in which the workers and their families must live, I say to myself, "Is it any wonder that they want to strike once in awhile? It may be a relief. It may be a pleasure."

I ask my colleagues in the Senate, How would you like to live in some of the filthy, degraded, slum areas of America?

Mr. President, who live in the slums? Do the authors of the Taft-Hartley Act live in the slums? Not on your life, Mr. President. The people who live in the slums are the ones upon whom the Taft-Hartley Act bears most heavily.

Now we are getting around to doing a little something about the slums, late as it is, but we are grateful for the opportunity just the same. We are getting around to doing something about better educational opportunities, and perhaps a little later we shall be able to do something about improving health opportunities and health care. All those things will work for a better and more healthy America.

Labor legislation does not determine the pattern of labor-management relationships, Mr. President. In that connection labor legislation is but one factor. Good will between employers and employees is another factor. A good community that is interested in the lives of its children and fathers and mothers is another important factor, a vital part of good labor-management relations. We can have all the law we want to have to tell the American people, "You cannot do this, that, or the other," but if we keep them living in slums, if we deny to a man the right to send his children to a good school, and if we deny a man health protection, we shall not be able to enact any kind of law which will make for industrial peace in this Nation.

Mr. President, we want law observance. Law observance comes from a citizenry that is contented and happy and realizes that the community is interested in the individual. But certainly when the individual worker sees, for example, that under the law he is faced with jail because of his opposition to an unfair labor practice, or that his union is going to be sued because someone in the union may have done something he should not have done, when he finds out that the union which helped him get his job and is making a little provision for him in the way of a welfare fund, is going to be penalized, I submit that he will not be happy until that law is removed from the statute books.

I do not know whether we shall get around to doing that at this time, but I submit that the processes of democracy are as relentless and ever-flowing as the tide itself; and just as surely as we are here in the Senate Chamber today, if we fail to do our duty in 1949, there will be some of us who will be back here to do our duty in 1951, and I would not be surprised if there were new faces here then, because the American people, the working people of this country, the people who have been oppressed by this law, are determined that they are going to remove this kind of punitive legislation from the statute books, and are determined that they are going to have something to say about the processes of government, because this country is their country, as well as it is yours and mine.

During the delivery of Mr. HUMPHREY'S speech,

Mr. HUMPHREY. I yield for a question to the Senator from California.

Mr. KNOWLAND. I have been listening with interest to the able Senator from Minnesota, relative to differences between the Taft-Hartley Act and the proposed Thomas bill, in regard to boycotts. I should like to ask the Senator from Minnesota what would be the situation, as he understands, under the Thomas bill, if an employer and the employees in a given firm have an election, and by a majority vote, the employees determine they do not wish to become members of a particular union? In that case, would the employees and the firm be protected under the Thomas bill from a boycott?

Mr. HUMPHREY. No; they would not, according to my understanding.

Mr. KNOWLAND. I should like to read, if the Senator will permit me, a brief letter which was sent to the National Labor Relations Board, with a copy to me, written by Mr. Jerome J. Rieland, vice president of the Hollywood Lighting Fixture Co., Inc., of Los Angeles, Calif., in which it is stated:

HOLLYWOOD LIGHTING FIXTURE CO., INC.,
Los Angeles, Calif., June 2, 1949.
NATIONAL LABOR RELATIONS BOARD,
Los Angeles, Calif.

GENTLEMEN: This small corporation is in business to serve the public, make a profit, and create employment for our 10 to 15 employees, most of whom have been with our firm for many years.

We always have and are now complying with union wage scale and working conditions, and prior to June 11, 1948, were a closed shop.

On June 4, 1948, a majority of our employees voted not to authorize the IBEW Local 11, AFL, to make an agreement with this employer. Since then, we have operated as an open shop as per copy of certificate of results of union authorization election enclosed.

Enclosed copy of a letter dated May 26, 1949, from the IBEW states that unless we recognize them as bargaining agents for our employees they will declare our company unfair to organized labor, give publicity through unfair lists, etc., to protect union standards and working conditions in the industry.

As we have stated, this company pays union wages and operates under union conditions. Therefore, they, by threat and coercion, are endeavoring to force our employees against their will into a closed shop.

We desire to fulfill the wishes of our employees and are agreeable to another election; however, none has been requested.

We believe the threats as contained in this letter to us of May 26 show that they intend

to use illegal acts against this company and our employees, and we ask you to inform us what protection under the law our company and our employees have against these illegal acts on the part of the IBEW.

Yours very truly,

JEROME J. RIELAND,
Vice President.

(Copy to WILLIAM F. KNOWLAND and ROBERT TAFT.)

There was enclosed a photostatic copy of a letter from the International Brotherhood of Electrical Workers, dated May 26, 1949, which reads as follows:

INTERNATIONAL BROTHERHOOD,
OF ELECTRICAL WORKERS,
LOCAL UNION NO. 11,
Los Angeles, Calif., May 26, 1949.

HOLLYWOOD LIGHTING FIXTURE CO.,
Los Angeles, Calif.

GENTLEMEN: The International Brotherhood of Electrical Workers, local Union, No. 11, American Federation of Labor and its Electrical Fixture Unit, presently enjoys industry-wide bargaining with employers who represent 95 percent of the industry in the Los Angeles labor market area and Los Angeles County. These employers have an employer's negotiating committee represented by Biddle Trade Bureau, and H. De Voe Rea is their counsel.

We are asking that you, as an employer, recognize the IBEW as the bargaining agency for your employees in production and maintenance for wages, working conditions and other conditions of employment, so that uniform conditions in the industry may be negotiated.

We are going to be compelled to declare all employers who are operating nonunion shops, as "unfair to organized labor" and give publicity through "unfair" lists and publicity to such fact, asking all labor unions and their members as well as the Building Trades Council, AFL and Metal Trades Council, AFL (of which we are part), to completely refrain from purchasing or using any materials, supplies or products manufactured, processed or fabricated under nonunion conditions, and to further use our economic power in a more direct manner by picket lines to protect union standards of wages and working conditions in the industry.

Please write me at once declaring your position and we will be glad to meet with representatives of your management at any time to further discuss this situation.

Very truly yours,

INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS,
R. V. BERRIGAN,
Business Representative.

My inquiry of the able Senator from Minnesota is this: In this very specific instance in which a firm has, under the law, held an election, where free American citizens have cast their votes in a secret ballot and determined that they did not want to be represented by the organization in question, does the able Senator believe that it is fair practice for the union in that instance to threaten economic action against the firm in question?

Mr. HUMPHREY. I thank the Senator from California for his question.

Mr. President, I should like to ask that the correspondence and these remarks of the Senator from California be printed in the RECORD at the conclusion of my remarks.

Mr. KNOWLAND. Yes, Mr. President; I join in that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I should like to make this observation to the Senator from California: First of all, the facts he presents I accept for the RECORD, but I do not know what may be the whole background of the particular case. I think it is one which ought to be at least well substantiated by both sides before we assume that the facts are fully correct.

Mr. KNOWLAND. Mr. President, may I interrupt the Senator from Minnesota to request that the certificate of results of the union authorization election, to which reference has been made, be also printed in the RECORD as a part of my remarks.

There being no objection, the certificate was ordered to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA, NATIONAL LABOR RELATIONS BOARD—IN THE MATTER OF HOLLYWOOD LIGHTING FIXTURE CO. AND INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 11, AFL, CASE NO. 21-UA-1159

CERTIFICATE OF RESULTS OF UNION AUTHORIZATION ELECTION

Pursuant to the terms and provisions of the agreement for consent election entered into by and betweeen the parties in the above entitled matter, the undersigned Regional Director of the National Labor Relations Board conducted an election by secret ballot as therein provided. No objections were filed to the tally of ballots furnished to the parties, or to the conduct of the election.

Pursuant to authority vested in the undersigned by section 5 of the agreement for consent election and by the National Labor Relations Board, the undersigned hereby certifies that the required majority of the employees eligible to vote have (not) voted to authorize International Brotherhood of Electrical Workers Local 11, AFL, to make an agreement with the employer above named requiring membership in the above organizations as a condition of employment in conformity with the provisions of section 8 (a) (3) of the National Labor Relations Act, as amended, in a unit appropriate for such purposes in which no question concerning representation exists.

Signed at Los Angeles, Calif., this 11th day of June 1948, on behalf of National Labor Relations Board.

HOWARD F. LEBARON,
Regional Director for Twenty-first Region, National Labor Relations Board.

Mr. HUMPHREY. Mr. President, I should like to make this observation. There is no doubt that he cannot be intimidated, under the existing law. To be sure, there are employers who are very generous. Some employers pride themselves upon the fact that they pay wages which are above the union scale. Many of them do, and we should be very grateful for their generosity. But I have always been one of those persons, as I said on last Friday, who believe that he who giveth can take away, and I do not want to live in an economic state governed by someone with the spirit of noblesse oblige, who may wake up some morning and decide he has been good long enough. What the union provides is security for the workers. The workers may say, "It does not look as if we needed it"; but the history of America has shown many instances of a sweatshop outfit or a substandard outfit or one using cheap labor and unfair competition. I do not believe it is right to pass a general prohibition outlawing all secondary boycotts because one can be found in which the situation is bad. Why does the union want to organize employees? Because the more unorganized places there are, the greater the threat to standards which have been built up over a long period of time. Every weak point in those standards is a threat to standards of fair wages and good working conditions which have been established.

The position of the junior Senator from Minnesota is that we should have no sweeping prohibition with reference to secondary boycotts, even if one is wanted, based upon a few extreme cases, or a sweeping statement to indicate that all secondary boycotts are good because I can find one or two that may be good.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Minnesota yield to the Senator from New York?

Mr. HUMPHREY. I yield.

Mr. IVES. I should like to ask the able Senator from Minnesota if he believes an employer whose employees have refused to join a union in a perfectly legitimate election, and have refused to become organized in any way, shape, or manner, should be penalized by the use of the secondary boycott.

Mr. HUMPHREY. I answer the Senator from New York by saying that the penalty is the picket, and the penalty is the unfair list. I believe that if someone wants to call the junior Senator from Minnesota unfair or wants to picket me, he has the right to do so. If anyone wants to call the junior Senator from New York unfair and wants to picket him, he has the right to do so. What is being done in the instance we are discussing is to apply the techniques of economic sanctions; but no violence. No man is being pulled off the job. The economic sanctions are being applied because, as the junior Senator from New York knows, unions fear a concerted effort to break down standards and genuinely good working conditions.

Mr. IVES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. IVES. The able Senator from Minnesota realizes, does he not, that through the use of pickets there is brought about what is generally recognized as a cessation of work in the organized plants and the organized companies about which pickets have been thrown, so that as a result of such activity there is in effect a definite economic deprival, for which the employer in the first instance is in no way responsible? The Senator should bear in mind that this action has been taken by the employees, the employers' own employees, this action of refusing to bargain collectively, refusing to organize, as had been requested through the operation of an election.

Mr. HUMPHREY. Nor would I deny the employer the right to put an ad in the newspaper saying, "This is unfair."

Nor would I deny the employer the right to picket the union hall. The employer has a great deal of power. An extreme case where there are 15 workers has been cited.

I ask the Senator from New York, should the standards of industry, should the fair pay, the working conditions, the health conditions, the wage conditions, of 90 percent of the workers in a whole industry be jeopardized because of the welfare desires of a handful of people who may be a minority within the industry? What we are talking about is the establishment of uniform standards.

Mr. IVES. Mr. President, I should like to ask further questions in line with the question raised by the Senator to me. I am not talking about substandard conditions, or anything of the kind. The description given by the able Senator from California of the condition he cited was one which indicated there were no substandard conditions involved.

Mr. HUMPHREY. To be sure, but the Taft-Hartley law prohibits all boycotts, even if the conditions are substandard.

Mr. IVES. I am not talking about the Taft-Hartley law.

Mr. HUMPHREY. That is what the debate is about. We are not debating faith, hope and charity, but the Taft-Hartley law, and whether or not it should be repealed.

Mr. KNOWLAND. I would like to ask the Senator from Minnesota if he does not feel that there has been a new factor in the situation since the decisions to which he refers, namely, the enactment of the Wagner Act itself? The Senator from California can follow the logic of the remarks of the Senator from Minnesota as they relate to a time prior thereto and as to the position taken by a great many of the unions. Workers prior to that time did not have the right to organize. There were many short-sighted employers who would use economic means to prevent the organization of their workers. Prior to the adoption of the Wagner Act, under the conditions to which the Senator referred, the boycott was perhaps the only weapon labor might have had. But no longer is that true, or at least it is not as valid as it was at that time. Is that not correct?

Mr. HUMPHREY. That is not the point of view of the Senator from Minnesota. As a matter of fact, the right of the boycott was never secured, as we all know, by the Wagner Act. That right was not even so much as talked about, let alone legislated on. It is the opinion of the Senator from Minnesota that the Duplex case is almost identical with the situation that is being talked about and being explained by the Senator from California.

Let us consider the Duplex case, where there were three union shops and where there was one that was nonunion. Let us assume that there had been an election held in the nonunion shop and that the workers had turned down the proposal to make it a union shop. Nevertheless, the argument of the dissent, at least of Mr. Justice Brandeis and Mr. Justice Holmes, would still prevail.

Mr. KNOWLAND. Mr. President, will the Senator again yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I must beg to differ with the able Senator from Minnesota, because he says, "Let us assume that in the Duplex case an election had been held." The fact of the matter is that there was no machinery, such as has been provided under the laws of the country at this time, so that a free and secret election can be held and the workers can express themselves as to (a) whether they want to joint an A. F. of L. union; (b) whether they want to join a CIO union; or (c) whether they do not want to join a union at all. That is guaranteed them and they are protected in their freedom to act by the laws of the land. So it seems to me there is a very great difference between the conditions that prevailed at the time of the Duplex case and now. I can understand why the Senator may not agree with me on that subject. Honest differences of opinion exist about it.

Mr. HUMPHREY. I wish to say to the Senator from California that we do not agree, and I suppose that is quite fair. But I should like to say that the economic facts are the same now as they were then, irrespective of whether the machinery for the recognition of the union existed at the time of the Duplex case. The point is that the economic facts as outlined in that connection are the same now as they were then. In the Duplex case Mr. Justice Brandeis and Mr. Justice Holmes pointed out that the situation then existing formed a threat to the basic economic solvency and the basic economic stature of the rest of the workers. Of course, we can argue as we will on this point. I think it is a matter of difference of philosophy. I think I can say quite candidly that if secondary boycotts go to the point of violence, local police laws come into operation.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. I shall state what I believe is the point of difference between the Senator from Minnesota and the Senator from California. The able Senator from Minnesota has had quite a fine record, I may say, in his regard for and attempt to protect minority rights. But it seems to me that in this case he apparently is taking the position that minority rights should be sacrificed, because here we have a situation where free American citizens, acting under the laws of the land, have, under the auspices and under the direction of the National Labor Relations Board, a Board created by the laws of the land, held their election, have cast their ballots, have reached a determination. Yet the position of the able Senator from Minnesota is that because they happen to have made their own free choice, which may not coincide with the choice of people on the outside, they and their employers are to be subject to economic sanctions.

It seems to me it is a little naive to say, "Well, if somebody wants to picket the Senator from Minnesota or the Senator from California, that is his free right." Of course, in a sense it is his free right. But picketing is far more than that, as the able Senator from Minnesota knows. In fact, it is an economic stranglehold on the particular firm, on the employer, because if a picket line is respected, no trucks of the teamsters' union will deliver any raw materials or pick up any manufactured products. If it is carried out, it simply means an utter strangulation of the business, which it may have taken many years, a lifetime, or even two or three lifetimes of work to build up. It may mean that the 15 employees in this particular case—it is a small company, but the argument would hold true in a large one—are thrown out of work through no fault of their own, and it becomes an economic stranglehold, a matter of life or death to that particular firm and its employees. So a much greater problem is involved than simply the problem affecting the 15 employees.

The President of the United States, several years ago, was faced with quite a problem, as the able Senator from Minnesota knows. The Senator was not a Member of the Senate at that time, but I remember that at the time the railroad strike was in effect the country was being faced with the situation of the entire economic life of the United States being strangled. It seemed as though our great, complex economy would grind to a stop. Not only would that have brought great hardship to many innocent people, but on top of it all probably would have threatened the very peace and security of the entire Western World.

The President of the United States at that time felt it necessary to propose to Congress legislation of a very extreme nature, which I may say the junior Senator from California did not support, and which the Senator from Ohio [Mr. TAFT] himself stopped on the floor of the Senate of the United States—a proposal by the President to draft workers into the Army in order to protect the public interest and welfare of the Nation.

So the situation can come to a point where the entire economy of the Nation is being strangled. The power to bring that about is too much power for any responsible person to want or for any irresponsible person to have. Therefore the Government itself has an obligation to see to it that on an extended scale the strangulation which the Senator from Minnesota is apparently unconcerned about when it affects only 15 employees, does not occur.

Mr. HUMPHREY. Mr. President, I am very happy to have had the observations from the Senator from California. The Senator has taken us from a case involving 15 employees to a national emergency. Let us now consider the national emergency. That national emergency was not settled by injunction. It was not settled by the provisions of the Taft-Hartley Act. It was settled by the President of the United States appealing to public opinion. If I had been in the Senate at the time I, too, would have voted against such a ridiculous proposal as that to draft men into the Army. I commend the Senator for his courageous stand, and any other Senators who may have taken that particular stand.

But let us not permit ourselves to be taken from 15 employees to a national emergency. Let us talk about the rights of the minority. What rights do we mean? The right to due process of law; the right to have one's say; the right to be a participating citizen. In the Senate the minority has certain rights. In the economic picture we could have almost the same situation as we have in the Senate. The process of legislation can be stopped in the Senate by a minority. On the economic frontier, by preserving little islands where substandard conditions prevail, the minority may destroy some of the rights of the majority. Sooner or later we are going to talk about the majority as well as the minority. The real threat in America, so far as the Senate is concerned, is that the rights of the majority are not protected.

Let us go back to the economic situation. The Senator from California found a very convenient case involving 15 employees in a little electrical shop. They had an election, and they decided that they did not want to belong to a union. The Senator did not give us all the information. He did not tell us whether the wage scale was on a yearly basis or whether it measured up to the prevailing wage scale in the community.

Let us assume a situation in which the employees are not paid well. Let us take a situation in which the working conditions are substandard. Instead of getting $1.50 an hour, the employees are receiving 75 cents an hour. In the electrical business—and this is no assumption—the vast majority of electrical contracting business all over America is unionized. Union standards have been established not only for the benefit of the workers and of the employers, but for the benefit of the public. We have had plenty of examples of faulty material being produced by novices, by those who did not know their business. That is an important factor in such a complex and almost professional type of work as the electrical-appliance business or the electrical contracting business.

Would the Senator from California say that an entire industry should be denied the right to protect itself, after having built up standards of production, wages, and working conditions? Does the Senator from California contend that we should have a law which would permit the mushrooming of unfair, substandard conditions in a particular industry? Should those who have worked for 50 years to build up their standards have imposed upon them a law which would protect the little man who would like to destroy those standards, and which would give him the right to destroy what the vast majority had built up over a generation or two generations?

We cannot assume from the argument of the Senator from California that all the cases are similar to the case which he has portrayed. Even in the case which he has described, the employer has the right of free speech, as does the employee. The junior Senator from Minnesota is in favor of that principle. The employers have the right to associate themselves with employers' associations. Employers' associations have stopped the shipment of materials to certain people. That has been done repeatedly.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Can the Senator cite any such case?

Mr. HUMPHREY. Of course the Senator can cite such a case. The Rexall Drug Co. does not ship to anyone except Rexall merchants.

Mr. TAFT. Under the decision just rendered by the Supreme Court of the United States in the Standard Oil case that would be a violation of law.

Mr. HUMPHREY. I was in the drug business for a number of years. I sold Rexall products for 15 years, so I can speak with some degree of authority on that subject.

Mr. TAFT. Has the Senator read the opinion of the Supreme Court handed down yesterday, with respect to those who deal in Standard Oil products?

Mr. HUMPHREY. I must point out to the distinguished Senator from Ohio that the Senator from Minnesota was so busy at the Farm-Labor Council at Des Moines yesterday, preaching the gospel of the repeal of the Taft-Hartley law and that of the Brannan farm program, that he did not have time to read that decision.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. KNOWLAND. First I wish to deny the inference that the Senator from California trumped up this particular case. I received a letter from a constituent in California, which letter arrived at my desk today, together with photostatic copies of the exhibit in the case. I felt that the case was entirely pertinent to the discussion. Over the period of the past 2 years, and prior to the enactment of the Taft-Hartley law, I have received many communications. Some were as meritorious as this, and some were not. I have not selected a particular case to bring before the Senate today. As I stated, the letter arrived on my desk today from California. It is dated June 6. Even by air mail it could not have reached here much sooner.

I should like to add one further observation, and then I shall not interrupt the Senator further. I must leave the Chamber to attend a committee meeting.

The difficulty I find with the Senator's line of reasoning is that it appears that, regardless of how the workers may decide in their own free election, the Senator's position is that either the unions or the Government should take the position of papa knows best; that even though the free choice is something else, we should have the power to enforce a contrary judgment. The difficulty with that philosophy is that it is the same type of philosophy which we find in a number of countries which have unfortunately been taken behind the iron curtain, after the people themselves had voted the other way, on the theory that some superstate knows more about what is good for the people than do the people themselves who express their views in a free election.

I am not saying that that is the philosophy of the Senator from Minnesota, because I am quite convinced that his philosophy is entirely contrary to that. Assuming that the facts are correctly stated in the case to which I have referred, the danger is that if we deny those 15 workers the right to decide for themselves, and say that some greater power can come in and strangle the business and throw them out of work, regardless of how they vote, to that extent we go down the same road which has been taken by nations which have lost the basic liberties which I know the Senator from Minnesota and the Senator from California are most desirous of preserving.

Mr. HUMPHREY. Let me turn the argument of the Senator around. He has been talking about what he describes as a little island of democracy. To me it is not an island of democracy. To me it represents the danger of ultimate destruction of men's rights to have something to say about their security, and something to say about the conditions of their employment.

Is the Senator telling me that we should ignore a situation in which we find a little island of fascism? Is the Senator telling me that there should be no right to invoke economic sanctions against such a situation? Is that what the Senator is indicating to me? Of course not.

It is reducing things to an absurdity to jump from 15 workers in California to the international scene. Exactly the same argument can be applied on both sides. It is a question of whether or not, for example, in the printing industry, we feel that the standards which have been developed through the years should be constantly threatened by substandard employers, substandard work, and substandard conditions.

It is important that the workers of the Nation have something to say about their jobs. It is important that they have protection against being fired because of the capriciousness of someone in management. It is important that they have something to say about their health standards on the job, and about their working conditions. If there are spots here and there which threaten those standards, the workers in the legitimate, fair-standards industries have every right to apply economic sanctions. I say that without any hesitation whatever.

Mr. IVES. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. IVES. The Senator from New York does not disagree at all with the able Senator from Minnesota in his reference to substandard conditions. Very definitely the Senator from New York feels that where such conditions as have been pictured by the Senator from Minnesota exist, a secondary boycott by way of economic sanction or reprisal is perfectly in order, and should be in order under conditions of that kind.

But what about the situation in which substandard conditions do not exist? That is the kind of situation about which the distinguished Senator from California has been speaking. There is no

question of substandard conditions involved in that case. Presumably the standards are just as high as the standards in the rest of the industry, or perhaps they are higher. The case referred to by the Senator from California is a case in which a group of employees, by a majority vote, decided that they did not want to organize. Why should they be forced to do so? Why should they be driven to it through the use of the secondary boycott, or any other form of economic reprisal, when the question does not involve any effect whatever upon standards or conditions? I do not follow the able Senator from Minnesota on that tack. The minute those standards fall, the economic boycott can be exercised to bring them back. But this is not a question of that kind.

Mr. HUMPHREY. That poses very nicely the problem of how to write general legislation for something which may be termed substandard or something which may be termed above that.

Mr. IVES. Is the Senator asking that question of me?

Mr. HUMPHREY. It is now my opportunity to speak, inasmuch as I have already yielded to the junior Senator from New York.

Mr. IVES. Mr. President, I should like to answer that question.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from New York desire to inquire whether the Senator from Minnesota will yield for a question?

Mr. IVES. I do.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from New York for that purpose?

Mr. HUMPHREY. I yield to my friend the Senator from New York.

Mr. IVES. The Senator from New York appreciates very much the graciousness of the junior Senator from Minnesota.

The Senator from New York would merely like to point out that in the part of the statute dealing with secondary boycotts, it should not be very difficult to incorporate language which in and of itself would definitely indicate what is meant by the application of the secondary boycott, so that it can apply and would apply properly, and its use would be permitted where substandard conditions exist; but where those conditions do not exist, such secondary boycott could very well be outlawed.

Mr. HUMPHREY. Then is the Senator from New York of the opinion that the over-all prohibition of the secondary boycott is untenable and should be eliminated?

Mr. IVES. Mr. President, may I ask the privilege of replying to that question?

The PRESIDING OFFICER. The Chair calls attention to the fact that under the rules, of course as both Senators realize, the Senator from Minnesota can yield only for a question. The Presiding Officer has not been enforcing that rule strictly in the last few minutes, but he asks both Senators to abide by the rule as much as possible.

Does the Senator from Minnesota yield to the Senator from New York for a question?

Mr. HUMPHREY. Mr. President, rather than get ourselves into a difficult parliamentary situation, inasmuch as the Senator from New York and I often see each other to discuss things, and I gain great knowledge from him, I shall phrase these questions simply as rhetorical questions, since I am sure the Senator from New York is planning to submit an amendment relating to secondary boycotts.

The Senator from New York has said that of course there are conditions where secondary boycotts are justifiable. He has appointed himself as a moral King Solomon to decide what are substandard conditions and what are above that. I, too, am opposed to substandard conditions, and I think secondary boycotts can be most useful in eliminating them.

The next rhetorical question I ask the Senator from New York is whether he is not in fact opposed to all secondary boycotts. I think the answer he would give is quite obvious, because he himself has said that of course he believes that where conditions are substandard, economic sanctions should be applied. In other words, he realizes that there are secondary boycotts that are justifiable.

Then the question is, How are we to write proper legislation? Who is to be the judge? Is the Government of the United States to be the judge of what is a fair industry and what is an unfair industry, or what is a standard industry and of what is a substandard industry? I think those are matters which the Senator from New York must consider when he draws up an amendment.

I say the secondary boycott is often being effectively and properly used to improve the conditions of workers who are laboring under substandard conditions, and I say that the application of the secondary boycott should not be indiscriminately prohibited. I say that even though we may be able to find isolated cases of an undesirable use of the secondary boycott—and I have had such cases referred to me, as the Senator from California has had—such isolated cases are not sufficient to justify the writing of a general pattern of law in their behalf. The Taft-Hartley law is full of provisions which apply to a specific type of situation; and the concessions which the Senator from Ohio is making now are full and adequate proof of that.

We are talking about national standards of labor-management relations for the United States. I submit that when violence prevails under a secondary boycott, the officers of law and order should step into the breach to preserve law and order. I submit that when a representative of a union carries a picket sign, that amounts to nothing more or less than some of the advertisements by employers which we have been reading in the newspapers continually. In other words, the employer should have the right to reply to various charges, but so should the employees. The fact that union workers do not cross a picket line is clear and adequate proof that over the years the workingmen have grown to realize that their standards can be destroyed. Oftentimes employers have attempted to break unions by attempting to pay a little more than the regular wage scale or by attempting to provide shorter hours. That has been attempted because it is well understood that once a union is destroyed, employers can do about as they please.

But, Mr. President, a free society is not one in which there are gifts of some of the good things of life. Certainly there are in the United States hundreds of employers who are willing to pay far more than the regular wage scale. During the war years there were many instances of that sort. But I submit that that kind of procedure does not guarantee long-range security or long-range conditions suitable for human decency, and it does not give the workers the protection they have been able to obtain from their particular unions. For instance, there were printers who were willing to pay more than the union wage scale, and were willing to pay it for less than the regular number of hours of work. But the union members found security in their union.

Mr. President, I ask unanimous consent to have printed in the RECORD in connection with my remarks an analysis of the Taft amendments.

This analysis of the Taft amendments was prepared at my request. I have had the assistance of several prominent attorneys who are experienced in the field of labor-management relations.

Attached is a list of those who have aided in the preparation of the section-by-section analysis of the Taft amendments.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

INTRODUCTION

Analysis of the amendments to the Taft-Hartley bill proposed by Senator TAFT reveals that they are carefully designed to give the appearance but not the reality of concessions to the popular demand for Taft-Hartley repeal.

Lip service only is given to the mandate of the 1948 election. At no point is the core of the Taft-Hartley Act touched.

To test these statements the reader need only recall those features of the Taft-Hartley Act which have received most prominent attention and then seek to see whether they would be repealed by the Taft amendments. He will find that the following basic provisions are to be left intact:

First. Government by injunction would be continued. The Norris-LaGuardia Act remains weakened by giving the Labor Board the discretionary right to apply for injunctions against certain strikes and boycotts.

Second. The use of injunctions in "national emergencies" even against clearly justified strikes over wages and other working conditions would be continued. In an attempt to make this provision more palatable a provision for token rather than real Government seizure would be added.

Third. Boycotts would still be illegal, including many forms which have long been regarded as legitimate union activities. The one exception which would be added is of limited and infrequent application.

Fourth. Unions would still be subject to damage suits by employers or even outside parties for violation of the many provisions forbidding strikes and boycotts which have been traditionally regarded as legal.

Fifth. Unions would still be subject to damage suits for violation of collective-bargaining contracts on the false theory that legal warfare can achieve peaceful industrial relations.

Sixth. The Federal Government would still punish picket line activity already more than adequately covered by State law.

Seventh. The ban on the closed shop contract would remain as would most of the limitations on the union shop contract. State laws on the subject would still be subordinate to the Federal law except where such State laws were more hostile than the Federal law to union security.

Eighth. The Taft-Hartley ban on the check-off of union dues, proved in the past 2 years to be entirely unwarranted, would remain.

Ninth. Welfare funds would be subject to slightly modified restrictions which would be no less onerous and would inject the Government further and unnecessarily into this field.

Tenth. Financial reports would still be required only of unions.

Eleventh. The anti-Communist oath would not be extended explicitly to Fascist and totalitarian organizations and would be broadened to the point of being administratively unworkable.

Senator TAFT's desire to make a show of concession may be seen in the last of 23 changes which he has asserted his amendments would make in the Taft-Hartley Act. Every amendment, however insignificant, has been dragged in to make this list look impressive. In the main these concessions are designed only to correct evils in the Taft-Hartley Act for which no defenders can now be found. The list includes repeal of the requirement of elections authorizing unions to sign union-shop contracts, a requirement which has served only to prove that employees favor such contracts overwhelmingly. It includes repeal of the prohibition of feather-bedding, that much talked of but nonexistent evil. It eliminates the peculiarly unjustified exclusion of economic strikers from representation elections.

At the same time Senator TAFT uses the demand for Taft-Hartley repeal as an opportunity for introducing new repressive features. These include a new approval of employer interference with elections under the guise of free speech, relaxing of procedural safeguards against injunctions without notice, and further limitations on the check-off.

The Taft-Hartley law cannot be salvaged by amendments proposed by its author. The time is past due for a return to a constructive labor relations policy based upon the principles of free collective bargaining.

SECTION-BY-SECTION ANALYSIS OF SENATOR TAFT'S AMENDMENTS

"The more it changes, the more it's the same thing." (Alphonse Karr, French writer, 1849.)

"There is a certain relief in change, even though it be from bad to worse; as I have found in traveling in a stage-coach, that it is often a comfort to shift one's position and be bruised in a new place." (Washington Irving, Tales of a Traveler, preface.)

"So when a raging fever burns, we shift from side to side by turns; and 'tis a poor relief we gain to change the place, but keep the pain." (Isaac Watts, Hymns and Spiritual Songs, 146.)

"We have no objection to the technical repeal of the Taft-Hartley law. We recognize that whatever is passed at this time will be a new labor-management relations act. But we insist that it should retain the main basic principles of the Labor-Management Relations Act of 1947. * * * We retain in all our substitutes the essential principles of the Taft-Hartley Act." (Senator TAFT, CONGRESSIONAL RECORD, June 8, 1949, p. 7402.)

There follows a section-by-section analysis of the "changes" which Senator TAFT proposes in the Taft amendments to the Thomas bill now under consideration in the Senate (statements as to "change" or "no change" refer to Taft-Hartley Act):

Section 1. Findings and policies: No change.

Section 2. Definitions:

(1) No change.

(2) Federal Reserve Bank and hospital employees subject to the act as under Wagner Act.

(3) No change.

(4) No change.

(5) No change.

(6) No change.

(7) No change.

(8) No change.

(9) No change.

(10) No change.

(11) Supervisors: Minor change in definition of "supervisor." All supervisors remain unprotected by the Federal law. No machinery is provided to protect the public against dislocations occasioned by supervisor's representation disputes.

(12) No change.

(13) Agency: A minor alteration in the statement of the agency tests to be applied in determining liability of labor unions under the statute in reality perpetuates the unfair provision of section 2 (13) of Taft-Hartley and turns back the clock to the pre-Norris-LaGuardia Act middle ages of labor relations. This provision is grossly unfair and unsatisfactory.

1. Under the common law rules of agency in effect before the Norris-LaGuardia Act was passed, courts imposed the most severe doctrines of responsibility on labor organizations. Unions were held liable for the unauthorized or unratified acts of strangers, members, or employer-paid agents on the most shadowy evidence of knowledge. Justice Frankfurter officially called this doctrine an abusive misapplication of the law.

2. In its decisions, the present NLRB has held unions liable on trivial evidence even for acts which they have specifically forbidden. Under the NLRB interpretation of this Taft-Hartley provision, unions become liable for the impetuous acts of anyone on or near their area of activity.

3. Supporters of the Taft amendments argue that unions are being made liable only in the same way as corporations. This is not so. Labor unions are loose-knit associations of men striving to improve wages, hours, and working conditions. They are not comparable to corporations which have relatively few authoritative spokesmen, who can be well controlled and easily disciplined and directed. Unions are comparable rather to voluntary groups associated for nonbusiness purposes.

4. The change in wording from Taft-Hartley to the Taft amendment does not reduce liability. If it does anything, it provides an ingenious legal argument for increasing liability. The amended statute would, as its sponsors admit (minority report, p. 13), reaffirm NLRB decisions under Taft-Hartley such as that in the Sunset Line and Twine case, which held international unions responsible for unauthorized acts of individual members. The Taft amendments would reintroduce the conspiracy doctrines which prevailed in the pre-Norris-LaGuardia period.

Section 3. NLRB structure and internal organizations:

(a) This section enlarges the size of the Labor Board to seven members, as compared with five under Taft-Hartley and three under the Wagner Act. It increases their term to 7 years, as compared with five under Taft-Hartley. This increase in the length of terms, however, would apply only to members hereafter appointed. The Taft amendment provides that not more than four members shall be of the same political party, whereas the Taft-Hartley Act has no similar provision.

1. No reason is seen for lengthening the terms to 7 years.

2. Four of the five members of the present Board are Democrats, and the one Republican member's term expires shortly. Under the Taft amendment the first three new appointees would have to be Republicans.

3. This amendment wholly ignores the fundamental criteria for selecting members of administrative tribunals. Members of an administrative tribunal should be selected on the basis of their expert knowledge within the given field, not their political views. To narrow the area of selection, as the amendment proposes, runs directly contrary to this concept. Senator TAFT seeks to make the Board a political football.

(b) No change—except to accommodate the enlargement of NLRB from five to seven members.

(c) No change.

(d) The NLRB office of an independent general counsel is abolished. The shamefully antilabor administration of General Counsel Denham has resulted in even Senator TAFT proposing the abolition of his office. But the new NLRB will exercise functions now performed by Mr. Denham, including dangerous powers by way of injunction, if TAFT's amendments are adopted. (Cf. sec. 10 (j) infra.)

Section 4. Restrictions on NLRB operations:

(a) This provides, like the Taft-Hartley Act, that the Board cannot hire economists. This provision is objectionable because many of the problems with which the Board deals can be intelligently handled only in the light of their economic context. It is essential that the Board receive the benefits of economic analysis. As a matter of fact, the Board recognizes this inadequacy and has been compelled, despite the prohibitions of Taft-Hartley, to engage the services of economists under the designation of "industrial analysts."

(b) No change.

Section 5. NLRB powers: No change.

Section 6. NLRB rule making:

(a) Administrative Procedures Act: This section makes certain that the Board is subject to the provisions of the Administrative Procedures Act.

(b) Ceding jurisdiction: This section authorizes the Board to enter into agreements with State agencies, whereby the Board would cede jurisdiction over certain matters affecting interstate commerce. Senator TAFT now admits that the requirements in the Taft-Hartley Act that the Board be prohibited from ceding jurisdiction to State labor agencies unless the State laws administered by such agencies are consistent with the Taft-Hartley Act, was for the purpose of forcing the passage of little Taft-Hartley Acts (minority report, p. 8). Since this program has failed to accomplish its objective, Senator TAFT is now willing to permit the Board to cede jurisdiction irrespective of consistency.

This provision is objected to because the Board has always asserted power, in its discretion, to refuse to handle a particular matter because the effect on interstate commerce was, in it judgment, insubstantial. Therefore, the provision seems unnecessary.

Section 7. Right to organize: The deletion of the employee's right to refrain from union activity, which was added by Taft-Hartley, is no concession. In section 8 (b) (1) substantially the same Taft-Hartley doctrine is reinserted.

Section 8. Unfair labor practices:

(a) (1) Employer interference. No change.

(a) (2) Company unions. No change.

(a) (3) Prohibition of closed shop. The Taft-Hartley Act all but destroys union security. It achieves this result (1) by barring the closed shop and other forms of preferential hiring outright; (2) by permitting only an extremely watered-down form of union security; and (3) by permitting even this weakened form of union security to be

effectively implemented. Union security is rendered meaningless where unions are denied the power to procure the discharge of labor spies, and company agents. This section dealing with union security leaves the Taft-Hartley Act substantially unchanged:

1. It continues to prohibit the closed shop.

2. It permits only a very restricted form of union shop. The type of union shop permitted would require an employee to join the union 30 days after being employed, but would allow the union to seek his discharge only for (a) nonpayment of initiation fees and dues; (b) a strike in violation of a collective-bargaining agreement; or (c) membership in the Communist Party. The latter two grounds for discharge are added by the Taft amendments to the first ground, which is already stated in the Taft-Hartley Act.

3. It abolishes the requirement of Taft-Hartley that an authorization election be held before a union shop agreement can be entered into; but it continues to provide for the deauthorization election, which could be called for annually.

4. Finally, the Taft amendment adds a new provision that an employer may notify a labor organization of vacancies.

The prohibition of the closed shop and the limitations upon the union shop were predicated on the assumption that employees were forced into unions against their will. The experience under the Taft-Hartley Act during these past 2 years refutes this misconception. Even the General Counsel of the Board has conceded that the provision of the act requiring the union shop election prior to the making of the contract was needless and wasteful. Statistics supplied by the Labor Board show that authorization elections have been won by unions in 98.2 percent of the cases. This affirmatively establishes that employees definitely desire union security. Senator Taft, although he would eliminate the requirement of an authorization election, still persists in his mistaken notion that employees are opposed to union security of the traditional kind represented by the closed shop and the union shop. It is to be observed further that by this amendment, a union security clause of even the watered-down nature permitted by the act can be eliminated by a deauthorization election. The holding of such deauthorization elections in the middle of a contract period would create incalculable chaos in the administration and the enforcement of the contract, and destroy the very stability which labor agreements are designed to secure.

In many industries the closed shop is necessary, either from the standpoint of the union or the employer, or both:

(a) In industries where employment is casual or sporadic the closed shop is essential to the continued existence of the union. A provision requiring new employees to join in 30 days gives the union no protection in industries where the job does not last that long. Examples are building trades, musicians, stevedoring, and maritime. Further, in these industries an organized labor pool is essential to provide competent labor to the employers as soon as called for or when needed. Unless this labor pool is union controlled, the union cannot survive.

(b) In certain industries where business units are small and competition fierce—such as in the men's clothing and the ladies' garment industries—closed or preferential shops have established stability in the interest of the public, the union, and the employer. The union security limitation provisions contained in the Taft-Hartley Act produced disputes between unions and employers in situations where both have agreed upon the merits of union security. In many cases where strikes have not occurred union security clauses have been written or adapted so as to fit the provisions of the Taft-Hartley Act. This attempt to adapt contracts to meet specific needs despite the harassing provisions of existing law has become so pronounced that there is a real possibility of a complete break-down in the enforcement of these makeshift arrangements. These efforts are being condemned by the Labor Board despite their goal of establishing mutually satisfactory working arrangements.

(c) In certain highly skilled crafts the closed shop is essential to the maintenance of union standards. Examples are printing trades, toolmakers, machinists, many of the maritime occupations, etc.

(d) The Taft amendment provision allowing an employer to notify a labor organization of vacancies does not authorize the hiring hall or preferential hiring. The minority report makes it all too clear that this provision is meaningless and ineffectual. In fact, the minority report (p. 39) states that if an employer should prefer a union applicant over a nonunion applicant, he is guilty of an unfair labor practice.

(a) (4) Discrimination for using NLRB. No change.

(a) (5) Employer refusal to bargain. No change.

(b) (1) Union coercion:

1. This section represents no substantial change from the Taft-Hartley Act. Elimination of the word "restraint" is a meaningless concession since coercion—kept in the Taft amendment—includes restraint. The theory of this Taft amendment and a similar Taft-Hartley provision that unions coerce employees from enjoying their right to work, is particularly objectionable. Unions exist to safeguard the right to work. This Taft provision is designed to help strikebreakers—and nobody else. It modifies Taft-Hartley to empower the NLRB to enjoin unions from coercion of employees in the right to work. This is merely a reinsertion of the provision purportedly deleted in section 7, supra.

2. The provision in its entirety is unnecessary. State and local courts and police authorities are entirely competent and adequate to deal with such police measures. No reason appears for subjecting unions to the dual liability of State and Federal restriction.

3. Moreover, NLRB decisions under the Taft-Hartley Act's analogous provision have seriously interfered with purely internal union affairs, and have forbidden even peaceful picketing.

4. In several cases the Board's general counsel and trial examiners construed coercion to include activities by a union in connection with its own members. Such decisions have rendered completely meaningless the proviso in section 8 (b) (1) (a) preserving the right of labor organizations to prescribe their own rules.

(b) (2) Employee discrimination: This provision parallels the provisos of section 8 (a) (3) and is objectionable for the reasons already stated.

(b) (3) Union duty to bargain collectively. No change. This provision has proved particularly onerous in the effect given it by NLRB General Counsel Denham; the Typographical Union has been required to defend four suits in which it is asserted that union insistence on abiding by its constitution and laws, or attempts to maintain uniform work standards, are unlawful.

(b) (4) Boycotts: This is the same boycott and strike prohibition as contained in the Taft-Hartley Act. Unions would still be denied the right to seek the aid of their fellow unionists to strike or to publicize the facts of a labor dispute or to exert peaceful economic pressure. This section destroys the employee's freedom of choosing not to work when such work damages his union position.

1. The only proposed relaxation of the Taft-Hartley Act is with respect to a single, but infrequent, type of occurrence, in which the union is given the right to refuse to work upon goods which have been contracted out by a struck plant. As a matter of fact, Federal Judge Rifkind, in the Ebasco Products Co. case, denied a request for an injunction under such circumstances. The court held that an attempt to persuade employees to refuse to work upon such goods does not constitute a secondary boycott.

2. Unions would still be prohibited from refusing further to process goods coming from a struck plant or from a plant which is operating under sweatshop or substandard conditions. Under this section unions would continue to be prohibited from even peacefully exercising their right to utilize unfair lists or "we don't patronize" lists. Under Taft-Hartley, as under the Taft amendments, a union may not even refuse to handle goods which are made in substandard nonunion plants. This provision restores to the law the very conditions brought to national attention by the *Duplex* v. *Deering* case and the New Bedford Stonecutters case, which were among the most powerful reasons leading to the enactment of the Norris-LaGuardia act.

(c) In the Taft amendment Senator TAFT apparently seeks to restore the rule of law respecting use of free speech by employers that was applicable under the Wagner Act. In board and court decisions under the Wagner act, such as the Virginia Electric Power Co. case and *Thomas* v. *Collins*, it was held that the employer had full right under the Constitution to discuss unions and unionism so long as no intimidation or coercion was involved. In view of these decisions the new amendment would seem unnecessary.

In one respect the new amendment is objectionable on grounds other than that it is superfluous. Under the new amendment Senator TAFT extends the free-speech prohibitions to election cases as well as to unfair-labor-practice cases. His amendment restricts the Board in its right to set aside elections where all the circumstances indicate the voting was not held in a free atmosphere and where the results might have been unduly affected even though the employer is not found guilty of committing an unfair-labor practice. In this respect, this amendment is more onerous than the Taft-Hartley Act.

(d) Collective bargaining requirements. This provision is substantially the same as Taft-Hartley. It preserves the complex and burdensome notice requirements of the Taft-Hartley Act concerning strikes and contract terminations.

1. Failure to comply with these complicated and technical provisions concerning the 60-day and 30-day notice requirements are such as to make unlawful a strike for lawful objectives, or in protest against unconscionable conditions.

2. The notice provisions are exceedingly rigid. If, for example, a union gives the proper notices, but then wishes to continue negotiating for a new contract beyond the time specified in the original notices, it may, as a result of patient continued good faith bargaining, find itself in violation of the notice provisions. This is exactly what happened to the machinists union in the Boeing strike. There strikers lost employee status, and their union is the subject of a $1,500,000 damage suit by reason of this unduly technical and needlessly harassing provision.

3. If a temporary extension agreement is entered into in an effort to gain time to negotiate a final agreement; a strike following the extension agreement may be held to violate the notice provision. Thus the effect of the law is to encourage strikes immediately upon the expiration of the notice period.

4. Unilateral employer action oppressive to employees cannot be met by an effective strike. Thus if an employer breaches a collective bargaining agreement by reducing

wages or extending work assignments, the union's immediate strike in legitimate protest may be held to be unlawful.

Section 9. Representatives and elections: (a) No change. This section is the same as the Taft-Hartley provision which declares that the union selected by a majority of the employees shall be the exclusive bargaining agent for all the employees, and is subject to a proviso, attached by the Taft-Hartley Act, that an individual employee has the right to present grievances and to have his grievances adjusted without intervention of the union as long as the adjustment does not violate the union contract and the union is given opportunity to be present at the adjustment.

1. Under the proviso, while the union which negotiated the contract covering the agreement may be present when the classification is discussed, the grievance may be settled without its approval. This permits an employer to disrupt the union in at least two ways: (a) He can put pressure on the individual employee to settle the grievance on disadvantageous terms. In fact, he can even threaten the employee with discharge if he refuses to accept the settlement offered by the employer since such a discharge would not be protected against under section 8 (a) (3) of the act, not being a concerted activity within the meaning of that section. (b) If the employer prefers, he can use the opposite tactic and undermine the union by granting more favorable settlements to those employees who present their grievances individually.

2. Students of the labor movement unanimously recognize that settlement of grievances is a principal function of unions, as important as the negotiation of the original contract. A contract acquires its meaning through its day-to-day interpretation in the grievance procedure.

3. The defects of this section were analyzed by Senior Judge Learned Hand, of the United States Court of Appeals in New York in *Douds* v. *Retail Store Union* (23 I. R. R. M. 2424 (1949)). Judge Hand noted that the proviso may well cause confusion in administration and introduce strife between rival unions which it was one of the chief purposes of the act to prevent. Pointing out that the proviso indicates more solicitude for individual bargaining than for genuine collective bargaining, Judge Hand said: "Possibly that is a defect in the plan as a whole; but we think that Congress knew what it meant and expressed it in what seems to us inescapable terms." In short, Judge Hand recognized that the proviso created strife and confusion in collective-bargaining relations.

(b) (1) No change. This section reenacts the Taft-Hartley provision that professional employees shall not be included in an appropriate bargaining unit with nonprofessional employees unless a majority of the professional employees vote in favor of inclusion.

This provision interferes unduly with a matter which should be left to administrative decision. The policies of the Labor Board under the Wagner Act disposed of such problems with desirable flexibility.

(b) (2) No change.

(b) (3) The provision of the Taft-Hartley Act forbidding representation of guards and monitorial employees by unions representing nonmonitorial employees is omitted in the Taft amendment.

(c) (1) This section of the Taft-Hartley Act provides for employees' representation elections whenever (a) employee groups allege that a substantial number of employees either (i) wish to be represented by a union, or (ii) wish to have the currently recognized union decertified, or (b) whenever an employer alleges that a union has requested recognition as the bargaining agent.

The Taft amendment makes no change in this section other than to remove the present requirement that the regional-office employee who conducts a hearing shall make no recommendation to the Board, thus leaving in effect the provisions described above and the further provision that elections must be held in all cases before a certification is granted.

1. The provision for petitions by employers invites the filing of such petitions at the beginning of organization campaigns. Employers are encouraged to jockey for position in representation proceedings, despite the fact that the question of selecting a bargaining agent is properly one for the employees alone to decide.

2. The provision for decertification proceedings invites periodic disturbances of existing bargaining relations.

3. There is no reason why employers should be allowed to petition for an election without showing that a substantial number of the employees wish to be represented by the union while imposing that requirement on employee or union petitions.

It is not enough to say in this connection that the union can prevent premature elections by refusing to ask for recognition. (See minority report, p. 11.) It is ordinarily impossible for a union in the middle of an organization campaign thus to admit publicly that it cannot hope to win an election.

4. The requirement that the Board hold elections in all cases where a question of representation exists improperly limits its discretion. Under the Wagner Act the Board permitted certification on a check of union cards only where all parties agreed and after due notice to the employees in the plant giving them an opportunity to object. The holding of an election when it is not demanded by any interested party is a useless waste of time and money.

(c) (2) No change: This provision is closely associated with that part of section 10 (c) which deals with distinctions between affiliated and nonaffiliated unions. It is discussed below in connection with that section.

(c) (3) The Taft amendment on this point eliminates the exclusion of economic strikers from voting but otherwise preserves the Taft-Hartley Act provision governing elections: Thus (a) 12 months must elapse between representation elections, and (b) all run-off elections (following elections in which no choice received a majority) must be between the two choices receiving the highest votes.

1. The dropping of the disqualification of striking employees is to be welcomed, although it should be noted that it is accomplished without explanation or even mention in the minority report.

2. The requirement of 1 year between elections permits no flexibility at all even where there have been substantial changes in the employer's operations or developments affecting representation justifiably requiring reconsideration of the question of representation. The Labor Board's rule under the Wagner Act, which prohibited elections more often than once a year in the ordinary case, permitted such flexibility.

The 1-year requirement is particularly dangerous when taken in connection with the provision for employer petitions in section 9 (c) (1). By properly timing his petition, before the union is ready for an election, the employer can prevent collective bargaining in his plant for a year.

3. The run-off provision is another arbitrary limitation on a matter which should be left to administrative discretion.

(c) (4) The Taft-Hartley provision permits the waiver of hearings by stipulation for a consent election but not the waiving of the requirement of an election. Senator Taft adds a provision allowing the Board to hold an election before it holds a hearing but only where "no substantial objection to such proceeding is being made."

The proposed change is ambiguous. An objection may be "substantial' 'even if it raises nc issue which is substantially likely to affect the election result. The prehearing election procedure was adopted by the Labor Board shortly before enactment of the Taft-Hartley Act. It proved highly effective in eliminating useless hearings on issues raised solely for purposes of delay. No justification for its prohibition in the Taft-Hartley Act appears, and any amendment on the point should unambiguously restore the Board's power to hold such elections.

(c) (5) No change in this provision declaring that the extent to which employees have organized shall not control in determining appropriate units.

The objections to the "extent of organization" doctrine, described in extreme terms in the Minority Report (pp. 12–13), should be weighed against the simple fact that it is frequently difficult to organize a large industrial concern, a Nation-wide insurance company, a chain of retail stores, or similar operations in one campaign. The extent of organization doctrine was intended to encourage the practice of collective bargaining by making the organization of such enterprises feasible. That is a proper objective under a labor relations act.

(d) No change in this purely procedural provision regarding judicial review of representation proceedings.

(e) The Taft amendments eliminate the requirement of union-shop authorization elections but keep the provision for de-authorization union-shop elections, retaining the prohibition of more than one such election per year.

The objections against de-authorization elections is discussed under section 8 (a) (3). In addition it should be noted that the amendment leaves unclear the status of a contract if a union is de-authorized during its term.

(f) No change in the requirement that unions register and file reports requiring finances, bylaws, and other matters except (1) a minor amendment required by the dropping of the closed-shop authorization elections; and (2) elimination of the elaborate and unnecessary requirements of subsection (A) (6) of this section that the unions file statements describing the provisions of their constitutions and bylaws covering 12 separate subjects, including membership qualifications, elections, dues, and other internal matters.

1. The one-sided application of these requirements to unions has received widespread attention. Their harassing nature is revealed by Senator Taft's statement that a proposal that employers file similar data was "red tape."

2. No explanation is given in the minority report as to why the cumbersome provisions of section 9 (f) (A) (6) were necessary in 1947 but not in 1949.

(g) No change in the requirement that reports called for in section 9 (h) be filed annually. The comments made with respect to 9 (f) are applicable here.

(h) The Taft amendment retains the non-Communist affidavit requirement by preserving all the elements of the oath presently required and adding a statement that the person taking the oath does not seek by force or violence to deny other persons their rights under the United States Constitution. Senator Taft enlarges the present provision by specifying that the word "officer," as used in the requirement that officers file affidavits, includes members of all policy forming and governing bodies of the union.

He would add a further subsection (9 (h) (2)) requiring employers, the officers of an employing corporation, and all member agents having a responsibility for labor relations to file similar affidavits.

1. The problem of national security has no proper place in a labor-management relations bill. It is, moreover, dealt with in other legislation, such as that under which the

leaders of the Communist Party are now on trial in New York.

2. The penalty provided for failure to file the non-Communist affidavit is wholly inappropriate. It is the denial to the union of the right to use the peaceful procedures of the National Labor Relations Board. The result is that noncomplying unions are forced to resort to strikes or other economic action. This does not promote industrial peace, but weakens it. An example is the longshoremen's strike on the west coast last summer, which was precipitated by the employer's refusal to deal with a noncomplying union.

3. In some cases employers seem to have preferred to deal with Communist unions because of their weakness under the act.

4. Instead of taking this issue out of the labor relations field, the Taft amendment proposes to extend the provisions of the act to the members of all union policy forming and governing bodies. This may mean that all delegates to national conventions, members of all executive boards, members of wage policy committees, shop committees and stewards may be required to file the affidavit. Some unions, in order to qualify, will have to file hundreds of thousands of affidavits.

5. Even on this point the Taft amendment is not mutual. Only the officers of the employer and the agents having responsibility for the employer's labor relations must file the affidavit. The members of the Board of Directors are exempt and all other policy forming and governing bodies of the employer are ignored.

Section 10. Prevention of unfair labor practices:

(a) No change, except to delete provision authorizing NLRB to cede jurisdiction to States. But compare section 6 (b), which reinserts the provision deleted here.

(b) No change, except to extend Taft-Hartley 6-month statute of limitation with respect to the filing of unfair labor practice charges to 12 months. This is still an inordinately brief period to permit filing of charges.

This section reenacts the objectionable requirement that NLRB follow the rules of evidence prevailing in the Federal district courts. Practically, unions are thus required to assume the expense of retaining attorneys in almost every case before the Board; particularly since the NLRB General Counsel has instituted an "administrative requirement" that charges be supported by competent evidence establishing a prima facie case within 72 hours of filing the charge.

This tendency, throughout the Taft proposals, to transform the Board from an administrative agency into a highly technical formal court, naturally makes difficult access to the Board by employees seeking redress against employer unfair practices.

(c) No substantial change.

1. NLRB's power to require unions to pay back-pay awards remains unimpaired.

2. NLRB must decide the case on all the evidence, rather than upon the preponderance of the evidence as under Taft-Hartley. Cf. section 10 (e) infra, Taft-Hartley's enlarged power of judicial review is apparently retained, permitting appellate courts to substitute their judgment for that of the NLRB.

(d) No change.

(e) No change from Taft-Hartley—which attempted to enlarge power of judicial review and invited appellate courts to substitute their judgment for that of NLRB. Why should appellate courts scrutinize NLRB decisions any more closely than decisions of other agencies? We suggest that Administrative Procedures Act review provisions be made fully applicable to NLRB as to other agencies.

(f) No change.

(g) No change.

(h) No change.

(i) Preferred docket for NLRB petitions. No change. Requires petitions for enforcement or review to be handled expeditiously.

(j) Injunctions pending Board hearing. The only change is for the worse. The unlimited discretionary power now vested in General Counsel Denham to obtain injunctions prior to hearings and immediately upon issuance of a complaint is transferred to the Board. That body is given the added power to obtain temporary restraining orders without notice which power is not expressly given by the Taft-Hartley Act.

This is one of the worst provisions of the bill. It imposes government by injunction, ignores the success of the past decades with the administrative process and proposes a fantastic commingling of judicial and administrative processes.

1. Under this provision, once the Board has issued a complaint which is supposed to be adjudicated in a Board hearing, the matter is taken before a district court for a hearing there instead. The court cannot make a fair decision as to whether an injunction should issue without holding a fair hearing. Yet, in fact, the court cannot give a full hearing because the issue is supposed to be decided by the Board. Hence, in practice it holds a partial hearing only, and makes its decision on affidavits and an incomplete record. The net effect is to enjoin the union first and hear the facts afterward—to use the injunction and summary contempt powers of the court to compel a union to cease practices with which it has merely been charged and which it has not had any opportunity to refute.

After the injunction is granted, and the Board has held a real rather than a mock hearing, it may decide that the complaint was without merit. The decision will usually be a year or more later. Meanwhile, the union has been enjoined from engaging in a lawful activity and its members have been denied the benefits to which they were entitled under the law.

In fact, however, the likelihood of an objective decision by the Board is substantially reduced once it has asked for an injunction. Having taken the position that a serious situation has arisen requiring extraordinary judicial remedies, and having obtained an injunction against vigorous opposition, it may be reluctant to dismiss the complaint. That tendency will be increased if the district court injunction has been appealed to the circuit court and there affirmed by the very court which must review the Board's order.

The Board is unlikely to issue a decision which has the effect, by dismissing the complaint, of dissolving an injunction approved by the circuit court even though it knows that the sustaining of the injunction was based on an incomplete record.

2. This provision returns the law of labor relations to the pre-Norris-LaGuardia days of government by injunction. The whole struggle for injunction legislation centered around the fact that injunctions granted without full hearings can break unions immediately and that it makes no difference that when the union ultimately has its day in court the injunction is shown to be erroneous and is lifted. The damage in such cases has already been done.

Here the damage is even greater. The "temporary" injunction lasts until the Board issues its decision a year or more later. Probably, also, if the order is resisted and taken to the circuit court for review, the "temporary" restraint will be continued by that court under section 10 (e).

3. This provision departs radically from the national policy outlined in the Administrative Procedures Act. That statute was the result of many years of study of the administrative process. It embodies the conclusion of Congress that the administrative process, as there modified, is aptly designed for the enforcement of regulatory statutes. In particular it curbs resort to hasty action, even where an agency believes it necessary, by providing careful rules assuring due process of law and preventing action in derogation of the rights of litigants.

All this is abandoned in section 10 (j). One may well imagine the outcry which would arise if it were proposed that similar powers be given to all Government agencies.

4. The application of this novel procedure to the labor-relations field in itself indicates that its purpose is discriminatory. That it is, in fact, aimed at unions alone, even though theoretically applicable also to employers is shown by the fact that of the 41 requests for injunctions which have been made to the courts under the present act, 39 have been against unions. Of the 24 injunctions granted, only 1 was against an employer.

The proportion is likely to continue. The case in which employees are most likely to benefit from injunctions against an employer is that in which the latter has halted an organizing drive in its tracks by discharging the top union officials. Yet it is unlikely that the courts will issue an injunction requiring reinstatement of such employees pending Board adjudication of the propriety of the discharge.

5. Under the Taft amendments, the Board will decide whether injunctions should be sought, rather than the general counsel as at present. This will inevitably insure political pressure on the Board just as it has been on the general counsel, notably the ITU cases. In deciding whether to seek an injunction in the thousands of cases where it will be demanded the Board will have to act on entirely inadequate information. Furthermore, since injunctions are sought only on the theory that a serious evil must be forestalled, the Board will have to act in a hurry if it is to act at all. In such a situation it will be difficult, if not impossible, for it to make its decisions on any objective standards.

7. The Taft amendments add to this section a provision already contained in other parts of the Taft-Hartley Act subjecting a union to suit in any judicial district in which it has a single organizer although its headquarters may be located elsewhere and it may not even have an office in the district. The employer, on the other hand, may claim the benefit of the generally applicable venue statutes requiring that suit be brought in the judicial district in which the defendant resides.

(k) Jurisdictional disputes: This section would amend the Taft-Hartley provision for resolving jurisdictional disputes by empowering the Board to refer such matters to arbitrators if they saw fit, and by setting forth standards for the resolution of such jurisdictional disputes. The Taft-Hartley Act provides that the general counsel may secure an injunction in a jurisdictional-dispute case following the procedure set forth in the mandatory-injunction section 10 (l). The Taft amendments would permit the procurement of an injunction in a jurisdictional dispute under 10 (j).

The Taft amendments would do nothing, however, toward empowering the Board actually to resolve jurisdictional disputes. The Board has now held in four cases that the Taft-Hartley Act does not enable the Board to resolve jurisdictional disputes, but in effect allows employers to predetermine the issue of which labor organization shall do the work in question. The employer thus has complete discretion to shop around among competing unions in order that he may select that union which will contract to do the work most cheaply. This Taft-

Hartley provision is preserved in the Taft amendments.

(1) This has been eliminated.

Section 11. No substantial change.

Section 12. No change.

Section 13. Limitations: This section asserts that nothing in the act, as amended by Senator TAFT, except as provided for therein shall be construed to diminish the right to strike. Since the Taft amendments are a compendium of direct and indirect restraints upon the right to strike, the hypocrisy of this provision is readily apparent.

Section 14. Supervisors: (a) No change. This reenacts a provision of the Taft-Hartley Act denying supervisory employees the protection against employer discrimination because of union activity.

(b) No change. This reenacts the Taft-Hartley provision that State laws more hostile to unions than the Federal act shall prevail over it even in industries in or affecting interstate commerce. There is no bona fide justification for this restrictive provision.

1. The very purpose of a National Labor Relations Act is to provide a Federal code having uniform application to industrial relations in or affecting interstate commerce. It is a part of the uniform treatment of commerce among the States, the institution of which was a major reason for calling the constitutional convention. To encourage State separatism in economic matters is to destroy the national economic unit which has been one of our country's greatest sources of strength.

2. This Taft provision invites States to encourage industry to "run away" from other States by enacting legislation to discourage unionism. While it is highly desirable that regions such as the South be industrialized, they should not be industrialized at the expense of industries now located elsewhere, or by encouraging the relocation of industry from the North to the South. Sweatshop or open-shop industries will in the final analysis, do the South no good and will ruin other portions of the country.

3. Senator TAFT uses the pretext of States rights to justify this provision but shows no real regard for the principle. That is clear from the fact that the restrictions of the Federal act on union security override State laws friendly to unions, while State laws hostile to unions are given precedence over the Federal act.

Section 15. No change.

Section 16. Suits by and against labor organizations: No substantial change. These provisions of the Taft amendments reenact the provisions of section 301 of the Taft-Hartley Act authorizing suits by and against labor organizations and gives the Federal courts jurisdiction over suits for violation of collective bargaining contracts, without respect to the amount in controversy or diversity of citizenship.

Strong doubt exists as to whether a breach of a labor agreement can constitutionally be made a Federal subject matter regardless of the amount involved or the diversity of the citizenship of the parties. This novel expansion of Federal jurisdiction can more accurately be described as an attempt to harass unions.

1. It is clear that the argument of a devotion to States rights which is advanced in support of these provisions is but a flimsy pretext for an antilabor point of view. The right of action in the Federal courts against unions for breach of bargaining agreements was created by the Taft-Hartley Act and would be continued by the Taft amendments for the explicit reason that many States have not seen fit to give employers such a right of action.

2. The Republican majority of the joint congressional committee justified the provisions authorizing suits against labor organizations on the ground that experience had shown that employers did not pursue these suits to final judgment but dropped them with the settlement of the labor dispute out of which they arose. They thus admit that this right of action is utilized by employers solely for the purpose of harassing unions. Industrial peace is not made possible by such methods.

3. A collective bargaining agreement is not comparable to the ordinary commercial contract, just as a labor union is not comparable to a corporation. Good indlustrial relations are not promoted by making these contracts the vehicles for damage suits either against unions or employers.

4. Any interruption of an employer's production may be claimed to cause, often without justification, large monetary damage for which unions could be sued under these provisions. In contrast, a union exists for the purpose of improving the working conditions of its members, and it is difficult for a union to demonstrate any comparable specific monetary damage from employer breach of contracts. Thus, while these provisions have the appearance of mutuality and fairness to both sides, the reality is otherwise.

5. By reason of the meager monetary resources of unions in comparison with the large financial resources of many employers, judgments obtained against unions under these provisions may lead to dire results and the possible complete destruction of the labor organization.

6. Unions are made suable (by section 16 (c)) in any district in which they have an organizer acting for employee members. This provision goes far beyond the comparable provision for suits against corporations and there is no justification for placing this heavier standard of liability in suits which involve the financially weaker of the two types of organization.

Section 17. Damage suits: This section reenacts, in substance, the provisions of section 303 of the Taft-Hartley Act giving employers a right of action in the Federal courts against unions for damages sustained because of certain unfair labor practices involving secondary boycotts.

1. Despite Senator Taft's alleged devotion to States rights, it is apparent that this Federal right of action has been created because the States have not seen fit to accord employers such a right.

2. Unions and employees are not given any comparable right of action for damages against employers who commit unfair labor practices and, obviously, no mutuality of remedy has been provided. A union may spend thousands of dollars trying to organize a plant, only to be thwarted by discriminatory discharges and other employer unfair labor practices, but neither the union nor a discharged employee is given any right of action to recover damages for the losses incurred. All that happens is that years later, after the union has been broken in the plant, the Board and finally the courts may tell the employer not to do it again, and possibly to reinstate an employee who has long since by necessity become employed elsewhere.

Section 18. Restrictions on check-off, etc.: (a), (b), and (c). Section 18 of the Taft amendment re-enacts, with certain alterations, the provisions of section 302 of the Taft-Hartley Act dealing with the check-off of dues and union welfare funds.

This provision reenacts the Taft-Hartley restriction that dues shall be checked off only on the basis of individual written assignments received from each employee. That these unnecessary provisions are designed to harass unions is evident from the two new provisions concerning check-offs which the Taft amendments add to Taft-Hartley.

1. Under the Taft-Hartley Act, as it was construed in an opinion of the Department of Justice, initiation fees and assessments as well as dues could be checked off on the basis of individual written assignments. The Taft amendments now would expressly prohibit the check-off of assessments, fines or penalties even when covered by such written assignments.

2. Under Taft-Hartley, it became a practice of many unions to secure individual assignment cards which could be revoked by the employee during a period of about two weeks prior to the anniversary of signing, but which if not revoked during that period, were automatically renewed for another year and thereafter from year to year with similar withdrawal periods annually. This union practice was approved by the Justice Department's opinion. The Taft amendments, however, are not as clear as they might be on this point, although the minority views which accompanied the Taft amendments, contain the statement "the amendment we have proposed makes it clear that the authorization, once given, continues from year to year unless revoked by the employee."

(c) (5) This section of the Taft amendments re-enacts, with changes and elaborations, the welfare fund provisions of section 302 (c) (5) of the Taft-Hartley Act. The principal changes include the requirement that the Secretary of Labor, after a thorough examination of all the provisions of the agreement creating the welfare fund, including the holding of a hearing at the request of any person demonstrating an interest, must certify that the fund meets the statutory requirements.

1. No necessity for any Federal regulation of union welfare funds has ever been shown. Such funds have been in existence for years, without the development of any abuses demonstrating a need for regulation. Beneficiaries of such funds are, of course, protected by the normal State laws relating to trusts and to embezzlement of funds.

2. The requirement added by the Taft amendments that the Secretary of Labor must certify that the fund meets the statutory requirements, and hold a hearing, if requested by any party demonstrating an interest, is designed solely to burden unions and discourage the creation of welfare funds. Neither employers, employees, or the Secretary of Labor have ever suggested that there was any necessity for any such supervision of these funds by the Federal Government. The requirement of submission to the Secretary of Labor, and that hearings be held, would serve to delay the creation of such funds and to foster and prolong disputes over the terms and administration of such funds.

3. Despite the fact that Senator TAFT and his adherents have always purported to be devoted to economy in government, the Taft amendments propose elaborate and expensive governmental machinery for which there is no need and which neither the administration nor anyone else has requested.

4. The statutory standards which welfare funds must meet are confusing and chaotic and, in some instances, impossible of achievement under existing State law. For example, many States do not permit the issuance of policies of group life or health insurance to trustees of a fund of the type required by Taft-Hartley. Thus, the United Steelworkers of America reached an agreement with the MacKenzie Muffler Co. for the creation of a welfare fund meeting the requirements of Taft-Hartley, only to find that under Ohio law group-insurance policies could be issued only to an employer or a union, but not to trustees representing both parties. Developments of this sort are to be expected when elaborate legislation is passed with little consideration and with no apparent purpose except to harass unions.

5. The provisions of Taft-Hartley with respect to the administration of welfare funds have already produced one national emergency strike in the coal industry, because of the inability of the union, the management, and the impartial umpire to agree. The Taft amendments would permit the employer to waive participation in the administration of the fund, but, of course, would not compel him to do so. Further chaos and controversy may be expected by reason of this provision which gives the employer the right to elect whether or not he desires to participate in the administration of the welfare fund.

TITLE II—CONCILIATION

Sections 201–206: These sections of the Taft amendments carry over matter appearing in sections 201–205 and 211–212 of the Taft-Hartley Act.

Specifically, the Federal Mediation and Conciliation Service is continued as an independent agency despite pre-Taft-Hartley experiences indicating that its proper place is within the Department of Labor. (Mr. Bloom believed that the service should remain an independent agency.)

The removal of the service from the Labor Department under Taft-Hartley did not result from any demonstrated defects in the function of the service, nor has any improvement in the functioning of the service resulted from the removal.

The Hoover Commission's recently published recommendations clearly indicate the advisability of reestablishing the service within the Department, viz, (1) "The numerous agencies of the executive branch must be grouped into departments as nearly as possible by major purposes in order to give a coherent mission to each department, and, (2) there must be a clear line of authority reaching down through every step of the organization, and no subordinate should have authority independent from that of his superior."

Section 207. No change.

TITLE III—NATIONAL EMERGENCIES

Sections 301–307: These sections of the Taft amendments deal with national emergencies and replace sections 206–210 of the Taft-Hartley Act. Senator TAFT's proposal for dealing with national emergencies is even more objectionable than the Taft-Hartley provisions.

1. The Taft amendments permit the President to seek an injunction immediately after issuance by him of a proclamation without awaiting the report of the Emergency Board as was required under the Taft-Hartley Act.

2. Although the Taft amendments empower the President to apply to a court either for seizure or for an injunction or both, (a) the absence of provisions defining the terms of seizure, (b) the failure to spell out what shall happen to profits, and (c) the provision which prohibits the Government from negotiating with the union for a settlement of the dispute, indicates that only token, not real, seizure, is contemplated.

3. The fact that the President must apply to a district judge for authority to seize a plant in a situation proclaimed by the Chief Executive to be a national emergency rather than doing so directly, makes it possible for a court to find that the circumstances do not warrant even token seizure.

4. The provision which prohibits the Government from negotiating with the employer or the union for a settlement of the dispute frustrates collective bargaining for the entire 60-day period and furnishes incentive to the employer not to bargain with the union. The amendments, like the Taft-Hartley Act, delay and stultify collective bargaining; they do not advance collective bargaining.

5. The language and structure of the Taft amendments reveal only too plainly that their proponents still rely upon injunctions even though experience under the Taft-Hartley Act and prior thereto has exposed the uselessness, let alone the viciousness, of injunctions in national emergency labor disputes. William H. Davis, Chairman of the National War Labor Board, in discussing the Taft-Hartley emergency injunction procedure, said: "There has not been a case under the Taft-Hartley Act in which a settlement has been reached during the cooling-off period under an injunction."

TITLE IV—MISCELLANEOUS PROVISIONS

Section 401. Restriction on political contributions: This section reenacts the provisions of section 304 of the Taft-Hartley Act restricting political contributions by unions. The only change is that while Taft-Hartley prohibits unions from making a "contribution or expenditure" in connection with certain elections, the amended version would prohibit "contribution" but not "expenditure."

1. The prohibition of political contributions by unions is sought to be justified on the ground that the same prohibition applies to corporations. Here again labor unions and corporations are not properly comparable:

(a) Labor unions are formed to improve the wages and working conditions of their members, and political activity is a legitimate and even indispensable part of their function. That, of course, is not true of corporations.

(b) Labor unions are not so wealthy that political contributions by unions would threaten the purity of elections, while corporations have amassed such enormous wealth that if they were free to make political contributions the purity of elections would be imperiled. The financial strength of most unions is no greater than that of many individuals who are, of course, free to make political contributions.

2. Senator TAFT apparently seeks to restrict union political activity by creating uncertainty as to what is permissible under his bill. Thus, the minority report (p. 63), goes out of its way to express the belief that "contributions" cover those expenditures which are in substance indirect contributions to a particular candidate. Harassment by vagueness is hardly a legitimate form of legislation.

Section 402. Strikes by Government employees: This section preserves without change section 305 of the Taft-Hartley Act, which makes it unlawful for any person employed by the United States to participate in any strike. The issue with which this provision deals is part of a larger and a very difficult problem which needs further consideration by Congress. For example:

1. Consideration should be given to making some provision for the settlement of disputes between the Government and its employees, such as machinery for collective bargaining and for the processing of grievances of Government employees.

2. The Federal Government engages in numerous activities, many of which are of a proprietary rather than of a governmental character. Persons employed in enterprises of the former type, such as TVA, may bear no different relation to the community than do persons employed in private industry. A blanket prohibition to strike, particularly when unaccompanied by any provision for collective bargaining or processing of grievances, seems wholly unwarranted as to such employees.

Section 403. Definitions: No change from section 501 of Taft-Hartley.

Section 405. Saving provision: No change from section 502 of Taft-Hartley.

Section 406. Separability: No change from section 503 of Taft-Hartley.

Lester Asher (firm of Daniel Carmell, general counsel, Illinois and Chicago Federation of Labor, AFL).

Frank Bloom, general counsel, Commercial Telegraphers Union, AFL.

Herman Cooper, general counsel, National Maritime Union and Utility Workers Union, CIO.

Jerome Cooper, counsel for CIO Southern Organizing Committee.

Leon Despres, general counsel, United Transport Service Employees, CIO.

Morris P. Glushien, general counsel, International Ladies' Garment Workers Union, AFL.

Arthur J. Goldberg, general counsel, Congress of Industrial Organizations and United Steelworkers of America.

Thomas E. Harris, assistant general counsel, CIO.

William J. Isaacson, general counsel, Amalgamated Clothing Workers of America, CIO.

Henry Kaiser, general counsel, American Federation of Musicians, AFL.

Isadore Katz, general counsel, Textile Workers Union of America, CIO.

Irving J. Levy, general counsel, United Automobile, Aircraft and Agricultural Implement Workers of America, CIO.

John O'Donnell, general counsel, Transport Workers Union, CIO.

Garnet Patterson, general counsel, United Rubber Workers, CIO.

Joseph B. Robison, attorney.

Louis Sherman, general counsel, International Brotherhood of Electrical Workers, AFL.

Jerome Sturm and Alan Perl, general counsels, National Association of Machinists, Independent.

Gerhard P. Van Arkel, general counsel, International Typographical Union, AFL.

Lindsay Walden, general counsel, Oil Workers International Union, CIO.

L. N. D. Wells, Jr. (firm of Mullinax, Wells & Ball), general counsel, Texas State Federation of Labor, AFL.

Woll, Glenn & Thatcher, general counsel, American Federation of Labor.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1125. An act to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1129. An act to amend section 16–416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative;

S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated;

S. 1133. An act to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases;

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3,

1901, to provide a family allowance and a simplified procedure in the settlement of small estates; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. MURRAY. Mr. President, as I rise to address the Senate today on the pending measure, the Thomas bill, which purports to repeal the Taft-Hartley Act, I am reminded of a well-known, old American axiom which was forged out of the experiences of our forefathers. As I recall, the words are: "Nothing is ever settled until it is settled right."

Mr. President, I am sure that all of us who have listened to the able address delivered today by the distinguished junior Senator from Minnesota [Mr. HUMPHREY] are convinced that the Taft-Hartley Act did not settle the matter right at the time when it was enacted.

At the time when we enacted the Taft-Hartley Act, we labored hard and long in committee studies and on this floor in debate. We were putting on the statute books of the Nation what was considered to be a monumental piece of Republican legislation which through the centuries to come would stand out as a sort of irreversible human achievement and lasting monument to that party and to the National Association of Manufacturers, its principal author.

But, Mr. President, that law was no sooner passed than it began to kick up a row that spread all over the country, from the Statue of Liberty in New York Harbor to the Golden Gate at San Francisco, and from Bangor, Maine, away down South, deep in the heart of Texas. We never before heard of such a ruckus growing out of a simple little act of Congress—especially an act bearing such a distinguished name, and allegedly intended to free the poor workingman from the machinations of labor bosses.

However, Mr. President, it appears that there was something wrong with the act. It did not set well with the workers of the Nation. They all began to holler bloody murder. Anyway, the point I am trying hard to make is this: The question tackled by the Senate at that time was not settled right. So, according to the axiom I have cited, we must now do it all over again, with everyone getting all steamed up once more.

Mr. President, to get down to the basic argument in this case, it was just 2 years ago, as I recall, that I stood here on the Senate floor with a small group of resolute Senators who sought to bar the passage of the Taft-Hartley Act. At that time we pointed out that it was obviously designed to break down the strength of labor unions and to place management in a position to dictate the terms and conditions of employment of their workers. We urged on the Senate at that time a middle-of-the-road course of justice and fairness to both sides of the controversy—a course which recognized, and would result in curing, whatever ills existed in the field of labor-management relations and, at the same time, would develop a spirit of mutual respect, understanding, and cooperation between labor and management.

Today, again, this same group, augmented in the meantime by new arrivals from the field, are all taking a hand in the matter, with great hopes that this time we may work out some legislation that will be right and just. In the Thomas bill, which we are supporting, we are seeking to repeal the Taft-Hartley Act, reestablish the National Labor Relations Act, and provide relief for any real causes of misunderstanding and conflict between labor and management. We do not propose to let this measure become a vehicle for again fastening on labor punitive and restrictive provisions which will continue the unrest, bitterness, and lack of cooperation that have grown out of the original Taft-Hartley Act. We are seeking to present a measure which will go forward to a better, a more encouraging, and a more peaceful future in the field of industrial relations.

And so, Mr. President, we are offering this same just and fair proposal in the form of the Thomas bill, which has been perfected to meet and cure every condition that tends to prevent harmonious relations between management and workers, without placing either side in a dominant position—a bill which will completely and effectively restore the sound principles of collective bargaining.

Mr. President, with all the sincerity and confidence I possess, I urge this measure as a genuine solution of the present conflict in the field of labor relations, which is threatening the future progress and tranquillity of our country. I am more confident than 2 years ago of the ground upon which we stand, not only because of the increased number of voices in this body calling for the repeal of the Taft-Hartley Act, but also because through these massive stone walls of the Capitol we hear the voices of millions of our citizens who are clearly calling for and insistently demanding the correction of the grave injustices to labor perpetrated by the Eightieth Congress.

Two years ago I warned the Senate that we were heading into a course not charted by, but contrary to, the real desires of the people, and that we must assuredly strike the rocks—if not of industrial disaster, at least the rocks of strife, of discontent, and financial loss that are the outlying shoals of economic and social disaster.

Among the phrases that men most dislike to hear is the sad refrain, "I told you so." And so today I shall only call attention, in earnest sincerity, to the recorded will of the people; to the widespread unrest of organized workers, and the increasing rise of unemployment—visible markers of a dangerous shore toward which we must not again steer. Let us rechart our course, while there is yet time, and regain the broad channel of constructive legislation which will restore a sound and equitable system of collective bargaining.

Let me be more specific. Two years ago, on June 6, I said that the Taft-Hartley Act "settled no problem, provided no answers, and would lead our country up a blind alley of litigation, uncertainty, domestic strife, and reaction," and that "by weakening the purchasing power and economic position of the great mass of consumers it would hurry us along the road to a dangerous depression." A week later I placed in the CONGRESSIONAL RECORD a statement of the National Catholic Welfare Conference, which said:

> The Taft-Hartley bill does little or nothing to encourage labor-management cooperation. On the contrary, it approaches the complicated problem of industrial relations from a narrow and excessive legalistic point of view.

The passing of these 2 years has plainly proven the accuracy of both statements. As Dr. William M. Leiserson stated in the New York Times Magazine of February 6, 1949, the Taft-Hartley law has resulted only in confusion and misunderstanding. I add that confusion in labor-management relations leads directly to disputes, to strife, and to great financial loss to the Nation. Dr. Leiserson, after expert observation covering a period of a year and a half of the act's operation, said:

> The act's attempt to pursue three incompatible labor policies at the same time could only result in confusion. The confusion was soon reflected in the administration of the law—the NLRB and its coordinate general counsel being unable to agree as to its intentions. Apparently the voters sensed the act was working at cross-purposes and returned to office the President over whose veto it was adopted, with a Congress dominated by the party whose platform called for its repeal. * * *
>
> We shall not go far astray if we assume that the public wants a law based on a clear-cut labor policy that it can understand, with specific provisions reasonably calculated to carry out the policy.

As Dr. Leiserson pointed out in his excellent article, there are but three broad types of national labor policy: First, individual bargaining; second, collective bargaining; and, third, Government dictation.

The Taft-Hartley Act effectively, if not in all precise provisions, establishes the third policy—Government dictation. And it is this policy, I firmly believe, which workers and the voters generally resented having legislated upon them.

The Wagner Act equalized bargaining power; it provided the balance wheel so necessary for the smooth operation of our labor-management machine.

It is my firm belief that we owe to the millions of organized—yes, and even unorganized—workers, consumers, the thousands of small-business men, from whom the men at machines purchase their necessities of life, and also to the millions of people in Europe, now so dependent upon the industrial stability and health of America, a prompt return to the principles of a sound system of collective bargaining. Such a system we now propose in the Thomas bill.

We owe much to the workers. We are indebted to them for loyalty and devotion to their industrial duties during the long World War. Contrary to sly innuendos and even vile falsehoods spread by antiunion interests among our men at sea and on the battlelines, to the effect that strikes and slow-down were rife at home, we know full well, and the facts are permanently recorded, that workers

remained diligent at their machines, kept their no-strike pledges, and their production accomplishments became the marvel of the century. These workers were guided, counseled, and encouraged by responsible union leadership. They were strong, confident, and powerful in our common cause—strong in self-restraint, confident that when the task was over, any economic disadvantage they had suffered might be regained around the collective-bargaining tables. They had no visible reason to believe or fear that Congress would reward their honorable efforts by withdrawing their bill of rights, the Wagner Act. They could not foresee that their decoration for service well rendered was destined to be the iron cross of the Taft-Hartley Act, pinned upon them by a crusading general counsel armed with injunction papers.

In the Taft-Hartley Act we gave them the lash for recompense, legal servitude for reward, and confusion and uncertainty for the peace and honor they had earned. Let us proceed now, and with dispatch, to redress and correct that act of injustice and ingratitude.

On January 5, of this year, in his state of the Union message, the President told us:

> At present the working men and women of the Nation are unfairly discriminated against by a statute that abridges their rights, curtails their constructive efforts, and hampers our system of free collective bargaining.

In those words the President stated succinctly the facts which were set forth more fully, some weeks later, in Senate Report No. 374, wherein my esteemed colleagues the Senator from Florida [Mr. PEPPER], the Senator from West Virginia [Mr. NEELY], the Senator from Minnesota [Mr. HUMPHREY], and I expressed our views on the Ball report. Because they are pertinent, of fundamental importance, and should be borne in mind by each of us as we approach the point of voting upon new legislation, I shall quote the following points:

> As a result of the Taft-Hartley emphasis upon individual bargaining and upon artificial restraints on unions, the inequality of bargaining power between employees and employers has once more been increased. In contributing to such disparity, the act undermines effective collective bargaining.
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> 1. The protection and encouragement of collective bargaining is inconsistent with undue emphasis on the right of individual bargaining. The right of individuals to refrain from self-organization has always existed. The Taft-Hartley Act, by reaffirming this right, tends merely to encourage dissidence.
>
> 2. The act protects the individual worker, but only when he breaks with the organizational efforts of his fellows. On the other hand, he is penalized if he supports these efforts. If he engages in an economic strike, and is replaced, he loses his right to vote (sec. 9 (c) (3)). If he goes on strike prior to the expiration of a contract-termination notice, he loses all protection of the act (sec. 8 (d)).
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> 3. Union security, which relieves unions of the necessity of constant organizing and enables them to devote themselves wholly to bargaining and to cooperation with employers in responsible administration of agreements, is denied them except in a very dilute form (sec. 8 (a) (3)).
>
> 4. Unions are held strictly accountable for the acts of their agents (secs. 2 (13), 8 (b), (303)), but are denied any real power to enforce discipline. Their right to demand the discharge of troublemakers who have been expelled is wholly denied, if the troublemakers have paid their dues.
>
> 5. The prohibition of all forms of secondary boycotts (sec. 8 (b) (4) (a)) strips unions of the only effective economic weapon in certain situations against recognized employer devices for strikebreaking and the impairment of standards.
>
> 6. Unions are subjected to mandatory "no-strike" clauses at the termination of collective agreements. (Sec. 8 (d)). Violations subject them to extreme, discriminatory, and cumulative penalties, including mandatory injunctions and suits for damages (e. g., sec. 10 (1), sec. 303).

I have said that Congress owes to the loyal workers of our country a legislative return to the more just and equitable provisions of the Wagner Act. There is another large and important group in our national society which looks to us for this action, and for the same basic reason—maintenance of general prosperity and protection against depression and want. I speak of the farmers.

Every member of this body will recall the unashamed and deliberate union-wrecking campaign undertaken by many employers in the early 1920's under the name of the American plan. That campaign nearly ruined our national economy; its effects were felt throughout the world. To disavow partisanship, in supporting my claims, I shall summarize testimony of the former Governor of Minnesota, Harold Stassen, when he appeared before our committee on February 7, 1947. As he pointed out, in a period of 2 years after the First World War, wages were driven down more than 20 percent. Even during the so-called boom period before 1929, wages never quite regained their 1920 level. By 1929, however, corporate profits had nearly doubled. And in the same period union membership was driven downwards by more than a million and a half.

The effect of increased corporate profits while purchasing power was being greatly reduced, so well described by Governor Stassen, was felt in places far removed from the factory districts. Our farmers suffered, consumption fell, credits tightened. The bank failures in the Midwest and the South, where our food and cotton were raised, formed a black flag of warning which we ignored, or were unable to see while watching the stock market quotations soar crazily.

Then came the dark days of the early 1930's. Thirteen million unemployed, a collapsed economy. There were ugly threats of civil disorders. In retrospect, it should be clear to all of us—employers, workers, farmers, and those of us on this floor—that union-wrecking is disastrous. It unbalances our economy. It affects us all.

With sure instinct, many of our people saw but two alternatives: either Government control of the national economy, the fixing of prices and wages, or the stimulation of free enterprise and productivity, by freemen, through collective bargaining, to increase purchasing power and provide markets for the products of our factories and fields.

Our people stood firm for democracy and free enterprise throughout that dangerous and devastating depression, rejecting the totalitarian methods of Russia, Italy, or Nazi Germany. Congress, in its wisdom, garnered from the people, took action and announced the right of workers to join unions and to bargain collectively, and gave that right a limited protection.

We all remember what happened, as a result of our wise choice of alternatives. It was a slow climb out of the Hoover depression, but we made it under our own power, and not under the whip of totalitarian compulson. Workers organized; they gathered around bargaining tables with their employers. Their wages and their purchasing power rose, and the farmer regained his market for food. Our economy expanded beyond anything we had ever witnessed before.

It was not a quick and easy ascent from the depths of the depression. The same selfish interests which caused it sought strenuously to prevent the regaining of balance. We encountered unforeseen legal difficulties. The Supreme Court in the Schecter case found the NRA unconstitutional, and the Liberty League, mouthpiece for a selfish and partisan group, counseled employers of the Nation to disregard the Wagner Act.

Lest we forget even comparatively recent history, let me refer you to the violent and shocking methods of union busting indulged in by some employers, as documented by the LaFollette committee, of which the distinguished chairman of our committee, the senior Senator from Utah, was a member. Spies were brought into plants to report on union activities. Violence was incited. The committee uncovered arsenals of weapons, for use against workers—tear gas, machine guns—even poison gas. Men were brutally killed.

With the validation of the Wagner Act by the Supreme Court in April 1937, we entered upon a new era—a period of just laws and commendable order which future history will show, I earnestly hope, was but briefly violated by the iniquitous Taft-Hartley Act in 1947.

Under the Wagner Act a bargaining balance was made possible. Union organization grew; only by exposing himself to contempt of a court order could the employer dare engage in his previous, and all too frequently successful, efforts to discriminate against and interfere with union members. Fortunately, as many competent observers have said, a large proportion of employers, who until then had followed the lead of the larger and more callous corporations, discovered around the collective bargaining tables that they not only were not required to yield their management rights and prerogatives, but that they actually gained valuable allies, when dealing fairly with union representatives, in their search for profits. Scores of employers, in the garment, in food, and in other industries, will bear witness to that truth.

Just the other day—June 11, 1949, to be exact—Mr. Thomas G. Spates, vice president of the General Foods Corp., told American businessmen to compete with Government and labor for leadership in the welfare of the country, on

the basis of a proposition that "every one of the millions of people on pay rolls is entitled to be treated like a human being." He said further:

If the leaders of business are going to enter this competition for the greatest of all stakes, they must demonstrate, by daily deeds at the place where people work, their belief in the philosophy and principles of the Declaration of Independence and the Bill of Rights.

Conversion to the doctrine of totalitarianism starts at the place where people work, as the result of the way they are treated by their bosses at all levels of human organization.

I have had many such employers tell me in person, and have read the admissions of others, to the effect that the give and take of peaceable collective bargaining has been a welcome revelation. They have found union negotiators to be trained and skilled in the knowledge of market possibilities, in cutting production and distribution costs. They meet jointly, to discuss common problems. Each party has learned a basic lesson in human relationship, that mutual benefits are more quickly, and with less rancor, gained in peaceable negotiations rather than by lock-out or on the picket line.

Many of these employers, in industries where collective bargaining has been accepted as a voluntary enterprise, have readily expressed concern about the changed temper of the unions restricted by the Taft-Hartley Act. They fear, and in some cases resent quite as much as the workers themselves, Government dictation and what amounts almost to compulsory return to individual bargaining.

There are employers, however—perhaps limited in number, but powerful in their control of the labor policies of others—who have continued their antiunion campaign. Led by the National Association of Manufacturers, the Constitutional Educational League, and the Tool Owners' Union, they have not abandoned their resolution to weaken and to destroy unions.

The senior Senator from Vermont [Mr. AIKEN] called attention to that antiunion campaign in an able address on May 12, 1947. He pointed to misleading information being sent to stockholders by corporate officials. He recalled to us what he termed "the absolutely vicious propaganda campaign" conducted by the National Association of Manufacturers and other organizations. He said:

I should not be surprised if the total amount in this campaign would amount to at least $100,000,000. I told the Senate last spring that the single March advertising campaign in the newspapers against labor by the National Association of Manufacturers cost $2,000,000, and that statement has not been contradicted yet, though it was made a year ago.

Mr. President, my own observation coincides with those of the distinguished Senator from Vermont. In obtaining the Taft-Hartley Act it appears that these antiunion forces were successful in their campaign. We here must make certain that their success was only temporary.

Mr. President, no problem confronting our country today is freighted with greater consequences to the American people than this problem of providing sound, fair, and equitable labor laws. Any laws which we enact here must, of course, be fair to management, as well as to labor. We must not place one side at a disadvantage in its relation to the other. Labor and management must be regarded as copartners in industry, and no laws governing their relationship will work satisfactorily where one is made master of the other.

Laws that hamstring labor unions and render it difficult for them to present their case for just and fair settlement of problems affecting the wages and working conditions of their members violate principles of morality and equity, and are destructive of the fundamental principles which should guide a free economy. Equality of bargaining power and a recognition that labor is entitled to a just share of the proceeds of the joint activities of management and labor are fundamental to the successful operation of our American democratic system.

In this country we have always sought freedom and justice for every individual. We have sought freedom and justice because only in such an atmosphere can the human person flourish in the manner God intended. Freedom and justice are not luxuries which only the rich and privileged can afford. They are absolute conditions of life.

There was a time in this country when these principles were not recognized. A workingman was considered an inferior citizen. He was not entitled to the same rights as our more fortunate citizens. If he organized his fellow workers into a group to more effectively assert their rights, he was arrested and thrown into jail. In the early history of the Nation he did not even have a vote.

The struggle of workers in this country to establish their rights has already been fully and eloquently described by several of my able colleagues in this debate. So I need only add that the time has arrived when it has become firmly established that workers in America are entitled to equal and impartial justice in all their relations to our economy.

BIG BUSINESS OCCUPIES A DOMINANT POSITION IN OUR ECONOMY

If free enterprise is to survive in this country, the heavy hand of monopoly and concentrated ownership of industry must be stayed. Our economic system must be relieved from the greed, the exploitation, and the domination which big business and monopoly have been exercising for the last half a century. We are today just on the eve of great new discoveries that will revolutionize the Nation and make possible an economy of abundance never before dreamed of. We possess vast natural resources, and our capacity for production far exceeds our needs, even for the maintenance of the highest scale of living. Our great problem is to bring about a fair and equitable distribution of the proceeds of industry, in which all who contribute to production are recognized.

But it has long been recognized in this country that monopoly and the concentrated power of big business have been exercising a power and influence far beyond their contribution. A few powerful industrial and financial organizations dominate and control the operation of our entire economic system. No one can successfully deny this.

The investigations of the temporary National Economic Committee a few years ago exposed the evil effects of this domination of big business and monopoly in our economy. That investigation showed that a few small but dominant groups plunged our country into a depression, with millions of unemployed and widespread want in the midst of plenty. President Franklin Roosevelt, in his message to Congress asking for the monopoly investigation, made some amazing statements about the concentration of ownership and economic power in the hands of a few giant corporations. In his message to the Congress, President Roosevelt said:

The first truth is that the liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is fascism—ownership of government by an individual, by a group, or by any other controlling private power. * * * Among us today a concentration of private power without equal in history is growing. This concentration is seriously impairing the economic effectiveness of private enterprise as a way of providing employment for labor and capital and as a way of assuring a more equitable distribution of income and earnings among the people of the Nation as a whole.

In Monograph 26 of the TNEC a report is made of the dominant power achieved by big business in this country. In the course of its report the TNEC said:

From the beginning, business has been intent upon wielding economic power and, where necessary, political control for its own purpose. The purpose, moreover, is not solely profit, but includes the exercise of control per se, as an attribute of ownership.

The TNEC reports go on to show how a handful of corporations, under the leadership of the National Association of Manufacturers, dominate the life of the American people and are leading our country into a totalitarian economy. The monograph concludes:

Speaking bluntly, the Government and the public are "over a barrel" when it comes to dealing with business in time of war or other crisis. Business refuses to work, except on terms which it dictates. It controls the natural resources, the liquid assets, the strategic position in the country's economic structure, and its technical equipment and knowledge of processes. The experience of the World War, now apparently being repeated, indicates that business will use this control only if it is "paid properly." In effect, this is blackmail. * * *

Business apparently is not unwilling to threaten the very foundations of government in fixing the terms on which it will work. It is in such a situation that the question arises: What price patriotism? * * *

Democracy in America is on the defensive. In the preceding pages, it has been shown that pressure groups as now operating usually fail to promote the general welfare.

I think it is well for us to consider these facts in undertaking to determine whether or not organized labor is the dangerous monopoly it is charged to be,

and also as to whether or not there may be some hidden motives behind this effort to break up organized labor and weaken its power in dealing with industry. If we in this Congress enact labor laws which undertake to weaken labor and enthrone management in absolute power over labor, we will have taken the final step to establish a totalitarian system in this country.

Mr. President, it is startling to consider the way in which big business is fastening on our country a collectivist economy. Fortune magazine, a publication which is certainly not unfriendly to business, printed an editorial in its March issue of 1938, pointing out the trend of concentrated ownership and monopoly in our country. It stated that this trend had proceeded so far that, to all intents and purposes, a collectivist system had already been forced on the American people through a few powerful industrial groups dominating our economy.

In its editorial, Fortune said:

American business was founded upon the principle of free competition maintained through free markets. But during the era of bigness, when American business was, so to speak, winding up, the units of business became so big that they developed a fear of price wars; they dared not compete against themselves, and no one dared to compete against them. There consequently emerged the superunits—well-defined industrial groups whose members act in concert and whose aim is not price competition but, on the contrary, price stabilization. The efforts of the superunit produce the reverse effect of the competitive effort. When the market falls off, the superunit tries to keep prices up. And often it does not consider it advisable to lower prices until recovery actually sets in.

Now this technique of bigness, involving the artificial control of prices and other basic factors, is a collectivist technique. And the operation of the collectivist technique has created for business a precarious situation. Business has carried collectivism so far in its private affairs that its affairs are no longer private, but by the bigness of their impact, public. It is untenable, indeed, to suppose that the policies of the steel industry with regard to prices, production, and employment are strictly private matters. These policies involve directly 570,000 employees, $976,000,000 of annual pay rolls, and a $5,000,000,000 investment. They have repercussions throughout most of business, affecting at least remotely millions of people and eventually the entire economy. But inasmuch as they impinge upon and invade the sphere of public welfare, they impinge upon and invade the functions of Government. By its very office, Government must intervene. And the method of intervention which is easiest and most obvious, and which was encouraged during NIRA days by businessmen themselves, is the method of direct regulation—of price, for instance, of production, of profit itself.

Thus collectivism in industry begets collectivism in government. And if this is not collectivism as practiced in the so-called collectivist states, it is only a couple of theoretical steps removed from it. Carried to its extreme, it means the downfall of the economy upon which American business has been reared; the perversion of the democratic order; the destruction of the right to risk and profit; and—all too easily—the loss of those civil liberties that are at present based upon the principle of the limitation of governmental power.

The activities of big business interested a conservative Republican named William Allen White, one of the few honest editors of the Nation. He is now dead. He tried to explain it in this way in his Emporia Gazette, after a visit to Washington in May 1943:

One cannot move about Washington without bumping into the fact that we are running two wars—a foreign war and a domestic one.

The domestic war is in the various war bonds. Every great commodity industry in this country is organized nationally and many of them, perhaps most of them, are parts of great national organizations, cartels, agreements, with function on both sides of the battle front.

Here in Washington every industry is interested in saving its own self. It wants to come out of the war with a whole hide and with its organization unimpaired, legally or illegally.

One is surprised to find men representing great commodity trusts or agreements or syndicates planted in the various war boards. It is silly to say New Dealers run this show. It's run largely by absentee owners of amalgamated industrial wealth, men who either directly or through their employers control small minority blocks, closely organized, that manipulate the physical plants of these trusts.

For the most part these managerial magnates are decent, patriotic Americans. They have great talents. If you touch them in 9 relations of life out of 10, they are kindly, courteous, Christian gentlemen.

But in the tenth relation, where it touches their own organization, they are stark mad, ruthless, unchecked by God or man, paranoiacs, in fact, as evil in their design as Hitler.

They are determined to come out of this war victorious for their own stockholders—which is not surprising. It is understandable also for Hitler to desire to come out of this war at any cost victorious for the German people.

But this attitude of the men who control the great commodity industries, and who propose to run them according to their own judgment and their own morals, do not make a pretty picture for the welfare of the common man.

These international combinations of industrial capital are fierce troglodyte animals with tremendous power and no social brains. They hover like an old silurian reptile about our decent, more or less Christian civilization—like great dragons in this modern day when dragons are supposed to be dead.

Secretary of Labor Maurice J. Tobin recently commented on this trend toward economic collectivism—concentration of power of dominant American corporation officials—in a speech at the University of Los Angeles, May 18, 1949. He pointed out that both political and economic freedom in America were hanging in the balance. I quote his words:

There can be no real economic freedom when the few men who run the largest corporations can control the flow of essential goods and determine the prices at which they sell. There can be no economic freedom when 40 percent of all industrial workers are employed by only one-tenth of 1 percent of all employers.

Asserting that this trend is more harmful than we realize, Secretary Tobin said:

The time will come when the Government will be run for the corporation officials rather than for the people, if we continue to surrender our economic freedom for economic collectivism.

He pointed out that employers and unions must have freedom of action, including the employer's right to lock out workers and the union's right to withhold the labor of its members. Mr. Tobin pointed out:

Under our free-enterprise system, if operated honestly and justly, we can stand up against any totalitarian ideology in any country in the world.

As stated in the Fortune editorial which I quoted a few moments ago, "Collectivism in business begets collectivism in government."

And so, Mr. President, this trend toward a collectivist state has already proceeded so far that big business is now seeking to change our form of government so as to fit the collectivistic economy which they have contrived to build up in this country into such a new system. Big business has hired the Brookings Institution to lay out a plan for such a totalitarian government, and that institution has brought out a report entitled "Toward Efficient Democracy." In this new form of government which big business proposes to establish in the United States, it is proposed to replace the President and Congress by a national council of 21 members. It proposes to reestablish the Senate of the United States as a sort of House of Lords, with power to delay but not to modify the decisions of the proposed council. This sort of a government would be regarded by the big-business leaders of the Nation as an ideal system under which a collectivist economy could operate.

On April 20, 1949, the Washington Post published a very able editorial vigorously condemning this new government system which big business apparently would like to saddle on the American people. I ask that the Washington Post editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AMERICAN POLITBURO

As an adventure in imaginative politics Arthur C. Millspaugh's book Toward Efficient Democracy may stimulate discussion in academic circles. But it is so far removed from any practical reform of our constitutional system that its publication by the Brookings Institution occasions a good deal of surprise. Dr. H. G. Moulton, president of Brookings, disavows any institutional backing for Mr. Millspaugh's concoction and offers it only as a device to stimulate, clarify, and focus discussion on a number of highly debatable issues. That abdication of responsibility for the Millspaugh thesis only deepens the mystery as to why Brookings Institution considered it worthy of sponsorship.

The central idea of the Millspaugh scheme is to replace the President and Congress by a national council of 21 Members. The Senate would be retained as a sort of House of Lords with power to delay but not to modify the decisions of the proposed council. The council would be elected by the people at large, without geographical representation. In it would be lodged both the legislative and executive power, for it would choose the President and dismiss him at will. Mr. Millspaugh frankly describes his proposed council as a substitute for dictatorship, as well as for the traditional parliamentarism.

Such an all-powerful council would likely become a sort of American politburo. Mr. Millspaugh was led to propose this astonish-

ing concentration of political power because of his impatience with the inefficiency of our present constitutional system. We share his impatience with many of the delaying operations and compromises of representative government. But, with all its defects, this system has enabled the American people to attain a degree of freedom and well-being that has seldom been equaled anywhere in the world. The Millspaugh plan, in its preoccupation with efficiency, would destroy the safeguards from which our liberty in very large measure has stemmed. Even if it were practical to consider the substitution of an untested panacea for the going concern of American constitutional democracy, this proposal would carry no appeal. For the concentration of all powers in the hands of a few individuals, as one of our great men has said, is the very definition of tyranny.

Undoubtedly the Federal Constitution is outmoded in many respects. We have often noted the defects of the electoral system, of the requirement of a two-thirds vote for approval of treaties by the Senate, and of the difficult machinery for amendment of the Constitution. But it is one thing to remedy the weaknesses of a constitutional democracy and another thing to make it over in the image of dictatorial governments of the past. What we should like to see is a body of experts comparable to the Hoover Commission at work on modernization of outmoded sections of the Constitution without upsetting its basic principles.

Mr. MURRAY. The editorial writer says:

The central idea of the Millspaugh scheme is to replace the President and Congress by a national council of 21 members. The Senate would be retained as a sort of House of Lords with power to delay but not to modify the decisions of the proposed council. The council would be elected by the people at large, without geographical representation. In it would be lodged both the legislative and executive power, for it would choose the President and dismiss him at will. Mr. Millspaugh frankly describes his proposed council as a substitute for dictatorship, as well as for the traditional parliamentarianism."

One can easily see how nicely labor would be taken care of under this proposed big-business-Government system.

Of course, Mr. President, I do not charge that all big-business men in this country so conduct themselves as to bring about the downfall of our present system of free competitive enterprise. Many of our most outstanding business leaders severely condemn this drift to monopoly and concentrated ownership. No one in America has been more outspoken in condemnation of monopoly and the evil practices of big business than Eric Johnston, former president of the United States Chamber of Commerce. He has done much to open the eyes of American businessmen to the need of social and economic reforms. In a recent article published in the Fortune magazine of February 1949, he said:

Let business attain greater social-mindedness and there will be less social legislation. The voluntary way is wide open to industry. Let it turn loose its genius for invention and ingenuity on the social side as it has on the technical side. * * * The great challenge before the American businessman today is to find new ways to diffuse the benefits of capitalism among more people. * * * If we work at this as effectively as we work for production and quality products, we will spread the benefits of our system and broaden the confidence of all our people in it * * * and the threat of socialism will be further and further removed.

Indeed, the great mass of American businessmen—I mean businessmen engaged in free competitive enterprise—are all opposed to monopoly and collectivism. Another former president of the United States Chamber of Commerce, George H. Davis, said a few years ago:

There is not much doubt that the development of business organization has outrun the public understanding of it. It is like a locomotive that has become too heavy for the roadbed on which it runs.

Of course, millions of small-business men in this country are opposed to monopoly and monopolistic practices. The average businessman is in favor of fair dealing between labor and management because the purchasing power of the workers of the Nation is a vital factor in the prosperity of all business.

Mr. J. A. Livingston, an able economist who contributes a column in the Washington Post, in his article of May 25, 1949, pointed out some of the glaring mistakes of industrial leaders. Among other things, he said:

Fortune magazine recently made the observation that every businessman, consciously or unconsciously, is on the defensive. That, perhaps, explains the current drive of big business to get on the good side of the public. Yet, sometimes, these efforts at public relations are both a cause and a result of group hypnosis, of ideological inbreeding. The businessman talks to himself and to other businessmen. He asserts what he believes and what he wants others to believe without rigorously examining his premises or facts. The psychologist would call it whistling in the dark.

Mr. President, I think it is perfectly sound to present this discussion of the economic scene in our country, because I think it will help us to determine what is right and fair and just in this struggle for mastery between industry and labor. There seems to be a notion on the part of the opposition in this debate that management of industry occupies some kind of a sacrosanct position which gives it the right to say the last word on such issues as wages, working conditions, security, and so forth; and that when it refuses to accede to the demands of labor, and a strike occurs, then labor must be wrong.

This subject of the rights of labor and the rights of business was given profound and careful study during the great depression of the thirties. At one time in the history of our country, it was thought that labor had very few basic rights under the operation of our industrial system. But a new and intelligent understanding was developed as we studied the desperate plight of labor and industry in the depression period. Prior to the depression, it was thought that business, as a matter of right, should have a controlling power in its dealings with labor. That thought in our economic system was powerfully entrenched. It was so widely accepted that on one occasion a great industrial leader, being pressed with regard to the public interest, impatiently exclaimed, "The public be damned."

But as the rights of business were studied in recent years, it has been revealed that so far as the fundamental law of the land is concerned, the rights of business, as such, are exceedingly slim. The Fortune magazine has made a very interesting study of this matter, and in June of 1938 published an editorial pointing out some of the fallacies of big business in our economic system. In the course of his discussion, the writer of the editorial says:

Now, so far as the fundamental law of the land is concerned, the rights of business as such are exceedingly slim. With respect to them the Constitution is cryptic. Nowhere is it stated, for instance, that private enterprise has a right to any kind of profit—though, of course, this is the only way that private enterprise can operate at all. The chief safeguards of business against government are of two sorts; first, a number of somewhat generalized provisions, such as the provision that no State may set up tariffs or the provision that taxes may not be discriminatory, or the blanket reservation to the States or to the people of all powers not specifically bestowed upon the Federal Government; and, secondly, the Supreme Court itself, which has interpreted the Constitution (specifically the due-process clauses) very liberally in favor of business.

Mr. President, I think this discussion of the economics of our system of private enterprise is very important, because it seems to have been the theory of our ultraconservative friends that industry is always right and that it must be left alone. This assumption has been built up by expensive and elaborate propaganda, and it is this assumption which has made it so difficult for labor in its efforts to secure recognition of its legitimate demands.

The essence of the capitalistic system, it is asserted, is that it is controlled, not from above by an all-wise government, but from within by the automatic operation of economic laws and by the no less automatic operation of the enlightened self-interest of the capitalists. But under modern industrial conditions, according to economists who have been studying the situation, it has been found that these so-called laws and forces do not always effectively operate. Self-interest, for example, is notoriously unenlightened as to the true exigencies of the capitalistic system. During the boom of the twenties, American capitalists were not enlightened enough to see that they must produce not only goods but the purchasing power with which to buy them. Instead, they choked the country's purchasing power by skimming off larger and larger profits and sterilizing more and more of those profits in surpluses. So, as our economists have discovered, the automatic regulator of business failed to operate; and in the thirties we had one of the most serious depressions in the country ever witnessed.

Already in the course of this debate some of my colleagues have described the great disparities between the earnings of American industry and labor during the war and postwar years. They have also described in costly magazine and newspaper articles, how American industry has sought to make the country believe that labor is a monopoly and that

it must be blocked. All this propaganda, of course, was designed to justify the Taft-Hartley Act and the vicious penalties and restrictions it undertook to fasten on American labor.

Mr. President, in the life of every nation comes a moment when that nation must study once more its basic principles. It must reexamine the basic ideals which are the source of its greatness, and it must examine itself to see whether it is following those ideals. Such a moment has arrived today.

Our party has always sought to promote freedom and justice for all men. To us has fallen the responsibility of preserving the rights of our laboring classes. Our struggle today to protect and preserve the rights of workers to organize and bargain collectively without interference from any source is basic to the continued existence of our system of capitalistic enterprise. If this right is destroyed or mutilated, the whole system will fall and some other system will be tried. So on us in the Senate of the United States rests the high duty of preserving the freedom and justice for workers from the dangerous threat of the totalitarian Taft-Hartley law.

No one who will take the trouble of reading the reactionary editorials and articles by paid propagandists of big business and monopoly, or of studying the efforts of the Brookings Institution to change our system of government, will disagree with our efforts to repeal the Taft-Hartley law. We Democrats believe that our system of government, of all political systems in the world, is the one which now most closely corresponds to the needs and rights of men.

But there appears to be within our economic system a strange weakening of concern for freedom and justice. Many seem to think that under our system everybody is entitled to get rich without any correlative duties or obligations. A glaring example of this attitude is found in the Taft-Hartley law. No one who has seriously studied it and understands its background can doubt that it was designed to hamstring and destroy labor unionism. The alleged interest it purports to express in the freedom of the individual worker is an ironic play with words. All through the act its provisions are preventive and are intended to weaken and break down the bargaining strength of the unions. Its effect, therefore, is to enrich the big industrial employer at the expense of the worker.

Of course, the desire to weaken unions is not shared by everyone; but it is common among powerful groups. And we must remember that it is the unions who delivered the workingmen from their bondage. It is the unions which have given justice to workingmen; for this alone, unions deserve our most fervent and devoted support. Through the unions, the working people have tasted economic justice and have enjoyed the fruits of economic freedom. All the Taft-Hartley acts in the world will not make them forget that freedom and that justice. The memory of such rights, once enjoyed, will never die.

Mr. President, I shall not dwell at further length upon the inequities of the Taft-Hartley Act or the Taft amendments to the Thomas bill. Several of my colleagues have already gone exhaustively into all the issues and points involved. This afternoon on the floor of the Senate the distinguished Senator from Minnesota has covered this part of the debate in such an excellent manner that it is unnecessary for me to add anything at this time. Therefore I shall endeavor to avoid indulging in any unnecessary repetition.

Nor shall I indulge in any lengthy analysis of the available statistics showing the economic consequences of the Taft-Hartley Act. I would have you make note, however, of the fact that during the first year under that legislation the number of representation elections conducted by the National Labor Relations Board fell off more than one-third from the total held the year before. Many unions could not, because of their refusal to yield to discriminatory provisions, petition for elections. Others would not. The situation invited union raiding. Dissension and abandonment of peaceful relations followed.

Corporate profits went up rapidly—far more in proportion than did wages and salaries. More than $3,000,000,000 were added to corporate profits in 1947 while a similar amount was withheld from the consumer purchasing power of workers. That much, and it is considerable, of the blood stream of our economy has clotted.

In consequence there are increasing signs that all is not well for the future. The stock market drops uneasily as steel production is cut back. The stock market is at its lowest point in 4 years. Unemployment is mounting and shows no indication of diminishing. Short workweeks are now the rule—particularly in the precision-tool industry—which first feels the sharp symptoms of a business recession. The resulting decline in foreign trade threatens the healthy revival of our natural allies through the Marshall plan. As the union-busting campaign of the twenties was the forerunner of the depression of the thirties, so the Taft-Hartley Act is reaping its grim harvest in lowered purchasing power, unemployment, bloated profits, agricultural surpluses, and a steadily declining consumption.

I have but touched upon the inevitable effect which disease in our national economy must have upon international economy and upon our relationship with those countries of Europe which have so far valiantly resisted the alien ideology of communism. We must not scorn or belittle this problem. Industrial, economic health in America is of more real value as encouragement to these countries than our signature to a military pact. We must continue to demonstrate to them that democracy and free enterprise are preferable to subjection by totalitarian tyranny. They need our monetary assistance. More than that, they require the moral support to succeed in their rehabilitation efforts. This support we can only provide by a clear demonstration that we can and will keep our own economic house in order.

At the risk of appearing to assume the mantle of an immodest commentator, speaking after the events have coincided with his forecast, may I recall to you that on April 25, 1947, during the debate on the Taft-Hartley Act, I stated that its economic impact "would be to further tip the scales in the direction of profiteering, and aggravate the disparity between wages and prices. It would thus strengthen the factors making for a depression and bring nearer a dangerous economic cataclysm."

Despite the efforts on the part of many newspapers to hide altogether, or to bury in obscure columns, the facts as they actually are, we know that the scales have been tipped, and the disparity aggravated. Every working man and woman in this Nation is aware of it. And despite the November election, the lie is still heard that opposition to the Taft-Hartley Act springs only from a few "labor bosses" and not from the working people of the Nation. Opponents of the Taft-Hartley Act are vilified, and large amounts of money are made available to defeat them. I find in this debate this serious question: Shall the country yield to the control of a few greedy men, desirous of adding to their already excessive power, or shall it continue as a democratic nation operating for the benefit of all and as an example to the world?

In passing I have mentioned the small-business man, whose employees are few and whose resources are limited. In a very real respect his interests lie with the workers and the workers' families. Depressed wages lower his own income, whether it be at the corner grocery or the small plant producing specialties and little luxuries. I am certain that, by and large, the small-business man is in agreement with his worker-customer, that the Taft-Hartley interlude must be brought to a close.

I am equally certain, also, that we must be fortified against organized propaganda issued in the name of the small-business man. We should check and double check the source and sincerity of such materials. I have in mind a comparative chart, relating to the present labor legislation, prepared by the National Small Business Men's Association, which, on June 7, the distinguished and honorable senior Senator from Wisconsin [Mr. WILEY] requested be placed upon the desks of Senators. I have also in mind, in order that we may have even greater knowledge and light upon this problem, an important statement titled "Information Please," issued by the Honorable MIKE MANSFIELD, Member of Congress from the State of Montana.

I request that I be granted unanimous consent to place on the desk of every Member of the Senate a copy of this document prepared by Representative MANSFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURRAY. Here I shall call attention only to the long list of huge corporations which the Congressman found to be friends of and contributors to Eternal Vigilance Is the Price of Liberty, DeWitt Emery, who heads both Small Business Economic Foundation, Inc., and the National Small Business Men's Association. These friends include Socony-

Vacuum Oil Co. of New York, and the United States Steel Corp.

Representative MANSFIELD makes this pertinent comment:

Apparently these big-business corporations are a substantial force behind this so-called representative small-business group engaged in explaining to workers the facts of American life.

Mr. President, I am very familiar with the activities of this group calling themselves a small-business organization, headed by DeWitt Emery. For a number of years he has been conducting propaganda in this country. While posing as representative of small business, he is actually fighting for monopoly and for big business. He carried on radio programs during election campaigns for the purpose of defeating those who were trying to help small business. In my State of Montana he flooded the State with radio programs against me.

We must not permit ourselves to be fooled, at this critical point in our economic progress, by appealing letterheads that bear witness of dubious merit.

And we must not permit our good judgment to relax before the amendments which the senior Senator from Ohio has offered. These proposed amendments would continue the hampering restrictions now delaying and confusing the work of the National Labor Relations Board. They include the labor injunctions; the sweeping prohibitions against secondary boycotts; the prohibitions of the closed shop; the statute of limitations on the filing of charges; abolition of the review section of the Board; the discriminatory standards of judicial review of Board orders; the irrational outlawing of the extent of organization doctrine, and others.

As important as is the wiping out of the protection of the right to organize, which has been substantially accomplished by the Taft-Hartley Act, is the threat which it has brought to unions long established which neither needed, nor relied upon, the Wagner Act. We have heard much to the effect that the Taft-Hartley Act was designed to equalize bargaining power and that it has brought a new fairness to labor relations. This, I believe, is wholly without foundation in fact, and borders on sheer misrepresentation. Labor has never sought through legislation to gain an advantage over industry.

Let us look at the facts as they might appear in reverse. Let us suppose, for a moment, that labor is vindictive, resentful. Let us assume that it has sufficient power in Congress to have laws passed in its favor. Suppose in a retaliatory mood labor decided to turn the Taft-Hartley tables. Suppose it should have laws enacted to surround the employer with a maze of rights to injunctions, damage suits, loss of employer status, denial of access to governmental agencies, unfair labor practice proceedings, and suits for breach of contract. Would not such a law preclude the employer from carrying on his normal activities? Would it not be properly referred to as a slave-management act?

Of course it would be; any such statute would effectively destroy the free-enterprise system.

But free enterprise is not a one-way street. Many persons, including the authors of the Taft-Hartley Act and the sponsors of the proposed amendments, define the free-enterprise system to mean freedom only for the few at the top. To Americans generally it means free enterprise for all the people.

If it means freedom for businessmen to refuse to buy union-made goods, it means freedom for workers to refuse to handle nonunion-made goods. If it means freedom for the employer to assign his work to nonunion men, it means freedom for workers to strike in protest when that action threatens their job security or their union. Free collective bargaining means freedom on both sides of the table. Free enterprise means freedom for the smallest as well as for the mightiest in our democracy.

Mr. President, the proposed amendments offered by the Senator from Ohio are antifree enterprise. Their effect will be to destroy the trade unions of this country.

There are, in my judgment, two basic and uncompromisable essentials to the maintenance of the free-enterprise system in America.

The first is that there must be no restrictions on collective bargaining. As soon as we make these matters the subject of Federal legislation and throw the power of Government into the scales—on the side of either employers or employees—we then march in the direction of totalitarianism. Free enterprise means: Let each party make those demands which seem wise to it, insist on them to the degree they wish, and strike a fair bargain. Under the Taft-Hartley Act or the Taft proposals now before us we make the task more difficult when we undertake to inject the Federal Government into bargaining.

The second essential to free enterprise is that there must be no restriction on the right of employees to strike in order to protect their economic interests. Here, again, it is of the very essence of free enterprise that the parties be left free to argue the matter out. We must have no totalitarian government interference with this right. In the long run, this system works out. There may be some mistakes in some unusual circumstances, but this is the price we must pay for the free-enterprise system we enjoy. Our position on this point is supported by the judgment and opinion of the best experts in the country in the field of labor relations. It has been clearly shown that a union will seldom, if ever, strike if it can get a fair deal through collective bargaining.

While the debate on the Taft-Hartley Act was in progress on June 6, 1947, I said:

Happily, there is in this great country a solid tradition of real fairness; not that kind of fairness which seeks to apply the Marquis of Queensberry rules when a thug is beating up a defenseless passerby, but a genuine concern of the people that we shall all share in the wealth which we have all created. Caught unawares, deluded by the most expensive propaganda campaign which has ever attended a legislative battle, their voice is for the moment still and small. But it is being aroused; it will be constantly goaded by the evident unfairness which will attend this legislation, if enacted. Its voice has been heard before, loud and clear, and already its distant rumble sounds through the din so artificially created by the forces behind this bill.

Mr. President, we have now an opportunity to bring about a better understanding between labor and management—a better spirit of cooperation—so necessary in the uncertain times we are approaching. Peace in the field of labor relations will be more important during the next few years than in all the previous history of our economic system. What we do here in the Senate will have a far-reaching effect and influence on the future course of our country.

So far as I am personally concerned, I am convinced that the Thomas bill, without any amendments, accomplishes everything requisite to establish free collective bargaining on a sound and equitable basis. I am convinced that it will protect the rights of both parties, as well as the general public, in a manner wholly consistent with our system of free enterprise. If the Congress goes further than the Thomas bill, I am afraid it is wandering into the domain of totalitarianism, which will be destructive of our political system.

I stand on the philosophy expressed in our hearings by those able and distinguished experts in the field of labor—Dr. Leiserson, W. H. Davis, and Professor Feinsinger. As these able and impartial experts pointed out at the hearings, the theory of collective bargaining is that all of those matters, namely, issues between labor and management, when the parties are properly organized on both sides, should be worked out by themselves and not bring the Government into it.

This is the course we must take to preserve our American system of free enterprise. The course called for by the Taft-Hartley Act, or by the Taft amendments now before the Senate, will surely lead us along the road to the very totalitarianism we all devoutly seek to avoid.

PERMISSION TO REPORT LEGISLATIVE APPROPRIATION BILL

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senator from Louisiana [Mr. ELLENDER] be permitted to report House bill 5060, making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, up to midnight today.

The PRESIDING OFFICER (Mr. JOHNSON of Texas in the chair). Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. LUCAS. Mr. President, I should like to make inquiry if I may, of the distinguished Senator from Utah or the distinguished Senator from Montana, as to whether they know of any other Members on our side of the aisle who expect to speak generally on the bill, or whether they will wait until the amendments are offered.

Mr. THOMAS of Utah. I do not know of any Senator waiting to speak at the

present time. I understood that one of the Senators on the other side of the aisle would speak tomorrow.

Mr. TAFT. I think we have no objection to proceeding with the amendments. The distinguished Senator from Missouri [Mr. DONNELL] has some idea of speaking, but I do not think he will speak tomorrow. He can speak when the amendments come up from time to time.

Mr. LUCAS. Then, do I correctly understand that he will not speak generally on the bill tomorrow, but will speak on the amendments as they are offered?

Mr. TAFT. That is correct.

Mr. LUCAS. I understood that the Senator from West Virginia [Mr. NEELY] desired to make an address on the bill. Perhaps his address will occur upon the amendments.

Mr. MURRAY. He intends to make an address, but I do not think he is ready at this time. He stated he wanted to hear more of the debate before he finally presented his position.

Mr. LUCAS. I thank the Senators on both sides for their statements. With that understanding, it would seem to me that perhaps tomorrow, after the session opens we can probably proceed to the consideration of the Hill amendment which I understand is the pending question.

RECESS

Mr. President, if there be no further discussion of the bill at this time, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until tomorrow, Wednesday, June 15, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Uruguay, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Czechoslovakia.

Christian M. Ravndal, of Iowa, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 14, 1949

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our blessed Father in heaven, we rejoice that in a universe of change Thy love abides, even when the daylight fades into darkness. With firm reliance on Thee, help us to resist anything that assails home, church, or state.

Today from city, hamlet, and countryside we honor the flag of our land, which speaks of lofty sentiments, high emotions, and patriotic devotion. In its beauteous folds are gathered the hopes and fullness of a nation's life. In the troubled centers of our homeland and on distant shores, wherever it floats, may it symbolize law and order, human freedom, equal rights, and good will to all men. We pray that the Prince of Peace may bless us today as the voices of all citizens blend in one patriotic chorus. In the name of Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF MEMBER

The SPEAKER pro tempore laid before the House the following communication, which was read by the Clerk:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 8, 1949.

The honorable the SPEAKER,
House of Representatives.

DEAR SIR: A certificate of election, in due form of law, showing the election of the Honorable FRANKLIN D. ROOSEVELT, JR., as a Representative-elect to the Eighty-first Congress from the Twentieth Congressional District of the State of New York, to fill the vacancy caused by the death of the Honorable Sol Bloom, is on file in this office.

Very truly yours,
RALPH R. ROBERTS,
Clerk of the House of Representatives.

Mr. ROOSEVELT appeared at the bar of the House and took the oath of office.

SECOND DEFICIENCY APPROPRIATION ACT, 1949

Mr. CANNON submitted a conference report and statement on the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

FREE IMPORTATION OF GIFTS BY MEMBERS OF ARMED FORCES

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 242, extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That section 2 of the act of December 5, 1942, entitled "An act to accord free entry to bona fide gifts from members of the armed forces of the United States on duty abroad," as amended (U. S. C., 1946 ed., Supp. I, title 50, App., sec. 847), is hereby amended by striking out "July 1, 1949" and inserting in lieu thereof "July 1, 1951."

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, the purpose of this proposed legislation is to continue for 2 years the existing law which allows for the entry of so much of any shipment of bona fide gifts as does not exceed $50 in value without the payment of customs duties, charges, or exactions, or internal-revenue taxes when such gifts are sent by members of the armed forces on duty abroad.

This resolution was introduced by the gentleman from New York, Hon. LEONARD W. HALL, whose interest in the welfare of the soldiers is well known, not only to his constituents but to the soldiers and their families generally.

The extension of the law is really of great value in upholding the morale of the soldiers and the members of their families in this country. It means a great deal to a mother, father, wife, or children to receive a gift from the one who is serving abroad.

There are strict Army regulations in connection with this legislation which will surely prevent the abuse of the privilege granted by the extension of this law.

I wish to commend the gentleman from New York, Representative HALL, for this very wise and timely legislation.

SPECIAL ORDERS GRANTED

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes tomorrow at the conclusion of the legislative program and following any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HORAN. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today, following any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

FARM PRICES

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, American city dwellers who enjoy the high American standard of living should pay the farmers a fair price for the farm products consumed, comparable to other prices and in accord with the American standard of living. Low farm prices are not only unfair to the farmers but would be disastrous to our national economy.

The farmers should not be compelled to choose between an unsound Government program of paid grocery bills and 10-cent corn and 25-cent wheat. The objectives of our farm program should be an adequate price for what the farmer sells. Such a program should include support loans, soil conservation, new uses for farm surpluses, and protection against the present large foreign imports of agricultural products.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Panama Canal Tolls of the Committee on Merchant Marine and Fisheries may have permission to sit during general debate in the session of the House this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include various extraneous items.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. WAGNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a round table discussion between the gentleman from Nebraska, Mr. Miller, Mr. William C. Ambruster, and Andrew T. Walker.

Mr. WILSON of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. JOHNSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DAGUE asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Herald.

Mr. VELDE asked and was given permission to extend his remarks in the Appendix of the RECORD, to include excerpts from a speech he delivered at the Bradley University alumni banquet in Peoria, Ill., on July 11, 1949, and also to include extraneous matter.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include an editorial by E. V. Tompkins.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address.

Mr. GWINN (at the request of Mr. HARVEY) was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include extraneous matter.

Mr. HERTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. GROSS asked and was given permission to extend his remarks in the RECORD and include a petition.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a Memorial Day address by Commander R. M. Metcalf at Lake Mills, Wis.

Mr. POTTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Washington Star.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement and extraneous matter.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on three subjects.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include appropriate editorials.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. WHITE of California asked and was given permission to extend his remarks in the RECORD and include a letter.

FLAG DAY

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, in furtherance of a resolution agreed to by the House of Representatives, the President of the United States has issued a proclamation designating the 14th day of June as Flag Day and "calling upon officials of the Government to display the flag of the United States on all Government buildings on such day and urging the people to observe the day as the anniversary of the adoption on June 14, 1877, by the Continental Congress of the Stars and Stripes as the official flag of the United States of America." In that connection, and pursuant to unanimous consent, I am submitting for the RECORD a poem from the June 1949 issue of the National Hibernian Digest, official organ of the Ancient Order of Hibernians, by James Patrick McGovern, of the Commodore John Barry division of that organization, a member of the bar of the District of Columbia, and a former captain in the American Expeditionary Forces of the First World War. The sonnet, entitled "Jeopardy," reads as follows:

JEOPARDY

Men of America, in jeopardy
Stand the traditions of our country's soul;
Less and less the Nation's glorious role,
Gemmed with starry truth's white majesty,
Lives in our flag, long famed in peace and war.
False gods of justice, virtue, beauty spurn
The wisdom of our fathers and unlearn
The human heart and simple nature's lore.
The fashions' rivalries, fanfare, and din
Serve private ends and not the commonweal;
The billions of our riches, gold, and steel,
Grow Frankensteins, gross idols, public sin.
Have we no Christians now who live and die,
With truth their cross, to challenge every lie?

—*James Patrick McGovern.*

EXTENSION OF REMARKS

Mr. JENNINGS asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain extracts from the CONGRESSIONAL RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GAVIN addressed the House. His remarks appear in the Appendix.]

LEGISLATION PERTAINING TO AGRICULTURE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, in these days when we have so much political agriculture going around, once more I would like to call the attention of the leadership to the fact that there is no use running around the country talking about some proposed agricultural legislation. The first thing this administration had better do is to follow the present law, the Hope bill, now in effect. There will be plenty of time to listen to new proposals.

In the base period 1909–14 milk was $1.60 per hundred. If it went into evaporated form it was $1.50 a hundred; $1.50 multiplied by the index of 2.46 makes $3.69, which is the parity price of milk. Ninety percent of $3.69 is $3.21, or the legal, lawful support price. Milk then used for evaporated should bring $3.21 and should be supported at that figure. Why is it not?

Now, this administration is allowing milk used for manufacturing purposes to sell for $2.65–$2.75 per hundredweight, and the dairymen of this country are getting bushed out of millions and millions of dollars at the present time. My point is, let us not clutter up the atmosphere by making some more empty promises about the future. Let us follow the present law and give these dairy farmers what they are entitled to have at this time for milk used for manufacturing purposes.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ENGLE of California asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial and in the other matters relating to the central Arizona project.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

PERMISSION TO ADDRESS THE HOUSE

Mr. KING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. KING addressed the House. His remarks appear in the Appendix.]

CAREER COMPENSATION ACT OF 1949

Mr. SABATH. Mr. Speaker, I call up House Resolution 249 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 5007, providing for pay, allowances, and physical disability retirement for members of the armed forces. It is an open rule providing for 2 hours general debate. After general debate, the bill will be taken up, as usual, under the 5-minute rule and read for amendment.

This bill proposes compensation in the way of pay, allowances, and physical disability retirement for all branches of the uniformed services, which includes: Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service. This increased proposed compensation is to serve as an added inducement so as to attract and retain desirable personnel in the services. At the same time, this bill will correct and simplify an antiquated pay system that has been building up in various phases since 1908. It will also, and justifiably so, provide for a complete revision of the present physical disability retirement laws and establish a new system based on either the degree of disability or years of service. This change in the retirement laws will eventually save the American taxpayers and the Government millions of dollars.

A few weeks ago, after long and serious debate and consideration, the House chose to recommit the military pay bill, H. R. 4591, to the Committee on Armed Services, and I am pleased to state that the Committee on Armed Services, after diligent and careful thought and consideration and at all times respecting the viewpoint of the majority, agreed on a bill which, as I said before, will save the taxpayer and the country a large sum of money. This resolution provides for the consideration of the new bill.

The first military pay and retirement bill which was recommitted would have cost $406,000,000. The cost of the present bill is $302,000,000. Thus, by recommitting the first bill on May 24, 1949, $104,000,000 has been saved or approximately 25 percent.

Under the new retirement and disability provisions, the saving for a fiscal year as compared to the original recommitted bill amounts to $87,000,000, and the savings for the following year amount to $104,000,000.

Major costs of this bill

	Number	Cost of increased pay
Officers: general to second lieutenant	174,190	$176,736,238
Warrant officers: 4 grades	14,390	4,483,477
Enlisted personnel	1,404,936	277,430,186

The House has already appropriated $314,000,000 for family allowances. Under this bill the cost will be $181,000,000, or a saving of $133,000,000. Certainly the House was justified in recommitting the first bill since we can save, assuming this bill will pass, the sum of $104,000,000, as I said before.

TWO IMPORTANT SUGGESTIONS

Mr. Speaker, from time to time, I have heard complaints about the retirement pay that is being drawn by officers, due to the fact that they were in a purchasing division or contract-letting division, they were in a position to befriend and in some cases favor corporate interests while in the service of the country. In return for their friendship, many have been engaged by these corporate interests. In many cases, an understanding was reached while the particular officer was in service, that upon retirement his services would be utilized by these companies. Many of these colonels and generals have obtained lucrative positions which pay, in many instances, as much as $25,000 per year or more. I feel, therefore, and I call this particularly to the attention of the Committee on Armed Services, that a provision should be inserted in this bill providing that wherever and whenever such an officer has retired and obtains compensation from an outside source in excess of the amount he would draw under the retirement laws, such an officer should not continue to draw such retirement pay. I wonder whether the able chairman of the committee, Mr. VINSON, and the able members of his committee all having the interests of the country at heart, would be willing to accept and favor an amendment such as the one I have roughly outlined in order to eliminate the unjustifiable and unwarranted retirement payments to these officers who accept these highly paid positions from private interests.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. VINSON. I will state to the gentleman from Illinois, having the interest of the country at heart, that we feel as long as these men are competent and able to do so, they should give to the country the benefit of their services, instead of merely sitting down doing nothing after they have served a period of time for their Government. It would be a great loss to the Nation if after a man has had a long and honorable experience in the armed services and has been retired and is physically able to carry on his activities, he should then cease doing anything and not contribute to the country whatever good might arise from his services. It would be a detriment to the country to adopt such a policy because it would have the effect of creating a group who would sit down and be consumers and not producers.

Mr. SABATH. I do not maintain they should not be permitted to utilize their knowledge and experience, but I feel that in view of what the Nation has done for them by way of experience, education at West Point and the Naval Academy, and knowledge that they have obtained in the service of their country, when they retire and engage in private business at great salaries, in many instances salaries of $20,000, $25,000 a year, as I said before, they are not entitled to the retirement pay. This will not deprive them of continuing to give the industries they represent the benefit of their knowledge and experience.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. VINSON. To consider a concrete illustration of the effect of the gentleman's amendment, it would deny the country the opportunity to have a man of the intellectual attainments of General Eisenhower in the educational field.

Mr. SABATH. Of course, we have exceptions to every rule. General Eisenhower did not hire himself to any private industry at an exceptionally high salary of $25,000 or perhaps even $50,000 a year. He has not served while he was in the service and was not connected with the various private industries, as was the gentleman who is retiring at a high price, and who has secured a position with private industry. That does not apply to him nor to many others. But I mean to say we should adopt a provision that would apply to those who, during the war, have served and now are still in pretty good health and are retiring because they have been able to find lucrative positions with private companies. Of course, the gentleman will say, "Well, they cannot retire unless it is found they have a certain number of years of service and that they are physically disabled."

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. VINSON. Of course the gentleman wants the law to be uniform in application, and fair. If he is sound in his position with reference to the armed services retirement he would be equally sound to advocate that with reference to congressional retirement, would he not?

Mr. SABATH. Yes; I would. I believe that if a man has attained a great deal of influence, ability, and experience down here, he should not leave his position, if he could be reelected, if he has

served his people well, but that he should continue, instead of engaging himself to private industry as some of the Members have. Actually, I have nothing against them. If their ability is recognized and they have been able to get a position in private industry, well and good. But they should not continue to draw the pay of Congressmen, or any retirement.

Mr. VINSON. But they should draw their retirement, should they not?

Mr. SABATH. Well, they have paid toward that retirement, whereas the gentlemen embodied in this bill have not.

Now, I am stating what actually should be done in the interest of our country, especially at this time when we are trying to economize. So far I congratulate the committee that they have brought in a bill that will save the amount I have stated. I believe still greater savings could be brought about if we would adopt this amendment.

Furthermore, as has been suggested by the gentleman from Virginia [Mr. SMITH], a member of the Rules Committee, I think that all the physical examinations that are given in order to qualify for the officers retirement pay should be conducted by physicians having civil-service status rather than by officers in the Medical Corps of the armed services. We are entitled to know whether or not these officers are actually disabled and whether or not they can or cannot continue to perform the duties they are capable of performing. Armed services doctors are generally prejudiced in favor of officers of their own branch of the service and thus will go out of their way for them accordingly.

In view of these two suggestions, although I know that the gentleman from Georgia [Mr. VINSON] is greatly interested in the Navy and the military gentlemen, I feel that the chairman and his committee should give some serious consideration and thought to this matter so as to save the country a hundred million dollars or more a year. The gentleman from Georgia [Mr. VINSON] has been a member of that great committee for nany years and he is exceptionally able, and thus I am confident that he will endeavor to utilize the suggestions that I have made.

Mr. Speaker, I reserve the balance of my time, and I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

The SPEAKER pro tempore. The gentleman from Illinois [Mr. SABATH] has consumed 15 minutes.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may need.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. ALLEN] is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, this rule makes in order the consideration of the bill, H. R. 5007, which does many things besides raising the salaries of the members of our armed services; for instance, it provides certain allowances and retirement for training duty, for Reserve and National Guard, it deals with clothing allowances, it deals with pay for our cadets and midshipmen, and many other things. As you know, last month we had a similar bill under consideration here, and as you very well remember, it was defeated. I understand, however, that the differences have been ironed out, and as far as I know there are few, if any, who are opposed to this measure.

The one objective in maintaining a peacetime Military Establishment is to preserve the peace and security of our people in the most efficient manner. How can we do this? As I see it the best and only way is to make it more attractive for officers as well as enlisted men to stay in our armed services. As we all know, the training of a recruit, as well as an officer, costs thousands of dollars each year. I say to you when a corporation trains an individual at the cost of thousands of dollars they then try to keep this trained man by making his employment terms attractive. They do not train him for some other industry?

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. JONAS. I have a question to ask of the distinguished gentleman from Illinois: Does this appropration under consideration in this bill, namely, $302,000,000-plus, represent an appropriation beyond and in addition to the $15,909,000,000 we have already appropriated for the armed services, or does this sum come out of the grand total?

Mr. ALLEN of Illinois. No; technically, this is an addition.

Mr. JONAS. This is an appropriation in addition to what we have already appropriated?

Mr. ALLEN of Illinois. That is true. For the first year or two the expenses will be greater, but it is believed that with greater efficiency and better administration, the set-up provided under this bill will prove to be less costly than the system set up under present outmoded conditions.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. GOLDEN. What effect will the bill under consideration have upon the man who is already retired on account of disability? What fundamental change does this effect?

Mr. ALLEN of Illinois. It more clearly perfects the present complicated retirement system. There has been no change in the retirement system since 1908. This bill provides for better administrative procedure.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. JOHNSON. This bill will allow the man retired for disability to retain his present allowances, which is 75 percent of the salary on the day he retired.

Mr. GOLDEN. It would not affect them adversely?

Mr. JOHNSON. No; it will not affect them adversely. There is one other matter that should be mentioned and that is that this allows men who retire to get 75 percent of the increased pay for his grade; and if the disability is less than 30 percent the man has the choice of taking his present pay or the retired pay.

Mr. SHORT. Mr. Speaker, will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Mr. SHORT. And I might add for the benefit of the Members of the House and the distinguished gentleman from Kentucky, that under this new bill these officers who have been retired will have to submit themselves to the same rules and regulations under the Veterans' Administration, they will have to appear periodically, at least once every 18 months, I think, for 5 years in order to get a physical checkup. It will correct the abuse of some officers retiring permanently, then going out and drawing large salaries on the outside while at the same time receiving retirement pay.

Mr. ALLEN of Illinois. Mr. Speaker, I appreciate we went through this whole matter last month so far as the pay bill is concerned and that the membership has a thorough understanding, but may I say that we have heard considerable said about raising the pay of these higher officers. There seems to be a little objection on the part of some so far as increasing the salaries of the high officers are concerned. However, we have appropriated about $15,900,000,000 for our national defense and we need capable officers to administer the spending of this $15,900,000,000 or as much as they see fit to spend. The increase in salaries will permit these most capable officers to not seek private employment and we will save, in my opinion, many times the amount involved in the increase which will be given them under this bill.

It was my pleasure last week to spend several hours with General Bill Tunner who has administered the air lift in Berlin. May I say that with men of that type handling the expenditure of hundreds of millions of dollars it will be wise for the Congress to raise the salaries in order to keep such men as Bill Tunner in the service.

May I refer briefly to the peacetime draft and universal military training. I know there are few people who want to draft young men, force them against their will, into the service through the universal military training route if we can keep away from it. The record is that peacetime draft and universal military training will cost from four to six billion dollars a year. As far as I am concerned individually I would rather have two young men in voluntarily through incentives like this than to force young men throughout Kansas, Illinois, and other States against their will in peacetime to go into the service.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Missouri.

Mr. SHORT. I think the gentleman from Illinois has made a most pertinent point and one of the most logical arguments for this legislation because if we do provide adequate incentives we will get a sufficient number in the service and we will have professionally trained soldiers. We will forever be through with peacetime conscription and universal military training which will cost the taxpayers of this Nation infinitely

more than is involved in the present legislation.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. Speaker, may I say in conclusion that the Hook Commission, composed of outstanding business leaders of the United States, went into this matter thoroughly for over a year and came back with the recommendation that we make more attractive through these incentives, raise in pay, and so forth, the armed services in order to keep the most efficient and capable men in our armed services. They ask the question, What is the sense of spending thousands of dollars to train a mechanic or a baker, then let him after the first enlistment go back as a mechanic and get $65 or $80 a week and have Uncle Sam, after training him, be denied his experience and capabilities?

Mr. Speaker, the new Treasury list shows America's best-paid employees—Charles P. Skouras, president of National Theaters Co., Inc., received $810,000 salary last year; Vincent Riggio, president of American Tobacco Co., $484,202; Preston Sturges, movie director, $470,650; E. H. Little, president of Colgates, $350,000; A. A. Somerville, of R. T. Vanderbilt Co., $319,398; Seton Porter, president, National Distillers, $310,000.

Can anyone successfully contend that their work is as great as Generals Eisenhower, Bradley, "Hap" Arnold, "Tooey" Spaatz, and others during the last war. Still these generals received less than $15,000 per year when they were responsible for the lives of millions and the expenditure of hundreds of billions of dollars. Even today our generals and admirals have greater responsibility than these above-named corporation heads. So let us not vote against this bill because it provides a few extra dollars for them.

Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I take this time for the purpose of making some inquiries of the gentleman from Georgia [Mr. VINSON] the chairman of the Committee on Armed Services, relative to this legislation and other matters. If I remember correctly the testimony before the Committee on Rules, this military pay legislation will cost less money, if enacted into law, than the original bill which was sent back to the Armed Services Committee for further study; is that correct?

Mr. KILDAY. I believe the gentleman heard from me before the Committee on Rules.

Mr. BROWN of Ohio. Yes, and if the gentleman will be patient, I think he will understand shortly why I ask this question of the gentleman from Georgia. What will be the cost of this bill in comparison with the cost of the original military pay bill?

Mr. VINSON. For the fiscal year 1950, commencing in October, I think it is $87,000,000.

Mr. BROWN of Ohio. Less?

Mr. VINSON. Less. When it evens off by 1951 or 1952, I think it is $104,000,000 less.

Mr. BROWN of Ohio. In other words, under the original bill it would cost $360,000,000 additional for the first year and $407,000,000 for the second year?

Mr. VINSON. That is correct.

Mr. BROWN of Ohio. And under this new legislation now before us the cost will be about $287,000,000 instead of $360,000,000 additional for the first year.

Mr. VINSON. That is right.

Mr. BROWN of Ohio. And something over $300,000,000 each year afterwards.

Mr. VINSON. Yes. I think the Committee on Armed Services is entitled to the thanks of the House for having been able——

Mr. BROWN of Ohio. All right.

Mr. VINSON. Wait a minute now.

Mr. BROWN of Ohio. I did not yield for a speech. I yielded only for a question.

Mr. VINSON. I will ask the question.

Mr. BROWN of Ohio. Ask your question, but please do not make a speech on my time.

Mr. VINSON. Does not the gentleman from Ohio think the Committee on Armed Services is entitled to the thanks of the House for having brought in a bill that accomplishes what the President desired under——

Mr. BROWN of Ohio. I get the gentleman's question, and I want to answer it. I am very happy the gentleman asked that question because it brings up a very important matter I wanted to get to, and he has opened the way.

I think that the Committee on Armed Services has certainly expedited this legislation, and if there is any credit due to the committee and to its chairman for expediting this particular bill, then both should have it. I realize that somehow or other on this bill to spend all these added millions of dollars, which was returned to your committee for further study, you found time to quickly make your study and report the bill back promptly. However the gentleman has failed to find time to take up or to consider the Tydings bill which has already passed the Senate, to put into effect most of the recommendations of the Hoover Commission which would save from a billion to a billion and a half dollars a year in the operation of the National Defense Establishment.

Mr. VINSON. Mr. Speaker——

Mr. BROWN of Ohio. Just a moment, please, I have the floor, I repeat, which would save from a billion to a billion and a half dollars a year in the operation of our National Defense Establishment and would also bring about greater efficiency.

Now, I have read the gentleman's recent statement to the press, or a statement purporting to come from the gentleman, to the effect that he does not have time, or his committee does not have time to consider the Tydings bill which passed by the Senate, which has the support of the President of the United States and the Secretary of the National Defense Establishment—no time for the bill that the heads of the National Defense Establishment have testified would save from a billion to a billion and a half dollars a year for the taxpayers of the United States

So, here is the $64 question I want to ask the gentleman from Georgia. I am wondering how it comes that while the gentleman has so much time he can immediately take up a bill which has been previously rejected by this House to spend something like $300,000,000 a year more, can find time to reconsider a rejected bill and bring it to the floor posthaste, he cannot find the time to hold hearings or consider legislation which will save a billion or a billion and a half dollars? In other words, is the gentleman interested only in spending money? Or is he interested in unifying our National Defense Establishment and the bringing about of some of the reforms that will save many hundreds of millions of dollars annually for the taxpayers?

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I will yield for a quick answer.

Mr. VINSON. I will assure the gentleman from Ohio that just as soon as he can file a statement showing where the saving of this large sum of money can be brought about by the Tydings bill it will be promptly considered.

Mr. BROWN of Ohio. I suggest that if the gentleman will hold hearings on the Tydings bill and will not try to put it down in the deep freeze, as I think his statement was reported and thus put it into a death sleep, then he will quickly get the information he desires as to the savings which can be made.

Mr. VINSON. The gentleman made the positive statement that the Tydings bill will accomplish this saving. I challenge the gentleman to submit to this House where the savings will occur. Just as soon as the gentleman accepts that challenge, the committee will consider the bill.

Mr. BROWN of Ohio. I will say to the gentleman, who is indeed very brave with his challenges, that if he will perform his plain duty and meet his responsibility, and schedule the Tydings bill for a hearing, as he should schedule it, I will not only come before his committee, but every man on the task force which brought in these reports as to how a proper reorganization of our defense establishment can result in huge savings will be glad to testify, and to illuminate the subject for the benefit of the gentleman by giving him a great deal of information. We may even have the Secretary of the National Defense Establishment, and the former Secretary of the Army, as well as others, who have already testified as to these savings, come before his committee. If the gentleman would read the testimony submitted to the Armed Services Committee of the Senate he can easily get that information, but, of course, he cannot get it if he carries out his intention of putting this legislation into the deep freeze because somebody or other in the armed services does not want to go ahead with any unification plan.

Mr. VINSON. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. The gentleman will have about 8 hours on this bill. He can talk then all he wants to. So I refuse to yield further.

However, I have a great deal of affection for the gentleman from Georgia. I like him, contrary as he is sometimes. If the gentleman will show just as much zeal and just as much vim, vigor, and energy toward passing the Tydings bill which will really help unify the armed services, put an end to interservice quarreling, and cause a great saving in the cost of operation of the national defense establishment he will be rendering a great service to his country. If he does not believe so, and if he will have an open hearing on the Tydings bill, I am sure the American public will be convinced that the Hoover Commission, the President of the United States, the Secretary of Defense, the Secretary of the Army, the Senate, and the Senate Committee on Armed Services have not all been wrong, and that he, the gentleman from Georgia, is the only individual in America who has been right about this important subject. If he is right the hearing will prove it, so that his position will be amply justified, and all the rest of us will be shown up as not knowing what we have been talking about. So, I ask, when will the gentleman schedule the Tydings bill for a hearing?

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Let us be definite. Let us not talk generalities. Let us find out when the gentleman from Georgia can find time to schedule this bill for a hearing.

Mr. VINSON. I am glad the gentleman has made his position clear, because it should be made clear, to let the country know that the distinguished gentleman from Ohio is advocating here the delegation of power over the armed forces to one man.

Mr. BROWN of Ohio. We will, of course, meet that issue when we come to it.

Mr. VINSON. That is in the bill as well as the alleged savings.

Mr. BROWN of Ohio. We can learn about these when the bill comes up for consideration. So let the gentleman tell us when he will consider this bill, and the testimony will speak for itself. We will let the House decide for itself whether the gentleman from Georgia is right or all the rest are right about it. If the gentleman is right and the President, the Secretary of Defense, the Hoover Commission, the Senate, the Senate Armed Services Committee——

Mr. VINSON. And the gentleman from Ohio.

Mr. BROWN of Ohio. Yes, and everybody else is wrong. Perhaps the gentleman is right but let us find out who is right and who is wrong. Let us do so the American way. Let us not kill this important legislation by putting it in the deep freeze, as I understand the gentleman was quoted in the press as saying. Let us not put the Tydings bill to sleep by saying we are not even going to consider what the Senate has done. Let us see if we cannot save a little money once in a while as well as spend it.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. There is no other place to test the worth of this legislation except before the committee.

Mr. BROWN of Ohio. That is right. We cannot get the Tydings bill up, and the House itself cannot pass on the legislation, until the gentleman performs his legislative duty as chairman and schedules one of the most important measures before this Congress for hearings by his committee. That is the reason why I am asking when he is going to do so. I hope he will have a conversion, get a little old-time religion, and work a while for economy as well as for spending.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, one of the most critical problems being faced by this Congress is the growing need for greater economy in the appropriation and expenditure of money by the Government.

But in our efforts to reduce spending, we must do more than merely cut appropriations. It is even more important that we insist on greater efficiency of operation in all the departments of the Government. We must make a real effort to weed out waste of money and effort. Specifically, this means the elimination of wasteful practices wherever possible.

We must also bear in mind that the departments are not wholly to blame for the current existence of wasteful practices. In many cases they are bound by the requirements of obsolete or piecemeal laws, and in other cases by the continuance of emergency laws for which the need no longer exists.

The biggest single appropriation in the Government today is that for national defense. Every thinking citizen agrees that in these troubled and uncertain times, we must appropriate whatever is necessary to maintain the peace and our national security.

At the same time, we are all deeply concerned by the fact that the annual spending by the National Military Establishment has reached $15,000,000,000. Certainly this is one of the very first areas we should examine to insure that we are getting a full dollar's worth of security for every dollar appropriated.

Having studied the matter carefully with Armed Services Committee during the past 4 months, I have been appalled by the fact that the laws under which we pay service personnel are hopelessly obsolete and confused.

The operation of these laws under present conditions is resulting in a truly alarming loss of trained manpower. This is due primarily to a lack of career incentive. The best of our trained enlisted men and young officers are leaving the service in growing numbers to seek better careers in other fields.

If the armed services could establish greater permanency of personnel and thus reduce the large and wasteful turnover they have at present, huge savings in money and effort would result.

The finest technical training schools in the world are maintained today for our officers and enlisted men. But we are losing these trained men due largely to the fact that the existing pay laws do not provide commensurate opportunities with those in business and industry.

These men do not necessarily expect to receive the same size pay check as they might be paid for the same work by private business.

They do, however, resent the fact that it is possible for a master sergeant to draw less money than a private with a large family.

A young ensign or second lieutenant who is required to have the same qualifications as the graduates of our leading universities and technical schools is becoming discouraged by his career prospects. He realizes that if he has an outstanding career in the armed services and is one of the few who reaches the rank of general or admiral after 30 years of service, he will receive less salary than anyone of over 3,000 civil-service employees. He knows also that had he attained corresponding success in private business, he would receive many times that salary—and would at the same time have led a more settled family life.

Not long ago I had the opportunity of appointing to the Academy at West Point one of the finest young men it has ever been my privilege to know. Since the original pay bill was turned down a couple of weeks ago I received the following letter from this boy, a fine outstanding young American, who is proud of the opportunity he has of rendering service to his country.

His letter is as follows:

DEAR MR. ARENDS: It is with great disappointment that I hear that the pay bill did not pass the House. I am not sure of the reason but understand it was due to some organized resistance from veterans, more specifically the enlisted veterans. I am not fully acquainted with the workings of the committees, etc., but I am sure that as a result of the action of the House the services are going to lose a great number of competent and qualified personnel. Why should a man stay in the services when he can make a better living on the outside for himself and his family in civilian life. The power to serve your country is strong but along with serving your country remains the fact that the families of the men have to live and survive.

We are the only people, as a direct result of income taxes, who have taken a reduction in pay. True it did not affect me since I have so many dependents. In 1948 the services paid $19,000,000 in income taxes and this year they are scheduled to pay $149,000,000 in taxes. This is quite an increase. Even without the income tax deductions there has been no increase in pay to offset the tremendous increase in prices of all commodities.

Evidently Congress is perfectly sure that war is not in the offing and therefore a competent and well-trained army, staffed by intelligent and well-trained personnel, is not necessary to our security and way of life. We may not have the time when the next war strikes.

Since the pay raise did not go through and promotions are virtually frozen, the future does not look too secure and I am considering the advantages of entering into civilian life. I am certainly going to consider the future of my family and the fact that my boys are going to have a good education. At the present time I am unable to put anything aside to insure this.

I am still thankful and grateful for the opportunity you gave to me. I believe that

I am a credit to the Army and to my chosen profession as my past efficiency ratings have indicated. I like the Army life and even though your freedom is curtailed somewhat, this is a mild sacrifice to make. I am very sorry so many people in Congress have seen fit to step on the Army and the job that it does. It is truly an honorable and traditional profession and one that merits much consideration from the public. It is my opinion that some day they will regret their action. This regret will not occur today, tomorrow, or the next day, but it will become evident in the not too distant future.

If we are to achieve true economy and efficiency of operation in the armed services, we must take every reasonable step to encourage the best possible management. We must provide better career opportunities for the officers and men for whom we provide expensive training.

We can either demand nor expect the best efforts from our service personnel if they are discouraged by the failure of Congress to rectify a pay system that is 40 years behind the times.

To my way of thinking, true economy involves more than merely cutting appropriations. It must also be aimed at abolishing wasteful and obsolete procedures.

The best way to reduce the cost of national defense is to encourage greater personnel efficiency. To attract and to retain those men best qualified to do the job, we must pay them a fair wage on the basis of their skill and responsibility. We are not doing that today.

[From the Washington (D. C.) Evening Star of May 31, 1949]

BARGAIN BASEMENT DEFENSE

Gen. Omar Bradley, Army Chief of Staff, delivered an address before the Political Study Club of Washington on May 31.

General Bradley, with typical forthrightness, challenges the theory that seems to prevail in some quarters that a first-rate security system can be built around second-rate personnel, or, to put it another way, that first-rate noncoms and officers can be obtained with pay scales that date to the horse-trolley age.

And the Chief of Staff was not just indulging in a figure of speech when he referred to horse-era pay. There has not been a general overhaul of military salaries, top to bottom, in more than 40 years. The bill recently recommitted by the House provided for an urgently needed readjustment upward in all levels above recruits. The defeat of that bill was a severe blow to service morale. Its reconsideration and passage in substantially the form first reported is essential to a strong defense establishment.

Bear in mind that this bill deals not only with pay alone. It also contains an efficient personnel system in the armed services:

First. It completely revises the present laws dealing with physical disability retirement. Not only will the ultimate cost be cut in half; but for the first time enlisted men will be treated on the same basis as officers.

Second. It eliminates all of the various special retirement benefits now in effect, so that hereafter all retirement will be either on a straight longevity basis or on the basis of the new physical disability plan.

Third. It completely revises the mass of law dealing with transportation and expenses for official travel. Here again for the first time, enlisted men will be treated on exactly the same basis as officers.

Fourth. It contains a revision of the laws dealing with extra pay for hazardous duty, with emphasis on the fact that these new extra pay rates are intended as incentive rather than hazard pay.

Fifth. It will bring to a close on a fair and just basis the extremely costly program of the temporary wartime family allowance payments.

I am convinced that the enactment of the bill now before us will constitute the greatest single step we can take toward obtaining national security that is both efficient and effective.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield.

Mr. COX. The gentleman has made a most excellent statement under difficult circumstances. For informational purposes it is well worth referring to on the part of the membership tomorrow morning, and comprehending just exactly what the gentleman has had to say.

Mr. ARENDS. I thank the gentleman very much.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I myself also appreciate the statement and the quotations by my colleague the gentleman from Illinois [Mr. ARENDS], who has just preceded me. However, I was very much amazed when my colleague the gentleman from Ohio [Mr. BROWN], a member of the Committee on Rules—and I am sorry he is not here now—made a statement charging the Armed Services Committee with refusing to bring out the Tydings bill; charging that it is being held up by that committee and refusing to give a hearing. Coming from him, of course, it means a great deal. But I dislike to see any committee hold bills in the "deep freeze" and deprive the House of an opportunity to consider the bills, refuse to give the House the right to pass upon them. I hope, therefore, that in the future the gentleman from Ohio will not do what he criticized the gentleman from Georgia [Mr. Cox] of doing: holding bills that have been considered by legislative committees and in many instances reported by nearly unanimous vote in the "deep freeze" in the third-floor room of the Committee on Rules. So I hope in view of his statement here he will desist from doing that which he criticized the gentleman from Georgia of doing.

Personally, of course, I do not blame the gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services with whom I have had the honor of serving for many years, I think about 32, for his statement. He has been chairman of that committee and he came in close contact during those 32 years with the gentlemen of the Navy and now with the members of the Army. It is not surprising to me that, in view of that close association during these many years, he is very friendly to them. I know he means well and he plans, of course, to support, aid and strengthen our Armed Forces and our defense position. Nevertheless, I hope that in view of the fact that it is stated by a member of the Hoover Commission, the gentleman from Ohio [Mr. BROWN], that the Tydings bill would save a billion dollars a year—I myself have no evidence of it with the exception of what I have heard—but if it would save only half that amount of money, I think this great Committee should give consideration to that bill as soon as possible and allow the House an opportunity to pass upon it. Oh, I realize the value of the recommendations of the so-called Hoover Commission, a commission which although composed of a great many able men who have been engaged by it, has spent over $2,000,000 in investigations and administration and I realize it has made a valuable contribution and recommendation. But that does not signify or prove to me that it is right on each and every recommendation it has made, because many of the members do not have the actual background experience necessary for them to be able to consider legislation and take into consideration matters that come before the House. Remember that after all this House and this Congress did not vest that commission with the power to legislate; they vested in it only power to report and recommend. That does not say that we must at all times take the entire recommendations although many of them are valuable.

Many of them cannot be adopted and should not be adopted because they would not be of any particular help to the Nation or benefit to the economy which they claim would ensue if they were adopted. I am for economy and I shall vote for any bill that will bring about a reduction in the high cost of Government; at the same time we cannot adopt legislation unless it receives due consideration. I hope that the gentleman from Georgia and his committee will give consideration to the Tydings bill so that we will have a chance to determine how far the recommendations by the Commission can be carried out and whether they will save the amount of money that it is claimed by one member of the committee, the gentleman from Ohio [Mr. BROWN].

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has referred briefly to the "deep freeze" of the rule on the housing bill. Is the gentleman hopeful that this afternoon at 2 o'clock when the gentleman's committee meets enough members might unfreeze their minds so that this deserving rule might come out? The gentleman has a few minutes left and I would like to have him elaborate on that and clarify his brief observation upon that rule being in deep freeze.

Mr. SABATH. I believe that enough heat has been brought from home on those gentlemen who are responsible for withholding consideration or freezing the housing bill and that they will shortly defrost it. In view of certain little conferences I had a little while ago I am confident that the rule will be reported today. But, as I stated previously, it will not make any difference because a discharge petition has been filed and the bill will come up for consideration on the 27th of this month anyway.

The country is demanding that the Committee on Rules act and not bottle up or freeze such an important bill that the entire Nation is seeking, a bill that the governors of all 48 States and the mayors of every important city have urged, that the war veterans and all civic organizations have endorsed. I hope that the action within the next 45 minutes will be favorable and that the Members of the House will have the right and privilege, which is theirs, to pass on legislation that has been reported by a legislative committee of this House. I hope that in the future these deep-freeze practices will be discontinued.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman heads the oldest committee in the House, the Rules Committee, which was the first committee. The other committees having witnessed this performance of deep freezing occurring so frequently in his committee, does he not think he is precluded from any criticism if it becomes contagious in other committees?

Mr. SABATH. I did not criticize the gentleman's committee. I merely called the attention of the gentleman from Ohio [Mr. BROWN], who charged the gentleman's committee with freezing legislation, that the committee of which he is a member was responsible for the practice he has criticized.

Mr. VINSON. And the gentleman from Ohio is a member of the Rules Committee?

Mr. SABATH. Correct.

Mr. VINSON. Where deep freezes occur rather frequently. He should therefore be precluded from any criticism if that same policy is followed by some more humble committee?

Mr. SABATH. Of course, he has the right to criticize others, but two wrongs do not make one right.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Mississippi.

Mr. COLMER. I hope that the sage of the House, the chairman of the Committee on Rules, and the long-lived chairman of the Committee on Armed Services will not consider it presumptuous, coming from one as humble as myself, to observe that sometimes deep freezing or any other kind of freezing helps to preserve the future of this country.

Mr. VINSON. As far as I am concerned, I thoroughly agree with the gentleman.

Mr. SABATH. Sometimes freezing of certain things is helpful, but many times it is not.

Mr. COLMER. Mr. Speaker, will the gentleman yield further?

Mr. SABATH. I yield for an observation, for a question, or for a statement.

Mr. COLMER. I think that the distinguished chairman of the Committee on Rules, whom it is often my pleasure to cooperate with——

Mr. SABATH. Will he continue?

Mr. COLMER. Has made some indication that maybe his efforts might be fruitful, hence all of this Fourth of July display here and the appeal to patriotism.

Mr. SABATH. This is the first time that anyone has commended me on Fourth of July orations because I am not given to the waving of the flag. I humbly devote myself to giving the House facts and not bunting. However, I did not quite grasp the gentleman's statement, which is not unusual for me, because I am a little slow in observing certain clever and shrewd remarks, and I did not hear the gentleman quite clearly, so therefore, I cannot answer. But, I know he means well, as do many others, and I hope that he will continue to mean well and act well within an hour or so when I shall again call up in the Committee on Rules the housing bill for a vote on a rule to provide for its consideration.

Mr. COLMER. Mr. Speaker, if the gentleman will yield further, if this gentleman to whom reference was made has learned any shrewdness, of course, the House will understand that he has served under the able leadership of the gentleman from Chicago for so long.

Mr. SABATH. Surely, he did not learn any shrewdness from the gentleman from Chicago, because he never claimed, nor does he possess, any shrewdness or great ability. He only tries in an humble way to express his views and tries to enlighten the House from time to time as to conditions.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5007, with Mr. RABAUT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. KILDAY. Mr. Chairman, I yield myself 20 minutes, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Chairman, you will recall that a couple of weeks ago the House recommitted the bill H. R. 4591 to the Committee on Armed Services. The motion to recommit did not contain instructions other than for further study. I can assure you that prior to the time the bill was reported out it had had very thorough and detailed study, and I am sure adequate study.

When we got the bill back with no other instructions than that, we felt that the proper thing for us to do was to attempt to evaluate what the House had done, exactly what the action of the House in recommitting the bill to us meant. We felt that inasmuch as the amendment offered by the gentleman from Colorado [Mr. CARROLL] had been adopted we were under instructions from the House to revise the family-allowance provision contained in the original bill. Inasmuch as the gentleman from South Dakota [Mr. CASE] offered an amendment to decrease the rates in our proposal by 5 and 3 percent, and subsequently the motion offered by the gentleman from South Dakota to recommit the bill was carried, we felt under definite instructions to reduce the over-all cost of the bill.

With those two directives in mind, or assuming that those were our directives, we went to work on the bill. We have reported it back now, I believe, in substantial accordance with the will of the House as expressed in what we regard as being our directive. We have reduced the cost of the bill. We have done it primarily by reducing, first of all, all general and equivalent officers—that would be all generals and admirals—by 10 percent under what we attempted to give them in the original bill. We have reduced the proposal for other commissioned officers by 5 percent. We have reduced the proposal that we had in that bill for warrant officers by 3 percent. And we have reduced the proposal in the bill for enlisted men by 2 percent.

Let me point out to you something that is fundamental in the bill and something that has been overlooked by a good many of those who attempt to tell the public that the vast majority of the money provided in this bill goes to the higher ranking officers. In reducing the proposed increase for generals by 10 percent we have saved something over $900,000 out of a bill that was originally costing $406,000,000. When you apply a 2-percent reduction to the enlisted men it means that the $200-a-month man—that is his pay only—is reduced by $4 per month, but in applying it to the total number of enlisted men we have saved over $40,000,000 in this bill. Of course it proves abundantly that the vast majority of the money provided in the bill goes to those of lower rank.

The same can be said as to the junior officers. Where a small amount is deducted as to the individual, because of the great number of them it runs into a large amount of money, and the big money is in the junior officer and enlisted brackets.

As to the family allowances, the vice in the amendment offered by the gentleman from Colorado was that it pyramided upon family allowances now being paid the increased rates provided in the bill, which made a tremendously substantial increase and one not based upon responsibility and service. We have revised that so that under the provision

we bring you now no person who enlisted prior to July 1, 1946, will suffer any reduction in his family allowances during such enlistment because under the statute existing at that time he was given a statutory right to such allowances. As to any person enlisting after July 1, 1946, the new bill will provide that he shall continue to receive allowances for his wife and children during the terms of enlistment, but not after July 1, 1952, whichever is the earlier. It constitutes a savings clause. It means when the pay under the new bill reaches or exceeds the present income from family allowances for his wife and children, and pay, the individual will go off of the family allowance, and his entire compensation will be as pay. Thus we gradually get rid of the family allowance provision, but at the same time not reduce the allowances for wives and children. This bill eliminates allowances for brothers and sisters but permits an unmarried man to claim parents who are dependent for chief support. Of course, we thus gradually get rid of the administration of the family-allowance program which alone is costing us $2,700,000 a year—and we are not considering that in the savings which we tell you we have made in the bill. The bill is going to cost in excess of present appropriations bearing in mind that it becomes effective under its terms on October 1 of this year; eighty-seven million dollars less than what we attempted to do in the previous bill. It will first increase because of a full fiscal year being involved. So that in 1951 the full fiscal year will cost $346,000,000, then go down to $316,000,000 in 1952, and then level off after that at no more than $302,000,000 annually, assuming that the armed forces remain at their present strength. For a full fiscal year this bill reduces the previous proposal by $104,000,000.

There is another thing we have done to cut the cost below the other bill, which indicates to you how a small amount of money to the individual creates a tremendous cost to the Government. We had proposed that officers should receive $45 per month in subsistence allowance, rather than $42, which is now paid. By leaving it at $42, as it is under existing law, the individual officer will draw $36 a year less on that item than we attempted to give him in the previous bill, but the Government will save a total of $6,800,000.

In applying the cuts ranging to 10 percent for those general officers now drawing flight pay, they would have suffered a loss under present pay. Under existing law flight pay is computed at 50 percent of base pay, plus longevity. In the original proposal we set up a scale starting at $100 for the lowest officer, continuing up until it reached $210 for the colonel, whereas, under existing law, it continues to go on up until it reaches the major general drawing $4,400. Under the original proposal we cut it off at the rank of colonel and brought it back down to $100. Had we left the same formula in this bill the flying general would have suffered a loss of $15 per month. Understanding it to be the view of all, that this bill is not a pay-reduction bill, but is a bill providing for readjustment of base pay and providing for pay increases, in order to prevent a reduction in the pay of these few officers we decided in this bill to progress from $100 to $210, and then level off so that no one will get more flight pay than the colonel. That is the provision in this bill.

There was another question which was raised on the floor. Originally we had in the bill that the quarters allowance and subsistence allowance should be determined by the President, and it was provided that until such time as he should fix the subsistence and quarters allowance by Executive order the table in the bill should apply. Some felt that was a delegation of legislative power to the Executive and that it should not be in the bill. We have removed the provision granting the President the power to fluctuate the quarters and subsistence allowances and we have fixed them by law in the bill at the table we had in it before to represent the interim allowances until such time as the President would act.

I believe those are the major changes. I want to say that I believed, and I still believe that the bill we had before you a few weeks ago was the proper one. I sincerely felt that the committee and the Hook Commission had done a proper job with reference to the subject. Of course, we bow to the will of the House. Our bill was referred back to us for additional study. We have done what we think carries out the will of the House. The debate before the House in favor of that bill still holds good. I find many are not familiar with the facts. We are attempting to attract and hold the type of men we need in all of our armed services. I feel that the people are amazed to learn that of the 1,003 regular commissions offered by the Army this year to honor graduates of ROTC colleges only 30 have accepted up to this time, and that of over 800 offered last year only about 100 accepted; that 15 percent of those naval officers who decided after the termination of the war that they wanted a permanent naval career have resigned.

There is a great deal said by those who have given it a great deal of study and those who have given it no study as to what constitutes incentive for a military career. We find pretty generally that those who know nothing about the subject attempt to contend that the incentive lies in the amount of money given a man upon his entrance into the service. We find that those who know a great deal about the subject and have studied it over a period of years are convinced that the career throughout a lifetime constitutes the incentive for a military career. Not so much what he gets when he goes into the service his first year, but whether he can look forward to a dignified, honorable, secure career in the military service throughout a period of 30 years. I know that is the attitude of the type of men we want. First enlistments are of no value to us unless they will result in re-enlistments. The Army has had more than a million since the war terminated, but we have not been getting reenlistments because after a man has served his first enlistment he cannot look forward to such a career. He is normally a corporal at the end of his first enlistment. Under present conditions he cannot look forward to quarters allowance and pay sufficient to enable him to establish and maintain a family. In this bill we say to the man who has reached no higher than corporal, if he has served as much as 7 years, he is then regarded as a career man. He then draws quarters allowance, and for that reason the percentage of increase for the E–4 grade in this bill is 69 percent. His increase over his present pay and allowances is 69 percent. Still we have men come on the floor and say we are doing nothing for the enlisted man.

I call attention to the tables in the report indicating the percentage-wise increase for all grades in the service.

After the bill was recommitted, General Bradley—and I am sure there are none who will contend that General Bradley has anything about him indicative of brass; I think he has been pretty generally known as the GI general—he made a speech before an audience in Washington, and that speech has been placed in the CONGRESSIONAL RECORD. I doubt that there are those who will say, "You cannot trust General Bradley because he wears four stars." We were willing to trust him a few years past, and we thank God that we had him. We hope to be able to provide for a career in the service now that, should that day ever come again, which God forbid, there will be other General Bradleys in the service who will be able to step in and do the job he did. He says you cannot do it if you continue to pay the military service on bargain-basement prices. He tells you if you continue to insist on paying bargain-basement prices you will get bargain-basement values and that is the kind of career service you will have.

I think I might presume to quote Gen. Dwight Eisenhower. I do not believe that because he wears five stars he has forfeited the respect and confidence of the American people. I wish to read to you a letter addressed to Secretary Johnson by General Eisenhower under date of June 13:

JUNE 13, 1949.

The honorable the SECRETARY OF DEFENSE.

DEAR MR. SECRETARY: I have just learned that the question of revision of service pay is again up for discussion. It occurs to me that I have not, in prior communication or conversation, laid before you my views on this matter which are deep-seated and most emphatic.

There is no element in the Army so important as its leadership, and by this expression I do not refer solely to the highest commander, or even merely to the general officers and colonels. I mean the entire framework of trained men who are responsible for the implementation of the commander's decision, both in the actual crisis of battle itself and in the long process of mobilization training and preparation that leads up to battle. The fate of our country has time and again rested in the hands of the officers of its armed forces.

The importance of the leaders has increased with every scientific and technical advance that has made warfare more complicated, more difficult, and more total in character. I firmly believe that at no place else in the world are exemplary qualities of leadership so necessary to success as they are in the modern infantry battle waged with every type and kind of weapon and under condi-

tions where only the skill and ability of commanders, noncommissioned and commissioned, can bring about that concert of action that is absolutely essential to victory.

Our country is making great sacrifices in money and materials to provide a reasonable assurance of security against the possibility of aggression. Unless adequate military leadership is included in these provisions, all these sacrifices, all these expenditures will be futile. Skilled military leadership is the indispensable ingredient to victory. We must insist that the quality of the individual, if selected for entry into the commissioned rank of the armed services, is of the highest. To do this we must provide reasonable incentive.

The present pay and allowance scales of our armed forces are far too small to permit men of ability to serve in noncommissioned and commissioned grades with self-respect and with human regard for their obligations to their families and to themselves. These pay scales are stupidly inadequate—corrective action must be taken without delay or we shall reach the bitter consequences of secondary leadership. Our sons and grandsons deserve better than this—they, if called to the defense of our country, deserve the leadership of able and capable Americans. Our countrymen have died in every corner of the globe, on the land, on the sea, and in the air, to assure that this Nation shall continue to exist as a free republic in which is recognized the essential dignity of the individual. Americans, if faced by aggressive threat in the future, will be equally ready to die, but all those deaths of the past and of the future will be futile unless the organized military forces in which future Americans serve are led by individuals morally, mentally, and physically qualified for the most severe and exhausting test of their capabilities.

Let me reiterate—I believe that unless we immediately provide a decent scale of pay and allowances that will attract good leadership of our military forces, we are foolish and stupid to spend on those forces the many billions of dollars we are now devoting to them. Without skilled leadership a military force is more helpless than if it were inadequately supplied with ration, transport, weapons, and ammunition.

Sincerely,

DWIGHT D. EISENHOWER.

We brought you a bill some weeks ago which contained the pay rates which everyone concerned thought proper to build the kind of force that General Eisenhower speaks of. That group included the President, Secretary Forrestal, Secretary Johnson, General Bradley, the Hook Commission of civilians and industrialists who passed on this subject and your Committee on Armed Services. But the House saw fit to reject that bill and we have brought you something as near it as we are able to and yet stay within what we regard as being the financial maximum that we can reach. We bring you this bill now hoping sincerely that all collateral issues will be left out, all abuse of men who may happen to hold a higher rank than some others may not be brought into the discussion; the sincere hope that we will not see here again those things which so vitally affect the morale of the armed services but which lend nothing to the building of the permanent armed services, which does nothing for the welfare of the country and that I doubt sincerely advance in the slightest the political ambitions of those who resort to them.

Mr. Chairman, many organizations concerned with the welfare of the armed forces are in favor of this bill. As evidence of the interest of the Reserve officers of the United States, I submit the following letter addressed to the chairman of the Committee on Armed Services by the executive director of the Reserve Officers Association of the United States:

RESERVE OFFICERS ASSOCIATION
OF THE UNITED STATES,
Washington D. C., June 14, 1949.

HON. CARL VINSON,
Member of Congress, Chairman,
House Armed Services Committee,
House Office Building,
Washington, D. C.

DEAR MR. VINSON: The Reserve Officers Association, many months ago endorsed the plan to provide uniformity for military pay and retirement system and, like most of the citizens of this country, we recognize that professional standards for the services are indispensable for national security. Just as in any other profession, any system, which by its design attracts less than highest type personnel for the services, is bound to give this Nation a second-rate defense force. The thought is abhorrent to every American.

Because this bill has been spectacularly and falsely attacked as the scheme to "benefit the brass hats," its beneficent import to our citizens has been lost to the general public, temporarily. Americans in the long run will recognize the justice of the demands for equity in rewards for service and a fair scale to replace our present hodgepodge antiquated system, which, like Topsy, has just grown. But there are other major provisions which commend this legislation to the fair-minded Members of Congress and the people.

As important as the corrections in pay inequities is the effect of the proposed measure to eliminate evil practices and dishonest policies which has fastened themselves as cancerous growths on the National Military Establishment and threatened to degrade the services, which must have the highest standards of honor and honesty. Among these, of course, is the practice of older officers in having themselves placed on disability retirement principally in order to escape payment of taxes on their retirement pay. There are many others with which I am sure your committee and the Members of Congress are thoroughly conversant and which tend toward a system of discrimination, and in some cases actually encourage personal dishonesty.

This measure is not and has never been a bill primarily for the "brass hats." It will raise the standards in every grade of the services from rooky up to the five-star admirals and generals. In each of these categories this Nation can ever be proud of the unselfish, patriotic services rendered by many individuals—all despite the weakness and inadequacies of our pay and retirement system.

The Reserve Officers of the United States believe that the Congress will promptly pass this measure in its present form. Since they represent a cross-section of the American people, I believe the support of the Nation's Reserve Officers should mean something to the country. Considerable public interest has been aroused on behalf of the passage by the Congress of H. R. 5007, a proposed law to provide a uniform pay and retirement system for the Nation's armed services. Because there has been considerable misunderstanding about this measure, a statement from this association may be of some value to your committee, the Congress, and the American people.

Irrespective of the fate of this pending legislation, the members of this association have been greatly impressed by the truly conscientious and patriotic job which members of your committee and your staff members have done in making its investigations and bringing this bill to the floor. I feel sure that these services will prove of great personal satisfaction to each of you and that this satisfaction means a great deal more than the words of commendation this association wishes to convey.

Sincerely yours,

E. A. EVANS,
Brigadier General, ORC,
Executive Director.

Mr. BATES of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, it is difficult for any person to imagine a piece of legislation that is more complex and intricate than the bill now before us. Since 1908, 41 years ago, there has been no serious over-all study of this complicated problem. Under existing law, so far as pay scales are concerned, as they apply to the members of the different branches of our armed services, we are in a state of almost hopeless confusion and bewilderment. It is really a hodgepodge. Those of us who are charged with the responsibility of our national defense and who have dealt intimately and closely with the different branches of our armed services over a long period of years have felt the imperative need of revision of our pay scales in order to obliterate many of the injustices and to correct many of the obvious wrongs that now exist.

I merely want to remind the Members of the House that this legislation did not originate with the armed services. It was brought forth by a civilian commission of successful businessmen and, after long, tedious and serious study and consideration by the Committee on the Armed Services, it was reported to the House last month in the bill, H. R. 4591. I favored that bill in the Committee on the Armed Services, before the Rules Committee and on the floor of the House itself. But the Members of this body saw fit to recommit it to the Committee on the Armed Services.

Mr. Chairman, I will have to confess that some of the amendments in the new bill, H. R. 5007, are an improvement over the original bill that we considered in the House last month. There are other provisions which I do not like as well. But when you cannot get a whole loaf you have to take a half loaf, because all legislation is more or less the result of compromise from a practical point of view.

There is a crying need for this legislation. If we are to avoid universal military training that would cost us more than a billion and a half dollars a year or if we are to avoid peacetime conscription that disrupts the natural, normal life of the youth of this Nation, making it impossible for them to pursue their educational studies or even to secure permanent employment in industry, then we must offer sufficient inducement to the young men of this Nation that will make them believe that an Army, Navy, Air Force, Coast Guard or Marine Corps career is worth their time and effort.

I know you cannot put the dollar sign on patriotic services, but, I am sure, with the increased cost of living, we will have to admit the imperative necessity of us

paying those officers, and enlisted men alike, if you please, in all grades, something that approximates the commensurate pay that they can receive in private industry. If we do not, we simply will not get these officers. Today, as has been pointed out, a huge majority of those graduating from ROTC schools are refusing to accept commissions. They can get more money in private industry. Yet, the enlisted man—counting his pay, subsistence, allowances and benefits—receives more than a graduate from high school does in private employment.

No government in all the world is as considerate to the members of all branches of its armed services as is the United States of America. Today we are not only considerate but most generous. Certainly the members of our armed services must realize this.

Many of the graduates of both our Military and Naval Academies, after costing the American taxpayers $20,000 each to educate, are resigning commissions. About half the number of the recent graduating class from Annapolis have tendered their resignations.

Now, gentlemen, there will be no MacArthur, Eisenhower, Marshall, Arnold, Bradley, Devers, Spaatz, Doolittle, Eaker, LeMay, Nimitz, Halsey, Blandy, Mitcher, King, Vandegrift, and Pates in the next war, which God forbid should come, unless we make it possible for these young, able, and competent officers now graduating from our service schools and from our ROTC schools to remain in the service.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from California.

Mr. JOHNSON. In addition to the eloquent statement the gentleman has made, it should be pointed out that this bill also takes excellent care of all our Reserve components, so we will never need universal military training to have the Army Reserve we need, or the Navy Reserve we need, in the event of trouble.

Mr. SHORT. That is true. It benefits every man in the armed services. By all means we should take care of our National Guard and Reserve components. The bill we had up last, H. R. 4591, would have cost the taxpayers for the next 9 months beginning October 1 this year, the remainder of the fiscal year 1949, approximately $360,000,000. Under this new bill that we bring to you today we have cut more than $87,000,000 from that amount, and whereas under the first bill the cost would have been approximately $406,000,000 in 1951, it will taper off until the annual increase will be $302,000,000; or, in other words, we have cut in the present bill more than $104,000,000 annually, which is not to be sneezed at. It is more than peanuts.

Now, having said that, I wish to point out something that is more or less a prophecy—and one hardly dares to prognosticate, of course, on anything in these perilous and uncertain times—but it is my firm conviction that if this legislation is enacted, ultimately it will result in a saving to the American taxpayers, and the cost will be much less than it is today under our antiquated, outmoded, arcaic, hodgepodge system that no one can understand. Under this legislation we have cut the pay of general and flag officers 10 percent. I think it is too much of a cut. After all, we have only 885 officers in all branches of our services of general or flag rank.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman mean we have cut the pay or cut the proposed increase?

Mr. SHORT. We have cut the proposed increase. But we need to increase the pay. I wish to point out at this time what I stated on May 20, last month, in the consideration of the first bill. Only nine-tenths of 1 percent of the total Regular officers of the Navy are of flag rank. Only 1½ percent of the total Regular Army officer strength are general officers. Slightly over 1 percent of the Air Force officers are general officers, and only seven-tenths of 1 percent of the officer strength of the Marine Corps are general officers. So, because we constantly elbow and associate from day to day here in Washington with many of the high ranking officers, it is easy for some people to get the impression that our Army, Navy, Marine Corps, and Air Force are made up of generals and admirals, which is far from the truth. The traditional ratio, I think, always has been, may I say to the gentleman from New York [Mr. WADSWORTH], about 1 officer for 10 enlisted men. It is practically that today. It is a little more, perhaps, because of the increased number of officers in the Air Force. This is due to our technological developments in a scientific age.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. BATES of Massachusetts. Is it not also due to the fact that the Army and the Air Force are strung out all over the world, and it requires a complete break-down and stretching out of administration?

Mr. SHORT. That is true, with our occupation of both Germany and Japan.

Just a word in closing, because I do not want to trespass long upon your time.

It is very easy to criticize brass and braid, but after all, only a few years ago when this Nation's safety was hanging in the balance in the face of imminent peril, we honored them, we all but bowed down and worshiped them. With all their faults and mistakes they did a marvelous job. Where would we have been without these generals and admirals who saved our necks. I believe the buck privates appreciated them; honor and respect them today.

I wish to repeat what I said on a previous occasion. General Eisenhower, in command of 3,000,000 men, the biggest business on earth, bigger than General Motors, bigger than Standard Oil, bigger than United States Steel, received the huge pay of $15,000 a year, with the lives of 3,000,000 men in his hands and the safety of our Republic at stake.

The other day we listened to Gen. Lucius Clay, coming back here. He made a profound impression on this House and the other body. He, with all his emoluments and accessories, received the stupendous salary of $12,000 a year. Everyone knows that those men could receive $50,000 to $100,000 a year in private industry.

Let us stop casting abuse and aspersions, unless they are justified, upon the high-ranking officers in any branch of our armed services.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Tennessee.

Mr. JENNINGS. I wish to say in that connection that an ordinary divorce lawyer in my home town makes more money than that, and nobody is dependent upon him for anything except for help in a legal row.

I hope that the time never comes when I lose my self-respect and my mental balance to such an extent that I stoop to referring to the commander, upon whose skill and whose training the differences between defeat and victory to this Nation in war depends, as brass or gold braid. If I do, then I hope that my tongue forever clings to the roof of my mouth, my right hand forgets its cunning, and the power of speech forever forsakes me.

Mr. SHORT. We are very grateful to the gentlemen. I think we all heartily agree. We are very glad to have that statement.

We cut the general officers 10 percent, we cut all other officers 5 percent, the warrant officers 3 percent, and all the enlisted men except the two bottom grades 2 percent. So the greatest cut came from the higher ranking officers, though those men could go out in private industry and earn much more money.

Mr. Chairman, I hope that after the House has recommitted this bill and after our committee has heard the objections to it and has striven hard to meet the objections by amendments included in the present bill, all will vote for it, because I think it is absolutely essential for the future security of this Nation.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New York.

Mr. WADSWORTH. Perhaps the gentleman will suffer an interruption to allow me to recite a little incident which occurred in 1922 before a joint committee of the Congress which was instructed to revise the pay schedules and of which I happened to be the chairman.

General Pershing was on the stand. I am tempted to recite this incident because the gentleman from Missouri has talked about the pay of the high command. General Pershing at that time was General of the Armies, the highest rank ever occupied by any military person. He had come back from his extraordinarily successful expedition to France. He said he had started in as a second lieutenant of cavalry back in the 1880's at $113 a month. As General of the Armies he was drawing $13,000 a year, and he had less money to spare than he had when he was a second lieutenant of cavalry.

Mr. SHORT. I do not think that is any exception to the general rule. That is the common experience of most men who have served their lives in the mili-

tary service, and then after 30 or 40 years they retire and find it is difficult to really make ends meet. They have not had the opportunity to create wealth or lay aside riches and accumulate a fortune as men in private life have had.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. SUTTON. The gentleman from Missouri is praising the brass and braid for winning the war. Does he not think the enlisted men and junior officers did part of it?

Mr. SHORT. It is very easy to be a great friend to the enlisted man. There are so many more privates and enlisted men than there are generals, when it comes to election time. Of course, I have criticized the brass and the braid; God knows they do not lead me around by the nose. I have opposed them sometimes very violently, not only in peace, but also in war. This bill benefits the enlisted man as it does the officer personnel. That is the reason I am for it clear across the board. Remember, every general was at one time a second lieutenant, and every admiral an ensign, and unless you give him some incentive to go on in the military or in the navy and to have a career, by granting him some security when he is through, we simply will not have those men. Of course, we are for all the different men in all the grades among the enlisted men and the officer personnel. Several of my kin as well as myself were enlisted men. This bill deals equal justice to all according to their rank and responsibility.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JENNINGS. I have listened to the distinguished Member from Missouri many times, always with profit and always captivated by his charm of manner and eloquence of speech. But I want to say, in my opinion, he, today on the floor of the House, has made the best speech of his entire illustrious career as a Member of the House of Representatives.

Mr. SHORT. Mr. Chairman, of course that is a gross extravagance, but I appreciate it nonetheless.

Mr. Chairman, I do not always agree with the generals and admirals. I do not always agree with my wife, but that does not keep me from loving her and getting along somehow with her, and that is what we have to do in this instance. We should, we must pass this bill.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

PAY BILL OF 1949 AS IT AFFECTS RESERVE COMPONENTS

Mr. VAN ZANDT. Mr. Chairman, many fine statements favoring this bill have already been made by my distinguished colleagues here in Congress. Most of these statements, however, have not emphasized the highly beneficial aspects of the bill which accrue to members of the Reserve components. In the short period of time allotted to me, I would like to confine my remarks to what this bill does for these Reserve members.

The American concept of armed forces has been that in time of peace we maintain a small nucleus of Regulars, backed up by a ready Reserve of civilian component forces. I feel that Congress as a group is wholeheartedly behind this concept. We are all well aware of the great contributions made in both wars by men who participated in the various Reserve training programs. Today, in this period of world uncertainty, our greatest potential military and naval strength still rests in the Reserve elements of all services.

The Reserve components at the present time contain a large group of war-trained personnel available to the Nation in the event of an emergency. Billions of dollars were spent in training them during the recent war, out of which grew the military skill and "know-how" they now possess. The comparatively small amount required to enable and encourage these reservists to maintain and increase their military proficiency, as well as to keep abreast of the latest developments, is a worth-while investment in national security.

This concept of maintaining a small Regular force and a large Reserve is only as sound and effective as are the Reserve forces themselves. If our Reserve forces do not attract and hold men of high caliber and do not consist of highly qualified personnel and organization, then our national security is resting on a very insecure footing. The two prime requisites of a sound Reserve are a sufficiency of manpower and a high state of training. These requisites can be obtained either by voluntary means or by some form of national compulsion. Congress has not yet chosen to adopt any compulsory form of universal military training. The only alternative, then, is a strong voluntary Reserve. The various provisions of this pay bill are so favorable to the Reserve members of the uniformed services that they may well be a long step in the direction of promoting a stronger voluntary Reserve.

Let us look first at some of the specific provisions to which I have reference. From the Reserve point of view, here are just a few of these features of the bill which are particularly appealing. In the first place, the bill has been specifically written for all the services and for all the components thereof. Distinctions between Navy versus Army versus Air Force have been eliminated. Special benefits as between Regular, National Guard man, or Reserve no longer exist. From the cover sheet to the last page this is a nondiscriminatory piece of legislation. It may fairly be said that with enactment of this bill the Congress will have, for the first time, provided complete equality of treatment for members of all of the components.

The highly commendable and effective incentives provided by Congress for Reservists in Public Law 460, Eightieth Congress—the inactive duty training pay law—are not only retained in this bill but are clarified in the light of experience and expanded to include the Coast Guard Reserve, and the Reserve Corps of the Public Health Service, thus now encompassing all our Reserve components in a fair, equitable manner.

Another provision of the bill which will help the organization and morale of all our Reserve components is the title on disability retirement. To appreciate fully the value and validity of these provisions requires some degree of familiarity with service in the Reserve components. In the past and until this bill is enacted, the hundreds and thousands of men who engage in Reserve training are doing so literally at their own risk in most instances. Unless they are on an extended period of active duty, any disability which they may incur while on military duty does not entitle them to physical disability retirement. No doubt all of you know of instances where friends of yours have incurred injuries while engaged in such Reserve training. And because of statutory insufficiences or inequities these men have had no fair recompense for such injuries. Today training has become constantly more hazardous—airplanes, tanks, and guns are all potentially dangerous and injuries are bound to occur in realistic practical training and maneuvers.

Many of my friends engaged in Reserve training have pointed to this lack of disability coverage as one of the major deficiencies and weaknesses of the Reserve program. They have pointed to the discrimination existing in favor of the Regular over the reservist. The enactment of this bill, with these disability provisions, will eliminate this very serious inequity and cannot but have a wholesome effect on all the reserve components—including their dependents.

These specific provisions of the bill which pertain particularly to the Reserves, while excellent in themselves, should not be considered as the major advantage of the bill as it affects the over-all Reserve program. To the reservist, the real worth of this bill lies in the increased pay rates proposed, especially those which apply to the noncommissioned ranks and junior officer grades.

To appreciate the truth of this, one must look into the various reserve programs of all our services. In the Army, the Reserves comprise both the National Guard and the Organized Reserve Corps. The National Guard and the Air National Guard consist of combat units, divisions, wings, groups, squadrons, combat teams, separate artillery battalions, and various other supporting units, which must be capable of early employment in any emergency. To be efficient, these units must be composed of well-trained officers and noncommissioned officers. These men, not only train 1 night every week, but participate in 2 weeks' full-time training every summer. To participate in this training means giving up evenings with their families and in the summer means time away from their jobs. Nowadays, when a truck driver gets $110 a week, the 2 weeks' summer training is obviously made at a financial sacrifice for many of these National Guard men. The fact that as many men stay on with the program as do, is a real evidence of patriotism. The increases in pay and benefits which this bill proposes is in fairness due these men and should serve to attract even more good men to the guard.

The Organized Reserve Corps of the Army is equally benefitted by the pay increases proposed in the bill. Of the 13,000 units authorized in the Organized Reserve Corps, approximately one-third are of the cadre type. These require officers and a small group of selected noncommissioned officer personnel about which the organization is built. These units must be capable of rapid expansion to war strength in the event of an emergency. The Organized Reserve Corps is trying desperately to interest war-trained noncommissioned officers in these cadre units. In addition, the Organized Reserve Corps has begun to focus on week-end periods of training at regular Army posts. This means sacrificing a number of complete week ends a year in the interests of national security. This bill, H. R. 5007, will aid this portion of the Organized Reserve Corps program, particularly since the increased pay and increased benefits should create an additional incentive for all members of the Reserve components.

The Air Force Reserve program depends for its implementation on the creation and training of ready air groups. Here again the major requisite is for well-trained noncommissioned officers and junior officers. Combat flyers and combat crews must be young men and their proficiency comes from regular and frequent attendance at drills. The increases in this bill should help, not only to attract larger numbers of qualified personnel to the program but insure their faithful attendance at drill once they have joined.

All that has been said for the National Guard, the Organized Reserve Corps and the air programs applies equally to the Naval and Marine Corps Reserve programs. As you all know, the Naval Reserve is composed chiefly of specialists, such as radar men, fire-control men, and men engaged in a multitude of specialized training activities. Thousands of dollars go into the training of such men. The retention of these men, once they become qualified, is imperative. This bill should help make service in the Naval Reserve much more worth while.

The bill also extends the new pay scales to all members of the Reserve components who are retired pursuant to title III of Public Law No. 810, Eightieth Congress. This provision will create an added incentive to members of the Reserve components to maintain an active status and thus qualify for retirement.

In conclusion, I would like to congratulate both our Armed Services Committee and the Civilian Committee, under Mr. Charles R. Hook, for the excellent bill produced by their efforts. For the first time, to my knowledge, all our Reserve components have been treated as real and coequal members of our national security team.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. VAN ZANDT] has expired.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HAVENNER].

Mr. HAVENNER. Mr. Chairman, a year ago, when I stood in the well of this House and opposed the draft bill as an undemocratic and useless measure in peacetime, I said that the payment of a decent living wage to the enlisted men in our armed services would make it forever unnecessary to conscript American youth except in time of war or preparation for war. I have never claimed to be a prophet or the son of a prophet, but only about 6 months after that statement was made by me and numerous other Members of this body the Army officially announced that it did not need any more draftees. As neither the Navy nor the Air Force had used the peacetime draft at any time, the Selective Service Act of 1948 ceased to function in the procurement of manpower, and has become merely an expensive white elephant in the stable of our Military Establishment. I for one hope that it will never be reenacted as a peacetime law.

However, I am still firmly committed to the policy of providing a decent standard of living for the members of our armed services, and I am particularly concerned about those in the lower grades. Indeed, I would be willing to go further than this bill does in the matter of pay raises and increases in allowances, but this is a timely step in the right direction, and I am glad to give it my support.

This is not a big brass bill. This bill is based on the solid American principle that a man should be paid in accordance with his responsibilities. The pay scale is graduated to encourage men to seek promotion and greater responsibility. It was prepared as the result of many months of study by the members of the Hook Commission and by our colleagues of the Armed Services Committee.

Let us consider just what the bill does for the four lowest ratings. The recruit starts off, as now, at $75 per month. Food, clothing, quarters, and medical care are furnished him. After 4 months the pay is increased to $80. Normally, at this time, the recruit is promoted to private. The new pay for this rating is $82.50, increasing with length of service to $120.

Upon the completion of 16 months' satisfactory service the average man becomes a private first-class. The proposed pay for him is $95.55, an increase of $5.55.

After about 3 years' service the average intelligent, ambitious man will be promoted to corporal. The pay proposed for him is $132.50, an increase of $27.50. This is a most important step in the young man's career. It is here that those who show capability for leadership and and technical adaptability get the first real opportunity to assume responsibility.

It is generally in this rating that the average good man will complete his first enlistment—and this is when he decided whether to make the service his career. This is the man the services are striving to retain. He has received valuable training; he is beginning to exercise leadership. Sizable increases in pay are planned for him as he accrues longevity, particularly after 7 years. His pay and allowances, if married, would be $238.65 per month—an increase of $97.15 over what the same corporal is now getting.

A substantial portion of this increase is the quarters allowance which this bill would provide for the first time to the corporal. At present only those in the highest three ratings are eligible to receive this allowance. It has been extended to this man in the fourth pay grade, who has 7 years' service, in recognition of his worth. It offers him an attractive inducement to make the service a career.

In peacetime the services try to avoid accepting recruits who are family men. Not because they do not favor marriage, but because they know that the first years of service will be trying ones. Upon completion of his first enlistment the man knows what to expect in service life. The man who decides to follow a career in the service is encouraged by substantial increases in pay and the increase in quarters allowances to $67.50 per month.

Rev. John J. Cavanaugh, president of the University of Notre Dame, who was a member of the Hook commission, was greatly concerned with the humanitarian aspects of this legislation. Allow me to quote some of Father Cavanaugh's observations about the philosophy which guided the preparation of this bill:

I think that the mature and normal man and woman need a living wage and the opportunity to rear a family in reasonable security, but it is the duty of the normal individual to earn this wage. In addition to a living wage, other incentives should be offered to appeal to the abilities and energies which men possess in varying degrees. A graduated scale of wages and salaries, justly determined by the dignity of individuals and on the basis of the relative importance of the services performed, is necessary to an organization if it is to function efficiently. This principle, accepted in industry as a general proposition, was used in arriving at the pay scales which we have prepared. Our task was to adjust the inequities in present military pay to accord with the cardinal principles of pay for responsibility.

It is our opinion that during stabilized periods enlisted men who might reasonably be expected to be married and have dependents living with them should be treated on the same basis as officers and be given additional allowances for quarters where there are close dependents, but that no extra allowances should be provided for the men just beginning. Thus, no allowances are provided for the usually very young men in the initial grades, that is grades through 4 with less than 7 years' service, whose career is still uncertain. We believe that at those early ages, because there are so many changes in the location of the service, it is not good for inducements to be offered to these men to get married.

Those who are charged with the practical responsibilities of the armed services find that married men at that age and at that point in service are under great difficulties. Some people have said that we are prejudiced against marriage. We are not prejudiced against marriage. We are in favor of good marriages and we think the conditions should be created so that men will get married and stay married. We don't think that these conditions in the early years of military service are such that that will happen.

A new principle for enlistment bonuses was recommended by the Hook Commission and incorporated in this bill. The amount of bonus will be determined not on the prior service but on the number of years for which the individual is reenlisting. Thus, reenlistments for 2

years would merit $40; 3 years, $90; and so forth, up to a maximum of $360 for 6 years.

This bill before us provides that enlisted men will be entitled to receive the same rights and privileges as do the officers with respect to travel, transportation, and per diem allowances. Physical retirement benefits are extended to all enlisted personnel on the same basis as for officers. This feature is a remarkable increase in the provision of security for our enlisted men.

There has been much discussion of the so-called perquisites of service personnel. Allow me to quote from the Hook Commission's report on this subject:

> The Commission feels also that it is impracticable to attempt to assess the minor pecuniary and service perquisites of military personnel, such as buying privileges at commissaries and post exchanges, medical care, free or cheaper transportation, free education, as well as vacation and retirement benefits. It would be unfair and incorrect to state that military personnel do not have certain advantages accruing from these privileges, but it would be equally unfair to maintain that these are more numerous or far superior to those frequently obtained in industry. The Commission was greatly impressed by the fact that these advantages are by no means available to all personnel, or at all times. Most often they are available only to those on military installations; medical care for the family, for instance, is accorded only when there are adequate facilities. To a large extent, many of those are balanced by the hardships and disadvantages of military life, such as the losses involved in frequent household moves and additional expenses for clothing and equipment.

Americans are good fighting men and family men. The men of our Regular services in peacetime form the nucleus for our armies in war. Pay increases alone will not make good soldiers but, by guaranteeing security for the family they will help maintain morale.

This bill proposes equitable compensation for all ranks, officers and enlisted, Regular and Reserve.

Mr. BATES of Massachusetts. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, what we say today is practically repetitious of what we had to say 2 weeks ago when we brought the original bill to the floor for consideration. There is, however, one thought that we must keep in mind as we approach a determination as to what decision is going to be made with this bill, and that thought is: What are we going to do to maintain the efficiency of the military organizations of this country, especially at a time when junior officers in such large numbers are resigning their commissions? Last year, in the case of the graduates from the Naval Academy, practically one-third who had served the required term of 3 years resigned their commissions. In the class of 1946, which this year will be completing their 3 years of required service, nearly 30 percent have given notice that they intend to resign their commissions. We also are informed that the Army and the Air Corps which depend upon our military colleges and ROTC organizations to provide them with officer personnel are meeting with the same difficulty; last year out of 899 graduates who were acceptable to the Army and the Air Corps only 110 accepted commissions. In 1949, considering those now graduating from the military and ROTC colleges, of about 1,003 who have been designated as qualified only 7 have up to the present moment declared their intention of accepting a commission in the military service.

Let us go a step further down the ranks. We hear many Members of the House express a keen interest in the junior officers and enlisted personnel. We know, as a result of our knowledge of this particular bill, that a very large amount, $420,000,000 out of a total of $467,000,000 in the pay schedule, goes to the junior officers below the rank of lieutenant colonel and the enlisted men. I repeat, $420,000,000 out of $467,000,000.

Then we go on down into the enlisted grades and we find out what is happening there. In the petty officer grades, including those men who are thoroughly trained over a period of anywhere from 4 to 16 years of service, the men who are the technicians in the military services, only one-third of them are re-enlisting. In the petty officer grades, we find that 68 percent of the ratings are unfilled. The reason for that is because there is no incentive, there is no inducement for competent men to stay on the job and to become part of an efficient, outstanding military organization, which is so essential to the security of our country.

This bill is intended to provide that incentive to keep these men, these junior officers and enlisted men, in our military organization where they have been trained to do the job in a worth-while manner.

Let us take the first pay grade, that of the chief petty officer. Sixteen percent are failing to reenlist.

According to the last report, 56 percent of the second class petty officer grade are failing to reenlist.

In the third class of petty officer, 76 percent are failing to reenlist.

We come now to the fourth pay grade. According to the latest information we have, 84 percent of the fourth class petty officers are failing to reenlist.

Mr. Chairman, we know the reason for that, of course, is because there is no incentive for them to stay in the service. This bill provides that incentive, though much less than the bill that was considered 2 weeks ago.

Much has been said about what the cost is going to be to the taxpayer and that is a matter that should be fully considered. However, we should also consider what the men in the service are interested in. Their interest is the same as the men in the great industries of the country, namely, the take-home pay. We find that the increased cost of this bill will be approximately $302,000,000 over present cost when it levels off in 1952. We find also by examining the facts that the boys in the service will pay back to Uncle Sam in income taxes some $195,000,000 over and above what they paid in 1945 when they were exempted under the income-tax laws. So that in 1952, with all the hubbub about the increased pay in this bill, we find, taking into consideration the many deductions that are being made in this bill that the net cost to the taxpayer in 1952 will be approximately $102,000,000.

That, my fellow members, is the story behind this bill, and I believe it is in the interest of the security of this country to do something about it, and to pass this bill as quickly as we can.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, by invitation of the distinguished chairman of the subcommittee of the House Armed Services Committee, I had the pleasure of sitting at the hearings on this new pay bill, and I take pleasure in vigorously saying to you, my colleagues, that I found ever present a consciousness and thoroughgoing determination to revise the measure as recommitted to it in accordance with the understood wishes of the Members of the House, as expressed in the House debate prior to the passing of the motion for recommitment of the bill to the committee.

Clearly, under this revised measure, the heaviest cuts in the proposed pay increases are in the area of the general and the flag officer ranks, and they are the smallest in the area of the enlisted grades. It is related that—

> Under the new proposed pay schedules, the monthly base pay of an Army major general, or equivalent rank in other services, with 30 years' service, would be $904.50, instead of $1,005 in the original bill and $733.33 as at present. A major with over 12 years' service would receive $427.50 per month, plus allowances, while in the former bill he was slated to receive $450. He now gets 330.
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> The reductions average between 11 and 12 percent for general and flag officers, 5 percent for other commissioned ranks, and between 1 and 2 percent for enlisted personnel. The proposed pay for privates is left unchanged, and that of recruits is advanced by $5 per month after 4 months' service, and by proportionate amounts for longer service.

And furthermore, the changes in this new bill, other than the revision of the pay scales do increase the flying pay of a general and other flag officers from $100 per month to $210 per month, by way of offsetting other reductions. This revised Kilday bill substantially differs from the bill which we recommitted primarily in the lower pay scale brackets, and the ultimate annual 12 months' cost of this new bill is approximately $1,000,000 less than that of the measure you recommitted to the committee. So, since the effective date of this bill is October 1, 1949, the estimated cost thereof for the 9 months of the fiscal year 1950 will be $273,000,000, as compared with $360,000,000 contemplated in the recommitted bill and as compared with the $400,000,000 included in the President's budget. This should be clear evidence of the fact that the Kilday committee has vigorously sought to have the total net cost of the bill as small as is consistent with the best interests of our national defense and the best interests of assurance of ability on our part to do our fullest duty in the preservation of international peace.

Not since 1908 has there been a thoroughgoing consideration of the pay for the military services, and mere justice to all the members of the armed services and to the people of our Nation

dictates that this new bill should be passed by this Congress and approved by the President.

MILITARY PAY BILL

Within the memory of some Members of this House, it will be recalled that familiarity with a type of muskets or rifles, now deemed antique, constituted qualifications sufficient to becoming a soldier. But that time has long ago passed.

Warfare as it was in the last world conflagration, was not only complex, but out of it has come the most complex and technological discoveries and uses ever known to mankind. The soldier of today, in order to become a qualified officer, must have the ability and educational foundation to qualify for reasonable leadership in such fields as atomic energy, radar, guided missiles, electronics, sound, highly mechanized tanks, world cruising submarines, and superspeed surface vessels. We must be qualified to understand the significance and fact that modern airplanes are now actually flying faster than the speed of sound. All of these are but suggestive of the unlimited but present field of technological and scientific operations with which members of the armed forces must be qualified to deal with.

Clearly, the profession of being a member of the armed services of the United States requires training, recognized ability, and long experience. Never again will the personnel needs or requirements of the armed services be adequately, or in fact, at all made by voluntary service of short duration. The status of pay for the armed services must be made sound enough to attract men of honest to God capacity and ability to grow in stature and strength in the performance of the heavy duties and responsibilities. Only by having an efficient National Military Establishment for the purpose of national defense against aggression and also for the comparable responsibility of preserving enduring world peace, will our National Military Establishment be deemed adequate and sound.

As applied to the ranks of enlisted men, it is equally important that a career in the military service shall be made attractive enough to help induce men of capacity to voluntarily choose such a career. Only by recognition that the enlisted man has a present need to meet, with the ambition to live in reasonable security and to provide an education for his children, will our Nation be sound and safe, in terms of national defense, and will our Nation be in a position to do its fullest duty in terms of halting aggression by any international bandit.

Therefore, Mr. Speaker and colleagues, the armed services of our great Nation has a twofold commitment. First, it must have the present ability to be activated promptly and adequately for our own national defense. Second, it must have the present ability to do our duty toward the preservation of world peace.

I repeat that I can cordially agree with all others who also recognize that the armed services with second-rate leaders will not be better than a second-rate line of national defense. Therefore, it is imperative that the career compensation for commissioned officers continue to be adequate enough to help attract men who are basically able to accept training which qualifies them for the highest degree of expert leadership.

Gentlemen, I urge that this House, this day, recognize that this new bill has also put a stamp of encouragement and stability upon the choice of a military career. Many men who do choose it as a career know that they cannot expect to ever become commissioned officers on account of their educational limitations and other factors.

Mr. Chairman, following the action of the House in recommitting the proposed Career Compensation Act contained in the bill H. R. 4591, the Policy Committee and the subcommittee charged with the responsibility for this measure immediately went to work in sincere and rigorous attempt to revise the bill in the manner which we felt reflected the wishes of the House in its vote to recommit.

We held several conferences and gave serious consideration to many proposals. We also held 2 days of hearings on the new bill H. R. 5007, during which we heard from several Members of Congress. We feel that the bill we propose this morning reflects the wishes of the majority of the Members of the House and at the same time preserves the pattern of the pay recommendations of the Hook Commission.

The new pay bill before you contains several important changes.

In the first place, graduated percentage reductions have been applied to all ranks and grades except the two lowest enlisted grades. General officers have suffered the largest reduction. All other officers have suffered a lesser reduction and warrant officers have suffered an even smaller reduction. Enlisted personnel have suffered only a slight reduction. As a result of this graduated percentage reduction, the increased cost of the pay for general officers has been reduced by $985,000, which affects 885 general officers. Forty million three hundred and thirty-four thousand dollars has been cut from the increased cost for all other commissioned officers, affecting some 173,000 officers. The increased pay for warrant officers has been reduced by $1,406,000, affecting 14,400 warrant officers. In contrast with this reduction, the increased cost for enlisted personnel has been reduced by $32,385,000, affecting some 908,000 enlisted personnel. Reserves and retired personnel have suffered a reduction of $14,600,000, and continuous active-duty Reserves have suffered a reduction of $1,500,000. Thus the total cost of the bill has been reduced for a full fiscal year by $104,000,000, and assuming an October 1 effective date, the cost has been reduced for 1950 by $87,000,000. In addition, we have increased the pay of the recruit, after he has completed his 4 months' basic training, to $80 a month, and we have given him longevity pay increases thereafter. It should be noted that the percentage reductions for enlisted personnel are slight in individual cases, but amount to a large sum when all enlisted personnel are considered. On the other hand, the reduction for officers is more noticeable in individual cases, and the reduction for general officers is a considerable reduction from the original proposed scale.

Second. In view of the sharp reduction for general officers, we have increased the flight pay of the original bill for general officers from $100 per month to $210 per month in order that persons on duty in the United States will not suffer an actual reduction in pay. This still represents a marked decrease from their present flight pay, which amounts to $366 a month for major generals and above under present law.

Third. Subsistence and quarters allowance are established under the bill as fixed rates and are not subject to fluctuation by the President.

Fourth. A new provision with respect to family allowances has been written in the new bill.

1. Persons who enlisted or reenlisted prior to July 1, 1946, will continue to be eligible to draw their present pay and family allowances until the end of their enlistments. This therefore corrects the error that existed in the former bill.

2. Persons who enlisted or reenlisted after July 1, 1946, will be eligible to draw their present pay and family allowances until the last day of the sixth month following the date the bill is enacted.

3. Married men who enlisted or reenlisted prior to the date the bill is enacted but after July 1, 1946, will continue to be eligible to draw their present pay and family allowances for their wives and children until July 1, 1952, or the expiration of their enlistments, whichever is earlier.

4. Enlisted persons who do not have dependent wives and children, but do have parents dependent upon them for chief support will continue to be eligible to draw their present pay and family allowances until the end of their enlistments or July 1, 1952, whichever is earlier.

5. Enlisted persons will not be eligible to claim brothers and sisters as dependents after the last day of the sixth month following the date the bill is enacted.

6. Persons whose enlistment terminates in the period between the date of enactment and October 1, both dates inclusive, and who reenlist within 1 month of such termination will be eligible to draw present pay and family allowances until the expiration of their new enlistment, or until July 1, 1952, whichever is earlier, subject to the same limitations on dependents as are applicable to persons who enlist or reenlist prior to the date the bill is enacted.

7. No person who enters into an original enlistment after the bill is enacted will be eligible to draw family allowances. This should not be confused with quarters allowances which are increased for qualified enlisted personnel.

8. As soon as the total compensation to which an enlisted man may be entitled under the new bill exceeds the total compensation he is presently receiving, he will automatically qualify for the higher pay and allowances.

9. Any enlisted man who suffers a reduction in total compensation upon the elimination of any or all of his family allowance benefits, from that which he was receiving prior to enactment of the

bill, may upon application be discharged from the service.

Finally, the subcommittee, in executive session, agreed to adopt an amendment proposed by the gentleman from South Dakota [Mr. CASE] which would reduce the subsistence allowance for officers from $45 per month to $42 a month. This results in a net saving for a full fiscal year of $6,800,000.

Thus, the estimated cost of the proposed bill, including refinements and administrative savings, for fiscal 1950, starting October 1, 1949, will be $273,000,000.

In 1951, the cost for a full fiscal year will be $346,000,000; $316,000,000 in 1952; and finally leveling off at $302,000,000 annually thereafter.

This represents a decrease of $104,000,000 from the original estimated annual cost after 1952.

Mr. Chairman, I believe this bill will make it unnecessary to have peacetime conscription. I hope so. Likewise, I believe it will be unnecessary under this bill to have universal military training. I hope so.

Likewise, I was glad to hear my colleague on the Committee on Armed Services, the distinguished gentleman from Pennsylvania [Mr. VAN ZANDT], who has rendered a great service to this Nation and is thoroughly familiar with the field of Reserve components of the armed services, emphasize the value and potent place of Reserve components in the total make-up of the Military Establishment. I agree with him.

For a long time I have had the benefit and inspiration of personally observing the continued patriotism and devotion of members of Reserve components of the armed services, and I consider it a high honor and privilege to say to you, my colleagues, that I wish each and every one of you would likewise have contact enough with these distinguished gentlemen who have already served our Nation in time of war to likewise receive from them the inspiration which they continue to exemplify and put into practice at every opportunity. Theirs is a continued desire to serve the best interests of cur Nation. The strength to our national security and peace to the world which comes from the Reserve forces of all of our Reserve components is not to be measured in terms of anything which is material in this world.

From my knowledge of the functioning of the Fleet Reserve and of the Air Force Reserve and of the Army Reserve and of the Marine Reserve, I am very sure that the backbone of our punching power at the earliest possible date in case of an emergency is the fact that these Reserve components immediately come into play and position and thereupon immediately relieve the members of the Regular armed forces to put into immediate application the fact that they are members of the regular forces. I am sure that this Congress must strengthen the arms and hands and legs of the armed force Reserve components in every reasonable method. I trust that those in command of our Military Establishment will not do less than their utmost in this regard.

You see, Mr. Chairman and my colleagues, while you hear me urge the passage of this bill, and while you hear me urge that our armed services must be kept strong enough to defend our national security against any international bandit who seeks aggression, and while you hear me emphasize that our armed services must be kept efficient and in a forthright position to defend the needs of an enduring world peace against any would-be international aggressor, may I vigorously again state that I hope and pray with all the resources that are within me that never again will any world conflagration come. And, with like vigor, I urge and pray that the United Nations Organization and all it represents in terms of world understanding and world coordination and world cooperation for world peace, will prevail against the selfishness, the greed, the hatred, the ill will, and misunderstanding and misapprehension of men toward each other.

Therefore, as I speak for the strength and the security and the increase in pay for our armed services, I do so because I feel at the present time the world status is not such as will relieve our great Nation from being on the job in terms of military resourcefulness if the need should come to preserve the world peace and defend our national security against any possible world aggression.

Granting that enduring world peace will never be preserved through just wishing for it or praying for it; granting that world peace will only be preserved against the attack of godless men by reason of the peaceful nations of the world having reasonable armed-services strength as a police force for the peace of the world; granting that we cannot now foresee the daylight on the ultimate in this problem of world peace—nevertheless, Mr. Chairman, I am constrained to again reaffirm that the present justification in my mind and attitude toward the continuing of our large military expenditure is that it only be done so long as it is necessary to make very sure that no aggressive philosophy in the mind of any potential or possible world power shall be to dominate the world by force if need be to perpetuate either its political or economic philosophy over the minds and hearts and souls of other peoples of the world.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 12 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I am very sorry there are not more Members here. It is my assignment to discuss with you briefly the matter of flying pay, that is, the additional pay that a combat flier gets while serving as a member of the Air Forces or the Naval Air Forces.

I have prepared here a statement which represents my thoughts on the matter, which originally came through some hearings held by the Committee on Military Affairs about 4 or 6 years ago. At that time, when exhaustive hearings were held by that committee, I became convinced that incentive pay or flying pay is essential to keep up the morale of the Air Forces and to maintain the proper kind of personnel and particularly to training of leaders of the future.

Military flying is increasingly hazardous as compared with commercial aviation. Passenger facilities in commercial aviation during 1946 were only one-sixth of the fatality rate in 1936. Six military pilots were killed in military aviation in 1946 to one civilian pilot. The postwar pilot deaths have increased 25 percent over prewar fatalities, based on the number of pilot deaths per thousand pilots per year.

Maximum combat capability, not safety, must be the primary objective in the development of military aircraft. In other words, we are trying to have safety but our military requirements, the combat capability feature, keeps undoing our efforts at safety. Aircraft with the highest combat performance generally are the most dangerous to fly. Military aircraft must operate under more extreme conditions of altitude, speed, and weather.

In fact, the very training that a pilot gets in the Air Forces is to train him to handle himself in speedy planes at high altitudes and in all kinds of rough weather. Nonscheduled off-airway flying is more dangerous than flying on the commercial routes. Dive-bombing, strafing, and other training activities increase the hazards of military flying. The death rate of military pilots in aircraft accidents is three times that of commercial air-line pilots employed full time on scheduled flying. The annual aircraft accident rate of the Air Force pilot since the war is 12 per thousand. The death rate of commercial pilots employed full time on scheduled flying is about four per thousand. Civilian pilots, as you all know if you read the papers, get big salaries. With jet planes and rocket planes, the dangers of the military pilots are increasing continually. At supersonic speeds just imagine the difficulty and the hazard of trying to bail out in the event the motor conks out, or something goes wrong, requiring the pilot to either land the plane or bail out. Military flying is hazardous in peacetime as compared with other Air Force occupations. I need not to go into that in detail except to say that the death rate of flying personnel in the Air Force is slightly over five times the death rate in the ground forces or that part of the Air Forces devoting their entire time on the ground.

Although aircraft accident rates per 100,000 hours have decreased due to a vigorous safety program, the death hazard to the individual flyer actually has increased. His exposure to flying hazards has increased because he is required to fly more hours per year in order to retain a military pilot's rating and because modern combat equipment and tactics have decreased the safety factor.

A pilot's span of life is 12 years less than the nonflyer's. That means that two young men starting out in the military game, one going to be a military pilot and the other a ground officer, have a difference of 12 years in favor of the man who remains on the ground. One

out of every four military pilots starting at the age of 22 will be dead by the time he is 40. The nonpilots will not suffer this attrition until the age of 61. In addition to the death hazard, flying personnel often suffer permanent ill effects from physical stress of flying under extreme conditions. These matters are all based on actuarial studies.

Imagine diving at today's tremendous speeds and what strain and stress the human system of the pilot must be subjected to. Military flying is hazardous in wartime as compared to other military duties. Just think this over: Over two-thirds of the Army officers killed in combat during wartime were Air Corps flying officers. As you know, the Air Forces were part of the ground forces during the World War. Of the 34,645 Army officer combat fatalities during World War II, 24,119 were Air Corps flying officers; more than half of the other casualties, which included all kinds of injuries, in the entire Army were Air Corps flying personnel; more than three-fourths of the officers captured or interned by the enemy were Air Corps flying officers. In addition to the combat fatalities, 16,313 Air Corps flying personnel were killed in noncombat aircraft accidents during World War II. The fatality rate due to noncombat aircraft accidents alone was 15.7 per thousand persons per year. The fatality rate among nonflying personnel in the Army due to all noncombat causes was 2.4 per thousand persons per year.

Flight personnel must be volunteers. Flying pay is a necessary incentive. Here you again must remember that most of these men could go out in commercial aviation and make more money than they can in military flying. The average young man at 22 entering on a military career as an officer can expect to live to the age of 70, according to the mortality tables and he can expect to earn an average of $282,000 during his military career if he chooses a nonflying career. He can expect to live to the age of 58 and can earn only $269,000 if he chooses a flying career at the presently authorized rates of pay. Without flying pay, he would be expected to receive $72,000 less than the nonflying officer.

Another very important factor to consider in offering incentive pay to flyers is that not only the flyer himself, but his family is subjected to stresses and strains and worries that ground officers do not have.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. BATES of Massachusetts. The gentleman from California speaks from experience. The gentleman himself has had the experience of combat flying in World War I on the western front in the European area, where he flew many missions in the St. Mihiel and Argonne drives.

Mr. JOHNSON. I thank the gentleman for that very complimentary reference, which happens to be true. This is an experience that I treasure very much.

Senior officers must be active pilots. I want to stress this fact: The men that plan Air Force combat missions, the men who are called upon to direct the carrying out of these missions, must have the viewpoint of the pilot or the copilot sitting in that plane, or a member of the crew, to properly handle his assignment as director of Air Force activities. He cannot be a real pilot sitting behind a desk nor thoroughly understand what that means unless he has had flying experience himself.

The quality of your Air Force will be determined by the caliber of his leadership. If the senior officers are to make decisions on which the lives of flight personnel and the success of their missions will depend, they must be active fliers. They must not lose their grasp, nor be merely synthetic aviators. Our very security may depend upon the direction they give to our air offensive. Success and life or failure and liquidation is in their hands.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. FORD. Can the gentleman tell me what the Air Corps and the Naval Air Corps are doing to correct the situation about men who collect flying pay who will not go out and do the flying?

Mr. JOHNSON. I differ with the gentleman as far as the Air Force is concerned, and I think his conclusion is incorrect also as far as the Navy is concerned. I have no personal knowledge as to the Navy. I made a personal check of this matter, and I also talked extensively to Mr. Hook of the Hook Commission, who made a personal effort to find out if those men—both Air Force and Navy—were doing actual mission flying. The answer I got was that they were. I think there are very few, if any, sleepers who are not carrying out actual missions in making up their flying time in either of these services. Also their war records seem to belie the implication in the gentleman's question.

Mr. FORD. I know for certain in the last war a great many flight hours were required for an admiral to get flight pay, and they were not doing it.

Mr. JOHNSON. That may be true although I honestly doubt it. I can tell you that I know over 30 years ago, during the First World War, there were men as high as lieutenant colonels who only flew 4 hours a day around the flying field, instead of carrying on missions to qualify for flight pay. But they were rare. I do not approve of that and I do not think it is going on except on a very, very minor scale in either the Air Force or the Navy.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. ENGEL of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield to the gentleman gladly.

Mr. ENGEL of Michigan. For the information of the gentleman, the Military Functions Subcommittee of the Appropriations Committee took that matter up with the Air Corps 2 years ago. They took several hundred officers off of flight pay, and I think they took several hundred more after that, and then I think we had a fairly clean bill.

Mr. JOHNSON. I thank the gentleman for that contribution, because he knows this subject as well as anybody in this House. He did a real service to remove those fliers who were not properly qualifying for flying pay. The gentleman is perhaps the best qualified and the most conscientious to speak on this problem. I appreciate his comment more than I can say.

I want to point out one thing that concerns the future.

Our enemies in World War II failed to realize this vital factor of having real air leadership, men who from actual experience and training understood air combat and air warfare. Serious mistakes made by leaders of the German and Japanese air forces were contributing factors in our outstanding success and their dismal failures. Those mistakes were due to the fact that they did not have intimate personal knowledge of the capabilities and limitations of the air weapon which they were responsible for using.

I want to point out from some studies that were made that for instance Hitler himself stated during the interrogation of General Koller in 1945, who was then Chief of Staff, and who was captured and was interviewed by our intelligent officers. He said:

> The Fuehrer himself had repeatedly asked why should air force leaders be required? A general of another branch could lead the air force just as well. An infantry general has been in command during World War II. Hitler told me that as late as 1945.
>
> What a view to take.

I also want to point out that several things occurred during the Battle of Britain which showed that air battle against Britain was being led by nonplanners who made some very, very serious mistakes. During the Battle of Britain German air leaders made a blunder which was largely responsible for the failure of their initial air offensive.

> During the Battle of Britain, the German air leaders made a blunder which was largely responsible for the failure of their initial air offensive. They required the German escort fighters to remain with the bombers and, as a result, the RAF fighters exacted a high toll of both German escort fighters and bombers. The fallacy of this German policy was demonstrated by our own fighters and bombers in the war when our escort fighters normally remained above or far to one side of the bomber column and acted as offensive top cover and, in no cases, stayed in formation with the bombers.

You will all remember the well-known Stuka bomber that raised havoc over England in 1940. The original Stuka bomber did not have a rear gun, and the result was that when the English finally built up a fighting air force they knocked them down like sitting ducks. Later on the stukas did have a .30-caliber machine gun installed in the rear of the cockpit—to shoot backward—but it was entirely inadequate, and the result was that the dive bombing by the Stuka bombers which might have been successful was squashed and made ineffective because of a lack of technical development by skilled men in the field.

The Stuka dive bombers were finally withdrawn and Britain was saved. Think what would have happened to us if Britain had lost.

I shall mention a few more mistakes by the comamnders who directed the German air attacks. Remember, these were decisions by the "higher-ups" who conceived the strategic and the tactical plan by which Germany hoped to prove she was invincible. This was largely, according to our studies and interviews with enemy airmen of practically all ranks, because nonairmen were trying to direct air attacks. In large part the failure of Germany in the air was due to these mistakes of judgment in developing and executing its air attacks. Here they are:

To give maximum long-range escort to our bombers, fighter aircraft had to use droppable wing tanks and operate at reduced speed during their penetration into Germany. Whenever they were attacked, it was necessary to drop their wing tanks and it was impossible for them to complete their long-range escort mission. Had the enemy attacked our fighter formations with a very small number of his available fighters during the early portion of the penetration, he would have precluded deep penetration by our bomber escort. As a consequence, American bomber formations would have been at the mercy of German fighters deep in enemy territory. This strategy on the part of the German Air Force was logical, simple of execution, and would have been disastrous to our heavy bomber offensive. Fortunately, the Germans failed to take advantage of this possibility.

Albert Speer, the former Reich Minister for Armament and War Production, stated in 1945 that the high command ordered bomber production to be continued late in the war, since they were of the opinion that it was only by means of retaliatory attacks that the Allied assault on German towns could be halted. In 1945, the construction of all four-engine bombers was ordered again. From time to time, and particularly from the autumn of 1944 onward, the antiaircraft program was given a higher priority than the fighter program. Hitler frequently ordered that aircraft production should be reduced in order that more antiaircraft could be built.

Professor Messerschmitt, head of the Messerschmitt Aircraft Co., blamed the high command's lack of understanding of air power for the early defeat of Germany. He pointed out that one of the early strategic mistakes was the failure to construct a fleet of long-range bombers to supplement submarine warfare in the Atlantic and thereby deny the United States the ability to set up an operating air force within range of German industrial centers. Another serious error was the failure to build an adequate fighter force for the defense of Germany. When Messerschmitt proposed that Germany should concentrate on the production of large quantities of fighters, especially the Me-262 jet fighter, the high command unanimously refused to accept his recommendations except General Udet. Goering and the other leaders, who were not active pilots, overruled his contentions.

The active German pilots who were interrogated blamed the defeat of the air force essentially on four factors: First, Germany did not build heavy bombers early in the war; secondly, Germany failed to emphasize fighter production; third, the German fighters were too old and the newer jets were not in production soon enough; and fourth, the newer weapons of the air force were introduced too late. These active pilots blamed, in large part, the early defeat of Germany on the failure to properly time production of bombers and fighters by high command officers who were not in active touch with the flying situation.

The jet-propelled aircraft afforded the Germans the only hope that they might win the air war at the last minute. The high command made the serious blunder of initially employing these aircraft as bombers instead of as fighters. These aircraft were primarily suited for fighter operations and badly needed as fighters at that time.

Another failure of top German air commanders to exploit the capabilities of their force is demonstrated by the failure to utilize fighter aircraft in ground attacks on allied air bases and aircraft. Our own fighters capably demonstrated the outstanding success which these missions obtained in destroying the enemy's aircraft on the ground. The German policy to confine the activities of their fighters to the attack of bombers in the air meant that the German air force was forced to sustain costly losses in air combat instead of the smaller losses which would have been incurred in the destruction of these same aircraft on the ground.

I want to point out to you that among these young flyers that we have today we are looking for the leaders of tomorrow. We know that without security we cannot have anything worth while; there will be no stability, there will be no freedom; there will be only chaos, uncertainty, and fear; and that is why I am anxious to maintain the incentive flying that has proved appropriate to develop the leaders that we have. We had those leaders in 1938, 1939, and 1940; and from the nucleus of that small band of men we developed the greatest striking force in the world through the air. Those men were real airmen, by experience and training, who proved their capacity to conceive and direct an air attack that brought us victory and gave the world a chance for peace.

Whatever we may think of any branch, I believe we are all agreed that air power is the symbol of war power in the future; and the air power can be the symbol of peace power now, in my opinion, because by this symbol we may find a way to hold things in check for a while and develop the mechanism that ultimately will result in peace and stability. I certainly hope you will O. K. the flying-pay features of this bill as well as the other features. I am firmly convinced that this bill will provide our armed force the career men who can be the vehicle to bring peace to us and the world. I do hope I have contributed something of value to your thinking on this most important bill.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, since August 1945 the armed services have enlisted and inducted approximately 2,000,000 persons. Millions of dollars have been spent in their training.

A gun is no good unless you know how to shoot it quickly and accurately. It is not enough that our armed forces be alert and well-equipped. They must be well-trained.

The United States armed services today are highly technical organizations geared to split-second timing of intricate and complex machinery. Each depends for efficient operation upon specially trained men and women. The day is gone forever when a sailor's qualifications were limited to the ability to pull an oar, a soldier to shoot a rifle. Every man out of recruit training becomes a specialist. To understand this you have only to remember that today's armed forces—on land, on and under the sea, and in the air—operate with scientific equipment which a few years ago were only a scientist's dream. Radar, sonar, loran, schnorkel submarines, jet aviation engines, tanks and trucks of every description are only a few of these complex devices. They cover fields of technical knowledge which are a far cry from the days of sail and cavalry. They extend into such provinces as tropical medicine, the tracking of hurricanes, and television.

There are 62 major job fields in the peacetime Navy's enlisted rating structure alone. These 62 major fields break down into 1,100 special jobs for the enlisted man, with 1,600 special jobs for officers.

Because of this the armed services today place greater emphasis on intelligence and education than on physical strength—more stress on brains than brawn. The most important factor in the operation of any efficient and progressive organization is the quality of its personnel, and the armed services are no exception. They need and must have smart, alert young Americans, eager and able to learn.

Today's recruit is in most cases the equivalent of a high-school graduate, or better. The recruiting campaign has included an intelligent approach to the high schools and junior colleges of the country. The policy is to avoid proselyting of students, to urge them to stay in school until they have been graduated, to go on to college if that is possible. If further education is impossible because of economic or other reasons, the services put before these young people their advantages in offering more schooling, in job training, travel and adventure, a healthful life of patriotic service, with pay and security.

In other words they sell themselves in the highly competitive business of recruiting, as a career. But this is a highly competitive business, indeed. They are faced with competition for this manpower. Almost every large industrial

plant, every progressive business organization, realizes its future depends on the caliber of the men it recruits today.

Pay, then, is a factor. Under that American system we cherish, under the system by which we turn to the selective-service draft reluctantly and only as a last resort, every boy has a right to choose the field in which he wants to work and get ahead. It is vitally important that a large number of these young people select a career in the armed forces; it is up to us to see that this career is attractive enough to meet the competition of private industry.

New recruits just out of school are not the worst problem, however. The most serious personnel problem faced by the services today is that posed by the numbers of trained men, especially petty and noncommissioned officers, who leave the service.

Let me give you rough figures, percentagewise, on what is happening now in peacetime. Only about one man in every three reenlists. About 77 percent of the nonrated men, that is, those who have not been made petty officers, do not reenlist. Of those who have been made corporal or petty officer third class, 84 percent leave the service. Of those who have attained the rating of sergeant or petty officer second class, 76 percent go into civilian life. Most important of all, perhaps, is the fact that 50 percent of the petty officers first class and technical sergeants leave the service when their time is up.

This obviously creates a serious—and an expensive—problem. It has cost money to give these specialists the training in their particular fields. They have learned more than technical skill, they are trained in leadership, and in other important intangibles. They must be replaced.

Just why do they leave the service? I can give you a specific example of what happened not many months ago in the case of electronic technicians. Navy trained petty officers in this field were offered positions by one of the leading manufacturers at salaries of $6,000 per year. It is, of course, impossible for any enlisted man to make that much money in the service.

Service training in general contributes to the well being of the Nation through increasing the economic efficiency of the man who returns to civil life, but the services wish more of their people would make a career of a service. The service makes a better citizen of its enlisted man. He develops in judgment based on broader horizons. He has learned not only to take orders, but to give them. He is trained to accept responsibility. Finally, he has been taught that most important factor in the lives of all of us—how to get along, with tolerance and understanding, with other people.

All of these things help make this trained man much sought after in the business and industrial fields. Thus, the services find themselves at a disadvantage in competing for the very men they need most, and lose too many of them just when the investment in them begins to pay real dividends. These dividends, incidentally, are passed along to the taxpayer in the form of national security through more efficient operation of the defense establishment.

It would be extremely expensive to have to train an entirely new Air Force every year or even every 4 years. Under such conditions the fighting efficiency of each service is most certainly imperiled.

In time of war patriotic American men readily leave their homes to rally to the flag. But, in time of peace, to induce a man to follow a career away from his hometown and even his country, to endure the hardships of Service life, we must provide a career incentive with adequate compensation and security.

I remember the debate we had on this measure in its initial form several weeks ago, and I recall that one of the major reasons for the recommital of that original bill was the fact that many gentlemen were not satisfied that it provided fairly for the enlisted men. The bill was held to be top-heavy, favoring the higher ranking officers. The misunderstanding and confusion that arose at that time was most regrettable, because this is a very important measure. I know that everyone wants to be sure that this bill provides fairly for all. I am convinced that it does, and I want to talk about it for a few minutes from that standpoint.

In the first place, the bill can't be judged in terms of the size, percentagewise or in dollars, of the increases granted. The bill, strictly speaking, does not provide raises, as such; it establishes a new, integrated pay schedule. And in any event, it is the final result, the pay scale that we have when we get through, that counts. You cannot say, "This man only gets $5, and that one gets a hundred, so the thing is unfair." It is not as if they were being paid in that ratio. You have to consider the total pay they would both be getting, and then decide whether or not that would be appropriate. It is better, in fact, to leave the present pay scale out of it. It only confuses the issue, the way it has grown in leaps and starts, in all sorts of strange ways, for the past 40 years.

Now, if we look at this bill, we see that a man who has just entered the service gets $75 a month. But he gets that now. It is easy to jump to the conclusion that he is being forgotten or ill treated. That is why I say it confuses the issue to consider the present pay scale too much. We have to consider what we want this pay to accomplish for the armed forces. That is the essential thing in every grade. In this instance we want the pay of a recruit to be such that it will attract the right sort of man into the service. The whole structure is involved in this, of course, because he has to feel that he can anticipate a satisfactory career. Still, the starting pay does have to be attractive. Now, I would like to know where else a young man, 18 to 20 years old, untrained, can get a job that will pay him enough money so that he can buy his clothing, provide himself with a place to live, eat exceptionally well, and still have $75 a month left over. The answer is that he cannot find such a job. For that very reason the armed services are having no difficulty enlisting all they need of the type of men they want. That pay is doing its job.

Starting with that $75, this proposed scale is graduated progressively from bottom to top. Each promotion brings a pay increase that provides adequate incentive to seek advancement. Every enlisted man should continually seek higher rank. In the Air Forces alone there are over 60 generals who started as privates. Of the 36,737 regular Navy officers now on active duty, 16,915 started as enlisted men. There is no gulf here between officers and enlisted men. The pay of the highest ranking enlisted man exceeds that of his immediate junior by more than the pay of the lowest ranking officer does his own. Of what other military establishment on earth would that be true?

Some gentlemen, I realize, may know of individual officers who do not deserve a raise or who perhaps, they feel, do not merit what they now get. I can only say that the more such officers I knew the more urgent I would consider the need for this legislation to be.

I know the bill is not perfect. If by perfect we mean satisfactory to everyone, no bill can ever be. There are some groups who I feel are not getting quite as much here as they should, but I do not intend to defend their interests with such zeal that they are left out in the cold with no increase at all. I am going to vote for this bill, for the sake of the efficiency of our armed forces and the welfare of the men in those forces, and I urge everyone here to do the same.

Mr. BATES of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I would like to comment on the effect the present pay rates have on the officer corps with particular emphasis on the effect they have on procurement of high-type, qualified junior officers—our future leaders.

Technological advances have brought about profound changes in the armed forces since the last complete readjustment of pay scales in 1908. The services are all required to conduct specialized training in an ever-increasing variety of fields. For example, today, the Navy is giving postgraduate instruction to officers in 106 different schools, and is conducting advanced training to enlisted men in 82 different schools. The Army is conducting postgraduate training for officers at 98 civilian institutions. This training, in the majority of cases, qualifies the individual for employment by industry and places the services in direct competition with industry. This competition is vastly more evident that it was before World War I.

The services are not only having difficulty in procuring the high-type personnel required but are also experiencing difficulty in retaining those personnel who are already in the service. From the end of hostilities in World War II to February 1949, 2,982 officers of the Regular Navy have resigned, this despite the fact that the Navy has tightened its restriction on the acceptance

of resignations. Inadequate pay and lack of career prospects as an incentive to remain in the service were prominent reasons given. Pay and allowances are all an integral part of the career aspect of military service. The officer-procurement problems which face the services are, in a large measure, due to the inadequacy of the present pay structure. Pay afforded by industry does not permit the services to compete with private enterprise for outstanding young men.

General Bradley recently stated, and I quote:

> For while your armed forces are not starving for the want of butter and eggs, the failure to provide persuasive career incentives is in danger of reducing us to an Army of second-raters. As long as qualified men respond in a free economy to the opportunity for initiative and the prospect of reward, we cannot compete for promising leaders on pay scales that date to the horse-trolley age. * * * Inferior inducements attract second-rate men. Second-rate men invite second-best security. In war there is no second prize for the runner-up. * * * Until our armed forces are staffed with men of such superior quality and competence that they multiply in value with the passing of each year, we shall waste much of our Nation's resources in fruitless peacetime training. For unless each officer and noncommissioned officer has capabilities greatly in excess of the responsibility he holds, he is basically an unprofitable part of a military machine.

The Regular commission, which was once the ultimate goal for most Reserve officers on active duty, has lost its attractiveness. Immediately following World War II, the Army and Air Force were authorized by Public Laws 670 and 281 to increase the combined size of their Regular Officers Corps to 50,000. At that time there were approximately 14,000 Regulars in these two services. These laws permitted any qualified male officer to apply for a Regular commission who served in the Army or any of its components during World War II. In spite of all efforts to obtain the number desired, only 27,894 of the required 36,000 could be selected. Of those who competed for these appointments and were selected, 1,950 declined the commission. Under this program it is estimated that, of the 500,000 who were qualified to apply for Regular commissions, only 108,000 submitted applications.

One of the most desirable sources of officers is the ROTC graduate. This is true since all of these men, besides having officer training, are college graduates. Although there were over 2,000 who completed their training in the spring of 1948 only about 125 came on active duty with the Air Force.

Quite aside from the decreased popularity of an officer's career is the factor of quality of our future officers. It may be possible to obtain enough officers by keeping lowered standards. Such action may secure men but not proper officer material. Let me illustrate this factor by discussing the educational level of Air Force officers.

Only 37 percent of the 18,000 Regular Air Force officers today are college graduates. A partial survey of some 2,500 officers who are now on active duty and competing for Regular commissions indicates that only 5 percent are college graduates. Sixty-one percent have less than 2 years of college and 41 percent have no college training at all.

The major source of new officers for the Air Force is through the aviation cadet pilot training program. Here is the picture in this field:

Last year—calendar 1948—2,629 aviation cadets entered pilot training. Of these, 1.5 percent were college graduates, while 71 percent had less than 2 years of college. The picture is not improving—of the 1,152 aviation cadets awaiting entry into pilot-training classes this year, 1.7 percent are college graduates while 77 percent have less than 2 years of college.

In contrast, the 5,214 aviation cadets who entered training during the latter part of 1940 included 36.3 percent college graduates and but 7 percent with less than 2 years of college.

I would like to repeat those last two figures. This year 77 percent of those waiting have less than 2 years of college. In 1940, 7 percent had less than 2 years of college.

It can be concluded from these comments that the services are not attracting the types of individuals needed to command and administer the multi-billion-dollar Military Establishment. This career compensation bill must be passed.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Chairman, there is nothing that I could add to the splendid and able explanation of this measure which has been given the House by the distinguished gentleman from Texas and my other colleagues who have heretofore spoken.

Let me assure the House, however, that this measure has been given the most careful and meticulous study and consideration by the committee. It is not too much to say that unusual and very exceptional efforts have been made not only by the gentleman from Texas [Mr. KILDAY] and the subcommittee, but also by our esteemed and outstanding chairman the gentleman from Georgia [Mr. VINSON] to meet the objections which were raised against the previous pay bill.

I am aware that very many capable and conscientious Members of the House were disturbed about what they deemed to be inadequacies or inconsistencies in the previous legislation. These colleagues have been given full opportunity, formally and informally, to present their views before the committee, and it is fair to state that substantial agreement has been reached between this group and the committee sponsors of the previous bill.

I do not propose to go into the actual details of this legislation but would point out to the House that the pending measure contains practically all the important changes which were sought by many Members who opposed the previous bill. Under the pending measure graduated percentage reductions have been applied to all ranks and grades excepting the two lowest enlisted grades. The reductions have struck most sharply at general officers and have materially affected all other officers. They have only slightly affected the enlisted personnel. Reserves, retired personnel, and continuous active duty reserves have been also reduced. As a result of these overall reductions the total cost of the bill for the fiscal year has been cut by over a hundred million dollars.

Men at the very lowest enlisted level, namely the recruit, have been substantially benefited by increases in monthly pay and longevity pay. Flight pay of general officers has been sharply reduced. Subsistence and quarters allowances are fixed by law and cannot be altered by Presidential order as at present. The matter of family allowances has been equitably adjusted, and this favors, as it should favor, enlisted men with families and dependents. This is a real constructive humane feature of the bill. At the same time provisions have been included to restrict and check possible abuses of the family allowance clauses. If any enlisted man is dissatisfied, or in his judgment aggrieved, by changes in his family allowance benefits he may apply for discharge from the service.

In brief, considering all the reductions that have been made—and they include broadly larger reductions than provided by the so-called Case amendment—it is estimated that over $100,000,000 has been cut from the original measure. This represents a very substantial saving to the Government. I am not prepared to say that this bill is completely perfect, or that it will work out perfectly for all the officers and men of the armed forces. I think the Members of the House generally realize the great difficulties of trying to write a pay bill that will be entirely fair and workable as to all classes and at the same time take into account the present fiscal condition of the Federal Government and the interests of the taxpayers. But in the main I think that this bill represents about the best result we can possibly get in view of the fact that in these times of peril and world disorder it is absolutely mandatory upon the Congress to maintain our armed forces at a high level of efficiency.

I hope that the House will be impressed by the sincere efforts which have been made to present a pay bill which seeks to be fair and just and at the same time considers the need for national economy, insofar as it can be considered at this time in the light of conditions here and abroad. I feel that Members of this House want to do justice to the men and women of the services and they do not want them underpaid or discriminated against in any way. We have the best armed forces in the world, and let us try to retain our very best men, our real effective military leaders, and let us make these services as attractive as possible to young men with aptitude, ability, and ambition so that we may be able to build our armed forces voluntarily on the sound foundation of high morale, capacity, and genuine enthusism for the great tasks they may be called upon to face. I hope that the House will recognize the present urgent and vital need for a well-knit, well-staffed, adequately manned, and ably led national defense by passing this bill by an overwhelming vote. Such action will do much to impress our potential enemies that we do

not propose to be trifled with. It will do substantial justice to our armed forces.

Mr. KILDAY. Mr. Chairman, I yield 7 minutes to the gentleman from Alabama [Mr. DEGRAFFENRIED].

Mr. DEGRAFFENRIED. Mr. Chairman, whether or not I was a member of the Armed Services Committee, I would support wholeheartedly the proposed career Compensation Act which is before this House today.

We have been a mighty fortunate Nation. In the last two wars we have come forward with officers and enlisted personnel who were capable of assuming tremendous responsibilities in short periods of time and leading this Nation to victory. I wonder if it has ever occurred to many Members of this House that there were only 24,000 regular officers in the entire National Military Establishment before the outbreak of World War II. From that cadre of officers came General Eisenhower, General Patton, Admiral Nimitz, Admiral Halsey, Admiral Mitscher, General Arnold, General Marshal, General Vandegrift, to name just a few. These were the officers, and others like them, that led this Nation to victory in World War II. But, in paying tribute to those officers, we cannot overlook the professional noncommissioned officers who trained the recruits, taught them squad and platoon maneuvers, taught them how to run ships, and accomplished other tasks which go in the molding of a large Army and Navy. These are the types of people this bill helps, as well as all other officers and enlisted personnel in our armed services.

The young second lieutenant, with just a little fuzz on his cheek, is the Marshall of tomorrow; the young ensign, with the gold still shining on his bars, is the Halsey of tomorrow; and the 18-year-old recruit is the master sergeant for the battalions that will fight future wars, if there be any.

This is a Career Compensation Act; an act to provide compensation for career personnel; an act to stimulate and attract competent men to run our armed services in the future. It is not just a pay-increase bill. We could handle that matter by simply passing a cost-of-living measure. This is an act which will attract competent personnel, because it will say to them, "Look to the future, what does it hold for you?" "Where will you be 20 years from now?" And this bill provides the answers.

I am not going to discuss facts and figures with you. You have had enough of that. I want to discuss the general purposes of this bill. It is to attract and retain competent personnel to man a hundred-billion dollar industry, the greatest business in the world, the business of defending the United States of America.

Those of you who have had business experience know that you pay your employees according to their ability and their worth. That is what this bill does. Why do we increase the pay of a general? Because it is a little ridiculous to put the lives of 18,000 men in that general's hands and pay him less than the steel worker in a shipyard. Why do we increase the pay of the brigadier general? Because he will be the combat team's commanding officer. He will lead your sons into actual combat in the event of war. Why do we increase the pay of the master sergeant? Because he is the backbone of the enlisted corps. Why do we extend quarters' allowances to the corporal with 7 years' service? Because he is the man who has demonstrated his desire to make the service a career and we are making it possible for him to live with the dignity becoming a man who is assuming responsibility. That is what this bill does. Yes, we increase the pay of officers and we do not increase the pay of the recruit in the first 4 months of his training, but we are saying to that recruit, "Look what you will get if you make the service your career; your opportunity is the same as that of anyone else; you can compete for an assignment to West Point or Annapolis, and you can be a master sergeant if you have the ability." Is that any different from saying to the apprentice mechanic, "You can start off at a low wage, but if you prove your ability, you can demand a higher wage and eventually become a master mechanic"? That is what this bill does.

Now, Mr. Chairman, there have been constant references in the debate on this bill to the so-called brass. The brass—those individuals who think that they should be paid a little more in keeping with their ability. These are the people who make the decisions in time of war, who have much to do with whether your sons live or die. These are the men who have been criticized because they happened to be selected generals on account of their demonstrated ability to perform the duties of that rank. Oh, they are great heroes in time of war; we have parades for them in time of war; we give them medals; we even try to get them to run for the Presidency of the United States, but in time of peace they are sometimes relegated to a back seat and are regarded by some as merely a necessary evil. I am somewhat concerned that unwise and unwarranted criticism of the so-called brass may seriously impair the morale of our armed forces and foster a lack of respect for discipline and authority. This could mean ultimately an undermining of the confidence of the men of our armed services in their leaders and result in unwittingly aiding the cause of communism. There is a real danger in that procedure, and danger to this Nation, because every government that has been overthrown by the Communists has started with the undermining of its military forces.

Mr. Chairman, there has been a great deal of discussion about how much the officers get out of this bill and how little the enlisted man gets. Let us analyze the facts. Did you know that officers today are retiring at 75 percent of their base and longevity pay if they are found physically unfit to perform the duties of their rank? This is without regard to the extent of their disability. This costs the taxpayers $150,000,000 a year. Do you know that this bill takes away that privilege and henceforth all officers will be retired according to the percent of their disability or their length of service? Did you know that officers who have already completed a sufficient number of years to qualify for voluntary retirement, if found physically unfit to perform the duties of their rank, are retired for physical disability and receive retirement pay, tax free, for the remainder of their lives? We are taking that privilege away under this bill. Henceforth officers found physically unfit to perform the duties of their rank who retire based upon years of service, even though physically disabled, will pay income tax like everyone else. Did you know that Navy and Marine Corps officers specially commended in combat can be retired at 75 percent of their pay with as little as 20 years of service and in addition receive an honorary promotion upon retirement? We are taking the privilege of retirement at 75 percent of their pay, regardless of their length of service, away from these officers. Did you know that enlisted men in the Navy and Marine Corps with even 30 years of service who are disabled in line of duty cannot be retired for physical disability? We are giving all enlisted personnel the right to be retired for physical disability under this bill. Did you know that Army enlisted personnel with less than 20 years of service cannot be retired for physical disability? We are giving all personnel the right to be retired for physical disability. Did you know that majors, lieutenant colonels, and some captains receive a subsistence allowance today of $63 a month? We are reducing that amount to $42 under this bill. No, Mr. Chairman, this is not a bill for the "brass"; this is a bill which will assure the Nation of competent leaders should those leaders be necessary again in time of war. We kept the officers whom I have mentioned earlier—we kept them in low ranks for long periods of time because of their love of the service and because the dollar was able to buy a little more than it buys today, but we cannot attract and retain these people any longer. In this Nation a man owes a duty to his family and competent personnel are not coming into the armed services, because they can earn much larger sums on the outside. Yes; we can have an Army and we can have a Navy and we can have an Air Force and we will still have parades, and the ships will still hold their maneuvers, and the airplanes will still fly, if we do not pass this bill. But, that Army and Navy and Air Force may be made up of men and officers less qualified than necessary to the defense of this Nation. Is this the type of military organization we desire? If not, can we afford to vote against this bill? Is it sound economy to vote for billions of dollars to aid Europe and not to vote for less than one-third of a billion dollars to maintain a competent military organization? To me that would be an excellent demonstration of being penny-wise and pound-foolish. Mr. Chairman, this bill is of much significance and it may be a bill that we will look back upon some day and say, "Thank God, I voted for it."

The CHAIRMAN. The time of the gentleman from Alabama [Mr. DEGRAFFENRIED] has expired.

Mr. KILDAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, I want to express my personal appreciation for the good job the committee has done in the drafting and reporting of this legislation.

In view of the fact that substantive legislation pertaining to the Public Health Service comes under the jurisdiction of the Committee on Interstate and Foreign Commerce, of which I am a member, and before the subcommittee of which I am chairman, I have been following with great interest the progress of the uniformed services pay bill. As the Public Health Service is included in the bill, I think it might be well to review what the Public Health Service is and what it does.

The service operates 27 hospitals, including one for the special treatment of leprosy, two for the treatment of drug addiction, and one for the special treatment of tuberculosis. It operates hospitals and medical installations at all Federal prisons. It provides medical and hospital care for officers and enlisted men of the Coast Guard. Similarly the service is responsible for medical and hospital care for the merchant marine. It directs the health and medical care programs for the Indians, in the Indian Bureau of the Department of the Interior. It provides medical and hospital care for all beneficiaries of the Federal Employees' Compensation Act. It operates quarantine stations at all principal ports of entry into this country, both of ships and airplanes, for the purpose of preventing the introduction into this country of diseases from abroad.

The Public Health Service has medical officers stationed at all the principal American embassies and consulates abroad for the purpose of examining and certifying to the health status of prospective immigrants into this country. One of the major activities of the Service over the last 50 years has been the field of research. Out at Bethesda, in the National Institutes of Health, and in field laboratories in various parts of the country, Public Health Service officers are engaged in a very elaborate and substantial program of research in the various specialties of health and medicine. The Service is responsible for licensing all manufacturers of biological products—vaccines, serums, and the like—that enter into interstate commerce. Then, too, Public Health Service personnel provide special consultation services to the health organizations of State and local governments, not only in the general field of public health but in such special problems as malaria, tuberculosis, venereal disease, cancer, dental health, mental health, hospital construction, and communicable-disease control.

I cite these responsibilities and functions, Mr. Chairman, to indicate the broad diversity and highly specialized character of the problems that engage the attention of the Public Health Service. During the war the Service was able to meet its personnel needs reasonably well, simply because of the patriotic impulses of civilian physicians, dentists, sanitary engineers, and other personnel but since the war, however, the personnel shortage in the Service has been critical. All of us are aware of the great upsurge of interest in the last few years in measures to improve the Nation's health. This interest has been reflected in the great number of health bills which have been introduced in recent Congresses. Many of these have been enacted into law—among them the Hospital Survey and Construction Act, the Federal Employees' Health Services Act, the National Heart Act, the National Dental Research Act, Water Pollution Control Act, and the National Mental Health Act which I had the privilege of sponsoring. Obviously, such increase in responsibility requires additional personnel.

To procure the services of competent highly trained specialists in fields relating to medicine and public health, it is necessary, not only to offer them an attractive career with the Public Health Service, but also, to offer them sufficient compensation for their services.

I would like to speak briefly on the proposed pay scale as it affects this class of individuals. The largest single category of officers in the Public Health Service is medical officers. The appendix to the report of the Hook Commission on page 55 gives information on the income of private physicians for the year 1947. For purposes of comparison, I would like to refer to the figures given for self-employed physicians. The average annual net income of all self-employed physicians is given as $11,300. At the present time the average annual income of physicians in the Public Health Service is $6,561, and under the pay scales proposed in H. R. 5007, would be approximately $7,250. These figures include the extra $1,200 per year incentive pay and allowances for quarters and subsistence. The comparable incomes by years of practice are:

Years of practice	Independent physicians	Public Health Service physicians	
		Present	Proposed
0 to 10	$9,329	$6,223	$7,016.40
10 to 19	13,157	8,089	8,654.04
20 to 29	12,248	9,290	10,839.00

Thus, it can be seen that even with the compensation proposed in H. R. 5007 the Public Health Service physician would have throughout a 30-year service career substantially lower average income than the average self-employed practitioner. However, I believe that the increased pay provided by the bill under consideration would help relieve the critical personnel shortage of the Public Health Service by increasing appointments and decreasing resignations.

I feel that H. R. 5007 constitutes a sound bill which, if enacted, would provide fair and equitable compensation and that such bill should be favorably acted upon by the House of Representatives.

Mr. BATES of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I congratulate the chairman and members of the Armed Services Committee for the splendid work that has been done in reporting this worth-while bill. The purpose of the proposed bill is to provide compensation consisting of pay, allowances, and certain benefits for members of all branches of the uniformed services, which consist of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard.

Its principal objective is to attract and retain personnel in the services, adequate both in numbers and in capabilities. It seeks primarily to establish a compensation program which will induce men and women to enter the services on a career basis and which would remunerate them on this basis comparable with persons who seek and follow careers in industry and in the professions. It also seeks to correct an antiquated and unsound compensation structure which has been pyramiding in various phases since 1908, without over-all corrective action.

Much has been said as to the purpose, objective, and necessity of this legislation from the standpoint of the military. This is perfectly proper as the bill does have an important bearing upon our military personnel, but I wish to also call attention to the provisions of the bill relating to public health officers and the necessity of likewise providing adequate pay for those engaged in this important service. I am pleased that the Committee on Armed Services has recognized the important service being rendered and expected of the men and women who serve in the Public Health Service.

I support the statement of the gentleman from Tennessee. As the senior minority member of the Interstate and Foreign Commerce Committee, and as its chairman in the last Congress, I, too, have had not only the privilege of sponsoring health legislation but in participating in the hearings on many health proposals. I am fully convinced of the need for further legislation in the health field.

As many of you know, I am particularly interested in legislation to expand research activities. I am proud to point out that the Interstate and Foreign Commerce Committee in the last Congress was instrumental in enacting into law the bills which established the National Mental Health Institute and the National Dental Research Institute in the Public Health Service.

It is my conviction that the outstanding scientists so important to health research cannot be held in or attracted into the Public Health Service unless more adequate salaries can be paid. Nor, indeed, can the Public Health Service bring into its ranks the highly specialized professional personnel needed to fulfill the numerous other responsibilities we have placed upon it unless adequate salaries are paid. As my colleague has stated, the Public Health Service is confronted on the one hand with greatly expanded functions; on the other, with increasing difficulty both in retaining and attaining adequate numbers of professional personnel.

Please remember we are not asking that the salaries of members of the Public Health Service commissioned corps be brought into line with physicians and dentists in private practice. I am convinced—and, certainly, the record bears me out—that the work of the Service carries sufficient professional satisfaction to draw to it and to hold highly competent men and women if only they are assured a basic financial security for themselves and their families.

For these reasons, I ask that you give your earnest attention to the bill now under consideration. This bill relates not only to the compensation of members of the armed forces, but includes as well the commissioned corps of the Public Health Service. It bears seriously on the Nation's guiding instrument to health improvement, and I urge that you give it full support.

Mr. KILDAY. Mr. Chairman, I yield such time as he may require to the gentleman from Georgia [Mr. VINSON].

WHY RAISE GENERALS' PAY?

Mr. VINSON. Mr. Chairman, much of the views in opposition to this measure have been directed at the generals and admirals in our armed forces—sometimes referred to as the "top brass." The question has been asked, "Why raise general's pay if it is outstanding second lieutenants that you want to attract to the service?" Let us consider this highly important and significant point.

First, we must determine what kind of young men we want as the second lieutenants and ensigns of our service. Surely no one will say that we should have second-rate men. Rather, it is obvious that we must have the outstanding youth of this land. Why? Because they are our future generals and admirals to whom will be entrusted the future security of our Nation. No matter how competent our enlisted men and noncommissioned and junior officers, no matter how successful we are in having the best of research in science for weapons of defense, these things depend for leadership and successful utilization on the brains and the quality of our "top brass." These are the men who must make the plans and lead American soldiers into battle—some of them your sons.

It goes without saying that if our generals and admirals are not the finest and most brilliant in the world in their field that we will lose in the greatest of all competitions, that which involves the lives of our people and the very existence of our Nation. That competition is war. And, gentlemen, I submit that we are still at war, the war for peace and it looks as if it will be long in the waging. Surely you do not think that our potential enemies in the world of today and of the future have less than the best as the leaders of their armed forces.

We must have men of sound body and keen mind—men of character and forceful resolve who can make timely and final decisions in time of combat.

You might well ask at this point: "If there has been only a slight increase for officers since 1908 and the cost of living has been going up and up, how do you account for the fact that the service has been able to maintain capable officers of high standard all through that period?"

The reply to that question carries much food for thought. The leaders of this war in all services practically all entered the service during or prior to World War I. At that time the military pay scales compared favorably with those of other professions.

We should not be misled by the fact that in this last war we had Marshall, Arnold, King, Nimitz, Eisenhower, Bradley, Halsey, Spaatz, Patton, and a host of other outstanding men. They all entered the services when it offered a fair opportunity for reasonable remuneration besides the glory of service to our country. The statistics already given you about today's situation do not indicate that we are now recruiting the same types of men or even holding those we have. Let me quote them again—4,256 Regular officers resigned between January 1, 1946, and January 1, 1949; the number of college-trained men in the officers' corps of the Army and Air Force has declined from 87 percent to 56 percent; in 1948 only 1½ percent of the flying cadets were college graduates and 71 percent had less than 2 years' college training; of all the appointments offered distinguished graduates in 1948 less than 20 percent accepted.

There is certainly a lesson in this. Our action now on career compensations will determine in a large measure the type of leadership our national defense will have in the future.

As you are well aware by the legislation before this body in this session—the people of this country are more security conscious from an economic standpoint than ever before.

The young man of promise, the man with future potentialities as a leader, is obviously a thinking man. He ordinarily is not attracted by some short-lived monetary award. He is attracted by long-range opportunities. The distinguished college graduate who declines a regular commission does so, not so much because of the low pay of the second lieutenant, but because he feels that the rewards after 20, 30, or 40 years of successful service are too small compared to the rewards which equal success in business or the professions would give.

He looks at the men who commanded our armies and fleets in this last war, the outstanding military leaders of our time and he says to himself, "Those are the most successful men in the Army, Navy, and Air Force. Only a small handful could achieve their positions. Yet their pay is now just about what it was two generations ago. The service is no place for me."

And in passing I might say that the remarks of a few Members of this body do not serve as an inducement to these young men to become officers in the service. Why should they enter a profession where they cannot defend themselves from frequent villification? They must have the right and belief that they have the support of the people and the Congress in an honorable profession devoted to the ideals which serve as the foundation of our way of life. I submit that if any Member of this body knows of an abuse of authority or of the receipt of undeserved perquisites by any officer—general, admiral, or otherwise, he should charge the individual. I am constrained to protest any indictment of the competent officer corps of the honorable profession of arms because of possible sins of a few.

Our generals and admirals compare in position in many instances to the presidents of the largest corporations today. Yet when we compare the salary of a general and that of a president of such a corporation drawing from $50,000 to $300,000 a year, the salary of a general is but a mere pittance—yet no president of any corporation has such a tremendous responsibility. Our generals and admirals are responsible for thousands of human lives on which there can be no price tag—they are responsible for the welfare of our soldiers, sailors, and airmen. They are responsible for billlions of dollars worth of equipment, for great installations. Some of them have been and are our greatest diplomats—skilfully averting crises that could plunge the world into war. This is the type of men we want to get and keep in our armed forces. Now I realize that we cannot compete in the strict sense of the word with industry for the services of such leaders and potential leaders. But we can offer them a career reasonably free from financial worries. They must not be asked to make too great a financial sacrifice for a career in the service. I recall that one of our greatest military leaders, General Eisenhower, upon retiring, remarked that he left the service as poor as when he entered it. The honor and prestige given such men are valuable assets but they too have to be practical as you and me in these inflated times.

Is it absolutely necessary to raise generals' and admirals' pay to retain those we now have? Probably not. The generals and admirals would undoubtedly stay, because they have already earned retirement benefits. But refusal to grant adequate increases to the top successful grades now would have devastating effect on future leadership. What young man of promise would be interested in a military career if we did that. If this country refused now to recognize the leadership that brought us victory in this last war, what could the potential young officer expert in the future? This bill is aptly called the Career Compensation Act of 1949. The type of men we want to command our sons in battle are the type who are attracted by a career. Adequate pay for colonels and generals now is important because it cannot help but aid in attracting our outstanding young men in accepting appointments as second lieutenants.

Mr. KILDAY. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, I want to congratulate the chairman of this subcommittee on the fine work he has done on this measure. After having taken it back to the committee he has come out here with an excellent piece of legislation and he has expedited it in a very efficient manner.

Some reference has been made today, and also a few days ago when we considered this legislation, with reference to the privates and also to the brass. Personally, I have always regretted that such debate had to take place here on the floor of this House. We must use every precaution so as not to draw a cleavage between our security forces of men. It is important that we have them both; it is important that we have good morale among our officers and privates as well, and it is very unfortunate that we have to drag these personalities out on the floor of the House. I served myself as a private in the First World War and I know something about it.

I agree fully with the gentleman from Tennessee [Mr. JENNINGS], on the subject on which he expressed himself so emphatically a few minutes ago and agree with him that it should not happen. The matter of keeping good morale in our armed forces is important, and this legislation is a part of it. To save my life, I cannot see how any individual in America who loves his country and knows that it requires a force of men to protect us when we need them for security purposes can look at this table and become alarmed at the cost, especially when he sees the long stretch of years the second lieutenant must serve before he gets to the top or even in a favorable salary condition compared with civil life. Girls in my section of the country working in the full-fashioned hosiery mills make almost as much money as a first or second lieutenant, as shown by this chart. So I do not believe this Congress can be charged with extravagance to our armed forces in reporting out this legislation. I believe the country understands and fully realizes the importance of it, and I am confident that the American people will appreciate what we are doing for their own security.

Mr. Chairman, I yield back the balance of my time.

Mr. KILDAY. Mr. Chairman, I yield such time as she may require to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, national defense today calls for officers and men who have the highly technical training necessary for the complex operations of closely integrated activities in such scientific fields as atomic energy, radar, jet propulsion, submarine warfare, under-water sound detection, and so forth. If we are to have national security we must make the military service a career which will attract men of real capability and retain them for a period long enough to give the service and the taxpayer an adequate return on the necessary costs of this essential training.

We have had and still have thousands of devoted men in the armed services. But they have the same problems of maintaining their families at a reasonable standard of living as do men in other fields of work. The more competent they are, the more they are tempted to leave their chosen work and to accept the higher rewards which their ability and training open to them in private industry.

We are losing too large a percentage of the young men who should be our future military leaders.

I have been especially interested in the Coast Guard, and am very familiar with their fine service in time of war and of peace. The cadets are given excellent training and a sound education at the Coast Guard Academy which is ranked as one of the best engineering schools in the country. Admission to the academy is on a strictly competitive basis. The cadets admitted are men of high caliber. They enter with the desire to make a career of the Coast Guard and what happens? The young ensign starts out with enthusiasm. But as time goes by and his family responsibilities increase, he finds it more and more difficult to live on what he is paid. I know these families. I know their problems. I know the conflict between the young officer's deep attachment to the service and his sense of responsibility to his family.

The existing statute does not permit a graduate of the Coast Guard Academy to resign until he has completed 3 years of service. During the war, except for undesirable cases, no resignations were accepted.

In 1947 cadets who graduated in 1944 were eligible to submit resignations and in that year 58 graduates of the Academy did resign. Likewise, 60 resigned in fiscal 1948, and 44 have resigned or submitted resignations in the current fiscal year. In brief, in 1944, 1945, and 1946 a total of 291 Academy graduates were commissioned and 162 resigned.

Details by classes show the seriousness of the situation. The class of 1944 graduated 95 men, 42 have resigned; the class of 1945 graduated 97 men, 51 have resigned, and 1 resignation is pending; and of the class of 1946, whose resignations have only quite recently been permissible, 5 resignations have been completed and 19 are pending. Resignations 10 years ago were negligible.

The situation is no reflection on the Coast Guard nor on the devotion to the service of its officer personnel. It is not peculiar to the Coast Guard. It is a situation which we must correct in the entire Military Establishment.

The same story is told by ROTC figures. In each class the top men are offered commissions in the Regular forces. In 1948 there were 899 distinguished graduates offered commissions; only 110 accepted. In 1949, 1,003 men have been offered commissions and only 7 have so far accepted.

Since 1946 a total of 643 resignations of Naval Academy graduates have come in, over 10 times as many as between 1937–40. It costs approximately $20,000 to graduate a man from West Point or Annapolis. It is foolish economy not to make the service attractive enough to retain him in the service.

It should also be noted that the attempt of the Air Force to attract college graduates has not been successful, and yet the need for highly trained men in the Air Force is very apparent. Today only 37 percent of the 17,000 Regular Air Force officers are college graduates. If present trends continue, this percentage will decline. Of the aviation cadets who entered pilot training last year 1.5 percent were college graduates. In 1940 36.3 percent were college graduates. I am not suggesting that college graduates are the only good material, but in a scientific field it can hardly be denied that scientific training is desirable.

Today we are faced with a Nation-wide shortage of teachers because we relied on the devotion of the teacher to offset the inadequate pay we offer for the job. No doubt eventually we will see the light and remedy the situation. But we cannot afford to take the risk in national security. We must take action now in order to attract and hold capable, well-trained men and women who will make a career in the military service. While my illustrations have been taken from the Academy groups, the arguments apply to all grades. This bill would make careers throughout the military services more attractive and the compensation at each level more comparable with similar jobs in industry. Its passage is a very necessary step in our program of national security and represents real economy to the taxpayer and justice to the members of the services.

Mr. BATES of Massachusetts. Mr. Chairman, I have no further requests for time.

Mr. KILDAY. Mr. Chairman, I suggest that the Clerk read the bill.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Career Compensation Act of 1949."

Mr. KILDAY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5007) to provide pay, allowances, and physical-disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. KILDAY asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include therein a letter from the Reserve Officers Association of the United States.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a tribute to the flag.

Mr. MARSHALL asked and was given permission to revise and extend his remarks.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. WHITE of Idaho asked and was given permission to extend his remarks in the RECORD in two instances and include certain excerpts.

Mr. COLE of New York (at the request of Mr. BATES of Massachusetts) was given permission to extend his remarks in the RECORD and include an article from the New York Herald Tribune.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include certain statements, articles, and excerpts.)

SMALL BUSINESS UNDER ATTACK

Mr. PATMAN. Mr. Speaker, there is a bill pending before the Committee on the Judiciary of the House of Representatives known as S. 1008, a bill that has passed the Senate. Before it passed a complete substitute by the distinguished Senator from Wyoming [Mr. O'MAHONEY] was adopted.

This bill came to the House and was referred to the Committee on the Judiciary and in turn referred to a subcommittee of that committee. The subcommittee took from the bill the so-called Kefauver amendment which was adopted in the Senate, an amendment that would have been of some help to small and independent business. The bill was then reported to the full committee. The only hearings on the bill in the House consisted of the testimony of the Senator from Wyoming [Mr. O'MAHONEY] and the antitrust officer of the Department of Justice, Mr. Bergson.

The committee seems determined to seek the passage of that bill without full and complete hearings. I protested and was given a hearing this morning before the full committee, but I understand that the committee is still determined not to have full and complete hearings but expects to take the bill up for reading and for either approval or disapproval on Thursday next.

DANGEROUS BILL

My object in taking this time is to invite the attention of the Members of the House to the fact that this is a dangerous bill. It is one that will substantially repeal the Antiprice Discrimination Act of 1936 known as the Robinson-Patman Act. It will legalize the basing point, which the Supreme Court of the United States has outlawed, denounced, and condemned as a handy instrument for monopoly and as one which will in fact create monopoly.

DEATH SENTENCE FOR HOME-TOWN MERCHANT

This bill, if passed, will be a death sentence for home-town merchants, and independent businessmen, including grocers, druggists, and certain local insurance agents. It will repeal the bill which I mentioned a while ago known as the antidiscrimination bill which has helped independent business in this country for the last 12 or 13 years. That bill was passed in 1936 for the purpose of preventing large concerns from giving a discriminatory price to national corporate chain stores.

Before the passage of that bill a large seller or manufacturer was privileged to grant to the Atlantic & Pacific Tea Co., for instance, or to any large national corporate chain, a special discount, a special price, a price that was so low that the independent merchant could not possibly meet it. Therefore the independent businessmen of this country were gradually being squeezed out of business and destroyed.

The Congress, recognizing the plight of the small-business man, passed this antidiscrimination bill. It has been enforcible, it has been a good bill, it has worked very well, and it has helped independent business. If this particular bill to which I refer, S. 1008, should become law it will repeal a substantial portion of that act, particularly the part I have just referred to that prevents large chains from receiving discriminatory discounts. The chairman of the House Committee on the Judiciary, the gentleman from New York, the Honorable EMANUEL CELLER, opposed this bill when it passed in 1936.

S. 1008 is against the interests of the small-business men; it is against of the interest of the independent merchants in general, and I still hope that the Committee on the Judiciary will change its mind and grant a full hearing on the terms of that bill. It is so far reaching that I cannot conceive of this House passing a bill without full hearings. That will put a loophole in the antitrust laws of this country large enough for a B–36 to fly through and absolutely destroy the antitrust laws for many and most practical purposes.

BASING POINT UN-AMERICAN

The basing-point system is affirmatively approved in this bill. The basing-point system is a dangerous, un-American system. It is opposed to private enterprise and free competitive business. It will destroy the system that has built our country and made our country great. If it is not stopped, there is no better way on earth to destroy independent business, destroy small business, and create a cartel system in this country than to allow the basing-point system to continue uninterruptedly and be legalized. The Supreme Court realized that and outlawed it. Now we are called upon to make it legal.

CEMENT TRUST

I want to invite your attention to how the basing-point system worked in one or two cases. You take the case of cement, for instance. Cement has been selling for the same identical price down to the sixth decimal point on bids of 10 or 15 different sellers all over the United States at different points; down to the sixth decimal point, identical prices, for 25 years. The Supreme Court has rendered a decision making that unlawful, and if this bill is adopted it will legalize it again.

GRADE IGNORED

Now, that means monopoly in the cement business. The cement companies many years ago decided that although there is a great big difference in the grade and quality of cement, that they, for the purpose of creating a monopoly or trust, would have to disregard grade and quality and would prescribe that all cement be of the same grade and the same quality, so that when they submitted bids they could all be identical. If they attempted to go on grade and quality, they could not submit identical bids. So, grade and quality were thrown to the winds. Now, certainly, that is not in the public interest, and that is what monopoly will do and what trusts will do. You take, for instance, you cannot buy cement at a mill to be delivered in your truck.

RAILROAD PAID ANYWAY

You have to pay the railroad company a freight rate; although it is just shipped a couple of blocks in the railroad freight car, in most cases you have to pay a freight rate of 200 miles or 500 miles or 800 miles, when you can get it delivered, if they want to deliver it, in your own truck, right at their own plant, but they will not do it.

I am going to insert in the RECORD a letter from the general counsel of the trucking association which appears in the hearings before the Senate committee, which goes into that matter, and I hope you will notice it:

AMERICAN TRUCKING ASSOCIATIONS, INC.,
Washington, D. C., March 16, 1949.

Hon. PATRICK A. MCCARRAN,
Chairman, Senate Judiciary Committee,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: It is the purpose of this letter to place before the Senate Judiciary Committee information which we think of importance in your consideration of Senate bill 1008, which proposes a moratorium with respect to the application of certain antitrust laws to individual, good faith delivered-price systems and freight-absorption practices.

The American Trucking Associations, Inc., is compelled to oppose any proposed legislation which would enable and encourage manufacturers of portland cement to perpetuate a practice objectionable both to the consumer and the motor-carrier industry. The highly objectionable and possible illegal practice to which we refer is the cement manufacturer's insistence upon the use of rail service only in shipping cement. Many cement mills follow a settled policy of refusing to allow purchasers to use either their own trucks or hired trucks for transporting cement from the mills. This practice has been followed by cement manufacturers for years, notwithstanding the desire of many purchasers to effect economies in freight costs and expedite delivery of the cement by using truck service.

It is apparent that the cement industry is violating the spirit, if not the letter, of the Federal Trade Commission cease-and-desist order issued July 17, 1948. The Commission's order, in section 1, prohibited the Cement Institute and its affiliated manufacturers from entering into any agreement to quote or sell cement at prices in accordance with the multiple basing-point delivered-price system. In section 2 the order further prohibits 16 specific practices supporting any conspiracy or agreement prohibited by section 1. Among the 16 practices banned by section 2, 3 are pertinent to our position. They are subsections (b), (g), and (k):

"(b) Refusing or declining, when quoting or selling cement at a price effective at the location of the producing mill, to allow purchasers to provide transportation by any means, at any cost, or to any place they may desire.

"(g) Quoting or selling cement at delivered prices which systematically include a freight factor representing transportation by a common carrier having higher rates than the means of transportation actually employed.

"(k) Controlling or attempting to control the destination or use of cement after the acquisition of title thereto by the purchaser."

Section 4 in its general language might also cover the practices which we and those we represent wish to see eliminated.

"SEC. 4. Using any means substantially similar to those specifically set out in this order with the purpose or effect of accomplishing any of the things prohibited by this order."

To demonstrate the effect of this policy on our industry, we cite a recent experience of a New York motor carrier:

John Arborio, Inc., contracted with the State of New York to pave approximately 20 miles of the Taconic State Parkway, and arranged to buy the required cement from the Universal Atlas Cement Co. Hawley & Co., a motor carrier, attempted to negotiate a contract with John Arborio, Inc., to haul the cement from the Universal Atlas cement plant at Hudson, N. Y., to the job. The contractor in reply expressly stated that the policy of Universal Atlas prevent him from hauling cement from the mill by truck. The contractor was so limited by the cement manufacturer notwithstanding his willingness and desire to seek the advantages of hauling by truck. The highway distance was only 29 miles. On the insistence of the cement company, the cement must move 30 miles by rail to the rail carrier's closest delivery point, which is still 12 miles from the job. From the rail terminal delivery must be made by truck. In the final analysis the taxpayer will stand the difference in cost between a single truck haul, and two separate hauls, one rail and one truck, which will practically double delivery expense.

Referring to the findings of fact by the Federal Trade Commission in the Cement case, we find on page 66:

"Among the reasons given for eliminating, penalizing, or restricting trucking were the following: Universal Atlas reported in part * * * therefore we had no control of the delivered price at destination and could not prevent the disruption of marketing practices at destination."

Since the cement industry's practices covered by the order of the Federal Trade Commission are being continued, it is our conviction that favorable action on Senate bill 1008 would strengthen the position of the cement manufacturer and react to the detriment of the cement consumer and motor-carrier industry.

Very truly yours,

EDGAR S. IDOL,
General Counsel.

The Cement Institute admitted that they fix prices, they admitted that they have a monopoly, they admitted that they always submitted identical prices for the purpose of not having any competition, and the Government proved that there was collusion, there was conspiracy.

NOT A WINK OR A NOD REQUIRED

If we pass this bill, all the cement companies have to do is just to go back to their old system and have the exact prices they had before this decision. They will not have to meet and have any agreement to do that; they will not have to sign any agreement or have any correspondence; they will not have to have any telephone calls, they will not even have a wink or nod or any kind of a sign or gesture, they go back exactly where they were, and then the Department of Justice will say, "You are violating the law, you have identical prices. Yes, but the Congress changed that law and said it was all right to have identical prices so long as you did not have any agreement or collusion or conspiracy, and we have none," and they would be telling you the truth.

They just go back to doing individually exactly what they were doing before the Supreme Court outlawed the basing-point system. That means that you will have perpetual price fixing and perpetual monopoly on cement. Do you believe we should have a monopoly on cement, that a trust should fix the price that the consumers of America should pay for all cement? That is what it means if you pass this bill, because it recognizes, ratifies, and legalizes the basing-point system that the United States Supreme Court says is a handy instrument for monopoly; and they did create a monopoly in this case.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Unless we have a basing-point system in the East, in the cities I represent, we will have to go out of business, and they are small-business people.

Mr. PATMAN. In what kind of business?

Mr. NICHOLSON. In the products of steel.

Mr. PATMAN. In the products of steel? All right; in other words, you will have to pay a little bit more freight.

Mr. NICHOLSON. They buy steel at Pittsburgh, Pa.

Mr. PATMAN. What do they make with that steel? Name me one commodity they make.

Mr. NICHOLSON. They make rivets.

Mr. PATMAN. Rivets; all right, let us take rivets. You buy your steel from Pittsburgh and you ship it to Boston. The freight rate on raw steel is much lower than the freight rate on rivets, the gentleman knows that. The producer of rivets in Boston is in a better position under the outlawing of the basing-point system, although he would have to pay a little bit more for the freight on the raw material, because when he gets that raw material and he makes rivets or rat traps or screws or anything else, he has a finished product right there in the Boston market. He is in a better position than this manufacturing firm moving over to Pittsburgh where the steel is and producing the finished product there and shipping it up to Boston, because the freight rate is a lot higher. It helps people such as those the gentleman is talking about, it helps them very much.

Do not fall for this phony argument that all these fabricators will have to move to where the steel is, because then they will have to pay an increased price on the finished product. The freight is a lot higher on finished products than on the raw material. It is going to give the man in Boston greater security than he has ever had before.

Mr. NICHOLSON. After he makes his screws and his rivets or other products out of it and sends them back to Pittsburgh again, where somebody is doing the same kind of business, he cannot compete.

Mr. PATMAN. Why does he have to send them back to Pittsburgh? People there are making screws and rivets.

Mr. NICHOLSON. They send them all over the country.

Mr. PATMAN. He has a market up there in Boston, the man in Pittsburgh is serving his market, and the man in San Francisco is serving his market.

Mr. NICHOLSON. But he cannot send it back to Pittsburgh and compete with the people making it there.

Mr. PATMAN. Maybe he cannot, but the Pittsburgh man cannot compete with him, either. He is in a better position than the Pittsburgh man, so you are not hurt, you are helped.

The basing-point system on steel is just as bad as it is on cement. Imagine, now, Congress passing a law to give people the power to control the prices of basic materials like steel and cement, without any regulation whatsoever. Ordinarily when you give people the price-fixing power, like railroads and airplane lines, concerns like that, you have somebody to regulate them and say, "You cannot charge too much." That also applies to the utility companies. But in this case you are turning them loose and saying," "We know that you will fix prices. You have done it for 25 years. We know you are going to resume it. Go ahead. We are not going to try to regulate you. The sky will be the limit. You can charge any price you want to. You can place a tollgate between the raw materials and the consumers of the country, and the Congress will not say a word but permit you to carry it on."

You know that is going too far. The House should never permit any such law as that to be passed.

PITTSBURGH-PLUS RESTORED

This bill, if passed, will restore the old Pittsburgh-plus basing-point system. Who wants it restored? People who are in favor of private competitive business should not want it restored. It is one of the worst things that we ever had in this country. This bill will restore it. Imagine here in the United States of America in the year 1949 the Congress is being actually requested seriously to pass a law which would restore the old Pittsburgh-plus basing-point system, and the basing-point system in general, and to permit people to fix prices on such basic materials as steel and cement.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. EVINS. The gentleman asked who is interested in the passage of this bill. I might point out that the steel industry is interested as well as the cement industry. Both the cement and steel industries have been found guilty of violating the antitrust laws.

Mr. PATMAN. They say that their lawyers cannot understand the law. They say there is confusion about this law. Of course, there is always confusion to a lawyer who gets licked on a case and that is what happened with these lawyers. It took the Government 25 to 50 years to prove conclusively that they were guilty. After showing that they were guilty and after catching them red-handed in the act of illegally charging

consumers of this country billions of dollars a year, on the prices of cement and steel, now that they have been caught, Congress is asked to legalize it.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MANSFIELD. I should like to ask the distinguished chairman of the Small Business Committee of the House if the purpose of this legislation is to overrule the decision of the Supreme Court affecting the basing-point structure?

Mr. PATMAN. It is; yes, sir.

Mr. MANSFIELD. And has it become the policy of the House of Representatives that as soon as the Supreme Court acts adversely on any question for us to take that question up legislatively and try to correct it in our own way?

Mr. PATMAN. I regret to say that it has almost become the policy and a deplorable policy and one which we should all be opposed to.

Mr. MANSFIELD. I commend the gentleman for taking the time for bringing this very important question, with all its implications, to the attention of the Congress and the American people.

Mr. PATMAN. I thank the gentleman.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. EVINS. I, too, would like to commend the gentleman who has been the champion of small-business men and free enterprise in this country.

Mr. PATMAN. I thank the gentleman.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WHITE of Idaho. I would like to have it clear in my mind what legislation the gentleman is referring to. There was a bill recently introduced in the other body, I understand, to modify the basing-point decision of the Supreme Court. Is that the bill to which the gentleman is referring?

Mr. PATMAN. That is the bill to which I am referring.

Mr. WHITE of Idaho. I would like to point out to the House an instance which occurred in the Western States, where oil was struck in Montana. The people of Montana, after finding that they had the good fortune to have oil right at home, and after refineries sprang up there, by some legislative program in the State a price was placed on the oil based on the price at Tulsa, and the people in Montana had to pay just as much to use their own oil in Montana as if they had shipped it in from Tulsa, Okla. That is one of the things I imagine that the gentleman wants to avoid; is it not?

CHANGE RULES OF EVIDENCE

Mr. PATMAN. Yes. Another bad thing about this bill is that after these lawyers were whipped in their lawsuits over a period of 25 to 50 years, they come here now and want the Congress of the United States to change the rules of evidence. That is in this bill. As it is now whenever 15 concerns submit bids to supply steel or cement to 15 different places in the United States, and they submit bids that are identical down to the sixth decimal point, they say that that should not be presumed to be evidence of the fact that they entered into a conspiracy of any kind. So they want to change the rules of evidence so that the Government cannot prove its case. That is a substantial change which is asked for in this particular legislation.

Another case I would like to call to your attention is that of the Morton Salt Co., where the salt company's aid to independent merchants if they would buy so much salt, they would have to pay a certain price per unit. But they fixed a quantity discount, which was based on very high quantities, so that the little merchants could not get the benefit of it. But the A. & P. could get the benefit of it over a period of a year, and they gave the A. & P. such a big discount that the local merchants could not compete with them.

The Supreme Court of the United States held that unlawful and in restraint of trade, and we are asked in this legislation to legalize it and to change the law so that it will be legal for the A. & P. to have this big discount.

BIG CHAINS FAVORED

One of the worst things in this legislation is the change in the Antidiscrimination Act of 1936, that will permit manufacturers and sellers of this country to discriminate against the home merchant, the independent merchant, and give prices much lower to the national corporate chains that are rapidly taking the retail business of this country. They should be restrained instead of being encouraged.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman has made reference to the fact that the bill S. 1008 is before the Committee on the Judiciary. It is. I am a member of that committee. I am not a member of the subcommittee which considered the bill and which held hearings on the bill.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. I did attend the hearings held before the subcommittee and I am prepared to say that at those hearings the bill as reported by the Committee on the Judiciary was endorsed by Mr. Burgeson, the antitrust attorney from the Department of Justice, that Senator O'MAHONEY also appeared in favor of the bill, and that this bill is as it was written in the Senate. There was first the moratorium bill on the basing-point decision. Senator O'MAHONEY offered a substitute for that bill, which was adopted by the Senate. So this is the O'Mahoney bill to which the gentleman is objecting. Am I not correct?

Mr. PATMAN. The gentleman is exactly correct.

Now, if my charges are not true, why does not the committee of which the gentleman is the high ranking member on the minority side, give a full and complete and open hearing on this bill? Why have executive sessions and try to get the House to pass it without full and complete hearings? I am telling you this will destroy independent business. It will promote monopolies and trusts. It is price fixing, and I am in a position to prove these charges.

Mr. MICHENER. I am not contesting that thing with the gentleman. I am simply saying that the bill came from the Senate and that hearings were held.

Mr. PATMAN. No; I cannot agree with the gentleman.

Mr. MICHENER. Let me state my position. That hearings were held before the subcommittee of which the gentleman from Pennsylvania [Mr. WALTER] is chairman, and I received notice of those hearings, and as an outsider sat in the room and attended the hearings and heard the evidence. The hearings were adjourned, and then later, as I understand, the gentleman from Texas asked that he might be heard. He was heard this morning.

Mr. PATMAN. It has taken 75 long years for the people to get antitrust laws upon the statute books. It is inconceivable to me that any committee of this Congress would attempt to repeal a substantial portion of those laws with 1 or 2 days' hearings, and most of that time in closed, executive sessions. The committee has a right to do that, but the House should not pass any such bill. This is a dangerous bill. I insist that full and complete hearings be had on it.

I am inserting herewith a statement I filed with the Committee on the Judiciary this morning in an effort to get full and complete hearings on this bill. It is as follows:

O'MAHONEY SUBSTITUTE FOR S. 1008 WOULD BE A DEATH SENTENCE FOR HOME-TOWN MERCHANTS AND INDEPENDENT BUSINESSMEN, INCLUDING GROCERS, DRUGGISTS, AND LOCAL INSURANCE AGENTS—WOULD REPEAL LAWS WHICH RESTRAIN GREED OF THE NATIONAL CHAIN STORES AND CAUSE A DICTATORSHIP IN BUSINESS—WOULD RESTORE PITTSBURGH-PLUS AND REPEAL SUPREME COURT DECISIONS WHICH STOPPED PRICE FIXING IN STEEL, CEMENT, AND OTHER INDUSTRIES—AND WOULD DEFINITELY FAVOR AND PROMOTE MONOPOLIES AND TRUSTS

Mr. Walter B. Wooden, associate general counsel of the Federal Trade Commission, in a letter under date of June 8, 1949, at my request has submitted his views in opposition to S. 1008—called the O'Mahoney amendment—which would amend the Federal Trade Commission Act and the Clayton Act as amended by the Robinson-Patman Act.

WALTER B. WOODEN FOR 40 YEARS STUDENT OF PRICE-FIXING SYSTEMS

Mr. Wooden discusses the amendment in his individual capacity as a citizen, but for 40 years Mr. Wooden has been a specialist in the investigation and analysis of price-fixing methods. Therefore, I can say without fear of contradiction, that Walter B. Wooden has had more experience in this field than any man in the Federal Government. For several years he has been associate general counsel of the Federal Trade Commission, and in charge of the Commission's appellate

work, and had charge of the trial, briefing and argument of the Cement Institute case before the Commission. He briefed and argued it before the United States Circuit Court of Appeals and participated in the briefing and argument of it before the Supreme Court.

Mr. Wooden briefed and argued the Rigid Steel Conduit case before the United States circuit court of appeals, and was on the brief in the Supreme Court. He handled the so-called Glucose cases and argued one of them, the Staley case, before the Supreme Court. In fact, Mr. Wooden conducted all of the Commission's cases involving delivered price systems which have gone to the courts. Among such cases were the Pittsburgh-Plus case, the Salt Producers case, the Malsters' case, the Milk Can case, the Wire Rope case, and the Crepe Paper and Book Paper cases.

Forty years is a long time, and in Mr. Wooden's case, a time of devoted, selfless service to the United States Government, and to the American people. There is no man whose counsel I would be more willing to accept than Mr. Wooden's in matters pertaining to the Federal Trade Commission Act and the Clayton Act as amended by the Robinson-Patman Act. As a man of integrity and loyalty to principle, Mr. Wooden's life and career stand out in bold relief against a background of honest and courageous effort, publicly, and privately.

MR. WOODEN ASSERTS S. 1008, AS AMENDED, CANCELS OUT LONG-STANDING DECISIONS

Mr. Wooden points out that the first section of this bill is frankly conceded to cancel the law of count II of the Rigid Conduit case, but that it would not only cancel this law but that of the Beech Nut case, which has been a landmark for more than 25 years. "Unless," Mr. Wooden says, "the concept of incipient restraint of trade can be applied to the basing-point method of pricing the concept is an empty one."

Pointing out that when collusively operated, the basing-point system had been unlawful for 50 years, Mr. Wooden states that the recommendation of the TNEC, made in 1941, was to outlaw the basing-point system as a practice independently of conspiracy. "Now, 8 years later," Mr. Wooden says, "after a period where the courts have become more and more disposed to accept the view that the present law already does what TNEC recommended, it would seem that the proponents of this bill want to make sure that the TNEC recommendation cannot be made effective, either legislatively or through the gradual process of judicial inclusion and exclusion."

Mr. Wooden truly states, "There is perhaps a form of ironic logic in the fact that as concentration of economic power grows apace it may be no longer fitting that we try to arrest restraints of trade in their incipiency. But to concede the futility of such effort just when the courts have crowned it with success makes it an obvious concession to expediency."

MR. WOODEN POINTS OUT REALITIES AND DANGERS OF S. 1008 TO OUR ECONOMY

It is of the utmost importance for Members to realize the import of basing-point legislation—legislation which will place the seal of approval on unfair methods of pricing, which in turn helps to create bigger and better monopolies. I do not believe any legislation of a permissive character, with reference to our antitrust laws, can do other than destroy those laws. As a country and a people we have allowed monopoly to increase to the extent that our whole economy is in jeopardy. We talk of protecting small business, yet we are contemplating consideration of a law which will effectively stifle, hinder, and restrain trade in every basic industry in the country. I hope and trust that every Member of this House will read Mr. Wooden's letter, a letter written by a man who has given 40 of his best years to upholding laws beneficial to our economy. I do not believe any Member who carefully reads the letter of this devoted public servant, with his background of experience and knowledge, could possibly vote for a bill which would emasculate our entire antitrust structure, a structure which has been so painstakingly erected by Congress, and so victoriously administered by the responsible agencies in the interests of our whole country.

MR. WOODEN'S POSITION CLEAR AND COURAGEOUS

Mr. Wooden's loyalty to principle is so outstanding that it deserves special mention. There is no doubt that in complying with my request for his views on S. 1008 he has taken his official life in his hands. The Federal Trade Commission has always been careful to have members of its staffs say when making a speech that "these are not necessarily the views of the Commission." I do not know whether the letter Mr. Wooden has written states the views of the Commission or not, but I do subscribe to those views, because I know they are the correct ones. Mr. Wooden has shown courage which few men show under similar circumstances. I admire his stand as a public servant in that he places the public interest ahead of his own private interest.

For the purpose of emphasis, I have interlined Mr. Wooden's letter which follows, with appropriate paragraph headings:

JUNE 8, 1949.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR MR. PATMAN: At your request I am submitting herewith my individual views in opposition to the O'Mahoney bill amending the Federal Trade Commission Act and the Clayton Act as amended by the Robinson-Patman Act.

Although I make this statement in my individual capacity as a citizen, it so happens that I am associate general counsel of the Federal Trade Commission and have been intimately associated with all the cases in court which have led up to the proposed legislation. I have been in charge of the Commission's appellate work for several years past. I had charge of the trial, briefing and argument of the Cement Institute case before the Commission. I briefed and argued it before the United States Circuit Court of Appeals and participated in the briefing and argument of it before the Supreme Court. I briefed and argued the Rigid Steel Conduit case before the United States Circuit Court of Appeals, and was on the brief in the Supreme Court. I briefed and argued the so-called Glucose cases in the United States Circuit Court of Appeals and argued one of them, the Staley case, before the Supreme Court. I handled all the other Commission cases involving delivered price systems which have gone to the courts, including the Pittsburgh Plus case, the Salt Producers case, the Malsters' case, the Milk Can case, the Wire Rope case, and the Crepe Paper and Book Paper cases. I have specialized in the investigation and analysis of price fixing methods for some 40 years and of formulas for fixing of identical delivered prices during the larger part of that time. I drafted some of the Commission's reports to the Senate and to the President on the operation of the Steel Code during and after NRA and submitted a statement to the TNEC concerning the basing-point system in the steel industry.

OFFERS VIEWS IN EXTRAORDINARY SITUATION

Nevertheless, the views I here express are strictly personal and are not to be taken as being in any way the views of the Commission. I offer them in my individual capacity as a citizen in what seems to me an extraordinary situation, where the opponents of monopolistic practice are apparently disposed to compromise with its apologists and with the latter as usual getting the long end of the deal. So at the outset I want to make it plain that I am opposed to the proposed legislation because I regard it as a major compromise with monopoly and a substantial limitation upon the Commission's present power to deal with it.

S. 1008, AS AMENDED, DESTROYS 35-YEAR CONCEPT THAT FEDERAL TRADE COMMISSION'S DUTY IS TO ARREST RESTRAINTS OF TRADE

The first section of the bill is frankly conceded by its author to be intended to cancel the law of count II of the Rigid Conduit case and there is little doubt that it does so. The result is that there would be no way of challenging a basing-point system except by establishing collusion in its operation. That would relegate us to the 50-year-old test of the Sherman Act and destroy the philosophy of 35 years standing that the Commission was created to arrest restraints of trade in their incipiency. It would cancel not only the law of the Conduit case but that of the Beech Nut case which has been a landmark for more than 25 years. Anyone who hopes otherwise must depend upon his ability to make the general and unadjudicated language of a proviso overriding what is given by the specific language of the main enactment. Unless the concept of incipient restraint of trade can be applied to the basing-point method of pricing the concept is an empty one and the Commission loses the thing which differentiates it from the Department of Justice as a remedial agency.

TNEC RECOMMENDED LEGISLATION OUTLAWING BASING-POINT SYSTEM

As I see it the O'Mahoney bill would legalize the very thing that the TNEC, of which Senator O'MAHONEY was chairman, recommended be outlawed by legislation. Through its members on the TNEC, the Federal Trade Commission was a party to that recommendation. The TNEC recommendation was made in 1941 after a most intensive study of all the legal and economic aspects of the problem. Let the point be driven home that the TNEC recommendation did not concern itself with outlawing the basing-point system when collusively operated; that had been unlawful for 50 years before. The recommendation was specifically designed to avoid the necessity of proving conspiracy. The recommendation was to outlaw the basing-point system as a practice independently of conspiracy. Now, 8 years later, after a period where the courts have become more and more disposed to accept the view that the present law already does what TNEC recommended, it would seem that the proponents of this bill want to make sure that the TNEC recommendation cannot be made effective, either legislatively or through the gradual process of judicial inclusion and exclusion. It seems odd indeed that the TNEC recommendation should receive such scant consideration for 8 years while the very reverse of it finds such sudden favor in high places that it promises to become law within a few weeks. Experience and observation for 40 years have not brought to my attention any instances where the antitrust laws have been so easily strengthened as some supporters of the bill seem to believe. However, we have all seen a number of instances where they were weakened through hasty action.

S. 1008 CANCELS LAW OF CONDUIT AND BEECH NUT CASES

A most important aspect of this matter is that when we cancel the law of the Conduit case and of the Beech Nut case we remove the chief legal supports of the Pittsburgh Plus case. There is no charge or finding of conspiracy in the Pittsburgh Plus case. If count II of the Conduit case is not good law, I cannot see that count I of the Pittsburgh Plus case is good law. A lawyer can hardly accept the idea that a practice which is unlawful for United States Steel Corp. may be lawful for its competitors. In industries

composed of a few powerful competitors the Commission will find increasing difficulty in establishing conspiracy by extraneous evidence and will be effectively stymied by its inability to challenge the basing-point practice as an incipient restraint of trade. However, there is perhaps a form of ironic logic in the fact that as concentration of economic power grows apace it may be no longer fitting that we try to arrest restraints of trade in their incipiency. But to concede the futility of such effort just when the courts have crowned it with success makes it an obvious concession to expediency.

FRUSTRATION OF PRICE COMPETITION THROUGH BASING-POINT SYSTEM WILL BE RAMPANT

It being conceded that the purpose of the first section of the bill is to cancel the law of count II of the Conduit case no one can well argue that the proviso relating to monopolistic and oppressive practice has any substance so far as the basing-point practice is concerned. No court has yet held or been asked to hold, except in the Conduit case, that the basing-point practice as such is monopolistic or oppressive, or that it has a dangerous tendency unduly to hinder competition. The bill would block that quite hopeful and fundamental approach to the problem. It will take years to adjudicate the meaning of monopolistic and oppressive practice, during which monopoly and oppression through frustration of price competition through use of basing-point systems without extraneous evidence of conspiracy will be rampant.

UNITED STATES STEEL WOULD RELISH RETURN OF PITTSBURGH PLUS

I am sure United States Steel would be very happy over such a solution of its difficulty with the law as it now stands. No lawyer would relish the job of upholding the Pittsburgh Pius order under this bill or of modifying the order so as to preserve any of its potency. This is the case in which for 25 years the Commission has taken proper pride. With this bill as law the Commission in effect would have to say its pride has been misplaced for 25 years.

BASING-POINT SYSTEM HANDY INSTRUMENT FOR ELIMINATION OF PRICE COMPETITION COMPARED TO SLOT MACHINE AS HANDY INSTRUMENT FOR CROOKED GAMBLING

If this bill passes, a dangerous tendency unduly to hinder competition will no longer be a test of what is an unfair method of competition in this vital area of trade practice. As a matter of law the tendency could not be dangerous nor the hindrance to competition undue in the absence of conspiracy. Those who think that conspiracy can always be established where the dangerous tendency and undue hindrance exist are, in my judgment, living in a world of unrealistic fancy. The difficulty of getting compliance with orders even when conspiracy has been established is significant of the greater difficulty that will hereafter exist in establishing it in the first place. There will always be a number of cases that approximate the facts alleged in count II of the Conduit case and, yet, without additional evidence of conspiracy. Under the bill, the Commission would either have to let such cases alone, regardless of the dangerous tendency unduly to hinder competition, or it would have to establish conspiracy from those unaided facts. According to the critics of count II that should be a simple matter because count II sets forth a "conspiratorial situation," a phrase that to my mind is unlawyerlike and unrealistic. But, unless the Commission does let such cases alone, it will be resisted and attacked with little less force than it has been attacked as a result of the Cement and Conduit cases. The Supreme Court has found the basing-point system to be "a handy instrument for the elimination of any kind of price competition. If the industry-wide use of such a handy instrument is not an incipient restraint of trade the words have no meaning for me. To try to distinguish between the legitimate and the illegitimate use of the basing-point system with its systematic freight absorption is like trying to distinguish between the legitimate and illegitimate use of a slot machine which is such a handy instrument for crooked gambling. It is a source of the deepest disappointment to one who has devoted so many years to fighting monopolistic practices in this particular field to find that he has been too successful and that compromise is the order of the day.

BASING-POINT SYSTEM ADVERSE TO SMALL-BUSINESS ENTERPRISE—FAVORS BIG BUSINESS

The best economic opinion both within the Commission and without is that the basing-point system and freight absorption constitute a price structure that is skewed in a direction adverse to the ambitions of small enterprises and is weighted in favor of the large chain operator. Anyone who favors this bill therefore favors giving statutory support for a pricing structure which is slanted in favor of big business. We cry for an amended section 7 to prevent corporate acquisitions while we propose to wink at a pricing practice which promotes such acquisitions. To me it is a case of the right hand not knowing or not caring what the left hand is doing.

S. 1008, AS AMENDED, GIVES PRICE DISCRIMINATION A SPECIAL AND PREFERRED STATUS

Section 2 of the bill would amend the Clayton Act to give the price discriminations which are inherent in delivered-price systems and freight absorptions a special and preferred status. Under 2A of the bill the independent use of zone-delivered prices cannot be challenged as a price discrimination no matter how it injures competition, unless there are zone differentials which happen to cause such injury. This goes beyond anything that the proponents of S. 236 or S. 1008 have proposed so far as I know. It is an effort to give a statutory status to the ill-considered dictum of the Supreme Court in the Staley case regarding the absence of discrimination in a uniform zone-delivered price. But it flies in the face of the Supreme Court's statement (not dictum) in the same case that it is a discriminatory system where buyers adjacent to the seller's plant are not given the lower prices which their proximity entitles them to expect. Moreover, it precludes any challenge to zone-delivered prices as discriminatory on the theory that mill net is the real price which was the theory adopted by the Supreme Court in the Staley and Corn Products cases. Not content with defining price in terms of commercial law in section 4A, to which no one can object, section 2A makes zone-delivered prices nondiscriminatory regardless of the commercial law of price. Commercial law might make mill net the real price but discriminations in mill net would still be legalized under 2A. It is well to remember that the commercial law of price did not figure at all in the Glucose cases but the Supreme Court did not hesitate to find and measure the discrimination in terms of mill net, which was just what the Commission had done and which no one could do otherwise.

S. 1008 APPROVAL WOULD REQUIRE FEDERAL TRADE COMMISSION TO DISMISS DISCRIMINATION COUNT IN NATIONAL LEAD CASE

I do not understand how one can criticize the basing-point system because it contains phantom freight and freight absorption and at the same time accept the zone system which contains them both in more arbitrary form and degree. A basing-point system can conceivably eliminate phantom freight and depend wholly on freight absorption but a zone system must have both. A basing-point system involves some substantial adherence to the principle of due allowance for differences in cost of delivery; the zone system disregards it entirely. Once established and in operation there is no system which so neatly facilitates concurrent action to eliminate price competition without extraneous evidence of conspiracy as the zone system. The bill would put a premium on zone systems over basing-point systems. Approval of the bill would require the Commission to dismiss the discrimination count in the National Lead case, though I am informed that under commercial law mill net has been treated as the real price in that industry.

S. 1008 WOULD LEGALIZE PHANTOM FREIGHT

Section 4 C defines freight absorption to include situations where the actual freight is less than the average cost of transportation to the seller. This applies to zone systems only but, as already observed, this is surplusage since zone systems are legalized under section 2 A, even though they include phantom freight.

NORMAL METHODS OF CLARIFYING LAW REVERSED—PASSAGE OF S. 1008 WOULD BE A VOTE OF NO CONFIDENCE IN PRESENT METHODS

Under section 2 B of the bill it is noted that the standard of competitive injury is changed from "may be" to "will be." This means that for discrimination in price in the form of freight absorption there is a more onerous standard of competitive injury than for discrimination of other types. Experience certainly does not warrant this sort of discrimination in favor of freight absorption as against other types of price discrimination. I do not see the necessity for a statutory declaration of the right to maintain a customary differential above or below the price of a competitor when the statute also permits the withdrawal of the differential where necessary to meet the equally low price of a competitor. I do not believe the potentialities of this provision have been adequately explored.

But even though "will be" were changed to "may be" in the parenthetical clause of section 2 B, there would be a definite allergical reaction between the substantive part of the section which specifically exempts freight absorption from the law against price discrimination and the parenthetical attempt to restrict the scope of the exemption. Endless litigation would be necessary before the confusion implicit in this allergical relationship could be solved. In my judgment, the issue of clarification is a sham. The real issue is the manner and direction in which so-called clarification is to proceed, whether the Congress will intervene to reverse the normal method of clarifying the law through the case-by-case scrutiny of the Commission and of the highest Federal courts, the gradual process of judicial inclusion and exclusion. Enactment of the bill would be a vote of no confidence in that process.

S. 1008 WOULD LEGALIZE CUTTHROAT COMPETITION

It appears that the maximum amount of freight absorption which the bill would legalize is the total cost of transportation from point of shipment to place of delivery. That is more than is necessary for the successful operation of a basing-point system. Ordinarily the system operates by the systematic absorption of only part of the transportation cost, figured in terms of rail freight. I am aware of no usage in industry of the term "freight absorption" that is not associated with the matching of competitors' delivered prices and with the precise amount of freight absorption in predetermined forms and amounts that is needed to accomplish that result. I have no doubt that industries accustomed to such freight absorption would interpret the bill as legalizing that practice. But in permitting freight absorption to the

full extent of the freight involved the way is opened for some price leader whose leadership is not followed to independently absorb freight to such an extent as to substantially undercut the recalcitrant follower and force him back into price observance. If I am correct in this analysis of the bill the old Standard Oil tactics of geographical discrimination through unsystematic freight absorption would find sanction in a Federal statute were the bill to be passed.

S. 1008 SETS UP DOUBLE STANDARDS

Section 3 of the bill is a hodgepodge of the two standards of "may be" and "will be." The justification proviso should be changed from "will" to "may." As thus changed I would favor this portion of the bill, for it would merely ratify what the courts have said Congress meant by the present statute in the Standard Oil case. The objective test of injury is the only practicable way of determining good faith. Otherwise we might just as well substitute the words "with a pure heart" or "in good conscience," for that is how we would be interpreting good faith. We would be interpreting it as we would have to interpret the criminal provisions of section 3 of the Robinson-Patman Act (the Borah amendment). Needless to say, such an interpretation would kill the statute for all practical purposes, as Congress recognized when it amended the Clayton Act in 1936. The law of torts knows no such defense as subjective good faith.

DESIRE OF BUSINESS VERSUS PUBLIC INTEREST

In conclusion, many years ago a discerning friend observed to me that in the long run business always gets what it wants. Since then I have seen many instances where that has proved true. The present situation is a classic example. The force of my friend's observation is accented by the fact that men whose honesty of purpose and ability I have always admired, either in the Commission or in the Halls of Congress, apparently do not believe they are sacrificing any substantial public interest in giving business what it wants in this matter. While I cannot see it that way, I can only hope that time will prove me wrong if the bill is passed.

Time and my physical condition will not permit any more exhaustive presentation of my views at this time.

Very respectfully,

WALTER B. WOODEN.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

CALENDAR WEDNESDAY

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. Speaker, I wish to announce that the first order of business tomorrow will be the conference report on the second deficiency appropriation bill. After that the pay bill will be taken up.

At the conclusion of consideration of the pay bill, if sufficient time remains we will call up the bill H. R. 4963, for additional United States circuit and district judges.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. MARTIN of Massachusetts. Does the gentleman mean to say he is going to call up a third bill tomorrow?

Mr. MANSFIELD. Only if there is time.

Mr. MARTIN of Massachusetts. I may say that the Republicans hope to have a conference tomorrow. We want to do all the business that should be done, but if that judgeship bill could be deferred until Thursday it would probably meet our needs better.

Mr. MANSFIELD. I think I can assure the distinguished gentleman from Massachusetts that the bill H. R. 4963 to provide for additional United States circuit and district judges will be held over until Thursday.

The rest of the program for this week will be announced on Thursday.

Mr. MARTIN of Massachusetts. We have no objection to working on Fridays and Saturdays if it will help get us out of here.

TREASURY-POST OFFICE APPROPRIATION BILL, 1950

Mr. GARY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report and statement on the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

EXTENSION OF REMARKS

Mr. CASE of New Jersey. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a telegram which the Honorable Tracy S. Voorhees, Assistant Secretary of the Army, sent to the editor of Newsweek, correcting an erroneous quotation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Washington [Mr. MACK] is recognized for 10 minutes.

A SPECIAL ECONOMY SESSION OF CONGRESS NEEDED

Mr. MACK of Washington. Mr. Speaker, in the past 20 years the number of bureaus and commissions in our Federal Government has increased from 300 to 1,818. The number of employees on our Federal pay rolls has grown from 570,000 to almost 2,100,000. The salaries required to pay these Federal workers, in 20 years, has jumped from about $1,000,000,000 to almost $6,000,000,000 a year. The amount of money taken away from the people in Federal taxes has climbed from about $4,000,000,000 in 1930 to more than $44,000,000,000 in 1949.

During these 20 years Congress has held 24 regular and special sessions, every one of which increased Government spending and most of which imposed new and higher taxes on the people. It is now time that we hold one session of Congress devoted and dedicated entirely and exclusively to reducing Federal Government spending and to saving money for the American taxpayer.

I, therefore, urge my colleagues to hold, starting not later than September 1, a special economy session of the Congress that will be devoted solely to the consideration and adoption of such measures as will eliminate Government waste, promote Government economy, and tend to insure a balanced budget.

The decline in wholesale and retail sales which is now taking place, the present drop in farm prices and the increase, month after month, in the number of our unemployed should make it obvious to everyone that our Federal income next year will fall several billion dollars short of what it has been and below what is required to finance the Nation's present rate of spending.

This situation confronts the Congress with a dilemma that demands that we take one of three courses of action.

The Congress can do nothing, or little, and allow the present $252,000,000,000 debt to mount higher and higher and thereby run the risk of ultimate national financial collapse.

The Congress can raise Federal taxes which already are so high that they take about 33 percent of the entire national income and so burdensome that they are destroying that initiative and incentive which are essential to the success of our free enterprise system.

Or, we can take a third course, that of cutting Federal spending to such an extent that our income will at least equal our outgo or perhaps be even enough to justify some payment on our national debt or to provide for some additional reduction in taxes.

The mere announcement by Congress of its intention to hold a special economy session, devoted entirely and exclusively to the consideration of ways to reduce Federal spending, in my opinion, will go a long way towards halting the present recession before it goes too far.

Politicians, for years, have talked about economy in government but unfortunately they have not done much about it. While they have talked of economy the costs of government have gone up, up, and up. As a result, most citizens have lost faith that Congress ever will do much about cutting Government spending. Announcement that it is our intention to hold a special economy session of Congress to cut Government costs will give businessmen, investors and the public renewed faith that our Federal finances are to be made strong and solvent. Optimism will replace pessimism. This optimism will tend to restore investments and purchases to that high level which is necessary for the maintenance of prosperity, full employment and the orderly retirement of the national debt.

The Hoover report recommendations on the reorganization of the executive departments of the Federal Government, if adopted by Congress, we are told, will save $3,000,000,000 to $5,000,000,000 annually. Such a saving, over a period of 50 years, would aggregate $150,000,000,000 to $250,000,000,000 or enough to

almost wipe out the present colossal national debt.

If only the lower estimate of $3,000,000,000 a year in savings is achieved, that will mean a saving of $250,000,000 a month or almost $9,000,000 a day.

The very possibility of such enormous savings should cause all to realize that time is of the essence and prompt Congress to make haste in adopting as many as possible of the Hoover report recommendations as soon as possible.

The sooner Congress gets at the job of reducing Government spending and the more thoroughly it does that job, the smaller will be next year's Federal deficit. The sooner Congress cuts Government waste, the quicker confidence will be restored and the quicker the present recession will be turned into recovery and the growing present unemployment changed to increasing employment.

It is encouraging to know that some of the Hoover report recommendations already are en route through Congress and that more of them, no doubt, will be enacted before adjournment of the present regular session.

The Hoover report recommendations, however, are so numerous and, in some instances, their adoption involves so much new legislation that many of the economies in government which are attainable cannot be brought about during the few remaining busy weeks of this regular session.

Only by an economy session of Congress, devoted exclusively and entirely to cutting the costs of government can we obtain those maximum economies which the present economic situation of our country demands and which, judging from my mail, most of our constituents desire.

Furthermore, the potential savings in Government costs which are obtainable are so enormous, running, as I have stated, to $9,000,000 a day and $250,000,000 a month, that they justify all of us putting all our time and all our efforts for several months to the one undertaking of eliminating Government waste and reducing Government spending.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Washington [Mr. HORAN] is recognized for 10 minutes.

HOW ABOUT A FAIR DEAL FOR AMERICAN FARMERS?

Mr. HORAN. Mr. Speaker, this week in the city of Des Moines, Iowa, the leaders of the Democratic Party are busily telling the farmers of America about a wonderful new farm program which will bring them all prosperity and still allow city dwellers to eat in luxury for practically nothing. It sounds pretty good. I wish them every success. Our American farmer is a mighty precious citizen.

But here in Washington, D. C., this week, the officials representing the same political party in the Interdepartmental Committee on International Trade Agreements are actually deciding the fate of thousands of hard-working, honest-to-goodness farmers who only want to make a decent living without threat of being bankrupted by foreign produce being dumped on our markets. Our national cherry production today is in grave danger of disaster, entirely due to the manipulations of tariff and import policies of the administration which claims to be the farmer's friend. It is time that we began to realize that, in the field of priorities, the American farmer is entitled to first call on the American market.

Every Congressman from fruit-producing States is being deluged with reports that this year's cherry crop will not be picked—it will rot on the trees—unless the Government will remove the sword of cheap Italian imports which hangs over the heads of cherry growers. Marketing is at a standstill; processors do not dare to buy or can American cherries because they do not know today whether there will be a market for them tomorrow. They are faced with a proposal to cut the tariff on brined cherries imported from Italy. Faced with such competition, American growers and processors cannot hope to pay American wages and guarantee American working conditions for harvesting and marketing our own crop.

Of course, our State Department—which controls our trade policies—says it wants to stop communism in Italy by providing a market for her goods. But how many Communists will we have in America if we pull the rug out from under American farmers? Or does not the State Department know we have farmers in America who must also make a living—so they can pay the taxes which support the recovery program?

Farmers in America may have been fooled once last year. The Republican-controlled Eightieth Congress passed a Reciprocal Trade Act which guaranteed fair treatment to American producers, through the peril-point principle. Then the Democrats went out to Iowa last fall and made some statements which certainly had no more than half the truth in them about Republican policies and the farmers voted accordingly last November.

What happened? First it was lumber. Then apples and pears began flooding the country. After that it was beef that was imported in greater quantities. In May it was berries from Canada. Now it is cherries from Italy. To all of these double-crossing moves, the farmers affected have protested without success.

By now American agriculture should realize that the recovery of warring nations is being used by our State Department as an excuse to wreck one after another of our important farm crops.

The Republicans tried to do something about it—on behalf of American farmers. The welfare of the American farmer is definitely at stake in our current tariff policies. We should not wait until 1951 to make the corrections.

SPECIAL ORDER GRANTED

Mr. BRYSON asked and was given permission to address the House for 20 minutes on tomorrow at the conclusion of the legislative program for the day and following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include an address delivered by Secretary Brannan.

NATIONAL HOUSING BILL

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, as a member of the Rules Committee, I voted to report a rule for the consideration of the national housing bill, which I believe to be one of the most dangerous legislative proposals that has arisen in my memory.

It is certain that the bill will come to the floor for consideration, and since that is so I believe that considering it under a special rule will afford better opportunity for resistance than would be the case if considered under the new discharge rule, and that is my sole reason for the vote that I cast.

The bill takes home-building out of the field of private enterprise, and its adoption will fasten Government domination and political control over human shelter with assurance that complete statism soon will follow.

We are doing that which Russia so much desires. We are bankrupting our country. We know better. I know we know better, but for some reason we do not have the courage and strength of character to show it. Continuing as we are going our economy will meet with disaster, and if that should happen there will be no power this side of heaven that can prevent Russian domination of the whole world. I pray that we take counsel with conscience and with reason, and give common sense an opportunity to be heard. I appeal to the people, great and small, to realize what is going on, and come to the aid of their country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MURDOCK (at the request of Mr. PRIEST) for 5 days beginning Monday, June 13, on account of reburial of son killed in action.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. R. 1337. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes.

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1125. An act to amend section 16–415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1129. An act to amend section 16–416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative;

S. 1132. An act to amend section 137 of the Act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will have been probated;

S. 1133. An act to amend section 16–418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases;

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On June 10, 1949:

H. R. 1754. An act providing for the suspension of annual assessment work on mining claims held by location in the United States and enlarging the liability for damages caused to stock raising and other homesteads by mining activities.

On June 13, 1949:

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale; and

H. R. 4583. An act relating to telephone and telegraph service and clerk hire for Members of the House of Representatives.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 15, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

691. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of the Interior, transmitting one copy each of certain legislation passed by the Legislative Assembly and the Municipal Council of St. Croix and the Municipal Council of St. Thomas and St. John, was taken from the Speaker's table and referred to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee of conference. H. R. 4046. A bill making appropriations to supply deficiencies in certain appropriations (Rept. No. 791). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended; with an amendment (Rept. No. 792). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 188. Joint resolution to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY; with an amendment (Rept. No. 793). Referred to the Committee of the Whole House on the State of the Union.

Mr. MARSHALL: Committee on Public Lands. H. R. 4895. A bill to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes; without amendment (Rept. No. 79[illegible]). Referred to the Committee of the Whole House on the State of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 4846. A bill to promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense; and for other purposes; with an amendment (Rept. No. 796). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 4815. A bill to provide for medical services to non-Indians in Indian hospitals, and for other purposes; without amendment (Rept. No. 797). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILES: Committee on Public Lands. S. 276. An act to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in New Mexico, and for other purposes; without amendment (Rept. No. 798). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARING: Committee on Public Lands. H. R. 2386. A bill to provide for the establishment and operation of a rare and precious metals experiment station at Reno, Nev.; without amendment (Rept. No. 799). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 4584. A bill to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes; with an amendment (Rept. No. 800). Referred to the Committee of the Whole House on the State of the Union.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H. R. 562. A bill to amend section 801 (d) of the Federal Food, Drug, and Cosmetic Act, as amended, in relation to exports; with an amendment (Rept. No. 801). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 3765. A bill to promote the rehabilitation of the Sisseton-Wahpeton Sioux Tribe of Indians and better utilization of the resources of the Sisseton Reservation, and for other purposes; with an amendment (Rept. No. 802). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4800. A bill to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes; with an amendment (Rept. No. 803). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 5044. A bill to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes; with an amendment (Rept. No. 804). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRYSON: Committee on the Judiciary. H. R. 4948. A bill relating to the policing of the building and grounds of the Supreme Court of the United States; without amendment (Rept. No. 814). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARY: Committee of conference. H. R. 3083. A bill making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes (Rept. No. 815). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. H. R. 2592. A bill to authorize and direct the Secretary of the Interior to issue to John White Bear a patent in fee to certain lands; with an amendment (Rept. No. 794). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1601. A bill for the relief of the La Fayette Brewery, Inc.; with an amendment (Rept. No. 805). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 1017. A bill for the relief of John Aaron Whitt; with an amendment (Rept. No. 806). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 1782. A bill for the relief of the estate of Elwood Grissinger; with an amendment (Rept. No. 807). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 1795. A bill for the relief of Lewyt Corp.; without amendment (Rept. No. 808). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 1857. A bill for the relief of the estate of Josephine Pereira; without amendment (Rept. No. 809). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2253. A bill for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor; without amendment (Rept. No. 810). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2530. A bill for the relief of James R. Frazer; without amendment (Rept. No. 811). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2807. A bill for the relief of Loretta B. Powell; without amendment (Rept. No. 812). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 3408. A bill for the relief of Opal Hayes and D. A. Hayes; with an amendment (Rept. No. 813). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. NOLAND:

H. R. 5130. A bill to amend the Servicemen's Readjustment Act of 1944 to extend the period during which readjustment allowances may be paid; to the Committee on Veterans' Affairs.

By Mr. CANNON:

H. R. 5131. A bill to amend paragraph 207 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. DEGRAFFENRIED:

H. R. 5132. A bill granting an additional exemption of $600 for income-tax purposes for totally disabled dependents; to the Committee on Ways and Means.

By Mr. ELLSWORTH:

H. R. 5133. A bill authorizing the Kentuck drainage district to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Kentuck Slough; to the Committee on Public Works.

By Mr. HILL:

H. R. 5134. A bill to promote development in cooperation with the State of Colorado of the fish, wildlife, and recreational aspects of the Colorado-Big Thompson Federal reclamation project; to the Committee on Public Lands.

By Mr. REED of New York:

H. R. 5135. A bill to confer jurisdiction on the courts of the State of New York with respect to civil actions between Indians or to which Indians are parties; to the Committee on Public Lands.

By Mr. CELLER:

H. R. 5136. A bill to require a witness seeking immunity from prosecution under certain acts to claim his privilege against self-incrimination; to the Committee on the Judiciary.

By Mr. COMBS:

H. R. 5137. A bill to provide for the appointment of an additional Federal district judge for the eastern district of Texas; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 5138. A bill to increase the compensation of Members of Congress; to the Committee on Post Office and Civil Service.

By Mr. PATMAN:

H. R. 5139. A bill to increase fines to $50,000 under sections 1, 2, and 3 of the Sherman Act; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 5140. A bill to provide for the enlistment of aliens in the Regular Army; to the Committee on Armed Services.

By Mr. PLUMLEY:

H. R. 5141. A bill to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; to the Committee on Armed Services.

By Mr. SADOWSKI:

H. R. 5142. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. THORNBERRY:

H. R. 5143. A bill to authorize the Postmaster General to perform certain administrative functions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WELCH of California:

H. R. 5144. A bill to authorize the appointment of one additional district judge for the northern district of California and one additional district judge for the southern district of California; to the Committee on the Judiciary.

By Mr. BLAND (by request):

H. R. 5145. A bill to provide for the addition of certain lands to the George Washington Birthplace National Monument in the State of Virginia, and for other purposes; to the Committee on Public Lands.

By Mr. LANE:

H. R. 5146. A bill to create a Federal Unemployment Relief Administration to relieve unemployment by providing work on local public improvement and maintenance projects; to the Committee on Public Works.

By Mr. VAN ZANDT:

H. R. 5147. A bill relating to the use of natural gas as fuel at the atomic energy installation at Oak Ridge, Tenn.; to the Joint Committee on Atomic Energy.

By Mr. DOYLE:

H. Con Res. 92. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. GORDON:

H. Con. Res. 93. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. JOHNSON:

H. Con. Res. 94. Concurrent resolution to seek development of the United Nations into a world federation; to the Committee on Foreign Affairs.

By Mr. PETERSON:

H. Res. 251. Resolution providing for the consideration of H. R. 4424, a bill to provide for the settlement of certain parts of Alaska by war veterans; to the Committee on Rules.

By Mr. DAWSON:

H. Res. 252. Resolution providing for the expenses of conducting the studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Expenditures in the Executive Departments; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, requesting the adoption of Senate Joint Resolution 4 or House Joint Resolution 3, authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to supplemental direct loans to veterans; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States relative to the calling of a convention for the sole purpose of proposing amendments to the Constitution which are appropriate to authorize the United States to negotiate with other nations, subject to later ratification, a constitution of a world federal government, open to all nations, with limited powers adequate to assure peace; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 5148. A bill to confer jurisdiction upon the District Court for the Territory of Alaska to hear, determine, and render judgment upon the claim, or claims, of Hilda Links and E. J. Ohman, partners, and Fred L. Kroesing, all of Anchorage, Alaska; to the Committee on the Judiciary.

By Mr. BENTSEN:

H. R. 5149. A bill for the relief of Fernando Aboitiz; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 5150. A bill for the relief of Ira D. Doyal and Clyde Doyal; to the Committee on the Judiciary.

H. R. 5151. A bill for the relief of the estate of Lourdine Livermore and the estate of Dorothy E. Douglas; to the Committee on the Judiciary.

By Mr. GOODWIN:

H. R. 5152. A bill for the relief of Manuel M. Leonardo; to the Committee on the Judiciary.

By Mr. LEONARD W. HALL:

H. R. 5153. A bill to provide for the advancement on the retired list of the Army of Maj. Robert L. Nesbit; to the Committee on Armed Services.

By Mr. HEFFERNAN:

H. R. 5154. A bill for the relief of the estate of Anthony Kursa, deceased; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 5155. A bill for the relief of Francesca Lucareni, a minor; to the Committee on the Judiciary.

By Mr. LEMKE (by request):

H. R. 5156. A bill for the relief of Avak Hagopian; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5157. A bill for the relief of the legal guardian of Anthony Albanese, a minor; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 5158. A bill for the relief of Marie C. Araujo; to the Committtee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 5159. A bill for the relief of Mother Anna DiGiorgi; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 5160. A bill for the relief of Mrs. Giustina Schiano Lomoriello; to the Committee on the Judiciary.

By Mr. WOLVERTON:

H. R. 5161. A bill for the relief of Mortimer L. Nottebrock; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. Res. 253. Resolution for the relief of John B. H. Waring; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1073. By Mr. HALE: Petition of the Maine Society of the Sons of the American Revolution, asking for an independent and impartial investigation of interstate traffic in subversive textbooks and teaching materials; to the Committee on Rules.

1074. By Mr. HART: Petition of the seventy-fifth annual convention of the diocese of Newark, urging that Members of Congress from New Jersey be notified that the convention is in favor of a program of slum clearance and the extension of low-rent housing; to the Committee on Banking and Currency.

1075. Also, petition of the Holy Name Society of St. Augustine's Church, of Union City, N. J., unequivocally condemning the Communist government in Hungary for imprisonment of His Eminence Josef Cardinal Mindzenty and urging the President and the Congress of the United States to use every effort to effect the release of the cardinal and to guarantee to all men the freedom of

religion; to the Committee on Foreign Affairs.

1076. By Mr. HESELTON: Resolution of the General Court of the Commonwealth of Massachusetts, memorializing the Secretary of State to increase the status of the representative to the Irish Republic to that of an ambassador; to the Committee on Foreign Affairs.

1077. By Mr. NORBLAD: Petition signed by Charles B. Wallace and 93 other citizens of the State of Oregon, urging enactment of the railroad retirement bills H. R. 4282, 2741, 4334, and 2146; to the Committee on Interstate and Foreign Commerce.

1078. Also, petition signed by L. J. Berke and 73 other citizens of the State of Oregon, urging enactment of the railroad retirement bills H. R. 4282, 2741, 4334, and 2146; to the Committee on Interstate and Foreign Commerce.

1079. By Mr. PLUMLEY: Petition of residents of Springfield, Vt., requesting legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1080. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, memorializing Congress to enact the 75-cent minimum-wage bill; to the Committee on Education and Labor.

SENATE

WEDNESDAY, JUNE 15, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, again we bow at this altar of prayer, as into the calm and confidence of Thy presence we bring our drained and driven souls that the benediction of Thy peace may fall upon our restless lives. Let not any indifference or callousness in us make Thy presence unreal.

Make sensitive our spirits that through Thy grace and power we may be cleansed and strengthened. Come close to us one by one, for we can do nothing together unless singly we are clean and strong.

In a world that is a neighborhood and must be a brotherhood or perish, join us to that saving minority that across the boundaries of prejudice, intolerance, and hatred extends the dominion of understanding and good will.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 14, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 14, 1949:

S. 835. An act authorizing the issuance of a patent in fee to James Madison Burton;

S. 836. An act authorizing the Secretary of the Interior to issue a patent in fee to Clarence M. Scott;

S. 837. An act authorizing the Secretary of the Interior to issue a patent in fee to Irene Scott Bassett;

S. 1036. An act authorizing the issuance of a patent in fee to Lavantia Pearson;

S. 1037. An act authorizing the issuance of a patent in fee to Virginia Pearson;

S. 1038. An act authorizing the issuance of a patent in fee to Ethel M. Pearson George;

S. 1040. An act authorizing the issuance of a patent in fee to Leah L. Pearson Louk;

S. 1057. An act authorizing the Secretary of the Interior to issue a patent in fee to Kathleen Doyle Harris;

S. 1058. An act authorizing the Secretary of the Interior to issue a patent in fee to June Scott Skoog; and

S. 1142. An act authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Pearl Scott Loukes.

On June 15, 1949:

S. 42. An act for the relief of Ellen Hudson, an administratrix of the estate of Walter R. Hudson;

S. 191. An act for the relief of the legal guardian of Louis J. Waline; and

S. 408. An act for the relief of the estate of William E. O'Brien.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 242) extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will; and

S. 1134. An act to amend section 13-108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions.

REPORT OF COMMITTEE FILED DURING RECESS

Under authority of the order of the Senate of the 14th instant,

Mr. ELLENDER, from the Committee on Appropriations, to which was referred the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, reported it on June 14, 1949, with amendments, and submitted a report (No. 502) thereon.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Morse
Anderson	Hendrickson	Mundt
Brewster	Hill	Murray
Bricker	Hoey	Neely
Bridges	Holland	O'Mahoney
Butler	Humphrey	Reed
Byrd	Hunt	Robertson
Cain	Ives	Russell
Capehart	Jenner	Saltonstall
Chapman	Johnson, Colo.	Schoeppel
Chavez	Johnson, Tex.	Smith, Maine
Connally	Kefauver	Sparkman
Cordon	Kem	Taft
Donnell	Kerr	Taylor
Douglas	Knowland	Thomas, Okla.
Downey	Langer	Thomas, Utah
Ecton	Lodge	Thye
Ellender	Long	Tobey
Ferguson	Lucas	Tydings
Flanders	McCarthy	Watkins
Frear	McClellan	Wherry
Fulbright	McFarland	Wiley
George	McGrath	Williams
Gillette	McKellar	Withers
Graham	Martin	Young
Green	Maybank	
Gurney	Millikin	

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Nevada [Mr. MALONE] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be

permitted to introduce bills and joint resolutions, and incorporate routine matters in the RECORD, as would be done in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

METHODS OF COUNTERACTING BUSINESS RECESSION

Mr. TOBEY. Mr. President, I wish to address an inquiry to the distinguished majority leader. It may seem irrelevant, but I think it bears on the national situation.

The Members of this body of both parties, and the people of the country as a whole, are grievously concerned and very apprehensive about the recession in business which has taken place. Last night I thought about a piece of legislation which Congress passed 3 or 4 years ago, known as the Full Employment Act.

The distinguished Vice President was chairman of the conferees on the part of the Senate at the time that bill was passed. The act was supposed to enable the Nation to meet an eventuality such as faces it today, with declining employment and recession in business, and to take time by the forelock, since we are aware that history has a bad habit of repeating itself. Under the program set forth in the act it might be well that plans be made to forestall such a recession as much as possible.

Under that act, as the Senator from Illinois knows, the Federal Government looked first to free enterprise to meet the need, and if that was inadequate, then to the States, to set up a program of public works of constructive value, then if such State programs were inadequate, the Federal Government itself would have ready a comprehensive program of worth-while public works to meet the challenge of unemployment, and hold the line.

I shall state the question which is in my mind. Perhaps the distinguished Senator from Illinois does not know the answer, but I should like to ask him, as the head of his party in the Senate, if he knows what steps, if any, constructively and genuinely, have been taken to forestall such an emergency under the terms of the Full Employment Act.

Mr. LUCAS. Mr. President, I will say to the Senator from New Hampshire that I cannot give a categorical answer to his question. From the information I have I am certain the Federal Government does have plans with respect to placing before the country a Federal works project program in the event the so-called recession which evidently the Senator from New Hampshire has in mind became serious enough to do so.

Mr. President, I am not one of those who believe that economic conditions are as bad as they are being painted. I appreciate the fact that a number of people are out of employment at the present time, and that perhaps more will be out of employment before conditions finally level off. But I am an optimist about the future of America. I am not in the category of those who are constantly predicting a major depression, or a recession in major terms. I believe the country will be much better off if the leaders of industry, labor, and officials of government will, instead of talking about a recession and a depression, try to bring about calm thought and judgment on the part of the people of America, rather than try to stress fear of the economic trend.

The Senator from New Hampshire knows there is plenty of consumer buying power in this country at the present time. There is plenty of money in this country at the present time. In my own individual judgment—and I do not say it is infallible, of course—all we have to fear is fear itself, as the great Franklin D. Roosevelt said during the depression in 1933.

Mr. President, it was only 9 months ago that many were complaining about high prices. The cry went forth, "Bring prices down." Now that prices are leveling off many are crying out that a depression is around the corner. I simply do not believe there is anything seriously disturbing about the Nation's economy at the moment. I am satisfied, however, that those who are now in charge of the executive branch of the Government are making plans to meet any emergency that might arise. It will be done expeditiously and effectively. I will say to my distinguished friend, that I shall make inquiry through the agencies of Government on the question he propounded and give him a complete answer.

Mr. TOBEY. I appreciate the Senator's cooperation. I share the feelings of the Senator from Illinois. I think he will credit me with no partisan political motive in rising to speak on this subject. I think it is up to the Members of the Senate, representing the 48 States, to be concerned with the signs and portents on the horizon, which in many ways are such as at least to excite our apprehension. We should take time by the forelock if we can.

I appreciate the kindness of the Senator from Illinois. I should be greatly pleased if some day at his convenience he would inform the Senate what steps have been taken under what I regard as a constructive piece of legislation. We should be taking some measures of preparedness. I quite agree with the Senator that the recession is a normal thing, and nothing to be excited about. It is perfectly natural that the extreme profits and high prices of the past 3 or 4 or 5 years should be only temporary. They do not represent the norm in America. At the same time, we would be derelict in our duty if we did not express our concern and try to see what can be done to build up an assurance against such an eventuality. Does not the Senator agree?

Mr. LUCAS. I wholeheartedly agree with the distinguished Senator from New Hampshire. The very reason for passing the act was to meet any economic crisis which might arise. We passed the act at a time when America was strong financially and economically. I am satisfied, as I previously stated, that plans have been made. Exactly what the plans are, I cannot advise the Senator in detail. However, as I stated a moment ago, I shall be glad to make further inquiry and furnish the Senate with whatever information I can obtain.

Mr. TOBEY. In the inquiry which the Senator proposes to make, would he be so kind as to find out not only what the Federal Government has done, but whether or not the Federal Government has communicated with the 48 States to find out what they have done? There should be teamwork all along the line.

Mr. LUCAS. I agree with the Senator that the entire question should be explored, not only from the standpoint of the Federal Government, but also from the standpoint of the State governments, to see what cooperation has been had between the Federal Government and the State governments, and what has been done.

Mr. TOBEY. I recall that when the bill was on the floor of the Senate—and I say it in no spirit of immodesty—I had a deep conviction of the need to anticipate direful times. I stood on the floor of the Senate and took the thrusts of the spears of many Senators on both sides of the aisle who minimized, decried, and ridiculed the legislation. I believed in it then. I believe in it now. It is a measure of prudence, taking time by the forelock and being ready for any appearance of evil along the lines of industrial decline.

I thank the Senator from Illinois.

The VICE PRESIDENT. This discussion is out of order. Under the unanimous-consent agreement Senators are permitted to present routine matters without debate. The Chair feels obligated to enforce the order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED PROVISION AND SUPPLEMENTAL ESTIMATE, DEPARTMENT OF INTERIOR (S. DOC. NO. 84)

A communication from the President of the United States, transmitting a draft of a proposed provision and a supplemental estimate of appropriation, amounting to $500,000, Department of the Interior, fiscal year 1950, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Felipe Dominquez Hurtado from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted by him to the Senate on April 1, 1949; to the Committee on the Judiciary.

LAWS PASSED BY LEGISLATIVE ASSEMBLY AND MUNICIPAL COUNCILS OF ST. CROIX AND ST. THOMAS AND ST. JOHN, V. I.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislative Assembly and the Municipal Council of St. Croix, and the Municipal Council of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman of the United States Tariff Commission, transmitting, pursuant to law, parts III and IV of the report of the Commission on the Operation of the Trade Agreements Program, June 1934 to April 1948, entitled "Trade-Agreements Con-

cessions Granted by the United States" and "Trade-Agreements Concessions Obtained by the United States," respectively (with accompanying documents); to the Committee on Finance.

REPORT OF NATIONAL ACADEMY OF SCIENCES

A letter from the president of the National Academy of Sciences, Washington, D. C., transmitting, pursuant to law, the annual report of the Academy for the fiscal year ended June 30, 1948 (with an accompanying report); to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California, relating to the use of the water of the Colorado River; to the Committee on Interior and Insular Affairs.

(See text of joint resolution printed in full when presented by Mr. KNOWLAND on June 14, 1949, p. 7618, CONGRESSIONAL RECORD.)

By Mr. McMAHON:

A joint resolution of the General Assembly of the State of Connecticut; to the Committee on the Judiciary:

"Resolved by this assembly:

"Whereas war is now a threat to the very existence of our civilization because modern science has produced weapons of war which are overwhelmingly destructive and against which there is no sure defense; and

"Whereas the effective maintenance of world peace is the proper concern and responsibility of every American citizen; and

"Whereas the people of the State of Connecticut, while now enjoying domestic peace and security under the laws of their local, State, and Federal Government, deeply desire the guaranty of world peace; and

"Whereas all history shows that peace is the product of law and order, and that law and order are the product of government; and

"Whereas the United Nations, as presently constituted, although accomplishing great good in many fields, lacks authority to enact, interpret, or enforce world law, and under its present Charter is incapable of restraining any major nations which may foster or foment war; and

"Whereas the Charter of the United Nations expressly provides, in articles 108 and 109, a procedure for reviewing and altering the Charter; and

"Whereas several nations have recently adopted constitutional provisions to facilitate their entry into a world federal government by authorizing a delegation to such a world federal government of a portion of their sovereignty to endow it with powers adequate to prevent war; and

"Whereas the State of Connecticut has memorialized Congress, both through passage by the general assembly in 1943 of the so-called Humber resolution and through the world government referendum of 1948, overwhelmingly approved by the voters of the State, to initiate steps toward the creation of a world federal government: Now, therefore, be it

"Resolved by the Senate and House of Representatives of the General Assembly of the State of Connecticut, That application is hereby made to the Congress of the United States, pursuant to article V of the Constitution of the United States, to call a convention for the sole purpose of proposing amendments to the Constitution which are appropriate to authorize the United States to negotiate with other nations, subject to later ratification, a constitution of a world federal government, open to all nations, with limited powers adequate to assure peace, or amendments to the Constitution which are appropriate to ratify any world constitution which is presented to the United States by the United Nations, by a world constitutional convention or otherwise; and be it further

"Resolved, That the secretary of the State of Connecticut is hereby directed to transmit copies of this application to the Senate and the House of Representatives of the Congress, to the Members of the said Senate and House of Representatives from this State, and to the presiding officers of each of the legislatures in the several States, requesting their cooperation.

"Given under my hand and the seal of the State, this 1st day of June in the year of our Lord 1949.

"CHESTER BOWLES,
"Governor.

"By His Excellency's command:
"WINIFRED McDONALD,
"Secretary."

The VICE PRESIDENT laid before the Senate a joint resolution of the General Assembly of the State of Connecticut, identical with the foregoing, which was referred to the Committee on the Judiciary.

INTERSTATE TRAFFIC IN SUBVERSIVE TEXTBOOKS—PETITION

Mr. MARTIN. Mr. President, I present for appropriate reference a petition of the Pennsylvania Society of the Sons of the American Revolution, Pittsburgh, Pa., asking a congressional investigation into interstate traffic in subversive textbooks and teaching materials, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the National Society and the California Society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 7th day of June 1949 in the city of Pittsburgh State of Pennsylvania.

PENNSYLVANIA SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By JOHN A. FRITCHEY II,
President.
EDWIN B. GRAHAM,
Secretary.

MUNDT-NIXON ANTICOMMUNISM BILL—MEMORIAL

Mr. LANGER. Mr. President, I present for appropriate reference a letter from Rev. Charles A. Hill, pastor of the Hartford Avenue Baptist Church, of Detroit, Mich., remonstrating against the enactment of the so-called Mundt-Nixon anticommunism bill, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the letter was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

HARTFORD AVENUE BAPTIST CHURCH,
Detroit, Mich., June 13, 1949.

Senator WILLIAM LANGER,
Senate Building, Washington, D. C.

HONORABLE SIR: I wish to convey to you the complete opposition of my church of over 1,200 members to the Mundt-Nixon bill which will come up before this session of Congress.

We are as much opposed to organizations seeking to overthrow the Government by violence as anyone in America. On the other hand we are against this method of calling labor groups or any group, Communist or Communist fronts, without a fair hearing and if they so desire in a court where they can be tried by the peers. The latitude of this bill makes it possible for any party or group in power, to label their opponents regardless of the honesty of their motive, Communist or Communist front and as the bill now seems they have no redress. Such a bill will only create more confusion and unrest in the country. Just as no type of legislation could hold back the antislavery movement, neither will any type of legislation which has to be for free living people of America but which opposed to Jim Crow and segregation in any form, these individuals will give their life for democracy where everyone is equal regardless of race, creed, or color, or national origin. The Mundt-Nixon bill will only drive the subversive forces underground where other effectiveness will be much more dangerous.

Trusting that you will use your influence against any form of legislation that points to thought control, we are yours for a real democracy.

Rev. CHARLES A. HILL,
Pastor, Hartford Avenue Baptist Church.

THE UNEMPLOYMENT PROBLEM—LETTER FROM UNIVERSAL AFRICAN NATIONALIST MOVEMENT, INC.

Mr. LANGER. Mr. President, I have received a letter from the Universal African Nationalist Movement, Inc., of New York, N. Y., signed by Benjamin Gibbons, president, and Benjamin W. Jones, executive secretary, relating to the unemployment problem, which I ask unanimous consent to have printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSAL AFRICAN NATIONALIST MOVEMENT, INC.,
New York N. Y., June 11, 1949.

Hon. WILLIAM LANGER,
United States Senator, Senate Office Building, Washington, D. C.

HONORABLE SIR: Inasmuch as we had replied to your of the 7th inst., it became evident to us, after its dispatch, that there are certain suggestions we can make; therefore we hasten to transmit them.

Since the list of unemployed is growing rapidly, it becomes the duty of the leaders and administrators of the Nation to find a solution to the problem; so when we turn to statistics furnished by the Government we find the situation quite appalling, for if we turn to the World Almanac and Book of Facts we will find on page 312, column 4, under the caption Beneficiaries, as of June 30, 1948, that there were 3,820,774 persons receiving unemployment compensation at the rate of an average of $18.17 per week; mark you, this does not represent all those whose status were of such that they were not covered by this insurance; but we will take that figure for the basis of our argument; if the ratio of 10 percent was used,

which represents the percentage of persons of African blood and descent in the Nation; from this we will get an average of 382,077 persons of our race receiving $18.17 per week, a total of $6,942,339.09 among them every week, or a grand total of $361,001,632.68 a year, if the number of unemployed is not increased; so in 5 years we will find a tremendous strain on the Nation's economy to the tune of the stupendous sum of $1,805,008,163.40 being spent to keep this vast amount of unemployed sapping and draining the life's blood of the Nation, which does not make good common sense.

This same amount of money, if used wisely, by being appropriated in one lump sum, would enable this same amount of people to go to Liberia to engage themselves in useful occupation, producing raw materials and other much needed goods that would serve as a stopgap in the increased list of unemployed; for this money, being used as dead wood, by only just going to the grocer and the rent man, would enable these people to purchase ships, machines, engines, tools, building materials, and things too numerous to mention, and would not only give these people a longer and better lease on life, but their productivity of much needed goods, and the industrialization of their newly established community, would build a mighty and formidable bridge of commerce between the two countries; thus killing two birds with one stone.

It must be borne in mind, no matter how great a Nation might be, it cannot continue peeling out dole to so vast an amount of unemployed, while being engaged in so great a responsibility, that of aiding and assisting almost two-thirds of the nations, without seriously impairing the fabric of its economy; so, while this opportunity presents itself, it is to the best interest of this Nation that advantage be taken of it, because, in this rapidly changing world, no one can guess from one day to the other what serious developments will ensue; people everywhere are crying and seeking for freedom, and if pushed in a tight corner, being squeezed to death, as it were, will seek a way out, and will take a chance of accepting any aid and assistance from any source, so long as it appears to be a helping hand; a desperate man loses the power to think discreetly and will do almost anything in the act of self-preservation.

We do think that if and when the bill comes up for a hearing, if these arguments would be advanced, it might be the means of enlightening many who might have a different view on the subject, for if there should be something done in behalf of the African peoples of the world it is now, because of their deplorable plight they are restive, very much so, and the only way a cancer can be cured is to attack it in its embryonic stage, lest it might develop and prove fatal.

We are hoping and trusting for the best, and are praying that the enactment of this bill will be hastened; so while invoking the care and keeping of a benign Father on you and yours, we shall expect an early reply, remaining as ever, most respectfully,

Yours very truly,

BENJAMIN GIBBONS,
President.

BENJ. W. JONES,
Executive Secretary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. ROBERTSON, from the Committee on Banking and Currency:

S. 1664. A bill to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes; with an amendment (Rept. No. 504).

AMENDMENT OF NATIONAL HOUSING ACT—REPORT OF A COMMITTEE

Mr. MAYBANK. Mr. President, from the Committee on Banking and Currency, I report an original joint resolution to amend the National Housing Act, as amended, and I submit a report (No. 505) thereon.

The VICE PRESIDENT. The report will be received, and the joint resolution will be placed on the calendar.

The joint resolution (S. J. Res. 109) to amend the National Housing Act, as amended, was read twice by its title, and ordered to be placed on the calendar.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported he presented to the President of the United States the following enrolled bills:

On June 14, 1949:

S. 1125. An act to amend section 16-415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1129. An act to amend section 16-416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualification as such personal representative;

S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated;

S. 1133. An act to amend section 16-418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases;

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

On June 15, 1949:

S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will; and

S. 1134. An act to amend section 13-108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MCKELLAR:

S. 2081. A bill for the relief of William M. Greene; to the Committee on the Judiciary.

By Mr. MARTIN:

S. 2082. A bill for the relief of Yan Wrobel; to the Committee on the Judiciary.

By Mr. VANDENBERG:

S. 2083. A bill to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo Locks; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2084. A bill for the relief of Jackson Riley Holland; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself and Mr. FLANDERS):

S. 2085. A bill to amend the Employment Act of 1946 with respect to the Joint Committee on the Economic Report; to the Committee on Banking and Currency.

By Mr. THOMAS of Oklahoma:

S. 2086. A bill transferring management of certain public lands from the Agriculture Department to the Fort Sill Indian School in Oklahoma for agriculture uses; to the Committee on Agriculture and Forestry.

By Mr. MCGRATH (for Mr. WAGNER):

S. 2087. A bill for the relief of Anna Bartok; to the Committee on the Judiciary.

(Mr. MAYBANK, from the Committee on Banking and Currency, reported an original joint resolution (S. J. Res. 109) to amend the National Housing Act, as amended, which was ordered to be placed on the calendar, and appears under a separate heading.)

NATIONAL LABOR RELATIONS ACT OF 1949—AMENDMENTS

Mr. IVES submitted amendments intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. TAFT for title III of the amendment of Mr. THOMAS of Utah dated May 31, 1949, to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. DOUGLAS (for himself and Mr. AIKEN) submitted amendments intended to be proposed by them, jointly, to the amendment proposed by Mr. THOMAS of Utah as a substitute for the committee amendment to Senate bill 249, supra, which were ordered to lie on the table and to be printed.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 242) extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad, was read twice by its title, and referred to the Committee on Finance.

LABOR SITUATION IN THE HAWAIIAN ISLANDS—CORRESPONDENCE BETWEEN SENATOR MORSE AND EARL B. WILSON

[Mr. MORSE asked and obtained leave to have printed in the RECORD correspondence between him and Mr. Earl B. Wilson, of the California & Hawaiian Sugar Refining Corp., regarding the strike situation in Hawaii, which appears in the Appendix.]

MEMORIAL DAY ADDRESS BY REV. JOHN S. STRENG

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a Memorial Day address delivered by Rev. John S. Streng, pastor of St. John's Lutheran Church, Beatrice, Nebr., before the American Legion post at Fairbury, Nebr., on May 30, 1949, which appears in the Appendix.]

VILLANOVA COLLEGE COMMENCEMENT ADDRESS BY HON. JAMES P. McGRANERY

[Mr. McCARRAN asked and obtained leave to have printed in the RECORD the commencement address delivered by the Honorable James T. McGranery, judge of the United States District Court, Eastern Division of Pennsylvania, to the graduates of Villanova College, June 6, 1949, which appears in the Appendix.]

REMOVAL OF FEDERAL RENT CONTROL—EDITORIAL FROM CLEVELAND PLAIN DEALER

[Mr. BRICKER asked and obtained leave to have printed in the RECORD an editorial entitled "Thwarting Home Rule," published in the Cleveland Plain Dealer of June 3, 1949, which appears in the Appendix.]

THE TRUMAN-BYRD CONTROVERSY—EDITORIAL COMMENT

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD a series of editorial comments on the so-called Truman-Byrd controversy, which appear in the Appendix.]

THE COMMUNIST THREAT TO HAWAII—EDITORIAL FROM HONOLULU ADVERTISER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Our Misguided Friend," published in the Honolulu Advertiser of May 31, 1949, which appears in the Appendix.]

PROPOSED BASING-POINT LEGISLATION

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a letter from Rankin Peck, president of the National Congress of Petroleum Retailers, relative to Senate bill 1008, which appears in the Appendix.]

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL], for himself and other Senators, to the so-called Thomas substitute.

Mr. HILL obtained the floor.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HILL. I yield for a question.

Mr. ELLENDER. I desire to ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5060. I can assure the Senator that it will not require very long to enact the bill. I ask the Senator if he will permit me to submit that request at this time.

Mr. HILL. Mr. President, I do not think it will take more than a few minutes to dispose of the pending amendment. The amendment has been pending since a week ago last Monday. I was about to make a very brief statement on the amendment. I do not think there will be very much debate. I wonder if the Senator will allow us to dispose of the amendment first.

Mr. ELLENDER. How long will it take?

Mr. HILL. I assure the Senator that I do not think it will take very long.

The VICE PRESIDENT. Is there objection to the request of the Senator from Louisiana?

Mr. HILL. Mr. President, I did not yield for that purpose. I said I would yield for a question.

The VICE PRESIDENT. The question has been asked and answered.

Mr. HILL. Mr. President, the amendment under consideration is very simple. It adds a new paragraph, subsection (3), to section 8 (b) of the National Labor Relations Act of 1935, as proposed to be reenacted and amended.

If this amendment were adopted, the language would read as follows——

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. I ask the distinguished Senator from Alabama if it is his intention, at the conclusion of his remarks, to try to obtain a vote on the pending amendment.

Mr. HILL. I very much hope that we may have a vote and dispose of the amendment.

If the amendment is agreed to, the subsection in the bill will read as follows:

(b) It shall be an unfair labor practice for a labor organization—

* * * * *

(3) to refuse to bargain collectively with an employer, subject to the provisions of section 9 (a).

It is well at the outset to compare this amendment with the provisions now in the bill which place upon employers the duty to bargain collectively. These are the provisions of the Wagner Act, as well as those of the present law:

(a) It shall be an unfair labor practice for an employer—

(6) to refuse to bargain collectively with the representatives of his employees, subject to the provisions of section 9 (a).

So far as possible, Mr. President, the same language is followed, therefore, with respect to labor organizations as is now written into the law with respect to employers. The same general duties of meeting and bargaining in good faith will be imposed by the amendment upon both groups at the bargaining table.

The amendment is consistent with the spirit, the policy, and the purpose of the proposed legislation now before the Senate. The purpose is the same as that of the original Wagner Act, namely, to remove obstructions in the path of free and peaceful collective bargaining in the interest of harmonious industrial relations.

Mr. President, if this country wishes to remain free, in my opinion, it must have a true national policy of free collective bargaining, which the Thomas bill would reestablish. By that, I mean that employers and employees must be encouraged to make their own private collective contracts. The history of the past 50 years has shown that individuals cannot go up single handed and alone and bargain with corporations, for when they attempt to do so, the result is dictation by management. If we fail to encourage equal and mutual collective bargaining, I fear the ultimate result will be dictation by the Government as to the terms and conditions of employment, enforced by law.

Collective bargaining is the middle ground between dictation by management, on the one hand, and dictation by Government, on the other hand. The more collective bargaining we have, the more freedom we shall have—freedom of true private contract with equal bargaining power, freedom from domination by Government or domination by management, freedom of enterprise in the face of modern industrial realities. That is what the pending amendment seeks to bring about.

As a matter of fact, Mr. President, the present provisions of the bill, as now written, head in this direction. For example, section 204, dealing with mediation and arbitration, to be found on page 29, beginning in line 25, and continuing on page 30, contains the following:

It shall be the duty of employers and employees and their representatives to—

(a) exert every reasonable effort to make and maintain collective bargaining agreements for definite periods of time.

That provision, now written in the bill, reflects Federal labor policy, just as does another provision contained in section 8 (c) of the amendments of the bill to the Wagner Act. The latter provision appears on page 12, in line 22, reading as follows:

It shall be an unfair labor practice for an employer or a labor organization to terminate or modify a collective-bargaining contract covering employees in an industry affecting commerce unless the party desiring such termination or modification notifies the United States Conciliation Service of the proposed termination or modification at least 30 days prior to the expiration date of the contract, or 30 days prior to the time it is proposed to make such termination or modification, whichever is earlier.

The provision I have just quoted is in the interest of stimulating, encouraging, and assisting the collective-bargaining process, of seeking to encourage and assist both management, on the one hand, and labor, on the other hand, to come together and bargain collectively. Of course, normally, as we know, labor unions do not interfere with collective bargaining; in fact, it is not to their interest to do so, or not to wish to bargain collectively, or to refuse to bargain collectively. In fact, labor unions exist for the purpose of collective bargaining, and they must bargain if they are to serve their functions, both their functions as to the membership of the labor unions and their functions in our American society. It is only in the unusual case that the union fails to engage in collective bargaining, and it is to those unusual cases that this amendment is addressed. In other words, the amendment requires labor unions to bargain collectively.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. JOHNSON of Colorado. Does the Senator from Alabama know of any political party which does not claim to believe in free collective bargaining?

Mr. HILL. Not only do I not know of any political party which does not claim to believe in free collective bargaining, but, as I recall, all political parties have declared in their platforms in favor of free collective bargaining.

Mr. JOHNSON of Colorado. Does the Senator from Alabama know of any management group or any industry which does not state that it favors free collective bargaining?

Mr. HILL. I say to the Senator from Colorado that in days past some management groups were very much opposed to free collective bargaining.

Mr. JOHNSON of Colorado. I am speaking about today.

Mr. HILL. As of today, I think it can be stated with accuracy that, on the whole, management, as well as labor, believes in free collective bargaining, and recognizes that free collective bargaining is the cornerstone of what should be the American labor policy, and that if we are to continue our great free-enterprise system and are to maintain freedom in industrial and labor affairs, we must have free collective bargaining.

Mr. WITHERS. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WITHERS. Does the Senator from Alabama know of any greater service which the Government can render than when it attempts to encourage both management and labor to proceed by way of collective bargaining?

Mr. HILL. The Senator from Kentucky is correct; I think the Government can render no greater service either to management or to labor or a greater service to our free-enterprise system than by the encouragement of free collective bargaining.

Of course, Mr. President, if this amendment is adopted, the rules for collective bargaining by unions must be developed by the National Labor Relations Board, taking into consideration the traditions, customs, and practices of the particular union, its methods of bargaining, and the basic nature and purpose of labor organizations, as well as the problems they must face and overcome.

At all times the touchstone in regard to collective bargaining and whether there is free collective bargaining, whether both sides are engaging in the process in good faith, is whether there is a bona fide effort on the part of both sides to negotiate and agree to bring forth a contract. In that way, through such collective bargaining, it will be possible to avoid the tendency to pry into the internal affairs of unions and any attempt to regulate organizational relationships within the union itself, of course, will be rejected. It is the intention of this amendment that such a tendency should be as thoroughly avoided as it should be in the case of employers or corporations.

Mr. DOUGLAS. Mr. President, will the distinguished Senator from Alabama yield for a few questions to clarify some features of this subject?

Mr. HILL. I yield to the Senator from Illinois.

Mr. DOUGLAS. I should like to ask the Senator whether he understands the requirement for collective bargaining as being one which compels either party necessarily to agree to the proposals of the other side. Is that obligatory?

Mr. HILL. No. There is no obligation on the part of either the employer or the employee to agree. The obligation goes to an honest, bona fide effort on the part of both parties to try to agree.

Mr. DOUGLAS. In other words, all the term "collective bargaining" means is that the parties agree that they will sit down around the table, compare relative demands, and try to reach an agreement; but there is no obligation upon either side to come to an agreement. Is that correct?

Mr. HILL. The Senator is absolutely right.

Mr. DOUGLAS. And there is no obligation to come to an agreement, either in whole or in part, upon the demands of either side?

Mr. HILL. The Senator is absolutely right.

Mr. DOUGLAS. In other words, if an employer objects to the closed shop, for example, even though the union requests the closed shop, there is no obligation upon the part of the employer to grant the closed shop. Is that correct?

Mr. HILL. There is no obligation whatever on the part of the employer to grant the closed shop. The employer does not have to grant anything. All he has to do is to sit around the table and, in good faith, discuss the problems, negotiate, and endeavor to arrive at an agreement between himself and his employees.

Mr. DOUGLAS. For example, with respect to seniority rules, to which a union may hold so strongly that it does not want to yield on them, and believes there is no obligation upon them to do so, if an employer wishes to compel the union to give up its seniority rules, there is no obligation upon the union to yield to the employer's demands. Is that correct?

Mr. HILL. There is absolutely no obligation; none whatever.

Mr. DOUGLAS. I may also ask the distinguished Senator from Alabama whether the process of collective bargaining requires a definite procedure. Must the topics be taken up in a given sequence, or are the parties free to discuss the various topics in any fashion which is mutually acceptable?

Mr. HILL. Absolutely no particular procedure is required, and I may say to the Senator, on the other hand, I think nothing would be more unfortunate than to try to prescribe any procedure. The whole essence of this thing is freedom on the part of people who are acting to try to reach some agreement in an atmosphere of freedom for both sides.

Mr. DOUGLAS. Mr. President, will the Senator permit a further question?

Mr. HILL. I yield.

Mr. DOUGLAS. I should like to inquire, in an industry where bargaining in the past has been primarily conducted on a multi-employer basis, namely, where unions meet with groups of employers, either on an industry-wide basis or or a regional basis, whether the term "collective bargaining" means that after the discussion has taken place on the multi-employer basis, is the union then compelled to go to each and every individual employer to negotiate with him separately?

Mr. HILL. Oh, no.

Mr. DOUGLAS. Or can there be an agreement for the group of employers as a whole?

Mr. HILL. There very definitely can be an agreement for the group of employers as a whole, certainly, and there is no obligation on the part of the union, no obligation whatever, to go to each of the employers in the industry separately.

Mr. DOUGLAS. In other words, in the case of the coal industry, where bargaining has taken place on a regional basis and if an agreement is being negotiated on the regional basis, it is not then necessary for the union to bargain with each and every mine operator. Is that correct?

Mr. HILL. It is not necessary. I can tell the Senator very definitely, it is not necessary.

Mr. DOUGLAS. I thank the Senator from Alabama for his very clarifying and very succinct answers.

Mr. HILL. I thank the Senator.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from North Dakota?

Mr. HILL. I yield.

Mr. LANGER. Will the distinguished Senator advise me whether the proposed amendment was presented to the subcommittee and to the full Committee on Labor and Public Welfare?

Mr. HILL. We did not have a subcommittee on this particular subject at this session of the Congress. I may say to the Senator there was no vote or action on it by the full committee.

Mr. LANGER. Why was it not presented to the full committee?

Mr. HILL. There were no votes on amendments to the bill in the committee.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. TAFT. What the Senator proposes to do, as I understand, is to take a piece of the Taft-Hartley law which he likes and to put it into the Thomas bill, which proposes to eliminate the provision from the existing law. Is not that correct?

Mr. HILL. No; I would not say that at all. I would say that long before we had the Taft-Hartley law, there were many who believed that the original Wagner Act should be amended to impose the obligation of collective bargaining upon labor as well as upon the employer. The fact is that the main criticism in many ways of the original Wagner Act through the years has been that there was not imposed upon labor an obligation to bargain collectively, such as was imposed by the act on employers. So this proposition, I may say, was born long before the Taft-Hartley bill was introduced. In fact, it had reached lusty

and full manhood before we ever heard of the Taft-Hartley Act.

Mr. TAFT. Can the Senator refer me to any place where anybody ever introduced a bill to accomplish this objective until the Taft-Hartley Act provided for it?

Mr. HILL. I may say that the substitute bill which was offered by certain members of the minority—that is, the Democrats—2 years ago, at the time we had under consideration the Taft-Hartley Act, embodied this very provision. This very provision was in the substitute bill at that time.

Mr. TAFT. The Senator means, does he not, that it was drafted after the Taft-Hartley bill had been introduced in the Senate with the approval of the Senator from Alabama and myself, among others?

Mr. HILL. I may say to the Senator there was nothing new, there was no rabbit pulled out of the hat, when this provision was carried in the Taft-Hartley bill, because it had been in other bills, and had been suggested by many different people. It had been with us, certainly since the days of the enactment of the original Wagner Act.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. TAFT. Then, if that has been the position of the administration, how does the Senator account for the fact that the Thomas bill, on behalf of the administration, proposes to take the provision out of the Taft-Hartley law, the existing statute, and repeal it?

Mr. HILL. They were removing so many bad things, there was so much in the Taft-Hartley law that was bad, that, just as when a surgeon performing an operation finds a situation which is so bad that it is necessary for him to make a sweeping dissection to remove all the unhealthy tissues, this item went along with a great many bad features.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. HILL. I yield to my friend.

Mr. TAFT. I understood the distinguished Senator from Florida [Mr. PEPPER] to say the other day that such a provision as this should not be included, and that he was still opposed to any amendment to the Thomas bill in spite of the proposal made by the Senator from Alabama. Was not that the Senator's understanding?

Mr. HILL. I understood that was the position of the Senator from Florida, and the Senator from Florida has just as much right to be against the amendment as the Senator from Ohio has to stand on this floor and advocate the bobtailed Taft-Hartley bill.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. TAFT. I am only trying to bring out the facts. It is true also, is it not, that Mr. Green, of the American Federation of Labor, in testifying before the committee, said that he thought this provision was wholly unnecessary? Was not that, in effect, his testimony with respect to this provision?

Mr. HILL. As I remember Mr. Green's testimony, whereas he thought the writing of this provision into the law was unnecessary, he did not feel that there should be any objection on the part of labor to the proposition that labor should bargain collectively. As I recall Mr. Green's testimony, he emphasized the fact that one of the principal purposes, one of the main reasons for having labor unions, was that they might bargain collectively.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. HILL. I yield.

Mr. TAFT. May I read to the Senator Mr. Green's testimony, in reply to my general question?

Mr. HILL. From what page is the Senator reading?

Mr. TAFT. I read from pages 1922 and 1923, part 4. I shall read merely the part at the end:

> Mr. GREEN. You must have information that I don't have. I never knew of a single union that ever refused to bargain collectively.
>
> Senator TAFT. The courts have found that they have. Mr. Green, in any event you don't think the unions should be subject to the obligation to bargain collectively under the law?
>
> Mr. GREEN. There is the obligation by our union to do it. So far as I am concerned, if there is anyone that refuses, I will see that he does.

Mr. HILL. The whole spirit and purport of Mr. Green's statement, whether he thinks this amendment ought to go into the law or not, is the spirit and purport of the pending amendment.

Mr. TAFT. Of course the Senator is aware of the fact that the actions against the ITU which have been so strenuously denounced by those representing the labor position of recent days, was due to their refusal to bargain collectively as found by the court. So that all the injunctions in that case were based primarily on their refusal to bargain under this provision of the Taft-Hartley law. Is the Senator aware of that?

Mr. HILL. I think so. So that the Senate and the RECORD may have the full facts, I will say that if they did not bargain, it is because they could not bargain collectively under the Taft-Hartley law.

Mr. TAFT. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. TAFT. Can the Senator tell us whether the distinguished Senator in charge of the bill will accept this amendment if there is no opposition on this side of the aisle?

Mr. HILL. I will say that the amendment is entirely within the spirit of the fundamental purposes of the bill and contributes substantially to achieving its main objective—collective bargaining. The Senator in charge of the bill can speak for himself better than I can speak for him, and I would much prefer that he speak for himself than for me to attempt to put words into his mouth.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Utah.

Mr. THOMAS of Utah. I cannot answer the question "Yes" or "No." Being in charge of the bill, I represent the action of the committee on the bill. If I am faithful to what the committee has reported, the answer would have to be "No." I do not think it would be proper for me to accept an amendment of this kind, because while it is not a controversial amendment, while it would not destroy the unity of the bill in any way, I think each individual Senator should be free to vote as he pleases upon the bill.

If the Senator will yield further——

Mr. HILL. I shall be glad to yield the floor, if the Senator wishes to speak at length.

Mr. THOMAS of Utah. No; I wish to speak only for a moment. I think we have missed the whole story of the purpose of the original National Labor Relations Act. No one assumed that labor, which was asking to bargain and asking to have its representatives, whom it might freely choose, represent it in bargaining with employers, would ever refuse to bargain. That was not the point at all. It was alleged by the opponents of the Wagner Act that the act was one-sided. Of course it was, in that regard. It was for the purpose of establishing rights for labor, and one of those rights was to bargain collectively with employers. That is the reason there was not a double provision. The assumption was completely and wholly covered in the National Labor Relations Act, and that is the reason why this provision found no place in the pending bill.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from West Virginia.

Mr. NEELY. Will the distinguished Senator from Alabama be good enough to explain the difference between his amendment and the comparable language of the Taft-Hartley law?

Mr. HILL. I would say that so far as the pending amendment is concerned, the phraseology is substantially the same. The Taft-Hartley law, however, goes into the matter of what collective bargaining is and seeks to prescribe what it is. This amendment does not go into those prescriptions or seek to lay down those rules or regulations laid down by the Taft-Hartley law.

Mr. NEELY. Does the Senator mean that the only difference is that the Taft-Hartley law spells out the procedure, and the Senator's amendment does not?

Mr. HILL. I would not say the Taft-Hartley law spells out all the procedure, but it does lay down certain definite prescriptions and regulations which impairs the freedom of true collective bargaining and which my amendment does not contain.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Montana.

Mr. MURRAY. Do I correctly understand that the Senator from Alabama takes the position that the adoption of this provision would cure the situation confronting the Nation with reference to labor and management relations?

Mr. HILL. The Senator from Montana must think I am a greater optimist than I really am. I have not yet found any cure-all for anything. I think this

amendment would be beneficial and significant from the standpoint of laying down a basic national labor policy with its cornerstone, free from collective bargaining.

Mr. MURRAY. Does the Senator feel that the adoption of his amendment, without removing the other restrictive and punitive provisions in the labor law, would accomplish anything for the country?

Mr. HILL. I will say to the Senator that I am standing side by side with him, and shall do all I can to remove the restrictive and punitive provisions to which he has referred.

Mr. MURRAY. Does not the Senator feel that if, 2 years ago, we had undertaken to adopt an amendment of this kind, and a few other amendments which at that time appeared desirable, and had avoided the enactment of those punitive measures and provisions, we would be far ahead today in our labor relations?

Mr. HILL. I think the Senator is correct. If my memory is correct, the Senator was one of the authors of the substitute bill which was offered 2 years ago for the Taft-Hartley bill. That substitute bill carried this provision for collective bargaining. I thoroughly agree with the Senator that had the Senate passed the substitute offered by the Senator, instead of passing the Taft-Hartley bill, the whole labor-management situation would be much healthier and better than it is at this time.

Mr. MURRAY. I thank the Senator for that statement.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Illinois.

Mr. DOUGLAS. In other words, the amendment offered by the Senator from Alabama is not copied from the Taft-Hartley Act, but is a return to the Murray amendment of 1947. Is that correct?

Mr. HILL. The Senator has very accurately stated the situation.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. HILL. I yield.

Mr. DOUGLAS. Is it not true that the omission of this phrase from the Wagner Act of 1935 was a purely technical omission which is now being remedied by the perfecting amendment offered by the Senator from Alabama?

Mr. HILL. The distinguished Senator from Utah, the chairman of the committee, made what I thought was a very fine, concise statement as to why this provision was not put into the original act. In 1935, when the original act was passed, there was no question about labor not bargaining collectively. Labor was begging, petitioning, pleading to have the right to bargain collectively, to be able to bargain collectively. It was the denial on the part of management to bargain collectively with labor that brought forth the Wagner Act. In 1935 there was no question of any consequence raised with reference to labor bargaining collectively, because labor, throughout the country, was asking, petitioning, and begging to be allowed to be given the opportunity by management to bargain collectively.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MURRAY. At no time during that period was there any position taken by labor that it would not bargain collectively, was there?

Mr. HILL. There certainly was no position taken by labor in that respect. On the other hand, labor's postion at that time was that it was asking for an opportunity to bargain collectively. That is exactly what it wanted to do, because labor was wise enough to recognize that there can be no free, worthwhile bargaining as between management on the one hand and the individual industrial worker on the other hand. That means, and has always meant, dictation by management. We either have dictation by management, free collective bargaining, or else we have some form of dictation by Government.

Mr. MURRAY. The adoption of this amendment, standing by itself, would not cure labor conditions in this country. If we continue to maintain the punitive and restrictive measures and processes which undertake to prevent the expansion of labor unionism and weakening its bargaining power, we shall continue to have such problems between labor and management.

Mr. HILL. I think the Senator is exactly right.

Mr. MURRAY. When we offered that amendment we were offering it as part of a program to bring about better relations between management and workers, and we would not have offered it as a part of a program that undertook to restrict and strait-jacket labor. Labor can never bargain collectively if it is going to be subject to the kind of provisions which were inflicted on it by the Taft-Hartley Act.

Mr. HILL. Knowing that that was the spirit, intent, and purpose of the substitute amendment offered 2 years ago by the Senator from Montana and some of his colleagues on the floor of the Senate, we who offer the pending amendment today went back to that substitute amendment and there received inspiration which brings us here today with the pending amendment.

Mr. MURRAY. If this amendment is incorporated in the Thomas bill and at the same time the Taft provisions are incorporated, we will not have fair, honest collective bargaining in this country.

Mr. HILL. I agree with the Senator; we should have this amendment, and then reject the unfair and punitive restrictions, referred to by the Senator.

Mr. President, I hope we may have a vote on the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Alabama.

Mr. THOMAS of Utah. Mr. President, before we vote on the amendment I think I should say a word or two about it. I have been asked by the Senator from Ohio if I would accept the amendment on the part of the committee. The answer is "no." I should like to add that if the amendment is offered in the spirit of the Taft-Hartley law, the answer is of course definitely "No." If, on the other hand, it is offered in the spirit of the original Wagner Act, the National Labor Relations Act, or offered in the spirit of the amendment which was offered as a substitute in 1947, the answer is that it will be given serious consideration, and in giving it serious consideration, it should be said to the Members of the Senate, when they are called upon to vote for the amendment, that the amendment was offered by members of the committee who are friendly to the bill which is now before the Senate . It was offered by members of the committee who would have supported, had they been present, and who did support, the substitute bill offered in 1947.

It is a question, therefore, as to whether Senators want to put into the pending bill something representing the spirit that has developed since the National Labor Relations Act came into existence, when we did find some representing labor who refused to bargain. I think that refusal on the part of labor is entirely and wholly out of harmony with and not in any way in keeping with the spirit labor had in asking for the National Labor Relations Act, and it was out of harmony with the purpose of the National Labor Relations Act.

If advantage-taking comes into the bargaining room, and instead of bargaining to come to an agreement, there is an attempt to make agreement more difficult, those participating are not collectively bargaining, they are merely arguing and not attempting to bring about peace between employers and employees. If bargaining is not to be honestly done, why bargain at all? If men are merely going to be present, read magazines, and talk about other things, and then come to no agreement under any consideration, that is not collective bargaining.

The questions asked of the Senator from Alabama by the Senator from Illinois [Mr. DOUGLAS], give us the true purpose we are trying to accomplish by the bill which is before us, namely, to bring into life again the National Labor Relations Act as it was.

This amendment comes within the category of which I spoke toward the conclusion of my opening remarks, of the type of amendment which can be added to the committee bill without in any way destroying its spirit or purpose. It will not in any way affect that which is being done by the committee bill, except in this one particular, that it does assume a duality of responsibility under a bill which should be only unitary in its nature, because it is assumed all the time that labor will want to live up to its rights.

If, on the other hand—and this is a repetition—the amendment is offered for the purpose of keeping in the bill the spirit, the punitive nature, of all the Taft-Hartley law represents in the minds of labor, the amendment would be just as distasteful to the leaders of labor and to labor generally in the United States as any of the other amendments which are entirely out of harmony with what we are trying to do.

I trust, Mr. President, that when we have a vote on the bill each Senator will vote his convictions.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] for himself and other Senators.

Mr. TAFT. Mr. President, of course this particular amendment is taken out of the Taft-Hartley law. All the talk about it being in the spirit of the Wagner Act is complete nonsense. The Wagner Act did not contemplate any unfair labor practices on the part of the unions, it did not provide any machinery of any kind whatever against unions. The entire spirit was only of one nature, namely, to force an employer to recognize a union, and be subject to compulsion by the Board if he engaged in unfair labor practices. The Wagner Act was one-sided in spirit, it was always intended to be one-sided, and no suggestion was ever made in the act that a union should be compelled to do anything, or that there could be any unfair labor practice on the part of a union.

Mr. THOMAS of Utah. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Utah.

Mr. THOMAS of Utah. I think we should out of fairness to everybody read the Taft-Hartley law and what it says, and interpret the spirit of it. I refer to page 7, subsection (3):

> To refuse to bargain collectively with an employer, provided—

And this is where the damage of the Taft-Hartley law comes in. It is assumed that labor is never honest, that labor is never straightforward, that labor is not acting properly, and it is this in the Taft-Hartley law to which labor objects.

> To refuse to bargain collectively with an employer.

We do not object to that, but we do object to the proviso. I am sure that every laboring man would object to it, because it carries a sting which hurts laboring men down to their boots.

Mr. TAFT. What proviso is the Senator talking about, if I may ask?

Mr. THOMAS of Utah. In subsection (3), "provided it is the representative of his employees subject to the provisions of section 9 (a)."

Of course, that means that employers do not have to bargain with employees unless they represent a properly organized union.

Mr. TAFT. With due respect to the Senator, the two provisions mean exactly the same. The amendment offered by the Senator from Alabama does not obligate a union to bargain collectively if the union does not represent a majority of the employees. While words to that effect are perhaps unnecessary, the legal effect is exactly the same. There is no reflection on any union. There can be an unfair labor practice only when the union is the representative of the employees. If it is not so designated by the Board, it is no longer obligated to bargain collectively. Obviously it might have some difficulty in doing so if it did not represent a majority. Those words in no way change the provisions of the Taft-Hartley law. The amendment offered by the Senator from Alabama is exactly the same as the present law.

Mr. THOMAS of Utah. Mr. President, we may say it would be exactly the same provided the part after the word "provided" in the Taft-Hartley law were not there.

Mr. TAFT. The words in no way get rid of the provision of the Taft-Hartley law. They mean substantially nothing except to make perfectly clear that a union which does not represent a majority of the employees is not obligated to engage in collective bargaining and to sign a contract.

Mr. THOMAS of Utah. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. THOMAS of Utah. We are hitting at the very subject, the very principle, that labor objects to in the Taft-Hartley law. It is that the bill is wholly legalistic from start to finish; that even in mediation it is necessary to have lawyers present, which destroys mediation in a certain way, and opens up a chance for argument on any kind of point imaginable. Whenever a lawyer comes into a collective bargaining circle collective bargaining goes out and litigation comes in. It is that sort of thing which labor objects to, because laborers are not lawyers.

Mr. TAFT. Do I understand the Senator from Utah is supporting the Hill amendment, or is not supporting the Hill amendment? Is he supporting the amendment or opposing the amendment?

Mr. THOMAS of Utah. I am trying to explain the effect of the amendment, Mr. President.

Mr. TAFT. The effect of the amendment is to put into the Thomas bill the exact provision of the Taft-Hartley law on the subject of requiring unions to bargain collectively. The Senator talks about legal language, but the Hill amendment says "subject to the provisions of section 9 (a)." So we have to turn to section 9 (a), which provides:

> Representatives designated or selected for the purpose of collective bargaining by the majority of the employees in a unit appropriate for such purposes shall be the exclusive representatives of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment.

So I think that without the words which are in the Taft-Hartley Act the Hill amendment still is confined to unions which represent the employees under section 9 (a).

Mr. NEELY. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from West Virginia.

Mr. NEELY. Will the eminent Senator from Ohio inform us whether in his opinion the Hill amendment is anything but a paraphrase of certain language contained in the Taft-Hartley law?

Mr. TAFT. No, it is exactly the same. There are merely a few different words. But the meaning, so far as I can judge, legally and any other way, is just 100 percent the same as the provision in the Taft-Hartley Act, which was being removed by the Thomas bill until the Hill amendment was offered.

Mr. NEELY. I thank the distinguished Senator from Ohio. He has expressed the identical conclusion which I long since regretfully reached. He has also fortified my determination to vote against the amendment because it is, in effect, a part of the Taft-Hartley law.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Illinois.

Mr. DOUGLAS. I do not wish to split hairs, but I should like to inquire of the distinguished Senator from Ohio if he will turn to section 8 (b) (3), which is the clause of the Taft-Hartley law which he alleges is identical with the provision in the Hill amendment. If the Senator does so he will find the qualifying words: "provided it is the representative of his employees"; whereas in the Hill amendment the Senator will notice that this limiting clause is removed. Therefore I think there is a very substantial difference between the two provisions. Is it not also true that the Hill amendment, therefore, merely returns to the spirit of the Wagner Act?

Mr. TAFT. No. I think anyone who examines it will find it means the same thing. So long as the Senator from Alabama [Mr. HILL] left in his amendment the words "subject to the provisions of section 9 (a)," the meaning is exactly the same as in the clause of the Taft-Hartley Act.

Mr. President, I do not think anyone, by this general argument, can really be deceived as to the exact nature of the words in the Hill amendment now under discussion, or in the next three amendments. What is obvious is that the authors of these amendments are willing to accept four provisions of the Taft-Hartley law. They propose to write those provisions into the Thomas bill, although the distinguished author of the bill refused to put them in his bill, and proposes to repeal them. That is the situation.

So far as I am concerned, I am delighted to have them in the bill. In substance they are all in the substitute bill which I propose to offer at a later time. So how could I possibly consistently oppose the amendments? I think we should vote them into the bill. There may be a few votes against them.

There are some differences in each one of the other three which I shall point out when they come before the Senate. They are not differences of principle, however, from the Taft-Hartley law. Obviously the other three amendments are provisions contained in the Taft-Hartley law. One deals with the filing of financial statements. Another deals with the filing of the non-Communist affidavit. That provision was put into the law on the floor of the Senate; not by the committee. The fourth one is the provision dealing with free speech, which came from the Taft-Hartley law. Those provisions were all written in the bill by the Senate Labor Committee. Witnesses came before us and suggested the provisions were really taken from the amendment of the Senator from Montana [Mr. MURRAY], which was offered at the very end of the long debate on the Taft-Hartley law.

Of course, Mr. President, those provisions were obviously taken from the Taft-Hartley law. They were not prepared until long after the Taft-Hartley law had been adopted. So the situation is, and we might as well recognize it, that the sponsors of the amendments want to make the Thomas bill more acceptable by adding to it four provisions of the Taft-Hartley law, to which I have no objection. I am in favor of putting them all in the bill and getting on to the matters which are really in substantial controversy.

Mr. MURRAY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Ohio yield to the Senator from Montana?

Mr. TAFT. I yield.

Mr. MURRAY. Is it not true that long before the Taft-Hartley Act was passed, this matter was discussed in the committee hearings, and some of the labor leaders even had discussed with us the question of whether or not there should be a corresponding obligation on the part of labor? That was before the Taft-Tartley Act was passed.

Mr. TAFT. Yes, I think so. I think there were some labor leaders then, as there are some labor leaders now, who are willing to accept some of these provisions. Others do not want them. We have had a continual complaint against any of the amendments from Mr. Lewis, representing the United Mine Workers. I do not know what Mr. Philip Murray's position, representing the CIO, is respecting them. I have not been able to find that out. I do not know whether he has stated that he is for or against the amendments. I do not know whether Mr. Green is entirely against them, although in his testimony before the committee he was opposed to them. But I think the A. F. of L. has modified its position.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURRAY. The point I want to make is that the subject was discussed in the committee long before the Taft-Hartley Act was passed.

Mr. TAFT. Oh, yes.

Mr. MURRAY. And some of the leaders of the labor organizations, as a part of a fair, just program, would not have had any objection to the proposal. But when it is proposed to place it in the bill as a part of a program designed to restrict and penalize labor and make it difficult for labor to carry on the bargaining processes, then I can agree with my friend, the Senator from West Virginia, that it is of no advantage to labor to have this provision in the bill. This is especially true if at the same time we are going to have in the bill provisions which would so penalize labor that it would not be possible for labor to bargain freely and fairly.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Ohio if there is not another point of differentiation between the Hill amendment and the clause which the Senator from Ohio sponsors, namely, that under the Taft-Hartley law the obligation to bargain collectively on the part of the union is conditional upon section 8 (b), which defines in minute detail what the process of collective bargaining is; which imposes time limits, and a series of other matters, which are altered under the Thomas bill to which the Hill amendment is proposed? Does not that constitute a very substantial difference between the Hill amendment and this clause in the Taft-Hartley Act?

Mr. TAFT. No. I think the two things are exactly the same. Of course, this clause may be of more value against a union if used in connection with other provisions of the Taft-Hartley Act. Yes, the Senator from Illinois states that condition very directly.

I may say, Mr. President, that, as I have heretofore said, I have placed on the desks of Senators a list of the important features of the Taft-Hartley Act which we retain in our substitute amendment, of which there are 22 listed. What the authors of the four amendments now in question are doing is to accept No. 2 in our list, that is the pending amendment; No. 6, with some change; number 15, with some change; and No. 16, with some change. The original Thomas bill accepted the outlawing of jurisdictional strikes. So that makes five changes accepted.

There remain 17 provisions in the Taft-Hartley law which are not accepted by these amendments. As the Senator says, the adoption of this amendment, while I think it is important, in no way retains the Taft-Hartley law as a whole. I quite agree that these amendments, while important each in itself, do not substantially change the Thomas bill from a bill which still undertakes to return to the general spirit of the Wagner Act, as opposed to the amendments which attempt to retain the spirit of the Taft-Hartley Act, with 28 corrections to meet objections which have been made or which have developed in the course of the operation of that act.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I thank the Senator from Ohio for his characteristic candor in saying that these amendments retain the spirit of the Wagner Act, whereas he wishes to retain the spirit of the Taft-Hartley Act.

Mr. TAFT. May I correct that statement? I do not say that the amendments retain it. I said that the Thomas bill, even though these amendments are made, retains the spirit of the Wagner Act.

Mr. DOUGLAS. That is correct.

Mr. TAFT. The one-sided spirit of the Wagner Act.

Mr. DOUGLAS. Therefore, the fundamental issue will be joined, if these amendments are approved, as between the spirit of the Wagner Act and the spirit of the Taft-Hartley Act. I again congratulate the Senator on the candor and honesty with which he states his position, a candor and honesty which compels respect on both sides of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] for himself and other Senators to the so-called Thomas substitute.

Mr. MORSE. Mr. President, I wish to make a few brief remarks in support of the pending amendment.

The proposed amendment would make it an unfair labor practice for a union to refuse to bargain collectively with an employer, provided it is the representative of his employees subject to the provisions of section 9 (a). By the amendment it is intended to impose on unions the same obligation to bargain collectively that is imposed on employers. Since trade-unions are chiefly organized for the purpose of bargaining collectively, there will be—or should be—little occasion for its employment. However, ever since the passage of the Wagner Act I have held to the point of view that the Wagner Act was in need of amendment in accordance with the principles of mutuality of responsibility, obligation, and rights. I think the failure of the Wagner Act to impose the affirmative duty upon the union to engage in good-faith collective bargaining has been one of the great weaknesses of the act. It has been pointed out in the debate thus far today that under the Taft-Hartley Act, section 8 (a) (5) and section 8 (b) (3), an attempt was made by language to establish an obligation of mutuality of bargaining on the part of the employer and of the union.

There has been considerable discussion in the debate today in regard to what good-faith collective bargaining is. Of course we must go to the act and look at the definition. I think it is important to place in the RECORD at this point the definition of collective bargaining. I believe that under the administration and enforcement of the Taft-Hartley Act to date this definition has not been as carefully followed by Government officials—as I shall point out later in my remarks—as I think the definition should have been followed.

Thus we find, in section 8, subdivision (d), the following language:

(d) For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession: *Provided*, That where there is in effect a collective-bargaining contract covering employees in an industry affecting commerce, the duty to bargain collectively shall also mean that no party to such contract shall terminate or modify such contract, unless the party desiring such termination or modification—

(1) serves a written notice upon the other party to the contract of the proposed termination or modification 60 days prior to the expiration date thereof, or in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification;

(2) offers to meet and confer with the other party for the purpose of negotiating a

new contract or a contract containing the proposed modifications;

(3) notifies the Federal Mediation and Conciliation Service within 30 days after such notice of the existence of a dispute, and simultaneously therewith notifies any State or Territorial agency established to mediate and conciliate disputes within the State or Territory where the dispute occurred, provided no agreement has been reached by that time; and

(4) continues in full force and effect, without resorting to strike or lock-out, all the terms and conditions of the existing contract for a period of 60 days after such notice is given or until the expiration date of such contract, whichever occurs later.

The duties imposed upon employers, employees, and labor organizations by paragraphs (2), (3), and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization or individual, which is a party to the contract, has been superseded as or ceased to be the representative of the employees subject to the provisions of section 9 (a), and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract. Any employee who engages in a strike within the 60-day period specified in this subsection shall lose his status as an employee of the employer engaged in the particular labor dispute, for the purposes of section 8, 9, and 10 of this act, as amended, but such loss of status for such employee shall terminate if and when he is reemployed by such employer.

In commenting on this definition of collective bargaining I wish to press the point that good-faith collective bargaining does not require the granting of concessions. I think that point is very much misunderstood. The notion is rather widespread that if one engages in collective bargaining he must necessarily show his good faith by making some concessions. I am inclined to believe that there is some indication, from the actions of the general counsel of the National Labor Relations Board in respect to certain cases, that he and his staff have been laboring under the mistaken notion that the granting of concessions is almost a condition precedent to a finding of good-faith collective bargaining. I think we need to keep that in mind as we set forth this afternoon the legislative history and meaning of the amendment upon which we are about to vote. Whether we adopt it or not, we should vote on it with our eyes wide open as to what I think its clear meaning is.

The amendment does not propose to incorporate into existing law certain erroneous constructions which have been given the similar provision contained in section 8 (b) (3) of the Taft-Hartley Act. These interpretations have imposed a different standard upon labor unions than that applied under the Wagner and Taft-Hartley Acts upon employers; and in proposing the amendment we wish to make it clear that these constructions should be corrected.

For example, it has been contended by the general counsel of the NLRB and others that the obligation to bargain collectively resides only in local unions, or in the employees of a single enterprise, and that any supervision of local negotiations by the officers of national labor organizations constitutes an interference with the duty of local unions to bargain collectively. This view we reject, for if accepted by the National Labor Relations Board and the courts, its effect is to introduce into the law the Ball "anti-industry-wide bargaining" amendment which was defeated in the Senate at the time the Taft-Hartley Act was adopted. It is our national objective to encourage strong, stable and responsible labor organizations. If that purpose is to be achieved, it is important that we recognize the necessity that unions be permitted to devise and enforce methods for achieving stability and responsibility through their own procedures. The most usual method, common to all trade unions, is to empower officials of the union, by constitutional or other written provisions or by custom, to supervise and guide local negotiations and local agreements, in order to protect the interests of the union as a whole.

That practice is very common in industry. How many times do representatives of a union sit down with the representatives of an industry which has a far-flung, widely expanded organization throughout the country, an industry with a great many plants? Because I do not want to discuss any existing industry, even by way of mentioning it in connection with a hypothetical example, for fear that some unintended interpretation will be made of my remarks, I shall discuss industry X. We will assume that it has a plant in Albany, one in Cleveland, Ohio, one in Chicago, Ill., and one in Oakland, Calif. Labor trouble develops in the Illinois plant. The resident manager of the plant says, "I am very sorry, but my superiors have decided that the most we can offer is an increase of 10 cents an hour. That is tops, and any further discussion about even a half-cent above 10 cents is just a waste of time. I am not free to discuss it. It is 10 cents or nothing. That is going to be the standard pattern for our industry X across the Nation."

Cases such as that happen frequently. Is the local manager of the Illinois plant engaging in good-faith collective bargaining? Of course, he is. He is engaging in collective bargaining subject to certain limitations that his superiors have imposed upon him as to the offers he can make, and as to the terms of the contract to which he can agree. That is very common in industry. It has been involved in a great many cases over which I have presided as arbitrator, cases in which we were dealing, in effect, with the national pattern of the industry as to certain terms and conditions affecting wages, hours, and conditions of employment.

We may not like industry-wide bargaining, but industry-wide bargaining is perfectly lawful. I happen to be a strong proponent of it, because I believe it lends itself to stability in management-labor relations.

But assuming for the moment that one does not like industry-wide bargaining, the fact remains that large industries are engaging in it constantly by laying down certain terms and conditions beyond which their resident managers in their respective plants throughout the country cannot go in negotiating contracts with labor unions.

Mr. President, I believe in mutuality. Therefore, I think the principle of mutuality should be applied here, too. In view of the sections of the Taft-Hartley Act to which I have already referred, I do not think that act should be subject to interpretation by the General Counsel or by the Board or the court to the extent of having one meaning applied in respect to bargaining on the part of representatives of industry, but a much more restricted or limited meaning applied in respect to bargaining on the part of representatives of the union. So I say that since it has been the traditional practice over many years, it can hardly be said that such supervision or guidance is incompatible with collective bargaining, nor does it mean that a local union ceases to be the actual bargaining representative. But the construction which has been erroneously urged would make it impossible for labor organizations to achieve stability and responsibility, would preclude the carrying out of intraunion procedures and policies and inject the Federal Government into the internal affairs of unions, and would fragmentize each union into its smallest local components. It is worth emphasizing that we do not intend by this amendment to interfere in internal union affairs, and that under the proposed amendments unions may adopt such procedures or conditions with respect to bargaining as they deem wise, so long as they represent union decisions which the rank and file, through their democratic processes, by way of delegates to district conventions, State conventions, or national conventions, have expressed themselves as favoring, so that it can be said that the policy of the union is, after all, one which represents the point of view of the rank and file of the union.

Second. I point out that the general counsel of the National Labor Relations Board has argued, and some trial examiners and courts have accepted the position, that a union demand that an employer recognize the rules or laws of the union is in and of itself a refusal to bargain collectively. The essence of trade-unionism, and particularly of democratic trade-unionism, is to be found in the rules or laws of the union. Union members, through their union procedures, adopt rules concerning the terms and conditions under which they will sell their labor. For example, they may agree that they will not work on unsafe premises, or for dangerously long hours, or for less than a specified minimum wage, or adopt many other rules or laws to abolish practices deemed detrimental to the union or its members or their job security. Through their officers, procedures are devised to carry out and enforce the contract so made. A demand for the recognition of these minimum conditions, even to the point of insistence through strike action, is not incompatible with collective bargaining in good faith. Employers have had a clear right, which has been recognized by the Board, to insist upon matters

which they deem fundamental in collective bargaining, and unions should be accorded the same right. Necessarily, unions must, in justice to the fair employers with whom they have agreements, insist on substantial uniformity in the agreements which are concluded. Many employers demand and receive in their agreements most-favored-nation clauses by which the union agrees to accord them any more favorable conditions granted any other employer. Underlying economic facts may, therefore, make it impossible for a union to do other than insist on a particular form of agreement. In no case has the Board held that an employer's insistence on the same agreement with several different unions constitutes a failure on the part of the employer to bargain, and it is intended that the same principle, in the interest of mutuality, shall apply to unions.

Mr. President, I wish to say something more about this problem, because as I make these remarks I am perfectly aware of the fact that here we are dealing with a situation which may be subject to grave abuse in the actual carrying out of the principle of mutuality, and I think it illustrates as clearly as anything can that we simply cannot legislate good faith. Men either have it in their hearts or they do not have it. Either they are going to sit down around the collective-bargaining table and engage in good-faith bargaining or they are going to attempt to "slip something over" on each other, and, rather than carry out the spirit and intent of free collective bargaining, they are going to be guilty of subjecting it to abuse. I simply do not know how we can by way of legislative language prevent men from acting in bad faith, but at the same time guarantee to the parties on both sides of the collective-bargaining table that mutuality of principle which permits them to engage in good-faith collective bargaining.

Let me illustrate that point by a hypothetical situation, because, just as I did not wish to indicate any particular industry by name, I do not wish to indicate any particular union by name. But all of us know that unions, as well as employers, too frequently are guilty of very arbitrary practices. The question as to whether the union is engaging in good-faith collective bargaining cannot be made a question of law; it is always going to be a question of fact, because it always involves an interpretation of human behavior around the collective-bargaining table. So let us consider a hypothetical situation. Let us suppose that the representatives of a union walk in and lay down its constitution and bylaws and some very arbitrary terms and conditions which they say must be the collective bargaining agreement between the union and the employer, if any collective-bargaining agreement is to be executed. Considering only that hypothetical situation, I wish to say for the RECORD today what I have said so many times outside the Senate, that within the framework of mutuality, within the framework of actual labor cases, I do not believe a "take-it-or-leave-it" attitude on the part of union negotiators or employer negotiators constitutes good-faith collective bargaining.

The Senator from North Carolina [Mr. GRAHAM] sat with me, by the hour and the day and the week and the month, during the war, in connection with many labor cases, and I can offer him on this occasion as my best witness to the fact that I have always held to the proposition that arbitrariness on the part of either employers or union negotiators is not consonant with good-faith collective bargaining. We frequently say by way of the technical language used in labor cases that there of course must be a spirit of give-and-take. By that, as I pointed out earlier in my remarks I do not mean that there is any obligation to make concessions. There must be an open-mindedness. There must be a demonstration that the union negotiator is trying to negotiate a contract that is fair and reasonable in respect to the interests and the rights of the employers, on the basis of the surrounding facts, circumstances, and data that can be presented in the record of the case.

Thus I say it cannot be done by a legislative formula, it cannot be done by a legislative rule-of-thumb. All that can be done, it seems to me, is not much more than we seek to do by the amendment, namely, express a legislative intent that there shall be mutuality of collective bargaining as an obligation resting upon both employers and employees and their representatives. But when we start to break that down into a series of restrictions and mandates seeking to circumscribe the parties within the framework of technical legislative rules, we kill free collective bargaining. It cannot operate, and it does not operate, under such a legislative framework.

If it be true, as some employers contend—and I have much mail on this point—that the leaders of some unions take the position that they can walk into the shop of the employer and say, "Here it is—take it or leave it," I have always held to the view that there ought to be provision which entitled the employer in that case to come before the National Labor Relations Board, and charge that, in the light of all the facts of the case, bad faith was exercised in the alleged collective-bargaining negotiations. Labor does not like that, and labor has made very clear to me that it does not like it. But my point is that we are dealing here with a question of fact, and I do not think it is proper in legislation to provide, for example, that union constitutions and laws and rules and regulations cannot be made a part of the collective-bargaining agreement and if the union negotiators insist upon the union laws, rules, and regulations, they engage in bad faith collective bargaining. I say that cannot be done by automatic legislative provision. It remains a question of fact as to whether they are engaging in good faith collective bargaining. In the industry-wide situation I cited earlier in my remarks, employers have a perfect right under the law as it now exists to say, "It is this framework within which we propose to work as a matter of managerial policy of our industry, and beyond which we will not go." Likewise, the union, for the reasons I have stated, should, as a matter of general principle, have the right to say, "These rules, these regulations, and these constitutional provisions, which after all are the product of years of collective bargaining with employers, constitute the framework within which we say we are willing to sell our labor." As a general proposition I think that is a sound principle of mutuality for both sides.

Thus I find myself in increasing disagreement with what I think is the point of view that prevails in the Office of the General Counsel, to the effect that even the insistence upon the constitution and the rules of the union cannot be reconciled in the first instance with good faith collective bargaining, and is prima facie evidence of bad faith. I say that any such trend within the policies of the General Counsel's Office cannot be reconciled with the provisions of the Taft-Hartley law which I have already read into the RECORD and certainly is not intended to be perpetuated by this amendment.

The next point I desire to make in regard to the amendment is that it is intended that the same rules shall apply to employers and unions with respect to the appropriate bargaining unit. It has long been held that an employer who, in good faith, believed that a union was seeking to bargain collectively in an inappropriate unit was under no obligation to bargain until that question had been resolved. There is no reason why labor unions should not be accorded the same right.

Next, this amendment intends that genuinely free collective bargaining be encouraged. Bargaining in good faith means entering into negotiations for the purpose of reaching an agreement. We do not believe that the Board or the courts should undertake to pass on the reasonableness of proposals, or their desirability, or their legality, except insofar as necessary to determine whether the parties are genuinely trying to arrive at an agreement in good faith—which is again, I say, a question of fact. The legality of the substantive provisions of contracts, or of contract proposals, should be left as it has always been, it seems to me, to the ordinary machinery of the courts, when and if a question concerning legality arises in connection with the application of the specific contract clause to an actual situation.

Finally, some efforts have been made to use the corresponding section of the Taft-Hartley Act to deprive employees of real freedom in their choice of bargaining representatives. I may say, Mr. President, there is a considerable feeling on this point on the part of a certain segment of the American employers. I think it is fair to say that this particular group of employers do not like the idea that they have to bargain anyway, but, knowing that collective bargaining is here to stay, and having reconciled themselves to that unpleasant fact, they strenuously object to bargaining with anyone except men from their local shops, their local employees. So they would, if they could, either by statute or by administrative interpretation

of an existing statute, try to have established in American employer-employee relationships the principle that collective bargaining carries with it the limitation that the employer shall be required only to sit down with the employees from his own shop. Of course, organized labor has learned from sad experience that it cannot protect its legitimate rights in that way. They know that the local unions need the strengthening arm and the support of brother unionists in a national union, with its great economic powers stretching across the country, because, when we get down to the very essence of this question, we must face the fact that collective bargaining, in the last analysis, is enforced by economic force.

The right to strike or to lock out is, after all, an essential power that gives effectiveness to collective bargaining. As I have been heard to say previously, that right, that economic power, does not belong to employers and workers alone. It is exercised by them, but that freedom, the right to strike, is a precious right which belongs to all the American people. Frequently the public, because it is inconvenienced by a strike and has its economic toes stepped on a bit during such periods of economic inconvenience, seems to indicate at times that it is almost ready, at least for that period, to give up that very previous freedom. But from this desk I say to the men and women in all walks of life that I do not think, upon reflection, that they want to live in a society in which the basic economic right of employees to strike and employers to lock out have been eliminated. They must be willing as consumers, as citizens generally, to make the sacrifices we always have to make from time to time to preserve any of our great basic freedoms and rights.

So I say, Mr. President, the local union frequently would be at a tremendous disadvantage with a powerful employer if its representatives in the negotiations with the employer were limited to men from the local union. In the labor movement we cannot reconcile any other view with the theory that in union there is strength, or with the theory that, after all, there is an obligation resting upon the national union to come to the aid of the local union, especially when they get down to that last stand which they have to take sometimes—strike action. How many local unions could possibly survive in a strike against a powerful employer? Suppose there were a corresponding rule that in case of strike the only financial support would be from the local union treasury? We know that when a local union strikes over what the national union considers to be a fundamental principle which involves the welfare of the entire union, the funds of the entire union frequently are made available to the local union for the expenses of the strike in order to draw the contest to a successful close. We certainly would not want to restrict that, if we wish to preserve the right to strike.

So I say, in respect to the matter of representation and collective bargaining, it is the union's business. It is the union's business to decide who shall be its representatives in collective bargaining, and if it is the policy of the union to have a national officer or a district officer or a State official of the union participate in collective bargaining, I do not think that we, as the Congress, should seek to interfere by legislative restriction.

As I have been speaking on this point, Mr. President, my mind has been flashing back to a very interesting case which I had to decide in 1939 when the whole port of San Francisco was tied up by a strike. In that case the union objected to the selection by the employer of the employer's representative on the Port Labor Relations Committee. They did not like him. Because the union did not like him, since it felt he had been, in years prior to the great strike of 1934 in the maritime industry, one of the great industry leaders in the drive to prevent the unionization of the maritime industry, they did not want even to sit down with him at the collective-bargaining table. So they struck the port because the employer did not select an employer representative to the liking of the union. Of course, that was a reprehensible act on the part of the union. Of course it was a violation of their contract. Of course they could not reconcile it with the question of good faith in collective bargaining. In that case I think I wrote one of the strongest decisions against the union I have ever penned; but I could not tolerate that sort of arbitrary, unilateral conduct on the part of the union in that instance. I believe in mutuality. I believe that employers have the right to have come into the collective-bargaining room any person of their own choosing to help negotiate a collective-bargaining agreement. Likewise I think the union should have the same right.

I make these remarks because I do not want any Senator to vote for this amendment without at least knowing that these observations have been made, because, in my judgment, it should be clear that at least I, as one of the sponsors of the amendment, have no intention of having it interpreted as empowering any administrative officer of the Government subsequently to rule by way of administrative order, or regulation, that the negotiators for the union shall exclude the district, the State, or the national officials of the national or international union.

For example, it has been claimed that a national union, in fulfilling the duty imposed on it by the democratic action of union members to guide and supervise local negotiations, becomes the bargaining agent of employees who have selected a local union to represent them. We reaffirm the declaration in section 7 of the act that "employees have the right to bargain through representatives of their own choosing" and reject any implication that the Board or the courts may, under color of this provision, designate a representative for employees other than that selected by them.

Each of these observations is necessary to make the obligation to bargain exactly mutual as between employers and unions. We feel that this explanation is necessary to achieve the desire of the Congress that the law shall bear with equal weight on both parties in the bargaining process.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Alabama for himself and other Senators, to the so-called Thomas substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

LEGISLATIVE BRANCH APPROPRIATION, 1950

Mr. ELLENDER. Mr. President, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5060 making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes. I wish to say to Senators that it will not take very long to dispose of the measure. I think we can complete it in about 20 minutes.

Mr. HILL. Mr. President, I suggest that the Senator from Louisiana ask unanimous consent temporarily to lay aside the unfinished business and to consider the bill which he has mentioned.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 5060.

Mr. HILL. Mr. President, reserving the right to object—I shall not object—I wish to say to the Senator from Louisiana that if protracted debate ensues I shall ask for the regular order, because I think we should dispose today of as many of the amendments to the labor bill as is possible.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Louisiana?

There being no objection, the Senate proceeded to consider the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, and that the bill be read for amendment, committee amendments to be considered first.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gillette	Long
Anderson	Graham	Lucas
Brewster	Green	McCarran
Bricker	Gurney	McCarthy
Bridges	Hayden	McClellan
Butler	Hendrickson	McFarland
Byrd	Hickenlooper	McGrath
Cain	Hill	McKellar
Capehart	Hoey	McMahon
Chapman	Holland	Malone
Chavez	Humphrey	Martin
Connally	Hunt	Maybank
Cordon	Ives	Millikin
Donnell	Jenner	Morse
Douglas	Johnson, Colo.	Mundt
Downey	Johnson, Tex.	Murray
Eastland	Kefauver	Neely
Ecton	Kem	O'Mahoney
Ellender	Kerr	Reed
Ferguson	Kilgore	Robertson
Flanders	Knowland	Saltonstall
Fulbright	Langer	Schoeppel
George	Lodge	Smith, Maine

Sparkman	Thye	Wherry
Taft	Tobey	Wiley
Taylor	Tydings	Williams
Thomas, Okla.	Vandenberg	Withers
Thomas, Utah	Watkins	Young

The PRESIDING OFFICER. A quorum is present.

Mr. ELLENDER. Mr. President, before the Senate proceeds to consideration of the committee amendments I should like to state that the net increase made by the Senate Appropriations Committee over the House bill is $61,405. The increase comes about partly through increases in a few salaries. The increases in salaries were made to low-paid clerks and laborers employed by the Sergeant at Arms and the Secretary of the Senate. The most substantial part of the increase was due to the fact that the committee received a budget estimate of $28,000 for emergency replacement of existing steam lines in the tunnel located under the Senate Office Building courtyard. These pipes have been in use for 40 years, and a recent failure has made it necessary to replace them.

Another addition of $10,210 was made necessary because of additional clerical assistants to the Senators from California and Virginia. The four Senators from those two States by virtue of increased population, are each entitled to an additional clerkship at $1,500 per annum, as authorized by law. The bill as a whole is 15.8 percent under the budget estimate.

I now ask that the amendments of the committee be considered.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BRIDGES. Does the Senator indicate that the bill as reported by the Senate committee is approximately 16 percent under the budget estimate?

Mr. ELLENDER. That is correct. I have just stated that the bill as a whole is 15.8 percent under the budget.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Senate", on page 2, after line 1, to strike out the subhead "Salaries, mileage, and expenses of Senators", and in lieu thereof to insert the following: "Salaries and expense allowance of Senators, mileage of the President of the Senate and of Senators, and expense allowance of the Vice President."

The amendment was agreed to.

The next amendment was, on page 2, after line 9, to insert:

For expense allowance of the Vice President, $10,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Vice President," on page 2, after line 21, to strike out:

For expense allowance of the Vice President, $10,000.

The amendment was agreed to.

The next amendment was, on page 2, line 25, after the word "month", to strike out "$47,640" and insert "$47,970."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Secretary," on page 3, line 4, after the word "Secretary", to strike out "$334,615", and insert "$334,730: *Provided*, That the basic annual rates of compensation of the following positions shall be: Printing clerk at $5,160 in lieu of $5,000; two assistants in the library at $2,100 each in lieu of two at $1,800 each; one laborer at $2,280 in lieu of $2,040; three laborers at $1,740 each in lieu of three at $1,500 each; one laborer at $1,740 in lieu of $1,440; one skilled laborer at $1,740 in lieu of $1,440."

The amendment was agreed to.

The next amendment was, under the subhead "Conference committees," on page 3, line 18, after the word "committee", to strike out "$28,030" and insert "$28,835."

The amendment was agreed to.

The next amendment was, on page 3, line 21, after the word "committee", to strike out "$28,030" and insert "$28,835."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative and clerical assistants to Senators," on page 3, line 24, after the word "Senators", to strike out $4,786,155" and insert "$4,796,365."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper," on page 4, line 2, after the word "Doorkeeper", to strike out "$948,-210" and insert "$950,525: *Provided*, That the basic annual rates of compensation of the following positions shall be: Clerk at $2,280 in lieu of $2,120; clerk at $2,160 in lieu of $1,800; assistant janitor at $2,100 in lieu of $1,860; night foreman at $1,680 in lieu of one laborer at $1,320; laborer at $1,700 in lieu of $1,580; foreman in folding room at $3,600 in lieu of $3,000; chief cabinetmaker at $3,200 in lieu of $3,080; secretary at $3,540 in lieu of clerk at $3,300; one additional special employee at $1,000; superintendent of Radio Press Gallery at $4,020 in lieu of $3,660, two assistant superintendents at $2,580 each in lieu of two at $2,400 each, one assistant superintendent at $2,100 in lieu of $1,960."

The amendment was agreed to.

The next amendment was, under the subhead "Offices of the secretaries for the majority and the minority," on page 4, after line 16, to strike out:

For the offices of the secretary for the majority and the secretary for the minority, $44,940.

And in lieu thereof, to insert the following:

For the offices of the secretary for the majority and the secretary for the minority, including compensation for two chief telephone pages at basic rates to be fixed by the respective secretaries, but not exceeding $2,880 each per annum, in lieu of one clerk in the office of the Secretary of the Senate at $1,860 per annum and one messenger acting as assistant doorkeeper under the Sergeant at Arms and Doorkeeper at $2,560 per annum, $54,340; and the compensation of the clerk to the secretary for the majority and the clerk to the secretary for the minority shall be at the basic rate of $3,000 each per annum.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," on page 6, line 16, after the word "same", to strike out the comma and "exclusive of labor, and for the purchase of furniture, $12,000" and insert "$18,-000."

Mr. ELLENDER. Due to a printer's error in that committee amendment, it is necessary to offer an amendment to the amendment, which I send to the desk with the request that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, line 16, it is proposed to restore the language beginning with the comma after the word "labor" and ending with the comma after the word "furniture."

The PRESIDING OFFICER The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 7, line 4, after the figures "$674,750", to strike out the following proviso:

Provided, That no part of this appropriation shall be expended for per diem and subsistence expenses, except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

And in lieu thereof to insert the following:

Provided, That no part of this appropriation shall be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949) at rates in excess of $9 per day except that higher rates may be established by the Committee on Rules and Administration in the case of travel beyond the limits of the continental United States: *And provided further*, That the paragraph relating to advances for the expenses of Senate committees, under the caption "Senate," in the act entitled "An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1879, and for prior years, and for those heretofore treated as permanent, and for other purposes," approved March 3, 1879 (20 Stat. 419; 2 U. S. C., sec. 69), is amended to read as follows: "When any duty is imposed upon a committee involving expenses that are ordered to be paid out of the contingent fund of the Senate, upon vouchers to be approved by the chairman of the committee charged with such duty, the receipt of such chairman for any sum advanced to him or his order out of said contingent fund by the Secretary of the Senate for committee expenses not involving personal services shall be taken and passed by the accounting officers of the Government as a full and sufficient voucher; but it shall be the duty of such chairman, as soon as practicable, to furnish to the Secretary of the Senate vouchers in detail for the expenses so incurred."

The amendment was agreed to.

The next amendment was, on page 9, after line 1, to strike out:

Postage stamps: For office of Secretary, $350; office of Sergeant at Arms, $150; in all, $500.

And in lieu thereof to insert the following:

Postage stamps: For office of Secretary, $500; office of Sergeant at Arms, $225; offices of the secretaries for the majority and the minority, $100; in all, $825.

The amendment was agreed to.

Mr. BRIDGES. Mr. President, we have now completed action on the Senate items. The Senate committee refused to include an item which I think should be discussed on the floor to a certain extent. I wonder whether the Senator from Louisiana is willing to have discussion of that item at this time, or whether he desires that all the committee amendments be acted on first.

Mr. ELLENDER. Mr. President, I prefer that all the committee amendments be acted on first.

Mr. BRIDGES. Very well.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Office of the legislative counsel," on page 19, line 10, after the word "Representatives," to strike out "and so long as the position is held by the present incumbent, the legislative counsel of the House shall be compensated at the gross annual rate of $12,000" and insert "and so long as the positions are held by the present incumbents, the legislative counsel of the Senate and the legislative counsel of the House shall each be compensated at the gross annual rate of $12,000."

Mr. WILLIAMS. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. WILLIAMS. Does that amendment propose a change in the basic salary?

Mr. ELLENDER. Yes. The amendment places the Senate legislative counsel on a parity with the legislative counsel of the House. It does not increase the appropriation at all.

Mr. WILLIAMS. What is the current salary scale of those positions?

Mr. ELLENDER. The gross salary is $10,330.

Mr. WILLIAMS. Then the amendment would increase the amount by $1,670?

Mr. ELLENDER. Yes, but it does not increase the amount of the appropriation whatsoever, as I have just indicated.

Mr. WILLIAMS. It increases the base salary scale, however?

Mr. ELLENDER. Yes.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Is not this legislation on an appropriation bill?

The PRESIDING OFFICER. The present occupant of the chair is advised by the Parliamentarian that it would be, as applicable to the Senate provision only.

Mr. ELLENDER. Mr. President, I hope the Senator will not press the point of order. The House made provision for its legislative counsel, and what we are doing is to make provision for the legislative counsel of the Senate, so that both will receive the same pay.

Mr. WILLIAMS. Mr. President, I ask that the amendment go over for the time being, and I will discuss it later with the Senator from Louisiana.

The PRESIDING OFFICER. The amendment will be passed over. The clerk will state the next committee amendment.

The next amendment was, under the heading "Architect of the Capitol—Office of the Architect of the Capitol," on page 20, line 24, after the word "act", to strike out "$115,200" and insert "$120,100."

The amendment was agreed to.

The next amendment was, under the subhead "Capitol Buildings and Grounds," on page 23, line 3, after the words "in all", to strike out "$616,800" and insert "$643,000."

The amendment was agreed to.

The next amendment was, under the heading "Library of Congress—Increase of the Library of Congress," on page 28, line 24, after the words "by the", to strike out "Marshal" and insert "Librarian."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to amendment.

Mr. BRIDGES. Mr. President, for several years Members of the United States Senate have come to the chairman of the Committee on Rules and Administration—to former Senator Brooks, of Illinois, when he was chairman of the commitee, and to the Senator from Arizona [Mr. HAYDEN], the present chairman of the committee—and they came to me when I was chairman of the Committee on Appropriations for 2 years, and impressed very sincerely and ably upon those Senators the necessity for additional space in order to operate the offices of Senators efficiently, and in order that committees may function effectively and efficiently. Acting in good faith, in the Eightieth Congress, legislation was introduced and passed authorizing the establishment of a Senate Office Building Commission. The members of that Commission at that time were Senator Brooks, of Illinois; Senator Revercomb, of West Virginia; the Senator from New Hampshire [Mr. BRIDGES], the Senator from Rhode Island [Mr. GREEN], and the late Senator Overton, of Louisiana. After the sad passing of Senator Overton, the Senator from Alabama [Mr. SPARKMAN] replaced him.

As a result of the legislative plan, an authorization was made for the procuring of a site, the drafting of plans, and laying the basis for construction of a new Senate Office Building. The Eightieth Congress passed out of existence, and the Eighty-first Congress came in. The distinguished Vice President of the United States filled the vacancies on the Commission. He replaced Senator Brooks, of Illinois, and Senator Revercomb, of West Virginia, with the distinguished Senator from New Mexico [Mr. CHAVEZ] and the distinguished Senator from Nevada [Mr. MALONE]. So there are five members of the Senate Office Building Commission, three Democrats and two Republicans. The Commission made a study under the very able leadership of the distinguished Senator from New Mexico [Mr. CHAVEZ] and reached the unanimous decision that we should proceed as provided in the authorization bill passed by the Eightieth Congress.

Then things began to happen. The distinguished Senator from Louisiana [Mr. ELLENDER], chairman of the legislative subcommittee, started on a crusade to stop the building, which he had every right to do. After hearings before the Public Works Committee, of which the Senator from New Mexico [Mr. CHAVEZ] is chairman, and after the presentation of evidence before a subcommittee of the Committee on Appropriations, the subcommittee and the full committee eliminated the provision for the Senate Office Building.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CHAVEZ. At the hearing before the legislative subcommittee, under the leadership of the senior Senator from Louisiana [Mr. ELLENDER], there appeared two members of the Senate Building Commission, the Senator from Rhode Island [Mr. GREEN] and the Senator from Alabama [Mr. SPARKMAN], who testified as to the investigation made by the Commission established during the Eightieth Congress. They told how they had investigated the necessity of additional space for Senators, and suggested to the subcommittee that the item for the construction of the building be included, not only because it had been authorized by Congress, but also because of the necessity of more space for Senators, and because the item had the approval of the Bureau of the Budget at that time.

Mr. BRIDGES. The Senator is correct.

Senator after Senator is complaining that he has not sufficient room. Senators have testified that they have had as many as 17 employees in three rooms. Bear in mind that every Senator has a minimum number of clerical employees. The number is increased according to the population of the State, so that a Senator like the distinguished Senator from New York [Mr. IVES] has several more clerical employees than the minimum number. Moreover, some Senators are paying out of their own pockets the cost of additional employees. After they do that, they have no facilities for them.

I am for economy. If a movement were made in the United States Senate to limit all public buildings, including the Senate Office Building, I would be for it. But such a movement has not been started. I have in my files an item from the Washington Post of June 7. The headline is "Senate votes bill for $70,000,000 in new buildings." Recently we approved an item of $65,000,000 for the United Nations to erect a new building in New York. We are spending $20,000,000 to erect a new court building down town in Washington. We are spending $28,000,000 to erect a new building for the General Accounting Office. Yesterday or the day before we approved a new Federal Office Building in Nashville, Tenn. We are doing everything all over the world with our funds.

I shall not urge Members of the Senate to vote for a new Senate Office Building if they do not want one. However, I hope that no Senator who votes against it will complain that he has not sufficient office facilities, or sufficient facilities to hold hearings. If Senators wish to look after

everyone in this country and all over the world, and deny themselves the opportunity of functioning effectively when it comes to a Senate Office Building, that is perfectly fine so far as I am concerned. I shall get along. But this is a decision which we must make.

The chairman of the Committee on Rules and Administration tells us that hardly a day goes by without demands being made upon him for additional office space. If Senators want to spend $20,000,000 for a new court building down town, $28,000,000 for a new General Accounting Office Building, $65,000,000 for new buildings for the United Nations, a million or two for a new Federal office building in Nashville, Tenn., and $70,000,000 for other new buildings around the country, that is all right.

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from New Hampshire yield to the Senator from New York?

Mr. BRIDGES. I yield.

Mr. IVES. I merely wish to ask the Senator if he does not recall that the item of $65,000,000 for the United Nations was a loan, and not a grant. My question does not indicate that I am not in full sympathy with the expression now being made by the Senator from New Hampshire.

Mr. BRIDGES. I point it out merely to indicate that we did not hesitate a moment when we provided $65,000,000 for the United Nations organization.

Mr. IVES. The Senator from New York would like to point out that he is probably more affected by the scarcity of office space than is any other Senator.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MALONE. What is the Senator's estimate of our chances of being repaid the $65,000,000 for the United Nations office building?

Mr. BRIDGES. I dislike to make a prediction as to when or how we shall be repaid.

Mr. IVES. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. IVES. I believe the able Senator from New Hampshire will recall that there is a recapture clause in connection with that loan.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MALONE. In other words, we could recapture it and have a $65,000,000 office building in New York City.

Mr. IVES. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. IVES. I think the able Senator will remember that were we to acquire that property, we would be saving money because of the high rental cost in New York City at the present time.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. I have been much impressed by the statements made by the Senator from Louisiana [Mr. ELLENDER] with regard to the lavishness of the plans for the proposed building. I am one of those Senators who have asked for more space. However, I should like to inquire of the Senator whether I have been personally remiss in not having been present in the Senate Chamber, or at some other place where the plans have been exposed to the criticism or approval of the Senate as a whole, or of its individual Members, amounting to the Senate in the aggregate. Probably I have been remiss. I know nothing whatever about the proposed new Senate Office Building. I am interested in it. Has it ever been displayed before this body at any time or at any place? Have I missed somehow seeing it?

Mr. BRIDGES. If the Senator from New Mexico wishes to answer the question, I shall be glad to have him do so. The Senator from Vermont asks whether the plan has ever been displayed to the Senate. I do not think it has ever been exhibited in the Capitol Building.

Mr. CHAVEZ. Mr. President, if the Senator from New Hampshire will yield to me, I shall try to answer the question.

Mr. BRIDGES. I yield.

Mr. CHAVEZ. Basic legislation was introduced in the early part of 1947, in the Eightieth Congress, providing that a preliminary survey be made first.

In 1948, after that preliminary survey had been made, more legislation was introduced, to provide for carrying out the conclusions arrived at in the preliminary survey. That basic legislation was enacted, and, as a result of it, a Senate Office Building Commission was appointed, according to law. That Commission was composed of the Senator from New Hampshire [Mr. BRIDGES], the then Senator Brooks, of Illinois; the then Senator Revercomb, of West Virginia, who at that time was chairman of the Committee on Public Works; the Senator from Rhode Island [Mr. GREEN]; and the late Senator Overton, of Louisiana. Under the basic law, that Commission was authorized to look into the matter, make arrangements for plans, and so forth. The Commission did so.

A New York firm of architects was employed, and a contract was let with that firm. It proceeded to make the plans. The Government purchased the property, took title to the property, and obtained possession of it.

When this Congress was organized—with a somewhat different organization as a result of the unpleasantness which the Republicans experienced last fall—Senator Revercomb and Senator Brooks could no longer be members of the Commission. Under the new set-up, the Vice President appointed the senior Senator from New Mexico and the Senator from Nevada [Mr. MALONE], from the Committee on Public Works, to serve on the Commission under the basic law.

The work to which I have referred had already been done by the Commission. The appropriation was made by the Eightieth Congress.

Plans were made, were submitted to the Commission, and were approved by the Commission. The basic law provides for that. Until it is changed, it is the law; and we do not have to appropriate one additional penny, because a contract can be let at this particular time. Under the law passed by the Eightieth Congress, in which a majority of the Senate was composed of members of the political faith of the Senator from Vermont, the Commission could proceed to accept a contract for a total obligation in the amount of $20,600,000.

However, it was impossible to do all the work at one time, and thus spend all the $20,600,000 at one time. So the Architect of the Capitol, proceeding under the law passed by Congress, requested the Bureau of the Budget to allow, in the legislative appropriation bill, an item of $10,000,000, to permit the work to be proceeded with.

The work has been proceeded with to such an extent that $345,000 has already been spent for architectural fees alone.

Until the new building is constructed, that land will be wasted. Sufficient funds are available to pay for the land and for the preliminary work of razing the existing structures on the land. All that work was done prior to the time when we took over. We are simply carrying through with the work which previously had been begun.

Mr. FLANDERS. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. FLANDERS. I thank the Senator from New Mexico for his explanation. He has cleared my mind of any doubt that the work done thus far has been done legally and in order.

But I say to the Senator from New Hampshire that although in this case I am in the market for a young, healthy pig, yet it seems to me that I am being asked to buy a pig in a poke. I have not seen the plans of this building.

As I have said, I am very much impressed with the criticism which has been made by the Senator from Louisiana [Mr. ELLENDER] that if the building is constructed as it is planned, it will be extravagant, that it is supposed to contain many things which we do not need and which, as a matter of fact, we ought not to have.

However, I cannot now pass my own judgment on those matters. I could do so if I were to go to the Architect of the Capitol and see the plans.

However, it seems to me that this matter is and has been of sufficient importance that one of the easels, which occasionally appear on the floor of this chamber for the display of diagrams and similar matters, should be set up to display to us a diagram of the proposed new Senate Office Building, with which we are asked to proceed.

I want more room; I am one of those who do. However, I do not want another swimming pool or an out-door restaurant, or this or that.

Am I now asked to agree to appropriate money for things which I do not want? That is what I should like to know.

Mr. BRIDGES. Of course, Mr. President, a new Senate Office Building could be built for much less than the sum of money proposed; but here we have the Capitol of the United States, the House Office Buildings, the Senate Office Building, the Supreme Court of the United States, the Congressional Library—all of

them buildings which are in keeping with the dignity of the United States and its Government.

Let me say that a year ago I traveled in various countries of Europe to which we are furnishing aid, and also at previous times I have traveled in various other parts of the world. Every foreign country I have visited has as good or better facilities for its national government than we have here in Washington for the Government of the United States, at least insofar as the legislative branch of Government is concerned.

I favor economy, and if a resolution providing for the cessation of all Federal building is submitted, I shall favor having the proposed new Senate Office Building included under its provisions. However, when we are going ahead with the Federal building program, it seems to me that it would be foolish to single out our own Senate Office Building and prevent its construction.

I admit that so far as I am concerned, I can get along with the space I have. I am not pleading for myself in any way in that connection. I am pleading on the basis of the argument which has been made to me, not by one Senator, but by dozens of Senators in the past few years—Senators who have presented their appeals to me because of the position I have held.

Of course, it may be possible to revise the plans, if the Senator from Vermont wishes to have that done; but to abandon the project entirely would be quite a different matter.

Of course, the Senator from Vermont has not had a chance to pass on all these plans. The only way that would have been possible would have been to have had a Senate Office Building Commission composed of all Members of the Senate. On the other hand, in order to function efficiently, it is necessary to have a small group handle these matters.

Mr. GREEN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Rhode Island?

Mr. BRIDGES. I yield.

Mr. GREEN. Mr. President, it seemed to me that I might explain a misconception which seems to be common among some of the Senators as to the disposition of space in the proposed annex to the Senate Office Building. It is not the idea that most of the Senators will move into it or a considerable number of them. The idea is to make more space in the Senate Office Building for the most of us, the common or garden variety of Senators, by giving special space in the annex for all the standing committees. That is one reason why all the Senators were not consulted individually. The chairmen of all the standing committees were consulted as to how much space they need. There would be provision there for each chairman, for each committee, and for the committee staff, and, for convenience sake also, for the Senator as an individual, and his private staff. When those accommodations are made available for those 15 individuals, there are some other common rooms for all the Senators, and hearing rooms. A great deal of additional space will be available, so that all Senators can spread a little, and not be compelled to have three or four or five employees trying to work under distracting conditions in our own offices. I suppose that each Senator may still occupy his own office, or a corresponding office for himself. The new building is not for the Senators principally but for the staffs of Senators, and also for the staff of the Senate. It is only necessary to go across the corridor in order to see the congestion. There is one room there with 13 employees in it; another with 10, and in a very small room outside the Office of the Secretary of the Senate there are 3 employees.

When some of the committee rooms are moved out of the Capitol there will then be more room here to expand, more room for the restaurant to expand, more room for the office staff of the Senate to expand. That is the theory on which the building was planned.

I thought it would perhaps be a little helpful if I added that bit of information.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FLANDERS. As in the case of the Senator from New Mexico, the Senator from Rhode Island has enlightened me, and I know more than I did when I first rose to my feet. I should like however to say again that I see the need for more space. For instance, the Small Business Subcommittee of the Committee on Banking and Currency needs a room of its own, with the name on the door, to which small-business men can go and feel that that is their spot. The Committee on Post Office and Civil Service is a standing committee, whenever we have a hearing, because there is no room to sit down. That committee needs more room. In some way, out of this new office building I should like to make a swap, a dicker, or something or other, to get another room for myself.

I am not arguing against a new office building. I do want to know whether it is being provided extravagantly or not. And when I say extravagantly, I do not mean a concrete block, with windows and doors and rooms. It seems to me we can have a dignified building, a building which probably would not draw down upon itself the objections which were raised by the Senator from Louisiana. I can form, with respect to these points, no personal opinion as to whether the objections are warranted. They sounded a bit serious to me. I am not asking to sit in on any committee, or to be a member of a committee of 96 for determination of what the building should be, but I feel very strongly that every Senator should have a chance to see, in some public place, a sketch or plan of what it is that we are buying.

Mr. BRIDGES. The Senator voted for $65,000,000 for the United Nations building in New York, did he not?

Mr. FLANDERS. I did.

Mr. BRIDGES. Did the Senator see the plans before he voted?

Mr. FLANDERS. If I had seen the plans, or the exterior, I doubt that I would have voted the money. It is the most god-awful piece of architecture which has ever been perpetrated upon the nations of the world.

Mr. BRIDGES. Did the Senator vote for the General Accounting Office Building?

Mr. FLANDERS. I did.

Mr. BRIDGES. Did the Senator see the plans of that building before he voted?

Mr. FLANDERS. I did not. That is different. I am a tenant of the Senate Office Building, and I am not a tenant of the General Accounting Office.

Mr. BRIDGES. I may remind the Senator of his remark about not wishing to buy a pig in a poke.

Mr. FLANDERS. Does the Senator know what a pig in a poke is?

Mr. BRIDGES. I know the expression very well. But let me say, the Senator has bought many a pig in a poke on all these other things. Now, when it comes to the Senate Office Building, he raises a question.

Mr. FLANDERS. It is something in which I have a personal interest.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. GREEN. I should like to remind the Senator from Vermont that he will not have a personal interest in this building. There is no expectation, unless he is made the chairman of a standing committee, that he will have any space in that building. He will probably have the same office he has now, with perhaps an additional room or two. That is all.

Mr. BRIDGES. I do not want to engage in any controversy with my friend, the Senator from Rhode Island, because we are on the same side, but I may say we hope to complete the building in time for the Republicans to take over the chairmanships 2 years from now.

The VICE PRESIDENT. That is not a question. [Laughter.]

Mr. BRIDGES. Mr. President, in order to bring the matter to a head, I now offer an amendment, which I send to the desk and ask to have read.

The VICE PRESIDENT. The Secretary will read the amendment.

The amendment offered by Mr. BRIDGES was, at the proper place in the bill insert:

Construction and equipment of an additional Senate office building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act of 1948, $9,000,000.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

Mr. LANGER. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Connally	Fulbright
Anderson	Cordon	George
Bricker	Donnell	Gillette
Bridges	Douglas	Graham
Butler	Downey	Green
Byrd	Eastland	Gurney
Cain	Ecton	Hayden
Capehart	Ellender	Hendrickson
Chapman	Ferguson	Hickenlooper
Chavez	Flanders	Hill

Hoey	McCarran	Robertson
Holland	McCarthy	Russell
Humphrey	McClellan	Saltonstall
Hunt	McFarland	Schoeppel
Ives	McGrath	Smith, Maine
Jenner	McKellar	Sparkman
Johnson, Colo.	McMahon	Taft
Johnson, Tex.	Malone	Thomas, Okla.
Kefauver	Martin	Thomas, Utah
Kem	Maybank	Thye
Kerr	Millikin	Tobey
Kilgore	Morse	Vandenberg
Knowland	Mundt	Watkins
Langer	Murray	Wherry
Lodge	Neely	Williams
Long	O'Mahoney	Withers
Lucas	Reed	Young

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Hampshire.

Mr. ELLENDER. Mr. President, I do not wish to delay the Senate in reaching final action on the pending bill. I made a speech in the Senate on May 24 in which I presented my views and the results of my study regarding the proposed new Senate Office Building. I do not believe the building is needed. I do not believe the Senate should appropriate money at this time, when we are calling upon all Government agencies to economize, to build an extravagant, luxurious building to house its committee chairmen and their staffs. The Committee on Appropriations by a vote of 14 to 4 refused to add $10,000,000 to the pending bill for the project. I hope that the Senate will sustain the committee's action.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. LUCAS. I announce that the Senator from Delaware [Mr. FREAR] and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senators from Idaho [Mr. MILLER and Mr. TAYLOR] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Florida [Mr. PEPPER] is absent by leave of the Senate on official business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

On this vote the Senator from South Carolina [Mr. JOHNSTON] is paired with the Senator from Idaho [Mr. TAYLOR]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Idaho would vote "yea."

I announce further that if present and voting, the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness. If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "nay."

The Senator from Maine [Mr. BREWSTER] and the Senator from Wisconsin [Mr. WILEY] are detained on official business. If present and voting, the Senator from Wisconsin would vote "nay."

The result was announced—yeas 29, nays 52, as follows:

YEAS—29

Anderson	Ives	Millikin
Bricker	Jenner	Morse
Bridges	Kefauver	Murray
Cain	Kem	Schoeppel
Chavez	McCarthy	Smith, Maine
Cordon	McFarland	Sparkman
Ecton	McGrath	Thomas, Utah
Green	McMahon	Thye
Hayden	Malone	Tobey
Hill	Martin	

NAYS—52

Aiken	Hendrickson	Maybank
Butler	Hickenlooper	Mundt
Byrd	Hoey	Neely
Capehart	Holland	O'Mahoney
Chapman	Humphrey	Reed
Connally	Hunt	Robertson
Donnell	Johnson, Colo.	Russell
Douglas	Johnson, Tex.	Saltonstall
Downey	Kerr	Taft
Eastland	Kilgore	Thomas, Okla.
Ellender	Knowland	Vandenberg
Ferguson	Langer	Watkins
Flanders	Lodge	Wherry
Fulbright	Long	Williams
George	Lucas	Withers
Gillette	McCarran	Young
Graham	McClellan	
Gurney	McKellar	

NOT VOTING—15

Baldwin	Miller	Stennis
Brewster	Myers	Taylor
Frear	O'Conor	Tydings
Johnston, S. C.	Pepper	Wagner
Magnuson	Smith, N. J.	Wiley

So Mr. BRIDGES' amendment was rejected.

The VICE PRESIDENT. The Secretary will state the amendment passed over.

The amendment passed over was, on page 19, line 10, to strike out ", and so long as the position is held by the present incumbent, the legislative counsel of the House shall be compensated at the gross annual rate of $12,000" and insert "and so long as the positions are held by the present incumbents, the legislative counsel of the Senate and the legislative counsel of the House shall each be compensated at the gross annual rate of $12,000."

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5060) was read the third time and passed.

Mr. ELLENDER. Mr. President, I move that the Senate insist on its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. ELLENDER, Mr. CHAVEZ, Mr. MCKELLAR, Mr. BRIDGES, and Mr. SALTONSTALL conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, notified the Senate that Mr. MCGRATH and Mr. ENGEL of Michigan, had been appointed additional managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3734) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate numbered 49, and concurred therein, and that the House insisted upon its disagreement to the amendments of the Senate numbered 5, 6, and 7 to the bill.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 8, 67, 68, 69, and 79, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 3, 9, and 26, severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 4, 10, and 12 to the bill.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. MORSE. Mr. President, I shall speak rather briefly in regard to emergency dispute procedures because I intend at a later time in the debate on the pending labor legislation to discuss this subject at greater length. However, in fairness to certain of my colleagues on the floor of the Senate, as well as in fairness to myself, I wish to make some explanatory remarks in connection with offering, in my own capacity, an amendment relating to the subject of emergency disputes. I offer the amendment, and ask that it be printed and lie on the table until that subject is before the Senate for debate and consideration.

The VICE PRESIDENT. Without objection, the amendment will be received, printed, and lie on the table.

Mr. MORSE. Mr. President, in offering this amendment I wish to say that

I do not think there is any completely satisfactory legislation which can be passed for the handling of emergency disputes. The problem, because of its very nature, is one which for the most part lies outside the field of legislation.

Mr. DOWNEY. Mr. President, may we have order? I am very anxious to hear the remarks of the distinguished Senator from Oregon.

The VICE PRESIDENT. The Senate will be in order.

Mr. MORSE. Mr. President, I do not think anyone has the answer to the question: What should be the procedure to be followed in the handling of emergency disputes? I believe no answer to that question can be framed, at least in the form of a legislative rule of thumb capable of blanket application to all the emergency disputes which the imagination of the Senate of the United States can conjure up during the course of this debate.

Here again, as I said earlier this afternoon in my remarks on another phase of the labor legislative problem, I think we are dealing with a subject which can be treated only on a case-to-case basis. The moment we try to fit this subject matter into a legislative strait-jacket, the moment we try to lay down any legislative language or any stereotyped set of rules and procedures to be followed in the handling of emergency disputes, it seems to me we have undertaken to prescribe a legislative form which will prove not to be workable and applicable in future cases which are likely to arise under facts and circumstances we cannot at the present time foresee.

At the same time I am perfectly aware of the fact that in the problem which confronts us in the Senate in respect to proposed labor legislation, the one question above all others constantly put to us by our colleagues and by the public generally is: What is Congress going to do about emergency disputes?

Many Members of Congress, and certainly many of the American people, are looking for and they are expecting some magical automatic formula which will settle emergency disputes in a manner that will avoid sacrifice and some suffering and considerable inconvenience on the part of the people. Mr. President, in my judgment, there is no such magical formula. There cannot be, for the simple reason that we are dealing here with a subject which goes to a basic American freedom and right, namely, the freedom and the right to exercise economic force on the part of management and labor in respect to disputes which arise over wages, hours, and conditions of employment.

Yet there does fall upon the Congress, as I see it, an obligation to provide machinery or a procedure which will make possible the quick and careful consideration of individual emergency disputes as they arise from time to time. However, I would caution the Senate to remember what William Davis so soundly pointed out, I think, during the course of the hearings, that—and I paraphrase him, but I know I quote his meaning accurately—if more than one or two emergency disputes occur within a generation, then whatever machinery we set up is bound to break down.

It seems to me that in trying to devise a framework of procedure for handling emergency disputes we should face the fact that what is essential in the handling of emergency labor disputes is just as essential in the handling of minor labor disputes. That is to say a procedure must be found which will give the parties ample opportunity to change their course of action during the period of attempted settlement of the dispute, or as some in this field so frequently say, a procedure which will give the parties plenty of chance to save face. Let us not forget that in the handling of labor disputes under an administrative law process the parties must always have available to them, if we are wise in the action we take, a procedure which will make it possible to change their course of action, to save their face, in respect to a former or more undesirable course of action which they have been following, to rationalize, yes, Mr. President, even alibi, a previous position which they have taken.

If I say nothing else during the course of this labor debate, I hope I can make plain that, for the most part, in the handling of labor-management problems we are not handling legal issues at all. We are handling economic and social and human-relations problems. We are dealing with conflicts which frequently develop between management and labor based upon emotional differences which sometimes develop between the parties. Strict rules of procedure, rules of thumb, formulas, will not work, no matter how plainly written into the law. We need to give the parties a procedure which will offer them adequate opportunity to think a second time about the course of action they are following.

We need to keep in mind also the relationship between the representatives of the unions and their constituency, and the representatives of the employers and their constituency. I have seen it frequently happen that a representative of the employers was certain his principals wanted him to follow a certain course of action, only to find that he was wrong. I recall a case in San Pedro not so many years ago in which the spokesman for the employers was perfectly satisfied that a certain mandate he issued to the Board of Arbitration was the wish of his principals. As an arbitrator in that case, I remember I said, "I should like to suggest to counsel, before he takes a position of absolute finality on the basis of the statement he has just made to the Board that he had better check with his principals to make certain that that is the course of action they want him to follow, because the statement counsel makes, if it becomes the final position of the employers in this case, amounts to tearing up this contract, and the employers will be responsible not only for having breached the contract in the first instance, but they will be responsible now for taking a course of action which amounts to a complete abrogation of the contract."

Even as I was making that statement, representatives of the employers were frantically whispering in the ears of the spokesman for the industry, and by the time I had finished my statement, counsel, with a smile on his face said, "Mr. Arbitrator, I have already heard from my principals. I withdraw my statement, and I inform the Board that the industry will accept the ruling."

I give that illustration from my own personal experience and I hope I will be pardoned for doing so because I want to drive home the point that we must provide the parties in labor cases with an informal procedure, not a strict strait-jacket procedure which makes it possible for them easily to retrace their steps and follow another course of action, once they have had a chance to think the matter over a second or a third time. There is a tendency in the thinking of too many members of the Senate in connection with emergency disputes, to subject the parties to a labor dispute to fixed, inflexible, automatic rules of procedure which will operate irrespective of the intangible human face-saving factors which I submit must be kept in mind as we come to consider the procedure we should adopt for handling emergency disputes. I have tried to draft a procedure which will permit of considerable flexibility, and afford ample opportunity and latitude for representatives of industry and labor to change their course of action before the final action under my amendment may be imposed upon them.

Next I point out that in discussing the procedure which I am offering in this amendment, the American people should be told—and I have said this in another way on another occasion—that they are wrong in thinking that every major strike constitutes a national emergency. Likewise they are wrong in thinking that a major dispute which results in a considerable amount of public inconvenience or economic loss or sacrifice constitutes a national emergency. They are wrong in thinking that they can have all the benefits of freedom and not at the same time recognize that they must also pay some of the cost which goes along with enjoying freedom.

On this premise I am either right or wrong. The right to strike or lock-out is either a basic American freedom and right, inseparable from the operation of a free economy and a system of democratic self-government, or it is not. But let the American people be aware of the fact that if they propose in the legislation now pending before the Senate to adopt procedures which make the right to strike or lock-out only a token right, then they have dealt a very serious blow to the principles of a free economy and a system of democratic self-government. If they wish to make that right merely a token right, they should recognize now, before it is too late, that what they are advocating, is really a restriction upon a free economy. Any such course is likely, in my judgment, to lead to further and further restrictions upon both workers and industry, and therefore automatically and inescapably upon the public as well, until finally we have the government in the business of determining the wages, hours, and conditions of employment which shall prevail in American industry. The pattern will first appear in major industry, in those industries which so many speakers talk about as

vitally affecting the national health and safety. But a pattern would be set. I submit that once we have the Government, in any number of major industries, setting the economic pattern for those industries, it will be only a matter of time until such patterns will become standard patterns which will, to a substantial extent, determine the wages, hours, and the conditions of employment for all industry.

I warn American employers today that they not only have little to gain, but in the long run, nothing to gain, from a procedure which, in respect to individual cases, may seem to put the Government on their side of the table. Such a precedent, or the establishment of such a policy, can spread. I fear the danger that with the passage of time American industry would come to realize that by seeking to give the Government such blanket authority as some would have the Government exercise in connection with emergency disputes, they would bring about a situation in which the Government would become the determiner not only of wages, hours, and conditions of employment with respect to labor, but the determiner as well of what has heretofore been believed to be managerial rights in respect to production, prices, and the terms and conditions under which industry shall operate.

It is no alarmist argument to warn industry in all seriousness today that it ought to join with labor in a united effort to keep Government participation in employer-labor relationships at a bare minimum, consistent with the basic obligation of government. In my view, that obligation is to see to it that no segment of our economy, be it labor, management, or any other can use the principles of our free enterprise system in such an abusive manner as to jeopardize the legitimate rights of any other segment of the economy or of the public.

To find that balance, and to determine for a certainty just how far the Government can or should go as a matter of public policy is the test which is ahead of us in this debate. Would that I thought I knew the answer. I do not. Would that I could be sure that the amendment I am now offering would provide the answer. I am not. There are implications of my own amendment which I do not like, but I have come to the conclusion that it is worth a trial, if we will only keep in mind the flexible features of it, to which I shall shortly direct my attention.

I conclude this point by saying that I think there is need for a little greater consideration on the part of my colleagues in the Senate of the danger of establishing in statute law Government regulations and procedures for the handling of labor disputes which may lead, whether we will it or not, to a gradual taking over by the Government of employer-labor relations.

I saw it practiced during the war. As a member of the War Labor Board I saw the Government, through that Board, decide more and more matters in the field of collective bargaining which should have been reserved to labor and management. There is no doubt about the fact that during the war, with the no-strike, no-lockout obligation resting upon labor and management, good faith, free collective bargaining broke down in many thousands of cases. The break-down was such that the Board itself for a certain period of time completely failed in its work, until we set up a series of regional offices and adopted certain policies in regard to turning cases back for collective bargaining.

What happened was that in certain individual cases the employer and union representatives reached a deadlock; and instead of remaining at the job and trying to reduce to a narrower and narrower area their differences of opinion, they "passed the buck" to the War Labor Board. The members of that Board were, in effect, writing the collective-bargaining agreements in thousands of cases. Of course that is dangerous. There were many things about our work on the Board which, if extended into peacetime, would represent a very dangerous policy. Speaking very frankly, I am frightened about the danger of having the Government take over more and more in this field, under some of the proposals which will be made during the course of this debate. The tendency is here now in the present operations of the Taft-Hartley law.

One of my objections to the Taft-Hartley law, among many others, is that I think it goes too far in putting the Government in the business of determining wages, hours, and conditions of employment. That is a job for the parties to the dispute to determine, not for the Government to decree. Even under the Taft-Hartley law we already see an increasing tendency of the parties to a dispute, when they reach a deadlock, to "pass the buck" to the National Labor Relations Board. During the course of this debate it has been said—and very aptly, I think—that the real purpose of the Wagner Act was to make perfectly clear that free collective bargaining through unionization was a legal right in the United States and that it had come to stay.

As I have said so many times, and as I said earlier this afternoon, it is unfortunate that when the Wagner Act was passed, the draftsmen did not give greater consideration to the principle of mutuality of rights and obligations to and between the parties to labor disputes. That is one of the great weaknesses of the Act. We should correct it, and we should give to both parties the same procedural rights. In my judgment, however, we should not go to the extent that so many are advocating, namely, of setting up a complex, detailed, procedural structure which in fact amounts to governmental determination and decision of a host of issues which should be left to the parties to the dispute, under the good old American system of voluntarism. I shall have more to say about that by way of giving specific examples and cases when we take up other amendments to this measure; but I give this general warning this afternoon in regard to enacting at this session of Congress labor legislation which will have the effect, in the last analysis, of making the Government the final determiner of a great many of the relationships between management and labor, which ought to be determined, not by the Government, but by the parties to the dispute, through good-faith collective bargaining. I repeat that we cannot legislate good-faith collective bargaining, we cannot put good will into the hearts of men, by means of legislation.

I wish to make another point before I take up the amendment. I said earlier in my remarks that Will Davis pointed out in the committee hearings that if in a generation there are more than one or two emergency disputes, which have to go through some governmental procedure for final determination, the system and procedure will break down.

He said something else which supported a point of view which some of us expressed during the 1947 debate, namely, that under our free economy in an emergency dispute case the public is not entitled to be protected in the same degree of economic enjoyments—I do not say rights, Mr. President—which they enjoyed prior to the existence of the emergency dispute. The public must realize that it too, is a partner in this free economy, and if the public is going to permit the exercise of the basic freedom to strike and lock-out, it must expect, when that right is exercised from time to time, that it, the public, will suffer some inconvenience.

So let us consider a coal case or a utilities case or a railroad case, and let us apply to some hypothetical facts the general proposition to which I am referring. Suppose there were a widespread strike in a certain utility. It could be of such proportions as to affect the national health and safety. To the extent that it affected the national health and safety to the detriment of the public, in that it really endangered health and safety, I believe the Government would have an obligation to move in and protect that public interest. However, that does not mean Mr. President, that you and I would be entitled, each night during the course of the dispute, to have for our reading lamps sufficient electric current to enable us to read our daily newspaper. It does not mean that every economic establishment in the community would be entitled to the same amount of electric power it previously had. It means that in such a case if we are going to preserve the right to strike, the Government should take the necessary steps, through whatever procedure it can use to accomplish the desired results, to see to it that sufficient power is available to protect health and safety, but no more. That is true, because if the Government were to go further than that, the public and thus the Government would then be allied on the employer's side of the dispute.

As I have said before, that is one reason why I cannot go along with the stereotyped blanket-injunction procedure in such disputes. It must be remembered that an injunction is not handed down on the merits of the case—because the merits would not yet have been determined. We do not know who is more at fault, in such cases, until there has been a hearing on the merits. Under the injunctive process, the Government would automatically be put on the side of the employer, and the employer

would know it. Consequently, if he felt he had a good chance to obtain an injunction, he would have a weapon, in his negotiations with the workers, which would be superior to any which the workers might have.

The public wants to be fair, and unless it is fair, in the long run it will jeopardize its own basic freedoms. Any injustice or unfairness, even when exercised by the general public, sooner or later reaps a costly toll, threatens national unity, forces upon us class-conscious conflict, and breeds great discontent within our country. It is only by the public's remaining fair that such trends in our society can be prevented. So I say that the public should recognize, in the handling of emergency disputes affecting national health and safety, that the only thing for which it has the right to ask is the operation of our economy during the course of such a dispute and only to the extent necessary to protect health and safety. The public should not expect that every factory in the town will continue to operate, or that the elevators in every office building will run, or that the average Mr. and Mrs. Citizen will be able to go through their daily economic lives unaffected by the dispute. If that is not the standard we are proposing in handling emergency disputes, then why does not someone forthrightly say that the objective is to do away with the right to strike or lock out? They do not say that, Mr. President, and I will tell you why I think they do not say it. They do not say it because they know that even the public upon reflection would not approve of such a course. I am afraid the public is somewhat in the position of the little boy who really wants to eat his cake and have it, too.

Let us apply my premise to the railroads. Suppose there were a railroad strike. The health and safety of the Nation—and I think this was completely missed in the last threatened railroad strike—do not call for the operation of every railroad train in the country. The health and safety of the Nation do not call for the maintenance during the dispute of the same economic intercourse which took place through the operation of the railroads prior to the dispute. If it is health and safety we are seeking to protect, then let us face the fact that the obligation of the Government should be to take such steps as may be necessary to protect health and safety, and stop there. Of course, that means sacrifice to the public. It means loss to the railroads. But it is necessary to come to grips with this whole business of what the right to strike and lock-out means.

Take the question of coal. Suppose a shut-down occurs because of a strike in the coal industry. Does that mean that we should have an emergency-dispute procedure which makes it mandatory upon the part of the Government to insist that all the coal mines shall operate? How much coal must the Nation have in order to protect its health and safety during the period of a coal strike? That is a question of fact. Some would make it a conclusion of law, by adopting a procedure which would in effect place upon the Government the duty of taking whatever steps within its powers it thinks it has to operate all the coal mines.

The difference of opinion that exists over this one premise partly explains why it is so difficult for us to reach some reasonable agreement upon emergency-dispute procedure. I am so convinced that the fundamental right of workers and employers to use economic force, if necessary, is essential to maintaining a free society, and avoiding the development of governmental dictation of our economic life, that I am willing to make the very impolitic statement—and well do I know how impolitic it is, Mr. President—that during the emergency the public is not entitled to enjoy all the economic conveniences which it enjoyed prior to the development of a deadlock between management and labor. Certainly I want to see that essential services are maintained.

That leads me to point out that we are dealing here with a field of human relations that cannot be separated from the exercise of wise discretion and objective judgment. It cannot be done by a cold legal rule. Mr. President, we may disagree as to what discretion should be exercised and what judgment should be reached on the facts as to how much of an industry must be maintained in operation in order to protect national health and safety, but I am willing, on a case-to-case basis, to entrust that judgment, with reasonable checks against the exercise of arbitrary caprice, to public servants who are charged by the Congress with the task of doing whatever they can within a very flexible framework of rules and procedures to lead the parties to their better senses and to settle disputes on the basis of rules of reason rather than on a continuation of the rules of economic force. And that usually happens.

Oh, the hypotheticals that are thrown at us, Mr. President. If John L. Lewis, for example, closes down all the coal mines of the country, and adamantly says, "I will go to jail," or if 150,000 coal miners say, "We will go to jail," what are we going to do? I shall propose to treat that case when we reach it, because that is the only way we can ever solve the problem. We must be in position to treat that case on the basis of the individual facts existing at the time it arises. I do not think there is any other answer to it. I certainly shall not vote for a blanket injunctive process in such cases. There are a great many reasons why I shall not vote for a blanket-injunction process in such cases.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. THYE. If I may ask the Senator a question, I should like to know how he would deal with strikes in connection with hospitals and city water supplies. I am keenly interested in what the Senator is saying, and I ask the question only in order that I may have a broader understanding of what the Senator would recognize as the essentials of the emergency.

Mr. MORSE. I appreciate the Senator's question. I think it is very pertinent. I will simply say that I would have the facts of the individual case determined by a competent board, handing down a decision as to what services need to be rendered in order to maintain the minimum services essential to public health and safety.

Mr. THYE. The question would be submitted to a board before the shut-down or the lock-out or the cessation of the work, and then the board would have an opportunity to act. For example, if the electric switches were to be pulled at a given hour, the board would have a right to determine whether the switch of the hospital or of the city water pumps could be pulled. That is what comes to my mind, because it could occur any day or night, at any hour of the 24 hours.

Mr. MORSE. I want, first, to eliminate one assumption that the Senator has in his hypothetical question. I may say to the Senator that I do not know of anything by way of a law which can stop men, if they will, and if they become so lacking in full appreciation of their responsibility to the public, from quitting work. But if they do, and if it is a real national emergency, I propose to have the matter submitted to the board so that we can have the benefit, as quickly as possible, of the board's decision as to what the solution of the particular case should be, and also to have the matter submitted by the President to the Congress. If a dispute is so serious as to constitute a menace to national health and safety, I believe it should be considered on the floor of the Senate. The representatives of the people have an obligation to proceed to consider it on its merits, aided by such expert advice and decision as such a board would be able to give to the Congress.

Mr. THYE. Will the Senator yield further?

Mr. MORSE. I shall be glad to yield.

Mr. THYE. The mechanics of the board, as proposed in the Senator's amendment, would be such that the board would be aware of the threatened shut-down. Is that correct?

Mr. MORSE. The moment the shut-down is threatened, the President would issue a proclamation calling on the parties to maintain the status quo and appoint an emergency board which would report within 30 days. If the status quo is not maintained, the President would be required to lay the matter before Congress.

Mr. THYE. In the event Congress were in recess, it would take some time to reassemble the Congress, would it not?

Mr. MORSE. Not more than from 12 to 24 hours.

Mr. THYE. So the union could not pull the switch on a hospital for 12 hours, or could not pull the switch on a city water system for 12 hours.

I am very much interested in what the Senator is saying, and I ask these questions in order to enlighten myself as to how we could protect ourselves in situations of that kind.

Mr. MORSE. I know of no rule of procedure which would protect us from such gross irresponsibility as that which the Senator has included in his hypothetical question. I care not what procedure may be adopted, if there is any group of workers so completely asocial in

their attitude toward the public as to endanger a hospital or to endanger a water supply of a city, as is suggested by the Senator, without taking the steps necessary to protect health and safety, I do not know of any law which would prevent the workers from walking out. If they are so asocial that they are going to follow that course of action, what can we do with them? Put them in jail? That is why I object to the injunctive process. If we have the injunctive process, the choice we give the individual is either to follow the mandate of the court or go to jail for contempt. Coal cannot be mined in a jail. A public utility cannot be operated if the workers are in a jail.

The Senator can disagree with me to his heart's content and let history determine whether I am right or wrong, but if we make the American pattern for the handling of emergency disputes the process of injunction, we shall have to send many persons to jail, if we attempt to make it really effective. On this point I am convinced that American workers are so certain that the injunctive process endangers their basic rights to economic freedom that they will go to jail before they will allow that pattern to become a pattern of public policy.

Mr. THYE. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Oregon yield to the Senator from Minnesota?

Mr. MORSE. I yield.

Mr. THYE. If I may be allowed to make a comment along with my question, I recognize that under the injunctive procedure, if an injunction is imposed for 60 to 90 days, at the end of that period the dispute immediately continues, and there may be a second injunction imposed. Would there not come a time when we would actually be proceeding under a constant injunction? The same idea could be applied to seizure. At the end of the seizure period, if the question arose again, there could be imposed another seizure. Would not the plant, under those circumstances, be under the supervision of the Government or a board or a commission established by law to maintain control and operate the plant?

Those are two questions which come to my mind in connection with the injunctive process, and the question of seizure, with respect to which I am greatly disturbed. I am seeking, as earnestly as a man can seek, an answer which will satisfy my own mind and conscience on the point. I wish the Senator would stress the danger of processes of seizure and injunction, and explain each of them, as I know the Senator so ably can explain them if he takes a few minutes on each one of the points.

Mr. MORSE. It is my personal view that the adoption of the injunction pattern in emergency-dispute cases will not work satisfactorily. If we make that the policy of the Government, labor will be of the opinion that it must contest it, because labor looks upon it as destructive of its basic right to free collective bargaining. As I have said before, labor looks upon it as putting the Government on the employer's side of the table, and it has the effect, to all intents and purposes, of permitting the court to decide the ultimate case against labor, for the reason that the issuance of an injunction, whether we will it or not, causes the average American citizen to say, "Well, labor certainly must be wrong in this case, because an injunction has been already issued against labor." On the other hand, seizure and Government operation threaten the rights of employers and may, in like manner, tend to prejudice the employer's case in the public mind.

Mr. President, I should like to hold to the coal case, because I think we should face the facts frankly. Very many of these proposals for the handling of emergency disputes are the direct result of the discussion within the Senate of the hypothetical "What are you going to do about John L. Lewis?" It seems to me we are letting that hypothetical case cause us to consider some legislative patterns which are not in the public interest.

Of course, I might reply to those who ask the question "What are you going to do about John L. Lewis in an emergency-dispute case?" by asking a second question, "Well, what have we done?" Under the Taft-Hartley law we had an injunction. We did not put a single man in jail. We did not put John L. in jail. So, if we want to deal in conjecture and hypothetical, I can give one, "What do you think would have happened if we had?"

Mr. THYE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. THYE. I recognize that coal is not so critical as a utility that deals with electrical current for a city, electrical current for a hospital, or electrical current to operate city pumps controlling the water supply. If such a utility were shut down for 1 hour or 2 hours, or for any time, the situation would be critical, as it would be if the members of a union were so irresponsible as to pull a switch on a pump controlling the water for a city. I am not concerned so much about coal, because there could be a shut-down in the coal supply for a week and people could survive and there would be no endangerment of the welfare of the public.

But I conceive that the pulling of a switch on an electrical utility could be very serious, and could endanger the welfare and the health of a great number of people. If a union were irresponsible and did such a thing, how would we deal with that situation?

Mr. MORSE. Assuming the facts of the hypothetical, and adding to it the condition that there is the worst possible set of facts——

Mr. THYE. That is what I intended.

Mr. MORSE. That we have a condition endangering the health and safety of the public, then we would all agree with Will Davis' testimony when he said in effect, before our committee, "Under those circumstances, of course, people have to protect themselves." They cannot do it by law, it seems to me, except by way of a proclamation by the President to whatever citizens' committees are necessary to protect health and safety in helping to operate the waterworks, for instance. Under our system of free government, a city has the right to protect itself, and if the situation is so bad that the governmental processes break down, then of course there must be martial-law procedure.

I say to my good friend from Minnesota that it seems to me that he is thinking in terms of that rare and exceptional case which, if it does come to pass, must be dealt with on its own terms. He is permitting that rare possibility, I think, to influence him greatly in the determination of what procedure should be written into the law, which, if it is written into the law, will be automatically applied to a host of cases which are not of so serious a nature as the one the Senator from Minnesota fears may occur.

Mr. THYE. I am not being influenced; I am inquisitive; I am searching; I am trying to find all the answers to problems which I can imagine could arise. I am merely trying to find the answers. I have not been influenced. I am as inquisitive as a person possibly could be in these matters.

Mr. MORSE. My choice of language was probably bad. What I am trying to say is that I assume the Senator from Minnesota is troubled in his thinking, as I am troubled in mine, and as I think most of my colleagues are troubled in theirs, as to what if anything we can do by way of blanket legislation to cover the rare and exceptional case which may arise sometime in the future. The best answer I can make is to say that I do not believe we can meet the situation by blanket legislation, other than by providing a procedure which will permit the Government at such a time to consider the case on its individual facts and merits.

Mr. THYE. I am happy the Senator said he was troubled, because I am troubled, and the only reason why I am asking the questions is that I am troubled.

Mr. LONG. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield to the Senator from Louisiana.

Mr. LONG. With reference to the hypothetical question given by the Senator from Minnesota, would it not be true that if such an emergency occurred and electricians, let us say, went on strike in a hospital, we would probably see the same public response we see when a person is dying in a hospital, even though he may be a criminal, and the hospital calls over the radio for blood, and it comes from all directions? My guess is that when the public feels that way about it, there would be very little difficulty, if union members could be induced to close the hospital down.

Mr. MORSE. On the basis of the assumptions raised by the Senator from Louisiana, I wish to say that the conclusion he has reached is the same conclusion reached by Mr. Davis when—paraphrasing him—he talked about the importance of citizens' committees really proceeding to protect the public.

Mr. HUMPHREY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I wonder whether the Senator from Oregon does not make a distinction between what we may call local disputes, those which may be dealt with under local State laws and regulations, as compared with those which require national legislation.

Mr. MORSE. I have certainly meant to make that distinction, in remarks I made earlier this afternoon, but I am glad the Senator raised the question as it gives me an opportunity to make it clear in the RECORD.

I said earlier this afternoon that one of the great dangers we face is passing legislation which will result in a great many disputes being called national emergency disputes when in fact they are not national emergency disputes. They may be serious disputes, but not disputes in which one can say that the national health and safety are involved, or that the safety and health of a large area of the country are involved. There are a great many measures on the books at the State level which many people would like to have written into the Federal law to cover a good many of the situations.

Mr. THYE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. THYE. My only reason for referring to electricity in connection with utilities was that I was thinking of some large utilities such as the TVA, the Columbia Valley Authority, and other large installations such as those, which stretch across many States and involve electric power for large cities, wherein, many hospitals might be involved if a switch were pulled. It was for that reason that I asked the question. I know the Senator from Oregon is possibly one of the best qualified judicial minds to discuss and to explain these questions, and it was for that reason that I propounded the questions to him.

Mr. MORSE. Mr. President, the Senator from Minnesota has a higher regard for the thinking of the Senator from Oregon on this matter than the Senator from Oregon has himself, because I am so perplexed and disturbed about it, so concerned about its importance to our whole economy, that I want to make perfectly clear that I do not claim what I am offering to be the answer which should be adopted. I do claim it to be a suggestion which is deserving of very serious consideration as we study the other proposals made, such as the one made by the Senator from Ohio [Mr. TAFT], the one made by the Senator from New York [Mr. IVES], and the one made by the Senator from Illinois [Mr. DOUGLAS], which I understand will subsequently be offered.

Mr. HUMPHREY. Mr. President, will the Senator yield for one more question in regard to the national emergency proposition?

Mr. MORSE. I yield.

Mr. HUMPHREY. Does the Senator from Oregon believe that the provisions outlined under the national emergency section of the Taft-Hartley Act, or any other national emergency section, have the tendency to create at least artificial situations, or situations which are termed national emergencies? I do not recall that there was a labor dispute which was particularly termed a national emergency from the beginning of our Nation, until about 1947. We had railroad strikes in connection with which troops were used. We had a half a dozen serious major industry-labor relations problems. But all at once, with the passage of the Taft-Hartley Act there were seven instances within 2 years of national emergency disputes. In all these years from 1935 to 1937 I do not think there were seven instances of cases which we termed or even thought of as national emegencies.

Mr. MORSE. I completely agree with the Senator from Minnesota. I think in the public's thinking, since the passage of the Taft-Hartley Act, there has been a tendency to assume that every major dispute partook of a national emergency character. I think the public has not drawn the distinction among the disputes which I seek to draw here this afternoon. I do not consider the last coal strike was a national emergency case.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MORSE. I will yield in a moment. I do not believe the proof was available that, at the time the Government took the drastic action it took, the shutting down of the mines, a threat to national health and safety had been established to exist.

Let me refer to a wartime coal case. I wish the Senator from North Carolina [Mr. GRAHAM] were present to check the statement I now make. It was in the spring of 1943. The Nation was at war. A serious coal dispute occurred. Some of us held to the position that during the course of the war the Government should use every force at its command to maintain coal production. I sat in the office of the President of the United States one afternoon with the membership of the War Labor Board to discuss the procedure and the strategy which should be followed in case the contest should be drawn between the miners and the Government as to whether the mines should be kept open during the course of the war. I heard men who had been called there, and who knew the facts, state, and I heard the President of the United States himself agree, that as of that time we could stand a coal strike of 3 months' duration. I am satisfied that in the case of the last coal strike the national health and safety would not have been jeopardized if the strike had been of several weeks' or months' duration.

Now what is happening is that every time a dispute occurs in one of the major industries which may look like it is going to lead to a stoppage, the hue and cry goes up in the land, "Right now health and safety are in danger." What those who cry out in that language really mean is some economic sacrifices will have to be made by a great many people if workers and management exercise the free right to use economic force. I simply do not think we can ignore the significance of that fact.

I now yield to the Senator from Alabama.

Mr. HILL. I wish to ask the Senator from Oregon a question. Does not the Senator think that it should be made clear that the procedure we are now talking about applies and should apply only when there is a very real national emergency which imperils the health and safety of the Nation?

Mr. MORSE. I do, but I insist that that is a question of fact, and in the last analysis, after the President's proclamation, it should be determined on the floor of the Congress of the United States.

Mr. HILL. Does the Senator from Oregon mean to say that we can write out a definition?

Mr. MORSE. No. Just the opposite.

Mr. HILL. The Senator does not mean that at all?

Mr. MORSE. That is what I am urging against, that we do not attempt to write a rule of thumb into this legislation. I urge that we must recognize, that we must consider these matters on a case-to-case basis, and that we should not provide a blanket injunctive procedure for the handling of any cases.

Mr. President, I am obliged to leave by 5 o'clock to attend the graduation exercises at the school from which my daughter is graduating, which is the most important thing for me to do just now. I am going to conclude my speech quickly, but I will yield to the Senator for another question.

Mr. HILL. The Senator will agree that the injunctive procedure in and of itself is only the machinery, or would only be the machinery. It would not define what is or what is not a national emergency imperiling health and safety of the Nation, would it?

Mr. MORSE. That is correct. Under the present law it is automatic. A decision is not made on the merits. It is automatic.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DONNELL. The Taft-Hartley Act provides:

> If the court finds that such threatened or actual strike or lock-out—
>
> * * * * *
>
> (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out.

Does not the Senator agree with me that that is not at all automatic, but that it requires proof, and that the courts must find that the threatened or actual strike or lock-out, if permitted to occur and continue, will imperil the national health and safety?

Mr. MORSE. That is one of the points on which the Senator from Oregon and the Senator from Missouri disagree—the application of literal language in the statute to the practice of the courts. The Senator has read language that is typical of temporary injunction language which has appeared in the law for decades. It has been labor's experience that in practice it is automatic. In practice the injunction is obtained. As a lawyer, I speak most respectfully of the bench, but in practice those seeking the

injunction appear before men on the bench who from experience and conditioning are not the ones who in our society should be entrusted with the determination of whether disputes should be handled or stopped or suspended by way of injunction.

I care not, I may say to the Senator from Missouri, even if there is placed in the statute the language, "And they must consider the case on the merits," the result would still be that injunctions would practically, as a matter of practice, automatically follow, and labor would be back again on the road that leads to government by injunction. It does not make any difference whether you and I or millions of other people in this country think labor ought to accept that procedure; we are confronted with a fact, not a theory. We are confronted with the fact—impolitic again as this statement may be—that organized labor is not going to accept, without a deep and abiding sense of injury, a law which requires the settling of labor disputes, even for a 60- or 80- or 90-day period, by way of an injunctive process, because the choice given labor, from labor's sights, is that it must either work under the conditions laid down in the injunction or go to jail for contempt. And labor says, "There is something about that which violates a basic American freedom. There is something about that which says in effect, 'For whatever period of time the injunction is going to last the court gives us a choice of the bars of a jail or working for an employer under his terms and conditions, for his profit, for such period of time as the injunction lasts.'" Whether the American people like it or not, they must face the fact that the workers will not take it without protest or bitterness.

We are then confronted, it seems to me, with a situation which we should always seek to avoid in a democracy if we want to keep democracy strong. We must find methods which will accomplish socially desirable results without imposing upon any large segment of our population a procedure which that segment conscientiously believes is unacceptable to it because of what it does to its rights. What are we going to do, if we wish to talk in terms of hypotheticals, if 150,000 of John L. Lewis' coal miners say, "We will go to jail"? What are we going to do if we put Lewis in jail, and the 150,000 coal miners say, "Either Lewis goes out of jail or we go out of the coal pits"? It is a hard hypothetical.

I do not care what misinterpretations may be made of my position on this question. I say frankly to the American people that I think I understand labor's psychology sufficiently well to be convinced that labor will go to jail before it will accept a pattern of the injunctive process for the settlement of disputes.

My good friend from Missouri and I differ on several features of the injunctive processes of the Taft-Hartley law, including the question as to whether, under existing law, miners can be put in jail. If I correctly recall, the Senator from Missouri does not agree with my conclusion on that point. I still think that under the Taft-Hartley law we could put not only the leaders, but the workers themselves in jail. I would prefer to debate that question with the Senator from Missouri in greater detail, as I am sure it will be debated in great detail when we have the issue before us in an amendment. I am trying to get away in time to attend a high-school commencement. I seek only to explain my own amendment today. I thought the public was entitled to this brief explanation of the theory, at least, of my amendment. I say to the Senator from Missouri today only that I do not think we are going to solve the emergency dispute problem by way of injunction.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DONNELL. I certainly shall not interfere with the Senator's getting away. I fully appreciate his desire. He is always conscientious in wanting to perform his full duty, and I honor his desire to perform the duty to which he refers this afternoon.

If I may be pardoned for a moment or so, I should like to ask one or two questions.

In the first place, the Senator from Oregon stated that the matter of the issuance of an injunction in the case of threatened impairment of national health or safety is virtually, in fact, automatic. Does not the Senator think that the courts, impressed with the dignity of the oath of office which they take, are fully aware of the fact that when a statute of the United States says that if the court finds that the threatened or actual strike or lock-out, if permitted to occur or continue, will imperil the national health or safety they shall have jurisdiction, the judge of the court, impressed with the oath of his office, will realize that before he can make such a determination he must have valid evidence in support of it? Before the Senator answers that question, let me ask, in connection with that question, whether or not he denies that the courts are fully competent to decide questions of this kind.

Mr. MORSE. I will take the first question first.

I have no doubt that the courts will think they have adequate evidence on which to render their decisions; but I must judge them by the results. The injunctions requested under the Taft-Hartley law to date have, in practice, been virtually automatic. I think the coal case is a good example to show wherein the court erred in finding that the national health and safety were so jeopardized as to justify the injunction. I think it would have been weeks, and possibly several months, before a conclusion could have been reached that the national health and safety were involved in that case. What the court did, in my judgment—and I say this with the greatest respect for the court—was to project into the future what the court thought might be the facts some weeks or months hence. But on the date the court handed down its injunction in the coal case, I say that on the facts the national health and safety were not in danger. The then existing supply of coal above ground was a complete answer to the court.

Now let me answer the second question. Again, with the greatest of respect for the courts, and as a lawyer, I say that I do not believe that judges of America, by their common-law court training, their experience, and their conditioning, are the officers of the Government who ought to pass judgment upon the facts and merits of labor disputes. I do not believe that they are qualified as a group to render decisions on the social and economic questions of labor disputes. In my judgment, there is extending over decades, a sordid record against the courts in what they did to American labor through temporary injunctions which, in effect, constituted strike breaking by American courts. Labor went through that experience. I am proud that my party was the party which sought to put an end to it through the Norris-LaGuardia Act. I am going to stand on the Norris-LaGuardia Act completely, even to the extent of proposing that in the case of national-emergency disputes it shall be applicable also to the Government.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. DONNELL. I understood the Senator to say that the courts would think that they had adequate evidence on which to base a judgment of injunction. Did I correctly understand the Senator?

Mr. MORSE. That is correct.

Mr. DONNELL. Does not the Senator think that in all other matters of human dispute, involving property rights, the rights of the individual, the rights of liberty, and so forth, we have found that the courts have functioned, and that they are not mistaken when they think they have gone to the bottom of the issues involved? In that connection, if the Senator will pardon me for interpolating this statement, the case from which I shall read is not the second coal case. This was the one in 1946. I should like to have the Senator tell us whether or not he thinks the Supreme Court was capable of formulating correctly this statement, which it made in the first coal case. It said, immediately following the finding of guilty:

> Defendant Lewis stated openly in court that defendants would adhere to their policy of defiance. This policy, as the evidence showed, was the germ center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States.

I ask the Senator from Oregon if the Supreme Court was capable of drawing the conclusion which it drew when it said:

> It was an attempt to repudiate and override the instrument of lawful government in the very situation in which governmental action was indispensable.

Mr. MORSE. My answer to the Senator from Missouri is that in that case, as in other cases, the Court did not sit as a court of equity. In my judgment the Court did not have available to it—and we cannot expect, under the procedure of the Supreme Court, that it will have available to it—the great mass of techni-

cal and economic evidence which would be available under the administrative law processes, for which the Senator from Missouri has heard me plead so frequently, in determining the question whether or not, at a given time, we had yet reached a point where the national health and safety were in fact being jeopardized.

Mr. DONNELL. Did I correctly understand the Senator to say that in the case from which I read the Court was not sitting as a court of equity? Before the Senator answers that question, let me read to him this one sentence:

Alleging that the November 15 notice was in reality a strike notice, the United States, pending the final determination of the cause, requested a temporary restraining order and preliminary injunctive relief.

Is not that conclusive evidence that the Court was sitting as a court of equity?

Mr. MORSE. Procedurally, yes; but the Court did not have available to it the type of evidence which a Board ought to have in determining the question of whether there is a national emergency. It is an economic question, a social question; and it should be determined by a group of men who could go into the question of how much coal was above ground at that time, how many mines needed to be operated in order to protect the national health and safety, and so forth.

But the case the Senator has presented illustrates my point. In its findings in that case, the Court was ruling that the coal industry should be kept in operation. That will be the legal attitude of judges generally. They will not draw the distinctions which should be allowed to be drawn by a board which would determine how many units of an industry would need to be kept in operation in order to protect the national health and safety.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. MORSE. I yield.

Mr. DONNELL. In the case from which I have read, which ultimately terminated in a contempt proceeding and very large fines against both the union and Mr. Lewis, the Court said:

The defendants thereupon pleaded not guilty, and waived an advisory jury. Trial on the contempt charge proceeded. The Government presented eight witnesses, the defendants none. At the conclusion of the trial on December 3, the Court found—

And so forth. Does not the Senator agree with me that there was adequate evidence on which the lower court acted, and that the Supreme Court sustained the view of the lower court as to the conclusions reached on the evidence adduced before it?

Mr. MORSE. I completely disagree with the Senator from Missouri. I submit that the type of evidence adduced in that case by the Government did not establish the economic facts which should have been before the Court when it was determining the question of whether the national health and safety were being jeopardized.

Can the Senator from Missouri point to anything in that case to show that the Court was informed as to how many thousand tons of coal were above ground at that time?

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DONNELL. I do not have before me a transcript of the testimony in that case, but in the decision of the case by the Supreme Court there are a number of pages in which the Court sets forth the facts as it found them from the evidence before it. The Court said:

This policy, as the evidence showed—

In other words, not according to some wild vagary of the Court or some prejudice that the Court might have determined upon; but the Supreme Court of the United States said:

This policy, as the evidence showed, was the germ center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States.

Does the Senator from Oregon disagree with the finding of fact thus made by the lower court and sustained by the Supreme Court of the United States?

Mr. MORSE. I disagree with the conclusion the Court reached; and, with all due respect, I say it was not a finding of fact, because although the Court referred to evidence, my question is, What evidence?

In legal decisions we constantly encounter statements by the Court, "On the basis of the evidence which was presented"; but I say we must go into the evidence itself and must determine whether it was shown that the national health and safety were endangered.

I respectfully say to the Senator from Missouri that in the coal case I do not think the conclusion of the Court that the national health and safety were endangered at that time can be sustained by the facts. The Court spoke in prospective terms in futuro. The Court said that if the strike continued, it would be likely to cripple the sinews of the American economy, or words to that effect. That illustrates a point I made earlier this afternoon, namely, how far should we be willing to go, by way of making economic sacrifices, in order to preserve the basic right to strike and lock-out? I say we must be willing to go much further than we shall ever find the courts generally willing to go if we give them the injunctive power, because their whole history has been one of a willingness to crack down—as they are willing to do now—on labor by way of issuing an injunction, and usually saying in the temporary order something to the effect that an ample opportunity will be allowed for a consideration of the case on its merits.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. DONNELL. I do not wish to detain the Senator unduly.

Mr. MORSE. I am glad to have the Sentor proceed.

Mr. DONNELL. The Senator from Oregon has asked what kind of evidence was before the Court. I take it that all the testimony in the earlier coal case—which was not under the Taft-Hartley Act—as reported in Three Hundred and Thirtieth United States Reports, page 258, will not be found to be set forth in the decision of that case; but on page 267 this is stated by the Court:

A gradual walkout by the miners commenced on November 18—

That statement follows earlier recitals by the Court—

and, by midnight of November 20, consistent with the miners' "no contract, no work" policy, a full-blown strike was in progress.

Then I call to the Senator's attention the next line of the decision, which I think is significant as indicating whether the injunction was issued without valid evidence. The Supreme Court, in speaking through the language of Chief Justice Vinson, then said:

Mines furnishing the major part of the Nation's bituminous coal production were idle.

When the Supreme Court of the United States said that, as the evidence showed, the policy of Mr. Lewis, which he had stated openly in court the defendants would adhere to, was—

The germ center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States—

I submit that the Court itself did not say the paralysis would extend in that way, but said that the paralysis was extending itself in that way; and I submit that the Court was setting forth facts as found from the valid evidence before the trial court.

Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. DONNELL. The Senator from Oregon has spoken of the necessity of showing that a present condition of national emergency exists. Is it not a fact, I ask the Senator, that under the Taft-Hartley law it is not necessary to show that at the minute the injunction is granted the injury has already resulted; but does not the Taft-Hartley Act say that if the court finds that the threatened or actual strike or lock-out, if permitted to occur or to continue, will imperil the national health or safety, the court shall have jurisdiction?

Mr. MORSE. Mr. President, I wish to say to the Senator from Missouri that in my judgment I could not have asked for a better witness in support of the position I have taken this afternoon than the Senator from Missouri, in the statements he has made and the quotations he has read from the decision of the Supreme Court of the United States. I wish to repeat that the Senator from Missouri and the Supreme Court of the United States in my judgment are basing their conclusions upon the point of view that a national dispute which disrupts the economy of the Nation constitutes a dispute which endangers the national health and safety; and the decision of the Court showed—when the Court talked about what would happen if the dispute continued in operation—the hunches of the Court as to what would happen. It showed that the Court was not acting then and there upon the basis of a finding that national health and safety were in danger, but on the basis of an honest belief as to what might

happen at some time in the future if the parties did not reach a settlement.

If we are to take the position which the Court takes and which the Senator from Missouri takes, then I say that the conclusion should be to stand for a law which outlaws completely strikes in major industries. There cannot be a strike in a major industry which does not have some of the effects about which the Court is talking. But it is possible to have a strike in a major industry for a considerable length of time without endangering national health and safety, provided there is a method of procedure available to assure that the minimum services which are necessary in order to protect health and safety will be maintained. In this instance we have the Court doing what the courts generally do—laying down merely a blanket-injunctive ruling which has the effect of killing the strike and putting labor "behind the 8 ball," so to speak, as far as public opinion is concerned. It is a good example of the injunction being used as a strike-breaking weapon. I shall not be a party to it. If I can prevail on the Senate, I am going to be a party to a provision in the law which will make it perfectly clear that our courts cannot exercise the strike-breaking weapon that the United States Supreme Court affirmed in the coal case.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

The VICE PRESIDENT. Does the Senator from Oregon yield further to the Senator from Missouri?

Mr. MORSE. I yield.

Mr. DONNELL. Does not the Senator think that it is much wiser to give authority such as the Taft-Hartley Act gives to secure an injunction against the occurring or continuance of a strike or lock-out before the national health or safety shall have been imperiled, than to wait until after it shall have been imperiled and the damage done; particularly when by the very language of the statute, the court, in order to have jurisdiction, must find that if permitted to occur or continue, the strike or lock-out will imperil the national health or safety?

Mr. MORSE. My answer to the Senator from Missouri is, the injunctive process is not needed at all in order to accomplish the objective which the Senator has in mind. There are much better procedures for handling national emergency disputes than the injunctive process. The injunctive process will purchase for us industrial conflict, not industrial peace. This strike and that strike may be broken, but we shall not change the determination of American labor to be protected from what I think is the very unfair choice the court has to give them under the Taft-Hartley law, and will inevitably and invariably give them. In most cases counsel for the Government will be found saying that a prima facie case was established in the court below and should be sustained by the Supreme Court, in its final decision justifying an injunction. I ask, what did the union do in the particular coal case under discussion? It stood mute.

Mr. DONNELL. May I call the attention of the Senator to the fact that the decision we are discussing, which is the first coal case, was not under the Taft-Hartley Act? The Senator recalls that, does he not?

Mr. MORSE. It has no bearing upon the objection of the junior Senator from Oregon to the injunctive process. I simply say that wherever the injunctive process is used, we confront the very dangers I am trying to warn the Senator about this afternoon.

Mr. DONNELL. Will the Senator yield for one further question?

Mr. MORSE. I yield.

Mr. DONNELL. The Senator referred to the fact, did he not, as he indicates, that in his opinion labor will not stand for this type of remedy, or words to that effect?

Mr. MORSE. I say, if it is imposed upon labor, there will be industrial conflict.

Mr. DONNELL. Perhaps I am mistaken, but as I understood the Senator, I thought he said in substance that labor will not stand for this, that there is a point at which it will not stand for it.

Mr. MORSE. I shall endeavor to make it perfectly clear, if I can, that labor will not stand for it, in the sense that compliance by labor cannot be expected in many cases in which there is an exercise of the injunctive process.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. MORSE. I yield.

Mr. DONNELL. First, does the Senator consider that labor is above the law? Second, does he agree to the proposition laid down by the Supreme Court in the case from which I have read, that "it"—the action of Mr. Lewis—"was an attempt to repudiate and override the instrument of lawful government in the very situation in which governmental action was indispensable"?

Mr. MORSE. I am very glad the Senator from Missouri asked that question, because it is perfectly obvious that the position taken by the junior Senator from Oregon this afternoon, unless thoroughly understood, would be twisted by some—I make no reference to the Senator from Missouri, I assure him—into supporting a premise that labor should be considered above the law. I want to say to the Senator from Missouri that in a great many decisions I have held that, once the courts speak, or once the board renders its decision, once the determination has been handed down, then all the forces of government necessary must be used to compel compliance. Of course, I believe in government by law, and of course I believe that labor must be brought under government by law. If we lay down a national policy that the injunctive process shall be the procedure for handling these cases, and if the Eighty-first Congress adopts that as a matter of policy, no one will be more insistent than the junior Senator from Oregon that the forces of government be used, so long as that policy is on the statute books, to compel labor's compliance. I add, however, that the Senator from Missouri has raised a question of fundamental policy, a question as to whether it is desirable in a democracy to lay down a rule of law or procedure, when we well know that such rule or policy will not have the sympathy of a large segment of our population, and thereby will force upon us a contest over government by law. Rather than meet that issue and force that issue we should see whether we have exhausted all our possibilities for other procedures by which we can accomplish the same results, without drawing that contest. Before this debate is over, I shall have a direct quotation from the great Brandeis, but I call the attention of the Senator from Missouri to a writing of his, which I at least interpret to mean, in effect, that in a democracy we must be very careful that we never get the law out so far ahead of the people or of a large segment of our population that the law cannot be successfully enforced without creating very serious consequences of conflict within our society.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. MORSE. In a moment. Thus I say to my good friend from Missouri, I do not think I would be true to my convictions if I did not say here this afternoon that I think trying to lay down a policy for handling these disputes by the way of the injunctive process is undesirable in our democracy, first, because I do not think it is necessary to accomplish our objectives; and, second, because I think it draws a contest with Government by law which we should not draw and which I do not believe it is necessary to draw. I want the American people to know that if they do draw it, through their elected representatives in Congress, by way of the proposals which I understand the Senator from Missouri is going to espouse on the floor of the Senate during the debate, we are headed for serious industrial strife in America.

Mr. DONNELL. Mr. President, will the Senator yield for one final question?

The VICE PRESIDENT. Does the Senator from Oregon yield further to the Senator from Missouri?

Mr. MORSE. I yield.

Mr. DONNELL. If I may trespass for a moment further on the Senator's time, does he, in his amendment, which I have not yet seen, propose a seizure by the Government as the plan under which he would seek to solve difficulties of this kind?

Mr. MORSE. If the Senator will permit me, I shall explain the amendment in a moment, and the Senator will see the type of seizure which is proposed in the amendment.

Mr. WITHERS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. MORSE. I yield.

Mr. WITHERS. I think perhaps the Senator from Missouri is confused about the remedies. I want to ask, when a temporary injunction is obtained, is it not a ministerial procedure?

Mr. MORSE. It is.

Mr. WITHERS. Is it not a ministerial act by which the clerk of court issues a temporary restraining order?

Mr. MORSE. It can be. But I think, in fairness to the Senator from Missouri, we should admit that in disputes such as these there is no question about the fact

that the court itself is going to give consideration to the petitions.

Mr. WITHERS. But that is a temporary restraining order granted as a ministerial act of the court, and not as a judicial act. It was not a final determination of any issue.

Mr. MORSE. It was not a final determination.

Mr. WITHERS. It is only maintaining the status of the parties until a final determination can be had. Is not that correct?

Mr. MORSE. Yes.

Mr. WITHERS. So it was not a court of equity at all, but a court acting in a ministerial capacity, granting an injunction to maintain the status quo until a final determination could be had. Is not that correct?

Mr. MORSE. I think that is in large part correct.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I yield.

Mr. DONNELL. Does the Senator contend that in the Lewis case the clerk of the court issued the injunction?

Mr. MORSE. No—if the Senator is asking me the question.

Mr. DONNELL. I am asking either one of the Senators. I am sure the Senator from Kentucky would likewise say "No."

Mr. MORSE. In this case we should be sure that the court itself acted——

Mr. WITHERS. And that it was not simply a ministerial act.

Mr. DONNELL. Does the Senator from Oregon agree that the issuance of a temporary injunction by a court, after hearing is held, is the performance of a ministerial duty, or is it the performance of a judicial duty.

Mr. MORSE. If the court passed upon the evidence, I suppose we would have to say that it was clearly a judicial function. Issuance of the injunction, once a determination has been made to grant it, may be regarded as carrying out a ministerial obligation on the part of the court.

Mr. DONNELL. Does not the Senator agree that under the statute—I am talking about the Taft-Hartley Act—it is provided that if the court finds that the threatened or actual strike or lock-out, if it is permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to issue an injunction, and that the court, in issuing the injunction, is acting in the performance of a judicial duty? The Senator certainly would agree to that.

Mr. MORSE. I would not deny that, but I would hasten to add that I think our whole experience under that act to date bears out my statement that, in practice, it amounts to an automatic operation on the part of the court.

Mr. DONNELL. I think there is some room for disagreement on that point.

Mr. MORSE. Yes, I understand. But I must look at the results. If the Senator could bring in many refusals on the part of courts to issue injunctions, we might be a little nearer to his point of view. But I am willing to suggest this afternoon that I think, under the Taft-Hartley law, almost invariably requests for injunctions will be automatically granted.

Mr. DONNELL. In cases in which a national emergency is involved.

Mr. MORSE. Yes. But all it amounts to, in my judgment, is for counsel for the Government to appear before the court and present what he thinks is a prima facie case in support of his contention, and the court will grant the injunction. That has been the whole history of our temporary-injunction procedure, which labor so greatly fears.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I yield.

Mr. DONNELL. Does the Senator disagree with the conclusion at which the Supreme Court of the United States arrived, in the case from which I read, namely, that a paralysis was creeping over the country—I do not have the book at hand at the moment; I think one of the reporters has it——

Mr. MORSE. I think that was an assumption on the part of the court.

Mr. DONNELL. Did not the court say that its conclusion was derived from the evidence?

Mr. MORSE. I still say I think it was the assumption of the court. I do not think the court presented any evidence in its decision which supported the assumption that the national health or safety of the country was endangered in the coal case.

Mr. DONNELL. Mr. President, I should like it to be noted in the RECORD that the excerpt to which I am referring appears at page 303, and states that the policy of Mr. Lewis, as the evidence showed, was the germ-center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States.

Mr. MORSE. I think what it shows is that the court did not like, any more than the rest of us like the idea of economic loss and inconvenience being suffered by American industry as the result of a long continuation of the coal strike. That is the point I have tried to raise this afternoon. On the question of emergency disputes, Government participation in them should be limited to whatever the point is at which it is necessary to protect national health or safety, but not to the point of guaranteeing a continuation of the full operation of the economy without loss to various industries and to the American people generally. I repeat, the American people must make up their minds whether they want to pay the price for some of our basic freedoms. When those freedoms are being exercised there is a governmental obligation to protect the national health and safety, but there is no governmental obligation, and there should be none, to guarantee to American industry and the American people generally the continuation of the economic processes without any loss to those concerned. The two things are incompatible. We cannot exercise the right to strike and have a continuation of our economy without loss to someone. Certainly, as American citizens, we are entitled to have the Government protect us in respect to health and safety.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I should like to ask the Senator a question. I realize that I am treading on sacred and hallowed ground when I address myself to such a distinguished attorney as the Senator from Oregon and to those Senators who have gathered in his immediate proximity. But is it not possible that just the sort of debate we are hearing this afternoon as to what the Taft-Hartley law means, what the legal provisions are, and what the interpretation is, constitute one of the things which has caused a considerable amount of the confusion in the whole picture of labor-management relationship? In other words, the constant inability of men of good will, of education, of learning in the law, ever to be able to agree fully as to what some of the provisions mean.

Mr. MORSE. I agree.

Mr. HUMPHREY. In other words, the law has complicated the problem.

Mr. MORSE. I agree. I shall at a later time speak at some length on my criticisms of the Taft-Hartley law. I think they are pretty well known, but I must make the record again. I shall go into detail as to those criticisms. Suffice it to say this afternoon that I think among the many unfortunate results of the operation of the Taft-Hartley law have been the political implications and consequences. I think it has been more responsible than has any other thing Congress has done for a quarter of a century for stirring up within the ranks of American labor a politically class-conscious spirit which will manifest itself at the polls for some elections to come. It is very unfortunate that we have the labor issue now reduced in no small measure to a straight political issue. Two great major organizations as well as the independent unions in this country are participating in political campaigning to a degree never before practiced by them. That is one of the direct results of the Taft-Hartley law. I do not believe we can solve the question in the realm of partisan politics. We must try to solve it on the basis of the facts, separately and distinctly from the political implications of the law.

Mr. President, I desire briefly to describe the emergency-dispute amendment which I am offering for the consideration of the Senate. I am not married to it. My mind is open as to modifications of it. I want to make it perfectly clear that as I listen to the debate, if I become convinced that my proposal would not be helpful in accomplishing the result we all desire, I shall vote against it. I think, however, that there are some suggestions in my proposal which are entitled to the careful consideration of the Senate. Frankly, I am in somewhat of an embarrassing position in regard to the whole question, because, as the Senator from New York [Mr. IVES], could very well point out to the Senate, I conferred with him on a number of occasions in regard to the type of approach which is presented in his amendment. I may finally vote for his

amendment as modified. I think it probably will be somewhat modified on the floor.

Mr. IVES. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. In a moment. As I said the other day, there is great merit in the provisions of the amendment offered by the Senator from New York, but I try to adjust my thinking constantly to new facts and new arguments as I come in contact with them, and I have decided, as a matter of judgment, that the amendment I am offering this afternoon contains some features which are preferable to some of the features of the amendment of the Senator from New York.

I shall yield to the Senator from New York in a moment, but I desire to make a reference to the Senator from Illinois [Mr. DOUGLAS]. In a group of Republican and Democratic Senators the Senator from Illinois sought to work out a set of bipartisan amendments to the Thomas bill which might make the Thomas bill, as amended, more acceptable to a majority of the Members of the Senate. There was some division of sentiment. I wish to say that I think that bipartisan approach, as I have said before, should have been made in the committee, but now that is water over the dam. I think it is fortunate that at least before we have gotten to a final vote a bipartisan attempt has been made to reach some compromises on the legislation.

During my absence last week a temporary, a very tentative, understanding was reached that the compromise on emergency disputes should be by way of the type of seizure amendment which has been discussed in the press, and which this bipartisan group tentatively agreed upon in conference. I returned to Washington and studied the language of the amendment. It has many good things in it, but here again, Mr. President, I could not go along with it completely. I could not go along with it completely because in my judgment it, too, would result in an automatic injunctive process.

I think it is true that there is not a single Member of this body who has more consistently argued against the injunctive process as an instrumentality of settling labor disputes than has the junior Senator from Oregon.

Mr. HOLLAND. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Florida.

Mr. HOLLAND. I was interested in the Senator's statement just made because of my recollection, which may be in error, to the effect that he was one of those who reported and supported the committee bill which came in during the last Congress, in 1947, which did include in title II, having to do with national emergency matters, a provision for the use of the injunction. Am I correct in my recollection in regard to that?

Mr. MORSE. The Senator is quite correct.

Mr. HOLLAND. I thank the Senator.

Mr. MORSE. But the Senator's question necessitates an explanation on the part of the Senator from Oregon. The fact is that in 1947 the junior Senator from Oregon did everything he could to work out a compromise bill which would be acceptable to the Senate, and the committee hearings are perfectly clear that as a matter of policy the Senator from Oregon was just as opposed in 1947 to the injunctive process as he is today. But, after all, when we considered the many conflicting points of view within our committee in 1947, the junior Senator from Oregon was confronted with the task of making some concessions in order to get out of the committee a bill which he thought would be at least less dangerous and less undesirable than the Taft-Hartley proposals.

I wish to say that one of the great problems which confronts a liberal in the Senate is whether he should ever make a compromise on any issue when he finds himself in disagreement, whether in committee he should ever do "horse trading," as we say. There have been those in the Senate who have taken the position that never would they compromise. I do not think they are very constructive and helpful in drawing legislation when they take such an adamant position. So, in 1947 reluctantly I went along with the injunctive process to the extent that it was written in the committee bill.

The Senator from Florida is quite wrong if he seeks to give the impression that in 1947, as a matter of principle, the junior Senator from Oregon approved of or agreed to the injunctive process or found it acceptable. He went along with the bill because seven votes were required to get it out of the committee, and we could not have made the compromises necessary if I had not agreed to that provision of the bill, because most of the sections of the committee bill, certainly most of the controversial sections, were adopted by the committee either 7 to 6 or 8 to 5. The final bill, as the Senator knows, was ordered to be reported from the committee by a vote of 11 to 2. But that was only after the minority had lost on each one of the controversial issues.

Therefore, for the record, I want to make it perfectly clear that the junior Senator from Oregon in 1947 was no more friendly to the principle of the injunctive process than he is today.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. MORSE. I yield.

Mr. HOLLAND. Does the answer the Senator has just given, and which I appreciate, apply equally to the provision for injunction contained in title II, in the committee bill of 1947, applicable to emergency disputes, and to the provision to which he has referred, by which the injunction could be used by the National Labor Relations Board to enforce its findings on any question of unfair labor practices?

Mr. MORSE. That was my view in 1947. Let me tell the Senator what my present view is. Once a finding has been made, against the union, for example, that it is guilty of an unfair labor practice, and after having taken all the advantages of the act the union then defies it, I am very much open to conviction, if we are to have the Government participate in labor cases, whether or not at that point, once the decision has been rendered on the merits, the Government should not have available to it the injunctive process. I say that today I am much more open-minded on that question than I would have been in 1947; but in 1947 I went along with the provision by way of the compromise procedure I have just mentioned.

Mr. HOLLAND. Does the Senator mean by his last answer that he now, after 2 years' experience under the act, is in doubt as to whether or not the people of the United States should have the protection of an injunction, or any other effective machinery, to support a finding in the case of a threatened shutdown of a vital national industry, or whether the Government should have available the injunctive process to enforce a finding that an unfair labor practice has been under way by a union?

Mr. MORSE. If the Senator will hear me through my explanation of my amendment, he will have a complete answer to his question.

Mr. HOLLAND. I thank the Senator.

Mr. MORSE. Mr. President, I wish to proceed to outline briefly the major provisions of my amendment. But I yield first to the Senator from New York, and apologize to him for keeping him waiting so long.

Mr. IVES. Mr. President, I wish to ask the Senator from Oregon if he is aware of the fact that the Senator from New York plans to offer an amendment relating to national emergencies which does not contain any seizure provision or any injunctive provision.

Mr. MORSE. I understand that is the position taken by the Senator from New York. He may find me with him on the final vote.

Mr. IVES. The Senator from New York will be very grateful.

Mr. MORSE. I wish to say to the Senator from New York that I think what we need to do is to bring all these proposals onto the floor of the Senate, because this is really where we are going to have to write the bill, instead of in the committee. But after the pros and cons of each proposal have been considered, I then for the first time will reach my final decision as to each provision.

Mr. IVES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. IVES. The Senator from New York would like to point out to the Senator from Oregon that he may also offer his other proposal, which has already been printed and is on the desks of the Members of the Senate.

Mr. MORSE. I understand that is also the position of the Senator.

Mr. President, the first part of my amendment follows the common procedure which runs through all these proposals, namely, that whenever, in the opinion of the President of the United States, a threatened or actual strike or lock-out affecting an entire industry will imperil the national health or safety, he shall issue a proclamation to that effect; that he shall appoint an "emergency board," and the board shall have the obligation to make recommendations which, so far as I am concerned, will amount to making a decision, because it

is the decision, I say, that is so important in these cases.

I may add that I think Senators will find that in the overwhelming majority of the cases—and simply for comparative purposes, I will say 9 out of 10 cases—the decision of the board itself will be accepted by the parties in any dispute.

Then I provide the usual procedure as to the powers of the board, as is provided for in the Ives amendment, to exercise the power of subpena, and contempt powers.

Then following the proclamation of the President and the recommendations of the board, I provide in this amendment, that in any case in which a strike or a lock-out occurs or continues after the issuance of the proclamation, the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as it may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken or enacts legislation designed to resolve the dispute and terminate the national emergency if Congress finds such an emergency exists.

In other words, Mr. President, I say that if there is truly a national emergency, the determination should be made by the Congress and not by the courts, and under the amendment the Congress itself has the primary responsibility by way of concurrent resolution to determine the procedure by which the individual and particular case shall be settled.

Then I use this language:

Provided, That during the period in which the United States shall have taken possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department of the United States designated to operate such enterprise or enterprises shall have no authority to enter into negotiations with the employer or with any labor organization.

That removes the possibility of the example we had not so long ago of the so-called Krug agreement with respect to the Coal case, where the employers were not given an adequate opportunity, it seemed to me, to have a voice in the negotiations.

Then I add the further provision:

If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, the President shall convene the Congress, or such House for the purpose of consideration of and appropriate action pursuant to such statement and recommendations—

Of the board and the President.

Much has been said already in the present debate to the effect that we cannot wait for the Congress to return in order that action be taken. I deny that, because Congress can return to Washington within from 12 to 24 hours. In my judgment, no showing can be made that the economy or the health and safety of the country will be jeopardized by the lapse of that period of time.

Then I add the following important provision:

That the Norris-LaGuardia Act shall be applicable to the United States acting under the provisions of this title unless Congress by concurrent resolution provides otherwise in the particular case.

Mr. President, I cannot stress too strongly that difference with the Douglas proposal, because what that difference means is that the Norris-LaGuardia Act shall be applicable to the Government unless Congress by way of concurrent resolution, on the basis of the facts of a particular case, decides in respect to that case to make an exception to the Norris-LaGuardia Act. I cannot say and I do not see how anyone can say, that there may not be circumstances and facts which in a particular case might demand of the Congress that it make an exception to the Norris-LaGuardia Act. But the difficulty, as I see it, with the Douglas proposal is that the use of the injunction would become automatic in effect in case the Government, after seizing a plant, sought to make use of the injunction.

SEC. 304. (a) In the event that the Government shall take possession of and operate any business enterprise or enterprises involved in a given dispute, the President shall designate the agency or department of Government which shall take possession of any business enterprise or enterprises including the properties thereof involved in the dispute and all other assets of the enterprise or enterprises necessary to the continued normal operation—

I feel that the injunction puts the Government on the employer's side of the table, and I feel also that seizure, unless very carefully qualified, puts the Government on labor's side of the table. Therefore I have worked out in this amendment a procedure whereby the Compensation Board can take into account the fact that labor, for example, stood in violation of the emergency board's recommendation, and if the finding of fact is that labor stood in violation of the emergency board's recommendation, then I do not think it is fair for the Government to penalize the industry by giving to the industry only what it might think to be just compensation for the use of its facilities short of the profits it otherwise would have made.

If the responsibility for the defiance and noncompliance is labor's, then I think industry is entitled to be kept whole as the result of the Government's seizure. If on the other hand, the industry seeks to make use of the procedure in order to force the Government to seize its plant, thinking that by so doing it can break the back of the union, then I believe the compensation board should take that into account in fixing the compensation which should be paid.

In other words, what I am trying to do in the amendment is to keep the Government in a position where it does not join either labor on one side of the table or industry on the other, but keeps itself in the middle by way of judgment, believing, that if these extraordinary powers are written into the law to be used by the Congress, as Congress sees fit to use them in the particular case, we will find in practically all the cases, with a rare exception now and then that, as Will Davis said, not more than once or twice in a generation will both parties to the dispute fail to accept the findings and recommendations of the emergency board.

Mr. President, I send the amendment to the desk and ask that it be printed. I submit it with an open mind, and I am perfectly willing to consider amendments to it which Senators can convince me are needed; and if it can be demonstrated in the argument that the whole amendment is without merit, I shall be glad to vote against it.

The VICE PRESIDENT. Is the Senator offering the amendment, or does the Senator submit the amendment to be printed and lie on the table?

Mr. MORSE. I submit the amendment and ask that it be printed and lie on the table, as well as printed at the conclusion of these remarks.

The VICE PRESIDENT. Without objection, the amendment will be received, printed, and lie on the table.

Amendment submitted by Mr. MORSE to the bill to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, viz: Strike out all title III of the amendment of Mr. THOMAS of Utah dated May 31, 1949, and insert in lieu thereof the following:

"TITLE III—NATIONAL EMERGENCIES

"DECLARATION OF NATIONAL EMERGENCIES

"SEC. 301. Whenever in the opinion of the President of the United States, a threatened or acutal strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, if permitted to occur or to continue, will imperil the national health or safety, he shall issue a proclamation to that effect and urge the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operation in the public interest.

"SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an 'emergency board.'

"(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President, but not more than 30 days after the appointment of the board, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilties and services as may be necessary for the discharge of its functions.

"(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct

such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(d) Members of an emergency board shall receive compensation at the rate of $75 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

"(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

"(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the director of the Federal Mediation and Conciliation Service.

"(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organization of employees or in any employer involved in the dispute.

"PROCEDURE FOLLOWING PROCLAMATION

"SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

"(b) In any case in which a strike or lockout occurs or continues after the issuance of the proclamation pursuant to section 301 the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as he may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken or enacts legislation designed to resolve the dispute and terminate the national emergency if Congress finds such emergency exists: *Provided*, That during the period in which the United States shall have taken possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department of the United States designated to operate such enterprise or enterprises shall have no authority to enter into negotiations with the employer or with any labor organization for a collective-bargaining contract or to alter the wages, hours, or the conditions of employment existing in such industry prior to the dispute, except in conformity with the recommendations of the emergency board or a concurrent resolution of the Congress. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, he shall convene the Congress, or such House for the purpose of consideration of and appropriate action pursuant to such statement and recommendations; Provided further, That the act entitled, "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes" (Norris-LaGuardia Act), approved March 24, 1932 (U. S. C., title 29, secs. 101-115) shall be applicable to the United States acting under the provisions of this title unless Congress by concurrent resolution provides otherwise in the particular case.

"SEC. 304. (a) In the event that the Government shall take possession of and operate any business enterprise or enterprises involved in a given dispute, the President shall designate the agency or department of Government which shall take possession of any business enterprise or enterprises including the properties thereof involved in the dispute and all other assets of the enterprise or enterprises necessary to the continued normal operation thereof.

"(b) Any enterprise or properties of which possession has been taken under this title shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them, or (2) the President finds that the continued possession and operation of such enterprise by the United States is no longer necessary under the terms of the proclamation provided for in section 301: *Provided*, That possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board unless the period of possession is extended by concurrent resolution of the Congress.

"(c) During the period in which possession of any enterprise has been taken under this title, the United States shall hold all income received from the operation thereof in trust for the payment of general operating expenses, just compensation to the owners as hereinafter provided in this subsection, and reimbursement to the United States for expenses incurred by the United States in the operation of the enterprise. Any income remaining shall be covered into the Treasury of the United States as miscellaneous receipts. In determining just compensation to the owners of the enterprise, due consideration shall be given to the fact that the United States took possession of such enterprise when its operation had been interrupted by a work stoppage or that a work stoppage was imminent; to the fact that the owners or the labor organization, as the case may be, have failed or refused to comply with the recommendations of the emergency board or the conditions determined by the Congress to constitute a just settlement of the dispute; to the fact that the United States would have returned such enterprise to its owners at any time when an agreement was reached settling the issues involved in such work stoppage; and to the value the use of such enterprise would have had to its owners in the light of the labor dispute prevailing, had they remained in possession during the period of Government operation.

"(d) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

"(e) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for the purpose of settling the issues in the dispute between them.

"(f) (1) The President may appoint a compensation board to determine the amount to be paid as just compensation under this section to the owner of any enterprise of which possession is taken. For the purpose of any hearing or inquiry conducted by any such board the provisions relating to the conduct of hearings or inquiries by emergency boards as provided in section 302 of this title are hereby made applicable to any such hearing or inquiry. The members of compensation boards shall be appointed and compensated in accordance with the provisions of section 302 of this title.

"(2) Upon appointing such compensation board the President shall make provision as may be necessary for stenographic, clerical, and other assistance and such facilities, services, and supplies as may be necessary to enable the compensation board to perform its functions.

"(3) The award of the compensation board shall be final and binding upon the parties, unless within 30 days after the issuance of said award, either party moves to have the said award set aside or modified in the United States Court of Claims in accordance with the rules of said court.

"SEC. 305. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

"SEC. 306. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

Mr. AIKEN. Mr. President, on behalf of the Senator from Oregon [Mr. MORSE] the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. DOUGLAS], the Senator from Maine [Mrs. SMITH], the Senator from Minnesota [Mr. HUMPHREY], the Senator from New Hampshire [Mr. TOBEY], the Senator from Kentucky [Mr. WITHERS], and myself, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Vermont for himself and other Senators will be stated.

The LEGISLATIVE CLERK. On page 13, following line 5, in the Thomas substitute, it is proposed to insert a new subsection (d), to read as follows:

(d) The Board shall not base any finding of unfair labor practice under any provision of this act upon any statement of views or arguments, either written or oral, if such statement contains under all the circumstances no threat, express or implied, of reprisal or force, or offer, express or implied, of benefit.

Mr. AIKEN. Mr. President, this is the so-called free-speech amendment. There is no reference made to free speech in the bill of the Senator from Utah. Under the Taft-Hartley Act it has been found that the free speech provision goes too far. The amendment which I have offered is an effort to correct the situation and provide in the law that both employers and unions shall have the right of free speech.

This amendment is almost like the one submitted by the Senator from Ohio [Mr. TAFT], but differs in this respect: This amendment refers to unfair labor practices only, whereas the amendment of the

Senator from Ohio would extend the rule to elections as well. It seems to the sponsors of this amendment that the choosing of a bargaining agent is something over which the unions themselves should have full jurisdiction and that that is not the proper place to permit the employer to enter the picture and argue for or against any particular union or bargaining agent.

It is believed that this amendment would give the employer free speech in full degree so long as such speech does not contain any threats, implied threats, or promises or reward. With this amendment it would seem that both unions and employers would be on equal terms, and be treated fairly.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN] for himself and other Senators.

Mr. TAFT. Mr. President, I merely wish to say that I have no objection to the amendment. As the Senator from Vermont says, it is similar to the provision in our substitute bill. It involves a slight modification of the original terms of the Taft-Hartley law, which prohibited the use in evidence of statements by the employer. We feel, after a study of the cases, that it is proper to use them in evidence, so that, taken in connection with other evidence, they may throw some light upon the determination as to whether other acts are in fact unfair labor practices. However, we have felt that it differs from our amendment, in that we specifically apply the rule to election cases. When we drew the Taft-Hartley Act we intended to apply it to election cases, but since then the Board has held, in the General Shoe case, that it does not apply in election cases. So the amendment which we have submitted in our substitute would apply in election cases. Otherwise, our amendment is identical with that offered by the Senator from Vermont.

Back in 1939, when the distinguished Senator from Utah [Mr. THOMAS] and I sat on the Labor Committee and heard the testimony of Mr. Madden, he stated that in his opinion it would be an unfair labor practice for an employer to tell his employees, in an election case, that the leaders of the union who were seeking their votes in that election were Communists, even though they were Communists. In his opinion it would still be an unfair labor practice on the part of employers. I think that ruling has been in effect reversed by the Supreme Court action on the subject.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. Is it not true that the early ruling by Chairman Madden was later reversed by the Board? A short time after that the Board, by its own administrative ruling, adopted the provision which is contained in the amendment of the distinguished Senator from Vermont.

Mr. TAFT. The Senator is correct. That ruling was upheld by the Supreme Court. However, the point I am making is that the question of free speech arose in election cases, and not only in unfair labor practice cases. If the employer is to have free speech, it seems to me that he should have the right to present to his employees reasons why they should not join a union or should not organize, or why one union is a better union than another. That is his right of free speech; and if it contains no threat of retribution I do not see why it should be used later in throwing out an election case. That is what happened in the General Shoe case.

So I have no objection to the adoption of the amendment of the Senator from Vermont to the Thomas substitute. I do not desire to oppose it, and am quite willing to vote for it. I think it could go further, and I believe that the provision contained in our substitute amendments is a better amendment dealing with the subject of free speech.

Mr. THOMAS of Utah. Mr. President, I think I should say a word or two about this amendment.

I am very glad that the distinction has been made between the amendment offered by the Senator from Vermont and the provision in the Taft-Hartley Act.

There is another thing that should be said. In the administration of the Board the position of the Board with respect to free speech has developed to the point where the Board has made proper rulings, and has a proper understanding. In the beginning the problem of the Board was quite different from what it is today. I do not criticize Chairman Madden for the stand which the Board took in regard to free speech at that time. The big question confronting the Board at that time was how to combat the company unions, and questions of that kind. The manner in which employers were using the right of free speech had circumvented and stopped the real process of bringing about collective bargaining in an honest way. Since the Board has ruled, and since the Supreme Court has ruled, and since the practice has come to be what it is, this amendment does not carry with it any offense. It does to a great extent contribute to what was said about the former amendment, that it recognizes the spirit of mutuality.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN] for himself and other Senators, to the so-called Thomas substitute.

The amendment to the amendment was agreed to.

Mr. HUMPHREY. Mr. President, I wish to call up the amendment with reference to financial statements, and I desire to make a statement in connection with the amendment to the Thomas substitute.

The VICE PRESIDENT. Is the Senator now offering the amendment?

Mr. HUMPHREY. It has been offered.

The VICE PRESIDENT. It has not been offered. It was only ordered to be printed and to lie on the table.

Mr. HUMPHREY. I now offer the amendment, on behalf of the Senator from Vermont [Mr. AIKEN], the Senator from Alabama [Mr. HILL], the Senator from Kentucky [Mr. WITHERS], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Illinois [Mr. DOUGLAS], and myself.

The VICE PRESIDENT. Is that the amendment lettered "D"?

Mr. HUMPHREY. That is correct.

The VICE PRESIDENT. Does the Senator wish to have the amendment read?

Mr. HUMPHREY. I do not believe it is necessary to have it read, unless it is the desire of the Senate to have it read.

The VICE PRESIDENT. Without objection, the amendment will be printed in the RECORD without reading.

The amendment offered by Mr. HUMPHREY (for himself, Mr. AIKEN, Mr. HILL, Mr. WITHERS, Mr. TOBEY, Mrs. SMITH of Maine, Mr. LANGER, Mr. MORSE, and Mr. DOUGLAS) to the Thomas substitute is as follows:

On page 16, following line 2, insert three new subsections (f), (g), and (h), to read as follows:

"(f) The Board shall not issue notice of hearing, conduct an election, or certify any labor organization as bargaining representative under this section nor issue any complaint under section 10 of this act based upon a charge filed by a labor organization under subsection (b) of section 10 of this act unless such labor organization and any national or international labor organization of which such labor organization is an affiliate or constituent unit (A) shall have filed with the Secretary of Labor copies of its constitution and bylaws and a report, in such form as the Secretary may prescribe, showing—

"(1) the name of such labor organization and the address of its principal place of business;

"(2) the names, titles, and compensation and allowances of its three principal officers and of any of its other officers or agents whose aggregate compensation and allowances for the preceding year exceeded $5,000, and the amount of the compensation and allowances paid to each such officer or agent during such year;

"(3) the manner in which the officers and agents referred to in clause (2) were elected, appointed, or otherwise selected;

"(4) the initiation fee or fees which new members are required to pay in order to remain members in good standing of such labor organization;

"(5) the regular dues or fees which members are required to pay in order to remain members in good standing of such labor organization;

and (B) can show that it has—

"(1) filed with the Secretary of Labor, in such form as the Secretary may prescribe, a report showing all of (a) its receipts of any kind and the sources of such receipts, (b) its total assets and liabilities as of the end of its last fiscal year, (c) the disbursements made by it during such fiscal year, including the purposes for which made; and

"(2) furnished or made available to all of the members of such labor organization copies of the financial report required by paragraph (1) hereof to be filed with the Secretary of Labor.

"(g) It shall be the obligation of all labor organizations to file annually with the Secretary of Labor, in such form as the Secretary of Labor may prescribe, reports bringing up to date the information required to be supplied in the initial filing by subsection (f) (A) of this section, and to file with the Secretary of Labor and furnish or make available to its members annually within 120 days after the end of their respective fiscal years or such other reasonable period of time as

may be prescribed by the Secretary of Labor finanacial reports in the form and manner prescribed in subsection (f) (B). No labor organization shall be eligible for certification under this section as the representative of any employees, and no complaint shall issue under section 10 with respect to a charge filed by a labor organization unless it can show that it and any national or international labor organization of which it is an affiliate or constituent unit has complied with its obligation under this subsection.

"(h) The Board shall not issue notice of hearing or conduct an election on petition of an employer under this section or issue any complaint based upon a charge filed by an employer under subsection (b) of section 10 of this act unless such employer and any local, regional, or national employer association of which such employer is an affiliate or member shall have prior thereto filed with the Secretary of Labor information such as is required to be filed by labor organizations by the provisions of paragraph (A) (2), (A) (3), (B) (1), and, in case of employer associations, paragraph (B) (2) of subsection (f) of this section and by the provisions of paragraph (A) (4) and (5), where applicable, of subsection (f) of this section and shall have filed reports bringing up to date the information thus required to be filed in the manner provided in subsection (g) of this section."

Mr. HUMPHREY. Mr. President, I wish to make a statement in connection with the amendment. I point out that this is an amendment to the so-called Thomas substitute. It is one of the amendments which we feel are within the spirit and general framework of the substitute offered by the distinguished Senator from Utah [Mr. THOMAS] and concurred in by the majority of the Senate Committee on Labor and Public Welfare.

The amendment is designed to require labor unions, employers, and employer associations who wish to invoke the processes of the National Labor Relations Board to file financial statements and publish those financial reports, making them available for use of their members.

In its basic requirements, this amendment is similar to the requirements under the existing Taft-Hartley law, with the very important added requirement, however, that the filing of such statements be mutually obligatory on employers, and also with the understanding that it corrects certain unreasonable procedural difficulties which now exist in the Taft-Hartley Act.

Most of the opposition to this provision in the Taft-Hartley Act until now has been that it imposes an obligation on one side of the bargaining table only, and not on the other. As such, it was unequal and unfair. Surely, if the duty to file and furnish financial information is laid upon labor organizations it ought similarly to apply to employers and to employer associations, whose membership choose to make effective use of National Labor Relations Board procedure. Under those conditions of mutuality, I know that much of the opposition to the requirement for filing financial statements would be gone. The majority of American labor unions now file, and have for many years filed, financial statements, fully accredited and audited, and have made such statements public, not only to their members, but to the citizenry as a whole. The majority of American labor unions have nothing to fear in bringing their statements to their members, and they have always done so. They do have something to fear, however, from making those financial statements public in view of the fact that many employers still do not recognize the principles of collective bargaining and might make use of the information as to the financial status of unions in a manner detrimental to the health and welfare of such unions. Nevertheless, Mr. President, I know that my amendment will receive the support and approval of the organized labor movement as well as the support and approval of the American people. Certainly employers who request that financial statements be filed by unions ought to have no objection to filing such financial statements themselves.

A number of procedural difficulties in the Taft-Hartley Act are corrected by this amendment. Let me briefly mention them:

At the present time, annual financial reports are required immediately at the end of the fiscal year. Under the amendment, provision is made that such statements may be filed within 120 days after the end of the fiscal year or within such other reasonable period as the Secretary of Labor may prescribe. This provision is essential because the requirements of the Taft-Hartley law is impossible to fulfill, except in the case of an extremely small enterprise. In other cases, no accountant or auditor can possibly prepare financial statements immediately upon the end of the fiscal year. Under the present requirement, an administrative practice has developed which permits 90 days of grace. The amendment we are offering merely meets the very obvious necessity of providing some kind of discretion.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. Is it not true that General Counsel Denham ruled that they did have 90-days grace under the Tart-Hartley law?

Mr. HUMPHREY. That is true, and I mentioned that there had been an administrative ruling or practice which provided a 90-day period of grace, which was proven to be necessary. In the amendment, we extend that to a period of 120 days, as simply an optional or discretionary period.

Under the present bill, also, the National Labor Relations Board is prohibited, when faced with a representation proceeding or an unfair labor practice, from making any kind of an investigation or issuing any kind of a complaint until the financial filing requirements are met. This appears to be an unreasonable requirement, in view of the frequent immediacy for action in these cases, and also in view of the fact that experience has demonstrated occasional difficulty in fulfilling all the technical requirements for filing.

Our amendment suggests, therefore, that the Board be prohibited from actually issuing a notice of hearing or conducting an election of making a union certification of issuing a complaint until such time as the financial requirements are made, but it does not prevent the Board from making an investigation. Surely the Board ought to be free to investigate a charge or a petition until such time as the final, formal requirements are met.

In connection with this question, I wish to point out that the Taft-Donnell-Smith amendments also recognize that the Board ought to be free to entertain a petition, but they do not allow the Board to investigate a question raised by labor organizations until all filing requirements are met.

There is one other provision to which I wish to refer: Under by amendment, we propose that financial reports may be furnished to members of labor organizations, as is now required; but, in addition, we add that they may, in the alternative, be made available to them. This, of course, also applies to employer members and employer associations. Particularly as regards labor unions with hundreds of thousands of members, to furnish financial statements to each member is impossible, since to some extent membership is a continually changing process. Our amendment, therefore, in effect conforms to administration interpretation of the Taft-Hartley law, which the Secretary of Labor has given since 1947, by allowing financial statements to be made available to members.

Mr. President, I make note of the fact that there has been this administrative interpretation. We felt that it has been effective and in the amendment we are now making it a statutory provision.

One final word about the mutuality provision of this amendment and about our requirement that employers who file petitions or charges shall likewise file financial reports and the requirement that employer associations to which they belong shall file those reports before the Board may issue a notice of hearing, conduct an election, or issue a complaint. This provision places no greater responsibility on the employer or his association than the present law places on labor organizations. It simply requires the employer to file information just as the labor union does. It is true that the employer in some measure has an advantage over the union, in that when a large union provides financial reports to its thousands of members, the report becomes virtually public, and usually is quite available to the employer. On the other hand, financial reports which employer associations send to their members rarely, if ever, become available to unions.

Mr. President, we submit this amendment in the spirit of the Thomas bill. The amendment is designed to stimulate and encourage collective bargaining and to eliminate any punitive elements from the labor law of our land. By making these provisions mutual, the punitive element disappears. Therefore, I urge the adoption of this amendment, in the spirit of providing a constructive, workable framework of labor-management law for the good of the collective-bargaining process.

The VICE PRESIDENT. The question is on agreeing to the amendment lettered D, of June 6, offered by the Sena-

tor from Minnesota on behalf of himself and other Senators.

Mr. TAFT. Mr. President, I merely wish to point out, again, that this amendment provides for the adoption of a section of the Taft-Hartley law, with some procedural amendments, and with an additional provision requiring employers to file such reports, and if an employer files such a report, requiring any national employer association of which such employer is an affiliate or member to file a report. Of course, that provision goes further than the provisions regarding labor unions, because employer associations have not the same relationship to individual corporations that the A. F. of L. or CIO have to individual unions. Employer associations do not have with member employers the relationship which an international union has to a local union, for of course the international union can direct the local union as to what it shall do, or can approve or disapprove its contracts.

So in the case of the employer, this provision goes further, as it applies to employer associations, than the Taft-Hartley Act does in the case of unions, because the Taft-Hartley Act does not require the filing of affidavits with the Board by the CIO or the A. F. of L. So, Mr. President, if such a provision is to be made at all, I think a similar provision should be made as to both groups.

We omitted a requirement that the employers file, simply because there are so many laws which already require employers to file, that certainly no large corporation, no corporation listed on the stock exchange, no corporation which is subject to the SEC regulations, can escape the filing of reports, or does escape. Nearly all those reports are made public. There are, however, a few corporations that do not file reports.

Furthermore, our interest in the labor unions in connection with this matter was, rather, that every member of a union should have the right to see the reports, which are required to be filed with the Secretary of Labor, so that he may know that they are in proper form to give the information to the members of the union, whereas under existing law any stockholder of any corporation can obtain such information regarding the corporation by going into court, if necessary, although I do not know of any corporation that refuses such information to a stockholder. So there did not seem to be any need for such a provision in the case of corporations.

I have no particular objection to having such a provision made in the case of corporations, although as to them it would be a cumulative provision, and one which I think is unnecessary.

The fact has been that any member of a labor union who tried to obtain a financial report about his union was told where he could go; and if he did not choose to go there, he was very likely to lose his place in the union, if he made too much noise about the matter or if he went to court to try to get a statement of the dues which had been paid to the union by its members.

Many unions—particularly, I may say, I think, the more recent CIO unions—furnish a complete report. Many unions said they had no objection to such a requirement. On the other hand, a good many of the older unions furnished no such reports, and their financial expenditure statements were wholly unavailable to their members. That was the reason for the provision.

However, as to the other provisions of the amendment, many of them do not go to the heart of the matter; and certainly I have no objection to the addition of this part of the Taft-Hartley law to the Thomas bill.

Mr. HUMPHREY. Mr. President, I should like to make an observation at this point, rather than have the RECORD contain an undisputed statement that this amendment would simply constitute an addition of a part of the Taft-Hartley law to the Thomas bill. The Senator from Ohio has well pointed out that this is a mutual proposition and that it bears upon the element of fairness, by applying the requirement to the parties on both sides of the bargaining table. This amendment provides a requirement, as has been made plain, that is protective to the union members and to the public and, if need be, to the stockholders and officers and trustees of a corporate enterprise which might be affiliated with a national organization.

Mr. HOLLAND. Mr. President, I am in accord with the amendment which is pending, and expect to vote for it, as well as for each of the four amendments which have been offered as the so-called compromise amendments, each of which comes out of the provisions of the Taft-Hartley Act. At this time, however, I wish to speak briefly on a proposed amendment which I shall offer, only for the purpose of having it printed and lie on the table, so that it may be taken up in proper time. My amendment proposes to include in the so-called Thomas bill now pending, S. 249, the provision which appeared in the Taft-Hartley Act, under which the enactments of the various States—17 in number—that is, either constitutional enactments, in some cases, or statutory enactments, in others—which in their purpose and effect banned in the several States the so-called closed shop—were recognized, validated, and affirmed in interstate commerce by the Taft-Hartley Act, and are so validated at this time under the provisions of that act.

I call the attention of the Senate to the fact that the Railway Labor Act, passed long before the Wagner Act, by its specific terms banned the closed shop, and has been recognized as a sound expression of both law and public policy in that particular field for a great many years, without causing any serious consequence of which I have ever heard. I further call attention to the fact that the Wagner Act when it was adopted, in 1934, was silent on this question, and at least made no move toward banning provisions of the several States within their own jurisdiction and affecting their own citizens, as to this particular subject matter.

I call further attention to the fact that following the enactment of the Wagner Act, 17 States, including Florida, acted to write into their State laws, either by the adoption of constitutional amendments or by the passage of statutes on the subject, the policy which is called anti-closed shop, which bans the requirement, as a condition for employment or continuation of employment, that an individual must belong to any labor organization, and bans the inclusion of such a provision in an agreement between industry and labor.

Mr. President, I call attention to the fact that since the enactment of those several State laws, whether by constitutional amendment or statute, the matter has gone to the highest court of the land, the United States Supreme Court, and has been passed upon in three cases, going up from the States of North Carolina, Nebraska, and Arizona. In two of those States there were constitutional provisions of the State constitutions on this subject. In one of those States, there was a State statute on the subject. In the three cases, decided only a few months ago by the United States Supreme Court, the Senate will recall that the court showed, for these days and times, remarkable unanimity, remarkable unity in its logic and decisions. As I recall the decisions, two of them were unanimous, by action of nine members of the Supreme Court, and the other one was by action of eight members of the Court; only one member, Mr. Justice Murphy, dissenting from the action of the other eight justices. As the result of those decisions the Court affirmatively found, as a matter of sound Federal law, that the States had a perfect right, whether by constitutional amendment or by statute, in the absence of a contrary Federal enactment on the subject, to write this particular requirement into their laws, and that such laws did have sound and salutary effect and were valid and binding, and of course they were upheld by those decisions of the United States Supreme Court.

Mr. President, I ask the Senators to note that in spite of the fact that the Thomas Act by some, though not by its sponsors here, is widely heralded as an effort to go back to the fundamental principles of the Wagner Act, that in this provision it is sought by the Thomas bill to go much further than was gone by the Wagner Act, by specifically banning the effect and force of State statutes or State constitutional amendments in this particular field, and the result of the adoption of the Thomas bill as drawn and presented here would be to undo what has been done by the 17 States in question, and what has now been upheld by decisions of the United States Supreme Court.

It is quite clear that it is sought by this bill either to ask 17 States to give up what they have done, or to coerce 17 States into giving up what they have done, by Federal action which will, if it is enacted here, override and destroy the rightful acts of those States executed in a valid State field, which has been upheld as such since that time by the Supreme Court of the United States.

I remind every Senator that it is sought by the pending act to undo three important things which have been done heretofore to confirm and uphold these provisions of the State laws, which I shall

mention. First, the 17 States, exercising their own State rights, have found this to be a field in which they felt there should be a State law, and whether by constitution or by statute, have specifically enacted, and in the case of the State constitutions, the people of those States have actually voted, that here is sound public policy which they regard as such and which they wish to make, and have made, a part of their fundamental State law. It is sought by the provisions of the Thomas bill to undo those dignified, solemn, and honorable decisions made by the people of 17 sovereign States. Secondly, it is further sought to undo the additional step affirming, and confirming the action taken by the 17 States, when the United States Supreme Court held, with unusual unanimity, that the States were within their rights in so acting, and the arguments in those decisions show that the distinguished members of the Court thought there were excellent reasons for upholding the soundness as well as the legality of those particular enactments.

In the third place, it is sought to undo what was done here when the Taft-Hartley law was passed in 1947, by which the Federal Congress followed, to a degree, what had been sound Federal policy in the field of railway labor relations for many years, in that the Taft-Hartley Act included a provision which respected and confirmed, and to that extent made it a matter of Federal law, that the action taken by these several States should be validated and should not be overturned by the Federal law which was then enacted. And so it is proposed by this one act not to go back to the Wagner Act, but to take action which far transcends the field of the Wagner Act, and to undo these three things which have been done or accomplished for the benefit of the sovereign States which I have just mentioned.

I am therefore, Mr. President, without arguing the matter at greater length, sending forward at this time an amendment which, if it is adopted, will engraft upon the provisions of the so-called Thomas bill, S. 249, the identical provisions now contained in the Taft-Hartley Act, and will strike other words which were placed in the Thomas bill and which must be stricken in order to give validity and effect to that identical provision of the Taft-Hartley Act which is proposed in the amendment. I ask that the amendment be printed and lie on the table.

The VICE PRESIDENT. The amendment offered by the Senator from Florida will be received, printed, and lie on the table.

The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY].

Mr. THOMAS of Utah. Mr. President, just a word before the vote is taken. Perhaps we all know about the provision in the Taft-Hartley law requiring labor unions to file reports. We have learned that it has not been burdensome, and of course we did not find labor unions were holding back or hiding anything. Therefore, the continuation of the practice will not in any way harm labor unions. The amendment suggests that it be made mutual, that both sides must file reports. Since the Senator from Ohio [Mr. TAFT] has more or less accepted the spirit of that mutuality, I feel that I should not oppose it.

I must say that the Thomas bill, as it has been called, contains no provision like this one, so that the amendment is an amendment not only to the Taft-Hartley Act, but to the Thomas bill, and, furthermore, it is an amendment to an amendment which would have been suggested by the Senator from Ohio; if this amendment were not adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] to the so-called Thomas substitute.

The amendment to the amendment was agreed to.

Mr. DOUGLAS. Mr. President, I offer the amendment which has been printed and is sponsored, in addition to myself, by the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Kentucky [Mr. WITHERS].

The VICE PRESIDENT. In order that it may be identified, is it the amendment of the Senator which is marked "B"?

Mr. DOUGLAS. That is correct.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 16, following line 2, it is proposed to insert a new subsection (i) to read as follows:

(i) (A) No investigation shall be made by the Board of any question affecting commerce concerning the representation of employees, whether raised by a labor organization or employer, and no complaint shall be issued pursuant to a charge made by a labor organization or employer under section 10 unless there is on file with the Board the affidavits required in paragraph (B) hereof, executed contemporaneously with the filing of any petition or charge, or within the preceding 12-month period, by the persons required to file such affidavits, as set forth in paragraph (B) hereof: *Provided*, That no such affidavit shall be required of any lobar organization or employer or employer association whose constitution or governing laws have the effect of prohibiting any officer or officers thereof from being a member of, or affiliated with, any organization specified in paragraph (B) if upon request of the labor organization, employer, or employer association for the waiver of such affidavits, the Board determines that such prohibition is being enforced in good faith.

(B) The affidavits required in connection with paragraph (A) hereof shall, in the case of a petition or charge by an employer, be executed and filed by the employer and each officer thereof (including each owner, partner, receiver, or trustee, or, if a corporation, each officer thereof), and the officers of any local, regional, or national employer association of which the employer is an affiliate or member; and, in the case of a petition or charge by a labor organization, by its officers, and by the officers of any national or international labor organization of which it is an affiliate or constituent unit. For the purposes of this subsection, "officer" means those persons designated as officers by the constitution and bylaws, and members of all executive policy-forming and governing bodies of an employer and any local, regional, or national employer association of which the employer is an affiliate or member, or of a labor organization and any national or international labor organization of which it is an affiliate or constituent unit.

Such affidavits shall state that the person making such affidavit is not a member of the Communist Party or affiliated with such party, or a member of or affiliated with any fascist or totalitarian organization, and is not a member of and does not support any organization that believes in or teaches the overthrow of the United States Government by force or by any illegal or unconstitutional methods. The provisions of section 35A of the Criminal Code shall be applicable to such affidavits.

EXPANSION AND IMPROVEMENT OF RURAL TELEPHONE SERVICE

Mr. HILL. Mr. President, on last Saturday morning the Hon. Claude R. Wickard, Administrator of the Rural Electrification Administration, appeared before the Senate Committee on Agriculture and Forestry and made an excellent statement in behalf of Senate bill 1254, known as the Rural Telephone bill. The bill was introduced in the Senate by the Senator from Oklahoma [Mr. THOMAS], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Iowa [Mr. GILLETTE], the Senator from Florida [Mr. PEPPER], the Senator from Vermont [Mr. AIKEN], the Senator from Alabama [Mr. SPARKMAN], the Senators from North Dakota, and myself.

I ask unanimous consent that the statement of Administrator Wickard be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and members of the committee, I am thankful for your invitation to present my views on Senate bill 1254 which would enable local, private telephone enterprises with the aid of a self-liquidating Federal loan program to meet a most urgent need for the expansion and improvement of rural telephone service. Through experience gained from having spent most of my life on the farm and a lifetime association with farm people, I know how essential reliable telephone service is to rural people. It is far more than a convenience; it is an absolute necessity. With the possible exception of electric power it is hard to conceive of anything that means more to the health, happiness and economic well-being of farm people than good telephone service. In time of sickness, fire or other emergencies a farmer without a telephone is practically helpless, isolated by miles from a doctor or other assistance in his hour of need.

The farm is a place of business as well as a place of residence and the farmer must have fast, dependable communication service if he is to be able to produce efficiently and economically the food and fiber upon which this Nation depends for its existence. For example, during the harvest season a quick call into several towns in the area may be the only means of locating an essential repair part for a piece of machinery and of saving a crop, the product of a year's labor.

Prompt veterinarian service and adequate and detailed local market information can be

quickly and effectively made available only through a reliable telephone.

From a social standpoint the farmer's wife and family, because of their isolation, have much more need of telephone service than any other group of citizens.

Looking at it from every angle, no group of people needs telephone service as much as farmers. Despite this obvious and urgent need for good telephone service the rural telephone situation in this country is deplorable. Much less than half of our farmers, perhaps somewhere between 37 and 42 percent, have any kind of a telephone at all. Many of those who do have telephones are forced to put up with inadequate, unreliable, obsolete equipment and service.

Some of us had been hopeful that with the end of wartime shortages some improvement would take place. As a matter of fact, the performance has been very disappointing and, under present conditions, there seems to be little hope for further improvement so far as typical farm areas are concerned. Today the number of farms having telephones is actually smaller than it was 30 years ago. The 1920 census showed 2,498,000 farms with telephones. In 1945 the number had decreased to 1,866,000. Today, by liberal estimates, the total is 2,473,000, or about 25,000 fewer than in 1920.

This leaves 3,380,000 farms in this country without any telephone service at all. The quality of service on most of the systems in the typical farm areas continues to deteriorate.

May I draw upon a recent personal experience which is not an unusual one for farm people. I have on the walls of my Indiana farm home the same telephone-instrument that was installed there when I was a small boy, almost a half century ago. This service, to be as charitable as possible, is uncertain. On the morning of May 17 of this year my small granddaughter was badly scalded in this farm home. At best, doctors are hard to find in a typical farm area. The telephone had been practically useless for several days. However, by heroic effort and urgent pleading my daughter was able to enlist the aid of the operator who relayed her request for help. Only through this extraordinary effort was a doctor obtained and first-aid administered. When I arrived a few hours later I was not able to get any use out of the telephone at all. A man who repairs the line on a part-time basis told me that it would be a day or two before he could get it back into commission. He told me that the line was in such condition that it was getting very difficult to repair, and referred to the fact that the old wire had become so hard and brittle through age that it was very difficult to splice. I told him that after the experience of that day I was hopeful that the service could be improved quickly as I had visions of other emergencies which might arise. He volunteered the information that at least $10,000 was needed on this small mutual system to put it in usable order. He did not venture an estimate as to how much more would be required to really modernize the system.

We are getting letters from all over the Nation describing situations similar to the one which I have just told about. A great number of these letters tell how people have sought telephone service in vain. Some of them relate how the telephone systems that were in the neighborhood have gone completely out of commission. Their letters bear out the fact that little is being done today to improve farm telephone service and that the prospects for the future are dark.

Ever since the first telephone legislation was introduced in 1944 we have been hearing a lot about the plans that the large companies had for expanding their farm service. We had hoped that the announcement of these plans was not merely a gesture in response to the legislation which had been introduced.

We, in REA, worked out a model agreement for joint-use of telephone and power facilities with the Bell Telephone officials. We hoped that this would be a means of cutting costs and expediting rural telephone service. Two hundred and six REA cooperatives have entered in these agreements. Yet, the 146 cooperatives which have reported the results, indicate that a total of less than 12,000 telephones have been installed through the use of their facilities.

We were hopeful that the telephone companies would take advantage of the increased supplies of materials and labor to bring about an improvement in rural telephone service as has been done in the field of rural electrification. When the war was over, 45.7 percent of farmers had electric service. Today over 73 percent have electric service.

On the other hand, a survey by the Bureau of Agricultural Economics of the Department of Agriculture, which was released on May 4 of this year, indicates no significant change between July 1, 1947, and July 1, 1948, in the total proportion of farms having telephones. I am filing a copy of this survey for the record. The survey points out that during the 3-year period 1945 to 1948 the increase in the proportion of farms with electricity was four times the increase in the farms with telephones. The survey also indicates that the percentage of our farms having telephones today is about 2 percent less than it was in 1920. These are the reasons that farm people are appealing for a program to do the job in the rural telephone field that has been so successfully done in the rural electrification field.

The Farm Bureau, Grange, Farmers Union, National Council of Farmer Cooperatives, Missouri Farmers Association, and other farm organizations have all called attention to the seriousness of the telephone problem and have urged that national legislation be enacted to solve it.

There is unmistakable evidence that the A. T. & T. and the large independents are not going out into typical farm territories where a high financial return is not in prospect. On the other hand, the small independents and mutual companies simply cannot get adequate financing today to enable them to take care of these territories.

If it had not been for these small companies, both independent and mutual, most of the farmers who today have telephone service never would have had it, and I would like to pay a word of tribute to them. These small companies have struggled against great odds over the past half century to bring an essential service to farm people. They were undercapitalized to begin with and they did not have the opportunity to set up adequate reserves such as has been done in the REA program. Today a great number of these small companies are in desperate financial circumstances; they need help and whether they get it or not depends upon enactment of this legislation.

To put it another way, whether farmers get adequate telephone service depends in a great majority of the cases upon this legislation. I know that a number of these small independent companies and mutuals have been told that enactment of this legislation would socialize the industry, that their lines would be duplicated and they would be put out of business. This is a complete distortion of the provisions and purposes of the bill. In the first place, lending Federal money to local independent and mutual companies is not socialism by any definition of the term. I might point out that the cry of socialism is not raised when thousands of banks, the railroad companies, and large commercial and industrial enterprises borrow money from the RFC.

This is a program for getting telephone service to farmers. It will be accomplished by lending Government funds to the privately owned, locally managed enterprises which will do the job. It will be done on a self-liquidating basis. This is specifically required by the bill.

As to duplication, the bill provides for all the safeguards that can be written into legislation. In addition, there are some very practical reasons why the alarm over duplication is unwarranted. To be self-liquidating loans must be economically feasible. I don't see how I can possibly certify as to the economic feasibility of loans for facilities to serve people who are already receiving adequate and reliable service. I don't expect to receive applications for such loans. But even if I do, the provisions of the bill which require recognition of State regulatory laws will take care of such applications. Let me point out that this provision is precisely that recommended by the National Association of Railroad and Utilities Commissioners.

I personally want to state that if I were in charge of a program to make loans for rural telephone service, I would think it wise to give preference to those people who are already in the business and who are willing to do everything practicable to furnish satisfactory telephone service. And I can assure everyone that there is no intention on my part to make loans to rural electric co-ops which would put existing telephone companies out of business. As a matter of fact few if any electric co-ops have a desire, or are in a position to enter the telephone field at all. Furthermore, it should be remembered that any administrative action that is unwise, unfair, or not in the public interest can always be halted by the Congress through its continuous control over appropriations.

I am submitting for your consideration a résumé of the farm telephone situation. This résumé bears out in detail the statements that I have made that farm people are not getting adequate telephone service and are not likely to get adequate telephone service under existing conditions.

To sum up, there is a most urgent need for improvement and expansion of telephone service for farmers. This improvement is not taking place and, in my estimation, it will not take place unless there is enactment of legislation such as proposed in S. 1254.

RECESS

Mr. LUCAS. Mr. President, it is now 5:55 o'clock, and I am about to move that the Senate take a recess, if there be no further business to be transacted at this time.

I now move that the Senate take a recess until tomorrow at noon.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 16, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 2), 1949:

HOME LOAN BANK BOARD

Oscar Kent La Roque, of North Carolina, to be a member of the Home Loan Bank Board for a term of 4 years expiring June 30, 1953. (Reappointment.)

IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade of

lieutenant subject to qualification therefor as provided by law.

The following-named officers for permanent appointment in the line of the Navy:

Donald L. Abbott
Stanley F. Abele
William F. Abernathy
William H. Abney
James D. Ackerman
Gladys J. Adams
Joseph E. Adams, Jr.
James H. Agles
John D. Alden
Alfred C. Alder
Ralph Alford
Ralph M. Alford
Walter W. Alldredge, Jr.
Milton O. Allen
Albert A. Anderson
Wallace I. Anderson
Bernard A. Andrade
Leo V. Andrecht
George G. Andrews
Mary M. Angas
Frank D. Armstrong, Jr.
Joseph F. Arrigoni
Robert E. Arthur
James K. Athow
Randal N. Atkinson
Helen Augustiny
Lee A. Bagby
James R. Bagshaw 3d
Carl W. Baker
Lawrence H. Baker, Jr.
Morton S. Baker
George O. Baldock
James L. Ball
Edward P. Barkley
Floyd M. Barkley
Paul H. Barkley
Frank D. Barlow
James B. Barnette
Leon V. Barr
Bruce C. Barry
Edwin J. Bates
Lawrence F. Baumgaertel
Jerome W. Beaudoin
Maurice E. Beaulieu
Troy C. Beavers
George M. Bell
Darrell C. Bennett
Thorval L. Berg, Jr.
Franklin S. Bergen
Irma E. Bibens
Gladys Bickmore
John R. Bicknell
Jene M. Bixler
Sherman C. Black
Ralph E. Blad
Frank W. Blake, Jr.
William F. Bland
William F. Bley
Stanley H. Blumenthal
Clarence A. Borley
Woodrow J. Borne
Edgar J. Boudinot, Jr.
Vivienne F. Boudreau
Charles H. Bowen, Jr.
James E. Boyle
Charles R. Bradford
Rosa A. Brannon
Trond G. Brekke
William F. Brennan
John W. Brex
Benjamin F. Briant
Richard W. Briggs
William I. Bristol
Samuel J. Brocato
Charles L. Brooks
Frances L. Broughton
Guy C. Brown
Melvy M. Brown
Robert N. Brown
Russell E. Brown
Orville S. Brownlee
George E. Buker
Jack H. Burch
Calvin Burkhart
John Burkholder
Robert M. Burnell
Russell O. Burnham
Robert J. Burns
Willard L. Bushy
George K. Bywater
Sherman C. Cagle, Jr.
Charles W. Callahan
John C. Callahan
Robert J. Callahan
Robert E. Carl
Robert D. Carleton
Billie Carroll
Eleanor M. Casey
James C. Caskey
Lucian M. Cayce
William B. Chamberlin
Terry M. Chambers
Murray L. C. Chandler
Harlan R. Cheuvront
Robert D. Chilton
Louis D. Chirillo
Bryce L. Clack
Walter C. Clapp
Constance E. Clark
Leslie A. Clark
Richard M. Clark
Marvin L. Claude
Henry G. Cleland, Jr.
Jesse S. Cleveland
George M. Clingan
Paul W. Cobb
Fred T. Cockrell
June M. Cogswell
George Cole
R. K. Stewart Cole
Raymond E. Coleman
Robert G. Coleman, Jr.
Francis L. Collins, Jr.
Ralph W. Collins
Walter V. Collins
Luke O. Conerly, Jr.
Parker C. Cooper
Catherine V Cronin
Gerald P. Corrigan
Kenneth J. Cory
Marion L. Courtney
John E. Cousins
Louis L. Cowsert
Maley O. Cramer, Jr.
Merdin C. Criddle
Jack O. Crites
Catherine V. Cronin
Francis Cronin
Robert H. Curtin
Jess L. Curtright
Hector C. Cyr
Beatrice E. Dalier
Frank C. Daniel
Charles E. Davis
John W. Davis
Richard L. Davis
Tharrell W. Davis
Clifford Deets
Doris A. Defenderfer
Richard D. Delauer
Vernon J. Deroco
Robert F. P. Desel
Morris M. Devlin
Lawrence A. Dewing
Raymond H. Dick
Richard G. Dickerson
Charles B. Dickson
Thornwell M. Dillard
Donna S. Doe
Raymond J. Dooley
Richard H. Doolittle
Robert L. Dormer
John F. Dow
Wayne L. Dowlen
Richard S. Downey
Murray E. Draper
Brand W. Drew
Thomas H. Drinkwater
Robert E. DuBois
Allen W. Duck, Jr.
Willis P. Duhon
Olive I. H. Dunham
Charles A. Dunn, Jr.
Richard J. Dunn
Harvey K. Dunning
Jesse C. Durham
David M. Durkee
Edward M. Eakin
Billy O. Earl
Frances E. Earle
William R. Eason
Kenneth H. Eaton
Louise L. Edelmann
Wesley N. Edmunds
William E. Edwards
Milton L. Elchinger
Laurence M. Ellefson
Homer S. Elliott
Carl E. Ellis
Clayton M. Emery
John H. Epps
Florence L. Erickson
William H. Etter
Patricia C. Evans
Simpson Evans, Jr.
Donald D. Everman
John K. Everson
James W. Ewing
John A. Fahey
George W. Fairbanks
Betty M. Fannan
Langdon S. Farrand
Ferris L. Farrell
Joseph R. Faulk
Joseph E. Feaster
Robert E. Felten
Vernon R. Fierce, Jr.
Harry W. Files, Jr.
Dale W. Fisher
Harry E. Fitzwater, Jr.
Donald W. Fledderjohn
Walter A. Foley
Oscar Folsom, Jr.
Edward J. Foote
Forrest B. Forbes
David "L" Forrester, Jr.
Ellis M. Foster
Vera V. Foster
William I. Foster, Jr.
Ira A. Francis
Dean M. French
Paul V. French
Louis J. Frketic
Joseph M. Frosio, Jr.
Gurney E. Frye
Robert D. Fulton
Francis E. Gahagen
Marion R. Gallagher
Ralph W. Gant
James E. Garlitz
Roland M. Garner
Robert R. Garrett, Jr.
William A. Gatlin
George M. Gauen
Robert E. Gayle, Jr.
Harold R. Gentry
Edgar L. George
Clifford L. Giebler, Jr.
Glen W. Gilbert
Olen G. Giles
Donald R. Gillespie
Clyde Gilmore
Joseph T. Glab
Wesley A. Gleason
Edmund Glennon
Hollis Goddard
Arthur R. Goodall
Harold J. Goodnow
Joseph H. Goodpasture
Harold R. Gordinier
Raymond Gorman
Gordon F. Gossman
Ranald F. Graham
Arnold M. Granat
Samuel W. Green
Marvin W. Greenstein
Barbara L. Greenwood
Juel Griffin, Jr.
Ralph I. Grigsby
George V. Gross
Albert R. Groves
Peter T. Gurtler
Harris E. Gustafson
Charles E. Guthrie
George F. Guyer
Robert B. Hager
Edmund C. Haley II
Alfred J. Hall, Jr.
Lloyd A. Hammer, Jr.
Mary E. Hannan
John G. Hansen
Donald M. Hanson
Harold G. Hanson
Louis I. Hardman
George B. Hargan, Jr.
William C. Hartung
Donald C. Harvey
Derald E. Haugh
John F. Hawkins
Rex E. Hawkins
George M. Hayes
Robert G. Hazlewood
George A. Hecker
Robert S. Heid
Charles W. Henderson
James C. Henderson
Robert R. Henry
William D. Henry
Alton R. Henson
John S. Herman
Saul W. Herman
Ralph R. Herms
Franklin I. Heule
Charles E. Hilgel
Robert D. Hilbish
Hubert J. Hillesheim
Herbert J. A. Hillson
Charles M. Hoblitzell
John W. Holcomb
Raymond E. Hollomon
Evald Holmgaard
Eleanor R. Homan
James A. Homyak
Louie B. Hoop, Jr.
Samuel Hopkins, Jr.
Benjamin C. Horton
Edward H. Howard
Macauley Howard
Arthur W. Howe III
Lee V. Howe
Billie Hubard
James L. Hughes, Jr.
Clyde G. Hunt
George A. Hutchinson, Jr.
James D. Ingram
Bryce D. Inman
William F. H. Irwin
Mercer L. Jackson, Jr.
Robert C. Jackson
William H. Jakes
John Jan
Darrel H. Jay
Sutton L. Jaynes
Henry C. Jenkins
James D. Jenkins
John W. Jenkins
Lewis L. Jennison
Franklin D. Johnson
William S. Johnston
Raymond F. Jones
LeRoy K. Jordan
Robert Juarez
Floyd Juillard
Frank E. Kadel
Gordon L. Kallenberg
Myron R. Kalnitzky
Peter Karonis
Gordon L. Kearsey
Wally K. Keller
Arthur R. Kelley
Lawrence W. Kelley
John L. Kellogg
Joseph F. Kelly, Jr.
Edmond D. Kemp
Robert R. Kidwell, Jr.
Jasper C. Kilgore
Joseph L. King
Frank G. Kingston
Orson A. Kinney, Jr.
Richard E. Kipe
Betty J. Knighton
Richard C. Knoeckel, Jr.
George Koen
Jackson L. Koon
Herman W. Kreis
Duane M. Krueger
Ira K. Kruger
Lloyd A. Kurz
William B. Kyle
John LaCava, Jr.
Kenneth B. Lake
Kenneth E. Lampkin
Lester B. Lampman
Frederick E. Lane
Virgil V. Lane
Gerald J. Langevin
Jack A. Larsen
Herbert Latch
Eston D. Lawrence
Merrel Lemons
Walter F. Lilly
William Lindsay
Edgar L. Lindsey, Jr.
Charles E. Little
Wesley E. Lizotte
John G. Long
Vincenzo Lopresti
Warren H. Love
James H. Lotzgesell, Jr.
David W. Ludwig
Mary J. Lynch
Clarence D. Lynn
Robert F. Lyons
Lewin A. Maberry
Gordon C. MacKenzie
Edmund J. Maddock
Robert J. Maghan
Dorothy L. Maraspin
Jerrold P. Marsh
Byron S. Marshall
Walter Marusa
Herbert S. Matthews, Jr.
Ralph J. Mattus
Herbert A. May
William C. May
Herman Mayencourt
Anthony J. Mazur
Paul H. McAfee, Jr.
Thomas D. McBride
Howard G. McCain
Kendall C. McCallum
Arthur J. F. McCarthy
William H. McCarty
Nolan H. McDade
Edwin A. McDonald
William E. McDonald
Richard C. McEwen
Joe M. McFadden
John F. McGinnis
Charles V. McGlothing
Virginia K. McKinley
Harding C. MacKnight
Thomas R. McLenaghan
Robert J. McMahon
Alfred N. McMillian
Gerald McMorrow
Birton E. McMullen
Emmett T. McNair
Robert W. Mead
James T. Meadows, Jr.
Warren T. Meadows
Allen C. H. Merz
Eldon L. Michel
Glen G. Miller
Harry R. Miller
Ned Miller
Robert W. Miller
Allen W. Mills
Howard R. Mitchell
Leroy R. Mix
Alfred E. Monahan
Edwin C. Moore
Robert H. Morris
Marvin A. Mosely
Milo W. Mosser, Jr.
Hampton E. Mulligan
Arthur H. Munson
Thomas J. Murnighan, Jr.
John T. Murray
Robert E. Murray
Laverne F. Nabours
Harold Nagel
Alfred E. Nauman, Jr.
Robert S. Neasham
Lewis H. Neeb
Victor J. Neil
James A. Nelson
Roger D. Nelson
Roy E. Neufeldt
Charlotte P. Nevers
Muriel E. Neville
Floyd A. Newell
Reed H. Nielson
Robert A. Niles
Robert J. Norman
Franklin C. Northrup
Clifford J. Oas
John D. Oliver
Paul O'Mara, Jr.
John W. O'Neill
Robert E. Orcutt
Vincent P. O'Rourke
John K. Ostermiller
Charles L. Otti
Clarence E. Otto
Sidney R. Overall
John D. B. Pamp
Robert C. Parker
Elbert W. Parrish
Clarence L. Parsley
William H. Pattillo
James A. Payne
Clayton A. Paulding
Joseph V. Pavela
Alvin E. Pawelczyk
Joe Pedigo, Jr.
Albert J. Pelletier, Jr.
Eugene R. Perry
Grace S. Person
Chester L. Petersen
Frank P. Petrik
Charles W. Pfiester
James E. Phalan
Bryce W. Phillips
Donald M. Phillips
Harley J. Pierce
Raymond G. Pierre
Gloria R. Pignatelli
Jeanne E. Piper
Richard J. Plante
James W. Porter, Jr.
Loran R. Porter
Jerry K. Pounders
Mary M. Pritchard
Russell K. Prout
James P. Pruitt
Thomas J. Quick
Thomas D. Quinn
Robert W. Ramey
Bruce C. Rasche
John E. Raymond
Robert G. Read
William L. Reardon, Jr.
Charles J. Reidl
Ronald R. Reiland
Adrian B. Rhodes, Jr.
James L. Rice, Jr.
Robert L. Rice
Robert C. Rich
Floyd D. Richards
Robert L. Richardson
Thomas H. Riggan
Dorothy Riggle
Alden S. Riker
Horace Riley, Jr.
Robert D. Rinesmith
Gilbert A. Riodan
Peter Rippa
Jack H. Robcke
Kester M. Roberts
Marlin D. Roberts
Thomas L. Roberts

Charles D. Robinson
Joseph H. Roche
William E. J. Rohde
Joseph Rolleri
Robert D. Romer
Harry E. Rorman
Edwin R. Ross
James L. Rothermel
Ernest J. Rowett
Ernest Roycraft
Fred C. Rucci
Stephen L. Rusk
George R. Rymal
Nelson W. Sanders
Viola B. Sanders
Veriel E. Sanderson
Stanley D. Saska
Joe M. Sassman
Theodore Sawick
Joseph M. Scarborough
Albert Schellenberg
Robert L. Schexnayder
Max A. Schlecht
Lavon C. Schmidt
Stanley C. Schold
Mathew J. Schwartz
Vernon R. Shaw, Jr.
Richard M. Shay
John E. Schlembach
Ray E. Scholl
Walter E. Scholz
Bob Scott, Jr.
Lucile A. Seielstad
Robert L. Severns
Milner N. Shannon
Mary Sharples
William H. Shaw
Frank S. Siddall
James B. Sinquefield
Vernon J. Sistrunk
Thelma W. Sites
Thomas G. Slattery
Bruce B. Smith
Carl E. Smith
Delbert M. Smith
John J. Smith
Thurman E. Smithey
Robert P. Smyth
George W. Snediker
Harold F. Snowden
Charles A. Soderlund, Jr.
Arthur L. Soholt
Sybil M. Space
Samuel A. Sparks
Frank O. Spencer
Norman W. Spurgeon
William E. Stanton
Francis A. Stark
Mary M. Stark
Frederick A. Staub
Edward J. Steffen
Joseph E. Stenstrom
James E. Stevenson
Harold E. Stewart
Marlar E. Stewart
James F. Stone
Ruth M. Streeter
Eugene R. Stroup
Patrick L. Sullivan
Robert C. Sullivan
Harry J. Sundberg
Donald A. Swanson
Harry W. Swinburne, Jr.
George Swint III
Harold R. Tall
Carl B. Tanner, Jr.
George L. Tarleton
Claude D. Tate
Hugh J. Tate
Neal M. Tate, Jr.
Edward A. Taylor
James E. Taylor
Charles L. Teevan
Betty R. Tennant
Gene C. Tenold
William P. Terrill
Ted R. Tharp
John B. Thomas, Jr.
Boyd Thomson
Robert M. Thomson
Christopher S. Thompson
Eleanor A. Thompson
Harold V. Tibbitts
John F. Tierney, Jr.
Albert R. Tiffany
Lewis A. Tomkins
Orville L. Tomlinson
Eugene J. Tougas
Margaret E. Tracy
Vern W. Tracy
Harold D. Trettin
Ross R. Truesdale
Beatrice M. Truitt
Frank H. Tucker
Thomas Turnbull
Earl J. Turner
Frederick C. Turner
Jack A. Turner
James F. Tuttle
Robert F. Vales
Benjamin J. Van Blake
Wallace V. Van Pelt
Charles M. Vehorn
Albert W. Vittek
Robert W. Vollenweider
Harold K. Von Egger
Margretta vonSothen
William J. Wacker
Elizabeth D. Waddington
George C. Wadleigh
Elinor J. Wagner
John R. Wagner, Jr.
William H. Wagner, Jr.
Edwin J. Walasek
Harvey M. Waldron, Jr.
Earl P. Walker
George T. Walker, Jr.
Helen H. Walker
Jack A. Walker
John S. Walker
Ralph L. Walker
Thadeus F. Ward
Richard L. Warren
Orval J. Washburn
Robert C. Wattenburger
Daniel C. Wells
Saxton A. Weir, Jr.
Carl Weisse
John D. Welsh
William J. Westmoreland
Robert E. White
Stephen J. Whitemen
Duane L. Whitlock
Richard W. Widdicombe
Dicky Wieland
Charles E. Wilcox
Howard F. Wiley
Charles R. Wilhide
William L. Wilkinson
Malcolm W. Williams
Reginald M. Williams, Jr.
Harold A. Willyard
John C. Wilschke
Ernest E. Wilson
Jerome L. Wolf, Jr.
James Wood
Edward C. Woodward
Lamar L. Woodward
Jackson E. Woolley
Robert C. Woolverton
Ellen Word
John D. Working
John C. Wouters
Albert G. Wright
Clyde A. Wright
William W. Writt
James R. Zeitvogel
Ernest L. Zimmerman

The following-named officers for permanent appointment in the Supply Corps of the Navy:

William M. Adamson
John E. Aicken
Mary J. Aplin
Frank E. Baldwin
Margaret E. Barton
Donald F. Baumgartner
Philip Beilock
Robert L. Bisset
Bascom B. Boaz
James D. Bordwell
Edwin E. Bramhall
Roland W. Breault
Betty J. Brown
Roger W. Brown
Rita P. Brychel
Joseph E. Bulfer
Lewis C. Chamberlin
John J. Connor, Jr.
William H. Conry
Robert W. Cooil
George A. Cookinham
John J. Danko
Richard M. Davis
Warren R. DeYoung
Edwin L. Duke
Virginia G. Finney
Rupert E. Graham
Herbert J. Hackmeyer
Wayne S. Henderson
Vincent H. Higgins
Warren G. Hopkins
Ross P. Hubert
Charles W. Ireland
Frank L. Jenne
William A. Johannesen
Herbert L. Johnson
William B. Kerfoot
Richard R. Koontz
George J. Kost
Rosemary Lafferty
William S. Langley
Jay E. Larson
John C. Leach
Leslie E. Lobaugh
John J. Long
Robert H. Madden
Charles A. Matthews, Jr.
Frank O. Maugans
Merlin L. McCulloh
Thomas J. McDermott
Howard C. Milliren
Jean I. Moon
Eugene I. Murray
Donald A. Needham
Browder G. Nelson
John G. Ooyman 3d
Walter Parry
Robert H. Pilkinton
Raymond E. Purviance, Jr.
John H. Robison
Dealton Russell
Albert V. Scaturro
Frederick D. Schaer
"T" Lane Skelton
Jay A. Slover
Harry O. Smith, Jr.
Wainard H. Sparks
Lyle A. Stearns
Roy P. Strange, Jr.
John P. Szyperski
James O. Tillman
Donald G. VanRiper
John A. Whitver
Robert W. Wilson

The following-named officers for permanent appointment in the Civil Engineer Corps of the Navy:

William C. Anderson, Jr.
Vern E. Atwater
John F. Clarke
Henry S. Grauten
Roland D. Hill
Richard O. Jones
William R. Reese, Jr.
William E. Sinclair

The following-named officer for permanent appointment in the Dental Corps of the Navy:

Ira Goldstein

The following-named officers for permanent appointment in the Medical Service Corps of the Navy:

Maria E. Aquino
Harold G. Donovan
Elizabeth Reeves
Lester K. Thompson

The following-named officers for permanent appointment in the Nurse Corps of the Navy:

Jennie E. M. Brusick
Corinne J. Buckley
Myrtle F. Butt
Catherine I. Cameron
Helen N. Chandler
Lummie G. Coker
Mary C. Coody
Myrtle V. Cricher
Desiderata Disante
Delima M. M. Dumas
Elva R. Faucher
Katherine M. Fleck
Martha E. Hallman
Jane Higginson
Olive C. Hurlock
Eileen Hux
Dortha M. Johnson
Mildred J. Kahl
Annis J. Kaylor
Isabelle C. Kiehl
Elizabeth E. Kinzer
Rutl. M. Lawler
Edith F. MacMillan
Margaret McCall
Evelyn M. McDermott
Ann E. McPhillips
Evelyn Moore
Nora A. Mulkern
Dorothy A. Naviaux
Emerald M. Neece
Mary A. O'Meara
Francis M. Parker
Albertus V. Pekarski
Helen Polohovich
Anna K. Purtell
Rita F. Rein
Josi H. E. A. Richmond
Mary H. Schnez
Dorothy R. Shaffer
Ada E. Shaw
Elmira J. Snowden
Evelyn D. White

The following-named officers of the Naval Reserve on active duty for permanent appointment to the grade of lieutenant subject to qualification therefor as provided by law.

The following-named officers for permanent appointment in the line of the Naval Reserve:

Vernon R. Adrion
Harry Ault, Jr.
William J. Bailey
Lonnie M. Barrow
George W. Berrian
John G. Bonvillian
Ernest J. Coppola
Paul B. Crow
Freddie L. Evans
Donald F. Fernan
Arthur L. Flanagin
John H. Franklin
Adolph J. Furtek
Allen G. Gilmore
John D. Haigler
Hamilton D. Hearn
Lewis P. Holland
Francis L. Kirkland
Richard R. Kite
Noel J. P. Koger
Edmond E. Leber
Robert E. Leckrone
John F. Maroney
John L. Martin
Edward R. Masterson
John F. Mathers
LeRoy McArthur
John E. McNelis
Dean H. Sanders
Stanley M. Sherwen, Jr.
Robert A. Stade
Douglas R. Swenson
Ralph E. Swisher
Robert W. Taylor
Arthur R. Tye
John H. Whitehouse
John H. Wolf

The following-named officer for permanent appointment in the Supply Corps of the Naval Reserve:

Joseph Allecretti

The following-named officer for permanent appointment in the Civil Engineer Corps of the Naval Reserve:

George T. Fedor

The following-named officer for permanent appointment in the Dental Corps of the Naval Reserve:

John A. Johnson, Jr.

The following-named officers for permanent appointment in the Nurse Corps of the Naval Reserve:

Vivian R. Baldwin
Mary B. Bucher
Rosalie L. Kruse
Leona T. Radzai
Marietta Rogers
Nila J. Wallace

The following-named officers of the Navy for temporary appointment to the grade of lieutenant subject to qualification therefor as provided by law.

The following-named officers for temporary appointment in the line of the Navy:

James W. Ables
Theodore M. Abucevicz, Jr.
Thomas E. Acton
William D. Acton
Willard E. Adams
William F. Adams
Frederick S. Addy
Lawrence E. Adwell
Edwin F. Aeschliman
James N. Agee
Joseph L. Agnes
Abner Akemon
Charles D. Albers
Doyle E. Albright
George A. Ales
Benjamin F. Allen
Charles C. Allen
James H. Allen
Joseph F. Allen
William W. Allen
Archie G. Allison
Henry C. Alvord
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Carlyle E. Amory
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Joe T. York
Charles E. Young, Jr.
Elza H. Young
Frederick J. Young
James L. Young
Thomas C. Young
William A. Young
Stanley W. Yount

Wallace E. Zabler
Howard C. Zangel
Roland J. Zavodny
Otto B. Zemke
Bernard L. Zentz
Maurice W. Zink
Leo J. Zok
Gerard P. Zornow
Baselio G. Zorzanello
Daniel P. Zylla

The following-named officers for temporary appointment in the Medical Corps of the Navy:

Bruce B. Barnhill
Robert J. Fleischaker
Robert B. Green
John I. F. Knudhansen
Robert C. Lehman
Robert W. Mackie
Walter S. Matthews, Jr.
Harry C. Nordstrom
Edwin Shapard III
Frank M. Thornburg
William C. Turville

The following-named officers for temporary appointment in the Supply Corps of the Navy:

Walter B. Adams
Charles C. Alexander
Leslie R. Allen
Sidney C. Allison
Melvin S. Amundsen
Paul L. Anderson
James F. Armlin
Conway C. Baker
Claude F. Bartlett
Cornelius Baumann
Hugh J. Beadnell
Arthur N. Beausoleil
Paul N. Bentley
Richard Bergen
Thomas W. Bevans
Elwood M. Bevins
John Bielot
Hubert A. Blankinship
William J. Brask
Richard C. Brown
Thomas M. Brown
John Burk
Fredrick J. Cadotte
Frank C. Caplinger
Loren E. Caraveau
Clarence E. Carlson
Whitney A. Chamberlain
Myron W. Charles
Marsden Christiansen
Earl G. Clement
John W. Clift
Ivan A. Coler-Dark
John Cozy
Reginald E. Daniels
Robert W. H. Darrow
Edgar B. Doles
Mark W. Douthit
John M. Dunn
Paul W. Eldridge
Thomas J. Emmett, Jr.
Rae D. Endorf
Robert L. Evans
Ray S. Ewing
William B. Farley
Paul B. Fitch
John L. Foil
Earl G. Fossum
William L. Foster
Homer G. Galliher
Richard F. Gascoigne
Paul Gertiser
Levi T. Gootschall
John H. Gorman
Gerald W. Green
Eugene G. Greene
Gordon L. Groover, Jr.
Albert E. Grover
August J. Harter
Robyn H. Henderson
James E. Hickey
Earl F. Hilderbrant
George A. Johnson
James E. Johnson
Orville A. Johnson
Robert C. Johnson
Willis B. Jones
Bernard Kambeitz
Ernest C. Knight
Michael B. Kozik
Raymond M. Kroger
Richard J. Kronberger
Alfred G. Lachmann
Luther R. Lane
Charles M. Lanford
Edwin B. Lauderdale
Arthur W. Lazcano
Francis Leribeus
James H. Lewis, Jr.
Anthony V. Liburdy
William D. Little
George Lott
Charles E. Lowe
Robert C. Lyons
Alfred V. B. Marrin
Alexander P. Martin
Adolph Mathews
Martti O. Mattila
Wendell McCrory
Roy M. McDaniel
Huston W. McGlothlin
Tadeus T. Merritt
Dewayne C. Miller
Edward J. Miller
Joseph A. Morgan
William J. Mosley
Fred Murphy
Finley A. Nash, Jr.
Merlyn A. Nelson
John H. Nuck
John E. C. Ott
George L. Owen
Frank L. Pearce, Jr.
Albert R. Phillips
Rodney K. Purnell
John E. Rafferty
Charles P. Ramsey
Dean W. Rhoads
Richard G. Rowley
William H. Settle
Leonard A. Schuman
Felix A. Sharek
Bennie J. A. Sidoti
James F. Simpson
Joseph J. Snapp
James W. Stinnett
Cecil Suarez
Martin K. Thomas
Philip A. Tremblay
Eugene L. Tucker
Berry F. Turner
Lennus B. Urquhart
Byron Uskievich
Charles A. Vasey
Arthur F. Wall
Jessie J. Ward
Nephi J. Ward
John S. Weaver
Robert B. Webster
Robert A. Wells
Albert E. West
James W. Wheeler
George K. Wilcox
Marion E. Wilcox
Everett B. Wiley
Harold J. Williams
Bentley L. Wilson
William H. Wright
Warren H. Young
Felix S. Zych

The following-named officers for temporary appointment in the Chaplain Corps of the Navy:

Soren H. F. Andresen
Joseph P. Cusack
Edgar A. Day
Arthur L. Dominy
William F. Doyle
Carl Elwood
James E. Emerson
Robert C. Fenning
Elmo M. T. Hawkins
Richard P. Heyl
Jackson D. Hunter
James W. Lewis
James W. Lipscomb
George L. Martin
Edward R. Martineau
Bernard J. McDonnell
Harold E. Meade
Stanley A. Mroczka
Wendell S. Palmer
William G. Sodt, Jr.
William G. Tennant
Thomas B. Uber 2d
Oscar Weber

The following-named officers for temporary appointment in the Civil Engineer Corps of the Navy:

John M. Bannister, Jr.
Robert C. Coffin, Jr.
Francis F. Conners
John M. Daniels
Earl F. Gibbons
Leo Liberman
Cushing Phillips, Jr.
O'Neill P. Quinlan

The following-named officers for temporary appointment in the Dental Corps of the Navy:

Robert A. Anderson
Elwood R. Bernhausen
Ralph M. Bishop
Joseph G. Chudzinski
John W. Lieuallen, Jr.
Glen H. McGee
Kenneth R. Pfeiffer
Jerome J. Steinaur

The following-named officers for temporary appointment in the Medical Service Corps of the Navy:

Willie R. Barnett
Carter G. Brooks
Carl P. Calhoun
Anthony N. Diaz
Edward Dominguez
Clinton H. Dutcher
Benjamin F. Edington, Jr.
Daniel F. Horne
William B. Hull
Eugene V. Kadow
James W. Kinder
Warren L. Miller
Russell S. Nance
Clair L. Patterson
Charlie A. Rice, Jr.
John J. Sarsfield
Jack M. Shirley
Milfred E. Sims
Lauren J. Smith
Emmett L. Van Landingham
Charles R. Wannemacher

The following-named officers for temporary appointment in the Nurse Corps of the Navy:

Nellie R. Backlin
Louise J. Bartlett
Mary R. Becker
Nellie B. Burock
Elois M. Duffy
Marguerite L. Durnwald
Lillee E. Elledge
Marguerite Good
Helen L. Kuebler
Helen A. Mieras
Lucile P. Miller
Eugenia L. Moseley
Catherine O'Donnell
Mary E. Orlando
Gloria C. Parisi
Elizabeth L. Pollock
Mary A. Prescott
Carolina M. Prunskunas
Ellen E. Fullekinus
Alma R. Ross
Phyllis A. Scungio
Verona B. Sprecher
Veronica A. Stein
Kathryn A. D. Trayers
Martha A. VanWye
Inez Watson
Emma R. Wing
Kate Young

The following-named officers of the Naval Reserve on active duty for temporary appointment to the grade of lieutenant subject to qualification therefor as provided by law.

The following-named officers for temporary appointment in the line of the Naval Reserve:

Wilbur R. Brooks
Philip W. Clemens
Forrest R. Colebank
William L. Connell
Joseph J. Currier
Harvey A. Drake
Howard J. Forsgren
Walter I. Gille
Edward K. Gross
Walter E. Hiner
Frank W. Holub
Robert N. Hurt
Robert P. Jones
Dale F. Mabry
Frank J. Manno
Jack A. Martin
James M. Martin
John J. McGrath, Jr.
Clifford C. McLean
Harold P. Merrill
Anthony M. Mettes
William W. Milleson
Mark N. Newcomb
William S. Norris
Billie E. O'Brien
Arthur J. Perkett, Jr.
Edward J. Scharnikow
Howard A. Schlundt
Edward S. Shahin
Leroy A. Sundberg
Elmer N. Thompson
Rex J. Tucker
Dana A. Turpin
John A. Volk

The following-named officer for temporary appointment in the Medical Corps of the Naval Reserve:

Norvell L. Peterson

The following-named officer for temporary appointment in the Supply Corps of the Naval Reserve:

Demetris J. Peppones

The following-named officers for temporary appointment in the Chaplain Corps of the Naval Reserve:

Warren L. Bost
Thomas A. Clayton
Carlton C. French
Charles F. Karnasiewics
Raymond J. Talty

The following-named officers for temporary appointment in the Nurse Corps of the Naval Reserve:

Bertha M. Davis
Mary E. Dyer
Ursula M. Fox
Rose A. Gallagher
Dorothy M. McAleer
Dorothy J. O'Neill
Ruth M. Scanlon

IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade of lieutenant (junior grade) subject to qualification therefor as provided by law.

The following-named officers for permanent appointment in the line of the Navy:

James H. Ackiss
Algred E. Adams
Daniel B. Adams
Donald F. Adams
Frank M. Adams
Joseph L. Adelman
Warren E. Aeschbach
Luther A. Ahrendts
William J. Aicklen, Jr.
Edward T. Alberta
John G. Albright
Charles K. Allendorf
George A. Amacker, Jr.
Robert W. Ambrose
Robert L. Amelang
Richard D. Amme
Charles R. Anderson
James L. Anderson
Richard W. Anderson
Roy T. Anderson
David D. Ansel
Edward P. Appert
Richard O. Applebach
Grant P. Apthrop
John R. Arguelles
Francis L. Armstrong
Roy C. Atkinson
Victor K. Aubrey, Jr.
Gerald J. August
William H. Austin, Jr.
Frank S. Averill
Arnold W. Avery
James E. Ayres
Francis M. Bacon
Robert B. Bade
Joseph Baer, Jr.
Worth H. Bagley
Wallace B. Bagwell
Daniel L. Bailey
Emera S. Bailey
Ralston Bailey
Harold J. Baker
James J. Baker
Paul B. Baker
Raymond N. Baker
John M. Balfe
Erwin J. Ballje, Jr.
Bernard J. Bandish
Daniel L. Banks, Jr.
Neil G. Barbour
Robert N. Barker
Cecil E. Barley
Ralph E. Barnard
Alan F. Barnes
George B. Barnett
James H. Barr
Robert M. Barr, Jr.
Franklin M. Barrell, Jr.
Bruce O. Barrington
James H. Barry
William Barry
Paul F. Basilius
James D. Baskin, Jr.
Charles G. Batt, Jr.
James A. Baxter
Edward R. Beane
Robert G. Beck
William Beck, Jr.
Bradford A. Becken
Marvin J. Becker
Terrill F. Becker
John Bell, Jr.
Thomas I. Bell
Walter F. Bennett
Robert D. Bergman
Burton E. Berilund
Raymond R. Bernier
Fred J. Bernstein
David P. L. Berry
Carl O. Best
Byron N. Bettis
Delbert A. Beyer
Henry J. Beyer
Richard A. Bihr
Lawrence Bilder
Comer H. Bird, Jr.
Lloyd I. Biscomb, Jr.
Billy P. Bishop
Homer R. Bivin
Marvin L. Black
Ira W. Blair
William P. Blair
Harvey N. Blakeney
Carl A. Blank
William D. Blevins
Arthur B. Bliesener
David H. Blumberg
William E. Blythe
Ralph A. Bobsin
Clarence E. Boger
Robert L. Bolling
John C. Bond, Jr.
Merson Booth
Fredric G. Bouwman
John L. Bowden, Jr.
Floyd D. Bowdey
James W. Bowen
Thomas J. Bowen
Richard L. Bowers
James C. Bowes
George R. Bowling, Jr.
Robert J. Brabant
Frederick G. Bradshaw
Ray H. Bradshaw
Donald P. Brady
Ralph Brandt

Lloyd L. Brassaw, Jr.
John S. Brayton, Jr.
Thomas B. Brenner
Winston D. Briggs
Thomas B. Brittain, Jr.
Louis M. Brizzolara
Frederick B. Bromley
Rupert Brooke
Bryan B. Brown, Jr.
Kenneth C. Brown
Louis F. Brown
Moody B. Brown, Jr.
Walter A. Brown, Jr.
Thomas J. Bruck
Dale C. Brumbaugh
James W. Brummer
George H. Bryan, Jr.
Robert E. Bublitz
Maurice D. Buck
Samuel J. Bunger
Sumner W. Burgess
Thomas J. Burgoyne
John C. Burkart
Edwin J. Burke
James A. Burke
Lorenzo G. Burton, Jr.
Philip R. Bush
Charles I. Buxton II
Ward G. Byington
Arthur D. Caine
John D. Callaway, Jr.
Gene I. Campbell
Richard D. Campbell
Charles S. Carlisle
Frederick Carment, Jr.
Ralph H. Carnahan
Norris W. Carnes
Alfred C. Carpenter
Harold L. Carpenter
Felix R. Carr
Charles J. Carroll, Jr.
John L. Carroll
Kent J. Carroll
James E. Carter, Jr.
Wallace R. Carter
Edson G. Case
Charles W. Causey, Jr.
Stanley M. Cecil
Frank A. Cermak, Jr.
Daniel Chadwick
Raymond E. Chamberlain, Jr.
Donald E. Chandler
James H. Chapman
Frank J. Christopher
Albert H. Clark
Carroll D. Clark
Robert T. Clark
Robert E. Classen
John W. Clayton
Marwood R. Clement, Jr.
Robert R. Clement
Reginald D. Clubb
Warren R. Cobean, Jr.
Milo G. Coerper
Joseph P. Cofer, Jr.
Carl R. Coggins
William P. Cohn
John E. Cohoon
Kenneth J. Cole
Robert C. Collier
Peter Colot
Richard G. Colquhoun
Vernon W. Condon
Robert H. Conn
Robert F. Conway
Edward L. Cook, Jr.
William J. Cook
James B. Copenhaver, Jr.
John O. Coppedge
John D. Corse
Carl S. Costanzo
Robert Cowell
Calvin C. Cowley
John H. Cover
John W. Crane, Jr.
Richard T. Crane
Jackson B. Craven, Jr.
Bentley B. Crawford
Bert H. Creighton, Jr.
Robert E. Creque
Robert A. Cressman
Charles B. Crockett, Jr.
William J. Crowe, Jr.
Seymour F. Crumpler
Charles W. Cummings
Donald E. Cummings
Robert E. Cummings, Jr.
Douglas T. Cummins
Peter P. Cummins
David R. Cundy
William C. Curran
Hal L. Curry
Lawrence J. Curtin
Harry L. Curtis, Jr.
Harland B. Cutshall
Richard A. Dadisman
Duilo D'Albora
Paul H. Dallmann
Howard B. Dalton, Jr.
Keith C. Darby
Lynn A. Davenport
Thomas T. Davenport
Alan N. Davidson
James B. Davidson
John D. Davidson
Ray E. Davis
Richard P. Davis
Theodore F. Davis
William J. Davis
Dale B. Deatherage
Frank A. Deaton
Donald J. DeBaets
Ronald M. DeBaets
Albert R. Deckert
Robert M. Deffenbaugh
James A. de Ganahl
Harry M. De Laney
John J. Dempsey
George M. Dent
Jeremiah A. Denton, Jr.
Carlos Dew, Jr.
Theodore J. DeWerd
Ward A. DeWitt
John L. Dickey
Robert M. Dickey
James G. Dickson, Jr.
Richard D. Dickson
Philip C. Diem
Jarl J. Diffendorfer
Allen F. Dill
William R. Dillen
Alva L. Dixon
Robert E. Dobyns
Willard C. Doe
John F. Doheny
Charles E. Donaldson III
William I. Donaldson
Donald L. Donohugh
William K. Doran
William R. Dougherty
Stephen P. Douglas
Walter M. Douglass
James H. Doyle, Jr.
Eugene A. Drabent
Jack V. Drago
John F. Drake
David I. Draz
Harold M. Dryer
John P. Duckett
Henry R. Duden, Jr.
Peter H. H. Dunn, Jr.
Vernon M. Dupy
Walter D. Durden
Michael F. Durkin
Charles J. Eadie
Joseph E. Earl
Harold L. Edwards
Edward J. Eisenman
Kenneth O. Ekelund, Jr.
Frank L. Elefante
Joseph M. Ellis
Samuel S. Ellis
Joseph S. Elmer
Leslie A. Else
Robert E. Enright
Charles W. Epps
Herman J. Estelman
Robert W. Etcher
Joseph D. Evans
William B. Evans
Donald W. Everett
Philip B. Fairman
Donald W. Fantozzi
James E. Farley
George W. Farris
Frederick A. Farris
Donald D. Farshing, Jr.
Verne J. Feeney
James P. Fellows
Wilbur G. Ferris
Reginald V. Ferry
Gerald C. Field
Norman L. Finch
Gordon R. Finke
John P. Finley, Jr.
John G. Finneran
David W. Fischer
John R. Fisher
Paul E. Fisher
Paul F. FitzGerald
Edward L. Fitzgibbons
William R. Fitzwilson
Joseph P. Flanagan, Jr.
Robert E. Fleischli
Gene C. Fletcher
Robert P. Fletcher III
Guy W. Ford, Jr.
Wendell C. Forehand
William E. Forsthoff
Thomas E. Fortson
William L. Foster
Robert E. Fredricks
Harold H. Freeland
Ernest S. Fritz
Richard Fuller
Gerald A. Gafford
Donald M. Gaines
John D. Gantt
Edwin T. Garbee
Richard S. Gardiner
David L. Gardner
James S. Gardner
Walter T. Gardner, Jr.
Stanley P. Gary
Robert P. Gatewood
William H. Gatts
William W. Gay
John T. Geary
Richard L. Gehring
Robert M. George
William M. Georgen
Mark H. German
James T. Gibbs
Joseph M. Gibson
Muscoe M. Gibson
Frank Gilliand
Joseph D. Gleckler
Charles O. Glisson, Jr.
Noah W. Gokey III
Robert R. Goldsborough, Jr.
Donald V. Gorman
Harry T. Gower, Jr.
Robert F. Gower
Ferdinand A. Graham, Jr.
Horace E. Graham
William T. G. Granat
William J. Grant
Dalbert D. Grantham
Leland T. Gray, Jr.
Oscar Greene, Jr.
Wallace A. Greene
John I. Gresham
"J" "C" Grieb
Boyce H. Grier
James W. Griffin
William E. Grimes
Robert O. Groover, Jr.
James R. Gross
George S. Grove
Louis H. Guertin
Rex Gygax
Robert B. Hadden
Donald W. Haggerty
George C. Hahn
Arnold A. Hahnfeld
John W. Haizlip, Jr.
James R. Hale
Donald M. Hall
Harold D. Hall
James F. Hall
Richard L. Hall
Orval K. Hallam
Oliver S. Hallett
Joe Hamilton
David L. Hancock
John W. Handel, Jr.
Richard J. Hanley
Jerome W. Hannigan
Albert B. Hansen
Edgar G. Hanson
Wayne B. Harbarger, Jr.
Guy C. Hare
William C. Harmon
John R. Harper
William L. Harris, Jr.
James B. Harsha
Harry S. Hart
Richard V. Hartman
Willard R. Hartman
James C. Hatch
Donald L. Hathway
Erwin E. J. Hauber
Glenn N. Hawley
Saymore T. Hays, Jr.
William G. Hearne
Edward J. Hedbawny
George F. Hedrick, Jr.
Howard G. Heininger
Edgar H. Hemmer
Eugene M. Henry
George L. Henry
Carl A. Henzel
Francis C. Hertzog, Jr.
James H. Herzog
John A. Hess
Lawrence E. Hess, Jr.
William S. Hewitt
Wilbur M. Hickman
John R. High
Edward C. Hill
Elmer R. Hill, Jr.
James M. Hill, Jr.
John W. Hill
Robert E. Hill
William L. Hinkle
Bruce R. Hoefer
Jack G. Holbrook
William P. Holden
Ansel C. Holland
Daniel L. Hollis, Jr.
Richard S. Hollyer
John R. Holm
John R. Hoover
Jack A. Horst
George W. Hosking
Donald F. Houck
William L. Hough
Donnell Howard
John M. Howard
"T" "R" Howard
Robert E. Howe
David B. Hubbs
Verne R. Hubka
Norman P. Huddle
Thomas J. Hudner, Jr.
Charles B. Huggins
Thomas Hughes, Jr.
Thomas J. Hughes, Jr.
Harold E. Huling
Guy E. Hunter
Perry F. Hunter III
Ralph R. Huston, Jr.
Robert Irving
Byron M. Jackson, Jr.
Lee S. Jackson, Jr.
Thomas E. Jackson
John W. Jahant
James N. Jameson
Charles R. Jeffs, Jr.
Merlin F. Jenkins
Robert T. Jenkins
Verne H. Jennings, Jr.
Svend I. Jenson
Donald R. Jermann
Malvern H. L. Jester
Frederick F. Jewett II
Donald R. Jex
Arnol Johnson, Jr.
John D. Johnson, Jr.
John T. Johnson
Lester F. Johnson
Peter Johnson, Jr.
Richard C. Johnson
Theodore R. Johnson, Jr.
Walter F. Johnson
Walter M. Johnson, Jr.
William M. Johnson, Jr.
John W. Johnston
Richard C. Johnston
Frank L. Johnstone
Addis T. Jones
Richard S. Jones
Stanley W. Jones
Charles T. Joy, Jr.
Harry A. J. Joyce
Scott M. Julian, Jr.
Martin S. Kaluza
Howard F. Kane
Mitchel J. Karlowicz
Robert H. Karsten
Edward F. Kaska
Allen P. Kauffman
Stuart D. Kearney
Robert B. Keating
Timothy J. Keen
Francis L. Keith
William T. Kelleher
Harry S. Keller, Jr.
William F. Keller, Jr.
Quinten A. Kelso
William R. Kent
William A. Kern
Lawrence B. Kidder
Kaye R. Kiddoo
Elmer H. Kiehl
Joseph F. Kimpflen
Harry W. King
Ogden D. King, Jr.
Stewart A. Kingsbury
Ralph H. Kinser, Jr.
George G. E. Kirk
James Kirkpatrick
Charles A. Kiser
Charles C. Kitchen
Roy F. Kleist
William E. Knaebel
Thomas C. Knight
Cline H. Knowles, Jr.
Don R. Koch
Peter C. Kochis
William H. Koenig
Frank J. Korb
Joseph T. Kosnick
Edwin R. Koster
Donald J. Krejcarek
Walter J. Krstich
Robert J. Kubiszewski
Philip Kwart
Walter J. Kwitkoski
William S. Lagen
James D. LaHaye
Humphrey L. Laitner
Keith G. Lakey
Tomme J. Lambertson
Nathaniel B. Land
James C. Landes, Jr.
John D. Langford
Howard N. Larcombe, Jr.
George M. Larkin, Jr.
Norman E. Larsen
Charles R. Larzalere
William M. Lavelle
Robert E. Lawrence
Richard G. Layser
Roth S. Leddick
Earl B. Lee
Gerald A. Lee
James F. Lee
Robert E. Lee
Neale E. Leete
Alan E. LeFever
Donald D. Lemmon
Jeremiah E. Lenihan
Gerard T. Lennon
John C. Lewis
Richard G. Lilly, Jr.
Harlan W. Lindenmuth
Isham W. Linder
Ivan L. Linder
George B. Lingren
Eugene R. Lippman
Robert E. Lloyd
John A. Logan II
Charles R. Longo
Ollie J. Loper
Donald Loranger
Joseph D. Lorenz
Percival D. Lowell, Jr.
Walter R. Luoma
Robert A. Lusk
Donald C. Lutken
William J. Lutkenhouse
Robert E. Lynch
Robert L. Lyon
John T. Lyons, Jr.
Ivan L. MacDonald
Mark M. Macomber
Benjamin H. Macon
Joseph W. Maguire
John Q. Mahon
Daniel R. H. Mahoney
Max E. Malan
George Maragos
George P. March
Louis A. Marckesano
Earl J. Marks, Jr.
Robert A. Marmet
Lawrence A. Marousek
Frank D. Marsall
Frank J. Marsden, Jr.
Barney Martin
Claude F. Martin, Jr.
Frederick V. Martin
Peter Maruschak
Stephen D. Marvin
John M. Mathews
William R. Mathews, Jr.
Evan T. Mathis, Jr.
Howard L. Matthews, Jr.
Pierce Matthews, Jr.
Valentin G. Matula
Herbert W. Maw
William T. Mawhiney
Allen F. Maxfield
Jack A. Maxwell
Donald R. Mayer
Allison L. Maynard
Walter M. Maginniss
Emiel R. Meisel
Robert W. Meissner
Joseph H. Melesky
John B. Melton, Jr.
Harry E. Menconi, Jr.
Ray D. Mering, Jr.
Marcus P. Merner
John A. Merritt III
Edmund D. Mesloh
Jeffrey C. Metzel, Jr.
Isaac W. Metzger
Oliver F. Midgette
Bernard L. Miles
Paul G. Miller
Eugene J. Minger

Ralph H. Minor
Lester L. Mische
Eugene B. Mitchell
Randolph Mitchell, Jr.
Robert W. Mitchell
Arthur W. Moesta, Jr.
Kent B. Moneypeny, Jr.
Charles M. Moore
Harold D. Moore
William G. Moore, Jr.
Lawrence E. Morgan
Newton H. Morgan
Daniel J. Morgiewicz
Norbert L. Moriarty
John R. Morris
Joshua R. Morriss, Jr.
James L. Moss
Walter G. Moyle, Jr.
David G. Muller
Maurice O. Muncie
Henry F. Munnikhuysen
Daniel J. Murphy
Wilburn D. Murphy
William F. Murphy, Jr.
Donald S. Murray
Harrison C. Murray
Kenneth A. Murray
Stuart G. Murray
Robert L. Murrill
Clyde J. Musholt
Murdock M. McLeod
Joseph E. McConnell
Edward J. McCormack, Jr.
Dale W. McCormick
David A. McCoskrie
William H. McCracken
Ellis P. McCurley
Charles B. McDaniel
William O. McDaniel
Heyward E. McDonald
Roble A. McDonald, Jr.
Wesley L. McDonald
Robert H. McDougal
Edward S. McGehee
James F. McGowan
Joseph W. McGrath, Jr.
Joseph F. McKenzie
Lawrence H. McKenzie
William W. McKenzie, Jr.
Jay G. McKie
Robert T. McKinley
Robert H. McKinney
Norman H. McLaughlin
James P. McMahon
Frank D. McMullen, Jr.
Robert B. McNatt
Richard D. McNeil
Gordon E. McPadden
Kenneth M. McVay
Don C. McVey
Arthur D. Napior
Ernest Natke
Richard H. Nelson
Frank R. Nesbitt
John H. Nicholson
Anthony L. Nicolais
Charles E. C. Nimitz
Alfred B. Nimocks, Jr.
William Nivison
Louis W. Nocklod
Delbert W. Nordberg
Roy F. Norment
Jerry J. Nuss
Paul M. Nutter
Owen H. Oberg
Edmund W. O'Callaghan
Thomas A. O'Connell
Thomas J. O'Connell
Ralph E. Odgers
Edward F. O'Dougherty, Jr.
Samuel B. Ogden, Jr.
John P. O'Grady
Henry F. Ohme
Bruce J. Oliver
Richard A. Olson
Edward Onofrio
John Ortutray, Jr.
Carl J. Ostertag, Jr.
Harold R. Outten, Jr.
Robert E. Otto
Albert T. Owens
John D. Owens
Lewis F. Ozimek
Duncan Packer
Ronald D. Pankratz
Donald R. Patch
John J. Pavelle, Jr.
Andrew J. Peacock, Jr.
George R. M. Pearson
Jack B. Pearson
Norman E. Penfold
Robert C. Peniston
John P. Peterson
William S. Peterson
Warren E. Pettee
Thomas D. Pfundstein
John J. Phelan, Jr.
Aloysius J. Pickert, Jr.
George W. Pitcher
Otto G. Pitz, Jr.
Joseph E. Pline
Robert R. Poitras
Robert D. Pollard
Leslie K. Pomeroy, Jr.
John E. Pope
William R. Porter
Earl E. Portz
James A. Powell
Robert A. Powell
William C. Powell, Jr.
John H. Pownall
Thomas G. Pownall
Robert J. Poynter
James C. Purcell
William C. Rae, Jr.
John J. Raftery
William O. Rainnie, Jr.
James C. Rappenecker
Henry B. Rathbone
John H. Ratliff
Charles E. Rawson
Francis J. Readdy
Francis P. Reardon
Lynn D. Reed
William C. Reeder
Clyde V. Reese, Jr.
Walter H. Reese
William F. Regan
Jeremiah D. Reilly, Jr.
Warren S. Reinschmidt
Conrad J. Renner, Jr.
Louis T. Renz
James F. Rex
John L. Reynolds
Ivan F. Rezny
William W. Rhoads
Harold G. Rich
George F. Richards, Jr.
John P. M. Richards II
Jewitt E. Richardson
William G. Ridgway
Julian W. Riehl, Jr.
Edward E. Riley
Arthur D. Robbins
Edwin B. Robbins
Louis V. Roberts
Joe P. Robertson, Jr.
Robert F. Roche
Clyde R. Rockwood
Henry P. Rodgers, Jr.
Hollis T. Rodgers
Charles R. Roe
David G. Rogers
Edmund D. Rogers, Jr.
William H. Rogers
Henry G. Rollins, Jr.
Louis A. Romatowski, Jr.
Charles J. Rose
Jack D. Rose
Vernon D. Rose, Jr.
Royal R. Ross
Emil S. Roth
Ernest D. Ruff, Jr.
James D. Rumble
Henry D. Ruppel
Albert H. Rusher
Loren H. Russell
William M. Russell
Robert T. Ruxton, Jr.
Donald F. Ryder
Frederick C. Sachse, Jr.
Robert R. Salyard
Herman J. Sanders
William T. Sanders, Jr.
Wilton T. Sanders, Jr.
Andrew R. Sansom
James O. Saul
Mimo L. Scappini
William N. Schaefer
John B. Schafer
Ralph Scheidenhelm
William F. Scheller
Leonard F. Schempp, Jr.
Robert E. Schenk
Stanley J. Schiller
Robert F. Schneidwind
Robert E. Schock
John A. Schomaker
Arnold R. Schuknecht
Foster R. Schuler
Robert E. Schwartz
Edward A. Scoles
Robert L. Scott
Edwin W. Sellman
Joseph Senkow
John A. Serrie, Jr.
Chester H. Shaddeau, Jr.
John J. Shanahan, Jr.
Fletcher H. Shaw
John Shea
George M. Sheldon
John P. Shelton
Martin J. Sheridan
Donald L. Shield
Charles W. Sholes
Donald E. Shorts
Charles M. Shuey
John R. Shunny
Andrew B. Sides, Jr.
Albert W. Sieloff
John A. Simmons, Jr.
Joseph T. Simons
William M. Simpich
Luther B. Sisson
Fernando Sisto, Jr.
Donald K. Skinner
Robert W. Sloan
Charles E. Slonim
Will F. Small
Aubrey H. Smith
Bernard E. Smith, Jr.
Bertram C. Smith
Carlton B. Smith
Charles W. Smith
Frank B. Smith
Griffin P. Smith, Jr.
John C. Smith
Philip C. Smith, Jr.
Robert H. Smith, Jr.
Robert S. Smith
Stanford S. Smith
Stuart S. Smith
Thomas W. Smith
William C. Smith
Winfield S. Smith
Leonard A. Snead
Robert O. Snure
James G. Snyder
John E. Snyder
Frank G. Sorensen, Jr.
Richard B. Southwell
Arthur G. Spahr
Willis L. Spann
William A. Spencer
Donald D. Spoon
Ernest R. Stacey
Leroy G. Stafford, Jr.
James B. Stagg
Robert N. Stair
Hilton L. Stanley
Stewart M. Steen
Robert S. Stegman
Arthur S. Steloff
George C. Stevens
Jack M. Stevens
William R. St. George
James B. Stockdale
Francis K. Stone
John H. Stone, Jr.
Robert S. Stone
Richard E. Storey
Robert W. Strickler
James K. Stuhldreher
John M. Sullivan
Charles K. Summitt
George C. Sup
Kermit R. Sutliff
Milton L. Sutter, Jr.
Stanley L. Sweeder
Henry G. Swicord, Jr.
John L. Switzer
John P. Sydow
Gordon P. Talcott
James F. Tangney
John F. Tarpey
David J. Taylor
Robert H. Taylor
William A. Teasley, Jr.
John Teed
Leonard A. Tepper
Wirt C. Thayer
Frank R. Thienpont
Edward W. Thomas
Paul B. Thomas
John C. Thompson
Robert W. Thompson
William F. Thompson
Neil W. Thomson
John L. Thornton
Gerald F. Thummel
Frank A. Thurtell
Thomas J. Tiernan
Herbert I. Tilles
James T. Timidaiski
Edmund B. Titcomb
George Tkach
David R. Toll
Donald L. Toohill
Wycliffe D. Toole, Jr.
John W. Townes, Jr.
Earl N. Trickey
Roscoe L. Trout
Ralph M. Tucker
Merritt D. Tuel
John C. Turner
Stansfield Turner
John C. Turnier
Frederick W. Ulbright
Richard P. Umbel
Howard S. Unangst
Archie J. Updike
Henry Urban, Jr.
Paul R. VanMater, Jr.
Robert C. Van Osdol
John R. VanSickle
Irwin J. Viney
Kenneth H. Volk
Robert L. VonGerichten
Chandler L. VonSchrader
Frederic H. E. Vose
Stephen J. Vose
William D. Wallace
William Waller, Jr.
Wayne P. Warlick
Harry L. Warren, Jr.
Victor G. Warriner
Leo B. Warring
Robert W. Watkins
Reid B. Watt
Arthur V. Weaver, Jr.
John K. Weaver
Joseph D. Weed, Jr.
Robert E. Weeks
William K. Weidman
Howard A. Weiss
Timothy F. Wellings, Jr.
Donald M. Wells
John T. Wells
John W. Wells
Marvin G. Wells
Luther Welsh
Donald D. Welt
Donald B. Wenger
David A. Wente
Thomas N. Werner
Kent J. Weber
Robert B. Whitegiver II
Vivien C. Whitmire
Donald B. Whitmire
Gordon S. Whittaker
Henry D. Whittle, Jr.
Herbert E. Whyte
William F. Wicks
Bryan D. Wiggins
Charles F. Willett
Buck D. Williams, Jr.
Hexter A. Williams
James S. Williams
John G. Williams, Jr.
Joseph L. Williams, Jr.
Richard C. Williams
Thomas C. Williams
Preston C. Wilmoth
James B. Wilson
Joseph R. Wilson
Virgil M. Wilson
Lionel L. Winans
James W. Winston
Edward G. Wood
William D. Wood
David A. Woodard
William L. Woods, Jr.
Patrick L. Working
Walter Wysocki, Jr.
Wallace N. Yates
Richard P. Yeatman
Austin V. Young.
George E. Young, Jr.
Laurence R. Young
Douglas J. Yuengling
Philip Zenner IV
George M. Zieber, Jr.
Richard E. Ziegler
Marvin W. Zumwalt

The following-named officers for permanent appointment to the rank of lieutenant (junior grade) in the Supply Corps of the Navy:

Bernard Abrams
Richard T. Allan
Richard F. Babler
Roger S. Bagnall
Arthur H. L. Barlow
Roger I. Bateman, Jr.
John A. Bellan, Jr.
Robert W. Bender
Robert G. Bigham, Jr.
Robert S. Blassic
Alfred P. Bollens
Robert G. Bollman
Jack M. Brennan
"J" Randell Bridges, Jr.
Lowell E. Brown
George O. R. Brungot
Robert E. Buntain
Robert L. Butchart
Arthur G. Butler, Jr.
Peter Calcagno
John C. Carlson
William C. Carpenter
George O. Case
Author E. Charette
Arthur L. Child III
Anthony F. Chupalio
Richard Claussenius
John F. Cohen
LeRoy E. Coon
Perry B. Crouch
Hoyle H. Daniels II
Robert D. Day
Ralph E. Deem
Charley P. Dellinger
Robert W. Depew
James V. DeSanto
Grover C. Dixon
Joseph A. Donnelly
Andrew S. Dowd
James G. Downey
Hubert W. Duffie
Stuart J. Evans
George W. Fairfield, Jr.
Robert H. Ferris
Robert D. Fisher
Julius W. Fitzpatrick
John E. Fjelsta
James H. Forbes, Jr.
Robert G. Ford
Vincent Forlenza
George O. Fowler, Jr.
Alan J. Frankel
Samuel E. Frock
Robert E. Fronke
Roy A. Frye, Jr.
Edward F. Gaetz, Jr.
Alton C. Gallup
Gerald H. Goldstein
Carlton E. Hamel
Frank L. Hanson
Melvin W. Harris
Billy W. Hart
Roy E. Hatton
Richard H. Hauck
Herbert S. Hillard, Jr.
John Hiza
Carl M. Hobkirk
Rex V. Hoffman, Jr.
Arthur W. Holfield, Jr.
Robert O. Holt
Earl W. Horngren
Richard P. Howard
James F. Huntress
Karl A. Johnson
Richard D. Johnson
Warren B. Johnson
John F. Jones
William B. Kash
Joseph I. Keenan
Bruce W. Keller
Dean L. Kellogg
Patrick F. Kennedy
Floyd O. Kenyon
Reed H. Knight
John D. Knipple
Jaromir J. Kolinsky
Henry F. Kramp
William K. Lampman
George H. Laning
Bob R. Lindsey
Edward B. Longmuir, Jr.
Herbert M. Lundien, Jr.
John F. Marshall
Donald V. Martin
James H. Marx
Ivan B. Maxon
Robert J. McAdams
Thomas O. McDonald
James F. McGarry, Jr.
John J. McGee
James E. McKenna
Marvin E. McMullen
Ralph E. Moon, Jr.
William A. Murauskas
Paul T. Murray
William T. Nash
Enoch W. Nunn
Harry W. O'Brien, Jr.
William N. Oller
Raymond J. Orr
Donald P. Orrill
Frank T. Owen, Jr.
Martin W. Paquette
Ralph P. Parker
Walter T. Pate, Jr.

Le Vern E. Peck
William G. Peck
LaRue D. Penny
Samuel A. Pillar
Raymond J. Pluto
William J. Podrouzek
Donald E. Polk
Robert B. Polk
George S. Pope, Jr.
John L. Prehn, Jr.
Jules R. Primm
Charles B. Prosuch
Robert H. Pylkas
James F. Reeves, Jr.
George D. Riley, Jr.
Maynard R. Roberts
Kenneth M. Robinson
Paul F. Rocque
William D. Ronayne
Elliot R. Rose
Joel E. Ross
Louis P. Rossi
Richard G. Salter
Charles M. Schoman, Jr.
Milton H. Selekman
Alexander D. Senulis
Eugene A. Shaw
Robert H. Shaw, Jr.
John C. Shepard
David P. Sherrell
Raymond W. Sitz
Waldo D. Sloan, Jr.
William C. Smith
Charles E. Snoddy
Richard J. Sowell
John L. Starbody
Donald R. Stewart
George G. Strott
William L. Taylor
Edwin H. Thompson
"J" Philip Tice
Jesse R. Tippin
Oscar G. Tucker II
Robert E. Turnage
John S. Urban
Richard L. Verdow
Robert E. Vogel
Hinton C. Walker
Thomas C. Waller, Jr.
Robert G. Walsh
Andrew J. Wasko
Howard R. Weiss
Jack H. Whitlock
John D. Whitsell
Lloyd R. Widney
Hawey L. Wilder
Edward H. Wilhelmi
George W. Williams
James C. Williams
Shelley S. Williams, Jr.
Roger M. Wilsie
Robert M. Wilson

The following-named officers for permanent appointment to the rank of lieutenant (junior grade) in the Civil Engineer Corps of the Navy:

Carl D. Alberts
James D. Andrews
William W. Barron
Bobby F. Burch
Earle M. Cassidy
Joseph D. Cochran
James R. Collier
Neff T. Dietrick, Jr.
Darl A. Ellis
Paul O. Gaddis
Dalton Hoskins
James P. Marron
Larry C. McGuire
Bergen S. Merrill, Jr.
Robert W. Mix
William H. Mulder
Leroy F. Nichalson
Edward S. Nuss
Carl W. Otto
Kenneth P. Sears
Peter C. Spoolstra
Lewis G. Timberlake
Billy C. Wallace
Richard D. White
Kenneth Woods

The following-named officers for permanent appointment to the rank of lieutenant (junior grade) in the Nurse Corps of the Navy:

Emily J. Beard
Muriel L. Bzennan
Elizabeth U. Campbell
Lila L. Caretti
Ellen H. Connelly
Betty Kirkman
Virginia A. Langford
Patricia J. Murphy
Brenda Powers
Mary Russo
Rose H. Rychtarik
Aileen A. Salisbury
Leonora Sauciunas
Mary C. Seaton
Margaret J. Sullivan
Caroline Surles
Donna B. Swaney
Ruth E. Ureel
Rita B. Voth
Shirley M. Woodworth

The following-named officers of the Navy for temporary appointment to the grade of lieutenant (junior grade) subject to qualification therefor as provided by law.

The following-named officers for temporary appointment in the line of the Navy:

David T. Avery
Bertram E. Barker
Ralph S. Barnett
Jack L. Bohner
Gordon D. Bothell
Claude Boyd, Jr.
James D. Breedlove
Kenneth B. Brisco
Charles F. Brown
Donald "D" Butler
Barclay F. Calhoun
Eugene C. Chase
Craig M. Coley
Frank A. Dandrea
Marvin R. De Mille
Joseph Dugger
Thomas E. Durham
Lennis H. Dyer
Philip M. Dyer
Carl C. Echols
Calvin R. Engle
Floyd A. Faircloth
Leroy W. Faulkner
Frederick W. Finn
James P. Garner
James E. Goodman
William L. Hackett
Claude E. Hale
Donald C. Hamilton
William P. Haney
Robert C. Harris
Charles F. Herman
Leo C. Hester
Claude M. Hicks
Delois V. Holloway
Clinnie M. Hunt
Donald C. Jackson, Jr.
Richard F. Johnston
George L. LaMere
William H. Larson
Bernard L. Laurance
Linwood L. Leftwich
Mason G. Maddox
Nicholas Mandzak
Charles H. McMakin, Jr.
Richard E. Meyer
Samuel A. Minervino
William R. Mott
Frank E. Moy
Bradford H. Patterson
Claude E. Pearce, Jr.
John F. Pierce
Harold J. Shapard
Ralph N. Shaver
Ira L. Shellhart
Willard M. Shepard
Jack D. Smith
Casimir J. Suchcicki
Carroll Y. Thomas
George E. Twarog
William H. Watson, Jr.
Arthur C. White
Samuel E. White
Frederick Zeier
Walter T. Zebrouski

The following-named officers of the Naval Reserve on active duty for permanent appointment to the grade of lieutenant (junior grade) subject to qualification therefor as provided by law.

The following-named officers for permanent appointment in the line of the Naval Reserve:

Hadwen B. Addington
Roy W. J. Agnew, Jr.
Joseph W. Akins, Jr.
Aubrey R. Anderson, Jr.
Daniel W. Anderson
Roy A. Anderson
Benjamin E. Ashby
Kenneth C. Aspinall
Charles R. Babcock
James F. Bangham
Edwin L. Barkley
Dowdell A. Barnes, Jr.
Thomas G. Barry
George F. Bauer, Jr.
LeGrande G. Beatson
Loyd D. Belk
Roy A. Bjorklund
Sam L. Black
George H. Blackwood, Jr.
Roy R. Blackwood
William H. Blackwood
Carlton A. Bonner, Jr.
Howard A. Bornemeier
Kenneth T. Bratt
James F. Bridges, Jr.
William M. Brooks
Dedriche M. Broome
Berle E. Browne
Henry M. Buerckholtz, Jr.
Arthur J. Bujnowski
Richard C. Butler
Ernest E. Callaway
Ivan R. Campbell
Donald M. Carlgren
John F. Carr
John T. Carter, Jr.
Lowen V. Casey
Robert R. Chapman
Angelo E. Clemente
William J. Cox
Richard F. Culver
Dennis W. Dalan
Charles F. Dale
Ralph E. Darby
Donald L. Darrow
Walter M. Davis, Jr.
Henry J. Denk
John M. Denkler
Charles E. Devonshire
Twyman "B" V. Dial
Paul T. Dietz
Gerald M. Disch
William N. Donnelly
Elmer C. Due
William F. Duemmel
Jerome M. Dunlevy
John R. Eaton
Robert M. Epperly
Donald W. Fausner
Edward A. Feifert
Frank E. Fergeson
Robert L. Fielder
David L. Flohr
John F. Fox
Francis C. Funk
Marion P. Gantt
Erwin L. Garrett
Wayne E. Garrison
Wilbur C. Garvin
Raymond C. Gembala
William L. Good
Horace G. Goodell
Floyd B. Grace
Furman B. Greene
Norton T. Gretzler
Jerald L. Griffin
Max A. Gschwind
Harold C. Gustafson
Halsey L. Hackett
Theodore M. Hanna
Palmer W. Hanson
Delbert Harris, Jr.
Jack H. Harris
William H. Harris
Paul A. Hauer
Robert F. Haven
Walter A. Hayes, Jr.
Nelson E. Heckert
Robert M. Hendricks
James M. Hitch
James F. Holliman
Charles F. Holm
Robert R. Holman
Donald R. Holson
William J. Holtzclaw
Hamilton J. Hulsey
J. Harold Hunt, Jr.
Robert S. Hurley
Thomas H. Hybiske
Milton Hyman
William J. Ilvento
Leonard M. Ivarson
Charles R. Jelleff II
Frederick E. Johnson
Leslie R. Johnson
Robert L. Johnson
Leon Jones
Reuben M. Jones, Jr.
Philip A. Judd, Jr.
James H. Karr
Reynold V. Keim
Lawrence "W" Kendrick, Jr.
Harold G. Kennedy
Thomas A. Key
Gordon P. Kinney
Robert L. Kinsey
Bernard J. Klees
Raymond P. Kluger
Albert E. Knutson
Frederick M. Koch
Richard M. Kramer
John E. Krimmel
Reinert Kvidahl
Gregory M. "J" Lambert
Walter D. Lambert
Hugh L. Landrum
James C. Leak
Floyd Lee
George H. Lee
John B. Lingerfelt
George W. Lockwood
Don E. Logsdon
Laddie F. Long
Donald Loranger
Jesse P. Lott
Bruce M. Lovelace, Jr.
Charles T. Luczak
Gunnar Madsen
Harry V. Madsen
Frederick W. Mahnken, Jr.
James H. Margeson
Robert S. Martin
Floyd E. Masek
Jerome McCabe
Joe J. McCadams
Theodore R. McClure
John H. McConnell, Jr.
Dougald S. McCormick, Jr.
Ray E. McGuffin
Max McHenry
Ronald D. McMasters
Paul J. McVeigh
Charles H. Meyers
Donald L. Miller
Robert E. Miskosky
Rodney T. Mooney
Earl Moore, Jr.
Emerson E. Moore
James D. Moore
Melvin H. Moore
Frank L. Morecock
Delmer L. Morris
Richard J. Morrison
Raymond K. Morrow
George L. Muirhead, Jr.
Claude Navarrette, Jr.
Reed M. Neumann
Wayne A. Nomer
Arthur E. Norton
Raymond E. Novotny
Ralph E. Nupp
Thomas W. O'Brien
Paul S. Olmsted
Robert D. Olson
Richard Ostlie
William E. Palmer
John B. Paradis III
Robert E. Parsons
Donald Perry
Cyril W. Peterson
Billy Phillips
Jesse L. Poole, Jr.
Charles I. Porter
Meredith K. Price
James T. Prucha, Jr.
Mike Putinta
Terrence R. Rager
Gordon R. E. Ranney
Harold E. Ream
William L. Reinhard
Leonard V. Rohrer
Joseph Rolecki
Robert E. Rostine
Richard R. Rothermel
Marvin E. Russell
Everett G. Ryder
George E. Sanctuary
Edwin D. Sayre
Colin F. Shadell
Joseph Shekerow
John C. Sinex
Chester A. Skeen
Daniel S. Smith
David E. Smith
Donald D. Smith
Harry R. Smith
Ronald M. Smith
Thomas D. Smith III
Arthur Snell
Orville H. Snyder, Jr.
Richard F. Soliner
Richard L. Stallings
Francis R. Stanford
John W. Stillwell
John G. Stranlund
John P. Struhsaker
Billie L. Study
Charles B. Sturm
Francis X. Sullivan
Robert B. Sullivan
Robert J. Sullivan
Edward F. Swartz, Jr.
Gerald E. Terry
Lawrence J. Thibault, Jr.
Milton O. Thompson
Fred Thorn
George F. Trudeau
James R. Vanlandingham
Andrew J. Van Tuyle, Jr.
Darrell G. Walls
George D. Watters
Charles J. Weber
Clarence E. Wenzel
Carl Wesenberg
James W. Wettengel
Clarence E. White
Joyce A. Wohlberg
Herbert A. Wohlert
Milton L. Wray
Charles E. Zimmerman, Jr.

The following-named officer for permanent appointment in the Supply Corps of the Naval Reserve:

Henry W. McGuire

IN THE NAVY

Leif O. Torkelson (Naval R. O. T. C.) to be an ensign in the Navy from the 3d day of June 1949.

Midshipman Richard R. Allmann (aviation) to be an ensign in the Navy from the 3d day of June, in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

The following-named (civilian college graduates) to be ensigns in the Navy, from the 3d day of June 1949:

Bruce W. Arden
Charlie J. Clarkson, Jr.
Wynn F. Foster
Donald B. Hall
Lloyd W. Harmon, Jr.
George Kramer
Bruce B. Lloyd
Charles H. Mohr
Charles E. Myers, Jr.
John J. O'Rourke
William M. Place
Thomas N. Porter
Wayne N. Pressler
Thomas H. Wilson

The following-named (women) (civilian college graduates) to be ensigns in the Navy:

Orlean L. Babich	Georgia R. Keller
Gloria J. Baker	Roberta M. Kirkpatrick
Margaret L. Boyce	Catherine J. Miles
Claire M. Clark	Eleanor E. Minkler
Nancy A. Dutton	Catharine Morris
Virginia A. Dyer	Hope C. Nesbit
Margaret M. Fitzgerald	Marion L. Plum
Mary L. Fletcher	Mabel L. Royar
Leona J. Fox	Elizabeth B. Russell
Nancy E. Gleaton	Elizabeth A. Swingler
Sally A. Gould	Allyn R. Thompson
Mary A. Hawbolt	Margaret H. Thompson
Eleanor A. Jenkins	Mary J. Walker
Bonnie J. Jenks	Gretchen M. Ward
Marjorie H. Kaff	Alice J. Wardenga

Earl R. Peters (civilian college graduate) to be a lieutenant (junior grade) in the Medical Corps of the Navy.

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy from the 3d day of June 1949:

Harry "E" Barker	Leo R. Hamilton
Jack F. Biehl	Neil K. Hansen
William A. Chadwick	Robert J. Stevens

The following-named women (civilian college graduates) to be ensigns in the Supply Corps of the Navy:

Debbie P. Belka
Betty J. Ibach
Constance J. Praeger

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Chaplain Corps of the Navy:

Robert H. Beckley	Howard H. Groover, Jr.
Homer T. Connolly	Bernard L. Hickey
Garson Goodman	Eugene W. McCarthy

Philip S. Birnbaum (civilian college graduate) to be an ensign in the Civil Engineer Corps of the Navy from the 3d day of June 1949.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Civil Engineer Corps of the Navy:

Emmet D. Anderson	Robert W. Puddicombe
David M. Feinman	William F. Russell, Jr.
Frederick E. Lennox	Robert J. Schneider
Cornelius Lindholm, Jr.	

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

Carlo A. DeLaurentis
Claude D. Duncan.

The following-named to be ensigns in the Nurse Corps of the Navy:

Charlotte L. Blythe	Rose M. Mahoney
Ruth A. Bovard	Dorothy S. Mathewson
Barbara M. Buehler	Mary E. Natter
Irene N. Dowe	Rose M. O'Malley
Elizabeth L. Evans	Lois A. Prothero
Mary E. Farber	Mary V. Redfern
Beryl M. Frantz	Agnes Sarna
Alberta M. Gabardi	Clarissa M. Shaw
Justine L. Gutzler	Claire V. Wilson
Eileen Hanes	Mary E. Wyatt
Virginia L. Hockens	
Eleanor D. Ledwidge	

The following-named officers to the grade of lieutenant commander in the line of the Navy, limited duty only, in lieu of lieutenant in the line of the Navy, limited duty only, as previously nominated and confirmed:

Vane M. Bennett	James W. McBrier
Paul E. Dignan	Robert L. McClaren
William J. English	Walter Schimmelpfennig
William S. Hall	Clarence M. Taylor
Robert N. Huey	William Williamson
Arthur H. Larson	
James S. Lees	

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 15, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou who hast known the way of sorrow and, through it, the way of immortal triumph, let Thy spirit be upon us. Take from us all fear, fear of the present and fear of the future. Endued with clear thinking, cool judgment, and spiritual heroism, clothe us with a compelling faith as to the outcome of our destiny.

O Christ, we are poor and needy; give us Thy grace and patience that we may do no harm to our convictions and impulses. Restore all things to their noble use, and purify them from the taint of lust and selfishness. The Lord bless and preserve the ideals of our Republic and establish the work of these Thy servants. In the name of our Saviour we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. O'BRIEN of Illinois asked and was given permission to extend his remarks in the RECORD and include an article on Teacher's Day by Rabbi A. M. Hershberg, president, Federated Rabbinical College of Cachmey Lublin.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include a speech on the Crisis in Sino-American Relations by Prof. Russell Fifield, of the University of Michigan, despite the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $168.75.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address by the Secretary of the Navy, with introductory remarks by Admiral J. L. Holloway, Jr., Superintendent, United States Naval Academy.

Mr. HEDRICK asked and was given permission to extend his remarks in the RECORD and include a statement by one of his constituents concerning the House of Representatives.

CENTENNIAL CELEBRATION OF SOO LOCKS

Mr. POTTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POTTER. Mr. Speaker, today I am introducing a bill which will authorize the President to appoint a Commission for the Centennial Celebration of the Soo Locks. Our senior Senator from Michigan [Mr. VANDENBERG] is introducing a companion bill in the other body. This Commission is to be composed of nine members who will serve without pay. The Soo locks, as you know, is the lifeline to our economic well-being. There is more tonnage going through the Soo locks in a year than through the Panama Canal and the Suez Canal combined. As a matter of fact, 85 percent of our Nation's ore goes through the Soo locks.

Mr. Speaker, I sincerely hope the House will give serious consideration to this bill and will pass it in the very near future.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. STEFAN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Altoona Tribune, entitled "Subsidizing the World Against Us."

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD in two instances; in one, to include an address by Mrs. Norman K. Beals, of Franklin, Pa.; and in the other, an article relative to his very good and able friend and colleague the gentleman from Pennsylvania, JAMES VAN ZANDT.

SPECIAL ORDER VACATED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order granted me for tomorrow may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. HARRISON asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Christian Science Monitor of June 8.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. ZABLOCKI addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. CROOK asked and was given permission to extend his remarks in the RECORD and include a letter from Mr.

and Mrs. Orville Sherman, who are working to assist dispossessed European immigrants in Venezuela, the letter dealing with the subject of dairying difficulties in South America.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an address by Secretary of Commerce Charles Sawyer at New Brunswick, and in the second to include an editorial which appeared in the Boston Post last Sunday.

PRESIDENT TRUMAN SHOULD REMOVE DR. CONDON AT ONCE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, President Truman should remove Edward U. Condon from his position as head of the Bureau of Standards. I regard him as one of the most dangerous men on the Federal pay roll.

His attempt to discredit J. Edgar Hoover is an outrage. I was a member of the Committee on Un-American Activities for many years, and I can say, without fear of contradiction, that there is not a more patriotic man in America than J. Edgar Hoover, nor a man who has rendered greater service to his country.

One hundred and thirty-five years after the Revolutionary War closed the British Government revealed the fact that Benjamin Franklin's secretary, Bancroft, was a British spy, and was furnishing information to the British Government all during the Revolution.

It is about time that we stopped educating Communists at the expense of this Government, especially in the secrets of the atomic bomb. It is about time that we quit leaving questionable characters in charge of the secrets of this Government the revelation of which might result in the death of millions of our people.

President Truman should remove Dr. Condon without delay.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

EXTENSION OF REMARKS

Mr. MURPHY (at the request of Mr. GORSKI of New York) was given permission to extend his remarks in the RECORD and include an excerpt from the Staten Island Advance.

CONFEREES ON THE CIVIL FUNCTIONS APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that two additional conferees on the disagreeing votes of the two Houses on the bill H. R. 3734, the civil functions appropriation bill, be appointed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]? [After a pause.] The Chair hears none and appoints the following additional conferees: Mr. MCGRATH and Mr. ENGEL of Michigan.

The Clerk will notify the Senate of the appointment of the additional conferees.

SECOND DEFICIENCY BILL, 1949—CONFERENCE REPORT

Mr. KERR. Mr. Speaker, I call up the conference report on the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. KERR]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 791)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 29, 37, and 38.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 28, 30, 32, 33, 34, 36, 39, 40, 43, 45, 46, 47, 48, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 70, 71, 72, 73, 74, 75, 76, 77, 78 and 80, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"GRANTS TO STATES FOR MATERNAL AND CHILD WELFARE

"For an additional amount for 'Grants to States for maternal and child welfare' for services for crippled children as authorized in Public Law 42, approved April 15, 1949, $750,000, to be matched by the States in accordance with Section 512 (a) of the Social Security Act."

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum contained in said amendment insert "$4,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum contained in said amendment insert "$2,250,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,747,500"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"EMERGENCY FLOOD PROTECTION AND REPAIR

"To enable the Secretary of the Interior to reimburse applicable appropriations for the cost of personnel, supplies, and facilities diverted for the repair and construction of flood-protective works; and for the repairs, reconstruction, rehabilitation, or replacement of structures, buildings, or other facilities, including equipment, damaged or destroyed by floods, $275,000."

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"REHABILITATION AND BETTERMENT

"Funds appropriated under this head in the Interior Department Appropriation Act, 1949, shall remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"COLORADO RIVER FRONT WORK AND LEVEE SYSTEM

"For an additional amount for 'Colorado River front work and levee system', $75,000, to remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"GETTYSBURG NATIONAL CEMETERY, PENNSYLVANIA

"For the acquisition of approximately five acres of land in the Borough of Gettysburg, Adams County, Pennsylvania, as an addition to Gettysburg National Cemetery, in accordance with the provisions of the Act approved June 19, 1948 (Public Law 704), $5,000, to remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum last contained in said amendment insert "$7,500"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "$50,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 8, 9, 10, 12, 26, 67, 68, 69, and 79.

CLARENCE CANNON,
JOHN H. KERR,
JOHN TABER,
ALBERT J. ENGEL,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES
(except No. 7),
CHAN GURNEY
(except No. 7).
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1 appropriates the usual gratuity to the widow of a Member of the House.

Amendment No. 2 authorizes expenditure of $2,800 for travel by the Architect of the Capitol, as proposed by the Senate.

Amendment No. 3 is reported in disagreement.

Amendment No. 4 is reported in disagreement.

Amendment No. 5 appropriates $750,000 for maternal and child welfare instead of $1,500,000, as proposed by the Senate, and requires that the full amount thereof be matched by the States.

Amendment No. 6 allows expenditure of existing appropriations of $4,000 for conservation of securities instead of $8,000, as proposed by the Senate.

Amendment No. 7 strikes out an appropriation of $150,000 for purchase of a site for a Federal building proposed by the Senate.

Amendment No. 8 is reported in disagreement.

Amendments Nos. 9 and 10 are reported in disagreement.

Amendment No. 11 appropriates $2,250,000 for the Office of the Housing Expediter instead of $2,500,000, as proposed by the Senate.

Amendment No. 12 is reported in disagreement.

Amendment No. 13 appropriates $36,900 for the National Mediation Board, as proposed by the Senate.

Amendment No. 14 appropriates $136,238,000 for veterans pensions, as proposed by the Senate.

Amendment No. 15 appropriates $36,800 for the Assessor's Office, District of Columbia, as proposed by the Senate.

Amendment No. 16 appropriates $15,000 for District employees' compensation, as proposed by the Senate.

Amendment No. 17 appropriates $26,175 for the Office of Rent Control, District of Columbia, as proposed by the Senate.

Amendment No. 18 appropriates $82,000 for operating expenses of public schools, as proposed by the Senate.

Amendment No. 19 appropriates $50,000 for the Police Department, District of Columbia, as proposed by the Senate, instead of $75,000, as proposed by the House.

Amendment No. 20 appropriates $110,000 for the Health Department, District of Columbia, as proposed by the Senate.

Amendment No. 21 appropriates $57,500 for Gallinger Hospital, District of Columbia, as proposed by the Senate, instead of $65,000, as proposed by the House.

Amendment No. 22 appropriates $30,550 for the Home for Aged, District of Columbia, as proposed by the Senate.

Amendment No. 23 appropriates $75,000 for the Central Garage, District of Columbia, as proposed by the Senate, instead of $67,500, as proposed by the House.

Amendment No. 24 appropriates $19,431.65 for claims and judgments, District of Columbia, as proposed by the Senate, instead of $9 481.65, as proposed by the House.

Amendment No. 25 appropriates $300,000 for agricultural research in Alaska, as proposed by the Senate, instead of $150,000, as proposed by the House.

Amendment No. 26 is reported in disagreement.

Amendment Nos. 27 and 28 appropriate $750,000 for forest-pest control instead of $500,000, as proposed by the House, and $1,000,000, as proposed by the Senate, and makes such fund available until September 30, 1949, as proposed by the Senate.

Amendment No. 29 strikes out an appropriation of $250,000 for national-forest protection and management proposed by the Senate.

Amendment No. 30 appropriates $142,000 for forest roads and trails, as proposed by the Senate.

Amendment No. 31 appropriates $1,747,500 for emergency reconstruction instead of $1,500,000, as proposed by the House, and $1,995,000, as proposed by the Senate.

Amendment No. 32 appropriates $432,384 for the settlement of claims by the Civil Aeronautics Administration, as proposed by the Senate.

Amendment Nos. 33 and 34 appropriate $2,586,000 for reimbursement of appropriations for expenses of relief in storm-bound areas, as proposed by the Senate.

Amendment No. 35 appropriates $275,000 for emergency flood protection, as proposed by the Senate, but restricts the expenditure to fiscal year 1949.

Amendment No. 36 appropriates $330,000 for education of Indians, as proposed by the Senate.

Amendments Nos. 37 and 38 strike out an appropriation of $80,000 for construction of Indian schools, proposed by the Senate.

Amendment No. 39 inserts language proposed by the Senate authorizing payment of tuition of dependents of construction workers.

Amendment No. 40 appropriates $46,000 for Klamath project, Oregon, as proposed by the Senate.

Amendment No. 41 continues appropriation for rehabilitation and betterment, 1949, available "until June 30, 1950" instead of "until expended" as proposed by the Senate.

Amendment No. 42 appropriates $75,000 for Colorado River front work, as proposed by the Senate "until June 30, 1950," instead of "until expended" as proposed by the Senate.

Amendment No. 43 appropriates $27,300 for river-basin studies, as proposed by the Senate.

Amendment No. 44 appropriates $5,000 for purchase of land at the Gettysburg National Cemetery instead of $10,000, as proposed by the Senate.

Amendments Nos. 45 and 46 appropriate $40,500 for insane of Alaska, as proposed by the Senate.

Amendment No. 47 appropriates $970.80, as proposed by the Senate, for government in the Virgin Islands.

Amendment No. 48 appropriates $1,625, as proposed by the Senate, for the Territory of Hawaii.

Amendment No. 49 increases amount available for attendance at meetings to $7,500 instead of $11,525, as proposed by the Senate.

Amendment No. 50 appropriates $50,000 for printing and binding, Department of Justice, instead of $100,000, as proposed by the Senate.

Amendment No. 51 appropriates $1,225.30 for salaries and expenses, Lands Division, as proposed by the Senate, instead of $1,185.30, as proposed by the House.

Amendment No. 52 appropriates $93.37 for miscellaneous salaries and expenses, field, as proposed by the Senate.

Amendment No. 53 appropriates $1,025.19 for salaries and expenses of marshals, 1946, as proposed by the Senate, instead of $476.04, as proposed by the House.

Amendment No. 54 appropriates $996.00 for salaries and expenses of marshals, 1947, as proposed by the Senate, instead of $592.20, as proposed by the House.

Amendment No. 55 appropriates $150,000 for salaries and expenses of marshals, 1949, as proposed by the Senate.

Amendment No. 56 appropriates $40,000 for fees of witnesses, as proposed by the Senate.

Amendment No. 57 appropriates $100,000 for support of prisoners, as proposed by the Senate.

Amendment No. 58 appropriates $3,500,000, to be derived by transfer, for retired pay, Army, as proposed by the Senate.

Amendments Nos. 59 and 60 appropriate $563,000 for rivers and harbors, as proposed by the Senate.

Amendments Nos. 61 and 62 appropriate $12,575,000 for flood control, general, as proposed by the Senate.

Amendment No. 63 appropriates $500,000 for flood control, Trinity River, Tex., as proposed by the Senate.

Amendment No. 64 appropriates $90,000 out of the Soldiers' Home permanent fund for the United States Soldiers' Home, as proposed by the Senate.

Amendment No. 65 authorizes transfer of $105,000 from aviation, Navy, 1949, to the naval procurement fund, as proposed by the Senate.

Amendment No. 66 appropriates $38,630 for international commissions, as proposed by the Senate, instead of $8,630 as proposed by the House.

Amendments Nos. 67, 68, and 69 are reported in disagreement.

Amendments Nos. 70, 71, 72, 73, 74, 75, and 76 provide funds for meeting the cost of increased compensation of Federal employees under Public Law 900, as proposed by the Senate.

Amendments Nos. 77 and 78 provide for the payment of claims and judgments as proposed by the Senate.

Amendment No. 79 is reported in disagreement.

Amendment No. 80 corrects a section number.

CLARENCE CANNON,
JOHN H. KERR,
JOHN TABER,
ALBERT J. ENGEL,
Managers on the Part of the House.

Mr. KERR. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: Page 3, line 20, insert the following:

"FUNDS APPROPRIATED TO THE PRESIDENT
"RELIEF OF PALESTINE REFUGEES

"To enable the President to carry out the provisions of the joint resolution of March 24, 1949 (Public Law 25), authorizing a special contribution by the United States to the United Nations for the relief of Palestine refugees, $14,000,000, and an additional $2,000,000 to the President for the same purposes as prescribed in the joint resolution of March 24, 1949 (Public Law 25), upon the President finding that the other nations party to such United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees, to remain available until June 30, 1950, of which $8,000,000 shall be used to repay, without interest, the Reconstruction Finance Corporation for advances made pursuant to section 1 of said public law."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"FUNDS APPROPRIATED TO THE PRESIDENT

"RELIEF OF PALESTINE REFUGEES

"To enable the President to carry out the provisions of the joint resolution of March 24, 1949 (Public Law 25), authorizing a special contribution by the United States to the United Nations for the relief of Palestine refugees, $12,000,000, and an additional $4,000,000 to the President for the same purposes as prescribed in the joint resolution of March 24, 1949 (Public Law 25), to such extent as the President from time to time finds that the other nations party to such United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees, to remain available until June 30, 1950, of which $8,000,000 shall be used to repay, without interest, the Reconstruction Finance Corporation for advances made pursuant to section 1 of said public law."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: Page 6, line 9, strike out "$308,000" and insert "$570,300."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 4.

Mr. Speaker, the House was requested to appropriate $658,000 of which $308,000 was necessary to meet the cost of pay increases under Public Law 900. The remainder of the fund was intended, according to the presentation to the House Appropriations Committee, to undertake work under the Water Pollution Control Act of 1948, for which no appropriations has been made. Inasmuch as a substantial amount had been requested for the same purpose for the fiscal year 1950, beginning July 1, the House committee felt that it was better to defer undertaking this new program until the next fiscal year. Without prior knowledge or consent of Congress, the Public Health Service had already diverted $129,000 of its other funds to begin this new project. The intent of the Senate amendment is to restore to the appropriation the funds so diverted and to initiate a larger program pending availability of funds for 1950. The Public Health Service was rather severely criticized in the hearings in the Senate Committee on Appropriations for their action in this connection. The project which was undertaken is authorized by law and doubtless is meritorious. Nevertheless, any agency which diverts funds from the purposes for which appropriated to another purpose, however legal or worth while it may be, must know that there is a day of reckoning. Certainly, the House cannot condone the expenditure of public funds for any purpose other than that for which the appropriation is made.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 8, line 13, insert the following:

"Federal Office Building, Nashville, Tenn.

"In addition to the appropriation provided for under this head in the First Deficiency Appropriation Act, 1946, the Federal Works Administrator is authorized to enter into contracts for the purposes of said appropriation in an amount not exceeding $1,200,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: On page 8, after line 18, insert the following:

"Renovation and Modernization, Executive Mansion

"For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $5,400,000, to remain available until expended: *Provided*, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further*, That with the exception of the subcontract to be made by the general contractor for the underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to Senate amendment No. 9 and concur in the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Renovation and Modernization, Executive Mansion

"For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, or for such other provision for remodeling or rebuilding the Executive Mansion and for construction of a separate residence for the President as may be determined upon by the Commission on Renovation of the Executive Mansion established pursuant to Public Law 40 (81st Cong.), including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $2,000,000, to remain available until expended, and in addition contracts may be entered into in amounts not exceeding $3,400,000: *Provided*, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further*, That with the exception of any subcontract to be made by the general contractor for underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed price contracts awarded on competitive bids received from responsible subcontractors."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: Page 9, after 14, insert the following:

"Federal Real Estate Inventory

"Salaries, equipment, and other expenses necessary to bring up to date the information contained in the inventory of Federal real estate heretofore compiled, $42,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 10, after line 9, insert the following:

"NATIONAL CAPITAL SESQUICENTENNIAL COMMISSION

"For expenses necessary for the National Capital Sesquicentennial Commission to prepare and carry out a program, for the commemoration of the one hundred and fiftieth anniversary of the establishment of the seat of the Federal Government in the District of Columbia, as authorized by the act of July 18, 1947 (Public Law 203), and any laws enacted to carry out plans proposed pursuant to said act, including personal services and rent in the District of Columbia; travel expenses of employees; travel, hotel, and other necessary expenses of the Commissioners; printing, binding, and other related work to be done by contract or otherwise at establishments other than the Government Printing Office; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and such construction or other expenses as may now or hereafter be authorized by law; $2,000,000: *Provided*, That the appropriation of $15,000 under this head in the Second Deficiency Appropriation Act, 1948, and any other funds received by the Commission as authorized by law, are hereby consolidated with and made a part of this appropriation, the total thereof to be disbursed and accounted for as one fund which shall remain available during the existence of the Commission."

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 26: Page 18, line 18, insert the following:

"BUREAU OF ANIMAL INDUSTRY

"Research Facilities

"Research facilities: For preparation of plans and specifications of laboratory buildings and related facilities for scientific investigations of foot-and-mouth and other

animal diseases in accordance with the provisions of the act of April 24, 1948 (Public Law 496), $500,000, to remain available until expended: *Provided*, That the Secretary of Agriculture, when the request for appropriations for building said laboratories and related facilities is made, shall submit with said request the plans and specifications to the Appropriations Committees of the House and Senate together with detailed information as to the estimated total cost of such facilities as well as the location of the site proposed to be selected."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"BUREAU OF ANIMAL INDUSTRY

"Research Facilities

"Research facilities: For preparation of plans and specifications of laboratory buildings and related facilities (all within a limit of cost of not to exceed $25,000,000) for scientific investigations of foot-and-mouth and other animal diseases, including the purchase of an option on suitable land, in accordance with the provisions of the act of April 24, 1948 (Public Law 496), $500,000, to remain available until expended: *Provided*, That the Secretary of Agriculture, when the request for appropriations for building said laboratories and related facilities is made, shall submit with said request the plans and specifications to the Appropriations Committees of the House and Senate, together with detailed information as to the estimated total cost of such facilities, as well as the location of the site proposed to be selected."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 67: Page 42, line 3, strike out "$44,210" and insert "$74,210," of which latter amount $30,000 shall remain available until expended for the Passamaquoddy tidal-power project, Maine."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. I think that probably the RECORD should show something as to what we had in mind in connection with the amendment which has been offered here with reference to the White House. I think for the guidance of the members of the Commission, the gentleman from Michigan [Mr. RABAUT], the gentleman from Wisconsin [Mr. KEEFE], they should know just exactly what the House had in mind in connection with that.

Mr. CANNON. Mr. Speaker, in response to the suggestion of the gentleman from New York, a Commission has been appointed under authority of an enactment of the Congress to supervise and superintend the work on the White House. The Commission consists of six members, two of whom were appointed by the Speaker of the House, the gentleman from Michigan [Mr. RABAUT] and the gentleman from Wisconsin [Mr. KEEFE]. Two were appointed by the Presiding Officer of the Senate, Senator MCKELLAR, of Tennessee, and Senator MARTIN, of Pennsylvania, and two were appointed by the President, Mr. Dougherty, an eminent engineer, of New York, and Mr. Orr, a prominent architect, from New Haven, Conn.

Under the language of the enactment the duties of the Commission were so circumscribed that the commissioners had very little to say about what should be done. And, in particular, they had nothing whatever to say as to whether the White House should be remodeled or whether it should be rebuilt. The Commission was largely a figurehead.

The language carried in the amendment which has just been agreed to by the House makes the Commission a responsible agency and clothes it with authority to determine what course they shall pursue, in planning the work, and authorizes them to determine whether the building shall merely be patched up or whether it shall be rebuilt in replica, preserving the outward form and the floor plans with all the interior decorations, doors, paneling, mantels and appurtenances that can be salvaged.

Washington is amply supplied with museums. But the White House is a workshop. It is one of the busiest workshops in the country and handles daily matters of the greatest importance. The President and his staff should have every facility afforded by the most modern business office in the Nation.

Even if the remodeling projects are carried out, every vestige of the rooms where the Presidents lived and worked is to be torn out. Not a splinter or a brickbat will remain. Only the outer wall of standstone would be left and it would have to be painted every year.

It is a question of whether the Nation prefers to build a new White House within those bare and crumbling walls at exorbitant expense, or build a new White House that will be complete throughout—at less cost and in less time—and house the Chief Executive of the greatest Nation on earth in a complete and perfect building which will constitute the administrative nerve center of the Nation.

The six commissioners have been carefully chosen. They are perhaps as well qualified to pass on all the questions incident to the rehabilitation of the White House as any six who could be selected. This amendment permits them to review the whole problem. Under the House amendment they can leave the walls or keep them.

I yield now to the gentleman from Michigan [Mr. RABAUT], who is one of the House members of the White House Commission.

I shall be glad to yield later to the gentleman from Wisconsin [Mr. KEEFE], the other commissioner from the House of Representatives.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Probably my inquiry should be made of the gentleman from Michigan [Mr. RABAUT] or the gentleman from Wisconsin [Mr. KEEFE], but I am very eager to know if the Commission has ever met and organized, and if so, what steps have been taken.

Mr. CANNON. The gentleman from Michigan will explain that in detail. I yield to the gentleman from Michigan [Mr. RABAUT] such time as he may require.

Mr. McCORMACK. I think that will be very important, and I hope the gentleman from Michigan will advise the House as to how far the Commission has gone, whether there has been an organization of the Commission, a chairman elected, and various things done, because certainly time is of the essence and it is a matter of great importance to the people of America. We want to have that work done as quickly as possible.

Mr. RABAUT. Mr. Speaker, I would say in answer to the inquiry of the majority leader that the Commission for the Renovation of the White House had its first informal meeting at the White House with the President on Friday, the 3d day of June. At that time all members of the Commission were present with the exception of Senator MCKELLAR. The Commission, as you know, is established under Public Law 40, Eighty-first Congress. The President was present at the meeting and spoke of his eagerness for dispatch in the matter of the renovation or reconstruction of the White House. He is eager for the Commission to proceed under its authority.

At that time we had a general talk as to what personnel would be necessary for the Commission and also as to the schedule of meetings to be held by the Commission, and arranged at that time for the first formal meeting of the Commission, which took place this morning in Senator MCKELLAR'S office, at which all members were present.

There are some things to be ironed out as to the authority of the Commission, and my colleague, the gentleman from Wisconsin [Mr. KEEFE] is checking the law to a considerable extent. We are working in great harmony in this matter. The question now comes, and I think the House will be very interested in this, as to what is really to be done with the White House. The members of the deficiency subcommittee on appropriations—not the Commission—but the House Members went to the White House one day recently to make a thorough inspection. We went through the White House from the basement to the peak of the roof. I should have had my camera with me so that I could have taken pictures for you to see the members of the committee standing on the very peak of the White House roof. We learned to our surprise that the foundation of the White House is constructed of stones from Rock Creek. Those stones can be removed by the pressure of the human hand. Some are small stones. The backing of the main walls of the White House is in such condition that the material can be crumbled by hand. The so-called mortar in the White House consists of burnt oyster shells. When Calvin Coolidge was President of the United States he renovated the attic of the White House and constructed therein what I would call a New England sum-

mer hotel. There are several small bedrooms with a big corridor in the center and a toilet at each end. It was constructed of steel and concrete. Whoever did the job at that time paid little attention to what the center foundation of the building would support, and, as a result, the building is sagging in the center.

The condition became so aggravated that the Public Buildings Commission ordered certain inspections of the White House to be made. They tore out the floors in different places on the second floor for inspection purposes. There we saw huge timbers cracked in two. Really it is not a safe building at all today. You know that when the White House was originally built it had neither water, gas, nor any of the other facilities which exist today and everything that is in the building now has been put in since and every artisan of the different trades who went in to do his job paid little attention to the over-all situation. We have some examples in the construction where huge brick columns of primary support for the building have been cut right through to make place for an air-conditioning duct. As a result the Bureau of Standards is taking measurements twice a week as to how much this structure is giving way. As you can see, the White House is in bad shape. The proposal is to go down beneath the walls of the White House 18 feet, thereby creating a basement in this underpinning fashion. No power machinery is to be used if we are to remedy these conditions, because there is a danger that the walls may crumble with the rumbling of machinery nearby. Then there is the problem of what it will cost to build an iron or steel structure inside the walls. If we take off the roof, the shell structure consisting of exterior walls should be protected by a temporary roof, because it would not do for the elements to get at the inside of those walls. Moreover, this morning, to the consternation and surprise of the committee we were informed that there was some question as to whether or not a windstorm would demolish the walls if the roof were removed. So we have a problem. We decided this morning to have a thorough study made immediately so that we can continue our deliberations as to whether or not we will rebuild the White House only in the interior, or whether we will take it down, carefully, with due regard for its historical significance, lay the stones on the White House lawn and rebuild, stone on stone, the Executive Mansion in its entirety as a sound edifice, both as a memorial, and as a practical structure where the functions of state can take place in the building which is the official residence of the President of the United States.

Let it be remembered that the beautiful paneling, the doors, and fireplaces, the ornate plaster, the furnishings, however old or historic, and anything else of historic interest and memory which are held as objects of esteem by the American people will be preserved intact and treated with all the care and respect so richly due them, and incorporated into the renovated building.

I think my colleague the gentleman from Wisconsin [Mr. KEEFE] is anxious to say something about the condition in which the Commission finds itself under the law.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. McCORMACK. You say you met this morning and organized. Who is Chairman?

Mr. RABAUT. The chairman of the Commission is Senator MCKELLAR. The vice chairman is Mr. Orr. Mr. Orr represents the public and Senator MCKELLAR represents the legislative bodies.

Mr. McCORMACK. You say that on June 3 all were present but one member. Why did you not organize then?

Mr. RABAUT. Because it was the first meeting of the Commission and we did not think it quite proper to proceed without the senior Member of the Senate.

Mr. McCORMACK. That is a frank answer.

Mr. RABAUT. We want to have peace and harmony, I will say to the distinguished majority leader. I think we are proceeding along these lines and I feel we are moving with dispatch. Our next meeting is called for next Monday.

Mr. McCORMACK. How many sets of plans have been approved; does the gentleman know?

Mr. RABAUT. There is some conflict about the plans. The last word on all plans is the Commission. I do not know how many, but I understand there are two.

Mr. McCORMACK. Does the Commission intend to have its own architect?

Mr. RABAUT. We plan to have consulting architects and engineers as well.

Mr. McCORMACK. And the Commission will approve its own plans?

Mr. RABAUT. No. The Commission will not approve its own plans. The Commission will approve plans and suggest changes if necessary. I presume this is what the gentleman would like to know: The first floor is to be reestablished as it has been. That is the historical part of the White House. The living quarters of the President will be reestablished on the second floor. There is no historial significance at all to the third floor.

And a further problem confronts the committee whether to remove the third floor and the roof rather than to sustain it with interior temporary construction pending the new erection of the interior of the White House. This is a problem because the interior temporary construction, would of necessity have to be removed, and then there would be the shifting of the load of the third floor to the new permanent construction, which is anything but a normal way to proceed with a building of this type. All of this should be considered in the light that the third floor at the present time is nonhistorical and not adapted for present-day usage without a great deal of renovation. Thus the choice lies between removing the third floor or retaining it, and if removed nothing but the outside walls remain and then we come to the problem that these walls require 18 feet of underpinning, so the decision for the committee resolves itself as to whether or not to renovate the building as expressed herein, or to rebuild an Executive Mansion soundly and properly from the ground up.

Mr. McCORMACK. My purpose is to find out if there is going to be action. Assuming there are meetings of the Commission in the future, I, of course, recognize the position of the gentleman, but a Senator is just a coequal of any Member of the House. But suppose they are absent; are you going to make plans for a quorum?

Mr. RABAUT. Yes.

Mr. McCORMACK. I know the gentleman will, and so will the gentleman from Wisconsin [Mr. KEEFE]. But we are very much concerned and the President is very much concerned. Assuming that men are busy and cannot attend the meeting and there is a quorum present, will they go ahead?

Mr. RABAUT. We expect to have an executive director that will be on the job all the time.

Mr. McCORMACK. In other words, this courtesy that has existed will not be prevalent on this Commission?

Mr. RABAUT. No; the first meeting was on the 3rd. The second meeting was today, and the next meeting is next Monday. I think that gives evidence of dispatch and the active interest of this committee.

Mr. STEFAN. Mr. Speaker, will the gentleman yield for a question?

Mr. RABAUT. I yield.

Mr. STEFAN. When I was a member of the Committee on Buildings and Grounds, we inspected the White House. We made it possible for an elevator to be placed in there. In view of the fact that the British came here and burned that White House and bombarded it in 1812, how is it that we just find out it is so dangerous?

Mr. RABAUT. Well, I found out the condition of the White House when I was appointed to this Commission.

Mr. STEFAN. Well, we have had an architect down there since 1934 on the pay roll. Why could he not have found that out before this time?

Mr. CANNON. Mr. Speaker, I now yield to the gentleman from Wisconsin [Mr. KEEFE], the other member of the Commission from the House of Representatives, such time as he may require.

Mr. KEEFE. Mr. Speaker, there is tremendous public interest displayed in the work of this White House Commission. The people of this country revere that building. It is the most historic building in the world today. Therefore the responsibility of dealing with it becomes a very grave one.

I may say to the distinguished majority leader and the Members that under no circumstances, of course, could this Commission function effectively until plans and specifications have been prepared in alternative form. I am advised that the Public Buildings Administration will be the beneficiary of the appropriation suggested in the amendment that the House has adopted this afternoon, $5,400,000. They will draw the plans and specifications cooperating, I assume, with the Architect of the Capitol; and they will submit them to this Commission for approval or ratification. The matter of rules for advertising for bids and the

awarding of bids will be the function of this Commission. But let me tell you that while these things are more or less perfunctory in character they will require some profound decisions to be made. There is another problem in this whole situation that is attracting the attention of the Nation: What are we going to do with all of the material, the historic material that will be left, even a little block of wood from the White House, or a brick, or a stone? And who will have charge of its disposition? How shall that be handled? The Commission is giving serious consideration to all of these problems in the public interest.

May I say to you also that before this Commission was established and commenced to function, everything of a movable character in the White House was removed; the wall coverings have been taken off, all the furniture, all the bureaus, all the beds, and the bric-a-brac have been removed; and about the only things that have not been removed are one or two remaining fireplaces and the beautiful burl oak paneling in the West Room of the White House. That is going to come down ultimately, and all those beautiful plaster ceilings, and everything else. We are advised that those things are being taken down under the direction of the Architect of the Capitol and other agencies of the Government and that they are stored in various places, all these valuable woods, valuable doors, and other things that would be of inestimable value to those who are interested in antiques and in antiquity, and history. These items have got to be carefully checked and looked after, and this Commission will demand that before it starts to function at all it shall have an itemized list of everything that was in the White House before it was removed and checked with the proper authorities, and an itemized list of everything that has been taken out so that in the future it cannot be said by somebody that he has a chair, a cup, a saucer, or something else that came from the White House, and have a lot of antique dealers and other people capitalizing and making money out of this situation. It presents a very difficult problem. There are even proposals now for the disposition of the surplus lumber, to cut it up into mementoes, and to sell the surplus brick and material around the country; and there are agencies of the Government that are seeking to dispose of this material. If you think it is a very simple job, I may say to the majority leader that there are a tremendous number of basic problems that have to be solved by this Commission, and we are at work on them. In order to do it we have got to have the right kind of architectural and engineering services and advice. We propose in our organizing efforts to set this Commission up in a manner in which it will function in the public interest.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. McCORMACK. I hope the gentleman realizes that my questions were asked in an effort to be of help and assistance.

Mr. KEEFE. Let me say to the gentleman from Massachusetts that I am just as interested as he is in seeing that this matter moves along; and I have suggested to the Commission, suggested it at its very first meeting, that there must be rules and regulations adopted providing for quorums and all that sort of thing; and that is being done.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. McCORMACK. The gentleman from Massachusetts is thoroughly aware of that fact, because the gentleman from Wisconsin talked with him several days ago. I am indebted to the gentleman from Wisconsin for the basis upon which I predicated my questions today.

Mr. KEEFE. We want to see this thing get along, but I may say to my colleagues that it is not the easy task which some people might think. It is a very difficult problem from an engineering and architectural standpoint that confronts those who have the responsibility. Until we see the plans and specifications that are suggested in order to comply with the former hard-and-fast rules expressed in Public Law 40 I do not see how the Commission could have hardly operated until the adoption of this amendment today.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Pennsylvania.

Mr. RICH. The Commission was appointed for the purpose of determining what should be done with the White House?

Mr. KEEFE. No; we were not appointed for that purpose at all. Public Law 40 determined that the White House should be remodeled. This Commission is designated as a commission for the remodeling of the White House. Then we get into the question, if you are going to completely take out the entire interior of the White House and rebuild it—that is what they proposed to do—leaving nothing but the four walls standing, then have to dig down 18 feet below the walls and put in footings to sustain the building so that you will have nothing left of the old White House except the four walls, with the interior completely removed and rebuilt on the first floor to simulate the White House as it previously existed, using such material as is usable, you would have a completely rebuilt White House on the interior with the exception of this thing they call the third floor.

I wish every Member of Congress could go down there and that every citizen could go down there and go through that White House as it appears today. I was shocked beyond all measure of expression, I am frank to say. It is an unsafe building, tremendously unsafe, and somebody has been guilty of dereliction over the years in the various modernization programs that have been conducted in allowing that building to get into such a state of disrepair and insecurity that exists at this time.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from New York.

Mr. KEOGH. Does the gentleman agree with me that the personnel of the Commission appointed to supervise this work is most capable and obviously anxious to do as good a job as possible?

Mr. KEEFE. Yes; and I am happy to say that the suggestion made by the chairman of the Appropriations Committee as to the intent of the amendment that has been offered to the deficiency bill this morning is an excellent one; otherwise the Commission is almost hamstrung in its power under Public Law 40 and could not really do much of anything. That is the fact of the matter.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Pennsylvania.

Mr. RICH. This Commission was appointed for the purpose of looking after this matter. As I understand it, an architect has been employed for the last 10 or 12 years, and has resided almost continuously at the White House. Why did he leave it in such a situation or condition as it is?

Mr. KEEFE. I cannot answer those questions and I do not want to get into that matter. That is all water over the dam. I can assure the Congress and the people of the country that this Commission is going at this thing in an intelligent manner. We are going to get proper architectural and engineering service and advice and we are going to build a building that will be a credit to the people of the United States and a place where the President and his family can live in safety. I think anything short of that would be criminal at this time.

Mr. CHESNEY. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Illinois.

Mr. CHESNEY. It was my pleasure to be a member of the subcommittee of the Committee on Public Buildings and Grounds. We visited the White House and had two conferences with the President. At that time he specifically stated he would like to have the building in its original state, keeping everything original in the building, that he did not want a new building at all.

Mr. KEEFE. That is very true, and it is an easy thing to say that you do not want any new building at all, that you just want to patch up here and there. That is what they have been doing for the last 100 years and that is why you have the building in the shape it is, may I say to the gentleman. We might as well realize and understand this situation now. We might as well lay all the cards on the table. Every plan that has been submitted by the Public Buildings Administration or the Architect of the Capitol contemplates an entirely new building inside the four walls.

Mr. CHESNEY. Then it is not the intention of the President to change the building whatsoever.

Mr. KEEFE. I am not saying anything about what the intention of the President is. I am saying what the Public Buildings Administration and the Architect of the Capitol think is the proper thing to do now. It will be up to this commission to say what the thing shall be, and they certainly will consult with the President. May I say that I found the President, in the 30 minute

conference we had with him the other day, to be magnificent in his attitude. He said that he requested the appointment of this commission, and he will be 100 percent for whatever determination this commission makes. No commission could ask for any better or more cooperative support than we received from the President.

Mr. EBERHARTER. Does the gentleman think that any commercial company would ever attempt to rebuild an old building that is in the shape that this is in?

Mr. KEEFE. I am not going to express any opinion on that. I must act in a judicial capacity in connection with the ultimate determination, and when the facts are assembled we will give them to you. Under the amendment this commission will be charged with the responsibility of determining what shall be done in the light of those facts.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 68: Page 42, line 8, insert the following:

"INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

"The appropriations under this head in the Department of State Appropriation Act, 1949, shall be available for the purchase in the name of the United States of America, for a consideration not in excess of $1,500, of a tract of land within lot 4 and the southwest quarter southeast quarter of section 28, township 8 south, range 24 west, Gila and Salt River meridian, Yuma County, Ariz., containing seven and eighty-two one-hundredths acres, more or less, needed for the east abutment of the Morelos Diversion Dam across the Colorado River, being constructed in accordance with article 12 of the treaty of February 3, 1944, between the United States and Mexico, the acquisition of which land by the United States is required by the provisions of article 23 of said treaty."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 69: Page 45, line 14, insert the following:

"ACQUISITION OF VESSELS AND SHORE FACILITIES

"Not to exceed $3,000,000 of the unobligated balance of funds heretofore appropriated under this head shall be available for conversion and repair of the icebreaker *Eastwind*."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 79: Page 77, line 9, insert the following:

"SEC. 402. The appropriations and authority with respect to appropriations in this act in whole or in part for the fiscal year 1949 shall be available from and including March 1, 1949, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between March 1, 1949, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment, and pending that motion, I yield to the gentleman from North Carolina [Mr. KERR], the chairman of the subcommittee.

Mr. KERR. Mr. Speaker, just a word of explanation in order that the House may better understand what is contained in the bill and the action of the conferees.

The total of the estimates considered by the House in connection with this bill is approximately $698,028,000. The bill as passed the House contains a total of $671,069,000.

Additional estimates received by the Senate on this bill totaled approximately $217,396,000 which amount includes $136,238,000 for veterans' pensions. Accordingly the total of the estimates considered by the Senate is $915,924,000.

The bill as passed by the Senate contained increases over the House figure of $193,261,891 or a total for the bill as passed the Senate of $864,331,563.

The action of the conferees reduced this total by $1,624,500 or to an amount of $862,707,000.

In addition to this saving there are still four amendments in disagreement involving $2,192,000.

I might point out that in addition to the amount of $136,238,000 for veterans' pensions which I previously mentioned, the bill includes $92,619,888 for pay increases under Public Law 900 and $12,205,679 for claims or a total for these three uncontrollable items of $241,063,567.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1950

Mr. GARY. Mr Speaker, I call up the conference report on the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 815)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3083) "making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14 and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 11, 12, 17, 18, 19, 29, 30, 39, 40, 41 and 50; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,150,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,020,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$35,150,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$15,660,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,925,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$76,250,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$39,400,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,255,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "$1,490,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$907,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$302,600"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$440,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$98,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$556,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,800,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,780,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$629,000,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$33,250,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,625,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,300,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$393,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$31,000,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$128,750,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$11,300,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$17,200,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$51,500,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$52,800,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$8,150,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,205,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$25,775,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the word proposed by said amendment insert "forty"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 6, 7, and 49.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,
G. CANFIELD,
Managers on the Part of the House.

BURNET R. MAYBANK,
CARL HAYDEN,
HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
OLIN D. JOHNSTON,
GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the conference report as to each of such amendments, namely:

TITLE I—TREASURY DEPARTMENT

Amendment No. 1: Appropriates $750,000 for salaries in the Office of the Secretary, instead of $700,000 as proposed by the House, and $800,000, as proposed by the Senate.

Amendment No. 2: Appropriates $1,150,000 for salaries in the Office of Administrative Services, instead of $1,100,000 as proposed by the House, and $1,200,000, as proposed by the Senate.

Amendment No. 3: Authorizes the expenditure of not to exceed $1,020,000 for personal services in the District of Columbia under the Bureau of Customs, instead of $1,000,000 as proposed by the House, and $1,040,000, as proposed by the Senate.

Amendment No. 4: Appropriates $35,150,000 for salaries and expenses of the Bureau of Customs, instead of $35,000,000 as proposed by the House, and $35,300,000, as proposed by the Senate.

Amendments Nos. 5, 6, and 7: Reported in disagreement.

Amendment No. 8: Appropriates $1,610,000 for salaries and expenses of the Bureau of Narcotics, as proposed by the Senate, instead of $1,560,000 as proposed by the House.

Amendment No. 9: Appropriates $15,660,000 for salaries and expenses of the Bureau of Engraving and Printing, instead of $15,000,000 as proposed by the House, and $16,000,000 as proposed by the Senate.

Amendment No. 10: Appropriates $1,925,000 for salaries and expenses of the Secret Service Division, instead of $1,900,000, as proposed by the House, and $1,950,000, as proposed by the Senate.

Amendments Nos. 11 and 12: Clarify the provision relating to handling proceeds from the sale of surplus property by the Bureau of Federal Supply, as proposed by the Senate.

Amendments Nos. 13 and 14: Strike out a proposal of the Senate for a trade-in program of typewriters which are eight or more years of age. Between now and the consideration of the next budget for the Bureau of Federal Supply the Committee on Appropriations of the House will have its investigative staff make a study of the utilization and general situation with respect to purchase and repair of typewriters in the Government.

Amendment No. 15: Appropriates $76,250,000 for pay and allowances of Coast Guard personnel, instead of $74,500,000 as proposed by the House and $77,445,000 as proposed by the Senate.

Amendment No. 16: Appropriates $39,400,000 for general expenses of the Coast Guard, instead of $39,225,000, as proposed by the House and $39,988,000 as proposed by the Senate.

TITLE II—POST OFFICE DEPARTMENT

Departmental service

Amendment No. 17: Appropriates $437,100 for salaries in the Office of the Postmaster General, as proposed by the Senate, instead of $435,000 as proposed by the House.

Amendment No. 18: Appropriates $132,300 for salaries in the Office of Budget and Administrative Planning as proposed by the Senate instead of $125,000 as proposed by the House.

Amendment No. 19: Appropriates $1,297,000 for salaries in the Office of the First Assistant

Postmaster General as proposed by the Senate instead of $1,290,000 as proposed by the House.

Amendment No. 20: Appropriates $1,255,000 for salaries in the Office of the Second Assistant Postmaster General instead of $1,250,000 as proposed by the House and $1,261,000 as proposed by the Senate.

Amendment No. 21: Appropriates $1,490,000 for salaries in the Office of the Third Assistant Postmaster General instead of $1,485,000 as proposed by the House and $1,519,000 as proposed by the Senate.

Amendment No. 22: Appropriates $907,000 for salaries in the Office of the Fourth Assistant Postmaster General instead of $900,000 as proposed by the House and $927,000 as proposed by the Senate.

Amendment No. 23: Appropriates $302,600 for salaries in the Office of the Solicitor instead of $300,000 as proposed by the House and $305,900 as proposed by the Senate.

Amendment No. 24: Appropriates $440,000 for salaries in the Office of the Chief Inspector instead of $435,000 as proposed by the House and $446,900 as proposed by the Senate.

Amendment No. 25: Appropriates $98,000 for salaries in the Office of the Purchasing Agent instead of $95,000 as proposed by the House and $101,400 as proposed by the Senate.

Amendment No. 26: Appropriates $556,000 for salaries in the Bureau of Accounts instead of $550,000 as proposed by the House and $562,000 as proposed by the Senate.

Amendment No. 27: Appropriates $2,800,000 for contingent expenses instead of $2,700,000 as proposed by the House and $2,865,000 as proposed by the Senate.

Field service

Amendment No. 28: Appropriates $4,780,000 for salaries of inspectors instead of $4,750,000 as proposed by the House and $4,810,000 as proposed by the Senate.

Amendment No. 29: Appropriates $958,000 for miscellaneous expenses, inspection service, as proposed by the Senate, instead of $950,000 as proposed by the House.

Amendment No. 30: Appropriates $1,333,000 for salaries of clerks in the inspection service as proposed by the Senate instead of $1,325,000 as proposed by the House.

Amendment No. 31: Appropriates $629,000,000 for clerks, first- and second-class offices instead of $625,000,000 as proposed by the House and $633,000,000 as proposed by the Senate.

Amendment No. 32: Appropriates $33,250,000 for clerks, third-class offices instead of $33,000,000 as proposed by the House and $33,750,000 as proposed by the Senate.

Amendment No. 33: Appropriates $4,625,000 for miscellaneous items, first- and second-class offices instead of $4,500,000 as proposed by the House and $4,843,000 as proposed by the Senate.

Amendment No. 34: Appropriates $375,000 for village delivery service as proposed by the House instead of $383,000 as proposed by the Senate.

Amendment No. 35: Appropriates $3,300,000 for carfare and bicycle allowance instead of $3,250,000 as proposed by the House and $3,500,000 as proposed by the Senate.

Amendment No. 36: Appropriates $393,000,000 for city delivery carriers instead of $392,000,000 as proposed by the House and $394,500,000 as proposed by the Senate.

Amendment No. 37: Appropriates $31,000,000 for star route service instead of $30,000,000 as proposed by the House and $33,475,000 as proposed by the Senate.

Amendment No. 38: Appropriates $128,750,000 for salaries, railway mail service instead of $128,500,000 as proposed by the House and $129,500,000 as proposed by the Senate.

Amendment No. 39: Amends an appropriation title as proposed by the Senate.

Amendment No. 40: Adds clarifying language as proposed by the Senate.

Amendment No. 41: Appropriates $8,150,000 for travel, railway mail service as proposed by the Senate instead of $8,000,000 as proposed by the House.

Amendment No. 42: Appropriates $650,000 for miscellaneous expenses, railway mail service instead of $600,000 as proposed by the House and $737,000 as proposed by the Senate.

Amendment No. 43: Appropriates $11,300,000 for supplies and equipment instead of $11,000,000 as proposed by the House and $11,550,000 as proposed by the Senate.

Amendment No. 44: Appropriates $17,200,000 for rent, fuel, and utility services instead of $16,800,000 as proposed by the House and $17,580,000 as proposed by the Senate.

Amendment No. 45: Appropriates $51,500,000 for vehicle service instead of $51,000,000 as proposed by the House and $53,418,000 as proposed by the Senate.

Amendment No. 46: Appropriates $52,800,000 for salaries, custodial service instead of $52,300,000 as proposed by the House and $53,600,000 as proposed by the Senate.

Amendment No. 47: Appropriates $8,150,000 for supplies, public buildings instead of $8,000,000 as proposed by the House and $8,523,000 as proposed by the Senate.

Amendment No. 48: Appropriates $1,205,000 for equipment, public buildings instead of $1,125,000 as proposed by the House and $1,250,000 as proposed by the Senate.

Amendment No. 49: Reported in disagreement.

Amendment No. 50: Corrects a section number.

RECONSTRUCTION FINANCE CORPORATION

Amendment No. 51: Authorizes the expenditure of not to exceed $25,775,000 for administrative expenses instead of $25,400,000 as proposed by the House and $26,150,000 as proposed by the Senate.

Amendment No. 52: Allows for the purchase of not to exceed forty passenger motor vehicles instead of thirty as proposed by the House and fifty-five as proposed by the Senate.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

Amendments Nos. 5, 6, and 7, relating to the Bureau of Internal Revenue. The House managers will move to insist upon disagreement.

Amendment No. 49 requires that the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations relating to payments for overtime. The House managers will move to recede from disagreement and concur in the Senate amendment.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,
G. CANFIELD,
Managers on the Part of the House.

The conference report was agreed to.

The SPEAKER pro tempore (Mr. MONRONEY). The Clerk will report the first amendment in disagreement.

Mr. GARY. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 5, 6, and 7 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read as follows:

Senate amendment No. 5: On page 10, strike out all after the word "including" in line 21 down to and including "Columbia" in line 23 and insert "personal services in the District of Columbia, and elsewhere."

Senate amendment No. 6: On page 11, line 15, strike out "$220,500,000" and insert "$232,768,000."

Senate amendment No. 7: One page 11, after line 15, insert a colon and the following: "*Provided*, That the amount for personal services in the District of Columbia shall not exceed $17,509,000."

Mr. GARY. Mr. Speaker, I move that the House insist upon its disagreement to the amendments of the Senate numbered 5, 6, and 7.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Do these amendments relate to the number of employees in the field service?

Mr. GARY. Yes.

Mr. McCORMACK. I understand that the difference between the two branches is between 1,500 additional employees, on the part of the House, and 7,000, on the part of the Senate.

Mr. GARY. That is correct.

Mr. McCORMACK. Can the gentleman give any information to the House that he can disclose properly as to what the situation is at the present time in relation to the differences that exist?

Mr. GARY. As the distinguished majority floor leader well knows, about 2 years ago the Congress made a large cut in the personnel of the Bureau of Internal Revenue. The present chairman of this subcommittee was then a minority member of the subcommittee and opposed the reduction at that time. Last year the Bureau of Internal Revenue asked for additional employees. Our committee recommended, and the House and Senate approved, approximately 2,000 additional employees for the Bureau for the fiscal year 1949. The Bureau of Internal Revenue now has approximately 50,000 employees.

This year they asked for 7,000 additional employees for the fiscal year 1950. That is approximately a 13-percent increase in the employees of the entire Bureau. The increase involves an expenditure of approximately $12,000,000. Our committee went into the matter very carefully and finally decided to recommend 1,500. When the matter was considered in conference, the Senate insisted on 7,000. The House conferees agreed, during the conference, to go as high as 2,500 employees for the next year.

We have several thoughts in connection with the matter. In the first place we do not believe that 7,000 efficient employees can be recruited in one year. We feel that, if the Bureau is understaffed, we ought to begin to increase the staff gradually so that the employment of personnel can be made on a selective basis in order to obtain the services of the better qualified applicants. In the second place, while it is unquestionably true that these men do bring in a substantial amount in taxes, sooner or later we are bound to reach a point of diminishing returns so far as the effectiveness of these employees is concerned. Therefore, we think that we should approach that point of diminishing return gradually and not

at one swoop add 7,000 employees to the Bureau's personnel.

Mr. McCORMACK. As I understand the present situation, the question is between 1,500 and 7,000 employees. I assume there will be, as there has been, some effort at compromise, and the House conferees going in with an open mind will try to adjust the differences between the two branches in this respect.

Mr. GARY. Unquestionably.

Mr. McCORMACK. I assume that the gentlemen would be prepared to go higher than any figure discussed heretofore in conference.

Mr. GARY. Our committee agreed to go to 2,500, which they thought ought to be the maximum for next year.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. GARY. I yield.

Mr. COOPER. Mr. Speaker, I certainly agree with the gentleman that we ought to effect all the economies that we can. I want to see such economies effected. But I invite attention to the fact that it is very doubtful whether the action recommended by the House conferees is really going to effect economy in this instance. Of course, the effect of the motion made by the gentleman is to put the matter back in conference so that the differences may be adjusted. I sincerely hope the House conferees will seriously consider agreeing to the provisions recommended by the other body or at least come as near as possible to it. It is my privilege, as the gentleman knows, to be a member of the Committee on Ways and Means. We have the responsibility primarily of trying to provide the revenue necessary to run the Government. It is likewise my privilege to be a member of the Joint Committee on Internal Revenue taxation. We had a special study made by an outside group of distinguished business and professional men. They recommended to the Joint Committee on Internal Revenue Taxation that the Bureau of Internal Revenue vitally needed additional personnel. I invite the attention of the gentleman to the fact that in 1940 there were more than 8,000,000 income-tax returns filed in this country.

It is estimated that in 1949 there will be more than 73,000,000 income-tax returns filed. Consider the enormous increase in the volume of work, from around 8,000,000 returns in 1940 to more than 73,000,000 returns this year.

Further, I invite the gentleman's attention to the fact that in 1940 we had about 22,000 employees. Now we have only about 54,000. In other words, the increase in the volume of number of tax returns has increased more than 900 percent, and the increase in the number of employees to handle all those returns has only been about 140 percent.

Mr. McCORMACK. May I suggest that for every dollar in salary received they bring back on an average of $20 to the Government.

Mr. COOPER. That is true. I also invite attention to the fact that with this item of $12,000,000 difference that is involved here it is estimated we will receive about a half billion dollars additional revenue. Some competent authorities estimate that we might receive an additional $2,000,000,000 of revenue. Now, when we are facing a deficit and a request is made for additional taxes, certainly you gentlemen ought to make every effort to see to it that we get all the taxes that are due the Government. I believe these additional employees are necessary to accomplish that purpose.

Mr. GARY. May I say to the gentleman from Tennessee [Mr. COOPER] that I have the very highest regard for his opinion of this subject. I know he has given very great study to our revenue system. I might say that I, too, have spent about 30 years of my life in the field of taxation. I had the privilege for some years of serving as the head of the Tax Department of the State of Virginia. I know how vital it is to have an adequate force to collect taxes. At the same time I believe that when you begin to recruit a force of this kind it should be done gradually. I reiterate, I do not believe that we could get 7,000 additional efficient men during the next year. What we would do, therefore, would be to load up the Department with a lot of inefficient men so that we would not obtain maximum results. Our policy has been—and we started it last year—to gradually increase the force. We provided for an increase of approximately 2,000 last year. We recommended 1,500 additional this year, and we feel that is a better approach to the problem than adding 7,000 in 1 year, which would amount to a 13-percent increase of the personnel of the entire Department.

Mr. COOPER. Will the gentleman yield further?

Mr. GARY. I yield.

Mr. COOPER. Certainly I agree with the gentleman that we want efficient employees, but I invite attention to the fact that the report of the Civil Service Commission shows that in the fourteen civil-service districts they have from 2 to 10 times the number of qualified people for these positions as to the number that are being requested by the Bureau of Internal Revenue. The people are available, and the Civil Service Commission has qualified employees on its rolls now to provide from 2 to 10 times the number that the Bureau of Internal Revenue says it needs to do this work.

Mr. GARY. I have no doubt in the world the people are available. I think you would find thousands of them available, but whether they are qualified is another question, certainly among available men there should be some selectivity.

Mr. COOPER. In this group there are thousands of college graduates, many of them veterans, who have especially qualified in this particular field. I am sure the gentleman knows, as it is common knowledge, that in recent years there has been a great number of young men attracted to this field of endeavor, more than ever before. The Civil Service Commission report that they have the largest number of well-qualified people for this type of work that they have ever had at any time.

I further invite attention to the fact that even after they qualify under Civil Service and are eligible for these positions, then the Bureau of Internal Revenue, as the gentleman well knows, conducts a thorough schooling and course of training to qualify them especially for this type of work.

Mr. GARY. They have to be specially trained, and that is another reason; it is doubtful whether the Bureau can give as high-quality training to 7,000 in 1 year as they would be able to give to a smaller number in the same time.

Mr. McCORMACK. May I call my friend's attention to this large and important group of employees in Internal Revenue who are not zone deputy collectors but who are in classifications CAF–2, 3, 4, and 5. They have been promoted. They study for the position of zone deputy collector; they have taken the examination and passed; they have had experience over a number of years as permanent employees, and in that status they have passed the zone deputy collector's examination. Under civil-service laws they could be promoted, and certainly they will qualify. There must be quite a large number. I know that in the Boston office we have quite a large number who could go ahead.

Mr. COOPER. And we all know that some of them have been let out.

Mr. McCORMACK. Yes.

Mr. COOPER. Men who have had several years of successful experience and who have splendid efficiency ratings.

Mr. McCORMACK. Just one observation; the gentleman has answered my inquiry. I join with the gentleman from Tennessee, and I state the Speaker's position also, in the hope that when the bill goes back to conference and an adjustment is made that the adjustment of the differences will come as close to the number provided in the Senate bill as possible.

Mr. GARY. Mr. Speaker, I yield to my colleague, the gentleman from New Jersey [Mr. CANFIELD], a member of our committee.

Mr. CANFIELD. Mr. Speaker, I disagree with the observation just made by the majority leader; I think we have gone far in agreeing to a compromise of 2,500 additional men. I am glad that the gentleman from Tennessee [Mr. COOPER], who is a member of the Joint Committee on Internal Revenue Taxation, has referred to the report that committee made to the Eightieth Congress, and I am going to quote from that report.

The Joint Committee on Internal Revenue Taxation in its report to the Eightieth Congress said:

> Your committee recommends equal priority in action be given to reorganizing the management of the Bureau with a view to greater economy and efficiency and to more effective utilization of enforcement expenditures. The present Bureau organization is not the one best suited to the task. There is too great an emphasis on protecting the revenue, too little on protecting the taxpayer.

The report goes on to say:

> Even though the work load imposed by voluntary compliance cannot be lessened, substantial reductions in the cost of such service are entirely feasible, given time, talent, imagination, and the determination to discard obsolete procedures and controls no matter how venerable they have become. Almost every phase of this work can be re-

organized and performed in a more economical fashion. The really substantial savings do not lie in a face-lifting patchwork job but in complete reorganization of the entire administrative machinery. The Bureau is still using prewar procedures which are unsuitable to the dimensions of its present job. Diffusion of responsibility characterizes the organization, making it awkward for the Commission to exercise effective management controls. The actual task of tax collection and enforcement is also inadequately coordinated in the field. The entire tone and atmosphere of the enforcement procedure need to be reconditioned—the point of view of many in the enforcement staff reoriented.

Mr. COOPER. The gentleman has not said a thing in the world about employees; that is what we are talking about.

Mr. CANFIELD. I am going to get to that.

Referring to problems of internal management the report goes on to say:

Analysis of the organization and operations of the Bureau of Internal Revenue reveal many unsolved problems of internal management. It is not strange that the Bureau has been slow in effecting substantial improvements in its housekeeping. Unnecessarily cumbersome, outmoded, and wasteful practices have continued unchanged in the Bureau for decades. Some proposed improvements in administrative methods have been discussed at length without result, other changes have been put into effect, but only after overlong discussion. Managementwise, the Bureau, because of lack of a balanced and adequate planning group, has not yet come to appreciate the tools that are necessary to administer effectively the present-day Federal tax system.

When the Bureau has carried out the recommendations contained in this report to improve its service, it will then be time for Congress to consider the additional personnel now requested. It would be extravagant for Congress to add thousands of employees to the Bureau pay roll before such action is taken.

On page 48 of the Senate hearings this year, Mr. Wiggins, former Under Secretary of the Treasury, testified that on October 1, 1949 the Bureau will put into effect a new system of reports, saving 2,000,000 man-hours. Why cannot this saving in man-hours be diverted to enforcement work without additional appropriations at this time? Unless Congress insists, the savings in man-hours will never be converted to a dollar savings in any estimates submitted. The Bureau has hastened to request the additional personnel the surveys recommend. Why has not the Bureau been equally fast in making the management improvements recommended by the surveys?

It is also pertinent to point out that the argument that enforcement men bring in $20 for every $1 expended, is open to great question. Such figures never embrace overhead nor do they consider the large amount of refunds made as a result of faulty assessments. The agent, in other words, gets credit for the levy or additional assessment while the refund, if made, is never subtracted.

What kind of a job can the Bureau do when it gets a jacking up on the part of Congress? In 1947 the Bureau was drastically cut, yet in 1948 with fewer employees, it collected $2,800,000,000 more than it did in the preceding year.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. May I say to the gentleman that we must give a lot of credit to the Under Secretary of the Treasury at that time, Mr. Wiggins, because he came before the Ways and Means Committee and he pleaded with us to help him get enough funds for modernization of the entire Bureau. His greatest plea, Mr. Speaker, was for more agents. He said that for every additional agent we put on we get an additional $20. These agents are used for the purpose of checking up on suspected chiselers. They are not the regular collectors, they are not part of the regular office force or the zone collectors. They are the agents. Mr. Wiggins made such an impressive showing before our committee that Mr. Knutsen, then chairman of the committee, and I think every Republican member of the committee, was in the forefront urging this additional personnel.

Are we going to go back and do less than Mr. Wiggins requested? Mr. Wiggins has been largely responsible for the great improvement made in the internal management of the Bureau. We all knew it was a little outworn in its methods, that it was not modern, but we tried to help in every way we could to get this modernization that has helped save money. We assisted them in getting new, modern machinery. But, one of the most important things, the thing that brings in the additional money, the gravy, you might say, that the chiselers keep in their pockets, is the use of sufficient personnel to frighten these chiselers so that they will know not to take a chance on cheating the Federal Government, and thereby making the honest taxpayer pay more money in order to get sufficient revenue to keep us from operating at a deficit. Mr. Speaker, I think it is penny-wise and pound-foolish not to give the Revenue Bureau the agents that they say they need in order to have an honest enforcement of the revenue laws of this country.

Mr. CANFIELD. I am glad that the gentleman from Pennsylvania has referred to Mr. Wiggins, who told me, as chairman of the subcommittee, last year, that he could not possibly recruit the number of men recommended in the survey conducted by this committee. That is why the able gentleman from Virginia [Mr. GARY], has taken the position that he takes in the House today.

Mr. EBERHARTER. The gentleman from Tennessee has just stated the official figures of the Civil Service Commission show that there are plenty of qualified persons now to fill these positions.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Michigan.

Mr. DINGELL. Let us get this straight. There is no question of increase in personnel involved here at all. It is a question of restoration, and on that question I do not believe we will be able to restore what we have already partially destroyed, because too many of these efficient employees are today in business as tax experts on their own. But, we can bring back into the Treasury organization a certain substantial number of them. Now, when the gentleman refers to what Mr. Wiggins had in mind, I remember what Mr. Wiggins said on that score before the Committee on Ways and Means. He said that they were willing to give him more employees than he had asked for, more than he thought he could absorb in any one year, but that was more than the 7,000 who were cut off. But, he did not say that they could not absorb up to 7,000 or that it was more than they wanted. I want to make clear here and now that any number, even up to the full restoration of the 7,000—and I hold to that figure no less—that the Treasury will not put on inefficient, incompetent, or unqualified individuals to perform this very complex task any faster than they can absorb them. So, it resolves itself into this one thing: Do we want to, for the sake of a senseless paper economy, contrary to the intent and the wishes of the members of the Committee on Ways and Means, who have lived with this sort of problem, and the joint committee, the report of the experts of the joint committee, make this arbitrary cut stand and only partially restore it, when we know that for every dollar expended for employees' salaries in the restoration of this figure that there will be not $20, there may be $50, there may be $100 coming into the Treasury? Now, you men and women sitting out there before me understand one thing. Are you going to get what belongs to your Uncle Sam, and abide by the seasoned opinion of members of the Committee on Ways and Means who have lived with this problem and do not just treat it as a matter of appropriation for an hour or two, or are you going to face an increase in taxation on the legitimate taxpayer who is not a tax chiseler and tax evader? Remember that this group is intended to stop chiseling and collect the money honestly due your Government.

Mr. CANFIELD. Mr. Speaker, I do not know why the gentleman from Michigan uses the word "destructive" in talking of the action of this committee 2 years ago.

Mr. DINGELL. It certainly is not constructive.

Mr. CANFIELD. Because the Bureau was not destroyed. It came back next year and collected billions more than it collected the prior year.

Mr. DINGELL. In spite of the cut?

Mr. CANFIELD. In spite of the cut, yes.

I want to say this to the gentleman from Michigan, and I can point the finger, too. Conditions worsening, it will not be long before in the New York metropolitan area where I live there will be 1,000,000 unemployed. What are these men going to think of action on the part of this Congress putting thousands and thousands of men on the pay roll at this time? They are not going to stand for it.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. TABER. The reason they collected that money was that the action of the gentleman's committee put more efficiency in the organization.

Mr. CANFIELD. There is no question about it. The Commissioner of Internal Revenue, backed by the testimony of the Secretary of the Treasury, said that very thing when he appeared before the committee. We were thanked by the Treasury for helping the Bureau.

Mr. GARY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Virginia.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 49: Page 44, line 1, insert the following:

"SEC. 207. During the fiscal year 1950 the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work."

Mr. GARY. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 238, Rept. No. 827), which was referred to the House Calendar and ordered to be printed:

Whereas the Committee on the Judiciary under the Legislative Reorganization Act of 1946 has been given jurisdiction as a standing committee over legislation pertaining to immigration and naturalization; and

Whereas in the course of activities conducted in pursuance of section 136 of the Legislative Reorganization Act of 1946, and in the course of hearings held on legislation amending the Displaced Persons Act of 1948, it has been ascertained by the committee that the slowness of repatriation and resettlement of displaced persons, combined with the continuing influx of new refugees, tends to perpetuate this problem; and

Whereas the presence of over 10,000,000 refugees and "expellees" in the western zones of occupation in Germany and Austria, and in Italy, in addition to the problem of displaced persons and the surplus of population in Italy, is resulting in continuous pressure upon the very foundations of the United States immigration system; and

Whereas there is a considerable number of public and private legislation pending before the committee which tends to place upon the United States almost the entire burden of resettlement of this surplus population while the American taxpayer is already being called upon to bear the burden of the expenditures involved in the care, the maintenance, and the resettlement of these masses of migrant population; and

Whereas the International Refugee Organization is unable under its limited constitutional authority to provide for the solution of the problems above outlined; and

Whereas the above-outlined problems, in addition to considerable expense for the American taxpayer, involve a heavy burden for the devastated countries of Europe which the United States is assisting to rehabilitate, and a deterrent to a peaceful solution to Europe's economic, social, and racial difficulties; and

Whereas there is, therefore, an obvious need for a broad plan of international cooperation which would provide for a satisfactory solution of this emergency and for relieving the American economy of the expenditures involved: Now, therefore, be it

Resolved, That the Committee on the Judiciary, acting as a whole or by duly authorized subcommittee or subcommittees appointed by the chairman of the said Committee on the Judiciary, is authorized and directed to conduct such studies and investigations relating to matters coming within the purview of the preamble of this resolution as will be deemed appropriate by the committee.

SEC. 2. That upon the completion of such studies and investigations as provided for in section 1 of this resolution, but not later than within 6 months next following the effective date of this resolution, it shall be the duty of the committee to submit to the House of Representatives a report for appropriate legislative action with such recommendations as may be deemed desirable by the committee.

SEC. 3. That the Committee on the Judiciary, or any subcommittee or subcommittees thereof as designated by its chairman, may sit and act during the present Congress at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings and to conduct such investigations as it deems necessary.

SEC. 4. That in making such studies and investigations and in holding such hearings as provided for in section 3 of this resolution, the committee is authorized to include the services and travel of the requisite staff to accompany the committee or its subdivisions on such study missions, investigations, and hearings within the United States or abroad; and to procure the advice and assistance of such officials of the Federal Government as deemed necessary by its chairman.

SEC. 5. That the expenses of conducting the studies, investigations, and hearings, including travel expenses and subsistence expenses, as incurred by the committee, or by its members, or by the members of its staff, not to exceed $45,000, including expenditures for printing and binding, employment of experts and clerical assistants, shall be paid out of the contingent fund of the House on vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

On page 4, strike out lines 1 through 9, inclusive.

CALL OF THE HOUSE

Mr. VINSON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. VINSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 108]

Barden	Burleson	Dawson
Barrett, Pa.	Byrne, N. Y.	Frazier
Bates, Ky.	Case, S. Dak.	Fugate
Blatnik	Christopher	Gilmer
Breen	Clevenger	Gore
Brehm	Cole, N. Y.	Granahan
Buckley, N. Y.	Coudert	Hall,
Bulwinkle	Davenport	Edwin Arthur
Burke	Davies, N. Y.	Hart
Heffernan	McMillen, Ill.	Phillips, Calif.
Heller	Macy	Poage
Hoffman, Ill.	Miller, Nebr.	Powell
Holifield	Morrison	Redden
Kee	Morton	Reed, Ill.
Kennedy	Murdock	Ribicoff
Kilburn	Murphy	Smith, Ohio
Kirwan	Murray, Tenn.	Taylor
Klein	Norrell	Thomas, N. J.
LeCompte	O'Konski	Werdel
Lichtenwalter	O'Sullivan	Wigglesworth
Lodge	Patterson	Withrow
Lucas	Pfeifer,	
Lyle	Joseph L.	

The SPEAKER. On this roll call 362 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CAREER COMPENSATION ACT OF 1949

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5007) to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H. R. 5007, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through line 4 on page 1 of the bill.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, a petition that I have just received from Reserve officers in the Norfolk, Nebr., area sets forth clearly the aspirations of these men respecting the legislation presently under consideration, also, their interest in other pending measures deemed by them to be in their appropriate interest. Accordingly, the petition is herewith incorporated in these remarks:

Hon. KARL STEFAN,
Member of Congress,
Washington, D. C.:

We Reserve officers in the Norfolk (Nebr.) area request your favorable consideration of H. R. 3039, amending the Reserve retirement law (sec. 302 (c) Public Law 810, 80th Cong.). We believe that many Reserve officers will be unjustly penalized in their retirement rights unless this amendment is passed. Although an attempt is being made to provide a large number of training assemblies to permit the reservists to earn the necessary 50 points before June 29, 1949, in order to have a year of satisfactory service for the fiscal year 1948–49, many of the Reserve officers in this area will not be able to complete them. Many of our officers will be unable to devote sufficient time, during this last month, to attend enough training assemblies to earn those points, either because of their civilian occupations and civic duties, or because they live many miles from Norfolk. If they had had sufficient notice they could have so budgeted their time and so arranged their affairs over a period of a year as to permit them to earn those points. This law, as passed, with the delay in disseminating the requirements, failed to give them that op-

portunity. The passage of H. R. 3039 would correct that injustice.

We also recommend the passage of H. R. 4570, the Reserve Training Facilities Act of 1949, now pending before the House Armed Services Subcommittee No. 3. We believe that an adequnte training program for the Reserves can be provided only with training facilities, which this act provides.

We further recommend passage of H. R. 4591 to provide increased pay for officers of the armed services. As Reserve officers, we should like to see such a pay increase, and to receive the protection for injuries incurred when attending drills or when on active duty for periods of less than 30 days, which that bill provides. As citizens interested in the promotion of a strong national defense, we believe that such increase in pay is necessary to our national security, to induce high-caliber men to make the armed services their career.

We solicit your support of these measures in the House of Representatives.

Rev. Bethel N. Bengtson, Wausa, Nebr.; Dudley L. French, Glenn F. Zobel, Guy B. Stinson, Kenneth G. Turk, LeRoy R. Strasheim, Wayne W. Hilkemeir, Norfolk, Nebr.; Eugene M. Sire, Humphrey, Nebr.; Joseph J. Morris, Dr. Ora C. Schreiner, Fred R. Lammert, Wesley S. Hansing, Horace W. Gomon, Norfolk, Nebr.; Ranley W. Connell, Neligh, Nebr.; Jerry J. Brown, Norfolk, Nebr.; Robert L. Swanson, Stanton, Nebr.; Duane K. Peterson, Wausa, Nebr.; Richard W. Gillette, Robert E. Felt, Clayton L. Andrews, Thomas C. Campbell, Richard E. Nordhues, Dennis W. Ballant, Darrel D. Dudley, Norfolk, Nebr.; John J. Adkins, Battle Creek, Nebr.; Wayne A. Jaeke, Clearwater, Nebr.; A. L. Broberg, Newman Grove, Nebr.; Elwin O'Neal, Creighton, Nebr.; Paul E. Imlander, Stanton, Nebr.; George Uhrenholdt, Clearwater, Nebr.; Albert R. Murdoch, Tilden, Nebr.; Benjamin F. Johnson, Wausa, Nebr.; Robert W. Adkins, Norfolk, Nebr.; Aage B. Petersen, Battle Creek, Nebr.; Chauncey B. Scott, Tilden, Nebr.; Floyd I. Foreman, Norfolk, Nebr.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

SEC. 101. This act is divided into titles and sections according to the following table of contents:

TABLE OF CONTENTS

Title I—Table of contents and definitions

Sec. 101. Table of contents.
Sec. 102. Definitions.

Title II—Provisions relating to basic pay and special pays

Sec. 201. Basic pay.
Sec. 202. Service creditable in computation of basic pay.
Sec. 203. Special pay—Physicians and dentists.
Sec. 204. Incentive pay—Hazardous duty.
Sec. 205. Special pay—Diving duty.
Sec. 206. Special pay—Sea and foreign duty.
Sec. 207. Special pay—Reenlistment bonus.

Title III—Provisions relating to allowances

Sec. 301. Basic allowance for subsistence.
Sec. 302. Basic allowance for quarters.
Sec. 303. Travel and transportation allowances.
Sec. 304. Personal money allowance.

Title IV—Provisions relating to retirement, retirement pay, separation and severance pay for physical disability

Sec. 401. Establishment of a temporary disability retired list.
Sec. 402. Temporary disability retirement, physical disability retirement, and disability retirement pay.
Sec. 403. Separation and severance pay for physical disability.
Sec. 404. Periodic physical examinations.
Sec. 405. Recovery from physical disability.
Sec. 406. Termination of disability retirement pay.
Sec. 407. Reappointment to the active list of officers placed on the temporary disability retired list.
Sec. 408. Physical disability resulting from misconduct or willful neglect.
Sec. 409. Rank or grade in which retired.
Sec. 410. Cessation of benefits upon separation.
Sec. 411. Members or former members heretofore retired for physical disability.
Sec. 412. Definition of active service.
Sec. 413. Regulations.
Sec. 414. Powers, duties, and functions.

Title V—Miscellaneous provisions

Sec. 501. Training duty with or without pay of Reserve and National Guard personnel.
Sec. 502. Active service credit in Coast and Geodetic Survey.
Sec. 503. Payments based on purported marriages.
Sec. 504. Contract surgeons.
Sec. 505. Enlisted persons—Clothing allowance.
Sec. 506. Allowance—shore patrol duty.
Sec. 507. Pay and allowances — Enlisted men—Philippine Scouts—Insular Force of the Navy.
Sec. 508. Pay and allowances—Cadets and midshipmen.
Sec. 509. Assimilation to pay and allowances of commissioned officers.
Sec. 510. Daily rate of pay and allowances.
Sec. 511. Retired and retainer pay of members on retired lists or receiving retainer pay.
Sec. 512. Retired pay of members and former members of Reserve components.
Sec. 513. Retired pay grade of certain warrant officers and enlisted persons.
Sec. 514. Retired members and former members serving on active duty.
Sec. 515. Provision to retain present compensation and to limit the application of the Servicemen's Dependents Allowance Act of 1942, as amended.
Sec. 516. Provisions relating to increase of retired pay by active duty.
Sec. 517. Saving provision and amendments relating to members of the Marine Band.
Sec. 518. Saving provision relating to former lighthouse service and former Bureau of Marine Inspection personnel.
Sec. 519. Saving provision relating to members and former members receiving retirement pay on date of enactment of this act.
Sec. 520. Saving provision relating to laws providing for pay repealed by this act.
Sec. 521. Provisions of the Public Health Service Act amended and repealed.
Sec. 522. Provision relating to retirement of officers specially commended for performance of duty in combat.
Sec. 523. Amendments of the act of June 3, 1916 (39 Stat. 190; 41 Stat. 776).
Sec. 524. Amendment of the act of February 18, 1946 (60 Stat. 20).
Sec. 525. Amendments of the act of June 5, 1942 (56 Stat. 315).
Sec. 526. Amendment of the act of May 27, 1908 (35 Stat. 418).
Sec. 527. Amendment of section 4 of the Naval Aviation Cadet Act of 1942 (56 Stat. 737).
Sec. 528. Amendment of section 4 of the Army Aviation Cadet Act (55 Stat. 240).
Sec. 529. Amendment of the act of June 30, 1941 (55 Stat. 394).
Sec. 530. Amendment to the National Defense Act.
Sec. 531. Acts and parts of acts repealed.
Sec. 532. Authorization for appropriations.
Sec. 533. Effective date.

DEFINITIONS

SEC. 102. For the purposes of this act—

(a) The term "uniformed services", unless otherwise qualified, shall be interpreted to mean and include the Army of the United States, Navy, Air Force of the United States, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, and all Regular and Reserve components thereof.

(b) The term "member," unless otherwise qualified, means a commissioned officer, commissioned warrant officer, warrant officer, flight officer, and enlisted person, including a retired person, of the uniformed services. As used in this subsection the words "retired person" shall include members of the Fleet Reserve and Fleet Marine Corps Reserve who are in receipt of retainer pay.

(c) The term "officer," unless otherwise qualified, means a commissioned officer, commissioned warrant officer, warrant officer, and flight officer, either permanent or temporary, of the uniformed services. As used in this subsection the word "temporary" shall include temporary officers whose permanent status is that of an enlisted person.

(d) The term "commissioned officer" means a member of the uniformed services having rank or grade of second lieutenant, ensign, or junior assistant grade, or above, either permanent or temporary, in any of the uniformed services, except that for purposes of section 203 of this act such term shall be limited to the definition prescribed in subsection (a) of said section.

(e) The term "warrant officer" means a commissioned warrant officer, warrant officer, or flight officer, including a master, chief engineer, first mate, second mate, assistant engineer, or second assistant engineer of the Army Mine Planter Service.

(f) The term "Secretary," unless otherwise qualified, shall be construed to mean the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Secretary of the Treasury, the Secretary of Commerce, or the Federal Security Administrator, as the case may be.

(g) The term "dependent" shall include at all times and in all places the lawful wife and unmarried legitimate children, under 21 years of age, or any member of the uniformed services, except as hereinafter limited in this subsection. Such term shall include the father or mother of such member, provided he or she is in fact dependent on such member for over half of his or her support and actually resides in the household of said member. It shall also include unmarried legitimate children, over 21 years of age, of such member who are incapable of self-support because of being mentally defective or physically incapacitated, and who are in fact dependent upon such member for over half of his or her support: *Provided*, That the term "children" shall be held to include stepchildren and adopted children where such stepchildren or adopted children are in fact dependent upon such member: *Provided further*, That in the case of female members of the uniformed services, the term "dependent" shall include a husband in addition to those persons otherwise defined as dependents in this subsection, but only when such husband, or children, as defined above, are in fact dependent upon said female member for over half of his or her support.

The term "father" or "mother," as used in this subsection, shall include a stepparent, or parent by adoption, and any person, including a former stepparent, who has stood in loco parentis to the person concerned at any time for a continuous period of not less than 5 years during the minority

of such member: *Provided*, That a stepparent-stepchild relationship shall be deemed to be terminated by the stepparent's divorce from the blood parent: *Provided further*, That no member claiming a dependent as defined in this subsection may be paid increased allowances on account of such dependent for any period during which such dependent is entitled to receive basic pay for the performance of duty as defined in section 201 (e) of this act.

(h) The term "basic allowance" shall be interpreted to mean only the "basic allowance for quarters" and the "basic allowance for subsistence."

(i) The term "inactive duty training" shall be interpreted to mean any of the training, instruction, duty, appropriate duties, or equivalent training, instruction, duty, appropriate duties, or hazardous duty performed with or without compensation by members of the reserve components of the uniformed services as may be prescribed by the Secretary concerned pursuant to section 501 of this act or any other provision of law, and in addition thereto shall include the performance of special additional duties, as may be authorized by competent authority, by such members on a volunteer basis in connection with the prescribed training or maintenance activities of the unit to which the members are assigned: *Provided*, That the term "inactive duty training" shall not include work or study performed by such members in connection with correspondence courses of the uniformed services: *Provided further*, That any inactive duty training performed by members of the National Guard of the United States or of the Air National Guard of the United States, while in their status as members of the National Guard, or the Air National Guard, of the several States, Territories, and the District of Columbia pursuant to section 92 of the National Defense Act, as amended, or pursuant to any other provision of law, shall be deemed to be inactive duty training in the service of the United States.

(j) The terms "he," "his," and "him" include the terms "she" and "her."

(k) With respect to the Army and the Air Force, the term "reserve component" or the term "reserve components," unless otherwise qualified, shall include but not be limited to those members, officers, or enlisted persons who are not appointed, enlisted, or inducted in a regular or reserve component of the Army of the United States or of the Air Force of the United States but are appointed, enlisted, or inducted in the Army of the United States or the Air Force of the United States without specification as to any component thereof pursuant to any provision of law.

Mr. KILDAY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the table of contents and definitions contained in this title be regarded as read and be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FURCOLO. Mr. Chairman, I move to strike out the last word. I ask unanimous consent to revise and extend my remarks and to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FURCOLO. Mr. Chairman, there are going to be some amendments offered to this bill a little later on, but I thought it was important at the outset to try to clear up a few matters that were mentioned when the chairman of the subcommittee took the floor yesterday. In his opening remarks the chairman of the subcommittee left the impression with the members of the committee that after the bill had been recommitted for reconsideration of it by the committee, that the new bill included what was expressed to be the sentiment of the House with reference to some of these amendments. I want to point out at the outset that as far as most of the amendments that are in the bill are concerned, that at least two of them have improved the bill considerably. But, I do not want anyone here to be under any sort of misapprehension or misconception as to whether or not what the committee has done with this bill represents what was the expressed will of the House during the last debate. Let me illustrate.

In the first place, this new bill includes the so-called Case amendment that was offered the last time the bill was under consideration, which provided for a percentage pay cut all the way down the line. When the Case amendment was presented here 3 weeks ago the members of this committee went on record against it and defeated the Case amendment, but the Case amendment is in this bill now. So, at least in that respect what the chairman of the subcommittee told you about expressing the will of the House is not correct.

One other thing. Back during the last debate I offered an amendment to increase the pay of the lowest grade enlisted man, the only person in the entire military who was not given an increase by the pay bill. That amendment is now in this bill, and I am in favor of its being in the bill. However, may I point out that the members of this committee went on record 3 weeks ago as being against the inclusion of that amendment. It was voted down by something like 72 to 27. So in that particular the committee has not seen fit to follow the judgment of the House.

With reference now to family allowances, I offered an amendment in connection with family allowances and the gentleman from Colorado [Mr. CARROLL] also offered an amendment with reference to family allowances. My amendment was defeated. The amendment offered by the gentleman from Colorado [Mr. CARROLL] was adopted by the Committee of the Whole, but this bill does not have the amendment offered by the gentleman from Colorado, as I interpret it; as a matter of fact, the family-allowance provisions of this bill are more in line with my amendment, which was defeated. I am for a family-allowance provision, and I am glad that at least some sort of family-allowance provision is in this new bill. But what I want to do is convey to the members of this committee the fact that the bill that has been presented here today does not represent in any way what was the expressed will of the House 3 weeks ago. This new bill does not have the Carroll amendment that was passed by the Committee of the Whole during the last debate.

As a matter of fact, the very three amendments that were defeated by this committee are in the bill today. While I approve of at least two of those amendments that are in the bill today, we are going to offer some other amendments, and I know the committee will oppose the amendments we offer. When they oppose the amendments we offer, I do not want to have the members of this committee feel that in the bill that has been presented the committee has tried to express the will of the House as it was expressed 3 weeks ago.

There will be amendments offered that have to do with some change in the entire pay schedule. An amendment will be offered that has to do with the so-called hazardous pay or incentive pay, and an amendment affecting some of the low-grade enlisted men on quarters allowance.

One of these amendments I think will tend to show, as far as the pay schedule is concerned, that the emphasis will be placed where we feel it should be placed, from the lowest grade enlisted man on up through the junior officers. All the remarks I have heard here the last few days about the fact that they cannot get junior officers in the service, that men are quitting, and so forth, tend to show one thing. As the gentleman from Massachusetts [Mr. BATES] pointed out in his remarks of yesterday, men are refusing commissions. He gave one illustration, where about 1,000 men had qualified and only 79 men had accepted. It is the junior officers who are not accepting commissions. The reason is that apparently the junior officers are not getting enough consideration and incentive to have them join.

I think it is also interesting to point out that the gentleman's figures and the figures of the committee as shown in the committee report show that the men who are not going into the service, the men who are refusing to accept employment in the service, are also the enlisted men, some of the high-grade petty officers and some of the lower grades. Those are the Armed Services Committee's own statistics on these facts. I would be interested to hear some member of the committee give some statistics to show how many men above the rank of major or above the rank of lieutenant colonel are not staying in the service but are leaving the service for other employment. They have made a pretty good case, which we agree on, of showing that the lower grade officers and the lower grade enlisted men and the top-grade enlisted men are not staying in the service or are not going into the service because there is not enough incentive. We maintain that if there is to be a pay raise, the emphasis should be placed from the lowest grade enlisted man on up through the junior officers.

The amendment which will be offered will have to do with some increase in connection with the men in those grades, as well as other revisions. Those are the men who have to be considered, the men who are determining whether they will make a profession of the military or not. In my own humble judgment, if a young man who probably will be going in with the rank of second lieutenant or first lieutenant, or some comparable grade, is considering making the military his career, the main question that he and his wife and family are

going to have to consider is how much they are going to get in the next 7, 8, or 10 years. I think that is where the inducement should be and that is where the incentive should be. I also feel without question that the most important thing in this entire discussion is going to be the morale of the Armed Services. You have to have a bill which is going to improve and help that morale, rather than hurt it. Some of these amendments are going to cost more money than the committee bill, and some of them less money than the committee bill. But I am inclined to think that every single amendment which will be offered here today has in mind first of all what is the best thing for the security of the country, for the morale of our armed forces, and secondarily, what is the best from the point of view of economy. Very frankly some of the amendments will cost some more money, some I think will save money. I probably will have some remarks to make at the time the amendments are offered, but I did feel this was the time to point out that there have been some remarks made that are not so, and there has been an impression given that this new bill which has been brought back here today represents what the House expressed some 2 or 3 weeks ago. I think you ought to have in mind that every single amendment that is in the bill today, amendments which were referred to as being the expression of the will of the House were all defeated and now they are back in here. I hope you will have that in mind when the committee, as I know they will, opposes some of these amendments which will be offered.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WELCH of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, two splendid young men whom I appointed to the United States Military Academy at West Point were graduated with honors a few days ago. They intend to make the Army a career.

Second Lt. William J. Kennedy, one of these appointees, was married in the chapel at West Point the day following his graduation. This fine young specimen of soldier, who stands well over 6 feet, has been assigned to duty at Fort Riley, Kans., where he has taken his young bride. He, like other young men who are making the Army a career, is entitled to compensation which will afford him the comforts of a proper home and an inducement to raise a family.

Second Lieutenant Kennedy, as is the case with many other young men who are graduated from West Point and Annapolis, was not raised in the lap of luxury. He comes from a fine family. Our Government owes these young officers the comfort of such a home as they left when they entered the academy.

Mr. Chairman, we have reached a time in the progress of our country when it is imperative that we should have the best type of young men the country can afford who will make the Army and Navy a career and they should have pay commensurate with the requirements.

Mr. RICH. Mr. Chairman, if the gentleman will yield for a question—what salary will the officer receive?

Mr. WELCH of California. It is written in the bill. A base pay of $213.75 a month.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think a fair analysis of the last bill, that was recommitted, would be that a substantial number of the members who voted for recommittal were not against a bill passing, but they were not satisfied with the provisions of the bill as it emerged from the Committee of the Whole. I think, in justice to those who voted for recommittal and who favor legislation, that this statement should be made; and, to place the construction upon the last vote that all Members who voted for recommittal were against any legislation passing, would be absolutely incorrect. I think it is also fair to say, from my talks and my observance of the bill and the other bill when it was before the House, that the great majority of the Members of the House believe that legislation of this kind should be passed. I think there is a general recognition that there should be a pay raise for the officers and enlisted men of our armed services.

I speak as one who served as a buck private in the First World War. I think I got $30 a month then. Later, when I was a sergeant, I think I got $38 a month. I can approach this from the angle of one who served in the enlisted ranks.

I thank God that we have young men who want to make a career of the various branches of our armed services, both as officers and as enlisted men. I would serve any period of time that my country was at war, but I would not want to serve 5 minutes in peacetime. But I am thankful that we have young men and young women who are willing to make a career of the armed service, because they are the ones to whom we must look in case of another war. I can say I thank God that we had the leaders in the last war that we had, in the Army, the Navy, the Air Corps, the Marine Corps, the Coast Guard, and all branches of our armed services. I think it is safe to say that the best fighting army in the world cannot compete with another good fighting army that is also well officered, unless the fighting army is also well officered. We may have the finest fighting army in the world of enlisted men, but how effective can they be unless we have officers—men who are trained?

I think it is wrong to try to separate the enlisted men from the officers or the officers from the enlisted men. I think it is wrong to blame all officers for what one or two or a small percentage might do. I got some rough deals when I was an enlisted man, but I did not overlook the great majority of officers who were gentlemen and who treated the enlisted men decently. I reacted to such uncomfortable happenings. We are all human. But when I meet somebody who does something I do not like, I do not think, if I would react in a manner that I would direct myself adversely against the entire group of which the individual who wronged or hurt me, that I am doing the right thing. I think the average enlisted man will agree that the average officer is decent and that he is a gentleman and wants to do the right thing. And this observation also applies to the enlisted man. They have a job to do. The enlisted man has a job to do. I think we ought to send a message to those who are making a career, both as officers and enlisted men, today in the passage of this bill, that we appreciate the problem that confronts them and that the recommittal of the last bill is not to be construed by them that the House of Representatives is adverse to justifiable increases. It seems to me that legislation is essential. It is justice. The officers have their problems. The enlisted men have their problems. This is a mere corrective compensation bill. It has been very carefully studied. The last bill was recommitted, and the experiences of the last one has been considered. I recognize that every Member is not satisfied with every provision of this bill. Opportunity will exist and should exist for Members to offer amendments. I ask those Members whose amendments may be defeated, should they offer amendments, nevertheless to vote for the bill; and I ask the Committee, notwithstanding the fact that amendments may be adopted to the bill, not to be opposed to the amended bill. The objective I speak for today, the second time a bill of its kind comes before the House, is a bill, no matter how the bill emerges from the Committee of the Whole. Personally, I am satisfied with the bill as reported out of the Committee on the Armed Services. My desire is that we pass a bill and send it over to the other Chamber.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. VURSELL. Mr. Chairman——

Mr. WELCH of California. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. WELCH. Mr. Chairman, I was asked by the gentleman from Pennsylvania [Mr. RICH] the amount of pay that a second lieutenant would receive. At the time I could not give him the exact answer. But I have the answer now. Under the bill now before us a second lieutenant would receive $213.75 a month; they now receive $180 a month. This gives them a basic increase of $33.75 a month.

Mr. VURSELL. Mr. Chairman, I would like to direct a question to the chairman of the subcommittee: Will the gentleman from Texas tell the House, and particularly tell me, what this bill will cost as compared to the former bill.

Mr. KILDAY. The present bill for the fiscal year 1950, remembering that that would be practically nine months of 1950 because the bill under its terms does not go into effect until the first day of Oc-

tober, would be $78,000,000 less than the bill that we had before us some weeks ago which was recommitted. It will increase a bit on the fiscal year basis during the next 2 years because of the continuance of family allowances; but by the time we level off, in 1953, it will cost $302,000,000 as compared to $401,000,000 under the other bill.

Mr. VURSELL. I thank the gentleman and wish to ask him another question: In the reconsideration of this bill the gentleman has gone into the matter to where it would be his judgment as chairman of the subcommittee, I take it, that this is a refined product that will pretty well meet the needs, the compromise needs, may I say, of the officers and men of the armed forces at the present time; am I correct?

Mr. KILDAY. I think the gentleman has expressed it very well when he said "the compromise needs." I am still sincerely of the opinion that the other bill was the proper bill. This bill is still a good one, particularly insofar as the bill maintains the formula worked out by the Hook Commission after careful, thorough, and detailed study. The formula of the Hook Commission is very well worked out and very basic. Should adjustments be necessary in the future they can be made percentagewise, reductions or increases. It would be a very simple matter to make out a new schedule should it become necessary, for all that would be needed would be to raise it or lower it by a simple matter of a percentagewise increase or decrease.

Mr. VURSELL. I thank the gentleman from Texas.

Mr. Chairman, when this bill was considered recently there was so much general confusion and objection that while I had great confidence in this splendid committee I felt that probably I would be justified in voting to recommit the bill for further study. That seemed to be the sentiment of the House at that time. Reluctantly, I cast that vote.

We have seen the statements of various top flight military leaders, particularly of General Bradley, one of our great military leaders in the last war. They say that legislation of this kind is imperative for the morale of the personnel of our armed forces. I am not willing to go against their judgment at this time. I think we have some of the greatest military leaders of the world. I hope the time will not come when we will have to cast the lot of this Nation and put it wholly in the hands of these men, but should that time arrive, I do not want it to be said that I as a Member of the Congress, or that the Congress of the United States itself, interfered with or made less efficient the military arms of our Government.

I have confidence in the committee that brings this bill to the House after a thorough study of the whole situation. Therefore, I shall support the bill and I think that the House will be justified, now that the matter has been fully reconsidered, in passing the present bill. In my opinion, we should brush aside any amendments that may be offered and get on to the passage of the bill in the form that it comes from the committee.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Chairman, I am in accord 100 percent with our great majority leader in his statements about action on H. R. 4591. As I stated on the floor of the House in the discussion of the bill, I favor a pay raise, but I am for an equitable and fair one. The reason I was against the other bill was because I did not think it was fair. Every statement I made before, I reiterate again today. Every observation I made at that time, concerning prerequisites, I repeat. I am not retreating on any of them. In fact, I could give numerous additional instances. Since that time I have visited two Army camps and two Navy bases, so I know whereof I speak. However, I am not going into that. I am going to try to be constructive, not detrimental.

For one, I go along with the majority leader in the hope that we can pass an impartial pay-raise bill. I have no malice toward any top brass. Three of the greatest fighters I have ever known, the three men who I consider had more guts than any other men I have ever known, were generals, General Cramer from the Twenty-fourth Division, General Mudge from the First Cavalry, and General Chase from the First Cavalry Division. I have the greatest respect and admiration for our leaders. But regardless of what it may be, military legislation, tax legislation, labor legislation, or any other form of legislation, my people of the great Volunteer State of Tennessee want fairness and justice, and as one of the Representatives from the Volunteer State, I will always shoot for fairness and equity. That is the reason I was fighting against H. R. 4591. I did not think it was equitable, and I was not alone in that position. Even though much criticism has been directed against me by the Army and Navy bulletins and some of the Army and Navy wives, as well as some of the papers, there were 227 of this body who did not like that bill.

I am glad to see that the Committee on Armed Services, for whose members I have the greatest respect and admiration, have reconsidered and reported an improved bill. In fact, it was my second choice to be elected to the Committee on Armed Services. I first asked for the Committee on Agriculture, and my second choice was the Committee on Armed Services. I would have enjoyed serving with those gentlemen because I consider them statesmen—as I say, I am glad to see that they have repented in this bill. But, I think they should be baptized and accept a few amendments, then we will have a good pay bill, an equitable and fair pay bill.

My contention all along, together with the gentleman from Massachusetts [Mr. FURCOLO], and along with some of the other gentlemen who have spoken before, has been and is today that your incentive pay should go to those boys that are in financial distress. They need a pay increase to stay in the services, to make our armed forces the greatest in the world. Your second lieutenants, your first lieutenants, your captains and your majors, those are the boys that are to be our future ranking officers, and they are having a hard time. Take your enlisted men, they are having a hard time. If you get those men over the hump, so to speak, and give them a fair pay incentive where they will stay in the service until they become lieutenant colonels and colonels, you will not have men resigning from the Army, the Navy, the Marine Corps, or the Air Corps, but you will have competent and efficient men in the armed services of America. You will have men who will be proud to say that they represent the armed services of our country. But, until the time comes when we can enact a pay raise which is fair and equitable, and until the time comes that we take care of those boys, who actually are suffering financially, they will be tempted to go into industry, until that time comes we are going to continue to lose our best men out of the ranks of second lieutenants, first lieutenants, captains, majors, sergeants and corporals. For that reason and that reason only, they are leaving the services. To say nothing of the family situation. By the way, they have to rear them on their present pay, and they cannot properly rear and educate them without more money. The recommendation of the Hook commission should be an incentive pay raise for those junior officers and enlisted men more than for your top ranks.

I shall offer an amendment, and I hope that each Member of the House will get a copy of the amendment. I hope the pages will pass it around. As to this amendment, I had Mr. Lattimer from the Hook Commission, who has been with them for the last 18 months, figure out what it would cost. I have those figures here, and when I discuss this amendment I will tell you exactly what it will cost according to Mr. Lattimer, who figured it up for the Hook Commission. His estimate is that it will cost more than H. R. 5007 but will cost less than H. R. 4591. I do not say that this is an economy drive. We should think of the morale of our men. We should think of our country. You cannot measure the security of America in dollars and cents. You cannot measure what a second lieutenant is worth in dollars and cents to the American people. The most patriotic people in the world are the boys and girls in the armed services of the United States of America. When you are looking for a Communist, you will never go to the military services of America. Those are the people that are willing to and have sacrificed their lives for this Nation. Your junior officers and enlisted men have been making great sacrifices for a long time. They are willing to continue to die for America. Those are the most patriotic people we have in the United States of America, not even excluding the Members of the Congress. They are the people we can look up to as true, great Americans. We should think of their morale, we should think of the incentive to keep them in the services to protect our country and our people. They have chosen the armed

services as their career. Let us take care of them. Let us economize on something that is foolish and not necessary. Let us have a pay raise, but let us have an equitable, impartial, just, and fair raise. I am not going to burden you longer on this.

There are two major amendments that will be offered. We are interested in more, but these are the main ones. One is the discrimination between the line officers and the flight officers. The gentleman from Massachusetts [Mr. FURCULO] will offer an amendment on page 19 which will save $23,000,000 and will be equitable, that is economizing. On the other hand, the pay-scale amendment that will be offered later will cost more than the bill now before us, but we will have a saving over all, in the protection of America, protection of the enlisted men, protection of the junior officers, protection of the senior officers, as well as protection for the brass.

With due respect to all, I am hopeful that this committee and the House will pass a pay raise for them, one that is fair, one that is equitable, and one that is just.

Mr. POTTER. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POTTER. Mr. Chairman, I wish to congratulate the committee on bringing out this bill and also the original pay adjustment bill. I supported the original pay-adjustment bill and will support this bill, although I would have preferred the former piece of legislation.

It does not quite make sense to me when we spend billions and billions of dollars to equip the Army, Air Force, and Navy with the latest weapons and the best equipment we can purchase, and then are niggardly when it comes to providing an incentive to the men who make the Army, Navy, or Air Force a career.

It was my lot to have served during World War II as an enlisted man, a junior grade officer, and a field grade officer. As a matter of fact, 17 of my first 24 hours in the United States Army were spent on KP, so I know a little bit whereof I speak. My greatest concern as an enlisted man was in knowing that I had competent officers and NCO's. There is nothing more demoralizing, there is nothing that will dishearten the enlisted man more than to deny him the possibility of securing the best officers and NCO's the Government can provide him.

We talk about the money this is going to cost. I am inclined to agree with the ranking minority member of the Committee on Armed Services, my friend, the gentleman from Missouri [Mr. SHORT] in his statement yesterday that he predicts that in the long run this bill will actually be an economy measure. If we provide an adequate pay schedule for our officers and NCO's, I as one Member of Congress will hold the military services responsible for doing an adequate job. However, if we deny them the pay adjusment that they consider adequate, then I cannot in good conscience go to them and say, "You are doing a poor job," when that situation comes up. Therefore, Mr. Chairman, in justice to the enlisted man, let us not be niggardly about a pay increase as far as our military structure is concerned. I understand that truck drivers around New York City are earning $10,000 a year or more. I do not begrudge the truck driver earning his $10,000 a year salary, but I am wondering if it would not be possible to give, say, a major in the Army at least half of what the truck driver receives.

I have been concerned about the opposition to this bill and the former bill, referring to the so-called brass and anybody who has a star or a bar on his shoulder and using them as a whipping boy. Unfortunately, I have not lived long enough to have experienced what happened after the last war, but I understand that has been a common procedure, to hold up the officers of your military branches, put them on a pedestal when you need them and then after the war is over put them in a dark closet and use them as a whipping boy for everyone who wants to take a crack at them. It is true perhaps politically that we do not get many votes from officers, while there are a large number of enlisted men. Perhaps politically it is wise to bombast the officers to create an illusion that you are the great friend of the enlisted man. But to be honest and to do what is right by the enlisted man, let us give them some good officers so that the lives of the enlisted men will not be endangered by a lack of good officer material.

It is not my understanding of a democratic army that the private should receive as much salary as the general. It is my belief that in a democratic army a private should be able, if he has the ability and puts in the effort to rise to the rank of a general, and by so doing be able to receive adequate pay increases as he develops in the service.

Mr. Chairman, I hope this Committee will see fit to pass the bill without amendment.

Mr. CARROLL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, not being available yesterday during debate, I should like to ask the gentleman from Texas a few questions about this new bill. At the outset I may say that I am not interested in opposing this bill because it is a wage-increase bill. As a matter of fact, I think the other bill which was before this body would have been a more equitable bill than some of the provisions in the present bill from the standpoint of a wage increase. In asking these questions there is no desire on my part to offer any obstructing amendments which may send the bill back to committee.

During the debate on the original bill I offered an amendment which was adopted by the House. That amendment was designed to insure equitable treatment of the enlisted man who enlisted prior to July 1, 1946, and the enlisted man who came into the service after that date. It was the consensus of this body that those men should be treated equitably. I want to ask the gentleman from Texas whether or not in this revised bill we have afforded those enlisted men, either before or after July, the same treatment as was set forth by my amendment.

Mr. KILDAY. The provisions of the bill are not exactly the same as the one offered by the gentleman from Colorado when the bill was before us for consideration before.

Mr. CARROLL. Will the gentleman permit me to interrupt at this time? As I remember the bill which came before this body, those who enlisted prior to July 1, 1946, were to retain the family allowance under the act of 1942, in addition to which they were to receive the wage increase.

Mr. KILDAY. That is correct, as to those enlisting prior to July 1, 1946.

Mr. CARROLL. As I understand the provisions of this act, this bill now before us has been revised and those who came in before July 1, 1946, have had taken away from them the wage increase, is that not so?

Mr. KILDAY. That is not my understanding of the provision. My understanding of the provision is we recognize that the law having been in existence as to those enlisting prior to July 1, 1946, they have a definite fixed contract under which they are to continue to draw that throughout the period of their enlistment and under this provision they would not be deprived of anything.

Mr. CARROLL. Is the gentleman not saying that these men who entered the service before July 1, if this bill becomes effective, will not receive an increase?

Mr. KILDAY. That is correct. They would not receive an increase, but their family allowance will be carried on in accordance with the provisions of previously existing law. We regard that as being a contract which we made with those men, and we propose to see to it that the Government abides by it.

Mr. CARROLL. Now, you will remember that in the amendment which I offered we said that those who enlisted after July 1, 1946, should be treated equitably and equally. Under this bill, as I understand it, after 1946 they not only do not get the wage increase but you have modified the family allowance. Is that not true?

Mr. KILDAY. We have modified it. I am going to have to answer that in my own time, when I will have adequate time to do it. We were under the necessity of reducing the cost of the bill. The amendment which the gentleman wrote into the bill increased it over $100,000,000 above previous proposals. I regard the adoption of the gentleman's amendment the other day as an outstanding example of the fallacy of attempting to write this type of legislation on the floor of the House.

Mr. CARROLL. I am happy to have the gentleman's comment. This is tremendously important, and the gentleman has unwittingly placed his finger upon the great weakness of this bill. I have no desire to obstruct the passage of the bill. All I want is an equitable measure incorporated into this bill. If you will look in the report you will find that

they have saved, according to their statement, $183,000,000. From where? From the family allowances. Well, who have family allowances? The enlisted men have the family allowances. So $183,000,000 is saved, according to them, so they can take it away from these men and their dependents who had the protection, as the gentleman has used the term, "of a contract of enlistment."

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. They have pulled away $183,000,000 from this small group, and they have loaded it on top. That was the amendment I offered before. I said it was not fair and equitable and should not be permitted by this body. I charge you, that when you effect this saving you can take it away from the enlisted man and his family, notwithstanding that he had entered into a contract of enlistment with this Government, and this Government said to him, under the 1942 act, "If you go into the service we will take care of your wife and your child, and if necessary we will take care of your dependents." By this act they are modifying the act of 1942 and they are modifying the contract of enlistment.

Perhaps there is a saving of $100,000,000. However, I do not stand here joining with the economy group. That is why I say, as the gentleman who preceded me has said, if we invest $16,000,000,000 in the defense of this Nation, then we ought to have an officer personnel and an enlisted personnel that can measure up to the responsibility of safeguarding our national defense.

Now as to pay cuts in the present bill. There is a cut of $895,000 in the generals. There is a cut of over $42,000,000 from officers below the class of general officers. There is a $32,000,000 cut from the enlisted personnel. But under the previous bill the enlisted man who entered service before July 1, 1946, received a pay increase. That bill was sent back to committee. Now a bill is brought to this floor taking away from him his wage increase. That is not fair. As to these enlisted men who have come into service after July 1, 1946—not only his wage increase but his family allowance is materially reduced. I believe the gentlemen on the committee are unduly concerned regarding the passage of the bill. If they did this thing equitably the economy bloc could not defeat the bill.

I say that we ought to put in the original amendment. If it costs $100,000,000, that is an obligation of this Government, a contractural obligation which the Government entered into. The committee cannot deny that. If we grant these wage increases now it will be at the expense of some of the enlisted personnel and their families.

The gentleman from Massachusetts and I engaged in some colloquy on the previous debate. He asked: "Do you mean by your amendment that you are going to give wage increases?" And I said: "That is exactly what I mean." Because, when we consider increases to the generals, the colonels, the majors, the junior officers, and the enlisted personnel, it must go all the way up the line, everybody getting a wage increase; and then, eventually, in 1952—and this is the provision of this bill—we shall not further continue the present family-allowance benefits. But we should not shut them off when men are under a contract of enlistment. We could eliminate them gradually by 1952.

Therefore, to make the issue crystal clear, any saving that we make out of current expenditures, that is to say the sum of $183,000,000 as is set forth in the committee report, is that amount of money taken away from the families or dependents of enlisted men which has been heretofore established in favor of enlisted men and their dependents by an act of Congress passed in 1942. The purpose of my amendment is merely to retain the present provisions of existing law until such time as an enlisted man ends his current term of enlistment. I say that the Government has a moral obligation to fulfill its contract and that in good faith and in good conscience we should not discriminate against those categories of enlisted men who have families or dependents now drawing benefits under an act of Congress. It seems reasonable to me to permit them to serve out their present enlistment before subjecting them to new laws and new provisions which will not be beneficial either to them, their families, or dependents, and which materially violate their contract for military service in the Government of the United States.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. KILDAY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. KILDAY. Mr. Chairman, during general debate on yesterday we attempted to explain exactly what we have done in reducing this bill. I regret that an issue has arisen over what I said with reference to the directive to the Committee at the time the bill was recommitted for further study. My statement was that the motion to recommit offered by the gentleman from South Dakota was in effect a directive, and I call your attention to the fact that the motion to recommit merely recommitted the bill to the committee for further study, not to report it back with the amendment offered by the gentleman from Colorado, which added $100,000,000 to the bill. That provision was added to the bill on the floor of the House with comparatively little consideration. The motion to recommit, rather than being a directive to your committee to bring back the bill exactly as it had been written on the floor with little consideration and debate was a directive to give the bill further study. I certainly do not feel that we then had a directive to bring it back in accordance with exactly what had been written into the bill on the floor of the House. I am also quite familiar with tactics followed by some in the House at times to so burden a bill with amendments that it will be defeated. So we cannot undertake to evaluate the motion to recommit as a specific direction to the committee to bring the bill back as it was.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. Not at this time; I will yield later.

The fears expressed about those who enlisted before July 1, 1946, is theoretical. A man who enlisted prior to July 1, 1946, is in the higher rated class; he moves into a higher income bracket because of increases in allowances which we give him in this bill which give to some about $60 a month. We never made a contract with those men that their pay would be increased or that it would be increased because the pay of others was increased. We made a contract as to family allowances which was definitely provided by law, which said that it would terminate 6 months after the war was declared over. We said to the man that if he enlisted prior to July 1, 1946, we would not permit his family allowance to terminate during the period of his enlistment. We are carrying out the commitment we made at that time. The bill which we have brought back is in accordance with what we deemed to be the instructions of the House that we further study the matter and bring in a bill with such revisions as seemed to us to be proper.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Colorado.

Mr. CARROLL. The gentleman indicates that the wage increase is not important to those who came in before 1946?

Mr. KILDAY. I never indicated anything of the kind and the gentleman knows I have not.

Mr. CARROLL. I thought the gentleman's comment was that it was not important.

Mr. KILDAY. I said nothing of the kind and no one can so construe.

Mr. CARROLL. That was my understanding, but it is not important. May I say to the gentleman from Texas that if I thought my amendment would defeat this measure I would not be willing to offer it because I want to see this measure passed, but I believe the committee is unnecessarily apprehensive. I believe if we give equitable treatment here, even though it costs more money, this group is not so economy minded that they will defeat it.

Mr. KILDAY. The gentleman misconstrues the temper of this House very materially. It will not stand for a bill that costs up to $406,000,000. If we attempted to do what the gentleman is talking about on family allowances, then you are going to get it back to $400,000,000 and the bill is going to be recommitted just as surely as I stand here.

The gentleman referred to the fact that we reduced the generals in this bill only, I think he said $890,000. It is about $900,000. He points that out as showing what little bit we are reducing

the generals. The proper construction of that is that applying a 10 percent decrease to everything that we attempted to give them in the other bill you save approximately $900,000 because there is not any money in that bracket. The total increase that would be given to generals in this bill is less than $2,000,000 and if you were to take every cent that it is proposed to give in increases to the colonels and the generals and distribute it among the enlisted men you would increase their pay only 74 cents a month.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. Mr. Chairman, we save $40,000,000 on officers other than generals, but we reduced what we tried to give them by half as much as we reduced the generals, still saving about $40,000,000, showing clearly that the vast majority of the money appropriated in this bill for officers goes to officers below the rank of general.

So far as the enlisted men are concerned, we reduced them but 2 percent. In other words, in the $200 bracket we reduce them $4 a month, but we save almost $40,000,000, proving again that all of the money in the bill is in the classes of officers below general and in your enlisted grades. That is where the money is in this bill.

Mr. CARROLL. The gentleman is absolutely right, and that is why I made the statement. I said it is such a piddling reduction that we should not pay so much attention to it and should be concentrating our attention on this apparent inequity. The gentleman has by his remarks, I think, indicated that he is concerned about the passage of this bill because of this increase, or because of the family-allowance matter, and that we ought to abandon the family-allowance proposition to pass the bill.

Mr. KILDAY. I said nothing of the kind. A proper construction of the family-allowance provision contained in this bill is not subject to attack as being inequitable. It is perfectly equitable and the thing that should be done. There is the question of the moral obligation we owe to other men in the service who qualify for allowance for quarters and subsistence the same as we propose to compel others to qualify.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The gentleman from Colorado seems to be concerned about elimination of the family allowances given prior to July 1, 1946, yet he says in the same breath, at least he intimates, that if the amendment of his would jeopardize passage of the bill he would not offer it. The fact is that he did offer such an amendment the last time the bill was being considered, the amendment was adopted, and the gentleman from Colorado voted to recommit the bill.

Mr. KILDAY. That is correct. And, after he got what he wanted for family allowances, he voted to recommit the bill, after he played into the hands of those who did not want to go beyond a certain figure on this legislation. I will ask the gentleman, did he not vote against it after he got his amendment adopted?

Mr. CARROLL. When we debated this thing on the floor of the House, many of us felt that this bill had not been thoroughly considered and, as I say, as it comes back to the House, I think I know as much about the bill as the gentleman who is the chairman of the subcommittee.

Mr. KILDAY. I think the gentleman knows as much about any subject as any Member of the House.

Mr. CARROLL. I think that this bill is a fine bill. I admit that there are many fine provisions, but I do not like this particular provision. And, I said to the gentleman from Texas, rather than have this bill defeated, I would not press my amendment. But, I do not agree with the gentleman. I think he is unnecessarily alarmed.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. The gentleman from Colorado said that the first bill we brought in, in his opinion, was a better bill than we brought in today, and yet the very amendment he now offers or speaks about is the same amendment he presented two weeks ago, which was adopted, and he voted against the bill.

Mr. CARROLL. I was referring to your increase and the further point that the gentleman from Texas makes, that there was only a small reduction on the generals, and I said I thought we should not be demagoging on the brass, because there are only $900,000 involved.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Illinois.

Mr. PRICE. The gentleman from Colorado said that the original bill had not been thoroughly considered. I submit that this program was considered over a year by the Hook Commission. Our subcommittee studied it for over 3 months, and I think we gave exceptionally fair consideration to the original legislation.

Mr. KILDAY. There can be no question about that.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I would like to ask the gentleman from Colorado, in view of the great interest that he is manifesting on the floor of the House, why he did not come before the Committee on Armed Services when this bill was being considered and express his objections at that time?

Mr. KILDAY. I am going to request you gentlemen to carry on your argument in your own time. My time is about gone.

Mr. GAVIN. I would like to ask him that question.

Mr. KILDAY. Well, the gentleman can take time and ask him that question.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Massachusetts, because he offered the other amendment, and this follows the pattern of his amendment.

Mr. FURCOLO. I would like to ask this question. The gentleman has put in this bill without any question the Case amendment; is that not right?

Mr. KILDAY. No, not exactly. His amendment was 5 percent for officers and 3 percent for enlisted men, and we have used the formula of 10, 5, 3, and 2. We took the position that to preserve the work of the Hook Commission you could only apply your reduction percentagewise.

Mr. FURCOLO. You put in the theory of the Case amendment that makes a percentage cut all the way from top to bottom.

Mr. KILDAY. That is right.

Mr. FURCOLO. Is it not a fact that that amendment was presented here and defeated in the committee?

Mr. KILDAY. It was defeated, but at the same time the gentleman from South Dakota was able to recommit the bill, and his total argument was to reduce the bill by $100,000,000.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I would like to discuss briefly a matter I have discussed with the chairman of the full committee, the chairman of the subcommittee, and the ranking member of the subcommittee, as well as with other members of the committee. I think it is extremely important to some of us who voted to recommit the bill on May 24, because we were confronted then with a situation which I think also confronts us today, unless there is definite assurance given by the committee that this problem is going to be solved. Too, I think it is of vital importance to the Congress, to the personnel of the armed services, to other Federal employees and to the American people.

I know the gentleman is aware of the fact that the Bureau of the Budget furnished several tabulations with reference to the previous bill on May 12, which was inserted in the CONGRESSIONAL RECORD, on that date from pages 6218 to 6228, inclusive.

When the previous bill, H. R. 4591, was before the House on May 24, I voted with those in favor of recommitting that bill to the Committee on Armed Services for further study. I did so because, after studying the committee report, the hearings, and that bill, in terms of the comparable tables and other data prepared by the Bureau of the Budget, I believed that it was most important for the House to have the benefit of a further study of the over-all problem by the committee. I was particularly concerned with the

information contained in those tabulations as to the value of what was described as the present annual value of deferred benefits. Under the permission which I secured in the House, I am including here the table described as 2 (B):

TABLE 2 (B).—*Military compensation rates as proposed by Advisory Commission on Service Pay (H. R. 2553)*

[Entrance rates for married personnel—Annual rates in dollars]

Military grade or rank		Active duty compensation									Present annual value of deferred benefits
Expected entry year	Rank	Base pay	Longevity	Subtotal basic pay	Quarters allowances (tax free)	Subsistence allowances (tax free)	Food, clothing, and shelter to enlisted "in kind"	Subtotal: Active duty gross pay (including pay "in kind")	Tax advantage on cash allowances	Total active duty compensation	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Officers:											
30	General	$11,700	$360	$12,060	$1,800	$2,740		$16,600	$1,100	$17,700	$3,256
30	Lieutenant general	11,700	360	12,060	1,800	1,040		14,900	650	15,550	3,256
30	Major general	11,700	360	12,060	1,800	540		14,400	530	14,930	3,256
30	Brigadier general	9,720	720	10,440	1,800	540		12,780	520	13,300	2,819
25	Colonel	7,200	900	8,100	1,440	540		10,080	350	10,430	2,187
19	Lieutenant colonel	5,670	990	6,660	1,440	540		8,640	340	8,980	1,798
13	Major	4,860	540	5,400	1,260	540		7,200	290	7,490	1,458
7	Captain	3,960	360	4,320	1,080	540		5,940	240	6,180	1,166
3	First lieutenant	3,144	186	3,330	990	540		4,860	220	5,080	899
0	Second lieutenant	2,700		2,700	900	540		4,140	200	4,340	729
Enlisted:											
15	Master sergeant (1)	2,430	540	2,970	810	378	$240	4,398	170	4,568	921
11	Technical sergeant (2)	2,070	360	2,430	810	378	240	3,858	170	4,028	753
7	Staff sergeant (3)	1,710	270	1,980	810	378	240	3,408	170	3,578	614
3	Sergeant (4)	1,440	90	1,530			1,296	2,826		2,826	474
1	Corporal (5)	1,170		1,170			1,296	2,466		2,466	363
½	Private first class (6)	990		990			1,296	2,286		2,286	307
0	Private (7)	900		900			1,296	2,196		2,196	279

It is my understanding that H. R. 4591, in general, followed rather closely the pay schedules and retirement benefits provided in the original bill, H. R. 2553.

I want to emphasize the fact that this is an analysis based on the actuarial estimates of the Hook Commission. You will find in the RECORD for May 12 a number of interesting annotations to the several columns but I want to direct the Committee's particular attention to the annotation with reference to column 10. It is as follows:

These estimates cover the cost to the Government of disability, retirement, severance, and death benefits provided to military personnel on a noncontributory basis. Based on the actuarial estimates of the Hook Commission (averaging its high and low assumptions, and assuming 2½ percent interest per annum) the present annual value or discounted cost of these deferred benefits for Regular nonflying officer would be about 27 percent of basic pay. For enlisted personnel the cost to the Government would be about 31 percent of basic pay. (If not discounted for interest, the cost would be much higher.) The figures shown in column 10 represent the amounts the Government would have to lay aside for each employee for each year of active service, assuming 2½ percent interest per annum would be earned by the retirement fund, to ultimately pay the retirement and other benefits to be provided to the employees who qualify for benefits. Viewed from another standpoint, these are the extra annual rates the Government would have to pay its military employees if they all took our private insurance policies (at cost, without loading, and assuming 2½ percent interest) to give them the same protection now provided by the Government.

Let me further call your attention to the reported annual benefit to the individuals ranging from $279 in the case of the private, to $3,256 in the case of the general.

It is my understanding that this was the first time that the Budget Bureau had provided an estimate of the discounted annual value of retirement, as well as other deferred benefits, to the military personnel. These benefits appear to add a substantial percentage to the gross amount received by the military personnel in the course of a year, since the Government clearly pays the entire cost of military retirement benefits. In contrast to that, I understand that civil-service employees contribute approximately 6 percent of their total annual pay and the Government contributes another 6 percent on an average. Therefore, it seems we are confronted with the fact, even in terms of the present revised bill, that civilian employees receive retirement benefits which appear to be only one-half to one-third the benefits the military personnel receive. It is my further understanding that the computation of military retirement pay is on the basis of the highest grade held for 6 months while the basis in civil service is the average salary for 5 years. But, the most important factor, is that military personnel have not been required to contribute anything toward their retirement and my study of the pending bill leads me to the conclusion that there is no change incorporated in this bill. May I call your attention to the language at page 2 of the committee report on this bill as follows:

While the committee has accepted many of the recommendations of the Hook Commission, it has not accepted them all and, in some instances, fundamental changes were made in the initial legislative draft. Originally the proposed act contained revisions of voluntary and involuntary retirement laws. The committee was of the opinion that the subject of voluntary and involuntary retirement was so complex, so vast, and would have such far-reaching effects upon the services that an attempt to revise or rewrite these laws should be held in abeyance until some future date, when it could be made as a separate study.

I emphasize these words, "that an attempt to revise or rewrite these laws should be held in abeyance until some future date." Now, may I turn to a tabulation which I prepared and which the committee staff has been kind enough to revise for me in part. Under the permission granted in the House, I include that tabulation in full:

	H. R. 4591	H. R. 5007	Classified civilian Federal (Classification Act revision)	Comparable industrial pay rates according to Commission survey in 1948
General	$20,956			
Lieutenant general	18,806			
Major general	18,186	$16,934.00	$15,900	$33,204
Major general			13,780	
Brigadier general	16,119	15,039.00	12,190	22,284
Brigadier general			10,600	
Colonel	12,617	12,176.00	9,964	11,844
Colonel			9,328	
Lieutenant colonel	10,778	10,409.00	7,956	7,428
Major	8,948	8,642.00	6,784	6,852
Captain	7,346	7,094.00	5,724	6,180
Captain			5,300	
First Lieutenant	5,979	5,812.56	4,876	4,644
First Lieutenant			4,252	
Second lieutenant	5,069	4,848.00	4,029	4,644
Master sergeant	5,489	5,429.60	4,028	4,752
Technical sergeant	4,781	4,632.40	3,604	4,020
Staff sergeant	4,192	4,147.40	3,180	3,792
Sergeant	3,300	3,296.40	2,915	3,564
Corporal	2,829	2,805.60	2,650	3,240
Private 1st class	2,593	2,593.00	2,438	2,820
Private	2,475	2,475.00	2,226	2,820

[1] In addition, the amounts under H. R. 5007 must be reduced by a reduction of tax exemption and a reduction in the value of individual retirement benefits.

References: Report, U. S. Bureau of the Budget, CONGRESSIONAL RECORD, May 12, 1949, pp. 6218-6228.

I am advised that the total amounts of additional reductions in the second column would be comparatively small in any case possibly ranging from $100 to, at the highest, $500. I regret that neither the committee staff nor I have been able to develop this minor point with exactness.

I have furnished copies of this tabulation to the chairman of the subcommittee, the chairman of the full committee, the ranking Republican member of the subcommittee, and to other members of the full committee with whom I have had an opportunity to discuss this matter.

You will find a marked difference in terms of the over-all benefits to be re-

ceived under this bill in every category from major general to private in contrast to the over-all benefits under the pending Classification Act revision in comparable categories. I realize that there is some difference of opinion as to the priority of such comparable classifications but I insist that when you study the contrasts in the two categories covering colonel, lieutenant colonel, major, captain, first lieutenant, second lieutenant, master sergeant, technical sergeant, staff sergeant, and sergeant, with comparable categories in the classified civilian employees in the Federal Government, it raises a very important question for the consideration of this Congress.

Next, you will find an even more marked spread between the over-all benefits received in every category from colonel through staff sergeant in contrast with comparable industrial pay rates according to the Hook Commission survey itself. Again, I recognize that differences of opinion will arise over the kind of responsibilities required as well as relative advantages or disadvantages involved. However, in terms of creating a situation, without reference to the second important and, in my opinion, equally vital problem to which the Hook Commission addressed itself, I think we must recognize that we have an important task only partially completed and perhaps coming to us somewhat out of focus.

Turning back to table 2 (B) and column 10, this becomes particularly obvious. Of course, some adjustments must be made because of the increase here in base pay which will necessarily reflect itself in added annual value of deferred retirement benefits. If the colonel in question purchased the equivalent protection, his over-all compensation from the Government would be reduced to $9,989 in contrast to $9,964 in the classification revision. In the case of the lieutenant colonel, his over-all compensation would be reduced to $8,611 in contrast to $7,956 in the classification revision and $7,428 in comparable industrial pay rates. In the case of the major, it would be $7,184 against $6,784 and $6,852 in the comparable positions. In the case of the captain, the value of his over-all compensation would be $5,928 against $5,724 and $6,180 in the comparable occupations. I have not carried this throughout the entire categories but I think this illustration is sufficient to indicate the very great importance of this interrelated problem. If action is not taken as promptly as possible toward a solution, then I certainly feel that there would not be justice in denying a request which could be made fairly on the part of other Federal employees that they, too, should be permitted to abandon the burden of contribution and rely solely on the Government assuming the full obligation. In that connection, according to the committee's report on both of these bills, the individuals involved total 1,593,516. The latest information which I have as to the number of employees, exclusive of those in the armed services is the additional report of the Joint Committee on Reduction of Nonessential Federal Expenditures, Congress of the United States. The total is 2,111,257.

To complete the record, may I quote from certain letters which the committee incorporated in the report on H. R. 4591?

First, the following is contained in the fourth paragraph of the letter from the President to the Secretary of Defense, dated March 5, 1949:

> I believe that it would be appropriate to put the proposed retirement system on a 6 percent contributory basis, similar to the system now in effect for classified employees. Such a step should be coupled, however, with a modification of the retirement system to provide survivor benefits for personnel of the uniformed forces. The amounts of the various benefits should be adjusted so as not to absorb completely the revenue to be received from contributions.

Next, may I quote from the letter of Hon. Frank Pace, Jr., Director of the Bureau of the Budget, to the Secretary of Defense, dated May 11, 1949, as follows:

> I agree that there are not now sufficient and adequate data upon which to base a thorough study of experience under existing military retirement systems and that such a study is necessary for the development of a fair and consistent contributory retirement system. In this connection, I am recommending to the President the appointment of a Presidential commission to conduct an across-the-board study of all Federal civilian and military retirement systems. I am sure you will agree to the validity of an across-the-board approach.
>
> With respect to gross pay, I feel that the National Military Establishment has overlooked the advantages of developing a gross pay alternative to replace the pay scales recommended by the Hook Commission. Regardless of whether the development of such a scale is now necessary to meet Budget requirements, I believe that we should confer again with the President respecting his further wishes in the matter. There is no major issue between us since you subscribe to the soundness of the gross pay principle. I believe we agree that until it is developed and written into law for the military services there can be no effective means of providing full understanding of what military pay scales really are and of dissipating valid criticism against a system which incorporates tax-free allowances and thereby creates a preferred class of Government employees.

I should like to ask two questions:

Is it not fair to say that this extraordinarily large spread between what will be paid in all kinds of value under this bill to personnel of the several Services and what would be paid under the Reclassification Act to other employees of the Federal Government, or what persons with similar ability, training, and responsibilities earn in civilian life, is due to the fact that primarily there is no provision in this bill for the change-over of the present noncontributory system to the contributory system?

Mr. KILDAY. I cannot agree that that is entirely the question, although it probably is involved.

Mr. HESELTON. Is it the major issue?

Mr. KILDAY. I think the basic difficulty is in attempting to assign one of the classifications of the civil service to what is comparable in the military classifications. I cannot agree with the Flanders statement.

Mr. HESELTON. I understand that, but may I ask this: If this system were now changed over in this bill to a contributory system, whatever form it might take, certainly that figure of $10,409 for a lieutenant colonel would be sharply reduced, because in receiving the gross benefits or pay, they have sufficient so that they can contribute to their retirement just as other Government employees have to do. Is not that right?

Mr. KILDAY. That is true.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KILDAY. The rates contained in the original bill, which was recommitted, would have been sufficient to provide a contributory system. I can say definitely to the gentleman that legislation on that subject is pending before the committee, and that it is the purpose of the committee to go into the question at an early date. Of course as to the schedule and so on I would have to refer you to the chairman of the full committee who is here.

Mr. HESELTON. May I just comment on the difference between the original bill and the present bill with respect to the comparable over-all benefits involved. Under the terms of the original bill the figure for a lieutenant colonel was $10,778 for everything. Under this bill it is $10,409, which is a difference of $369. Obviously that is not such a substantial difference as to have the effect that they should not be asked to contribute as other employees contribute.

Mr. KILDAY. But if you had a contributory system as opposed to a noncontributory system, it would have to be at the rate of 6 percent. I do not say that we have cut out all of that contribution by this reduction, but it would have to be apportioned when the time came to apply the contribution. I can say to that in the services themselves most of the men would prefer to go on a contributory system because they feel that the criticism which comes to them from a noncontributory system does more harm than they would get from a contributory system.

Mr. HESELTON. And there are advantages to the men in the service under a contributory system over the existing system.

Mr. KILDAY. Oh, yes. Then we would be able to get to the survivors' benefits. That is the most grossly inequitable thing that we have in the armed services today—the manner in which we treat the widow and children of a soldier or retired man who dies.

Mr. HESELTON. May I say in conclusion I have made these inquiries because I want to have in the RECORD, and for my information, the assurance of the gentleman and I hope the chairman of the full committee agrees with this, as I know he does from his conversation with me, that we can look forward to early action.

Mr. KILDAY. That is correct.

Mr. HESELTON. If that is so, I may be able to change my vote, but I will reserve the right to vote to repeal the pay rate portion of this legislation if it is not done in time so that this inequity will not be worked permanently into the Federal system.

Mr. KILDAY. I think I can assure the gentleman that the gentleman from New York [Mr. COLE], who is the author of the legislation which is now pending before our committee, and who is most active in the matter, will get hearings.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I am glad to yield to the gentleman from New Jersey.

Mr. HAND. May the committee now have the same assurance from the chairman of the full committee that the committee will report as soon as it can at its convenience a proper bill providing for a contributory compensation system?

Mr. VINSON. I can assure the House that at the proper time the full committee will give due consideration to the subject. I cannot say what the final action will be, but personally, I have been an advocate of that measure for a long time.

Mr. HAND. You are personally for it?

Mr. VINSON. I am for it.

Mr. HESELTON. I hope that by that remark the gentleman has not placed me under the further difficulty of trying to interpret what he says. But when he says that in proper time due consideration will be given to this. I trust that it will be fairly soon.

Mr. VINSON. As soon as an intelligent approach and understanding can be reached on such an important question.

Mr. HESELTON. I thank the gentleman and want to express my appreciation to both the chairman of the full committee and of the subcommittee, as well as to the staff members of the committee, for their courtesies to me. None of us, not members of the committee, can be expected to have the detailed knowledge of this highly complicated and technical bill the committee members have. I think the very great majority of the Members of the House approve heartily of almost the entire bill. The committee is entitled to congratulations for its work. But each of us must assume an individual responsibility in discharging our duty. We want to do justice to the personnel of the armed services. But we also want to do justice to other equally valuable employees in this Government. And we must further do everything possible to be just to the great majority, all the rest of the American citizens, who, directly or indirectly, have to carry, in large part, the gigantic cost of operating this Federal Government. If this bill is passed, it will not be merely recognition of and adjustment of certain inequities which undoubtedly exist. It will be a challenge to those who receive these benefits from the American people to meet the responsibilities recognized here. I am confident that the American people will expect and demand greater efficiency, a determined effort to administer efficiently and economically the billions appropriated for the armed services and an immediate end to petty jealousies and squabbling within their ranks which, to date, has quite effectively stifled much of the congressional mandate for realistic unification.

Mr. SASSCER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I favored this bill before and I favor it now. To go into the arithmetic of this bill and the reconstruction of its various provisions would be repetitious since they have been fully and ably discussed. In order for our Nation to maintain its place in the world we must be strong. In order for us to stay strong, it is vital that we have a strong Army, Navy, and Air Force of the highest spirit and morale. I received a letter the other day from a lady who lost her husband in the recent war. She will not be affected by the provisions of this bill and her thinking is in no way colored by the desire for personal gain. She has had an opportunity through the years to observe the inner life of our great services. I shall read that part pertaining to this bill, which will take but a moment:

MY DEAR CONGRESSMAN SASSCER: I am writing you as a Navy widow to urge that your committee, Armed Services, consider the men and their families while they are alive. I have known that there is much sentiment expressed after they are gone, but little else. My husband gave his life saving 30 men from a gas-filled compartment of a cruiser, and his automatic control drillings helped save the ship. Congress passed a bill which brought back the bodies. How much finer to have given that money to the education and welfare of the children of the family. Now there is much ado about special privilege. I wonder when we will realize and recognize that the servicemen are our first line of defense, who must go along in peacetime unheralded and ignored. They and their families live in ways that ordinary people would deplore. Just the year before the war I doubt if I saw my husband more than 3 months, yet we keep high morale, striving for God and country.

Let us, in the tone and spirit of this letter, make our contribution to the morale of these great services, recognize their needs and their wants in life, as contrasted with flowers in death.

Our Maryland delegation on the previous bill voted in the majority to recommit. Today I think we are unanimously for the bill. I hope that prevails throughout this House.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. SASSCER] has expired.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that section 201 of the bill be regarded as read, printed in the RECORD, and be open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. KILDAY]?

There was no objection.

(Section 201 follows:)

TITLE II—PROVISIONS RELATING TO BASIC PAY AND SPECIAL PAYS

BASIC PAY

SEC. 201. (a) For the purpose of computing the basic pay of members of the uniformed services, pay grades are prescribed and monthly base pay for such members is established wihin each pay grade according to cumulative years of service, as follows:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service												
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$877.50	$904.50
O-7	729.00	729.00	729.00	729.00	729.00	729.00	729.00	729.00	729.00	729.00	729.00	756.00	783.00
O-6	570.00	570.00	570.00	570.00	570.00	570.00	570.00	570.00	584.25	612.75	641.25	669.75	698.25
O-5	456.00	456.00	456.00	456.00	456.00	456.00	470.25	484.50	498.75	527.25	555.75	584.25	584.25
O-4	384.75	384.75	384.75	384.75	399.00	413.25	427.50	441.75	456.00	484.50	498.75	513.00	513.00
O-3	313.50	313.50	327.75	342.00	356.25	370.50	384.75	399.00	413.25	427.50	441.75	441.75	441.75
O-2	249.38	263.63	277.88	292.13	306.38	320.63	334.88	349.13	349.13	349.13	349.13	349.13	349.13
O-1	213.75	228.00	242.25	256.50	270.75	285.00	299.25	313.50	313.50	313.50	313.50	313.50	313.50
WARRANT OFFICERS													
W-4	$320.10	$320.10	$320.10	$334.65	$349.20	$363.75	$378.30	$392.85	$407.40	$421.95	$436.50	$451.05	$465.60
W-3	291.00	291.00	291.00	298.28	305.55	312.83	320.10	327.38	334.65	349.20	363.75	378.30	392.85
W-2	254.63	254.63	254.63	254.63	261.90	269.18	276.45	283.73	291.00	305.55	320.10	334.65	349.20
W-1	210.98	210.98	210.98	218.25	225.53	232.80	240.08	247.35	254.63	269.18	283.73	298.28	298.28
ENLISTED PERSONS													
E-7	$198.45	$198.45	$205.80	$213.15	$220.50	$227.85	$235.20	$242.55	$249.90	$264.60	$279.30	$294.00	$294.00
E-6	169.05	169.05	176.40	183.75	191.10	198.45	205.80	213.15	220.50	235.20	249.90	249.90	249.90
E-5	139.65	147.00	154.35	161.70	169.05	176.40	183.75	191.10	198.45	213.15	227.85	227.85	227.85
E-4	117.60	124.95	132.30	139.65	147.00	154.35	161.70	169.05	176.40	191.10	191.10	191.10	191.10
E-3	95.55	102.90	110.25	117.60	124.95	132.30	139.65	147.00	147.00	147.00	147.00	147.00	147.00
E-2	82.50	90.00	97.50	105.00	112.50	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00
E-1 (over 4 months)	80.00	87.50	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00
E-1 (under 4 months)	75.00												

(b) For basic pay purposes, commissioned officers are hereby assigned by the rank or grade in which serving, whether under temporary or permanent appointment, to the various pay grades prescribed for commissioned officers by subsection (a) of this section, as follows:

Pay grade	Army, Air Force, and Marine Corps	Navy, Coast Guard, and Coast and Geodetic Survey	Public Health Service
O–8	General, lieutenant general, and major general	Admiral, vice admiral, and rear admiral (upper half)	Surgeon general, deputy surgeon general, and assistant surgeon general having rank of major general.
O–7	Brigadier general	Rear admiral (lower half) and commodore	Assistant surgeon general having rank of brigadier general.
O–6	Colonel	Captain	Director grade.
O–5	Lieutenant colonel	Commander	Senior grade.
O–4	Major	Lieutenant commander	Full grade.
O–3	Captain	Lieutenant	Senior assistant grade.
O–2	First lieutenant	Lieutenant (junior grade)	Assistant grade.
O–1	Second lieutenant	Ensign	Junior assistant grade.

(c) For basic pay purposes, warrant officers shall be distributed by the Secretary concerned in the various pay grades prescribed for warrant officers in subsection (a) of this section.

(d) For basic pay purposes, enlisted persons shall be distributed by the Secretary concerned in the various pay grades prescribed for enlisted persons in subsection (a) of this section.

(e) All members of the uniformed services when on the active list, when on active duty, or when participating in full-time training, training duty with pay or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 94, 97, and 99 of the National Defense Act, as amended), and in addition thereto, all members of the National Guard and the Air National Guard when they are entitled by law to receive from the Federal Government the same pay as that authorized for members of the Regular components of the uniformed services of corresponding grade or rank, shall be entitled to receive the basic pay of the pay grade to which assigned, or in which distributed, pursuant to subsection (b), (c), or (d) of this section, in accordance with cumulative years of service: *Provided*, That in accordance with regulations prescribed by the President, in the case of members of the uniformed services called or ordered to extended active duty in excess of 30 days, active duty shall include the time required to perform travel from home to first duty station and from last duty station to home by the mode of transportation authorized in orders for such members: *Provided further*, That any full-time training, training duty with pay, or other full-time duty performed by members of the National Guard of the United States or the Air National Guard of the United States, pursuant to this section, while in their status as members of the National Guard or the Air National Guard of the several States, Territories, and the District of Columbia and which entitles them to receive basic pay, shall be deemed to be active duty in the service of the United States.

Mr. SUTTON. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: Strike out table on page 9 and insert the following:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service												
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O–8	$750	$750	$750	$770	$770	$770	$790	$790	$790	$820	$830	$840	$850
O–7	600	600	620	620	640	640	660	660	680	680	700	700	725
O–6	500	515	530	545	560	575	590	605	620	635	640	640	640
O–5	450	470	490	510	530	550	560	570	580	585	585	585	585
O–4	395	415	435	455	475	495	515	530	540	550	550	550	550
O–3	335	355	375	395	415	435	450	465	480	480	480	480	480
O–2	275	290	305	320	335	345	355	365	375	385	400	400	400
O–1	230	245	260	275	290	300	310	320	330	340	340	340	340

WARRANT OFFICERS

W–4	$320.10	$320.10	$320.10	$334.65	$349.20	$363.75	$378.30	$392.85	$407.40	$421.95	$436.50	$451.05	$465.60
W–3	291.00	291.00	291.00	298.28	305.55	312.83	320.10	327.38	334.65	349.20	363.75	378.30	392.85
W–2	254.63	254.63	254.63	254.63	261.90	269.18	276.45	283.73	291.00	305.55	320.10	334.65	349.20
W–1	210.98	210.98	210.98	218.25	225.53	232.80	240.08	247.35	254.63	269.18	283.73	298.28	298.28

ENLISTED PERSONS

E–7	$202	$202	$210	$217	$225	$232	$240	$247	$255	$270	$285	$300	$300
E–6	172	172	180	187	195	202	210	217	225	240	255	255	255
E–5	142	150	157	165	172	180	187	195	202	217	232	232	232
E–4	120	127	135	142	150	157	165	172	180	195	195	195	195
E–3	97	105	112	120	127	135	142	150	150	150	150	150	150
E–2	82	90	98	105	112	120	120	120	120	120	120	120	120
E–1 (over 4 months)	80	87	95	95	95	95	95	100	100	100	100	100	100
E–1 (under 4 months)	75	75											

The CHAIRMAN. The gentleman from Tennessee is recognized for 5 minutes in suppport of his amendment.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Chairman, this amendment would bring about a pay increase to every member of our military forces. It is not as much as provided in the bill H. R. 4591, but in every instance except four, it is more than provided in H. R. 5007. It increases the lieutenant-colonel by $22.25 a month; it increases the major, or equivalent rank, $81.75; it increases the captain $58.75 a month; it increases the first lieutenant by $27.87 a month; it increases the second lieutenant $17.75 a month.

As compared with the bill H. R. 5007, it decreases the brigadier general by $56 a month and the major general $54.50.

The warrant officers remain the same.

Enlisted men receive monthly increases as follows: E–7, $4.15; E–6, $3.90; E–5, $3.30; E–4, $2.05; E–3, $2.10; and E–2 and E–1 are carried exactly as they are in H. R. 5007. The total cost of increases for the junior and senior officers amounts to approximately $104,853,000 per year for the fiscal year 1950; but since the committee is basing their report on a 9 months' period, it would, therefore, be three-quarters of $104,853,000.

The over-all increase for the enlisted men for the 12 months period would be $45,558,000 which would be a total increase for the year of $150,411,000 officers and enlisted men. These figures were not tabulated by me; they were tabulated by the gentleman who has been with the Hook Commission for the past 18 months as their mathematician, c. p. a., or whatever you may wish to call him. He was in my office this morning and he made these calculations for me. I do not doubt his figures whatsoever, for if I did then I should have to doubt the figures in the Hook Commission report, and there is no doubt about their accurateness.

The figure I have given of $150,411,000 is on a yearly basis; but for 1950 we are

figuring on a 9 months' basis, the amount for 1950 would be three-quarters of that.

Mr. Chairman, the gentleman from Massachusetts [Mr. FURCOLO] will offer an amendment, when we get over to page 19, covering hazardous duty. If you will ask for a copy of his amendment and read it, you will find that his amendment will save $23,241,130. If you adopt these two amendments, without this new table in there covering hazardous duty, which is a discrimination against your infantry officers but helps the flying general, of course, it will cut down the cost of this bill, by $23,000,000 over what this amendment would cost. That is, over the cost of H. R. 5007.

In reference to cost I would like to make this statement. It has been stated on the floor of this House that H. R. 5007 will cost $283,000,000, I believe I am correct.

Mr. KILDAY. I believe it is $273,000,000.

Mr. SUTTON. That is for the cost of basic pay only. Actually the total cost of this bill H. R. 5007, according to the report figures given to me by Mr. Lattimer, the man who figured out the cost of the bill and who has been working with them 18 months, will be $467,802,641. So, actually, this bill is not costing $273,000,000 but is costing over $467,000,000.

Mr. KILDAY. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Texas.

Mr. KILDAY. Has not the gentleman neglected to deduct the savings made in the other provisions of the bill?

Mr. SUTTON. The gentleman is referring to the ones the gentleman from Colorado [Mr. CARROLL], referred to?

Mr. KILDAY. Those two and the reduction of flying pay of $77,000,000, overseas duty pay, and so forth.

Mr. SUTTON. I hope the gentleman will let me proceed.

Mr. KILDAY. The gentleman wants to correct his figures by about $213,000,000. I realize it is a small item, but it might be material.

Mr. SUTTON. I agree with the gentleman 100 percent but I can also take those away from my figures and the cost of my amendment will be reduced accordingly. The over-all cost here will be $467,000,000. I will admit it is an increase over the cost if you want to interpret it as the gentleman from Texas [Mr. KILDAY], does, but, after all, as I said before, if you want an incentive, a career compensation pay bill, if you want something to keep those men in the armed services of our country, put it where it belongs, give it to the ones who deserve it and are suffering—the first and second lieutenants, the captains and majors.

Mr. KRUSE. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to the gentleman from Indiana.

Mr. KRUSE. I notice the gentleman has cut all of the officers except the warrant officers. Would be kindly explain his justification for making no change whatsoever insofar as warrant officers are concerned?

Mr. SUTTON. I disagree with the gentleman. I have cut only two. That is, O–8 and O–7. After talking with numerous warrant officers, they are satisfied with this provided they can get spelled out in retirement exactly what status they are in instead of leaving it to the discretion of the Secretary. That is the reason why your warrant officers were left exactly as they are in H. R. 5007.

Mr. KRUSE. In view of the fact that all officers are going to be reduced, I cannot understand why warrant officers are left out.

Mr. SUTTON. They are not being reduced.

They have been increased. This amendment gives a pay increase to every member of the armed forces except O–7 and O–8, together with E–1 and E–2, which are untouched.

Mr. KRUSE. I am speaking in relation to the bill brought out in the committee.

Mr. SUTTON. H. R. 5007?

Mr. KRUSE. Yes.

Mr. SUTTON. In every instance except two, the O–7 and O–8.

Mr. KRUSE. The commissioned officers have all been reduced.

Mr. SUTTON. No, I disagree with the gentleman because in every instance, according to our figures, they are getting an increase, except the O–7, O–8, E–1, and E–2, which remain the same.

Which grade does the gentleman have reference to?

Mr. KRUSE. The O–6.

Mr. SUTTON. That is a little over $25 a month more than under H. R. 5007. I think the gentleman is a little disturbed about over and under 2 years. There is no major that goes in now in 2 years.

Mr. KRUSE. I thank the gentleman.

Mr. SUTTON. You will find that for an O–6 it actually takes 10 years to become a major. I might, for the information of the committee, say that for a second lieutenant, the way it is figured, it is on 4 years, first lieutenant 7, captain 10, major 9, lieutenant colonel 13, colonel 21, brigadier general 26, major general 30. That is the basis figured in the West Point Academy.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved for the committee.

Mr. SUTTON. Mr. Chairman, reserving the right to object, I wish the gentleman would move that up to 30 minutes, because this is the most important part of the bill.

Mr. KILDAY. The gentleman has already spoken on the amendment.

Mr. SUTTON. I know, but there are several others that want to speak.

Mr. KILDAY. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the committee.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I am opposed to this amendment. I have not had an opportunity to study or analyze it in detail, but I note that while it cuts down the committee bill in some of the places where increases are needed, it provides increases for junior officers over and above the increases provided in the committee bill. This bill as it comes from committee increases junior officers' base pay: second lieutenants 19 percent, first lieutenants 27 percent, and captains 26 percent. This Sutton amendment would give additional increases to those grades.

I voted against the last bill; I am supporting this bill today, because it provides a plan of career compensation that can be supported by our economy, but that contains inducements for a good man who wants to make armed services his career. We never can bid against private employment in boom times; on the other hand, private employment can never give the financial security in good times and bad, that the Government gives an officer or enlisted man. This bill strikes a fair balance, giving increases in compensation all through the critical ranks and grades, with opportunities for advancement to better paid top grades.

This amendment throws the entire plan out of line. I mention the extra pay provided for junior officers, because I want to discuss particularly one group, the recent academy graduates. I note in the committee report that resignations from the recent Naval Academy graduates have reached 643 since 1946 as contrasted with 63 such resignations in the prewar years 1937 and 1940.

The report then states:

> This is not as significant, however, as the increasing rate. This rate has nearly doubled during the past calendar year, and if continued at its present progression will bring the percentage of resignations from the last three graduating classes, namely, 1945, 1946, and 1947, to approximately 40 percent prior to the completion of 5 years of commissioned service.

I inquired at the committee table, and I was told that the percentage of walkouts, approximately 40 percent, is about the same for West Point.

This is what concerns me: These boys went into the Academies during the war years. These are the boys that were being educated at Government expense while their contemporaries, boys of the same age, were fighting and dying all over the world. Yet here I find, to my utter dismay, that these boys are walking out the first chance they get, not staying in. These fellows who sat out the war and played football, and studied up at West Point and Annapolis during the fighting, now want to get out as soon as they can. There may be some legitimate excuse for some of them; I know that some of them did some fighting before they were appointed; but all of them knew when they signed up what the pay of a second and of a first lieutenant was going to be, knew that they were safe while their friends were in the war, and this war group of Academy graduates had, and have, a special obligation to serve their country as officers, even at a financial sacrifice. They look bad getting out in a hurry in peacetime.

There are a lot of these fellows that are yellow, in my book. It may be a

good thing to get rid of them. They are not the kind I want to bait by increasing their pay. If they are not yellow, if they appreciate that they got a free education at Government expense while their buddies were out fighting and dying, they will stay in the service if they have a spark of patriotism in them, and they will stay in there, certainly, with the substantial increases given in the committee bill. They do not need the extra pay offered in this amendment.

It is an insult to a good man to say you have to bid for him, under such circumstances. If he belongs in that group, and if he is one of those who sat out the war, who took a free education and served the minimum time and got out, as far as I am concerned I do not want him. I do not want him to make the military a career, and I do not want to try to buy him back in.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. GROSS. Is there nothing in the law today to keep these men in the service?

Mr. VORYS. As I understand, the requirements are 3 years for graduates of the Naval Academy and 4 years for graduates of West Point. I should like to be corrected if I am in error.

Mr. RIVERS. Four and four.

Mr. VORYS. Four for both?

Mr. RIVERS. Yes.

Mr. VORYS. I am corrected. It is four for both academies, but what they are doing is getting out at the first opportunity, on various excuses, sometimes before their minimum service is up, after they got a free education at Government expense, while boys the same age were fighting for their country.

Mr. GROSS. Let us increase that to 7 years.

Mr. VORYS. Those officers who were trained during the war ought not to need either minimum-service laws or maximum-pay laws to make them fulfill their moral duty to their country.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. FURCOLO].

Mr. FURCOLO. Mr. Chairman, the basic purpose of the entire pay-increase bill, as I have understood it from what the committee has said and from everyone who has spoken, is that for some reason or other you have to give some sort of inducement or incentive to people to go into the services. That is the purpose of this amendment. Also, as I pointed out before, the committee has said time and time again, and these are the committee's figures, that the people who are refusing to accept commissions are those who normally would be getting the junior-grade officer commissions. The men who are not going in the service and not staying in the service are the enlisted men, the high-grade enlisted men, and the junior-grade officers. If this is a bill to try to offer some incentive and inducement to get people in the service, if we have to do that for the good of our country, and I am willing to assume we have to, then it seems to me the logical and essential thing to be done is to analyze what is happening and see who is not going into the service, in what ranks, and then put the emphasis on them in connection with any pay raise.

The committee itself maintains, as the gentleman from Massachusetts [Mr. BATES], a member of the committee, told you yesterday, that where you are not getting the men in the service is in the junior-grade officers. The figures showed that and proved it, at least to my satisfaction. This amendment tries to put that inducement and that incentive into the ranks of those officers who are not staying in the service and not going into the service. It is offering them an incentive and an inducement. I think it is a sound amendment for that reason. I know, as I mentioned before, that if I were a young man going to start a career in the military service, I would be interested in whether or not my family and I could live for the first few years. I do not think, if I were not an Academy man that I would ever try to hope to go above colonel. I am inclined to think I would probably hope that I might get that high.

Another thing I would like to point out, if you will turn to page 9 of the bill, you will notice that the junior-grade officers are given pay increases every 2 years or so up until about the 12th or 14th year, and after 12 or 14 years there are no more pay increases for the low-grade junior officers. That is discriminatory against the enlisted man who rises from the ranks to the rank of officer. The reason is that the enlisted man who starts at the bottom is a career man, and does not get to be a second lieutenant or a first lieutenant until he has had about 12 or 14 years of service or perhaps 10 years of service. So, as a practical matter, what happens when he reaches that rank is that he then gets no more pay increases. On the other hand, the Academy men, the men from Annapolis or West Point are not first or second lieutenants for any 8, 10, or 12 years. They get pay raises all the time that they are in that grade. But they get out of that grade before they have completed 10 or 12 or 14 years of service. If they do not get out of that rank by that time, then they are not worth anything. So this pay bill, as it is now written, discriminates against junior officers who rise from the ranks and become second or first lieutenants. There is no question about that.

Briefly, what it does is that it goes back to the original bill which the committee brought in, with reference to enlisted men. It gives them the same pay that the original bill gave them. It gives junior officers a little more money than either that bill or this bill. It also gives the lowest grade enlisted man the same amount of money that the present bill does. In the old bill, everybody was given a raise except the lowest-grade enlisted man. The lowest-grade enlisted man was not given anything at that time. You will remember that the Case amendment was defeated here, because the amendment called for a percentagewise cut all the way down the line. That was defeated by the Members on the floor of the House which I interpret—I do not know how the committee interprets it, but I interpret it as an indication that the Members felt there should not be any percentagewise cut all the way down the line. Yet this bill has the Case amendment in it.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BATES of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to compliment the chairman of the subcommittee, the gentleman from Texas [Mr. KILDAY] for the unerring devotion and time that he has spent in the preparation of this bill and the interest that he has manifested in the bill on the floor of the House. It is extremely interesting to note that those who voted against the bill which we brought on the floor of the House 2 weeks ago—a bill which we felt gave proper recognition to the junior officers and the enlisted personnel to the point where, out of $467,000,000 in the pay schedules, $420,000,000 went to the junior officers and enlisted men—are now speaking for this amendment offered by the gentleman from Tennessee [Mr. SUTTON] which substantially increases the rates in the bill which he reported 2 weeks ago and the bill which he voted against. I just cannot understand the logic of his position. If he is interested in the junior officers, and in the enlisted men, surely he should have voted for the bill which we reported to the floor of the House 2 weeks ago. But he did not. He spoke against it, and voted against it although he may have experienced a change of heart in the meantime.

Mr. SUTTON. Mr. Chairman, will the gentleman yield, inasmuch as he mentioned my name?

Mr. BATES of Massachusetts. I cannot yield to the gentleman, I only have 4 minutes, and this is the first time I have spoken this afternoon.

Mr. Chairman, the gentleman from Tennessee [Mr. SUTTON] presents this tabulation of figures changing the pay schedules of the very complicated bill which the committee worked on for a period of 3½ months.

The amendment he offers now is going to cost $115,000,000 more than the bill we have before us this afternoon. The Hook Commission, which gave very careful study of all the factors entering into this pay schedule recommended a scientific approach to stabilizing the salaries and other compensations in the military forces of the Government. The bill we have before us this afternoon is a result of that study.

I trust you ladies and gentlemen will recognize the fact that the gentleman himself has had but a very limited time to put together this amendment, and it ought to be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I think it would be a very serious mistake to undertake to adopt this amendment. This amendment goes to the very heart of the bill. It rearranges the schedules so that inequities will be created in the future.

I think that much we say this afternoon as well as what we say on this amendment has disregarded the history of this legislation. I have served on three pay bills in the past. I recall when I first went to work on pay legislation in the House, we were paying the enlisted men of the grade of recruit $30 a month. We brought in a bill which increased it to $42 a month; and I recall we amended the bill on the floor to pay that man $50 a month. I recall that subsequently I brought in a bill with my name on it wherein we raised the recruit from $50 to $75 a month. So in the short tenure I have had in this House, I have seen the recruit raised from $30 to $75 a month. I have seen men in the enlisted grades immediately above recruit, that is, private first-class, corporal, and sergeant, raised proportionately. I think that in those days we put great emphasis on the lower brackets without proper emphasis upon the upper brackets.

I have been an enlisted man myself in a combat division. I know what it is to go out and fight in the front lines. I know above everything that an enlisted man wants a competent officer from whom his orders come. I know you cannot get good officers without paying for them.

If we upset this schedule by this amendment, we will create the same inequities again, and we will have to have another pay bill, which will be the fifth pay bill during my service here, to rearrange these schedules and get them back as they should be. I think you will be making a serious mistake, and I hope this committee does not do this.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. SIKES. This definitely is a better bill than the one which was before us when the pay raise measure was considered a few weeks ago and I am supporting it. I think it would be a mistake to adopt the amendment that has been suggested. Instead the bill should be passed in its present form.

Now, here is a point which I want to call to your attention. I know there are apprehensions on the part of enlisted men about what this bill might do to their retirement privileges. I know the answer, but I think the RECORD should show the answer, and I hope my distinguished friend who has done such good work on this bill will state definitely for the RECORD that this bill does not take away anything in retirement privileges which enlisted personnel now enjoy.

Mr. BROOKS. The gentleman knows I worked for many years for retirement benefits for both enlisted and officer personnel in the armed services. I believe that this takes care of the fundamental equities of enlisted and officers retirement.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. VAN ZANDT. Is it not true that in committee we gave consideration to the plight of the enlisted men and the junior officers?

Mr. BROOKS. I think the committee is very sensitive to the condition of the enlisted man. During the First World War, I served as an enlisted man, certainly, I am going to stand up for the enlisted man and see that he gets a square deal in the committee every time.

Mr. SIKES. Mr. Chairman, will the gentleman yield further?

Mr. BROOKS. I yield.

Mr. SIKES. Is it not also true that by this bill disability retirement privileges are extended for the first time to enlisted personnel?

Mr. BROOKS. That is right. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

The Chair recognizes the gentleman from Texas [Mr. KILDAY] for 4 minutes to close the debate.

Mr. KILDAY. Mr. Chairman, in the first place, this amendment would increase the cost of the bill by $150,410,000. I have not the slightest doubt in my mind but that if this bill is increased by any such amount of money it will again be recommitted; that a vote for this amendment is a vote definitely against the pay raises that we are attempting to give to members of the armed services.

This emphasizes something that is not understood by a great many people and understood least of all by the gentlemen who, in perfect good faith, have offered this pay schedule. There are many things which go into what should constitute these pay schedules; for instance, the Hook Commission in its report, which took long study, found that when you keep the entering wage too low in the higher brackets, when a time of emergency comes along you are not able to get your Reserve officers in the scientific and technical groups to come in; you cannot get doctors and people of that kind because they simply cannot afford to leave their civilian practice and accept the low pay in the entering brackets. That was taken into consideration together with many other things in connection with fixing the pay rates which are contained in the bill. I want to read you a wire from Mr. Wallace H. Whiting, a member of the Hook Commission, a wire dated today. It reads as follows:

> I feel today that pay scales we recommended to Secretary of Defense in 1948 were correct and are equally sound today. However, I wish to call your attention to the fact that the Hook Commission recommended these scales as a pattern of pay that could be adjusted to the economic condition of the country at any stated period. We feel it would be an error to distort the pay scale in any reduction that is made by increasing or decreasing certain grades at the expense of others.

In other words, this schedule is one that has been set up with proper differentials so that when the bill was recommitted we could take the schedule contained in the original bill, apply a percentagewise reduction to it, and still maintain the fundamental principle of the bill. If the pay scale which we have set up in this bill is enacted into law and should economic conditions reach the point where the cost of living has decreased, you can apply a percentagewise decrease and would have a proper bill and pay schedule; or should the cost of living increase you could apply a percentagewise increase to the schedule. For the first time since 1908 an effort has been made to work out a basic formula. That is why it took the Hook Commission a year to work this thing up; no wonder it took the committee 3 months to work it out, because for the first time we have formulated a pay scale that will exist for 50 years, a pay scale that can be increased or decreased by a simple resolution providing for a percentagewise reduction in this bracket, that bracket, and the other bracket, or provide a percentage increase if an increase is needed. I believe this is the fundamental part of the bill and I sincerely trust that the amendment will be defeated.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The question was taken; and on a division (demanded by Mr. SUTTON) there were—ayes 13, noes 108.

So the amendment was rejected.

The Clerk read as follows:

SERVICE CREDITABLE IN COMPUTATION OF BASIC PAY

SEC. 202. (a) Subject to the provisions of subsections (b), (c), and (d) of this section, in computing the cumulative years of service to be counted by members of the uniformed services for determining the amount of basic pay they are entitled to receive upon completion of such years of service, such members shall be credited with—

(1) full time for all periods of active service as a commissioned officer, commissioned warrant officer, warrant officer, Army field clerk, flight officer, and enlisted person in any Regular or Reserve component of any of the uniformed services; and

(2) full time for all periods during which they were enlisted or held appointments as commissioned officers, commisisoned warrant officers, warrant officers, Army field clerks, or flight officers, in any of the Regular components of the uniformed services, or in the Regular Army Reserve, or in the Organized Militia prior to July 1, 1916, or in the National Guard, or in the National Guard Reserve, or in the National Guard of the United States, or in the Organized Reserve Corps, or in the Officers' Reserve Corps, or in the Enlisted Reserve Corps, or in the Medical Reserve Corps, or in the Medical Reserve Corps of the Navy, or in the Dental Reserve Corps of the Navy, or in the Naval Militia, or in the National Naval Volunteers, or in the Naval Reserve Force, or in the Naval Reserve, or in the Air National Guard, or in the Air National Guard of the United States, or in the Air Force Reserve, or in the officers' section of the Air Force Reserve, or in the enlisted section of the Air Force Reserve, or in the Air Corps Reserve, or in the Army of the United States without specification of any component thereof, or in the Air Force of the United States without specification of any component thereof, or in the Marine Corps Reserve Force, or in the Marine Corps Reserve, or in the Coast Guard Reserve, or in the Reserve Corps of the Public Health Service, or in the Philippine Scouts, or in the Philippine Constabulary; and

(3) for commissioned officers in service on June 30, 1922, all service which was then counted in computing longevity pay, and service as a contract surgeon serving full time; and

(4) full time for all periods during which they held appointments as nurses, reserve nurses, or commissioned officers in the Army Nurse Corps, the Navy Nurse Corps, the

Nurse Corps of the Public Health Service, or the Reserve components thereof; and

(5) full time for all periods during which they were deck officers or junior engineers in the Coast and Geodetic Survey; and

(6) all service which, under any provision of law in effect on the effective date of this section is authorized to be credited for the purpose of computing longevity pay.

(b) Members of the uniformed services shall accrue additional service credit for basic pay purposes, for periods while on a temporary disability retired list, honorary retired list, or a retired list of any of the uniformed services, or while authorized to receive retired pay, retirement pay, or retainer pay as a member of the Fleet Reserve or Fleet Marine Corps Reserve, from any of the uniformed services or from the Veterans' Administration, or while a member of the Honorary Reserve of the Officers' Reserve Corps or Organized Reserve Corps: *Provided*, That, except for active service as prescribed in section 202 (a) (1), the service credit authorized in this section shall not be included to increase retired pay, disability retirement pay, retirement pay, or retainer pay while on a retired list, on a temporary disability retired list, in a retired status, or in the Fleet Reserve or Fleet Marine Corps Reserve, except as provided in title IV of this act.

(c) The periods of time hereinabove authorized to be counted in the computation of basic pay shall, under such regulations as the Secretary concerned may prescribe, include all service heretofore or hereafter performed by members of the uniformed services prior to their attainment of 18 years of age.

(d) The period of time to be counted in the computation of basic pay shall be the total of all periods authorized to be counted for such purpose in any of the uniformed services, but the same period of time shall not, for any reason, be counted more than once: *Provided*, That retired enlisted men heretofore or hereafter retired with credit for 30 years' service in the Army, Navy, or Marine Corps, and who served beyond the continental limits of the United States between 1898–1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now or hereafter provided for the grade in which retired.

SPECIAL PAY—PHYSICIANS AND DENTISTS

SEC. 203. (a) The term "commissioned officers," as used in this section, shall be interpreted to mean only (1) those commissioned officers in the Medical and Dental Corps of the Regular Army, Navy, and Air Force and commissioned medical and dental officers of the Regular Corps of the Public Health Service who were on active duty on September 1, 1947; (2) those officers who, heretofore but subsequent to September 1, 1947, have been or who, prior to September 1, 1952, may be commissioned in the Medical and Dental Corps of the Regular Army, Navy, and Air Force or as medical and dental officers of the Regular Corps of the Public Health Service; (3) such officers who on September 1, 1947, were or who thereafter have been or may be commissioned in the Medical and Dental Corps of the Officers' Reserve Corps, the United States Air Force Reserve, the Naval Reserve, the National Guard, the National Guard of the United States, the Air National Guard, the Air National Guard of the United States, the Army of the United States, the Air Force of the United States, or as medical and dental officers of the Reserve Corps of the Public Health Service and who heretofore, but subsequent to September 1, 1947, have volunteered and been accepted for extended active duty of 1 year or longer, or who may, prior to September 1, 1952, volunteer and be accepted for extended active duty of 1 year or longer; (4) general officers appointed from the Medical and Dental Corps of the Regular Army, the Officers Reserve Corps, the National Guard, the National Guard of the United States, the Army of the United States, the Regular Air Force, the United States Air Force Reserve, the Air National Guard, the Air National Guard of the United States, and the Air Force of the United States who were on active duty on September 1, 1947; and (5) general officers who, subsequent to September 1, 1947, have been or who may be appointed from those officers of the Medical and Dental Corps of the Regular Army, the Officers' Reserve Corps, the National Guard, the National Guard of the United States, the Army of the United States, the Regular Air Force, the United States Air Force Reserve, the Air National Guard, the Air National Guard of the United States, and the Air Force of the United States who are included in parts (1), (2), or (3) of this subsection.

(b) In addition to any pay, allowances, special or incentive pays that they are otherwise entitled to receive, commissioned officers as defined in subsection (a) of this section shall be entitled to receive special pay at the rate of $100 per month for each month of active service: *Provided*, That such sum shall not be included in computing the amount of increase in pay authorized by any other provision of this act or in computing retired pay, disability retirement pay, or any severance pay: *Provided further*, That the commissioned officers described in subsection (a) (3) of this section shall be entitled to receive the pay provided by this subsection only during periods of volunteer service: *And provided further*, That no commissioned officer as described in subsection (a) of this section shall, while he is serving as a medical or dental intern, be entitled to receive the special pay of $100 per month as is provided in this subsection.

INCENTIVE PAY—HAZARDOUS DUTY

SEC. 204. (a) Subject to such regulations as may be prescribed by the President, members of the uniformed services entitled to receive basic pay shall, in addition thereto, be entitled to receive incentive pay for the performance of hazardous duty required by competent orders. The following duties shall constitute hazardous duties:

(1) duty as a crew member as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;

(2) duty on board a submarine, including submarines under construction from the time builders' trials commence;

(3) duty involving frequent and regular participation in aerial flights not as a crew member pursuant to part (1) of this subsection;

(4) duty involving frequent and regular participation in glider flights;

(5) duty involving parachute jumping as an essential part of military duty;

(6) duty involving intimate contact with persons afflicted with leprosy;

(7) duty involving the demolition of explosives as a primary duty, including training for such duty;

(8) duty at a submarine escape training tank, when such duty involves participation in the training; and

(9) duty at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit, when such duty involves participation in training.

(b) For the performance of hazardous duty as prescribed in part (1) or (2) of subsection (a) of this section, members of the uniformed services qualifying for the incentive pay authorized pursuant to said subsection shall be entitled to be paid at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

Pay grade:	*Monthly rate*
O–8	$210.00
O–7	210.00
O–6	210.00
O–5	180.00
O–4	150.00
O–3	120.00
O–2	110.00
O–1	100.00
W–4	100.00
W–3	100.00
W–2	100.00
W–1	100.00
E–7	75.00
E–6	67.50
E–5	60.00
E–4	52.50
E–3	45.00
E–2	37.50
E–1	30.00

(c) For the performance of any hazardous duty as prescribed in parts (3) to (9), inclusive, of subsection (a) of this section by officers and enlisted persons qualifying for the incentive pay authorized pursuant to said subsection, officers shall be entitled to be paid at the rate of $100 per month, and enlisted persons shall be entitled to be paid at the rate of $50 per month.

(d) The President may, in time of war, suspend the payment of incentive pay for the performance of any or all hazardous duty or may prescribe that members of the uniformed services entitled to receive basic pay who are performing duties, other than those prescribed in subsection (a) of this section, in certain areas or under certain conditions which involve more than ordinary military risk or danger shall, in addition to basic pay, be entitled to receive incentive pay for hazardous duty either at rates not to exceed those prescribed in subsection (b) of this section or at rates not to exceed those prescribed in subsection (c) of this section, as may be determined by the President, in accordance with the pay grade to which assigned or in which distributed for basic pay purposes or their ranks, grades, or ratings, as the case may be.

(e) No aviation cadet shall be entitled to receive any incentive pay authorized pursuant to this section.

(f) No member of the uniformed services shall be entitled to receive more than one payment of any incentive pay authorized pursuant to this section for the same period of time during which he may qualify for more than one payment of such incentive pay.

SPECIAL PAY—DIVING DUTY

SEC. 205. (a) An enlisted person of the uniformed services entitled to receive basic pay and assigned to the duty of diving shall, in addition to basic pay, be entitled to receive special pay, under such regulations as may be prescribed by the Secretary concerned, at the rate of not less than $5 per month and not exceeding $30 per month.

(b) Members of the uniformed services entitled to receive basic pay and employed as divers in actual salvage or repair operations in depths of over 90 feet, or in depths of less than 90 feet, when the officer in charge of the salvage or repair operation shall find, in accordance with regulations prescribed by the Secretary concerned, that extraordinary hazardous conditions exist, shall, in addition to basic pay, be entitled to receive the sum of $5 per hour for each hour or fraction thereof while so employed. The amounts authorized to be paid pursuant to this subsection shall, in the case of enlisted persons, be in addition to the amounts authorized pursuant to subsection (a) of this section.

(c) No member of the uniformed services shall be entitled to receive the special pay

authorized pursuant to this section in addition to incentive pay authorized pursuant to section 204 of this act.

(d) The President may, in time of war, suspend the payment of diving-duty pay.

SPECIAL PAY—SEA AND FOREIGN DUTY

SEC. 206. Under such regulations as the President may prescribe, enlisted persons of the uniformed services entitled to receive basic pay shall, in addition thereto, while on sea duty or while on duty in any place beyond the continental limits of the United States or in Alaska, be entitled to receive pay at the following monthly rates:

Pay grades:	*Monthly rates*
E–7	$22.50
E–6	20.00
E–5	16.00
E–4	13.00
E–3	9.00
E–2	8.00
E–1	8.00

SPECIAL PAY—REENLISTMENT BONUS

SEC. 207. (a) Members of the uniformed services who enlist under the conditions set forth in subsection (b) of this section within 3 months from the date of their discharge or separation, or within such lesser period of time as the Secretary concerned may determine from time to time, shall be paid a lump-sum reenlistment bonus of $40, $90, $160, $250, or $360 upon enlistment for a period of 2, 3, 4, 5, or 6 years, respectively; and, upon enlistment for an unspecified period of time a lump-sum reenlistment bonus of $360 shall be paid, and, upon the completion of 6 years' enlisted service in such enlistment, for each year thereafter a lump-sum payment of $60 shall be made, subject to the limitation that the total amount paid shall not exceed $1,440. No reenlistment bonus shall be paid for more than four enlistments entered into after the effective date of this section: *Provided*, That the bonus to be paid in the case of a person reenlisting for a period which would extend the length of his active Federal service beyond 30 years shall be computed as if said reenlistment were for the minimum number of years necessary to permit such person to complete 30 years' active Federal service.

(b) For the purpose of payment of the reenlistment bonus authorized by subsection (a) of this section, enlistment in one of the Regular services following (1) compulsory or voluntary active duty in such service, or (2) extended active duty of 1 year or more in a Reserve component of such service, shall be considered a reenlistment.

(c) Enlisted persons of the uniformed services, who, prior to expiration of the period for which they have reenlisted, extend their reenlistment to any one of the longer enlistment periods mentioned in subsection (a) of this section, shall be paid the sum of $20 for each year of such extension subject to the limitations contained in subsection (a) of this section.

(d) Notwithstanding the provisions of subsection (a) of this section, a member of the uniformed services who reenlists within 3 months after being discharged from the enlistment entered into prior to the date of enactment of this act, or who reenlists within 3 months after being relieved from active service as a commissioned officer or warrant officer under appointment made prior to the date of enactment of this act if such commissioned or warrant service immediately followed enlisted service, shall be entitled to receive either (1) enlistment allowances in the amount and under the provisions of law in effect immediately prior to the date of enactment of this act, or (2) reenlistment bonus in the amount and under the provisions of this section, whichever is the greater amount: *Provided*, That the enlistment allowance payable under (1) hereunder shall in no event exceed $300.

(e) The Secretary concerned shall prescribe regulations for the administration of this section in his department.

TITLE III—PROVISIONS RELATING TO ALLOWANCES

BASIC ALLOWANCE FOR SUBSISTENCE

SEC. 301. (a) Except as otherwise provided in this section or by any other provision of law, each member of the uniformed services entitled to receive basic pay shall be entitled to receive a basic allowance for subsistence in such amount and under such circumstances as are provided in this section. For enlisted persons such allowance shall be one of three types: (1) When rations in kind are not available; (2) when permission to mess separately is granted; or (3) when assigned to duty under emergency conditions where no Government messing facilities are available. Officers shall, at all times, be entitled to receive a basic allowance for subsistence on a monthly basis. Enlisted persons shall be entitled to the appropriate allowance on a daily basis.

(b) Enlisted persons shall be entitled to receive the appropriate basic allowance for subsistence while on an authorized leave of absence or while sick in hospital: *Provided*, That any such allowance shall not accrue when such persons are, in fact, being subsisted at Government expense.

(c) Payment of the basic allowance for subsistence, when authorized, may be made to enlisted persons in advance for a period of not exceeding 3 months.

(d) The President may prescribe regulations for the administration of this section.

(e) Members of the uniformed services entitled to receive a basic allowance for subsistence pursuant to this section shall be entitled to receive the following amounts:

Officers, $45 per month.

Enlisted persons when rations in kind are not available, $2.25 per day.

Enlisted persons when permission to mess separately is granted, $1.05 per day.

Enlisted persons when assigned to duty under emergency conditions where no Government messing facilities are available, not to exceed $3 per day.

BASIC ALLOWANCE FOR QUARTERS

SEC. 302. (a) Except as otherwise provided in this section or by any other provision of law, members of the uniformed services entitled to receive basic pay shall be entitled to receive a basic allowance for quarters in such amount and under such circumstances as are provided in this section: *Provided*, That an enlisted member in pay grade E–4 (less than seven years' service), E–3, E–2, and E–1, shall be considered at all times as a member without dependents for the purposes of this section.

(b) Except as otherwise provided by law, no basic allowance for quarters shall accrue to members of the uniformed services assigned to Government quarters or housing facilities under the jurisdiction of the uniformed services, appropriate to their rank, grade, or rating and adequate for themselves and dependents, if with dependents.

(c) No basic allowance for quarters shall accrue to any member of the uniformed services without dependents while on field duty, unless his commanding officer certifies that he was necessarily required to procure quarters at his own expense, or while on sea duty: *Provided*, That field duty or sea duty for temporary periods of less than three months shall not be considered as field duty or sea duty for purposes of this subsection.

(d) No member of the uniformed services assigned to Government quarters or housing facilities under the jurisdiction of the uniformed services shall be denied his basic allowance for quarters if, by reason of orders of competent authority, his dependents are prevented from occupying such quarters.

(e) The President may prescribe regulations for the administration of this section, and such regulations shall include, but not be limited to, definitions of the terms "field duty" and "sea duty."

(f) Members of the uniformed services entitled to receive a basic allowance for quarters pursuant to this section shall be entitled to receive a basic allowance for quarters at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

Pay grade	With dependents	Without dependents
O–8	$150.00	$120.00
O–7	150.00	120.00
O–6	120.00	105.00
O–5	120.00	90.00
O–4	105.00	82.50
O–3	90.00	75.00
O–2	82.50	67.50
O–1	75.00	60.00
W–4	105.00	82.50
W–3	90.00	75.00
W–2	82.50	67.50
W–1	75.00	60.00
E–7	67.50	45.00
E–6	67.50	45.00
E–5	67.50	45.00
E–4 (7 or more years' service) [1]	67.50	45.00
E–4 (less than 7 years' service) [1]	----------	45.00
E–3	----------	45.00
E–2	----------	45.00
E–1	----------	45.00

[1] Service authorized to be credited in computation of basic pay pursuant to sec. 202 of this act.

TRAVEL AND TRANSPORTATION ALLOWANCES

SEC. 303. (a) Under regulations prescribed by the Secretaries concerned, members of the uniformed services shall be entitled to receive travel and transportation allowances for travel performed or to be performed under competent orders (1) upon a change of permanent station, or otherwise, or when away from their designated posts of duty regardless of the length of time away from such designated posts of duty, (2) upon appointment, call to active duty, enlistment, or induction, from home or from the place from which ordered to active duty to first station, and (3) upon separation from the service, placement upon the temporary disability retired list, release from active duty, or retirement, from last duty station to home or to the place from which ordered to active duty, regardless of the fact that such member may not be a member of the uniformed services at the time his travel is performed or is to be performed. Allowances above authorized may be paid without regard to the comparative costs of the various modes of transportation. The respective Secretaries concerned may prescribe (1) the conditions under which travel and transportation allowances shall be authorized, including advance payments thereof, and (2) the allowances for types of travel not to exceed amounts herein authorized. The travel and transportation allowances which shall be authorized for each type of travel shall be limited to one of the following: (1) Transportation in kind, reimbursement therefor, or a monetary allowance in lieu of cost of transportation at a rate not in excess of 7 cents per mile based on distances established or to be established over the shortest usually traveled routes, in accordance with mileage tables prepared by the Chief of Finance of the Department of the Army under the direction of the Secretary of the Army, (2) transportation in kind, reimbursement therefor, or a monetary allowance as provided in (1) of this sentence, plus a per diem in lieu of subsistence not to exceed $9 per day, or (3) for travel within the continental limits of the United States a mileage allowance of not exceeding 10 cents per mile based on distances established or to be established pursuant to existing law: *Provided*, That the travel and transportation allowances under conditions authorized herein for such members may be paid on separation from the service, or release from active duty, regard-

less of whether or not such member performs the travel involved.

(b) Without regard to the monetary limitations in this act, the Secretaries of the uniformed services may authorize the payment to members of the uniformed services on duty outside the continental United States or in Alaska, whether or not in a travel status, of a per diem considering all elements of cost of living to members and their dependents, including the cost of quarters, subsistence, and other necessary incidental expenses: *Provided*, That dependents shall not be considered in determining per diem allowances for members in a travel status.

(c) In addition to the allowances authorized above, under such conditions and limitations and for such ranks, grades, or ratings and to and from such locations as may be prescribed by the Secretaries concerned, members of the uniformed services when ordered to make a change of permanent station shall be entitled to transportation in kind for dependents or to reimbursement therefor, or to a monetary allowance in lieu of such transportation in kind at a rate to be prescribed not in excess of the rate authorized in subsection (a) of this section, and in connection with a change of station (whether temporary or permanent), to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household effects, or reimbursement therefor, to and from such locations and within such weight allowances as may be prescribed by the Secretaries, without regard to the comparative costs of the various modes of transportation. When orders directing a change of permanent station for the member concerned have not been issued, or when such orders have been issued but are of such a nature that they cannot be used as authority for transportation of dependents and baggage and household effects, the Secretaries concerned may, nevertheless, authorize the movement of the dependents and baggage and household effects and prescribe transportation in kind, reimbursement therefor, or a monetary allowance in lieu thereof as authorized in this subsection, as the case may be, only under unusual or emergency circumstances, including but not limited to, (1) circumstances when duty is being performed by such member at places designated by the Secretary concerned as within zones from which dependents should be evacuated, (2) circumstances when orders which direct temporary duty travel of such member do not provide for return to the permanent station or do not specify or imply any limit to the period of absence from the permanent station, or (3) circumstances when such members are serving on permanent duty at stations outside the continental United States or in Alaska, or on sea duty. The Secretary concerned shall define the term "permanent station", which definition shall include, but not be limited to, a shore station or the home yard or home port of the vessel to which a member of the uniformed services entitled to receive basic pay may be ordered; and a duly authorized change in home yard or home port of such vessel shall be deemed a change of permanent station. Under regulations prescribed by the Secretary concerned, transportation for dependents and baggage and household effects are authorized upon the death of a member of the uniformed services while entitled to receive basic pay pursuant to section 201 (e) of this act.

(d) A member of the uniformed services on duty with or under training for the Military Air Transport Service, Marine Corps Transport Squadrons, or Fleet Logistics Support Unit and away from his permanent station, may be paid a per diem in lieu of subsistence in an amount not to exceed the amount to which he would be entitled if performing temporary duty travel, without in either case the issuance of orders for specific travel.

(e) Cadets of the United States Military Academy, midshipmen of the United States Naval Academy, cadets of the United States Coast Guard Academy, applicants for enlistment, rejected applicants, general prisoners, discharged prisoners, insane patients transferred from military hospitals to other hospitals or their home, and persons discharged from Saint Elizabeths Hospital after transfer from one of the uniformed services, shall be entitled to receive such travel and transportation allowances as are provided in subsection (a) of this section, as may be prescribed by the Secretaries concerned, due consideration being given to the rights of the Government as well as those of the individual in the promulgation of regulations prescribing said allowances.

(f) The Secretaries concerned in establishing the rates and types of allowances authorized by this section shall consider in prescribing (1) monetary allowance in lieu of transportation—average cost of first-class transportation including sleeping accommodations, (2) per diem rates—the current economic data on cost of subsistence (including lodging and other necessary incidental expenses related thereto), and (3) mileage rates—average cost of first-class transportation including sleeping accommodations and current economic data on cost of subsistence (including lodging and other necessary incidental expenses related thereto).

(g) The Secretaries concerned shall determine what shall constitute a travel status.

(h) Regulations shall be promulgated by the Secretaries of the uniformed services, as provided herein, and such regulations shall be uniform for all services insofar as practicable: *Provided*, That no provisions of this section shall become effective until such regulations have been issued: *Provided further*, That nothing contained in this act shall preclude the payment of travel and transportation allowances under provisions of law in effect on the day prior to the effective date of this act, until such regulations are issued pursuant to this subsection.

PERSONAL MONEY ALLOWANCE

SEC. 304. (a) Officers entitled to receive basic pay shall, while serving in the grade of lieutenant general, vice admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $500 per annum.

(b) Officers entitled to receive basic pay shall, while serving in the grade of general, admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $2,200 per annum.

(c) Officers entitled to receive basic pay shall, while serving as the Chief of Staff of the Army, as the Chief of Naval Operations, as the Chief of Staff of the Air Force, as the Commandant of the Marine Corps, or as the Commandant of the Coast Guard, in lieu of any other personal money allowance authorized by this section, but in addition to any other pay or allowance authorized by this act, be entitled to receive a personal money allowance of $4,000 per annum.

TITLE IV—PROVISIONS RELATING TO RETIREMENT, RETIREMENT PAY, SEPARATION, AND SEVERANCE PAY FOR PHYSICAL DISABILITY

ESTABLISHMENT OF A TEMPORARY DISABILITY RETIRED LIST

SEC. 401. (a) Any member of the uniformed services found to be unfit to perform the duties of his office, rank, grade, or rating by reason of physical disability and who otherwise qualifies as hereinafter provided may be retired or separated subject to the provisions of this title.

(b) The Secretary concerned shall establish for his uniformed service a temporary disability retired list, upon which shall be placed the names of all members of his service entitled to such placement pursuant to the provisions of this title. Such list shall be published annually in the official register or other official publication of the service concerned.

TEMPORARY DISABILITY RETIREMENT, PHYSICAL DISABILITY RETIREMENT, AND DISABILITY RETIREMENT PAY

SEC. 402. (a) Upon a determination by the Secretary concerned (1) that a member of a Regular component of the uniformed services entitled to receive basic pay, or a member of a Reserve component of the uniformed services entitled to receive basic pay who has been called or ordered to extended active duty for a period in excess of 30 days, is unfit to perform the duties of his office, rank, grade, or rating, by reason of physical disability incurred while entitled to receive basic pay; (2) that such disability is not due to the misconduct or willful neglect of such member and that such disability was not incurred during a period of unauthorized absence of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such disability was the proximate result of the direct performance of active duty; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such member shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided further*, That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section, but may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(b) Upon a determination by the Secretary concerned (1) that a member of a Regular component of the uniformed services entitled to receive basic pay, or a member of a Reserve component of the uniformed services entitled to receive basic pay who has been called or ordered to extended active duty for a period in excess of 30 days, is unfit to perform the duties of his office, rank, grade, or rating, by reason of physical disability incurred while entitled to receive basic pay; (2) that such disability is not due to the misconduct or willful neglect of such member and that such disability was not incurred during a period of unauthorized absence of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such member has completed at least 8 years of active service as defined in section 412 of this title; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such members shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided*, That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive

disability retirement pay as prescribed in subsection (d) of this section: *Provided further,* That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section, but may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title: *And provided further,* That regardless of the percentage of disability determined to have been incurred, if condition (4) above is not met because the member concerned has completed less than 8 years of active service as defined in section 412 of this title at the time he would otherwise have been retired pursuant to this subsection, the member concerned shall not be eligible for any disability retirement provided in this section, but may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(c) Upon a determination by the Secretary concerned (1) that a member of the uniformed services, other than those members covered in subsections (a) and (b) of this section, is unfit to perform the duties of his office, rank, grade, or rating by reason of physical disability resulting from an injury; (2) that such injury was not the result of the misconduct or willful neglect of such member; (3) that such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; (4) that such injury was the proximate result of the direct performance of active duty, full-time training duty, other full-time duty, or inactive duty training, as the case may be; and (5) that accepted medical principles indicate that such disability may be of a permanent nature, the name of such member shall be placed upon the temporary disability retired list of his service by the Secretary concerned and such member shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided,* That if condition (5) above is met by a finding that such disability is of a permanent nature, such member may be retired by the Secretary concerned and, upon retirement, shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided further,* That if condition (3) above is not met because the disability is determined to be less than 30 percent, the member concerned shall not be eligible for any disability retirement provided in this section, but may be separated for physical disability from the service concerned and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title.

(d) A member of the uniformed services whose name is placed upon the temporary disability retired list of his service pursuant to subsections (a), (b), or (c) of this section, for the period during which his name is carried on such temporary disability retired list, but in no event to exceed a period of five years, or a member of the uniformed services, who is retired pursuant to the provisions of this title, shall be entitled to receive disability retirement pay computed, at his election, by multiplying an amount equal to the monthly basic pay of the rank, grade, or rating held by him at the time of the placement of his name on the temporary disability retired list or at the time of his retirement, whichever is earlier, by (1) a number equal to the number of years of active service to which such member is entitled under the provisions of section 412 of this title, multiplied by 2½ percentum, or (2) the percentage of his physical disability as of the time his name was placed on the temporary disability retired list or at the time or retirement, whichever is earlier: *Provided,* That for the purpose of the computation of (1) above, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further,* That the disability retirement pay of any such member who shall have held a temporary rank, grade, or rating higher than the rank, grade, or rating held by him at the time of placement of his name upon the temporary disability retired list or at the time of his retirement, whichever is earlier, and who shall have served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, shall be computed on the basis of the monthly basic pay of such higher rank, grade, or rating to which he would have been entitled had he been serving on active duty in such higher rank, grade, or rating at the time of placement of his name on the temporary disability retired list or at the time of retirement, whichever is earlier: *Provided further,* That in no case shall such disability retirement pay exceed 75 percentum of the basic pay upon which the computation is based: *Provided further,* That if the physical disability entitling such member to disability retirement pay is found to exist as a result of a physical examination given in connection with effecting a permanent promotion or a temporary promotion where eligibility for such temporary promotion was required to have been based upon cumulative years of service or years of service in rank, grade, or rating, the disability retirement pay of such member shall be based upon the basic pay of the rank, grade, or rating to which such member would have been promoted but for such disability, if such rank, grade, or rating is higher than any other rank, grade, or rating upon which such pay is herein authorized to be computed and which such member would have been entitled to receive if serving on active duty in such rank, grade, or rating: *And provided further,* That for any member who, for any reason, has been or hereafter may be retired or whose name is carried on a temporary disability retired list and who, while in such status, serves on active duty, and while so serving, incurs a physical disability of 30 per centum or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration or incurs a physical disability in addition to or an aggravation of the physical disability for which he was retired or for which his name was placed on the temporary disability retired list, shall, if qualified therefor pursuant to this title, be entitled, on his return to a retired status or to the temporary disability retired list, to receive either (1) disability retirement pay as provided in this section, using as multipliers the highest percentages and basic pay which he attained while serving on such active duty, or (2) retirement pay or retired pay, as the case may be, as provided by any law in effect at the time of his retirement; and, in addition thereto, if such member is, during such period of active duty, promoted to a rank, grade, or rating higher than that rank, grade, or rating on which his retired pay, retirement pay, or disability retirement pay was based, and has served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, be entitled, on his return to a retired status or to the temporary disability retired list, to receive such retirement pay, disability retirement pay, or retired pay computed on the basis of the higher rank, grade, or rating and which such member would be entitled to receive if serving on active duty in such higher rank, grade, or rating.

(e) A member of the uniformed services whose name has been placed upon the temporary disability retired list of his service shall be given periodic physical examinations, not less frequent than every 18 months to determine whether the disability for which such member was temporarily retired has changed. If as a result of any such examinations, or upon the termination of a period of 5 years from the date of temporary disability retirement, it is determined (1) that the physical disability of such member is of permanent character and such disability is 30 percent or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, the name of such member shall be removed from the temporary disability retired list of his service and such member shall be permanently retired for physical disability and he shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided,* That for the purpose of computing such pay the percentage of his physical disability shall be determined as of the time of his permanent retirement; (2) that the physical disability of such member is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, the name of such member shall be removed from the temporary disability retired list of the service concerned, and such member may be separated from the service concerned for physical disability and upon separation shall be entitled to receive disability severance pay as prescribed in section 403 of this title: *Provided further,* That at the end of a 5-year period during which the name of a member is carried on a temporary disability retired list, the Secretary concerned shall make a final determination of such member's case and shall cause such member to be retired, separated, or treated as provided in section 405 of this title.

(f) Notwithstanding the foregoing provisions of this section, any member of the uniformed services who shall have completed at least 20 years of active service as defined in section 412 of this title, and who is otherwise qualified to be retired for physical disability except that his disability is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, shall be retired and shall be entitled to receive disability retirement pay as prescribed in subsection (d) of this section: *Provided,* That the provisions of this section shall not be interpreted to limit the application of any provisions of law relating to voluntary or involuntary retirement.

(g) Notwithstanding the foregoing provisions of this section, any member of the Army of the United States, Navy, Air Force of the United States, Marine Corps, or the Coast Guard, and all Regular and Reserve components thereof, who shall have completed at least 20 years of satisfactory Federal service in the uniformed services as defined in sections 302 and 306 of the act of July 29, 1948 (62 Stat. 1087, 1089; 10 U. S. C. 1036a, 1036e), and who is otherwise qualified to be retired for physical disability except that his disability is less than 30 percent in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration may elect, in lieu of being separated and receiving disability severance pay pursuant to title IV of this act, to be transferred to the inactive status list of the uniformed service concerned pursuant to section 308 of the act of June 29, 1948 (62 Stat. 1090; 10 U. S. C. 1036g), and be granted retired pay upon attaining the age of 60 years if eligible in all other respects to be granted retired pay as provided in title III of that act.

(h) Disability retirement pay computed on the basis of years of active service shall not be deemed to be a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country within the meaning of section 22 (b) (5) of the Internal Revenue Code, as amended.

SEPARATION AND SEVERANCE PAY FOR PHYSICAL DISABILITY

SEC. 403. A member of the uniformed services separated for physical disability pursuant to the provisions of section 402 of this title shall be entitled to receive disability severance pay computed as follows: An amount equal to two months' basic pay of the rank, grade, or rating held by such member at the time of the placement of his name on the temporary disability retired list or at the time of his separation, whichever is earlier, and which such member would be entitled to receive at the time of separation if serving on active duty in such rank, grade, or rating, multiplied by a number equal to the number of years of active service to which such member is entitled under the provisions of section 412 of this title but not to exceed a total of two years' basic pay: *Provided,* That for the purpose of this computation, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further,* That the disability severance pay of any such member who shall have held a temporary rank, grade, or rating higher than the rank, grade, or rating held by him at the time of the placement of his name on the temporary disability retired list or at the time of his separation, whichever is earlier, and who shall have served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, shall be computed on the basis of the monthly basic pay of such higher rank, grade, or rating to which he would have been entitled had he been serving on active duty in such higher rank, grade, or rating at the time of placement of his name on the temporary disability retired list or at the time of separation, whichever is earlier: *Provided further,* That if the physical disability entitling such member to disability severance pay is found to exist as a result of a physical examination given in connection with effecting a permanent promotion or a temporary promotion where eligibility for such temporary promotion was required to have been based upon cumulative years of service or years of service in rank, grade, or rating, the disability severance pay of such member shall be based upon the rank, grade, or rating to which such member would have been promoted but for such disability, if such rank, grade, or rating is higher than any other rank, grade, or rating upon which such severance pay is herein authorized to be computed and which such member would be entitled to receive at the time of placement of his name on the temporary disability retired list or at the time of separation, whichever is earlier, if serving on active duty in the higher grade: *And provided further,* That in the case of a former member of the uniformed services who has received disability severance pay as provided in this section, the amount of such disability severance pay shall be deducted from any compensation for himself or his dependents to which he or they become entitled thereafter under laws administered by the Veterans' Administration for the same disability, but no such deductions shall be made from any death compensation to which his dependents may become entitled subsequent to his death.

PERIODIC PHYSICAL EXAMINATIONS

SEC. 404. (a) A member of the uniformed services whose name is hereafter placed upon the temporary disability retired list may be required to submit to periodic physical examinations during the period in which his name is carried on such list.

(b) A member of the uniformed services whose name is placed upon the temporary disability retired list and who is required to submit to a periodic physical examination shall, for travel performed, be entitled to receive the travel and transportation allowance authorized for the rank, grade, or rating in which retired for temporary duty travel performed while on active duty. Failure of any such member to report for any periodic physical examination after receipt of proper notification may be considered cause for terminating his disability retirement pay, except that such payments shall be reinstated at a later date if just cause existed for such failure to report, in which case payments may be retroactive for a period of not to exceed 1 year.

RECOVERY FROM PHYSICAL DISABILITY

SEC. 405. (a) If, as a result of a periodic physical examination, a member of a Regular component of the uniformed services whose name has been placed on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall, subject to his consent, if an officer, be called to active duty and, as soon thereafter as practicable, be reappointed, subject to the provisions of section 407 of this title, to the active list of his Regular component, or, if an enlisted person, be reenlisted in his Regular component.

(b) If, as a result of a periodic physical examination, a member of a Reserve component of the uniformed services whose name has been placed on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall, subject to his consent, be reappointed or reenlisted, as the case may be, in his Reserve component: *Provided,* That if the name of such member was placed on the temporary disability retired list for physical disability incurred while serving in the National Guard of the United States, or in the Air National Guard of the United States, he shall, subject to his consent, if not reappointed or reenlisted, as the case may be, in the component from which removed, be appointed, reappointed, enlisted, or reenlisted, as the case may be, in the Organized Reserve Corps or the Air Force Reserve.

(c) Any appointment, reappointment, enlistment, or reenlistment authorized pursuant to subsection (a) or subsection (b) of this section shall be in a rank, grade, or rating not lower than the rank, grade, or rating permanently held at the time of placement of the name of the member concerned upon the temporary disability retired list, and may be in the rank, grade, or rating immediately above the rank, grade, or rating permanently held at the time of placement of the name of the member concerned upon the temporary disability retired list. When seniority in rank, grade, or rating or years of service is an applicable factor in qualifying a member of the uniformed services for future promotion, such member who is being reappointed or reenlisted pursuant to this section shall, for the purpose of placement on a lineal list, promotion list, or other similar list, be given such seniority in rank, grade, or rating or be credited with such years of service as may be authorized by the Secretary concerned. Action under this subsection shall be taken on a fair and equitable basis, and regard shall be given to the probable opportunities for advancement and promotion to which such member might reasonably have become entitled but for placement of his name upon the temporary disability retired list.

TERMINATION OF DISABILITY RETIREMENT PAY

SEC. 406. (a) If, as a result of a periodic physical examination, a member of the uniformed services whose name appears on the temporary disability retired list is found to be physically fit to perform the duties of his office, rank, grade, or rating, he shall—

(1) if an officer of a Regular component have his disability retirement pay terminated upon the date of his recall to active duty and his status on the temporary disability retired list terminated on the date of his reappointment to the active list;

(2) if an enlisted person of a Regular component have both his status on such temporary disability retired list and his disability retirement pay terminated on the date of his reenlistment in the Regular component from which placed on the temporary disability retired list; or

(3) if a member of a Reserve component, have such status and his disability retirement pay terminated on the date of his reappointment or reenlistment in a Reserve component, as the case may be.

(b) If any such member does not consent to any action taken pursuant to either subsection (a) or subsection (b) of section 405 of this title, his status on the temporary disability retired list and his disability retirement pay shall be terminated as soon thereafter as practicable.

REAPPOINTMENT TO THE ACTIVE LIST OF OFFICERS PLACED ON THE TEMPORARY DISABILITY RETIRED LIST

SEC. 407. (a) The President, by and with the advice and consent of the Senate, is hereby authorized, in his discretion, to reappoint to the active list of the appropriate Regular component of the uniformed services those commissioned officers of the Regular components of the uniformed services whose names have been placed on the temporary disability retired list and who are subsequently found to be physically fit to perform the duties of their office, rank, or grade on active duty. The President, or the Secretary concerned, as the case may be, is authorized to reappoint to the active list of the appropriate Regular component of the uniformed services those warrant officers of the Regular component of the uniformed services whose names have been placed on the temporary disability retired list and who are subsequently found to be physically fit to perform the duties of their office, rank, or grade.

(b) Irrespective of any vacancy in a grade, the authorized number of officers in such grade shall be temporarily increased, if necessary, to authorize appointments made pursuant to section 405 of this title.

PHYSICAL DISABILITY RESULTING FROM MISCONDUCT OR WILLFUL NEGLECT

SEC. 408. When a member of the uniformed services incurs a physical disability which is determined to render him unfit to perform the duties of his office, rank, grade, or rating and which is determined to have resulted from his misconduct or willful neglect, or was incurred during a period of unauthorized absence, such member shall be separated from his service without entitlement to any of the benefits of this title.

RANK OR GRADE IN WHICH RETIRED

SEC. 409. A member of the uniformed services who is retired pursuant to this title shall be retired in the rank, grade, or rating upon which his disability-retirement pay is based or in such higher rank, grade, or rating as may be authorized by law at time of retirement.

CESSATION OF BENEFITS UPON SEPARATION

SEC. 410. Any former member who has been separated for physical disability from any of the uniformed services and paid disability severance pay pursuant to this title shall not thereafter, unless such former member again becomes a member of the uniformed services, be entitled to receive from the service from which such former member was separated any payment for any monetary obligation provided under any provision of law administered by any uniformed service or for such uniformed service by any other uniformed service on account of or arising out of such former member's service on or prior to such separation: *Provided,* That such separation shall not operate to bar the former member concerned from receiving or

the service concerned from paying any moneys due and payable on the date of separation, or any moneys that become due as a result of a valid claim processed against the Government pursuant to any provisions of law.

MEMBERS OR FORMER MEMBERS HERETOFORE RETIRED FOR PHYSICAL DISABILITY

SEC. 411. Pursuant to such regulations as the President may prescribe, (1) any member or former member of the uniformed services heretofore retired by reason of physical disability and now receiving or entitled to receive retired or retirement pay; (2) any former member of the uniformed services heretofore granted or entitled to receive retirement pay for physical disability; (3) any member of the Army Nurse Corps or any person entitled to the rights, privileges, and benefits of members of the Army Nurse Corps, retired for disability under the act of June 20, 1930 (46 Stat. 790), as amended; and (4) any member of the Navy Nurse Corps, or any person entitled to the rights, privileges, and benefits of members of the Navy Nurse Corps, retired for disability prior to December 23, 1942, under the act of June 20, 1930 (46 Stat. 790), as amended, may elect within the 5-year period following the effective date of this title, (A) to qualify for disability retirement pay under the provisions of this act and, dependent on his qualification, shall be entitled to receive either the disability retirement pay or the disability severance pay prescribed in this title: *Provided*, That the determination of the percentage of disability as prescribed in sections 402 (a) (3), 402 (b) (3), or 402 (c) (3), as applicable, shall be based upon the disability of such member, former member, or person, as of the time he was last retired or as of the time he was granted retirement pay, as the case may be, and the percentage of such disability will be determined in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; or (B) to receive retired pay or retirement pay computed by one of the two methods contained in section 511 of this act: *Provided further*, That the retired or retirement pay of each person referred to in (3) and (4) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned officer rank or grade authorized for such persons by the act of May 7, 1948 (Public Law 517, 80th Cong.).

DEFINITION OF ACTIVE SERVICE

SEC. 412. For the purposes of this title, the term "active service" shall be interpreted to mean (1) for members of the Regular components of the uniformed services and for those members, former members, and persons referred to in section 411 (1), (3), and (4), all service as a member of the uniformed services, or as a nurse, or as a contract nurse prior to February 2, 1901, or as a reserve nurse subsequent to February 2, 1901, or as a contract surgeon, or as a contract dental surgeon, or as an acting dental surgeon, or as a veterinarian in the Quartermaster Department, Cavalry, or Field Artillery, or as an Army field clerk or as a field clerk, Army Quartermaster Corps, while on the active list or on active duty or while participating in full-time training or other full-time duty provided for or authorized in the National Defense Act, as amended, the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performances of the duties provided for by sections 5, 81, 92, 94, 97, and 99 of the National Defense Act, as amended, or all service which such member, former member, or person has or is deemed to have pursuant to law for the purpose of separation or mandatory elimination from the active list of his uniformed service; (2) for members of the Reserve components of the uniformed services, other than commissioned officers of the Reserve Corps of the Public Health Service, and for former members referred to in section 411 (2) that service which is equal to the number of years which would be used by such members or former members as a multiplier in the computation of their retired pay pursuant to section 303 of the act of June 29, 1948 (ch. 708, 62 Stat. 1088); and (3) for commissioned officers of the Public Health Service, heretofore retired for physical disability or hereafter retired or separated for physical disability pursuant to this act, in addition to the service creditable as active service under (1) above, their service, other than commissioned service, with the Public Health Service.

REGULATIONS

SEC. 413. The Secretary concerned shall prescribe regulations for the administration of this title within his department or agency, including regulations which shall provide that no member of the uniformed services shall be separated or retired for physical disability without a full and fair hearing if such member shall demand it.

POWERS, DUTIES, AND FUNCTIONS

SEC. 414. (a) All duties, powers, and functions incident to the determination of fitness for active service, percentage of disability at the time of separation from active service, and suitability for reentry into active service and entitlement to and payment of disability severance pay shall be vested in the Secretary concerned.

(b) All duties, powers, and functions incident to payments of disability retirement pay, hospitalization, and reexaminations shall be vested in the Secretary concerned or in the Administrator of Veterans' Affairs under regulations promulgated by the President.

TITLE V—MISCELLANEOUS PROVISIONS

TRAINING DUTY WITH OR WITHOUT PAY OF RESERVE AND NATIONAL GUARD PERSONNEL

SEC. 501. (a) Under such regulations as the Secretary concerned may prescribe, and to the extent provided for by law and by appropriations, members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, shall be entitled to receive compensation at the rate of one-thirtieth of the basic pay authorized for such members of the uniformed services when entitled to receive basic pay, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than 2 hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned: *Provided*, That for each of the several classes of organizations prescribed for the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, the Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, the rules applicable to each of which services and classes within service may differ, the Secretary concerned—

(1) shall prescribe minimum standards which must be met before an assembly for drill or other equivalent period of training, instruction, or duty or appropriate duties may be credited for pay purposes, which minimum standards may require the presence for duty of officers and enlisted personnel equal to or in excess of a minimum number or percentage of unit strength for a specified period of time with participation in a prescribed character of training;

(2) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties, which may be counted for pay purposes in each fiscal year.

(3) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties which can be counted for pay purposes in lesser periods of time; and

(4) shall prescribe the minimum number of assemblies or periods of other equivalent training, instruction, or duty or appropriate duties, which must be completed in stated periods of time before the personnel of organizations or units can qualify for pay.

(b) Members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, may be given additional training or other duty as provided for by law, without pay, as may be authorized by the Secretary concerned, with their consent, and when such authorized training or other duty without pay is performed they may, in the discretion of the Secretary concerned, be furnished with transportation to and from such duty, with subsistence en route, and during the performing of such duty, be furnished with subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the Secretary concerned.

(c) In addition to pay provided in subsection (a) of this section, officers of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service, commanding organizations having administrative functions connected therewith shall, whether or not such officers belong to such organizations, be entitled to receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary concerned may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the Secretary concerned may, from time to time, divide them into classes and fix the amount payable to the officers in each class.

(d) Under such regulations as the President may prescribe and to the extent provided for by appropriations, members of the National Guard, Air National Guard, National Guard of the United States, the Air National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, and the Reserve Corps of the Public Health Service entitled to receive compensation pursuant to subsection (a) of this section shall, when required by competent orders to perform any hazardous duty prescribed by or pursuant to section 204 of this act for members of the uniformed services entitled to receive basic pay and when in consequence of such orders they do perform any hazardous duty so prescribed, be entitled to receive an increase in compensation equal to one-thirtieth of the monthly incentive pay authorized by section 204 of this act for the performance of such hazardous duty by members of the uniformed services of corresponding grades entitled to receive basic pay, such increase to be paid to such members, as long as they are qualified to receive such increase, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than 2 hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned pursuant to subsection (a) of this section.

(e) The provision of subsections (a), (b), (c), and (d) of this section shall not apply

when such members are entitled to receive basic pay as provided for in title II of this act.

(f) (1) Section 55a of the National Defense Act, as amended (10 U. S. C. 422), is hereby amended by striking out the words "subsection (c), section 14, Pay Readjustment Act of 1942, as amended", appearing in the third proviso thereof and inserting in lieu thereof the words "subsection (a) of section 501 of the Career Compensation Act of 1949."

(2) Sections 55a, 109, and 110 of the National Defense Act, as amended, are hereby amended by striking out the words "section 14 of the Pay Readjustment Act of 1942, as amended", wherever appearing therein, and inserting in lieu thereof the words "section 501 of the Career Compensation Act of 1949."

(3) Section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, shall be applicable to the Department of the Air Force: *Provided,* That all references in section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, to the Secretary of the Army, the Department of the Army, the Regular Army, the National Guard, the National Guard of the United States, the Organized Reserve Corps, the Officers' Reserve Corps, the Enlisted Reserve Corps, and the Organized Reserves, shall be construed for the purpose of interpreting section 501 of this act and sections 55a, 109, and 110 of the National Defense Act, as amended, as likewise referring to the Secretary of the Air Force, the Department of the Air Force, the Regular Air Force, the Air National Guard, the Air National Guard of the United States, the Air Force Reserve, the officers' section of the Air Force Reserve, the enlisted section of the Air Force Reserve, and personnel of the Organized Reserves transferred to the Department of the Air Force, respectively.

ACTIVE SERVICE CREDIT IN COAST AND GEODETIC SURVEY

SEC. 502. Active service in the Coast and Geodetic Survey as deck officer or junior engineer and active service counted on June 30, 1922, for longevity pay, shall be credited to commissioned officers as active commissioned service for purposes of pay, allowances, retirement, and retirement pay.

PAYMENTS BASED ON PURPORTED MARRIAGES

SEC. 503. Payments of allowances based on a purported marriage and made prior to judicial annulment or termination of such marriage which have been or which hereafter may be made under the Pay Readjustment Act of 1942, as amended, or under this act are valid: *Provided,* That it is adjudged or decreed by a court of competent jurisdiction that the marriage was entered into in good faith on the part of the spouse in the uniformed services or that, in the absence of such a judgment or decree, such finding of good faith is made by the Secretary concerned or by such person as he may designate for the purpose.

CONTRACT SURGEONS

SEC. 504. Contract surgeons who are serving full time with any of the uniformed services shall be entitled to be paid the minimum basic pay, the basic allowances, and such other allowances as are authorized by this act to be paid to commissioned officers in pay grade 0–2. Contract surgeons who are serving part time with any of the uniformed services shall be entitled to receive the allowances for travel and transportation prescribed pursuant to this act under the same conditions and in the same amount as are applicable to commissioned officers.

ENLISTED PERSONS—CLOTHING ALLOWANCE

SEC. 505. The President may prescribe the quantity and kind of clothing which shall be furnished annually to enlisted men of the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Naval Reserve, the Marine Corps Reserve, the National Guard, the Air National Guard, the National Guard of the United States, the Air National Guard of the United States, the Organized Reserve Corps, the Air Force Reserve, and the Coast Guard Reserve, and he may prescribe the amount of a cash allowance to be paid to such enlisted men in any case in which clothing is not so furnished to them.

ALLOWANCE—SHORE PATROL DUTY

SEC. 506. Officers, midshipmen, and cadets of the Navy, the Marine Corps, and the Coast Guard when absent from a vessel or designated post of duty while assigned to shore patrol duty may be paid their actual expenses.

PAY AND ALLOWANCES—ENLISTED MEN—PHILIPPINE SCOUTS—INSULAR FORCE OF THE NAVY

SEC. 507. (a) The pay and allowances of whatever nature and kind to be authorized for the enlisted men of the Philippine Scouts shall be fixed by the Secretary of the Army and shall not exceed or be of other classes than those now or which may hereafter be authorized by law for enlisted men of the Regular Army.

(b) The pay and allowances of whatever nature and kind to be authorized for the enlisted men of the insular force of the Navy shall be fixed by the Secretary of the Navy, and shall not exceed or be of other classes than those now, or which may hereafter be, authorized by law for enlisted men of the Regular Navy.

PAY AND ALLOWANCES—CADETS AND MIDSHIPMEN

SEC. 508. Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, and cadets at the Coast Guard Academy shall be entitled to receive pay at the rate of $936 per annum, and to receive allowances as now or hereafter provided by law for midshipmen in the Navy and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman.

ASSIMILATION TO PAY AND ALLOWANCES OF COMMISSIONED OFFICERS

SEC. 509. The provisions of titles II and III of this act shall apply equally to those persons serving, not as commissioned officers in any of the uniformed services, but whose pay or allowances, or both, under existing law are assimilated to the pay and allowances of a commissioned officer of any grade or rank of any of the uniformed services.

DAILY RATE OF PAY AND ALLOWANCES

SEC. 510. Members of the uniformed services who shall become entitled to receive any pay and allowances authorized by this act for a continuous period of less than 1 month shall be entitled to receive such pay and allowances for each day of such period at the rate of one-thirtieth of the monthly amount of such pay and allowances, and the 31st day of a calendar month shall not be excluded from the computation.

RETIRED AND RETAINER PAY OF MEMBERS ON RETIRED LISTS OR RECEIVING RETAINER PAY

SEC. 511. On and after the effective date of this section (1) members of the uniformed services heretofore retired for reasons other than for physical disability, (2) members heretofore transferred to the Fleet Reserve or the Fleet Marine Corps Reserve, and (3) members of the Army Nurse Corps or the Navy Nurse Corps heretofore retired under the act of May 13, 1926 (44 Stat. 513), shall be entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay, in the amount whichever is the greater, computed by one of the following methods: (a) The monthly retired pay, retainer pay, or equivalent pay in the amount authorized for such members and former members by provisions of law in effect on the day immediately preceding the date of enactment of this act, or (b) monthly retired pay, retirement pay, retainer pay, or equivalent pay equal to 2½ percent of the monthly basic pay of the highest federally recognized rank, grade, or rating, whether under a permanent or temporary appointment, satisfactorily held, by such member or former member, as determined by the Secretary concerned, and which such member, former member, or person would be entitled to receive if serving on active duty in such rank, grade, or rating, multiplied by the number of years of active service creditable to him: *Provided,* That for the purpose of the computation of (b) above, fractions of one-half year or more of active service shall be counted as a whole year: *Provided further,* That in no case shall such retired pay, retainer pay, or equivalent pay exceed 75 percent of the monthly basic pay upon which the computation is based: *Provided further,* That for the purposes of this section, the term "active service" as used herein shall mean all service as a member or as a former member of the uniformed services, or as a nurse, or as a contract nurse prior to February 2, 1901, or as a reserve nurse subsequent to February 2, 1901, or as a contract surgeon, or as a contract dental surgeon, or as an acting dental surgeon, or as a veterinarian in the Quartermaster Department, Cavalry, or Field Artillery, or as an Army field clerk or as a field clerk, Army Quartermaster Corps, while on the active list or on active duty or while participating in full-time training or other full-time duty provided for or authorized in the National Defense Act, as amended, the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 92, 94, 97, and 99 of the National Defense Act, as amended, and in the case of commissioned officers of the Public Health Service, that service which is creditable pursuant to part (3) of section 412 of this act: *Provided further,* That the retired or retirement pay of each member referred to in (3) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned-officer grade authorized for such member by the act of May 7, 1948 (Public Law 517, 80th Cong.): *Provided further,* That (a) enlisted persons or former enlisted persons of the Regular Army or Regular Air Force who have been transferred prior to the effective date of this section to the Enlisted Reserve Corps or to the enlisted section of the Air Force Reserve and placed on the retired list of the Regular Army or the Regular Air Force, respectively, under the provisions of section 4 of the act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 948), as amended, and (b) enlisted persons or former enlisted persons of the Regular Navy or Regular Marine Corps who have been transferred prior to the effective date of this section to the Fleet Reserve or the Fleet Marine Corps Reserve under the provisions of title II of the Naval Reserve Act of 1938, as amended, shall not be entitled to have their retired pay or retainer pay computed on the basis of the highest officer or warrant-officer grade held by them as authorized by this section until they have completed 30 years of service, to include the sum of their active service and their service on the retired list or in the Fleet Reserve or in the Fleet Marine Corps Reserve, as required by existing law: *And provided further,* That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within 1 year from the effective date of this section or within 1 year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer

status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED PAY OF MEMBERS AND FORMER MEMBERS OF RESERVE COMPONENTS

SEC. 512. On and after the effective date of this section, any person who heretofore has been granted retired pay or who hereafter is granted retired pay pursuant to title III of the act of June 29, 1948 (ch. 708, 62 Stat. 1087), shall have his retired pay computed as authorized by the aforesaid title III on the basis of the pay provided for in this act: *Provided,* That, notwithstanding the provisions of section 305 of the act of June 29, 1948 (62 Stat. 1089), any member or former member of the Naval Reserve or Marine Corps Reserve heretofore placed on the honorary retired list of the Naval Reserve or Marine Corps Reserve with pay as provided in sections 309 and 310 of the Naval Reserve Act of 1938 (52 Stat. 1183; 34 U. S. C. 855h, i), as amended, shall be entitled to have such pay computed as provided in this section.

RETIRED PAY GRADE OF CERTAIN WARRANT OFFICERS AND ENLISTED PERSONS

SEC. 513. Any enlisted person or warrant officer of the uniformed services who served in World War I, heretofore or hereafter retired for any reason, shall (1) be advanced on the retired list of the service concerned to the highest federally recognized officer rank or grade satisfactorily held by such enlisted person or warrant officer under a permanent or temporary appointment for any period of service between April 6, 1917, and November 11, 1918, and (2) if not entitled to receive retired pay or disability retirement pay based on a higher officer rank or grade by some other provision of law, be entitled to receive retired pay or disability retirement pay computed on the basis of the officer rank or grade to which previously advanced on a retired list or computed on the basis of the officer grade or rank authorized by this section: *Provided,* That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within 1 year from the effective date of this section or within 1 year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED MEMBERS AND FORMER MEMBERS SERVING ON ACTIVE DUTY

SEC. 514. Retired members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall, when serving on active duty, be entitled to receive the pay and allowances to which entitled by the provisions of this act for the grade or rank in which they are serving on such active duty, and shall, when on such active-duty status, have the same pay and allowance rights while on leave of absence or while sick as members of the uniformed services entitled to receive basic pay of similar grade or rank, and, if death occurs when on active-duty status, while on leave of absence, or while sick, their dependents shall not thereby be deprived of any of the benefits provided in the act of December 17, 1919 (41 Stat. 367; 10 U. S. C. 903), as amended, and in the act of June 4, 1920 (41 Stat. 824; 34 U. S. C. 943), as amended.

PROVISION TO RETAIN PRESENT COMPENSATION AND TO LIMIT THE APPLICATION OF THE SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942, AS AMENDED

SEC. 515. (a) No member serving on active duty on the effective date of this act shall, prior to July 1, 1952, and while serving on continuous active duty, including for the purpose of such continuous active-duty service in a reenlistment entered into within 3 months from the date of last discharge, suffer any reduction by reason of this act in the total compensation which he is entitled to receive under any provision of law in effect on the day immediately preceding such effective date: *Provided,* That (1) the provisions of this subsection shall cease to apply to such member whenever he shall become entitled to receive total compensation in excess of the amount to which he was entitled on the day preceding such effective date; and (2) the provisions of this subsection shall cease to apply to any part of such total compensation upon the failure of such member to qualify therefor: *Provided further,* That for the purposes of this subsection the computation of such total compensation shall not include contributions by the Government under the Servicemen's Dependents Allowance Act of 1942, as amended, travel and transportation allowances, per diem and station allowances, pay of court stenographers of the Army and Air Force, enlistment allowance, or reenlistment bonuses.

(b) Any member who, on the effective date of this act, is serving in an enlistment contracted prior to the date of enactment of this act, or any member whose enlistment terminated in the period between the date of enactment and the effective date of this act, both dates inclusive, and who has entered into a new enlistment within 1 month of such termination shall not, prior to the expiration of the enlistment or reenlistment described above, or July 1, 1952, whichever is earlier, suffer any reduction by reason of this act in the total compensation which he is entitled to receive under any provision of law in effect on the day immediately preceding the effective date of this act: *Provided,* That for the purposes of this subsection, unless otherwise provided, the computation of such total compensation shall not include travel and transportation allowances, per diem and station allowances, pay of court stenographers of the Army and Air Force, enlistment allowance, or reenlistment bonuses, and following that date which is the last day of the sixth calendar month following the month in which this act is enacted, shall not include the contribution by the Government under the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, to monthly family allowance (1) for a father or mother dependent for substantial support or (2) for a father or mother dependent for chief support when a monthly family allowance is authorized for a wife or child of such member or (3) for a brother or sister dependent for chief or substantial support, but shall include other contributions by the Government under the Servicemen's Dependents Allowance Act of 1942, as amended: *Provided further,* That, notwithstanding the provisions of the preceding proviso, in the case of any member who, on the effective date of this act, is serving in an enlistment or reenlistment which was contracted prior to July 1, 1946, such member shall not, prior to the expiration of such enlistment or reenlistment or July 1, 1952, whichever is earlier, suffer any reduction by reason of this act in the total compensation which he is entitled to receive under any provision of law in effect on the day immediately preceding the effective date of this act, the computation of such total compensation, for the purpose of this proviso only, not to include travel and transportation allowances, per diem and station allowances, pay of court stenographers of the Army and Air Force, enlistment allowance, or reenlistment bonuses, but shall include all contributions by the Government under the Servicemen's Dependents Allowance Act of 1942, as amended: *Provided further,* That (1) the provisions of this subsection shall cease to apply to such member whenever he shall become entitled to receive total compensation under the provisions of this act in excess of the amount of such total compensation to which he was entitled on the day preceding the effective date of this act; and (2) the provisions of this subsection shall cease to apply to any part of such total compensation upon the failure of such member or his dependent or dependents to qualify therefor or to be entitled thereto: *Provided further,* That when a member is furnished Government quarters adequate for himself, if without dependents, or adequate for himself and dependents, if with dependents, the total sum saved for him by this subsection shall be reduced by the cash value of the basic allowance for quarters established under section 302 of this act: *And provided further,* That in the case of any enlisted person on active duty on the effective date of this act whose total compensation, not including travel and transportation allowances, per diem and station allowances, pay of court stenographers of the Army and Air Force, enlistment allowance, or reenlistment bonuses, but including the amount of the Government's contribution to such member's dependents under the Servicemen's Dependents Allowance Act of 1942, as amended, on the day immediately preceding the effective date of this act, exceeds the amount of the total compensation to which he would become entitled under the provisions of this act, not including any Government contributions to his dependents under the Servicemen's Dependents Allowance Act of 1942, as amended, he shall, if application is made within 1 year from the effective date of this act, be discharged by the Secretary concerned.

(c) Notwithstanding any other provision of law, the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, shall, on the date of enactment of this act, become inoperative for the dependent or dependents of all members other than those prescribed in subsection (b) of this section.

PROVISIONS RELATING TO INCREASE OF RETIRED PAY BY ACTIVE DUTY

SEC. 516. Members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, who have been, or may hereafter be, retired or transferred to the Fleet Reserve or Fleet Marine Corps Reserve and entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay computed under the provisions of this or any other act, shall be entitled, subject to the provisions hereinafter listed, to receive increases in such retired pay, retirement pay, retainer pay, or equivalent pay for all active duty performed after retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve: *Provided,* That the retired pay, retirement pay, retainer pay, or equivalent pay to which such member or former member shall be entitled upon his release from active duty shall be computed by multiplying the years of service creditable to him for purposes of computing retired pay, retirement pay, retainer pay, or equivalent pay at the time of his retirement or transfer plus the number of years of subsequent active duty performed by him by 2½ percent, and by multiplying the product thus obtained by the base and longevity pay or the basic pay, as the case may be, of the rank or grade in which he would be eligible, at the time of his release from active duty, to be retired or transferred except for the fact that he is

already a retired person or a member of the Fleet Reserve or Fleet Marine Corps Reserve: *Provided*, That for the purpose of computing increases in retired pay, retirement pay, retainer pay, or equivalent pay of any member or former member, fractions of one-half year or more of active duty performed subsequent to retirement or transfer by such member or former member shall be counted as a whole year: *Provided further*, That in the case of an officer heretofore retired with pay computed at a rate of either 3 or 4 percent as the multiplier for each year of service allowed in the computation of the retired pay, active duty performed subsequent to the effective date of this section shall not increase the retired or retirement pay for such officer upon his return to retired status unless such officer elects to have his retired or retirement pay computed by one of the two methods provided in section 511 of this act, subject to the limitations imposed therein: *And provided further*, That in no event shall retired pay, retirement pay, retainer pay, or equivalent pay exceed 75 percent of the active-duty pay or basic pay which such person would be entitled to receive if he were serving on active duty in the rank or grade which is the basis for the computation of his retired pay, retirement pay, retainer pay, or equivalent pay.

SAVING PROVISION AND AMENDMENTS RELATING TO MEMBERS OF THE MARINE BAND

SEC. 517. (a) Section 11 of the act of March 4, 1925, as amended by section 1 (c) of the act of June 29, 1946 (60 Stat. 343; 34 U. S. C. 701), is hereby further amended to read as follows:

"SEC. 11. The band of the United States Marine Corps shall consist of one leader, who shall be paid the basic pay, the basic allowances, and such other allowances as are authorized by the Career Compensation Act of 1949 to be paid to commissioned officers in pay grade O-3 and with the same number of cumulative years of service; one second leader, who shall be paid the basic pay, the basic allowances, and such other allowances as are authorized by the Career Compensation Act of 1949 to be paid to warrant officers in pay grade W-3 and with the same number of cumulative years of service, and such other personnel in such numbers and distributed in such grades and ranks as the Secretary of the Navy may determine necessary and appropriate: *Provided*, That hereafter during concert tours approved by the President, personnel of the Marine Band shall suffer no loss of allowances."

(b) Personnel of the band of the United States Marine Corps serving under appointments authorized by law in effect on the date of enactment of this Act who may be appointed to appropriate grades or ranks in consequence of the amendment of such law by subsection (a) of this section shall not suffer by reason of such appointment any reduction in the pay and allowances to which they would have been entitled either in their current enlistment or during any subsequent enlistment or after transfer to the Fleet Marine Corps Reserve or to the retired list. No former member of the band of the United States Marine Corps who has been heretofore retired or heretofore transferred to the Fleet Marine Corps Reserve shall suffer any reduction in retirement or retainer pay to which he would otherwise have been entitled but for reenactment of this act.

SAVING PROVISION RELATING TO FORMER LIGHTHOUSE SERVICE AND FORMER BUREAU OF MARINE INSPECTION PERSONNEL

SEC. 518. Nothing contained in this act shall be construed to diminish any of the rights, benefits, and privileges authorized and conferred—

(1) by the act of August 5, 1939 (53 Stat. 1216), as amended by the act of June 24, 1948 (Public Law 761, 80th Cong.), upon personnel of the former Lighthouse Service; and

(2) by the act of July 23, 1947 (61 Stat. 411), for personnel of the categories described in sections 3 (6), 5 (7), and 6 (5) of said act,

who were commissioned, appointed, or enlisted in the regular Coast Guard pursuant to said acts of August 5, 1939, and July 23, 1947, respectively.

SAVING PROVISION RELATING TO MEMBERS AND FORMER MEMBERS RECEIVING RETIREMENT PAY ON DATE OF ENACTMENT OF THIS ACT

SEC. 519. Any member or former member of the uniformed service or any person entitled to the rights, benefits, and privileges of a member or former member of the uniformed services, including any person entitled to the benefits provided in the act of May 7, 1948 (62 Stat. 211), who on the date of enactment of this act, is receiving or is entitled to receive retired or retirement pay pursuant to any provision of law, shall, notwithstanding the provisions of this act, be entitled to continue to receive or shall continue his entitlement to receive that retired or retirement pay which such member or former member is entitled to receive under any provision of law in effect on the day preceding date of enactment of this act.

SAVING PROVISION RELATING TO LAWS PROVIDING FOR PAY REPEALED BY THIS ACT

SEC. 520. Any provision of law which, on the date of enactment of this act, entitles any person to be retired, to receive pay, retired pay, retirement pay, or retainer pay, or other monetary benefit, and which is directly repealed, impliedly repealed, or amended by the provisions of this act, shall, if the entitlement of such person to such retirement, pay, retired pay, retirement pay, retainer pay, or other monetary benefit is saved by the provisions of this act, be continued in full force and effect for such entitlement and for such a time as such entitlement may exist.

PROVISIONS OF THE PUBLIC HEALTH SERVICE ACT AMENDED AND REPEALED

SEC. 521. The following sections, subsections, and other provisions of the act of July 1, 1944 (ch. 373, 58 Stat. 682), as amended, are amended or repealed as hereinafter in this section indicated:

(a) Wherever the words "pay and pay period" appear in subsection (d) of section 207, such words shall be deleted and the words "basic pay" shall be substituted in lieu thereof.

(b) Subsections (b) and (d) of section 208 are repealed. Subsections (c), (e), (f), (g), and (h) of said section are redesignated as subsections (b), (c), (d), (e) and (f), respectively. Subsection (a) and the subsection herein redesignated as subsection (e) of said section are amended as follows:

"(a) Commissioned officers of the Regular and Reserve Corps shall be entitled to receive such pay and allowances as are now or may hereafter be authorized by law."

"(e) Whenever any noncommissioned officer or other employee of the Service is assigned for duty which the Surgeon General finds requires intimate contact with persons afflicted with leprosy, he may be entitled to receive, as provided by regulations of the President, in addition to any pay or compensation to which he may otherwise be entitled, not more than one-half of such pay or compensation."

(c) Subsection (g) of section 210 is amended by deleting therefrom the words "incurred in line of duty" wherever they appear.

(d) Section 211 is amended by repealing subsection (a) thereof; by redesignating subsections (b), (c), (d), (e), (f), (g), and (h) thereof as subsections (a), (b), (c), (d), (e), (f), and (g), respectively; and by changing "subsection (c)" to "subsection (b)" in the subsection hereby redesignated as subsection (a). The subsections hereby redesignated as subsections (b), (c), and (g) of said section are amended to read:

"(b) (1) Any commissioned officer of the Regular Corps who at the time of his original appointment was more han 45 years of age shall upon his retirement for age pursuant to subsection (a) of this section be entitled to retired pay at the rate of 4 percent of his active pay at the time of such retirement for each 12 months of active commissioned service, including any such service in the Army, Navy, or Coast Guard, but in no case more than 75 percent of such active pay.

"(2) The retired pay of an officer, who is retired pursuant to subsection (a) of this section or pursuant to paragraph (1) of this subsection and who has served 4 years or more as Surgeon General, Deputy Surgeon General, or Assistant Surgeon General, shall be based on the pay of the highest grade held by him as such Surgeon General, Deputy Surgeon General, or Assistant Surgeon General.

"(c) In time of war, a commissioned officer who has been retired under the provisions of subsection (a) of this section may, in accordance with regulations of the President, be recalled to active duty.

"(g) A commissioned officer shall be retired or separated from the Service for physical disability depending upon his eligibility for such retirement or separation under other provisions of law and be paid such retirement or such severance pay to which he may be entitled under such other provisions of law."

(e) Subsection (d) of section 214 is amended by deleting therefrom the words "longevity pay" and substituting in lieu thereof the words "the computation of basic pay."

(f) Subsection (b) of section 215 is amended by deleting therefrom the words "travel, transportation of household goods and effects, and."

(g) Section 706 is amended by deleting the words "subsection (c) (1)" and inserting in lieu thereof the words "subsection (b) (1)" and by deleting the words "subsection (b)" and inserting in lieu thereof the words "subsection (a)."

PROVISIONS RELATING TO RETIREMENT OF OFFICERS SPECIALLY COMMENDED FOR PERFORMANCE OF DUTY IN COMBAT

SEC. 522. (a) Section 412 (a) of the Officer Personnel Act of 1947 is hereby amended by deleting the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement" as they appear in lines 8 and 9 of the said section on page 874, volume 61, Statutes at Large.

(b) The act of June 6, 1942 (ch. 383, 56 Stat. 328; 14 U. S. C. 174a; 33 U. S. C. 864e), is hereby amended by striking out the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement." and by inserting in lieu thereof the words ": *Provided*, That the provisions of this act shall not apply in the case of any officer who has been so commended if the act or service justifying the commendation was performed after December 31, 1946."

(c) Nothing contained in subsections (a) and (b) of this section shall be held to reduce the retired pay of any officer placed on a retired list prior to the effective date of this section, nor shall the provisions of section 412 (a) of the Officer Personnel Act of 1947, as amended by subsection (a) of this section, or the act of June 6, 1942 (ch. 383, 56 Stat. 328), as amended by subsection (b) of this section, be construed as granting any increased retired pay to any person by virtue of the higher grade or rank to which such person is or may become entitled to pursuant to such provisions of law.

AMENDMENTS OF THE ACT OF JUNE 3, 1916 (39 STAT. 190; 41 STAT. 776)

SEC. 523. (a) Section 30 of the act of June 3, 1916 (39 Stat. 187; 10 U. S. C. 658), as

amended, is amended by deleting therefrom the third, the seventh, and the ninth sentences of the first paragraph.

(b) Section 37a of the National Defense Act of 1916, as amended, is amended by inserting a period after the words "and length of active service" and deleting the rest of said section.

(c) Section 38 of the National Defense Act of 1916, as amended, is amended by deleting the following words therefrom: "and mileage from his home to his first station and from his last station to his home."

AMENDMENT OF THE ACT OF FEBRUARY 18, 1946 (60 STAT. 20)

SEC. 524. That part of title III of the act of February 18, 1946 (60 Stat. 20; 37 U. S. C. 112c), which authorizes transportation of dependents and household effects of civilian and naval personnel of the Naval Establishment stationed outside continental United States is amended by deleting therefrom all reference to naval personnel.

AMENDMENTS OF THE ACT OF JUNE 5, 1942 (56 STAT. 315)

SEC. 525. (a) Subsection (e) of section 4 of the act of June 5, 1942 (56 Stat. 314), as added by section 4 of the act of February 12, 1946 (60 Stat. 5; 50 App. U. S. C. 764 (e)), as amended, is amended by deleting therefrom the reference to section 4 (a), 4 (b), and 4 (c).

(b) Section 5 of the act of June 5, 1942 (56 Stat. 316; 50 App. U. S. C. 765), is amended by deleting therefrom all references to military personnel.

AMENDMENT OF THE ACT OF MAY 27, 1908 (35 STAT. 418)

SEC. 526. Paragraph 23, heading "Office of the Fourth Assistant Postmaster General," of the act of May 27, 1908 (35 Stat. 418; 39 U. S. C. 134), as amended, is amended by deleting the last sentence thereof.

AMENDMENT OF SECTION 4 OF THE NAVAL AVIATION CADET ACT OF 1942 (56 STAT. 737)

SEC. 527. Section 4 of the Naval Aviation Cadet Act of 1942 (56 Stat. 737; 34 U. S. C. 850c), is hereby amended to read as follows:

"SEC. 4. Aviation cadets, while on active duty, shall be entitled to be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Navy."

AMENDMENT OF SECTION 4 OF THE ARMY AVIATION CADET ACT (55 STAT. 240)

SEC. 528. The first five sentences of section 4 of the Army Aviation Cadet Act (55 Stat. 240; 10 U. S. C. 303, 304 304b), as amended, are hereby further amended to read as follows:

"Aviation cadets, while on active duty, shall be entitled to be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall be entitled to receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall be entitled to receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Army."

AMENDMENT OF THE ACT OF JUNE 30, 1941 (55 STAT. 394)

SEC. 529. The act of June 30, 1941 (55 Stat. 394; 10 U. S. C. 656, 939, 982a), as amended, is hereby amended by deleting therefrom sections 1, 2, and 3.

AMENDMENT TO THE NATIONAL DEFENSE ACT

SEC. 530. (a) Section 71 of the National Defense Act, as amended (32 U. S. C. 4b), is hereby amended by striking out the period at the end of the section, inserting a comma in lieu thereof, and adding the following: "and, in addition thereto, shall include any officer of the National Guard of any State, Territory, or of the District of Columbia who has been temporarily extended Federal recognition by the Secretary of the Army under such regulations as he may prescribe, and who shall have successfully passed the examination prescribed in section 75 of the National Defense Act, as amended, pending final determination of his eligibility for, and his appointment as, an officer of the National Guard of the United States in the grade concerned, and if and when so appointed the appointment shall be dated and shall be deemed to have been effective from the date of such recognition, however, such temporary extension of Federal recognition shall be granted only when such officer takes oath that during such recognition he will perform all Federal duties and obligations required of him the same as though he were appointed as an officer of the National Guard of the United States in such grade, and such temporary recognition may be withdrawn at any time and if not sooner withdrawn or replaced by permanent recognition as an officer of the National Guard of the United States in such grade it shall automatically terminate 6 months after its effective date."

(b) The foregoing amendment in subsection (a) of this section and section 1 of the National Defense Act, as amended, shall apply to the Department of the Air Force and to the Regular and Reserve components of the Air Force in the same manner that it would so apply had it been enacted prior to the enactment of the National Security Act of 1947 (Pub. Law 253, 80th Cong., approved July 26, 1947).

ACTS AND PARTS OF ACTS REPEALED

SEC. 531. (a) All acts or parts of acts inconsistent with the provisions of this act are hereby repealed on the date such provisions of this act become effective, and the provisions of this act shall be in effect in lieu thereof, and such repeal shall include, but shall not be limited to, the acts and parts of acts repealed in subsection (b), (c), and (d) of this section.

(b) The following acts and parts of acts are hereby repealed:

(1) Section 1245 of the Revised Statutes (10 U. S. C. 931).

(2) Section 1251 of the Revised Statutes (10 U. S. C. 933).

(3) Section 1252 of the Revised Statutes (10 U. S. C. 934).

(4) Section 1253 of the Revised Statutes (10 U. S. C. 966).

(5) That part of section 1261 of the Revised Statutes (10 U. S. C. 692) which provides additional pay for aids to brigadier generals and major generals.

(6) Section 1454 of the Revised Statutes (34 U. S. C. 418), as amended.

(7) Section 1588 of the Revised Statutes (34 U. S. C. 991), as amended.

(8) Section 1612 of the Revised Statutes (34 U. S. C. 971).

(9) Section 1613 of the Revised Statutes (34 U. S. C. 972).

(10) The third proviso of section 3 of the act of October 1, 1890 (26 Stat. 562; 10 U. S. C. 932).

(11) Section 6 of the act of April 12, 1902 (32 Stat. 101; 14 U. S. C. 169), as amended.

(12) That part of paragraph 3, heading "Marine Corps," of the act of March 2, 1907 (34 Stat. 1200; 34 U. S. C. 973) which provides additional pay for privates of the Marine Corps regularly detailed and serving as cooks.

(13) That part of paragraph 3, heading "Pay of enlisted men," of the act of May 11, 1908 (35 Stat. 108; 10 U. S. C. 803), as amended, which authorizes additional pay to an officer of the Army below the grade of major required to be mounted who provides himself with suitable mounts at his own expense.

(14) That part of paragraph 2, heading "Pay of the Navy," of the act of May 13, 1908 (35 Stat. 128; 34 U. S. C. 867), which provides additional pay for aids to rear admirals of the Navy.

(15) That part of paragraph 14, heading "Miscellaneous," of the act of August 24, 1912 (37 Stat. 575; 10 U. S. C. 644), which authorizes additional pay for enlisted men of the Army detailed to serve as stenographic reporters.

(16) That part of section 1 of the act of March 4, 1915 (38 Stat. 1063; 10 U. S. C. 750a), as amended, which relates to expenses of officers abroad as observers of foreign armies at war.

(17) That part of section 127a of the act of June 3, 1916, as added by section 51 of the act of June 4, 1920 (41 Stat. 785; 10 U. S. C. 301), which relates to additional pay for military aviators and junior military aviators.

(18) That part of section 127a of the act of June 3, 1916, as added by section 51 of the act of June 4, 1920 (41 Stat. 785; 37 U. S. C. 4b), which provides for longevity pay for service in the Regular, provisional, or temporary forces.

(19) That part of section 1 of the act of August 29, 1916 (39 Stat. 629; 10 U. S. C. 935), as amended, which reads as follows:

"That the Secretary of the Army shall make a list of all officers of the Army who have been placed on the retired list for disability and shall cause such officers to be examined at intervals as may be advisable, and such officers as shall be found to have recovered from such disabilities or to be able to perform service of value to the Government sufficient to warrant such action shall be assigned to such duty as the Secretary of the Army may approve."

(20) Paragraph 4, heading "Medals of Honor, Distinguished Service Crosses, and Distinguished Service Medals," of the act of July 9, 1918 (40 Stat. 871; 10 U. S. C. 696).

(21) That part of subchapter IX of the act of July 9, 1918 (40 Stat. 882; 10 U. S. C. 276), which relates to pay and allowances of warrant officers of the Army Mine Planter Service.

(22) Section 4 of the act of February 4, 1919 (40 Stat. 1056) as renumbered section 6 and amended by section 1 of the act of August 7, 1942 (56 Stat. 744; 34 U. S. C. 357).

(23) Section 13 of the act of July 2, 1926 (44 Stat. 789; 10 U. S. C. 1430; 34 U. S. C. 364b).

(24) The act of April 9, 1928 (ch. 327, 45 Stat. 412; 34 U. S. C. 886), as amended.

(25) Section 10 of the act of June 16, 1933 (48 Stat. 307; 37 U. S. C. 29a).

(26) The act of August 25, 1937 (ch. 769, 50 Stat. 805; 10 U. S. C. 699).

(27) That part of the act of October 15, 1940 (ch. 885, 54 Stat. 1177; 10 U. S. C. 276, 277), which relates to pay and allowances of warrant officers of the Army Mine Planter Service.

(28) That part of section 6 of the act of July 24, 1941 (55 Stat. 604; 34 U. S. C. 350e), as amended, which relates to pay and allowances, and section 8 of such act (55 Stat. 604; 34 U. S. C. 350g), as amended.

(29) Section 2 of the act of August 18, 1941 (55 Stat. 629; 37 U. S. C. 16a), as amended.

(30) That part of section 1 of the act of August 21, 1941 (55 Stat. 651; 10 U. S. C. 593a) relating to base pay and allowances for warrant officers in the Army of the United States which precedes the proviso, and also all of said section 1 following the colon preceding the proviso.

(31) Section 7 of the act of January 19, 1942 (56 Stat. 8; 33 U. S. C. 864d), as amended.

(32) So much of the second proviso of section 2 (b) of the act of January 19, 1942 (56 Stat. 7; 33 U. S. C. 854a), as relates to pay, longevity pay, allowances, and retirement.

(33) Section 1 of the act of May 4, 1942 (56 Stat. 266; 37 U. S. C. 18a).

(34) The act of June 16, 1942 (56 Stat. 359), as amended, except section 12 of such act, as amended, except that part of paragraph 1 of section 10 of such act, as amended, which relates to enlisted personnel in a travel status, and except paragraph 4 of section 15 of such act, as amended.

(35) The act of April 10, 1943 (ch. 47, 57 Stat. 62; 37 U. S. C. 118b) as amended.

(36) The act of June 30, 1944 (ch. 335, 58 Stat. 648; 10 U. S. C. 1430a), as amended.

(37) The act of July 6, 1945 (ch. 279, 59 Stat. 462; 10 U. S. C. 1430b), as amended.

(38) Section 5 of the act of June 29, 1946 (60 Stat. 345; 37 U. S. C. 101a).

(39) The act of March 6, 1946 (ch. 49, 60 Stat. 32; 37 U. S. C. 103b), as amended.

(40) Section 14 of the act of August 2, 1946 (60 Stat. 854; 34 U. S. C. 889).

(41) Sections 14, 15, and 16 (b) of the act of June 3, 1948 (ch. 390, 62 Stat. 299, 300).

(c) The following acts and parts of acts are hereby repealed:

(1) That part of section 1 of the act of August 5, 1882 (22 Stat. 286; 34 U. S. C. 892), which relates to officers of the Navy traveling abroad under orders.

(2) That part of section 1 of the act of March 3, 1883 (22 Stat. 456; 10 U. S. C. 747), which relates to computation of mileage and necessity for travel by officers of the Army.

(3) Paragraph 21, heading "Miscellaneous," of the act of June 12, 1906 (34 Stat. 246; 10 U. S. C. 743, 748, 870), as amended.

(4) That part of paragraph 6 heading "Marine Corps," of the act of March 3, 1909 (35 Stat. 774; 34 U. S. C. 977), which provides for settlement of traveling-expense claims.

(5) That part of the act of March 23, 1910 (36 Stat. 255; 10 U. S. C. 821), under the heading "Quartermaster's Department," subheading "Transportation of the Army and its supplies," which relates to reimbursement of the Government for excess baggage carried.

(6) Section 126 of the act of June 3, 1916 (39 Stat. 217; 10 U. S. C. 752; 14 U. S. C. 138; 34 U. S. C. 895), as amended.

(7) That part of section 1 of the act of August 29, 1916 (39 Stat. 633; 10 U. S. C. 823), as amended, which relates to transportation of baggage of enlisted men discharged for disability in line of duty.

(8) That part of the act of July 9, 1918 (40 Stat. 860; 10 U. S. C. 754), as amended, which relates to travel expenses of enlisted men incident to entry on or relief from active duty.

(9) The act of September 29, 1919 (ch. 65, 41 Stat. 288; 10 U. S. C. 753).

(10) The first paragraph of section 5 of the act of March 3, 1925 (43 Stat. 1190; 10 U. S. C. 306; 34 U. S. C. 893), as amended.

(11) Subsections (a), (b), (c), and (d) of section 4 of the act of June 5, 1942 (56 Stat. 315; 50 App. U. S. C. 764 (a), (b), (c), and (d)), as amended.

(12) That part of paragraph 1 of section 10 of the act of June 16, 1942 (56 Stat. 363; 37 U. S. C. 110), as amended, which relates to enlisted personnel in a travel status, and section 12 of such act (56 Stat. 364; 37 U. S. C. 112), as amended.

(13) The act of October 14, 1942 (56 Stat. 786; 50 App. U. S. C. 831, 832, and 833), as amended.

(14) The act of October 29, 1942 (ch. 631, 56 Stat. 1011; 34 U. S. C. 899).

(15) So much of section 1 of the acts of June 26, 1943 (ch. 147, 57 Stat. 204), June 22, 1944 (ch. 269, 58 Stat. 309), May 29, 1945 (ch. 130, 59 Stat. 209), and section 101 of the act of July 8, 1946 (ch. 543, 60 Stat. 488; 37 U. S. C. 112b), as relates to per diem allowances for naval officers traveling between places in the same vicinity, naval personnel on special duty in foreign countries and naval personnel of the Naval Air Transport Service.

(16) The act of November 28, 1943 (ch. 330, 57 Stat. 593; 50 App. U. S. C. 833 a, b, c, d, e, and f), as amended.

(17) Section 1 of the act of June 27, 1944 (58 Stat. 392; 37 U. S. C. 117b).

(18) Section 6 of the act of October 6, 1945 (ch. 393, 59 Stat. 539; 10 U. S. C. 751a; 34 U. S. C. 895a), as amended.

(19) The act of April 27, 1946 (60 Stat. 126, 127; 37 U. S. C. 112d–112i), as amended.

(20) The act of March 26, 1947 (61 Stat. 23; 10 U. S. C. 760).

(d) The Servicemen's Dependents Allowance Act of 1942, as amended.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 532. There is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

EFFECTIVE DATE

SEC. 533. (a) Except as provided in subsections (b) and (c) of this section, this act shall become effective on October 1, 1949, and no pay, allowances, or benefits provided herein shall accrue to any person for any period prior thereto.

(b) Section 515 of this act shall become effective on the date of enactment of this act.

(c) Subsection (c) of section 531 of this act shall become effective on January 1, 1950.

Mr. KILDAY (interrupting reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, that it be printed in the RECORD, and be open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

On page 25, after line 15, strike out "$45" and insert "$42."

The committee amendment was agreed to.

Mr. FURCOLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FURCOLO:

Page 19, after line 12, strike out the chart between lines 12 and 13 and insert the following chart:

"Pay grade:	*Monthly rate*
O–8	$50
O–7	50
O–6	50
O–5	50
O–4	100
O–3	100
O–2	100
O–1	100
W–4	75
W–3	75
W–2	75
W–1	75
E–7	50
E–6	$50
E–5	50
E–4	50
E–3	50
E–2	50
E–1	50"

Page 10, line 3 (c), strike out through line 6 and insert as follows:

"For basic-pay purposes, warrant officers are hereby assigned by grade and rank to the four pay grades prescribed for warrant officers in subsection (a) of this section, as follows:

"W–4. Commissioned or chief warrant officers with over 26 cumulative years of Federal service; warrant officers with over 30 cumulative years of Federal service.

"W–3. Commissioned or chief warrant officers with over 20 cumulative years of Federal service; warrant officers with over 20 cumulative years of Federal service.

"W–2. Commissioned or chief warrant officers with less than 20 years cumulative Federal service; warrant officers with over 20 cumulative years of Federal service.

"W–1. Warrant officers with less than 20 cumulative years of Federal service."

Mr. FURCOLO. Mr. Chairman, I think probably all Members have the mimeographed amendment that I have offered. It is on page 19 and has to do with the hazardous-duty pay.

This is similar to an amendment I offered at the time the bill was considered previously, although some change is made. I may say that while this amendment if adopted will save $23,000,000 the purpose of the amendment is not economy. It has the effect of saving $23,000,000 approximately, but it is not offered as an economy amendment. It is offered, rather, in the hope that it will be a more fair and equitable provision and that it will be helpful as far as the morale of the services are concerned.

What we have to understand about this bill is this: First off they set up a pay schedule in which they pay certain men in the service according to their qualifications, according to their ability, according to the knowledge and judgment which they have, with which I have no quarrel at this time. After they have provided for those payments so that there is a different ratio of payment to all men in the service whereby captains, for example, get more money than the privates because they have more responsibility and are supposed to have greater judgment and knowledge, they then have certain types of duty that are called hazardous or perilous duty and for men who are in these hazardous or perilous duties there is provided a certain extra pay. According to the pay schedule on page 19 it is set up so that this extra pay varies from $30 for the lowest grade man to $210 a month for the highest grade man.

The amendment that I have offered tries to change that, and what it does in effect is to give the amount of $50 to all the enlisted men who are on hazardous duty, regardless of rate; to give the amount of $75 to all the warrant officers on hazardous duty, regardless of rate; and the amount of $100 to all the junior-grade officers and the amount of $50 a month to all the senior-grade and field officers. I am not particularly concerned whether the amount is $50 or $100 or whatever it may be. I made that point the last time during the debate,

But, what I am concerned about is that this Congress not go on record as placing a different price tag on the value of a man's life, depending on his rank. I know the committee is going to say that this is really not hazardous duty; this is really incentive pay for duty that does not attract. When that was discussed before the committee some time ago, I said, "Well, if that is what it is, call it that; call it incentive pay or something else." But, the fact of the matter is, it is still here under the heading of hazardous pay, because that is what it is.

I hope that the Congress will go on record as doing something that I think will do more to improve the morale of the armed forces than anything else, and this is it. It is all right to pay men differently according to their ability, but when you get to the point where you are giving men something for risking their lives in hazardous duty, then put them all on the same plane. It is interesting to note that of the very few of the enlisted men who testified in the hearings held by the committee, one pointed out in answer to this very question and said, "Sir, when I am on a plane with eight other men, I hold my life as dear as any other man in that plane."

Hazardous duty in effect is where two men go on a certain mission. For instance, one is a private and the other is a major. Now, you say to them, "You are both going to risk your lives on this mission. You are being paid differently for your ability, but now you are going on this mission, and to the major we are going to give you $200, and to the private $30." I do not think that is fair, I do not think it is just, and I do not think it improves the morale of the armed forces in any way whatsoever, and I do not think that this Congress, regardless of what the military may want to do, should put its stamp of approval on a system that does that. If this amendment is adopted it will put the lowest grade enlisted man on a par with the highest grade man in the Army as far as getting that $50 a month for hazardous duty pay. It will also distinguish somewhat between the grades, not that I want to make that distinction, but I am making it only because of the fact that 3 weeks ago when I offered a similar amendment, it was turned down by this Committee, and I do not see much sense in offering the same amendment again and having it turned down. I would like to see all get the same extra bonus for harardous duty, regardless of rank, but that amendment was defeated 3 weeks ago, so I have changed my amendment to the present one.

I hope the amendment will be adopted.

Mr. KILDAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this matter was thoroughly debated yesterday, and it was thoroughly debated when the other bill was before the House. I think it is clear that $12.50 is no incentive to a man making $150 a week, and that you lose all of the benefit of flight pay when you go to a system of this kind. The matter has been studied thoroughly by the commission and the committee, and I ask for a vote on the amendment.

Mr. VINSON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 3 minutes.

Mr. SUTTON. I object, Mr. Chairman.

Mr. VINSON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. SUTTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. SUTTON. Mr. Chairman, according to the rules of the House, no time limit can be set in the Committee of the Whole. It has to be in the House.

The CHAIRMAN. According to the rules of the House, a time limit can be set after there has been debate on the subject.

Mr. VINSON. There has been 10 minutes of debate on it.

Mr. TACKETT. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TACKETT. I am not fighting this bill, but I think we ought to have an opportunity to be heard here.

Mr. VINSON. The gentleman is correct. I will make it 10 minutes.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes. I want to give everybody an opportunity to express their views.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, the committee tells us that by this bill they have reduced the former proposal for officers' pay from 8 to 10 percent, but it is now easy to see that they are restoring some $23,000,000 to the officers in the form of hazardous-duty pay. It is hard for me to conceive any person believing that a buck private's life in an airplane is not just as valuable as a general's life in an airplane. I know there are many Members of the House who have practiced personal-injury law before coming here. I wonder whether you were ever able to find any jury or court of law that would tell you a general's life is more valuable than a buck private's life. The former proposal by this committee provided $100 per month to be paid to the generals for hazardous-duty pay, and the committee then contended, and today contends, that the former proposal was better than the bill now being considered. When the House at that time by record vote made it necessary for the committee to reduce expenditures to the high brass, the committee comes back here restoring $23,000,000 for the generals in the form of hazardous-duty pay. That is all it amounts to. Where is the incentive? A general is not going to be any more anxious to get in an airplane on a dangerous mission for $10,000 than he is for 10 cents. He is doing it out of patriotism, as all the rest of us do during wartime. You know it is fair and you know it is just and you know it is honest that this amendment be adopted. Of course, I know the committee sees they have the House going today, and they are going to try to slam this bill through if they possibly can do it. But you may find yourself surprised, just as you did before.

Mr. PRICE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there any objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Chairman, I am opposed to the amendment of the gentleman from Massachusetts and I would appreciate it if the committee would bear with me while I explain my reasons for my opposition.

It is not easy to change a thing like a complicated pay schedule, pare off some here and add some there, and still have the balanced structure you started with. There are many factors involved in a thing like this. Change one thing and you find that something else must be changed too. Otherwise you have a grotesque situation; you violate some essential principles on which the whole thing must be based. In this pay bill, for example, it was decided to reduce the size of the increases granted all but the lowest enlisted grades. This was done on a progressive basis, very slightly in the enlisted ranks, but becoming more substantial through the officer grades until the raises for general and flag officers were cut most of all. Immediately a grave difficulty developed where general and flag officers entitled to flying pay were concerned.

The system of incentive pay for flying was overhauled in the original bill. One-half of base pay is the present rate, and that works out well enough in the enlisted and lower officer grades. It becomes too much, however, in the higher grades if the basic pay itself is to be raised. For that reason a flat rate scale was worked out for all grades which provided less flying pay for all higher ranking officers and $100 a month for generals and admirals. It was an equitable system for the originally proposed pay scale, and I don't recall that anyone objected to it.

On this new scale, however, it was seen that that would not work. With their flying pay so reduced, and with so small an increase in base pay, many general officers and admirals would actually receive not a pay raise, but a cut. For a rear admiral or brigadier general it would be a slight cut, but for all others it would be nearly a hundred dollars a month—ninety-two, to be exact. Now, a basic principle that this whole pay revision is based on is that while pay increases may vary, certainly no one's pay should be decreased. I am sure that all the gentlemen here agree with that. I am also sure that no one here wants to reduce the pay of many of the leaders of our armed forces.

In order to avoid that, this new bill provides the same flying pay for general and flag officers as it does for the rank of colonel or Navy captain. This change, however, also avoids an even worse situation. Were it not made, all colonels with over 18 years' service would actually receive more pay than the brigadier generals. This would be equally true in the Air Force, Marine

Corps, or Navy. That means that if you have a Navy captain with 30 years of service who flies—and he can be a young man still in his forties—and you want to promote him, you must say, in effect, "You've done such a good job that we're going to cut your pay $50 a month. You're a better officer than your fellow captains, so we're going to pay you less. We want you to accept greater responsibility and do more work. You'll have greater financial obligations, of course, but you'll have $50 less a month to meet them with." Were I a captain under such a system, and if I suspected myself of great merit, I fear that I would be strongly tempted to hide my light under a bushel.

The strongest criticism the Hook Commission made of the current pay structure is that it enables a man to do nearly as well by coasting along as he can by being ambitious. He is not sufficiently encouraged to seek advancement. For a man to have his pay reduced upon promotion, then, is patently ridiculous.

This provision, which merely levels off flying pay at the grade of colonel or its equivalent, is an absolutely necessary device to avoid violating the most important pay principle of all—that of pay commensurate with responsibility accepted and duties performed. It also guards against anyone receiving even less pay then he now does. I have talked to some length on this because I want to be sure that it is understood. The consensus was that the increase for generals should be reduced and it has been. But this change might appear strange to some Members unless they realize why it had to be made. I do not want misunderstanding and confusion to kill this vital legislation. Too much in the future may depend upon it. The economic and judicious expenditure of our vast defense appropriations definitely does depend upon it.

The time allotted does not permit me to go into the bill at length, but, I know that this is now a good bill.

I have some little misgivings about just how badly we have emasculated the compensation rates which we originally deemed right and proper for general officers and our commissioned men, but apparently the heads of the armed services are satisfied with the cuts made by the committee in order that the services may enjoy the benefits that will be afforded by enlisted personnel with long tenure of service.

There is no doubt but what all officer personnel has taken a drastic cut below the pay schedules as provided in this bill as contrasted with the bill over which we worked 2 weeks ago.

Mr. Chairman, the one end-product of the United States Air Force is military flights. Effectiveness and economy are of essence.

The wondrous technical and other precision instruments with which ground installations as well as flying ships are equipped make it mandatory that we highly train all personnel regardless of their duties in order to keep the ships flying in the air.

Trucks, jeeps, cranes, battleships, cruisers, submarines, tankers, fighters, pursuits, light and heavy bombers are all mere weapons of war.

Their provident military and strategic uses require highly trained men of experience. Their effective operation requires that henceforth our armed services must compete in every labor field with private industry. That competition will require that the armed services pay rates of wages comparable with those received in civil life.

The voluminous studied findings of those concerned with the study of this problem and the writing of this bill, the report of the hearings, are all supported not alone by the Chiefs of Staff but by the Commander in Chief himself who recommends the adoption of H. R. 5007 by this House.

In my reading of corroboratory evidence there are several things that stand out markedly in the three branches of service. The first is the great number of men who rose from the rank of enlisted privates to become general officers. The second was the number of general officers as well other line and flag officers that were killed during the last war.

There are no less than 60 generals in the air force alone who started their military careers as privates in the ranks.

The following is a roster of the Air Force generals who rose from the rank of private:

General: Muir S. Fairchild.

Lieutenant generals: Howard A. Craig, Edwin W. Rawlings, Nathan F. Twining, Ennis C. Whitehead.

Major generals: John D. Barker, Lucas V. Beau, James M. Bevans, Clayton L. Bissell, Fred S. Borum, Carl A. Brandt, Franklin O. Carroll, Charles C. Chauncey, Orval R. Cook, Richard C. Coupland, Robert W. Douglas, Jr., Eugene L. Eubank, Caleb V. Haynes, Albert F. Hegenberger, Earl S. Hoag, James P. Hodges, Frederick M. Hopkins, Jr., William E. Kepner, George C. McDonald, Clements McMullen, Bob E. Nowland, Earle E. Partridge, St. Claire Streett, John E. Upston, Robert M. Webster, John M. Weikert, Lyman P. Whitten, Paul L. Williams, Kenneth B. Wolfe.

Brigadier generals: Charles Y. Banfill, Rosenham Beam, George H. Beverley, Charles H. Caldwell, Warren R. Carter, Paul T. Cullen, Joseph V. de P. Dillon, John P. Doyle, Jr., William D. Eckert, James M. Fitzmaurice, Dale V. Gaffney, Byron E. Gates, Thomas O. Hardin, resigned, Donald R. Hutchinson, Glen C. Jamison, Harry A. Johnson, Clarence P. Kane, Emil C. Kiel, Clifford C. Nutt, James F. Phillips, Max F. Schneider, Ned Schramm, Wallace G. Smith, Arthur Thomas, Charles E. Thomas, Jr., Yantis H. Taylor.

As it is with the Army and Air Force, so it is with the Navy of these United States. Of the 36,737 Regular Navy Officers now on active duty 16,915 have previously served as enlisted men.

In addition thereto, and now serving in a commissioned or warrant status are the 276 candidates recently selected from enlisted personnel for entry into the Naval Reserve Officers Training Corps.

Prominent among those in the Navy who started on their career as privates and rose through the ranks are such men as Rear Adms. John Enos Wood, Paul Luker Mather, Samuel Ellsworth McCarty, Frederick William McMahon, Irving Mathew McQuiston, Richard Francis Whitehead, Herbert Lamont Pugh, Alfred Melville Pride, Joseph Bruce Logue, Wesley McLaren Hague, James Hicks Foskett and a veritable catalog of officers of lower rank.

There has been a great deal of talk with respect to pay provisions in this bill and particularly so with respect to the drastic reductions in flying and hazard pay that were made but a few days ago in the Armed Services Committee.

I wonder how many of us realize that over two-thirds of all the Army officers killed in combat during World War II were flying officers of the United States Air Force.

I wonder how many of us realize that out of the 36,645 Army officers who died in combat that 24,119 of the dead were Air Force officers.

Additionally thereto, the fatalities included 16,313 of Air Corps flying personnel.

Is it any wonder, therefore, that in his early years an Air Force flyer must pay approximately twice as much for ordinary life insurance as does a ground officer?

Is it any wonder why at the age of 22 air pilots life expectancy is 12 years less than that of a non-flying officer?

I cite these facts merely to indicate a single phase of the complicated pay bill this House is handling today. In order to demonstrate the hazards assumed by Air Force general officers while in flight let me remind you of the dispatches as poured into this country of the deaths in action of these illustrious men.

Killed in action: Maj. Gen. Clarence L. Tinker, Brig. Gen. Frederick W. Castle, Brig. Gen. Nathan B. Forrest, Brig. Gen. Davis D. Graves, Brig. Gen. Howard K. Ramey, Brig. Gen. Kenneth N. Walker, Brig. Gen. Russell A. Wilson.

Missing in combat: Lt. Gen. Millard F. Harmon, Brig. Gen. James R. Anderson, Brig. Gen. Asa N. Duncan.

Killed in airplane crashes: Lt. Gen. Frank M. Andrews, Brig. Gen. Harold H. George, Brig. Gen. William H. Eaton, Maj. Gen. Herbert A. Dargue, Brig Gen. Carlyle H. Wash, Maj. Gen. Robert Olds, Brig. Gen. Donald R. Goodrich, Brig. Gen. Alfred J. Lyon, Brig. Gen. Arthur B. McDaniel, Brig. Gen. Clinton W. Russell.

It is because of the fairness, the equity, righteousness and decency with which the Armed Services Committee studied and perfected every provision of H. R. 5007 that not alone am I going to vote in support of this bill but urge it upon every Member of the House to do likewise.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I am going to make this appeal to the Committee that it support the committee in its recommendations in this respect. I recognize that when there is an extra hazard, like flying or submarine service, or other service of that sort, it is something that, in a sense, cannot be adequately paid for. When we had hearings some time back regarding this matter of extra-hazard duty, especially flying, and other such duty, I was amazed to learn how the life of the average man on such extra hazardous duty is shortened. I think the least we can do is to

give him a reasonable compensation as an incentive pay to take care of the situation in reference to extra-hazard pay.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Louisiana has expired; all time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. FURCOLO].

The question was taken; and on a division (demanded by Mr. TACKETT) there were—ayes 84, noes 85.

Mr. FURCOLO. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. KILDAY and Mr. FURCOLO to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 94, noes 94.

So the amendment was rejected.

Mr. CARROLL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARROLL: Page 73, line 10, after the word "amended", strike out all of section 315 and insert the following: *"Provided,* That notwithstanding the foregoing, the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, shall remain in effect for the dependent or dependents of an enlisted man until the expiration of the enlistment or reenlistment period for which he has contracted prior to the date of the enactment of this act, or of an enlisted person inducted into any of the uniformed services prior to the date of the enactment of this act until the expiration of his compulsory period of active service."

The CHAIRMAN. The gentleman from Colorado is recognized for 5 minutes in support of his amendment.

Mr. CARROLL. Mr. Chairman, this was the amendment offered to the bill which this body considered some weeks ago; this was the amendment which was passed by this body.

I must say in all fairness as I attempt to amend this present bill that I cannot do so. I offer this amendment for the purpose of the RECORD. In my opinion I think this bill will pass. As I indicated to you before, I intend to vote for it, but I offer the present amendment so that the record may be clear when it goes to the other body.

Frankly, I am disappointed that the bill under consideration did not include the amendment recently accepted by the House, but here is what we are now up against in attempting to amend section 515: If we now pass this amendment would be attempting to write legislation on the floor of the House concerning an extremely complicated subject. If we should accept the amendment which I have offered after striking out all of the other provisions of section 515, it might cost not $100,000,000, but possibly $300,000,000; in other words, the paragraphs of section 515 are so interwoven and interrelated that is is impossible to amend this section of the bill under present circumstances.

As I have stated before, I am disappointed. I am confident that if the membership here had a chance to vote on this particular amendment it would pass; and I shall tell you why; I want to repeat myself just a bit: Every member of the military service under the terms of this bill will receive a wage increase except two categories of enlisted men. Any enlisted man who enlisted prior to July 1, 1946, who has dependents will not receive a wage increase under this bill; and an enlisted man who enlisted after July 1, 1946, will not receive a wage increase. What you have done under the terms of this bill is to penalize those people who are unfortunate enough to have dependents; that is the effect of this bill. Notwithstanding the defects of the bill, notwithstanding the fact that I do not believe it fully equitable, I believe we ought to pass the bill and let it go over to the other body for study and correction. It is my personal intention to follow the bill as it proceeds to the Senate, in the hope that this matter will be more favorably considered while in committee.

At this time, Mr. Chairman, I do not desire to urge anyone to vote for my amendment; nevertheless, I should like to have it in the RECORD.

Mr. FURCOLO. Mr. Chairman, the same reasoning applies to this amendment as applied to the previous amendment I offered in reference to hazardous pay. What this would do in effect is change the wording of the bill. Where it now gives $100 a month to officers for hazardous duty and $50 for enlisted men, that would be changed to pay them all at the same rate of $50 a month. The same reasoning applies to this as to the other amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. CARROLL].

The question was taken; and on a division (demanded by Mr. FURCOLO) there were—ayes 44, noes 105.

So the amendment was rejected.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Democratic conference at Des Moines has two very obvious purposes, according to an editorial in the Washington News of yesterday.

First. To sell Agriculture Secretary Brannan's farm plan to farmers and farm organizations in 16 Midwestern States.

Second. To line up votes in those States for the election of Democrats to Congress, pledged to adopt the CIO endorsed Brannan plan in the Eighty-second Congress.

No bones are made as to this purpose which is, of course, very laudable from the viewpoint of retaining control of the Congress by the present administration.

My farmers of the Midwest can well ask, "Why should we discard the theory of parity just because someone comes up with a plan? Just what experience has Brannan had that we should consider his judgment infallible, and throw away a proven program?"

Also, they could well ask, "Why do not the Democrats, now in absolute control of Congress, set aside the new Aiken Act which is scheduled to come into operation January 1, next, and reenact as permanent legislation the 90-percent of parity price-support law, with certain minor changes to take care of perishables and perhaps some acreage control, needed sparingly as conditions develop?"

When the word came from Des Moines the other day that the Brannan plan will not be advanced this session, but will be put off until next year, election year, the Democrats stand accused of playing politics at the expense of agriculture in the Nation. Why should the Congress not have the right to consider this now?

I challenge the administration to repeal now the Aiken bill, which I have always opposed, and to reenact our present price-support structure. The Democrats say that the 60–90 percent features on basis of the Aiken bill are no good. I agree with them. Why should we let it go into effect? Why invite a possible depression which could easily be averted?

Why do not the Democrats change that law now? If this Democrat controlled Congress adjourns without correcting this mistake of the Republican Eightieth Congress, the Democrats will stand convicted of being perfectly willing to play politics at the farmer's expense. Are they big enough to rise above party politics and meet the Republicans half way in reenacting the program we now have, which has given prosperity to agriculture and to the Nation?

Let us repeal the Aiken bill and extend the 90-percent parity floor indefinitely.

Mr. HÉBERT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Chairman, we have been hearing a great deal about the "brass" during the past 2 days. We heard a great deal about the "brass" during the previous debate on this bill. We have read about the "brass" in the newspapers and have heard about the "brass" over the air.

In fact, there is the sound of "brass" all about us.

Would it not be appropriate therefore, in the closing minutes of this debate, as we near a final vote, to recall the lines of a very appropriate poem from the pen of Berton Braley. He has called it Five-Star Finals.

After hearing his words of wisdom there remains nothing to be said, so why attempt to say more? Let us give ear to his words of wisdom.

FIVE-STAR FINALS

(By Berton Braley)

The postwar strategical board is in action
Refighting the war to its own satisfaction,
And showing—with hindsight on all that occurred—
How admirals blundered, and generals erred;
Where Nimitz was timid; MacArthur was blind,
Where Ike Eisenhower showed a second-rate mind,
Where Marshall was lacking in judgment and vision
And Arnold was shy on decisive decision,
And how 'twould have bettered the job, by and large,
Had the postwar strategical board been in charge.

So let's jump en masse on the Brass
With postwar hindsighters before us.
Let's yammer and whoop at the gold-braided group
And pan 'em in rancorous chorus:
The admirals: Phooie!
The generals? Nerts!
Above second looie
They're all padded shirts.
They bossed fighting forces
That none could surpass,
But now the war's over
Let's jump on the Brass.

Yet, somebody planned, builded, fed, and supplied
The Army by land and the ships on the tide.
And somebody had to direct and command
The planning and fighting as figured and planned.
For wars are not won by unorganized mobs
Of even our valorous GI's and gobs.
So could be the Brass, when debunking's all done,
Had something to do with the war that was won.
(It was won, remember? A fact that's ignored
Or missed by the postwar strategical board.)

But, shucks! Use brass knucks on the Brass.
The "experts" are setting the style,
For braid on the shoulders informs all beholders
"This guy has to take it—and smile."
The admirals? Phooie!
The generals? Punk!
Their planning was screwy
Their orders were bunk.
True, under their leadership, triumph was scored,
But "Nuts," say the postwar strategical board,
"They won, but in winning
They hadn't no class,
And now the war's over
Let's jump on the Brass!"

Mr. SUTTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: Page 19, after line 12, strike out the chart between lines 12 and 13 and insert the following chart:

"Pay grade:	*Monthly rate*
O–8	$100
O–7	100
O–6	100
O–5	100
O–4	100
O–3	100
O–2	100
O–1	100
W–4	75
W–3	75
W–2	75
W–1	75
E–7	50
E–6	50
E–5	50
E–4	50
E–3	50
E–2	50
E–1	50"

Mr. KILDAY. Mr. Chairman, I reserve a point of order against the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

Mr. MARTIN of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just wish to take this time to inform the Republican Members of the House that the conference scheduled for this afternoon has been postponed until tomorrow. We had hoped that we could conclude the program earlier today, but in view of the fact it is so late we decided to hold the conference tomorrow. It will follow the adjournment of the House.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, reserving the last 5 minutes to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. TACKETT. I object, Mr. Chairman.

Mr. KILDAY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I offer a substitute for the Sutton amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT of Florida as a substitute for the Sutton amendment: On page 19, after line 12, strike out the chart between lines 12 and 13 and insert the following: "$50 per month for all pay grades."

Mr. BENNETT of Florida. Mr. Chairman, it is not my intention to make a long speech. We have discussed the general merits of this matter pretty fully. The discussion has been on the question of whether, after arrangement has been made for the basic pay of the various men in the armed services, there should be differentials on the question of the hazard pay. I personally do not think there should be. I voted for the Furcolo amendment a while ago but I did not completely like it, for I see no reason why a second lieutenant should get more money than an enlisted man in the field of hazard pay. I am not indulging in demagoguery here at all. I started out as a private, as many of you did that were in the service. I ultimately became a captain. I know I would not like to lead a platoon of men in any sort of activity as a lieutenant and have it known that my hazard pay was to be different from that of the enlisted men who were serving with me. I would not want that situation to obtain.

I think it would be a healthy thing if we made all the hazard pay the same. The issues have been pretty well discussed. I think this amendment is a better amendment than any that makes any differential whatever. I do hope you will approve it, because it is sound as to military defense and it is sound economy; and it would, I believe, make for better morale in the services if you adopt this substitute amendment which gives everybody $50, whether they are generals or privates, on this hazard proposition.

Mr. FURCOLO. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Florida. I yield to the gentleman from Massachusetts.

Mr. FURCOLO. I agree completely with what the gentleman has said. The amendment I offered on hazard pay 3 weeks ago was exactly in line with this. I certainly hope the amendment will be adopted. I think it is the best one so far.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, this amendment would entirely destroy the whole structure of flying pay. Yesterday I took considerable time to explain to you that there are great hazards in military flying in time of peace. This is far more important in time of peace than it is in time of war, as in peacetime we must train our pilots who will fight for us in war. For instance, the probability of life of a pilot 22 years of age compared to a ground officer 22 years of age is 12 years shorter on the average than that of a nonflying officer. In order to offer the incentive that is necessary to keep these boys flying, experience has shown you must give them incentive pay. That is what this is, incentive pay. We are not paying for a man's life. You cannot pay for a man's life, but you can pay for the financial loss suffered by a man's family in the loss of his life, and all the courts pay less for those with small income, because all that is paid for is the pecuniary loss caused by the death. That argument is ridiculous, as all courts admit you cannot pay for a life.

Look who you are hurting here. You are reducing the first lieutenants, the captains, the majors, and the lieutenant colonels, some warrant officers, and much of our enlisted airmen who have air duty, and there you have the heart of the whole American Air Force. We have had flying pay for over 35 years. It has worked very well and the committee bill will make it work better. It furnishes the incentive to get the young officers who are to make the leaders later on. You are going right down the line and punishing these men, and the result will be that they will not take these hazards, they will stay on the ground, so you will paralyze and kill the American Air Force. Do not do anything like that. America will need this Air Force in time of war, and it is essential that it be strong in time of peace if we are to avoid the war no one wants. The Air Force is the one symbol of power and authority that the world, as it looks at us, respects. If you adopt this amendment you will kill the whole incentive principle we have had in flying pay for over three generations and thus start the disintegration of our Air Force, military and naval.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. BATES of Massachusetts. The basic pay of a second lieutenant is $180. What does he get as a flyer?

Mr. JOHNSON. He gets one-half of that; $90.

Mr. BATES of Massachusetts. He gets one-half of his base pay.

Mr. JOHNSON. This scarcely hurts the generals at all, as those who fly comprise less than one-half of 1 percent of our pilot strength. It is going to hurt over 90 percent of the men who comprise the Air Force and who are going to do the flying in combat if war ever comes.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. DURHAM. Is this not one of the best methods of destroying the Air Corps?

Mr. JOHNSON. This is a dagger pointed right square at the heart of the American Air Forces and our Naval Air Force.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. VAN ZANDT. Will this not bring about an acutal reduction in pay for the men flying the planes and operating the submarines?

Mr. JOHNSON. Yes, it will bring about a pay reduction both as it effacts them and in the pay scale as a whole, when applied to about 95 percent of our flying personnel.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. BROOKS. Because of the difference of 12 years in the life expectancy of the average flier as against the average ground man, actually the incentive pay will not bring the total earnings of a flier over that of the ground men.

Mr. JOHNSON. Actuarial studies show that a flier during his flying career and his whole military career will earn about $269,000 and a ground officer, for his whole career, about $273,000.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mr. MORRIS. I want to compliment the gentlemen for the fine statement which he has made, which has changed my view of the matter entirely. It is the only statement which has brought out the facts which we are groping for. I think the statement that the gentleman has made is a very fine one.

Mr. JOHNSON. I hope that what the gentleman is saying as to his change of mind on this is typical of many more Members who want to help the Air Force.

Do not pass this amendment of the gentleman from Tennessee [Mr. SUTTON] unless you want to kill the Air Force.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. TACKETT].

Mr. TACKETT. Mr. Chairman, the previous speeches insinuating that this amendment will split up the Air Corps will no doubt change a lot of votes, but I will guarantee you that to adopt this amendment will not lose one single solitary flyer. The reduction here that is being asked for by this amendment amounts to $50 per month to a second lieutenant. Under the provisions of this bill, the lieutenant will receive $100 per month for hazardous duty. Can you imagine any man going out on hazardous duty for $50 a month? Not a soul. These fellows like to fly their airplanes and you know it. The Air Corps is full and always will be full. Many civilians are daily learning to fly an airplane. Then you talk about having to pay $50 a month more to a lieutenant to fly an airplane than to the private who flies an airplane. There are more people killed on the highways of America every day than in the air in a year or even 2 years. We all know that. Talk about the officers' incentive; if you wanted somebody to perform a hazardous duty for you, whom would you try to employ—a man drawing a thousand dollars a month or the man drawing $75 a month? The fellow who needs the money is the one who is going to perform that hazardous duty for the extra pay. These little buck privates need the money; but at the same time you say it is going to split up the whole Air Corps. I will tell you what I will do. I will quit this Congress if you lose one flyer over this thing if you reduce the hazardous-duty pay to $50 a month.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. BATES of Massachusetts. Is it an incentive for the second lieutenant today, who gets $180 base pay and 50-percent increase, or $270, when under this bill they get $263 with the $50 amendment?

Mr. TACKETT. I do not know what you said and I do not believe you do either.

Mr. BATES of Massachusetts. Well, it ought to be very clear to the gentleman that the man who flies today and the man who goes in a submarine and a man who does parachute jumping gets 50 percent over and above his base pay; you know that, do you not?

Mr. TACKETT. Yes; I know that.

Mr. BATES of Massachusetts. All right. That gives them $180 plus $90 or a total of $270 a month.

Mr. TACKETT. Yes.

Mr. BATES of Massachusetts. Under this bill the base pay is $213 a month and the increase you want to give is $50.

Mr. TACKETT. That is right.

Mr. BATES of Massachusetts. That is $263, or $7 less than what he is receiving now.

Mr. TACKETT. Yes; you have it right.

Mr. Chairman, the enlisted man's family is entitled to the same rights and privileges when it comes to hazardous duty as the biggest general in the Army.

Now, please do not get this into your heads. Just because there may be three or four actually trying to slaughter this bill, that is not my purpose or intention and I do not believe you so interpret my efforts. I just think we should treat everybody kind of half way equal when it comes to human suffering. You cannot point out to me or any other person one reason in the world for giving a general an extra $210 per month for hazardous duty and at the same time giving the buck private in front of and in a more perilous position than the general only $30 per month for even more hazardous service. The reason is just not there. There is no incentive involved because people do not sell human suffering for $50 a month. You gentlemen know that.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The Chair recognizes the gentleman from Texas [Mr. KILDAY] for 3½ minutes, to close debate.

Mr. KILDAY. Mr. Chairman, of course we enjoyed the gentleman from Arkansas. Let me assure you that this is not a laughing matter. This is a very serious matter that you have before you at this time. If there are to be economies applied to the bill, well and good, but let us not put them where they will do the most harm. Let us not adjourn this House tonight with word going out to the pilots of the jet planes that "your pay has been reduced by the Congress of the United States." Let us not have a situation where you have appropriated billions of dollars to build up a modern air force, and then have word go out that "the pay you are now receiving has been reduced by a Congress which seems to feel there has been some discrimination as to enlisted men."

As I said yesterday, I do not contend for one moment that one man's life is any dearer to him and his family than another man's life to himself or his family. This is incentive pay. A man making five or six hundred dollars a month is not going to be induced to fly these dangerous instruments. Yes, there are millions of them flying puddle-jumpers, but you do not find many of them flying jet planes. One of our colleagues attempted to fly one of those jet planes a few weeks ago and you know the catastrophe that came from that. This is different from flying a puddle-jumper.

The system that was inaugurated 30 or 35 years ago was not right. We are attempting now to revise it. For God's sake, let us not overnight destroy the air force we have built up. You say a man is going to fly no matter how much money he is going to receive. He is not the only one to decide. In many instances he is a married man and there is someone else who is going to determine whether he will engage in that dangerous occupation. I assure you that a cry is going up from the families of these men that "You are not to take this hazard when there is no incentive in it for you. It means nothing to us after you are gone."

This is the most serious thing that has been suggested. Is this great House of Representatives going to adopt an amendment to supplant that which has been carefully worked out over a 15-month period, when the authors themselves have not been able to come to a conclusion as to which amendment should be offered? Are we going to affect the great billions of dollars we have invested in the air force and in the abilities of the men we have trained, on an amendment that is written on the floor at the last minute, after another amendment written probably as hastily has been defeated? I sincerely trust that this House is more responsible than that. If this has merit and the scale should be revised, let it be done in the other body, but for God's sake do not let word go out to these air fields, to every one of these pilots and crew members, "Your pay has been reduced in the bill to which you have looked forward for more than a year for a pay increase and an irre-

sponsible Congress, acting hastily, has cut your pay under what you were previously getting."

The CHAIRMAN. The time of the gentleman from Texas has expired.

All time has expired.

The question is on the substitute amendment offered by the gentleman from Florida [Mr. BENNETT] to the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The question was taken; and the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The question was taken; and on a division (demanded by Mr. SUTTON) there were—ayes 43, noes 123.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5007) to provide pay, allowances, and physical-disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, pursuant to House Resolution 249, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BYRNES of Wisconsin. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. BYRNES of Wisconsin moves to recommit the bill to the Committee on the Armed Services.

Mr. KILDAY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SUTTON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

So the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEONARD W. HALL asked and was given permission to extend his remarks in the RECORD and include an address by the gentleman from Connecticut [Mr. LODGE].

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Evening Star.

Mr. HESELTON asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and include certain tabulations.

Mr. KUNKEL asked and was given permission to extend his remarks in the RECORD and include a speech delivered by Senator MARTIN, of Pennsylvania.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include extraneous matter.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Los Angeles Mirror.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances, in each to include extraneous matter.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include a statement with reference to the city of Willard, Ohio.

REPRESENTATIVE J. J. HEFFERNAN

Mr. HUBER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may insert his remarks at this point in the RECORD within the limitations of the rules of the House.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KEOGH. Mr. Speaker, our distinguished colleague the gentleman from Brooklyn, Representative JAMES J. HEFFERNAN, has been unavoidably delayed in returning to Washington by reason of the death and burial of a distinguished Brooklynite, Hon. D. Kenneth McEvoy, who has served the people of Brooklyn for many years as a confidential employee in the office of the district attorney. In addition, he served as president of the Twelfth Assembly District Regular Democratic Organization for the past 25 years. Representative HEFFERNAN is the head of that organization. We all know of Mr. HEFFERNAN'S many years of service on the Armed Services Committee, and we know that he has supported all legislation coming from that committee. He regrets very much having to be absent today.

EXTENSION OF REMARKS

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD.

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the RECORD and include the text of a bill he has introduced.

Mr. STEED asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. WALSH asked and was given permission to extend his remarks in the RECORD.

Mr. JONES of Alabama asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. DONOHUE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. DELANEY asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. SADOWSKI asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and include certain excerpts.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Buffalo Evening News.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a short letter and in the other a statement he made before the Committee on Education and Labor.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. BAILEY asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Herald Tribune and an article appearing in the New York Times by Bess Furman on Federal aid to education.

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and include extraneous matter.

Mr. STEFAN asked and was given permission to revise and extend the remarks he made earlier today and to include a petition.

SPECIAL ORDER GRANTED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the time I have today under special order be relinquished, and that on tomorrow and Monday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may have until midnight tonight to file a conference report on the reorganization bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this matter will come up for consideration on tomorrow?

Mr. PRIEST. That is my understanding.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. KLEIN (at the request of Mr. PRIEST) was given permission to extend his remarks in the Appendix of the RECORD in three instances and include certain newspaper articles.

COMMITTEE ON ARMED SERVICES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 242) and ask for its consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 234, Eighty-first Congress, incurred by the Committee on Armed Services, not to exceed $50,000, including expenditures for the employment of experts, special counsel, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee and signed by the chairman of the committee and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 4, strike out "$50,000" and insert "$25,000."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COMPENSATION FOR CERTAIN EMPLOYEES OF THE HOUSE OF REPRESENTATIVES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 255), and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective June 1, 1949, there shall be paid out of the contingent fund of the House, until otherwise provided by law, additional compensation per annum, payable monthly, to certain employees of the House, as follows:

OFFICE OF THE DOORKEEPER

To the chief janitor the sum of $300 basic, so long as the position is held by the present incumbent; the assistant manager of telephones (majority) the sum of $300 basic, so long as the position is held by the present incumbent; the assistant manager of telephones (minority) the sum of $500 basic, so long as the position is held by the present incumbent.

SPECIAL AND MINORITY EMPLOYEES

To the minority employee (John W. McCabe) the sum of $500 basic, so long as the position is held by the present incumbent; the minority employee (pair clerk) the sum of $500 basic, so long as the position is held by the present incumbent.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROPOSING AMENDMENT TO CONSTITUTION OF THE UNITED STATES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Con. Res. 57), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of the hearings, held before said committee, on the resolutions entitled "Proposing an amendment to the Constitution of the United States providing for the election of President and Vice President."

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF PRAYERS OF SENATE CHAPLAIN

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (S. Con. Res. 19) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed as a Senate document the prayers offered by the Chaplain, the Reverend Peter Marshall, D. D., at the opening of the daily sessions of the Senate of the United States during the Eightieth Congress, 1947–48, and at the opening of the first 10 daily sessions of the Senate of the United States, Eighty-first Congress, 1949, together with excerpts from the CONGRESSIONAL RECORD relative to Dr. Marshall's death; and that 6,000 additional copies be printed and bound, of which 5,000 shall be for the use of the Senate and 1,000 shall be for the use of the Joint Committee on Printing.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC COOPERATION ACT OF 1948

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Con. Res. 45) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Foreign Affairs be, and is hereby, authorized and empowered to have printed for its use 2,000 additional copies of part I and subsequent parts of the hearings held before said committee during the current session on the bill (H. R. 2362) to amend an act entitled "The Economic Cooperation Act of 1948," approved April 3, 1948.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL RESETTLEMENT CONFERENCE FOR DISPLACED PERSONS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I present a privileged resolution (H. Res. 231) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed as a House document a report of the proceedings of the National Resettlement Conference for Displaced Persons as submitted to the Committee on the Judiciary.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT COMMITTEE ON THE ECONOMIC REPORT

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged joint resolution (S. J. Res. 55) and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Joint Committee on the Economic Report be authorized to issue a monthly publication entitled "Economic Indicators," and that a sufficient quantity be printed to furnish 1 copy to each Member of Congress; the Secretary and the Sergeant at Arms of the Senate; the Clerk, Sergeant at Arms, and Doorkeeper of the House of Representatives; 2 copies to the libraries of the Senate and House, and the Congressional Library; 700 copies to the Joint Committee on the Economic Report; and the required number of copies to the Superintendent of Documents for distribution to depository libraries; and that the Superintendent of Documents be authorized to have copies printed for sale to the public.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOVERNMENT PRINTING, BINDING, AND BLANK-BOOK WORK

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 4878) to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second proviso of section 11 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1920, and for other purposes", approved March 1, 1919 (40 Stat. 1213), is amended to read as follows: *"Provided further*, That all printing, binding, and blank-book work for Congress, the Executive Office, the Judiciary (other than the Supreme Court of the United States), and every executive department, independent office, and establishment of the Government, shall be done at the Government Printing Office, except (1) such classes of work as shall be deemed by the Joint Committee on Printing to be urgent or necessary to have done elsewhere; and (2) printing in field printing plants operated by any such executive department, independent office, or establishment, and the procurement of printing by any such executive department, independent office, or establishment from allotments for contract field printing, if approved by the Joint Committee on Printing."

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, may I ask the gentlewoman from New Jersey how much printing is going to be sent out, and the reason for it?

Mrs. NORTON. The purpose of the bill is to modify the law in order to permit essential Government printing to be produced in the best interests of the Government. A recent survey developed that obvious savings of time and expense can be effected by doing much printing within the area where the use of the printed matter is required. It must be approved by the Joint Committee on Printing, which has jurisdiction over establishment of Government field printing plants and the establishment of field offices in the Government Printing Office.

Mr. MARTIN of Massachusetts. This is mostly for field work?

Mrs. NORTON. The gentleman is correct. In the discussion on the bill, it was pointed out that there would be quite a saving to the Government in doing it this way.

Mr. MARTIN of Massachusetts. Each contract must be approved by the committee?

Mrs. NORTON. That is right.

Mr. WHITE of Idaho. Mr. Speaker, will the gentlewoman yield?

Mrs. NORTON. I yield.

Mr. WHITE of Idaho. I wonder if the gentlewoman and her committee have made any check on the wastepaper and books that have been printed and baled up and placed in the basement of the House, and never been opened? Has the gentlewoman ever made any check on what is going on?

Mrs. NORTON. No; that would take more time than I have at my disposal.

Mr. WHITE of Idaho. Has the gentlewoman made any check on the tons of wastepaper that is in storage there and that has never been opened? Does the gentlewoman know anything about what is going on in the basement of the House Office Building itself?

Mrs. NORTON. I do not. I spend no time in the basement. There are people who do keep track of wastepaper, and I know it is resold.

Mr. WHITE of Idaho. There are a great many tons of printed matter that has been authorized by her committee that has been printed and wrapped up and sold as wastepaper without ever being unwrapped. It runs into many thousands of dollars' worth. I hope the gentlewoman will check on the matter and give us a little economy right here in our own operations.

Mrs. NORTON. I will be very glad to do that.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 20 minutes.

HOUSING LEGISLATION

Mr. O'HARA of Illinois. Mr. Speaker, for many years I have known the distinguished—and, I might add, the imposingly handsome and brilliant gentleman from Illinois [Mr. VURSELL]—who argued with such eloquence on the floor of the House last Tuesday the case against the clearance of the plague spots of our cities—the slums—and the liberation of unfortunate men, women, and children from the gloom into the sunshine.

The gentleman from Illinois [Mr. VURSELL] and I served many years ago in the General Assembly of Illinois. From that time to this there has existed between us a bond of friendship of the warmest fiber. With much seniority in this august body and with a prestige in the councils of his party won on merit, nevertheless, on my arrival, despite the grayness of my hair, a newcomer here, and, I hope, with the respect proper and expected accepting with deference and abiding by the rule of seniority, none received me with a warmth more genuine nor extended to me a hand of friendship which more truly spoke to me the glad word "welcome."

I come, therefore, Mr. Speaker, into this well, with no spirit of angry combat, surely not that of personal animosity, to correct my colleague and my friend in the misstatements which he made from inadvertence, I am sure, and from inaccurate statements furnished him by those he in sincerity trusted but whose connection with the vicious real-estate lobby was too close. I wish to make it plain that I have no thought—nor do I intend such implication to be taken—that my distinguished and beloved colleague intentionally accepted his calculations with knowledge of the evil source from which they came. I know full well his high honor and his spotless integrity.

Assuredly, I do not intend to debate the philosophical arguments which the gentleman from Illinois [Mr. VURSELL] presented in opposition to H. R. 4009. I think it is up to each individual Member of this body to decide whether a bill which has the support of all the principal veterans' organizations, the labor organizations, Catholic, Protestant, and Jewish church groups, women's organizations—in fact, of practically all important groups except the real-estate lobby and closely allied interests—is socialistic or whether it will promote the American democratic system. I think it is up to each individual Member of this body to decide whether responding to the urgent needs of families who live in slums and other bad housing is, if I may use the term of one of the spokesmen of the real-estate lobby, "political racketeering."

I cannot fix upon other men the philosophies which will guide them in their relations with their fellow men. For myself I accept the rule of life that what is good for my neighbor is good for me and that which does harm to my neighbor's children will come back to do harm to my children. I can take no other view in approaching the question of slum clearance and the providing of decent housing to all, to the utmost of our ability. But my colleagues whose philosophy is different, who view this life of ours as a struggle of the strong over the weak, with each man looking out for the immediate advantage for himself and his own loved ones, I grant may be as sincere in their convictions as am I in mine. So much for the philosophical phase of the eloquent address of my respected colleague. I wish that my philosophy were his only because I think it would add to his happiness.

My purpose, however, is to correct some of the misconceptions of the gentleman from Illinois as to what H. R. 4009 would do and what it would cost the Federal Government. Since these misconceptions have been made abundantly available to all members of this body by representatives of the real-estate lobby, I am not surprised that the gentleman from Illinois and my good personal friend has been misled into erroneous conclusions. I am confident, therefore, that he will welcome additional facts, available from the hearings and report of the Committee on Banking and Currency, of which I am a member, and other sources, which may throw a different light on these matters.

It is all a matter of simple arithmetic—so understandable as to be within the grasp of any child of grammar school age—the figures furnished with official certainty by the Bureau of the Budget—this item of the total cost, extended during the binding force of H. R. 4009, of wiping spotless from the face of America the scars of lodgings for the sons and daughters and little children of America unfit for habitation even by the lowest of the beasts of the forests.

It is all so simple and so understandable that, his attention directed to the inaccuracy of the figures emanating from the real-estate lobby, I have the abiding confidence in my colleague and my friend to know that he will not resent, but will thank me, for the corrections.

The statement of my distinguished colleague that this proposed legislation will add to the cost of the Government the colossal sum of over $20,000,000,000 is composed 50 percent of fact and 50 percent of real-estate lobby. That I shortly will show with a conclusiveness—convincing, I hope—to my distinguished colleague.

But first, Mr. Speaker, I would refer to the associations which my colleague and I have had in the decades past in our State of Illinois. Does he not remember when a Democratic administration in Illinois was pioneering to lift our State from the mud and to give to the farmers and urban residents alike a system of good and passable roads?

Does he not remember when the great Governor of Illinois, Edward F. Dunne, the brilliant Richard J. Finnegan, now associated with Marshall Field in the editorship of the Chicago Sun-Times, and I, in minor and humble capacity, drove over the roads in his county of Marion and other counties in southern Illinois, roads feet deep with sand or, when muddy, bogged up irregularly with farmer-contributions of straw and hay, drove over those all-but-impassable roads preaching the gospel of good roads? And does he not remember how the cry was hurled at us—"state socialism," "interfering with the people's right to have their own kind of roads," and "a ruinous cost that would plunge us into everlasting bankruptcy"?

Well, Mr. Speaker, the roads were built, as they were built in every other State in the Union. Instead of bankruptcy, as gloomily forecast by the timid souls of that period, they have brought prosperity to farm and city alike and have broadened the horizons of human contentment.

In the one year of 1930 there was spent on State highway systems a total of $1,139,677,000. In 1940 the total was $1,591,290,000. In 1946 it was $1,669,889,000. Add it all up, and include the contributions of Federal and local governments, and since the days when my distinguished colleague from Illinois and I were in the Illinois General Assembly the total cost of pulling America out of the mud has exceeded $60,000,000,000.

What the high-powered propagandists of the present real-estate lobby could not have done with that figure to keep the wheels of American road transportation deep down in the sand or trudging through the mud!

At the best, Mr. Speaker, there is much silliness in this use of the billion-dollar figure as a scarecrow to stop the onward march of the American people into the abundant contentment and the full security which under a government of, for, and by the people is their birthright. In 1949, based on the estimate from the first quarter, given in David Lawrence's news weekly, the yield from investments in America—money going to people who derive income from coupons and not toil—has increased in excess of $10,000,000,000 over the year 1940. The wage and salary earnings of the workers of America in the same period have increased in excess of $75,000,000,000 in 1 year.

Even if the 50–50—50-percent fact, 50-percent real-estate lobby—calculations of my good friend and colleague from Illinois were correct, who in common decency and in view of these figures would be stopped from doing the decent thing if not for the adults then for the little children in the slums?

Let me repeat, Mr. Speaker, so that the fine gentlemen of the real-estate lobby can have yet another headache, if their grossly inflated figure of $20,000,000,000 was derived from books of statistics, and not from works of imaginative fiction, the money that the clippers of coupons will receive in excess of what they received 8 years ago in 2 short years would pay the entire cost of 40 years of slum clearance and public housing. Let these fine gentlemen attempt to justify to the American people their position in giving priority to the clippers of coupons to little children in the slums of our cities.

But, Mr. Speaker, what with good hearts we give comes back to do us blessing. The wild prosperity of the twenties had its source in a construction boom when $11,000,000,000 of the workers of America, extracted for the profit of the bankers working on big commissions, were used to build most of the large apartment buildings and hotels now standing in our cities. The depression of 1929 came on when the $11,000,000,000 was gone and the construction industry went busted. That would never have happened if private industry had stabilized the construction industry and the hand of the banker had remained in his own pocket.

I do not always agree with the distinguished Senator from Ohio, the Honorable ROBERT A. TAFT, but among the conservatives of this country there are few, if any, more richly gifted with intelligence. Senator TAFT, just this week, and notwithstanding the eloquent speech of the gentleman from Illinois, a member of his own party, issued a public statement that the enactment of this proposed legislation would have a healthy effect on the whole national economy and would be a key feature in maintaining prosperity and preventing a depression.

That, Mr. Speaker, is no sentimental approach to this question of slum clearance and public housing. That challenge to the insipid economy reasoning of the fine gentlemen of the real-estate lobby comes, not from a liberal, but from the very fountainhead of intellectual ultraconservative leadership in the United States.

Let me quote the words of this champion of conservatism, Senator ROBERT A. TAFT:

> There is still a great need for low-cost housing. This need is not being met and it is up to Congress to do something about it without further delay. It takes time to get a great housing program under way, and the sooner we get at it the better it will be for the people who need such housing and the Nation's economy.
>
> The economic situation is an added urgent reason why a big housing program should be launched without delay. Private housing on construction is falling off because builders are reaching the end of the market in high-priced homes. Public housing is the answer to stabilization of the construction industry. That is a key factor in maintaining prosperity and preventing a depression. A big public-housing program would have a healthy psychological effect on the whole national economy.

I wonder if my distinguished and beloved friend from Illinois [Mr. VURSELL] in the light of what Senator TAFT has said, after the gentleman from Illinois had spoken, will now wish to amend his remarks to include a reading out of Senator TAFT from the Republican Party.

But I have said that I would do my friend from Illinois a service of friendship by pointing out to him in convincing manner wherein, in his acceptance inadvertently of the calculations of the vicious real-estate lobby, he had fallen into error, which now before the debate on H. R. 4009 starts he might wish to correct.

The gentleman said that this proposed legislation, and I quote his words, "will add to the cost of the Government the colossal sum of $20,000,000,000." The colossal thing about this figure is the way in which it was computed. First, the gentleman from Illinois added together the total amounts authorized in subsidies and grants for the full 40-year period and assumed that they would be the actual outlays for these purposes. Then, for good measure, he threw in the total amount authorized for repayable loans. He arrived at a figure of $19,312,500,000. If he had stuck to the amounts actually authorized in H. R. 4009, instead of including the $800,000,000 in loans already authorized for low-rent public housing in the United States Housing Act of 1937, his figure would have been $18,512,500,000.

Now, on reconsideration, I wonder if the gentleman from Illinois would not agree with me that treating as a cost item loans that are repayable with interest is not really a strange kind of bookkeeping. Does any banker, or savings and loan official, enter on the liability side of his operating statement the face value of loans which he expects to be paid back? No, certainly not; he lists the amount on the asset side of his balance sheet. I respectfully suggest, therefore, that the first deduction that should be made from the gentleman's expense computation should be the face amount of well-secured, repayable loans authorized under H. R. 4009.

This leaves a maximum authorized 40-year cost of $16,562,500,000 of the programs contained in H. R. 4009. Of this amount, $16,000,000,000 represents the maximum annual contributions which could be paid for 40 years for low-rent public housing, at the rate of $400,000,000 per year.

That brings me to another interesting bit of arithmetic used by the gentleman from Illinois.

First he takes the maximum construction cost limit for public housing of $2,500 per room, allowed under the bill only for unusual high-cost areas; multiplies it by five, adds something for other items of cost like land; and comes to a total cost of over $15,000 per dwelling. Then, to prove this figure, he divides $16,000,000,000 by "a little over $15,000" to reach 1,050,000 units, the maximum number authorized under the bill, to show how the $16,000,000,000 would be used up.

The gentleman apparently overlooked the fact that the annual contributions of $400,000,000 per year would be pledged as security for the repayment, with interest, of bonds issued by local housing authorities to finance the construction of the houses. I am sure that he would not say that when a man goes out to borrow $15,000 on a house, all he will have to pay on that loan is $15,000. So I suggest that he compute the total cost in principal and interest of $15,000 loans on 1,050,000 houses, at 2 or 2½ percent interest for 40 years. I think he would find that this would run from $20,000,000,000 to $24,000,000,000. Therefore, he would have to conclude, on the basis of his figures, that $400,000,000 per year would be grossly inadequate for debt service on $16,000,000,000 worth of housing.

If the gentleman from Illinois had checked the full facts, he would have found that the maximum annual subsidy of $400,000,000 at a maximum allowable rate of 4½ percent of the total cost would permit a total capital expenditure for public housing of only $8,900,000,000, or only $8,465 per unit for 1,050,000 units. He would have found further that the actual total cost of the public housing program to the Federal Government will not be $16,000,000,000, as he assumes from his reading of the bill, but $9,000,000,000 to $10,000,000,000 under very lib-

eral estimates. I suggest for ready reference that he turn to pages A3585–A3586 of the Appendix of the CONGRESSIONAL RECORD, where his able colleague, the gentleman from Illinois [Mr. SABATH], has inserted realistic estimates of costs, as reported by the Bureau of the Budget.

If the gentleman will read carefully, I think he will find that the 40-year subsidy authorization of $400,000,000 per year necessarily had to cover the maximum requirements that could be anticipated under most unfavorable circumstances in order to provide adequate security for the bonds sold by local housing authorities in the private market. A further reading will disclose that under actual anticipated conditions in the financial market, local housing authorities will be able to amortize these bonds at 2 to 2½ percent interest in 29 to 33 years, instead of the maximum period of 40 years and that subsidies will have to be paid only for the shorter period.

Further reading from his colleague's speech in the Appendix of the RECORD will show that the actual estimate of average subsidies that will be paid for 29 to 33 years is $310,000,000 per year. We need to authorize $400,000,000 because in some years in some localities the full subsidy may be required to make up the difference between what low-income families can afford to pay and what it costs to operate the projects and pay off the loans. But in the average year in the average locality the rents paid by the low-income families will be able to cover, in addition to the operating costs, part of the debt service, so the subsidies can be less than the maximum authorized. I might add that the average subsidy need, from 75 percent to 80 percent of the authorization, is a most liberal estimate in view of the experience under the present low-rent program which, I should like to remind the gentleman from Illinois, is not new but actually is 12 years old.

So what we have is a public-housing program that is actually going to cost the Federal Government nine to ten billion dollars over not more than 33 years. Add a half billion dollars for slum clearance and rural housing and reasonable administrative expenditures and you will come to less than $11,000,000,000 over 33 years, instead of $20,000,000,000 as stated by the gentleman from Illinois. My own estimate from the figures available is that the cost will be about $10,000,000,000, which as I have pointed out, is equal to the amount of money received in 1949 by the clippers of coupons in excess of the amount they received 8 years ago.

The people in southern Illinois may not have a direct interest, as my friend and colleague intimates, in paying their pittance of a share of the $300,000,000 per year to provide decent homes for slum dwellers in other parts of the country. Even that is questionable since even southern Illinois can suffer from crime and disease spreading from the pest holes of the slums.

I do not think the people of southern Illinois—Mr. Speaker, I know and love those fine men and women down where my distinguished colleague comes from—will find it in their hearts to withhold this pittance from the unfortunates in the slums of Chicago. Certainly the people of my city of Chicago have never found it in their hearts to withhold, from the tremendous tax contributions they make, benefits in good roads, health, education, agricultural improvements, public works that directly affect southern Illinois and which are possible largely because of the dollars from Chicago.

It is from cities like Chicago that the money comes to make possible the $1,500,000,000 Congress has appropriated annually on behalf of the farmers in southern Illinois and elsewhere. I hope that we in Congress have learned to consider the needs of the people as a whole—the needs of rural families and the needs of city families, whether they are for housing, agricultural benefits, or other things. Also it is worth while to mention that in Illinois low-income families not only of Chicago, but also of Cairo, Danville, Decatur, East Moline, East St. Louis, Granite City, Kewanee, Madison, Moline, Peoria, Quincy, Rantoul, Rockford, Rock Island, Springfield, and Venice have benefited from the "not new" existing low-rent public-housing program.

There is one line more of misinformation contained in the speech of the gentleman from Illinois that I would comment on. That is the implication that a Member of Congress could call up the Public Housing Administration here and have some friend of his, personal or political, admitted to one of these low-rent projects or have somebody kicked out because he had not voted the right way. The housing agency simply could not do anything about it even if someone insisted, because, aside from setting up the requirements in accordance with the law, it has nothing to do about determining who is admitted or allowed to remain in the projects. These are locally owned projects operated by local housing authorities which are governed by boards made up of prominent local citizens serving without pay.

Half of the membership of these boards is made up of businessmen, bankers, retail merchants, insurance men, realtors, industrialists and the like. Another 20 percent of the members consist of professional people—lawyers, doctors, teachers, and so forth; another 15 percent of labor officials and wage earners and the rest of farmers, civic leaders, and a very few public officials. I have seen the roster of some of these boards, and I can tell you that they are made up of the best people in our cities and towns—the kind of people who would quickly tell off anyone who tried to get someone in the projects who was not entitled to be there. In all the investigations that have been made of the locally owned and controlled low-rent public-housing program, no one has come up with any real evidence of political control of the tenant families or of political corruption. All that the vicious real-estate lobby can do is to conjure up the evil thoughts that lie in evil minds.

Mr. CHESNEY. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to my dearly esteemed colleague from Chicago.

Mr. CHESNEY. I was here when the gentleman from Illinois made his speech, and he said the problems of the city of Chicago were due to the corruption of the Democratic administration. I was wondering whether when the Republicans were in power if they also contributed to this corruption. I am of the belief that the program of finding homes and building homes was handled in a very good manner under the Democratic Party in the city of Chicago.

Mr. O'HARA of Illinois. In my time there has been no corruption in the city of Chicago, such as some other cities are reported to have experienced. At least there has been no public exposure followed by supportive developments. During the administration of Mayor Edward Kelly a subway was constructed—a great public work—without even a suspicion on the part of any person of any favoritism in bidding or of the slightest misuse of the public funds. I think everybody in Chicago, including those in opposing political camps, will agree that the building of the subway without the slightest touch of scandal was a real tribute to the honesty and efficiency of municipal government. Democratic mayors of Chicago—Carter Harrison, father and son, Dunne, Dever, Cermak, Kelly, and the present mayor, Kennelley—have all been very popular with the electorate. No man in the city's history has ever enjoyed more popularity than Mayor Kennelley with all groups and all individuals.

Mr. CHESNEY. Most of the bad reputation that has been attributed to Chicago has been through the newspapers that have made a big issue out of the gangland affairs. The city of Chicago is the most progressive city in the whole United States.

Mr. O'HARA of Illinois. I agree thoroughly with my colleague. I am very happy to call Chicago my home, and more than a little proud.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the distinguished gentleman from New York and my colleague on the Banking and Currency Committee.

Mr. MULTER. I will not argue the question whether New York City is greater or Chicago is greater, but the question I have in mind is this: Is it not true that the city of Chicago also has a public-housing project?

Mr. O'HARA of Illinois. It has.

Mr. MULTER. Is it not true that tenants who seek admission to those houses are admitted in accordance with need and their ability to meet the requirements of your local regulations, regardless of political affiliation?

Mr. O'HARA of Illinois. As is the case elsewhere, there has been good administration of public housing in Chicago and there has been complete divorcement from politics. That is the record. I may say to my colleague that in Chicago the people, city and State, have put over $55,000,000 into slum clearance and public housing.

Mr. MULTER. And there has not even been the suggestion of scandal in connection with it.

Mr. O'HARA of Illinois. No one has even suggested scandal. There has been none.

AMENDMENT OF NATIONAL BANK ACT AND BRETTON WOODS AGREEMENT

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 256) providing for consideration of the bill (H. R. 4332) to amend the National Bank Act, the Bretton Woods Agreement Act, and for other purposes (Rept. No. 842), which was referred to the House Calendar and ordered printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreement Act, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 20 minutes.

WHY THE SOUTH ATTRACTS INDUSTRY

Mr. BRYSON. Mr. Speaker, among northern political reformers, radicals, so-called intellectuals, and others it has become quite fashionable to make derogatory remarks about southern industry. In many instances these remarks are harmless and are the result of ignorance of true conditions. In other cases they are dangerous in the false impressions which they seek to convey and are inspired from a sense of malice toward the South's expanding industry. In either case a false impression is created, and it is high time that these accusations and distortions of fact be examined.

Recently Chester Bowles, formerly OPA Administrator but now Governor of Connecticut, made a statement to the New England Council that industry in the South pays starvation wages. Presumably Governor Bowles was explaining why much of New England's industry, especially textiles, is migrating southward. Whether this statement is the result of ignorance or whether it is an attempt to convince businessmen that it is morally wrong to benefit from cheap labor, the impression which thousands—perhaps millions—of northerners received is wholly false. There is no disputing the fact that industry is moving southward. In 1948 89,000 jobs shifted from New England to Southern States. Of these 37,000 were in the textile industry.

In April of this year one South Carolina textile company ordered 14,000 new looms, the largest single order in the history of textile manufacturing. Since January 1945, 800 new plants costing $268,000,000 have located in our State of South Carolina alone. Recently the du Pont Co. selected Camden, S. C., as an ideal location for their new plant which is to manufacture orlon, a product similar to nylon. Likewise the Maverick Mills Corp., of East Boston, Mass., decided to invest $4,000,000 in a plant to be located in my home county of Greenville, S. C.

These facts clearly indicate that the South has much to offer to manufacturers and to industry in general. Industry understands that it must choose suitable locations if it is to prosper. Numerous factors must be taken into consideration in the choice of this location. It is evident that the South has these necessary attributes.

The single most important factor in determining a suitable locale for an industry is its nearness to good markets. Thus the trend of purchasing power is an important factor in creating good markets and thereby attracting industry. Good consumer and good industrial markets are both necessary.

The purchasing power of the South has greatly increased in recent years, and consumer demand has grown along with it. Business executives of companies locating in the South have not overlooked this point. In a survey of companies which had located or were planning to locate in Southern States, almost half gave proximity to markets as the reason for choosing that location. The southern markets are rapidly expanding and they are the most important factor in making the South one of the key industrial regions of this country.

Another reason for the industrial shift southward is the proximity to natural resources. Such agricultural products as cotton, peanuts, and timber offer an important advantage to manufacturers seeking new locations. Transportation expenditures are greatly reduced when the industries which make use of these products can establish their plants nearby. The South is fortunate also in having facilities in many areas to establish power plants. This has been an important factor in attracting food processing and chemical companies.

The question of labor supply is an important factor, but it is not primarily cheap labor but loyal, efficient labor which is drawing industry to the South. In the State of South Carolina, 99.7 percent of our labor force is native-born, and 58 percent is white. Labor realizes the advantages of making an area highly industrial, and the low record of turn-over and absenteeism has played an important part in demonstrating that labor in the South is highly efficient. If industry paid labor starvation wages and if sweatshop conditions prevailed, as Governor Bowles charges, it is not likely that the labor force would maintain their conscientious attitude. This accusation is belied by figures also. The minimum wage of the textile industry in South Carolina is 94 cents per hour. The average per hour is $1.17. Surely these are not starvation wages. Even these figures do not represent the true facts. Purchasing power gives a better picture of conditions than wage scales. Because of the South's temperate climate, expenditures for fuel, housing, and clothing are considerably lower than in the North, and it is probable that a comparison between the purchasing power of workers in the southern textile mills and workers in the northern mills would show that the advantages lie with our southern workers.

Royal Little, of Textron Manufacturing Co., which has textile plants all along the Atlantic seaboard, stated that workers in plants located in the Carolinas outproduce New England workers by almost 10 percent. The labor supply is a definite incentive for industry which is seeking a satisfactory location. This labor is not cheap in the sense that it works for sweatshop wages, but it is efficient, intelligent, and highly productive. Labor's attitude and willingness to cooperate with management is one of the prime reasons why the South is developing into a leading industrial region.

State legislative policies which avoid measures that would penalize industry have done much to attract new manufacturing industries. It is a strong temptation for State legislatures to attempt to balance their budgets by heavy taxes on corporations and manufacturing industries, but in the end they will defeat the ends which they hope to attain. High taxes have always frightened business, and new industries which are essential to prosperity are always prone to seek areas where tax rates are low. The majority of Southern States, realizing this, have offered industry a strong inducement by keeping taxes extremely low. Property taxes, severance imposts, and corporation licensing fees are so low as to be almost negligible. This policy of keeping tax rates low for industry has gone far toward attracting new manufacturing activities and new business to the Southern States. Fair treatment of economic enterprise has become a characteristic of southern legislative policy. As long as this liberal policy is continued, industry will continue to migrate to the South.

The presence of local capital to help expansion is another factor in the economic development of the South. This local capital has been extremely cooperative with new industries, and all concerned have been benefited. Local interest has been stimulated, and in numerous cases fine housing developments have developed along with the industries. These developments have raised the workers' morale, increased productivity, improved business, and in general aided the community.

While the attitude of State governments, communities, and labor all have important bearings upon the rapid industrial expansion of the South, one factor is more responsible than any of these. That factor is the presence in huge quantities of one of the world's most important crops—cotton. The use of cotton is so universal and so common that we seldom stop to think how

often everyone comes in contact with it in our daily lives. Its durability and launderability make it a household essential. Such items of clothing as formal, street, and house dresses, pajamas, aprons, dress, sport, and work shirts, summer trousers, and many others are made of cotton in the great majority of cases. Hundreds of household items such as curtains, bedspreads, and furniture coverings are made almost entirely of cotton; others such as studio couches, davenports, and chairs contain a large percentage of cotton felt in their make-up. In the military services when a man is assigned his equipment a large portion is made of cotton or at least contains some cotton. In a 5-year span preceding the war cotton supplied the needs of more than 60 percent of this Nation's need for textile fibers. Since the war the improved processes for developing such synthetic fibers as nylon, glass fiber, and various resin fibers have increased the consumption of these articles, with a resulting loss in the use of cotton, but cotton textiles are still far ahead. In 1948, cotton supplied 57.4 percent of the textile fiber used. This is still a long lead for the cotton industry, and it demonstrates that more cotton is used than all other textile fibers combined. The cotton industry is aware of the competition from the new synthetic products, and it has made better cotton products at a cheaper selling price by improved production methods. Machinery of the very latest types and greatest productivity has been installed. It is clearly evident that cotton will continue to be the No. 1 textile fiber for many years to come. This fact is a powerful inducement for industry to locate in the South. Textile concerns which plan to manufacture cotton products will be near the source and can greatly reduce transportation expenses.

Other types of industries are locating in the South because they realize that the destiny of millions of people is tied up with cotton and that the prospects for the whole cotton industry are good. This indicates that the purchasing power of the area will be high, and good markets will be assured. In 1948 an estimated 660,000 workers were employed in the southern textile mills. They were paid wages totaling more than $1,500,000,000. The value of the mills' product was estimated as $6,000,000,000. These figures prove the importance of cotton. It is still king in the South and is undisputed king of the textile fibers. As long as the outlook of the cotton industry remains bright, the over-all economic picture of our Southland will be healthy. A healthy economic state is essential if new industry is to be attracted, and King Cotton has been as effective as any single factor in the industrial expansion of the South.

From these facts it is easy to understand why the South, which for so many generations was an agricultural area, is at last attracting its share of industry. It was inevitable that the geographic factors such as climate and the availability of natural resources would play an important part in the development of the South. The mild climate permits low-cost construction, and low living costs, a benefit for both management and labor. In addition it makes possible the growth of cotton, the world's most important textile fiber. This in turn creates prosperity and builds purchasing power, an essential to good market conditions. These are physical conditions, and the South is fortunate in being blessed with them.

There are other conditions attractive to industry which are made by man. These include favorable treatment by the legislative bodies, community interest in new enterprises, and the attitude of labor. All of these have been favorable, and industry is beginning to take advantage of these overtures. A manufacturer who was planning a mill in a rural section of South Carolina advertised for 300 workers. He received over 3,000 applications. More than 90 percent of the applicants had high-school educations, and over 20 percent had attended college. This incident is typical of the labor situation in our South. There is an abundance of skilled labor which is willing to work at reasonable wages and to cooperate with management. Labor realizes that proper attitudes toward the manufacturing industries will benefit everyone by expanding business and thus creating more jobs. Industry realizes that by paying labor good wages and maintaining sound working conditions, better results will be obtained than by maintaining sweatshop conditions and paying starvation wages.

It is these factors which are making the South America's newest land of opportunity in the field of manufacturing. The climate, the expanding markets, and natural resources are elements which offer new industry important economic advantages. Opportunity is almost unlimited, and industry is fast taking advantage of this opportunity. Encouraged by friendly State governments and an intelligent labor supply, the South is making great strides toward bridging the gap between industry and agriculture. To those familiar with the situation in the South the charge that it is cheap labor which is attracting industry is absurd. Labor is a factor, but it is the quality of this labor and not its cheapness which industry finds advantageous.

The enthusiastic welcome which business and industry are receiving in the South is an indication that the people understand the advantages of an industrial region. With its ideal geographic features and this friendly attitude by its people, the South will continue to grow economically, and industry will find more and more reasons to locate in this region.

Threescore years ago one of the South's most eloquent sons, speaking in Boston, Mass., used the following prophetic words which are now becoming a reality:

> Far to the South lies the fairest and richest domain of this earth. It is the home of a brave and hospitable people. There is centered all that can please or prosper humankind. A perfect climate, above a fertile soil, yields to the husbandman every product of the temperate zone. There, by night the cotton whitens beneath the stars, and by day the wheat locks the sunshine in its bearded sheaf. In the same field the clover steals the fragrance of the wind, and the tobacco catches the quick aroma of the rains. There are mountains stored with exhaustless treasures; forest, vast and primeval, and rivers that, tumbling or loitering, run wanton to the sea. Of the three essential items of all industries—cotton, iron, and wood—that region has easy control. In cotton, a fixed monopoly—in iron, proven supremacy—in timber, the reserve supply of the Republic. From this assured and permanent advantage, against which artificial conditions cannot much longer prevail, has grown an amazing system of industries. Not maintained by human contrivance of tariff or capital, afar off from the fullest and cheapest source of supply, but resting in divine assurance, within touch of field and mine and forest—not set amid costly farms from which competition has driven the farmer in despair, but amid cheap and sunny lands, rich with agriculture, to which neither season nor soil has set a limit—this system of industries is mounting to a splendor that shall dazzle and illumine the world.

EXTENSION OF REMARKS

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD and include a statement of Mr. Thomas Kennedy appearing in the Journal of the United Mine Workers of America.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. TABER, indefinitely, on account of illness.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1127. An act to amend sections 130 and 1931 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will; and

S. 1134. An act to amend section 13–108 of the Code of Laws of the District of Columbia to provide for constructive service by publication in annulment actions.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 1337. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes.

ADJOURNMENT

Mr. BYRNE of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 16, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

692. A letter from the Acting Secretary of State, transmitting a draft of a bill entitled

"A bill to amend an act entitled 'An act providing for the public printing and binding and the distribution of public documents,' approved January 12, 1895, as amended"; to the Committee on House Administration.

693. A letter from the Chairman, United States Tariff Commission, transmitting parts III and IV of the report of the Tariff Commission on the operation of the trade-agreements program, June 1934 to April 1948; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON: Committee on Public Lands. H. R. 4208. A bill to add certain surplus lands to Petersburg National Military Park, Va., to define the boundaries thereof, and for other purposes; with an amendment (Rept. No. 825). Referred to the Committee of the Whole House on the State of the Union.

Mr. EBERHARTER: Committee on Ways and Means. H. R. 5114. A bill to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes; without amendment (Rept. No. 826). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 238. Resolution to authorize the Committee on the Judiciary to undertake a study of immigration problems; without amendment (Rept. No. 827). Referred to the House Calendar.

Mr. SANBORN: Committee on Public Lands. H. R. 4943. A bill to amend the act providing for the admission of the State of Idaho into the Union by increasing the period for which leases may be made of public lands granted to the State by such act for educational purposes; without amendment (Rept. No. 828). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 4585. A bill to authorize the purchase of additional farming land for Leavenworth Penitentiary; with an amendment (Rept. No. 829). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. S. 1168. An act to amend section 2680 of title 28, United States Code; without amendment (Rept. No. 830). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 3905. A bill to amend section 3121 of the Internal Revenue Code; without amendment (Rept. No. 832). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 5086. A bill to accord privileges of free importation to members of the armed forces of other nations; without amendment (Rept. No. 833). Referred to the Committee of the Whole House on the State of the Union.

Mrs. NORTON: Committee on House Administration. House Resolution 242. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 234; with an amendment (Rept. No. 834). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 255. Resolution providing for additional compensation per annum for certain employees of the House of Representatives; without amendment (Rept. No. 835). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 57. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution with respect to election of President and Vice President"; without amendment (Rept. No. 836). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. Senate Concurrent Resolution 19. Concurrent resolution authorizing the printing of additional copies of prayers offered by the Chaplain, the Reverend Peter Marshall, D. D., at the opening of the daily sessions of the Senate of the United States during the Eightieth and Eighty-first Congresses; without amendment (Rept. No. 837). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Concurrent Resolution 45. Concurrent resolution authorizing the Committee on Foreign Affairs to procure 2,000 additional copies of its hearings on the bill (H. R. 2362) to amend an act entitled "The Economic Cooperation Act of 1948," approved April 3, 1948; without amendment (Rept. No. 838). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 231. Resolution to provide for the printing as a House document a report of the proceedings of the National Resettlement Conference for Displaced Persons; without amendment (Rept. No. 839). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. Senate Joint Resolution 55. Joint resolution to print the monthly publication entitled "Economic Indicators"; without amendment (Rept. No. 840). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. H. R. 4878. A bill to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing; without amendment (Rept. No. 841). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 256. Resolution for consideration of H. R. 4332, a bill to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes; without amendment (Rept. No. 842). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. H. R. 1019. A bill for the relief of George M. Ford; with an amendment (Rept. No. 816). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1055. A bill for the relief of Agnese R. Mundy; with an amendment (Rept. No. 817). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 1493. A bill for the relief of Cecil L. Howell; with an amendment (Rept. No. 818). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 1792. A bill for the relief of Charles E. Ader; with an amendment (Rept. No. 819). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 2095. A bill for the relief of the estate of Kenneth N. Peel; with an amendment (Rept. No. 820). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 2925. A bill for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel; with an amendment (Rept. No. 821). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 3139. A bill for the relief of James B. DeHart; without amendment (Rept. No. 822). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 3501. A bill for the relief of Nelson Bell; without amendment (Rept. No. 823). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. House Resolution 253. Resolution for the relief of John B. H. Waring; without amendment (Rept. No. 824). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 1458. A bill for the relief of Joseph R. Gregory; with an amendment (Rept. No. 831). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 5162. A bill to provide for the deduction of subscription charges to certain prepayment health service plans for the purposes of the Federal income tax; to the Committee on Ways and Means.

By Mr. BRAMBLETT:

H. R. 5163. A bill to terminate the war tax rates on certain miscellaneous excise taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. CLEMENTE:

H. R. 5164. A bill to afford duly ordained ministers of religion an additional income-tax exemption, and for other purposes; to the Committee on Ways and Means.

By Mr. COOLEY.

H. R. 5165. A bill to continue in effect until January 1, 1951, title III of the Second War Powers Act for the purpose of exercising import controls with respect to fats and oils and rice and rice products; to the Committee on Banking and Currency.

By Mr. CRAWFORD:

H. R. 5166. A bill to extend the laws of the United States relating to civil acts or offenses consummated or committed on the high seas on board a vessel belonging to the United States to the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, and Enderbury Island, and for other purposes; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 5167. A bill to amend the provisions of law authorizing the granting of leave to Government employees so as to provide that such employees shall not be required to use annual leave for the purpose of preventing its accumulation; to the Committee on Post Office and Civil Service.

By Mr. HERLONG:

H. R. 5168. A bill to clarify the laws relating to the compensation of postmasters at fourth-class post offices which have been advanced because of unusual conditions; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL:

H. R. 5169. A bill making the Administrative Procedure Act applicable to certain hearings in the Post Office Department; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 5170. A bill to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation; to the Committee on Public Lands.

By Mr. RANKIN (by request):

H. R. 5171. A bill to create the Veterans' Insurance Corporation and place the administration of the United States Government life insurance and national service life insurance programs under its jurisdiction, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HOFFMAN of Michigan:

H. R. 5172. A bill to create a commission to make a study of the administration of overseas activities of the Government and to make recommendations to Congress with respect thereto; to the Committee on Expenditures in the Executive Departments.

H. R. 5173. A bill making certain changes in laws applicable to regulatory agencies of the Government so as to effectuate the recommendations regarding regulatory agencies made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

H. R. 5174. A bill making certain changes in laws applicable to the Department of the Treasury so as to permit the effectuation by the President and the Secretary of the Treasury of the recommendations regarding the Department of the Treasury made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Ways and Means.

H. R. 5175. A bill to establish a Department of Welfare; to the Committee on Expenditures in the Executive Departments.

H. R. 5176. A bill making certain changes in law applicable to the Department of the Interior so as to permit the effectuation by the President and the Secretary of the Interior of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Public Lands.

H. R. 5177. A bill making various changes in laws applicable to the Post Office Department in order to furnish a basis for a reorganization of the Department, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 5178. A bill to authorize the President to determine the form of the national budget and of departmental estimates, to modernize and simplify Government accounting and auditing methods and procedures, and for other purposes; to the Committee on Expenditures in the Executive Departments.

H. R. 5179. A bill making changes in law applicable to the Department of Agriculture so as to permit the effectuation by the President and the Secretary of Agriculture of the recommendations regarding the Department made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Agriculture.

H. R. 5180. A bill to provide for an additional Assistant Secretary of Commerce and to give the Secretary of Commerce authority to reorganize his Department so as to facilitate the effectuation by the President and the Secretary of Commerce of the recommendations regarding the Department of Commerce made by the Commission on Organization of the Executive Branch of the Government; to the Committee on Interstate and Foreign Commerce.

H. R. 5181. A bill to revise the personnel policy governing the civil service of the United States, to revise the pay and pay administration policy in the executive branch of the Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 5182. A bill to consolidate certain hospital, medical, and public health functions of the Government in a United Medical Administration; to the Committee on Expenditures in the Executive Departments.

By Mr. BARRETT of Wyoming:

H. R. 5183. A bill to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes; to the Committee on Public Lands.

By Mr. CASE of South Dakota:

H. R. 5184. A bill to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale, Oreg., irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes; to the Committee on Public Lands.

By Mr. HINSHAW:

H. R. 5185. A bill to repeal the excise tax on transportation of property, transportation of persons, and long-distance telephone and telegraph; to the Committee on Ways and Means.

By Mr. JUDD:

H. R. 5186. A bill to authorize the contribution to Cooperative for American Remittances to Europe, Inc., of an amount equal to the moneys received by the Selective Service System for work performed by persons assigned to tasks of national importance under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended; to the Committee on Foreign Affairs.

By Mr. O'HARA of Minnesota (by request):

H. R. 5187. A bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; to the Committee on Interstate and Foreign Commerce.

By Mr. POTTER:

H. R. 5188. A bill to provide for the preparation of a plan for the celebration of the one hundredth anniversary of the building of the Soo locks; to the Committee on House Administration.

By Mr. WHITE of Idaho:

H. R. 5189. A bill to authorize the Secretary of the Interior, through the Bureau of Reclamation, to construct, operate, and maintain certain works in the Columbia River Basin, and for other purposes; to the Committee on Public Lands.

H. R. 5190. A bill to repeal the act entitled "An act to suspend certain import taxes on copper," approved March 31, 1949 (Public Law 3, 81st Cong.); to the Committee on Ways and Means.

By Mr. COX:

H. R. 5191. A bill to provide for the furnishing of quarters at Thomasville, Ga., for the United States District Court for the Middle District of Georgia; to the Committee on the Judiciary.

By Mr. GARMATZ:

H. R. 5192. A bill to amend certain provisions of the Internal Revenue Code authorizing the establishment of special rectifying plants for the receipt, prior to tax, of distilled spirits, alcohol, and wines for rectification, bottling, and packaging, or for bottling and packaging without rectification; to the Committee on Ways and Means.

By Mr. HOLMES:

H. R. 5193. A bill to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale Oregon irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes; to the Committee on Public Lands.

By Mr. McKINNON:

H. R. 5194. A bill to amend the act entitled "An act to authorize the Administrator of Veterans' Affairs to transfer a portion of the Veterans' Administration center at Los Angeles, Calif., to the State of California for the use of the University of California," approved June 19, 1948; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H. R. 5195. A bill to amend the Housing Act of 1948; to the Committee on Banking and Currency.

By Mr. WITHROW:

H. R. 5196. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. REED of New York:

H. R. 5197. A bill to amend section 1802 (b) and section 3481 (a) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. WOOD:

H. Res. 254. Resolution to provide payment to the Congressional, Inc., for hotel service provided Miss Elizabeth T. Bentley; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CORBETT:

H. R. 5198. A bill for the relief of Rudolf Thum, Mrs. Oliva Thum, Mrs. Mathilde Thum, and Mrs. Oliva Scherbaum; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 5199. A bill for the relief of Mr. and Mrs. Thurman L. Bomar; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 5200. A bill for the relief of Jan Wrobel; to the Committee on the Judiciary.

By Mr. QUINN:

H. R. 5201. A bill for the relief of the estate of Thomas O'Hare, deceased; to the Committee on the Judiciary.

H. R. 5202. A bill for the relief of the aliens Nicholas Partheniades, Catherine Partheniades, and their son, Constantine Partheniades; to the Committee on the Judiciary.

By Mr. SECREST (by request):

H. R. 5203. A bill for the relief of Theo T. Taylor; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 5204. A bill for the relief of Mary Stathos; to the Committee on the Judiciary.

By Mr. WILSON of Oklahoma:

H. R. 5205. A bill to quitclaim certain property in Enid, Okla., to H. B. Bass; to the Committee on Public Lands.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1081. By Mrs. NORTON: Petition of the delegates to the annual meeting of the Women's International League for Peace and Freedom at Hartford, Conn., urging the enactment of legislation necessary for the protection of the civil and human rights of all Americans and residents of the United States in order to implement the standards set in the Universal Declaration of Human Rights passed by the United Nations on December 10, 1948; to the Committee on the Judiciary.

1082. By Mr. HUGH D. SCOTT, JR.: Petition of the Pennsylvania Society, Sons of the American Revolution, for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials; to the Committee on Rules.

1083. By Mr. SMITH of Wisconsin: Resolution of the Northwest District Dental Society, asking the Congress not to enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1084. By the SPEAKER: Petition of the Department of Water and Power of the City of Los Angeles, Calif., requesting the adoption of Senate Joint Resolution 4 and House Joint Resolution 3, authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the water of the Colorado River; to the Committee on the Judiciary.

1085. Also, petition of Edward F. Swenson and others, Whitestone, N. Y., stating the necessity for and requesting the passage of H. R. 2917, which would provide cars for blinded veterans; to the Committee on Veterans' Affairs.

1086. Also, petition of Sisterhood of the Spanish and Portuguese Synagogue, New York, N. Y., requesting that the Congress reject any plan for calendar reform which includes a blank-day device; to the Committee on Foreign Affairs.

1087. Also, petition of American ORT Federation, New York, N. Y., relative to the enunciation and implementation of the United States policy of support to Israel and expressing gratification by the American ORT Federation; to the Committee on Foreign Affairs.

1088. Also, petition of Mrs. Hilda Alto and others, Rapid City, S. Dak., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1089. Also, petition of Mrs. K. E. Fraley and others, Tampa, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1090. Also, petition of Mrs. Agnes G. Shankle, General Welfare Federation of America, Washington, D. C., transmitting two petitions, containing 75 names, for L. Everett Gest, General Welfare of America Club for the State of New Jersey, requesting legislation to increase social-security and old-age benefits and the lowering of the retirement age to 60 years; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 16, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mercies, at this ancient altar of dedication to the things unseen and eternal we bow with the confident assurance that the faith of the founding fathers is living still in this dear land for whose dream of freedom they were willing to dare and to die. Spirit of Life, in this new dawn give us the faith that follows on. Thou hast called us to play our part in one of the creative hours of human history. Help us so to speak and so to act in this day of destiny that tomorrow we may live unashamed with our memories. Across the debris of ancient wrongs may our glad eyes see the glory of the coming of the Lord as selfish exploitation makes way for brotherhood and for man. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 15, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 15, 1949:

S. 147. An act for the relief of H. Lawrence Hull.

On June 16, 1949:

S. 714. An act to provide for comprehensive planning, for site acquisition in and outside of the District of Columbia, and for the design of Federal building projects outside of the District of Columbia; to authorize the transfer of jurisdiction over certain lands between certain departments and agencies of the United States; and to provide certain additional authority needed in connection with the construction, management, and operation of Federal public buildings; and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 55) to print the monthly publication entitled "Economic Indicators."

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1338) authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown, at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. R. 5007. An act to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 19) authorizing the printing of additional copies of prayers offered by the Chaplain, the Reverend Peter Marshall, D. D., at the opening of the daily sessions of the Senate of the United States during the Eightieth and Eighty-first Congresses.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 45. Concurrent resolution authorizing the Committee on Foreign Affairs to procure 2,000 additional copies of its hearings on the bill (H. R. 2362) to amend an act entitled "The Economic Cooperation Act of 1948," approved April 3, 1948; and

H. Con. Res. 57. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution With Respect to Election of President and Vice President."

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Humphrey	Morse
Anderson	Hunt	Mundt
Bricker	Ives	Neely
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Reed
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Donnell	Kem	Smith, Maine
Douglas	Kerr	Taft
Eastland	Kilgore	Taylor
Flanders	Lodge	Thomas, Utah
Frear	Long	Thye
Gillette	Lucas	Tobey
Graham	McCarthy	Tydings
Green	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McKellar	Wiley
Hendrickson	Malone	Withers
Hill	Martin	Young
Hoey	Maybank	
Holland	Miller	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Oklahoma [Mr. THOMAS] are detained on official business in meetings of committees of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon [Mr. CORDON], and the Senator from Michigan [Mr. FERGUSON] are detained because of their attendance at a meeting of the Committee on Appropriations.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Nebraska [Mr. BUTLER] and the Senator from Delaware [Mr. WILLIAMS] are detained because of their attendance at a meeting of the Committee on Finance.

The Senator from North Dakota [Mr. LANGER] is detained at a meeting of the Committee on the Judiciary.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. TYDINGS. Mr. President, I ask unanimous consent that the Chair recognize Senators for the presentation of routine matters.

The VICE PRESIDENT. Without objection, it is so ordered.

NOMINATIONS IN THE MILITARY ESTABLISHMENT

Mr. TYDINGS. Mr. President, as in executive session, from the Committee on the Armed Services, I report routine promotions in the military establishment. They come from the committee unanimously. No objection has been made to any of the individuals involved, from any source whatsoever.

The VICE PRESIDENT. Without objection, the nominations will be received.

Mr. TYDINGS. Mr. President, I ask unanimous consent for the immediate consideration of nominations for promotions.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I will say I am sorry I did not hear all the Senator's statement. Are these routine promotions in the Army?

Mr. TYDINGS. They are routine promotions in the Army, unanimously reported from the Committee on Armed Services. They are promotions in the military establishment, and there was no objection to any of them.

The VICE PRESIDENT. Is there objection to the present consideration of the nominations? The Chair hears none, and without objection, as in executive session, the nominations are confirmed, and the President will be notified.

REORGANIZATION ACT OF 1949—CONFERENCE REPORT

Mr. McCLELLAN. I send to the desk a conference report and ask for its immediate consideration.

The VICE PRESIDENT. The report will be read.

The legislative clerk read the report.

(For conference report, see today's proceedings of the House of Representatives on pp. 7827–7829.)

Mr. WHERRY. Mr. President, does the conference report deal with the reorganization of Government agencies?

Mr. McCLELLAN. It does.

Mr. WHERRY. I understand that one of the points of difference between the two Houses was whether both Houses should be required to vote on a plan of reorganization. Will the Senator from Arkansas please explain to the Senate what agreement was reached by the conferees?

Mr. McCLELLAN. I am very glad to make a brief statement about the matter. Of course, Senators can obtain full information by reading the report.

Members of the Senate will recall that the Senate passed its version of the bill as a substitute for the House bill. The House bill contained what is called one-package exemptions or "one package" treatment provisions for seven specific agencies of the Government.

The House bill also provided that a reorganization plan submitted by the President would go into effect within 60 days of its submission to Congress unless both Houses of Congress adopted a concurrent resolution disapproving the plan within that period of time.

The Senate bill contained no one-package provision, contained no exemptions of any agencies whatsoever. But it provided that either House, by simple resolution, might veto the plan within the 60-day period of time.

The conferees have agreed, and the House has approved, the elimination of the exemptions and of the one-package provision, and accepted the Senate version of the bill on that score. The conferees also agreed to accept, and the House has approved, the Senate provision for a one-House veto, modified to this extent, that a constitutional majority of one House shall be required to reject a reorganization plan.

The virtue of the one-House veto, as I see it, is that neither branch of the Congress abdicates its power to disapprove a plan. I think we went a little further, perhaps, than we should, but in order to get an agreement, in order to get the best bill the conferees could agree upon, the Senate conferees yielded to a modification of its one-House veto provision to the extent of requiring the veto be by a constitutional majority.

Mr. IVES. Mr. President, if the Senator will yield to me to permit me to make a statement on this subject, I should like to do so.

Mr. McCLELLAN. I shall be glad to yield the floor in a moment.

The VICE PRESIDENT. The Senator from New York can be recognized in his own time.

Mr. McCLELLAN. The House bill had no expiration date. The Senate bill has the date of April 1, 1953. Let me explain the reason why that provision was placed in the bill in the committee and approved by the Senate. I believe that reorganization should be a continuing program. However, if there is no expiration date, Congress, busily occupied as it is, would probably never review the matter to find out how the program was working. So we inserted that provision, which gives full power to the present administration during its present term and to the succeeding administration for the first ensuing Congress. The President would have to submit his plans in about that time by April 1 in order to allow Congress a 60-day period in which to reject them. So the expiration date runs over into the next Presidential administration, but cuts off at the end of the first ensuing Congress.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WILEY. As I understand the bill, the period of expiration runs into 1953, and the President can go ahead and practically put into effect the Hoover recommendations, and by a constitutional majority either House can veto any reorganization which the President puts into effect.

Mr. McCLELLAN. That is correct.

Mr. WILEY. That is all there is to the bill.

Mr. McCLELLAN. That is all there is to it. The President is not restricted, limited, or circumscribed in any way as to the kind of plan he submits, or as to what agencies may be included in it; but each House, by independent action, can reject the plan by a constitutional majority.

The Senate provision called for a simple majority. There is some objection to the provision. In this whole proceedings we are having to disregard some integrity of legislative process. We are delegating some legislative power; but by having a one-House veto, neither House absolutely abrogates its power or renders itself impotent and powerless to veto a plan if it feels that the plan is not good or sound. So we have preserved that much of the legislative integrity. However, the veto must be by constitutional majority.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. IVES. Mr. President, I wish to commend the splendid leadership of the chairman of the Senate conferees, the able Senator from Arkansas, who has just spoken. We were faced with a rather difficult situation, in view of the fact that the two bills basically did not coincide. They were in extreme conflict. We had the House bill, with the requirement for two vetoes, with exceptions. We

had the Senate bill without exceptions—a perfectly clean bill, with a single-House veto. The job was to reconcile them. We did reconcile them, and we reconciled them in what I consider to be the soundest manner possible. We simply compromised by keeping the Senate version and requiring that the single-House veto to prevent adoption of a reorganization plan be by constitutional majority of either House.

In my judgment, the bill now before the Senate is superior to either the bill which was passed by the House or the bill which was passed by the Senate. For once a bill has come out of conference which is better than the bill passed in either House, and I certainly hope it will receive the full support of the Senate.

Mr. LODGE. Mr. President, I wish to express my gratification that the conferees have done such a good work. This is a proposal which has been nonpartisan and bipartisan from the very beginning—at the time the bill was passed, in the appointment of members of the Commission, and in the approach which the members of the Commission took. Although we have had a change in party control in Washington since the reorganization bill was passed, the support for this effort has continued on the same bipartisan plane on which it began. I think it is a very happy day for all those who believe in efficient and economical government, for all who feel that the downfall of popular government in other parts of the world has been due to the fact that government over there became inefficient. Now we are about to have a reorganization act which will enable the President to clear away the cobwebs and make our popular system of government as effective as we all want it to be.

I congratulate the conferees.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

Mr. LUCAS subsequently said: Mr. President, a few moments ago when the conference report on the Reorganization Act of 1949 was being submitted by the able Senator from Arkansas [Mr. McCLELLAN], I was temporarily absent from the Chamber, on important business. I desire to say a word or two in connection with the conference report.

First, I wish to congratulate the managers on the part of the House of Representatives and the managers on the part of the Senate for finally agreeing upon the report which was submitted to the Senate by the Senator from Arkansas. Especially do I wish to pay a compliment to the Senator from Arkansas, the chairman of the committee, for the part he played, and also to the Honorable WILLIAM L. DAWSON, who is chairman of the House committee, who played a prominent part in arriving at an agreement upon this important piece of legislation.

Furthermore, Mr. President, I wish to say that I have communicated with the President of the United States in regard to this measure, and I understand that it is acceptable to him and that he will sign it when it reaches him, and that thereafter a number of plans will be submitted to the Congress, for its very serious and careful consideration.

PUBLICITY GIVEN TO FBI DOCUMENTS

Mr. McCARTHY. Mr. President, I have before me an informative article written by David Lawrence entitled "FBI Seen Weakened by Publicity Given Secret Documents." Normally I would merely ask to have the article printed in the Appendix of the RECORD; but at this time I wish to take the liberty of imposing upon the Senate to the extent of reading the article.

The VICE PRESIDENT. That can be done at this time only by unanimous consent, because the unanimous-consent agreement was that routine matters be presented without debate.

Mr. McCARTHY. Then, Mr. President, I ask unanimous consent that I be allowed to read the article into the RECORD at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Wisconsin may proceed.

Mr. McCARTHY. The article reads as follows:

FBI SEEN WEAKENED BY PUBLICITY GIVEN SECRET DOCUMENTS—WILL LOSE INFORMANTS WHO FEAR FOR LIVES IN ESPIONAGE WORK

(By David Lawrence)

Had the Coplon trial been held in England, there would have been no embarrassment for anyone not directly connected with the case. The judge would have ruled on the FBI files in private and the attorneys would have had a chance to examine any secret documents without fear that outside persons would have access to confidential data of the Government.

Nobody here is at fault for the unfortunate publicity that has occurred. The FBI didn't want its files made public. The judge had no choice when the defense insisted on seeing the documents—he had to order them produced.

But it must be borne in mind that the Justice Department itself did have a choice. It could have suppressed the FBI files and withdrawn and let the case be lost by default. It chose instead to take the risks. The FBI, as a subordinate unit of the Justice Department, didn't make the decision. Had it been left to the FBI, the case would have been dropped because the Bureau values its sources of information more than it does the winning of a single case.

PRINCIPLE INVOLVED

For there's a fundamental principle involved. The FBI gathers all sorts of information. Some of it is gossip and may be proved untrue. What is put in the agents' reports isn't evidence. It is merely a memorandum to the head office covering everything heard or rumored. It is up to the head office to piece together from various agents' reports that which may properly be presented as evidence in a courtroom.

This is the method of every investigation bureau, public or private. Nobody has ever demanded the personal correspondence of any high official and gotten it into court. In fact, the President has insisted that another branch of the Government cannot receive even official documents or letters or correspondence if the executive branch deems it incompatible with public interest to divulge such data.

Having refused to give such material to Congress, it is logical that the executive branch may refuse to give it to the judiciary. In the Coplon case, the Justice Department could have refused to produce the files and no judge could have compelled their disclosure. But the case would have been withdrawn.

What are the damaging consequences of recent disclosures? These probably will never be measured. Nobody will ever know what happened to the informants mentioned in the FBI files and now revealed. The public may not discern who the informants were but it seems a safe guess that the persons concerned will know.

INFORMANT MAY LOSE LIFE

It is a safe guess, too, that the Russian Government will be able to figure out who was an informant inside the Russian Embassy. Names are not given, but circumstances are very revealing. Not only will the informant be lost to the FBI, but his or her life may be lost also.

Unhappily, the public attitude toward espionage is not an informed one. Many people don't like the idea of spying or counterspying. They don't like to see the American Government engaging in it, either. But in a period of cold war such things are part of the routine of all governments.

Back in 1941 the FBI monitored a radio telephone conversation between Hawaii and Japan and called attention to it. Also, the FBI wanted to get at the messages which were filed by the Japanese consulate for transmission to Japan before the attack on Pearl Harbor, but the Federal Communications Commission in Washington refused to allow the American communication companies in Hawaii to give up the messages to the FBI. One of those messages, it was learned afterward, told the Japanese Navy Department in Tokyo what the signals would be to the carrier planes of the Japanese Fleet when they reached Pearl Harbor. Better espionage might have alerted the fleet at Pearl Harbor and saved many American lives.

As long as unscrupulous governments exist, espionage is just as much a defensive measure as any form of armament. It is regrettable that the FBI will be weakened in handling espionage by a fear on the part of informants that they may be mentioned in FBI reports that could become public. It would have been better to have dropped the case than to have allowed the FBI files to be published.

PRINTING, BINDING, AND DISTRIBUTION OF PUBLIC DOCUMENTS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend an act entitled "An act providing for the public printing and binding and the distribution of public documents," approved January 12, 1895, as amended, which, with the accompanying paper, was referred to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of California; to the Committee on Labor and Public Welfare:

"Senate Joint Resolution 29

"Joint resolution relative to supplemental direct loans to veterans

"Whereas loans to veterans, under the provisions of the Servicemen's Readjustment Act of 1944 have been greatly restricted due to refusal of money-lending institutions to make such loans even though guaranteed by the Federal Government; and

"Whereas there is still a great need for veterans' home loans at rates of interest

within the ability of those who have served faithfully in their country's service, to pay; and

"Whereas there is now pending before Congress legislation which would provide for direct loans to veterans for homes in cases where they are unable to obtain loans from private lending institutions at an interest rate not in excess of 4 percent per annum: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact the pending legislation, to wit, Senate bill No. S. 686, which will provide for direct loans to veterans for homes under the Servicemen's Readjustment Act of 1944 at a rate of interest of not greater than 4 percent per annum, when they are unable to obtain such loans from established lending institutions; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the Property Owners Association of America, in convention at Kansas City, Mo., favoring the repeal of the rent-control law; to the Committee on Banking and Currency.

A resolution adopted by the Property Owners Association of America, in convention at Kansas City, Mo., favoring the repeal of the fire-egress law in the District of Columbia; to the Committee on the District of Columbia.

A resolution adopted by the Property Owners Association of America, in convention at Kansas City, Mo., relating to communism, and so forth; to the Committee on the Judiciary.

A resolution adopted by the Property Owners Association of America, in convention at Kansas City, Mo., relating to the National Housing Act, and so forth; ordered to lie on the table.

A resolution adopted by the Confederate Air Force, of Miami, Fla., relating to pensions for surviving Confederate Army veterans; to the Committee on Finance.

A resolution adopted by the board of directors of the American ORT Federation, of New York, N. Y., expressing appreciation for the enunciation and implementation of the United States policy toward Israel; to the Committee on Foreign Relations.

Resolutions adopted by the Board of Water and Power Commissioners of the City of Los Angeles and the Los Angeles City Council, both in the State of California, favoring the enactment of Senate Joint Resolution 4, authorizing a suit in the United States Supreme Court to adjudicate the respective rights of the States of Arizona, Nevada, and California to the use of the waters of the Colorado River; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Sixth Conference of the Inter-American Bar Association, relating to the liberalization of the displaced persons' law; to the Committee on the Judiciary.

A resolution adopted by the board of trustees of the village of Oak Park, Ill., favoring the enactment of legislation proclaiming October 11 of each year as General Pulaski's Memorial Day; to the Committee on the Judiciary.

Resolutions adopted by the Missouri State Dental Assistants Association, of Kansas City, Mo.; the Northwest District Dental Society, of Hayward, Wis.; the board of managers of the Church Charity Foundation of Long Island, N. Y.; and the Central Wisconsin Dental Society, of Mosinee, Wis., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A petition of sundry colored veterans of McComb, Miss., relating to their status under the Veterans' Educational Program; to the Committee on Labor and Public Welfare.

A petition signed by B. R. Carney, and sundry other citizens of the State of Washington, praying for the enactment of Senate bill 578, to provide service connection of disabilities aggravated by military or naval service; to the Committee on Labor and Public Welfare.

A resolution adopted by the Ninth District, Department of Virginia, the American Legion, relating to the extension of time during which readjustment allowances may be paid until July 25, 1954, and so forth; to the Committee on Labor and Public Welfare.

A resolution adopted by the National Oil Jobbers Council, favoring an investigation as to the adverse effects upon jobbers of the decision of the United States Court of Appeals for the Seventh Circuit in the case of *Standard Oil Company* v. *Federal Trade Commission*, etc.; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1440. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide for payment of annuities to widows of retired employees without reduction in the annuities of such employees; with amendments (Rept. No. 506).

By Mr. TYDINGS, from the Committee on Armed Services:

S. 509. A bill to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired), to the rank of lieutenant colonel on the retired list; without amendment (Rept. No. 507);

S. 1507. A bill to amend section 10 of the act of August 2, 1946, relating to the receipt of pay, allowances, travel, or other expenses while drawing a pension, disability allowance, disability compensation, or retired pay, and for other purposes; with an amendment (Rept. No. 508); and

S. 1578. A bill to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System; with an amendment (Rept. No. 509).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 447. A bill to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles; with amendments (Rept. No. 511);

S. 1278. A bill to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA designated instrument landing runways; with amendments (Rept. No. 513);

S. 1279. A bill to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of $2,000; without amendment (Rept. No. 514); and

H. R. 781. A bill to amend title II of the Civil Aeronautics Act of 1938, as amended; with an amendment (Rept. No. 512).

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT OF 1945—REPORT OF A COMMITTEE

Mr. CONNALLY. Mr. President, from the Committee on Foreign Relations, I report an original bill, to amend the United Nations Participation Act of 1945, and I submit a report (No. 510) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2093) to amend the United Nations Participation Act of 1945 to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization, reported by Mr. CONNALLY from the Committee on Foreign Relations, was read twice by its title, and ordered to be placed on the calendar.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. MILLER (for himself and Mr. MAGNUSON):

S. 2088. A bill authorizing the construction of a multipurpose reservoir on the Kootenai River near Jennings, Mont., for flood control, and other beneficial purposes; to be named, on completion, Truman Dam; to the Committee on Public Works.

By Mr. O'MAHONEY (for himself, Mr. HUNT, Mr. GURNEY, Mr. MUNDT, Mr. CORDON, Mr. MORSE, Mr. CAIN, and Mr. MAGNUSON):

S. 2089. A bill to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale, Oreg., irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of Colorado:

S. 2090. A bill for the relief of the Denver Live Stock Exchange; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2091. A bill to provide financing for the construction and improvement of facilities for the marketing of farm products, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McMAHON:

S. 2092. A bill for the relief of Rosa Ottaviani; to the Committee on the Judiciary.

(Mr. CONNALLY, from the Committee on Foreign Relations, reported an original bill (S. 2093) to amend the United Nations Participation Act of 1945 to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. BUTLER:

S. 2094. A bill to increase the maximum amount of any deposit or trust fund which may be insured by the Federal Deposit Insurance Corporation under section 12B of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

By Mr. PEPPER:

S. 2095. A bill for the relief of Frederick L. Goggans; to the Committee on the Judiciary.

S. 2096 (by request). A bill to amend the act entitled "An act to authorize the Administrator of Veterans' Affairs to transfer a portion of the Veterans' Administration center at Los Angeles, Calif., to the State of California for the use of the University of California," approved June 19, 1948; to the Committee on Labor and Public Welfare.

By Mr. PEPPER (for himself and Mr. HOLLAND):

S. 2097. A bill to provide price support for natural sponges; to the Committee on Agriculture and Forestry.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF ARMED FORCES—AMENDMENT

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 242) extending for 2 years the existing privilege of free importation of gifts from members of the armed forces of the United States on duty abroad, which was referred to the Committee on Finance, and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred as indicated:

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; to the Committee on Rules and Administration.

H. R. 5007. An act to provide pay, allowances, and physical disability retirement for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes; to the Committee on Armed Services.

ADDRESS BY SENATOR SCHOEPPEL BEFORE GETTYSBURG COLLEGE ALUMNI ASSOCIATION

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address delivered by Senator SCHOEPPEL before the Gettysburg College Alumni Association, at Gettysburg, Pa., on June 3, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR HUMPHREY BEFORE SOCIETY FOR ADVANCEMENT OF MANAGEMENT

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address delivered by him before the Society for Advancement of Management, in Washington, D. C., on June 4, 1949, which appears in the Appendix.]

THE BUSINESS PICTURE—ADDRESS BY SECRETARY OF THE TREASURY BEFORE UTAH BANKERS ASSOCIATION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address entitled "The Business Picture," delivered by Hon. John W. Snyder, Secretary of the Treasury, before the Utah Bankers Association at their annual convention at Sun Valley, Idaho, on June 7, 1949, which appears in the Appendix.]

BROADCAST ON PUBLIC QUESTIONS BY ARTHUR CAPPER

[Mr. REED asked and obtained leave to have printed in the RECORD a broadcast by former Senator Arthur Capper regarding various public questions, which appears in the Appendix.]

THE WESTERN TRADITION—ADDRESS BY SIR OLIVER FRANKS

[Mr. HENDRICKSON (for Mr. SMITH of New Jersey) asked and obtained leave to have printed in the RECORD an address entitled "The Western Tradition," delivered by Sir Oliver Franks, British Ambassador, at the annual convention banquet of the American Society of Newspaper Editors, at Washington, D. C., on April 23, 1949, which appears in the Appendix.]

CAPITALISTIC COMMUNISTS — ARTICLE BY WALTER WINCHELL

[Mr. HOEY asked and obtained leave to have printed in the RECORD an article entitled "Capitalistic Communists," written by Walter Winchell and published in the Charlotte (N. C.) Observer, which appears in the Appendix.]

THE FBI RECORDS IN THE COPLON CASE—ARTICLE BY CONSTANTINE BROWN

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD an article entitled "FBI Urged Coplon Case Be Dropped in Order To Guard Confidential Data," by Constantine Brown, which appears in the Appendix.]

AMERICAN AID TO EUROPE—ARTICLE BY GEORGE SOKOLSKY

[Mr. JENNER asked and obtained leave to have printed in the RECORD an article relating to American aid to Europe, by George Sokolsky, from the Washington Times-Herald of June 16, 1949, which appears in the Appendix.]

GERMAN BISHOPS ON WAR CRIME TRIALS—ARTICLE FROM THE CHRISTIAN CENTURY

[Mr. JENNER asked and obtained leave to have printed in the RECORD an article entitled "German Bishops on War Crime Trials," published in the Christian Century for June 15, 1949, which appears in the Appendix.]

THE MARGARINE-BUTTER TANGLE—LETTER FROM PAUL T. TRUITT

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a letter from Paul T. Truitt, president of the National Association of Margarine Manufacturers, in reply to an article by John C. Davis, appearing in the Cleveland Plain Dealer of May 16, 1949, which appears in the Appendix.]

ARE WE CODDLING SOCIALISM ABROAD, TOO?—ARTICLE BY FRED I. KENT

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Are We Coddling Socialism Abroad, Too?" written by Fred I. Kent and published in the June 1949 issue of Banking, which appears in the Appendix.]

BASING-POINT LEGISLATION—ARTICLES BY W. K. KELSEY

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD two articles by W. K. Kelsey, from the Detroit News, having to do with basing-point legislation, which appear in the Appendix.]

COMMITTEE HEARING DURING SENATE SESSION

Mr. McMAHON. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy be permitted to sit this afternoon during the session of the Senate.

The PRESIDING OFFICER (Mr. HUNT in the chair). Without objection, the request is granted.

WISCONSIN FARM SITUATION

Mr. WILEY. Mr. President, I send to the desk a statement on the Wisconsin farm situation, which I ask to have printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON WISCONSIN FARM SITUATION

I have called the attention of the Senate on previous occasions to the critical conditions being faced on Wisconsin farms with dairy prices dropping disastrously. While many city folks have the erroneous idea that the farmers are raking in huge amounts of money, certainly the exact contrary is the case, particularly in the instance of American dairying. I know this out of personal experience on my own farm in Barron County and on the basis of reports which I have received from farmers all over my State.

Right now, as an illustration of the unending series of crises which has hit the farmer, we have a disastrous drought situation. Weeks ago we were working on relief for farmers in northern Wisconsin through emergency loans from the Farmers Home Administration. Now the situation in central Wisconsin is critical. The other day Mr. E. W. Martin, president of the Central Wisconsin Cheesemakers' Association, at Spencer, Wis., telegraphed me:

"Immediate emergency aid imperative to save central Wisconsin area dairy industry. Pastures irreparably destroyed by second year drought. Hay currently unavailable. None in prospect. Small grains down 50 percent. Farmers desperate for feed, offering entire herds for sale. Particularly young vets just starting. Urge most serious consideration."

I immediately got in touch, of course, with the United States Department of Agriculture once again and arranged for all possible speed by Farmers' Home officials in Wisconsin in processing emergency drought loans. I pointed out, however, that these loans which are given on a 3-percent basis hardly represent a complete answer to the farmers' problem. Let me quote from one farmer's letter to his county agent:

"I had to buy $1,000 worth of hay and mortgaged our cattle to do so. So you see, if some help is not available we are going to lose all of our hard-earned cattle. We worked almost like slaves to pay for them."

These drought-stricken farmers are now applying in droves for these emergency loans. But, Mr. President, these very same farmers observe that our Government is granting not loans to foreign peoples in small amounts, but outright gifts involving hundreds of millions of dollars. These farmers wonder at the fact that if there is the slightest reduction in foreign gifts by the United States, a shriek of horror is let out by our aid officials and by the foreign governments. If we try to cut so much as a dollar from these foreign-aid funds we are accused of sabotaging the foreign-aid program even though the price of goods is declining and the dollar that we appropriate is worth far more than it was a half a year ago.

MILLIONS FOR HOME, BILLIONS FOR ABROAD

The farmer who is having to pay terrible prices for his feed is naturally aware of the fact that we have been appropriating drought relief funds approximating around $4,000,000, but talking in foreign-spending terms of $5,000,000,000.

I, for one, have supported a program to encourage world stabilization and peace, but

I do want to point out that we cannot be forgetting our home front either. We have to have a constructive program to offer our farmers. Let anyone pick up a rural newspaper these days and he will find auction sales galore advertised—sales of the hard-earned, hard-won fruits of a lifetime of toil on the part of farm people.

Mr. Olaf Johnson, director of the Superior, Wis., New Industries Bureau, who has been in close contact with me throughout this situation writes:

"The recovery from the drought will be slow and it will take a couple of years of good crops to overcome this set-back."

Many farmers have already sold not only their stock but their farms. Mr. Johnson adds that the particular farmer who wrote his county agent as I cited above, has since unfortunately, conducted an auction, selling out everything this farmer owned.

A farmer in Prairie Farm, Wis., writes:

"We are facing one of the worst droughts this country has ever seen. We had a drought last year that cost us more than we can stand. If we don't get some kind of relief we will be just about through. A Government loan will not be of much help because that will have to be paid back and some of the farmers here will never be able to pay back. If we can get a subsidy, we can make it. If we don't, we are going to be deeper in debt than ever before."

I have cited this emergency situation as a background to the farmers' over-all, long-range problems. Right now, all of us are studying the Brannan farm program about which there has been so much publicity in recent weeks.

ARTICLE ON BRANNAN PROGRAM

In this connection, I ask that there be printed the text of an article by a well-known dairy leader who ably discusses some of the advantages and disadvantages of the Brannan program. In the May 9, 1949 issue of the Madison newspaper Dairyland News of which Mr. Ralph Ammon is president and publisher, there was printed a column by my good friend, William F Groves, based upon his talk with Secretary Brannan and it is this article that I would like to have reprinted in the RECORD at this point.

"GROVES TALKS WITH BRANNAN

"(By William F. Groves)

"I have just returned from a trip to Washington, D. C., Where I had the opportunity to converse with several farm leaders, including Secretary Brannan, on the relative merits and demerits of the so-called Brannan plan. The edition of the Dairyland News has suggested that I devote this column to this new farm proposal. I hesitate to comply with the editor's request, because my reactions to the arguments, pro and con, which I have heard are varied. I am convinced that there is a great deal of good in the Brannan plan also a great deal of bad. When the good outweighs the bad or vice versa I am not prepared to say at this time.

"The chief objections as I see them to the Brannan plan may be listed as follows:

"1. The Brannan plan is the brain child of swivel chair economists and cloistered theorists. Practical farm leaders or farm operators have not been consulted by Secretary Brannan or his staff while drafting the plan.

"2. The costs of the Brannan plan are hard to estimate. Everybody agrees however that the plan will impose severe burdens on the taxpayer.

"3. The Brannan Plan entails the paying of direct subsidies to farmers. Farm leaders have always opposed direct subsidies. This objection, in my opinion, will not hold water. Any farm-support program, whether it be the present parity plan, Secretary Brannan's plan, or some other plan must, from necessity, subsidize the farmer. Under the Hope-Aiken plan the consumer pays the subsidy in higher prices; under the Brannan plan the taxpayer pays the subsidy in higher taxes.

"4. The Brannan plan is a threat to the growth and, in some instances, the very life of the cooperatives. Cooperative leaders fear that the Government will slowly, step by step, assume the duties and functions which the cooperatives are now rendering their membership.

"5. The Brannan plan calls for the extreme regimentation of agriculture. I doubt very much whether the farmer, reared as he is in the American tradition, will ever consent to the severe rules and regulations which would be necessary if the Brannan plan was ever carried out in its entirety.

"Now let us consider some of the good points of the Brannan plan:

"1. In my opinion, the most important aspect of the Brannan plan is the fact that, for the first time since the Federal Government has been paying farmers, the dairy and livestock industries are given their fair share of the subsidy. The emphasis of all Government programs in the past has been on soil-depleting crops, such as wheat or tobacco. Secretary Brannan reverses this emphasis and tries, through the payment of subsidies, to encourage the growth of soil-building practices by encouraging dairy and livestock farming.

"2. The Brannan plan points out that it is farm income, and not high prices, which ultimately governs the well-being of the farmer. This reasoning, it seems to me, is sound. All past farm legislation, including the Hope-Aiken bill, have inferred that if farm prices are high the farmer will be prosperous. We know that this is not always true. It would seem to me that the philosophy of the Brannan plan is much more effectual from an economic standpoint than any previous plan offered Congress.

"3. The Brannan plan allows the laws of supply and demand to govern the price of perishable agricultural products. This is the reverse of the parity policy practiced today, which maintains an artificial high price at a time when surpluses are piling up. This policy of the Secretary of Agriculture would result in two benefits: (a) It would avoid waste; (b) it would encourage greater consumption of surplus products because of cheaper prices.

"This, very briefly, summarizes my reactions, both pro and con, to the Brannan plan. I would advise my readers to set aside all preconceived prejudices and to study the plan impartially. If we do this we may possibly salvage some of the good features embodied in the plan and avoid the dangers which the adoption of the plan in its entirety would involve."

POLICE OFFICER OLIVER A. COWAN

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared regarding Oliver A. Cowan, a member of the Metropolitan Police Department of Washington, D. C., and the magnificent work he is doing to combat juvenile delinquency.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I have just had a very wonderful experience. I was visited by Oliver A. Cowan, a member of the Metropolitan Police Department. This man is doing truly a great job not only for Washington but for the whole country. He is the founder and director of the Junior Police and Citizens Corps. He has been, as many Senators know, written up in the Saturday Evening Post, Look, FBI Bulletin, and Life magazines. What does this man do and who is he? He was born in Arkansas of Negro parents. He graduated from Howard University this June with a bachelor of arts in sociology. His is a life devoted to service of the highest type. I want to read to the Senate some of the endorsements from prominent people which speak far better than I can concerning the nature of this man's work.

1. From a letter from J. Edgar Hoover to Oliver Cowan:

"I do want you tc know how much all of us in the FBI appreciate the noteworthy work which you are doing among young people here in Washington."

2. From an article in the FBI Law Enforcement Bulletin:

"First lady of the land, highly placed governmental executives, Congressmen, and judges who are in a position to know the needs for youth work have met with the Junior Police and endorsed the organization."

3. From a feature article, How To Prevent Crime, in Look magazine on the Junior Police and Citizens Corps January 20, 1948:

"Officer Oliver A. Cowan * * * has a simple answer to the problem of juvenile crime, so simple that it actually works."

4. From a feature article, They Showed How Juvenile Delinquency Can Be Licked, in the Saturday Evening Post on the Junior Police and Citizens Corps, April 29, 1944:

"The answer to what many Washingtonians regard as a near miracle is the young Negro patrolman, Oliver Cowan, and his Junior Police and Citizens Corps."

5. From a feature article, From Robbers to Cops, on the Junior Police and Citizens Corps in Ebony magazine, December 1945:

"The whole movement doesn't cost the city or the Federal Government a single cent; * * * a few volunteer adults furnish guidance."

6. From a letter from Attorney General Tom Clark:

"I am familiar with the excellent work this organization is doing in connection with the youth of this district. I am very much impressed with two of its objectives: that of trying to teach boys and girls to run to the policeman instead of running from the policeman, and that of teaching the juvenile to work, not for his betterment alone, but for the betterment of the entire comunity in which he lives."

7. From a letter from the late Michael J. Curley, former archbishop of Baltimore and Washington:

"The success which your organization has achieved and the fact that its program embodies a fresh approach to the difficult problems of juvenile delinquency are special reasons why its work should not be hampered at this point by lack of funds. The further fact that Officer Cowan in his work has stressed the importance of religious influence in the formation of character indicates to me the soundness of the foundation of your organization's work."

Why am I taking the time of the Senate? The answer is very clear to me. We have been switched off of the right track in our own thinking. Folks have been taught that by legislation we can correct morals, change economic law, make folks over. This man knows it cannot be done this way, so his work is with youngsters, 85 percent of whom are Negro children. The Junior Police and Citizens' Corps does not wait for youngsters to come to it—it goes out to them and gives them the four things that are necessary: (1) Recognition, (2) responsibility, (3) opportunity to actually carry out that responsibility, (4) a pat on the back for a job well done.

Originating in 1942, the membership has grown to 13,000 boys and girls in 6 years of its existence, and it has established 181 neighborhood units. Any boy between the age of 6 and 18 is eligible. The value of this Washington youth movement has been

given recognition by officials from Michigan, Virginia, Ohio, and other States who have come to Washington to study the Junior Police and Citizens Corps self-government plan.

Mr. President, here is the answer to a lot of our juvenile delinquency problems. As the twig is bent so the tree will grow. This Junior Police and Citizens Corps is worthy of the support of every one of us because it helps the youngster to go straight.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted to the Thomas substitute by the Senator from Illinois [Mr. DOUGLAS], on behalf of himself and other Senators.

Mr. DOUGLAS. Mr. President, first, I should like to explain the nature of the amendment which is being offered jointly by a bipartisan group of Senators, including the Senator from Vermont [Mr. AIKEN], the Senator from Oregon [Mr. MORSE], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Kentucky [Mr. WITHERS], and myself.

The amendment amends section 9 of the National Labor Relations Act of 1935 by adding a new subsection which requires the officers of any labor organization, including the officers of any affiliated national or international labor organization, and the officers of any employer and the officers of any employers' association with which the employer is affiliated, to file with the National Labor Relations Board affidavits that they are not members of Communist, Fascist, or totalitarian organizations, as a condition precedent to resorting to the procedures of the Board. The above requirements also apply to organizations advocating the overthrow of the Government by force or illegal or unconstitutional methods.

We know that most labor organizations are free from Communist or Fascist influences, and, moreover, many provide in their constitutions or bylaws that no person can be an officer or a member if he is affiliated with such organizations. For example, I believe that the constitution of the United Mine Workers of America provides that no one can even be a member of that organization if he is a Communist. Similarly, I believe the constitution of the United Steel Workers provides that no Communist can be an officer of that union.

The pending amendment sets forth that if the constitutions or bylaws of labor organizations make such provision, such affidavits will not be required, provided—and this is a very important proviso—that the National Labor Relations Board is satisfied that the provision is being enforced in good faith. In other words, it would not be possible for an organization merely to make a paper disavowal, merely to say that no Communist or Fascist could be an officer, but it would also be necessary for the organization to enforce that prohibition in good faith; so that a mere paper clause in a constitution would not fully satisfy the requirement; and, as under the present law, the execution of a false affidavit is specifically made a crime, under section 35 (a) of the Criminal Code.

Mr. HILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Alabama?

Mr. DOUGLAS. I am very glad to yield to the Senator from Alabama.

Mr. HILL. While the Senator is discussing the question of the affidavit and the constitutional prohibition, I should like to ask him this question: Bearing in mind the practical difficulties of the Board in determining whether such constitutional prohibition is being enforced in good faith, what sort of evidence does the amendment, the proviso to i (A), contemplate shall be the basis of the Board's determination.

Mr. DOUGLAS. I should like to say to the Senator from Alabama that this question obviously presents great administrative difficulties. It would give to the National Labor Relations Board a very severe enforcement job, to determine whether the anti-Communist clause in the constitution or bylaws of the labor organization was being carried out in good faith. It would seem to me, for example, that if the Board should require the officers of the association to submit an affidavit stating that the union had such a provision and that they were enforcing this provision in good faith, that would be adequate particularly in view of the fact that the violation of any such affidavit could then be punishable under the criminal code, and the Department of Justice could take direct steps against any person who executed a false affidavit.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I am glad to yield.

Mr. HILL. In other words, he would be subject to the same penalty for executing a false affidavit, as he would be, if he were called before the Board, put under oath, and testified orally. Is that correct?

Mr. DOUGLAS. Exactly so; and he would be subject to the same penalties as if he had filed the direct personal affidavit. This would be an affidavit stating that the rules of the organization were being enforced in good faith, and a false affidavit would be just as punishable as would a personal affidavit stating that the man in question was not a member of any totalitarian organization.

Mr. HILL. The proviso, as I read and understand it, applies of course equally to employers or employers' associations, as it does to labor organizations. Is that correct?

Mr. DOUGLAS. The Senator from Alabama is completely correct, and I think that point should be very strongly emphasized. It is in my judgment a great improvement upon the provision contained in the Taft-Hartley law. The Taft-Hartley law at present merely requires officers of unions to file such an affidavit. The amendment requires the officers of employing groups, associations of employers—and a corporation is an association of employers and owners—to file similar affidavits, thus making the provision mutual with regard both to employers and employees; and it is made mutual in a second sense, that they are asked to state not merely whether they are members of a Communist organization but also whether they are members of a Fascist or totalitarian organization.

Mr. GILLETTE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Iowa?

Mr. DOUGLAS. I am very glad to yield to the Senator.

Mr. GILLETTE. I should like to ask the distinguished Senator a question which came to my mind when he was answering the interrogation of the able Senator from Alabama, as to the certification that the union rule was being enforced, and as to how effective such a provision in the constitution of a labor union could be made. How could anybody be held responsible for such an affidavit with reference to different officials who were violating the union rule? How could the one who had said he was trying to enforce it in good faith be held, when the individual who was actually violating it could not be held?

Mr. DOUGLAS. I am not a lawyer, I may say to the Senator, but I should think that could be done by the Department of Justice. For example, let us suppose there is a given union or employer organization about which there is an overwhelming accumulation of evidence that it is Communist-dominated; and let us suppose they were to pass a paper declaration that no Communist could be an officer, and then filed an affidavit saying that this was being enforced in good faith. It would seem to me that that would clearly be grounds for criminal prosecution under section 35 (a), and that the Department of Justice could proceed against them, and, as a matter of fact, I should think the criminal penalty would be much more severe upon them in that event than it would be if the Board were merely given the job of determining whether the enforcement was in good faith.

Mr. GILLETTE. Mr. President, will the distinguished Senator yield to me for a further question?

Mr. DOUGLAS. Certainly.

Mr. GILLETTE. Is it the opinion of the Senator that such a provision would be as effective as a provision requiring the individual officials to make their own certificates?

Mr. DOUGLAS. We have to deal very specifically with realities on this point. For instance, we know that Mr. John L. Lewis is not a Communist, and that he is an opponent of communism. We know that the United Mine Workers has a very stringent provision which prohibits Communists, not only from holding office but from holding membership in the union. Yet, for one reason or another, Mr. Lewis refuses to sign the anti-Communist affidavit, stating that it is an insult to him to do so. A simi-

lar position has been taken by Mr. Philip Murray, the head of the United Steel workers. We all know that Mr. Murray is not a Communist and that he is a very vigorous opponent of communism. The United Steel workers have a clause in their constitution or bylaws that no one can be an officer in that union who is a Communist, and there is every evidence that this law of the United Steel workers is vigorously enforced wherever information is available. Yet Mr. Murray refuses to sign the non-Communist affidavit because, he says, it is insulting. To meet that situation, which is not a capricious disregard of law but a conscientious belief on the part of persons like these two men, this clause is put in, so that if the union itself is actually enforcing the anti-Communist prohibition, then that is regarded as meeting the requirements of the act. It would seem to me that on the whole, this is in line with the general principle which we try to follow, that in such matters self-government should be placed in the hands of the unions. If we can compel the unions to put into effect these rules, that reduces the administrative strain on the Department of Justice.

Mr. GILLETTE. I agree fully of course with the goal which has just been asserted by the distinguished Senator; but I have a very grave doubt as to whether the proof on the question of good faith on the part of one filing an affidavit could be used effectually to reach the goal the Senator is trying to attain.

Mr. DOUGLAS. I am very frank to say to the Senator from Iowa that I think there is no perfectly satisfactory way of dealing with the issue, but I think the amendment, if adopted, will compel disclosure. I think it will operate mutually, and will therefore remove the smarting sense which a good many people have that they have been singled out. It is applied to the organizations seeking to overthrow the Government from the right as well as the organizations from the left, and therefore it seems to me that it should remove any objection which honest people may have had, and properly may have had, to the one-sided feature of the Taft-Hartley provision.

Mr. GILLETTE. I thank the Senator from Illinois.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the distinguished Senator from Alabama.

Mr. HILL. As I understand, the amendment applies to officials of organizations, either labor unions or employers' associations.

Mr. DOUGLAS. That is correct.

Mr. HILL. I suppose it would not apply to the delegates to some association meeting, such as an employers' association or some employees' association.

Mr. DOUGLAS. The Senator is quite correct. It is not necessarily to be enforced against every delegate to a convention of the CIO or A. F. of L., or the National Association of Manufacturers, the United States Chamber of Commerce, or any trade association, but it does apply to executive policy-forming members. In this respect, it is more rigorous than is the provision in the Taft-Hartley law, because there have been several instances under that law in which men resigned from top administrative posts and became minor officials appointed by the governing board, and yet undoubtedly continued in the same beliefs in influential posts with the same organization they had previously served. This amendment uses the term "policy-making officers," so that evasion of that type would be no longer possible. But we use the term "executive" before "policy-making," so that it is confined to the policy-making administrative officers and not to the members of the legislative body.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I gladly yield to the Senator from Ohio.

Mr. TAFT. I take it the Senator does not intend to include in the filing the officers of the CIO and A. F. of L. national organizations.

Mr. DOUGLAS. We do not intend to change the present practice, I will say to the Senator from Ohio.

Mr. TAFT. It has been held that officers of the CIO and of the A. F. of L. are not required to file.

Mr. DOUGLAS. That is correct.

Mr. TAFT. But in the case of the employer the Senator seems to include any local, regional, or national employer association of which the employer is an affiliate or a member. Let us consider, for example, a firm in Cincinnati which is a member of the Cincinnati Chamber of Commerce. A member of the State chamber of commerce would have to file, a member of the United States Chamber of Commerce would have to file, although none of them has anything to do with negotiating agreements or control over the policies of the company in question.

Mr. DOUGLAS. I think the test is direct affiliation. I believe that was the test for the A. F. of L. and the CIO. If there were involved an international union or, in some cases, a Federal union. Therefore we should not make the test in the second degree. If the United States Chamber of Commerce is composed purely of a federation of State and local chambers of commerce, it would not be affected.

Mr. TAFT. I am glad to know that that is what the Senator intends. But the amendment uses the words "affiliate or constituent unit." With reference to an employer, the words "affiliate or member" are used. Of course, employers are members of every chamber of commerce to which they belong.

Mr. DOUGLAS. I should be perfectly willing to strike out the words "an affiliate" and simply make it "a member."

Mr. TAFT. I suggest that the language be changed, as well, with reference to labor, making it read "a constituent unit."

Mr. DOUGLAS. That will be satisfactory, and I so modify the amendment.

The VICE PRESIDENT. The Senator has a right to modify his amendment. The question is on agreeing to the amendment as modified.

EMERGENCY SITUATIONS IN THE CHERRY INDUSTRY OF THE PACIFIC NORTHWEST

Mr. MORSE. Mr. President, I wish to take a very few moments to discuss the emergency situation which exists in the cherry industry in the Pacific Northwest. As we sit here today many thousands of tons of cherries will not even be picked in the Pacific Northwest because the cherry growers are confronted with a squeeze play—I think that is a proper description of it—being carried on by eastern and other fruit buyers and the United States Department of State, as is clearly shown by the correspondence which I shall discuss in a moment. It is perfectly clear that the Department of State is not a willing participant in the squeeze play, but it, nevertheless, is a participant.

The difficulty, Mr. President, is that negotiations are taking place at the present time in regard to reciprocal trade agreements affecting agricultural products, one product being cherries. The representation of the eastern and other fruit buyers to the growers in the Pacific Northwest is that it is contemplated to cut the tariff on cherries 50 percent. If that is done, it will simply ruin the cherry growers in the Pacific Northwest, as the correspondence will show, and, in my judgment, it will necessarily endanger considerable public support in the Pacific Northwest for a continuation of a reciprocal trade program.

Thus, Mr. President, I have been asked, because it is known in my section of the country that I have always been an ardent advocate of a reciprocal trade program, to lay the problem before the Senate, for the record, so that at least the Members of the Senate can be charged with knowledge of the facts that are before them, at the time they come to vote on an extension of the reciprocal trade program.

As an ardent advocate of the principle of reciprocal trade, I can put my basic conviction on that subject in this language: I simply insist and urge that reciprocal trade agreements be reciprocal in fact in respect to all the parties thereto; that they be reciprocal not only from the standpoint of the Government of the United States, but that they be reciprocal also in respect to the signatories of foreign countries. I say, again, Mr. President, that I am satisfied that the record to date does not show that degree of reciprocity which must exist if the reciprocal trade agreement is to realize its true objective. To too great an extent the reciprocal trade program to date has tended to discriminate against agricultural products, and the American farmer is being asked to pay too large a share of the burden which I recognize will have to be borne by the American economy if we are to have a reciprocal trade program. But, nevertheless, the American farmer is being asked to pay too large a share of the burden of the reciprocal trade program.

I am satisfied that I now very accurately describe a trend among American farmers when I say that certainly in the West there is growing opposition to a reciprocal trade program, because the

fears of farmers are being greatly increased through just such incidents as I am describing in respect to the cherry growers.

I have said in correspondence with many of these farm leaders who have been urging me to take a modified position on reciprocal trade that I cannot accept what I think is one of the underlying major premises of the attack which is being made upon the reciprocal trade approach to our foreign trade problems. That underlying attack rests upon a desire, or an intention, or a purpose on the part of certain groups which are making strong appeals, including appeals to farmers, for drastic modifications of the reciprocal trade program, to return to the principles of a Smoot-Hawley tariff program. In all honesty, I have to say to the farm groups in my State that in the long run a return to the old high-tariff-wall practices, and the principles of the Smoot-Hawley tariff, will wreck American agriculture, as well as wreck our economy in general. That era in our history is gone forever. I am satisfied that we are now living in a new world situation which makes it compelling that the nations engage in an extensive international trade intercourse if any nation is to enjoy for long a standard of high prosperity.

Mr. President, I know how easy it is for any group that is being subjected at a given time to an undue sacrifice as a result of the development of the reciprocal trade program on the part of our Government, to take the position—and it is quite human—that it may be that in the years to come such a program will inure to the general benefit of the country as a whole, but that is of little satisfaction to the individual farmer or individual businessman who is confronted with great financial loss, or even bankruptcy, because the necessary steps have not been taken by our Government to protect him from a failure on the part of the State Department to assure that reciprocal trade will in fact work both ways in respect to these agreements. Farmers and businessmen are entitled to assurance from our Government that necessary steps will be taken by the Federal Government to provide those who have to suffer undue losses just compensation for their losses.

After all, if the program is justified, it is justified from the standpoint of benefiting the people of the country as a whole, and if in respect to any particular agricultural product, for example, we are to adopt a program which means undue and unreasonable financial loss or bankruptcy to the farmers concerned, I say here and now that that is an obligation of 145,000,000 American people, and not the obligation of sacrifice to be borne merely by the one selected group.

Mr. President, that is why I have been heard to say heretofore on the floor of the Senate that we need to keep in mind the fact that, in the case of the agricultural industry, it takes years for a farmer to develop his orchard, for instance, or develop his livestock, or develop his facilities to produce his other farm products, and if the Government comes along with a State Department program which wipes him out overnight, I say that in all justice the Government of the United States should first take the steps necessary to assure that particular individual that he will not have to suffer bankruptcy or great financial loss. In other words, it calls for much planning and for an investigation to determine what the effect of a particular program will be on the different segments of our economy.

I make these statements preliminary to a discussion of this particular example, because if it should come to pass—and I am satisfied that the State Department has no intention that it shall come to pass—that the State Department proceeds to negotiate an agreement which results in the financial destruction of the owners of orchards in the Pacific Northwest, then it is the obligation of our Government, in my judgment, to take the appropriate steps which will give to the farmers concerned due compensation for the great losses suffered from any such trade agreement.

It simply is not just, it is not fair, for us to proceed with a foreign trade policy which causes people now in possession of the property which will be destroyed as a result of the agreement, to suffer the entire loss in order that our population as a whole, in the years to come, may have the advantages which, over the long period of time, I am satisfied, will flow from a general pattern of a reciprocal-trade program.

Mr. President, that is the simple formula upon which I shall insist, because the individuals concerned cannot be expected, nor should they be, to favor the extension of a reciprocal-trade program, which I think is vital to the future prosperity of my country, if they are to suffer great losses therefrom. We cannot expect certain groups within our citizenry to bear all the loss which is entailed in getting such a program into operation.

Thus, I repeat, if the State Department should follow a course of action of negotiating a trade agreement which results in great financial loss and bankruptcy to the orchardists of the Pacific Northwest in respect to this specific example, namely, the cherry growers, then there is an obligation on the part of Congress to take the steps necessary to make them whole. I serve notice here and now that I shall do all that is within my power to see to it that necessary legislation is introduced and passed which will give the Members of the Congress an opportunity to stand up and be counted as to whether or not they want to vote on the side of fairness and justice in these matters.

Mr. President, I also wish to issue a warning today to the Administration. The reciprocal trade debate is ahead of us in the weeks immediately to come. As one who has stood by the Administration in the reciprocal trade program, I wish to warn the Administration now that there is a rising tide of opposition to the program among the farmers of America. Their opposition rests on a belief that the Administration to date has not given real indication that it intends to take the steps necessary to protect the farmers from any unreasonable losses which may flow from a reciprocal trade agreement affecting agricultural products.

Now, as to the squeeze play to which I referred, in respect to what is going on in the matter of the purchasing of cherries raised in this season's crop, I wish to read a letter which I wrote to the Secretary of State under date of June 9, 1949:

MY DEAR MR. SECRETARY: I have just returned from a week's visit to Oregon and from a conference with a number of cherry growers. They are greatly concerned because of the small returns on their Royal Ann and other brine cherries. Last year the eastern buyers who provide the principal market for cherries of this type paid the growers 12 cents a pound for the Oregon cherries. This year they are paying 5 cents a pound for Royal Anns and 4½ cents for the black variety of Oregon cherries.

These cherries, Mr. President, are not limited to orchard varieties in the State of Oregon, but they are common orchard varieties in the entire Northwest.

The growers inform me that it costs 3 cents a pound to pick the cherries and 1 cent a pound to haul them which leaves the farmers ½ cent margin on the black variety and 1 cent on the Royal Ann. This means that the Oregon cherry growers will suffer tremendous financial losses this year and a greater number will go bankrupt.

The chief reason for the low price which the eastern buyers are paying is, according to their claims, that they expect the State Department to cut the tariff on cherries 50 percent and flood the market with Italian cherries.

The California growers, who are getting 7 cents a pound, are in a little better position because these cherries are processed as maraschino cherries right in California.

But they are not in a sufficiently good position even at 7 cents a pound to make it possible for them to make the cost of production, let alone a reasonable return on their labor and investment.

Returning to the letter:

I think it is very essential that we learn from the Department of State what its intentions are with respect to reducing the tariff on Italian cherries which would also carry a similar reduction on cherries coming in from France. If there is any intention of negotiating for such an outrageous cut in the tariff, I want to know it now before this reciprocal-trade debate starts in the Senate.

If there is no likelihood of such a cut, then I think a statement should be made to that effect by the Department so that these eastern buyers can be prevented from using the State Department in this matter in their negotiations with the Oregon cherry growers. It is very important that I have a reply as early as possible not only in connection with my consideration of the reciprocal-trade-agreements legislation but because the Northwest cherry growers are entitled to protection from the type of tactics the eastern buyers are adopting through their assumption of State Department action.

Sincerely yours.

Before I discuss the reply which I received from the Department of State, I desire to insert at this point in the RECORD a typical telegram which I have received on this matter from one of the cherry growers, Mr. Robert E. Shinn, an official of the Willamette Cherry Growers' Association, under date of June 10:

PORTLAND, OREG.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

For your information uncertainty of outcome of present negotiations on proposed brined-cherry tariff reduction under trade agreement with Italy is seriouly affecting

prices offered Pacific coast cherry growers by briners and canners. Brined-cherry packers are now offering growers 4½ cents to 5 cents per pound, which is about one-third growers' cost of production, but packers are reluctant to buy at any price. A recently circulated false rumor that a 50-percent reduction of brined-cherry tariff will soon be announced caused buyers of cherries for canning to reduce their offers to growers. We are asking Department of Agriculture to inform State Department and negotiators at trade-agreements conference in France of this situation.

ROBERT E. SHINN,
Willamette Cherry Growers.

I wish to close this discussion by reading into the RECORD a telegram which I sent this morning to the various cherry growers' associations in the Pacific Northwest, which telegram includes by way of quotation a letter which I also received this morning from the Acting Secretary of State. I make it a matter of record, Mr. President, because I want no doubt on the part of anyone, including those in the State Department, as well as those representing the eastern buyers and other buyers and the Oregon Cherry Growers' Association, and also the Members of the Senate, as to just what I consider this situation to be. I think it is sort of a bellwether case, because here we have come to grips with facts that cannot be denied so far as the effect the rumor of a 50-percent cut in the tariff on cherries is having on the orchardists of the Pacific Northwest.

Their cherries are ripe today, tons and tons of them, and within the next 10 days thousands of tons of cherries will drop from the trees. They are not going to be picked, because it simply cannot be expected that the growers of these cherries will pay 3 cents a pound to have the cherries picked, and then receive only 4½ cents a pound for them after they pay the additional 1 cent a pound to get them transported, when the cause of this low price obviously seems to be the rumored threat of a 50-percent cut in the tariff on cherries.

So I say to my Government today from this desk that if it should follow such a course of action it should recognize at the same time that it assumes a moral obligation to protect these cherry growers from the bankruptcy loss that will flow from such an unconscionable course of action.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TOBEY. There exists a tremendous disparity between the price paid to the cherry growers—and I know the Senator from Oregon speaks with authority on that subject—and the retail price of cherries on the streets of Washington, which is 75 cents a pound.

Mr. MORSE. I would that the Senator from New Hampshire would not get me started on that subject because I could not finish before 5 o'clock. I simply want to dismiss that point by saying I completely agree with what I know are the implications in the Senator's remarks. It is another illustration of the trouble faced by the greatest gambler in America, but he is a legal gambler, the American farmer, who has to gamble constantly against great economic odds. When we really think of the contribution he makes to our economic life and to the health and happiness of each one of us, it is no wonder that sometimes many of us show a little irritation when we listen to some of the very unfair proposals which are made for keeping the farmer at an exceedingly low level of living within our American system.

Mr. President, I think my telegram speaks for itself. I shall make a few comments on it after I have completed the reading of it:

JUNE 16, 1949.

Assistant Secretary of State Thorp for Economic Affairs has just delivered to me in person a letter signed by James E. Webb, Acting Secretary of State, in regard to the very serious price crisis which faces the Oregon cherry producers. This followed several conferences I had with officials in the State Department handling reciprocal-trade agreements. The letter reads as follows—

The letter is signed by the Acting Secretary of State, James E. Webb.

"I have received your letter regarding the current prices being offered Oregon cherry growers by eastern buyers. Present prices are depressed, according to the eastern buyers, because they expect that the market may be flooded with Italian cherries as a result of a possible modification in the United States tariff. Cherries, sulfured, or in brine, with pits or with pits removed, are on the public list of items on which tariff modifications may be considered by the United States in the negotiations now under way at Annecy, France between the 23 governments which are contracting parties to the general agreement on tariffs and trade and 11 acceding governments. This list was issued on November 5, 1948, and consisted of products which on the basis of preliminary analysis appeared to warrant a thorough study in order to determine whether a concession should be made. Inclusion of cherries on the list of products does not necessarily mean that the existing tariff rate will be either reduced or bound. Pursuant to a public notice of intention to negotiate with the 11 countries wishing to accede to the general agreement, issued at the same time as the public list of items, this Government held public hearings at which interested persons or organizations were given an opportunity to submit written and oral briefs to the committee for reciprocity information regarding the specific items under consideration. Representatives of both the growers and processors of cherries appeared before this committee on December 10, 1948. The information obtained at the hearings and from the other governmental agencies participating in the trade-agreements program was then very carefully analyzed by the Interdepartmental Trade Agreement Committee consisting of representatives of the Departments of Agriculture, Commerce, Labor, State, Treasury, the Economic Cooperation Administration and the National Military Establishment. In arriving at its recommendations, which are transmitted to the President for his approval, the Trade Agreements Committee must or necessity keep in mind the statement made by President Truman in a letter to Mr. SAM RAYBURN, Speaker of the House, to the effect that the trade agreement authority would not be used in such a way as to endanger or trade out segments of American industry, American agriculture or American labor. The administration of the trade-agreements program since 1934 should give ample evidence that no section of the American economy will be seriously injured by increased imports as a result of concessions made in trade agreements. In fact, some critics of the program have stated that the administration has been too cautious in its efforts to prevent any injury whatsoever to domestic producers. This record of 15 years of careful administration does not support the claims of the eastern buyers of Oregon cherries that the market will be flooded with Italian cherries as a result of a possible tariff concession made at the Annecy negotiations. I very much regret that it is not practicable to give you the actual recommendation of the Interdepartmental Trade Agreement Committee on brined cherries. It is the firm policy of the Administration, specifically concurred in by the President, that no advance information as to the possible nature or extent of concessions under actual negotiation shall be divulged."

I digress from the letter to say that I think the reasons stated are very reasonable. I fully appreciate the position in which the Secretary of State finds himself in this respect.

I digress further to say that if I read this letter correctly, I read it as a letter in which the Acting Secretary of State has gone just as far as any Senator has a right to expect him to go, in view of his obligations and duties, so far as disclosing specific information concerning actual negotiations with respect to reciprocal trade agreements is concerned. I never ask—at least intentionally—for the impossible; and when the Secretary of State or any other official gives me so reasoned a discourse as this letter to me is, in respect to the restrictions and limitations necessarily imposed upon him, I hope that I, in turn, will always be reasonable enough to appreciate his position.

Returning to the letter, I give the reason which the Acting Secretary has set forth in the letter as to why he could not give me the detailed specific information which I asked for in my letter of June 10:

The reason for this is that during the course of negotiations any given offer may be reduced or expanded, depending upon the offers which the other country is prepared to make. Information on preliminary offers might lead businessmen to conclude contracts which might be very unsatisfactory if the rate finally agreed upon differed substantially from the initial offers. Any change in a preliminary offer which had been disclosed would undoubtedly lead to charges of bad faith. Furthermore, it is believed that we must maintain a consistent policy with regard to disclosure of our negotiating positions. It would be impossible to release information on certain products without also releasing information on other products. I believe you will appreciate the compelling reasons for maintaining these recommendations secret while the negotiations with foreign countries are under way. I would like to assure you that I appreciate the important information presented in your letter and I am having copies sent to all the agencies of the Government concerned with the trade-agreements program and by air pouch to the United States delegation at Annecy.

I continue with the telegram which I sent this morning to the interested parties in the Pacific Northwest because I want the remainder of the telegram as a matter of record too. If there is any exception to it on the part of any department or official of Government, I now ask that official or department to serve notice upon me as to the exception. If this is not a fair interpretation of the Secretary's letter and the conversation I had this morning with Mr. Thorp, the Acting Secretary of State for Economic Affairs, I want to know it.

The remainder of the telegram is as follows:

At our conference this morning I discussed this cherry price crisis with Mr. Thorp in detail and I am satisfied from my conference with him that there is absolutely no basis in fact for the representation being made by eastern buyers to Oregon cherry growers that they cannnot pay more than 4½ to 5 cents a pound for cherries because of a threatened 50-percent cut in the existing cherry tariff in any new reciprocal trade agreement. Obviously, as Mr. Webb points out in the letter, the State Department cannot give advance information of negotiations which are taking place in respect to various reciprocal trade agreements because they would lead not only to abuse of speculative practices but it would make it practically impossible to carry on negotiations. However, I am satisfied both from Secretary Webb's letter and my conference with Mr. Thorp this morning that the State Department is greatly concerned about the representations which eastern cherry buyers are making to Oregon cherry growers concerning an unfounded rumor that the tariff on cherries will be cut 50 percent. I am satisfied that the eastern cherry buyers are using this unfounded rumor in an attempt to take an unwarranted price advantage of Oregon cherry growers. I intend to discuss the matter briefly on the floor of the Senate today in the hope that a public disclosure of this unwarranted representation on the part of eastern fruit buyers will cause them to revise upward their price offers. I think we must appreciate the fact that the eastern buyers themselves may be laboring under a good-faith fear that there is a danger that the cherry market will be flooded by a drastic cut in the cherry tariff and I am hoping that Secretary Webb's letter which I am making public today in statement on the floor of the Senate and the remarks which I shall make in regard to my conference with him this morning will prove the State Department has no intention of taking any action which will imperil the cherry growers as a result of tariff concessions. If the information which I have obtained for you fails to result in a change in the offers of the eastern fruit buyers I suggest that the growers try to work out a sale arrangement whereby the price will be a reasonably higher figure if there is no drastic cut in the cherry tariff and a lower figure on a sliding scale if there is a tariff cut. I am satisfied that such an arrangement will call the bluff of the eastern cherry buyers if they are not acting in good faith and at the same time fully protect the growers because I am convinced that the State Department has no intention of injuring the cherry growers. I know that high officials in the State Department have discussed the cherry problem with Secretary of Agriculture Brannan and I know that the Department of Agriculture has made very clear to the State Department officials the serious consequences that would be suffered by the cherry growers if any substantial cut is made in the cherry tariff. If there is anything further you think I can do in regard to this problem, please send instructions and I shall be glad to carry them out.

Regards.

WAYNE MORSE,
United States Senator.

Mr. President, I close by saying that I think the example I have offered on the floor of the Senate today as to the relationship between the reciprocal trade program and the agricultural interests of the United States is as clear an example as any Senator could possibly offer. In fact, it is an example which deals only with a rumor of a tariff cut. Imagine what would be the result if we were beyond the state of a rumor, and were actually dealing with the reality of a tariff cut which would do such great damage to any segment of our agriculture.

Thus, Mr. President, I close by reiterating my service of notice on the Administration that if it adopts a reciprocal trade program which it believes necessary to the future economic stability and prosperity of the country, I say there is a moral obligation resting upon the Government to take the necessary steps to provide for the immediate compensation and relief of those few of our citizens who by such agreements are called upon to make a tremendous sacrifice of their own material well being and wealth, for the benefit of the rest of the population as a whole. I point out that it simply is not fair, just, or conscionable ever to follow a trade agreement course of action which, for example, would cause a cherry grower, after taking from 7 to 12 years to get his cherry trees into commercial production, virtually to lose his orchard overnight as the result of any trade agreement entered into by the State Department because of the view of the Department that perhaps in the years to come such reciprocal trade agreements will be conducive to greater economic stability in this country.

Mr. President, I shall continue to support the principle of reciprocal trade agreements; but to those who are taking exception to the fact that I think we need to hold the State Department in check in order to see to it that it does not do the type of damage I am talking about today, I serve notice now that I also shall be among those on the floor of the Senate who always will insist that trade agreements be reciprocal on the part of all parties signatory thereto, and also that our own Government take the necessary compensatory steps to make whole or reasonably whole, those in our economy who are called upon to make an undue sacrifice as a result of the putting of such an agreement suddenly into operation.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Oregon yield to the Senator from Michigan?

Mr. MORSE. I yield.

Mr. VANDENBERG. I wish to call the Senator's attention to one phase of the letter from the Acting Secretary of State, because I think it underscores the great weakness of the operation of the existing system. The Senator from Oregon will recall that he was assured that, in this instance, the cherry growers were given full opportunity to present their case and to have it assessed by all the various departments of the Government which might be interested or might have competent information on the subject; and in the letter, large numbers of Government departments are identified in that connection. However, I call the attention of the Senator from Oregon to the fact that the United States Tariff Commission is not so identified at all. Yet that is the institution which initially was set up for the purpose of just such a review.

If we could get a little closer, not by way of control over net results, but by way of competent consultation, to the Tariff Commission in these matters, I think we would be a little safer.

Mr. MORSE. I thank the Senator from Michigan for making that significant observation. I think it is well that he has made it.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment B to the Thomas substitute, offered by the Senator from Illinois [Mr. DOUGLAS], on behalf of himself and other Senators.

Mr. THOMAS of Utah. Mr. President, the Communist affidavit provision, of course, was not in the original National Labor Relations Act. It was not in the Taft bill as it came from the committee; and as I recall, it was not in the Hartley bill as it came over to the Senate from the House of Representatives. As I remember, it was presented in the Senate from the floor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. TAFT. The Senator from Utah is entirely correct, except that it was also put in on the floor in the House of Representatives. So when the conferees met, they were faced with the situation that that provision was put in both on the floor of the House and on the floor of the Senate.

Mr. THOMAS of Utah. Yes.

Mr. President, it now becomes necessary—inasmuch as I am sure the Senate will adopt this amendment, as it has adopted the other amendments which have been offered—to make a few statements about the Communist affidavit provision, because it does not appear in the committee bill.

I should dislike very much to have the idea go out that the committee bill is pro-Communist, because that would do just as much damage as all the thoughtless talk about communism does in all phases of our life, and has done since it began.

My mind goes back to the time when, as a youngster, I read in the newspapers about a great case before the Supreme Court of the United States, in either 1894 or 1895, just after the worst of the 1893 depression, after the birth of the Populist Party in the United States, and after the grange, I believe, had worked so hard to bring about an income tax. One of the greatest lawyers the United States ever produced pleaded the case before the Supreme Court. He made it appear so certain—at least, to my mind, as a result of reading the newspaper reports—that the income tax meant communism at its very worst, that, although I did not know what communism was, yet when I heard that the Supreme Court of the United

States had cut down the income tax, I was very glad that we had been saved from that terrible peril.

So I came into an emotional state of thinking about communism quite as much as the 140,000,000 people in the United States have come into it now.

The Communist affidavit provision was put into the present law in no unfriendly way to industry, but in definitely an unfriendly way to labor, because it implied that labor unions were communistic. Certain labor leaders have felt themselves injured. As has already been stated by the Senator from Illinois, some of them, especially a man like Mr. Lewis, who fought with communism in his union back in the early twenties, and especially with the man who now is before the courts of the United States, charged with being a Communist, shows that his union probably has been as clear from communism as a union can be.

At any rate we have had communism connected with the labor unions, in some way or other, before World War I, after World War I, and at all times. There was the IWW movement after World War I. There was the movement for the one grand and great union, which, had it ever been realized, had the dream ever come true, I think ultimately would have resulted in what is now called a totalitarian dictatorship. Labor would have ruled the whole country under this one grand union. But that did not come about. We have been frightened, as we were frightened by pronouncements before the Supreme Court, as, for instance, when the Gold Clause Act was pleaded before the Supreme Court and one great justice made the pronouncement, "This is Nero at his very worst." Whereupon, very happily, the justice took his hat and coat and went out for his holiday, realizing that the Government would go on very nicely even under the auspices of "Nero at his very worst." That is the glory of our country, that even Supreme Court Justices and Members of Congress can have freedom of speech to such an extent that they can make pronouncements which sound terrifying, which frighten 8- and 9-year-old boys, as I was frightened, and which probably frighten the people now.

It is well that our courts can say what they will, because they are not political courts. But that does not mean that what they say or that what any pleader before that court may say is the truth. We have an income tax now, a graduated income tax, at that, which if the first one was communistic in its nature and would destroy Government, surely this tax which takes more from the rich man than from the poor man would destroy it utterly. The gold clause was declared constitutional, despite Mr. Justice McReynolds' opinion that it constituted "Nero at his very worst." Our country did not come to an end.

The Communist affidavit has not in any way contributed to lessening the evil or the fear of communism. It has brought concern to some people. It was omitted from the committee bill primarily because we are restoring the National Labor Relations Act. But it was omitted, secondarily, because the cases in regard to the Communist affidavits are now being heard in the courts. They have not been pleaded, but the cases are before the courts for judgment. I think those cases were brought to the courts on the assumption that the Communist affidavit is unconstitutional. Speaking for myself, not for the committee, I feel that our bill is very much stronger because it now leaves that question where it belongs.

Now comes the amendment, which I have already said I shall not impose upon the time of the Senate to discuss, because the Senate is going to accept it. Then comes the amendment which in theory is in agreement with the amendment to be offered by the Senator from Ohio, which extends the affidavit requirement to employers. If the Supreme Court of the United States should say that it is wrong to single out a certain group of people and make them sign affidavits when we do not make other groups sign, probably the new amendment is compounding something which is an ill to begin with, rather than a remedy. I understand there is a good deal of fairness in the idea of mutuality, and that if we are going to demand this of one group, we ought to demand it of the other group. That, of course, justifies the amendment.

I want now to speak in general terms. The amendment offered by the Senator from Illinois contains a sentence which includes this language:

> And is not a member of and does not support any organization that believes in or teaches the overthrow of the Government of the United States by force or by any illegal or unconstitutional methods.

Mr. President, if there is in the United States a man with a mind so crude, so imbecilic, I may say, so lacking in understanding of history, and so unreasonable in understanding what the United States means to the world, that he actually believes it would be well to bring about the overthrow of the Government of the United States, that man ought to be outlawed. Such a person is a danger not only to the United States; he is in his mind committing treason, not only against the United States but he is committing the grossest form of treason against the whole world. Why? Not because the United States is the world, but because the only source of stability left in any government on earth is to be found here. The only economic stability we have in respect to money in the world rests upon the dollar. To destroy either of those means to bring about the destruction of the world. So that if there is such a person, he has in his mind a crime that is too heinous to mention.

Let me elaborate. We have had two World Wars. The most stable governments of Europe have now joined with the United States in the ECA, and they are pinning their hopes, their aspirations, and their very lives upon the ability of the United States to remain stable. Some of those nations took part in the recent World War on the winning side. One of them has won two world wars, and where is it today? Some of those countries were on the other side. Even the loss of a world war is bad enough. There are neutrals, not genuine neutrals, in the ECA; but there are neutrals in Europe who are left, and the neutrals are worse off. We in the United States realize that we cannot afford to lose another war. We realize also that the obligations upon us are so great that we cannot afford to win another war.

That brings us to the place where if there is anybody who is interested in bringing about the downfall of the only stable thing there is left in the world, then such a person is a menace, and if by outlawing him in this way we could get rid of him, it would be very fine. But everyone here knows the amendment will not eradicate that evil. Therefore, Mr. President, I think that much should be said about the Communist affidavit. I think it should be pointed out that the committee bill probably would have taken care of the matter in a better way. If there be a wrong, it does not improve matters to make it mutual, by bringing everybody into the picture. That does not diminish the wrong. Yet, Mr. President, I feel sure the amendment will be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment, as modified, offered by the Senator from Illinois for himself and other Senators.

Mr. TAFT. Mr. President, this amendment, like the other three amendments, is an effort to put into the Thomas bill provisions in substance of the Taft-Hartley Act. The amendment adds the requirement of affidavits by employers in addition to affidavits by labor-union leaders. I think if the amendment had been originally offered in the committee and the committee had approved it, it would have contained both requirements. In the debate on the Taft-Hartley law the amendment was offered on the floor, and the requirement that employers shall file affidavits was not thought of. It was not thought of because there was no menace, so far as we knew, among employers. Since that time there have been some revelations which indicate we were perhaps mistaken about that, and that there may be Communists and Communist sympathizers among various employer organizations as well as in employee organizations. The substitute bill introduced by the Senator from New Jersey [Mr. SMITH], the Senator from Missouri [Mr. DONNELL] and myself also contains a provision with respect to employers filing affidavits. The reason why it was not considered so important with reference to employers is because Communists have always regarded the infiltration of labor unions as their best method of advancement in any country.

I should like to read from a book by Benjamin Gitlow, who was formerly a candidate for Vice President on the Communist ticket and was for many years a leader of the Communist Party. His book is entitled "The Whole of Their Lives." At page 285 he says:

> Stalin wrote, on the immediate tasks of the Communist parties, the following:
>
> "If, therefore, the Communist parties wish to become mass parties, capable of setting revolution afoot, they must create intimate ties between themselves and the trade-unions, and must find support in these industrial organizations."

Gitlow goes on to say:

Stalin is emphatic and categorical. Without support in the unions, Communist parties cannot make a revolution. Getting control of the unions is, therefore, the No. 1 task of the Communist Party. By getting control of the unions, the Communists mean getting control of the unions in the decisive, the basic industries of the land, the industries upon which the economic life of the country depends.

Mr. Gitlow continues to describe how Communists did infiltrate unions and how many unions, in effect, became Communist controlled. It is, of course, generally admitted that there are three or four large unions which are still Communist controlled. So that there is more of a menace there than there is among employers. The fact that the employer end of it was overlooked was chiefly because we were dealing with realities and real dangers to the welfare of the people of the United States, and that danger is not found among officers of corporations except to a limited extent. However, I quite agree that in that limited degree we should deal with the subject.

I have no objection to the adoption of this amendment to the Thomas bill, because we have a somewhat stronger amendment. I think this particular amendment is not so good as the one we have offered in our substitute, because it contains these words:

Provided, That no such affidavit shall be required of any labor organization or employer or employer association whose constitution or governing laws have the effect of prohibiting any officer or officers thereof from being a member of, or affiliated with, any organization specified in paragraph (B) if upon request of the labor organization, employer, or employer association for the waiver of such affidavits, the Board determines that such prohibition is being enforced in good faith.

In effect, what will happen is that those rules will be written into all the union rules, and when an application is made the Board will not have time to inquire whether the rules are being enforced in good faith. That is a long and difficult determination, and the Board will probably waive the requirement of an affidavit. Those words make it more or less innocuous. If I did not feel that we would offer an amendment later to substitute for it, I would oppose the adoption of this amendment; but it is better to have something in the bill than to have nothing in it in reference to that subject, if it should become law.

Mr. LONG. Mr. President, I certainly hope the amendment will accomplish the purpose which it is aimed to achieve. I shall vote for it on that basis. However, I fear that this amendment could create sympathy among laboring people for the Communists rather than against them. Almost all the mail I have received from persons who are members of labor unions has asked me to vote against the Taft-Hartley law. I am inclined to believe that if legislation is directed against labor and against Communists in the same law, it might tend to make laborers sympathize with the Communists. If we pass legislation favorable to labor that would not be the effect of the amendment.

The VICE PRESIDENT. The question is on agreeing to the modified amendment to the Thomas substitute offered by the Senator from Illinois, for himself and other Senators.

The amendment, as modified, was agreed to.

The VICE PRESIDENT. The bill is still open to further amendment.

Mr. TAFT and Mr. THOMAS of Utah addressed the Chair.

The VICE PRESIDENT. The Senator from Ohio.

Mr. TAFT. Mr. President, I wish to offer an amendment, but I shall be glad to yield to the Senator from Utah for a unanimous-consent request.

Mr. THOMAS of Utah. Mr. President, we have offered what might be called noncontroversial amendments and they have been adopted. I wish now to offer two additional noncontroversial amendments.

The VICE PRESIDENT. The Senator will have to be recognized in his own right in order to do that.

Mr. TAFT. I thought the Senator had a unanimous-consent request. I yield the floor.

The VICE PRESIDENT. The Senator from Utah is recognized.

Mr. THOMAS of Utah. I offer the amendment which I send to the desk. It is to strike out "$17,500" and to insert "$12,000". It is an amendment referring to salary. We decided to leave the salary as it is, and any future increase will come up in the regular way.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 11, it is proposed to strike out "$17,500" and to insert "$12,000".

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Utah to the so-called Thomas substitute.

The amendment was agreed to.

Mr. THOMAS of Utah. Mr. President, I offer another amendment which I send to the desk and ask to have stated. It is made necessary because of exemptions of persons having to do with the National Railway Labor Act. I hope this amendment will be adopted.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Utah.

The CHIEF CLERK. It is proposed to amend section 405 to read as follows:

EXEMPTION OF PERSONS SUBJECT TO THE RAILWAY LABOR ACT

SEC. 405. The provisions of titles I, II, and III of this act shall not apply to any carriers, companies, employees, or any matter subject to the Railway Labor Act, as amended, or to any representative as defined in section 1 (6) of said act, while acting in a representative capacity for individuals employed by any person subject to said act.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Utah to the so-called Thomas substitute.

The amendment was agreed to.

Mr. TAFT. Mr. President, on behalf of the Senator from New Jersey [Mr. SMITH], the Senator from Missouri [Mr. DONNELL], and myself, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. Does the Senator want the amendment read in full?

Mr. TAFT. No. It has been on the desk for some days.

The VICE PRESIDENT. Without objection, the amendment will be printed in the RECORD.

The amendment offered by Mr. TAFT, for himself and other Senators, is as follows:

Strike out all of title III of the amendment of Mr. THOMAS of Utah, dated May 31, 1949, and insert in lieu thereof the following:

"TITLE III—NATIONAL EMERGENCIES

"SEC. 301. Whenever in the opinion of the President of the United States a threatened or actual strike or lock-out affecting an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, if permitted to occur or to continue, will imperil the national health or safety, he shall issue a proclamation to that effect and urge the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operation in the public interest.

"SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an 'emergency board.'

"(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the issuance of the proclamation, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

"(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(d) Members of an emergency board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

"(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

"(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Director of the Federal Mediation and Conciliation Service.

"(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or

otherwise interested in any organization of employees or in any employer involved in the dispute.

"SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

"(b) In any case in which a strike or lock-out occurs or continues after an emergency board has made its report the President shall submit to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board and such recommendations as he may see fit to make. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, he shall convene the Congress, or such House, for the purpose of consideration of and appropriate action pursuant to such statement and report.

"SEC. 304. (a) After issuing a proclamation pursuant to section 301 the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof or for authority for the President to take immediate possession and through such agency or department of the United States as he may designate to operate such industry, or both, and if the court finds that such threatened or actual strike or lock-out—

"(1) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and

"(ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof or to authorize the President to take immediate possession and through such agency or department of the United States as he may designate to operate such industry, or both, and to make such other orders as may be appropriate: *Provided*, That during the period in which such agency or department is in possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department designated to operate such industry shall have no authority to enter into negotiations with the employer or with any labor organization for a collective-bargaining contract or to alter the wages, hours, and conditions of employment existing in such industry prior to the dispute.

"(b) In any case, the provisions of the act of March 23, 1932, entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", shall not be applicable.

"(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in section 1254 or title 28 of the United States Code.

"SEC. 305. (a) Whenever a district court has issued an order under section 304 enjoining acts or practices which imperil or threaten to imperil the national health or safety or authorize the President to take possession and operate such industry, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences.

"(b) At the end of a 60-day period following the issuance of a proclamation pursuant to section 301 or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction and return the industry to the owners thereof if the President has taken possession, which motion shall then be granted and the injunction discharged.

"SEC. 306. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

"SEC. 307. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

Mr. DONNELL. Mr. President, will the Senator yield for the purpose of my suggesting the absence of a quorum?

Mr. TAFT. I think the Senator from New York [Mr. IVES] desires to offer an amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. Is the amendment offered by the Senator from Ohio the pending question?

The VICE PRESIDENT. It is now the pending question.

Mr. DOUGLAS. Then on behalf of the Senator from Vermont [Mr. AIKEN] and myself, I wish to offer as a perfecting amendment to the amendment offered by the Senator from Ohio the amendment which I send to the desk.

The VICE PRESIDENT. Is the Senator from Illinois offering an amendment to the amendment, or a substitute for it?

Mr. DOUGLAS. It is a perfecting amendment to the amendment offered by the Senator from Ohio. In my belief, a perfecting amendment has priority over a substitute, has it not?

The VICE PRESIDENT. The substitute offered by the Senator from Ohio is subject to amendment in one degree.

Mr. DOUGLAS. I am offering this as an amendment.

The VICE PRESIDENT. Is it an amendment to the substitute of the Senator from Ohio, or is it an amendment to the text of the bill?

Mr. DOUGLAS. It is an amendment to the amendment offered by the Senator from Ohio.

The VICE PRESIDENT. The amendment is in order, and the clerk will state the amendment. Does the Senator want the amendment read?

Mr. THOMAS of Utah. Mr. President, I think the amendment should be read.

The VICE PRESIDENT. The clerk will state the amendment to the substitute.

The CHIEF CLERK. It is proposed to strike out all after line 21 on page 2 of the amendment in the nature of a substitute offered by the Senator from Ohio [MR. TAFT] and insert in lieu thereof the following:

(c) After a Presidential proclamation has been issued under Section 301, and until sixty days have elapsed after the report has been made by the board appointed under this section, the parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties.

POWERS OF EMERGENCY BOARDS

SEC. 303. (a) A separate emergency board shall be appointed pursuant to section 302 for each dispute and shall be composed of such number of persons as the President may deem appropriate, none of whom shall be pecuniarily or otherwise interested in any organizations of employees or in any employer involved in the dispute. The provisions of section 11 of the National Labor Relations Act, as amended by this Act (relating to the investigatory powers of the National Labor Relations Board) shall be applicable with respect to any board appointed under this section, and its members and agents, and with respect to the exercise of their functions, in the same manner that such provisions are applicable with respect to the National Labor Relations Board. Any board appointed under this section may prescribe or adopt such rules and regulations as it deems necessary to govern its functions. Members of emergency boards shall receive compensation, at rates determined by the President, when actually employed, and travel expenses as authorized by section 5 of the Act of August 2, 1946 (8 U. S. C. 75b-8), for persons so employed. Each emergency board shall continue in existence after making its report, subject to the approval of the President, for such time as the national emergency continues for the purpose of mediating the dispute, should the parties to the dispute request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Secretary of Labor.

SEC. 304. (a) After a Presidential proclamation has been issued under section 301 of this title, if the President finds a failure of either or both parties to the dispute to observe the terms and conditions contained in the proclamation, or an imminent threat of such failure, the President is authorized to take possession of and operate through such agency or department of the Government as he shall designate any business enterprise, including the properties thereof, involved in the dispute, and all other assets of the enterprise necessary to the continued normal operation thereof.

(b) Any enterprise or properties of which possession has been taken under this section shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them, or (2) the President finds that the continued possession and operation of such enterprise by the United States is no longer necessary under the terms of the proclamation provided for in section 301: *Provided*, That possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board unless the period of possession is extended by concurrent resolution of the Congress.

(c) During the period in which possession of any enterprise has been taken under this section, the United States shall hold all income received from the operation thereof in trust for the payment of general operating expenses, just compensation to the owners as hereinafter provided in this subsection, and reimbursement to the United States for expenses incurred by the United States in the operation of the enterprise. Any income remaining shall be covered into the Treasury of the United States as miscellaneous receipts. In determining just compensation to the owners of the enterprise, due consideration shall be given to the fact that the United States took possession of such enterprise when its operation had been interrupted by a work stoppage or that a work stoppage was imminent, to the fact that the United States would have returned such enterprise to its owners at any time when an agreement was reached settling the issues involved in such work stoppage, and

to the value the use of such enterprise would have had to its owners in the light of the labor dispute prevailing had they remained in possession during the period of Government operation.

(d) Except as provided herein, any enterprise possession of which is taken by the United States under the provisions of subsection (a) of this section shall be operated under the terms and conditions of employment which were in effect at the time possession of such enterprise was so taken.

(e) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

(f) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for the purpose of settling the issues in the dispute between them.

(g) (1) The President may appoint a compensation board to determine the amount to be paid as just compensation under this section to the owner of any enterprise of which possession is taken. For the purpose of any hearing or inquiry conducted by any such board the provisions relating to the conduct of hearings or inquiries by emergency boards as provided in section 303 of this title are hereby made applicable to any such hearing or inquiry. The members of compensation boards shall be appointed and compensated in accordance with the provisions of section 303 of this title.

(2) Upon appointing such compensation board the President shall make provision as may be necessary for stenographic, clerical, and other assistance and such facilities, services, and supplies as may be necessary to enable the compensation board to perform its functions.

(3) The award of the compensation board shall be final and binding upon the parties, unless within 30 days after the issuance of said award either party moves to have the said award set aside or modified in the United States Court of Claims in accordance with the rules of said court.

Mr. TYDINGS. Mr President, I should like to ask the Senator from Illinois a question about the amendment to the substitute.

Mr. DOUGLAS. Mr. President, let me say, first, that this is not offered as a substitute for the substitute of the Senator from Ohio, but as a perfecting amendment to it, in the hope that the Presiding Officer will rule that a perfecting amendment has priority over the substitute.

Mr. TYDINGS. During the period after the Government takes over a particular industry, has the Government the right to fix terms of labor which will be binding when the industry is turned back to the private owner? In other words, can the Government act as the owner and agree to terms of labor, and then turn the industry back to the owner?

Mr. DOUGLAS. The answer is "No." The Government has no power to fix wages or terms of employment during the period when it has the plant in its possession, nor will any award recommended by the Board be binding after the properties have been returned to the owners. The effort is made to provide a cooling-off period during which the processes of conciliation can work.

Mr. TYDINGS. I thank the Senator for his answer, and in order that I may understand fully what he has in mind, let me say that it is my understanding that under the amendment in substantially the form in which I first heard it discussed it would have been possible, in the way the amendment was then worded, for the Government to agree with labor organizations as to hours of work, compensation, and the like. But as I listened to the reading of it I gathered that has been changed, so the explanation I now hear is accurate as to the pending proposal.

Mr. DOUGLAS. Yes.

Mr. TYDINGS. But is it not true that when it was originally discussed that gap was left in the provision?

Mr. DOUGLAS. I am not certain about the conference to which the Senator from Maryland is referring. I will say that in a very early draft——

Mr. TYDINGS. That is what I mean.

Mr. DOUGLAS. There was such a provision, but that was eliminated, and in the discussion which took place in a meeting of Senators which we both attended, I tried to make it clear at that time that the proposal did not call upon and did not authorize the Government to fix wages or working conditions during the period of seizure, and that it could not alter the terms from those which prevailed when the properties were originally taken over.

Mr. TYDINGS. That was my understanding as I listened to the reading of the amendment. Now may I ask the Senator if he could, in a few sentences, and without delaying the debate greatly, tell me what are the essential differences between the Taft substitute and the amendment which the Senator from Illinois has just offered.

Mr. DOUGLAS. I am not certain that the Senator from Ohio would accept me as the proper explainer of his substitute.

Mr. TYDINGS. What I should like to have is a statement of the differences between them.

Mr. DOUGLAS. The major differences will, of course, develop during the course of the debate. But I would say, subject to correction by the Senator from Ohio, that the Senator from Ohio proposes a double-headed method, as I understand it, of dealing with these national emergency strikes. One of them is the injunction, namely, an order obtained by a governmental body from a court compelling the officials of a union to send the men back to work for private employers, for private profit, and also providing under such terms for seizure. We limit ourselves to seizure by the Government.

Mr. TYDINGS. I understand the Senator's statement. While there may be some difference in interpretation, basically I think I understand what the Senator intends to convey. Now may I ask another question? What will be the net difference in the time element, taking the extreme of the Taft substitute and the extreme of the Douglas amendment as to the full length each of them would extend the time?

Mr. DOUGLAS. We provide for a 90-day cooling-off period—30 days during which the Board can make its investigation and report, and 60 days after that.

Mr. TYDINGS. That would make a total of how much time?

Mr. DOUGLAS. A total of 90 days; 30 days plus 60 days.

Mr. TYDINGS. Or a total of 90 days over all?

Mr. DOUGLAS. Yes.

Mr. TYDINGS. That is from the time the President issues his proclamation until the plant is turned back to whoever owns it?

Mr. DOUGLAS. Yes.

Mr. TYDINGS. What is the distinction between that and the Taft substitute?

Mr. DOUGLAS. As I understand, the Taft substitute provides for a total of 60 days; 30 days during which the Board investigates, and 30 days thereafter.

Mr. TYDINGS. Does the Taft proposal allow the injunction before the 60-day period, or at the end of the 60-day period if no progress has been made?

Mr. DOUGLAS. As I understand the Taft proposal, the injunction can be obtained at any time.

Mr. TYDINGS. Under the Taft proposal the injunction can be obtained at any time. I thank the Senator.

Mr. DOUGLAS. In fact I think it is true that the Taft proposal does not carry with it any injunctive powers after the 60 days have expired.

The VICE PRESIDENT. The Chair wishes to state the parliamentary situation for the information of the Senate.

The proposal of the Senator from Ohio [Mr. TAFT] is a substitute for title III of the Thomas bill. The Taft substitute amendment is an amendment in the first degree.

The Senator from Illinois [Mr. DOUGLAS] and his associates offer an amendment to that substitute, which is an amendment in the second degree. Therefore, no further amendment to the Taft substitute can be offered until the Douglas amendment is disposed of.

Mr. TAFT obtained the floor.

Mr. DONNELL. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. TAFT. Yes.

Mr. DONNELL. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Ohio, of course, loses the floor if he yields for that purpose. But he may regain it.

Mr. TAFT. I am not much interested in the floor, Mr. President.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hill	Martin
Bricker	Hoey	Maybank
Butler	Holland	Mundt
Byrd	Humphrey	Neely
Cain	Hunt	O'Mahoney
Capehart	Ives	Reed
Chapman	Jenner	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Donnell	Kefauver	Schoeppel
Douglas	Kem	Smith, Maine
Ellender	Kerr	Sparkman
Ferguson	Kilgore	Taft
Flanders	Knowland	Taylor
Frear	Lodge	Thomas, Utah
Fulbright	Long	Thye
George	Lucas	Tydings
Gillette	McCarthy	Vandenberg
Graham	McClellan	Watkins
Green	McFarland	Wiley
Gurney	McGrath	Williams
Hayden	McKellar	Withers
Hendrickson	McMahon	Young
Hickenlooper	Malone	

Mr. LODGE. Mr. President, I am requested to announce that the Senator from Mississippi [Mr. EASTLAND] did not answer the quorum call because he is conducting hearings before a subcommittee of the Committee on the Judiciary.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS], for himself and the Senator from Vermont [Mr. AIKEN], to the amendment offered by the Senator from Ohio [Mr. TAFT] to the so-called Thomas substitute.

Mr. LODGE. Mr. President, I should like to ask the Senator from Illinois [Mr. DOUGLAS] one or two questions about his amendment.

Is it not correct that under the terms of his amendment the President would be authorized to seek an injunction if after the seizure of the plant the strike did not stop?

Mr. DOUGLAS. The Senator from Massachusetts, with his customary keenness of thought, has struck at one of the central problems which is involved in this issue. Let me say, first, that the amendment which the Senator from Vermont [Mr. AIKEN] and I are offering does not empower the Government to obtain an injunction to send men back to work for a private employer. In explicit terms it merely provides, under certain conditions, and with due safeguards, for seizure of the vitally necessary units which are being tied up or are threatened with being tied up.

Mr. LODGE. But after the seizure has taken place, if the union does not accede to the Presidential desire and cease the strike, then, without in any way helping the private employer, the President would be authorized to seek an injunction on that basis, would he not?

Mr. DOUGLAS. Let me say in answer to the question, first, that it is our belief that if the Government seizes a plant, in virtually all cases unions will be willing to go back to work, since they will be going back to work for the Government rather than for a private employer. But should they refuse to do so, the precedent established by the decision of the United States Supreme Court in *United States v. United Mine Workers* (330 U. S. Repts. at p. 289) seems to answer the question of the Senator from Massachusetts:

> Under the conditions found by the President to exist it would be difficult to conceive of a more vital and urgent function of the Government than the seizure and operation of the bituminous-coal mines. We hold that in a case such as this, where the Government has seized actual possession of the mines or other facilities and is operating them, and the relationship between the Government and the workers is that of employer and employee, the Norris-LaGuardia Act does not apply.

So it follows that the limitations upon the injunctive power which were set forth in the Norris-LaGuardia Act do not apply in cases in which the Government has seized and is keeping certain property. In such cases the Government could continue to hold the property if the injunction were continued; but I repeat that that is very different from the Government's getting an injunction to send men back to work for a private employer.

Mr. LODGE. I thank the Senator.

Mr. President, I have one or two more points to make or inquiries to present.

Is it not the view of the Senator from Illinois that the powers of the President in seizing a plant are more narrowly delimited under the language of his amendment than under the Taft amendment?

Mr. DOUGLAS. I am very glad the Senator has raised that point. I do not wish to have too much pride of authorship, but it is my judgment that we have more carefully safeguarded the rules concerning seizure than is provided by the Taft amendment. For example, I should like to point out that we provide for just compensation, and we limit seizure to a period not to exceed 90 days, except by joint resolution of Congress.

Mr. LODGE. It is by concurrent resolution, is it not?

Mr. DOUGLAS. And we provide that there shall be no change in working conditions or wages during the period of seizure.

We have taken every opportunity to protect the owners of property and to preserve the status quo which prevailed when the strike originally began, without having the Government impose terms either upon itself or upon the private employer, when the private employer gets the property back again.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TAFT. I am afraid I do not agree with the Senator from Illinois in that respect. In fact, I do not see any respect in which his amendment is more restrictive than the corresponding provision contained in our amendment.

Mr. LODGE. Mr. President, I should like to ask the Senator from Illinois whether his amendment provides that in the case of a seized plant, possession by the United States shall be terminated not less than 60 days after the issuance of the report of the Emergency Board, unless the period of possession is extended by concurrent resolution of the Congress. It should be said that the provision in such case is for a concurrent resolution, not a joint resolution; is not that correct?

Mr. DOUGLAS. Mr. President, as a fledgling Senator, I have not always been able to distinguish between joint resolutions and concurrent resolutions. I am perfectly willing to accept the word of the Senator from Massachusetts as to that; and if he is correct, I am perfectly willing to strike out the word "joint" and insert "concurrent."

Mr. LODGE. The bill uses the words "concurrent resolution."

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. TAFT. I should like to point out that the amendment we offered provides flatly for the return of the property at the end of 60 days—with no "if's" or "but's" and no provision as to concurrent resolutions. The seizure feature of our bill is strictly limited to maintaining the status quo for 60 days. After that, the property must be turned back to the owner. So I think the owner has a better chance for liberal treatment under our amendment than under the amendment of the Senator from Illinois.

Mr. LODGE. Mr. President, I yield the floor.

Mr. TAFT obtained the floor.

The VICE PRESIDENT. In connection with the announcement made a while ago regarding the parliamentary situation, the Chair wishes to state that the so-called Thomas substitute, which is a substitute for the whole bill, was, by unanimous consent, to be regarded as the text of the bill. Therefore, an amendment to it is not an amendment in the second degree, but is an amendment in the first degree. Any amendments to the original text would be in order as perfecting amendments, and would be voted upon prior to a vote on the Taft substitute or, in the case of title III, prior to a vote on the Douglas amendment to the substitute.

Mr. IVES. Mr. President, does the Senator yield?

Mr. TAFT. For what purpose does the Senator from New York ask me to yield?

Mr. IVES. In order that I may submit an amendment.

The VICE PRESIDENT. Unless it is an amendment to the original text of the bill, it would not be in order.

Mr. IVES. It is an amendment to the original text of the bill.

Mr. TAFT. Mr. President, I ask unanimous consent that I may yield for that purpose, without losing the floor.

Mr. LUCAS. Mr. President, reserving the right to object, I should like to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Illinois will state it.

Mr. LUCAS. Do I correctly understand that the offering of the amendment at the present time will in no wise result in having it take precedence over the amendment offered by the junior Senator from Illinois?

The VICE PRESIDENT. Any amendment offered to the part of the original

text of the bill which is sought to be stricken by a substitute is a perfecting amendment, and therefore would be in order.

Mr. LUCAS. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator from Illinois will state it.

Mr. LUCAS. As I understand the present situation, the amendment offered by the junior Senator from Illinois is the pending question.

The VICE PRESIDENT. It is the pending question. It is an amendment to the substitute offered by the Senator from Ohio.

Mr. LUCAS. And no other amendment——

The VICE PRESIDENT. The Thomas substitute for the bill as reported by the committee, by unanimous consent is to be regarded as the original text of the bill. A perfecting amendment to the original text would be in order, and would take precedence in voting over the Taft substitute or the amendment thereto of the Senator from Illinois.

Mr. LUCAS. Mr. President, as I understand the situation, the junior Senator from Illinois has offered a perfecting amendment to the substitute offered by the Senator from Ohio.

The VICE PRESIDENT. That is correct.

Mr. LUCAS. It is my further understanding that the Senator from New York also desires to offer a perfecting amendment.

The VICE PRESIDENT. The Senator from New York has indicated that he wishes to offer a perfecting amendment to the original text of the bill, not to the Taft substitute.

Mr. IVES. That is correct.

Mr. LUCAS. Mr. President, I shall object to the request for unanimous consent.

The VICE PRESIDENT. Unanimous consent is not required for the offering of the amendment, but unanimous consent is required in order that the Senator from Ohio may yield for that purpose without losing the floor.

However, regardless of whether the Senator from Ohio yields for that purpose, an amendment to the original text is in order as a perfecting amendment to the part of the text of the bill which is involved in the substitute of the Senator from Ohio.

Mr. LUCAS. If that is the situation, I have no objection to the unanimous-consent request.

It is my understanding that that will not take from the Senate at the present time the pending question, which is on agreeing to the amendment of the Senator from Illinois.

The VICE PRESIDENT. At the moment, the pending question is on agreeing to the amendment of the Senator from Illinois to the Taft substitute. But if an amendment is offered to the original text of the Thomas bill, which is involved in the motion to strike out, that would be a perfecting amendment, and would take precedence in voting over the amendment of the Senator from Illinois [Mr. DOUGLAS] and over the substitute offered by the Senator from Ohio [Mr. TAFT].

When that amendment to the original text is disposed of one way or another, the Senate will automatically revert to the Douglas amendment to the Taft substitute.

But a perfecting amendment to a portion of the bill which is to be stricken by a substitute is in order, and takes precedence over the substitute.

Mr. LUCAS. Of course I heard the Chair's statement of the situation; but I was under the impression that after the vote on the Taft substitute, the next thing in order would be an amendment perfecting the Thomas substitute.

The VICE PRESIDENT. A perfecting amendment to a text which is sought to be stricken by a substitute is in order, and is voted upon as a perfecting amendment, before the substitute is voted upon. That is necessary because, after the substitute is voted on, if it should be carried, no perfecting amendment could be offered to the text of the bill.

Mr. LUCAS. Under the decision of the distinguished Vice President, I do not object to the unanimous-consent request. The objection would be useless, because sooner or later the Senator from New York would get the floor.

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from New York?

Mr. TAFT. I renew my request for unanimous consent to yield for the purpose stated, without losing the floor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from New York may proceed.

Mr. IVES. I offer an amendment to the original text. I ask that the clerk read it, and that it be made the pending question.

The VICE PRESIDENT. The Secretary will state the amendment.

The amendment offered by Mr. IVES was read as follows:

Strike out of title III of the amendment of Mr. THOMAS of Utah, dated May 31, 1949, line 14, on page 32, through line 12, on page 34, and insert in lieu thereof the following:

"SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an 'emergency board.'

"(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the appointment of the board, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

"(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(d) Members of an emergency board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

"(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

"(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Director of the Federal Mediation and Conciliation Service.

"(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organizations of employees or in any employer involved in the dispute.

"SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

"(b) In any case in which a strike or lockout occurs or continues after the issuance of the proclamation pursuant to section 301 the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as he may see fit to make. If the Congress of either House thereof shall have adjourned sine die or for a period longer than 3 days, the President shall convene the Congress, or such House, for the purpose of consideration of and appropriate action pursuant to such statement and recommendations.

"SEC. 304. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

"SEC. 305. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

The VICE PRESIDENT. The Chair states for the information of the Senate that the amendment offered by the Senator from New York, being to the original text, is an amendment in the first degree, so far as the original text is concerned, and is likewise subject to amendment in the second degree, if any Senator wishes to offer an amendment. The amendment of the Senator from New York holds in suspense until it is disposed of the substitute offered by the Senator from Ohio [Mr. TAFT] and the amendment to it offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. TAFT. Mr. President, I suppose in time the entanglements in which we have become involved will be straightened out by votes of the Senate, but we have reached the determination of one of the major questions connected with the Taft-Hartley Act. It is a part of the act which is largely unrelated to the rest of the act. It is a separate title in the Thomas bill, title III. It deals with the so-called national-emergency strike. I

do not think the definition in any of the amendments as to when the procedures come into effect, of such strikes, is very different from that of the Taft-Hartley law. They come into effect only when the national safety and health are threatened. That means that for ordinary labor relations the particular procedure is rarely used. I estimate that probably not one strike out of a thousand is going to be affected by the procedure covered in title III of the Thomas bill and the substitutes therefor. It in no way really is involved with the general question of labor relations.

The problem arose because of the very serious strikes which have gradually developed in this country and which do threaten the national safety and health. That does not mean an ordinary strike. It does not mean a national strike causing only inconvenience to the public. This extraordinary procedure which is proposed is only to be used when there is a real danger to the national safety and health. It was brought to our attention by the repeated strikes of the coal miners which, if long continued, would deprive the country of one of the absolute essentials of life. It was brought to our attention by the threatened and actual strikes on various railroad systems which, if continued, would mean serious damage not only to our economy but to the safety and health of the people of the United States. Such strikes have actually occurred, and they have occurred rather frequently since the end of the war when the general agreements not to strike ceased to be operative.

In particular, we remember in 1946 when President Truman came to the Congress with a demand that he be given power to deal with two strikes which were threatening at the same time—the railroad strike and the coal strike. He demanded that he be given power to seize the mines, to seize the railroads, to draft the workers into the Army, to draft even the labor-union leaders into the Army, and to operate the mines and railroads by such means as he might choose to adopt. That remedy seemed to me far too drastic. It seemed to me to be a direct violation of the Constitution. It seemed to me to be an end to the liberty of men, if they could be drafted into the Army on such terms, by the words of the President, as he might see fit to impose, without any salary, or, if he saw fit, with the salary of a private in the Army. He could put them into concentration camps, he could use them to run the railroads, or he could use them for any other purpose, under the terms of his proposal. Congress did not adopt it, but possibly the threat of that or other actions brought about a settlement of both strikes.

In the Taft-Hartley law, therefore, we attempted to deal with that question. It is admittedly a very difficult question. No one has a panacea for it. Apparently, practically every Member of the Senate has a different remedy of his own, but I think everyone will admit that there is no ultimate solution to be had by permanent legislation to deal with a strike which threatens the safety and health of the people.

We considered a proposal for compulsory arbitration of such a strike, and it is conceivable that in the end we may come to such a solution. But that means making a man work against his will; it means that the Government, in the last analysis, must fix wages, hours, and working conditions on which the employer and employees are unable to agree. It seems to me that means the end of a free economy, because the fundamental right to strike for better wages, hours, and working conditions is an essential of a free economy. If the Government undertakes to fix wages, hours, and working conditions it will have to fix prices and all the details of business operations, until there is a completely controlled economy. So I say there should be no substantial interference with the right to strike.

Our committee felt that we should not impose compulsory arbitration. So what we attempted to do in the Taft-Hartley bill was this: We provided that when the contract expires and a strike is threatened, the President shall have certain powers. So far as that legislation is concerned, it was not intended to be a final solution of the problem, but 2 years ago the President was given power to issue a proclamation requesting the parties to continue to operate for 80 days, and that he be given power, if the parties refused to continue working, to seek an injunction in the courts to maintain the status quo. The Taft-Hartley Act provides that the President may seek an injunction either against the labor unions or against the employers. The purpose is merely to maintain the status quo. The act provided that after 60 days, if the strike were not settled, an arrangement should be made for an election to be held. That would take 15 days, and 5 days for settlement, which made up the total of 80 days.

That particular provision has been used by the President some five or six times in the 2 years since the passage of the Taft-Hartley law. I do not think that in any case it affected anyone's liberty. It has been reasonably successful in some cases; in other cases it has not been successful.

We have rather a factual analysis of the situation by Mr. Ching, of the Federal Mediation and Conciliation Service, who, of course, mediated these disputes up to the point when the contract period came to an end. He reviews those cases and finds that in some the provisions of the Taft-Hartley Act were helpful and in others they were not. In general, however, I think it is perfectly clear from his statement that in some cases the injunction has been very useful.

In the atomic energy dispute an injunction was issued against the employer as well as the employees. The employer was attempting to reduce the wages of the employees in one plant in order to adjust them to wages in other plants, and the injunction was issued against the employer as well as against the employees. In other cases the employees were seeking increased wages, and the status quo was maintained by injunction.

In dealing with the atomic energy dispute Mr. Ching says:

> Thus, although the utilization of the national emergency provisions of the act, in the opinion of the Service, appear to have averted a stoppage early in March 1948, in a facility whose continued operation was undoubtedly essential to the Nation's welfare, it cannot be said that the period of the injunction contributed materially to the final settlement, if at all.

Mr. Ching, however, was able to continue his efforts at mediation, and from the fact that the controversy was settled almost immediately, it had a good effect.

He refers to the case of the telephone dispute and says:

> It is worthy of note that in this case, the mere appointment of the Board of Inquiry had the effect of reestablishing the bargaining relationship that had been ended by the failure of one party to give unqualified assurances that during a period of continued negotiations and until a new contract could be agreed upon, the status quo of wages, and terms and conditions of employment would be maintained.

The President appointed a board and threatened to bring an injunction if the strike were undertaken, and the mere threat was sufficient to eliminate that particular dispute.

In the maritime labor disputes there were some successes and some failures. Mr. Ching says:

> The issuance of these injunctions averted for the statutory period the work stoppages which, in the judgment of the Service, would have occurred on all coasts on June 15, 1948.
>
> After the issuance of the injunctions the Service continued its mediation efforts. On the Atlantic and Gulf coasts the bargaining efforts of the parties were profitably exerted and general settlements were achieved before September 1, 1948, the date of expiration of the injunction order.

On the Pacific coast they were not achieved. In one case Mr. Ching expressed the opinion that the cooling-off period in the Pacific coast maritime dispute was rather a heating-up period. That is because of the Bridges union. A report by our committee shows the very bad feeling which existed at all times; but I do not think it can be reasonably claimed that the injunction in any way increased the feeling existing in the longshoremen's union, between the employees and the employers. So I should say that clearly, in two or three cases, the use of the injunction has succeeded in averting a national strike. In two or three other cases there is a question whether it succeeded or not. Perhaps in one case it may have increased the intensity of the dispute.

Some persons have asked me, "What must be done finally when the injunction procedure does not work?" Of course, that is a question directed to all emergency provisions. If we do not have final compulsory arbitration, there may come a time when all other measures are exhausted and the strike goes on. If we ever reach a point in this country—and we never have—when there is continued without settlement, a strike which affects the national health and safety, which brings illness and starvation to the people, then I think Congress must be called into session to enact emergency legislation for that particular purpose. No

doubt such a bill would provide all-inclusive powers, such as those granted to the Government of England in the general strike in 1925. They included the power to seize. The Government requisitioned and operated trucks containing food supplies, all over Great Britain, to replace the railroads which were struck. I think we might have to have an emergency bill of that kind. But when we get to that point, we shall deal with a question of revolution rather than with a question of labor-management relations. Someone may prepare such a bill and have it ready, but I do not think it should be on the statute books. I do not think it should be a part of labor-management relations.

When we came to consider what should be done this year, the Republican members of the committee met and discussed the subject. We were not able to agree among ourselves any more than were the Democrats able to agree among themselves. But the amendment which I present on behalf of myself, the Senator from Missouri [Mr. DONNELL] and the Senator from New Jersey [Mr. SMITH] would make certain changes in the Taft-Hartley law, largely in accordance with the recommendations of Mr. Ching, who has had more direct contact with emergency strikes than has any other one individual.

In the first place, the President is authorized to issue a proclamation before he appoints a fact-finding board. Mr. Ching pointed out that if he had to have the board report to him, he would have to appoint the board several weeks before the date of the expiration of the contract. The moment he appoints the board all the heat is taken off the negotiations, and the mediator is unable to complete his mediation at the last moment, when the contract expires, which is the time usually at which serious strikes are actually successfully mediated. So we provide that the President may go ahead, on the recommendation of the Mediation Service, and issue his proclamation requesting the parties to continue to work, to maintain the status quo, before he appoints the board, and then he appoints the board, which makes a finding of fact.

On the general recommendation of perhaps a majority of the witnesses, we also permit the board to make a recommendation and to itself undertake a settlement of the strike, rather than being confined to a fact-finding report, which was the case under the Taft-Hartley law.

In the third place, we eliminated the final vote of the men, and therefore cut down the 80 days to 60 days, the extra 20 days being merely for the purpose of conducting the vote. The vote was not a success. It is a very difficult thing to arrange on a Nation-wide basis. The unions did not like it. In one or two cases, I think, the men voted to strike any way. In one case they would not vote at all. In general, Mr. Ching's recommendation was that that was an impracticable procedure, and should be eliminated.

Finally, we have emphasized the ultimate remedy of referring the whole matter to Congress for congressional determination, in case a point is reached when the entire negotiations break down, and all these temporary measures, the injunctions, and so forth, designed to prolong the negotiations, come to an end.

Mr. President, I believe it to be exceedingly important that there be a period, in national-emergency strikes, after the contract comes to an end, during which time the President and others may make an effort to settle the strikes. In some way we must go beyond the end of the contract, because until we finally get to the end of the contract, the parties will be negotiating, it is their affair, and the Government is not interfering, except perhaps to help them if they ask for mediation. Merely because the parties cannot agree, we cannot face the possibility of having a complete breakdown of national services. So all the amendments propose some period during which the parties are requested to maintain the status quo.

Of course, to a certain extent an injunction is an infringement of the general idea of the right to strike. Even the Thomas bill says that the parties shall continue to work. I do not know whether that implies a legal obligation on which an injunction might be based or not. If there is an injunction, certainly there is an infringement of the right to strike, and I do not like an infringement, any more than the distinguished Senator from Oregon likes it. But when we reflect on the conditions on which the bargaining representatives of labor and management both agreed just a year ago, for a 12-month period, in most cases, it certainly does not seem unreasonable to say that in order to avoid a national disaster the workers must continue to work for 60 days, under the very conditions on which they agreed a year ago. There may be a modicum of injustice to one side or the other in that. In every case, in my opinion, any hardship will be taken care of by a retroactive settlement, because settlements are practically always retroactive, if that is the only question that remains between the parties.

I do not believe it can fairly be said that an injunction or any other method of getting the employer and employees to continue to work for 60 days is any serious infringement of liberty. It has been urged, I think by the Senator from Oregon, that this is a limitation on individual liberty. It is not really a limitation on individual liberty. The injunction is against the right to strike, and the right to strike is a concerted effort, directed almost inevitably by the officers of a union, which does not interfere with the right of a man to leave his employment. The injunction is against an organized effort to quit an employment in order to force different terms. Under the provisions of the Taft-Hartley Act any individual can quit his work whenever he desires to do so. But under the Taft-Hartley Act, and under the Wagner Act, the men who quit work in a strike do not cease to be employees. They are expressly retained as employees; they are still employees under the definition and for the purposes of the law, or many of the purposes of the law. What those men are saying is, "We want to quit in a body, but we want to retain all the rights of employees in your company." So a strike of employees who remain employees certainly is a very different thing from the right of an individual to quit his work because he does not like the terms and conditions of the particular work.

I cannot, therefore, see that there is any serious interference with individual liberty and the interference with the general right to strike is mild compared to a disaster involving the death, illness, or starvation of millions of people which might result if work were not properly continued.

So far as the difference between the amendments is concerned, in effect we continue in our bill the Taft-Hartley provision for injunction, with the modifications I have indicated. We have provided that the President may also ask for the seizure of a plant. He can ask for either or both. He must go to court to do it. He cannot simply seize the plant. He must go to a court and obtain an order finding that the national safety and health are involved, and he must get an order authorizing him to take possession and an order enjoining the union from calling a strike, and enjoining the employer from closing down.

The pending bill itself provides merely that the President shall appoint a board, to be known as an emergency board, and call on the parties to maintain the status quo for 25 days. It then says, "the parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute." Then the board makes a finding, and that is all there is to it. There is no method of enforcement, so far as I can see, unless it is possible to base an injunction on the word "shall," and no legal provision under which the President may act.

It is said that the parties will respond, but our experience with certain labor leaders certainly indicates they do not necessarily respond. Various strikes have taken effect or have been continued after the strikers have been asked to cease striking.

The amendment offered by the distinguished Senator from Illinois [Mr. DOUGLAS] to my amendment in effect eliminates the injunction and relies entirely upon seizure. The President may seize, but he may not enjoin. There have been cases where the President seized and the men would not work for the Government. There have been cases in which the President seized the railroads and the men went on strike anyway, even after the President had seized the roads. There was the strike in the coal mines after the President had seized the coal mines. So, I do not see that seizure is in any way necessarily a step which by itself can solve the emergency problem.

Mr. President, there is one other reason why, it seems to me, we had better provide for injunction procedure if we want to get results, for an injunction does get results. We have had one union leader who has defied an injunction, and it has cost his union a great deal of

money, and I doubt very much if that example is going to be repeated by other union leaders or by himself.

But there is another reason why we had better provide for injunction in this provision, and that is the President's claim that he has the right of injunction anyway. Even though Congress should make no provision for injunction, the President claims that he has the right to go into court and secure an injunction. If there is any doubt about that at all, we had better define what the right is, and we had better define it in the bill, because even those who claim he has such a right seem to admit that the Congress may delimit the right and may provide the basis on which it can be exercised.

I might read the opinion of the Attorney General——

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I understand the Senator from Ohio takes the position that the President, in the absence of explicit legislation, has already the power to obtain injunction.

Mr. TAFT. No. I think he does not have that power, but I say there is at least a doubt about it, and he is claiming that power; so I think it is desirable that we make the situation clear. If we do not want him to have the power, then we had better say so, or if we want him to have the power, we had better define its limitations.

Mr. DOUGLAS. I wonder if the Senator from Ohio would explain to the Senate the precise occasion upon which the President of the United States asserted that he had the power by injunction to send men back to work.

Mr. TAFT. I read to the Senate the opinion of the distinguished Attorney General of the United States, in a letter sent to the chairman of our committee. He said:

With regard to the question of the power of the Government under title III, I might point out that the inherent power of the President to deal with emergencies that affect the health, safety, and welfare of the entire Nation is exceeding great. See opinion of Attorney General Murphy of October 4, 1939 (39 Op. Atty. Gen. 344, 347); *United States* v. *United Mine Workers of America*, (330 U. S. 258 (1947)).

Title III of the bill addresses itself affirmatively to solving the underlying labor dispute, and not merely to the sterile maintenance of the status quo through the medium of the courts. Since these sections of the bill primarily consist of a procedure for resolving the substantive matters in dispute, it may be expected that, in most instances, differences will be settled quickly, and that no recourse to the courts will be necessary. Should, however, the parties not obey the mandate of section 302 (c) of the bill, and should this result in a national crisis, it is my belief that, in appropriate circumstances, the United States would have access to the courts to protect the national health, safety, and welfare. I say this because it is my belief that access to its own courts is always available to the United States, in the absence of a specific statutory bar depriving the Government of the right to seek the aid of the Federal courts in such critical situations. Particularly is this true where, as in the proposed legislation, a statutory obligation is placed upon the parties requiring them to continue or resume operations during a specified period. This bill, as I read it, does not purport to circumscribe the rights of the United States in this respect.

In other words, he says that the wording of the Thomas bill is such as to give particular support to the idea that the President can on his own steam, under his own constitutional powers, secure an injunction in labor cases.

I may add that on the following day at a press conference President Truman disclosed his concurrence in the opinion of his Attorney General, adding that in time of emergency he thought the President had immense power to do what was right for the country.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Ohio where in anything he has read there is the explicit statement that the President has the power to go into court and secure an injunction to compel men to work for private employers? The Attorney General says that the power of the President in such cases is extremely great, and that the President should have access to the courts, but we reserve access to the courts for the purpose of seizure, and it is precisely on that point that the Senator from Vermont [Mr. AIKEN] and I want explicitly to spell out the power of the Government.

Mr. TAFT. I desire to make it perfectly clear that I do not agree with the opinion of the Attorney General nor with the opinion of the President, but there is some support for it. I only say it is a doubtful question, and unless we want the possibility at least of a finding of an unlimited power of injunction for any purpose, it seems to me we had better clearly define what the power is.

I may add that one of the cases the President does not cite, which has given me more concern than any other case in the development of this rather extraordinary doctrine, is the case of In re Debs, decided by the Supreme Court in 1894. I think the Attorney General is really using the language of the court in the Debs case, from which case I read as follows:

Summing up our conclusions, we hold that the Government of the United States is one having jurisdiction over every foot of soil within its territory, and acting directly upon each citizen; that while it is a government of enumerated powers, it has within the limits of those powers all the attributes of sovereignty; that to it is committed power over interstate commerce and the transmission of the mail; that the powers thus conferred upon the national government are not dormant, but have been assumed and put into practical exercise by the legislation of Congress—

Although there was no legislation about injunctions—

that in the exercise of those powers it is competent for the Nation to remove all obstructions upon highways, natural or artificial, to the passage of interstate commerce or the carrying of the mail—

In interstate commerce it has got right back to the backwoods of production in every factory of the United States—

that while it may be competent for the Government (through the executive branch and in the use of the entire executive power of the Nation) to forcibly remove all such obstructions, it is equally within its competency to appeal to the civil courts for an inquiry and determination as to the existence and character of any alleged obstructions, and if such are found to exist, or threaten to occur, to invoke the powers of those courts to remove or restrain such obstructions; that the jurisdiction of courts to interfere in such matters by injunction is one recognized from ancient times and by indubitable authority.

I think we can distinguish the Debs case; and I would be very loath to admit the power of the President to take any action he chose. I think we must recognize that probably he would do it, and in a real emergency perhaps the Court would grant an injunction. I do not think he would have the right to do it, but nevertheless we face the question of the exercise of a power under conditions where there is no one to stop its exercise. If we are going to face that condition, in my judgment, we had better write into the law the express limitations of the President's powers to secure injunctions in labor disputes, and if Congress is going to give him the power to seize, Congress should write into the law the limitations on his powers to seize.

I cannot think that either the opinion in the Debs case or any other opinion would give him the power to seize, because the fifth amendment clearly provides that a man cannot be deprived of his property without due process of law. There must be an act of Congress under those circumstances; and I think there must be an act of Congress to justify an injunction.

I do not see how the administration can blow hot and cold. I do not see how the administration can say "Yes, we have the right of injunction, and we are going to use it when we want to, but we object to Congress telling us that we have such a right, or trying to define the powers or the limitations on that right."

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to ask the Senator from Ohio if he can find any statement by the President of the United States or by the Attorney General that the Federal Government has the power to obtain an injunction in private disputes?

Mr. TAFT. The Debs case was one involving a private dispute.

Mr. DOUGLAS. The Debs case was decided 55 years ago. And in the one case that is cited, the case of United States against the United Mine Workers, which we both have at hand, the Court explicity said that the power to obtain an injunction was derived solely from the fact that the Government had seized the mines and was in possession of the mines; and the full purport of that decision is that if it is a private dispute between workers and private employers the Government does not have such power.

Mr. TAFT. I disagree entirely with the Senator. That is not what the Attorney General says at all. But I think the Attorney General is wrong. He makes it perfectly clear that he thinks

that under the terms of the Thomas bill, which deals with private disputes, and does not permit seizure, the Government has some vague right of injunctive power over labor disputes which interfere with the national safety and health. That is the clear implication of the Attorney General's letter, and that certainly is supported by the President's statement.

I agree with the Senator from Illinois that the United Mine Workers' case is not based upon any such vague power. The United Mine Workers' case rests on the property rights of the Government, which had taken possession of the mines and had been in possession for quite a long period of time. It had made a contract with the workers, and was bringing an action to enforce that contract and make the workers carry it out. In that case the Court simply held that the Norris-LaGuardia Act did not apply to action by the Government. At least I think the Court held that, although four judges dissented on that question and two dissented on another question, apparently the majority of them felt that the Norris-LaGuardia Act did not apply to the Government in those cases; but it is an uncertain result. Also the Debs case is a case based upon the Government's control over the post roads in interstate commerce, but the Government got an injunction without any statutory authority for an injunction of that kind.

An interesting feature of all the cases is that apparently it is generally agreed that the Executive can assert his power only in the absence of some specific statutory provision. Everyone seems to admit that Congress can properly delimit the President's power, and I think that should clearly be done. The Senator from New York [Mr. IVES] feels that the injunction to the President to bring the matter to Congress limits his power to get an injunction. The Senator from Oregon [Mr. MORSE] I think also feels that he has drawn his amendment in such a way that it will prevent the President from getting an injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. I was wondering whether the Senator from Ohio agrees with me that the provisions of the Thomas bill relating to national emergencies are basically similar to the provisions of the National Railway Labor Act.

Mr. TAFT. Yes; I think they are substantially the same as the provisions of the National Railway Labor Act; but the National Railway Labor Act itself has not been universally successful.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Ohio yield to the Senator from Minnesota?

Mr. TAFT. I yield.

Mr. HUMPHREY. I was wondering whether the Senator had ever observed that under the application of the National Railway Labor Act, which he says is similar to the provisions of the Thomas bill, the President of the United States has said that he had the right to an injunction, or has applied for an injunction?

Mr. TAFT. I beg the Senator's pardon. I was trying to find the reference to the National Railway Labor Act.

Mr. HUMPHREY. Let me repeat my question. Apparently it is agreed that there is at least a similarity between the provisions of the National Railway Labor Act and the emergency provisions of the Thomas bill. If that be true, does the Senator from Ohio recall any time when the President of the United States has seen fit to use the power of injunction, or to apply for an injunction under the provisions of the National Railway Labor Act?

Mr. TAFT. Of course, the National Railway Labor Act has not been successful——

Mr. HUMPHREY. That is not the question I asked the Senator.

Mr. TAFT. The President himself came to us and asked for additional powers, over and above those granted him under the National Railway Labor Act, in order that he might deal with the railroad strike.

Mr. HUMPHREY. The question I ask the Senator is this: Has the President interpreted his right under the National Railway Labor Act to ask for an injunction in order to enforce the orders of the Government?

Mr. TAFT. No; apparently he has not.

Mr. HUMPHREY. The act has been on the books for 23 years.

Mr. TAFT. I think one reason the Attorney General is inconsistent is that he must have advised the President in 1946 that he had to come to Congress, and had no other way to meet those strikes. Two years later he suddenly develops the theory that the President does have the power to seek an injunction to meet such strikes.

Mr. HUMPHREY. Since there is agreement on the similarity between the National Railway Labor Act and the Thomas bill provisions, does the Senator recall any violation of the provisions of the National Railway Labor Act with respect to the cooling-off period? Does the Senator recall any violation of the cooling-off period, when the request was that the employees remain on the job during the cooling-off period?

Mr. TAFT. Let me read what is stated in the minority views. The following is a quotation from the most recent report, the fourteenth annual report, submitted on November 1, 1948, of the National Mediation Board:

> Although threatened strikes have been almost a daily problem among railroad and airline employees, there have been relatively few instances where procedures of the law were ineffective in settling the disputes and avoiding work stoppages. This statement should not be interpreted to minimize the seriousness of the few instances where the law failed to prevent interruptions to service. Thus, in the Nation-wide dispute over wages and rules involving railroad engine service employees and yardmen, all of the steps prescribed by the law were exhausted without a settlement being made. After declining to accept recommendations for settlement made by a Presidential emergency board the organizations set a strike date for 6 a. m., May 11, 1948.

That was the case in which the President took over the railroads, and then came to Congress.

> In taking this action the President called upon every railroad worker to cooperate with the Government by remaining on duty and stated: "It is essential to the public health and to the public welfare generally that every possible step be taken by the Government to assure to the fullest possible extent continuous and uninterrupted transportation service. A strike on our railroads would be a Nation-wide tragedy, with world-wide repercussions." Notwithstanding the above action the threatened strike order was not canceled, whereupon the office of the Attorney General applied to the United States District Court for the District of Columbia for a restraining order. A temporary order was granted on May 10, and, as a result, the threatened strike was called off.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. I should like to ask the Senator from Ohio whether the cooling-off period was observed, or whether there was any violation by the workers or the employers of the duty to preserve the status quo during the cooling-off period, without any injunction or Government order.

Mr. TAFT. I do not know of any such, although in that case the procedure was very limited. It was agreed to by the railroad unions beforehand. In general the 30-day so-called cooling-off period was part of the whole procedure of negotiation, as it is not in the case of most industrial plants.

Mr. HUMPHREY. Is it not true that under the Thomas proposal the cooling-off period is a continuing part of the negotiations, a continuing part of the collective bargaining? The fact-finding board does make recommendations for settlement, and, therefore, the provision is very similar to the provision in the National Railway Labor Act, under which, since 1926, only one or two instances have occurred wherein there has been any real deviation from the purposes of the act, or any real failure on the part of the act to do the job it was designed to do. Is not that correct?

Mr. TAFT. I think so far as the 30-day waiting period is concerned, that is true. On the other hand, I do not think it is true of the coal industry. I do not think it is going to be true of any other industry. I think we have plenty of labor leaders in the country today who are quite prepared to defy the President the moment he issues such an order and immediately call a strike, as they have actually been doing during the past 4 years, in spite of the direct appeal of the President for a cooling-off period. In the railroad case he asked for what might be called an additional cooling-off period, and was immediately turned down, even by the railroad people.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. Would the Senator be willing to acknowledge the fact that most of those extraordinary instances of arrogance and failure to abide by the wish of the President, or the call of

the President, has occurred since the enactment of the Taft-Hartley law?

Mr. TAFT. No; this was before the Taft-Hartley Act. Both the railroad strike and the coal strike of 1946 were before the Taft-Hartley Act. There were other strikes in 1946. There was a General Motors strike in 1946, and there were other strikes, with respect to which the President made an appeal which was at once rejected by the employees, and I think also by the employers. I do not say that the employees were necessarily to blame, any more than anyone else.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. Is it not true that the railway strike of 1946 to which the Senator refers, while unfortunate, was perfectly legal under the National Railway Labor Act at that time?

Mr. TAFT. Yes; certainly it was.

Mr. DOUGLAS. And is it not also a fact that it would have been perfectly legal under the Taft-Hartley law?

Mr. TAFT. No; not if the Taft-Hartley law had been applied to it.

Mr. DOUGLAS. Because after the waiting period of 80 days expired, under the Taft-Hartley law, there was no restriction upon strikes.

Mr. TAFT. Yes. But however that may be, after the Taft-Hartley law had been applied to the strike, an injunction for 60 days could have been obtained, and presumably during the period of 60 days the strike could have been settled.

Mr. DOUGLAS. But there was no strike then.

Mr. TAFT. Yes; there was a strike for 3 days, until they were threatened with action giving the right of injunction and the right of drafting the men into the Army, and so forth.

Mr. DOUGLAS. But that was after the waiting period had expired.

Mr. TAFT. Yes; but in the National Railway Labor Act that is regarded as a part of the negotiation period, and always has been.

Mr. DOUGLAS. But so far as I know, there is no provision in the Taft-Hartley law, the National Railway Labor Act, or the proposed Taft law which, after a given waiting period was over would prevent strikes. When the waiting period is over, the parties are entirely free.

Mr. TAFT. The Senator is entirely correct, and I thought I made that point clear in my opening statement. There is a point where that remedy is exhausted; but when the attempts at settlement are over and when the contract has expired, it seems to me we have a right to ask for a waiting period. The only possible, safe way in which action then can be taken by the Government is by means of injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. In view of the Senator's most recent statement, I should like to ask whether he is familiar with the remarks of Dr. Leiserson before our committee, as shown at page 3146, part 6, of the committee hearings?

Mr. TAFT. I am familiar with all of Dr. Leiserson's statement, and I disagree with 80 percent of it. In my opinion, he is nearly always on the side of labor, and almost always has been on the side of labor. I wholly dispute that Dr. Leiserson is an impartial authority on labor-management relations. He belongs to the school of those who think there should be no enforcement of any kind against labor, but that everything must be done by consent between labor and management, by having them agree. That is a nice theory, but is not in accord with conditions in the United States.

Mr. IVES. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. IVES. I simply wish to mention that I do not think it is true that Dr. Leiserson is always opposed to the side of management.

Mr. TAFT. No; but I think he naturally tends to be on the side of labor. His experience grew out of work in mediation. He thinks that no labor union should be subject at any time to any legal restraint or legal liability. His whole position is that everything must be done with sweetness and light, in order to accomplish harmony between both parties.

I agree that up to a point that is true; I am all for the Mediation Service up to a point. But it seems to me there must be a point at which both parties are subject to laws which represent the will of the people of the United States.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. HUMPHREY. I wonder whether we have now had some agreement that a voluntary cooling-off period obtains the same resumption of work that an injunction obtains. Has not the Senator from Ohio said that he recognizes that the cooling-off period under the National Railway Labor Act worked, and that it obtained the same results that an injunction obtains?

Mr. TAFT. No; I have not said that.

Mr. HUMPHREY. The Senator from Ohio has not said that?

Mr. TAFT. No. I have said that for all practical purposes that is a part of the negotiating process under that act. But it is not made such under this proposed act by any means.

Mr. HUMPHREY. Does the Senator recall a time when the cooling-off period did not work?

Mr. TAFT. I said that the cooling-off period under the National Railway Labor Act was a part of a recognized negotiation process, and as a matter of fact, it has become so much a routine matter that it is no longer considered that there is any question of reaching a crisis until the decision finally is made by the Emergency Board. However, after such a decision has been made, the Board frequently has been defied, and in many cases strikes have resulted after the action of the Emergency Board has been taken. But the President is not brought into that situation. No national law is centered on the process at all until finally the Emergency Board's procedure breaks down. There are about a dozen emergency boards operating all the time. They are recognized as a part of the process of negotiation, in the railroad industry.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. TAFT. I yield.

Mr. HUMPHREY. Then, does the Senator from Ohio feel that the whole process of transportation in the United States, in the railroad field, has been seriously jeopardized, and that the procedures proposed to be established under the Thomas bill for the rest of American industry have been failures in the past, and that the American people have been constantly upset——

Mr. TAFT. Yes; that is what I feel.

Mr. HUMPHREY. That is what the Senator from Ohio feels?

Mr. TAFT. Exactly.

Mr. HUMPHREY. Mr. President, if the Senator from Ohio will yield further, I should like to ask another question of the Senator, since he feels that we finally end up——

Mr. TAFT. Mr. President, let me say that I think a 30-day or 60-day waiting period, based on a voluntary request to the President that the parties do not strike, is going to be an utter failure in industrial and other relations in the United States—in the coal field and in many other fields in the United States—if that is what the Senator from Minnesota wishes to know. That is my view. Of course, the Senator from Minnesota may differ as to that.

Mr. HUMPHREY. Despite the record of performance——

Mr. TAFT. Despite the record of performance of the National Railway Mediation Board in the railroad industry, which I think is in no way comparable.

Mr. HUMPHREY. Then, do I correctly interpret the remarks of the Senator from Ohio to mean that he thinks his prophetic vision is more accurate than the 23 years of experience under the National Railway Labor Act?

Mr. TAFT. The board itself has admitted that that procedure is gradually breaking down, that there are more and more defiances of the board's decisions, and more and more strikes. The report of the board admits that.

What happens is that so many of these emergency boards are appointed that there is no public interest in them, no public light on their actions, and no prestige attaching to the reports or decisions, when the boards make them. So that entire process is breaking down.

Mr. DONNELL. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. DONNELL. The Senator from Ohio has referred to an admission by the Board that the procedure is breaking down. I should like to ask the Senator if this is the report to which he has referred—and I refer now to a sentence contained in the 1948 report, reading as follows:

> To place this strike record in proper perspective, it should be pointed out that it is matched by 172 peaceful settlements effected through mediation or arbitration.

The Board then proceeds, does it not, to say:

But peaceful settlements do not, however, make up for the instances in which stoppages occurred. It is not a good record, and it does not bode well for the future effectiveness of the Railway Labor Act.

Is not that the statement of the National Railway Mediation Board itself?

Mr. TAFT. Yes; that is what I was looking for, but had not found.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. Is not the Senator saying, then, in effect, that any dispute which may finally evolve itself into a strike situation indicates the fact that it is a national emergency and that the processes of mediation and conciliation are breaking down?

Mr. TAFT. No; I did not say anything of the kind. I say that the machinery provided by the Mediation Board, which the Senator says is copied in the Thomas bill, is admitted by the Board itself to be breaking down, and the Board admits that we should have something better; and in this amendment I think we have something better.

Mr. HUMPHREY. Does the Senator from Ohio feel that the emergency procedures of the Taft-Hartley law which were followed on seven different occasions, and which failed on seven different occasions, are better than the procedures of the National Railway Labor Act?

Mr. TAFT. I just referred to the instances in which the National Railway Labor Act procedures were successful in settling disputes, and I referred to the reports of the Mediation Service in which they point to three or four cases in which strikes were settled. If there were one such instance, it would be a good thing, rather than to have nothing at all. They referred to only one strike in which they thought there was some heating up, and that was the Bridges longshoremen's union strike, which I think is an exception to all rules.

Mr. HUMPHREY. Would the Senator from Ohio permit the junior Senator from Minnesota to read another interpretation or statement regarding the success of the Taft-Hartley emergency procedures?

Mr. TAFT. The Senator can do that in his own time, or he can ask a question, but I do not think I can permit him to read things in my time, without running the risk of losing the floor. I should be glad to have a question from the Senator, if he can put a little of the quotation in it.

Mr. HUMPHREY. I thank the Senator. I appreciate the courtesy. I wonder whether the Senator recalls the testimony of Mr. William H. Davis, an eminent labor relations counsel, found in part 2, page 891, of the hearings before the Committee on Labor and Public Welfare. I now take the liberty or the privilege which has been extended me of making a slight quotation:

The history of the Taft-Hartley law, with which you are all familiar, illustrates precisely that there have been six cases under the Taft-Hartley law in which the President has declared that the health and safety of the Nation was imperiled by an industrial conflict.

In two of them, the meat-packing case and the telephone case, the cooling-off period went on, that is, there was no strike, the parties continued in negotiations, and settled their controversy without an injunction. There was no injunction issued.

In the four other cases, the injunction issues. In no one of those cases did it settle the controversy or create—or lift the emergency.

He then goes on to point out that in every one of the cases the strike continued and was settled after the injunction.

I ask the Senator from Ohio, with Dr. Leiserson, who has now been somewhat discredited, at least in the references made to him, and who at least is not an acceptable authority, and Mr. William H. Davis, who testified before our committee, both pointing out the failure of the injunctive process to settle the disputes or even to provide effective relief, how can the Senator from Ohio say that that record, which he is now trying to place into the law again, is better than the 26 years' record under the provisions of the National Railway Labor Act?

Mr. TAFT. Answering the Senator, in the first place what I read was from Mr. Cyrus Ching, who actually had to handle the strikes, who was on the inside, who was not a theorist, like Mr. Davis, on this particular question. Mr. Ching's notion was that in three or four of the strikes the injunctive process, resulting in a cooling-off period, was extremely helpful.

I may say further regarding the authorities cited by the Senator and by other Senators, that Mr. William H. Davis, Mr. Leiserson, and Mr. Feinsinger, all belong to the same school. If I were an employer, I should be very loath to submit any case against labor to their arbitration, because those gentlemen have grown up in a school which believes that labor is always right. Those gentlemen were opposed to the Taft-Hartley Act in the beginning. They have opposed its operations from the beginning. They testified against it when it was before the Senate. They cannot be quoted as impartial experts on the question of the Taft-Hartley law.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Illinois.

Mr. DOUGLAS. I take it, however, that the Senator from Ohio believes that Cyrus S. Ching is a good expert on the subject of labor relations.

Mr. TAFT. Yes; he is a very good one. He weighs the complaints and says what is good and what is bad.

Mr. DOUGLAS. I wonder whether the Senator is aware of the statement which Mr. Ching made on page 56 of his first annual report? I should like to read and inquire whether the Senator is familiar with this statement of Mr. Ching:

One of the conclusions which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

Since the Senator has thrown the testimony of Mr. Leiserson, Mr. Davis, and Mr. Feinsinger out of court, what is the Senator going to do with this testimony of Mr. Ching, who the Senator says is one of the greatest experts in the country?

Mr. TAFT. Mr. Ching goes on to say:

Whether this experience—

The 80-day injunction—

dictates the desirability of a shorter injunction period or an injunction period of indefinite duration the Service expresses no opinion at this time.

Mr. DOUGLAS. I would say that was a clothesline statement.

Mr. TAFT. Mr. Ching, in various places, which I read——

Mr. DOUGLAS. I have just quoted——

Mr. TAFT. Wait a minute. Mr. President, would the Senator mind asking questions?

Mr. DOUGLAS. Excuse me. I beg the Senator's pardon.

Mr. TAFT. Would the Senator mind? I will look for the report. The Senator may go ahead with his question.

Mr. DOUGLAS. Excuse me. I read the first sentence of the paragraph. The Senator from Ohio read the last sentence of the paragraph. I wonder whether the Senator from Ohio would now be good enough to read the intervening sentences between the sentence which I read and the sentence which he read. If the Senator is unable to find the place, I shall be very glad to read the sentences.

Mr. TAFT. Yes; the Senator may read them. I have something else I want to read. I have not found the place to which the Senator is referring. The Senator may go ahead.

Mr. DOUGLAS. I do not do this with any glee on my own part, but only in the interest of accuracy on this point. I read:

Parties unable to resolve the issues facing them before a deadline date, when subject to an injunction order, tend to lose a sense of urgency and to relax their efforts to reach a settlement. They wait for the next deadline date (the date of discharge of the injunction) to spur them to renewed efforts. In most instances efforts of the Service to encourage the parties to bargain during the injunction period, with a view to early settlement, have fallen on deaf ears.

I may put a little emotion into the reading that is not included in the writing, but I hope I shall be pardoned for it. Then, I should like to continue with the sentence:

Further, the public appears to be lulled into a sense of false security by a relatively long period of industrial peace by injunction and does not give evidence of being aware of a threat to the common welfare which would produce a climate of public opinion favorable to settlement.

That is the passage between the sentence which I originally read and the sentence read by the Senator from Ohio.

Mr. TAFT. However, in specific cases, Mr. Ching has recognized the helpfulness of the injunction. Referring to the maritime cases, he says, for instance:

The issuance of these injunctions averted for the statutory period the work stoppages

which, in the judgment of the Service, would have occurred on all coasts on June 15, 1948.

I am reading on page 48:

After the issuance of the injunctions the Service continued its mediation efforts. On the Atlantic and Gulf coasts the bargaining efforts of the parties were profitably exerted and general settlements were achieved before September 1, 1948, the date of expiration of the injunction order.

I read two other cases in which Mr. Ching says that the injunction contributed to and brought about the settlements. So that in specific cases, his testimony is favorable. The only specific case wherein he doubts it is the case of the Bridges strike, the Longshoremen's case, where he says it may have contributed to the heating-up period. If one will read the story of the relations between that particular union and the employers on the Pacific coast, he will see that it is doubtful whether anything could have alleviated the heating-up period which had already occurred.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Missouri.

Mr. DONNELL. Did not Mr. Ching testify before the Committee on Labor and Public Welfare on this subject matter?

Mr. TAFT. Yes. I was looking for that, too.

Mr. DONNELL. I should like to inquire of the Senator whether he will refer to the bottom of page 62, part 1 of the testimony. This question was asked by the Senator from Ohio:

Senator TAFT. You say it is the experience of the Service—

The Senator was addressing himself to Mr. Ching—

that in some of the national emergency disputes occurring in the last year, reading from your report:

"The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement."

Does the Senator observe that, at the bottom of page 62 of the testimony?

Mr. TAFT. That is correct.

Mr. DONNELL. I ask the Senator whether this further question was asked by him, and this answer returned:

You still agree with that statement, don't you?

Mr. CHING. I agree that in the Coal case, the Longshoremen's case, the National Maritime case, the Oak Ridge case, as I remember those cases, the injunction stopped the strike at the time it was threatened. However, in some of the cases, after the injunction had expired, we still had the same problem.

To which the Senator from Ohio replied:

Oh, well, yes; that was contemplated in the law.

Mr. Ching said:

It was a temporary stoppage of the strikes. There is no question about that.

Am I not quoting correctly from the record?

Mr. TAFT. That is correct, and I am very thankful and grateful to the Senator. My general impression was that Mr. Ching endorsed the provisions of the law, and I am very glad to have the Senator point out the place in which he states very clearly that in these particular cases, the Coal case, and the Longshoremen's case, the National Maritime case, and the Oak Ridge case, the injunction stopped the strike at the time it was threatened.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield.

Mr. DONNELL. Was the Senator quoting verbatim from the testimony of Mr. Cyrus Ching at page 63 of the hearings?

Mr. TAFT. That is correct.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. TAFT. I yield.

Mr. DONNELL. Does the Senator know that the Oak Ridge case involved an atomic energy plant in Oak Ridge, Tenn., which obviously could have involved national peril if any case possibly could? Am I not correct in that?

Mr. TAFT. The Senator is correct. In that case an injunction was obtained, and Mr. Ching continued his efforts while the strike went on. The time expired before settlement was reached, but apparently his efforts were sufficiently successful so that the parties sat down together, the day after the injunction expired, and settled the question.

Mr. DONNELL. At any rate, Mr. Ching stated that in the Oak Ridge case, "The injunction stopped the strike at the time it was threatened."

That is the testimony of Mr. Ching, is it not?

Mr. TAFT. That is correct.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I wonder whether it would not be well to read the rest of the statement of Mr. Ching on page 63 from which the distinguished Senator has just quoted, wherein he says:

However, in some of the cases, after the injunction had expired, we still had the same problem.

Mr. TAFT. The Senator from Missouri read those words as part of his original statement.

Mr. DONNELL. I certainly did.

Mr. HUMPHREY. I am glad to have that reaffirmation. I wonder whether, in view of the fact that we have gone into the individual cases and have selected quotations from a particular point of view, we should not have included in the RECORD page 54 of the First Annual Report of the Mediation and Conciliation Service for the fiscal year ending June 30, 1948, which is entitled "Chapter 7. Summary of Experience"; and page 55, entitled "National Emergency Disputes," where a final analysis of all of the cases is made and tabulated——

Mr. TAFT. May I use a little of my own time?

In the report Mr. Ching says that, for the first time in Federal legislation, Congress, in the Labor-Management Relations Act, attempted a rather detailed explanation of the duties and activities of a conciliation and mediation service relating to industrial disputes generally. He says that experience was not sufficiently comprehensive to warrant making legislative proposals with respect to many of the provisions at the time of the writing of the report, but that at such time as he may be called upon to do so, the Director will be prepared to make legislative recommendations.

The Director has made legislative recommendations, and we have followed them. He recommended that the President be allowed to go ahead and declare an emergency before appointing a board. We followed his recommendation.

He recommended that the vote on final offer in national emergency strikes be eliminated. We followed his recommendation. He did not recommend that the injunction be eliminated. The general tenor of his testimony is that the injunction procedure might be improved in some cases. In some cases it has not worked well, but in a large number of cases it has worked well. Certainly he is making no recommendation that it be eliminated, and he is apparently approving a proposition to amend it and improve it rather than to repeal it. So we may assume, I think, that he approves in general of the procedure which has been recommended, or why would he recommend the various other measures as to which we have followed his advice, and not recommend the removal of the injunction?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HUMPHREY. I should like to read from page 63, volume I, of the hearings of the Committee on Labor and Public Welfare, in which Mr. Ching makes this statement in reference to what the distinguished Senator has been referring to:

I am not taking a position on the use of the injunction or nonuse of the injunction, because I do not believe that the head of a mediation service should make recommendations in matters of controversy between labor unions and employers.

That means he was not underwriting the injunction. His report indicates the failure of the injunction——

Mr. TAFT. No; his report does not indicate any failure of the injunction. His report, in effect, says that the use of the injunction was very effective in a considerable number of cases.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Illinois.

Mr. DOUGLAS. I appreciate that the Senator from Ohio is being kept on his feet for a long period of time, and I do not wish to add to his difficulties.

Mr. TAFT. I have no difficulties. I am perfectly willing to yield to the Senator from Illinois.

Mr. DOUGLAS. If the Senator will continue on page 63 of the hearings from the passage which the Senator from Minnesota has read, he will find that the Senator from Ohio asked Mr. Ching immediately thereafter, when Mr. Ching had said he did not want to make recommendations, this question:

Well, if you had not already done so, I would say that was a proper position; but it seems to me you have already done so in your report and testimony before the Joint Management Relations Committee.

Mr. CHING. I think, if you will read that in the proper light, Senator, you will find it is not intended to be a recommendation to the Legislature.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DONNELL. The Senator will observe that the next sentence says:

> It is something based on our experience, assuming that the use of the injunction would continue.

Does not the Senator interpret that to mean that while he would not take sides in the matter, being in the Conciliation Service, he was pointing out the actual experience which his agency had observed?

Mr. TAFT. I think Mr. Ching recognized that the injunction was a question as to which he did not wish to become involved in recommendations. I think all we can do is to go back and read his whole report. I hope Members of the Senate will do so. I think they will find the general conclusion is that in specific cases about which he was testifying the injunction was effectively used, in a very considerable proportion of the cases in which it was used.

I do not think there is much use in talking back and forth on the subject. I shall be glad to furnish Senators with copies of the report. In fact, the report was furnished at an earlier period to all Senators.

Mr. HUMPHREY. Mr. President, will the Senator yield so that I may make a comment to the Senator from Missouri?

Mr. TAFT. I can yield only for a question.

Mr. HUMPHREY. I shall put it in the form of a question.

Mr. TAFT. I yield for a question.

Mr. HUMPHREY. I wonder if the distinguished Senator from Ohio and the equally distinguished Senator from Missouri are familiar with the final passage which the Senator from Missouri was reading, which I now quote:

> The injunction was in the Taft-Hartley law, and what we were thinking about there was that there was an opportunity where you did not have to use the injunction except in a case where they did not comply with the President's request, and further, that the use of the injunction for 80 days was not working as well as we thought some other scheme would work.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DONNELL. It is a little difficult to state this in the form of a question, but I will ask again whether the Senator from Minnesota has observed that, notwithstanding this comment and the view of Mr. Ching that some other plan might have worked better, in his opinion, he stated that the existence of the injunctive order did much to forestall a national crisis and did assist in achieving a peaceful settlement.

Mr. NEELY. Mr. President, will the distinguished Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from West Virginia.

Mr. NEELY. Does not the Senator from Ohio think that in behalf of economy of time we should have the entire testimony of Mr. Ching read into the RECORD; so that the present debate may be completed before the end of the year?

Mr. TAFT. I think the Senator is correct.

Mr. NEELY. Mr. President, I deduce from what the able Senator has said that his substitute is very closely related to the Taft-Hartley law. Is that deduction correct?

Mr. TAFT. I think it is correct. I think title III is related to the Taft-Hartley Act. There was no such provision in the law before we started to write the law in 1947. We wrote one dealing with national emergency strikes. The distinguished Senator from Utah [Mr. THOMAS] has taken that law and removed all the injunction features and some other features and has adopted the rest of it.

Our amendment also is based on the Taft-Hartley law, retaining somewhat more of the features than is done by the distinguished Senator from Utah.

Mr. NEELY. The able Senator from Ohio is undoubtedly the supreme authority on the Taft-Hartley law, and he, of course, is thoroughly familiar with the amendment offered by the Senator from Illinois [Mr. DOUGLAS]. Therefore, will he not inform the Senate whether, in his opinion, the so-called Douglas seizure amendment is, either by blood, marriage, or otherwise, in any degree, related to the Taft-Hartley Act?

Mr. TAFT. I think it could be said to be a relation to the Taft-Hartley Act. The Taft-Hartley Act was the first law dealing with the subject. The distinguished Senator from Illinois has added a rather elaborate provision about seizure, and has taken out the injunction provision. It is pretty much the same.

Mr. DOUGLAS. Mr. President, will the Senator permit me to disavow the relationship?

Mr. TAFT. I merely stated it was a cousin. I did not state it was in the direct line.

Mr. NEELY. I thank the Senator from Ohio for his answer. It is in harmony with the conclusion I had reached and simply emphasizes my duty to keep my solemn pledge to the people of West Virginia, to vote not only against every letter, sentence, syllable, and elementary sound of the Taft-Hartley law, but also against all its kith and kin. [Laughter.]

Mr. TAFT. Mr. President, I have only one subject to mention before I conclude. The argument is that in some way the injunction is a reflection on labor, as compared with the employer. I cannot see any logic in that. An injunction is authorized against the employer just as much as against labor. It is a weapon used by the courts against individuals, as well as against corporations, for the specific performance of contracts, and for many other purposes. There is nothing peculiar about it that reflects on labor and I do not see how it can be said to be a reflection on labor. Any injunction issued is issued for the purpose of maintaining the status quo; that is, to keep the conditions just exactly as they are. It is issued against a labor organization, it is issued against the employer, as it was issued in the Oak Ridge case.

I think rather, Mr. President, the position of the labor union officials is part of the general position they assume, that they do not think that labor unions should be responsible, under the law, for any of their acts. They do not think they should be subject to the law. The distinguished Senator from Florida talked for hours on the difference between a corporation and a voluntary association of free men. What difference does that make? A corporation is a voluntary association of free men, but it comes under the leadership of one who is more powerful than any of the men. So voluntary associations of working men head up to one official who is more powerful than any of the others.

I can see no reason whatever why labor unions should not be subject to just exactly the same responsibilities and penalties, the same liabilities, the same obligations, as any individual or any corporation.

The Taft-Hartley law was a little more extreme than it should have been in some respects and we have tried to modify it by amendment. The labor people absolutely refuse to give any assistance whatever in correcting the injustices of the Wagner Act and the other acts, taking the position that labor should not be subject to law.

Mr. Green, of the American Federation of Labor, testified 2 years ago, and he testified again this year, that he did not think labor unions should be required to bargain collectively, and did not think they should be liable on their contracts, or liable to people to whom they caused injury. This was also the thesis adopted by the courts, until the United States Supreme Court itself finally, in an extortion case, held that extortion was not a crime in the case of a labor union because it was used to forward the general purposes of the union.

It was that attitude which brought about the change in the law, and in effect the position of labor toward the injunction is based on that theory. They do not want to be subject to any processes of court. They do not want to be subject to the rule of law. They do not want to be called before the courts, or held accountable in any respect. In that particular field I think they are acting against their own interests. I think they should be held responsible that they should have responsibility equivalent to their power.

Mr. DONNELL. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Missouri.

Mr. DONNELL. I ask the Senator if I am correctly quoting Hon. Lewis D. Brandeis in his book Business, a Profession, at page 94, when he says:

> This practical immunity of the unions from legal liability is deemed by many labor leaders a great advantage. To me it appears to be just the reverse. It tends to make officers and members reckless and lawless, and thereby to alienate public sympathy and bring failure upon their efforts. It creates on the part of the employers, also, a bitter antagonism, not much on account of lawless acts as from a deep-rooted sense of injustice, arising from the feeling that while the employer is subject to law, the union holds a position of legal irresponsibility.

Mr. TAFT. I have read those words of Mr. Justice Brandeis, and they express

exactly my thought on what is to my mind the real issue between the Taft-Hartley law and the Wagner Act. Unions always seemed to feel they were largely free from liability, as indicated in this statement of Mr. Justice Brandeis, which must have been made some time in the early part of the 20th century, long before he was appointed to the Supreme Court. The Wagner Act and similar laws made them more so, made them completely free from responsibility to the individual worker, the public, or to the employer with whom they dealt.

Of course, the injunction was probably used more freely—as I think Justice Brandeis points out in one of his opinions—simply because the labor unions were not liable to any form of legal liability. If that had not been the case, probably the difficulties with the injunction would not have developed. The later injunctions are nothing like the injunctions which were issued following the Debs case. The particular injunction provided for in our amendment would be used only once in a thousand strikes, in a case where the national safety and health were involved, and only in cases where every effort had been made to reach a settlement, as the only alternative where it appeared there would be a complete stoppage of essential services to the people of the United States.

As I see it, the position of the unions, is that they should not be liable to the ordinary processes of the courts, that they should not be made to desist from practices which bring disaster to the Nation, simply as a part of the general picture. They feel they should not be liable in any court for any act which arbitrary leaders may choose to take.

Mr. DONNELL. Mr. President, will the Senator yield so that I might corroborate the Senator's recollection as to the time when Justice Louis D. Brandeis wrote the words I have quoted?

Mr. TAFT. I yield.

Mr. DONNELL. The quotation is from an address delivered at a meeting of the Economic Club of Boston on December 4, 1902, and published in the Green Bag of January 1903.

Mr. TAFT. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Florida.

Mr. HOLLAND. Is it not true that the amendment offered by the Senator from Illinois does lay the predicate, under the established law of the United States, for the use of the injunction, in a case where a plant might have first been seized by the United States Government?

Mr. TAFT. Certainly under the United Mine Workers case there is a possibility that if the property is seized and then the employees refuse to work, there might be an injunction. I do not think the situation is clear under the Mine Workers case, because in that case there was an existing contract. I think the claim was that the workmen were violating the contract. Whether the same ruling would apply as in the United Mine Workers case if there were no contract, if the Government merely stepped in when the contract had expired and asked the men to work for the same wages, the same hours, and under the same working conditions, I am not certain. But it is at least possible that there might be such an injunction, and I think if there is a possibility of such a thing we ought to define what it should be and how it should be limited.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. Do I correctly understand the Senator to state, then, that at least in appropriate cases of seizure, under the amendment of the Senator from Illinois, the injunction would, under the present laws of the United States and the present rulings of the Supreme Court, be available to keep important national industries in operation?

Mr. TAFT. I am not completely certain, because I am not sure that the Mine Workers case would apply when there was no existing contract. In the Mine Workers case, Senators will remember that Mr. Krug and Mr. Lewis had entered into a contract which Mr. Krug claimed extended at least to the first of July. The strike took place, I think, in April. Mr. Lewis, I believe, claimed perhaps that the contract expired in April or perhaps he claimed that it had been violated by the employers, so that he had a right also to violate it. In any event the injunction seems to have been issued, at least in part, on the theory that the workmen were under contract to work. Now, whether if they were not under contract to work the Government could secure an injunction to make the employees work I think is an open question. In other words, I do not think I can say "Yes" or "No" to the Senator's question.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. HOLLAND. Is it not the Senator's opinion that in a case of seizure by the Government under the proposed amendment offered by the Senator from Illinois, in the event there were contracts in existence at the time, under the now established laws of the United States the right of injunction would lie to protect the continued operation of important national industries which had been seized?

Mr. TAFT. I am not so sure about that if the Taft-Hartley Act were repealed. I think it would be at least a doubtful question. After all, the United Mine Workers case was decided by a 5 to 4 decision, and a very slight variation in the facts might lead to a different result.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. TAFT. I yield to the Senator from Florida.

Mr. HOLLAND. In spite of the reluctance of the distinguished Senator to state with assurance that injunction would lie in any particular case, is it not the opinion of the Senator from Ohio that there are cases under which if seizure followed under the Douglas amendment, an injunction would properly lie?

Mr. TAFT. I think there might be such cases, yes.

Mr. HOLLAND. And that this amendment by no means does away with the prospects of use of injunctions in order to keep important national industries in operation?

Mr. TAFT. I think the Senator is correct with respect to the possibility of that being done. I have already pointed out that I think under the so-called general constitutional powers of the President there is at least a possibility, even though I do not agree with it, that an injunction might be obtained.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. DOUGLAS. I should like to make a couple of points, and I will try to phrase the matter in the form of a question, if I may.

Mr. TAFT. Let me finish. I shall conclude in a moment and then I will yield the floor.

Mr. President, in contrasting these two amendments I have not had a full opportunity to examine the amendment of the distinguished Senator from Illinois, but it is based primarily on seizure. That is the theory of it, regardless of what the possibilities may be. The express provisions are simply for seizure. Seizure and nothing else is the remedy proposed. I do not think that seizure is a very effective remedy. Seizure, incidentally, is the taking, not of the property of the workmen; it is the taking of the property of the employer. It is the taking of property of an employer who may be wholly right. He may be wrong, but on the other hand he may be wholly right. It is certainly an emergency action at least more doubtful, I think, and more one-sided than the injunction.

I agreed to insert a seizure provision in our amendment in conjunction with the injunction provision. The two taken together, it seemed, covered the field. The President could ask for one or the other as he might see fit, or he might ask for both. In both cases they were merely intended as something to maintain the status quo for 60 days, with the definite provision that the property goes back to the owner after that time. The amendment of the Senator from Illinois proposes that there be one period of 30 days, and then another period of 60 days after that. After the report, there shall be a period of 30 days, and then 60 days more, that is 90 days in all. Then the seizure can be indefinitely continued by concurrent resolution of Congress, and then we would have such a situation as seizure got us into during the war, in which, having taken hold, we cannot let go.

Now the seizure we propose is a very simple seizure compared to the other. Furthermore, the Senator attempts to spell out in his seizure provision a whole series of methods by which compensation shall be determined. First, the United States is entitled to reimbursement for expenses. Then any income shall go into the Treasury as miscellaneous receipts. Then just compensation is to be determined in these words:

In determining just compensation to the owners of the enterprise, due consideration

shall be given to the fact that the United States took possession of such enterprise when its operation had been interrupted by a work stoppage or that a work stoppage was imminent.

In other words, that would in effect be saying to the owners, "You are not going to receive anything for your plant because if we had not taken it you might not have made any money on it. It might have been shut down." That seems to me to lay the ground for the granting of no compensation at all. Our amendment leaves the whole matter open.

If there is to be seizure the owner can seek just compensation. Where the Government comes in only for 60 days, and knows it is going to be out after 60 days, the chances are they do exactly what they do in every other seizure case; they simply operate the property and turn over the profits to the owner as being roughly equivalent to just compensation for the use of the property.

But under the provision of the Senator's amendment it seems to me there would be a long law suit, and that the compensation would be determined, not by the courts in the first instance, but by some board appointed by the President which would, I believe, be very strongly influenced by this language to give just as little compensation to the owner as possible. It may be a case in which the owner is no way to blame, in which he has not any responsibility whatever. Sometimes the employer is right. Sometimes the employer is wrong. But in half the cases, we will say, the employer may be right, yet he is going to be penalized by having his plant taken, and being compensated on a very limited basis.

So the seizure that is provided for in the Senator's amendment seems to me something which is much less than fair, which can be continued indefinitely, and which may lead to that ultimate socialism of industry and the permanent seizure by the Government. There is more chance of that under the Senator's amendment than under the very simple provision which we have agreed to in our amendment.

If the President is going to have the powers referred to, it seems to me it is wise to make provision in the law respecting those powers. The principal difference is, of course, that we include the injunction. we include provision for deferment of a strike for 60 days while further efforts at mediation are made. The amendment offered by the Senator from Illinois does nothing of the kind. There are cases of Government seizure and still men will not work. That was true in the last case in the railroad industry. So that seizure is not a final method of securing the maintenance of the status quo for a period of 60 days.

Mr. President, I hope the amendment of the Senator from Illinois will be rejected and that the amendment we have offered will be adopted.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, and it was signed by the Vice President.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. DOUGLAS. Mr. President, I should like to reply, if I may, to some of the observations of the very able Senator from Ohio. I should like to say, to begin with, that we are dealing here with one of the most perplexing problems which our country faces. It is fundamental that we should reconcile the rights of labor in a free society with the need to prevent a break-down of those services which are essential to public health and safety.

In the nature of the case there is no perfect answer to those two sets of values which we are trying to reconcile and harmonize. In a free society we neither can nor should prevent strikes. In a free society men should be ultimately permitted to quit work, either individually or collectively, if they so desire. A police state can prevent strikes; and it does prevent them by the process of throwing the strikers or their leaders in jail, or shooting them down. That was fundamentally the method of preventing strikes in Fascist Italy and Nazi Germany. It is now the fundamental method used in Communist Russia. But a free society neither can nor should use such methods, and ultimately men should be free to leave work. Yet at the same time, due to the fact that industries and people are interrelated, the community can be brought to its knees by the disruption of vital services in transportation, coal mining, in steel after a period of time, in power plants, and so forth. We all recognize that the interests of the community as a whole, and of the great masses of consumers, need to be protected, as well as the interests of the strikers.

I am very frank to say that there is no perfect solution to any attempt to reconcile these conflicting, and in some cases contradictory, purposes—namely, freedom for the worker and at the same time protection for the community. In the main, a free society must depend upon the voluntary good sense of all parties, and upon the willingness of individual groups to subordinate their interests to the general good. It is upon that sense that fundamentally every society that aims to be free must depend. Any system of law is only supplementary to that principle, and can only introduce refinements upon it.

As I see it, there are only three legal methods by which we can attempt to supplement the main policy of getting the parties together. There are only three methods by which we, as a state, can deal with the issue.

The first is the method of compulsory arbitration. I do not believe that any responsible group, either of workers or employers, desires this. If we trace the history of compulsory arbitration, as it has been tried in New Zealand and in Australia, we find that it leads to a very minute regulation of all the affairs of industry and tends to supplant the free and voluntary agreement of the parties. I am very pleased to see that no one in this present situation is proposing compulsory arbitration.

The other two methods are injunctions and seizure. I wish to say just a word about the difference between those methods—between the methods at present embodied in the Taft-Hartley law and continued in the proposed Taft Act, and those embodied in the amendment submitted by the Senator from Vermont [Mr. AIKEN] and myself.

The injunction, as it has been used under the Taft-Hartley law, and as it is also contemplated in the proposed Taft Act, is a court order, obtained after a showing by one party to the controversy, which orders the men and their leaders to go back to work for a private employer producing for private profit, on terms which prevailed at the outbreak of the dispute, and which those who originally went out on strike believe to be unjust. I submit that this method is not one to obtain consent from the great groups of workers in this country, and it is not one fundamentally to obtain justice.

The able Senator from Minnesota [Mr. HUMPHREY] has pointed out the fact that in the 23 years during which the Railway Labor Act has been in effect there have been virtually no strikes of any consequence during the so-called cooling-off period of 60 days. All that the Taft-Hartley law does, all that the proposed Taft Act does, and all that our amendment does, is to provide a cooling-off period for a certain length of time. After that period of time, under every proposal which is made the parties would be free to act, and there would be no legal restraint upon them. Therefore the whole question is, How can we get uninterrupted production and yet approximate justice and encourage a settlement during the so-called cooling-off period?

That is all that is at stake—60 days under the Taft proposal, 30 days as in the Thomas bill, and 90 days as in the Aiken-Douglas amendment.

As the Senator from Minnesota has pointed out, in the railway industry there has never been a strike of appreciable size during the 60-day period of negotiation and conciliation, and the injunction has not been needed in the railway industry to maintain peace and uninterrupted production during those 60 days. They have been obtained without the injunction.

The railway strike of 1946 occurred after the cooling-off period; and, as has been developed on the floor of the Senate, it was perfectly legal and would have been legal under the Taft-Hartley law. It would have been legal under the proposed Taft amendment, and would have been legal under our amendment.

The able Senator from Minnesota is entirely correct when he says that the procedure of the Taft-Hartley law and of the Taft amendment, with all the injunctions which might be possible, would not preserve peace any more fully in the railway industry than has been done. But we have had some experience under the Taft-Hartley Act. There have been seven cases of declared national emergencies. In four of the cases injunctions were obtained. In three cases injunctions were not obtained. Those four cases were the atomic-energy case, the longshore strike on the Atlantic coast, the maritime strike on the Pacific coast, and the general coal-mine strike of 1948.

Let us take up the first three cases first. In the two maritime strikes, one on the Pacific coast and the other on the Atlantic coast, the workers waited out their 80 days, and then struck. There is as much evidence to indicate that the injunction heated the men up as that it cooled them off. One could make a very good case indeed that these strikes after the period of 80 days were more violent and more bitter than they would have been had the injunction not been used.

The atomic-energy case was an example of a case in which the workers wanted to arbitrate. The plant was operated by a private company under contract. The workers were the ones who asked for arbitration. The company did not wish to grant arbitration. The workers gladly waited out the 80 days, and at the end of the 80 days the dispute was settled, not because an injunction had previously been issued, but because responsible leaders of the American Federation of Labor went to Tennessee and persuaded the men not to strike under any conditions, because, as we all know, a strike in such an operation as that would be extremely serious.

Mr. LUCAS. Mr. President, will the Senator yield on that point?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the junior Senator from Illinois yield to the senior Senator from Illinois?

Mr. DOUGLAS. I shall be very glad to yield.

Mr. LUCAS. I should like to ask my able colleague a question along that line: At the end of 80 days during the emergency, the injunction expired, is that correct?

Mr. DOUGLAS. That is correct.

Mr. LUCAS. Am I correct in my understanding that the only way another injunction could have been obtained would have been for another cause of action to have arisen after the first cause of action had ended?

Mr. DOUGLAS. That is correct.

Mr. LUCAS. I ask that question because on yesterday the Senator from Minnesota [Mr. THYE] had this to say, according to the RECORD:

> If I may be allowed to make a comment along with my question, I recognize that under the injunctive procedure, if an injunction is imposed for 60 to 90 days, at the end of that period the dispute immediately continues, and there may be a second injunction imposed. Would there not come a time when we would actually be proceeding under a constant injunction?

That query was propounded to the able Senator from Oregon [Mr. MORSE]. The Senator from Minnesota proceeded a little further about the matter, but the Senator from Oregon did not answer that question. I was tempted to rise at the time and ask the able Senator from Oregon to elaborate on that point.

It seems to me it should be cleared up at this time, because some persons have a notion that once an injunction is granted by a court, it continues, and is a continuing injunction. In other words, some persons have a notion that an injunction procedure in national emergencies cases would be similar to a procedure under an injunction obtained in Mason County, Ill., in a suit between two parties.

However, that is not the case here. I understand that after the 80 days have elapsed, the injunction becomes noneffective, and then those who have engaged in the strike can either settle it themselves, or can continue to strike, or can do anything else they wish to do, without having any phase of the Taft-Hartley law effective.

Mr. DOUGLAS. My good friend, the senior Senator from Illinois is completely correct in his statement; and I doubt, although I do not know, whether the Senator from Ohio would say that after the period of 80 days has passed, in a case in which a national emergency has been declared, the President could again say that a national emergency existed, because in that event we would be faced with the possibility of a continuing injunction, which the Senator from Ohio may wish to get away from.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. LUCAS. As the RECORD shows, the Senator from Minnesota [Mr. THYE] also said yesterday:

> The same idea could be applied to seizure. At the end of the seizure period, if the question arose again, there could be imposed another seizure. Would not the plant, under those circumstances, be under the supervision of the Government or a board or a commission established by law to maintain control and operate the plant?

In other words, the senior Senator from Minnesota was laboring under a completely erroneous conclusion with respect to the effect of either the seizure or injunction provisions, once the cooling-off period has expired.

Mr. DOUGLAS. He certainly labors under an erroneous conclusion insofar as the seizure provisions of the Aiken-Douglas amendment are concerned, because we specifically say that the injunction cannot be continued beyond 90 days except by concurrent resolution of both Houses of Congress.

I am not certain that the Senator from Ohio has in his amendment terminal procedure provisions similar to those contained in our amendment.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. CAPEHART. I am somewhat confused about the situation. Perhaps I shall not be after I obtain the Senator's answers to a few questions, if he will be kind enough to answer them.

From listening to the debate between the Senator from Illinois and the senior Senator from Ohio I have gathered the impression that the injunction provisions of the present Taft-Hartley Act have failed to work and have not accomplished anything.

Mr. DOUGLAS. That is my conclusion; yes.

Mr. CAPEHART. And that we would be better off without them.

Mr. DOUGLAS. That is my belief; yes.

Mr. CAPEHART. Then I have just read the proposed amendment of the Senator from Illinois to the amendment of the able Senator from Ohio, and I find that the Senator from Illinois in that amendment is asking for injunction procedures.

Mr. DOUGLAS. Oh, no.

Mr. CAPEHART. And is asking that plants be seized.

Mr. DOUGLAS. No; we are asking for seizure as a last resort; but there is no explicit provision for an injunction in our amendment.

Mr. CAPEHART. What is the difference between seizing plants and obtaining an injunction?

Mr. DOUGLAS. There is a very great difference.

Mr. CAPEHART. In principle, what is the difference?

Mr. DOUGLAS. Under an injunction, an order is issued putting upon labor an obligation to return to work for a private employer, under the conditions which prevailed at the time of the outbreak of the dispute. In the case of seizure, the men are asked to return to work for the community; and that constitutes a very real psychological difference, I think.

Mr. CAPEHART. In principle, the amendment of the Senator from Illinois would simply say to labor, "You must go back to work on the same terms on which you were working before, until something happens in the future." Is not that correct?

Mr. DOUGLAS. As I was attempting to say, what we are trying to do is at once to protect the rights of labor and also to protect the community and enable the community to have uninterrupted service in the things that are vital to its health and safety; and there is no completely satisfactory answer as to how to reconcile those two purposes.

Mr. CAPEHART. From the statements which have been made, I gathered that the Senator from Illinois is opposed to any sort of interference with the right of labor to strike, and that he is opposed to any injunction or seizure, but that he thinks labor should be permitted to continue in its own way.

Mr. DOUGLAS. I am opposed to any complete prohibition of the right to strike; that is correct.

Mr. CAPEHART. Do I correctly understand that the amendment of the Senator from Illinois in effect would say to the strikers, "You must go back to work"?

Mr. DOUGLAS. First, let me say that it is our belief that if there is a 90-day waiting period and an emergency board making findings and recommendations and if the injunction is removed from the field, there is much more likelihood that an agreement will be reached, so that the men will continue to work for the private employer. But if that fails, and if the only way of dealing with the issue is by Government seizure, then we adopt that method.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. DOUGLAS. Yes.

Mr. CAPEHART. Under the Taft-Hartley law there is an 80-day waiting period; is there not?

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. And under the Douglas amendment there is likewise a waiting period; is there not?

Mr. DOUGLAS. Yes; a waiting period of 90 days.

Mr. CAPEHART. A waiting period of 90 days?

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. Under the Taft-Hartley law, at the end of 80 days the injunction is issued——

Mr. DOUGLAS. No; the injunction is issued before the 80 days, and it can run during the 80 days. After the 80 days, the men are free.

Mr. CAPEHART. The point which confuses me is this: Are not the end result of the amendment of the Senator from Illinois, the end result of the Taft amendment, and the end result of the corresponding provision of the Taft-Hartley Act one and the same? In other words, all of them provide that at the end of a certain period of time the strikers shall be told, "Now you have to go back to work."

Mr. DOUGLAS. No; they are alike only in that at the end of 60, 80, or 90 days, respectively, they provide that the strikers are free to proceed as they wish.

Mr. CAPEHART. I understand that at the end of the cooling-off period, all three measures provide that the Government shall step in and shall say to the strikers, "Now you must go back to work." Is that correct?

Mr. DOUGLAS. No. At the end of that period all three of the measures allow complete freedom to both parties.

Mr. CAPEHART. Then let us start over again; one of us seems to be confused.

Mr. DOUGLAS. We shall try to reduce the confusion.

Mr. CAPEHART. When a strike occurs, a mediation board is appointed——

Mr. DOUGLAS. The emergency board should be appointed before the strike occurs, in order to investigate the issues at stake.

Mr. CAPEHART. Well, will the Senator from Illinois agree that at a given time, under all three measures—the present Taft-Hartley law, the Taft amendment, and the Douglas amendment—the Federal Government steps in and says that those who are on strike must go back to work?

Mr. DOUGLAS. No; I would not say that.

Mr. CAPEHART. Then what good is the Senator's amendment, or what good is the amendment offered by the Senator from Ohio [Mr. TAFT]? What good is the Taft-Hartley law?

Mr. DOUGLAS. I would say that the present Taft-Hartley law provides injunctive powers only to compel steady work during the cooling-off period. The amendment I have offered provides seizure powers only. But the new Taft amendment provides both seizure and injunction, and the Senator from New York, our very amiable friend, says, "Dump it into the lap of Congress."

Mr. CAPEHART. Will the able Senator explain to me as a practical matter, from the strikers' or workers' standpoint, what is the difference whether they are ordered back by injunction or whether they are ordered back by virtue of the Government's seizure of the plant? As a practical matter, from their standpoint of trying to secure more wages or better working conditions, what is the difference in principle between the two?

Mr. THOMAS of Utah. Mr. President, I think if the Senator will let me try to answer——

Mr. DOUGLAS. I am very glad to yield to the Senator for that purpose, if I may have unanimous consent.

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Utah?

Mr. DOUGLAS. Yes; I am very glad to yield to the Senator.

Mr. THOMAS of Utah. I think the difference is very great. It comes from the fact that the workers trust their Government. Through seizure of the plant the working place is taken over by the Government, and the worker is willing to go back.

The PRESIDING OFFICER. Does the Senator from Illinois ask unanimous consent that the Senator from Utah may be allowed to answer the Senator from Indiana, without the Senator from Illinois losing his place on the floor?

Mr. DOUGLAS. Yes; I do. I hope I will not lose my place on the floor. I know the Senator from Utah will not take it from me.

The PRESIDING OFFICER. Without objection, consent is granted.

Mr. THOMAS of Utah. I think both the question and the answer have omitted one very important point. Under the injunctive theory, the court, which is, to be sure, a Government agency, merely orders a continuance of the status quo; that is, that the parties shall keep on doing what they have been doing. The point is, when such an order is issued, the Government tells the worker he must work for a private employer against his will. When the Government seizes a plant, the Government is in charge, and the worker in theory works for the Government. The difference is simply a difference of trust. The worker does not like to strike against his Government. He believes his Government will be fair with him. With the plant in Government hands he is sure that his rights will be maintained. It should be remembered that in the seizure case the worker's freedom to quit is not taken away from him, whereas in an injunctive case he must remain where he is.

Mr. CAPEHART. If the Senator from Illinois will yield further, if I read them correctly, both the Taft amendment and the Douglas amendment——

Mr. DOUGLAS. It should be called the Aiken-Douglas amendment. It is not a solo on my part.

Mr. CAPEHART. Under the Douglas-Aiken amendment, or the Aiken-Douglas amendment, even when the Government seizes the plant, the workers must still continue to work under the same conditions and for the same rates of pay.

Mr. DOUGLAS. The Government does not by itself alter the rates of pay or conditions of work. We included that restriction because at the end of 90 days we say the plants are to go back to private industry, and we did not want to fasten upon private industry increased costs to which they might not otherwise agree. It is our attempt to protect the private owners that causes us to include that provision.

Mr. CAPEHART. If the Senator will yield further——

Mr. DOUGLAS. I am very glad to yield.

Mr. CAPEHART. The able Senator from Utah says the workers have confidence in the Government which they might not have in private industry, and that they have the right to quit. If they have the right to quit, then are we not back to where we started? What is the use of discussing the matter at all? Why have any provision of law?

Mr. DOUGLAS. It is our belief that they will not quit when they see the Government is in possession of the plant, but will return to work.

Mr. CAPEHART. But the able Senator from Utah said they had the right to quit.

Mr. DOUGLAS. They have the right, but we believe that they will not exercise it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Vermont.

Mr. AIKEN. My name was brought into the discussion. As I understand, it is not so much a question of where the worker is to repose his confidence, as it is a question of judgment. Under the Taft amendment, as I understand, if there is a strike in an industry which affects the health and security of the country, the Government could appeal to the courts for an injunction to keep the men working for the private industry.

Mr. DOUGLAS. That is correct.

Mr. AIKEN. Whereas under the Douglas amendment——

Mr. DOUGLAS. The Aiken-Douglas amendment.

Mr. AIKEN. Very well. Under the Douglas-Aiken amendment, the Government could not secure an injunction to keep the men working in private industry.

Mr. DOUGLAS. That is correct.

Mr. AIKEN. But the Government would have the power to seize the industry and operate it for the period of 90 days in the name of the Government, and during that time it could appeal to the courts to keep the men at work for the

Government in a vital industry. At the end of 90 days, of course, the plant, which would probably be a mine or a power plant, would have to be turned back to the owners. But before that time, if the strike was serious, I assume the President would have put the matter in the lap of the Congress. I do not believe, however, we should take the position that the President should throw it into the lap of Congress, as some of the amendments propose, before he has exhausted all the implements in the hands of the executive branch of the Government to settle the strike. In other words, I do not believe that Congress should undertake the work which properly belongs to the executive branch, until it becomes clearly apparent that the executive branch cannot handle the situation.

The injunction which is provided for in the Taft amendment would make it possible for the Government to require men to continue working for a private industry for its profit, whereas that could not be done under the Douglas amendment. The plant would have to be seized. Of course, the Taft amendment provides that the Government could seize the plant, and it also provides for the alternative plan of an injunction to keep the employees at work for a given period.

Mr. DOUGLAS. The Senator from Vermont has made a very able statement.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield to the Senator from Indiana.

Mr. CAPEHART. Is it not the end result, is it not the purpose of all three proposals, the amendment of the Senator from Ohio [Mr. TAFT], the amendment offered by the Senator from Illinois [Mr. DOUGLAS], and of the Taft-Hartley law to force the men back to work?

Mr. DOUGLAS. No.

Mr. CAPEHART. Then what good are they?

Mr. DOUGLAS. I may say to the Senator from Indiana in all charity that he seems to think that the only thing that will get men back to work is force.

Mr. CAPEHART. No, no.

Mr. DOUGLAS. We do not believe that at all. We believe that in the main if there are provided methods of conciliation, with proper instrumentalities an agreement will be obtained. It is not necessary to force men back to work; and we are trying to keep the idea of force as a latent possibility, far back in the picture, to be used as infrequently as possible. We do not want it to be in the forefront.

Mr. CAPEHART. If the Senator will yield further, how is it to be done? Let us then eliminate the word "force." But the men would be put back to work by virtue of a law, would they not?

Mr. DOUGLAS. We hope they would go back to work. We hope that they would return to work for the Government, and we believe that if that issue were presented to the American people, the men would resume their work. We have faith that they would.

Mr. CAPEHART. Mr. President, if the Senator will yield further, does he not know that in the case of the coal strike and the railroad strike, after the Government took over the properties and the men were supposed to be working for the Government, they still refused to work, and struck?

Mr. DOUGLAS. I know that was so in the case of the coal strike, but it is not at all certain that the application of the injunction caused them to return to work.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should like to yield, first, to the Senator from Vermont.

Mr. AIKEN. Mr. President, of course there could be instances in which the men would not go back to work, but in a critical strike the men would be far less likely to defy their Government than they would be to defy a private employer.

Mr. DOUGLAS. The Senator from Vermont, in his customary laconic and accurate fashion, has stated in one sentence what the rest of us have been trying to say all afternoon.

Mr. HILL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HILL. Is it not a fact that, although the Government took over the coal mines, coal miners continued to work for the private coal operators, whereas, if the Government seizes and takes over the property, the employees will be working not for the private operators, but for the Government?

Mr. DOUGLAS. That is true; but we are also providing just compensation for the owners of the property during that period; not residual profits, but just compensation, interest upon capital, together with an allowance for the circumstances in which the business had been operating at the outbreak of the strike.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. The Senator is a member of the Committee on Labor and Public Welfare, and I am not. Therefore I have not had the advantage of listening to the witnesses as have some other Senators. But I should like to ask this question: Why is it not a better plan simply to permit the President of the United States to handle these matters under the inherent law of the land?

Mr. DOUGLAS. Without any specific instructions?

Mr. CAPEHART. Yes.

Mr. DOUGLAS. That was debated for some time. There were some who advocated it. I finally reached the conclusion that in a matter of such gravity as this it would be well for the Congress to spell out in advance the powers which the President could exercise, rather than to give him a blank check. I think that ultimately it would be safer for the Nation in most instances that that be done. In this respect I join with the Senator from Ohio [Mr. TAFT].

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I am glad to yield to the Senator from Indiana.

Mr. CAPEHART. Is not the end result, either through the Taft amendment or the Douglas amendment, that we are turning the responsibilty and the authority over to the Government anyway?

Mr. DOUGLAS. We are returning some responsibility and some authority, but with differing powers. In the main, the difference is that the Senator from Ohio in the Taft-Hartley Act held on to the injunctive process; we want to use seizure, and the Senator from Ohio now advocates seizure as an alternative or coincidental method to injunctions as well.

Mr. CAPEHART. In other words, the proposal of the Senator from Illinois is to place an injunction against the employer and not against the employee.

Mr. DOUGLAS. No.

Mr. CAPEHART. Seizure is the same thing; is it not?

Mr. DOUGLAS. Oh, no; not at all.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Vermont.

Mr. AIKEN I think it goes without saying that the employer does not want his plant seized. The difference between the Taft amendment and the Douglas amendment is that the Taft amendment provides that the President may use injunction or seizure, whereas the Douglas amendment provides that the President may use seizure, and, I assume, injunction, if necessary, after seizure.

Mr. DOUGLAS. That is correct, but he could only use injunction if seizure did not work. He could not use it to force men back to work for the private project of private employers. But we do not believe it would be necessary to use the injunction after seizure.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. I am wondering if the Senator is not about to come to the same conclusion as that which I have reached, that if we permit the Federal Government to handle the matter, either by injunction, as some recommend, or by seizure of plants, as others recommend, the question is thrown back into the lap of the President of the United States, and why should we not permit the President of the United States to handle it under the inherent rights he has as the President of the United States? Why complicate the matter? I have listened to Senators who have stated that the plan will not work, it does not work, it has not worked, and that labor is opposed to it. I know labor is opposed to it; and the Senator from Illinois takes the position that it has not worked.

Mr. DOUGLAS. I say the injunction has not worked.

Mr. CAPEHART. In principle there is no difference between injunction and seizure, because in either case we order the men to continue to work against their will.

Mr. DOUGLAS. I do not know how I can make my statement any plainer than I have made it. I say that if we have Government seizure, in the vast preponderance of cases the men would return to work willingly and voluntarily, because they would be working for their Government.

Mr. CAPEHART. I wish I could agree with the able Senator from Illinois in

that statement. I wonder if the able Senator ever had any experience in negotiating contracts or whether he has ever hired labor?

Mr. DOUGLAS. I have done a great deal of arbitrating in industrial disputes. I think I mentioned a few days ago that I was chairman of an international board of arbitration for 17 years, and have arbitrated a great many disputes. When I was a member of the City Council of Chicago there were a great many disputes which I helped to mediate. While I have never met a large pay roll, I am not entirely ignorant on these questions. I do not, however, flaunt any experience I may have had, and I do not claim to be an expert.

Mr. CAPEHART. I should like to have someone—it does not need to be done today—explain to me why it is better either to adopt the amendment offered by the able Senators from Illinois and Vermont, or the one offered by the able Senator from Ohio, rather than to permit the President of the United States to handle these situations. I do not think we can force men to work, I do not think we make them work against their will.

Mr. DOUGLAS. Do I correctly understand the able Senator from Indiana to have the same sentiments which a character in Romeo and Juliet had when he said, "A plague on both your houses"?

Mr. CAPEHART. No; I am not taking that position at all.

Mr. DOUGLAS. The Senator said he did not agree with the Taft proposal, the Taft-Hartley proposal, or the Aiken-Douglas proposal, and that he wanted to trust to the inherent powers of the President.

Mr. CAPEHART. No; it has been maintained that the Taft-Hartley bill will not work and that the Taft amendment will not work. The Senator from Illinois offers an amendment containing a provision which is practically the same, by which it is said to the strikers, "You must go back to work." Why not leave it up to the President of the United States?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield to the Senator from Vermont. I think he will be more successful in elucidating this point to the Senator from Indiana than, unfortunately, I have been able to do.

Mr. AIKEN. I think it would be very dangerous to assume that the President has inherent rights to do anything which he is not prohibited from doing by the Constitution or by the law. I believe the dictionary states that anything inherent is something done within one's self. It is, in effect, a divine right. The Revolutionary War was fought, as our history tells us, because King George of England assumed inherent rights. When the founding fathers established the Government of the United States they undertook to spell out, so far as possible, the various functions of the duties and authority of the different branches of Government, including that of the executive branch.

It would be very dangerous to assume that the power of the President was unlimited. I think labor and industry agree that they do not want any assumption of inherent rights on the part of the President. Therefore, it is very important to spell out, so far as possible, just what course the President should follow and what implements he should use in attempting to break a strike which was affecting the national health and safety.

I believe the Attorney General made a mistake in his statement that the President had such broad authority. We expected to have him before the committee and ask him about it, but were unable to get him before the committee, because he had very flimsy ground to stand upon.

Mr. CAPEHART. One other question, Mr. President. Now we are up to the 80 days, as it is in the Taft law, at which time the injunction runs out.

Mr. DOUGLAS. That is correct.

Mr. CAPEHART. And in the Taft amendment——

Mr. DOUGLAS. It is 60 days.

Mr. CAPEHART. And in the Aiken-Douglas amendment it is——

Mr. DOUGLAS. Ninety days. Seizure is limited to that.

Mr. CAPEHART. At the end of the 60, 80, or 90 days, so far as the strike is concerned, the law expires, and then what are we going to do, if the workers have not gone back to work, and the strike is not settled?

Mr. DOUGLAS. I would say there is one thing we should not do; we should not fasten a permanent injunction upon labor, and I hope the Senator from Ohio does not propose to fasten a permanent injunction on them. We should not fasten a permanent seizure on an industry, I would expect that under those conditions what would happen would be that probably, if the situation were grave, the Congress would be called into session.

Mr. CAPEHART. Does not the Senator think that at the end of 60, 80, or 90 days, the President of the United States, under existing powers and authority vested in him, would have the right to step in and stop a Nation-wide coal strike, or railroad strike, or any other strike that was interfering with the safety of the American people?

Mr. DOUGLAS. I would much prefer that he did it with the advice and consent of Congress. I would again like to point out that in our amendment we provide a remedy. We provide that the seizure can continue beyond the 90 days if both Houses of Congress so agree. So that we keep the ultimate action in Congress.

Mr. CAPEHART. The Senator does not need to write anything into law to give both Houses of Congress the right to pass a law. They can do that any time they desire to do so. It is not necessary to spell that out in any legislation. If there were a national emergency, the President of the United States would have the right to call the Congress into session, and they would have the right to pass any legislation they thought fit.

Mr. DOUGLAS. We believed it would be helpful to specify additional powers. The President could not take action by himself.

Mr. CAPEHART. Without any law or any method of dealing with this situation, after the Mediation Board have concluded their findings and reported to the President, if the matter is not immediately settled, why should we not put ourselves in the same position in which we would be at the end of the 60, 80, or 90 days?

Mr. DOUGLAS. Does the Senator mean to go immediately to Congress? Is that his proposal, that immediately upon the report of the Emergency Board, the matter should be submitted to Congress?

Mr. CAPEHART. No, I rather feel that we should leave it entirely up to the President of the United States.

Mr. DOUGLAS. Does the Senator want the President to use his power, or is it the Senator's belief that nothing should be done?

Mr. CAPEHART. My belief is that in case of a national emergency, the President of the United States should take whatever action is necessary in order to protect the people, which he has the right to do, in my opinion, as to anything which affects the safety of the people.

Mr. DOUGLAS. That issue was discussed in the committee. I am sure the Senator's very able colleague, the Senator from Missouri, does not agree with him in his statement, because I heard him expound at some length the principles of constitutional law which he contended very strictly limit the inherent powers of the President. I suggest that the Senator from Indiana get together with his colleague, the Senator from Missouri, and settle these issues.

Mr. CAPEHART. I am hopeful that the matter will be debated; but I was curious to know why we have three proposals. So far as I am personally concerned, all three are exactly the same, the end result is exactly the same, one providing 60 days, one 80 days, the other 90 days, and all three of them order the men to go back to work. That is all any one of the three does. The Senator can call it any name he desires to call it—seizing the factories, or whatever he wishes to denominate it—it is one and the same thing. The men are told at the end of a certain period of time, "You go back to work." Then if at the end of 60, 80, or 90 days the strike has not been settled, we are right back where we started; we have no legislation regarding it whatsoever; we have either to call Congress into session and pass new legislation, or the President has to handle the matter under his inherent powers.

Mr. DOUGLAS. It is our belief that during the 90 days, with the procedures we have outlined, virtually all strikes would be settled, and instead of bringing in these ultimate resorts immediately, we would create a period of negotiation.

Mr. President, I seem to have failed utterly and completely in conveying my meaning to the Senator from Indiana. I confess to a sense of frustration and inferiority at my failure in the whole matter, and I shall earnesly try, when we next engage in this discussion, to do better, so I ask the Senator to accept my regrets and my expression of inferiority for the way I have handled this matter.

Mr. CAPEHART. What is it the Senator failed to do?

Mr. DOUGLAS. I failed to make clear to the Senator that during the 90-day period there would be effective methods

for dealing with the majority of strikes. I confess, as I have said, my sense of inferiority and failure. The fault must be mine.

Mr. CAPEHART. I agree with the able Senator that either the Taft amendment or his amendment deals effectively with the matter, because it simply orders the men to go back to work. There is no question about that.

Mr. DOUGLAS. The more the Senator speaks, the more a deepening sense of inferiority sweeps upon me. I say that sincerely.

Mr. CAPEHART. I am quite surprised that the Senator would not advocate that the President should handle the matter.

Mr. DOUGLAS. I may say that in the early part of the hearings, as the record will show, I thought that it might be well not to pass specifically on this point, and to trust to the implicit powers of the President. I think I so expressed myself. The more I thought it over, however, the more afraid I became that we might have a President sometime who would interpret those powers too broadly, and that we would have a tyranny fastened upon the country. Therefore, in order to protect the country from a possible future President—of a different political complexion—I thought it would be desirable to put in these restrictions and guides.

Mr. CAPEHART. The President will have to handle the matter, under either of the provisions, at the end of the 60, 80, or 90 days. The Senator is basing his hope on the fact that during the 60, 80, or 90 days the men will cool off and the employers will cool off and they will get together. He is basing his entire hope on that.

Mr. DOUGLAS. We hope that they will not only cool off, but will come to an agreement.

Mr. CAPEHART. Would not the better method of having them cool off be to let them know that the President of the United States would have the right to settle the matter in 1 day, or 10 days, or 20 days, or 30 days, or 40 days?

Mr. DOUGLAS. I should be very much more pleased if the Senator from Indiana would prepare an amendment to that effect, and I shall be glad to study it carefully.

Mr. CAPEHART. If I prepare an amendment, will the able Senator from Illinois support it?

Mr. DOUGLAS. I would want to see the amendment. But I will say that I would study it with great interest. I shall be very greatly gratified if the Senator will prepare such an amendment, so we may discuss it.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Illinois yield to the Senator from Missouri?

Mr. DOUGLAS. I am glad to yield.

Mr. DONNELL. Permit me to revive the Senator's drooping spirits by asking him a question along a little different line from those which have just been asked him.

Mr. DOUGLAS. Mr. President, permit me to say to the Senator from Missouri that my spirits are really not drooping so much, and my inferiority complex is recovering.

Mr. DONNELL. I realized that as soon as I got on my feet.

I wish to ask the Senator from Illinois if I am correct in understanding him to say some little time ago, in substance, that the provisions of the Aiken-Douglas, or Douglas-Aiken amendment relative to the expiration of the time of the seizure are more definite and certain than are the corresponding provisions of the Taft amendment? Am I correct in my understanding of the Senator's statement?

Mr. DOUGLAS. I think I said I was not certain what the provisions of the Taft amendment were in that respect.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I am glad to yield.

Mr. DONNELL. Will the Senator permit me to read a few lines, on page 6 of the Taft amendment, which I think will clear up the question in his mind. This is the provision of the Taft amendment:

> At the end of a 60-day period following the issuance of a proclamation pursuant to section 301 or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction and return the industry to the owners thereof if the President has taken possession, which motion shall then be granted and the injunction discharged.

Does not the Senator think that that is a very clear and definite provision as to the expiration of the period of the seizure?

Mr. DOUGLAS. Apparently it is, but the uncertainty which arises in my mind is based on the fact that I am not certain whether the Taft amendment contemplates the issuance of a second proclamation. That is, if, after the expiration of 60 days, the President should issue a proclamation for the second time saying that the national emergency existed, there could then be a continuing injunction going on permanently. It was upon that point that I had expressed my uncertainty.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. Yes.

Mr. DONNELL. I understand that the provisions of the Douglas-Aiken amendment are that possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board, unless the period of possession is extended by concurrent resolution of the Congress. Am I correct in that?

Mr. DOUGLAS. The Senator is correct. This is a total of 90 days, however.

Mr. DONNELL. So the Douglas-Aiken amendment contemplates and specifically provides for the possibility of a concurrent resolution of the Congress extending the period of the seizure?

Mr. DOUGLAS. That is correct.

Mr. DONNELL. Whereas the Taft amendment distinctly provides, as I have already read, that at the end of the 60-day period, and so forth, the Attorney General shall move the court to discharge the injunction and return the industry, "which motion shall then be granted and the injunction discharged."

I have correctly quoted the two amendments, have I not?

Mr. DOUGLAS. As I said, the uncertainty in my mind is whether under the Taft amendment the President could not issue a second proclamation upon the expiration of the 60-day period, and then after another 60 days issue a further proclamation, and so on. That is the question in my mind.

Mr. DONNELL. Mr. President, may I ask the Senator a further question?

Mr. DOUGLAS. I am glad to yield to the Senator from Missouri for a question.

Mr. DONNELL. Does the Senator find anything in the Taft amendment that provides for or even remotely hints at the idea of a subsequent application to renew the seizure a short time after it shall have been terminated?

Mr. DOUGLAS. I do not find an authorization, but the lack of a prohibition led to some uncertainty in my mind.

Mr. DONNELL. That is the uncertainty to which the Senator refers, rather than any doubt as to the meaning of the specific language used in the Taft amendment.

Mr. DOUGLAS. That is correct.

Mr. DONNELL. I thank the Senator from Illinois.

Mr. AIKEN. Mr. President, will the Senator from Illinois yield to me?

Mr. DOUGLAS. I am very glad to yield to the Senator from Vermont.

Mr. AIKEN. Is it not possible that the President might assume inherent powers to issue a second proclamation at the end of the 60 days, inasmuch as he is not prohibited from doing so under the Taft amendment?

Mr. DOUGLAS. That is correct.

Mr. DONNELL. Mr. President, will the Senator again yield to me?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. DONNELL. Did I correctly understand the Senator to state that he understood my position was that the President does not possess those inherent powers?

Mr. DOUGLAS. I so quoted him in reply to the Senator from Indiana. I would suggest to the Senator from Indiana and the Senator from Missouri that they get together on this question of the inherent powers of the President.

Mr. DONNELL. I thank the Senator from Illinois.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. PEPPER. If I understand the situation correctly, there are now before the Senate five proposals dealing with the subject of the national emergency. The Thomas bill provides for Presidential proclamation; for the appointment of a fact-finding board; for giving the fact-finding board power to make recommendations, and the bill itself makes it the duty of the worker to stay on the job if he is on the job when the Presidential proclamation issues, and if he has gone off the job, to resume work.

Mr. DOUGLAS. I may say in justice to the Senator from Florida that I yielded for a question.

Mr. PEPPER. I wish to ask the Senator from Illinois a question.

Mr. DOUGLAS. I shall be very glad to have the Senator do so.

Mr. PEPPER. I was going to ask the Senator from Illinois if his amendment and the Taft amendment and all the other amendments, except the Thomas bill, do not contemplate seizure by the President of the United States?

Mr. IVES. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. IVES. Mr. President, will the Senator from Illinois yield?

Mr. PEPPER. I was asking the question if all the other amendments, except the Thomas amendment, did not contemplate seizure by the President.

Mr. IVES. The answer is "No."

Mr. PEPPER. The Ives amendment does not?

Mr. IVES. No.

Mr. PEPPER. It makes seizure possible if the Congress should allow it?

Mr. IVES. No; that is wrong, too.

Mr. PEPPER. The Senator has withdrawn that provision. That is a gleam of light breaking into this Chamber. I am glad to hear that statement by the Senator from New York. But leaving out the amendment of the Senator from New York, the other amendments, at least the amendment of the Senator from Illinois and his associates, and the amendment of the Senator from Ohio, contemplate seizure, do they not?

Mr. DOUGLAS. They each contemplate seizure. In addition the Senator from Ohio has in his amendment a provision for injunctions to be obtained from a court to send men back to work for a private employer.

Mr. PEPPER. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield for a question.

Mr. PEPPER. The Taft amendment provides that upon the application of the Attorney General, after proclamation has been made by the President, and at the direction of the President, the district court may allow seizure or injunction, or both seizure and injunction. Is that correct?

Mr. DOUGLAS. That is correct. If the Senator from Florida had been present during the early hours of the afternoon he would have heard that point explained at great length.

Mr. PEPPER. It is not altogether information I am seeking. I also wish to make a deduction, if the Senator will allow a deduction to be made as the basis for a question.

Mr. DOUGLAS. Is the deduction to be put in the form of a question or a speech?

Mr. PEPPER. It is a deduction which I wish to submit to the Senator.

Mr. DOUGLAS. I am glad to yield to the Senator for a question.

Mr. PEPPER. The amendment of the Senator from Illinois allows seizure at the instance of the President?

Mr. DOUGLAS. Is that a question?

Mr. PEPPER. That is a question.

Mr. DOUGLAS. The answer to the question is "Yes."

Mr. PEPPER. Now, the next question——

The PRESIDING OFFICER. Does the Senator from Illinois yield for a further question?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. PEPPER. I propose to ask the Senator a question. Does the Douglas amendment also——

Mr. DOUGLAS. The Douglas-Aiken amendment.

Mr. PEPPER. The Douglas-Aiken amendment. Excuse me. Does that amendment also allow or give a predicate for the injunction?

Mr. DOUGLAS. Would the Senator from Florida define "predicate"?

Mr. PEPPER. Does it carry the right of injunction with it, in addition, as I understand, to the seizure the Senator's amendment allows?

Mr. DOUGLAS. It does not carry with it the right to obtain an injunction to send men back to work for a private employer. It does not contain that right.

Mr. PEPPER. Will the Senator yield for another question?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. PEPPER. If the seizure has occurred, and the property is in the possession of the Government of the United States or an agency thereof, by the direction of the President, then does that constitute the predicate and basis upon which an injunction also may be applied for by the President of the United States or by his agents?

Mr. DOUGLAS. If the Senator from Florida had been present during the early hours of the afternoon, he would have heard my reply on a case where the Government has already seized the property. According to the decision of the United States Supreme Court in *United States* v. *United Mine Workers of America* (330 U. S., at p. 289), the Court held that in a case such as this, "where the Government has seized actual possession of the mines or other facilities and is operating them, and the relationship between the Government and the workers is that of employer and employee, the Norris-LaGuardia Act does not apply."

Therefore I presume that under the authority of this decision the Government would have the power to obtain an injunction; but it is my belief that it would almost never be necessary, because in 99.99 percent of the cases the mere fact of Government possession would induce the workers to go back, and it would not be necessary to get an injunction.

Mr. PEPPER. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. PEPPER. Is it not a fact that the able Senator and his associate are proposing an amendment with full knowledge that if seizure is once obtained it will be the predicate upon which an injunction might also be obtained against the strikes stopping work? The Senator and his associate are offering their amendment with full knowledge that that is the legal incident which might attach to the procedure which he specifically provides for in his amendment. Is that correct?

Mr. DOUGLAS. We have never concealed that fact, and never sought to conceal it. It is there. We have been talking about it all afternoon.

Mr. PEPPER. Mr. President, will the Senator be good enough to yield for another question?

Mr. DOUGLAS. I am very glad to yield for a question. Let me say parenthetically that I have been accustomed in the past to have the heat turned on me from the other side of the aisle. It is now very interesting to have heat coming from this side of the aisle; but whatever the Senator from Florida asks I shall have the same affectionate regard for him I have always had.

Mr. PEPPER. The Senators knows that if this is a contest of affection, I would reluctantly accord him the position of winner.

Mr. DOUGLAS. Does the Senator mean that my affection for him is greater than his affection for me?

Mr. PEPPER. My affection for the Senator is greater than his affection for me.

Mr. DOUGLAS. I protest. The Senator's affection for me cannot under any conditions equal or surpass my affection for him.

Mr. PEPPER. I will admit that when each of us, with affection for the other, reaches the perihelion, we shall be equal.

If the Senator will further yield, is it not a fact that neither the Taft amendment nor the Douglas amendment——

Mr. DOUGLAS. The Douglas-Aiken amendment.

Mr. PEPPER. What other names shall I add in referring to the amendment of the Senator from Ohio? Has he any associates whom I may have neglected by not mentioning their names? Of course, there is my distinguished friend from Missouri [Mr. DONNELL].

Mr. DOUGLAS. Also the distinguished Senator from New Jersey [Mr. SMITH].

Mr. PEPPER. Is it not a fact that neither the amendment offered by the able Senators from Ohio, New Jersey, and Missouri, nor the amendment offered by the able Senators from Illinois and Vermont, while they both provide for seizure, and therefore allow the custody of the plant by the Government, has in it the provisions of the Smith-Connally law, which many of us regarded as salutary, giving the governmental agency having custody of the seized property the power to negotiate new agreements pertaining to wages and working conditions, so that when seizure occurred the Government might improve the condition of the workers and thereby induce a far more satisfactory state of mind on the part of the workers than by forcing them, either by seizure or injunction, to remain on the job?

Mr. DOUGLAS. Is the Senator from Florida asking a question or making a speech?

Mr. PEPPER. I am asking a question. Would not a far more satisfactory state of mind on the part of the workers be induced by reason of the Government improving the condition of the workers than if the workers were compelled by seizure or injunction to remain on the job until the lapse of 60 or 80 days, as the case may be? I am asking the Senator, Is the provision that was in the Smith-Connally Act in either the amendment of the Senator from Ohio and his associates or the amendment of the Senator from Illinois and his associate?

Mr. DOUGLAS. The answer is that it is not, and for a very good reason. The Smith-Connally Act was passed to maintain uninterrupted production during the period of the war. It was also passed with the War Labor Board in existence, and when there was a form of compulsory arbitration in effect. In order to make the decisions of the War Labor Board effective it was necessary that during the period of Government seizure the decisions of the Board should go into effect. But it is now peacetime. We have departed from the system of compulsory arbitration. There is no War Labor Board with the power to make decisions which are binding upon industry. Therefore we have omitted that section of the Smith-Connally Act.

Mr. PEPPER. If the Senator will further yield, does he not see some lack of equity in compelling the workers, by public coercion, to stay on the job without any improvement in their condition for 60, 80, or 90 days?

Mr. LUCAS. Mr. President, will the Senator yield on that point?

Mr. DOUGLAS. I yield.

Mr. LUCAS. I should like to make this observation: Times might become worse. There might be some question as to whether wages should be decreased rather than increased. I hope that time will never come. I hope that the wage earner will always obtain a fair and decent wage. But I can see that the time might come when even the wage earner himself, under certain conditions, might not want such a situation. That is another good reason why certain individuals do not want that provision.

Mr. DOUGLAS. My good friend and colleague from Illinois has just made an extremely important point. It is that if we were to go into a period of declining prices and unemployment, recommendations by the Emergency Board might well call for a decrease in wages. If the findings of the Board were to be made binding during the period of Government seizure, that would be resented by labor. So what we say is that the conditions existing at the time the Government took over the property shall remain unaltered. I think the Senator from Florida is assuming that labor always gets the better of every decision. It might not.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Vermont.

Mr. AIKEN. For my part, let me say that this amendment is not an effort to take the part of either the employer or the employee—at the most, we will say, 400,000 employees. The amendment is offered in the interest of protecting the health and security of the 149,000,000 other citizens of the United States who are neither employers or employees in a particular dispute. In my opinion, what we should consider first of all in labor legislation, or any other type of legislation, is the effect on the security, safety, and happiness of the 150,000,000 people of the United States.

I suppose it is utterly impossible to enact legislation which is equally fair to all parties concerned in a controversy. However, I believe that this amendment represents the best effort we have been able to make so far, the best suggestion in this direction.

Mr. PEPPER. Mr. President, will the Senator yield for an inquiry?

Mr. DOUGLAS. I am very glad to yield for a question.

Mr. PEPPER. Nevertheless, is it not passing strange that it never seems to occur to many persons that during the 80 days or the 90 days, when they want the public protected, they never ask the employer to make any sacrifices at all?

Mr. DOUGLAS. Just a moment——

Mr. PEPPER. Is it not passing strange that we only ask the worker to stay chained to the job at the same wages for 80 days, but we never ask the employer to pay him any more?

Mr. DOUGLAS. Is this an inquiry of me?

Mr. PEPPER. That is an inquiry.

Mr. DOUGLAS. I should like to point out that under our amendment the Government is given the power to seize, and that this compels the employer, in a sense, to surrender to the Government the direction of his property. That is a very important infringement upon what he customarily regards as his rights.

We have had many objections to this proposal. In our attempt to grant even-handed justice we get objections from both sides; but we are attempting to protect the general interest.

Mr. PEPPER. I invite the Senator's attention to page 4 of his amendment, lines 2, 3, 4, and 5.

I ask the Senator to note the language that after the seizure shall occur—

> (d) Except as provided herein, any enterprise possession of which is taken by the United States under the provisions of subsection (a) of this section shall be operated under the terms and conditions of employment which were in effect at the time possession of such enterprise was so taken.

I ask the able Senator, is not the effect of that language to make the workers continue on the job, even though they feel deeply enough about the injustice of their employment to be willing to give up their pay and to quit their work in protest? Is it not unfair to think always about keeping the worker on his job for 80 days without any increased compensation or better conditions, without ever having the Government require the employer, during the 80 days, to pay any higher wages than those about which the workers were complaining?

Mr. DOUGLAS. The employer is compelled to give up direction of his property during that period of time, to receive only just compensation for his property, and to give up any residual profits.

Mr. AIKEN. Mr. President, if the Senator will yield, let me point out that the employer or owner of the property is denied any excess profits which he might make during that period of time by reason of the scarcity of the product.

Of coure, there would be opposition to any fair amendment if there were segments of either industry or labor that wanted everything or nothing, but the strongest opposition to the amendment so far has come from industry.

Mr. DOUGLAS. That is correct.

Mr. AIKEN. If I remember correctly, some full-page advertisements protesting against seizure have appeared in the press. Those advertisements must have cost a great deal of money.

As this matter works out, I think it does prevent labor from getting new and better contracts from the Government while it is in possession of the property, but it also prevents the operator of the plant from making large profits which might otherwise accrue to him.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the Senator for a question.

Mr. LONG. I wonder to what extent the Senator in preparing his amendment might have considered the opposite of that situation. In other words, he has explained that actually labor did not want to have an amendment which would have the settlement provide for the difference in working conditions, because labor feared that wages might decline, instead of go up.

Suppose the workers were faced, not with a dispute for more wages, but with a dispute as to whether they would accept less wages. Might it not be possible that the workers would wish to force the seizure of the plant, in order to obtain the same wages which they had been receiving?

Mr. DOUGLAS. I can say that it is not possible to provide a method which is completely foolproof and which will meet every possible emergency. There will be defects in every method proposed. We are well aware of the fact that there are defects in this proposal as to the procedure for dealing with national emergencies. We simply say that we think there are fewer defects in this proposed procedure than there are in the injunction process or in provisions for compulsory arbitration. Moreover, merely because the workers may want seizure does not mean the Government will give it to them. It did not do so in the meat packing strike.

Personally, I do not like any of the three proposed remedies. I simply choose this one as the least evil.

Mr. LONG. Will the Senator yield to permit me to ask another question?

Mr. DOUGLAS. Of course.

Mr. LONG. Does the Senator's amendment necessarily contemplate that the Government in operating the plant would

compel the same employees to operate it? In other words, would it not be possible that, because of the scarcity of labor, the President of the United States might see fit to call out the Army to operate the plant?

Mr. DOUGLAS. This measure certainly does not give the President authority to do so.

Mr. LONG. Certainly the President in his capacity as Commander in Chief of the Army and Navy would have such authority; would he not?

Mr. DOUGLAS. I shall have to refer the Senator from Louisiana to our distinguished constitutional lawyer, the Senator from Missouri [Mr. DONNELL] who has very decided opinions on such subjects, and also to the distinguished Senator from Oregon [Mr. MORSE]; I do not wish to omit him from our galaxy of distinguished lawyers who have definite opinions on such matters, and who, as I understand, do not believe the President has such power.

I have been trying to read some of the books on the subject. At first I thought the President does have such powers; but I have come to the belief that if he does have them it would be well to delimit them.

Mr. President, this has been a long debate, and I know that the Members of the Senate will ponder over the various proposals which have been advanced, and will reach their judgment as to which, in their opinion, is best.

It is our belief that, although the method which is proposed is not ideal, nevertheless, during the 80-day period during which negotiations will take place the pressure of public opinion will be working. And the public opinion which will result from the report of the emergency board—and, Mr. President, during the 60 days after the report is made, public opinion can still operate—and tend to effect the settlement of the vast majority of these disputes. If there are then still some cases which are not settled by this method—very, very rare cases—the President of the United States should be given explicit power to act, and yet we should have those powers carefully defined.

We believe that the best power to give him is seizure, and that it is preferable to the injunction, which arouses the opposition of labor, because in that event they feel that the forces of the law are being marshaled against them.

We commend this proposal to the earnest study and consideration not only of the Congress but of the country.

Mr. President, at this time, on behalf of the Senator from Vermont [Mr. AIKEN] and myself I should like to offer this amendment as a perfecting amendment to the amendment offered by the Senator from New York [Mr. IVES] to the Thomas substitute.

Mr. TAFT. Mr. President, I did not understand the Senator.

Mr. DOUGLAS. Earlier today I offered a perfecting amendment to the substitute offered by the Senator from Ohio.

Then the Senator from Ohio obtained unanimous consent that the Senator from New York [Mr. IVES] might have the privilege of offering an amendment to the original Thomas bill.

Therefore, I now offer a perfecting amendment to the amendment offered by the Senator from New York.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. TAFT. Is the Senator from Illinois withdrawing the amendment he has offered to my amendment?

Mr. DOUGLAS. No; in the language of card players, I am trying to trump both suits. [Laughter.]

Mr. IVES. Mr. President, the Senator from New York would remind the Senator from Illinois that this is "no trump." [Laughter.]

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Illinois [Mr. DOUGLAS] offered as a perfecting amendment to the amendment of the Senator from New York [Mr. IVES] will be printed in the RECORD at this point, without reading.

The amendment offered by Mr. DOUGLAS for himself and Mr. AIKEN to the amendment of Mr. IVES is as follows:

Amendment proposed by Mr. DOUGLAS (for himself and Mr. AIKEN) to the amendment proposed by Mr. IVES to title III of the amendment of Mr. THOMAS of Utah, dated May 31, 1949, to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, viz: Strike out all after line 21 on page 2 of the amendment of Mr. IVES and insert in lieu thereof the following:

"(c) After a Presidential proclamation has been issued under section 301, and until 60 days have elapsed after the report has been made by the board appointed under this section, the parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties.

"POWERS OF EMERGENCY BOARDS

"SEC. 303. (a) A separate emergency board shall be appointed pursuant to section 302 for each dispute and shall be composed of such number of persons as the President may deem appropriate, none of whom shall be pecuniarily or otherwise interested in any organizations of employees or in any employer involved in the dispute. The provisions of section 11 of the National Labor Relations Act, as amended by this Act (relating to the investigatory powers of the National Labor Relations Board) shall be applicable with respect to any board appointed under this section, and its members and agents, and with respect to the exercise of their functions, in the same manner that such provisions are applicable with respect to the National Labor Relations Board. Any board appointed under this section may prescribe or adopt such rules and regulations as it deems necessary to govern its functions. Members of emergency boards shall receive compensation, at rates determined by the President, when actually employed, and travel expenses as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b-2), for persons so employed. Each emergency board shall continue in existence after making its report, subject to approval of the President, for such time as the national emergency continues for the purpose of mediating the dispute, should the parties to the dispute request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Secretary of Labor.

"SEC. 304. (a) After a Presidential proclamation has been issued under section 301 of this title, if the President finds a failure of either or both parties to the dispute to observe the terms and conditions contained in the proclamation, or an imminent threat of such failure, the President is authorized to take possession of and operate through such agency or department of the Government as he shall designate any business enterprise, including the properties thereof, involved in the dispute; and all other assets of the enterprise necessary to the continued normal operation thereof.

"(b) Any enterprise or properties of which possession has been taken under this section shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them, or (2) the President finds that the continued possession and operation of such enterprise by the United States is no longer necessary under the terms of the proclamation provided for in section 301: *Provided*, That possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board unless the period of possession is extended by concurrent resolution of the Congress.

"(c) During the period in which possession of any enterprise has been taken under this section, the United States shall hold all income received from the operation thereof in trust for the payment of general operating expenses, just compensation to the owners as hereinafter provided in this subsection, and reimbursement to the United States for expenses incurred by the United States in the operation of the enterprise. Any income remaining shall be covered into the Treasury of the United States as miscellaneous receipts. In determining just compensation to the owners of the enterprise, due consideration shall be given to the fact that the United States took possession of such enterprise when its operation had been interrupted by a work stoppage or that a work stoppage was imminent; to the fact that the United States would have returned such enterprise to its owners at any time when an agreement was reached settling the issues involved in such work stoppage, and to the value the use of such enterprise would have had to its owners in the light of the labor dispute prevailing, had they remained in possession during the period of Government operation.

"(d) Except as provided herein, any enterprise possession of which is taken by the United States under the provisions of subsection (a) of this section shall be operated under the terms and conditions of employment which were in effect at the time possession of such enterprise was so taken.

"(e) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

"(f) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for

the purpose of settling the issues in the dispute between them.

"(g) (1) The President may appoint a compensation board to determine the amount to be paid as just compensation under this section to the owner of any enterprise of which possession is taken. For the purpose of any hearing or inquiry conducted by any such board the provisions relating to the conduct of hearings or inquiries by emergency boards as provided in section 303 of this title are hereby made applicable to any such hearing or inquiry. The members of compensation boards shall be appointed and compensated in accordance with the provisions of section 303 of this title.

"(2) Upon appointing such compensation board the President shall make provision as may be necessary for stenographic, clerical, and other assistance and such facilities, services, and supplies as may be necessary to enable the compensation board to perform its functions.

"(3) The award of the compensation board shall be final and binding upon the parties, unless within 30 days after the issuance of said award either party moves to have the said award set aside or modified in the United States Court of Claims in accordance with the rules of said court."

Mr. DOUGLAS. Mr. President, I have concluded.

Mr. HUMPHREY. Mr. President, I wish to make a few remarks in reference to some statements made earlier this afternoon during the course of the debate, which now has almost concluded for 1 day, at least. First I desire to refer particularly to some of the testimony which was discussed and some of the witnesses who were mentioned.

I recall that during the debate between the distinguished Senator from Illinois [Mr. DOUGLAS] and the distinguished Senator from Ohio [Mr. TAFT], in connection with some questions asked by the junior Senator from Minnesota, we discussed Mr. William Morris Leiserson.

I recall that at one point the distinguished Senator from Ohio said he felt that Mr. Leiserson was favorable to labor, or at least he believed that in disputes affecting industrial relations, the power of Government should not be invoked, but that it was better that the parties themselves work out their problems together. As I recall he also made the statement that he considered Mr. Leiserson not an impartial or an unprejudiced authority. Of course, one cannot dispute those valued judgments, Mr. President, but one can refer to the record as to the capability, the experience, the background and the training of those who have appeared as witnesses before the committee and to whose testimony reference has been made in the debate.

I have in my hands, a copy of Who's Who in America, volume 25, 1948–1949. I refer to the biography of Mr. William Morris Leiserson, on page 1455. I think it would be well for the RECORD to make note of his background and of his experience, so that we may more properly judge the quality and the authenticity of his statements. Without burdening the Senate or the RECORD with all the details, since they are available in Who's Who, I believe a few references would be of value. For example, in 1909, Mr. Leiserson served as the commissioner on the employers' liability and unemployment board in the State of New York. He was the deputy industrial commissioner of Wisconsin, from 1911 to 1914. He was the Assistant Director of Research of the United States Commission on Industrial Relations, 1914 to 1915. He was professor of economics and political science, Toledo University, from 1915 to 1918. He was Chief of the Division of Labor Administration, United States Department of Labor, from 1918 to 1919. He was chairman of the labor adjustment board of the clothing industry, of Rochester, N. Y., from 1919 to 1921. He was chairman of the board of arbitration of the men's clothing industry of New York, from 1921 to 1923, and also at Baltimore and Chicago, from 1923 to 1926. He was professor of economics at Antioch College, from 1925 to 1934. He was secretary of the National Labor Board of the National Recovery Administration in 1933. He was Chairman of the Petroleum Labor Policy Board in 1934. He was Chairman of the National Mediation Board from 1934 to 1939. He was a member of the National Labor Relations Board from 1939 to 1943. He was Chairman of the National Mediation Board from 1943 to 1944. He has been visiting professor of Johns Hopkins University since 1944. He is a member of the American Economic Association and of other organizations which are listed in Who's Who. He has also worked with the unemployment compensation board for the State of New York and has performed other services in the field of labor-management relationships.

I make reference to Mr. Leiserson and his background simply because he has been a very outspoken critic of the Taft-Hartley law. Mr. Leiserson was referred to this afternoon repeatedly with respect to his attitude on the effectiveness of the injunction in the promotion of settlements in industrial disputes. I feel, without further evidence as to his background, it can be frankly and candidly stated that very few men in America have had a background of greater experience and training, or have demonstrated greater capability in the field of labor-management relationships than has Mr. Leiserson. I think it would be well for those of us who are having to make a judicious decision as to the type of labor law we want, not to rest our case upon those who at some time or other have indicated a special preference for one side or the other, nor upon those who may have been in the employment of one particular group or another, but rather to rely at least for some of the soundness of the testimony upon the background of men who have devoted a lifetime to service in this field.

I mention this because at the time the junior Senator from Minnesota was speaking from a prepared text in reference to the Taft-Hartley Act, I mentioned the name of one gentleman who had been on the National Labor Relations Board. I was severely criticized, and I may say, properly or improperly chastised, for having even as much as impugned in any way the integrity or ability or capability of that individual. The individual I referred to was Mr. Gerard D. Reilly, a former member of the National Labor Relations Board. I say, Mr. President, on the basis of record, on the basis of background, on the basis of devoted public service and experience in the field of labor-management relationships, Mr. Leiserson stands at the head of the list, and for that reason at least his statements should be given some validity on the part of those who are listening to them or who have read them, in reference to this debate.

Another gentleman referred to was one William Hammatt Davis, a very distinguished lawyer. Mr. Davis has said repeatedly that the emergency provisions of the Taft-Hartley Act simply did not work. Mr. Davis, for example, pointed out in reference to the dispute at the Oak Ridge atomic energy plant that the 80-day period was established by injunction, but the time went by, and there was no settlement. The controversy was just as acute when the injunction was discharged as it was on the day it was issued. Mr. Davis' name has been brought into the debate, and I think it should be crystal clear that very few men in this Nation have the background, the experience, and the training in labor-management relations of Mr. William H. Davis, who has been a severe critic of the emergency procedures of the Taft-Hartley Act, in fact, of all the procedures, with very few exceptions, of the Taft-Hartley Act.

It is not necessary to go over the long statement of biographical data on Mr. Davis, but I think it is important to note that his record is one that starts back in the year 1903, going right on through to 1949. In fact, it was the same Mr. Davis who was on the panel to adjudicate the dispute at the Oak Ridge atomic energy plant. It was the same Mr. Davis who was Chairman of the War Labor Board. It was the same Mr. Davis who on many occasions has been called upon by the Government of the United States to serve the public interest in the settlement of disputes. For example, he was Chairman of the National Defense Mediation Board from July 2, 1941 to January 12, 1942. He was Chairman of the National War Labor Board, and Director of the Office of Economic Stabilization. Likewise, he has served on the Emergency Board under the Railway Labor Act. He was chairman of the New York State Mediation Board.

I say, Mr. President, that men of this calibre and of this background cannot be cast aside, nor can their testimony. It is the testimony of giants in the field, the testimony of learned men, who have a wealth of experience, who have lived through these things, who speak on the basis of knowledge, not on the basis of theory or prophetic vision.

I refer to a third gentleman who has been mentioned in the debate and in the testimony, Dr. Nathan P. Feinsinger, of the University of Wisconsin. Dr. Feinsinger's testimony has been referred to in the debate. In his testimony, he pointed out the weaknesses of the emergency provisions, the injunctive provisions of the Taft-Hartley Act. His intellectual pedigree or experience table indicates work in the field of labor-management relationships starting in 1937,

when he was the special assistant to the attorney general of Wisconsin, assigned as general counsel to the Wisconsin Labor Relations Board. He was special agent for the National Defense Mediation Board. He worked with the National War Labor Board as chairman of the Trucking Commission and as associate general counsel. He was chairman of the fact-finding board in the steel dispute. He was chairman of the fact-finding board in the Pacific Gas & Electric Co. dispute. He was special representative of the Secretary of Labor in various disputes, including the west-coast shipping, Hawaiian sugar, pineapple, and longshoremen disputes. He was conciliator in two cases under the Wisconsin public utility compulsory arbitration law.

Mr. President, we who are advocating the Thomas bill, with the clarifying amendments which have been offered, have rested a great deal of our case upon the excellent testimony of these experienced, wise, and sound men in the field of labor-management relationships; and I rise today for the purpose not of defending their record, because it needs no defense, but to state again that the years of experience behind men of this caliber and the observations they have drawn from their experience should be of great merit to the Members of the Senate as they deliberate upon this very important piece of legislation.

As the second observation of today's debate I should like to state my own personal feelings with reference to the alternatives which have been offered. There was a long discussion in considering the Taft amendments to the Thomas bill providing for injunction and seizure. It is recognized that those amendments are changed from the original procedure of the Taft-Hartley Act. I recall that in the testimony before the Committee on Labor and Public Welfare the Senator from Ohio pointed out in a colloquy with Dr. William Davis that he did not feel, even at the time the Taft-Hartley bill was written, that the emergency injunction would be used as often as it was used. In fact, he specifically stated to Dr. Davis that he had not anticipated the use of the injunction in in the manner in which it had been used. Nevertheless, it was used, and it was used, as the junior Senator from Minnesota feels, without any great success.

The real question we need to ask is not whether seizure or injunctions work temporarily; the question is, Which of these procedures would promote the best settlement? Would the Thomas bill procedure or the Douglas-Aiken amendment procedure or the Taft amendment procedure work most satisfactorily? Which of these three would promote reconciliation in a dispute and best protect the general welfare?

I think the record is quite clear, despite the efforts of some persons to prove to the contrary, that 26 years of experience under the National Railway Labor Act is far superior to the 2 years of experience under the Taft-Hartley Act in the settlement of labor disputes. To anyone who wishes to be unbiased and to look at the matter with relative objectiveness, the record is completely clear, as the Senator from Illinois pointed out, that under the National Railway Labor Act the cooling-off period performed the same service in keeping the workers on the job voluntarily that the injunction performed by compulsion.

It has been stated on the floor that railway-labor groups are different. The fact is that the Debs injunction was used, if I am not mistaken, on railway labor. The fact is that the Wilkerson injunction was used in 1922 on railway labor. So railway labor is little or no different from labor in other aspects of the American economy. But when the provision was written into the National Railway Labor Act for a cooling-off period, stating that it was the policy of the Nation that a cooling-off period of 60 days would prevail, it is to the eternal credit of the railway workers of the Nation that they conformed without exception to that cooling-off period. All that an injunction accomplishes is to hold workers on the job, it never settles a dispute. A dispute must be settled around the bargaining table. The cooling-off period, under the National Railway Labor Act, has performed the important job of keeping men at their work far more efficiently than has any injunction, either before or after the Taft-Hartley Act was passed.

We must take our choice between the 23 years of experience under the National Railway Labor Act and the prophetic vision or guess or hope of the Taft amendment that it is going to work better than is the practical, demonstrated experience under the National Railway Labor Act. While I have great confidence in the prophetic vision of our colleagues, and great confidence in the knowledge of the labor law possessed by some of the distinguished Members of the Senate, the fact is no one can deny that 23 years of experience is superior to man-made prophetic vision on the floor of the Senate.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. MORSE. Does the Senator from Minnesota agree with me that it would appear to be a fair assumption that the authors of the Taft-Hartley law are of the opinion that the injunction has not been necessary in the railway industry, as is evidenced by the fact that they have exempted railway employees from the operation of the Taft-Hartley law?

Mr. HUMPHREY. I am greatly appreciative of that statement. It must be that they felt the injunction was not necessary in that great segment of our economy. They must have had confidence that the railway workers and employers would live up to the policy of the land, or they would not have put in that exemption.

Mr. MORSE. Does the Senator agree that if it is possible to work out a procedure, short of an injunction, for the railroad industry, we should try to establish such a procedure for the rest of the workers?

Mr. HUMPHREY. That is exactly what we should be attempting to do. I submit to the Members of the Senate that we are not up in the stratosphere. The major industry of America is railroading. There is no industry which has as great assets, no industry which employs so many persons, no industry which has such an infinite mechanism of financial control, no industry which has such a great responsibility to the public, as has the great railroad industry. It has billions of dollars invested; it has hundreds of thousands of stockholders, with a host of companies all interrelated in the transportation system, with hundreds of thousands of employees. Despite the record of 1922, when the Wilkerson injunction was imposed upon railway workers, despite the Debs case, in which railroad workers were involved, it has worked out a procedure of settling disputes without the imposition of the injunction.

I think we are all grateful for the observation of the Senator from Oregon. We have an established pattern, Mr. President. We have an example before us, not a hypothesis, not a hypothetical situation, not something taken out of textbooks, but 23 years of experience.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield to the Senator from Louisiana.

Mr. LONG. Actually, is there not a distinction between the railroad industry and big business generally? In the railroad industry, railroad rates are limited to providing a fair return on investment. We do not find that situation in the steel, cement, or coal industries, or any other major unregulated industry, such as an industry which does not partake of the nature of a public utility. If the railroads agree to provide more wages for their employees, they go before the Interstate Commerce Commission and ask for an increase in rates so that they will receive the same amount of profit. In the long run, it is the consumer who pays the increase in rates and wages.

Mr. HUMPHREY. I think it is all the more difficult to maintain labor peace because many times the railroads do not receive the rate increases which they request. It was testified in the matter of railway mail pay that for more than 25 years, despite increase in equipment costs, the workers received increased wages but there was no increase in rates.

Mr. LONG. Any time the railroads can prove they are not receiving a fair return, they are entitled to appear before the Interstate Commerce Commission and ask for a rate increase based on increased costs.

Mr. HUMPHREY. The railroads for a period of time lost millions of dollars. They did not make any money. So the matter of fair return is a point which can well be disputed. When we got into the war the books of the railroads were in the red, and even at this hour they are testifying before the Interstate Commerce Commission that they are losing money.

All I am pointing out is that here is an established procedure in a major industry which has some restraints on it, which cannot raise its prices, as General Motors can tomorrow morning, or as United States Steel can tomorrow morning, or as a great mining company could tomorrow morning.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Is it not also true that, in addition to the fact that the original Taft-Hartley law exempted railways from its provisions, so, too, section 307 of the emergency dispute amendment offered by the distinguished Senator from Ohio [Mr. TAFT] exempts railroads from its operation, as is evidenced by the fact that the language of the section is as follows:

> The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Mr. HUMPHREY. That is true.

Mr. MORSE. Does the Senator from Minnesota agree with me that if we want to deal with hypotheticals, and let our imagination run a little wild, it is very easy to imagine a serious national emergency dispute involving the railroads?

Mr. HUMPHREY. One of the disputes which has been referred to as being extremely serious was the railway dispute of 1946. Yet, despite the railroad dispute of 1946, wherein even the President supposedly was not able to get the men back on the job, as was stated on the floor of the Senate this afternoon, despite the fact that this one industry, by a stoppage of transportation, could do more than any other to bring this country to its knees, the Senator from Ohio has not seen fit to apply the emergency procedures of his amendment, nor did the Taft-Hartley law itself apply its emergency procedures to the railroad industry, yet it is one of the industries in respect to which great difficulties, supposedly, recently arose.

What happened? A study of the facts informs us why the procedures of the Taft-Hartley Act were not applied to railroads. It was because in the case of the railroads there is a fact-finding board, with power to conciliate, mediate, and arbitrate. In the railroad case we had the force of public opinion, and despite what was supposedly going to tie up the whole Nation and bring it to its knees, the dispute was not settled by injunction, nor by the President of the United States going to the courts, but was settled by public opinion, and, as I pointed out the other day, by the fact that the President spoke out. I am very grateful that Members of the Senate and the House had the good sense to reject the request to put railway employees in the Army, but the fact is that one of the great disputes of the country was settled, not by compulsion, not by injunction, but by the procedures established under the National Railway Labor Act, and the force of public opinion.

Mr. TAFT. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Ohio.

Mr. TAFT. Does the Senator think that the provisions of the National Mediation Act prohibiting the closed shop in the railway industry should be extended to other industries?

Mr. HUMPHREY. No, I do not. I will debate the closed shop on its own merits, and when we come to that, I shall be more than happy to engage the distinguished Senator from Ohio in debate on the closed shop. But let me point out, lest we digress into other pastures, that we are now talking about national emergencies, and let us confine our attention to that, because that was the big issue in the Taft-Hartley law, it was the fraud in the Taft-Hartley law, it was the subject of the great plea to the American people, and it is the subject of letters that come to Members of Congress which say, "Do not meet national emergencies as the law now provides." No one is more responsible for conveying the idea that the Taft-Hartley was a sort of a Houdini remedy to meet national emergencies than were the authors of the law.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TAFT. I may say that I always took the position that I was least interested in that section. I personally had nothing to do with drawing it, and never advanced it as one of the chief merits of the Taft-Hartley law. But is the Senator speaking in favor of the Douglas amendment to my amendment, or speaking against the Douglas amendment?

Mr. HUMPHREY. Like the Senator from Ohio, the junior Senator from Minnesota needs time to develop his thoughts. What I am doing is to point out to the Senator from Ohio that if the choice shall be between the proposal of the Senator from Ohio and the proposal of the Senator from Illinois and the Senator from Vermont, of course there is no doubt what we would do. We would join with our friends from Illinois and Vermont, if that were the only choice. But, as I have said, I want another choice and I know the Senator from Illinois does. I think it is about time we came to our senses and started to realize what the other choice is. It is not one of fiction, or a figment of the imagination, or some kind of a prophetic vision. The other choice is the practical, demonstrated effectiveness of 23 years of labor-management relationship under the provisions outlined in the Thomas bill. I submit that no member of the Senate and no one who appeared before the committee can offer a record of labor-management peace or sound labor-management relationships that equals the experience under the provisions of the national Railway Labor Act. The Taft-Hartley law does not come close, it does not slide into first base, much less reach home plate. We have had the railroad industry at peace for 23 years, and we have not had a national emergency in that industry.

For years and years in America we have had labor-management disputes, and we never have had a national emergency board, and all at once there is written into law, "When there is a national emergency we will do certain things." The minute there is written into the law something about national emergencies, all at once we find all kinds of instances which can be called national emergencies.

It reminds me of folks who begin reading 10-cent mental health books and, when they notice a little spot in front of their eyes, think they must consult a psychiatrist to see if they do not need psychiatric treatment, when perhaps all they need is a good night's sleep.

What has been created under the Taft-Hartley Act is a new concept, "national emergency." National emergency procedures are written into the law; they have been applied seven times, and despite the fact that the procedure for the emergency which "threatened the health and welfare" of America in the 80-day period was applied, four times strikes continued, and I should like to ask, how is the Nation's welfare? Did the country go crumbling down? What happened was that the so-called national emergency was not a national emergency. As the Senator from Oregon pointed out yesterday, it was distressing, it was difficult, it was unfortunate, it caused trouble, people did not get along so well, but that was not a national emergency, unless we want to call everything an emergency. Let me say to my friends on the other side of the aisle that having emergencies is supposed to be our game. I am sorry to see that the Senators on the other side have moved in and tried to steal our show.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Oregon.

Mr. MORSE. I hope the Senator will not misinterpret my speaking over here on the Democratic side, in view of his last remark.

Mr. HUMPHREY. I will say to the Senator from Oregon that I think this is where he should have been long ago.

Mr. MORSE. I have to come over here once in a while to watch you.

Mr. HUMPHREY. And, may I say, to help us.

Mr. MORSE. I am always glad to help you when you are right.

I wish to raise two questions. First, I take it for granted that the announcement the Senator from Minnesota just made about when he is going to make his final choice will not preclude the sponsors of the Morse amendment and of the Ives amendment from a fair chance to win the Senator's vote for their amendment.

Mr. HUMPHREY. I think one of the most healthy things that has happened in this debate, and the whole consideration of the labor-management relationships, is the newness of approach, the freshness of approach, the distinguished Senator from New York, and the distinguished Senator from Oregon have used. We owe both of them a debt of gratitude. I think they have opened up some new areas of thinking, and we should give them real consideration.

The junior Senator from Minnesota is vitally concerned, not in seeing what we can do in 60, 80, or 90 days, but how we can get a process for reconciling parties to disputes, how we can get a kind of procedure which, when we really have a national emergency, will take care of it. That is what I am after. I am not going to be committed to one particular formula or another until I have heard the whole debate, but to date experience tells me that the procedures which the distinguished Senator from Utah [Mr.

THOMAS] has outlined in his bill are the best procedures. They may have to be tightened up, they may need fixing, and I gather that is what the Senator from New York was attempting to do and what the Senator from Oregon was attempting to do, not to defeat those procedures, but to go beyond them. Is that correct?

Mr. MORSE. In no spirit of flattery at all, I think the obvious sincerity and open-mindedness of the Senator from Minnesota on this matter, as well as on all other matters I have heard him discuss, is highly to be commended.

The last question I want to ask him is based on two paragraphs in the minority report on the National Labor Relations Act of 1949, beginning with the last paragraph on page 56. The authors of the minority report state:

> We have cited the above quotation from the Mediation Board's report because it shows that two actions were necessary to prevent national paralysis—seizure and an injunction. S. 249 provides for neither. A prolonged strike in coal or shipping could just as effectively bring our economy to a standstill as one in railroads.

Then at the top of page 57 I read as follows:

> The 1948 railroad dispute described above has not been the only Nation-wide one. Just 2 years earlier, on May 23, 1946, there was a Nation-wide 2-day shut-down which only ended when the President came to the Congress requesting drastic legislation. That strike occurred after the unions had refused to accept the recommendations of an emergency board and after the President had seized the railroads. The amendment we propose combines seizure, injunction, and congressional action as additional remedies open to the President when the recommendations of the emergency board do not settle the dispute.

Does the Senator from Minnesota agree with me that in the interest of absolute clarity in this debate it should be said at this time that, of course, neither the Taft-Hartley law nor the Taft proposal for emergency dispute procedure would cover the railway situation which the Senator from Ohio discusses in the first paragraph on page 57, but it would cover the situation he discusses in the last paragraph on page 56, with respect to coal and shipping?

Mr. HUMPHREY. That is a correct observation.

Mr. MORSE. Does the Senator from Minnesota also agree with me that there is one phrase in the last sentence of the paragraph on page 56 which is very significant? I refer, of course, to the use of the words "a prolonged strike"—that a prolonged strike in coal or shipping could just as effectively bring our economy to a standstill as one in railroads.

Does the Senator from Minnesota believe that there would be a great probability or a serious danger of a prolonged strike in any one of our major industries if Congress should adopt a procedure whereby the Congress would be reconvened for the sole purpose of considering any threatened or actual strike in a major industry.

Mr. HUMPHREY. Of course, I do not believe that there would be any prolonged strike. I think that words such as "prolonged," adjectives or qualifying words, should be used more carefully. The definition should be more closely and accurately made. The fact, however, is that we cannot define accurately any such thing, because every national emergency is a specific case unto itself, with a specific set of facts and factors involved. Therefore, I say it is exceedingly difficult to get a pat formula to handle each and every individual little case. I think that was testified to by practically everyone who appeared before the Senate committee. So I think our job here is not to come barging in and rushing in on this matter. Frankly, I should like to see a little more time taken on the floor of the Senate, and undoubtedly there will be, to discuss the national emergency problems.

We are going to write an important law here. We are going to write a law that may mean the difference between a prosperous and a depressed America. We are going to write a law that may mean the difference between free labor and regimented labor. We are going to write a law here that may mean the difference between free and state-controlled enterprise.

Frankly, I do not believe that the burning question of today is whether we can end this matter in an hour, or tomorrow morning. I think the question is: What does the Senator from New York have to offer? Does he have a proposal which is worthy of our consideration? I want to hear him discuss it. I want to hear again, as I heard him yesterday, the Senator from Oregon discuss his proposal.

Frankly, as the Senator from Illinois said this afternoon, I do not think any of us want injunctions. At least those who have sponsored amendments which have been offered, other than the Taft amendment, do not want them. The amendment offered by the Senator from Oregon does not call for injunctions. The amendment offered by the Senator from New York does not call for injunctions. The Senator from Illinois has said specifically that he wants to get away from the procedure of either seizure or injunction if it is possible to get away from them. I do not think we are trying to be dogmatic about the matter. I think we ought to search for the answer that preserves the practices of free collective bargaining and free choice on the part of the individual.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. I wish to make a statement of explanation in the interest of accuracy. Of course, under my amendment, if after the Congress has been convened for the purpose of considering a particular case it should, by concurrent resolution, decide to except that particular case from the Norris-LaGuardia Act, then only in those limited instances could there be an injunction.

Mr. HUMPHREY. I understand that.

Mr. MORSE. My point is it would force Congress to focus its attention on a particular case, and as I said, I think the necessity for doing so would be very rare indeed.

Mr. HUMPHREY. Mr. President, in conclusion in reference to the amendments presented by the Senator from Ohio and his colleagues, I wish to quote from Dr. William M. Leiserson, long recognized as one of the leading authorities in the labor-management relationship field, and on the subject of procedures under the Taft-Hartley Act. I have quoted from him 10 times, but apparently it is necessary to quote from him again:

> The emergency procedures just went haywire * * * having no relation to the realities of what happens at this point in the labor-relations picture.

I refer also to the 1948 report of the Federal Mediation and Conciliation Service, which was quoted so extensively this afternoon by the Senator from Illinois, and I occasionally helped to fill in the quotations, wherein the sum and substance of what it said was that the national labor provisions of the Labor-Management Relations Act of 1947 were ineffective in solving the disputes in which they were invoked, and, according to Mr. Ching himself, instead of solving the disputes, they have aggravated the situation.

What more proof do Senators need? The injunction has aggravated the situation, according to Mr. Ching. The injunction has been a failure, according to Dr. Leiserson, Mr. Davis, and Mr. Feinsinger. The injunction has not brought the parties together. It has not provided a cooling-off situation. It has generated as the Senator from Illinois said, more heat. Surely in some two or three instances which can be mentioned it averted momentarily what somebody called a national emergency, but in four of the cases where the Nation's welfare was at stake, according to the findings, it failed miserably. It never performed on them.

If nothing more comes out of these debates, Mr. President, one thing should be crystal clear—and I repeat it again and again—that never, I suppose, in the case of a piece of legislation has there been greater distortion of fact and truth as to its application than in the case of the Taft-Hartley Act. It has failed miserably. It has failed even to do what was said it could do in terms of national emergency. It has failed in terms of being able to promote reconciliation between the parties. It has not promoted industrial peace. It has promoted arguments, just as we have them now on the floor of the Senate. It has promoted prolonged debates between lawyers over the technical details of the law. It has taken labor relations, if you please, away from the conference table and into the lawyer's offices and the courts. Labor relations are not only matters of legality. Labor-management relations are human relations, and capable of economic settlement.

There is no better way in a free enterprise economy to settle disputes about economics, than in a free way, with free choice between the parties, with the higgling and jiggling basis of collective bargaining.

I think the Thomas bill, as it has been amended, provides the better approach; not the final approach, not necessarily the complete answer, but the better approach to this very intricate problem. I submit to those who are trying to find the way out, to those who are attempting to be fair and judicial about this matter,

that one thing they can put down in their notebooks now is that the injunction process has been a miserable, a total, a flat failure. At this stage, with the evidence before us, it certainly does not seem to me to be good political sense and economic sense, or since some aspire to be statesmen, it does not seem to me to be good statesmanship to try to rewrite into a new law what has already proved unworkable and unworthy in an old law.

FREE TRADE AND UNEMPLOYMENT

Mr. MALONE. Mr. President, several significant straws in the wind are now pointing to a camel's back that has reached the breaking point. The camel's back is our employment, national security, and economic structure, which will surely collapse under the three-part free-trade policy long adopted by the State Department. Wind straws, focused toward that perilous situation, are flying from all over our country. They are gathering into a concerted demand for a sensible principle for the adjustment of our import duties to protect our floor under wages.

NEW YORK TIMES STORY

Recently the New York Times carried a story about the necessity of reimposing the duty on copper imports. It pointed out that, unless restrictions are placed on such imports, only a very few highly productive and mechanized mines can continue to operate, and then generally on a restrictive basis. The article also stresses a similar situation in the domestic oil industry and others in which this country has previously developed a foreign market.

THREAT TO OUR STANDARD OF LIVING

The perilous threat to our standard of living is obvious. Unless we establish a flexible import fee to protect our position in the world market we can expect increased unemployment, a sharp decrease in the profits and volume of industry, and an additional burden to government in the payment of benefits to unemployed workers.

UNEMPLOYMENT INCREASING

I should like to read the first paragraph of this dispatch:

With unemployment increasing and domestic business activity continuing to show a steady decline, demands for the levying of higher import duties on many items to hold at least the local markets may be expected to grow.

NEW INTEREST OF LABOR

Under the heading "New interest of labor," we find the following:

Although the prosperity that all have been enjoying was the result of abnormal conditions, which could not last indefinitely, indications are that both labor and management are going to fight hard to hold the domestic market in the readjustment period which now is believed to be starting.

MINING AND FACTORS IN COPPER SITUATION

Under the heading "Factors in copper situation," the writer says:

After the war, when domestic copper production could not meet the demand, the import duty on copper was suspended. This placed United States copper prices at the world level, and fabricators of the metal here could meet competition abroad.

So far as copper is concerned, there is one more factor. So long as the Congress of the United States manipulates, removes, and puts back import duties, and continues to dabble in the protection of the industries of this country, just so long will potential investors be scared off. There will be very little new money invested in the mining business. Neither new prospectors nor old, experienced prospectors and developers will look for new metal, or try to develop new mines.

What happened in the copper industry was this: During the war scare, so long as the foreign price remained higher or at the level of the cost of domestic production, just so long could the independent copper mines of the United States operate. But the Congress removed the 4-cent import fee. I argued then, just as I am arguing now, that if it were removed, when the foreign price dropped below the domestic cost of production every independent mine in the United States would close. It did drop below, and they have closed. Now we are trying to pass legislation to pay subsidies on strategic minerals to keep the mines open until Congress comes to its senses on proper import fee protection.

FOREIGN COMPETITION IN OIL

The oil industry is in the same position. Under the heading "Foreign competition in oil," the writer of this article says:

The domestic oil industry also is feeling the effects of competition from abroad. Last year, imports of crude oil and products into the United States averaged 513,000 barrels daily, reaching a peak of 645,000 daily in December (1948) when the price of fuel oil and some other products began to decline. At the same time the domestic industry started cutting back production to stave off a drop in crude oil prices.

Although imports have been reduced about 20 percent from the high level of last December, they still are coming in at a rate which is threatening the stability of the domestic crude oil market.

I saw the Middle East oil industry—perhaps every oil well in the Middle East, throughout Arabia, including Iraq, and old Persia, where the British have been since 1890. Fifty billion barrels of oil are blocked out. I predict that another 50,000,000,000 barrels will be discovered in the reasonably near future. Drilling operations are continuing.

What will be the effect? Oil from the Middle East can come into the United States well under the average oil production costs in the United States. Fuel for furnaces and for steam power has been furnished by coal and fuel oil. The employees of both industries are living very well. Wages are good and they are merely competing between themselves for the market; but when this new factor comes into the picture neither of them can compete in furnishing such fuel outside the area where the production is taking place. In other words, imports from the Middle East and other foreign areas might conceivably shut down many of the coal mines in the South and in the West, the great coal areas which are furnishing fuel outside their immediate areas for steam-power production and for furnaces. The same thing is true of oil. In other words, we can expect a severe cut-back and unemployment in both industries if we continue this three-part free-trade policy.

I should like to read one further paragraph from the New York Times article:

OTHER INDUSTRIES

A somewhat similar situation prevails in a few other industries in which the United States has developed a foreign market. The rebuilt and modernized factories of Europe, with their lower-wage scales, are now coming into production, and it may be expected that exports from here not only will decrease, but that pressure will be exerted by Europe to increase sales here.

THE THREE-PART FREE-TRADE PROGRAM

We all know what the three-part free-trade program is. It is simply a program including, first, making up the trade-balance deficits of all the countries in Europe in cash. Our chief export is cash. Second, the 1934 Trade Agreements Act, which will shortly come before the Senate for an extension of 3 years, simply forms a basis for the State Department to adopt—and it has adopted—a selective free-trade policy. At first they included only a few industries. Now they have included practically all the industries, and reduced the import fees and tariffs to the point where they are no longer effective. Therefore these imports will come in and destroy American labor and industry to a large extent. This is being done under the theory that the more the markets of the United States are divided among the nations of the world the less their trade balance deficits will be.

What is the third part? The third part is the International Trade Organization. The International Trade Organization is the copper rivet which rivets free trade to this country forever; and there is no chance of our getting back any authority to preserve the floor under wages and our standard of living. Let us see what it is. It consists of 58 nations. Fifty-four have already signed and the rest will sign, because there is nothing they can do but win under the system. There are 58 nations, with 58 votes. We have the same vote as Siam. To that organization of 58 nations we will assign our authority to fix import fees and tariffs which means the floor under wages will be regulated by the low-living-standard and slave-labor countries of Europe, Asia, and Africa. The 58 nations are supposed to meet once each year, and they will add up the remaining production and markets of the world and divide them, eventually, on the basis of population. We have the only markets in the world today where one can sell 10 cents worth of chewing gum and get the money, unless we have previously furnished the money to the foreign nation with which to buy it.

I have been in most of those nations in the past 2 years, since World War II. It is very clear all over the world that it is our market that they are dividing and wish to continue to divide. No other markets are available to divide.

THE FLEXIBLE IMPORT FEE

I intend to offer the flexible import fee about which I am speaking as a substitute for the 1943 Trade Agreements Act when it comes before us.

What is the flexible import fee? It is not new. We adopted it first in 1922, and again in 1930. It is now paragraph 336 of the present tariff act, but was never operative because the administration preferred to use the three-part free-trade program.

Under the flexible import fee the situation can be corrected when other nations manipulate the value of their currencies. Under an agreement providing for a set import fee, such as we have now, we know that foreign nations are on the verge of decreasing the value of their currencies. When they do so, they will come well under any trade agreement they have made, whereas under the flexible import fee the situation created by the lowering of the value of foreign currency which means cheaper labor, can be corrected.

Again, we know that foreign countries now are going into business; they are taking over certain parts of businesses, and are shipping products to other nations to establish markets there, and even are selling at below cost.

Mr. President, the flexible import fee would take care of that situation, so that those nations would simply meet a higher import fee when they lowered their own living standards and conditions of labor in order to come under an agreement. Thus, instead of encouraging them to lower their standard of living to come under a tariff or import fee fixed by a trade agreement, the flexible import fee would encourage them to raise their standard of living, because when they raised their standard of living they would immediately get credit through a corresponding lowering of the flexible import fee. And when they were living about like we are—then free trade would be the almost automatic result.

Mr. President, they have been doing this sort of thing for 50 years. But after they tried out the flexible import fee for a time, they would find that it was an incentive for them to raise their standard of living, instead of the present incentive for them to lower their standard of living, since they could pay the difference to their own people instead of into the United States Treasury.

INDUSTRY PINCHING OUT

Mr. President, this is not a theory. Fifty percent of the mines in the United States at the present time are closed down or severely curtailed in their operations. The textile industry and hundreds of other businesses are in the same decline. There is no cure for that situation except to provide a differential in cost of production between this Nation and where our competition is located in each particular product. The flexible import fee is simply a means of establishing a floor under wages.

DEPRESSION FACTORS

Mr. President, it is said that in this country there is plenty of money ready to be spent, and that the purchasing power is high, and that the usual factors do not point to a depression. However, other countries will soon have most of our market unless something is done, for today we are dividing our market with foreign nations, which is the source of our income. We have never done that before. That is a factor which has not been taken into consideration. Instead of taking it into consideration, over in France at the present time our representatives are trying further to reduce our import fees, while at the same time England makes with Argentina a bilateral agreement under which England will furnish oil products, produced with our ECA money, and in return will obtain meat products from Argentina.

BILATERAL AND MULTILATERAL TRADE TREATIES

Of course, when we make a treaty with one nation, every other nation of the world, under our multilateral policy, obtains advantage of whatever concessions we give to that nation. On the contrary, all other nations deal bilaterally with each other, and we get no advantage from their trade treaties.

It will be remembered that earlier in the session I placed in the RECORD several trade treaties which are among 88 such treaties which had been made between some of the 16 nations participating in the Marshall plan or receiving its benefits and Russia and the countries behind the iron curtain. They are bilateral treaties, made with nations which were supposed to be getting ready for war upon us. So indirectly we have been arming Russia and the countries behind the iron curtain for a third world war. That had not been denied on the floor of the Senate. If it is denied, we shall present the treaties again.

Mr. President, there are now more than 5,000,000 men and women, good Americans, unemployed, and there are probably ten or twelve million partly unemployed, and the number is growing every day under the influence of the three-part, free-trade program of the State Department.

Mr. President, in the hope that the article entitled "Import Duty Rise Sought in Slump" by J. H. Carmical, appearing in the New York Times of June 12, will be read by every Member of this body, because it bears on the problem, I ask unanimous consent to have the article inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPORT DUTY RISE SOUGHT IN SLUMP—MOVES IN CONGRESS ON COPPER INDICATE LINE OF STRATEGY TO HOLD LOCAL MARKETS—PAY DIFFERENTIALS CITED—LABOR IS EXPECTED TO AUGMENT PLEAS OF INDUSTRIES FOR AID IN READJUSTMENT PERIOD

(By J. H. Carmical)

With unemployment increasing and domestic business activity continuing to show a steady decline, demands for the levying of higher import duties on many items to hold at least the local markets may be expected to grow.

The first important move in that direction was started last week when the Members of Congress from the principal mining States introduced bills in both houses to reimpose the duty on copper imports.

To meet the pent-up demand for goods caused by the war, business activity in the United States has been at maximum levels for a sustained period. The foreign aid programs, including the Marshall Plan through which industries in Europe are being rebuilt, have been an added factor in the domestic industrial activity.

These two factors have been largely responsible for domestic industries being able so far to sell their maximum production and to employ the greatest number of workers in history and at the highest wages. Corporation profits, too, have been at record levels despite high wages and taxes.

NEW INTEREST OF LABOR

Although the prosperity that all have been enjoying was the result of abnormal conditions, which could not last indefinitely, indications are that both labor and management are going to fight hard to hold the domestic market in the readjustment period which now is believed to be starting.

Previously, labor has not been particularly interested in the United States levying heavy import duties to protect domestic industry. This field generally has been left to investors. In recent years, however, labor has become highly organized and its leaders are now quick to point out the difference in wage levels here and abroad when an industry is threatened with curtailment as a result of imports from low-cost producing areas.

Until the depression of the 1930's copper had been permitted to come here free of duty. However with the development of copper production in Africa and the use of the cheap native labor at about one-tenth the wage paid to United States miners, there was a demand from both labor and copper-mine owners for an import duty which was enacted by Congress with very little opposition.

FACTORS IN COPPER SITUATION

After the war, when domestic copper production could not meet the demand, the import duty on copper was suspended. This placed United States copper prices at the world level, and fabricators of the metal here could meet competition abroad.

But now that the demand for copper in the domestic market is sharply below the present capacity to produce, and virtually every domestic mining company has had to restrict production and lay off employees, almost the entire domestic copper industry is behind the present movement to reimpose the import duty on the metal.

Unless restrictions are put on imports there is fear that the price of copper, which has declined from 23½ cents a pound to 17 cents, might drop to a level where only a very few of the low-cost producers, whose mines are highly mechanized, could operate profitably.

Such a situation would mean a heavy increase in unemployment, with an additional burden to Government in the payment of benefits and a sharp decrease in the profits of the industry, which would result in reduced tax payments.

FOREIGN COMPETITION IN OIL

The domestic oil industry also is feeling the effects of competition from abroad. Last year, imports of crude oil and products into the United States averaged 513,000 barrels daily, reaching a peak of 645,000 daily in December when the price of fuel oil and some other products began to decline. At the same time the domestic industry started cutting back production to stave off a drop in crude oil prices.

Although imports have been reduced about 20 percent from the high level of last December, they still are coming in at a rate which is threatening the stability of the domestic crude oil market.

Numerous price adjustments have been made across the country in heavy grades of crude oil and some executives in the industry expect some reduction in the price of light grade in the near future.

To absorb imports and keep domestic production in line with demand, it is estimated in the industry that some 900,000 barrels daily of crude oil production has been shut-in. Last week, Esso Standard Oil Co. reduced its crude oil purchases in Louisiana, Arkansas, and Mississippi by 15 percent to ease its storage situation.

This action reportedly contributed to an order by the Arkansas Oil and Gas Commission for a similar cut-back in permissible crude oil production in all the State's controlled fields.

INDEPENDENTS FOR TARIFF RISE

The cut in the production rate, which has resulted in lower profits and some unemployment, has brought a demand from the independent producers for an increase in the tariff on oil imports into this country.

In the event of a reduction in the price of light grades of crude oil, efforts of the independent producers to increase import duties are expected to receive additional support.

A somewhat similar situation prevails in a few other industries in which the United States has developed a foreign market. The rebuilt and modernized factories of Europe, with their lower wage scales, are now coming into production, and it may be expected that exports from here not only will decrease, but that pressure will be exerted by Europe to increase sales here.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. FREAR in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Benjamin J. McKinney, of Arizona, to be United States marshal for the district of Arizona, which was referred to the Committee on the Judiciary.

CONVENTION ON THE PREVENTION AND PUNISHMENT OF THE CRIME OF GENOCIDE—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. As in executive session, the Chair lays before the Senate a message from the President of the United States, transmitting Executive O, Eighty-first Congress, first session, a convention on the prevention and punishment of the crime of genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948. Without objection, the injunction of secrecy will be removed from the convention, and the message from the President, together with the convention will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Convention on the Prevention and Punishment of the Crime of Genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948, and signed on behalf of the United States on December 11, 1948.

The character of the convention is explained in the enclosed report of the Acting Secretary of State. I endorse the recommendations of the Acting Secretary of State in his report and urge that the Senate advise and consent to my ratification of this convention.

In my letter of February 5, 1947, transmitting to the Congress my first annual report on the activities of the United Nations and the participation of the United States therein, I pointed out that one of the important achievements of the General Assembly's first session was the agreement of the members of the United Nations that genocide constitutes a crime under international law. I also emphasized that America has long been a symbol of freedom and democratic progress to peoples less favored than we have been, and that we must maintain their belief in us by our policies and our acts.

By the leading part the United States has taken in the United Nations in producing an effective international legal instrument outlawing the world-shocking crime of genocide, we have established before the world our firm and clear policy toward that crime. By giving its advice and consent to my ratification of this Convention, which I urge, the Senate of the United States will demonstrate that the United States is prepared to take effective action on its part to contribute to the establishment of principles of law and justice.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 16, 1949.*

(Enclosures: 1. Report of the Acting Secretary of State. 2. Certified copy of Convention on the Prevention and Punishment of Genocide.)

RECESS

Mr. HILL. I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 17, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 16 (legislative day, June 2), 1949:

UNITED STATES MARSHAL

Benjamin J. McKinney, of Arizona, to be United States marshal for the district of Arizona. He is now serving in this office under an appointment which expired September 21, 1948.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16 (legislative day of June 2), 1949:

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major general

Maj. Gen. John Ernest Dahlquist, O7120.

To be brigadier generals

Brig. Gen. Hugh French Thomason Hoffman, O12353.

Brig. Gen. John Howell Collier, O12388.

Brig. Gen. Robert William Crichlow, Jr., O12430.

Brig. Gen. Claude Birkett Ferenbaugh, O12479.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Robinson Earl Duff, O7388.
Brig. Gen. Thomas Wade Herren, O7430.
Brig. Gen. Alonzo Patrick Fox, O8434.

To be brigadier generals

Col. Roland Paget Shugg, O4476.
Col. Stanley Raymond Mickelsen, O7042.
Col. Frank Albert Allen, Jr., O7415.

APPOINTMENTS IN THE REGULAR ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress:

To be majors

Fred A. Heimstra, MC, O23575.
Isidore Markowitz, MC, O318336.
Joseph T. Sullivan, MC, O329414.

To be captains

Paul E. Edson, DC, O23349.
George D. Gordon, DC, O368420.
Arthur B. Harris, DC.
Henry J. Krawczek, MC, O1765338.
Hubert W. Merchant, DC, O487380.
Stephen Mourat, MC, O1746566.
Donald W. Pohl, DC, O1785229.
Ralph B. Smith, MC, O479939.
Bagher Sotoodeh, MC.

To be first lieutenants

Elmer V. Ayres, DC, O945358.
Frederick C. Barrett, MC, O1705321.
Otto C. Brosius, MC.
Robert G. Campbell, MC.
John A. Chapman, DC, O1757007.
Kenneth P. Crawford, MC, O1746504.
Henry F. Fancy, MC, O1704955.
Albert B. Finch, Jr., MC, O1736177.
Douglas W. Frerichs, MC.
Franklin Y. Gates, Jr., MC.
Bruce N. Gillaspey, JAGC, O397033.
Kenneth J. Hovanic, MC, O1745883.
Irvine G. Jordan, Jr., MC, O1776424.
Winchester Kelso, Jr., JAGC, O1825863.
Marvin G. Krieger, JAGC, O426667.
Thomas S. Martin, MC, O1766625.
Robert M. Moore, Jr., MC, O1746872.
Nicholas H. Nauert, Jr., MC, O1767422.
Alan H. Reckhow, MC, O936914.
Robert T. Reese, DC, O965289.
Charles J. Ruth, MC.
Thomas M. Sterling, JAGC, O386287.
Lee B. Stevenson, MC, O1757072.
Lucian Szmyd, DC, O959920.
Ernest O. Theilen, MC.
Ernest R. Trice, MC.
Richard K. Vogel, MC.
Rhey Walker, MC.
Robert K. Weaver, JAGC, O56993.
Thomas J. Whelan, MC, O935967.
Ralph L. White, MC.

To be second lieutenants

Margaret L. DuPlease, ANC, N754900.
Gladys J. Gallineri, ANC, N768774.
Julia E. Hambrick, ANC, N797025.
Margaret A. Josway, ANC, N769379.
Margaret E. Knox, ANC, N767882.
Betty L. Madden, ANC, N792137.

The following-named persons, subject to completion of internship, for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Benjamin L. Archer, O958877.
George W. Barker, Jr., O956687.
William R. Beisel, O956160.
William J. Belliveau, O959004.
Leland M. Bitner, O959008.
Alexander M. Boysen, O960851.
Carl O. Brackebusch, O956161.

Donald G. W. Brooking, O960852.
David P. Buchanan, O958450.
Charles E. Butterworth, Jr., O961447.
Irvin W. Cavedo, Jr., O954966.
Bruce F. Chandler, O961446.
Richard K. Cole, Jr., O960461.
Robert A. Collins, Jr., O956686.
Warren J. Collins, O958604.
William J. Conroy, O961452.
Robert F. Conway, O959005.
William F. Crepps, O962922.
John B. Crow, O961686.
Albert J. Davis, Jr. O956012.
William J. Dean, O960855.
Arthur C. Dietrick, O958944.
Donald L. Duerk, O960858.
Orin B. Elliott, O959003.
Robert A. Etherington, O958945.
Donald F. Farrell, O949505.
Gordon E. Gifford, O954269.
Cleston W. Gilpatrick.
Joseph L. Girardeau, O963953.
Donald H. Glew, Jr., O954653.
Frederick D. Good, O955523.
Purdue L. Gould, O961444.
Leon D. Graybill, O958942.
Robert J. Hall, O962924.
James F. Hammill, O947937.
William R. Hancock, O956688.
Joseph L. Hannon, O958512.
Ira B. Harrison, O960863.
James W. Haynes, O954273.
Charles L. Hedberg, O958767.
Armand E. Hendee, O960466.
Boyd C. Hindall, O961685.
Harry F. Hurd, O959344.
Robert W. Irvin, Jr., O954967.
William H. Isham, O961039.
Edward J. Jahnke, Jr., O959628.
Park C. Jeans, Jr., O960864.
Edward H. Johnston, O947903.
Sheldon W. Joseph, O960865.
Albert J. Kanter, O953887.
Cecil H. Kimball, O969233.
Harold Kolansky, O959040.
James M. Lauderdale, O958509.
Boude B. Leavel, O959629.
John B. Logan, O960468.
Donald R. Lyon, O963147.
Roscoe E. Mason, O961692.
William C. Matousek, O959002.
Richard E. McGovern, O958947.
Carter L. Meadows, O962728.
Raymond C. Mellinger, O961945.
Charles A. Moore, O959343.
Kenneth N. Morese, O962717.
Robert W. Moseley, O954958.
Thomas H. Moseley, O954959.
Robert H. Moser, O960867.
Arthur A. Murray, O959271.
John T. Olive, O963267.
Lawrence J. Oot, O960470.
Kenneth N. Owens, O959205.
John H. Painter, O958507.
John W. Payne, O953809.
Francis J. Peisel, O958453.
William G. Phippen, O959001.
Donald G. Pocock, O961440.
James R. Prest, Jr., O958885.
Anthony J. Puglisi, O966542.
Gordon K. Pyles, O957131.
Robert K. Rawers, O954275.
Robert W. Regan, O959614.
Robert H. Reid, O961941.
Charles W. Roth, O961041.
Samuel M. Rothermel, O959272.
William D. Sanderson, O953810.
John E. Scott, O959006.
Richard L. Sedlacek, O948544.
Lee S. Serfas, O961437.
John H. Sharp, O954277.
Jacques L. Sherman, Jr., O1284592.
Alvin Sholk, O962721.
Lee A. Steele, O959245.
Robert J. Steinborg, O960869.
Billie G. Streete, O958951.
Frank L. Swift, O959038.
Arthur A. Terrill, O959342.
Paul E. Tesehan, O960870.
Nathaniel A. Thornton II, O956685.
David M. Tormey, O961043.
Molloy G. Veal, Jr., O958886.
David W. Wardell, O961044.
George W. Weber, O961938.
William H. Weingarten, O960872.
William H. Whitmore, Jr., O954964.
Robert C. Wingfield, O962722.
William H. Wright, O958939.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

James W. Ferguson.
Melvin E. King.
William G. Myers.
Neil G. Nelson.
Joseph F. Schwartz III, O956244.

The following-named person, subject to designation as a distinguished military graduate, for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.):

Lester M. Bornstein.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 16, 1949

The House met at 11 o'clock a. m.

Dr. W. Norman Greenway, Greenville, S. C., offered the following prayer:

Our gracious Heavenly Father, we thank Thee for every mercy Thou hast bestowed upon us; we thank Thee for Thy great grace to us. We thank Thee for the great salvation which has been provided for us through Thy Son, Jesus Christ. We are thankful, our Father, for the freedom and liberty enjoyed by the people of this mighty Nation. May Thy spirit lead in the deliberations of this body of men who are instrumental in directing the affairs of the free people of this country. We pray that Christ may be glorified in the decisions of our leaders and that our glorious freedom may be maintained from generation to generation. May Thy infallible word be our sure foundation for the future. We ask these things in the name of Jesus Christ our Lord and for His glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. CHAVEZ, Mr. MCKELLAR, Mr. BRIDGES, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks in the RECORD and include an address delivered by his colleague the gentleman from New York [Mr. MACY].

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD in three instances and include editorials appearing in the Buffalo Courier and the Buffalo News.

Mr. RODINO asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

EXTENDING BENEFITS TO FILIPINOS IMPRISONED DURING JAPANESE OCCUPATION

Mr. CAVALCANTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CAVALCANTE. Mr. Speaker, on May 17, 1949, the First Congress of the Republic of the Philippines, fourth session, adopted the following resolution:

Senate Resolution 94

Resolution requesting the Congress of the United States of America to extend the benefits of Public Law 896, Eightieth Congress, chapter 826, second session, to Filipinos imprisoned during the Japanese occupation for political activities

Whereas the Congress of the United States of America, in Public Law 896, Eightieth Congress, chapter 826, second session, has extended certain benefits to civilian American citizens captured by the Japanese Imperial Government on or after December 7, 1941, in the Philippines;

Whereas during the entire period of Japanese occupation in the Philippines, countless Filipinos were captured and imprisoned by the Japanese Imperial Army, its officers and soldiers, for political activities or for having been suspected of engaging in such political activities;

Whereas many of the Filipinos who were so captured and imprisoned by the Imperial Japanese Army, its officers and soldiers, were killed or were injured, while many others suffered greatly by reasons of their confinement: Now, therefore, be it

Resolved, That the Senate request, as it hereby requests, the Congress of the United States of America to extend the benefits of Public Law 896, Eightieth Congress, chapter 826, second session, to Filipinos imprisoned during the Japanese occupation by the Imperial Japanese Army, its officers or soldiers, for political activities or for having been suspected of engaging in such political activities.

Adopted May 17, 1949.

I hereby certify that the foregoing Senate Resolution No. 94, First Congress of the Republic of the Philippines, was adopted by the Senate on May 17, 1949.

[SEAL] CÉSAR DE LANAJÁBAL,
Acting Secretary of the Senate.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD asked and was given permission to address the House for 20 minutes on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered.

PUBLIC HOUSING

Mr. COLE of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLE of Kansas. Mr. Speaker, I have been requested to make a brief statement concerning the farm section of the so-called housing bill.

The farm section of this bill provides, first, that an applicant who has an adequate farm but is without a decent, safe, and sanitary residence for himself or tenant, or requires other farm buildings, and is without sufficient funds with which to construct or repair such residence or buildings and cannot secure credit in the normal channels, may receive a loan for 33 years at 4 percent interest.

Second, as to the owner of a potentially adequate farm, if the inadequate income of the applicant from the farm and other resources may not be expected to make the annual payments, but if the income may be improved in 10 years by improvement, enlargement of the farm, or adjusted practices, and the applicant plans to put such improvement, enlargement of the farm, or adjusted practices into effect, he may secure the same loan as the owner of an adequate farm, provided that, at any time within 10 years, the Secretary of Agriculture may cancel the interest and one-half the principal payments on the loan. He may also declare a moratorium on the entire principal for an indefinite period of time.

Third, if the applicant cannot qualify for either of the above loans and has a dwelling upon which repairs are necessary to render it safe and sanitary—including roofs, toilet facilities, water supply, screens, and so forth—the owner may receive a grant or a loan or a combination of both up to $1,000 for one farm, with a maximum of $2,000 to any one individual. The grant, or gift, may be $500 for one farm; but if the individual owns more than one farm, he may receive the same for each within the $2,000 limit.

A farm is defined as a unit of land which customarily produces or is capable of producing commodities of a gross annual value of not less than the equivalent of a gross annual value of $400 in 1944.

The loans for potentially adequate and less than potentially adequate farms are made with agreements that the applicant will put into effect a plan of farm improvement and practices approved by the Secretary of Agriculture.

This statement is made to advise the Members of the House concerning the proposed aid for rural housing.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Bristol Courier of Monday, June 13, entitled "The Credit Bubble."

GOVERNMENT SPENDING

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, you all realize that we are going to be $2,000,000,000 in the red this year. If you do not realize it you ought to, and you ought to give serious consideration to it—the results of the Eighty-first Congress. As things stand now we will be $2,000,000,000 in the red, and many things are being proposed that will cost billions of dollars more. Federal aid to education, socialized medicine, arming the world, ECA—aid to Greece, Turkey, Korea, and so forth. This bubble is going to burst in your face some day, and then you will be accused by the people of this country of wrecking the country financially. The responsibility rests directly upon the Congress of the United States. You each have your own responsibility. Every time you vote millions and billions of dollars of the taxpayers' money, when the taxpayers are hollering for relief, remember it is your fault. Too many Member of Congress now think that every time somebody wants something we ought to give it to him. I say you should screen every request for more Government money for new and old projects with a fine-tooth comb.

I was interested this morning in noting the total amount we have been subscribing to ECA. The amount Pennsylvania has to provide for it is $387,294,000. If the Members of Congress from Pennsylvania all voted for ECA and then told the people back in Pennsylvania that they have to pay $387,000,000, the people back home ought to think of what we as Pennsylvanians are doing. We put up to them to be taxed to pay the bill. The same thing applies to every State. I can tell you what each State has to pay. If you want to know the amount, just ask me the question and I will tell you, right from this statement. No requests, all must be satisfied—I am not. The socialized things we are supposed to put through at this session just do not make sense to me. They all cost money, much money, and increased cost means increased taxes.

When you spend you pay.

The more you spend the more you tax. We have enough taxes, so stop spending.

Be wise and economize.

DEDICATION OF MORRILL COUNTY HOSPITAL

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article from the Star-Herald at Scottsbluff, Nebr.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the good folks of Morrill County dedicated a community hospital last Sunday. I had a small part in this program.

It is interesting to note that the people of this community built this hospital without Federal funds. The hospital is paid for. These people have real community spirit. The pioneers who make up Morrill County and the surrounding territory live close enough to the soil and the sun to realize and appreciate the things that make America great. One of these cardinal principles is that of individual initiative and enterprise. They make their own security. They want freedom. They are not looking to the Government for assistance on each and every occasion. I wish we had more communities like the one in Morrill County. I commend their activity to my colleagues.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. RICH. I congratulate the gentleman and the people in his State. We need more of that kind of American spirit.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. Speaker, the editorial to which I referred is as follows:

MORRILL COUNTY'S PRIDE

The people of Morrill County Sunday will dedicate their new hospital in Bridgeport. There will be a noonday outdoor picnic and lunch, followed by a parade in which war veterans, Boy Scouts, bands, and other organizations will participate. Representative A. L. MILLER will come there from Washington to make an address as part of the dedication ceremony.

The achievement of the citizens of Morrill County is extremely outstanding. They spurned all grants and gifts from the Federal Government's coffers, accepted no Government help of any kind. They planned, built, and financed this hospital themselves. They bought the furnishings and equipment themselves. Everything went into it—tag days, bake sales, raffles, lodge and church collections, club appropriations, dedicatory gifts—every kind of method by which communities do things for themselves went into this project.

The hospital was built and furnished, ready for use, at a cost of around $40,000. It is estimated that if the more or less conventional system of going after Government hand-outs had been used the outlay for the institution would probably have run to somewhere from $80,000 to $100,000.

The Morrill County Hospital at Bridgeport can truly be termed a grass-roots enterprise, planned and created by and for the people, financed by themselves for themselves. It is something of a throw-back to another day, a more rugged pioneer day when people did for themselves, instead of having it done for them. We hope people from all communities in this region will help the people of Morrill County celebrate an occasion in which they can feel the greatest pride.

REORGANIZATION OF GOVERNMENT AGENCIES

Mr. DAWSON submitted the following conference report and statement on the bill (H. R. 2361) to provide for reorganization of Government agencies and for other purposes:

CONFERENCE REPORT (H. REPT. No. 843)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"Short title

"SECTION 1. This Act may be cited as the 'Reorganization Act of 1949'.

"Need for reorganizations

"SEC. 2. (a) The President shall examine and from time to time reexamine the organization of all agencies of the Government and shall determine what changes therein are necessary to accomplish the following purposes:

"(1) to promote the better execution of the laws, the more effective management of the executive branch of the Government and of its agencies and functions, and the expeditious administration of the public business;

"(2) to reduce expenditures and promote economy, to the fullest extent consistent with the efficient operation of the Government;

"(3) to increase the efficiency of the operations of the Government to the fullest extent practicable;

"(4) to group, coordinate, and consolidate agencies and functions of the Government, as nearly as may be, according to major purposes;

"(5) to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or functions thereof as may not be necessary for the efficient conduct of the Government; and

"(6) to eliminate overlapping and duplication of effort.

"(b) The Congress declares that the public interest demands the carrying out of the purposes specified in subsection (a) and that such purposes may be accomplished in great measure by proceeding under the provisions of this Act, and can be accomplished more speedily thereby than by the enactment of specific legislation.

"Reorganization plans

"SEC. 3. Whenever the President, after investigation, finds that—

"(1) the transfer of the whole or any part of any agency, or of the whole or any part of the functions thereof, to the jurisdiction and control of any other agency; or

"(2) the abolition of all or any part of the functions of any agency; or

"(3) the consolidation or coordination of the whole or any part of any agency, or of the whole or any part of the functions thereof, with the whole or any part of any other agency or the functions thereof; or

"(4) the consolidation or coordination of any part of any agency or the functions thereof with any other part of the same agency or the functions thereof; or

"(5) the authorization of any officer to delegate any of his functions; or

"(6) the abolition of the whole or any part of any agency which agency or part does not have, or upon the taking effect of the reorganization plan will not have any functions,

is necessary to accomplish one or more of the purposes of section 2 (a), he shall prepare a reorganization plan for the making of the reorganizations as to which he has made findings and which he includes in the plan, and transmit such plan (bearing an identifying number) to the Congress, together with a declaration that, with respect to each reorganization included in the plan, he has found that such reorganization is necessary to accomplish one or more of the purposes of section 2 (a). The delivery to both Houses shall be on the same day and shall be made to each House while it is in session. The President, in his message transmitting a reorganization plan, shall specify with respect to each abolition of a function included in the plan the statutory authority for the exercise of such function, and shall specify the reduction of expenditures (itemized so far as practicable) which it is probable will be brought about by the taking effect of the reorganizations included in the plan.

"Other contents of plans

"SEC. 4. Any reorganization plan transmitted by the President under section 3—

"(1) shall change, in such cases as he deems necessary, the name of any agency affected by a reorganization, and the title of its head; and shall designate the name of any agency resulting from a reorganization and the title of its head;

"(2) may include provisions for the appointment and compensation of the head and one or more other officers of any agency (including an agency resulting from a consolidation or other type of reorganization) if the President finds, and in his message transmitting the plan declares, that by reason of a reorganization made by the plan such provisions are necessary. The head so provided for may be an individual or may be a commission or board with two or more members. In the case of any such appointment the term of office shall not be fixed at more than four years, the compensation shall not be at a rate in excess of that found by the President to prevail in respect of comparable officers in the executive branch, and, if the appointment is not under the classified civil service, it shall be by the President, by and with the advice and consent of the Senate, except that, in the case of any officer of the municipal government of the District of Columbia, it may be by the Board of Commissioners or other body or officer of such government designated in the plan;

"(3) shall make provision for the transfer or other disposition of the records, property, and personnel affected by any reorganization;

"(4) shall make provision for the transfer of such unexpended balances of appropriations, and of other funds, available for use in connection with any function or agency affected by a reorganization, as he deems necessary by reason of the reorganization for use in connection with the functions affected by the reorganization, or for the use of the agency which shall have such functions after the reorganization plan is effective, but such unexpended balances so transferred shall be used only for the purposes for which such appropriation was originally made;

"(5) shall make provision for terminating the affairs of any agency abolished.

"Limitations on powers with respect to reorganizations

"SEC. 5. (a) No reorganization plan shall provide for, and no reorganization under this Act shall have the effect of—

"(1) abolishing or transferring an executive department or all the functions thereof or consolidating any two or more executive departments or all the functions thereof; or

"(2) continuing any agency beyond the period authorized by law for its existence or beyond the time when it would have terminated if the reorganization had not been made; or

"(3) continuing any function beyond the period authorized by law for its exercise, or beyond the time when it would have terminated if the reorganization had not been made; or

"(4) authorizing any agency to exercise any function which is not expressly authorized by law at the time the plan is transmitted to the Congress; or

"(5) increasing the term of any office beyond that provided by law for such office; or

"(6) transferring to or consolidating with any other agency the municipal government of the District of Columbia or all those functions thereof which are subject to this Act, or abolishing said government or all said functions.

"(b) No provision contained in a reorganization plan shall take effect unless the plan is transmitted to the Congress before April 1, 1953.

"Taking effect of reorganizations

"SEC. 6. (a) Except as may be otherwise provided pursuant to subsection (c) of this section, the provisions of the reorganization plan shall take effect upon the expiration of the first period of sixty calendar days, of continuous session of the Congress, following the date on which the plan is transmitted to it; but only if, between the date of transmittal and the expiration of such sixty-day period there has not been passed by either of the two Houses, by the affirmative vote of a majority of the authorized membership of that House, a resolution stating in substance that that House does not favor the reorganization plan.

"(b) For the purposes of subsection (a)—

"(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the sixty-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than three days to a day certain.

"(c) Any provision of the plan may, under provisions contained in the plan, be made operative at a time later than the date on which the plan shall otherwise take effect.

"Definition of 'agency'

"SEC. 7. When used in this Act, the term 'agency' means any executive department, commission, council, independent establishment, Government corporation, board, bureau, division, service, office, officer, authority, administration, or other establishment, in the executive branch of the Government, and means also any and all parts of the municipal government of the District of Columbia except the courts thereof. Such term does not include the Comptroller General of the United States or the General Accounting Office, which are a part of the legislative branch of the Government.

"Matters deemed to be reorganizations

"SEC. 8. For the purposes of this Act the term 'reorganization' means any transfer, consolidation, coordination, authorization, or abolition, referred to in section 3.

"Saving provisions

"SEC. 9. (a) (1) Any statute enacted, and any regulation or other action made, prescribed, issued, granted, or performed in respect of or by any agency or function affected by a reorganization under the provisions of this Act, before the effective date of such reorganization, shall, except to the extent rescinded, modified, superseded, or made inapplicable by or under authority of law or by the abolition of a function, have the same effect as if such reorganization had not been made; but where any such statute, regulation, or other action has vested the function in the agency from which it is removed under the plan, such function shall, insofar as it is to be exercised after the plan becomes effective, be considered as vested in the agency under which the function is placed by the plan.

"(2) As used in paragraph (1) of this subsection the term 'regulation or other action' means any regulation, rule, order, policy, determination, directive, authorization, permit, privilege, requirement, designation, or other action.

"(b) No suit, action, or other proceeding lawfully commenced by or against the head of any agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of the taking effect of any reorganization plan under the provisions of this Act, but the court may, on motion or

supplemental petition filed at any time within twelve months after such reorganization plan takes effect, showing a necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the successor of such head or officer under the reorganization effected by such plan or, if there be no such successor, against such agency or officer as the President shall designate.

"Unexpended appropriations

"SEC. 10. The appropriations or portions of appropriations unexpended by reason of the operation of this Act shall not be used for any purpose, but shall be impounded and returned to the Treasury.

"Printing of reorganization plans

"SEC. 11. Each reorganization plan which shall take effect shall be printed in the Statutes at Large in the same volume as the public laws, and shall be printed in the Federal Register.

"TITLE II

"SEC. 201. The following sections of this title are enacted by the Congress:

"(a) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in section 202); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

"SEC. 202. As used in this title, the term 'resolution' means only a resolution of either of the two Houses of Congress, the matter after the resolving clause of which is as follows: 'That the _____ does not favor the reorganization plan numbered __ transmitted to Congress by the President on _____, 19__.', the first blank space therein being filed with the name of the resolving House and the other blank spaces therein being appropriately filled; and does not include a resolution which specifies more than one reorganization plan.

"SEC. 203. A resolution with respect to a reorganization plan shall be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

"SEC. 204. (a) If the committee to which has been referred a resolution with respect to a reorganization plan has not reported it before the expiration of ten calendar days after its introduction, it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other resolution with respect to such reorganization plan which has been referred to the committee.

"(b) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same reorganization plan), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(c) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same reorganization plan.

"SEC. 205. (a) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a reorganization plan, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

"(b) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"SEC. 206. (a) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a reorganization plan, and all motions to proceed to the consideration of other business, shall be decided without debate.

"(b) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a reorganization plan shall be decided without debate."

And the Senate agree to the same.

WILLIAM L. DAWSON,
CHET HOLIFIELD,
JOHN W. MCCORMACK,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,
Managers on the Part of the House.

JOHN L. MCCLELLAN,
JAMES O. EASTLAND,
CLYDE R. HOEY,
IRVING M. IVES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2361) to provide for the reorganization of Government agencies, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the following statement explains the differences between the House bill and the substitute agreed to in conference.

DISAPPROVAL BY CONGRESS

The House bill provided that a reorganization plan should take effect upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date the plan was transmitted to Congress, unless during such period the two Houses passed a concurrent resolution disapproving the plan. The Senate amendment provided that a plan should take effect upon the expiration of such period unless during such period either House passed a simple resolution disapproving the plan. The conference substitute provides that a plan shall take effect upon the expiration of such period unless during such period either House passes such a simple resolution by the affirmative vote of a majority of the authorized membership of that House; that is, 49 Members of the Senate or 213 Members of the House as Congress is now constituted.

LIMITATIONS ON REORGANIZATION POWERS

The House bill contained the following provision (sec. 5 (b)):

"A reorganization plan providing for a reorganization affecting any agency named below in this subsection may not provide also for a reorganization which does not affect such agency; except that this prohibition shall not apply to the transfer to such agency of the whole or any part of, or the whole or any part of the functions of, any agency not so named. No provision contained in a reorganization plan shall take effect if the reorganization plan is in violation of this subsection. The agencies above referred to in this subsection are as follows: National Military Establishment, Board of Governors of the Federal Reserve System, Interstate Commerce Commission, Securities and Exchange Commission, Railroad Retirement Board, National Mediation Board, and National Railroad Adjustment Board."

The Senate amendment eliminated this provision but contained a provision in section 2 (b) that the Congress declared it to be in the public interest that each reorganization plan contain only related reorganizations. Neither provision is included in the conference substitute.

The House bill contained a provision that no reorganization plan should provide for, and no reorganization under the bill should have the effect of, establishing any new executive department, or designating any agency as "Department" or its head as "Secretary". The Senate amendment eliminated this prohibition and it is not included in the conference substitute. The conference substitute therefore authorizes the President to provide for a new executive department in a reorganization plan.

The House bill granted permanent reorganization powers to the President. The Senate amendment, section 5 (b), limited the powers granted under the act so that no provision contained in a reorganization plan would take effect unless the plan is transmitted to Congress before April 1, 1953. The conference substitute contains this provision of the Senate amendment.

DISTRICT OF COLUMBIA OFFICERS

Both the House bill and the Senate amendment provided that where a reorganization plan includes a provision for the appointment of an officer not under the classified civil service, the appointment should be by the President, by and with the advice and consent of the Senate. The Senate amendment excepted officers of the District of Columbia municipal government from this provision, and provided that such officers should be appointed by the Board of Commissioners or other body or officer of such government designated in the plan. The conference substitute follows the language of the Senate amendment.

PRESIDENT'S MESSAGE TRANSMITTING REORGANIZATION PLAN

The Senate amendment provided that the President, in his message transmitting a reorganization plan, should specify the reduction of expenditures (itemized so far as practicable) which would probably be brought about by the taking effect of the plan. This provision is included in the conference substitute.

WILLIAM L. DAWSON,
CHET HOLIFIELD,
JOHN W. MCCORMACK,
CLARE E. HOFFMAN,
HAROLD O. LOVRE,
Managers on the Part of the House.

Mr. DAWSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 2361) to provide for reorganization of Government agencies, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAWSON. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

Mr. DAWSON. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I take this time, first, to urge the House to accept the report of the committee, and, secondly, to congratulate the House members of the conference committee on bringing in this report. Also to commend them for their charity, Mr. Speaker, or their willingness, for the good of the country, in working out a compromise arrangement which will now permit this very, very important Reorganization Act of 1949 to become law. I believe that the enactment of this bill is of such great importance that, while I do not like to see the House of Representatives surrender the original position it had taken to another legislative body, such a surrender in this particular situation has been necessary. So I think the House conferees have acted very wisely and well. My one regret is that this agreement could not have been reached earlier. But at last the conferees have agreed. The conference report is now before you. If it is approved, as I am sure it will be, and certainly hope it will be, then the Reorganization Act will soon reach the White House, where, I am sure, it will be promptly signed by the President, who, I understand, is accepting this compromise. I predict the President will soon send to the Congress a number of reorganization plans which he has advised our commission he now has on his desk ready for submission.

So with the adoption of this conference report the Congress will have performed its duty in giving the President of the United States the needed authority to submit his reorganization to the Congress. I am very hopeful that the plans the President will submit to the Congress will be such as to not meet the objection of either branch of the Congress.

As I have said before, there are many recommendations of the Hoover Commission on the reorganization of the executive branch of the Government, for the purpose of bringing about greater economy and efficiency in the conduct of the public business, that can be made effective by Executive or administrative order. Perhaps 25 percent of the recommendations of the Commission can be made effective in that way. Another 30 or 40 percent can be made effective by the President as a result of the adoption of this Reorganization Act. Then to make the remaining 35 or 40 percent of the recommendations effective, the Congress itself must act by the passage of new statutes or by the changing of old laws. So now the Congress of the United States is about to conclude legislative action on this very important Reorganization Act of 1949, which will permit the President to go ahead and submit his reorganization plans to us which will put into effect many of the recommendations of the Hoover Commission.

I have confidence in the President. I very sincerely hope he will proceed promptly along the lines he has disdiscussed with members of the Commission to send Congress good and sound reorganization plans which will, in great substance, make effective the recommendations of our Commission and bring about greater economy and efficiency in Federal affairs. The situation is now in the hands of the President, or will be as soon as we vote. This bill gives him certain privileges and responsibilities in connection with the reorganization of the executive branch of the Government. I sincerely hope that he will use these powers wisely and meet his full responsibility in the spirit we all want him to meet it. I just as sincerely hope that the Congress will likewise meet its responsibility promptly and fully in considering the Hoover Commission reports.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. Yes; I yield.

Mr. MILLER of Nebraska. On a recent visit home one of the first topics of conversation was what the President was going to do about the Reorganization Act. However, the question I wanted to ask the gentleman was this: Over in the other body I understand eight or nine bills have been introduced to follow out the recommendations of the Hoover Commission report, and I understand perhaps the same in the House. Can we take those bills and proceed, or must we wait for the President to send up his bill?

Mr. BROWN of Ohio. Those bills being brought up by the Committee on Expenditures of the House and the Expenditure Committee of the Senate, and by some other legislative committees, must be enacted into law; because, as I said a moment ago, about 35 or 40 percent of the recommendations of this Commission, to be made effective, will require legislation. We are going just as far as Congress can, by giving authority to the President to make it easy to reorganize the executive branch, where it is possible to do so by delegation of authority to the President. But 35 or 40 percent of the recommendations of the Commission will take legislative action to make them effective.

If the President will meet his responsibility and if we in Congress will meet ours, as he and we should, then a great deal of good can be accomplished for a Nation which, I believe, wants and needs economy and efficiency in the conduct of its Government.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. GROSS. The question now comes, how expeditiously will the President move, and then how expeditiously will the House move?

Mr. BROWN of Ohio. Let me say to the gentleman from Iowa that the President has advised the Commission—and I am sure the President is a man of honor, a man of his word—that he now has a number of reorganization plans ready to submit to the Congress, which will move up here very rapidly. I do not mean by that that the President is ready to send plans covering every phase of the Hoover report. It will take time for him to perform this comprehensive task. Yet, I am sure, he can send us many of these reorganization plans promptly. I am sure the leadership of the House, on both sides, has been very sincere in saying that they want to expedite the consideration of the President's reorganization plans and all reorganization legislation. I know that the House Committee on Expenditures is hard at work through an efficient subcommittee, to expedite consideration of all reorganization matters. I hope my colleagues on the Republican side, as well as my colleagues on the Democratic side, of the aisle, will lay aside political considerations, and get behind the whole program of the Hoover Commission for the benefit of the American people. It is absolutely necessary we act promptly if we are to get the economy and efficiency we need in the Government.

It is now up to the President on the one hand, and the Congress on the other, to quickly consider the recommendations of our Commission. In closing, may I say that I realize fully the difficult time that the House conferees have had in connection with this particular legislation—the Reorganization Act of 1949—and I wish to compliment and congratulate them on finally being able to reach the compromise agreement which has been brought before us today. I hope the conference report will be adopted.

Mr. DAWSON. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN], one of the conferees.

BUREAUCRATIC POLITICAL MANEUVERING DEFEATING ECONOMY AND EFFICIENCY RECOMMENDATIONS OF THE HOOVER COMMISSION

Mr. HOFFMAN of Michigan. Mr. Speaker, the bureaucrats in Federal executive agencies and departments, with the aid of their political allies in a Congress under the control of the Democratic Party organization, are using their usual tactics—delay and misrepresentation—to defeat the recommendations of the Hoover Commission, which would require them to curtail their waste and extravagance, give the people better service for less money.

The fight is not a new one and ever since 1910, when, at President Taft's suggestion, the Congress appropriated $100,000 for the work of a commission created to point the way to give the people economy and efficiency, the jobholders who oppose economy and efficiency in the executive departments have defeated every effort of the President and the Congress to give the people a dollar's worth of service for every tax dollar expended.

Prior to the Eightieth Congress, 18 attempts have been made by either the President or the Congress, or one branch of the Congress, to curtail needless expenditures in the executive departments. But every such attempt was defeated by propaganda and the personal efforts of Federal employees who exerted pressure on Congress.

The Eightieth Congress enacted legislation which authorized the creation of a commission to advise as to how best to carry out the policy of Congress—

To promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government; and

(5) defining and limiting executive functions, services, and activities.

To that Commission the Speaker of the House, the President pro tempore of the Senate, both of whom were Republicans, and President Truman each appointed four members. Six Democrats and six Republicans were named.

President Truman, a Democrat, appointed former President Hoover, a Republican, to head the Commission.

That Commission employed a staff of experts, and many individuals of outstanding ability without compensation voluntarily gave of their time and knowledge.

The Congress gave the Commission approximately $2,000,000, and it spent 18 months in assembling facts and writing a report which pointed out to the public and the Congress ways and means whereby an annual saving of between three and four billion dollars could be made in the executive departments, while, at the same time, increasing the efficiency of those departments.

We now have a public debt of more than $250,000,000,000. It carries an annual interest charge of $5,000,000,000. Since the beginning of the present fiscal year we have gone into the red more than an additional $1,435,000,000. If present trends continue, we will, by July 1, 1951, have an additional national deficit of not less than $11,000,000,000.

The prospects of a $260,000,000,000 debt, with its inevitable interest charge, a falling stock market, a business recession, and increasing unemployment have awakened the people and the Congress to a realization that, unless we mend our ways, we will get another one of those disastrous depressions which no one wants, which bring so much privation and suffering to everyone.

Hence it is that the people are now demanding in no uncertain terms that this Congress now enact legislation which will implement the recommendations of the Hoover Commission.

Basic legislation being needed to enable the President, who is head of the executive departments, to send down to the Congress plans which will translate into law the Commission's recommendations, the Senate and the House each passed a reorganization bill.

The bills were somewhat different in their provisions, the principal differences being these:

The House bill did not give the President power to create or to transfer an executive department. The Senate bill gave him that power, although he did not ask for it and does not want it.

The House bill provided that plans dealing with any one of seven named executive agencies shall be "one package" measures. The Senate bill made no exemptions.

The Senate bill provided that no provision contained in a reorganization plan should take effect unless the plan was transmitted to Congress before April 1, 1953. The House bill carried no limitation.

The House bill provided that any reorganization plan sent to the Congress should become effective unless, within 60 calendar days of continuous session thereafter, the two Houses by a concurrent resolution vetoed the plan.

The Senate bill provided that a plan so sent down should not become effective if either House by resolution disapproved of the plan.

There being conflicting provisions in the two bills, in accordance with legislative practice, conferees—five from the Senate, five from the House, six Democrats, four Republicans—were appointed to effect a compromise.

Until late yesterday afternoon—June 15—the conferees were unable to agree because the three House Democratic conferees would not go along with the procedure carried in the Senate bill which provided that either House might veto a reorganization plan sent down by a President.

The conferees finally compromised by agreeing to submit a report to their respective Houses, recommending the passage of a bill which would (a) give the President power to create or to transfer an executive department; (b) strike from the House bill the exemption of the seven named executive agencies and the "one package" requirement; (c) accept the provision in the Senate bill that no plan sent down should become effective unless it was submitted to the Congress prior to April 1, 1953.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. McCORMACK. Will the gentleman admit that the House conferees, all of us, worked hard and diligently and explored every avenue to try and effect a compromise on this?

Mr. HOFFMAN of Michigan. There is no disagreement about that. I was trying to say that the gentleman came out with more than he took into the conference.

Mr. McCORMACK. I wish I could plead guilty to that.

Mr. HOFFMAN of Michigan. The gentleman wants to plead guilty to surrendering. I want him to boast of a victory.

Mr. McCORMACK. We wanted to get a bill through. But I did not mean to rise for that purpose. I wanted to ask the gentleman, Did not the House conferees do everything possible to try to arrive at an agreement?

Mr. HOFFMAN of Michigan. We finally got one. The only point where I disagree with the gentleman from Massachusetts and the other House conferees is this: If I understand the gentleman correctly, he is intimating we made some sort of a surrender. I am charging that he came out with a victory. He does not find fault with that, does he?

Mr. McCORMACK. I will have to find the gentleman guilty of making a charge that I cannot subscribe to.

Mr. HOFFMAN of Michigan. The gentleman does not want to be charged with a victory for the House?

Mr. McCORMACK. No member of the House conferees engaged in any kind of politics in arriving at an agreement on our differences?

Mr. HOFFMAN of Michigan. I do not know about that.

The point which had been deadlocking the conferees 7 to 3, as to the manner in which a plan sent down by the President should become the law of the land, was compromised by an agreement that such a plan transmitted to the Congress shall become effective upon the expiration of the first period of 60 calendar days of continuous session of the Congress, following the date on which the plan is transmitted to it; but only if, between the date of transmittal and the expiration of such 60-day period there has not been passed by either of the two Houses, by the affirmative vote of a majority of the authorized membership of that House, a resolution stating in substance that that House does not favor the reorganization plan.

That conference report is now before the House and, if we are to have legislation putting into effect any of the recommendations of the Hoover Commission, the Congress must adopt this report and without delay give consideration to any plan sent down by the President, or to bills introduced by Members which seek to make effectual recommendations of the Commission.

Once more, the jobholding, spending, power-seeking bureaucrats in the agencies and the departments, acting through their political allies in the House, have delayed action on the economy and efficiency program recommended by the Hoover Commission and so strongly endorsed and demanded by the taxpayers of the country.

Under the basic legislation, for a plan to become effective, it is necessary that it be sent down by the President and reach the Congress at least 60 legislative days before final adjournment.

The Reorganization Act of 1946 provides, in substance, that the Congress shall adjourn not later than the 31st day of July unless there is some national emergency.

Hence it will be seen that, through their delaying tactics, the bureaucrats

have won the first skirmish in their battle to continue in control of the executive departments.

It is understood that the President has caused several plans, which are more or less in accord with the Hoover recommendations, to be drafted, and that, as soon as the present measure now pending before the House is adopted, those plans will be sent down to us.

But the bureaucratic opponents have another method of sabotaging any efforts to curtail either their power or their expenditures. It has always been their practice to meet any effort to curtail their authority or their activities, to, when a bill was introduced, send up a measure of their own, which, while labeled a bill to promote economy and efficiency, always carried provisions which prevented the accomplishment of those purposes and which usually, if accepted by the Congress, when interpreted by the administrative officers, gave them greater authority, called for larger appropriations; and that is the procedure which they have adopted in connection with their effort to defeat this fight for economy and efficiency.

The Hoover Commission employed Gerry Morgan, who for some 12 years was employed in the Office of the Legislative Counsel of the House of Representatives. He assisted in drafting many of the bills which later became the law of the land. He has had years of experience.

For the Hoover Commission and while employed by it, he drafted some 15 bills designed to carry out the recommendations of the Hoover Commission. Those bills were transmitted to the chairman of the standing committees of the House.

A very brief summary of those bills and what, so far as I know, happened to them, follows:

General management: A bill dealing with the general management of the executive branch of the Government was forwarded to the chairman of the House Committee on Expenditures in the Executive Departments. It was introduced by him on February 10, 1949, and carries the number H. R. 2613.

On February 24 it was announced that public hearings would begin on March 1. The hearings, however, were postponed, and to date none has been held on that bill.

Office of General Services: A bill dealing with the supply activities of the Government was introduced by the chairman of the same committee on February 14. Its number is H. R. 2641. No hearings were held on this bill, but hearings were held by the Holifield subcommittee on H. R. 2781—the Federal Property Act—which was written prior to the release of the Hoover Commission's reports.

Budgeting and accounting: A bill on this subject was sent over to the chairman of the House Committee on Expenditures in the Executive Departments by mail 2 or 3 months ago and as yet has not been introduced.

Post Office: A bill covering the recommendations dealing with the Post Office was delivered by Carter Manasco to the chairman of the Post Office and Civil Service Committee of the House several months ago but as yet this bill has not been introduced in the House.

Personnel: A bill to enact into law the recommendations contained in the Hoover Commission report on Personnel Management was sent to the chairman of the House Post Office and Civil Service Committee, but as yet this bill has not been introduced.

Veterans Life Insurance Corporation: The only recommendation contained in the Commission's report on the Veterans' Administration which required legislation is one which recommended the creation of a Veterans' Life Insurance Corporation and a bill to do this was mailed to the chairman of the House Veterans Committee.

It is expected that this bill will be introduced within a day or two.

National Security Organization: Mr. Morgan sent a bill covering the Commission's recommendations on the National Security Organization to the chairman of the Armed Services Committee. My information is that this bill will not be introduced at the present time. There is pending before the Armed Services Committee a bill very similar to the Tydings bill to carry out the recommendations of the President regarding the National Security Organization and that bill is in some of its major aspects in agreement with the Hoover Commission recommendations.

There is some publicity to the effect that that bill will not be acted upon by the Armed Services Committee.

Agriculture: A bill on this subject was sent to the Committee on Agriculture of the House but as yet has not been introduced in the House.

Interior: A bill dealing with the recommendations for the Interior Department was sent to the Public Lands Committee in the early part of last week, but as yet, has not been introduced in the House.

Treasury Department: A bill dealing with the Hoover Commission's recommendations for the Treasury Department was sent over last week to the chairman of the House Committee on Expenditures in the Executive Departments and has not yet been introduced in the House.

Commerce: A bill to enact into law the recommendations of the Hoover Commission regarding the Department of Commerce was sent to the chairman of the Interstate and Foreign Commerce Committe of the House, but has not as yet been introduced.

United Medical Administration: A bill to create a United Medical Administration as recommended by the Hoover Commission was sent to the chairman of the House Committee on Expenditures in the Executive Departments 2 or 3 weeks ago and as yet has not been introduced in the House.

Overseas administration: A bill to create a Commission to make a study of the administration of overseas activities of the Government was sent to the chairman of the House Committee on Expenditures in the Executive Departments last week and this bill likewise has not been introduced in the House.

Department of Welfare: A bill to create a Department of Welfare as recommended by the Hoover Commission was sent to the chairman of the House Committee on Expenditures in the Executive Departments 2 weeks ago but as yet has not been introduced in the House.

Instead of waiting for the Hoover report and its recommendations, Mr. Ewing, head of the Federal Security Agency, who, while holding a Federal job, has been going about the country in an attempt to put over socialized medicine and compulsory health insurance, caused the legal department of the agency he heads to draft a bill which sought to blow up his agency into a department, make him the head of the department, a member of the Cabinet, instead of the head of an agency.

That bill, an opening wedge for socialized medicine and compulsory health insurance, and Mr. Ewing's effort are typical of the methods of the bureaucrats which they have successfully used ever since 1910 to defeat any move looking toward economy and efficiency in the various agencies and departments.

After striking some provisions from Mr. Ewing's bill, the Committee on Expenditures on February 15 reported out H. R. 782, a modified version of Mr. Ewing's bill. A rule was obtained and the bill was scheduled for consideration by the House on May 17, but for some reason the House leadership withdrew consideration of it at that time.

On that date, May 17, from the floor, attention was called by me to the fact that the bill did not conform to the recommendations of the Commission—CONGRESSIONAL RECORD, May 17, pages 6365–6368.

Regulatory agencies: A bill making certain changes in the laws applicable to the regulatory agencies of the Government, as recommended by the Hoover Commission, was sent to the chairman of the House Committee on Expenditures in the Executive Departments a week or two ago, but this bill also has not been introduced in the House.

The delay in passing the original enabling legislation and the failure of the conferees to agree promptly has made far more difficult the task of getting worthwhile remedial legislation at this session of the Congress.

From a practical standpoint, we cannot get such legislation through the approval of any plan sent down by the President unless the Congress continues in session beyond July 31.

Even if it does continue in session well into August, all familiar with legislative processes know that it is almost impossible to get well-written, well-considered legislation in the closing days of any session.

The task of writing reorganization legislation which will be effective; which will give us less, instead of greater, costs; which will give us more, instead of less, efficiency, is a tremendous one.

The Hoover Commission, as we all know, had the aid of many, many experts, self-sacrificing individuals, who brought to their task years of experience and technical skill. They did, however, but a part of the job. They told us, through their voluminous reports, where there was waste, duplications and inefficiency, but they did not, except as to the bills referred to as having been drafted by Mr. Morgan, tell us how to do the technical job of drafting the legislation.

Attention has already been called to the bill sent up by Mr. Ewing of the Federal Security Agency and to his effort to blow up his agency into a full-fledged department and, through legislation, force upon the people compulsory health insurance, socialized medicine.

There is no doubt but that other bills have been, or will be, sent up by the departments and that, when any bill which attempts in any way to curtail the activities of any existing agency or department comes before a committee, some agency or department in the Federal Government will attempt to write that legislation so that it will serve the purpose of the agency or the department, or both.

That is standard practice. Those who serve on legislative committees are familiar with it and know how almost impossible it is for a congressional committee to write a bill without incorporating in it the self-serving provisions of the various departments, each of which ordinarily is jealous of the others, but all of whom, when an attempt is made to correct legislative or administrative faults, unite in a solid front, compromise their differences, and direct a unified, almost irresistible pressure on legislative committees.

Inasmuch as the delay in enacting the basic legislation has so greatly lessened the opportunity for this Congress to do a worth-while job if it waits for the plans which may be sent down by the President—and it must be remembered that those plans, when they come down, cannot be amended but must be either accepted or rejected as written—I yesterday introduced 11 bills, nine of which were introduced by the junior Senator from Wisconsin.

All of these bills were drafted by Mr. Morgan at a time when he was in the employ of the Hoover Commission and each is an attempt to translate into legislation a recommendation of that Commission.

The drafting of such bills requires technical knowledge, not only of the mechanics of the bill, but a knowledge of the facts upon which it is based and of the interpretation and effect of previous legislation.

Lack of time has prevented a thorough study of the Hoover reports. It is doubtful if many of the Members of Congress have had the opportunity to go through these reports and the reports of the task forces, to evaluate the facts disclosed by the hearings or to properly assimilate the sometimes conflicting views of the members of the Commission.

For myself, I can only say that I do not accept the Hoover Commission reports as revelations from on high, to be accepted and followed as one wishes to accept and follow the Ten Commandments.

Practically everyone joins in the desire to put into legislation the recommendations of the Commission and, where there are differences of opinion, they will ordinarily be only as to the method of doing the job.

Because our time will be limited, because of the ability and character of the members of the Commission and the staff force employed by it, it may be assumed that the Members of the House, and I know I shall, attempt to faithfully follow these reports and recommendations.

In order that we may get started on the job, I yesterday introduced bills, all written by Mr. Morgan, dealing with the following subjects:

H. R. 5172, Administration of overseas activities.
H. R. 5173, Regulatory agencies.
H. R. 5174, Treasury Department.
H. R. 5175, Department of Welfare.
H. R. 5176, Interior.
H. R. 5177, Post Office.
H. R. 5178, Budgeting and Accounting.
H. R. 5179, Agriculture.
H. R. 5180, Commerce.
H. R. 5181, Extension of Civil Service.
H. R. 5182, United Medical Administration.

It is my hope that the committees to which these bills are referred will, without delay, give them such consideration as time will permit. It is also my hope that when the departments begin to rewrite these bills, as they undoubtedly will, and when their representatives come up to testify, the various committees will call upon members of the Hoover Commission to make answer to any suggestions which the representatives of the agencies or the departments may make.

Beyond question, the departments will make use of the old effective practice to "git thar fust with the mostest."

I have suggested before and I suggest again, that the subcommittee of the Committee on Expenditures in the Executive Departments, of which the gentleman from California [Mr. HOLIFIELD] is chairman, be given whatever sums may be necessary to enable him to employ some of the experts who served with the Hoover Commission so that the subcommittee and the full committee may have available for advice and information experts who are familiar with the work of the Commission and who have the skill to put into legislative form such recommendations of the Commission as may be desirable to effectuate the recommendations made.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. DAWSON. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I want to congratulate the conference committee on this report. I realize that there are some things in it that just do not suit me. But, the legislation that we pass, as a rule, is generally a compromise, and I think the committee did a fine job and I want to congratulate our chairman, the gentleman from Illinois [Mr. DAWSON] and the members of the conference committee because I think they did a good job, probably the best that could be had if we get any legislation at all.

It has been said here many times that the President of the United States will necessarily have to get busy if we are going to get some legislation for reorganization which will be of benefit to the country, and if this legislation is to be of any service and economy in government whatever. But, the thing that I want to do now is to warn the Congress of what is going to happen. The President of the United States may send and I hope he will send legislation down here for the consolidation of departments or the changing of the various departments according to the recommendations of the Hoover Commission, or it may not be according to those recommendations but for efficiency and economy in Government. But, when he sends this legislation here to the House, which I hope is going to mean and will have to mean economy to the Government if this Nation of ours is going to survive—when that legislation is sent up here you are going to see the biggest bunch of lobbyists like bees from the departments of this Government in these galleries that you have ever seen in all your life, trying to stop economy and consolidation, because it will mean losing jobs.

It is going to be a real job now to keep these bureaucratic bees away from Members of Congress. It will be ten times worse than it was yesterday, when we had all the Army officers up in the gallery, or when a few weeks ago we had up labor legislation and the galleries were filled with labor representatives. When representatives of the departments of the Government come into your office and tell you the legislation the President sends down here is all wrong, you just make up your minds that you want to think for yourself, and try to put some of this legislation into effect, if we are going to get any economy; and that is going to be absolutely necessary if our Government is to survive.

I realize that all this legislation is not going to suit me, but I am going to try to go along with the President, and I hope he will send legislation here and send it here quickly, so we can get some benefit from it at this session of the Congress.

The warning I give to you Members of Congress now is to be vigilant, to keep your eyes and ears wide open. Let these department heads come down here and talk a lot to you, but you listen to the committees that are going to send in the legislation. They are your watchdog of the Treasury. The president of the United States is not going to send something down here that will wreck us, I am sure of that. The legislation he does send down here will need your consideration. I am sure the chairman of the committee, the gentleman from Illinois [Mr. DAWSON], is going to give consideration to it. We are going to try to report it to you with our recommendations just as soon as it lands here and we can give it the proper consideration. The gentleman from California [Mr. HOLIFIELD] who is going to be the chairman of this subcommittee, and the other members of that subcommittee, are going to work hard and bring the legislation in here as quickly as we possibly can. Let us hope that it means a reorganization of our Government to the extent that there will be more economy and more efficiency in operation of all departments of Government. That is all I hope for and I am sure that is what we will get before this reorganization is over if the President and the Congress do the right thing.

Mr. DAWSON. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD in connection with the pending conference report.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHENER. Mr. Speaker, I most enthusiastically support this conference report. All the details have been explained. The provisions of the reorganization bill as it passed the House and as it was amended by the Senate have been composed. This report is unanimous. We can now go forward from here. It is interesting to think in retrospect but it is more realistic to think in prospect. It does not make much difference now just what the dispute among the conferees was. That is water over the dam. I hope no partisanship was involved.

Mr. Speaker, I have received numerous communications and resolutions from constituents, organizations, and groups urging the adoption of the Hoover report, as they refer to this matter, without any change or reservations. These communications which I have received make it abundantly clear that few of the people back home fully understand just what the Hoover Commission was, including its origin, its powers, limitations, and functions. It seems to me that it is apropos that I include in these remarks the law setting up the Hoover Commission as it was enacted by the Eightieth Congress and approved by the President on July 7, 1947. Public Law 162, Eightieth Congress, reads as follows:

[Public Law 162—80th Cong.]

[Chapter 207—1st sess.]

H. R. 775

An act for the establishment of the Commission on Organization of the Executive Branch of the Government

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(3) abolishing services, activities, and functions not necessary to the efficient conduct of government; and

(5) defining and limiting executive functions, services, and activities.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a bipartisan commission to be known as the Commission on Organization of the Executive Branch of the Government (in this act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members, as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President pro tempore of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Political affiliation: Of each class of two members mentioned in subsection (a), not more than one member shall be from each of the two major political parties.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any (notwithstanding sec. 6 of the act of May 10, 1916, as amended; 39 Stat. 582; 5 U. S. C. 58), as is necessary to make his aggregate salary $12,500; and they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government, to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: Within 10 days after the Eighty-first Congress is convened and organized, the Commission shall make a report of its findings and recommendations to the Congress.

POWERS OF THE COMMISSION

SEC. 11. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Approved, July 7, 1947.

This was a nonpartisan Commission. I stress the fact that four members were appointed by the President, four by the President pro tempore of the Senate, and four by the Speaker of the House. This was in the Eightieth Congress. Michigan was especially interested because Senator VANDENBERG, as President pro tempore of the Senate, appointed as one of the members of the Commission the very able Dr. James K. Pollock, director of the political science department of the University of Michigan. Our State was also gratified because Speaker MARTIN of the House appointed former President Herbert Hoover a member of the Commission, who later by virtue of an election by the Commission became its Chairman.

Mr. Speaker, with the possible exception of world peace, no subject is more discussed and more in the public mind today than the necessity for economy on the part of Government. The Hoover Commission feels that at least $3,000,000,000 of the taxpayers' money can be saved, and better and more efficient government in behalf of all of the people can be accomplished, if its recommendations are put into effect.

I have made it very clear to my constituents that I favor the Hoover Commission report lock, stock, and barrel, and that I am committed to do each and every thing within my power to speed action on the several plans of reorganization that will be suggested by the President by virtue of the authority given to him under this reorganization law. This is no time to talk. The hour of action has arrived, and this is the time of the essence. The people want reductions in the expense of government and we, as Members of Congress, are doing less than our duty if we permit the present extravagant, wasteful methods now

practiced in the executive branch of the Government, without at least an effort to better the situation.

Of course it will be impossible to carry out all the details of the Hoover Commission recommendations. No law and no recommendations of this character are infallible. The principle, however, is right and if the Congress forgets political considerations and thinks only of the welfare of the Nation, the American economy, and the taxpayers' money, much good can be accomplished. I hope the President will interpret this power given to him as a challenge to speed up his recommendations bringing about reorganization, and I feel that I am speaking for a vast majority of the Congress when I predict that presidential reorganization proposals will receive prompt and sympathetic consideration on the part of Congress, to the end that the objectives of the Hoover Commission recommendations may be effectuated in full. The President and the Congress must work as a team. Existing departments and bureaus must not be permitted to dominate. The responsibility is ours, we must not fail.

Mr. HARVEY. Mr. Speaker, the conferees on H. R. 2361 are to be congratulated on having achieved an agreement with the Senate and permitting this important piece of legislation to be sent to the President, for his signature. There can be little doubt as to his willingness to sign the bill, since he has frequently urged this legislation upon the Congress.

Without prejudice, so far as the merits of the House versus Senate provisions, may I say, that, the important thing is to get a reorganization plan passed so that the great need for economy in government, as well as efficiency, may be realized.

The subcommittee, of which the gentleman from California [Mr. HOLIFIELD] is chairman and, I am a member, has been working consistently to cooperate in the entire program of reorganization. We realize that part of the Hoover Commission recommendations should logically come from the President's office, as provided in this legislation. Other phases of the reorganization must come by positive legislation on the part of the Congress.

During the debate on H. R. 4754, the Federal Property and Administrative Services Act of 1949, it was amply testified that the accomplishment of the Hoover Commission reports would require several months and in order not to disrupt the effective operation of the various agencies of the executive branch of the government, would have to be effectuated in a series of steps.

The people are aware of the great growth of the Federal Government, sometimes described as a sprawling bureaucracy. Such Topsy-like growth has inevitably caused conflicts, duplication, and lack of coordination. It is high time that the very excellent Hoover Commission reports be given the "Go sign" and that they be given bipartisan support.

The need for economy in government is all the more important if we are to reduce Federal taxes to a point where we can pay our bills as we go, and can plan constructive retirement of the Federal debt.

These objectives are clearly understood by the people and there is no mistaking their demand that we restrict our expenditures and get a dollar's worth for every dollar spent. It has been estimated, by a Hoover Commission task force that at least 500,000, or approximately one-fourth of the Federal employees could be released, by streamlining the executive branch of our Government.

Again may I express my pleasure that this important piece of legislation has been successfully agreed upon by the conferees of the House and the Senate.

Mr. LOVRE. Mr. Speaker, as one of the conferees on H. R. 2361, which is the Reorganization Act of 1949, as recommended by the Hoover Commission, I sincerely hope that the conference report accompanying H. R. 2361 will be adopted unanimously.

This legislation is the first step in reorganizing the executive branch of our Government, which during the past few years has grown to such a point that it has developed into a sprawling, wasteful and inefficient bureaucracy which nobody understands and which is gradually sapping our economic strength.

For the past 30 or more days, the Reorganization Act has been held up in conference between the House and Senate because of differences of mechanics in and methods of bringing about the reforms advocated by the Hoover Commission.

The House version provides in substance that any proposal submitted by the President for the reorganization of the executive branch of government will become a law unless within 60 days after the presentation of the proposal both Houses veto the plan by a majority of the Members voting. The Senate version in effect is that such a plan could be vetoed by either branch of Congress by a majority of the Members voting.

The second difference of opinion between the two Reorganization Acts relates to exemptions. The House version provides that any proposals submitted by the President affecting the reorganization of seven different agencies of the executive branch shall be submitted in separate packages, which is contra to the recommendations of the Hoover Commission. The Senate version provides for no exemptions or single packages whatsoever and is in conformity with the recommendations of the Hoover Commission.

Personally, I am of the opinion that the Senate version is correct for the simple reason that we have in Government today what we might term the "Yes, but" philosophy, and which has been proven by the statements of various agencies appearing before the Committee on Expenditures. One agency will appear before the committee and say, "Yes, I believe in reorganization, but reorganize the other fellow and not me." If we permit this, then there will be no end to the exemptions demanded by the some eighteen hundred odd agencies and bureaus and will prevent any effective reorganization of the executive branch of our Government.

The conference report eliminates all exemptions or one-package proposals, which is proper and is a step in the right direction. The conference report further provides that any reorganizational plan shall take effect upon the expiration of 60 calendar days of continuous session of Congress following the date the plan was transmitted to Congress, unless during such period either House passes a resolution by the affirmative vote of a majority of the authorized membership of that House. I am in accord with this provision, but I think it should go farther and also provide an alternative method to the effect that any plan submitted by the President could also be vetoed by the simple majority of both Houses as originally provided in the House bill, H. R. 2361. The reason for suggesting such a procedure is because under the provisions of the conference report a reorganization plan could become law if 48 Members of the Senate voted against the plan and/or 217 Members of the House voted against the plan. I advocated such an alternative veto program procedure, but it was not agreeable to a majority of the House conferees.

Regardless of what I may personally think is the proper veto procedure, I urge adoption of the conference report for the simple reason that every day action is delayed on the Reorganization Act means one more day of wasteful and inefficient Government bureaucracy at the expense of the American taxpayer. The means of bringing about reorganization is not nearly so important as the actual reforms themselves. The important thing is that upon the adoption of the conference report, the President will be given the machinery and necessary authority whereby he can if he so desires put into effect immediately the recommendations or the reforms proposed by the Hoover Commission subject of course to the veto by Congress. The responsibility for reorganizing the executive branch of the Government upon the approval of this conference report will rest squarely upon the shoulders of the President, and I urge my colleagues on both sides of the aisle to join hands in accomplishing this very necessary mission. The President should be given a free hand to eliminate the waste, extravagance, duplications, and inefficiency that is now so evident in all the bureaus and agencies in the executive branch of the Government. He should not be hampered in any way and certainly personal and selfish politics should be completely set aside. I sincerely hope that the President will upon adoption of the conference report proceed immediately and expeditiously with the reforms recommended. If he fails in this task, he will have to answer to the people.

Mr. REES. Mr. Speaker, although this legislation giving authority to the President to reorganize certain departments of Government comes late in the session, immediate action should be taken thereon. It is unfortunate that although the

Congress and the leadership thereof has been familiar with the recommendations of the Hoover Commission for a period of almost 6 months, practically none of the recommendations have yet been made effective.

A few days ago I called attention to the fact that a great share of the recommendations can be made effective by Executive order. That should have been done and now this House and the other body has its chance. It should proceed to do its part immediately. The people of this country insist we proceed to deal with a problem that should have been dealt with long ago.

We have a big Government. In 20 years of depression, war, crisis, and cold war, its cost has risen from $4,000,000,000 to $42,000,000,000. Its civilian employment has increased from 600,000 to more than 2,000,000.

It takes one dollar out of five of the national income to run the Government. We have a debt that amounts to a mortgage of $7,000 on every family in America.

I do not believe anyone in or out of Government, defends, as someone has suggested, "the unholy hodgepodge" of 1,800 department, agencies, boards, and bureaus in the executive branch. Sixty-five huge agencies are supposed to report to the President. This is almost an impossible job. There is lack of executive authority and responsibility everywhere. The people of America hope to secure some relief by reason of the adoption of the recommendations of President Hoover and his Commission.

The bipartisan 12-man Commission was composed of some of the most outstanding experts in the United States, and it is estimated by the Chairman of the Commission that if the recommendations are followed the Government will save approximately $3,000,000,000 annually.

The subjects studied by the Commission concern the general organization of the Government and specific governmental operations, such as accounting, budgeting, personnel, purchasing, transportation, veterans' affairs, public works, lending agencies, medical services, Indian affairs, statistical services, records, management, and the operations of the post office. The magnitude of this task cannot be minimized because of the confusion created by 1,800 bureaus, commissions, divisions, departments, and administrations employing 2,096,498 persons. However, in less than 2 years the Commission reported its findings and made recommendations for a more orderly, economical, and efficient Government operation.

There has been much publicity with respect to the work of the Hoover Commission, and from all parts of our country the farmer, businessman, and workingman, who are called upon to pay a tax burden of $44,000,000,000 annually, are asking what steps are being taken to carry out these recommendations. The people of this country are demanding, and rightly so, that we deal with these problems and that it be done without further delay.

I have examined the recommendations of the Hoover Commission, and I find that more than half can be put into effect today either by Executive order of the President or by administrative action of the departments and agencies of the Government. I find that legislation by Congress is not required to accomplish the elimination of red tape and duplicating Federal activities, which, in the words of former President Hoover, "paralyzes the efforts of the best of our Government executives." Our gigantic bureaucracy was not created by legislation. It has come about through the lack of planning and the haphazard creation of a multitude of bureaus, departments, and commissions by administrative action.

In outlining some of the recommendations which may be put into effect immediately, time will permit my calling your attention to only a few. In its report on personnel management in the Federal Government, the Hoover Commission points out that civilian employment in the last 20 years increased 1,000 percent and the annual pay roll for these employees during the same period increased from $1,000,000,000 to $5,650,000,000 annually, and suggests that great savings can be achieved if the Commission's recommendations are put into effect. Over two-thirds of these recommendations require no more than administrative action by the President and the heads of the departments and agencies of the Government.

The Hoover Commission made recommendations regarding better and more economical ways of handling the Federal Government's 18,500,000 cubic feet of records and cited numerous instances where noncurrent records are presently filed in office space at an annual cost of 14 times greater than necessary. Also, great savings can be had by eliminating useless or duplicated records and transferring others to storage. Government-wide improvements and economies can be made, the Commission states, by setting standards and controls for record making and by applying tested methods, practices, materials, equipment, and machines. All of these recommendations which can be put into effect immediately could result in savings of over $32,000,000 during the first 2-year period and over $6,000,000 annually thereafter.

The Hoover Commission devoted much study to the Post Office Department, which at the present time does a business of $1,300,000,000 annually, with expenditures of over $1,600,000,000 annually. It is estimated that the postal deficit for the current fiscal year will be approximately $500,000,000, and it was quite important that the Hoover Commission devote its resources toward finding a way and means of achieving a more economical and efficient postal service.

I believe that I can speak with some authority on the operation of the Post Office Department, because during the last Congress I had the honor of being chairman of the House Post Office and Civil Service Committee. I was gratified by the fact that the Hoover Commission utilized the reports of our committee and found them of such value that its report and recommendations on the Post Office Department closely coincides with the findings of our committee. The Hoover Commission pointed out that the Post Office Department had an obsolete administrative structure, was controlled by a maze of outmoded laws and regulations which freezes progress and stifles administration, and that the Department was overcentralized. One-half of the Commission's recommendations on the Post Office Department could be put into effect immediately by the Postmaster General.

The second largest expense item in the Federal budget is the Government's purchase of supplies and equipment. The Hoover Commission stated if its recommendations were carried out with respect to this field of activity, annual savings of $250,000,000 could be made, with a reduction in inventories of $2,500,000,000. It is significant that purchase orders issued by the Federal agencies in a typical year average $10 or less. This expense is doubled because the paper work for a single purchase order costs more than $10. The excessive cost of this red tape can be eliminated immediately by administrative action of the departments and agencies.

The failure of the excutive branch to plan its future operations in connection with the handling of health and medical services is demonstrated in a task force report of the Hoover Commission. In 1948 more than 44 Federal agencies spent $1,250,000,000 for these services. It was pointed out that the present program is devoid of any central plan, and the Government is assuming obligations without any understanding of their ultimate cost. In one metropolitan area it was found that four Army and Air Force hospitals could be closed, and at the same time provide a higher standard of service. Several other Federal agencies are planning to build hospitals in the same metropolitan area to cost $100,000,000, but there is no evidence that such additional facilities are needed. This situation was shown to exist in several other areas in the United States. Other deficiencies were pointed out could be eliminated by better coordination between the agencies of the Government concerned with these services which extends to approximately one-sixth of our population.

The Hoover Commission devoted study to the organization and personnel structure of the Department of State which today, in my judgment, is charged with one of the greatest responsibilities ever had by any department of our Government in peacetime. Seventy-five percent of the recommendations in connection with the State Department could be put into effect immediately without congressional action. Among the deficiencies which the Commission found was the lack of a clear line of command from the Secretary of State down to the lower echelons. The administrative burdens placed upon the Secretary and the Under Secretary of State are so heavy that they have little time for thoughtful and considered reflection on foreign-affairs problems.

The Hoover Commission made recommendations which would result in major improvements in the Veterans' Administration. This is of vast importance to the veterans of our country who, in my opinion, are not receiving the kind of service they should from the Veterans'

Administration. It was pointed out that the Veterans' Administration has become too complicated and that there are conflicting lines of authority between officials in Washington and those in the field resulting in divided responsibilities and hampering an effective program. In addition to being wasteful, these practices were found to contribute to the dissatisfaction of veterans who deal with the Veterans' Administration. Most of these recommendations could be carried out by a reorganization of the Veterans' Administration which does not necessitate action by Congress.

In this statement I have indicated only a few of the recommendations of the Hoover Commission which could be put into effect immediately. I believe the people of our country demand action by the executive branch in carrying out the recommendations of the Commission. In the fact of a request by the President for an increase in taxes of approximately $4,000,000,000, the American taxpayer has the right to expect his Government to take whatever action is necessary to reduce the excessive cost of Government operations.

We were told during the war that lavish Federal expenditures were justified because the main objective was to win the war. Today we are faced with another enemy within our gates which threatens our national economy. The threat of inflation can only be removed by reducing our public debt and the Federal budget. There is no excuse why we should not now be paying at least $5,000,000,000 annually toward the retirement of our $251,000,000,000 public debt. In my judgment, one of the ways to accomplish this objective is for the executive branch to put into effect immediately the recommendations of the Hoover Commission.

I have been told that the President has requested the departments and agencies to submit to him their views with respect to the recommendations of the Hoover Commission. It is to be expected that certain bureau chiefs and officials in the Government will resist any economy in Government operations which would result in the elimination of their positions. I hope the President will take into consideration the natural reluctance of any official to concur in recommendations which will affect that official's position. Yet I am certain that the American people expect action and will demand that somewhere along the line a meat ax be used instead of a pruning knife.

May I state that I may not agree with all of the recommendations of the Hoover Commission, but I am interested in the over-all objective which will be accomplished from following such recommendations, and I feel that the Federal Government will be better off if it follows those recommendations than to follow recklessly a program of extravagance, chaos, and confusion.

To make effective the recommendations of the Hoover Commission is not a simple matter. It will require time and effort of this Congress to do its part in putting these recommendations into effect. We can do it if Congress has the will to do so. Even though the hour is late and this legislation long delayed, let us start now. If extra time is required, then we should stay on the job until the task is accomplished.

Mr. GOODWIN. Mr. Speaker, the acceptance of this conference report will be hailed with great joy by everybody who wants to see more economy and greater efficiency in government. My mail indicates a growing demand for reduced government spending. I have just had a few days home in my district and the thing which seemed to be uppermost in the minds of practically everyone with whom I talked was the Hoover Commission's report and when we were going to start putting the recommendation into effect.

The House conferees are certainly entitled to our hearty congratulations upon the outcome of the conference and to our thanks for their cooperation in order that a report might be agreed to which will put on the way, even though belatedly, the machinery for the reorganization proposed by the plan.

It is my hope that the Holifield subcommittee will be furnished with an expert staff sufficiently adequate so that the committee will be able to proceed in its consideration of the various proposals for reorganization with the benefit of technical assistance and advice similar to that which obtained in the deliberations and study of the Hoover Commission. The cost of an adequate staff of expert consultants will be negligible compared to the wholesale economies to be effected by substituting a simplified and streamlined governmental set-up for the sprawling, overlapping bureaucracy which stands in the way of both economy and efficiency today.

Mr. DAWSON. Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, first I want to thank the gentleman from Michigan [Mr. HOFFMAN] for the kind remarks he made about the conduct of the subcommittee of which I am chairman, and at this time I want to thank all the members of that subcommittee, Mr. HOFFMAN of Michigan, Mr. HARVEY, Mr. BURNSIDE, Mr. BOLLING, Mr. BLATNIK, and Mr. HELLER, who will have the very heavy duty of working out the substantive legislation on these reorganization plans. I want to thank them for their help, and look forward to a great deal more help from them in the future.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I agree with the observation made by the gentleman from Michigan [Mr. HOFFMAN] as to the importance of the subcommittee of which the gentleman is chairman and the fact that you should be given sufficient funds to staff the subcommittee adequately in order to consider the legislation necessary to follow out the recommendations. I think that is a matter of vital importance, and the committee should take it up with the Committee on House Administration as quickly as possible.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. BROWN of Ohio. I would like to say to the gentleman from Massachusetts and the Members of the House that I had urged, before your committee and elsewhere, that a sufficient staff be given to this very, very important subcommittee because of the great amount of technical work which the subcommittee must handle and consider. I know of no committee of the Congress which will be called upon to do more work than this particular subcommittee as well as the full Committee on Expenditures in the Executive Departments, if they are to do the job which is expected of them. They must have the staff with which to do the work that is necessary.

Mr. HOLIFIELD. I certainly thank both the distinguished majority leader and the gentleman from Ohio [Mr. BROWN], who has done such a magnificent job on the Hoover Commission. I thank them for their support. I want to pledge to them and to the House that if we are given the proper staff to put into effect the something over 200 recommendations of the Hoover Commission, we will work efficiently and in a workmanlike manner without any thought of partisanship in the attempt to reorganize the tremendous sprawling bureaus of our Government into as economic and efficient an operation as possible. Most of the members of this subcommittee have had a background of business experience. Our friend, the gentleman from Indiana [Mr. HARVEY], has had some very valuable experience in this same kind of work in the State of Indiana and he has been of inestimable value in working out the Federal property bill.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from North Carolina, a member of the Committee on House Administration.

Mr. DEANE. I would like to point out to the gentleman from California, and also to the gentleman from Massachusetts [Mr. McCORMACK], and the gentleman from Ohio [Mr. BROWN], that as a member of the Subcommittee on Accounts, I recall the presence of the chairman, the gentleman from Illinois [Mr. DAWSON] as well as the gentleman from California [Mr. HOLIFIELD] and other members of the Committee on Expenditures in the Executive Departments with reference to their requests for funds. I wish to assure them as one member of my committee they certainly have my support in the wonderful work I think they are doing.

Mr. HOLIFIELD. I thank the gentleman very much. We did not have an adequate number of staff people to work on the so-called Federal Property Act of 1949 which was a highly complicated bill repealing some twenty-odd statutes and amending several others. We set up in that bill a structure for the procurement, utilization, and disposal of Government property which affects the whole fiscal structure of the Government. We made up the deficiency in our staff by working night and day for something like 60 days to get out what I think was a very fine

bill. We worked very closely with the Committee on Expenditures of the other body and I believe I can tell you that when we go to conference on the bill, which has been passed in the House, and which will shortly be passed in the other body, there will be very little disagreement because of the fact that we have worked so closely with them. Each of us has accepted the work of the staff of the other committee and the worth-while suggestions that have been embodied in the original bill will be passed in each body and that bill will go through without any trouble in conference, I can assure you.

I want to speak generally for just a moment on this subject of reorganization in the executive branch. There are roughly 200 main recommendations of the Hoover Commission reports. About 75 of those recommendations can be put into effect in the regular legislative way through our legislative committees just as the Property Act was last week. About 50 of those recommendations can be put into effect by Executive orders of the President. That leaves about 75 of the recommendations which can be put into effect by reorganization plans submitted to the Congress by the President. That is roughly the division as to how these recommendations can be put into effect, Please do not hold me to those exact figures.

We have been in a stalemate in conference for 30 days because of a difference in philosophy as to how much authority we should give the President in setting these plans up. It has been an honest difference of opinion. Many different views have been expressed in committee. We finally resolved on the conference report which we are now considering. It does not satisfy everybody completely as far as I know, but it is the result of a meeting of the minds of the conferees of the other body and of the House. The essential difference between the Senate and House conferees in the beginning and in the present conference report is that the majority of the House conferees thought that both Houses should have a chance to disapprove by resolution any reorganization plan set up by the President.

The other body thought that only one House should have that authority, and that by a majority of those present. The House conferees advanced various solutions, and we finally went from the two-House position to the one-House position. Then a discussion arose as to how much of that one House. The suggestion was that two-thirds of that one House should constitute the necessary disapproving amount of that particular House. Then three-fifths was discussed, bringing it down to 58 Members in the other body. The final solution was not what the other body originally wanted, which was a majority of a quorum, but which was a constitutional majority of 49 in the other body and 218 in this House.

Now, what does this do? After a month's stalemate we have finally given the President authority—and I speak as though the law were already passed and signed—we give him authority to send plans up to the legislative body—both bodies. He has plans ready. He has had plans ready for several weeks, as he has confided to members of this subcommittee. It has not been laxity on the part of the President in not wanting to have these reorganization plans placed before the legislative body. It has been the fact that he has not had the authority and will not have until this conference report is embodied into law. These reports will undoubtedly come up in the next few days. When that happens, remember this: that the responsibility for reorganization of the executive branch in line with the Hoover Commission recommendations and such other recommendations as the legislative body shall see fit to embody in substantive legislation, will become the responsibility of 218 Members of this House and 49 Members of the other body. That is a point which I want to get over. The responsibility will then be upon the Congress to go ahead and uphold the President in these reorganization plans, and if any of these reorganization plans are turned down, it will be upon the responsibility of either 218 Members of this body or 49 Members of the other body. The responsibility will not be on the President.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. McCORMACK. With special emphasis on the Senate, because the House, for all practical purposes—and I say it regretfully—the House for all practical purposes was compelled to capitulate to the Senate bill.

Mr. HOLIFIELD. We came to the position that is in the conference report, 49 in the other body and 218 here, reluctantly, after 30 days, because we honestly and sincerely felt that it was not giving the President an advantage which he should have in sending us reorganization plans.

The SPEAKER. The time of the gentleman has expired.

Mr. DAWSON. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. Yes; I yield.

Mr. RICH. The President's authority under this legislation is to consolidate departments and reorganize them?

Mr. HOLIFIELD. That is right.

Mr. RICH. The President has no authority, or power, as I understand it, to grant new legislation without the consent of the Congress? He cannot say that we are going to have certain functions of Government performed, and establish those functions? That is not the prerogative of this legislation, is it?

Mr. HOLIFIELD. The gentleman is substantially correct.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HOFFMAN of Michigan. I cannot let the statement of the gentleman from Massachusetts [Mr. McCORMACK], about that disgraceful surrender of the House conferees, go without some comment. Under the bill passed by the House a simple majority of both Houses could, by concurrent resolution, defeat a plan. Now, if they fix it so that it requires a constitutional majority, it gives the President more leeway than the other way. If the gentleman will get a few more of these surrenders in here, neither the House nor the Senate would have any authority to veto at all.

One more thing, you are talking about these plans coming up, but we cannot possibly, no Congressman—well, I will say no Republican Congressman—can possibly know what is in these Hoover reports and the task reports, we just cannot familiarize ourselves with them because the business of these bureaus and departments is the biggest business in the world. What I should like to have for the Republican side of the House is some adviser who can digest this material; if you would only give us some expert who could help us when these bureau people come before us and talk about economy and efficiency, while we know and suspect all the time that behind it there is extravagance, and waste, and more power, we might get somewhere. Give us someone who can help us analyze it, will you?

Mr. HOLIFIELD. I hope that I will be able to present to each Member of the House very shortly a preliminary analysis of the different recommendations of the Hoover Commission report that have been embodied in drafts of legislation and where these reports have been referred to committees. About 12 of them have been referred to the Committee on Expenditures, and I believe about 7 have been referred to specific committees of Congress to act upon. I expect to have this analysis ready, and I am going to have it mimeographed and send a copy to each Member of the House, in order to give him a concrete report of what the situation is right at the present time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. McCORMACK. My friend, the gentleman from Michigan [Mr. HOFFMAN], of course, fails to state that what the House conferees were doing was to fight for the recommendations made by President Truman, who, politically, is the leader of the Democratic Party, and also the same recommendations made by former President Hoover, who, politically, is the leader of the Republican Party. The House conferees were fighting to try to carry into law the recommendations of the only living President and the only living former President of this country.

Mr. HOLIFIELD. And the Hoover Commission itself. I wish to say that the thing that we were fighting for was to give the President a more effective means of obtaining the reorganization of the Government than we are giving him in this conference report. That is my opinion. I realize, of course, that the gentleman from Michigan [Mr. HOFFMAN] disagrees with me. I say that the House has weakened the bill by agreeing to a constitutional majority. That is what we have been fighting over, effective power for the President to reorganize. When the President has sent his plan up to Congress the responsibility is transferred from the executive branch to the legislative branch; and when any coalition of 49 Members in the other body or 218 Members in the House stand on record before the American people that they oppose the plan, that they will block the

plan, the responsibility for blocking the reorganization of the executive branch rests with that group.

The SPEAKER. The time of the gentleman from California has expired.

Mr. DAWSON. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a correction?

Mr. HOLIFIELD. I yield.

Mr. HOFFMAN of Michigan. The gentleman will admit that the conference report gives the President more authority than he asked for in that it gives him the power to create new departments as well as transfer departments.

Mr. HOLIFIELD. That is very true, but it also gives to either body of the Congress the right of veto by a constitutional majority, the right to nullify not only the establishment of a new department, but to nullify any other plan that he sends up. You give to him with the one hand but you take away more from him with the other.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HAYS of Ohio. I wish to say, as a member of the subcommittee on accounts that I am torn between the plea of the gentleman from Michigan on the one hand for economy and on the other hand for more help; but I am going to stifle my natural impulse toward economy and the gentleman can count on my vote for all the help the committee needs.

Mr. HOLIFIELD. I appreciate that very much; and I will say that the gentleman from Ohio and the gentleman from Michigan are not very far apart on the standpoint of economy, because if we are given sufficient help on this staff to bring these recommendations together properly in the form of substantive legislation we will then achieve economy far beyond the salaries of three or four experts on the staff.

Mr. DAWSON. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I wish to call attention to the fact that the Committee on Expenditures of the House has done everything in its power to bring out legislation for the purpose of obtaining efficiency and economy in the operation of our Government. May I call attention to the fact also that this bill was voted out of our committee in the month of February and it is before us in the month of June due to no fault upon the part of the members of the Committee on Expenditures nor on the part of the membership of the House.

Mr. Speaker, I call attention to the fact that other legislation calculated to cut down the number of agencies and to bring about more efficiency and economy in the executive departments has passed our committee and is now pending before the other body of the Congress.

So we can with pride point to the fact that the House of Representatives has acted expeditiously upon these reports of the Hoover Commission. I am sure, Mr. Speaker, that we have listened to sufficient argument upon this question and that the Members have made up their minds, so I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPEAKER EMPOWERED TO SIGN BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk of the House be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request to the gentleman from Massachusetts?

There was no objection.

INTERNATIONAL BOUNDARY AND WATER COMMISSION

Mr. BONNER. Mr. Speaker, after consultation with both minority and majority leaders, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1338) authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration, of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 3, line 11, strike out "subjected" and insert "subject."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, the Senate amendment is merely a clerical one?

Mr. BONNER. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RETURN TO OWNERS OF THE REAL PROPERTY AT CAMP STEWART, GA.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the bill (H. R. 3700) to provide for the return to the former owners of the real property at Camp Stewart, Ga., which has previously been referred to the Committee on Expenditures, be re-referred to the Committee on the Armed Services of the House, as the Committee on Expenditures does not have jurisdiction over the matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include a short article.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include a chart showing the cost and benefits of the bill S. 246 in each county of the State of Ohio.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. MADDEN. Mr. Speaker, by direction of the Rules Committee, I call up House Resolution 248 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may desire, and I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this rule calls for the consideration of H. R. 4963, an omnibus bill. It is a combination of several bills that have been filed by about 20 Members of the House. In order to relieve the highly critical and congested situation in certain of our Federal courts throughout the country.

I wish to congratulate the chairman of the Committee on the Judiciary, the gentleman from New York [Mr. CELLER] and the chairman of the subcommittee, the gentleman from New York [Mr. BYRNE] as well as all the members of the Committee on the Judiciary for the

outstanding work they have done in presenting this bill to the House.

As I stated before, the legislation set out in this bill has been in critical need for the last 10 years. The Committee on the Judiciary, over weeks of hearings, have heard testimony from circuit judges, district Federal judges, lawyers, and bar associations. The Judicial Conference of 1948, the Attorney General of the United States, and all these various circuit and district judges have endorsed the legislation set out in this bill. The Director of Administration for the United States courts has submitted all of the necessary data and statistics setting out the need for additional circuit and Federal district judges throughout the country in order to relieve the highly congested condition of certain Federal courts throughout the country. The Administrative Office of the United States Courts has scrutinized the records of these various Federal courts from 1940 down to June 30, 1949, in order to determine the necessity for this legislation. In 1948 these statistics showed that private cases alone have increased the work load of the Federal district courts by over 1,000 cases in 1 year. The annual average increase in the Federal district courts of the United States is one-third more than it was in any year before the war. Since 1940 civil litigation alone in the various district courts has increased over 32 percent and private civil cases, which are really the time-consuming cases in Federal courts, has increased over 38 percent. During this period the increase in the number of Federal judges has been only 5 percent, while the increase in the work load has averaged about 38 percent.

Mr. Speaker, this bill calls for 24 new judges, 6 circuit judges, and 18 district judges. The Judiciary Committee has done a magnificent job in determining the various districts throughout the United States where these district judges should be assigned. In my own district, the northern district of Indiana, the Federal district judge sits at Fort Wayne and at Hammond and at South Bend. As far back as 5 or 6 years ago I heard judges, lawyers, and the United States attorney complain about the terrific work load in the Federal district court in northern Indiana, that undecided cases had piled up not only into the hundreds but into the thousands.

Mr. Speaker, this legislation came out of the Committee on the Judiciary by a unanimous vote and should be enacted into law.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Indiana, a member of the Committee on Rules [Mr. MADDEN], has explained, House Resolution 248 makes in order the consideration of the bill H. R. 4963, under an open rule providing for 2 hours of general debate. This very important measure was reported by the House Committee on the Judiciary by a unanimous vote. I understand that within the committee itself, or within the subcommittee, there was unanimous agreement that this bill be reported favorably. However, there may be just one division of opinion in connection with this bill, on one of the minor provisions, and I understand an amendment will be offered later, so the House may pass on that matter.

I want to compliment the Committee on the Judiciary, and especially the subcommittee which considered this legislation, bringing in this measure in a form which will make it unnecessary for the House to consider quite a large number of other bills. In other words, the subcommittee took all of the various measures which had been introduced by different Members of Congress to relieve the shortage of Federal judges in different sections of the country, carefully investigated and studied their requests, and the actual operation of the courts within the particular districts, States, and areas affected, and then brought in this one bill to give proper relief to the Federal courts, and to the people of the United States who must use the Federal courts, where the committee found it was absolutely necessary to do so. It also eliminated the requests for additional judges in districts where the committee in its discretion and wisdom found that the present judicial officers could carry on their work without too great hardship. I believe that this bill is really a non-controversial measure. I am sure the members of the Committee on the Judiciary can, in general debate, very readily answer any and all questions as to the judicial districts which may be affected by this legislation, and easily substantiate the need for the additional judges this measure would provide.

Mr. MADDEN. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, I apologize to my colleagues for taking this time on what is purely a personal matter. I had no intention to take the floor on this matter, despite the fact that for weeks I have been subjected to all sorts of criticism from a lot of very slimy newspaper people who have been printing stuff that can only be adequately described through the use of an ugly four-letter word that I would not use behind anybody's back. But when a Member of the other body violated the rule of comity by inserting in the Appendix of the CONGRESSIONAL RECORD, on page A3391, matter that is designed for one purpose and one purpose only, and when this Member of the United States Senate became a part of this smear campaign of partisan politics, I felt that in justice to myself I should make a brief statement.

I suppose that all of you have been reading these stories in the local newspapers about my efforts to have a man removed from his position because he was a Republican. The fact of the matter is I never made any effort to have this man removed from a job and this man is not a Republican. The only time he ever claimed any connection with the Republican Party was when last fall he gave his father's address as a legal residence and, for the first time in his life, registered in any political party and became the Republican candidate for Congress against me. Of course I felt that I ought to know something about this man. I found that throughout the entire period of the great expansion of our Government during the New Deal Administration, from 1932 to 1941, he had advanced in the civil service to the position of auditor, paying $2,900 a year. Upon his return from military service in the military government branch of the Navy, he was placed in a position paying $9,000 a year. Then he resigned in order to become a candidate for Congress. After the campaign was over he came back to Washington and a job was made for him in the War Department in which this $2,900-a-year clerk was paid $10,300 a year. I knew of his qualifications and I knew what the specifications for the job were. I had my office call the Civil Service Commission in order to determine exactly what the qualifications were for that job. I was informed that he did not come within a mile of meeting them. Then, because of that inquiry, I was charged with attempting to have this man removed from his position because of his politics. My entire connection with this matter came from the inquiry my office made as to the qualifications for this job.

Ever since I have been a member of the Committee on Un-American Activities I have wondered how certain types of people were placed in good jobs in the Government. I have wondered about the Hisses and the Chambers and the rest of them. I say that because when I am charged with attempting to have a man removed from office, I feel that this smoke screen is raised for the express purpose of diverting the attention of the American people from the reasons why this man left the Federal Government. In that connection I would like to point out to you that at about the time he resigned he launched a bitter attack on Lieutenant Governor Coolidge of Massachusetts and on the Governor of Hawaii because those two great Americans exposed the Communist plot to tie up the economy of Hawaii. That gratuitous attack, not in any official capacity, brought from both the Lieutenant Governor of Massachusetts and the Governor of Hawaii statements pointing out what the CIO Longshoremen and Harbor Workers' Union had done in the way of organizing all of the workers in Hawaii and the threats that the leaders of the Communist-controlled labor union made to carry out the crippling and paralyzing of the economy of Hawaii, threats which have since been carried out. After these attacks had been made, Secretary Krug was asked whether or not this man was going to be discharged. Secretary Krug said in reply to that question that that was a hypothetical question because the man had already resigned from the Interior Department.

More than that, this man has been an active member of an organization that our own distinguished colleague, the gentleman from Minnesota, Dr. JUDD, requested the Un-American Activities Committee to investigate, an organization that has been classified as a Communist-front organization.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. RICH. I do not think the gentleman from Pennsylvania, the senior Mem-

ber on the Democratic side, need apologize to anybody for his activities as far as the Republicans are concerned, becaused I always consider he has been very generous to Republicans whenever we asked him to do the right thing, and he has never failed to help us in cases of that kind. I commend the gentleman for many of his actions. You know I would not give a lot of Democrats a lot of credit if I did not think they deserved it.

Mr. WALTER. I am very much afraid that my distinguished colleague, upon reflection, will not be able to sleep too well this evening. That is a very generous statement, and I appreciate it very much.

I again apologize for taking this time, and I repeat, I would not have done so but for the fact that a United States Senator inserted in the CONGRESSIONAL RECORD a statement which is probably libelous and on which my attorneys will take appropriate action in the very near future.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. McCORMACK. The very success of a two-branch legislative government is the respect of one branch for the other and the members of one branch for the members of the other. The rule is very strictly enforced in this House, and properly so, by our distinguished and beloved Speaker. We do not see any violations here. Of course, in an extension of remarks one does not know what goes in, but the responsibility is upon the individual Member to be sure that when he does extend his remarks in the Appendix of the RECORD, there is no violation of the rules between the two branches or of the comity between the two branches.

Only the other day a Member of the other body referred to me in his speech. He made certain statements that are as far removed from the truth as any statements could be. I made a statement on the floor the other day. I did not make any reference to any Member of the other body. I kept within the rules of the House. There are two instances that have happened recently. It is because of these happenings and what the gentleman from Pennsylvania has properly said, that it seems to me the membership of the other body ought to stop, look, and listen.

Mr. WALTER. I excuse the insertion of the article, I will state to the distinguished majority leader, on the grounds of ignorance of the rules.

Mr. MADDEN. Mr. Speaker, the gentleman from Ohio [Mr. BROWN] informs me he has no further requests for time. I have no requests for time on this side.

Therefore, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4963, with Mr. THOMPSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. CELLER] is entitled to 1 hour, and the gentleman from Michigan [Mr. MICHENER] is entitled to 1 hour.

Mr. CELLER. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. CELLER. Mr. Chairman, H. R. 4963 is the result of laborious and constructive effort on the part particularly of Subcommittee No. 3 of the House Committee on the Judiciary, which subcommittee is presided over with distinction by our eminent colleague and my dear friend, the gentleman from New York [Mr. BYRNE] and I compliment each of the other members of that subcommittee.

The bill follows generally the recommendations of the Judicial Conference. The Judicial Conference, as you know, is a conference of senior circuit judges presided over by the Chief Justice of the Supreme Court of the United States, Judge Vinson. They labored over the situation of dockets in the various circuit and district courts and reached certain conclusions which, as I said, have been fairly followed in this bill. In a word, we provide for 5 additional permanent judges, 1 temporary circuit judge, for 14 permanent district judges, and for 4 temporary district judges. This makes 24 new judges throughout the length and breadth of the land. In one or two instances we did not follow religiously or exactly the recommendation of the Judicial Conference, notably in the northern and southern districts of California. In this connection, I think the Committee on the Judiciary will be willing, if Members from California so wish, to reconsider the situation with reference to California; but we do hope that you will accept temporarily the results of our labors. I assure you that the Committee on the Judiciary has been most careful and most vigilant to see to it that only judgeships were newly created where they were absolutely needed. There has been a terrific increase, particularly in the number of civil cases, all over the United States. These increases are as follows: For example, at the end of the fiscal year 1948 there were pending 30,344 civil cases as against a case load in 1946 of 22,141. This represents an increase in a 2-year period of 33⅓ percent. The increase in 1946 over 1941, a 5-year period, was more than 50 percent. This gives you an idea of the staggering magnitude of the work performed by many of the district and circuit judges in the various districts and circuits of the United States. This increase has been due to population increase, industrial expansion, and economic growth, especially in areas where there are large metropolitan centers like California, New York, and Florida.

Presently, the average case load per district judge is 205 civil cases and 167 criminal cases. I shall not take the time to give you the figures in each and every instance, but where we have provided for additional judges the case load is far in excess of that average. I will, however, give you one or two instances.

Let us take for example the southern district of Texas: The average case load in civil cases is 205, yet in that district it is 556. The average criminal case load throughout the country is 167, yet in the southern district of Texas it is 1,047. As against the country-wide average civil case load of 205 the civil case load in the southern district of New York is 491. I could go on and give you more of the difficult situations, in these various district courts, but they are set forth in the report accompanying the bill. In Kansas, for example, the case load is 491 for civil cases. The average is 205. This increase, throughout the Nation, particularly in the civil cases, has been due to operation of the Federal Tort Claims Act, the Fair Labor Standards Act, the Federal Employees Liability Act, the Jones Act, the various antitrust laws, the Food and Drug Acts, diversity of citizenship cases, land condemnation, income tax, housing, rent control, immigration and naturalization and so forth.

You know as well as I do that the case loads I have indicated in some of these districts are entirely too heavy. Judges harried by too much work cannot do justice to themselves, to the litigants or to the State. A worried, overburdened judge cannot do his best work. Cases cannot be ground out and decided with precision-like regularity like automobiles on an assembly line. Each case is different, requiring different treatment, research, and judgment. In the various congested areas relief is essential and quickly needed. Relief is essential, if the high standards of our courts, about which we can be justly proud, is to be maintained.

I need not give you the cliche that justice delayed is justice denied. Remember also that the number of cases does not tell the whole story. It is the kind and nature of cases which really count.

Take, for example, the aluminum antitrust case called Alcoa case in New York. That case took over 1 year to try, with motions, cross motions, and the various ex parte proceedings. Before a decision could be adequately rendered almost 2 years had elapsed. In patent cases, railroad reorganizations, admiralty cases, shipping cases, in stockholders' suits, all of which takes infinite patience and long periods of time, you consume months and months of the efforts of the judge. Several antitrust cases consumed almost a year on the calendars.

The case of the 12 Communists on trial in New York is already in its sixth month. Five weeks alone were consumed in impaneling the jury. The Hiss case in New York and the Coplon case in the District of Columbia will occupy each

presiding judge for weeks and weeks of trial. Meanwhile the work that they would otherwise be engaged in goes unattended, and the dockets increase in size therefor. The judge in such complicated cases must pass upon all matter and kinds of motions requiring most mature reflection, study, and research in order to reach proper decision and thereby avoid possible grounds for mistrial.

The strain and stress, physical and mental, is plainly seen in the person of Judge Harold Medina in the southern district of New York.

The strain of the trial of the bund members and Fascist leaders actually killed Judge Eicher right here in the District of Columbia not so long ago.

I am quite familiar with the situation in the southern district of New York, and I can tell you that the situation there is well nigh intolerable. A few years ago one of our judges, Judge Woolsey, died. He was a temporary judge. When he died the President was without the power to designate his successor. So the work he was engaged in or would be engaged in was again left unattended and the dockets of the other judges were enhanced because thereof. There are 12 judges presently in the southern district, but frequent illness, old age, physical impairment of one sort or another among the incumbents has greatly reduced the efficiency of that bench. Four more judges are desperately needed.

What I say with reference to New York is likewise applicable to a number of jurisdictions throughout the country. One of our most eminent New York jurists is Judge John C. Knox, senior of all our district judges in the southern district. Recently, because of congested calendars and the lack of judges to handle and wrestle with the heavy dockets, he worked long stretches; he actually worked himself into a collapse and he was taken to St. Luke's Hospital. Happily he has recovered. Yesterday I was proud to note that he was the recipient of an honorary degree at New York University. Now, we cannot afford to lose the valuable services of such a distinguished servant, but if we keep piling all this work upon these men who are willing to embrace that work, upon these conscientious judges, who are willing to give fullsomely of themselves all, we are going to be deprived of the excellent services of those distinguished jurists. Their health, well-being, and efficiency are endangered. It would be criminally tragic if we did not give a man like senior Judge John C. Knox the assistance he so desperately needs, and the pending bill will do that.

In a number of jurisdictions where we have added additional judgeships we have judges, unfortunately, whose effectiveness as jurists, due to age and other causes, no longer exists. Sheer pride, sometimes mere cussedness, prompts them to hold on. They refuse point blank to retire. They should have retired long since. I would say that they are useless appendages on the judicial structure. In one or two cases it is pitiable to see these aged judges stubbornly hang on. We cannot forcibly remove them. They are appointed for life and they are appointed during good behavior. Physical incapacity, senility, and old age is not reason for removal. The only way we can remove a judge is by impeachment. It would be ridiculous and most abortive to attempt that kind of a remedy. It might, in some cases, be cruel to do so. I certainly would not be a party to an impeachment of such a judge. In common parlance, frankly you would not even get to first base.

In conclusion, let me say that the volume of all civil litigation filed in the district courts has increased 32 percent and private civil cases have increased 38 percent since the year immediately preceding the war. The number of district judges has been increased from 189 on January 1, 1940 to 199 as of June 30, 1949, only 5 percent. When you compare the 5-percent increase of judges to the 32-percent increase of civil cases and the 38-percent increase of private civil cases, you can then readily see that there is urgent need for relief in numerous districts.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MICHENER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, a very complete explanation of this bill has been made by the Chairman of the Committee on the Judiciary. I want to call the attention of the members to the committee report filed by the gentleman from Masschusetts [Mr. LANE], a member of the subcommittee. It contains 79 pages, and in that report will be found absolute justification for every judge provided in this bill. Personally, as the older Members know, I have been very wary about creating additional judgeships. I am not from Missouri but I have been "shown" so far as this bill is concerned.

This bill was given meticulous attention by the subcommittee handling the preliminary work in reference to getting the facts. The two minority members of the subcommittee, the gentleman from Tennessee [Mr. JENNINGS] and the gentleman from New York [Mr. KEATING], attended the hearings, inquired, and are very familiar with the facts.

I am not going to take any more time other than to say that our Government is composed of three branches. If the form of our Government continues as we have always known it and as we want it to continue in the future, in the final analysis much depends upon the judiciary. We make the laws in Congress, and possibly are influenced by politics at times. The President signs or disapproves the laws, and possibly may be influenced by politics. But when it comes to the interpretation of these laws, we must have a court who, like Caesar's wife, is at least presumed to be above suspicion. The court is supposed to call the numbers as it sees them. I want a judiciary that will do that. I believe this bill will assist in that direction.

Mr. Chairman, the gentleman from New York [Mr. KEATING], is a member of the subcommittee and is familiar with this bill, and he will take charge of the time on this side from this point on.

Mr. CELLER. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Chairman, I am particularly interested in the State of Oklahoma. I have a wire from our Democratic State chairman and one from all the State senators in my district. The other members of the Oklahoma delegation are likewise interested. I desire to read briefly a portion of this telegram:

> By reason of great amount of litigation originating in the western district of the State of Oklahoma it is important that provisions be made to make the two Federal judgeships now held by Judge Vaught and Judge Chandler permanent, and for the appointment of a successor to each of said judges, should either create a vacancy for any reason.

I had prepared an amendment which I had intended to offer. I have talked with the able chairman of this committee and the chairman of the subcommittee, as well as other members, and they have assured me that in the event of a vacancy in Oklahoma the matter will be handled expeditiously, and no time will be lost in creating a permanent judgeship. The amendment I had intended to offer is as follows:

> On page 3, after the period in line 8, insert the following new matter: "So much of the proviso of section 2 (a) of the act of May 24, 1940 (54 Stat. 219), as amended, as provides that the first vacancy occurring in the office of the district judge for the western district of Oklahoma shall not be filled, is repealed, and the incumbent of such judgeship shall henceforth hold his office under title 28, United States Code, section 133, as amended by this act."
>
> And on page 6, line 5, strike out "one" and insert "two."

But now because of the fact that the chairman of the full committee, as well as the chairman of the subcommittee, have both assured me that this matter will be taken care of at once, should that occur, I shall not offer the amendments.

I yield at this time to the gentleman from Oklahoma, Judge MORRIS.

Mr. MORRIS. May I say to the distinguished gentleman who is now addressing the House, I concur fully in what he has said. I was prepared to support his amendments to the very best of my ability. Since he has had his conference with the chairman of the committee and has received the assurance that he has, I believe he is taking the wise and proper course and I commend him for his action.

Mr. WICKERSHAM. May I ask the gentleman to state whether the other members of the Oklahoma delegation are in accord with the views that he has just expressed.

Mr. MORRIS. Those that I have talked to, yes.

Mr. WICKERSHAM. I should like to inquire of the chairman of the subcommittee or the chairman of the committee if it is true that they have assured me it would be best not to offer my amendment at this time, and that should a vacancy occur the matter will be handled expeditiously.

Mr. BYRNE of New York. There is no question, of course, but what that would have the consideration of the committee.

I simply wish to say, citing page 126 of the hearings, that Judge Phillips handled that entire circuit, and when one of our Members, the gentleman from Tennessee [Mr. FRAZIER], asked Judge Phillips this question:

Mr. FRAZIER. Kansas is the only State requesting another judge?

Judge Phillips replied:

It is the only place where we need help at this time.

Mr. WICKERSHAM. I wish the gentleman from New York [Mr. BYRNE], would also read what he said, which will indicate that the need might occur. I refer to the paragraph just ahead by Mr. FRAZIER.

Mr. BYRNE of New York. Yes, I will read that. Mr. DENTON asked him: "What is it, only one in Colorado?" That is referring to judgeships.

Judge Phillips replied:

Well, for some peculiar reason the civil work in the district court in Colorado is not as heavy as you would normally expect it to be with the population and industrial conditions. Oklahoma is prolific with litigation. We have the Indian title question, oil question, and oil-devise patents.

That, of course, is the answer to the situation. But no judge was recommended by Judge Phillips and therefore, of course, none was recommended for Oklahoma.

Mr. WICKERSHAM. I thank the gentleman.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I commend the committee for reporting the bill to provide for a much needed additional judge in the State of Kansas. I would not be here in support of this legislation if it were not for the fact that an additional judge is necessary in order to carry on the extra load that is presently overtaxing the present judge in our State.

With the distinguished gentleman from Michigan [Mr. MICHENER], I am also one of those who is wary with regard to additional charges to the Federal Treasury. This charge, however, in my judgment, is not only necessary, but will result in savings by reason of more expeditious hearings in our courts.

Let me give you some comparative figures: Kansas has a population of approximately 2,000,000 people. During the year 1948 we had 491 civil cases and 169 criminal cases, or a total of 660, and only 1 judge. Washington, with a population slightly less than Kansas, has 4 judges, with an assignment of 283 cases to each judge. Connecticut, also less in population, has 2 judges with an assignment of 195 cases per judge. South Carolina has a population approximately the same as Kansas, with 3 judges and 301 cases assigned to each judge. I am informed the average assignment of a case load throughout the country is less than 290.

In support of my statement, I am listing eight States that have a comparable population to that of the State of Kansas in 1940. The population of each with the number of United States district judges is shown; also the number of cases commenced and the average case load per judge, period July 1, 1947–June 30, 1948.

State	Population, 1940	Number of judges	Cases filed	Cases per judge
Arkansas	1,949,387	3	680	226
West Virginia	1,901,974	3	552	183
South Carolina	1,899,804	3	904	301
Florida	1,897,414	5	1,734	347
Maryland	1,821,244	2	756	378
Kansas	1,801,028	1	660	660
Washington	1,736,191	4	1,131	283
Connecticut	1,709,242	2	391	195

It will be observed that the range in population of the above States is from 1,709,242 to 1,949,387, a differential of 240,143, and that Florida with only 96,386 more population than Kansas has five judges and Washington with 64,837 less population than Kansas has four judges.

Using the total population and total number of judges for the States listed above, there is an average of one judge for each 587,000 of population, while Kansas has one judge for 1,801,028 population. The Kansas judge serves more than three times as many persons as the average number of persons served per judge in the other States in the group.

The following 14 States are all those which have one judge. Population and the total number of cases commenced in the fiscal year ending June 30, 1948, are shown.

State	Population, 1940	Cases commenced
New Mexico	531,818	733
Kansas	1,801,028	660
Colorado	1,123,296	573
Utah	550,310	334
North Dakota	641,935	232
Nevada	110,247	215
Idaho	524,873	213
South Dakota	642,961	194
Wyoming	250,742	174
Maine	847,226	167
Rhode Island	713,346	155
Delaware	266,596	125
Vermont	359,231	120
New Hampshire	491,524	81

Of the 733 cases filed in New Mexico, 390 were criminal cases involving immigration violations.

Kansas is the only State in the Union with a population in 1940 of more than 1,800,000 which has but one United States district judge.

Mr. Chairman, Kansas is honored by having one of the best qualified Federal judges in this country. He is Arthur M. Mellott. He is sincere; he works hard. He has a great understanding of the law. He disposes of cases just as rapidly as can be done, but even so, he is very much overworked. We hope this legislation will be enacted into law at an early date, so that the situation to which I have just called attention may be greatly relieved.

Mr. Chairman, I introduced H. R. 916 to provide an additional judge for the State of Kansas. My bill also provides for two separate judicial districts, it being my view that we should have one judge in the eastern section of the State, and another in the middle and western part of Kansas, it being my contention the State would be better served if we had two districts, as well as two judges. The committee has partially complied with my proposal by providing that one of the judges shall be required to reside in Wichita, which is the largest city in the State, and in the midwestern area.

Again I want to express my appreciation to the House Committee on the Judiciary for its efforts in dealing with this problem.

Mr. Chairman, before leaving the floor, I want to refer to the statement of the chairman of this great committee when he said that some of the judges are required to spend a great deal of time in trying some of the cases assigned to them. He mentioned the Coplon case. I want to pay tribute to one of the most able, distinguished judges on the Federal bench. He comes from my area of the country, the Honorable Albert L. Reeves, of Kansas City, who is in Washington under assignment, and for several weeks has been placed in a most trying position conducting the famous Coplon trial. In my judgment, he is one of the most able and competent judges in our land. The country is fortunate to have Judge Reeves as trial judge in this case. He is handling this assignment with credit to himself and to his country. He is a real jurist. He is a great man.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. REES] has expired.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. DENTON].

Mr. DENTON. Mr. Chairman, the purpose of this legislation is to relieve the congestion and the resulting delays within the Federal courts.

The number of criminal cases in Federal courts has declined since the war. But the number of civil cases has increased by approximately one-third.

This has caused the average time to dispose of civil cases to increase to more than 9 months—9.9 months to be exact—for the first time in 3 years.

This increase is due to a number of factors:

First. The war caused a shift in population and business interests which loaded the Federal dockets in such States as New York, Texas, and California.

Second. The increased number of Federal statutes, such as the Tort Claims Act, the Fair Labor Standards Act, the Jones Act, the growing number of antitrust cases, also has contributed to the congestion.

Third. The purchasing power of the dollar has declined. In order for a civil suit to be brought into Federal court, the amount of money involved must be at least $3,000. That amount was much larger before the war than it is today. And this has permitted a number of cases to be brought into Federal court that have not been brought in before.

Fourth. Many Federal judges are advanced in years and some are in bad health. While they have the knowledge and wisdom that a judge should have,

they do not have the vigor and vitality to do the work as do younger men. This burden of too much work causes a further impairment of health.

It is apparent that the Federal courts are congested throughout the country. But this committee selected only those districts and courts where judges were needed most and the congestion was the worst.

For example, we have provided four additional judges in New York. The docket in that State is approximately 2 years behind.

In San Diego, in the southern district of California, evidence before the committee showed witnesses had been held in jail as long as 6 to 8 months. However, the evidence showed it was not so much the fault of the judge as it was the immigration authorities.

A litigant is entitled to have his case decided promptly.

As Gladstone said: "Justice delayed is justice denied."

One cornerstone of our Government is that a litigant must have free access to the courts and a speedy decision of his case.

This bill calls for 24 additional judges. The committee heard evidence from the Attorney General and from many judges of district courts and courts of appeal.

The report largely follows the recommendations of the Attorney General and the Judicial Council. This Council is composed of the senior judges of the various courts of appeal in the United States and is presided over by the Chief Justice of the Supreme Court.

The major variations from the recommendations of the Council are that one less district judge has been recommended in each of the districts of northern and southern California and in the District of Columbia. One more has been provided for the southern district of Texas.

The committee has been very conservative and has provided for only the very minimum additional judges necessary to relieve the congestion in the Federal courts.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I rise to ask the distinguished chairman of the Committee on the Judiciary a question. It is my understanding that down through the history of this country it has been in the main the traditional policy of our Presidents in making nominations to judgeships to follow a bipartisan, not a one-sided policy. It is the understanding of the chairman of the Committee on the Judiciary that the President of the United States at this time is to follow that policy in making new nominations?

Mr. CELLER. I have no knowledge as to the plans and purposes of the President; I have not discussed it with him.

Mr. CANFIELD. Does not the chairman of the committee believe that it might be well to memorialize Tom Clark, Attorney General of the United States, that in making recommendations to the President he follow this traditional policy?

Mr. CELLER. I think such recommendations would be contrary to the spirit of the Constitution. Our Constitution gives to the President the uninhibited, free, untrammeled right to appoint anyone he sees fit. The only brake upon his appointment is the Senate, because the appointment under the Constitution must be with the advice and consent of the Senate. The President may appoint, for example, as I view it, a man who is not a lawyer; there is nothing in the Constitution to preclude it. The only one who could preclude it would be the Senate. The only restriction placed by the Constitution is that the judge appointed shall hold his office during good behavior, which means for life; and the other condition is that his salary shall not be diminished during his term of office.

Mr. CANFIELD. I believe the gentleman will agree, however, that down through our history the Presidents have followed a policy of appointing as judges men from both parties.

Mr. CELLER. There have been some Presidents who have followed that policy. I do not know what the present incumbent of the Presidency may do.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, there is one thing in which there is absolutely unanimity of opinion in the State of Kansas between members of both parties, and that is the need for the additional judge in the State. To fill that need I introduced H. R. 970 early in this session. I call the attention of the committee to my statement made in the hearings at page 59 and following pages, in connection with that bill. I can add little to that statement in this brief time. I should point out that Kansas is the only State in the Union with a population of over 1,800,000 that has only one Federal judge. The present Federal judge, Arthur J. Mellott, has been doing a magnificent job, but everybody with knowledge of the facts agrees that he must have assistance; otherwise he will not be able to carry on in the future as he has in the past. This is worthy recognition of the service which he has been rendering and is rendering to the people of that State.

Despite the crying need for economy, the need for this additional judge is even greater.

There is one provision in the bill on which I cannot put my stamp of approval, although I can see some arguments for it. That is the requirement that the new judge reside in Wichita, even though Wichita is one of the large cities where there is a great amount of Federal court business. Undoubtedly the committee has gone into that and probably based their opinion upon facts presented to them relative thereto. It is in accord with language in the Senate bill. By adopting this it would make it unnecessary to go to conference, thereby gaining valuable time.

In passing, I would call the attention of the committee to an error in the bill, referring to the "county of Wichita." This will, I am sure, be corrected by amendment.

Mr. Chairman, enactment of this bill, providing for another judge in Kansas, will meet the unanimous approval of that entire State.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I would like to ask some question of the distinguished chairman of the Committee on the Judiciary which brings this bill to the floor for consideration. If it a fact that we are to have new judges, is it not extremely desirable that we have judges who are of the highest character and ability and who do not have any basic financial worries? I know in the Southern District of New York from which I come, that our judges find the limitation of the Federal salaries a very serious one, but even more serious their inability to save some competence for the future, as is possible by men in business or the professions who have full opportunity to do so. Hence I ask the committee whether it would not be advisable to accompany this legislation setting up a pension or annuity system for Federal judges which would do 2 things: (1) enable them to look forward to the future with confidence that their families will get some consideration; and (2) encourage retirement insofar as they are concerned by making such a provision for their families. What I refer to is some provision for the widows of Federal judges, which is a subject of a bill that the gentleman from New York [Mr. KEOGH] introduced and which I have joined in sponsoring, that would give such a widow a competence for her lifetime of one-half the salary or pension of the judge received by him at the time of his death. Has the committee given that any thought at all?

Mr. BYRNE of New York. Mr. Chairman, in reply to the gentleman from New York, may I say that many suggestions and recommendations have been made in regard to this particular situation down through the years. However, none have been agreed upon, at least with any great unanimity, because of the great difficulty of reconciling the situation regarding the individuals in the judiciary. In other words, some of the men on the bench would fully agree that is an excellent thing to do. On the other hand, many others take exception to it.

One of the difficulties that we find with the Federal judiciary, and I presume it is true with other branches of the judiciary, is the fact that they adhere to the belief that when they have passed a certain age they are just as keen and as well equipped to perform their duties as when they were much younger. We have situations like that in many places in the country. But I would say personally from my observations, particularly during these hearings, that the recommendation made by the gentleman from New York would be one that should be considered by our committee and seriously taken under advisement, even in this term of Congress.

Mr. JAVITS. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, in these days when we are talking about adding to the number of Government employees, it is important to consider cost and appropriations. This bill authorizes the appointment of 24 additional Federal judges—circuit and district. This means that soon a bill will be brought to this House asking for the expenditure of about half a million dollars a year to implement this authorization bill. It might be more if the Senate adds more judges.

In listening to the debate I have been wondering how many of those of you who seem so interested in securing the appointment of additional judges have given consideration to the cost of your Federal judiciary. Over a period of years I have been a member of the subcommittee that has made appropriations for the Federal judiciary. I feel qualified to talk on the subject. After reading the hearings on this authorization bill, I find that the Committee on the Judiciary has given serious thought to the crowded dockets that exist in some of our most busy courts. The situation as explained by the gentleman from New York [Mr. CELLER], about the inability of the judicial conference, the Judicial Committee, or anyone else to secure the retirement of judges who should long ago have retired is noted with interest. I was hopeful that we would not need so many new judges if the maximum of service from retired judges could be utilized. We now have employed 256 active Federal judges; there are 35 retired judges and 11 resigned judges.

Under title 28 as it now stands, a resigned judge is entitled to receive only the salary which was being paid to him at the time of his resignation. He is not subject to recall to duty. A retired judge is subject to call for such duty as he can render, and the statute makes a specific difference in the provision for their compensation. It provides specifically now, as it did not before September 1, that a retired judge shall, during his life, receive the salary of the office.

A retired judge may be called upon by the chief judge of the circuit, who is the chairman of the council, which has the oversight of the administration of justices within the circuit. He may also, as a matter of fact, be informally asked by the chief judge of the district court, and that often happens. These retired judges have made it unnecessary in some cases to appoint new judges.

However, you should know that the cost of our Federal judiciary, and the appropriations which were made for it for this next fiscal year, is over $20,700,000. The 200 district judges which we have presently employed draw $15,000 a year each and 59 circuit judges draw $17,500 each. So, when you are talking about appointing 24 additional judges, do not forget the cost. The salaries of those 24 additional judges will not be the entire cost. You will have to include the criers, court reporters, and secretaries; there will be more probationary officers and there will be travel and many other expenses. So the judge's salary is not the entire cost.

This House should know and the country should know that this Congress and previous Congresses have been liberal with our Federal judiciary. At the recommendation of the Judicial Conference and the House Committee on the Judiciary, your Committee on Appropriations has implemented many authorization bills with funds to improve the conditions of Federal judges so far as salaries are concerned and the conditions that exist in the Federal courts of our land. We started a long time ago with increasing the number of Federal judges. We provided funds for law clerks; for secretaries, and other court employees. We made the court reporters officials of the courts and put them on salaries. Only recently, at the recommendation of the Committee on the Judiciary, we made the referees in bankruptcy officials of the courts. We improved the probation and other services. So we should be conservative in spending at a time when economy is needed.

Judge Delehante of my State wrote much of the report and many of the recommendations to make possible much economy in the conduct of your Federal judiciary, and his recommendations have been a great inspiration to members of the Committee on Appropriations dealing with our Federal judiciary.

I notice in the bill that there are no additional judges to be provided for the State of Nebraska. May I ask the chairman of the committee if that is correct?

Mr. CELLER. There have been no additional judges provided for in the district of Nebraska. Nebraska presently has two judges. No recommendation was made with reference to Nebraska by the Judicial Conference. No bill was offered with reference to Nebraska and nobody asked the Committee on the Judiciary for any additional judges.

Mr. STEFAN. I call this matter to your attention for the reason that the work in Nebraska, according to the information I have received, is almost current because of the unusual excellent work of the two outstanding Federal judges in my State, Judge Donohoe and Delahante. Their services have been called upon many times in other divisions, where they have rendered unusual services. However, the work there is quite heavy and very important. I understand that if a serious backlog should appear in that district the Committee on the Judiciary will give some attention to that part of the country.

Mr. CELLER. I can assure the gentleman that the committee certainly will give most careful consideration to any suggestions the gentleman may make in that regard.

Mr. CELLER. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I am in favor of this bill. I deeply regret that the committee did not include in the bill making the temporary judgeship in the western district of Oklahoma a permanent one.

I have discussed this with the distinguished chairman of the committee and the chairman of the subcommittee, but find that because the work is now being handled by the extra temporary judge the overload of work on the western district does not properly show up.

The question I should like to ask the distinguished chairman of the subcommittee, and I understand he has commented upon it earlier in the day, is whether, if a death or resignation should remove this additional temporary judgeship that we have and cause it to be cut back to one judgeship, we in Oklahoma could early expect relief in the creation of a permanent judgeship so that we would not again fall behind on the vast amount of work in the district?

Mr. BYRNE of New York. There can be no question about that at all. The Judicial Conference, of course, will take the matter up immediately and make recommendations to the committee, and those recommendations, like the recommendations already made, will be given prompt attention.

Mr. MONRONEY. Would it not be a good idea if the Judicial Conference would look into this situation now, so that the extra judgeship could be made permanent by their recommendation before any emergency occurred?

Mr. BYRNE of New York. My recommendation to the gentleman is that, through the same sources that have now made the recommendation about getting an extra judge there, or making permanent a temporary judge, he take that up with the head of the circuit. The matter will be given fair consideration by the conference when they have their next meeting.

Mr. MONRONEY. It would be necessary to have the recommendation of the judicial conference in order to get that judgeship?

Mr. BYRNE of New York. I would say that would be the best ground for it.

Mr. MONRONEY. I thank the gentleman.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I should like to emphasize very briefly something that was said by the distinguished chairman of the committee, that the number of cases is not always so much a factor as the extreme length of the cases that are involved in the Federal courts.

It was brought to my attention quite recently that in one instance alone in the southern area of my State there is litigation pending in the form of 12 separate cases which, if not settled, as they may be, will require 20 weeks apiece to try. For some reason, that is generally the character of litigation in the Federal courts. Much more than in our State courts there is lengthy, prolonged, and complex litigation in the Federal courts. So it seems to be very obvious from the work load which was indicated in the committee report and from the work load which many of the Members personally know about that there are additional judges needed, not only to keep alive, perhaps, the judges who are now being overworked, but also to expedite the litigation which is before them, because a delay in the settlement

of cases is in many instances a denial of justice entirely.

In the committee report on page 51 there is a statement which covers the situation in New Jersey:

> The constant congestion in New Jersey, which has been referred to in previous reports, continued in the civil cases in 1948. The court somewhat improved the situation. It terminated 200 more cases than were filed, with the result that civil cases pending went down during the year from 1,838 to 1,634. But private civil cases pending increased slightly by 17 to 866 at the end of the year. The case load of private cases now pending is now larger than it has been at any time during the last decade, and about 50 percent larger than in the years preceding the recent war.

New Jersey is a small, compact, highly industrialized State, with a population which is getting very close to 5,000,000. In addition to its own population it is immediately adjacent to the largest city in the country, which of course is the City of New York, as well as to the third largest city which is Philadelphia. All of these things complicate the situation in New Jersey. On May 21 of this year, at its annual meeting in Atlantic City, the New Jersey Bar Association strongly recommended an increase in Federal judges and recommended two additional judges for New Jersey. This bill provides for one judge which I take it, results from a very careful study made of the situation by the committee. I am not sure that that is enough, but I am sure that we need that one judge and that the rest of the districts undoubtedly need their judges. I urge prompt and favorable consideration of this bill because I think it is extremely needful.

Mr. Chairman, I yield back the balance of my time.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania, my distinguished colleague who is a member of this committee [Mr. GRAHAM].

Mr. GRAHAM. Mr. Chairman, it so happens that for 7 years I was in the Federal courts almost every court day. For 3 years I was chief legal adviser in the old sixth Federal prohibition district of Pittsburgh, and for 4 years United States attorney. When I speak to you I speak out of the knowledge gained from 7 years' actual contact with the Federal courts. In the first place may I say there is a need for an increase in Federal judges all over the United States. As the Congress passes laws, those laws create additional work for the courts. The courts must interpret the laws. I doubt if many people, even Members of the House and Senate, realize the volume of work that is done by the courts of the country, not only on civil work and criminal work and bankruptcy work, but as a result of our passing such laws as the Employers' Liability Act, the Jones Act, which relates to seamen, and the patent cases which usually take the time of judges for days and days. I was interested when our distinguished chairman spoke of Judge Knox, of the Federal court in New York. He came from the western district of Pennsylvania.

Last year when I was chairman of the special committee handling this work, he appeared before the committee and I was struck by his interest in his fellow judges and I was impressed by the tremendous amount of work that he is doing. I would like to pay tribute to Judge Reeves, who is now trying an important case here in the city of Washington, for his patience. I pay tribute to Judge Medina, who is presiding in the Federal court in New York on a very important case at the present time, which all of you undoubtedly know about. No one can realize the tremendous strain that these men are under and how their lives are being shortened. Therefore, in making this appeal for an additional judge for the western district of Pennsylvania, may I bring out these facts for your consideration: First of all, it is a great railway center. The largest railways in the Nation pass through the western district of Pennsylvania. When I was United States attorney in that district we had 25 counties. I think that number still remains. We held court in Pittsburgh and at Erie. At one term of court I have seen as many as 800 persons naturalized. We tried cases involving important treaty regulations with Canada and matters of interest on the Great Lakes and on the Ohio River. During prohibition days we were compelled to file every seizure under a separate libel under the admiralty laws where the procedure was outlined by the Congress. The volume of work increases to the point that it becomes a tremendous treadmill on which the judges are working ceaselessly, day in and day out, to catch up.

In my own judgment we have deferred too long the matter of the appointment of these new Federal judges. I know they will all be Democrats, but that will not concern me at all. Perhaps it may take 24 Democrats out of active circulation as politicians, because once a man becomes a Federal judge, he takes no further part in politics. But I am not concerned about that particular phase of the matter. I would like to see the Federal court work kept up to par. I am interested in seeing that the people who go into court have their cases disposed of within a reasonable time knowing that justice will be done promptly in the district courts, in the circuit court of appeals, and, where necessary, on appeal to the Supreme Court. Therefore I plead that in Pennsylvania we not only secure for the Western District of Pennsylvania one additional judge where we are handicapped at the moment because one judge has retired and no successor has yet been appointed by the Senate. In the eastern district, where the work is extremely heavy, we need it. So our case is not unlike those of other parts of the country. It shows the pressing, urgent need to fill these divisions as quickly as possible.

Mr. Chairman, I yield back the remainder of my time.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the bill now before the House, H. R. 4963, providing for the appointment of additional circuit and district judges is entitled to, and should have the support of the House.

The need for the several judges it provides for has been well established by the factual data received from the Director of the Administrative Office of the United States Courts, and, by the recommendations of the Judicial Conferences of 1948 and 1949, and, also by the testimony of the various circuit and district judges whose courts would be affected by the legislation. All of this was augmented by the statements of lawyers who practice in those courts.

The Judiciary Committee of the House, in reporting this legislation, recognizes the importance of prompt disposition of litigation if equal justice under law is to be preserved as a characteristic of the American judicial system. There is an old adage which says, "justice delayed is justice denied." Too often this has been found to be true. However, so far as the Federal courts of New Jersey are concerned we may feel proud of the fact that the judges of these courts have at all times worked diligently and zealously to keep up with the ever increasing tide of litigation. They have done remarkably well, but, there is a limit to what they can do. This bill seeks to relieve that situation by the appointment of one additional district court judge. There is no doubt that such is needed at this time. I can testify to that fact based on the information that I have received from Judge Madden, who presides with honor and distinction in the United States district court held at Camden, N. J.

There has been continual increase in the number of cases coming before the district courts of New Jersey. This is not only due to the fact that New Jersey is a great industrial State, but also to an ever increasing population within our State. Furthermore, the State of New Jersey is located between the great States of New York and Pennsylvania. This naturally increases the amount of business to come before our district courts both in North Jersey and South Jersey.

Reference has already been made to the fact that you cannot judge entirely the necessity for judges by the number of cases. Although that is a very fair indication, yet, on the other hand, the time consumed in the trial of a case is necessarily of importance. I have knowledge of a case recently, tried in the State of New Jersey by one of our most expeditious judges, which required 16 weeks of time. It would have taken 25 weeks longer had not the testimony in large part been taken out of court prior to the trial.

I could give many other similar illustrations in our State.

A statistical analysis of the district court docket in New Jersey shows that for the fiscal year of 1940 the total number of civil cases commenced was 809, terminated was 894, and pending at the close of the year 912. In 1948, 1,083 cases were commenced, 1,287 terminated, and 1,634 were pending. For the first half of 1949, 493 were commenced, 563 terminated and 1,559 pending. The case load per judge for the New Jersey District has increased from 162 in 1940 to 217 in 1948.

In the annual report of the Judicial Conference of September 1948, it is said were reference to the Federal courts of New Jersey:

> The case load of private cases now pending is now larger than it has been at any time during the last decade, and about 50 percent larger than in the years preceding the recent war.

In justice to the Federal judges serving in New Jersey it must be said that any congestion in New Jersey as set forth in reports of the Judicial Conference is in no sense due to lack of diligence upon the part of the judges. They work early and late, day in and day out, and, have practically no vacation period. This condition is neither fair to the judges nor to the litigants. The Federal judges in New Jersey are men of ability and character. They stand high in the estimation of the people as well as of the bar of our State. They are entitled to some relief from the onerous task that is now theirs, and, the litigants in their courts are likewise entitled to be relieved from the delays incident to crowded dockets beyond the physical ability of our judges to cope with.

This bill is entitled to have the full support of the House.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I, too, wish to commend the Committee on the Judiciary for their very efficient handling of this bill. It is timely and of particular interest to us in the State of Oregon. We have one additional Federal judge provided for in this bill. We have an exceptionally heavy civil case load in Oregon due in part to the fact that our population since the war has increased practically 50 percent; in fact, the largest percentage of increase of any State in the Union. We have also given the Federal courts much broader jurisdiction. During that time we have had two Federal judges who hold court in four different places in the State. They are very efficient, able, and hard-working judges, and they are carrying a heavier civil case load than the average in the United States. For instance, in 1948, their case load in civil cases was 241 each as compared with a national average case load of 205 per year. In 1940 but 252 cases were commenced in Oregon as compared with 482 in 1948. So, in the civil branch of our court the case load has more than doubled since 1940 and we certainly are in need of an additional judge in carrying on our work in the Federal court in the Ninth Judicial District. Each court, likewise, is very expeditious in its handling of judicial business; speedier, in fact, than the national average. Justice delayed is justice denied. The rate of disposition from filing to trial is 4.2 months in Oregon, whereas the national average is 5.8 months; our Oregon judges are doing excellent work on the Federal bench. They are overworked, and need additional help. The additional judge provided in the bill is timely and I will support it.

Mr. CELLER. Mr. Chairman, I yield to the gentleman from Massachusetts such time as he may use.

Mr. LANE. Mr. Chairman, this bill H. R. 4963 is a clean bill to replace H. R. 4861 reported by the Subcommittee on the Judiciary, which embodied the provisions of a number of various bills for additional judgeships reported favorably to the full committee.

Following 3 days of hearings, the Subcommittee on the Judiciary, after listening to the testimony of various witnesses, included Mr. Henry P. Chandler, Director of the Administrative Office of the United States Courts, representatives of the Judicial Conferences of 1948–49, the Attorney General of the United States and various circuit and district judges, whose courts would be affected by the legislation, this bill was unanimously adopted by the subcommittee. The subcommittee considered at length the recommendations of those members of the Judicial Conferences of the last 2 years and obtained from Mr. Chandler's staff all data and statistics relative to the business of these various courts.

The evidence offered to the committee assured us that this legislation proved without doubt the necessity for a method of expediting litigation in the Federal courts. It was the opinion of the committee that due to the increasing work load and due to the fact that temporary assignment of judges to those courts outside their circuit where congested calendars existed and in order to afford litigants reasonable dispatch in their litigation, the committee felt that the sole remedy is an increase in the number of judges in those districts where congestion already exists, has existed, and will exist in the future.

In a general study of the over-all picture of this situation, it was learned that the volume of all civil litigation as filed in the district courts has increased 32 percent and that all private civil cases by 38 percent since the years preceding the war while the number of district judges has been increased from 189 on January 1, 1940, as of June 30, 1949, a 5 percent increase. The volume of litigation increase may be attributed to several factors, such as the population increases together with industrial and economical expansion. This seems true in California, Texas, and New York, where war production caused both population and industry to increase and expand.

The fact also that a great deal of Federal legislation has been enacted over the recent years is another important matter. Cases brought under such legislation as the Federal Tort Claims Act, Fair Labor Standards, the Federal Employees Liability Act, the Jones Act, and the Antitrusts Act, have all increased and of course brought about the increase of judicial procedure.

Most of the courts in our United States are in favorable condition and are keeping up with the work load, but there are certain exceptions where congested calendars have existed and continue to become worse in spite of various attempts to alleviate the problem, and it is these exceptional cases that the committee has recommended 24 additional judgeships. These additional judgeships are not named for the purpose of creating positions but in order to carry out the true judicial function, that of the administration of justice with fair and reasonable speed. The judges provided in this bill are as follows:

One circuit judge for the seventh circuit.

One circuit judge for the tenth circuit.

Three circuit judges for the District of Columbia circuit.

One circuit judge for the third circuit, provided that the first vacancy occurring in the office of circuit judge for the third circuit shall not be filled.

One district judge for the northern district of California.

One district judge for the southern district of California.

Two district judges for the district of the District of Columbia.

One district judge for the northern and southern districts of Florida.

One district judge for the northern district of Georgia.

One district judge for the district of Kansas.

One district judge for the district of New Jersey.

Four district judges for the southern district of New York.

One district judge for the district of Oregon.

One district judge for the southern district of Texas.

One district judge for the southern district of Texas, provided that the first vacancy occurring in the office of district judge for the southern district of Texas shall not be filled.

Two district judges for the eastern district of Pennsylvania, provided that the first two vacancies occurring in the office of district judge for the eastern district of Pennsylvania shall not be filled.

One district judge for the western district of Pennsylvania, provided that the first vacancy occurring in the office of district judge for the western district of Pennsylvania shall not be filled.

The committee also recommends that the restriction, prohibiting the appointment of a successor to one of the incumbent district judges for the eastern and western districts of Missouri, when a vacancy occurs, be removed.

I sincerely hope that this bill will be passed expeditiously.

Mr. KEATING. Mr. Chairman, I yield myself 5 minutes.

Mr. KEATING. Mr. Chairman, my distinguished colleagues, the chairman of our committee, the gentleman from New York [Mr. CELLER], and the ranking minority member, the gentleman from Michigan [Mr. MICHENER], have told you of the contents of this bill and have explained that it came from our committee by a unanimous vote. The list of judges—I may say for those who may not have been here when these gentlemen addressed the House—the list of judges provided for in this bill is to be found on page 4 of the report, Court of Appeals and Federal district judges. Then on page 7 of the bill are special provisions of interest to the California, Kansas, and Texas Members particularly, to the effect that district judges

for certain districts shall reside in certain parts of the district. That was in order to meet some criticism that the people in that particular area were not able to get their judicial business properly transacted.

Of course, as we know, justice delayed is often justice denied. Especially is this true in the case of those who do not have the financial means to maintain litigation over a long period of time. Plaintiffs in actions for personal injuries furnish a good illustration. Where they have a legitimate cause of action it is unfair to them to delay their recovery for an unreasonable length of time if they are entitled to it.

Serious decline in the quality of justice will result, if the courts stand still while their case loads increase.

The Judicial Conference, upon which necessarily members of the Judiciary Committee very largely depend in matters of this kind because of their intimate familiarity with the facts, has approved of all of the recommendations in this bill. The conference is presided over by an eminent judge, Judge Orie L. Phillips, of Denver, who is known to many of the Members and who was very helpful to us in our deliberations on this measure.

Since the prewar period there has been an increase of 32 percent in the amount of legal business in the Federal courts with only a 5-percent increase in the number of judges. Thus the necessity for this bill is quite apparent.

In all of our deliberations, both in the subcommittee and in the full committee, we approached the problem from the point of view of need and the interest of the country and without any thought of partisanship. I want to commend the chairman of my own subcommittee, the gentleman from New York [Mr. BYRNE] for the generous and capable manner in which he handled the hearings in this matter.

In order to maintain a nonpartisan judiciary I offered an amendment in the full committee which on the first vote was adopted, but due to the extreme agility and ability of my distinguished friend from New York [Mr. CELLER], chairman of the Committee on the Judiciary, when he called for a show of hands, he was able by his facial expression and otherwise to bring about defeat of my amendment. I shall offer it again because I feel it is essential that in this great Republic we do not allow our judiciary to become dominated by any one political party or any group of citizens who think entirely along one line.

This amendment is very simple and would be inserted as a new section at the end of the bill reading as follows:

> Not more than two-thirds of the total number of circuit judges and district judges authorized hereunder first appointed pursuant hereto shall be members of the same political party.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KEATING. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, it will be noted that this does not designate the political party to which any judge must belong. That would obviously be improper. It is worded similarly to the provisions contained in the bill which you will remember we passed about a month ago providing for a Court of Appeals to deal with offenses under military law. We provided there likewise that of the three members not more than two should be members of the same political party.

I address myself to my friends and colleagues on the Democratic side primarily, because obviously this amendment cannot succeed without the help of some of them, in this appeal to keep the Federal judiciary entirely out of politics and to provide that of these 24 additional judges to be appointed not more than 16 shall be members of any one political party. I sincerely trust, Mr. Chairman, that there are to be found on the Democratic side many who will agree that such an amendment would help this legislation and would be welcomed and appreciated by the people of this country who entirely agree that politics and political preferment have no place in our Federal judiciary. At the appropriate time I am hopeful that I may have strong support for this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BYRNE].

Mr. BYRNE of New York. Mr. Chairman, one of our colleagues from Kansas doubted very much that the part of the bill relative to having the seat of one of the judges at Wichita should be included. I simply wish to indicate what was stated by Judge Phillips regarding the situation in Kansas. He confirms the attitude of our colleague, the gentleman from Kansas [Mr. REES], and I think justifies, of course, the statement in the bill as to that particular seat for one of the judges:

> I quite agree that with the great development in the western area one of the Federal judges ought to live in Wichita. I quite agree with that. I think it would be a pretty fair reason to say that if an additional judge is provided, he would reside there.

That is the answer, of course, that made it quite necessary for the subcommittee to recommend the sitting of one of the judges not necessarily living in Wichita, but nevertheless being there and holding court there for the convenience of the attorneys and the litigants throughout the State or district.

I merely wish to comment on the general unanimity with which the hearings were held by our subcommittee and the very fine attendance upon the committee, and the testimony of practically all of the outstanding leaders of the Federal bar and also the Federal judiciary throughout the country regarding the make-up of this particular bill.

We held our hearings on March 7, 9, and 11. We also had additional hearings for the introduction of additional testimony or additional reports of the Conference Committee later which might not have been termed open hearings. Every one of the judges representing practically the 11 circuit districts of the country were in attendance with their clerks and others to give statistical information and facts that were necessary and essential for the making of a clear report. I do believe, frankly, that we of the committee did make a mistake, as committees will.

We voted our personal judgment regarding the number of district judges and the number of circuit judges that should be included in the bill. I am talking now for myself, and have no personal knowledge of how the other members of our subcommittee, consisting of six of us, resolved the situation as to additional judges that are not included.

In California the judicial conference recommended two judges in the south and one in the north. After due deliberation, we decided that one in the south and one in the north were highly justified. After the bill had been reported—and by the way, we did report the bill at first and only gave to the circuit that we will call the District of Columbia circuit two judges on the court of appeals and two in the district, making four. A very good case had been made out by Judge Stephens and others for three judges on the court of appeals and three in the district, but we figured that two on the court of appeals and two in the district were sufficient for us to recommend. After the bill had first been printed it was brought to our attention by members of our full committee that there should be an additional judge on the court of appeals. After due deliberation on the part of all the members of the full committee the bill was amended to make the recommendation three on the court of appeals and hold it to two in the district. There is no question but that the business of the district is so heavy that three district judges were highly justified, but we were trying to save something for not only the courts but our economic situation, therefore, we did hold back a bit, perhaps, from what the testimony might justify.

In California, I do believe we made an error. I believe from the testimony that at Fresno in California there should be a sitting judge as in, say, Wichita. Unfortunately, in the southern district of California all the judges reside in Los Angeles. That seems to be the logical and natural place for them to live up to the present time. Nevertheless, the business of the southern division of California has become so heavy, because of its closeness to Mexico, and it has not only the Mexican troubles, which are of a civil and very largely of a criminal character, but immigration matters and things of that character, that we decided there is a necessity for a sitting judge in San Diego. Therefore, I personally believe that some of these days there should be a judge designated in California to sit in the city of Fresno. I also cannot disagree that there should be an additional judge in the northern district other than the one we have recommended. That matter perhaps may be taken care of before we close this session. Nevertheless, I am expressing for the record today my opinion, based upon our reactions and based upon the testimony and based also upon what appears to

be from the testimony the needs and the necessities of the hour in that particular State and in that particular circuit. The Judicial Conference has recommended two additional district judges for the northern district and also two additional district judges for the southern district. The reported bill gives one judge in each district in California and, therefore, I am of the personal opinion that our subcommittee would have been justified in following the recommendations of the Judicial Conference. I am hopeful that this deficiency will be corrected before the present session ends. I wish at this time as chairman of the subcommittee to pay my tribute of regard and affection for the members of the subcommittee. They gave close and loyal attendance and assistance upon all the hearings. It was most interesting because we all heard things which were practically brand-new, news regarding our judiciary and the growth of our country, the growth of litigation, if you will, and also a reaffirmation of the stability of our judiciary. I am certain today we will pass this bill with a feeling that judicially speaking our country is in excellent condition, and that grand progress is being made for the litigants of our country and also for those who represent those litigants, the bar of the country.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. BYRNE of New York. With pleasure.

Mr. GRAHAM. May I say to the gentleman from New York, with whom I have been associated for so many years in problems relating to the Federal judiciary that in my judgment he has done a magnificent piece of work. It so happens that in the last Congress I was chairman of the special committee handling this work. Therefore I am familiar with the work that the gentleman has to do. I think your subcommittee has done a work which will bring lasting credit and honor on you, enhance the judiciary of the Nation, promote the best interests of all the people, and expedite and promote the work in our judicial practices and procedure.

Mr. BYRNE of New York. I am very, very grateful to our colleague because frankly those compliments, if that is what they are, are heartening and make it not only easier to do our work, but cause what you might call a high esprit de corps.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CELLER. Mr. Chairman, I yield back the balance of my time.

Mr. KEATING. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the President shall appoint, by and with the advice and consent of the Senate, additional circuit judges as follows: One for the Seventh Circuit, one for the Tenth Circuit, and three for the District of Columbia Circuit. Accordingly, title 28, United States Code, section 44 (a), is amended to read as follows:

"(a) The President shall appoint, by and with the advice and consent of the Senate, circuit judges for the several circuits, as follows:

"(1) First circuit, 3;
"(2) Second circuit, 6;
"(3) Third circuit, 6;
"(4) Fourth circuit, 3;
"(5) Fifth circuit, 6;
"(6) Sixth circuit, 6;
"(7) Seventh circuit, 6;
"(8) Eighth circuit, 7;
"(9) Ninth circuit, 7;
"(10) Tenth circuit, 5; and
"(11) District of Columbia circuit, 9."

SEC. 2. The President shall appoint, by and with the advice and consent of the Senate, one additional circuit judge for the third circuit. The first vacancy occurring in the office of circuit judge for the third circuit shall not be filled.

SEC. 3. The President shall appoint, by and with the advice and consent of the Senate, additional district judges as follows: one for the northern district of California; one for the southern district of California; two for the District of Columbia; one for the northern and southern districts of Florida; one for the northern district of Georgia; one for the district of Kansas; one for the district of New Jersey; four for the southern district of New York; one for the district of Oregon; and one for the southern district of Texas. The proviso contained in the act of December 24, 1942 (56 Stat. 1083), that the first vacancy occurring in the office of the district judge for the eastern and western districts of Missouri, is repealed and the incumbent of the judgeship created by said act shall henceforth hold his office under title 28, United States Code, section 133, as amended by this act.

Accordingly, title 28, United States Code, section 133, is amended to read as follows:

"§ 133. Appointment and number of district judges

"(a) The President shall appoint, by and with the advice and consent of the Senate, district judges for the several judicial districts, as follows:

"(1) Northern district of Alabama, 2;
"(1A) Middle district of Alabama, 1;
"(1B) Southern district of Alabama, 1;
"(2) District of Arizona, 2;
"(3) Eastern district of Arkansas, 1;
"(3A) Western district of Arkansas, 1;
"(3B) Eastern and western districts of Arkansas, 1;
"(4) Northern district of California, 6;
"(4A) Southern district of California, 9;
"(5) District of Colorado, 1;
"(6) District of Connecticut, 2;
"(7) District of Delaware, 1;
"(8) District of the District of Columbia, 14;
"(9) Northern district of Florida, 1;
"(9A) Southern district of Florida, 3;
"(9B) Northern and southern districts of Florida, 1;
"(10) Northern district of Georgia, 2;
"(10A) Middle district of Georgia, 1;
"(10B) Southern district of Georgia, 1;
"(11) District of Hawaii, 2;
"(12) District of Idaho, 1;
"(13) Northern district of Illinois, 6;
"(13A) Southern district of Illinois, 2;
"(13B) Eastern district of Illinois, 2;
"(14) Northern district of Indiana, 1;
"(14A) Southern district of Indiana, 1;
"(15) Northern district of Iowa, 1;
"(15A) Southern district of Iowa, 1;
"(16) District of Kansas, 2;
"(17) Eastern district of Kentucky, 1;
"(17A) Western district of Kentucky, 1;
"(17B) Eastern and western districts of Kentucky, 1;
"(18) Eastern district of Louisiana, 2;
"(18A) Western district of Louisiana, 2;
"(19) District of Maine, 1;
"(20) District of Maryland, 2;
"(21) District of Massachusetts, 4;
"(22) Eastern district of Michigan, 5;
"(22A) Western district of Michigan, 1;
"(23) District of Minnesota, 4;
"(24) Northern district of Mississippi, 1;
"(24A) Southern district of Mississippi, 1;
"(25) Eastern district of Missouri, 2;
"(25A) Western district of Missouri, 2;
"(25B) Eastern and western districts of Missouri, 2;
"(26) District of Montana, 2;
"(27) District of Nebraska, 2;
"(28) District of Nevada, 1;
"(29) District of New Hampshire, 1;
"(30) District of New Jersey, 6;
"(31) District of New Mexico, 1;
"(32) Northern district of New York, 2;
"(32A) Southern district of New York, 16;
"(32B) Eastern district of New York, 6;
"(32C) Western district of New York, 2;
"(33) Eastern district of North Carolina, 1;
"(33A) Middle district of North Carolina, 1;
"(33B) Western district of North Carolina, 1;
"(34) District of North Dakota, 1;
"(35) Northern district of Ohio, 3;
"(35A) Southern district of Ohio, 3;
"(36) Northern district of Oklahoma, 1;
"(36A) Eastern district of Oklahoma, 1;
"(36B) Western district of Oklahoma, 1;
"(36C) Northern, eastern, and western districts of Oklahoma, 1;
"(37) District of Oregon, 3;
"(38) Eastern district of Pennsylvania, 5;
"(38A) Middle district of Pennsylvania, 2;
"(38B) Western district of Pennsylvania, 3;
"(39) District of Puerto Rico, 1;
"(40) District of Rhode Island, 1;
"(41) Eastern district of South Carolina, 1;
"(41A) Western district of South Carolina, 1;
"(41B) Eastern and western districts of South Carolina, 1;
"(42) District of South Dakota, 1;
"(43) Eastern district of Tennessee, 2;
"(43A) Middle district of Tennessee, 1;
"(43B) Western district of Tennessee, 1;
"(44) Northern district of Texas, 3;
"(44A) Southern district of Texas, 3;
"(44B) Eastern district of Texas, 1;
"(44C) Western district of Texas, 2;
"(45) District of Utah, 1;
"(46) District of Vermont, 1;
"(47) Eastern district of Virginia, 2;
"(47A) Western district of Virginia, 2;
"(48) Eastern district of Washington, 2;
"(48A) Western district of Washington, 2;
"(48B) Eastern and western districts of Washington, 1;
"(49) Northern district of West Virginia, 1;
"(49A) Southern district of West Virginia, 1;
"(50) Eastern district of Wisconsin, 1;
"(50A) Western district of Wisconsin, 1; and
"(51) District of Wyoming, 1.

"(b) Only citizens of the Territory of Hawaii who have resided therein for at least 3 years next preceding shall be eligible for appointment as district judges for the district of Hawaii."

SEC. 4. Title 28, United States Code, section 134, is amended by adding at the end thereof the following new subsections:

"(c) One of the district judges for the southern district of California shall reside in the city of San Diego.

"(d) One of the district judges for the district of Kansas shall reside in the county of Wichita.

"(e) One of the district judges for the southern district of Texas shall reside within that portion of the district comprising Laredo, Brownsville and Corpus Christi divisions."

SEC. 5. The President shall appoint, by and with the advice and consent of the Senate, two additional district judges for the eastern district of Pennsylvania, one additional judge for the western district of Pennsylvania, and

one additional district judge for the southern district of Texas. The first two vacancies occuring in the office of district judge for the eastern district of Pennsylvania and the first vacancy occurring in the office of district judge for the western district of Pennsylvania and for the southern district of Texas shall not be filled.

Mr. CELLER (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: On page 5, line 18, after the comma, strike out "16" and insert "14."

Mr. MARCANTONIO. Mr. Chairman, today can very aptly be called "Lawyers Day" in the House of Representatives. What I am about to say I do not say with the intention of casting any aspersion or reflection on any member of this committee. Many of them are my personal friends. However, there is one characteristic about the Committee on the Judiciary and its members. They are afflicted with the judge idea. If Fiorello LaGuardia were alive, he would describe it as "judge-itis." The fact that they are not actually judges is compensated by all of us referring to every member of this committee as "Judge." There still remains a feeling of frustration and a bill of this kind tends to relieve that frustration. So we have here a bill creating additional judgeships, four in the New York district. I do not know what the situation is in the rest of the country and the other districts which are referred to in this bill. I confine myself to the situation in the southern district of New York.

I am sure that if the hours at work were computed we would find that there is absolutely no need for the four additional judges. I realize that the court calendar is crowded, but that court calendar can be relieved with much more work. The trouble with the southern district court of New York is that there is too much of the country-club atmosphere there. An honest appraisal of the situation would demonstrate conclusively that there is no need for these additional judges.

There is something else behind this bill. You know, Mr. Chairman, we are having an increase in the number of unemployed. Unemployment is beginning to reach new peaks. Perhaps this bill, with respect to the southern district court of New York, is brought in to relieve that unemployment situation. There are many unemployed politicians running around that could be put to work in this famous country club of ours.

I see the distinguished chairman of this committee smiling. We all understand the situation in New York. We all know something about New York City politics. There is a municipal election coming along this year, and possibly a senatorial election. Certainly a gubernatorial and senatorial election coming along next year, so a little juicy judicial pork might help that situation.

The question before us is, Do we want to yield to the needs of the unemployed politicians, do we want to indulge in a little distribution of some juicy political pork in the city of New York, or do we really want to relieve the crowded court calendar?

My amendment would provide for two more judges. The bill before us provides for four judges. Just take a walk around the southern district courthouse of New York and notice the courtrooms. How many hours are those courtrooms functioning? How many days are they empty? Look for yourselves when you go to New York, and you will find that even two additional judges is a compromise with the intent to relieve the unemployed political situation by the use of this juicy judicial pork.

Nobody is kidding anybody, Mr. Chairman. It is a tough political situation in New York, and I can understand the desire of the chairman and others who want to relieve that situation.

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MARCANTONIO].

The question was taken; and on a division (demanded by Mr. MARCANTONIO), there were—ayes 13, noes 72.

So the amendment was rejected.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 8, line 9, after the word "the", strike out "first two vacancies" and insert "second vacancy."

Mr. WALTER. Mr. Chairman, in a word, this amendment will make it possible for the filling of a vacancy in the district court in the event that one of the district court judges is elevated to the circuit court of appeals. Unless this amendment is adopted it will become necessary for the Congress within the next year to enact separate legislation to meet this situation.

Mr. CELLER. Mr. Chairman, we will be very happy to embrace and accept this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. BYRNE of New York. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. BYRNE of New York: Page 7, line 24, after the word "the", strike out the word "county" and insert in lieu thereof "city."

Mr. BYRNE of New York. Mr. Chairman, the Committee offers this amendment with the recommendation that it be adopted and accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING: Page 8, at the end of the bill add a new section reading as follows:

"SEC. 6. Not more than two-thirds of the total number of circut judges and district judges authorized hereunder first appointed pursuant hereto shall be members of the same political party."

Mr. KEATING. Mr. Chairman, this is the amendment which I mentioned in general debate. Some of the Members may have come in since that time, and I will take just a moment to explain it.

The purpose of the amendment is quite obvious—to keep our Federal judiciary entirely out of politics. It seems to me perhaps a danger, and I have heard that thought expressed by Members of the majority party, perhaps a danger that a Federal judiciary be created in this country all of whom are members of the same political party. We not only do not want that, but also we do not want to have Federal judges all of whose minds are fashioned in the same mold. It is important in this great country with conflicting interests, many different groups of diverse origins and backgrounds, and people in differing social, economic, and political strata of our life, that each of them should have the feeling that when he brings a case into the court that the court is one place where even-handed justice, entirely free from any political consideration, will be meted out. It is true that in our legislative work all of us sometimes take party positions on various issues. It happens in the executive and administrative side of our Government that sometimes political considerations are paramount. Indeed, there have been instances with which we are all familiar, many of them in the last few years, where it has seemed that in the executive and administrative branches of our Government political considerations at times were permitted to assume a position of too great importance.

It would be improper to provide that any particular judge or any number of these judges shall be members of any designated party. I would not so contend. I call attention, however, to the wording of this amendment, which is that not more than 16 out of the 24 judges provided for in this bill may be members of the same political party. To my Democratic colleagues particularly I appeal for support of this amendment.

It almost came here as a part of this bill, I may say to the Members. I offered the amendment in committee and on a voice vote the amendment was agreed to. There was not a single "no" when the vote was put. The members of this great committee that approaches most of these problems from a nonpartisan standpoint recognized the merit of this amendment.

Then the distinguished chairman of the Committee on the Judiciary, for whom I have the highest regard and whose ability is unexcelled, by great agility and by careful use of facial expressions and otherwise, succeeded in convincing those of his party who were inclined to favor the amendment to vote

against it. The amendment was defeated, as I recall it, by one or two votes in committee.

This issue should not be decided by a party division. It should be decided as the people of this country want it decided, by consideration on merit alone. I say to my Republican friends if they feel that the members of the judiciary should all be of one party and this creates a bad precedent if the Republicans are ever in power, then I say to them, vote against my amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KEATING. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Chairman, it will be my position, and I shall welcome this being thrown back at me at any time in the future, so long as I am a Member of this body, whoever is in control of it, whichever party controls it, to do everything in my power to keep the judiciary out of politics. If I were now a member of the majority party and a Republican were in the White House, I would argue for this amendment just as vigorously and sincerely, as I do as a member of the minority party. That will always be my position.

Mr. Chairman, I solicit the support of those on the majority side who may feel as I do on this fundamental issue.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. HOBBS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the distinguished gentleman from New York who offers this amendment is perfectly sincere and all of us think, I am sure, both Republicans and Democrats, that his contention should be respected in principle and in practice. But, it occurs to me that it would be a very dangerous precedent to set. I believe that it is wholly unconstitutional. There is no question but that in the Executive branch of this Government there is the appointing power of Federal judges. The tradition of the judiciary has always been, as we all know, that that appointing power should be exercised in the appointment of judges so as to keep the balance practically even, with the party in power having possibly a slight preponderance, but never should there be anything but an effort to bring about a parity between the parties. No one can dispute that Congress does not have the appointing power, nor has Congress any power not conferred upon it by the Constitution. Our power to legislate does not include the power to appoint judges, nc to limit the Executive power of appointment. So while all of us hope for parity in appointing the judges, and all of us, without question, grant that the appointing power should be exercised in accordance with the traditions of our Government, I maintain that this amendment, though offered in good faith, and though we hope that it will be respected in spirit in the appointments made in every administration, no matter which party shall be in power, is not the kind of an amendment that should be passed, nor can we do it within the limits of our constitutional powers.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. I will be delighted to yield to the gentleman from New York.

Mr. KEATING. I appreciate the statement the gentleman has made and the sincerity with which he has approached this problem, and I think it is helpful, no matter what happens to this amendment, to have such a statement made as the gentleman has given us. However, I fail to see in recent years what I would consider adequate evidence of those in charge of the appointing power following such a nonpartisan approach, and it is for that reason that I have offered this amendment.

On the constitutional question, as the gentleman is probably aware, the constitutional provision to which he refers relates solely to judges of the Supreme Court. There is no constitutional inhibition, nor is there any decided case which says that there is anything improper or unconstitutional in providing for qualifications for any judicial officer other than a judge of the Supreme Court.

Mr. HOBBS. No qualification is prescribed for judges of the Supreme Court.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOBBS. Thank you, Mr. Chairman. I would like to answer the gentleman's question, and that is all.

I did not mean to say that there has been strict adherence to the tradition, nor do I contend that there are any constitutional inhibitions or prohibitions in the field the pending amendment covers. I am saying that even though the members of the Supreme Court may not even be required to be lawyers, or have any other qualifications fixed, there has been always a proud tradition of the Executive that the balance between the parties should be preserved. I am saying that I wish from the bottom of my heart that that tradition should be respected. While I am saying nothing to indicate that the Constitution requires it, still I am hopeful that the spirit of that tradition will be preserved, and every member of our committee hopes that it may be. A judge should be a judge, never a partisan.

It would give the Nation a lift to higher and holier things if we could be assured that the spirit back of the gentleman's amendment would always be preserved. However, the Constitution grants to the Executive the appointing power, and the Congress has no authority to attempt to limit it.

Mr. GRAHAM. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, article I of the Constitution provides:

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives.

Article III states:

> The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish.

The only constitutional court is that of the Supreme Court. All inferior courts are created by acts of Congress.

The next question is as to the qualifications of the judges. The Constitution provides the qualifications for the President, the Vice President, and Members of the Senate and the House of Representatives, but it is silent on the qualifications of a judge. Consequently, I maintain that, having the power to create the office, we have power to determine the qualifications.

What is our present situation? Let us analyze it for just a moment. Through the political currents of the last 20 years one political party has remained in control of this country. We all know that means the control of the executive, and of the legislative, except for a period of 2 years, and of the judicial branch in the power of appointment. You may be surprised to know this. Last year Senator WILEY had called upon the President of the United States and had revealed to him that in the last 16 to 18 years out of the 189 appointments made to various Federal benches, the district courts, circuit court of appeals, and Supreme Court, 182 had come from his party. Can anyone maintain that under such an unequal distribution of power, which is so unbalanced, that you can have an equitable administration of the laws particularly when the laws come from the legislative branch dominated by a particular party and the President of that party signs and approves the laws which are then referred back to a judiciary composed largely of the same party to interpret those laws? No man in the world can stand up and make an argument on that point and successfully defend it. My brethren, I am telling you of the other party that the greatest danger in America today is your complete and absolute control of the judiciary and of the executive and legislative branches. You are undermining and destroying the principle that the founding fathers had in mind of a free and independent judiciary and of an independent executive and a free legislative branch. That is what we are confronted with. You are in power at the moment. You have temporary control, but you are undermining the very power of this Government to maintain, support, and carry itself on as intended. You are dealing with fire which will spread into a conflagration and sweep all over the country if you do not watch yourselves.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM. I yield.

Mr. ROGERS of Florida. May I ask the gentleman what is his opinion or thought, that if you are going to inject politics into this bill and make any restrictions, why not make it one-half instead of two-thirds?

Mr. GRAHAM. Mr. Chairman, I yield to the gentleman from New York [Mr. KEATING] since he is the author of the amendment.

Mr. KEATING. As the author of the amendment, may I reply to the gentleman from Florida [Mr. ROGERS] that the purpose of providing not more than two-thirds should be of one party, was to give effect to the fact that the executive branch of the Government, as well as the legislative branch, is now in the control of one party. The form of the amendment is intended to give effect to that factor. It is one consideration. It is not, however, in my opinion, and should not be, the controlling factor. I endorse wholeheartedly what my distinguished colleague from Pennsylvania has said about the great danger to our country inherent in the continuation of a one-party judiciary and I appeal to the gentleman from Florida and to his fairness for support of this amendment.

Mr. ROGERS of Florida. Do you concede by this amendment that you think the Democrats should get two-thirds of the judges?

Mr. KEATING. No, that is not the intention, since it provides that not more than two-thirds shall be of one party. Nor was it my intention to concede that two-thirds of the people of this country wanted the Democrats in power, either.

Mr. GRAHAM. Mr. Chairman, if I may continue. How quick the executive has been to resent any encroachment on the part of the Congress. When our committees asked for the production of certain records, he says "No, I forbid you to bring these records before the duly constituted committees of the Congress."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the amendment was offered I assumed it was offered because of the feeling that a matter of principle was involved. But after listening to my friend, the gentleman from Pennsylvania, who has just spoken, I realize that he has coldly presented it on the ground that the people of the United States having elected a Democratic President for five terms, therefore this amendment should be adopted. The effect of his argument is that because the people who are supreme and who have acted and acted wisely, in my opinion, because the people elected a Democratic President for five terms, that that constitutes a threat to our institutions of government. As a matter of fact, it was a Democrat, Thomas Jefferson, who wrote the Constitution, in the main.

Mr. GRAHAM. Thomas Jefferson had nothing to do with it. He was not a member of the Constitutional Convention.

Mr. McCORMACK. Does the gentleman say that Thomas Jefferson did not have anything to do with writing the Constitution?

Mr. GRAHAM. I maintain he was never in the Constitutional Convention and was not a delegate .

Mr. McCORMACK. Did not Thomas Jefferson have a great deal to do with it?

Mr. GRAHAM. He wrote the Declaration of Independence, but not the Constitution of the United States.

Mr. McCORMACK. Who was the author of the first 10 amendments?

Mr. GRAHAM. James Madison.

Mr. McCORMACK. Another Democrat. They all contributed.

Mr. GRAHAM. He introduced 22 in the First Congress. Ten were adopted and two were rejected.

Mr. McCORMACK. Does the gentleman deny that the Declaration of Independence, for all practical purposes, is a part of the Constitution? Does the gentleman deny that, for all practical purposes?

Mr. GRAHAM. I maintain it is no part of the Constitution. The Declaration of Independence is just what it said it was; a severance from the old country. The Colonies were not united. It was desired to bring them together.

Mr. McCORMACK. In the minds of the American people the Declaration of Independence is the forerunner of the Constitution. The amazing thing is to listen to my friend, who is a great constitutional lawyer, argue a constitutional question one day from the angle of a lawyer and another day from the angle of a member of the Republican Party. The gentleman finds himself inconsistent. The fact is today, in supporting this amendment, a most amazing amendment when you analyze it, he lays is coldly on the ground that the amendment should be adopted because the people have elected a Democratic President for five terms, and the fear of a one-party government. This is not the first time we have had a party in control of our Government for five terms, since the Civil War. As I remember, there was one period when the Republican Party was in control of the Federal Government for 20 years. There were no Democrats offering amendments like this during that period. The effect of the argument of the gentleman from Pennsylvania [Mr. GRAHAM] is a cold-blooded argument that this amendment should be adopted because the people have elected a Democratic President for five terms.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to my friend from Massachusetts.

Mr. MARTIN of Massachusetts. I think the gentleman is presuming a lot when he says that is the purpose of the gentleman from Pennsylvania.

Mr. McCORMACK. I am interpreting his remarks.

Mr. MARTIN of Massachusetts. Let us get down to the practical question. Let us get down to the issue. Does the gentleman think that the minority party should have some representation on the judiciary of the United States?

Mr. McCORMACK. Oh, I think it has been well taken care of. As a matter of fact, I do not want to inject any partisan element in this discussion here—but the partisan element came from the gentleman from Pennsylvania [Mr. GRAHAM]. The fact is, in my opinion, there are too many Republicans holding prominent positions under this administration. That is my personal viewpoint, because I believe that the best government the people of the United States can get is by and through the Democratic Party. When your party is in control I expect men of your party to be nominated, who will carry out the policies of your party. When my party is in control, I expect the same thing.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. MARTIN of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. The gentleman says he thinks there are too many Republicans already on the judiciary.

Mr. McCORMACK. I said in the Government.

Mr. MARTIN of Massachusetts. Well, we were talking about the judiciary.

Mr. McCORMACK. I want you and I to have a meeting of the minds.

Mr. MARTIN of Massachusetts. I am glad you corrected yourself.

Mr. McCORMACK. I did not correct myself. There is no correction there. I am simply correcting my friend from Massachusetts.

Mr. MARTIN of Massachusetts. It was stated that out of the last 189 judges appointed 182 were Democrats. Does the gentleman think that 7 out of 189 is the proper Republican proportion?

Mr. McCORMACK. I have no knowledge as to whether that statement is correct or not; I should have to look into it; but if that should be correct, then I would say there should be some adjustment.

Mr. MARTIN of Massachusetts. I could not believe that my friend from Massachusetts with his usual fairness would consider that that was the proper proportion.

Mr. McCORMACK. My position is that we should get the best men possible for the judiciary.

Mr. MARTIN of Massachusetts. That is what I say, too.

Mr. McCORMACK. That is my personal viewpoint.

Mr. MARTIN of Massachusetts. But all of the best men are not in the Democrat Party.

Mr. McCORMACK. Of course not. It is ridiculous for any party to claim a monopoly on brains but our policy lets democratic principles apply more directly and more effectively than that of the other party.

Mr. MARTIN of Massachusetts. That is the gentleman's opinion. I suppose the gentleman thinks we on this side

should vote against the bill because it is lopsided.

Mr. McCORMACK. I think this is not the way to meet the issue raised by the amendment; it has never been done before. The offering of this amendment injects politics into the judiciary.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish to say to the gentleman from Pennsylvania, who rose in support of the amendment, that our founding fathers never imposed such conditions as are involved in this amendment. Hamilton, Madison, John Adams, Monroe, who participated in the Constitutional Convention debate long on this very matter. They came forth with article II of the Constitution, entitled the Presidential power of appointment, they never considered in those constitutional debates the question of whether or not a judicial appointee would have to be a Federalist or a Democratic Republican. They wisely left out all restrictions and gave the President uninhibited, uncontrolled, complete power of appointment. The President is the sole judge of the qualifications of his appointee. But the founding fathers very wisely placed a brake upon the Presidential power by providing that that appointment should not be final, save with the advice and consent of the Senate.

There are presently Republicans and there are Democrats in the Senate, and they can make their voices heard; they can express their opinions. If the appointee does not measure up to the standards that the Senate requires, all they have to do is to refuse to confirm the appointment. They can insure nonpartisan appointments.

Mr. GRAHAM. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. GRAHAM. The gentleman states that the President has the power to judge of the qualifications of his appointee. At this very moment the Senate is considering the qualifications of a Member of this body for appointment to a position of a judiciary in the western district of Pennsylvania. They, therefore, and not the President, are exercising the power of determining his qualifications.

Mr. CELLER. Because the Constitution says they shall have that power—power of confirmation—not power to initiate the appointment. But I defy the gentleman to point out to me anything in the Constitution which states that the House of Representatives shall have power to place conditions upon the Presidential power of appointment. All we say in this bill is that the President shall appoint 24 new judges and we designate the districts where they shall sit as judges.

Mr. GRAHAM. Will the gentleman answer this question: Under the Constitution, is not the Congress composed of the Senate and the House of Representatives?

Mr. CELLER. The Constitution says that the Senate shall confirm.

Mr. GRAHAM. The gentleman is not answering the question. I am asking if the Constitution does not say that the Congress shall consist of a Senate and House of Representatives?

Mr. CELLER. That is true, but it is beside the point and has nothing to do with the question at issue. Certainly, the Constitution does not say that the Congress shall confirm. It says the Senate shall confirm—but only after the President initiates the appointment.

The Constitution, under article II, section 2, reads, as follows:

> The President appoints, with the advice and consent of the Senate, ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

Article III, section 1:

> The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services a compensation which shall not be diminished during their continuance in office.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Chairman, the only conditions that appear in the Constitution with reference to judges of the Federal courts are in this section I and they are not conditions precedent, they are conditions subsequent to appointment; namely, that the judge serves during good behavior, and the other condition is that his salary shall not be diminished during his term of office.

The reason why this question has never arisen before and why the gentleman from New York, my distinguished colleague [Mr. KEATING], cannot find a case in point, and I could find no case in point, is for the good and sufficient reason, if I may say so, that no Member of Congress, either in House or Senate, ever in the history of this country had the ingenuity to offer such an amendment. The amendment is palpably unconstitutional. That is additional reason why no case can be found.

Mr. KEATING. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KEATING. Does the gentleman disagree with the gentleman from Alabama [Mr. HOBBS], who has stated on the floor of this House that in his opinion there is no constitutional prohibition against the adoption of this amendment?

Mr. CELLER. The gentleman from Alabama may or may not agree with me. Men may differ. If the gentleman from Alabama says that the proposal is constitutional, I say to the contrary. There is not a solitary provision in the Constitution which can serve as a ground or basis for the amendment that the gentleman from New York has offered.

Now, further, there is a case which obliquely refers on the subject, and that is the case of O'Donohue against the United States decided in 1933—53 Supreme Court Report, page 740, 289 United States Code, page 516; 77 Law Edition 1372—which holds as follows: That the Supreme Court of the District of Columbia, subsequently designated the District Court, and the Court of Appeals of the District of Columbia are constitutional courts—and mind you this, this is what the Supreme Court exactly said:

> Are constitutional courts whose incumbents hold office during good behavior subject to no diminution of salary during continuance in office.

Therefore, the only condition that the Supreme Court has indicated that is in the Constitution or out of the Constitution for that matter is that there must be good behavior; there is nothing else.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. JAVITS. Why is it that section 4 of this bill circumscribes the power of the President to appoint by telling him where the judges shall live.

Mr. CELLER. Just a moment. That is a condition subsequent. The President can appoint anybody he wishes and he could reside anywhere before appointment and place him in the State of Kansas or place him in the State of California. He must live in the district where he presides, but he need not originally hail from that district. I defy anyone to show me anything in the Constitution which says that if a judge is to be appointed for the district of Kansas that he must, as a condition precedent, reside in the district of Kansas. I will say this, that it has always been the practice for Presidents to appoint a resident of the circuit or the district where he is to preside, but that precedent is not binding upon the President, and we have frequently stated that the judges shall reside in a particular district, but that is not as I said before, a condition precedent to appointment.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Arkansas.

Mr. TACKETT. This amendment, I take it, is for the purpose of allowing at least one-third of the judiciary to come from the Republican Party; is that true?

Mr. CELLER. From a realistic standpoint, that is actually so.

Mr. TACKETT. What about the Dixiecrats and all of the other parties in the United States? Does the gentleman not think, if this amendment is adopted, that we should take care of the Dixiecrats as well as everybody else?

Mr. CELLER. The question requires no answer, because it is self-revealing.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KEATING. I might say to my friend that the amendment as worded provides not that a certain number shall be members of a particular party, but that not more than two-thirds shall be members of the same political party. Any minority party would be available, or an independent.

Mr. CELLER. Mr. Chairman, I refuse to yield further. Let us not quibble about that. There is no question from a realistic standpoint; the intent is palpably plain. He wants one-third of the nominees provided for in this bill to be Republicans and two-thirds shall be Democrats. Never has a proposition of this sort been made to this House. I defy him to tell me of any bill or any amendment that has ever been presented and adopted along this line. Despite what he has stated, we have never had such a proposition drafted upon our bills.

We have the best judiciary system in the world. No country can show better jurists than we have, despite the present practice of appointments that has obtained over the years. Would the gentleman apply the same condition to our Supreme Court judges? If he were consistent, he would have to do so. No conditions have ever been imposed upon the Supreme Court appointees. Consider merely the history of the Supreme Court, and consider and hark ye well the distinguished jurists that have served on that Court. They have never been considered as Democrats or Republicans. They have been nonpartisan appointees of all Presidents, and let me recall names such as Marshall, Chase, White, Taney, Cardozo, Holmes, Taft, Hughes, and now Vinson. So, it is ridiculous to argue that those men have ever been political in their viewpoints on the bench, and they were never regarded as Democrats or Republicans. They were not appointed as Democrats or Republicans or Federalists or Democratic Republicans. The same has held for our entire judicial system. This amendment would inject politics into our judicial system. We do not want any such thing.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Maine.

Mr. HALE. The gentleman made the statement, as I recall, that there was no precedent for legislation of this kind. Is it not a fact that the statute which creates the Maritime Commission, the statute which creates the Interstate Commerce Commission, the statute which creates the Federal Trade Commission, the statute which creates the Federal Power Commission, and every other statute creating an administrative commission, provides for a division of the parties?

Mr. CELLER. They are not constitutional courts. Take, for example, the Tariff Commission. The Tariff Commission does the work that Congress should do. Can we, busy as we are, have our time taken up with the making of tariff rates? No. We set up a Tariff Commission, and under the Constitution the Tariff Commission is an administrative arm of the Congress, as it were, the Tariff Commission does our work, it makes and fixes rates. We set up a Federal Communications Commission.

What is the purpose of the Federal Communications Commission? It is to do our job, and they are the agents of the Congress. They divide the radio spectrum and they say who shall or shall not have licenses covering the radio spectrum. They do what we have not the time to do. So it is with the Interstate Commerce Commission and the Maritime Commission. Therefore, we can impose any condition we see fit because they are what we call administrative, nonconstitutional courts. They are the agents of Congress.

Mr. McCULLOCH. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. McCULLOCH. Does the distinguished chairman of the committee wish to leave with the members of this committee the implication that the district court is a constitutional court?

Mr. CELLER. I just read the gentleman the decision of the Supreme Court which said so. I will read it again if he wishes. I refer the gentleman to the Supreme Court decision decided in 1933, O'Donohue against the United States, which held that the District Court of the District of Columbia and the circuit court are constitutional courts.

One more point. I have been in this Congress a great many years. I was here during the Harding, Coolidge, and Hoover regimes. I have voted upon many bills increasing judgeships during the Republican administrations. No Democrat ever had the ingenuity then to offer an amendment of the type the gentleman from New York has offered. If the shoe were on the other foot, we would hear a different story from our Republican friends.

Mr. JENNINGS. Mr. Chairman, I move to strike out the requisite number of words. I rise in support of the pending amendment.

Mr. Chairman, as the Members of this body know, I am always partisan in a nonpartisan way. As a member of the subcommittee of the Committee on the Judiciary that considered these various bills that were later consolidated into the one bill, may I say it never occurred to me that the men who would be appointed to these various courts that we propose to create should be members of one party or another. However, just between us girls, knowing people as I do and having studied human nature for the brief period of my existence on this earth, I know it is the usual practice of my Democratic friends when they have the power to take care of the faithful, they care for them and we on the Republican side do the same thing. Let us in a calm and dispassionate manner review the somewhat turbulent situation that has arisen. The Subcommittee on the Judiciary of which I am a member heard testimony as to the necessity for the creation of these courts. I favored the creation of all of them because I have been taught and have always felt that justice delayed is justice denied. There is a necessity for these courts.

With respect to some of the historical illusions that have been in this somewhat acrimonious exchange between good friends, and we are all good friends—some of the best friends I have in the world are Democrats and probably some of the most active enemies I have are in my own party—I am not mad at anybody—but to continue, with respect to the historical allusions to the founding fathers, permit me to say I have a profound admiration and respect for Thomas Jefferson and the part he played in the founding of this country. He is the author of the Declaration of Independence. But in 1787, when the Constitutional Convention was in session Thomas Jefferson was in France. When he came back, according to Beveridge, in his great Life of John Marshall, and when he was asked what he thought about the adoption of the Constitution, Thomas Jefferson replied that he did not know, he had no information on it and therefore did not know much about it. I am of the belief that what he said was the truth. He had taken no part whatever in the writing of the Constitution of our country.

Let us come down to the Declaration of Independence which our able and learned Democratic leader has just stated is a part of our Constitution. It is a great document, and I think that George Washington, in his infinite wisdom, prevailed upon his fellow citizens to bring about the calling of the Constitutional Convention in order that he might make workable and preserve the great principles of human liberty embodied in the Declaration of Independence in our Constitution.

Let us take just another step forward. It has been said that no Democrat ever had the temerity to even offer this kind of an amendment to a bill creating a Federal judgeship. Let me suggest in all kindness, and not in any spirit of acrimony, that when the Republicans were in power, if a Republican President had appointed eight members of the nine members of the Supreme Court of the United States and 82 out of the 89 Federal judges of this Nation from his party, I expect that some of my Democratic friends would have very properly offered an amendment to such a bill as this. If he had not done so he would have been asleep at the switch and faithless in the discharge of his duty to his country.

What is the situation in this country? We have popular elections. The will of the people prevails. We, of necessity, all acquiesce in the election of the President. Mr. Truman is the President. He is my President. But, my good friends, he was not elected by a majority of the

people, but by a minority. But that is beside the mark. I simply throw that in for what it is worth.

Coming down to the traditions of my State. And to the high esteem in which the people of Tennessee hold a nonpartisan judiciary I remind you that in 1910 when I was a younger man than I am now, I happened to be a member of the Republican State executive committee. Former Senator Edward Ward Carmack was shot down on the streets of the city of Nashville. He had committed no offense except to write and publish an editorial holding up to ridicule Governor Patterson, former Governor Cox, and their friend, Col. Duncan B. Cooper. His slayers, Duncan Cooper and his son, Robin, were friends and supporters of the then Governor Patterson.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. JENNINGS. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. JENNINGS. Duncan Cooper was convicted for the murder of former Senator Carmack and sentenced to the penetentiary. The Supreme Court affirmed this conviction. Governor Patterson, his friend, pardoned him. Public opinion in the State was outraged. Governor Patterson then undertook to purge the supreme court of the State by defeating its member for nomination by the Democratic Party.

William Howard Taft, who was then President, said to the Republicans of Tennessee, "I believe in a free and untrammeled judiciary." I hope the Republicans of Tennessee will not run candidates against the present members of the Supreme Court of Tennessee. They should not be punished for enforcing the law nor should they be purged for deciding a case as they felt it should be decided.

As a result of that, although we might have elected a Republican supreme court, we Republicans endorsed the free and untrammeled Democratic candidates for the supreme court and every one of them was elected.

Not only that, but while William Howard Taft was President of the United States he elevated to the Chief Justiceship of the United States Supreme Court, Edward Douglas White, a Democrat of Louisiana and a Confederate veteran. Mr. Justice White was a great judge and a great lawyer. There were great and learned Republican lawyers and judges whom President Taft might have appointed. He chose rather to preserve the balance and nonpartisanship of the Court.

Now let me relate to you how a great Republican President honored and preserved the proud traditions of the greatest Court in the world; how he used his appointive power to uphold the impartial nonpartisan character of our highest tribunal.

During President William Howard Taft's administration, eminent members of the bench and bar attended a banquet in honor of a distinguished jurist. The toastmaster was Judge Alton B. Parker, erstwhile Democratic candidate for President, who related the following story:

On a cold, miserable day in 1864, a lady in widow's weeds was seen slowly coming down the steps of the War Department Building in Washington, and with faltering tread wandered across the avenue into the White House Grounds. An old darky, a factotum about the Executive Mansion, came up.

"Missus, is you in misery or is you in trouble?"

The distressed little lady, looking into the kind face of the old Negro, answered: "The Secretary of War, Mr. Stanton, won't let me help my sick son."

"Missus, yer gone to the wrong gem'en. Come with me."

The old servant led the way through a side door of the White House and cautiously entered the President's study, where sat President Lincoln, with a shawl drawn about his shoulders, poring over documents.

"Master President, here's one of my white lady folks. She's in trouble en' I brung her to you."

"Mr. Lincoln," began the little lady, "my Confederate soldier son has been captured; is in a northern prison, sick, very sick, and unless I can get him home, where I can nurse him, he will certainly die. I"——

"Have you seen the Secretary of War?" asked the President.

"I've just come from there. Mr. Stanton said: 'All rebels should die!' "

"Did he say that?"

"Yes, sir; he did."

Lincoln rose, strolled to his south window, looked far out over the Potomac in the direction of the battlefield of Bull Run. Then, slowly turning, faced the trembling little Confederate mother. "If I release your sick son into your custody, will you give me your word of honor that he will never again bear arms against the Union?'

"I swear it, Mr. Lincoln."

Here Judge Parker paused in his story, putting his arm upon the shoulder of the honored guest, continued:

Gentlemen, this devoted little mother nursed her paroled Confederate son back to health. He became a brilliant lawyer, an eminent judge of the Federal court of appeals, and now President Taft, a northern Republican, has appointed this ex-Confederate soldier to the Supreme Court of these United States.

Gentlemen, we gather here tonight to honor Mr. Justice Horace H. Lurton.

Ladies and gentlemen of the committee, that is the spirit in which the laws of this country should be administered and in which appointments to the judiciary should be made. I am for this amendment, not out of any spirit of ill will toward my Democratic friends, but in a desire to see our courts nonpartisan in character and in make-up, and to see to it our courts are nonpartisan, and are composed of both Democrats and Republicans. Like Caesar's wife, they should be above suspicion and beyond reproach. Let them be composed of both Democrats and Republicans, fairly apportioned, because millions of your fellow citizens are Republicans. The two great parties are about equally divided. They are composed of your neighbors and your friends. Thousands of members of the Democratic Party are my neighbors and my friends. I think Americanism, fairness, and fair dealing ought to transcend by far any partisan spirit in a question such as is here presented. It is in a spirit of that kind I support this amendment.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. JENNINGS] has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. KEATING) there were—ayes 87, noes 114.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, pursuant to House Resolution 248, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. CURTIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CURTIS. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. CURTIS moves to recommit the report back with the Keating amendment.

The SPEAKER. The House certainly has no knowledge of what the Keating amendment is. That was acted on in the Committee of the Whole. We are in a different jurisdiction now.

Mr. CELLER. Mr. Speaker, I make a point of order against the motion to recommit that in that form it is not in order.

The SPEAKER. The point of order is sustained.

Mr. CURTIS. Mr. Speaker, I move that the bill be recommitted and reported back with this amendment:

That not more than two-thirds of the total number of circuit judges or district judges authorized hereunder first appointed pursuant hereto shall be members of the same political party.

The SPEAKER. Will the gentleman send the motion to the desk? The motion has to be in writing.

Mr. CURTIS. Mr. Speaker, I offer the following motion.

The Clerk read as follows:

Mr. CURTIS moves to recommit the bill and report back with the following amendment:

"SEC. 8. Not more than two-thirds of the total number of circuit judges or district judges authorized hereunder first appointed pursuant hereto shall be members of the same political party."

The SPEAKER. The question is on the motion to recommit.

Mr. CURTIS. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll, and there were—yeas 135, nays 195, not voting 102, as follows:

[Roll No. 109]

YEAS—135

Allen, Calif.	Hagen	Murray, Wis.
Andersen, H. Carl	Hale	Nelson
	Hall,	Nicholson
Anderson, Calif.	Leonard W.	Nixon
Andresen, August H.	Hand	Norblad
	Harden	O'Hara, Minn.
Angell	Harvey	O'Konski
Auchincloss	Herter	Patterson
Barrett, Wyo.	Heselton	Pfeiffer,
Bates, Mass.	Hill	William L.
Beall	Hinshaw	Phillips, Calif.
Bennett, Mich.	Hoeven	Phillips, Tenn.
Bishop	Hoffman, Ill.	Plumley
Blackney	Holmes	Potter
Bolton, Ohio	Hope	Reed, N. Y.
Bramblett	Horan	Rees
Brown, Ohio	Hull	Rich
Burdick	Jackson, Calif.	Riehlman
Byrnes, Wis.	James	Rogers, Mass.
Canfield	Javits	Sadlak
Case, N. J.	Jenison	St. George
Chiperfield	Jenkins	Sanborn
Church	Jennings	Scott, Hardie
Cole, Kans.	Jensen	Scrivner
Corbett	Judd	Scudder
Cunningham	Kean	Shafer
Curtis	Keating	Simpson, Ill.
Dague	Keefe	Simpson, Pa.
Davis, Wis.	Kunkel	Smith, Kans.
D'Ewart	LeFevre	Smith, Ohio
Dolliver	Lemke	Smith, Wis.
Eaton	Lodge	Stefan
Ellsworth	Lovre	Talle
Elston	McConnell	Tollefson
Engel, Mich.	McCulloch	Towe
Fellows	McDonough	Van Zandt
Fenton	McGregor	Vorys
Ford	Mack, Wash.	Vursell
Fulton	Martin, Iowa	Weichel
Gamble	Martin, Mass.	Welch, Calif.
Gavin	Mason	Wigglesworth
Gillette	Merrow	Withrow
Golden	Meyer	Wolcott
Goodwin	Michener	Wolverton
Graham	Miller, Md.	Woodruff
Gross	Miller, Nebr.	
Gwinn	Morton	

NAYS—195

Abbitt	Cannon	Fogarty
Abernethy	Carnahan	Forand
Addonizio	Carroll	Gary
Albert	Cavalcante	Gathings
Allen, La.	Celler	Gordon
Andrews	Chelf	Gorski, Ill.
Aspinall	Chesney	Gorski, N. Y.
Bailey	Chudoff	Gossett
Baring	Combs	Gregory
Battle	Cooley	Hardy
Beckworth	Cooper	Hare
Bennett, Fla.	Cox	Harris
Bentsen	Crook	Harrison
Biemiller	Crosser	Hart
Bland	Davis, Ga.	Havenner
Blatnik	Davis, Tenn.	Hays, Ark.
Boggs, La.	Dawson	Hays, Ohio
Bolling	DeGraffenried	Hedrick
Bolton, Md.	Delaney	Herlong
Bosone	Denton	Hobbs
Brooks	Donohue	Holifield
Brown, Ga.	Doughton	Howell
Bryson	Douglas	Huber
Buchanan	Doyle	Irving
Buckley, Ill.	Elliott	Jackson, Wash.
Burleson	Engle, Calif.	Johnson
Burnside	Evins	Jones, Ala.
Burton	Feighan	Jones, Mo.
Byrne, N. Y.	Fernandez	Karst
Camp	Flood	Karsten
Kelley	Morgan	Smathers
Keogh	Morris	Spence
Kerr	Moulder	Stanley
Kilday	Multer	Steed
King	Murphy	Stigler
Kirwan	Norrell	Sullivan
Kruse	Norton	Sutton
Lane	O'Brien, Ill.	Tackett
Lanham	O'Brien, Mich.	Tauriello
Larcade	O'Hara, Ill.	Thomas, Tex.
Lesinski	O'Neill	Thompson
Lind	Pace	Thornberry
Linehan	Passman	Trimble
Lucas	Patman	Underwood
Lyle	Patten	Wagner
Lynch	Perkins	Walsh
McCarthy	Peterson	Walter
McCormack	Pickett	Welch, Mo.
McGrath	Polk	Wheeler
McGuire	Preston	White, Calif.
McKinnon	Price	White, Idaho
McMillan, S. C.	Priest	Whitten
McSweeney	Rabaut	Whittington
Mack, Ill.	Rains	Wickersham
Madden	Ramsay	Wier
Magee	Rankin	Willis
Mahon	Regan	Wilson, Okla.
Mansfield	Rodino	Wilson, Tex.
Marcantonio	Rogers, Fla.	Winstead
Marsalis	Sabath	Wood
Miles	Sadowski	Woodhouse
Miller, Calif.	Sasscer	Worley
Mills	Secrest	Yates
Mitchell	Sheppard	Young
Monroney	Sims	Zablocki

NOT VOTING—102

Allen, Ill.	Fugate	O'Sullivan
Arends	Furcolo	O'Toole
Barden	Garmatz	Pfeifer,
Barrett, Pa.	Gilmer	Joseph L.
Bates, Ky.	Gore	Philbin
Boggs, Del.	Granahan	Poage
Bonner	Granger	Poulson
Boykin	Grant	Powell
Breen	Green	Quinn
Brehm	Hall,	Redden
Buckley, N. Y.	Edwin Arthur	Reed, Ill.
Bulwinkle	Halleck	Rhodes
Burke	Hébert	Ribicoff
Carlyle	Heffernan	Richards
Case, S. Dak.	Heller	Rivers
Chatham	Hoffman, Mich.	Rooney
Christopher	Jacobs	Roosevelt
Clemente	Jonas	Scott,
Clevenger	Jones, N. C.	Hugh D., Jr.
Cole, N. Y.	Kearney	Short
Colmer	Kearns	Sikes
Cotton	Kee	Smith, Va.
Coudert	Kennedy	Staggers
Crawford	Kilburn	Stockman
Davenport	Klein	Taber
Davies, N. Y.	Latham	Taylor
Deane	LeCompte	Teague
Dingell	Lichtenwalter	Thomas, N. J.
Dollinger	McMillen, Ill.	Velde
Dondero	Macy	Vinson
Durham	Marshall	Wadsworth
Eberharter	Morrison	Werdel
Fallon	Murdock	Whitaker
Fisher	Murray, Tenn.	Williams
Frazier	Noland	Wilson, Ind.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Werdel for, with Mr. Jacobs against.

Mr. Lichtenwalter for, with Mr. Frazier against.

Mr. Reed of Illinois for, with Mr. Morrison against.

Mr. Macy for, with Mr. Breen against.

Mr. Kearney for, with Mr. Davenport against.

Mr. Taber for, with Mr. Gilmer against.

Mr. Halleck for, with Mr. Furcolo against.

Mr. Arends for, with Mr. Clemente against.

Mr. Hugh D. Scott, Jr., for, with Mr. Quinn against.

Mr. Kilburn for, with Mr. Heffernan against.

Mr. Cole of New York for, with Mr. Garmatz against.

Mr. Coudert for, with Mr. Fallon against.

Mr. Kearns for, with Mr. Heller against.

Mr. Wadsworth for, with Mr. Williams against.

Mr. Short for, with Mr. Grant against.

Mr. Allen of Illinois for, with Mr. Philbin against.

Mr. Latham for, with Mr. Kennedy against.

Mr. Velde for, with Mr. Klein against.

Mr. Jonas for, with Mr. Joseph L. Pfeifer against.

Mr. Edwin Arthur Hall for, with Mr. Rooney against.

Mr. McMillen of Illinois for, with Mr. Deane against.

Mr. Stockman for, with Mr. Noland against.

Mr. Taylor for, with Mr. Roosevelt against.

Mr. Boggs of Delaware for, with Mr. Teague against.

Mr. Cotton for, with Mr. O'Toole against.

General pairs until further notice:

Mr. Powell with Mr. Wilson of Indiana.

Mr. Redden with Mr. Poulson.

Mr. Richards with Mr. Brehm.

Mr. Sikes with Mr. LeCompte.

Mr. Staggers with Mr. Case of South Dakota.

Mr. Vinson with Mr. Crawford.

Mr. Whitaker with Mr. Dondero.

Mr. Dollinger with Mr. Hoffman of Michigan.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON THE CIVIL SERVICE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that the Committee on the Civil Service may have until midnight Saturday to file a report on the bill (H. R. 5100) to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2361) entitled "An act to provide for the reorganization of Government agencies, and for other purposes."

THE NATIONAL HOUSING BILL

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 257) providing for the consideration of H. R. 4009, to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing and for other purposes (Rept. No. 844), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Fed-

eral aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 8 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PROGRAM FOR WEEK OF JUNE 20

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time in order that we may learn from the gentleman from Massachusetts [Mr. McCORMACK], the program for next week.

Mr. McCORMACK. Mr. Speaker, I am glad to respond to the inquiry.

On Monday there will be the Consent Calendar; and then, should unanimous consent be not obtained on the following bills, they will be called up under suspensions, although I am not saying that they will be called up in this order:

H. R. 2001, providing for a forestry service survey.

S. 55, the Eden Valley project, Wyoming.

H. R. 1154, authorizing additional funds for the extension of post office facilities at Los Angeles, Calif.

H. R. 1771, loans, Federal agencies, public works.

H. R. 2214, the Baltimore-Washington Parkway bill.

House Joint Resolution 228, providing for Nationally Handicapped Week.

H. R. 5100, to correct inequities in pay of certain officers and employees of the Federal Government and of the District of Columbia, and, I think, some employees of the Foreign Service of the State Department.

On Tuesday there will be the Private Calendar and House Resolution 238, to give the Committee on Immigration power to make certain investigations.

H. R. 4846, the National Science Foundation bill.

H. R. 4332, to amend the National Bank Act.

There will be a Democratic caucus after the House adjourns on Tuesday.

The rest of the week will be devoted to the consideration of the bill H. R. 4009, the housing bill.

Mr. MARTIN of Massachusetts. I thank the gentleman.

LABOR-FEDERAL SECURITY APPROPRIATION, 1950

Mr. NORRELL. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a report on the bill H. R. 3333, the Labor-Federal Security appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS, 1950

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5060) making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 2 and insert:

"SALARIES AND EXPENSE ALLOWANCE OF SENATORS, MILEAGE OF THE PRESIDENT OF THE SENATE AND OF SENATORS, AND EXPENSE ALLOWANCE OF THE VICE PRESIDENT"

Page 2, after line 5, insert:

"For expense allowance of the Vice President, $10,000."

Page 2, strike out line 17.

Page 2, line 20, strike out "$47,640" and insert "$47,970."

Page 2, line 24, strike out "$334,615" and insert "$334,730."

Page 2, line 24, after "$334,615" insert ": *Provided*, That the basic annual rates of compensation of the following positions shall be: Printing clerk at $5,160 in lieu of $5,000; two assistants in the library at $2,100 each in lieu of two at $1,800 each; one laborer at $2,280 in lieu of $2,040; three laborers at $1,740 each in lieu of three at $1,500 each; one laborer at $1,740 in lieu of $1,440; one skilled laborer at $1,740 in lieu of $1,440."

Page 3, line 7, strike out "$28,030" and insert "$28,835."

Page 3, line 10, strike out "$28,030" and insert "$28,835."

Page 3, line 13, strike out "$4,786,155" and insert "$4,796,365."

Page 3, line 16, strike out "$948,210" and insert "$950,525."

Page 3, line 16, after "$948,210" insert ": *Provided*, That the basic annual rates of compensation of the following positions shall be: Clerk at $2,280 in lieu of $2,120; clerk at $2,160 in lieu of $1,800; assistant janitor at $2,100 in lieu of $1,860; night foreman at $1,680 in lieu of one laborer at $1,320; laborer at $1,700 in lieu of $1,580; foreman in folding room at $3,600 in lieu of $3,000; chief cabinetmaker at $3,200 in lieu of $3,080; secretary at $3,540 in lieu of clerk at $3,300; one additional special employee at $1,000; superintendent of Radio Press Gallery at $4,020 in lieu of $3,660, two assistant superintendents at $2,580 each in lieu of two at $2,400 each, one assistant superintendent at $2,100 in lieu of $1,960."

Page 3, strike out lines 19 and 20 and insert:

"For the offices of the secretary for the majority and the secretary for the minority, including compensation for two chief telephone pages at basic rates to be fixed by the respective secretaries, but not exceeding $2,880 each per annum, in lieu of one clerk in the office of the Secretary of the Senate at $1,860 per annum and one messenger acting as Assistant Doorkeeper under the Sergeant at Arms and Doorkeeper at $2,560 per annum, $54,340; and the compensation of the clerk to the secretary for the majority and the clerk to the secretary for the minority shall be at the basic rate of $3,000 each per annum."

Page 5, line 7, strike out "exclusive of labor."

Page 5, line 8, strike out "$12,000" and insert "$18,000."

Page 5, line 20, strike out all after "$674,750:" down to and including "amended" in line 24 and insert "*Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses (as defined in the Travel Expense Act of 1949) at rates in excess of $9 per day except that higher rates may be established by the Committee on Rules and Administration in the case of travel beyond the limits of the continental United States: *And provided further*, That the paragraph relating to advances for the expenses of Senate committees, under the caption 'Senate' in the act entitled 'An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1879, and for prior years, and for those heretofore treated as permanent, and for other purposes,' approved March 3, 1879 (20 Stat. 419; 2 U. S. C. sec. 69), is amended to read as follows: 'When any duty is imposed upon a committee involving expenses that are ordered to be paid out of the contingent fund of the Senate, upon vouchers to be approved by the chairman of the committee charged with such duty, the receipt of such chairman for any sum advanced to him or his order out of said contingent fund by the Secretary of the Senate for committee expenses not involving personal services shall be taken and passed by the accounting officers of the Government as a full and sufficient voucher; but it shall be the duty of such chairman, as soon as practicable, to furnish to the Secretary of the Senate vouchers in detail for the expenses so incurred'."

Page 6, strike out lines 19 and 20 and insert:

"Postage stamps: For office of Secretary, $500; office of Sergeant at Arms, $225; offices of the secretaries for the majority and the minority, $100; in all, $825."

Page 16, line 23, strike out all after "Representatives," down to and including "$12,000" in line 25 and insert "and so long as the positions are held by the present incumbents, the legislative counsel of the Senate and the legislative counsel of the House shall each be compensated at the gross annual rate of $12,000."

Page 18, line 9, strike out "$115,200" and insert "$120,100."

Page 20, line 11, strike out "$616,800" and insert "$643,000."

Page 26, line 7, strike out "Marshal" and insert "Librarian."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. STEFAN. Mr. Speaker, reserving the right to object, and I shall not object, may I ask the gentleman from Arkansas to make some explanation of the amendments? So far as we on this side are concerned, we are agreed as to the amendments and I feel they should be agreed to at this time.

Mr. NORRELL. Mr. Speaker, the amendments of the Senate have to do solely and exclusively with the Senate, except in one respect. The House turned down a request of the Architect of the Capitol for an assistant. This is a joint activity. The Senate has allowed the item and our committee has decided the amendment should be agreed to. We therefore recommend concurrence in that Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

REPEAL OF TAXES ON TELEPHONE AND TELEGRAPH MESSAGES

Mr. REES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, I have introduced a bill to terminate Federal taxes on telephone and telegraph messages.

These taxes are excessive. They are unnecessary. They were imposed as war taxes and yet the war has been over more than 4 years. The taxes are burdensome. They cannot be classed as luxury taxes. This is not the time to burden our communications with excessive costs. It is time to cut expenses and thereby reduce taxes. Here is one item that can be reduced without injury even to the Federal Treasury.

Nearly everyone is required to use the services of the telephone and of the telegraph. They are necessary in everyday life and yet there is an excise tax of 25 percent every time you send a telegram or make a long-distance call. The people of this country are entitled to this relief. They should have it now.

EXTENSION OF REMARKS

Mr. KING asked and was given permission to revise and extend his remarks and include two editorials from local newspapers.

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address delivered at Hastings, Nebr., by Mr. JACKSON of California.

Mr. JACKSON of California (at the request of Mr. MCDONOUGH) was given permission to extend his remarks in the Appendix of the RECORD and include three resolutions.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD, notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, costs $206.05 to print.

Mr. POTTER asked and was given permission to extend his remarks in the RECORD and include four letters of commendation.

Mr. WERDEL asked and was given permission to extend his remarks in the RECORD and include a statement made by a representative of the California Farm Bureau before the Senate Appropriations Committee.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in each to include extraneous material.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous matter.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include two newspaper articles and two editorials.

Mr. PLUMLEY (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include an editorial and a statement.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include in each extraneous matter.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the New York Times dealing with communism.

Mr. STEED asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. KRUSE asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. John Snyder, at the graduating exercises of the Capitol Page School.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in five instances and include in each extraneous material.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. CANNON asked and was given permission to extend his remarks in the RECORD and include the proceedings on the occasion of the testimonial dinner tendered General Marshall by the representatives of the Marshall plan countries.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include an article by Gardner Cowles.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 30 minutes.

TAX THE UNTAXED TO EASE THE TAX LOAD UPON THE OVERTAXED

Mr. MASON. Mr. Speaker, my theme today is, "Let's tax the untaxed to ease the tax load upon the overtaxed." Doing business without paying taxes has become a vast and shameless racket in the United States. It is continuing to grow at a rate that threatens the very existence of our economy. Scarcely a week passes without the Treasury suffering new losses as more and more companies are acquired by tax-exempts of various kinds and added to the constantly lengthening roll of the tax dodgers.

A week ago, I introduced H. R. 5064, entitled "A bill to impose income taxes on the business income of certain exempt corporations." That bill might just as well have been entitled "A bill to raise $1,000,000,000 of new revenues for the United States Treasury without increasing the tax load of any individual or company that is now contributing to the Treasury receipts," because that is exactly what my bill proposes to do. The bill seeks to close existing loopholes in our revenue laws, for what the Ways and Means Committee of the Seventy-eighth Congress officially called the protection of legitimate companies against the unfair competitive situation arising from the evasion of income tax by certain favored organizations.

Mr. Speaker, at least half a dozen kinds of business today count Federal income-tax exemption as one of their most important ways of making money. As an illustration of what I mean, let me present to you three specific instances that have come to my attention in the last week, since H. R. 5064 was referred to the Ways and Means Committee, and two others of general knowledge. They are not unusual examples; they are representative of the shift from taxpayer to tax exempt that is going on all the time—while the Treasury's tax receipts decrease and the necessity for imposing higher taxes on individuals and corporations unfortunately becomes constantly greater.

1. TAX-EXEMPT EDUCATIONAL INSTITUTIONS

Case No. 1 concerns the horse-racing track at Churchill Downs, in Louisville, Ky. Heretofore a payer of income tax to the Federal Government, the derby track has now been taken over by what is called the Churchill Downs Foundation, a tax-exempt organization. The earnings of this race track will now go, in part, to the University of Louisville, which is also exempt from payment of income tax. The $40,000 tax that has been paid each year by the track will no longer be collected by the Treasury. This sum will now have to be made up by increasing taxes on all the rest of us.

To my knowledge, this is the first time a college has entered the horse-racing business. It is, however, by no means an unusual experience for a tax-exempt educational institution to compete in business ventures with taxpaying companies. The University of Michigan, for example, operates the airport at Willow Run; New York University owns the Ramsay Piston Ring Co. in St. Louis, the C. F. Mueller Macaroni Co. in New Jersey, besides a pottery plant and some other factories, whose profits it gets without paying a dollar to the Government in income taxes. Even the Treasury Department has finally become agitated by that evasion and has brought action against the macaroni company on the ground that its acquisition by a tax-free college does not absolve it from payment of tax.

2. TAX-FREE INDUSTRIES OF OUR ISLAND POSSESSIONS

Case No. 2 involves an over-generous remission of income taxes to companies that move their plants to our island possession, the Territory of Puerto Rico. Ever since Puerto Rico came into our possession, following the Spanish War, we have given to the island's industrial development association all of the tax money collected from the buyers of Puerto Rican rum. Under an industrial tax exemption act approved May 13, 1948, our generosity went to still greater lengths. Now we say to any company that wishes to move to Puerto Rico, "Depart with our blessing. We shall collect no income tax from you until 1959."

Textron, the New England textile empire whose extraordinary financial affairs were thoroughly investigated and exposed by a committee of the Senate

last fall, has already moved one plant to Puerto Rico. The Interior Department admits that other companies have moved, but refuses to tell how many concerns it has induced to become tax dodgers.

I now hear that Goodall Sanford, manufacturers of Palm Beach cloth and clothing in the State of Maine, is seriously considering the transfer of one of its presently tax-paying mills to the same tax-free paradise. An increase in the income-tax rates of Goodall Sanford's competitors will no doubt make up the Treasury's loss.

3. IOWA INDEPENDENT OIL JOBBERS

Case No. 3 is the proposal of 800 independent oil jobbers of the State of Iowa to reorganize their State association on a cooperative basis for the express purpose of avoiding payment of Federal income taxes. Like the other instances I have quoted, this case presents no especially unusual features. The Iowa oil jobbers will merely adopt the philosophy of their cooperative competitors and will operate under the same laws that so greatly favor these cooperatives.

Let me read you some excerpts from a page 1 article in the Des Moines Sunday Register of June 5:

A State-wide jobbers' cooperative, organized so that it will be exempt from corporation taxes, will be set up by the Iowa Independent Oil Jobbers Association. It is expected that 6 to 8 months will be needed to make the change.

A major shift in strategic tactics was apparent in the announcement to swing to the cooperative plan.

For many years, the independent oil jobbers have been among the leaders demanding that Congress change Federal income tax laws so that cooperative dividends would be taxed against the co-ops.

Decision to form the organization, to be known as the Iowa Petroleum Cooperative Association, was reached at a board of directors meeting last week.

"The jobbers' association will be the parent group. The articles of incorporation and bylaws of the association will be changed by incorporating into them the provisions which now give cooperatives tax exemptions," said J. A. Dennis, of Des Moines, association secretary. * * *

"The independent businessman," Dennis said, "has fought for tax equality, and on the other hand the co-ops and the privileged groups have fought to maintain their tax exemptions. For several years these privileged groups, because of their tax exemptions and subsidies, have seen fit to engage in nearly all lines of business.

"Now the time has come when anyone in competition with such privileged groups is unable to compete with them unless he is afforded the same privileges.

"We speak now for the independent oil jobbers of Iowa, because in the petroleum business the co-ops and Farm Bureau have expanded to the extent that we can no longer ignore their existence.

"In order to compete in this field, it becomes necessary for the independent jobber to face the issue and do something about it.

"The independent oil jobber has heretofore paid his full share of the national tax burden, while his competitors, through the exemption, have been able to expand by buying production, refineries, and pipe lines. They have a big advantage, so regardless of our thinking in the past, we must meet the issue head-on. * * *

"The approximately 800 independent oil jobbers in Iowa are in competition with about 130 separate units operated by the Farm Bureau and other cooperatives.

"All oil jobbers in Iowa are invited to participate in the plan and association membership is a requirement," Dennis said. He added that "a State-wide meeting to explain the plan will be called."

Mr. Speaker, these instances are all well within the letter of the law. Whether they violate the spirit of the law is open to question. I can hardly believe that the founding fathers, in writing that educational institutions should be free from tax on their land and buildings, expected that these schools would run factories, profit from a race track's parimutuel machines, and engage in other commercial activities to make money.

Yet only 6 days ago, Wittenberg College, of Springfield, Ohio, bought for $200,000 the land and building of a supermarket in a so-called sale and lease-back deal which will profit both the college and the market and will leave Uncle Sam and the taxpayers holding the bag. No income tax need be paid on the rent that the college will collect.

Hundreds of millions of dollars' worth of such sale and lease-back deals have been made in the past year. Department stores, mail-order houses, gas-station companies have sold to educational and charitable institutions on a lease-back arrangement—and tax exemption has been the motivating force behind every sale. This loophole should be closed; it is providing another means of tax evasion; it is still further curtailing the revenues of the United States Treasury.

4. GOVERNMENT-OWNED-AND-OPERATED BUSINESS

Mr. Speaker, the Government itself does hundreds of millions of dollars of business in direct competition with taxpaying companies—and pays no comparable tax on earnings. Why, I ask you, should not these Government-owned businesses pay income tax on earnings derived from operating barge lines, distilling rum, making electric power, selling fertilizer, running tourist camps and towns—all in direct competition with private, taxpaying enterprise? It is the opinion of at least part of the members of the Hoover Commission that such enterprises should be fully taxed. The Government needs the money—and other business desperately needs relief from this unfair competition.

5. TAX-FREE CO-OPS

Mr. Speaker, finally there are cooperatives which are now doing more than $17,000,000,000 of business a year, making up toward $2,000,000,000 in earnings—and paying little or nothing in taxes to the Government that fosters and protects them. Some of these co-ops are wholly exempt from income tax, under the provisions of section 101 (12). Others are mostly exempt under Treasury rulings of very great liberality.

Patrons of city cooperatives are wholly exempt from tax on their patronage dividends. Patrons of farmer co-ops are supposed to pay tax on their receipts, but the Treasury makes little effort to collect.

Little business is suffering from the unfair, tax-free competition of these cooperatives. Government is losing a substantial amount of revenue that is needed today to pay bills and benefits. And recent decisions of the highest courts indicate that nothing stands in the way of collecting this additional revenue except legislative action by the Congress.

My bill, H. R. 5064, seeks to impose upon the commercial earnings of exempt organizations and corporations the same income tax that is now paid by their competitors. Conservative estimates show that the following increased Treasury receipts could be expected:

From cooperatives and other mutual organizations	$626,000,000
From cooperatives and other organizations	14,000,000
From altruistic organizations	173,000,000
From Government-owned businesses	267,000,000
A total of	1,080,000,000

Mr. Speaker, on numerous occasions since the first of the year President Truman has called upon the Congress to increase the income tax on corporations to raise an additional $4,000,000,000 of revenue. To date, the Congress has turned a deaf ear—rightly, I believe, because business is in no condition to stand so heavy an increase, and a serious depression would almost inevitably result from such an imposition.

The Hoover Commission's reports have shown us how to save $3,000,000,000, and I have told you today how we can raise more than $1,000,000,000 by taxing the business earnings of presently untaxed businesses and without increasing the load on anyone's back. In order to help bring about a balanced budget, and in order to establish equity and justice in our tax laws, I urge immediate consideration of H. R. 5064.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. EVINS). Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, in view of the fact that Republican Members desire to have their conference, I will not take the time allotted to me today.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. NOLAND, for Thursday, June 16, on account of official business.

ADJOURNMENT

Mr. DOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 42 minutes p. m.), under its previous order, the House adjourned until Monday, June 20, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

694. A letter from the Acting Secretary of the Interior, transmitting, from Governor Stainback, a copy of Joint Resolution 27 adopted by the Legislature of Hawaii, requesting the Congress of the United States of America to provide funds for transportation of civilian workers to the continental United States; to the Committee on Public Lands.

695. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON: Committee of conference. H. R. 2361. Reorganization Act of 1949. (Rept. No. 843). Ordered to be printed.

Mr. SABATH: Committee on Rules. House Resolution 257. Resolution for consideration of H. R. 4009, a bill to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes; without amendment (Rept. No. 844). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 5206. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. FERNÓS-ISERN:

H. R. 5207. A bill to amend section 50 of the Organic Act of Puerto Rico; to the Committee on Public Lands.

By Mr. MORRIS:

H. R. 5208. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; to the Committee on Public Lands.

By Mr. PLUMLEY:

H. R. 5209. A bill to authorize the construction of a research laboratory for the Quartermaster Corps, United States Army, at a location to be selected by the Secretary of Defense; to the Committee on Armed Services.

By Mr. RANKIN (by request):

H. R. 5210. A bill to amend the act entitled "An act to establish a Department of Medicine and Surgery in the Veterans' Administration," approved January 3, 1946, to provide for the use of qualified optometrists for out-patient eye care; to the Committee on Veterans' Affairs.

By Mr. JENKINS:

H. R. 5211. A bill to authorize and direct the Secretary of the Army to accept the Croix de Guerre from the Government of France on behalf of the Seventh Armored Division; to the Committee on Armed Services.

By Mr. MARSHALL:

H. R. 5212. A bill to amend section 1154 of title 18, United States Code; to the Committee on the Judiciary.

By Mr. REES:

H. R. 5213. A bill to terminate the war tax rates applicable to the taxes on communications; to the Committee on Ways and Means.

By Mr. RAINS:

H. R. 5214. A bill to amend section 3672 of the Internal Revenue Code relating to requirement of filing notice of lien for taxes; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 5215. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 5216. A bill to provide more equitable retirement benefits for certain persons appointed to the Department of Medicine and Surgery in the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. SANBORN:

H. R. 5217. A bill to authorize the Secretary of the Interior, through the Bureau of Reclamation, to construct, operate, and maintain certain works in the Columbia River Basin, and for other purposes; to the Committee on Public Lands.

By Mr. HELLER:

H. R. 5218. A bill to provide free postage for hospitalized veterans and for members of the armed forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. HERTER (by request):

H. R. 5219. A bill to provide for the construction of an interocean ship canal of sea-level design connecting the waters of the Atlantic and Pacific Oceans; to the Committee on Merchant Marine and Fisheries.

By Mr. DOUGHTON:

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Connecticut, memorializing the President and the Congress of the United States concerning the proposed veterans' hospital in West Haven, Conn.; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 5220. A bill for the relief of George Lutley Sclater-Booth; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 5221. A bill for the relief of Mrs. Maria Grazia Ricco DiPietro; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 5222. A bill to authorize the President of the United States to present the Distinguished Flying Cross to Col. Roscoe Turner; to the Committee on Armed Services.

By Mr. PATTEN:

H. R. 5223. A bill for the relief of Penelope Corolyn Cox; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 5224. A bill for the relief of Mrs. Filomena Siano Sanfilippo; to the Committee on the Judiciary.

H. R. 5225. A bill for the relief of Andrea Rosasco; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1091. By Mr. ELSTON: Petition of Max F. Faass and 38 other residents of Cincinnati, Ohio, urging repeal of the 20-percent excise tax on toilet goods; to the Committee on Ways and Means.

1092. By Mr. RICH: Petition of E. B. McCualg, Harter's Drug Store, Muncy, Pa., and other citizens of Muncy and vicinity, asking repeal of 20-percent excise tax on toilet goods; to the Committee on Ways and Means.

1093. By the SPEAKER: Petition of Government Employees' Council of American Federation of Labor, Washington, D. C., requesting permission for use of the Washington Monument lot in Washington, D. C., on the 14th day of June of each year for the public observance of Flag Day; to the Committee on Public Lands.

1094. Also, petition of Philadelphia District Dental Hygienists' Association, Philadelphia, Pa., requesting Congress not to enact any legislation which will hamper freedom, such as the current proposals for compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1095. Also, petition of State Medical Association of Texas, Austin, Tex., relative to being placed on record as opposing extension of any form of social security, particularly as applied to the medical profession; to the Committee on Ways and Means.

1096. Also, petition of State Medical Association of Texas, Austin, Tex., favoring repeal of the law governing the provision of medical and hospital care to veterans with non-service-connected disabilities as enacted by the United States Congress in 1940; to the Committee on Veterans' Affairs.

1097. Also, petition of Northeast Boundary Citizens Association, Washington, D. C., requesting passage of legislation conferring home rule on the District of Columbia, as contemplated in Senate bill 1527; to the committee on the District of Columbia.

1098. Also, petition of Mabel Hand and others, Daytona Beach, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1099. Also, petition of J. F. Anstett and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, JUNE 17, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, for this hallowed moment, closing the doors to a noisy world full of terror and alarms, we come into this pavilion of quietness and peace to acknowledge our utter dependence upon Thee—Thou who hast made us for

Thyself. Forgive us for smug satisfaction with ourselves and for cynical contempt of others. Purge our minds of prejudices which separate us from our fellow man. Cleanse our hearts of the uncleanness which blinds our eyes to the things that matter most. So may we be more worthy to belong to the one great family of Thy children and to take our place at the common table of humanity, where the bread of fellowship is broken and the wine of sacrifice is shared. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 16, 1949, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement;

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes; and

S. J. Res. 55. Joint resolution to print the monthly publication entitled "Economic Indicators."

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Mundt
Anderson	Humphrey	Murray
Bricker	Hunt	Myers
Butler	Ives	Neely
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Pepper
Chapman	Johnson, Tex.	Reed
Chavez	Johnston, S. C.	Robertson
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Taft
Eastland	Langer	Taylor
Ellender	Long	Thomas, Okla.
Ferguson	Lucas	Thomas, Utah
Flanders	McCarran	Thye
George	McCarthy	Vandenberg
Gillette	McClellan	Watkins
Graham	McFarland	Wherry
Green	McGrath	Wiley
Gurney	McKellar	Williams
Hayden	Martin	Withers
Hendrickson	Maybank	Young
Hill	Miller	
Hoey	Morse	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. RUSSELL], and the Senator from Maryland [Mr. TYDINGS] are detained on official business in meetings of committees of the Senate.

The Senator from Washington [Mr. MAGNUSON] is absent on public business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from New Jersey [Mr. SMITH] are absent because of illness.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from Montana [Mr. ECTON] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from New Hampshire [Mr. BRIDGES] is detained because of attendance at a meeting of the Committee on Appropriations.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Nevada [Mr. MALONE] are detained because of their attendance at meetings of committees of the Senate.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate may be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present other routine matters for the RECORD, as though we were in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. TYDINGS:

A joint resolution of the Legislature of the State of Maryland; to the Committee on Armed Services:

"Senate Joint Resolution 11

"Joint resolution memorializing the Congress of the United States to oppose the federalization of the National Guard of the United States and the National Guard of the several States, Territories, and the District of Columbia in whole or in part

"Whereas the Secretary of Defense brought into being in 1947 the Committee on Civilian Components, commonly known as the Gray Board, and which Committee was directed by said Secretary of Defense to make a comprehensive objective and impartial study of the armed forces; and

"Whereas said Committee on Civilian Components on June 30, 1948, in its report to the Secretary of Defense, recommended, among other things, that national security required that all services have one Federal reserve force which should be accomplished:

"(a) By establishing the reserve forces of the Army under the Army clause of the Constitution;

"(b) by similarly establishing the reserve forces of the Air Force under appropriate legal authority;

"(c) by incorporating the National Guard and the Organized Reserve Corps into the Army Reserve force under the name of the National Guard of the United States;

"(d) by incorporating the Air National Guard and Air Reserve into the Air Force Reserve force under the name of the United States Air Force Reserve; and

"Whereas on December 15, 1948, the Secretary of Defense recommended to the President of the United States, among other things, the federalization of the Air National Guard and greater Federal control over the personnel, equipment, facilities, and allocation of money to the States; and

"Whereas federalization of the National Guard, in whole or in part, by the organization of a single Federal Reserve force under the Army clause of the Constitution (instead of under the militia clauses of the Constitution as the National Guard is now organized, and under which the sovereign States retain authority for the appointment of National Guard officers and the training of the Guard in time of peace, in accordance with the discipline prescribed by Congress) would violate the principle of States' rights; and

"Whereas the fact that the framers of the Constitution contemplated a standing Army as the only Federal force, is clear from the arguments advanced by Hamilton, who persuaded the States to accept the principle of a standing Army large enough to accomplish the immediate purpose of the Congress only—its size to be controlled by limiting appropriations to a period of 2 years only, with the further agreement that the States would maintain no troops in time of peace other than with the consent of Congress, in exchange for the provision that the Congress would have power to provide for organizing, arming, and disciplining (training) the militia, reserving to the States only the power to appoint officers and the authority to train the militia according to the discipline prescribed by Congress; and

"Whereas complete federalization would violate the principle upon which the States bargained, as above explained, by giving to the Federal Government, in addition to its own standing Army, a part of the militia over which the States would have no control or power whatsoever, instead of the control provided in clause 16, section 8, article I of the Constitution; and

"Whereas nowhere in the Constitution is there any power given to the Federal Government to do other than raise and support armies, and standing armies only were contemplated with no power ever given to the Federal Government to organize and support a Federal militia, and none exists; and

"Whereas federalization of the National Guard as now constituted under the militia clauses of the Constitution, in whole or in part, would not only violate the principle of States' rights but would violate existing agreements between the Federal Government and the sovereign States whereby the States accepted in good faith the allotments made by the War Department in 1945, and have completed the organization of such allotments, insofar as authorized by the Congress and for which funds have been provided; and

"Whereas federalization of the National Guard, Air or Army, as recommended by the Secretary of Defense and the Committee on Civilian Components, would destroy at one blow the National Guard as it now exists and which has rendered exceptional and valiant service to the Nation in two world wars; and in time of peace would impose fantastic costs beyond the ability of the Nation to meet, and would seriously jeopardize our national security and would result in the centralization of all military power in the Federal Government and ultimately in the hands of a few, and thus pave the way for the establishment of a dictatorship, military or otherwise, in this country; and

"Whereas the States would be left without an internal security force and would be compelled to organize and maintain State troops at great cost to the States, with the result that there would thus be maintained a Federal Reserve and State military force, creating a great duplication of effort and expense; while the National Guard, as it is now constituted and controlled, not only furnishes the necessary internal security for the States but, in addition, serves as a component of the Army of the United States and a first line of defense thereof, as provided by the National Defense Act; and

"Whereas the National Guard, both Army and Air, can, under the present National Defense Act, be efficiently and competently supervised as to its training and equipment in time of peace, and in preparation for its prompt use in time of emergency, without resort to federalization, if there is the proper disposition within the Federal authorities to render such supervision: Now, therefore, be it

"Resolved by the General Assembly of Maryland, That the Congress and the President of the United States are hereby memorialized to retain intact the National Guard, Army and Air, as it is now organized under the militia clauses of the Federal Constitution, and thus reserve to the States the controls provided by the Constitution in time of peace and insure that it will be at the disposal of the State in time of peace, and that there will be unity in the armed forces of the Nation at a time when unity is so essential; and be it further

"Resolved, That the secretary of state be and he is hereby directed to send, under the great seal of the State of Maryland, copies of this resolution to the President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, the chairmen of the Armed Services Committees of the Congress, and Members of the Maryland delegation in Congress.

"Approved:

"WM. PRESTON LANE, Jr.,
"Governor."

A joint resolution of the Legislature of the State of Maryland; to the Committee on Labor and Public Welfare:

"House Joint Resolution 11

"Joint resolution memorializing the Congress of the United States not to federalize the practice of medicine

"Whereas the American people now enjoy the highest level of health, the finest standards of scientific care and the best quality of medical institutions thus far achieved by any major country in the world; and

"Whereas the great accomplishments of American medicine are the results of a free profession working under a free system unhampered by Government control; and

"Whereas the experience of all countries where Government has assumed control of medical care has been progressive deterioration of the standards of that care to the serious detriment of the sick and the needy: Now, therefore, be it

"Resolved by the General Assembly of Maryland, That the Congress of the United States be and is hereby memorialized not to enact legislation that has been proposed the effect of which will be to bring the practice of medicine in this country under Federal direction and control; and be it further

"Resolved, That the Senators and Representatives from Maryland in the Congress of the United States be and they are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation; and be it further

"Resolved, That copies of these resolutions be transmitted by the Secretary of State of Maryland, under the great seal of this State, to the President of the United States, to the Presiding Officer of each branch of the Congress, and to the Members thereof from this State."

A petition of sundry members and affiliates of the Baltimore, Md., section of the Society for Experimental Biology and Medicine, praying for the enactment of Senate bill 1703, to provide that unclaimed animals lawfully impounded in the District of Columbia be made available for scientific purposes to educational, scientific, and governmental institutions licensed under this act; to the Committee on the District of Columbia.

Petitions of sundry citizens of the State of Maryland, praying for the enactment of House bill 2428, to prohibit the transportation of alcoholic beverage advertising in interstate commerce; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Frostburg Lodge, No. 470, BPO Elks, of Frostburg, Md., protesting against the enactment of House bill 2945 and Senate bill 1103, to increase the rates of postage on magazines and periodicals; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 1280. A bill to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement; with amendments (Rept. No. 515);

S. 1283. A bill to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in certain areas, and for other purposes; with amendments (Rept. No. 518); and

S. 1285. A bill to authorize progressive partial payments to contractors under the Federal airport program; with amendments (Rept. No. 516).

By Mr. HILL, from the Committee on Appropriations:

H. R. 3082. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes; with amendments (Rept. No. 517).

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 17, 1949, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 55) to print the monthly publication entitled "Economic Indicators."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 2098. A bill for the relief of Fuastino Esmele Eclevia, Purification Esmele Eclevia, and Manuel Esmele Eclevia; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2099. A bill to reimburse the Stamey Construction Co. and/or the Oklahoma Paving Co., as their interests appear; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 2100. A bill for the relief of Penelope Corolyn Cox; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2101. A bill for the relief of Mrs. Nancy Belle Norton; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 2102. A bill to abolish the commissioned officer grade of brigadier general in the Army, the Air Force, and the Marine Corps; to provide for the classification of major generals of the Army, the Air Force, and the Marine Corps as major generals upper half and major generals lower half; and for other purposes; and

S. 2103. A bill to abolish the classification of rear admirals of the Navy and Coast Guard as rear admirals upper half and lower half; to establish the grade of commodore in the Navy and Coast Guard, and for other purposes; to the Committee on Armed Services.

By Mr. THOMAS of Oklahoma:

S. 2104. A bill to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. O'MAHONEY (for himself, Mr. HAYDEN, Mr. MCFARLAND, and Mr. MALONE):

S. 2105. A bill to stimulate exploration for and conservation of strategic and critical ores, metals, and minerals, and for other purposes; to the Committee on Interior and Insular Affairs.

HOUSE BILL REFERRED

The bill (H. R. 4963) to provide for the appointment of additional circuit and district judges, and for other purposes, was read twice by its title, and referred to the Committee on the Judiciary.

FOOD PROBLEMS AND FARM PROGRAMS—ADDRESS BY SENATOR AIKEN

[Mr. MORSE asked and obtained leave to have printed in the RECORD an address entitled "Food Problems and Farm Programs," delivered by Senator AIKEN before the fiftieth annual convention of the National Association of Retail Grocers, Chicago, Ill., June 12, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR ANDERSON AT COMMENCEMENT EXERCISES OF ST. LAWRENCE UNIVERSITY

[Mr. ANDERSON asked and obtained leave to have printed in the RECORD the commencement address entitled "The Amazing Interlude," delivered by him at St. Lawrence University, Canton, N. Y., on June 12, 1949, which appears in the Appendix.]

INCREASED PAY FOR POSTAL EMPLOYEES—STATEMENT BY G. M. HIGLEY

[Mr. LANGER asked and obtained leave to have printed in the Appendix of the RECORD a statement by G. M. Higley, in support of Senate bill 558 and Senate bill 1772, which appears in the Appendix.]

UNITED STATES POLICY WEAKENED BY FAVORITISM—ARTICLE BY EDGAR A. MOWRER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "United States Policy Weakened by Favoritism," written by Edgar A. Mowrer, and published in the Philadelphia Inquirer of June 13, 1949, which appears in the Appendix.]

PROPAGANDA AND THE LAW—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "Propaganda and the Law," published in the Washington Evening Star of April 21, 1949, which appears in the Appendix.]

DISPLACED PERSONS LEGISLATION

Mr. WILEY. Mr. President, I received yesterday a very important statement from the Honorable James A. Farley, the Honorable Herbert H. Lehman and Harper Sibley urging action on displaced persons legislation in this session of the Congress. Needless to say, I agree with these gentlemen and with a long and impressive list of cosigners of their communication on the importance of Congress taking action on this humanitarian front.

I wish that there were time to enumerate the many famous American names who joined with these three leaders in sending the communication.

I believe that their appeal merits a favorable response by the Congress. I ask unanimous consent that the text of the letter and the enclosed statement be printed at this point in the CONGRESSIONAL RECORD along with some comments which I have personally made on this displaced persons subject.

NEW YORK, *June 15, 1949.*

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: We are writing to submit to you, on behalf of ourselves and the other sponsors, the enclosed appeal for consideration of displaced persons legislation.

Representatives of the three faiths, President Truman, Governor Dewey, leaders of every group and each party, all have united in sponsoring the amendments necessary to make the Displaced Persons Act of 1948 fair, just and workable. These amendments were introduced into the House by Representative CELLER; into the Senate by Senators MCGRATH and NEELY last January.

The House of Representatives has fully exercised its responsibility by passing the modified Celler bill on June 2. We now, therefore, address this appeal to the Senate of the United States to act on displaced persons legislation before Congress recesses in order that displaced persons may be permitted to come here under a sound and equitable law of which Americans may be proud.

We are grateful to you for your consideration and help in this matter which lies so close to the conscience of all of us.

Sincerely yours,

JAMES A. FARLEY.
HERBERT H. LEHMAN.
HARPER SIBLEY.

Today silent people wait on both sides of the Atlantic. Today is the time for them to speak, and yet no voice is heard.

In Europe the silent people are the displaced persons—hundreds of thousands of dispossessed people. They are the ones who were uprooted and carried off as slave labor by the Nazis. They are the ones who fled before bloody pogroms. They are the ones who escaped the fury of communism.

Four years after the end of the war their hands still remain lacerated against the barbed wire of their existence, their hearts still torn by an eternity of waiting. They have no voice; their silence is poignant and accusing.

In America the voice of the people has called out to help the displaced persons.

But the Senate of the United States—an officially chosen voice of the American people—has remained silent. Unless the Senate will speak, the net result is a silence which becomes the shame of all Americans.

Last January a measure was introduced into the Senate—the McGrath-Neely bill, S. 311. This bill amends the Displaced Persons Act of 1948—an act which thinking men and women of all faiths and parties and walks of life have condemned as unworkable, ungenerous, and unjust.

Though many months have passed, the McGrath-Neely bill still stands in the Senate, waiting behind a barrier of red tape and cold indifference, as do the very people it was designed to rescue. This bill needs only action to become alive.

In the spirit of our honored past, in the name of those who have made our country great, in the name of human conscience, we respectfully ask the Senate of the United States to pass the McGrath-Neely bill now.

We appeal to the Senate to speak with justice and dispatch, so that our Nation may continue to walk with dignity and honor in the eyes of God and man.

COMMENTS BY SENATOR WILEY ON DP LAW

I, for one, feel that—

1. The Nation is looking to us in the Senate to revise the present displaced-persons law at the earliest possible date.

2. There would be a severe wave of regret and disappointment among the American people, and very justifiably so, I believe, if this first session were to lapse without final action being taken on some such legislation as H. R. 4567, which the House passed, or S. 311 with amendments.

3. I, personally, have introduced liberalizing amendments to S. 311 in the form of S. 1315, S. 1316, S. 1317. These amendments are designed to move up the eligibility date of DP's to January 1949, to increase the number of DP's, to liberalize the definition of "orphans," to liberalize the definition of "families," etc. My own amendments and S. 311 have been endorsed by the Citizens Committee on Displaced Persons, and by all the leading religious organizations of the United States.

I do, however, feel that while I am in agreement, generally, with H. R. 4567, two features of the House bill should be changed:

1. The feature which mortgages future quotas should be eliminated. This mortgaging works severe hardship on countries with small quotas which would find that their quotas would be used up for many, many decades in the event that the mortgaging feature continues.

2. A second feature which I believe should be changed, is that H. R. 4567 should contain an amendment, so that there is substituted for specific housing and job assurances, a more general assurance to the effect that the alien would not become a public charge. All the leading DP organizations have endorsed such a general provision, feeling that it would help to eliminate a needless administrative obstacle. The fact that a sponsor has to maintain a specific house and a specific job for many, many months for the DP proves a needless burden. American interests can be protected by a more general type assurance.

I know how deeply concerned my colleagues are with the idea of proper screening of the DP's. The DP Commission, has, however, gladly reported that of all the thousands of DP's who have entered our country thus far under the program, not one of them has had to be sent back because of conduct detrimental to this Nation.

I know that my colleagues agree that partisan politics should not enter into this situation. This is a humanitarian theme which is above party, above race, above religion, and which concerns each of us as human beings.

This Nation has grown great because of the waves of immigration that brought worthy folks to our shores. While we must, of course, look after the employment and housing of our own people, I feel that domestic interests can be protected and are being protected in a manner consistent with our humanitarian obligations to these stricken folks in foreign lands.

The world is looking to us for leadership in this subject. If the Senate can promptly pass equitable amendments to the DP law, it will prove a shot in the arm, a stimulus to American foreign policy. It will antidote Red propaganda which tries to picture us as a cold-blooded, heartless nation.

I recognize that this is a subject which requires careful analysis from every angle, because we want to be fair to all of the groups and elements involved. For example, I have pointed out that thus far action has been deplorably slow on the admission of expelled persons, and that particular phase deserves our most sympathetic attention.

WISCONSIN AS PORTRAYED BY THE MAGAZINE HOLIDAY

Mr. WILEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief statement prepared by me relative to the July issue of the magazine Holiday, containing a write-up of my State of Wisconsin.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, the other day I sent to each of my colleagues in the Senate a copy of the beautiful July issue of the Curtis Publishing Co.'s magazine Holiday. This issue contains a lavish write-up and color display on the State of Wisconsin, and in particular the city of Milwaukee. My colleagues have responded most graciously to this issue and have indicated how much they admire this issue, particularly the brilliant color illustrations.

There are some paragraphs in the write-up to which I personally take exception, and which I feel my colleagues will. Nevertheless, I am glad to refer this issue of Holiday to the folks of America, particularly in this season of the year when vacations are at hand, and so many hundreds of thousands of people are laying plans for spending their summer in America's dairyland—the Badger State.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATING TO ECONOMIC COOPERATION ACT OF 1948

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 45, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Foreign Affairs be, and is hereby, authorized and empowered to have printed for its use 2,000 additional copies of part I and subsequent parts of the hearings held before said committee during the current session on the bill (H. R. 2362) to amend an act entitled "The Economic Cooperation Act of 1948," approved April 3, 1948.

Mr. HAYDEN. I move that the Senate agree to the concurrent resolution.

The motion was agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS RELATING TO AMENDMENT OF CONSTITUTION

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 57, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of the hearings, held before said committee, on the resolutions entitled "Proposing an amendment to the Constitution of the United States providing for the election of President and Vice President."

Mr. HAYDEN. I move that the Senate agree to the concurrent resolution.

The motion was agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. LUCAS. Mr. President, will the Chair state what is the amendment pending before the Senate?

The VICE PRESIDENT. The pending question is the amendment of the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN] to the amendment of the Senator from New York [Mr. IVES] to the original text of the bill.

FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. LUCAS. Mr. President, there is on the calendar Senate bill 2020, order No. 467, reported by the distinguished Senator from Arkansas [Mr. MCCLELLAN] from the Committee on Expenditures in the Executive Departments. It is a bill to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes. The bill has a deadline, and I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to consider Senate bill 2020.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I ask the majority leader if it is his intention to proceed immediately to the consideration of that bill, or does he propose that the Senate be given an opportunity to vote on the pending amendment prior thereto?

The VICE PRESIDENT. The request of the Senator from Illinois is that the unfinished business be temporarily laid aside and that Senate bill 2020 be taken up for consideration.

Mr. WHERRY. How long does the Senator believe consideration of the bill will require?

Mr. LUCAS. I cannot say to my friend from Nebraska, but I will say that if it requires longer than 10 or 15 minutes, we shall return to the unfinished business.

Mr. MCCLELLAN. Mr. President, I think it may take a little longer than that. The bill is rather important. I hope it will not require a great length of time. I shall not consume much time.

Mr. LUCAS. As I understand, the bill is reported unanimously from the committee of which the Senator from Arkansas is chairman.

Mr. MCCLELLAN. It is reported unanimously. It has already passed the House. There are some minor differences—or perhaps major differences—between the two bills, but I understand, from conferences with members of the House committee, that they will probably accept the Senate amendments.

Mr. LUCAS. I do not desire to hurry the Senator along. Perhaps the 15 minutes which I mentioned is too short.

Mr. MCCLELLAN. I have no objection to being hurried.

The VICE PRESIDENT. Of course, any Senator may demand the regular order at any time, which will automatically bring back the unfinished business.

Mr. WHERRY. Mr. President, I should like to propound another question to the Senator from Arkansas.

Is this the procurement reorganization bill?

Mr. MCCLELLAN. It is.

Mr. WHERRY. As I understand, a similar bill has been under consideration by the Senate committee.

Mr. MCCLELLAN. Yes.

Mr. WHERRY. Does the Senator expect to discuss the Senate bill or the House bill?

Mr. MCCLELLAN. We shall discuss the Senate bill, and when the amendments to the Senate bill are concluded we shall call up the House bill and substitute it for the Senate bill. That is what we hope to do.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois [Mr. LUCAS]?

Mr. IVES. Mr. President, reserving the right to object, I point out that this bill is now in such form that it should meet with agreement in the Senate, with perhaps one exception. Inadvertently a provision in the House bill was omitted from the Senate bill, which should be added to the Senate bill. That matter is being handled by the senior Senator from Vermont [Mr. AIKEN]. So long as that is understood, I have no objection.

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, if this bill is to be considered, I have a very important amendment to offer to it. The bill as drawn affects transportation, and the Committee on Interstate and Foreign Commerce of the Senate has not had an opportunity to study that phase of the problem. We certainly would like an opportunity to study it, because that is our responsibility. I wish to offer an amendment to delete the references to transportation throughout the bill, and I hope the committee will accept it. Of course, I realize that at any time we desire to do so we can call for the regular order, so the matter of unanimous consent is not important; but I want the majority leader to understand that there is very serious objection to some of the provisions in the bill respecting transportation.

Mr. LUCAS. Mr. President, I understand the position of the distinguished Senator from Colorado. Under those circumstances, I shall withdraw my request to lay aside the unfinished business, in the hope that the Senator from Colorado will confer with the Senator from Arkansas with a view to trying to adjust the differences. Perhaps later in the day we can take up the bill. If it is going to take all afternoon with amendments, I do not desire to interfere with the labor bill.

Mr. JOHNSON of Colorado. I cannot predict how long it may take.

The VICE PRESIDENT. The request is withdrawn.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN] to the amendment of the Senator from New York [Mr. IVES] to the original text of the bill.

Mr. IVES. Mr. President, as has undoubtedly been noted by Members of the Senate, we now have before us for consideration no fewer than five proposals dealing with emergencies in labor-management disputes which are national in scope and which imperil or threaten to imperil the national health and safety. These proposals range all the way from that which is in the Thomas bill, which seems to me to contain no more than a slight assurance of being sufficient to cope with the problem in question, to the more extreme provisions in the Taft amendment, which would authorize seizure or the injunction, or both.

As I have indicated in previous utterances during the course of this debate, I do not feel that the injunction is an appropriate means by which to attain the results which are sought in the present instance. Neither do I feel that seizure, in and of itself—and, of course, with the implied threat of the injunction—provides a satisfactory method for dealing with emergencies of the type now under discussion. It seems to me that we can and should go further than the proposal contained in the Thomas bill and, at the same time, should avoid the extreme proposals in the Taft substitute. Therefore I have offered a perfecting amendment to the substitute amendment offered by the distinguished Senator from Utah [Mr. THOMAS], and my amendment extends the procedures pertaining to national emergencies beyond the limits which he has set.

Speaking of the proposal of the distinguished Senator from Utah, I feel that the plan in his bill is excellent insofar as it goes, but it does not go far enough. His plan calls for a declaration of national emergency by the President, the appointment of an emergency board, and an over-all cooling-off period of 30 days,

and then virtually drops the matter there, regardless of the seriousness of the situation. It follows, in general, the emergency provisions in the National Railway Labor Act, which, to be sure, have worked for the most part very effectively over the years, but which can, nevertheless, be improved upon, as experience would indicate.

It is because of general recognition that national emergencies of the kind we are now considering call for a wholly integrated and thoroughly comprehensive procedural statutory treatment that the more severe provisions of seizure and the injunction have been and are being proposed and strongly supported by many. In fact, it is for this reason that the national emergency provisions in the Taft-Hartley Act are as they are.

It seems to me that in the formulation of legislation of this character we would do well to give most careful consideration to the main objectives we are seeking to attain.

In this connection I point out what seemed to me to be a very pertinent observation made yesterday by the distinguished junior Senator from Minnesota [Mr. HUMPHREY] when he stated that what he is primarily interested in is finding the method or process or course of procedure by which free collective bargaining itself can be most effective.

I believe it is generally agreed that the objectives in this legislation are twofold. First is the settlement of the dispute and the reaching of an agreement acceptable to all the parties to the dispute; second, and of equal importance, the prevention of a work stoppage attributable to such dispute, or at least its limitation to such a point that it will not prove damaging to the national health and safety.

Those giving unqualified support to title III of the Thomas bill—which is the title dealing with this matter—evidently feel that its declaration "that the parties to the dispute shall continue or resume work and operations" offers a sufficient guaranty against any work stoppage which, in its consequences, would be harmful to the national health and safety. But, as has already been pointed out in this debate, the history of this kind of mandate demonstrates that it is not always effective.

On the other hand, the proponents of seizure, or the injunction, or either of them, feel that only by going to such extremes can we have assurance that work will continue or be resumed. But the record under the Taft-Hartley Act shows that even such severe provisions will not always aid in resolving disputes or in preventing a work stoppage. In other words, no certain remedy for curing a situation such as I describe and such as we are considering now has yet been presented.

Therefore, I am proposing a method for meeting the national emergency question which I feel supplies the portions of the Thomas proposal which are missing, and simultaneously gives as much assurance against a work stoppage or the continuation thereof as is provided in either the amendment offered by the able Senator from Illinois [Mr. DOUGLAS] or the amendment offered by the able Senator from Ohio [Mr. TAFT]. The perfecting amendment which I propose to the substitute amendment offered by the distinguished Senator from Utah meets the requirements I have indicated. It, too, provides for a proclamation by the President, the appointment of an emergency board, and a 30-day cooling-off period; but it goes further. It also calls for the utilization of the Federal Mediation and Conciliation Service in helping to bring the conflicting parties into agreement. At the same time, it would place greater responsibility upon the President and upon the Congress whenever an emergency of national proportions might arise. My proposal requires that in any case in which a strike or lock-out occurs or continues, after the appointment of the emergency board, the President shall submit immediately to the Congress, for consideration and appropriate action, a full statement of the case, including the report of the emergency board, if such report has been made, and also such recommendations as he, himself, may see fit to make. It further provides that in case the Congress shall not be in session at the time, the President shall convene the Congress without delay for the purpose of the consideration of appropriate action, pursuant to his statement and recommendations.

I realize that the plan which I propose does not guarantee that there would be no work stoppage. I would point out, however, that with the probable exception of atomic energy, no national emergency of the kind under discussion, in which a limited period of work stoppage would be damaging, is likely to occur. Moreover, insofar as atomic energy is concerned, it seems to me that special legislation should be enacted to meet such a condition as would be involved in that highly critical industrial field.

I would reiterate, moreover, that no national emergency plan yet devised in and of itself would prevent a work stoppage in the final analysis. It will be recalled that, even under the national emergency provision of the Taft-Hartley Act, there was a prolonged work stoppage in the west coast shipping dispute after the 80-day injunction period had expired. Indeed, when the national emergency provision in the Taft-Hartley Act was drafted, as at least some of the present Members of the Senate will recall, it was the general expectation of those who participated in its drafting that in the case of a serious labor-management controversy, which could not be resolved through the processes provided in that provision, ultimate specific action would be required of the Congress.

Right here is the point toward which every national emergency proposal now under consideration inevitably is directed. Not one of these proposals in and of itself provides a final solution. Every one of them looks to the Congress for ultimate action if the emergency is not to be resolved by the procedures they contain.

The place where I differ with the proponents of the other proposals, aside from the one contained in the Thomas amendment, is in my strong feeling that it is not necessary to set up legal machinery which would authorize seizure of whole industries which are national in scope or the use of the injunction against employees in those industries to achieve the results we seek. The procedure contained in the proposal I submit can and should be wholly effective and far more desirable in obtaining these results.

In the first place, because of this procedure, the President would not be likely to proclaim a national emergency provoked by a labor-management dispute unless he were sure that such emergency existed.

In the second place, both labor organizations and management would hesitate considerably before occasioning a work stoppage in industries involved in such an emergency, when by such work stoppage they would bring the whole matter immediately before the Congress for action.

In the third place, if the Congress perchance were to be faced with a crisis of this nature and under these conditions, it should be in a most advantageous position to pass ad hoc legislation geared appropriately to meet the immediate situation.

Here, Mr. President, I desire to digress, to refer to some objections which have been made in connection with the observations or statements I have just made. Obviously, the main force of the approach which I present is psychological in character. In and of itself, it possesses nothing which could be harmful to either management or labor; but by the very process which I point out—the bringing of the matter to the attention of the Congress for action, as I have just indicated—there would be a natural hesitancy on the part of either management or labor to provoke a condition which would bring about such a consequence as I have indicated.

So, also, it has been suggested that the Congress itself—stirred up, as it might be, under conditions of this nature—would be in no position to take reasonable or sound action. Mr. President, I wish to say that, stirred up though the Congress might be, and might rightfully be, nevertheless, through the operation of the procedures I have outlined—the action, in the first place, of the Emergency Board; and then, in the second place, the submission to the Congress of the recommendation of the Emergency Board and the recommendation of the President, and other related matters which might come before it—the Congress would not be surprised, would not be taken off guard by a situation of this nature. Ample opportunity would have been afforded to know the facts, to know the background, to become accustomed, acclimated, if you please, to the situation which might confront the Congress. So I have no apprehension regarding a situation of this nature. As I see it, with this procedure operating as it should, the Congress definitely would be in a most desirable position to enact legislation of a temporary nature applying only to the immediate dispute in question.

Then, in the fourth place—and this is something which must not be forgotten,

because it is so vital in all that we are contemplating—the free play of mediation, conciliation, conference, and persuasion would be given the greatest possible latitude with the least possible restriction.

Finally, in the fifth place, the opportunity for reaching a peaceful settlement of the labor-management dispute should be at a maximum and interference with such settlement should be at a minimum, and there should be a far greater chance that a settlement thus reached would be durable.

As devices for helping to achieve industrial peace and to bring about a satisfactory agreement under conditions such as those we are now considering, either seizure or the injunction is, at best, of most dubious value. Where the injunction by indirection would seem to reflect against labor, seizure by the same line of reasoning would appear to be an indictment of management and ownership. Furthermore, seizure opens up avenues of encroachment by Government into private enterprise, which are not pleasant to contemplate.

The proposal I make through my amendment would prevent undue interference by Government, either in the activities of labor organizations and workers, through the injunction, or in the operation of industry, through seizure. It should be productive of a better feeling between management and labor than can be realized by any possible device which would force labor to work against its will, or force industry to operate by Government edict and under Government direction. Most of all, as a means to prevent a work stoppage, the plan I propose, as I have already emphasized, should prove fully as effective as seizure, or the injunction, or both.

Mr. THOMAS of Utah. Mr. President, at this time, before we take a vote, I think it would be wise for us to review the various amendments which have been offered, so that we can in a way summarize and keep in our mind the differences between the various phases that are before us. That is rather hard to do. The differences are not great, and yet they are important. For example, the opposition which is made to the original provision of the bill is, as the Senator from New York [Mr. IVES] has already said, not directed to the provision or to what it might accomplish; it is directed to a ruling on what might be the President's power in regard to national emergencies. Therefore, before we can or should vote on these matters, I think it is very vital that we should have them well before us.

In the original bill, which is the proper place, I imagine, to begin, there is no mention of injunction and no mention of seizure. There is mention merely of certain things which the President shall do in case he finds the country in a state of national emergency due to a stoppage of work in an industry affecting the entire Nation. We did not think in terms of national emergencies until very recently in our history. The phrase itself undoubtedly came into existence as a result of the Taft-Hartley law. But our country got along for a great many years without the phrase and without thinking about whether the President had or had not such power. Under the Thomas bill, which is an attempt to get away from the harsh provision of the Taft-Hartley law, a law which some of us at least do not think has worked to the advantage of industry and labor, the national emergency would be handled first of all by the President, who would issue a proclamation calling attention to the fact that there is an emergency. His findings in connection with the emergency would be such that he would call upon the parties to the dispute to continue work in the public interest. He would then establish a cooling-off period, to begin with the issuance of the proclamation and to continue for 5 days after the filing of a report, but not longer than 30 days. In the proclamation a commission would be set up. An attempt would be made to arrive at terms.

The whole thing is based upon the theory that the dispute is an honest one, that it is not fictitious, that the employer and employees have earnestly tried to settle their grievances with one another, but have failed. Under the President's proclamation, work must continue. I hope no one will ask me how it is to be forced in case there is a work stoppage. It is merely assumed that the President of the United States will be dealing with American citizens and that they will respond in all seriousness to his request that they continue work.

An emergency board is set up promptly by Presidential appointment. The board is required to make a study and to submit a report. Its duties are prescribed, and in the end, it is assumed—and the assumption is based upon history, upon fact, not upon fiction—that the parties will come to an agreement.

The opposition which is expressed to this simple way of proceeding is that it is not harsh enough, that it is not sure enough, that it does not go far enough. But the opposition and the criticism come because the critics fail to realize the powers of the President, the powers of the Congress, the powers of the ordinary organs of the Government. It is because of this situation that much of the opposition arises. Members of the opposition say they do not concede the existence of inherent powers in the Executive. They say they do not like to leave anything to the discretion of the President. I have already pointed out that there is nothing which can be done under our constitutional system with reference to Executive discretion. Whenever the President shall find a certain situation, he may proceed. That is the ordinary way in which the President acts. What is there, short of the President's oath to live up to his responsibilities as Chief Executive of the United States, to compel him to act? The fathers, in establishing the Constitution, evidently thought that in giving the President powers under the Constitution, his actions would naturally follow the powers. To assume, as has already been said on the floor, that the President has not a single inherent power prescribed or written in the Constitution is merely a failure to recognize what has happened under the Constitution and the manner in which the President proceeds.

Much of the discussion in the hearings came about as the result of a letter from the Attorney General, in which he stated that the President had certain powers. There is no Senator of the United States who will turn his back upon the history of the United States. We all know that the Presidents of the United States who have been considered by historians as great Presidents are those who have, in emergencies, used powers. Those powers have not been questioned. Such Presidents have been called by the opposition dictators. But the interesting thing, Mr. President, is that if I should name the Presidents of the United States who have been called dictators, who have made the greatest record for our country, those who have been charged with trying to make monarchs of themselves, to perpetuate themselves, I would name the great Presidents of the United States who have been accepted as such by common consent and by the historians of the Nation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I am glad to yield to the Senator from Vermont.

Mr. AIKEN. Would the Senator include Thomas Jefferson in that list? I recall the history of my own State. The Legislature of Vermont memorialized Thomas Jefferson to run for a third term, and he gave very convincing arguments as to why he should not run for a third term. I believe the Legislature of the State of North Carolina did the same thing. I hope the Senator from Utah would not include Thomas Jefferson as one of the would-be dictators among our Presidents.

Mr. THOMAS of Utah. It would not be difficult to show that Thomas Jefferson himself admitted that he used the inherent powers of the Presidency in accomplishing results. I do not think anyone here is absent minded regarding Thomas Jefferson and the Louisiana Purchase. I do not think anyone is sorry that Jefferson made that purchase.

Mr. AIKEN. I know the Senator from Utah is an admirer and a great student of Thomas Jefferson, and I join him in the high regard he holds for Jefferson. It was one of the Vermont delegates who got out of jail in time to reach the national convention to break the tie, and nominate Thomas Jefferson on the thirty-seventh ballot. That man's name was Matthew Lyon.

Mr. THOMAS of Utah. I think it was Ethan Allen, of Vermont, who, as candidate for Governor of Vermont, showed what he would do if he were governor in regard to certain things which were going on. He used inherent powers to accomplish his purposes.

Mr. AIKEN. He did not become Governor of Vermont. So far as I know, no Governor of Vermont has ever had to use assumed powers.

Mr. THOMAS of Utah. Powers are not assumed, Mr. President, and I know the Senator from Vermont will admit that.

I think I should finish the statement I was making, that if we go through the

list of the Presidents of the United States who have been accused of wanting to be self-perpetuating and using their powers in an extraordinary way, if we name the greatest ones, Washington, Jefferson, Jackson, Lincoln, Theodore Roosevelt, Wilson, and the second Roosevelt, we may ask, Why were they great? It is because of the things they accomplished, because of the circumstances they faced. As men, in any kind of a comparison we make, they were great, but as Presidents of the United States they were exceptionally great.

The Attorney General's letter did not set forth any new or startling doctrine. He pointed out that the inherent power of the President to deal with emergencies which affect the health, safety, and welfare of the entire Nation is exceedingly great. There is no measure of that power; it is not a power that can be measured; it is not a power which can be dealt with on an assumption of what is going to take place. It is a power which can be expressed only when it is used, and it is either great or less great in the degree of effectiveness of its use. The mere fact that a man is President of the United States implies in and of itself tremendously great power. This fact is as old as the Republic itself.

The letter referred to the opinion of former Attorney General Murphy, dated October 4, 1939, to the President of the Senate, in which it was stated:

> You are aware, of course, that the Executive has powers not enumerated in the statute—powers derived not from statutory grants but from the Constitution. It is universally recognized that the constitutional duties of the Executive carry with them the constitutional power necessary for their proper performance. These constitutional powers have never been specifically defined and, in fact, cannot be, since their extent and limitations are largely dependent upon conditions and circumstances. In a measure this is true with respect to most of the powers of the Executive, both constitutional and statutory. The right to take specific action might not exist under one state of facts, while under another it might be the absolute duty of the Executive to take such action.

Mr. President, anyone can see the logic and the necessity for that sort of understanding and for that type of deduction.

The Senator from Oregon has asked to have pointed out to him the section of the Constitution from which these inherent powers stem. I have already answered a part of the Senator's remarks. If any one section must be pointed out, I call the Senator's attention to section 1 of article II, which provides:

> The executive power shall be vested in a President of the United States of America.

The executive power is not defined. How can it be defined? But the executive power that exists under the Constitution is, by the simple grant there made, vested in the President. It is going to be a changing power as the country grows, as it becomes more wealthy, and as the people extend themselves over the world. Wherever the President's or the country's jurisdiction goes the executive power goes, too.

Mr. President, that does not mean that in quality the executive power is any greater or any less, but it does mean that it is going to be greater or less in quantity according to what the President is doing, or that which the country is attempting to do.

Everyone grants that the President's power in wartime is very much greater than it is in peacetime, because he is the Commander in Chief of the Army and Navy, and the Army and Navy are extended in wartime. It is all quantitative. We may go on arguing from now on, and almost forever, in trying to get a definition of something which cannot be defined.

Mr. President, what I have referred to from the Constitution is a complete vesting in the President of complete power. That is what the Constitution does; it gives power to conduct the Government, the power to see to it that the country and the Government do not break down. That is what the President is doing when he takes care of an emergency. The power could not have been stated in broader terms than it is stated in the Constitution.

The Supreme Court has considered the view which the Senator from Oregon apparently expounded, and has expressly rejected it. Incidentally, the same view appears to have been expounded previously by the great Daniel Webster. In the case of Myers against the United States, the Supreme Court, speaking along about 1926, as I recall, long before the Taft-Hartley law and long before the National Labor Relations Act, said:

> Mr. Webster denied that the vesting of the executive power in the President was a grant of power. It amounted, he said, to no more than merely naming the department. Such a construction, although having the support of as great an expounder of the Constitution as Mr. Webster, is not in accord with the usual canon of interpretation of that instrument, which requires that real effect should be given to all the words it uses.

The Supreme Court also recognized the breadth of the power vested in the President as distinguished, indeed, from the powers vested by the Constitution in the Congress of the United States. The Supreme Court has said:

> The difference between the grant of legislative power under article I to Congress, which is limited to powers therein enumerated, and the more general grant of the executive power of the President under article II, is significant.

That is, the Court recognizes the delegated power in Congress, but it points out that the executive power is, comparatively speaking, a different type of power.

The Attorney General's letter to me must be read in the light of the history of our country. Certainly, as Secretary Tobin has said, "No President would permit the Nation to be brought to its knees."

The President of the United States takes an oath, as does every Senator. Is not that binding? Is not that a serious matter? If there had been any more effectual way to hold a man true to a trust than the taking of an oath or affirmation, it would have been written into the Constitution of the United States. But amongst civilized men that is the strongest medium yet worked out to call man's attention to the seriousness of the promises he makes. The founding fathers did not go any further because they could not. Everyone who works under the Constitution of the United States is limited, and is bound, morally to be sure, but a moral tie is not an insignificant tie; it is one which becomes legal, and which the courts respect, and which has had a lasting effect throughout history.

The President takes an oath, Senators take oaths, and everyone who administers in the name of the President takes an oath, and those oaths are not passing generalities by any means, they are important, and they deal with inherent powers.

The inherent powers of the President are, without any question, sufficiently broad to meet an emergency and sufficiently flexible to provide a suitable remedy. If that were not the case, Mr. President, how in the wide world could a government, set up as our Government is established, based upon trust, endure? If Congress does not do its duty and live up to it promises, the Government ceases to exist. If the courts refuse to hear cases, how are we ever going to get any judgments? If the President decides not to be an executive, our Government comes to an end.

Governments have not ended in that way, Mr. President. That is not the way governments have been brought to an end when they have ceased to exist in the course of history. We have found that the moral ties under our Constitution are extremely strong ties, and they have been effective ties until today the Constitution of the United States is the mother of all constitutions, older than any other constitution in existence in the world. Still, the possibilities of breaking it through nonaction, or through not paying respect to the duties imposed upon one holding office, have been great enough to keep our Government going through all the emergencies which have occurred, not emergencies caused by labor disputes, but every type of emergency.

This doctrine is not a creation of recent years. President Theodore Roosevelt described the executive power thus:

> I declined to adopt the view that what was imperatively necessary for the Nation could not be done by the President unless he could find some specific authorization to do it. My belief was that it was not only his right but his duty to do anything that the needs of the Nation demanded unless such action was forbidden by the Constitution or by the laws. Under this interpretation of executive power I did and caused to be done many things not previously done by the President and the heads of the departments. I did not usurp power, but I did greatly broaden the use of executive power. In other words, I acted for the public welfare, I acted for the common well-being of all our people, whenever and in whatever manner was necessary, unless prevented by direct constitutional or legislative prohibition.

Mr. President, that is taken from Theodore Roosevelt's autobiography. Theodore Roosevelt has been criticized for this statement. I do not object to the criticism. I think he extended his power more than once in a way which those of

us who watched him work thought was probably too great an extension of the right and the duty of the President of the United States. His admission about what he did in Panama was an extremely great admission, probably the greatest admission any President ever made in the whole history of the United States, unless it was Jefferson in regard to Louisiana. But in the light of events, is there anyone in the United States any more sorry that Roosevelt did what he did than that Thomas Jefferson did what he did?

Mr. President, what we do here in regard to the labor bill will make history, and something may occur as the result of what we do here which will also make history. Some President may have a chance to do something mighty and fine under the authority granted by the legislation we propose to enact now. He may have a chance to do the opposite, however. So, in passing legislation we do not want to curb the power and the greatness of the Executive to such an extent as in any way to interfere with the glorious way in which our country has moved forward under the Constitution.

Attorney General Biddle, in an address before the annual convention of the California State Bar Association at Yosemite National Park on September 18, 1941, stated the doctrine very concisely when he said:

> Traditionally, every President of the United States, from the first to the present, has been prepared to use his constitutional powers when the Nation or its citizens were endangered in circumstances requiring prompt and vigorous action.

What would we say, Mr. President, of a President who did not use his powers when danger threatened? That is something to think of when we become frightened respecting inherent powers. Failure to act is subject to criticism quite as much as the action itself. Everyone expects the President of the United States to do his duty.

> There have been differences of opinion with respect to action taken, both before and after the event; but over the years the wisdom of the framers of our organic law has been repeatedly confirmed. If you were to press me for a distillation of principle from the full harvest of our national experience I would suggest that the magnitude of the threatened disaster is the measure of the President's power and duty to take steps necessary to avert it.

Here again was an attempt to define something which cannot be defined. The speaker used words, painted pretty pictures, and that is as far as he could go. What he said sounds good, it is good, and it is good constitutional law, too, Mr. President.

The nature of the President's powers as they affect seizure were discussed in the Congress in connection with the act of July 16, 1918, 40 Stat. 904, which authorized the taking of the telephone and telegraph lines. Relative to that power, President Harding, then Senator Harding, although opposed to the bill stated—this was Harding, one of the Presidents listed by authorities as not being too strong. He does not have a place among the great Presidents. But here, nevertheless, is his constitutional theory:

> Mr. President, I listened with a great deal of attention yesterday to the able remarks of the senior Senator from Illinois—

That was the late Senator Lewis, of Illinois, who sat in this Chamber with us so long—

> and I recall that he said, if there were a real war emergency, if there were a present necessity for the seizure of the lines of communications in this country, the Chief Executive would take them over, else he would be unfaithful to his duties as such Chief Executive. I agree with that statement, and if the President believes there is such an emergency, he ought to seize them (56 CONGRESSIONAL RECORD, p. 9064).

Mr. President, that discussion took place in wartime. Seizure was thought of under the war powers of the President rather than under his ordinary powers. But he is President of the United States in peacetimes quite as much as in wartimes, and if an emergency occurs his duties are still his duties.

Similar statements relative to the President's power to seize were made in the Congress during the debates on the War Labor Disputes Act. Prior to the enactment of that act and prior to the declaration of war, President Roosevelt had ordered that possession be taken of three plants. On June 9, 1941, the Government took possession of the North American Aviation plant by Executive Order No. 8773—Sixth Federal Register, page 2777; on August 23, 1941, the Government took possession of Federal Shipbuilding & Drydock Co. by Executive Order No. 8868—Sixth Federal Register, page 4349; and on October 31, 1941, possession was taken of Air Associates, Inc., by Executive Order No. 8928—Sixth Federal Register, page 5599. All these seizures were effected because labor disputes in these plants threatened to interrupt defense work being carried on in these plants. Following the declaration of war, but prior to the enactment of the War Labor Disputes Act, which contained a seizure provision, the President seized nine other plants, facilities, or industries, including the bituminous coal mines. In respect of the Executive authority to take possession of facilities in the absence of statutory authority and prior to the declaration of war, Representative May stated:

> Mr. Chairman, if any Member thinks it is wrong, that it is wrong that the President should have this power to take over an industry for the purpose of policing it just because one or two men may object, that Member will have the opportunity to express himself by his vote; but let me tell you a few things. We hear it said the President already has power to do this. I think he has, and I think he exercised it wisely when he took over the plant in Inglewood, Calif. (87 CONGRESSIONAL RECORD, p. 5895).

Also, in respect to this matter, Representative WHITTINGTON stated:

> We approve the course of the President of the United States in the North American air plant in California. It was never argued; it was never stated by the Attorney General that the President had such authority under section 9 of the Selective Service and Training Act. It is only maintained that he had that authority under the Constitution as Commander in Chief. I say that the bill should be enacted and that the President of the United States should be given the power by statute to do that which he did in the case of the aviation company in California (87 CONGRESSIONAL RECORD, p. 5972).

The statute was passed after the act was done, permitting by law what the President already had done. That is not something new in our scheme of government. Probably it is not the best time at which to offer it. But it is a fact that the President did act. The President was criticized for that action, but what he did was effective and lasting.

Representative DIRKSEN contended that a seizure provision such as was contained in the War Labor Disputes Act was unnecessary, stating:

> Secondly, let me submit to you that the Commander in Chief who can occupy Iceland with the troops of the United States and advise Congress of his action 6 days later does not need any legislation to occupy a plant in the United States of America. He has done it once and he can do it again. Surely no proponent of the pending bill will arise to confess that what the President did before in California was or is illegal (87 CONGRESSIONAL RECORD, p. 5974).

The President's inherent Executive power to take action without the aid of specific statutory authority includes an almost endless variety of possibilities depending upon the emergency. But in every emergency the power has been great enough to cope with the situation.

In 1902 Theodore Roosevelt seriously considered taking possession of the Pennsylvania coal mines during a strike in the mines to prevent a coal shortage—volume 20, Works of Theodore Roosevelt, page 466. The taking never became necessary because the dispute was settled. However, it appears that President Roosevelt had in mind seizure upon invitation of the Governor of the State of Pennsylvania, rather than direct action at the initiation of the President. Such a seizure would follow the theory of article IV, section 4, of the Constitution, which guarantees the States against domestic violence.

In 1914 President Wilson, in connection with the Colorado coal strike, considered taking over the coal mines upon the recommendation of the American Federation of Labor and others—Woodrow Wilson papers, file 6, box 393, Nos. 901, 902, Division of Manuscripts, Library of Congress. However, such taking was not effected.

On May 1, 1917, President Wilson ordered that all telegraph and telephone lines and cables should be operated only under regulations of the Secretary of War or the Secretary of the Navy, although there was no specific authority for this order.

On July 13, 1917, again without statutory authority, President Wilson issued a proclamation preventing German marine and war-risk insurance companies from operating in the United States since it appeared that through these companies the German Government was obtaining information concerning ship

movements. Again in 1917, President Wilson asked Congress to arm merchant vessels, and when such authority was not forthcoming he, as an exercise of his own executive power, gave notice of determination to arm all American merchant vessels and place naval personnel and guns thereon.

The Attorney General's letter of February 2, 1949, should not be interpreted so as to relate solely to the question of whether the Government may obtain an injunction to prevent a work stoppage in the event of a national emergency in an industry vital to the country's economy. The problem is much broader than that.

Strikes of this nature present problems which vary greatly as between the several industries; and the course of action on the part of the President which would be most likely to lead to a settlement or to protect the national interest pending a settlement can seldom be accurately stated in advance. A railroad strike, for example, might call for the operation of the roads on a limited basis by the Government itself. Aid to the courts might be appropriately requested in some of these situations and not in others. Nor does it necessarily follow that injunctive relief would be appropriate in a particular case.

We are pointing out that the President should fit the rule to the action. If we prescribe too much, likely the event or the emergency will in no sense fit the prescription. Since our country has gotten along so well under the theories of the Constitution and under the powers vested in the President as Executive—so well that the President has been able to fit his powers into the emergency—I ask, Is it not more sensible to leave it that way than to attempt to assume that every kind of an emergency will come from a given direcion, and limit the President to action in that direction? I believe that the more we think through the various theories of the amendments which are before us the more we shall see that title III of the committee bill is written on the basis of experience. It is written definitely to take away the fear and the theory of the old injunctive processes. It is written to make it improbable that resort to seizure will be had. It is written in such a way that the President may use all the powers which the Executive has used in the past, all the extraordinary authorities which various Presidents have used from time to time; but it is written in such a way that the man who is President at the particlar time will meet the situation as he sees it should be met in the light of all the circumstances, as a result of the measure of the real seriousness of the emergency. To try to write law in any other way is to guess what kind of emergency we are going to have next. That simply cannot be done. Even prophets, when they get themselves into a guessing frame of mind and try to meet situations, fail.

The President has indicated on several occasions that the problem of dealing with labor disputes leading to national emergencies is one which deserves most careful study. The complexities of the problem are in fact such as to render it highly unlikely that any simplified approach would lead either to labor peace or to the protection of the public interest. Certainly the Taft-Hartley approach, which is to compel labor to continue to work under the formerly prevailing conditions for a period of 80 days and then permit the strike to occur, is one which heavily burdens labor and provides no incentive to management to attempt to settle the dispute through fair collective bargaining. An approach which is sufficiently flexible to meet the needs of particular situations and at the same time sufficiently clear in its application to provide assurance to the public as well as to labor and management that all interests will be properly protected is the solution which must be sought.

The Attorney General's remarks in his letter that in appropriate circumstances the United States would have access to its courts to protect the national health, safety, and welfare cannot be denied by any Member of the Senate. The Attorney General was not stating what the appropriate circumstances would be. The point is that if the circumstances warrant, the power is there. Depending upon the circumstances, the United States might have taken possession of the particular industry involved; and of this power there is no doubt. No one can deny that an injunction after seizure is appropriate where the circumstances warrant. As the President has pointed out, national strikes creating national crises are complex in their origin, creating complexities in their solution. The injunction device as standard practice is no solution. It is merely an aspirin which does not remove the cause. It might be appropriate and it might not. But to enact as a matter of national policy this misleadingly simple way of handling a complex problem is to bury our heads in the sand. We are here concerned with labor peace, fairly arrived at by the parties, and not with enforced armistices. A statutory threat of injunction in all cases does not present the proper background for labor peace. If, however, the circumstances warrant appeal to the courts or any other manner of protecting the Nation's interests, the President as Chief Executive has ample authority and the constitutional duty to meet the emergency.

When I say that, I point out the fact that those who criticize the committee bill as a bill which does not go far enough, which does not do enough, which leaves things unsettled, should remember that it does not take away the powers which the President of the United States has used in the past, or the powers which he may use in the future. At no time has the country seriously questioned such powers when the President has reached out and, to use Jefferson's expression again, seemed to have stretched the Constitution.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HUMPHREY. I should like to ask the Senator if he feels at liberty to explain the provisions of the Thomas bill as they deal with national emergencies, as compared with the existing practices under the Railway Labor Act. How do they compare, in terms of their application to the cooling-off period in the process of settling disputes?

Mr. THOMAS of Utah. Of course, the theory of title III in the committee bill is built upon experience under the National Labor Relations Act. Whether, if title III should become law, things would be done in exactly the same way they have been done under the National Labor Relations Act, it is impossible to tell. Title III of the committee bill is not as explicit with regard to the various steps that should be taken; but it is assumed that the National Mediation Board system, generally speaking, has worked satisfactorily. Therefore the experiences under that process were extensive enough to satisfy labor and quiet its fears about the power of the President, and sufficient to satisfy industry, so that it had no fear about an extension of his power, because it is something which has been experienced. In that way we were able to get the unity of which I have previously spoken, of administration thinking reaching into the various departments of the administration which have to do with labor relations; and we got the support of all labor for that provision.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Utah yield to the Senator from Minnesota?

Mr. THOMAS of Utah. I am glad to yield.

Mr. HUMPHREY. Is not the purpose of the cooling-off period of 30 days under the Thomas bill proposal exactly the purpose of the injunction under the Taft-Hartley provisions?

Mr. THOMAS of Utah. The theory of the injunction in the Taft-Hartley provisions, I take it, is the theory of bringing peace. But the method used is objected to.

The theory of title III of the committee bill definitely is to keep negotiations under way, so that there will be no letup until an agreement is reached.

Mr. HUMPHREY. In other words, under the Thomas bill the cooling-off period is a part of the general process of collective bargaining and of negotiations. Is that correct?

Mr. THOMAS of Utah. Yes. It is the very process that is used in ordinary cooling-off discussions before emergencies occur.

Mr. President, as everyone knows, it is not unusual or strange for negotiations in regard to the renewal of a contract to last more than 1 or 2 days; in fact, sometimes such negotiations last for weeks. However, during that time there is no cessation of work, there is no work stoppage. The peaceful process is one which does not have a time limit; it is a process which often works better because it allows a little longer for the consideration of the problems involved.

Mr. HUMPHREY. Mr. President, will the Senator yield, to permit me to ask another question?

Mr. THOMAS of Utah. I am glad to yield for that purpose.

Mr. HUMPHREY. In view of the Senator's statement in reference to the procedures under title III of the committee bill, and his statement that that is a part of the negotiation process, and inasmuch as that procedure is literally a voluntary one, with the stated policy on the part of the Government to have the employer and employees continue their actual operations as they were doing before the dispute, I wonder whether the Senator from Utah feels that there is a better chance of arriving at a peaceful settlement of a dispute—in other words, of negotiating a settlement of a dispute—when the injunctive power is used to compel the workers to stay on the job. I think that is the real issue, namely, which one of these two methods is more conducive to the settlement of a dispute.

Mr. THOMAS of Utah. Mr. President, the theory of the bill is that the voluntary method is very much more conducive to that result than the force method. The theory which is borne out by all the experience of which I know is that ultimately the voluntary method is resorted to, even if the hammer is hanging over the heads of the ones who are involved.

That situation is exactly like the situation in war. After all, war settles nothing. It results in the defeat of one side or the other, and the victorious side is satisfied with that. But when the making of peace is begun, peaceful methods have to be used.

Of course, there is such a thing as an enforced peace. Sometimes people are required to sign on the dotted line. But in collective bargaining, in the case of most peaceful arrangements, the point is reached where people sign against their will, or else all of the bargaining is phony bargaining. Some one has to give in. However, at the same time, in our industrial relations the hammer or club is not used. The person who signs under pressure comes to the conclusion that, bad as the agreement may be, it is better than something else. That is the way the matter works out.

Mr. HUMPHREY. Does not the Senator agree that the record is that in the majority of instances the use of the injunctive process has not settled disputes? I think the record as revealed by Mr. Ching's report is that the injunctive process has hindered the settlement of disputes, rather than promoted their settlement. Therefore, is not the Congress faced with the necessity of determining which national-emergency process is the better to be used? Inasmuch as injunctions have failed to settle disputes, we are now faced with the necessity of determining which of the processes or procedures now proposed and before us will afford the best means of reconciliation. Is not that the issue?

Mr. THOMAS of Utah. I think that is correct. I can answer in this way: The old injunctive process before the Norris-LaGuardia Act came into effect, had to do chiefly with State courts, and a resort to the use of the injunction involved the forcing of a given party against its will. As a matter of fact, the general result was to force labor, rather than to force industry, although it is commonly said that an injunction can be used against an employer. However, that has not been done.

Mr. HUMPHREY. I was wondering whether in this connection it might be proper to make an observation similar to the one Anatole France made, namely, that the poor and the rich have equal privileges; they both sleep under gutters and out in the open, or something to that effect; in other words, in this case, equal privileges so far as the use of the injunction is concerned.

Mr. THOMAS of Utah. Yes; I realize that a man who has a bed in which to sleep can have a good holiday by going out into the country and sleeping under a bridge. But the man who has no bed in which to sleep simply cannot select his holiday. Of course that situation is illustrated in all phases of life.

Mr. President, so long as judges are honest and courts are proper in their action, I think the worst element in regard to the use of an injunction is the psychological element or the psychological effect, because of the bad name which the injunction has acquired throughout history. Of course, that bad name cannot be lived down. Although labor does not have a very good definition of an injunction, and does not know exactly what an injunction is, nevertheless all those who constitute labor know that an injunction is something which they should hate and should dislike, and something which they recognize as involving tyranny, and which they know has been used by those who like to coerce them whenever they can, and to make such coercion stick. That is the history of the injunctive process in the United States.

Mr. HUMPHREY. Mr. President, I should like to ask a final question of the distinguished Senator from Utah, in an effort again to bring to our attention the alternatives we face.

Yesterday we quoted extensively from the first annual report of the Federal Mediation and Conciliation Service. We had some argument as to the completeness of the quotations from the text. At this time I should like to quote from the summary of experience, as set forth in chapter VII, on page 56 of that report. At that point, in referring to all the evidence, not merely to specific cases, the following definitive statement is made:

One of the conclusions—

Surely the word "conclusion" is a significant one to be used at that point—

which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

Is it not true that what we are attempting to do in writing a labor-management relations act is to find the means for the settlement of such disputes, not the means of delaying their settlement?

In view of the uncontested testimony regarding the failure of the injunction ever to reconcile the parties or even to deliver us from a national emergency, where can there be one iota of logical evidence which would lead us to believe now that in view of the tragic experience of the past 2 years, we should go ahead, close our eyes to the facts, ignore the 23 years of good, successful relations under the National Railway Labor Act, and plunge headlong again into the same abuses and, let me say, the same failures which we have experienced during the past 2 years? Is not that the issue we face in reference to the Thomas bill, as compared to the Taft amendments?

Mr. THOMAS of Utah. That was the issue which the committee recognized, and that is why the Thomas bill is worded in the way it is, in contrast to the present Taft Hartley law. There is no doubt that that was in the minds of the authors of the present bill.

GOVERNMENT ECONOMY DRIVE LAUNCHED BY EDITOR

Mr. FERGUSON. Mr. President, I know that a growing volume of mail has been coming to the desk of every Member of Congress, in support of the governmental economy program and in support of the plans for reorganization of the executive branch as recommended by the Hoover Commission.

It is one of the most encouraging signs of the times. It reflects an awareness among the people of Government's immense cost and its effect upon the national economy and the individual taxpayer. It reflects a growing determination on the part of the people that something must be done to reduce Government's cost, to bring efficiency into Government, and to avoid the dual menace of new taxes and deficit spending.

Members of the Senate are familiar with my views with regard to governmental economy. I have repeatedly urged measures which would reduce the cost of Government through reductions of appropriations and expenditures. I have high hopes that in this session of Congress we may yet take steps to avoid an impending crisis in Federal finances. We have yet to act upon appropriation supply bills that represent more than two-thirds of the fiscal plan for the next year. We have before us a proposal which will require the President to readjust the spending schedule to permit a balanced budget within existing revenue standards. I was glad that I could be a sponsor of that particular bill.

I have likewise been an earnest advocate of all measures which will put the recommendations of the Hoover Commission into effect. The work of the Hoover Commission is one of the great events in this era of growing centralization of power. I have urged and I shall continue to urge that all priority be given to means whereby the streamlining and savings recommended by the Hoover Commission may be realized.

It is because of my attitude on governmental economy and efficiency that I have been most gratified by the signs of a growing popular demand for those same objectives. Citizens' groups are being formed throughout the country to urge a follow-up on the conclusions of the Hoover Commission. They are determined that the Commission's proposed reforms shall not wither on the

vine and die. Newspapers are taking up the effort and are promoting an educational and an action campaign. The campaign is particularly active in Michigan. The Detroit News has been printing on its front page a form to be sent to the Michigan delegation in Congress. Its front-page editorial says:

If you believe that it is time to quit taxing and spending, time to tighten the belt of Uncle Sam just as his nephews and nieces have had to tighten their belts, speak out. Let your voice be heard.

The Knight newspapers, of which the Detroit Free Press is one, have been consistent and vocal advocates of governmental economy. At the present time they are running a form, to be sent to the President and to Members of Congress, urging support of the Hoover Commission proposed reforms.

The Hearst newspapers, including the Detroit Times, have likewise been outstanding voices for governmental efficiency and economy.

The plan for newspapers throughout the country to print forms advocating support of the Hoover Commission recommendations originated, as I understand, with another progressive Michigan newspaperman, Carl M. Saunders, of the Jackson Citizen Patriot. The story of Carl Saunders' efforts is graphically recounted in an article which appeared in the Detroit Free Press, June 16. I ask unanimous consent that this article be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNMENT ECONOMY DRIVE LAUNCHED BY EDITOR

Thanks to a Michigan editor, a prairie fire is building which may burn its way through some of the deadwood in Washington.

The editor is Carl M. Saunders, for 15 years the guiding hand of the Jackson Citizen Patriot and before that an associate and editorial writer on the Grand Rapids Herald when it was under Senator VANDENBERG'S leadership.

In towns like Jackson, with 49,000 people, lots of friendly visitors show up in an editor's office.

One day last week Saunders was visited by the Reverend Howard Harper, rector of St. Paul's Episcopal Church in Jackson.

Mr. Harper had, not religion, but government—big, expensive government—on his mind.

"I want advice," said Mr. Harper.

"I'm an American citizen and an average taxpayer. I'm concerned about the size and cost of government.

"I would like to see the Hoover Commission's plans for reducing departments of government and cutting out waste adopted.

"What can I as an average citizen do to bring that about?"

A few days before that George Cowden, business manager of the paper, had asked Saunders what could be done to promote the Hoover plan.

Saunders came up with an answer—not only for Mr. Harper and Cowden, but for thousands of others who have been doing some thinking on the same lines.

"What I tried to do was figure out some way for the guy who never writes his Congressman to make his opinion felt," Saunders said. "In effect, we wrote a letter for him."

The Citizen Patriot came out with some blanks. All you had to do was sign and send them to the paper. Then your plea for the economies proposed by Hoover would go to President Truman, Michigan's Senators and your own Congressman.

Thus came about the plan which has since been adopted by the Free Press. It's simply a plan to make the little guy heard in Washington.

As Saunders says: "It will give the unorganized majority a chance to make its voice heard above those of the selfish interests and the bureaucrats."

And it is.

In the first 3 days after the blanks were printed, Saunders had 2,000 signatures. And each of these persons had signed four blanks.

Saunders got 100 letters with the signed blanks. All of them praised the move, except one. It was from a woman who was wondering what might happen to some friends in civil service.

"The phenomenal thing about it," said Saunders, "is that there is no prize award and no profit. People have to sign four times and mail the blanks.

"They're sending in box tops and getting nothing but the hope of reduced taxes and more efficient government."

Saunders said it brought the biggest response of anything like it he'd ever tried.

One blank had 86 signatures attached.

There is no politics involved, Saunders says. He calls the movement nonpartisan and unpartisan.

He has sent letters about the plan to more than 100 other newspapers in the 48 States. Nobody knows where the thing will end.

But Saunders isn't after anything, except government economy for which he's been campaigning for a long time.

"I would just like to see if this plan won't accomplish its purpose," Saunders said.

Mr. FERGUSON. If the Saunders plan catches fire, as it apparently has done already, Members of the Senate are going to be flooded with demands for governmental economy and efficiency. It will represent something new in pressure-group activity from the otherwise unorganized "little guys" of the Nation.

It will be a burden to handle. Personally, I will welcome it. It will confirm what a number of us in the Senate have been thinking and seeking to stress for many months by specific proposals. It will demonstrate that the people are demanding less Government spending, more Government efficiency for the price of their tax dollar.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS], for himself and the Senator from Vermont [Mr. AIKEN], to the amendment of the Senator from New York [Mr. IVES] to the original text of the bill.

Mr. WILEY. Mr. President, as I have stated on other occasions, not being a member of the committee that has been giving attention to the pending labor-management legislation, I feel a little timidity in rising to speak on the subject, because most of us have our time taken up, to a large extent, in the work of our own committees on bills which may become legislation or may not become legislation, so that we do not have an opportunity to go into the questions involved in the legislation pending before other committees. But during the last few days I have spent many hours listening with intense interest to the very able arguments on the pending bill. They have been, I am very happy to note, very friendly arguments. It seems as if Senators with different mental approaches are urging us to find a basis on which we can agree. I say I have listened with profit, and yet, after listening, I came to the conclusion that in order properly to clarify my thinking—and, as I recall, it was Elbert Hubbard who said that the man who makes a speech is the one who gets the most out of it, because he hears himself talk—in order to clear my own thinking on the subject of injunction, I made up my mind I would speak briefly on the subject.

I listened, I say, with profit, but generally throughout the debate it seemed to me that the debaters considered this to be a court in which an issue was drawn between labor and management. This is not a court. This is the forum of the people. This is where 148,000,000 people have the greatest interest in what is going to be done about the pending legislation, and, while much has been said of a legalistic import, to me at least there are certain factors which have not been stressed. Having been a lawyer myself, I shall refer to the legal phases and to the factors which have a tremendous bearing upon legislation of this character.

First, we are living in the communistic age; second, we are living in the atomic age. Those two factors will have a great deal to do with shaping legislation when it comes to the question not only of the right of the executive but the power of the executive to do certain things. Executives within the comparatively recent past have exercised power, whereas it might be said they did not have a strict legal right to do so. My memory is clear. I remember that Lincoln, in an emergency situation, used power, and the courts, because of the situation, refused to pass upon the exercise of that power until after the emergency was ended.

There is a third factor which always comes to my mind, having lived quite intensely for almost the whole of the last 11 years as a Senator of the United States. Time and time again, Mr. President, there has been impressed upon my own consciousness the imperative need of maintaining this Government as a government of checks and balances. It is very significant. I think that probably the future historian, when he comes to analyze the trend of these days, will see certain things which we do not see, because we do not see the end or the climax. But so far as I can foresee, I, for one, am not filling to permit an extension of power either in the executive, the legislative, or the judicial branches of the Government to such an extent that if an emergency shall arise a Cromwell or a Hitler or a Mussolini may take over.

Therefore, while I am ad libbing, as it were, I repeat that in dealing with this subject I want to bear in mind that this is a new age. We have turned the corner and are meeting the challenges

of the atomic bomb and the penetration of the Communist. who has become active in every country in the world. Communists act like termites. or may act with bombs if they can procure them. We certainly must make sure that so far as we can humanly foresee any part of the future, this Government shall be made perfectly adequate to meet any situation which may arise. At the same time, because power corrupts, we must see to it that no individual, group, party, gang, clique, or organization can conceive that it is bigger than the Government itself. We can meet that challenge by sustaining this Government with its tripartite organization as a Government of checks and balances.

I realize, Mr. President, the importance of the question before us. A decision must be made, a solution must be found; and my conscience weighs heavily with the knowledge that I must participate, as part of my sworn duty, in the final result. Guidance is what we need; guidance is that which I humbly seek, so that the answer may be found.

With what are we essentially dealing? Is it simply the idea of strikes which endanger the national health and safety? Is it the rights of management, government by injunction, or, as labor claims, a form of involuntary servitude brought about by the injunction process? Are injunctions bad per se, as so many persons believe, or will they save the union in time of emergency, as others claim?

As these thoughts run through my mind, Mr. President, as a practitioner in the courts of the country for over 30 years, and as a student of the law before and after that period, I recall the history of injunctions and labor relations and realize that we have traveled a long and tortuous road, sometimes meeting with detours, but always in the general direction of improvement. We seem now to have come to a dead end. There is no straight road ahead. A turn, one way or the other, must be made in the sense that our debate must be concluded and a decision reached. What is the decision to be? Behind it, what elements determine the decision? Certainly not mere argument by conclusion, such as has been used for 2 years, that the Taft-Hartley law is a slave-labor law, an argument which sabotaged the thinking of many, but which many now know was mere buncombe.

Conclusions do not add up in argument with persons who reason and think. Facts are what count. I came to Washington on the railroad 2 weeks ago, and in the train a railroad man approached me, whom I had never seen before, and said, "I want to tell you I am a railroad man who is in favor of the Taft-Hartley law." I said, "Are you joking, or what is this?" He said, "No. I know what it has meant to labor in this country."

I have received letters and postal cards from labor men in Milwaukee, with their names signed to them, telling me not to do anything of a detrimental nature to the Taft-Hartley law. Thank God, they are now signing their names and giving their addresses. There was a time when the fear of the racketeer, who told them what they should do and how they should vote, was in their hearts, and they would write and say, "Please do not expose my name." The polls taken among labor, in my opinion, at least, definitely show that a large percentage of the common workingmen are not fearful of the Taft-Hartley law, but are grateful for it. One man said to me, "Now I know where my money is and what becomes of it. With the Taft-Hartley law we do not have to worry about how a labor leader may get away with a million dollars as occurred recently."

I heard arguments a few moments ago, consisting of generalities and conclusions, regarding the fact that the act is a slave-labor act.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WILEY. I want to continue my remarks, unless the Senator desires to insert some matter in the RECORD.

Mr. PEPPER. No; I wanted to ask the Senator a question.

Mr. WILEY. I shall be very happy to yield after I have completed my statement.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator from Wisconsin declines to yield.

Mr. WILEY. What is the decision to be? It involves an element which, for lack of a better word, I shall refer to as the element or right of social self-defense. Yes, Mr. President, there is a right of social self-defense in 148,000,000 of us, as there is a right in the individual to protect his home, his wealth, his labor. This right belongs to all the people, not only to individuals, groups, organizations, corporations, management, labor unions, but to each and everyone of us. I made that statement yesterday to a labor leader from my State. He said, "We belong to the people. We are part of the 148,000,000 people." I said, "Of course you are; but did you ever think about this, that it is the racketeer in management who wants to 'hog' unconscionable profits. The labor racketeer does not want to play according to the rules of the game—which are the laws of this country—but wants to make his own rules." That is why there is the right of social self-defense in all of us, in this atomic age, in this age of the Communist.

So, Mr. President, in the discussion of this subject I, at least, come to the question, Are we debating a lawsuit here between labor and management, or are we debating the rights of the public? From time immemorial the injunctive process has been used to restrain acts for which suits at law for damages would provide no remedy, or, at best, an inadequate remedy.

My son back in my State just won a lawsuit and got a perpetual injunction against the operation of a flying field, the proprietors of which permitted their machines to fly over the property of my son's client, who operated a fur farm. The planes flew so close that it caused the little fox whelps to be destroyed. He got a judgment of some $3,500, and a perpetual injunction to protect the owner of the little foxes from recurrence of this trespass.

Mr. President, I remember, as a lawyer, when an individual was placing a fence on another man's land, contending it was his land. We had to have an action in ejectment, then we got an injunction restraining him from interfering with the land. But he continued to trespass, and we got an injunction restraining him from trespassing on the other man's land.

Mr. President, injunction is a terrible thing, it is said, against a trespass on the rights and the safety and the health of the public! That is the argument we have heard on this floor. Let us think this through, let us look it squarely in the face in this atomic age, in this age of the Communist, when "commies" get into great and vital institutions, and upset the mental equilibrium of the people so they think only in terms of class and injury to the public welfare.

THE INHERENT NATURE OF INJUNCTIONS

From time immemorial, the injunctive process has been used to restrain acts for which suits at law for damages would provide no remedy, or, at best, an inadequate remedy. As a rough definition, an injunction can be said to be an order or writ issued by lawful authority to restrain one or more parties to a suit in equity from doing an act deemed inequitable so far as regards the rights of some other party to such suit in equity. Thus, if a man enters my property to injure an improvement thereon, he is liable later in damages at law, but the relief I need is immediate stoppage of the injurious activity. For this an injunction will be a most respected and needed remedy, and one which until recently was utilized against individuals as contrary to groups such as labor unions.

INJUNCTIONS AS APPLIED TO LABOR DISPUTES

With the growth of our technocracy, and as we progressed from an agricultural economy of small farms, small shops, and factories, and limited and underdeveloped communications between the various parts of the country, into the industrialized, interrelated, and independent economy in which we now live, it is obvious that any strike would naturally have a more devastating effect on the economy as a whole than it would have in the past. Thus, for some years now injunctions have been used in labor disputes at the instance of Government, employers, and labor unions. In the absence of restrictive legislation, such as the Norris-LaGuardia Act of 1932, the power of equity courts to issue such injunctions has been universally recognized. It has aided me greatly to refresh my memory on the history of the labor-injunction procedure.

THE LABOR INJUNCTION

Before the Debs case, in 1895, the usual legal sanction against illegal labor activities was on action of criminal conspiracy. Against the individual union members use was made of such devices as charges of disturbance of the peace, disorderly conduct, vagrancy, and trespass. Without discussing the style of the Debs case, it is sufficient for present purposes to say that management with alacrity seized the decision as a basis for broad injunctions against union organizational activities. The basis referred to

was that the actions of the union interfered with the employer's right to a free and open market, and were therefore illegal restraints.

In 1908 the Sherman Act was declared to apply to union activities, as well as business restraints, in the Danbury Hatters' case. Thus, unions were liable criminally, and in treble damages.

This applicability of the Sherman Act to union activities and the labor injunction were dealt with by the Clayton Act, in 1917, which was the first Federal anti-injunction statute. However, to escape injunction under the act, the union activities had to be carried on for a lawful purpose, and in connection with a controversy between an employer and his employees. Under these two qualifications, the Supreme Court decided that secondary striking and boycotting were illegal, and possibly even any kind of picketing. Other holdings under the Clayton Act, some permitting the spread of "yellow dog" contracts, provided the need for new legislation. It was probably during this era, more than any other, that the historic antipathy of unions toward the courts developed, unjustly so, since the hostile decisions were based on an unsatisfactory law, or one from which the unions expected too much.

The Debs case inspired the hue and cry against government by injunction, and in the 1920's it reached its greatest intensity. Labor was out after the injunction, both substantively and procedurally. Most of their program was achieved in the enactment of the Norris-LaGuardia Act of 1932. Thus, the era was reached where the use of the injunction in labor disputes was outlawed by statute and subsequent broadening court decisions.

Undoubtedly, I think, we can all agree that there was an abuse of the employment of injunction in labor-management disputes. The courts made decisions, the decisions became precedents, the precedents operated so that the racketeer mind in management, which did not recognize the right of a fellow worker or laborer as a fellow citizen, used them to extremes.

Labor became stronger, pressure was brought to bear on Congress, and Congress passed the Norris-LaGuardia Act. As we go through these historic days of the past, we can see how back and forth the current on our national stage vacillated.

Now we come to the point where all restraint in relation to injunctive relief was gone. So the unions next turned their attentions to the other employer instruments for combating their growth and succeeded in enlisted the aid of the Government to foster their growth in the passage of the Wagner Act of 1935.

As has been so aptly described in the past few days, the purpose and the very objective of the Wagner Act was to create between labor and management opportunity for equal dealing, equitable dealing, fair dealing, so the rights of the public would be maintained. Mr. President, there can be no strike in any great national industry that does not strike at the right of the public. At the time of the passage of the Taft-Hartley Act there was no contention, as we have heard on the floor of the Senate, that the President had the right to intervene and ask for an injunction, as it is now claimed he can do.

Of course changing conditions even change the interpretation of law. From the legal standpoint, I am not ready to agree with the Attorney General, the Senator from Illinois [Mr. DOUGLAS] and, I believe, the Senator from Utah [Mr. THOMAS], that there is available to the Government in the person of its Executive inherent power adequate to meet any change of situation. I do agree that there is power, if not legal right; and in this atomic age, in this age of communism, I would hate to think that is not true. I think what would happen would be that the courts would say, as they said about Abraham Lincoln after he had used power, "We will refuse to decide this question until the emergency is over."

Mr. President, I continue my argument. Under the Wagner Act of 1935 the growth of unions really was phenomenal. The CIO probably owes its existence to the Wagner Act, and the country witnessed the movement of our national labor policy from one distortion to another. The labor injunction was abolished. Note that, Mr. President. It was abolished; not regulated. The Wagner Act encouraged the growth of unions, but did not set forth the conditions under which the growth should take place. The natural outgrowth of this evolution was the enactment of the Taft-Hartley Act. The current shifted, the scene changed on the stage of America, the pendulum swung the other way, and we got the Taft-Hartley Act.

Contrary to the statement I heard made on the floor of the Senate a moment ago, I say to the Senate that if we had not had the Taft-Hartley Act, if we had not had the restraining influence of the Taft-Hartley Act, in the first place the President would have been without the arm he used time and time again in emergency situations. In the second place, we would have had an overbalance in the growth of domination by one segment in our country. Again the system of checks and balances went into effect. This time the legislative branch used it.

Mr. President, thank God for the courage of the legislative branch which stood up and voted to pass the bill after the President had vetoed it. The legislative branch responded to public opinion. The common people of America sensed what the President and some of his advisers did not sense, that there was this dangerous trend toward autocratic power in a group, and the Congress placed a check on that power.

As the Senator from Ohio [Mr. TAFT] has said, the bill was not perfect. But what happened? Following the enactment of that measure one of the greatest pieces of propaganda this world has ever seen took place. Hitler and his associates never put on such a piece of propaganda. Then, through the press and by means of speakers, the minds of men were sabotaged. The people were continuously bombarded with the statement, "The Taft-Hartley Act means slave labor. The Taft-Hartley Act means slave labor." We heard that said over the radio. Union men were told that in their meetings. That propaganda continued to such a point that now what do we have? We have the proposal for the repeal of the Taft-Hartley Act, and the reenactment of at least eight-tenths of it in the new bill.

Note what I say—the word will go out, when the bill is passed, "We told you so. The Taft-Hartley Act has been repealed. We told you so. The Congress of the United States has agreed that the Taft-Hartley Act is a slave labor act, because it has repealed it." Already four vital provisions, which the committee would not accept, have been adopted on this floor. The Senate has reenacted those provisions of the Taft-Hartley Act.

Mr. President, I trust that the truth will reach the people, that men's minds will be open to the real facts, and that they will not be influenced by wrong conclusions, by such propaganda as "The Taft-Hartley Act is a slave labor act."

I have said that the natural outgrowth of this evolution, following the years of the Wagner Act, following the years when the labor leaders told the Government what to do, was that the labor leaders struck against the authority of the Government, and literally got the complex that they were the Government. Thank God, labor itself was not that way. But as I have said, this is the Communist age as well as the age of the atomic bomb. During this period in the great industries Communists went to the top of the labor organizations. In my own State, during the war period, for six long months a great plant was shut down. The Taft-Hartley Act was not in existence at that time. Had it been in existence the injunction could have been made use of in connection with that shut-down. After it was over one of the chief leaders was found to be a Communist and, of course, he went to jail. Yes, this is the age of communism, and during the age of communism we need weapons to protect the public interest.

INJUNCTIONS UNDER THE TAFT-HARTLEY ACT, THE PENDING BILL AND SOME AMENDMENTS

In certain instances the Taft-Hartley Act permits injunctions. Under it, the President, upon receiving a report from the board of inquiry, may direct the Attorney General to petition the proper court to enjoin a strike and if the court finds that the strike, first, affects an entire industry engaged in commerce; and, second, if permitted to continue, will impair the national health or safety, it shall have jurisdiction to enjoin such strike. Provision is made for judicial review and the act operates notwithstanding existing law.

Lest I be misunderstood, Mr. President, I wish to say I have reviewed the history of injunctions. I have shown how in individual cases injunctions were used to protect the rights of individuals, in their lives and property. I have shown how the use of the injunction was extended, and in labor cases was abused. Then I have shown that there came into being the Norris-LaGuardia Act, which abolished the use of the injunction.

Then I have shown how the Wagner Act came into being, and that during the time it was in effect labor waxed mighty and powerful, and many of the leaders got the Hitler complex, and became autocratic. The result was that down through the ranks there came a large infiltration of Communists, so much so that until Russia became our ally they would not even work for us in the war. The minute Russia got into the war they went to work. Yes; we are living in the atomic age, and in the age of communism. We had better make sure that we do not undermine our own ability to take care of ourselves.

Under the Taft-Hartley Act there was not the restatement of the vast right of injunction which was done away with by the Norris-LaGuardia Act. The Taft-Hartley Act provided only that when the national health or safety was impaired and an entire industry was at stake, an injunction could be sought in the courts. That is a limited right, not the right which existed before. The question before the American people and this legislative body is whether or not we have the "guts" to protect the common people of the country, or whether we are going to be told by some group where to head in. Have we within our souls a love of this country, or are we going to put ourselves in the ranks of those who say, "We will return to the age when anything could be done by certain groups, which you personally could not do?"

As I understand the argument which has been made before this body in the past 2 days in relation to injunctions, it is contended on one side that in a case in which the public health or safety is involved, there is an inherent power in the Executive. It will be remembered that in the John L. Lewis case the injunction was granted, but the facts in that case, as stated by the Senator from Ohio [Mr. TAFT] were that the case involved a breach of contract, and involved a situation which might not be similar to situations which might appear on the horizon in the future. In that case a contract was entered into between Secretary Krug and Mr. Lewis. Mr. Krug was acting on behalf of the Government. That is not the way in which such situations usually arise. So we have the question as to whether the power exists, and whether there is the right in the President without legislative authority to obtain an injunction.

In addition, we have before us certain amendments putting the Taft-Hartley injunction procedure into the Thomas bill, or providing seizure of the struck plant, or both. Under the Taft-Hartley Act there have been actually four situations in which the Attorney General, acting under the direction of the President, has sought injunctions. Those are all that I can recall under the Taft-Hartley. What would have happened if we had not had the Taft-Hartley Act?

The first case was the atomic energy case; the second, the United Mine Workers case, in March and April, 1948; third, the CIO maritime strike; fourth, the AFL longshoremen's strike. In the CIO maritime strike, orders were secured from three courts, but they related to the same labor dispute.

I was interested in a letter which I heard read yesterday showing the recent stand of the Department of Justice. If I correctly understood the argument of the Senator from Utah [Mr. THOMAS] today, it was to the effect that in times of national emergency, when the national health and safety are involved, there is not only the right, but the power to invoke the injunctive process to halt strikes affecting the public at large. It is contended that such rights exist apart from statute. I believe that in substance that was the argument made by my good friend.

This has certainly not helped to clear what to me is a muddled condition. Undoubtedly such a settlement was correct prior to the Norris-LaGuardia Act. It is also true that in the first United Mine Workers case the Supreme Court of the United States upheld the injunction secured by the Government while the mines were in the possession of the Government. Prior to that time the injunction section of the Taft-Hartley Act was in force. I wish to make it clear that I am arguing the question of right, not the question of power. I have the power to strike the gentleman sitting in front of me over the head with this glass, but I have not the right to do so. So we confront the question, What is the function of a legislator? What is our obligation under those circumstances?

The opinions of various justices indicate great differences, first, as to whether the prohibitions of the Norris-LaGuardia Act ran against the Government; and second, as to whether, in any event, the Government could secure an injunction without express statutory authority, except in a case in which the dispute was with its own employees. I am commenting now on the United Mine Workers case.

In the light of all I have said, I wonder where we stand today. What is our obligation as Senators? We have the Taft-Hartley Act, permitting injunctions in certain strikes under certain circumstances and conditions. We have the Thomas Bill, with no injunction provision. We have the Attorney General, who thinks the Government has the injunctive power without statute. We have the contention of the Senator from Illinois [Mr. DOUGLAS], as I remember it, that the right of injunction does not obtain except in cases such as those outlined in the United Mine Workers case.

So we have four situations. I ask frankly, If anyone of us had a problem like that in his home, would he not think that he had better clear it up? Would he not sit down and try to settle the question? How would he settle it?

We also have the confusion of the judges as to the contention of the Attorney General. That is a fine situation to be in. How are we to straighten it out? We have labor demanding no injunction process, and we seem to have four choices facing us.

First, we can refuse to enact any strike statute regarding the right to strike as absolute.

Second, we can by statute authorize compulsory arbitration.

Third, we can review the wartime expedient of plant seizure in industrial disputes, which to me is no answer whatever.

Fourth, we can retain the injunction provisions of the Taft-Hartley Act.

Furthermore, we have utter confusion and a misunderstanding or lack of recognition of one vital element, the very element which has caused me to take the floor to speak today—the need of this Republic not to face an internal Pearl Harbor.

In all this turbulent history there has first been the dominant position of employers over labor; next, by gradual but inexorable steps, the dominance of labor over employers; and finally, some balancing of the two interests under the Taft-Hartley Act. The facts show that during this period labor has grown stronger and stronger. They also show—which is the important thing—that the little local unions have grown stronger and stronger. They have taken unto themselves the autonomy which was given them. They are not being dominated by the "big shots" in the large cities.

Mr. President, last year we had an election which clearly indicated that a doctor in New York cannot successfully prescribe for a patient in Chicago or a patient in Wisconsin unless he goes there to examine the patient. The same analogy applies in the case of labor unions.

But until we had the Taft-Hartley Act the big boys from Chicago, New York, and other metropolitan centers had been telling the small fry in the local unions what they should or should not do. However, the Taft-Hartley Act gave autonomy to the local unions and enabled their members to stand on their own feet and do as they thought best. As a result, today they are entering into their own arrangements with their employers, and there is a better feeling all along the line, except when the "big shots" stir up trouble and mix things up.

Mr. President, we now are asked to decide whether the Government should have statutory power to protect the Nation when strikes affect the entire national interest. The champions of each side of the question have eloquently defended the rights of labor or of management; but I submit that at no time has sufficient attention been paid to the rights of the people as a whole. The people of the Nation are the third group interested in this question, for it definitely involves the public interest and the right of social self-defense, which I have been considering, on the part of 148,000,000 of us.

This problem should and must be settled by statute. It is inconceivable to me that in this atomic age—this era of Communist zealotry—the people's government should not have the right and authority to protect the country, by means of the use of the injunctive process, from any group which menaces the public safety and health, provided, of course, that such governmental action is limited by the proper safeguarding standards.

Governments exist only so long as the people are awake and alert to the dangers that exist when power gravitates into unworthy hands.

The American people must be ever on guard to maintain their system of checks and balances.

There must be ever available remedies to curb autocratic power.

Mr. President, I wish to say once again that I am grateful to those who have participated in the debate thus far, and am grateful for the opportunity to stand on this floor and state my own convictions on a subject which I think is of serious import to the entire Nation, and which may well determine what lies ahead for our country.

I wish to say frankly that I feel that the proper and also the simple way to handle this issue, which is the big issue involved in this matter, is to have the Congress exert its legislative right and power to determine what shall be the right and the power of the President in relation to the utilization of the injunctive process. I am seriously concerned about this one step, more so than about practically any other feature of the bill, for the simple reason that we are living in the atomic age—in the age of communism.

Mr. THOMAS of Utah. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Mahoney
Cain	Jenner	Pepper
Capehart	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Saltonstall
Connally	Kerr	Schoeppel
Cordon	Kilgore	Smith, Maine
Donnell	Knowland	Sparkman
Douglas	Langer	Taft
Ellender	Long	Taylor
Flanders	Lucas	Thomas, Utah
Frear	McCarran	Thye
Fulbright	McClellan	Watkins
George	McFarland	Wiley
Gillette	McGrath	Williams
Green	McKellar	Withers
Hendrickson	McMahon	Young
Hickenlooper	Maybank	
Hill	Morse	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN] to the amendment offered by the Senator from New York [Mr. IVES] to the original text of the bill.

Mr. DONNELL. Mr. President, I had intended to ask recognition, and have done so, but a few moments ago the Senator from Florida [Mr. PEPPER] expressed a desire to speak briefly, and I think he desires to speak. At the moment I do not see him on the floor.

Mr. MURRAY. Mr. President, the Senator from Florida just stepped out of the Chamber.

Mr. DONNELL. I now see him on the floor.

The PRESIDING OFFICER. Does the Senator from Missouri yield the floor?

Mr. DONNELL. I am perfectly willing to yield the floor and take my chances upon recovering it.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. PEPPER. Mr. President, I assume the remarks of the able Senator from Missouri will be, contrary to some of the experience which I have had, a little more protracted than my own. I suggested to him that if I agreed to be brief I was sure he would have an opportunity to obtain the floor for the purpose of his own remarks. With his characteristic kindness and courtesy the Senator from Missouri said he would defer and allow me to make a few observations. I do not submit it in the form of a unanimous consent request, but I respectfully hope that the able Presiding Officer will be looking in the direction of the able Senator from Missouri as soon as I have concluded my few remarks.

Mr. President, my own position on this matter was stated when I addressed the Senate on Wednesday last, at which time I said I threw myself wholeheartedly behind the Thomas bill, its author, its principles, and its high purposes. I have not yet had an opportunity to examine the amendment offered by the able Senators from Oregon [Mr. MORSE] and New York [Mr. IVES], and of course I want to regard those amendments with all the candor and courtesy of which I am capable. I do not pass judgment at this time upon them, but I am familiar with the Taft amendment, or the amendment offered by the Senator from Ohio and his associates, the Senator from Missouri [Mr. DONNELL] and the Senator from New Jersey [Mr. SMITH], and I am familiar with the amendment of the Senator from Illinois [Mr. DOUGLAS] offered for himself and his associate, the Senator from Vermont [Mr. AIKEN]. Both of those amendments, in my opinion, preserve the principles and objections of the Taft-Hartley law. Both of them approach the subject of management-labor relations with a sledge hammer or with a drawn sword, rather than with the machinery of peace making and peace. In principle I am not able to dissociate the philosophy and the effective practice of the one from the other.

Why do I say that? It is very clear that the Senator from Ohio has in his amendment added to the President's power in dealing with what is called a national emergency. The Taft-Hartley law, which he fathered, provides for injunction to be obtained by the Attorney General at the direction of the President. He adds now the power of seizure. He offers, in addition to the injunction, or seizure, the remedy of both injunction and seizure, for the Chief Executive, whoever he may happen to be. We are now speaking of the incumbent of a great office, and not of a person. It is a power which I oppose being vested in any Executive until we have further progressed in our solution of the complex and difficult problem of dealing with work stoppages, even when they jeopardize the public welfare, consistently with our American principle of the right of a working man or woman to withhold his or her services from an employer at will.

Mr. President, it is clear that the Taft amendment, if I may so designate it, gives the President the power of seizure, for 60 days, of private plants and facilities, and power to a Government agency to operate such plants and facilities during the period of 60 days. The Taft amendment gives the President the power of obtaining an injunction for a period of 60 days, and it gives him the power of both seizure and injunction for a period of 60 days. It provides for a fact-finding board with power to make recommendations for the settlement of the dispute, as provided in the Thomas bill, but it does not stop with that peaceful and, I believe, protective, procedure of settling industrial strikes. I think it is the Taft-Hartley approach, worsened. It is the wrong way of trying to settle this sort of strife and struggle. Labor hates the injunction with all the bitterness of its painful memory of the past, when it was used as an instrument of labor abuse by those who were unsympathetic to labor's interests.

Is the Douglas amendment any different? The Douglas amendment gives the President the power of seizing a plant or taking custody of the facility and operating it as if it belonged to the Government. The amendment of the Senator from Ohio is not very clear regarding the details of the Government's operation. That is spelled out a little more clearly in the Douglas amendment. I had rather assumed that under the Taft amendment seizure would be exercised in about the way it has been exercised in the past, by the Government becoming technically the employer, the management really operating the plant, subject to governmental supervision. But the Douglas amendment gives to the Chief Executive the power of seizure for 60 or possibly 90 days. It provides that during the time of seizure and operation by the Government the total revenue of the enterprise shall come into the public treasury, the employees, in the course of operation, shall be paid out of those funds, and the cost of the Government operation shall be compensated, and, finally, whatever is left, shall be subject to subsequent disposition.

Mr. President, that is the worst kind of taking over of private enterprise by public authority. It is not only objectionable to labor because it has the incidental power of injunction flowing in the wake of seizure, of which I shall subsequently speak, but it certainly must be obnoxious to management to have its enterprise taken over by the Government, and operated as if it were Government-owned, for a period of 60 or possibly 90 days. Seizure itself is an objectionable procedure. It is not a peaceful approach to the peaceful solution of management and labor strife. Mr. President, a club over the head of management is no better instrument for bringing about industrial peace and the end of management-labor strife, than is a sword over the head of labor.

We propose neither in the Thomas bill, which is generally known to be approved by the Labor Department and the President of the United States.

Not only does the Douglas amendment give the power of seizure, vesting, for all practical purposes, ownership in the

Government of the United States, providing that compensation must be determined upon by management while the property is in the hands of the Government, but it is left to the Government to determine what it will pay the stockholders for the property of which the Government is in possession.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that there is provision for judicial review and full opportunity to have just compensation protected by the judicial process, which exists every time the Government takes private property for public use?

Mr. PEPPER. Yes. The Government first has the prerogative of determining how much it will pay the stockholders for their property which it takes over and operates for 60 or possibly for 90 days, subject to review by the court. I thank the able author of the amendment for adding that qualification. But of what does that remind one? It reminds one of the power of eminent domain. When the Government takes private property for public use it must pay compensation to those whose property is taken. Are we willing to give to the President the power to take other people's property and let them run the risk of getting what it is worth while the Government has it?

I say, Mr. President, the Thomas bill does not propose seizure. It would seem to me that management would join labor in opposing a provision of such severe character as that to which I have referred.

Mr. CAPEHART. Mr. President——

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Florida yield to the Senator from Indiana?

Mr. PEPPER. I yield to the able Senator from Indiana.

Mr. CAPEHART. Is it not a fact that under the seizure provision of the amendment we are considering, the Douglas amendment, the workers would be ordered to go back to work just as surely as they would be under an injunction?

Mr. PEPPER. Under the Thomas amendment?

Mr. CAPEHART. No; under the Douglas amendment.

Mr. PEPPER. Oh, yes, certainly.

Mr. CAPEHART. In other words, from a practical standpoint, the workers would be enjoined from any further strikes and would be forced back to work?

Mr. PEPPER. The Senator has anticipated the next step I proposed to take in my remarks, that is, how this amendment would affect labor. I have spoken of it so far from the standpoint of management and proprietorship.

Mr. CAPEHART. Is it not a fact that the so-called Douglas amendment is simply provision, by another name, for an injunction against labor?

Mr. PEPPER. It provides for the power of injunction, and its advocates so admit. That was the next step to which I was coming.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. DOUGLAS. Is it not a fact that the Aiken-Douglas amendment does not provide for the granting of an injunction by a court to compel men to return to work for a private employer? Is it not a fact that it does not provide for an injunction in such a case?

Mr. PEPPER. The Senator is correct in saying that the amendment does not provide for an injunction against workers stopping work for a private employer. But, as has been emphasized, in the first place, it contains no provision for an injunction against anybody. That is one of the silent dangers lurking behind the curtain of the Douglas amendment. It does not appear upon its face. It is behind the scenes, not on the platform in full view of the audience. But the able Senator from Illinois, with his characteristic candor and frankness, told us here yesterday, in response to my inquiry, that in view of the decision of the Supreme Court in the coal case he did believe that once the Government had seized the property, the power of injunction would exist in the President or his agent, if he sought an injunction in the courts. That was the point to which I was coming.

The Senator from Illinois is correct in his implication that there is no express provision, as there is in the Taft amendment, for injunction in any case. But the power, nevertheless, exists by virtue of the premise the amendment lays, that is, giving the Government of the United States the custody and, for all practical purposes, the ownership of the enterprise, and referring to the Supreme Court decision in the coal case, in which the Norris-LaGuardia Act did not restrain or prevent the Government from seeking by injunction to prevent work stoppage of its own employees in respect to its own property, for all practical purposes and effects.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. If the Senator will wait a moment, then I will yield.

The able Senator from Illinois asked me if the Douglas amendment provided for an injunction against workers stopping work for a private employer. If the Senator wishes to emphasize that the right of injunction, for which his amendment is the predicate, applies only to the Government while it has the property in custody, for all practical purposes and ownership, he is correct, but neither does the Taft-Hartley law provide for an injunction at the instance of a private employer, as was formerly the law, prior to the Norris-LaGuardia Act. Under the Taft-Hartley law, as under the Douglas amendment, the injunction could be obtained by the Attorney General, in the case of a national emergency, at the direction of the President, upon application to a district court.

The Taft amendment provides for the same right, the power of the President, after the proclamation of national emergency, to direct the Attorney General to seek an injunction in the district court, and it confers authority upon the court to grant the injunction, should it find the occasion arising.

The only difference is that the Taft amendment provides that the first relief step might be the injunction, that is, it would not be necessary to seize. The Government could go to the courts through the Attorney General, at the direction of the President, and seek an injunction without seizure. Under the Taft amendment the President could seize the property and apply for the injunction, he could seize and not apply for the injunction, he could refrain from seizing and only apply for the injunction. Those are the three options, as it were, available under the Taft amendment.

Under the Douglas amendment, first is the seizure, and the seizure has to be precedent to the power to seek the injunction, but once seizure has been consummated, the power of injunction inevitably flows as a legal matter, and I would venture to suggest that whenever there is an occasion for seizure, the President would no doubt find it necessary also to resort to the possible procedure of seeking an injunction as well.

Mr. DOUGLAS and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield, and if so, to whom?

Mr. PEPPER. If the Senators will allow me a moment, I shall yield.

I said the Taft amendment allowed the injunction at the suit of the Attorney General. I meant that the present Taft-Hartley law did that. I say the Taft amendment would make possible the same thing. Under the Taft-Hartley law the general counsel, Mr. Denham, has also had the power to seek an injunction in certain other cases. But under the Taft-Hartley law the employer, as was true before the Norris-LaGuardia Act, did have the right to go into court and seek an injunction as an employer. But we are also concerned about what public officials may do once we give them the power, because the record shows that Mr. Denham, the general counsel—I think I am correct in number, I am not over one or two off at the outside—sought an injunction in 41 cases, and 39 of them were against labor, and two against management. So we are concerned about the conferring of a public power to seek an injunction, which is a violent remedy, in my opinion, not the way to produce industrial peace.

Now if the Senator from Ohio will permit, I shall yield first to the Senator from Illinois, and then I shall yield to the Senator from Ohio.

Mr. DOUGLAS. Mr. President, I wonder if the Senator from Florida was on the floor of the Senate yeterday when this question came up, and when I pointed out that the injunction did not inevitably flow from seizure, but that it was our belief that in the vast majority of cases, once the property had been seized, the patriotism and good sense of the workers would lead them to go back to work without any exercise of the injunction whatsoever. I wonder if the Senator from Florida remembers that.

Mr. PEPPER. Yes; I recall the Senator saying that. If I said the injunction inevitably followed, I was in error.

OSC) is a corporation organized and existing under the laws of the State of New York, with its principal place of business at 74 Trinity Place, New York, N. Y. Respondent Herbert S. Blake, an individual, is the president and active head of OSC; respondents Herbert S. Blake, Jr., an individual, N. Myles Brown, an individual, and Thomas B. Jordan, an individual, are vice presidents of OSC; respondent Paul Weiss, an individual, is treasurer of OSC; and respondent C. C. Gregory, an individual, is secretary of OSC. Among the activities carried on by OSC and its officers is that of managing and directing the activities of a number of trade associations and furnishing various services and facilities to such associations. By contract executed October 29, 1936, OSC undertook to manage the affairs of RSCA subject to the association's board of directors, and also undertook to supply RSCA with offices and facilities for the conduct of its affairs. This contract remained in effect until December 31, 1938, and thereafter was reduced in scope and continued until April 1, 1939, when relations between OSC and RSCA ceased. As heretofore found, certain officers and employees of OSC also served as officers of RSCA.

(1–f) Respondent National Electrical Wholesalers Association (hereinafter frequently referred to as NEWA) is an unincorporated trade association of wholesalers and jobbers of electrical supplies, with its offices in New York City. It has a membership of approximately 200 such wholesalers and jobbers who are engaged in the sale and distribution of electrical supplies, including rigid steel conduit, through some 500 establishments scattered throughout most of the States of the United States. In the conduct of its affairs NEWA has various committees, designated as commodity committees, the members of which devote their attention, for the benefit of the entire membership, to particular classifications of electrical material. One such commodity committee is the rigid-steel conduit committee. Respondents J. G. Johannesen, D. L. Fife, and Alfred Byers have served as chairman, vice chairman, and secretary, respectively, of the conduit committee, and respondents W. S. Blue, W. J. Drury, A. H. Kahn, C. H. McCullough, H. E. Rasmussen, H. O. Smith, L. E. Latham, F. R. Eiseman, W. R. Kiefer, H. B. Tompkins, A. L. Hallstrom, A. S. Reichman, and D. M. Smith have at various times served as members of such committee. Through the activities of this committee NEWA and its members have cooperated with and assisted RSCA and its members as hereafter set forth.

(1–g) Respondent General Electric Supply Corp. is a corporation organized and existing under the laws of the State of Delaware, with its principal offices in Bridgeport, Conn. It is a wholly owned subsidiary of General Electric. Respondent E. B. Latham & Co. is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York City. Respondent Fife Electric Supply Co. has its principal place of business at 541 East Larned Street, Detroit, Mich. Respondent Columbian Electrical Co. has its principal place of business at 206 Grand Avenue, Kansas City, Mo. Respondent Graybar Electric Co., Inc., is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York City. Respondent W. T. McCullough Electric Co. has its principal place of business at 317 First Avenue, Pittsburgh, Pa. Respondent Peerless Electric Supply Co. has its principal place of business at 122 South Meridian Street, Indianapolis, Ind. Respondent The Hardware and Supply Co. has its principal place of business at 475 South High Street, Akron, Ohio. Respondent Revere Electric Supply Co. (the concern referred to in the complaint as Revere Electric Co.) is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business in Chicago, Ill. Respondent Kiefer Electric Supply Co. is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business in Peoria, Ill. Respondent Westinghouse Electric Supply Co. is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in New York City. Respondent the F. D. Lawrence Electric Co. has its principal place of business at 217 West Fourth Street, Cincinnati, Ohio. Respondent the C. S. Mersick & Co. has its principal place of business at 278 State Street, New Haven, Conn. The respondents named in this subparagraph are wholesalers of electrical supplies, including rigid-steel conduit. Each is a member of NEWA and representatives of each have at various times served on the conduit committee of that association.

Paragraph 2: (a) Each of the respondents named in subparagraphs (4) (1–b), inclusive, of paragraph 1, except as otherwise stated therein, is engaged in the sale and distribution of rigid-steel conduit to and through wholesalers, and pursuant to sales made, transports such conduit, or causes it to be transported, among and between various States of the United States and, in some instances, its territories, possessions, and foreign countries, and maintains, and has maintained, a course of trade in rigid-steel conduit in commerce, as commerce is defined in the Federal Trade Commission Act. These respondents are hereinafter frequently referred to, both individually and collectively, as conduit sellers.

(b) Each of the respondents named in subparagraph (1–g) of paragraph 1 is engaged in the sale and distribution of rigid-steel conduit at wholesale, and in the course and conduct of their respective businesses, pursuant to sales made, transports rigid-steel conduit, or causes it to be transported, between and among various States of the United States, and maintains, and has maintained, a course of trade in such conduit in commerce, as "commerce" is defined in the Federal Trade Commission Act. These respondents are hereinafter frequently referred to, both individually and collectively, as "conduit wholesalers."

(c) The respondents other than those referred to in (a) and (b) above are not individually engaged in the sale and distribution of rigid-steel conduit in commerce but have directed, cooperated with, or assisted conduit sellers or conduit wholesalers in planning and executing the various policies, practices, and methods, as hereinafter set forth. Each of the various conduit sellers and conduit wholesalers is in competition with other conduit sellers and conduit wholesalers to the extent that such competition has not been lessened or restrained by the acts and practices hereinafter described.

Paragraph 3: Rigid-steel conduit (frequently referred to herein merely as conduit) is steel pipe which has been cleaned and galvanized or enameled in order to give it a smooth surface, particularly on the interior of the pipe. Usually made in 10-foot lengths and in sizes having interior diameters ranging from ¼ inch to 6 inches, it is installed in buildings and other construction projects where electrical wiring is necessary in order to furnish a continuous channel or container for such wiring. It is ordinarily put in place during the progress of the construction work and wiring is later installed by drawing it through the conduit. Thereafter, such wiring may at any time be withdrawn or supplemented as circumstances may require.

Paragraph 4: (a) For a long period of years respondent conduit sellers have used a delivered-price, basing-point system of quoting prices for and selling conduit. The manufacture of conduit had its origin a few years before the beginning of the present century. Several of the pioneer producers of conduit were merely agents of steel companies for the purpose of converting pipe into conduit and distributing it. Safety-Armorite Co. and National Metal Molding Co., predecessors of Garland and National Electric, respectively, were converting and selling agents for the National Tube Co., a subsidiary of the United States Steel Corp. The first price card of the series presently in use to announce prices offered by respondent conduit sellers was issued by these converting agents about August 1, 1913, and was designated as card No. 1. Similar price cards were issued by other conduit sellers then in business. These cards quoted conduit prices in terms of cents per foot and stated the Pittsburgh basing discounts from such prices, with provision for reducing the rate of discount and thus increasing the price according to the railroad freight rate from Pittsburgh to the purchaser's destination. Using card No. 1 of the American Circular Loom Co., of Boston, Mass., as an example (Resp. Ex. 257–A), ½-inch conduit was quoted at 8½ cents per foot; the Pittsburgh basing discount on jobbers' carloads of galvanized conduit was 60 percent, so that the price delivered in Pittsburgh was $3.30 per hundred feet. At any destination other than Pittsburgh the discount was reduced at the rate of one-tenth of a point per 1 cent of railroad tariff rate per hundred pounds. Thus, at a destination having a freight rate of 34 cents from Pittsburgh, the discount would be reduced 3.4 points to 56.6 percent, and the delivered price at such destination would therefore be $3.69 per hundred feet. This formula does not produce a price difference between Pittsburgh and other points exactly equal to the freight rate.

(b) In 1924, at about the time the steel companies added Chicago, Ill., as a basing point in the sale of pipe, Youngstown, which had a conduit plant at Evanston, Ill., announced an Evanston base price for conduit $4 per ton higher than the Pittsburgh base, and all other conduit sellers announced identical Evanston base prices. Clayton Mark, which established a conduit plant in Chicago in 1924 and began the distribution of conduit therefrom early in 1925, used a Chicago base price instead of an Evanston base. This did not amount to the general establishment of a third basing point, however, because the freight rates from Evanston and Chicago are the same to all points except locations within the Chicago switching district. The discounts from the Evanston and Chicago base prices quoted by all conduit sellers were two points lower than those applicable to the Pittsburgh base and the same provisions for determining delivered prices at other points according to the freight rates were applied as had previously existed with respect to the Pittsburgh base. The formula used also provided that at any given location the delivered-price quotation of a conduit seller should be based upon Pittsburgh or Evanston, depending upon which base price and accompanying discount produced the lower figure at the purchaser's destination.

(c) Respondent conduit sellers followed the above-described list-and-discount method of determining delivered prices pursuant to their basing-point system until June 1930, when certain alterations cooperatively determined upon were made in the method of calculating such prices. The minutes of a meeting of the Rigid Steel Conduit section of the National Electrical Manufacturers Association on June 4, 1930, attended by representatives of American Circular Loom Co., Central Tube, Enameled Metals, Fretz-Moon, Garland, General Electric, Mohawk Conduit Co., National Electric, Triangle, Walker Bros., and Youngstown show the following action:

"The matter of simplified billing of rigid conduit along the lines of the plan submitted to Mr. Neagle by Mr. Sicard was discussed and it was the concensus of opinion

and make constant progress in all that long period.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield for a question?

Mr. PEPPER. Mr. President, I still want to say a little more about the President's power, but I gladly yield to the Senator from Illinois.

Mr. DOUGLAS. Do I understand that the Senator from Florida therefore is a constitutional homeopath?

Mr. PEPPER. I would not say that I am a constitutional homeopath, but I do have confidence in the durability of America, and among all other indispensabilities I have heard of, I have never heard until recently the Taft-Hartley law or the Taft amendment or the Douglas amendment given priority.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. NEELY. Does not the eminent Senator from Florida think, in view of what has recently happened on this side of the aisle, that we should get a veterinary surgeon instead of a homeopathic physician?

Mr. PEPPER. I think the operational procedure proposed in these amendments is more suggestive of the veterinary than the homeopath, if I may say so.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. The Senator from Florida was present yesterday during the debate and no doubt heard the discussion in reference to procedures under title III of the Thomas bill in the case of national emergencies, as compared to those under the Taft amendment and the seizure amendment. It was pointed out in the debate yesterday, was it not, that the purpose of the injunction was to hold men on the job?

Mr. PEPPER. That is correct.

Mr. HUMPHREY. With the forlorn hope that the men on the job might negotiate with the employers, which I think was proved not to have occurred.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. It was also pointed out, was it not, in the debate of yesterday that the one provision which had worked without any noticeable failure, or without any failure, to hold men on the job, and which was a part of the collective-bargaining process and enabled the men to bargain with their employers all the time, was the provision of the Labor Railway Act of 1926? Is not that correct?

Mr. PEPPER. That is correct; and the Railway Act carries neither the power of seizure nor of injunction.

Mr. HUMPHREY. Does the Senator know of any instance in which the cooling-off periods of the National Railway Act has failed?

Mr. PEPPER. I know of none.

Mr. HUMPHREY. Does anyone else know of any?

Mr. PEPPER. I have heard none pointed out.

Mr. HUMPHREY. The failure, then, under the National Railway Labor Act was the same kind of failure which happens under the Taft-Hartley injunction—in other words, a failure after the cooling-off period.

Mr. PEPPER. That is correct.

Mr. HUMPHREY. Let me ask this question, in view of what the Senator from Florida has said about the inherent powers of the President. In passing, let me say that the Senator from Florida may have overstated the case. Let us not take the Old Deal prophetic view. We have had Old Testament prophets. Now we have Old Deal prophets. Let us take a look at the facts. Does the Senator from Florida know of any time after the cooling off period under the National Railway Act when an injunction was sought by the President to settle a dispute?

Mr. PEPPER. I have heard of none.

Mr. HUMPHREY. Nor has anyone else heard of any. Why is it that under the Thomas bill, which is almost identical with the procedures under the National Railway Labor Act, it should be assumed that an injunction would automatically follow, when the record of labor peace under the Railway Labor Act, with 23 years of experience, far exceeds the mumbo-jumbo, double-talk, and failure of two years of the Taft-Hartley law?

Mr. PEPPER. I wish to make it perfectly clear that I have never intended to express my own opinion that the injunction would inevitably follow the seizure which would be authorized by the Taft amendment or the Douglas amendment, which I am sure the Senator would agree would change the situation. I never intended to say other than that the President certainly would have the power to seek an injunction against a work stoppage. All I have said was that I felt sure that the President of the United States, especially when he has constant access to the Congress, with all the legislative power which it possesses, and the vast reservoir of public opinion in America, could save America without the Taft-Hartley law, the Taft amendment, or the Douglas amendment.

The Senator from Minnesota is corroborating very ably what I have been trying to say by pointing out that there is nothing more essential to the national safety and health than the gigantic, complicated, multiple transportation facilities of the country; and yet the President has never had to resort to an injunction to settle a strike or work stoppage upon the railroads. I realize that, of course, the President did feel it necessary to make legislative recommendations. He did indicate that he might use the Army and the Navy. No one denies that he has that power. I remind my able friends, who are so much concerned about the collapse of the country if their amendments are not adopted, that no one denies that the President of the United States has a power which we have not attempted to limit or define, in the use of the armed forces of the country in the national interest.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. Just a moment. The President used the armed forces long ago, when Grover Cleveland was President, to get the mails through. I am not speaking about the propriety of his use of the armed forces. I am speaking about the power which he has. He used the Army of the United States to get the mails through to their destination. I have no doubt whatever that if there were a work stoppage and the President of the United States ordered the Army, the Navy, or the Air Force to perform a certain function, they would obey, and no one would question his power to order them to do it. Whether there would be any liability or any claims before Congress for compensation, and that sort of thing, I cannot say; but I do not know of any power of Congress to stop the Chief Executive from using the armed forces to protect the national interest.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. PEPPER. Let me finish this thought. I am only saying that there is a vast, unexhausted, undescribed, and undefined power in the Chief Executive to save America.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. Just a moment. There are those who believe that the Taft-Hartley law, the Taft amendment, or its first cousin—I think the kinship is closer than that; I should say its brother amendment—is essential to the safety of the country. I say that I am convinced that it is not essential that America stand with no more secure protection between it and collapse than either of those amendments, or that piece of legislation.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President——

Mr. PEPPER. Let me yield once more to the Senator from Minnesota.

Mr. HUMPHREY. I should like to ask the Senator from Florida if the largest single enterprise in America does not happen to be the one to which he referred, the transportation enterprise.

Mr. PEPPER. I believe it is.

Mr. HUMPHREY. What is the Senator's recollection as to how the last national emergency in transportation was settled? Was it by injunction?

Mr. PEPPER. It was not.

Mr. HUMPHREY. Was it through the courts?

Mr. PEPPER. It was not. It was settled by the President making recommendations to Congress and speaking over the radio to the American people, proposing to use his executive authority, without the Taft-Hartley law, without the Taft amendment, and, if I may say so, without the Douglas amendment.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. HUMPHREY. Is there anything in the Thomas bill which denies the President the right to come before the Congress? Is there anything in the Thomas bill which denies the President the right to use all the force of public opinion he can muster? Is there anything in the Thomas bill that has not worked? I am sick and tired of listening to the false prophets of disaster and failure. We have had 2 years of failure under the Taft-Hartley Act. Is there anything in the procedures of the

Thomas bill which has not worked for 23 years, as compared to the 2 years of total failure on the part of the national emergency procedures of the Taft-Hartley Act?

Mr. PEPPER. I can put it a little more strongly, in answering the Senator's question. The principles of the Thomas bill are the only things that have worked, either under the National Railway Labor Act or under the Taft-Hartley Act. While injunctions have been obtained under that purported authority, I think the evidence is conclusive—certainly almost so—that the effective way by which the dispute was settled was conciliation, negotiation, or arbitration, without the injunction being the decisive instrument for the solution of the strike.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CAPEHART. Is it not a fact that under the Douglas amendment at the end of 60 days we would have no law; and if the strike were not settled by that time the President of the United States would have to settle it, or the strike would have to continue?

Mr. PEPPER. The Senator is correct. The Senator well points out that neither the Taft amendment nor the Douglas amendment provides for anything beyond a very limited time; and they offer utterly no remedy for the strife thereafter. I say that it is better to start with the Thomas bill and its peaceful procedures, and all the good will which it would promote, with the probability of a settlement of the dispute by a competent Presidentially appointed tribunal appealing to public opinion and to the sense of justice of the parties, and with final resort to the Congress, than to adopt these violent procedures, or to have them available at the very inception of the Presidential action.

Mr. CAPEHART. Why is it not better to permit the President of the United States to settle the strike at the beginning? Why wait 60 or 90 days?

Mr. PEPPER. I do not know that under any law the President would have to resort to those procedures. I suppose, if he chose to do so, he could decline to request the Attorney General to seek an injunction, and bring the matter immediately to the attention of the Congress. He always has that authority under the Constitution.

Mr. CAPEHART. In the case of a strike interfering with the national defense and the public safety and health, if the strike continued for many weeks the President would eventually have to take some sort of action. Why not permit him to take action the first day, or the twentieth day, or any day he cares to act.

Mr. PEPPER. Permit him to do it?

Mr. CAPEHART. To use his inherent right to stop a strike.

Mr. PEPPER. Whatever inherent rights he possesses, I suppose he possesses from the first day of the dispute.

Let us see, under the Thomas bill, what are a few of the powers of protecting the national interest. They are all the vast powers of the President, whatever they are, numerous and momentous as they are. Then there is always the access which the President has to the Congress of the United States, with all the legislative power it possesses under the Constitution. No less imperative, no doubt, no less effective as an instrument of persuasion, is American public opinion. After that, we have the interest of the parties who profit nothing from strife, but who gain only from peace. Management wants its property and its profits. Labor wants its jobs and its wages. The public wants the output of their common efforts. So, Mr. President, to say that the Nation is helpless without the Taft-Hartley Act or the Taft amendment or the Douglas amendment is to misunderstand or misread history—is to fail to comprehend the vast reservoirs of power for the solution of these disputes.

Mr. President, I had not intended to trespass so long upon the generosity and kindness of the Senator from Missouri, but I wished to point out the kinship of the Taft amendment and the Douglas amendment and what each one of them would do to management and labor, and also the detriment which I believe each offers to the public, the erroneous approach to the problem of which each is the expression; and I wished to reiterate my hope that we may have a trial, for a reasonable time, of the Thomas amendment, which I believe does offer the most effective, the most persuasive, and the most characteristically American approach to the solution of this very difficult problem.

Again, Mr. President, I wish to thank most warmly my distinguished friend the Senator from Missouri for his generosity and kindness in yielding to me, and I hope that he may soon have an opportunity to present his remarks.

Mr. DONNELL obtained the floor.

Mr. THOMAS of Utah. Mr. President, will the Senator yield to me for a minute or two?

Mr. DONNELL. I yield.

Mr. THOMAS of Utah. Mr. President, I have had prepared a brief history of the national emergency disputes under the Taft-Hartley Act. Since this is probably the best point at which to have that history inserted in the RECORD, so that all Senators may refer to it and use it, regardless of whether they wish to use it in the debate, I now ask unanimous consent, if the Senator from Missouri does not object to my doing so, to have inserted at this point of the RECORD, as a part of my remarks, a statement prepared at my request concerning the national emergency disputes under the Taft-Hartley Act.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NATIONAL EMERGENCY DISPUTES UNDER TAFT-HARTLEY ACT

I am inserting in the RECORD a statement based on a chronological account, prepared by the Bureau of Labor Statistics, of the labor disputes in which the national emergency provisions of the Taft-Hartley Act were invoked. This chronology, I think, will effectively illustrate how the Taft-Hartley Act national emergency procedures failed to avert or contribute substantially to the settlement of these disputes.

MEAT PACKING DISPUTE

The strike deadline in this dispute was March 16, 1948. On March 15, 1948, the President appointed a board of inquiry. The board reported to the President on April 8, 1948. In the meantime the strike had commenced on March 16, 1948, the date set for it. The President did not invoke the injunction procedure inasmuch as the expected national shortage of meat supplies had not materialized. The strike, despite determined mediation efforts by the Conciliation Service, continued until May 21 in the case of four of the five companies involved and until June 5 in the case of the fifth company.

In this dispute the work stoppage continued for 43 days in the case of four companies and 58 days in the case of the other one after the board's report to the President. The continuation of the strike for long periods after the report of the board illustrates the failure of such reports, unaccompanied by recommendations, to mobilize public opinion behind the settlement of the controversy, which apparently was the purpose of Congress in requiring board inquiry reports to be submitted and made public.

ATOMIC ENERGY DISPUTE

A strike was threatened.

A board of inquiry was appointed by the President.

One hundred and two days elapsed from appointment of the board to final settlement of the dispute by the parties.

All of the emergency procedures were used: First report of board of inquiry; injunction; second report of board; last-offer ballot; injunction discharged.

The dispute was still unsettled.

The Conciliation Service reported: "Apparently the imminence of the discharge of the injunction did not have the effect of producing a settlement" (p. 41).

Immediately after discharge of the injunction the parties were reconvened in joint session by the Conciliation Service.

Within 4 days after discharge of the injunction the parties' negotiations resulted in an agreement ending the dispute.

The Conciliation Service reported: "It cannot be said that the period of the injunction contributed materially to the final settlement, if at all. That settlement was 'bargained out,' with the aid of the Service and without utilization of extraordinary statutory procedures" (p. 42).

BITUMINOUS COAL MINERS PENSION DISPUTE

On March 15, 1948, the work stoppage began. Eight days later, March 23, 1948, the President appointed a board of inquiry. Sixteen days after the start of the stoppage, March 31, 1948, the board reported to the President. On the twentieth day a 10-day restraining order was issued by the United States District Court for the District of Columbia, which failed to cause the miners to return to work. On the twenty-seventh day, Speaker MARTIN suggested the appointment of Senator ERIDGES as neutral trustee of the pension fund, vice Mr. Thomas E. Murray, who had resigned as the result of the failure to agree on the disposition of the fund. On the twenty-ninth day Senator BRIDGES proposed a plan which was adopted over the dissent of the employer trustee. On the thirty-sixth day the union and Mr. Lewis were found in criminal and civil contempt of court and heavily fined. On the thirty-eighth day the 80-day injunction was issued, and on the forty-first day the miners started back to work.

The national emergency procedures appeared to have little effect on the settlement of this dispute. It was only after the plan of distribution was upheld by judicial action that the dispute was settled, and then the settlement was achieved in a matter of hours.

PACIFIC COAST MARITIME DISPUTE

The emergency procedures were exhausted; a strike began immediately after discharge of the injunction and lasted for about 3 months.

A board of inquiry was appointed by the President 12 days in advance of the strike deadline.

The board reported without recommendations 4 days before the strike deadline, but the dispute was not settled.

An injunction was secured 1 day before the strike deadline.

Bargaining negotiations were not profitably conducted during the injunction period. The Conciliation Service reported: "The final report of the board of inquiry * * * observed that the employers and unions * * * regarded the injunction period as a warming up rather than a cooling off period" (p. 56).

The injunction was discharged on September 2, after 80 days, as required by the act, even though the dispute was not settled.

The strike began 1 day after the discharge of the injunction and lasted until November 25, almost 3 months later, when settlement was finally reached.

BITUMINOUS COAL MINERS CONTRACT DISPUTE

On June 19 the President appointed a board of inquiry to report on the coal contract dispute over wages and other conditions of employment. Hanging over this dispute, however, was the dispute over the activation of the welfare plan and after the court handed down its decision validating the distribution of the fund agreed upon by Trustees Lewis and Bridges, bargaining began on the other issues and an agreement was quickly reached—in a matter of 2 days.

Here, as in the case of the pension dispute, it can hardly be said that the Taft-Hartley Act contributed to the settlement of the dispute.

ATLANTIC COAST LONGSHORE DISPUTE

As the Conciliation Service reported:

"In most respects * * * the pattern of development in this dispute parallels that involving the maritime dispute on the Pacific Coast" (p. 54).

"This case (stated the Service, p. 53) furnishes another instance of a national emergency dispute in which * * * there was no substantial progress made toward a settlement during the injunction period; all of the procedures of the act (including the ballot on the last offer of the employers) were resorted to without success; a strike occurred after the discharge of the injunction; and the dispute was settled at long last after many meetings between the parties, aided by mediators."

The strike began immediately after discharge of the injunction on November 9, and continued for 16 days until agreement was reached on November 25 after continuous mediation efforts by the Conciliation Service.

TELEPHONE DISPUTE

A national emergency was declared and a Board of Inquiry appointed on May 18. On June 4, before the Board had taken any action, a settlement of the dispute was reached by the parties.

The mere appointment of a Board of Inquiry reestablished the bargaining relationship of the parties which had been interrupted by the refusal of the employer to give assurances that during the negotiations the status quo with respect to working conditions would be maintained. The settlement in this case, however, was effected by the parties themselves. Title III of the Thomas bill provides procedures which are designed to insure conditions under which the parties will be induced to settle disputes. The emergency boards provided by the Thomas bill would not only investigate the dispute but would also be charged with the duty of seeking to induce the parties to reach a settlement.

Mr. DONNELL. Mr. President, at this time we are discussing a subject of the utmost importance, and I am sure all of us realize its gravity. Although now and then some levity comes into the debate, yet, after all, this afternoon we are dealing with the subject of national emergencies which imperil the national health and safety. Therefore it is important that the Senate give careful, detailed, and conscientious consideration to this grave question.

In the course of this debate we have been told from time to time that it is easily possible to conjure up a national emergency when none exists. We have been told that during the life of the Taft-Hartley law there has been a tendency to see in given situations national emergencies which had not previously been perceived in like situations.

I dare say that almost all the people of the United States remember all too well the tremendous fear and apprehension which were upon this Nation when the great railway systems of our country were about to be closed down, and, in fact, were closed down. So, this afternoon, when we discuss national emergencies, we need not consider that Great Britain or some other foreign country is the only nation which may be called upon to experience such conditions of suffering, tragedy, and death. In our own Nation many persons, including some of the Members of this very legislative body of the Government of the United States, recall all too well the railway strike and the tense situation which developed in the Congress when some of the present Members of the Senate, listening on the radio in the lobby of this Chamber, heard the address of the President of the United States in which he demanded the enactment of legislation under which men might be drafted into the service of our country in order to operate the transportation facilities. I dare say that under those circumstances, with our memory—brief though it may be—refreshed by that illustration, we shall not be inclined to depreciate the importance of national emergencies. Certainly we should not do so. In a national emergency, three parties are involved. In addition to the two parties which frequently have been mentioned in the course of this debate, namely, management, on the one hand, and labor, on the other hand, there is the great public, to which the Senator from Wisconsin [Mr. WILEY] alluded this afternoon.

So, Mr. President, in considering the problem now before the Senate, I view it not alone from the standpoint of management and not alone from the standpoint of labor, although I shall try to examine it from both those standpoints, but also from the great standpoint of the interests of the fathers and mothers and children and businesses and the great economic situation, the very economic life of our country which is involved in the subject of national emergencies.

Reference has been made from time to time, somewhat casually at times, to the atomic-energy situation in our country. Mr. President, do we realize that in the atomic-energy plants, or particularly the one which has been mentioned in our hearings—that at Oak Ridge, Tenn.—there was afforded an illustration, but a few short months ago, of the possibilities of a grave national emergency's developing, and developing rapidly, an emergency which required action, which the President realized demanded action, and as to which he himself placed in motion, as I understand, the processes of the Taft-Hartley Act in order to preserve the interests of the Nation?

I was told on reliable authority, only a few weeks ago, and I happen to have in my hand now the pencil notes I made at or about the time when I was so informed, that work stoppage at any one of several places in the atomic-energy program for any period of time comparable to the time usually consumed by a work stoppage would be very devastating to the national defense. We are not at war; certainly we are not in war of a shooting nature; yet it may well be that the closing down of a great plant such as the atomic-energy plant might cause us to lose the very advantage of carrying on that manufacturing process, and that development might subsequently reflect itself to the great disaster of our Nation.

So, Mr. President, this afternoon as we discuss these proposed amendments—and, I, too, am glad that so friendly an attitude, generally speaking, has been shown upon the floor of the Senate—I want the RECORD to show recognition on the part of Senators of the fact that we are discussing a matter which, from the economic standpoint, and from other standpoints as well, may mean life or death to our Nation.

I was impressed this afternoon by the vivid and eloquent remarks made by some of our colleagues, particularly with respect to the great power which the President is supposed to possess to secure an injunction from the courts of equity to prevent the carrying on of a great strike involving a national emergency and imperiling the lives and safety of our people and their health. It occurred to me, as it has to all of us, if the President has such great power, such ability to protect the interests of our country by injunction, why is it that the framers of the original Thomas bill and the amendment to the Thomas bill which is now pending have so studiously stricken out the provisions of the Taft-Hartley Act which definitely and clearly gave him such power and defined it? Why was it necessary to leave it out? If he possesses the power, where is there any objection to saying so upon the statute books of the United States of America? Why is it, Mr. President, that if the amendment of the Senator from Illinois carries within it what was described so vividly by the Senator from Florida as being something lurking behind the curtain, namely, the power of the President to cause an injunction to be issued, why is it that the amendment presented by the Senator from Illinois does not say so in so many words?

When this Nation shall again face, if it ever does, a grave national emergency

imperiling the public health and the safety, the people of the Nation as I see it would feel far more secure, far more safe, far more confident that their interests would be protected against economic paralysis and physical death, in some instances, if they could rely upon something definite and certain in the statutes of the United States, rather than upon the prospective result of a lawsuit which very likely would be bitterly contested in the courts from the beginning until the end.

The framers of the Thomas bill had before them the Taft-Hartley Act. They omitted the provision by which the President was expressly given power to apply for an injunction. Yet they tell us, with the learning and industry which characterize the distinguished chairman of the committee, that the President possesses all this power. I for one would feel better satisfied to see it in black and white in the statute than to have to wait until an emergency arises, when the national health and safety are imperiled, and then have the President file a suit, or cause it to be filed, and be compelled to wait and find out whether the courts would hold that he possesses the power, or whether the Congress, by repealing the express grant of that power or by its express statement, had indicated a desire that he should not have it.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Louisiana?

Mr. DONNELL. I yield.

Mr. LONG. I should like to ask the Senator a question. He indicates that the power of injunction would take care of a national emergency. But suppose the President actually obtained an injunction ordering laborers to return to their work, and the laborers refused to obey the injunction. Would not the situation be the same as if he had no right of injunction at all?

Mr. DONNELL. Mr. President, of course, if labor should refuse to abide by the orders of the court, we would be in a condition of virtual chaos. But I call the attention of the distinguished Senator from Louisiana to the fact that in this country we are not remediless under such circumstances. I call to his attention the remarks made by the Supreme Court of the United States in 1946 in the coal miners case, where the Court, pointing out what Mr. Lewis' conduct was, said:

This policy—

That is to say, the policy of Mr. Lewis, the policy which the Court says was a policy of defiance—

This policy, as the evidence showed, was the germ center of an economic paralysis which was rapidly extending itself from the bituminous-coal mines into practically every other major industry of the United States. It was an attempt to repudiate and override the instrument of lawful government in the very situation in which governmental action was indispensable.

So, in answer to the distinguished Senator I would say, of course, if the people of the United States refused to abide by the Government—and the courts are just as much a part of the Government as is the office of the President or as is the Congress of the United States—we would have virtually a condition of anarchy. But I am glad to know that we have courts with the strong right arm which the Supreme Court possesses, which can impose a fine upon a man such as the leader of the workers in the coal industry back in 1946, and can compel those men to obey the law or stand the consequences. We are concerned with the interests of the public as well as those of labor and management.

I have heard here this afternoon glowing eulogies with respect to the Railway Labor Board, under the Railway Labor Act. While I cannot with exactness quote the language of the last few minutes uttered by one of the Senators upon the other side of the aisle, with respect to the absence of injunctions and the fine operation of that act, and while I am not here to denounce the Railway Labor Act for I concede that act has had many beneficent results. Yet, as was pointed out yesterday on the floor of the Senate the fourteenth annual report of the National Mediation Board, which is the Board under which the Railway Labor Act is operated, uses two significant sentences. The first points out the achievements under the act. It says:

To place this strike record in proper perspective, it should be pointed out that it is matched by 172 peaceful settlements effected through the use of mediation or arbitration.

Then Mr. President, remember the next sentence or two of this very Board itself, which is making its report to the Senate and the House of Representatives. It says:

But peaceful settlements do not, however, make up for the instances in which stoppages occurred. It is not a good record, and it does not bode well for the future effectiveness of the Railway Labor Act.

That was the expression of the National Mediation Board in its official report of 1948 for the fiscal year ended June 30 of that year.

We have heard much said this afternoon about the absence of strikes in the railway industry. Yes, I am glad to know that we have had but very few illustrations of the tremendous paralysis that comes upon a nation by a tie-up of its transportation facilities. But may I read a short excerpt from this same report, which will recall to our mind the incidents of 1948? I am not talking now about the strike of 1946, when, the report says, locomotive engineers, trainmen, and yardmen left their jobs and the operation of our giant networks of railways came to a halt. I am not emphasizing in what I am about to say, this further comment of the National Mediation Board with respect to 1946, when the Board said:

The effect was immediate, paralyzing, and Nation-wide.

That was the situation in 1946. Yes, some of us thought that would never be repeated. But what happened in 1948, just 2 years later—yes, just last year? Let me read a few words from the Fourteenth Annual Report of the National Mediation Board:

After declining to accept recommendations for settlement made by a Presidential Emergency Board, the organizations—

That is to say, Mr. President, the railroad organizations, the unions—

the organizations set a strike date for 6 a. m., May 11, 1948. To forestall this action, extraordinary measures were invoked to prevent a Nation-wide tie-up in rail transportation. The President issued an executive order—

A footnote gives its number. It is 9957, of May 10, 1948—

whereby operation of the railroads was taken over by the Secretary of the Army. In taking this action the President called upon every railroad worker to cooperate with the Government by remaining on duty, and stated:

"It is essential to the public health and to the public welfare generally that every possible step be taken by the Government to assure to the fullest possible extent continuous and uninterrupted transportation service. A strike"—

Said the President—

"on our railroads would be a Nation-wide tragedy with world-wide repercussions."

Then, what does the Board continue to say in its report regarding this situation? Says the Board:

Notwithstanding the above action, the threatened strike order was not canceled, whereupon the Office of the Attorney General applied to the United States District Court for the District of Columbia for a restraining order. A temporary order was granted on May 10, and—

I emphasize the next three words which follow—

as a result, the threatened strike was called off.

Mr. President, there we were confronted by the danger of a national tragedy, with world-wide repercussions. Possession of the railroads had been taken; the President had issued his call; the Emergency Board has operated, and, yet, there was a refusal on the part of the employees to call off the strike. I have read the official record of what the Board states as to what transpired.

This afternoon we are confronted, as I say, by the possibility of grave Nation-wide national disaster imperiling national health and safety, and various remedies are proposed. It is helpful and healthful that they have been proposed, so that the Senate and the other House of Congress may give attention to them. The first one of those remedies is the one proposed in the pending bill itself, that is to say, Senate bill 249, the one entitled "Amendments," but which by consent has been considered to be the actual bill for purposes of amendment.

What does it provide, in substance? I shall not read it all, but section 301 provides:

Whenever the President finds that a national emergency is threatened or exists because a stoppage of work has resulted or threatens to result from a labor dispute (including the expiration of a collective-bargaining agreement) in a vital industry which affects the public interest—

He shall do what?—

he shall issue a proclamation to that effect and call upon the parties to the dispute to refrain from a stoppage of work, or if such

stoppage has occurred, to resume work and operations in the public interest.

So far, so good. What then occurs? After issuing such a proclamation the President shall promptly appoint a board to be known as an emergency board. This board is required to seek to induce the parties to reach a settlement of the dispute, just as the Railway Board in 1948 sought, as I have indicated, actively, but unsuccessfully, to secure a settlement of that dispute. Then the Thomas bill provides that in any event the Board, within a period of not more than 25 days after the President shall have issued his proclamation, shall make a report to the President, unless the time is extended by agreement of the parties, with the approval of the Board. This report includes the findings and recommendations of the Board.

Then it is provided that after the proclamation, to which I have referred, is issued, and until 5 days have elapsed after the report has been made, a maximum of 30 days, as it will be observed, after the issuance of the proclamation—

The parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties.

Up to this point it will be observed that there is no provision by which, in the event of refusal or failure on the part of the parties to the dispute to agree, the Government can do anything. But a ray of hope comes into our minds as we read the hearing of the next section—"Powers of the Emergency Boards." We begin to hope that there is some power vested in the Emergency Board by which the interests of the public may be preserved in the event that the parties to the dispute shall not come to an agreement. It is provided in these powers that a separate emergency board shall be appointed for each dispute. It states that the provisions of section 11 of the National Labor Relations Act shall be applicable, namely, the powers of subpoena and investigation of one kind or another. Then it is provided that any board appointed under this section may prescribe or adopt such rules and regulations as it deems necessary to govern its functions.

Then we find that there is a strange hiatus, that there is nothing further set forth as to the powers of the board except to prescribe and adopt such rules and regulations as it deems necessary to govern its functions. It is provided that the members of the boards shall receive compensation at rates determined by the President, and traveling expenses, and when a board appointed under this section has been dissolved, its records shall be transferred to the Secretary of Labor.

Mr. President, the gleam of hope which had come into our minds momentarily at the expression "powers of emergency boards" has evaporated, for no power, save to adopt rules and regulations, is conferred by section 303 upon such emergency boards. This is the provision, and the only one, in the Thomas bill, the main bill before the Senate this afternoon for consideration. Perhaps I want to see things done in black and white more than do some persons, but I, for one, after we have had a law on the statute books for 2 years providing that the President shall have power to take action in the event of national emergencies, would feel far more comfortable to have the statute set forth that he shall continue to have those powers, than to have the act which prescribes them repealed and replaced by one which gives no powers to the Board except to come together, to seek to induce the parties to reach a settlement of the dispute, and to adopt rules and regulations governing its functions. That is the remedy proposed in the Thomas bill.

Reference was made yesterday, and again today, to the opinion rendered by the Attorney General of the United States, the Honorable Tom Clark. I shall not undertake to repeat it. We know its substance back and forth. It is set forth in the proceedings of the committee, if any Member of the Senate desires to read it, at page 261 and following. But while we are told with much eloquence that the power of the President is so great, and while the Senator from Florida this afternoon said that this opinion of the Attorney General is to the effect that the President possesses the power to secure an injunction, curiously enough I find that yesterday, in the debate on the floor of the Senate, the distinguished Senator from Illinois [Mr. DOUGLAS] raised the question as to whether there was anything in the opinion of the Attorney General which explicitly stated that the President had any such power. For a moment let me read what the Senator from Illinois asked. I quote from page 7803 of the RECORD. He said:

I should like to ask the Senator from Ohio where in anything he has read—

The Senator from Ohio had been reading from the opinion of the Attorney General, and his letter, as set forth at the pages of the proceedings I have indicated. The Senator from Illinois said:

I should like to ask the Senator from Ohio where in anything he has read there is the explicit statement that the President has the power to go into court and secure an injunction to compel men to work for private employers.

Then after some further colloquy the Senator from Illinois repeated his question in substance. He said:

I should like to ask the Senator from Ohio if he can find any statement by the President of the United States or by the Attorney General that the Federal Government has the power to obtain an injunction in private disputes?

Mr. President, what sort of certainty is there going to be in the minds of the American people if the Thomas bill shall be passed, when a distinguished Senator on the floor of the Senate, who is presenting one of the amendments to be voted upon very shortly, the Senator from Illinois, raises in one breath the question as to whether there can be found any statement by the President of the United States or the Attorney General of the United States that the Federal Government has the power to obtain an injunction in private disputes, and then, on the other hand, we are assured by the sponsor of the bill, the Senator from Utah, that the President possesses this great residuum of inherent power?

I cite these facts as indicating the bewilderment, the uncertainty, the vagueness, which will reside in the minds of the people if the Thomas bill shall be passed with simply the expression that the President shall ask striking workers to return to work and remain at work. I say that the people will experience a bewilderment and uncertainty and a vagueness of mind with respect to what is the situation which would arise, as to how their interests could be protected should a great national emergency arise from a labor dispute.

If a grave national emergency were to arise this very afternoon, it would be found that the Taft-Hartley law is clear upon this phase, and points out the power the President has, under its very terms—a power which, acting under its terms, he has exercised on some six occasions, I believe the number is, since the act was passed. But not so if the Thomas bill should be enacted.

Mr. President, in addition to the remedy which is proposed by the Senator from Utah, we have the so-called Douglas-Aiken amendment, the amendment offered by the Senator from Illinois and the Senator from Vermont. That amendment is several pages in length, and I shall not trespass on the time of the Senate to read it in extenso, but the gist of the amendment is that "after a Presidential proclamation has been issued"—namely, a proclamation to the effect that the President finds that a national emergency is threatened or exists because a stoppage of work has resulted, or threatens to result, from a labor dispute—"and until 60 days have elapsed after the report has been made by the board"—the report which is required under the Thomas bill—"the parties to the dispute shall continue or resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties."

There is no provision in the Douglas-Aiken amendment thus far by which, in the event of failure on the part of the parties to abide by this admonition, any court or anyone else is given the power to protect the interests of the public.

Then we find a gleam of hope again arising in our minds as we read the heading above section 303 (a), "Powers of emergency boards," the same heading which appears in the Thomas bill. Here in the Douglas-Aiken amendment is a provision for the appointment of a separate emergency board for each dispute by the President. Then there is a provision in regard to the applicability of the section of the National Labor Relations Act with respect to the investigations, and so on. Then there is this further provision of section 304 (a):

After a Presidential proclamation has been issued—

Of the type which I have described—

if the President finds a failure of either or both parties to the dispute to observe the terms and conditions contained in the proc-

lamation, or an imminent threat of such failure, the President is authorized to take possession of and operate through such agency or department of the Government as he shall designate any business enterprise, including the properties thereof, involved in the dispute; and all other assets of the enterprise necessary to the continued normal operation thereof.

Then there are various mechanical provisions, as to the receipts and disbursements and a provision as to the length of time of the possession. Then the amendment reads:

Provided, That, possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board unless the period of possession is extended by concurrent resolution of the Congress.

Mr. President, this is the provision of the Douglas-Aiken amendment to the proposed act. What is it this amendment gives to us? It gives nothing except the provision for seizure by the United States Government. But there then arises, of course, the question, suppose the employees fail or refuse to work for the United States Government, and we look into the Douglas-Aiken amendment to find what the right of the public would be in such event. Here again we find a strange silence, nothing stated. Yesterday on the floor of the Senate, it is true, we were given certain assurance by the Senator from Illinois [Mr. DOUGLAS] in a colloquy between him and the Senator from Vermont [Mr. AIKEN], the coauthor of the amendment. I read from the colloquy:

Mr. AIKEN. I think it goes without saying that the employer does not want his plant seized. The difference between the Taft amendment and the Douglas amendment is that the Taft amendment provides that the President may use injunction or seizure, whereas the Douglas amendment provides that the President may use seizure, and, I assume, injunction, if necessary, after seizure.

Mr. DOUGLAS. That is correct, but he could only use injunction if seizure did not work. He could not use it to force men back to work for the private project of private employers. But we do not believe it would be necessary to use the injunction after seizure.

So we were assured by the two authors of the amendment, the Douglas-Aiken amendment, that injunction would lie. Yet, just as is the case with respect to the Thomas bill, while its proponents claim that there is a reservoir of power under which the injunction can be granted, there is nothing from beginning to end in the Douglas-Aiken amendment which specifically says that such an injunction can be issued. What is the reason for the strange silence? What can be the underlying motive behind allowing such silence to prevail in the case of both amendments? Both amendments, that of the Senators from Illinois and Vermont, and the amendment of the Senator from Utah, involve, of course, the idea of the repeal of the Taft-Hartley Act, but they fail to give any definite assurance whatsoever as to what will happen in the event the employees shall fail to remain at their jobs in the case of grave national emergency.

Mr. President, there are various other points I might mention about the Douglas amendment. One of them was mentioned yesterday by the Senator from Ohio, namely, the obvious effort to hold down the amount of compensation which would be payable to the owners of a business upon the return of the business to them. But I shall not go into the details of the amendment further than I have this afternoon.

The next proposed remedy for this situation of grave public national emergency is the plan submitted by the Senator from New York [Mr. IVES]. What is that plan? I hold it in my hand. It provides likewise that the President shall appoint an emergency board. All the amendments contain a similar provision. The Taft amendment also provides for such a board. The emergency board is to investigate the dispute. Then the President makes his proclamation with respect to the gravity of the situation. Then it is provided in the Ives amendment:

At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

So, Mr. President, the matter is right back in our laps, just as it is today, except that we will have a concrete case before us in the Congress, to decide what we shall do about it. No court would have acted. No one would have acted to prevent the carrying on of a strike involving peril to national health and safety.

After the President shall have issued his proclamation, he then may submit to the Congress, for appropriate action, a full statement of the case, together with such recommendations as he may see fit to make. That is all there is of the recommendation made by the Senator from New York.

Let us picture the situation which is reasonably to be expected in the event the amendment proposed by the Senator from New York shall be the one which is adopted. Suppose a situation develops in which there is a likelihood of a grave national economic paralysis imperiling the health and safety of the people, and the matter is placed by the President, with his recommendations, in the lap of the Congress of the United States. It sounds very simple to say that the Congress can then decide just what is to be done and take such measures as may be necessary. But let us see how that works. There are two Houses of Congress, with 435 Members in one House, and 96 Members in the other, or a total of 531 individuals, whose ideas will have to be consulted in regard to determining what shall be done. It seems reasonable to expect that one or two or perhaps three different things may happen. One is that both Houses of Congress in their wisdom, will immediately act upon the situation. There we are confronted by the possibility that by immediate action we may make a mistake in the type of action which should be taken.

My observation in the few years I have been a Member of the Senate does not incline me to think that this alternative of immediate action is the one that is at all certain to be followed. We have had a debate on the floor of the Senate now for almost 2 weeks on the labor bill. Suppose the President were to make his recommendations to the House of Representatives, in the face of grave impending economic struggle or strife. Then suppose there come to the Senate the same recommendations. We have here in the Senate, subject only to the cloture provision, unlimited debate. A mere handful of Members of the Senate, however conscientious, however gifted with all the integrity we trust we all possess, might nevertheless tie up for an indeterminant period of time the decision of what shall be done in response to the recommendations of the President.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield.

Mr. LONG. Was not what the Senator speaks of one of the reasons why we adopted the Wherry amendment during the last cloture debate, which would have the effect of permitting two-thirds of the Senators to shut off debate anytime they wished to do so?

Mr. DONNELL. Yes, but under the provisions of the rule adopted—and I have a copy of it in my hand—after such a resolution of cloture shall have been adopted, what happens?

Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate.

So, it is conceivable that if the great majority of the Senators desire to express themselves, each Senator has the right under the terms of even the cloture rule which we adopted, to speak for an hour upon the floor of the Senate. And if only, let us say, 20 or 30 Senators avail themselves of the opportunity for debate, a period of several days would have passed before the Senate of the United States would have acted upon the proposal.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. Of course, it would take 2 or 3 days before the debate could begin, because a bill must be introduced, reported by a committee, and then a cloture petition must be filed, and it is necessary to wait two days before the vote on the cloture petition is taken; so that altogether, over opposition, at least it might very well require, under the most favorable conditions in the Senate, a period of a week. Then, of course, action must also be taken by the House of Representatives.

Mr. DONNELL. I thank the Senator from Ohio for his statement.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. LONG. Is it not a fact that actually, in many respects, the threat of legislation is even more powerful than the legislation itself? For example, under the amendment proposed by the Senators from Missouri and Ohio, we know that there definitely would be the opportunity for an injunction to be granted. But if a labor leader said he would go to jail rather than comply with the terms of the injunction, or if he

ordered the workers to go back to work in the mines, assuming there was a mine strike, for example, and they refused to go back to the mines, or if the workers committed acts of sabotage, or would not do what they were told to do, would it not well be necessary to call Congress together and go through the same procedure all over again?

Mr. DONNELL. I think the Senator from Louisiana is exactly correct, that if those involved in the management of the union, those who have power, should refuse to abide by the decision made by the responsible authorities, it would be necessary to go to Congress. But so long as we have courts, Mr. Lewis has found out, and his organization has found out, that the courts can function and do function. I shall have something more to say about that in a moment.

With regard to the efficacy of the mere indeterminate threat of possible legislation as compared with certain definite existing legislation, I should say that to my mind an individual is going to be much more deterred by a statute which says in black and white that if certain facts exist, certain results follow, than he would be by the possibility that the Congress might pass some act, the contents of which he does not know.

Mr. LONG. Mr. President, will the Senator yield again?

Mr. DONNELL. I yield.

Mr. LONG. Would it not be true though that if we had a fact-finding board in the picture, and the fact-finding board recommended that a certain decision be reached by both labor and management, the side which would refuse to accept the recommendations of the fact-finding board would in all probability figure to be the loser if Congress had to act to reach some settlement of the dispute?

Mr. DONNELL. Mr. President, that is a possibility of course. But I take it that our people are entitled to have something on the statute books which says precisely what the powers of somebody are in the event of grave national disaster threatened through economic strife. To my mind it is not at all satisfactory merely to rely upon the probabilities which may or may not come to pass. To my mind it is far better to have a statute which says who has the power, and what that power shall be.

Mr. President, under the plan suggested by the Senator from New York, therefore, with the whole matter put back into the lap of Congress, with a period, as the Senator from Ohio [Mr. TAFT] points out, of several days between the introduction of a bill, its passage by the House, and its consideration by the Senate; with the days which would elapse before it would be possible to secure affirmative action upon a cloture petition, and then the possibility of several days more after the cloture petition could be acted upon, it is obvious to me, at any rate—and I think to almost anyone—that we would not have the promptness, the decisiveness, and the certainty which the people of the country would like to have.

Mr. IVES. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. IVES. Was the able Senator from Missouri present in the Chamber when the junior Senator from New York spoke earlier in the day?

Mr. DONNELL. I was.

Mr. IVES. Then the Senator from Missouri probably will recall that the junior Senator from New York pointed out that no national emergency, with the possible exception of one involving atomic energy, could possibly occur wherein a limited period of work stoppage would in any way endanger anything.

Mr. DONNELL. I have great respect for the judgment and knowledge of my distinguished friend from New York. Yet I am wondering if he was in the Chamber this afternoon when I read to the Senate the observation made by the President of the United States with respect to the prospective Nation-wide strike in rail transportation in 1948. After calling upon every railroad worker to cooperate with the Government by remaining on duty, the President said:

> It is essential to the public health and to the public welfare generally that every possible step be taken by the Government to assure to the fullest possible extent continuous and uninterrupted transportation service. A strike on our railroads would be a Nation-wide tragedy with world-wide repercussions.

Mr. IVES. Mr. President, will the Senator further yield?

Mr. DONNELL. I yield.

Mr. IVES. The junior Senator from New York would like to point out to the very able Senator from Missouri that such a situation would not under any conditions fall within the purview of the statute to which we are now directing our attention. That would come directly under the Railway Labor Act.

Mr. DONNELL. I realize that.

Mr. IVES. Furthermore, the Senator from New York would like to point out that if the able Senator from Missouri would be willing to make an analysis of conditions in the country which might be construed to offer possibilities of provoking a national emergency such as that to which we are now referring, he would find that the number of such situations is rather limited. In fact, it would appear that, aside from the question of atomic energy, which the junior Senator from New York feels should be handled separately in any case, only coal or steel—and there is some question as to whether steel in every instance would fall within this category—or Nation-wide communications, including not only the telephone but the telegraph, and possibly even the radio, or shipping on the various coasts of the Nation—perhaps the two coasts, Atlantic and Pacific—is likely to be a matter which would fall naturally within the purview of the general subject we are discussing. I doubt if there are any others. The junior Senator from New York would like to stress the fact that in no one of those cases is it all probable that a work stoppage would be conducive to imperiling the national health and safety, provided the work stoppage were of limited duration.

Under the provisions of the amendment offered by the junior Senator from New York, the speeding-up process by which this question would be acted upon by the President through the initial operation of the emergency board and brought to the attention of Congress, even though there might be a few days' delay due to discussion in the Congress, in all probability would not in any way imperil the national health and safety.

Mr. DONNELL. I am very glad to have had this interpolation by the Senator from New York. He points out exceptions to what he thinks is the general rule, and which I, too, think is the general rule. In the ordinary case a strike in a carpenter shop or in a construction company probably would not amount to a national emergency. But we are dealing here with situations in which legislation is designed to cover conditions which do involve national emergencies imperiling the national health and safety. The Senator has said that such a condition might arise in connection with shipping. It might arise, he says, in connection with coal, possibly steel; also transportation.

Mr. IVES. No.

Mr. DONNELL. I thought the Senator mentioned transportation.

Mr. IVES. No. I said that transportation falls entirely under the Railway Labor Act.

Mr. DONNELL. I agree that it does. However, I am pointing out some of the things that could arise. Transportation—at least railroad transportation—comes under the Railway Labor Act. I realize that. But, in addition, the Senator mentions communications, the telephone, the telegraph, and even the radio. A work stoppage in one of those industries might have a very severe effect upon the country.

I think it is impossible for us, on this beautiful day in Washington, to visualize the great injury which might result, under some circumstances, from a cessation of the operation of the coal mines. I do not wish to be unduly repetitious——

Mr. IVES. Mr. President, will the Senator yield?

Mr. DONNELL. Not at this moment.

The Senator may recall that I have already read into the RECORD this sentence from the decision of the Supreme Court of the United States in the coal case, in which it comments upon what happened in the coal industry. I read this statement again only because I judge the Senator was not present when I read it before. Speaking of Mr. Lewis, the Court said:

> This policy—

That is, the policy of Mr. Lewis—

> as the evidence showed, was the germ center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States.

We have a country in which a stoppage in the operation of the coal mines, or possibly in the operation of the steel industry, may have an effect within a comparatively short time in almost the remotest hamlet in the United States. Certainly it would have an effect upon the larger cities, and from there effects would be radiated into the smaller towns and communities. A work stoppage in

the coal industry might have the effect of causing persons to suffer even death in some cases by reason of the absence of the product of the coal mines.

The Senator from New York has referred to atomic energy. I referred to it this afternoon, while I judge the Senator was not present. To my mind the quotation which I gave from the note which I had in my possession as to the devastating effect upon our national defense which could result from a stoppage of one or several atomic plants illustrates the importance of having something upon which we can act promptly, and without the delay incident to the introduction of a bill, its passage through the House, and then through the Senate, where there would be unlimited debate, subject only to the cloture petition to which reference was made.

Mr. IVES. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. IVES. I should like to ask the Senator from Missouri if he can think of any other industrial areas in our economy, other than the ones mentioned by the Senator from New York, in which a work stoppage might occur by which there would be a national emergency which would imperil the national health and safety?

Mr. DONNELL. I do not know of any others; but to my mind we have had a sufficient demonstration of the fact that in the particular illustrations to which I have referred, and which the Senator from New York concedes could produce national emergencies of the type indicated, there is ample reason for the existence of a statutory protection in the event those situations should arise in particular industries.

Mr. IVES. I wanted to inquire as to the possibilities resulting from a work cessation in the areas to which the Senator from Missouri has just referred, which were the ones mentioned by the Senator from New York. But the Senator from New York would like to ask the able Senator from Missouri whether he feels that a work stoppage in the coal industry, for a period of several weeks, would in any way—for instance, at the present time—imperil the national health and safety.

Mr. DONNELL. Mr. President, at the present time, as I can testify from the fact that I am perspiring at the moment, we are very close to summer weather; so the situation which could result from such a development at this time is far different from that which could result from such a development in the midst of a winter of very low temperatures, if at such a time the coal mines of the country from one end to the other were to close down.

That is not all that might happen. In the decision of the coal mine case from which I have previously quoted, the Court said as to the situation then pending—by the way, in November:

> Mines furnishing the major part of the Nation's bituminous coal production were idle.

I can say there can be situations, and there have been situations, and one was involved in connection with the decision of the Supreme Court, to which I have referred, in which the national health and safety are threatened.

Mr. IVES. Mr. President, I should like to ask the able Senator from Missouri if it is his idea that where a condition such as the one he has been describing is in the offing and is threatening, the President would fail sufficiently in advance to proclaim such a condition and would fail to provide for the creation of an emergency board by which to resolve the dispute which might be in progress, and that the President himself would fail to take appropriate action under the terms of the amendment of the Senator from New York, which would mandate speedy action.

Mr. DONNELL. Mr. President, no one can determine with certainty what might be the action which would be taken by the President of the United States in a given set of facts. He might well have in mind that there was a possibility of a settlement of the dispute, and that at the moment it would be unwise to take the action to which the Senator from New York has referred. The President might feel that he should wait, in the hope and expectation that the dispute would be settled. Then there might be a repetition of the experience in the dispute in the railway industry, which, although that industry comes under the operation of the Railway Labor Act, nevertheless illustrates the point, in which case the President found, if not to his surprise, at least to his great discomfiture, that the industry would not respond to his own request and demand that the men cease and desist from striking.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. DONNELL. I yield.

Mr. HUMPHREY. I thought I understood the distinguished Senator from Missouri to say, a while ago, that he wants a basic law which will afford prompt and quick action in such situations. Did I correctly understand the Senator to say that?

Mr. DONNELL. Yes; I think we should have such a law.

Mr. HUMPHREY. Will the Senator state what kind of law he has in mind? There does not seem to be anything now before us or in the offing, except the proposition of the junior Senator from New York, which would provide for that.

Mr. DONNELL. Has the Senator from Minnesota read the Taft amendment?

Mr. HUMPHREY. Yes; I have read it several times. So far as I am able to understand, it provides for injunction and seizure. However, is there anything in the history of the United States to indicate that injunction and seizure have ever settled a dispute?

Mr. DONNELL. Mr. President, the Senator from Minnesota has constantly dwelt upon the matter of settlement of the dispute. However, that is not the question at issue here. The question at issue here is this: What is there to protect the interests of the public during the time when the dispute is not settled?

It is true that during the pendency of the injunction proceedings and the operation of the Conciliation Service all the other services of the Government and any or all private agencies may profitably work for the settlement of the dispute. It may be that in some instances the issuance of an injunction may deter a settlement, as the Senator from Minnesota has indicated. In other instances, however, the opposite may be the case. Although Mr. Ching pointed out some instances in which the injunction worked in the way to which the Senator from Minnesota has alluded, Mr. Ching also pointed out instances in which it worked the other way.

However, to my mind, the point involved is not whether the issuance of an injunction will cause the dispute to be settled, but whether, when the people of the United States are threatened with tremendous injury, involving the health and safety of the Nation and its people, we are to wait until someone with ill-defined powers shall act, or whether we shall provide some means of giving prompt relief to the people during a period in which the controversy may be studied, so that during the pendency of that period there may be further opportunity for an adjustment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. Does the Senator from Missouri feel that a national emergency will be alleviated or overcome by the use of the injunction? For instance, in the west coast longshoremen's strike, after the 80-day injunction period had expired, and after the full provisions of the Taft-Hartley Act had been complied with, for 95 days thereafter there was still a national emergency. What does the Senator from Missouri intend to do about such a situation?

Mr. DONNELL. I think I can state what I intend to do. If the view I take is taken by the Senate, I would say that we should include in the law an express provision by which some authority having power to enforce its decisions would have the right to prevent the instantaneous cessation of the operation of national enterprises, such as the coal industry, the cessation of which would or may adversely affect the health and safety of our people.

It may well be true, and I think it is, that all the plans thus far advanced are subject to objection, and that none of them is a panacea. In fact, nothing to the contrary is claimed, as I recall. The one offered by the Senator from Utah certainly is not a panacea. The one offered by the Senator from Illinois certainly is not a panacea. The one offered by the Senator from New York certainly is not a panacea. I may say that the one offered by the Senator from Ohio, to my mind, is not a panacea, although I think it has the virtue of certainty and definiteness and of vesting in some authority the right and power to act promptly in the interest of the public.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. Is not the purpose of the proposal of the Senator from Ohio

and the purpose of the proposal of the Senator from Illinois and the purpose of the proposal of the Senator from Utah to keep production going on and to keep the men on the job?

Mr. DONNELL. I think so.

Mr. HUMPHREY. Very well. With that as an agreed proposition between us, I ask the Senator this question: In view of the record of 23 years of experience with the National Railway Labor Act, under which men have stayed on the job during the cooling-off period, as compared to the record of 2 years of experience with the injunctive procedures under the Taft-Hartley Act, I ask the Senator, realizing the great sense of honor and integrity which he is known to possess, which one does he think has had the best record?

Mr. DONNELL. The best and most authoritative answer I can give is the one I have given several times thus far on the floor of the Senate, and it seems to me that at least on some of those occasions the Senator from Minnesota was in the Chamber: The Railway Mediation Board itself—for which, by the way, I have no hesitancy in expressing much of compliment and appreciation—after referring to the 172 peaceful settlements effected through mediation or arbitration in the period it was discussing, said:

> Peaceful settlements do not, however, make up for the instances in which stoppages occurred. It is not a good record, and it does not bode well for the future effectiveness of the Railway Labor Act.

Mr. President, that statement was not made 23 years ago; it was on November 1, 1948, that the letter of transmittal to Congress was issued.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. Is it not true, however, that we are discussing the proposition of national emergencies? To be sure, there may be minor work stoppages, but the issue now before us is the one involved in national emergencies. Considering all the proposals advanced and all the propositions before us in connection with our search for a means of definite settlement of such disputes, I ask the Senator from Missouri this question: Considering the Thomas amendment as it is, or with the restatement of it in accordance with the amendment of the junior Senator from New York [Mr. IVES], if there were a vital national emergency, something which shook our Nation to its very foundations, where does the Senator think the Nation should go? Should it go to the lawyers; should it go to the judges; should it go to the President; or should it go to the representatives of the American people in the Congress?

I think that is a fair question, deserving a complete answer.

Mr. DONNELL. I will answer the question. The answer as I see it, is that the President of the United States under conditions such as the Senator has so vividly and dramatically recited, should have the power to direct his law officer, the Attorney General, to apply to the courts for the preservation of the status quo for the protection of the public interest.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DONNELL. I yield to the Senator from Maryland.

Mr. TYDINGS. In appraising these various proposals and various work stoppages which affect the national health and safety, assuming that the amendment offered by the junior Senator from New York were adopted and that all remedies failed, and the matter finally came to the Congress for determination, which is the ultimate place of determination under the philosophy of the amendment of the Senator from New York, would the Senator from Missouri tell me in his judgment what he thinks the Congress might do by way of settling the dispute if the question finally came to the Congress? I am interested in his discussion and it seems to me we ought to know what the Congress could do and would be likely to do if nothing had worked out successfully up to that point, and the matter were finally dumped into what is known as the lap of the representatives of the people.

Mr. DONNELL. Mr. President, I think, of course, the Senator has asked a question that is impossible for anyone to answer with any degree of certainty. The psychological situation, the economic conditions, all the situations at the time would have to be examined and Congress then would have to use its own best judgment. It might well be that the Congress in its wisdom would say that the appropriate procedure would be to direct the President to take charge of the industry involved and to operate it for the benefit of the public of the United States. But again it might be that some other remedy would be more appropriate at the time. I cannot stand here today and look forward into each case, any more certainly than can the Senator from Maryland, and undertake to prophesy as to what would be the appropriate remedy by Congress in each case.

Mr. TYDINGS. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. DONNELL. I yield.

Mr. TYDINGS. In order that the Senator may understand what I am trying to develop, I should like to know from him, or, if the Senator from New York may be permitted to give me the answer, so that I may follow the argument between the Senator from Missouri and the Senator from New York, what three or four possible remedies might the Congress embrace as a means of settling the dispute? I know that the Congress could then pass an injunction act against the particular break-down. That would be one. It might seize the plant. That would be two. Those two proposals are already before us. What I am trying to get at is what Congress could do in addition to those two by way of possible remedies to bring the dispute to an end and to keep the service moving.

Mr. IVES. Mr. President, may I have an opportunity to answer the Senator from Maryland, without taking the Senator from Missouri off the floor? I ask unanimous consent that I may have that privilege.

Mr. DONNELL. I shall agree to that with the understanding that I do not lose the floor, and that I may also subsequently reply further to the Senator from Maryland.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York for unanimous consent? The Chair hears none, and the request is granted.

Mr. IVES. I thank the Senator from Missouri for his courtesy. I am very glad the able Senator from Maryland has raised that question, because it is a matter to which I gave some attention in my remarks earlier today, but which I did not go into in great detail. If the able Senator from Maryland was in the Chamber when I was speaking, he will have noted that I pointed out in general the procedure to be followed under the proposal I have offered. In effect, the whole procedure is stepped up. The emergency board has to report within a given time, 30 days. The President himself is obliged to act upon the report of the emergency board, or if the emergency board has not reported, whenever there is a cessation or stoppage of work, or if a stoppage of work had existed prior to that time and continues, he is required to act immediately. The emergency board itself in all probability would have recommendations to make in a situation of that kind. Definitely, the President himself, if the emergency board had been unable to make a report up until that time, would have some recommendation. These recommendations might vary in nature. The able Senator from Maryland has indicated two of them, seizure or injunction. There could be also compulsory arbitration. There might be even other remedies suggested, if we explored the matter very fully. But the point the Senator from New York wants to make is this, that whatever the recommendations might be, they would be applicable only to the immediate situation, and the legislation involved would apply only to that situation. They would not result in legislation of a permanent nature wherein we would have to have seizure or injunction automatically under certain circumstances.

To my mind, the plan the Senator from Missouri [Mr. DONNELL] is offering here, that of an injunction, is no solution in the final analysis. The distinguished Senator from Minnesota pointed that out, that it is not a final solution. It does not guarantee that the problem is to be solved. What happens after the period of the injunction is over? The strike continues; what happens then? Obviously it must be brought to the attention of the Congress. But under much more unfavorable circumstances than would exist under the plan offered by the Senator from New York. Under such circumstances feelings would have been stirred up, animosities would have been created which would be almost impossible to resolve. The feeling in the Congress would be far more intense than would be the case under the orderly procedure in the plan offered by the Senator from New York.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. DONNELL. I yield.

Mr. TYDINGS. I do not want to take the Senator off the floor, so I am addressing my question to him. I should like to say before putting the question that, after listening to the remarks of the Senator from New York, for whose point of view, particularly on labor matters as well as other matters, I have a great deal of respect, because I know he has studied the subject, I do not believe I have gotten very much of an answer to my question, because what is going through the minds of many of us here is this: Assuming we run the whole gamut of all these different steps, and the thing finally drops into the lap of Congress; there must then be some solution, if that is the place where the solution is ultimately to be found. I can think of two or three different things that might be done. I am asking the Senator from Missouri whether he knows of any solutions other than the two or three which have been mentioned, which might be applied by the Congress, if the Congress became the final arbiter?

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield to the Senator from Ohio.

Mr. TAFT. I remember one solution which did not suit me very well. In World War I, President Wilson, as Senators may remember, got Congress to pass a law, in the case of railroads, giving the men what they asked for, fixing their wages at the figure they asked.

Mr. TYDINGS. If the Senator from Missouri will yield to me, that would be another solution. But I may say to the Senator from New York, and I am sure to some extent, I will take the liberty of saying, I am reflecting the thoughts of the Senator from Missouri and of others on both sides of this question, that I think the Congress is entitled to know all the possible steps it might take, so that we can appraise the machinery which would be set up in the event we have to pass upon it. I do not think it is fair to say that if Congress were called into session to deal with it it would be assumed that Congress would take appropriate action. There might be a filibuster. There might be any number of things we could put on either side of the equation. So, as one who does not like the injunction, as one who does not like seizure, but as one who has the responsibility of legislating, I should like to ask the Senator from Missouri or the Senator from New York to tell me what the Congress could do, the whole gamut of the solution, in the event the Congress had finally to pass on it. I thank the Senator from Missouri for yielding, so that this aspect of the controversy may be developed.

Mr. DONNELL. I thank the Senator from Maryland for his question. It illustrates the difficulty of the situation. It fully demonstrates the fact that no one, so far, can look into the future, year after year, and answer all these questions in advance.

Mr. IVES. Mr. President, will the Senator yield?

Mr. DONNELL. In a moment.

I will say that the Senator from New York has pointed out a number of things that could be done, as has likewise the Senator from Ohio and the Senator from Maryland. I think I have myself mentioned one or two things in the course of the colloquy. There may be other things which could be done which none of us, at this moment, realize. Of course, we can all realize, when we talk about the Government's taking possession of property, that there may be more ways than one in which it can be done. I am not advocating one way or another. I do not think it is possible for us to sit here on this June afternoon in 1949 and say what should be done in January 1956, in the event that the coal mines, in the midst of the winter, should be shut down, or whether it would be necessary for the President to take charge of the coal mines, to put the employees back at work under some arrangement for wages, or under the then existing arrangement, or whether the military authority of the Government should be called in. All those are questions which would have to be determined at the time.

Mr. IVES. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. IVES. The Senator from New York appreciates the courtesy of the Senator from Missouri in yielding to him so often. I should like to ask the Senator a very simple question. The plan proposed by the Senator from Missouri, through the operation of the injunction, in itself is no solution. In itself and through its own operation it is only a stopgap affair. It does not provide an answer. The Senator from New York, in this particular instance, taking the coal situation, which has been referred to as very likely becoming the most serious situation with which we could be faced, would like to ask the Senator from Missouri if, after the operation of the plan he is proposing, under which an injunction would have been in operation for 60 days, or for such a period less than that as might be the case under the conditions—after that, if there were a work stoppage, and the situation became more and more critical, bearing in mind that the feelings of those participating would be constantly getting more on edge, what would the Senator from Missouri propose to do in a matter of that kind, which inevitably would land in the lap of the Congress?

Mr. DONNELL. In the first place, it is not inevitable that it will land in the lap of Congress.

Mr. IVES. Where will it go?

Mr. DONNELL. There have been situations which have been settled. Of course, the Senator from New York selects a situation in which everything has failed, and then asks where it will land. It will land, then, in Congress.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. DONNELL. I yield.

Mr. IVES. The Senator from New York would like to ask the Senator from Missouri if he does not think we should explore all angles of the question.

Mr. DONNELL. Yes.

Mr. IVES. Unless we explore all angles we cannot handle the question realistically. Does not the Senator from Missouri [Mr. DONNELL] believe that the proposal offered by the Senator from New York——

Mr. DONNELL. Mr. President, I yielded for a question.

Mr. IVES. The Senator from New York is propounding a question. When all the angles are explored, does not the plan of the Senator from Missouri, in the final analysis, if it should break down, as it might very well do, resulting in a serious situation, offer to the country a far more dangerous problem than can possibly arise under the plan of the Senator from New York?

Mr. DONNELL. Now that the Senator has discussed the matter of exploration, I am certainly willing to explore the matter with him from A to Z, and on beyond, into the "and so forth." I am well aware of the fact that a temporary injunction for 60 days is no insurance that the dispute will be settled. I realize, also, that eminent authority, cited yesterday, pointed out that in some cases there had been a failure on the part of the mediators to secure an adjustment of differences during the pendency of an injunction, but I likewise remember very distinctly that it was pointed out that in other cases there had been a real contribution made by the injunctive process.

The Senator from New York asks what is going to happen when everything fails. If one of these plans fails, then where will it land?

Mr. IVES. I referred to the plan of the Senator from Missouri.

Mr. DONNELL. That is what I am talking about. The Senator is taking a situation in which he says an injunction has been brought and has failed to bring about a settlement of the dispute, and nothing will bring about the desired result. In the first place, he is assuming, of course, a situation which we all hope will never develop. It may develop. That is entirely possible.

Mr. IVES. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. DONNELL. I shall not yield until I have finished my answer to the question which has been propounded. I would say, of course, if after an injunction is issued, if after the period has expired, if after every effort of mediation, arbitration, and all other remedies, there has been a complete failure to bring about a settlement, then someone must take hold of the matter and do the best he can. I suppose it would rest either in the lap of the President or in the lap of Congress. Personally, I am not prepared to admit that the President has an inherent power which would permit him to take the extreme action which has been suggested at times during the debate. To my mind, it is very likely true, and in my own judgment, it is true, that, sooner or later, in the extreme situation which has been indicated by the Senator from New York, it would come back to

Congress to exercise its own best judgment. But the Senator overlooks entirely, as I see it, the fact that he proposes, before the matter has come to any such situation as that, to have it submitted to Congress for settlement, and pending the time the country is experiencing economic paralysis and impairment of its safety and health, the Senator would have Congress take it up through the process of legislation, which, as I have indicated, might be either so rapid as to be unwise, or might be so slow, particularly in our own body, as would prevent the remedy from being properly effective. I say it is unwise, until after the plan has been adopted which I suggest, which would give instantly to Congress, during the pendency of the injunction, for 60 days or whatever the period might be, the right, the power, and the ability to be considering what should be done. I say our plan is far preferable to one in which the whole problem is thrust instantaneously on the Congress, with the results which I have indicated as very likely to occur.

I yield to the Senator from New York.

Mr. IVES. The Senator from New York would understand from the Senator from Missouri that he feels, in the case cited by the Senator from New York, that the Senator from New York rather exaggerated the conditions which the Senator from New York thought he had described earlier to the Senator from Missouri. The Senator from New York was trying to point out the dire consequences which might ensue from a stoppage of work in the coal industry. What I should like to ask the Senator from Missouri is whether the Senator from Missouri does not recognize the great psychological force which is inherent in the proposition of the Senator from New York? Does the Senator from Missouri think for one moment that labor organizations are going to call a stoppage of work, faced as the employees would inevitably be, with the type of procedure apparent in the plan of the Senator from New York?

Mr. DONNELL. Mr. President, the question is susceptible of answer, and I shall attempt to answer it.

Mr. IVES. It is a question.

Mr. DONNELL. It is a question, and I shall answer it to the best of my ability.

In my judgment, a labor union might well prefer to go ahead with the strike, faced with the uncertainty of what the 531 men in Congress might determine, after an indeterminate period of debate, during the pendency of which the strike would be proceeding. A labor union might well prefer to take its chances in that situation, carrying on the strike in the meantime, than to take its chances under a statute which said that it could be enjoined by a court from continuing the strike.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. DONNELL. I yield.

Mr. HUMPHREY. I should like to ask if again we are privileged to get one of these prophetic views? Is it not true that the one experience we have had, when the President made an effort to refer something to Congress, as would be done under the amendment of the Senator from New York, was in the railway strike of 1946, and before the President had gotten through with his message, the dispute had been settled?

Mr. DONNELL. As a matter of fact, it has been brought out on the floor of the Senate that the settlement of the dispute occurred, I shall not say prior to, but substantially simultaneously with the issuance of the President's remarks upon the rostrum of the House of Representatives before the joint session of the two Houses. But I also point out the further fact that while that happened in that case, in the case which I cited respecting the Railway Mediation Board, all the honest and sincere efforts of the President failed, and it was only an injunction which ultimately resulted in the cessation of the strike.

Let me point out the further fact that while on one occasion I remember very well the House of Representatives, acceding to the request of the President, passed in a very few moments a bill following precisely what the President desired, when it came to the Senate, we took a directly contrary view, which illustrates, I think, very clearly and conclusively, that the remedy of action by Congress is by no means as simple as it may seem at first glance.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. I think the real question that is being posed by the counterproposition of the Senator from New York as to the proposal of the Senator from Ohio and the Senator from Missouri is, Which of these two proposals would afford the least amount of opportunity for the Federal Government to stick its hand in to settle what are commonly called nowadays national emergencies? That leads me to the question, how has it happened that we did not seem to have so many national emergencies before we put the title "National Emergency" into the Taft-Hartley Act?

Mr. DONNELL. Until the Taft-Hartley Act was passed we did not have adequate protection against public emergencies. Let me say, further, that the President of the United States realized, after the Taft-Hartley Act had been passed, that there was provision in that act for the protection of our public against these national emergencies. Will the Senator here this afternoon undertake to say on the floor of the Senate that in his opinion the coal strike, that the atomic energy strike, that the longshoremen's strike, and the other strikes which were mentioned, to which he has referred, were not national emergencies of grave prospective consequences?

Mr. HUMPHREY. Indeed, the junior Senator from Minnesota will undertake to say just exactly that.

Mr. DONNELL. If the Senator says that, let me say that differs precisely and exactly from the President of the United States, who acted on the theory that they were national emergencies, and caused his Attorney General to secure from courts injunctions, which courts found should be issued because the courts, after hearing the presentation of the facts, determined that national emergencies imperiling the health and safety of the public existed. So, if the Senator desires to place his opinion in the RECORD, of course I am sure we all are happy to have it, but it is contrary to that evidenced by the official action of the President of the United States and the courts.

Mr. HUMPHREY. I feel that it is about time that we defined the concept of national emergency. The distinguished Senator from Missouri refers to the longshoremen's strike. Yet, after all the provisions of the national emergency proceedings of the Taft-Hartley law had been used, there were 95 days more of the strike. In regard to the atomic energy plant at Oak Ridge, the distinguished Senator refers to a national emergency which must mean that the life of this Nation was being imperiled. Yet the whole 80-day period of the injunction expired and no settlement was reached, and here we are. What has happened? What is wrong with this Nation today?

Mr. DONNELL. With regard to the atomic energy strike, I daresay there is not a man on the floor of the Senate who would undertake to say how grave the injury to our country was by reason of that strike. I do not know, and the Senator from Minnesota does not know. But I do know that, as I recited in the RECORD this afternoon—and I referred to the statement of a reliable authority—work stoppage at any one of the several places in the atomic-energy program for any period of time comparable to the time usually consumed by work stoppages would be very devastating to our national defense.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. Has it occurred to the Senator that, after all, after we have granted the injunctive power, the President does not have to use it? The President of the United States has explicitly decided some five times since the act was passed that it was in the public interest for him to have an injunction, and that it was in the public interest for him to ask a court to grant an injunction. That was his judgment, and the judgment of the labor-management people, and presumably of the Secretary of Labor. It was his judgment that that was better than not to do anything, or call Congress, which is the action suggested by the distinguished Senator from Minnesota and the distinguished Senator from New York.

Mr. DONNELL. Mr. President, I point out further, as indicated a few minutes ago, that the President acts on receiving a report from a board of the Government, and then though, as the Senator from Ohio says, it is not mandatory, he may ask the Attorney General to petition the district court. In each of the cases to which reference has been made the district court found, first, that there was, quoting from the Taft-Hartley law, "a threatened or actual strike or lockout affecting an entire industry or a sub-

stantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce," and, second, that "if permitted to occur or to continue," it would "imperil the national health or safety."

The court did not have jurisdiction to issue the injunction until it made those findings. The very fact that it issued the injunction is conclusive of the fact that it found those conditions to exist.

Mr. HUMPHREY. Mr. President, will the Senator from Missouri yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. Of course, the distinguished Senator from Missouri realizes that there does not seem to be the same point of view in respect to the universal knowledge of the courts in these disputes, that is, my point of view does not go quite so far as that of the distinguished Senator from Missouri.

I should like to point out that the distinguished Senator from Ohio has cited exactly what I think is the weakness in his own amendment, in that he offers to the President the choice of either injunction or seizure, which is the bait which gets the President to use it any time he wants to do so after the emergency board reports.

Mr. TAFT. The President is not a fish. He is not aking for bait. I do not understand what the Senator means.

Mr. HUMPHREY. May I reply to the distinguished Senator——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. DONNELL. I yield for a question. I understand that is my privilege.

Mr. HUMPHREY. I appreciate the great courtesy which has been extended me by the Senator from Missouri, and I also appreciate the interruption of the Senator from Ohio, who seems to have a more acute knowledge of the propensities of the President than does the junior Senator from Minnesota.

In view of what the Senator from Ohio has said as to the fact that the President has applied the remedy of injunction, and that he applied it after the Taft-Hartley Act was passed but did not apply it before, why then does the Senator from Missouri insist that that is the kind of a provision which should be included in a new labor-management law?

Mr. DONNELL. In the first place, Mr. President, we are starting all over again on the question as to the power of the President. The Senator says, Why did the President not apply it before the Taft-Hartley Act went into effect? I say, first, there was no statute which authorized him to do so.

Mr. HUMPHREY. Will the Senator yield?

Mr. DONNELL. Not for a moment. I wish to answer the question first.

I do not intend to burden the Senate or, I trust, myself, by again arguing the question of the power of the President, but there is an opinion on one side that the President has the power, there is an opinion on the other that he has not. The President himself, however, apparently did not think he had the power. Otherwise why would he have come to Congress and asked for a statute to be passed authorizing him to draft men to operate industry?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. HUMPHREY. Is not that the very reason why the provisions of the Thomas bill, as refined, or, let me say, as amended, by the distinguished Senator from New York, clarify the situation? Here we have the situation where some people argue that the President has the power, whereas others argue he does not have the power. The Senator from Missouri has said that apparently the President did not think he had the power. So the junior Senator from New York has said, "All right, in these great disputes involving national emergency, where the Nation's health and welfare are under dire stress, we will do—what? "Rather than to have it in the no man's land of indefiniteness we will come to the Congress of the United States for an explicit ruling by the Congress in a particular case."

Does the Senator from Missouri feel that that is an unusual procedure, in view of representative Government traditions?

Mr. DONNELL. Mr. President, I cannot understand how the Senator from Minnesota would think that if we have a statute providing that the President shall have the power to direct his Attorney General to apply for an injunction, and that upon a certain finding the courts shall have jurisdiction to issue the injunction, there is a no man's land of indefiniteness left. To my mind, while I do not want to quibble over language, a vagueness and indeterminateness exists in the Thomas bill today, and it is illustrated by the divergent views of men who honestly believe one way and by others who believe the other way.

My distinguished colleague from Oregon [Mr. MORSE], at whose desk for the moment I stand—it is next to my own, and I may have violated the rule by standing 2 feet over—has presented most vigorously the view on this very floor that the President does not possess the power. My distinguished friend from Utah [Mr. THOMAS] has learnedly argued that he does. I say that a bill which repeals an act which says the President shall have the power, and does not put in anything that says whether he shall or shall not possess the power, leaves the matter in a no man's land of indefiniteness.

Mr. IVES and Mr. HUMPHREY addressed the Chair.

Mr. DONNELL. Mr. President, I see myself approached from both sides, though not by the Senator from Illinois [Mr. DOUGLAS], whose approach to another Senator was referred to by the Senator from Ohio earlier today. The Senator from Illinois is not present. I yield to the Senator from New York.

Mr. IVES. Mr. President, the Senator from New York understood the able Senator from Missouri to state that he construed all of the so-called national emergencies proclaimed by the President since the enactment of the Taft-Hartley Act, to have been properly national emergencies because of action taken by the Court in each particular instance. I believe he read one of the Court's opinions pointing that out.

The question the Senator from New York would like to ask of the able Senator from Missouri is this: If the President should proclaim a national emergency of the character referred to, and then having requested, because of the conditions which might arise under such circumstances, the Attorney General to obtain an injunction, an injunction of the character under consideration, can the able Senator from Missouri imagine a court refusing to go along on such request?

Mr. DONNELL. I certainly can.

Mr. IVES. What would happen?

Mr. DONNELL. The court might decline to issue the injunction.

I want to say I am very glad the Senator from New York asked that question. I am glad at this moment to say a word about the courts. We have been told here this afternoon by the Senator from Utah that a bad name cannot be lived down. I do not think the Senator applied that to the courts. I do not recall that he did. But he has applied it, I judge, to the injunctive process.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. THOMAS of Utah. I wish to say that I should have used another phrase, with respect to what may be in the minds of industry so far as seizure is concerned. In industry a bad name cannot be lived down. Seizure is what we might call a naughty word to industry. Injunction is a very naughty word to labor. And in either case they suffer from the one or the other.

Mr. DONNELL. Mr. President, the Senator from Utah is so courteous and gentlemanly I know he meant no disrespect to the courts by what he said. He did, however, say, in substance, as I understood him, that he was applying his remarks to the injunctive process which was issued by a court, and that in that connection a bad name cannot be lived down. I take it that what he meant was that labor has achieved a dislike, indeed, a positive hatred, for the injunctive process. The Senator from Utah nods his head, by which I gather that he means that I am correct in my interpretation of his remarks.

The Senator from Utah also referred to the tyranny of someone. Those are the words I have written down. I do not know to whom he refers as the tyrant; but I want to say that the courts are, of course, composed of human beings. Courts have, of course, made errors. I dare say that in the volume which I have in my hand, if I were to turn through it rapidly, I would find that the Supreme Court has reversed some of the decisions of the lower courts, which would indicate very clearly that error can occur, or at least that difference of opinion can occur.

Mr. President, I want to say a word with regard to the injunctive process and with regard to the courts. I have no doubt that there have been abuses

of the injunctive process. I do not know by what courts. I remember a very glaring illustration offered by the Senator from West Virginia [Mr. NEELY] whom I do not see on the floor at this moment, but who was present earlier today. He pointed out certain strong, vigorous language which sounded to me as if it amounted to a breach of judicial propriety, language expressed by a court some years ago, I think in his own State. I am glad, as I know every Member of the Senate is, that the number of impeachments of judges has been very small in the course of the century and one-half or more of the existence of our judiciary.

I express the view, however, first, that the courts, generally speaking, are honest. I express the further opinion that, generally speaking, the courts are capable. I believe the fact that appointment to our Federal courts is required to be made by the President, that the appointment is then submitted to the Committee on the Judiciary of the Senate, that we very frequently have hearings upon the subject matter of the man who is appointed, and that the confirmation of his nomination then comes before this very body for consideration—all that tends to build up in my mind the confidence I have in the courts.

I realize that in recent years there have been many criticisms made of even the highest court in the land. There may be lawyers and laymen alike who disagree even with some of the courts' economic views—for today it appears that courts sometimes indulge in economic theories as well as legal theories. To my mind there has been a very fine devotion on the part of the judiciary, both Federal and State, as a general proposition, to the higher principles of integrity and professional honor.

Mr. President, I do not want to take much more of the time of the Senate. I had no idea I would be on my feet so long as I have been. I want to say a word in regard to the injunctive process contained in the Taft amendment. I should say, in orderly sequence, that I have tried to consider first the Thomas bill in its provisions with regard to national emergencies, which, as I see it, are utterly ineffective. I have tried to consider the provisions of the Douglas amendment which to my mind are equally—perhaps I should not say equally—but certainly they are in my judgment ineffective.

With all due deference to my distinguished friend who has such fine knowledge of labor matters and has rendered such excellent service in the Senate along those lines, the Senator from New York [Mr. IVES], I find myself in disagreement with his amendment.

I desire to mention very briefly the amendment of the Senator from Ohio and his associates who have joined in sponsoring it. I see now upon the floor of the Senate my close friend and seatmate, the Senator from Oregon [Mr. MORSE], who is now sitting on the other side of the Chamber. I am sorry he is on that side of the Chamber at the moment. I have not acquainted myself with the contents of his proposal as to the solution of this difficulty, except in a very vague and general way. I shall give consideration to his plan. But at this moment I am expressing myself only with respect to the Thomas plan, the Douglas-Aiken plan, the Ives plan, and, finally, the Taft plan. I shall make my discussion very brief with respect to the Taft plan. Generally speaking, I have indicated my view with respect to it—at least with respect to the injunctive process.

In the first place, I wish to reiterate the point which was made so emphatically and clearly by the Senator from Ohio [Mr. TAFT] a day or so ago, that there is no reason why labor should be so apprehensive about the courts. I do not think he used that word, but he stated that there was no reason why labor should regard the courts as a portion of the Government which should have nothing to do with labor. To my mind the courts of our country are established by our constitutional and statutory system for the purpose of doing justice to every class of citizens, and to every individual citizen—to the public as a whole, to management, and to labor.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DONNELL. I should like to draw my remarks to a close, but I yield.

Mr. HUMPHREY. This is a clarifying question. Let me preface it by making a statement to the Senator. It is a question the answer to which will be very helpful.

No one wishes to impugn the integrity of our courts. I do not believe that any sincere American would want to say that the Judiciary of the country has ever been anything else but highly honorable and respectable. But the issue is not the matter of the judicial process. The issue, as the distinguished Senator from Missouri knows, is the issue of a temporary injunction, which does not mean a full hearing, which does not mean the fulfillment of the judicial process. I think it is begging and distorting the question to indicate on the floor of the Senate that labor or anyone else is in any way doubting the honesty and integrity of the courts, merely because some of us feel that the injunctive process has been unfair. Is it not true that the injunctive process is not a full judicial process? An injunction is obtained upon a showing of evidence. It does not mean a full judicial decision on the part of the court. An injunction could be obtained, for example, as in the Wilkerson case in 1922, when the Attorney General of the United States merely saw the judge for a period of 5 minutes——

The PRESIDING OFFICER. Is the Senator propounding a question?

Mr. HUMPHREY. I ask the Senator from Missouri whether or not the injunctive process can be considered a decision on the part of the courts.

Mr. DONNELL. I answer in the affirmative. Under the language of section 304 (a) of the Taft amendment it is provided that the President may direct the Attorney General to petition any district court to enjoin the strike. Then what is the provision about the court? How can the court make a finding? It makes a finding from evidence.

> And if the court finds that such threatened or actual strike or lock-out—
>
> (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and
>
> (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out.

The court was able to do it in the coal case, the case to which we have referred several times, and which, I wish to make perfectly clear, is not the one under the Taft-Hartley Act. In that case the court found as a fact that—

> Mines furnishing the major part of the Nation's bituminous coal production were idle.

Then it made the finding which I have cited several times, about the economic paralysis rapidly extending itself over the country.

I am very pleased to note that the Senator from Minnesota has expressed himself as he has with respect to the courts. I have heard no intimation from any Senator on the floor of the Senate that he regards the courts as dishonorable; but I have heard much indication on the floor of the Senate that the courts are not qualified by training or experience to handle matters of this sort. I see no reason why a trained legal mind cannot handle justly a labor dispute just as well as it can handle a dispute upon a promissory note, or the question of the construction of a will, or any one of the other great legal problems which are constantly being presented to the courts. In my judgment, any court must, of course, devote skill and study to any problem which comes before it. To my mind, the courts have the training to enable them to distinguish between facts, and to make findings of fact. They are equipped to make such findings by reason of their training and study.

In the second place, the injunctive process is immediate. I do not mean by that that the bill of complaint is filed and the injunction issued instantly. We have had plenty of illustrations in the testimony in this case showing that various periods of time were occupied by the courts in hearing the evidence.

The point I wish to make is that the court can act with promptness and dispatch, and without the difficulty of consulting 531 minds in order to arrive at a solution. To my mind, the Taft-Hartley Act was wise in its provisions. I believe that the amendment which has been offered by the Senator from Ohio [Mr. TAFT] is also wise.

Finally, and very briefly, on the question of seizure the Taft amendment provides for the option on the part of the court to grant seizure, or seizure and injunction. I have been very doubtful on the question of seizure. Perhaps Senators have noted that, appended to

the minority views, on page 91, is this note above my name:

My concurrence in the above minority views is subject to the fact that (a) I make no commitment in favor of either (1) the grant, in a general statute, to a court of the power to authorize seizure, and subsequent operation, by the President of an industry in case of threatened or actual strike or lock-out or (2) a requirement of the emergency board that it make recommendations; and I reserve the right to act upon such grant and requirement in such manner as, after further study, I shall deem proper and (b) I may conclude to present an amendment providing for appointment by the President, with confirmation by the Senate, of a general counsel, defining his duties and powers with possibly some limitation, not found in the Taft-Hartley law, as to said powers.

FORREST C. DONNELL.

On the question of seizure, I do not pretend to be an expert in any respect. It is a difficult problem for me. I have considered whether or not I should support the amendment offered by the Senator from Ohio and his associates, of whom I am one. I am sure that he will recall that when I joined in the amendment I distinctly told him, in substance, that I was reserving the right, should I conclude that I wanted to oppose seizure, to do so without involving any inconsistency in my action.

I have considered the question. To my mind certain safeguards are thrown around the seizure. I am not certain whether they are sufficient. I am of the opinion that they constitute the best provisions which are before us for present consideration.

In the first place, no outright power of seizure is vested in the President by the Taft amendment. If he has any independent power, that is another matter; but so far as the Taft amendment is concerned, what he has power to do is to cause the request to be made of the court for authority to take immediate possession and to operate the industry. In order to grant this relief, the court is required to make the findings to which I have previously referred, and which I shall not reiterate.

We have before us a very interesting situation—interesting from an economic, legal, and legislative standpoint. We have the Thomas amendment, the Douglas-Aiken amendment, the Ives amendment, and the Taft amendment. I have tried to indicate my views as to why I favor the Taft amendment, of the four. I believe that it should be adopted, with due consideration for the welfare of our Nation.

Mr. LUCAS. Mr. President, will the Senator yield for a brief question?

Mr. DONNELL. I yield.

Mr. LUCAS. On page 57 of the Taft substitute, with which the Senator from Missouri has associated himself, section 207 read as follows:

SEC. 207. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

In view of the very vigorous argument which the Senator has made in behalf of injunction, why was it that the employees under the Railway Labor Act were exempted from the injunction procedure?

Mr. DONNELL. I am unable to give the Senator an answer historically. I may say that, in view of the point made in the Mediation Board report, I think the Railway Labor Act should be reexamined by the Congress with a view to determining whether or not it should be amended. I think it has been the general view of the Senate and of the entire Congress in the past that railway labor should be dealt with in a separate category, as compared with other labor. That course was determined upon in connection with the Taft-Hartley Act, and to my mind it is advisable for us to continue that differentiation, although, particularly in view of what I have read from the Mediation Board's report, I believe there should be further study and consideration of whether there should be an amendment of the Railway Labor Act.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. LUCAS. I think the Senator will agree with me that if the transportation system of the Nation were paralyzed, the health and safety of the Nation would be imperiled.

Mr. DONNELL. I do.

Mr. LUCAS. It is perhaps the No. 1 example of an industry in which a complete strike and tie-up, causing a transportation paralysis, would result in a national emergency. However, notwithstanding that fact, the Taft-Hartley Act, as enacted 2 years ago, and the present Taft amendment exempt employees who come under the Railway Labor Act. I am curious about that exemption.

I wish to state that I am opposed to the exercise of the injunctive power, and I will not vote for its application at all. However, if in the view of various other Senators the injunction is as important as it has so vigorously been stated to be by the Senator from Missouri during the debate this afternoon, I wonder why railway labor is excluded from the provisions of either the Taft-Hartley Act or the Taft amendment.

Mr. DONNELL. Mr. President, it is not only with respect to the injunctive features that the Taft-Hartley Act or the Taft amendment do not apply to railway labor. As I recall, the provisions of that act do not apply at all to railway labor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. TAFT. Two years ago, at the time of the enactment of the Taft-Hartley Act, the Railway Mediation Act was in existence. We did not undertake to deal with it at all; we left it entirely alone.

We must also consider the fact that there is still on the statute books a law, passed during the World War, giving the President the power to seize the railroads. Only recently—within a year—the President seized the railroads, under that act, and obtained an injunction. I do not know whether he had a right to get the injunction, but it was granted. In the case of the second railroad strike, as the Senator may remember——

Mr. LUCAS. Yes, I remember.

Mr. TAFT. In that case, in which Alvanley Johnston and Mr. Robertson were involved, Judge Goldsborough issued an injunction. I always had doubt about his right to issue it. Nevertheless, under the railroad case, the President has the power of seizure and the power of injunction.

I agree with the Senator that I think we probably should reexamine the whole Railway Mediation Act. As a matter of fact, in the year 1948 the joint committee appointed under the Taft-Hartley Act held hearings on that question.

However, this year we did not wish to make a change in the Taft-Hartley Act so as to extend it to fields it did not already cover. We felt we would have difficulty enough in preserving that act as it is, without attempting to extend it to new fields.

Mr. LUCAS. I agree as to that.

As I have said, I am definitely opposed to the application of the injunctive power, as proposed by the Taft amendment. But in view of the injunctive procedure provisions on the statute books at the present time, it seems to me that since there is so much concern on the part of some Senators about the application of the injunctive process, and since all of us know that if the transportation system of the United States were paralyzed by strike, the national health and safety would be imperiled—in fact, perhaps more so than by any other strike action I can think of—if Senators really wish to have the injunctive power applied to important cases, I do not see why the railroad employees should be exempted. It seems to me that the entire field should be covered, in such case, rather than to omit a single group.

In the debate there has been much reference to the mine workers and to the mine cases. Of course, it is unquestionably true that those cases brought the issue to the fore. On the other hand, the railway workers have gotten along very well for a number of years under the Railway Labor Act, and perhaps that is the reason for exempting them in this case. If, however, I were as interested as are the Senator from Missouri and the Senator from Ohio in injunctions and the necessity for them in the case of national emergencies, I would try to do a complete job and have injunctions apply to the entire field, rather than to do a piecemeal job.

Mr. DONNELL. Mr. President, I yield the floor.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until Monday, June 20, 1949, at 12 o'clock meridian.

SENATE

MONDAY, JUNE 20, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, whose ear is always open to the cry of contrite hearts, our voice shalt Thou hear in the morning, O God: In the morning will we direct our prayer unto Thee and look up. Consecrate with Thy presence the way our feet may go, and the humblest work will shine, and the roughest places will be made plain.

Touch with live coals from off the altar of devotion the lips of these Thy servants who speak for so many and whose words are freighted with the power of life or of death. May those who have been called to administer the affairs of this Nation make daily choice of spiritual integrity amid the corruption that is in the world through the lust of power, that, being unafraid, they may contend steadfastly for the right as Thou dost give them to see the right.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 17, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 16, 1949:

S. 165. An act for the relief of William F. Thomas.

On June 17, 1949:

S. 189. An act conferring jurisdiction upon the United States District Court for the District of Nebraska to hear, determine, and render judgment upon the claim of Mrs. Florence Benolken.

LEAVE OF ABSENCE

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the senior Senator from Louisiana [Mr. ELLENDER] be excused from attendance at sessions of the Senate for the next several weeks, in order that he might attend the Second World Health Organization Assembly which is to convene at Rome, Italy. The Senator from Louisiana will be absent on official business, having been appointed an adviser to the United States delegation to the assembly.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Murray
Baldwin	Humphrey	Neely
Bricker	Hunt	O'Mahoney
Bridges	Ives	Pepper
Butler	Jenner	Reed
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Chapman	Johnston, S. C.	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Knowland	Sparkman
Donnell	Langer	Taft
Douglas	Long	Taylor
Downey	Lucas	Thomas, Okla.
Eastland	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McClellan	Tobey
Frear	McFarland	Tydings
Fulbright	McGrath	Watkins
George	McKellar	Wherry
Gillette	Magnuson	Wiley
Graham	Malone	Williams
Gurney	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	
Hill	Millikin	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from West Virginia [Mr. KILGORE] are absent on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly to convene at Rome, Italy.

The Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON] and the Senator from South Dakota [Mr. MUNDT] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Maine [Mr. BREWSTER] and the Senator from Massachusetts [Mr. LODGE] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present routine matters for the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REVISED ESTIMATE, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 87)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a revised estimate of appropriation involving an increase of $68,000, for the Department of the Interior, fiscal year 1950, in the form of an amendment to the budget, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Connecticut; to the Committee on Labor and Public Welfare:

"Resolved by this assembly:

"Whereas the United States Government is about to construct a veterans' hospital in West Haven, Conn.; and

"Whereas Connecticut has a distinguished son who gave his life in action for our country; and

"Whereas Connecticut's distinguished son was awarded the Medal of Honor, the Nation's highest award, for the act which resulted in his death; and

"Whereas there is legislation pending before the Congress of the United States which, if enacted, would name the proposed veterans' hospital in honor of Connecticut's distinguished American; and

"Whereas the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and other veteran organizations have gone on record as favoring enactment of such legislation: Now, therefore, be it

"Resolved, That the Senate of the General Assembly of Connecticut, the House of Representatives concurring therein, do urge and recommend that the Congress of the United States immediately enact H. R. 3787 and S. 1387, both of which provide that the proposed veterans' hospital at West Haven, Conn., be officially known and designated on the public records as the John D. Magrath Memorial Veterans' Hospital after the East Norwalk, Conn., youth of that name who was killed in action in his twentieth year of age, on April 14, 1945, for which act his country gave its highest award, the Medal of Honor; be it further

"Resolved, That copies of this resolution be sent to the President of the United States, the Vice President of the United States, the Speaker of the United States House of Representatives, the chairman of the United States Senate Committee on Labor and Public Welfare, the chairman of the United States House of Representatives Committee on Veterans' Affairs, and each Senator and Representative in the Congress from Connecticut, and that each be requested to exert their individual and combined efforts to have the aforementioned bills enacted into law.

"Given under my hand and the seal of the State, this 9th day of June, in the year of our Lord 1949.

"CHESTER BOWLES,
"Governor.

"By His Excellency's command:

"WINIFRED MCDONALD,
"Secretary."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Appropriations:

"Joint resolution requesting the Congress of the United States of America to provide funds for transportation of civilian workers to the continental United States

"Whereas the armed services and divers companies and individuals having contracts therewith have from time to time recruited workers in th continental United States to perform services in the Territory of Hawaii; and

"Whereas the armed services and said contractors have terminated the employment of many such workers, and the latter have been unable to find other employment; and

"Whereas it is believed a substantial number of such unemployed workers desire to return to their homes in the continental United States but do not have sufficient funds for transportation for themselves and their dependents; and

"Whereas the return of such workers to localities where their skills can be utilized and they can support themselves and their families would be for the best interests of the Territory of Hawaii and the United States: Now therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. That the Congress of the United States of America be and it is hereby respectfully requested to provide funds for the transportation from the Territory of Hawaii to the place of recruitment of unemployed civilian workers who were recruited in the continental United States by the armed services and their contractors and of the dependents of such workers.

"SEC. 2. That certified copies of this joint resolution shall be transmitted to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, to the Secretary of Defense, and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 24th day of May A. D. 1949.

"INGRAM M. STAINBACK,
"Governor of the Territory of Hawaii."

A resolution adopted by the Sisterhood of the Spanish and Portuguese Synagogue, of New York, N. Y., protesting against the enactment of legislation which would change the present calendar; to the Committee on Foreign Relations.

Petitions of sundry citizens of the United States, relating to a peace treaty with Germany, etc.; to the Committee on Foreign Relations.

A resolution adopted by the Pennsylvania Society, United States Daughters of 1812, at its fifty-third annual State council, Pittsburgh, Pa., relating to the correct use of the flag; to the Committee on the Judiciary.

A petition signed by sundry citizens of the United States, members of the National Council of Presbyterian Women, assembled in a leadership-training school at Cazenovia, N. Y., relating to the displaced persons law; to the Committee on the Judiciary.

A resolution adopted by the National Council of the Boy Scouts of America, of New York, expressing appreciation to the Congress for the cooperation and support rendered the council during the year; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Milwaukee County (Wis.) Dental Society, and the Philadelphia (Pa.) District Dental Hygienists' Association, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Minnehaha Grange, No. 164, of Vancouver, Wash., favoring the enactment of legislation providing a Columbia Valley Administration; to the Committee on Public Works.

By Mr. BUTLER:

A resolution of the Legislature of the State of Nebraska; to the Committee on the Judiciary:

"Legislative Resolution 32

"Resolution memorializing the Congress of the United States for the calling of a convention to propose an amendment to the Constitution of the United States

"Whereas article V of the Constitution of the United States reads in part as follows: 'The Congress * * * on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States'; and

"Whereas the Legislature of the State of Nebraska, in view of the increasing tax problems of the State, caused in large part by the invasion of tax sources by the Federal Government, believes that its problems as well as the problems of other States similarly situated, can be solved only by some restraint upon present unrestrained exercise of the taxing power by the Federal Government; and

"Whereas the Federal Government is using and has been using for a number of years the taxing power to produce revenue beyond a legitimate necessity of a Federal Government, other than defense needs, and has been using the funds so raised to invade the province of legislation of the States and to appropriate in many fields that which amounts to a dole to the States of the money raised therefrom to accomplish many purposes, most of them worthy, but by the described process making the money available only under conditions which result in a control by the Federal Government from centralized agencies in Washington, in many cases unfit, and in other cases unable to administer the laws according to the local needs because of varying conditions in the country as a whole; resulting in inequities in the administration of the very benefits purported to be granted; and

"Whereas State and local needs are disadvantaged because the people are already taxed far beyond the real need for any purpose other than forcing the centralization of all government in Washington; and

"Whereas the framers of the Constitution of the United States clearly foresaw the possibility of a condition similar to that herein described, and made provision in the Constitution for safeguarding the States against any oppression or invasion of rights by the Federal Government: Now, therefore, be it

"Resolved by the members of the Nebraska Legislature in sixty-first session assembled:

"1. That the Nebraska State Legislature hereby and pursuant to article V of the Constitution of the United States, makes application to the Congress of the United States to call a convention for the proposing of the following amendment to the Constitution of the United States:

"'ARTICLE —

"'SECTION 1. The power to levy taxes and appropriate the revenues therefrom heretofore granted to the Congress by the States in the several articles of this Constitution is hereby limited.

"'SEC. 2. This article shall be in effect except during a state of war, hereafter declared, when it shall be suspended. The suspension thereof shall end upon the termination of the war but not later than 3 months after the cessation of hostilities, whichever shall be earlier. The cessation of hostilities may be declared by proclamation of the President or by concurrent resolution of the Congress or by concurrent action of the legislatures of 32 States.

"'SEC. 3. Notwithstanding the provisions of article V, this article may be suspended for a time certain or amended at any time by concurrent action of the legislatures of three-fourths of the States.

"'SEC. 4. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid 25 percent of all taxes collected by authority derived from the sixteenth amendment to this Constitution, except as provided in section 5, and 25 percent of all sums collected by the United States from any other tax levied for revenue.

"'SEC. 5. There shall be set aside in the Treasury of the United States a separate fund into which shall be paid all sums received from taxes levied on personal incomes in excess of 50 percent thereof and from taxes levied on income or profits of corporations in excess of 38 percent thereof.

"'SEC. 6. Before paying any sums into the funds created by sections 4 and 5 hereof, the Treasurer of the United States shall deduct therefrom 20 percent which shall be used in payment of the principal of the national debt of the United States.

"'SEC. 7. No tax shall hereafter be imposed on that portion of the incomes of individuals which does not exceed, in the case of unmarried persons the sum of $600 per annum, and in the case of married persons the sum of $1,200 per annum jointly. A minimum deduction of $600 per annum shall be allowed for each dependent.

"'SEC. 8. The Treasurer of the United States shall once in each year, from the separate fund created by section 4 hereof, pay to each of the several States one-fourth of 1 percent of said fund and from the remainder of said fund shall pay to each State a portion of such remainder determined by the population of each State in ratio to the entire population of the several States according to the last Federal decennial census or any subsequent general census authorized by law.

"'SEC. 9. The Treasurer of the United States shall, from the separate fund created by section 5 hereof, pay to each State, once in each year, a sum equal to the amount of money in such fund which was collected from persons or corporations within such State.

"'SEC. 10. Any sums paid hereunder to the several States shall be available for appropriation only by the legislatures thereof. The legislatures may appropriate therefrom for any purpose not forbidden by the constitutions of the respective States and may appropriate therefrom for expenditures within the States for any purpose for which appropriations have heretofore been made by the Congress except such purposes as are specifically reserved by this Constitution for the exclusive power of the Congress. The people of each State may limit the expenditures of funds herein made available to the legislature, but shall not direct the appropriation thereof.

"'SEC. 11. Each legislature shall have power by rule or resolution to provide for the assembly thereof in special sessions for the purpose of considering amendments to, the suspension of, or the ratification of amendments proposed to this article.

"'SEC. 12. Each legislature shall have power to elect one or more persons to represent such legislature in any council or convention of States created by concurrent action

of the legislatures of 32 States for the purpose of obtaining uniform action by the legislatures of the several States in any matters connected with the amendment of this article.

" 'SEC. 13. The Congress shall not create, admit, or form new States from the territory of the several States as constituted on the 1st day of January 1949, and shall not create, form, or admit more than three States from the territories and insular possessions under the jurisdiction of the United States on the 1st day of January 1949, or from territory thereafter acquired without the express consent of the legislatures of three-fourths of the several States.

" 'SEC. 14. On and after January 1, 1949, the dollar shall be the unit of the currency. The gold content of the dollar as fixed on January 1, 1949, shall not be decreased.

" 'SEC. 15. Concurrent action of the legislatures of the several States as used herein shall mean the adoption of the same resolution by the required number of legislatures. A limit of time may be fixed by such resolution within which such concurrent action shall be taken. No legislature shall revoke the affirmative action of a preceding legislature taken therein.

" 'SEC. 16. During any period when this article is in effect the Congress may, by concurrent resolution adopted by two-thirds of both Houses wherein declaration is made that additional funds are necessary for the defense of the Nation, limit the amount of money required by this article to be returned to the several States. Such limitation shall continue until terminated by the Congress or by concurrent action of a majority of the legislatures of the several States. Upon termination of any such limitation the Congress may not thereafter impose a limitation without the express consent by concurrent action of a majority of the legislatures of the several States.

" 'SEC. 17. This article is declared to be self-executing.'

"2. That attested copies of this resolution be sent to the presiding officers of each House of the Congress and to each member of the Nebraska delegation in Congress, and that printed copies thereof, showing that said resolution was adopted by the Legislature of Nebraska, be sent to each house of each legislature of each State of the United States.

"3. That this application hereby made by the Legislature of the State of Nebraska shall constitute a continuing application in accordance with article V of the Constitution of the United States until at least two-thirds of the legislatures of the several States shall have made similar applications pursuant to said article V.

"4. That since this is an exercise by a State of the United States of a power granted to it under the Constitution, the request is hereby made that the official Journals and RECORD of both Houses of Congress, shall include the resolution or a notice of its receipt by the Congress, together with similar applications from other States, so that the Congress and the various States shall be apprised of the time when the necessary number of States shall have so exercised their power under article V of the Constitution.

"5. That since this method of proposing amendments to the Constitution has never been completed to the point of calling a convention and no interpretation of the power of the States in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise and since the power to use such right in full also carries the power to use such right in part the Legislature of the State of Nebraska interprets article V to mean that if two-thirds of the States make application for a convention to propose an identical amendment to the Constitution for ratification with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment and would be limited to such proposal and would not have power to vary the text thereof nor would it have power to propose other amendments on the same or different propositions.

"6. That the Legislature of the State of Nebraska does not, by this exercise of its power under article V, authorize the Congress to call a convention for any purpose other than the proposing of the specific amendment which is a part hereof; nor does it authorize any representative of the State of Nebraska who may participate in such convention to consider or to agree to the proposing of any amendment other than the one made a part hereof.

"7. That by its actions in these premises, the Legislature of the State of Nebraska does not in any way limit in any other proceeding its right to exercise its power to the full extent.

"8. That the Congress, in exercising its power of decision as to the method of ratification of the proposed article by the legislatures or by conventions, is hereby requested to require that the ratifications be by the legislatures.

"Adopted by a majority vote of the legislature, May 25, 1949."

By Mr. PEPPER:

A joint resolution of the Legislature of the State of Florida; to the Committee on Interstate and Foreign Commerce:

"House Memorial 1422

"Memorial to petition the Federal Communications Commission to prohibit the use of radio stations to make instantaneous broadcasts on horse and dog races

"Whereas this legislature has recently enacted a law prohibiting the furnishing of private wire service to be used to communicate information relating to horse racing, race track, race horse, betting, betting odds, or similar information used for gambling purposes; and

"Whereas certain radio stations in Miami are engaged in giving instantaneous broadcasts of this information thus rendering the recently enacted law ineffective; and

"Whereas it is the desire of this legislature to stop unauthorized gambling and cut off the source of information, without which these gambling operations cannot be carried on; and

"Whereas unless this radio broadcasting is curtailed or restricted the efforts to stop unauthorized gambling will be greatly hampered and the passage of the act prohibiting the furnishing of private wire service will have been only an idle gesture in that the gambling interests will be able to do by radio what they are forbidden to do by wire: Now, therefore, be it

"Resolved by the Legislature of the State of Florida:

"1. The Federal Communications Commission is hereby memorialized to make or cause to be made a thorough investigation of the use of radio stations in this State and particularly in the Miami area in giving instantaneous broadcasts of horse racing, race tracks, dog and horse races, betting, betting odds, or similar information used for gambling purposes thus furnishing the gambling interests of this State information which they cannot now legally receive by wire and greatly hampering the efforts of this State to stop unauthorized and illegal gambling.

"2. The secretary of state, of Florida, is directed to send a duly certified copy of this memorial to the Federal Communications Commission and to the Members of the Congress of the United States from this State.

"Approved by the Governor, June 9, 1949.

"Filed in office, secretary of state, June 9, 1949."

PROHIBITION OF LIQUOR ADVERTISING—PETITION

Mr. MAGNUSON. Mr. President, I present for appropriate reference a petition forwarded to me by Mrs. Artie M. Reeves, of Everett, Wash., and signed by 97 citizens of Everett, relating to the provision of liquor advertising in interstate commerce, and I ask unanimous consent that it be appropriately referred and printed in the RECORD without the signatures.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, without the signatures, as follows:

To Our Senators and Representatives in Congress:

Inasmuch as the alcoholic-beverage traffic is making a planned and concerted attempt to infiltrate the American home through alcoholic-beverage advertising, particularly with such advertisements as the Home Life in America series in publications particularly devoted to and circulating in the American home, with disastrous effects in neglect of children by drinking mothers and an alarming increase in juvenile delinquency. We respectfully urge upon you the responsibility of Congress to meet this dangerous challenge to the American way of life by legislation outlawing alcoholic beverage advertising over the air and through the channels of interstate commerce.

We urge consideration and support of the Bryson bill, H. R. 2428, and a Senate counterpart of that measure.

FEDERAL CORRECTIONAL INSTITUTION AT SANDSTONE, MINN.—RESOLUTION OF PINE COUNTY (MINN.) BOARD OF COMMISSIONERS

Mr. HUMPHREY. Mr. President, I present for appropriate reference a resolution adopted by the Board of Commissioners of Pine County, Minn., relating to the Federal correctional institution at Sandstone, Minn., and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas the Federal correctional institution at Sandstone, Minn., was erected and completed in the year 1939 at a cost of approximately $4,500,000; and

Whereas from the year 1939 to October 1947 it was in operation as a Federal correctional institution with a personnel of about 115; and

Whereas in October of 1947 it was reduced to the status of a prison farm, with a personnel of about 35; and

Whereas it has now been closed, with the exception of about three caretakers or guards; and

Whereas it is inconceivable that this institution, with a value at present construction costs of perhaps $9,000,000, should be idle with resultant deterioration and depreciation when the institutions of the State of Minnesota are crowded and inadequate; and

Whereas it is apparent from a recent inspection made that necessary adjustments could be made by the State to the buildings at moderate cost: Now, therefore, be it

Resolved, That we, the Pine County Board of Commissioners, duly assembled, do hereby request the Congress of the United States to place a lease value or outright purchase value on the aforesaid institution to the State of Minnesota; and be it further

Resolved, That copies of this resolution be transmitted to Senator THYE and Senator

HUMPHREY, and to each Member of the House of Representatives elected from the State of Minnesota.

ACQUISITION AND CONSTRUCTION BY CITY OF DULUTH, MINN., OF CERTAIN BRIDGES

Mr. HUMPHREY. Mr. President, I present for appropriate reference a letter from the city attorney, together with a joint statement by the mayor and president of the city council and a resolution adopted by the city council, all of Duluth, Minn., relating to the enactment of Senate bill 2002, providing a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes, and I ask unanimous consent that the letter, joint statement, and resolution be printed in the RECORD.

There being no objection, the letter, joint statement, and resolution were referred to the Committee on Public Works and ordered to be printed in the RECORD, as follows:

THE CITY OF DULUTH,
Duluth, Minn., June 15, 1949.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: I enclose herewith a certified copy of the joint statement of Mayor George W. Johnson, of the city of Duluth, Minn., and George A. Erickson, president of the City Council of the City of Superior, Wis., dated June 14, 1949, and a certified copy of the unanimous resolution of the five-member City Council of the City of Duluth adopted at the regular midweek meeting of the city council held today, the resolution approving S. 2002 and the joint statement. These I am sure you will find self-explanatory.

I know that you will follow this matter through with your usual promptness and courtesy.

In the meantime, may I remain, as ever,
Most cordially yours,

HARRY E. WEINBERG,
City Attorney.

Resolution of the City Council of the City of Duluth, Minn., favoring enactment of S. 2002, "A bill to provide a method of financing the acquisition and construction by the City of Duluth of certain bridges across the St. Louis River, and for other purposes," and approving the joint statement by Mayor George W. Johnson of the the city of Duluth, Minn., and George A. Erickson, president of the City Council of the City of Superior, Wis., dated June 14, 1949.

Resolved by the City Council of the City of Duluth, Minn., That it favors the enactment by the Senate and House of Representatives of the United States of America, of S. 2002, entitled: "A bill to provide a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River, and for other purposes"; and be it further

Resolved, That the joint statement by Mayor George W. Johnson of the city of Duluth, Minn., and George A. Erickson, president of the City Council of the City of Superior, Wis., dated June 14, 1949, be and the same is hereby approved; and that such joint statement is by reference thereto incorporated and made part of this resolution with like force and effect as if such written statement had been here set out in full; and be it further

Resolved, That the city clerk is hereby directed to mail a certified copy of this resolution and a certified copy of the joint statement to the Honorable EDWARD J. THYE, United States Senate, the Honorable HUBERT H. HUMPHREY, United States Senate, and the Honorable JOHN A. BLATNIK, Representative in Congress, Washington, D. C.; and be it further

Resolved, That the city council hereby requests the Minnesota delegation in the Senate and the House of Representatives in Congress to give its support to the enactment into law of S. 2002; and be it further

Resolved, That Congressman BLATNIK be, and he hereby is, requested to introduce in the House a companion bill to S. 2002.

Approved June 15, 1949.

G. W. JOHNSON,
Mayor.

Joint statement by Mayor George W. Johnson, of the city of Duluth, Minn., and George A. Erickson, president of the City Council of the City of Superior, Wis.

JUNE 14, 1949.

To the Honorable EDWARD J. THYE,
United States Senate:

For many years the city of Duluth and the city of Superior have been desirous of having a toll-free bridge between the two cities. At the time when the first Bridge Act was passed in 1894, it was contemplated that when the bridge built under authority of the act of Congress approved April 24, 1894, was paid for, it should become toll-free.

About 10 years ago people of Duluth and people of Superior became quite vitally interested in a long-range intercommunity program looking toward the acquisition of the Duluth and Superior Bridge and the Arrowhead Bridge which now span the St. Louis River, and the construction of a high-level bridge across this river between the two cities.

In 1939 the city of Duluth had plans under way for the construction of a high-level bridge across the St. Louis River, the program contemplating aid under the Public Works Administration program. Before this plan could be brought to the blueprint stage, World War II intervened, and it became impossible to obtain materials for the construction of the birdge.

In 1945 the people of the city of Superior, at a special election, by a vote of 4 to 1, gave the governing body of that city a mandate to cooperate with the city of Duluth in a bridge program having for its objective the construction of a high-level bridge across the St. Louis River between Duluth and Superior, and the acquisition of either or both of the existing bridges, as the one or the other should prove to be the most advantageous to the cities and the public.

In 1946, by concurrent action taken by the cities of Duluth and Superior, through their respective governing bodies, a Duluth-Superior Bridge Commission was established. This commission consists of the five-member council of the city of Duluth and five representatives from the city of Superior, four of whom are members of the city council and the other being a member of the Superior Harbor Commission.

The Duluth-Superior Bridge Commission held many meetings and conferences which finally resulted in the hiring by the city of Duluth of the firm of Howard, Needles, Tammen Bergendoff, of Kansas City, Mo., as consulting engineers, to plan and supervise the acquisition of either or both of the existing bridges and the construction of a high-level bridge. The engineers are now engaged in an examination of the physical soundness of the Duluth and Superior Bridge, and an appraisal of its value.

The city of Duluth and the city of Superior, acting on advice of the Duluth-Superior Bridge Commission, are now studying the problem of engaging a fiscal agent to submit plans for the financing of the construction of a high-level bridge, and the acquisition of the one or the other or both of the existing bridges.

When S. 2002, which you introduced on June 7, becomes law, the city of Duluth and the city of Superior will be able to proceed with the construction or acquisition of the bridges as outlined above without being hampered by present deficiencies in the law.

The construction of a high-level bridge will in no way interfere with navigation, and will put a stop to innumerable, expensive, and vexatious delays experienced by individuals and industry when motor vehicles are held up many times each day during navigation season for periods of from 5 minutes to a half hour when the span is opening for the passage of vessels.

The acquisition of the Duluth and Superior Bridge is essential as a part of the financing program for the construction of the high-level bridge. We have been informed by bond house representatives that it would be more difficult and more expensive to finance the construction of a high-level bridge if the Duluth and Superior Bridge were to continue indefinitely under private ownership.

Both the city of Duluth and the city of Superior have interviewed the Commissioner of Highways of the State of Minnesota and the Highway Commission of the State of Wisconsin, with a view in mind that at some time in the near future these two State authorities shall take the high-level bridge over and operate it entirely as a toll-free bridge out of revenues furnished by each of the States.

We, George W. Johnson, as mayor of the city of Duluth, and George A. Erickson, as president of the City Council of the City of Superior, are pleased to advise you that we will hold ourselves subject to call upon due notice given to appear in behalf of this program before any Senate or House committee assigned to hold hearings on S. 2002.

Respectfully submitted.

GEORGE W. JOHNSON.
GEORGE A. ERICKSON.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TAYLOR, from the Committee on Banking and Currency:

S. 1069. A bill to amend section 3552 of the Revised Statutes relating to the covering into the Treasury of all moneys arising from charges and deductions; without amendment (Rept. No. 519).

By Mr. CHAVEZ, from the Committee on Public Works:

S. Res. 123. Resolution increasing the limit of expenditures for investigations by the Committee on Public Works; without amendment (Rept. No. 520); and, under the rule, referred to the Committee on Rules and Administration.

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 52. A bill to authorize the appointment of additional circuit and district judges; with amendments (Rept. No. 545);

S. 111. A bill for the relief of Mrs. Pearl Shizuko Okada Pape; with an amendment (Rept. No. 541);

S. 204. A bill for the relief of Eugenio Maisterrena Barreneche; with an amendment (Rept. No. 542);

S. 317. A bill for the relief of Margita Kofler; with an amendment (Rept. No. 543);

S. 330. A bill for the relief of George Gabriel Herrmann, Greta (Marketa) Herrmann (wife), and Alice Herrmann (daughter); with amendments (Rept. No. 546);

S. 377. A bill for the relief of Ernest J. Jenkins; without amendment (Rept. No. 521);

S. 905. A bill for the relief of John Sewen; without amendment (Rept. No. 522);

S. 976. A bill for the relief of Vartan Chamsarian; without amendment (Rept. No. 523);

S. 1087. A bill for the relief of Leon Nikolaivich Volkov; without amendment (Rept. No. 524);

S. 1915. A bill for the relief of Viktor A. Kravchenko; without amendment (Rept. No. 525);

H. R. 623. A bill for the relief of Sadako Takagi; with an amendment (Rept. No. 544);

H. R. 682. A bill for the relief of the legal guardian of Elliott Hewitt; without amendment (Rept. No. 527);

H. R. 709. A bill for the relief of the General Engineering & Dry Dock Corp.; without amendment (Rept. No. 528);

H. R. 1042. A bill for the relief of Hoy C. Wong; without amendment (Rept. No. 529);

H. R. 1116. A bill for the relief of Mexican Fibre & Twine Co., Inc.; without amendment (Rept. No. 530);

H. R. 1131. A bill for the relief of James Fred Girdley and Percy Bridgewater; without amendment (Rept. No. 531);

H. R. 1173. A bill for the relief of Florence Bryand Peters and E. B. Peters; without amendment (Rept. No. 532);

H. R. 1297. A bill for the relief of Alvin G. Patton; without amendment (Rept. No. 533);

H. R. 1470. A bill for the relief of the estate of James F. Delahanty, deceased; without amendment (Rept. No. 534);

H. R. 1496. A bill for the relief of Mrs. Thelma Lee Rynaard; without amendment (Rept. No. 535);

H. R. 1676. A bill for the relief of Thomas M. Bates; without amendment (Rept. No. 536);

H. R. 2349. A bill for the relief of Col. Wlodzimierz Onacewicz; without amendment (Rept. No. 537);

H. R. 3077. A bill for the relief of Mrs. Rebecca Levy; without amendment (Rept. No. 538);

H. R. 3127. A bill to authorize the admission into the United States of Jacob Gross, a minor; without amendment (Rept. No. 539); and

H. R. 3812 A bill for the relief of Myrtle Ruth Osborne, Marion Walts, and Jessie A. Walts; without amendment (Rept. No. 540).

By Mr. McGRATH, from the Committee on the Judiciary:

S. 784. A bill for the relief of the First, Second, and Third National Steamship Cos.; without amendment (Rept. No. 548).

By Mr. BUTLER, from the Committee on Interior and Insular Affairs:

S. 1330. A bill to authorize the sale of certain allotted inherited land on the Winnebago Reservation, Nebr.; without amendment (Rept. No. 547).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

S. 1323. A bill to declare that the United States holds certain lands in trust for the Pueblo Indians and the Canoncito Navajo group in New Mexico, and for other purposes; with an amendment (Rept. No. 549); and

S. 1407. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and the better utilization of the resources of tthe Navajo and Hopi Indian Reservations, and for other purposes; with amendments (Rept. No. 550).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. McCARRAN. From the Committee on the Judiciary, I report an original concurrent resolution, favoring the suspension of deportation of certain aliens, and I submit a report (No. 526) thereon.

The VICE PRESIDENT. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 48) was ordered to be placed on the calendar, as follows:

Senate Concurrent Resolution 48

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6447804, Abstender, Toni (nee Polinovski).

A-4477916, Alexander, Emanuel or Hagiorgio or Hagiorgio.

A-4899453, Allen, Bessie Helen or Della Helen Allen (nee Rosenberg).

A-6855171, Alvarez, Guadalupe de Melendrez.

A-6985580, Andazola, Juan.

A-2752070, Anderson, John Ingvald or Ingvald Johan Navdahl.

A-6505464, Anderson, Roy Almanson Kenneth or Kenneth Almanson.

A-4263708, Arkaledis, John or John Harry Arkaledis or Harry Arkaledis or John Estratios Arkaledis.

A-6644043, Arnesen, Olaug Rodseth.

A-6644073, Arnesen, Jacob or Jakob Arnesen.

A-2132750, Atondo-Atunez, Ismael or Ismael Atondo.

A-6800456, Ayala-Padilla, Reynaldo, alias Leopoldo Martinez.

A-6853371, Balanikas, Kyparissos Apostolou or Vallas, Paris.

A-6075308, Ball, Consolacion Legaspi.

A-4936219, Beblavy, Betty or Elizabeth (nee Esslinger).

A-3329071, Bekridakis, Dimitrios or Dimitris Georgios Bikrisakis or James George Bekridakis or James Bikridakis.

A-2594501, Bieggar, Paula Davila De (nee Davila).

A-4645698, Bilenchi, Henry.

A-6555471, Bocko, Heather Mary or Heather Mary Gill.

A-6262201, Bouloukos, Panagiotis Athanasios.

A-9743863, Brazel, William Wilfred.

A-6606024, Breceda, Jorge or Jorge Bustamante or Jorge Braseda-Bustamante.

A-5930534, Brown, Benjamin Nelson.

A-4079500, Brown, Margaret Jane or Margaret Jane McFarland or Margaret Jane McDougall or Margaret Jane Carson.

A-3444192, Burdsall, William Henry or Henry Burdsall or William MacLaughlin or Hugh Cunningham.

A-4640131, Burk, Willi Hans.

A-7754249, Caceres, Eduardo.

A-7754250, Caceres, Denise Guislain (nee Denise Guislain).

A-4209751, Campbell, Olive (nee Olive Lancaster).

A-4178096, Campbell, William Henry.

A-3185069, Caiozzo, Giuseppe.

A-4731011, Carnahan, Rose Bedrosian (nee Vartanian).

A-4447087, Casper, William Gunther.

A-6510467, Catalanotto, Giuseppa.

A-6510466, Catalanotto, Francesca.

A-5486517, Chao, Si-Tsan.

A-7790014, Chaverri, Mariano Rafael.

A-4859736, Checkanow, Jacob Meyer or Jankiel Majer Ciechanowiecki.

A-2468532, Cowie, Peter Sutherland or Peter Sutherland.

A-7751884, Crosbie, Keith Desmond.

A-1376490, Cruz-Celestino, Santos De La.

A-6904525, D'Angelo, Edgardo.

A-6929876, D'Angelo, Ermenegildo.

A-6679157, Dawson, Mary Cruthers (nee Grindley).

A-6509213, Delgado, Angel Guillermo.

A-6509211, Delgado, Maria Concepcion Vicenta Paulina.

A-7750737, De Morgner, Hilda Elizabeth (nee De Leon Taracena).

A-4378318, De Villanueva, Antonio Gloria.

A-3469700, Dimotsis, George Michael or Georgios Michel Dimotsis.

A-6873499, Dunn, Peter Martyn Bosco.

A-4010402, Edwards, Vee-Tsung.

A-3951971, Feinstein, Pinichas or Paul Fine or Artur Rommel.

A-6830234, Fickett, Anne Marie.

A-7031611, Fitzgerald, Edward John Michael or Edward John Fitzgerald.

A-7031612, Fitzgerald, Thomas Patrick or Thomas Patrick Francis Fitzgerald or Thomas Fitzgerald.

A-3761670, Funk, Margaret Harms (nee Thiessen).

A-6628324, Gallant, George Henry.

A-1417970, Galliani, Salvatore.

A-3507908, Galliani, Clara Ivy (nee Bercovitz or Burke).

A-7044404, Garcia, Jesus.

A-1479470, George, Sylvia (nee Bondea or Bandea).

A-6247991, Georges, Panagiota or Pota Georges or Panageota Tzortzis or Sarantoulias.

A-6724981, Gonzalez-Burruel, Roberto.

A-4723680, Goolnick, Frances.

A-1113489, Greenlow, Harvey Vincent.

A-6540805, Gromek, Michal.

A-2588502, Hsiao, Chinti or Sidney Chihti Hsiao.

A-5219553, Inn, Ruby Chan (Mrs.) or Mui Sing Chan.

A-3717024, John, Nicholas or Nicholas J. Marinos or Nicolaos Marions.

A-4338306, Jose, Antonio or Antonio Goseeph Ferreira.

A-1229647, Juhasz, Steve Istvan or Stephen Yuhasz.

A-6289275, Kadekian, John.

A-6289274, Kadekian, Souren.

A-4040644, Kadekian, Mary (nee Bartabetian).

A-6517168, Kairinen, Siiri Vilhelmina or Malin.

A-6437719, Kiipus, Alide (nee Alide Bender).

A-4471308, Klymkow, Anna or Anna Klemkow (nee Nakoneczna).

A-2989412, Kourtesis, Andreas or Andrew Peter Kurtesis or Andreas Koyrtesis.

A-4740756, Lairtoo, Arnott.

A-7787535, Lavengood, Gloria Muriel (alias Gloria Muriel De Leon).

A-2783513, Longo, Antonino or Anthony or Tony Longo.

A-5604785, Lopenz, Elizabeth Marie (nee Trzetrzewinska or Trzet).

A-6924777, Lucero, Pascual Raul or Pascual Lucero.

A-4760957, McGuire, Katherine or Katherine Morrisroe or Katherine Morris.

A-4060232, Madrigal, Jesus Garcia or Jesus Madrigal Garcia.

A-6771179, Maldonado-Arellano, Maria Isabell.

A-6770024, Maldonado-Arellano, Miguel.

A-6754511, Maldonado-Nieto, Miguel.

A-6425208, Mallen, Estela Alvarado (nee Romero).

A-3218363, Margado, Manuel Domingos.

A-6098668, Marques, Rafael or Rafael Marques Lucas.

A-3567772, Martinez, Macario or Nicolas Martinez.

A-4899827, Massarri, Bernardino.

A-5574168, Massarri, Maria (alias Mary Massari).

A-6501301, Matson, Ann Torrens.

A-6501299, Matson, Joan Marie.

A-6501300, Matson, Wendy Susette.

A-2575553, Matteo, Testino.

A-4352235, May, Frederick Ernst or Fred Ernst May.

A-2461097, Mayeda, George Isohachi or Isohachi Mayeda.

A-4731012, Medina, Aurora Aguilar (nee Aguilar).

A-1869168, Mei, Hua Chuen or Way Moy.

A-4791028, Mendez, Regina Moreno or Regina Moreno or Regina Moreno De Mendez.
A-4692655, Mendoza-Ortiz, Manuel or Manuel Mendoza.
A-6549165, Mercado, Eduardo Patrick or Edward Patrick Mercado.
A-6549153, Mercado, Ronald Vincent.
A-6848751, Monsivaiz, Elias or Elias Monsivaiz-Vasquez or Elias Monsivais or Elias Moncibais or Elias Monsivias.
A-4749106, Morgan, Gilta or Gertrude Morgan (alias Moreno, nee Schultz).
A-3596651, Napolitano, Gennaro.
A-5279252, Napolitano, Elisa.
A-6768534, Nesbitt, Geoffrey Anthony Peter or Geoffrey Anthony Nesbitt.
A-4320242, Nygard, Axel.
A-6527450, Ojeda-Garcia, Jose.
A-2479616, Olshin, Herman Boruch (alias Chaim Boruch Olszewski).
A-1375508, Opffer, Betty or Betty A'Beckett Chomley.
A-6702676, Ordona, Rodolfo Bonife or Rudolfo Bonife.
A-7035069, Padilla, Teresa Huerta or Teresita Huerta or Terry.
A-4566325, Parella, Giuseppe or Joe Dorio Parelle.
A-6241772, Patroane, Mary Jane.
A-3350703, Petro, Mina Christo.
A-6343694, Psomiadou, Afroditi V. (nee Sidiropoulou).
A-2823361, Purrone, Vincenzo or Jimmy Purrone.
A-5888500, Raffler, Eva Scheid.
A-1027062, Raiola, Ciro Jerry.
A-2663837, Ranjel, Ana Baron.
A-3185344, Richardson, George Donald (alias Donald George) Richardson or Donald Richardson or "Bill."
A-6465781, Robinson, Michael Ellis.
A-1357380, Rokos, Margaret Ermina or Margaret Singer (nee Margaret Ermina Ford).
A-4796702, Rosowski, Wilhelm or William Rosner.
A-5678316, Rottingen, Gerhard.
A-6948157, Rubio, Regino.
A-6948158, Rubio, Jose Luis.
A-9568304, Rundo, Tripo Philip.
A-6645147, Salazar, Marcos or Marcos Salazar-Vasquez.
A-6645146, Salazar, Sofia.
A-6645148, Salazar, Enriqueta.
A-6541783, Santiago, Carmelita Eliza (nee Newton or Carmen Carmelita Newton).
A-7044321, Scheer, Ryszard or Richard Scheer or Franciszek Saldak.
A-6507120, Schoedel, Levina Mary (nee Huff).
A-9526888, Simic, Jovo or John Simic.
A-6446340, Sharaay, Ahmed Mohamed or Ahmen Mohamed.
A-6799417, Slewigh, Regina Solveig.
A-7549717, Steinberg, Stella known as Hiltson (nee Holper, formerly Walker).
A-1386642, Stoffers, Walter or Walter Krause.
A-6938709, Tagge, Karin Hannelore.
A-2963870, Taormina, Rosalino or Russell Taormina.
A-1061965, Tarpinian, Gulezar (nee Derderian).
A-1484260, Teitel, Benjamin or Benny.
A-1669670, Theophilis, Constantinos or Constantin Theophilos or Gus Philis.
A-3859879, Torres, Manuel Alvarez or Ynconito, Manuel Pego.
A-6421204, Tzavaras, Nicolas or Nicholas Tzavaras.
A-6621576, Vallez-Ventura, Jorge or Jorge Valles.
A-1534163, Violante, Ilario or Larry Violante.
A-1566286 Voreadis, Konstantinos Lazaros or Konstantinos L. Voreadis or Constantinos Voreades or Kostas Voreadis or Gus Voreadis.
A-2484925, Wall, Kathleen Florence.
A-6097735, Wang, Rosita Yrraga.
A-9577250, Wetselaar, Paulus Theodorus.
A-9562116, Wick, Kristoffer Elias.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Sam M. Wear, of Missouri, to be United States attorney for the western district of Missouri.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 2106. A bill for the relief of Harvey Marden; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2107. A bill for the relief of Georges Gregory Alpiar; to the Committee on the Judiciary.

By Mr. MARTIN:

S. 2108. A bill for the relief of Italo Vespa de Chellis; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 2109. A bill for the relief of William Harold (Robert) Audley; to the Committee on the Judiciary.

By Mr. AIKEN:

S. 2110. A bill to amend section 602 (m) (2) of the National Service Life Insurance Act of 1940, as amended; to the Committee on Finance.

(Mr. McCARTHY introduced Senate bill 2111, to revise the personnel policy governing the civil service of the United States, to revise the pay and pay administration policy in the executive branch of the Government, and for other purposes, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. JOHNSTON of South Carolina:

S. 2112. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of Colorado (by request):

S. 2113. A bill to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG (for himself, Mr. KNOWLAND, Mr. HUMPHREY, and Mr. LANGER):

S. J. Res. 110. Joint resolution to establish a National Children's Day; to the Committee on the Judiciary.

REVISION OF PERSONNEL POLICY GOVERNING CIVIL SERVICE

Mr. McCARTHY. Mr. President, I introduce for appropriate reference a bill to revise the personnel policy governing the civil service of the United States, and so forth. This incidentally, is a bill drafted by the Hoover Commission, and which the Commission assumes will save $600,000,000 a year.

The bill (S. 2111) to revise the personnel policy governing the civil service of the United States, to revise the pay and pay administration policy of the executive branch of the Government, and for other purposes, introduced by Mr. McCARTHY, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938—AMENDMENT

Mr. BRIDGES submitted an amendment intended to be proposed by him to the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and ordered to be printed.

NATIONAL LABOR RELATIONS ACT OF 1949—AMENDMENTS

Mr. BRIDGES submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute by Mr. THOMAS of Utah, for the committee amendment to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. BRIDGES also submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute by Mr. TAFT (for himself, Mr. SMITH of New Jersey, and Mr. DONNELL) to Senate bill 249, supra, which was ordered to lie on the table and to be printed.

PRINTING OF REVIEW OF REPORT ON CACHE RIVER BASIN, ARK. AND MO. (S. DOC. NO. 88)

Mr. CHAVEZ. Mr. President, I present a letter from the Under Secretary of the Army, transmitting a report dated March 10, 1949, from the Chief of Engineers, United States Army, together with accompanying papers and an illustration, on improvement of the Cache River Basin in Arkansas and Missouri, for flood control and other purposes, and I ask unanimous consent that it be referred to the Committee on Public Works and printed as a Senate document, with an illustration.

The VICE PRESIDENT. Without objection, it is so ordered.

(At this point Mr. ROBERTSON asked and obtained leave to have printed in the RECORD the address delivered by Hon. James F. Byrnes at Washington and Lee University on June 18, 1949, which, with the ensuing debate, appears in the RECORD following action on the conference report on House bill 4046.)

RADIO INTERVIEW OF SENATOR CAPEHART BY UPTON CLOSE

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a portion of the transcript of the broadcast of a radio interview of himself, by Upton Close, on May 22, 1949, which appears in the Appendix.]

FEDERAL AID IN CONSTRUCTION OF PUBLIC SCHOOL FACILITIES—STATEMENT BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a statement

prepared by him, entitled "Schools for Our Children," which appears in the Appendix.]

DEVELOPMENT OF LOW-GRADE IRON ORES—LETTER FROM ARTHUR B. RATHBONE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a letter dated June 10, 1949, addressed to Senator MURRAY by Arthur B. Rathbone, of Oglebay Norton & Co., Cleveland, Ohio, on the subject of development of low-grade iron ores, which appears in the Appendix.]

UTILIZATION OF WOMANPOWER—ARTICLE BY REPRESENTATIVE FRANCES P. BOLTON

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an article entitled "Women Should Be Drafted," written by Representative FRANCES P. BOLTON of Ohio and published in the June issue of the American Magazine, which appears in the Appendix.]

WHAT F. D. R. AND STALIN REALLY DID AT YALTA—ARTICLE BY HON. EDWARD R. STETTINIUS, JR.

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "What F. D. R. and Stalin Really Did at Yalta," by Hon. Edward R. Stettinius, Jr., former Secretary of State, published in the June 21 issue of Look magazine, which appears in the Appendix.]

WHERE THE BLAME RESTS—LETTER BY WILLIAM P. MORGAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a letter entitled "Where the Blame Rests," written by William P. Morgan and published in the Honolulu Advertiser of June 12, which appears in the Appendix.]

REMEMBER MALMEDY?—ARTICLE BY HERBERT PELL

[Mr. NEELY asked and obtained leave to have printed in the RECORD an article entitled "Remember Malmedy?" written by Hon. Herbert Pell, former United States Ambassador, which appears in the Appendix.]

GOVERNMENT ECONOMY—EDITORIAL COMMENT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial entitled "Deficit Financing," published in the Shawano (Wis.) County Journal of June 9, 1949; and an editorial entitled "The Story of Taxes and Aids," published in the Milwaukee Journal of June 3, 1949, which appear in the Appendix.]

ECONOMIC PROBLEMS AFFECTING FARMERS

[Mr. AIKEN asked and obtained leave to have printed in the RECORD a summary of a discussion relating to the economic problems affecting farmers, prepared by O. B. Jesness, of the University of Minnesota, which appears in the Appendix.]

THE FARM PROGRAM—EDITORIAL FROM FREDONIA (KANS.) HERALD

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial entitled "Tough Job Ahead," published in a recent issue of the Fredonia (Kans.) Herald, which appears in the Appendix.]

DIPLOMATIC RELATIONS WITH SPAIN—EDITORIAL FROM THE WASHINGTON STAR

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Perpetuating a Fraud," from the Washington Evening Star of May 17, 1949, which appears in the Appendix.]

NOTICE OF HEARING ON S. 1910, TO AMEND THE SHERMAN AND CLAYTON ACTS TO PROVIDE A UNIFORM PERIOD OF LIMITATIONS WITHIN WHICH TREBLE-DAMAGE ACTIONS MAY BE INSTITUTED UNDER THE ANTITRUST LAWS

Mr. HOLLAND. Mr. President, the junior Senator from North Carolina [Mr. GRAHAM] was called from the Chamber by official business. He expected to make an announcement, and he asked me to make it in his stead.

On behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 21, 1949, at 2:30 p. m., in the Office of the Secretary of the Senate, United States Capitol, on S. 1910, to amend the Sherman and Clayton Acts to provide a uniform period of limitations within which treble-damage actions may be instituted under the antitrust laws. The subcommittee consists of the Senator from Maryland [Mr. O'CONOR], chairman, the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. GRAHAM], the Senator from Michigan [Mr. FERGUSON], and the Senator from Missouri [Mr. DONNELL].

REORGANIZATION OF GOVERNMENT DEPARTMENTS AND AGENCIES—MESSAGES FROM THE PRESIDENT (H. DOC. NOS. 221–228)

The VICE PRESIDENT. The Chair lays before the Senate messages from the President of the United States which will be read.

(For President's messages, see today's proceedings of the House of Representatives on pp. 7965–7972.)

The VICE PRESIDENT. Without objection, the messages and accompanying reorganization plans will be referred to the Committee on Expenditures in the Executive Departments. The Chair hears no objection.

Mr. WHERRY. Mr. President, commenting upon the introduction of the measures which have been submitted with the President's message, I notice that there are seven. I wonder if any member of the Committee on Expenditures in the Executive Departments knows whether or not they include all the bills introduced last week by the Senator from Wisconsin [Mr. MCCARTHY]. I understand that he introduced eight bills. I hope the recommendations of the President include all eight, because they are in line with the recommendations of the Hoover Commission. Most of us have been intensely interested in the subject. I am glad to note that the President has submitted at least seven recommendations. I thought there were eight. I am wondering whether the President's message includes all the bills recommended by the Hoover Commission.

Mr. LUCAS. I regret that I cannot advise the Senator.

Mr. AIKEN. Mr. President, in reply to the question of the Senator from Nebraska, I do not know whether or not the plans of the President duplicate in any way the bills introduced by the Senator from Wisconsin the other day. I do know that the recommendations of the Hoover Commission provide that general authority should be given to the President for reshuffling some of the agencies of Government. However there are many cases in which legislation would be required to carry out the recommendations of the Hoover Commission.

Mr. WHERRY. I thank the Senator from Vermont.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. MCKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 29, 37, and 38.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 28, 30, 32, 33, 34, 36, 39, 40, 43, 45, 46, 47, 48, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 70, 71, 72, 73, 74, 75, 76, 77, 78 and 80, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"GRANTS TO STATES FOR MATERNAL AND CHILD WELFARE

"For an additional amount for 'Grants to States for maternal and child welfare' for services for crippled children as authorized in Public Law 42, approved April 15, 1949, $750,000, to be matched by the States in accordance with Section 512 (a) of the Social Security Act."

And the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum contained in said amendment insert "$4,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum contained in said amendment insert "$2,250,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,747,500"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"EMERGENCY FLOOD PROTECTION AND REPAIR

"To enable the Secretary of the Interior to reimburse applicable appropriations for the cost of personnel, supplies, and facilities di-

verted for the repair and construction of flood protective work; and for the repairs, reconstruction, rehabilitation, or replacement of structures, buildings, or other facilities, including equipment, damaged or destroyed by floods, $275,000."

And the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"REHABILITATION AND BETTERMENT

"Funds appropriated under this head in the Interior Department Appropriation Act, 1949, shall remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"COLORADO RIVER FRONT WORK AND LEVEE SYSTEM

"For an additional amount for 'Colorado River front work and levee system', $75,000, to remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"GETTYSBURG NATIONAL CEMETERY, PENNSYLVANIA

"For the acquisition of approximately five acres of land in the Borough of Gettysburg, Adams County, Pennsylvania, as an addition to Gettysburg National Cemetery, in accordance with the provisions of the Act approved June 19, 1948 (Public Law 704), $5,000, to remain available until June 30, 1950."

And the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum last contained in said amendment insert "$7,500"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "$50,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 8, 9, 10, 12, 26, 67, 68, 69, and 79.

KENNETH MCKELLAR,
CARL HAYDEN,
RICHARD B. RUSSELL,
STYLES BRIDGES
(except No. 7),
CHAN GURNEY
(except No. 7),
Managers on the Part of the Senate.

CLARENCE CANNON,
JOHN H. KERR,
JOHN TABER,
ALBERT J. ENGEL,
Managers on the Part of the House.

Mr. MCKELLAR. Mr. President, I ask unanimous consent for the present consideration of the conference report.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, I should like to ask a question.

Does this report relate to the second deficiency appropriation bill?

Mr. MCKELLAR. It relates to the second deficiency appropriation bill.

Mr. WHERRY. Is that the bill which contained an appropriation for the post office at Omaha, Nebr.?

Mr. MCKELLAR. It is.

Mr. WHERRY. Is that item still in the bill?

Mr. MCKELLAR. No; it went out.

Mr. WHERRY. Mr. President, I have no objection to the consideration of the conference report; but after it is before the Senate for consideration I should like to make a statement about it.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. MCKELLAR. Mr. President, I move the adoption of the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. WHERRY. Mr. President, is that question debatable?

The VICE PRESIDENT. It is.

Mr. WHERRY. I should like to ask the distinguished Senator from Tennessee a question. If the report is adopted, what will be the status of the item relative to the acquisition of a site for a post office at Omaha, Nebr.? The appropriation was made in compliance with the law already enacted relative to the acquisition of the title to the land to build a post office at Omaha, Nebr. I refer to Public Law 456, of the Eightieth Congress, chapter 148, second session, H. R. 4836, an act to authorize the purchase of a new post-office site at Omaha, Nebr. The act is as follows:

Be it enacted, etc., That the Federal Works Administrator is authorized and directed to acquire by purchase, condemnation, or otherwise, a suitable site in Omaha, Nebr., for the purpose of erecting thereon a building for the use and accommodation of the United States post office at Omaha.

Approved March 25, 1948.

Mr. MCKELLAR. The item is in this situation: Nothing can be done until the two Houses of Congress agree. The House has refused to agree to it. I will say to the Senator from Nebraska that I supported his amendment in the committee and in conference; but it was a question of a choice between no bill or eliminating that item.

Mr. WHERRY. The Senator from Tennessee knows that no Member of the Senate has a higher regard for the chairman of the Appropriations Committee than has the Senator from Nebraska.

Mr. MCKELLAR. I am sure of that; and I feel the same way toward the Senator from Nebraska.

Mr. WHERRY. What reason did the House conferees give for eliminating that particular item in the appropriation bill?

Mr. MCKELLAR. They gave a number of reasons; but the chief reason, as I recall, was that they hoped that prices of real estate would come down. Does the Senator from New Hampshire [Mr. BRIDGES] agree with that statement?

Mr. BRIDGES. I did not hear the entire statement.

Mr. MCKELLAR. The Senator from Nebraska asked what reasons the House conferees gave for disagreeing to the item for the purchase of a site for the construction of a new post-office building in Omaha, Nebr.

Mr. BRIDGES. I think the argument was based in part, at least, on the expectation that prices were on the way down.

Mr. MCKELLAR. They thought it would be advantageous to postpone the matter for another year. That was their argument, and they said they would not agree to the item.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Tennessee another question. Merely because the House conferees did not wish to accept that particular item, does the Senator from Tennessee feel that was sufficient reason for the Senate conferees to permit the House conferees to dictate to the Senate?

Mr. MCKELLAR No; but it is our duty to get these appropriation bills through by the first of July. We must give and take in bringing about that result. I believe that the appropriation for the building at Omaha ought to be made at the earliest possible moment. Every Member of the Senate conferees felt exactly the same way about it; but rather than have the bill tied up indefinitely, we felt that we had to recede.

By the way, there is another item, in which both Senators from Ohio are very much interested, relating to the pollution of streams. However, we could not get it through. There was no way in the world to get it through.

Mr. WHERRY. There were appropriations in the bill for other post-office buildings and other Federal buildings in other cities, were there not?

Mr. MCKELLAR. There were; and some of them were agreed to.

Mr. WHERRY. Were any of them eliminated except the item for the post-office site at Omaha?

Mr. MCKELLAR. No; that was the only one.

Mr. WHERRY. Then why were the House conferees permitted to single out one appropriation, when others were made for like purposes in other cities? Why was this the only one eliminated because the House conferees thought we should wait for reduced prices?

Mr. MCKELLAR. If the Senator feels that the matter is of sufficient importance that the Senate ought to reject the conference report, I hope it will do so, because I am very much in favor of the appropriation.

Mr. WHERRY. I deeply appreciate the statement of the Senator from Tennessee. I know how he feels about it. In the light of the statement made by the Senator from Tennessee, does he not feel that there was some reason, other than the question of prices, why this particular item was singled out? No similar appropriation in any other State in the Union was eliminated.

Mr. MCKELLAR. I do not know why that particular post office was singled out. I do not know of any reason. However, let me say to the Senator that

there is to be another deficiency appropriation bill. If I were handling the matter I would put it in the next bill, and have another try at it.

Mr. WHERRY. I appreciate the observation of the Senator. Let me ask a further question. Has the Senator had any conversation with Members of the House which would indicate whether or not the House might agree with the Senate conferees in the event this item should be placed in the third deficiency bill?

Mr. McKELLAR. I am sorry to say that I have not. I did not go that far with it.

Mr. WHERRY. I appreciate the difficulty under which we are laboring in getting this bill through. If I were to refrain from objecting to the pending conference report, and not continue the debate on it, would the distinguished chairman of the Committee on Appropriations go on record that in the event the item were included in the next deficiency bill he would assure me that when that bill came up for consideration in the conference the Senate conferees would abide by the amendment made by the Senate?

Mr. McKELLAR. Of course, I would have to limit any statement to my own position. I will do everything I can to accomplish that result. As a member of the committee I was greatly interested in this item. I thought the facts warranted construction of the building as soon as possible. I shall certainly do everything I can to meet the request of the Senator from Nebraska.

Mr. CONNALLY. Mr. President——

Mr. WHERRY. I am glad to yield to the Senator from Texas for a question.

Mr. CONNALLY. I simply wish to ask the Senator from Tennessee whether this is a complete report, or whether it is only a partial report.

Mr. McKELLAR. Oh, no; it is a complete report. There are some items that are still in disagreement, of course.

Mr. CONNALLY. That is what I mean. Is it a complete report?

Mr. McKELLAR. Oh, no; the House conferees have taken back to the House several items that are in disagreement, and they are going to vote on them.

The VICE PRESIDENT. The Chair would state that there are six amendments in disagreement, and the Chair has a message from the House of Representatives on that subject.

Mr. McKELLAR. But they can be called up if the report is considered at this time.

Mr. CONNALLY. If the report is considered and agreed to, that will dispose of everything except the six amendments as to which the conferees on the part of the House were in disagreement. Is that correct?

Mr. McKELLAR. Yes.

Mr. WHERRY. Let me ask the Senator whether the conferees on the part of the Senate unanimously agreed to recede from the position taken by the Senate on the amendment.

Mr. McKELLAR. My recollection is that they did not. My recollection is that the Senator from South Dakota [Mr. GURNEY] disagreed very earnestly, because he was very much interested in it. I believe that the Senator from New Hampshire [Mr. BRIDGES] also did.

Mr. WHERRY. Will the Senator say whether other of the conferees on the part of the Senate agreed to recede?

Mr. BRIDGES. Mr. President, will the Senator yield to me?

Mr. WHERRY. I yield.

Mr. BRIDGES. I say to the Senator that two minority members of the conference—the Senator from South Dakota [Mr. GURNEY] and myself—disagreed about receding as to that particular amendment, because we thought there was logic for the inclusion of the amendment for the Omaha, Nebr., item.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, I wish to make a statement, when I finish getting answers to some of these questions, because I was not a member of the conference committee, and I should like to find out a few more things first.

Mr. McKELLAR. I shall be glad to answer any questions I possibly can answer.

Mr. LANGER. Mr. President, will the Senator yield, to permit me to ask unanimous consent that I may ask a question of the Senator from Tennessee?

Mr. WHERRY. I have no objection, and I yield for that purpose.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from North Dakota? The Chair hears none.

Mr. LANGER. Mr. President, I wish to ask the Senator from Tennessee how many post-office items are included in this bill, besides the one for the Omaha, Nebr., post office?

Mr. McKELLAR. The clerk of the committee informs me that items for only two post-office sites have been included in the bill. One was the Omaha post-office site, and the other one was for a Nashville building, which was not solely a post office building, I am advised.

Mr. WHERRY. But funds for other sites have been approved in other bills. The item for this one happens to be in this deficiency appropriation bill. Is that correct?

Mr. McKELLAR. That is correct.

Mr. WHERRY. And the reason was that it was necessary to obtain a report relative to the investigation which showed that there was not quite sufficient money available under the authorization to take care of the total needs for purchasing the site for the post office at Omaha. Is that correct?

Mr. McKELLAR. As I am informed, an appropriation was made last year for the Omaha site. I think that appropriation was either $225,000 or $250,000. But it was found that that amount of money was not sufficient to permit the purchase of the site which was desired for that particular purpose, and that it was necessary to have more money appropriated.

Mr. WHERRY. One hundred fifty thousand dollars.

Mr. McKELLAR. Yes.

Mr. WHERRY. Were not some other sites involved in the same amendment which covered the site for the post office at Omaha?

Mr. McKELLAR. Not as I recall. There may have been, but I do not recall that there were.

Does the Senator from New Hampshire recall that?

Mr. BRIDGES. I think the Senator from Tennessee is correct about that, so far as I know.

Mr. President, I should like to have the Senator from Nebraska yield to me for a moment.

Mr. WHERRY. I yield.

Mr. BRIDGES. Let me say to the Senator from Nebraska that it was unfortunate that the appropriation for the Omaha site was eliminated, but it is eliminated now; and although, of course, we can reject the conference report, probably the logical thing to do would be to propose that item in the next deficiency bill, which is now being heard in the House of Representatives, and will be before the Senate shortly. Judging from the sentiments which I have heard expressed by Members of the Senate, I should think that would be the appropriate step to take. So far as I am concerned, I certainly would favor the item, because I do not think it should have been eliminated from this bill.

Mr. WHERRY. I thank the Senator from New Hampshire, because he happens to be the ranking minority member, not only of the full Appropriations Committee, but also of the subcommittee which handled this appropriation.

Mr. McKELLAR. Mr. President, if the Senator from Nebraska will yield further, I should like to say one other thing.

Mr. WHERRY. I yield.

Mr. McKELLAR. If I remember correctly, the city of Omaha was to donate a part of the site. It seems to me that part was a street. I may be mistaken about that, but that is my recollection. Controversy arose as to that, and it was found that even with that donation, there was not sufficient money in the appropriation made in the previous year for the purchase of a site. For that reason the item went over. I think the Senator from Nebraska can aid us materially in straightening out that matter.

I remember the great interest the Senator from South Dakota [Mr. GURNEY] took in this item, and the attention he gave it. He was one of the conferees, and he did just what all the other members of the committee had done. We had passed on the item for the site several times, but we could not get the conferees on the part of the House to agree about it.

Mr. WHERRY. I understand that there are six or seven amendments as to which the conferees on the part of the Senate have receded. Is that correct?

Mr. McKELLAR. I do not know whether there are six or seven, but there are several. I shall come to them.

Mr. WHERRY. Mr. President, I ask unanimous consent that the amendment for the Omaha post office be considered last, for the reason——

The VICE PRESIDENT. The Chair would state that the conference report must be voted up or down, either one or the other.

Mr. WHERRY. I understand that; but during the discussion, some Senator

might move to reject the conference report because of some particular amendment. So I ask such unanimous consent, in order to expedite the matter and to enable the Senate to proceed with the labor bill. In view of the statement which has been made by the distinguished chairman of the committee and the statement made by the ranking minority member of the committee, I think in this instance an injustice has been done, which might entail the loss of this site, because time is of the essence in getting the appropriation through, so as to permit the acquisition of the site now.

I could go into detail and explain the matter to the Members of the Senate, and perhaps I should do so now. It will take only 3 or 4 minutes. The site in question adjoins the present post office. It provides nearly a block of ground. About a year and a half ago a large building on this particular site burned down. The Federal agency thought it was a good time to purchase the site for the Omaha post office. Of course it was necessary to buy other properties, in addition to the one property on which the large building had been located. But it was a very opportune time to purchase that land, because of the fact that the building had been completely destroyed by fire.

An estimate of approximately $225,000, as I recall, was obtained; and that was the amount which was believed to be required to purchase all the properties on the portion of ground that is north of the present post-office site. Not only was that done, but the Council of Omaha agreed to block off a city street, for the complete width of the street, and to donate that width for the length of the entire block, in order that the Federal Government might acquire the site next to the present post-office building.

It is true the estimates came about $150,000 short of the amount needed to buy the sites adjacent to this one, on which there is now no building standing; and if there were, it would cost a great deal more money. The site was authorized by the last Congress. It is not a question of authorizing the purchase of a new site; it is merely the question of an appropriation. That is all that is involved. It is not the original proposition; it is the question of appropriating the amount of money necessary to buy the remaining sites in that block. That is how simple it is. It amounts to $150,000 only, and with figures such as we are using today, it is rather strange that that amount of money would induce House Members to eliminate this one item and retain the item for a site and money to the extent of $1,500,000 for another Federal building which is to be built under the same prices as those at which this land was acquired.

Personally I can see no justification at all for it. The project has been authorized, and, now that the House has eliminated the item, if the Senate agrees, I have been informed that there will be no further requests made by the agency during this session for an appropriation to acquire the site, since they feel it will have been turned down by both Houses, and, therefore, they will not ask that it be reinstated. If that be true, we lose the site at least for another year, and it might be, if once the options were released, commercial investors would buy the land at a higher price than that at which it has been offered to the Government.

Mr. President, I cannot see one solid reason why this item should be stricken from the bill. It is not a question of authorization, it is the question only of getting enough money to acquire the sites. The Federal Government says it is the correct amount and should be allowed at this time.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. WHERRY. I am glad to yield.

Mr. McKELLAR. The Senator, and I both have been here a long time and have had a great deal of experience with such matters as these. The suggestion I make to him is that we agree to the report and get the bill out of the way. In the next place, I assure him that I will join with the Senator from South Dakota [Mr. GURNEY], the Senator from New Hampshire [Mr. BRIDGES], and other Senators, every one of whom was in favor of the amendment. I do not think there was a member of the committee who did not agree with the Senator from Nebraska on this matter, while it was in the bill, and who did not want to keep it there. That, in my judgment, is the best way to proceed. I ask my friend from New Hampshire, who has had great experience in such matters, if that is not the quickest way, and, I hope, the best way of doing it?

Mr. WHERRY. There is one more suggestion I should like to make to the distinguished Senator. In the event the agency does not request the funds, will the chairman join with me in asking that the request be made, so that the amount can be placed in the third deficiency bill?

Mr. McKELLAR. The Bureau of the Budget has already sent an estimate.

Mr. WHERRY. For another appropriation?

Mr. BRIDGES. It is in the old budget.

Mr. McKELLAR. There will be no trouble about that, in my judgment.

Mr. WHERRY. Very well. With that assurance, I shall take the judgment of the distinguished Senator from Tennessee, and we will put off the consideration of it until the third deficiency bill, in order that we may expedite action upon the conference report.

Mr. McKELLAR. I will do everything I can to bring that about.

Mr. WHERRY. But I want to say once again, there is no justification for eliminating this item. The project has been authorized, and I sincerely trust the Senate later on will again approve the amendment, because it is simply a question of getting title to the land, and of getting it now. Everybody is agreed that this should be done while the remainder of the sites are being purchased, so that construction can be authorized, if and when the agency feels the appropriation should be made.

Mr. McKELLAR. Let me say that I agree with the Senator about the situation at Omaha. I think the building should be constructed. I will do everything in the world I can to have it constructed. The Senator from New Hampshire will do the same thing, and the Senator from South Dakota will do all he can, too, because he also was very favorable to the project. There was not a member of the committee who did not favor it. That is the reason I am suggesting to the Senator that he take the course of letting it go into the third deficiency bill. I believe that is the proper thing to do.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MAGNUSON. I hope it will be clear that there are several instances of the pendency of Federal post-office projects which were stopped by the war and the fact that we have not had an omnibus post-office construction bill for almost 9 years. I wanted to ask the Senator whether the Post Office Department has requested that the Omaha building be placed ahead of the other projects throughout the country which are now pressing for action?

Mr. WHERRY. If that question were directed to the chairman of the committee, I think he would tell the Senator that the Omaha building has the highest priority—at least I so understand—of any building it is desired to construct at this time.

Mr. McKELLAR. I cannot say it has the highest priority, but I may say it has one of the highest priorities of any that have been submitted.

Mr. MAGNUSON. I think before we undertake to select post offices we had better find out what the priorities are.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. MAGNUSON. Mr. President, will the Senator yield for another question?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. THYE. Mr. President, I also would like to ask a question.

Mr. WHERRY. I will be glad to yield, but before answering a question, I may say it was my understanding that the request for the Omaha project came from the Post Office Department, and was approved by the Bureau of the Budget, on the ground that it was needed badly. I understood it was the one post office that it was felt necessary to have built this year, that is, to start on its construction. I am not asking on the floor of the Senate, nor did I ask in committee, that the Omaha post office be taken out of the general estimate and submitted for special consideration. There are other Federal buildings in the appropriation which also were passed upon. I want the distinguished Senator from Washington to know that. We are not changing the facts in the case, but certainly with the subcommittee unanimously agreed, and with the Senate Committee on Appropriations unanimously agreed, and with the Senate adopting the amendment, I was rather reluctant not to resist the conference report, and to ask to have the item included now, rather than to wait until

the third deficiency bill came along. That was the sole reason for my rising on the floor of the Senate this morning.

I do not want to detain the Senate in its consideration of the labor-management bill. As the chairman says, the second deficiency bill has hung fire for many weeks, and it should be passed. I am not objecting to that. But I want clearly understood by the membership of the Senate the explanation given by the chairman of the committee and by the minority ranking member, that this item was unanimously reported, unanimously supported, and should remain in the bill. I do not object to bringing it up in connection with the third deficiency bill, but if I acquiesce in the judgment of the distinguished chairman of the committee, I should like the Members of the Senate to realize that I am only doing it so that I can have it included in the third deficiency bill and again take it to conference and see whether approval cannot be had.

Mr. MAGNUSON. I merely want to ask the Senator whether he does not think my position is correct. Many Senators have been talking about the Post Office Department for many years in connection with necessary buildings in various areas. The Post Office Department always replies that, when we get into post office construction, we have a priority list. I have been told by the Post Office Department that the No. 1 priority is a badly needed terminal station in the city of Seattle, which was begun just when the war broke out—not the actual construction, but the minor improvements. I do not want the Senate to go ahead and start picking out post offices here and there. I hope the Post Office Department will send its representatives here with at least priorities which include the Omaha project. I agree with the Senator, we should see whether it is possible to get some of the present buildings at least started before the next war. I am not against the Omaha project.

Mr. WHERRY. I thank the distinguished Senator. I want to say to him that this is in a different category from the post office buildings he is talking about. I, too, will go along if it should be determined that there should be no new building. If the Post Office Department wants to wait, that is fine. I think this is the time when we must economize. But the Post Office Department representatives came before the Senate Committee on Appropriations in behalf of the appropriation for this particular site, authorized by special legislative enactment in the last Congress, not only because of the site they wanted to acquire, but also because the building had burned down. It is therefore in a category by itself, and should be so treated.

Mr. THYE. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. THYE. Mr. President, I should like to ask the chairman of the Appropriations Committee, the senior Senator from Tennessee, why it was necessary for the Senate to concede to the House insofar as the appropriation for the Red Lake, Minn., Indian school facilities were concerned?

Mr. WHERRY. If the distinguished Senator from Minnesota will wait, because that is a different item, I should like to yield to the Senator from New Hampshire for a question.

Mr. BRIDGES. Let me say to the Senator from Nebraska and to the Senator from Washington that there were post-office items presented to the committee, one of which was for a Federal building and post office at Nashville, Tenn., and the other was the post office building in Omaha. The issue which the Senator from Nebraska is raising is, why, having heard the evidence, the committee having reported it favorably, and the Senate of the United States having voted on it favorably, the Omaha building was eliminated and the one at Nashville was left in the bill. I think that is a fair question. Inasmuch as the Senator from Nebraska is willing to let the conference report be adopted, certainly I think he is entitled to have priority given to the consideration of the post-office building in Omaha in the next deficiency bill.

Mr. WHERRY. I thank the Senator from New Hampshire for the observation he has made, because I think it completely clears the record with reference to other sites or buildings already in the bill, even though the Omaha post office has been deleted.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from New Hampshire.

Mr. TOBEY. On all the evidence, is the Senator from Nebraska able to say that the elimination of the post office at Omaha from the bill was a matter of elimination or of aberration?

Mr. WHERRY. I do not speak for all the members of the committee, but it is my feeling that because of the delay in the deficiency bill for several weeks it is the wish of the chairman that as many items as is possible be eliminated in order that the bill may be passed. I am in total agreement with that, because I think it is a serious question; but I want to say that it seems to me that here is a case of special legislation having been enacted, of business being put aside, not by the Senate, but by the House conferees, in deleting an appropriation to which we are entitled, when it has been approved by the Committee on Post Office and Civil Service. It seems to me the item should not be deleted. But, Mr. President, I shall act upon the good judgment, the wisdom, and the faith I have in the chairman of the committee. I shall not further resist the adoption of the conference report, in the hope that the members of the committee will be able to include the item in the third deficiency bill. I hope the Senate will again approve the amendment. Then, when it goes to the House, I think the Senate conferees should stand on the Senate amendments and not let the House dictate in regard to the matter. If that is permitted, we shall have that sort of difficulty in the entire session of the Congress, whether it discriminates against my State or against others that may be a little more important.

Mr. THYE. Mr. President, the junior Senator from Nebraska yielded to me in order that I might ask a question, and then he asked me to defer my question until he had made his explanation. I understood that I would be recognized before the Senate took action on the report.

I should like to ask a question of the senior Senator from Tennessee.

Mr. McKELLAR. I shall be glad to answer if I can.

Mr. THYE. I should like to ask the Senator concerning the appropriation for the school facilities at Red Lake, Minn. It is my understanding that the committee conceded to the House conferees on that appropriation.

Mr. McKELLAR. Yes; that is correct.

Mr. THYE. I am sincerely concerned, and I know those who live in that school district are gravely concerned, and I should like an explanation as to why it was necessary to concede to the House on that item.

Mr. McKELLAR. I will say to the Senator that the House provided $830,000 for schools of that kind. The item of $80,000, found on page 23, line 10, of the bill, was increased on the Senate floor to $148,000. The House made the point that there was no budget estimate for this sum. Upon investigation, it was found that it was done without a budget estimate. That was the reason why it was stricken out. If the Senator will get a budget estimate for it, which I have no doubt he can, there will be no difficulty in passing that provision. But I do not believe the House will permit it to be included unless there is a budget estimate.

Mr. THYE. I thank the Senator for his explanation, and I withdraw any objection.

The VICE PRESIDENT. Is there objection to the consideration of the conference report?

There being no objection, the conference report was considered and agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4046, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 15, 1949.

Resolved, That the House agree to the conference report to bill (H. R. 4046) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes";

That the House recede from its disagreement to the amendments of the Senate numbered 8, 67, 68, 69, and 79 and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"FUNDS APPROPRIATED TO THE PRESIDENT, RELIEF OF PALESTINE REFUGEES

"To enable the President to carry out the provisions of the joint resolution of March 24, 1949 (Public Law 25), authorizing a special contribution by the United States to the United Nations for the relief of Palestine refugees, $12,000,000, and an additional $4,000,000 to the President for the same purposes as prescribed in the joint resolution

of March 24, 1949 (Public Law 25), to such extent as the President from time to time finds that the other nations party to such United Nations agreement have met their obligations to the United Nations Relief for Palestine Refugees, to remain available until June 30, 1950, of which $8,000,000 shall be used to repay, without interest, the Reconstruction Finance Corporation for advances made pursuant to section 1 of said Public Law."

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"RENOVATION AND MODERNIZATION, EXECUTIVE MANSION

"For all expenses necessary for and incident to the renovation, repair, and modernization (without change of present architectural appearance of the exterior of the Mansion or the interior of its main floor) of the Executive Mansion, or for such other provision for remodeling or rebuilding the Executive Mansion and for construction of a separate residence for the President as may be determined upon by the Commission on Renovation of the Executive Mansion established pursuant to Public Law 40 (81st Cong.), including the preparation of drawings and specifications, and the purchase of furniture, furnishings, and equipment, without regard to section 3709 of the Revised Statutes or the civil-service and classification laws, $2,000,000, to remain available until expended and, in addition contracts may be entered into in amounts not exceeding $3,400,000: *Provided*, That any cost-plus-a-fixed-fee general construction contract entered into in pursuance of this authority shall be awarded on competitive bidding among responsible general contractors upon the amount of the fixed fee to accrue from the performance of such contract: *Provided further*, That with the exception of any subcontract to be made by the general contractor for underpinning and foundation work and work incidental and appurtenant thereto, which may be a cost-plus-a-fixed-fee contract, all other subcontracts made by the general contractor shall be fixed-price contracts awarded on competitive bids received from responsible subcontractors."

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"BUREAU OF ANIMAL INDUSTRY

"RESEARCH FACILITIES

"Research facilities: For preparation of plans and specifications of laboratory buildings and related facilities (all within a limit of cost of not to exceed $25,000,000) for scientific investigations of foot-and-mouth and other animal diseases, including the purchase of an option on suitable land, in accordance with the provisions of the act of April 24, 1948 (Public Law 496), $500,000, to remain available until expended: *Provided*, That the Secretary of Agriculture, when the request for appropriations for building said laboratories and related facilities is made, shall submit with said request the plans and specifications to the Appropriations Committees of the House and Senate together with detailed information as to the estimated total cost of such facilities as well as the location of the site proposed to be selected."

That the House insist upon its disagreement to the amendments of the Senate numbered 4, 10, and 12 to said bill.

Mr. McKELLAR. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 3 and 26.

The motion was agreed to.

Mr. McKELLAR. I move that the Senate agree to the amendment of the House to the amendment of the Senate numbered 9, with an amendment to strike out the word "and" and insert the word "or."

The motion was agreed to.

Mr. McKELLAR. I move that the Senate recede from its amendments numbered 4, 10 and 12.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. KNOWLAND. I shall not object, because I recognize that the able Senator from Tennessee, the chairman of the committee, has a bill which contains many items of importance to the country.

With regard to the amendment numbered 10, having to do with an appropriation of $42,000 for bringing the inventory of Federal properties up to date, I should like to ask the able chairman of the Appropriations Committee whether, in his opinion, this is a matter which might be included in one of the later bills. I think it is of tremendous importance that we receive the factual information as to the ownership of Federal properties, and, unless we get the inventory brought up to date, which had been up to date during the war years and was temporarily laid aside, we shall not know just how much Federal property is being taken off the local tax rolls.

Mr. McKELLAR. The amendment provides for the sum of $42,000. The Senator is correct. It involves an inventory of Federal property. The House thought the sum was too great. There may have been some other reasons, but I recall that particular statement. There was no budget estimate for it. That was another reason given.

I am advised by the clerk of the committee that another trouble was that they were not advised as to who was to do the work. Under those circumstances we felt that we could not hold out. Perhaps the Senator from New Hampshire [Mr. BRIDGES] can throw additional light on the matter, and I hope he can.

Mr. BRIDGES. Mr. President, I think the Senator from Tennessee has covered the subject very well. I merely wish to tell the Senator from California that in my judgment this is a very important item. I do not know how a small amount of money can be better spent than in getting a list of the property owned by the Federal Government throughout the country, with all its ramifications. If we actually had such a list, and had it before us, we could save millions upon millions of dollars, because rather than purchase additional property, we could effect transfers, and the like. I was very sorry to see the item eliminated from the bill, but the reason the Senator from Tennessee gave was the reason why the House objected.

Mr. KNOWLAND. Mr. President, because of my regard for the Senator from Tennessee, and the other Senators who served on the conference, I shall not object to the adoption of the report, but I serve notice that I shall be before the committee again, because I think that if by the expenditure of the nominal sum of $42,000, which in a budget of $42,000,000,000, is infinitesimal, we can save millions of dollars, it would be well to include the item.

Mr. McKELLAR. The committee would be very glad to have the Senator come before it.

The VICE PRESIDENT. The question is on the motion of the Senator from Tennessee that the Senate recede from its amendments numbered 4, 10, and 12.

The motion was agreed to.

CONTINUATION OF NURSERIES AND NURSERY SCHOOLS, DISTRICT OF COLUMBIA

Mr. McGRATH. Mr. President, I submit a conference report on House bill 3967, to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following "$100,000"; and the Senate agree to the same.

J. HOWARD McGRATH,
LESTER C. HUNT,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

T. G. ABERNETHY,
WALTER K. GRANGER,
A. L. MILLER,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

FOREIGN AND DOMESTIC AFFAIRS—ADDRESS BY HON. JAMES F. BYRNES

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the address delivered at the Bicentennial Celebration of Washington and Lee University, in Lexington, Va., on June 18, by Hon. James F. Byrnes, and preceding it I ask to have printed in the RECORD a brief summary, prepared by me, of the address delivered by Mr. Byrnes.

Mr. BRIDGES. Mr. President——

The VICE PRESIDENT. Does the Senator from New Hampshire object?

Mr. BRIDGES. I want to say something about the matter just placed in the RECORD.

The VICE PRESIDENT. Debate is not in order at this time.

Mr. WHERRY. Mr. President, is a question in order, addressed to the Senator who has already presented a matter for the RECORD? I want to know what

was contained in the matter presented for the RECORD by the Senator from Virginia [Mr. ROBERTSON].

I do not want to ask unanimous consent to address an inquiry of the Senator from Virginia with reference to the matter he presented for the RECORD if it is not in order to do so. It may not be. But I want to ask the Senator from Virginia a question about the insertion in the RECORD he made a moment ago. I did not object to it at the time, and I do not want to do so, but I should like to ask him what is in it.

The VICE PRESIDENT. That matter is not subject to debate.

Mr. WHERRY. I know it is not subject to debate but I might ask unanimous consent that we may return to the matter of the insertion made by the Senator from Virginia into the RECORD, in order that I might propound a question to him.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. WHERRY. May I ask the distinguished Senator from Virginia if the insertion which he asked unanimous consent to have made in the RECORD a short while ago, is the speech delivered by former Secretary of State and former Senator James F. Byrnes?

Mr. ROBERTSON. It is, in full.

Mr. WHERRY. It is the complete speech?

Mr. ROBERTSON. It is the complete speech, but I accompanied it with a little personal summary. But the full text of the address delivered by former Secretary of State Byrnes was placed in the RECORD.

Mr. WHERRY. That is what I wanted to know. If it is only a summary, I want to know that, and if it is the complete text I want to know that.

Mr. ROBERTSON. I thought the summary might stimulate some to read the full text.

Mr. WHERRY. I thank the Senator.

The VICE PRESIDENT. Does the Senator from New Hampshire desire to address the Chair?

Mr. BRIDGES. No; apparently we are gagged here in the morning hour.

The VICE PRESIDENT. The Senator gagged himself. The Chair did not do it. Is there objection to the request of the Senator from Virginia [Mr. ROBERTSON]?

There being no objection, the statement by Mr. ROBERTSON and the address delivered by Mr. Byrnes were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ROBERTSON

Mr. President, pursuant to Senate Joint Resolution 227 of the Eightieth Congress, second session, the senior Senator from Massachusetts, Mr. SALTONSTALL, the senior Senator from Virginia, Mr. BYRD, and I, represented the Senate at the bicentennial celebration of Washington and Lee University in my home town of Lexington, Va., on Saturday, June 18.

As Webster said of Dartmouth, "It is a small school but there are those who love it." Few schools of comparable size have made a more notable contribution in the field of training men for public leadership and few public leaders have made a more valuable contribution to sound thinking on public issues than was made last Saturday in Lexington by Hon. James F. Byrnes, former Member of the House of Representatives from South Carolina, former United States Senator, former War Mobilizer, former Justice of the United States Supreme Court, and former Secretary of State.

Drawing upon a background of experience in public affairs equaled by few and surpassed by none of our day and generation and speaking with a frankness and candor permitted to one who is now a detached observer of political trends, Secretary Byrnes developed in his remarks the following points:

1. No agreement is preferable to a bad agreement by the four-power conference at Paris.

2. The western powers were wise in refusing to approve a restoration of four-power control of Berlin with a veto provision that would have meant rule by one power—the Soviet Union.

3. The United States must maintain armed strength and continue to manufacture atom bombs because peace depends not upon what is written in treaties but what is in the minds and hearts of men.

4. Our first line of defense is a sound, solvent American economy.

5. With a national deficit impending, the only wise course is to reduce expenditures and live within our income. Congress should direct the President to make reductions necessary to bring expenditures within income.

6. European aid requirements should be carefully reviewed by the Congress.

7. If some of the new domestic programs offered in the name of public welfare should be adopted there is danger that the individual will become an economic slave pulling an oar in the galley of the state.

It gives me pleasure to offer for the RECORD the full text of his speech on that occasion.

ADDRESS BY HON. JAMES F. BYRNES AT WASHINGTON AND LEE UNIVERSITY, LEXINGTON, VA., JUNE 18, 1949

In the very impressive and eloquent statement of history, purposes and aspirations of this university, it is said that Washington and Lee stands firm in its resolution to remain a small school—a personal school. I hope there will be no deviation from this purpose.

Some of our universities have so enlarged the student body that students have entirely lost the intimate association with talented teachers, which has been a most precious privilege of university life. Colleges have become educational factories engaged in the production of bachelors of various kinds. Young men and women are placed upon the educational assembly line. As they pass a professor he tries to hammer something into their heads. They seldom get a chance to ask him a question. If students are to miss all personal association with teachers, they might just as well read lectures printed in a correspondence course.

Washington and Lee occupies its unique position among educational institutions not because it is still a small college but because of its history.

This institution could not be true to its name if it did not seek to develop in its students the character and spirit of George Washington and Robert E. Lee. And only a man devoid of all sentiment and lacking in imagination could spend 4 years within these walls without being inspired to emulate the lives and practice the virtues of these two great Americans. In view of their devotion to public service, it is not surprising that the records of this institution should disclose a long list of alumni who have given their time and talents to public life and who have served with distinction in all branches of the Federal and State governments.

Trained and inspired leadership is needed in the troubled world of today. We live in uncertainty and fear. The times call for thinking and straight thinking—one of the goals of true education. Unfortunately the world so clamors for action that men and women devote little time to thinking. Many believe in second-hand thinking. They find it easier to ascertain and adopt the thoughts of others than to think for themselves.

In the days ahead of us great decisions must be made in the field of foreign affairs and domestic affairs. All peace-loving people are disappointed at the failure thus far of the four powers at Paris to reach a broad settlement of the German problems. However, progress is being made toward the settlement of the Berlin economic problems and the Austrian treaty and we should not be too pessimistic. No agreement is better than a bad agreement. And an agreement to restore four-power control of Berlin, with the Soviets having the unrestricted right of veto, would be a bad agreement.

The representatives of the western governments certainly were right in not treating seriously the proposal of the Soviet representative that each government should submit a draft of a treaty in 4 months and all troops be withdrawn within 1 year from the conclusion of a treaty.

In view of the Soviet's refusal to merge their zone with the Republic of Western Germany, they only could have had in contemplation a peace treaty with a government dominated by them in the eastern zone of Germany.

The history of our negotiations shows the proposal was not made in good faith. In July 1946 in Paris in our first discussion of the German question, Mr. Molotov stated that first we must set up an all-German government and "when that is done it will take a number of years to determine whether or not it is trustworthy. Only when we determine that such a government can extirpate fascism and carry out German obligations as to reparations, could we think seriously about a peace treaty."

Now, without waiting a number of years, indeed, before an all-German government is established, they propose that the four powers exchange drafts of treaties. The Soviets knew that the western powers would not abandon the government of western Germany and desert the German leaders who, relying upon our support, participated in the establishment of that government. The proposal was made solely for propaganda purposes.

We do not want to engage in a propaganda contest with the Soviets, pleading for the loyalty of the German people. We cannot afford to make to the German people promises which cannot be fulfilled. We must determine what is a just settlement of German problems and rely upon the people of Germany and the free peoples of the world recognizing the justice of our proposals.

For us, the only question is What is the right thing to do? The right thing to do is always the best thing to do.

It has been 4 years since the war ended. Germany and Japan accepted our terms of unconditional surrender. They had a right to expect that the victorious Allies with reasonable promptness would advise them the terms of the peace under which they must live. They were entitled to know the terms upon which they would be accepted back into the fellowship of peaceful nations. But due to the obstructive tactics of the Soviets, no terms of peace have been given either Germany or Japan. In fact, we have had no conference among the Allies at top level for the purpose of formulating a Japanese peace. The 4 years following victory have been spent, not in fruitful labor toward a sound treaty with Germany and Japan based on justice and dedicated to the creation of a fundamental basis for world peace, but in laying bare the growing differences among the Allies themselves. These differences constitute the real menace to the world today.

It is regrettable that Allies, who in the heat of battle realized that their common salvation and the peace of the world were dependent upon mutual understanding and cooperation, have become oblivious to the very dangers which yesterday joined them together. In great measure this situation has been created by Russia's unjustified suspicion of her former Allies, and by her callous desire to expand her territory in ways which would have shocked even the imperialists of czarist Russia.

At the end of the war the Soviets had an unlimited deposit of good will in all the Nations associated with her in the conflict. It was based upon our common war effort and her great sacrifices. But she has recklessly squandered that reservoir of good will. She has forsaken international understanding and good will as the basis of peace and seeks to achieve peace by her own power and by her own strength through the enslavement of other people.

It is my earnest hope that soon the Soviet Union will realize that her present course proceeds along the road of her own destruction; that it alienates her friends among the nations, except the helpless and servile satellites, and if persisted in, will leave her an isolated national leper.

Today the Soviet Union plays dangerously with the rebirth of German militarism, with apparent unawareness that such military might will inevitably turn upon the bear to the east. They are thinking in terms of propaganda and not in terms of enlightened self-interest.

But the leaders of the Soviet Union must now make decisions which will seriously affect not only the Soviet Union but central Europe and the entire world.

In July 1946, we advised them that as a last resort the three western powers would urge the establishment of a German government in their three zones and into that government the people of the Soviet zone would at all times be welcome.

At the same time the Soviets rejected our proposal for a four-power treaty to demilitarize Germany and keep it demilitarized for 40 years. (They were motivated by the fact that in our proposed treaty there was a provision that made it impossible for any nation to exercise the power of veto.) They were (further) motivated by the hope that we would become disgusted with their tactics and withdraw from Europe. Well we are disgusted, but we do not intend to withdraw.

Now the Soviets must decide whether they will have their zone merged with the government we have established in western Germany and agree to such a four power treaty as we have offered them. If they do not take this course, they will force a divided Germany. In due time as the western republic demonstrates its ability to function in accordance with the constitution which has been approved by the western powers, a treaty of peace will have to be entered into between the new republic and the states that were at war with Germany.

The Soviets should be invited to participate in the drafting of that treaty. The treaty should contain a provision similar to that which is contained in the five peace treaties heretofore entered into by the allies—including the Soviet Union—with Italy and the enemy Balkan states, which provision denies any of the benefits of the peace treaty to a state refusing to sign the treaty.

Should the Soviets refuse to cooperate, inevitably there will follow a contest between the East and West for the loyalty of the German people. I think the great majority of the German people will support the West, but certainly, no one of us can complacently view such a contest or its consequences.

If the Soviets follow their usual policy, they will encourage military training in communistic east Germany. Inevitably there will follow rearmament and military training in the non-Communist western republic.

The Soviet Union, after seeking the demilitarization of Germany, by reason of its short-sighted policy, will have brought about the rearmament of Germany.

As the press has reported the attitude of the Soviet representative at Paris, our people have wondered why they should have asked for a conference. It is an interesting speculation. I think it was their desire to secure relief from economic pressures.

The success of our air lift defeated their effort to starve the people of Berlin. When in retaliation we placed an embargo on the shipment of goods to eastern Europe, it seriously affected the relations of Soviet Russia with their satellite states.

Eastern Europe was dependent for consumer goods upon Germany and western Europe. When the Soviets forced the satellite states to reject the Marshall plan, they promised to supply the satellites with consumer goods from their own production. However, the Germans had destroyed so many Russian factories that the Soviets found it impossible to carry out their rearmament program, produce enough consumer goods to satisfy the satellite states, and at the same time keep a sufficient supply to prevent unrest among their own people.

Instead of helping others, Russia actually has drawn on the production of the satellite states as well as eastern Germany. They wanted the Paris Conference in the hope they could secure a resumption of trade relations with the west and relieve the rapidly deteriorating economy of states behind the iron curtain.

At Paris the Soviets, while urging the restoration of Four Power control, demanded the right to veto all decisions. I am glad the Western Powers stood firm in refusing to accord them this right. Experience has conclusively shown that the right of veto means control by one power, and that power is the Soviet Union.

They do not use the word "veto." They call it the "rule of unanimity." Every decision of the Politburo is announced as a unanimous decision. Differences of opinion undoubtedly exist in the Politburo but they are never made public. If they were, people would take sides and those supporting the minority would criticize the majority just as minorities do in this and all other free countries. But criticism is not permitted in a police state. In the Soviet Union a citizen could criticize Stalin once, but only once.

The suppression of dissenting opinions has always characterized the police state which fears the freedom of its own citizens. Tolerance of dissent and of criticism is the certain sign of a free state, which uses force only to protect and not to suppress the freedom of its citizens.

We who live in a free country accept freedom as a matter of course. But freedom is not free. It must be purchased with blood, brains, and brawn. It can be preserved only by eternal vigilance. If today we are more vigilant than formerly, it is because we have witnessed the tragic experiences of the millions of people who have lost their freedom because of the territorial ambitions of the Soviet Union.

In view of the opinions I express, you may well say, "Why should our Government seek an agreement with the Soviet Union?"

I heartily agree with Winston Churchill, who, in the House of Commons, said that the Soviets would keep an agreement only so long as it is in their interest to keep it, but that it is in the interest of the Soviets to keep the peace for a long time to come.

To his statement I add that it is to the interest of the Soviets to keep the peace as long as America remains strong militarily and economically. And I quote an observation of the historian, Sir Edward Creasy, who in 1856 said: "Fear, not moderation, is the only effective check on the ambition of such powers as ancient Rome and modern Russia." I add "and Communist Russia."

Because this is true, and because peace depends not upon what is written in treaties, but what is in the minds and hearts of men, we must maintain our armed strength upon land, sea, and air, and we must continue the production of atomic bombs. Our policy still must be "firmness and patience."

When I say we must be "economically strong" it brings me to a discussion of some domestic problems. National and international problems are so intertwined that you cannot speak of one without speaking of the other.

Our first line of defense is not on the Rhine. Our first line of defense is a sound, solvent American economy. We cannot keep that economy sound and solvent merely by official statements. It is necessary that we should be realistic. When employment is decreasing, national incomes dwindling, and prices declining, it serves no good purpose to talk about the evils of inflation. It is much worse to become hysterical and exaggerate our economic troubles. We face no collapse of our economy. We should not have a serious depression. But it is time for us to face the facts and take stock.

With increasing unemployment and decreasing national income, it is certain that during the next fiscal year, beginning July 1, we will not collect anything like the revenue collected during this fiscal year.

With the appropriations already passed by both Houses of Congress and those authorized in bills which have passed the House, the deficit is going to be larger than that predicted 6 months ago. That means that we must levy additional taxes, reduce expenditures, or borrow money.

While we are in the midst of [what is called] a recession, it is not likely that Congress will levy additional taxes. We cannot provide increased purchasing power by taking more money out of the pockets of the people.

In time of peace we should not resort to deficit financing. Business is dependent upon the stability of the Government's fiscal policy. When uncertainty and fear exist, as to our fiscal policies, private enterprise abandons expansion programs, merchants purchase on a day-to-day basis, and prudent individuals spend only that which is necessary. Unemployment results and the Treasury can never provide sufficient relief employment to take care of all who are dismissed by private employers.

The only wise course is to reduce expenditures and live within our income. In the light of changed conditions, we should estimate our revenue and then determine how the available revenue should be allotted.

We must see to it that first things come first. There are fixed obligations like the public debt which must be met. In the chaotic conditions of the world we know that there must be adequate funds for the national defense. In determining the adequacy, we must give consideration to the decline of the price of matériel since the estimates were submitted last fall.

When we come to expenditures for other purposes, we must cut some and defer others. Because several appropriation bills have passed both Houses, it is very difficult, if not impossible, now for the Congress to make the necessary reduction. Congress should authorize and direct the President to make the reduction necessary to bring the expenditures within our income.

It would be equivalent to Congress granting to the President in this emergency the power to veto items in an appropriation bill without reserving the power to override the veto. Congress will have fixed the maximum appropriations and would confer upon the President only the power to reduce.

I hope the Congress will not yield to the clamor that there should be no review of the estimates for foreign aid. Certainly foreign aid should not bear the entire reduction required. But just as there is nothing sacred

about the requests for appropriations submitted by the heads of our Departments, there is nothing sacred about the requests for aid submitted by foreign governments.

Officials administering European aid should not expect the Congress to accept their judgment as final. After all, Senators and Congressmen are elected by the people and are charged with the duty of raising revenue and determining how that revenue shall be spent.

Time and again Congress has shown its awareness of the necessity of furnishing economic assistance to Europe and can be relied upon to do whatever is possible without endangering the American economy, which is the first line of defense, not only of America, but of free peoples everywhere.

The financial problems that beset us will not be entirely without compensation should they cause the abandonment of some of the new programs suggested, which point inevitably to a welfare state. That would not only save money, but would preserve liberty.

Here under the spiritual influence of Washington and Lee we do well to give thought to the men and women who settled this country. They came here to avoid the tyrannies of monarchies and enjoy the blessings of liberty. They were practical idealists. They kept their eyes on the stars but kept their feet on the ground. For a century and a half their sterling qualities were emulated by the American people, but today their philosophy of life and their views of government seem forgotten or ignored.

Every segment of society is demanding special privileges—the farmer wants higher prices, the wage-earner wants increased wages, pensions, and hospitalization. Too many people want more pay for less work. We are going down the road to stateism. Where we will wind up, no one can tell, but if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state.

Unfortunately each political party tries to outpromise the other. Some people even go so far as to say that it is unsocial to save. They want to lean upon the state, yet the state has to lean upon each one of us.

Too many people are trying to transfer power to government. That is justified in war but not in peace. In time of peace the state must exist for the individual and not the individual for the state. Power once transferred to government is difficult to recover. Power intoxicates men. When a man is intoxicated by alcohol he can recover, but when intoxicated by power he seldom recovers.

We are not only transferring too much power from the individual to government but we are transferring too many powers of State governments to the Federal Government.

We should not have the Federal Government regimenting our lives from the cradle to the grave.

Some of the proposals now suggested which would curtail the liberties of the people are offered in the name of public welfare and are to be made possible by Federal aid. That phrase in an opiate. It is deceptive. It leads people to believe that Federal aid funds come from a Christmas tree. The truth is there are no Federal aid funds except those taken from your pockets. If the people generally will ever come to understand this, there will be less demand for Federal aid.

Beware of the Greeks bearing gifts. Beware of those who promise you something which does not belong to them and which can be given to you only at your own expense or the expense of another who may not produce to make the promise good.

The States may have failed to make adequate expenditures in some fields. That does not justify the transfer to the Federal Government of powers it was never intended to exercise. In every State there has been increased expenditures for welfare purposes. Give the States a chance.

If the Congress, instead of seeking new ways to spend the money which is being collected from the people, would repeal some of the excise taxes, the States could then levy additional taxes in that field. They could provide for many worthy causes and still leave the people with more money and more liberty.

In the days ahead of us, there will be a struggle between those who believe in individual freedom and those who would subordinate the individual to the dictates of government. There will be a struggle, too, between those who would transfer even greater powers to the Federal Government and those who would stand by the Constitution in its reservation of powers to the States.

As citizens, you will be called upon to help solve these problems. You will bring to their consideration trained minds and stout hearts, and whatever may be your conclusion as to the proper solution, I am sure you will discharge your duty in a manner worthy of the spiritual and intellectual heritage bequeathed to you by the patriotic Americans for whom this university is named—Washington and Lee.

Mr. BRIDGES. Mr. President, earlier today the distinguished Senator from Virginia [Mr. ROBERTSON] put into the RECORD an address delivered Saturday at the Washington and Lee University. I have not read the full address by the former Secretary of State. I have heard reports from several people who heard it, and I have read the accounts in the newspapers, and have listened to comments over the radio. It was a very fine address.

Mr. President, who is James F. Byrnes? James F. Byrnes served honorably and well in both Houses of Congress. During the years I have been a Member of the Senate, he was considered one of the ablest and most intelligent Members of this body. He served as a Justice of the Supreme Court of the United States. He served in top advisory and administrative capacities to both President Roosevelt and President Truman. He has been the key Secretary in President Truman's Cabinet, namely, the Secretary of State.

Mr. President, in this address Secretary Byrnes said:

> We are going down the road to statism. Where we will wind up no one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state.

Mr. President, that is quite a statement, from a great patriot and a great American. This man has taken off the blinders. He sees the trend in this country. I, for one, as a United States Senator and as an American, welcome the fact that this great American, this great statesman, is talking in such plain-spoken language to the American people. I hope the Congress of the United States will be impressed. The Congress should be—the country should be.

Here is a man who has been in all branches of government; he has been a member of the judiciary; he has been in the legislative branch; he has been in the executive; he has had experience such as few other men have had.

I realize that some do not like his words, but because they are very short, let me quote them again.

Mr. FERGUSON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Michigan.

Mr. FERGUSON. Is it not true that in the headline of the article——

Mr. PEPPER. Mr. President, will not the Senator speak loud enough so that we can hear him on this side?

Mr. FERGUSON. Does not the headline refer to the welfare state?

Mr. BRIDGES. That is correct.

Mr. FERGUSON. Can the Senator tell the Senate where the idea of a welfare state was conceived, or where the phrase was first used?

Mr. BRIDGES. I do not know that I can answer the Senator as to where the welfare state was first conceived. I know it is something very foreign to the United States, very foreign to America. I know there is a welfare state of one kind in Russia, I know a welfare state of another kind is being built in England, but I do not know just who conceived the idea.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Does not that idea indicate that the only way the people of America are to have well-being is that the state must create the well-being and the welfare? Is not the proper interpretation of welfare state the idea that there is no other means of arriving at the welfare of the people except through statism?

Mr. BRIDGES. The Senator is absolutely correct in his interpretation.

Mr. FERGUSON. Would not the Senator say that that was foreign to all the conceptions of Americanism, of the rights of individuals in America? Is not the American idea the conception of the American creating his welfare and the welfare of his fellow citizens, rather than the state creating it?

Mr. BRIDGES. The Senator is absolutely correct. He has hit the nail on the head. He has properly interpreted the idea.

Mr. FERGUSON. Is not that what Justice Byrnes was talking about?

Mr. BRIDGES. That is exactly what Justice Byrnes was talking about. Justice Byrnes proceeded to say:

> Too many people are trying to transfer power to the Government.

This distinguished member of the administrations of both President Roosevelt and President Truman was absolutely correct. He knows. He has had the experience. He served in both administrations, and he knows absolutely what he is talking about. He has seen conditions from the inside. Now he comes out in a very patriotic way to open the eyes of the American people and of the American Congress.

The former Cabinet member then said:

> We should not have the Federal Government regimenting our lives from the cradle to the grave.

How true that is. That statement should be heeded by all. I think it is fine that James Byrnes is speaking out.

The article reporting the address then said:

He pointed out every segment of society is demanding special privileges.

All of us have seen the pressure groups here, and I think we can all testify to the truth of that statement.

Then he said a very significant thing, Mr. President, and I am sure that the distinguished Vice President and the distinguished Members of this body will be interested in this. He said:

Our first line of defense is a sound, solvent American economy.

That is what some of us around here have been trying to bring about, economy, and this is what the former Secretary of State said, that sound, solvent economy is essential in this country. How true that is. The article then states:

He also proposed that expenditures for purposes other than fixed obligations and the national defense be cut or deferred.

Mr. President, that is what we have been attempting to accomplish. Here is this great American, this leader in the administrations of President Roosevelt and President Truman, telling the American people the truth—and they certainly need to be told the truth. I am sure the distinguished majority leader in this body, the Senator from Illinois [Mr. LUCAS], has the highest admiration for former Secretary Byrnes, because I know he served in the Senate with him and with me, and I hope he is going to get some light from the statements of this great American. I realize that the Senator from Illinois, as the majority leader, does not need very much advice from many people, but on this occasion, with a man so outstanding as Secretary Byrnes, a man who has had experience in all branches of government, a man who has served in these two administrations which have been in power in Washington for so many long sad years, making these significant statements, I am sure the Senator will give the statements weight.

Mr. Byrnes made several other very good statements. He said:

The only wise course is to reduce expenditures and live within our income.

That is another great statement from a great American. It is refreshing to hear this statement from a person who has been prominent in this administration.

He also said:

Because several appropriation bills have passed both Houses, it is very difficult, if not impossible, now for the Congress to make the necessary reduction. Congress should authorize and direct the President to make the reduction necessary to bring the expenditures within our income.

That is just what is provided for in the amendment offered by the Senator from Nebraska [Mr. WHERRY], the Senator from Michigan [Mr. FERGUSON], and myself. It is very similar to what is provided for in the joint resolution reported from the Committee on Expenditures in the Executive Departments by the Senator from Arkansas [Mr. MCCLELLAN]. I think we are really getting somewhere. It does my heart good to see one of the men who have served so efficiently, so well and so ably in the New Deal and Fair Deal administrations in Washington, courageously speaking out and telling the truth, because the truth needs to be told, Mr. President. And while we have here in this body many distinguished members of the Democratic Party, sometimes they are a little fearful of speaking out their views. But here we have a great American who is willing to speak out and call a spade a spade. Our hats should be taken off to him.

I only hope that what he has said will not go unnoticed. I want to thank the distinguished Senator from Virginia [Mr. ROBERTSON] for putting the entire speech of Mr. Byrnes in the RECORD, because it is worth while for every Senator to read it, and I have no doubt the Members of the House will read it, and the members of the public who receive the CONGRESSIONAL RECORD will read it. I wish it could obtain greater publicity.

Mr. PEPPER. Mr. President, I do not know whether the distinguished former Senator Byrnes, of South Carolina, later a Justice of the Supreme Court, and later Secretary of State, would have been gratified had he known that his recent address at Washington and Lee University would receive such high praise today from the Senator from New Hampshire. I must say that as a Democrat and a southerner, I regret that one who has brought so much honor to and been so much honored by the Democratic Party should have given aid and comfort, intentionally or unintentionally, to those who are attempting to obstruct the program of his President, his party, and its platform.

Of course, we are not altogether surprised that the former distinguished Senator from South Carolina and Secretary of State and Justice would indicate his disagreement with some of the program of his party or its platform. Those sentiments began to be manifested while he was still a Senator, and were honorably expressed on other occasions; and I suppose it is common knowledge that he was not entirely in accord with the Democratic platform and the proposal of the Democratic nominee for President, for I understand that the Secretary declined an invitation, extended to him in the last Presidential election by his party, to address himself to his fellow countrymen in support of his President, his party, and his party's platform. So certainly I do not suggest any inconsistency on the part of our distinguished former colleague.

But, Mr. President, I must say that, for myself, I cannot subscribe to the innuendoes and the implications of the distinguished Secretary's address. He stated a principle upon which all of us do agree, when he said that—

Our first line of defense is not on the Rhine. Our first line of defense is a sound, solvent American economy.

Certainly that is the objective of all of us. Certainly we realize that only a strong America today stands between the world of freedom and liberty and prosperity and the world of chaos and conflict and communism. But no doubt where we differ is in the method by which we seek to accomplish this sound and solvent American economy.

In his address, the distinguished former Secretary also said:

In time of peace we should not resort to deficit financing.

Mr. President, I am sure the able former Senator and Secretary and Justice does not really mean that literally. I am sure he was not one of those who opposed the program of his party and President—indeed, the program of the American Congress and the country—to help get us out of the depression by the use of deficit financing, as one of our steps forward.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAYBANK. Does the Senator subscribe to deficit financing?

Mr. PEPPER. I am just going to address myself to that subject. I am saying that we had to resort to it in the depression years; and I do not recall that the former Senator from South Carolina, who spoke at Washington and Lee University on Saturday, was one of those who threw his great weight and strength against Roosevelt's program and the Democratic policy of using deficit financing as about the only weapon that was then available and within our grasp to help us get out from the tragic unemployment into which we had fallen by the policies which had previously prevailed.

Mr. MAYBANK. Is it not a fact that in those days the banks of the country were closed, to a large extent, and the bank deposits were then very small, whereas today the banks are literally bursting with money?

Mr. PEPPER. Yes; the banks are bursting with money; but the banks of the country were closed to a large extent and bank deposits lowered as a result of the failure of the Republican administration to act in the 1930's to save our banks and our country and it was the Democratic administration under the leadership of President Roosevelt which reopened the banks, insured bank deposits and restored confidence in our economy, but I say that unemployment is rising and business shrinkage is occurring in the country; and I say to my distinguished friend, the Senator from South Carolina, that numerous of my constituents who are trying to start new businesses and maintain employment are not able to get the money with which the banks are bursting, and so they come to the RFC or some other governmental agencies and realize that it is only there that they can hope to get money. It is the business interests of this country who want the Government to help them. For example, our real-estate mortgage and investment institutions want the Government to purchase more of their mortgages under the National Housing Act, which I fully support.

Mr. MAYBANK. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. MAYBANK. I subscribe to the theory the distinguished Senator from Florida has stated—namely, that the

people are not benefiting from the large amounts of money which are now in the banks. One of the reasons for that is that so many people are afraid to invest because the Federal Government is engaging in deficit spending.

Mr. PEPPER. Mr. President, it depends on what is the real cause and the real motivating impulse of that fear. To that subject I wish to address myself.

So, Mr. President, surely the Secretary did not mean that he was always opposed to deficit financing. He was not opposed to it when he was in the Senate, when we had to resort to it to improve the economic condition of our country. I cannot believe that an American citizen would close the door to deficit financing if all other methods and options had failed, if it were necessary to resort to deficit financing to keep the country from slipping down again into the abyss of depression. Of course, we want a balanced budget. Of course, we desire to live within our means, as the former Senator from South Carolina said at another point in his address, which I have before me. But there are times when the Nation cannot for the immediate present live within its means and be sure of serving the public interest. I do not believe, indeed, that back in 1933 he would have insisted that the country not then go beyond its revenues, not resort to deficit financing to get ourselves out of the depression in which we then found ourselves.

Mr. President, I would remind my colleagues that it has been the President of the United States who, in flush times, has been advocating, not dangerous tax recession and repeal, but that we maintain a high level of Federal revenue so as to cut down, in good times, the deficit results which had to be left over from bad times when it was necessary to increase the national debt.

I say, Mr. President, just as we cannot, so far as known experience is concerned, when in the pit of a depression, escape resort to deficit financing, I am not at all sure that we can escape resort to some deficit financing, when we find ourselves facing a sudden decline in the economy, and are trying to arrest and transform it so as to bring about such a condition that our economy can continue to go forward, assure full employment, and add to the value of our output.

So, Mr. President, I certainly should not wish to associate myself with this view. I have seen that some of the President's advisers have taken a similar position. If I am not mistaken, I have heard that Fortune Magazine is taking a comparable position. If we are threatened with dangerous unemployment, with shrinking business conditions, with loss of customers for our businessmen, and if we are threatened with a serious recession, I think we would be remiss in the discharge of our duty, if we felt we could arrest and turn back that trend by the use temporarily of deficit financing, if we did not resort to it. So, I could not fail to say that I believe experience has not justified the literal assertion the distinguished former Senator from South Carolina has made, if indeed he intended that his assertion should be taken literally.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from South Carolina?

Mr. PEPPER. I yield.

Mr. MAYBANK. I merely wanted to mention that in the conversation I had with certain of the President's advisers, they informed me, along with others, that it was the first time they had ever witnessed a recession when the banks were full of money, and they believed the principal reason for it was the unwillingness of the investment houses, mutual savings banks, and similar institutions to invest their funds. I do not know whether or not that is correct, but I may say one of the President's advisers said he had never seen quite such a recession when there was as much cash on hand as there is today.

I wish to say to the Senator from Florida that while I regret as he does the tremendous unemployment in this country and the hardships which the people are going through, nevertheless I am still of the opinion that with conditions as they are, the worst thing the Congress could do would be to engage in deficit spending or set about raising new taxes.

Mr. PEPPER. Mr. President, about the matter of new taxes I have no fixed opinion. My general view is that the President was right when he said we should tax heavily in good times, not enough to slow the momentum down to a slow pace; but we should tax heavily in good times, when we can pay, with the high volume, the velocity in the currency of the country, but at the same time lightening the load, as it were, that might be burdensome, when the trend becomes difficult and the going becomes more rough. I think that is generally sound tax policy.

But, Mr. President, I am addressing myself to the question, that if right now we are threatened with a slip that amounts to the threat of a recession, I would say that what would give the business of this country more confidence than anything else is an assurance that Government support for economy would be continued with vigor and constancy, and more confidence that there would be full employment, which would give the business of this country the customers without whom it cannot possibly be secure and prosperous. I am personally of the opinion that what causes lack of confidence more than anything else is the threat to the level of public spending, especially by the Federal Government, and the threat to full employment, and the threat to the price level on farm products. Give business assurance that those factors remain relatively stable, and they know, Mr. President, there is nothing seriously to be concerned about, because they know there is a market for the output of farm and factory and services provided in this country.

I raise this question, Mr. President, because I think we are on the verge of making a crucial decision, and I hope that the great prestige of our former eminent colleague will not prejudice the public against an open-minded approach to that crucial decision. If we are approaching an unemployed figure of 5,000,000, and there is a possibility that that number might increase, I think if we are laggard in meeting this challenge, in surmounting this crisis, our failure to act promptly and courageously and effectively may have disastrous results upon this economy of ours; and if America weakens, Mr. President, Atlas will have bended his back under his world load, and no one can tell what may be the destiny of mankind.

Mr. President, the able Secretary used this sentence:

> The financial problems that beset us will not be entirely without compensation should they cause the abandonment of some of the new programs suggested, which point inevitably to a welfare state. That would not only save money but would preserve liberty.

With its tendency to play up the challenge and the excitement and the controversy, the press has played up the Secretary's remarks as in opposition to the program of our party and our President. Mr. President, there has been a good bit said about the welfare state. I tell you the kind of welfare state that I think our President and our platform and our party have in mind is taken from the preamble to the Constitution of the United States:

> We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare.

Mr. President, if they are opposing the kind of general welfare which the Preamble of our Constitution makes one of the primary purposes of this new Government, then we stand upon sound constitutional ground when we say we are for that kind of general welfare, and propose to continue it in ever-increasing scope and volume and reach. What kind of welfare, Mr. President? It is the kind of welfare that the Democratic Party spoke of in its platform, to curb inflation and to make living levels of an improved character for the people of this country. We said:

> We shall enact comprehensive housing legislation.

We stand by that. I am glad to say that this has also been a bipartisan proposal here in bringing out housing legislation. If that is the kind of welfare that some oppose, I am glad that the Senate has gone on record against them, for housing is one of the best contributions to the general welfare. We said:

> We pledge the continued maintenance of those sound fiscal policies which under Democratic leadership have brought about a balanced budget and reduction of the public debt by $28,000,000,000 since the close of the war.

Taking the over-all record, the Democratic Party has no occasion to be ashamed of the fiscal accomplishment of its experience in the control of this Government. We said:

> We favor the reduction of taxes—

Mr. President, listen to this part of the platform:

> We favor the reduction of taxes, whenever it is possible to do so without unbalancing the Nation's economy, by giving a full meas-

ure of relief to those millions of low-income families on whom the wartime burden of taxation fell most heavily.

We are opposed, we said, to a general Federal sales tax. We advocate repeal of the Taft-Hartley law. We then say:

We favor the extension of the coverage of the Fair Labor Standards Act as recommended by President Truman, and the adoption of a minimum wage of at least 75 cents an hour in place of the present obsolete and inadequate minimum of 40 cents an hour.

I hope that a committee of this Senate will make such recommendation to this body at a very early date. I have the honor to be chairman of a subcommittee which held the hearings, and I hope we can reach a bipartisan agreement upon a program which will make that increase in the minimum wage to 75 cents possible to the workers of America. If doing that is establishing an odious welfare state, Mr. President, then, as Patrick Henry said about those who would be his traducers, "Make the most of it." This is what we stand for:

We favor legislation assuring that the workers of our Nation receive equal pay for equal work regardless of sex.

That is economic justice for the women of America. Yes, Mr. President, that is a part of the general welfare. I read further from the platform:

We favor the extension of the social-security program established under Democratic leadership, to provide additional protection against the hazards of old age, disability, disease, or death.

Is that, Mr. President, an objectionable statism—to help those segments of our citizenry? That is the kind of general welfare we are trying to promote.

Then we mention some of the details of a wider social security; and then we say:

We favor the enactment of a national health program for expanded medical research, medical education, and hospitals and clinics.

I am glad to see, Mr. President, that there is a growing unanimity of objective as to better health for the Nation on both sides of the aisle. We differ about the details, but every Senator is willing to admit that our health care is inadequate. We need more doctors, nurses, technicians, hospitals, and hospital administrators. We all agree there should be more. We differ as to the details, as I have said, but we agree that there must be assistance to the people of the Nation in obtaining medical care and all the things necessary for the prolongation of their lives and the improvement of their health. That is the finest form of contribution to the general welfare.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from New Hampshire.

Mr. TOBEY. So as to keep the record straight and to give a word of encouragement to the groups considering these various matters of legislation, let me say that it was the Republican Party, assembled in Philadelphia last year, which very wisely and timely turned to the immortal words of the great Lincoln when he addressed the Congress in 1861, which was another time of stress. I hope we shall keep his words engraved in our hearts. He said that the dogmas of the quiet days were inadequate to the stormy present and that we must think anew and act anew; that we cannot escape history.

I now go back and, from the archives of memory, I bring up a statement made by an American who, I regret to say, has often been maligned and attacked on the other side of the aisle, down through the years, always unjustly. He is one of the greatest living Americans, of whom I have had the honor of being a personal friend for many years. Senators may think that this is the voice of a great radical, but he so well said, years ago:

We aim to set up in this country a human society, not an economic system. We aim for increased production and greater efficiency, to the end that we may have a happier home life in America.

Who is the man? His name is Herbert Hoover. He spoke the thoughts of the souls of men as they looked toward an uncertain future.

That is good enough for me, Mr. President. I hope it will be written in our hearts in the dark days ahead.

Mr. PEPPER. I thank the able Senator from New Hampshire. If we do not serve the people we are most derelict in our duty.

We further state in our platform:

We will continue our efforts to aid the blind and other handicapped persons to become self-supporting.

That is in the general welfare. We said, further:

We will continue our efforts to expand maternal care, improve the health of the Nation's children, and reduce juvenile delinquency.

Surely, Mr. President, the able former Senator from South Carolina does not want to oppose that. I do not want his address misunderstood as opposing such high purposes as is the well-being of the mothers and the children of this land.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from South Carolina.

Mr. MAYBANK. I am wondering if the Senator has a copy of the speech which former Senator Byrnes made.

Mr. PEPPER. I have it here before me.

Mr. MAYBANK. All I read of the speech was that which was contained in the newspapers yesterday morning. It made no reference to those details.

Mr. PEPPER. I am reading from page 28 of the original, in which it is stated:

Every segment of society is demanding special privilege. The farmer wants higher prices; the wage earner wants increased wages, pensions, and hospital care. Too many people want more pay for less work. We are going down the road to statism. Where we will end up, no one can state. But if some of these new programs, seriously proposed, should be adopted, there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, will soon be an economic slave pulling an oar in the galley of the state.

That language, Mr. President, was construed by the press as being in opposition to this great humanitarian program of which we are trying to secure adoption in this Congress. A great part of it has bipartisan endorsement. I thought I would point out what the program is, so that if the American people got frightened about the alleged trend down the dangerous road to statism, I wanted them to know the kind of statism which the former Secretary of State must have had in mind.

The only statism I know anything about is in the proposals of our platforms, of our leaders, and in the bills introduced in this Congress. I certainly am for the program, but I certainly dissociate myself, as do my colleagues who favor the program, from any idea that it involves the awful, odious trend which someone might call statism. On the contrary, it aims to strengthen this great democracy of ours.

Mr. MAYBANK. I want to thank the Senator for that information because I had not seen the entire speech. While I thoroughly agree with the statements with reference to the budget and the financial condition of the country, I saw nothing specifically relating to juvenile delinquency and being opposed to measures preventing juvenile delinquency.

Mr. PEPPER. I thank the able Senator. He has supported many of these measures with all his heart and out of his great humanity, and I know he does not regard himself as throwing the Republic down any dangerous road to statism.

So, Mr. President, I thought it would be well to let the American people know, if they misunderstood the former Secretary's address, that the things about which we are speaking are not thrusting America down any road to statism. We are simply standing squarely by the American Constitution on which this democracy was formed, to try to promote the welfare of our people.

Mr. MAYBANK. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. MAYBANK. Of course I have supported some of the important things in the Democratic platform, as I have opposed some of the things in that platform. In my judgment FEPC legislation is not in accord with the Constitution of the United States. It is perhaps some of those things which the former Secretary of State thinks, as I do, are unconstitutional.

Mr. PEPPER. Mr. President, the Democratic platform advocates Federal aid for education. I am sure the former Secretary of State did not mean to say that he opposes Federal aid to education and providing equalization of opportunities of education for every American boy and girl.

The platform further provides:

The Nation can never discharge its debt to its millions of war veterans. We pledge ourselves to the continuance and improvement of our national program of benefit for veterans and their families.

The level of veterans' benefits must be constantly reexamined in the light of the decline in the purchasing power of the dollar brought about by inflation.

Then we pledged a program of housing for veterans. I am sure the Secretary did not mean to put himself on record against that proposal of his party.

Then the disabled veterans must be provided with medical care and hospitalization of the highest possible standards. I am sure our former distinguished colleague would not stand against care for the disabled veterans.

Then we emphasize farm security, the necessity of taking care of the farmers of this country, and giving them a decent market for what they produce by the sweat of their brows and the toil of their bodies. Surely one who sees and wants the solvency of America would not countenance the insolvency of American farmers. the representatives of one of the most important segments of our whole economy and society.

Mr. President, I know that of the six commodities which get special Federal help, which have support prices, four are major crops of the South, namely, cotton, tobacco, rice, and peanuts, at least. I know that today the tung-oil industry, so important to the South, is in a state of collapse because we do not have Federal support, which we are seeking to obtain. I know that the citrus industry has trembled upon the very brink of bankruptcy for the last 2 or 3 years because we did not have support prices for our commodities. I cannot see how anyone would oppose a wise and sound policy of Federal aid and assistance to agriculture in this country.

Mr. President, I wonder whether or not the able Secretary, who is opposed to statism, really would favor some of the aspects of the Taft-Hartley law which we are trying to repeal. I know he supported the Wagner Act in 1935. Would he favor injunctions, the settlement of management-labor disputes by injunction and the coercive power of the state? We are trying to get rid of those state weapons. Surely that is not in the interest of statism. That is to get away from it, and allow free collective bargaining between management and labor as the best way of settling industrial strife.

Then we go on in our platform:

> We strongly urge the continuance of maximum farmer participation in all these programs.
>
> We favor the repeal of the discriminatory taxes on the manufacture and sale of oleomargarine.

That is vital to the South. The Secretary is not against our doing that, is he?

> We will encourage farm cooperatives and oppose any revision of Federal law designed to curtail their most effective functioning as a means of achieving economy, stability, and security for American agriculture.

I am sure our distinguished ex-colleague did not intend to oppose that.

> We favor provisions under which our fishery resources and industry will be afforded the benefits that will result from more scientific research and exploration.

Is that Federal help objectionable statism? Just ask the fishing industry whether they regard it as objectionable or highly necessary.

> We recognize the importance of small business. It must be protected against unfair discrimination and monopoly, and be given equal opportunities with competing enterprises to expand its capital structure.

Mr. President, my able and distinguished colleague from Montana [Mr. MURRAY] has called my attention to a few testimonials from eminent authorities as to who is really responsible for the trend toward collectivism in America; and who is it but big business in this country, which can only be effectively controlled by the collective power of a superior government, without which they stand the undisputed master of the business life of this community.

We Democrats did not start this program. I have here an excerpt from Fortune magazine for February 1938, page 61:

> Government in business did not begin with the New Deal and hence will not end it. Even by Hoover's time the United States Government had accumulated 10 departments and 87 independent agencies; it regulated the packers, enforced the Food and Drug Act, pried into trading in grain futures, investigated mines, ran the Federal Land Banks, enforced prohibition, influenced the banking system through the Federal Reserve, attacked monopolies through the Federal Trade Commission, bought farm surpluses, meddled with the power industry, lent money to banks and insurance companies, and researched almost everything under the sun from salmon to soil conditions.

That was Fortune magazine telling what was done before Roosevelt ever came to Washington as President. But, as the Senator from New Hampshire indicated a few moments ago, increasing challenge and need have brought about the requirement for the exercise of additional power to curb the freedoms and the liberties of the American businessman, and to preserve the very free enterprise system upon which America is founded.

The Senator from Montana also calls my attention to another reference in Business Outlook. This is the subject of an article in the Washington Post of May 25, 1949, where Mr. J. A. Livingston is saying:

> Fortune magazine recently made the observation that "every businessman, consciously or unconsciously is on the defensive." That, perhaps, explains the current drive of big business to get on the good side of the public. Yet sometimes, these efforts at public relations are both a cause and a result of group hypnosis, of ideological inbreeding.

Here is a quotation from an address which the Senator from Montana put in the RECORD on July 15, 1947. I read a paragraph:

> There is still much muttering about what the opponents of social progress are pleased to call Government interference. One of the reasons businessmen complain about Government interference is that for generations no government dared question the actions of business. Naturally, therefore, when legitimate and necessary Government intervention began there was weeping and gnashing of teeth. Much of the resentment at Government intervention is in the nature of hurt surprise, like that of an undisciplined child that is suddenly made to do what he should have been doing all along. Let us not, however, carry this analogy too far. For the abuses of our industry have not been the actions of a child. They have often been heinous crimes against society.

Who said that? None other than the Most Reverend Bernard J. Sheil, doctor of divinity, auxiliary bishop of Chicago, at the national convention of the American Veterans' Committee, on June 20, 1947, at Milwaukee, Wis. I can assure my colleagues that the reverend bishop is not interested in the odious form of statism that crushes individual liberty, but he was seeing through the haze and maze and confusion of much of this propaganda, at what it was that was really the dangerous collectivism that was confronting our country.

Just one other excerpt from Fortune magazine. They say:

> Now this technique of bigness, involving the artificial control of prices and other basic factors, is a collectivist technique. And the operation of the collectivist technique has created for business a precarious situation. Business has carried collectivism so far in its private affairs that its affairs are no longer private, but, by the bigness of their impact, public.

In other words, Mr. President, who is it that has brought strong and big government into being but strong and big business, with which even big government sometimes was almost at a disadvantage as a competitive wrestler?

So, Mr. President, without Government standing at the side of the little-business man who is trying to compete, to take advantage of America's supposedly open doors of opportunity, without the Government being the policeman protecting him, as it were, he would simply be crushed by tyrannies which he could not possibly control.

Mr. President, the article in Fortune magazine proceeds:

> It is untenable, indeed, to suppose that the policies of the steel industry with regard to prices, production, and employment are strictly "private" matters. These policies involve directly 570,000 employees, $976,000,000 of annual payrolls and a $5,000,000,000 investment. They have repercussions throughout most of business, affecting at least remotely millions of people and eventually the entire economy. But inasmuch as they impinge and invade the sphere of public welfare, they impinge upon and invade the functions of Government. By its very office, Government must intervene. And the method of intervention which is easiest and most obvious, and which was encouraged during NIRA days by businessmen themselves, is the method of direct regulation—of price, for instance, of production, of profit itself.
>
> Thus collectivism in industry begets collectivism in government. And if it is not collectivism as practiced in the so-called collectivist States, it is only a couple of theoretical steps removed from it.

Then the article goes on to say that, of course, it is dangerous to extend this authority, but until we break up monopoly and defeat the tyrants of our economy, there is no protection for the people except their Government.

I read now from the distinguished commentator, Walter Lippmann, as follows:

> The development of combinations in business which are able to dominate the markets in which they sell their goods and in which they buy their labor and their materials must lead irresistibly to some form

of state collectivism. So much power will never for long be allowed to rest in private hands, and those who do not wish to take the road to the politically administered economy of socialism must be prepared to take the steps back toward the restoration of the market economy of private competitive enterprise.

Yet, Mr. President, does one hear these opponents of this program speak out as the champions of an anti-monopoly drive? I have not, Mr. President. I find that they are as silent as the little chick comfortably encompassed beneath the protecting wing of a loving mother when they have retired for the eventide and the night's rest. We do not hear a peep or a cheep out of them against monopoly. But they always see the danger in statism, notwithstanding the fact that the people elect the President every 4 years, the people elect the Members of the House of Representatives every 2 years, the people elect one-third of the Membership of the Senate every 2 years, and every Senator every 6 years; notwithstanding the fact that I do not know of anyone who seriously challenges the right of our people freely to assemble, petition and protest, and have the protection afforded by the secrecy of the ballot box in which the people exercise their sovereign will in the election of their Congress and their President.

Mr. President, when have the people ever had a chance to vote in an election for the President of the United States Steel Corp. or of General Motors or of General Electric? When have they ever had the power of changing, as we can here in Congress, the economic policies of those corporations, or restraining the exercise of their power? We know that the Government of a free people is their servant, whereas the arrogant masters of monopolistic economy make the people their servants, make them pay tribute into the coffers of their wealth and power.

Our platform has arraigned us and our party squarely upon the principle of the public interest and the promotion of the general welfare as one of the cardinal purposes in the formation of our Federal Constitution.

I will add only briefly, that our platform called for stability for American agriculture, the protection of our fishery resources, recognition of the importance of small business, the curbing of monopoly, and the getting away from discriminatory freight rates. On the latter point it said:

> We favor nondiscriminatory transportation charges and declare for the early correction of inequities in such charges.

Mr. President, I speak as a southerner. I think the record of some of us has been as good as that of our distinguished former colleague in trying to take from the neck of southern agriculture and industry the oppressive discriminatory freight-rate structure. Franklin Roosevelt was the first President I ever heard of, and his government and administration, continued by the present administration, and incorporated in the Democratic platform, to say for the South, "Yes, we are going to use the hand of the Government to protect you from a discriminatory freight-rate structure which has grown up historically and been protected by the public utility commissions in many parts of the country."

Mr. LONG. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. LONG. I wonder if the Senator realizes that the basing-point law which the Senate passed a few days ago by a voice vote, is moving in just exactly the opposite direction, because the basing-point system has had a great deal to do with the high freight rates we have in the South.

Mr. PEPPER. I agree with the distinguished Senator from Louisiana. I regretted very much that I was in Florida and was not able to raise my voice in protest against something I feel moved us backwards, as the Senator from Louisiana suggests, when we passed here recently the so-called clarification of the basing-point law. I cannot but feel that that piece of legislation has nullified some of the progress we have previously achieved in getting away from some of these discriminations that have held back the economic progress of our South.

Mr. LONG. Mr. President, will the Senator again yield?

Mr. PEPPER. I yield.

Mr. LONG. I wonder if the Senator also knew that some few years ago the railroads in the deep South, primarily those around Birmingham, were supposed to reduce the freight rates on steel moving out of Birmingham, and that because of the pressure of the northern steel companies and the northern railroads that was never done. The pressure was primarily directed at the fact that Birmingham controls the steel prices in that area, and the big companies were shipping into that area by water, but they were charging, in effect, Birmingham rail rates?

Mr. PEPPER. I believe the Senator is correct. I think we have far more yet to do in the way of passing laws to give economic equality to our Southland.

I read further from the platform:

> We pledge the continued full and unified regional development of the water, mineral, and other natural resources of the Nation, recognizing that the progress already achieved under the initiative of the Democratic Party in the arid and semiarid States of the West, as well as in the Tennessee Valley, is only an indication of still greater results which can be accomplished. Our natural resources are the heritage of all our people and must not be permitted to become preserves of monopoly.

Is that statism, Mr. President? Is that what the former Secretary of State is talking about when he says too many people want more for less work? Is that what he means when he says we are going down the road to statism? Is it objectionable statism, Mr. President, to develop the resources of our country and to free the people from the tyranny of private power company monopolies which have bled them until the Federal Government stepped in and broke their shackles?

Mr. President, it may be that statism means something different to the distinguished former Senator than it means to us. I call our program the constitutional program to promote the general welfare. That is what we are doing and in the American way as well.

Mr. President, the morning newspapers carried the report of an exhaustive economic survey which emanated from Duke University, a great southern university. That survey with the recommendations accompanying it, was reported to the President's economic advisers.

What was the subject, Mr. President, of that survey? The South. I speak simply because I am a fellow southerner, together with my distinguished friend from South Carolina who spoke at Washington and Lee. In the headlines of today's newspapers we find the statement, connected with the survey in question, that the South needs four to five billion dollars more capital for the development of our economy to put us on anything like a parity with other parts of the country. The survey also says that the Federal program in the past has greatly helped in lifting our people up to better conditions than they previously enjoyed.

Mr. President, I do not know of a source as dependable or as potentially effective as our Government to help us in the South. I do not want the Government to dominate and to regiment us, but it must help us even more than it has in the past. We hope the Government will help us educate our children, because we are not one of the richest sections of the country. The Government has long been helping us build our roads and helping us maintain our land-grant colleges at levels of competence. The Government has long been helping us to deepen our rivers and our harbors, and to protect our soil against erosion, and to conserve that soil for greater fertility. But we need even more help.

In the report I have referred to it is said that we must get away from many of our small uneconomical farms. I was born on a little 129 acre farm, one-third of it rocky. Not many patches of it were too fertile. I know what it means for a family in the South to try to pull itself up by its own bootstraps on a little farm. The report says we have got to get rid of many of these little farms and get more average size farms. What I see growing up is the great corporate farm, which is also squeezing out the average farmer. How are we going to take care of the small farmers, who are farming on poor land, and who lack the skill necessary for modern agriculture? I do not know of any private program which is going to get them off the submarginal farms and get them onto average sized farms of which they could become the owners. If some private enterprise or voluntary association could do it, I should say all honor and glory to them; but I do not see any of them doing it. They have not done it effectively in the past 200 or 300 years.

However, we have a program under the Federal Government, which was put through the Senate a few years ago by a great southern Senator, Senator John Bankhead, of Alabama, and a distinguished former Senator who today is seated in this Chamber. He is now a member of the Civil Aeronautics Board.

I refer to former Senator Josh Lee, of Oklahoma, who was one of the introducers and most active supporters of a program for moving the submarginal farmer to better land and giving him aid in the purchase of a little soil which he could till for himself.

But, Mr. President, that is Federal aid. I do not see anything wrong with it. Surely no one wants to stop it. The tragedy of it is that we have allowed only $10,000,000 or $15,000,000 a year for the entire program. If I correctly recall, when I was a member of the Committee on Agriculture and Forestry that was the information which I received. Yet what has happened? I recall the testimony before our committee, to the effect that the Government had not lost anything on the program. I do not believe it lost a dime. If it lost anything at all, it was a mere pittance. Those submarginal Americans, given an opportunity by their Government, have measured up to the challenge. They are better off. Their children are better off. The community is better off. The country is better off.

Yet, is that statism? Is that the kind of statism that we condemn? There are forms of statism which we all condemn. I merely wish to distinguish between what we are trying to do as a Democratic Party, and generally as Senators and Representatives, and the kind of evil statism which might suggest some of the totalitarian tyrannies from abroad. I am talking about American principle and policy, as embodied in the Democratic platform, to which I think we generally wholeheartedly subscribe.

Mr. President, as I stated, I speak as a southerner. I want to see the South grow. We need more capital available for the development of our undeveloped natural resources. I am sponsoring with a number of other Senators a bill in the Senate which would accomplish that objective. We need more local ownership and less absentee landlord ownership. I have seen what many absentee landlords have done. One of our great industries in the South is the lumber industry. There are no finer people in the world than many of those proprietors. Yet, before our consciousness of the need for reforestation developed I saw absentee landlords denude our lands of the trees and not replant them. I saw them pay little to their labor, and send the dividends and profits elsewhere, leaving us nothing but ghost towns, denuded forests, and unemployed people. So we want to develop our own resources. I do not know of any better or more dependable source of help than an intelligent government interested in our problems and trying to give us assistance.

The summary of the report to which I have referred says:

> Although the South has made substantial progress in overcoming its economic lag behind the rest of the country in the past 20 years, much remains to be done.
>
> In industry, the region made striking progress in the prewar decade; about held its own during the war on an over-all basis, but reduced its dependence on textiles and realized the beginning of a healthy diversification. Apparently a slow but steady relative progress continues in the postwar years.
>
> The South has realized its greatest relative increase in financial resources but still ranks lowest in that field.
>
> Per capita income payments in the South rose from 47 percent of per capita payments in the non-South in 1929 to 63 percent in 1947, but most of that gain was concentrated in two short periods—1931–34 and 1941–45.
>
> A slow relative progress continues in the postwar years after a set-back in 1936. Over the period, the structure of income payments improved in balance, with smaller amounts coming from agriculture and more from industry and other sources.

The report proceeds to give an analysis of some of the reasons for our condition. I know that private enterprise must bear the principal burden. I want it to do so. But I know that sometimes Government must prime the pump. Government must give the initial push before the clutch of private enterprise will catch and enable private enterprise to carry on.

I quote from an article which appeared in the June 1938 issue of Fortune magazine:

> Every businessman who is not kidding himself knows that he does not know how to guarantee, without Government intervention, the markets with which alone his free, competitive capitalism can function. Every businessman who is not kidding himself knows that, if left to its own devices, business would sooner or later run headlong into another 1930. And every businessman who is not kidding himself ought to know that as long as these things are so, the electorate will force government into his affairs. It is neither possible nor desirable for a democratic Government to sit by while a third of its citizens starve and almost as many more fear for their jobs.

The way for the Government to give the people assurance that they will have jobs, and to give business a chance, is to get the governmental program into full momentum, and give assurance that the Government will wisely cooperate with and aid business in carrying the principal part of the burden.

In our platform we refer to conservation and reclamation, irrigation of arid land, and establishment of new, independent, competitive business:

> The irrigation of arid land, the establishment of new, independent, competitive business and the stimulation of new industrial opportunities for all of our people depends upon the development and transmission of electric energy in accordance with the program and the projects so successfully launched under democratic auspices during the past 16 years.

Has the TVA hurt business in the Tennessee Valley? Would any businessman in the Tennessee Valley protest against an intervening Government? I invite anyone to go down there and see conditions for himself. See new industry where none could be found before, and a more prosperous agriculture. The Tennessee Valley demonstrates the proper role of Government as being the spearhead of the business advance, helping businessmen to find conditions that are better.

I cite another example in support of President Truman's point No. 4, to help the undeveloped areas of the world. In South Africa the lands were fertile, and were ideal grazing areas, but a disease was prevalent there which made it impossible for cattle to live and for men to sustain them and to graze them. The Government entered with a medical program, licked the disease, and conquered the insects. Now hundreds of thousands of acres of fertile grazing lands have been developed. For the Government? No; for private enterprise. But without the intervention and help of the Government there probably would not be a single cattle ranch in that entire area. Yet to talk about that situation as statism—if anyone even intended it to be such—would be just the contrary of the facts.

There were some who opposed the FHA mortgage-guaranty program. Some real-estate people, misguided as they were originally, said that if the Government ever entered the housing field it would mean the end of private enterprise in housing. What has happened? Exactly the contrary. Without Federal help the housing momentum would never have approximated what it is at present and now the real-estate people want more Federal Government insurance and protection for private housing construction.

I remember hearing some insurance people say, when the Federal Government entered the field of war-risk insurance, that the Government would wreck the insurance business. Ask any insurance man today if those governmental programs have not given impetus to private insurance, and appreciation of the value of insurance, which has made the insurance business greater today than it has ever been in the past.

The people must rid their minds of the idea that when their Government acts wisely, and in timely fashion, it is their enemy. On the contrary, it is their friend. I merely wished to make sure that everyone thoroughly understood what our distinguished former colleague was talking about if he were referring to our platform.

We said we favor an acceleration of the Federal reclamation program.

Mr. President, is a government which brings water to arid areas and reclaims nontillable territory, engaging in objectionable statism? In many parts of the country, that is the only way people can survive, let alone prosper, for if they are to live, they must get water.

A little later in our platform we speak about flood control. Some parts of the country need to get water, and other parts need to get rid of flood waters. Is it statism to help people rid themselves of dangerous floods? Of course it is not. Without help in avoiding the dangers of floods, we could not have nearly so safe and prosperous a country.

I know that the people of my State, the farmers, the businessmen and others, came begging the Congress to help us master our flood menace. We tried to point out all that it meant to our State. The Federal Government is not trying to cram down our throats some Federal money for that purpose. We petitioned our Congress to help us, like him who pleaded, "Come over into Macedonia, and help us." We are grateful for the help our colleagues have given; but we do

not condemn the Federal Government for that. We sought its aid, and it has helped us.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Florida yield to the Senator from New Mexico?

Mr. PEPPER. I yield.

Mr. CHAVEZ. Let me suggest to the Senator from Florida that in the matter of flood control, that aid, if we wish to term it that, by the Federal Government is not confined to any particular State. I do not know of a single State in the Union, I do not know of a single Member of this body, who has not at one time or another appealed to the Senate for some particular item which would help, not on account of making the program a State proposition, but because it is a sound program of democracy.

Mr. PEPPER. Of course it is.

Mr. President, we also proposed to extend reforestation, improve our grazing lands, stock pile strategic and critical materials, encourage a sound mining industry, strengthen our antitrust laws, and so forth.

Mr. President, when statements such as these of the former Secretary are made, they get the headlines, and the unthinking reader will say, "That crowd up there in Washington is trying to ruin our country. They are stealing our democracy away from us. They are building up a colossus to destroy us, a Frankenstein."

I want the people of the country to know that the masters of this country are still at the crossroads of this country, at the street corners, in the humble homes. We are but the temporary trustees and stewards of their magnificent power. We are not going to try to destroy America. The people want progress, they want security, they want a better life and a better land, as they pray for peace. All these things are our objectives; but we know the difference between the reasonable and the extreme. We know that we dare not raise a sword against America's real liberties and securities. We know that the people would snatch us from our places and would hurl us into contemptible oblivion if we were to propose anything that was really un-American.

So let us not construe statements, that sometimes are ambiguous, as meaning that the prestige of a great American is thrown against the objectives which we generally pursue to make our country a healthier, happier, and more peaceful land.

Mr. CAPEHART. Mr. President, I do not rise to defend the former Secretary of State, Mr. Byrnes, because he can well defend himself. Neither do I rise to debate the subject or to disagree with what the Senator from Florida has just said.

I should like to call to the attention of the able Senator from Florida and all other Senators this one thought, namely, that the greatest asset we, in the United States, have is our form of government.

I rather suspect that the former Secretary of State, in the speech he recently made, was cautioning the American people against going too far in socialism. I repeat, as I have frequently said, Mr. President, that our greatest asset is our form of government.

There are many persons who will argue that our greatest asset is our natural resources. Others might well say our greatest asset is our location. Others might well say that the greatest asset our country has is its people. But I say that our greatest asset is our form of government, because other nations have great assets, such as great natural resources, and other nations have strategic and valuable locations. Certainly the United States has not grown to be the greatest Nation in the world, with the highest standard of living, because it is populated by a certain race, because the people of the United States are made up of every known nationality in the world. I suspect that among the 96 United States Senators, no less than 15 or 20 nationalities are represented.

So, Mr. President, I say the greatest asset we have is our form of government. In my opinion, if we lost our form of government we shall have lost everything we have.

We can lose our factories, our money, our properties, everything of a physical nature or in the way of material wealth; but if we maintain our form of government, we shall be able to rebuild our factories and our physical properties, and we shall again become the leader of the world, and again shall be able to maintain the highest standard of living known to the world. But, Mr. President, if we lose our form of government, if we go into state socialism or communism or any kind of government other than the one our Nation has enjoyed for 165 years, in my opinion we shall have lost everything.

I think that is what the able former Secretary of State was discussing. I believe he was cautioning the Congress and the American people to stop, look, and think. He was saying to us, I believe, "Regardless of what we do, let us do it within the framework of the Constitution of the United States and within the framework of our form of government."

I do not think the former Secretary of State was arguing against many of the projects or proposals the able Senator from Florida has indicated the former Secretary of State might have been arguing against. I think he was saying that the greatest asset we have is our form of government, and he was trying to tell the American people: "Be careful. Do not experiment with socialistic schemes"—because I am certain that the able former Secretary of State knows as well as we do that once a government starts a project, it never backs up. Once the Government sticks its foot or its nose into something, it does not back out, but it goes forward.

It might interest some of the Members of the Senate to read the debates in the Senate in 1913 or 1914 when the Senate was debating the first Federal income tax. The able Senator Borah, of Idaho, was opposed to it. The debate was on the question of whether it would be a 3 percent or a 4 percent tax. Senator Borah reminded his colleagues that the day might come when a Congress would vote a 10 percent Federal income tax. His colleagues, just as able Senators do today in connection with other matters assured the able Senator from Idaho that that would never happen, that it would be impossible. Someone suggested that the income tax might be limited to 10 percent. The President, Mr. Wilson, sent a message to the Senate asking that that not be done, "Because," said he, "if that is done, it will be an invitation immediately to go to 10 percent." Yet every Senator on the floor has lived to see the day when the income tax has risen from 4 percent to 91 percent.

The danger is not in these proposals as they are made today, but the danger is that, once the Government embarks upon them, once the Government starts on them, it never backs up. They go a little further each year, and each 2 years, and each 10 years, until we get to the point, as in the case of the Federal income tax, of seeing it go from 4 percent to 91 percent. That is the danger. The danger is in the degree, the extent to which we go into socialism, the extent to which the Federal Government sticks its nose into all these philosophies and ideas. I believe that is what the able former Secretary of State was talking about. I am certain he was not opposed to helping poor people. I am sure he was not opposed to helping GI's. I am certain he was not opposed to many of the things the able Senator from Florida mentioned a moment ago in his speech.

I am certain he was cautioning the American people and cautioning the Congress to stop, look, and listen, to be careful—to be careful for fear that we may do something, or many things, which today in themselves may not be dangerous, but which in years to come may lead us into that one type and form of government which we certainly want no part of in America—socialism or communism.

I should like to caution the American people, and I should like to caution the Congress; I should like to caution Senators to do this: Analyze every proposal, and if there is any danger that the proposal may eventually lead us into socialism, discard it.

I repeat that the greatest asset we have is our form of government. Without our form of government we certainly could not have built the great society we have built on this continent, we certainly could not have built the great standard of living our people enjoy, we certainly could not have built the great freedoms which we enjoy. We, as a people, as a nationality, or as individuals, are not different from the nationalities or the individuals of other peoples of the world. We have been successful. We have succeeded because we have been protected by that great form of government of ours, a form of government that encouraged the poor boy, the poor girl; a form of government that permitted the poor boy to become a successful man, a form of government that regardless of where one came from or who he was, permitted him to become successful.

Mr. President, I will tell you what our form of government means to me. I will say what I think it should mean to every American. I think we should protect it with all the strength we have. We have a form of government that permits the poor boy of today, the hired man, the farm hand, if you please, to become the home owner and successful man of tomorrow. It is a form of government that permitted the able Senator from Florida, who, as he said a moment ago, was born on a 129-acre farm to reach the high position he now occupies. I was born on a 40-acre farm in Indiana, and my father was a farm hand, so I say a form of government that permits the farm hand of today to become the farm owner of tomorrow, a form of government that permits the poor immigrant of today to become the successful citizen of tomorrow should be cherished, upheld, and maintained.

In passing let me inquire who in America was not once a poor immigrant himself or had ancestors who were poor immigrants? The only difference among Americans is the number of days since either they themselves or their fathers or grandfathers or great-grandfathers or great-great-grandfathers came to this country. That is the only difference between one American and another.

Yes, let us make progress. Yes, let us be liberal. Let us do all the things we possibly can within the framework of this kind and type of government. But for God's sake, let us not do anything, as trustees of 147,000,000 Americans that will deny the poor immigrant, the poor boy, the poor farm hand, the opportunity to become a successful citizen. I repeat the greatest asset we have is our form of government, and in my personal opinion the first test we should apply to any legislation should be, Is it going to interfere with our form of government?

I believe, Mr. President, that that is what the able former Secretary of State, Mr. Byrnes, had in mind.

LEGISLATIVE PROGRAM—USE OF OLD SUPREME COURT CHAMBER FOR SENATE SESSIONS

Mr. LUCAS. Mr. President, I desire to make a brief announcement for the benefit of Members of the Senate with respect to the program.

It is the sincere hope of the Senator from Illinois that we shall be able to vote this afternoon on the Douglas amendment to the Ives amendment, as well as upon the amendment offered by the distinguished Senator from New York [Mr. IVES]. Whether we can do so or not, I cannot say. It seems to me that the ground has been pretty well covered with respect to the merits or demerits of those amendments. It is the hope of the majority—and I know it is the hope of many Members of the minority—that we can make some speed in reaching a vote on these important amendments.

As Senators know, we have spent about 2 weeks considering the labor bill, with conference reports and other important matters sandwiched in between. I am not urging any Senator who desires to speak to refrain from speaking. I am not attempting to tell the Senate what to do, but I hope we may reach a vote at the earliest possible time.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to say to the distinguished majority leader that I am in complete sympathy with his program. I think the time has come when we should vote these amendments up or down. The reason I did not oppose the conference report which was submitted earlier, even though I thought I was justified in doing so, was that I did not desire to interfere with a vote upon the amendments to which the Senator from Illinois has referred.

My question may be a little premature, but I should like to ask the distinguished majority leader whether he has any announcement relative to the Fourth of July, and whether or not the Senate may be in recess for several days about that time.

Mr. LUCAS. Mr. President, before I discuss the Fourth of July, let me make a further observation with respect to the order of business of the Senate.

If we can vote on these amendments this afternoon and make some progress on the labor bill, it is my hope that tomorrow we may call the calendar for the consideration of bills to which there is no objection. There are three or four bills on the calendar which we must pass before July 31. They have a deadline. I doubt that there is much controversy about any of those measures. I make that announcement now for the benefit of all Senators.

With respect to the inquiry propounded by my distinguished friend from Nebraska in regard to the Fourth of July, I should like to make this announcement. I cannot guarantee it at this time, but this is the thinking of the majority with respect to what might be done:

As the Senator knows, we are compelled to leave this Chamber around the 1st of July and move into the old Supreme Court room. As I understand from the Sergeant at Arms, 2 or 3 days will be required to move the fixtures and furnishings out of this room in order that the contractors may proceed to repair the roof. So it is possible that we may take a recess on the Thursday preceding the Fourth of July, which comes on Monday. That would allow about 4 days for those in charge of the building to remove the fixtures and furnishings and prepare the old Supreme Court room. At the same time, it would give Senators who desire to go home over the Fourth of July that opportunity.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. The Senator from Illinois has mentioned moving into the old Supreme Court room. I wonder if this would not be an appropriate time for the Senator from Illinois, the majority leader, to advise the Senate why we are not moving into the caucus room in the Senate Office Building. I think anyone who observes the old Supreme Court room can only reach the conclusion that the Senate cannot possibly do effective work in that room.

Mr. LUCAS. I appreciate the observation of the Senator from Oregon. Let me say to the able Senator that the majority considered both places very thoroughly. Primarily the reasons we are going into the old Supreme Court room are: First, the document room is near; second, the Library is handy; third, the dining room, where we all must go occasionally to get a bit of food, is in this building; fourth, and most important, the office of the Official Reporters of Debates is located in this building. As the able Senator knows, they come and go every few minutes.

In view of all these circumstances, we believe that it would be better to try the old Supreme Court room rather than the caucus room. However, I will say to my friend that in the event the old Supreme Court room becomes entirely unsatisfactory for the reasons which the Senator has stated—and perhaps there might be other reasons, including the noise which may occur in connection with the building program—we can move overnight into the caucus room.

Mr. MORSE. If the Senator will permit me to do so in a most friendly spirit, I now register my strong protest against moving into the old Supreme Court room. I am satisfied that the reasons which the Senator has advanced are not reasons which should be superimposed above the efficient operation of the Senate from the standpoint of Senators. I am satisfied that we could use the cafeteria in the Senate Office Building, and I am satisfied that we could place the Reporters in the Senate Office Building.

If we are going to be held in session this summer, we shall be considering issue which are vital to the welfare of the Nation. Any assumption that we are going to handle them quickly should be settled here and now. They are not going to be handled quickly. They are going to be discussed at length. Yesterday one of our colleagues gratuitously made the suggestion, as I interpreted his remarks, that we should simply move into the old Supreme Court chamber, have the administration bring up the bills, and proceed to vote. We are not going to do it in that way. We are going to function there just as we function here, and I think we should have the facilities to do it effectively.

Mr. LUCAS. I am glad the Senator made the last suggestion, because it is not the opinion of the Senator from Illinois that we are going to make any progress, so far as the expedition of legislation in concerned, when we meet in the old Supreme Court chamber. That rumor has gone around, but I doubt that we can do so.

However, let me say to my good friend, the Senator from Oregon, that some very important matters have been decided in the old Supreme Court chamber, when the Senate formerly met there.

Mr. MORSE. But the Senate was much smaller in those days.

Mr. LUCAS. Yes; the Senate was much smaller at that time. Clay, Calhoun, Webster, and Hayne in those days decided some very important issues, although it sometimes took them a long time to do so. I would not be surprised

if history repeated itself, to the extent that some other important matters could be decided there in the next 30, 60, or 90 days.

Mr. MORSE. But no more important than the matter now before us.

Mr. LUCAS. That is correct. I wish to say that so far as I am concerned, it does not matter to me how long it takes to decide some of these important issues. I would just as soon stay here all summer, as would the Senator from Oregon; and we can do some good work in the hot weather. If Senators think we shall adjourn because of the hot weather, that is an erroneous impression. It will be very cool in the old Senate Chamber, even though we may have some warm debates there.

Mr. LODGE. Mr. President, do I correctly understand the Senator from Illinois to say that if we vote today on the amendments to the labor bill, we shall take up the calendar tomorrow?

Mr. LUCAS. That is correct. I think we shall take up the calendar tomorrow, regardless of what is done today; but I should like to have the Senate make a little progress on the labor bill first, if possible.

Mr. LODGE. So the calendar will be called tomorrow, regardless of what action is taken on the labor bill today; is that correct?

Mr. LUCAS. That is correct.

Mr. LODGE. I should like to know what the plans are for Wednesday and Thursday, so that I can arrange my engagements.

Mr. LUCAS. I cannot say now. I hope action will be taken soon on the amendments to the labor bill. I know that all Senators are interested in that bill. It seems to me that Senators should arrange their affairs so that they can remain rather close to the Capitol these days, because no one knows exactly when amendments will be voted up or down on the labor bill between now and the time when it is passed.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. CAIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	McCarthy
Anderson	Gurney	McClellan
Baldwin	Hayden	McFarland
Brewster	Hendrickson	McGrath
Bricker	Hickenlooper	McKellar
Bridges	Hill	Magnuson
Butler	Holland	Malone
Cain	Humphrey	Martin
Capehart	Ives	Maybank
Chapman	Jenner	Millikin
Chavez	Johnson, Tex.	Morse
Connally	Johnston, S. C.	Myers
Donnell	Kefauver	Neely
Douglas	Kerr	O'Mahoney
Downey	Kilgore	Pepper
Eastland	Knowland	Reed
Ferguson	Lodge	Robertson
Flanders	Long	Russell
Fulbright	Lucas	Saltonstall
George	McCarran	Schoeppel
Smith, Maine	Thomas, Utah	Wherry
Sparkman	Thye	Wiley
Taft	Tydings	Williams
Taylor	Vandenberg	Withers
Thomas, Okla.	Watkins	Young

The PRESIDING OFFICER. A quorum is present.

Mr. HENDRICKSON. Mr. President, I have been requested by my esteemed colleague from New Jersey [Mr. SMITH], who is necessarily absent from the Senate because of illness, to express to you, Mr. President, and to his colleagues in the Senate, his deep regret that he cannot be personally present as a member of the Senate Committee on Labor and Public Welfare, to participate actively in the debate on the pending business of the Senate, namely, the Thomas bill and the amendments which have been offered thereto.

Despite his illness, prompted by devotion to duty and that unselfish will to serve which has endeared him to us all, he has closely followed these great debates. Indeed, Mr. President, he has carefully reduced to manuscript the things which he would have said from this floor had he been privileged to be with us. This manuscript I now hold in my hand, and I ask unanimous consent that it may be inserted in the body of the RECORD at this point as a part of the debate now in progress.

There being no objection, the statement of Mr. SMITH of New Jersey was ordered to be printed in the RECORD, as follows:

JUNE 20, 1949.

STATEMENT BY SENATOR H. ALEXANDER SMITH ON PENDING LABOR LEGISLATION

Mr. President, it is a great regret to me that because of my being temporarily incapacitated, it is not possible for me to participate personally in the debate now going on in the Senate on the subject of management-labor relations. The Congress of the United States has the duty today to face courageously one of the most important problems before the country. We must find a way by which management and labor can work together in partnership to produce under our amazing American free enterprise system those commodities which we need, not only to maintain our own standard of living, but also to contribute to the stability and peace of the world.

I pay Senator THOMAS high tribute for the note on which he opened the debate in presenting the case for the administration. Whether or not we agree with his conclusions and with the provisions of the bill which he has introduced as the basis of our discussion, we can all recognize his sincerity. We should all work with him and with each other in a spirit of bipartisan statesmanship in considering these difficult human problems.

As one who has been a member of the Senate Committee on Labor and Public Welfare in the last three Congresses, I have a special interest in the subject of labor legislation. The Taft-Hartley law was designed in the hope not only of meeting some of the management-labor difficulties especially evident in the postwar period when strikes were prevalent, but also of bringing about a long-range betterment of relations between management and the workers.

THE NEED FOR STATESMANSHIP

In this connection, we should note that the committee which dealt with this matter in the Eightieth Congress voted out the Senate version of the Taft-Hartley bill with only two dissenting votes. Thus, generally speaking, the committee which drew up the bill, as well as the Congress which twice passed it, favored the attempts to improve the situation as laid down in the bill. Yet none of us claimed at any time that it was right in every detail. In fact, we provided in the legislation for a so-called "watchdog committee" to keep track of the way the act worked, and to discover any mistakes which would need correction. This seems to me to have been an intelligent approach to the problems that faced us, and one that demonstrated the complete sincerity of all those concerned. There has been no hesitation to admit the mistakes that were made and to try to find the proper correctives.

It has been a source of real regret that people in high places in our Government and elsewhere have seen fit for political or other reasons to spread propaganda among the American people to the effect that the Taft-Hartley Act is punitive, is vicious or is a slave-labor law. It has many mistakes in it, as I stated above, but it is none of these things which it has been called, and the motives of those who drafted the law are above reproach. It is important, therefore, to approach the subject of the present legislation in a spirit of nonpartisanship and high statesmanship.

Before the hearings began this year, I felt there was danger of partisanship, name-calling and misrepresentation. As far back as January 24, I wrote a letter to a friend of mine, who is a leader in the A. F. of L. in my State of New Jersey, and who had written me urging me strongly to work for the repeal of the Taft-Hartley Act. Let me repeat now what I said in this letter to my friend. It described what I believe should be our approach in considering the legislation and the amendments that are now before the Senate. The letter reads in part as follows:

"In my letter to you of January 15, with regard to the Taft-Hartley Act, I told you I would write you further reflecting some of the thinking I have been doing. In that letter I stated I was trying at all costs to avoid what might be called a class division in this country with capital on one side and labor on the other; or with the Democrats on one side and Republicans on the other. We must avoid partisanship. This is the very kind of a break-up the Communists would like to see. It is the essence of the Karl Marx Communist doctrine. That policy is to divide the classes, create chaos, with the result that the creeping paralysis of communism begins to get a foothold. With this as the background of my thinking, I want to talk frankly with you as an old friend who has discussed with me many times the importance of teamwork in industry and the development of happy human relationships between employer and employee.

"Frankly, I am troubled by both the Wagner Act and the Taft-Hartley Act, because they both seem to be laying down what might be called the rules of industrial warfare. It seems to me that the legislation, taken as a whole, spotlights controversy, rather than partnership and peace. The Wagner Act was passed in order to curb certain abuses by big business, and the Taft-Hartley Act was passed to curb certain abuses by big labor. To the extent that we needed the Wagner Act, we also needed the Taft-Hartley Act, but after all, the net result of the two pieces of legislation appears to be an attempt to create a balance of power in anticipated class warfare, with an emphasis on the rules of war and a disregard of what might be called the will to justice in these relationships.

"The problem cannot be solved by the repeal of the Taft-Hartley Act, or by the repeal of the Wagner Act, unless simultaneously we endeavor to work together for a new approach.

"This brings me to the question which I put up to you as frankly as I put it to myself: What are we and the American people interested in? What do we really want to see accomplished? Disregarding the present legislation for the moment, and endeavoring to take this new approach, I suggest to you that I am profoundly interested in looking at the matter, first of all, from the standpoint of the workingman and his family, and second, from the standpoint of the general public who realize that only through industrial peace can we have that measure of production that will insure the best economic growth in the country and a high standard of living for all.

"I am interested in creating the right kind of environment for the worker and his family in our American life; in insuring him and his youngsters equality of educational and economic opportunity; in developing industrial practices whereby the worker can receive a proper reward for his contribution to the national production; in developing an environment for him where he can be stimulated to be a part of the enterprise in which he is engaged by having proper incentives either for himself, individually, or for his group of workers; in developing profit-sharing plans; in working toward a satisfactory solution of the annual wage question which will give him a greater security, than simply dealing with wages on an hourly basis; in the proper handling of health and welfare funds—whether by individual industries taking care of their own employees or by an expansion of our social-security system; a proper approach to the question of profits and the division of the profits between the investor, the workers and the public (by lower prices).

"With these ideas in mind, the thought occurs to me that we might start afresh with our labor legislation, repealing the preambles to both the Wagner Act and the Taft-Hartley Act, and developing a new statement of purpose, setting forth our main objectives along these lines, as I have just indicated. What we desire could be cataloged, for example, as follows: The American people believe in (a) an abundant living for all our people; (b) a happy partnership enviroment for real productive work; (c) an adequate minimum living wage for all workers in industry; (d) a sharing in profits above this basic living wage; (e) a participation by the workers in the policies of management to insure maximum production, high quality products, and low prices to consumers.

"Such participation in policies would help management understand the problems of the workers, and would help the workers through their representatives to understand the problems of management.

"With this emphasis on industrial peace, rather than on industrial war as the basis of our legislative approach, it seems to me we could then provide for a code of labor relations by agreement between management and labor, which code would define unfair labor practices on both sides. Such a code, of course, would protect the unquestioned right of collective bargaining, but would look upon that bargaining as part of the partnership process, rather than a 'brass knuckle' contest of strength. Its objective would be what is right and just, and not who is right or who is the strongest. I believe that if such a code were developed by conference between leaders in management and labor, Congress would be prepared to legislate such a code and make it the basis of friendly bargaining negotiations.

"As I see this whole matter, it comes down to the simple but important problem of human relationships. The very size of our industrial establishments today has broken down the personal, family relationships of smaller industries of days gone by. In dealing with people in the mass, and impersonally, we unfortunately have been tending to treat labor as a commodity to be bought and sold for a price. We must find some way to correct this atmosphere of antagonistic bargaining, and come back to the recognition of the principle that in order to attain the production we will need, both for our own country and other countries, there must be a happy environment in which the individual works and where he becomes enthusiastic about the quantity and quality of his particular industry's output. It must be a partnership principle. We must in some way see to it that management takes a more personal interest in the welfare of the worker, while the worker on the other hand must have a more personal understanding of the problems of management.

"These considerations may look a long way ahead, and may perhaps be characterized as too idealistic, and as seeking the millennium, but I am willing to accept that challenge, because progress has always come from the leadership of those who 'hitched their wagon to a star.' We can make progress in this direction, even though we cannot attain the goal itself. The important thing is to change the present trend of industrial conflict and put ourselves on the right road of industrial partnership. All our legislation must be directed toward establishing ways and means of determining what is right in these controversies, and putting an end to this continuing struggle of might."

I restated virtually the same position in a statement I made at the opening of the labor hearings on January 31.

I regret to say that from the beginning there did not appear to me to be any intention by the majority members of the committee to approach the subject from this bipartisan standpoint. The purpose of the majority of the committee seems to have been simply to demand the repeal of the Taft-Hartley Act and the reestablishment of the Wagner Act. There was no consideration of any of the experience that we had gained, good or bad, from the Taft-Hartley Act; there was no willingness on the part of the majority of the committee to consider any amendments offered to the administration bill by members either of the majority or of the minority.

THE PARLIAMENTARY SITUATION

I note in reading the record of the debate during the last few days a statement by the distinguished Senator from Illinois, [Mr. DOUGLAS] that while he voted with the majority to report the administration bill to the Senate without amendment, he did reserve the right to propose on the floor certain amendments which he had been prepared to offer at the executive sessions of the committee. This he has since done. This situation could have been avoided if the usual procedure had been followed by the committee in executive session; that is, going through the testimony which had been given, considering all the amendments proposed and then reporting out a committee bill. As matters stand, those of us who are not in complete accord with the bill as it was reported, or as Senator THOMAS himself proposes to amend it, are compelled to bring our amendments to the floor of the Senate for action, if they are to be considered at all. This means that the Senate, sitting as a Committee of the Whole, is about to write one of the most important pieces of legislation that will be considered this year.

The resulting situation is extremely complicated. We have before us the Thomas bill, as proposed to be amended by its sponsor. We also have had before us, since the debate began, three amendments offered jointly by Senator DOUGLAS and several others on both sides of the aisle; five amendments offered by individual members of the committee; and two amendments, one of them comprehensive, offered by Senators TAFT, DONNELL, and myself, representing the minority on the committee. In these last-named amendments, of which I am a cosponsor, an effort has been made to preserve all of what we believe to be the good features in the existing legislation, and to strike out all those features which we frankly admit are unsound, and which should be eliminated from any future legislation.

The debate has proceeded at considerable length, and the merits of every issue have been fully presented. Some important amendments have already been disposed of. Yet it might be worth while even at this late date, in the interests of orderly procedure, to seek an agreement between the different Senators offering amendments, to support as a group a minimum list of remaining amendments. It could then be determined whether Senator THOMAS and his group would be willing to accept those amendments without further debate.

If this could be brought about, the few remaining controversial issues could be isolated and passed upon by the Senate as a whole. Then we could move toward final passage of an over-all bill. This seemed to me the most reasonable procedure at the time the debate began. Whether it is appropriate now remains, of course, for those on the spot to determine.

THE TWO MAIN ISSUES BEFORE US

Without going into all of the controversial details, many of which in my judgment could be ironed out in conference, I would like to suggest what appears to be the two main centers of disagreement, and which may take time and experimental legislation to solve. These two areas in which there is major disagreement are the very areas which were highlighted by the labor situation at the time when the Taft-Hartley Act was written, and with which it mainly sought to deal.

While it may be an oversimplification, I submit that the Government today has two main responsibilities in dealing with this labor situation. Both of them are more difficult and more perplexing than the responsibility to protect and promote collective bargaining. There is no longer any disagreement on this fundamental principle of the Wagner Act. What gives us most concern is the imperfect way in which the bargaining processes work. Out of our experience with that imperfection, as observed throughout the evolution over many years of management-labor relations, it seems to me that two basic axioms have emerged regarding the proper role of government. Let me state these two axioms as simply as I can:

1. It is the responsibility of government to protect the industrial worker and his family, as free American citizens, from exploitation by either big business or by big labor unions;

2. It is the responsibility of government to protect the health and safety of all of our people from the defiant autocracy of bigness, whether it is big business or big labor.

The legislation which we are considering today will be fundamentally concerned with these two problems, and I will endeavor to discuss them separately.

PROTECTION OF THE WORKER

Let me restate my first point:

"It is the responsibility of Government to protect the industrial worker and his family, as free American citizens, from exploitation by either big business or by big labor unions."

We have recognized and legalized the importance of the trade-union movement as a means of protecting the worker from exploitation by big business. By the Wagner Act we have very properly protected and promoted the collective-bargaining processes. One of the objectives of our present legisla-

tion, of course, is to perfect the collective-bargaining processes, and a large part of the debate that is going on today is on that subject. Those of us who helped set up the Taft-Hartley legislation felt there had been abuses in the way in which the Wagner Act was administered, and an attempt was made to correct those abuses. Many of us agree that remedial measures in many respects went too far, and we are prepared either to repeal or modify those measures.

When it comes to the danger of exploitation of the industrial worker and his family by big labor unions, we are presented with a somewhat different problem. This problem includes the controversial issue of the closed shop; that is, whether or not the union should be able to dictate to the industry, for which it is the collective-bargaining agent, whom the industry shall employ. It is because the Taft-Hartley Act made the closed shop illegal that most of the opposition to that act has arisen.

There are a number of different ways in which this issue of union security can be approached by law:

1. By an all-inclusive statutory prohibition;

2. By a statutory limitation permitting the closed shop in certain industries and forbidding it in others;

3. By some legal formula supporting an employer's right to refuse to bargain on this issue;

4. By putting no limitation at all on the closed shop, leaving the issue to be fought out between unions and employers;

5. By permitting an arrangement which is neither an open shop nor a fully closed shop, such as the so-called union shop.

I am particularly troubled by this problem because I feel there have been industries in this country where the closed shop has operated for many years and has operated successfully. One industry in which this appears to be the case, is the printing trade. Here the ITU has been operating as a closed shop, I am advised, for almost a hundred years with satisfaction both to the workers and to the industry itself. A comparable tradition prevails in the construction industry, which because of its intermittent nature may be better taken care of under the closed-shop principle than it would be with complete freedom of employment. In the maritime industry, similarly, the closed-shop principle is exemplified in the hiring halls, which for a great many years have been used by the shipping lines to recruit their crews.

It has been suggested, therefore, that if there was any possible way to define legitimate cases, it might be wise to permit the closed-shop principle to apply. It is perfectly obvious, however, that if this principle were again recognized legally, it would be virtually impossible to draw a workable line between industries in which the closed shop is desirable and those in which it is not. Under these circumstances the closed shop would, I am convinced, steadily and surely become the prevailing pattern in American industry.

From the standpoint of the free American worker, who is entitled to the maximum of protection in his right to earn a livelihood, it would clearly be necessary in such a situation to pass Federal legislation controlling the practices of unions, to the end that the workers might be fully protected from autocratic abuses at the hands of organized labor. If we decide to restore the legality of the closed shop, as provided in the Thomas bill, I therefore think it will be our duty to provide also for that protection to the worker. To this end I would advocate an amendment which might be designated as a "workman's bill of rights." Under its terms, any union having the power to monopolize the labor market, as the closed shop would permit it to do, would be required to observe certain fundamentals of democratic procedure.

The difficulties of legislating such a bill of rights are obvious. Our experience with the Taft-Hartley Act has clearly shown how hard it is to guarantee equity in a host of complicated relationships by means of legislation. Even if the process of drafting were carried on with the utmost care and deliberation, in consultation with enlightened spokesmen of the unions whose activities the bill would affect, it would be sure to present tremendous complications not only in drafting but in administration as well.

It is this immense difficulty which we have sought to avoid in the Taft-Smith-Donnell amendments. Our proposal would follow the Taft-Hartley principle in permitting, in the union shop, a middle ground between the absolute prohibition of any form of closed shop, and on the other hand the unqualified legalization of it. To make it more workable, we have revised the formula by omitting the election requirement and by permitting agreements which would give the union the right to submit the names of union members whenever new employees are to be taken on.

The merit of this proposal, as I see it, is precisely that it offers the unions a middle ground, as was done in the Taft-Hartley Act, without running into the administrative difficulties of that act. By permitting an effective way of maintaining union security it avoids excessive weakening of the union's position. By prohibiting the closed shop, it avoids that extreme of union power which would require a whole new body of regulatory legislation in the effort to insure justice for the individual worker.

PROTECTION OF THE PUBLIC

I come now to my second axiom referred to above:

"It is the responsibility of government to protect the health and safety of all of our people from the defiant autocracy of bigness—whether it is big business or big labor."

This raises the important difficulty presented by so-called national paralysis cases, and to deal with it various amendments have been offered during this debate. Title III of the Thomas bill provides for national emergencies, and in addition to the formula therein set forth we have two proposed amendments by Senator IVES, one by Senator MORSE, and one by Senator DOUGLAS, and a joint amendment introduced by Senators TAFT, DONNELL, and myself. All of these proposals contemplate a declaration by the President of an emergency whenever, for example, a Nation-wide strike in a vital industry continues in spite of all efforts to mediate. In all these proposals, an ad hoc emergency board is provided for to investigate the situation, and within a designated time to make a report with recommendations. In the event the recommendations are not accepted by the contesting parties, there is then a difference of procedure provided for in these different amendments. One approach leaves the President with no alternative whatever except to present the matter to the Congress and leave it up to the Congress to take whatever measures it may see fit at that point. Another approach enables the President, with or without reference to the Congress, to direct the Attorney General to obtain an injunction to prevent a work stoppage during a designated period. An additional approach permits the President, either with or without the injunctive power, to bring about the taking over of the industry which is the subject of the dispute, and operating under certain conditions laid down during a fixed period of time.

It should be noted that none of these proposals provide for compulsory arbitration of the dispute. In all cases, after the period of time provided for has expired, the Attorney General must move the court to discharge the injunction if one has been issued, and to return the industry to the owners if the President has taken possession. The end of the road in all these cases appears to be that if, after these various steps, the matter is not disposed of, the President would then be compelled to submit the matter to the Congress for consideration and appropriate action.

The two big controversial issues are the injunction and plant seizures. While the Taft-Smith-Donnell amendment provides for plant seizure under certain conditions, I am personally in grave doubt as to the wisdom of this course, and whether we should authorize it in the legislation. I have joined in the amendment reluctantly, and only because we have inserted a proviso in section 304 (a) (ii) which reads: "that during the period during which such agency or department"—which means agency or department of the U. S. Government—"is in possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of disputes by the parties concerned, and the agency or department designed to operate such industry shall have no authority to enter into negotiations with the employer or with any labor organization for a collective-bargaining contract or to alter the wages, hours, and conditions of employment existing in such industry prior to the dispute."

This proviso, it seems to me, removes the principal objection to Government seizure. Government seizure heretofore has meant the settlement of the dispute by Government fiat and not by collective bargaining of the parties. I am prepared to support the amendment which I have cosponsored if this proviso is included, but without this proviso which prevents arbitrary settlement by the Government, I would be definitely opposed to any seizure authorization.

Coming now to the injunction issue, I think we should clarify our thinking before jumping at conclusions too hastily. I notice that, in the debates of the last few days, Senators THOMAS, PEPPER, and HUMPHREY have especially emphasized their objection, and the objection of organized labor, to the use of the injunction in labor disputes. I have no difficulty whatever in agreeing with these distinguished colleagues of mine in the position they take insofar as that position refers to the way in which injunctions were used by the courts in labor disputes prior to passage of the Norris-LaGuardia Act in 1932.

I am one of those who heartily agree with the spirit and purpose of the Norris-LaGuardia Act, and I have always been opposed to the abuse of injunctions in labor disputes prior to the passage of that act. It is a source of gratification to me that the Norris-LaGuardia law was developed during the administration of President Hoover, a Republican President, who himself was strongly in favor of its passage, and who shared with other right-thinking people the objections that were properly urged against the abuses of the injunctive process.

Let me emphasize that the issue before us today is not in any sense the restoration of the injunction process as it was used prior to the Norris-LaGuardia Act. There is no authority anywhere for private employers to invoke the injunctive process. I think some of the misunderstanding on this point was brought about by provisions of the Taft-Hartley Act which went too far in bringing back the use of the injunction. In the Taft-Smith-Donnell amendments these excesses have been corrected, and the provision for mandatory injunctions against certain kinds of apparent offenses by unions has been removed.

On the other hand, I want to make it clear that the Thomas bill and the Taft-Hartley

Act, as well as the Taft-Smith-Donnell amendments, all provide in section 10 for the use of the injunction by the National Labor Relations Board, in cases where there has been an unfair labor practice. It is distinctly provided in the Thomas bill itself, that the Norris-LaGuardia Act will not be applicable in cases where an unfair labor practice is involved. To make my point clear, I quote from the Thomas bill, as amended, section 10 (h):

"When granting appropriate temporary relief or a restraining order, or making or entering a decree enforcing, modifying, and enforcing as so modified or setting aside in whole or in part an order of the Board, as provided in this section, the jurisdiction of courts sitting in equity shall not be limited by the act entitled," etc. (referring to the Norris-LaGuardia Act of March 23, 1932).

The Taft-Smith-Donnell amendment (sec. 10 (h)) is in identical language. Both the Thomas amendments, therefore, and the Taft-Smith-Donnell amendment recognize the use of the injunction on the initiation of the National Labor Relations Board to prevent unfair labor practices as defined in section 8. The question, therefore, in both bills, is not whether the use of the injunction is recognized, but rather what are the unfair labor practices to which the injunction is applied. As a matter of fact, the identical language appears in the Taft-Hartley Act and in the Wagner Act itself. Of course, in the Wagner Act, that legislation did not recognize any unfair labor practices on the part of labor unions, and therefore the sponsors of that act approved the use of the injunction only against employers. Obviously justice requires that either party guilty of an unfair labor practice should be subject to the same enforcement methods.

If we can come to an agreement as to what are unfair-labor practices by employers and by labor organizations, we can then make these unfair practices subject to the injunctive processes. But let me examine the Thomas bill further in this connection. Title III, as I pointed out above, deals with the subject of national emergencies and attempts to provide machinery for preventing the stoppage of work while the dispute is still being negotiated. In section 301 of the Thomas bill we find the following language:

"Whenever the President finds that a national emergency is threatened or exists because a stoppage of work has resulted or threatens to result from a labor dispute (including the expiration of a collective-bargaining agreement) in a vital industry which affects the public interest, he shall issue a proclamation to that effect and call upon the parties to the dispute to refrain from a stoppage of work, or if such stoppage has occurred, to resume work and operations in the public interest."

In reading this section, the question naturally arises whether the act of the President in calling upon the parties to refrain from a stoppage of work is to be an idle gesture in case the parties do not refrain from a stoppage of work, or whether it is legally binding upon them. If we have any doubt on this point, let us consult section 302, which provides for the ad hoc emergency board to investigate the dispute and make recommendations as to settlement, and which provides in subsection (c) as follows:

"After a Presidential proclamation has been issued under section 301, and until 5 days have elapsed after the report has been made by the board appointed under this section" (the board has 25 days in which to make its report, so that 25 days plus 5 days here provided for means a total of 30 days) "the parties to the dispute shall continue to resume work and operations under the terms and conditions of employment which were in effect immediately prior to the beginning of the dispute unless a change therein is agreed to by the parties."

Here again, the question arises—is the word "shall" in the legislation a mere gesture, or does it create a legal obligation? It would seem to me perfectly obvious that as this word is used in the law itself, it creates a legal obligation on the parties and could therefore be enforced by the courts. If it could be enforced by the courts during this 30-day period, what other remedy would the courts have except a contempt order or an injunction? Obviously, although the Thomas bill aims to avoid the use of the word "injunction," any order of the court which has the effect of making the parties continue work has precisely the same effect as an injunction would have. I submit that the use of an injunction is three times provided for in the Thomas bill—(a) in section 10 (e) in section 10 (f), where it can be used to prevent unfair labor practices as defined in section 8; and (b) in title III, whenever the President has definitely found that a national emergency is threatening.

In the case of the Thomas bill, the duration of the injunction is for a limited period, as is true in the case of the Taft-Smith-Donnell amendment, where however the President is authorized, through the Attorney General, to petition the courts enjoin the strike or lock-out for a fixed period. In the Taft-Smith-Donnell amendment it is provided in Section 305 (b):

"At the end of a 60-day period following the issuance of a proclamation pursuant to section 301 or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction * * * which motion shall then be granted and the injunction then discharged."

I submit that, if we are to be realistic and avoid any possible misrepresentation, we should frankly state that in the case of a national emergency which threatens the health and safety of all our people, the President has the power and the authority to direct the Attorney General to seek an injunction against a work stoppage for a limited period.

I admit that the question of a sound procedure to deal with national emergency cases is a controversial one and reasonable men may differ as to the most effective approach. It is my considered judgment that the Taft-Smith-Donnell amendment to the Thomas bill is the soundest approach of all those proposed, and is less likely to produce complications or difficulties. Probably there would be very few cases in which the President would feel it necessary to direct the Attorney General to apply for an injunction or to seize any plant. In most instances the power of public opinion would probably be sufficient to settle the case on the recommendations made by the ad hoc emergency board. The fact remains, however, that in the heat of the controversy, the parties might conceivably ignore the public interest and the health and welfare of the people, and in such extreme cases, the President should have the power that our amendment gives him. Certainly no such "implied" power can be derived from anything in the Constitution of the United States.

CONCLUSION

In concluding these remarks, I desire to stress the point that what we are seeking in this legislation is what is right and not who is right.

It seems to me that there is no sound reason why we should not repeal the old legislation at the same time that we are passing a new bill. Such an approach would eliminate the meaningless controversy as to whether or not there was a mandate in the recent election for the repeal of the Taft-Hartley Act. Such an approach, that is the passing of an entirely new law, also will bring about the desired result of incorporating in the new legislation all the desirable features in past laws and will eliminate all those undesirable features which we have learned from experience are not practical or desirable in management-labor disputes.

Our constant endeavor should be to encourage more and more wider cooperation between management and labor in developing their own codes of fair practices. In our Federal legislation we should not be thinking in terms of arming two antagonists for the battle. Rather we should be thinking in terms of how we can constantly move toward a wider partnership principle in management-labor relations.

It is my considered judgment that if all of the proposals, which are now before us, including the original Thomas bill and the various amendments that have been proposed on the floor, can be considered without bias and without prejudice, the ultimate product, to be known as the National Labor Relations Act of 1949, may well be a new landmark in uniting all of the industrial productive forces in this county. We will then present to the other nations of the world a dramatic picture of the American democratic processes working at their best.

Above all, in dealing with this matter, let us avoid using expressions such as promanagement and prolabor, or of charging those who may not be in accord with our views with being antilabor or antimanagement, as the case may be. Let us try to avoid writing a Democratic bill or a Republican bill, or putting any specific label on the legislation that we produce except the simple title, the National Labor Relations Act of 1949. If we are to have happy labor relations, we should not be trying to claim a great victory for labor in the result of our work or a great victory for industry. Let us rather claim a victory for the American public and American statesmanship.

The PRESIDING OFFICER. The question is on agreeing to the so-called Douglas-Aiken amendment to the Ives amendment.

Mr. MORSE. Mr. President, I rise this afternoon to discuss two general subjects in connection with labor legislation. First, I wish to present a comparison of the Ives, Taft, Douglas, Thomas, and Morse proposals on emergency disputes. Second, I wish to complete my statement in regard to the use of injunctions in labor disputes.

Mr. President, if we are to vote on these various proposals for the handling of emergency disputes, we should have clearly in mind the points of agreement and disagreement which are set forth in them on the subject now pending before the Senate. As one reads the daily press, it becomes perfectly clear that the press does not have clearly in mind the points of agreement and disagreement; and to the extent that the press does not have in mind the distinctions to be found among the several proposals, it is to be expected that the general public does not have them in mind. Of course, those of us who are the authors of any of the proposals are necessarily biased in favor of our points of view. So I speak from that "bias" this afternoon, but I hope it is, at least, a bias colored by a reasonable degree of objectivity. I mean it when I say that up until the last vote is cast I intend to keep my mind completely open to the reception of any arguments which can be presented to justify any change in my amendment. I am satisfied that my colleagues who are authors of other proposals will keep their minds

open for suggested changes in their amendments.

I start out this afternoon with a comparison of the Ives, Taft, Douglas, and Morse proposals for the handling of emergency disputes. All provide for presidential proclamation of emergency, and they request the parties to maintain or resume operations, and provide for the appointment of an emergency board.

Mr. President, it seems to me much of our attention in the course of the debate has been focused upon that rare and highly exceptional case which is not going to happen very often, if ever. We are overlooking the fact that this first step alone of the President's proclamation will of itself result in the settlement of most of the cases before they develop into a fact situation which would endanger national health and safety. So I stress that all the proposals provide for a Presidential proclamation of an emergency, a request of the parties to maintain or resume operations, and the appointment of an emergency board. I repeat, in most cases that will be as far as we will have to go, because in most situations the labor leaders concerned and the management leaders concerned are going to respect the Presidential proclamation, the finding on the part of the President that the dispute itself is of such public interest and importance that the parties should resume operations if a stoppage has occurred, and should proceed then to present their case on its merits to the Emergency Board.

Under the Thomas bill the cooling-off period will last 30 days after the Presidential proclamation, with the Emergency Board making its report and recommendations within 20 days after issuance of the proclamation, unless the parties and the Board agree to an extension.

The proposal of the Senator from Ohio [Mr. TAFT] calls for a cooling-off period of 60 days, with a report within 30 days following the proclamation.

The Ives, Douglas, and Morse proposals provide for a report or recommendations within 30 days of the appointment of the Board. The total cooling-off period in the Ives proposal, if I recall correctly, is 60 days, whereas it is 90 days in the Douglas and Morse proposals.

Mr. IVES. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Oregon yield to the Senator from New York?

Mr. MORSE. I yield.

Mr. IVES. In order that the record may be straight, the Senator from New York would like to point out that in his proposal the period is 30 days.

Mr. MORSE. Thirty days after——

Mr. IVES. Thirty days after the board has been named by the President.

Mr. MORSE. Thirty days after the board has been named by the President. What period of time after the board has made its report?

Mr. IVES. That is to be an indefinite period. There is no limit on that.

Mr. MORSE. I thank the Senator from New York, because one thing I desire in this analysis is absolute accuracy.

Now, what about seizure? There is no provision for seizure in the Thomas or Ives proposal. I am speaking of the Ives proposal as subsequently amended by the author, and I understand that the Senator from New York may at a later date in the debate offer the original Ives proposal with the seizure proposal in it, but the Ives proposal now pending before the Senate is the Ives proposal with no seizure feature in it.

Mr. IVES. It is not the expectation of the junior Senator from New York at this time to offer the other proposal later.

Mr. MORSE. The Taft proposal as to seizure is that the seizure order may be sought from the Federal district court by the Attorney General upon the direction of the President. The court must find that the stoppage affects all or a substantial part of an industry, and imperils national health or safety, before it can authorize seizure.

As I understand the Douglas proposal on seizure, the President may seize and operate, if he find a failure or an imminent threat of failure of the parties to abide by the terms of his proclamation.

As to the Morse proposal, if a strike or lockout occurs after the proclamation, the President must immediately report to the Congress and may recommend seizure. If he so recommends, Congress has 10 days to disapprove the recommendation or enact legislation dealing with the particular case. If Congress does not act, the President may take possession, thus averting the possibility of seizure being defeated by a filibuster in the Senate.

From the standpoint of the bias in regard to the matter of seizure to which I previously referred, Mr. President, I think the Morse proposal strikes a very happy and reasonable and a workable middle ground position, because if there is a national emergency, then I repeat what I said the other day, the attention of the elected representatives of the people should be focused upon the case. After all, if it is a national emergency, it is a matter to which the Congress should give its attention. Under my proposal the President, who has been in contact with the Emergency Board, who has the benefit of the advice and the recommendations of the Emergency Board, is in a position to present to a joint session of the Congress, the recommendations which he thinks should be followed in the settlement of the case, and he is empowered, under my amendment, to recommend seizure if he cares to recommend it. If he recommends the drastic action of seizure, the Congress has 10 days within which to act in rejecting the recommendation. If it does not reject the recommendation, the President then has the power to go ahead with the seizure under the other limitations of my amendment.

What about termination of seizure? It seems to me that if we are to follow through the handling of a national emergency dispute, there are certain key periods which should receive our very careful attention. The first is the proclamation period, the second is the seizure period, and the third, I submit, is the termination of the seizure period.

Let us be perfectly aware of the fact that when we start playing with Government seizure we are playing with economic fire. I do not want officials of the executive branch of the Government, or Members of the Congress, to proceed with this seizure matter without knowing that they are playing with economic matches. We can start a pretty serious economic fire in this country, a fire that may burn down some basic principles of our Government's structure of freedom which we hold dear, unless we see to it that we handle those matches with the greatest of care. We should see to it that we have our fire apparatus all ready to quench the fire when the time comes to quench it. I am willing to burn up impediments to freedom but I am not willing to be a party to starting a fire that may spread to the burning up of our free economy itself.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Connecticut.

Mr. BALDWIN. Am I correct in assuming that one of the fundamental differences between the proposal of the Senator from Oregon and the other proposals is in determining whether a national emergency exists which requires that the President seize a plant, under the Senator's proposal and the proposal of the Senator from New York [Mr. IVES], and the proposal of the Senator from Illinois [Mr. DOUGLAS], the decision is left with the President of the United States, and in the proposal of the Senator from Ohio [Mr. TAFT] it is a decision that is justiciable, one that is left for the determination of the courts?

Mr. MORSE. The authors of the other amendments will have to speak for themselves, and I would prefer to have them speak for themselves, as to what their intent is respecting their amendments. So far as my amendment is concerned I say that the President should be in a position to recommend to the Congress that a national emergency exists to the degree that justifies his recommending that the plant be seized, and that the Congress then should have an opportunity at least to check the President if they think he is mistaken about the matter.

If the Congress disagrees with the President, then under my amendment it would have 10 days within which to adopt a concurrent resolution rejecting the President's recommendation of seizure.

Mr. IVES. Mr. President, will the Senator yield?

Mr. MORSE. Let me finish my answer and then I shall be glad to yield to the Senator from New York. I think it is very important that such a check be given to the Congress. Then, if the Congress does not check the President, in other words, if the Congress in effect makes the finding that the situation is so serious that there should be seizure, the remainder of my amendment proposes certain procedure which is to be followed in the handling of the seizure.

Mr. BALDWIN. I may say to my distinguished friend from Oregon that this particular question in connection with the seizure and injunction feature puzzles the junior Senator from Connecticut more than any of the other proposed amendments to the bill, because the junior Senator from Connecticut feels that

in determining the question of whether or not any arm of the Government should step in and take over a plant and freeze for the time being a series of vitally important relationships based upon a contractual arrangement, grave thought should be given to the question of what agency of the Government should make the determination. Should it be the executive branch of the Government; should it be the Congress; or should it be the courts?

It seems to the junior Senator from Connecticut that since this type of question is bound to have tied up in it many issues of a justiciable nature, the proper place to have that determination is not in the executive branch of the Government, which is subject to immediate political control; not in the legislative branch of the Government, which is likewise subject to the pressures of immediate political control; but it should be in the courts of the land which are far removed from political pressure of any kind, and can consider the issue in the most dispassionate, the most detached way. Am I right about that?

I should like to know what the junior Senator from Oregon thinks about that phase of the subject, because he has obviously devoted much more time and study to this question, and has a broader experience with it than has the junior Senator from Connecticut.

Mr. MORSE. I am very happy to give the Senator from Connecticut my opinion on the matter for whatever it may be worth. When he asks me whether or not I think he is right about it, my answer is that I think he is dead wrong about it. From my standpoint I cannot imagine how he can be more dead wrong on any issue than he is on this issue, because I think the whole record of the handling of labor disputes by the courts of this country, which finally led to the Norris-LaGuardia Act, is a record which shows that we ought to keep such matters out of the courts.

I completely disagree with the Senator from Connecticut that the courts will be dispassionate about these labor cases, because again I think the record of the courts over the years has not been a record of a dispassionate approach to labor cases. To the contrary, the record has been a record of a biased approach to labor cases based upon a certain prejudiced economic point of view. That point of view has been for the most part a point of view which has placed property values above human values, and it has been a point of view which in my judgment has caused labor to resolve, as labor is resolved, to fight for as many years as it requires to win the fight against the injunctive approach to handling the labor problem.

During the second half of my speech this afternoon I am going to discuss in great detail what I think is the evil of putting these cases in the courts, and what I think we can expect if we treat these matters as justiciable issues when in fact they are not justiciable issues. They are issues with great political implications and connotations, because we are a political democracy. For the life of me, Mr. President, I cannot understand why it is unwise or unsound or undesirable, in the case of a national emergency, if it in fact exists, to place that national emergency on the floor of the United States Senate and the House of Representatives before the elected representatives of the people of this country, and let them determine what public policy shall be in respect to such a national emergency.

There is one place where I think such a question ought to be kept away from, and that is from the courtrooms of America. The questions involved in these national emergency disputes have many political and public policy connotations. We are going to escape those political connotations, Mr. President, by the adoption, as my good friend from Ohio [Mr. TAFT] proposes, of a measure vesting in the courts again the injunctive powers over even this limited field of labor disputes dealing with national emergencies. The use of injunctions in national emergencies will not settle such disputes. Injunctions in such disputes may be successful in breaking a strike and in breaking the union along with it. If that is the result the Senate wants then vote for the Taft amendment but do not think that by so doing you have solved the issue before us.

Just as frankly as I can state the issue, I want to say that the Senate of the United States again is confronted with the issue as to whether or not it wants to put the courts in the strike-busting business or whether we want to hold to the principles of the Norris-LaGuardia Act which over the years we fought so hard to get written onto the statute books, through a Republican administration, Mr. President.

As a liberal Republican I want to say here this afternoon that I am not going back on the Republican administration which adopted the Norris-LaGuardia Act. It was one of the great things that administration accomplished. It made many mistakes, too, Mr. President, but I am not going to go back on what I think was the high light of that administration, the passage of the Norris-LaGuardia Act.

So I care not what words the supporters of the Taft amendment clothe their rationalizations with; I want to say that if we adopt the Taft proposal for the handling of emergency disputes, we are going back on the Norris-LaGuardia Act. We are once again paving the way for the extension of the injunctive process for governmental interference in labor disputes. If what Senators want is a return to that type of class warfare that was developing in this country prior to the passage of the Norris-LaGuardia Act, they will get it, and they will get it through the Taft amendment. I am going to be no party to it.

I think it is an unfortunate step backward for the Republican Party, and as a liberal Republican I am going to oppose it both in the Senate and on the rostrums of America, because we cannot, in my opinion, justify it as the path the Republican Party ought to travel in the handling of labor disputes.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BALDWIN. Mr. President, permit me to preface my next question with a brief statement. I had no purpose in propounding this question to indicate that I, the junior Senator from Connecticut, personally would favor the repeal of the Norris-LaGuardia Act, or dodging or evading any of its provisions. I might remind my distinguished friend from Oregon that while the junior Senator from Connecticut was privileged to be Governor of the State of Connecticut in one administration, for the first time in the State of Connecticut, we adopted some very helpful legislation with reference to the securing of injunctions on any matters involving labor disputes in the State of Connecticut, and for the first time adopted legislation which required, for example, that he who sought an injunction, whoever he might be, whether individual or corporation, must come into court, and the other side must have opportunity and notice, and that there must be a hearing and a judicial determination before any injunction was issued. The ex parte injunctions which had been used, and which I think had been abused and misused in labor dispute matters, have been, since the adoption of that legislation in Connecticut, a thing of the past.

The question which comes to the mind of the junior Senator from Connecticut is this: Suppose there is a dispute between the management and the workers of a particular plant, and suppose the workers, in an effort to enforce their rights, have struck and are picketing the particular plant. Suppose the question arises as to whether or not there is an involvement of the national welfare and national safety and health, and there is an immediate determination by the President that that question is involved. What redress do members of the union have? Their right to strike has been interfered with by the summary action of the executive branch of the Government. Their pickets must be taken off because of the summary action of the executive department of the Government.

The purpose of the junior Senator from Connecticut in asking these questions is to ascertain how there can be a hearing and a determination of the rights of the parties who are directly affected if the executive branch of the Government or some committee of the Congress is to decide in a short period of time that there is a question of national health and emergency, and decide the question summarily. What becomes of the rights of the workers who have the right to strike and picket? What becomes of the rights of those who own the plant, and who must stand by and see their property taken away from them? The parties must stand by and see their differences relegated to the background for the time being, even while they might be in the midst of successful negotiations. It is that sort of issue which troubles the junior Senator from Connecticut.

Mr. MORSE. I shall do my best to answer the question. The Senator overlooks the procedure of my amendment which assures the parties of a hearing of the case on its merits before an emergency board.

Mr. IVES. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. IVES. I merely wish to point out a matter of fact, in view of the question raised by the Senator from Connecticut, and that is that the proposal offered by the junior Senator from New York has in it provision for neither seizure nor injunction. I wish to get that fact clearly before the Senate, so that there may be no doubt about it. Carried to its logical conclusion under the plan offered by the junior Senator from New York, the Congress, in deciding a particular question at issue before it, with respect to which an emergency existed, might decide to authorize an injunction, a seizure, or both, or compulsory arbitration, or one of several other things, depending upon the immediate situation with which it might be confronted.

I thank the Senator from Oregon.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TAFT. I do not know whether the Senator has quite finished his description of his amendment.

Mr. MORSE. I have not; but I am glad to yield.

Mr. TAFT. In the first place, as I understand, the President may recommend that the United States take possession and operate the enterprise. In that case, unless the Congress by concurrent resolution within 10 days determines that such action should not be taken, seizure takes place, or Congress may do something else, which naturally would be its right anyway.

In effect, does not the Senator think that the possibility of a 10-day disapproval of seizure by both Houses of Congress, as compared with the ordinary delays of the legislative process, would discourage any action of that kind, so that when the President recommended seizure he would necessarily get the right to seize?

Mr. MORSE. I do not think so at all. I point out to the Senator from Ohio that I think we are making an assumption during the course of the debate that most of the major disputes require immediate, overnight settlement. It will be found from a review of the cases that they do not require immediate, overnight settlement. Ten days is not too long a time for the issues involved in the dispute to be presented, as they will be presented, to the American people for their consideration through debate in the Congress. However the facts of each case will vary and such varying circumstances will cause the Congress to vary the time which it takes to consider the President's recommendations. If the case is really one of emergency the Congress will act quickly but not as a rubber stamp of any unreasonable or unsound recommendation of the President. The people of the country are entitled to a full disclosure in the Congress as to all the facts involved in the dispute.

The basic problem is a problem for the American people to decide, and they cannot decide it well, it seems to me, unless they are fully familiar with all the facts. I think the 10-day period which I have provided, prior to seizure, will give to the American people the time they need to determine whether or not they want their elected representatives in Congress to follow that course of action. The issue can be decided much more quickly if the facts warrant it. Let us not forget that.

Mr. TAFT. The question I raise is whether there was any way in which Congress could in 10 days, over the opposition of any one who was in favor of seizure, act to prevent the President's power to seize going into effect.

Mr. MORSE. My own opinion is that if there is really a national emergency the Congress will act. As I stated the other day, most of the disputes which have had the label "national emergency" pinned on them have not been the type of dispute involving an emergency which would endanger health and safety. However, if a case really involves a national emergency, the Congress will act in much less than 10 days.

Mr. TAFT. I notice that after seizure, under the Senator's amendment, there shall be no change in wages, hours, working conditions, and so forth, except in conformity with the recommendations of the emergency board or a concurrent resolution of the Congress. The question I wish to ask is whether that does not mean that in case of seizure we would practically have compulsory arbitration. In other words, the emergency board, for the time being, at least, settles the disputes and decides what wages shall be. Is not the general effect of such procedure necessarily finally compulsory arbitration of the dispute?

Mr. MORSE. I am very glad that the Senator from Ohio raised that question, because it has been raised with the junior Senator from Oregon from other sources over the week end. Some of the labor leaders seem to be concerned about the same provision. I do not think it involves compulsory arbitration at all. I think that what it does involve, however, is a power of discretion which ought to be vested in the Government agency which is going to take over a property, to see to it that fair working conditions and fair managerial policies—in the case of the union asking for something unreasonable—will be put into operation. One of my objections to the amendment of the Senator from Illinois [Mr. DOUGLAS] is that his amendment, for the period of Government possession, tends to freeze conditions in the industry as they existed prior to the dispute.

We must keep management and labor guessing as to what is going to happen if they permit free collective bargaining to break down. We cannot establish a pattern so rigid that they can tell in advance exactly what is going to happen if they choose course of action A in preference of course of action B. They must know that if they run out on their duty to accomplish by free collective bargaining an acceptable settlement of their differences, if they use the technique of holding out until the Government is finally forced to seize, they cannot be sure what the outcome will be.

For example, take this hypothesis: Suppose that management, for reasons of its own, prefers to let the procedure run its own course, ending up with seizure, on the theory that it will not lose very much by seizure. It would be very distasteful to management if it thought the Government might put into application the terms, hours, and working conditions, of an emergency board decision, for example. I think we have to keep management in doubt, in that case, as to what will be the terms for the operation of the industry during the period of Government seizure. Management must be made to understand that if it is found to be at fault in a dispute it has nothing to gain from Government seizure.

Likewise, suppose labor is at fault in a case; suppose labor is holding out in order to provoke Government seizure, believing, for instance, that Government seizure would be costly to the employer, as I think it would be in most instances under the Douglas amendment. I want the Government in a position where it can put into operation an emergency board decision that goes against labor, in case labor runs out on its free-collective-bargaining obligations. I think one of the greatest strengths of my amendment is the flexibility it permits, the discretion it allows. If the parties break down in collective bargaining, and seek to use, as they do in labor cases, what they are pleased to call embarrassing strategy, trying to put the other fellow in the hole, I want them to know that when the Government steps in and takes over the industry or plant, then as to both sides the Government will be free to put into application the terms found by the emergency board to be reasonable, if the Government agency involved thinks such a course of action should be followed. Likewise, my amendment makes clear that Congress shall be free to lay down by concurrent resolution such terms as it thinks should prevail during Government seizure.

Please note, Mr. President, that my amendment is not obligatory in respect to either the Government agency putting into effect the emergency board recommendations or the Congress laying down terms for Government operations. I have been very careful to leave that matter discretionary with the Government. If the Government agency involved—let us say the Department of the Interior or the Department of Commerce or the Department of Agriculture or any other governmental agency which has been asked to take over a particular plant—believes that, in all fairness, the recommendations of the emergency board should be put into operation, it will be free to put them into operation. I do not think that is compulsory arbitration.

Mr. President, I speak now to the labor leaders for a moment. I say to them: "Unless you are willing to recognize what I think is true, namely, that whenever Government sets up machinery for governmental handling of emergency disputes, either by the Taft amendment or the Douglas amendment or the Ives amendment or the Morse amendment, to all intents and purposes you are faced with a form of Government compulsion for the handling of labor disputes. You should be given this advice right now in

advance of the final votes on this legislation. 'If you let the matter develop to the point where the Government has to step in, then you can be sure that the Government is finally going to settle the case.' "

Mr. President, in that sense I think all these proposals amount to "compulsory arbitration", and I quickly put quotation marks around the words "compulsory arbitration." But whenever in this country we reach a situation where the Government is to be called in—I do not care what phraseology is used—whenever the Government is asked to use the "big stick," then the Government will unite public opinion behind it, because the American people will not walk out on their Government. The final decision in a very real sense is bound to be in the form of compulsory arbitration in accordance with the dictates the Government hands down because labor and management should realize that in the final analysis the Government will and should have its way.

I wish to be perfectly fair to the Senator from Ohio [Mr. TAFT]. I digress for a moment to say that although he and I disagree as to certain procedures in the handling of emergency disputes and although we disagree as to certain other issues regarding other features of the Taft-Hartley Act, which will arise before we conclude this debate, I certainly would be untrue to myself if right now I did not pay very sincere respects to the Senator from Ohio for what I think has been a great effort on his part, all through this session of Congress, to try to work out a labor bill which will remove this whole question of labor legislation from the class strike and the political arena into which it has been thrown in this country. I wish to say that I share the view of the Senator from Ohio, as he has already expressed it on the floor of the Senate, and as I have previously expressed it, that what we are really doing now is writing legislation here on the floor of the Senate, although this legislation should have been written in the committee.

Likewise, the place where the Senator from Illinois [Mr. DOUGLAS], a member of that committee, should have submitted his amendment, and the place where the other bipartisan amendments should have been submitted, was in the committee, not on the floor of the Senate. The Republicans on the committee tried to follow that course of action but the Democrats would not even let us offer our amendments in committee. I wish also to pay equal respects to the Senator from Illinois. There were certain circumstances which caused the Democratic members of the committee to follow the course of action of not allowing amendments to be offered in committee. The Senator from Illinois recognizes now, however, that certain amendments to the proposed legislation reported by the committee are needed; and in a statesmanlike manner he has been trying to develop on the floor of the Senate some bipartisan amendments, so as to improve the Thomas bill. Although I disagree heartily with these two gentlemen as to certain phases of the proposed legislation we now are considering, nevertheless I mean it when I say that both the Senator from Ohio [Mr. TAFT] and the Senator from Illinois [Mr. DOUGLAS] have done a very statesmanlike job at this session of Congress in trying to give us labor legislation which will solve what all of us know to date has been a very unsatisfactory way of handling cases under the Taft-Hartley Act.

However, Mr. President, the great respect I have for them in no way minimizes or should cause me to minimize my opposition as to certain differences which I have with them over their proposals. My chief disagreement with them in respect to emergency disputes is over the question of seeing to it that adequate congressional checks are provided, so that when the Government starts playing with economic matches, it does not set our whole structure of economic freedom on fire. I fear the injunctive process under the amendment of the Senator from Ohio, and I fear the seizure process under the amendment of the Senator from Illinois, because I do not think either Senator has surrounded his proposal with adequate congressional checks, so that we shall not run the danger of great loss to what I consider to be basic principles of economic freedom in this country.

As I said over the radio the other day, so I say again today, there are in industry many persons who are doing a great deal of short-sighted thinking these days, in regard to demanding drastic legislation which places the Government in the business of running labor relations. I think they are asking the Congress to lay down some legislative precedents which will boomerang against them, because I think they are asking for precedents which will lead to greater and greater governmental control over the economy of this country.

Mr. President, one more word as to the compulsory arbitration question which has been raised by the Senator from Ohio. I think one of our difficulties in considering issues of this type is to be found in the labels we use and in the emotional sanctions that have developed around certain concepts and phrases. I think compulsory arbitration is one of those phrases. If what labor means by compulsory arbitration is that we never should have any procedure which finally would result in the settlement of a case by Government decree, if necessary, then someone should tell labor right now that on the question of national emergency disputes, when the facts actually show that the national health and safety are in danger, then in the last analysis the Government has the duty of finally coming in and saying, "Boys, this is the answer; this is the solution."

Under the amendment I have submitted, however, I do not think that point ever will be reached, because I think I have provided the congressional checks and I think I have also provided the "outs" for the disputants. I think I have provided opportunity for both sides, after they have presented their case on the merits, before the emergency board, to recognize that the Government is determined to have the case settled fairly, and to agree upon the compromises that need to be agreed upon in order to settle the case between and among themselves.

I think my good friend, the Senator from Connecticut [Mr. BALDWIN], is overlooking the point that under my amendment an emergency board will try the case on its merits. It will be an administrative law tribunal. It will not be subject to the type of procedural strait-jackets which characterize the common law courts, Mr. President. It will have to get the economic and social facts before it, and then will decide in all fairness how the case should be settled. In 999 out of 1,000 cases, I think the parties will accept the decision of the Board. But I say to labor that in the 1 rare case out of 1,000 endangering health and safety, I think labor might as well face the fact that in such instances we must have a procedure under which, after opportunity to present the case on its merits has been given to both sides, the Government finally says, "There has been a finding by the Emergency Board, and we think this much of it is a fair settlement of the case, and until the Congress decrees otherwise, this is the way the industry will be operated." I ask, What is wrong with that? If that does not follow careful checks and balances, and have in it all the safeguards to which labor and management acting in good faith are entitled, then I am at a complete loss in trying to figure out a more fair procedure. It gives to both parties in the dispute ample opportunity to act as reasonable men should act, and to realize that they, too, should put the public interest foremost in their consideration.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Ohio.

Mr. TAFT. Pursuing the same question, I quite agree with the Senator that when the Board is appointed and given the right to make recommendations, to a certain extent there is an arbitration of the dispute, but it depends still upon public opinion to put it across. Public opinion is informed, there is an appeal to public opinion from the decision of the Board. But it seems to me in the Senator's amendment that actually, under the recommendations of the Emergency Board, new wages, either a reduction or an increase, are put into effect, and that reduction or increase once having been put into effect, and being the status quo, it seems to me infinitely more difficult to have any further appeal or any further decision by public opinion. It seems to me to have almost carried through a compulsory arbitration of the dispute by main force, by putting such wages into effect, when the Government is in possession. That is why it seems to me to go much further than the other amendments which have been proposed, which merely rely, so to speak, upon the Board's report and public opinion to enforce it. Is that a fair criticism of the Senator's amendment?

Mr. MORSE. It is a criticism. I disagree that it is a sound criticism. I respect the Senator's point of view, but the reason I think it is not a sound criticism is that in the first place, the Government agency that has possession of

the property under my amendment is not compelled to put an Emergency Board's recommendations into effect. It may put them into effect. I leave it up to the discretion with the Government agency. Congress is in a position all that time to take particular action on the particular case. I have emphasized that in my amendment. To understand my amendment, it is necessary to understand the great difference I think I have with the opposing point of view, that is, that if it is a national emergency involving the health and safety of the Nation, then I think it is an issue which ought to be considered by the elected representatives of the people in the Congress of the United States. Therefore the Government agency involved moves only in case the Congress does not determine a contrary course of action. There is no compulsory arbitration about that.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I yield.

Mr. DOUGLAS. If the Senator from Oregon will turn to page 7 of the draft of his amendment, lines 12 to 16, inclusive, he will note in his definition of "just compensation" that due allowance is to be made to the fact, and now I quote, "that the owners or the labor organization, as the case may be, have failed or refused to comply with the recommendations of the emergency board or the conditions determined by the Congress to constitute a just settlement of the dispute."

Will not the effect of that be to force the Senator's proposal still further in the direction of compulsory arbitration? If the parties do not agree to the recommendations of the Board, the compensation of the owners presumably can be cut down. Therefore, does not the Senator apply to them, so to speak, a financial squeeze?

Mr. MORSE. If what the Senator from Illinois is really suggesting is that either or both parties to the dispute shall be allowed to have their economic cake and eat it too, I do not go along with him. Of course, there is no question about the fact that the amendment is going to leave the parties in doubt, which is highly to be desired I think, as to just what the consequences of their defiance of the Government is going to be. That is where we ought to keep them. If the employer is at fault, then I think the Government should see to it that a Government operation of his plant is not a matter of profit to him. If the union is at fault, then I certainly think we ought to protect the employer by seeing to it that the union cannot force him into a Government seizure to the financial detriment of the employer.

I want to repeat a point which I made the other day, because I do not think the Senator from Illinois was on the floor. This is the consistent position I have always taken in respect to Government seizure. I took it during the course of the war when I joined with Roger D. Lapham of San Francisco, an industry member of the War Labor Board, in opposition to what had become a union strategy of following a provocative course of action which forced the Government into seizing the plants to the detriment of the employer. Our position was that when the employer was in the right, and found to be in the right by the War Labor Board, and seizure had to take place in order to operate the plant in the interests of the successful prosecution of the war, the employer should be kept whole, he should not suffer as the result of the seizure, and the responsibility for the seizure ought to be placed squarely where it belonged in such instances, namely, upon the union. Vice versa, I think if an employer, who has had his day before the emergency board, where the case has been tried on the merits, simply says "I am not going to accept the emergency board's report," there ought to be a review of that emergency board's report by the Congress. My amendment permits of it. It permits also that the Government agency that is charged with the responsibility of seizing the plant in behalf of the Government can exercise the discretion of applying the emergency board's recommendations unless Congress directs otherwise.

I close comment on this point by again emphasizing for the benefit of leaders of labor and of industry that any labor case which in fact truly threatens the public's health and safety is bound to result in the Government's taking whatever course is necessary to protect the public welfare. Mandatory action of some nature on the part of the Government is inevitable in such cases. I am not going to be guilty of misleading either labor or management on this point or any other. It cannot be worked out in any other way, in my judgment, and really result in a settlement of an emergency dispute in fairness to the public. If labor is so shortsighted, or if management is so shortsighted, that it does not see that the passage of whatever legislation is passed in this Congress on labor relations is bound to increase Government participation in and control over the economic life of this country, then I do not know what I can say to make it more evident. But I am not going to be diverted one whit, Mr. President, by anyone raising the cry that because the Government will finally have to determine an emergency dispute case, if the parties do not determine it, around a collective-bargaining table, we are headed for compulsory arbitration. If that is compulsory arbitration, then, Mr. President, it is bringing compulsory sanctions of the Government to bear upon labor and management in those rare instances in which the public health and safety are jeopardized. The Government would not be worth calling a government if it did not exercise some compulsion in whatever degree necessary to protect national health and safety.

Who can prevent it? Labor and management can prevent it. It is up to them. They can call the shots. They can determine whether they want to force their Government to take the final step of some form of compulsion in the interest of preserving and protecting the public health and safety. But I say to labor and management, Mr. President, that in emergency dispute cases the time comes when they cannot have their cake and eat it too.

One of my objections to the Douglas amendment is that I think it will be seized upon, depending upon the facts in each individual case, either by the union or by the employer, as a bit of strategy trying to embarrass the other fellow. But if we adopt the Morse amendment I know what they will say. They will say, "We do not know what the result may be; we cannot be sure. I guess we had better go back to the conference room; I guess we had better try to work this thing out ourselves."

I do not know how I can make myself any more clear on this point. I have seen a sufficient number of labor cases in operation so that I know when we lay down a blueprint which the parties can follow and know in advance with certainty just what the effect of the operation of that blueprint on them will be, the disputant who wants to take advantage of the blueprint will force the case through seizure to his advantage. But if we leave him in doubt as to what may happen once the emergency board's decision is handed down, he is more likely to be conciliatory; he will be more willing to mediate an agreement in order to keep the plant from Government seizure.

That is what I want to do, Mr. President. I want a procedure which will encourage a settlement of the case short of Government seizure, because I do not care how many safeguards we place around Government seizure, it is a dangerous device for the settlement of labor disputes. Government seizure will settle cases—there is no doubt about that—but it will get the American people into the habit of thinking that because seizure has settled case A, case B, case C, and case D, it should be used to settle more and more cases. Government seizure is never a satisfactory way to settle cases. It is not a way that is very consistent with our boasted theories of voluntarism in America. It is a device for settling cases by a big stick wielded by Government. It is Government force no matter what language we use to describe it. It is a dangerous pattern of Government compulsion which we should use only when all else fails to protect the public's health and safety. Let the public get into the habit of thinking that Government seizure is a satisfactory procedure in emergency disputes then after a few short years it will defend the use of seizure in other types of disputes because it will have resulted in reducing some economic suffering on the part of the public. But it will also jeopardize some of the public's fundamental rights and freedoms if we permit that pattern to develop.

So I say, Mr. President, let us have a procedure which will keep both sides in doubt as to what will happen if the Government has to take over a plant. We need such an amendment as the Morse amendment in order to encourage labor and management to settle their disputes before we ever reach the point of Government seizure. If we start laying down the seizure pattern in this country, I fear that 10 years from now a Congress will be considering legislation to expand the seizure idea to more and

more minor disputes. It may start a fire of Government economic control which cannot be easily put out once it gets going.

I have the same point of view in regard to injunctions. It is an easy "out" for the public. Public opinion has developed the notion, "Well, stop it by way of a court order which threatens to throw men into jail if they do not like the results of the order." There will be a growing demand on the part of certain segments of the public for more and more injunctions, resulting in the Government having to come in and take over more and more of the economy of this Nation if the Taft amendment is adopted. I am so completely opposed to that trend in this country that I shall continue to plead during the course of the debate for reducing to the minimum, to which we can reduce it, Government participation in these matters.

Thus, I have in my amendment a procedure which may be called an open-end procedure which leaves the disputants in doubt as to what will happen under Government seizure of the type provided for in my amendment. I think that doubt is a very important psychological weapon which backs up my amendment. It will help to force the disputants to the collective-bargaining table to settle their issues peacefully.

I yield, first, to the Senator from Missouri, and then to the Senator from Illinois.

Mr. DONNELL. The Senator from Illinois has been on his feet longer than I have.

Mr. DOUGLAS. That is all right with me.

Mr. DONNELL. I want to ask the Senator from Oregon a few questions. He stated a few moments ago that seizure can settle disputes. He recalls, does he not, that in the case of the threatened railroad strike in May of last year seizure did not settle the dispute, and there was an injunction, and the strike order was canceled?

Mr. MORSE. I disagree with both premises of the question. First, I want to make it perfectly clear that my remark that seizure can settle disputes should not be interpreted as meaning that it invariably settles disputes or that is settles them in a desirable way. I do not share the view of the Senator from Missouri that injunctions settle disputes. I do not think they settle anything. They sometimes break strikes and break unions, but they cause greater and greater resentment to be stirred up in the ranks of labor with which we have to deal in the case of further disputes.

Mr. DONNELL. The Senator and I very greatly differ on the subject of injunctions. I have great respect for him, as he knows, and for his fine opinion and his wealth of experience.

Mr. MORSE. The Senator's respect for me cannot be greater than my respect for the Senator from Missouri.

Mr. DONNELL. I appreciate the Senator's statement.

I desire to ask the Senator a few questions. As I understand, his amendment is based firmly on the idea that there shall not be an injunction in the settlement of such a dispute as we are discussing in connection with national emergencies. Is that correct?

Mr. MORSE. It is not wholly correct. The Norris-LaGuardia Act applies under my amendment, save and except in that rare instance in which Congress, by concurrent resolution, excepts a particular case from the operation of the Norris-LaGuardia Act. I shall have more to say about that later in this comparative analysis.

Mr. DONNELL. The Senator's amendment submits a plan, first, the issuance of a proclamation; second, the appointment of an emergency board; third, at any time after the issuance of the proclamation, not necessarily waiting for the action of the emergency board, a report to the Congress of the United States by the President. Am I correct in that?

Mr. MORSE. That is correct.

Mr. DONNELL. Then if the President recommends that the United States shall take possession of and operate the enterprise, he shall have authority to take that action, unless Congress shall determine otherwise, by concurrent resolution, within 10 days. Is that correct?

Mr. MORSE. That is correct.

Mr. DONNELL. I should like to ask the Senator if I am correct in my understanding, which I take it I am, from the language of the opening section of the amendment, that we are here undertaking to deal with a problem in which the President finds that a threatened or actual strike or lock-out, if permitted to occur or to continue, will imperil the national health or safety. That is the subject-matter of the amendment, is it not?

Mr. MORSE. That is correct.

Mr. DONNELL. I should like to ask the Senator this question: Suppose the President finds that the national health and safety will be imperiled if there is a threatened strike or if the existing strike be permitted to continue; suppose that the President appoints an emergency board and brings the facts to the attention of Congress; suppose Congress does not disapprove his recommendation of seizure and he seizes the property on behalf of the United States of America. I notice at the bottom of page 7 of the Senator's amendment the following language:

> Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work—

Or not to engage in the strike.

The question I wish to present to the Senator is this: Suppose the emergency is so great that the President has found, and so proclaims, that if the strike continues, the national health or safety will be imperiled; suppose that he has seized the property; suppose that the officers of the labor union try to induce their men to return to work; suppose the men do not work, and suppose such a condition develops that, instead of the national health and safety being free from peril, the strike proceeds with unabated force, just as the railroad strike threatened to continue in 1948, as is so graphically described by the report of the Mediation Board.

Does the Senator then propose that there shall be no court remedy? If he proposes that there shall be no court remedy, what is his remedy, under those circumstances, for preventing a strike which will imperil the national safety or health?

Mr. MORSE. Most certainly I do not propose that we go into court.

Mr. DONNELL. What does the Senator propose, if I may ask?

Mr. MORSE. Let me tell the Senator why I do not propose that the Government go into court. It is because I do not think it would stop the strike. If we actually get into such a serious situation as the Senator from Missouri has so graphically described, I do not think we will stop it by court action. What I do propose is that the men sitting in the Congress of the United States, working in cooperation with the President of the United States, and in behalf of the public interest, then take such course of action, on the basis of the particular facts of the case, as they think the facts warrant. If in light of the facts of the case the Congress wants to exempt that case from the Norris-LaGuardia Act, that is one of the things to consider at that time.

Mr. DONNELL. So, Mr. President, I understand that the Senator concedes—or states, if I am denied the use of the word "concedes"—I understand the Senator is stating that, in his judgment, circumstances might arise because of which Congress might determine it would be advisable to invoke injunction against labor to prevent the continuance of a strike. Do I correctly understand the Senator?

Mr. MORSE. For whatever value it might be worth in the particular case, I want Congress free, on the basis of the facts of the particular case, to follow such course of action as it thinks will help. If Congress at the time thinks that the injunction will help, I do not want to bar the door to court action by way of legislation which seeks to deprive the Congress of that way out. Of course, we could not bar a future Congress from such a course of action any way, but just assuming our premises, I want Congress free to follow whatever course of action it desires to follow in settling emergency disputes on a case-to-case basis.

Let me tell the Senator from Missouri this—and I think it is very important—that if the parties do not know in advance for a certainty what course of action the Congress will follow, I think that is one of the best weapons we have, the weapon of doubt, for getting the parties to settle the case short of any final congressional action. I do not know of a labor leader or a leader of industry in this country who would relish the idea of having this floor and the floor of the House of Representatives become the forum for the determination of what course of action should be followed in respect of their particular case. They are going to avoid it if they can. But, may I say with all respect to the Senator

from Missouri, if we lay down a blueprint which tells them that what will happen for a certainty if they reach a certain point will be an injunction, then as the years go by, and labor builds up more and more resentment toward the injunctive process, there will be trouble in this country over such a procedure. Further we will keep labor disputes in a political arena, which I want to avoid. The injunction weapon is bound to create great social, economic, and political unrest.

Thus, while I have no expectation of convincing the Senator from Missouri, because he is as sincere in his point of view as I am in mine, I nevertheless recommend to him that he follow my proposal to leave this matter as to the final procedure for handling emergency disputes a matter of doubt, depending upon the facts of the individual case when we get to it. Such a procedure will revert in more settlements of such cases by voluntary agreement between the parties than the Senator from Missouri will ever be able to get through the use of injunctions against unions or striking workers.

Mr. DONNELL. Mr. President——

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from Oregon yield further to the Senator from Missouri?

Mr. MORSE. I yield.

Mr. DONNELL. If the Senator considers that it is possible and would be permissible for Congress under some extreme circumstances to apply in a given case injunctive relief, which I now understand he thinks is possible to be permissible and desirable or advisable, does he see any objection in principle to Congress at this time laying down a rule which will provide that if certain circumstances arise, if the President deems it proper to apply for an injunction, and if a court shall find, not arbitrarily, as a ministerial duty, but shall actually find, that the situation imperils national health or safety, the court shall have the right to issue an injunction? Is there any doubt in the mind of the Senator as to the right, the moral right, the legal right, and the propriety, of Congress at this time laying down such a rule?

Mr. MORSE. I think it would be very unwise.

Mr. DONNELL. I understand the Senator believes that to be true, and I respect his opinion; I know he is thoroughly sincere in it.

Mr. MORSE. I do not question the legal right of Congress to do it, but I question its judgment if it does it.

Mr. DONNELL. The question of legal right has been raised, of course, as the Senator recalls.

Mr. MORSE. I do not raise it.

Mr. DONNELL. I know the Senator does not, but it has been raised on the ground that it violates one of the amendments to the Constitution of the United States, and I note that the Senator does no raise the point.

Mr. MORSE. The Senator means the involuntary servitude provision?

Mr. DONNELL. Yes.

Mr. MORSE. Will the Senator permit me to make my position on that clear?

Mr. DONNELL. Certainly.

Mr. MORSE. I do not think there is any question involving the thirteenth amendment, or any question involving involuntary servitude, because the worker has the right to quit. The injunction goes to concerted action, goes to the question of a strike, but not to the individual's right to quit work. So long as he is free to quit, he is not being enslaved.

Mr. DONNELL. The Senator recalls, just as I do, does he not, that in the Taft-Hartley Act there is no reliance upon the mere abstract right to which the Senator now refers, the right to quit, but there is a distinct, positive, definite statement that nothing in the act shall be so construed as to prevent an employee from quitting if he desires to do so?

Mr. MORSE. If he wants to quit.

Mr. DONNELL. That is it; that is in the act.

Mr. MORSE. The Senator knows that he and I disagree as to how far the courts can go under the Taft-Hartley law with injunctions as to the individual workers who are on strike. I say the law makes it possible for the courts to throw strikers in jail if any court decides to go that far. It is one of the great dangers of the Taft-Hartley law.

Mr. DONNELL. Inasmuch as the Senator concedes—I am going to use that term at this moment——

Mr. MORSE. The Senator may use it, but I shall qualify it.

Mr. DONNELL. Inasmuch as the Senator concedes that there may come into existence extreme circumstances which would justify Congress in causing the right of injunction of the court to be exercised in labor disputes, the only question between him and me at this moment is as to the expediency and wisdom of laying that down as a general rule in a statute in advance. Am I not correct in that?

Mr. MORSE. I answer the Senator, first, that I do not question the legal right of Congress to lay down such a rule if it cares to. I most certainly question the wisdom of it, because I do not think it will produce the effects the Senator has in mind. My next point is that I want to keep Congress in the position where it can have a completely free hand in these matters. I want Congress in a position to judge the facts of the individual case. After all, we are dealing only with a rare type of case which we call a national emergency case, which affects health and safety. Those cases are going to be much more infrequent than so many people seem to realize when they talk about national emergencies. Because of their infrequency, I think the proper procedure to follow is case-by-case procedure, which leaves Congress free to take appropriate action in each case.

When the Senator talks about my conceding the use of the injunction in some cases I merely say that I think Congress should have the procedure set out in the legislation here that permits the Congress to follow any course of action within the Constitution it desires to follow on the basis of the facts of the case. Thus if, in its judgment at the time of a particular emergency case, it thinks it ought to follow the procedure of the injunction, I want it clearly understood that the law allows it. It is very difficult for the junior Senator from Oregon to imagine a set of facts which would require an injunction at such a time, because I think that, if the facts are as bad as I believe the Senator from Missouri has in mind in regard to the situation he discusses, we probably would be much nearer martial law than anything else. We might be in such a situation that we would have to use the strongest arm of government, for the situation might really be tantamount to a type of insurrection. I remember that it was not so many years ago, during the war, when I took exactly the position that if a certain course of action was followed by labor which would jeopardize the successful prosecution of the war, we would be dealing with what amounted to an insurrection. I sat on the War Labor Board at the time, and was roundly criticized by the labor members of that Board for my position. I said, "I am willing to meet this type of insurrection right now," but not by way of injunction.

Mr. DONNELL. Mr. President, will the Senator again yield?

Mr. MORSE. I yield.

Mr. DONNELL. With respect to the Senator's point as to the desirability of leaving open to Congress at any time in any specific case the right to decide whether injunction or some other remedy should be used, may I ask the Senator whether he agrees with me that, if we were to leave it to Congress at a given time under the heated conditions which would then exist, it is entirely possible that day after day might pass, particularly while the matter was before the Senate, with its rules with respect to the nonlimitation of debate, except under the new cloture rule, during which the Senate would debate back and forth, just as the Senator from Oregon and I are now debating on this question, and that it would be entirely improbable that under those circumstances speed and promptness in affording relief would be achieved; whereas if we have a statute passed in advance which provides that under certain circumstances, if the President finds certain circumstances to exist, the court, upon the application of the Attorney General, at the direction of the President, shall have jurisdiction to issue an injunction, there is then no delay, but there is speed and promptness and accuracy which are so necessary in the settlement of a dispute which imperils the national health and safety.

Mr. MORSE. Am I to understand from the very able argument of the Senator from Missouri that I have a new convert for majority rule in the Senate, for the limitation of debate?

Mr. DONNELL. No; I would not say that, Mr. President, but when we talk about leaving it in each case to Congress, let me give the Senator an illustration, if I may, and I shall try to frame it as a question.

Mr. MORSE. I did not mean to be facetious.

Mr. DONNELL. No, I know the Senator did not mean to be facetious. Two years ago, or 3 years possibly, when a

situation arose which caused the President of the United States to make a dramatic and, to the minds of some, quite a powerful presentation of his position, during the course of which he requested that there be legislation passed authorizing the drafting of men into the public service to operate an industry needed in connection with the public welfare, does not the Senator recall that the House of Representatives, on the one hand, almost immediately passed a bill of the type the President desired, and when the proposal came to this body, the Senate took precisely the contrary view?

Mr. MORSE. Very quickly, too.

Mr. DONNELL. Yes we acted very quickly. But we did not pass anything instantly. Is it not true, and does not the Senator concede, that if we were to be confronted by a situation imperiling national health and safety, and the question should then arise as to whether the Congress should grant the President authority in that specific case to secure an injunction, we would find on the floor of the Senate able and eloquent advocates of opposition to injunction who would stand here hour after hour, and hour after hour, opposing injunction; so instead of securing prompt relief, which can be secured, as was secured in the cases under the Taft-Hartley Act, we would be confronted by a condition of delay of days and days and days, before even the cloture process could be put into effect? Does not the Senator agree with me on that?

Mr. IVES. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield to the Senator from New York.

Mr. IVES. The Senator from New York would like to inquire of the able Senator from Oregon if the able Senator from Oregon does not think that, in the event of a dire emergency such as has been described by the able Senator from Missouri, it would not be at all difficult to obtain 64 votes in the Senate to put an end to the debate?

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. MORSE. I was about to answer the Senator's previous inquiry, but I shall endeavor to answer both of them together. I yield.

Mr. DONNELL. Does not the Senator from Oregon recognize, and does he not assume, as the Senator from New York undoubtedly also does, that even under the cloture situation, it would be necessary, as was pointed out on Friday last, to take certain steps under the cloture petition, and that in the first place it would take 2 days between the time the petition for cloture is presented and the time the Senate could under the rule act upon it? Is it not also true that under the cloture rule at the present time, even after we adopt cloture, every one of the 96 Senators has the right to debate the question for as much as 1 hour, a total of 96 hours, or 12 days of 8 hours each, or 8 days of 12 hours each? Is not that correct?

Mr. IVES. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New York.

Mr. IVES. The Senator from New York would like again to inquire of the able Senator from Oregon if he does not believe that, were a situation of the kind described by the able Senator from Missouri to arise, none of those delaying tactics in the Senate would be at all likely to occur; in fact, would not the Senate very quickly dispose of the matter?

Mr. MORSE. Of course, I think so, but the Senator from Missouri thinks otherwise. I simply am satisfied that, if we should have the dire circumstances described by the Senator from Missouri, there is no question about the fact that we would act very speedily, and I think fairly and in the public interest. I mean this as no criticism even by implication of anything the Senator from Missouri has said. But I want to stress this point: That I have complete confidence that, if this Government ever faces the type of emergency the Senator from Missouri has in mind, the people of the country would not have to worry about their Congress taking immediate, and I think fair, action. I think it is important under our system that we have a procedure on which Congress should act, that has this principle of checks and balances running through it, where we check the President, and where the President in turn can check the Congress. My amendment meets that test.

May I say to the Senator from Missouri, going back to the 1946 railroad strike which he mentioned as being a serious emergency. There just was not any railroad emergency at all at that time. There just was not any emergency at all at that time. If ever anything was blown up into a big balloon about a great emergency confronting the country, that was the time. I know whereof I speak because the surrender terms in that case were written in my office at about 9:30 that morning, and they were down at the White House at about 11 o'clock that morning. We had the President's speech at 4 o'clock that afternoon, and there was no danger of a strike for several hours before he made the speech. I want to say to the Senate that the very case cited by the Senator from Missouri is all the more reason why we should have the procedure of my amendment which requires that the facts be brought to the floor of the Senate and of the House.

I wish to say to the Senator from Missouri that he is not guilty of anything like this—his sincerity is a complete answer to any suggestion that he would be guilty of it—but I do want to say that we have to watch out for the building up in this country of a tremendous fear that some great national emergency in the form of a labor dispute is going to cripple this country in a very few days; I tell the Senate it cannot be done. Under the provisions of my amendment we have adequate safeguards; if there is a threat of a great national emergency due to a threatened labor dispute, the President is given power which he needs and Congress is obligated also to act. Certainly no President, or the Congress for that matter, is going to sit around waiting for that eleventh hour, when great public suffering would result from a sudden stoppage of work or a long continued stoppage of work. It seems to me there is just too much unfounded fear connected with this talk about emergency disputes. I am satisfied that our Congress can act quickly enough and justly enough to prevent all the dire consequences that my good friend from Missouri I think is, in a large part, out of all sincerity imagining.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DONNELL. I assure the Senator I shall not trespass much longer upon his time.

Mr. MORSE. I do not know of anyone I enjoy yielding to more than to the Senator from Missouri.

Mr. DONNELL. I thank the Senator. I may say to the Senator in connection with the railroad matter, to which we were referring, that I remember very well the very fine work which the Senator from Oregon did——

Mr. MORSE. And the terrible mistake I made, too, in an unkind remark I made at the time.

Mr. DONNELL. I do not recall the mistake.

Mr. MORSE. I do.

Mr. DONNELL. I recall the very fine work the Senator from Oregon did in the presentation of most interesting facts after the incident of the joint meeting of the House and Senate to which he refers. But it would appear to me that even though the papers had been signed in the morning, just as the Senator stated they were signed——

Mr. MORSE. I did not say the papers were signed.

Mr. DONNELL. The agreement was signed—is that it?

Mr. MORSE. The union's statement that there would be no strike was written in my office that morning.

Mr. DONNELL. I did not mean to misstate the facts. Even though that was done in the morning, I take it the Senator would agree with me that there was widespread apprehension and great fear of a situation extending over the country such as existed at the time of the coal strike in 1946, when, as the Senator recalls—I suspect he is tired hearing of this—the Supreme Court, speaking of the policy of Mr. Lewis, said that it was "the germ center of an economic paralysis which was rapidly extending itself from the bituminous coal mines into practically every other major industry of the United States."

So, Mr. President, I submit for the consideration of the Senator that, even though it be said that the papers had been prepared, as he has so well stated, on the morning preceding the joint assembly of the afternoon, nevertheless, the emergency existed, certainly up until the time the papers were prepared, and perhaps until they were signed.

But I am not so much concerned about when the emergency ceased. My point is that we have had coal strikes. We have had contumacious contempt of the courts evidenced by Mr. Lewis on at least two occasions with which we are all familiar. The President himself stated with respect to the threatened rail strike of May 1948:

It is essential to the public health and to the public welfare generally that every possible step be taken by the Government to

assure to the fullest possible extent continuous and uninterrupted transportation service. A strike on our railroads would be a Nation-wide tragedy with world-wide repercussions.

The National Mediation Board, which administers the Railway Labor Act, in the report from which I have read, points out that—

Although the President had issued an Executive order whereby operation of the railroads was taken over by the Secretary of the Army, notwithstanding that the President called upon every railroad worker to cooperate with the Government by remaining on duty—

And made the statement which I have just quoted—

the threatened strike order was not canceled, whereupon the Office of the Attorney General applied to the United States District Court of the District of Columbia for a restraining order.

What resulted in calling off the strike? According to the National Mediation Board:

A temporary order was granted on May 10, and as a result the threatened strike was called off.

I do not wish to take more of the Senator's time at this moment, but I wish to submit very earnestly for his consideration, as opposed to the idea that seizure may produce, and will produce in most cases—almost all of them—a settlement, and as opposed to the idea that we ought to deal with each case as it comes up, which, as I see it, would involve the possibility, at any rate, of protracted argument on the floor of the Senate by only a handful of Senators engaged in the argument, the fact that what we are dealing with here is an immediate threat which may exist at any time, particularly in the dead of the winter, to national health and safety. I submit to the Senator most earnestly for his consideration and discussion the advantages of the swift process of an injunction, to be used not at the instance of a private person—the thing which was prohibited under the Norris-LaGuardia Act—but when the President finds that there is a threatened danger to national health and safety. He can order his Attorney General to proceed; and the court, upon making a finding that such conditions exist, would have the right to issue an injunction, with the strong right arm of the court behind it, to give speedy relief to the people of our Nation. I am not claiming that it would give permanent relief. I do not believe it would. The question might ultimately come back to Congress even then.

I submit the question to the Senator. I tender him my thanks for his courtesy in permitting this interruption. I hope that he will discuss fully and thoroughly, as I am sure he will, the points with respect to which I have endeavored to make my position reasonably clear.

Mr. MORSE. I thank the Senator from Missouri. I think he has helped to draw the issue very clearly, and I want to meet the issue. So far as my course of action for the next 20 or 25 minutes is concerned, first I intend to make some comments upon the suggestions just made by the Senator from Missouri, because I think my point of view ought to be inserted in the RECORD at this point by way of answer. After I do that, I shall not yield further until I finish this comparative analysis, because as it is now, when one reads the CONGRESSIONAL RECORD tomorrow he will have to turn back several pages to cover the points of my comparative analysis of the Taft, Ives, Douglas, and Morse amendments on emergency disputes. Before I conclude, I shall ask that my entire statement on the comparative analysis of the amendments be printed in the summary form in which I have it, showing a comparative analysis of the Taft, Ives, Douglas, and Morse amendments, so that Members of the Senate can turn to one point in the RECORD and find at least my interpretation of the comparison of the various amendments.

Mr. DONNELL. I beg the Senator's pardon for having interrupted him so extensively. I should have permitted him to proceed.

Mr. MORSE. Not at all. The Senator has made a fine contribution.

After I answer the issues, as I recollect them, raised by the Senator from Missouri, I shall not then yield further until I finish my formal remarks, and then I shall be very happy to yield for questions and comments prior to taking up the injunction issue. I shall be glad to yield throughout the discussion of the injunction issue, because I think that is the time for us to exchange points of view in regard to the injunction.

Commenting upon some of the remarks of my good friend from Missouri, both facetiously and in dead earnest, I say that if there are the dangers existing under the present rules of the Senate which he fears prevent an expeditious, fair, and just handling of the people's business, in case that business happens to be a national emergency so serious that the health and safety of the Nation are in jeopardy, then by all means I think it is clear that I have not previously pleaded in vain on the floor of the Senate for a complete overhauling of the rules of the Senate. If there is a scintilla of basis for the fears expressed by the Senator from Missouri that the rules of the Senate would prevent expeditious handling of emergency disputes then let us get busy, before the Eighty-first Congress is over, and get rid of the rules of the Senate which would possibly form any basis for such fear as the Senator from Missouri has expressed this afternoon. Certainly the people of the country are entitled to rules in the Senate which will make it possible for their elected Senators to proceed immediately in bringing to an end a great national emergency and do it without being thwarted by any type of dilatory or obstructionist tactics which I think the Senator from Missouri has in mind. Any such tactics permissible under the rules which would impede the conduct of the people's business in bringing to an end a great national emergency should be eradicated from our rules right now.

The next point I wish to make is that instead of directing his attention to an argument in favor of placing in the hands of the courts a subject matter which I think should not be a subject matter for the consideration of the courts by way of the injunction, the Senator from Missouri should be joining with me in directing his attention to a revision and rewriting of the rules of the Senate so that we can get rid of any danger of a filibuster, even if we can imagine or assume—and I will not assume it, because I do not think it will ever come to pass—that there are men in the Senate who would be guilty of jeopardizing the health and safety of the Nation in time of national emergency by engaging in a filibuster. If we assume, for the sake of argument, that there are such men, then let us write a rule under which such enemies of good government, if any ever sat in the United States Senate, could not function effectively. Let me say parenthetically that if any of them every try it under those circumstances, they had better buy a one-way ticket to Siberia instead of ever attempting to go back to their home States, because this is still a democracy. Plausible as the argument of the Senator from Missouri is, I do not think there is any danger that, even under the present outmoded rules of the Senate, there ever would be a group of Senators who would be so lacking in their recognition of their obligation to the public that they would endanger the health and safety of this Nation by engaging in a filibuster under such circumstances.

Mr. IVES. Mr. President, if the Senator will yield on the point he has just made——

Mr. MORSE. I am happy to yield.

Mr. IVES. I should like to inquire of the Senator from Oregon whether he has any idea at all that when we were faced, as presumably we would be, with the dire emergency to which reference has been made, the Members of the Senate would spend an hour apiece in debate. To my mind, that would be preposterous.

Mr. MORSE. If we first assume the premise of the Senator from Missouri, there is no question that the Senate would get to the business quickly and would get rid of the case, after fair debate—and it should be submitted to fair debate—in a reasonably short time. I do not think there is any danger that there would be extended debate or that filibuster tactics would be used.

I have already said to my good friend the Senator from Missouri that it is very unwise to lay down the fixed and static rules which he would lay down in respect to injunctions in the legislation. I disagree with him that these cases are ones in which the subject matter should go to the courts, and I disagree with him because, as I shall say later this afternoon, the whole record prior to the Norris-LaGuardia Act should teach us that we should keep such cases out of the injunctive processes of the courts.

The Senator from Missouri refers to my conceding that there may be circumstances—no matter how rare we may assume them to be—in which the Congress, as such, might wish to exempt the particular case from the Norris-LaGuardia Act. Mr. President, I simply refuse to engage in crystal gazing. I do not know what may happen in the future.

I do not know what circumstances may arise. I cannot be sure now, as of today, what facts and circumstances may develop in the future. I am perfectly willing to leave it to Congress to determine whether it wishes to make an exception to the Norris-LaGuardia Act in a particular case. But there is a great deal of difference between making an exception to the Norris-LaGuardia Act in a particular case and doing what the Senator from Illinois in fact proposes in his amendment, in his seizure procedure, with no safeguards around it, to make every case automatically an exception to the Norris-LaGuardia Act. It is perfectly clear from the decision of the United States Supreme Court in the United Mine Workers case that, along with Government seizure, automatically goes the injunctive process, unless the Congress by legislation decrees otherwise. I propose that the Congress shall be obliged to decree otherwise on that point in the particular case. Although I was not on the floor of the Senate at the time, I understand that it is the position of the Senator from Illinois that, under his amendment, the Mine Worker's case would be applicable in case of Government seizure. It is because I think there is that fundamental difference—Mr. President, the word "fundamental" is greatly misused in common parlance in this country, but I wish to use it very specifically and very precisely this afternoon—because I have that fundamental difference, by which I mean divergence on basic principle, that I cannot go along with this bipartisan amendment in regard to seizure as introduced by the Senator from Illinois. It means the taking of a long step backward toward Government by injunction.

The next point I wish to make in regard to what the Senator from Missouri has said is that I disagree with him on his assumption that injunctions settle anything. Mr. President, injunctions do not settle cases. Injunctions beat strikes, they break unions, they put the Government on the employer's side of the table, they give the employer a great weapon over the union. But injunctions do not settle a case on its merits. Injunctions tend to freeze the status quo. It was the status quo which gave rise to the dispute in the first place. If it had not been for the status quo there would not have been a dispute. We must put the courts out of the business of seeking to end disputes by freezing the status quo.

As I said the other day, the final judge, the great arbitrator, the determiner in the last analysis of a labor dispute is general public opinion. However, it can be a poisoned, misled, or misinformed public opinion. Once public opinion crystallizes—whether it is well-informed or is uninformed—it settles the dispute. The great defect of the injunctive process is that it tends to poison public opinion against labor. Later this afternoon I shall discuss some cases regarding that matter.

Mr. BALDWIN. Mr. President——

Mr. MORSE. Mr. President, I do not think the Senator from Connecticut was in the Chamber when I said, a few moments ago, that I wished to answer the Senator from Missouri, and then complete my comparative analysis, before yielding further.

So, Mr. President, I disagree with the Senator from Missouri in his assumption, which I think runs through his whole argument this afternoon, that the railroad case was settled by an injunction. It was not settled by an injunction at all. In fact, as I pointed out on the floor of the Senate the other day, we should keep in mind, when we talk about railroad cases, that, after all, they are exempted from the Taft-Hartley law and from any proposal I have heard advanced at this session of Congress for new labor legislation. So they are rather poor cases to be discussed in hypothetical terms, unless the Senator from Missouri and the Senator from Ohio wish to bring them in under the Taft-Hartley law or under the revised Taft-Hartley law which is being proposed in some of these amendments.

Mr. President, why do I say I do not think the railroad case was settled by the injunction? I say that because so many other forces were at work at the same time resort was had to the injunction. It was the operation of those forces that really settled the case.

I do not know how much I should say in public about this matter, because I am a respecter of confidences; but I also believe that the public is entitled to be informed of what I believe to be vital operative facts in these matters. So I wish to say that in the railroad case to which the Senator from Missouri referred, there were a great many forces at work for days and days before the proposal was made to draft the strikers into the Army. The proposal to draft the strikers into the Army was a reflection on the Army, because I think the very idea of putting strikers into the Army as a means of coercing the strikers is a misuse of the Army. As a matter of fact, that plan would not have worked if it had been tried. Of course, it is easy for me to say that, because it was not tried; but I am satisfied as to what would happen if it ever were tried in this country.

Mr. President, I repeat that it was the operation of the other forces which were involved which really settled that case. What was needed was more help from the President in leading the parties to a fair mediation of that case. When I refer to "the other forces," I have in mind the pleas which were made by their best advisers to the strikers and to the carriers, urging them to agree upon a very informal understanding that they would work out their differences if there would be an agreement to surrender or yield on the proposal to take strike action. The case was not handled by the President in a conciliatory fashion. His drastic proposals made peaceful settlement more difficult. That is why I also say that the railroads cannot be operated by injunction, if the men exercise their American heritage of refusing to operate them. Strong-arm methods should be resorted to only after all forms of conciliation have been exhausted. A mine cannot be operated by injunction, because the choice given the workers in those cases is that of going to jail. Let them get the notion that a fundamental heritage of personal freedom is being violated and they are going to go to jail by the thousands.

Something has happened since 1890. The fight within the labor movement against the injunction started back in the 1880's and the 1890's. While it takes a good many years to develop a social attitude and a point of view within a Nation in opposition to a certain procedure, I say to my good friend from Missouri I am convinced that the point of view has become crystallized in America that the courts ought not to be settling labor disputes by way of the injunctive process. According to my view, injunctions settle them only by breaking strikes and unions.

The next point I want to make in reply to my friend from Missouri is that I completely disagree with him that Federal judges are best qualified to determine how a national emergency dispute should be settled. I say it as a lawyer, with all due respect to the courts. The record is clear. The record is that the American judiciary, State and Federal, has not shown over the years that it fully appreciates the overtones and undertones of the American labor movement and the relationship of that movement to our basic freedoms. Many of the jurists, by education, by training, by economic status, come from that side of the railroad tracks which makes it difficult for them to understand the overtones and undertones of the labor movement. At least it is perfectly clear that the record which the American judiciary made prior to the Norris-LaGuardia Act became so unacceptable and unpopular in this country that a Republican Administration checked the judiciary by the Norris-LaGuardia Act. What was happening? There were judges in this country, and I shall quote some of them before the afternoon is over, who deplored the loss of prestige and public confidence that the exercise of the injunctive process was creating toward the courts. The courts have plenty to do, without their becoming involved in this line of business. Basically the courts were not set up to determine whether the demands of labor for wages, hours, and conditions of employment are fair and reasonable demands. That is not the business of the courts; and let us keep that business away from the courts.

Such disputes have to do with the economy of this country. They have to do with the human-relations problems that are created by our system of free economy. I think national emergency disputes are the business of the Congress, for they involve underlying public-policy issues, not legal issues. Thus my amendment places the determination of those issues exactly where I think it belongs—first, in the White House, by way of recommendation, and second, in the Congress. The President has the responsibility in regard to public policy, as to the economic direction in which America is to go, and he ought to be checked by the Congress of the United States. In turn, under my amendment, we, in the last analysis, will be checked by the courts if we transgress upon basic property or constitutional rights. Let those issues get to the courts in due course of time after the

policy questions have been decided by those branches of the Government which, under our system of government, were set up to determine in the first instances questions of public policy—the White House and the Congress.

These remarks show, of course, the wide difference I have with my good friend from Missouri; but it is a fundamental difference. The difference, however, springs from the same motive in each man's breast, namely, a motive of trying to work out a procedure that will meet that rare case of national emergency where the health and safety have become imperiled.

The last point I want to make in answering the Senator from Missouri relates to the one I have just mentioned. I find myself in great disagreement with the Senator from Missouri in the conclusions he reaches and the authorities he cites in support of his conclusions, that some of the cases in the past, which have been called national emergency cases, were in fact national emergency cases. He cites the National Railway Mediation Board, and he cites a decision of the United States Supreme Court, written, I think, by the Chief Justice. In that case, we find the Court using typical judicial language, based upon the type of assumptions that we find in so many judicial opinions dealing with labor disputes when the injunctive process is involved. We must not get away from the notion that those judges, too, are very human. They must be watched for rationalizations. It must be recognized that, of course, they must make the best case they can in support of the conclusion they reach; and I have no doubt they do it in complete sincerity. I have no doubt that, in the Supreme Court decision the Senator from Missouri has cited so frequently in the debate, the Court thought—to paraphrase the language—that a crippling paralysis was about to overtake the Nation if the strike continued or if the threat of strike continued. I have no doubt that the Court felt that; but it just had not happened yet, and there was not a mention in the decision about the problem that I raised the other day as to whether it is necessary in protecting the health and safety of the Nation to maintain the status quo of the economy as it existed prior to the emergency. The Court has not come to grips with that problem at all.

Mr. President, in this debate about national emergency procedure, there is an underlying assumption which I think is a great fallacy. When there is a railroad strike, or a coal strike, or a maritime strike, the mistaken assumption is that unless the strike is ended 100 percent, the national health and safety are involved. I say that assumption, Mr. President, is based upon a notion, if we come to analyze it down to its real bones, that the right to strike in certain industries ought to be denied the workers. Let us test that. Should it, or should it not be denied the workers? If it should, there is a direct way to handle the matter by a very simple statute. Simply deny the right to strike. I would oppose such a proposal, but that is the direct way to carry out the basic assumption of the Senator from Missouri. As I stated a couple of years ago, I am satisfied that the Congress can legally, if it wants to, take away that right. I have always held that the right to strike is a right, but it is in the form of a privilege which can be exercised only so long as the will of the American people, as expressed through their elected representatives, wishes to preserve it. I have never minced any words about that. I differ on that point with those labor leaders who seem to think that within our Constitution there is some basic right to strike which cannot be abridged by legislation. I think they are wrong about that. As I said to the Senator from Missouri a few minutes ago, the basic right they are getting confused with the right to strike is the basic right to quit. They have the basic right not be enslaved. They have always had the individual right to quit work as individuals. That is quite a different thing from a strike. But I am convinced that, with the qualifications I have given, this right to strike is a basic privilege, if we want to use that language. It is at least, a privilege labor can exercise so long as the will of the people does not take it away from them by legislation. It is essential to the maintenance of a free economy.

I do not like to repeat myself on the floor of the Senate, but I cannot, without repeating, do justice to this argument this afternoon in answering my good friend from Missouri, because it represents a part of our great difference. We cannot preserve a free economy in this country and take away the basic privilege to strike and to lock-out. We cannot take these privileges away in respect to a certain category of cases and retain them in respect to other categories of cases. That is not the proper way; that is not the way the public reaches its conclusions. The public is not going to make fine distinctions between a case in which the privilege shall exist and a case in which it shall not exist.

As I recently said, not only is this privilege to strike basic to maintaining a free economy in the Nation, but if it be taken away we shall go rapidly down the road to an economic statism, because something must be put in its place. What are we to put in its place? It seems to me that, by a process of accretion we will gradually put into its place more and more Government domination of employer-labor relationships which lead to domination of production itself. I am not satisfied with the suggestion that we do it for only 30, 60, or 90 days. The danger is that the public, which does not like to be inconvenienced but must recognize it is bound to be inconvenienced if it is going to insist upon the preservation of basic privileges and rights, is gradually going to say, "If we can do it for 30, 60, or 90 days, let us do it for a longer time." Thus a bad precedent will become a bad principle, by its extension to new and less serious situations.

I close this point by saying that on the basis of the approach I make to these problems, the American people need to recognize that in an emergency dispute they are entitled to have their health and safety protected, but they are not entitled to have preserved the status quo existing prior to the dispute, so far as the economy of the country is concerned.

Just as I said earlier in the debate this afternoon in respect to another point, I now say that the public also has to confront the old statement that it cannot have its cake and eat it too. It cannot have these privileges extended to the other fellow without recognizing that the exercise of them frequently is inconvenient for the public.

We do not find the courts quoted by the Senator from Missouri coming to grips with the problem of how much of the normal operation of the economy must be maintained in the case of a national emergency dispute in order to preserve and protect the national health and safety. Of course it is a complex question. It is too complex for the courts, under their procedure. It is complex enough for any tribunal. To a certain extent, those who are called upon to exercise their judgment on this issue will have to exercise some horseback or curbstone justice. But under my amendment it is possible for the emergency board to determine, case by case, what steps should be taken in order to protect national health and safety, but not, mark you, Mr. President, to maintain the full flow of the economic life of the Nation, during the emergency dispute. Any procedure—and I care not who renders the decision, Mr. President, or by what procedure it is rendered—any procedure which has the effect of maintaining the status quo breaks the union's back in connection with the dispute, because the exercise of its power is to be found in the use of economic force. Why try to fool the public about that? The union's position in those cases is no stronger than the economic force which it is permitted to exercise. The same goes, in the converse, for the employer, if he is seeking to gain his rights by way of a lock-out. In the exercise of that economic force, or that privilege to strike or to lock out, the public is bound to suffer. There is no way of preventing that suffering. How much should the public suffer if it wants to maintain the privilege of economic force in the settlement of labor disputes? Woe be it unto the public, Mr. President, if it ever takes the position that it wants to bring an end to the privilege to strike or lock out, because then the public will find the State exercising complete economic control. I see no terminal points on that road if the public ever starts walking down it, Mr. President.

Thus we hear much about the right of labor to strike and the right of the employer to lock out. I would rather put it this way. We should be talking about the right of the American public, in a system of democratic self-government, to have labor enjoy the privilege of striking and employers the privileges of locking out. That is the form in which I would put it. The freedom enjoyed by the American people to have workers strike and employers lock out is a great, precious right, and woe be unto them if they ever divest themselves of that privilege of freedom.

We hear talk these days about a regimented economy and an economic statism. It cannot begin to compare in significance with what would happen to the American public if, under a wave of hysteria sweeping this country, we should ever adopt the theory that we might put an end to the privilege of striking and locking out for fear that some day we might have that rare case arise in which the health and safety of the American people would be seriously impaired. I say the American people will cross that bridge and should cross that bridge under the leadership of their elected representatives in the Congress and in the White House, once those facts become a reality. That course ought not to be by way of denying the privilege of striking and locking out, but it ought to be by seeing to it that Government uses whatever sanctions are necessary, not to maintain the status quo of the economy but to operate an industry to that degree necessary to protect health and safety.

I am willing to give that opportunity, under my amendment, because I think it will be determined in a large measure by the agency of the Government that is entrusted with the administration of a particular plant or industry, until the parties on both sides of the labor-management table come to their senses and sit down and work out a reasoned and reasonable agreement.

Mr. President, those are basic differences I have with the Senator from Missouri. I am not going to talk on them again during this debate. I have made them as clear as I can make them. In philosophic approach to this problem, they represent a great difference between the senior Senator from Missouri and the junior Senator from Oregon. I do not know how they can be reconciled. I do not think they can be reconciled. He simply places his trust in the injunctive process. I reject it and place my trust in the elected representatives of the people in both the White House and the Congress.

Mr. President, I now wish to return to the comparative analysis, as I see the differences between the Ives, Taft, Douglas, Thomas, and Morse amendments. I had already compared the Presidential proclamation provisions and the seizure provisions, and I was in the process of discussing the differences in regard to termination of seizure.

As I understand the Taft proposal, it provides for termination of seizure 60 days from the issuance of the proclamation or upon settlement, whichever occurs first.

The Douglas proposal provides for ending seizure 60 days after issuance of the Emergency Board report, or upon settlement or Presidential finding that possession is no longer necessary, unless Congress extends the time by concurrent resolution.

The Morse proposal on the termination of seizure is the same as the Douglas proposal.

Now as to the terms of seizure. The Taft proposal provides that the Government cannot alter terms and conditions or negotiate a contract. The parties are to continue negotiations.

The Douglas proposal provides that the Government is to operate under terms and conditions existing at the time possession is taken. I would especially call attention to the fact that this would permit unilateral change between the time the dispute arose and the time the Government took possession. The Douglas proposal also provides that the parties are to continue negotiations.

The Morse proposal provides that conditions remain the same as before the dispute arose, but the Government may alter them in conformity with emergency board recommendations or a concurrent resolution of Congress. The Government may not negotiate a contract. By that provision we avoid what I consider to be a type of unilateral action, which occurred in one of the coal cases, where, if I understand the facts correctly, the Government negotiated a contract with only one of the parties to the dispute, whereas the operators in that instance had little or no voice in determining the terms of the contract.

I do not think the Government should negotiate the contract for the parties, but I do think, for reasons which I set forth at some length earlier this afternoon, that the Government should be in a position of keeping the parties in doubt as to what the terms and conditions are going to be during Government operation. The parties should know that the Government can, if it desires, put into effect all or part of the emergency board recommendations, or that it can, if it desires, through a concurrent resolution of the Congress prescribe other conditions and provisions, which shall govern during the period the industry or plant is operated by the Government.

Mr. President, that is one of the strongest features of my proposal. It is one of the things which will be very conducive to getting the parties to reach an agreement long before there will be a seizure. There have been various types of emergency boards in this country over and above the emergency boards under the Railway Labor Act. Let me say a word about the latter boards. With certain notable exceptions, their recommendations have generally been accepted by the parties. As the Senator from Minnesota [Mr. HUMPHREY] pointed out so well the other day, the system of emergency boards has worked remarkably well in the railway industry. I know that there have been criticisms by some of the brotherhoods, and they have not always accepted some of the decisions of the boards. How well I know that, because in 1941 I was chairman of a board considering a very complex case, a case involving a great many issues of wages, hours, and conditions of employment, including working rules, and vacations. The case was so complicated that we were in session in Chicago in formal hearings for 6 weeks. We had a transcript of several thousand pages, and as I recall we had over 400 exhibits, many of which contained several hundred pages. It was a tremendous record to study. When we handed down a decision, the brotherhoods did not like it. Although they did not like it, I have always been of the opinion that all that decision needed was a green light from the President and it would have been accepted. But, as the President told us subsequently, he had become convinced that if we insisted upon the decision he would have a railroad strike on his hands, and he felt the Government was not in a position to handle a railroad strike at that time. Those were the dark days of late November 1941.

What did we do? We stood by our decision. I have always taken the position—and I think this has some bearing upon comments made by the Senator from Ohio [Mr. TAFT] this afternoon—that no matter what we call these boards, what label we affix to them, in a very real sense they function as boards of arbitration, because they reach decisions. Their conclusions are called recommendations, but in fact they amount to a decision reached by way of arbitration. If they are not the documents of an arbitration decision, then I have never read an arbitration decision. In a very real sense those reports or recommendations are arbitration decisions. It is true that the procedure permits of further mediation or further arbitration by the parties if they ask it.

So what happened after the 1941 emergency board rendered its report? The parties asked for mediation. The board did not offer mediation. When the parties asked for mediation, the board was reconvened at the request of the President and we proceeded then to function, not as an arbitration board, but, as I said in the supplementary report, as a compromising or mediating board. In the large hearing room in the House Office Building, I told the parties, when we got them together, "I want the carriers and the brotherhoods to know that if they are unwilling to accept the decision which this board has handed down, but request mediation, then we will lead you to a conscionable compromise but which will not rest completely on the merits of the case." We had already handed a decision on the merits of the case.

The 1941 railroad case was not settled on its merits. It was settled by way of mediation. And mediation is never a settlement based solely on the merits of a case. Mediation is a settlement based upon compromise between the parties, the mediators taking into account the economic forces at play in the case.

Let us be frank about that. An arbitrator does not take such factors into account. An arbitrator is not one whit interested and should not be interested in the economic forces at play. He is interested in: What do the facts establish here? What is a fair wage for this industry? What are reasonable hours of employment? When should overtime start? Are these employees entitled to a modification or to an extension of an already existing vacation allowance? Are they entitled, for example, to standby time, or to being supplied with certain materials and tools and uniforms?

Those are the questions that an arbitrator decides on the basis of the facts

and evidence presented by the parties. He does not get them out of his head. He does not get them out of the air. Unless they are in the record he cannot decide them. However, that is not true of mediation.

So in the 1941 case we settled it finally by compromise, frankly and publicly admitted in the supplementary report. Many people who criticized the 1941 report, have never caught the distinction between two functions performed by that board. First, it functioned as an arbitration board, and handed down a decision on the merits. Then, at the request of the President and the parties it subsequently acted as a mediation board. It was my lot to mediate that case. For some 64 hours, the last 38 of which we were in continuous session at the Raleigh Hotel, we mediated it. We did what mediators frequently have to do. We tired them out. I simply said, "Anybody who walks out of that door does not walk out on me. He walks out on the President of the United States. The President's instructions are to settle this case, and I propose to hold you until we settle it." We held them in continuous session during the last 38 hours out of 64.

I do not recommend such action. But I digress to make this point, because I want in some way, somehow, to make clear, if I can, to my colleagues in the Senate, that when you are settling labor disputes you are not settling legal issues. You are settling great economic problems that arise between employers and workers.

I want a procedure in the bill we pass this year which will permit of the type of flexibility I have just described in connection with railroad disputes. The reason the Railway Labor Act of 1926 has worked as well as it has is because it is characterized by flexibility and not by fixed, static, strait-jacket, legal rules and procedures. That is why in my seizure provision I am keeping what I think is the type of flexibility we need in order to do the job that has to be done.

Surely it is going to be a form of arbitration, but not compulsory arbitration, unless labor and industry at the last step want to force compulsory arbitration on themselves, which they will do if they insist upon defying the Government after they have had a fair decision on the merits, namely, if the workers or management of any industry affecting health and safety in this country simply say, "We defy the Government of the United States," then, of course, some form of compulsion must be resorted to in order to protect the public. We do not need an injunction to settle such cases, Mr. President, even if we assume an injunction could settle them. We should bring such cases before the Congress, and my amendment brings them here.

Let us take the question now of comparison of the four amendments on the application of the Norris-LaGuardia Act. The Taft amendment expressly provides that the Norris-LaGuardia Act shall not be applicable. Of course, that is where the Senator from Ohio and I part company on this legislation, for reasons which I have already expressed earlier this afternoon, and also the other day. I will not repeat them now other than to say I think the Taft proposal in and of itself will fail to accomplish what I know he seeks, and I am sure all the rest of us seek; namely, legislation that will work, legislation that will bring to an end the great class conflict that is developing in this country, legislation that will remove these labor issues from the blind, partisan, bitter field of politics.

Not for myself, Mr. President, because as individuals we do not count, but for the sake of the country, I shudder to think of the 1950 and 1952 and 1954 and 1956 campaigns with this labor issue as it was in the last campaign, drawing the bitter class-conscious lines that it is going to draw, unless we come out with legislation which avoids a return to government by injunction.

Editorial writers—and they are surely using a great deal of ink these days, Mr. President—editorial writers can decry all they want to, as some of them in the local press and elsewhere in the country have been decrying in recent days, those of us who are opposed to the injunctive process. We at least have been forthright enough to tell the public that there can be no return to a system of government by injunction without there being tremendous unrest in America. I am willing to let history record in the future whether or not I was right when on the floor of the Senate this afternoon I forewarned that the use of the injunctive process as the typical pattern in an attempt to settle these national emergency disputes will not prove to be acceptable and workable to millions of people in this country.

The Douglas amendment has no provision specifically stated in regard to injunctions, but I understand that the Senator from Illinois admits that under the Supreme Court decision in the Mine Workers case, the Norris-LaGuardia Act would not apply to the Government. In other words, the Government could automatically obtain an injunction.

I respect the Senator from Illinois for his position on this matter. I completely disagree with his recommendation, and I am convinced that the proposal of the Senator from Illinois, if adopted, will prove to be a great disservice to American labor and industry. I see no other result that can flow from it, because it is bound to light a tremendous fire of Government seizure in our economy. I can imagine the speeches which will be made a few years hence in support of legislation seeking to extend that process, unless the opponents of it are successful in the political campaigns which lie ahead in electing men who will repeal the type of proposal which the Senator from Illinois offers in this regard.

Under my amendment, I expressly make the Norris-LaGuardia Act applicable to the Government, unless by concurrent resolution the Congress specifically excepts a particular case from the operation of the Norris-LaGuardia Act. I say that my amendment is reasonable. It is highly objective. It gives us an opportunity to take a look at each case. Again I say that the uncertainty as to what will happen under my amendment would be very conducive to getting the parties to settle their cases before they reached the Congress. The certainty as to what would happen under the injunction process has not proved to date to be very conducive to getting the parties to settle their cases. It has been conducive only to embittering the parties, or the party against whom the injunction is issued. It does not create good will or a spirit of cooperation. What do the labor representatives say to the representatives of management? "You are responsible for this. You are the ones, in the last analysis, who are responsible, irrespective of whether or not a Government official sought the injunction. You are the ones who have led us into this position." A particular strike may be broken, but the feelings of bitter resentment which beat in the breasts of the workers are not eliminated. The price management must pay for the injunction is more frequently than not a tremendous price, because resentful, bitter workers are not very good partners in a plant or industry.

Let me make this point clear. I do not speak here this afternoon in support of a point of view which is held only by labor. During the past year scores of great industrial leaders in this country have privately made certain admissions to me. They have done so with a little embarrassment because one would think from what they said to me in 1947 that I was one of the greatest enemies of business in this country because I refused to vote for the Taft-Hartley law. However, during the past year a great many industrial leaders have said to me, "I hate to admit it, but you were right. I wish we had the major recommendations which you and Senator IVES proposed in 1947, instead of what we have."

Many of them have also told me that they do not believe the injunctive process is the way out for them, for the reason I have just given. The injunctive process does not make the workers very good partners in the employer's business, because resentful, bitter, angry men are not very cooperative or very helpful in operating a business.

Many of the employers in industries which may involve national emergency disputes are confronted with the fact that their labor supply is very limited. It seems to me that there has been a great deal of careless thinking about the types of industry which are likely to be involved in so-called national emergency disputes. In the case of a stoppage of work in the coal industry, where are we to get coal miners? Would not we Senators be a fine lot to put down into a coal mine to mine coal? Not only would our mortality rate be very high within a short time, but we would probably ruin every mine we entered, because we lack the skill to mine coal.

If we do not want to use United States Senators in the coal mines, what supply of labor would be any better? Would we go to the steel plants to get miners? We all know that the mining of coal requires a great deal of training and the development of a great deal of skill and mechanical understanding. Coal miners are

highly skilled workers and the supply of them is limited.

Let me say parenthetically that if we do not do something about enacting legislation to protect their health and safety, there will be fewer of them, because we have been very derelict in the way we have permitted atrocious and inexcusable conditions of hazard to exist in the coal mines.

Where would we get workers to operate the railroads in a national emergency if the railroad industry were to come under this law, which it does not? The same question might be asked with respect to many other industries, if we accepted the extreme hypothesis of my good friend from Missouri [Mr. DONNELL]. We are dealing with industries in which the labor supply, by the very nature of the industry, is limited. So the question of bitterness, resentment, and anger on the part of the workers is a very important factor in the successful operation of one of those industries.

I know whereof I speak with regard to Government seizure, because as a member of the War Labor Board I participated in the seizure of some plants during the war. We cajoled, pleaded, and used every persuasive device at our command. We waved every big stick we could get our hands on, after seizure, to compel workers to "follow the flag," as we put it, and support the flag for the duration of the war. But to the extent that we were successful in our wartime seizures, I think the war itself was the chief reason for our obtaining compliance.

That method will not work so well in peacetime. We shall not have the great psychological, patriotic argument which we had during the war. The men will say, "The employer is wrong. We are asked to do an unreasonable thing." What are we going to do? I do not know where we are going to get the labor to mine coal and to operate some of our industries if the workers either go to jail or just quit their jobs, because no adequate labor supply exists. We talk about the importance of quick action. It would require months and years to train some of the skilled workers we need, if we are to exclude the workers from the mines or important industries and put them in jail. They could get around that difficulty by simply saying, "We quit. We are not striking. We just quit." They have the right to do that. We would have a nice constitutional problem if we tried to say, "You cannot quit."

It is this type of procedure which leads us into these dangers—so far as the public welfare is concerned, much greater dangers than are involved in any of the hypothetical cases which I have heard raised on the floor of the Senate in the discussion as to what would happen to the public health and safety of the Nation if the facts of those hypotheticals should ever become a reality. I shall cross those bridges when I reach them—and they will be successful crossings, I am sure, if the Congress will do what I am sure it will, namely, measure up to its responsibilities on a case-by-case basis.

So I say my provision regarding making the Norris-LaGuardia Act applicable except in respect to a particular case is, I think, the second strongest provision of my amendment. I hope it recommends itself to the Senate.

The strongest provision of my amendment is the one providing that after seizure, the Government agency shall have discretion to put into operation the terms and conditions of the emergency board's report, or that the Congress shall by concurrent resolution put such terms and conditions into operation during the period of seizure as it sees fit.

The second great strength of my amendment is that there will be no application of an injunction to the dispute unless the Congress, case-by-case, specifically so orders. If what we wish to do is encourage settlement by the parties, that type of approach recommends itself.

As to the question of compensation to the owners, Mr. President, the Taft amendment, as I read it, contains no provision for compensation to the owners. The Douglas amendment provides for just compensation, determined by special boards, subject to court review. Under the Douglas amendment, profits, after expenses, payment of just compensation to the owners, and reimbursement to the Government for the expenses of seizure, go into the Treasury. I do not think that is a fair procedure in all cases, Mr. President. I certainly do not think it is fair in a case in which the union is at fault. In case the union is at fault, I think the Government has the obligation of making the employer whole. The compensation provision of the Douglas amendment would play right into the hands of any labor leader who got hot headed—and being human, they get hot headed sometimes—and said, "Well, we cannot lose anything, but the fellow across the table can, if we force him into Government seizure. If that happens, he can get only a fair return, and he will lose his profits over and above that." Mr. President, I simply am not going to be a party to that type of transgression upon property rights, because I am the kind of liberal who believes that property rights should not be confiscated by the Government. If we are to follow a liberal course of action in American politics we should reject the Douglas amendment. I say the Douglas amendment is unfair and unreasonable in respect to the property rights of an employer when the union is at fault, and defies the Emergency Board and the Government, and refuses to accept a fair determination of a case, once it has been tried on its merits before an Emergency Board. I am proud of the fact that I am not the kind of liberal who would advocate such a course, Mr. President, because I think that is taking property by way of confiscation, and I will be no party to it. If the employer is not responsible for the difficulty, and is found not to be at fault, I do not want the Government to step in and take his property and say, "We shall give you only a fair return on it, as determined by a compensation board, and then you can appeal to the courts." Mr. President, what a capricious way that is to treat property owners. I shall never be guilty of treating them that way.

So my amendment leaves compensation open for determination, on the basis of all the facts as to what the employer should get, if we have to seize his property. I preserve the right of the employer to appeal to the courts, but I think in the first instance he should be protected by his Government when the union is at fault. That happens to be my notion of fair procedure under our system of American jurisprudence. But I will not vote for an amendment under which advantage would be taken of property owners, and I am surprised that some labor leaders in this country want that type of an amendment. I will not be guilty of taking that kind of advantage of American property owners, and I say to the American labor leaders who want that kind of amendment that it will boomerang against them, if it is given time, because in the long run these things usually work both ways. If labor leaders support such an amendment, they will find that they will get caught in its workings.

Thus, Mr. President, under my amendment the Compensation Board will take into account whether the owners or the unions are not complying with the Emergency Board's recommendations.

As to injunctions, the Thomas amendment and the Ives amendment have no provision with respect thereto. The Douglas amendment has no express provision regarding that, but undoubtedly the Government could obtain an injunction, following seizure.

The Taft amendment contains an express provision that, upon application of the Attorney General, and if the court finds that the strike affects all or a major part of the industry concerned, and imperils the national health or safety, an injunction may be obtained, with or without Government seizure.

The Morse amendment provides that an injunction can be obtained only after seizure and if the Government complies with the provisions of the Norris-LaGuardia Act or if the Congress by concurrent resolution determines that such act is not to govern in the particular case.

Mr. President, with the correction of the comparative analysis made by the Senator from New York, in respect to changing the statement to show that his proposal calls for a cooling-off period of 30 days, not 60 days, I ask unanimous consent to have inserted at this point in the RECORD, as a part of my remarks, the comparative analysis of the Taft, Ives, Douglas, Thomas and Morse proposals for handling emergency disputes.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

COMPARISON OF THE MORSE, IVES, TAFT, DOUGLAS, AND THOMAS NATIONAL EMERGENCY PROPOSALS

I. ALL PROVIDE FOR PRESIDENTIAL PROCLAMATION OF AN EMERGENCY, A PRESIDENTIAL REQUEST THAT PARTIES MAINTAIN OR RESUME OPERATIONS, AND THE APPOINTMENT OF AN EMERGENCY BOARD

Under the Thomas bill, the cooling-off period lasts 30 days, with the emergency board making its report and recommendations within 25 days after issuance of the proclamation, unless the parties and the

board agree to an extension. Senator TAFT's proposal calls for a cooling-off period of 60 days, with a report within 30 days following the proclamation. The Morse, Ives, and Douglas proposals provide for a report and recommendations within 30 days of appointment of the board. The total cooling-off period in the Ives proposal is 30 days; it is 90 days in the Morse and Douglas proposals.

II. SEIZURE

No provision in the Thomas or Ives proposals.

Taft: Seizure order may be sought from the Federal district court by the Attorney General upon direction of the President. The court must find that the stoppage affects all or a substantial part of an industry and imperils national health or safety before it can authorize seizure.

Douglas: The President may seize and operate, if he finds a failure or an imminent threat of failure of parties to abide by the terms of his proclamation.

Morse: If strike or lock-out occurs after proclamation, the President must immediately report to Congress, and may recommend seizure. If he so recommends, Congress has 10 days to disapprove the recommendation or enact legislation dealing with the particular case. If Congress does not act, the President may take possession—thus averting possibility of seizure being defeated by filibuster.

Termination of seizure

Taft: 60 days from issuance of proclamation or upon settlement, whichever occurs first.

Douglas: 60 days after issuance of emergency board report, or upon settlement or Presidential finding that possession is no longer necessary, if not extended by concurrent resolution.

Morse: Same as Douglas proposal.

Terms of seizure

Taft: Government cannot alter terms and conditions or negotiate a contract. Parties are to continue negotiations.

Douglas: Government must operate under the terms and conditions existing at the time possession taken. (Note that this would permit unilateral change between the time a dispute arose and the time Government took possession.) Parties to continue negotiations.

Morse: Conditions remain the same as before the dispute arose, but Government may alter them in conformity with emergency board recommendations or a concurrent resolution of Congress. Government may not negotiate a contract.

Application of Norris-LaGuardia Act

Taft: Expressly not applicable.

Douglas: No provision; under Supreme Court decision in Mine Workers case, Norris-LaGuardia Act would not apply to Government.

Morse: Made expressly applicable to Government, unless Congress by concurrent resolution in particular case declares otherwise.

Compensation to owners

Taft: No provision.

Douglas: Just compensation, determined by special board subject to court review. Profits, after expenses, payment of just compensation to owners, and reimbursement to Government for expenses of seizure, go into Treasury.

Morse: Same as Douglas, except that compensation board shall take into account whether owners or unions are not complying with emergency-board recommendations.

III. INJUNCTIONS

Thomas and Ives: No provision.

Douglas: No express provision, but Government undoubtedly could obtain one after seizure.

Taft: Express provision, upon application of Attorney General, and if court finds strike affects all or major part of industry and imperils national health or safety. May be obtained with or without Government seizure.

Morse: Can be obtained only after seizure and if Government satisfies Norris-LaGuardia Act or Congress by concurrent resolution determines that such act is not to govern in the particular case.

Mr. MORSE. Mr. President, I should like to ask the acting majority leader a question at this point. I am very happy to direct this question to the Senator from Minnesota [Mr. HUMPHREY]. Because of the many interruptions—which have been very helpful, and I have been happy to yield for them—I have really given only the first part of my speech in opposition to the Douglas amendment. I have left for discussion the whole question of injunctions and the record of Government by injunction in this country, because we might just as well face the fact that the Douglas amendment opens the way to a long walk back toward what I think was a very reactionary and not a liberal policy in this country, namely, government by injunction during the early 1900's.

I wonder whether it meets with the approval of the acting majority leader that we take a recess at this time, for today, and that tomorrow I proceed in my own way, when I get the floor, to finish my remarks on this subject.

Mr. HUMPHREY. Mr. President, as the acting majority leader—the title the Senator from Oregon has bestowed upon me—I wish to say that in view of the duration of my remarks sometime ago, I would be the last one not to concede that the Senator from Oregon should continue.

I am sure we are prepared to take a recess at this time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment, the following bills of the Senate:

S. 55. An act to authorize completion of construction and development of the Elden project, Wyoming;

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders;

S. 979. An act to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources;

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which through inadvertence, no deductions from salary are made;

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended; and

S. 1659. An act granting the consent and approval of Congress to an interstate forest fire protection compact.

The message also announced that the House had agreed to the amendment of the Senate to the amendment of the House to the amendment of the Senate No. 9 to the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

RECESS

Mr. HUMPHREY. Mr. President, with the understanding that the junior Senator from Oregon has placed before us, I now move that the Senate take a recess until tomorrow at noon.

The motion was agreed to; and (at 5 o'clock and 41 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 21, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20 (legislative day of June 2), 1949:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be surgeon (equivalent to the Army rank of major), effective date of acceptance:

Paul A. Lindquist

To be senior assistant dietitians (equivalent to the Army rank of captain), effective date of acceptance:

Frances M. Croker	Arlene M. Luthi
Marion E. Nichols	Annette L. Buza
Clara B. Tavis	

To be junior assistant dietitians (equivalent to the Army rank of second lieutenant), effective date of acceptance:

Gwendolyn E. Dupree	Letitia W. Warnock
Lillian Krikorian	Rhoda E. Fallin Marshall
Patricia M. Waring	
Katherine A. Seubert	Joan Wentworth

Senior assistant nurse officers to be nurse officers (equivalent to the Army rank of major):

L. Dorothy Carroll	Ruth L. Johnson
Clarice M. Russell	Zella Bryant
Margaret J. Nichols	Esther A. Garrison
Lillian A. Gardiner	M. Constance Long
Martha B. Naylor	Elsie T. Berdan
Evelyn E. Johnson	Louise O. Waagen
Frances E. Taylor	Ella Mae Hott
Prudence J. Kowalske	Catherine L. Mahoney
Grace I. Larsen	Daphine D. Doster
Fern M. Dunn	Josephine I. O'Connor
Agnes B. Bowe	L. Margaret McLaughlin
Margaret F. Knapp	
Esther M. Finley	Edna A. Clark
Mabelle J. Markee	Frances S. Buck
Emily M. Smith	Anna M. Matter
Genevieve R. Soller	Margaret Denham
Amy E. Viglione	Genevieve S. Jones
Alice E. Herzig	Elisabeth H. Boeker
Ellwynne M. Vreeland	Ruth I. Gillan
Rosalie C. Giacomo	Vera P. Hansel
Madeline Pershing	Lola M. Hanson
Mabel E. Emge	

To be senior assistant nurse officers (equivalent to the Army rank of captain), effective date of acceptance:

G. Alice Boore	Florence E. McKerrow
Catherine Bastress	Jeanne C. Brooks
Ella L. Muir	Florence E. Gareau
Genevieve E. Gaynor	Tracy E. Forney
Anne Poore	Ann F. Matthews
F. Jean Williams	Mary E. Linkel
Jeannette E. Potter	Harriette L. Paddleford
Mildred V. Riebel	
Mary L. Casey	Anna V. Marcinko
E. Loretta Anderson	Rosalie V. Flannery
Mary S. Romer	Ayrol P. Decker

To be assistant nurse officers (equivalent to the Army rank of first lieutenant), effective date of acceptance:

Doris I. Dodds	Virginia B. Schroeder
Olga E. Lassik	Virginia B. Millard

To be junior assistant nurse officer (equivalent to the Army rank of second lieutenant), effective date of acceptance:

Amelia J. McFadden

Assistant nurse officers to be senior assistant nurse officers (equivalent to the Army rank of captain):

Margaret M. Cahalan
Mildred K. McDermott

Junior assistant nurse officers to be assistant nurse officers (equivalent to the Army rank of first lieutenant):

Anna B. Barnes
Ardyth M. Buchanan

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 20, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, our peace in strife, our gain in loss, for life and all that it means to us, for homes of health and gladness and for the loyalty of loving hearts, we thank Thee. With deep gratitude we praise Thee for the privilege of helpful ministry, for any victory over temptation and sin, for all that brings us nearer to one another, and for an increasing faith in the blessed name of Jesus Christ our Lord, the fount of life and the light of men. To the only wise God our Saviour be glory and majesty, dominion and power, both now and evermore. Amen.

The Journal of the proceedings of Thursday, June 16, 1949, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 7, 1949:

H. R. 639. An act for the relief of Mark B. Craig and others;

H. R. 967. An act for the relief of the city of El Paso, Tex.;

H. R. 1299. An act for the relief of Frank J. Patzke and others; and

H. R. 1597. An act for the relief of Hal W. Cline.

On June 8, 1949:

H. R. 1222. An act to authorize the exchange of certain fishery facilities within the State of Michigan;

H. R. 1357. An act to authorize the establishment of the St. Croix Island National Monument, in the State of Maine; and

H. R. 3341. An act to authorize the attendance of the United States Marine Band at the Fifty-ninth Annual Reunion of Confederate Veterans to be held in Little Rock, Ark., September 27 through September 29, 1949.

On June 9, 1949:

H. R. 1062. An act for the relief of Lorrayne E. Graus;

H. R. 3005. An act to regulate subsistence expenses and mileage allowances of civilian officers and employees of the Government; and

H. R. 3334. An act to grant the consent of Congress to the Pecos River compact.

On June 10, 1949:

H. R. 1497. An act for the relief of Ralph A. Wood;

H. R. 1878. An act for the relief of Ben Luke Pond, Shao Hung Pond, and David Yat Wei Pond; and

H. R. 3181. An act to provide for more effective conservation in the arid and semiarid areas of the United States; and for other purposes.

On June 13, 1949:

H. R. 1053. An act for the relief of Frank O. Ward; and

H. R. 1158. An act to provide for the conveyance by the United States to the city of Marfa, Tex., of certain lands formerly owned by that city.

On June 17, 1949:

H. R. 1058. An act for the relief of Frederick W. Lass;

H. R. 1754. An act providing for the suspension of annual assessment work on mining claims held by location in the United States and enlarging the liability for damages caused to stock raising and other homesteads by mining activities;

H. R. 2249. An act for the relief of Al W. Hosinski; and

H. R. 4263. An act to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat the citrus blackfly, white-fringed beetle, and the Hall scale.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 45. Concurrent resolution authorizing the Committee on Foreign Affairs to procure 2,000 additional copies of its hearings on the bill (H. R. 2362) to amend an act entitled "The Economic Cooperation Act of 1948," approved April 3, 1948; and

H. Con. Res. 57. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed additional copies of the hearings held before said committee on the bills entitled "Amend the Constitution with respect to election of President and Vice President."

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had on the following dates examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

On June 16, 1949:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes.

On June 17, 1949:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement; and

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. The Chair announces that pursuant to the authority granted him on Thursday, June 16, 1949, he signed the following enrolled bills of the House and the following enrolled joint resolution of the Senate:

On June 16, 1949:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes.

On June 17, 1949:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement.

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes; and

S. J. Res. 55. Joint resolution to print the monthly publication entitled "Economic Indicators."

CERTAIN EXTENSIONS OF TIME FOR TAX PURPOSES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 276) granting certain extensions of time for tax purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That sections 403 (d) (3) and 452 (c) of the Revenue Act of 1942 (relating to release of certain powers of appointment in the case of the estate and gift taxes) are hereby amended by striking out "1949" wherever appearing therein and inserting in lieu thereof "1950."

SEC. 2. (a) Subsection (j) of the Reorganization Act, as amended (U. S. C., 1946 ed., supp. I, title 50 App., sec. 1191 (j), is hereby amended by striking out "June 30, 1949" and inserting in lieu thereof "June 30, 1950."

(b) Section 283 of title 18 of the United States Code is hereby amended by inserting after the first paragraph thereof a new paragraph as follows:

"Retired officers of the armed forces of the United States, while not on active duty, shall not by reason of their status as such be subject to the provisions of this section. Nothing herein shall be construed to allow any such retired officer within 2 years next after his retirement to act as agent or attorney for prosecuting or assisting in the prosecution of any claim against the United States involving the department in whose service he holds a retired status, or to allow any such retired officer to act as agent or attorney for prosecuting or assisting in the prosecution of any claim against the United States involving any subject matter with which he was directly connected while he was in an active-duty status."

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, it is of the utmost importance that House Joint Resolution 276 pass the Congress and be enacted into law with all possible dispatch.

This resolution contains only two sections, which grant extensions of time for tax purposes.

Section 1 of the joint resolution extends to July 1, 1950, the period for tax-free release of powers of appointment created on or before October 21, 1942, the effective date of the Revenue Act of 1942. The Revenue Act of 1942 made a number of significant changes in the

treatment, under the estate and gift taxes, of property which is subject to a power of appointment created by a person other than the holder of the power. However, in order to enable holders of previously created powers to adjust their affairs in the light of the new legislation, it was simultaneously provided that such persons could release their powers within a stated period of time without incurring any tax liability. This grace period has been extended on several occasions since the enactment of the 1942 act because of the difficulties persons have encountered in making the desired adjustments and the need for additional time to study possible changes in the 1942 legislation, particularly in connection with preexisting powers. Prior laws have extended the time for release of such powers to July 1, 1949.

The reason that Congress has deemed it necessary to grant extensions has been based also upon grave doubts as to the wisdom of applying the 1942 amendments in view of the tremendous hardships which would be incurred by taxpayers in some cases and by the feeling that a statute should be worked out which would be satisfactory both to the Treasury Department and the taxpayers. It is believed that within a short time appropriate amendments will be ready which will furnish a solution to this difficult problem. A failure to extend the time would be a severe hardship to many of our taxpayers.

Section 2 is also an extension-of-time provision. This provision is made in order to prevent many persons from being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the United States by reason of their having served in certain executive departments and agencies of the Government. This is particularly true of individuals who were appointed to the Excess Profits Tax Council at a considerable financial sacrifice to assist in the settlement of 7,222 cases relating to excess-profits tax relief.

Section 2 also removes certain disqualifications respecting the prosecution of claims against the United States, and appearances in proceedings before Government agencies, applicable to retired officers, not on active duty, of the armed forces. These restrictions are now contained in section 283 of title 18, United States Code. Under existing law, such retired officers, not on active duty, are, for the purpose of presenting claims against the United States, such as internal-revenue claims, or for the purpose of appearing before the Tax Court, considered to be officers of the United States within the provisions of law referred to. The proposed amendment is intended to remove such disabilities, provided that within 2 years after retirement the officer shall not prosecute any claim involving the department in which he holds a retired status.

I urge that this legislation be enacted and call to the attention of all Members of the House the unfortunate consequences which failure of enactment would produce.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 3121 OF INTERNAL REVENUE CODE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3905) to amend section 3121 of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3121 of the Internal Revenue Code is hereby amended by redesignating subsection (d) as subsection (e) and by inserting a new subsection (d) to read as follows:

"(d) Applicability of other laws: The provisions, including penalties, of sections 9 and 10 of the Federal Trade Commission Act (U. S. C., title 15, secs. 49, 50), as now or hereafter amended, shall be applicable to the jurisdiction, powers, and duties of the Commissioner under this part, and to any person (whether or not a corporation) subject to the provisions of this part."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE IMPORTATION TO MEMBERS OF ARMED FORCES OF OTHER NATIONS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5086) to accord privileges of free importation to members of the armed forces of other nations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That articles entered, or withdrawn from warehouse, for consumption in the United States, its Territories, or possessions for the official use of persons who are on duty in the United States, its Territories, or possessions as members of the armed forces of any foreign country, or for the personal use of any such person or of any member of his immediate family, shall be admitted free of all duties and internal revenue taxes imposed upon or by reason of importation (including taxes imposed by sections 3350 and 3360 of the Internal Revenue Code) and of all customs charges and exactions: *Provided*, That if the Secretary of the Treasury shall find that any such foreign country does not accord similar treatment with respect to members of the armed forces of the United States or members of their immediate families, the privileges herein granted shall, after collectors of customs have been officially advised of such finding, be accorded with respect to members of the armed forces of such foreign country, or members of their immediate families, only to the extent that similar treatment is accorded by that country with respect to members of the armed forces of the United States or members of their immediate families.

SEC. 2. The exemptions from duties, taxes, charges, and exactions provided for by this act shall be subject to compliance with such regulations as the Secretary of the Treasury shall prescribe.

SEC. 3. This act shall be effective as to articles entered for consumption or withdrawn from warehouse for consumption on or after the day following the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF TAX ON FERMENTED MALT LIQUORS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5114) to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman from Pennsylvania explain the bill to the House?

Mr. EBERHARTER. Mr. Speaker, I shall be pleased to.

Mr. Speaker, let me say in the first instance that this bill was reported unanimously by the membership of the Committee on Ways and Means. The effect of the bill will be to permit the installation of tax-stamp machines, in other words, a more modern system of tax accounting and collection. It would also guarantee absolutely the payment of all taxes by modern methods of accounting on every drop of beer leaving the premises for sale. The bill is very much desired by the Treasury Department, and the industry is satisfied with it. It is really a modernization program all the way through.

I may say to the gentleman from Pennsylvania that it is estimated that the bill will save $52,000 a year in administering the collection of taxes on beer leaving the breweries for sale. It will also permit one or two other adjustments insofar as breweries are concerned, and which have the unqualified support of the Treasury Department.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3150 (b) of the Internal Revenue Code is amended by changing the designation of paragraph "(2)" to "(4)" and by the insertion of two new paragraphs designated "(2)" and "(3)" to read as follows:

"(2) Method of payment: The tax on fermented malt liquor brewed or manufactured and sold, or removed for consumption or sale, within the United States, shall be paid by stamp, under such rules and regulations, permits, bonds, records, and returns, and with the use of such tax-stamp machines or metering or other devices and apparatus, as the Commissioner with the approval of the Secretary shall prescribe.

"(3) Penalties: Whoever manufactures, procures, possess, uses, or tampers with a tax-stamp machine which may be required under this section with intent to evade the internal-revenue tax imposed upon fermented malt liquors, and whoever, with intent to defraud, makes, alters, simulates, or counterfeits any stamp of the character imprinted by such stamp machine, or who procures, possesses, uses, or sells any forged, altered, counterfeited, or simulated tax stamp or any plate, die, or device intended for use in forging, altering, counterfeiting,

or simulating any such stamp, or who otherwise violates the provisions of this section, or the regulations issued pursuant thereto, shall pay a penalty of $5,000 and shall be fined not more than $10,000 or be imprisoned not more than 5 years, or both, and any machine, device, equipment, or materials used in violation of this section shall be forfeited to the United States and after condemnation shall be destroyed. But this provision shall not exclude any other penalty or forfeiture provided by law."

SEC. 2. Section 3152 of the Internal Revenue Code is amended by striking out subsections (a) and (c) and by relettering subsections "(b)", "(d)", "(e)", "(f)", and "(g)" as "(a)", "(b)", "(c)", "(d)", and "(e)", respectively.

SEC. 3. Section 3157 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Requirements: Every person who withdraws any fermented malt liquor from any hogshead, barrel, or keg upon which the proper stamp has not been affixed for the purpose of bottling the same, or who carries on or attempts to carry on the business of bottling fermented malt liquor in any brewery or other place in which fermented malt liquor is made, or upon any premises having communication with such brewery, or any warehouse, shall be liable to a fine of $500, and the property used in such bottling or business shall be liable to forfeiture: *Provided, however,* That this section shall not be construed to prevent the transfer of any unfermented, partially fermented, or fermented malt liquors from any of the vats or tanks in any brewery by way of a pipe line or other conduit to another building or place on the brewery premises for the sole purpose of bottling the same, such pipe line or conduit to be constructed and operated in such manner and with such cisterns, vats, tanks, valves, cocks, faucets, meters, and gages, or other utensils or apparatus, either in the brewery or in the bottling house, and with such changes of or additions thereto, and such locks, seals, or other fastenings, and under such rules and regulations as shall be from time to time prescribed by the Commissioner, subject to the approval of the Secretary: *Provided further,* That the tax imposed by law on fermented malt liquor shall be paid on all bottled fermented malt liquor at the time of removal for consumption or sale, in such manner as may be prescribed by regulations pursuant to section 3150 (b) (2). And any violation of the rules and regulations prescribed by the Commissioner, with the approval of the Secretary, in pursuance of these provisions shall be subject to the penalties above provided by this section. Every owner, agent, or superintendent of any brewery or bottling house who removes, or connives at the removal of, any fermented malt liquor through a pipe line or conduit, with the intent to defraud the revenue, shall forfeit all the liquors made by and for him, and all the vessels, utensils, and apparatus used in making the same."

SEC. 4. Section 3158 of the Internal Revenue Code is amended to read as follows:

"The brewery premises shall consist of the land and buildings described in the brewer's notice and shall be used solely for the purpose of manufacturing beer, lager beer, ale, porter, and similar fermented malt liquors, cereal beverages containing less than one-half of 1 percent of alcohol by volume, vitamins, ice, malt, malt sirup, and other by-products; of bottling fermented malt liquors and cereal beverages as hereinafter provided; of drying spent grain from the brewery; of recovering carbon dioxide and yeast; and of storing bottles, packages, and supplies necessary or incidental to all such manufacture: *Provided,* That undelivered tax-paid fermented malt liquor in stamped barrels or kegs returned to a brewery may be temporarily stored therein, subject to such conditions and under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe. The bottling of fermented malt liquors and cereal beverages on the brewery premises shall be conducted only in the brewery bottling house which shall be located on such premises. The brewery bottling house shall be separated from the brewery in such manner as the Commissioner, with the approval of the Secretary, may by regulations prescribe. The brewery bottling house shall be used solely for the purpose of bottling beer, lager beer, ale, porter, and similar fermented malt liquors, and cereal beverages containing less than one-half of 1 percent of alcohol by volume; and for the storage of bottles, tools, and supplies necessary or incidental to the manufacture or bottling of fermented malt liquor and cereal beverages. Notwithstanding the foregoing provisions, where any such brewery premises or brewery bottling house was, on June 26, 1936, being used by any brewer for purposes other than those herein described, or the brewery bottling house was, on such date, being used for the bottling of soft drinks, the use of the brewery and bottling-house premises for such purposes may be continued by such brewer. The brewery bottling house of any brewery shall not be used for the bottling of the product of any other brewery. Any brewer who uses his brewery or bottling house contrary to the provisions of this subsection shall be fined not more than $50 with respect to each day upon which any such use occurs."

SEC. 5. Section 3159 of the Internal Revenue Code is amended by relettering subsections "(j)," "(k)," and "(l)" as "(k)," "(l)," and "(m)" and by the insertion of a new subsection designed "(j)" to read as follows:

"(j) Fraudulent removal of bottled fermented malt liquors: Any brewer or other person who removes or in any way aids in the removal from any brewery or brewery bottling house of any bottled fermented malt liquors on which the required tax has not been paid shall be fined $100 and imprisoned for not more than 1 year."

SEC. 6. Section 3151, the first sentence of the second paragraph of section 3153 (a), and section 3154 of the Internal Revenue Code are repealed: *Provided,* That section 3154 shall continue in effect as to any claim accruing thereunder prior to the effective date of this act.

SEC. 7. The amendments made by this act shall take effect on the first day of the first month which begins 6 months or more after the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MILLS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a statement prepared for presentation before the House Committee on Education and Labor in regard to Federal aid to education by Dr. George S. Benson, president of Harding College, Searcy, Ark.

Mr. MACK of Illinois asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a newspaper article.

Mr. WALSH asked and was given permission to extend his remarks in two instances in the Appendix of the RECORD and include an editorial and a speech.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

POSTAL LEGISLATION

Mr. WALSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WALSH. Mr. Speaker, this session of the Eighty-first Congress has been sitting for approximately 6 months. During all of that period I have been receiving letters from the people in my district asking me to support pending postal measures, in particular, the salary bills and more recently the reclassification bills. I have invariably responded to these appeals by assuring my constituents that I would support postal legislation. My feelings in the matter of postal legislation are based on the personal conviction that the Congress has a moral obligation to see to it that postal employees are treated with justice and equity in the conditions of their employment. The Congress is the sole court of appeal for these efficient and faithful public servants.

From time to time during the past 6 months I have made numerous attempts to learn when public hearings or other suitable committee action would take place relative to postal pay legislation. To my best knowledge, as of today, no hearings have been scheduled on this vitally important legislation.

In the normal course of events this first session of the Eighty-first Congress will adjourn sometime during the last days of July. Therefore, approximately 1 month remains in which the Congress can recognize and provide for the modest and justifiable requests of our postal employees.

Mr. Speaker, I desire to announce at this time that unless the House Post Office and Civil Service Committee schedules public hearings during the current week, I propose to place a petition on the Speaker's desk, under the provisions of clause 4, rule XXVII, for the purpose of discharging that particular committee from consideration of H. R. 4495—the postal reclassification bill.

Simple justice demands better treatment of our loyal postal employees. The Congress should not completely ignore the natural and justified aspirations of the men and women who operate the finest and most efficient of all Government agencies. Any further delay in announcing public hearings will certainly preclude the possibility of obtaining legislation for postal personnel during this session. I hope the committee will announce hearings forthwith.

PERMISSION TO ADDRESS THE HOUSE

Mr. POLK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. POLK addressed the House. His remarks appear in the Appendix.]

LAURENS, S. C., PEDESTRIAN SAFETY RECORD

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, an unusual honor has come to one of the county seats of my district. The city of Laurens has just been awarded first place in the two Carolinas in the 1948 pedestrian protection contest sponsored by the American Automobile Association. This of itself is a great distinction, but in addition thereto the same city has won first place in the entire United States in the contest against hundreds of other cities with the same population.

When we contemplate the fact that more people are wounded and killed on highways and streets during peacetime than are wounded and killed during battle in wartime, surely it is heartening to find at least one city that is doing something about the problem.

The American Automobile Association is to be commended for its fine, encouraging and helpful program throughout the country in teaching both children and adults the importance of observing the rules of safety.

Hon. William T. Bolt, mayor of the city of Laurens, together with the city and county officials, are to be congratulated upon having achieved such an outstanding distinction. The Laurens Exchange Club is sponsoring ceremonies in celebration of this happy occasion to be followed by an award banquet on the evening of June 23 in the city of Laurens, S. C.

Although it may not be possible for us to attend the ceremonies in person, I am sure that I bespeak the sentiments of each of my colleagues when I extend heartiest congratulations to Laurens on this eventful occasion.

EXTENSION OF REMARKS

Mr. LUCAS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial written to Walter Humphrey, editor of the Fort Worth Press.

Mr. GRANT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Hon. W. Stuart Symington.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an editorial appearing in the Washington Post.

POLL-TAX LEGISLATION

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I have filed a petition to discharge the Judiciary Committee from further consideration of House Joint Resolution 214, which provides for the submission of a constitutional amendment to prohibit the requirement of a poll tax as a requisite for voting. I regret the necessity for filing this petition under the discharge procedure which I think we all agree should be used only in unusual situations. My reason for this action is that the Committee on House Administration may shortly report H. R. 3199, better known as the Norton bill, which would prohibit the poll tax by a simple statutory action, and those of us who favor a constitutional amendment to achieve the same result should have an opportunity to present an alternative to the House. Under the Reorganization Act the House Administration Committee is precluded from claiming jurisdiction of the constitutional amendment resolution although the Norton bill deals with the same subject matter.

I wish to assure the House that this is not a technical point. It deals with the fundamental principles of our Government and I, therefore, invite Members to assist in expediting procedure so that we may be given an opportunity to consider both the constitutional amendment and the simple statutory approach when the issue is presented.

The proponents of a statutory prohibition of the poll tax have been unable, after 10 years of vigorous activity, to put such a measure through the Congress. Further action at this time would be a gesture and nothing more. I am convinced that a majority of the people have concluded that the seven States retaining the poll tax should in the interest of uniformity on this point be required to do away with the tax. We who feel that, while an undesirable tax, it is a legitimate exercise of State authority, have made no headway in convincing those in other States of the soundness of this position. It is, therefore, time to settle the issue, but it must be settled in an honorable and proper way by amending the Constitution.

My proposed constitutional amendment meets the issue squarely. If adopted no poll-tax payment nor property qualification may be imposed as a qualification for voting. If, on the other hand, the Norton bill should be ultimately passed by some future Congress, the way would be open for complete federalization of election machinery. The dangers to democratic principles inherent in such a precedent are evident. I am convinced, therefore, Mr. Speaker, that all who desire to do away with the poll tax without violating the Constitution or setting a precedent that might lead to abuses should sign the discharge petition No. 3.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. MANSFIELD addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. CROOK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. CROOK addressed the House. His remarks appear in the Appendix.]

ACTIVITIES OF HOODED MOBSTERS

Mr. BOGGS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Speaker, I have been greatly distressed at the activities of hooded mobsters in the State of Alabama during the past week. Within a period of a few days these mobsters and gangsters have assaulted three people, including a woman in or near Birmingham, Ala.

I congratulate the Governor of Alabama and the people of that great State in taking effective steps to stop this hoodlumism and I say that these hoodlums are the enemies of America and the enemies of the South. By such conduct they are doing much more effective work for the enactment of FEPC than is the Communist party.

SPECIAL ORDER GRANTED

Mr. PRESTON asked and was given permission to address the House for 30 minutes tomorrow after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Washington Times-Herald entitled "What is Justice in This Case?"

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. STEFAN asked and was given permission to extend his remarks in the Record and include an address by Admiral Denfeld.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article appearing in Collier's.

BYRNES ON ECONOMY IN GOVERNMENT

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the Honorable James F. Byrnes has rendered a real service to the American people in calling attention to the danger to our economy and to our liberty if the Truman program is carried out.

Mr. Byrnes is to be congratulated, not only for his courage, but for his clear thinking on the basic questions involved. Mr. Byrnes put his finger upon the dangers of the social state. In substance, he points out that a paternalistic government, doing more and more for the individual and satisfying more and more of his wants, will lead to bankruptcy of that government and slavery of the individual.

It does not take a genius to reach the conclusion that our Government is too large and that taxes are too high. The unthinking person feels that the cure-all is to eliminate some local expenditure here or there, and make a percentage reduction in other spending while continuing to enlarge the scope of the Federal Government.

These little economies are important. But the most important decision is to stop enlarging the Federal Government. Economy talk is meaningless and absurd if we, at the same time, add to the government burdens in Washington the obligation of building homes for our citizens, paying their medical bills, educating their children, enacting disability insurance, or making our present alleged social security program too costly.

If this Government is to fulfill all the wants and needs of the individual, neither the Government nor the individual can survive.

WAR RISK INSURANCE DIVIDENDS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, the GI's of the last war were overcharged about $2,800,000,000 in premiums for the life-insurance policies they took out. This money should be refunded to them immediately, not a year from now. Many of them need the money now. It is their money. It does not belong to the Government.

In December 1947 Mr. Harold W. Breining, Assistant Administrator for Insurance of the Veterans' Administration, testified that he thought these refunds could be paid within 6 months after a decision of the Supreme Court authorizing such payment. This decision was handed down in the spring of 1948. Payment should have been made long before this date. We are now told that it is proposed to withhold this money still further until some time next year.

I have today introduced a concurrent resolution declaring it to be the sense of the Congress that the refunds of these premiums resulting from overcharging our veterans shall be paid not later than October 15, 1949. There is no justification for delay beyond that date.

BYRNES ON ECONOMY IN GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, it is said that a wise man changes his mind, but a fool never. I was very much interested in seeing in this morning's Post a statement made by James F. Byrnes, former Secretary of State, wherein he charged that some of the suggested new Federal programs before Congress would create a welfare state in which the American people would be economic slaves. Think of it—a welfare state.

Byrnes, once one of the most powerful New Dealers of the Roosevelt era, and a close confidant of President Truman, cut loose with a blast at administration policies.

Then he tore into the domestic policies of the Truman administration, in which he once was a powerful figure.

"Our first line of defense is a sound, solvent American economy," Byrnes said. He suggested that "the only wise course is to reduce expenditures and live within our income."

To that I say amen.

Byrnes said expenditures for purposes other than fixed obligations and the national defense should be cut or deferred.

That ought to tell you Members that a lot of things that the President proposes, such as Federal aid to education, socialized medicine, the St. Lawrence seaway, the North Atlantic Pact, and arms assistance to all foreign countries, public housing and slum clearance, minimum wage, Taft-Hartley Act, farm prices a la Brannan, and civil-rights legislation ought to be deferred. In fact, some of it should never be passed. The Eighty-first Congress has not done anything in 6 months but stir up the country and cause 4,000,000 men to be put out of work. The best thing for the country would be for Congress to adjourn and give the country a rest and confidence of our people would or could be restored.

WAR RISK INSURANCE DIVIDENDS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and include newspaper clippings.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning an article in the Washington Post and in the New York Times and other newspapers states that $2,800,000,000 of excess premiums paid by the veterans are now available.

The Washington Post article is most interesting, in that it makes the announcement and in a subarticle carries a denial by a Veterans' Administration spokesman. The Post story follows:

TWO AND EIGHT-TENTHS BILLION GI DIVIDEND TO BE PAID

A dividend of $2,800,000,000 on approximately 20,000,000 national service life insurance policies has been authorized by Carl R. Gray, Jr., Veterans' Administrator.

Of the total number of payees eligible for the special dividend, about 16,000,000 are veterans of World War II. No calculations have yet been made of amounts individuals will receive.

In a statement to be released today, Gray expresses hope that distribution of checks can be started sometime in January 1950, and be substantially completed during the first half of 1950.

In general, every veteran who took out the Government's insurance and kept it in force for 3 months or more will be eligible for payment of the dividend, it was indicated. In cases where policyholders have died, beneficiaries will get the payments, or if the policy had lapsed, those shown to be entitled to it.

The Veterans' Administration will strongly urge veterans not to write about obtaining the dividends because this will slow up the payments. By August, officials hope to have application forms printed for distribution over the country in post offices, veterans' service organizations, and Veterans' Administration offices.

Under this procedure, the veteran will receive a threefold card. He will put the application on two of the sections and send them in with pertinent information.

One of the sections will be returned to him by the Veterans' Administration as acknowledgment of receipt of his application.

There are currently 7,215,000 of the national service life insurance policies still in force, with a total face value of $41,552,000,000. Some veterans have two of them, it is reported.

The anniversary date in 1948 of the issuance of the policy will be the cut-off date used in calculating the dividend. It will not be paid on policies issued after January 1, 1949, though such policies may be eligible for other special dividends later.

VA SPOKESMAN DENIES GI DIVIDEND DECLARATION

A Veterans' Administration official said last night Administrator Carl R. Gray, Jr., has not yet authorized payment of special national service life insurance dividends.

An announcement that Gray had done so was mailed out to wire services and some newspapers through an unexplained error in mailing, A. W. Woolford, director of information for the VA, told a reporter.

Woolford said the agency had attempted to recall all the copies of the announcement, or have them withheld from publication.

Actually, Gray has been out of the city for a week and has not had an opportunity to pass upon the question, Woolford said.

The VA has been expected for some time to announce payment of dividends totalling about $2,800,000,000 to about 16,000,000 veterans of World War II.

Woolford said Gray is expected to review the question today.

After reading this confusing news, Members of Congress upon reaching their offices this morning received the following letter from Gen. Carl R. Gray, Jr., Administrator of Veterans' Affairs:

VETERANS' ADMINISTRATION,
Washington, D. C., June 20, 1949.

To the Members of the Congress:

I recently have received many inquiries from Members of the Congress, the press and radio and from other persons regarding payment of a special national service life insurance dividend.

In every instance, I replied that I could offer no information other than that contained in the President's budget message of last January, because certain necessary studies and clerical work had not been completed, but that as soon as any reliable data was available, it would be made public.

In that connection, I am calling a press conference for 2 p. m., Monday, June 20, 1949, at which time I shall make available the following information:

"I have authorized payment of a special dividend to national service life insurance policyholders. Generally, anyone who held NSLI for as long as 3 months is eligible for dividend payments.

"Dividend in the NSLI fund to be distributed to policyholders is $2,800,000,000. It is not yet possible to determine how much individual policyholders will receive, as individual calculations have not yet been completed.

"Every effort is being made to speed up work in connection with payment of the dividend. We hope to mail out the first checks some time in January 1950, and to have the payment substantially completed by June 30, 1950.

"Insofar as the insureds are concerned the method of payment will be simple and will not require letter writing by policyholders. Policyholders and all persons who ever held NSLI will apply on a special form. Every effort is being made to have the forms ready in August. The application forms will be available in every post office in the country, at VA offices and in the hands of all veterans service organizations. All the policyholder or former policyholder needs do is obtain the form, fill it out, tear off the instruction portion, and mail the other two parts to the Veterans' Administration. When VA receives the application form, one part which will be numbered will be detached and returned to the veteran so he will know VA has his current address on file.

"Let me emphasize here, that it will not be necessary for any veteran to write the VA about his dividend application. Letters about the dividend will serve only to delay the handling of the individual case as it results in its being withdrawn from the production line."

The foregoing is all the information available at this time. When further facts are developed, I shall be pleased to inform you.

Most sincerely,

CARL R. GRAY, JR.,
Administrator.

Mr. Speaker, this confusion, this backing and filling, this "we will" and "we will not" is typical of the manner in which the whole question of national service life insurance refund payments has been handled.

There has never been a greater fiasco in the Government, in my mind, than the withholding of all of this money from the veterans. They paid their insurance premiums, and it was found that they were much too high, with the result that a tremendous fund of money accumulated in the Government coffers that should rightfully be refunded in the form of dividends. Any civilian insurance company would have paid them long ago with a much smaller staff than the Veterans' Administration has.

In the Eightieth Congress, the Committee on Veterans' Affairs, of which I was then chairman, made an inspection of the Veterans' Administration Insurance Division. The chairman of the Subcommittee on Insurance, Mr. PHILLIPS of Tennessee, made a very fine report and it was unanimously voted that the dividends should be paid immediately.

Before the full committee, numerous hearings were held, and the Assistant Administrator in Charge of Insurance stated that no payments could be made until the United States Supreme Court had rendered a decision upon the Zazove case, inasmuch as this case had a direct bearing upon the amount available for dividend payments. Committee members urged upon the Veterans' Administration officials that they prepare for dividend payments when the decision was forthcoming, pointing out that it was possible to do much of the tedious spade work and preparation while awaiting the word to go ahead.

What was done in this period of about 1 year, I do not know. However the Zazove case decision was handed on June 14, 1948, a little over a year ago. With that out of the way there was no excuse for not mailing out the checks.

Now we learn from the Administrator of Veterans' Affairs that they "hope to mail out the first checks sometime in January 1950." There is no reason why those refunds should not be paid at once. The money is there; the department has had 2 years to prepare for the task of sending them out—and now hopes that the first checks will go out next January, 6 months away.

Mr. Speaker, I cannot help but reiterate the conclusions reached by the chairman of the Subcommittee on Insurance and me in our report made in 1947:

That the present methods, procedures, and system used in the Veterans' Administration insurance operation are inefficient and inadequate for satisfactory service to veterans and their dependents.

REPEAL OF WARTIME EXCISE TAXES

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, in urging the enactment of my bill, H. R. 2100, which I introduced early in this session for the repeal of the wartime excise taxes, I have repeatedly contended that the existing high rates are damaging to business and contributing to unemployment, and that the loss of revenue to the Treasury would certainly not correspond to the reductions in rates because of the stimulus lower taxes would give to business. I have contended that the Treasury would actually gain because of increased sales and a larger take in income taxes to be derived from higher incomes resulting from such increased sales.

As proof of the validity of this contention, I have received reliable reports from Canadan jewelry trade sources, indicating that the jewelry business of our northern neighbor has enjoyed a remarkable increase since the Canadian Government repealed its 25-percent excise tax.

My information is that business in the jewelry line was very spotty before the excise tax was repealed. Since the removal of the tax, city stores on main business streets in Canada have run increases in sales as much as 25 percent, particularly in diamonds, watches, and sterling-silver items. Stores in rural districts did not report as substantial gains, but almost without exception were pleased with watch sales.

Dominion Government figures are not yet available for the full month of April, but in the month of March, there was an over-all 12.6-percent increase over March of 1948.

These trade sources report that business continues on a very steady level. Sales are good and, barring unforeseen contingencies, the Canadian jewelers expect to finish 1949 substantially ahead of 1948.

A leading Toronto store reported that on the Saturday following the presentation of the Canadian budget, which announced the tax repeal, it did the biggest single day's business in its 60-year history, and that included Christmas or any other season of the year.

I have cited this Canadian experience because of a deep conviction that American business, in those lines affected by excise taxes, would show an even greater gain than Canada if we had the good sense to remove the burdensome wartime rates, which are slowing up sales. Not only jewelry, but luggage, cosmetics, toilet preparations, furs, travel, and all the other industries staggering under heavy excises would benefit.

Removal of these taxes would be the best tonic we could give to business and employment at this time. I hope the Ways and Means Committee will soon take favorable action on this legislation. I am sure if the committee will bring a bill to the floor of the House, it will pass by a substantial majority.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD.

COMMODITY CREDIT CORPORATION ACT

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I was glad to support and vote for legislation amending the Commodity Credit Corporation Act. The primary purpose of this legislation is to maintain farm prices and assure the farmers of adequate storage for farm products on or near their farms.

I am glad to do everything I can to make the lot of the farmer a little better. I certainly do not agree with some of the statements made on the floor of the House that the farmers are well off. I fear that some city Congressmen do not know of the many hours of labor that are necessary for farm production. May I call their attention that the first signs of depression can be seen when farm prices start going down. It is only when the farmer is prosperous that the people generally prosper.

For these and many other reasons, Mr. Speaker, I have been most happy to work and will continue to work for good farm prices, for all-weather roads to every producing farm, for soil conservation, for rural electrification, and for all legislation which will make the American farm more attractive and more comfortable

for the men and women who produce the food of the world.

PUBLIC HOUSING

Mr. COLE of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. COLE of Kansas. Mr. Speaker, I understand it is human to make a mistake. I read the President's letter addressed to the Speaker of the House the other day in which he stated he had made a mistake in submitting to the House a measure providing for public housing wherein he asked for an appropriation or authorization of $20,000,000,000. The President now says it will not require over $10,000,000,000. Mr. Speaker, I heartily congratulate the President on coming before the Congress and admitting this mistake. I pledge my support in reducing the authorization and will offer an amendment to the bill reducing the cost to $10,000,000,000 instead of $20,000,000,000.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. RICH. Where will he get the $10,000,000,000?

Mr. COLE of Kansas. In addition, Mr. Speaker, I want to help the President even more and assist him to provide that this bill help the poorer classes of people in this country. So I shall offer another amendment which will permit the poorer people to live in this public housing.

You know, some people contend that the poorer folk will not benefit by this legislation. The President said it is obvious that the poor are precisely those who will benefit.

My amendment will carry out this idea by giving people with incomes under $1,200, and who otherwise qualify, the first chance to live in the public house.

I shall expect the administration leaders in the House to support these administration proposals.

The SPEAKER. The time of the gentleman from Kansas has expired.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD in four instances: in three to include an editorial.

NATIONAL SERVICE LIFE INSURANCE FOR VETERANS

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Speaker, my good friend, the gentleman from New York, General KEATING, who served with distinction in two world wars, has put his finger on a matter which has become a national scandal. For 2 years now the veterans who have carried national service life insurance have been promised a refund of the overcharge on their premiums. Now we are again told that payment cannot be made for another year. I am beginning to suspect, Mr. Speaker, that the delay in the payment of these refunds, now promised for a campaign year, is much more a matter of political probability than it is of physical impossibility. I hope the House will pass this resolution and that the mandate contained therein will be promptly fulfilled.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

REFUND OF INSURANCE PAYMENTS

Mr. POTTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan

There was no objection.

Mr. POTTER. Mr. Speaker, I wish to congratulate the gentleman from New York [Mr. KEATING] for introducing the resolution to refund immediately insurance overpayments that our GI's paid during the war, or their national life insurance. This is due them. It is their money. It is not Government money. For the Veterans' Administration not to return this money till just before the election is the lowest type of political deceit. I wish to congratulate the gentleman from Wisconsin [Mr. DAVIS] and the gentlewoman from Massachusetts [Mrs. ROGERS] for their interest in the matter.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. POTTER. I yield.

Mr. FORD. I would like to join with you and the others in that particular move.

The SPEAKER. The time of the gentleman from Michigan [Mr. POTTER] has expired.

EXTENSION OF REMARKS

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include two articles; one an address by the Lord Bishop of Chichester on the German war crimes trials, and in the other a brief summary of the remarks made by Mr. Emil Schram of New York on June 9.

Mr. DAGUE asked and was given permission to extend his remarks in the RECORD and include a newspaper editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in three instances and to include extraneous matter.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include an article by Mr. Whitney, president of the Brotherhood of Railway Trainmen concerning the Social Security Administration absolving the functions of the Railroad Retirement Board.

Mr. WELCH of California asked and was given permission to extend his remarks in the RECORD and include a report from a board of outstanding distinguished engineers, appointed by the California State Assembly now in session, with reference to a second crossing over San Francisco Bay, notwithstanding the fact that this will exceed the limit allowed.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. SMITH of Ohio addressed the House. His remarks appear in the Appendix.]

FEDERAL PROGRAMS POINT TO WELFARE STATE

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

Mr. GAVIN. Mr. Speaker, I note in the press that former Secretary of State James F. Byrnes, has become alarmed and said that some of the suggested new Federal programs point inevitably to a welfare state.

Well, it might be said that this country has been pointing to a welfare state for a number of years, and even though Mr. Byrnes is a little late with his suggestions, he is evidently alarmed and it was courageous on his part to come out publicly and express himself in no uncertain manner, in his speech before Washington and Lee University.

It becomes increasingly evident that the bureaucratic planners again are playing havoc with the economic life and the American system of enterprise in their futile efforts to solve the problems which confront this Nation.

Our national income this year ought to be over $200,000,000,000 and there is really no reason why business, at this time, should have the economic jitters other than because of the fact that economic planners have been conceiving a lot of ideas that, if adopted, would wreck the whole economy of the Nation. It would be a question then whether or not we could maintain our solvency.

Back in the days of the New Deal we had the NRA, the WPA, and the PWA, and when the planners had practically run out of ideas for spending we came into the war and then had OPA, and a restricted, regulated, bureaucratically controlled life that almost strangled the free flow of trade and business.

Finally we rid ourselves of a lot of these New Deal plans and restrictions on our economic life and business went forward.

Now the New Deal planners are coming into the picture and naturally American enterprise is unable to determine whether or not the Congress will accept these ideas. Therefore, they are re-

trenching, business is slowing up, and everyone is getting the jitters, worrying whether we can remain solvent or will degenerate into a bureaucratically controlled government.

PERMISSION TO ADDRESS THE HOUSE

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. VURSELL addressed the House. His remarks appear in the Appendix.]

NURSERIES AND NURSERY SCHOOLS, DISTRICT OF COLUMBIA

Mr. DEANE, on behalf of Mr. ABERNETHY, submitted a conference report and statement on the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950.

EXTENSION OF REMARKS

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial on the bill H. R. 4009.

Mr. BUCHANAN asked and was given permission to extend his remarks in the Appendix of the RECORD and to include two editorials.

Mr. HOWELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution adopted by the last Republican conference.

EIGHTY-SIXTH ANNIVERSARY OF THE STATE OF WEST VIRGINIA

Mr. HEDRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HEDRICK. Mr. Speaker, on June 20, 1863, through disagreement with the mother State, Virginia, West Virginia separated itself from that State and on that date our State was born. I wish to congratulate the people, past and present, of West Virginia on what they have done to make it one of the greatest States in the Union. We rate first in the production of coal, first in the production of chemicals; and we are large producers of glass and other valuable necessities of life.

I also want to express my sympathy to the people of the State of West Virginia, especially in the eastern panhandle, because of the recent floods. They have been terrific. There has been loss of life as well as the destruction of millions of dollars' worth of property. I understand the Red Cross is doing a great deal of work in this area, but I believe the Federal Government should do something to assist these stricken people. I urge that prompt action be taken to help alleviate the suffering of these citizens and prevent the spread of disease.

THE HOUSING PROGRAM

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, later this week we will be discussing H. R. 4009, general housing legislation. We have been receiving many letters pro and con in regard to this program.

Yesterday I received a statement by the Honorable Luther W. Youngdahl, Governor of the great State of Minnesota. I would like to quote from his letter:

> The prolonged housing shortage constitutes one of the major problems facing all levels of government, Federal, State, and local. The very existence of American families, many of them veterans' families, is being threatened by this tragic situation. The solemn obligation rests upon the National Government to fulfill its fair share of the housing responsibility. In a large part the Federal responsibility with respect to low-rent public housing and slum clearance can be met by enacting into law the measure now before the House. We therefore urge prompt action by the Congress on this pending long-range housing legislation which has already been approved by the United States Senate and has been favorably reported with some modifications by the House Committee o . Banking and Currency.
>
> A comprehensive attack upon juvenile crime and delinquency requires an attack upon slum housing and deteriorated neighborhoods. This measure will make possible the construction of a specified number of family units for persons of low income. It provides for a small but important beginning on the clearance of slums and blighted areas in our cities. Additional Federal legislation extending and setting up sound plans of privately financed homes is also required.
>
> We cannot conceive of the Congress adjourning without action on this program. We therefore urge the Congress to support slum clearance and low-rent public housing and to protect it against amendments which are designed to make it unworkable.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a statement by Mr. J. L. Morrill, president of the University of Minnesota.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. McCARTHY addressed the House. His remarks appear in the Appendix].

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. WALTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, in its desire to prevent any reflection from being cast on any school or university, the Committee on Un-American Activities wrote letters to a number of institutions of learning in order to get a complete coverage of the Nation. This was done after considering very carefully complaints that were made by responsible people to the committee about the use of certain textbooks. The committee was in duty bound to consider these complaints. It refused, however, to accept them at their face value.

It was with a desire to not cast reflection on any university that that course was taken. Unfortunately, some of the heads of the institutions that received these requests rushed to the press. I assure you it was not the Committee on Un-American Activities that sought the publicity but the publicity came as a result of the protest made by certain educators.

Subsequent to the sending of the original letter another communication was forwarded to each of these schools explaining exactly what the purpose was. Unless they have something to conceal, nobody should take offense at the position taken by the Committee on Un-American Activities. A great many schools have complied with the committee's request and offers of cooperation have been made by some very prominent educators.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from New York.

Mr. CELLER. We would like to know the purpose of the inquiry in the first place?

Mr. WALTER. The purpose of the inquiry was to determine whether or not the charges made by responsible people were well founded, so that an investigation would not be conducted that might seriously reflect on any institution or on any individual.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. MITCHELL asked and was given permission to extend his remarks in the RECORD and include a letter from the League of Women Voters.

Mr. BIEMILLER asked and was given permission to extend his remarks in the Appendix of the RECORD.

RECOMMENDATIONS OF THE HOOVER COMMISSION

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, it is amazing how the reports and recommendations of the Hoover Commission have captured the imagination of the American people. At long last the time has arrived when there is an uprising on the part of the folks back home, who insist that something can be done and must be done to reduce Federal spending and improve the service which the Government is presumed to render. Government costs too much. The people are

not satisfied, and should not be satisfied, until something is done about it.

Mr. Carl Saunders, editor of the Jackson (Mich.) Citizen Patriot, conceived the idea of having newspapers throughout the land, as a public service, bring the Hoover Commission and its objectives to the attention of John Q. Public. Mr. Saunders asked the people to write to their respective Senators and Representatives giving their views. Up to now I am informed that 40 newspapers throughout the country have followed suit. I have already received many, many letters from Michigan. All of these letters are of the same tenor.

Mr. Speaker, on the table before me are 4,000 letters delivered to me a few minutes ago by a representative of the Jackson Citizen Patriot. Look at them. These are not petitions but are individual letters prepared by the publisher, signed by the constituents, delivered to the publisher, and in turn brought to me. Each letter reads:

DEAR SIR: Because I believe that billions can be saved and efficiency improved by putting into effect the recommendations of the Commission on Organization of the Executive Branch of the Government, the Hoover Commission, I urge that you make every effort to obtain early passage of the necessary legislation.

(Signed) ——— ———.

I have been in Congress for some time, and in these days when so many groups and blocs are asking their members to write to their Congressmen, I am amazed at the response to the Saunders' idea. A similar number of like letters have this day been presented to the President and to the Michigan Senators, all of which come from but one county, and undoubtedly thousands are yet to follow. The taxpayers are aroused.

I have heretofore made it clear to the Congress that I favor the Hoover Commission reorganization plans as reported and I hope that the President will very soon send his proposals to the Congress, where I believe those recommendations will be favorably received. The machinery has been set up, and again I repeat that the people are demanding action not 6 months from now, not sometime in the distant future, but now. Will the President and the Congress measure up to their responsibilities?

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an address delivered by Admiral Denfeld.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a newspaper article appearing in the St. Paul Pioneer-Press.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD and include a statement issued by the Dutch Government.

POSTAL LEGISLATION

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Speaker, I want to go on record in support of the bill (H. R. 4495) to provide more liberal sick and annual leave for postal employees, to grant longevity and other pay increases for postal employees, to raise the pay for the lower grades, and to allow a $100-per-annum uniform allowance. In my opinion, the passage of this measure is necessary to protect the living standards and to improve the working conditions to those who have made the postal service their life's work, and I urge my colleagues who are members of the House Post Office and Civil Service Committee to give this legislation their consideration and bring it to the House floor for debate as soon as possible. The enactment of H. R. 4495 is needed to maintain the morale of the postal service.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PROVIDING FOR A RESIDENT COMMISSIONER FROM THE VIRGIN ISLANDS

The Clerk called the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, and for other purposes.

Mr. ASPINALL. Mr. Speaker, inasmuch as a rule is being applied for on this bill, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

CONSOLIDATING PARKER DAM AND DAVIS DAM PROJECTS

The Clerk called the bill (H. R. 2984) to consolidate the Parker Dam power project and the Davis Dam project.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING THE RECLAMATION PROJECT ACT OF 1939

The Clerk called the bill (H. R. 1770) to amend the Reclamation Project Act of 1939, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. POULSON, Mr. CUNNINGHAM, and Mr. FORD objected.

FOREST SURVEY

The Clerk called the bill (H. R. 2001) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FEDERAL INTERAGENCY COMMITTEE ON RECREATION

The Clerk called the bill (H. R. 892) to authorize the establishment of a Federal Interagency Committee on Recreation.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RESTOCKING OF GAME IN EGLIN FIELD RESERVATION

The Clerk called the bill (H. R. 2418) to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the Department of the Air Force from any available funds as reimbursement all funds collected by the United States Air Force at the Eglin Field Proving Ground Command, Florida, and paid into the Treasury for permits issued to individuals to take game on the Eglin Field Reservation and which amount was later impounded by order of the Comptroller General of the United States.

SEC. 2. That the Secretary of the Air Force is hereby authorized to expend a sum equal to all sums previously collected and funds which may hereafter be accumulated through the sale of hunting and fishing permits on the Eglin Field Reservation for the purpose of game and fish restocking, propagation, and conservation. Proper accounting of funds thus expended shall be made at the direction of the Secretary of the Air Force.

SEC. 3. That the Department of the Air Force is held free from any liability to pay into the Treasury of the United States any sums which have been expended by the United States Air Force for the express purpose of restocking the Eglin Field Reservation with game and fish, and which expenditure has been properly accounted for to the Comptroller General of the United States.

With the following committee amendments:

Page 1, lines 3 to 10, strike out all of section 1 after the enacting clause and insert in lieu thereof the following:

"That the Secretary of the Air Force is hereby authorized to issue permits to individuals to take game on the Eglin Air Force Base Reservation and to collect reasonable fees in consideration for the issuance of such permits."

Page 2, lines 1 and 2, strike out the words "previously collected" and insert in lieu thereof the following: "now retained by the Air Force from moneys collected through the sale of game permits prior to the enactment of this act."

Page 2, line 10, after the word "been", insert the following: "or may hereafter be."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 9 OF THE CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 3338) to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary was made.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 1023, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first sentence of section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end thereof a comma and the following: "including any case in which such deductions are required to be made but are not made due to error on the part of the employing agency and such error being made without the knowledge of the employee affected by the mistake."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3338) was laid on the table.

UNITED STATES CIVIL SERVICE

The Clerk called the bill (H. R. 3826) to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third paragraph of the second clause of section 2 of the act of January 16, 1883, an act to regulate and improve the civil service of the United States (22 Stat. 403; 5 U. S. C. 633), is hereby amended to read as follows:

"Third, appointments to the public service aforesaid in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census. Hereafter every application for examination before the Civil Service Commission for appointment in the departmental service in the District of Columbia shall be accompanied by a certificate of an officer, with his official seal attached, of the county and State of which the applicant claims to be a citizen, that such applicant was, at the time of making such application, a legal or voting resident of said State, and had been such resident for a period of not less than 1 year next preceding, but this provision shall not apply to persons who may be in the service with civil-service status and seek promotion or appointment in other branches of the Government. The Civil Service Commission may authorize the appointment, without regard to the provisions of this paragraph, of persons otherwise qualified when persons who meet the requirements of this paragraph are not available."

SEC. 2. The proviso of the second paragraph under the caption "Civil Service Commission" in the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1891, and for other purposes," approved July 11, 1890 (26 Stat. 235), and the act of May 15, 1937 (50 Stat. 168), are hereby repealed.

With the following committee amendments:

Page 2, line 11, after the period, strike out the balance of the line and all of lines 12, 13, 14, and 15.

Page 2, line 20, after the word "hundred", insert "and."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOMESTIC FISHING INDUSTRY

The Clerk called the resolution (H. Res. 174) requesting the Secretary of State, the Secretary of Commerce, and the Tariff Commission to investigate the domestic fishing industry.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, when this resolution was called up 2 weeks ago it was passed over without prejudice. I have no objection to it, but I note that on line 14 of page 3, the effective date is June 1949. Therefore, the resolution should be amended, otherwise it will be a nullity.

Mr. THOMPSON. Mr. Speaker, I have an amendment at the desk remedying that, which I intend to offer.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Whereas the fishing industry is an important part of the economy of the United States; and

Whereas the growing population of the Nation emphasizes the increasing future importance of fish as a food; and

Whereas the men and equipment of the fishing fleets and the shoreworkers engaged in the preparation of the catches, and the food resource thereby made available, have been demonstrated in two world wars to be necessary to the national defense; and

Whereas operations of much of the fishing industry have been seriously curtailed by reason of steadily growing imports of fish and fishery products, particularly of fresh and frozen fish, and there is reason to believe that similar conditions are imminent in the tuna industry on the Pacific coast; and

Whereas if the present trend is permitted to continue, the fishing industry will, within a short time, be so impaired as to force out of business a major portion of the fishing fleet of the United States and force out of employment a major portion of the workmen employed in various phases of the industry; and

Whereas the domestic fishing industry has already been adversely affected and is further seriously threatened by the consistently increasing importations of fish and fishery products into the United States; and

Whereas the imported fish are caught by workmen whose wage scale and standard of living are far below those of Americans in like occupations; and

Whereas, notwithstanding the resulting lower cost of fish in their primary foreign market, the finally processed product is sold to the American housewife at the same price as the domestic fish; and

Whereas representatives of the fishing industry and others from many parts of the United States recently appeared before the Committee on Merchant Marine and Fisheries and attested to the facts hereinbefore stated; and

Whereas the foregoing indicates the need for an immediate study, examination, and investigation of the causes and effects that will result in the serious impairment of the oldest and one of the most important food-producing industries in the United States: Therefore be it

Resolved, That the Secretary of State, the Secretary of Commerce, and the Tariff Commission be, and they hereby are, directed to make an immediate study of the effect on the domestic fishing industry of the increasing imports of fresh and frozen fish, to report to the Congress the effects covering such importation of fresh and frozen fish, its effect upon the American fishing industry, the means whereby the American fishing industry may survive against the importation of low labor cost foreign-caught and foreign-processed fish and further, by reason of the fact of testimony before the House Committee on Merchant Marine and Fisheries describing the present conditions with reference to the importation of fresh and frozen fish and processed fish on the Atlantic coast, the Pacific coast, and the fresh waters of the Great Lakes, the Department of State, Department of Commerce, and the Tariff Commission are requested to make their report to the Congress thereon not later than the 15th day of May 1949.

Mr. DOUGHTON. Mr. Speaker, I object to the present consideration of this resolution.

The SPEAKER. The time for objecting to the consideration of this resolution has passed.

The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 14, strike out "May" and insert "June."

Mr. DOUGHTON, Mr. Speaker, I object to the resolution.

The SPEAKER. The Chair must state that the time for objection has passed and a committee amendment is now pending.

Mr. THOMPSON. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMPSON to the committee amendment: Page 3, line 14, strike out "June" and insert "September."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I objected to the consideration of House Resolution 174, requesting the Secretary of State, the Secretary of Commerce, and the Tariff Commission to investigate the domestic fishing industry, as plainly as I could.

The SPEAKER. The gentleman's objection came too late. The Chair put the question: Is there objection to the present consideration of the resolution; and there was no objection.

Mr. DOUGHTON. Mr. Speaker, I objected twice.

The SPEAKER. The Chair asked if there was objection to the present consideration of the resolution. The gentleman from Iowa had some remarks to make. The gentleman from Iowa did not object and then the Chair put the question: Is there objection to the present consideration of the resolution; and there was no objection.

Mr. DOUGHTON. Mr. Speaker, I did object.

The SPEAKER. The unanimous consent of the House had been granted for the consideration of the resolution before the gentleman objected.

Mr. DOUGHTON. Mr. Speaker, I did my best to register my objection. I object to it on the ground that it is a duplication of work which has just been completed by the State Department. I objected, and I do not know what more I could have done.

The SPEAKER. The gentleman did not object at the proper time. The Chair will recognize the gentleman later with respect to this resolution if he so desires.

FISH HATCHERY AT MILLEN, GA.

The Clerk called the bill (H. R. 2740) to establish rearing ponds and a fish hatchery at or near Millen, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, for the establishment and construction of rearing ponds and a fish hatchery at a suitable location at or near Millen, Ga., a sum not to exceed $50,000.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Secretary of the Interior is hereby authorized to establish and construct rearing ponds and a fish hatchery at a suitable location at or near Millen, Ga."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING PONDS AND FISH HATCHERIES

The Clerk called the bill (H. R. 961) to establish rearing ponds and a fish hatchery.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. POTTER. Mr. Speaker, reserving the right to object, and I will not object, I ask the chairman of the committee if there is not an error in the report, and should not the report read that the cost of this will be $325,000?

Mr. THOMPSON. Mr. Speaker, that is correct. The gentleman is correct.

Mr. POTTER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, for the establishment and construction of rearing ponds and a fish hatchery at a suitable location on the Anna River, in Alger County, Mich., a sum not to exceed $50,000.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Secretary of the Interior is hereby authorized to establish and construct rearing ponds and a fish hatchery for experimental purposes at a suitable location in the upper peninsula of Michigan."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINNESOTA CHIPPEWA TRIBES

The Clerk called the bill (H. R. 3895) to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title to the lands and interest in lands, together with the improvements thereon, and proceeds from rents and sales therefrom, which have been acquired by the United States under authority of title II of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of April 8, 1935 (49 Stat. 115), and of section 55 of title I of the act of August 24, 1935 (49 Stat. 750, 781), lying and situate within the State of Minnesota, administrative jurisdiction over which has heretofore been transferred by the President from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 16, 1938, is hereby declared to be held in trust by the United States of America for the use and benefit of the Minnesota Chippewa Tribe, and the Secretary of the Interior is hereby authorized to proclaim such lands as an addition to the White Earth Indian Reservation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UINTAH INDIAN IRRIGATION PROJECT, UTAH

The Clerk called the bill (H. R. 4070) to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the action of the Secretary of the Interior by order dated October 15, 1943, taken pursuant to the authority contained in the act of June 22, 1936 (49 Stat. 1803), in canceling $23,090.62 of irrigation drainage charges due the United States against three thousand one hundred and twenty and five one-hundredths acres of non-Indian-owned land within the Uintah irrigation project, Utah, is hereby approved, and the Secretary of the Interior is directed to take any necessary action to remove from the records the landowners' obligations so canceled.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF AGRICULTURE TO QUITCLAIM CERTAIN LAND IN MISSISSIPPI

The Clerk called the bill (H. R. 3680) to authorize the Secretary of Agriculture to quitclaim 5.1 acres of land in Washington County, Miss., to the Mississippi State College.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the Mississippi State College that certain tract of land situated in the county of Washington, State of Mississippi, described as follows:

Commencing at an iron corner at the northeast corner of section 10, township 18 north, range 7 west; thence south five degrees fifty minutes west two thousand seven hundred and seventy-seven feet to the point of beginning, the same being the southeast corner of the tract described; thence south eighty-four degrees seven minutes west one thousand twenty-nine and nine-tenths feet to the southwest corner of the tract; thence north no degrees thirty-eight minutes east two hundred and sixteen feet to the northwest corner of the tract; thence north eighty-four degrees seven minutes east one thousand twenty and nine-tenths feet to the northeast corner of the tract; thence south no degrees thirty-eight minutes west two hundred and sixteen feet to the point of beginning, and containing five and one-tenth acres, more or less.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING BENEFITS OF ADAMS ACT TO TERRITORY OF ALASKA

The Clerk called the bill (H. R. 133) to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes" (49 Stat. 1553), is amended to read as follows:

"SEC. 2. To carry into effect the above provisions for extending to the Territory of Alaska the benefits of the said Adams Act and the said Purnell Act, there is hereby authorized to be appropriated each year a sum equal to that provided for each State and Territory under the said Adams Act and the said Purnell Act."

With the following committee amendment:

Page 2, line 4, strike out the word "same" and insert the word "said."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING THE ADAMS ACT TO ALASKA, ETC.

The Clerk called the bill (H. R. 212) to amend section 3 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes."

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes" (49 Stat. 1553), is amended to read as follows:

"SEC. 3. To carry into effect the above provisions for extending to the Territory of Alaska the benefits of the said Capper-Ketcham Act there is hereby authorized to be appropriated each year a sum equal to that provided for each State and Territory under the said Capper-Ketcham Act: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds: *And provided further*, That whereas the said Capper-Ketcham Act provides that 'at least 80 percent of all appropriations under this act shall be utilized for the payment of salaries of extension agents in counties of the several States to further develop the cooperative extension system in agriculture and home economics with men, women, boys, and girls', the several established judicial divisions of the Territory of Alaska, as the same shall exist from time to time, shall be considered as counties for the purpose of complying with the provisions of this act until a subdivision of the Territory of Alaska into counties is effected."

With the following committee amendment:

Strike out all after the enacting clause, and insert "That there are hereby extended to the Territory of Alaska the provisions of section 21 and section 23 of title II of the act entitled 'An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges,' approved June 29, 1935, as amended, and known as the Bankhead-Jones Act, and the act entitled 'An act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the act entitled ' "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," ' approved July 2, 1862, and all acts supplementary thereto, and the United States Department of Agriculture,' approved May 22, 1928, and known as the Capper-Ketcham Act.

"SEC. 2. There is hereby authorized to be appropriated annually for carrying out the purposes of this act an amount computed on the same basis as appropriations to States are computed: *Provided*, That no appropriations shall be made under this act until annually estimated as to funds and amounts by the Secretary of Agriculture, the estimates to be based upon his determination of the ability of the Territory of Alaska to make effective use of the funds: *And provided further*, That whereas the Capper-Ketcham Act approved May 22, 1928, provides that 'at least 80 percent of all appropriations under this act shall be utilized for the payment of salaries of extension agents in counties of the several States to further develop the cooperative extension system in agriculture and home economics with men, women, boys, and girls,' the several established judicial divisions of the Territory of Alaska, as the same shall exist from time to time, shall be considered as counties for the purpose of complying with the provisions of this act until a subdivision of the Territory of Alaska into counties is effected.

"SEC. 3. That portion of section 1 of the act of June 20, 1936 (49 Stat. 1553), which extends the provisions of the Capper-Ketcham Act to the Territory of Alaska, and section 3 of said act of June 20, 1936, are repealed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes."

A motion to reconsider was laid on the table.

INTERSTATE FOREST FIRE PROTECTION COMPACT

The Clerk called the bill (H. R. 4535) granting the consent and approval of Congress to an interstate forest fire protection compact.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent that an identical Senate bill (S. 1659) be substituted for the House bill (H. R. 4535).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to an interstate forest fire protection compact, as hereinafter set out; but before any Province of the Dominion of Canada shall be made a party to such compact, the further consent of Congress shall first be obtained. Such compact reads as follows:

NORTHEASTERN INTERSTATE FOREST FIRE PROTECTION COMPACT

ARTICLE I

The purpose of this compact is to promote effective prevention and control of forest fires in the northeastern region of the United States and adjacent areas in Canada by the development of integrated forest-fire plans, by the maintenance of adequate forest fire fighting services by the member States, by providing for mutual aid in fighting forest fires among the States of the region and for procedures that will facilitate such aid, and by the establishment of a central agency to coordinate the services of member States and perform such common services as member States may deem desirable.

ARTICLE II

This agreement shall become operative immediately as to those States ratifying it whenever any two or more of the States of Maine, New Hampshire, Vermont, Rhode Island, Connecticut, New York, and the Commonwealth of Massachusetts have ratified it and the Congress has given its consent. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact. Subject to the consent of the Congress of the United States, any Province of the Dominion of Canada which is contiguous with any member State may become a party to this compact by taking such action as its laws and the laws of the Dominion of Canada may prescribe for ratification. In this event, the term "State" in this compact shall include within its meaning the term "Province" and the procedures prescribed shall be applied in the instance of such Provinces, in accordance with the forms and practices of the Canadian Government.

ARTICLE III

Each State joining herein shall appoint three representatives to a Commission hereby, designated as the Northeastern Forest Fire Protection Commission. One shall be the State forester or officer holding an equivalent position of such State who is responsible for forest-fire control. The second shall be a member of the legislature of such State designated by the Commission or committee on interstate cooperation of such State, or if there be none, or if said Commission on interstate cooperation cannot constitutionally designate the said member, such legislator shall be designated by the governor thereof: provided that if it is constitutionally impossible to appoint a legislator as a commissioner from such State, the second member shall be appointed by the governor of said State in his discretion. The third member shall be a person designated by the governor as the responsible representative of the governor. In the event that any Province of the Dominion of Canada shall become a member of this Commission, it shall designate three members who will approximate this pattern of representation to the extent possible under the law and practices of such Province. This Commission shall be a body corporate with the powers and duties set forth herein.

ARTICLE IV

It shall be the duty of the Commission to make inquiry and ascertain from time to time such methods, practices, circumstances and conditions as may be disclosed for bringing about the prevention and control of forest fires in the area comprising the member States, to coordinate the forest-fire plans and the work of the appropriate agencies of the member States and to facilitate the rendering of aid by the member States to each other in fighting forest fires.

The Commission shall formulate and, in accordance with need, from time to time, revise a regional forest-fire plan for the entire region covered by the compact which shall serve as a common forest-fire plan for that area.

The Commission shall, more than 1 month prior to any regular meeting of the legislature in any signatory State, present to the governor and to the legislature of the State its recommendations relating to enactments to be made by the legislature of that State in furthering the interests and purposes of this compact.

The Commission shall consult with and advise the appropriate administrative agencies of the States party hereto with regard to problems connected with the prevention and control of forest fires and recommend the adoption of such regulations as it deems advisable.

The Commission shall have power to recommend to the signatory States any and all measures that will effectuate the prevention and control of forest fires.

ARTICLE V

Any two or more member States may designate the Northeastern Forest Fire Protection

Commission as a joint agency to maintain such common services as those States deem desirable for the prevention and control of forest fires. Except in those cases where all member States join in such designation for common services, the representatives of any group of such designating States in the Northeastern Forest Fire Protection Commission shall constitute a separate section of such Commission for the performance of the common service or services so designated provided that, if any additional expense is involved, the States so acting shall appropriate the necessary funds for this purpose. The creation of such a section as a joint agency shall not affect the privileges, powers, responsibilities, or duties of the States participating therein as embodied in the other articles of this compact.

ARTICLE VI

The Commission may request the United States Forest Service to act as the primary research and coordinating agency of the Northeastern Forest Fire Protection Commission, in cooperation with the appropriate agencies in each State and the United States Forest Service may accept the initial responsibility in preparing and presenting to the Commission its recommendations with respect to the regional fire plan. Representatives of the United States Forest Service may attend meetings of the Commission and of groups of member States.

ARTICLE VII

The Commission shall annually elect from its members a chairman and a vice chairman. The Commission shall appoint such officers or employees as may be required to carry the provisions of this compact into effect, shall fix and determine their duties, qualifications, and compensation, and may at its pleasure, remove or discharge any such officer or employee. The Commission shall adopt rules and regulations for the conduct of its business. It may establish and maintain one or more offices for the transaction of its business and may meet at any time or place but must meet at least once a year.

A majority of the members of the Commission representing a majority of the signatory States shall constitute a quorum for the transaction of its general business, but no action of the Commission imposing any obligation on any signatory State shall be binding unless a majority of the members from such signatory State shall have voted in favor thereof. For the purpose of conducting its general business, voting shall be by State units.

The representatives of any two or more member States, upon notice to the Chairman as to the time and purpose of the meeting, may meet as a section for the discussion of problems common to those States.

Sections established by groups of member States shall have the same powers with respect to officers, employees, and the maintenance of offices as are granted by this article to the Commission. Sections may adopt such rules, regulations, and procedures as may be necessary for the conduct of their business.

ARTICLE VIII

It shall be the duty of each member State to formulate and put in effect a forest-fire plan for that State and to take such measures as may be recommended by the Commission to integrate such forest-fire plan with the regional forest-fire plan.

Whenever the State forest fire control agency of a member State requests aid from the State forest fire control agency of any other member State in combating, controlling, or preventing forest fires, it shall be the duty of the State forest fire control agency of that State to render all possible aid to the requesting agency which is consonant with the maintenance of protection at home.

Each signatory State agrees to render aid to the Forest Service or other agencies of the Government of the United States in combating, controlling, or preventing forest fires in areas under their jurisdiction located within the member State or a contiguous member State.

ARTICLE IX

Whenever the forces of any member State are rendering outside aid pursuant to the request of another member State under this compact, the employees of such State shall, under the direction of the officers of the State to which they are rendering aid, have the same powers (except the power of arrest), duties, rights, privileges, and immunities as comparable employees of the State to which they are rendering aid.

No member State or its officers or employees rendering outside aid pursuant to this compact shall be liable on account of any act or omission on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

All liability that may arise either under the laws of the requesting State or under the laws of the aiding State or under the laws of a third State on account of or in connection with a request for aid, shall be assumed and borne by the requesting State.

Any member State rendering outside aid pursuant to this compact shall be reimbursed by the member State receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment answering a request for aid, and for the cost of all materials, transportation, wages, salaries, and maintenance of employees and equipment incurred in connection with such request: *Provided*, That nothing herein contained shall prevent any assisting member State from assuming such loss, damage, expense or other cost or from loaning such equipment or from donating such services to the receiving member State without charge or cost.

Each member State shall provide for the payment of compensation and death benefits to injured employees and the representatives of deceased employees in case employees sustain injuries or are killed while rendering outside aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

For the purposes of this compact the term employees shall include any volunteer or auxiliary legally included within the forest fire fighting forces of the aiding State under the laws thereof.

The Commission shall formulate procedures for claims and reimbursement under the provisions of this article.

Aid by a member State to an area subject to Federal jurisdiction beyond the borders of such State shall not be required under this compact unless substantially the same provisions of this article relative to powers, liabilities, losses and expenses in connection with such aid are embodied in Federal laws.

ARTICLE X

When appropriations for the support of this Commission or for the support of common services maintained by the Commission or a section thereof under the provisions of article V are necessary, the Commission or section thereof shall allocate the costs among the States affected with consideration of the amounts of forested land in those States that will receive protection from the service to be rendered and the extent of the forest-fire problem involved in each State, and shall submit its recommendations accordingly to the legislatures of the affected States.

The Commission shall submit to the governor of each State, at such time as he may request, a budget of its estimated expenditures for such period as may be required by the laws of such State for presentation to the legislature thereof.

The Commission shall keep accurate books of account, showing in full its receipts and disbursements, and said books of account shall be open at any reasonable time to the inspection of such representatives of the respective signatory States as may be duly constituted for that purpose.

On or before the first day of December of each year the Commission shall submit to the respective governors of the signatory States a full and complete report of its activities for the preceding year.

ARTICLE XI

The representatives from any member State may appoint and consult with an advisory committee composed of persons interested in forest-fire protection.

The Commission may appoint and consult with an advisory committee of representatives of all affected groups, private and governmental.

ARTICLE XII

The Commission may accept any and all donations, gifts, and grants of money, equipment, supplies, materials, and services from the Federal or any local government, or any agency thereof and from any person, firm, or corporation, for any of its purposes and functions under this compact, and may receive and utilize the same subject to the terms, conditions, and regulations governing such donations, gifts, and grants.

ARTICLE XIII

Nothing in this compact shall be construed to authorize or permit any member State to curtail or diminish its forest fire-fighting forces, equipment, services, or facilities, and it shall be the duty and responsibility of each member State to maintain adequate forest fire fighting forces and equipment to meet normal demands for forest fire protection within its borders.

Nothing in this compact shall be construed to limit or restrict the powers of any State ratifying the same to provide for the prevention, control, and extinguishment of forest fires, or to prohibit the enactment or enforcement of State laws, rules, or regulations intended to aid in such prevention, control, and extinguishment in such State.

Nothing in this compact shall be construed to affect any existing or future cooperative relationship or arrangement between the United States Forest Service and a member State or States.

ARTICLE XIV

This compact shall continue in force and remain binding on each State ratifying it until the legislature or the governor of such State takes action to withdraw therefrom. Such action shall not be effective until 6 months after notice thereof has been sent by the chief executive of the State desiring to withdraw to the chief executives of all States then parties to the compact.

SEC. 2. Without further submission of the compact the consent of Congress is given to any State to become a party to it in accordance with its terms.

SEC. 3. The right to alter, amend, or repeal this act is expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4535) was laid on the table.

AMENDING SECTION 8C OF THE AGRICULTURAL ADJUSTMENT ACT

The Clerk called the bill (S. 1089) to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the

Secretary of Agriculture to issue orders under such section with respect to filberts.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsections (2) and (6) of section 8c of the Agricultural Adjustment Act, as amended (7 U. S. C. 608c (2) and (6)), are amended by inserting "filberts, almonds," after the word "including" in the phrase "including pecans and walnuts."

With the following committee amendment:

Page 1, line 5, after the word "filberts", insert the word "almonds."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds."

A motion to reconsider was laid on the table.

IMPROVEMENT OF POST-OFFICE FACILITIES AT LOS ANGELES

The Clerk called the bill (H. R. 1154) to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I understand there is a request that this bill be taken up under suspension of the rules, and I therefore ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. BYRNES]?

There was no objection.

DECLARING WATERWAY IN NEW HAVEN, CONN., A NONNAVIGABLE STREAM

The Clerk read the bill (H. R. 3511) to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33 degrees 53 minutes and 36 seconds west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I would like to have someone explain the details of this bill.

Mr. McGUIRE. Mr. Speaker, I introduced this bill at the request of the highway commissioner of the State of Connecticut and the mayor of the city of New Haven. It will permit filling of the channel area for relocation of highway route U S 1 in New Haven. At the present time this route is the most important one of our entire State highway system. It threads its way through narrow congested streets with traffic subjected to delays and hazards.

I have a letter from the highway commissioner that explains this. He says he is desirous of obtaining all necessary approvals at an early date so that they can take full advantage of any available free material from current and proposed Federal dredging projects in the New Haven harbor. To date, as a part of the harbor front highway project, 3,400,000 cubic yards of fill from the harbor dredging have been placed in an adjacent area. An additional one million cubic yards of fill material is confined to that same area. The Brewery Street channel area requires about 1,100,000 additional cubic yards of fill. If the Brewery Street channel can be closed at an early date, a substantial portion of this required yardage will be available for this area without cost.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the portion of the waterway in which is located the Brewery Street Channel in the city of New Haven, Conn., lying northwest of a line extending south 33 degrees 53 minutes 36 seconds west from a point (located north 45 degrees 15 minutes 8 seconds west; distant 286 feet from United States harbor line mark 41 on the southerly side of Waterside Park) 417$^{73}/_{100}$ feet to the combined United States bulkhead and pierhead line on the upstream face of Canal Wharf as established by the Secretary of War, May 14, 1942, is hereby declared to be a nonnavigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. Any project heretofore authorized by any act of Congress, insofar as such project relates to the above-described portion of the Brewery Street section of New Haven harbor, is hereby abandoned.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 4295) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, this bill calls for the expenditure of about $157,000,000, entirely too large an amount for the Consent Calendar. I understand from the author of the bill that it is now before the Rules Committee. I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

BUREAU OF ANIMAL INDUSTRY

The Clerk called the bill (H. R. 459) to authorize the payment of employees of the Bureau of Animal Industry for overtime duty performed at establishments which prepare virus, serum toxin, or analogous products for use in the treatment of domestic animals.

Mr. JENSEN. Mr. Speaker, I wonder if some member of the committee can explain the bill?

Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The Clerk called the bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the National Advisory Committee for Aeronautics (hereinafter referred to as the NACA) is authorized to grant to any professional employee of demonstrated ability who has served not less than 1 year in the NACA a leave or leaves of absence from his regularly designated duties for the purpose of allowing such employee to carry on graduate study or research in institutions of learning accredited as such by the laws of any State.

SEC. 2. Leaves of absence may be granted under authority of this act only for such graduate research or study as will contribute materially to the more effective functioning of the NACA.

SEC. 3. Leave or leaves of absence which may be granted to any employee under authority of this act shall not exceed a total of 1 year

SEC. 4. Tuition and other incidental academic expenses shall be borne by the employee.

SEC. 5. Any leave of absence granted under the provisions of this act shall be without loss of salary or compensation to the employee and shall not be deducted from any leave of absence with pay authorized by any other law. Any such employee shall make a definite statement, in writing, that he will return to and, unless involutarily separated, will remain in the service of the NACA for a period of 6 months if the period for which he is granted such leave of absence does not exceed 12 weeks, or for a period of 1 year if the period of leave exceeds 12 weeks. Any employee who does not fulfill any such commitment shall be required to reimburse the Government for the amount of leave granted under this act.

With the following committee amendments:

Page 2, line 7, strike out the words "1 year" and insert in lieu thereof the words "52 weeks."

Page 2, lines 15 and 16, strike out the words "involuntarily separated" and insert in lieu thereof the following "separated for reasons beyond his control."

Page 2, line 22, after the word "of" insert the following: "compensation or salary received during the period of."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDICAL SERVICE CORPS OF THE REGULAR ARMY

The Clerk called the bill (H. R. 4449) to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MEDICAL AND DENTAL CORPS OF THE NAVY

The Clerk called the bill (H. R. 4516) to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Officer Personnel Act of 1947, as amended, is hereby further amended by deleting in the third proviso to subsection (b) of section 312 the words "22 in the Medical Corps," and the words "and 12 in the Dental Corps"; by inserting in the said proviso after the comma following the words "Civil Engineer Corps" the words "in the Medical Corps and in the Dental Corps a number as determined necessary by the Secretary of the Navy to meet the needs of the service"; by deleting in the said subsection the words *"And provided further"* and substituting in lieu thereof the words *"Provided further"*; and by adding at the end of the said subsection the following proviso: *"And provided further,* That until June 30, 1952, no captain of the Medical Corps or of the Dental Corps shall be subject to involuntary retirement pursuant to this subsection prior to reaching the age of 62."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEAL OF CERTAIN OBSOLETE PROVISIONS OF LAW RELATING TO NAVAL SERVICE

The Clerk called the bill (H. R. 4573) to repeal certain obsolete provisions of law relating to the naval service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following acts and parts of acts are hereby repealed:

Section 434, Revised Statutes.

That portion of the first sentence of section 436, Revised Statutes, which reads as follows: "or professor of mathematics"; and the second sentence of said section, which reads as follows: "Such officer or professor, when so employed, shall be entitled to receive the shore-duty pay of his grade, and no other."

Section 1367, Revised Statutes.
Section 1381, Revised Statutes.
Section 1401, Revised Statutes.
Section 1402, Revised Statutes.
Section 1403, Revised Statutes.
Section 1404, Revised Statutes.
Section 1408, Revised Statutes.
Section 1409, Revised Statutes.
Section 1417, Revised Statutes, as amended.
Section 1435, Revised Statutes.
Section 1480, Revised Statutes, as amended.
Section 1537, Revised Statutes.
Section 1538, Revised Statutes.
Section 1539, Revised Statutes.
Section 1546, Revised Statutes.
Section 1564, Revised Statutes.
Section 1600, Revised Statutes.
Section 4750, Revised Statutes.
Section 4752, Revised Statutes.
Section 4753, Revised Statutes.
Section 4754, Revised Statutes.
Section 4755, Revised Statutes.

Paragraph 22 of the act of September 28, 1850, which is the fourth full paragraph on page 515, volume 9, Statutes at Large, and which reads as follows:

"And the pay of the superintendent of the naval school at Annapolis shall be at the rate allowed to an officer of his rank, when in service at sea."

Joint Resolution No. 25 of March 3, 1863 (12 Stat. 825).

That part of the act of June 30, 1876, under the heading "Bureau of Construction and Repair," which appears on pages 69 and 70, volume 19, Statutes at Large, and which reads as follows: "And no increase of the force at any navy yard shall be made at any time within 60 days next before any election to take place for President of the United States, or Member of Congress, except when the Secretary of the Navy shall certify that the needs of the public service make such increase necessary at that time which certificate shall be immediately published when made."

Paragraph 6 of the act of May 4, 1878, which is the second full paragraph on page 50, volume 20, Statutes at Large, and which reads as follows:

"That on and after the first day of July 1878, there shall be no appointments made from civil life of secretaries or clerks to the admiral, or vice admiral, when on sea service, commanders of squadrons, or of clerks to commanders of vessels; and an officer not above the grade of lieutenant shall be detailed to perform the duties of secretary to the admiral or vice admiral, when on sea service, and one not above the grade of master to perform the duties of clerk to a rear admiral, or commander, and one not above the grade of ensign to perform the duties of clerk to a captain, commander, or lieutenant commander when afloat: *Provided,* That the secretaries and clerks in service on the first day of July 1878, on vessels abroad, shall continue as such until such vessel shall return to the United States on the termination of its cruise."

So much of the fifth paragraph of the act of March 3, 1883, as it appears on page 473, volume 22, Statutes at Large, and which reads as follows: "And all officers of the Navy shall be credited with the actual time they may have served as officers or enlisted men in the Regular or volunteer Army or Navy, or both, and shall receive all the benefits of such actual service in all respects in the same manner as if all said service had been continuous and in the regular Navy in the lowest grade having graduated pay held by such officer since last entering the service: *Provided,* That nothing in this clause shall be so construed as to authorize any change in the dates of commission or in the relative rank of such officer: *Provided further,* That nothing herein contained shall be so construed as to give any additional pay to any such officer during the time of his service in the volunteer Army or Navy."

Section 2 of the act of August 3, 1886 (24 Stat. 215), as amended.

So much of section 5 of the Act of June 29, 1868, as it appears on page 210, volume 25, Statutes at Large, and which reads as follows: "shall receive the sea-pay of his grade, and * * *."

The second paragraph under the heading "Pay of the Navy" of the act of March 3, 1901, which is the first full paragraph on page 1108, volume 31, Statutes at Large, and which reads as follows:

"That the advancement in rank of officers of the Navy and Marine Corps, whensoever made, for service rendered during the war with Spain, pursuant, respectively, to the provisions of sections 1506 and 1605 of the Revised Statutes, shall not interfere with the regular promotion of officers otherwise entitled to promotion, but officers so advanced, by reason of war service, shall, after they are promoted to higher grades, be carried thereafter as additional to the numbers of each grade to which they may at any time be promoted; and each such officer shall hereafter be promoted in due course, contemporaneously with and to take rank next after the officer immediately above him; and all advancements made by reason of war service shall be appropriately so designated upon the official Navy list: *Provided, however,* That no promotion shall be made to fill a vacancy occasioned by the promotion, retirement, death, resignation, or dismissal of any officer who, at the time of such promotion, retirement, death, resignation, or dismissal, is an additional member of his grade under the foregoing provisions."

So much of the first sentence after the subheading "Bureau of Supplies and Accounts" of the Act of March 18, 1904, as it appears on page 121, volume 33, Statutes at Large, and which reads as follows: "a civilian assistant, who shall perform the duties of chief clerk, and in case of the death, resignation, sickness, or absence of both the Paymaster General of the Navy or his assistant, now provided for by law, unless otherwise directed by the President, as provided by section 179, Revised Statutes, such civilian assistant shall become the acting chief of the Bureau."

So much of the fourth paragraph under the subheading "Increase of the Navy, Equipment" or the act of May 13, 1908, as it appears on page 159, volume 35, Statutes at Large, and which reads as follows: "and monitors now owned by the United States or hereafter built may be named as the President may direct."

The second paragraph under the subheading "Contingent, Navy" of the act of March 4, 1911, which appears on page 1267, volume 36, Statutes at Large, and which reads as follows:

"That officers on the active list of the line of the United States Navy who, under authority of law, now perform engineering duty on shore only are hereby made additional to the numbers in the grades in which they are now serving, and shall be carried as additional to the numbers of each grade to which they may hereafter be promoted: *Provided,* That said officers shall be entitled to all the benefits of retirement under existing or future laws equally with other officers of like rank and service."

The second paragraph under the subheading "Contingent, Navy," of the Act of March 3, 1915, which appears on page 930, volume 38, Statutes at Large, and which reads as follows:

"Hereafter officers who now perform engineering duty on shore only and officers of the Construction Corps shall be eligible for any shore duty compatible with their rank and grade to which the Secretary of the Navy may assign them."

The ninth paragraph under the subheading "Improvement of construction plants" of the act of March 3, 1915, which appears on page 945, volume 38, Statutes at Large, and which reads as follows:

"Officers of the line of the Navy who have had not less than 3 years' service in the grade of ensign and have taken or are taking satisfactorily a postgraduate course in naval architecture under orders from the Secretary

of the Navy shall be eligible for transfer to the grade of assistant naval constructors: *Provided,* That there shall not be more than five such transfers in any one calendar year and that the total increase in the number of naval constructors and assistant naval constructors by reason of such transfers shall not exceed 24."

The following portions of the act of August 29, 1916, chapter 417, volume 39, Statutes at Large, page 556:

(a) Paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 21, and 23 under the heading "Naval Flying Corps" in such chapter, which appear on pages 582, 583, 584, 585, and 586.

(b) The last full paragraph, as amended, under the heading "Naval Militia and National Naval Volunteers" in such chapter, which is the fourth full paragraph on page 600.

(c) So much of the third paragraph under the subheading "Increase of the Navy, ammunition" in such chapter, as it appears on pages 617 and 618, and which reads as follows:

"That each and every employee of the navy yards, gun factories, naval stations, and arsenals of the United States Government is hereby granted 30 days' leave of absence each year, without forfeiture of pay during such leave: *Provided further,* That it shall be lawful to allow pro rata leave only to those serving 12 consecutive months or more: *And provided further,* That in all cases the heads of divisions shall have discretion as to the time when the leave can best be allowed: *And provided further,* That not more than 30 days' leave with pay shall be allowed any such employee in 1 year: *Provided further,* That this provision shall not be construed to deprive employees of any sick leave or legal holidays to which they may now be entitled under existing law."

So much of the first paragraph under the heading "Pay, miscellaneous" of the act of July 1, 1918, which appears on page 705, volume 40, Statutes at Large, and which reads as follows: "*Provided,* That hereafter the Secretary of the Navy is authorized to consider, ascertain, adjust, determine, and pay the amounts due on all claims for damages to and loss of private property of inhabitants of any European country not an enemy or ally of an enemy when the amount of the claim does not exceed the sum of $1,000, occasioned and caused by men in the naval service during the period of the present war, all payments in settlement of such claims to be made out of 'Pay, miscellaneous.'"

Paragraph 6 of section 3 (Personnel) of the act of June 24, 1926 (44 Stat. 767).

The last two paragraphs under the heading "Bureau of Supplies and Accounts, pay, subsistence, and transportation of naval personnel" in the act entitled "An act making appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1931, and for other purposes," approved June 11, 1930 (46 Stat. 567, ch. 463), concerning the discharge of minors in the Navy and Marine Corps.

Sections 2, 3, 4, 5, 6, 7, and 8 of the act of March 3, 1931 (46 Stat. 1482).

Act of July 17, 1935 (49 Stat. 482).

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the bill (S. 1794) to repeal certain obsolete provisions of law relating to the naval service, be substituted for the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. VINSON. Mr. Speaker, reserving the right to object, I have examined the Senate bill; it is not the same as the House bill. I trust, therefore, that my colleague will not insist on the Senate bill but will allow the House bill to go through. The Senate bill has not been heard by the Committee on the Armed Services. I have just examined it; it is not the same as the House bill.

Mr. BROOKS. Mr. Speaker, I withdraw my request.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 2, strike out all of line 15.

On page 3, strike out lines 6 through 16, inclusive.

On page 5, line 5, delete "1868" and insert in lieu thereof "1888."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOAN OF CERTAIN ARMY PROPERTY TO NATIONAL VETERANS' ORGANIZATIONS

The Clerk called the bill (H. R. 4646) to authorize the Secretary of the Army to lend certain property of the Department of the Army to national veterans' organizations for use at national youth tournaments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of Public Law No. 411, Seventy-ninth Congress, is amended by substituting a comma for the period at the end thereof and adding the following: "or national youth athletic or recreation tournaments."

SEC. 2. Section 2 of said act is amended by adding after the word "convention" the words "or national youth athletic or recreation tournaments."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, respectively, are authorized to lend, at their discretion and under conditions which they may prescribe, to any recognized national veterans' organization such cots, blankets, pillows, mattresses, bed sacks, unoccupied barracks of the Army, Navy, or Air Force, and other available articles or equipment under their respective jurisdictions as may be needed by such veterans' organization for use at any of its national or State conventions or national youth athletic or recreation tournaments.

"SEC. 2. Such property may be delivered upon such terms and at such time prior to any such conventions or national youth athletic or recreation tournaments as may be agreed upon by the representatives of such veterans' organization and the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, except that any expense incurred by the United States, as determined by the Secretary concerned, in the delivery, return, rehabilitation, or replacement of any such property shall be defrayed by the veterans' organization.

"SEC. 3. The Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, shall take from each veterans' organization to which property is lent pursuant to the provisions of this act a good and sufficient bond for the return of such property in good condition.

"SEC. 4. The act of June 11, 1946 (60 Stat. 256; ch. 379) is hereby repealed."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes."

A motion to reconsider was laid on the table.

ACTIVE-DUTY STATUS OF CERTAIN OFFICERS OF THE ARMED FORCES

The Clerk called the bill (H. R. 4767) to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all periods of service of any officer of the Army of the United States or the Air Force of the United States who was called or recalled to active duty in the armed forces of the United States between April 1, 1944, and May 1, 1948, for medical observation or treatment, physical evaluation, or retiring-board proceedings for the purpose of determining the eligibility of such officer to receive disability or retirement pay benefits shall be, and hereby are, deemed to be active duty in the armed forces of the United States to the same extent as though such officer had been called or recalled to active duty without limitation as to purpose, and such officer shall be entitled to credit such service performed prior to May 1, 1948, for all purposes.

With the following committee amendment:

On page 2, after line 5, add the following new section:

"SEC. 2. Any officer of the Army of the United States or the Air Force of the United States who was admitted into a service hospital while on terminal leave prior to October 1, 1947, who reverted to inactive status prior to release from such hospitalization, and who has not subsequently been retired or certified to the Veterans' Administration for retirement benefits, shall be deemed to have been on active duty for all purposes, until the date of the release from such hospitalization: *Provided,* That such an officer or his estate apply for the benefits of this section within 2 years from the date of enactment of this act, and such application is approved by the cognizant Secretary: *And provided further,* That in the case of a person whose application for the benefits of this act is approved, the amount of any monetary benefits received by him or his estate for any period prior to release from such hospitalization under any provisions of law providing benefits for disability or death incident to the service, shall be deducted from the monetary benefits provided for herein."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA RAILROAD RETIREMENT ACT AND THE CANAL ZONE CODE

The Clerk called the bill (H. R. 3445) to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of

May 29, 1930, as amended, to officers and employees to whom such provisions are applicable.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I wonder if the author of the bill will explain it briefly.

Mr. MILLER of California. Mr. Speaker, this bill would cover into the general retirement act the employees of the Panama Railroad and the Alaska Railroad, which employees at this time have their own separate retirement system. This bill brings them under the general retirement system of the Federal Government and is a step in the right direction so far as consolidation of these functions is concerned.

It does preserve to those employees certain special rights that some of them obtained, such as those people who served during the construction of these railroads and get a special $36 a year retirement for the years that they served during construction of the railroads. There are a very limited number of those people, who will soon pass out of the picture. It puts the rest of them on the basis that we have adopted for the retirement of other governmental employees.

Mr. CUNNINGHAM. Can the gentleman say whether or not the employees of the respective railroads are in favor of this piece of legislation?

Mr. MILLER of California. They are perfectly willing to come under the general act.

Mr. CUNNINGHAM. Has the Governor of Alaska approved it?

Mr. MILLER of California. I do not know about the Governor of Alaska, but those employees involved have O. K.'d the legislation.

Mr. CUNNINGHAM. I notice by the report that for the one railroad the cost would be $425,000 annually and for the other one $450,000 annually. Can the gentleman tell me for how many years this will continue?

Mr. MILLER of California. This would be retroactive to the time that we passed the general retirement act 2 years ago. It puts these people on the same basis as other Federal employees in that respect. The other will come out of their contributions just as any other employee who is presently making contributions to the Alaska Railroad retirement fund or to the fund for the Panama Railroad.

Mr. CUNNINGHAM. Will the gentleman advise us whether or not this $425,000 annually in the case of one railroad and the $450,000 annually in the case of the other are in addition to what the Government now expends, or will that be the over-all total under the revision?

Mr. MILLER of California. That is the over-all total under the revision.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

Mr. FORD. Mr. Speaker, reserving the right to object, may I ask whether the section 5 in this bill is identical with that section in a bill that was objected to previously? I understand there has been requested a rule on that particular bill. The same provision I see is in this section.

Mr. MILLER of California. That is the provision of the present law that we write into this bill. Under the amendment to the Retirement Act adopted almost 2 years ago people could elect to take either $300 or a 25-percent increase in retirement, whichever was the lesser. They had the right to waive this $300 and set up not to exceed $600 in the form of a survivorship annuity to the surviving spouse. This writes into the Panama Act and the Alaska Act the same provision of law that is applicable to all other Federal employees.

Mr. FORD. The section 5 in this bill coincides with the present law; is that correct?

Mr. MILLER of California. So far as I know; yes. I understand that is correct.

Mr. JENSEN. Mr. Speaker, reserving the right to object, may I ask the Delegate from Alaska [Mr. BARTLETT] what position he takes on this legislation?

Mr. BARTLETT. I very much favor the legislation. The situation is that the Alaska Railroad Retirement Act was passed in 1936. It was a pretty good act then but not one single amendment has been made to it since and notwithstanding the fact that the employees are paying 5 percent into the retirement fund it is far behind the Civil Service Retirement Act at this time, in reference to benefits. This bill would bring it up to date and give those people justice. All of the employees' organizations of the Alaska Railroad urgently desire the passage of this bill.

Mr. JENSEN. If this legislation is passed will it add another financial burden to the already overburdened Alaska Railroad program?

Mr. BARTLETT. Not any more than it does in the general Federal system.

Mr. JENSEN. How much is this going to cost the Federal Government? The Federal Government owns the Alaska Railroad and we are having a terrific struggle to make that road come within gunshot of being able to meet its obligations financially.

Mr. MILLER of California. That is very true. What we are doing is putting these Federal employees on the same basis with all other Federal employees. If there is a great burden so far as the Department of Agriculture is concerned or any other department that is brought about by this type of retirement legislation, we do not point that out as being a thing that is responsible for these increases. I am sure the gentleman would not want to discriminate against the employees of the Alaska Railroad if for any reason it is not making a profit.

Mr. JENSEN. Well, now, we must bear in mind that the employees of the Alaska Railway make considerably more money because of the fact that they work in Alaska than do the regular employees of the railways in this country.

Mr. MILLER of California. They get a bonus just as other people throughout the Federal service who work under adverse conditions, for instance, in Europe at the present time, where you pay a 25-percent increase, or we did, to the employees, or in the Canal Zone or the Philippine Islands or any of our possessions. That is a recognized procedure in the Government service.

Mr. JENSEN. Mr. Speaker, I dislike very much to object to this legislation, but the facts are that the workers of the Alaska Railway are in an entirely different category than the workers here on the mainland. They receive bonuses and additional pay for being up there working in that Territory. As much as I dislike doing it, I shall ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING THE INTERSTATE COMMERCE ACT

The Clerk called the bill (S. 257) to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'HARA of Minnesota. Mr. Speaker, reserving the right to object, may I have the attention of the author of the House report upon this bill to ask him the following question:

What is the effect of this legislation upon suits which may be pending by or against the Government?

Mr. BECKWORTH. Mr. Speaker, as the gentleman well knows, because I discussed the matter with him, I stated to him that the report has in it language that has the approval of the General Accounting Office with reference to that very matter that the gentleman brings up. The pertinent language is to be found on page 2, next to the last paragraph, and if it is satisfactory, I shall read it to the gentleman:

> In the course of the hearings on this bill, some question has been raised as to whether the limitations imposed upon proceedings against carriers would have application to efforts by the Government to recover unlawful charges. The committee, in approving the bill, has done so with the sole object in mind of placing the carriers covered by parts II, III, and IV of the act on the same footing with the carriers covered by part I insofar as the matter of limitations upon proceedings is concerned. In so doing it has not attempted to determine that the existing limitations in part I do or do not apply to proceedings instituted by the United States but has left that question for determination judicially as appropriate cases may arise.

It simply does this: It places parts II, III, and IV on the same footing as is part I, permanently.

Mr. O'HARA of Minnesota. There is no parliamentary indication that the Congress is taking any action one way or the other but leaves it to the courts to determine?

Mr. BECKWORTH. That is exactly true as is shown by the statement I just read.

Mr. O'HARA of Minnesota. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That part II of the Interstate Commerce Act, as amended, is amended by inserting after section 204 thereof a new section, as follows:

"SEC. 204a. (1) All actions at law by common carriers by motor vehicle subject to this part for the recovery of their charges, or any part thereof, shall be begun within 2 years from the time the cause of action accrues, and not after.

"(2) For recovery of overcharges, action at law shall be begun against common carriers by motor vehicle subject to this part within 2 years from the time the cause of action accrues, and not after, subject to paragraph (3) of this section, except that if claim for the overcharge has been presented in writing to the carrier within the 2-year period of limitation said period shall be extended to include 6 months from the time notice in writing is given by the carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

"(3) If on or before expiration of the 2-year period of limitation in paragraph (2) a common carrier by motor vehicle subject to this part begins action under paragraph (1) for recovery of charges in respect of the same transportation service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include 90 days from the time such action is begun or such charges are collected by the carrier.

"(4) The cause of action in respect of a shipment of property shall, for the purposes of this section, be deemed to accrue upon delivery or tender of delivery thereof by the carrier, and not after.

"(5) The term 'overcharges' as used in this section shall be deemed to mean charges for transportation services in excess of those applicable thereto under the tariffs lawfully on file with the Commission.

"(6) The provisions of this section shall apply only to cases in which the cause of action may accrue after the date of the enactment of this section."

SEC. 2. Subsection (a) of section 308 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(a) For the purposes of this section the term 'carrier' means a common carrier by water."

SEC. 3. (a) Subsection (f) (1) of section 308 of the Interstate Commerce Act, as amended, is hereby amended to read as follows:

"(1) (A) All actions at law by carriers subject to this part for the recovery of their charges, or any part thereof, shall be begun within 2 years from the time the cause of action accrues, and not after.

"(B) All complaints against carriers for the recovery of damages not based on overcharges shall be filed with the Commission within 2 years from the time the cause of action accrues, and not after, subject to subdivision (D).

"(C) For the recovery of overcharges action at law shall be begun or complaint filed with the Commission against carriers subject to this part within 2 years from the time the cause of action accrues, and not after, subject to subdivision (D), except that if claim for the overcharge has been presented in writing to the carrier within the 2-year period of limitation said period shall be extended to include 6 months from the time notice in writing is given by the carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

"(D) If on or before expiration of the 2-year period of limitation in subdivision (B) or the 2-year period of limitation in subdivision (C) a carrier subject to this part begins action under subdivision (A) for recovery of charges in respect of the same transportation service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include 90 days from the time such action is begun or such charges are collected by the carrier."

(b) The amendments made by subsection (a) of this section shall apply only to cases in which the cause of action may accrue after the date of the enactment of this act.

SEC. 4. Paragraph (5) of subsection (f) of section 308 of the Interstate Commerce Act, as amended, is hereby repealed.

SEC. 5. Part IV of the Interstate Commerce Act, as amended, is hereby amended by inserting after section 406 thereof a new section as follows:

"SEC. 406a. (1) All actions at law by freight forwarders subject to this part for the recovery of their charges, or any part thereof, shall be begun within 2 years from the time the cause of action accrues, and not after.

"(2) For recovery of overcharges action at law shall be begun against freight forwarders subject to this part within 2 years from the time the cause of action accrues, and not after, subject to paragraph (3) of this section, except that if claim for the overcharge has been presented in writing to the freight forwarder within the 2-year period of limitation said period shall be extended to include 6 months from the time notice in writing is given by the freight forwarder to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

"(3) If on or before expiration of the 2-year period of limitation in paragraph (2) a freight forwarder subject to this part begins action under paragraph (1) for recovery of charges in respect of the same service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include 90 days from the time such action is begun or such charges are collected by the freight forwarder.

"(4) The cause of action in respect of a shipment of property shall, for the purposes of this section, be deemed to accrue upon delivery or tender of delivery thereof by the freight forwarder, and not after.

"(5) The term 'overcharges' as used in this section shall be deemed to mean charges for service in excess of those applicable thereto under the tariffs lawfully on file with the Commission.

"(6) The provisions of this section shall apply only to cases in which the cause of action may accrue after the date of the enactment of this section."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL LOANS FOR CERTAIN PUBLIC WORKS

The Clerk called the bill (H. R. 1771) relating to loans by Federal agencies for the construction of certain public works.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the first paragraph under the subheading "Office of the Administrator" of the heading "Federal Works Agency" of title 1 of the First Deficiency Appropriation Act, 1946 (59 Stat. 638), is amended by striking out the second colon and the following: "*Provided*, That no loans shall be made or participated in by any Federal agency for the construction of any public works, plans for which have been wholly or partly financed out of this appropriation, except in pursuance of a specific authorization."

Mr. MARCANTONIO. Mr. Speaker, I offer an amendment.

Mr. McCORMACK. Mr. Speaker, I reserve the right to object.

Mr. MARCANTONIO. I submit, Mr. Speaker, the bill has been ordered to be considered without objection. Now I have an amendment to offer to the bill. The bill is now before the House for consideration.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. McCORMACK. Has consent been granted, because the ordinary procedure is that Members granting consent do so with the understanding that amendments will not be offered? That is a gentlemen's understanding.

Mr. MARCANTONIO. There has never been such an understanding.

Mr. McCORMACK. There certainly has.

Mr. MARCANTONIO. As a matter of fact, I remember when the gentleman himself years ago offered an amendment to a bill on the Consent Calendar; and what is more, his amendment was most controversial.

Mr. McCORMACK. But it was by agreement with the committee.

Mr. MARCANTONIO. I do not have to consult the committee. There has never been any agreement requiring a Member who desires to offer an amendment to consult the committee. Further, the rules of the House do not provide for any such procedure. What is involved in my amendment is the issue of civil rights. Every rule of the House has been invoked against the consideration of civil-rights legislation and civil-rights amendments. I have and shall continue to avail myself of every House rule in the interest of immediate consideration and passage of civil-rights legislation and civil-rights amendments.

I am not a party to any alleged gentlemen's agreement which interferes with my rights under the rules to press civil-rights amendments and I so serve notice on the House.

Mr. McCORMACK. My parliamentary inquiry is: Has consent been granted?

The SPEAKER pro tempore [Mr. COOPER]. The Chair put the question as to whether there was objection to the present consideration of the bill and the Chair heard no objection to the request.

Does the gentleman from New York [Mr. MARCANTONIO] desire to offer an amendment?

Mr. MARCANTONIO. I do.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: On page 1, line 11, strike out the period and insert the following: "*Provided further*, That none of the funds appropriated under this subheading, Office of the Administrator of the heading Federal Works Agency of Title I, of the First Deficiency Appropriation Act of 1946 (59 Stat. 638), shall be paid to any person, firm or corporation which refuses equality in employment because of race, color or creed."

Mr. WHITTINGTON. Mr. Speaker, I make a point of order against the amendment that it is not germane to the bill

under consideration. It is not a limitation because there is no appropriation involved. The purpose of the pending bill is merely to remove a restriction on legislation already passed where appropriations have been made. This makes no appropriation whatever.

The SPEAKER pro tempore. Does the gentleman from New York desire to be heard on the point of order?

Mr. MARCANTONIO. Mr. Speaker, my amendment refers to the First Deficiency Appropriation Act of 1946. This bill, H. R. 1771, seeks to make amendments to that act. I submit the amendment I have offered to the pending bill is a further amendment of the Federal Public Works section of that act. My amendment is a further proviso restricting the use of funds and refusing any part of that deficiency appropriation under this particular title I relating to Federal Public Works to anyone who denies equality in employment because of race, color, or creed.

The SPEAKER pro tempore. The Chair is ready to rule. The gentleman from New York has offered an amendment, to which the gentleman from Mississippi [Mr. WHITTINGTON] has made a point of order on the ground that the amendment is not germane. The Chair has examined the amendment with some degree of care and is of the opinion that the amendment is not germane to this bill. The Chair therefore sustains the point of order.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BALTIMORE-WASHINGTON PARKWAY

The Clerk called the bill (H. R. 2214) to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway and the Suitland Parkway in the State of Maryland as extensions of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes.

Mr. DEANE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FEDERAL FOOD, DRUG, AND COSMETIC ACT

The Clerk called the bill (H. R. 160) to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, would the author of the bill or the gentleman who prepared the report on this bill kindly explain it briefly?

Mr. WILSON of Oklahoma. Mr. Speaker, this bill would affect section 801, subsections (a), (b), and (c) of the Federal Food, Drug, and Cosmetic Act, as amended. The principal purpose of the amendment is to make it possible to charge the importer with the costs incurred by the Federal Food and Drug Administration in supervising the relabeling and other operations of the administration on imported articles, so they can be brought into compliance with the act. The bill would also provide a specific statutory authority for the long-standing administrative practice of releasing imported articles which do not comply with the laws as to relabeling and other appropriate treatment. May I say there is existing statutory authority relating to the charging back to the owner or consignee as to domestic articles.

This legislation will refer only to imports. May I say in connection with the authority to charge back all charges that the Government might incur, the amendment will go so far as to cover all charges in the true sense of the word, not only cartage and demurrage, and things of that order, but all charges such as for supervising and salaries, and so forth, of all Federal employees relating to the permission of the importer to relabel his article in an endeavor to bring it in compliance with the act. The suggestion for just such legislation as this was made in the spring of 1947, when, I understand, the hearings before the Committee on Appropriations brought forth the idea that there should be specific authority to include reimbursement to the Government of all charges where the importer has granted permission to endeavor to bring his article in compliance with the act.

Mr. CUNNINGHAM. Will the passage of this bill protect the American people against unsafe drugs and cosmetics heretofore imported with improper labels?

Mr. WILSON of Oklahoma. I believe that is correct.

Mr. CUNNINGHAM. I think the committee should be commended and congratulated and the gentleman from Oklahoma, too, for bringing out such a meritorious bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 801 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 381 (a)), is amended by striking out the period at the end of the second sentence and inserting in lieu thereof: ", except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such article refused admission, without recourse by the owner, consignee, carrier, warehouseman, or any other person against the United States or any officer or employee thereof, unless such article is exported, under regulations prescribed by the Secretary of the Treasury, within 90 days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations."

SEC. 2. Subsection (b) of such section is amended to read:

"(b) Pending decision as to the admission of an article being imported or offered for import, the Secretary of the Treasury may authorize delivery of such article to the owner or consignee upon the execution by him of a good and sufficient bond providing for the payment of such liquidated damages in the event of default as may be required pursuant to regulations of the Secretary of the Treasury. If it appears to the Administrator that an article included within the provisions of clause (3) of subsection (a) of this section can, by relabeling or other action, be brought into compliance with the act or rendered other than a food, drug, device, or cosmetic, final determination as to admission of such article may be deferred and, upon filing of timely written application by the owner or consignee and the execution by him of a bond as provided in the preceding provisions of this subsection, the Administrator may, in accordance with regulations, authorize the applicant to perform such relabeling or other action specified in such authorization (including destruction or export of rejected articles or portions thereof, as may be specified in the Administrator's authorization). All such relabeling or other action pursuant to such authorization shall be under the supervision of an officer or employee of the Federal Security Agency designated by the Administrator, or an officer or employee of the Department of the Treasury designated by the Secretary of the Treasury."

SEC. 3. Subsection (c) of such section is amended to read:

"(c) All expenses (including travel, per diem or subsistence, and salaries of offices or employees of the United States) in connection with the destruction provided for in subsection (a) of this section and the supervision of the relabeling or other action authorized under the provisions of subsection (b) of this section, the amount of such expenses to be determined in accordance with regulations, and all expenses in connection with the storage, cartage, or labor with respect to any article refused admission under subsection (a) of this section, shall be paid by the owner or consignee and, in default of such payment, shall constitute a lien against any future importations made by such owner or consignee."

With the following committee amendments:

Page 1, line 9, beginning with "admission", strike out all thereafter down through "thereof", in line 11, and insert "admission."

Page 3, line 3, after "shall", insert 'in accordance with regulations."

Page 3, line 11, strike out "offices" and insert "officers."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING PUBLIC LAW 125, EIGHTIETH CONGRESS

The Clerk called the bill (S. 1433) amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. H. CARL ANDERSEN. Reserving the right to object, Mr. Speaker, may we have this bill explained?

Mr. SPENCE. Mr. Speaker, this bill would authorize the Reconstruction Finance Corporation to sell low-grade tin ores to private enterprises. The smelterers have been before our committee and they all want the bill passed. The bill was reported out of the committee unanimously. I think there can be no objection to it.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law 125, Eightieth Congress, approved June 28, 1947, as amended, is hereby further amended by changing "SEC. 3" to "SEC. 4" and inserting a new SEC. 3 reading as follows:

"SEC. 3. In order to promote the conservation of the tin ore reserves of the Western Hemisphere and to increase their availability for the tin requirements of the United States through diversification of tin-recovery facilities in the United States, the powers exercised by the Reconstruction Finance Corporation or its successor and continued in effect by the provisions of section 2 hereof shall include authority to offer for sale from time to time and to sell to the highest bidder for the recovery in the United States of Grade A pig tin, any tin concentrates or other tin-bearing materials heretofore or hereafter acquired by the Reconstruction Finance Corporation and containing not more than 25 per centum of tin; and to contract to buy up to an equivalent amount of such pig tin for future delivery, not to exceed 4 months from date of delivery of such concentrates or tin-bearing material to the processor, at the Reconstruction Finance Corporation's selling price for such grade on the date of such contract: *Provided*, That the minimum price at which any such concentrates or tin-bearing materials are so sold shall represent no less return to the Government, as determined or estimated by the Reconstruction Finance Corporation (which determination or estimate shall be deemed conclusive), than would result through the Government itself transporting and treating such concentrates or tin-bearing materials in any Government-owned or controlled facility and transporting and selling the pig tin recovered therefrom."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COINAGE OF MEDAL IN RECOGNITION OF DISTINGUISHED SERVICES OF VICE PRESIDENT ALBEN W. BARKLEY

The Clerk called the next business, House Joint Resolution 188, to provide for the coinage of a medal in recognition of the distinguished services of Vice President ALBEN W. BARKLEY.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this resolution be passed over, without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROSPECTING, DEVELOPMENT, MINING, AND UTILIZATION OF MINERAL RESOURCES OF SUPERIOR NATIONAL FOREST

The Clerk called the bill (H. R. 4895) to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where, through withdrawal or reservation or by statutory limitation or otherwise, all or any part of the mineral resources in public-domain lands or lands received in exchange for public-domain lands or for timber on such lands situated within the exterior boundaries of the Superior National Forest, Minn., are not subject to development or utilization under the mining laws of the United States or the mineral leasing laws, and for the development and utilization of which no other statutory authority exists, the Secretary of the Interior is authorized, under general regulations to be prescribed by him and upon such terms and for specified periods or otherwise as he may deem to be for the best interests of the United States, to permit the prospecting for and the development and utilization of such mineral resources: *Provided*, That the development and utilization of such mineral deposits shall not be permitted by the Secretary of the Interior except with the consent of the Secretary of Agriculture, and the development and utilization thereof shall be subject to such conditions as the Secretary of Agriculture may prescribe to insure the adequate utilization and proper protection of the lands for national forest purposes. All receipts derived from permits or leases issued under the authority of this act for prospecting for and the development and utilization of such mineral resources shall be paid into the same funds or accounts in the Treasury and shall be distributed in the same maner as prescribed for national forest revenue by sections 499, 500, and 501, title 16, United States Code.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDICAL SERVICE TO NON-INDIANS IN INDIAN HOSPITALS

The Clerk called the bill (H. R. 4815) to provide for medical services to non-Indians in Indian hospitals, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in any areas where there are inadequate hospital beds and health facilities available to serve the non-Indian population, the Secretary of the Interior is authorized in his discretion to make available to non-Indians hospital and health facilities operated by the Indian Bureau which are not being utilized for Indians, at such fees and under such terms and conditions as he may prescribe: *Provided*, That the fees charged will be not less than the per diem cost of operation and maintenance of the hospital or the patient cost of operation and maintenance of the health activity.

SEC. 2. Whenever the health needs of the Indians can be better met thereby, the Secretary of the Interior is authorized in his discretion to enter into contracts with any State, Territory, or political subdivision thereof, or any appropriate Federal, State, Territory, or political subdivision thereof, or private nonprofit corporation, agency, or institution, providing for the transfer by the Indian Bureau of Indian hospitals or other health facilities, including initial operating equipment and supplies. It shall be a condition of each such transfer that all facilities transferred shall be available to meet the health needs of the Indians and that such health needs shall be given priority over those of the non-Indian population.

SEC. 3. The Secretary of the Interior is also authorized to enter into contracts with any physicians duly licensed by any State or Territory to provide medical attention or services to Indians, and to expend under such contract funds appropriated by Congress for medical attention to Indians.

SEC. 4. Any contracts entered into pursuant to this act shall provide that the standards of services to be rendered to Indians shall be not less than the standards established by the Secretary of the Interior; that the same services shall be rendered to Indian patients as is rendered to other patients and that Indian patients shall not be segregated from other patients.

SEC. 5. The Secretary of the Interior is also authorized to make such other regulations as he deems desirable to carry out the provisions of this act.

SEC. 6. Proceeds to be derived under section 1 shall be deposited in the Treasury to the credit of the appropriation from which the hospitalization or medical services are provided.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF LANDS ON THE CABAZON, AUGUSTINE, AND TORRES-MARTINEZ INDIAN RESERVATIONS

The Clerk called the bill (H. R. 4584) to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, or his authorized representative, shall designate the restricted Indian lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations which may be irrigated from facilities of the Coachella Valley County Water District of Riverside County, Calif., and may enter into an appropriate contract with the said water district whereby the Secretary, acting on behalf of the United States, for the benefit of said restricted Indian lands, may assume an obligation to pay or guarantee payment to said water district of all costs and charges made by said district on account of the construction, operation, and maintenance of the works and facilities required for the delivery of water to such lands to the same extent as other lands of the district shall be charged therefor. There is hereby created a recordable first lien against the Indian lands for the amounts assessed thereagainst but such lien shall not be enforced during the period the lands remain in Indian ownership. The annual appropriation of such amounts as may be necessary to make payment to the said water district of the costs and charges herein provided for is hereby authorized out of any money in the United States Treasury not otherwise appropriated. The payments made to the said water district hereunder shall be reimbursed to the United States from payments made by lessees holding leases made pursuant to section 8 (c) hereof. Operation and maintenance costs assessed against unleased Indian lands shall, when collected, likewise be applied in reimbursement of the United States. The collection of construction costs shall be subject to the provisions of the act of July 1, 1932 (47 Stat. 564; 25 U. S. C. 386a), only with respect to those Indian lands not leased.

SEC. 2. The Secretary of the Interior is authorized to cancel the remaining balance of costs chargeable against Indian lands of the Cabazon, Augustine, and Torres-Martinez Indian Reservations for the drilling and operation of irrigation wells on these reservations and the wells on any of the lands

included in the said water district shall become the property of the owners of the surrounding lands on which they are located, but shall not be operated by the owners for irrigation purposes. The cancellation of these charges shall be reported in the reimbursable accounts rendered to the Comptroller General of the United States pursuant to the act of April 4, 1910 (36 Stat. 269, 270; 25 U. S. C. 145), as deductions from the total indebtedness of the project without regard to the fiscal years in which, or the appropriations from which, the expenditures were made.

SEC. 3. The Secretary of the Interior is authorized upon application therefor filed by any adult Indian owning allotted land who has the necessary training and experience to conduct his affairs without further assistance from the Government, on the Cabazon, Augustine, or Torres-Martinez Indian Reservations, including allotments heretofore made or that may be made after the date of approval of this act, to issue to such Indian a patent in fee to such lands.

SEC. 4. The Secretary of the Interior is authorized and directed to determine, on the basis of available surveys and other information, the total area of the irrigable and potentially irrigable Indian trust land on the Cabazon, Augustine, and Torres-Martinez Reservations, now productive or which can be made productive by leaching, leveling, or water development from sources other than through the use of irrigation facilities of Coachella Valley County Water District.

SEC. 5. The Secretary of the Interior is authorized and directed to prepare membership rolls of the Torres-Martinez, Augustine, and Cabazon Bands of Mission Indians as of June 30, 1949, and to allot not to exceed 40 acres of irrigable or potentially irrigable land on the reservations of the respective bands, if available, to all enrolled members who have not heretofore received allotments.

SEC. 6. When allotments have been made as provided in section 5 hereof, the owner of any trust allotment made prior to the date of approval of this act may, upon a finding by the Secretary of the Interior that such allotment is nonirrigable or nonproductive, be permitted, upon application therefor, to exchange such allotment for an equal acreage of unallotted, irrigable, or potentially irrigable land, if available.

SEC. 7. With the exception of Indian lands located under or adjacent to the Salton Sea, below a contour line of 220 feet below sea level and any 40-acre tract any part of which is at an elevation of 220 feet below sea level or lower, the Secretary of the Interior is authorized, with the consent of the interested band of Indians (a) to appraise and offer for sale within 3 years from the date of approval of this act any surplus, irrigable, or potentially irrigable land remaining after the allotments and exchanges have been made as provided in sections 5 and 6 hereof, such sales to be made at not less than the appraised value of the lands, and no purchaser shall be permitted to acquire more than 160 acres of such lands in the aggregate, nor any lesser number of acres of such lands which, if added to lands then owned or held by the purchaser, would cause said purchaser to become a "large landowner" as defined in the contract dated December 22, 1947, between the United States and the Coachella Valley County Water District entitled "Contract for Construction of Distribution System, Protective Works, and Drainage Works"; and (b) to appraise and offer for sale at not less than the appraised value all surplus, nonirrigable lands of the Torres-Martinez Band, under such conditions as the Secretary may prescribe; and (c) to cause patents in fee to be issued to the purchasers of such lands. The Secretary of the Interior is further authorized to acquire by purchase for and in behalf of the United States, and at such price as may be agreed upon between him and the Indian owners, any Indian lands, whether tribally or individually owned, located under or adjacent to the Salton Sea, below a contour line of 220 feet below sea level and any 40-acre tract any part of which is at an elevation of 220 feet below sea level or lower. The lands so acquired shall be reserved for the purpose of maintaining a drainage reservoir in said Salton Sea and shall not be exchanged or otherwise disposed of without the consent of the Congress. The amount acquired to complete such purchases is hereby authorized to be appropriated out of moneys in the United States Treasury not otherwise appropriated. The proceeds derived from all sales of lands made under the provisions of this section may, in the discretion of the Secretary of the Interior, be distributed at any time in cash per capita among the enrolled members of the respective bands, such distribution to be completed in any event within 5 years from the date of approval of this act.

SEC. 8. (a) That any restricted Indian lands, whether individually or tribally owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for public, religious, educational, recreational, or business purposes, including, but not limited to, airports, experimental stations, stockyards, warehouses, factories, and grain elevators, and for the production of highly specialized crops which require a substantial investment. All leases so granted shall be for a term of not to exceed 25 years, but leases for public, religious, educational, recreational, or business purposes may include provisions authorizing their renewal in the act of July 8, 1940 (54 Stat. 745; 25 years.

(b) Restricted lands of deceased Indians may be leased under this section for the benefit of their heirs or devisees, in the circumstances and by the persons prescribed in the act of July 8, 1940 (54 Stat. 745; 25 U. S. C. 390).

(c) All leases of restricted Indian lands designated under section 1 of this act shall include a provision that the lessee, in addition to the compensation payable to the lessor under the terms of the lease, shall pay all irrigation charges properly assessed against such lands pursuant to the provisions of section 1 hereof, and which become payable during the term of the lease. All leases to which this subsection applies shall be duly recorded in the office of the county clerk of the county in which the leased lands are located, the cost thereof to be paid by the lessee. A copy of each lease shall also be filed by the lessee with the Coachella Valley County Water District, or such other irrigation or water district within which the leased lands may be located.

(d) Rent or other payment for the use of land leased under this section shall not be collected or paid more than 5 years in advance unless so provided in the lease.

(e) Nothing contained in this section shall be construed to apply to leases for the exploitation of oil, gas, or other minerals, or to repeal or affect any authority to lease restricted Indian lands conferred by or pursuant to any other provision of law.

SEC. 9. The Secretary of the Interior is authorized to sell any restricted land of deceased allottees upon the application of the heirs or devisees owning a majority interest therein: *Provided,* That notice of the proposed sale and its terms shall be mailed to each of the heirs or devisees at his last known address and no valid objection is filed within 30 days from the date of mailing of such notice.

SEC. 10. The Secretary of the Interior is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of this act.

With the following committee amendments:

On page 2, line 24, after the word "authorized" insert "and directed."

On page 3, line 3, after the word "reservations", strike out the balance of line 3, all of lines 4, 5, 6, and line 7 down to and including the word "purposes" and insert "All wells located on any of the lands included in the said water district shall, together with the well sites, become the property of the owners of the surrounding lands, but none of such wells shall be operated for irrigation purposes so long as the lands on which they are located remain a part of said water district."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 801 (D) OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

The Clerk called the bill (H. R. 562) to amend section 801 (d) of the Federal Food, Drug, and Cosmetic Act, as amended, in relation to exports.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to make some inquiry of some member of the committee. I notice this bill is a very deserving one. It is amazing that heretofore there could have been exported from the United States, as the committee report shows, any drug or device, no matter how dangerous, as long as it accords with the specification of the foreign purchaser, and if in the country to which the article is being exported there was no law outlawing such dangerous, adulterated, or mislabeled product. Only a limited number of countries have effective pure food and drug laws.

This is a glaring example of what some people call "atheistic capitalism," shipping food and drugs abroad that are dangerous to the health of the people. Certainly it produces a very bad reaction against our own country when that happens.

The committee is to be congratulated. But I notice the committee made some amendments to the original bill. I am not going to object, but I am wondering if this bill passes, if it will enable any drug or medicine or anything that is harmful to human beings to be exported out of the United States, even if according to the law of the country to which it is being exported, it is not in violation of any law. I would like my friend to answer that inquiry.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SADOWSKI. The proposed amendments would make applicable to foods, drugs, and devices that are to be exported the same requirements that are applicable to such products in interstate commerce, unless such products comply with the foreign law or pharmacopoeia, different from our own law or the United States Pharmacopeia.

The committee went into this bill very thoroughly. We do not want to put any unnecessary, burdensome restrictions upon exporters. We did not want to hamstring the export business, yet we wanted to give full protection to all purchasers of these products.

Of course, a large majority of the exporters are in favor of this bill because they are largely complying with the provisions of the Food and Drug Act. There were only a few who were chiseling. The bill is better, we think, as it is amended than when it was originally introduced. We do not require the American exporter to become familiar with all of the laws and regulations of every foreign country. As long as he meets the requirement for goods in interstate commerce in the United States, we are satisfied with that.

Mr. McCORMACK. In other words, despite the lack of law in any other country, if these exported goods do not conform with the requirements established by law in relation to interstate commerce in the United States they cannot be exported; is that correct?

Mr. SADOWSKI. That is correct.

Mr. McCORMACK. I desired to make certain comments. I was amazed when I read this committee report to learn that such conditions existed. The committee is to be highly congratulated. I wanted to be sure that in the opinion of the committee the problem confronting the committee was adequately met by the provisions of the pending bill.

Mr. Speaker, I withdraw my reservation of objection.

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, the gentleman from Michigan is doing such an excellent job answering questions that I wish to ask him one myself. If I understand this bill it means that Americans traveling abroad can be sure of the purity of products manufactured in the United States when they buy them abroad.

Mr. SADOWSKI. That is correct.

Mr. CUNNINGHAM. Which is not the case at the moment. If this bill passes, however, the only way that Americans traveling abroad could get an inferior or dangerous product of United States manufacture would be if it had been adulterated after it left the United States.

Mr. SADOWSKI. That is correct.

Mr. CUNNINGHAM. It will strengthen our good neighbor policy as well, will it not?

Mr. SADOWSKI. That is right.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CUNNINGHAM. I yield.

Mr. McCORMACK. It will not only be for the benefit of Americans abroad but it will have the same beneficial effect upon the national of other countries; and if there is any adulteration it will be only after the product has left this country.

Mr. CUNNINGHAM. I think the gentleman is absolutely correct. It will protect practically everyone. The gentleman from Massachusetts knows that when an American travels abroad and goes into a drugstore to make a purchase, if he sees an American label on the goods he is more apt to buy the goods with the American label than goods with a foreign label, feeling that in the American product he gets a pure product and not an inferior one. I, too, feel that the committee is to be congratulated for its action in bringing out this bill. It should be passed unanimously.

Mr. SADOWSKI. The vast majority of American exporters are heartily in agreement with the purposes of this bill; there are only a few who do not comply already.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (d) of section 801 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 801 (d)), is amended to read as follows:

"(d) No proceeding shall be instituted under section 302, 303, or 304 based on an allegation that an article which has been produced for export is adulterated or misbranded if—

"(1) such article is labeled on the outside of the shipping package with the name and address of the foreign consignee or the words "For export";

"(2) such alleged adulteration or misbranding exists solely (A) by reason of the fact that such article is not labeled in the English language, if it is labeled in the language of the country to which such article is intended for export, or (B) by reason of compliance with a requirement established by or pursuant to the law of such country, or (C) by reason of noncompliance with a quantitative requirement in any standard established or recognized by or under section 401, 501 (b), 506, or 507, if a different but corresponding requirement with which such article complies, has been established or is recognized by or under the law of such country;

"(3) in cases referred to in subclause (B) or (C) of clause (2) of this subsection, the exporter, prior to the production of such article, obtains an authenticated copy of the currently applicable provisions of such law, or of such requirement, upon which the exporter relies; and

"(4) such exporter keeps such authenticated copy and makes it available for copying by any officer or employee of the agency on his request at any reasonable hour until 3 years after any export shipment is made to which such authenticated copy relates. But if such article is sold or offered for sale in domestic commerce, this subsection shall not exempt it from any of the provisions of this act."

With the following committee amendments:

Page 1, line 4, strike out "801" and insert "381."

Page 1, line 8, strike out "has been produced" and insert "is exported or delivered."

Page 2, line 2, insert "and" after the semicolon; and in line 4, strike out "solely"; and in line 10, strike out "quantitive requirement in any"; and in lines 12 and 13, strike out "requirement" and insert "standard"; and in line 15, strike out "country;" and insert "country or is prescribed by a pharmacopoeia in general use in such country."; and strike out beginning with line 16, page 2, down through line 2, page 3.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REHABILITATION OF THE SISSETON-WAHPETON SIOUX TRIBE OF INDIANS

The Clerk called the bill (H. R. 3765) to promote the rehabilitation of the Sisseton-Wahpeton Sioux Tribe of Indians and better utilization of the resources of the Sisseton Reservation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, this seems to be a very meritorious bill and one that I hope Congress will pass. It involves entirely too much money, however, to be considered on the Consent Calendar. I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CONVEYANCE OF CERTAIN MINERAL INTERESTS

The Clerk called the bill (H. R. 4800) to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes.

Mr. WHITE of Idaho. Mr. Speaker, reserving the right to object, this is a very important measure and I think the author of the bill should explain it to the House.

Mr. PACE. Mr. Speaker, the distinguished author of this bill is necessarily absent from the House this morning. I would be very glad to make a brief explanation.

Some years ago when the Farm Resettlement Authorization Act was passed, an organization which subsequently became the Farm Security Administration, those agencies acquired considerable acreage of land in the United States, mostly for the purpose of subdivision for sale to tenant farmers. In most cases the land was subdivided and sold to individual farmers but the Government retained the mineral rights in the land. The result is that there are hundreds of thousands of acres of farm land in different parts of the country where the farmer owns the surface of the land but the Government retains the mineral rights. This bill provides that where it is apparent to the Department of Agriculture that there is no market value to these mineral rights, that is, where there has been no mining, and no effort is being made to develop any minerals, the mineral rights shall be conveyed to the present owner of the surface of the land for $1 in order that the mineral rights and the title to the land may go together. It provides that wherever there is evidence of valuable mineral rights the Secretary shall make an investigation and shall sell the mineral rights at what he believes them to be worth. He shall determine their value and they shall be sold at the fair market value. The general purpose of the bill is to transfer to the owners of the surface of these farms the mineral rights which the Government acquired with the land, for which it

did not pay one penny, and which it did not transfer when it sold the land. The Government acquired the land for the purpose of resettlement and solely to preserve and improve the agricultural value. This gets the mineral title back into the holders of the fee.

Mr. WHITE of Idaho. What I want to know is who is entitled to the minerals in the land?

Mr. PACE. The bill provides it must be sold to a private person who now owns the title to the surface of the land.

Mr. WHITE of Idaho. My interest comes from the fact that many farms belong to the Federal land bank in the West. When the farmer lost title to his land to the land bank by foreclosure, the Federal land bank permitted him to rent the land and stay on it, then when times improved they let him buy it back but reserved the mineral rights. Hundreds of farms are producing oil but the man who owns the land, the man who pays the taxes, gets nothing out of it. Outsiders bought the oil rights, are producing oil and receiving the benefits. The man who developed the farm, who pays the taxes, is now out the oil. Through a harassing license clause with the Federal land bank. I want to know if that is the plan being followed by this bill.

Mr. PACE. All I can say about this bill is there is not anything in it that would benefit a previous owner of the land. The bill provides that the sale shall be made to the private person who at the time of the application is the owner of the surface of the land.

Mr. WHITE of Idaho. Mr. Speaker, with the understanding that only the man who owns the surface of the land is qualified to buy the mineral rights, I withdraw my objection. If any outsider can come in and take the mineral rights, then I would have to object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to sell, as hereinafter provided, all mineral interests now owned by the United States, which have been reserved or acquired by it under any program heretofore administered by the Resettlement Administration, or the Farm Security Administration, or now administered by the Farmers Home Administration, except the program administered pursuant to title III of the Bankhead-Jones Farm Tenant Act, as amended, and the program for the liquidation of labor camps pursuant to Public Law 298, Eigthieth Congress.

SEC. 2. Such mineral interests shall be sold only to private persons who shall apply therefor and who at the time of application are the owners of the surface of the land covered by the application. Applicants shall establish their title to the surface of the land covered by the application to the satisfaction of the Secretary at their own expense. Conveyances of mineral interests shall be by quitclaim deed executed by the Secretary or his delegate.

SEC. 3. In areas where the Secretary determines there is no active mineral development or leasing, the mineral interests covered by a single application shall be sold for a consideration of $1. In other areas the mineral interests shall be sold at the fair market value thereof as determined by the Secretary after taking into consideration such appraisals as he deems necessary or appropriate. Area determinations made by the Secretary pursuant to this section may be revised from time to time and the consideration to be obtained for the mineral interests in connection with any particular tract of land shall be determined by the rule applicable to the area in which the tract is located at the time of the application therefor.

SEC. 4. The Secretary is directed to authorize the Federal Farm Mortgage Corporation to sell and convey the mineral interests heretofore or hereafter acquired by it in conformity with the policy expressed in this act with respect to the mineral interests described in section 1 hereof.

SEC. 5. All proceeds from sales made under this act of mineral interests described in section 1 hereof shall be covered into the Treasury of the United States as miscellaneous receipts, except that the proceeds from sales of mineral interests which were a part of or derived from the assets transferred pursuant to the transfer agreements with State rural rehabilitation corporations shall be credited to the appropriate corporation account.

SEC. 6. The Secretary may make such rules and regulations and such delegations of authority as he may deem necessary to carry out the provisions of this act.

SEC. 7. No application for the purchase of mineral interests under this act shall be filed until 90 days after this act becomes effective.

SEC. 8. There is authorized to be appropriated to the Secretary such sums as Congress may from time to time determine to be necessary to enable the Secretary to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 12, after the word "determines" insert "after consultation with the Department of the Interior and competent local authorities that."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEMPORARY EXTENSION OF SECOND DECONTROL ACT OF 1947 WITH RESPECT TO TIN AND TIN PRODUCTS

The Clerk called the bill (H. R. 5044) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to know what the situation is. When I agree to a unanimous-consent request for consideration, it is understood, and by implication it is understood I assume by every other Member, that the bill is going to go through with the committee amendments. If any amendment is offered it is only after consultation with the committee. It seems to me the purpose of the Consent Calendar is being abused if every one of us sits here and gives consent, then suddenly an amendment is offered and a fight is precipitated.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. As far as the objectors on this side of the aisle are concerned, if we know in advance an amendment is going to be offered and we are not favorable to the amendment, we would object to the consideration of the bill. Not knowing an amendment was going to be offered, not having been consulted about it, we are not objecting; otherwise we might. I think the gentleman from Massachusetts is correct. All of these amendments should be first submitted to the objectors on both the Democratic and Republican sides. A bill came up for consideration a while ago. The gentleman from New York offered an amendment which had not been submitted to the objectors on this side of the aisle. Had it been submitted we might have had some objection to the consideration of the bill.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. SPENCE. When this bill was put on the Consent Calendar I thought there would be no objection to it. It was not a controversial bill. It was passed by the committee without going into executive session.

After that the Secretary of Agriculture wanted the bill to be amended to include fats and oils and rice products. We had a meeting of the committee this morning and there was a good deal of controversy in regard to this amendment. I told one of the objectors on the other side that an amendment would be offered. I thought I would notify him in advance. After we had the meeting I told the objectors there would be no amendments offered to the bill. Now I ask the gentleman to withdraw offering his proposed amendment because it will mean that the bill will not be passed.

We are going to consider his amendment. The Secretary of Agriculture is very much interested in it, but I hope it will not be offered to this bill because it would violate the agreement I had.

Mr. McCORMACK. The bill that has been reported out is a very important one and it is necessary to get it passed immediately.

Mr. SPENCE. The authority expires on June 30.

Mr. McCORMACK. If the gentleman offers his amendment it will only embarrass the situation.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Georgia.

Mr. PACE. I think I can say to the gentleman from Massachusetts that the passage of this amendment today is just as important, if not more important, than the passage of the bill which it seeks to amend.

The situation is this: This is the 20th day of June. During the war and in 1946, 1947, and 1948 the Department of Agriculture paid a high price to secure an increased production of flax in order that there might be an adequate supply of linseed oil. Your Government now has on hand 20,000,000 bushels of flax in

which it has an investment of about $6 a bushel. Our great neighbor to the north has about 11,000,000 bushels of flax ready to move into the United States on the 1st day of July. The Argentine has in seed or oil equivalent to about 38,000,000 bushels. That will break the price at least $1, if not $2, on the 20,000,000 bushels owned by the Government. The Argentine during the war, although it had flax, proposed to sell it to us at $9 a bushel. Rather than submit to that price the program in the United States was put into effect. Therefore, if this amendment is not offered to this bill and adopted it is calculated to cost your Government between $20,000,000 and $50,000,000. Nobody in this country is more interested in the adoption of this amendment than the Secretary of Agriculture. Now it is proposed that at a later date, maybe during the week, some consideration will be given to this amendment by the Committee on Banking and Currency. I respectfully submit that time does not permit the consideration of two bills extending the war powers as regards to imports.

The bill before you relates only to tin, extending the power controlling the import of tin into the United States. The amendment I have offered in behalf of the distinguished chairman of my committee, who is necessarily absent and, I believe, in behalf of the majority of the members of the House Committee on Agriculture, and I know in keeping with the wishes of the Secretary of Agriculture, is to simply say that if you are going to temporarily extend the power to control the imports of tin you shall at the same time continue the controls on the imports of fats and oils and the particular item at stake, which is flax. That is the situation.

I think I would be derelict in my duty, certainly at the moment as acting chairman of the Committee on Agriculture, if I did not submit to you this amendment and this explanation of the situation and appeal to you, if no more than for the saving of $20,000,000 to $50,000,000, that you put this amendment on the bill and let it go to the Senate along with the bill. Somebody has intimated to me that maybe the paint people would object. I do not know, but I know that your Government has spent millions and millions and millions of dollars in order to increase the production of flax in order that the paint people might have linseed oil for their paints. I do not believe that the paint people of this Nation, after their Government has supplied them with the linseed oil they need, would now come in and object to saving our Government twenty, thirty, forty, or fifty million dollars by not letting these imports flood into this country.

I am told that at this hour there is an enormous world surplus of flax, and if we vote down this amendment, in my judgment you will just have unwittingly contributed to an expenditure of somewhere between $25,000,000 and $50,000,000. The only thing that is important is time. If you think that the Committee on Banking and Currency at some later date can get consideration of this bill under a rule or that it can be passed on the Consent Calendar, it will be too late. It cannot be passed on the next suspension day, because it will be too late. If you think the Committee on Banking and Currency can have a hearing and get this bill on the floor and get it passed and to the other body and passed there before midnight of June 30, then vote against the amendment.

But if you see that there is a real danger of these things not happening, then in behalf of the Secretary of Agriculture, and in behalf of the Treasury of the United States, I appeal to you to support this amendment. That is the reason it is offered.

I regret that the distinguished Democratic leader feels that it should not be considered.

Mr. McCORMACK. What the gentleman says about his regrets concerning the distinguished Democratic leader does not concern me in this discussion. I am standing for the regular order. The gentleman has made reference to the paint business. I do not know anything about the paint business.

Mr. PACE. I do not, either.

Mr. McCORMACK. Well, the information was that somebody objected because of the paint business. The Secretary of Agriculture has not talked to me, and neither has the President, but he has talked to me about the bill pending. It seems to me that when bills are brought up on the Consent Calendar, it is understood that when consent is granted the bill will go through as reported out by the committee, and every Member is justified in assuming that. And that only committee amendments will go in or other amendments will be taken up with the committee and the committee will agree to them first.

I have never offered an amendment yet, but what I have taken it up with the committee. That last one I offered I discussed with the chairman and then when there was objection I withdrew it rather than subject the House to the uncomfortable situation of having a fight precipitated. I am asking that the regular procedure be followed here. If the gentleman wants to take the responsibility of delaying this bill, unless he gets his amendment, then the gentleman will have to take that responsibility, because the amendment is not before the House at the present time and cannot be until the unanimous consent of the House is granted for the present consideration of the bill.

The SPEAKER pro tempore. The Chair will state the parliamentary situation. Unanimous consent has not been granted for the consideration of this bill and the gentleman from Massachusetts, [Mr. McCORMACK] has the floor on a reservation of objection.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CUNNINGHAM. After the colloquy had with the distinguished gentleman from Massachusetts about taking up amendments with the committee of objectors on the Consent Calendar, in fairness to the gentleman from Kentucky [Mr. SPENCE], I want to say that he called me on the telephone. I believe this is the bill he referred to and he said that an amendment might be offered. Since the discussion has arisen here on the floor, we have been given copies of the proposed amendment and so far as the official objectors on this side of the aisle are concerned, we have no objection to the consideration of the amendment at this time. In fact, we think it is a meritorious amendment provided that it does not interfere with the reciprocal trade agreements.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SPENCE. Mr. Speaker, we had a meeting of the committee this morning. Before we had that meeting I called up some of the objectors on the other side and told them that this amendment would be offered. Afterwards there was some objection raised to it and I told them it would not be offered. I feel that I have to carry out my promise, so far as I am concerned, unless they relieve me of that promise. I think the matter of my good faith and fair dealing is involved. None of these arguments have any effect upon me as long as that promise was made to the committee. I believe it is the duty of the chairman of the committee, who introduced the bill and asked for its consideration by unanimous consent to tell the committee if any material amendments would be made to it. Since we had the meeting this morning I told the Secretary of Agriculture that no action would be taken on the amendment today; that we would have hearings on the bill and would endeavor to report it out at the earliest possible moment. That is the status of the case now. I have no objection to the amendment. I have no doubt the committee will report a bill and I have no doubt it will report it in time for it to be considered. But unless the objectors on the other side release me from the promise I made to them, I will be compelled to vote against that amendment now.

Mr. CUNNINGHAM. We did release the gentleman a moment ago when I said that we have no objection to the amendment being considered at this time.

Mr. McCORMACK. Mr. Speaker, I want to ask the gentleman from Georgia this question. If permission is granted does he intend to offer his amendment? If he does, I shall object. I will take the responsibility of doing that. The gentleman has the promise that the committee will hear him, and he has my assurance that if the bill is reported, I will cooperate as I always have. I have even spoken for peanuts.

Mr. PACE. What has that to do with this situation?

Mr. McCORMACK. I say that just to show my cooperation. This is a different proposition now.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. PACE. As I said, I am not personally interested in flax. I have never seen a flaxseed in my life, that I know of. The only thing I am doing is trying to

serve my committee and the chairman of my committee. For the moment at least I am constrained to say that if the bill is up for consideration, I will be required to offer the amendment.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CRAWFORD. Does the chairman of the Committee on Banking and Currency feel that his committee can handle this matter expeditiously?

Mr. SPENCE. Yes. I think the Secretary of Agriculture made a mistake when he sent it to the other committee.

Mr. CRAWFORD. Mr. Speaker, I object to the present consideration of the bill.

POLICING OF THE SUPREME COURT BUILDING AND GROUNDS

The Clerk called the bill (H. R. 4948) relating to the policing of the building and grounds of the Supreme Court of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, I notice that in this particular bill if a constituent of mine happens to step on the grass of the Supreme Court grounds he is liable to a fine of $100 or imprisonment for 60 days. I wonder if section 2 is not rather picayunish and nonessential to the real purpose and intent of the bill.

I think unless this bill can be amended so as to remove particularly objectionable items, and reduce it to the purpose for which it is supposed to be, I shall be forced to ask that it be passed over without prejudice.

Mr. BRYSON. Mr. Speaker, will the gentleman yield?

Mr. H. CARL ANDERSEN. Yes, I yield.

Mr. BRYSON. I would like to make a very brief explanation as to the necessity and the importance of this bill.

Since time immemorial the guards or special police officers in and around the Supreme Court Building have been functioning under commissions granted to them by the Commissioners of the District of Columbia. Under some interpretation of the legal staff of the District Commissioners, they have reached the conclusion that they do not have authority to commission officers to guard the Supreme Court Building and its immediate environments. As a result, the entire Supreme Court went into conference and this bill was really drawn at the suggestion of if not actually by the members of the Supreme Court.

Mr. H. CARL ANDERSEN. If the gentleman will please read section 2 of the bill, it states as follows:

Public travel in and occupancy of the Supreme Court grounds is hereby restricted to the sidewalks and other paved surfaces.

Under section 8 the penalty for violating section 2 is a fine of $100 or 60 days in jail. To me it looks more or less like blue laws that were passed some 200 years ago rather than at this supposedly enlightened age. Unless the gentleman will take section 2 out of the bill, together with the portion of section 4 which makes it unlawful to step upon the turf of these particular grounds, I shall personally have to object, much as I dislike to disagree with the committee and with the gentleman.

Mr. BRYSON. I am sure, knowing the gentleman as I do, that he would know the Supreme Court would be as reasonable about these matters as the Commissioners have been or as the police officers have been. Since I have been in Congress I remember seeing pickets marching in and around the Supreme Court Building.

Mr. H. CARL ANDERSEN. I do not object to section 6, concerning which the gentleman is speaking, but I do object to these people who happen to step upon the grass, without knowing of such a penalty, being subject to this penalty. Everyone who makes such a mistake is liable to a fine of $100 or being put in jail for 60 days. It does not seem reasonable to me, nor necessary to the real purpose behind this legislation.

Mr. BRYSON. I am sure the gentleman knows that similar provisions are written into the law protecting the Capitol and its grounds. I have not heard of any flagrant restrictions on the part of any legitimate use of the building or grounds.

Mr. H. CARL ANDERSEN. Mr. Speaker, there is no further need for discussion. Until the bill can be brought back from the committee with these particular objections removed, I am forced to regretfully object. Therefore, I will ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

EXTENSION OF REMARKS

Mr. CANNON. Mr. Speaker, I have a report from the Government Printing Office on the extent of cost to print the speech of General Marshall. They place it at $318.75. In view of the fact that it includes the addresses of General Marshall and the President of the United States, I ask unanimous consent that it be printed notwithstanding.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

RESTORING OF HOUSE RESOLUTION 174 TO THE CONSENT CALENDAR

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the action of the House in passing House Resolution 174 be vacated, and that the resolution be restored to the Consent Calendar without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. NICHOLSON and Mr. ALLEN of California objected.

Mr. DOUGHTON. Mr. Speaker, when the bill was called on the Consent Calendar previously I let it be passed over without objection. Today I objected. Apparently the Speaker did not hear me. I was on my feet. I feel as though I am getting a raw deal. Twice I did not object to its being passed over.

The SPEAKER. The Chair will state that in view of the statement by the gentleman from North Carolina that he was on his feet and objected, although the Chair did not hear him, that under these circumstances the Chair will be very much pleased if there is no objection to the request of the gentleman from North Carolina.

Mr. DOUGHTON. This matter is a duplication of what has been done under House Resolution 147 by the State Department.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ALLEN of California. Mr. Speaker, I regret very much to insist on my objection but the resolution is one introduced by the ranking member of the Committee on Merchant Marine and Fisheries. The author of the resolution is not present at the moment. I know that he felt rather keenly that the Attorney General should have an opportunity to report on this bill. For that reason, under the circumstances, I feel that I must insist on the objection.

The SPEAKER. The gentleman from California objects.

PURCHASE OF ADDITIONAL FARMING LAND FOR LEAVENWORTH PENITENTIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill Calendar No. 230, H. R. 4585, to authorize the purchase of additional farming land for Leavenworth Penitentiary. I have consulted with the Speaker, the majority leader, the minority leader, and the official committee objectors on both sides of the aisle. The purpose of the bill is to buy 640 acres of land at a very desirable price, $50 an acre, or $3,500 for the total, for land needed by the Leavenworth Penitentiary.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MICHENER. Mr. Speaker, reserving the right to object, the committee held hearings on the bill, I assume?

Mr. HOBBS. Yes.

Mr. MICHENER. I feel sure there is not a Member who would object to the bill if he knew what the bill was.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized to acquire on behalf of the United States, by purchase with any funds available to the Department of Justice for such purposes, at a price not to exceed $35,000 and on terms and conditions satisfactory to him, 640 acres of land, more or less.

With the following committee amendment:

Page 1, line 8, after the word "less", insert the following: "for use in connection with the operation of the United States Penitentiary at Leavenworth, Kans."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POST-OFFICE FACILITIES AT LOS ANGELES, CALIF.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to return to Calendar No. 202, for the present consideration of the bill (H. R. 1154) to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $900,000, or so much thereof as may be necessary, to carry out the provisions of this act, for completion and equipment of the additional story and the extension and remodeling of the existing Terminal Annex Station, Los Angeles, Calif., in addition to the amount previously authorized by the act entitled "An act to provide for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes," approved June 29, 1948 (Public Law 832, 80th Cong.).

With the following committee amendment:

Page 1, line 4, strike out "$900,000" and insert in lieu thereof "$800,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PRESIDENT'S COMMITTEE ON NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

Mr. KELLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 228 authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know what this bill does.

Mr. KELLEY. Mr. Speaker, under the Retraining and Reemployment Administration, United States Department of Labor, a cooperating committee of citizens representing organizations of business, industry, labor, women's, veterans', professional, civic, fraternal, religious, farm, and other groups was formed. When the RRA statutory authority expired in 1947, the President deemed it necessary to continue to receive the assistance of private and public groups for this program. He asked the Secretary of Labor in August 1947 to re-form such a representative citizens' committee.

The bill would authorize an expenditure of $75,000 annually for additional promotional and educational measures.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

Mr. POTTER. Mr. Speaker, reserving the right to object, I would like at this time to commend the commission for its very active work and for the sponsoring of this matter. It has done a very magnificent job.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That in order to effectuate the purposes of National Employ the Physically Handicapped Week and in order to enable the President to provide the President's Committee on National Employ the Physically Handicapped Week with adequate personnel to assist in its activities, and otherwise to provide the committee with the means of carrying out a program to promote the employment of physically handicapped persons, by creating Nation-wide interest in the rehabilitation and employment of the handicapped and by obtaining and maintaining cooperation from all public and private groups in the field, there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $75,000 to be expended in such manner and by such agencies as the President may direct, for the work of the President's Committee on National Employ the Physically Handicapped Week.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 250 will be laid on the table.

There was no objection.

BALTIMORE-WASHINGTON AND SUITLAND PARKWAYS

Mr. WHITTINGTON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2214) to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway and the Suitland Parkway in the State of Maryland as extensions of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That hereafter all lands and easements heretofore or hereafter acquired by the United States for the right-of-way for a military road, constructed by the War Department, between the eastern approaches of the South Capitol Street Bridge in the District of Columbia and the vicinity of the entrance to Andrews Field in the State of Maryland, including any lands required for additional connections to the Maryland road system, shall be regarded as an extension of the park system of the District of Columbia and its environs, to be known as the Suitland Parkway, and it shall be developed, administered, and maintained by the Secretary of the Interior, through the National Park Service, subject to the provisions of the act of Congress approved August 25, 1916 (39 Stat. 535), the provisions of which act, as amended and supplemented, are hereby extended over and made applicable to said parkway, insofar as they are not inconsistent with the provisions of this act.

SEC. 2. The parkway shall be developed, operated, and administered as a limited access road primarily to provide a dignified, protected, safe, and suitable approach for passenger-vehicle traffic to the National Capital and for an uninterrupted means of access between the several Federal establishments adjacent thereto and the seat of government in the District of Columbia. To avoid impairment of this purpose, the Secretary of the Interior, with the concurrence of the Federal Works Agency, shall control the location, limit the number of access points, and regulate the use of said parkway by various classes or types of vehicles or traffic.

SEC. 3. The Secretary of the Interior in his administration of the Suitland Parkway is authorized, in his discretion, to accept from private owners, State and local governments, lands, rights-of-way over lands, or other interests in lands adjacent to such parkway, and also to accept the transfer of jurisdiction to the Department of the Interior of adjacent lands for park and recreational purposes from any Federal agency or department, without reimbursement to such Federal agency or department having jurisdiction thereof, when such transfer is mutually agreed upon by the Secretary and such department or agency; and such transfer of jurisdiction by any such department or agency of the Federal Government in possession of such lands is hereby authorized.

SEC. 4. That money appropriated for parkways administered by the National Park Service by the Department of the Interior Appropriation Act each fiscal year shall be available for expenditure for continuing the construction, development, maintenance, and policing of the Suitland Parkway.

The SPEAKER. Is a second demanded?

Mr. DONDERO. Mr. Speaker, I demand a second.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the bill now under consideration involves a transfer of two highways or parkways to the National Park Service, one known as the Suitland Parkway, extending between Bolling Field and Andrews Field, a distance of about 9 miles, and the other known as the Baltimore-Washington Parkway, on which latter a little work has been done.

The Suitland Highway was constructed as a war measure and out of funds that were appropriated for the prosecution of the war. Following the close of the war that highway was declared surplus. It involved the construction of two lanes on one side of the parkway 24 feet wide. It involved the acquiring of a right-of-way from 300 to 700 feet wide between Bolling Field and Andrews Field by way of Suitland. The two-lane highway to the east, 24 feet wide, has been constructed. It was necessary to acquire many parcels of land or lots; so that this parkway, with the exception of the west lane now being used as a parkway, has been completed.

Under the Surplus Property Act, if it is not transferred, and retained by the Government, the property would then be made available to those from whom it was acquired. The highway is a magnificent one and was constructed at an expense of $3,000,000. The right-of-way cost about $800,000, and is from 300 to 700 feet wide.

The purpose of this amended bill is to transfer the property to the National Park Service so that the parkway may be maintained and used to Andrews Field and used to and by Suitland where we

have Federal works, among others the Department of Census.

The bill as introduced also provided for a parkway between the city of Washington and Fort Meade being taken over as a part of the National Park Service. That parkway was partially initiated under a fund of about $2,000,000 that the President of the United States transferred to the Public Roads Administration as the remaining funds for highway construction out of the National Industrial Recovery Act.

With that $2,000,000 the Public Roads Administration acquired rights-of-way amounting to about $300,000, and acquired rights-of-way from Government agencies substantially from the District line to Fort Meade. They were owned largely by Government agencies, except through Greenbelt, the new development out there. That $2,000,000 was further spent in grading about 3 miles from the District toward Fort Meade and about 3 miles from Fort Meade toward the District. That parkway from here to Fort Meade would be about 18 miles, and it is contemplated that beyond Fort Meade the State of Maryland, with Federal aid funds, but locally without such funds, will construct a road into the city of Baltimore, so that ultimately there will be a parkway connecting Washington and Baltimore. Now, then, that work has just begun. As introduced, the bill would contemplate the expenditure of $11,000,000 or more at Federal expense to build a parkway between Washington and Baltimore. The other end road beyond Fort Meade running into the city of Baltimore is under way.

Now, the committee amended the bill. There is no emergency with respect to the title to the property that the Government has acquired for the grading and for the road from the District line to Fort Meade, and the bill leaves the matter for further determination, because among other things, under the Federal Highway Act of 1946, the Public Roads Administration is to submit a report on regional highways.

So this bill does not provide for any appropriation. This bill conserves for the public in the District of Columbia and in the State of Maryland a parkway that is much used, and it delays for further determination the matter of the parkway from Washington to Baltimore.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I want to congratulate the gentleman and his committee on bringing this bill up under suspension of the rules. I might also add that the Committee on Rules had this measure before it, heard the explanation of the bill, and by unanimous vote granted a rule for the consideration of this measure. However, this procedure saves time. I might add that the Committee on Rules found that the measure was a very meritorious one. As explained by you, it costs no money at this time, but it is a very wise action on the part of the Government. I congratulate the gentleman on bringing out this bill.

Mr. WHITTINGTON. I thank and agree with the gentleman from Ohio [Mr. BROWN].

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. I quite agree that it would be a fine thing to have a parkway between Washington and Baltimore, but I am wondering how you are going to construct this highway if you say it costs no money.

Mr. WHITTINGTON. Pardon me, this bill does not provide for the Washington-Baltimore Parkway. It eliminates that provision from the bill. The committee amended this bill so as to eliminate the Washington-Baltimore Highway from the provisions of the bill. It does not provide for its construction.

Mr. RICH. I am interested in seeing that a good highway is built between here and Baltimore.

Mr. WHITTINGTON. So are we, and we will determine that matter later.

Mr. RICH. I do not know why the State of Maryland does not share any expense connected with the construction of this highway. I think they ought to build one. I think the State of Maryland ought to go ahead.

Mr. FALLON. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Maryland.

Mr. FALLON. In explanation of the gentleman's question, in 1942, as explained by the gentleman from Mississippi [Mr. WHITTINGTON], the President allocated $2,000,000 to build this highway into Fort Meade. It was during the war. The war ended. The work has been stopped. $2,000,000 of the Government's money has been spent on this highway into Fort Meade. There was an agreement made at that time that the State of Maryland would bring this highway from Baltimore City into Fort Meade, to bring these two parkways together. The State of Maryland in 1951 will have completed its end of the highway into Fort Meade. Those two highways were separate, because one was an emergency and the other was a future plan. We are now introducing a clean bill on the Washington-Baltimore Highway so that some disposition can be made to finish the highway running into Fort Meade. How it will be financed will be taken up at another time, but that has nothing to do with this bill at all.

Mr. RICH. I would like to have the gentleman from Maryland understand this, that I am in sympathy with the construction of a highway between here and Fort Meade to get around Baltimore, because we need it.

Mr. FALLON. It is now the most inadequate highway in the eastern part of the United States.

Mr. RICH. When you build that highway, just remember this, that the State of Maryland should have a big share in the construction of it.

Mr. WHITTINGTON. Mr. Speaker, I yield myself a half a minute to answer the question further.

As the gentleman from Maryland has indicated, this grading and acquiring of a right-of-way at an expense of $300,000 was out of a fund which was appropriated not as a war fund, but out of a fund which was the remainder of the old National Industrial Recovery Act funds. It is the opinion of the committee that when this road is built the State of Maryland should participate in it. At the present time in the pending bill no provision is made for the further building of the Baltimore-Washington parkway.

I extend to say that while the Washington-Baltimore parkway to Fort Meade was begun during the war, it was not begun with war funds. The President of the United States allocated $2,000,000 to the Federal Works Agency as the balance remaining of the appropriation in the National Industrial Recovery Act for the purpose of initiating the Washington-Baltimore parkway to Fort Meade. About $300,000 were expended for rights-of-way, and the remaining $200,000 was expended in grading a distance of about 3 miles from the District line toward Fort Meade and about 3 miles from Fort Meade toward Washington. A right-of-way from three to seven hundred feet has been acquired but the title is in the Government. There is still some work to be done with respect to the title in the vicinity of Greenbelt.

There is no connection between the Washington-Baltimore parkway and the Suitland parkway. They are completely separated from one another, but the Suitland parkway involves surplus war property and is really an emergency. There is no occasion for any additional expenditures on the Suitland highway immediately. One or two crossings should be constructed and at a later date the west-bound lane should be constructed. The value of a 24-foot east-bound lane is quite apparent when we realize that the Mount Vernon highway is generally only 40 feet wide. Pending a report on regional highways and the Federal contribution therefor, the committee deemed it wise to eliminate the consideration of the Washington-Baltimore highway from the pending bill. The committee, therefore, amended the bill so as to eliminate the Washington-Baltimore parkway and to leave that parkway for future determination and legislation. The rights-of-way are in the Government. The grading should be preserved and the 6 miles can be preserved pending determination.

As introduced, the bill contemplated the Federal Government's paying the entire cost of the parkway to Fort Meade. The probability is that in regional highways the Public Roads Administration will recommend a larger Federal contribution than the 50 percent that now obtains in Federal aid highways. Moreover, it will be 2 or 3 years before a four-lane highway is completed, even with partial Federal aid, between Fort Meade and Baltimore. The committee feels that there is a need for an additional highway between Washington and Baltimore. The com-

mittee also feels that the real bottleneck to interstate travel is in the city of Baltimore, and that another highway without eliminating the bottleneck that now obtains in the city of Baltimore will not completely solve the problem. As amended the bill makes adequate provision for taking over the Suitland parkway, but makes no provision for the further construction at present of the Washington-Baltimore parkway.

Mr. Speaker, I reserve the balance of my time.

Mr. DONDERO. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the distinguished chairman of our committee has given a clear and complete statement regarding the object of this bill. I can add nothing to it. Therefore I yield back the balance of my time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 247 was laid on the table.

EDEN PROJECT, WYOMING

Mr. PETERSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 55) to authorize completion of construction and development of the Eden project, Wyoming.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. RICH. Mr. Speaker, reserving the right to object, may we know what this bill does?

Mr. PETERSON. Mr. Speaker, this authorizes the completion of the construction and development of the Eden project in Wyoming. It was started in 1941. About 16 percent of the project was completed at that time. Then in 1942, on account of the scarcity of materials and because of the necessity for producing materials of war, the construction was stopped. This bill is for the purpose of revamping the project and authorizing the completion of it. It was reported out unanimously by the committee. The committee took testimony and went into the problem, and feels this is the best way to authorize the completion of the project and salvage what has been done. This will take care of considerable private land. There are reimbursables which will come back to the Government. In addition to that, there are approximately 10,000 acres of public land which will be reclaimed.

Mr. RICH. It was held up during the war?

Mr. PETERSON. During the war it was held up on account of the scarcity of material.

Mr. RICH. Now it is expected to start on this project again. Do you feel that the money being expended is going to be returnable on the basis of rentals that you are receiving?

Mr. PETERSON. Yes; the great portion of it will come back. This will salvage it. The gentleman from Wyoming [Mr. BARRETT] is familiar with it. We feel it is a very deserving measure. Unfortunately, the project had to be stopped of course on account of the war. This will salvage what has already been done, and permit the completion of work which we feel, duty bound, should be done.

Mr. RICH. How long will it take to complete the project?

Mr. PETERSON. That depends. Of course, it is being done piecemeal.

Mr. RICH. Has money already been appropriated for the project?

Mr. BARRETT of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. BARRETT of Wyoming. May I say to the gentleman from Pennsylvania that an appropriation was made for several of these Great Plains projects and as the gentleman from Florida has stated construction was started on this project before the war and the Eden project is about 16 percent completed at the present time. I may say further that I understand that $1,493,296 heretofore appropriated is still available and may be used on the project. Under the provisions of the Great Plains Project Act it was intended to use WPA and CCC labor as a contribution toward construction costs, and this bill is necessary to reauthorize the project because that type of assistance is no longer available. This bill will permit the completion of the project that was originally proposed to be constructed under the Plains Project Act and later held up during the war by order of the War Production Board.

Mr. PETERSON. It is being worked out piecemeal.

Mr. RICH. What will be required in additional money now to complete the project?

Mr. PETERSON. The total cost over a long period of time will only run to about $6,100,000. The reimbursables only increase it a very small amount.

Mr. BARRETT of Wyoming. I may say that under the present act the cost of the reclamation features amount to $3,135,000 and the cost of the agricultural features will total $1,375,000 as I understand the situation. I trust the gentleman from Pennsylvania will not object to this bill. The cost has been reduced under the new estimates.

Mr. PETERSON. That is right.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to complete the construction, including any necessary preconstruction surveys and investigations, of the irrigation features of the Eden project, Wyoming, as approved by the President on September 18, 1940 (S. Doc. No. 18, 77th Cong., 1st sess. (1941), p. 29), with such modification in physical features as the Secretary of the Interior may find will result in greater engineering and economic feasibility: *Provided*, That of the construction costs of the irrigation features of the project not less than $1,500,000 for the project of 20,000 irrigable acres, or a proportionate part thereof based on the actual irrigable area as determined and announced by the Secretary of the Interior upon completion of the project, shall be reimbursable by the water users in not to exceed 60 years, and provision for the recovery thereof and for payment of the operation and maintenance costs of the irrigation features of the project shall be made by a contract or contracts satisfactory to the Secretary of the Interior: *Provided further*, That construction costs of the irrigation features of the project which are not hereby made reimbursable by the water users shall be set aside in a special account against which net revenues derived from the sale of power generated at the hydroelectric plants of the Colorado River storage project in the upper basin shall be charged when such plants are constructed.

SEC. 2. That the Secretary of Agriculture is authorized to complete the land development and settlement features of the project in accordance with the general plan approved by the President on September 18, 1940, including the acquisition of such lands, or interests in lands, as may be necessary, and the extension of technical advice and assistance to settlers in matters of farm practice, soil conservation, and efficient land use: *Provided, however*, That the total reimbursable cost of the land development and settlement features of the project shall be not less than $373,000 for the project of 20,000 irrigable acres with proportionate adjustment, if necessary, based on the actual irrigable area as determined upon completion of the project.

SEC. 3. To carry out the purposes of this act, the Secretary of the Interior and the Secretary of Agriculture are hereby authorized to allot any moneys available from appropriations heretofore made to the Department of the Interior and the Department of Agriculture, respectively, for "water conservation and utility projects" and "water conservation and utilization projects," and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Department of the Interior and the Department of Agriculture, respectively, such sums of money as may be necessary to complete the project.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SURVEY OF FOREST RESOURCES

Mr. SIKES. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2001) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources.

The Clerk read as follows:

Be it enacted, etc., That to enable the Secretary of Agriculture to complete and keep current for the United States the forest survey authorized and directed by section 9 of the act of May 22, 1928, as amended, (45 Stat. 699, 702; 58 Stat. 265; 16 U. S. C. 581h), said section is hereby amended to read as follows:

"That the Secretary of Agriculture is hereby authorized and directed, under such plans as he may determine to be fair and equitable, to cooperate with appropriate officials of each State of the United States, and either through them or directly with private and other agencies, in making and keeping current a comprehensive survey of the present and prospective requirements for timber and other forest products in the United States, and of timber supplies, including a determination of the present and potential productivity of forest land therein, and of such

other facts as may be necessary in the determination of ways and means to balance the timber budget of the United States. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed $1,000,000 annually to complete the initial survey authorized by this section: *Provided*, That the total appropriation of Federal funds under this section to complete the initial survey shall not exceed $11,000,000. There is additionally authororized to be appropriated not to exceed $1,500,000 annually to keep the survey current."

The SPEAKER. Is a second demanded?

Mr. RICH. Mr. Speaker, I demand a second.

Mr. SIKES. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. RICH. Mr. Speaker, will the gentleman explain what this bill does?

Mr. SIKES. Mr. Speaker, this bill proposes to complete a forest survey which was undertaken about 20 years ago. There are in the Nation about 625,000,000 acres of forest land and about 225,000,000 acres of that have never been fully surveyed. We know that our once vast forest resources are being very rapidly depleted and we may within a relatively few years reach a dangerous situation wherein there is an actual shortage of timber for lumber and the great woodworking industry. I may point out to my friend this is going to cost more money than was first thought necessary. This bill increases the authorization from $6,500,000 to $11,000,000. That increased cost is due to two things. First, a much more thorough job is now being done than was first undertaken. Next, it costs more to do everything now than it did 20 years ago.

Mr. RICH. Do you mean to tell me that during the last 15 years, when we have spent millions and hundreds of millions of dollars building roads and trails through our national forests and spending millions upon millions of dollars on our national forests, that we do not know now what we really have?

Mr. SIKES. Two hundred and twenty-five million acres of our forest lands have never been surveyed so that we could give an accurate statement about the timber resources carried, kind of timber and how much timber is on it. We have estimates, but no positive information about the kind and amount of timber on that land. In addition resurveys are needed on much of the land previously surveyed.

Mr. RICH. How does it happen that the Department of Forestry in the Department of Agriculture does not know what we now have after having spent these hundreds of millions of dollars? It seems to me that something is wrong in Denmark.

Mr. SIKES. The money to which the gentleman refers was not spent on surveying these lands nor was it intended to be. The Forest Service has many duties to perform and for these we have appropriated money. We now propose to complete the survey and thereby to give the Nation a detailed report of the forestry resources of the United States.

Mr. RICH. I realize you ought to know what you have, but it seems to me we have been very dilatory in the past 10 or 15 years in what we have been doing. With all the legislation that I have seen go over this floor, you do not know now what you have got.

Mr. SIKES. We are trying to remedy that situation right now by the passage of a bill to tell us what forest resources we have.

Mr. RICH. It is about time you corrected a lot of things around here, and if you do not correct them you will not have any country pretty soon, because this thing is about all that it can stand. We have just about reached the limit.

Mr. SIKES. May I yield to my friend, the gentleman from Ohio [Mr. McSWEENEY]? He pioneered this work in earlier Congresses.

Mr. McSWEENEY. Mr. Speaker, during the last war, when there was a demand for 30,000 truck bodies, if it had not been for a survey of the lumber that we had made under the original bill, which this bill augments, the Government would not have known where to go to get that vast amount of lumber.

Mr. RICH. The thing that bothers me is this: You have got your forest rangers in every section of the United States. You have employed men by the thousands for the last 15 years. Do you mean to tell me that those forest rangers and game wardens and such men do not know where we have the forests and the trees that we are able to cut? You certainly could not have had men who had at least any sign of intelligence if they did not know that much. After all the money we have spent in the Forestry Department of this Government, it seems to me ridiculous that we have to spend $11,000,000 more now to find out what we have.

Mr. SIKES. Not $11,000,000 more, but to increase the amount authorized from $6,500,000 to $11,000,000. The $6,500,000 has already largely been spent. We need the additional money to complete the survey. Now let me say again that the Forest Service had many other tasks than making surveys. Their jobs had to do with other things than making detailed reports on forest resources.

Mr. RICH. This is not a bill to give more men employment in the Forestry Service, is it?

Mr. SIKES. No. It is a bill to complete a survey of the forestry resources of the Nation.

Mr. RICH. With reluctance I withdraw my objection.

The SPEAKER. This is a motion to suspend the rules.

The question is, Shall the rules be suspended and the bill passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

REPEALING CERTAIN OBSOLETE PROVISIONS OF LAW RELATING TO THE NAVAL SERVICE

Mr. BROOKS. Mr. Speaker, a short while ago the House passed by unanimous consent the bill H. R. 4573. S. 1794 has passed the Senate and is a very similar bill. There are two amendments in the House bill.

I ask unanimous consent for the immediate consideration of the bill S. 1794, an act to repeal certain obsolete provisions of law relating to the naval service.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Be it enacted, etc., That the following acts and parts of acts are hereby repealed:

Section 434, Revised Statutes.

That portion of the first sentence of section 436, Revised Statutes, which reads as follows: "or professor of mathematics"; and the second sentence of said section, which reads as follows: "Such officer or professor, when so employed, shall be entitled to receive the shore-duty pay of his grade, and no other."

Section 1367, Revised Statutes.
Section 1381, Revised Statutes.
Section 1401, Revised Statutes.
Section 1402, Revised Statutes.
Section 1403, Revised Statutes.
Section 1404, Revised Statutes.
Section 1408, Revised Statutes.
Section 1409, Revised Statutes.
Section 1417, Revised Statutes, as amended.
Section 1435, Revised Statutes.
Section 1480, Revised Statutes, as amended.
Section 1537, Revised Statutes.
Section 1538, Revised Statutes.
Section 1539, Revised Statutes.
Section 1546, Revised Statutes.
Section 1564, Revised Statutes.
Section 1600, Revised Statutes.
Section 4750, Revised Statutes.
Section 4752, Revised Statutes.
Section 4753, Revised Statutes.
Section 4754, Revised Statutes.
Section 4755, Revised Statutes.

Paragraph 22 of the act of September 28, 1850, which is the fourth full paragraph on page 515, volume 9, Statutes at Large, and which reads as follows: "And the pay of the superintendent of the naval school at Annapolis shall be at the rate allowed to an officer of his rank, when in service at sea."

Joint Resolution No. 25 of March 3, 1863 (12 Stat. 825).

That part of the act of June 30, 1876, under the heading "Bureau of Construction and Repair", which appears on pages 69 and 70, volume 19, Statutes at Large, and which reads as follows: "And no increase of the force at any navy yard shall be made at any time within 60 days next before any election to take place for President of the United States, or Member of Congress, except when the Secretary of the Navy shall certify that the needs of the public service make such increase necessary at that time which certificate shall be immediately published when made."

Paragraph 6 of the act of May 4, 1878, which is the second full paragraph on page 50, volume 20, Statutes at Large, and which reads as follows:

"That on and after the first day of July, 1878, there be no appointments made from civil life of secretaries or clerks to the admiral, or vice admiral, when on sea service, commanders of squadrons, or of clerks to commanders of vessels; and an officer not above the grade of lieutenant shall be detailed to perform the duties of secretary to the admiral or vice admiral, when on sea service, and one not above the grade of master to perform the duties of clerk to a rear admiral or commander, and one not above the grade of ensign to perform the duties of clerk to a captain, commander, or lieutenant commander when afloat: *Provided*, That the secretaries and clerks in service on the first day of July, 1878, on vessels abroad, shall continue as such until such vessel shall return to the United States on the termination of its cruise."

So much of the fifth paragraph of the act of March 3, 1883, as it appears on page 473, volume 22, Statutes at Large, and which reads as follows: "And all officers of the Navy shall be credited with the actual time they may have served as officers or enlisted men in the regular or volunteer Army or Navy, or both, and shall receive all the benefits of such actual service in all respects in the same manner as if all said service had been continuous and in the regular Navy in the lowest grade having graduated pay held by such officer since last entering the service: *Provided*, That nothing in this clause shall be so construed as to authorize any change in the dates of commission or in the relative rank of such officer: *Provided further*, That nothing herein contained shall be so construed as to give any additional pay to any such officer during the time of his service in the volunteer Army or Navy."

Section 2 of the act of August 3, 1886 (24 Stat. 215), as amended.

So much of section 5 of the act of June 29, 1868, as it appears on page 210, volume 25, Statutes at Large, and which reads as follows: "shall receive the sea pay of his grade, and * * *."

The second paragraph under the heading "Pay of the Navy" of the act of March 3, 1901, which is the first full paragraph on page 1108, volume 31, Statutes at Large, and which reads as follows: "That the advancement in rank of officers of the Navy and Marine Corps, whensoever made, for service rendered during the war with Spain, pursuant, respectively, to the provisions of sections 1506 and 1605 of the Revised Statutes, shall not interfere with the regular promotion of officers otherwise entitled to promotion, but officers so advanced, by reason of war service, shall, after they are promoted to higher grades, be carried thereafter as additional to the numbers of each grade to which they may at any time be promoted; and each such officer shall hereafter be promoted in due course, contemporaneously with and to take rank next after the officer immediately above him; and all advancements made by reason of war service shall be appropriately so designated upon the official Navy list: *Provided, however*, That no promotion shall be made to fill a vacancy occasioned by the promotion, retirement, death, resignation, or dismissal of any officer who, at the time of such promotion, retirement, death, resignation, or dismissal, is an additional member of his grade under the foregoing provisions."

So much of the first sentence after the subheading "Bureau of Supplies and Accounts" of the act of March 18, 1904, as it appears on page 121, volume 33, Statutes at Large, and which reads as follows: "a civilian assistant, who shall perform the duties of chief clerk, and in case of the death, resignation, sickness, or absence of both the Paymaster General of the Navy and his assistant, now provided for by law, unless otherwise directed by the President, as provided by section 179, Revised Statutes, such civilian assistant shall become the acting chief of the Bureau."

So much of the fourth paragraph under the subheading "Increase of the Navy, Equipment" of the act of May 13, 1908, as it appears on page 159, volume 35, Statutes at Large, and which reads as follows: "and monitors now owned by the United States or hereafter built may be named as the President may direct."

The second paragraph under the subheading "Contingent, Navy," of the act of March 4, 1911, which appears on page 1267, volume 36, Statutes at Large, and which reads as follows:

"That officers on the active list of the line of the United States Navy who, under authority of law, now perform engineering duty on shore only are hereby made additional to the numbers in the grades in which they are now serving, and shall be carried as additional to the numbers of each grade to which they may hereafter be promoted: *Provided*, That said officers shall be entitled to all the benefits of retirement under existing or future laws equally with other officers of like rank and service."

The second paragraph under the subheading "Contingent, Navy," of the act of March 3, 1915, which appears on page 930, volume 38, Statutes at Large, and which reads as follows:

"Hereafter officers who now perform engineering duty on shore only and officers of the Construction Corps shall be eligible for any shore duty compatible with their rank and grade to which the Secretary of the Navy may assign them."

The ninth paragraph under the subheading "Improvement of Construction Plants" of the act of March 3, 1915, which appears on page 945, volume 38, Statutes at Large, and which reads as follows:

"Officers of the line of the Navy who have had not less than 3 years' service in the grade of ensign and have taken or are taking satisfactorily a postgraduate course in naval architecture under orders from the Secretary of the Navy shall be eligible for transfer to the grade of assistant naval constructors: *Provided*, That there shall not be more than five such transfers in any one calendar year and that the total increase in the number of naval constructors and assistant naval constructors by reason of such transfers shall not exceed 24."

The following portions of the act of August 29, 1916, chapter 417, volume 39, Statutes at Large, page 556:

(a) Paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 18, 21, and 23 under the heading "Naval Flying Corps" in such chapter, which appear on pages 582, 583, 584, 585, and 586.

(b) The last full paragraph, as amended, under the heading "Naval Militia and National Naval Volunteers" in such chapter, which is the fourth full paragraph on page 600.

(c) So much of the third paragraph under the subheading "Increase of the Navy, Ammunition," in such chapter, as it appears on pages 617 and 618, and which reads as follows: "That each and every employee of the navy yards, gun factories, naval stations, and arsenals of the United States Government is hereby granted 30 days' leave of absence each year, without forfeiture of pay during such leave: *Provided further*, That it shall be lawful to allow pro rata leave only to those serving 12 consecutive months or more: *And provided further*, That in all cases the heads of divisions shall have discretion as to the time when the leave can best be allowed: *And provided further*, That not more than 30 days' leave with pay shall be allowed any such employee in 1 year: *Provided further*, That this provision shall not be construed to deprive employees of any sick leave or legal holidays to which they may now be entitled under existing law."

So much of the first paragraph under the heading "Pay, Miscellaneous", of the act of July 1, 1918, which appears on page 705, volume 40, Statutes at Large, and which reads as follows: "*Provided*, That hereafter the Secretary of the Navy is authoribed to consider, ascertain, adjust, determine, and pay the amounts due on all claims for damages to and loss of private property of inhabitants of any European country not an enemy or ally of an enemy when the amount of the claim does not exceed the sum of $1,000, occasioned and caused by men in the naval service during the period of the present war, all payments in settlement of such claims to be made out of 'Pay, Miscellaneous'."

Paragraph 6 of section 3 (Personnel) of the act of June 24, 1926 (44 Stat. 767).

The last two paragraphs under the heading "Bureau of Supplies and Accounts, Pay, Subsistence, and Transportation of Naval Personnel" in the act entitled "An act making appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1931, and for other purposes," approved June 11, 1930 (46 Stat. 567, ch. 463), concerning the discharge of minors in the Navy and Marine Corps.

Sections 2, 3, 4, 5, 6, 7, and 8 of the act of March 3, 1931 (46 Stat. 1482).

Act of July 17, 1935 (49 Stat. 482).

Mr. BROOKS. Mr. Speaker, I offer an amendment to strike out all after the enacting clause and insert the provisions of H. R. 4573.

The Clerk read as follows:

Amendment offered by Mr. BROOKS: Strike out all after the enacting clause of S. 1794 and insert the provisions of H. R. 4573 as passed by the House.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby H. R. 4573 was passed were vacated and that bill laid on the table.

CORRECTING CERTAIN INEQUITIES IN PAY OF CERTAIN OFFICERS AND EMPLOYEES OF THE FEDERAL GOVERNMENT AND OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5100) to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia.

The Clerk read as follows:

Be it enacted, etc., That (a), effective as of the first day of the first pay period which began after June 30, 1948, each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946 (U. S. C., 1946 ed., title 22, secs. 867 and 870) which do not exceed $10,000 is hereby increased by $330.

(b) No additional compensation shall be payable by reason of the enactment of this section for any period prior to the date of enactment of this act in the case of any person who is not a Foreign Service officer, a Foreign Service Reserve officer, or a Foreign Service staff officer or employee on such date.

(c) No person whose compensation is increased by this section shall be entitled to any overtime pay, or compensation for night and holiday work, as provided in sections 201, 301 and 302 of the Federal Employees Pay Act of 1945, as amended, based on the additional compensation provided by this section for any pay period ending prior to the date of enactment of this act.

SEC. 2. (a) The additional compensation provided by the Postal Rate Revision and Federal Employees Salary Act of 1948 to which employees in or under the municipal government of the District of Columbia are entitled, as of the effective date of the District of Columbia Revenue Act of 1949, shall commence as of the first day of the first pay period which began after June 30, 1948.

(b) No additional compensation shall be payable by reason of the enactment of this section in the case of any person who is not an employee in or under the municipal government of the District of Columbia on the date of enactment of this act.

(c) No employee in or under the municipal government of the District of Columbia shall be entitled to any overtime pay, or compensation for night and holiday work, as provided in sections 201, 301, and 302 of the Federal Employees Pay Act of 1945, as amended, based on the additional compensation provided by the Postal Rates Revision and Federal Employees Salary Act of 1948 and by this section for any pay period ending prior to the effective date of the District of Columbia Revenue Act of 1949.

The SPEAKER. Is a second demanded?

Mr. REES. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Tennessee [Mr. MURRAY] is recognized for 20 minutes, and the gentleman from Kansas [Mr. REES] will be recognized for 20 minutes.

Mr. MURRAY of Tennessee. Mr. Speaker, the bill under consideration, H. R. 5100, provides a retroactive increase of $330 per annum in the salaries of classified Federal employees in or under the Municipal Government of the District of Columbia to July 1948, and provides an increase, retroactive to July 1, 1948, of $330 per annum in the salaries of certain officers and employees of the Foreign Service.

Section 304 of the Postal Rate Revision and Federal Employees Salary Act of 1948 which was enacted last June provided that the salary increases granted therein to Federal employees "shall not apply to any employees in or under the Municipal Government of the District of Columbia prior to the time that legislation providing adequate revenues to meet the obligation in the District of Columbia is enacted by the Congress and becomes effective."

The District of Columbia Revenue Act, approved May 27, 1949, has satisfied this provision, and on August 1, 1949, the classified Federal employees in the District of Columbia government will begin to receive an annual increase in their salaries of $330.

One year ago Congress passed legislation giving increases of $450 to postal employees and $330 to all other Federal employees. The District classified and unclassified employees did not receive this increase because there was a provision in the pay bill a year ago that the District of Columbia employees should not receive the increase unless legislation was passed providing additional revenue to take care of the increase in salaries. Since July 1, 1948, all other employees have been receiving $330 per year additional with the exception of the classified and unclassified employees of the District of Columbia and the employees of the Foreign Service and the postal employees who have been receiving $450 per year additional.

There are about 7,600 classified employees of the District of Columbia who will receive this pay increase of $330 per year retroactive to July 1, 1948. There are about 6,000 Foreign Service employees who will receive $330 increase retroactive to July 1, 1948. The cost of the legislation will be about $1,980,000 annually for the employees of the Foreign Service; and the cost of the increase to the classified employees of the District of Columbia from July 1, 1948, to July 1, 1949, will be approximately $2,716,000. So the total cost of the legislation is about $4,700,000.

As I say, this legislation does simple justice. You are paying all other employees increase in salaries effective July 1, 1948. Every postal employee received an increase of $450 effective last July. Every other Federal employee except the District of Columbia employees and the Foreign Service employees received an increase of $330 effective the first of July 1948. Why should not the employees included in this bill be given the same treatment and the same consideration as the great majority of the other Federal employees who are now enjoying this increase in salary?

For some reason, I believe through inadvertence, the committee failed to include the employees of the Foreign Service. They are classified employees; they receive practically the same salary schedule as the classified employees who are stationed here in this country and who are doing comparable work. The Federal Pay Act of 1945 and the Federal Pay Act of 1946 gave an increase to these Foreign Service employees just as it did to all other Federal employees, but for some reason the Foreign Service employees were overlooked in the legislation reported out by our committee last June; and we are simply correcting an error, an injustice, by taking care of these employees of the Foreign Service. We are also giving the classified employees of the District of Columbia their increase of $330 retroactive to last July.

I may say that there are about 15,000 employees of the District of Columbia, about half of whom are classified employees. Their salaries are fixed under the Classification Act of 1923 just like the other civil-service employees of our Government.

The other half are unclassified employees and constitute principally policemen, firemen, school teachers, and the per diem workers.

Last Monday the House passed legislation giving the $330 increase retroactive to July 1, 1948, to all of these unclassified employees of the District of Columbia, which include, as I said before, firemen, policemen, school teachers, and per diem workers.

The only ones employed by the District of Columbia who will not receive this increase unless the present legislation is passed are the classified employees constituting, as I said before, about one-half of the employees of the District of Columbia.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Pennsylvania.

Mr. RICH. As I understand it, all the civil-service employees, whether they are working for the United States Government or the District of Columbia, are now being put on the same level by this legislation?

Mr. MURRAY of Tennessee. The gentleman is absolutely correct.

Mr. RICH. The increase of $330, which is retroactive to July 1 last year, is going to be made up by the revenue bill that was passed a short time ago? I refer to the sales tax proposal.

Mr. MURRAY of Tennessee. Yes.

Mr. RICH. Is that supposed to pay for this increase?

Mr. MURRAY of Tennessee. The gentleman is correct. I may say to the gentleman that the budget of the District of Columbia, which has already been approved by the Congress, contains the amount necessary to make these retroactive payments to these classified employees.

Mr. RICH. The government of the District of Columbia then is not going to ask my people back in Pennsylvania to pay more to make up this increase? In other words, we are going to get the money out of the hopper down here in the District of Columbia?

Mr. MURRAY of Tennessee. The gentleman is right. It will not cost the taxpayers of the country 1 cent. The increase, which is retroactive, will be paid by the new Revenue Act of the District of Columbia, and will come largely from the sales tax.

Mr. RICH. There never was an increase in salary that did not cost somebody something. It will cost the people who come here to the District of Columbia and the people who make purchases in the District of Columbia some money, so they must bear in mind that every time they pay 3 or 4 cents as a tax for this, that, or the other, it is going to help equalize the salaries of these employees of the District of Columbia as compared with employees of the United States Government?

Mr. MURRAY of Tennessee. The gentleman is correct.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from Kentucky.

Mr. CHELF. As I understand it, the people who live here who will have to pay this tax locally in the form of a sales tax will in one sense of the word be paying their own salary increase by taking it out of one pocket and putting it in the other?

Mr. MURRAY of Tennessee. The gentleman is correct.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Tennessee. I yield to the gentleman from California.

Mr. MILLER of California. May I direct the gentleman's attention to the fact that, in passing Public Law 900 last year, we wrote into section 304 of that law that it shall not apply to any employee in or under the municipal government of the District of Columbia prior to the time legislation providing adequate revenue to meet the obligations in the District of Columbia is enacted by the Congress and becomes effective.

That provision was written into law. We have provided that revenue and in the revenue bill for the District of Columbia is included $2,000,000 among other things to pay this retroactively.

Mr. RICH. Would it not be a fine thing if the Congress would realize, every time it wanted to raise the standard of this, that, or the other thing, or spend a lot of money, it should go and find out where we are going to get the money before spending it? Would it not be a sound, sensible thing to do that? I wish to congratulate the committee for figuring out where we are going to get the money before they spend it. This is the first time I have seen that in the House.

Mr. MURRAY of Tennessee. I am sure that the gentleman from Pennsylvania agrees this is meritorious leg-

islation. If we do not give this retroactive increase to the District of Columbia employees and the employees of the Foreign Service it will be a rank discrimination against them. They are entitled to the same treatment and to the same consideration so far as salary increases are concerned as other Government employees received.

Mr. RICH. I would like to go one step further and impress on the membership of the House that you are setting a precedent here for the Congress to raise the money before we spend it, if we want to keep this country solvent. I therefore congratulate the committee on getting the money before the money is spent.

Mr. MURRAY of Tennessee. I thank the gentleman.

Mr. REES. Mr. Speaker, the distinguished chairman of our committee has, as usual, made a very clear explanation of this proposed legislation. The bill has the unanimous approval of the House Committee on Post Office and Civil Service. There was no objection to it. It is simple justice to those who are benefited by it. It is fair and equitable, and should pass without opposition.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

NATIONAL SURVEY OF FOREST RESOURCES

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the bill (S. 979) to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources, be substituted for the bill H. R. 2001 which was passed earlier this afternoon.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That to enable the Secretary of Agriculture to complete and keep current the forest survey authorized by section 9 of the act of May 22, 1928, as amended (45 Stat. 699, 702; 58 Stat. 265; 16 U. S. C. 581h), so that a continuous and comprehensive timber inventory will be maintained as part of the forest conservation program, said section is amended (1) by striking out "$750,000" and inserting "$1,000,000"; (2) by striking out "$6,500,000" and inserting "$11,000,000"; and (3) by striking out "$250,000" and inserting "$1,500,000."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby H. R. 2001 was passed were vacated and that bill laid on the table.

MINORITY REPORT ON H. R. 4406

Mr. VORYS. Mr. Speaker, I ask unanimous consent to have until midnight to file a minority report on H. R. 4406.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an article.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

TEMPORARY EXTENSION OF SECOND DECONTROL ACT

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5044) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1948, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (b) of section 1501 of the Second War Powers Act, 1942, as amended by the Second Decontrol Act of 1947 (Public Law 188, 80th Cong.), and as further amended by the act of February 28, 1948 (Public Law 427, 70th Cong.), and by the act of June 4, 1948 (Public Law 606, 80th Cong.), is hereby amended by inserting after "June 30, 1949" the words "except as otherwise provided in subsection (b) (1) (A) below." Subsection (b) (1) (A) is hereby amended by inserting before the semicolon at the end thereof a comma and the following: "until the close of June 30, 1950." Subsection (c) of such section 1501 is hereby amended by striking out "June 30, 1949" and inserting in lieu thereof "June 30, 1950."

Mr. PACE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PACE. Mr. Speaker, inasmuch as the bills which are being considered under suspension of the rules at this time were announced Thursday afternoon by the majority leader, and inasmuch as the majority leader took the position in regard to the amendment I proposed, that he was protecting the regular order, I submit a parliamentary inquiry whether it is now in order inasmuch as this bill was not among those listed to be considered while a good majority of the Members were present, it is now in order to consider this bill with so few Members on the floor?

The SPEAKER. The matter of recognizing Members for suspension of the rules is entirely within the discretion of the Chair at all times whether any unanimous consent had previously been given, on the first and third Mondays.

Mr. PACE. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PACE. As I understand, if this bill should be passed under suspension, then it would not be in order, without special permission of the chairman of the committee, for me to offer my amendment to try to protect against the imports of flax?

The SPEAKER. It is not in order to amend a bill when a motion is made to suspend the rules and pass the bill in its present form.

Mr. PACE. Unless the chairman incorporated that in his request for suspension?

The SPEAKER. Oh, the chairman could incorporate an amendment like that if he so desired.

Mr. PACE. I thank the Speaker.

The SPEAKER. Is a second demanded? The Chair hears none. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4046) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to the amendments of the Senate Nos. 3 and 26;

That the Senate agrees to the amendment of the House to the amendment of the Senate No. 9 with an amendment as follows: In line 5, strike out the word "and" and insert the word "or"; and

That the Senate recedes from its amendments Nos. 4, 10, and 12 to the above entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3967) entitled "An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950."

REORGANIZATION ACT OF 1949—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 221)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered to be printed:

To the Congress of the United States:

I have today signed the Reorganization Act of 1949. The provisions of this act depart from my recommendation and that of the Commission of Organization of the Executive Branch in that they permit the rejection of reorganization plans by action of either House of Congress, acting alone. Nevertheless, I am glad to proceed, under this measure, in cooperation with the Congress, on the important task of improving the organization of the executive branch.

I am today transmitting to the Congress seven reorganization plans, each with a related message setting forth its purpose and effects. I shall also transmit an additional message recommending legislation to place the management and financing of the Post Office Department on a more businesslike basis. These reorganization measures will contribute

significantly to the more responsible and efficient administration of Federal programs. They are important steps in putting into effect several major recommendations of the Commission on Organization of the Executive Branch of the Government.

During this session of the Congress, I have made a number of recommendations for improvement in the organization and management of the executive branch. They are closely related to the proposals submitted today.

The recommendations presented to the Congress at this session, in response to the specific opportunity presented by the reports of the Commission on Organization and the passage of the Reorganization Act, are of two types. First are those dealing with the general management of the Government and affecting all or a large number of the agencies. Second are those dealing with the organization of individual major departments or agencies.

With respect to general management:

Reorganization Plan No. 4 of 1949 rounds out the organization of the Executive Office of the President by transferring to it the National Security Council and the National Security Resources Board, two important over-all staff agencies of the executive branch.

Reorganization Plan No. 5 of 1949 improves the organization of the Civil Service Commission by making the Chairman responsible for the operation of civil-service programs within regulations made by the Commission. This will free the Commission as a body to concentrate upon matters of basic policy and on the determination of appeals.

I have previously recommended legislation for carrying out the proposals of the Commission on Organization of the Executive Branch of the Government that salaries of top officials be raised. This is essential if the Government is to retain and acquire men with the vigor, imagination, and experience necessary to make these reorganization measures truly effective.

I have previously recommended enactment of the Federal property and administrative services legislation which has passed the House of Representatives and is pending in the Senate. This legislation will create the General Services Administration and make fundamental improvements in the Government's system of procurement and property management.

Reorganization Plan No. 7 of 1949, which transfers the Public Roads Administration to the Department of Commerce, will facilitate the organization of the General Services Administration by enabling the new agency to focus its attention on perfecting central services and increasing the efficiency of the housekeeping activities of the Government. Furthermore, it will place the Public Roads Administration in its most appropriate location in the Government.

The Director of the Budget has been instructed to work with the departments and agencies in preparing budget estimates on a performance basis, as proposed by the Commission on Organization of the Executive Branch of the Government. This should provide a more understandable statement of Federal activities and of their financial requirements in the annual budget.

Other important steps for improving fiscal administration are included in the pending legislative revisions of the National Security Act and the legislation I shall propose for the Post Office Department. In addition, the executive agencies are cooperating with the General Accounting Office in improving their accounting systems.

Each of these actions is in general accord with the recommendations of the Commission on Organization of the Executive Branch of the Government. They do not complete the task of reorganizing the general management of the executive branch, but they represent a very significant beginning.

With respect to particular departments and agencies:

I have recommended, and the Congress has enacted, legislation to permit the reorganization of the Department of State along lines approved by the Commission on Organization. The internal reorganization of that Department is proceeding.

I have recommended, and the Senate has acted upon, a bill to amend the National Security Act and improve the organization and administration of our defense activities. It is essential that action be completed on this measure in order to provide responsible leadership for our defense establishment. This legislation will not only strengthen the administration of our armed forces in the interest of national security, it will also make possible major economies in the execution of activities common to the several armed forces.

Reorganization Plan No. 3 of 1949 and the legislation I shall recommend both deal with improvements in the operation and management of the Post Office. The plan and legislation would strengthen the top management of the Post Office and afford that Department greater financial and operating flexibility.

Reorganization Plan No. 1 of 1949 will create a Department of Welfare to administer most of the programs now within the Federal Security Agency. The creation of this Department will meet a long-standing need of the executive branch and recognize the importance of our social security, education, and related programs.

Reorganization Plan No. 2 of 1949 strengthens the Department of Labor by transferring to it the employment service and unemployment compensation activities. This conforms to the recommendations of the Commission on Organization of the Executive Branch and reverses undesirable developments of recent years which have scattered various labor programs throughout the Executive Branch.

Reorganization Plan No. 6 of 1949 provides for the more effective administration of the operating activities of the United States Maritime Commission by vesting executive authority in the chairman.

These are important moves affecting major areas of the Federal Government. Additional actions will be required to deal with other problems of departmental organization and administration. I intend to submit other reorganization plans and legislative recommendations to the Congress from time to time.

It is important that the Congress and the people appreciate the significance of these legislative proposals and reorganization plans. The common objective is a Government establishment which performs its authorized functions with effectiveness and economy. We are seeking to obtain this through improvements in organization and administrative arrangements.

The approval of a reorganization plan or the enactment of a statute dealing with organizational and administrative arrangements does not automatically produce efficiency and economy or reduce expenditures. Only the curtailment or abolition of Government programs can be expected to result in substantial immediate savings. The significance of reorganization plans or legislation is that they make it possible to work out improvements in administration which will increase efficiency and reduce expenditures over a period of time. Thus, they provide a necessary basis for increased economy and efficiency.

I intend to see that full advantage is taken of the opportunity for securing better operations which the reorganization plans afford. This will require a steady and sustained effort to achieve improved management. Without such an effort a major purpose of the reorganization actions will not be realized.

Taken together, the actions listed in this message place before the Congress an initial program of reorganization covering certain areas which the Commission on Organization of the Executive Branch has stated hold great promise of increasing economy and efficiency. The Commission did not state the amount of savings which could be anticipated, nor is it possible for me to indicate their ultimate dollar effect. By enlarging the opportunity for effective management within the Government, however, they will lead to more efficient performance of services by the Government and lower costs. In addition to the potential economies, these actions will invigorate and promote better management within the Government.

They deserve the support of the Congress and the people.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 1 OF 1949—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 222)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan will provide for a Department of Welfare to take its place among the principal executive departments of the Government. This new Department will perform the functions and conduct the programs now ad-

ministered by the Federal Security Agency. Responsibility and authority for the administration of these programs will be vested in the Secretary of Welfare.

The creation of a Department of Welfare is long overdue. President Harding first recommended to the Congress the establishment of such a department in 1923. In 1937 President Roosevelt's Committee on Administrative Management likewise recommended the establishment of a Department of Social Welfare. More recently, the Commission on Organization of the Executive Branch of the Government has recommended the creation of a department to administer the social security and education functions of the Federal Government.

The foundation for the Department of Welfare was laid in 1939 with the establishment of the Federal Security Agency. With respect to this action the Senate Committee on Expenditures in the Executive Departments stated in its Report on the Reorganization Act of 1949 that "the Federal Security Agency should have been designated an Executive Department" at the time of its creation; but the Reorganization Act then in effect did not permit such action. A second step was taken by Reorganization Plan No. 2 of 1946, which transferred additional related activities to the Federal Security Agency and strengthened its internal organization. Again, the Reorganization Act then in effect did not authorize the designation of the Agency as an executive department. However, I stated in my message accompanying that plan "but, while this step is important in itself, I believe that a third step should soon be taken. The time is at hand when that agency should be converted into an executive department." Since then I have several times proposed that the Federal Security Agency be made an executive department.

The central purpose of the Federal Security Agency is the conservation and development of the human resources of the Nation. Plainly, as I stated in my message transmitting Reorganization Plan No. 2 of 1946:

> The size and scope of the Federal Security Agency and the importance of its functions call for departmental status and a permanent place in the President's Cabinet.

In number of personnel and volume of expenditures it now exceeds several of the existing executive departments. The range of its programs and the significance of their impact upon national development obviously entitle it to a place in the highest rank of Federal organizations.

On May 9 of this year, when it appeared probable that the reorganization legislation would not permit the establishment of a new department, I urged the Congress to enact a measure creating a Department of Welfare. Since that restriction was later eliminated from the bill and the Reorganization Act of 1949 authorizes the establishment of an Executive Department, I have concluded that the reorganization plan procedure affords the simplest and most expeditious method of creating a Department of Welfare.

In order to improve the administration of the Department, the plan consolidates in the Secretary of Welfare the functions now vested in the various officers and units of the Federal Security Agency and authorizes him to delegate their performance to appropriate officers and units of the Department. Thus, it carries out two of the cardinal recommendations of the Commission on Organization of the Executive Branch of the Government, namely, that the department heads should control and have full responsibility for the conduct of their departments and that they should have authority to organize their departments. Such authority will enable the Secretary to work out the most effective distribution of the work of the Department and will contribute both to efficiency and economy in administration and to the convenience of State agencies and the public in dealing with the Department.

After investigation I have found and hereby declare that each reorganization included in this plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949. I also have found and declare that by reason of these reorganizations it is necessary to include in the plan provisions for the appointment and compensation of a Secretary of Welfare to head the Department of Welfare and of an Under Secretary and three Assistant Secretaries to assist him in the proper performance of the heavy duties involved in the direction of the Department.

In submitting this reorganization plan, I am fully aware of the recommendations of the Commission on Organization of the Executive Branch of the Government with respect to the various units of the Federal Security Agency. Among these are proposals for certain transfers to or from other agencies. In Reorganization Plan No. 2 of 1949, which I am transmitting today, I am providing for one of the most important of these transfers. The other proposals are currently under study, but final conclusions have not yet been reached with respect to them. The establishment of the Department of Welfare will effectuate the one recommendation of the Commission on Organization of the Executive Branch of the Government for the creation of a new executive department. It will not in any wise interfere with the presentation of additional reorganization plans with respect to other recommendations of the Commission in this field or with the ability of the Congress to deal with any of them by statute.

The reorganizations included in this plan will provide for greater flexibility of internal organization, clearer responsibility, and more effective administration of the functions of the new Department. The benefits in improved service and lower costs will flow from the administrative actions made possible by the plan rather than immediately from the plan itself. Over a period it is probable that substantial reductions in expenditures will result in comparison with those which otherwise will be necessary, but it is not practicable at this time to itemize such reductions.

The creation of a Department of Welfare represents a sound and much-needed step in the improvement of Federal organization. It provides appropriate recognition for the related and highly important functions which the Government carries on to advance the welfare of its people. I urge that the Congress allow this reorganization plan to become effective.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 2 OF 1949—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 223)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan transfers the Bureau of Employment Security, now in the Federal Security Agency, to the Department of Labor and vests in the Secretary of Labor the functions of the Federal Security Administrator with respect to employment services and unemployment compensation, the latter of which is now more commonly referred to as unemployment insurance. The plan also transfers to the Secretary of Labor the functions of the Veterans' Placement Service Board and of its chairman and abolishes that Board. These changes are in general accord with recommendations made by the Commission on Organization of the Executive Branch of the Government.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1949 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of said act. The primary benefits from these reorganizations will take the form of improvements in administration and service. It is probable that a significant reduction in expenditures will result from the taking effect of the plan as compared with the current estimates and work-load assumptions contained in the 1950 budget as amended, but an itemization of such savings is not possible in advance of the transfer.

One of the major needs of the executive branch is a sound and effective organization of labor functions. More than 35 years ago the Federal Government's labor functions were brought together in the Department of Labor. In recent years, however, the tendency has been to disperse such functions throughout the Government. New labor programs have been placed outside of the Department and some of its most basic functions have been transferred from the Department to other agencies.

In my judgment, this course has been fundamentally unsound and should be reversed. The labor programs of the Federal Government constitute a family of interrelated functions requiring generally similar professional training and experience, involving numerous overlapping problems, and calling for strong, unified leadership. Together they form

one of the most important areas of Federal activity. It is imperative that the Labor Department be strengthened and restored to its original position as the central agency of the Government for dealing with labor problems.

BUREAU OF EMPLOYMENT SECURITY

One of the most essential steps in improving the organization of labor functions is the transfer of the Bureau of Employment Security to the Department of Labor. This Bureau administers the activities of the Federal Government with respect to employment services and unemployment insurance. These activities mainly involve the review and apportionment of grants-in-aid, approval of State plans and grants, the conduct of research and developmental activities, and the provision of advice and assistance to the State agencies which actually conduct the services.

Public employment services and unemployment insurance are companion programs inextricably interrelated both in purpose and operation. The first assists workers in finding jobs and employers in obtaining workers; the second provides cash benefits for the support of workers and their families when suitable jobs cannot be obtained. Thus, each complements the other. At the local operating level the two programs are almost invariably carried on in the same unit—the local employment office. At the State level they are administered by the same agency in nearly every State. As a result, an unusually high degree of coordination at the Federal level is essential.

There can be no question as to the basic consideration which must govern the administration of both of these programs. From the standpoint of all interested parties—the worker, the employer, and the public—the primary concern is employment. Essential as they are, unemployment benefits at a fraction of regular wages are a poor substitute for the earnings from a steady job. In the administration of these programs, therefore, primary attention must be focused on achieving the maximum effectiveness of the employment services. On them depend the prosperity and well-being of the worker and the extent of the unemployment compensation burden on the employer and the public.

I have long been convinced that the Department of Labor is the agency which can contribute most to the development of sound and efficient employment service. It has the understanding of employment problems and of the operation of the labor market which is essential in this field. It possesses the necessary specialists and the wealth of information on occupations, employment trends, wage rates, working conditions, labor legislation, and other matters essential to employment counseling and placement.

Close working relations between the United States Employment Service and most of the agencies of the Labor Department are vital to the success of both. The Bureau of Labor Statistics has a fund of information on employment and occupations which is basic to the planning and operation of the Service. The Women's Bureau and the Child Labor Branch of the Wage and Hour Division afford expert advice on employment problems relating to women and adolescents. The Bureau of Labor Standards can assist the Service on questions of working conditions and other labor standards, and the Bureau of Apprenticeship on occupational training problems. At the same time the various agencies of the Labor Department need the detailed current information on labor problems and the condition of the labor market which the United States Employment Service possesses.

Experience has demonstrated that unemployment insurance must be administered in close relationship with employment service and other employment programs. In many of our industrial States, and in most foreign countries, unemployment insurance is administered by the agency responsible for labor functions. Furthermore, the unemployment-insurance system has a vital stake in the effectiveness of the program for employment services, for what benefits the employment service also benefits the unemployment-insurance program.

The transfer of the Bureau of Employment Security, including the United States Employment Service and the Unemployment Insurance Service, together with the functions thereof, will give assurance that primary emphasis will be placed on the improvement of the employment services and that maximum effort will be made to provide jobs in lieu of cash benefits.

The plan also transfers to the Department of Labor the Federal Advisory Council created by the act establishing the United States Employment Service. This Council consists of outstanding representatives of labor, management, and the public, who are especially familiar with employment problems.

VETERANS' PLACEMENT SERVICE BOARD

Although the Veterans' Employment Service operates through the regular employment office system, its policies are determined by the Veterans' Placement Service Board created by the Servicemen's Readjustment Act of 1944. This Board consists of the heads of three Federal agencies, only one of which administers employment services. Furthermore, the full-time Director of the Service is appointed by the Chairman of this Board who is not otherwise engaged in employment service activity, rather than by the head of the agency within which the Service is administered. Such an arrangement is cumbersome and results in an undue division of authority and responsibility.

In order to simplify the administration of the Veterans' Employment Service and assure the fullest cooperation between it and the general employment service, the plan eliminates the Veterans' Placement Service Board and transfers its functions and those of its Chairman to the Secretary of Labor. By thus concentrating responsibility for the success of the Service, the plan will make for better service to the veteran seeking employment or vocational counseling.

This plan is a major step in the rebuilding and strengthening of the Department of Labor which I am convinced is essential to the sound and efficient organization of the executive branch of the Government.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 3 OF 1949—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 224)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 3 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan constitutes an important first step in strengthening the organization of the Post Office Department.

One of the prime essentials of good departmental administration is authority from the Congress to a department head to organize and control his department. The Commission on Organization of the Executive Branch of the Government emphasized in its first and subsequent reports that separate authorities to subordinates should be eliminated. The plan gives the Postmaster General the necessary authority to organize and control his Department by transferring to him the functions of all subordinate officers and agencies of the Post Office Department, including the functions of each Assistant Postmaster General, the purchasing agent, the comptroller, and the Bureau of Accounts. The Postmaster General is authorized to delegate to subordinates designated by him such of his functions as he may deem appropriate.

The Postmaster General is responsible for the management of one of the world's largest businesses. Like the head of any large business, the Postmaster General should be given adequate top level assistance in carrying on the operations of the Department so that he may have time to devote to matters of departmental and public policy. In order to provide needed assistance to the Postmaster General, the plan establishes the positions of Deputy Postmaster General, and four Assistant Postmasters General, comparable to the positions of Under Secretary and Assistant Secretaries in other departments.

The plan also establishes an Advisory Board for the Post Office Department composed of the Postmaster General, the Deputy Postmaster General, and seven other members representing the public, who shall be appointed by the President by and with the advice and consent of the Senate. The Advisory Board will make available to the Postmaster General the advice of outstanding private citizens and will afford a useful channel for the interchange of views between postal officials and the public concerning the operations of the postal service.

I have found after investigation that each reorganization contained in the plan is necessary to accomplish one or

more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949. I have also found and hereby declare that by reason of the reorganization made by this plan, it is necessary to include in the plan provisions for the appointment and compensation of the Deputy Postmaster General, four Assistant Postmasters General, and members of the Advisory Board for the Post Office Department. The plan abolishes the Bureau of Accounts of the Post Office Department and the offices of comptroller, purchasing agent, First, Second, Third, and Fourth Assistant Postmasters General.

This plan carries into effect those of the recommendations of the Commission on Organization of the Executive Branch of the Government respecting the Post Office Department which can be accomplished under the provisions of the Reorganization Act. I am also transmitting to the Congress recommendations for legislation which will implement other recommendations of the Commission and place the operations of the Post Office Department on a more businesslike basis.

The primary result of this reorganization plan will be more effective administration. Although a substantial reduction in expenditures will not be brought about by the plan alone, major economies can be achieved over a period of time as a result of this plan and the enactment of the postal legislation which I am recommending to the Congress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 4—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 225)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. The plan transfers the National Security Council and the National Security Resources Board to the Executive Office of the President. After investigation I have found, and I hereby declare, that each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949.

The growth of the executive branch and the increasingly complex nature of the problems with which it must deal have greatly intensified the necessity of strong and well-coordinated staff facilities to enable the President to meet his responsibilities for the effective administration of the executive branch of the Government. Ten years ago several of the staff agencies of the executive branch were brought together in the Executive Office of the President under the immediate direction of the President. The wisdom of this step has been demonstrated by greatly improved staff assistance to the President, which has contributed importantly to the management of the Government during the trying years of war and of postwar adjustment.

Since the creation of the Executive Office of the President, however, the Congress has further recognized the need for more adequate central staff and created two new important staff agencies to assist the President—the National Security Council and the National Security Resources Board. The primary function of the first of these agencies, as defined by statute, is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. The function of the second is to advise the President concerning the coordination of military, industrial, and civilian mobilization.

Within their respective fields these agencies assist the President in developing plans and policies which extend beyond the responsibility of any single department of the Government. In this they play a role similar in character to that of the various units of the Executive Office of the President. In fact, many of the problems with which they deal require close collaboration with the agencies of the Executive Office.

Since the principal purpose of the National Security Council and the National Security Resources Board is to advise and assist the President and their work needs to be coordinated to the fullest degree with that of other staff arms of the President, such as the Bureau of the Budget and the Council of Economic Advisers, it is highly desirable that they be incorporated in the Executive Office of the President. The importance of this transfer was recognized by the Commission on Organization of the Executive Branch of the Government, which specifically recommend such a change as one of the essential steps in strengthening the staff facilities of the President and improving the over-all management of the executive branch.

Because of the necessity of coordination with other staff agencies, the National Security Council and the National Security Resources Board are physically located with the Executive Office of the President and I have taken steps to assure close working relations between them and the agencies of the Executive Office. This plan, therefore, will bring their legal status into accord with existing administrative practice. It is not probable that the reorganizations included in the plan will immediately result in reduced expenditures. They will, however, provide a firm foundation for maintaining and furthering the efficient administrative relationships already established, and for assuring that we have provided permanent arrangements vitally necessary to the national security.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949*

REORGANIZATION PLAN NO. 4 OF 1949

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 20, 1949, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949)

EXECUTIVE OFFICE OF THE PRESIDENT

The National Security Council and the National Security Resources Board, together with their respective functions, records, property, personnel, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), are hereby transferred to the Executive Office of the President.

REORGANIZATION PLAN NO. 5—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 226)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 5 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan provides for unified direction by the Chairman of the United States Civil Service Commission of the executive affairs of the Commission. At the same time, it maintains the advantages of the bipartisan three-member Commission. The Commission will continue to advise the President on the civil-service system, to issue the basic civil-service regulations, and to assure protection of merit-system principles by conducting investigations and determining appeals.

The need for this reorganization stems from the Government-wide importance of civil-service administration in the executive branch. As in private business, the effectiveness of Government departments and agencies depends in very large part on the competence and morale of the officers and employees. The management of every department and almost every agency and independent establishment is intimately affected by the civil-service system. It is essential that the Commission which directs that system should be effectively organized to discharge its responsibilities. This plan carries into effect one of the major recommendations of the Commission on Organization of the Executive Branch of the Government.

The Civil Service Commission was established in 1883 as a three-member body to aid the President in making the civil-service rules, and to administer a comparatively simple civil-service system. Each commissioner was made equally responsible under the law for performing the functions assigned to the Commission and the three members functioned as a body in the management of the agency.

Sixty-six years ago the new agency conducted a single major operating program—the recruitment and examination of candidates for admission to the civil service. Eight executive departments then constituted the entire executive branch. The total Federal employment was about 110,000. That is less than are now employed by any one of the five largest executive agencies.

Today the work of the Commission is vastly different, reflecting the great changes in the Government itself and the progress that has been made in personnel management, both in Government and private business. To this original job of recruitment and examination, acts of Congress have subsequently added

many other operating programs. Two of these in particular involve large-scale operations: The administration of the civil-service retirement system and the administration of the Classification Act. This augmented program applies today to a Government about 20 times as large as that of 1883, employing men and women drawn from almost every American occupation and profession. The statutory structure of the Civil Service Commission itself, however, has not been adjusted over the years to its changing functions.

In its analysis of Federal personnel management, the Commission on Organization of the Executive Branch of the Government stressed the distinction between two types of functions now vested in the Civil Service Commission. In the interest of effective and equitable administration the nature of each of these functions must be recognized.

The development and promulgation of civil-service regulations for the guidance of the departments and agencies under the civil service, and the conduct of hearings on matters appealed by individuals or departments are appropriate for a three-member bipartisan Commission. Here deliberation is important for the protection of the integrity of the civil-service system.

On the other hand, the administrative direction of the day-to-day operations of the Commission's staff requires the unified leadership of one responsible individual. This is particularly so because of the operating relationships with the departments and agencies. Here decisive, prompt, and vigorous action is essential.

The operational functions require a type of leadership different from that useful for the deliberative functions. But under the present statutory organization, the same multiple leadership is provided for both.

Accordingly, this reorganization plan separates day-to-day administration from the regulatory and appellate functions. It leaves vested in the full Commission final authority with respect to: (1) The formulation of civil service rules and regulations; (2) hearing and taking action on all types of appeals; (3) the administration of the political activity statutes; (4) the investigation of all matters pertaining to the civil service; and (5) the function of recommending measures to the President to promote the more effectual accomplishment of the objectives of the civil-service laws and rules.

To aid the full Commission in the exercise of these powers, the plan provides that the regular, full-time personal assistants to the Commission shall be appointed by the Commission itself, and that regional directors and the heads of major administrative units shall be appointed by the Chairman only after consultation with the other Commissioners.

At the same time, to facilitate the most effective and expeditious administration of civil-service matters and related affairs, the plan concentrates operating responsibility and accountability in the Chairman by vesting in him the operating functions under the civil-service rules and regulations. As the chief executive and administrative officer, the Chairman is empowered to appoint, supervise, and direct the Commission staff in the administration of the Commission's affairs. In the conduct of civil-service operations the Chairman is subject to the regulations of the full Commission and to their investigatory powers and appellate jurisdiction. The plan leaves undisturbed the civil-service laws and rules as the controlling body of policy. It preserves the bipartisan nature of the Commission.

To provide assurance of undivided responsibility, the plan transfers to the Chairman all of the functions now vested in the President of the Commission, the Executive Director and Chief Examiner, and the Secretary of the Commission.

Thus the plan provides suitable organization arrangements for both the deliberative and the operational functions.

The plan also provides for the position of Executive Director, under the classified competitive civil service. He is to be the chief operating deputy to the Chairman. The Executive Director is authorized to perform the executive and administrative functions of the Chairman in his absence, but is specifically prohibited from sitting as a member or acting member of the Commission.

I have found after investigation and hereby declare that each reorganization included in the plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949. I have also found and hereby declare that by reason of the reorganizations made by this plan, it is necessary to include in the plan provisions for the appointment and compensation of the Executive Director.

It is important to consider the economies which will be realized by the adoption of reorganization plans. The Commission on Organization of the Executive Branch of the Government in its report on Personnel Management stated:

> This is, of course, an area in which it is difficult to develop estimates of savings. After a careful consideration, however, of the various factors involved, the Commission does believe that great savings can be achieved if the Commission's recommendations are put into effect.

The economies to be attained by this plan will result from improvements in the operation of the civil-service system. It is improbable, however, that this plan, in itself, will result in substantial immediate savings. To accomplish the benefits envisioned in the report of the Commission on Organization of the Executive Branch of the Government, this first step of internal adjustment in the organization of the Civil Service Commission should be followed by revisions in basic personnel legislation.

The modification of the Civil Service Commission here proposed is designed to create a modern organization to meet today's problems—an organization which safeguards the merit principles of the civil service and at the same time makes possible the exercise of responsible, unified leadership in the administrative operations of the civil-service system.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 5 OF 1949

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 20, 1949, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949)

CIVIL SERVICE COMMISSION

SECTION 1. Chairman, United States Civil Service Commission: The President of the United States shall from time to time designate one of the civil-service commissioners constituting the United States Civil Service Commission (hereinafter referred to as the Commission) as the presiding head of the Commission with the title of "Chairman, United States Civil Service Commission."

SEC. 2. Functions of Chairman: (a) In order to facilitate the most effective and expeditious administration of civil service matters and related affairs, there are hereby transferred to the Chairman, United States Civil Service Commission, hereinafter referred to as the Chairman, who shall be the chief executive and administrative officer of the Commission:

(1) the functions of the President of the Commission;

(2) the functions of the Executive Director and Chief Examiner of the Commission and of the Secretary thereof;

(3) the functions of the Commission with respect to the appointment of personnel employed under the Commission: *Provided,* That employees who are engaged regularly and full time in assisting the Commission in the performance of the functions reserved to it under sections 2 (a) (6) (i) to 2 (a) (6) (vii), inclusive, of this reorganization plan shall be appointed by the Comsion; and *Provided further,* That the regional directors, and the heads of the major administrative units reporting directly to the Chairman or to the Executive Director, shall be appointed by the Chairman only after consultation with the other civil-service commissioners;

(4) the functions of the Commission with respect to the direction of employees of the Commission, the supervision of all activities of such employees, the distribution of business among employees and organizational units of the Commission, and the direction of the internal management of the Commission's affairs: *Provided,* That there are not transferred by the provisions of this section 2 (a) (4) any functions with respect to employees whose appointment remains vested in the Commission under the first proviso of section 2 (a) (3), above;

(5) the functions of the Commission with respect to directing the preparation of budget estimates and with respect to the use and expenditure of funds; and

(6) the functions of the Commission with respect to executing, administering, and enforcing (A) the civil service rules and regulations of the President of the United States and of the Commission and the laws governing the same, and (B) the other activities of the Commission, including retirement and classification activities: *Provided,* That there are not transferred by the provisions of this section 2 (a) (6) the functions of the Commission with respect to:

(i) the preparation of suitable rules in accordance with the provisions of the first subsection of section 2 of the act of January 16, 1883 (ch. 27, 22 Stat. 403), and the making of an annual report under the fifth subsection of said section 2;

(ii) the promulgation of any rules, regulations, or similar policy directives, now vested in the Commission;

(iii) the prevention of pernicious political activities, including such functions under the act of July 19, 1940 (54 Stat. 767), as amended;

(iv) the hearing or providing for the hearing of appeals, including appeals with respect to examination ratings, veterans' pref-

erence, racial, and religious discrimination, disciplinary action, efficiency ratings, and dismissals, and the taking of such final action on such appeals as is now authorized to be taken by the Commission;

(v) the recommendation to the President for transmission to the Congress of such legislative or other measures as will promote an efficient Federal service and a systematic application of merit system principles, including measures relating to the selection, promotion, transfer, performance, pay, conditions of service, tenure, and separation of Federal employees;

(vi) the investigation of matters pertaining to the administration of functions of the Commission or Chairman; nor

(vii) the revision and submission to the Bureau of the Budget of budget estimates.

(b) The functions transferred by the provisions of sections 2 (a) (2) to 2 (a) (6), inclusive, of this reorganization plan shall be performed by the Chairman or, subject to his direction and control, by such officers and employees under his jurisdiction as he shall designate.

(c) Each civil-service Commissioner, including the Chairman, and duly authorized representatives of the Commission or Chairman, shall have authority to administer oaths pursuant to section 1 of the act of August 23, 1912, chapter 350 (37 Stat. 372).

SEC. 3. Executive Director: There shall be under the Chairman an Executive Director who shall be appointed by the Chairman under the classified civil service. During the absence or disability of the Chairman, or in the event of a vacancy in the office of Chairman, the Executive Director shall perform those functions of the Chairman which are transferred to the Chairman by the provisions of sections 2 (a) (2) to 2 (a) (6), inclusive, of this reorganization plan unless the President shall designate another person so to perform said functions: *Provided*, That the Executive Director shall at no time sit as a member or acting member of the Commission.

SEC. 4. Offices abolished: The heretofore existing office of Executive Director and Chief Examiner, and the office of Secretary of the Commission and the title of "President of the United States Civil Service Commission," are hereby abolished.

REORGANIZATION PLAN NO. 6—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 227)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 6 of 1949, prepared in accordance with the Reorganization Act of 1949. This plan is designed to strengthen the administration of the United States Maritime Commission by making the Chairman the chief executive and administrative officer of the Commission and vesting in him responsibility for the appointment of its personnel and the supervision and direction of their activities. After investigation, I have found and hereby declare that each reorganization included in this plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949.

Unlike other major regulatory commissions, the Maritime Commission is responsible not only for the performance of important regulatory functions but also for the administration of large and complex operating and promotional programs. Whereas the budgets of most regulatory agencies amount to only a few million dollars annually, the expenditures of the Maritime Commission exceed $130,000,000 a year. As a result of the war, the Commission is the owner of a fleet of over 2,300 ships aggregating more than 23,000,000 deadweight tons.

While it is the policy of the Government, as set forth by the Merchant Marine Act of 1936 and the Merchant Ship Sales Act of 1946, to develop and maintain an adequate and effective merchant marine under private ownership, the Commission is still confronted with the necessity of carrying on substantial programs for the charter and sale of Government-owned vessels and with the continuing task of maintaining the reserve merchant fleet.

Apart from its functions with respect to the war-built fleet, the accomplishment of the Government's permanent objective with respect to the development of the American merchant marine inevitably involves the Commission in a wide variety of activities. Among these are the regulation of rates and competitive practices of water carriers, the determination of essential trade routes and services, the award of subsidies to offset differences between American and foreign costs, the design and construction of ships, the inspection of subsidized vessels, and the training of seamen.

In the last 2 years the operation of the Maritime Commission has been subjected to independent examination by three bodies—the President's Advisory Committee on the Merchant Marine, the Senate Committee on Expenditures in the Executive Departments, and the Commission on Organization of the Executive Branch of the Government. All of these studies have pointed to difficulties in the conduct of the Commission's business and the necessity of improved organization to strengthen the administration of the agency. The remedies proposed have differed in some respects, but all the studies have emphasized the need of concentrating in a single official the management of a large part of the agency's work.

During the war such a concentration was temporarily accomplished by Executive order under the authority of the First War Powers Act. In effect, the Chairman of the Commission as War Shipping Administrator was made directly responsible for the administration of several major operating programs of the Commission. This arrangement proved its value under the stress of war. About a year after the end of the fighting, however, it was terminated and the organization reverted to the prewar pattern.

As a result of postwar experience, the Commission appointed a general manager in 1948. While this has brought considerable improvement, it has not extricated the Commission from administration to the degree which is desirable.

After careful consideration of the problems involved in improving the operation of the Maritime Commission, I have concluded that the proper action at this time is to concentrate in the Chairman the responsibility for the internal administration of the agency. This is achieved by the proposed reorganization plan by transferring to the Chairman the appointment of the personnel of the agency, except for the immediate assistants of the Commissioners, and the supervision and direction of their work. This is substantially the arrangement recommended for regulatory commissions by the Commission on Organization of the Executive Branch of the Government.

Such a plan of organization has many advantages. It leaves in the Commission as a body the performance of regulatory functions, the determination of subsidies, and the determination of major policies. Thus, it utilizes the Commission for the type of work for which such a body is best adapted. At the same time the plan places under a single official the day-to-day direction of the work of the staff within the policies and determinations adopted by the Commission in the exercise of its functions. This will provide more businesslike administration and help to overcome the delays, backlogs, and operating difficulties which have hampered the agency. At the same time by freeing the members of the Commission of much detail, the plan will enable them to concentrate on major questions of policy and program and thereby will obtain earlier and better considered resolution of the basic problems of the agency.

Though the taking effect of this plan in itself may not result in substantial immediate economies, it is probable that the improved organizational arrangements will bring about, over a period of time, improved operations and substantially reduced expenditures. An itemization of these reductions, however, in advance of actual experience under the plan is not practicable.

I am convinced that this reorganization plan will contribute importantly to the more businesslike and efficient administration of the programs of the Maritime Commission.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949.*

REORGANIZATION PLAN NO. 6 OF 1949

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 20, 1949, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949)

UNITED STATES MARITIME COMMISSION

SECTION 1. Administration of functions of Commission: The Chairman of the United States Maritime Commission shall be the chief executive and administrative officer of the United States Maritime Commission. In executing and administering on behalf of the Commission its functions (exclusive of functions transferred by the provisions of section 2 of this reorganization plan) the Chairman shall be governed by the policies, regulatory decisions, findings, and determinations of the Commission.

SEC. 2. Transfer of functions: There are hereby transferred from the United States Maritime Commission to the Chairman of the Commission the functions of the Commission with respect to (1) the appointment and supervision of all personnel employed under the Commission, (2) the distribution of business among such personnel

and among organizational units of the Commission, and (3) the use and expenditure of funds for administrative purposes: *Provided*, That the provisions of this section do not extend to personnel employed regularly and full time in the offices of members of the Commission other than the Chairman: *Provided further*, That the heads of major administrative units shall be appointed by the Chairman only after consultation with the other members of the Commission.

SEC. 3. Performance of transferred functions: The functions of the Chairman under the provisions of this reorganization plan shall be performed by him or, subject to his supervision and direction, by such officers and employees under his jurisdiction as he shall designate.

REORGANIZATION PLAN NO. 7—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 228)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 7 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan transfers the Public Roads Administration to the Department of Commerce. After investigation I have found and hereby declare that each reorganization included in this plan is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949.

This plan directly carries out the recommendation of the Commission on Organization of the Executive Branch of the Government with respect to the Public Roads Administration. That the Department of Commerce is the appropriate location for the Public Roads Administration in the executive branch is evident from the nature of its functions and the basic purpose of the Department. The Public Roads Administration is primarily engaged in planning and financing the development of the highways which provide the essential facilities for motor transportation throughout the country. Thus, it comes directly within the purpose of the Department of Commerce, as defined by its organic act, which provides:

"It shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce * * * and the transportation facilities of the United States."

In its reorganization proposals the Commission on Organization of the Executive Branch of the Government adhered to the statutory definition of the functions and role of the Department of Commerce. President Franklin D. Roosevelt and the Congress likewise were guided by this concept of the Department in transferring to it the Civil Aeronautics Administration and the Inland Waterways Corporation under the Reorganization Act of 1939. A careful review of the structure of the executive branch reveals no other department or agency in which the Public Roads Administration can so appropriately be located.

The desirability of this transfer of the Public Roads Administration is further emphasized by its relation to the Federal property and administrative services bill now pending in the Senate. This bill creates a new General Services Administration and concentrates in it the principal central administrative service programs of the executive branch. The bill also revises the basic legislation on property management. It has been passed by the House of Representatives by an overwhelming vote and unanimously reported by the Senate Committee on Expenditures in the Executive Departments and awaits final action on the floor of the Senate. This measure substantially conforms to recommendations which I submitted to the Congress more than a year ago and to proposals more recently presented by the Commission on Organization of the Executive Branch of the Government with which I concur. The enactment of this bill will constitute an important step in increasing the efficiency of Federal administration. Since the bill makes permanent provision for the disposal of surplus property now handled by the War Assets Administration, which will expire by law on June 30, early enactment is vital.

In establishing the General Services Administration the Federal property and administrative services bill transfers to the Administration all of the functions and units of the Federal Works Agency. Part of these functions relating to the housing of the governmental establishment clearly fall within the purpose of such an Administration. Certain other functions of the Federal Works Agency, however, bear very little real relation to the objectives of the General Services Administration. The congressional committees which have dealt with the bill have frankly indicated that further consideration must be given to the proper location of some of the programs of the Federal Works Agency. The sooner these unrelated programs can be removed from the new agency, the sooner it can concentrate its efforts upon improving administrative services throughout the executive branch and make the contribution to governmental efficiency for which it has been designed.

Principal among the programs of the Federal Works Agency which are unrelated to the General Services Administration are those of the Public Roads Administration. This agency is primarily engaged in the administration of Federal grants to States for highway purposes rather than in the performance of services for other Federal agencies. Its functions, therefore, do not fall within th field of activities of the General Services Administration. Their inclusion cannot but complicate and impede the development of the General Services Administration in the performance of its intended purpose. This reorganization plan will eliminate such a difficulty.

Since the Public Roads Administration will be transferred bodily from one major agency to another, it is not to be expected that this reorganization will directly result in any appreciable reduction in its expenditures at this time. However, the plan will make for better organization and direction of Federal programs relating to transportation. Assuming the early enactment of the Federal property and administrative services bill, the plan will also materially simplify the development of the proposed General Services Administration and thereby facilitate improvements in the efficiency of administrative services throughout the Government.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 20, 1949*

SECOND DEFICIENCY APPROPRIATION ACT, 1949

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and consider the Senate amendment in disagreement between the two Houses.

The Clerk read the title of the bill, and read the Senate amendment as follows:

Senate amendment No. 9: In line 5, strike out the word "and" and insert the word "or."

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I offer the following motion.

The Clerk read as follows:

Mr. CANNON moves that the House agree to the Senate amendment to the House amendment to Senate amendment No. 9.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Speaker, I understand that the House and Senate are now in complete agreement in all respects on this bill except as to the one word that has been reported by the Clerk.

Mr. CANNON. That is correct. In my experience this is the shortest item in disagreement between the House and the Senate on any bill which has ever gone to conference. We used the word "and" but the Senate indicates a desire to change it to "or."

The gentleman will recall that it was formerly the custom to fill our bills with "and/or." Finally, Senator Carter Glass meeting with the House and Senate conferees, grew impatient of the custom and marked all such expressions "and", and we have followed that practice ever since.

But here the Senate thinks it should be "or" instead of "and." So, inasmuch as it does not make the slightest difference in the world in the meaning expressed, I move that the House agree to the Senate amendment.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

SWISS WAR DAMAGE CLAIMS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the bill (H. R. 4392) to provide for the payment

of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. DAVENPORT (at the request of Mr. MANSFIELD) was given permission to extend his remarks in the Appendix of the RECORD and include newspaper articles and extraneous material.

Mr. SADOWSKI asked and was given permission to extend his remarks in the Appendix of the RECORD in three separate instances and in each to include excerpts.

Mr. PRICE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. BRAMBLETT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Washington Post.

Mr. MARCANTONIO asked and was given permission to revise and extend his remarks.

Mr. PATMAN asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include certain statements and excerpts.

The SPEAKER. Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

BIG BUSINESS THROWING ITS WEIGHT AROUND—PRESIDENT TRUMAN'S CHARGES OF 1948 PROVEN TRUE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend in connection with my speech and include therein certain statements, especially a complaint by the Federal Trade Commission in the Steel Conduit case, and a cease-and-desist order.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, if I were to select a title for the statement I expect to make today I believe it would more properly be that big business is trying to throw its weight around. President Truman was right last year when he said that the big corporations were responsible for high prices and inflation. The reports at the end of the year conclusively show that he was right, that the manufacturing corporations that normally earn three and four billions a year after the payment of taxes, had earned the huge sum of $21,000,000,000 last year after the payment of all taxes. That alone is sufficient to convince any fair-minded person that Mr. Truman was right.

TALK CAUSED RECESSION

The heads of these large corporations said that they needed to retain these enormous earnings for the reason that we were going to have a depression very soon after 1948, that after every inflationary period we had had deflation and depressions; and, therefore, they had to keep back a lot of their earnings; and they paid out only a small amount. That statement alone was enough to frighten people into believing that we would have a depression, and that talk started the country on the road to a recession which we are in now and which could lead to a depression of serious consequences if talk like that continues. They started the recession last year; it has been getting worse and worse. In addition to using this money as a backlog, as they said, for the purpose of going through a depression which they expected, it was very convenient for them to have this money to expand, to buy their competitors, to buy nonrelated businesses, and also for the purpose of having costless capital for any purpose they wanted; that money to them was costless.

So they started talking us into a depression and the situation we are in today is just like Mr. Truman said it was in 1948, caused by high prices, high earnings and failure to lower prices and give the consumers the benefit when they could do it. These large earnings have been retained; they have not been paid out. If Mr. Thomas E. Dewey had been elected President in 1948 I venture to say that times would have been entirely different. Most of the large interests were for Mr. Dewey. We know that practically all of them were. They could have paid out these earnings and caused our country to be prosperous. So they have used these earnings for a two-fold purpose, one, to make it hard for business if Mr. Truman was elected, and they did not expect him to, and, second, to have a backlog there to boost the Dewey administration if Dewey were elected. I think times would have been different had Mr. Dewey been elected.

So big business has been throwing its weight around. They cut purchasing power by charging high prices and retaining so much in earnings they have caused a fear of deflation, they have caused the demand for goods to be lessened, and they are the cause of the demand being lessened. The demand, being lessened, there is less steel needed, and because people are not buying like they should, we have for the first time in a long period a sufficient supply of steel to meet the demands of frightened people. They claim we have more steel now than we need. How? By cutting down the demand. How has the demand been cut down? By cutting down the purchaing power. So that they have done indirectly what they could not have done directly. They have made the situation such that the people themselves cut down the demand for basic materials, including steel and things like that. It is a very simple matter. But things like that will cause us to get into a depression. We do not have sufficient steel now in use. The experts, those upon whom the Government rely, tell us that we need 10,000,000 more tons of steel every year in order to have full production and full employment. This being true, if the production of steel is 10,000,000 tons less than it should be, and it is going down all the time, eventually it will catch up with us, and we will not have sufficient tools with which to work. It will throw us into a depression. So, if we do not correct the situation right now, we are headed for a serious depression. That is one of the main reasons why the big corporations retained so much of their earnings.

REPEAL ANTITRUST LAWS

In addition to all that, one of the boldest things I have ever seen attempted in the Congress of the United States is the effort to pass a bill known as S. 1008, the Walter-Myers bill, for which the O'Mahoney bill is a substitute. This bill passed the Senate after very little discussion. It came over to the House and was referred to the Committee on the Judiciary. That committee heard two witnesses. The bill was reported by a subcommittee to the full committee practically in the same language as when it passed the Senate, except one good amendment was stricken out. I understand the committee is meeting tomorrow. I protested, and the full committee gave me an opportunity to appear before it in executive session. The object of my appearing before the full committee was to request it to hear certain witnesses. If that committee would hear certain witnesses, it would not make a favorable report on that bill, because it is against the interest of the country. I understand the committee has not agreed to have further hearings.

HOME TOWN MERCHANT RUINED

This bill, S. 1008, started out to change the basing-point system, but something else has been added, a provision to repeal certain parts of the Clayton Act. Those parts of the Clayton Act that protect the home town merchant, the corner druggist, the corner grocer, your independent businesses, will be repealed. The Clayton Act has been protecting these small merchants from the big national corporate chains. If the bill becomes law it will leave without protection your home town merchants. That provision has been inserted in this particular bill which has to do primarily with the basing point. It will destroy the independent merchants in our home towns by repealing a law that the independent merchants themselves caused to be enacted in 1936.

In that year there were such amazing disclosures about discriminatory prices that the people of the whole Nation were astounded and demanded that the Congress pass laws that would protect independent business, that would prohibit these large national corporate chains from getting a monopoly and destroying all of the smaller businesses. The Congress, in obedience to the demands of the people, passed laws amending the Clayton Act.

If this so-called O'Mahoney bill is passed, this former law is destroyed, it is repealed, it is nullified and your home town merchants will no longer have this protection.

Now, who are these home-town merchants that caused that bill to be passed? There are 40,000 independent druggists

in this country, not one of whom is in a chain of any kind. They are all independent, separate, and distinct from any chain store. They are the ones who demanded the passage of this law which would now be repealed. The grocery men, the independent merchants all over the Nation demanded and the Congress passed that act which will now be repealed if this O'Mahoney bill becomes a law. In order to satisfy this big industrial crowd—and I am not impugning the motive of any Member of Congress; I never do that; I never have and never will, and I expect every Member to act according to his own information and knowledge and judgment concerning legislation, and I do the same thing—but I am talking about the clamor from the lobbying interests, that lobbying octopus that is here in Washington now that is demanding the repeal of the antitrust laws through the O'Mahoney bill.

THREE SUPREME COURT DECISIONS WOULD BE REPEALED

In order to do that this O'Mahoney bill will repeal three Supreme Court decisions. Which of these three Supreme Court decisions will the O'Mahoney bill repeal?

First, the bill outlawing the monopoly in cement by using the basing points as a handy instrument, which was decided in April of last year, 1948—April 28, to be exact. Now, this O'Mahoney bill will nullify that Supreme Court decision. The cement companies were in a trust. They were caught red-handed fixing prices over a period of 25 years, and now after the Supreme Court has outlawed it we are asked through the O'Mahoney bill to legalize what the Supreme Court has found to be unlawful. I cannot conceive of this Congress doing it. That is one decision.

The next decision is the Steel Conduit case. There is where they were caught red-handed again, fixing prices on steel conduit all over the Nation, identical bids everywhere. Fifty bidders would put in bids to furnish steel conduit, and every one of them would be exactly the same down to the fifth decimal point; every one of them. So the Supreme Court outlawed that method of doing business. They said it is against public interest; it is a monopoly; it is a trust. Now we are asked through the O'Mahoney bill to legalize what the Supreme Court outlawed in the Steel Conduit case.

The next is the Morton Salt case. The Supreme Court said that the sellers of salt and the manufacturers of salt were favoring big corporate chains and selling salt to them at a price much lower than the local, independent merchant could buy the salt for without any profit at all. The Supreme Court struck that down. It said it is illegal; it is a monopoly; it is a trust, and the Supreme Court outlawed it. Now we are asked by the passage of the O'Mahoney bill to legalize the Morton Salt trust and let the corporate chains continue to ruin the independent merchants by giving discriminatory prices to the favorite chains who are their customers.

So, we are asked to repeal three Supreme Court decisions. We are asked to nullify and repeal amendments to the Clayton Act of 1936, which act helped the local merchants. I think that is asking a whole lot of a United States Congress.

I have before me here the complaint that was filed by the Federal Trade Commission against the conspirators in the Steel Conduit case. It names each and every one. It discusses the charges against them, saying that they were fixing prices. It even enumerates some of the prices, and then it issues an order for them to cease and desist fixing prices against the public interest. I am inserting this in the CONGRESSIONAL RECORD. It is rather long, I will admit, but the committee failed to have a hearing on this bill, and I feel like the Members should know what they are voting on. When any Member reads this complaint in the Steel Conduit case and then reads the cease-and-desist order he must realize that he is being asked to nullify what the Federal Trade Commission did in June 1944 which was ratified and confirmed by the Supreme Court of the United States in June 1949. I venture to say that this case cost the United States taxpayers a million dollars, directly or indirectly, and every allegation and every charge that the Federal Trade Commission made against these monopolies and these trusts were sustained to a letter.

UNITED STATES OF AMERICA,
BEFORE FEDERAL TRADE COMMISSION.

At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 6th day of June, A. D. 1944.

Commissioners: Robert E. Freer, Chairman; Garland S. Ferguson; Charles H. March; Ewin L. Davis; William A. Ayres.

In the Matter of RIGID STEEL CONDUIT ASSOCIATION, an unincorporated association; its officers: HERBERT S. BLAKE, president; LAWRENCE R. QUINN, treasurer; PAUL WEISS, assistant treasurer; ROBERT S. BOOTH, executive secretary; its board of directors: I. A. BENNETT, chairman, J. M. BARTON, H. G. MORROW, LAWRENCE R. QUINN, H. S. WALKER, A. E. NEWMAN; and its members: CENTRAL TUBE CO., CLAYTON MARK & CO., COHOES ROLLING MILL CO., ENAMELED METALS CO., FRETZ-MOON TUBE CO., INC., GARLAND MANUFACTURING CO., GENERAL ELECTRIC CO., LACLEDE STEEL CO., LACLEDE TUBE CO., NATIONAL ELECTRIC PRODUCTS CORP., STEELDUCT CO., TRIANGLE CONDUIT & CABLE CO., INC., WALKER BROS., YOUNGSTOWN SHEET & TUBE CO., corporations, individually and as representative of the members of the RIGID STEEL CONDUIT ASSOCIATION; GENERAL ELECTRIC SUPPLY CORP., SPANG CHALFANT, INC., STEEL & TUBES, INC., REPUBLIC STEEL CORP., THE M. B. AUSTIN CO., GEORGE L. HATHEWAY, REGINA G. HATHEWAY, KATHERINE R. HATHEWAY, and JANE HATHEWAY, partners, trading as CLIFTON CONDUIT CO.; CHARLES DONLEY, FRANK C. HODKINSON; ORGANIZATION SERVICE CORP., a corporation, and its officers: HERBERT S. BLAKE, president, HERBERT S. BLAKE, JR., vice president, N. MYLES BROWN, vice president, THOMAS B. JORDAN, vice president, PAUL WEISS, treasurer, C. C. GREGORY, secretary, individually and as representatives of the ORGANIZATION SERVICE CORP.; THE NATIONAL ELECTRICAL WHOLESALERS ASSOCIATION, an unincorporated association, its officers: J. G. JOHANNESEN, chairman, D. L. FIFE, vice chairman, ALFRED BYERS, secretary; the members of its conduit committee: D. L. FIFE, W. S. BLUE, W. J. DRURY, A. H. KAHN, C. H. MCCULLOUGH, H. E. RASMUSSEN, H. O. SMITH, L. E. LATHAM, F. R. EISEMAN, W. R. KIEFER, H. B. TOMPKINS, A. L. HALLSTROM, A. S. RIECHMAN, D. M. SMITH; and its members: GENERAL ELECTRIC SUPPLY CORP., E. B. LATHAM & CO., FIFE ELECTRIC SUPPLY CO., COLUMBIAN ELECTRICAL CO., GRAYBAR ELECTRIC CO., INC., W. T. MCCULLOUGH ELECTRIC CO., PEERLESS ELECTRIC SUPPLY CO., THE HARDWARE & SUPPLY CO., REVERE ELECTRIC CO., KIEFER ELECTRICAL SUPPLY CO., WESTINGHOUSE ELECTRIC SUPPLY CO., F. D. LAWRENCE ELECTRIC CO., THE C. S. MERSICK & CO., individually and as representatives of all the members of THE NATIONAL ELECTRICAL WHOLESALERS ASSOCIATION, Docket No. 4452.

FINDINGS AS TO THE FACTS AND CONCLUSION

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on January 25, 1941, issued and subsequently served its complaint in this proceeding upon the respondents named in the caption hereof, charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondent's answers thereto, testimony and other evidence in support of and in opposition to the allegations of said complaint were introduced before an examiner of the Commission theretofore duly designated by it, and said testimony and other evidence were duly recorded and filed in the office of the Commission.

Thereafter, this proceeding regularly came on for final hearing before the Commission upon the complaint, the answers thereto, testimony and other evidence, report of the trial examiner and exceptions thereto, briefs in support of and in opposition to the complaint, and oral arguments by opposing counsel; and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

Paragraph 1: (a) Respondent Rigid Steel Conduit Association (hereinafter frequently referred to as RSCA) was an unincorporated voluntary association, the membership of which included the manufacturers of substantially all the rigid steel conduit produced in the United States. It was organized in April 1934 as the immediate successor to the rigid steel conduit section of the National Electrical Manufacturers Association, the members of which voted to dissolve that section and on the same day organized RSCA. In turn, the rigid steel conduit section of the National Electrical Manufacturers Association was successor to the interior conduit section of the Associated Manufacturers of Electrical Supplies, which was organized about 1915 and which became the National Electrical Manufacturers Association about 1926. RSCA was organized for the stated general purposes of considering matters of common interest in the manufacture and sale of rigid steel conduit, improving methods of distribution, and collecting and distributing information and data of value to the industry. The first step toward the dissolution of RSCA was taken at a meeting on April 19, 1939, the minutes of which recite in part:

"On motion, seconded and carried, it was voted to cease all forms of association activities, except such as are necessary to close up outstanding commitments and obligations, and place the association in abeyance, subject to its possible revival in the future, should conditions at a later date indicate the possibility of its functioning successfully in keeping with its originally expressed purposes (Comm. Ex. 35-E)."

At a meeting on April 16, 1940, a resolution for the dissolution of RSCA was passed, to be effective as of May 31, 1940. From the

time of its organization in 1934 until its formal dissolution it maintained its offices in New York City.

(b) Respondent Herbert S. Blake, an individual, is a lawyer with offices in New York, N. Y., and as president of respondent Organization Service Corp., is engaged in the management of the affairs of a number of trade associations. In October 1936, he undertook to aid in and direct the affairs of RSCA, and in March 1937 he became president of RSCA and continued in that office until his resignation in April 1939.

(c) Respondent Lawrence R. Quinn, an individual, vice president of respondent Enameled Metals Co., was active in the interior conduit section of the Associated Manufacturers of Electrical Supplies, in the rigid conduit section of the National Electrical Manufacturers Association, and in RSCA, in which at various times he served as treasurer, member of the board of directors, and chairman of the board of directors.

(d) Respondent Paul Weiss, an individual, treasurer of respondent Organization Service Corp., served as assistant treasurer of RSCA from December 1936 until April 1938, and also supervised and carried on statistical work for RSCA.

(e) Respondent Robert S. Booth, an individual in the employ of respondent Organization Service Corp., served as secretary pro tempore of RSCA from December 1936 to January 1938, when he became executive secretary of RSCA and continued in that capacity until April 1939. During his connection, and that of Organization Service Corp., with RSCA he supervised and carried on many activities for and in behalf of that association.

(f) Respondent I. A. Bennett, an individual, vice president of respondent National Electric Products Co., was active in the rigid conduit section of the National Electrical Manufacturers Association and took a leading part in the affairs of RSCA. At various times he served as a member of the board of directors of RSCA and as chairman of such board.

(g) Respondent James M. Barton, the individual referred to in the complaint as J. M. Barton, president of respondent Fretz-Moon Tube Co., Inc., was active in and at various times served as a member of the board of directors of RSCA.

(h) Respondent Harry G. Morrow, the individual referred to in the complaint as H. G. Morrow, formerly vice president of respondent Central Tube Co. and thereafter connected with respondent Spang Chalfant, Inc., was active in the Interior Conduit Section of the Associated Manufacturers of Electrical Supplies, in the rigid conduit section of the National Electrical Manufacturers Association, and in RSCA. At various times he was a member of the board of directors of RSCA.

(i) Respondent Hervey S. Walker, the individual referred to in the complaint as H. S. Walker, president of respondent Walker Bros., was active in the rigid conduit section of the National Electrical Manufacturers Association and in RSCA. At various times he served as an officer of RSCA and as a member of its board of directors.

(j) Respondent A. E. Newman, an individual, manager of wiring materials sales of respondent General Electric Co., was active in the affairs of RSCA. He was elected to the board of directors of that association in January 1938, but after attending at least two board meetings declined to accept the position, and on July 13, 1938, the board of directors accepted his resignation.

(k) Respondent Central Tube Co. (hereinafter frequently referred to as Central Tube) was a corporation organized under the laws of the State of Pennsylvania, with its principal place of business in Pittsburgh, Pa. It was engaged in the manufacture and sale of rigid steel conduit until about February 1940, when its assets were purchased by respondent Spang Chalfant, Inc., and thereafter its corporate existence was terminated in November 1940. Central Tube was a member of the interior conduit section of the Associated Manufacturers of Electrical Supplies, a member of the rigid conduit section of the National Electrical Manufacturers Association, and a member of RSCA and participated in its affairs throughout the existence of that association.

(l) Respondent Clayton Mark & Co. (hereinafter frequently referred to as Clayton Mark) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in Evanston, Ill. It succeeded the Mark Manufacturing Co., which was purchased by respondent Youngstown Sheet & Tube Co. in 1923. Clayton Mark discontinued the manufacture of rigid steel conduit about October 1938 and has subsequently sold conduit bearing its own brands which it has secured principally from Youngstown Sheet & Tube Co., and, to a limited extent, from respondents Enameled Metals Co. and Fretz-Moon Tube Co., Inc. The Mark Manufacturing Co. was a member of the interior conduit section of the Associated Manufacturers of Electrical Supplies. Clayton Mark was a member of the rigid conduit section of the National Electrical Manufacturers Association and a member of RSCA and participated in its affairs from the organization of that association until its dissolution.

(m) Respondent Cohoes Rolling Mill Co. (hereinafter frequently referred to as Cohoes) is a corporation organized and existing under the laws of the State of New York, with its principal place of business at Cohoes, New York. It is a manufacturer of rigid steel conduit, with a plant capacity of about 800 tons of such conduit per month, and also manufactures other iron and steel products. Its conduit business constitutes but a small part of its total business. About January 1934, Mohawk Tube Co., Inc., successor to Mohawk Conduit Co., was merged with Cohoes. Mohawk Conduit Co. was a member of the rigid conduit section of the National Electrical Manufacturers Association, to which membership the Mohawk Tube Co. succeeded. The latter became a member of RSCA, in which membership it was succeeded by Cohoes. Cohoes resigned from RSCA effective July 31, 1938, but its representatives thereafter continued to attend meetings of that association and to take part in association activities.

(n) Respondent Enameled Metals Co. (hereinafter frequently referred to as Enameled Metals) is a corporation organized and existing under the laws of the State of Pennsylvania, with its principal place of business at Etna, Pa. It manufactures rigid steel conduit from pipe purchased from respondent Spang Chalfant, Inc., and has a plant capacity of about 3,000 tons of such conduit per month. It was a member of the interior conduit section of the Associated Manufacturers of Electrical Supplies, thereafter a member of the rigid conduit section of the National Electrical Manufacturers Association, and thereafter a member of RSCA and participated in its affairs until the dissolution of that association.

(o) Respondent Fretz-Moon Tube Co., Inc., (hereinafter frequently referred to as Fretz-Moon) is a corporation organized and existing under the laws of the State of Pennsylvania, with its principal place of business at East Butler, Pa. It manufactures rigid steel conduit and has a plant capacity of about 1,000 tons of such conduit per month. Its conduit is fabricated in part from pipe produced by itself, in part from pipe purchased from respondent Spang Chalfant, Inc. Its sales of conduit were made exclusively through respondent Steel & Tubes, Inc., a wholly owned subsidiary of respondent Republic Steel Corp., from January 1934 until about September 1939. At that time Republic Steel Corp., which owned 50 percent of the voting stock of Fretz-Moon, took over the assets of Steel & Tubes, Inc., including the contract between Fretz-Moon and Steel & Tubes, Inc., and thereafter conduit sales were made by Republic. Fretz-Moon was a member of the rigid conduit section of the National Electrical Manufacturers Association and became a member of RSCA. It resigned from RSCA on October 5, 1939, but continued the payment of dues to RSCA and its representatives continued to attend meetings and participate in the affairs of RSCA until the dissolution of that association.

(p) Respondent Garland Manufacturing Co. (hereinafter frequently referred to as Garland) is a corporation organized and existing under the laws of the State of Pennsylvania, with its principal place of business in Pittsburgh, Pa. It is successor by change of name to Safety-Armorite Co., which in turn was successor by change of name to Safety Conduit Co., under which name this respondent, one of the earliest producers of rigid steel conduit, entered the conduit business about 1897. Garland has a plant capacity of about 1,400 tons of conduit per month. It was reorganized under the bankruptcy laws and since June 1936 has been under the control of trustees and receivers. Robert Garland, formerly president of the company, has been manager for such trustees and receivers. Safety-Armorite Co. was a member of the interior conduit section of the Associated Manufacturers of Electrical Supplies, and Garland was a member of the rigid conduit section of the National Electrical Manufacturers Association and of RSCA and participated in the affairs of that association until its dissolution.

(q) Respondent General Electric Co. (hereinafter frequently referred to as General Electric) is a corporation organized and existing under the laws of the State of New York, with its principal place of business in Schenectady, N. Y. Although one of the largest manufacturers of rigid steel conduit, having a plant capacity of about 5,000 tons of conduit per month, that commodity constitutes a very small portion of the total business of General Electric. It was a member of the rigid conduit section of the National Electrical Manufacturers Association and of RSCA. In July 1938, it submitted its resignation to RSCA but continued to participate in the activities of RSCA until approximately the time that association was dissolved.

(r) Respondent Laclede Steel Co. (hereinafter frequently referred to as Laclede Steel) is a corporation organized and existing under the laws of the State of Missouri, with its principal place of business in St. Louis, Mo. For a number of years preceding 1936 Laclede Steel, which manufactures wire and other steel products, has a wholly owned subsidiary, the Laclede Tube Co. (hereinafter frequently referred to as Laclede Tube), a corporation organized under the laws of the State of Delaware, which had a plant capacity of about 200 tons of rigid steel conduit per month. In December 1936, Laclede Steel took over the assets of Laclede Tube and the latter corporation was dissolved. Thereafter, Laclede Steel manufactured, sold, and distributed rigid steel conduit, and in general, carried on directly the business previously carried on through its subsidiary, Laclede Tube. Immediately after the dissolution of Laclede Tube, Laclede Steel caused the organization of Laclede Tube Co., a Missouri corporation, for the purpose of preserving that name, but this corporation has not actively engaged in any business since its creation. Laclede Tube was a member of RSCA from January 1935 to June 1936, and although no representatives of either Laclede Steel or Laclede Tube attended meetings of the association, they both participated in carrying on the association activities and Laclede Steel continued to cooperate with

RSCA and its members until that association was dissolved.

(s) Respondent National Electric Products Corp. (hereinafter frequently referred to as National Electric) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at Ambridge, Pa. Successor by change of name to National Metal Molding Co., it is one of the largest producers of rigid steel conduit, having a plant capacity of about 5,500 tons per month, and is also engaged on a substantial scale in the production and sale of other products. American Circular Loom Co., a Delaware corporation, was a wholly-owned subsidiary of National Electric from about 1914 until its dissolution in January 1937. For a substantial portion of this period it manufactured, sold, and distributed rigid steel conduit, and thereafter sold and distributed under its own brand names conduit manufactured for it by National Electric. Certain of its brands have been continued by National Electric to the present time. National Metal Molding Co. and American Circular Loom Co. were members of the interior conduit section of the Associated Manufacturers of Electrical Supplies. National Electric and American Circular Loom Co. were members of the rigid conduit section of the National Electric Manufacturers Association and were members of RSCA and participated in its affairs until the dissolution of RSCA in the case of National Electric, and until its own dissolution in the case of American Circular Loom Co.

(t) Respondent Steelduct Co. (hereinafter frequently referred to as Steelduct) is a corporation organized and existing under the laws of the State of Ohio, with its principal place of business in Youngstown, Ohio. It is engaged in the sale and distribution of rigid steel conduit produced and shipped for it by Enameled Metals. Steelduct was a member of the rigid conduit section of the National Electrical Manufacturers Association and thereafter a member of RSCA and participated in its affairs until the dissolution of that association.

(u) Respondent Triangle Conduit & Cable Co., Inc. (hereinafter frequently referred to as Triangle), is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at Elmhurst, N. Y. In June 1940, through a merger, it succeeded to the assets and business of Triangle Conduit & Cable Co., Inc., a New York corporation. For several years prior to 1929, Triangle secured its supplies of conduit from Fretz-Moon, but since that date has manufactured its own conduit. It is one of the largest producers of rigid steel conduit, having a plant capacity of about 6,000 tons of such conduit per month, and is also engaged in the manufacture and sale of other products. It was a member of the rigid conduit section of the National Electrical Manufacturers Association and thereafter a member of and active in the affairs of RSCA until the dissolution of that association.

(v) Respondent Walker Brothers is a corporation organized and existing under the laws of the State of Pennsylvania, with its principal place of business at Conshohocken, Pa. It is a manufacturer of electrical construction materials, including rigid steel conduit, and has a plant capacity of approximately 2,000 tons of conduit per month. It was a member of the rigid conduit section of the National Electrical Manufacturers Association, and thereafter a member of RSCA and participated in its affairs until the dissolution of that association.

(w) Respondent Youngstown Sheet and Tube Co. (hereinafter frequently referred to as Youngstown) is a corporation organized and existing under the laws of the State of Ohio, with its principal place of business in Youngstown, Ohio. As a small part of its business, it is engaged in the manufacture of rigid steel conduit and its two plants where this commodity is produced have a productive capacity of about 4,400 tons per month. For a number of years the rigid steel conduit business of Youngstown was carried on through a subsidiary known as the Western Conduit Manufacturing Co., which was a member of the interior conduit section of the Associated Manufacturers of Electrical Supplies. Youngstown was a member of the rigid conduit section of the National Electrical Manufacturers Association and a member of RSCA and participated in its affairs from December 1935 to May 1938. Prior to its becoming a member of RSCA a representative of Youngstown attended meetings of that association as a guest, and subsequent to its resignation from that association, Youngstown representatives frequently attended association meetings and served as members of association committees. Youngstown thus participated in the activities of RSCA at times when it was not a member of that association.

(x) Respondent Spang Chalfant, Inc., is a corporation organized and existing under the laws of the State of Pennsylvania, with its principal place of business in Pittsburgh, Pa. It began the manufacture of conduit in February 1940, when it purchased certain assets of Central Tube and immediately began the operation of the conduit plant thus purchased. It has a productive capacity of about 2,500 tons of conduit per month, but this represents but a small part of its total business, as it is engaged in the sale and distribution of many other commodities. Spang Chalfant, Inc., was not a member of RSCA. In fact, the association dissolved soon after Spang Chalfant, Inc., acquired the assets of Central Tube in February 1940 and the only association meeting its representatives attended was the meeting of April 16, 1940, at which dissolution was voted.

(y) Respondent Steel and Tubes, Inc., was a corporation organized under the laws of the State of Ohio. It was a wholly owned subsidiary of respondent Republic Steel Corp. until October 1939, when it was dissolved, its assets taken over by Republic Steel Corp., and its business continued as the Steel and Tubes Division of Republic Steel Corp. As set out in subparagraph (o) above, Steel and Tubes, Inc., until its dissolution, was the rigid conduit sales agent of respondent Fretz-Moon, and thereafter the Steel and Tubes Division of Republic Steel Corp. was the exclusive sales agent for Fretz-Moon, one-half of the voting stock of which is owned by Republic. Steel and Tubes, Inc., was not a member of RSCA but, nevertheless, its representatives frequently attended meetings of that association and Steel and Tubes, Inc., cooperated with and assisted in the activities of that association and its members.

(z) Respondent Republic Steel Corp. (hereinafter frequently referred to as Republic) is a corporation organized and existing under the laws of the State of New Jersey, with its principal place of business in Cleveland, Ohio. Republic is concerned in the manufacture of rigid steel conduit through its ownership of 50 percent of the voting stock of Fretz-Moon. From 1934 until the dissolution of its wholly owned subsidiary, Steel and Tubes, Inc., in October 1939, it was indirectly engaged in the sale and distribution of conduit, and thereafter, through its Steel and Tubes Division, it was directly engaged in such activities. Through the membership of Fretz-Moon in RSCA and through the activities of Steel and Tubes, Inc., and those of its own Steel and Tubes Division, Republic has cooperated with and assisted in the activities of RSCA and its members.

(1-a) Respondent M. B. Austin Co. (hereinafter frequently referred to as Austin) is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business in Chicago, Ill. It sells and distributes rigid steel conduit which in recent years has been manufactured for it by respondent Triangle but marked with Austin brands. In January 1935 it became a sales agent for Triangle under a purported consignment arrangement by which sales were made at the prices and on the terms specified by Triangle. It presently operates under a contract negotiated with Triangle in November 1939 by which it purchases conduit bearing its brands from Triangle. This contract contains provisions respecting passing on to purchasers any part of discounts, commissions, or allowances received from Triangle under the contract. The provisions of this contract amount in substance to control of Austin's resale prices by Triangle. Though not a member of RSCA, through the relationship to Triangle directly, Austin has cooperated and assisted in the activities of that association and its members.

(1-b) Respondents George L. Hatheway, Regina G. Hatheway, Katherine R. Hatheway, and Jane Hatheway are copartners trading as Clifton Conduit Co. (hereinafter frequently referred to as Clifton), with their principal place of business in Jersey City, N. J. Clifton sells and distributes rigid steel conduit purchased from General Electric and marked with Clifton brands. Clifton's price announcements conform to those of General Electric. This concern was a member of the Interior Conduit Section of the Associated Manufacturers of Electrical Supplies and applied for membership in the Rigid Conduit Section of the National Electrical Manufacturers Association, but apparently was not accepted because of difficulty over its status as a manufacturer. It was not a member of RSCA but followed many of the practices established or maintained by that association and its members.

(1-c) Respondent Charles Donley, an individual with offices in Pittsburgh, Pa., is engaged in serving various individuals, firms, and associations as traffic manager or adviser. Mr. Donley furnished railroad freight rate services to various individual conduit manufacturers; for a period of time he prepared and furnished compilations of rates to RSCA for the use of its members in computing delivered prices; and thereafter, with the collaboration and aid of RSCA, furnished such compilations directly to the individual conduit manufacturers. At various times he advised and consulted with RSCA and the transportation committee of that association as to the form of data to be furnished and the scope and manner of its distribution.

(1-d) Respondent Frank C. Hodkinson, an individual of East Orange, N. J., was connected with the rigid steel conduit industry in various capacities from 1897 to 1936. He has been connected with the Safety Conduit Co., Safety-Armortite Conduit Co., Garland, and American Circular Loom Co. His connection as vice president and general manager of the last-named concern was terminated in 1936 when that company was dissolved by its parent, National Electric, and he has not since had any substantial connection with the industry. During his service with the various concerns named, he was active in trade association matters. He assisted in the formation of the Associated Manufacturers of Electrical Supplies, and after the merger of that association with National Electrical Manufacturers Association was at various times a member of its board of governors. During the NRA code period he was appointed by the board of governors of the National Electrical Manufacturers Association as the supervisory agency of the roughing-in classification of the electrical manufacturing industry for the administration of the NRA code as it applied to rigid steel conduit and other products included in the roughing-in classification. He also served as representative of the American Circular Loom Co. at various meetings of RSCA from April 1934 to July 1936.

(1-e) Respondent Organization Service Corp. (hereinafter frequently referred to as

OSC) is a corporation organized and existing under the laws of the State of New York, with its principal place of business at 74 Trinity Place, New York, N. Y. Respondent Herbert S. Blake, an individual, is the president and active head of OSC; respondents Herbert S. Blake, Jr., an individual, N. Myles Brown, an individual, and Thomas B. Jordan, an individual, are vice presidents of OSC; respondent Paul Weiss, an individual, is treasurer of OSC; and respondent C. C. Gregory, an individual, is secretary of OSC. Among the activities carried on by OSC and its officers is that of managing and directing the activities of a number of trade associations and furnishing various services and facilities to such associations. By contract executed October 29, 1936, OSC undertook to manage the affairs of RSCA subject to the association's board of directors, and also undertook to supply RSCA with offices and facilities for the conduct of its affairs. This contract remained in effect until December 31, 1938, and thereafter was reduced in scope and continued until April 1, 1939, when relations between OSC and RSCA ceased. As heretofore found, certain officers and employees of OSC also served as officers of RSCA.

(1–f) Respondent National Electrical Wholesalers Association (hereinafter frequently referred to as NEWA) is an unincorporated trade association of wholesalers and jobbers of electrical supplies, with its offices in New York City. It has a membership of approximately 200 such wholesalers and jobbers who are engaged in the sale and distribution of electrical supplies, including rigid steel conduit, through some 500 establishments scattered throughout most of the States of the United States. In the conduct of its affairs NEWA has various committees, designated as commodity committees, the members of which devote their attention, for the benefit of the entire membership, to particular classifications of electrical material. One such commodity committee is the rigid-steel conduit committee. Respondents J. G. Johannesen, D. L. Fife, and Alfred Byers have served as chairman, vice chairman, and secretary, respectively, of the conduit committee, and respondents W. S. Blue, W. J. Drury, A. H. Kahn, C. H. McCullough, H. E. Rasmussen, H. O. Smith, L. E. Latham, F. R. Eiseman, W. R. Kiefer, H. B. Tompkins, A. L. Hallstrom, A. S. Reichman, and D. M. Smith have at various times served as members of such committee. Through the activities of this committee NEWA and its members have cooperated with and assisted RSCA and its members as hereafter set forth.

(1–g) Respondent General Electric Supply Corp. is a corporation organized and existing under the laws of the State of Delaware, with its principal offices in Bridgeport, Conn. It is a wholly owned subsidiary of General Electric. Respondent E. B. Latham & Co. is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York City. Respondent Fife Electric Supply Co. has its principal place of business at 541 East Larned Street, Detroit, Mich. Respondent Columbian Electrical Co. has its principal place of business at 206 Grand Avenue, Kansas City, Mo. Respondent Graybar Electric Co., Inc., is a corporation organized and existing under the laws of the State of New York, with its principal place of business in New York City. Respondent W. T. McCullough Electric Co. has its principal place of business at 317 First Avenue, Pittsburgh, Pa. Respondent Peerless Electric Supply Co. has its principal place of business at 122 South Meridian Street, Indianapolis, Ind. Respondent The Hardware and Supply Co. has its principal place of business at 475 South High Street, Akron, Ohio. Respondent Revere Electric Supply Co. (the concern referred to in the complaint as Revere Electric Co.) is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business in Chicago, Ill. Respondent Kiefer Electric Supply Co. is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business in Peoria, Ill. Respondent Westinghouse Electric Supply Co. is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business in New York City. Respondent the F. D. Lawrence Electric Co. has its principal place of business at 217 West Fourth Street, Cincinnati, Ohio. Respondent the C. S. Mersick & Co. has its principal place of business at 278 State Street, New Haven, Conn. The respondents named in this subparagraph are wholesalers of electrical supplies, including rigid-steel conduit. Each is a member of NEWA and representatives of each have at various times served on the conduit committee of that association.

Paragraph 2: (a) Each of the respondents named in subparagraphs (4) (1–b), inclusive, of paragraph 1, except as otherwise stated therein, is engaged in the sale and distribution of rigid-steel conduit to and through wholesalers, and pursuant to sales made, transports such conduit, or causes it to be transported, among and between various States of the United States and, in some instances, its territories, possessions, and foreign countries, and maintains, and has maintained, a course of trade in rigid-steel conduit in commerce, as commerce is defined in the Federal Trade Commission Act. These respondents are hereinafter frequently referred to, both individually and collectively, as conduit sellers.

(b) Each of the respondents named in subparagraph (1–g) of paragraph 1 is engaged in the sale and distribution of rigid-steel conduit at wholesale, and in the course and conduct of their respective businesses, pursuant to sales made, transports rigid-steel conduit, or causes it to be transported, between and among various States of the United States, and maintains, and has maintained, a course of trade in such conduit in commerce, as "commerce" is defined in the Federal Trade Commission Act. These respondents are hereinafter frequently referred to, both individually and collectively, as "conduit wholesalers."

(c) The respondents other than those referred to in (a) and (b) above are not individually engaged in the sale and distribution of rigid-steel conduit in commerce but have directed, cooperated with, or assisted conduit sellers or conduit wholesalers in planning and executing the various policies, practices, and methods, as hereinafter set forth. Each of the various conduit sellers and conduit wholesalers is in competition with other conduit sellers and conduit wholesalers to the extent that such competition has not been lessened or restrained by the acts and practices hereinafter described.

Paragraph 3: Rigid-steel conduit (frequently referred to herein merely as conduit) is steel pipe which has been cleaned and galvanized or enameled in order to give it a smooth surface, particularly on the interior of the pipe. Usually made in 10-foot lengths and in sizes having interior diameters ranging from ¼ inch to 6 inches, it is installed in buildings and other construction projects where electrical wiring is necessary in order to furnish a continuous channel or container for such wiring. It is ordinarily put in place during the progress of the construction work and wiring is later installed by drawing it through the conduit. Thereafter, such wiring may at any time be withdrawn or supplemented as circumstances may require.

Paragraph 4: (a) For a long period of years respondent conduit sellers have used a delivered-price, basing-point system of quoting prices for and selling conduit. The manufacture of conduit had its origin a few years before the beginning of the present century. Several of the pioneer producers of conduit were merely agents of steel companies for the purpose of converting pipe into conduit and distributing it. Safety-Armorite Co. and National Metal Molding Co., predecessors of Garland and National Electric, respectively, were converting and selling agents for the National Tube Co., a subsidiary of the United States Steel Corp. The first price card of the series presently in use to announce prices offered by respondent conduit sellers was issued by these converting agents about August 1, 1913, and was designated as card No. 1. Similar price cards were issued by other conduit sellers then in business. These cards quoted conduit prices in terms of cents per foot and stated the Pittsburgh basing discounts from such prices, with provision for reducing the rate of discount and thus increasing the price according to the railroad freight rate from Pittsburgh to the purchaser's destination. Using card No. 1 of the American Circular Loom Co., of Boston, Mass., as an example (Resp. Ex. 257–A), ½-inch conduit was quoted at 8½ cents per foot; the Pittsburgh basing discount on jobbers' carloads of galvanized conduit was 60 percent, so that the price delivered in Pittsburgh was $3.30 per hundred feet. At any destination other than Pittsburgh the discount was reduced at the rate of one-tenth of a point per 1 cent of railroad tariff rate per hundred pounds. Thus, at a destination having a freight rate of 34 cents from Pittsburgh, the discount would be reduced 3.4 points to 56.6 percent, and the delivered price at such destination would therefore be $3.69 per hundred feet. This formula does not produce a price difference between Pittsburgh and other points exactly equal to the freight rate.

(b) In 1924, at about the time the steel companies added Chicago, Ill., as a basing point in the sale of pipe, Youngstown, which had a conduit plant at Evanston, Ill., announced an Evanston base price for conduit $4 per ton higher than the Pittsburgh base, and all other conduit sellers announced identical Evanston base prices. Clayton Mark, which established a conduit plant in Chicago in 1924 and began the distribution of conduit therefrom early in 1925, used a Chicago base price instead of an Evanston base. This did not amount to the general establishment of a third basing point, however, because the freight rates from Evanston and Chicago are the same to all points except locations within the Chicago switching district. The discounts from the Evanston and Chicago base prices quoted by all conduit sellers were two points lower than those applicable to the Pittsburgh base and the same provisions for determining delivered prices at other points according to the freight rates were applied as had previously existed with respect to the Pittsburgh base. The formula used also provided that at any given location the delivered-price quotation of a conduit seller should be based upon Pittsburgh or Evanston, depending upon which base price and accompanying discount produced the lower figure at the purchaser's destination.

(c) Respondent conduit sellers followed the above-described list-and-discount method of determining delivered prices pursuant to their basing-point system until June 1930, when certain alterations cooperatively determined upon were made in the method of calculating such prices. The minutes of a meeting of the Rigid Steel Conduit section of the National Electrical Manufacturers Association on June 4, 1930, attended by representatives of American Circular Loom Co., Central Tube, Enameled Metals, Fretz-Moon, Garland, General Electric, Mohawk Conduit Co., National Electric, Triangle, Walker Bros., and Youngstown show the following action:

"The matter of simplified billing of rigid conduit along the lines of the plan submitted to Mr. Neagle by Mr. Sicard was discussed and it was the concensus of opinion

of the meeting that it is to the best interests of the public and the electrical trade that some such simplified method of net billing be followed" (Comm. Ex. 692–Z84).

National Electric issued a booklet dated June 10, 1930 (Comm. Ex. 80–R), entitled "Freight Adders and Terms" containing various tables by the use of which a sum to be added to the base price as a delivery charge per thousand feet of conduit could be determined for a large number of destinations. These sums called "delivery charges" did not represent the exact amount of the freight rate from the controlling basing point to the destination specified, in part because of the manner in which fractions were treated in the calculations and in part because 5 percent was added to and included in such sum. Purchasers who took the discount for payment within the cash discount period were permitted to take such discount upon the delivered price, which included the so-called delivery charge. National Electric also issued price card No. 61 (Resp. Ex. 139–B), dated June 16, 1930, which was prepared for use in connection with the freight adders described above. Other conduit sellers made a similar change from the list-and-discount method of quoting prices. Price card No. 61 of Laclede Tube (Resp. Ex. 306–A to D), effective June 16, 1930, is in all substantial features and in almost all nonessential features a duplicate of the National Electric card. Beginning with card No. 1, all price cards issued by each of the respondent conduit sellers have borne numbers identical with those of the corresponding cards of the other conduit sellers, and the cards of all conduit sellers of any given number have been identical in all material particulars. In some instances individual conduit sellers have not issued a card of a given number and instead have announced a percentage discount from a previous card. Where the issuance of a card was thus omitted, however, the next card issued bore a number coinciding with that borne by corresponding cards of the other conduit sellers.

(d) The modification in pricing method described in the preceding subparagraph was followed by a further change made in the same year. Youngstown prepared a delivery charge booklet dated November 15, 1930 (Comm. Ex. 89), which was more comprehensive and somewhat easier to use than the one devised by National Electric. This booklet, instead of using arbitrary key numbers, set out the delivery charges per thousand feet of each size of conduit according to any railroad tariff rate from one-half cent to $2.24½ per hundred pounds, in steps of one-half cent each. These delivery charges also included an additional 5 percent, as had been the case with those devised by National Electric. Upon the request of other conduit sellers, Youngstown had copies of its publication printed without covers and sold numbers of them to respondents Cohoes, Triangle, Walker Bros., Enameled Metals, Steelduct, Steel & Tubes, Inc., Fretz-Moon, Garland, and Clifton. Upon the basis of circumstances shown in the record and a comparison of the pamphlets, it is concluded that Clayton Mark also secured copies of the Youngstown pamphlet. Respondent conduit sellers distributed these pamphlets to their salesmen, sales agents, wholsalers, and other customers, for use by such parties in calculating delivered prices for conduit. At about this time Clayton Mark abandoned the use of a Chicago base and adopted the Evanston base, so that all respondent conduit sellers were then using only Pittsburgh and Evanston as basing points.

(e) The use of the Pittsburgh and Evanston bases exclusively continued until late in 1934, when Clayton Mark again instituted a Chicago base and ceased using Evanston. As heretofore stated, the rates from Chicago and Evanston are the same to all points except a few locations adjacent to these bases. Effective January 2, 1935, Youngstown instituted Chicago as a base and continued the Evanston base (Resp. Ex. 182). The situation thus created had prompt collective consideration. The minutes of a meeting of RSCA on January 17, 1935, recite in part:

(c) The board of directors recommends to the association that the Evanston basing point be eliminated, leaving the two basing points—Pittsburgh, Pa., and Chicago, Ill.

After considerable discussion this recommendation was laid upon the table pending the report of the special committee on zoning (Comm. Ex. 3–B).

At the time of this meeting respondent conduit sellers' price cards No. 70, issued in July 1934, were in effect. The next price cards (No. 71) were issued by respondent conduit sellers in January 1936 and were limited to the Pittsburgh and Chicago bases, the Evanston base being eliminated. With the exception of a minor change by which freight adders were shown in terms of hundred feet of conduit instead of thousand feet, respondent conduit sellers have continued their basing-point system without further change. The last proposed change as shown by the record was one considered at a meeting of RSCA on November 16, 1939. The minutes of this meeting do not show that any consideration was given to basing points, but H. H. Benfield, who was present at the meeting as a representative of Fretz-Moon, addressed a memorandum marked "Confidential" to certain of his associates under date of November 20, 1939, in which he described various occurrences at the meeting. He said in part:

"Please note this memorandum and destroy.

"There was a meeting of the various manufacturers of conduit in New York on November 16 at which all major manufacturers were represented except Triangle.

* * * * *

"The fact that neither Youngstown nor Clayton-Marks manufacture conduit in Chicago any more, the dropping of the Chicago base was briefly discussed but it was decided not to do anything about it for the time being because of the possibility of investigation" (Comm. Ex. 622–A).

Paragraph 5: (a) In the establishment and maintenance through collective action of the basing-point, delivered-price system in its present form, respondent conduit sellers had the purpose of limiting and restraining the normal forces of competition. They recognized that by virtue of location, some conduit sellers could, by reflecting such advantage of location in their prices, exclude others from selling in certain markets; that their basing-point, delivered-price system offered compensations in the form of higher profits to the favorably located seller on sales made in his natural territory in return for refraining from pressing his advantage of location; that in order to maintain a price level high enough to permit each seller to sell in the natural territories of other conduit sellers, price competition must be restrained; and that the operation of their formula system of pricing, enables each seller to quote to a prospective purchaser at any location the same price as that quoted by other sellers, through the use of the same formula, and thus bring about a condition of matched prices. Examples of the knowledge and purpose of these respondents appear in the record in various ways. For example, the president of Garland, in his testimony concerning the basing-point system and the location of Walker Bros.' plant at Conshohocken, only a few miles from Philadelphia, stated:

"If we didn't have our present practice, why, Walker would walk away with all the Philadelphia business" (T. 1487).

Another example appears in the testimony of the president of Walker Bros., who, when asked if he knew of any method other than the basing-point, delivered-price system which would afford a similar degree of uniformity in price, stated:

"A. Oh, I am not willing to admit that the Pittsburgh basic method of selling is the only way by which uniform prices can be put together. It is one.

"Q. Well, can you name other ways in which you could have reached the same degree of identity and uniformity as you did here, through the use of any other method?

"A. I imagine that there are a great many other ways of figuring uniform prices outside of the Pittsburgh basic method of selling, but I can't answer your question without distorting the picture. This is one method by which it is done. There must be others." (T. 883–84).

(b) Certain aspects of respondent sellers' desire and purpose to restrain competition in the sale and distribution of conduit were openly revealed during the negotiations for and the administration of their code promulgated under the National Industrial Recovery Act and through various activities claimed to be pursuant to such code. For example, respondent conduit sellers' code (Resp. Ex. 259) provided for the filing of prices, discounts, and terms of payment, for the relaying thereof to competitors, and for adherence thereto so long as the filing was not changed. Respondent F. C. Hodkinson, who was appointed by the board of directors of the National Electrical Manufacturers Association as supervisory agency for the division of the electrical manufacturing industry which included conduit, in his capacity as such supervisory agency, called upon Garland by letter dated November 29, 1933, for an explanation of an apparent departure from its filed prices in a bid to the Panama Canal. In replying, Garland explained that:

"Our own price .1547 was in error, inasmuch as we used the 67 cent freight adder which at that time we thought was correct but now find that the less carload freight adder is 70 cents, which hereafter will be used by us.

* * * * *

"In the prices as quoted some confusion evidently exists as to the proper freight adder as several of the prices are slightly different from the correct which we figure should be .1554" (Comm. Ex. 247).

In replying to Garland, Mr. Hodkinson stated in part:

"The filing of price lists, if these lists happen to be uniform, will assure all uniform quotations made on any inquiry, whether from the Government or a private individual, but with the matter of the delivery charges left up in the air as it has been, there is room for differences. I am therefore calling for the filing of these delivery charge schedules" (Comm. Ex. 248).

The basis for pricing delayed deliveries of conduit on specific building contracts was determined as shown by the minutes of a meeting of RSCA on January 17, 1935, which read in part:

"Upon motion made, seconded, and carried, it was resolved that it is the understanding of each member of the Rigid Steel Conduit Association that any delivery of conduit upon any specific building contract, or order, after its 6-months expiration, shall be billed on the basis of current filed card with NRA supervisory agency, unless previously an extension has been granted by the supervisory agency under the prescribed method of investigation and substantiation of the requirement of extension. And to eliminate confusion, each member shall file a list of all existing contracts on January 25 and February 25, 1935" (Comm. Ex. 3–B).

In their efforts to maintain identical prices and prevent purchasers from finding any advantage in dealing with one seller as against another, respondent conduit sellers did not stay within the provisions of their code. An example of this appears in connection with bids made in February 1935 to the United States for supplying certain conduit for use in the Canal Zone. There were

30 bids submitted: 28 of these were each in the amount of $3,080; one bid was at a higher figure; and one bid, that of Home Lighting Co., a jobber located in Baltimore, was low at $3,075. Home Lighting Co. received the award and sought to purchase the conduit from Cohoes, which was its regular source of supply. Before the order was shipped Mr. Hodkinson, in his capacity as supervisory agency under the code, telegraphed Cohoes under date of March 28, 1935, in part:

"Referring to your telephone message, wish to inform you that as supervisory agency I protested to Washington bid submitted by Home Lighting Co. * * * I have had no reply and before you ship this specification on home lighting order the matter should be adjudicated at Washington" (Comm. Ex. 287).

Under date of March 30, 1935, Cohoes advised Home Lighting Co. in part:

"We are in receipt of your letter of March 27, and while we fully appreciate your situation, we are powerless to ship this specification until we have authority to do so from the supervisory code authority" (Comm. Ex. 289).

Home Lighting Co. sought to purchase the conduit needed to fulfill its obligation under the bid from other conduit sellers. On April 5, 1935, it telegraphed Austin, as follows:

"Advise Western Union can you make shipment in 5 days 50,000 feet half-inch hot-dipped conduit" (Comm. Ex. 291).

On the same day Austin replied to Home Lighting Co. that it could make the shipment, and added:

"We sincerely hope to be favored with your order" (Comm. Ex. 291).

On the next day, April 6, 1935, Austin advised Home Lighting Co. that upon receipt of shipping instructions the order was identified as a Panama Canal bid, that evidently Austin conduit was not specified in the bid and it would be difficult to change the brand with the Government, and concluded by saying:

"In view of this being for the Panama Canal I believe it will be very essential that you furnish the brand of conduit nominated in your proposal to avoid complications with the governmental authorities.

"We, therefore, regret exceedingly that we are unable to handle the order and beg to remain" (Comm. Ex. 292).

Home Lighting Co. had secured an authorization from the Government purchasing agency on March 23, 1935, to supply Clayton Mark conduit "provided it complies with the specifications" (Comm. Ex. 332). However, Home Lighting Co. was unable to purchase the conduit necessary to fulfill its bid. It secured some conduit from other jobbers and the Government purchased the remainder in the open market and charged the difference in cost to Home Lighting Co.

It was impossible for the bid by Home Lighting Co. to be in violation of the code administered by Mr. Hodkinson because that company was not subject to that code. In addition, at the time these events occurred, Executive Order No. 6767, dated June 29, 1934, was in effect and provided that in sales to instrumentalities of the Government a price as much as 15 percent below filed prices would not violate code provisions concerning filed prices.

Paragraph 6: (a) The use of the same base prices and uniform delivery charge factors by the several respondent conduit sellers will, as a matter of simple mathematics, enable all such sellers to quote identical delivered prices to any given destination, provided the same railroad tariff rate is used by each seller in selecting the applicable delivery charge factor. Frequently, however, it is difficult to exactly determine the tariff rate and even experts sometimes differ as to the applicable rate. Mistakes by conduit sellers in the selection of the railroad tariff rate to be used in a particular instance were a fruitful source of differences in the delivered prices quoted.

(b) The record does not disclose the details of various steps taken by the respondent conduit sellers with respect to railroad tariff rates prior to 1936. In the beginning of the industry the conduit manufacturers who acted as converting and selling agents for pipe manufacturers used a freight bulletin on standard pipe prepared by National Tube Co. Apparently such rates on pipe were used generally by conduit sellers and no freight bulletin on conduit was published until sometime after the organization of RSCA. During the code period the problem of price differences resulting from variations in delivery charges was handled by the action of Mr. Hodkinson requiring the filing of delivery charge schedules in connection with the price-filing provisions of the code. This was supplemented by the action of George A. Sicard, Secretary of RSCA, in furnishing a tariff rate for the common use of members of RSCA in cases involving unusual destinations or rates. An example of this appears in the bulletin dated January 31, 1935, addressed by Mr. Sicard to members of the association, concerning bids to be opened February 11, 1935, for 50,000 feet of ½-inch galvanized conduit for the Panama Canal. He wrote:

"The published freight rate to Cristobal, Canal Zone is 47½ cents per hundred pounds" (Comm. Ex. 419).

The results on this bid have been heretofore set out in subparagraph (b) of paragraph 5.

(c) Sometime after its organization and before September 10, 1936, RSCA began the publication of freight-rate bulletins for the common use of respondent conduit sellers in conjunction with the delivery charge pamphlets in ascertaining delivered prices to be quoted at the various destinations set out in the rate bulletin. Under date of September 10, 1936, RSCA published a rate bulletin entitled: "Supplement to Rigid Conduct Freight Rate Bulletin, Dated April 25, 1935, To Be Used as a Basis in Determining Delivered Prices on Rigid Conduit—Less-Carload for Rail Station Delivery Also Store Door Delivery, Including All Truck Deliveries From Pittsburgh or Chicago and Evanston to Various Destinations in Western and Central United States" (Comm. Ex. 74–Z26).

On October 9, 1936, I. A. Bennett, vice president of National Electric, addressed his sales representatives:

"We are in receipt of a copy of letter, dated September 26, sent out by the Triangle Conduit Co. to their sales offices in which they enclose copy of the Rigid Steel Conduit Association Supplement on Freight, which takes care of store-door delivery at the rates shown.

"This company wants to follow these rates, and charge will be made on all shipments on Pittsburg or Chicago base where rigid conduit is shipped by truck to a job site, or to the store door of jobber.

"It is difficult to put into effect any new program as each customer naturally resists paying for something he has been getting for nothing. Therefore, you will unquestionably run up against the story that someone is not doing this or doing that, and therefore, we should not do it.

"It certainly seems logical to equalize on freight and transportation service, and therefore, we sent you on October 6, copies of the Rigid Steel Conduit Association Supplement and ask that you use this to familiarize your customers, where effective, with this tariff, and endeavor to standardize it" (Comm. Ex. 392).

The minutes of a meeting of RSCA on December 8, 1936, recite in part:

"Chairman Bennett introduced the subject of the recently published freight supplement for discussion, and certain discrepancies were brought to light in the rates as published.

"It was suggested that Mr. Kim confer with Mr. Donley, who compiled the supplement, with a view to having corrected certain errors which had been noted.

"Further, it was voted to employ Mr. Donley to keep the supplement up to date in the light of such changes in existing rates as may be made from time to time" (Comm. Ex. 9–D).

The last rate bulletin issued directly by RSCA was dated January 1, 1937. Supplements to this rate bulletin, however, were issued directly by the association until the RSCA meeting of September 27, 1937, the minutes of which recite in part:

"At a meeting earlier in the year, Chairman Bennett had been authorized to employ Mr. Donley as traffic manager for the association, and, following discussion, it was voted to pay Mr. Donley's bill as submitted to Mr. Booth, and advise him that his services were no longer required.

"It was then voted to establish a Committee on Traffic to consist of Messrs. Kim, Welsh, and Matthews, of the National Electric Products Corp., Youngstown Sheet & Tube Co., and Central Tube Co., respectively" (Comm. Ex. 22–D).

The rate bulletin of January 1, 1937, carried as a foreword:

"METHOD OF FIGURING DELIVERED PRICE

"The freight rates listed herein are to be used to ascertain delivery charges in figuring f. o. b. destination prices to all points in the United States and their possessions.

"Where the freight rates shown are from Pittsburgh, Pa., the Pittsburgh basing prices must be used. If the freight rates shown are from Chicago or Evanston, Ill., the Chicago or Evanston basing prices must be used.

"For an example: To determine the f. o. b. destination on one-half inch Sherarduct conduit f. o. b. Fort Wayne, Ind.—C/L—Mill shipment.

"Pittsburgh basing card 74, $4.67 per 100 feet.

"Freight rate 27 hundredweight or (delivery charge) 24 cents.

"Four dollars and ninety-one cents per 100 feet."

(Comm. Ex. 79–Z127 and others.)

Some of the respondent conduit sellers used and distributed to the trade the bulletins issued by RSCA; and some, of which General Electric is an example, had bulletins separately printed which, though somewhat different in appearance, were identical in material particulars and obviously merely copied from the association bulletins.

(d) The rate bulletins and supplements issued directly by RSCA were prepared by Charles Donley, a traffic and rate expert in Pittsburgh engaged in the business of supplying rate information and other rate and traffic services to various business concerns and trade associations. Mr. Donley had furnished rate services to some of the individual conduit sellers prior to his employment by the association. On July 22, 1937, Mr. Donley addressed a letter to Mr. Booth, who was then acting as secretary for RSCA, with copies to the members of RSCA, in which he referred to his previous services, stated he understood the association would discontinue publication and distribution of a joint schedule, and continued:

"May we suggest that it would be to the best interests of the individual members to prepare a freight-rate schedule that would be distributed in the name of or by the individual member, such a schedule to contain the freight rates as they are not published, in carload and less carload, and from the origins of Pittsburgh, Chicago, and Evanston to the various destintations and to be published in such form as to reduce the number of pages and then to have it printed, as some of the companies are already doing.

"I am also suggesting that this schedule should not contain any reference whatever

to the methods of figuring delivered prices and in the place of being prepared and issued by the Rigid Steel Conduit Association, that it be prepared and distributed, as suggested above, by the individual company. I believe if these two changes were made it would be of much more value and of more practical benefit to all who are concerned.

"I am taking the liberty of submitting a suggested title page as well as a second page which contains the changed statements from those that are shown in the present schedule. Also a third page giving an idea as to the method of showing the actual freight rates" (Comm. Ex. 401–A and B).

Thereafter, Mr. Donley, in compiling and publishing rate bulletins and supplements for the use of conduit sellers which were purchased and paid for individually by conduit sellers, advised and cooperated with Mr. Booth and with the transportation committee of RSCA. He wrote Mr. Booth, as executive secretary of RSCA, under date of August 11, 1938:

"Confirming phone conversation today, wish to advise that our bulletin of August 3, subject 7080, pick-up and delivery service, official territory, was mailed (1 copy only) to all the firms on the list; namely: M. B. Austin Co., Chicago; Central Tube Co., Pittsburgh; Clayton Mark & Co., Chicago; Cohoes Rolling Mill, Cohoes, N. Y.; Fretz-Moon Tube, Butler, Pa.; Garland Mfg. Co., West Pittsburgh, Pa.; Laclede Steel Co., St. Louis, Mo.; National Electric Products, Pittsburgh; Steelduct Co.,[1] Youngstown; Triangle Conduit, New York; Walker Bros., Conshohocken, Pa.; Youngstown Sheet & Tube, Youngstown, Ohio."

Under date of September 14, 1938, Mr. Donley wrote Mr. Booth as follows:

"After you phoned us yesterday we got in touch with Mr. Kim regarding the store door-delivery situation about which the Triangle Conduit & Cable Co. have written you.

"Based on that conversation, we are to submit to the transportation committee some figures to show what the approximate cost would be for making the necessary changes in the Rigid Conduit Bulletin. This will be supplied within the next day or so and we will then await advices as to what we should do" (Comm. Ex. 385).

Under date of November 24, 1939, Mr. Donley directed the printer as follows:

"Enclosed are stickers for mailing revised papers to the rigid conduit schedule.

"The following number of copies are to be mailed to respective companies: Fretz-Moon Tube Co., 550; the M. B. Austin Co., 300; Garland Manufacturing Co., 280; Clayton Mark & Co., 825; Cohoes Rolling Mill Co., 600; Youngstown Sheet & Tube Co., 2,200; Triangle Conduit & Cable Co., 1,000; Central Tube Co., 660; Walker Bros., 500; Laclede Steel Co., 110" (Comm. Ex. 373).

(e) The freight-rate bulletins heretofore described were intended for use and used to provide respondent conduit sellers with common factors in determining delivery charges to be included in the price of conduit delivered at various destinations. They also designated the rate from one or the other of the basing points to each destination, thus indicating the base price applicable at such destination. In determining the controlling base as shown in these bulletins, Mr. Donley used an arbitrary figure of $4 per ton difference in base prices between Pittsburgh and Chicago, when in fact the difference between these prices was generally slightly above or below $4 per ton. These bulletins could not be used for shipping purposes by a conduit seller whose plant is not located in Pittsburgh or Chicago, because those are the only points from which rates are shown in such bulletins. They are not adequate for shipping purposes even for conduit sellers whose plants are in Chicago or Pittsburgh, because they do not contain information affecting rates, such as routing, loading, minimum weights, and other data ordinarily needed for shipping purposes.

(f) The following respondent conduit sellers purchased or otherwise secured and used so-called rate bulletins prepared by Mr. Donley: Central Tube, Clayton Mark, Cohoes, Fretz-Moon, Garland, Laclede Steel, National Electric, Spang Chalfant, Inc., Steelduct, Triangle, Walker Bros., Youngstown, and Austin. Rate bulletins distributed by Enameled Metals are either Donley bulletins or copied therefrom; Laclede Tube used Donley bulletins secured by Laclede Steel; Republic and Steel and Tubes, Inc., used Donley bulletins secured by Fretz-Moon; Clifton copied its bulletins from General Electric, which in turn prepared or copied its bulletins from Donley bulletins. The above finding that Donley bulletins were copied by certain conduit sellers is in part based upon the identity of language, arrangement, destinations, and rates, as appears from a comparison of such bulletins with bulletins known to have been prepared by Mr. Donley.

(g) In preparing and selling the rate bulletins as aforesaid, Mr. Donley knew that they were not intended or adapted for use by the purchasers thereof as bona fide rate information for shipping purposes. He knew that they were intended for use as a common factor in pricing conduit according to a basing-point formula of pricing which included a differential of substantially $4 per ton between the Pittsburgh and Chicago bases, and he was necessarily aware that the base prices which came to his attention were uniform as among respondent conduit sellers, and would, therefore, through the application of a common rate factor, result in identical delivered prices at any given point.

Paragraph 7: Following negotiations covering about 2 months, RSCA employed Herbert S. Blake and his company, OSC, to manage its affairs. After conferences with members of RSCA and an examination of merchandising policies and practices of conduit sellers, Mr. Blake, in collaboration with RSCA, undertook the formulation and execution of plans having the fundamental purpose of controlling certain conditions which tended to interfere with and disturb the operation of the basing-point, delivered-price system in producing matched price quotations and prices to conduit purchasers. Many of these activities supplementing the pricing system were purported to be carried on in the name of the Robinson-Patman Act, which apparently was viewed by these respondents as a grant of authority for collective action to prevent any departure from uniformity in prices, discounts, terms of sale, and merchandising policies, rather than as being directed toward the preservation of competition for the benefit of the public. The principal matters which were subjects of collective action and were promoted by Mr. Blake and RSCA were the use of consignment contracts, protection contracts, and other means to control distributors and prices, the investigation and control of specific building contracts, so-called closed-transaction inquiries, elimination of warehouses, uniformity of trade discounts, and classification of purchasers.

Paragraph 8: (a) For a long period of time preceding the employment of Mr. Blake and OSC, all the respondent conduit sellers except Clayton Mark sold substantial quantities, and in several instances a major part, of the conduit each handled to and through distributors pursuant to so-called consignment contracts. Little serious effort had been made to enforce price maintenance under these contracts, however, apparently because the distributor agents were obliged to compete with wholesalers who purchased conduit and were at liberty to use their own judgment as to the prices which they quoted. These distributor agents also sold conduit from time to time at prices which did not accurately reflect the use of the basing-point pricing formula. Such price variations had a disturbing influence upon the entire price structure. During the code period means of controlling the prices at which wholesalers sold conduit were frequently considered. Lack of effective control under the code was deplored and attention was given to the possibility of securing a uniform policy on this subject by all conduit sellers. The minutes of a meeting of RSCA on April 4, 1935, recite in part:

"The matter of sales agent contract was discussed at length and upon motion made, seconded and carried, Messrs. Hodkinson, Walker, and Sicard were appointed as a special committee to consider this matter further" (Comm. Ex. 4–B).

(b) It was a part of the plan engaged in by RSCA under the leadership of Mr. Blake to stabilize the price structure in the industry through the general use of consignment contracts which were to be made uniform and enforced according to their terms. Pursuant to this plan, Mr. Blake called upon the association members for copies of their forms of contracts with distributors, analyzed them, and prepared a tentative draft of a uniform consignment contract which was considered and discussed at length by the board of directors of RSCA. The minutes of a meeting of the board on November 20, 1936, recite in part:

"It is the intention of the board of directors to try and have in the hands of the members a uniform jobber agency contract, a uniform specific building contract, and a set of fair trade practice rules for consideration of the association at its next meeting to be held on Tuesday, December 8, so that the industry, if it so decides, could put these uniform instruments into operation by our next reporting period, namely, December 25" (Comm. Ex. 8–C).

The minutes of a meeting of RSCA on December 30, 1936, report that it was called to study the "recommendations relative to the distributor agents contracts and other suggested forms in order to enable the manufacturers to adopt them without further delay if they cared to do so" and that Mr. Blake explained a number of changes which had been made (Comm. Ex. 10–D).

(c) One of the necessary steps was to enlist the cooperation and assistance of wholesalers, and this was done. The report of the conduit committee of NEWA on its meeting of September 28, 1936, at which representatives of Central Tube, Fretz-Moon, Laclede Tube, National Electric, Triangle, and Walker Bros. were present, includes the following:

"Inasmuch as several manufacturers have expressed the opinion to various members of the committee that the conduit industry can be placed on a sound economic and service basis only by wholesalers acting as agents for the manufacturers, with consigned stocks, your committee is of the opinion that this association should recommend that the conduit manufacturers consider the advisability of selling conduit on a consignment basis" (Comm. Ex. 39–A).

The regular procedure of the conduit committee of NEWA, referred to above, is for the members of that committee to have a meeting in the morning and this is followed by an afternoon meeting to which representatives of the various respondent conduit sellers are invited.

On January 14, 1937, H. G. Morrow of Central Tube wrote H. S. Walker, of Walker Bros., in part:

[1] Steelduct Co. are furnished with a copy of bulletins of general nature such as the one above mentioned, but they have not been furnished with any Conduit Rate Change Bulletins, as they did not have any printed when the last issue was prepared. Please advise if this firm should be furnished with Conduit Rate Change Bulletins from this office (Comm. Ex. 390).

"Speaking for our own company, we are not holding back to see what other people are doing, believing that under Blake's leadership each member of the association is sincerely in earnest to put his own house in order.

"Here is what we have done—

"1. The board recommended, and the industry approved, a uniform contract with manufacturers' agents. We sent these contracts out and our agents have all signed them.

"2. The board recommended, and the industry approved a form of specific building contracts, covering three types. We yesterday OK'd the proofs of these contracts and they will be sent to our district offices this week, to be used in connection with all future jobs.

"3. Mr. Blake approved an addendum to our regular consigned stock contract which gives the same effect to resale price control as the agency contract which was adopted by the industry. These forms are now being filled in and will be sent to our district offices this week, for presentation to the jobbers for signature.

"4. Assuming that all the manufacturers are sincere in regard to building contracts, we have acted on Blake's recommendation in the case of all contracts reported to us, with the result that we have already canceled upward of 900 tons.

"5. The joint meeting of the Board of Governors and some of the other members of the industry with representatives of the jobbers' association, in my opinion, did more to get the jobbers in a frame of mind to cooperate with us than anything we have heretofore done and it is my idea at the next general meeting of the association some definite program can be worked out which will be satisfactory to the manufacturers and pleasing to the jobbers."

"I think the foregoing accomplishments since the employment of Blake show a very satisfactory rate of progress, in view of the divergent opinions of many manufacturers on certain fundamental problems, to say nothing of the pet peeves which had grown up between manufacturers.

"So far as our company is concerned, we are going ahead, in good faith, with this whole program, with the full knowledge that should our competitors not follow an approved program, we can always turn back and make our marketing conditions conform exactly to those of our competitors" (Comm. Exs. 577–A and B).

At a meeting of RSCA on January 27, 1937, Mr. Bennett of National Electric made an extended statement concerning the chaotic conditions which had developed in the industry, referred to the plans made with Mr. Blake and OSC to obtain better results, and stated that he was going to announce a policy to his sales department and customers, with copies to competitors, under which: "It is our intent and purpose to obtain the support of our customers for this policy, and in our program we will establish such trade practices, customs, and forms of contracts as we deem necessary to protect our company from fraudulent manipulations" (Comm. Ex. 11–H).

The minutes of the meeting record that thereafter:

"There was a lengthy discussion of the various recommendations heretofore made by Organization Service Corp., during which Mr. Blake stated that he had been informed that Messrs. Garland, Walker, Morrow, Bennett, and Barton [all of whom were present at this meeting] had adopted for their individual companies many of the recommendations.

"The discussion brought out the fact that all members were revising their merchandising procedure to include as many of the recommendations as were applicable to their individual needs" (Comm. Ex. 11–I).

The report of the conduit committee of NEWA dated May 24–25, 1937, at which meeting representatives of Central Tube, Enameled Metals, Fretz-Moon, General Electric, National Electric, Steel & Tubes, Steelduct, Triangle, Youngstown, and Walker Bros. were present, includes the following:

"It is very gratifying that the manufacturers are offering electric wholesalers an equitable form of sales agency agreement. Since coming to Hot Springs we have learned that quite a number of wholesalers have, for some reason or another, not executed an agency contract. No one believes the present contract is perfect, but many of us are sure it is better than anything we have had previously. If the present contract is made effective it can be bettered. If it is not supported, it will fail" (Comm. Ex. 39–B).

The report of the same committee on its meeting of October 19, 1937, states in part:

"On Wednesday morning, October 20, 1937, we had a further meeting at which several of our manufacturer friends entered into our discussions quite freely. More than ever your committee decided on urging the wholesalers' wholehearted cooperation in the sales agency plan of selling conduit. Don't abuse the plan by fictitious contracts or amounts of conduit needed. It ought to pay dividends to you in the near future" (Comm. Ex. 39–C).

The report of this committee on its meeting of May 23, 1938, attended by representatives of Central Tube, Enameled Metals, Fretz-Moon, General Electric, National Electric, Steelduct, Steel & Tubes, Inc., Walker Bros., and Youngstown, states in part:

"The results of the questionnaires sent out by NEWA a few months ago show that 92 percent of those replying were of the opinion the sales agency plan for selling conduit represents an improvement over previous methods. The membership also recorded that in most instances manufacturers were cooperating to make the sales agency plan effective" (Comm. Ex. 39–D).

The report of the meeting of the conduit committee of May 22, 1939, attended by representatives of Central Tube, Enameled Metals, Fretz-Moon, General Electric, National Electric, Steel & Tubes, Inc., Steelduct, Triangle, Walker Bros., and Youngstown, recites in part:

"While due to a combination of circumstances beyond the control of the manufacturers and wholesalers, the sales agency plan has failed to operate as originally designed, it is the definite desire of both industry groups that the plan be retained as a basis upon which to build a more satisfactory sales picture in connection with our conduit business" (Comm. Ex. 40–C).

The conduit committee report of October 17, 1939, attended by representatives of Clayton Mark, Enameled Metals, Fretz-Moon, General Electric, National Electric, Steel & Tubes, Inc., Steelduct, Triangle, Walker Bros., and Youngstown, contains the following:

"As reiterated on the occasions of our Chicago and Hot Springs meetings, your committee again informed the manufacturers that wholesalers heartily approved the sales agency plan in connection with the distribution of rigid conduit. It is the opinion of your committee that the general situation as it exists today is such that it appears the time is appropriate to give careful and serious consideration to the definite adoption of all the desirable features of this plan, and that the manufacturers study the matter with a view to this end ir the reasonably near future. We were pleased during the course of our discussion with the manufacturers to find that their opinions coincided with the thinking of your committee and encouraged to believe some action along these lines might soon be expected" (Comm. Ex. 41–A).

(d) Respondents Cohoes, Enameled Metals, Fretz-Moon, Garland, National Electric, Steel & Tubes, Triangle, Walker Bros., and Austin adopted the Blake form of consignment contract, either without change or with insignificant changes. General Electric, Laclede Tube, Clifton, Steelduct, and Youngstown already had in use forms of consignment contracts which provided for price control, and they continued the use of those forms without adopting the Blake form. Spang Chalfant, Inc., when it entered the conduit business, adopted consignment contracts but not the Blake form.

(e) After the adoption of the uniform consignment contracts, the next logical step was taken to secure maintenance of prices according to the basing-point, delivered-price formula under these contracts. Various forms of pressure were exerted upon both conduit sellers and conduit wholesalers to that end. Among the steps taken was the request of the conduit committee of NEWA that conduit sellers insist that distributors observe the prices specified in the contracts and refuse to supply conduit to those who did not. Herbert S. Blake wrote the various conduit sellers urging that they terminate the contract of any distributor who failed to follow the manufacturer's instructions. Some of the conduit sellers wrote to their distributor agents insisting on full observance of prices. For example, in writing an agent on June 8, 1938, Garland stated in part:

"We do not wish to threaten, but we are definitely going to cancel some of our distributor agent's agreements if they do not carry out our instructions, and if they are known as price cutters, it is going to be very hard for them to sign up new agreements with ourselves or others" (Comm. Ex. 555).

The RSCA, in connection with reports of price cutting by distributors, wrote conduit sellers that they were responsible for the actions of these distributors and should insist upon distributors maintaining the manufacturers' "published position." Some distributors' contracts were in fact canceled because of their having cut prices.

Paragraph 9: (a) Electrical contractors are called upon to submit bids for supplying and installing electrical wiring and equipment, and frequently a considerable period of time may elapse between the submission of a bid and the completion of the job. Consequently, such contractors desire protection against an advance in the price of conduit during that interval. It has been customary for conduit sellers, either directly or through their distributors, to protect the price of electrical contractors on specific construction projects. In actual practice these so-called specific building contracts have not amounted to more than options, because the conduit seller does not insist upon the contractor taking the conduit and if there is a price decrease the contractor receives the benefit thereof. The result has been that contractors sometimes entered into contracts with more than one conduit seller, each for the full requirements on a particular job, or took a contract for substantially more conduit than actually needed to complete the job purported to be covered by the contract. Duplicate contracts and excess amounts of conduit provided in contracts were of substantial importance to respondent conduit sellers only after a general increase in the price of conduit. Following a price increase, excess quantities of conduit covered in such contracts in effect constituted a floating supply of conduit available at a lower price. The contractor might transfer such excess to some other job or possibly sell it at a profit. The effect of this floating supply was to create irregular price conditions and to make it difficult for conduit sellers to maintain an advance in price.

(b) The practices existing under the so-called specific building contracts were considered by the conduit committee of NEWA

and the report of its meeting of May 4, 1936, recommended:

"To correct the waste and unfairness of the building protection contracts your committee recommends: (1) That the manufacturer consider the economic value and the advisability of limiting such contracts to building operations requiring at least one carload of conduit; (2) that efficient means be established to determine the actual amount of conduit required; (3) a bureau or bureaus be established to avoid the waste and unfairness of having so many protection contracts for a given building operation.

"Both the manufacturer and the wholesaler must, of course, abandon unfair methods to accomplish the desired end" (Comm. Ex. 40–A).

Under the leadership of Mr. Blake, as a part of its program to maintain prices and minimize competition in the industry, RSCA undertook the collective preparation of a form of so-called specific building contract to cover sales of conduit to contractors for use on a particular project and the establishment of means for investigating and controlling the use of such contracts. In this program Mr. Blake and RSCA had the cooperation of NEWA.

(c) A draft of a uniform contract was prepared by Mr. Blake through procedure similar to that followed in preparing the uniform consignment contract. The more significant features of this contract form were the detailed identification of the job, including, in addition to its name and location, the name and address of the owner, of the architect or engineer, and the general contractor; the warranty by the buyer that the conduit will be used only on the job described; the prohibition against diversion; the provision that the price and terms are to be the seller's "regularly published prices and terms as shown by Card No. ____ dated ____"; the nonassignability of the contract; and the requirement for a certification by the architect or engineer that the quantity of conduit specified in the contract for the particular job is correct. Clifton, Garland, Enameled Metals, National Electric, Steel and Tubes, Fretz-Moon, and General Electric adopted the Blake form, in some instances with small alterations. Youngstown continued the use of a form of contract previously adopted which, however, contains provisions substantially the same as the Blake form except the certification by the architect. When Spang Chalfant, Inc., entered the industry, it adopted the Blake form. The record does not disclose whether the other respondent conduit sellers did or did not adopt the Blake form.

(d) Arrangements were made by RSCA and OSC for the latter to investigate or arrange for the investigation of the so-called validity of specific building contracts. When this activity was initiated, the conduit sellers sent lists of such contracts as they had in force to OSC and thereafter sent copies of new contracts from time to time as they were negotiated. The forms supplied to conduit sellers for the initial reporting called for the following information on each contract: The name of the reporting member, date of contract, location of job, name and address of the contractor, jobber, and architect, amount of conduit, and the price provided in the contract. The filing of copies of subsequent contracts disclosed similar information. Each conduit seller bore the cost of the investigation of the contracts he reported, and the results of such investigations were transmitted by Mr. Booth to the reporting conduit seller and such others as were interested in the particular job or inquired concerning it. The nature of the practice is best shown by the history of an investigation of an actual contract. Central Tube reported a contract for 110 tons of conduit for the Teaneck Armory, Teaneck, N. J. Mr. Booth reported the result of the first investigation made of this contract to Central Tube on January 14, 1937, which indicated that 110 tons would be required and that Central Tube conduit supplied through Westinghouse Electric Supply Co. to Badaracco & Co. as contractors would be used. He recommended reinvestigation in 90 days. On October 20, 1937, Central Tube asked that reinvestigation be made. The report of this recheck indicated that the contractor was using both Central Tube and Youngstown conduit and that 80 tons would be sufficient. In advising Central Tube of the result of this recheck under date of June 21, 1937, Mr. Booth stated in part:

"If you wish to have me, I shall ask Youngstown how much material they have covered on this job, as I am sure you will both be glad to cut your allotment in half in view of the card on which taken.

"In the meantime, I am marking my records 'O. K. 80 tons, cancel 30.' If you wish me to go into the matter further, please advise" (Commission exhibit 487–I).

The contractor and the agent for Central Tube reasserted that 110 tons would be required. Further investigation was made, the result of which showed that the contractor insisted that the full tonnage would be required, while the investigator reported he thought his original estimate of 80 tons would be correct. In reporting this to Central Tube, Mr. Booth wrote in part:

"I feel that you should respect our report of June 21 and limit the job to 80 tons or send a representative of your company or make an appointment for a representative of your company and Mr. Lodge to visit the job together but without a representative of the jobber or your New York agents (Commission exhibit 487–D).

Central Tube gave way to Mr. Booth's insistence and directed its agents, sending a copy of the directions to Mr. Booth:

"Do not permit Westinghouse to deliver more than 80 tons against this contract, and if after 80 tons are delivered they need additional conduit, we will investigate the matter further" (Commission Exhibit 487–B).

(e) This activity was supervised and directed by Mr. Booth, and the collective pressure exerted through him resulted in cancellations and partial cancellations of contracts for large quantities of conduit. From time to time during the progress of these investigations Mr. Booth reported to meetings of RSCA the results attained. A cumulative report made by him to the association appears in the minutes of a meeting of RSCA on July 13, 1937, and shows in part that 1,893 contracts were investigated, that these contracts covered 48,509 tons, that cancellation of 27,166 tons results, and that the percentage of tonnage canceled to the tonnage investigated amounted to 56 percent (Commission exhibit 20–H).

Paragraph 10: (a) The amount and terms of trade discounts to be granted by conduit sellers was the subject of collective consideration by such sellers and conduit wholesalers. NEWA made studies to determine an average cost of distribution of various electrical goods, including conduit, and made recommendations based thereon concerning the trade discounts or margins which wholesalers should receive. This was followed by the action of I. A. Bennett, chairman of the board of directors of RSCA, in calling a conference between conduit sellers and conduit wholesalers. In extending an invitation to the managing director of NEWA to this meeting, Mr. Bennett stated in part:

"The Rigid Steel Conduit Association have authorized the board of directors to make a study of the cost of distribution of rigid steel conduit" (Commission exhibit 46).

(b) NEWA called together in New York City the members of its conduit committee for the purpose of attending the joint session with conduit sellers, and then the managing director of NEWA advised the chairman of its conduit committee in part:

"Since issuing this call we have learned, however, that the proposed conference between manufacturers and distributors is wider than we had supposed, that, in fact, the manufacturers have invited to be present at the conference various distributors in their individual capacities as well as representatives of various local wholesaler associations.

"Under the circumstances I believe that you will quite agree that the national association cannot very well take part, through its representatives, in a conference of this kind.

* * * * *

"When you adjourn as a committee, those of you who plan to take part in the proposed conference with manufacturers of conduit will, of course, attend such a meeting with the manufacturers in your personal and individual capacities and not as official representatives of the National Electrical Wholesalers Association" (Commission exhibit 47).

One of the principal subjects of discussion at the meeting was the costs to wholesalers of doing business as shown in the cost study made by NEWA. The results of this joint meeting came before RSCA at its meeting of January 27, 1937, and the minutes of that meeting show that L. R. Quinn reported in part:

"A brief résumé of what transpired at the meeting of January 6, where various individuals representing manufacturing companies, jobbing companies, and jobbers' associations met to discuss putting into effect the request of the jobbers made at the NEWA convention in Buffalo during October.

* * * * *

"After a thorough analysis of what the various jobbers present had to report, it seemed to be the consensus of opinion that consideration should be given to the various brackets as follows:

"Six percent—for carload and over.

"Seventeen percent—5,000 pounds to carload.

"Twenty-two percent—1,000 to 5,000 pounds

"Twenty-five percent—under 1,000 pounds.

"Further, it was suggested that these percentages be based on the Pittsburgh value for each class as published and not include freight" (Comm. Ex. 11–E and F).

(c) At the time of the joint conference on January 6 and of the RSCA meeting of January 27, price cards numbered 74 issued by the various conduit sellers were in effect, quoting only carlot prices on conduit with certain provisions for trade discounts or agent's compensation. The following month respondent conduit sellers issued their price cards numbered 75, and these cards quoted conduit prices in four columns. Using ½-inch galvanized conduit, Pittsburgh base, as an example, the prices per hundred feet were $4.72 in carlots, $5.35 on quantities between 5,000 pounds and carlots, $5.69 on quantities between 1,000 and 5,000 pounds, and $5.92 on quantities less than 1,000 pounds. The trade discounts or agent's compensation provided by each conduit seller by card No. 75 differed from those previously in effect, but were identical as among the various conduit sellers, and in general outline followed the plan reported by Mr. Quinn as representing the consensus of opinion at the meeting of January 6.

Paragraph 11: (a) As a further step in their plan for maintaining price uniformity in accord with the pricing plan used in quoting conduit prices, RSCA instituted a system of investigating the prices at which specific sales were made, as well as the prices quoted. When a conduit seller lost an order and suspected that this was the result of a price cut by someone else, he could have an investigation made through OSC which would supply him with the information developed, and the same information was supplied to any other conduit seller who desired it or was interested in the particular transaction.

The forms used in requesting, acknowledging, and reporting the results of these so-called closed-transaction investigations were prepared by Herbert S. Blake and OSC and approved by RSCA.

(b) The real nature of these investigations can best be understood through an examination of a specific instance. On June 30, 1937, National Electric sent to Mr. Booth a tabulation of the bids made to a Philadelphia school district showing the amounts bid by "West Philadelphia Electric Supply, Silvers Electric Supply, Royal Electric, Gold Seal Electric, W. A. Leiser," and stated: "14 other bidders quoted (correct price)," and then set out the prices said to be "correct" (Comm. Ex. 489–C). Under date of July 2, 1937, Mr. Booth acknowledged this on the usual form and sent out form inquiries to conduit sellers identifying the transaction and asking for information as to the connection with the transaction of each concern addressed. As a part of this inquiry he included the actual bids of the parties as reported by National Electric and made the statement:

"These are not in accord with card 76. If any of the foregoing are handling your material, you should call this bid to their attention as you will be liable under the Robinson-Patman Act for the failure of these people to maintain your published schedule" (Comm. Ex. 489–D and others).

Central Tube replied: "We do not sell any of these jobbers and have not quoted through them"; Cohoes replied that it did not receive the order and stated: "We have advised our jobber that the resale must be maintained especially on all public bids in future"; Enameled Metals reported: "We did not quote"; Steel and Tubes and Fretz-Moon answered: "We do not sell Fretz-Moon to any of these"; Garland, in reporting, inserted the names of the conduit sellers whose materials were quoted on; General Electric replied: "Do not sell them"; Clayton Mark reported that it did not receive the order; National Electric replied: "Do not sell any of those listed"; Steelduct reported: "None handling ours"; Triangle reported: "Unfortunately (maybe) the low bidder is not our baby. We do sell Gold Seal but not lately"; Youngstown reported: "Not Youngstown"; and Walker Bros. reported that it received the order "and canceled our contract as per letter attached." The letter of July 2, 1937, from Walker Bros. to the successful bidder advised of the cancellation of the contract because of failure to "observe our prices, selling terms, and other conditions of sale" (Comm. Ex. 490–K). Mr. Booth wrote Walker Bros. on July 21, 1937, and inferred that Walker Bros. should not have supplied the material to West Philadelphia Electric Supply to fulfill its bid. Walker Bros. replied that an unsuccessful effort had been made to get this bidder to withdraw its bid, and stated:

"We don't feel that it is good policy to refuse to furnish material on a public bid unless the jobber in quoting reflects a primary price of less than card 76 but we do believe that when a jobber cuts our price, we then should cut him off and in this way teach him to have some respect for our prices without getting ourselves into an inquiry involving the validity of price control" (Comm. Ex. 490–M).

On July 26, 1937, Mr. Booth advised National Electric of the results of this investigation, that Walker Bros. had canceled their contract with West Philadelphia Electric Supply, and continued:

"Since then I understand that on another public bid, West Philadelphia was right on the line but they no longer have a consigned stock of Walker conduit. They are however, distributor agents for two other manufacturers, so they still have conduit on consigned stock" (Comm. Ex. 490–F).

On the same date Mr. Booth similarly advised Garland of the results of the investigation and also said:

"I understand that these people also have a stock of your conduit on consignment and hope you will see to it that they do not violate your agreement in any respect. Probably they have learned their lesson." Comm. Ex. 490–C).

(c) Respondent conduit sellers have contended that these "closed transaction" investigations constituted proper activity necessary to enable sellers to secure information as to the condition of the conduit market. The Commission finds, however, that in conception and execution these investigations amount in fact to a sophisticated form of price maintenance through united action by means of which a conduit seller who does not maintain prices and require his distributors to do the same is exposed to his associates and to the force of collective pressure, with the effect of tending to prevent departures from the prices established pursuant to the pricing formula.

Paragraph 12: From time to time respondent conduit sellers supplemented the restraining effects of their general practices affecting price by more direct action. The scope and nature of these activities are indicated by many exhibits in the record, among which are those set out below. On October 13, 1937, Garland wrote one of its agents in part:

"Yours of October 8 was duly received and we held same over for the reason that we had our industry meeting yesterday in Pittsburgh.

* * * * *

"The manufacturers are doing their very best to stick to card 76 on all new business and they believe it can be done. A few of the manufacturers made the statement that they had no difficulty whatever in obtaining card 76 in the metropolitan district. This is what we are aiming at, and it is our belief that the New York market will show a decided improvement from now on" (Comm. Ex. 541).

On June 7, 1938, Triangle wrote Austin in part:

"You received our wire today with regard to the importance of strict adherence to card 76 prices by all of our conduit distributors.

"It is my understanding that there will be a decided improvement in the competitive situation on all makes of conduit. * * * I have talked the matter over with several of our competitors and it is my understanding that they are taking similar action." (Comm. Ex. 448).

On June 8, 1938, Enameled Metals wrote a wholesaler in part:

"First, we have been assured that the McCarthy Bros. & Ford-Lang deal has been straightened up. At least Youngstown has assured me that it has.

* * * * *

"* * * We were directly told that if we wished to have a supply of pipe, we would have to maintain our resale. We have reason to believe that other manufacturers sent out the same instructions to their agents that we did, and we sincerely trust that an honest effort will be made to hold card 76." (Comm. Ex. 531–A).

An agent of Garland, in writing to that company under date of June 22, 1938, stated in part:

"I attended another meeting of the labeled conduit manufacturers today at the New York Athletic Club. In attendance were Robert Milford of Steel Duct, Milton Smith of Enameled Metals, J. Hawkes of Triangle, Newt Walker of Walker Bros. and J. Carroll of National Enameled.

* * * * *

"Several projects were discussed as to prices and agreements that had been made but nothing was pinned on to any of those present, which was in accordance with our agreement to maintain card 76 on any new projects that might come up after our first meeting." (Comm. Ex. 558).

The contract checking and "closed transaction" inquiries carried on by RSCA through OSC and Robert S. Booth were closely interwoven with other price maintenance activities. An example of this appears in an interoffice memorandum by Garland dated July 8, 1937, reading in part:

"Booth called up late yesterday afternoon and got me at home. He said that he was telephoning all manufacturers, because three or four manufacturers had called him asking his ideas on continuing to sell definite carload orders on the basis of card 75. He called my attention very definitely to the fact that protection orders of this type, not for specific buildings and not covered by specific building contracts, were only good for 90 days; and we were discriminating against other customers if we supplied any of this material. I told him it was my understanding that we had to ship this material before July 1, and he said that this was true. He then asked me point blank if we intended to ship any more of such carload business, and I told him we were all through with it." (Comm. Ex. 536).

Another instance appears in a memorandum from Mr. Booth to Garland under date of December 27, 1937:

"In further connection with the statements made by Mr. Leiser, one of which involved Philip Cass, the report was that Enameled Metals had offered this party 10 percent inside, beyond card 76. Following is a reply from Major Quinn:

"'Philip Cass, although a personal friend of mine, is one of the damnest liars that ever lived. He used to be our customer. We have sold him $700 worth in the last 6 months. He is apparently buying from Garland. He is always making some kind of statements about what he could buy material for. I insist that the man that made this complaint go back to Mr. Cass and tell Mr. Cass that if he made the statement that we had quoted him a 10 percent inside, that Mr. Quinn says he is a plain liar. He is probably trying to chisel another manufacturer. We have made no inside offer of any nature to Mr. Cass or anybody else.'

"I have already reported to you in connection with the Philadelphia Electric job on which Walker was involved.

"I have asked for more definite information as to where Triangle was quoting off card 76 in Philadelphia as claimed by Mr. Leiser; this request having been made on December 22.

"If you will furnish me with this information, I will be glad to follow through on it." (Comm. Ex. 551).

Paragraph 13: (a) The members of RSCA, through the medium of that association, engaged in collective activity directed to the classification of customers and to determining, upon the basis of collective opinion, whether or not particular concerns were entitled to be considered and treated as wholesalers. This activity is shown by the record to have been carried on at least as far back as 1934. Instances of these activities appear in the correspondence of George H. Sicard, then executive secretary of RSCA. Under date of November 28, 1934, Mr. Sicard addressed an inquiry to Mohawk Tube Co., Cohoes, N. Y., stating the course that should be followed in the case of a particular concern, as follows:

"Have you put in a consigned stock with the Marshall Field Co. in Chicago? If so, I don't see how they can qualify under your jobber's definition. Will you please advise." (Comm. Ex. 445).

A similar instance is shown in Mr. Sicard's letter of December 3, 1934, to the same company:

"Are you selling Glen Alden Coal Co., eastern Pennsylvania as a jobber. I certainly

cannot understand it if it is so because they are 100-percent users.

"Will you let me hear from you." (Comm. Ex. 444).

Mohawk replied under date of December 4, 1934:

"Re: Glen Alden Coal Co.

"In answer to yours of December 3, kindly note we are selling these people as users and not as jobbers" (Comm. Ex. 443).

Under date of December 11, 1934, Mr. Sicard addressed inquiries to the members of RSCA reading:

"Will you be good enough to advise me whether you consider the Hershey Lumber Co., Hershey, Pa., as a user or as a jobber.

"Will you simply answer on the bottom of this sheet and also I would appreciate it if you would tell me whether this company is one of your customers" (Comm. Ex. 440).

On December 30, 1934, Mr. Sicard wrote the members of RSCA:

"You will recall that in November I wrote to you asking you for the names of concerns in the New England territory who in your opinion did not qualify as jobbers under the Rigid Steel Conduit Association definition.

"I have also received from New England a copy of the list of companies recognized as wholesalers (jobbers) by the Electrical Manufacturers Representatives Club of New England and Northeastern Electrical Wholesalers Association. This list was compiled jointly by the two associations given above.

"From the preliminary investigation it would appear that concerns listed on the attached sheet are considered by some members of the associations as jobbers, although they do not qualify under the association definition.

"Would you be good enough to tell me by return mail which of these companies you sell and whether you consider them as wholesalers under our definition and why.

"When these replies are received I will take the matter up with each of you individually" (Comm. Ex. 430).

On February 6, 1935, Mr. Sicard wrote the members of RSCA in part:

"The Rigid Steel Conduit Association is extremely anxious to have a definite authentic list of all wholesalers or jobbers in the United States of America.

"Will you send me for confidential compilation a list of all your customers to whom you extend jobbers or wholesalers compensation service commissions.

"When these lists are received from all of the members, they will be compiled by States and cities. Naturally, no manufacturer's name will be used in connection with any company on such list" (Comm. Ex. 413).

On February 20, 1935, Cohoes replied:

"In conformity with yours of February 6 we are enclosing list of jobbers" (Comm. Ex. 412).

On March 13, 1935, Mr. Sicard addressed the members of RSCA as follows:

"The results of the questionnaire regarding Pusey and Jones was that no manufacturer has sold these people. We are investigating further" (Comm. Ex. 435).

(b) When RSCA, with the assistance of Mr. Blake, prepared the uniform consignment contract heretofore discussed, a provision was inserted whereby the distributor agent, in executing the contract, represented that he conducted a warehouse suitable for carrying a stock of conduit and accessories in sufficient volume and range of sizes and types adequately to serve the territory in which he operated, that he regularly employed a force of salesmen, and that he did not sell as a contractor or otherwise in significant amounts direct to the general public or to individual ultimate consumers. These provisions reflect the more important qualifications required by NEWA as a prerequisite to membership, but the NEWA definition is in more detailed form. Membership lists of NEWA are available to conduit sellers on request.

(c) After the employment of OSC and Herbert S. Blacke, RSCA continued the practice of seeking the collective opinions of its members as a guide to individual conduit sellers in classifying purchasers. This is illustrated in the case of Sanborn Electric Co. of Indianapolis, Ind. On March 15, 1937, Steel & Tubes, Inc., wrote Fretz-Moon that Clayton Mark recognized Sanborn Electric Co. as a wholesaler of conduit and stated that this company was strictly an electrical contractor. Fretz-Moon transmitted this inquiry to R. S. Booth, secretary of RSCA, who, on March 22, 1937, sent a questionnaire to members of RSCA, as follows:

"Subject: Sanborn Electric Co., Indianapolis, Ind.

"I have been asked to ascertain the status of the above company; that is, whether they are treated as wholesalers or contractors.

"Please reply hereon, returning this sheet to me stating how you treat this company" (Comm. Ex. 491–C and others).

The record contains the replies received from Central Tube, Cohoes, Enameled Metals, Garland, General Electric, Clayton Mark, National Electric, Steelduct, Triangle, Walker Bros., and Youngstown. Mr. Booth, under date of June 24, 1937, advised Fretz-Moon as follows:

"Sometime ago you sent me a memorandum from Steel & Tubes covering the status of Sanborn Electric Co., Indianapolis, Ind.

"The report was that Clayton Mark Co. recognized Sanborn as a wholesaler whereas in the opinion of Steel & Tubes they are strictly electrical contractors.

"This inquiry was sent to all members in addition to Clayton Mark and it is the opinion of the majority that they are contractors but Clayton Mark claims that his jobber-purchase agreement contract covers this situation and if any part of their sales is on other than a wholesale basis, they settle at the contractor's price.

"There is some justification apparently in the position he takes as you will note from Mr. Walker's reply that the directory of the Wholesalers magazine states that these people do about 70 percent wholesaling. A majority of these dual accounts are very bothersome and I presume they will continue to be.

"You will notice that no reply is enclosed from Laclede. However, Mr. Oberhauser informed me yesterday by telephone that he knew nothing about this transaction.

"Kindly return the papers to me when you are through with them with any comment you may care to make" (Comm. Ex. 491–A).

Paragraph 14: It was formerly the practice of conduit sellers to maintain warehouse stocks of conduit in many large cities. They made shipments of conduit to such stocks in carload lots and reflected the benefit of the lower carload freight rate in the price on warehouse sales of less-than-carload quantities of conduit to small wholesalers. This practice was a source of dissatisfaction to large wholesalers who were able to buy in carlot quantities but secured no advantage thereby in their competition with small wholesalers who purchased in small quantities from warehouse stocks of conduit sellers. In addition to objections by large wholesalers to that practice, the maintenance of such warehouse stocks created competitive difficulties among conduit sellers. By means of collective action, with the aid and cooperation of NEWA, respondent conduit sellers were able to, and did, discontinue the maintenance of warehouse stocks except on the Pacific coast. Some of the activities of respondents concerning warehousing are indicated in the extracts from the record which follow. The report of the conduit committee of NEWA on its meeting of May 4, 1936, in discussing unsatisfactory conditions in the conduit business, attributed them in part to "manufacturers' uneconomic local warehouse stocks" and said in part:

"Last year your committee recommended 'the discontinuance of manufacturers' local warehouse stocks for the reason, among others, that sales and deliveries out of these stocks through warehouses or through agents result in unfair price discrimination against those wholesalers who do their own warehousing and otherwise perform the full distribution service for the manufacturer'" (Comm. Ex. 40–A).

The report of the conduit committee of its meeting of September 28, 1936, recites in part:

"It is very gratifying to your committee to be able to state that manufacturers have discontinued local warehouse stocks in all sections of the country except the Pacific coast" (Comm. Ex. 39–A).

On May 25, 1937, Triangle wrote Austin in part:

"* * * it is the general feeling today that once the bars are let down, even in Chicago, warehouses will return generally.

"However, we will look into it, feel out our good friends again, and see what can be done. The only argument we have is that Chicago is a basing point, and the only way the whole thing can be worked out is for all companies, in view of Chicago being a basing point, to have a Chicago factory stock to take care of the Chicago basing-point territory. There is one thing certain. I cannot get an edge for you in this matter, that is, if you do it I am sure that others will follow. However, let me look into it again" (Comm. Ex. 526).

On June 17, 1938, I. F. Bennett, of National Electric, wrote to W. J. Drury, of Graybar Electric, who was then a member of the conduit committee of NEWA, and stated, in part:

"The Youngstown Sheet & Tube Co. and Triangle Conduit & Cable Co., both have local stocks of rigid conduit in the Chicago district.

"This is the beginning of the opening of the manufacturers' warehouse stocks, which have been eliminated everywhere except on the Pacific coast" (Comm. Ex. 603).

In September 1938 the rumored reinstitution of warehouse stocks was being investigated by RSCA. The minutes of an association meeting at that time show:

"Mr. R. M. Garland stated that he had reports that warehouses were being established in various parts of the country, whereupon, Mr. Booth stated that he was investigating several reports which had come to him in this connection, but that his investigation was not complete at the present time" (Comm. Ex. 34–Z2).

The conduit committee of NEWA, reporting on its October 18, 1938, meeting, attended by representatives of American Circular Loom Co., Inc., Austin, Central Tube, Enameled Metals, Fretz-Moon, General Electric, National Electric, Steel & Tubes, Inc., Steelduct, Walker Brothers, and Youngstown, said, in part:

"Much to the dismay of your committee, information was presented to the effect that there is the possibility of a trend toward the reestablishment of manufacturers' local warehouse stocks in the key cities of the country. In at least one case this has become an accomplished fact. It was the very definite expression of manufacturers present at our meeting that the establishment of such local stocks was highly undesirable from an economic point of view. However, it was pointed out in no uncertain terms that if one or two manufacturers determined on such a policy it is quite obvious that others must in due course follow suit. It is the most apparent issue in this report that the wholesaler urge upon his respective suppliers a continuation of the policy of not establishing local ware-

house stocks as being economically unsound, tending to duplicate stocks, and an unnecessary expense and waste" (Comm. Ex. 39–E).

The reports of the meetings of the conduit committee of May 22, 1939, and October 17, 1939, contain statements similar to that appearing in the report of May 20, 1940, which reads, in part:

"The manufacturers continue to express entire satisfaction with the economies resulting from the discontinuance of their local warehouse expense, and reiterate their liking for wholesaler warehousing as now in operation, thereby eliminating the unnecessary waste of additional expense involved in local warehouse stocks" (Comm. Ex. 42).

Paragraph 15: (a) Through the use of the basing-point, delivered-price formula, supplemented by the use of common delivery charge factors and common freight rate books to aid in reducing and eliminating price differences which might arise through the individual calculation of freight rates and the conversion of such rates from terms of cents per hundred pounds to cents per hundred feet of conduit of any given size, respondent conduit sellers have been able to achieve a substantial degree of delivered-price identity in quoting and selling conduit. The effectiveness of respondents' formula is illustrated in the record in several ways. The following examples taken from public bids show varying degrees of uniformity.

Bids to the Panama Canal for supplying 111,000 feet of conduit f. o. b. Cristobal or Balboa, Canal Zone, were opened June 17, 1935, and were as follows:

American Electric Supply Co., $8,188.90, 5 percent, 10 days.

M. B. Austin Co., $8,188.90, 5 percent, tenth proximo.

Baitenger Electrical Co., Inc., $8,188.90, 5 percent, fifteenth proximo.

Philip Cass Co., $8,188.90, 5 percent, tenth proximo.

Central Tube Co., $8,188.90, 5 percent, tenth proximo.

Clayton Mark & Co., $8,188.90, 5 percent, tenth proximo.

Enamel Metals Co., $8,188.90, 5 percent, tenth proximo.

Gaffney Kroese Electric Supply Co., $8,188.90, 5 percent, tenth proximo.

Garland Manufacturing Co., $8,188.90, 5 percent, tenth proximo.

Gertler Electric Supply Corp., $8,188.90, 5 percent, tenth proximo.

Graybar Electric Co., $8,188.90, 5 percent, tenth proximo.

Greene Wolf Co., Inc., $8,188.90, 5 percent, fifteenth proximo.

Home Lighting Co., Inc., $8,188.90, 5 percent, tenth proximo.

Hudson Electric Supply Co., $8,188.90, 5 percent, tenth proximo.

Laclede Tube Co., $8,147.70, 5 percent, 10 days.

Lavenson & Savasta, $8,188.90, 5 percent, tenth proximo.

Lee Electric Co., $8,188.90, 5 percent, tenth proximo.

Loman Electric Supply Co., $8,188.90, 5 percent, 10 days.

National Electric Products Corp., $8,188.90, 5 percent, tenth proximo.

Noland Co., Inc., $8,188.90, 5 percent, fifteenth proximo.

Shell Electric Supply Corp., $8,188.90, 5 percent, 10 days.

Thomas Summerville Co., $8,188.90, 5 percent, tenth proximo.

Steel & Tubes, Inc., $8,188.90, 5 percent, 10 days.

Steelduct Co., $8,188.90, 5 percent, tenth proximo after shipment.

Triangle Conduit & Cable Co., Inc., $8,188.90, 5 percent, tenth proximo.

U. S. Electric Export Corp., $8,188.90, 5 percent, tenth proximo.

Walker Bros., $8,188.90, 5 percent, tenth proximo.

Weinstein Supply Co., $8,188.90, 5 percent, 10 days.

West Philadelphia Electric Supply Co., $8,188.90, 5 percent, tenth proximo.

Westinghouse Electric Supply Co., $8,183.90, 5 percent, tenth proximo.

Youngstown Sheet & Tube Co., $8,188.90, 5 percent, tenth proximo.

Baltimore Electric Supply Co., $8,188.90, 5 percent, tenth proximo.

National Electric Supply Co., $8,188.90, 5 percent, fifteenth proximo.

(Comm. Ex. 318.)

In the above instance 12 respondent conduit sellers submitted bids. Austin, Central Tube, Clayton Mark, Enameled Metals, Garland, National Electric, Steel & Tube, Inc., Steelduct, Triangle, Walker Bros., and Youngstown each bid $8,188.90, and Laclede Tube bid $8,147.70, but under a policy of disregarding bids which did not comply with the invitation, the award in this instance was made by lot.

Bids on 100,000 feet of conduit for the Panama Canal opened January 6, 1938, were as follows:

American Electric Supply Co., $6,200, 5 percent, 10th proximo.

M. B. Austin Co., $6,200, 5 percent, 10th proximo.

Baitinger Electric Co., Inc., $6,200, 5 percent, 10th promixo.

Enameled Metals Co., $6,200, 5 percent, 10th proximo.

Gaffney Kroese Electric Co., $6,200, 5 percent, 15th proximo.

Garland Manufacturing Co., $6,200, 5 percent, 30 days.

Germantown Electric Supply Co., $6,200, 5 percent, 15th proximo.

Gertler Electric Supply Corp., $6,200, 5 percent, 20 days.

Gold Seal Electric Supply Co., $6,200, 5 percent.

Graybar Electric Co., Inc., $6,200, 5 percent, 10th promixo.

Greene Wolf Co., Inc., $6,200, 2 percent, 10 days.

Laclede Steel Co., $6,200, 5 percent, 10th proximo.

E. B. Latham & Co., $6,200, 5 percent, 10th proximo.

Loman Electric Supply Co., $6,200, 2 percent, 10th proximo.

Louis Electric Corporation, $7,000, 2 percent, 10 days.

Clayton Mark Co., $6,200, 5 percent, 10th proximo.

National Electric Products Corp., $6,200, 5 percent, 10th proximo.

Noland Co., Inc., $6,200, 5 percent, 10th proximo.

Shell Electrical Supply Corp., $6,200, 5 percent, 10 days.

Steelduct Co., $6,200, 5 percent, 10th proximo.

Steel & Tubes, Inc., $6,360, 5 percent, 30 days.

United States Electrical Export Corp., $6,200, 5 percent, 10th proximo.

Walker Bros., $6,200, 5 percent, 10 proximo.

S. Weinstein Supply Co., $5,823.95, 2 percent, 10 days.

West Philadelphia Electric Supply Co., $6,200, 5 percent, 10 days.

Westinghouse Electric Supply Co., $6,200, 5 percent, 10th proximo.

Youngstown Sheet & Tube Co., $6,200, 5 percent, 10th proximo.

General Electic Supply Corp., $6,200, 5 percent, 10th proximo.

Nathan Goodman Co., Inc., $6,200, 5 percent, 10th proximo.

(Comm. Ex. 324.)

In the instance above, 10 of the respondent conduit sellers submitted bids. Austin, Enameled Metals, Garland, Laclede Steel, Clayton Mark, National Electric, Steelduct, Walker Bros., and Youngstown each bid $6,200, and Steel & Tubes, Inc., bid $6,360.

Bids on 2,000 feet of conduit for the Panama Canal opened December 21, 1938, were as follows:

Graybar Electric Co., Inc, $687, 5 percent, 10th promixo.

The Greene-Wolf Co., Inc., $687, 5 percent, 10 days.

Clayton Mark & Co., $687, 5 percent, 10th proximo.

Monumental Electrical Supply Co., $638, 5 percent, 20 days.

Steel & Tubes, Inc., $685.80, 5 percent, 10 days.

Walker Bros., $687, 5 percent, 10th proximo.

Williamsburg Electrical Supply Corp., $666.40, 10 days.

General Electric Supply Corp., $686.60, 5 percent, 10th proximo.

National Electric Products Corp., $687, 5 percent, 10th proximo.

E. B. Latham & Co., $686.60, 5 percent, 30 days.

Garland Manufacturing Co., $687, 5 percent, 30 days.

Gertler Electric Supply Corp., $666.80, 5 percent, 10 days.

Associated Hardware & Supplies Corp., $656, 5 percent, 20 days.

Youngstown Sheet & Tube Co., $687, 5 percent, 10th proximo.

Electrical Industrial Equipment & Supply Corp., $640, 5 percent, 10 days.

American Electric Supply Co., $687, 5 percent, 10 days.

(Resp. Ex. 12.)

It will be noted that 6 of respondent conduit sellers bid in the above instance. Clayton Mark, Walker Brothers, National Electric, Garland, and Youngstown each bid $687, and Steel & Tubes, Inc., bid $685.80.

(b) The effect of this pricing system in securing and maintaining identity of delivered-price quotations and prices in private sales was substantial. RSCA tabulated the percentage of all sales of conduit which were "on card"; that is, which accurately reflected the controlling base prices. In a memorandum circulated by Mr. Booth under date of February 10, 1938, it is stated:

"The percentage of tonnage shipped in the month of December on card 76 by the industry was 81.46 percent.

"This includes all the 13 members in the industry, and compares with 80.86 in the month of November 1937" (Comm. Ex. 496).

The report of the conduit committee of NEWA of its meeting of May 23, 1938, states in part:

"You will probably be interested in knowing the manufacturers' report that in the month of March, 1938, 87½ percent of the rigid iron conduit sold at card 76" (Comm. Ex. 39–D).

Respondent conduit sellers placed evidence in the record indicating the percentage of adherence to card price by individual respondents for particular periods of time. The exact degree of adherence is immaterial, however, since it is clear from the entire record that the percentage of adherence was substantial and at times almost complete. The record also tends to show that departures from card prices were often largely confined to particular and limited areas and did not represent a condition general throughout the country.

(c) In addition to the statistical showing of the results of respondents' plans and activities, appraisals of results expressed in general terms appear in the record. Among these is a letter of December 23, 1938, from respondent Herbert S. Blake to I. A. Bennett summarizing the successes and failures of RSCA under his management and outlining a future course intended to correct the failures and "strengthen the basic value that the association should be and can be made to be to the industry * * *." He stated in part:

"Major Quinn stated that you desired me to summarize my views as to the status of matters in the rigid steel conduit industry

and outline what should be done to deal with the situation more effectively. This is rather a large order to fill by letter, especially as there are many inside things that should be said which are not desirable in a letter.

* * * * *

"When the association was reorganized, 2 years ago, consultation with the important factors in the industry resulted in the establishment of a method of merchandising which at that time was deemed necessary in order to correct the ills of the industry. This plan was based on the view that it was absolutely necessary to control the "secondary" market and the probability of the success of the plan was founded upon the belief that the distributors of conduit would support the plan wholeheartedly, * * *.

"There is no question but what the plan, throughout the period, which followed a most chaotic market condition, did, for some months promote a far greater degree of stability in the industry than had existed for a long time previous, and resulted in earnings which could not otherwise have been achieved."

Mr. Blake then stated that the program failed of continued success because distributors did not give it unqualified support and producers did not maintain their published prices, and said both of these conditions were due to a drop in the aggregate volume of sales because of general business conditions and the incursion of substitute products. He continued:

"The force which undermines even an approach to stability in the secondary market is weakness in the primary market and the only manner in which a firm secondary market can be developed is on the basis of certainty on the part of distributors that the primary market is stable" (Comm. Ex. 576–A and B).

In writing Mr. Blake after his resignation, Fretz-Moon stated in part:

"It requires only casual observation of what has happened to us since we have lost your leadership to realize the benefits sacrificed by our foolish action in allowing you to withdraw. It is costing us today at least $5 per ton for not following your advice and at this rate the total cost runs into very substantial figures" (Comm. Ex. 621).

Paragraph 16: (a) In addition to the matters heretofore set out, there are certain facts of a general nature which relates to and are explanatory of the basing-point, delivered-price system used in quoting and selling conduit and of the results flowing from its used. Respondent conduit sellers produce all the conduit manufactured in this country. Conduit is produced by Cohoes at Cohoes, N. Y.; by Enameled Metals at Etna, near Pittsburgh, Pa.; by Fretz-Moon at East Butler, Pa.; by Garland at West Pittsburgh, Pa. by General Electric at New Kensington, Pa.; by Laclede Steel at Alton, Ill., near St. Louis, Mo.; by National Electric at Ambridge, near Pittsburgh, Pa.; by Spang Chalfant at Etna, Pa.; by Triangle at Moundsville, W. Va.; by Walker Bros. at Conshohocken, near Philadelphia, Pa.; and by Youngstown at Struthers, Ohio, and Indiana Harbor, Ind. The Indiana Harbor plant of Youngstown produces only the large sizes of conduit and not a full line. Clayton Mark, Steelduct, Austin, and Clifton do not manufacture conduit, but sell and distribute conduit manufactured for them and under their own brands by one or more of the producers named above, and Republic, through its steel and tubes division, distributes Fretz-Moon conduit. Seven of the 12 plants producing conduit are located within the switching limits of Pittsburgh, from which freight rates to other areas are the same although they may differ within the local area.

(b) The Chicago base price of conduit has been consistently maintained at a figure approximately $4 per ton above the Pittsburgh base price. The area controlled by the Chicago base; that is, the area in which the sum of the Chicago base price, plus delivery charge factors, is less than the sum of the Pittsburgh base price, plus delivery charge factors, is relatively quite small. It controls destination price quotations in Wisconsin, parts of Minnesota, Iowa, Missouri, Illinois, and Indiana, and certain small isolated areas in Wyoming, Colorado, Nevada, New Mexico, and Texas. Prices at all other destinations in the United States are controlled by the Pittsburgh base.

(c) Respondent conduit sellers have consistently published identical price quotations, and such quotations were upon a basing-point, delivered-price basis. With respect to the refusal of conduit sellers to quote true f. o. b. mill prices, occasional exceptions have occurred in the bids made to agencies of the Federal Government when land-grant freight rates were available to such agencies. Some of these exceptions, however, were more apparent than real, in that purported f. o. b. prices were in fact related to base prices or a method of freight equalization was used to eliminate differences resulting from the application of land-grant rates. Also, a conduit seller whose plant is located at a basing point can make sales to purchasers at locations where the price is controlled by such basing point upon an f. o. b. basis without necessarily infringing the basing-point price pattern.

(d) The price of conduit has shown a high degree of rigidity. For example, cards 72 and 82 were each in effect for at least 8 months, card 80 for about 10 months, card 69 for about 12 months, and card 70 for about 18 months. The failure of prices to respond to changing conditions of supply and demand, both locally and nationally, indicates the absence of effective competition. Some of the respondents have contended that the demand for conduit is not affected by price but is dependent upon the total volume of construction work, in which the cost of conduit is but a small factor. In some uses conduit must be installed regardless of price. In many uses, however, some of the products which compete with conduit may be installed in lieu of conduit when the price relationship and relative advantages and disadvantages warrant. A correlation of price changes with total sales of conduit, expressed in terms of percentage of industry capacity to produce, indicates not only that the volume of conduit sales responds to price changes, but also that the price of conduit has been rigid for long periods in the face of rapidly decreasing demand. At the time card 76 was issued in March 1937, increasing the price of conduit approximately 25 percent, total sales approximated 70 percent of the industry capacity to produce. Following this price increase, sales decreased rapidly and amounted to less than 25 percent of industry capacity in July 1938. In that month cards 77 and 78 were issued, the last of which reduced the price to the approximate level existing before card 76 was issued, and in November 1938 card 79 made a further reduction, which was canceled by card 80, issued in December 1938. Beginning with the first price reduction in July 1938, sales slowly and somewhat irregularly increased to about 50 percent of plant capacity in October 1939, when there was a price increase by the issuance of card 81, and this increase was followed by a sharp decline in sales to about 25 percent of plant capacity in February 1940. A price reduction was made by card 82 in February 1940, and this was quickly followed by an increase in sales which reached about 60 percent of industry capacity before the end of 1940.

(e) Not all of the respondent conduit sellers distribute conduit on a national scale. The number and, in part, the identity of the conduit sellers whose products are available in any given section of the country vary as between different sections. Similarly, not all conduit sellers have sales representation at all locations where conduit is sold and the number and, in part, the identity of the conduit sellers whose products are available at any given location vary as between locations. The conduit sellers who actually distribute their products in sections and at locations where other conduit sellers do not seek to make sales are able to, and do, there maintain the basing-point, delivered-price formula as fully and as successfully as if all conduit sellers participated. In occasional instances in particular localities or to particular purchasers one or more conduit sellers, through intent or error, quote or sell conduit at prices which are not in accord with the basing-point delivered prices concurrently offered in the same localities or to the same purchasers by other conduit sellers. In such situations, when two or more but not all conduit sellers adhere to the formula prices, the effects produced by such adherence are similar in character but less in degree than those resulting when all conduit sellers adhere to the formula prices.

Paragraph 17: (a) The use by respondent conduit sellers of the pricing formula heretofore described requires each such seller to discriminate among purchasers of conduit by charging some more than others for similar goods, not merely in the sense that the delivered cost to one purchaser is higher than to another by the amount of the difference in actual delivery costs, but through deliberately varying the seller's mill nets in order to quote prices identical with those of competitors at the same destinations according to the pattern established by the formula.

(b) A conduit seller whose mill is not located at a basing point charges fictitious delivery cost to purchasers located in his home town and at all other points where he has a freight advantage as compared with mills located at the controlling basing point, because under the formula generally followed his quotations at all such points amount to the sum of the base price plus the delivery charge factor from the basing point, although in fact the actual delivery cost is less than the delivery charge factor included in the delivered price. On such sales the seller's mill net is higher than the base price by the amount of "phantom freight" charged the purchaser. For example, Laclede Steel quotes prices in St. Louis which represent the sum of the Pittsburgh base price plus the delivery charge factor from Pittsburgh to St. Louis, although in fact the conduit is produced in and delivered from Alton, Ill., a few miles from St. Louis. A similar example is Walker Brothers, which has its plant at Conshohocken, Pa., a few miles from Philadelphia. This company, nevertheless, quotes prices in Philadelphia equivalent to the sum of the Pittsburgh base price plus the delivery charge factor from Pittsburgh. In one large transaction, Walker Brothers quoted a price in Philadelphia which included approximately $25,000 in phantom freight. In each such quotation the seller increases his mill net or real price by the exact amount necessary to produce a quotation equivalent to the sum of the controlling base price plus delivery charge factor from that base to the particular destination.

On the other hand, the conduit seller who is not located at a basing point shrinks his mill net below the controlling base price on sales at destinations where he is at a freight disadvantage as compared with the controlling base. In each such quotation the shrinkage of the mill net, or real price, is the exact amount necessary to produce a quotation equivalent to the sum of controlling base price plus the delivery charge factor from that base to the particular destination.

(c) In the case of a seller whose plant is located at a basing point, his quotations at all destinations controlled by that base are the sum of the base price plus delivery charge factor from that base to the particular destination. However, when such a seller quotes at destinations controlled by another base, he shrinks his mill net or real price by the exact amount necessary to produce at any such destination a quotation equal to the sum of the controlling base price plus delivery charge factor from that base.

(d) In effect, this pricing pattern amounts to each seller inviting other sellers to share in the available business in his freight-advantage territory in return for the privilege of sharing in the available business in the freight-advantage territory of other sellers. It thus promotes the cross shipping of conduit with the attendant costs, without tending to increase the total consumption of conduit. It requires the maintenance of a higher price level than would otherwise be necessary, in order that each seller may secure an additional margin on some sales to counterbalance the lower mill nets recovered on other sales, or, in other words, to permit sellers to distribute conduit, a heavy commodity upon which freight charges are substantial, upon a national scale. By denying to some purchasers the advantages of their loc tion with respect to points at which conduit is produced, sellers are enabled to subsidize their own sales to other purchasers who are not so favorably located.

(e) Under the conditions which have existed in the industry each conduit seller has necessarily known that the other conduit sellers used the basing-point delivered-price system in the sale and distribution of conduit. Aside from the conditions which have existed, it is inevitable that the use of such system by any conduit seller in quoting prices on conduit would come to the knowledge of the other conduit sellers through ordinary trade channels. As a practical matter, it would be impossible for one conduit seller to quote prices in accordance with the basing-point delivered-price system and conceal that fact from the other conduit sellers.

Paragraph 18: (a) In addition to knowledge of the use of the basing-point, delivered-price formula by others, each conduit seller knows that by its use each will be able to quote a price at any given destination identical with the prices quoted by others pursuant to such formula, and thus all users of the formula will be enabled to present to a prospective purchaser a condition of matched prices in which such purchaser is isolated and deprived of any choice on the basis of price. Respondent conduit sellers assert that in matching price quotations with other sellers at any given destination they are "meeting competition." In order to produce such matched prices sellers must, at numerous destinations, increase their mill nets or real prices and at numerous destinations concurrently reduce their mill nets. Such systematic price variations according to the pattern described do not represent competition in the ordinary meaning of that term. Each participant in the use of this pricing formula consciously intends that no attempt be made to exclude any seller from the natural freight-advantage territory of another and by the use of the formula in effect invite others to share the available business in his natural market in return for a reciprocal invitation.

(b) Respondents' basing-point, delivered-price formula is a pricing system recognized by economists as a controlled price or monopolistic price system and does not in its operation or results conform to the recognized economic principles which indicate the existence of free or effective competition. One of the characteristics of effective competition is that prices readily respond to changing conditions of supply and demand, whereas respondents' system has produced a high degree of price rigidity and at times prices have even moved contrary to what would be expected in a market amenable to the law of supply and demand. The use of the pricing formula produces a condition of mutual dumping inconsistent with the existence of effective competition. The systematic pattern of discriminations among purchasers of conduit would not exist concurrently with effective competition and the use of formula which produces a condition of matched delivered-price quotations indicates the absence of effective competition.

(c) The economic principle that in a truly competitive market the unit price of a homogenous commodity tends to become approximately uniform does not serve to explain results of the use of respondents' pricing formula. The tendency toward price uniformity in a free market results from the fact that in the purchase and sale of units of a homogenous commodity in such market, sellers are indifferent as to whose money they get for their commodity and buyers are indifferent as to whose commodity they get for their money. The systematic differences in mill nets accepted by respondent conduit sellers violate the principle of indifference. It is also true that the law of uniform price is limited in its application to prices which eventuate from actual sales and has no application to and cannot explain uniformity of price quotations.

Paragraph 19: (a) Pursuant to count I of the complaint herein, the Commission concludes from the evidence of record, and therefore finds, that the capacity, tendency, and effect of the combination and conspiracy maintained by the respondents named therein in the manner aforesaid, and the acts and practices performed thereunder and in connection therewith by said respondents as set out herein, has been, and is, to hinder, lessen, restrain, and suppress competition in the sale and distribution of conduit in, among, and between the several States of the United States; to deprive purchasers of conduit of the benefits of competition in price; to maintain artificial and monopolistic methods and prices in the sale and distribution of conduit; to prepare and maintain common rate factors and common delivery charge factors or "freight adders" used and useful in determining and establishing price quotations and prices for conduit; to classify purchasers of conduit and determine the treatment to be accorded them; to establish and maintain uniform discounts, terms, and conditions of sale; to determine and control the use of warehouses in the distribution of conduit; to prepare, adopt, and use for the purpose of aiding in price maintenance and control, uniform contracts for distributors and for contractors buying for specific projects, and to enforce the terms of such contracts through investigations and reports thereon; to support and maintain their price structure through the conduct of investigations of sales and offers to sell, and the circulation of reports thereon; and otherwise to maintain and promote the purposes of their combination and conspiracy to hinder, lessen, and restrain competition in the sale and distribution of conduit.

(b) Pursuant to count II of the complaint herein, the Commission concludes from the evidence of record, and therefore finds, that the capacity, tendency, and effect of the use by each respondent named therein, of the basing-point, delivered-price formula to determine price quotations and prices which will be made to conduit purchasers at any given destination concurrently with similar use of the same pricing formula by other of the said respondents has been, and is, to hinder, lessen, and restrain competition in price in the sale and distribution of conduit; to deprive purchasers of the benefits of competition in price; to unfairly discriminate among purchasers; and to create in each of said respondents a dangerous tendency toward a monopolistic control over price in the sale and distribution of conduit.

CONCLUSION

The aforesaid acts and practices of respondents constitute unfair methods of competition in commerce within the intent and meaning of section 5 of the Federal Trade Commission Act.

By the Commission.

[Seal] R. E. FREER, *Chairman.*

Dated this 6th day of June A. D. 1944.

Attest:

OTIS B. JOHNSON, *Secretary.*

UNITED STATES OF AMERICA,
BEFORE FEDERAL TRADE COMMISSION.

At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 6th day of June, A. D., 1944.

Commissioners: Robert E. Freer, Chairman; Garland S. Ferguson; Charles H. March; Ewin L. Davis; William A. Ayres.

IN THE MATTER OF RIGID STEEL CONDUIT ASSOCIATION, AN UNINCORPORATED ASSOCIATION; ITS OFFICERS: HERBERT S. BLAKE, PRESIDENT, LAWRENCE R. QUINN, TREASURER, PAUL WEISS, ASSISTANT TREASURER, ROBERT S. BOOTH, EXECUTIVE SECRETARY; ITS BOARD OF DIRECTORS: I. A. BENNETT, CHAIRMAN, J. M. BARTON, H. G. MORROW, LAWRENCE R. QUINN, H. S. WALKER, A. E. NEWMAN; AND ITS MEMBERS: CENTRAL TUBE CO., CLAYTON MARK & CO., COHOES ROLLING MILL CO., ENAMELED METALS CO., FRETZ-MOON TUBE CO., INC., GARLAND MANUFACTURING CO., GENERAL ELECTRIC CO., LACLEDE STEEL CO., LACLEDE TUBE CO., NATIONAL ELECTRIC PRODUCTS CORP., STEELDUCT CO., TRIANGLE CONDUIT & CABLE CO., INC., WALKER BROS., YOUNGSTOWN SHEET & TUBE CO., CORPORATIONS, INDIVIDUALLY AND AS REPRESENTATIVE OF THE MEMBERS OF THE RIGID STEEL CONDUIT ASSOCIATION; GENERAL ELECTRIC SUPPLY CORP., SPANG CHALFANT, INC., STEEL & TUBES, INC., REPUBLIC STEEL CORP., F. D. LAWRENCE ELECTRIC CO., THE C. S. MERSICH & CO., INDIVIDUALLY AND AS REPRESENTATIVE OF ALL THE MEMBERS OF THE NATIONAL ELECTRICAL WHOLESALERS ASSOCIATION. DOCKET NO. 4452

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answers of respondents, testimony and other evidence in support of and in opposition to the allegations of said complaint taken before an examiner of the Commission theretofore duly designated by it, report of the trial examiner and exceptions thereto, briefs in support of the complaint and in opposition thereto, and oral arguments of counsel, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered that respondent Rigid Steel Conduit Association, and unincorporated voluntary associations, its officers, directors, representatives, agents, and employees, the corporate respondents Clayton Mark & Co., Cohoes Rolling Mill Co., Enameled Metals Co., Fretz-Moon Tube Co., Inc., General Electric Co., Laclede Steel Co., National Electric Products Corp., Steelduct Co., Triangle Conduit & Cable Co., Inc., Walker Brothers, Youngstown Sheet & Tube Co., Republic Steel Corp., M. B. Austin Co., their respective officers, representatives, agents, and employees, in or in connection with the offering for sale, sale, and distribution of rigid steel conduit in commerce, as "commerce" is

defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, continuing, cooperating in, or carrying out any planned common course of action, understanding, agreement, combination, or conspiracy between any two or more of said respondents, or between any one or more of said respondents and others not parties hereto, to do or perform any of the following things:

1. Quoting or selling rigid steel conduit at prices calculated or determined pursuant to or in accordance with the basing-point, delivered-price system; or quoting or selling rigid steel conduit at prices calculated or determined pursuant to or in accordance with any other plan, system, or formula which produces identical price quotations or prices for rigid steel conduit by respondents using such plan, system, or formula at points of quotation or sale, or to particular purchasers, or which prevents purchasers from finding any advantage in price in dealing with one or more of the respondents as against any of the other respondents.

2. Establishing, fixing, or maintaining prices, terms, or conditions of sale for rigid steel conduit, or adhering to any prices, terms, or conditions of sale so fixed or maintained.

3. Collecting, compiling, circulating, or exchanging information concerning common carrier transportation charges used or to be used as a factor in computing the price of rigid steel conduit; or using, directly or indirectly, any such information so collected, compiled, or received as a factor in computing the price of rigid steel conduit.

4. Collecting, compiling, circulating, or exchanging "freight adders," delivery charge booklets, or other information concerning delivery charges on rigid steel conduit used or to be used as a factor in computing the price of such conduit; or using, directly or indirectly, any such information so collected, compiled, or received as a factor in computing the price of rigid steel conduit.

5. Circulating or exchanging information concerning the classification granted or to be granted to any specific purchaser of rigid steel conduit; or determining upon any basis for the selection or classification of customers, or using any basis so determined for selecting or classifying customers.

6. Determining upon the location, establishment, maintenance, or discontinuance of warehouses or other places for the stocking of supplies of rigid steel conduit.

7. Formulating or adopting consigned stock, specific building, or any other forms of contracts or agreements concerning the sale or distribution of rigid steel conduit, or using any contracts or agreements so formulated or adopted, for the purpose or with the effect of aiding or assisting in arriving at or maintaining uniform prices, terms, or conditions in the sale or distribution of such conduit.

8. Directly or indirectly investigating or checking the prices, quantities, terms, or conditions of any sale or offer to sell rigid steel conduit to any buyer or prospective buyer for the purpose or with the effect of aiding or assisting in maintaining uniform prices, terms, or conditions in the sale of such conduit.

9. Doing or causing any of the things forbidden in the preceding paragraphs of this order to be done through respondents Charles Donley, Herbert S. Blake, Organization Service Corporation, or any other individual, corporation, or organization.

It is further ordered that respondent Charles Donley, an individual, his representatives, agents, and employees, do forthwith cease and desist from knowingly advising, assisting, or cooperating with the aforesaid respondents, or any of them, in doing any of the things forbidden by paragraph numbered 3 above.

It is further ordered that respondent Herbert S. Blake, an individual, his representatives, agents, and employees, and respondent Organization Service Corporation, a corporation, its officers, representatives, agents, and employees, do forthwith cease and desist from advising, aiding, assisting, or directing the aforesaid respondents in any manner in doing any of the things forbidden by paragraphs numbered 1 to 8, inclusive, of this order.

It is further ordered that respondent the National Electrical Wholesalers Association, an unincorporated association, its officers and members, the officers and members of its conduit committee, and respondents General Electric Supply Corp., a corporation, E. B. Latham & Co., a corporation, Graybar Electric Co., Inc., a corporation, Revere Electric Supply Co., a corporation, Kiefer Electrical Supply Co., a corporation, Westinghouse Electric Supply Co., a corporation, Fife Electric Supply Co., Columbian Electrical Co., W. T. McCullough Electric Co., Peerless Electric Supply Co., The Hardware and Supply Co., F. D. Lawrence Electric Co., and the C. S. Mersick & Co., individually and as such members, their respective officers, representatives, agents, and employees, do forthwith cease and desist from aiding, assisting, or cooperating, in any manner with the respondents subject to the provisions of paragraphs numbered 1 to 8, inclusive, of this order, or any of them, in doing any of the things forbidden in said paragraphs.

It is further ordered that each of the corporate respondents Clayton Mark & Co., Cohoes Rolling Mill Co., Enameled Metals Co., Fretz-Moon Tube Co., Inc., General Electric Co., Laclede Steel Co., National Electric Products Corp., Steelduct Co., Triangle Conduit & Cable Co., Inc., Walker Bros., Youngstown Sheet & Tube Co., Spang Chalfant, Inc., Republic Steel Co., and M. B. Austin Co., their respective officers, representatives, agents, and employees, and respondents George L. Hatheway, Regina G. Hatheway, Katherine R. Hatheway, and Jane Hatheway, copartners trading as Clifton Conduit Co., their representatives, agents, and employees, in or in connection with the offering for sale, sale, and distribution of rigid steel conduit in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from doing any of the following things for the purpose or with the effect of systematically matching delivered-price quotations with other of said respondents or producing the equivalent of such matched delivered prices through systematic discriminations in the mill nets received on sales to different purchasers:

(a) Quoting or selling rigid steel conduit at prices calculated or determined pursuant to, or in accordance with, the basing-point, delivered-price system.

(b) Quoting or selling rigid steel conduit at delivered prices calculated as, or systematically equivalent to, the sum of the price in effect at, plus a transportation charge factor from, any point other than the actual shipping point.

(c) Quoting or selling rigid steel conduit at delivered prices which systematically reflect the inclusion of a transportation factor greater or less than the actual cost of transportation from point of shipment to destination.

(d) Discriminating among purchasers by quoting or selling rigid steel conduit at prices which systematically differ in terms of mill nets according to the location of purchasers, and which mill nets, plus common carrier transportation charges to the respective locations of such purchasers, produce delivered costs identical with those to such purchasers from differently located respondents.

It is further ordered that, for reasons appearing in the findings as to the facts, the complaint herein be, and the same hereby is, dismissed as to Central Tube Co., Garland Manufacturing Co., Laclede Tube Co. (Missouri), Steel & Tubes, Inc., and F. C. Hodkinson; that count I of the complaint be, and the same hereby is, dismissed as to respondents George L. Hatheway, Regina G. Hatheway, Katherine R. Hatheway, and Jane Hatheway, copartners trading as Clifton Conduit Co., and respondent Spang Chalfant, Inc.; and that count II of the complaint be, and the same hereby is, dismissed as to respondent General Electric Supply Corp.

It is further ordered that the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

The Supreme Court outlawed what they were doing. Now we are asked to vote to nullify the decision of the Supreme Court of the United States and to ratify price fixing. Can you imagine anything bolder than that? During the war we had an Office of Price Administration which was used for the purpose of protecting the public and keeping down the cost of the war. It was necessary. Now we are asked to give the cement trust an office of price administration for themselves to fix prices, not as a minimum, but just as high as they want to. Remember in the case of utilities there are certain commissions which say, "Yes, you can fix your rates, but they have to be reasonable, and we are going to regulate and restrict those rates." But not so in the cement industry, if this bill becomes law. It will be unregulated and unrestricted price fixing. Can you imagine anything worse than that—and especially in the cement industry which enters into the cost of housing in such a big way, and which enters into the cost of highway and road construction in such a large way. Imagine, that we would be asked to permit them to fix any prices that they wanted to and to repeal what the Supreme Court said when they outlawed their trust and their monopoly. Imagine, that we should say, "Go ahead and fix any price that you want. We do not care. We will not try to regulate you. We will not restrict you. We will give you an office of price administration for yourselves."

FARMERS HARMED

You are not only asked to do that in the case of cement, but you are asked to do it in the case of steel, and all kinds of materials fabricated from steel. You are asked to do it in the case of sugar and sugar-beets. Under this basing-point system the farmers' prices are restricted on the beets that he sells to this trust. His price is fixed by the sugar trust. The price that the consumers pay is fixed by this same trust.

SAN FRANCISCO "PLUS"

Do you know that out in Colorado at the sugar mill where the beets are used to make sugar, the people who go there to buy the sugar from the plant have to pay a freight rate from San Francisco, Calif., although that sugar never went into a freight car? That is the basing-point system for you.

Is there anything sensible, logical, reasonable, fair, or right about that? Of course there is not. Every pound of sugar that is sold in the State of Colorado has the freight rate from San Francisco, Calif., added to it. It is that way in all

these industries. They have not been regulated. They have not been restrained. You know what a monopoly always does. It will do what is in the best interest of the people who own the monopoly.

SOCIALISM

That is what you can expect. That is the reason why if this keeps up, in a few years we will have an irresistible clamor for Government ownership of the cement trust. Why? Because they are fixing prices. Prices should not be fixed unless it is in the interest of the people, and then by the Government. Look at your Democratic platform. It says, "Private monopoly is indefensible and cannot be tolerated." Look at your Republican platform for the past 50 years and you will find that "private monopolies are indefensible and cannot be tolerated." So we are not creeping into socialism, we are galloping into socialism through these big industrialists who are putting everything in one package ready for Government ownership. I want to ask you Members of the House to watch this O'Mahoney bill carefully. No hearings were held on it in the other body. Very brief hearings, but not sufficient to be considered factual hearings, were held in the House. Efforts will be made to get it through here as quickly and as rapidly as possible. I am going to appeal to the chairman of that great Committee on Rules, and a great man he is, whether I am asking him for a favor or not, to stop that bill and make them give us full and complete hearings. Let us stop all these evils which are causing this country to go into socialism through monopolies and trusts.

The SPEAKER pro tempore (Mr. HARRIS). The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for an additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

I wish to state to the gentleman from Texas that application has been made for rule, if I am not mistaken, on the bill H. R. 2222.

Mr. PATMAN. That was the moratorium—that was the first entry.

Mr. SABATH. Fully realizing and appreciating how far-reaching that bill is, I have been unable, as yet, to give them a hearing, although application was made some weeks ago. When the hearing is granted, I assure the gentleman that he, and any other Member of the House, will have a chance to be heard against it.

Mr. PATMAN. I thank the gentleman.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

SETTLEMENT OF CERTAIN CLAIMS

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 258, Rept. No. 863), which was referred to the House Calendar and ordered to be printed:

Resolved, That notwithstanding any rule to the contrary, it shall be in order to move that the House resolve itself into the Committee on the Whole House on the State of the Union for the consideration of the bill (H. R. 4406) to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments, and all points of order against the bill or any of the provisions contained therein are hereby waived. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

YOUTHFUL AMERICA FROM LINCOLN'S DISTRICT VISITS NATION'S CAPITOL

Mr. SABATH. Mr. Speaker, I understand the gentleman from California [Mr. HOLIFIELD] has 20 minutes allotted to him.

With his consent, I ask unanimous consent that I may proceed before he delivers his great speech.

The SPEAKER pro tempore (Mr. HARRIS). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I am very thankful to the gentleman from California [Mr. HOLIFIELD], for letting me speak ahead of him, for my attention has been called to the fact that my colleague, the gentleman from Illinois [Mr. MACK], has brought 103 young Americans to the Nation's Capital. These school children were selected by the school authorities in his district of Carlinville, Ill. Mr. MACK has brought them here at his own personal expense.

My colleague is too modest to say anything himself, but I feel that I not only owe it to him, but to the House as well, to call attention to this noble gesture. I know that not only the parents of these young men and women, but also the people in his district are grateful to him. It has been my privilege to observe that Mr. MACK has shown unusual ability during his short period in Congress and a profound and sincere desire to serve the people.

Mr. Speaker, today is a great day in the lives of 100 American school boys and girls of the Twenty-first Congressional District of the State of Illinois now represented by that distinguished American, PETER F. MACK, JR., through whose generous and unselfish action these young Americans have been enabled to visit our Nation's Capitol.

Guests of Mr. MACK, these children, ranging from 12 years to 16 years, were selected to make the trip by the school authorities from every county in the Twenty-first District on a nonpartisan basis regardless of their race, creed, or color.

I agree with my colleague, Mr. MACK, that every school boy and girl in our Nation's elementary and secondary schools should be enabled during their formative years to visit our Nation's Capitol. The knowledge gained would supplement and enlarge their fund of information read out of books. They would actually experience the subjects read and discussed in class. They may then better understand and see more clearly how our Government functions and grasp the true meaning of our legislative, executive, and judicial branches under the Constitution of the United States. The entire picture would become a reality.

I am certain that the patriotic ardor of these young Americans will be quickened as they walk down historic Pennsylvania Avenue under the same trees which welcomed the passing steps of Thomas Jefferson—the path taken by our Presidents as they rode, or were driven to the Capitol to take their first oath of office and begin their tenure of service.

Visits will be made to various scenic and patriotic places in which Washington and its environs richly abound. Mount Vernon, of which they have read in books, the home and last resting place of the Father of our Country; the Lincoln Memorial, with its wall-inscribed famous Gettysburg speech; Arlington Cemetery, where lies the Unknown Soldier, the American symbol of sacrifice on behalf of God and country.

Our colleague from Carlinville, Ill., has prepared a full and busy schedule during the next few days for his young guests. I am sure that today his satisfaction is complete in his realization that, both as an individual and as a Member of this honorable body, he has made an outstanding and lasting contribution to the fight we are carrying on for a better understanding of the greatness of American citizenship. These boys and girls from the district once represented by Abraham Lincoln, because of the foresight and generosity of the gentleman from Illinois [Mr. MACK] will be the more and better prepared to assume the duties and responsibilities of American citizenship—that great heritage transmitted to us unimpaired, with the sacrifice of those who perished that we might live and enjoy this America which is ours.

I ask leave to extend my remarks and incorporate therein the names of these young visitors whose presence here it is ours to enjoy.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Bond County: John J. A. Pawelski, Harold G. Roemer, Donald Borror, Dean Kious, Raymond McPhail, Bertha Flood, Dolores Cooper.

Christian County: Donald Gooden, Lee Roy Laymon, Elwood Moffett, Ronald Lee Sinclair, Joe Lee Bacon, Donald Henley, Kent Ryan, Jo Ann Clayton, Charlene Wasilewski, Leota Ray, Sandra Martin, Edna Davis.

Macoupin County: Patrick Muensterman, Robert Monschein, Marvin Thario, Loren Dalby, Bill Keiser, John A. Casico, Norma L. Kaleskie, Jerald McKenzie, Marilyn Schoen, Carol Barnstable, Beatrice Fay Cosgriff, Shirley Boston, Rose Mary Harris, Betty Hughes, Doris Marie Bowker, Norma Kean Larker.

Sangamon County: Donald Cincebox, James Barnes, James Childers.

Mason County: Richard Haynes, Delbert Kramer, Kenneth Bender, Leota Lindsay, Joyce Smith.

Menard County: Richard Pratt, John Starr, Robert Carter, Mardelle Wade.

Montgomery County: Richard Adams, Donald Wittman, Jack Cooler, Vernon Meyer, Jerry Rhodes, Raymond Stimac, James Cook, Josephine Smith, Ruby Robertson, Leah Kersey, Phyllis Whitehead, Mayola Piazza.

Sangamon County: Gary Baumen, Ronnie Graham, Donald Richards, Jerry Johnson, James Butler, Charles Phillips, James Hamrick, William Rohr, Dennis Nachtnabel, Virgil Cummings, Bob Kennedy, Alfred Koeller, James Wainwright, Albert VanMaele, Kelton Catron, August Egger, Paul Roth, Raymond Martin, Robert Kauffman, George Hamrick, James Schewe, Ruth Barron, Norma Hollingshead, Karen Reime, Julia Ball, Barbara Eckler, Patricia Casey, Sandra Chadwell, Shirley A. Kratzer, Ruth Westlake, Marilyn Hashman, Gloria Hickman, Julia Barlow, Shirley Ann Whitesell, Ruth Ann Werner, Shirley Jabusch, Jeanette Nevitt, Shirley Humphress, Betty Welch, Florence Newberry, Zelma Frazier, Patricia Matthew.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 20 minutes.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks and include a newspaper article.)

CONGRESS SHOULD INVESTIGATE FAILURE TO END GERMAN CARTELS BY MILITARY OCCUPATION AUTHORITIES

Mr. HOLIFIELD. Mr. Speaker, we should all be grateful for the very fine address we have just heard by the gentleman from Texas [Mr. PATMAN] on the subject of domestic monopolies, that are the foundation of cartels in our own economy, and his warning to the Congress to be on guard against legislation which may further strengthen the monopolistic and cartel practice in our own country.

By a coincidence I have chosen today to speak upon a very closely related subject, to wit, the maintenance of monopolies and cartels in the occupied section of Germany:

Mr. Speaker, a more and more shocking state of affairs in Germany has been coming to light in the past few weeks. On April 15 of this year a devastating report was dumped into the lap of the Department of the Army by a three-man investigating committee appointed last December by Secretary of the Army Royall. This committee was headed by Garland S. Ferguson of the Federal Trade Commission. The other two members were Samuel S. Isseks, recommended by Attorney General Tom Clark, and A. T. Kearney, recommended by Paul G. Hoffman, Administrator of the European recovery program. This committee was sent over to Germany to investigate military government's reported failure to end the German cartel system.

The Ferguson report, which covers 135 pages of text, concluded that American policy had been clear and unmistakable from the very start of the occupation of Germany, but it charged that General Clay's economic advisers and the officials who are now in charge of the decartelization program are not sympathetic to the policies laid down by President Roosevelt and President Truman. They simply failed to carry out these policies.

The men responsible for this scandal tried to excuse their failure to end the concentration of power in the big German industrial trusts by claiming that any interference with the management of these big monopolies would delay German recovery.

The Ferguson report says that the investigating committee "found no support for the proposition that deconcentration procedures would interfere when carried out along the lines of a sound policy." The report reviewed the existing policies, approved by President Truman on July 15, 1947, and found them to be sound. It severely criticized General Clay's economic adviser and those under him who had claimed that the decartelization program would interfere with German recovery.

Now what happened? The three men still in Germany who were held most directly to blame for this dereliction of duty are Lawrence Wilkinson, economic adviser; Phillips Hawkins, deputy economic adviser; and Richardson Bronson, chief of the decartelization branch. While military government has done nothing to remove these men from office, word has now come that they have had the effrontery to start purging those of their subordinates who have stood by the official anticartel policies. They have started by trying to fire two men who gave evidence to the Ferguson investigating committee at the committee's own request.

The New York Times for May 19, 1949, reported that Charles H. Collison, deputy chief of the decartelization branch, had been dismissed. The official reason for his dismissal, given out by Richardson Bronson, was that the deputy chief was considered surplus in the branch. The Times article says:

> There were 77 persons on the decartelization staff and the deputy chief was the only one thus far dismissed in this retrenchment program.

Mr. Collison charged he was let go because of his testimony before the Ferguson committee. The Times article goes on to say:

> Denying Mr. Collison's allegation, Mr. Bronson exclaimed: "I should have fired him a year ago. He has caused more disturbance," then Mr. Bronson stopped and refused to continue his comment off the record.

The very next day, May 20, the New York Times carried another dispatch from Germany saying that Alexander Sacks, a former member of the decartelization branch, was facing dismissal from his present job in another division of military government because of testimony he gave to the cartel-investigating committee. Mr. Sacks was originally held subject to court martial on charges filed by Lawrence Wilkinson, the economic adviser, after he had been shown transcripts of Mr. Sacks' testimony. On orders from the Department of the Army at Washington, the charges against Mr. Sacks were ordered suspended until after the investigating committee had made its report. The theory was that if Mr. Sacks had told the truth, he should not be fired merely because the truth happened to hurt his superiors. But now that the report has been filed, even though the investigating committee found documentary evidence to corroborate what Mr. Sacks had said, Mr. Sacks was again served with charges on May 19 and ordered to stand for hearing at Berlin on May 25. After more than 3 weeks of hearings we are still waiting to learn what the outcome will be.

Mr. Speaker, it appears that one investigation is not enough. Gen. Kenneth C. Royall, while he was Secretary of the Army, himself elected to have this three-man investigating committee sent over to Germany to find out what happened to our cartel policy. The Army wanted to put its own house in order. We might have expected that after reading the report of the investigating committee, the Department of the Army and the military government in Germany would have taken immediate and drastic action against Messrs. Wilkinson, Hawkins, and Bronson, at the very least. Yet the astounding truth is that these men responsible for the failure to carry out official policy have been allowed to turn the tables. They are carrying out a purge of the people who have supported the official policies of the United States!

Mr. Speaker, we must get to the bottom of what has been going on in the military government of Germany. This is the second big purge designed to drive out the men and women who have supported the anticartel policies. The two men who are being hounded today are just the most recent cases in a long line of resignations and purges that have nullified the policy against German cartels.

One further point: Besides carrying out a purge of those who have supported the anticartel policy, the officers who are at this moment in charge of economic policies are going right ahead and undoing the few things that the Ferguson report cited as accomplishments in the fight against the cartel system. To emphasize the general failure of military government's economic division to carry out anticartel policy, the Ferguson report pointed to the partial reorganization of the I. G. Farben trust by the I. G. Farben control office, and to the program carried out by the finance division to dissolve the six biggest investment banks.

The Ferguson report found that the first steps against the Farben combine had divided the Farben properties in our zone into 50 independently operated chemical firms. The I. G. Farben control officer in 1946 negotiated a four-power agreement authorizing United States Military Government to transfer the legal ownership of each unit to a separate trustee until such time as the final disposition of the Farben properties could be decided by electing German state governments. The purpose of this step was to prevent any further meddling by former stockholders and the former management of the Farben trust when it came time to discuss the final plans of reorganization.

The Ferguson report found that these steps had been taken "without any inter-

ference with the recovery of Germany." General Clay told the Ferguson committee that "I. G. Farben, as such, no longer exists." Therefore, I was astounded to read in the papers on June 1, 1949, 2 weeks after General Clay left Germany, that Maj. Gen. George P. Hays, the present deputy military governor, announced that "a first step" toward breaking up the Farben industrial empire would be taken "within the next 5 or 6 weeks" by offering for sale 1 of the 50 Farben units located in our zone, and that "Farben stockholders will be invited to sit in on consultations before the sale."

The audacity of the officers now in charge in Germany, in announcing this backward step as if it were progress in the decartelization program, is simply amazing.

Now, without any let-up in the pressure against those who have supported our policies, we find a dispatch from Frankfurt in the Times for June 15, 1949, to the effect that military government is "spurring its drives on German trusts." The Times article cites General Hays' "first step" in the Farben case, and a new decision to reopen the year-old case against the Robert Bosch auto-electrical equipment concern, as evidence of a new effort to give real force to our policy of decartelization.

The same article mentions reports that John J. McCloy, the new high commissioner, will bring a "handpicked decartelization staff when he assumes office next month." By whose hand will these men be picked? We have just had one clear example in the past few days of the confusion that has existed in the Department of the Army over who is and who is not considered employable in the case of Gordon Clapp.

That particular case has been explained by Army officials. But do we know that the Army's handpicking procedures have been thoroughly and completely overhauled? Can we be sure that other able and outstanding men are not being passed over as not available, while the less able and less experienced are chosen for important positions like the anticartel jobs?

We are just on the point of changing over from a military government to an occupation run by a civilian high commissioner. Now is the time to take stock and find out if there is not some way to set these things right. We should review, and, if necessary, order a more comprehensive investigation into the state of our occupation policies. If changes in policy are really called for, we should know it. But once we have settled on a policy we ought to have some assurance that it will be carried out, and not sabotaged by the people we send overseas.

Now, what is the history and what are the reasons for the anticartel policy, which the Ferguson investigating committee said "should have been, and should now be, energetically enforced?"

It is now 4 years since Germany surrendered. One of the first jobs assigned to the American forces in the occupation of Germany was to see to it that the banking syndicates and industrial cartels and trusts that had supplied Hitler with funds and political support, and that had waged economic warfare abroad on behalf of Nazi Germany, were completely replaced by a democratically organized system. President Roosevelt said in 1944 that "defeat of the Nazi armies will have to be followed by the eradication of these weapons of economic warfare." President Roosevelt also said that "during the past half century, the United States has developed a tradition in opposition to private monopolies. The Sherman and Clayton Acts have become as much a part of the American way of life as the due-process clause of the Constitution."

Then the occupation of Germany began under General Eisenhower. The policy of getting rid of Nazi influence and taking control of the big industrial and banking monopolies was one of the first and basic occupation policies. As early as July 5, 1945, by order of General Eisenhower, the huge I. G. Farben chemical trust was seized and placed under the custody of an American control officer. Thereafter American representatives in the control council took the lead in pushing through control council law No. 9 which provided for the seizure and administration of I. G. Farben plants and assets throughout Germany as a first test case in breaking the grip of monopoly on the German economy.

In these early days of occupation, military government actually set up a separate division to deal with investigation and dissolution of the cartels and trusts. But then something happened. The organization to deal with the German cartels had hardly been set up when the bankers and big businessmen moved in and began to hog-tie the military government employees charged with developing and carrying out the program. They opposed and obstructed the program, not only directly but by invoking administrative delays, red tape, and procedures so complicated that nothing could be accomplished.

General Clay's first economic adviser, Gen. William H. Draper, Jr., who later rose to the position of Under Secretary of the Army and who resigned from that position only a few weeks ago, clashed violently with every military government official who assumed responsibility for the decartelization and deconcentration program in Germany from the very beginning of the occupation.

The anticartel policy, agreed upon at Potsdam in August 1945, was first assigned to the finance division of military government under Col Bernard Bernstein. Within two months a new division, the division of investigaton of cartels and external assets, also headed by Colonel Bernstein, was ordered to recommend a decartelization program. Colonel Bernstein resigned in October 1945; and it was reported that his resignation came after repeated clashes with General Draper over economic policies.

Colonel Bernstein was succeeded by Russell A. Nixon as acting director of the cartel program. Mr. Nixon resigned on December 15, 1945. He returned to the United States and gave detailed testimony before a Senate subcommittee, describing the frustration and opposition he had encountered from the economics division of military government and more especially from General Draper.

On December 15, 1945, General Clay recognized the anti-cartel program. He created a new branch, the decartelization branch, to assume responsibility for the entire decartelization and deconcentration program, including the control of I. G. Farben. To head the new decartelization branch, the War Department appointed James S. Martin, former head of the economic warfare section of the Department of Justice, who had already spent considerable time in Germany on the cartel investigations. This was supposed to be a fresh start, to eliminate what many people had thought were just personal feuds between General Draper and Colonel Bernstein and Mr. Nixon.

Mr. Martin lasted a year and a half as chief of the decartelization branch and control officer for I. G. Farbenindustrie. But for the last full year of that period there were repeated reports of clashes over the cartel policy. Though General Clay ordered a decartelization law for the United States zone to be drafted for his signature in August 1946, it was not until February 12, 1947, that the decartelization law, Military Government Law No. 56, was actually signed by General Clay. Throughout the whole time, there were more reports of trouble between General Draper and the chief of the decartelization branch, arising out of General Draper's opposition to the terms of the proposed law.

With the law in effect, the decartelization branch set out to plan a program of enforcement. By July 1, 1947, Mr. Martin resigned, charging General Draper with trying to prevent the enforcement of the law. Again some people explained the clashes as mere personal differences. But then General Clay appointed to head the decartelization branch Phillip Hawkins, who soon became General Draper's son-in-law. That ended the clashes between the chief of the decartelization branch and the economic adviser: But as later events proved, the trouble was never mere personalities.

By March 9, 1948, after the decartelization law had been in effect for over a year, not a single industrial combine had been reorganized. The professional staff of the decartelization branch had carefully prepared three air-tight cases involving the big Henschel locomotive concern, the VKF ball bearing monopoly, and the Robert Bosch automobile-equipment combine. These cases were finally presented to General Clay for approval after over a year of squabbles and delays caused by objections from the Economics Division, then headed by Lawrence Wilkinson.

General Clay shelved the first two of these cases and all but nullified the third. He ordered the decartelization branch in the future to let heavy industry trusts and monopolies alone and to bring cases only in the fields of light or consumer goods industry, where there is hardly a cartel worth bothering about.

When General Clay gave that order on March 11, 1948, all but two of the professional staff of the decartelization

branch at Berlin—19 members of the branch—signed a memorandum in which they protested this reversal of policy and demanded to have General Clay's new orders put in writing.

For their courage in standing up for the policy they had been charged to carry out, a policy set out in black and white in General Clay's own decartelization law itself, these 19 professional people have been subjected to harrassment and persecution. Some were fired outright. All were referred to by Major General Hays, the deputy military governor, as "disloyal employees"—a charge which he later retracted, but which still turns up in their personnel files wherever they go. Some of them were refused the right to transfer to other Government jobs. Some have even been subjected to loyalty investigations.

Mr. Speaker, the report of the Ferguson committee should have righted this deplorable situation. The committee went to Germany for the specific purpose of finding out who had been right and who had been wrong in what is now a 4-year-long struggle over the fate of the German cartels.

The Ferguson report held that it was the opponents of the decartelization policy who had been wrong: That the program originally projected by the decartelization branch from December 1945 to the enforcement program under the decartelization law of February 12, 1947, had been sound and reasonable, and in accordance with official policies. How do we look, then, to the rest of the world if we reward those who are found guilty of opposing our official policies, and if we permit punishment and retribution to be meted out to those who have upheld our policies?

Mr. Speaker, this is not a question of Germany, alone, though Germany is certainly important enough with the eyes of the world focused on what we do there. I repeat this is not a question of Germany alone. The whole fabric of our democratic system is being held out in a strong light for the entire world to examine. Our official policy against the Nazi cartels and monopolies is too clear, too unequivocal: It has been stated and restated too many times in unmistakable language to permit any evasion or even modification. We are not merely on record as of 1945 at Potsdam and in the Joint Chiefs of Staff directive to our commander in chief in Germany. We are on record in the new directive of July 15, 1947, that was issued to take account of the changed circumstances in Germany after 2 years of occupation. That directive of July 15, 1947, said explicitly to the United States commander:

> Pending agreement among the occupying powers you will in your zone prohibit all cartels and cartel-like organizations and effect a dispersion of ownership and control of German industry through the dissolution of such combines, mergers, holding and interlocking directorates which represent an actual or potential restraint of trade or may dominate or substantially influence the policies of governmental agencies.

That is our policy. The unanimous report of the Army department's investigating committee found that the top men in charge of economic affairs in Germany have been out of sympathy with this policy and in some cases have been openly hostile to it. The report recommended that steps should be taken to strengthen the staff that is charged with carrying out the decartelization program in Germany.

Mr. Speaker, nearly 6 months have been consumed by this effort of the Department of the Army to make its own investigation and to clean house. But in spite of the fact that this Ferguson report has been in the hands of the Army for 2 months, neither the military government in Germany, nor the Department of the Army, has done anything to remove from office those who have been held responsible for this sabotage of one of our most important occupation objectives. No steps have been taken since this report was filed to strengthen the staff of military government's decartelization branch or to carry out the specific recommendation in the Ferguson report.

On the contrary, those responsible for the failure of the decartelization program have not only been retained in office, but they have been permitted to embark on a campaign of persecution against members of their staff who supported the official policy and who gave evidence before the Ferguson committee at the committee's own request.

We are entitled to know why the Department of the Army is unable to follow through on the clear-cut recommendations of its own investigating committee. What explanation has the Department of the Army to offer for this travesty, in which the men found responsible for a dereliction of duty are permitted to hound and persecute those of their subordinates who have tried to do their duty properly?

Mr. Speaker, we are entitled to have the answer to these questions. And if we cannot get a full and satisfactory explanation from the Department of the Army, the Congress should undertake an investigation to find out why the important policy of the United States against cartels in Germany has been subverted, and why this cartel policy is continuing to be subverted by those who are supposed to be carrying it out.

[From the New York (N. Y.) Post Home News of June 14, 1949]

FOE OF LIBERALS GETS KEY REICH JOB TO BUILD INDUSTRY, TRIM UNITED STATES STAFF

(By Charles Van Devander)

WASHINGTON, June 14.—John J. McCloy, who takes office as United States High Commissioner for Germany July 1, has selected an ardent partisan of big business and advocate of reconstruction of German industry as one of his top aides.

This individual is Frederick L. Devereaux, 66-year-old Westchester Republican and one of the most controversial figures in the 4-year history of United States interests in Germany since VE-day.

McCloy confirmed to the Post Home News today that Devereaux is to fly to Germany with him when he reports for duty. He said Devereaux had "no special assignment" and that his stay in Germany was still uncertain.

"He knows a lot of people over there and will smooth the way for me," McCloy said.

The new United States High Commissioner, who was confirmed in that office by the Senate yesterday, explained that Devereaux would assist him in reducing American personnel in Germany in preparation for turning over most civil functions to the new West German state.

Fair Dealers in Washington are convinced that if Devereaux has his way in weeding out "surplus" personnel in the present military government set-up no liberals will be left.

Up to now he has been the Washington official who picked men for assignments in Germany. In that job he has loaded down the AMG with representatives of big industry, many of them connected with companies having special interests in Germany.

A protege of former Under Secretary of the Army William H. Draper, he is now stationed at the Pentagon, where he is in charge of "selection of key personnel for occupied areas," including Japan as well as Germany.

Devereux had final responsibility for the Army's monumental blunder in declaring TVA Chairman Gordon Clapp "unemployable" by the AMG in Germany. The Army, however, has passed the buck for this faux pas to an unnamed 'minor officer' who presumably is a subordinate of Devereux.

Devereux' political philosophy is such, in any event, that he regards New Dealers like Clapp with active suspicion. His acquaintances say that in private conversation he is a violent Roosevelt-hater, and one who regards President Truman almost equally subversive.

A former official of American Telephone & Telegraph Co. subsidiaries, Devereux was brought into the AMG picture by Draper.

Under their joint and congenial co-management AMG was loaded down with representatives of big business who have completely failed to carry out announced United States policies of breaking up German cartels and driving known Nazis out of positions of power in German industry. Most United States liberals who got into the AMG have either resigned or been fired, as in the recent cases of Alexander Sacks (who is still on trial) and Charles Collison, deputy decartelization chief, both of whom protested the failure of AMG in the cartel-smashing field.

Big business representatives whom the Draper-Devereux team selected for German duty included Col. Sosthenes Behn, head of the International Telephone & Telegraph Co., an ardent defender of Generalissimo Franco, and two other directors of International Telegraph & Telephone Co.; Rufus J. Wysor, former president of the Republic Steel Co.; Graeme Howard, General Motors official and prewar America Firster; L. E. Spencer, a rubber company officer, and Charles H. Powell of Westinghouse.

Still on duty and in charge of the decartelization program—despite a recommendation by a recent Army Department civilian commission that they be fired—are Lawrence Wilkinson, who represented United States banking interests in Germany in the 1930's; Philip Hawkins, son-in-law of General Draper and former patent attorney for DuPont, and Richard Bronson, an attorney whose sympathies are openly Republican and big business.

The SPEAKER pro tempore (Mr. HARRIS). The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. SADOWSKI. I wish to commend the gentleman for one of the most informative statements that has been made on the floor of the House in many, many

months on a subject of such great importance to the whole world.

After the first World War we did nothing about disposing of the cartels of Germany. We did nothing to curtail the power of the junkers and the war lords and militarists of Germany, the war makers of Germany. During this war President Roosevelt stated, not only to the people of the United States, not only to the people of the world, but to the people of Germany, that when this war was over we would see to it that once and for all the war makers would be out of business and that the cartels would be busted up. I wish to commend the gentleman, as I say, for bringing this matter to the attention of the Congress this afternoon. I certainly hope, and agree with the gentleman, that an investigation of this whole situation is long overdue. I hope the Speaker of the House and the Congress will demand such an investigation.

Mr. HOLIFIELD. I thank the gentleman because I realize he is interested in this particular subject. He has made several speeches on it in the House. I agree with him it is a tremendously important subject. If we are going to stand up in the eyes of Nations of the world as a democratic Nation, which is against monopolies and cartels and which is in favor of a free enterprise system, we cannot condone such things in the occupied territories where our military forces are supposed to be putting into effect our anticartel policy. I feel we are subject to criticism before the eyes of the world if we allow this condition to exist in Germany.

The SPEAKER pro tempore. The time of the gentleman has again expired.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. KEATING) was given permission to extend his remarks in the RECORD and include a report.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STAGGERS, for an indefinite period, on account of illness.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On June 16, 1949:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes.

On June 17, 1949:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Port Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement; and

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 21, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

696. A communication from the President of the United States, transmitting an estimate of appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $4,553,922.31 (H. Doc. No. 229); to the Committee on Appropriations and ordered to be printed.

697. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $2,047,290 for the legislative branch (H. Doc. No. 230); to the Committee on Appropriations and ordered to be printed.

698. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $130,000 for the judiciary, Court of Claims (H. Doc. No. 231); to the Committee on Appropriations and ordered to be printed.

699. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a review of reports on the Genesee River, N. Y., with a view to flood control along the main stem and along Dyke Creek at and in the vicinity of Wellsville, Allegany County, and Caledonia, N. Y., requested by resolutions of the Committee on Flood Control, House of Representatives, adopted on December 8, 1944, and March 22, 1946, and the Committee on Commerce, United States Senate, adopted on March 20, 1946 (H. Doc. No. 232); to the Committee on Public Works and ordered to be printed, with three illustrations.

700. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1949, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Arthur Kill, N. Y. and N. J., between a point 1,000 feet north of the mouth of Smiths Creek and a point 1,000 feet south of Buckwheat Island, authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 233); to the Committee on Public Works and ordered to be printed, with three illustrations.

701. A letter from the Comptroller General of the United States, transmitting the report on the audit of Tennessee Valley Associated Cooperatives, Inc., for the fiscal year ended June 30, 1948, and for the period from July 1 to December 31, 1948 (H. Doc. No. 234); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Post Office and Civil Service. H. R. 5100. A bill to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia; without amendment (Rept. No. 845). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 276. Joint resolution granting certain extensions of time for tax purposes; without amendment (Rept. No. 846). Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee of conference. H. R. 3967. A bill to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950 (Rept. No. 847). Ordered to be printed.

Mr. MORRIS: Committee on Public Lands. H. R. 2012. A bill to authorize the erection and operation of a museum at Klukwan, Alaska; with an amendment (Rept. No. 848). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 2517. A bill directing the Secretary of the Interior to convey certain land to Palm Beach County, Fla.; with an amendment (Rept. No. 849). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 2678. A bill to amend section 5 of the act approved July 10, 1890, as amended, relating to the admission into the Union of the State of Wyoming, so as to permit the leasing of school lands within such State for mineral purposes for terms in excess of 10 years; without amendment (Rept. No. 850). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 4073. A bill to provide for the conveyance to the State of New York of certain historic property situated within Fort Niagara State Park, and for other purposes; without amendment (Rept. No. 851). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 4510. A bill to provide funds for cooperation with the school board of Klamath County, Oreg., for the construction, extension, and improvement of public-school facilities in Klamath County, Oreg., to be available to all Indian and non-Indian children without discrimination; with an amendment (Rept. No. 852). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 5134. A bill to promote development in cooperation with the State of Colorado of the fish, wildlife, and recreational aspects of the Colorado-Big Thompson Federal reclamation project; with an amendment (Rept. No. 853). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 1184. An act to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; with an amendment (Rept. No. 854). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 5170. A bill to further the policy enunciated in the Historic Sites Act (49 Stat. 666) and to facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest and providing a national trust for historic preservation; with an amendment (Rept. No. 855). Referred to the Committee of the Whole House on the State of the Union.

Mr. REDDEN: Committee on Public Lands. H. R. 940. A bill to authorize public improvements in Alaska, and for other purposes; with an amendment (Rept. No. 856). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. H. R. 1354. A bill to provide for a per capita payment from funds in the Treasury of the United States to the credit of the Indians of California; with an amendment (Rept. No. 857). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 1726. A bill to authorize the Secretary of the Interior to convey to the city of Hot Springs National Park., Ark., a perpetual easement for the construction and operation of a water-main pipe line; with an amendment (Rept. No 858). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 258. Resolution for consideration of H. R. 4406, a bill to provide for the settlement of certain claims of the Government of the United States on its own behalf and on behalf of American nationals against foreign governments; without amendment (Rept. No. 863). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. H. R. 3667. A bill authorizing the Secretary of the Interior to issue a patent in fee to Lenora Farkell Fritzler; with an amendment (Rept. No. 859). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. H. R. 2920. A bill authorizing the issuance of a patent in fee to George Swift Horse; with an amendment (Rept. No. 860. Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. H. R. 2706. A bill authorizing the issuance of a patent in fee to Susie Larvie Dillon; with an amendment (Rept. No. 861). Referred to the Committee of the Whole House.

Mr. MORRIS: Committee on Public Lands. H. R. 4254. A bill authorizing the Secretary of the Interior to issue a patent in fee to Sidney Blackhair; without amendment (Rept. No. 862). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 5226. A bill to amend paragraph 207 of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 5227. A bill to authorize and direct the Secretary of the Army to accept the Croix de Guerre from the Government of France on behalf of the Seventh Armored Division; to the Committee on Armed Services.

H. R. 5228. A bill to give effect to the convention between the United States of America and the Republic of Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington, May 31, 1949; to the Committee on Foreign Affairs.

By Mr. HOFFMAN of Michigan:

H. R. 5229. A bill to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry; to the Committee on Education and Labor.

By Mr. McDONOUGH:

H. R. 5230. A bill to amend the Internal Revenue Code to provide compensation for employers required to withhold income tax at source on the wages of employees; to the Committee on Ways and Means.

By Mr. MILLS (by request):

H. R. 5231. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MORRIS:

H. R. 5232. A bill to amend the Road Act of May 26, 1928 (45 Stat. 750), authorizing appropriations for roads on Indian reservations; to the Committee on Public Lands.

By Mr. MURPHY:

H. R. 5233. A bill to regulate the hours of employment of persons employed in marine hospitals under the jurisdiction of the Public Health Service; to the Committee on Post Office and Civil Service.

By Mr. PETERSON:

H. R. 5234. A bill to amend the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H. R. 5235. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. STOCKMAN:

H. R. 5236. A bill to approve contracts negotiated with the Belle Fourche irrigation district, the Deaver irrigation district, the Westland irrigation district, the Stanfield irrigation district, the Vale, Oreg., irrigation district, and the Prosser irrigation district, to authorize their execution, and for other purposes; to the Committee on Public Lands.

By Mr. THOMPSON:

H. R. 5237. A bill to amend part II of the Interstate Commerce Act so as to extend the jurisdiction of the Interstate Commerce Commission over motor carriers with respect to certain commerce to and from the Territories and possessions of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 5238. A bill to authorize the adjustment of the lineal positions of certain officers of the naval service, and for other purposes; to the Committee on Armed Services.

By Mr. KLEIN:

H. R. 5239. A bill to exempt photographs and sketches from duty if imported by publishers of newspapers or magazines or by news agencies or services; to the Committee on Ways and Means.

By Mr. SPENCE:

H. R. 5240. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils and rice and rice products; to the Committee on Banking and Currency.

By Mr. DOYLE:

H. J. Res. 277. Joint resolution to establish a National Children's Day; to the Committee on the Judiciary.

By Mr. KEATING:

H. Con. Res. 95. Concurrent resolution relating to refunds of excess premiums on national service life insurance policies; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLTON of Maryland:

H. R. 5241. A bill for the relief of Erminia Locatelli; to the Committee on the Judiciary.

By Mr. CAVALCANTE:

H. R. 5242. A bill to record the lawful admission to the United States for permanent residence of Alexander Bastianini; to the Committee on the Judiciary.

By Mr. CHELF:

H. R. 5243. A bill for the relief of Otho F. Hipkins, individually, and Otho F. Hipkins, Cecil Clyde Squier, Conrad Reid, J. Thomas C. Hopkins, Jr., and Isaiah Lawrence Paxton, as trustees of the Hipkins Traction Device Co.; to the Committee on the Judiciary.

By Mr. JACOBS:

H. R. 5244. A bill for the relief of Lt. Col. Charles J. Trees, Army of the United States; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 5245. A bill for the relief of Rosa Amico Tampiero; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 5246. A bill for the relief of Mrs. Yelka Sojat; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 5247. A bill for the relief of certain claimants against the United States who suffered property losses as a result of the failure of the Big Porcupine Dam on the Fort Peck project, Montana; to the Committee on the Judiciary.

H. R. 5248. A bill for the relief of Mrs. Lysje Oostende Van Veen; to the Committee on the Judiciary.

By Mr. O'TOOLE:

H. R. 5249. A bill for the relief of Jose Maria Dos Santos Silva; to the Committee on the Judiciary.

By Mr. PHILLIPS of Tennessee:

H. R. 5250. A bill for the relief of J. L. Smelcer; to the Committee on the Judiciary.

By Mr. HARDIE SCOTT:

H. R. 5251. A bill for the relief of Paul Dacut or Pawlo Dacsuk; to the Committee on the Judiciary.

By Mr. SIMS:

H. R. 5252. A bill for the relief of W. M. Tindal; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H. R. 5253. A bill for the relief of certain 22 Estonians; to the Committee on the Judiciary.

By Mr. WILSON of Oklahoma:

H. R. 5254. A bill for the relief of the Loomis Furniture Co., a partnership; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1100. By Mr. ANGELL: Petition of Oregon Society, Sons of the American Revolution, requesting an impartial investigation of interstate traffic in subversive textbooks and teaching materials; to the Committee on Rules.

1101. By Mr. LECOMPTE: Petition of R. F. Parrish, druggist, and other citizens of Ottumwa, Iowa, urging the repeal of the 20-percent excise tax on all toilet goods; to the Committee on Ways and Means.

1102. By Mr. MARTIN of Massachusetts: Petition of the City Council of the City of Fall River, Mass., favoring proposed legislation establishing a long-range housing program to provide homes for those of moderate means who could not otherwise provide for themselves proper living quarters and at the same time render assistance to various communities throughout the country in carrying through a highly desirable slum-clearance project; to the Committee on Banking and Currency.

1103. By Mr. PETERSON: Petition of Mrs. Maude Shafer and other citizens of Zephyrhills and vicinity, urging passage of bill to prohibit transportation of alcoholic-beverage advertising in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

1104. By Mr. TOWE: Petition of New Jersey Society, Sons of the American Revolution, for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials; to the Committee on Rules.

1105. By Mr. YATES: Petition of Townsend Club No. 84, Chicago, Ill., appealing for quick action on the bills H. R. 2135 and

2136, generally known as the Townsend plan; to the Committee on Ways and Means.

1106. By the SPEAKER: Petition of Mrs. Anna McCall and others, Janesville, Wis., Requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the committee on Ways and Means.

1107. Also, petition of Mr. and Mrs. Charles Chilton and others, Plymouth, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1108. Also, petition of Mr. and Mrs. J. A. Kerby and others, Junction City, Kans., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1109. Also, petition of S. A. Miskimins and others, Independence, Mo., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1110. Also, petition of Caleb T. Danley and others, York, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1111. Also, petition of T. F. Woolley and others, Temple, Tex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1112. Also, petition of Henry Easson and others, Carthage, Mo., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1113. Also, petition of A. B. Bennett and others, St. Augustine, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1114. Also, petition of Mrs. Paul Phillips and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1115. Also, petition of Mr. and Mrs. John I. Elliott and others, Dover, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1116. Also, petition of C. L. Lampp and others, Lake Worth, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1117. Also, petition of Mrs. Laura E. Dock and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1118. Also, petition of Julia A. Westbrook and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1119. Also, petition of Eleanor Nelson and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

TUESDAY, JUNE 21, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God, our Father, we would make our hearts, cleansed by Thy forgiving grace, a temple of Thy presence, knowing that only to the pure dost Thou grant the vision of Thy face.

In this hallowed moment, at noontide, we bring to the altar of prayer our inmost selves, cluttered and confused where the good and the evil, the petty and the great, the wheat and the tares are so entwined.

May the eternal immensities shame our little unworthy thoughts and ways. In our private lives and in our public service, help us this and every day to live more nearly as we pray.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 20, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries, and he announced that on June 20, 1949, the President had approved and signed the following acts:

S. 213. An act to provide benefits for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training;

S. 1125. An act to amend section 16-415 of the Code of Laws of the District of Columbia, to provide for the enforcement of court orders for the payment of temporary and permanent maintenance in the same manner as directed to enforce orders for permanent alimony;

S. 1133. A act to amend section 16-418 of the Code of Laws of the District of Columbia, to provide that an attorney be appointed by the court to defend all uncontested annulment cases;

S. 1134. An act to amend section 13-108 of the Code of Laws of the District of Columbia, to provide for constructive service by publication in annulment actions; and

S. 1557. An act to provide for the appointment of an additional judge for the juvenile court of the District of Columbia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1794) to repeal certain obsolete provisions of law relating to the naval service, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1089) to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 133. An act to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes";

H. R. 160. An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended;

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 562. An act to amend section 801 (d) of the Federal Food, Drug, and Cosmetic Act, as amended, in relation to exports;

H. R. 961. An act to establish rearing ponds and a fish hatchery;

H. R. 1154. An act to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 2214. An act to provide for the development, administration, and maintenance of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes;

H. R. 2418. An act to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation;

H. R. 2740. An act to establish rearing ponds and a fish hatchery at or near Millen, Ga.;

H. R. 3511. An act to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south 33°53'36" west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream;

H. R. 3680. An act to authorize the Secretary of Agriculture to quitclaim 5 1/10 acres of land in Washington County, Miss., to the Mississippi State College;

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States;

H. R. 3895. An act to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe;

H. R. 3905. An act to amend section 3121 of the Internal Revenue Code;

H. R. 3946. An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4584. An act to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes;

H. R. 4585. An act to authorize the purchase of additional farming land for Leavenworth Penitentiary;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes;

H. R. 4767. An act to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes;

H. R. 4800. An act to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes;

H. R. 4815. An act to provide for medical services to non-Indians in Indian hospitals, and for other purposes;

H. R. 4895. An act to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes;

H. R. 5044. An act to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes;

H. R. 5086. An act to accord privileges of free importation to members of the armed forces of other nations;

H. R. 5100. An act to correct inequities in the pay of certain officers and employees of the Federal Government and of the government of the District of Columbia;

H. R. 5114. An act to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes;

H. J. Res. 228. Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4046) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Miller
Anderson	Hoey	Morse
Baldwin	Holland	Mundt
Brewster	Humphrey	Murray
Bricker	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Reed
Cain	Johnson, Tex.	Robertson
Capehart	Johnston, S. C.	Russell
Chapman	Kem	Saltonstall
Connally	Kerr	Schoeppel
Cordon	Kilgore	Smith, Maine
Donnell	Knowland	Taft
Douglas	Langer	Thomas, Okla.
Downey	Lodge	Thomas, Utah
Ferguson	Lucas	Thye
Flanders	McCarran	Tobey
Frear	McCarthy	Tydings
Fulbright	McClellan	Vandenberg
George	McFarland	Watkins
Gillette	McGrath	Wherry
Graham	McKellar	Williams
Green	Magnuson	Withers
Gurney	Malone	Young
Hayden	Martin	
Hendrickson	Maybank	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], and the Senator from Idaho [Mr. TAYLOR] are absent on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the Delegation of the United States of America, to the Second World Health Organization Assembly to convene at Rome, Italy.

The Senator from Louisiana [Mr. LONG] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Alabama [Mr. SPARKMAN] is absent on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Montana [Mr. ECTON] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

H. R. 3088. A bill to increase the compensation of certain employees of the municipal government of the District of Columbia, and for other purposes; with amendments (Rept. No. 551); and

H. R. 3901. A bill to increase the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the Municipal Court for the District of Columbia; with an amendment (Rept. No. 552).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 21, 1949, he presented to the President of the United States the following enrolled bills:

S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming;

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers, by water, and freight forwarders;

S. 979. An act to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources;

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made;

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended; and

S. 1659. An act granting the consent and approval of Congress to an interstate forest fire protection compact.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND (by request):

S. 2114. A bill for the relief of Mitsue Shigeno; to the Committee on the Judiciary.

By Mr. PEPPER (for himself, Mr. THOMAS of Utah, Mr. MURRAY, Mr. HILL, Mr. MAGNUSON, Mr. HUMPHREY, Mr. NEELY, Mr. WITHERS, Mr. TAFT, Mr. AIKEN, Mr. MORSE, Mr. SMITH of New Jersey, and Mr. DONNELL):

S. 2115. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Labor and Public Welfare.

ADDRESS BY SENATOR O'CONOR, AS CHAIRMAN OF THE UNITED STATES DELEGATION TO THE ILO CONFERENCE AT GENEVA

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address delivered yesterday by Senator O'CONOR in the United Nations General Assembly Hall at Geneva, in his capacity as Chairman of the United States Delegation to the ILO Conference, which appears in the Appendix.]

ADDRESS BY SECRETARY OF DEFENSE JOHNSON BEFORE THE NATIONAL WAR COLLEGE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address delivered by Secretary of Defense Louis Johnson before the National War College, at Fort Lesley J. McNair, Washington, D. C., on June 21, 1949, which appears in the Appendix.]

FARM-LABOR COALITION

[Mr. THYE asked and obtained to have printed in the RECORD an editorial entitled "Farm-Labor Coalition?" published in the Minneapolis Sunday Tribune of June 19, 1949, which appears in the Appendix.]

POSSIBLE ECONOMIC SLUMP

[Mr. THYE asked and obtained leave to have printed in the RECORD an article, dated June 20, 1949, by David Lawrence, entitled "President Seen Faced With Economic Slump He Pledged To Avoid," published in the Evening Star, Washington, D. C., which appears in the Appendix.]

ENDORSEMENT OF HOUSING BILL BY SCRANTON TIMES

[Mr. MYERS asked and obtained leave to have printed in the RECORD an editorial from the Scranton (Pa.) Times, endorsing the administration's housing bill, which appears in the Appendix.]

GRATITUDE OF VETERAN FOR OPPORTUNITY TO COMPLETE COLLEGE EDUCATION

[Mr. MYERS asked and obtained leave to have printed in the RECORD a letter addressed to him by Joseph A. Meyers, of York, Pa., expressing his gratitude for the opportunity to obtain a college education under the GI bill of rights, which appears in the Appendix.]

FARMER-LABOR UNITY—ADDRESS BY JOSEPH D. KEENAN

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address entitled "Farmer-Labor Unity," delivered by Joseph D. Keenan, director of Labor's League for Political Education, at Des Moines, Iowa, on June 13, 1949, which appears in the Appendix.]

"AND NO FARM PROGRAM YET"—EDITORIAL FROM CHANUTE (KANS.) TRIBUNE

[Mr. REED asked and obtained leave to have printed in the RECORD an editorial entitled "And No Farm Program Yet," published in the Chanute (Kans.) Tribune, which appears in the Appendix.]

JACK BELL—ARTICLE BY LUTHER VOLTZ

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article paying tribute to Jack Bell, by Luther Voltz, from the Miami Herald of June 3, 1949, which appears in the Appendix.]

STATEMENT AS TO THE UNFINISHED BUSINESS

Mr. LUCAS. Mr. President, before I make a unanimous-consent request, I should like to make a statement with respect to the measure now before the Senate. It is the hope again of the majority that we may be able to obtain a vote some time today on the pending amendment, which is the amendment of the Senator from Illinois [Mr. DOUGLAS], on behalf of himself and the Senator from Vermont [Mr. AIKEN], to the amendment offered by the Senator from New York [Mr. IVES], to the bill. We expect the Senate to be in session just a little later today than usual, in order to have action on that amendment, if it is possible. I hope that we may remain in session until 6:30 or 7 o'clock tonight, if we can possibly secure a vote on the two amendments.

THE CALENDAR

Mr. President, I now ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Order of Business No. 428, at the point where we left off on the previous call of the calendar.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, may I inquire of the distinguished majority leader if he would consider with favor accepting the suggestion that the Senate conclude action on the call of the calendar when Order No. 513 has been acted upon? The reason I make the request is this: Beginning with Order No. 514, that bill and all bills following it have just reached the calendar today. I have been told that several of those bills do not even have reports filed in connection with them. My request, if acceded to, would mean that action would be taken on most of the bills on the calendar. I should appreciate it if the distinguished majority leader should feel in his wisdom that the consideration of the calendar could be concluded with Order No. 513, because of the fact that the bills following that number have just come to the calendar, and, as I said, I have been told many of them do not even have reports filed in connection with them.

Mr. LUCAS. I think the Senator from Nebraska has a valid objection to the consideration of the bills he refers to, in view of the fact that no reports accompany the bills, as I understand from the marking up of the calendar which has just been furnished to me by one of the clerks. I have no objection to complying with the request of the Senator from Nebraska. It may be, however, that we will want to return, after the conclusion of the call, to one or two or three measures in connection with which there is a dead line, bills which would not be included in the call of the calendar today, but which are on the calendar at a previous point. I have no objection to the suggestion made by the Senator from Nebraska.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. WHERRY. Mr. President, reserving the right further to object, I want to thank the majority leader for including in his unanimous-consent request that the bills beyond Calendar No. 513 be not acted upon today. I would not object to returning to two or three bills which the distinguished majority leader has in mind, which appear on the calendar before those we shall act upon today, but if we leave the door wide open, and one Senator wants to go back and consider a bill, and then another Senator wants to go back and consider another bill, and so on and so on, there would be no end to such requests. We ought to limit consideration of bills on the calendar previous to those we are about to consider, to those which the distinguished majority leader would like to ask the Senate to consider.

The VICE PRESIDENT. Senators, of course, have the right to object to the consideration of bills which appear on the calendar prior to the beginning of the call of today.

Mr. WHERRY. I hope the distinguished Vice President has in mind the point I have tried to make. The Senate will begin with Calendar 428, and then, after action on bills on the calendar has been concluded, including Calendar 513, if we were asked to go back to consider bills on the calendar prior to Order 428, it would be rather difficult to object to consideration of one bill if objection was not made to all of them. If the distinguished majority leader will mention the two or three bills he wishes to take up, in addition to those which will be taken up on the call of the calendar, I would have no objection to having them considered, but if we were to open the matter up so Senators could request consideration of various other bills we might as well go back to the very beginning of the calendar.

Mr. MAYBANK. Mr. President will the Senator yield?

Mr. LUCAS. I will yield to the Senator from South Carolina in a moment. The bill in which I am primarily interested is House bill 834, Calendar 422, on page 9 of the calendar. There may perhaps be one or two other bills which should be taken up.

Mr. WHERRY. I have no objection to that.

Mr. LUCAS. What I have in mind, I wish to say to the minority leader, is that there are two or three bills on the calendar, prior to the bills we are about to consider, which have a deadline connected with them, and which must be passed. Those are the ones with which I am vitally concerned.

Mr. WHERRY. Mr. President, I have no objection.

Mr. LUCAS. Mr. President, I now yield to the Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. I wish to call attention to the majority leader and to the minority leader that the House bill 5044, which provides for the continuation for a temporary period of certain powers of the President with respect to tin and tin products, was passed by the House of Representatives yesterday unanimously, and has now come to the Senate. It is my purpose to ask unanimous consent, at the conclusion of the call of the calendar, provided the Members of the Senate Committee on Banking and Currency agree unanimously with me, to ask for consideration of that bill, because the powers referred to expire on the 30th of June.

Mr. WHERRY. Mr. President, I do not want to be at all obstinate with respect to the call of the calendar. I agree with the distinguished majority leader that we should proceed to act on bills on the calendar in the manner he has already outlined. But if Senators are going to ask unanimous consent for consideration of further bills it will mean that the Senate will not be able to vote on the amendments to the labor bill, previously referred to. I think the most important thing for the Senate to do after the call of the calendar, in the manner already outlined by the distinguished majority leader, is to return to consideration of the amendments to the labor bill and vote on them today or tomorrow, because we have certainly debated them for a very long time.

The VICE PRESIDENT. The question is: Is there objection to the request of the Senator from Illinois to proceed to the call of the calendar, beginning with Order No. 428 and ending with Order No. 513, both inclusive?

Mr. WHERRY. Mr. President, I have no objection.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCLELLAN. Reserving the right to object, Mr. President, I want to call the attention of the able majority leader and the able minority leader to the fact that we might get in a position this afternoon, at some time, when we can call up for action Senate bill 2020, the general services bill. If we can work

out a plan for calling up for consideration other bills than those proposed to be considered on the calendar today, I want Senate bill 2020 included, and that we may have an understanding that it may be taken up, because a deadline exists with respect to that bill also.

Mr. LUCAS. Mr. President, I will say in connection with the remarks of the Senator from Arkansas, that bills which have a deadline connected with them will have to be taken up, regardless of the labor bill, because we must have action upon those measures before the 30th of this month.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois that the Senate proceed to the call of the calendar beginning with Order No. 428 and ending with Order No. 513? The Chair hears none. The clerk will proceed with the call of the calendar.

BILL PASSED OVER

The bill (H. R. 1243) to amend the Hatch Act was announced as first in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. WHERRY. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

COL. KENNETH D. NICHOLS

The bill (S. 1560) to authorize the appointment of Col. Kenneth D. Nichols, O–17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, this bill seems to be a correction of a military record, namely, a Regular Army promotion list, which correction appears to be in conflict with section 131 (3) of the Reorganization Act.

Mr. TYDINGS. Mr. President, I shall be very glad to recall from memory—and I think it is completely accurate—the reason for this bill.

The general law provides that when an officer who served in the Army leaves the Army, he leaves it at the highest rank he held. This man held the rank of a colonel. After the war was over, strange to say, he reenlisted. He has now been assigned to the Military Academy. The bill would give him the rank he would have had under the law. The law makes no exception whatsoever. This man took an inferior rank; and now that he is at the Academy, the bill would give him the rank he would have had he stayed out of the service. This is one case only, and represents an act of simple justice.

Mr. SCHOEPPEL. Am I to understand the distinguished Senator from Maryland to indicate that the bill would get by a point of order which might be raised on this question?

Mr. TYDINGS. I do not know what the point of order would be, but I will say to the Senator from Kansas that this man would have had this rank anyway if he had left the service at the end of the war. Every officer who left the service retained his rank. This man reentered the service, and the bill is to give him what the law intended to give him in the first place.

Mr. SCHOEPPEL. I was wondering whether the Senate had a right to consider the matter at this point.

The VICE PRESIDENT. The Chair will say that no point of order would lie against consideration of the bill.

Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1560) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized, by and with the advice and consent of the Senate, to appoint Col. Kenneth D. Nichols, O–17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and to enter his name upon the Army promotion list in the place it would occupy had it not been removed therefrom by virtue of his appointment as professor of the United States Military Academy and had he been selected for promotion to the permanent grade of colonel, Regular Army, at the same time as those officers who were selected for promotion to such grade and whose names were listed in General Orders No. 11, Department of the Army, promulgated February 2, 1948: *Provided*, That all service performed by the said Kenneth D. Nichols in the capacity of professor (lieutenant colonel) of the United States Military Academy shall be deemed to have been service in the permanent grade of lieutenant colonel, Regular Army, for all purposes, and that all service performed by the said Kenneth D. Nichols, in the capacity of professor (colonel) of the United States Military Academy shall be deemed to have been service in the permanent grade of Colonel, Regular Army, for all purposes.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 41. An act for the relief of the city of Reno, Nev.;

S. 646. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion;

S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary; and

S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950.

The message further announced that the House had passed a bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming;

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges and overcharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders;

S. 979. An act to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources;

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which through inadvertence no deductions from salary are made;

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended;

S. 1659. An act granting the consent and approval of Congress to an interstate forest-fire-protection compact; and

H. R. 3967. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON CALENDAR

The following bills and joint resolution were severally read twice by their titles, and referred or placed on the calendar, as indicated:

H. R. 133. An act to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes";

H. R. 212. An act to extend to the Territory of Alaska the benefits of certain acts of Congress, and for other purposes;

H. R. 3680. An act to authorize the Secretary of Agriculture to quitclaim 5.1 acres of land in Washington County, Miss., to the Mississippi State College; and

H. R. 4800. An act to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 160. An act to amend section 801 of the Federal Food, Drug, and Cosmetic Act, as amended;

H. R. 562. An act to amend section 801 (d) of the Federal Food, Drug, and Cosmetic Act, as amended, in relation to exports;

H. R. 961. An act to establish rearing ponds and a fish hatchery; and

H. R. 3511. An act to declare the waterway (in which is located the Brewery Street Channel) from Brewery Street southeastward to a line running south thirty-three degrees fifty-three minutes thirty-six seconds west from the south side of Chestnut Street at New Haven, Conn., a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

H. R. 1154. An act to provide authorization for additional funds for the extension and improvement of post-office facilities at Los Angeles, Calif., and for other purposes; and

H. R. 2214. An act to provide for the development, administration, and maintenance

of the Suitland Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and for other purposes; to the Committee on Public Works.

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 2740. An act to establish rearing ponds and a fish hatchery at or near Millen, Ga.;

H. R. 3946. An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study; and

H. R. 4585. An act to authorize the purchase of additional farming land for Leavenworth Penitentiary; ordered to be placed on the calendar.

H. R. 2418. An act to authorize restocking, propagation, and conservation of game in the Eglin Field Reservation;

H. R. 4646. An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to lend certain property to national veterans' organizations, and for other purposes; and

H. R. 4767. An act to clarify the active-duty status of certain officers of the Army of the United States and the Air Force of the United States, and for other purposes; to the Committee on Armed Services.

H. R. 3826. An act to amend the act of January 16, 1883, an act to regulate and improve the civil service of the United States; and

H. R. 5100. An act to correct inequities in the pay of certain officers and employees of the Federal Government and of the Government of the District of Columbia; to the Committee on Post Office and Civil Service.

H. R. 3895. An act to declare that the United States holds certain lands in trust for the Minnesota Chippewa Tribe;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4584. An act to provide for disposition of lands on the Cabazon, Augustine, and Torres-Martinez Indian Reservations in California, and for other purposes;

H. R. 4815. An act to provide for medical services to non-Indians in Indian hospitals, and for other purposes; and

H. R. 4895. An act to permit the prospecting, development, mining, removal, and utilization of the mineral resources within the Superior National Forest, Minn., and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 3905. An act to amend section 3121 of the Internal Revenue Code;

H. R. 5086. An act to accord privileges of free importation to members of the armed forces of other nations; and

H. R. 5114. An act to amend the Internal Revenue Code to permit the use of additional means, including stamp machines, for payment of tax on fermented malt liquors, provide for the establishment of brewery bottling house on brewery premises, and for other purposes; to the Committee on Finance.

H. R. 5044. An act to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes; to the Committee on Banking and Currency.

H. J. Res. 228. Joint resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week; to the Committee on Labor and Public Welfare.

PRESIDENTIAL ACTION ON PROCEEDINGS AND DECISIONS OF NAVY RETIRING BOARDS

The VICE PRESIDENT. The Secretary will state the next bill on the calendar.

The bill (S. 1639) to amend section 1452, Revised Statutes, relating to Presidential action on the proceedings and decisions of Navy retiring boards was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1452 of the Revised Statutes is hereby amended to read as follows: "A record of the proceedings and decision of the board in each case shall be transmitted to the Secretary of the Navy for his approval or disapproval, or orders in the case."

RETENTION OF CERTAIN OFFICERS OF THE MEDICAL AND DENTAL CORPS OF THE NAVY

The bill (S. 1759) to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. TYDINGS. Mr. President, I shall be glad to give the Senator an explanation of the bill.

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Illinois?

Mr. TYDINGS. I yield.

Mr. LUCAS. Mr. President, these are important measures. I know that the distinguished Vice President is trying to maintain order, but there is a constant moving in and out of the galleries. That was true yesterday and the day before. I hope those in charge of the galleries will advise the visitors about the importance of the business we are trying to transact.

The VICE PRESIDENT. The Chair admonishes visitors in the galleries that it is against the rules of the Senate to indulge in conversation or create any other form of confusion. The same rule applies on the floor of the Senate. When the galleries are filled—and we always enjoy having them filled—a little conversation produces great disorder. The Chair admonishes occupants of the galleries and those in charge of the galleries that conversation is not permitted. The Chair also requests Senators to cooperate in maintaining order during the consideration of these bills.

Mr. TYDINGS. Mr. President, this bill has been unanimously reported from the Armed Services Committee. Its general purpose is to provide the Army, the Navy, and the Air Force with additional doctors, of whom there is a great shortage at present. It deals exclusively with that subject.

Section 312 of the Officer Personnel Act of 1947 required the involuntary separation of captains in the Staff Corps of the Navy after they had been in the service a specified number of years and failed of selection to flag rank.

There presently is a pressing shortage of dentists and doctors within the military service. For that reason the Navy is requesting authority to set aside the provisions requiring involuntary retirement in the rank of captain until June 30, 1952.

These men do not want to leave the service, but they will have to leave the service under existing law, unless something is done. To sum it up in a sentence, the bill would permit them to remain in the service beyond the time they could stay in under existing law. That would afford some additional dentists and doctors for the Navy, who otherwise would go out into civilian life. If this bill is not passed, those men will be forced to leave the service. They want to remain in the service, but they cannot remain in the service under existing law. There is a great shortage of dentists and doctors, and the purpose of the bill is to take care of that temporary situation until 1952.

I shall brief my explanation with those remarks, unless there are further questions.

Mr. SCHOEPPEL. Mr. President, I notice that the report indicates that no cost is involved. As a matter of fact, a considerable cost will be involved.

Mr. TYDINGS. No cost will be involved, except that if the men remain in the service their pay will continue. However, the Army, the Navy, and the Air Force are already far below their quota of doctors.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I yield.

Mr. LANGER. In some of the rural areas there is a great shortage of dentists and doctors.

Mr. TYDINGS. That is correct.

Mr. LANGER. Am I to understand that dentists and doctors in the Army and Navy are to be sent to Honolulu or to foreign countries, thus depriving the American people of the services of those doctors?

Mr. TYDINGS. No. These men are already in the service, and they are already at posts where they are most needed. One reason for the bill is to try to prevent the draft of doctors, for which there is a great deal of pressure. Now that the war is over and many doctors have gone back to civilian life, the military services are very short of physicians. It is very difficult to obtain enough doctors to serve the armed forces. The purpose of the bill is to try, in a measure, to prevent a situation which would affect rural areas all over America if it were allowed to continue.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1759) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Officer Personnel Act of 1947, as amended, is hereby further amended by deleting in the third proviso to subsection (b) of section 312 the words "22 in the Medical Corps," and the words "and 12 in the Dental Corps"; by inserting in the said proviso after the comma

following the words "Civil Engineer Corps" the words "in the Medical Corps and in the Dental Corps a number as determined necessary by the Secretary of the Navy to meet the needs of the service"; by deleting in the said subsection the words *"And provided further"* and substituting in lieu thereof the words *"Provided further"*; and by adding at the end of the said subsection the following proviso: *"And provided further,* That until June 30, 1952, no captain of the Medical Corps or of the Dental Corps shall be subject to involuntary retirement pursuant to this subsection prior to reaching the age of 62."

Mr. TYDINGS subsequently said: Mr. President, a few moments ago we passed Senate bill 1759. There has just been received from the House a companion House bill, H. R. 4516. I ask unanimous consent that the vote by which the Senate bill was passed be reconsidered.

The VICE PRESIDENT. Is there objection? Without objection, the vote by which Senate bill 1759 was passed is reconsidered, and the bill is before the Senate.

Mr. TYDINGS. I now ask unanimous consent that House bill 4516 be substituted for Senate bill 1759.

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 4516) to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, Senate bill 1759 will be indefinitely postponed.

SUSPENSION OF DEPORTATION IN CERTAIN CASES

The concurrent resolution (S. Con. Res. 44) favoring the suspension of deportation of certain aliens, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I wonder if the distinguished Senator from Nevada can tell us how many cases of the type covered by this bill are still pending before the Judiciary Committee.

Mr. McCARRAN. Mr. President, if the Senator is inquiring as to how many cases are pending at the moment, there are approximately 150; but tomorrow, next day, or next week, there may be another 150. They keep coming in. It is not a question of exhausting the list of cases, because it has been estimated that there are between 15,000 and 17,000 persons whose deportation may be deferred by the Department of Justice; and the deferment must be referred to Congress.

Mr. SCHOEPPEL. I wonder if the Senator knows what action the House has taken on concurrent resolutions of this type previously passed by the Senate?

Mr. McCARRAN. So far as I know, no action whatever has been taken by the House on any of these concurrent resolutions. A subcommittee from the Committee on the Judiciary of the House came over to confer with the chairman of the Senate Judiciary Committee on the question of how the problem might be handled. To date we have come to no agreement.

Mr. SCHOEPPEL. I thank the distinguished Senator. I withhold any objection.

Mr. McCARRAN. Before I conclude my answer to the Senator, I wish to say that all these resolutions are handled with the greatest care, and involve much concern on the part of the Chairman of the Judiciary Committee. The responsibility rests largely on the shoulders of the chairman of the Judiciary Committee, much to my dislike. Although we screen the cases as closely as we can, I am never entirely satisfied.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 44) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-9690437, Abbott, Colin Cedric.

A-5011697, Acosta, Catalina Avila De, or Katie Acosta or Louisa Avila.

A-6436032, Akins, Mei Lin Liu, or Marion Liu Akins (nee Mei Lin Liu).

A-6910024, Albert Joseph Armand.

A-6717538, Alexandropoulos, Nicolaos.

A-3017010, Amador, Casimiro Moreno.

A-2840055, Amador, Flores De, or Maria Ignacia De Jesus.

A-6314074, Andronis, Agnes, or Agni Androni (nee Vatzakis or Batzakis or Bodzarki).

A-6152797, Armitage, Edith Elizabeth.

A-6943217, Atilano, Encarnacion, or Encarnacion Atilano Navarro or Jose Encarnacion Atilano Navarro.

A-6943218, Atilano, Rosa Cordero de, or Rosa Aldama Cordero.

A-6694890, Ayyoob, Rayyah Mitri or Ayoob or Ayoub.

A-6173823, Badillo-Molar, Gabriel.

A-6237469, Baltes, Leontina Elvira (nee Leontina Elvira Moga).

A-9502310, Bergersen, Arne Johan.

A-9679280, Bergersen, Astrid Hedvig (nee Christiansen).

A-6191247, Best, Paul Wardlaw.

A-2100536, Bik, Chan Pui, or Esther Chan or Mrs. So Bing Sun.

A-6625650, Biondi, Angelina Vecchio.

A-3044839, Bisconti, Guiseppe, or Joseph B. Bisconti.

A-2815577, Booth, Alfred Smallwood.

A-6746235, Bozzay, George.

A-2818968, Bribiescas, Ascencion.

A-2809223, Bribiescas, Petra Nieves (alias Petra N. Bribiescas alias Petra Nieves).

A-2961471, Bucewick, Albina Alzbieta, or Albina Alizabeth Bucevicius (nee Valentos).

A-5614072, Burt, Arthur Frederick Jasper.

A-6248877, Calogero, Glyceria (nee Dariva).

A-2488694, Camano, Enrique.

A-6590339, Chapman, Phyllis Eileen.

A-6224753, Churchill, Diane Cecilia.

A-2447000, Coffaro, Paolino (alias Paul Joseph Coffaro).

A-6706393, Cooper, Herbert Roy.

A-6581215, Coronado, Ramon Elizondo.

A-6138488, Couris, Victoria Hantzaras.

A-6677213, Cuevas, Armando Jose Lopez y.

A-6510561, Cybulski, Mieczyslaw Prawzic, or Mieczyslaw Cybulski.

A-1117811, D'Andria, Pietro or Peter.

A-6094851, Dean, Faith.

A-5935194, De La O-Favila, Jesus (alias Pedro De La O or Pedro Regalado).

A-6642958, Dvorak, Zdenek.

A-2933876, Facca, Guerino (alias Jerry Facca).

A-6836711, Fierro, Gregorio, or Gregorio Fierro Parras.

A-6836710, Fierro, Sanjuana Carrillo de, or Sanjuana Carrillo.

A-6644965, Finkelstein, Maria, or Maria Popovici.

A-4391431, Fong, Mon Lai.

A-4391432, Sang, Chang Hung.

A-3074701, Foros, Petros, or Pete Foros or Peter Foros.

A-6780431, Garcia, Maria Calderon de (alias Maria Carrasco alias Maria Carrasco de Garcia).

A-6928132, Garcia, Petra.

A-6384469, Garcia, Oscar Raimundo Y Chaple.

A-6653996, Garcia, Carmen (nee Carmen Estevez Betancourt).

A-4815907, Garonzik, Ray, formerly Raella, or Ray Gilman (nee Raella or Ray Ruckenstein).

A-5874797, George, Lilly Belle.

A-6479308, Gerchow, Maria Eugenia.

A-3934244, Glikis, Panagiotis, or Panagiottis Pantelis Glikis or Pangrottis or Pete Glikis.

A-2725829, Goldberg, Sarah (nee Hyman).

A-2594809, Gomes, Luis Manuel.

A-6143141, Gonzalez, Aurelio Vigoa Y.

A-6332553, Graham, John Francis.

A-6352479, Graham, Marguerite Enid.

A-6838567, Granado, Estefana Reza De (alias Estefana Reza alias Estefana Rivera).

A-6677332, Griott, Alice Agnes.

A-6420400, Gross, Ludovic.

A-6484147, Gruetzmann, Clara (nee Bass).

A-6665732, Gutman, Rasela (nee Politzer).

A-2478152, Hansen, Emanuel Edward, or Emanuel Hansen.

A-2702213, Hansen, Eigel Mogens (alias Egil Mogens Hansen).

A-9741937, Hansen, Hans.

A-2796185, Hanson, Hans Richard.

A-6669466, Held, Elsie Johanna (alias Elsie Johanna Wilde).

A-9659070, Hermo, Manuel Paz, or Manuel Paz.

A-5329010, Holzli, Paul.

A-6786987, Humphreys, Rosemary Bernadette.

A-6786986, Humphreys, Adrienne Marie-Louise.

A-6509198, Hurtado, Felipe Dominguez.

A-5327808, Inanovitz, Abraham Leib, or Louis Norvin.

A-6930159, Jackson, Marjorie Alice.

A-6930160, Jackson, Michael Thomas.

A-1675694, Jadegba, Augustine Kumakpibe (alias Augustine Thompson).

A-6041608, Javadi, Esfandiar, or Jimmie Javadi.

A-6042303, Jendrzejewski, Kazimierza (nee Kazimierza Janiszewski).

A-6477150, Johnson, Richard Arlan, formerly Richard Arlan Westby.

A-6350827, Katsaros, Marika (nee Tzika).

A-4116771, Kiang, Phoenix Shih Feng (alias Phoenix Kiang).

A-3537628, Killeen, Raymond Michael, or Michael Raymond Killeen.

A-4776991, Kim, Sae Sun, or Hak San Kim.

A-9662769, Klingen, Jack.

A-4985554, Kozich, Stella Jean.

A-7569224, Kraus, Bohumil.

A-7528919, Krausova, Matylda.

A-7528920, Krausova, Marie.

A-2455188, Krikorian, Alex, or Aghiag Krikorian.

A-2544843, Kvart, Stephania Nowak (alias Bromislawa Nowak alias Stephania Nowak alias Katherine Nowak alias Stephania Dzierba or Katherine Dzierba).

A-6817859, Kwiatkowski, Marek Jerzy Drobner (alias Mark Post).
A-7707327, Lambert, Judyann.
A-7513902, Landeta, Emilia Martinez y Aldanese De.
A-3296238, Lech, John.
A-6369909, Lee Hannah Margaret.
A-6181955, Leonardi Michele.
A-1368471, Levy, Corin (nee Franco).
A-7780799, Leyba, Altagracia Mercedes Joaquina Perez, or Joaquina Perez-Leyba (alias Joaquina Bido de Perez Leyba and Altagracia Mercedes Joaquina Bido).
A-5997352, Lopez, Jesus, or Jesus Lopez Alvarado.
A-5997355, Lopez, Teresita, or Teresita Lopez Alvarado.
A-5997473, Lopez, Salvador, or Salvador Lopez Alvarado.
A-6186420, Louis, Juliana.
A-2065717, Madrid, Carmel Quiroz De.
A-6438935, Maloney, Annie Jean (nee Kearsey).
A-6438936, Maloney, Sharon Anne.
A-6790948, Mikela, Heidrum Kirkutis (alias Heidrum Crow).
A-6947452, Miller, Douglas George.
A-5397290, Milstein, Aron.
A-5240771, Mione, Stefano Francesco, or Stefano Mione.
A-2585562, Mitchell, Anna (nee Anna Ford).
A-6929703, Montgelas, Carl Maximilian, or Carl Maximilian Maria Adolph Joseph Montgelas.
A-6138480, Mount, Milagros Josefina (nee Llorente).
A-4446894, Mullinas, Georgios, or George Dennis Mullinas or George Mollis.
A-5018764, McDonnell, Elizabeth Yvonne.
A-6153450, McKirdy, Colin.
A-5619399, Nagle, Florence Tyson (nee Tyson).
A-4294912, Needleman, Renee (nee Gross alias Grutz y Vuchonicka alias Riveca Grutz Y. Zuchonicka).
A-6170351, Nelle, Frederick James.
A-6170350, Nelle, Elizabeth Louise.
A-6170349, Nelle, Dorothy Bertha.
A-3081341, Ness, Sigurd (alias Sigurd Naess).
A-5238841, Nibbs, Ernest Albert.
A-5734583, Nibbs, Eleanora.
A-6929879, Nieto, Zacarias.
A-6106967, Nunez, Roberto Rivas, or Robert R. Nunez.
A-6191693, Oddo, Mary (nee Maria Starchenko).
A-6367354, Olsen, Ragnhild Konstanse (alias Ragnhild Jerkill, nee Larsen).
A-4189079, Osuna, Maria Concepcion Parra de.
A-2916516, Ottochian, Dionisio.
A-5593205, Overton, Randolph Lee.
A-3599556, Panton, Leslie Alexander.
A-6702281, Papapostolou, Aliki Constantino (nee Kamtsika).
A-1221717, Perez, Benigno Boo.
A-6401710, Perry, Margaret, formerly Sands (nee McCartney).
A-6038914, Pineda, Salvador, or Francisco Pichardo or Salvador Pinedo De La Rosa.
A-3333079, Pirrone, Antonino.
A-6571104, Plessas, Dimitra Thomas.
A-6085700, Prata, Adelaide Lopes.
A-7773100, Ramirez, Fausto Arturo, or Fausto Arturo Ramirez y Benet.
A-3176813, Regues, Francisco, or Francisco Regues y Torregrosa (alias Francisco Torregrosa Regues).
A-6698999, Reinert, Joseph, or Josif Reinert.
A-1579856, Rene, Joseph Albert.
A-2326767, Rerecich, Guiseppe Gregorio (alias Joseph Rerecich).
A-6149433, Ricci, Victor Alan.
A-6904437, Rivera, Carlos, or Carlos Rivera Aguilar or Carlos Aguilar.
A-3310811, Rizzo, Josephine (nee Matteliano).
A-1656998, Robbins, Christopher (alias James Church).
A-6637067, Robertson, Amy Theresa.
A-6953105, Robledo, Gregorio, or Gregorio Robledo Clanez.
A-6953104, Robledo, Socorro Martinez De or Socorro Martinez.
A-1187347, Rodrigues, Antonio.
A-6919985, Sachsenhauser, Rudolph or Rudolf.
A-6652820, Salazar, Gumesindo Beltran, or Jose Beltran-Salazar.
A-6821713, Saldana, Anita Marmolejo de.
A-6104289, Sanchez, Francisco Magallon.
A-6677176, Sawicki, Hilary Ferdinand.
A-3229985, Scavo, Lucia Vitale.
A-3983279, Schuldt, Charles Bruno Karl Max, or Charles Bruno Schuldt.
A-6919820, Schutz, Walter.
A-6948076, Schutz, Marie.
A-9576879, Selja, Johannes or John.
A-2291078, Selja, Maret (nee Raid or Kristine Juurmann).
A-4531199, Shotkowski, Josephine Mary.
A-6409536, Smale, William Ronald (alias Donald William Grey).
A-6922771, Smith, Cynthia Lauretta.
A-3173952, Socha, Caroline (nee Gargulinska).
A-1261126, Somers, Amos Uriah (alias Amos Sommers or Somers).
A-9799985, Sotto, Romula Alferos.
A-6457944, Spinola, Carlo, or Marquis Carlo Spincia or Carlo Luigi Spinola.
A-4382612, Spoor, Johanna Catharina (nee Porton).
A-2230005, Stanatiotis, Ionnis Dimitrios, or Ioannis Stanos or John Dimitrios Stanos.
A-6650377, Stensland, Carl Ola.
A-6650792, Stensland, Inger.
A-6285048, Stewart, Muriel Eulalie (nee Foote).
A-6688387, Stoll, Else, or Elizabeth Stoll.
A-6199479, Saint Vincent, Howard Roy.
A-9728296, Tammsaar, Johannes.
A-6183204, Tapinis, Peter, or Panagiotis Tapinis.
A-7750886, Targal, Ali Kami.
A-2044869, Thefterios, Eleftherios G.
A-6574319, Thame, Victor Ralph.
A-4224673, Theilemann, Elsa Frieda.
A-1872455, Thibodeau, Kathleen Georgia.
A-6815680, Thomas, William Barry Garland.
A-6195364, Thompson, Pearl Estella, formerly Pearl Estella Wright.
A-2094041, Tiranno, Cologero, or Charles Tiranno.
A-6164965, Torres, Altagracia, or Cancela Recio.
A-6380231, Traag, Socorro.
A-6852416, Trovato, Teresa (nee Feda).
A-7729663, Trujillo, Bernardo.
A-6083857, Tsao, Han Sun.
A-3175382, Tschauder, Wolgang Dietrich.
A-2584603, Tsohos, Michael Antoniou Koulouris, or Michael Antoniou Tsohos.
A-1740907, Tziotis, Argyrios.
A-3147723, Urruchua, Juan.
A-6146848, Urrutia, Acracia (nee Herrero-Garcia).
A-6877600, Valenzuela, Manuel.
A-6246802, Vian Anastasia, formerly Anastasia Xenias (nee Sotiriadis).
A-6172669, Violagis, Eftyhia Constatin (alias Eftyhia Violacis or Violntazis nee Cosmides).
A-9526618, Wallestad, Arild Martin.
A-3416156, Witriol, Meyer.
A-6846949, Yaker, Mordco, or Marco Yaker.
A-3461003, Yancsics, Klara, or Klara Schmidt.
A-2645628, You, Lee Kee.

SURVEY OF PHYSICALLY HANDICAPPED CITIZENS—BILL PASSED OVER

The VICE PRESIDENT. The clerk will state the next measure on the calendar.

The bill (S. 458) to provide for a survey of physically handicapped citizens was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, I should like to have an explanation of the bill. It would seem that a heavy expenditure is involved.

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported from the Committee on Post Office and Civil Service unanimously, as I understand. The bill provides for the statutory authorization and direction of the Bureau of the Census to survey the population of the United States to determine, insofar as possible, the number, age, social and economic characteristics, and locations of physically handicapped persons.

It will be noticed that this bill has been amended so as to carry out the suggestions of the Secretary of Commerce. The Department of Commerce says the enactment of the bill is necessary in order that the number and location of the handicapped persons in the United States may be ascertained. When the regular census is taken, this census or survey of physically handicapped persons will be taken along with it. It will also be required that a report be made to the Congress within 18 months thereafter.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield for a question.

Mr. McCLELLAN. Do I correctly understand that the survey will be made in connection with the regular census next year?

Mr. JOHNSTON of South Carolina. No; the Bureau of the Census recommends that that should not be done, inasmuch as the object of the survey is to make a detailed classification of handicapped persons only, and special enumerators are needed for that purpose.

Mr. McCLELLAN. Is this survey to be a part of the regular census program, or is it to be separate and independent? Will a new agency be created for this purpose?

Mr. JOHNSTON of South Carolina. This survey is something different from the ordinary census, and is for the purpose of giving the Department of Commerce information which it desires in regard to handicapped persons in the United States.

Mr. McCLELLAN. I am attempting to determine whether this survey will be taken in connection with the regular census.

Mr. JOHNSTON of South Carolina. No; it is said that this survey cannot be made in connection with the regular census.

Mr. McCLELLAN. Mr. President, I object.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

USE OF FEDERAL EMPLOYEES FOR FIELD WORK BY THE BUREAU OF CENSUS

The bill (H. R. 3198) to amend the act of June 18, 1929, was announced as next in order.

MINE SWEEPING OF YANGTZE RIVER BY BRITISH AND UNITED STATES PILOTS

Mr. BRIDGES. Mr. President, I wish to call attention to a news story appearing in the New York Times of June 17, 1949.

The VICE PRESIDENT. The Chair admonishes all Senators that we are now operating under the 5-minute rule.

Mr. BRIDGES. That is correct, and I shall operate under the 5-minute rule.

Mr. President, in the New York Times of June 17, 1949, there is an article by Correspondent Walter Sullivan in the form of a special dispatch to the New York Times from Shanghai.

The printed report states that just one week after the alleged mining of the Yangtse River mouth, one British pilot and one United States river pilot with two makeshift mine sweeps undertook to clear the channel and open to shipping the world's largest city under the Communist flag.

According to the dispatch, which the New York Times printed, one of the mine sweeps, loaned to the British consul general, was commanded by a chief petty officer of the British Royal Navy; and the article further states that, prior to departure on the mission, which was undertaken in close cooperation with the Communist Shanghai Military Control Committee, the blue ensign of Great Britain was hauled down on the consular vessel, and the Red flag was hoisted.

Mr. President, by what conceivable explanation can such an act be condoned? It is inconsistent with the very principle on which this Nation's Marshall aid is granted to Great Britain in our fight to stem the rising tide of communism wherever it moves forward from behind the iron curtain. It is inconsistent with our principle of doing all we can to insure peace and security for a free world.

How can we reconcile such a quasi-military act of service to the Chinese Communists with the efforts, money, and matériel we have expended to fight communism in other parts of the world?

We felt it essential to the security of the Democratic states to pour out our aid to Greece.

We held it vitally important to provide food, coal, machinery, and other industrial aid to Italy to prevent a Communist-controlled state there when the Italian elections were held last year.

The foreign policy of this country, or what purports to be a foreign policy, has been predicated on the fact that we must use our resources under a variety of giving and lending agencies to stop the spread of communism.

Any pretense that the Chinese Communist Party is not directed from Moscow and does not follow the International Communist line has been refuted by the Chinese Communist leaders themselves, for on April 3, the leaders of the Communist forces in China announced to the world that in case of a war between the United States and Soviet Russia, they would fight on the side of Soviet Russia.

Less than 2 weeks ago, Liu Shao-chi, chief of the organization department and second in command in the Chinese Communist Party, in a signed article which appeared in Pravda, called upon the proletariat of the world to "inflict defeat on the plans of the American imperialists." No one can make a mistake in interpreting that Communist call to arms against democracy.

The question I ask is, how can we consistently square this action with our position, and how can Great Britain square this action with the position which Britain is supposed to be taking against communism, when a British ship with a British officer and men hoist the Communist Red flag to perform services for Communist China? What does that mean, and what are the British doing when they work with the Communists of China? Are they getting ready to recognize them, or what?

This is a small item, Mr. President, but I think it is a very significant one. I think the people of the United States should have their attention directed to it. To that end, I ask unanimous consent to have the article from the New York Times to which I have referred inserted at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINE-SWEEPING JOB ON YANGTZE BEGINS—ONE BRITISH AND ONE UNITED STATES PILOT COMMAND TWO MAKESHIFT CRAFT—REDS CAPTURE FUTING

(By Walter Sullivan)

SHANGHAI, June 16.—A week after the reported mining of the Yangtze River mouth, one British and one United States river pilot set forth today to sweep the channel and again open to shipping the world's largest city under the Communist flag.

They rode two makeshift mine sweeps, one of which had been lent the British Consul General and was commanded by a chief petty officer of the Royal Navy. The entire operation is being undertaken in close cooperation with the Shanghai Military Control Committee and, until tonight it was an elaborately guarded secret. Prior to departure, the blue ensign of Great Britain on the consular vessel was hauled down for the duration of the mission and the Red flag was hoisted in its place.

This not only emphasized that the British Government was not participating officially but also insured that the Communist shore batteries would hold their fire. One of reasons for the delay in giving the volunteer sweepers the "green light" was the necessity to warn all Communist units along the 50-mile Yangtze River shore that the two sweeping vessels and an accompanying pilot boat were on the way.

Shore batteries were said to have been told to defend the British ship and its two companions from any Nationalist air or sea attacks. Inevitably, this raised in the minds of many a question of what effect such cooperation might have on the British attempts to obtain safe conduct for the sloop *Amethyst* to come down from a point farther upstream in the Yangtze where it has been lying since its running battle with Communist shore guns on April 20.

Except for the leadership of four or five Britons and Americans the rest of the personnel on the three ships, including the crew of the British consular craft is all Chinese.

For the past few days delicate negotiations have been going on concerning ways and means of exercising the reports of mines in the vital river channel. This channel controls access of ocean vessels not only to Shanghai but also to the great artery of the Yangtze, which is navigable for 1,600 miles into the heart of Asia. The river's importance to China is difficult to appreciate for residents of continents where rivers are no longer the primary routes of transportation.

Virtually all the Communist experience has been in ground warfare. There were plenty of Britons and Americans around town who had swept mines, including Yangtze pilots who had swept them after the war from the very channel allegedly mined a week ago today. Many of these men—pilots, shippers, and businessmen—were eager to get the harbor open so that they would be back in business.

However, this raised the touchy question of foreign interference in quasi-military affairs.

About 10 o'clock this morning the "task force" set forth with the British ship carrying Capt. William Sudbury, of Liverpool, England, and the sister ship carrying Capt. Columbus D. Smith, whose home is reported to be in Atlanta, Ga. Both are pilots. The third ship in the group was a regular pilot vessel which was to lie off and relay reports by radio.

The pilots are working on the assumption that no mines are there.

COMPLAINTS AGAINST "CUT-RATE" IMPORTS

Mr. MALONE. Mr. President, I wish to invite the attention of the Senate briefly to an article written by Mr. Ray Cromley, appearing in the Wall Street Journal this morning. The article goes into considerable detail about the matter of the result of lowered import fees and tariffs, under the heading "Washington is flooded by complaints against 'cut-rate' imports," and the further heading "Businessmen, farmers ask quotas, subsidies, higher tariffs as markets shrink."

This flood of appeals, of which every Senator is aware, comes from American business which is producing under our high-cost labor standards and taxes, and trying desperately to compete with the cheap imported item, often selling at less than our cost of production. The Senate could save our own markets by refusing to renew the Trade Agreements Act.

Congress passed the 1934 Trade Agreements Act under which the State Department has adopted the selective free-trade program. The act has been extended from time to time and will be before the Senate for a 3-year extension very soon. They have reduced the tariffs and import fees from an average of approximately 45 percent to less than 13 percent of the value and to where there is practically no protection from the low-wage living standard of foreign labor.

The current situation as outlined in this dispatch is the direct result of the State Department's operations under the act. They have removed the floor under wages and the result can only be a much reduced standard of living or mass unemployment in this country.

Mr. President, I ask unanimous consent to have the article to which I have referred printed at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal of June 21, 1949]

FOREIGN COMPETITION — WASHINGTON IS FLOODED BY COMPLAINTS AGAINST CUT-RATE IMPORTS — BUSINESSMEN, FARMERS ASK QUOTAS, SUBSIDIES, HIGHER TARIFFS AS MARKETS SHRINK—SOME BLAME MARSHALL PLAN

(By Ray Cromley)

WASHINGTON.—Congress and the administration are under mounting pressure to protect industry and agriculture against foreign competition.

It's another major symptom of the end of the sellers' market. While trade figures show that United States imports as a whole are not increasing, foreign goods in many cases are now fighting for a share of shriveled demand.

Washington trend watchers say it is too early to hazard a guess as to just what will come of these newly insistent demands for curbing foreign competition. But there are straws in the wind. Domestic lead producers are confident the tariff on this metal, suspended last year because of an acute shortage of domestic supplies, will be restored. Likewise, bills are pending in Congress to again slap an import tax on copper.

On a broader basis, Congress may decide to scan more closely some of the schemes for using Marshall plan foreign aid funds abroad. Legislators also may be more chary about giving the President all the powers he's seeking to make further tariff concessions.

MAIL BAGS ARE RELIABLE

Washington's mail bags have always been a pretty reliable barometer of the Nation's thinking. Today, Senators say they are getting three to four times as many protests against "cut-rate foreign imports" as they did last session. An experienced congressional staff member says: "It looks to me like a stream swelling just before a flood."

Protests are reaching the United States Tariff Commission at double last fall's rate. The Commerce Department has been hearing from its constituents, too. Other prime targets for similar unhappy notes are the Economic Cooperation Administration, which handles American foreign aid, and the State Department, which has stepped on a lot of commercial sore toes by negotiating tariff-reducing trade treaties.

The Economic Cooperation Administration's lot apparently is an especially unhappy one. It is being roundly denounced for using tax money collected from American business to "build up foreign competitors." Typical is the plaint of a fisheries man:

"For * * * (the American canner) Economic Cooperation Administration is working in reverse. Through Economic Cooperation Administration funds or Export-Import loans, new fish canneries and freezers are being built in many parts of the world, and the irony of it all is that some of these countries are turning to the United States to buy their exportable surplus."

American oil companies have complained to the Economic Cooperation Administration and the State Department about large-scale programs of some Marshall plan nations to expand their petroleum industries. The Economic Cooperation Administration is investigating the situation. Meanwhile, it is holding up authorizations for new oil-drilling, refining, and storage equipment.

THE LETTER WRITERS

Demands reaching Washington run the gamut from "no more tariff concessions" to pleas for import quotas, Government subsidies, higher import duties, and deep slashes in foreign-aid funds. The letters come from big- and little-business men, farmers, and labor leaders, such as the heads of the watchmakers' union, who deem their members affected by foreign competition.

Letters reaching Congress and administration officials make such charges as these:

"Dirt-cheap foreign goods are driving us out of business"; "ECA-subsidized foreign factories are underselling us in our home markets"; Russia has broken the market with her dumping here"; "cheap foreign labor is ruining us"; "we can't compete without protection against foreign imports."

The letters come from every section of the United States. They cover a seemingly endless variety of products ranging from fruits and nuts to watches to crude oil. A majority of complaints come from smaller producers of goods where labor is a big share of the cost.

California almond, olive, and lemon growers protest Italian competition in the New York markets. Oregon and Washington filbert and cherry raisers make the same complaint.

Florida businessmen are worrying about Mexican tomatoes, Mediterranean sponges, Chinese tung oil.

New England fishermen say they are hit by large imports of Canadian, Newfoundland, and Iceland fish fillets. Woolen textile firms fret about British woolens.

Northwest packers say they're hurt by Canadian beef and veal. Dairymen favor curbs on New Zealand butter imports.

Independent oil producers have complained to Congress about the rising trend of petroleum imports, which they contend are being used to supplant, not merely to supplement, domestic oil supplies. An official of the Independent Petroleum Association of America has told Congressmen, "The most important problem now confronting the domestic oil producer is increasing imports."

Whisky makers want less Scotch and Canadian whiskies; watch manufacturers ask fewer imports from Switzerland; fur producers complain about Russia; and hops growers about the iron-curtain countries; spring clothespin makers ask the Government to look into Swedish underselling; chinaware and glass makers fear Japanese and Czechoslovak competition. Umbrella-handle makers and knit-glove producers fret over rising Japanese exports.

IMPORTS NOT SWELLING

This swelling chorus of business protests about imports is not the result of a general increase in foreign shipments to this country. Actually United States imports this year have run almost the same as a year ago. Imports of petroleum, metals, machinery and vehicles, coffee, and sugar are up. Imports of rubber, vegetable oils, wool, and wood pulp are down, say Commerce Department analysts.

"American businessmen weren't worried about foreign imports as long as they could sell everything they made," one official says in explanation. "Now people are buying less; producers are beginning to feel the pinch."

Another part of the trouble, says a tariff expert, is that foreign shipments here are concentrated on some sectors of industry and agriculture—chiefly those where labor costs are a sizable share of the price.

For example, he says, "imports of foreign woolens amount to only a small percentage of total United States production, but imports of the highest grade woolens are now taking half the United States market for that type of cloth. New Zealand butter comes in only occasionally, but usually a whole shipload at a time, dumped in one locality. That keeps butter men uneasy even when total imports aren't large."

A shipment of furs or tomatoes or towels may be sold suddenly at very low prices, Tariff Commission people explain. That makes buyers wary the year around and gives producers the jitters.

A LOOK AT THE COMPLAINTS

Here are typical specific complaints gleaned from incoming congressional and Tariff Commission mail:

A New York State beret maker complains "My mill (in Czechoslovakia) was seized * * * and nationalized without any compensation * * * (now) the products of (my old) * * * factory have been flowing into the American market in an ever rising tide." He points out he sells his berets to jobbers at "about $6.50 a dozen." The Czechs running his nationalized mill offer their berets here at about $3.20 a dozen. He asks that tariff rates be returned to at least what they were before the Geneva agreements were signed in late 1947.

A Pacific coast filbert grower writes:

"Shelled filbert imports (from Italy) have come into the United States at prices which would not even return the cost of harvesting, shelling, and transportation to American growers."

A hops grower says, "the bottom dropped out of the market * * * mainly because * * * 1948 imports exceeded anticipations by at least a million pounds * * * practically all of this has come from Czechoslovakia, Germany, Yugoslavia and Russia."

These chagrined businessmen—in their letters to Congress and the administration—explain bluntly why they think foreign producers are now underselling them in American markets.

FOREIGN COMPETITION

They claim foreign sellers have these unfair advantages: Much lower wages, Government subsidies, United States aid from such agencies as ECA or the Export-Import Bank. The complaining businessmen also charge governments with "dumping."

"Reports from Italy indicate farm laborers are paid 50 cents to 80 cents a day and processors 80 cents to $1 a day," writes an executive of the California Lemon Growers Association. "In the United States they're paid $1.14 and up an hour."

The national president of the American Watchmaker's Union asks Congressmen, "how can you allow those goods (watches) to come in as they are permitted to come in, based on wages which are one-third to one-fourth the wages paid to American labor * * * how can you allow it?"

A Gloucester, Mass., fisheries man says "the governments of these competing countries have subsidized the building of vessels, processing plants, and freezers, and even subsidized transportation * * *."

To cap it all, some American businessmen do not trust the State Department negotiators charged with protecting their future in tariff negotiations.

A textile man says "it is the State Department, primarily experienced in questions of political expediency and not economic considerations, which assumes the role of leader in all negotiations."

A bicycle man declares "ever since the initiation of the reciprocal-trade agreements, repeated efforts have been made to find out why the duty on bicycles has been cut, but representatives of the Department of State have refused to supply any information which might explain their action. Certainly interested parties should be entitled to know why tariff rates are reduced when such action jeopardizes the very life of the whole industry * * *. Under the policy of the Department of State, this information is known only to a select few who refuse even to discuss the circumstances which, in their judgment, justify such action."

EXPORT SAFEGUARDS ASKED

WASHINGTON.—The National Printing Equipment Association claims the European recovery program is "working increasing hardship on American export industries."

In a statement filed with the Senate Appropriations Committee, the printing association asked that Congress write "some safeguards" into pending legislation.

The statement said: "Under ECA policies, European countries are enabled to discriminate against American products. These policies prohibit ECA countries from purchasing American products if similar products, even though not of equal quality, are obtainable in ECA 'soft currency' countries."

The association recommended that Congress earmark a portion of the 1950 ECA appropriations to allow American manufacturers to maintain at least a foothold in the European market.

Mr. MALONE. Mr. President, I expect to offer the flexible import fee bill (S. 1965) already introduced, as a substitute for the 1934 Trade Agreements Act when it comes before the Senate next month for a 3-year extension.

USE OF FEDERAL EMPLOYEES FOR FIELD WORK BY CENSUS BUREAU

The VICE PRESIDENT. Is there objection to the present consideration of House bill 3198, which was announced as next in order a few minutes ago?

There being no objection, the bill (H. R. 3198) to amend the act of June 18, 1929, was considered, ordered to a third reading, read the third time, and passed.

The bill (H. R. 3444) to provide for the collection and publication of cotton statistics was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I think the Senate should know how many Federal employees would be involved in this program to utilize the services of the Federal employees who are regularly employed by the agencies affected.

Mr. JOHNSTON of South Carolina. Mr. President, it is the purpose of the bill to amend the existing law as well as to provide continuing authority for the Bureau of the Census to utilize the services of other Government employees for field work in connection with the taking of the Census. It is my information that there will be probably as many as 1,000 throughout the United States to be utilized. They will be paid the existing pay, whatever it amounts to, in the various localities. In some places, such as Indian reservations, certain Federal institutions, and so forth, it is almost necessary for the Census Bureau to utilize the services of other Federal employees.

Mr. HENDRICKSON. May we know whether these employees will receive additional compensation and expenses for this work?

Mr. JOHNSTON of South Carolina. They will receive the compensation, whatever it amounts to, for the taking of the census, in whatever amount would have to be paid anyone else; no more, and no less. It would be an additional expense in the taking of the census, so far as the Bureau of the Census is concerned.

Mr. HENDRICKSON. Mr. President, I should like to suggest that section 3 of the act of June 18, 1929, as amended by section 404 of the second reorganization plan, which provides in part:

The enlisted men and officers of the Army, Navy, and Marine Corps may be appointed and compensated for the enumeration of Army, Navy, Marine Corps, and other military personnel.

I submit that this language should be amended to conform technically to the fact of the establishment of the Department of Air Force. I send to the desk such an amendment.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Without the amendment, I would object.

Mr. JOHNSTON of South Carolina. I should like to have the Senator explain exactly what the amendment will do.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. The amendment proposes to amend the third sentence of the last paragraph of section 3 of an act entitled "An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress," approved June 18, 1929 (46 Stat. 21), as amended by section 404 of the Second Reorganization Plan (53 Stat. 1436), by striking out the third sentence and inserting in lieu thereof "The enlisted men and officers of the armed services may be appointed and compensated for the enumeration of personnel of the armed services."

JESS LARSON

Mr. McCARTHY. Mr. President, I should like to take advantage of the 5-minute rule to bring to the attention of the Senate something which incidentally is not germane to the bill under consideration. I have before me a copy of the Tuesday issue of the New York Herald Tribune, a story in regard to a so-called "5 percenter," Mr. James C. Hunt. The story is to the effect that he made the claim that he could influence Mr. Jess Larson, of the War Assets Administration, and that he could play upon his personal friendship with Mr. Larson to get special consideration from the War Assets Administration.

Last year I headed a special subcommittee which was appointed to investigate alleged incompetence in War Assets Administration. At the time we started that investigation I frankly thought we would find a considerable amount of incompetence on the part of Mr. Jess Larson. However, the committee unanimously, Democrats and Republicans alike, I believe, were completely convinced that of all the competent Federal officials we had, Mr. Jess Larson topped the list. We were convinced that under no circumstances was there anyone who could use his personal friendship or use personal influence to get any unfair advantage from the War Assets Administration while Mr. Larson was in charge. In view of this charge that is made against Mr. Larson, who is now head of the Federal Works Administration, and who I understand will head the all-important General Services Agency, I think it is only fair at this time, that, as chairman of the subcommittee which had the job of investigating Mr. Larson's activities, I inform the Senate and the country that we who examined Mr. Larson's activities in detail felt that he was one of the most competent, one of the most hard working and one of the most honest officials we had ever found in Washington.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. TOBEY. I think one of the most detestable chapters in connection with war activities of the Government, both in World War II and World War I, was that written by the innumerable horde of fellows who came here to peel off 5, 10, or 25 percent from Government contracts on the false representation of having influence with the Senate of the United States and authorities in the Government. One man, because of such activities, is serving in Federal prison at the present time. There ought to be many more there. It is a disgrace to the country that these things are allowed.

Looking forward to the next war—which, please God, will never come—does not the Senator agree with me that the best way to stop such rats in the future is to insert in every contract that no part of the money received shall be used to employ agents, plenipotentiaries, or ambassadors to scoop up money in this way and take a part of it, and that no money shall be paid for such alleged services by any man receiving a contract from the Government. Something of that sort should be put in all contracts, so as to stop this shameful, disgraceful habit as described in the New York Herald Tribune. I could add five or six chapters to what is there said. So could the Senator.

Mr. McCARTHY. I certainly think there is much merit to what the Senator from New Hampshire says, but I believe the subject is too large to discuss under the 5-minute rule. The thing that disturbs me is that men of Larson's character, who hold high Government positions, can be discredited by those who have personal financial reasons to claim to be pals of theirs and who in order to obtain clients tell completely untrue stories of influence which they do not have.

Mr. TOBEY. The tragic part is, that some of them have. That is the tragic part of it. There are some "phonies" but some of them had real influence with Members of Congress. It is a detestable chapter in American history. If the truth ever is known, the roof will blow off here.

Mr. McCARTHY. I think the Senator is right. Undoubtedly some of these men did have influence and exercised it. But I am speaking now of the case of a man whom our committee had under investigation, the man upon who it is claimed there was exerted such influence. We were convinced to a man, Democrats and Republicans alike, that there was no one who could influence Jess Larson to do anything against the best interests of the United States Government.

The PRESIDING OFFICER. The Senator's time has expired, under the 5-minute rule.

Mr. McCARTHY. Mr. President, if I might have an additional moment or two——

Mr. TOBEY. Mr. President, I ask unanimous consent that the Senator may have 5 minutes more.

The PRESIDING OFFICER. Is there objection?

Mr. TOBEY. I ask for the floor, and I yield to the Senator from Wisconsin.

Mr. McCARTHY. I thank the Senator.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. TOBEY. I asked for recognition. I yield to the Senator from Wisconsin.

Mr. McCARTHY. I thank the Senator very much. As I started to say, I think there is a great deal of merit in what the Senator from New Hampshire has said.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. McCARTHY. I will not yield for a parliamentary inquiry at this point, until the 5 minutes are up.

The PRESIDING OFFICER. The Chair advises the Senator from Wisconsin that he was recognized for 5 minutes more. The Senator from New Hampshire was not recognized. If he had been recognized, he could not have yielded his time.

Mr. TOBEY. The results are the same, so I am grateful for that. Go ahead.

Mr. McCARTHY. I shall yield at the end of my 5 minutes. I may say I think there is a great deal in what the Senator from New Hampshire says. I think he is unquestionably right when he says that a great number of individuals came to Washington and acted as contact men and wielded influence which they never should have and never should be able to wield, in order to get contracts and special favors. I think the suggestion which the Senator from New Hampshire has made in regard to certain provisions in contracts certainly has much merit. But the point I wanted to emphasize this morning is that the charges which are made against a man whom I think is one of the most competent bureaucratic heads in the Government service, are, in my opinion, completely unfounded. We know it is difficult to get competent men to head these agencies. They are underpaid, and if in addition to that they must take the unfair abuse which they are taking, them it will be even more difficult to keep competent men in public life. I believe that we in the Senate, who are close to the situation, when we know that the charges are untrue, have the duty of rising to point this fact out. If I may repeat, I am sure that all the members of my committee, which made a very intensive and a very thorough investigation of the War Assets Administration, while it was under Mr. Larsen, were convinced that he was one of the most competent bureaucratic heads we have ever had in Washington.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, it seems to me, if I may say so, through the kindness of the Senator from Wisconsin, that the trouble is that we, as a Congress, and the American people, wait until the unusual occasions come, such as a world war, before we take cognizance of these things. The time to prepare to end the likes of these grafters is now, in the interim between wars, and not wait until we get into war and then have them say, "We have got to win the war, everything goes."

The time to end the reign of these grafters is now, in the interim between wars. Just stop and think of it. The former chairman of the House Military Affairs Committee has been sentenced to a term in Federal prison. The name is legion of that type of animals who were around here during the war, betraying their country. It is time for the people to rise up and say, "Damn these things. We demand an end to them." Then let the brains, the guts, and the character of the Congress of the United States write something in law to stop these things. I speak in behalf of 148,000,000 persons, who, if they knew the truth about these matters, would demand that action be taken.

Mr. McCARTHY. Mr. President, I have not discussed the matter personally with the Senator from North Carolina [Mr. HOEY], who is chairman of our special investigating committee, of which I am the ranking Republican member, but I understand he has indicated that he is going into the matter and make a full investigation. As the ranking Republican member of the committee, I wholeheartedly support the Senator from North Carolina in that respect.

Mr. TOBEY. The time is ripe, and more than ripe, for some action along those lines.

SELLING OF GOVERNMENT BONDS

Mr. LANGER. Mr. President, under the 5-minute rule, I want to invite the Senate's attention to a letter which I have received, which reads as follows:

Some time ago we had a little correspondence about different matters, and I am appealing to you this time to investigate this matter of a bond drive at this time. I have been asked from two sources to become a volunteer saleswoman. As I don't see any urgent need at this time and don't approve of all this ballyhoo and expense, I have refused.

But this letter which I am enclosing seems to cap the climax. I cannot believe that the Secretary of the Treasury would authorize any such performance as this.

It looks to me like something that will bear investigation. This drive is costing a great deal of the taxpayers' money, and then the prizes. Where will the money come from? The proceeds from the bonds? The buying of bonds is a patriotic service to our country in time of need, according to my thinking, and not to be put on such a level.

I have here, Mr. President, what appears to be an official document. In any event, it is a bulletin signed "Mrs. Lindsey P. Rawley, Chairman, Women's Section." It is addressed:

"To all Volunteers of Women's Section, D. C. Savings Bond Division." It tells them to go out and sell bonds, and then it says this:

After the close of the accounting period on July 18, prizes will be awarded to the volunteers who come through with the highest number of E bonds to their credit. Prizes are fine and numerous.

Then it says:

First prize: A week's vacation in Bermuda, flying down and back in a British Overseas Airways "Speedbird" Constellation, and staying at the famous Hilton Hotel Bermudiana.

Other prizes consist of handbags, perfumes, dresses, hats, jewelry and various smaller articles. I feel any of you would be proud to possess one of these.

Mr. President, I ask unanimous consent that as a part of my remarks the entire bulletin be printed in the RECORD.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

UNITED STATES SAVINGS BONDS BULLETIN

JUNE 1, 1949.

To All Volunteers of the Women's Section, District of Columbia Savings Bonds Division:

Just about a month, June 30, the savings bonds opportunity drive ends. I am calling on the vast army of volunteers who gave their time most generously during the war days to join with the members of the women's section who are now working in this vital campaign by either buying or selling at least one E bond.

The goal for the women alone in the District of Columbia is $1,000,000 in E bonds. We must all strive as we have never before not only to reach this goal, but to make the most outstanding record the women's section has ever made. I am depending on each of you to uphold the high efficiency rating you have made in the past.

After the close of the accounting period on July 18 prizes will be awarded to the volunteers who come through with the highest number of E bonds to their credit. Prizes are fine and numerous.

First prize: A week's vacation in Bermuda, flying down and back in a British Overseas Airways "Speedbird" Constellation and staying at the famous Hilton Hotel Bermudiana.

Other prizes consist of handbags, perfumes, dresses, hats, jewelry, and various smaller articles. I feel any of you would be proud to possess one of these.

It is up to you to bring the women's section over the top. I know that you will. Here is luck to you.

The enclosed purchase order kit certificates you as an official bond salesman. It contains purchase order blanks for the 3-way bond buying, a leaflet descriptive of series E bonds and a form which you may fill out in reporting sales totals to the organization you would like to receive the credit.

The purchase order is an agreement to buy bonds. Do not accept payment, but let the prospect make his own purchases at a bank or post office, or arrange to buy bonds through the pay-roll savings plan or the bond-a-month plan. You can be helpful by filling out the forms and otherwise instructing bond buyers.

For any instructions or further information please call the office, Executive 6400, Extension 5217.

HUGH LYNCH, *Director.*
Mrs. LINDSEY P. RAWLEY,
Chairman, Women's Section.

Mr. LANGER. Mr. President, I might add that I have prepared a resolution, which I shall offer later, asking for a complete investigation of this matter.

USE OF FEDERAL EMPLOYEES FOR FIELD WORK BY CENSUS BUREAU

Mr. HENDRICKSON. Mr. President, I should like to ask what is the pending question.

The PRESIDING OFFICER. The present occupant of the Chair is advised that the Senate has under consideration Calendar No. 435, House bill 3444, to provide for the collection and publication of cotton statistics. The amendment offered by the Senator from New Jersey applies to Calendar No. 434, House bill 3198, which has been passed by the Senate.

Mr. HENDRICKSON. Then, Mr. President, I ask that the Senate reconsider the vote by which the bill was passed, in order that we may consider my amendment.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go over until the next call of the calendar, in order that I may study the amendment.

The PRESIDING OFFICER. Does the Senator's request apply to the bill now under consideration?

Mr. JOHNSTON of South Carolina. No; we did not finish with Calendar No. 434. The amendment was read and was not adopted. The proceedings were interrupted at that time.

The PRESIDING OFFICER. The present occupant of the Chair has since been advised that Calendar No. 434, House bill 3198, has been passed.

Mr. HENDRICKSON. Mr. President, I move that the Senate reconsider the vote by which House bill 3198 was passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. HENDRICKSON. Mr. President, will not the Senator from South Carolina withhold his request?

Mr. JOHNSTON of South Carolina. As chairman of the committee, when some member of the committee offers an amendment without consulting me or some other member of the committee, I should like to know what the amendment covers. Sometime we will find ourselves in deep water and will pass legislation which we do not want to pass, if we follow such a procedure as that. Therefore I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. JOHNSTON of South Carolina subsequently said: I objected a few moments ago when an amendment was offered in connection with Calendar 434, House bill 3198, a bill to amend the act of June 18, 1929. I would ask at this time that we pass the bill, in that the amendment only provides, as I see it, for putting it into effect, and it strikes out, we may say, "the Army, Navy, and Marine Corps," and places in lieu thereof "Armed Services." I believe that is what it does.

Mr. HENDRICKSON. That is what I intended to do, in proposing the amendment.

Mr. JOHNSTON of South Carolina. I have no objection. Therefore I ask that the bill be taken up.

The PRESIDING OFFICER. Is there objection to returning to Calendar 434, H. R. 3198, and considering the bill at this time?

There being no objection, the Senate resumed the consideration of the bill (H. R. 3198) to amend the act of June 18, 1929

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON], which has been stated.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COLLECTION AND PUBLICATION OF COTTON STATISTICS

The bill (H. R. 3444) to provide for the collection and publication of cotton statistics, was considered, ordered to a third reading, read the third time, and passed.

TRANSSONIC AND SUPERSONIC WIND-TUNNEL FACILITIES, AND ESTABLISHMENT OF AIR ENGINEERING DEVELOPMENT CENTER

The Senate proceeded to consider the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I should like to know the reason why we should pass, on a mere call of the calendar, a bill which appropriates so much money.

Mr. TYDINGS. Mr. President, the subject matter is very simple, although the amount involved is large. I shall ask the Senator from Texas [Mr. JOHNSON], who has had charge of the subject before the subcommittee, to explain the bill. Before I do that, however, let me say to the Senator from New Jersey that this particular proposition was on the highest priority list submitted by the Department of Defense. We are approaching a time when planes will fly at a rate of speed of probably two or three thousand miles an hour. We are approaching a time when guided missiles will take on a wider significance. Unless we construct wind tunnels in which model planes can be tested, we shall have to construct planes at a cost of many millions of dollars and actually test them out in flight, because we have no apparatus in which the prototype or the model can be tested. So, while this expenditure seemingly is large, without it we shall keep on having to test the planes in order to determine what we might have found out with a small mode in an appropriate wind tunnel. It is on the very highest priority list of the Army, Navy, and Air Force.

That is all there is to the bill. The indirect economy involved impelled the Senator from Maryland and, I know, the Senator from Texas, and other members of the committee, to ask for its consideration at this time.

Mr. HENDRICKSON. Mr. President, will the distinguished Senator from Maryland yield?

Mr. TYDINGS. I yield.

Mr. HENDRICKSON. Does it have the unanimous approval of the Armed Services Committee?

Mr. TYDINGS. It does.

Mr. HENDRICKSON. Then I withhold any objection.

Mr. KNOWLAND. Mr. President, I should like to say to the Senator from New Jersey that I served under the chairmanship of the Senator from Texas on the subcommittee. The bill was unanimously reported by the subcommittee after full hearings, and I think it was unanimously reported by the full Armed Services Committee.

Mr. HENDRICKSON. I very gladly withdraw any objection.

Mr. MAGNUSON. Mr. President, I merely desire to ask the Senator from Texas a question, as to whether or not in the consideration of the bill there was any discussion regarding the possible sites of the so-called tunnel.

Mr. JOHNSON of Texas. Mr. President, the subcommittee made inquiry of the representative of the Secretary of Defense, and we received information that no determination had been made as to where the facilities would be established.

Mr. TAFT. Mr. President, can the Senator tell us how many wind tunnels there are already under charge of the Army, Navy, and Research Council?

Mr. JOHNSON of Texas. The Air Force now has a total investment of about $15,000,000 in wind tunnels. All the wind tunnels are located at Wright-Patterson Air Force Base, Ohio, except two small supersonic wind tunnels located at the University of Michigan, and one at the Packard engineering plant at Toledo. In addition, the Navy, the Army and the National Advisory Committee on Aeronautics have six other wind tunnels they are operating. I may say to the Senator from Ohio that most of the facilities we now have are out of date, so far as transsonic and supersonic tests are concerned.

Mr. TAFT. Is this tunnel to be a larger tunnel, or different from all the wind tunnels we already have?

Mr. JOHNSON of Texas. The bill provides for a total of 13, to be located at the 13 outstanding universities in America. Those wind tunnels are to be used in making tests and training personnel in the field of transsonic and supersonic speeds. The other nine wind tunnels will be located, six at present facilities, under the National Advisory Committee on Aeronautics, two at a new center, and one at a Navy installation.

Mr. TAFT. It occurs to me that building one wind tunnel is a very expensive proposition. I have already been through the one in Cleveland, owned by the National Advisory Committee on Aeronautics, and while I am in favor of wind tunnels, it seems to me providing for 20 or 30 more indicates perhaps an unnecessarily large program.

Mr. JOHNSON of Texas. There is no difference of opinion as to how many are to be established. The 13 wind tunnels are small wind tunnels, to be located at the universities, and the total cost is only $4,400,000 for the thirteen. The large wind tunnels are to be located at the air engineering development centers, and will be much more expensive.

Mr. LANGER. Mr. President, I ask that the bill go over. It provides for an appropriation of $161,000,000. I do not believe I would want to vote for a $161,-

000,000 appropriation under the 5-minute rule.

I might say, further, that if this is so very important, then certainly there would be no objection on my part, and I do not think there would be any on the part of any other Senator, to making it the immediate order of business tomorrow or next day, so that we could fully discuss it.

Mr. TYDINGS. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Maryland.

Mr. TYDINGS. I do not know whether the Senator heard the entire colloquy between the Senator from New Jersey and myself. I think the Senator's objection is a sound one. My only reason for advocating that the bill have as quick consideration as possible is due to the following factors:

Without these wind tunnels, we actually have to test the finished plane rather than the model. The finished product of the modern type of plane is very expensive. Without these wind tunnels we will actually spend more money in finding out what the finished product will do than if we build the tunnels and make the tests before we build the planes.

We buy planes in great quantities, and actually, when we are ordering planes in great quantities, we sometimes cancel an order because we find that a plane is not up to all the requirements which we would desire. Building these planes is a terrifically expensive proposition.

As the bill is a Senate bill, I should certainly think that the Senator would not be ill advised, or defeat the philosophy for which he stands, as indicated in what he has said, to allow the bill, in the interest of time, to go to the House of Representatives. It comes from our committee unanimously. It has the highest priority, and if we delay, it will result in the expenditure of millions of dollars which with its passage could be saved. I hope the Senator will withdraw his objection.

Mr. LANGER. I should like to ask the Senator from Maryland a question.

Mr. TYDINGS. I shall answer if I can.

Mr. LANGER. It would take only 3 or 4 days to bring the bill up. Has the Senator made a motion in regard to it?

Mr. TYDINGS. I have not sought to get it up, due to measures which are already ahead of it, about which agreements have been had. If it were not a matter in which ultimately millions will be saved by speed in action, I would not make the request. Delay in action on the bill, in my opinion—and I think the members of the committee will agree with me—will mean dollars wasted.

Mr. LANGER. It is with deepest regret that I cannot agree. One hundred and sixty-one million dollars is involved, and I think the bill should be taken up by motion.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over. The clerk will state the next order of business on the calendar.

LLOYD GORDON FINDLEY

The bill (S. 471) for the relief of Lloyd Gordon Findley was anounced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I note from the report that the Navy Department raises some question about lack of negligence on the part of the Department or the authorities which might have been responsible for the injury. I should like to ask the distinguished Senator in charge of the bill how the figure finally settled on was arrived at, in the light of the explanation on the part of the Attorney General's Office.

Mr. MAGNUSON. Mr. President, I could not hear what the Senator said in the first part of his remarks, but I understand he wants to know how the figure was arrived at. Is that correct?

Mr. SCHOEPPEL. Yes.

Mr. MAGNUSON. As the Senator will see in the report, the figure was arrived at from a scrutiny of the necessary hospital expenses, a consideration of the physical handicap of the beneficiary, based upon the possibility of this youngster being able to make a livelihood with his hand off, and certain other features. The original estimate, from all the figures that could be received, was $23,000, but the committee cut it down to less than half that amount.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 471) for the relief of Lloyd Gordon Findley, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lloyd Gordon Findley, commander, United States Naval Reserve, the sum of $3,045.59, and to the legal guardian of Malcolm Hearne Findley, a minor, the sum of $7,500, in full satisfaction of all claims against the United States for (1) reimbursement of hospital and medical expenses incurred by Lloyd Gordon Findley, and (2) compensation for personal injuries sustained by Malcolm Hearne Findley as a result of an accident that occurred on Saipan, Marianas Islands, July 15, 1946, when the said Malcolm Hearne Findley was struck by a Naval Military Government vehicle operated by an employee of the Naval Military Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Lloyd Gordon Findley and Malcolm Hearne Findley, a minor."

LACEY C. ZAPF

The bill (S. 1429) for the relief of Lacey C. Zapf was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lacey C. Zapf, of Washington, D. C., the sum of $486.56 in full satisfaction of his claim for transportation costs and other expenses incident to the return of his dependent daughter, Mrs. Betty Zapf Prudden, from Sydney, Australia, to Washington, D. C., in February 1940, incurred by the claimant when he was acting under appointment as American trade commissioner to Australia under travel order issued by the United States Department of Commerce.

THE OLYMPIC HOTEL

The bill (H. R. 1472) for the relief of the Olympic Hotel was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, I notice from the committee report that the General Accounting Office disallowed the claim under the contract for extra services. I should like to have an explanation of the bill, because my study of it indicates that there is not any basis, in equity or in justice, for its enactment.

Mr. McCARRAN. Mr. President, this bill grows out of the return of war prisoners, Americans who were prisoners of war abroad and were returned to this country. When they were returned they were housed in the Olympic Hotel. The officer in charge at that time ordered the hotel management to serve everything the former prisoners of war, then in his charge, should require, indeed, including liquor and cigars. That was an order from the commanding officer. The order was revoked, and from then on the hotel complied with the more recent order. This bill covers the order issued by the officer in charge of the repatriated prisoners of war who were housed in the Olympic Hotel. That is all the bill does.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, the contract in this case was specifically violated. Charges were made far beyond the terms of the contract. If these repatriated war prisoners had been called upon to pay the bills I would feel differently about it, but I do not feel that the Congress ought to authorize this overexpenditure, and that is what it clearly is.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection so I may make a further explanation?

Mr. HENDRICKSON. I shall be glad to.

Mr. McCARRAN. I believe a further explanation can come from the language of the War Department's statement as follows:

That on February 16, 1946, there was presented to the hotel, War Department contract No. W04-193-eng.-6426—

And so forth.

That one Michael P. Murphy, first lieutenant, Corps of Military Police, who was

designated as the service command's certifying officer and in charge of the Army and Navy Hotel Reservation Bureau in Seattle, was the officer delegated by the Government to supervise the carrying out of this contract; that the hotel had been assured the Army wanted to do everything possible to make the 14-day stay of these recovered American prisoners and their guests as enjoyable as possible; that the prisoners of war started to arrive at the hotel with their orders and wanted to know what they were entitled to; that we advised these men of the terms of our contract and also referred them to Lieutenant Murphy's office and Lieutenant Murphy in turn advised these recovered prisoners of war of what they were entitled to at the hotel and also advised us of the decisions; that such wines, beer, and wine cocktails as regularly appeared upon the hotel menu were considered a food item and if consumed with the meals were properly chargeable to the food allowance and the men and the hotel were so instructed by Lieutenant Murphy; that the men asked to give tips on meals and were instructed by Lieutenant Murphy that as long as the tip pertained to the food service they were a part of the same and were properly chargeable—

And so forth. Mr. President, I say to the Senator from New Jersey that the action was taken, and the charges made under a specific order of an officer in charge. The charges were made for food for those returning to this country as ex-war prisoners.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield, so far as I am concerned.

Mr. NEELY. How many of these repatriated war prisoners were there?

Mr. McCARRAN. I do not have the number at hand.

Mr. NEELY. Does the Senator remember what part of the bill was for liquor?

Mr. McCARRAN. A very small part of the bill, an exceedingly small part of the bill, it being for such items of liquor as were on the menu.

The PRESIDING OFFICER. Is there still objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I call attention to the fact that under this contract each ex-prisoner was entitled to two authorized guests. The contract provided a rental allowance of from $6 to $18 a day for each ex-prisoner. Each ex-prisoner was entitled to a maximum daily meal allowance of up to $28.50, and each of his guests was allowed up to $28.50 a day. In other words, it was possible for an ex-prisoner with two guests to be allowed a total allowance of $103.50 a day. This allowance is exceeded. I still feel obliged to object.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

Mr. McCARRAN subsequently said: Mr. President, a short while ago, in answer to an inquiry made by the Senator from West Virginia [Mr. NEELY] I misstated a fact. The fact is that a considerable part of the bill, contained in the measure which was objected to and which was passed over, and which the the Senator from West Virginia inquired about, was for liquor. I misstated the fact, and said that the amount charged for liquor composed only a small portion of the charge.

JOEL W. ATKINSON

The bill (H. R. 2353) for the relief of Joel W. Atkinson, was considered, ordered to a third reading, read the third time, and passed.

MRS. FLORENCE MAYFIELD

The bill (H. R. 1123) for the relief of Mrs. Florence Mayfield, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF BROADCASTING FACILITIES TO THE STATE DEPARTMENT

The bill (H. R. 2282) to make certain Government-owned facilities available for international broadcasting in the furtherance of authorized programs of the Department of State, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I should like to know what the facilities transferred from the Reconstruction Finance Corporation to the State Department are.

Mr. FULBRIGHT. Mr. President, there were three broadcasting stations involved. One was operated by the Crosley Corp. The original cost was $509,267.43. That one is now operated by the Crosley Corp. Another operated by Columbia Broadcasting Corp. cost $380,677.93. The third one cost $357,936.10. I might say they were built by the Defense Plants Corporation during the war for the broadcasting of OWI. They now belong to the Reconstruction Finance Corporation as the successor to the Defense Plants Corporation. Their use was by Executive order, transferred to the State Department, which is now operating them. The bill involves purely a transfer between the RFC and the State Department.

Mr. HENDRICKSON. I take it, Mr. President, that the obligations of the RFC will be assumed by the State Department.

Mr. FULBRIGHT. That is provided in the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 2282) to make certain Government-owned facilities available for international broadcasting in the furtherance of authorized programs of the Department of State, and for other purposes, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 9, after the word "Corporation", to strike out "(or the War Assets Administration, if such property has been declared surplus)"; and on page 2, line 14, after the word "transferred", to strike out "are" and insert "is."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SUSPENSION OF CERTAIN DEPORTATION CASES

The concurrent resolution (S. Con. Res. 45) favoring the suspension of deportation of certain aliens was considered and agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-7759876, Ackermann, Rose (nee Leider).
A-6688781, Bell, Trevor Reginald.
A-1381702, Bennardo, Pasquale.
A-614778, Blin, Maurice Edme Lucien Roger.
A-2617650, Brehme, Julius Frederick Franz.
A-3895754, Cruz, Ismael or Isabel.
A-6178548, Dahlseide, Sharon Beverly.
A-4688615, Dahmen, Fernando.
A-6505623, David, Tuma, or Tuma Nasser David or Tom David.
A-6508984, Davison, Judith Barbara.
A-2527936, Delgado, Martin Lopez, or Martin D. Lopez.
A-4604550, Di Pino, Salvatore.
A-6341132, Emmanuel, Alexander Anastasios.
A-6172764, Emmanuel, Panorea Psaloudi or Panorea (Nora) Emmanuel (nee Panorea Syntell).
A-6713078, Falco, Maria Anna Elisabeth (nee Stumm).
A-6840140, Fidler, Archibald Raymond.
A-6211679, Fleischer, Joseph.
A-6920686, Ford, Elaine Lucy.
A-6485945, Gardis, Argyro (formerly Argyro Velendza nee Karra).
A-7713579, Goldman, Sylvia Cherill, or Cherill Sylvia Pastman or Sylvia Pastman or Sylvia Mazelow.
A-6787040, Gomez, Ernesto Gonzalez (alias Ernest Gomez Gonzalez).
A-5952737, Greaux, Paul Marceau.
A-6827838, Guement, Joelle Beatrix Therese Marthe.
A-2133711, Gutierrez, Jacinta (nee Luna).
A-4973912, Hopkins, Muriel Blanche (nee Mac Leod).
A-6697157, James, Josephine Constance, or Josephine James also Josephine Constance Matthews.
A-6358005, Kessenides, Agapi, or Agapi Efstathrou Tsavdaridis or Agapi Kessinidi.
A-6602733, Kochan, Anne Betty (nee Birovcak).
A-4828807, Lenkiewicz, Antonina (nee Tracz).
A-6642540, Lerma, Aurora Saez.
A-2197906, Lopez, Herminia Aldaco de.
A-6664449, Mascolo, Vittoria Lo, or Vittoria Perrino (maiden name) Vittoria Perrino Lo Mascolo.
A-2827195, Metz, Conrad.
A-6095050, Michos, Nicoleris Anastase.
A-4764938, Mikulsky, Edith Mary Mott (alias McClusky nee Mott).
A-5852743, Miniconi, Francois.
A-2387754, Murillo, Inez Murillo de.
A-6222812, McDonald, Barry Francis.
A-1385505, Papadelis, Emmanuel John.
A-6868039, Parra, Armando, or Armando Parra-Hernandez.
A-2060168, Parsons, Albert Earnest, or Bert Clark.
A-6743740, Perego, Giovanni Luigi.
A-6405637, Power, Melvin John.
A-6334558, Providence, Maude (nee Braithwaite).
A-9537786, Rasmussen, Aage.
A-9633307, Rebane, Paul, or Paul Fuks.
A-6867152, Robichaud, Helen Edna, or Helen Edna O'Brien.
A-7596063, Robinson, Alice Anna Antonia (nee Casagrande).
A-7596067, Robinson, Maruis Arthur.
A-7596066, Robinson, Harold Denis.
A-3252615, Roy, Marie Blanche Yvonne (alias Marie Blanche Yvonne La Pierre).
A-5522588, Schoenherr, Mary Elizabeth.
A-5351772, Scopinich, Anna Maria, or Anna Maria Tuna.
A-5312452, Simone, Celestina F. De (nee Francescutti).

A-1873028, Stevens, Herta Maria Juliana (nee Zarnikow).
A-6728297, Veldhuis, Cornelia Antonia.
A-7514694, Villasenor, Emilia (nee Emilia Parguian Castro).
A-4507171, Wainunsky, Berco Gelwan.
A-6698837, Williams, Doris Ismay.
A-9550601, Wright, George Frederic (alias George Frederico Wright).
A-6476905, Yu, Teh Fu.

PHIL H. HUBBARD

The bill (H. R. 735) for the relief of Phil H. Hubbard was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to make an observation respecting the bill. The report indicates that in June, when this travel request was made, the Department apparently did not have sufficient funds. That was toward the latter part of the month. But if the Department had waited until July sufficient funds would have been in the Department with which payment could have been made. I am curious to know whether it is generally the practice of the departments to do such things, whereas they could have delayed the travel for 10 days and thereby avoid the need for asking Congress to pass this type of special legislation.

Mr. McCARRAN. I may say that no information was given the committee on that point. The draft of bill with the request for its consideration, was sent to the committee.

Mr. SCHOEPPEL. Had the Department waited for 10 or 15 days, such action as now requested would not have been necessary.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 735) for the relief of Phil H. Hubbard was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. JAMES LINZAY

The bill (H. R. 1096) for the relief of Mr. and Mrs. James Linzay, was considered, ordered to a third reading, read the third time, and passed.

ELLIS C. WAGNER AND BARBARA P. WAGNER

The bill (H. R. 1125) for the relief of Ellis C. Wagner and Barbara P. Wagner, was considered, ordered to a third reading, read the third time, and passed.

GROOVER O'CONNELL

The bill (H. R. 717) for the relief of Groover O'Connell, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1303) for the relief of Dr. Elias Stavropoulos, his wife and daughter, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation of this measure, please.

Mr. McCARRAN. Mr. President, the purpose of the bill is to grant the status of permanent residents of the United States to a Greek dentist and his family. The bill also provides for the appropriate quota deductions.

Dr. Stavropoulos and his family presently reside in Cambridge, Mass., where they are being supported by the doctor's brother, George Poulos. Dr. Stravropoulos, who is a dentist, completed a 16 weeks' course in dental prosthetics at Tufts Dental School in June of 1948, and was subsequently enrolled in the same school for a postgraduate course in dental surgery and pathologic prosthetics. He has stated, however, that he came to this country for a visit and for an operation to overcome his deafness.

Mr. SCHOEPPEL. Mr. President, I point out to the distinguished Senator that Dr. Stavropoulos was living in Greece, where there was one dentist for each 6,000 people. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

WINSTON A. BROWNIE

The bill (H. R. 2078) for the relief of Winston A. Brownie was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object—and I probably shall not object—this is one of the class of bills which I always look at with question. We are paying a very small claim of $95, but the printing costs alone are $109. I am wondering if by the passage of this bill we are not in effect overruling a court decision finding a Government employee negligent, and thus excusing the employee from the consequences of his own negligence.

Mr. McCARRAN. Mr. President, the purpose of the proposed legislation is to pay the sum of $95 to Winston A. Brownie, of White Plains, N. Y., in full settlement of all claims against the United States, as reimbursement for paying out of his own funds a judgment, together with court costs, arising out of an accident occurring on December 19, 1945, when the said Winston A. Brownie was operating a United States mail truck, in White Plains, N. Y.

The fact appears to be that this man was poorly defended and badly advised by the United States attorney's office. To save work, they told him not to appeal. That is the record in the case.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I withhold any objection. I felt that it was necessary to make that comment.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CARMEN MORALES AND OTHERS

The bill (H. R. 3311) for the relief of Carmen Morales, Aida Morales, and Lydia Cortes was considered, ordered to a third reading, read the third time, and passed.

MICHAEL PALAZOTTA

The bill (H. R. 3603) for the relief of Michael Palazotta was considered, ordered to a third reading, read the third time, and passed.

J. L. HITT

The Senate proceeded to consider the bill (H. R. 3992) for the relief of J. L. Hitt.

Mr. SCHOEPPEL. Mr. President, there is one question I should like to ask about this measure. I note that the bill provides for a payment of $3,500. The Army recommended a figure of $2,500. While the difference is only $1,000, I should like to know the reason for the difference.

Mr. McCARRAN. Mr. President, the only question arising was the question of amount. The House passed the bill in the amount of $3,500. The proper amount is the question to be determined. The committee decided that the House was correct. This man's injuries consisted of severe strain of the upper spine, severe contusions of the chest and upper abdomen, and severe nervous shock. He had no broken bones. He had to spend 10 days in the hospital, and nearly 2 years later was still incapacitated. He is now 69 years of age. At the time of the accident he was 64 or 65. His earning capacity was not great. It was estimated to be about $1,000 a year prior to the accident; hence the reduction in the amount, as made by the House, to which the Senate committee has agreed.

Mr. SCHOEPPEL. I raise the question because the Army indicated that $2,500 was the amount which should be allowed. I was curious to know the explanation of the difference.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ISAIAH JOHNSON

The bill (S. 622) for the relief of Isaiah Johnson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Isaiah Johnson, of the District of Columbia, (1) a sum equal to the amount of compensation which would have been payable to him for service rendered as an employee of the United States during the period July 1 to July 18, 1945, had such service been rendered as a de jure rather than a de facto employee, and (2) a sum equal to the lump-sum payment for annual leave (a) which had been accumulated by him at the time of the termination of his period of service as a de jure employee of the United States on April 30, 1944, and (b) which would have been credited to the said Isaiah Johnson had his period of service as a civilian employee of the Government of the United States during the period May 1, 1944, to July 18, 1945, been de jure employment, which sums, together with the payments authorized by section 2, shall be in full satisfaction of the claims of the said Isaiah Johnson for compensation for such service rendered by him and for annual leave accumulated by him, both of which were unpaid, because of the failure of the employing agency of the Government to give him notice of his automatic separation from the service of the United States upon reaching the age of 70 under the provisions of the Civil Service Retirement Act then in force: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. The Civil Service Commission is authorized and directed to recompute the annuity of the said Isaiah Johnson, under the Civil Service Retirement Act of May 29, 1930, as amended, as of the date of his retirement, and, for the purposes of such recomputation, service performed by him as a de facto employee of the United States from May 1, 1944, to July 18, 1945, shall be considered as creditable service in the employment of the United States.

CELESTE IRIS MAEDA

The bill (H. R. 3458) for the relief of Celeste Iris Maeda was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I note that there is no information in the committee report as to the character and reputation of the beneficiary of the bill. It seems to me that before the Senate passes legislation to waive existing immigration laws for the benefit of certain aliens, we should have at least prima facie information as a matter of public record to show affirmatively that the alien is reported to be of good character.

Mr. McCARRAN. Mr. President, that is a matter which is always checked by the committee.

Mr. HENDRICKSON. And it has been checked in this case?

Mr. McCARRAN. It has.

Mr. HENDRICKSON. That fact does not appear from the report.

Mr. McCARRAN. That is true. However, the bill would not have the approval of the committee if a check had not been made of the moral character of the alien.

Mr. HENDRICKSON. I ask if the distinguished Senator from Nevada is satisfied as to the good character of this individual.

Mr. McCARRAN. If I had not been, the bill would not be here.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Celeste Iris Maeda, the Japanese fiancée of Stanley Arasim, Jr., an honorably discharged veteran of World War II, and that Celeste Iris Maeda may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Celeste Iris Maeda is coming to the United States with a bona fide intention of being married to said Stanley Arasim, Jr., and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Celeste Iris Maeda, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Celeste Iris Maeda, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Celeste Iris Maeda, as of the date of her entry into the United States, upon the payment by her of the required fees and head tax.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. SONIA KAYE JOHNSTON

The Senate proceeded to consider the bill (S. 230) for the relief of Mrs. Sonia Kaye Johnston, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That in the administration of the immigration and naturalization laws the provision of section 13 (c) of the Immigration Act of 1924, as amended, which excludes from the United States persons who are ineligible to citizenship, shall not hereafter apply to Mrs. Sonia Kaye Johnston, a native of England and citizen of Japan, now residing in London, England, and who is the wife of Thomas F. Johnston, a citizen of the United States. If otherwise admissible under the immigration laws, said Mrs. Sonia Kaye Johnston shall be granted the status of a nonquota immigrant.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SADAE AOKI

The Senate proceeded to consider the bill (S. 652) for the relief of Sadae Aoki, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Sadae Aoki, the Japanese fiancée of A. George Kato, a citizen of the United States and an honorably discharged veteran of World War II, and that Sadae Aoki may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Sadae Aoki is coming to the United States with a bona fide intention of being married to said A. George Kato, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Sadae Aoki, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Sadae Aoki, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Sadae Aoki as of the date of her entry into the United States, upon the payment by her of the required fees and head tax.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, there is a companion bill on the calendar, House bill 2709, Calendar No. 468. I ask that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill (H. R. 2709) for the relief of Sadae Aoki.

Mr. McCARRAN. Mr. President, I ask that the House bill be amended by striking out all after the enacting clause and substituting the language of the Senate committee amendment to Senate bill 652.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 652 will be indefinitely postponed.

LEE F. BERTUCCIOLI

The Senate proceeded to consider the bill (H. R. 750) for the relief of Lee F. Bertuccioli, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That the provisions of the first category of section 3 of the Immigration Act of 1917, as amended, shall not hereafter be applicable to Lee F. Bertuccioli, Farnborough, Kent, England, who served in the armed forces of the United States in World War II under the name of Lee F. Johnson, and who, because of a physical disability arising out of such service, is unable to obtain an immigration visa for admission into the United States.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (S. 91) to provide for the better assurance of the protection of persons within the United States from lynching, and for other purposes, was announced as next in order.

Mr. HOLLAND. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The bill will be passed over.

WILLIAM HENRY TICKNER

The Senate proceeded to consider the bill (S. 897) for the relief of William Henry Tickner, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 11, after the name "Tickner", to strike out the comma and "if otherwise admissible under the immigration laws, shall be granted admission to the United States for permanent residence upon application hereafter filed" and insert "shall, for the purposes of the immigration and naturalization laws, be deemed to be the child of said Arthur L. Prior", so as to make the bill read:

Be it enacted, etc., That, in the administration of the immigration laws of the United States, the provisions of section 13 (c) of the Immigration Act of 1924, as amended (U. S. C., title 8, sec. 213 (c)), which exclude from admission to the United States persons who are ineligible to citizenship, shall not hereafter apply to William Henry Tickner, of Yokohama, Japan, minor son of the fiancée of Arthur L. Prior, private, first class, United

States Army, and the said William Henry Tickner shall, for the purposes of the immigration and naturalization laws, be deemed to be the child of said Arthur L. Prior.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TOSHIE OKUTOMI

The Senate proceeded to consider the bill (S. 980) for the relief of Toshie Okutomi, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Toshie Okutomi, the Japanese fiancée of Orren J. Lucht, a citizen of the United States and an honorably discharged veteran of World War II, and that Toshie Okutomi may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Toshie Okutomi is coming to the United States with a bona fide intention of being married to said Orren J. Lucht, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Toshie Okutomi, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Toshie Okutomi, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Toshie Okutomi as of the date of her entry into the United States, upon the payment by her of the required fees and head tax.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMORY T. WALES

The Senate proceeded to consider the bill (S. 1003) for the relief of Emory T. Wales, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$5,196.44" and insert "$1,934", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emory T. Wales, of King George, Va., the sum of $1,934, in full satisfaction of his claim against the United States for compensation for damage caused to his house by gunfire on the A. P. Hill Military Reservation, Bowling Green, Va.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 689) to permit certain postal employees or substitute postal employees to receive credit for military service was announced as next in order.

Mr. HENDRICKSON. Mr. President, the sponsor of the bill [Mr. O'CONOR] is absent from the Senate today. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REMOVAL OF RESTRICTIONS UPON FEDERAL LOANS TO FINANCE CERTAIN PUBLIC WORKS

The bill (S. 525) to remove restrictions upon loans by Federal agencies to finance the construction of certain public works was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HILL. Mr. President, I ask that House bill 1771 be considered instead of the Senate bill.

Mr. HENDRICKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HENDRICKSON. Which bill are we considering?

The PRESIDING OFFICER. Calendar No. 463, Senate bill 525.

Mr. HENDRICKSON. I should like to have an explanation of the bill.

Mr. HILL. Mr. President, when the Congress passed the first deficiency appropriation bill in 1946 it provided $12,500,000 to be used by governmental agencies, States, counties, and municipalities, to make plans for public works. There was a proviso in the bill that no loan should be made or participated in by any Federal agency for the construction of any public works plans for which had been financed out of this appropriation.

Subsequently, the Congress passed the Independent Offices appropriation bill of 1946 and the third urgent deficiency bill of 1946, appropriating an additional $52,500,000 for these planning purposes, and did not put in the restriction that there could be no loan from any Federal agency for the construction of any public works which might be planned or for which plans might be made with the use of any of these funds.

So we have a discrimination, in the case of the total of $65,000,000 that Congress has appropriated, as to the plans made by the use of any part of the first $12,500,000. The public works thereby planned are not eligible for loans from the RFC or from any other Government agency, whereas if the plans are made by the use of any of the other $52,500,000, such public works are eligible for loans from the RFC or from any other Government agency.

This bill will simply remove that discrimination. A similar bill has been passed by the House of Representatives unanimously, and I am sure the Senate does not wish this discrimination to continue.

Mr. HENDRICKSON. Mr. President, I withhold my objection.

Mr. HILL. Mr. President, I ask that the similar House bill, which has come from the House of Representatives today, be substituted for the Senate bill and be considered now.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming from the House of Representatives, which will be read.

The bill (H. R. 1771) relating to loans by Federal agencies for the construction of certain public works was read twice by its title.

The PRESIDING OFFICER Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 525 will be indefinitely postponed.

GEORGE A. KIRCHBERGER

Mr. HICKENLOOPER. Mr. President, on the last call of the calendar, House bill 650, Calendar 325, was objected to. I now ask unanimous consent for the present consideration of that bill.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 650) for the relief of George A. Kirchberger.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, would not it be best for us to conclude the calendar, and then refer to this measure?

Mr. HICKENLOOPER. That might be a more orderly procedure, but there are other matters to which I have to attend, so that I am compelled to leave the Chamber in a few moments. Therefore, I would impose upon the Senate to this extent. I understand there is no objection now to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

PURCHASE OF ADDITIONAL FARMING LAND FOR LEAVENWORTH PENITENTIARY—BILL PASSED OVER

The bill (S. 1730) to authorize the purchase of additional farming land for Leavenworth Penitentiary was announced as next in order.

The PRESIDING OFFICER. A similar bill (H. R. 4585) has been received today from the House of Representatives.

Mr. McCARRAN. Mr. President, there have been some conflicting statements in reference to this bill. Personally, I should like to clear up some of those statements. Therefore I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF ARMORY SITE TO STATE OF MARYLAND

The PRESIDING OFFICER. The clerk will state the next measure on the calendar.

The bill (S. 803) to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National

Guard Armory was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TAYLOR. Mr. President, this bill provides for the transfer from the Federal Housing Agency to the State of Maryland of a tract of land of 8.03 acres, being part of the Greenbelt project. The understanding is that the State of Maryland is to use the land for the erection of an armory. If the land is not used for that purpose, it will revert to the Federal Government.

Mr. MORSE. Mr. President, reserving the right to object, I wish to say that I shall not object because in my judgment this bill follows the principle which I insist should be followed in connection with the transfer of Federal property, because the land will be used for what amounts to military use. I consider National Guard use to be what amounts to use for the purpose of carrying out the Federal defense program. Therefore I shall not object to the consideration or passage of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments.

Mr. HENDRICKSON. Mr. President, I suggest that in the interest of uniformity, so as to have this measure consistent with similar legislation dealing with transfers of this sort, the bill be amended according to the amendment which I now send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following:

SEC. 3. Sections 1 and 2 of this act shall not be effective until the Governor of the State of Maryland shall certify in writing to the Secretary of Defense that such land is needed by the State of Maryland for the purpose of a site for a National Guard Armory and for training the National Guard or for other military purposes and that such land is suitable for such purposes.

The PRESIDING OFFICER. The amendments of the committee will be considered first. The clerk will proceed to state the amendments of the committee.

The first committee amendment was, on page 3, in line 9, after the words "point of", to strike out "beginning. Containing" and insert "beginning; containing."

The amendment was agreed to.

The next amendment was, in line 10, after the word "exactly" and the period, to insert "The United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Commissioner may deem proper."

The amendment was agreed to.

The next amendment was, in line 16, after the word "Armory", to insert "and for training the National Guard or for other military purposes."

The amendment was agreed to.

The next amendment was, in line 20, after the word "such", to strike out "purpose" and insert "purposes."

The amendment was agreed to.

The next amendment was, in line 21, after the word "thereto", to strike out "shall" and insert "shall, at the option of the United States."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The question now is on agreeing to the amendment of the Senator from New Jersey.

Mr. TAYLOR. Mr. President, there is no objection to the amendment, so far as I am concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Public Housing Commissioner is authorized and directed to convey by quitclaim deed, without consideration, to the State of Maryland, for use as a site for a National Guard Armory, a tract of land in Prince Georges County, Md., described as follows: Beginning at a concrete monument on the north right-of-way line of Southway—a road within the corporate limits of the town of Greenbelt, Prince Georges County, Md.—the plane coordinates of the said beginning point being north thirty-eight thousand five hundred and seventy-six and eighty-one one-hundredths, east thirty-five thousand seven hundred and seven and sixty-nine one-hundredths—said coordinates are developed from triangulation station "Cedar" whose coordinates are north forty-three thousand five hundred and seventeen and seventeen one-hundredths, east thirty-five thousand two hundred and eighteen and fifty-six one-hundredths—and the bearings given are true grid bearings—bearing from triangulation station "Cedar" to reference monument numbered 3 for station "Cedar" north six degrees thirty-eight minutes nine seconds east, thence leaving the said north right-of-way line of Southway north no degrees no minutes no seconds east seven hundred and thirty-eight and nineteen one-hundredths feet to a concrete monument; thence due east one hundred and seven and thirty-one one-hundredths feet to a concrete monument; thence south fifty-four degrees seven minutes fifty seconds east four hundred and one and six one-hundredths feet to a concrete monument; thence south seventy-six degrees forty-eight minutes thirty seconds east two hundred and thirty feet to a concrete monument; thence south no degrees forty-four minutes no seconds west two hundred and seventy-seven and three one-hundredths feet to a concrete monument on the north right-of-way line of Southway; thence with the said north right-of-way line of Southway and along the arc of a curve to the right whose components are: Arc six hundred and eighty-three and nine one-hundredths, radius one thousand three hundred and thirteen, delta twenty-nine degrees forty-eight minutes thirty seconds, tangent three hundred and forty-nine and forty-six one-hundredths, chord six hundred and seventy-five and forty-two one-hundredths, chord bearing south seventy-five degrees five minutes forty-five seconds west to the point of beginning; containing eight and three one-hundredths acres exactly. The United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Commissioner may deem proper.

SEC. 2. The land authorized to be conveyed by the first section of this act shall be used by the grantee for purposes of a site for a National Guard Armory and for training the National Guard or for other military purposes, and the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate or attempt to alienate such land, title thereto shall, at the option of the United States, revert to the United States.

SEC. 3. Sections 1 and 2 of this act shall not be effective until the Governor of the State of Maryland shall certify in writing to the Secretary of Defense that such land is needed by the State of Maryland for the purpose of a site for a National Guard Armory and for training the National Guard or for other military purposes and that such land is suitable for such purposes.

The title was amended so as to read: "A bill to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard Armory and for training the National Guard or for other military purposes."

SALE OF PUBLIC LANDS IN ALASKA

The PRESIDING OFFICER. The clerk will state the next measure on the calendar.

The bill (H. R. 2859) to authorize the sale of public lands in Alaska was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. LANGER. Mr. President, may we have an explanation of the bill?

Mr. O'MAHONEY. Mr. President, in the Territory of Alaska the old homestead law under which public lands could be acquired is no longer applicable.

Where the sale of public lands is allowed such sales are specifically limited to 80 acres. There are several preliminaries which are required which make the present law unworkable in the present situation.

The House passed a bill granting practically blanket authority to the Secretary of the Interior to sell public lands. The Senate committee has stricken out all of the House bill and has substituted new language, making a new bill which is intended to permit the sale of public lands, but provides certain standards with respect to the utilization of the land. For example, there is provided a limitation of not to exceed 160 acres in the aggregate.

It is provided that the limitation shall be stated in the aggregate, so that, for example, a business enterprise wishing to establish a series of filling stations along a highway, can acquire sufficient tracts, provided that in the aggregate they do not amount to more than 160 acres. Provision is also made that such sale be only by public auction. Notice must be given in a newspaper of general circulation in the Territory of Alaska.

In other words, we are providing a system whereby, under proper safeguards to protect the Federal Government, lands may be acquired by private enterprise to develop industry in Alaska.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder whether the Senator from Wyoming will tell us what kind of industry or commercial enterprise would require 160 acres. I am interested in knowing how that figure was arrived at.

Mr. O'MAHONEY. As the bill came to the Senate in the first place, there was no limitation at all. Of course, Alaska is a territory of vast expanse, and it was believed that it might be necessary for a distributing concern, for example, to have a certain amount of acreage in one town, and other acreage in another town, and so forth, the aggregate of which might be as much as 160 acres. It is a maximum limitation, I will say to the Senator. Then, of course, there is a possibility that land might have to be bought in order to establish a business.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 2859) to authorize the sale of public lands in Alaska, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That public lands in Alaska not within national parks or monuments, national forests, Indian lands, and military reservations, which have been classified by the Secretary of the Interior as suitable for industrial or commercial purposes, including the construction of housing, may be sold by him at public auction, after giving not less than 30 days' notice of such intended sale in a newspaper of general circulation in Alaska, in tracts not to exceed 160 acres in the aggregate, to any bidder who furnishes proof satisfactory to the Secretary that such bidder has the bona fide intention and the means to develop the tract for such use: *Provided,* That withdrawn or reserved lands may be disposed of under this act only with the consent of any department or agency having administrative jurisdiction over such lands.

SEC. 2. No sale shall be made for less than the appraised price of the land and the cost of making any survey to properly describe the land sold.

SEC. 3. There shall be issued to each purchaser of land under this act a certificate of purchase. Within 3 years after issuance of such certificate, upon proof supported by affidavits of two disinterested persons that the purchaser has used the land for the purpose for which it was classified for sale for a period of not less than 6 months, a patent in fee shall be issued. Patents under this act shall issue only after survey, and shall contain a reservation to the United States of all minerals in the lands patented, together with the right to prospect for, mine, and remove the minerals, and such other reservations as may be necessary and proper: *Provided,* That, notwithstanding the provisions of any act of Congress to the contrary, any person who hereafter prospects for, mines, or removes any minerals from any land disposed of under this act shall be liable for any damage that may be caused to the value of the land and tangible improvements thereon by such prospecting for, mining, or removal of minerals. Nothing in this section shall be construed to impair any vested right in existence on the effective date of this section.

SEC. 4. This act shall not affect any existing valid rights. The act of May 14, 1898 (48 U. S. C., secs. 371 and 462), as amended, creating shore space reserves, shall not apply to nor limit the operation of this act.

SEC. 5. The Secretary of the Interior may make such rules and regulations as may be necessary and proper to provide for the development, under applicable law, of minerals reserved to the United States, to provide appropriate notice of and method of conducting sales, to prevent speculation, to promote the orderly development of lands in Alaska, to provide protection and compensation for damages from mining activities to the surface and improvements thereon, and to carry out any of the other purposes of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SIMPLIFICATION OF PROCUREMENT, UTILIZATION, AND DISPOSAL OF GOVERNMENT PROPERTY—BILL PASSED OVER

The bill (S. 2020) to simplify the procurement, utilization and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. May we have an explanation?

Mr. McCLELLAN. Mr. President, I shall ask that this bill and also Calendar No. 474, House bill 4754, the companion bill in the House, go over. This is a bill in line with the reorganization program as recommended by the Hoover Commission, to establish service agencies. It is the bill I undertook to have considered the other day, but an effort is being made to work out certain amendments in order to satisfy another committee. I ask that this bill be passed over at this time, in the hope that we may get it up later this afternoon, and also that Calendar 474, the companion House bill (H. R. 4754) also go over.

The PRESIDING OFFICER. The bill (S. 2020), Calendar 467, and the bill (H. R. 4754), Calendar 474, will be passed over.

TRANSFER OF TOWER, LOWER SOURIS NATIONAL WILDLIFE REFUGE

The bill (H. R. 3751) to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., North Dakota, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MORSE. I wish to offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In line 7, after the name "North Dakota", it is proposed to insert a colon and "*Provided,* That the International Peace Garden, Inc., North Dakota, shall pay 50 percent of the appraised fair market value of the property as determined by the Fish and Wildlife Service."

Mr. YOUNG. Mr. President, the amendment is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, the corresponding Senate bill, Calendar No. 361, Senate bill 1384, will be indefinitely postponed.

Mr. JOHNSON of Colorado. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McFARLAND, Mr. TOBEY, and Mr. JOHNSON of Colorado conferees on the part of the Senate.

REMOVAL OF RESTRICTIONS ON LAND CONVEYED TO PORTER ACADEMY

The bill (S. 1742) removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to release to the trustees of Porter Academy by an appropriate written instrument the restriction placed upon that land in Charleston, S. C., which was conveyed to the trustees of Porter Academy pursuant to the provisions of the act of March 8, 1888, entitled "An act authorizing the Secretary of War to transfer to the trustees of Porter Academy certain property in the city of Charleston, S. C.," sections 1 and 2 of which required that the property should be inviolably dedicated to educational purposes and no other and required that the deed of conveyance contain a condition to that effect.

Mr. MAYBANK. I ask unanimous consent to have included in the RECORD in connection with the passage of this bill the committee report.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report (No. 478) was ordered to be printed in the RECORD, as follows:

The Committee on Armed Services, to whom was referred the bill (S. 1742) removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of this bill is to authorize the Secretary of the Army to release to the trustees of Porter Academy the restriction placed upon certain lands in Charleston, S. C., conveyed to them pursuant to the act of March 8, 1888.

EXPLANATION OF THE BILL

A parcel of pre-Civil War Federal military property located in Charleston, S. C., and known as the United States arsenal, became surplus to the needs of the Government shortly after the Civil War. In 1880 the property was leased to the Reverend A.

Toomer Porter, D. D., rector of the Church of the Holy Communion, Charleston. Dr. Porter made improvements on the buildings and transferred to the property the activities of Porter Academy, which had been founded in Charleston during the reconstruction in 1867.

Title to the property was formally transferred to the board of trustees of Porter Academy by act of Congress approved April 7, 1888. This act contained a stipulation that said property shall be dedicated and used for all time for educational purposes and for no other, a restriction placed in the act by the Congress to prevent the property again being converted to military use. The board of trustees has adhered to the restriction for nearly 70 years, and the prospectus of new program adopted by the board on January 25, 1949, plans continued adherence to the traditional plan of the school. The Military Establishment has had no interest in the property since the Civil War; in the meantime the property has been quite extensively improved by Porter Academy throughout the long period of its occupancy.

At the present time the board of trustees of the academy are attempting to modernize and improve the buildings and facilities of the school in an effort to stimulate enrollment. The board has been unable to borrow money on its property because of the restrictive stipulation contained in the deed.

In view of the fact that the Federal Government has had no interest in this property for nearly three-quarters of a century, and that there appears to be no continuing need under modern-day conditions to retain the restrictive stipulation in the deed, it would seem appropriate to remove it, to the end that this very reputable old academy may place its plant in better condition to carry out its work.

The Department of the Army interposes no objection to this bill, as is indicated by copy of the letter from the Under Secretary of the Army to the chairman of the Armed Services Committee, which is made a part of this report.

HON. MILLARD E. TYDINGS,
Chairman, Committee on Armed Services, United States Senate.

DEAR SENATOR TYDINGS: Reference is made to your recent request to the Secretary of Defense for the views of the National Military Establishment with respect to S. 1742, Eighty-first Congress, a bill removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy. The Secretary of Defense has delegated to this Department the responsibility for expressing the views of the National Military Establishment.

The Department of the Army has no objection to the above-mentioned bill.

The purpose of this bill is to authorize the Secretary of the Army to release to the trustees of Porter Academy the restriction placed upon certain land in Charleston, S. C., conveyed to them pursuant to the act of March 8, 1888, which provided that the property should be inviolably dedicated to educational purposes and no other and required that the deed of conveyance contain a condition to that effect.

No objection is interposed to this measure since its enactment into law will not adversely affect any activity of the National Military Establishment.

The passage of this measure will not involve the expenditure of any Federal funds.

This report has been coordinated among the departments and boards in the National Military Establishment in accordance with procedures prescribed by the Secretary of Defense.

Inasmuch as the committee has requested that this report be expedited, it is submitted without determination by the Bureau of the Budget as to whether or not it conforms to the program of the President.

Sincerely yours,

GORDON GRAY,
Under Secretary of the Army.

ADJUSTMENT OF COMPENSATION UNDER CONTRACTS FOR CARRYING MAIL ON WATER ROUTES

The bill (S. 771) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I request an explanation of the bill, and then I want to propose an amendment.

Mr. NEELY. Mr. President, the Senator from Maryland [Mr. O'CONOR], the author of this measure, is absent as a delegate to the ILO conference at Geneva, and in his absence I have been asked by his secretary to make a brief statement. The bill was unanimously and favorably reported both by the subcommittee which considered it and also by the full Committee on Post Office and Civil Service. The object of the measure is to include as star route carriers certain carriers by water. There are about 115 of them all told. It adds no additional burden to the Post Office Department. It may improve its efficiency and may also result in a reduction of expenditures in certain cases.

Mr. SCHOEPPEL. I should like to offer an amendment to the bill, which I send to the desk with the request that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That the last two paragraphs of section 3951 of the Revised Statutes, as amended (39 U. S. C., sec. 434), is amended by inserting after the words "star-route contract" the words "or water-route contract (other than a contract held by a person or firm engaged in operating boats primarily for the transportation of passengers or freight)", and by inserting after the words "star-route contractor" the words "or water-route contractor (other than a person or firm engaged in operating boats primarily for the transportation of passengers or freight)."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 771) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Kansas.

Mr. NEELY. Will the Senator from Kansas please explain the purpose of the amendment? I have not seen it, and I know nothing about it.

Mr. SCHOEPPEL. The bill might go to the foot of the calendar? I shall be glad to take it up with the Senator.

The PRESIDING OFFICER. Without objection, the bill will go to the foot of the calendar.

Mr. NEELY subsequently said: Mr. President, I ask unanimous consent to return to the consideration of Calendar 472, the bill (S. 771) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (S. 771) to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes.

Mr. NEELY. After conference with the Senator from Kansas, I find there is no objection to the amendment he has offered, and I shall venture to accept it in behalf of the Senator from Maryland [Mr. O'CONOR], and ask that the bill, as thus amended, be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last two paragraphs of section 3951 of the Revised Statutes, as amended (39 U. S. C., sec. 434), is amended by inserting after the terms "star-route contract" and "star-route contractor", the terms "water-route contract" and "water-route contractor", respectively.

AUTHORITY OF ADMINISTRATOR OF VETERANS' AFFAIRS RESPECTING LEASES, ETC.—BILL PASSED OVER

The bill (S. 2010) to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. While there is no objection to the consideration of the bill, I should like to have an explanation as to what authority this legislation will give the Administrator to lease property, which is in addition to or different from the authority given other agency heads.

The PRESIDING OFFICER. Request is made for an explanation of the bill. Does the Senator object to the present consideration of the bill?

Mr. HENDRICKSON. I should like an explanation of it.

The PRESIDING OFFICER. Is any Senator present able to give an explanation of the bill?

Mr. MCCARRAN. Mr. President, will the Chair kindly state the number of the bill which is pending?

The PRESIDING OFFICER. It is calendar 473, Senate bill 2010. There appears to be no Senator to explain it.

Mr. BREWSTER. Mr. President, the chairman of the committee is absent. I therefore ask that the bill may be placed at the foot of the calendar. I am sure the matter can be taken care of. However, I am not prepared to state.

Mr. SCHOEPPEL. I quite agree with that procedure.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

ADJUSTMENTS ON PROMOTION LIST OF MEDICAL SERVICE CORPS OF THE REGULAR ARMY

The PRESIDING OFFICER. The clerk will state the next calendar order.

The Senate proceeded to consider the bill (S. 1688) to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army, which had been reported from the Committee on Armed Services, with an amendment, on page 2, line 7, after the word "That", to insert "in rearranging the officers on the promotion list as provided in this act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding any other provision of law, upon the date of enactment of this act the names of all Medical Service Corps promotion-list officers shall be rearranged on the Medical Service Corps promotion list so that within each grade their names shall appear in the order of their precedence determined by the total amount of service creditable to them for promotion purposes under existing law and in cases of an equal amount of such service, the officer with the greatest amount of continuous commissioned service on the active list of the Regular Army shall have precedence, and, in cases where this is the same, precedence shall be in accordance with permanent seniority standing as established at time of original appointment in the Regular Army, and in cases not covered by the foregoing, precedence shall be established by the Secretary of the Army: *Provided*, That in rearranging the officers on the promotion list as provided in this act no officer who has failed of selection for promotion under the provisions of any section of the Officer Personnel Act of 1947 shall have his name advanced above that of any other officer who was considered at the same time and selected for promotion to the grade involved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 12) to amend the Civil Aeronautics Act of 1938, as amended, was announced as next in order.

Mr. JOHNSON of Colorado. Mr. President, on behalf of the senior Senator from Illinois [Mr. LUCAS], I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONTINUANCE OF AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, AND OPERATE VESSELS

The joint resolution (H. J. Res. 237) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes, was announced as next in order.

Mr. LANGER. Mr. President, I ask that the resolution be passed over.

Mr. MAGNUSON. Mr. President, I hope the Senator from North Dakota will withhold his request. This joint resolution extends the now existing authority of the Maritime Commission to sell, charter, and operate vessels. It involves practically the whole operation of the American merchant marine. The authority has been extended from time to time, ever since the war authority was revoked. It is absolutely necessary that this be done, because from 50 to 70 percent of our entire merchant marine is either under charter, operated by the Maritime Commission, or under contract with private operators. Authority was extended last year until March 1, and was again extended until June 30 of this year, in the hope that we might be able to pass some permanent legislation which would give the Maritime Commission permanent authority over our vast fleet of vessels. We have not been able to do so because of legislative congestion. As I have stated, the present authority will expire on June 30. That is a matter of 10 days. The House has passed the resolution. It passed unanimously through the House Committee on Merchant Marine and Fisheries, and it also passed the Senate committee, and is placed on the Calendar because June 30 is only a matter of 10 days from now. Unless the resolution is passed there can only be a bad result.

We have provided that in future charters, those who charter vessels in the intercoastal trade shall be required to keep the ships not less than four months, and those in the offshore trade no less than six months. This would do away with any possibility that in future they might operate a ship for a short period of time and then attempt to turn it back to the Commission.

I hope the Senator from North Dakota will not object, because if there is anything that could tie up the American merchant marine it would be for the authority to expire on June 30, rendering the Commission impotent to go ahead with the sale and operation of ships.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Maine.

Mr. BREWSTER. Mr. President, I want to join with the Senator from Washington in pressing for a vote today, as it is exceedingly vital that the authority be continued. The resolution does not alter the existing authority. There is now at the head of the Maritime Commission, a very efficient man, and under the reorganization plan proposed we shall have a very much more efficient organization, in my judgment. General Fleming who has recently become Chairman of the Commission, will have the power, we hope, militantly to develop our merchant marine. I think our knowledge of General Fleming is such that we may be sure he will use his powers, in connection with the determination by the Commission of policies, very wisely and very well.

I very much hope we can give consideration to the matter today, in the interest of both our merchant marine and of those who are interested in it, and particularly a great many thousands of persons who might be put on the beach if we do not get action today.

Mr. MAGNUSON. Mr. President, it will mean of course, a great deal to all of the ports of the country, to all maritime States, and all those interested in all phases of American shipping. I appreciate the fact that maybe our interest is a little greater than that of the inland State of North Dakota, but, nevertheless, it means something to the economy not only of the Nation as a whole, but to all the so-called maritime States.

I hope the Senator from North Dakota will withdraw his objection, unless he wants to tie up the whole merchant marine of the United States.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. McCARRAN. Mr. President, if the Senator from North Dakota did not object, I would object, and I shall continue to object. Of all the high-handed and unlawful outfits in this country, the Maritime Commission is the one. I refer to its utter and absolute destruction of shipping on the Pacific Ocean. It took over a steamship line merely as a pledge, and declared it to be its property. It has contended that it is its property, and has continued to operate it as its property. It has destroyed the shipping on the Pacific coast and on the Pacific Ocean. So far as I am concerned, so long as I can stand on my feet I shall not allow this resolution to go through for the continuation of authority to this arbitrary and high-handed Commission.

Mr. MAGNUSON. Mr. President, I do not disagree with some of the things the Senator from Nevada has said. I will say to the Members of the Senate that we are at this time in the process of conducting a thorough investigation, ordered by the Senate Interstate Commerce Committee, of many of the practices with which the Senator from Maine, I, and other Senators do not agree. Nevertheless, it is not the proper method by which to correct those practices. There are many good things which have been done. There are many ships operating on the Atlantic and Pacific Oceans which must continue operating under their so-called charter authority. This resolution is merely to effect that purpose. I agree with the Senator from Nevada that if there has been one commission which needed investigation it is the Maritime Commission. We are now in the process of investigating it.

Mr. McCARRAN. Mr. President, investigation cures nothing. Only action will cure the situation. Investigation will not cure the taking over of the American President Lines or the Dollar Lines. It will not cure something which was not warranted by law and had no recognition in law, when the Commission arbitrarily took over the lines to the destruction of all the Pacific coast shipping.

Mr. MAGNUSON. I think the Senator will find—I am not speaking of the merits of the acquisition—that the action to which he refers was taken under the wartime authority of the Commission.

Mr. McCARRAN. I think the Senator is incorrect in that statement.

Mr. MAGNUSON. It was done under different authority from that which we are seeking here.

The PRESIDING OFFICER. Objection to the consideration of the resolution is heard.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BREWSTER. Mr. President, I ask unanimous consent to be recognized.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maine.

Mr. BREWSTER. Mr. President, I appreciate the interest manifested by the Senator from North Dakota and the Senator from Nevada; I certainly share in full measure their feeling regarding the operations of the Maritime Commission, and I have tried as diligently as I could to get action.

Mr. McCARRAN. Has the Senator inquired into the action of this Commission regarding the Dollar Lines and the President Lines on the Pacific?

Mr. BREWSTER. I wish to say to the Senator from Nevada that the subcommittee of the Committee on Interstate and Foreign Commerce, under the chairmanship of the Senator from Washington, has just within the past 2 weeks gotten the grant of both the authority and the funds to carry out the investigation. We have organized; we have a staff; we held our first meeting this morning. We had an organization meeting yesterday; but we had an extended hearing this morning as to why American ships were being transferred to the Panamanian flag. The Senator from Washington and I spent all morning on it. We mean to carry out a most searching investigation into the matter mentioned by the Senator from Nevada, as one of the first matters on our agenda, to ascertain what has been done, and why.

In justice to the Commission, I wish to say that it has been reconstituted. In the last year there have been two new appointments. Some of the older members, I think, were not in sympathy with what was done, but in General Fleming, who has been transferred to the chairmanship in the past month, in my judgment we have a most competent administrator, who frankly confesses that he has no intimate knowledge of the shipping world. I think it is a very good thing that he is not enmeshed or involved in the intracacies of what has caused the troubles heretofore.

It is perhaps a new experiment to bring in a man without an intimate background, but in General Fleming I feel highly hopeful. We had a conference with him this morning, and we propose to work in the closest cooperation with him to save the American merchant marine from complete destruction, which otherwise seems to threaten. I believe he will collaborate fully with the Members of the Senate, and particularly with the Senate Commmittee on Interstate and Foreign Commerce, in trying to work this matter out within the limits of the authority proposed to be given.

Mr. McCARRAN. I do not care to interrupt the Senator in his time, but let me say that I shall object unless the Commission will agree to comply with the law, which never contemplated that they would go into the shipping business in competition with private lines, and take over a shipping line which was by reason of conditions prevalent at the time, put up as a pledge. Unless they will change their policy in that matter, so far as I am concerned, I will stand on the floor of the Senate as long as I have breath in my body to prevent the continuance of the Commission.

Mr. BREWSTER. The Senator from Nevada will be very much interested to know that, in the very measure we are discussing, we have further circumscribed their power to enter into competition with private business.

Mr. McCARRAN. That was done when the bill afterward enacted was first drawn, and when it was passed through the Congress, but in violation of the law they proceeded to take over these lines.

Mr. BREWSTER. I certainly am not defending the action they took at that time or since; I think it was an outrage.

Mr. McCARRAN. Will the Senator join with me to restore to the original owners the lines which were taken over from private ownership by the Commission, after all the payments had been liquidated?

Mr. BREWSTER. If it were humanly and legally possible to accomplish the restoration of what I believe to be the rights of those people, I should certainly be happy to cooperate. However, I do not think we should postpone the extension of the Commission.

Mr. ROBERTSON. A parliamentary inquiry.

Mr. BREWSTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield for a parliamentary inquiry?

Mr. ROBERTSON. My parliamentary inquiry is, What is the time limit on debate when the calendar is under consideration?

Mr. BREWSTER. Five minutes.

Mr. ROBERTSON. I do not care to cut off any Senator, but if we take 10 or 15 or 20 minutes on bills which are supposed to be considered on the unanimous consent calendar, we will never finish the calendar today.

Mr. BREWSTER. Each Senator is allowed 5 minutes.

The PRESIDING OFFICER. The Chair must interrupt the Senator to state that objection was heard to the consideration of the bill. Consequently, there is nothing before the Senate. The Senate is proceeding under the call of the calendar. The Chair has recognized the Senator from Maine, but there is nothing pending before the Senate.

Mr. McCARRAN. Mr. President, I want it understood that I am objecting to this bill, and I shall continue to object to it. If I may not be on the floor when it is reached on the call of the calendar, I ask the leadership of the majority to object in my name.

Mr. BREWSTER. I understood that request had been made by the Senator from Washington—and if I am in error, I shall be corrected—that Senators would withhold their objection to permit of discussion under the 5-minute rule. If that is incorrect, we are out of order, but I wish to serve notice that that will apply to every Senator alike.

The PRESIDING OFFICER. The first objection was made by the Senator from North Dakota, and under reservation of the objection the Senator from Washington spoke. Later the Chair recognized the Senator from Maine. The Senator from Nevada has now objected.

Mr. BREWSTER. The Senator from Nevada said he was going to object. I should like to know whether I can finish my 5 minutes. I did not yield to the Senator from Nevada for the purpose of objecting.

Mr. McCARRAN. I object.

Mr. BREWSTER. I should like to finish my 5 minutes, if I may.

Mr. McCARRAN. I certainly would not interfere with that. I am always glad to hear the Senator from Maine.

Mr. BREWSTER. In whatever time I have left, I should like to say that I do think this matter is very important, and I assume there must be on the part of the leadership some way of giving it attention before the 10 days shall have expired. I am sure that if we may discuss this matter with the Senator from North Dakota and the Senator from Nevada, we will find some way of getting the bill considered.

Mr. MAGNUSON. If the Senator will yield, I am sure the Senator understands, as well as I do, that the matter about which the Senator from Nevada speaks is something which happened some years ago, and that if the situation is as he says it is, the subcommittee, which is just beginning its investigation, will look into it thoroughly. We just received our authority, and would be glad to go into the matter in great detail. But there are also other lines involved, other shipping interests throughout the United States, which will be seriously affected unless the Commission is continued.

Mr. MAYBANK. Mr. President, I did not care to take the time of the Senator from Maine or the Senator from Nevada or the Senator from Washington, but I wish to state that it is my opinion that the Maritime Commission should be given the authority to keep the American flag flying, and that the proper amendments to the bill may be worked out, so that the vessels of this country may be protected and that we may go forward.

The PRESIDING OFFICER. Objection is heard, and the clerk will state the next order of business on the calendar.

RELIEF FOR THE FISHING INDUSTRY

The resolution (S. Res. 92) relative to relief for the fishing industry of the United States was announced as next in order.

HOOVER COMMISSION RECOMMENDATION REGARDING MARITIME COMMISSION

Mr. McCARTHY. Mr. President, since we are operating under the 5-minute rule, I should like to call attention to a matter which I am sure will interest the Senator from Nevada, the Senator from Maine, and the Senator from Washington, namely, the complete failure of the President, in sending to the Congress Reorganization Plan No. 6, to follow the Hoover Commission recommendation relative to the Maritime Commission.

The Hoover Commission made a recommendation, I believe unanimously, although I may be mistaken as to that, that the two conflicting functions of the Maritime Commission be separated; that the function having to do with ship operation be transferred to the Commerce Department, which would mean a trans-

fer of about 75 percent of the functions of the Maritime Commission to the Commerce Department. The Hoover Commission further recommended that the regulatory functions of the Maritime Commission be operated under a bipartisan commission. The President failed to so provide in his plan for reorganization of the Maritime Commission.

There is nothing wrong with what the President presented in his plan No. 6 insofar as he went. I think the plan providing for a strong Chairman of the Maritime Commission is particularly good. But he did not take the firm action which is necessary if we are ever to have a competently run Maritime Commission. He did nothing in plan No. 6 which in my opinion would save any of the money which the Hoover Commission says could be saved if we followed the recommendations of the Hoover Commission. There was complete pussyfooting as to that, and in my opinion, if this is setting the pattern for future planning, then it will completely negative a vast amount of the very excellent work done by the Hoover Commission.

I am deeply disappointed, not in what the President did, but in the great omission in Reorganization Plan No. 6. Later, when we are not operating under the 5-minute rule, I should like to discuss some of the failures in the other plans which he sent to the Congress.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield to the Senator from Nevada, unless my 5 minutes are up.

Mr. McCARRAN. Mr. President, does either the Hoover plan or any other plan, so far as the bill we have just been considering is concerned, remedy unjust and illegal actions heretofore committed by the Maritime Commission?

Mr. McCARTHY. Mr. President, the Hoover Commission report recognizes the complete incompetence, the complete inefficiency of the Maritime Commission as presently operated. The Hoover Commission does not deal with this particular piece of legislation or any other particular piece of legislation. Its report is aimed at curing what is referred to as incompetence and inefficiency. It does not, of course, deal with the particular piece of legislation the Senator is today discussing.

Mr. MAGNUSON. Mr. President, of course, what the Senator from Wisconsin says is correct, and that is exactly what we are trying to do. The purpose of this legislation is only to take care of—something which we have done many times—the immediate situation. We can do so for 90 days, if the Senate wishes, but complete chaos would result in the Maritime Commission unless the time were extended. We on the committee, long before the Hoover report was made, agreed upon what are now some of the conclusions of the report. That is the reason we have asked for this complete review and investigation of the Maritime Commission, of the maritime policy of this country, of which we have very little by way of a national policy, and of the reason why the American flag has gone off the high seas of the world. We are all in agreement on those matters.

Mr. McCARTHY. Mr. President, I may say to the Senator from Washington that I was making no objection to the bill under consideration. I merely call attention to what I think is a very unfortunate situation insofar as this Presidential plan is concerned. I am disturbed, because I believe it is bypassing a part of the recommendation. The President seems to avoid the Hoover Commission recommendation wherever it will mean stepping on anyone's toes.

RELIEF OF THE FISHING INDUSTRY

The PRESIDING OFFICER. The time of the Senator from Wisconsin on Senate Resolution 92, Calendar No. 478, has expired.

Is there objection to the present consideration of Senate Resolution 92?

Mr. HOLLAND. Mr. President, I have been requested by the senior Senator from Georgia [Mr. GEORGE] to object to the present consideration of Senate Resolution 92.

The PRESIDING OFFICER. The resolution will go over.

Mr. BREWSTER. Mr. President, will the Senator withhold the objection for a moment?

Mr. HOLLAND. I shall be happy to do so, but I must say to the Senator from Maine that I am simply voicing the objection on behalf of the Senator from Georgia.

Mr. BREWSTER. I understand that, Mr. President. I want the Senate to understand, however, what the proposal involves. I want Senators who may feel that the proposal is not desirable or right or wise, to know what its purpose is.

The House asked the State Department to report on the difficulty in which the fishery industry along our coast finds itself. It is very seriously affected by the importation of more than 50,000,000 pounds of fish from the North, from Canada, Newfoundland, Nova Scotia, and Iceland. The Department made a report. Apparently the request was made of the Department upon the naive assumption that the State Department was responsible for our domestic prosperity. All of us who are familiar with the situation know that matter is utterly outside the Department's province. The Department's province is to develop our foreign relations on an amicable basis, and if it involves some difficulty to our domestic industry, that apparently is too bad.

Accordingly I submitted this resolution, which asks that the Department primarily responsible for our fisheries should make a report to us. I should be very regretful if a Member of the Senate was not willing to have an executive department concerned with the preservation of our fishery industry make at least a report to this body as to what other reasons there are for these difficulties, including in it such facts as it may obtain after consultation with the other agencies having connection with the subject matter, the Tariff Commission, and others.

The only thing the State Department told us was that American fishermen ought to produce fish more cheaply. They could do so if they were willing to accept the wages paid to the fishermen of Newfoundland and Iceland. Mr. President, if that is the prescription of anyone in the Senate for the solution of our troubles in this country, I suggest we extend it to the entire field of workers, and tell every American worker, as well as fishermen, that if they would only accept the standards of living of workers in other countries, the solution of our problems in this country would not be difficult, and we would have no trouble here at all. If that should be done, we would have in this country the lowest and cheapest cost of living we have ever had and the American workers would be experiencing a recession colossal in the extreme.

The only thing the resolution asks is that the proper agency shall tell the Senate why it is that 50,000,000 pounds of foreign fish came into this country last year, to the very great detriment of the fishermen of the United States. I hope an objection to the resolution may be withheld.

Mr. HOLLAND. Mr. President, I note that the distinguished senior Senator from Georgia [Mr. GEORGE] has just returned to the Senate floor.

Mr. GEORGE. Mr. President, I renew the objection to consideration of the resolution at this time. The problem raised by the resolution is very definitely a tariff problem. The resolution should go to the Finance Committee for consideration. For that reason I make the objection. The resolution has no place here from the committee to which it was referred. The committee which reported it simply lacked jurisdiction.

Mr. BREWSTER. May I inquire whether or not the Senator would accept jurisdiction over the resolution if I should ask for its reference to the Committee on Finance?

Mr. GEORGE. Certainly. I will be very glad to have a study undertaken and a report made.

Mr. BREWSTER. Mr. President, I ask unanimous consent that the resolution be referred to the Committee on Finance. Certainly as a member of the Committee on Finance I have no question respecting its jurisdiction. I am quite ready to recognize its primary responsibility. I now ask unanimous consent that the resolution be referred to the Committee on Finance.

The PRESIDING OFFICER. Is there objection to the unanimous consent request made by the Senator from Maine? The Chair hears none, and the resolution is referred to the Committee on Finance.

Mr. BREWSTER subsequently said: Mr. President, making reference to the editorial from the Wall Street Journal of this date, which was inserted in the RECORD earlier today by the Senator from Nevada [Mr. MALONE] and which deals with what the Wall Street Journal characterizes as the flood of cut-rate imports now threatening our economic structure. I ask unanimous consent to have printed in the RECORD another article from the Wall Street Journal of this date entitled, "United States, Britain Seek Way To End Dispute Over Argentine Trade Pact."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNITED STATES, BRITAIN SEEK WAY TO END DISPUTE OVER ARGENTINE TRADE PACT—WASHINGTON OFFICIALS DISCOUNT REPORTS UNITED STATES MIGHT CUT ECA AID TO BRITAIN

WASHINGTON.—American and British officials apparently are searching for a face-saving compromise in their row over a proposed British-Argentine trade agreement.

While the issue is the most serious which thus far has entered American relations with any country under the European recovery program, officials discounted speculation that the United States actually might cut off some Marshall plan aid to Britain.

Rather, it appeared from information available here that a compromise is shaping up along these lines:

Britain and Argentina will not sign the treaty until after the State Department and ECA have had a chance to study and comment on it.

Britain intends to go through with the 5-year agreement, but concedes that such two-nation deals are contrary to the principles of free international trade and should be avoided whenever possible.

While the British will make a firm agreement to buy specified quantities of meat from Argentina for 5 years, the Argentines will decide each year what they want from Britain. Thus Argentina's purchase contracts will be renegotiated every year so that at almost any time an American seller theoretically could enter the market.

This latter point is perhaps the most important now under study here. Britain embassy officials stressed it to the State Department last week with the argument that Britain is not trying to sew up Argentine trade or exclude American goods from Argentine markets.

GROWING DIFFERENCES CLAIMED

LONDON.—The Financial Times said American attacks on the Anglo-Argentine meat pact are another sign of the growing differences between the United States and British trade policies.

In its main front page story, the newspaper stated "London observers are becoming increasingly anxious at the effect on Anglo-American relations" of these differences.

"They underlie the inability so far to secure agreement on an intra-European payments scheme—a deadlock which the meeting of ministers in Brussels this week will make a final attempt to solve."

The United States opposes the 5-year Anglo-Argentine trade pact, fearing it would freeze out American products in the Argentine market. Under the treaty, still to be signed, Britain would give oil and machinery in exchange for Argentine meat and food.

"American critics argue that the United Kingdom pattern of bilateral payments agreements, if pursued to its logical end, could result in the partial isolation of the dollar from the nondollar world," the newspaper said.

The newspaper noted that the 5-year Argentine pact would extend 2 years after the scheduled end of the European recovery program.

It said the pact "would seriously affect the United States of America if sterling area supplies of food, oil, and other commodities replaced dollar supplies on a permanent basis.

"It is argued that Britain and other ERP countries are using Marshall aid to strengthen their economies so as to make themselves as independent as possible of trade with the dollar countries.

"The United Kingdom counter argument is that while a high level of dollar trade is desired, the lack of any indication that earnings will suffice for purchases from dollar countries to be continued on the present scale leaves no alternative but to attempt to secure supplies from other countries which will take British goods in return."

ECA URGES EUROPE LET UNITED STATES LUMBER PRODUCERS COMPETE FOR EXPORTS—SAYS WEST EUROPE'S IMPORTS OF CANADIAN WOOD HAVE RISEN AS BUYING FELL IN UNITED STATES

WASHINGTON.—Marshall plan countries should at least let United States lumber producers compete for their traditional share of Europe's purchases in this hemisphere, the Economic Cooperation Administration declared yesterday.

In a special study of lumber shipments under the recovery program ECA revealed the Marshall plan countries at present plan to import only 212,000,000 board feet from the United States in 1949–50. At the same time, imports from Canada are scheduled at 1,103,000,000 board feet for next year.

ECA noted that the 1949–50 estimates would give the United States only 2.5 percent of western Europe's total lumber imports as against 12.9 percent from Canada. It compared this ratio with 1948–49, when the United States was scheduled for 5.8 percent and Canada for 12.8 percent of Europe's lumber imports, and prewar when the United States received 3.6 percent and Canada 8.9 percent.

Since lumber quality, grade, and types from the United States and Canada are interchangeable, the ECA report said, the Marshall plan nations should consider the possibility of changing import schedules in order to give the United States at least an opportunity to compete on the basis of price and quality for its traditional share of the total.

ECA estimated that the United States will have an exportable surplus of 2,000,000,000 board feet in the next fiscal year. If non-Marshall plan countries continue their present import rate of 500,000,000 feet a year from the United States, it said, this would leave 1,500,000,000 feet available for export to western Europe next year.

But the Europeans are not planning to buy this amount from the United States because they want to save dollars, it noted.

To solve its dollar shortage and still import sufficient lumber for recovery, the report said, western Europe should step up its imports from the iron curtain countries of Europe as much as possible.

ECA warned, however, that the recovery nations may not be able to import sufficient lumber from eastern and western Europe next year to meet their demands. A measure which could help solve this problem, it said, would be to shift demand to North America for the deficit from European sources.

It added that the Marshall plan nations have curtailed lumber consumption to date by distribution controls, lower construction standards, waste utilization and other methods. Their plans for next year call for a consumption level only 86 percent of the 1935–38 average. But this poses the question of whether the Europeans would be wiser to use more lumber for new housing instead of industrial needs it said, even though the dollar cost might be heavier for the time being.

The recovery countries are now conducting a study to see if more lumber should be used for housing.

GRANT OF CERTAIN PROPERTY TO ORANGE COUNTY, CALIF.

The bill (H. R. 263) to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water-pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

REORGANIZATION PLAN AFFECTING LABOR DEPARTMENT

Mr. McCARTHY. Mr. President, reserving the right to object, I will say I very much dislike to take 5 minutes on each of the bills, but it seems to me necessary to do so, not knowing whether I will obtain the floor later today. I feel very strongly that something should be said on the floor today, so I shall again take advantage of the 5-minute rule.

The Hoover Commission recommended unanimously, I believe, that we re-create—I emphasize the word "re-create"—a strong Labor Department, and that one of the things that should have priority in any reorganization is the re-creation of a strong Labor Department. So far as I know, all of labor heartily agrees to that. So far as I know, no segment of management disagrees with that recommendation. The President finally did send down a reorganization plan yesterday, insofar as the Labor Department is concerned, but he completely failed to do the job of re-creating a strong Labor Department. He completely failed to follow the Hoover Commission recommendation. For example, the Hoover Commission had recommended that the Bureau of Employees Compensation, the Employees Compensation Appeals Board, the Selective Service System, the Selective Service Appeals Board, the wage functions of the Maritime Commission, all be transferred to the Labor Department—all as part of the plan for the re-creation of what we once had in this country, a strong, virile, streamlined Labor Department. For some unknown reason—and I cannot conceive of any explanation for it whatsoever—the President failed in this task. He again merely did the things that were of a noncontroversial nature.

In that connection, as I stated before, I do not object to anything the President did in the plan he submitted. I seriously object to the things he left undone. Senators will find that practically no part of the recommendations of the President dealt with savings, with increased efficiency or with saving money. Those parts of the recommendations of the Hoover Commission were bypassed by the President. I am very much disturbed to find that the President of these United States, even though allegedly a friend of labor, has failed in this all-important task of re-creating a strong labor department when Congress gave him unlimited authority to do so.

GRANT OF CERTAIN PROPERTY TO ORANGE COUNTY, CALIF.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 263) to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for

the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif., was considered, ordered to a third reading, read the third time, and passed.

AIR FORCE BASE RECREATIONAL FACILITY—BILL PASSED OVER

The bill (H. R. 2417) to authorize the Secretary of the Air Force to operate and maintain a certain tract of land at Valparaiso, Fla., near Eglin Air Force base, as a recreational facility, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, the Eightieth Congress adopted a provision authorizing the purchase of a golf course adjacent to Eglin Air Force base, at Valparaiso, Fla. It further provided that no appropriated funds should be used for the acquisition, maintenance, or upkeep of that course, or for the maintenance of any recreational facility on the land. I note that the report indicates that there are no funds available for the upkeep of this particular property. As I understand the situation, I doubt whether that is true. Investigation discloses that there are welfare funds available, or certainly nonappropriable funds, in the amount of almost $5,000,000, at the disposal of the Air Force.

I rise to object to the passage of this bill at this time, in view of the fact that there are funds available. If I correctly understand, this measure would eliminate the provision of the law which requires that no appropriable funds shall be used for this purpose.

Mr. HOLLAND. Mr. President——

Mr. TYDINGS. Mr. President, does the Senator from Florida wish to address himself to this bill?

Mr. HOLLAND. I do.

Mr. TYDINGS. I shall defer my interrogation until the conclusion of the statement of the Senator from Florida.

Mr. HOLLAND. Mr. President, I hope the Senator from Kansas will withhold his objection in order that I may make a brief explanation. I do not believe he will wish to press the objection.

In the Eightieth Congress the Air Force brought to our attention the situation of the welfare fund arising from the operation of the officer's clubs and post exchanges at Eglin Field. They had sufficient money to buy a field which was available, and which they could buy for the same cost that they could build one.

Eglin Field is about 50 miles from any town of any size. It is not only highly desirable, but very necessary, that recreational facilities be established and maintained there.

At that time the Congress authorized the use of certain unappropriated funds which were post exchange and officers' club funds which had accumulated during the war period when the base was occupied by a great many more members of the armed forces than is now the case. The Congress authorized the purchase of the golf course, but added the condition that no appropriated funds should be used for its operation.

It develops that with the restricted program which is under way, there is not available from the operation of the officers' clubs and the post exchanges a sufficient amount of funds to operate the golf course. The Air Force advises us that in many other isolated fields exactly like this the Air Force has not only constructed golf courses, but is maintaining them from appropriated funds. It feels that in fairness to the officers and men who are assigned to that station, the restriction which was placed in the 1948 second deficiency bill should now be removed, because the funds are available if only the restriction relating to the use of generally appropriated funds to maintain the golf course is removed.

I am thoroughly familiar with the isolated and remote nature of this particular establishment and the great need for maintaining recreational facilities there. I sincerely hope that the distinguished Senator from Kansas will withdraw his objection and allow the bill to pass. By its terms the bill would simply remove the limitation and the condition imposed in 1948 when, at the time of allowing the purchase of this field with general funds, Congress imposed the condition that nothing but that type of funds should be used to operate the facility. It now develops that there are no such funds with which to operate it.

Mr. SCHOEPPEL. Mr. President, I have no objection to the golf course being utilized. However, as of May 31, 1949, my investigation disclosed that the Army Air Force's central welfare fund was a little more than $5,000,000. It seems to me that to remove this restriction would mean that the Army Air Force would keep intact, or utilize for other purposes, the welfare fund, which they could utilize for this specific purpose, making unnecessary an appropriation to maintain the golf course. That is the point which I wish to press.

Mr. TYDINGS. Mr. President, I should like to add an additional word to the statement of the Senator from Florida in support of the bill.

Upon its initial contact with the bill I believe the committee was inclined to turn the bill down. When we heard the evidence we changed our position. In the nature of its location, Eglin Field is far removed from any of the recreational facilities which are usually on or near an Army or Air Force establishment. I believe the men must travel about 50 miles from the field in order to enjoy anything in the nature of recreation.

Our next inquiry was directed to the financial side of the question. I have not investigated the $5,000,000 which the Air Force has in its welfare fund, to which the Senator from Kansas has alluded. Whether it has a fund of that magnitude, I do not know, but I am rather inclined to believe that investigation would show that that fund could not be used for a project of this kind.

Therefore we come back to this point: Assuming that my premise is sound, with the reduced number now at the field there would not be sufficient money in the officers' accounts and other accounts which are available for this field, to operate the facility.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SCHOEPPEL. Let me say to the distinguished Senator from Maryland that my information is to the effect that $74,000 of the nonappropriatable funds in the welfare fund is being used to purchase land.

Mr. TYDINGS. That is different. I believe that facilities may be purchased with the welfare fund, but I do not believe that the welfare fund can be used for the operation of the facilities. I believe that equipment could be bought for a gymnasium, footballs for the football team, and bats and baseballs for the baseball team; but I do not believe that the fund could be allocated to pay the operating expenses of such a project. If I am in error, I should like to be corrected. That is my general understanding.

Mr. HOLLAND. Mr. President, I invite the attention of the Senator from Kansas to one additional fact stated in the letter from the Assistant Secretary of Air, Mr. Zuckert, found on page 3 of the report. The letter was written to Hon. CARL VINSON, chairman of the Armed Services Committee of the House of Representatives. He states as follows:

> H. R. 2417, Eighty-first Congress, would remove the restrictions imposed by Public Law 785 relative to the use of appropriated funds in the maintenance and upkeep of the golf course. This would place the golf course at Eglin Air Force Base on a parity with golf courses located on other United States Air Force installations.

Mr. TYDINGS. Mr. President, I should like to say to the Senator from Kansas—and I am glad to have the Senator from Florida refresh my memory—that this golf course cost the Government nothing. There is hardly a reservation of any magnitude where there is a golf course which is not supported as a part of the recreation program, just as motion pictures, swimming pools, and so forth, are provided in such areas. I think of two examples in my own county, namely, the Aberdeen Proving Ground and the Edgewood Arsenal. Both of them have golf courses which are supported by public funds for the benefit of the officers and men. I think that is generally true all over the United States. So unless we extend the same privilege with respect to the Eglin Field course, the men at that station will be excluded from the privileges which almost all other officers and enlisted men enjoy at various posts throughout the country.

Mr. HOLLAND. I thank the Senator from Maryland. He has stated exactly the situation which exists.

Mr. BALDWIN. Mr. President, as I understand, when this question was before the Armed Services Committee the decision to report the bill favorably was unanimous.

Mr. TYDINGS. That is correct. We reached our decision only after we had examined into the question of where the money would come from to buy the field, and whether it would be in a different

category from golf courses operated at other military establishments.

Mr. BALDWIN. That is my recollection. If I may make a brief statement, it may help my distinguished friend from Kansas.

The junior Senator from Connecticut is not a golf player, and therefore is not particularly interested in golf courses. I was somewhat surprised when the bill first came before the committee, that the Federal Government should be involved in the matter of buying and maintaining golf courses. But as we looked into the situation, we discovered that this particular airfield or base is probably one of the most remote and one of the most difficult stations to get to and from of any that is maintained within the territorial limits of the United States. It is away off on a cay on the coast of Florida; and, as I recall, there is no town of any size whatever within 50 miles, and there are no recreational facilities within a greater distance than that.

Therefore, let me say that I voted to report the bill favorably, feeling that this is probably one of the most justifiable expenditures for a purpose of this kind that could be conceived of.

I hope the bill may be passed at this time, because recreational facilities at that post are very sorely needed as a morale factor.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I repeat that I do not object to the proposed facilities, but I feel that I should object to the passage of the bill at this time, until I can have opportunity to check into the matter, to see whether the information which I have received is accurate, namely, that there is a welfare fund of more than $5,000,000, a part of which can be used to do what is sought to be done under this bill, by the use of funds appropriated from the Federal Treasury.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. I object.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

BILL PASSED OVER

The bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy and the disciplinary laws of the Coast Guard and to enact and establish a Uniform Code of Military Justice was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. MORSE. I object.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

PAY OF LIGHTHOUSE KEEPERS AND CIVILIANS ON COAST GUARD VESSELS

The VICE PRESIDENT. The next measure on the calendar will be stated.

The bill (H. R. 4471) to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

THE PRESIDENT'S REORGANIZATION PLANS NO. 3 AND NO. 5

Mr. McCARTHY. Mr. President, reserving the right to object, I wish to take advantage of the 5-minute rule to discuss Reorganization Plans No. 3 and No. 5 which were sent to us yesterday by the President. Plan No. 3 has to do with the Post Office, and plan No. 5 has to do with personnel.

Mr. President, those two plans are essentially very good. Of course, under the power the President has, he is unable to accomplish any more than roughly 10 percent of the reforms recommended by the Hoover Commission, and the other 90 percent will have to be accomplished by appropriate legislation.

There is one thing, however, about plan No. 3, dealing with the Post Office Department, which is extremely disturbing. If it were not for that one item, the plan would be a most excellent one, I believe. It provides for the creation of the office of Deputy Postmaster General. The Hoover Commission recommended that the position of Deputy Postmaster General be created and be held by an administrator who would be a nonpolitical appointee, and who would administer the tasks assigned to him. The President has followed the Hoover Commission's recommendation generally down the line and as I have said, the plan is a good one, except that it does not provide that this office shall be nonpolitical. Under the Presidential plan the person appointed to the new office will be another political appointee. That will be directly contrary to the Hoover Commission's report and recommendation. It is entirely possible that this may have been an oversight on the part of the President; he may intend the new office to be a nonpolitical one. If so, I urge that the President recall plan No. 3 and make clear what he means. If he will recall the plan and will set forth definitely that the Deputy Postmaster General will be a completely nonpolitical appointee to a completely nonpolitical administrative office, then the plan will be an excellent one.

I may say that even if the President does not do so, there is so much good in the plan that I shall be forced to support it in any event. But I think the President is making a grave mistake by making so radical a departure from the recommendations of the Hoover Commission, without giving any reason for doing so.

PAY OF LIGHTHOUSE KEEPERS AND CIVILIANS ON COAST GUARD VESSELS

The VICE PRESIDENT. Is there objection to the present consideration of House bill 4471, which was announced as next in order a few minutes ago?

There being no objection, the bill (H. R. 4471) to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard was considered, ordered to a third reading, read the third time, and passed.

PERMANENT NATIONAL COMMISSION ON INTERGOVERNMENTAL RELATIONS—BILL PASSED OVER

The bill (S. 1946) to establish a permanent National Commission on Intergovernmental Relations was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. NEELY. Mr. President, reserving the right to object, I should like to call the attention of the author of the bill to the following telegram which I have received today:

WASHINGTON, D. C., *June 20, 1949.*

Senator MATTHEW M. NEELY
Senate Office Building,
Washington, D. C.:

We object to the passage of S. 1946 as favorably reported in report No. 483 from the Committee on Expenditures. Our objection is based on belief that it is administratively unsound, unwise and destructive to effective operation. The report states that the bill has been changed to make the "Permanent Commission on Intergovernmental Relations an expediting group with an executive secretary who would act as an administrative officer, rather than as a study group with a research director." This and the bill itself obviously shows an intent to set up a watchdog or witch-hunting commission that day in and day out would harass, intimidate and influence Federal agencies that are seeking to carry out national policies established by Congress. This is a sure way of canceling or preventing the intent of Congress. We urge you to oppose passage of this mischievous measure. We particularly urge you to object to its consideration on the consent calendar.

NATHAN E. COWAN,
CIO Legislative Director.

Mr. TAYLOR. Mr. President, if the Senator will withhold his objection I should like to make a brief statement. I have been informed that the Senator from West Virginia intends to register objection to the present consideration of the bill, so there is no object in my making a long statement.

However, I should like to say at this time that although I am listed as the chief sponsor of this measure, it is not my brainchild. I do not mean to infer that I am ashamed of it; in fact, I think the bill is a very good one and it is very much needed; but I wish to give credit where credit is due. This bill resulted from the consideration by the committee of bills introduced by the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Ohio [Mr. BRICKER], and the Senator from Maryland [Mr. O'CONOR]. They were the authors of the original bills. In the committee we decided to report a new bill. That is why my name appears at the head of the list of sponsors.

I can say that within my experience I recall no bill which has had so wide a sponsorship as this bill has, in the sense that both so-called liberals and so-called conservatives are sponsoring the bill.

However, at this time there is no need to go any further into the matter, inasmuch as I understand that the Senator from West Virginia intends to object to the present consideration of the bill.

Mr. NEELY. Mr. President, inasmuch as I have not had an opportunity to ex-

amine the bill, I object to its present consideration.

The VICE PRESIDENT. Objection being heard——

Mr. McCARTHY. Mr. President, will the Senator withhold his objection for a moment?

Mr. NEELY. Certainly.

Mr. McCARTHY. I should like to point out that the bill sponsored by the Senator from Idaho and other Senators is completely in line with some of the recommendations of the Hoover Commission, as unanimously recommended by that Commission, which is composed of both Democratic and Republican members. The Hoover Commission makes no objection to the bill.

Mr. NEELY. Mr. President, I should like to accommodate the able Senator from Wisconsin; but notwithstanding anything the Hoover Commission may have recommended, I must object.

The VICE PRESIDENT. Objection being heard, the bill will be passed over.

EXTENSION OF TIME FOR LEGISLATIVE EMPLOYEES TO COME WITHIN CIVIL SERVICE RETIREMENT ACT

The bill (S. 1977) to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation with reference to whether the committee has given consideration to changing the 6 months' requirement of the existing law to a 1-year or 2-year requirement.

In the case of legislative employees, the reason for this inquiry is that a person accepting employment in the Government may not know during the first 6 months of his service whether he wishes to remain permanently in the employ of the Government. So a legislative employee is put at considerable disadvantage in that way.

I wonder whether the Senator has considered that point.

Mr. JOHNSTON of South Carolina. We had not considered the bill very extensively in that direction, but we did think that probably they ought to have a right to come in any time they wanted to. The only thing it does is this: At the present time an employee of the Senate or the House must come under the act within 6 months after he is employed. If he does not, he can then come in by resigning 1 day and coming back. He then comes under the civil service or under the Retirement Act. The purpose is merely to keep such employees from retiring for the 1 day, for a period of the next 6 months.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 (a) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following:

"Notwithstanding any other provision of this act, any officer or employee in the legislative branch of the Government within the classes of officers or employees which were made eligible for the benefits of this act by the act of July 13, 1937, serving in such position on the effective date of this paragraph, may give notice of his desire to come within the purview of this act at any time prior to January 30, 1950."

REDUCTION OF GOVERNMENT EXPENDITURES FOR 1950—JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 108) to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, was announced as next in order.

Mr. McGRATH. Over.

The VICE PRESIDENT. Objection is heard.

Mr. McCLELLAN. Mr. President, will the Senator from Rhode Island withhold his objection?

Mr. McGRATH. I will withhold the objection momentarily.

Mr. McCLELLAN. I appreciate that very much. I want to make this statement about the resolution: When the first regular appropriation bill came before the Senate, as I recall, on labor and Federal security, an effort was made to reduce the over-all appropriation by 5 percent. An effort was then made to recommit the bill with instructions to the Appropriations Committee to make the cut. Finally both efforts failed, but considerable strength was developed for economy and some kind of reduction in that measure.

Following that, as other regular appropriation bills came up, similar efforts were made. I do not recall just which appropriation bill was pending, but in the course of efforts made to reduce it, the senior Senator from Maryland announced that he was introducing a resolution, which became Senate Joint Resolution 94, to require the President of the United States to make reductions within a given percentage on the over-all budget for this year. In the course of the discussion it was charged on the floor of the Senate that such a resolution would never get out of committee. But the resolution was introduced and referred to the Committee on Expenditures in the Executive Departments. In the meantime the senior Senator from Nebraska [Mr. WHERRY], the minority leader, and other Senators, introduced a similar resolution, which became Senate Joint Resolution 97, having for its purpose about the same objectives as the resolution previously introduced by the senior Senator from Maryland.

Later on, the senior Senator from Kansas [Mr. REED] introduced a resolution, which became Senate Joint Resolution 102, having the same objective. All these resolutions were referred to the Committee on Expenditures in the Executive Departments. The committee held hearings, considered these resolutions, and undertook to report a resolution which would actually bring about some economy in the Government and force a reduction of expenditures during the next fiscal year, in the hope that we might balance the budget and keep from operating the Government on a deficit basis, thereby continually increasing and piling up the huge national debt.

Mr. President, 30 Senators have joined in sponsoring this resolution, and we need to take action now so that the House may consider it, and so that it may become law, if that is the will of the Congress. I take it, of course, the Senator has a right to object, but I want to state now, notwithstanding the objections to its consideration upon the call of the calendar, I intend to keep pressing until this resolution is brought up in the Senate and the Senate has an opportunity to let the people of the country know—and there is great interest throughout the country in the resolution—that the Senate either stands for economy and for balancing the budget, or that what has happened here has just been so much talk.

The time has come when we should act to let the country know that we mean to balance the budget, or that we are merely giving out so much conversation by way of speeches for the RECORD. So far as I am concerned I want the resolution voted on.

Mr. MAYBANK. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from South Carolina?

Mr. McCLELLAN. I yield to the able Senator from South Carolina.

Mr. MAYBANK. I am not one of the authors of the resolution. As the Senator well knows, I happened to have been downtown that morning on important business. I have always been an advocate of resolutions designed to reduce expenses and balance the budget. What I wanted to ask the Senator was this: Does he intend to bring up this resolution following the call of the calendar?

Mr. McCLELLAN. I shall hope to. I have not conferred with the majority leader, but I hope I may get unanimous consent to bring it up then, and that we may take action on it today.

The VICE PRESIDENT. The resolution could only be brought up by unanimous consent, because when the calendar is finished we automatically return to the unfinished business, which is the Senate bill 249.

Mr. MAYBANK. Mr. President, I should like to ask the Senator a further question. When does he believe he may bring up the resolution, if he cannot bring it up today?

Mr. McCLELLAN. The Senator from Arkansas is ready to bring it up today, tomorrow, or any other day we can possibly do it. I say to the able Senator from South Carolina that I intend to do everything in my power to get the resolution up as quickly as possible. This resolution is more important to the security and welfare of America than the unfinished business now before the Senate that we have been squabbling over for the past 2 or 3 weeks.

Mr. MAYBANK. Mr. President, I merely want to add this statement. As the Senator from Arkansas knows——

The VICE PRESIDENT. This debate is under a reservation of objection. The Senator from Rhode Island objected.

Mr. MAYBANK. I understand. I have 5 minutes, under the rule.

The VICE PRESIDENT. The Senator is recognized for 5 minutes.

Mr. MAYBANK. I do not intend to speak for 5 minutes. I merely want the RECORD to show that my fear is that we may be asked to add legislation on an appropriation bill, in the closing days of the session. For that reason I am hopeful the resolution introduced by the Senator from Arkansas and other Senators will be considered promptly, so that we will not be forcing the addition of legislation upon the Appropriations Committee. The distinguished Senator from Maryland [Mr. TYDINGS] brought that up when he first proposed a general reduction in expenditures. I hope this resolution will be brought up, so we may not be in a position of being charged with legislating on an appropriation bill. In the consideration of any appropriation bill, I certainly intend to cast my vote in the direction of balancing the budget.

The VICE PRESIDENT. Objection has been heard. The joint resolution will be passed over.

AUTHORITY OF ADMINISTRATOR OF VETERANS' AFFAIRS RESPECTING LEASES AND LEASED PROPERTY

Mr. GEORGE. Mr. President, I ask unanimous consent to return to Calendar 473, Senate bill 2010, a bill to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property. I understand that when the bill was called on the calendar some question was asked. If I am able to do so, I should be very glad to endeavor to answer the question.

Mr. TAFT. What is the calendar number?

Mr. GEORGE. Calendar 473.

The VICE PRESIDENT. For the information of the Senate, the clerk will state the bill by its title.

The LEGISLATIVE CLERK. A bill (S. 2010), to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property.

The VICE PRESIDENT. When the bill was called, the Senator from New Jersey asked that it go to the foot of the calendar. The Senator from Georgia asks unanimous consent that the Senate return to consideration of the bill. Is there objection?

Mr. HENDRICKSON. I merely asked for an explanation.

Mr. McCARTHY. Mr. President, reserving the right to object, I should like, first, to point out that we are seeing a rather unusual thing in the Senate today. We have had before us a joint resolution which has the wholehearted support of the very able chairman of the expenditures committee [Mr. MCCLELLAN], who did a phenomenally good job on the measure. He has reported a very good resolution, which will permit us to balance the budget. We see the Senator from Rhode Island, who occupies the dual position of Senator and chairman of the Democratic National Committee, objecting to the measure, which, of course, could mean only one thing to the country. I invite the attention of the Senate to the fact that the objection of the Senator from Rhode Island [Mr. MCGRATH], as chairman of the Democratic National Committee, can mean only one thing, and that is that the administration branch of the Democratic Party does not want to balance the budget, and does not want to practice economy.

I yield the floor.

Mr. MCGRATH. Mr. President——

The VICE PRESIDENT. The question before the Senate is the request of the Senator from Georgia to return to Calendar No. 473, Senate bill 2010.

Mr. MCGRATH. Mr. President, I ask unanimous consent that I may be permitted to respond, for 2 minutes, to the Senator from Wisconsin.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MCGRATH. Mr. President, the distinguished Senator from Wisconsin may draw any inferences he pleases from the fact that I objected to the consideration of the joint resolution. I made my objection in behalf of Senators who were not present on the floor. I have no objection, and shall be glad to support a motion by the distinguished Senator from Arkansas at some future time to take up the resolution. Every Senator knows very well that this has been the subject of very acrimonious discussion on the floor of the Senate during the past month or two. There have been many votes on the subject. I do not believe that many Senators seriously believe that a matter of this importance could be passed on the Unanimous Consent Calendar.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia?

Mr. BREWSTER. Mr. President, reserving the right to object—and I do not expect to object—I wish to have an opportunity to express the complete concurrence, I believe, of every Senator on this side of the aisle, in what the Senator from Arkansas [Mr. MCCLELLAN] has said. I do not believe we should be under any misapprehension, in the Senate, nor should the country, as to the feeling of many Members of this body in regard to the question. I hope the majority leadership will indicate some idea as to the time when the matter may be considered. I trust it will be before the close of the fiscal year.

I approached the Senator from Rhode Island informally in connection with his objection, and he told me he objected on behalf of some absent Senators.

I hope the majority leader will take this occasion to tell us when, if at all, he thinks consideration can be given to this particular measure.

The VICE PRESIDENT. The question is on the request of the Senator from Georgia.

Mr. CAIN. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington object?

Mr. CAIN. Mr. President, reserving the right to object, I ask unanimous consent to be permitted to be absent from the session of the Senate this afternoon, beginning at 3 o'clock.

The VICE PRESIDENT. Without objection, permission is granted.

Is there objection to returning to Calendar 473, Senate bill 2010?

Mr. GEORGE. Mr. President, I understand the distinguished Senator from New Jersey [Mr. HENDRICKSON] made some inquiry regarding this bill. If there is anything I may contribute to his understanding of the bill, I shall be very glad to do so at this time.

Mr. HENDRICKSON. I asked that we might have an explanation as to what authority the bill would give to the Administrator to lease property, which is in addition to or different from the authority given to other agencies of the Government.

Mr. GEORGE. The authority which is here sought to be extended for an additional period of 2 years was first granted in Public Law 424, Seventy-ninth Congress. It was renewed in the Eightieth Congress for an additional year. The period during which the Veterans' Administrator may lease property will expire on June 30. Therefore the necessity, if the Senate is disposed to do so, to grant a further extension of the authority.

The real reason for this request on the part of the Veterans' Administrator is that he is sometimes enabled to rent space for a period longer than 1 year, and he is also able to make repairs upon rented space exceeding the cost fixed by the general law in percentage points of the first year's rental cost.

The particular reason for this request is, of course, the unsettled condition in the real-estate market and the high cost of rentals demanded for improved property. The Veterans' Administrator now has 197 out-patient clinics for veterans, and the premises in which these outpatient clinics are conducted have been leased rather than constructed by the Government. There are approximately 81 leases which the Veterans' Administrator has executed under this authority. The bill does not particularly give additional power, but it gives the authority to lease for more than 1 year properties which are desired by the Veterans' Administrator and which he finds necessary in the administration of veterans' legislation. It will also enable him to make certain repairs.

The Administrator is of the opinion, and has so stated to the committee, that the rentals paid would be less than the rentals would be if he had to comply with existing law and require bids, with the result that he could not, in many instances, procure property located where the Veterans' Administration desires it and where it can most conveniently serve the interests of the veterans.

Mr. HENDRICKSON. I withdraw my objection.

There being no objection, the bill (S. 2010) to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second paragraph of section 100 of the Servicemen's Readjustment Act of 1944 (60 Stat. 299), as amended (38 U. S. C. 693), is hereby amended by deleting "June 30, 1949" and inserting in lieu thereof the following: "June 30, 1951."

POON LIM

The Senate proceeded to consider the bill (S. 1405) to provide for the admis-

sion to, and permanent residence in, the United States of Poon Lim, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert:

That in the administration of the Immigration and Naturalization laws Poon Lim shall be held and considered to have been lawfully admitted into the United States for permanent residence on November 29, 1943, the date upon which he was temporarily admitted into the United States, upon the payment by him of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year in which such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HAMPTON INSTITUTE

The bill (H. R. 593) for the relief of Hampton Institute was considered, ordered to a third reading, read the third time, and passed.

MARK H. POTTER

The bill (H. R. 716) for the relief of Mark H. Potter, was considered, ordered to a third reading, read the third time, and passed.

JUNE C. DOLLAR

The bill (H. R. 1136) for the relief of June C. Dollar, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO NATIONALITY ACT OF 1940

The bill (H. R. 1837) to amend the Nationality Act of 1940 was considered, ordered to a third reading, read the third time, and passed.

JOHN WAIPA WILSON

The bill (H. R. 1858) for the relief of the legal guardian of John Waipa Wilson was considered, ordered to a third reading, read the third time, and passed.

V. O. McMILLAN AND THE LEGAL GUARDIAN OF CAROLYN McMILLAN

The bill (H. R. 1981) for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan was considered, ordered to a third reading, read the third time, and passed.

ESTATES OF ANASTACIO ACOSTA AND DOMINGO ACOSTA ARIZMENDI

The bill (H. R. 3324) for the relief of the estate of the late Anastacio Acosta and the estate of Domingo Acosta Arizmendi was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT TO VETERANS' PREFERENCE ACT OF 1944

The bill (S. 115) to amend the Veterans' Preference Act of 1944 with respect to preference accorded in Federal employment to disabled veterans, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this bill?

Mr. FREAR. Mr. President, as originally introduced, this bill materially changed the Veterans' Preference Act of 1944 in two substantial aspects. Section 1 of S. 115 reads as follows:

That section 2 (a) of the Veterans' Preference Act of 1944 (Public Law 359, 78th Cong., 58 Stat. 387) is amended to read as follows:

"(1) those ex-service men and women who have served on active duty in any branch of the armed forces of the United States and have been separated therefrom under honorable conditions and who have established the present existence of a service-connected disability which is compensable under public laws administered by the Veterans' Administration or who are receiving disability retirement benefits by reason of public laws administered by the Veterans' Administration, the War Department, or the Navy Department;".

The effect of this amendment, if enacted, would require a veteran to establish the present existence of a service-connected disability which is compensable—10 percent minimum—in order to qualify for disability preference.

Hearings were held on the bill and the opposition was directed primarily to section 1. The committee, after careful consideration, reached the conclusion that such a requirement would place an undue burden on the disabled veteran and amended the original bill by striking all of section 1, quoted above.

The remainder of the bill originally set out as section 2 would require that all veterans earn the minimum qualifying rating—70 percent—in any civil-service examination before the 5 or 10 preference points provided for in the law be added. Under the present provisions of the Veterans' Preference Act a veteran is not required to earn the qualifying rating in a civil-service examination but may achieve eligibility by the addition of 5 or 10 points to his earned rating, thus enabling an applicant who otherwise falls below the minimum of 70 points to qualify for an appointment without having passed the minimum eligibility test required of nonveterans.

Mr. President, it is very simple. It merely requires a veteran to have a 70-point grade before the 5 or 10 points are added. In other words, this increases the efficiency of the departments to which the bill applies.

Mr. SCHOEPPEL. Does it eliminate the automatic point preference?

Mr. FREAR. No. It merely gives it to the veteran if he has a 70-point rating.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 1, line 3, after the word "That", to strike out "section 2 (1) of the Veterans' Preference Act of 1944 (Public Law 359, 78th Cong., 58 Stat. 387) is amended to read as follows:

"'(1) those ex-service men and women who have served on active duty in any branch of the armed forces of the United States and have been separated therefrom under honorable conditions and who have established the present existence of a service-connected disability which is compensable under public laws administered by the Veterans' Administration or who are receiving disability retirement benefits by reason of public laws administered by the Veterans' Administration, the War Department, or the Navy Department;'.

"SEC. 2. Section 3 of such act" and insert "section 3 of the Veterans' Preference Act of 1944 (Public Law 359, 78th Cong., 58 Stat. 387)"; and on page 2, line 12, after "(2)", to strike out "and (3)" and insert "(3), (5), and (6)", so as to make the bill read:

Be it enacted, etc., That section 3 of the Veterans' Preference Act of 1944 (Public Law 359, 78th Cong., 58 Stat. 387) is amended to read as follows:

"SEC. 3. In all examinations to determine the qualifications of applicants for entrance into the service 10 points shall be added to the earned ratings of those persons included under section 2 (1), (2), (3), (5), and (6), and 5 points shall be added to the earned ratings of those persons included under section 2 (4) of this act: *Provided*, That such points shall be added only to earned ratings which are equal to or greater than the minimum ratings for qualifications as announced by the Civil Service Commission for the particular examination: *Provided further*, That in examinations for the positions of guards, elevator operators, messengers, and custodians, competition shall be restricted to persons entitled to preference under this act as long as persons entitled to preference are available and during the present war and for a period of 5 years following the termination of the present war as proclaimed by the President or by a concurrent resolution of the Congress for such other positions as may from time to time be determined by the President."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF FOR MOTHERS OF VETERANS

The Senate proceeded to consider the bill (S. 974) to amend the Veterans' Preference Act of 1944 with respect to certain mothers of veterans, which had been reported from the Committee on Post Office and Civil Service with amendments, on page 1, line 8, after the word "husband", to insert "or such husband is dead"; and on page 2, line 8, after the word "husband", to insert "or such husband is dead", so as to make the bill read:

Be it enacted, etc., That (a) clause (5) of section 2 of the Veterans' Preference Act of 1944, as amended, is amended by striking out "(if they have not remarried)" and inserting in lieu thereof "(if they have not remarried, or, if they have remarried, they are divorced or legally separated from their husband, or such husband is dead at the time preference is claimed)."

(b) Clause (6) of section 2 of such act, as amended, is amended by striking out "(B) the mother was divorced or separated from the father of said ex-serviceman son or ex-servicewoman daughter, and (C) the mother has not remarried." and inserting in lieu thereof "(B) the mother was divorced or legally separated from the father of said ex-serviceman son or ex-servicewoman daughter, and (C) the mother has not remarried or, if she has remarried, she is divorced or legally separated from her husband or such husband is dead at the time preference is claimed."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETURN OF CERTAIN COSTS OF FEDERAL RECLAMATION PROJECTS

The bill (H. R. 1694) to provide for the return of rehabilitation and betterment of costs of Federal reclamation projects was considered, ordered to a third reading, read the third time, and passed.

Mr. HENDRICKSON subsequently said: Mr. President, I had some questions I desired to ask with reference to House bill 1694, Calendar No. 496.

The VICE PRESIDENT. Without objection, the votes by which the bill was ordered to a third reading, read the third time, and passed, are reconsidered, and the bill is before the Senate.

Mr. HENDRICKSON. Mr. President, from an examination of the bill it would appear that in the bill the Congress is surrendering its power to change scheduled repayments. It would seem to me that this is an extreme delegation of power, and I felt that the Senate should have some explanation of the reason why we are asked to surrender this power.

Mr. CONNALLY. Mr. President, I do not see the chairman of the committee present, but this is a bill recommended by the Reclamation Service. It seems that on some reclamation projects, because of the depression preceding the World War, and the difficulty of obtaining materials and labor during the war, many of the reclamation facilities were neglected, and deteriorated, and that at the present time they should be rehabilitated. It is provided that the Secretary of the Interior shall fix the rate of repayment by the water users of the funds expended on the projects, and that he shall so regulate the charges as to come within the ability of the water users to repay.

It seems to me this is a bill which is really in the interest of the Government, because if these facilities are permanently deteriorated, the Government will not get anything from the projects. The bill is recommended by the Secretary of the Interior, as appears in the report, and I hope very much that the Senator from New Jersey will not object to the bill.

Mr. HENDRICKSON. Will the distinguished Senator from Texas object to the bill going over to the next call of the calendar, so that I may make some inquiry as to the blanket phases of the bill?

Mr. CONNALLY. What does the Senator mean by "blanket phases"?

Mr. HENDRICKSON. I thought this matter could be handled on the basis of the individual projects, rather than by blanket authority over all projects surrendered.

Mr. CONNALLY. I do not so understand the bill. I understand that each project will be considered. Of course, the Senator from Texas cannot control it if the Senator objects.

Mr. HENDRICKSON. As I understand, Congress will not deal separately with each project.

Mr. CONNALLY. The Secretary of Interior will fix the costs and rates of repayment.

Mr. HENDRICKSON. That is what I referred to when I said "blanket congressional authority."

Mr. TAFT. Mr. President, will the Senator from New Jersey yield?

Mr. HENDRICKSON. I yield to the Senator from Ohio.

Mr. TAFT. The bill reads:

That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations.

Does that mean that he can remit a part of the costs, or does it merely mean that the installments can be spread over a longer period?

Mr. CONNALLY. The latter is what it means.

Mr. TAFT. Or does it permit the Secretary to forgive the maintenance charges and have the Government assume them? It would certainly seem to me ambiguous in its language.

Mr. CONNALLY. I am sure that what is meant is that the Secretary of the Interior is simply authorized to rearrange the payments so as to come within the ability of the water users to pay. As I understand, it does not involve any forgiveness or cancellation of the amounts which are due.

Mr. TAFT. I call the Senator's attention to the words, "and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine." It seems to me the language is sufficiently ambiguous so that it should be studied, in order that we may be certain that we are not assuming obligations for the Government which it does not have at all under existing law. If it provides only an extension of the time, I would see no objection whatever. It does seem to me that the language is somewhat ambiguous.

Mr. CONNALLY. Mr. President, I am sure that the statement I made a while ago is correct, that the bill merely involves the power of the Secretary of the Interior to make arrangements so as to bring the payments within the ability of the water users to meet them. As pointed out by the Senator from Ohio, the bill says "shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments." So that they are obligated to make the payments, and the installments only are to be adjusted by the Secretary of the Interior.

Mr. McCARRAN. Does this imply exercise of judgment on the part of the present Secretary of the Interior?

Mr. CONNALLY. I suppose it refers to any Secretary.

Mr. McCARRAN. If it does, I shall certainly object.

The VICE PRESIDENT. Is there objection?

Mr. HENDRICKSON. I object.

MIGRATORY BIRD HUNTING STAMP

The Senate proceeded to consider the bill (S. 1076) to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment, to add a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That section 2 of the Migatory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended, is further amended by deleting "$1" as it appears therein and inserting in lieu thereof "$2."

SEC. 2. Subsection (a) of section 4 of said act is amended (1) by deleting the number "90" and inserting in lieu thereof the number "75," and (2) by inserting the words "wildlife management and" immediately before the words "inviolate migratory-bird sanctuaries" as they appear therein.

SEC. 3. Subsection (a) of section 4 of said act is further amended by deleting the period and inserting in lieu thereof a colon and the following: "*Provided*, That in the discretion of the Secretary of the Interior not to exceed 25 percent at any one time, of any area acquired after July 1, 1949, in accordance with the provisions of this act, may be administered primarily as a wildlife management area not subject to the prohibitions against the taking of birds, or nests or the eggs thereof, as contained in section 10 of the Migratory Bird Conservation Act of February 18, 1929 (45 Stat. 1222; 16 U. S. C. 715i), as amended, except that no such area shall be open to the shooting of migratory birds when the population of such birds frequenting the area or in the migrations utilizing such area is on a decline, nor prior to July 1, 1952, or the date upon which the same has been fully developed as a management area, refuge, reservation, or breeding ground, whichever is later."

Mr. SCHOEPPEL. Mr. President, this measure proposes to increase to 25 percent the amount to be used in the discretion of the Secretary of the Interior for administration, and gives only 75 percent for the establishment and development of wildlife refuges. I wonder whether the increased administrative expenses are to go toward the protection of the wildlife, or merely to set up another group of employees within the department, because it would seem to me that this is quite a change from the 1934 act. I should like to have an explanation of that feature of the bill.

Mr. JOHNSON of Colorado. The 10 percent provided in the 1934 law has proved not to be sufficient. The restrictions of 10 percent for administration and 90 percent for the acquisition of the wildlife management areas and inviolable sanctuaries was disproportionate. Ten percent does not provide sufficient funds for good administration. In this bill we are providing more funds for administration, for enforcement of the game laws, and for all the requirements that now fall to the administration of such an act. Seventy-five percent of the funds will be used for the acquisition of wildlife management areas and inviolable sanctuaries, and 25 percent will be used for game-warden purposes, for printing the stamps, for paying the post office for selling the stamps, and for other purposes. It requires $300,000, I may say to the Senator from Kansas to cover those expenses.

Mr. SCHOEPPEL. I should like to ask another question. I note that under the

1934 act $200,000 was available. Did I understand the distinguished Senator from Colorado to say that the expenses were $300,000?

Mr. JOHNSON of Colorado. Yes; more than $300,000.

Mr. SCHOEPPEL. It would seem that the increase in administrative expenses is approximately 500 percent over the figure which was established in the 1934 act, and that seems very generous to me.

Mr. JOHNSON of Colorado. I read from the report of the committee:

> Your committee is advised that about $300,000 will be required to pay the salaries and expenses of game management agents and regional supervisors now on duty, including their clerical help; to reallocate the grades of 17 experienced agents from CAF–5 to CAF–7; to pay the Post Office Department for the cost of printing and distributing the stamps; and to pay other administrative costs, including those in the headquarters office of the Branch of Game Management, regional offices, etc. The present objective of the Fish and Wildlife Service is to hire, equip, and train approximately 100 additional game management agents or an average of about two to each State.

I may say to the Senator from Kansas that all the funds which are to be used are provided by the hunters themselves. The bill does not place any burden upon the ordinary taxpayer. Of course, that is no excuse or no reason for waste of funds or for hiring more employees than are necessary. But the hunters themselves are very anxious for the bill to pass. It has the endorsement of all the game wardens of all the States and the hunters generally are supporting it enthusiastically. I do not believe any suspicion is at all tenable that an unwarranted amount is being used for administrative purposes. I think we simply must have more money to supervise this whole operation, this whole program.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Kansas yield to the Senator from Ohio?

Mr. SCHOEPPEL. I yield.

Mr. TAFT. The point is that out of $1 only 10 cents is used for administrative purposes, whereas out of the $2 proposed 50 cents would be used for administrative purposes. So there would be multiplied by five times the amount of money available for administrative services. Is that much additional for administrative services necessary? That is the only question. Of course, more money for that purpose is necessary, but does the Senator think it should be five times as much for the administration of the act as has been provided heretofore?

Mr. JOHNSON of Colorado. I do not think that criticism is quite fair. When the act of 1934 was passed, it was very necessary to build wildlife refuges, and that was done. Ninety percent of the money was used for that purpose. That did not leave a sufficient amount to police the program or to give to the program the attention it required. So under this bill 25 percent is set aside for administrative purposes, and 75 percent is to be used for the acquisition and for the maintenance and for the operation of these wildlife-management areas.

Mr. WILLIAMS. Mr. President, will the Senator from Kansas yield so I may ask the Senator from Colorado a question?

Mr. SCHOEPPEL. I yield.

Mr. WILLIAMS. Do I understand correctly that it is estimated that the administrative expenses will now cost a little over $300,000 for the next 12 months?

Mr. JOHNSON of Colorado. Yes, a little over $300,000 for the next 12 months.

Mr. WILLIAMS. At the present time 10 percent of the $1 stamp provides over $200,000. Has not the Senator overlooked the fact that if we leave the rate at the same 10 percent and double the cost of the stamp from $1 to $2, there will be $400,000 for the purpose of administration, which is more than now claimed as required.

If we leave the 25 percent provision for administrative expenses as suggested in the bill, it would increase the allocation for administrative expenses to about $1,000,000, or an increase of 500 percent.

Mr. JOHNSON of Colorado. I heard such a statement made previously. But I cannot agree that the amount which has been suggested would provide for the proper administration of this program.

Mr. WILLIAMS. But I reemphasize that leaving the rate at 10 percent, as it now exists in the law, and raising the cost of the stamp from $1 to $2, will result in a fund of $400,000 to administer the program which it is estimated will require only $300,000.

Mr. JOHNSON of Colorado. Yes; but new areas are being acquired, additional refuges are being acquired, and more money is required for protection against poaching, and for other administrative measures.

Mr. WILLIAMS. Mr. President, I should like to point out that those new areas will be acquired with the remaining portion of the fund. I am very much in agreement with the bill, Mr. President, but I shall be obliged to ask that it go over unless the Senator from Colorado would agree to accept an amendment providing for the continuation of the 10 percent restrictions on administrative expenditures.

Mr. JOHNSON of Colorado. If the Senator desires to offer an amendment providing for the use of 10 percent of the total amount taken in to be used for administrative purposes, I shall not object.

Mr. SCHOEPPEL. I may say to the Senator from Colorado that I have such a proposed amendment, which I will now offer.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to strike out section 2, from line 7 to line 10, on page 1 of the bill, and lines 1 and 2 on page 2 of the bill.

Mr. JOHNSON of Colorado. I should like to ask the Senator from Kansas what that amendment would result in.

Mr. SCHOEPPEL. That would leave the old percentage intact, the way I read it.

Mr. JOHNSON of Colorado. Does it make the old percentage apply to the additional funds?

Mr. SCHOEPPEL. That is my understanding.

Mr. JOHNSON of Colorado. Will the 10 percent apply to the $4,000,000 of prospective funds?

Mr. SCHOEPPEL. Yes.

Mr. JOHNSON of Colorado. Or just to the $2,000,000?

Mr. SCHOEPPEL. As I understand, it would apply to the $4,000,000, because the increase in the amount of stamps would raise an estimated figure of $4,000,000.

Mr. JOHNSON of Colorado. If the Senator is sure that it applies to all the funds, the total $4,000,000, I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL BANK ACT AND BRETTON WOODS AGREEMENT ACT

The bill (S. 1664) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes was announced as next in order.

Mr. TAFT. Mr. President, may we have an explanation of the bill?

Mr. MAYBANK. Mr. President, a companion bill passed the House today by a yea-and-nay vote of 293 to 55. A simple explanation of the bill can be found in the report on Senate bill 1664. The bill has the approval of Mr. McCloy, of the International Bank, as well as the approval of the Secretary of the Treasury and the Board of Governors of the Federal Reserve System. It gives the Securities and Exchange Commission what we might call a kind of veto power over the "exempt status" of the Bank's securities whenever the SEC feels that the public interest or the protection of investors requires such action.

If there are any questions in regard to the bill, I shall be glad to try to answer them.

Mr. McCARRAN. Mr. President, I object to the present consideration of the bill.

Mr. MAYBANK. Mr. President, I hope the Senator from Nevada will not object.

Mr. McCARRAN. The matter has only just come before the Senate. The bill has just come over from the House.

Mr. MAYBANK. The Senate bill has been on the calendar for some time. The House bill is at the desk.

Mr. McCARRAN. I am very sorry, but I am obliged to object.

The PRESIDING OFFICER. The bill will be passed over. The House bill will be placed on the calendar.

Mr. McCARRAN subsequently said: Mr. President, a few minutes ago I objected to the consideration of Senate bill 1664, Calendar 499, a bill to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes. Since that time it has been my privilege to look into the matter, and I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MAYBANK. Mr. President, I thank the distinguished Senator from Nevada. I assure him and the Senate that the bill gives the Securities and Exchange Commission the power of veto over the exempt status of the bank's securities and in no way attempts to regulate branch banking in this country or any other country.

The PRESIDING OFFICER. Without objection, House bill 4332 will be substituted for the Senate bill.

The Presiding Officer laid before the Senate the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, which was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1664 will be indefinitely postponed.

TEMPORARY EXTENSION OF FHA MORTGAGE INSURANCE OPERATIONS

The joint resolution (S. J. Res. 109) to amend the National Housing Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking out of the first sentence of section 2 (a) "July 1, 1949" and inserting in lieu thereof "September 1, 1949";

(2) by striking out of the proviso in section 203 (a) "$4,000,000,000" and inserting in lieu thereof "$5,300,000,000" and by striking out of such proviso "$5,000,000,000" and inserting in lieu thereof "$5,500,000,000"; and

(3) by striking out of the second proviso in section 603 (a) "June 30, 1949" in each place where it appears therein and inserting in lieu thereof "August 31, 1949."

Mr. MAYBANK. Mr. President, in connection with the passage of Senate Joint Resolution 109, I ask that a statement with reference to the joint resolution be printed in the RECORD at this point as a part of my remarks. The bill represents an extension of the FHA operations under title 6.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON SENATE JOINT RESOLUTION 109

Mr. President, I have reported favorably from the Committee on Banking and Currency Senate Joint Resolution 109. This resolution would extend for 60 days the provisions of title 1 and section 608 of title 6 of the National Housing Act as amended. It would also increase by a maximum of one half billion dollars the authorized principal amount of mortgages which could be insured under title 2 of that act. Of that amount, $300,000,000 would be made available immediately. The remaining $200,000,000 would be made available with the approval of the President. I have received, and I assume that many of you have received, urgent requests that the title 1 and section 608 programs be extended beyond June 30.

Unless immediate action is taken, the authority of the Federal Housing Administration to insure mortgage loans under title 1 and section 608 will expire within a few days—at the end of this month.

The heavy use of mortgage insurance under title 2 for the construction of houses for sale since the end of the similar wartime program provided by title 6 has almost exhausted the present insurance limit. The added half billion dollar authorization will permit continued operations under title 2 for the next 2 months. In view of the current need for more low-cost private homes and additional rental units, the ending of these three programs at this time would be extremely unfortunate. Passage of the resolution will enable builders to make use of the good building weather to be found during the months of July and August.

In the meantime, the Subcommittee on Housing and Rents of our Committee will be given time to work out the very difficult task of providing necessary amendments to the entire National Housing Act. As S. 1070 is designed to provide housing for the lower income groups, the amendments to the National Housing Act should stimulate construction of housing for the next higher income groups through Federal aid. The passage of Senate Joint Resolution 109 will make possible the continuity of building programs under titles 1, 2, and 6 of the National Housing Act, as amended.

PAYMENT OF ANNUITIES TO WIDOWS OF RETIRED EMPLOYEES—BILL PASSED OVER

The bill (S. 1440) to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide for payment of annuities to widows of retired employees without reduction in the annuities of such employees was announced as next in order.

Mr. WILLIAMS. Mr. President, I should like to ask the chairman of the committee whether a report from the Bureau of the Budget on this bill has been filed.

Mr. JOHNSTON of South Carolina. Mr. President, when the bill was first taken up with the Civil Service Commission, it was opposed to the bill. It will be noted that by the committee amendments we have reduced the amount collected from 10 percent to 5 percent. At first the bill did away entirely with any deduction. The Commission was opposed to that feature of the bill. Recently representatives of the Commission appeared before the committee. Upon being asked about various bills, they stated that this bill, as proposed to be amended, was a very equitable bill. However, they have not made a report on the amended bill.

Mr. WILLIAMS. As I understand, no report has been made by the Bureau of the Budget. Is that correct?

Mr. JOHNSTON of South Carolina. That is true as to the amended bill.

Mr. WILLIAMS. I have been asked to object to the bill until the Bureau of the Budget submits its report. I ask the Senator from South Carolina if he can obtain such a report by the time of the next call of the calendar, so that we may give consideration to it.

Mr. JOHNSTON of South Carolina. When the bill was originally introduced, the approximate cost was estimated at $25,000,000. The committee amendment reduced the cost from $25,000,000 to $9,000,000. At that time the committee thought it had met all the objections to the bill.

It is necessary to offer more of an inducement to those in the lower brackets to take advantage of certain retirement provisions. It will be noted, by reference to the report, that during the past 6 months of 1948 there were 4,862 married male employees retired from the service. Of this number, 2,460, or 50.6 percent, elected the survivor annuity. The average single life annuity of this group was $1,720. After deducting the cost of the survivor benefit the average was $1,508. The average single life annuity of the 2,402 or 49.4 percent who did not elect the survivor annuity was $1,433. So those in the higher brackets are taking advantage of the benefits, and those in the lower brackets are not taking advantage of them. Something must be done to encourage those in the lower brackets to take advantage of these benefits. A small inducement is offered through the bill, which I think is a very good thing.

Mr. WILLIAMS. I am merely pointing out the fact that none of that information is in the report. There is no report from the Bureau of the Budget as to what the ultimate cost will be.

Mr. JOHNSTON of South Carolina. There was testimony as to what the estimated cost would be.

Mr. WILLIAMS. Where is that estimate in the report?

Mr. JOHNSTON of South Carolina. It is not in the report, but it is in the hearings.

Mr. WILLIAMS. Are the hearings printed and available to Senators?

Mr. JOHNSTON of South Carolina. We have received estimates to the effect that the cost would be approximately $9,000,000.

Mr. WILLIAMS. The point I am raising is, Have the hearings been printed and made available to Senators?

Mr. JOHNSTON of South Carolina. No; they have not. As the Senator knows, the committee does not print the hearings in connection with every bill which it considers. The hearings are not made available to every Member of the Senate. However, these hearings are printed, and in the committee, and any Senator may read them.

Mr. WILLIAMS. I point out to the Senator from South Carolina that while it is true that not all hearings are printed, parts of the hearings are usually included in the report. I ask the Senator from South Carolina again if he will not make a supplementary report, including the estimate of the Bureau of the Budget as to what the cost will be. Then we shall know what we are doing. In the meantime, I shall have to ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

SURVEY OF PHYSICALLY HANDICAPPED CITIZENS

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent

to return to Calendar No. 433, Senate bill 458.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 458) to provide for a survey of physically handicapped citizens.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. JOHNSTON of South Carolina. The Senator from Arkansas [Mr. MCCLELLAN], who objected to consideration of the bill, is willing to withdraw his objection at this time.

Mr. HENDRICKSON. Mr. President, I should like to ask one further question with respect to this measure. I should like to know what is to happen after the survey has been completed and the money has been spent. What is to be done with the survey?

Mr. JOHNSTON of South Carolina. Almost daily in the Senate and House we have before us for consideration bills providing certain benefits for handicapped persons. The survey provided for in the bill would enable us to have the necessary information at our fingertips, and would enable us to know just what we are doing for the benefit of physically handicapped persons.

Mr. TAFT. Mr. President, I do not see the use of spending $5,000,000 in order to have the Federal Government make a survey of physically handicapped persons. Such persons are primarily under the jurisdiction of the States, and the matter is one of State concern. The Federal Government gives aid to the States.

So I cannot see the use of determining the situation in regard to such persons, any more than we should have the Federal Government determine the health of the people or what diseases they may have had, or any other matters pertaining to the general health of the people.

Therefore, Mr. President, I object.

Mr. JOHNSTON of South Carolina. Mr. President, if the Senator will withhold his objection long enough to permit me to say a word, I should like to state that it is true that in many instances the States are dealing with the handicapped persons, but in other instances it is true that the Federal Government is contributing in that respect. Therefore the Federal Government should know the situation in that connection.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The clerk will state the next measure on the calendar.

CHESTER A. DAVIS

The bill (S. 509) to provide for the advancement of commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired), is hereby advanced on the retired list of the United States Marine Corps to the grade of lieutenant colonel, the highest grade held by him during World War I: *Provided,* That no increase of active or retired pay or allowances shall result from the passage of this act.

RECEIPT OF PAY, ALLOWANCES, AND SO FORTH, WHILE DRAWING PENSIONS

The Senate proceeded to consider the bill (S. 1507) to amend section 10 of the act of August 2, 1946, relating to the receipt of pay, allowances, travel, or other expenses while drawing a pension, disability allowance, disability compensation, or retired pay, and for other purposes, which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

That section 10 of the act approved August 2, 1946 (60 Stat. 854, 34 U. S. C. 853e–1), is hereby amended to read as follows:

"Any member of the Naval Reserve or Marine Corps Reserve entitled to draw a pension, retainer pay, disability allowance, disability compensation, or retired pay from the Government of the United States by virtue of prior military service, may elect, with reference to periods of active duty, active duty for training, drill, training, instruction, or other duty for which they may be entitled to receive compensation pursuant to any provisions of law to receive either (1) the compensation for such duty, which, when authorized by law, shall include travel or other expenses incident thereto, and subsistence and quarters, or commutation thereof, or (2) the pension, retainer pay, disability allowance, disability compensation or retired pay, but not both; and unless they specifically waive or relinquish the latter, they shall not receive the former for the periods of such duty: *Provided,* That nothing contained in this section shall be construed as prohiibting the enlistment or appointment in the Naval Reserve or the Marine Corps Reserve of any person who may be entitled to draw any such pension, disability allowance, or disability compensation."

SEC. 2. Notwithstanding the provisions of any other law, any member of a Reserve component of the Army of the United States or of the Air Force of the United States entitled to draw a pension, retirement pay, disability allowance, disability compensation, or retired pay from the Government of the United States by virtue of prior military service, may elect, with reference to periods of active duty or drill, training, instruction, or other duty for which they may be entitled to receive compensation pursuant to any provisions of law, to receive either (1) the compensation for such duty, which, when authorized by law, shall include travel or other expenses incident thereto, and subsistence and quarters, or commutation thereof, or (2) the pension, retirement pay, disability allowance, disability compensation, or retired pay, but not both; and unless they specifically waive or relinquish the latter they shall not receive the former for the periods of such duty.

SEC. 3. The provisions of this act shall be effective from July 1, 1947.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION AT STATIONS OF THE ALASKA COMMUNICATION SYSTEM

The bill (S. 1578) to authorize the Secretary of the Army to proceed with construction at stations of the Alaska Communication System was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, from an examination of the measure, I note that it provides that approximately $5,500,000 of the funds to be provided under it are to be used for equipment and operational buildings, leaving $2,200,000 for the construction of 118 sets of family quarters, which on that basis would seem to cost approximately $18,500 each. I should like to ask the distinguished Senator from Maryland for an explanation as to the type of construction proposed and the need and necessity for it at this time.

Mr. TYDINGS. Mr. President, I shall be glad to answer the Senator. First I should like to make a very brief statement, and then I shall specifically deal with the question the Senator from Kansas has raised.

The bill authorizes the appropriation of funds for the construction of facilities for the Alaska Communication System. Since 1901 the Army has provided the main long lines of communications within and to and from Alaska. Approximately 300 privately owned telegraph, telephone, and radio stations, located in the small towns and canneries, are tied into the Army system. This system provides communication for the military, all Government agencies, and civilians residing in Alaska. Over 500 military and civilian personnel are on duty with the Alaska Communication System.

This authorization measure provides for permanent housing for married personnel, and also will provide for permanent buildings to house the expensive communications equipment in use, thus replacing tarpaper shacks built prior to and during the war period.

To deal specifically with the question raised by the Senator from Kansas, let me say that when the committee had this matter under consideration, those who represented the Army and who came before the committee brought with them numerous photographs of the areas involved, which now are under consideration in connection with this bill. Those pictures were enlarged considerably, and showed a substantial number of houses in many different localities. I do not mean that the pictures showed only dwelling units, for they also showed housing for the equipment which is used in the operation of the Alaska Communication System.

The equipment which goes into this operation is extremely expensive. I am sure I understate the situation when I say to the distinguished Senator from Kansas that a great many of the houses containing equipment, which is very expensive, were so poorly constructed that they were leaning at various angles, and were generally in a very bad state of repair. In some cases they were covered with tar paper. They were wooden, temporary buildings, even though they were used in Alaska. Their condition was not

very different from that of the adjacent housing in which the personnel were housed.

The committee believes that if we do not establish some permanent housing for that equipment, first of all, we shall lose, because of the deterioration of the equipment, more than will be saved by not constructing such buildings; and, in the second place, unless we provide adequate houses to protect the personnel from the Alaska winters—houses other than the temporary shacks which were thrown up during the war, and many of which are now in a very bad state of repair, almost like the slums in Washington which we were considering the other day—it will be impossible to get personnel either to go to Alaska or, after going there, to remain there.

Aside from the economies to be effected by the erection of buildings adequate to take care of the equipment and the personnel, we should realize that this communications system, as the Senator from Kansas can well visualize, is an integral part of our national defense, upon which we rely for many things in case of emergency.

This is not a completed program; I wish to be frank with the Senator and say that the items covered by this bill are not all the Army would like to have done there, and probably not all the Army will ask us to do, for in my opinion the Army will later request $8,000,000 or $10,000,000 or $15,000,000 more before this situation is adequately cared for.

However, this measure takes care of the worst feature of the situation, by providing buildings for the equipment and personnel, and will bring it up to some sort of level where the system can be operated efficiently and, in the long run, I believe, the equipment protected.

I shall be glad to answer any other questions I can.

Mr. SCHOEPPEL. Mr. President, I should like to ask whether the type of buildings to be erected for the equipment is to be of a permanent nature, rather than the semipermanent types of buildings heretofore erected by the military authorities.

Mr. TYDINGS. The Senator is correct, in that this housing is to be permanent. As I said before, this bill does not provide for the complete program, but it will provide for the erection of long-time buildings, rather than temporary buildings, to take care of the equipment. We are trying to do the job in such fashion that the buildings constructed will always fit in with the military program for Alaska and for our own country.

Mr. SCHOEPPEL. I thank the Senator.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HENDRICKSON. Does the bill give the Secretary of Defense the power of condemnation?

Mr. TYDINGS. I do not think that is necessary, for two reasons: First of all, I think we already have acquired land on which the buildings are to be rehabilitated. The bill is for the purpose of permitting the old shacks to be torn down and other buildings to be erected.

In the second place, a great deal of the land in Alaska is already owned by the Government. So there would not be the usual request for condemnation authorization.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment, on page 4, in line 24, after the word "exceed", to strike out "$7,668,212" and insert "$7,663,212", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Army is hereby authorized to establish or develop installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, at stations of the Alaska Communications System at the following locations:

Adak, Aleutian Islands: Area utilities for use jointly with the Department of the Air Force and the Department of the Navy, $175,000.

Anchorage, Alaska: Family quarters, operational buildings, warehouse, garage, and utilities, $800,900.

Anchorage-Fairbanks, Alaska: Line maintenance buildings and utilities between Anchorage and Fairbanks, $175,000.

Anchorage-Fairbanks, Alaska: Operational buildings, garage, warehouse, and utilities at three locations between Anchorage and Fairbanks, $545,550.

Bethel, Alaska: Operational buildings and utilities, $20,000.

Big Delta, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $354,579.

Cathedral Bluffs, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $350,684.

Cape Fanshaw, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Cold Bay, Alaska: Family quarters, operational buildings, garages, and utilities, $83,500.

Cordova, Alaska: Operational buildings and utilities, $28,400.

Eielson Field, Alaska: Family quarters, operational buildings, garages, and utilities, $307,255.

Fairbanks, Alaska: Family quarters, operational buildings, garages, warehouses, and utilities, $1,407,220.

Haines, Alaska: Family quarters, operational buildings, and utilities, $60,500.

Juneau, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $233,340.

Kotzebue, Alaska: Operational building and utilities, $30,000.

Lena Point, Alaska: Family quarters, operational buildings, warehouse, garage, and utilities, $149,900.

Mile 33, Alaska: Operational building and utilities, $46,400.

Mitchell Point, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Naknek, Alaska: Family quarters, operational buildings, and utilities, $480,600.

Narrow Point, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Nome, Alaska: Family quarters, operational buildings, and utilities, $289,000.

Northway, Alaska: Family quarters, operational buildings, warehouse, garages, and utilities, $377,204.

Petersburg, Alaska: Operational buildings and utilities, $74,400.

Point Agassiz, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Portage, Alaska: Operattional buildings and utilities, $100,000.

Skagway, Alaska: Family quarters, warehouse, garages, and utilities, $91,900.

Thane, Alaska: Family quarters, operational buildings, and utilities, $175,000.

Ketchikan, Alaska: Rehabilitation of family quarters, operational buildings, and utilities, $157,800.

Kodiak, Alaska. Operational buildings and utilities, $12,580.

Seattle, Wash.: Family quarters, operational buildings, warehouse, submarine cable tanks, garages, and utilities, $436,500.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary toward meeting the purposes of this act; and with respect to projects within and without continental United States, the approximate partial cost for each project enumerated and authorized in section 1 of this act may, in the discretion of the Secretary of the Army, be varied upward 10 percent, but the total cost of the work on the projects authorized by this act shall not exceed $7,663,212. Any such appropriation shall be available under the direction of the Secretary of the Army for expenses incident to construction, including administration, overhead, planning, and surveys, and shall be available until expended: *Provided*, That any work undertaken under this authorization may be prosecuted by direct appropriations, or by both direct appropriations and continuing contracts subject to the availability of subsequent appropriations: *Provided further*, That construction of family quarters under this authorization shall be subject to the terms and conditions set forth in the last six provisos of section 3 of the act of June 12, 1948 (Public Law 626; 62 Stat. 379–380).

SEC. 3. To accomplish the above-authorized construction the Secretary of the Army is authorized to acquire lands and rights pertaining thereto, or other interest therein, including the temporary use thereof by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF UNITED NATIONS PARTICIPATION ACT OF 1945—BILL PASSED OVER

The bill (S. 2093) to amend the United Nations Participation Act of 1945 to provide for the appointment of representatives of the United States in the organs and agencies of the United Nations, and to make other provision with respect to the participation of the United States in such organization was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TAFT. Mr. President, this bill is one of major importance, and I think we should have an explanation of it. It makes fundamental changes in the main act relating to the participation of the United States in the United Nations.

Mr. CONNALLY. Mr. President, let me say to the Senator from Ohio that I am sure he is familiar with the fact that this bill passed the Senate at the last session without any objection, so far as I now recall. It went to the House of Representatives, but was not passed by the House. The House committee reported the bill favorably; but, because of the legislative log jam, it was not possible to have the bill passed by the House.

The Senator from Ohio is in error when he says that this changes fundamentally the act relating to the participation of the United States in the United Nations. The only important changes are to provide for one assistant to the United States representative on the Security Council. At the present time, as the Senator knows, former Senator Austin is our representative on the United Nations Security Council. Mr. Jessup has been one of his assistants. Mr. Jessup has resigned to take another assignment, the nature of which I do not know. The bill provides a deputy for Mr. Austin and also a technical man, a second deputy, of lower grade, the purpose being to prevent our nonrepresentation on the Security Council through temporary illness or other disability, such as has occurred in the past.

There are numerous other duties of course in which they would be engaged. Former Senator Austin was ill for a considerable period, and we were embarrassed on one or two occasions by not having a qualified member to sit on the Security Council.

As Senators know, the Security Council is the very strongest body in the United Nations, and it is of the highest importance that we always have an able and capable representative on the Council. That is one of the purposes set forth in the present bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Ohio.

Mr. TAFT. Will the Senator comment on the increase in the number of United States military personnel to be detailed to the United Nations at one time, to 1,000? Are 1,000 officers and men to be detailed to the United Nations itself, or what is the significance of it?

Mr. CONNALLY. No. I shall come to that, if the Senator will bear with me while I refer to some other matters. I will say at this point, however, without further delay, that that provision simply authorizes but does not direct the detailing of officers and enlisted men to the different specialized agencies operating under the United Nations, commissions and things of that kind, such as the Commission on Palestine and other commissions of that character. But it is limited to 1,000 personnel, not in one place, but all over the world. Not more than a total of 1,000 personnel, enlisted men and officers, can be detailed for that duty. Does that answer the Senator?

Mr. TAFT. That answers the question.

Mr. CONNALLY. Mr. President, in addition to the deputies I discussed a little while ago, the bill affects the salary of our representative in the United Nations, raising it to $25,000. That is done for the reason that he is an ambassador, and we think being an ambassador to the United Nations is just as important as being an ambassador to a country. Under the laws of the United States, ambassadors generally receive a salary of $25,000, and so the bill puts the ambassador to the United Nations on the same level with other class 1 ambassadors. Technically, he is not class 1. We ought to have a class 1 man there.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. CONNALLY. I yield.

Mr. McCARRAN. Is it true that ambassadors, as I understood the Senate to state, generally receive a salary of $25,000?

Mr. CONNALLY. It is true of class 1, the highest ambassadors. Not all of them, but the higher grade ambassadors, such as those at Paris, London, and Rome receive that salary.

Section 7 of the bill is a new provision designed to improve and facilitate participation by the United States in activities of the United Nations relating to the peaceful settlement of disputes between nations. That has reference to the inquiry which was made by the Senator from Ohio. In making arrangements to settle their disputes by peaceful means, it is desirable to have representatives of neutral countries, and it is provided that the President may extend aid in accordance with the present charter, based on the general interest of the United States in the maintenance of peace, and so on. It also touches on the activities of the United Nations Commissions.

Specifically, the purpose of section 7 is to clarify and supplement existing authority for American assistance to the political field commissions of the United Nations. The United Nations has, as Senators know, a number of organizations in the field, one of which has been operating in the case of Israel and the Arabs. It has performed a very valuable function. This is simply to authorize the detailing of personnel and equipment. Sometimes, when it is necessary to transport people who are engaged in the field, the United States has a truck in that area.

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Has the time of the Senator from Texas expired?

The PRESIDING OFFICER. The Senator's time has expired. Is there objection to the present consideration of the bill?

Mr. McCARRAN. I object.

The PRESIDING OFFICER. On objection, the bill will be passed over.

EGLIN AIR FORCE BASE RECREATIONAL FACILITY—BILL PASSED OVER

Mr. TYDINGS. Mr. President, I ask unanimous consent to revert to Calendar 480, House bill 2417, so that I may answer some of the questions the Senator from Kansas asked me a while ago, for which I did not have the answers at that time. I am hopeful that in the light of the facts which I can now bring to the attention of the Senator, he may withdraw his objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TYDINGS. Mr. President, I should like to say that when this bill with reference to Eglin Field, in Florida, was called a while ago, the Senator from Kansas asked me whether the $5,000,000 of welfare funds could be used to operate the field. Since the Senator asked the question, I have had adequate inquiry made of the Department of the Air Force, and I am advised that these funds can never be used for operational expenses, they can be used only for acquisitive purposes. They cannot be used as a matter of carrying on the expenses of any operation. The funds are restricted completely in that respect. That being so, I respectfully point out to the Senator that this field will be in the same category with every other field so far as its expenses are concerned. The funds can be used and will be used to acquire the field, but it is not legally possible to use the funds to operate or maintain the field. I thought that was the question that the Senator wanted answered, on which he desired additional information, when the bill was up before. I want to bring that to his attention.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. SCHOEPPEL. I appreciate the Senator's explanation, but there were two other inquiries made of me in reference to this measure, and if at all possible, while I regret it, I would ask to have it go over.

Mr. TYDINGS. I am agreeable to having it go over, and I shall not ask that the bill be considered now, because I want the Senator to have all the time he requires.

Mr. SCHOEPPEL. I thank the Senator.

Mr. TYDINGS. I may say that if this bill, which is a House bill, is passed, this field will be on the same level, without any extra advantage whatever, with every other field which is operated by the armed services.

TRANSPORTATION, ETC., OF EXPLOSIVES

The Senate proceeded to consider the bill (S. 447) to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 6, after the word "not", to strike out "less than $100

nor more than $5,000, or to imprisonment not exceeding 18 months" and insert "more than $1,000, or to imprisonment not exceeding 1 year"; and in line 13, after the word "not", to strike out "less than $1,000 and not", so as to make the bill read:

Be it enacted, etc., That the Civil Aeronautics Act of 1938, as amended (52 Stat. 973; U. S. C., title 49, sec. 401 and the following), is further amended by inserting, immediately following section 902 (g) thereof, the following new section:

"902. (h) Any person who knowingly or willfully delivers or causes to be delivered to an air carrier or the operator of any civil aircraft for transportation in air commerce, or who causes the transportation in air commerce of, any shipment, baggage, or property, the transportation of which would be a violation of any rule, regulation, or requirement of the Board relating to the transportation, packing, marking, or description of explosives or other dangerous articles, shall upon conviction thereof, for each such offense be subject to a fine of not more than $1,000, or to imprisonment not exceeding 1 year, or to both such fine and imprisonment: *Provided*, That when death or bodily injury of any person results from a violation of any such rule, regulation, or requirement the person or persons convicted thereof shall, in lieu of the foregoing penalty, be subject to a fine of not more than $10,000 or to imprisonment not exceeding 10 years, or to both such fine and imprisonment."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

The bill (H. R. 781) to amend title II of the Civil Aeronautics Act of 1938, as amended, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder whether the sponsors of the bill could give the Senate an estimate in dollars as to the extent of the obligations the Administrator may incur under the provisions of the bill.

Mr. JOHNSON of Colorado. Mr. President, there will be no additional expense to the Treasury. This bill simply gives the Civil Aeronautics Authority the privilege of purchasing supplies for its stations in Alaska during the short summertime, without regard to the fiscal year. The Authority has to buy ahead of time, because of the short summers in Alaska.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with an amendment, on page 2, line 3, after the name "Alaska", to insert "in amounts not to exceed 75 percent of the amount that had been made available for such purposes for the fiscal year then current."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PROJECT COSTS UNDER THE FEDERAL AIRPORT ACT

The Senate proceeded to consider the bill (S. 1278) to fix the United States' share of project costs under the Federal Airport Act, involved in installation of high-intensity lighting on CAA designated instrument-landing runways, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, line 5, to change the subsection letter from "(d)" to "(e)", and at the top of page 2, to insert a new section 2, as follows:

SEC. 2. Subsection (a) of section 10 of such act is amended by striking out "and (d)" and inserting "(d), and (e)."

So as to make the bill read:

Be it enacted, etc., That section 10 of the Federal Airport Act is amended by adding the following new subsection:

"(e) To the extent that the project costs of an approved project represent the cost of installation of high intensity lighting on runways designated instrument landing runways by the Administrator, the United States share shall be not to exceed 75 percent of the allowable costs of such installation."

SEC. 2. Subsection (a) of section 10 of such act is amended by striking out "and (d)" and inserting "(d), and (e)."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MINIMUM RATES OF WAGES UNDER FEDERAL AIRPORT ACT

The bill (S. 1279) to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of $2,000, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (b) of section 15 of the Federal Airport Act is amended to read as follows:

"MINIMUM RATES OF WAGES

"(b) All contracts, in excess of $2,000 for work on projects approved under this act which involve labor shall contain provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work."

MAXIMUM OBLIGATIONS UNDER FEDERAL AIRPORT ACT

The Senate proceeded to consider the bill (S. 1280) to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, line 4 after the word "by", to strike out "striking out" and insert "inserting before"; and in line 5, after the word "thereof", to strike out "and inserting in lieu of the matter stricken", so as to make the bill read:

Be it enacted, etc., That section 12 of the Federal Airport Act is amended by inserting before the period at the end of the fourth sentence thereof the following: "by more than 10 percent."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION OF PROGRESSIVE PARTIAL PAYMENTS TO CONTRACTORS

The bill (S. 1285) to authorize progressive partial payments to contractors under the Federal airport program, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, it seems to me it is possible for the Federal Government to advance money for the construction of airports, then for municipalities to abandon the projects, leaving the Federal Government to assume the property. I am wondering if an amendment could not be adopted to tighten up the provisions of the bill so as to place some responsibility on municipalities.

Mr. JOHNSON of Colorado. Mr. President, I would have no objection to such an amendment, if the Senator has one ready. However, the proposed legislation would not increase the cost of the Federal airport program, save for some slight increase in administrative expenses incident to the task of making payments in installments. The net result would probably be a decrease in cost because use of advance grant payments would promote prompt payments to construction contractors and thus render unnecessary their present practice of padding their bids to include the cost of borrowing money to meet expenses while waiting for grant payments to be received.

It seems to me, Mr. President, that the purposes of the bill are realistic and reasonable and that it would be of great assistance to the contractors and to the people having the word done. The Municipal Association of Airports is very anxious for the enactment of this bill.

Mr. HENDRICKSON. Mr. President, I should like to send to the desk an amendment and ask that the clerk read it.

Mr. McCARRAN. Mr. President, may I have the attention of the Senator from New Jersey before the Senator offers his amendment?

Let me say to the Senator that there is no payment of money that would not be regularly made, except that it would be paid at a different time. The time is advanced so that the project may go forward.

Mr. HENDRICKSON. There would be no advancement of money, did the Senator say?

Mr. McCARRAN. There would be an advance of money.

Mr. HENDRICKSON. Will the Senator repeat his statement? I did not hear his whole statement.

Mr. McCARRAN. There would be no payment of money that would not be

regularly made, excepting that it would be paid at a different time.

Mr. HENDRICKSON. That does not alter my view with respect to the amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Jersey.

The LEGISLATIVE CLERK. On page 3, line 10, after the sentence ending with the word "excess", it is proposed to insert the following:

If the Administrator finds that the airport development to which the advance payments relate has not been accomplished within a reasonable time or such development is not completed, the United States shall be entitled to recover such part of such advance payment for which the United States received no benefit.

Mr. McCARRAN. Mr. President, I should like to have an explanation of the amendment which has just been read.

Mr. HENDRICKSON. It merely provides that when the work is not completed the Government will recover from the municipality.

Mr. McCARRAN. That does not explain it at all, it seems to me. It does not accomplish anything more than the bill does at the present time. I respectfully suggest that, if the amendment accomplished anything, it might be worth while, but it does not accomplish anything at all.

Mr. HENDRICKSON. Mr. President, I feel that the amendment does clarify the bill, and I should feel much better about the passage of the bill with my amendment in it than I would without it.

Mr. JOHNSON of Colorado. Is it not a fact that payments are not advanced until the work is completed?

Mr. McCARRAN. The bill provides that they may be paid before the work is actually completed. That is in keeping with the usual way of doing business.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1285), which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment to strike out all after the enacting clause and insert:

That section 14 of the Federal Airport Act is amended to read as follows:

"SEC. 14. The Administrator, after consultation with the sponsor or sponsors with which a grant agreement has been entered into, shall determine at what times, and in what amounts, payments shall be made under this act. Payments under a grant agreement, in an aggregate amount of not to exceed 90 per centum of the United States' share of the total estimated allowable project costs of the project, may be made from time to time in advance of accomplishment of the airport development to which such payments relate, provided, that the sponsor certify to the Administrator that the aggregate of expenditures to be made from such advance payments will not at any time exceed the cost of the airport development work which has been performed up to that time. If the Administrator determines at any time that the aggregate amount of payments made under a grant agreement exceeds the United States' share of the total allowable project costs of the project, the United States shall be entitled to recover such excess. Payments under a grant agreement shall be made to such official or officials or depository, authorized by law to receive public funds, as may be designated by the sponsor or sponsors entitled to such payments."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. HENDRICKSON].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize progressive partial payments to sponsors under the Federal Airport Act program."

BILL PASSED OVER

The bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes, was announced as next in order.

Mr. TAFT. Mr. President, I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

AUTHORIZATION OF STATE-ALLOTTED FUNDS FOR CERTAIN FEDERAL AIRPORT PROJECTS

The Senate proceeded to consider the bill (S. 1283) to authorize the use of State-allotted funds for Federal airport projects in national parks, monuments, and so forth, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment to strike out all after the enacting clause, and insert:

That the Secretary of the Interior (hereinafter called the "Secretary") is hereby authorized to plan, acquire, establish, construct, enlarge, improve, maintain, equip, operate, regulate, and protect airports in the continental United States in, or in close proximity to, national parks, national monuments, and national recreation areas, when such airports are determined by him to be necessary to the proper performance of the functions of the Department of the Interior: *Provided*, That no such airport shall be acquired, established, or constructed by the Secretary unless such airport is included in the then current revision of the national airport plan formulated by the Administrator of Civil Aeronautics pursuant to the provisions of the Federal Airport Act: *Provided further*, That the operation and maintenance of such airports shall be in accordance with the standards, rules, or regulations prescribed by the Administrator of Civil Aeronautics: *And provided further*, That the Secretary shall not acquire or take over control of any airport owned or controlled by a State or a political subdivision thereof without the consent of such State or political subdivision.

SEC. 2. In order to carry out the purposes of this act the Secretary is authorized to acquire necessary lands and interests in or over lands; to contract for the construction, improvement, operation, and maintenance of airports and incidental facilities; to enter into agreements with other public agencies providing for the construction, operation, or maintenance of airports by such other public agencies or jointly by the Secretary and such other public agencies upon mutually satisfactory terms; and to enter into such other agreements and take such other action with respect to such airports as may be necessary to carry out the purposes of this act.

SEC. 3. Notwithstanding any other provision of law, the Secretary is hereby authorized to sponsor projects under the Federal Airport Act either independently or jointly with other public agencies, and to use, for payment of the sponsor's share of the project costs of such projects, any funds that may be contributed or otherwise made available to him for such purpose (receipt of which funds and their use for such purposes is hereby authorized) or may be appropriated or otherwise specifically authorized therefor.

SEC. 4. All airports under the jurisdiction of the Secretary, unless otherwise specifically provided by law, shall be operated as public airports, available for public use on fair and reasonable terms and without unjust discrimination.

SEC. 5. The terms "airport," "project," "project costs," "public agency," and "sponsor," as used in this act, shall have the respective meanings prescribed in the Federal Airport Act.

SEC. 6. Section 9 (c) of the Federal Airport Act, as amended, is hereby amended to read as follows:

"(c) Nothing in this act shall authorize the submission of a project application by the United States or any agency thereof, except in the case of a project in the Territory of Alaska, the Territory of Hawaii, Puerto Rico, the Virgin Islands, or in, or in close proximity to, a national park, national recreation area, national monument, or national forest."

SEC. 7. Section 3 of the Federal Airport Act, as amended, is hereby amended by adding a new subsection (c) to read as follows:

"(c) In making annual revisions of the national airport plan pursuant to the provisions of this act, the Administrator of Civil Aeronautics shall consult with and consider the views and recommendations of the Secretary of the Interior with respect to the need for development of airports in, or in close proximity to, national parks, national monuments, and national recreation areas."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in, or in close proximity to, national parks, monuments, and recreation areas, and for other purposes."

CONTINUATION OF CERTAIN POWERS, AUTHORITY, AND DISCRETION IN RESPECT TO TIN AND TIN PRODUCTS

Mr. MAYBANK. Mr. President, I report favorably from the Committee on Banking and Currency and ask unanimous consent that the Senate proceed to consider House bill 5044, to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the second decontrol act of 1947, and for other purposes. I ask that it be substituted for Senate bill 1994.

Speaking as chairman of the Committee on Banking and Currency the committee unanimously desires that the House bill be considered so that it may be passed, because the time will expire on the 30th of June. The reason for this

action is stated in a letter to the Congress which was received a few weeks ago, when the bill was introduced. The Bolivian situation is involved, and it was feared that strikes would occur affecting the production of tin. Every member of the Committee on Banking and Currency this morning voted to substitute the House bill already passed for the Senate bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. TAFT. Neither the House bill nor the Senate bill is on the calendar. Am I correct?

Mr. MAYBANK. The Senator is correct, and we were just bringing it up today after the call of the calendar because the present law will expire June 30. It was with the unanimous consent of the Committee on Banking and Currency that I brought it in. It is not on the calendar.

Mr. TAFT. I suggest that the bill be read for the information of the Senate.

The PRESIDING OFFICER. The clerk will read the bill.

The legislative clerk read the bill (H. R. 5044) to continue for a temporary period certain powers, authority, and discretion in respect to tin and tin products conferred upon the President by the Second Decontrol Act of 1947, and for other purposes, as follows:

Be it enacted, etc., That subsection (b) of section 1501 of the Second War Powers Act, 1942, as amended by the Second Decontrol Act of 1947 (Public Law 188, 80th Cong.), and as further amended by the Act of February 28, 1948 (Public Law 427, 80th Cong.), and by the act of June 4, 1948 (Public Law 606, 80th Cong.), is hereby amended by inserting after "June 30, 1949" the words "except as otherwise provided in subsection (b) (1) (A) below." Subsection (b) (1) (A) is hereby amended by inserting before the semicolon at the end thereof a comma and the following: "until the close of June 30, 1950." Subsection (c) of such section 1501 is hereby amended by striking out "June 30, 1949" and inserting in lieu thereof "June 30, 1950."

Mr. TAFT. Mr. President, do I correctly understand that the bill does not relate to any single subject except the Longham Smelter at Galveston, and the operation of that smelter by the RFC?

Mr. MAYBANK. No; it controls the tin allocatiton and the tin imports into this country, regardless of where they may come from. It is the only control left of those contained in the Second Decontrol Act. The only reason why it is left is that the Secretary of Commerce, Mr. Sawyer, asked that he be allowed to use it if necessary—and if not necessary he will not use it—because of the fears of strikes in Bolivia, where most of the imported tin ore comes from, as the Senator from Ohio knows.

Mr. TAFT. Was there any objection at all from any interests in the committee?

Mr. MAYBANK. There was none in the committee.

Mr. LUCAS. Mr. President, will the Senator explain the number of commodities which have been decontrolled as a result of the act? Tin is the only commodity that is left is it not?

Mr. MAYBANK. It would take me quite a while to read the list, and I do not want to delay the Senate. The list of things which have been decontrolled is long. The only reason why the Secretary of Commerce wants tin controlled is that there is a fear of strikes and disturbances in Bolivia.

Mr. TAFT. I have no objection.

Mr. LUCAS. The point I wanted to make was that we are decontrolling everything with the exception of tin.

Mr. MAYBANK. That is true, and it is only because of the situation in Bolivia that this request is made.

Mr. McCARRAN. Mr. President, the explanation of the Senator from South Carolina does not clarify the situation so far as I am concerned. I am wondering how the bill affects other metals.

Mr. MAYBANK. It has no effect on any metal whatsoever, as I understand, except tin and tin products.

Mr. McCARRAN. How does it affect copper, zinc, and lead?

Mr. MAYBANK. It has no effect, to the best of my knowledge, upon copper, zinc, or lead, or any other metal. It is purely a tin bill.

The PRESIDING OFFICER. Is there objection?

Mr. McCARRAN. Just a moment. I think I have the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. McCARRAN. I am at a loss to understand the situation, in view of the fact that those regions in this country which are interested in the retention of employment of labor have found themselves with labor going out of employment. I am wondering whether or not this particular bill affects that condition. The Senator from South Carolina sought to impress me with the idea that it does not affect that condition. I wonder if the Senator from South Carolina knows whether it would or not.

Mr. MAYBANK. My understanding of the tin situation is that the smelter in Texas produces a certain type of tin, that is, the refined tin, and my information is that this bill does not adversely affect the plant in Texas. That is my information.

Mr. McCARRAN. Why should this bill address itself to any one plant?

Mr. MAYBANK. It does not address itself to any one plant.

Mr. McCARRAN. Why should it not address itself to the whole industry?

Mr. MAYBANK. It does. It merely gives the Secretary of Commerce the right to allocate and control the use of tin which we hope to be able to get from South America, particularly from Bolivia, and from other sources, in case we cannot get an ample world supply because of strikes, for instance. It does not affect any one plant.

Mr. McCARRAN. Let me ask a few pertinent questions. How many members of the committee were present when the bill was considered?

Mr. MAYBANK. The committee members were not physically present in formal meeting at the consideration of the Senate bill. For the reason that the law will expire on the 30th of this month, we took up with every member of the committee the House bill, which passed the House yesterday, and every Member was in agreement that it should be reported favorably.

Mr. McCARRAN. Then, Mr. President, I cannot consent.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Will the Senator withhold his objection?

Mr. McCARRAN. Mr. President, I do not think the leader of the majority should advocate the passage of a bill of this kind when it has not been before a committee of this body.

Mr. LUCAS. It may be that I should not advocate it, but I think in all fairness to the administration it is my duty to advocate the passage of the bill.

Mr. McCARRAN. The administration is one thing——

Mr. LUCAS. One moment. I have the floor, if I may speak for just a moment. In view of the fact that the able Senator from South Carolina has polled every member of the committee, and that the House unanimously passed the bill, and the fact that the distinguished Senator from Ohio, who has looked into the matter, too, has no objection to it, and in view of the fact that we decontrolled everything in last year's law with the exception of tin——

Mr. MAYBANK. And the Senate bill, S. 1994, dealing with this matter has been before the committee since the legislative day of the 2d of June.

Mr. LUCAS. That is correct. I do hope the Senator from Nevada will let the bill go through because of the dead line on it, and it is a very important matter.

Mr. McCARRAN. The Senator from Illinois did not want me to interrupt him just a moment ago. I am sorry that he did not, because I might have propounded a pertinent question. Perhaps I may ask the Senator having charge of the bill as to whether or not hearings were held on this subject.

Mr. MAYBANK. There were no hearings held in the Senate, but hearings were held in the House.

Mr. McCARRAN. Have those hearings been printed?

Mr. MAYBANK. I presume they were; the House passed the bill.

Mr. McCARRAN. Then undoubtedly the Senate committee has not reviewed the House hearings as printed.

Mr. MAYBANK. I might say that the Senate committee had before it the testimony of the Secretary of Commerce when I introduced the bill on the legislative day of the 2d day of June, and the testimony of the Assistant Secretary of Commerce given before the House Committee on Banking and Currency at a later date.

Mr. McCARRAN. That is not in answer to my question. Have the hearings conducted before the House committee

been reviewed by the committee having charge of this bill in the Senate?

Mr. MAYBANK. No; not formally.

Mr. McCARRAN. Then, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

Mr. LUCAS. Mr. President, this is a tremendously important measure and it has got to be decided before the 30th of this month. I do not know of any better time than now to decide it. We have only a few more days to do so. The bill has to become law, in my judgment, within that time; at least we have to have a Senate vote on it and determine whether it shall become a law or not.

Mr. HILL. Mr. President, I suggest that if the Senator will permit us to proceed with consideration of the District of Columbia appropriation bill, he may be able to confer in the meantime with the Senator from Nevada and other Senators, and perhaps iron out the differences existing among them.

Mr. LUCAS. I shall be glad to yield to the Senator from Alabama for the purpose of bringing up the District of Columbia appropriation bill.

Mr. MAYBANK. Mr. President, I do not intend to delay the distinguished Senator from Alabama in bringing up the District of Columbia appropriation bill, but I wish to say that I shall ask unanimous consent, at the conclusion of consideration of the District of Columbia bill, to be recognized so I may again request that the bill be considered. I wish to say further that the testimony of the Secretary of Commerce is printed in the RECORD and the testimony of the Assistant Secretary of Commerce before the House Committee on Banking and Currency is printed in the record of the hearings.

Mr. McCARRAN. Mr. President, what was the request of the Senator from South Carolina?

Mr. MAYBANK. That I may request that the bill be considered at a later time today.

The PRESIDING OFFICER. The Senator from South Carolina asked unanimous consent to be recognized for the purpose of bringing up his bill, at the expiration of consideration of the District of Columbia appropriation bill.

Mr. McCARRAN. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, I desire to say that sooner or later this afternoon I am going to ask that the Senate take up the bill which the Senator from South Carolina [Mr. MAYBANK] has tried to have considered.

Mr. McCARRAN. And I will say to the Senator from Illinois that later this afternoon we will be here.

Mr. LUCAS. I now yield to the Senator from Alabama [Mr. HILL].

Mr. MAYBANK subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD, following the discussion on the House bill dealing with the tin exports, the hearings that were held before the House committee on the so-called tin-allocation bill.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. THOMAS C. BLAISDELL, JR., ASSISTANT SECRETARY OF COMMERCE, BEFORE THE BANKING AND CURRENCY COMMITTEE OF THE HOUSE OF REPRESENTATIVES, JUNE 14, 1949

Mr. Chairman and members of the committee, I appreciate the opportunity to come before your committee to make a brief statement in support of the administration's recommendation for an extension of authority to allocate tin and tin products. As you are aware, this authority is now contained in the Second Decontrol Act of 1947 as amended by Public Law 606, Eightieth Congress, and it expires at the close of June 30, 1949.

The Secretary pointed out in his Seventh Quarterly Report on Export Control and Allocation Powers, recently submitted to the Congress as required by the Second Decontrol Act, that the controls had been enacted to meet the problem of critical shortages at home and abroad arising from wartime dislocations and he stated that the controls were no longer required for this purpose inasmuch as shortages of this nature have now been largely overcome. But the situation regarding tin stands on a different footing, quite apart from the war-caused shortages. The vital importance of tin to our national defense and the grave dangers to the continuity of production overseas lead me to recommend that the allocation powers which are about to terminate on June 30 should be extended for another 12 months until June 30, 1950.

The importance of tin to our economy has been emphasized in testimony presented to the Congress in connection with previous extensions of this act. I, therefore, do not believe it is necessary to review the background situation in great detail. But let me recall to you that the United States is entirely dependent upon imports for its supply of primary tin. Malaya, Siam, China, and Burma together supply about 60 percent of the world's production; South and Central America about 20 percent; Africa about 15 percent, and other foreign countries about 3 percent.

Production in the Far East was 85,715 tons in 1948, considerable improvement from the output of less than 50,000 tons in 1947, but still far below the 157,000 tons produced in the peak year of 1941. World tin production for 1948 was 152,900 tons. Some gain is expected this year with production estimated prior to work stoppages in Bolivia at approximately 170,000 tons. This compares with production of 113,500 tons in 1947 and about 207,000 tons in 1937.

In order to assure the distribution of the limited world supply on an equitable basis, pig tin is presently allocated by an international governmental group, the Combined Tin Committee which allots the exportable pig tin surpluses of producing countries. This arrangement assures all the consuming nations, including the United States, a fair share of the available supplies of an essential raw material. Since 1947 the United States has received somewhat more than one-half of the total allocations made by the Combined Tin Committee.

Although the supply of tin available to the United States from these sources has, until recently, been increasing steadily since the end of the war, it is still materially short of unrestricted demand and the needs of the strategic stock pile. In 1947 primary tin supply totaled 64,195 long tons, while consumption was held down by use restrictions to a total of about 63,000 tons. Primary tin supply for the year 1948 totaled about 83,000 tons. Restrictions in that year limited consumption to about the same level as in 1947. Tables illustrative of the production and consumption of tin are attached.

Under the controls exercised through the Department's allocation order M–43, issued pursuant to the Second Decontrol Act, the tin supplies available to the United States have been limited to essential uses thus making available substantial quantities of tin for the stock pile. As increasing supplies are assured the Department has relaxed the restrictions on the use of tin after consultation with industry and interested Government agencies. Since January 1, 1949, there have been two such revisions of both allocation order M–43 and order M–81 covering the use of tin for tin cans. Copies of both of these tin orders have been furnished you.

World tin production is presently subject to recurring hazards. For example, as recently as 3 weeks ago production was proceeding normally in Bolivia, from which about 20 percent of the world's tin supply comes. We were then suddenly faced with a strike in the Bolivian mines. This virtually stopped production in Bolivia and we do not know when full-scale production there will be reached again. Such an interruption of production is extremely serious. There is no assurance that this might not also happen elsewhere, with the result that our tin supplies would be seriously affected. It is these uncertainties in maintaining world production, much less increasing it, which convince me that the Congress should continue the powers which we now have as the very minimum precaution.

I am sure the committee appreciates the desire of the Department to avoid controls in industry except where absolutely required. In the event the powers here involved are extended, it will be our policy to remove these controls as soon as it is clear that such action will not affect our national security and stock-pile acquisition, and with minimum dislocation to the operations of industry by providing for a short transition period.

World primary production of tin

[Long tons of tin contained in concentrates]

Country	1937	1938	1939	1946	1947	1948	1949
Far East	148,273	101,430	108,391	17,501	50,160	85,715	101,040
Malaya	77,266	43,375	47,416	8,432	27,026	44,831	55,125
Netherlands East Indies	39,134	27,298	27,809	6,450	15,915	30,562	33,555
Siam	[1] 16,494	14,704	[1] 16,970	1,056	1,401	4,240	5,750
China	10,457	11,246	10,859	1,320	4,000	4,800	4,795
Burma	3,345	3,208	3,863	243	1,818	1,282	1,435
French Indo-China	1,577	1,599	1,474	----------	----------	----------	380
Bolivia	[1] 25,025	[1] 25,371	[1] 27,215	[1] 37,619	[1] 33,259	[1] 37,309	33,550
Africa:							
Belgian Congo	8,942	8,820	8,964	14,091	14,897	14,073	14,570
Nigeria	10,782	8,977	9,428	10,338	9,139	9,234	8,650
Other	14,478	15,402	13,002	9,451	7,045	6,569	7,190
Total	207,500	160,000	167,000	89,000	114,500	152,900	165,000

[1] Exports, production figures not available.

Source: International Tin Study Group.

Pig tin

	United States smelter production [1] (long tons)	Apparent domestic consumption (long [2] tons)	Average price (cents per pound grade A, f. o. b. New York)
1935		55,928	50.42
1936		68,232	46.44
1937		72,928	54.34
1938		48,116	42.30
1939		66,583	50.32
1940		72,324	49.83
1941		103,086	52.02
1942	15,695	56,288	[3] 52.00
1943	20,727	46,253	[3] 52.00
1944	30,619	59,156	[3] 52.00
1945	40,591	55,642	[3] 52.00
1946	43,468	54,627	54.54
1947	33,292	63,078	77.95
1948	36,677	64,060	[4] 99.25

[1] United States production of primary tin refined entirely from foreign materials; United States ore production in entire period less than 1,000 tons.
[2] Primary tin only; excludes stock-pile accumulations.
[3] Price stabilized by the Office of Price Administration.
[4] Current price, 103.

Source: Production and consumption, Bureau of Mines through 1946, Office of Domestic Commerce, 1947–48; prices, American Bureau of Metal Statistics through 1947, Office of Domestic Commerce, 1948.

Tin—Total new supply and distribution of United States consumption, 1946–49

[Long tons—primary and secondary]

	1946	1947	1948	1949 [1]
NEW SUPPLY				
Primary:				
Imports of concentrates	38,116	30,503	37,369	33,000
Imports of tin metal	6,716	33,692	48,954	60,000
Total primary	44,832	64,195	86,323	93,000
Secondary:				
Domestic secondary pig tin	2,512	3,160	3,255	3,000
Domestic secondary alloys	22,025	23,322	26,070	23,000
Total secondary	24,537	26,482	29,325	26,000
Total supply [2]	69,369	90,677	115,648	119,000
DISTRIBUTION OF CONSUMPTION (END USE)				
Tin and terneplate	27,051	31,833	32,822	
Brass and bronze	22,305	21,148	22,256	
Solder	17,255	19,696	21,751	
Babbitt	6,833	6,829	6,483	
Tinning	2,230	2,825	2,837	
Collapsible tubes	898	1,008	656	
Foil	238	356	284	
Type metal	1,378	1,372	1,417	
Chemicals	118	173	226	
Tin pipe and tubes	324	479	316	
Oxide	11	176	274	
Other	1,593	1,286	1,087	
Total	80,234	87,181	90,409	85,000

[1] Estimated.
[2] Actual availability slightly less due to losses incurred in the smelting of concentrates.

Source: Office of Domestic Commerce.

Straits tin prices

Year	High	Low	Average
1929	50.37½	38.37½	45.19
1930	39.75	23.75	31.70
1931	27.50	20.60	24.46
1932	25.62½	18.35	22.01
1933	55.80	21.80	39.12
1934	56.65	50.00	52.16
1935	54.00	45.75	50.39
1936	53.50	40.50	46.42
1937	66.62½	41.00	54.24
1938	46.75	35.00	42.26
1939	75.00	45.00	50.18
1940	58.00	44.75	49.82
1941	55.00	50.10	52.01
1942	52.00	52.00	52.00
1943	52.00	52.00	52.00
1944	52.00	52.00	52.00
1945	52.00	52.00	52.00
1946	70.00	52.00	54.58

Straits tin prices—Continued

Year	High	Low	Average
1947	94.00	70.00	77.94
1948	103.00	94.00	99.25
1949, 6 months	103.00	103.00	103.00

Allocations of tin by the Combined Tin Committee

	1946	1947	1948	First half 1949
Total	48,846	56,797	83,156	61,475
United States	16,280	31,126	42,160	37,500
Percentage (United States)	30	55	50	60

EXTENSION OF RETIREMENT BENEFITS TO EMPLOYEES OF ALASKA RAILROAD AND THE CANAL ZONE

Mr. WILLIAMS. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield to the Senator from Delaware.

Mr. WILLIAMS. On the last call of the calendar, Mr. President, I objected when Senate bill 1359, Calendar 248, was reached on the calendar. Since that time the Senator from South Carolina [Mr. JOHNSTON] has agreed to an amendment to that bill, so I ask unanimous consent to return to it at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1359) to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

That (a) the Alaska Railroad Retirement Act of June 29, 1936, as amended, is hereby repealed, and all officers and employees of the Alaska Railroad, Territory of Alaska, who are subject to the provisions of said act are hereby included within the terms of the Civil Service Retirement Act of May 29, 1930, as amended.

(b) Sections 91 to 107 (comprising article 2 of chapter 6) of title 2 of the Canal Zone Code, approved June 19, 1934 (48 Stat. 1122), as amended (known as the Canal Zone Retirement Act), are hereby repealed, and all officers and employees of the Panama Canal and the Panama Railroad Company, who are subject to the provisions of such sections, are hereby included within the terms of the Civil Service Retirement Act of May 29, 1930, as amended.

SEC. 2. (a) The United States Civil Service Commission is hereby authorized and directed to ascertain the amount of the gross assets in the Alaska Railroad retirement and disability fund and the amount of the gross assets in the Canal Zone retirement and disability fund, and to certify such amounts to the Secretary of the Treasury, who is hereby authorized and directed to transfer such amounts on the books of the Treasury Department to the civil-service retirement and disability fund.

(b) In the case of each officer or employee described in section 1 of this act, the United States Civil Service Commission shall credit to his individual account in the civil-service retirement and disability fund an amount equal to all deductions withheld from his salary and deposited or redeposited by him under the Alaska Railroad Retirement Act, as amended, or the Canal Zone Retirement Act, as amended, together with interest compounded on June 30 of each year at 4 percent per annum to December 31, 1947, and at 3 percent per annum thereafter to the effective date of this act, and credit shall be allowed for the purposes of the act of May 29, 1930, as amended, for the period of service covered by said contributions.

SEC. 3. Section 1 of the act of May 29, 1930, as amended, is further amended by the addition of the following new subsections (e) and (f) at the end thereof:

"(e) An officer or employee to whom this act applies, who is a citizen of the United States employed in the Territory of Alaska by the Alaska Railroad or on the Isthmus of Panama by the Panama Canal or the Panama Railroad Company, and who shall have attained or shall hereafter attain the age of 55 years and have rendered at least 25 years of service, of which not less than 15 years shall have been rendered in Alaska or on the Isthmus of Panama or in part in Alaska and in part on the Isthmus of Panama, shall upon separation from the service, be paid an annuity computed as provided in section 4 of this act, reduced by one-fourth of 1 percent for each full month such employee is under the age of 60 years.

"(f) Any officer or employee to whom this act applies, who is a citizen of the United States employed on the Isthmus of Panama by the Panama Canal or the Panama Railroad Company, and who shall have attained or shall hereafter attain the age of 55 years and have rendered at least 30 years of service on the Isthmus of Panama (inclusive of absences while in the service of the United States during the World War), of which not less than 3 years shall have been in the employ of the Isthmian Canal Commission or the Panama Railroad Company between May 4, 1904, and April 1, 1914, shall, upon separation from the service be paid an annuity computed as provided in section 4 of this act."

SEC. 4. Section 2 (a) of the act of May 29, 1930, as amended, is further amended by adding at the end thereof the following: "In the case of an officer or an employee of the Alaska Railroad, Territory of Alaska, or an officer or employee who is a citizen of the United States employed on the Isthmus of Panama by the Panama Canal or the Panama Railroad Company, the provisions of this subsection shall apply upon his attaining the age of 62 years and completing 15 years of service on the Isthmus of Panama or in the Territory of Alaska."

SEC. 5. Section 4 of the act of May 29, 1930, as amended, is further amended by adding at the end thereof the following new subsection (f):

"(f) In the case of an officer or employee retiring under the provisions of this act, who is a citizen of the United States, the annuity otherwise computed under subsection (a) of this section shall be increased by an amount equal to $36 multiplied by the number of years of service rendered in the Territory of Alaska between March 12, 1914, and July 1, 1923, either in the employ of the Alaska Engineering Commission or the Alaska Railroad, or on the Isthmus of Panama between May 4, 1904, and April 1, 1914, either in the employ of the Isthmian Canal Commission or the Panama Railroad Company."

SEC. 6. Section 8 of the act of May 29, 1930, as amended, is amended by adding at the end thereof a new paragraph as follows:

"In the case of any officer or employee who, prior to the effective date of this act, shall have been retired on an annuity under the

provisions of the Alaska Railroad Retirement Act, as amended, the Canal Zone Retirement Act, as amended, or section 8 (b) of the act of June 16, 1933, the annuity shall be increased effective April 1, 1948, by 25 percent or $300 whichever is the lesser: *Provided*, That each such annuitant may, prior to the expiration of 60 days following the date of enactment of this paragraph, elect to retain his or her present annuity, in lieu of the increased annuity provided by this paragraph, name his wife or her husband to receive upon his or her death one-half of his or her present annuity but not to exceed $600 per annum during the remainder of the life of such survivor and upon the death of such survivor no further annuity shall be due or payable. Any such annuitant who shall have died between the effective date of this act and the expiration of the said 60-day period after the enactment of this paragraph leaving a surviving wife or husband shall be deemed to have named such wife or husband to receive an annuity as provided herein, but no such annuity shall become payable to such wife or husband prior to the date of enactment of this paragraph. Except as provided in this paragraph, the provisions of this act shall not apply in the case of officers and employees of the Alaska Railroad, Territory of Alaska, or officers and employees of the Panama Canal or the Panama Railroad Company (1) retired prior to the effective date of this act, or (2) separated prior to such date, in which case their refund or annuity rights shall be determined as though the Alaska Railroad Retirement Act and the Canal Zone Retirement Act had not been repealed: *Provided*, That there shall be deemed applicable as of July 29, 1942, to such officers and employees of the Panama Canal and the Panama Railroad Company, the provisions of the act of July 30, 1947 (61 Stat. 521), respecting the return of amounts deducted from compensation."

SEC. 7. Section 9 of the act of May 29, 1930, as amended, is further amended by changing the period at the end thereof to a comma and adding the following: "or for any service rendered for the Panama Railroad Company prior to January 1, 1924."

SEC. 8. (a) Except as otherwise provided herein, this act shall take effect as of April 1, 1948.

(b) Section 1 (c) of the act of May 29, 1930, as amended, shall apply as of July 1, 1947, to any person separated from employment within the coverage of the Canal Zone Retirement Act, as amended.

(c) The third paragraph of section 5 of the act of May 29, 1930, as amended, shall apply as of September 8, 1939, to any person who left employment within the coverage of the Alaska Railroad Retirement Act, as amended, or the Canal Zone Retirement Act, as amended, to enter the armed forces of the United States.

(d) The provisions of section 12 (c) of the act of May 29, 1930, as amended, shall apply as of February 28, 1948, in the case of any officer or employee within the coverage of the Alaska Retirement Act, as amended, or the Canal Zone Retirement Act, as amended, who shall have died subsequent to that date.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning with line 19 on page 6, it is proposed to strike out over through line 22 on page 7; and renumber sections 4 to 8, inclusive, as sections 3 to 7, respectively.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina, to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1359) was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF CONTRACT SETTLEMENT ACT OF 1944

Mr. TAFT. Mr. President, I ask unanimous consent to return to House bill 834, Calendar No. 422. Did the majority leader intend to bring up that bill?

Mr. LUCAS. Yes. That is a bill which I wish to have considered, I will say to the Senator from Ohio.

Mr. TAFT. Had we not better consider that bill before the District of Columbia appropriation bill is considered?

Mr. LUCAS. It is just as well to bring it up before the appropriation bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, I want to suggest that I have an amendment to offer to the bill. I presume I will have an opportunity to offer it. It is proposed to proceed to consider the Senate bill, is it not?

The PRESIDING OFFICER. The bill will be open to amendment if it is taken up.

Mr. McCARRAN. Let me say that the House bill is the result of a bill originally introduced by the chairman of the Senate Committee on the Judiciary. The bill was afterward changed and reported by the Senate Committee on the Judiciary. There is now before the Senate a House bill, which is the same as my original bill, as changed. I wish to make a statement respecting the House bill, if it is before the Senate now for action.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 834, Calendar No. 422?

There being no objection, the Senate proceeded to consider the bill (H. R. 834) to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes.

Mr. McCARRAN. Mr. President, the purpose of the bill is to compensate persons who, without fault or negligence, suffered losses in attempting to supply certain strategic or critical minerals or metals for the war effort.

During the recent war the need of the Government for certain strategic and critical minerals led to the opening and working of a number of mines which would have been deemed submarginal and uneconomical to operate in normal times. These actions were encouraged by the Government in many ways—the assistance of the Bureau of Mines in the Interior Department in locating mines and determining their probable productivity, the assistance of the War Production Board in granting priority assistance for mining equipment and other needs, and the assistance of the Reconstruction Finance Corporation in contracting to buy the product of these mines under announced terms and conditions. There is no doubt in the minds of the committee that most, if not all, of those who would benefit by this bill were induced to engage in the activities resulting in their present losses because of official representations of authorized Government agents.

I may say that this bill as it comes over from the House contains all the language which the chairman of the Committee on the Judiciary of the Senate introduced in the first instance. It was changed by a subcommittee and later adopted by the full committee of the Senate. So far as the chairman of the Senate Committee on the Judiciary is concerned the House bill is entirely applicable and entirely worth while and entirely workable. I hope the House bill may be passed.

Mr. JOHNSON of Colorado. Mr. President, I have an amendment which I wish to offer to the bill. I understood that the Senate bill would come up. So I offer my amendment to the House bill and will ask that at the proper place in House bill 834 my amendment be inserted. The purpose of my amendment is to restrict the amount which may be paid to agents or attorneys who have been active in this legislation and in working up these claims, to not over 10 percent of the amount paid.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, line 24, it is proposed to strike out the word "and."

On page 5, line 7, it is proposed to strike out the period and the quotation marks and insert in lieu thereof a semicolon and the word "and."

On page 5, between lines 7 and 8, it is proposed to insert the following:

(8) not more than 10 percent of the amount which may be paid by the United States in settlement of any claim filed under the provisions of this subsection shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with such claim, and the payment, delivery, or receipt of any greater amount shall be unlawful, any contract to the contrary notwithstanding; and any person who violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

On page 9, line 6, it is proposed to strike out the quotation marks.

On page 9, line 6, it is proposed to insert the following:

(11) not more than 10 percent of the amount which may be paid by the United States in settlement of any claim filed under the provisions of this subsection shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with such claim, and the payment, delivery, or receipt of any

greater amount shall be unlawful, any contract to the contrary notwithstanding; and any person who violates the provisions of this paragraph shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McCARRAN. Mr. President, if I am in charge of the bill—and I think I am—I accept the amendment. I think it is entirely proper.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 528 will be indefinitely postponed.

Mr. McCARRAN. Mr. President, in connection with my statement, and as a part thereof, I ask unanimous consent that that portion of the committee report on Senate bill 528 under the caption "Statement" be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT

The purpose of the bill is to compensate persons who, without fault or negligence, suffered losses in attempting to supply certain strategic or critical minerals or metals for the war effort.

During the recent war the need of the Government for certain strategic and critical minerals led to the opening and working of a number of mines which would have been deemed submarginal and uneconomical to operate in normal times. These actions were encouraged by the Government in many ways—the assistance of the Bureau of Mines in the Interior Department in locating mines and determining their probable productivity, the assistance of the War Production Board in granting priority assistance for mining equipment and other needs, and the assistance of the Reconstruction Finance Corporation in contracting to buy the product of these mines under announced terms and conditions. There is no doubt in the minds of the committee that most, if not all, of those who would benefit by this bill were induced to engage in the activities resulting in their present losses because of official representations of authorized Government agents.

The committee recognizes that the bill singles out a particular class of war contractors for relief, but feels that such discrimination is well justified. In this thought, the committee is acting not without precedent. Under the Dent Act passed after World War I for the purpose of granting relief to mines, and which contained provisions analogous to, but not as restricted as, the present bill, 1,208 claims were filed as of June 30, 1921. Of these, 1,150 had been acted on by the Government as of that date. Three hundred and seventy-three claims were approved for a total expenditure by the Government of $3,162,040.75; 770 claims were denied; and 58 remained pending. There is no way of computing the number or monetary value of potential claims under the pending bill. Approximately 11,000 mines were listed on the War Production Board mailing list, and 7,000 of these received priority assistance.

The precedent of the Dent Act only partially predicates the action of the committee. We are also impressed with the harsh results of the manner in which the Government abruptly terminated the program for production of critical minerals. The inducements offered by the Government are not contested. Amongst other things, it specified a grade of ore (insofar as manganese was concerned, and the manganese operations are considered to represent the bulk of the losses) that the typical domestic mining property was capable of producing and offered to accept total production of that or higher grades. Prompted by these inducements, claimants invested heavily in equipping and operating mining sites. Suddenly, about the time the submarine menace in the recent war ended, making accessible the cheaper and higher grade ores in foreign countries, the Government terminated its program by the simple and very effective method of increasing the minimum specification of the ore which they would accept. Automatically, this threw out of business the great majority of manganese miners who found it impossible to meet the increased specifications and who could not afford the expensive and elaborate equipment needed to refine the ore to meet the new specifications. For the most part the men who suffered losses were small, individual operators, who in many cases lost their life savings in their venture.

There is an essential and fundamental difference between mining operations and operations of other war contractors, such as the manufacturer. The miner cannot be assured of his operation beyond the production of the ore in sight or that which is proven in his mine, plus that doubtful quantity which his experience and judgment leads him to expect. He has all the risks and uncertainties of the manufacturer, such as the fluctuating cost of labor, power, and materials, plus the great risk of exhausting his known ore reserve without being able to find new ones. This risk is even more pronounced in the smaller mines with their more uncertain ore deposits. The exclusion in the bill of so-called speculative ventures must, therefore, be considered in the light of the particular industry, for to some extent all mining ventures are speculative. It is not the intent of this committee that the language in the bill be construed in this restrictive sense.

We further are of the opinion that to deny relief to these claimants would imperil the position of the Government were another emergency to arise requiring immediate supplies of the critical minerals here involved. Niggardly treatment now of their claims would undoubtedly persuade them against reengaging in the same activity in the event they were called upon to do so. The potential loss to the Government in such case cannot be predicted, but any degree of shortage of such vital materials when needed could be disastrous to our welfare.

The committee feels that relief should be granted, on the restricted basis provided by the committee amendment, both to claimants who held formal contracts with the Government or with a war contractor or subcontractors and to those who did not hold such contracts but were induced to engage in the activities in question by representations made by authorized Government agents.

Many of those who held formal contracts for the delivery of fixed amounts of strategic minerals or metals were unable to complete such contracts for a variety of reasons beyond their control, such as the unforeseen exhaustion of ore bodies of required specification. In other cases, contracts made for limited quantities were not renewed, leaving claimants with no means of recovering the heavy investment which they had made in the justified belief that the Government's requirements would be such as to result in continued purchases over a more extended period.

It would appear that the Contract Settlement Act does not provide for the reimbursement of losses suffered by claimants with formal contracts falling within these two or certain other categories, since their contracts would not have been "terminated" within the meaning of that act. While the Lucas Act might have been availed of in certain of these cases, it would seem clear that it did not cover all of them. For example, situations in which, even though for reasons beyond the claimant's control, no metals or minerals were actually delivered under a contract would not give rise to a claim under that act; furthermore, the time to file claims under the Lucas Act expired on February 7, 1947.

Many of those who had no formal contracts, and who incurred losses, filed claims under section 17 (a) of the Contract Settlement Act. Some of these were able to establish a "request to proceed" pursuant to that section and have been allowed to recover. Others, however, failed to have their claims allowed by virtue of a ruling of the appeal board in the Office of Contract Settlement that a "request to proceed" must be addressed specifically to the claimant, and a published or posted request addressed to the public at large is not sufficient.

Section 1 of the bill relates to formal contracts under section 6 of the Contract Settlement Act of 1944, and section 2 provides special treatment of this class of informal contracts under section 17 of the same act.

Section 1 is equipped with protective features selected from and modeled after certain devices employed in the Dent Act, the Lucas Act, and the Contract Settlement Act of 1944 itself. Subsection (h) confines entitled recoveries to actual losses; (h) (1) requires the issuance of regulations within 60 days after enactment; (h) (2) provides that determined losses should be set off against any net gains realized by the claimant on his other war contracts with the Government; (h) (3) rules out allowed losses resulting from the negligence or poor management of the claimant, and losses resulting from purely speculative enterprises; (h) (4) requires claims to be filed within 1 year from enactment, and permits recovery of actual losses in excess of any previous settlements of the same claims under the First War Powers Act of 1941, or other provisions of the Contract Settlement Act; (h) (5) provides that claims filed with the contracting agency are reviewable by the Bureau of Mines and also provides that claims brought under this section are not reviewable by the courts; (h) (6) provides for a report on the claim by the Bureau of Mines to Congress; (h) (7) prohibits any payments on claims by any contracting agency until Congress acts.

Section 2, relating to informal contracts, contains language protecting the Government from unwarranted elements of entitled recovery similar to those found in section 1, and adds a few additional safeguards designed to meet particular conditions. Subsection (e) (1), in effect, corrects the board of appeals' definition of "request to proceed" by enlarging it to include "any personal, written, or published request, demand, solicitation, or appeal (including a published, posted, or oral offer to purchase) from any contracting agency." It requires a good-faith expenditure of money, and confines entitled recovery to net losses. Subsection (e) (2) authorizes the issuance of regulations within 60 days after enactment; (e) (3) repeats the provision of section 1 of the bill concerning restriction of recoverable settlement determinations to net losses from all war contracts with the Government; (e) (4) eliminates speculative allowed losses and losses attributable to claimant's fault, negligence, or mismanagement; (e) (5) requires affirmative showing by claimant that he had

reasonable cause to believe the property contained minerals in sufficient quantities to be of importance to the Government's procurement program at the time and this relates itself to the time in question during the war and not to the present aspect of its importance; (e) (6) provides that priorities assistance from War Production Board, if not based solely upon claimant's uncorroborated representations, will constitute the sufficient reason mentioned in the preceding subsection (e) (5); (e) (7) requires claims to be filed within 1 year from enactment, and permits recovery of net losses in excess of previous settlements for the same claims under the First War Powers Act of 1941, or other provisions of the Contract Settlement Act of 1944; (e) (8) provides that claims filed with the contracting agency are reviewable by the Bureau of Mines and also provides that claims brought under this section are not reviewable by the courts; (e) (9) provides for a report on the claim by the Bureau of Mines to Congress; (e) (10) prohibits any payments on claims by any contracting agency until Congress acts.

DISTRICT OF COLUMBIA APPROPRIATIONS

Mr. HILL. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 3082, making appropriations for the government of the District of Columbia.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. TAFT. Do I correctly understand that the Senator is asking unanimous consent that the unfinished business be temporarily laid aside?

Mr. HILL. The Senator is correct.

Mr. TAFT. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the Senate proceeded to consider the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. HILL. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, are there copies of the bill on the desks of Senators? Cannot copies of the bill be placed on the desks of Senators?

Mr. HILL. That will be done immediately.

The PRESIDING OFFICER. The clerk will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "General administration," on page 3, line 20, after the word "and", to insert "$10,000"; and in line 22, after the word "investigations," to strike out "$212,400" and insert "$222,400."

The amendment was agreed to.

The next amendment was, on page 4, line 10, after "District of Columbia," to strike out "$245,100" and insert "$271,660."

The amendment was agreed to.

The next amendment was, under the heading "Fiscal service," on page 4, line 18, after the word "of," to strike out "$602,328" and insert "$777,000."

The amendment was agreed to.

The next amendment was, on page 5, line 6, after "(36 Stat. 967)," to strike out "$310,400" and insert "$354,300."

The amendment was agreed to.

The next amendment was, under the heading "Compensation and retirement fund expenses," on page 5, line 21, after the word "duties," to strike out "$100,000" and insert "$110,000."

The amendment was agreed to.

The next amendment was, on page 6, line 2, after the name "Columbia," to strike out "$120,000" and insert "$128,200."

The amendment was agreed to.

The next amendment was, on page 6, line 7, after "(5 U. S. C. 707a)," to strike out "$1,500,000" and insert "$1,779,000."

The amendment was agreed to.

The next amendment was, under the heading "Regulatory agencies," on page 7, line 5, after "License bureau," to strike out "$45,395" and insert "$46,100."

The amendment was agreed to.

The next amendment was, on page 7, after line 6, to insert: "Office of Administrator of Rent Control, $125,000."

The amendment was agreed to.

The next amendment was, on page 7, line 8, after "Office of Recorder of Deeds," to strike out "$201,338" and insert "$207,200."

The amendment was agreed to.

The next amendment was, under the heading "Public schools—Operating expenses," on page 8, line 12, after the word "children," to strike out "$14,088,499" and insert "and including $10,000 for the services of experts and consultants as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding $50 per diem plus travel expenses for such individuals; $14,155,000."

The amendment was agreed to.

The next amendment was, on page 9, line 2, after the word "vehicles," to strike out "$2,846,868" and insert "$2,888,900."

The amendment was agreed to.

The next amendment was, on page 9, line 6, after the word "grounds," to strike out "$1,114,260" and insert $1,155,500."

The amendment was agreed to.

The next amendment was, under the subhead "Capital outlay," on page 10, at the beginning of line 22, to insert "Park View Elementary School"; and on page 11, after the word "School," to strike out "$320,170" and insert "$427,470."

The amendment was agreed to.

The next amendment was, on page 15, after line 16, to insert:

For an additional amount for the preparation of plans and specifications for the construction of a new junior high-school building to replace the present Hine Junior High School building, including recreation facilities and treatment of grounds, at a total cost not to exceed $1,960,000, on a site in the vicinity of Ninth and C Streets Southeast, $29,400, which amount may be credited to the appropriation account "Office of Municipal Architect, construction services."

The amendment was agreed to.

The next amendment was, on page 16, after line 10, to insert:

The contract authorization for the Spingarn Senior High School specified in the District of Columbia Appropriation Act, 1948, is hereby increased to $3,600,000.

The amendment was agreed to.

The next amendment was, on page 16, after line 13, to insert:

For alterations and additions to the Bell Vocational High School building, $225,000.

The amendment was agreed to.

The next amendment was, on page 16, line 17, after the word "specifications," to strike out "$2,045,850" and insert "$2,300,250."

The amendment was agreed to.

The next amendment was, under the heading "Public Library," on page 17, line 23; after the numerals "1945," to strike out "$1,198,750" and insert "$1,212,000."

The amendment was agreed to.

The next amendment was, under the heading "Recreation Department," on page 18, line 16, after the name "Columbia", to strike out "$1,163,878" and insert "$1,246,000."

The amendment was agreed to.

The next amendment was, on page 18, line 22, after "(58 Stat. 791)", to strike out "$90,000" and insert "$180,000."

The amendment was agreed to.

The next amendment was, under the heading "Metropolitan Police," on page 20, line 16, after the word "otherwise", to strike out "$6,334,844" and insert "$6,468,989."

The amendment was agreed to.

The next amendment was, on page 20, after line 22, to insert:

For expenses necessary to enable the Commissioners of the District of Columbia to carry out the provisions of the act of July 11, 1947 (61 Stat. 314), for ceremonies in the District of Columbia, $10,000.

The amendment was agreed to.

The next amendment was, under the heading "Policemen's and firemen's relief," on page 21, line 23, after the word "law", to strike out "$2,500,000" and insert "$2,900,000."

The amendment was agreed to.

The next amendment was, under the heading "Courts," on page 22, line 23, after the word "judges", to strike out "$502,759" and insert "$504,759."

The amendment was agreed to.

The next amendment was, under the heading "Health Department," on page 25, line 16, after the word "and", to strike out "4 cents per mile but not more than $480" and insert "7 cents per mile but not more than $840"; and in line 18, after the word "inspectors", to strike out "$2,087,282" and insert "$2,100,593."

The amendment was agreed to.

The next amendment was, on page 26, line 7, after the word "physicians", to insert "and dentists."

The amendment was agreed to.

The next amendment was, on page 27, line 6, after the word "grounds", to strike out "$3,753,274" and insert "$4,051,824."

The amendment was agreed to.

The next amendment was, on page 27, line 11, after the word "building", to insert "including fixed equipment."

The amendment was agreed to.

The next amendment was, on page 27, line 12, after the figures "$279,000", to strike out "and."

The amendment was agreed to.

The next amendment was, on page 27, line 13, after the figures "$49,440", to strike out "in all, $1,234,091. The Commissioners are authorized to enter into a contract or contracts."

The amendment was agreed to.

The next amendment was, on page 27, line 16, after the word "building", to strike out "at a total cost not to exceed $382,909" and insert "$382,909; in all, $1,617,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of Corrections," on page 29, line 12, after the word sentence", to strike out "$2,872,878" and insert "$2,905,112."

The amendment was agreed to.

The next amendment was, on page 29, after line 20, to insert:

Capital outlay: For the purchase of a Diesel locomotive, $6,900; and the Transportation Corps, Department of the Army, is hereby authorized to transfer to the District of Columbia one Diesel locomotive at not to exceed $6,900.

The amendment was agreed to.

The next amendment was, under the heading "Public welfare," on page 31, at the beginning of line 25, to strike out "$3,543,059" and insert "$3,849,790."

The amendment was agreed to.

The next amendment was, on page 32, line 24, after the word "School," to insert "Temporary Home for Former Soldiers, Sailors, and Marines;" and on page 33, line 18, after the word "vehicles," to strike out "$2,231,203" and insert "$2,338,613."

The amendment was agreed to.

The next amendment was, under the heading "Public works," on page 34, line 21, after the word "Incorporated," to strike out "$56,606" and insert "$57,906."

The amendment was agreed to.

The next amendment was, on page 34, line 23, after the word "Architect," to strike out "$92,036" and insert "$109,636, of which $17,600 shall be exclusively for test borings and soil investigations."

The amendment was agreed to.

The next amendment was, on page 35, line 4, after the word "exceeding," to strike out "3" and insert "4;" and in line 7, after the word "exceeding," to strike out "2¾" and insert "3¾."

The amendment was agreed to.

The next amendment was, on page 35, line 20, after the word "operators," to strike out "$951,700" and insert "957,200."

The amendment was agreed to.

The next amendment was, on page 35, line 22, after the word "office", to strike out "$130,717" and insert "$138,000."

The amendment was agreed to.

The next amendment was, on page 36, line 13, after the word "each", to strike out "$651,861" and insert "$670,600."

The amendment was agreed to.

The next amendment was, on page 37, line 3, after the word "thereto", to strike out "$1,254,112" and insert "$1,258,612."

The amendment was agreed to.

The next amendment was, on page 37, line 14, after the word "kinds", to strike out "$140,000" and insert "$181,400."

The amendment was agreed to.

The next amendment was, on page 37, line 18, after the word "each", to strike out "$91,713" and insert "$118,008."

The amendment was agreed to.

The next amendment was, one page 43, line 18, after the word "inspectors", to strike out "$924,800" and insert "$929,800."

The amendment was agreed to.

The next amendment was, on page 45, line 16, after the word "Division", to strike out "$950,475" and insert "$979,972"; and in line 17, after the words "in all", to strike out "$1,046,351" and insert "$1,075,848."

The amendment was agreed to.

The next amendment was, on page 46, at the beginning of line 6, to strike out "$3,209,801" and insert "$3,351,700."

The amendment was agreed to.

The next amendment was, on page 47, line 2, after "(54 Stat. 748)", to strike out "$5,400" and insert "$7,200"; and in the same line, after the amendment just above stated, to strike out "$1,182,590" and insert "$1,192,190."

The amendment was agreed to.

The next amendment was, on page 47, line 14, after the word "all", to strike out "$1,355,800" and insert "$2,134,000."

The amendment was agreed to.

The next amendment was, on page 48, line 20, after the word "taxes" to strike out "$2,045,000" and insert "$2,051,000."

The amendment was agreed to.

The next amendment was, under the heading "National Guards," on page 51, line 23, after the word "range", to strike out "$85,024" and insert "$90,700."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Parks," on page 53, line 1, after the word "wagons", to strike out "$1,608,018" and insert "$1,628,018."

The amendment was agreed to.

The next amendment was, under the heading "National Capital Park and Planning Commission," on page 53, line 22, after the word "matters", to strike out "$81,500" and insert "$84,700."

The amendment was agreed to.

The next amendment was, under the heading "National Zoological Parks," on page 54, line 12, after the word "keepers", to strike out "$532,800" and insert "$544,700."

The amendment was agreed to.

The next amendment was, at the top of page 59, to strike out:

TITLE II. REDUCTION IN APPROPRIATIONS

SEC. 201. Amounts available from appropriations are hereby reduced in the sums hereinafter set forth, such sums to be covered into the general fund of the District of Columbia: Spingarn Senior High School (Acts June 12, 1941, July 1, 1942, April 25, 1945, July 25, 1947), $1,187,399.08.

The amendment was agreed to.

The next amendment was, on page 59, line 8, to change the section number from "202" to "12."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is open to further amendment.

Mr. HILL. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The LEGISLATIVE CLERK. On page 28, at the beginning of line 3, it is proposed to strike out "$735,000." and insert "$745,000."

Mr. HILL. Mr. President, information has come to my attention since the Appropriations Committee heard testimony on the District bill that additional funds are urgently needed to care for some 30 patients at the Washington Home for Incurables. Under present procedure the District of Columbia Health Department pays the home $4.15 per diem for care of 30 patients, or about $45,000 annually. This low per diem rate is grossly insufficient to meet the District's pro rata share of the Home's operating expenses. The adoption of the proposed amendment will help correct this injustice. The 1950 budget allowance would be $55,000 instead of $45,000 for the Home, or an increase of $10,000. This increase will provide a per diem allowance per patient of $5.02 instead of $4.15, the current rate, or an increase of 87 cents per day.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL].

The amendment was agreed to.

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the RECORD immediately following the adoption of the amendments a brief statement explaining the various committee amendments.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

The bill provides a total appropriation of $103,132,153 for 1950 for the District of Columbia. This amount is $4,208,532 over the House allowance of $98,923,621, and $746,574, under the budget estimates of $108,878,727. For comparative purposes the total sum recommended for 1950 exceeds the 1949 appropriations by $3,252,670. The increase of $4,208,532 over the House allowance is distributed as follows: General fund, $4,168,035; highway fund, $34,497; water fund, $6,000.

As to the general fund, the committee felt that the increase of about $4,000,000 over the House allowance was well justified in view of the additional estimated revenue to be available in the fiscal year 1950 under recent legislation (Public Law 76). It is estimated that at least $17,000,000 additional revenue will be available to help defray expenditures of the District in addition to over $82,000,000 estimated revenue available under previously existing legislation, or a total of about $99,000,000.

Against this amount of $99,000,000 estimated available revenue for the general fund are estimated obligations of $87,539,505, as carried in the bill, plus $1,000,000 for estimated deficiencies and supplementals in the fiscal year 1950 and over $10,000,000 to cover estimated cost of pay increases retroactive to July 1, 1948.

The estimated revenue of $82,000,000 from sources other than recent legislation (Pub-

lic Law 76) is without doubt a very conservative estimate. Considering the actual receipts of revenue for 11 months of the fiscal year 1949, the committee believes that several million dollars additional will be available in the fiscal year 1950 and that accordingly there will result a much larger surplus than was anticipated at the time of the hearings on this bill.

The committee recognizes the fact that under pending legislation an appropriation of approximately $10,000,000 will be required for pay raises, and of this amount approximately $5,000,000 is to cover retroactive pay raises for the fiscal year 1949. The committee has recognized these supplemental 1950 obligations in determining the over-all requirements under the general fund for 1950. Since this retroactive pay increase is, of course, not a recurring item for 1951, it is the committee's opinion that in submitting the 1951 general fund budget consideration should be given to the application of the sum of approximately $5,000,000, in addition to the amount normally provided, for needed capital improvements, such as schools, welfare institutions, sewer projects, and others of high priority.

As to the highway and water funds, there is no problem inasmuch as there are sufficient revenues available to meet all anticipated expenditures.

Under Public Law 699, approved June 19, 1948, authority was provided for a 60-hour average workweek for the Fire Department of the District of Columbia. The act further provided that it shall take effect 180 days after funds have been appropriated and made available for the additional personnel necessary to carry out the purposes of this act.

The Budget Office has estimated that $600,000 additional funds are required to carry out the act on a full-year basis. This being true, approximately $300,000 would be required if funds were appropriated for fiscal year 1950.

The present workweek averages 72 hours, or 6 days at 12 hours per day. This average is based on a trick of duty of 10 hours for one week and 14 hours for the second week. The latter trick is considered the night shift.

This matter was not brought to the attention of the subcommittee at the time of the hearings on the pending bill, and, in fact, not at any time until today. I am glad to say, however, that it is my understanding that funds will be included in the 1951 budget to carry out the purposes of Public Law 699.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3082) was read the third time and passed.

Mr. HILL. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HILL, Mr. O'MAHONEY, Mr. KILGORE, Mr. HUNT, Mr. YOUNG, Mr. REED, and Mr. SALTONSTALL conferees on the part of the Senate.

EXTENSION OF TIME FOR TAX PURPOSES

The PRESIDING OFFICER laid before the Senate the joint resolution (H. J. Res. 276) granting certain extensions of time for tax purposes, which was read twice by its title.

Mr. GEORGE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Reserving the right to object, may we have an explanation from the distinguished chairman of the committee?

Mr. GEORGE. I shall be very glad to explain the measure.

This is a House joint resolution which merely extends two statutes which have been written into the law upon the most deliberate consideration of the Senate Finance Committee. This joint resolution would extend each of them for 1 year. One is desired by the committee primarily in the public interest. The other is also desired by the committee for the same reason, but also is desired by the Treasury Department in the interest of retaining in its service, for purely temporary work, certain experts whose services have been most helpful to it.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered and agreed to.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT RELATING TO MARKETING AGREEMENTS AND ORDERS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1089) to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts, which were, on page 1, line 5, after "filberts", insert "almonds"; and to amend the title so as to read: "An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds."

Mr. THOMAS of Oklahoma. Mr. President, the Senate passed the bill relating to filberts. The House has added "almonds." That is the only amendment, other than a change in the title.

I move that the Senate concur in the amendments of the House.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. TAFT. What did the House add to filberts?

Mr. THOMAS of Oklahoma. The Senate bill relates to filberts. The House has added "almonds."

Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

THE PRESIDENT'S REORGANIZATION PLANS

Mr. FERGUSON. Mr. President, with commendable and really remarkable speed the President has acted to initiate the recommendations of the Commission on Organization of the Executive Branch of the Government, popularly known as the Hoover Commission. It is to be noted, incidentally, that the title of the Commission is "Commission on Organization," and so forth. Ordinarily one would think the word "reorganization" would be used, instead of the word "organization," in the title. But the state of organization in the executive branch was such that when the Commission was named and provided for, it was considered to be really a commission to organize the executive branch of the Government, since it was so disorganized at that time.

Yesterday, simultaneously with his signing of the Reorganization Act of 1949, the President transmitted to Congress seven initial plans for the reorganization of certain executive departments and agencies, and those plans will be effective unless one House of Congress, under terms of the Reorganization Act, disapproves.

The dispatch with which the President has acted is a commentary upon the tremendous significance of the idea that lay behind establishment of the Hoover Commission and upon the great weight of the potential for better government that lies in the Commission's recommendations. A further reflection of those factors is the manner in which the idea of the Hoover Commission has stirred and captured the public's interest.

Yesterday there were delivered to the President, to the senior Senator from Michigan [Mr. VANDENBERG] to the Representative of the Second Congressional District of Michigan [Mr. MICHENER], and to the junior Senator from Michigan a block-long petition from 4,000 citizens of Jackson, Mich., and the surrounding towns and countryside, urging us to make every effort to carry out the recommendations of the Hoover Commission. These petitions had been delivered to a Jackson newspaper, the Citizen-Patriot. That was a dramatic display of the manner in which the idea of the Hoover Commission has captured public imagination.

My mail, and I am sure the mail of every other Member of Congress, is being flooded with thousands of similar petitions. Other newspapers have taken up the petition idea sponsored by the Jackson Citizen-Patriot. The Detroit Free Press has conservatively estimated that 12,000 similar petitions have been collected by it. The Washington Bureau of the Chicago Daily News has been swamped by 7,000 such petitions; and I understand that as a result of its campaign another 3,000 petitions have gone to the office of the senior Senator from Illinois [Mr. LUCAS].

The Detroit News has been running a questionnaire covering eight of the major public issues of the day, and those questionnaires have been coming to me. One of the questions covers the recommendations of the Hoover Commission. It is a startling and impressive fact that no other issue commands the virtually unanimous support given the Commission's recommendations. At last count the ratio was almost 60 to 1 in favor of the Hoover Commission's program.

What is the idea of the Hoover Commission? It is simply one of bringing

order and efficiency to the vast sprawling organism which is the executive branch of the Government. It is an idea which saw need as far back as the turn of the century. Successive Presidents since that time have sought to work out such reorganization plans.

In 1937, President Franklin Roosevelt said:

> The executive structure of the Government is sadly out of date. * * * Neither the President nor the Congress can exercise effective supervision and direction over such a chaos of establishments, nor can overlapping, duplication, and contradictory policies be avoided.

That statement was made at a time when the sprawling organism's appetite for public money was less than one-fifth of what it is today.

But bringing order out of chaos in the Federal Government is more than just an idea today. It is a plan. It is a comprehensive pattern of specific recommendations, based on a monumental study of governmental operations which runs to 2,000,000 words. It is a plan which bears the imprint of "12 tough-minded individuals of different political and ideological views," as Chairman Hoover described the members of his Commission.

It is a plan which is above politics and above partisanship. It is not submitted as letter-perfect, but is a plan so complete and so fundamental in design that it places the burden of proof elsewhere for any deviations from its course or any shortcomings in its objectives.

It is a plan which commands the most aggressive and complete support of the Congress and of the Executive to give it full meaning and effect.

I have no desire to be critical of the initial plans submitted by the President in pursuance of the Commission's recommendations for reorganization. As I have said, they have been transmitted with commendable speed. They are quite definitely within the framework of the Commission's recommendations and, as far as they go, within their spirit. But I must confess a genuine disappointment that in their initial form they do not go as far as I think there was executive authority to carry them.

The result, as I see it, is to confuse and perhaps retard the reorganization program. Congress, of course, cannot revise the reorganization plans prepared under the authority of the President. It can only accept or reject those proposals. If they are inadequate the Congress can, on its own initiative, enact substantive legislation to cover the neglected areas. But that should be unnecessary.

I am not here proposing a contest between the executive and the legislative for the realization or the credit of reorganization. Complete cooperation between the two branches is essential. At the outset responsibility between the two branches is almost equally shared. Last week the junior Senator from Wisconsin [Mr. MCCARTHY] pointed out that at best only about 60 percent of the Commission's blueprint could be followed by the Executive, through firm administrative action and through the reorganization authority possessed by the President.

The remaining 40 percent of the responsibility is necessarily that of Congress, through revision of substantive legislation. I am only proposing that Congress act forthrightly and effectively with respect to its own responsibility for reorganization and that it add to its responsibilities full implementation of the Commission's plans wherever they have not been fully effectuated under executive direction.

There are 18 legislative proposals recommended by the Hoover Commission as covering the field of congressional responsibility in governmental reorganization. Two more are to come. I urge that Congress in this session give every priority to bringing into fruition the specific recommendations of the Hoover Commission, wherever congressional action is necessary. I urge, as has the junior Senator from Wisconsin, that Congress not adjourn until the task is completed, or the framework firmly established.

My observations with respect to Congress assuming responsibility for full implementation of the Hoover Commission blueprint wherever necessary were predicated upon what I termed a disappointment that the seven initial reorganization plans transmitted yesterday by the President appear incomplete. A review of those plans will illustrate this conclusion.

Plan 4, transferring the National Security Council and the National Security Resources Board to the Executive Office of the President, and plan 7, transferring the Public Roads Administration to the Department of Commerce, do not represent deviations from the Commission's recommendations.

Plan 1 sets up a new Department of Welfare, following the recommendations of the Commission as well as earlier recommendations of the President, and transforms the Federal Security Agency into that Department. To that extent the plan is in conformity with the Commission blueprint, but there is at least one significant deviation. Contrary to the recommendations of the Commission there is no provision for the transfer of the Bureau of Indian Affairs to the new Department of Welfare.

Historically the affairs of the Indian Bureau were a land problem and properly in the province of the Interior Department. But today the problem of the Government's 400,000 Indian wards is essentially one of integrating them into society. The welfare and educational aspects of that objective are primary, and clearly place it within the scope of the new department.

Further, there is a notable absence of any provision for setting up a United Medical Administration which was an important recommendation of the Commission, and which would include certain transfers of functions from the Federal Security Agency. The only reference to such a recommendation is a statement by the President that other proposals are currently under study, but final conclusions have not yet been reached with respect to them.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Ohio.

Mr. TAFT. I agree with the Senator in that I have been very much disappointed in the proposed plan for setting up a department of welfare. We have had before the Senate several times a bill to create a department of health, welfare, and education. I supported such a bill, but in supporting the bill I was extremely solicitous and insistent that the health activities and the educational activities be placed under a practically autonomous under secretary of the department. And I think the same thing is true of education.

The Hoover Commission, when it reported, decided that there should be a department covering welfare and education, but it was decided there should be a separate medical agency to handle the various health matters of the Federal Government. What this reorganization plan does is simply to take the Federal Security Administration and turn it into a department of the Government leaving in it all of the medical affairs, and only carrying out, I think, the one transfer of the unemployment compensation to the Department of Labor. I have felt very strongly that the way the other bills have been drawn or have been attempted to be drawn has shown that the welfare people want to run the show. They want to run health, they want to run education on the welfare basis. This reorganization plan creates a Secretary and an Undersecretary. There is no distribution of functions between the Assistant Secretaries, so that in effect the welfare operation and the welfare workers are going to dominate the health and educational activities of this department. I do not believe that is a sound method of dealing with the Federal Security Administration.

Of course, simply turning the Security Administration into a department with a Cabinet officer at its head is not going to save 1 cent to the Federal Government. In fact, it is obviously going to increase the expense, because the Federal department is going to develop various forces which the Federal Security Agency probably was not able to develop. I think it is most unfortunate that the Hoover recommendation, which contemplates a separate health agency in the Federal Government, including not only the present Public Health Service of the Federal Security Administration, but other health services throughout the Government, is ignored. That is the whole basis of setting up a new department of welfare and education. The name of the department is to be the Department of Welfare.

I suppose in a broad sense education is welfare, but the plan completely subordinates education to the welfare feature of this department. So I think it is very unfortunate. I think that by taking a piece of the Hoover recommendation and then saying, "We will do the rest some time later, when we get around to it," is completely to distort the actual results to be obtained through adoption of

the Hoover Report on the question of the Department of Welfare.

Mr. FERGUSON. Mr. President, I was glad to hear the remarks of the able Senator from Ohio, because they show very clearly what has happened. Congress is now left in the position of accepting or rejecting this plan, leaving out this very important step, with only this language. We cannot know definitely whether another plan will come up later which will separate the welfare program from the educational and health programs. The presumption is against it.

As a member of the Committee on Expenditures in the Executive Departments, last year, the evidence was clear to me on this question of the need for a separate agency. Those in the medical field and those in the educational field appeared before us and demonstrated clearly that there should be a division.

I remember particularly sitting at the hearings of the Studebaker case. Dr. Studebaker, head of the Office of Education, found his activities were curbed. He could not do what he thought he should do as an educator, because he was bound by certain rules and regulations which reflected the conglomerate nature of the agency in which he was placed.

All we have before us to indicate that something may be done in the future to carry out what the able Senator from Ohio has indicated, is a statement of the President, to this effect:

> Other proposals are currently under study, but final conclusions have not yet been reached with respect to them.

There have been many years for the study of what should be done. Everyone knew what the Commission had said. Everyone knew that the Commission had been before committees on previous occasions, and yet all we get is a statement that the matter has been under study, but no conclusions have been reached.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARTHY. At the time of the consideration of the bill giving the President the power which he is now exercising, the Senator from Virginia offered an excellent amendment which provided that when the President sent to the Congress a reorganization plan, as he sent seven yesterday, he should make some estimate of the saving to be achieved by the plan. The conferees considered that matter in the joint conference, and that is one subject on which we unanimously agreed, Democrats and Republicans alike, in both the Senate and the House. The President sent to the Congress seven plans yesterday and did not make any estimate of savings whatsoever in connection with any one of them. I wonder if the Senator has the same impression I have from the plans which have been submitted. I have the impression that the President followed the Hoover Commission's recommendations—I will say that some of his plans are excellent so far as they go—but he followed those recommendations which were easy to follow, not those which might result in saving from $3,000,000,000 to $5,000,000,000 a year, which the Hoover Commission estimated could be saved. When the President reached the point of saving some money, he made a detour and "pussy-footed" around those things and ended up with seven plans which not only will not save any money, but which will actually cost the Federal Government additional money.

Is it the Senator's opinion that the President completely disregarded the unanimous request of the Senate and the House that when he submits a plan he should also submit his own estimate as to how much money will be saved?

Mr. FERGUSON. I will answer the Senator's question this way: I have always felt that when the President sends any recommendation to Congress he should advise Congress what, in the opinion of the Budget Bureau, which is the arm of the President, will be the cost. In case there is a reduction, he should advise what would be the amount of the reduction. But I know of no way of compelling the President of the United States to submit such a program.

It is the hope of the Senator from Michigan that this Congress will adopt as standard procedure that when any proposed legislation is recommended to Congress from a committee, the estimated cost per annum for a period of 5 years should be given. I introduced a bill to that effect, and when it was introduced I also urged that the President, in following such a program, should advise Congress of the cost of any proposed legislation. That is very important these days, when we are facing either a deficit-spending program or an increase in taxes, or possibly both.

Mr. McCARTHY. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. McCARTHY. The Senator will recall that when the Maritime Commission was investigated, one of the things uncovered by the General Accounting Office was that the Maritime Commission had $30,000,000 or $35,000,000 in bills lying in a safe for 2 or 3 years. No attempt was made to mail out the bills. It developed that when equipment was sold, or when surplus desks were sold, the records would be left in the desks. When the records disappeared it was impossible to collect the bills for the United States Government.

The Hoover Commission made some very sweeping recommendations, which I believe were unanimously approved by the committee. I think most of the members of the Expenditures Committee heartily approved them. The President, however, in allegedly reorganizing the Maritime Commission, completely disregarded all the Hoover recommendations except one, which was a good recommendation, that he should give the head of the organization more power and strength.

Does the Senator from Michigan agree with me that in the reorganization plan having to do with the Maritime Commission the President very dismally failed to accomplish what he could so easily have accomplished?

There was a plan submitted as a result of 17 months of work by a group of loyal, public-spirited Democrats and Republicans. The committee was evenly divided. The President had a plan in his lap. It was a plan which everyone thought would result in more efficiency in the Maritime Commission. The President disregarded the whole thing. Does not the Senator think that represents an inexcusable and rather dismal failure on the part of the President?

Mr. FERGUSON. I have felt so. And I remember well the evidence before the committee in the investigation to which the Senator refers. I was sitting with the able Senator from Wisconsin and we heard testimony which was really "out of this world." It was testified that from $30,000,000 to $50,000,000—no one knew how much—was owing to the United States Government by various firms and individuals. But the Commission was so careless that when surplus desks were sold the evidence of those debts was also sold, stuffed away in drawers and files and almost completely untraceable. It was impossible to say whether it would be $30,000,000 or $50,000,000, or even more, that would never be collected as a result of misplacing and losing the basis for billings. I do not see how it will ever be possible to collect the money which is owed. Yet no action has ever been taken by the executive branch against those persons who were responsible for that sort of conduct of the Government's business.

Mr. McCARTHY. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. FERGUSON. I yield.

Mr. McCARTHY. The Senator perhaps will also recall that at the hearing it was proved that a number of disgruntled or discharged employees were tearing up and destroying records which were necessary to have if the Government was ever to collect the money due and owing to it. Their superior was on the stand—this is all a matter of record—and was asked if he did not take any action to punish the employees who were destroying Government records. The Senator from Michigan will undoubtedly recall his answer. He said:

> Those employees were irritated because they were losing their jobs. You could not blame them too much. I, perhaps, would have done the same thing myself.

Mr. FERGUSON. I recall the testimony, and the sad thing is that these things are excused in Government. In other words, the blame was being placed on Congress, on the ground that Congress had not appropriated sufficient money to keep these negligent employees on the job. It was claimed that the reason the loss was being suffered was not attributable to the executive branch, but was only because of the fact that Congress had not given them enough money.

Just recently, following a revelation regarding the shipment of atomic apparatus to Russia, a man from the Department of Commerce said that the reason exports were not properly checked was not that they were negligent, but was because Congress did not provide a sufficient amount of money so as to afford

enough employees to handle the job. I think the man specified the number of employees as 125. Even that was not accurate. As a matter of fact, there were about 260 employees in that department at the time the atomic instruments reportedly went to Russia.

Mr. President, when bureaucrats fail to do their job they blame Congress, on the grounds that they did not have enough money. That was what happened in the case of those departments.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARTHY. It would appear now that the President is setting a pattern in the plans being sent to the Congress, picking out all the "Milquetoast" recommendations of the Hoover Commission report, the things which can easily be done without stepping on anyone's toes, the things which will not save money, because, after all, if we begin saving money reducing expenses, we commence stepping on people's toes. In other words, the President is sending the "Milquetoast" recommendations to the Congress, and not taking any of the firm action which will be necessary if we are to save the three or four billion dollars a year which the Hoover Commission unanimously said we could save if we adopted all the recommendations.

Mr. FERGUSON. I hesitate to pass judgment in the absence of all the facts. But as I previously stated, I am not satisfied with all that was sent to the Congress, because it did not go far enough. I urge that the President, as to all the things he can do under his program without legislation, should take the bold step, not only to reorganize, but to reorganize so that he can effectively carry out the functions of Government at a lower cost. Hoping that something else will come along, I shall leave further critical comment until we see whether or not other steps are to be taken.

Mr. McCARTHY. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. McCARTHY. I might say that I agree that all the things which were suggested in the reorganization plan were excellent. I think the plans are good insofar as they go, with one exception. There is only one thing I believe is bad, and that is the plan involving the Postal Department, a plan which is 95 percent good, incidentally, but the President provides a new political job in the Postal Department, that of a Deputy Postmaster General. The Hoover Commission did recommend that the position of Deputy Postmaster General be created, and that that position be a nonpolitical one, and an administrative position. The President, however, in his plan sets up another political job in the Postal Department, which goes contrary to the Hoover Commission report.

I might say that so far as I am concerned that is the only bad thing done in the seven plans. The rest of the plans I believe are good as far as they go, but I believe they fall short of the positive action we need.

Mr. FERGUSON. Mr. President, to answer the Senator I may say that I intend to discuss the various plans, and I shall try to give my opinion on the particular plan to which the Senator has referred.

Plan 2, proposing certain transfers to the Department of Labor, was a particular source of disappointment. The changes, like those recommended by the Commission, are in line with the "imperative" needs stated by the President in his message of transmittal on the plan, "that the Labor Department be strengthened and restored to its original position as the central agency of the Government for dealing with labor problems."

Notwithstanding that "imperative" need, only two transfers are contemplated in the plan of the Bureau of Employment Security from the Federal Security Agency and the functions of the Veterans' Placement Board. Untouched are the unanimous recommendations of the Commission for transfer to the Labor Department of the Bureau of Employees' Compensation, the Employees' Compensation Appeals Board, and components making up a vital Division of Industrial Hygiene. All would be moved from Federal Security. Likewise a transfer from the Maritime Commission of the determination of minimum wages for seamen is not provided, as recommended by the Hoover Commission. Also, a pinpointing of the very important functions of enforcing labor standards in government contracts and administering "prevailing wage" research, as recommended by the Commission, is not mentioned.

Transfer to the Labor Department of the Selective Service System also was recommended by the Hoover Commission, although it may be said that recommendation met the dissent of three members.

The President, in transmitting plan 2, has stated it is "a major step in the rebuilding and strengthening of the Department of Labor," but I am left with an impression of inconsistency between the "imperative" needs stated by the President and the relatively short steps taken along the path laid out by the Hoover Commission reports.

Plan 3 relates to the Post Office and to the major objective of placing it on a businesslike basis. Substantive legislation which will move further toward taking the Post Office out of politics is necessary. In his message of transmittal the President states that recommendations for implementing legislation are forthcoming. It is to be observed, however, that in the contemplated reorganization of top-level personnel there is no mention of a Director of the Posts, as recommended by the Commission for purposes of operation and administration. There is provided in the plan a Deputy Postmaster General, but there is no indication this person is to be a nonpolitical administrative official, which, in line with the Commission's recommendations, should be the case.

Plan 5, as submitted by the President, applies to the Civil Service Commission, and features the designation of the Commission Chairman as the principal member of the Commission in fact, as well as in name. This is in line with the Hoover Commission's belief that there should be a principal adviser to the President in personnel matters. Whether or not the plan contemplates a true effectuation of the Commission's belief that this adviser should be a positive force requires further examination, for the problem in this field of personnel is as complex as it is vital. In any event, it should be observed that probably as much as 80 percent of the possible reforms in personnel administration can only be accomplished by registration.

Plan 6, relating to the Maritime Commission, falls far short of the Hoover Commission recommendations, and I feel should bear the most critical examination by Congress.

The Maritime Commission has been the subject of numerous serious investigations by executive and congressional groups, and has been given a notorious name for its mismanagement and inefficiency. I have stated previously some of the facts in relation to the statement made by the Senator from Wisconsin as to what was found by the Senate investigating committee which examined this Commission.

Administration of the Commission's affairs has been complicated and difficult, to be sure, through a confusion of its two functions of business operation and regulation. It was in recognition of that confusion of functions that the Hoover Commission recommended a divorce of the two, and a transfer of the business or ship-operating functions to the Department of Commerce. This, the President's plan does not accomplish or attempt. That divorce appears fundamental in correcting the deficiencies of the Maritime Commission, and should be pursued notwithstanding the complicated task of segregation which is involved.

The President's plan does follow the Commission's recommendation in establishing a strong chairman for the Maritime Commission. Fortunately, also, there is now in that office one of the ablest administrators in the Government, General Fleming. But with due respect to General Fleming and to the job he undoubtedly could do, the long-range objectives of reorganization are not accomplished by the substitution of human capacities for a workable administrative structure such as a separation of business and regulatory functions represents in this case.

In view of the qualifications attached to the intitial plans offered by the President, as I see them, I think it is highly desirable that there be hearings on these plans so that any deficiencies may be explored and evaluated. This does not mean, however, that I think the plans are unacceptable and should not be adopted. Their deficiencies are largely shortcomings, rather than deviations from the Hoover Commission blueprint.

They are prompt, but they are not bold. They are important as they stand, but they skim the cream.

That they do not go to the heart of the reorganization issue is emphasized by the President's reiterations that these are "first steps." There is no reason, however, that there could not be greater strides. The distinction is reflected in a difference between statements of the

President and of the Hoover Commission Chairman.

The President yesterday, while holding out the promise of increased efficiency and reduced expenditures "over a period of time," emphasized that "only the curtailment or abolition of Government programs can be expected to result in substantial immediate savings."

The Commission chairman has emphasized no such reservations in speaking of possible savings amounting to at least $3,000,000,000. While holding out no promise of overnight miracles in economy, he has stressed that such savings are possible if the reorganization pattern is followed as a whole.

There, it seems to me, is the keynote of the action phase upon which reorganization is now embarked. There can be no nibbling at the edges of the problem. There should be no pussyfooting, no piecemeal attack. The object is to dismember and not enshrine bureaucracy.

The responsibility for integrated attack is shared by the President and by Congress.

It is incumbent upon the President to submit, within the scope of his authority, plans which are bold and comprehensive in their pursuit of reorganization objectives as stipulated in Commission recommendations.

The President can make the problem simple by exercising his authority to the limit. He can make it difficult and complicated by a failure to submit plans which are forthright and complete.

It is likewise incumbent upon Congress to implement the plans with equal forthrightness, through enactment of the major legislative proposals which it is congressional responsibility to provide in the reorganization scheme.

And Congress should not hesitate to assume further responsibility for giving full effect to the pattern by amending its legislative drafts, whenever it is necessary to correct any deficiencies, shortcomings or deviations which become apparent in the executive proposals.

Mr. President, we have just passed today another appropriation bill, namely, that for the government of the District of Columbia. The Senator from Michigan, when various appropriation bills came to the floor, made certain motions to incorporate in them cuts sufficient in the cumulative aggregate to balance the budget. The first cut was proposed many weeks ago, on a 5-percent basis. Since that time it has become apparent that a greater cut is necessary. It may be wondered why the same course has not been pursued with respect to the appropriation bill for the District of Columbia. One reason lies in the fact that Calendar No. 485, Senate Joint Resolution 108, has been introduced by the Senator from Arkansas [Mr. MCCLELLAN] on behalf of himself and about 30 other Senators. The Senator from Michigan is a cosponsor. The purpose of that measure is to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest, and to bring expenditures within estimated receipts so that the budget may be kept in balance.

I mentioned the questionnaire being published by the Detroit News. One of the questions being asked by the News of its subscribers and readers is as follows:

How do you feel about a cut of 10 percent in the expenditures of the United States Government?

Of approximately 2,100 votes which first came to my office, only 107, I believe, expressed themselves as being opposed to such a 10-percent cut. More than 2,000 voted in favor of a 10-percent cut. That, Mr. President, indicates what the people back in the States are thinking about the question of cutting the cost of government, of our not going into a depression by increasing taxes, of relieving the people back home of some of the burden of Government expenditures.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. Does the distinguished Senator from Michigan recall the poll placed in the RECORD by the junior Senator from Nebraska, which was conducted by the World-Herald, of Omaha, Nebr., which contained the same question relative to a cut in the budget of from 5 percent to 10 percent?

Mr. FERGUSON. Yes; I remember that.

Mr. WHERRY. Does the Senator from Michigan remember the overwhelming vote cast in favor of a cut of 5 or 10 percent in order to balance the budget? It ran about the same percentage as the poll mentioned by the Senator from Michigan.

Mr. FERGUSON. Yes, it ran in about the same percentage.

Mr. WHERRY. The vote was nearly 7 in favor of the cut to 1 against in Nebraska, as I recall. I placed that poll in the RECORD.

I wonder if the Senator from Michigan is acquainted with the news release just made by the majority leader, and which came over the ticker a few minutes ago? I read as follows:

Senate Democratic Leader LUCAS said he would oppose budget-balancing plans to require the President to cut Government spending between 5 and 10 percent below the amounts appropriated by Congress.

"If there's going to be a reduction in appropriations, it's the responsibility of Congress," LUCAS told reporters. "I don't believe we can delegate power over appropriations to the executive branch."

Asked what would be done about the budget resolution approved by the Senate Expenditures Committee last week, he replied "Nothing as far as I'm concerned."

LUCAS said he would not put the resolution before the Senate for action but conceded that a move to do so could be made by some other Senator.

I should like to ask the distinguished Senator from Michigan if he does not feel as the result of the polls that the joint resolution should be put before the Senate, and I ask the Senator from Michigan whether he believes that any more important piece of legislation could be brought before the Senate of the United States at this time?

Mr. FERGUSON. I will answer that question without hesitation by saying that in the opinion of the Senator from Michigan, it is the most important piece of legislation that faces the Congress of the United States today. I will try to explain why I think it is such an important piece of legislation. Appropriation bills containing great amounts will be coming before the Senate very soon. For instance, the bill containing appropriations for the armed services, the foreign aid bill, and the independent offices bill, which contains between seven and eight billion dollars. They total about two-thirds of the appropriations plan for fiscal 1950.

Mr. WHERRY. There is over $8,000,000,000 in the independent offices appropriation bill.

Mr. FERGUSON. Yes, if the full amount requested is carried in the bill it will amount to over $8,000,000,000, or more than the entire cost of government a few years ago.

The people of the United States want the expense of government reduced. I understand that the majority leader is receiving, through the Chicago Daily News, similar requests from the people of Illinois, with respect to cutting the costs of government, and therefore he is familiar with this question.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LUCAS. The Senator from Michigan is completely wrong if he is associating what I am receiving through the Daily News of Chicago, with the question asked by the Senator from Nebraska. What I am getting, and what probably other Senators are getting, is a memorandum or form which the News has requested its subscribers to send to Senators, dealing with reorganization.

Mr. FERGUSON. I am aware of that and so stated originally. But it is on the same question.

Mr. LUCAS. It is on the same question.

Mr. FERGUSON. On the cost of Government, and efficient government.

Mr. LUCAS. It is in an entirely different category. If the Senator will further yield, I wish to make a statement, since the Senator from Nebraska has brought me into the argument. I wish to state my position very clearly and distinctly with respect to this resolution.

What I stated to the press is exactly my position. Many Members of the Senate who voted not to cut any appropriations whatsoever are sponsors of the resolution. When the Senator from Michigan and other Senators brought forward the proposal to cut the appropriations 5 or 10 percent, the Senate did not go along with their proposal. The bills were not sent back to the Appropriations Committee, as was recommended by the Senator from Michigan and other Senators.

Now that most of the appropriation bills have been passed, a number of Senators who voted not to send the bills back to the Appropriations Committee for a cut are seeking to thrust upon the President of the United States the responsibility which they refused to assume. I do not associate the Senator from Michigan or the Senator from Nebraska with that statement, because they both favored the cuts all the way through. However, I maintain with all the sincerity I possess that the Congress

of the United States has the responsibility for cutting appropriations. The President of the United States submits his budget to the Congress, and under the Constitution and laws of the country it is the duty of the Congress to say whether or not it will approve funds requested in that budget, whether it will cut the budget, or whether it will increase the budget. It is our responsibility; and in my judgment we should not shift the responsibility to the President of the United States and tell him to cut the budget 5 or 10 percent after we ourselves refused to do so in the Senate.

For that reason, in view of what has happened in connection with appropriation bills which have come before us, certainly the majority leader is not going along with that kind of a resolution. We should have the courage to reduce appropriations if we desire to do so. If we do not have the courage to do it, we should not shift our responsibility to the Executive.

Mr. FERGUSON. Mr. President, let me say in reply to the statement of the Senator from Illinois that the Senator from Michigan has frequently emphasized on the floor of the Senate that the Congress of the United States is the appropriating agency of Government. It has absolute control of the purse strings of the Government if it desires to exercise it. The President cannot veto an appropriation bill until we pass it. He has no right to increase any appropriation. Therefore Congress controls the purse strings.

However, in an emergency such as this, after having allowed four or five appropriation bills to go through, and after having seen fit not to meet the responsibility of cutting those appropriations, there is no reason why we should not call upon the President to cut expenditures. Even though the administration may be opposed to it, I hope the Congress will have the courage to pass the joint resolution which has been reported by the able Senator from Arkansas [Mr. MCCLELLAN].

The Senator from Nebraska and many other Senators, including the Senator from Michigan, are cosponsors. Unless we handle the problem in the manner it prescribes, or have a rescission of appropriations, which is a difficult method of accomplishing the same objective, we shall find ourselves going into deficit spending and the raising of taxes, or both.

I am truly sorry that Senate joint resolution 108 was not passed when it was reached on the call of the calendar today. I am indeed sorry that the Senator from Rhode Island [Mr. MCGRATH] objected, in behalf of another Senator, to the consideration of the joint resolution. So far as the Senate is concerned, the joint resolution should have been passed by unanimous consent.

The majority leader has advised the people of America, as he has a perfect right to do, that it is not the policy of the majority, the Democratic Party, and the administration to cut the budget 5 percent, 10 percent, or any other amount, to stop deficit spending or the raising of taxes.

On the contrary we find the President is still insistent that we are in a period of inflation, and that what we need is controls to stop inflation. At the same time, back home in our States we find unemployment mounting. We are surrounded by evidence that now is the time to be cutting the cost of government.

I remember, as other Senators must remember, that in 1932, when we were going into a depression, there was a political campaign in progress. At that time the Democratic candidate for President stated the way to stop the depression was to cut the cost of Government, and that he proposed to cut the cost of Government by 25 percent. The people thought that was correct, and they voted for the candidate who urged a reduction of 25 percent in the cost of Government.

But was that system used to bring the country out of the depression? No. That method was not popular among the Government agencies and bureaucracies. A spending program was substituted. What finally happened? In 1939 the economic cycle again had slowed. Then the European war broke out, and we found that we had mounting employment. When the United States became involved in the war we came out of the depression because of war industry. God grant that we may never have to have another war to come out of a depression.

Let us face the problem in the Congress of the United States. In 1932 a proposal was made to cut Government expenses by 25 percent. The Senator from Michigan agrees that is perhaps the outstanding means of stopping a depression and eliminating dissatisfaction among the people. But the Government would not reduce expenses. The promise was made but never carried out.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. The distinguished Senator from Michigan mentioned a poll a few moments ago. I asked him at that time if he recalled a similar poll which was taken by the Omaha World-Herald about 10 days ago. Eight questions were asked in that poll. Anyone who wanted to vote had to cut the questions out of the newspaper and mail the answers to his Senator or Representative in Congress. At least that much effort was required. Some postage was also necessary. If a husband and wife, or other members of the family, wanted to vote, it required some effort to send in the answers to the questions.

One of the questions was the one about which the Senator is now speaking:

How do you feel about a straight 10-percent cut in all Federal expenditures that can be cut?

A total of 6,003 had voted up until the time I stopped the analysis. Since that time other votes have been received on that proposal. There were 5,869 votes for and 134 against. Inasmuch as the poll was brought into the colloquy to which I was a party, I ask unanimous consent, with the permission of the Senator from Michigan, that there be printed in the RECORD at this point the eight proposals on which there was a vote in the poll conducted by the Omaha World-Herald.

Mr. FERGUSON. I have no objection.

Mr. WHERRY. I thank the Senator.

There being no objection, the questions were ordered to be printed in the RECORD, as follows:

How do you feel about—	For	Against
1. A straight 10-percent cut in all Federal expenditures that can be cut?	5,869	134
2. Secretary of Agriculture Brannan's farm plan, the cost of which Secretary Brannan himself is ununable to estimate? (Senator BYRD did not estimate the cost but others have suggested figures up to $10,000,000,000 a year for this subsidy)	102	5,834
3. The so-called national health plan? (This calls for increased pay-roll taxes. Senator BYRD, referring to it as "socialized medicine," estimated a $10,000,000,000 annual cost)	99	5,828
4. The Federal housing program recently enacted by the Senate. The cost of the low-rent feature alone amounts to a possible $20,000,000,000 over 40 years, according to Senator BYRD, even if it is not later expanded.)	214	5,704
5. Federal aid to education, costing $300,000,000 the first year? (Senator BYRD does not believe the cost would ever be that low gain.)	514	5,320
6. The ECA program costing $5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan.)	833	4,927
7. Arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year? (Mr. BYRD thinks that estimate is too low)	980	4,886
8. Increased income and pay-roll taxes that Senator BYRD says will be necessary to carry out the President's many recommenddations for more spending?	96	5,876

Mr. WHERRY. Mr. President, if the Senator from Michigan will yield for another question, let me say that I appreciate the position taken by the able majority leader. The fact that the administration has asked for increases in taxes in the amount of $4,000,000,000 shows exactly how this administration feels about the budget and what it proposes to do about it. Of course it has a perfect right to take that position.

But as to the second point suggested by the distinguished majority leader, when he made the observation that Members of Congress have declined to vote for cuts in the appropriation bills, and now have dumped the responsibility in the President's lap, let me ask the distinguished Senator if it is not true that from time to time in the debates on the

floor of the Senate on motions to cut the appropriations 5 or 10 percent, many Senators have stated that they did not feel that the proper way to make reductions in appropriations was by means of a 5 percent or a 10 percent cut, but that they would wait until the end of the session and then would join in a recission resolution directing the President to have the executive agencies themselves make that cut at the direction of Congress. Is not that true?

Mr. FERGUSON. That is correct.

Mr. WHERRY. So that puts an entirely different complexion upon the direction to the President of the United States. In this way Congress does not abdicate its authority, but Congress is taking full responsibility for the cuts, under the joint resolution directing the President, through the executive agencies, to make the cuts instead of having the Congress make the cuts wherever it chooses.

I should also like to ask the distinguished Senator whether it is true that, just as in connection with the reorganization recommendations which come from the President, Congress is not abdicating any authority when it directs the President to do thus and so. Does not the Senator agree? Is not that constitutional and legal? Are not we wholly within our rights when we do that, just as a State legislature is when it directs or requires the governor to do thus and so?

So I am sure that although the administration does not wish to have the budget cut, but wishes to have taxes increased $4,000,000,000—and of course it has a right to take that position—nevertheless that position is not in keeping with the provisions of the joint resolution because under the joint resolution the Congress will not abdicate its responsibility, but will be taking full responsibility for having 5-percent or 10-percent cuts made, and will be merely directing the executive agencies to make the cuts where they themselves choose to make them.

Mr. FERGUSON. I think that is correct. The Congress is not abdicating its right to make appropriations.

Mr. WHERRY. Of course it is not.

Mr. FERGUSON. The Congress is merely ordering the President to take the action specified. The language used, as it always is used, is "authorized and directed." That simply means that the President shall have the expenditures cut wherever he sees fit to have them cut.

Mr. LUCAS. Mr. President, will the Senator yield on that point?

Mr. FERGUSON. I yield.

Mr. LUCAS. Is there any precedent for this?

Mr. FERGUSON. I am not familiar with the precedents regarding it.

Mr. LUCAS. Will the Senator point out to me a precedent, an instance when, at any time in the history of the United States, either the Senate or the House of Representatives has authorized and directed the President to cut appropriations, after the Congress itself has finished acting on the appropriation bills? It may be that there is a precedent, and, if so, I should like to have it stated.

Mr. FERGUSON. I know of no precedent. I know that the Senator has used the words "cut appropriations" in the meaning that expenditures will be cut, so that not all the money appropriated will be used. The resolution specifies a reduction of expenditures, to bring the budget into balance.

Mr. LUCAS. Will the Senator yield further, Mr. President?

Mr. FERGUSON. I am glad to yield.

Mr. LUCAS. Time and time again it has been argued in the Congress that the President should have the power, and the Congress should give it to him, to veto certain items in appropriation bills—in other words, that the President should be given power to do the sort of thing that he would be authorized to do under this proposal, although in an entirely different way. If we pass a legislative measure giving the President the power to veto certain items—as has been suggested time and time again, although such propositions have never gotten to first base—that would be taking positive action; but in this case an attempt is being made simply to shift the responsibility which belongs to the Congress.

Mr. President, if we do not have sufficient manpower to enable us to match the work of the experts in the Bureau of the Budget, we should obtain the necessary manpower in order to be able to do so. We should not shift this responsibility.

I do not know what position the President of the United States might take if a joint resolution of this sort were passed. I can imagine that some Members of the Senate who have voted for increased appropriations for projects affecting their particular States or for certain projects in their States might have much to say about the President of the United States if he were to cut to the bone the expenditures for such projects, which the President probably would have to do under this kind of joint resolution. Then the fat would be in the fire, from the standpoint of a number of Senators who have pet projects for their own States, for then they would be charged with abdicating their own right of participating in the making of such appropriations and the passage of bills relating to such matters affecting their own States. That is what is being attempted here.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. In answer to the distinguished majority leader, I should like to say that when I introduced the joint resolution directing the President to make cuts of 5 percent or 10 percent, in order that the budget might be balanced, but not to destroy any function of the Government, and therefore imposing a ceiling of 20 percent in regard to any cut which might be made in the case of any department or agency. I not only studied the provisions and the precedents, but I also sought legal authority. I found that on many occasions the Congress has delegated to an executive agency authority to carry out the will of Congress. There are many precedents. One of them is in the case of the Federal Reserve Act. Congress has the power to coin money, but in that case it delegated that power to an executive agency. Of course, we can withdraw that delegation at any time we choose to do so. So we can find many precedents, many cases in which the Congress has delegated to an executive agency the power to do what the Congress desires to have done.

So the argument that the Congress does not have legal authority is of no force or effect.

The distinguished majority leader also said, and I agree, that some Senators have voted for increases in appropriations: I do not know what the majority leader had in mind in that connection, or whom he was talking about. For myself, I should like to say that on the floor of the Senate, I have supported cuts of from 5 percent to 10 percent, and, in the case of the ECA, cuts of 15 percent, each and every time the appropriations have come before the Senate, regardless of whether the appropriations for projects in any Senator's territory would thus have been increased or decreased.

Furthermore, Mr. President, every time I voted for such cuts, I stated that I felt we should make the cuts on the floor of the Senate, but that if it were the opinion of a majority of the Senate that such action should be taken by way of a recission joint resolution, I would support such a joint resolution, no matter who offered it, and regardless of whether it was offered by a Senator on the Republican side of the aisle or a Senator on the Democratic side of the aisle.

For that reason, I wish to commend the distinguished Senator from Arkansas [Mr. McCLELLAN] for the joint resolution which he has reported from his committee and which is now on the Senate calendar. I believe it will result in the making of cuts in the way that many Senators would like to see them made, rather than in having cuts made by the so-called meat ax method. Many Senators feel that the executive agencies should be in a position to program their entire appropriations, and that that is their work, not ours.

Furthermore, Mr. President, I should like to state that I heartily agree with the other observation made by the distinguished majority leader, namely, that the legislative branch of Government should be provided with sufficient personnel to be able to get the advice and information which is needed by the Congress in order to enable it in an orderly fashion not only to talk intelligently but to make intelligent cuts in appropriation requests which are presented first to the Appropriations Committee and later to the Senate itself.

I ask the distinguished Senator from Michigan, who is a member of the Appropriations Committee, and who sits next to me at the committee table, and has done so ever since we have served on the committee, if it is not a fact that the one thing we need, above all else, insofar as the committee is concerned, is personnel having a thorough knowledge of the appropriations, and able to cope with the pressure groups who, on the basis of authorizations, attempt to persuade the

Appropriations Committee to provide appropriations for the projects in which such groups are interested. Does not the Senator feel that, more than ever before, inasmuch as the cost of Government has now almost reached $50,000,000,000—for the appropriations budget this year is nearly $48,000,000,000—and inasmuch as the budget has increased by five times since 1939, which was the banner year we had before the war, when the cost of the Government was only $9,000,000,000, the legislative branch of the Government needs personnel who can cope with the scores of experts who come before the Appropriations Committees, day after day, lobbying for such appropriations? We hear much about the real-estate lobby. I am not defending any lobby. They can defend themselves. But the biggest lobby in Washington today is the Government of the United States, as it comes and lobbies for huge appropriations. That is a lobby that is almost impossible to beat. Information is lacking with which to beat it.

So I say to the junior Senator from Michigan I appreciate the observations he has made. I appreciate the fact that we have on the Senate Calendar the joint resolution reported by the distinguished Senator from Arkansas [Mr. MCCLELLAN], chairman of the committee. I hope there will be enough Senators on both sides of the aisle to assure the consideration of the joint resolution. I hope the distinguished majority leader, even though he might not agree with it, will do his level best to see that the Senate has a chance to vote on it some time, and will bring it up for consideration and let the Senate vote upon the joint resolution.

The PRESIDING OFFICER. The Senator from Michigan cannot yield for another speech; otherwise the Chair will have to hold that he thereby loses the floor.

Mr. FERGUSON. The Senator will assume the floor. I yielded for a question, it was rather a lengthy——

The PRESIDING OFFICER. The Chair will have to enforce the rule from now on.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. In a moment.

Mr. CAPEHART. I want to ask unanimous consent to make a speech.

Mr. FERGUSON. I should like to answer the question of the Senator from Nebraska. It is not a double-barreled question, but about 8 or 10 questions—almost a shot-gun question. The Senator is correct, because there is not anything more needed in the Appropriations Committee than a sufficient staff to be able as the budget is being made up to study the appropriation problems. Only today, before the committee, there is the question of the operation for instance of the town of Oak Ridge. We find an item in the budget "to operate the town," in which it is proposed to pay a corporation $16,000 a month to run the town of Oak Ridge. Think of it, $16,000 a month. The committee should have sufficient personnel to be able to send them out to ascertain the facts. According to the record, I understand the record at one place shows that the salaries of five men are taken out of the $16,000 a month. At another place, the record shows that no salaries are taken out; but all salaries for actual employees are paid by the United States Government. I mention that item only to indicate how essential it is that Congress have a sufficient staff with which to do its work, and I am hoping each subcommittee will have assigned to it such a staff, to be employed continuously in looking into the agency for which the subcommittee appropriates, so that the subcommittee can be a watchdog for the Appropriations Committee.

The Senator from Michigan asked the Senate committee the other day to appoint such personnel for each subcommittee, when the appropriation for the General Accounting Office came up. For the first time since passage of the Reorganization Act of 1946, which included the authorization, Congress appropriated $800,000 for the GAO to begin providing a staff which would be the arm of Congress to look into the operation of the various agencies as to cost and efficiency. If Congress will do it that way, if Congress now will supervise that personnel, then we shall be starting something which I say not only will enable us to save millions of dollars but will enable us actually to save billions of dollars of the taxpayers' money.

This is not a partisan matter. Only a short time ago I counted the men who are sponsors of the joint resolution authorizing the President to balance the budget, in effect to cut the budget between 5 percent and 10 percent. There were 12 or 13 from the majority side of the aisle. There are as many from the minority side of the aisle. I am indeed sorry that the majority leader cannot see his way clear to bring up this measure.

So far as the Senator from Michigan is concerned, he has conferred with those on the majority side. It is not a partisan matter, and we should keep this operation and the cost of Government out of politics. We should move, notwithstanding the majority, at the earliest possible date to make Senate Joint Resolution 108 the order of business, because it has been indicated here today that the majority leader at least does not know what the President will do with the measure. So we ought to find out whether the President is going to veto it, and then, if the President vetoes it, Congress has a remedy. The Constitution provides that two-thirds of those voting in the Senate and the House can pass it over the President's veto. I suppose the President could then refuse to execute a law of the United States, even though the Constitution provides that the President shall faithfully execute the laws of the United States. I hope the time never comes when a President will see and feel that it is his duty, after a measure has been passed notwithstanding his veto, to ignore a law. I hope the time never comes in America when there is defiance of the Constitution. I am sure it will not come. But the unexpected may happen, and if it should happen, then Congress still has a remedy. Congress could then cut the appropriations. Congress could pass a rescission bill and cut them. There has always been talk about the meat-ax method. I have felt at times that it is better to have the various Government agencies make the reductions, but if there is no other way, then I say that there is one remedy—the meat ax.

I remember there was an executive, who, some time in 1930, said to the officials of the various departments, "We must make a cut of a certain percentage. We cannot afford the expenses." He called in the heads of the departments. Each one said, "You cannot cut my department. If you cut my department, we will go out of business; we will go into bankruptcy." He received that response from each and every one of his top officials. Finally he said to the treasurer, "Will you see whether we have a personnel book?" They brought it to him. He said, "How much would 20 percent of the personnel be? Where would it be in the book?" He took his letter opener from his desk and said, "From there on, just discharge, tomorrow, all of the personnel in that part of the book." His department heads looked at him in absolute amazement. "Why," they said, "you could not do that. You would have the departments in bankruptcy overnight." "Well," he said, "you will admit that that is one way of doing it." They said, "Yes, that is one way, but it would be ruinous." He said, "Then go out, as tops of your agency, and do it in a better way." In about a week they returned, each one with his method of doing it in a much better way.

So, Mr. President, I say that there is a way by which we can use the meat ax. We can reduce to a certain extent, by rescissions, the amounts in the bills which have already been passed. But I think there is a better way, and that is for the departments to say they will cooperate with Congress and will cut their expenditures in a more scientific way, just as corporations do, in the light of their particular knowledge and experience.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that in the appropriation bills which we shall still have before us the major portion of the expenditures will be found, namely, the national military budget, which, as it passed the House, provides for an appropriation of approximately $16,000,000,000?

Mr. FERGUSON. That is correct.

Mr. DOUGLAS. The independent offices bill carries, I think, approximately $8,000,000,000.

Mr. FERGUSON. Between $7,000,000,000 and $8,000,000,000.

Mr. DOUGLAS. And the foreign aid bill, which carries many billion dollars. So we still have before us, in those three bills, very close to $30,000,000,000. If we have the will, we can make real economies without a sacrifice of efficiency.

Mr. FERGUSON. I agree with the Senator, and I shall be in favor of such a method in the Appropriations Committee, as I have been in the past. I hope we can do it by this method.

Mr. DOUGLAS. I should like to raise the question whether it is not also true

that the bills which we have passed, except the first deficiency bill, are still in conference with the House, and we can also act by conceding to the position of the House in connection with those bills in which we increased the amount of the appropriations. In the civil functions bill the House appropriation was $593,000,000. That was raised by the Senate to $751,000,000.

I hope the discussion which the Senator from Michigan has carried on in a very interesting fashion will give to our conferees the intestinal fortitude which will enable them to save $160,000,000. I hope we can save close to a billion dollars on the Military Establishment, and cut foreign aid by, say, approximately $350,000,000. I think we still have within our own hands the power to reduce appropriations for the independent offices by an added sum, which, in conjunction with other savings, will give total economies of $2,000,000,000.

I hope in this discussion, instead of anyone attempting to say it is the executive branch or it is the Democratic side of the aisle which is responsible——

Mr. FERGUSON. The Senator from Michigan has not said that.

Mr. DOUGLAS. I hope the discussion will not take that turn. I hope we shall all set ourselves to the task of saving $2,000,000,000, which, it seems to me, is something we can do within the next 10 days.

Mr. FERGUSON. I hope those in charge of the conferences will heed what has been said on both sides.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Illinois.

Mr. LUCAS. The Senator from Michigan has been somewhat critical of the Senator from Illinois——

Mr. FERGUSON. No.

Mr. LUCAS. He has taken the position that the Senator refused to have taken up the joint resolution to which reference has been made. Does the Senator from Michigan think it is fair to insist that the majority leader should do that when there are great differences to be considered and when the Committee on Appropriations should consider them, rather than to force the issue on the floor at this moment?

Mr. FERGUSON. I will answer the Senator by saying that I am sorry the majority leader does not allow us to vote on the particular joint resolution in order that we might pass it before——

Mr. LUCAS. Why is the Senator so anxious to have it passed, when $30,000,000,000 is yet to be considered by the Appropriations Committee, of which the Senator from Michigan is a member? Does he not think that, after all, the Appropriations Committee will exercise its constitutional authority in the matter of appropriations, without saying in advance that we are going on record now for a joint resolution which directs or authorizes the President of the United States to cut appropriations. The Senator is completely abdicating his authority and saying, "I am not going to consider the Appropriations Committee. We will just act on the appropriations bills as the President recommended them, and then we will pass a resolution on the floor telling him to cut the amount." That is what it means.

Mr. FERGUSON. No. The Senator from Michigan will insist in the Appropriations Committee that we cut the appropriations by whatever method we can. The Senator from Michigan believes they can be cut. This resolution would be added protection. The President could take any future results in committee into consideration when he makes his cuts in expenditures. The resolution directs him to make reductions of expenditures of between 5 and 10 percent for a single purpose which is common to all our efforts. That purpose, as the resolution states, is to keep expenditures within estimated receipts for fiscal 1950. We seek a balanced budget to avoid new taxes and deficit spending. It can be accomplished by reduced appropriations and by reduced expenditures.

Mr. McCLELLAN. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. McCLELLAN. Will the Senator advise me how long his speech will take?

Mr. FERGUSON. Not more than 2 or 3 minutes.

Mr. McCLELLAN. I thank the Senator.

Mr. FERGUSON. I have spoken of the Detroit News questionnaire, and before I conclude I wish to give the current figures, as I have them. The latest count with reference to a cut in Federal expenditures shows there were 3,763 for a 10-percent cut and 176 against it.

I also wish to repeat my hope that the Senator from Arkansas will, at a very early date, move to make the regular order of business Senate Joint Resolution 108, in order that the Senate of the United States may vote upon it and so that we may know what our course must be. I am satisfied that the Appropriations Committee, if the Senate turns it down, will be forced to use a less scientific method of cutting the budget, namely, the rescission method. This year the committee does not have the staff required to do all the cutting. But if there is no alternative, it will be able to do the job in a less scientific way should the Senate and the House turn down or refuse to act on the joint resolution.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. FERGUSON. Mr. President, I yield the floor.

PROCUREMENT, UTILIZATION, AND DISPOSAL OF GOVERNMENT PROPERTY

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate take up for immediate consideration Senate bill 2020.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill (S. 2020) to simplify the procurement, utilization and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

Mr. MYERS. Mr. President, on behalf of the Senator from Kansas [Mr. REED] and myself I send to the desk several amendments and ask to have them stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 17, line 15, after the word "classification", it is proposed to strike out "transportation and traffic management."

On page 18, after line 5, to strike out:

(4) With respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies.

And in lieu thereof, to insert the following:

(4) With respect to public utility services for the use of executive agencies, represent such agencies in negotiations with public utilities and in proceedings involving public utilities before Federal and State regulatory bodies.

On page 62, line 8, after the word "forms", to strike out the period and insert a comma and the words "transportation, and traffic management."

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Pennsylvania [Mr. MYERS] for himself and the Senator from Kansas [Mr. REED].

The amendments were agreed to.

Mr. HAYDEN. Mr. President, I desire to offer two amendments to the bill.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 3, line 19, after the word "Government," it is proposed to insert "(except the Senate and the House of Representatives)".

On page 18, line 22, after the name "District of Columbia," to insert "or the Senate, or the House of Representatives,".

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Arizona [Mr. HAYDEN].

The amendments were agreed to.

Mr. AIKEN. Mr. President, I send to the desk an amendment to the bill and ask for its consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 58, line 2, after the word "sections," it is proposed to insert "13 (d)."

And in line 4, after the numerals "1947," to insert a colon and the following proviso: "*Provided*, That, with respect to the disposal under this act of any surplus real estate, all priorities and preferences provided for in said act, as amended, shall continue in effect until 12 o'clock noon (eastern standard time), December 31, 1949."

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Vermont [Mr. AIKEN].

The amendments were agreed to.

Mr. McCLELLAN. Mr. President, if there are no further amendments to be offered to the bill, I move that House bill 4754, a companion bill passed in the House of Representatives, be taken up for consideration.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

Mr. McCLELLAN. Mr. President, I move to strike all after the enacting clause of House bill 4754 and insert in lieu thereof Senate bill 2020 as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to, as follows:

SHORT TITLE

That this act may be cited as the "Federal Property and Administrative Services Act of 1949."

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DECLARATION OF POLICY

SEC. 2. It is the intent of the Congress in enacting this legislation to provide for the Government an economical and efficient system for (a) the procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, specifications, property identification and classification, transportation and traffic management, management of public utility services, repairing and converting, establishment of inventory levels, establishments of forms and procedures, and representation before Federal and State regulatory bodies; (b) the utilization of available property; (c) the disposal of surplus property; and (d) records management.

DEFINITIONS

SEC. 3. As used in this act—

(a) The term "executive agency" means any executive department or independent establishment in the executive branch of the Government, including any wholly owned Government corporation.

(b) The term "Federal agency" means any executive agency or any establishment in the legislative or judicial branch of the Government (except the Senate and the House of Representatives).

(c) The term "Administrator" means the Administrator of General Services provided for in title I hereof.

(d) The term "property" means any interest in property of any kind except (1) the public domain and lands reserved or dedicated for national forest or national park purposes; and (2) naval vessels of the following categories: Battleships, cruisers, aircraft carriers, destroyers, and submarines.

(e) The term "excess property" means any property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities, as determined by the head thereof.

(f) The term "foreign excess property" means any excess property located outside the continental United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

(g) The term "surplus property" means any excess property not required for the needs and the discharge of the responsibilities of the Federal Government, as determined by the Administrator.

(h) The term "care and handling" includes completing, repairing, converting, rehabilitating, operating, preserving, protecting, insuring, packing, storing, handling, conserving, and transporting excess and surplus property, and, in the case of property which is dangerous to public health or safety, destroying or rendering innocuous such property.

(i) The term "person" includes any corporation, partnership, firm, association, trust, estate, or other entity.

(j) The term "nonpersonal services" means such contractual services, other than personal and professional services, as the Administrator shall designate.

(k) The term "contractor inventory" means (1) any property acquired by and in the possession of a contractor or subcontractor under a contract pursuant to the terms of which title is vested in the Government, and in excess of the amounts needed to complete full performance under the entire contract; and (2) any property which the Government is obligated to take over under any type of contract as a result either of any changes in the specifications or plans thereunder or of the termination of such contract (or subcontract thereunder), prior to completion of the work, for the convenience or at the option of the Government.

TITLE I—ORGANIZATION

GENERAL SERVICES AGENCY

SEC. 101. (a) There is hereby established an agency in the executive branch of the Government which shall be known as the General Services Agency.

(b) There shall be at the head of the General Services Agency an Administrator of General Services who shall be appointed by the President by and with the advice and consent of the Senate, and perform his functions subject to the direction and control of the President.

(c) There shall be in the General Services Agency a Deputy Administrator of General Services who shall be appointed by the Administrator of General Services. The Deputy Administrator shall perform such functions as the Administrator shall designate and shall be Acting Administrator of General Services during the absence or disability of the Administrator and, unless the President shall designate another officer of the Government, in the event of a vacancy in the office of Administrator.

(d) Pending the first appointment of the Administrator under the provisions of this section, his functions shall be performed temporarily by such officer of the Government in office upon or immediately prior to the taking of effect of the provisions of this act as the President shall designate.

(e) The President is authorized to fix the compensation of the Administrator, the Deputy Administrator, and of the heads and assistant heads of the principal organizational units of the General Services Agency at such rates (not in excess of $15,000 per annum) as he shall deem to be commensurate with the responsibilities and duties of their respective offices.

ABOLITION OF BUREAU OF FEDERAL SUPPLY AND TRANSFER OF CONTRACT SETTLEMENT FUNCTIONS

SEC. 102. (a) The functions of the Bureau of Federal Supply in the Department of the Treasury and its records, property, personnel, obligations, and commitments, are hereby transferred to the Administrator of General Services, together with such additional records, property, and personnel of the Department of the Treasury as the Director of the Bureau of the Budget shall determine to relate primarily to functions transferred by this section or vested in the Administrator by titles II, III, and V of this act. The functions of the Director of the Bureau of Federal Supply, and the functions of the Secretary of the Treasury, relating to the Bureau of Federal Supply and the Director thereof, are hereby transferred to the Administrator. The Bureau of Federal Supply and the office of the Director of the Bureau of Federal Supply are hereby abolished.

(b) The functions of the director of Contract Settlement and of the Office of Contract Settlement, transferred to the Secretary of the Treasury by Reorganization Plan No. 1 of 1947, are transferred to the Administrator and shall be performed by him or, subject to his direction and control, by such officers and agencies of the General Services Agency as he may designate. The Contract Settlement Act Advisory Board created by section 5 of the Contract Settlement Act of 1944 (58 Stat. 649) and the appeal board established under section 13 (d) of that act are transferred from the Department of the Treasury to the General Services Agency, but the functions of these boards shall be performed by them, respectively, under conditions and limitations prescribed by law. There shall also be transferred to the General Services Agency such records, property, personnel, obligations, commitments, and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Treasury Department as the Director of the Bureau of the Budget shall determine to relate primarily to the functions transferred by the provisions of this subsection.

(c) Any other provision of this section notwithstanding, there may be retained in the Department of the Treasury any function referred to in subsection (a) of this section which the Director of the Bureau of the Budget shall, within 10 days after the effective date of this act, determine to be essential to the orderly administration of the affairs of the agencies of such department, other

than the Bureau of Federal Supply, together with such records, property, personnel, obligations, commitments, and unexpended balances of appropriations, allocations, and other funds, available or to be made available, of said department, as said director shall determine.

TRANSFER OF AFFAIRS OF THE FEDERAL WORKS AGENCY

SEC. 103. (a) There are hereby transferred to the General Services Agency the Public Roads Administration and its functions, records, property, personnel, obligations, and commitments. All other functions, records, property, personnel, obligations, and commitments of the Federal Works Agency, of the Federal Works Administrator, and of the Commissioner of Public Buildings are hereby transferred to the Administrator of General Services.

(b) There are hereby abolished the Federal Works Agency, the Public Buildings Administration, the office of Federal Work Administrator, the office of the Commissioner of Public Buildings, and the office of Assistant Federal Works Administrator.

(c) Without regard to the provisions of section 103 (b), the President may continue, for such duration as he shall determine, as a constituent agency of the General Services Agency, the heretofore existing Bureau of Community Facilities of the Federal Works Agency.

RECORDS MANAGEMENT: TRANSFER OF THE NATIONAL ARCHIVES

SEC. 104. (a) The National Archives Establishment and its functions, records, property, personnel, obligations, and commitments are hereby transferred to the General Services Agency. There are transferred to the Administrator (1) the functions of the Archivist of the United States, except that the Archivist shall continue to be a member or chairman, as the case may be, of the bodies referred to in subsection (b) of this section, and (2) the functions of the Director of the Division of the Federal Register of the National Archives Establishment. The Archivist of the United States shall hereafter be appointed by the Administrator.

(b) There are also transferred to the General Services Agency the following bodies, together with their respective functions: (1) The National Archives Council and the National Historical Publications Commission, established by the act of June 19, 1934 (48 Stat. 1112), (2) the National Archives Trust Fund Board, established by the act of July 9, 1941 (55 Stat. 581), (3) the Board of Trustees of the Franklin D. Roosevelt Library, established by the joint resolution of July 18, 1939 (53 Stat. 1062), and (4) the Administrative Committee established by section 6 of the act of July 26, 1935 (49 Stat. 501), which shall hereafter be known as the Administrative Committee of the Federal Register. The authority of the Administrator under section 106 hereof shall not extend to the bodies or functions affected by this subsection.

(c) The Administrator is authorized (1) to make surveys of Government records and records management and disposal practices and obtain reports thereon from Federal agencies; (2) to promote, in cooperation with the executive agencies, improved records management practices and controls in such agencies, including the central storage or disposition of records not needed by such agencies for their current use; and (3) to report to the Congress and the Director of the Bureau of the Budget from time to time the results of such activities.

TRANSFER FOR LIQUIDATION OF THE AFFAIRS OF THE WAR ASSETS ADMINISTRATION

SEC. 105. The functions, records, property, personnel, obligations, and commitments of the War Assets Administration are hereby transferred to the General Services Agency. The functions of the War Assets Administrator are hereby transferred to the Administrator of General Services. The War Assets Administration, the office of the War Assets Administrator, and the office of Associate War Assets Administrator are hereby abolished. Personnel now holding appointments granted under the second sentence of section 5 (b) of the Surplus Property Act of 1944, as amended, may be continued in such positions or may be appointed to similar positions for such time as the Administrator may determine.

REDISTRIBUTION OF FUNCTIONS

SEC. 106. The Administrator is hereby authorized, in his discretion, in order to provide for the effective accomplishment of the functions transferred to or vested in him by this act, and from time to time, to regroup, transfer, and distribute any such functions within the General Services Agency, and with the approval of the Director of the Bureau of the Budget to make appropriate transfers of funds in connection therewith.

TRANSFER OF FUNDS

SEC. 107. (a) All unexpended balances of appropriations, allocations, or other funds available or to be made available, for the use of the Bureau of Federal Supply, the War Assets Administration, the Federal Works Agency, and the National Archives Establishment, and so much of the other unexpended balances of appropriations, allocations, or other funds of the Department of the Treasury, available or to be made available, as the Director of the Bureau of the Budget shall determine to relate primarily to functions transferred to or vested in the Administrator by the provisions of this act, shall be transferred to the General Services Agency for use in connection with the functions to which such balances relate, respectively.

(b) When other functions are transferred to the General Services Agency from any Federal agency, there shall be transferred such records, property, personnel, appropriations, allocations, and other funds of such agency to the General Services Agency as the Director of the Bureau of the Budget shall determine to relate primarily to the functions so transferred.

STATUS OF TRANSFERRED EMPLOYEES

SEC. 108. Subject to other provisions of this title relating to personnel, employees transferred by the provisions of this title shall be deemed to be employees of the General Services Agency, and their reappointment shall not be required by reason of the enactment of this act.

GENERAL SUPPLY FUND

SEC. 109. (a) There is hereby authorized to be set aside in the Treasury a special fund which shall be known as the General Supply Fund. Such fund shall be composed of the assets of the general supply fund (including any surplus therein) created by section 3 of the act of February 27, 1929 (45 Stat. 1342; 41 U. S. C. 7c), and transferred to the Administrator by section 102 of this act, and such sums as may be appropriated thereto, and the fund shall assume all of the liabilities, obligations, and commitments of the general supply fund created by such act of February 27, 1929. The capital of the general supply fund shall be in an amount not greater than $100,000,000. The general supply fund shall be available for use by or under the direction and control of the Administrator (1) for procuring personal property (including the purchase from or through the Public Printer of standard forms and blank-book work for field warehouse issue) and nonpersonal services for the use of Federal agencies in the proper discharge of their responsibilities, and (2) for paying all elements of cost of the procurement, handling, and distribution thereof, except that on and after July 1, 1950, those elements of cost which are determined by the Administrator with the approval of the Director of the Bureau of the Budget to be indirect or overhead costs shall not be paid from the fund.

(b) Payment by requisitioning agencies shall be at prices fixed by the Administrator. Until July 1, 1950, such prices shall be fixed in accordance with law and regulations applicable on the date of enactment of this act to prices fixed by the Director of the Bureau of Federal Supply. On and after such date, such prices shall be fixed at levels so as to recover so far as practicable all costs except those which are determined by the Administrator with the approval of the Director of the Bureau of the Budget to be indirect or overhead costs. Requisitioning agencies shall pay by advance of funds in all cases where it is determined by the Administrator that there is insufficient capital otherwise available in the General Supply Fund. Advances of funds also may be made by agreement between the requisitioning agencies and the Administrator. Where an advance of funds is not made, requisitioning agencies shall promptly reimburse the General Services Agency on vouchers prepared by the requisitioning agency on the basis of itemized invoices submitted by the Administrator and receiving reports evidencing the delivery to the requisitioning agency of such supplies or services: *Provided*, That in any case where payment shall not have been made by the requisitioning agency within 45 days after the date of billing by the Administrator, reimbursement may be obtained by the Administrator by the issuance of transfer and counterwarrants supported by itemized invoices.

(c) The General Supply Fund shall be credited with all reimbursements, advances of funds, and refunds or recoveries relating to supplies or services procured through the fund, including the net proceeds of disposal of surplus supplies procured through the fund and receipts from carriers and others for loss of, or damage to, supplies procured through the fund; and the same are hereby reappropriated for the purposes of the fund.

(d) A special deposit account may be established as a part of the General Supply Fund with the Treasurer of the United States for use by the chief disbursing officer or any regional disbursing officer, Department of the Treasury, which may be credited with (1) funds advanced from the General Supply Fund account on the books of the Division of Bookkeeping and Warrants and (2) other funds properly for credit to the General Supply Fund without being covered into the Treasury of the United States; and such special deposit account may be charged with payments properly chargeable to the General Supply Fund.

(e) The Comptroller General of the United States shall make an annual audit of the General Supply Fund as of June 30, and there shall be covered into the United States Treasury as miscellaneous receipts any surplus found therein, all assets, liabilities, and prior losses considered, above the amounts transferred or appropriated to establish and maintain said fund, and the Comptroller General shall report to the Congress annually the results of the audit, together with such recommendations as he may have regarding the status and operations of the fund.

(f) Subject to the requirements of subsections (a) to (e), inclusive, of this section, the General Supply Fund also may be used for the procurement of supplies and nonpersonal services authorized to be acquired by mixed-ownership Government corporations, or by the municipal government of the District of Columbia, or by a requisitioning non-Federal agency when the function of a Federal agency authorized to procure for it is transferred to the General Services Agency: *Provided*, That the prices

charged by the Administrator in such cases shall be fixed at levels which he estimates will be sufficient to recover, in addition to the direct costs of the procurement, handling, and distribution of such supplies and services, the indirect and overhead costs that the Administrator determines are allocable thereto.

TITLE II—PROPERTY MANAGEMENT

PROCUREMENT, WAREHOUSING, AND RELATED ACTIVITIES

SEC. 201. (a) The Administrator shall, in respect to executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service, and with the regard to the program activities of the agencies concerned—

(1) prescribe policies and methods of procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, specifications, property identification and classification, management of public utility services, and repairing and converting; and

(2) operate, and, after consultation with the executive agencies affected, consolidate, take over, or arrange for the operation by any executive agency of warehouses, supply centers, repair shops, fuel yards, and other similar facilities; and

(3) procure and supply personal property and nonpersonal services for the use of executive agencies in the proper discharge of their responsibilities, and perform functions related to procurement and supply such as those mentioned above in subparagraph (1): *Provided*, That contracts for public utility services may be made for periods not exceeding 10 years; and

(4) with respect to public utility services for the use of executive agencies, represent such agencies in negotiations with public utilities and in proceedings involving public utilites before Federal and State regulatory bodies;

Provided, That the Secretary of Defense may from time to time, unless the President shall otherwise direct, exempt the National Military Establishment from action taken or which may be taken by the Administrator under clauses (1), (2), (3), and (4) above whenever he determines such exemption to be in the best interests of national security.

(b) The Administrator shall as far as practicable provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed ownership corporation (as defined in the Government Corporation Control Act), or the District of Columbia, or the Senate, or the House of Representatives, upon its request.

(c) In acquiring personal property, any executive agency, under regulations to be prescribed by the Administrator, may exchange or sell similar items (provided that such items are exchanged as a general practice in trade channels), and may apply the exchange allowances or proceeds of sale in such cases in whole or in part payment for the property acquired: *Provided*, That any transaction carried out under the authority of this subsection shall be evidenced in writing.

PROPERTY UTILIZATION

SEC. 202. (a) In order to minimize expenditures for property, the Administrator shall prescribe policies and methods to promote the maximum utilization of excess property by executive agencies, and he shall provide for the transfer of excess property among Federal agencies.

(b) Each executive agency shall (1) maintain adequate inventory controls and accountability systems for the property under its control, (2) continuously survey property under its control to determine which is excess property, and promptly report such property to the Administrator, (3) perform the care and handling of such excess property, and (4) transfer or dispose of such property as promptly as possible in accordance with authority delegated and regulations prescribed by the Administrator.

(c) Each executive agency shall, as far as practicable, (1) make reassignments of property among activities within the agency when such property is determined to be no longer required for the purposes of the appropriation from which it was purchased, (2) transfer excess property under its control to other Federal agencies, and (3) obtain excess property from other Federal agencies.

(d) Under existing provisions of law and procedures defined by the Secretary of Defense, and without regard to the requirements of this section except subsection (f), excess property of one of the departments of the National Military Establishment may be transferred to another department thereof.

(e) Transfers of excess property between Federal agencies (except transfers for redistribution to other Federal agencies or for disposal as surplus property) shall be at the fair value thereof, as determined by, or pursuant to regulations of, the Administrator, unless such transfer is otherwise authorized by any law approved subsequent to June 21, 1944, to be without reimbursement or transfer of funds.

(f) The Director of the Bureau of the Budget shall prescribe regulations providing for the reporting to said Director by executive agencies of such reassignments or transfers of property between activities financed by different appropriations as he shall deem appropriate, and the reassignments and transfers so reported shall be reported to the Congress in the annual budget or otherwise as said Director may determine.

(g) Whenever the Administrator determines that the temporary assignment or reassignment of any space in excess real property to any Federal agency for office, storage, or related facilities would be more advantageous than the permanent transfer of such property, he may make such assignment or reassignment for such period of time as he shall determine and obtain, in the absence of appropriation available to him therefor, appropriate reimbursement from the using agency for the expense of maintaining such space.

(h) The Administrator may authorize the abandonment, destruction, or donation to public bodies of property which has no commercial value or of which the estimated cost of continued care and handling would exceed the estimated proceeds from its sale.

DISPOSAL OF SURPLUS PROPERTY

SEC. 203. (a) Except as otherwise provided in this section, the Administrator shall have supervision and direction over the disposition of surplus property. Such property shall be disposed of to such extent, at such time, in such areas, by such agencies, at such terms and conditions, and in such manner, as may be prescribed in or pursuant to this act.

(b) The care and handling of surplus property, pending its disposition, and the disposal of surplus property, may be performed by the General Services Agency or, when so determined by the Administrator, by the executive agency in possession thereof or by any other executive agency consenting thereto.

(c) Any executive agency designated or authorized by the Administrator to dispose of surplus property may do so by sale, exchange, lease, permit, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Administrator deems proper, and it may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this title.

(d) A deed, bill of sale, lease, or other instrument executed by or on behalf of any executive agency purporting to transfer title or any other interest in property under this title shall be conclusive evidence of compliance with the provisions of this title insofar as concerns title or other interest of any bona fide grantee or transferee for value and without notice of lack of such compliance.

(e) Unless the Administrator shall determine that disposal by advertising will in a given case better protect the public interest, surplus property disposals may be made without regard to any provision of existing law for advertising until 12 o'clock noon, eastern standard time, December 31, 1950.

(f) Subject to regulations of the Administrator, any executive agency may authorize any contractor with such agency or subcontractor thereunder to retain or dispose of any contractor inventory.

(g) The Administrator, in formulating policies with respect to the disposal of surplus agricultural commodities, surplus foods processed from agricultural commodities, and surplus cotton or woolen goods, shall consult with the Secretary of Agriculture. Such policies shall be so formulated as to prevent surplus agricultural commodities, or surplus food processed from agricultural commodities, from being dumped on the market in a disorderly manner and disrupting the market prices for agricultural commodities.

(h) Whenever the Secretary of Agriculture determines such action to be required to assist him in carrying out his responsibilities with respect to price support or stabilization, the Administrator shall transfer without charge to the Department of Agriculture any surplus agricultural commodities, foods, or cotton or woolen goods to be disposed of. Receipts resulting from disposal by the Department of Agriculture under this subsection shall be deposited pursuant to any authority available to the Secretary of Agriculture, except that net proceeds of any sale of surplus property so transferred shall be credited pursuant to section 204 (b), when applicable. Surplus farm commodities so transferred shall not be sold, other than for export, in quantities in excess of, or at prices less than, those applicable with respect to sales of such commodities by the Commodity Credit Corporation.

(i) The United States Maritime Commission shall dispose of surplus vessels of 1,500 gross tons or more which the Commission determines to be merchant vessels or capable of conversion to merchant use, and such vessels shall be disposed of only in accordance with the provisions of the Merchant Marine Act, 1936, as amended, and other laws authorizing the sale of such vessels.

(j) (1) Under such regulations as he may prescribe, the Administrator is authorized in his discretion to donate for educational purposes in the States, Territories, and possessions without cost (except for costs of care and handling) such equipment, materials, books, or other supplies under the control of any executive agency as shall have been determined to be surplus property and which shall have been determined under paragraph 2 or paragraph 3 of this subsection to be usable for educational purposes.

(2) Determination whether such property (except surplus property donated in conformity with paragraph 3 of this subsection) is usable and necessary for educational purposes shall be made by the Federal Security Administrator, who shall allocate such property on the basis of needs and utilization for transfer by the Administrator of General Services to tax-supported school systems, schools, colleges, and universities, and to other nonprofit schools, colleges, and universities which have been held exempt from taxation under section 101 (6) of the Inter-

nal Revenue Code, or to State departments of education for distribution to such tax-supported and nonprofit school systems, schools, colleges, and universities; except that in any State where another agency is designated by State law for such purpose such transfer shall be made to said agency for such distribution within the State.

(3) In the case of surplus property under the control of the National Military Establishment, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities that are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. If such Secretary shall determine that such property is usable and necessary for such purposes, he shall allocate it for transfer by the Administrator to such educational activities. If he shall determine that such property is not usable and necessary for such purposes, it may be disposed of in accordance with paragraph 2 of this subsection.

(k) (1) Under such regulations as he may prescribe, the Administrator is authorized, in his discretion, to assign to the Federal Security Administrator for disposal such surplus real property, including buildings, fixtures, and equipment situated thereon, as is recommended by the Federal Security Administrator as being needed for school, classroom, or other educational use, or for use in the protection of public health, including research.

(A) Subject to the disapproval of the Administrator within 30 days after notice to him by the Federal Security Administrator of a proposed transfer of property for school, classroom, or other educational use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease such real property, including buildings, fixtures, and equipment situated thereon, for educational purposes to the States and their political subdivisions and instrumentalities, and tax-supported educational institutions, and to other nonprofit educational institutions which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code.

(B) Subject to the disapproval of the Administrator within 30 days after notice to him by the Federal Security Administrator of a proposed transfer of property for public-health use, the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, may sell or lease such real property for public-health purposes, including research, to the States and their political subdivisions and instrumentalities, and to tax-supported medical institutions, and to hospitals or other similar institutions not operated for profit which have been held exempt from taxation under section 101 (6) of the Internal Revenue Code.

(C) In fixing the sale or lease value of property to be disposed of under subparagraph (A) and subparagraph (B) of this paragraph, the Federal Security Administrator shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any such State, political subdivision, instrumentality, or institution.

(D) "States" as used in this subsection includes the District of Columbia and the Territories and possessions of the United States.

(2) Subject to the disapproval of the Administrator within 30 days after notice to him of any action to be taken under this subsection—

(A) the Federal Security Administrator, through such officers or employees of the Federal Security Agency as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this act, to States, political subdivisions, and instrumentalities thereof, and tax-supported and other nonprofit educational institutions for school, classroom, or other educational use;

(B) the Federal Security Administrator, through such officer or employees of the Federal Security Agency as he may designate, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this Act, to States, political subdivisions and instrumentalities thereof, tax-supported medical institutions, and to hospitals and other similar institutions not operated for profit, for use in the protection of public health (including research);

(C) the Secretary of the Interior, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, and pursuant to this act, to States, political subdivisions, and instrumentalities thereof, and municipalities for use as a public park, public recreational area, or historic monument for the benefit of the public; or

(D) the Secretary of Defense, in the case of property transferred pursuant to the Surplus Property Act of 1944, as amended, to States, political subdivisions, and tax-supported instrumentalities thereof for use in the training and maintenance of civilian components of the armed forces,

is authorized and directed—

(i) to determine and enforce compliance with the terms, conditions, reservations, and restrictions contained in any instrument by which such transfer was made;

(ii) to reform, correct, or amend any such instrument by the execution of a corrective, reformative, or amendatory instrument where necessary to correct such instrument or to conform such transfer to the requirements of applicable law; and

(iii) to (I) grant releases from any of the terms, conditions, reservations, and restrictions contained in, and (II) convey, quitclaim, or release to the transferee or other eligible user any right or interest reserved to the United States by, any instrument by which such transfer was made, if he determines that the property so transferred no longer serves the purpose for which it was transferred, and that such release, conveyance, or quitclaim deed will not prevent accomplishment of the purpose for which such property was so transferred: *Provided*, That any such release, conveyance, or quitclaim deed may be granted on, or made subject to, such terms and conditions as he shall deem necessary to protect or advance the interests of the United States.

(l) The Administrator is authorized to take possession of abandoned and other unclaimed property on premises owned or leased by the Government, to determine when title thereto is vested in the United States, and to utilize, transfer, or otherwise dispose of such property. Former owners of such property upon proper claim filed within 3 years from the date of vesting of title in the United States shall be paid the proceeds realized from the disposition of such property or, if the property is used or transferred, the fair value therefor as of the time title was vested in the United States as determined by the Administrator, less in either case the costs incident to the care and handling of such property as determined by the Administrator.

PROCEEDS FROM TRANSFER OR DISPOSITION OF PROPERTY

SEC. 204. (a) All proceeds under this title from any transfer of excess property to a Federal agency for its use, or from any sale, lease, or other disposition of surplus property, shall be covered into the Treasury as miscellaneous receipts, except as provided in subsections (b), (c), and (d) of this section.

(b) Where the property transferred or disposed of was acquired by the use of funds either not appropriated from the general fund of the Treasury or appropriated therefrom but by law reimbursable from assessment, tax, or other revenue or receipts, then the net proceeds of the disposition or transfer shall be credited to the reimbursable fund or appropriation or paid to the Federal agency which determined such property to be excess: *Provided*, That the proceeds shall be credited to miscellaneous receipts in any case when the agency which determined the property to be excess shall deem it uneconomical or impractical to ascertain the amount of net proceeds. As used in this subsection, the term "net proceeds of the disposition or transfer" means the proceeds of the disposition or transfer minus all expenses incurred for care and handling and disposition or transfer.

(c) Any Federal agency disposing of surplus property under this title (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

(d) Where any contract entered into by an executive agency or any subcontract under such contract authorizes the proceeds of any sale of property in the custody of the contractor or subcontractor to be credited to the price or cost of the work covered by such contract or subcontract, the proceeds of any such sale shall be credited in accordance with the contract or subcontract.

(e) Where credit has been extended in connection with any disposition of surplus property under this title or by War Assets Administration (or its predecessor agencies) under the Surplus Property Act of 1944, or where such disposition has been by lease or permit, the Administrator shall administer and manage such credit, lease, or permit, and any security therefor, and may enforce, adjust, and settle any right of the Government with respect thereto in such manner and upon such terms as he deems in the best interest of the Government.

POLICIES, REGULATIONS, AND DELEGATIONS

SEC. 205. (a) The President may prescribe such policies and directives, not inconsistent with the provisions of this act, as he shall deem necessary to effectuate the provisions of this act, which policies and directives shall govern the Administrator and executive agencies in carrying out their respective functions hereunder.

(b) The Comptroller General shall prescribe principles and standards of accounting for property, after considering the needs and requirements of the executive agencies, cooperate with the Administrator and with the executive agencies in the development of property-accounting systems, and approve such systems when deemed to be adequate and in conformity with prescribed principles and standards. From time to time the General Accounting Office shall examine such property-accounting systems as are established by the executive agencies to determine the extent of compliance with prescribed principles and standards and approved systems, and the Comptroller General shall report to the Congress any failure to comply with such principles and standards or to adequately account for property.

(c) The Administrator shall prescribe such regulations as he deems necessary to effectuate his functions under this act, and the head of each Federal agency shall cause to be issued such orders and directives as such head deems necessary to carry out such regulations.

(d) The Administrator is authorized to delegate and to authorize successive redelegation of any authority transferred to or

vested in him by this act (except for the authority to issue regulations on matters of policy having application to executive agencies, the authority contained in section 106, and except as otherwise provided in this act) to any official in the General Services Agency or to the head of any other Federal agency.

(e) With respect to any function transferred to or vested in the General Services Agency or the Administrator by this act, the Administrator may (1) direct the undertaking of its performance by the General Services Agency or by any constituent organization therein which he may designate or establish; or (2) designate and authorize any executive agency to perform such function for itself; or (3) designate and authorize any other executive agency to perform such function; or (4) provide for such performance by any combination of the foregoing methods. Any designation or assignment of functions or delegation of authority to another executive agency under this section shall be made only with the consent of the executive agency concerned or upon direction of the President.

(f) When any executive agency (including the General Services Agency and constituent organizations thereof) is authorized and directed by the Administrator to carry out any function under this act, the Administrator may, with the approval of the Director of the Bureau of the Budget, provide for the transfer of appropriate personnel, records, property, and allocated funds of the General Services Agency, or of such other executive agency as has theretofore carried out such function, to the executive agency so authorized and directed.

(g) The Administrator may establish advisory committees to advise with him with respect to any function transferred to or vested in the Administrator by this act. The members thereof shall serve without compensation but shall be entitled to transportation and not to exceed $25 per diem in lieu of subsistence, as authorized by section 5 of the act of August 2, 1946 (5 U. S. C. 73b–2), for persons so serving.

(h) The Administrator shall advise and consult with interested Federal agencies with a view to obtaining their advice and assistance in carrying out the purposes of this title.

SURVEYS AND STANDARDIZATION

SEC. 206. (a) As he may deem necessary for the effectuation of his functions under this title, and after adequate advance notice to the agencies affected, and with due regard to the requirements of the National Military Establishment as determined by the Secretary of Defense, the Administrator is authorized (1) to make surveys of Government property and property management practices and obtain reports thereon from Federal agencies; (2) to cooperate with executive agencies in the establishment or reasonable inventory levels for property stocked by them and from time to time report any excessive stocking to the Congress and to the Director of the Bureau of the Budget; (3) to establish and maintain such uniform Federal supply catalog system as may be appropriate to identify and classify personal property under the control of Federal agencies: *Provided*, That the Administrator shall coordinate his activities hereunder with the cataloging activities of the National Military Establishment so as to avoid unnecessary duplication; and (4) to prescribe standardized forms and procedures, except such as the Comptroller General is authorized by law to prescribe, and standard purchase specifications.

(b) Each executive agency shall utilize such uniform Federal supply catalog system and standard purchase specifications as far as practicable, taking into consideration efficiency, economy, and other interests of the Government.

(c) The General Accounting Office shall audit all types of property accounts and transactions at such times and in such manner as determined by the Comptroller General. Such audit shall be conducted as far as practicable at the place or places where the property or records of the executive agencies are kept and shall include but not necessarily be limited to an evaluation of the effectiveness of internal controls and audits, and a general audit of the discharge of accountability for Government-owned or controlled property based upon generally accepted principles of auditing.

APPLICABILITY OF ANTITRUST LAWS

SEC. 207. Whenever any executive agency shall begin negotiations for the disposition to private interests of a plant or plants, or other property, which cost the Government $1,000,000 or more, or of patents, processes, techniques, or inventions, irrespective of cost, the executive agency shall promptly notify the Attorney General of the proposed disposal and the probable terms or conditions thereof. Within a reasonable time, in no event to exceed 30 days after receiving such notification, the Attorney General shall advise the Administrator and the interested executive agency whether, insofar as he can determine, the proposed disposition would tend to create or maintain a situation inconsistent with the antitrust laws. Upon the request of the Attorney General, the Administrator or interested executive agency shall furnish or cause to be furnished such information as it may possess which the Attorney General determines to be appropriate or necessary to enable him to give the advice called for by this section or to determine whether any other disposition or proposed disposition of surplus property violates the antitrust laws. Nothing in this act shall impair, amend, or modify the antirust laws or limit and prevent their application to persons who buy or otherwise acquire property under the provisions of this act. As used in this section, the term "antitrust laws" includes the act of July 2, 1890 (26 Stat. 209, as amended); the act of October 15, 1914 (38 Stat. 730, as amended); the Federal Trade Commission Act (38 Stat. 717, as amended); and sections 73 and 74 of the act of August 27, 1894 (28 Stat. 570, as amended).

EMPLOYMENT OF PERSONNEL

SEC. 208. (a) The Administrator is authorized, subject to the civil-service and classification laws, to appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of title I, II, III, and V of this act.

(b) To such extent as he finds necessary to carry out the provisions of titles I, II, III, and V of this act, the Administrator is hereby authorized to procure the temporary (not in excess of 1 year) or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5).

(c) Notwithstanding the provisions of section 1222 of the Revised Statutes (10 U. S. C. 576) or of any other provision of law, the Administrator in carrying out the functions imposed upon him by this act is authorized to utilize in his agency the services of officials, officers, and other personnel in other executive agencies, including personnel of the armed services, with the consent of the head of the agency concerned.

CIVIL REMEDIES AND PENALTIES

SEC. 209. (a) Where any property is transferred or disposed of in accordance with this act and any regulations prescribed hereunder, no officer or employee of the Government shall (1) be liable with respect to such transfer or disposition except for his own fraud, or (2) be accountable for the collection of any purchase price for such property which is determined to be uncollectible by the Federal agency responsible therefor.

(b) Every person who shall use or engage in, or cause to be used or engaged in, or enter into an agreement, combination, or conspiracy to use or engage in or to cause to be used or engaged in, any fraudulent trick, scheme, or device, for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any payment, property, or other benefits from the United States or any Federal agency in connection with the procurement, transfer, or disposition of property hereunder—

(1) shall pay to the United States the sum of $2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof, together with the cost of suit; or

(2) shall, if the United States shall so elect, pay to the United States, as liquidated damages, a sum equal to twice the consideration agreed to be given by the United States or any Federal agency to such person or by such person to the United States or any Federal agency, as the case may be; or

(3) shall, if the United States shall so elect, restore to the United States the money or property thus secured and obtained and the United States shall retain as liquidated damages any property, money, or other consideration given to the United States or any Federal agency for such money or property, as the case may be.

(c) The several district courts of the United States, the District Court of the United States for the District of Columbia, and the several district courts of the Territories and possessions of the United States, within whose jurisdictional limits the person, or persons, doing or committing such act, or any one of them, resides or shall be found, shall wheresoever such act may have been done or committed, have full power and jurisdiction to hear, try, and determine such suit.

(d) The civil remedies provided in this section shall be in addition to all other criminal penalties and civil remedies provided by law.

REPORTS TO CONGRESS

SEC. 210. The Administrator shall submit a report to the Congress, in January of each year and at such other times as he may deem it desirable, regarding the administration of his functions under this act, together with such recommendations for amendments to this act as he may deem appropriate as the result of the administration of this act.

TITLE III—PROCUREMENT PROCEDURE

DECLARATION OF PURPOSE

SEC. 301. The purpose of this title is to facilitate the procurement of supplies and services.

APPLICATION AND PROCUREMENT METHODS

SEC. 302. (a) The provisions of this title shall be applicable to purchases and contracts for supplies or services made—

(1) by the General Services Agency for the use of such agency or otherwise; and

(2) by any other executive agency (except any agency named in section 2 (a) of the Armed Services Procurement Act of 1947), to the extent of and in conformity with authority delegated by the Administrator pursuant to the provisions of this subsection. The Administrator may delegate to the head of any other such agency authority to make purchases and contracts for supplies or services pursuant to the provisions of this title (A) for the use of two or more executive agencies or (B) in other cases upon a determination by the Administrator that by reason of circumstances set forth in such determination such delegation is advantageous to the Government in terms of econ-

omy, efficiency, or national security. Notice of every such delegation of authority so made shall be furnished to the General Accounting Office.

(b) It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for supplies and services for the Government shall be placed with small-business concerns. Whenever it is proposed to make a contract or purchase in excess of $10,000 by negotiation and without advertising, pursuant to the authority of paragraph (7) or (8) of section 302 (c) of this title, suitable advance publicity, as determined by the agency head with due regard to the type of supplies involved and other relevant considerations, shall be given for a period of at least 15 days, wherever practicable, as determined by the agency head.

(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 303, except that such purchases and contracts may be negotiated by the agency head without advertising if—

(1) determined to be necessary in the public interest during the period of a national emergency declared by the President or by the Congress;

(2) the public exigency will not admit of the delay incident to advertising;

(3) the aggregate amount involved does not exceed $1,000: *Provided,* That no agency other than the General Services Agency shall make any purchase of, or contract for, supplies or services in excess of $500 under this paragraph except in the exercise of authority conferred by the Administrator to procure and furnish supplies and services for the use of two or more executive agencies;

(4) for personal or professional services;

(5) for any service to be rendered by any university, college, or other educational institution;

(6) the supplies or services are to be procured and used outside the limits of the United States and its possessions;

(7) for medicines or medical supplies;

(8) for supplies purchased for authorized resale;

(9) for supplies or services for which it is impracticable to secure competition;

(10) the agency head determines that the purchase or contract is for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test: *Provided,* That beginning 6 months after the effective date of this title and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this paragraph (10) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder;

(11) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

(12) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in special situations or in particular localities in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

(13) for supplies or services as to which the agency head determines that bid prices after advertising therefor are not reasonable (either as to all or as to some part of the requirements) or have not been independently arrived at in open competition: *Provided,* That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all or some of the bids received unless (A) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder and (B) the negotiated price is the lowest negotiated price offered by any responsible supplier; or

(14) otherwise authorized by law.

(d) If in the opinion of the agency head bids received after advertising evidence any violation of the antitrust laws he shall refer such bids to the Attorney General for appropriate action.

(e) This section shall not be construed to (A) authorize the erection, repair, or furnishing of any public building or public improvement, but such authorization shall be required in the same manner as heretofore, or (B) permit any contract for the construction or repair of buildings, roads, sidewalks, sewers, mains, or similar items to be negotiated without advertising as required by section 303, unless such contract is to be performed outside the continental United States or unless negotiation of such contract is authorized by the provisions of paragraph (1), (2), (3), (9), (10), (11), or (13) of subsection (c) of this section.

ADVERTISING REQUIREMENTS

SEC. 303. Whenever advertising is required—

(a) The advertisement for bids shall be made a sufficient time previous to the purchase or contract, and specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of types of supplies and services necessary to meet the requirements of the agency concerned.

(b) All bids shall be publicly opened at the time and place stated in the advertisement. Award shall be made with reasonable promptness by written notice to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors considered: *Provided,* That all bids may be rejected when the agency head determines that it is in the public interest so to do.

REQUIREMENT OF NEGOTIATED CONTRACTS

SEC. 304. (a) Except as provided in subsection (b) of this section, contracts negotiated pursuant to section 302 (c) may be of any type which in the opinion of the agency head will promote the best interests of the Government. Every contract negotiated pursuant to section 302 (c) shall contain a suitable warranty, as determined by the agency head, by the contractor that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business, for the breach or violation of which warranty the Government shall have the right to annul such contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

(b) The cost-plus-a-percentage-of-cost system of contracting shall not be used, and in the case of a cost-plus-a-fixed-fee contract the fee shall not exceed 10 percent of the estimated cost of the contract, exclusive of the fee, as determined by the agency head at the time of entering into such contract (except that a fee not in excess of 15 percent of such estimated cost is authorized in any such contract for experimental, developmental, or research work and that a fee inclusive of the contractor's costs and not in excess of 6 percent of the estimated cost, exclusive of fees, as determined by the agency head at the time of entering into the contract, of the project to which such fee is applicable is authorized in contracts for architectural or engineering services relating to any public works or utility project). Neither a cost nor a cost-plus-a-fixed-fee contract nor an incentive-type contract shall be used unless the agency head determines that such method of contracting is likely to be less costly than other methods or that it is impractical to secure supplies or services of the kind or quality required without the use of a cost or cost-plus-a-fixed-fee contract or an incentive-type contract. All cost and cost-plus-a-fixed-fee contracts shall provide for advance notification by the contractor to the procuring agency of any subcontract thereunder on a cost-plus-a-fixed-fee basis and of any fixed-price subcontract or purchase order which exceeds in dollar amount either $25,000 or 5 percent of the total estimated cost of the prime contract; and a procuring agency, through any authorized representative thereof, shall have the right to inspect the plans and to audit the books and records of any prime contractor or subcontractor engaged in the performance of a cost or cost-plus-a-fixed-fee contract.

ADVANCE PAYMENTS

SEC. 305. (a) The agency head may make advance payments under negotiated contracts heretofore or hereafter executed in any amount not exceeding the contract price upon such terms as the parties shall agree: *Provided,* That advance payments shall be made only upon adequate security and if the agency head determines that provision for such advance payments is in the public interest or in the interest of the national defense and is necessary and appropriate in order to procure required supplies or services under the contract.

(b) The terms governing advance payments may include as security provision for, and upon inclusion of such provision there shall thereby be created, a lien in favor of the Government, paramount to all other liens, upon the supplies contracted for, upon the credit balance in any special account in which such payments may be deposited and upon such of the material and other property acquired for performance of the contract as the parties shall agree.

WAIVER OF LIQUIDATED DAMAGES

SEC. 306. Whenever any contract made on behalf of the Government by the agency head or by officers authorized by him so to do includes a provision for liquidated damages for delay, the Comptroller General on the recommendation of the agency head is authorized and empowered to remit the whole or any part of such damages as in his discretion may be just and equitable.

ADMINISTRATIVE DETERMINATIONS AND DELEGATIONS

SEC. 307. (a) The determinations and decisions provided in this title to be made by the Administrator or other agency head may be made with respect to individual purchases and contracts or with respect to classes of purchases or contracts, and shall be final. Except as provided in subsection (b) of this section, the agency head is authorized to delegate his powers provided by this title, including the making of such determinations and decisions, in his discretion and subject to his direction, to any other officer or officers or officials of the agency.

(b) The power of the agency head to make the determinations or decisions specified in paragraphs (11) and (12) of section 302 (c) and in section 305 (a) shall not be delegable, and the power to make the determinations or decisions specified in paragraph (10) of section 302 (c) shall be delegable only to a chief officer responsible for procurement and only with respect to contracts which will not require the expenditure of more than $25,000. The power of the Administrator to make the delegations and determinations

specified in section 302 (a) shall be delegable only to the Deputy Administrator or to the chief official of any principal organizational unit of the General Services Agency.

(c) Each determination or decision required by paragraphs (10), (11), (12), or (13) of section 302 (c), by section 304 or by section 305 (a) shall be based upon written findings made by the official making such determination, which findings shall be final and shall be available within the agency for a period of at least 6 years following the date of the determination. A copy of the findings shall be submitted to the General Accounting Office with the contract.

(d) In any case where any purchase or contract is negotiated pursuant to the provisions of section 302 (c), except in a case covered by paragraphs (2), (3), (4), (5), or (6) thereof, the data with respect to the negotiation shall be preserved in the files of the agency for a period of 6 years following final payment on such contract.

STATUTES CONTINUED IN EFFECT

SEC. 308. No purchase or contract shall be exempt from the act of June 30, 1936 (49 Stat. 2036, as amended; 41 U. S. C. 35 to 45), or from the act of March 3, 1931 (46 Stat. 1494, as amended; 40 U. S. C. 276a to 276a–6), solely by reason of having been entered into pursuant to section 302 (c) hereof without advertising, and the provisions of said acts and of the act of June 19, 1912 (37 Stat. 137, as amended; 40 U. S. C. 324 and 325a), if otherwise applicable, shall apply to such purchases and contracts.

DEFINITIONS

SEC. 309. As used in this title—

(a) The term "agency head" shall mean the head or any assistant head of any executive agency, and may at the option of the Administrator include the chief official of any principal organizational unit of the General Services Agency.

(b) The term "supplies" shall mean all property except land, and shall include, by way of description and without limitation, public works, buildings, facilities, ships, floating equipment, and vessels of every character, type, and description (except the categories of naval vessels named in section 3 (d)), aircraft, parts, accessories, equipment, machine tools, and alteration or installation thereof.

STATUTES NOT APPLICABLE

SEC. 310. The following provisions of law shall not apply to the procurement of supplies or services (1) by the General Services Agency, or (2) within the scope of authority delegated by the Administrator to any other executive agency:

Revised Statutes, section 3709, as amended (41 U. S. C. 5);

Revised Statutes, section 3735 (41 U. S. C. 13);

Sections 1 and 2 of the act of October 10, 1940 (54 Stat. 1109, as amended; 41 U. S. C. 6 and 6a).

TITLE IV—FOREIGN EXCESS PROPERTY

DISPOSAL OF FOREIGN EXCESS PROPERTY

SEC. 401. Each executive agency having foreign excess property shall be responsible for the disposal thereof: *Provided*, That (a) the head of each such executive agency shall, with respect to the disposition of such property, conform to the foreign policy of the United States; (b) the Secretary of State shall have the authority to use foreign currencies and credits acquired by the United States under section 402 (b) of this act in order to effectuate the purposes of section 32 (b) (2) of the Surplus Property Act of 1944, as amended, and the Foreign Service Buildings Act of May 7, 1926, as amended (including Public Law 547, 79th Cong. (60 Stat. 663)), and for the purpose of paying any other governmental expenses payable in local currencies, and the authority to amend, modify, and renew agreements in effect on the effective date of this act; (c) any foreign currencies or credits acquired by the Department of State pursuant to such agreements shall be administered in accordance with procedures that may from time to time be established by the Secretary of the Treasury and, if and when reduced to United States currency, shall be covered into the Treasury as miscellaneous receipts; and (d) the Department of State shall, except to such extent as the President shall otherwise determine, continue to perform other functions with respect to agreements for the disposal of foreign excess property in effect on the effective date of this act.

METHODS AND TERMS OF DISPOSAL

SEC. 402. Foreign excess property may be disposed of (a) by sale, exchange, lease, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the head of the executive agency concerned deems proper; but in no event shall any agricultural commodity, food, or cotton or woolen goods be sold without a condition forbidding their importation into the United States, unless the Secretary of Agriculture determines that such property is in short supply in this country, or (b) for foreign currencies or credits, or substantial benefits or the discharge of claims resulting from the compromise or settlement of such claims by any executive agency in accordance with the law, whenever the head of the executive agency concerned determines that it is in the interest of the United States to do so. Such property may be disposed of without advertising when the head of the executive agency concerned finds so doing to be most practicable and to be advantageous to the Government. The head of each executive agency responsible for the disposal of foreign excess property may execute such documents for the transfer of title or other interest in property and take such other action as he deems necessary or proper to dispose of such property; and may authorize the abandonment, destruction, or donation of foreign excess property under his control which has no commercial value or the estimated cost of care and handling of which would exceed the estimated proceeds from its sale.

PROCEEDS, FOREIGN CURRENCIES

SEC. 403. Proceeds from the sale, lease, or other disposition of foreign excess property, (a) shall, if in the form of foreign currencies or credits, be administered in accordance with procedures that may from time to time be established by the Secretary of the Treasury, and (b) shall if in United States currency, or when any proceeds in foreign currencies or credits shall be reduced to United States currency, be covered into the Treasury as miscellaneous receipts: *Provided*, That the provisions of section 204 (b) (which by their terms apply to property disposed of under title II) shall be applicable to proceeds of foreign excess property disposed of for United States currency under this title IV: *And provided further*, That any executive agency disposing of foreign excess property under this title (1) may deposit, in a special account with the Treasurer of the United States, such amount of the proceeds of such dispositions as it deems necessary to permit appropriate refunds to purchasers when any disposition is rescinded or does not become final, or payments for breach of any warranty, and (2) may withdraw therefrom amounts so to be refunded or paid, without regard to the origin of the funds withdrawn.

MISCELLANEOUS PROVISIONS

SEC. 404. (a) The President may prescribe such policies, not inconsistent with the provisions of this title, as he shall deem necessary to effectuate the provisions of this title, which provisions shall guide each executive agency in carrying out its functions hereunder.

(b) Any authority conferred upon any executive agency or the head thereof by the provisions of this title may be delegated, and successive redelegation thereof may be authorized, by such head to any official in such agency or to the head of any other executive agency.

(c) The head of each executive agency responsible for the disposal of foreign excess property hereunder may, as may be necessary to carry out his functions under this title, (1) subject to the civil-service and classification laws, appoint and fix the compensation of personnel, and (2) without regard to the civil-service and classification laws, appoint and fix the compensation of personnel outside the continental limits of the United States.

(d) Each executive agency responsible for the disposal of foreign excess property under this title shall submit a report to Congress in January of each year or at such other time or times as he may deem desirable relative to its activities under this title, together with any appropriate recommendations.

(e) There shall be transferred from the Department of State to each other executive agency affected by this title such records, property, personnel, obligations, commitments and unexpended balances of appropriations, allocations, and other funds, available or to be made available, as the Director of the Bureau of the Budget shall determine to relate to functions of such agency under this title which have heretofore been administered by the Department of State.

TITLE V—GENERAL PROVISIONS

APPLICABILITY OF EXISTING PROCEDURES

SEC. 501. All policies, procedures, and directives prescribed—

(a) by either the Director, Bureau of Federal Supply, or the Secretary of the Treasury and relating to any function transferred to or vested in the Administrator by the provisions of this act;

(b) by any officer of the Government under the authority of the Surplus Property Act of 1944, as amended, or under other authority with respect to surplus property or foreign excess property;

(c) by or under authority of the Federal Works Administrator or the head of any constituent agency of the Federal Works Agency; and

(d) by the Archivist of the United States or any other officer or body whose functions are transferred by title I of this act,

in effect upon the effective date of this act and not inconsistent herewith, shall remain in full force and effect unless and until superseded, or except as they may be amended, under the authority of this act or under other appropriate authority.

REPEAL AND SAVING PROVISIONS

SEC. 502. (a) There are hereby repealed—

(1) the Surplus Property Act of 1944, as amended (except sections 13 (d) 13 (g), 13 (h), 28, and 32 (b) (2)), and sections 501 and 502 of Reorganization Plan No. 1 of 1947: *Provided*, That, with respect to the disposal under this act of any surplus real estate, all priorities and preferences provided for in said act, as amended, shall continue in effect until 12 o'clock noon (eastern standard time), December 31, 1949;

(2) that portion of the act entitled "An act making supplemental appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1949, and for other purposes", approved June 30, 1948 (Public Law 862, 80th Cong.), as amended, appearing under the caption "Surplus property disposal";

(3) the act entitled "An act to authorize the Secretary of War to dispose of material

no longer needed by the Army", approved February 28, 1936 (49 Stat. 1147; 10 U. S. C. 1258);

(4) the act entitled "An act to authorize the Secretary of the Navy to dispose of material no longer needed by the Navy", approved May 23, 1930, as amended (46 Stat. 378; 34 U. S. C. 546c);

(5) section 5 of the act of July 11, 1919 (41 Stat. 67; 40 U. S. C. 311);

(6) section 1 of the act of December 20, 1928 (45 Stat. 1030; 40 U. S. C. 311a);

(7) the act entitled "An act to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to donate excess and surplus property for educational purposes," approved July 2, 1948 (Public Law 889, 80th Cong.);

(8) section 203 of the act of June 26, 1943 (57 Stat. 195, as amended; 5 U. S. C. 118d–1);

(9) the act of April 15, 1937 (50 Stat. 64; 5 U. S. C. 118d);

(10) the second proviso contained in the paragraph of the act of August 10, 1912 (37 Stat. 296; 5 U. S. C. 545), headed "Contingent expenses, Department of Agriculture";

(11) the second proviso contained in the twentieth paragraph of section 1 of the act of March 2, 1917 (39 Stat. 973; 5 U. S. C. 494);

(12) the twenty-sixth paragraph under the heading "National Parks" of the act of January 24, 1923 (42 Stat. 1215; 16 U. S. C. 9);

(13) the fifth paragraph under the heading "Experiments and demonstrations in livestock production in the cane-sugar and cotton districts of the United States" of the act of June 30, 1914 (38 Stat. 441; 5 U. S. C. 546);

(14) the proviso contained in the second paragraph under the heading "Library, Department of Agriculture" of the act of March 4, 1915 (38 Stat. 1107; 5 U. S. C. 548);

(15) the second proviso contained in the second paragraph under the heading "Clothing and camp and garrison equipage" of section 1 of the act of August 29, 1916 (39 Stat. 635; 10 U. S. C. 1271);

(16) the act of May 11, 1939 (53 Stat. 739; 10 U. S. C. 1271a);

(17) the fifth paragraph under the heading "Office of the Chief Signal Officer" of the act of May 12, 1917 (40 Stat. 43, as amended; 10 U. S. C. 1272);

(18) the third proviso contained in the second paragraph under the heading "Office of the Chief Signal Officer" of the act of March 4, 1915 (38 Stat. 1064; 10 U. S. C. 1273);

(19) the fourteenth paragraph under the heading "Smithsonian Institution" of section 1 of the act of March 3, 1915 (38 Stat. 839; 20 U. S. C. 66);

(20) the second paragraph under the heading "Government hospital for the insane" of section 1 of the act of August 1, 1914 (38 Stat. 649; 24 U. S. C. 173);

(21) the second paragraph under the heading "Saint Elizabeths Hospital" of section 1 of the act of June 12, 1917 (40 Stat. 153; 24 U. S. C. 174);

(22) the proviso contained in the second paragraph under the heading "Bureau of Supplies and Accounts" of the act of August 22, 1912 (37 Stat. 346; 34 U. S. C. 531a);

(23) the second proviso of the first paragraph under the heading "Bureau of Yards and Docks" of the act of August 29, 1916 (34 U. S. C. 532);

(24) the proviso contained in the second paragraph under the heading "Maintenance, Quartermaster's Department, Marine Corps" of the act of March 4, 1917 (39 Stat. 1189; 34 U. S. C. 723);

(25) the twentieth paragraph under the heading "Bureau of Mines" of section 1 of the act of July 19, 1919 (41 Stat. 200; 40 U. S. C. 118);

(26) the first sentence of section 5 of the act of March 4, 1915 (38 Stat. 1161; 41 U. S. C. 26);

(27) the third paragraph under the heading "Interstate Commerce Commission" of section 1 of the act of August 1, 1914 (38 Stat. 627; 49 U. S. C. 58);

(28) the act of June 6, 1941 (55 Stat. 247; 14 U. S. C. 31b);

(29) section 4 of the act of June 17, 1910 (36 Stat. 531; 41 U. S. C. 7);

(30) the act of February 27, 1929 (45 Stat. 1341; 41 U. S. C. 7a, 7b, 7c, and 7d); and

(31) section 1 of the act of May 14, 1935 (49 Stat. 234; 41 U. S. C. 7c–1).

(b) The provisions of the first, third, and fifth paragraphs of section 1 of Executive Order No. 6166 of June 10, 1933, are hereby superseded, insofar as they relate to any function now administered by the Bureau of Federal Supply except functions with respect to standard contract forms, transportation and traffic management.

(c) The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith, except that sections 205 (b) and 206 (c) of this act shall not be applicable to any Government corporation or agency which is subject to the Government Corporation Control Act (59 Stat. 597; 31 U. S. C. 841).

(d) Nothing in this act shall impair or affect any authority of—

(1) the President under the Philippine Property Act of 1946 (60 Stat. 418; 22 U. S. C. 1381);

(2) any executive agency with respect to any phase (including, but not limited to, procurement, storage, transportation, processing, and disposal) of any program conducted for purposes of resale, price support, grants to farmers, stabilization, transfer to foreign governments, or foreign aid, relief, or rehabilitation: *Provided*, That the agency carrying out such program shall, to the maximum extent practicable, consistent with the fulfillment of the purposes of the program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this act and the policies and regulations prescribed pursuant thereto;

(3) any executive agency named in the Armed Services Procurement Act of 1947, and the head thereof, with respect to the administration of said act;

(4) the National Military Establishment with respect to property required for or located in occupied territories;

(5) the Secretary of Defense with respect to the administration of the National Industrial Reserve Act of 1948;

(6) the Secretary of Defense, the Munitions Board, and the Secretaries of the Army, Navy, and Air Force with respect to the administration of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596), and provided that any imported materials which the authorized procuring agency shall certify to the Commissioner of Customs to be strategic and critical materials procured under said act may be entered, or withdrawn from warehouse, free of duty;

(7) the Secretary of State under the Foreign Service Buildings Act of May 7, 1926, as amended;

(8) the Secretary of the Army and the Secretary of the Air Force with respect to the administration of section 1 (b) of the act entitled "An act to expedite the strengthening of the national defense," approved July 2, 1940 (54 Stat. 712);

(9) the Secretary of Agriculture or the Department of Agriculture under (A) the National School Lunch Act (60 Stat. 230); (B) the Farmers Home Administration Act of 1946 (60 Stat. 1062); (C) the act of August 31, 1947, Public Law 298, Eightieth Congress, with respect to the disposal of labor supply centers, and labor homes, labor camps, or facilities; (D) section 32 of the act of August 24, 1935 (49 Stat. 774), as amended, with respect to the exportation and domestic consumption of agricultural products; or (E) section 201 of the Agricultural Adjustment Act of 1938 (52 Stat. 36) or section 203 (j) of the Agricultural Marketing Act of 1946 (60 Stat. 1082);

(10) the Secretary of Agriculture, Farm Credit Administration, or any farm credit board under section 6 (b) of the Farm Credit Act of 1937 (50 Stat. 706), with respect to the acquisition or disposal of property;

(11) the Housing and Home Finance Agency, or any officer or constituent agency therein, with respect to the disposal of residential property, or of other property (real or personal) held as part of or acquired for or in connection with residential property, or in connection with the insurance of mortgages, loans, or savings and loan accounts under the National Housing Act;

(12) the Tennessee Valley Authority with respect to nonpersonal services, with respect to the matters referred to in section 201 (a) (4), and with respect to any property acquired or to be acquired for or in connection with any program of processing, manufacture, production, or force-account construction: *Provided*, That the Tennessee Valley Authority shall to the maximum extent that it may deem practicable, consistent with the fulfillment of the purpose of its program and the effective and efficient conduct of its business, coordinate its operations with the requirements of this act and the policies and regulations prescribed pursuant thereto;

(13) the Atomic Energy Commission;

(14) the Administrator of Civil Aeronautics or the Chief of the Weather Bureau with respect to the disposal of airport property and airway property for use as such property. For the purpose of this paragraph the terms "airport property" and "airway property" shall have the respective meanings ascribed to them in the International Aviation Facilities Act (62 Stat. 450);

(15) the Postmaster General of the Postal Establishment with respect to the means and methods of distribution and transportation of the mails, and contracts, negotiations, and proceedings before Federal and State regulatory and rate-making bodies, relating to the transportation of the mails;

(16) except as provided in subsections (a) and (b) hereof, any other law relating to the procurement, utilization, or disposal of property: *Provided*, That, subject to, and within the scope of authority conferred on the Administrator by other provisions of this act, he is authorized to prescribe regulations to govern any procurement, utilization, or disposal of property under any such law, whenever but only to the extent he deems such action necessary to effectuate the provisions of title II;

(17) the Central Intelligence Agency; nor

(18) for such period of time as the President may specify, any other authority of any executive agency which the President determines within 1 year after the effective date of this act should, in the public interest, stand unimpaired by this act.

(e) Section 3709, Revised Statutes, as amended (41 U. S. C. 5), is amended by striking out "$100" wherever it appears therein and inserting in lieu thereof "$500."

(f) The Administrator shall report to the Congress, in January of each year, and at such other times as he may deem it desirable, the laws becoming obsolete by reason of the passage or operation of titles II and III of this act.

AUTHORIZATION FOR APPROPRIATIONS AND TRANSFER AUTHORITY

SEC. 503. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

(b) When authorized by the Director of the Bureau of the Budget, any Federal agency may use, for the disposition of property under this act, and for its care and

handling pending such disposition, any funds heretofore or hereafter appropriated, allocated, or available to it for purposes similar to those provided for in sections 201, 202, 203, and 205 of this act.

SEPARABILITY

SEC. 504. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

EFFECTIVE DATE

SEC. 505. This act shall become effective on July 1, 1949, except that the provisions of section 502 (a) (2) (repealing prior law relating to the disposition of the affairs of the War Assets Administration) shall become effective on June 30, 1949.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4754) was read the third time and passed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have incorporated in the RECORD immediately following the passage of the bill a statement which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

There has never been a greater challenge to scientific management than that which exists today. The world is beset with crumbling and decadent institutions. The unprecedented changes in the fields of Government, economics, and science during the past half century have literally strained the established institutions of society to the breaking point. Every year change and the need for change is evident. Fantastic advances are being made in the realm of scientific achievement. This within itself presents a whole new series of problems in the sociological and economic areas of human conduct.

A world that has been beset with two world wars in a period of 25 years inevitably finds itself confronted with the need of rebuilding a society that literally has crumbled under the impact of economic and political pressure. No matter where we look there is a crying need for effective and scientific utilization of our human and physical resources. In a world rich with people and natural resources we find approximately 75 percent of that world afflicted with poverty, disease, and turmoil. In Europe, Asia, and Africa, the issue of the proper utilization of our human and natural resources is the basic problem of our time.

People everywhere look to the United States for guidance, help, and experience. Our country is the cornerstone of freedom. It is the beacon light in a storm-filled world. Fortunately for mankind we are blessed with tremendous reserves of scientific knowledge, practical experience in Government and an essentially sound economic system. We have the resources to back our commitments but like all nations and all people these resources are not unlimited. The efficient management of these resources becomes ever more important when we view our great responsibilities in a world that looks to us for help.

Our problem is not only one of being able to help others. It is also one of so directing our own energies and using our own resources as to be able to maintain an economy that is capable of giving an ever-rising standard of living to the American people while extending the helpful hand of charity and rehabilitation to others.

Yes; in our own economy we are forced by necessity, if not by humanity, to do more—much more for our own people. We are compelled by the obligations of our leadership and our own responsibility to strengthen our own economy. The basic threat to our political and economic institutions does not lie outside our own borders but rather lies within. We are now facing the issue as to whether or not our Government has the strength and the integrity to properly direct its efforts in such a way as not to deplete the strength of our national economy.

We must provide for our own citizens but the cost of our Government is running perilously high. Our task is to obtain the maximum use and production use of every budget dollar. Economy in government does not necessarily mean spending less. It basically means obtaining the most that is humanly possible out of every dollar committed to public service. The question of economy in government could well be stated not in terms of dollar appropriations but in the use of those appropriations. The effective use of public revenues is directly concerned with proper organization of administration. Modern tools of government are no longer matters of academic theory. They are absolute essentials if we are to continue our program of social welfare, public improvement, and international leadership.

The biggest business in the world—the Government of the United States—can no longer be managed with the political instruments of the eighteenth and nineteenth centuries. Government in the United States is no longer a simple thing that can be left to political chance and mediocre administration. A twentieth-century economy propelled by the boundless energy of mass production industry and constantly accelerated with new advances in the field of science cannot be managed or regulated with the mechanism of a hodge-podge, unplanned, unrelated, administrative establishment. The need for governmental reform and organization is imperative. It is a matter of sound economics and literally life or death for American political and economic survival. When 20 percent of the national income is utilized by the Federal Government, it is time to take stock of the means and methods which are employed in the use and expenditure of such a vast sum.

It is for these reasons that I strongly support the basic recommendations of the Commission on Reorganization commonly known as the Hoover Commission. This is not a partisan issue. It is not one of mere dollars or of the number of governmental employees. It is an issue that runs deep into the very survival of free government and a free economy. Either we learn how to manage government or the bigness of government will overwhelm us. Either we learn how to properly utilize the vast sums of public revenues and how to appropriately control and manage their use or we will bleed our economy into an impoverished condition. This is the issue the Congress faces in its consideration of the legislation which is now before it, namely S. 2020 and H. R. 4754, which would create a new agency entitled the Office of General Services. It is this agency which affords a real opportunity for those in Government service to make a significant saving for the American taxpayer.

The Director of the Budget recently estimated that the annual cost of the National Government is about 20 percent of our national income. It is around $42,000,000,000 a year. It only reached the billion mark during World War I except for the Civil War year 1864. Our national debt as of May 24 was about $252,000,000,000. And yet, despite our gloomy fiscal picture, we need to do more essential things in the way of health, schools, homes, conservation of resources, and recreation for our people. How can it be done?

Obviously, we must do more at less cost. We must practice better management in Government and in industry. We must get more from our resources and from our tax dollars.

If tax money is to be saved, we should examine to see how it is being expended. I have been surprised to learn that, except for the cost of personnel, the cost of supplies, equipment, transportation of things, and related objects constitute the greatest element of cost in our Federal budget.

I would like for you to consider with me some figures derived from analyses made by the Bureau of the Budget.

Summary of obligations by object (estimate, fiscal year 1949)

Object classification:		Millions of dollars
01	Personal services	8,869
03	Transportation of things	853
04	Communication services	58
05	Rents and utility services	184
06	Printing and binding	45
08	Supplies and materials	4,380
09	Equipment	2,299
	Total	7,819
	Total supplies and equipment only	6,679

The personnel cost of administering objects 03-09 is included in object 01. The Hoover Commission Task Force on Supply reported an estimate of 150,000 persons on this work with annual salaries of $440,000,000. But salaries of part-time workers are not included in this total.

To know the object of our costs is revealing but let's consider for a moment who does the spending with respect to these objects. In this connection we learn that the National Military Establishment will spend in the fiscal year 1949, 83 percent of the supply money, 90 percent of the equipment money and 60 percent of the transportation money.

Where is the money spent? This is a difficult question. However, in the continental United States there were as of December 1946, 46,865 offices operated by Government agencies in the 3,050 counties of the United States. This means that on the average there were 15 Government offices in each and every county of the United States. We know that each office uses paper, pencils, typewriters, space, cars, files, telephones, electricity and many other things.

Before attempting any solutions, I would like to give you some more figures showing the scope of our supply, space, records management and related problems.

The Hoover Commission Task Force Report on Federal Supply (p. 2) indicated that the agencies had an inventory of approximately $27,000,000,000 about a year ago. This is a minimum figure since some agencies consider inventory as expended when it is issued to various kinds of subunits. As a matter of fact, property accounting is such that we don't know the extent of our inventories.

No one has the slightest idea as to the value of personal property that is in use in the Government. And as to the value of real property, we know much less.

As to one class of equipment, i, e., motor vehicles, the Budget Bureau report for the fiscal year ending June 30, 1948, shows:

Civilian vehicles in continental United States on hand June 30, 1948

	Number	Miles run [1]	Cost of operation, maintenance
Automobiles	20,888	241,248,415	$8,675,240
Trucks, ambulances, etc.	59,374	282,469,047	31,134,080

[1] Does not include vehicles reported on hourly basis.

Information as to military vehicles is sketchy. However, it is estimated that the Government has approximately 1,000,000 vehicles of all types in all agencies. They probably cost $2,000,000,000. This does not include aircraft and ships and other floating equipment. Not counting the combat vehicles, but including the noncombat (administrative) vehicles, of the military agencies, more than 237,000 motor vehicles were operated by the Federal Government as of June 30, 1948, approximately 180,000 of them within the continental United States. You can estimate that each vehicle ran 6,000 miles so the 237,000 administrative-type vehicles ran about 1,400,000,000 miles. Remember this does not include the much greater number of combat vehicles. You may do your own computing of gas consumed at 9.8 miles per gallon for automobiles and considerably less for trucks on the average. You may also be interested to learn that the civilian agencies as of January 1947 had 391 federally owned and operated automotive repair facilities in the continental United States. From the taxpayers' point of view, can we justify the situation where several agencies have repair shops in the same town? Isn't it fair to expect that the agencies can get along and not duplicate staff, space, and equipment?

The semiannual report of the Public Buildings Administration as of December 31, 1948, shows that the Government owned or rented almost 31,000,000 square feet of space in the Washington area. The uses of the space were as follows:

Office	13,849,074
Files	5,162,287
Storage	3,297,570
Special equipment	1,963,790
Concessions	978,470
Libraries, exhibits, conference rooms, auditoriums	1,161,400
Building maintenance	986,373
Garages	547,696
Assigned vacant space	417,128
All other space	2,469,688
Total	30,833,476

Please note that some 14,000,000 feet of space were used for office purposes and some 10,000,000 feet for files, storage and special equipment. Over 5,000,000 feet for files alone; The net space in the Pentagon is only 3,689,066 feet. One hundred and thirty-four of the one hundred and ninety-nine buildings, with an area of 28,000,000 feet, were Government-owned and 65, with 2.6 million feet, were leased.

At this point, I would like to raise a question—Does the Government really need all this space?

What about the space situation in the field where approximately nine-tenths of the employees work? Accurate figures are not available but we know that there are Government-owned or occupied buildings in the 46,865 offices throughout the country that use millions of feet of space. In this connection, the Senate Committee on Expenditures in Report No. 1517, Eightieth Congress, second session, reported that as of December 31, 1947, the Government leased over 28,000,000 square feet of space in the 48 States and District of Columbia. Of this, 17,500,000 square feet were in 20 cities. The Senate report makes this pertinent comment:

"The United States Government is the largest single user of space in the Nation. Offices for its departments, agencies, and field branches; storage space for files, war surplus and strategic materials, and equipment; conference, training, and examination rooms to consider and process the many Federal activities initiated by Congress in the public interest; and numerous other activities have necessitated the establishment of a widespread policy of Government ownership of property extending into all the States and practically every city in the United States. The Public Buildings Administration estimates that the Federal Government held by lease or title, as of December 31, 1947, a total of 340,500,000 square feet of space, of which approximately 31,300,000 square feet are located in Washington, D. C., the seat of the Government. The remainder is spread over the entire Nation."

It has not been possible to obtain data as to warehouse space in use in the United States but recent figures from the National Military Establishment alone show that in 130 locations in the United States, the gross storage space is about 530,000,000 square feet. Of this amount, about 240,000,000 square feet, or 45 percent, is open storage, most of which is improved hard-standing space. Two hundred and ninety million feet, or 55 percent, is covered space. That is roughly the equivalent of 80 Pentagon buildings.

The cataloging experts have estimated that there are some 12,700,000 items listed in the Federal agency supply catalogs. When duplications are eliminated, the number may be around 3,000,000.

The picture of general statistics would not be complete without some mention of forms. I have already stated that our printing and binding cost for this fiscal year will be around $45,000,000. Much of that is for forms. The space statistics show that over 8,000,000 feet are used for files and storage. A great deal of this is for forms both new and used.

It is estimated that an average agency uses 1,000 different forms. Of these only 5 to 20 percent are standard forms. Using a conservative figure of 100 agencies, we find that at least 100,000 different forms are in use. A few years ago, it was estimated that the Government uses several billion envelopes per year.

It is not my intention to overwhelm and confuse this audience by quoting a great mass of statistical data. However, it is my intention to convey to you an idea of the enormity and complexity of the supply and related general-services problems in the Federal Government at the present time. It should be abundantly clear to everyone that the time for constructive action is past due.

It seems to me that a short historical review of action that has been taken with respect to this important subject will be of help in orienting our thinking at the present time.

The Constitution in article IV gave to the Congress:

"Power to dispose of and make all needful rules and regulations respecting the Territory or other property belonging to the United States."

That is the fundamental property management charter. What has been done under it?

In 1789 Congress passed an act (now R. S. 161) providing that each "department head was authorized to prescribe regulations, not inconsistent with law, for the government of his department—and the custody, use, and preservation of the records, papers, and property appertaining to it."

It should be remembered that in Washington's administration there were only three departments in our Government. The population of our country in 1790 was 3,929,214. The average annual expenditures from 1789–1800 were $5,776,000. For the present fiscal year it is estimated that 12 agencies will spend in excess of $500,000,000 each. Puny and undernourished, indeed, is the agency that will not spend as much as the entire Government did during the period 1789–1800. In fact, there are many agencies that today spend more than the entire Government did before the World War I period.

When the Government was small and the agencies few, there was no need for comprehensive property legislation and Revised Statutes 161 which left the departments independent to buy, use, and dispose, and manage without regard to other agencies, was adequate.

But as the agencies grew in size and number common problems arose in Government and with respect to venders who asked for uniformity in forms and procedures. Common problems call for common solutions. So functional concepts that cross agency boundaries emerged to challenge the peace of mind of the heretofore antonomous agency heads. The situation is comparable to States' rights versus interstate commerce. Common problems require common solution through central control.

In 1861 Revised Statutes 3709 with respect to competitive bidding was enacted. This was required since several agencies were buying in unrelated ways. So the Government and the venders needed the protection of a simple law to provide for common practices.

By 1877 the Congress was aware of the lack of adequate property accounting, so the act now known as Revised Statutes 197 provided that the Secretaries of the Departments "shall keep, in proper books, a complete inventory of all the property belonging to the United States in the buildings, rooms, offices, and grounds occupied by them, respectively, and under their charge, adding thereto, from time to time, an account of such property as may be procured subsequently to the taking of such inventory, as well as an account of the sale or other disposition of any such property, except supplies of stationery and fuel in the public offices and books, pamphlets, and papers in the Library of Congress."

In 1910 a General Supply Committee was established to eliminate duplications in specifications and to buy common items for all agencies.

Strangely enough no one seemed to anticipate the surplus problem of World War I, so it was not until December 3, 1918, that President Wilson issued Executive Order 3019 to deal with surpluses in the District of Columbia. Prior to this time, the surplus-property problem had been very small and each agency took care of its own needs—there were no common areas.

Executive Order 3019 directed that surplus materials, supplies, and equipment should be transferred to the Secretary of the Treasury for reissue to other Government establishments through the General Supply Committee. The committee thus claimed all surplus material and endeavored to classify, warehouse, repair, and reissue it. It was estimated that by June 1921 there existed an inventory of surplus stocks of approximately $5,000,000,000. Incidentally, I ask the general public to note that a much bigger job has been done much better in connection with World War II surplus property. Gen. Charles G. Dawes, assuming the post of first Director of the Bureau of the Budget, set about disposing of this surplus before deterioration. On July 27, 1921, he issued Budget Circular No. 15 approved by the President. The basic provisions of Budget Circular No. 15 which created the Coordinating Service were:

1. To provide for the prompt location, inspection, and inventorying of supplies and to determine whether they had been reported as surplus.

2. To supervise the purchase functions of all departments and establishments coordinating purchasing with the transfer, sale, or disposal of Government property.

3. To fix the fair market price in transfers of surplus property between departments, and to determine whether public surplus property sales should be held, and are in the interest of the Government.

The Coordinating Service was established to take action with respect to certain weaknesses which were found in Government service during World War I. It was dedicated to enabling the President, in matters

of routine business, to so coordinate the activities of the different departments and establishments as will insure the most economical and efficient expenditure of moneys appropriated by Congress.

Under the Coordinating Service, 12 boards composed of representatives of departments and establishments in Washington were created. They were:

The Federal Purchasing Board.
The Federal Traffic Board.
The Coordinator for Motor Transport of the District of Columbia.
The Federal Specifications Board.
The Interdepartmental Board of Contracts and Adjustments.
The Federal Real Estate Board.
The Interdepartmental Board on Simplified Office Procedure.
The Coordinator for Purchases.
The Interdepartmental Patents Board.
The Forest Protection Board.
The Federal Standard Stock Catalog Board.
The Permanent Conference on Printing (an activity already in existence at the time, it was also announced as an agency for coordination).

Most of these boards remained in operation for several years. While some worthwhile work was accomplished by the boards, none had legal authority to enforce action and in the final analysis was merely an advisory agency dependent upon participating agencies for staff and funds. They did, however, high light certain common practices which required attention and subsequently when the Procurement Division of the Treasury Department was created many of the functions of the Coordinating Service were transferred to the new agency.

It is significant to note that the supply and related problems which arose during the stress and strain of World War I have been repeated and reemphasized during World War II.

Executive Order 6166 of June 10, 1933, pursuant to the Economy Act of 1932, established the Procurement Division in the Treasury Department and it was presumably given broad authority with respect to procurement functions in the Federal Government. While Executive Order 6166 provided a theoretical charter for all types of supply activities, emphasis in operation has been placed upon purchasing, specifications, and special emergency programs and very little has been accomplished in the way of traffic management, warehousing, and the broader phases of supply management.

During the thirties, the liquidation of emergency agencies, such as CCC, NYA, and WPA, created certain property-disposal problems since large quantities of property became available for use in the Government establishments generally. The concept of a property-utilization program began to develop in the Bureau of the Budget and in the Bureau of Federal Supply. This concept may be expressed as a combined procurement-use-surplus property program. In other words, use well what is available before going to the open market for more. Don't buy what you have. This concept has as a corollary the idea of inventory control, positive item identification, and a central clearance agency.

As stated in a Federal Inventory Control System prepared by representatives of the GAO, Budget Bureau, and Treasury:

"Property cannot be managed if its identity, classification, location, quantity, and physical characteristics are not known. What is it? Where is it? How much is there of it? These are some of the questions to which management needs the answers. In most Federal agencies studied, management does not appear to have adequate answers to these questions."

With the advent of World War II and the critical need for many types of property, the Bureau of the Budget was instrumental in obtaining the issuance of Executive Order 9235 which had provisions for the survey, identification, and declaration of property which was actually surplus to the needs of Government agencies and the provision that the Procurement Division of the Treasury Department should undertake certain warehousing, rehabilitation, and distribution of supplies and equipment, including the consolidation of facilities of other agencies, as might be necessary in furthering the property utilization program of the Federal Government.

Under this Executive order there has been a stimulation of property management in the Federal Government. Since the order was predicated on the First War Powers Act primarily, it was a temporary directive. By 1942 it became apparent that the time had come to develop comprehensive property management legislation dealing with all phases of a complicated subject instead of treating the closely related parts piecemeal as had been the approach in the past. Bills were introduced by the Seventy-seventh and Seventy-eighth Congresses to develop permanent property legislation. But in 1943 and 1944 Congress became deluged with surplus property legislation which culminated in the Surplus Property Act of 1944, so the development of permanent legislation was temporarily set aside. It is noteworthy that the Surplus Property Subcommittee of the Committee on Military Affairs, pursuant to Senate Resolution 129 in subcommittee print No. 14, December 30, 1946, urged "the appropriate committees of Congress to carry on with respect to permanent property management legislation where the Seventy-eighth Congress left off."

Executive Order 9425 of February 19, 1944, established the Surplus War Property Administration which superseded the surplus-property phases of Executive Order 9235. The section relative to consolidation of warehouses remains effective and during the period 1942 to 1945 the Procurement Division, with the approval of the Director of the Bureau of the Budget, consolidated many agency warehouses into a national system of 12 common service centers located at Boston, New York, Washington, Atlanta, Cleveland, Chicago, Kansas City, Denver, Fort Worth, Seattle, San Francisco, and Los Angeles.

As the volume of war-surplus material diminished and the administrative expenses of the War Assets Administration correspondingly increased, the President, in a special message dated March 5, 1948, recommended that the Congress renew consideration of comprehensive property-management legislation and directed the Federal Works Administrator to submit a draft bill. Following the general pattern of that draft, this committee unanimously reported out a bill termed the Federal Property Act of 1948 (S. 2754, 80th Cong.) which would have provided a uniform system for property management. Due to the press of other work, the Senate did not take up this bill before adjournment.

As everyone in this audience is aware, the Congress passed Public Law 162 which was approved July 7, 1947, and established the Commission on Reorganization of the Executive Branch of the Government. The task force did a great amount of work with respect to the Federal Supply system of the Government and also with respect to a related subject, Records Management. Accordingly, the Commission on Reorganization in February 1949 issued a report recommending the establishment of an Office of General Services. This office would include the Bureau of Federal Supply, the National Archives, part of the Public Buildings Administration, War Assets Administration, and it also provides that certain other institutions such as the District of Columbia, the Smithsonian Institution, the National Park and Planning Commission, the National Capital Housing Authority, and the Commission on Fine Arts report directly to the head of the General Services Agency rather than to the overburdened President of the United States. It is significant to note that the recommendations of the Commission on Reorganization closely relate to the administration bill, Senate 2754, Eightieth Congress, which has now become Senate 1809 and upon which hearings have been held before the Expenditures Committees in both Houses. However, the bills now before Congress, that is, S. 2020 (H. R. 4754) would create a new agency, the Office of General Services, and transfer thereto—

(1) Bureau of Federal Supply.
(2) War Assets Administration.
(3) Federal Works Agency.
(4) National Archives Establishment.

I want to repeat that the time is at hand to take some definite action toward better management and it should begin with a basic reorganization of our property and records system. At the beginning of my remarks I said that the United States must remain strong from within if we are to maintain a strong foreign policy. It is crystal clear that we cannot do this if we are to waste our national wealth. Conservation of our national wealth, of course, encompasses many factors in our economy. I am directing my remarks today only to that of proper management in Government—management in particular in the fields of equipment, materials, and supplies and the use and disposition of such property. S. 2020 and H. R. 4754, or better known as the General Services Agency bill deals directly with the problems of inventory, procurement, maintenance, transportation, records, management, and the operation and maintenance of public buildings.

This bill provides an efficient businesslike system of property management. It is the result of long study and has the full support of the Hoover Commission. The passage of this bill is essential if the executive branch of Government is to be properly reorganized.

Mr. McCLELLAN. Mr. President, I move that the Senate insist on its amendment, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCLELLAN, Mr. EASTLAND, Mr. HOEY, Mr. McCARTHY, and Mr. IVES conferees on the part of the Senate.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that Senate bill 2020 and Senate bill 1809 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPENSATION TO THE SWISS GOVERNMENT FOR WAR DAMAGE—CONFERENCE REPORT

Mr. PEPPER. Mr. President, I submit a conference report on House bill 4392, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, having

met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text and its amendment to the title.

CLAUDE PEPPER,
THEODORE FRANCIS GREEN,
H. C. LODGE, Jr.,
Managers on the Part of the Senate.

JOHN KEE,
JAS. P. RICHARDS,
THOMAS S. GORDON,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. PEPPER. Mr. President, this is a unanimous conference report, the committee being composed of five members of the House and three members of the Senate, upon measures which had passed both Houses providing for the payment of Swiss claims for war damages sustained by Swiss citizens during World War II. There was no major difference between the two Houses, except that the Senate proceeded upon the theory of paying the volume of claims which had already been proved, amounting to a little over $11,000,000. The House, we thought more wisely, provided an overall limitation of $16,000,000 for all claims the Swiss may be able to prove; so that additional legislation will not be necessary when additional claims are proved. I hope the report will be approved.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

J. N. JONES AND OTHERS—VETO MESSAGE (S. DOC. NO. 89)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill (S. 146) conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones and others.

The bill confers jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment on the claims of the persons named therein against the United States for any damages sustained by them as a result of the flooding of their properties on May 7, 1942, allegedly due to failure of the spillway gates of the dam operated by the United States Bureau of Reclamation at the Vale-Oregon irrigation district. In addition to other provisions, the bill prescribes, in section 2, that in the determination of such claims, the United States shall be held liable for damages, and for any negligent or wrongful acts or omissions of its employees, to the same extent as if the United States were a private person in accordance with the law of the place where the acts or omissions occurred.

The record reveals that after the incident in question the claimants named in the bill, in lieu of seeking redress against the United States through administrative relief under authority that was available to the Department of the Interior, elected to institute suit in an Oregon State court against the Vale-Oregon irrigation district, a non-Federal agency. That suit was dismissed by the State court without an adjudication of the merits of the claims. While the failure of these claimants to pursue administrative remedies which may have been available to them may be a valid reason for the rejection of this bill, a more compelling objection to approval of this measure is the fact that the provisions of the bill, particularly section 2, are couched in such sweeping terms that they may operate to deprive the United States of substantive defenses which would be available to the Government were this suit one which could be entertained by the district court of Oregon under the terms of the Federal Tort Claims Act.

This legislation apparently was passed by the Congress in the belief (S. Rept. 161, H. Rept. 597, 81st Cong.) that the bill would not do anything more than simply accord the claimants their day in court and that it would not accord them more right than they would be entitled to were their claims today cognizable under the Federal Tort Claims Act. There is a strong possibility, however, that in its present form it would accomplish more than this and that it would operate to preclude the Government from interposing certain basic defenses to the substantive merits of the claims. This view would seem to find support on the fact that section 2, in restricting the United States to the status of a private person, unqualifiedly, could be construed to deprive the United States of the right to interpose the defense of "discretionary functions" which was specifically reserved to the Federal Government when it surrendered its immunity from suit by the adoption of the Federal Tort Claims Act.

I am informed that, in addition to this particular deficiency, it is possible that other constructions could be placed upon this language which would prevent the Federal Government from raising traditional defenses available to it in suits of this nature. For example, in the jurisdiction in question there is a State police power statute (116-408 Oregon Compiled Laws Annotated) which will place a greater burden upon private parties in defending cases involving damages caused by flood. The language in this jurisdiction bill could be taken to preclude the Federal Government from making its traditional defense that the United States is not subject to such police regulations of the States in a case of this character.

All of these very defenses, indeed, were raised by the United States in consolidated actions instituted under the Federal Tort Claims Act and currently pending in the District Court for the District of Oregon, involving damage to lands allegedly caused by floods from a break in another Federal irrigation project in the same community. Obviously, to afford, as this measure does, special advantages to the parties who would be plaintiffs under this jurisdictional bill would constitute a discrimination against the claimants in the afore-mentioned suits who have already been forced to meet these basic defenses of the United States in the adjudication of their causes of action.

While I feel that these people should be extended an opportunity to seek a determination from a judicial tribunal of their claims for losses which they feel were occasioned by negligent acts of the United States or its servants, the Government should not be precluded from presenting substantive defenses which normally are, and in fairness should be, available to it as a party defendant. I would be entirely willing to give my approval to a bill couched in such terms as would accomplish these objectives for both parties to this litigation.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 21, 1949.*

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting the nomination of Mrs. Perle Mesta, of Rhode Island, to be Envoy Extraordinary and Minister Plenipotentiary to Luxemburg, which was referred to the Committee on Foreign Relations.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MAYBANK, from the Committee on Banking and Currency:

Oscar Kent La Roque, of North Carolina, to be a member of the Home Loan Bank Board.

REDUCTION IN EXPENDITURES OF GOVERNMENT

Mr. LUCAS. Mr. President, I desire to address the Senate momentarily on the joint resolution which is now on the calendar dealing with reduction in expenditures of Government. I am rather amazed at the amount of interest exhibited on the floor of the Senate about this resolution. I am especially interested when I find so many Members of the Senate whose names are on the resolution who, when they had opportunity to vote for a cut in the appropriations, voted to increase rather than reduce them.

Mr. President, it seems to me rather strange to find my good friend the junior Senator from Michigan [Mr. FERGUSON] saying that there is no politics in this kind of resolution. That is particularly strange when we consider the exact facts with respect to the appropriations as they exist at this very moment.

As I recall, when the last two or three appropriation bills were reported there were no resolutions offered to cut 5 or 10 percent, no resolutions directing the return of the appropriation bills, authorizing and directing the Appropriations Committee to cut the appropriations any percentage point.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Ohio.

Mr. TAFT. The Senator remembers, however, that as to a number of appropriation bills, efforts to reduce the appropriations have been made, but have been defeated by those who said, "What we want is an over-all resolution," as the distinguished Senator from Maryland said, and they would not vote for a cut on each bill. So it seemed vain to offer motions in connection with the other bills, particularly as the Committee on Appropriations in some cases had I think cut below the budget figures.

Mr. LUCAS. Mr. President, the Senator may be correct if he refers to the first one or two appropriation bills, but with respect to the last two or three appropriation bills, as I recall distinctly, the Senator from Michigan [Mr. FERGUSON] and the Senator from Tennessee [Mr. MCKELLAR] advised that they were not going to ask for a 5 percent reduction, because they had accomplished that very thing within the Appropriations Committee itself. I think I am correct on that point.

Mr. FERGUSON. Yes; and one appropriation bill, the State, Justice, and Commerce bill, was cut 9.8 percent.

Mr. LUCAS. With respect to the State, Justice and Commerce bill, the Appropriations Committee did make the cut of at least 5 percent, and the Senate of the United States supported the Appropriations Committee when it brought in that 5-percent cut. If such a cut could be made in the funds carried in that appropriation bill, the Committee on Appropriations had an opportunity to make similar cuts in the other appropriation bills. But as the able junior Senator from Illinois [Mr. DOUGLAS] said a moment ago, on one appropriation bill, dealing with flood control, the Senate increased the amount by one hundred and forty million or one hundred and eighty million dollars over the total the House of Representatives had provided, and Senators who are sponsors of the joint resolution voted to support that kind of increase in appropriations because the increase affected their pet projects in their respective States. Yet some of those Senators come before the Senate and argue "We want to compel the President of the United States to make an over-all cut of 5 percent." Mr. President, the Members of the Senate of the United States ought to exercise courage and cut appropriations themselves in an orderly manner. They ought to assume the responsibility for such cuts, rather than try to transfer to the President of the United States responsibility for a governmental function as important and as grave as this is.

The Senator from Nebraska and the Senator from Michigan have been talking about polls which have come to them from newspapers in their States. They still seem to believe in polls, notwithstanding what happened on November 2 last, Mr. President. They still use the polls they are receiving as the basis for an argument they make in an attempt to convince the Senate of the United States as to what we ought to do with respect to the joint resolution. Mr. President, if I were on the Republican side of the aisle I do not believe I would ever talk about a poll again as long as I lived, as the result of what happened on November 2 last. Everybody took a poll then, and everybody was right until the evening of that memorable date.

The distinguished Senator from Michigan said that if the President of the United States did not do certain things, after Congress had directed him to do them, there would be a remedy of some kind. I do not know whether or not he was indirectly referring to impeachment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. The Senator knows what the remedy is. The Congress can pass legislation and rescind the appropriation.

Mr. LUCAS. I thought there was another implication.

Mr. FERGUSON. No; the remedy is that Congress can rescind the appropriation if it wants to.

Mr. LUCAS. I am glad to have that explanation, because I thought the Senator implied in his remark that there might be impeachment. I distinctly recall that the Senator from Michigan last year, on the last day of the special session of the Senate, recommended that the President of the United States be impeached. President Truman placed his record before the people and found out that the people did not want him impeached; they simply wanted him back in the White House.

Mr. FERGUSON. The Senator from Michigan did not suggest that the President should be impeached at that time.

Mr. LUCAS. The Senator from Michigan said it could be done.

Mr. FERGUSON. No; he suggested that when things are not accomplished, that is the only remedy in the hands of the people.

Mr. LUCAS. I think I remember very well what my distinguished friend said, and the impression which went out to the country, whether he said it or not. The implication given by the press throughout the Nation was that President Truman ought to be impeached. The Senator from Michigan may not have said it in that language, but that certainly was the implication that was left in the minds of the people throughout the United States.

Mr. President, the Senator from Nebraska and the Senator from Michigan want the Senate to vote on the joint resolution now. They want to bring it up for action immediately. Both of them are members of the Appropriations Committee. There are pending before their committee four different appropriation bills totaling approximately $30,000,000,000. Yet they want the Senate to vote on the joint resolution and relieve them now of the responsibility of considering and making all possible reductions in these appropriations aggregating $30,000,000,000. They could then go forth and say, "We have passed the joint resolution. It is going to become the law. We have shifted the responsibility for reducing expenditures from the Congress of the United States to the President."

The least the Senators could do, in my judgment, if they were really sincere about this type of joint resolution, would be to wait until the Appropriations Committee bring in the four large appropriation bills, so we could see whether or not Congress could cut, as the able junior Senator from Illinois, my colleague, said a moment ago, perhaps by as much as one billion and a half or two billion dollars, these four great appropriations totaling around $30,000,000,000, or three-quarters of the total appropriations to be made by Congress.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. FERGUSON. Will the Senator from Illinois be able to advise as to what might happen from the majority side if the appropriations are not reduced by the Appropriations Committee to the point where they would come within the realm of placing the budget in balance?

Mr. LUCAS. I do not think the Senator from Michigan should ask me, the majority leader, that question, at the moment when he is giving serious study and consideration to the appropriations which are now before the committee of which he is a member. Let us wait and see how he and the membership of the Appropriations Committee handle these appropriations. Let us see what the committee brings out in the way of reductions in appropriations before the Senator from Illinois makes any prediction as to what he will or will not do.

The Appropriations Committee is considering $30,000,000,000 of appropriations in bills which are now before the committee. Everyone admits that if there is any sizable cut to be made at all, it must be made in connection with national defense and in connection with international commitments to foreign nations. Any real cut and saving must be made in those two realms. Since that problem is now before the Senate Appropriations Committee and as yet unsolved, the Senator from Illinois, the majority leader, is not going to give the Senator from Michigan an answer to his theoretical question.

When the Senator from Michigan suggests that the Senator from Arkansas [Mr. MCCLELLAN] should move to have the joint resolution sponsored by him and other Senators taken up for consideration, I will say to the Senator from Michigan that I think the Senator from Arkansas will no doubt abide by what the majority on this side wants done. I do not think the Senator is going to permit himself to be prodded by the minority side into an effort to take the leadership away in any such fashion as that.

Mr. President, this is a very serious matter. Let me say that no one is more interested in economy in government than is the Senator from Illinois. I am opposed to waste in government. I am opposed to duplication of authority. I should like to see the departments reorganized. No one has stood more firmly behind the reorganization proposed by Herbert Hoover and his Commission than has the Senator from Illinois, and I shall continue to support it. But, Mr. President, the Senate cannot do what is attempted to be done by the joint resolu-

tion, simply pass the buck to the President of the United States, and hope to convince the American people that we are doing our duty and accepting our responsibility as Senators. I say it is ridiculous to place that responsibility on the President, after he himself has said that he has had his experts work on the budget, that he has cut it to the bone; and then has sent it to us either to reduce or to increase. Now some Senators propose that we send the problem right back to him, that we delegate to him the power to appropriate for the Congress of the United States. And how some Senators would protest if, after refusing to take the responsibility for reducing appropriations by their own action, some of their pet projects were cut or eliminated by the President of the United States under the direction of a resolution such as this. The President of the United States is the individual who would be on the hot spot from the time such a joint resolution might be adopted, until he had completed action under it. Senators, who, by this device, could award responsibility for making specific reductions, would be down at the White House saying: "Mr. President, do not cut my appropriation. Do not cut the amount provided for this particular project in my particular State. Please leave my project in, but cut out that of some other Senator or some other State."

Mr. President, the Senator from Nebraska yesterday wanted an appropriation for a post office in Omaha, Nebr. Why did he want that item in the appropriation bill? Because it affected his State and affected his community. I am not blaming the Senator for what he tried to do. It represented good business for him. It represented good politics for him to do what he did with respect to a post-office building in Omaha, Nebr. That item was cut out. The House said, "We are not going to accept it." The House said, "We are economists." The House said to the Senator from Nebraska "We are economists and you are economically minded in the Senate. We want to cooperate with you in economy." But the Senator from Nebraska made quite a speech on the floor of the Senate, and I applaud him for the effort he made to take care of Omaha and of Nebraska. He did a good job, but he did not get what he wanted. He is getting ready to have the same item placed in the next appropriation bill. He is all set for that. And yet he speaks of economy. It is always a question, Mr. President, of whose ox is gored. When there is a project in Illinois in which the Senator from Illinois and his constituents are vitally interested, I try to take care of the interests of my State, just as the Senator from Nebraska has done with respect to projects in his State. If a great project in Michigan comes along, we find the Senator from Michigan, who wants to cut appropriations 10 or 15 or 20 percent, working pretty hard for that particular project in the State of Michigan.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McFARLAND. The junior Senator from Arizona wants to make a plea not to cut an Arizona project if there is an appropriation for it.

Mr. LUCAS. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not true that both Senators from Illinois have always taken the position that if any cuts are to be made, they are willing that projects in Illinois should be cut proportionately with projects in the rest of the country?

Mr. LUCAS. That is true.

Mr. DOUGLAS. That is true of the senior Senator from Illinois as well as the junior Senator.

Mr. LUCAS. The junior Senator from Illinois made that perfectly plain in the statements he made on the floor of the Senate when he was advocating economy.

I have no objection to any Senator advocating the meat-ax method of economy if he so chooses. But it is the duty and responsibility of the Senate to cut appropriations if they are to be cut.

Mr. President, that is all I have to say on the subject. I am about to make a motion to take a recess until tomorrow. My good friend from Oregon [Mr. MORSE] wishes to make a speech tomorrow. It is a little late for him to start this evening. He has been waiting all afternoon. I apologize to the Senator from Oregon for keeping him from the floor. He has been very patient and very kind.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. I appreciate the kind remarks of the Senator from Illinois; but if he can find any other business to transact tomorrow I shall be just as happy to make my speech next week, because I think the longer it is delayed the better chance there will be of getting some good labor legislation through the Senate.

Mr. LUCAS. I am for good labor legislation; and if a little delay would help us to enact it, I would be for that.

Mr. WHERRY. Mr. President, I should like to clear the record in connection with a few of the observations made by the distinguished Senator from Illinois.

First, with respect to the post office at Omaha, Nebr., he apparently accuses me of being demogogic in my sincere attempt to cut appropriations, by citing the post office at Omaha, Nebr. He states that I stood on the floor and pleaded for good old Omaha and the post office.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. Not now. I should like to conclude my observation. I shall be glad to yield in a moment, after I finish.

The Senator from Illinois complimented the House for economizing, implying that the Senator from Nebraska did not want to economize. What are the facts about that appropriation?

The post office was authorized by the Eightieth Congress, not this one. An appropriation was made in the Eightieth Congress to buy a site—not to construct a post office, but to buy a site. The building had burned. There was an opportunity to buy land at a reasonable price. It was necessary to buy two or three other properties. The city agreed to furnish the land for a street. This was in the Eightieth Congress. Options were taken on the land; but between the time and the time the President's budget was submitted in November 1948, $150,000 more was required to accept the gift of land from Omaha and to buy the site which was authorized by the Eightieth Congress. One hundred and fifty thousand dollars was needed to complete the deal. If there was any credit to be given to the Senator from Nebraska it was in the Eightieth Congress, not in this Congress. I did not get a post office in the Eighty-first Congress.

The House eliminated the item of $150,000—the Senator from Illinois says in the interest of economy. However, it left in the bill an appropriation of one and a half million dollars for the State of the Senator from Tennessee [Mr. MCKELLAR]. That is how the House economized. The Senator from Nebraska did not get the post office for Omaha.

That is all right with me. The other day I made the statement that if we want to stop building post offices, in the case of a new authorization I will go as far as any other Member of the Senate to eliminate such authorizations in the Eighty-first Congress. That is water over the dam; but those are the facts with respect to the post office at Omaha.

I have the profoundest respect for the distinguished majority leader. I agree with some of his observations this afternoon, especially with respect to the appointment of a legislative committee to cope with the bureaucrats who come here and swamp us with requests for appropriations. The Senator from Illinois stated that if the Senator from Nebraska and the Senator from Michigan were sincere in this effort, they should do thus and so. I submit the record. I go along with both Senators from Illinois. I will take my proportional cut on any projects they want to cut. I think that is a fair statement. I congratulate the junior Senator from Illinois for making the statement which he made. In that respect, I joined in every cut which was made in every appropriation, including appropriations for the Department of the Interior and for the civil functions of the Army. That means a great deal more to the Senator from Nebraska than it means to both Senators from Illinois. In fact, I joined in a cut of 10 percent not only in the Appropriations Committee, but on the floor of the Senate. My sincerity is shown by facts, and not by words, or by the polls to which distinguished Senators have referred.

That is my record. Perhaps I am mistaken. I started with the ECA appropriations. In January I stated that if we were to have a balanced budget we would have to start cutting appropriations. I was sincere about it. I have been a member of the Appropriations Committee for a number of years. So sincere have I been that 2 years ago, when the Republicans cut reclamation appropriations about $41,000,000 the administration howled, throughout 17 States, that it was the Republican Party which had

folded up the appropriations for the Interior Department, when we were trying to do an honest job in a sincere effort to get our money's worth from the appropriations. Perhaps that was wrong. There certainly is ground for sincere argument as to how fast and how far we should go with Interior Department programs and civil-functions programs of the Army. In the end most of them are self-liquidating projects. It is only a question of how fast we can go with those projects.

Personally I favor completing every such project as fast as we can, and going through with the contracts as they are made, as fast as we can in keeping with our ability to pay. I have considered the projects one by one in the Appropriations Committee. I happen to be the ranking minority member on the Interior Department subcommittee, and the second ranking minority member of the subcommittee dealing with the civil-functions appropriations. I have done the best I could to see that each project was justified so that we might not waste money.

However, I say that those in the executive department who have first-hand knowledge can go through the civil functions appropriations, for example, and make a judicious reduction of 10 percent without interfering with the progress of the program. I am satisfied that such a reduction could be made without any of the projects which are under contract suffering. That may mean that some new projects will not be started. Perhaps that would be a good thing. Some say that the way to stop inflation is to stop Government spending. Others hold a contrary view. Every Senator is entitled to form his own judgment on that question.

The only point I wish to make clear for the RECORD is that the junior Senator from Nebraska has been sincere in his effort from the beginning, in January, not only to cut appropriations in the committee, project by project, approving only those which are justified and should be built, but to take the same action on the floor of the Senate. So the Senator from Nebraska has been sincere.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield, now that I have finished that point.

Mr. LUCAS. The Senator from Illinois probably used the wrong word. I will say to my good friend from Nebraska that I agree with him that he has been sincere so far as reductions in appropriations are concerned. What I should have said was that both the Senator from Nebraska and the Senator from Michigan were being a little hasty in trying to bring before the Senate the joint resolution introduced by the Senator from Arkansas [Mr. MCCLELLAN], before the Appropriations Committee had acted with respect to the $30,000,000 of appropriations still before it.

Mr. WHERRY. I appreciate the observation of the majority leader. His suggestion has some merit in it. If reductions can be made, with the knowledge we have, the proper place to make them is in the Appropriations Committee. No one denies that.

I wish also to say to the distinguished majority leader that the cuts could not be made in committee. We tried sincerely to make them project by project. If the distinguished Senator from Illinois wishes to know my opinion, I believe that the appropriations to which he has referred are coming to the floor of the Senate from the committee in the amounts already mentioned. I do not believe there is a chance to make the cuts in committee. I regret it, but that is the way I feel about it. So the only alternative is to try to cut them on the floor of the Senate, by means of a rescission resolution. That is the only course left.

When I offered the amendment to cut the ECA appropriation, I stated that I thought the place to make the cut was in the committee, and if it could not be made there, then it should be made on the floor of the Senate. The RECORD will bear me out. I intend to vote for such resolutions, regardless of who introduces the resolution or makes the motion, whether the effort is made in committee or on the floor of the Senate; and I intend to vote for the rescission resolution when it comes before us. That is the record.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. WHERRY. I yield for a question. I do not wish to detain the Senate.

Mr. FERGUSON. In other words, Mr. President, the Senator means that the place to make cuts in appropriations is, first, in the Appropriations Committees.

Mr. WHERRY. That is correct; there is no doubt about it.

Mr. FERGUSON. And, second, on the floor of the Senate or the House, as the case may be.

Mr. WHERRY. That is correct.

Mr. FERGUSON. Third, let us say, in the conference.

Mr. WHERRY. That is correct.

Mr. FERGUSON. Fourth, by the method of the over-all appropriations reduction joint resolution.

Mr. WHERRY. That is correct.

Mr. FERGUSON. And if that is not possible, then the fifth method would be by means of a recission joint resolution.

Mr. WHERRY. That is correct.

Mr. FERGUSON. And we should do everything we possibly can, in each step we take, to make cuts in the appropriations, to see that the necessary job is done.

Mr. WHERRY. That is true. That is why I wished to make my observations plain. The Senator from Michigan has proceeded to point out, as I would have done, those two points. Although the appropriation bills probably will be disposed of before the majority leader brings up the joint resolution about which we are talking, and which we would like to have passed, thus making reductions in appropriations of from 5 to 10 percent, yet I am as sure as I can be sure of anything that, regardless of the status of the appropriation bills, the majority leader will not bring up the joint resolution until he chooses to do so; and judging from his remarks today, he will not bring it up at all, unless some extraordinary measures are taken in an effort to have it brought up.

I wish to say finally that it is not my desire to make motions which do not meet with the approval of the distinguished majority leader. I wish to give him my full cooperation. I realize the responsibilities in connection with getting a program before the Senate. Even today I was in hope that we might get a vote on the labor bill. It is now my hope that we may reach a vote on it tomorrow. But, of course, the appropriation bills must come before us.

I wish to say to the distinguished majority leader that without attempting in any way, in my position as minority leader, to thwart or force or "needle," to use the slang expression, the majority leader in regard to bringing up the joint resolution, nevertheless I was sincere when I said to him that I hoped he will bring it up, because I firmly believe that, regardless of party, all of us should take the position that only a strong fiscal policy will keep our Nation strong. I believe that sincerely, from the bottom of my heart.

I suppose it is natural that I take that position, coming, as I do, from the great State of Nebraska. I have mentioned this matter several times before on the floor of the Senate. Perhaps it is wrong, but in my State we do not have any bonded indebtedness. In our State we cannot spend over $100,000 without submitting the question in the form of a constitutional amendment to the people of our State. In Nebraska we do not have as many things as many States do; we do not have all the things we would like to have. We do not have the miles of paved road that we would like to have. But, Mr. President, we have no bonded indebtedness, we have no sales tax, we have no State income tax. Really, Mr. President, Nebraska is a great place for people to come to and for people to live in.

That is how I feel about this matter. Perhaps because of that situation, we in Nebraska do not have everything we would like to have. Yet we have about our percentage of the bathtubs and the other things we need. Believe me, Mr. President, in Nebraska when we go home in the evening we know that, so far as our State is concerned, we are not in debt. Of course we worry when we realize that the debt of the Federal Government amounts to about $2,000 for every family in the country. We worry about that. But other than that, when we go home at night and put our feet under the dining-room table, we feel fairly well satisfied with what we have done under our State system of financing. I should like to recommend that kind of financing to the Federal Government, and also to the majority leader, even for use in the State of Illinois. For any State and also for the United States Government, that is not a bad financial policy to have. If we had it today in the Federal Government, we would not be worrying

about increasing taxes in the amount of $4,000,000,000 and bringing hard times upon the people of the country and unemployment to millions of our people.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MORSE. Now that the Senator from Nebraska has raised the tax issue, can he, as minority leader, give me any assurance that the Republican leaders in the Eighty-first Congress have any intention whatever of coming forward with a thorough tax revision program along the lines, for example, of the tax recommendations of the Committee on Economic Development?

Mr. WHERRY. Mr. President, in answer to that very timely question, let me say that to my knowledge no action of any kind has been taken in regard to a tax bill to be presented to the Senate. However, I may say to my distinguished friend the Senator from Oregon, for whom I also have the most profound respect, that the responsibility for a tax bill, it seems to me, at least in the Eighty-first Congress, rests upon the Senators on the other side of the aisle. It is their responsibility to bring in a tax bill, or to bring in a bill for increased taxes, if that is their view or position as to what should be done. I think a tax bill would be one of the most important measures which could be presented at this session. If that is the intention of the Senators on the other side of the aisle, I think the people of the country should know it and should know whether a serious attempt is to be made to bring in a tax bill and to provide for tax increases in the amount of $4,000,000,000 for the next fiscal year.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. WHERRY. I yield.

Mr. MORSE. Will the Senator from Nebraska permit me to suggest that I can think of no stronger position the Republican Party could take with the American people than for the Republican Party itself to come forward with a tax program based upon the sound recommendations of the Committee for Economic Development. I think we make a great mistake if we wait for the Democratic Party to proceed with a sound tax program. It is a matter of great regret to me that the Republican leadership in both the Senate and the House have not already made that one of the planks of the Republican Party in the Eighty-first Congress.

Mr. WHERRY. Mr. President, there is something very constructive in the words of the distinguished junior Senator from Oregon. If we are going to be on a pay-as-you-go basis, whether in our own States or in the United States Government, if we are to balance the budget and keep current, there are several ways of doing so. One is by increasing taxes. Another is by resorting to deficit spending. At this time, on the basis of the reports which I receive from businessmen all over the country, it seems to me that the thing for us to do is, not to increase taxes, but cut the waste out of the Government. That is the third alternative. Unless that is done, I believe we shall be confronted with the necessity of either increasing taxes or engaging in deficit spending, and either one of them will mean disaster ahead for the fiscal policies of the United States Government.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. WHERRY. I am glad, indeed, to yield.

Mr. MORSE. I wish to make clear to the Senator from Nebraska that I share his view that we should not propose an increase of taxes at this time.

Mr. WHERRY. Yes.

Mr. MORSE. But I think the Senator from Nebraska is overlooking another economic reform with which we should proceed. The tax problem, as I see it, is not one of increasing or decreasing taxes, but is one of revising the tax structure so as to eliminate the inequities which now are making it impossible for venture capital to be invested.

Mr. WHERRY. Mr. President, I realize that situation. It seems to me that now is the time to decrease or eliminate the excise taxes. I say to the Senator from Oregon that, so far as I am concerned certainly, there is a great deal of merit in the observations he has made.

Mr. President, I did not intend to make a speech this evening. I was stunned when I read, over the ticker, the remarks of the Senator from Illinois. I do not make this statement in a derogatory way. After all, the distinguished Senator from Illinois is the majority leader, and on his shoulders the responsibility is squarely placed.

I wish to sum up at this point by saying that I am entirely sincere about this matter and I shall use every process at my command and all the force and energy I possess to see to it that the Federal Government balances its budget. I think this joint resolution is one way to get that done. If we cannot proceed in that way, then we should do the next best thing.

I hope and pray that in the final analysis this Government will not resort to deficit spending, for that will mean spiraling prices and cheaper dollars and less take-home pay, and it will mean unemployment.

On the other hand, it seems to me this is not the time to increase taxes, if we can avoid doing so. It seems to me that if we increase taxes, we shall simply be facing hard times.

So, Mr. President, I believe that the only other alternative left is to cut the waste out of Government, balance the budget, and then carry through to next year and evaluate what we have then in the way of receipts and in the way of expenditures budget. That is the only sound and sensible course to pursue, I am sure.

It is in the light of that belief and it is in that spirit that I suggest to my able colleague the Senator from Illinois, the majority leader, that he give serious thought to bringing before us now the joint resolution, which I call a bipartisan resolution, which was reported by the Senator from Arkansas [Mr. McCLELLAN] from the Committee on Expenditures in the Executive Departments, because I am sure that many Members of the Senate, and I believe a majority of the Members of the Senate, would like to see it brought up before us, so that we may give it consideration.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 41 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 22, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate June 21 (legislative day of June 2), 1949:

DIPLOMATIC AND FOREIGN SERVICE

Mrs. Perle Mesta, of Rhode Island, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Luxembourg.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 21, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our help and our hope in ages past, Thy blessed benediction has been with us, as boundless as human life and as unwithering as divine love. Thou hast surely nourished us through the years and taught us the true principles of rich and abiding religion.

Our Father, be with men of every station; guide them, sustain them, help and console them as they walk the streets and lanes of our land. As old moorings will no longer suffice, anchor them to the higher rule of brotherhood supplanting greed with the blessed promise of a better code of living. In the work of today, endow us with steady persistence, passionate enthusiasm, and with moral and spiritual power, that we may do good in Thy sight. In the name of Jesus our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. LANHAM asked and was given permission to extend his remarks in the RECORD in two instances and to include in each case an editorial.

Mr. EVINS asked and was given permission to extend his remarks in the RECORD and include an article from the Reader's Digest.

Mr. RODINO (at the request of Mr. MULTER) was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and to include extraneous matter.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD on the life and services of General Cumming, former Surgeon General, Public Health Service.

PERMISSION TO ADDRESS THE HOUSE

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. YOUNG]?

There was no objection.

[Mr. YOUNG addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Brig. Gen. David Sarnoff, of the Radio Corp. of America, on the subject Man and Science.

Mr. MANSFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the magazine Columbia entitled "Elections Made To Order."

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. GREEN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include letters.

THE BYRNES SPEECH

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, yesterday was a Republican field day for 1-minute speeches spent in extolling the improvident remarks of former Secretary of State James F. Byrnes, and realizing that what is sauce for the Democratic gander should be sauce for the Republican goose, I hope that the following article which was carried in the New York newspapers does not fall upon dumb minds and deaf ears, but is heeded by all of the people of his forlorn party.

Gov. Thomas E. Dewey, the twice unsuccessful Republican candidate for President, speaking at a State-wide luncheon meeting of Republican women at the Hotel Roosevelt in New York City said he was "a little bit tired of hearing people say that the Republican Party must be devoted exclusively to being the party of opposition."

That indicates an attitude that we will continue to be merely a party of opposition—

Mr. Dewey said.

If anybody thinks that we can win elections by merely opposing every bit of social progress that has been made in the last 20 years, I say he is crazy.

SORDID DETAILS OF PULL AND INFLUENCE

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JACKSON of California. Mr. Speaker, what is required to obtain a Government contract for goods and services today?

Is it sufficient that a manufacturer or a businessman have a good product, that he enter into open and fair competitive bidding with other firms, that he proceed aboveboard in his negotiations with the Federal purchasing agencies?

Or, as is alleged in today's edition of the New York Herald Tribune, must he deal through a Federal black market in contracts, pay tribute to individuals with pull and influence, and otherwise conspire and bribe to obtain a fair share of Government purchases?

The sordid details of such a deal are exposed in the paper I hold in my hand. It is an ugly story of payments made under the table by an American businessman to a former officer of the United States Army. It is a tale that in many respects reminds one of the General Meyers scandal. However, this story is different because it deals with a situation scarcely a month old.

Public confidence in Federal purchasing methods has suffered much in recent years, and many a small-business man here in the United States today feels that without the payment of squeeze money, without influential friends at court, he has no chance to compete fairly in a free field for Government contracts.

The allegations of the Herald Tribune should be run to earth by the Congress. The public interest demands an immediate investigation of the charges.

The SPEAKER. The time of the gentleman from California has expired.

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent to extend the article in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REFUND OF GI INSURANCE PREMIUMS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, the boss of the Veterans' Administration has finally made it official. After 2 days of typical bureaucratic confusion and contradictions the Administrator says his agency will refund nearly $3,000,000,000 to 16,000,000 veterans of World War II.

The Veterans' Administration is not giving the boys anything. This money is theirs. They were overcharged when they took out the national service life insurance. It should have been refunded 2 years ago.

Now the Administrator says he hopes distribution of the refund checks will be started some time next January and be substantially completed during the first half of 1950.

There is a resolution before the Committee on Veterans' Affairs requesting that the Veterans' Administration make these refunds not later than October 15 of this year. The Administration has the money. They have the staff to get the checks in the mail now. The veterans can use the money now.

Delay in making these refunds has been called a national scandal and it is. This is the first time on record that this administration or any of its far-flung agencies has been known to hold up the spending of money. And this is not new money, but a return to its rightful owners of what is due them.

Why does this administration hold up the refund of $2,800,000,000 in insurance payments until a congressional election year? Is there a plot to influence the votes of 16,000,000 war veterans by giving them election-day refunds of their own money?

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD and include material from the Department of Agriculture.

Mr. ELLSWORTH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. MEYER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio broadcast he made on the subject of public housing.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article entitled "Blueprint for Disaster," appearing in Collier's magazine, notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, cost $225 to print.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[Mr. MILLER of Nebraska addressed the House. His remarks appear in the Appendix.]

REFUND OF EXCESS PREMIUMS TO VETERANS

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, to one who has been active in veterans' affairs for 30 years, it was gratifying to hear the news that the Veterans' Administration would at long last finally refund the excess premiums collected for insurance carried by service men and women in World War II.

This subject was discussed 3 or 4 years ago before the Veterans' Legislative Committee.

Now that the decision has been made, why not use a little greater degree of speed and get those checks out before Christmas, 1949.

Having seen when some other checks were delivered, stark reality would justify the thought that if these dividend checks are not issued before the first of the coming year, they might not get distributed very much before November 1950.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GAVIN addressed the House. His remarks appear in the Appendix.]

WAR RISK INSURANCE DIVIDENDS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in reply to the gentleman from New York [Mr. KEATING], I desire to say that we had the Assistant Administrator of Veterans' Affairs, Mr. Birdsell, before the Veterans' Affairs Committee this morning and he explained that it was only last year that the court held that these dividends could be paid. He said it is a tremendous job, that they have employed 1,700 additional persons to work out this material, and that they needed 1,300 more.

Now, the Bureau of the Budget told you last year that it would be 1950 before all these cases could be cleared. Mr. Birdsell said they will get these payments made in January, if possible, and that he does not see how it can be done earlier.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. KEATING. The Assistant Administrator for Insurance said that they could be paid within 6 months after the decision of the Supreme Court, which was last spring.

Mr. RANKIN. Well, the gentleman talked to the wrong man.

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. KARSTEN asked and was given permission to extend his remarks in the RECORD in two instances and include in each newspaper editorials on the subject of housing.

Mr. MACK of Illinois asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

SERVICEMEN'S READJUSTMENT ACT

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Speaker, on January 13 of this year I introduced H. R. 1374 at the request of the Disabled American Veterans to extend the Servicemen's Readjustment Act, the so-called 52–20. I have today filed discharge petition No. 4 in the hope that this act may be continued. I would be satisfied to see it continued until next January, or at least long enough to enable the appropriate committees of the House and the Senate to have an opportunity to hold hearings and determine whether the act should be further extended.

INVESTIGATION OF TEXTBOOKS

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, there is no one in this House who is more an enemy of communism than I am. I saw it in operation in Europe. As one of our great Presidents said of war, I can say of communism: I hate it. As a member of the Subcommittee on Accounts, I voted to give the Committee on Un-American Activities the money which they said they needed to conduct the work of their committee for this year. If the members of that committee—and I do not excuse the Republican members even with the statement they filed nor do I excuse the Democratic members—if they are going to permit the chairman or some of their employees to conduct a gestapo investigation into good Christian schools, I just want to serve notice to them that they had better have a good time with the $200,000 which they received, because if they want my vote next year for another nickel, they are going to have a hard time in getting it.

They have already invaded several Ohio schools which have never been known to have a Communist on their campuses.

Now in continental United States, there are 1,650 institutions of higher learning and, if a coverage of textbooks in those institutions would not be a "witch hunt" then my reasoning must be faulty indeed. A spot coverage, which seems to be the present procedure of the committee, would be about as successful as to attempt to rid the world of termites by burning one building infested by them.

Let us be realistic and reasonable about this matter. Where is our faith in our country?

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I want to approve of what the gentleman from Ohio [Mr. HAYS] just said. The Republican members of the Committee on Un-American Activities had enough good judgment, I think, to make the statement that they did that they had nothing to do with this probe of the textbooks of the colleges and schools of the United States, and I think that they did the wise thing in saying that. However, I do not think that we need an outside committee of citizens such as the ones that they mentioned, to make a probe of the schools of this country. I know that the schools of this country are under the heads of local boards of education and that local school boards are elected from the citizens of the community. The universities are under the control of regents representing the citizens of that State, and I think that they can exercise enough control over the textbooks of these colleges without any Committee on Un-American Activities of Congress sticking their noses into something that is none of their business.

Neither do we need a national committee of prominent citizens to snoop and pry into local school curriculums, as suggested by the Republican members of the Committee on Un-American Activities.

The American people have had a welcome respite from the headline hunting, irresponsible, and reprehensible tactics employed by this committee during previous sessions of Congress. I hope that this textbook-snooping project will be disclaimed by the responsible Democratic members of the committee and that this mistake does not mean that they are returning to past tactics and procedures.

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I take this time in order to say that the time has come when somebody interested in the future of the country should make some inquiry into the textbooks that are being used in our schools and colleges, for it is there where the thinking of our youth is being corrupted.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. They also might make inquiry into these subsidized professors who are drawing money from Communist-front organizations and foundations.

STEEL OUTPUT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I notice in the Wall Street Journal this morning in the business and finance statement that steel output this week has dropped to the lowest level in 14 months, as the industry continues to adjust its production to declining demand. The Nation's steel mills will reduce their operations to 84.4 percent of capacity, off two-thirds of a point from last week. This is the tenth consecutive weekly dip in the operating rate of steel production.

The point I want to make is that the President of the United States this spring stated that he wanted the Federal Government to build steel mills. Mr. Keyserling, his chief adviser, in the hearings we had before the Joint Committee on the Economic Report, stated we should build steel mills to produce more steel. No man in the Nation has been so wrong as this man Keyserling in his advice to the Chief Executive and the Nation. It seems to me he ought to repent now for a lot of his misdoings, because he was just as wrong as he could possibly be. In the Joint Committee on the Economic Report he stated the price of steel was going up, the price of copper was going up, the price of lead was going up, in fact, the price of all metals were advancing, all this in January and February, at the time we felt the opposite was in the making. It proved that the President's chief adviser, Clark Keyserling, was wrong and the Republican members of the Joint Committee on the Economic Report were right.

REFUND OF GI INSURANCE PREMIUMS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on the matter of the lack of payment of the refund on the insurance to the veterans, I think if it had not been for our investigation and hearings in the Committee on Veterans' Affairs year before last very likely even what is being done at this late date would not be done. The money belongs to the boys. It is a business proposition. I think it is a matter of honor with us to see that that money is paid promptly. The Veterans' Administration Insurance Division did not follow the advice of the insurance experts. If they had, in 6 months from the time the payment was decided on, so I am told by representatives of the commercial insurance companies, those dividends could have been paid. That is the answer. It is our fault if we do not see that they are paid immediately.

INVESTIGATION OF TEXTBOOKS

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS of California. Mr. Speaker, I did not know whether this argument on textbooks was a private fight or whether anybody could get in, but I rise to suggest to the distinguished gentleman from Ohio, and to my colleague from California, that they should not get themselves too far out on the end of a limb, on this textbook matter, before somebody saws the limb off for them. I presume that they refer to the petition presented by the Sons of the American Revolution, as a result of which the Committee on Un-American Activities sent a simple request to various schools and colleges for a list of the textbooks used in classroom work. The SAR is very much in the right in asking for an investigation of textbooks. They are exercising the right of petition given them in the Constitution.

The State which the gentleman from California [Mr. HOLIFIELD] represents so well, and which is also my home State, has discovered to its infinite embarrassment that many of the textbooks in that State contain subversive advice and teachings. I would be glad to give chapter and verse, if I had time. It is certainly a proper thing for the Congress of the United States to receive a petition, and it is also the constitutional right of a citizen to present one and ask that subversive influences be looked into. I for one rise today to say that I am glad the committee is looking into the situation, and I hope they will carry the investigation through to a conclusion. We only need read the daily papers to see the danger this Nation is in from internal influences. The easiest way to destroy a free nation is to work on its youth and direct their minds into channels away from freedom. Hitler knew that; Stalin knows it today.

PERMISSION TO ADDRESS THE HOUSE

Mr. JONAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. JONAS addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. ALBERT asked and was given permission to extend his remarks in the RECORD and include an essay by a high-school boy from his home town.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in two instances.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

RENO, NEV.

The Clerk called the bill (S. 41) for the relief of the city of Reno, Nev.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Reno, Nev., the sum of $1,620, representing the amount which would have been assessable for street improvements against property owned by the United States, and used by the Forest Service, in such city if such property had been privately owned; such property being more particularly described as follows: Commencing at the intersection on the north and south line on the east side of the northwest quarter of the southeast quarter of section 12, township 19 north, range 19 east, and the south side of Second Street as extended, through the east city limits of Reno, Nev.; thence southerly along the east line of the northwest quarter of the southeast quarter of section 12, for 726 feet; thence westerly paralleling said Second Street for 300 feet; thence northerly paralleling the east line of the northwest quarter of the southeast quarter, section 12, for 726 feet; to the south side of said Second Street; thence easterly along the south side of said Second Street for 300 feet; to the place of commencing, containing 5 acres, more or less, 300 front feet.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEEDLES, CALIF.

The Clerk called the bill (H. R. 559) for the relief of the city of Needles, Calif.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Needles, Calif., the sum of $51,255. The payment of such sum shall be in full settlement of all claims against the United States on account of damages to the streets and roads, water system, and sewer system of such city as the result of the flood conditions of 1941 and subsequent years on the Colorado River caused by the construction and operation of the Hoover Dam above such city and of the Parker Dam below such city: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert in lieu thereof: "That jurisdiction is hereby conferred upon the United States District Court for the Northern Division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co. for damages to street, roads, water system, and sewer system of Needles, Calif., and losses and expenses incurred by the California-Pacific Utilities Co. in the removal of its electric light and gas plants at Needles, Calif., from low ground to high ground, and in the reconstruction of such plants on such high ground. Such losses sustained by the city of Needles, Calif., and the California-

Pacific Utilities Co. were caused by the flood conditions and the operation of the Hoover Dam and the Parker Dam in 1941."

Mr. TRIMBLE. Mr. Speaker, I offer an amendment to the committee amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. TRIMBLE: On page 2, line 12, strike out "Northern" and insert in lieu thereof "Central."

Amend title so as to read: "To confer jurisdiction upon the United States District Court for the central division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MABEL H. SLOCUM

The Clerk called the bill (H. R. 1132) for the relief of Mabel H. Slocum.

Mr. POTTER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RIEGEL TEXTILE CORP.

The Clerk called the bill (H. R. 1054) for the relief of the Riegel Textile Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $130,000, to the Riegel Textile Corp., a Delaware corporation, the successor of the Trion Co., a Georgia corporation. The payment of such sum shall be in full settlement of all claims against the United States on account of payments by the Trion Co. in connection with a controversy with the Office of Price Administration respecting the pricing of work gloves.

With the following committee amendment:

At the end of bill insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM WOOTEN, ET AL.

The Clerk called the bill (H. R. 2090) for the relief of Sam Wooten, F. M. Maloy, and Mrs. Alethea Arthur.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the following persons and their respective sureties are hereby relieved of all liability to pay to the United States the sums hereinafter set forth, representing the amounts of charges entered in their individual accounts, in the capacities stated hereinafter, by reason of shortages in the accounts of the Bradenton Post Office, Bradenton, Fla., occasioned by the embezzlement of postal-savings funds by Clarence E. Dickey, formerly a clerk in such post office: Sam Wooten, postmaster, $879.17; F. M. Maloy, assistant postmaster, $6,000; and Mrs. Alethea Arthur, acting postmaster, $9,451.70.

(b) The Postmaster General is authorized and directed to credit to the account of each said person the sum hereinbefore set forth, and the Comptroller General of the United States is authorized and directed to allow each such credit.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. T. A. ROBERTSON

The Clerk called the bill (H. R. 1282) for the relief of Mrs. T. A. Robertson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. T. A. Robertson, of Murfreesboro, Tenn., the sum of $6,656.80. Such sum represents compensation to the said Mrs. T. A. Robertson for the uninsured portion of the loss sustained by her when a fire destroyed her house and household good on January 13, 1944, the fire department having been delayed by traffic congestion created by United States Army convoys. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$6,656.80" and insert "$3,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE AMERICAN LEGION

The Clerk called the bill (S. 646) granting a renewal of patent No. 54,296 relating to the badge of the American Legion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of December 9, 1919, being patent No. 54,296, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE AMERICAN LEGION AUXILIARY

The Clerk called the bill (S. 647) granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of June 1, 1920, being patent No. 55,398, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the American Legion Auxiliary."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE SONS OF THE AMERICAN LEGION

The Clerk called the bill (S. 676) granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of May 8, 1934, being patent No. 92,187, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as "the badge of the Sons of the American Legion."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PORTER ACADEMY

The Clerk called the bill (H. R. 4466) removing certain restrictions imposed by section 2 of the act of March 8, 1888, on certain lands conveyed by such act to the trustees of Porter Academy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized to release to the trustees of Porter Academy by an appropriate written instrument the restriction placed upon that land in Charleston, S. C., conveyed to the trustees of Porter Academy by the act of March 8, 1888, entitled "An act authorizing the Secretary of War to transfer to the trustees of Porter Academy certain property in the city of Charleston, S. C.," section 2 of which provides that the property shall be inviolably dedicated to educational purposes, and no other.

With the following committee amendments:

On line 6, insert the words "which was" before the word "conveyed."

On line 7, delete the word "by" and insert in lieu thereof the words "pursuant to the provisions of."

On line 10, delete the word "section" and insert in lieu thereof the words "sections 1 and."

On line 10, delete the word "provides" and insert the word "required."

On line 11, delete the word "shall" and insert in lieu thereof the word "should."

On line 12, delete the period and add the words "and required that the deed of conveyance contain a condition to that effect."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "Removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy."

A motion to reconsider was laid on the table.

BANKERS & SHIPPERS INSURANCE CO.

The Clerk called the bill (H. R. 571) for the relief of Bankers & Shippers Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,905.78, to the Bankers & Shippers Insurance Co., of San Francisco, Calif., in full settlement of all claims against the United States for property damages sustained to the residence of Joseph J. Smith and Cecil A. Smith, at 67 Alexandria Avenue, Daly City., Calif., as the result of an accident involving a United States Army pursuit plane on December 5, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN E. BURNS

The Clerk called the bill (H. R. 632) for the relief of John E. Burns.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John E. Burns, Redding, Calif., the sum of $232.80. Such sum represents the amount to which the said John E. Burns was entitled on the date of separation from his employment with the Corps of Engineers, Department of War, Honolulu District, T. H., for annual leave which he accumulated during the period beginning July 2, 1942, and ending July 23, 1943, but which he did not receive on such separation date because of erroneous information given him by the Corps of Engineers, Honolulu district, that he would be paid for such leave upon his return to the continental United States, where such payment was later refused: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JANSSON GAGE CO.

The Clerk called the bill (H. R. 1034) for the relief of the Jansson Gage Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Jansson Gage Co., Detroit, Mich., the sum of $59,899.22, in full settlement of all claims against the United States for reimbursement of labor cost increase over its contract with the Treasury Department, Procurement Division, entered into during 1943 at the request of the War Production Board for the manufacture of essential war materials obtainable nowhere else.

With the following committee amendment:

On page 1, line 11, after the word "else" insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLIE HALES

The Clerk called the bill (H. R. 2456) for the relief of Charlie Hales.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charlie Hales, Hattiesburg, Miss., the sum of $3,011.45. Such sum represents compensation to the said Charlie Hales for the levy of execution made against him pursuant to a default judgment entered without his knowledge in favor of Hattie Warren (case No. 3722, Forest County, Miss.) for the loss of an arm caused to said Hattie Warren when the bus owned by the said Charlie Hales collided with an Army truck at Camp Shelby, Miss., on November 18, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL C. JUNEAU

The Clerk called the bill (H. R. 2806) for the relief of Paul C. Juneau.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Paul C. Juneau, of New Orleans, La., for personal injuries and loss of earnings sustained as the result of an accident involving a United States Army Air Force vehicle, near the intersection of North St. Patrick and Bienville Streets, in New Orleans, La., on February 18, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "$5,000" and insert "$3,000."

Page 1, line 6, after the word "Louisiana", insert "in full settlement of all claims against the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEW AMSTERDAM CASUALTY CO.

The Clerk called the bill (H. R. 5018) for the relief of the New Amsterdam Casualty Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,378.65 to the New Amsterdam Casualty Co. for reimbursement growing out of a suit for damages against F. E. Cameron, a contractor whom they had insured against liability. Said Cameron had a contract to move stone on the Newfound Gap Highway in the Great Smoky Mountains National Park, and on July 6, 1936, Homer Ownby, one of his truck drivers, was injured by being struck by a stone which was hurled by a blast in a stone quarry which was operated by the Federal Government. While the said F. E. Cameron had no connection whatsoever with said stone quarry, under the workmen's compensation act of the State of Tennessee, he was nevertheless held liable. The injury to said Ownby was due to the act of the agents of the Federal Government, for which the Federal Government is responsible, and the Federal Government should, therefore, reimburse the New Amsterdam Casualty Co. for the above amount: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEON NIKOLAIVICH VOLKOV

The Clerk called the bill (H. R. 2848) for the relief of Leon Nikolaivich Volkov.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is directed to record the admission to the United States on December 12, 1945, at Burlington, Vt., of the alien Leon Nikolaivich Volkov, as a lawful admission for permanent residence. In the administration of the immigration laws, the said Leon Nikolaivich Volkov shall not be regarded as having been at any time prior to the enactment of this act a person within the provisions of the act of October 16, 1918 as amended (U. S. C., 1940 ed., title 8, sec. 137), or those parts of sections 3 and 19 (a) of the act of February 5, 1917, as amended (U. S. C., 1940 ed., title 8, secs. 136 and 155 (a)), which relate to aliens who advocate or teach the unlawful destruction of property, or anarchy, or the overthrow by force or violence of the Government of the United States or of all forms of law or the assassination of public officials, or similar classes, and he may be naturalized, if otherwise eligible, regardless of provisions of section 305 of the Nationality Act of 1940, as amended (U. S. C., 1940 ed., title 8, sec. 705).

SEC. 2. Upon the enactment of this act, the Secretary of State shall reduce by one number the quota of the alien's nationality for the fiscal year then current or next following.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KARL FREDERICK KUCKER

The Clerk called the bill (H. R. 4804) to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and is hereby, authorized and directed to record the lawful admission for permanent residence of Karl Frederick Kucker, who entered the United States at New York, in April 1925, and that he shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted for permanent residence only as of that date and nullifying and canceling all other departures and entries which he might have made thereafter.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN WHITE BEAR

The Clerk called the bill (H. R. 2592) to authorize and direct the Secretary of the Interior to issue to John White Bear a patent in fee to certain lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to John White Bear, of Pine Ridge, S. Dak., a patent in fee to the following-described land situated on the Pine Ridge Indian Reservation in the State of South Dakota: Allotment No. 278, east half, section 16, township 35 north, range 43 west, of the sixth principal meridian, South Dakota, containing 320 acres.

With the following committee amendment:

Page 1, line 10, insert "*Provided*, That when the land herein described is offered for sale, the Oglala Sioux Tribe, or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LA FAYETTE BREWERY, INC.

The Clerk called the bill (H. R. 1601) for the relief of the La Fayette Brewery, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the La Fayette Brewery, Inc., of La Fayette, Ind., the sum of $5,642, with interest at 4 percent from January 28, 1944, in full satisfaction of its claim against the United States for a refund of the value of 89 canceled internal-revenue malt-liquor stamps valued at $4,347 and of 24 uncanceled internal-revenue malt-liquor stamps valued at $1,295 burglarized from the safe of the La Fayette Brewery, Inc., of La Fayette, Ind., January 28, 1944, which sum has heretofore been paid to the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, after the comma, strike out the balance of line 7 and the figures "1944" in line 8.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN AARON WHITT

The Clerk called the bill (H. R. 1017) for the relief of John Aaron Whitt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $25,000 to John Aaron Whitt, of 830 South Fifteenth Street, Birmingham, Ala., in full settlement of all claims against the United States for personal injuries and medical and hospital expenses sustained as the result of an accident involving a United States Army vehicle on United States Highway No. 78 near Heflin, Ala., on November 6, 1943.

With the following committee amendments:

Page 1, line 5, strike out "25,000", and insert "10,000". At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF ELWOOD GRISSINGER

The Clerk called the bill (H. R. 1782) for the relief of the estate of Elwood Grissinger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay and deliver to the estate of the late Elwood Grissinger, of Buffalo, N. Y., in full satisfaction of its claim against the United States, on account of the use outside of the United States of certain long-distance telephone patents, inventions, and devices of the said Grissinger by the American Expeditionary Forces during the World War and the subsequent sale thereof, such amount of bonds which the United States received from the Republic of France and other foreign countries, through the United States Liquidating Commission, as the Secretary of War, with the approval of the Secretary of the Treasury, finds to be equitable compensation as a result of such use and sale. The Court of Claims is hereby authorized and directed to render to the Secretary of War its opinion as to any matter as to which he requests to be advised, but such opinion, if any be requested and rendered, shall not limit the Secretary of War to determine suitable compensation hereunder.

With the following committee amendments:

Page 2, line 2, strike out "War" and insert "National Defense."

Page 2, line 4, after the period, insert "The Secretary of National Defense shall not be required to find that the estate of Elwood Grissinger is equitably entitled to any compensation as a result of such use and sale."

Page 2, line 6, strike out "War" and insert "National Defense."

Page 2, line 9, strike out "War" and insert "National Defense."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWYT CORP.

The Clerk called the bill (H. R. 1795) for the relief of the Lewyt Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated,

the sum of $12,172.37, to Lewyt Corp., of New York City, in full settlement of all claims against the United States for losses sustained by said corporation in the performance of fixed-price contract No. Cca–25755, dated June 27, 1947, for the manufacture for the Civil Aeronautics Administration of various monitor alarm receivers, which losses resulted from a bid based on a clerical error in transposing from one worksheet to another the figure representing the estimated cost of material: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF JOSEPHINE PEREIRA

The Clerk called the bill (H. R. 1857) for the relief of the estate of Josephine Pereira.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Josephine Pereira, of Honolulu, T. H., the sum of $3,945, in full settlement of all claims against the United States for damages on account of the death of the said Josephine Pereira, who was killed by a bullet fired by a soldier at the intersection of Ashley and Lowela Avenues, Pearl City, T. H., on July 5, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF ARTHUR EARL TROIEL, JR.

The Clerk called the bill (H. R. 2253) for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Arthur Earl Troiel, Jr., a minor, of Berkeley, Calif., the sum of $5,000. The payment of such sum shall be in full settlement of all claims (except claims for medical, hospital, nursing, and dental expenses actually incurred) against the United States on account of personal injuries sustained by the said Arthur Earl Troiel, Jr., on December 9, 1944, as the result of the explosion of flash bombs prepared for an Army-Navy war show at the Memorial Stadium, University of California, Berkeley, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES R. FRAZER

The Clerk called the bill (H. R. 2530) for the relief of James R. Frazer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James R. Frazer, of Poseyville, Ind., the sum of $236.11. The payment of such sum shall be in full settlement of all claims of the said James R. Frazer against the United States for reimbursement of charges for the transportation of his household effects from University City, Mo., to Huron, Ind., on or about April 4, 1946. Such charges were incurred when the said James R. Frazer, while employed by the Rural Electrification Administration, was transferred from St. Louis, Mo., to Washington, D. C., but caused his household effects to be shipped to Huron, Ind., instead of to Washington, D. C., because he was about to retire from Government service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LORETTA B. POWELL

The Clerk called the bill (H. R. 2807) for the relief of Loretta B. Powell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Loretta B. Powell, of Oakland, Calif., the sum of $4,121.75, in full settlement of all claims against the United States for the damages sustained by her on account of her personal injury on August 24, 1944, when she tripped over a wooden brace supporting a partition in the office of the Pacific Overseas Air Technical Service Command, Oakland, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OPAL HAYES AND D. A. HAYES

The Clerk called the bill (H. R. 3408) for the relief of Opal Hayes and D. A. Hayes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,500 to Opal Hayes and to pay the sum of $2,500 to D. A. Hayes, in full settlement of all claims against the United States for personal injuries and expenses incident thereto sustained as a result of an accident involving a United States Civilian Conservation Corps truck on Highway No. 27 near Harriman, Tenn., on December 24, 1936.

With the following committee amendments:

Page 1, line 5, strike out "2,500" and insert "511."

Line 6, strike out "2,500" and insert "519.50."

At the end of bill add "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE M. FORD

The Clerk called the bill (H. R. 1019) for the relief of George M. Ford.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay George M. Ford, of Birmingham, Ala., out of any money in the Treasury not otherwise appropriated, the sum of $900, in full satisfaction of his claim against the United States for personal injuries sustained while handling heavy scrap metal on or about November 19, 1943, while the said George M. Ford was in the performance of his duty as a member of the Volunteer Auxiliary Police, area 4, precinct 21–S, section 7, of Jefferson County, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$900" and insert in lieu thereof "$750."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AGNESE R. MUNDY

The Clerk called the bill (H. R. 1055) for the relief of Agnese R. Mundy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Agnese R. Mundy, postmaster at Rockmart, Ga., is relieved of all liability to refund to the United States the sum of $679.25. Such sum represents a shortage in the account of the said postmaster caused by the theft of postal notes and stamps on May 21, 1947. The Comptroller General is authorized and directed to credit the account of said postmaster in the sum of $679.25. The sureties of the said postmaster are released from any liability to refund to the United States the whole or any part of such sum of $679.25.

With the following committee amendment:

At the end of the bill add a new section as follows:

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Agnese R. Mundy an amount equal to any sum refunded to the United States by the said Agnese R. Mundy as a result of the shortage in her accounts as postmaster at Rockmart, Georgia, caused by the theft of postal notes and stamps on May 21, 1947."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CECIL L. HOWELL

The Clerk called the bill (H. R. 1493) for the relief of Cecil L. Howell.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHARLES E. ADER

The Clerk called the bill (H. R. 1792) for the relief of Charles E. Ader.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles E. Ader, of Winston-Salem, N. C., the sum of $189.75. The payment of such sum shall be in full settlement of all claims of the said Charles E. Ader against the United States for compensation for services performed between June 12, 1948, and July 23, 1948 (both dates inclusive), as United States Commissioner for the Middle District of North Carolina. Although the said Charles E. Ader performed the duties of such office during such period, and had occupied such office for a 4-year term ending June 12, 1948, his reappointment to such office was delayed by an oversight until July 23, 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 9, strike out "23" and insert "22."

Page 2, line 3, strike out "12" and insert "11."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF KENNETH N. PEEL

The Clerk called the bill (H. R. 2095) for the relief of the estate of Kenneth N. Peel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Kenneth N. Peel, deceased, the aggregate sum of $40,000, in full settlement of all claims against the United States, incident to, and growing out of, the death of said Kenneth N. Peel, as a result of being struck by an Army vehicle operated by Army personnel on Old Broadway, near the intersection of Olive Street, in the borough of Westville, N. J., on December 24, 1941, and said death having been caused by the negligent operation of said Army vehicle so as to cause it to run into the vehicle in which said Kenneth N. Peel was riding: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$40,000" and insert "$10,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IDA HOHEISEL, EXECUTRIX OF THE ESTATE OF JOHN HOHEISEL

The Clerk called the bill (H. R. 2925) for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,156.78 to Ida Hoheisel, executrix of the estate of John Hoheisel, late of Menasha, Wis. The payment of such sum shall be in full settlement of all claims against the United States for the death of John Hoheisel, which resulted from an accident involving a United States Army vehicle in Menasha, Wis., on September 6, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$5,156.78" and insert "$2,500."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES B. DEHART

The Clerk called the bill (H. R. 3139) for the relief of James B. DeHart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James B. DeHart, Tapoco, N. C., park warden in the Great Smoky Mountains National Park (Twenty-mile District), the sum of $2,002.95. Such sum shall be reimbursable for the loss of various items of personal property owned by the said James B. DeHart and destroyed on May 26, 1946, when the Twenty-mile warden station occupied by him was destroyed by fire originating from an electrical appliance: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NELSON BELL

The Clerk called the bill (H. R. 3501) for the relief of Nelson Bell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,547.61 to Nelson Bell, of Atlantic City, N. J., in full settlement of all claims against the United States for personal injuries and cost of court sustained as a result of an accident involving a United States Post Office Department truck, on October 29, 1942.

SEC. 2. The Secretary of the Treasury shall require the cancellation of judgment against Albert Worthington, the operator of the mail truck. Such judgment rendered in the United States District Court, District of New Jersey, on March 23, 1948, before payment shall be made under this Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof

shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time. and passed, and a motion to reconsider was laid on the table.

JOHN B. H. WARING

The Clerk called the resolution (H. Res. 253) for the relief of John B. H. Waring.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 3403) entitled "A bill for the relief of John B. H. Waring," now pending in the House of Representatives, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of facts and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH R. GREGORY

The Clerk called the bill (H. R. 1458) for the relief of Joseph R. Gregory.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph R. Gregory, of Mobile, Ala., the sum of $3,898.26, with interest thereon from July 1, 1942. Such sum represents additional expenses incurred by the said Joseph R. Gregory in the performance of a contract entered into by him with the United States to transport the mails on route No. 449001 at the city of New Orleans, La., for the period July 1, 1938, to June 30, 1942, using for such transportation regulation panel or screen-body motor vehicles. Such additional expenses were necessarily incurred by the said Joseph R. Gregory in order to handle the increased volume of mail occasioned by military maneuvers held in the State of Louisiana in 1941, and by wartime conditions prevailing in 1942. Such circumstances prevailing in 1941 and 1942 were unforeseeable at the time contract was entered into: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "with interest thereon from July 1, 1942."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LENORA FARWELL FRITZLER

The Clerk called the bill (H. R. 3667) authorizing the Secretary of the Interior to issue a patent in fee to Lenora Farwell Fritzler.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

GEORGE SWIFT HORSE

The Clerk called the bill (H. R. 2920) authorizing the issuance of a patent in fee to George Swift Horse.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to George Swift Horse, of White Horse, S. Dak., a patent in fee to the following-described land situated on the Cheyenne River Indian Reservation in the State of South Dakota: Allotment numbered 480, southwest quarter, section 29, township 17 north, range 26 east, of the Black Hills principal meridian, South Dakota, containing 160 acres.

With the following committee amendment:

Page 1, following line 10, add the following: "*Provided,* That when the land herein described is offered for sale, the Cheyenne River Sioux Tribe or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSIE LARVIE DILLON

The Clerk called the bill (H. R. 2706) authorizing the issuance of a patent in fee to Susie Larvie Dillon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Susie Larvie Dillon, of Box Elder, S. Dak., a patent in fee to the following-described land situated on the Pine Ridge Indian Reservation in the State of South Dakota: Allotment No. 7053, northwest quarter, section 26, township 42 north, range 37 west, of the sixth principal meridian, South Dakota, containing 160 acres.

With the following committee amendment:

Page 1, line 10, after the word "acres", insert "*Provided,* That when the land herein described is offered for sale, the Oglala Sioux Tribe, or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIDNEY BLACKHAIR

The Clerk called the bill (H. R. 4254) authorizing the Secretary of the Interior to issue a patent in fee simple to Sidney Blackhair.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Sidney Blackhair, of the Crow Indian Reservation, Mont., a patent in fee to the following-described lands allotted to him on the Crow Indian Reservation, Mont.: The southwest quarter of the southwest quarter of section 10, township 2 south, range 33 east, Montana principal meridian, containing forty acres.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the bills on the private calendar.

EXTENSION OF BENEFITS OF ANNUAL AND SICK LEAVE LAWS

Mr. McSWEENEY, from the Committee on Rules, reported the following privileged resolution providing for consideration of (H. R. 2619) to extend the benefits of the annual and sick leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees (Rept. No. 864) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2619) to extend the benefits of the annual and sick-leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. BRYSON asked and was given permission to extend his own remarks in the RECORD.

DISPLACED PERSONS ACT OF 1948

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 238 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas the Committee on the Judiciary under the Legislative Reorganization Act of 1946 has been given jurisdiction as a standing committee over legislation pertaining to immigration and naturalization; and

Whereas in the course of activities conducted in pursuance of section 136 of the Legislative Reorganization Act of 1946, and in the course of hearings held on legislation amending the Displaced Persons Act of 1948, it has been ascertained by the committee that the slowness of repatriation and resettlement of displaced persons, combined with the continuing influx of new refugees, tends to perpetuate this problem; and

Whereas the presence of over 10,000,000 refugees and "expellees" in the western zones of occupation in Germany and Austria, and in Italy, in addition to the problem of displaced persons and the surplus of population in Italy, is resulting in continuous pressure upon the very foundations of the United States immigration system; and

Whereas there is a considerable number of public and private legislation pending before the committee which tends to place upon the United States almost the entire burden of resettlement of this surplus population while the American taxpayer is already being called upon to bear the burden of the expenditures involved in the care, the maintenance, and the resettlement of these masses of migrant population; and

Whereas the International Refugee Organization is unable under its limited constitutional authority to provide for the solution of the problems above outlined; and

Whereas the above-outlined problems, in addition to considerable expense for the American taxpayer, involve a heavy burden for the devastated countries of Europe which the United States is assisting to rehabilitate, and a deterrent to a peaceful solution to Europe's economic, social, and racial difficulties; and

Whereas there is, therefore, an obvious need for a broad plan of international cooperation which would provide for a satisfactory solution of this emergency and for relieving the American economy of the expenditures involved: Now, therefore, be it

Resolved, That the Committee on the Judiciary, acting as a whole or by duly authorized subcommittee or subcommittees appointed by the chairman of the said Committee on the Judiciary, is authorized and directed to conduct such studies and investigations relating to matters coming within the purview of the preamble of this resolution as will be deemed appropriate by the committee.

SEC. 2. That upon the completion of such studies and investigations as provided for in section 1 of this resolution, but not later than within 6 months next following the effective date of this resolution, it shall be the duty of the committee to submit to the House of Representatives a report for appropriate legislative action with such recommendations as may be deemed desirable by the committee.

SEC. 3. That the Committee on the Judiciary, or any subcommittee or subcommittees thereof as designated by its chairman may sit and act during the present Congress at such times and places within or without the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings and to conduct such investigations as it deems necessary.

SEC. 4. That in making such studies and investigations and in holding such hearings as provided for in section 3 of this resolution, the committee is authorized to include the services and travel of the requisite staff to accompany the committee or its subdivisions on such study missions, investigations, and hearings within the United States or abroad; and to procure the advice and assistance of such officials of the Federal Government as deemed necessary by its chairman.

SEC. 5. That the expenses of conducting the studies, investigations, and hearings, including travel expenses and subsistence expenses, as incurred by the committee, or by its members, or by the members of its staff, not to exceed $45,000, including expenditures for printing and binding, employment of experts and clerical assistants, shall be paid out of the contingent fund of the House on vouchers authorized by the committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

Page 4, line 1, strike out all of section 5.

The SPEAKER. Without objection, the committee amendment is agreed to.

There was no objection.

Mr. DELANEY. Mr. Speaker, I yield myself 2 minutes, after which I will yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, this is a resolution authorizing the Committee on the Judiciary to conduct an investigation relative to displaced persons. Many complaints have been received by the committee; as a result a great deal of legislation has been proposed; the committee is virtually swamped with bills. They ask for authorization to conduct an investigation so that they can properly determine what legislation is necessary. This comes with the unanimous approval of the Committee on the Judiciary.

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 238 is a rather peculiarly drawn measure inasmuch as it contains a great many "whereases," but such paragraphs in this particular instance are necessary. The usual procedure has been to strike out all of the "whereases" in resolutions which have been submitted to the Committee on Rules, and to only consider the portion of the measure which is actually a resolution. However, in this particular piece of legislation the great House Committee on the Judiciary believed it necessary to set forth the reasons why this action is necessary, and that the statements contained in the "whereases" can be used as a basis for the functioning of the committee in the future in studying this particular refugee problem.

The Committee on Rules agreed fully in this particular instance with the position which had been taken by the Committee on the Judiciary. We do have before us here in America, and we have had before us for some time in the Congress. I might add, the rather grave problem as to America's responsibility in connection with war refugees. We have also had before us the question as to how the program which has been enacted by the Congress to handle refugees who have come to America has actually been working out. So, it is very befitting and proper for the Committee on the Judiciary to bring in this resolution and to request authority from the House for the right and responsibility of investigating our entire refugee program.

I want to congratulate the Judiciary Committee on its action. I have said many times on the floor of the House that the Congress has two primary responsibilities: One to legislate, and the other to investigate. I am confident that by the adoption of this resolution the Congress will give itself the means to learn and to determine for itself that which has been done and should be done in the future insofar as our refugee program is concerned.

Mr. Speaker, I hope this resolution will be adopted.

Mr. DELANEY. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALTER] to offer an amendmhent.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 3, line 5, after "but not later than" strike out "within 6 months next following the effective date of this resolution" and insert "on March 1, 1950."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING THE NATIONAL BANK ACT AND THE BRETTON WOODS AGREEMENTS ACT

Mr. SABATH. Mr. Speaker, I call up House Resolution 256 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 6-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this resolution makes in order the consideration of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes. The rule provides for 1 hour of general debate, after which the bill will be read for amendment under the 5-minute rule.

The main purpose of the bill is to permit the national banks and member banks of the Federal Reserve System to deal in and underwrite securities issued by the International Bank, also to exempt them from the provisions of the Securities Act of 1933 and the Securities and Exchange Act of 1934 with regard to securities issued or guaranteed by the bank. These restrictions under the two acts

must be removed in order that the International Bank may function properly in its financing operations. Forty nations are members of the International Bank, which has been in existence for 3½ years, and has proved to be an effective instrument of cooperation.

The bill is endorsed, recommended, and urged by the Secretary of the Treasury and approved by the Bureau of the Budget, the Federal Reserve Board, and the Securities and Exchange Commission. I do not think there is any opposition. I believe it was unanimously reported by the committee, and the rule was unanimously granted.

Now, Mr. Speaker, I ask unanimous consent to proceed out of order for a few minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SMITH of Ohio. Was there a report on this bill?

Mr. SABATH. Yes; a report was filed and the bill will be explained later on under the 5-minute rule by the committee. I have just given a broad résumé of the bill.

As I started to say, Mr. Speaker, about a half hour ago, the gentleman from Pennsylvania [Mr. RICH] stated that the production of the steel industry has been lowered. I have a report from the Monthly Letter of the National City Bank of New York, May, 1949, page 52, which among other things, sets forth the following:

TRENDS BY INDUSTRIES

In the steel industry, physical output in the first quarter of 1949 was 9 percent above last year, reflecting the increased heavy investment in plant and equipment which the industry was able to utilize at full capacity, and net income of 38 reporting companies increased by 66 percent.

The gentleman from Pennsylvania [Mr. RICH] did not say that industry is producing and employing more people today than they did in 1945, 1946 or 1947. It is to be regretted that the gentleman from Pennsylvania and others are trying to play into the hands of the manipulators who are attempting to emulate the tactics of 1947 and bring about a recession. They are repeating the same tactics now that they used in 1947 in order to affect the election of 1948.

Personally, I am of the opinion that our country is in splendid economic condition. Of course, perfection can never be reached; however, liberal, progressive Democrats are constantly striving for a perfect country, proceeding always on the assumption that one's reach should always exceed his grasp. The facts are that in May of 1949 there were still some people who were laid off due to some scattered strikes, but more people have been employed than have been laid off. A little over 300,000 people lost their jobs, but over 400,000 individuals went into new jobs and new work. From the various reports that we hear, and I deplore them, relative to unemployment, the aim and purpose of these reactionary economists and others is to bring about a recession. At this point I would like to read a short report from a leading newspaper which states as follows:

Corporations are paying out bigger dividends than they did in the boom year of 1948, the Commerce Department reports. The Department of Reports shows that the publicly reported cash dividends by corporations in April totaled $474,400,000 and were 3 percent higher than in April 1948.

Just think of it—3 percent higher than in the greatest boom year of 1948!

For February, March and April this year, the combined total was $1,384,000,000, and they were 8 percent above the same 3 months in 1948. The report of dividends accounted for about 60 to 65 percent of all dividends paid.

Understand, these are not my figures, but originate in the Department of Commerce.

Mr. Speaker, during these years, especially when the Democratic Party came into power and leadership, the assets of not only those corporations which I have mentioned, but 90 percent of all corporations have increased their assets nearly 100 percent. As I have previously pointed out, they have paid dividends during the first 3 months of 1949, which clearly indicates that these corporations have made higher profits for this period as compared to the same period in 1948.

I am inserting herewith figures representing the total assets of large corporations in 1949 as compared with 1930. These figures are taken from the June, 1949, issue of the Monthly Letter of the National City Bank of New York:

Total assets of large corporations in 1949, compared with 1930

Corporation	1930	1949
Standard Oil Co. (New Jersey)	$1, 767, 000, 000	$3, 526, 000, 000
General Motors Co.	1, 325, 000, 000	2, 958, 000, 000
United States Steel Corp.	2, 286, 000, 000	2, 535, 000, 000
E. I. du Pont de Nemours Co.	542, 000, 000	1, 585, 000, 000
Standard Oil Co. (Indiana)	697, 000, 000	1, 500, 000, 000
Texas Co.	610, 000, 000	1, 277, 000, 000
Gulf Oil Corp.	687, 000, 000	1, 191, 000, 000
General Electric Co.	516, 000, 000	1, 177, 000, 000
Bethlehem Steel Corp.	802, 000, 000	1, 029, 000, 000
Ford Motor Co. (1948)	761, 000, 000	1, 026, 000, 000
Western Electric Co.	373, 000, 000	786, 000, 000
Union Carbide & Carbon Corp.	354, 000, 000	723, 000, 000
Sinclair Oil Corp.	401, 000, 000	710, 000, 000
International Harvester Co.	384, 000, 000	672, 000, 000
Anaconda Copper Mining Co.	764, 000, 000	660, 000, 000
Shell Union Oil Corp.	662, 000, 000	641, 000, 000
Allied Chemical & Dye Corp.	388, 000, 000	597, 000, 000
Kennecott Copper Corp.	338, 000, 000	575, 000, 000

The life insurance companies have increased their assets and reserves in the last year alone by nearly $2,000,000,000.

In this connection, the Christian Science Monitor points out that these kinds of statements tend to scare the American people and is "another kind of poison gas we could do without." The maliciousness of statements which create and urge a recession and which fabricate the actual facts as to unemployment, certainly do not help preserve the best interests of our country nor do they aid the vested interests that employ these so-called economists for the purpose of spreading this fear propaganda. As President Roosevelt said, the only thing we have to fear is fear itself.

In view of these facts, and also in view of the fact that we have at least 58,000,000 people employed gainfully, I feel that the statements in some of the newspapers and the statements on the part of some of the Members relative to their "fear of recession" are unjustifiable, unwarranted, and are to be deplored by virtue of their being inaccurate. One financial writer of note, however, Robert P. Vanderpoel, financial editor of the Chicago Herald-American, in his column of June 6, 1949, states: "Hargrave finds United States bursting with capital." He refers to Homer P. Hargrave, managing partner of the Chicago office of the largest brokerage firm in the country. Mr. Hargrave stated that there is no dearth of equity or risk capital either actual or potential.

We all know that the banks in this country are loaded with money, and our production levels today are higher than they have ever been before. Therefore, as I said before, I see no cause for alarm either as to a recession or as to unemployment. The record speaks for itself. No doubt the war hysteria and fear did have some effect on business and our economy, but in view of the satisfactory arrangements we have made with Russia who yielded to us on certain conditions, and in view of the satisfactory conditions in Berlin and Austria, I feel favorable business results are bound to follow in short order. As a matter of fact, the aforementioned conditions will make business more favorable than it has ever been heretofore. Of course, some of the stock manipulators are trying to hammer down the stocks so that they can reacquire them at a lower cost, and they welcome such statements as have been made on the floor today and in the past, which are made for purely political purposes and motives and which invariably and unfortunately come to light by the Republicans whenever we have legislation before us in the best interests of the people such as the housing and labor bills. I hope these gentlemen will desist in their unfair remarks, and attacks which are not conducive, beneficial, or helpful to the best interests of our country.

I ask unanimous consent that I may revise and extend my remarks, Mr. Speaker.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, this resolution makes in order the bill (H. R. 4332) from the Committee on Banking and Currency, a bill to amend the National Bank Act, the Bretton Woods Agreement Act, and for other purposes. It is a rather technical and complicated measure which affects the rights

of banks and other financial institutions in this country to make certain investments. This is a matter on which the members of the Committee on Banking and Currency are well versed and will discuss in full detail on the floor under the provisions for general debate.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield to me for a question?

Mr. BROWN of Ohio. Yes, I yield.

Mr. WHITE of Idaho. I am interested in this bill. As you know, present commercial paper in the hands of banks is eligible for rediscount by the Federal Reserve banks and the issuance of currency. Would the securities of this bank be eligible for such rediscount?

Mr. BROWN of Ohio. I will say frankly that I do not know just what the provisions of this bill are or what effect it will have on bank credits and practices. I hope after the members of the Committee on Banking and Currency explain the measure in general debate that the gentleman from Idaho and I will both know more as to what the bill actually provides.

Mr. WHITE of Idaho. I wonder if the chairman of the committee would answer that question.

Mr. BROWN of Ohio. I do not yield for the purpose of asking questions of other Members. You can ask your questions during general debate.

Mr. WHITE of Idaho. I have already propounded the question to the gentleman and he does not seem to know much about it.

Mr. BROWN of Ohio. I have admitted frankly to the gentleman from Idaho that the gentleman from Ohio is not certain what this bill would do as far as credit arrangements by the banks of this Nation are concerned. I hope that after the bill is explained fully that I will understand it, and that the gentleman from Idaho will understand it.

I yield to the gentleman from Ohio, Dr. SMITH.

Mr. SMITH of Ohio. Unfortunately, I was not here when this bill was under discussion before the committee. Do I understand this permits national banks to invest in the securities of the international banks? Is that the main purpose?

Mr. BROWN of Ohio. It is my understanding that it does, but I again suggest that all questions as to the exact effect the bill will have should be discussed by members of the Committee on Banking and Currency rather than by members of the Rules Committee who are not experts on banking matters.

Mr. SMITH of Ohio. May I ask the chairman of the House Committee on Banking and Currency that question?

Mr. SPENCE. The purpose of the bill is to allow national banks to underwrite and deal in the securities of the World Bank. They already have the power to invest 10 percent of their capital and surplus in those securities. This bill would allow them to underwrite and deal in the securities of the World Bank. They are still limited to such 10 percent of their capital and surplus when they buy them for their portfolios.

Mr. SMITH of Ohio. Does that limitation apply in the present bill?

Mr. SPENCE. That is the present law, and it would still continue. They can invest for their own portfolios 10 percent of the capital and surplus in those securities under present law. This bill gives them the further power to deal in and to underwrite these securities.

Mr. SMITH of Ohio. To what amount?

Mr. SPENCE. To any amount; there is no limitation as to the amount of underwriting or dealing, but they would not be permitted to hold such securities as a result of underwriting, dealing or purchase in an amount greater than 10 percent of their capital and surplus. When they approve them the national banks can deal in them.

Mr. SMITH of Ohio. And that is permitted by this bill?

Mr. SPENCE. That is permitted by this bill. It is approved by the Treasury; it is approved by the Federal Reserve; it is approved by the National Advisory Council and the Bureau of the Budget, and also the Securities and Exchange Commission. While the report of this Commission is a little ambiguous, yet the chairman called me up the other day and said they were in favor of the bill.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. WHITE of Idaho. Will the gentleman from Kentucky tell the House whether when the World Bank securities become the property of the national banks will they then be eligible for rediscount with Federal Reserve banks and the issue of currency—money.

Mr. SPENCE. They will be eligible for rediscount.

Mr. WHITE of Idaho. They will be eligible paper?

Mr. SPENCE. They will be eligible paper.

Mr. WHITE of Idaho. And currency can be issued against them?

Mr. SPENCE. Yes; they will be eligible paper.

Mr. BROWN of Ohio. Mr. Speaker, I have no further requests for time.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, with Mr. PRESTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. SPENCE. Mr. Chairman, it seems hardly necessary for me to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of this bill because I am confident there is no substantial opposition to it.

The purpose of the bill is to permit the national banks to deal in and underwrite the securities of the World Bank. The national banks may now invest in these securities up to 10 percent of their capital and surplus; this has been permitted to them by a ruling of the Comptroller of the Currency. The Comptroller of the Currency can by order at any time declare these securities ineligible for the purpose provided in the bill.

That part of the bill which provides for an amendment to the Bretton Woods Agreement Act exempts from certain provisions of the Securities and Exchange Act as they have been in the past. The Securities and Exchange Commission, after consultation with the National Advisory Council, can retain their full authority over the issuance of these securities, as if no amendment of that character had been passed. The Treasury Department and the Federal Reserve Board favor the bill; it has been approved by the Bureau of the Budget and the Securities and Exchange Commission has written a favorable report on it.

The purpose of the bill is to create a broader field for wider competition and a more stable market for these securities.

The World Bank has served a very useful purpose. It was the result of the Bretton Woods agreement.

That bank has now lent to foreign governments about $650,000,000. It is a symbol of good will. Most of the investments are entirely safe. For the loans it makes there are taken the obligations or guarantys of these foreign governments and they can make loans against these obligations.

Mr. Chairman, there was no opposition to reporting this bill by the committee, and there was no opposition, I understand, in the Rules Committee, which ought to be a fine recommendation for the bill. I can see no reason to prolong the argument because I do not know that anyone has serious objection to the passage of the bill.

Mr. SMITH of Ohio. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, I am greatly opposed to this bill. The Bretton Woods agreement, the World Bank and the International Monetary Fund are monstrosities and there is no reason in the world why we should tie up our national banking system with that monstrosity any more than is the case at the present time.

If you will examine these loans that have been made to foreign governments you will find that they are made to governments that are bankrupt, and there are few governments in the world today that are not bankrupt or the loans are

made to governments that are indebted to us for obligations heretofore assumed.

Mr. Chairman, I want to register my violent opposition to this bill. I would like to see the Bretton Woods agreement rescinded and the International Bank Act repealed also. Those institutions have not performed the functions that we were told they would perform. They were to give us a stabilized world currency, but the condition of the currency of the world today is far less stabilized than at any time in history. The agreement was supposed to abolish bilateral trade agreements, yet we have more bilateral trade agreements than we ever had before and they are accumulating at an enormous rate.

Mr. Chairman, I repeat, I am opposed to this bill.

Mr. SPENCE. Mr. Chairman, I yield 8 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Members of the committee, no matter how you might have once voted on the International Bank, now that it is an established, going concern, no one would want to see it ended at this time or for it to be inadequately financed.

These bank loans, make no mistake about it, are strictly judged on the ability of the country and the project to repay in full this money that is being loaned by the International Bank. There is no charity, there is no grant, and there is no gift in this operation at all.

The bank is not doing any lending whatever at this time in Europe. That is being done by ECA under the Marshall plan, and most all of the operation of this program is being done in South America on carefully screened and surveyed projects that will be self-liquidating and will pay the bank not only its interest and principal, but 1 percent reserve fund which goes into the bank to make up for any losses that might occur.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. The gentleman is certainly acquainted with the experience that we have had with South American countries in respect to repayment of loans made to those countries, is he not?

Mr. MONRONEY. We have had some bad types of loans in the distant past, but our experience in the more recent past has been better.

Mr. SMITH of Ohio. What has that been? Is it not a fact that we have through lend-lease and other grants provided those countries with the very money that they used to pay us back those loans?

Mr. MONRONEY. No; I do not agree with the gentleman from Ohio that we are lending money to pay back the loans in South America at all.

I would say that the International Bank, with all the money from the member nations, with all sharing in the responsibility, in the contribution and the guaranty, that this will make it so that a borrowing country in order to protect its credit will have a greater concern over defaulting to all of the nations of the world than to only one lender nation. The only nation practically in the world that is not in this International Bank is the Russian state and her immediate satellites.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New York.

Mr. JAVITS. Does the gentleman feel that the International Bank is doing the job for which it was designed? The gentleman will remember that we had $3,000,000,000 tied up in the bank and that the people of the United States looked forward to this being a great development and reconstruction financing agency for the world. As a matter of fact, it has been very limited. It has only done about $650,000,000 worth of business on a capital running into approximately $8,000,000,000. Does not the gentleman feel that what we should rather be doing here today is finding some way of making this International Bank do the job, do the financing job which the world so badly needs, and which it is not doing?

Mr. MONRONEY. I think the pattern of the bank is being set to take only good loans that are possible of repayment. I think this is the policy that the United States would like to see the bank follow. I do not believe that you can rush into many countries at this time with more money than can actually be absorbed in sound projects and get the work done.

It is a matter of finding and engineering and designing projects where additional capital is needed so that it can be assimilated by these countries. The very fact that they have been conservative, I believe, will lead to a much more satisfactory situation in the International Bank when the world gets a little back more to normal. We recognize loans today to western European countries, for instance, could not be normal financing.

Mr. JAVITS. Is it not a fact that there are numerous loans in the Near East, for example, and Africa that are economic development loans, which the bank should make and is not making?

Mr. MONRONEY. The bank is considering making some railroad loans at this time to India, for example.

Mr. JAVITS. Is it substantial?

Mr. MONRONEY. I think these loans will be made. The roadbeds are good. The British people built good roadbeds, but they are short of equipment. They cannot get enough equipment in Europe and they want to buy it from us.

Mr. JAVITS. Does the gentleman feel and represent to the House that in passing this legislation, which incidentally I am in favor of, that will make of the bank that great financing agency which can step into a problem of world economic development to which the President has called attention and which the whole world knows is essential?

Mr. MONRONEY. I will say to the gentleman unless we do pass this legislation broadening the base for the sales of these bonds of the bank, there is no hope for any expansion. This $2,500,000,000 which we have up is a guaranty against losses for American investors against bad loans. This $2,500,000,000 is not lendable funds. The funds to lend must come from the sale of these securities that this bill provides. Thus $2,500,000,000 guaranty in the Treasury is to make up any losses, if such should occur, in company with other nations of the world. This gives us about a 60 percent insurance from other nations against losses while we would have a 40 percent ratio of any loss.

Mr. JAVITS. This fund is a guaranty fund, that is why banks will underwrite the bonds.

Mr. MONRONEY. They are not lendable funds, only the funds in dollars from bonds that we are able to sell here in this country we are talking about. We are trying to widen the market where there are funds to lend to improve financing the World Bank.

Mr. JAVITS. What I am trying to adduce from the gentleman is that the gentleman is not representing to the House that it is the policy of the United States that the International Bank shall be the great financing agency which is going to take over world economic development, or that this legislation will make it that. We are still dealing with the bank on the basis of quite limited and orthodox loans for economic projects in various parts of the world, but that is not the major economic stimulus that the world needs.

Mr. MONRONEY. I do not think you can expect the bank to do that at this time.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. WHITE of Idaho. Will not making the securities of the World Bank, mostly foreign paper, eligible here, operate to dilute our currency and dilute our credit?

Mr. MONRONEY. I do not see how it could possibly do so. As a matter of fact, the banks now have full authority to invest in these bonds up to 10 percent of their deposits. They have that under the Comptroller of the Currency. We are merely allowing these banks to pass on and sell these bonds to their customers.

They can buy other bonds, if they wish. We do not want these bonds frozen in the banking system, because immobile investment for banks in any securities is not good business.

Mr. WHITE of Idaho. It is admitted that this bill will make the securities of foreign borrowers handled by this World Bank eligible for rediscount by the national banks at the Federal Reserve bank.

Mr. MONRONEY. To the Federal Reserve System.

Mr. WHITE of Idaho. That will make them in turn eligible for the issuance of currency. United States dollars, money that the rest of the world is clamoring for, the power to purchase goods produced by the American farmer and American labor.

Mr. MONRONEY. Through the Federal Reserve System. They cannot issue Federal Reserve notes. It is the same as the gentleman's note or the note of any business in a bank, it is eligible for rediscount, but that is not going to have any material effect on the currency.

Mr. WHITE of Idaho. If they are eligible for rediscount by the banks to the Federal Reserve bank, then they can be used as security and backing for the issuance of currency.

Mr. MONRONEY. By the Federal Reserve System only.

Mr. WHITE of Idaho. Yes.

Mr. MONRONEY. But the Federal Reserve System has never needed to use that authority in the past.

Mr. WHITE of Idaho. The gentleman knows that after the boom period of the first war the peak amount of currency outstanding was $6,500,000,000. We now have $27,000,000,000. If we make these securities eligible we can dilute our currency that much further, which would be inflation, and it also can dilute our national credit.

Mr. MONRONEY. That would be infinitesimal, however, compared to the dilution that could occur in the expanding currency under present existing laws.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. SMITH of Ohio. I should like to know what the demand is for this bill as far as the national banks are concerned. Are we to understand that the national banks need this as an outlet for their funds?

Mr. MONRONEY. I think the national banks would always welcome the opportunity to deal in any good securities. They now have the right to invest their funds in these bonds. What we are talking about is the right to sell these bonds to their customers. That is the issue here. I believe they would like to have that additional market, to be able to sell to their investors, and they have customers whom they can reach to offer these bonds. That is as much as to say they need this as an outlet for their funds and that they have no prospects of investing the money.

Oh, they have other prospects, but they do also have markets for bonds and I believe this is a sound investment.

Mr. SPENCE. Mr. Chairman, I have no further requests for time, and if there are no requests for time on the other side, I ask that the Clerk read.

The Clerk read as follows:

Be it enacted, etc., That paragraph Seventh of section 8 of the National Bank Act, as amended (U. S. C., title 12, sec. 24), is amended by adding to the end thereof the following new sentence: "The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall hold obligations issued by said bank as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount exceeding at any one time 10 percent of its capital stock actually paid in and unimpaired and 10 percent of its unimpaired surplus fund."

SEC. 2. The Bretton Woods Agreements Act, as amended (U. S. C., title 22, secs. 286–286k), is amended by adding at the end thereof a new section to be numbered section 15 and to read as follows:

"SEC. 15. (a) Any securities issued by International Bank for Reconstruction and Development (including any guaranty by the bank, whether or not limited in scope, and any securities guaranteed by the bank as to both principal and interest, shall be deemed to be exempted securities within the meaning of paragraph (a) (2) of section 3 of the act of May 27, 1933, as amended (U. S. C., title 15, sec. 77c), and paragraph (a) (12) of section 3 of the act of June 6, 1934, as amended (U. S. C., title 15, sec. 78c). The bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the bank and its operations and necessary in the public interest or for the protection of investors.

"(b) The reports of the National Advisory Council provided for in section 4 (a) (6) of the Bretton Woods Agreements Act shall also cover and include the effectiveness of the provisions of section 15 (a) of this act and the exemption for securities issued by the bank provided by section 8 of the National Bank Act in facilitating the operations of the bank and the extent to which the operations of the bank may assist in financing European recovery and the reconstruction and development of the economic resources of member countries of the bank and the recommendations of the Council as to any modifications it may deem desirable in the provisions of this act."

SEC. 3. The Securities and Exchange Commission acting in consultation with the National Advisory Council on International Monetary and Financial Problems is authorized to suspend the provisions of section 15 (a) of the Bretton Woods Agreements Act at any time as to any or all securities issued or guaranteed by the bank during the period of such suspension. The Commission shall include in its annual reports to Congress such information as it shall deem advisable with regard to the operations and effect of this act in connection therewith shall include any views submitted for such purpose by any association of dealers registered with the Commission.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my understanding that the Committee on Interstate and Foreign Commerce considered this bill very thoroughly last year and turned it down. It was objected to by the Securities and Exchange Commission and I think for a very good reason. I want the House to know this before we vote on the bill.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. SPENCE. This is not the bill which the Securities and Exchange Commission failed to recommend last year. It is a very different bill and is very much more limited than the other one.

Mr. SMITH of Ohio. Would the gentleman care to explain what the difference is?

Mr. SPENCE. I do not know that I could go into the details, but I remember that the other bill was very much broader than this one. The answer to the whole thing is that the Securities and Exchange Commission recommends this bill and the report so shows. Not only that, but Mr. Hanrahan, the Chairman of the Securities and Exchange Commission, called me up and personally told me that they recommended the passage of the bill.

Mr. SMITH of Ohio. As I understand it, it serves the same purpose as the bill which was before the committee previously.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MONRONEY. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this is a completely different bill from the bill that was before the Committee on Interstate and Foreign Commerce last year in that the securities on foreign loans were themselves guaranteed as to principal and interest by the bank. The bank acted as a guarantor in this operation.

The present bill covers only securities issued by the bank itself. In other words, one of the principal operations of the International Bank is to make a loan, we will say, to Chile for mining machinery and to sell that loan to New York investors and to guarantee the loan. Obviously if they were going to guarantee loans made by private concerns then these should not be exempt from the Securities and Exchange Act.

But this bill, which is before us today, covers only the direct securities issued by the International Bank. One point I would like to make regarding that is that the Securities and Exchange Commission does not investigate any municipal bonds or school district bonds or county bonds or housing bonds or any State bonds. These world bank bonds come under that category of a Federal guaranty up to the amount of our guaranty in the International Bank. They cannot exceed the amount that we are guaranteeing in this. For that reason the securities are not necessarily involved in approval by the Securities and Exchange Commission. I understand that they have absolutely no objection to this bill, whereas they had strong objection to the bill last year.

Mr. SMITH of Ohio. Will the gentleman yield further?

Mr. MONRONEY. I yield.

Mr. SMITH of Ohio. Does not the gentleman think that since we have lost so much money in foreign loans it might be a good thing to put this matter under the jurisdiction of the Securities and Exchange Commission?

Mr. MONRONEY. The Securities and Exchange Commission have a very definite hand in this. I would like to explain it. The present bill exempts the Bank's bonds from the Securities Acts, but with the following safeguards:

First. The bank is required to file with the Securities and Exchange Commission such annual and other reports with regard to securities issued or guaranteed by the bank as the Commission determines to be appropriate in view of the special character of the bank and its

operations, and necessary in the public interest or for the protection of investors.

Second. Both the National Advisory Council—and that includes the Secretary of State and the Secretary of Commerce and other responsible public officials—and the Securities and Exchange Commission are required to report to the Congress with respect to the provisions of this bill. In addition, the Securities and Exchange Commission is required to include in its reports any views submitted for such purpose for any association of dealers registered with the Commission.

Third. The Securities and Exchange Commission, acting in consultation with the National Advisory Council, is authorized, in effect, to reinstate at any time the applicability of the Securities Acts to securities thereafter issued or guaranteed by the bank.

I think this bill before you is sufficiently different and changed and safeguarded to the point where I am sure it is deserving of passage at this time.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. MONRONEY] has expired.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JAVITS. Mr. Chairman, I had no intention of speaking to this bill, but in view of the colloquy I had with the gentleman from Oklahoma [Mr. MONRONEY], a distinguished member of this committee, and a very well informed Member of the House, I would like to inform the House that I have been giving a great deal of thought to the function and place of the International Bank and Fund in international affairs, as they affect the United States. I propose when the President sends up his message on point 4—and I think we are all aware of what that is; the idea of helping with the technical resources of America in the economy of the world—I propose to undertake on the floor, and I hope other Members will participate in it, a rather complete discussion as to where we go after the European recovery plan. I think our people are beginning to think about that very seriously. One of the great reasons, I believe, for the fear of recession or even a depression is that the United States has not made clear the policy which will follow the ERP, and that our people recognize that we cannot be prosperous alone in a world which is broke. The forecasts from overseas do not indicate that by 1952 all of western Europe, and, indeed, the great contiguous territory of the world which is interrelated with western Europe, will be in any financial condition to carry on on a sound economic level.

The United States sooner or later will have to come forward with its blueprint for the economic future of the free world, a world that still has private economy. Our world position is such that in our own economic and social interest we will have to come forward with our blueprint as to what we shall do for the future.

There were great hopes in the International Bank. There were great hopes in the Monetary Fund, but I think it becomes very clear that they have operated insofar as world economic recovery is concerned, in an exceedingly limited way, and I think it becomes clear that, although their function should desiredly be carried on, we cannot depend on them to take over at the point where the European recovery plan leaves off.

Two estimates are very significant. One, that there will be a deficit in the trading accounts of the European nations, even after 1952, of somewhere between one and three billion dollars a year.

Second, that under the best conditions which can be thought through by the various business organizations of the United States, not over $2,000,000,000 a year in private investment can be foreseen to follow the period of 1952. With the magnitude of these figures in mind—and in my opinion these figures are conservative—we consider the International Bank which has so far made in the aggregate in all of its existence $650,000,000 in loans. No one wants it to be other than a conservative agency in the actual loans which it makes, but we had a right to expect that in its planning and its use in connection with world needs would be on a more comprehensive basis than has been shown in the past or than is contemplated for the future.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. SMITH of Ohio. What causes the gentleman to think that there is any prospect of this foreign aid being discontinued in 1952? We have been carrying it on now definitely since 1918; we have poured over a hundred billion dollars into foreign countries. I should just like to know why the gentleman speaks of even the possibility of the aid ending in 1952.

Mr. JAVITS. I would like to say to the gentleman that I was one of the members of the Committee on Foreign Affairs who discussed that very subject on the two occasions when the European recovery program has been before us. I feel, and Members of the House generally, Republican and Democrat alike, I believe feel pledged to the proposition stated in the European recovery program legislation that it shall end in 1952. Now, as mature people we understand that we may do something else; we may even continue, if we desire to, the same thing; but our present policy as at present outlined is that this program with all its connotations shall end in 1952.

Looking ahead, I am raising the point today as to post ERP, because I think it is a pertinent point to raise, for the consideration of the House. I will endeavor to make my modest contribution to its consideration. The fact that we should already begin to be thinking ahead as to what shall come in the future is to me clear because we face decisions that will materially affect the prosperity of the United States today. The determinant as to whether or not we shall be prosperous is very largely psychological in view of the fact that we still retain our productive power, yet the masses of the people of the country are afraid of a coming recession or depression.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. SMITH of Ohio. I would like to ask the gentleman how long he thinks the United States is going to be able to carry this load. It is a question now as to whether we are not bankrupt already, and some of us are really concerned about the matter. I am just wondering what the gentleman thinks about it.

Mr. JAVITS. I may say to the gentleman from Ohio that what the United States can do depends upon the productive power of the United States; that we do not live in a static world; that a national debt before the war of well under $90,000,000,000 was a sound national debt when our total production was only $90,000,000,000. While today a national debt of around $250,000,000,000 as compared to a gross national product of around $250,000,000,000 makes the debt good; I say to the gentleman as follows: That if our productive power increases—our productive power doubled during the period of the war—we can be more prosperous, even doing far more for the world than we are doing today, just as long as in the process our productive power increases and our national resources are conserved; that is the one determinant.

Mr. SMITH of Ohio. The gentleman realizes that at this point in our national history and economy taxes are so high in the United States that they are destroying risk capital to the point where we are no longer able to keep up our productive capacity. We need about $80,000,000,000 additional right now in order to bring our productive capacity up to the 1930 level.

Mr. JAVITS. May I point out to the gentleman that if our productive power increases tax rates can be lowered and we can still raise more money than the taxes are raising today. We must remember that these things are entirely relative and entirely based on productive power.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. GROSS. The gentleman realizes, of course, that there is a great deal of difference between the inflation which occurred before the war and the inflation which we have today and its effect on the national debt.

Mr. JAVITS. That is perfectly true, that the dollar has been inflated in terms of its value prior to 1939, but it is a fact, also, that our actual production in the terms of goods and services has almost doubled during the war period, and we must take this factor into consideration in considering the inflation.

Mr. GROSS. But what about the inflation?

Mr. JAVITS. Discounting the inflation of the dollar our production has still almost doubled.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last two words and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Chairman, since I became a Member of the House of Representatives some years ago and having been here to observe all of the revisions and changes in our banking laws that were made necessary particularly during the depression years, it has been exceedingly interesting to watch the manner in which such legislation is handled in this branch of the Congress and the tactics that are followed by the chairman of the Banking and Currency Committee. I do not refer specifically to the present chairman but to former chairmen. They come before the House with absolute control of all the time to discuss the bill. Their main objective is to get the bill passed no matter how many jokers may be in it or what effect it may have on the financial stability of our country. With them it is a matter of getting the bill passed no matter whether the Members on the floor of the House may know anything about money, financing or not. The time is usually allocated to loquacious talkers—I will not say speakers—who are permitted to consume all of the time. The men who are permitted to speak usually know little about the issue. Many Members who do know something about money and finance are excluded and cannot get even a minute to speak about most vital things affecting the stability of our country.

It has been my observation also that when more or less important financial legislation, such as this, is brought before the House there is an attendance of about one-tenth of the total membership. Members will sit in the cloakroom and ask another Member: "What do you think about this bill and the effect on the country?" The answer is given, "I do not know too much about money, I do not think anybody else does, so I am going to follow the committee."

That has been the general attitude of Members of the House on practically all of these money and banking bills.

Now, Mr. Chairman, I want to read a section from the bill we are considering. For instance, there is the following:

> The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development which are at the time eligible for purchase by a national bank for its own account.

What does that mean?

The International Bank was created to lend money to borrowers in foreign countries. Under the set-up a large part of our gold was taken from the Treasury to establish a fund for the use of the world bank in making loans to foreign countries. This bill is a vehicle and an instrumentality to shift the responsibility of the financial risk from the International Bank over to our Federal Reserve System. If we make these securities eligible for rediscount there will be nothing to prevent the national banks depositing these foreign securities with the Federal Reserve bank and securing the issue of currency against those deposits, as it happened when we made our national bonds eligible for rediscount and the issuance of currency by the Federal Reserve bank. Today we have between twenty-eight and twenty-nine billion dollars in circulation. In my opinion most of it is hoarded; much of it in foreign countries; at any rate, it is supposed to be in circulation. It is practically all secured by the deposit of United States bonds, which are paying interest to the banks. Under our Federal Reserve System this currency, these $5, $10, and $50 bills that you carry around in your pocket, pays interest. Under the Federal Reserve money system somebody has to pay interest on the amount of that currency all the time it is in circulation. As I see it the Federal Reserve money system works very similar to a game of draw poker. You may go into a saloon or a place where a poker game is going on and you decide you would like to sit in. So you go over to the bartender or the man who banks the game and say: "Give me a stack." You lay down a $20-bill and he gives you a stack of chips. You get blue chips, which are a dollar, red chips, which are 50 cents, and white chips, which are 25 cents. You sit in the game. You have to ante. Maybe you are lucky. You get a good hand and you win the pot. You stack up your winnings. You are ahead of the game. You go in with $20 and you decide to cash in and come out with perhaps $50.

You walk over to the bartender or the man who is banking the game and you tell him you want to cash in the stack. For every one of your blue chips you get a dollar, for every one of the red chips you get 50 cents. He stacks up your white chips worth 25 cents, and he pays you. Then he throws these chips back into a box behind the counter, but when they get back in that box they are nothing in the world but celluloid chips worth two for a penny. The blues are not worth any more than the reds or the whites. The white chips are worth as much as the blues. So it is with the Federal Reserve money. When you bring in your Federal Reserve currency consisting of everyday paper money—5, 10, 20, and 50 dollar bills—and take up your note at the bank you can destroy your canceled note and the Federal Reserve bank can destroy the Federal Reserve notes which when they are back in the bank represent just so much engraved paper—like the poker chips—the bills of one denomination are of no more value than the other.

I have it from the United States Treasury that before the depression when the Federal Reserve banks contracted the currency—the banks actually called in, retired, and destroyed, burned up, if you please—over $2,000,000,000 in Federal Reserve currency. This so-called paper money—these everyday 5, 10, 20, and 50 dollar bills—and you know what happened to the country as a result of that banking policy.

This scheme here, if I see it right—and if I am not right I want to be corrected by the eminent chairman of the Committee on Banking and Currency—is simply a measure that will permit the World Bank to shift the load and the responsibility of the foreign loans they make into our currency system and into our Federal Reserve Banking System. As I call the attention of the House to the effect of this plan and its effect on our national economy, I do not see much interest indicated by the chairman of the Committee on Banking and Currency. Of course, he is the master of this financial plan, and we have got into the condition we find ourselves in today by just such legislation, and I am just wondering where we are going from here. In the words of the piece in our old school reader, "The falls are below you."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRESTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, pursuant to House Resolution 256, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the "ayes" seemed to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 293, nays 55, not voting 84, as follows:

[Roll No. 110]

YEAS—293

Abbitt	Anderson, Calif.	Barden
Abernethy	Andrews	Baring
Addonizio	Angell	Barrett, Pa.
Albert	Aspinall	Bates, Ky.
Allen, Calif.	Auchincloss	Bates, Mass.
Allen, La.	Bailey	Battle

Beall	Hardy	Nelson
Biemiller	Hare	Nicholson
Blackney	Harris	Nixon
Blatnik	Hart	Noland
Boggs, Del.	Harvey	Norblad
Boggs, La.	Havenner	Norrell
Bolling	Hays, Ark.	Norton
Bolton, Md.	Hays, Ohio	O'Brien, Ill.
Bolton, Ohio	Hébert	O'Brien, Mich.
Bonner	Hedrick	O'Hara, Ill.
Bosone	Heffernan	O'Neill
Boykin	Heller	O'Sullivan
Brehm	Herter	O'Toole
Brown, Ga.	Heselton	Pace
Brown, Ohio	Hill	Passman
Bryson	Hobbs	Patman
Buchanan	Hoeven	Patten
Buckley, Ill.	Hoffman, Ill.	Patterson
Burleson	Holifield	Perkins
Burnside	Holmes	Peterson
Burton	Hope	Pfeiffer, William L.
Camp	Horan	Phillips, Tenn.
Cannon	Howell	Pickett
Carnahan	Huber	Poage
Carroll	Irving	Potter
Case, N. J.	Jackson, Calif.	Preston
Cavalcante	Jackson, Wash.	Price
Celler	Jacobs	Priest
Chelf	James	Rabaut
Chesney	Javits	Ramsay
Christopher	Jensen	Redden
Chudoff	Johnson	Reed, Ill.
Cole, Kans.	Jones, Ala.	Regan
Colmer	Jones, Mo.	Rhodes
Combs	Jones, N. C.	Ribicoff
Cooper	Judd	Richards
Cotton	Karst	Rodino
Coudert	Karsten	Rogers, Fla.
Cox	Kean	Rogers, Mass.
Crook	Keating	Rooney
Crosser	Kelley	Roosevelt
Cunningham	Kennedy	Sabath
Dague	Keogh	Sadlak
Davenport	Kerr	Sadowski
Davis, Wis.	Kilburn	St. George
Dawson	King	Scott, Hugh D., Jr.
Deane	Kirwan	Sheppard
DeGraffenried	Klein	Sikes
Denton	Kruse	Simpson, Pa.
Dollinger	Lane	Sims
Dolliver	Lanham	Smith, Va.
Dondero	Larcade	Spence
Doughton	LeFevre	Staggers
Douglas	Lesinski	Stanley
Eaton	Lind	Steed
Eberharter	Linehan	Sullivan
Elliott	Lodge	Sutton
Ellsworth	Lovre	Talle
Elston	Lucas	Tauriello
Engle, Calif.	Lynch	Teague
Evins	McConnell	Thomas, Tex.
Fallon	McCormack	Thompson
Feighan	McCulloch	Thornberry
Fenton	McDonough	Tollefson
Fernandez	McGrath	Trimble
Fisher	McGuire	Underwood
Flood	McKinnon	Van Zandt
Fogarty	McMillan, S. C.	Velde
Forand	McSweeney	Vorys
Ford	Mack, Ill.	Wagner
Frazier	Mack, Wash.	Walsh
Fugate	Madden	Walter
Fulton	Magee	Welch, Calif.
Furcolo	Mahon	Welch, Mo.
Gamble	Mansfield	Wheeler
Gathings	Marsalis	Whitten
Gavin	Marshall	Wickersham
Gillette	Martin, Mass.	Wier
Goodwin	Merrow	Wigglesworth
Gordon	Michener	Williams
Gorski, Ill.	Miles	Willis
Gorski, N. Y.	Miller, Calif.	Wilson, Okla.
Gossett	Miller, Md.	Wilson, Tex.
Graham	Mills	Winstead
Granahan	Mitchell	Wood
Grant	Monroney	Woodhouse
Green	Morgan	Worley
Gregory	Morris	Yates
Gwinn	Morton	Young
Hagen	Moulder	Zablocki
Hall, Leonard W.	Multer	
Halleck	Murray, Tenn.	
	Murray, Wis.	

NAYS—55

Andersen, H. Carl	Bramblett	Gross
Andresen, August H.	Burdick	Hinshaw
Arends	Byrnes, Wis.	Hull
Barrett, Wyo.	Church	Jenkins
Bennett, Fla.	Crawford	Jonas
Bennett, Mich.	Curtis	Keefe
Bishop	Davis, Ga.	LeCompte
	D'Ewart	Lemke
	Golden	Macy
Martin, Iowa	Reed, N. Y.	Smith, Ohio
Mason	Rees	Smith, Wis.
Meyer	Rich	Stefan
Miller, Nebr.	Sanborn	Tackett
O'Hara, Minn.	Scrivner	Vursell
O'Konski	Scudder	Weichel
Phillips, Calif.	Secrest	Werdel
Polk	Simpson, Ill.	White, Idaho
Poulson	Smathers	Withrow
Rankin	Smith, Kans.	Wolverton

NOT VOTING—84

Allen, Ill.	Garmatz	Murphy
Beckworth	Gary	Pfeifer, Joseph L.
Bentsen	Gilmer	Philbin
Bland	Gore	Plumley
Breen	Granger	Powell
Brooks	Hale	Quinn
Buckley, N. Y.	Hall, Edwin Arthur	Rains
Bulwinkle	Hand	Riehlman
Burke	Harden	Rivers
Byrne, N. Y.	Harrison	Sasscer
Canfield	Herlong	Scott, Hardie
Carlyle	Hoffman, Mich.	Shafer
Case, S. Dak.	Jenison	Short
Chatham	Jennings	Stigler
Chiperfield	Kearney	Stockman
Clemente	Kearns	Taber
Clevenger	Kee	Taylor
Cole, N. Y.	Kilday	Thomas, N. J.
Cooley	Kunkel	Towe
Corbett	Latham	Vinson
Davies, N. Y.	Lichtenwalter	Wadsworth
Davis, Tenn.	Lyle	Whitaker
Delaney	McCarthy	White, Calif.
Dingell	McGregor	Whittington
Donohue	McMillen, Ill.	Wilson, Ind.
Doyle	Marcantonio	Wolcott
Durham	Morrison	Woodruff
Engel, Mich.	Murdock	
Fellows		

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Rains with Mr. Taber.
Mr. Gilmer with Mr. Allen of Illinois.
Mr. Joseph L. Pfeifer with Mr. Canfield.
Mr. Clemente with Mr. Towe.
Mr. Buckley of New York with Mr. Short.
Mr. Powell with Mr. Plumley.
Mr. Quinn with Mr. Hand.
Mr. Delaney with Mr. Corbett.
Mr. Morrison with Mr. Lichtenwalter.
Mr. Whitaker with Mr. Kunkel.
Mr. White of California with Mr. Hardie Scott.
Mr. Murphy with Mr. Hoffman of Michigan.
Mr. Byrne of New York with Mr. Kearns.
Mr. Garmatz with Mr. Woodruff.
Mr. Gary with Mr. Shafer.
Mr. Harrison with Mr. Riehlman.
Mr. Breen with Mr. Cole of New York.
Mr. Davies of New York with Mr. Fellows.
Mr. Donohue with Mr. Jennings.
Mr. Philbin with Mr. McGregor.
Mr. McCarthy with Mr. Latham.
Mr. Kilday with Mr. Taylor.
Mr. Stigler with Mr. Chiperfield.
Mr. Vinson with Mr. Engel of Michigan.
Mr. Sasscer with Mr. Wolcott.
Mr. Chatham with Mr. Kearney.
Mr. Cooley with Mrs. Harden.
Mr. Dingell with Mr. Wadsworth.
Mr. Lyle with Mr. Stockman.
Mr. Rivers with Mr. McMillen of Illinois.
Mr. Herlong with Mr. Hale.
Mr. Beckworth with Mr. Jenison.
Mr. Doyle with Mr. Edwin Arthur Hall.
Mr. Burke with Mr. Wilson of Indiana.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on H. R. 5246.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. YATES asked and was given permission to extend his remarks in the RECORD.

Mr. PRIEST asked and was given permission to extend his remarks in the RECORD and include excerpts and testimony on the subject of All Freight Air Lines.

Mrs. BOLTON of Ohio asked and was given permission to extend her remarks in the RECORD and include a commencement address delivered by her at the Meharry Medical College.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the New Hampshire Medical Society.

Mr. WOLVERTON asked and was given permission to extend his remarks in the RECORD and include a speech delivered by General Hester on Flag Day.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include a newspaper article from the Des Moines Register.

Mr. VURSELL asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD.

FEDERAL BUREAU OF INVESTIGATION

Mr. VELDE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, in the last several days newspapers have been carrying stories of the attack on Mr. J. Edgar Hoover and the FBI, by Dr. Edward U. Condon, who is head of the Bureau of Standards, and Clifford J. Durr, lawyer and former member of the Federal Communications Commission. The unmitigated gall of these attackers, if the newspaper reports be true, could only have been prompted by a fear of further revelation of related communistic associations.

For some reason or other, Mr. Hoover has not seen fit to answer these vicious attacks. As a former FBI agent, I want to go on record as saying that the methods and techniques of investigation used by the FBI have been in entire accordance with our American principles of protection of civil rights—in fact, Mr. Hoover has leaned over backwards to make all his investigations fair, and has always refused to allow any of his agents to use third degree or other improper police techniques to obtain information.

Neither Mr. Hoover, nor the Department of Justice, were responsible for the

revelations against Condon in the Judith Coplon trial. Judith Coplon and her attorney must bear the entire responsibility for any associations with Communist activities by Condon and his wife which were revealed by these papers. They insisted that the contents of the paper be revealed; the United States Attorney and the FBI insisted that they be kept secret. The attack by Condon and Durr, therefore, is entirely unfounded and unwarranted. Any person with even the slightest knowledge of legal procedure should know this.

NURSERY AND NURSERY SCHOOLS, DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, I call up the conference report on the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 847)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "$100,000"; and the Senate agree to the same.

T. G. ABERNETHY,
WALTER K. GRANGER,
A. L. MILLER,
Managers on the Part of the House.

J. HOWARD MCGRATH,
LESTER C. HUNT,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3967) to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 3 of the House bill amended section 4 of the act of July 16, 1946, entitled "An act to authorize and direct the Board of Public Welfare of the District of Columbia to establish and operate in the public schools and other suitable locations a system of nurseries and nursery schools for day care of school-age and under-school-age children, and for other purposes," so as to authorize the appropriation of not exceeding $50,000 to carry out the purposes of such act of July 16, 1946, as amended, for the fiscal year ending June 30, 1950. The Senate amendment raised the limit on the amount authorized to be so appropriated from $50,000 to $150,000. The House recedes with an amendment which places the limit on the amount authorized to be so appropriated at $100,000.

T. G. ABERNETHY,
WALTER K. GRANGER,
A. L. MILLER,
Managers on the Part of the House.

Mr. ABERNETHY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. PRESTON] is recognized for 30 minutes.

WORLD ASSEMBLY FOR MORAL REARMAMENT

Mr. PRESTON. Mr. Speaker, as chairman of a special committee appointed pursuant to House Resolution 232, I was privileged to attend the World Assembly for Moral Rearmament as observer at Caux, Switzerland, along with the gentleman from New York [Mr. O'TOOLE], the gentleman fom Pennsylvania [Mr. FLOOD], the gentleman from Michigan [Mr. DONDERO], and the gentleman from Indiana [Mr. WILSON].

My comments on what I observed at this meeting do not constitute a committee report, nor do I presume to speak for the other members of the committee for they will no doubt wish to make their own comments at the appropriate time. I do not anticipate, however, that their observations will be inconsistent with the general statement I wish to make at this time.

The world center of moral rearmament is comfortably established in a large hotel located high up on the side of Rocher de Naye and overlooks the northeastern end of Lake Geneva. In this Swiss Alpine setting, blessed with a temperate summer climate, people from all over the world assemble for conferences during the summer months. Although this center is located in a vacation utopia, visitors to the conference displayed no holiday spirit, but remained in constant attendance upon the sessions of the assembly held morning, afternoon, and night. Some 1,200 people filled every chair in the assembly hall at all meetings and an unusual enthusiasm marked each conference. A very satisfactory translation system was employed to the end that all present were able to fully comprehend. Many of the assemblage from 35 countries represented wore native costumes or dress, presenting a most colorful picture and among them could be found people from all walks of life and many religions, wealthy capitalists, union leaders, cabinet members, members of parliaments, minister presidents of the various subdivisions of western Germany, coal miners, priests, bishops, editors, public officials, general and admirals, and many others. Time will not permit me to enumerate by name and title the many well-known personages present, but suffice it to say the list is impressive. The committee noted with interest the presence of a delegation of 18 from Japan headed by former Prime Minister Katayama, who was the first postwar Premier of Japan and the first Christian to hold that post. We were informed this group made the 14,000-mile trip via the United States of America with the special permission of Gen. Douglas MacArthur.

The presence of a committee of observers from the United States House of Representatives seemed to arouse a grateful and enthusiastic reaction among all present and I think the official notice taken of this movement will stimulate its already genuine effort in the field of human relations.

Whatever skepticism I had entertained as to whether this movement clashed with organized churches of the world was dissipated by the abundant evidence that faith in God was the very bedrock upon which this movement rested. One Episcopal vestryman said, "This movement enables me to put my religion to work in the fullest sense." Men of the Catholic clergy have embraced it as a powerful adjunct of organized religion.

The highly dramatic plays shown during the conference emphasized the absolute necessity for including the forgotten factor—"God" in the labor-management field when solving bitter disputes. On the spacious grounds of the hotel stands a Catholic church which was well attended by those at the conference. In talking with some of those who have dedicated their lives to the movement, I found not one who tried to minimize the organized church nor one who felt that moral rearmament had any ambition to proselyte sectarianism. They held the movement to be a layman's movement buoyed and propelled by people from all churches. Dr. Frank Buchman, the founder, is a Lutheran minister in good standing and his personality and devotion seemed to be the moving force which has attracted people to the movement throughout the world.

But why has this movement attracted the attention of at least 100 members of both bodies of Congress? Why did the House send a committee to observe this recent conference? The American press has asked these questions also. I think the answer lies in the fact that this movement has launched a very vigorous campaign to answer communism in Europe. Communism in its naked, anti-God, materialistic form is the perfect opposite to Christian religion and is a malignant cancer in the realm of human relations.

The dominant theme of the conference was the necessity for spreading a democratic ideology supported on moral concepts and to make the ideology work in everyday life, as an answer to the question being asked by many in war-torn countries—the question of whether to turn to promises of the East or the democracy of the West. This is the question which brought forth the Marshall plan—the Bonn constitution—the Voice

of America and the new constitution for Japan. All of these efforts rest squarely on a faith in God just as does the great Constitution of the United States of America. Is there not a kindred purpose in what we as a nation are doing officially and what this movement is doing unofficially? I gained the definite impression from my observations in Caux, Switzerland, that this is true.

That this movement is succeeding in its localized efforts is not disputed. Your committee heard testimonials from labor union presidents, national presidents and factory owners in which it was admitted that strife and bitter dissension had been replaced by harmony and friendship as a result of the influence of moral rearmament.

Coal mine operators from the Ruhr Valley and union bosses out of their mines gave testimony to the effectiveness of the plays The Good Road and the Forgotten Factor and acknowledged they had changed their attitude toward the other as a result of the impact of these dramas.

The success of the movement in industrial disputes led Dr. John R. Steelman, former director of the United States Conciliation Service from 1937 to 1944, to say:

> It is the most effective single force for industrial conciliation in the country.

Many world figures have praised the efforts of this altruistic group and it is interesting to note the comments of the Department of Justice in a memorandum dated April 1, 1949, and I quote from it the following language:

> Moral rearmament is a world force having as its principal objective adequate ideological preparedness of free nations for the ideological conflicts in which the world is now engaged, and its objectives are recognized by the Department as worthy and helpful in the strengthening of democratic forces throughout the world.

This forthright statement from the Justice Department coincides with a Nazi Gestapo statement contained in a secret document discovered by American troops during the last war in which the Nazis ordered the movement to be stamped out and charged specifically that "moral rearmament was the Christian garment cloaking world democratic aims."

During the conference and since then I have assembled a large amount of data on this movement and I have questioned closely those who have expressed any doubt about its aims and in fairness I must admit that all evidence points toward complete vindication of the charges sometimes made by narrow-minded clerics and by well-meaning but ill-informed persons. It seems to me that all too often the heavy hand of obstruction is laid upon movements originating outside established institutions. We are inclined to suspect new orders when they enter the field of international relations and it has too long been thought that diplomats and statesmen alone can handle economic and political affairs of an international nature. No force this side of heaven can be felt like the force of inspired humanity marching in unison, moving in harmony with the cross of Christ as its breastplate and a burning love for freedom urging it on toward a goal—a goal which all of us surely agree must be reached if nations and peoples are to embrace each other and banish war as a means of settling disputes.

Peace is more sought after today than ever before. A more literate world populace is feverishly seeking the answer to the age-old question of how can nations merge themselves into a world family and become as brothers without betrayal. Idealistic as it may seem, it is nonetheless true that honor and integrity must precede all unifying efforts and these can be attained only when morality and religious influence are permitted to assume their proper roles in the formation of policies and are made a part of the formulas to be applied in the effort. If moral rearmament is a force in this direction, then it needs a dignified nod of approval from this Government—the leader of the crusade for peace. This movement is not a church movement, and in noticing its efforts by sending a committee to observe its activities the House has in no way violated the letter or the spirit of the first amendment of the Constitution, the opinion of the Washington Post to the contrary notwithstanding.

If this movement is to implement the Marshall plan and the Atlantic Pact as Mr. Robert Schuman, Foreign Minister for France, says it will by establishing an ideology of democracy resting on the premise that the individual is a person of dignity in God's sight, then it is a handy tool which can be used constructively and well.

Time forbids the lengthy discussion of this subject it deserves but before closing my remarks I wish to commend the fearless and able majority leader, the gentleman from Massachusetts [Mr. McCORMACK], for his timely action and alertness in offering the resolution which sent your committee to this important meeting. I gladly share any criticism directed at the action taken by the House. His action in this instance is typical of the many contributions he has made during his service here toward better human relations throughout the world. He is a man of great intellect with a deep insight to world problems, and I predict that legislative historians will place his name well up toward the top of the page and that his achievements will occupy more than a mere footnote in the book of time.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. BURLESON. I understand that originally this movement started out as a bridge between labor and industry or that it has devoted its activities to that purpose more recently.

Mr. PRESTON. That is true.

Mr. BURLESON. Does the gentleman also believe that it might be as a spiritual contribution to western Europe in the thing we are trying to do there with dollars and cents? Does he feel that this may be also something to go along with that dollars and cents and that unless we do it the chances are we may still fail in western Europe?

Mr. PRESTON. Yes. We have a great investment in Europe. We have it in blood and we have it in dollars. This movement can help insure our investment in Europe and it is well enough for us to take note of it and to encourage it.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. PRESTON. I am glad to yield to my friend from Michigan.

Mr. DONDERO. I think the gentleman ought to point out to the House that we were also able to see men of a number of nations, who were bitter and deadly enemies 4 years ago, stand shoulder to shoulder on the same platform, in good will and harmony, in an effort to bring about in this world peace, and to avoid war.

Mr. PRESTON. Yes. I recall very vividly seeing Mr. George Villiers, president of the National Association of Manufacturers of France, stand on the platform with Mr. Hans Boeckler, leader of all the coal miners in the Ruhr Valley. A German on one side and a Frenchman on the other. The Frenchman said, "I have every reason in the world to hate your people. Your people tortured me almost unto death, but under the influence of moral rearmament I have forgotten completely the acts of the German people and I reach out and extend to you the hand of brotherhood, to assure you I have wiped out from my mind all these unpleasant events. I hope to see Germany restored as a nation, and I want to see our people cooperate with your people."

Mr. DONDERO. Mr. Speaker, will the gentleman yield further?

Mr. PRESTON. I yield.

Mr. DONDERO. I think the gentleman should point out also that that same Frenchman said that 15 members of his family died in the gas chamber as the result of the efforts of the German who stood along by his side.

Mr. PRESTON. Yes, he did; he made that startling statement. It is really remarkable that a person could change in just the short number of years since that happened. There are many instances similar to that which convinced me, and I am sure the other Members of the Committee, that this movement does have great force behind it and has accomplished much good.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ROGERS of Florida. I wish to congratulate and commend the distinguished gentleman from Georgia for this fine report; and I would like to ask his opinion and his thought as to whether this movement is proving more potent than the dollars that we send to Europe to rehabilitate those people at this time.

Mr. PRESTON. It is difficult, of course, to evaluate the effect; but it is a very powerful adjunct to the effort we are making, and it is available not only for our use but for the use of other nations and is getting results.

Mr. ROGERS of Florida. Without the cooperation of this movement does the gentleman believe we could make as much success in Europe as we could by dollar aid alone?

Mr. PRESTON. I am inclined to agree with the gentleman for this reason: They have specifically directed their efforts in Europe to the field of labor relations, and they have been able to take away from the Communist Party two dozen Communist officials in party cells. It is an established fact. The Washington Star carried a story day before yesterday to that effect, and I learned of that while I was over there. They are actually working objectively and are accomplishing much good.

Mr. DONDERO. Mr. Speaker, will the gentleman yield once more before he leaves the floor?

Mr. PRESTON. I yield to the gentleman from Michigan.

Mr. DONDERO. I think it might be well to point out that while we were there we were permitted to talk with former Communist leaders who had changed their viewpoint entirely, who were cooperating with this movement in the hope of bringing peace to this sad and tear-drenched world.

Mr. PRESTON. Indeed we were. I recall one member, a man who had been a member for 20 years, had changed his philosophy entirely as a result of the efforts of moral rearmament.

Mr. DONDERO. He had been the head of the coal miners of England?

Mr. PRESTON. That is true.

COMMITTEE ON THE JUDICIARY

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the basing-point bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. JOHNSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

AUTOMOBILES FOR AMPUTEES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I shall be very brief because I know that the Democrats want to caucus. I wish they could take up the subject about which I am to speak in that caucus.

I have introduced a resolution that would extend the right to apply for automobiles to those amputee veterans who are still in hospitals and who cannot, under the provisions of the law, apply for the cars until they are discharged. On June 30, the present law expires, and unless my resolution receives approval these men who are lying on beds of pain, men who will have five or six operations perhaps before they can be discharged, will lose the benefit given to their more fortunate disabled comrades. There are 220 of them and it is through no fault of theirs that they are denied these benefits.

I was troubled to learn last evening that a good many of these 220 men are asking for their discharge because they are afraid that the permission to apply for automobiles will not be granted them after June 30. We should therefore pass some legislation on this matter before June 30, otherwise these veterans who would come under the law before that date will not be able to secure automobiles.

General Bradley, in a Memorial Day address, spoke of men lying in hospitals on beds of pain. Almost all of these men have been in Army and Navy hospitals ever since the war. They have had numerous operations and it will be necessary for some of them to have more operations. Some of them will have their legs amputated for the first time.

Mr. Speaker, I know every Member of the House will vote for this resolution if we can only get the Appropriations Committee to act.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3967. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950; and

H. R. 4046. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 55. An act to authorize completion of construction and development of the Eden project, Wyoming;

S. 257. An act to amend the Interstate Commerce Act, as amended, so as to provide limitations on the time within which actions may be brought for the recovery of undercharges by or against common carriers by motor vehicles, common carriers by water, and freight forwarders;

S. 979. An act to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources;

S. 1023. An act amending section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made;

S. 1433. An act amending Public Law 125, Eightieth Congress, approved June 28, 1947, as amended; and

S. 1659. An act granting the consent and approval of Congress to an interstate forest fire protection compact.

ADJOURNMENT

Mr. CHELF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 22, 1949, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States, and being as follows:

I, A. B., do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God.

Has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the Eighty-first Congress, pursuant to Public Law 412 of the Eightieth Congress, entitled "An act to amend section 30 of the Revised Statutes of the United States" (U. S. C., title 2, sec. 25), approved February 18, 1948:

New York: FRANKLIN D. ROOSEVELT, JR., Twentieth District.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

702. A letter from the Secretary of Commerce, transmitting a draft of a bill entitled "A bill amending section 2 of the act of March 3, 1901 (31 Stat. 1449), to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

703. A letter from the Secretary of Commerce, transmitting a draft of legislation entitled "A bill to repeal section 205 of title II of the Foreign Aid Appropriation Act, 1949, and for other purposes"; to the Committee on Armed Services.

704. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved; to the Committee on the Judiciary.

705. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation, as well as a list of the persons involved; to the Committee on the Judiciary.

706. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal, and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. McSWEENEY: Committee on Rules. House Resolution 259. Resolution for consideration of H. R. 2619, a bill to extend the benefits of the annual- and sick-leave laws to part-time employees on regular tours of duty and to validate payments heretofore made for leave on account of services of such employees; without amendment (Rept. No. 864). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. H. R. 5240. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils, and rice and rice products; with an amendment (Rept. No. 868). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. S. 1008. A bill to provide a 2-year moratorium with respect to the application of certain antitrust laws to individual, good-faith delivered price systems and freight-absorption practices; with amendmetnts (Rept. No. 869). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 21. Concurrent resolution favoring the suspension of deportation of certain aliens; without amendment (Rept. No. 865). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 22. Concurrent resolution favoring the suspension of deportation of certain aliens; without amendment (Rept. No. 866). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 40. Concurrent resolution favoring the suspension of deportation of certain aliens; without amendment (Rept. No. 867). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CURTIS:

H. R. 5255. A bill to amend the statute relating to the Reserve components of the armed forces and the National Guard; to the Committee on Armed Services.

By Mr. DONDERO:

H. R. 5256. A bill to incorporate the Reserve Officers Association of the United States; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 5257. A bill for the relief of the city of Long Beach, Calif.; to the Committee on the Judiciary.

By Mr. LEMKE:

H. R. 5258. A bill providing for Congress to coin and issue money and regulate the value thereof by establishing the Bank of the United States, owned, operated, and controlled by the Government of the United States; setting forth the scope and manner of the bank's operations; creating a Board of Control and defining the powers and duties of the Board and other persons charged with the bank's management; and for other purposes; to the Committee on Banking and Currency.

By Mr. McGRATH:

H. R. 5259. A bill to promote the general welfare of the people of the United States by establishing a publicly supported labor extension program for wage and salary earners, and for other purposes; to the Committee on Education and Labor.

H. R. 5260. A bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions; to the Committee on Post Office and Civil Service.

By Mr. MORRISON:

H. R. 5261. A bill to establish a procedure by which the Administrator of Veterans' Affairs may bring charges against educational institutions and by which procedure the educational institutions may answer such charges before an impartial agency, and to authorize the Veterans' Administration to reimburse State approval agencies for expenses incurred by them in ascertaining the qualifications of educational institutions for furnishing training to veterans and for expenses incurred in supervising educational institutions offering such training; to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 5262. A bill to extend to the veterans of the Mexican border service of 1916 and 1917 and their widows and children the provisions of laws enacted for the benefit of veterans of World War I and their widows and children; to the Committee on Veterans' Affairs.

By Mr. STEED:

H. R. 5263. A bill to authorize and direct the Secretary of the Army to accept the Croix De Guerre from the Government of France on behalf of the Seventh Armored Division; to the Committee on Armed Services.

By Mr. WHITE of California:

H. R. 5264. A bill to authorize the Secretary of the Interior to undertake the North Fork Kings River development, California, as an integral part of the Central Valley project, and for other purposes; to the Committee on Public Lands.

By Mr. WILLIAMS:

H. R. 5265. A bill to require certain information to appear on matter mailed by or on behalf of certain Communist, Fascist, totalitarian, subversive, and other organizations; to the Committee on Post Office and Civil Service.

By Mr. WILSON of Oklahoma:

H. R. 5266. A bill to incorporate the Reserve Officers Association of the United States; to the Committee on the Judiciary.

By Mr. BRYSON:

H. R. 5267. A bill relating to the power of executive officers to exempt jute products from provisions of law requiring the purchase of American materials for Government use; to the Committee on Public Works.

By Mr. CAMP:

H. R. 5268. A bill to amend certain provisions of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. EVINS:

H. R. 5269. A bill to provide that attendance during designated dates at service academies of veterans of the Spanish-American War and World War I shall be considered active military or naval service on the same basis provided for veterans of World War II for the purpose of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. REED of New York:

H. R. 5270. A bill to exempt certain fruit flavor concentrates from the tax on liquors; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts:

H. J. Res. 278. Joint resolution to authorize the Administrator of Veterans' Affairs to continue providing automobiles and other conveyances to certain disabled veterans, and to provide funds therefor; to the Committee on Appropriations.

By Mr. PETERSON:

H. Res. 260. Resolution providing for the consideration of the bill (H. R. 976) to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals, and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes; to the Committee on Rules.

By Mr. BENNETT of Florida:

H. Res. 261. Resolution to provide for the installation in the Hall of the House of Representatives of mechanism for visual recording and automatic counting of yeas and nays and quorum calls; to the Committee on House Administration.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the Sacramento River flood-control project; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to the existing situation concerning the oil industry of the State of Texas; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EVINS:

H. R. 5271. A bill for the relief of B. G. White; to the Committee on the Judiciary.

H. R. 5272. A bill for the relief of Jesse Stokes Bowling, Jr.; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 5273. A bill for the relief of Bernard Maughan; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 5274. A bill for the relief of Francis A. Gunn; to the Committee on the Judiciary.

By Mr. McGUIRE (by request):

H. R. 5275. A bill for the relief of Moe Tanger; to the Committee on the Judiciary.

By Mr. SABATH:

H. R. 5276. A bill for the relief of Mrs. Julia (Iole) M. Stefani Lencioni; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H. R. 5277. A bill for the relief of Albert W. Lack; to the Committee on the Judiciary.

By Mr. BRYSON:

H. R. 5278. A bill for the relief of James E. Taylor; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1120. By Mr. SMITH of Wisconsin: Communication by residents of Elkhorn, Wis., who want measures taken immediately to restore the legal rights of the people, through Congress, to hear any and all investigations, reports, and data pertaining to all Government officials, political or military, all offices, and all acts and expenditures; also, they

want the communistic officials cleaned out and sentenced; further, they want the Defense Council and its Secretary Johnson disbanded immediately as illegal and contrary to constitutional law; and they want the Vinson and Tydings bills turned down; to the Committee on Armed Services.

1121. By the SPEAKER: Petition of Boy Scouts of America, New York, N. Y., relative to the thirty-ninth annual meeting held in Boston, Mass., and expressing their appreciation to Members of both Houses of Congress for the cooperation and support which have been extended during the last year; to the Committee on Education and Labor.

1122. Also, petition of J. Horton and others, Indianapolis, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1123. Also, petition of the American Municipal Association, Chicago, Ill., urging immediate passage of the national housing bill, H. R. 4009; to the Committee on Banking and Currency.

1124. Also, petition of Pennsylvania Junior Chamber of Commerce, Lancaster, Pa., endorsing the findings of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

1125. Also, petition of Milwaukee County Dental Society, Milwaukee, Wis., requesting the Congress of the United States not to enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

1126. Also, petition of State Medical Association of Texas, Austin, Tex., relative to compulsory health insurance as championed by the present administration, and conveying to their central organization wholehearted support and cooperation, both financially and morally, in its educational campaign; to the Committee on Interstate and Foreign Commerce.

1127. Also, petition of Industrial Union of Marine and Shipbuilding Workers of America, Camden, N. J., relative to the Railway Labor Act union-security provisions; to the Committee on Interstate and Foreign Commerce.

SENATE

WEDNESDAY, JUNE 22, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, once more, in Thy great mercy, the white scroll of a new day unfolds before us. We pray that this day our record may be kept unstained by any word or act unworthy of our best.

Give us this day our daily bread, not only of physical renewal but of spiritual sustenance, lest our souls starve in the far country of neglect or indulgence.

For our own sake and for the sake of the Nation whose servants we are called to be, and of a needy world in this desperate day, lead us along the paths of righteousness to still waters and green pastures where our strained and jaded spirits may be restored by Thy redeeming grace.

In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 21, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries, and he announced that on June 21, 1949, the President had approved and signed the act (S. 1129) to amend section 16–416 of the Code of Laws of the District of Columbia, to conform to the nomenclature and practice prescribed by the Federal Rules of Civil Procedure.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 559. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co.;

H. R. 571. An act for the relief of Bankers & Shippers Insurance Co.;

H. R. 632. An act for the relief of John E. Burns;

H. R. 1017. An act for the relief of John Aaron Whitt;

H. R. 1019. An act for the relief of George M. Ford;

H. R. 1034. An act for the relief of the Jansson Gage Co.;

H. R. 1054. An act for the relief of the Riegel Textile Corp.;

H. R. 1055. An act for the relief of Agnese R. Mundy;

H. R. 1282. An act for the relief of Mrs. T. A. Robertson;

H. R. 1458. An act for the relief of Joseph R. Gregory;

H. R. 1601. An act for the relief of the La Fayette Brewery, Inc.;

H. R. 1782. An act for the relief of the estate of Elwood Grissinger;

H. R. 1792. An act for the relief of Charles E. Ader;

H. R. 1795. An act for the relief of Lewyt Corp.;

H. R. 1857. An act for the relief of the estate of Josephine Pereira;

H. R. 2090. An act for the relief of Sam Wooten, F. M. Maloy, and Mrs. Alethea Arthur;

H. R. 2095. An act for the relief of the estate of Kenneth N. Peel;

H. R. 2253. An act for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor;

H. R. 2456. An act for the relief of Charlie Hales;

H. R. 2530. An act for the relief of James R. Frazer;

H. R. 2592. An act to authorize and direct the Secretary of the Interior to issue to John White Bear a patent in fee to certain lands;

H. R. 2706. An act authorizing the issuance of a patent in fee to Susie Larvie Dillon;

H. R. 2806. An act for the relief of Paul C. Juneau;

H. R. 2807. An act for the relief of Loretta B. Powell;

H. R. 2848. An act for the relief of Leon Nikolaivich Volkov;

H. R. 2920. An act authorizing the issuance of a patent in fee to George Swift Horse;

H. R. 2925. An act for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel;

H. R. 3139. An act for the relief of James B. DeHart;

H. R. 3408. An act for the relief of Opal Hayes and D. A. Hayes;

H. R. 3501. An act for the relief of Nelson Bell;

H. R. 4254. An act authorizing the Secretary of the Interior to issue a patent in fee to Sidney Blackhair;

H. R. 4466. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker; and

H. R. 5018. An act for the relief of the New Amsterdam Casualty Co.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1096. An act for the relief of Mr. and Mrs. James Linzay;

H. R. 1125. An act for the relief of Ellis C. Wagner and Barbara P. Wagner;

H. R. 1136. An act for the relief of June C. Dollar; and

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Maybank
Anderson	Humphrey	Miller
Baldwin	Hunt	Morse
Brewster	Ives	Mundt
Butler	Jenner	Murray
Cain	Johnson, Colo.	Neely
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kefauver	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Knowland	Sparkman
Downey	Langer	Taft
Eastland	Lodge	Thomas, Utah
Flanders	Lucas	Thye
Frear	McCarthy	Tobey
George	McClellan	Vandenberg
Gillette	McFarland	Watkins
Graham	McGrath	Wherry
Green	McKellar	Williams
Hayden	Magnuson	Withers
Hendrickson	Malone	Young
Hoey	Martin	

Mr. LUCAS. I announce that the Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Texas [Mr. CONNALLY], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], the Senator from Idaho [Mr. TAYLOR], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are detained on official business in meetings of committees of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the Delegation of the United States of America to the Second World Health Organization Assembly to convene at Rome, Italy.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Wyoming [Mr. O'MAHONEY] is absent on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. WHERRY. I announce that the Senator from Montana [Mr. ECTON], the Senator from Missouri [Mr. KEM], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Ohio [Mr. BRICKER] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Colorado [Mr. MILLIKIN] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Michigan [Mr. FERGUSON], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained because of their attendance at a meeting of the Committee on Appropriations.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may be permitted to introduce bills and joint resolutions, present petitions and memorials and place other routine matters into the RECORD, without debate, as though we were in the morning hour.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

AMENDMENT OF PHILIPPINE REHABILITATION ACT OF 1946

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend the Philippine Rehabilitation Act of 1946 (with an accompanying paper); to the Committee on Public Works.

CERTAIN FUNCTIONS OF NATIONAL BUREAU OF STANDARDS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation amending section 2 of the act of March 3, 1901 (31 Stat. 1449) to provide basic authority for the performance of certain functions and activities of the National Bureau of Standards, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPEAL OF SECTION 205, TITLE II, FOREIGN AID APPROPRIATION ACT, 1949

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to repeal section 205 of title II of the Foreign Aid Appropriation Act, 1949, and for other purposes (with accompanying papers); to the Committee on Armed Services.

SUSPENSION OF DEPORTATION OF ALIENS

Two letters from the Attorney General of the United States, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service, suspending deportation, as well as a list of the persons involved, together with a complete and detailed statement of the facts and pertinent provision of law and the reason for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT OF TENNESSEE VALLEY ASSOCIATED COOPERATIVES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report of the Tennessee Valley Associated Cooperatives, Inc., for the period July 1, 1947, to December 31, 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a petition from the Washtenaw County Democratic Committee, Ann Arbor, Mich., signed by Lewis L. Forsythe, chairman, relating to appropriations for foreign aid; to the Committee on Appropriations.

A letter in the nature of a petition from Lee Comer, of St. Augustine, Fla., relating to a reduction in governmental expenditures; to the Committee on Appropriations.

A letter in the nature of a petition from the American Psychiatric Association, signed by Daniel Blain, M. D., medical director, of Washington, D. C., relating to an increase of appropriations for the World Health Organization program; to the Committee on Appropriations.

A letter in the nature of a petition from the Building-Residential Contractors Association, signed by Francis A. Rogers, president, relating to housing for the average American family; to the Committee on Banking and Currency.

A resolution adopted by the Pennsylvania Junior Chamber of Commerce, of Lancaster, Pa., favoring the enactment of legislation recommended by the Hoover Commission on Reorganization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

Resolutions adopted by the Sisterhood of Congregation Tifereth Israel, of Glen Cove, N. Y., and the Yeshiva of Hartford, Hartford, Conn., protesting against the enactment of legislation which would change the present calendar; to the Committee on Foreign Relations.

A letter in the nature of a petition from the Christians-Baptist, Veterans Welfare Association, of Chicago, Ill., relating to a national charter for that organization; to the Committee on the Judiciary.

The petition of Francis M. Jenkins, of Lebanon Junction, Ky., relating to unemployment caused by increased size of locomotive and length of trains on railroads; to the Committee on Interstate and Foreign Commerce.

A telegram in the nature of a petition from the American Psychiatric Association, of Detroit, Mich., signed by Leo H. Bartemeir, M. D., secretary, relating to the program of the World Health Organization; to the Committee on Labor and Public Welfare.

A resolution adopted by the Syracuse (N. Y.) Dental Society, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the West Virginia Legislative Committee of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Parkersburg, W. Va., relating to parcel-post rates; to the Committee on Post Office and Civil Service.

A resolution adopted by the West Virginia State Legislative Committee of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Parkersburg, W. Va., relating to amendments of the Fair Labor Standards Act; to the Committee on Labor and Public Welfare.

A resolution adopted by the West Virginia State Legislative Committee, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, of Parkersburg, W. Va., relating to the proposed repeal of the Taft-Hartley labor law; ordered to lie on the table.

A resolution adopted by the Military Order of Foreign Wars of the United States, National Commandery, of Washington, D. C., favoring the early ratification of the North Atlantic Treaty; ordered to lie on the table.

By Mr. BALDWIN:

A joint resolution of the General Assembly of the State of Connecticut, favoring the enactmentof Senate bill 1387 and House bill 3787, providing that the proposed veterans' hospital at West Haven, Conn., be officially known and designated on the public records as the John D. Magrath Memorial Veterans' Hospital after the East Norwalk, Conn., youth of that name who was killed in action on April 14, 1945, and was posthumously awarded the Medal of Honor; to the Committee on Labor and Public Welfare.

(See text of joint resolution printed in full when laid before the Senate by the Vice President on June 20, 1949, p. 7892, CONGRESSIONAL RECORD.)

PROHIBITION OF LIQUOR ADVERTISING—PETITION

Mr. PEPPER. Mr. President, I am in receipt of a letter from Mrs. Mabel D. Price, president of the Woman's Christian Temperance Union, of Zephyrhills, Fla., transmitting a petition of sundry citizens of Florida, praying for the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce. I present the petition, and ask that it be appropriately referred.

The petition was referred to the Committee on Interstate and Foreign Commerce.

THE LATE SENATOR J. MELVILLE BROUGHTON

Mr. HOEY. Mr. President, I present for appropriate reference a resolution

adopted by Burley Auction Warehouse Association, of Mount Sterling, Ky., relating to the death of the late Senator Broughton, of North Carolina, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

BURLEY AUCTION
WAREHOUSE ASSOCIATION,
Mount Sterling, Ky.

RESOLUTIONS UPON THE DEATH OF THE HONORABLE J. MELVILLE BROUGHTON

The Honorable J. Melville Broughton was born in Raleigh, N. C., on November 17, 1888, the son of Joseph Melville and Sally Harris Broughton.

After receiving his bachelor of arts degree from Wake Forest College, Senator Broughton served as principal of a rural school. During those years he manifested his abiding interest in the youth of our country.

As a reporter on the staff of the Winston-Salem (N. C.) Journal, Senator Broughton next evidenced those qualities of logic and clarity of thought which characterized his career in all of its many facets.

After attending Harvard Law School in 1912 and 1913 Senator Broughton began his career as a lawyer and as a public servant. He was elected a member of the North Carolina State Senate, the Governor of North Carolina, and a United States Senator.

During these same years Senator Broughton was equally active as a good citizen. A Baptist and a Mason, Senator Broughton was also a member of the board of trustees of Wake Forest College and of the board of trustees of the University of North Carolina.

When Senator Broughton was a candidate for office the majorities accorded him proved again and again the esteem in which he was held by the people of his State. He won more than the respect and admiration of his people; he won their love.

As a public official Senator Broughton was capable, conscientious, and courageous. As an attorney he was successful in his practice and at the same time ever cognizant of his obligations as an officer of the court. His standing in his profession led to his election as president of the North Carolina Bar Association in 1935.

Senator Broughton knew the problems of the man who tills the soil. He was himself a farmer, and a great portion of his time was spent in the service of American agriculture.

Senator Broughton's approach to farm issues was never either selfish or narrow. He strove to improve the lot of the farmer, but he always sought to place the welfare of all of the people above any special interest.

In the death of Senator Broughton farmers, and especially tobacco growers, lost one of their noblest friends; the South lost a distinguished public servant; and the Nation lost one of its greatest men.

Senator Broughton married Miss Alice H. Willson. Four children were born of the marriage. Despite the demands of his profession and of public office, Senator Broughton gave wholeheartedly of his interest, his love, and his devotion to his family.

Senator Broughton possessed a host of friends. He responded to every request for assistance with an obvious conviction that each opportunity for service constituted a rare privilege. With a polished manner, a genuine sense of humor, and an enviable disposition, Senator Broughton was an able and effective leader who accomplished his objectives as a public servant without once assuming a dictatorial power. He possessed that happy disposition of rendering service with a graciousness and a smile that endeared him in the hearts of all.

To the family of Senator Broughton, the members of the Burley Auction Warehouse Association extend their most sincere condolences. We share the bereavement that comes from the loss of so noble a man.

BURLEY AUCTION WAREHOUSE ASSOCIATION.
ALBERT G. CLAY, *President.*
MABEL G. JONES,
Assistant Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGRATH, from the Committee on the District of Columbia:

H. R. 2021. A bill to provide increased pensions for widows and children of deceased members and retired members of the Police Department and the Fire Department of the District of Columbia; with amendments (Rept. No. 558); and

H. R. 4381. A bill to provide cumulative sick and emergency leave with pay for teachers and attendance officers in the employ of the Board of Education of the District of Columbia, and for other purposes; with an amendment (Rept. No. 555).

By Mr. FREAR, from the Committee on the District of Columbia:

S. 1918. A bill to authorize the Commissioners of the District of Columbia to appoint contracting officers to make contracts in amounts not exceeding $5,000; with amendments (Rept. No. 556); and

H. R. 2104. A bill relating to orders to banks doing business in the District of Columbia to stop payment on negotiable instruments payable from deposits in, or payable at, such banks; with amendments (Rept. No. 557).

By Mr. KILGORE, from the Committee on the Judiciary:

H. Con. Res. 62. Concurrent resolution creating a Joint Committee on Lobbying Activities; with amendments (Rept. No. 559); and, under the rule, referred to the Committee on Rules and Administration.

PAYMENT OF COUNSEL FEES IN 1947 MARYLAND SENATORIAL CONTEST

Mr. MYERS. Mr. President, from the Committee on Rules and Administration, I report an original resolution relating to the payment of counsel fees in the 1947 Maryland senatorial contest, and I submit a report (No. 554) thereon.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 127) was ordered to be placed on the calendar, as follows:

Resolved, That the Committee on Rules and Administration be authorized to expend from the contingent fund of the Senate $35,313.37 for the payment of counsel fees incurred in carrying out the duties imposed upon it by subsection (O) (1) (D) of rule XXV of the Standing Rules of the Senate to consider the question whether Mr. HERBERT R. O'CONOR was entitled to retain his seat in the Senate to which he was elected for the term beginning January 3, 1947.

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 117, and I ask unanimous consent for its immediate consideration. It provides for $10,000 to print additional hearings required by the Committee on Labor and Public Welfare.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 117), submitted by Mr. THOMAS of Utah on May 13, 1949, and heretofore favorably reported by the Committee on Labor and Public Welfare, was considered, and agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

INCREASE IN LIMIT OF EXPENDITURES FOR INVESTIGATIONS BY COMMITTEE ON APPROPRIATIONS

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably without amendment, Senate Resolution 126, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 126), submitted by Mr. MCKELLAR on June 9, 1949, was considered and agreed to, as follows:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

INCREASE IN LIMIT OF EXPENDITURES FOR HEARINGS BEFORE COMMITTEE ON ARMED SERVICES

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 93, authorizing an expenditure of $25,000 for investigations by the Committee on Armed Services, and I submit a report (No. 553) thereon. I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 93), submitted by Mr. TYDINGS on March 24, 1949, and heretofore favorably reported by the Committee on Armed Services, was considered and agreed to as follows:

Resolved, That in carrying out the duties imposed upon it by section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.), the Committee on Armed Services, or any duly authorized subcommittee thereof, is authorized during the period ending December 31, 1950, to make such expenditures, and to employ upon a temporary basis such investigators, technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

AUTHORIZATION FOR GOVERNMENT PRINTING OUTSIDE THE GOVERNMENT PRINTING OFFICE

Mr. HAYDEN. Mr. President, by direction of the Committee on Rules and Administration, I report favorably House bill 4878, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4878) to authorize certain Government printing, binding, blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing.

Mr. HAYDEN. Mr. President, I wish to explain the bill. It strikes out of the act of March 1, 1949, the words "than in the District of Columbia for the exclusive use of any field service outside of said District," and adds the following language to existing law:

And (2) printing in field printing plants operated by any such executive department, independent office, or establishment, and the procurement of printing by any such executive department, independent office, or establishment from allotment for contract field printing, if approved by the Joint Committee on Printing.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill, H. R. 4878, was considered, ordered to a third reading, read the third time, and passed.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—CIVILIAN EMPLOYMENT IN EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of March 1949, and in accordance with the practice of several years' standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia?

There being no objection, the report and statement were ordered to be printed in the RECORD.

The report is as follows:

ADDITIONAL REPORT OF THE JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, CONGRESS OF THE UNITED STATES, PURSUANT TO SECTION 601 OF THE REVENUE ACT OF 1941, ON FEDERAL PERSONNEL AND PAY, MARCH-APRIL 1949

(With special table showing trends in employment—paid and without compensation)

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH MARCH-APRIL 1949, AND PAY FEBRUARY-MARCH 1949

Note with reference to personal service expenditure figures

It should be noted that the latest expenditure figures for personal service shown in table I of this report are for the month of March, and that they are compared with personal service expenditure figures for the month of February, whereas the latest employment figures covered in this report are for the month of April and are compared with the month of March. This lag in personal service expenditure figures is necessary in order that actual expenditures may be reported.

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States, by agency. Table III shows personnel employed outside continental United States. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

Personnel and pay summary

(See table I)

According to monthly personnel reports for April 1949 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

	Civilian personnel in executive branch			Pay roll (in thousands of dollars) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March numbered—	In February numbered—	Increase (+) or decrease (−)
Total	2,122,710	2,111,257	+11,453	$565,906	$509,328	+$56,578
1. Agencies exclusive of National Military Establishment	1,226,021	1,215,795	+10,226	326,142	299,571	+26,571
2. National Military Establishment	896,689	895,462	+1,227	239,764	209,757	+30,007
Within National Military Establishment:						
Office of the Secretary of Defense	1,447	1,335	+112	535	439	+96
Department of the Army	374,463	370,903	+3,560	94,732	83,094	+11,638
Department of the Air Force	164,870	162,697	+2,173	44,042	36,241	+7,801
Department of the Navy	355,909	360,527	−4,618	100,455	89,241	+11,214

Table I breaks down the above figures on employment and pay by agency.

Tables II, III, and IV break down the above employment figures to show the number of employees inside continental United States, the number outside continental United States, and the number in the so-called industrial categories. This further breakdown in tables II, III, and IV does not include pay figures because pay-roll reports submitted to the committee by some agencies are inadequate for this purpose.

Inside continental United States

(See table II)

Federal personnel within the United States increased 13,838 from the March total of 1,919,723 to the April total of 1,933,561.

Exclusive of the National Military Establishment there was an increase of 9,802 from the March total of 1,159,720 to the April total of 1,169,522.

Total civilian employment within the United States for the National Military Establishment for April was 764,039, an increase of 4,036 over the March figure of 760,003.

The Office of the Secretary of Defense increased 112 from the March figure of 1,335 to the April figure of 1,447.

The Department of the Army civilian personnel within the United States increased 5,166 from the March figure of 302,690 to the April figure of 307,856.

The Department of the Air Force civilian personnel within the United States increased 1,914 from the March figure of 135,570 to the April figure of 137,484.

The Department of the Navy civilian personnel within the United States decreased 3,156 from the March figure of 320,408 to the April figure of 317,252.

Outside continental United States

(See table III)

Outside continental United States Federal personnel decreased 2,385 from the March total of 191,534 to the April total of 189,149.

An increase of 424 was reported by the departments and agencies other than the National Military Establishment, from the March total of 56,075 to the April total of 56,499.

Total civilian employment outside continental United States for the National Military Establishment decreased 2,809 from the March figure of 135,459 to the April figure of 132,650.

The Department of the Army reported a decrease in overseas civilian employment of 1,606 from the March figure of 68,213 to the April figure of 66,607.

The Department of the Air Force reported an increase in overseas civilian employment of 259 from the March figure of 27,127 to the April figure of 27,386.

The Department of the Navy reported a decrease in overseas civilian employment of 1,462 from the March figure of 40,119 to the April figure of 38,657.

Industrial employment

(See table IV)

Total industrial employment during the month of April increased 663 from the March total of 573,115 to the April total of 573,778.

The departments and agencies other than the National Military Establishment increased 148 from the March total of 19,069 to the April total of 19,217.

The National Military Establishment increased its total industrial employment 515 from the March total of 554,046 to the April total of 554,561.

The Department of the Army reported a net increase of 3,034 from the March figure of 207,642 to the April figure of 210,676. Inside continental United States Army industrial employment increased 4,493, while outside continental United States there was a decrease of 1,459.

The Department of the Air Force reported an increase of 1,644 industrial employees from the March figure of 97,674 to the April figure of 99,318. Of this net increase in Air Force industrial employment 1,366 was inside continental United States and 278 was outside continental United States.

The Department of the Navy decreased its industrial employment 4,163 from the March figure of 248,730 to the April figure of 244,567.

The term "industrial employees," as used by the committee, refers to unskilled, semiskilled, skilled, and supervisory employees paid by the Federal Government who are working on construction projects, such as airfields and roads, and in shipyards and arsenals. It does not include maintenance and custodial employees.

Table V, carried at the end of this report, shows the trend in civilian employment in the executive branch of the Federal Govern-

ment, December 1947 (the month of postwar minimum employment) through April 1949, broken down as between total employment, net paid employment, and employment without compensation, by months and agencies.

The Joint Committee on Reduction of Nonessential Federal Expenditures has always included individuals reported by the various agencies as being employed in expert-consultant capacities even though they are classified as serving without compensation. These individuals have been counted as employees in view of the fact that many of them require full- and part-time assistants, office space, the privilege of using penalty mail, travel expenses, etc. In this chart the total figures for each agency include such individuals. The total listed in the paid-employment columns exclude such individuals, and the number of such individuals is shown by agency in the W. O. C. column. There are other without-compensation employees who are not classified as expert consultants who are not shown in this table who are not counted in any of the regular reports by the committee.

The second part of this table shows that portion of the total Federal employment in the executive branch reported by the three agencies with largest employment, the National Military Establishment, the Post Office Department, and the Veterans' Administration.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during April 1949, and comparison with March 1949; and pay for March 1949 and comparison with February 1949*

Department or agency	Pay (in thousands of dollars)				Personnel			
	February	March	Increase	Decrease	March	April	Increase	Decrease
Executive departments (except National Military Establishment):								
Agriculture	$17,974	$20,511	$2,537		75,290	78,933	3,643	
Commerce	11,240	12,882	1,642		40,970	43,584	2,614	
Interior	12,478	13,995	1,517		50,109	51,860	1,751	
Justice	8,622	9,419	797		26,140	26,030		110
Labor	1,060	1,200	140		3,588	3,552		36
Post Office	120,505	124,948	4,443		508,925	512,207	3,282	
State	5,184	5,650	466		20,439	20,559	120	
Treasury	25,203	29,140	3,937		92,619	92,137		482
Executive Office of the President:								
White House Office	89	87		$2	229	230	1	
Bureau of the Budget	233	269	36		529	528		1
Executive Mansion and Grounds	13	15	2		61	65	4	
National Security Council [1]	7	7			18	18		
National Security Resources Board	160	169	9		373	373		
Council of Economic Advisers	20	23	3		40	40		
Emergency war agencies:								
Office of Defense Transportation	8	12	4		39	28		11
Postwar agencies:								
Displaced Persons Commission	54	64	10		213	232	19	
Economic Cooperation Administration	953	977	24		3,395	3,460	65	
Office of the Housing Expediter	1,395	1,688	293		4,821	4,802		19
Philippine Alien Property Administration	[2] 29	37	8		125	122		3
Philippine War Damage Commission	188	212	24		952	959	7	
War Assets Administration	3,235	1,903		1,332	4,706	3,845		861
Independent agencies:								
American Battle Monuments Commission	16	17	1		149	160	11	
Atomic Energy Commission	1,546	1,769	223		4,699	4,628		71
Civil Aeronautics Board	236	278	42		684	679		5
Civil Service Commission	1,135	1,303	168		4,245	4,177		68
Export-Import Bank of Washington	53	60	7		120	122	2	
Federal Communications Commission	459	529	70		1,350	1,349		1
Federal Deposit Insurance Corporation	355	407	52		1,085	1,066		19
Federal Mediation and Conciliation Service	158	201	43		368	365		3
Federal Power Commission	293	331	38		808	797		11
Federal Security Agency [3]	8,598	9,876	1,278		35,718	35,971	253	
Federal Trade Commission	298	280		18	656	655		1
Federal Works Agency	5,298	6,061	$763		23,230	23,356	126	
General Accounting Office	2,641	3,041	400		9,460	9,433		27
Government Printing Office	2,202	2,568	366		7,032	7,039	7	
Housing and Home Finance Agency	[2] 3,582	3,476		106	11,763	11,579		184
Indian Claims Commission	6	7	1		11	11		
Interstate Commerce Commission	780	868	88		2,212	2,211		1
Maritime Commission	1,730	1,917	187		6,531	6,459		72
National Advisory Committee for Aeronautics	1,968	2,275	307		6,881	6,857		24
National Archives	110	127	17		389	382		7
National Capital Housing Authority	71	83	12		309	306		3
National Capital Park and Planning Commission	7	8	1		17	19	2	
National Capital Sesquicentennial Commission	1	1			2	2		
National Gallery of Art	74	74			319	315		4
National Labor Relations Board	484	556	72		1,517	1,519	2	
National Mediation Board	46	62	16		113	111		2
Panama Canal	3,224	4,079	855		22,761	22,666		95
Railroad Retirement Board	627	730	103		2,497	2,423		74
Reconstruction Finance Corporation	1,674	1,909	235		4,577	4,598	21	
Securities and Exchange Commission	429	496	67		1,152	1,147		5
Selective Service System	853	1,141	288		5,755	5,614		141
Smithsonian Institution	152	173	21		550	543		7
Tariff Commission	94	108	14		241	240		1
Tax Court of the United States	53	53			122	123	1	
Tennessee Valley Authority	3,729	4,125	396		13,208	12,672		536
Veterans' Administration	47,939	53,945	6,006		211,683	212,863	1,180	
Total, excluding National Military Establishment	229,571	326,142	28,029	1,458	1,215,795	1,226,021	13,111	2,885
Net increase, excluding National Military Establishment			26,571				10,226	
National Military Establishment:								
Office of the Secretary of Defense	439	535	96		1,335	1,447	112	
Department of the Army:								
Inside continental United States	71,031	80,286	9,255		302,690	307,856	5,166	
Outside continental United States	12,063	14,446	2,383		68,213	66,607		1,606
Department of the Air Force:								
Inside continental United States	31,917	37,906	5,989		135,570	137,484	1,914	
Outside continental United States	5,066	6,136	1,070		27,127	27,386	259	
Department of the Navy	89,241	100,455	11,214		360,527	355,909		4,618
Total, National Military Establishment	209,757	239,764	30,007		895,462	896,689	7,451	6,224
Net increase, National Military Establishment							1,227	
Grand total, including National Military Establishment	509,328	565,906	58,036	1,458	2,111,257	2,122,710	20,562	9,109
Net increase, including National Military Establishment			56,578				11,453	

[1] Exclusive of personnel and pay of the Central Intelligence Agency.
[2] Revised on the basis of later information.
[3] Includes personnel and pay for Howard University and the Columbia Institute for the Deaf.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during April 1949 and comparison with March 1949*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	73,185	76,685	3,500	
Commerce	37,900	40,464	2,564	
Interior	44,366	45,969	1,603	
Justice	25,663	25,551		112
Labor	3,552	3,516		36
Post Office	507,164	510,425	3,261	
State	7,871	7,962	91	
Treasury	91,925	91,443		482
Executive Office of the President:				
White House Office	229	230	1	
Bureau of the Budget	529	528		1
Executive Mansion and Grounds	61	65	4	
National Security Council [1]	18	18		
National Security Resources Board	373	373		
Council of Economic Advisers	40	40		
Emergency war agencies: Office of Defense Transportation	39	28		11
Postwar agencies:				
Displaced Persons Commission	69	73	4	
Economic Cooperation Administration	931	935	4	
Office of the Housing Expediter	4,795	4,775		20
Philippine Alien Property Administration	2	2		
Philippine War Damage Commission	6	8	2	
War Assets Administration	4,703	3,843		860
Independent agencies:				
American Battle Monuments Commission	10	13	3	
Atomic Energy Commission	4,695	4,624		71
Civil Aeronautics Board	664	660		4
Civil Service Commission	4,240	4,172		68
Export-Import Bank of Washington	118	120	2	
Federal Communication Commission	1,315	1,316	1	
Federal Deposit Insurance Corporation	1,085	1,066		19
Federal Mediation and Conciliation Service	368	365		3
Federal Power Commission	808	797		11
Federal Security Agency [2]	34,715	34,965	250	
Federal Trade Commission	656	655		1
Federal Works Agency	22,546	22,645	99	
General Accounting Office	9,460	9,433		27
Government Printing Office	7,032	7,039	7	
Housing and Home Finance Agency	11,720	11,540		180
Indian Claims Commission	11	11		
Interstate Commerce Commission	2,212	2,211		1
Independent agencies—Continued				
Maritime Commission	6,492	6,424		68
National Advisory Committee for Aeronautics	6,881	6,857		24
National Archives	389	382		7
National Capital Housing Authority	309	306		3
National Capital Park and Planning Commission	17	19	2	
National Capital Sesquicentennial Commission	2	2		
National Gallery of Art	319	315		4
National Labor Relations Board	1,506	1,508	2	
National Mediation Board	113	111		2
Panama Canal	643	640		3
Railroad Retirement Board	2,497	2,423		74
Reconstruction Finance Corporation	4,566	4,587	21	
Securities and Exchange Commission	1,152	1,147		5
Selective Service System	5,589	5,451		138
Smithsonian Institution	545	538		7
Tariff Commission	241	240		1
Tax Court of the United States	122	123	1	
Tennessee Valley Authority	13,208	12,672		536
Veterans' Administration	210,053	211,212	1,159	
Total, exclusive of National Military Establishment	1,159,720	1,169,522	12,581	2,779
Net increase, excluding National Military Establishment			9,802	
National Military Establishment:				
Office of the Secretary of Defense	1,335	1,447	112	
Department of the Army	302,690	307,856	5,166	
Department of the Air Force	135,570	137,484	1,914	
Department of the Navy	320,408	317,252		3,156
Total, National Military Establishment	760,003	764,039	7,192	3,156
Net increase, National Military Establishment			4,036	
Grand total, including National Military Establishment	1,919,723	1,933,561	19,773	5,935
Net increase, including National Military Establishment			13,838	

[1] Exclusive of personnel of the Central Intelligence Agency.

[2] Includes employees of Howard University and the Columbia Institute for the Deaf.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during April 1949, and comparison with March 1949*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	2,105	2,248	143	
Commerce	3,070	3,120	50	
Interior	5,743	5,891	148	
Justice	477	479	2	
Labor	36	36		
Post Office	1,761	1,782	21	
State	12,568	12,597	29	
Treasury	694	694		
Postwar agencies:				
Displaced Persons Commission	144	159	15	
Economic Cooperation Administration	2,464	2,525	61	
Office of the Housing Expediter	26	27	1	
Philippine Alien Property Administration	123	120		3
Philippine War Damage Commission	946	951	5	
War Assets Administration	3	2		1
Independent agencies:				
American Battle Monuments Commission	139	147	8	
Atomic Energy Commission	4	4		
Civil Aeronautics Board	20	19		1
Civil Service Commission	5	5		
Export-Import Bank of Washington	2	2		
Federal Communications Commission	35	33		2
Federal Security Agency	1,003	1,006	3	
Federal Works Agency	684	711	27	
Housing and Home Finance Agency	43	39		4
Independent agencies—Continued				
Maritime Commission	39	35		4
National Labor Relations Board	11	11		
Panama Canal	22,118	22,026		92
Reconstruction Finance Corporation	11	11		
Selective Service System	166	163		3
Smithsonian Institution	5	5		
Veterans' Administration	1,630	1,651	21	
Total, excluding National Military Establishment	56,075	56,499	534	110
Net increase, excluding National Military Establishment			424	
National Military Establishment:				
Department of the Army	68,213	66,607		1,606
Department of the Air Force	27,127	27,386	259	
Department of the Navy	40,119	38,657		1,462
Total, National Military Establishment	135,459	132,650	259	3,068
Net decrease, National Military Establishment			2,809	
Grand total, including National Military Establishment	191,534	189,149	793	3,178
Net decrease, including National Military Establishment			2,385	

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during April 1949, and comparison with March 1949*

Department or agency	March	April	Increase	Decrease
Executive departments (except National Military Establishment):				
Commerce	1,119	1,250	131	
Interior	4,352	4,876	524	
State	355	351		4
Treasury	4,415	4,420	5	
Independent agencies:				
Atomic Energy Commission	148	118		30
Housing and Home Finance Agency	2	1		1
Panama Canal	1,827	1,851	24	
Tennessee Valley Authority	6,851	6,350		501
Total, excluding National Military Establishment	19,069	19,217	684	536
Net increase, excluding National Military Establishment			148	
National Military Establishment:				
Department of the Army:				
Inside continental United States	161,816	166,309	4,493	
Outside continental United States	45,826	44,367		1,459
Department of the Air Force:				
Inside continental United States	77,302	78,668	1,366	
Outside continental United States	20,372	20,650	278	
Department of the Navy	248,730	244,567		4,163
Total, National Military Establishment	554,046	554,561	6,137	5,622
Net increase, National Military Establishment			515	
Grand total, including National Military Establishment	573,115	573,778	6,821	6,158
Net increase, including National Military Establishment			663	

TABLE V.—*Trend in civilian employment in the executive agencies of the Federal Government, December 1947 (the month of postwar minimum employment) through April 1949*

SHOWING TOTAL EMPLOYMENT, NET PAID EMPLOYMENT, AND EMPLOYMENT WITHOUT COMPENSATION,[1] BY MONTHS AND AGENCIES

Name	Employment in December 1947			Employment in January 1948			Employment in February 1948			Employment in March 1948			Employment in April 1948			Employment in May 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
EXECUTIVE DEPARTMENTS																		
Agriculture	70,660	67,851	2,809	70,152	67,359	2,793	70,144	67,336	2,808	71,641	68,826	2,815	75,351	72,517	2,834	79,235	76,335	2,900
Commerce	37,036	36,964	72	37,371	37,302	69	38,194	38,124	70	39,289	39,218	71	40,146	40,080	66	40,370	40,307	63
Interior	46,195	46,039	156	46,810	46,651	159	47,214	47,028	186	47,900	47,747	153	49,776	49,592	184	51,690	51,550	140
Justice	25,238	25,147	136	25,899	25,889	10	26,175	26,164	11	26,453	26,442	11	26,270	26,259	11	26,272	26,267	5
Labor	4,577	4,544	33	4,546	4,513	33	4,556	4,522	34	4,662	4,622	40	4,578	4,534	44	4,532	4,488	44
Post Office	465,272	465,272	------	465,048	465,048	------	471,868	471,808	------	481,612	481,612	------	488,059	488,059	------	490,596	490,596	------
State	20,841	20,797	44	20,854	20,796	58	21,470	21,402	68	21,368	21,299	69	21,876	21,798	78	21,890	21,809	81
Treasury	85,079	84,873	206	85,306	85,101	205	87,839	87,637	202	89,605	89,403	202	90,117	89,917	200	89,644	89,447	197
EXECUTIVE OFFICE OF THE PRESIDENT																		
White House Office	223	219	4	222	218	4	220	216	4	223	219	4	222	218	4	221	217	4
Bureau of the Budget	602	598	4	601	597	4	603	600	3	605	602	3	612	609	3	593	590	3
Executive Mansion and Grounds	114	114	------	110	110	------	102	102	------	78	78	------	91	91	------	96	96	------
National Security Council	8	8	------	10	10	------	11	11	------	14	14	------	18	18	------	19	19	------
National Security Resources Board	65	64	1	73	71	2	84	81	3	107	101	6	150	129	21	176	155	21
Council of Economic Advisers	61	46	15	58	44	14	54	46	8	43	43	------	44	44	------	45	45	------
Office of Government Reports	19	19	------	19	19	------	18	18	------	18	18	------	18	18	------	17	17	------
EMERGENCY WAR AGENCIES																		
Office of Defense Transportation	41	37	4	42	37	5	41	36	5	44	39	5	47	41	6	50	43	7
Office of Scientific Research and Development	14	14	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
POSTWAR AGENCIES																		
Displaced Persons Commission	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
Economic Cooperation Administration	------	------	------	------	------	------	------	------	------	------	------	------	113	113	------	273	273	------
Office of the Housing Expediter	4,672	4,670	2	4,635	4,633	2	4,635	4,633	2	4,509	4,507	2	4,554	4,552	2	4,591	4,591	------
Philippine Alien Property Administration	170	170	------	171	171	------	171	171	------	165	165	------	159	159	------	134	134	------
Philippine War Damage Commission	550	550	------	574	574	------	571	571	------	692	692	------	784	784	------	830	830	------
War Assets Administration	30,338	30,338	------	29,588	29,588	------	29,285	29,285	------	25,700	25,700	------	24,163	24,163	------	22,663	22,663	------
INDEPENDENT AGENCIES																		
American Battle Monuments Commission	101	101	------	102	102	------	103	103	------	118	118	------	114	114	------	117	117	------
Atomic Energy Commission	4,763	4,757	6	4,879	4,868	11	4,947	4,935	12	4,955	4,943	12	4,990	4,978	12	5,031	5,019	12
Civil Aeronautics Board	579	579	------	584	584	------	588	588	------	595	595	------	598	598	------	622	622	------
Civil Service Commission	3,747	3,686	61	3,878	3,817	61	4,012	3,951	61	4,097	4,026	71	4,096	4,028	68	4,125	4,054	71
Export-Import Bank of Washington	113	113	------	113	113	------	114	114	------	115	115	------	118	118	------	123	123	------
Federal Communications Commission	1,322	1,322	------	1,342	1,342	------	1,359	1,359	------	1,359	1,359	------	1,361	1,361	------	1,366	1,366	------
Federal Deposit Insurance Corporation	1,159	1,157	2	1,147	1,145	2	1,151	1,149	2	1,132	1,130	2	1,122	1,120	2	1,114	1,112	2
Federal Mediation and Conciliation Service	373	373	------	368	368	------	367	367	------	374	373	1	369	369	------	378	378	------
Federal Power Commission	781	781	------	795	795	------	793	793	------	804	804	------	803	803	------	792	792	------
Federal Security Agency	33,689	33,689	------	34,128	34,128	------	34,219	34,219	------	34,418	34,418	------	34,660	34,660	------	34,633	34,633	------
Federal Trade Commission	562	562	------	561	561	------	559	559	------	558	558	------	557	557	------	554	554	------
Federal Works Agency	22,845	22,821	24	22,683	22,659	24	22,577	22,553	24	22,520	22,496	24	22,302	22,278	24	22,409	22,385	24
General Accounting Office	9,448	9,448	------	9,377	9,377	------	9,353	9,353	------	9,302	9,302	------	9,262	9,262	------	9,232	9,232	------
Government Printing Office	7,544	7,544	------	7,485	7,485	------	7,398	7,398	------	7,312	7,312	------	7,223	7,223	------	7,114	7,114	------

[1] The Joint Committee on Reduction of Nonessential Federal Expenditures has always included individuals reported by the various agencies as being employed in expert-consultant capacities even though they are classified as serving without compensation. These individuals have been counted as employees in view of the fact that many of them require full- and part-time assistants, office space, the privilege of using penalty mail, travel expenses, etc. In this chart the total figures shown for each agency include such individuals. The totals listed in the paid employment column exclude such individuals, and the number of such individuals is shown by agency in the WOC column. There are other without-compensation employees who are not classified as expert consultants who are not shown in this table and who are not counted in any of the regular reports by the Joint Committee on Reduction of Nonessential Federal Expenditures.

TABLE V.—*Trend in civilian employment in the executive agencies of the Federal Government, December 1947 (the month of postwar minimum employment) through April 1949*—Continued

Name	Employment in December 1947			Employment in January 1948			Employment in February 1948			Employment in March 1948			Employment in April 1948			Employment in May 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
INDEPENDENT AGENCIES—con.																		
Housing and Home Finance Agency	12,086	12,077	9	11,953	11,946	7	11,825	11,817	8	11,807	11,799	8	11,723	11,716	7	11,753	11,746	7
Indian Claims Commission	12	12	------	11	11	------	11	11	------	11	11	------	11	11	------	11	11	------
Interstste Commerce Commission	2,257	2,257	------	2,263	2,263	------	2,257	2,257	------	2,265	2,265	------	2,250	2,250	------	2,292	2,292	------
Maritime Commission	6,861	6,844	17	6,921	6,903	18	6,948	6,931	17	7,104	7,087	17	7,261	7,252	9	7,424	7,413	11
National Advisory Committee for Aeronautics	6,076	6,061	15	6,172	6,157	15	6,249	6,234	15	6,235	6,220	15	6,204	6,189	15	6,169	6,154	15
National Archives	328	328	------	330	330	------	335	335	------	345	345	------	344	344	------	344	344	------
National Capital Housing Authority	286	286	------	290	290	------	284	284	------	292	292	------	288	288	------	286	286	------
National Capital Park and Planning Commission	24	24	------	25	25	------	24	24	------	24	24	------	23	23	------	21	21	------
National Capital Sesquicentennial Commission																		
National Gallery of Art	311	311	------	318	318	------	317	317	------	311	311	------	319	319	------	317	317	------
National Labor Relations Board	880	880	------	961	961	------	1,135	1,135	------	1,371	1,371	------	1,610	1,610	------	1,788	1,788	------
National Mediation Board	103	103	------	113	113	------	108	108	------	116	116	------	115	115	------	111	111	------
Panama Canal	24,263	24,263	------	24,857	24,857	------	24,732	24,732	------	24,512	24,512	------	24,255	24,255	------	24,002	24,002	------
Railroad Retirement Board	2,783	2,783	------	2,796	2,796	------	2,769	2,769	------	2,759	2,759	------	2,755	2,755	------	2,656	2,656	------
Reconstruction Finance Corporation	6,270	6,270	------	6,053	6,053	------	5,883	5,883	------	5,765	5,765	------	5,634	5,634	------	5,567	5,567	------
Securities and Exchange Commission	1,180	1,180	------	1,086	1,086	------	1,123	1,123	------	1,122	1,122	------	1,111	1,111	------	1,123	1,123	------
Selective Service System	667	667	------	663	663	------	680	680	------	706	706	------	720	720	------	737	737	------
Smithsonian Institution	520	519	1	514	513	1	519	518	1	512	511	1	510	509	1	514	513	1
Tariff Commission	222	222	------	224	224	------	223	223	------	219	219	------	221	221	------	218	218	------
Tax Court of the United States	124	124	------	126	126	------	125	125	------	125	125	------	126	126	------	126	126	------
Tennessee Valley Authority	14,222	14,222	------	14,144	14,144	------	14,111	14,111	------	14,326	14,326	------	14,697	14,697	------	15,054	15,054	------
Veterans' Administration	207,840	201,448	6,392	208,084	201,583	6,501	206,626	199,862	6,764	202,603	195,506	7,097	201,910	194,170	7,740	202,183	193,737	8,446
Total, excluding National Military Establishment	1,166,161	1,156,148	10,013	1,167,435	1,157,437	9,998	1,177,079	1,166,771	10,308	1,184,917	1,174,288	10,629	1,196,810	1,185,479	11,331	1,204,243	1,192,189	12,054
NATIONAL MILITARY ESTABLISHMENT																		
Office of the Secretary of Defense	636	632	4	598	592	6	675	667	8	751	741	10	827	812	15	875	855	20
Department of the Army	349,295	349,249	46	353,168	353,125	43	352,889	352,848	41	359,403	359,376	27	363,936	363,904	32	367,698	367,635	63
Department of the Air Force	140,080	140,080	------	141,037	141,037	------	143,036	143,036	------	145,911	145,911	------	147,951	147,951	------	150,190	150,190	------
Department of the Navy	339,268	339,207	61	339,620	339,558	62	340,131	340,083	48	339,907	339,863	44	340,929	340,882	47	343,355	343,308	47
Total, National Military Establishment	829,279	829,168	111	834,423	834,312	111	836,731	836,634	97	845,972	845,891	81	853,643	853,549	94	862,118	861,988	130
Total	1,995,440	1,985,316	10,124	2,001,858	1,991,749	10,109	2,013,810	2,003,405	10,405	2,030,889	2,020,179	10,710	2,050,453	2,039,028	11,425	2,066,361	2,054,177	12,184

Name	Employment in June 1948			Employment in July 1948			Employment in August 1948			Employment in September 1948			Employment in October 1948			Employment in November 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
EXECUTIVE DEPARTMENTS																		
Agriculture	85,103	82,134	2,969	86,749	83,756	2,993	84,839	81,763	3,076	81,027	77,970	3,057	79,399	76,313	3,086	76,767	73,639	3,128
Commerce	40,935	40,872	63	40,523	40,464	59	40,729	40,670	59	40,577	40,510	67	40,382	40,314	68	40,381	40,313	68
Interior	56,338	56,193	145	57,218	57,073	145	55,918	55,774	144	52,380	52,240	140	50,736	50,601	135	50,447	50,305	142
Justice	26,288	26,277	11	26,244	26,233	11	26,026	26,015	11	25,891	25,880	11	26,015	26,004	11	26,279	26,267	12
Labor	4,514	4,467	47	3,556	3,508	48	3,425	3,377	48	3,470	3,420	50	3,382	3,334	48	3,481	3,431	50
Post Office	498,415	498,415	------	508,834	508,834	------	514,020	514,020	------	517,482	517,482	------	492,090	492,090	------	501,854	501,854	------
State	21,919	21,835	84	20,737	20,656	81	20,249	20,167	82	20,029	19,951	78	19,857	19,780	77	19,932	19,855	77
Treasury	89,386	89,188	198	87,395	87,197	198	87,333	87,134	199	87,603	87,404	199	88,412	88,214	198	88,714	88,516	198

TABLE V.—*Trend in civilian employment in the executive agencies of the Federal Government, December 1947 (the month of postwar minimum employment) through April 1949*—Continued

Name	Employment in June 1948			Employment in July 1948			Employment in August 1948			Employment in September 1948			Employment in October 1948			Employment in November 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
EXECUTIVE OFFICE OF THE PRESIDENT																		
White House Office	214	210	4	218	212	6	219	214	5	218	212	6	218	212	6	218	212	6
Bureau of the Budget	582	579	3	536	534	2	512	510	2	521	519	2	530	528	2	537	535	2
Executive Mansion and Grounds	60	60	------	92	92	------	66	66	------	63	63	------	85	85	------	64	64	------
National Security Council	22	22	------	21	21	------	21	21	------	21	21	------	22	22	------	19	19	------
National Security Resources Board	232	208	24	265	239	26	288	261	27	322	294	28	326	294	32	378	341	37
Council of Economic Advisers	44	44	------	42	42	------	42	42	------	39	39	------	39	39	------	39	39	------
Office of Government Reports	17	17	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
EMERGENCY WAR AGENCIES																		
Office of Defense Transportation	54	45	9	52	43	9	51	51	9	47	38	9	41	32	9	40	31	9
Office of Scientific Research and Development	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------
POSTWAR AGENCIES																		
Displaced Persons Commission	------	------	------	------	------	------	------	------	------	34	34	------	74	74	------	106	106	------
Economic Cooperation Administration	571	571	------	954	954	------	2,042	2,042	------	1,995	1,995	------	2,458	2,458	------	2,491	2,491	------
Office of the Housing Expediter	4,568	4,568	------	4,618	4,618	------	4,679	4,679	------	4,726	4,726	------	4,760	4,760	------	4,810	4,810	------
Philippine Alien Property Administration	142	142	------	141	141	------	139	139	------	138	138	------	139	139	------	137	137	------
Philippine War Damage Commission	908	908	------	928	928	------	926	926	------	925	925	------	934	934	------	936	936	------
War Assets Administration	17,129	17,129	------	15,981	15,981	------	14,165	14,165	------	11,754	11,754	------	11,014	11,014	------	10,241	10,241	------
INDEPENDENT AGENCIES																		
American Battle Monuments Commission	121	121	------	132	132	------	133	133	------	134	134	------	138	138	------	138	138	------
Atomic Energy Commission	5,030	5,018	12	5,064	5,051	13	5,058	5,045	13	5,041	5,027	14	4,964	4,956	8	4,890	4,882	8
Civil Aeronautics Board	632	632	------	625	625	------	634	634	------	653	653	------	663	663	------	666	666	------
Civil Service Commission	4,106	4,043	63	4,152	4,095	57	4,116	4,067	49	4,099	4,052	47	4,101	4,055	46	4,109	4,062	47
Export-Import Bank of Washington	125	125	------	128	128	------	131	131	------	127	127	------	128	128	------	125	125	------
Federal Communications Commission	1,380	1,380	------	1,385	1,385	------	1,373	1,373	------	1,362	1,362	------	1,364	1,364	------	1,360	1,360	------
Federal Deposit Insurance Corporation	1,095	1,093	2	1,001	999	2	1,001	999	2	1,022	1,020	2	1,023	1,021	2	1,025	1,023	2
Federal Mediation and Conciliation Service	383	383	------	376	376	------	380	380	------	372	372	------	381	381	------	379	379	------
Federal Power Commission	809	809	------	825	825	------	828	828	------	827	827	------	828	828	------	829	829	------
Federal Security Agency	34,552	34,552	------	35,184	35,184	------	34,926	34,926	------	34,998	34,998	------	34,812	34,812	------	35,048	35,048	------
Federal Trade Commission	574	574	------	594	594	------	615	615	------	623	623	------	626	626	------	636	636	------
Federal Works Agency	22,565	22,541	24	22,798	22,774	24	23,090	23,066	24	23,049	23,025	24	23,002	22,978	24	22,924	22,900	24
General Accounting Office	9,170	9,170	------	9,177	9,177	------	9,191	9,191	------	9,229	9,229	------	9,368	9,368	------	9,443	9,443	------
Government Printing Office	7,074	7,074	------	7,034	7,034	------	7,041	7,041	------	7,024	7,024	------	6,980	6,980	------	6,986	6,986	------
Housing and Home Finance Agency	11,734	11,727	7	11,690	11,683	7	11,637	11,630	7	11,683	11,676	7	11,652	11,645	7	11,780	11,773	7
Indian Claims Commission	11	11	------	11	11	------	11	11	------	11	11	------	11	11	------	11	11	------
Interstate Commerce Commission	2,301	2,301	------	2,290	2,290	------	2,277	2,277	------	2,266	2,266	------	2,287	2,287	------	2,297	2,297	------
Maritime Commission	7,219	7,208	11	6,706	6,695	11	6,603	6,594	9	6,717	6,706	11	6,809	6,798	11	6,773	6,763	10
National Advisory Committee for Aeronautics	6,279	6,264	15	6,670	6,653	17	6,687	6,670	17	6,670	6,653	17	6,700	6,683	17	6,780	6,763	17
National Archives	341	341	------	350	350	------	354	354	------	364	364	------	365	365	------	371	371	------
National Capital Housing Authority	282	282	------	290	290	------	290	290	------	297	297	------	302	302	------	306	306	------
National Capital Park and Planning Commission	20	20	------	19	19	------	20	20	------	22	22	------	21	21	------	20	20	------

TABLE V.—*Trend in civilian employment in the executive agencies of the Federal Government, December 1947 (the month of postwar minimum employment) through April 1949*—Continued

Name	Employment in June 1948			Employment in July 1948			Employment in August 1948			Employment in September 1948			Employment in October 1948			Employment in November 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
INDEPENDENT AGENCIES—con.																		
National Capital Sesquicentennial Commission							3	3		3	3		3	3		3	3	
National Gallery of Art	322	322		321	321		321	321		317	317		319	319		319	319	
National Labor Relations Board	1,992	1,992		2,107	2,107		1,953	1,953		1,911	1,911		1,833	1,833		1,827	1,827	
National Mediation Board	109	109		106	106		98	98		103	103		102	102		104	104	
Panama Canal	23,477	23,477		22,647	22,647		23,042	23,042		22,956	22,956		23,340	23,340		23,051	23,051	
Railroad Retirement Board	2,599	2,599		2,545	2,545		2,492	2,492		2,443	2,443		2,391	2,391		2,401	2,401	
Reconstruction Finance Corporation	5,382	5,382		5,184	5,184		5,017	5,017		4,891	4,891		4,801	4,801		4,801	4,801	
Securities and Exchange Commission	1,149	1,149		1,148	1,148		1,151	1,151		1,153	1,153		1,161	1,161		1,159	1,159	
Selective Service System	758	758		772	772		3,508	3,508		5,122	5,122		5,725	5,725		5,933	5,933	
Smithsonian Institution	517	516	1	536	535	1	556	555	1	555	554	1	554	553	1	561	560	1
Tariff Commission	219	219		227	227		234	234		241	241		240	240		241	241	
Tax Court of the United States	126	126		125	125		125	125		124	124		124	124		124	124	
Tennessee Valley Authority	15,223	15,223		15,110	15,110		15,148	15,148		14,657	14,657		14,352	14,352		14,307	14,307	
Veterans' Administration	205,451	196,858	8,593	207,179	198,561	8,618	209,883	201,233	8,650	210,236	200,884	9,352	212,682	202,090	10,592	214,585	203,488	11,097
Total excluding National Military Establishment	1,220,568	1,208,283	12,285	1,229,612	1,217,284	12,328	1,235,625	1,223,191	12,434	1,230,564	1,217,442	13,122	1,205,065	1,190,685	14,380	1,214,183	1,199,241	14,942
NATIONAL MILITARY ESTABLISHMENT																		
Office of the Secretary of Defense	984	963	21	995	974	21	1,019	997	22	1,054	1,032	22	1,104	1,077	27	1,132	1,096	36
Department of the Army	370,716	370,684	32	370,946	370,922	24	373,685	373,654	31	368,466	368,439	27	368,490	368,459	31	369,047	369,016	31
Department of the Air Force	152,391	152,391		153,798	153,798		154,131	154,131		154,962	154,962		155,752	155,752		156,679	156,679	
Department of the Navy	347,687	347,651	36	351,911	351,874	37	356,442	356,408	34	359,976	359,938	38	361,815	361,777	38	363,588	363,549	39
Total, National Military Establishment	871,778	871,689	89	877,650	877,568	82	885,277	885,190	87	884,458	884,371	87	887,161	887,065	96	890,446	890,340	106
Total	2,092,346	2,079,972	12,374	2,107,262	2,094,852	12,410	2,120,902	2,108,381	12,521	2,115,022	2,101,813	13,209	2,092,226	2,077,750	14,476	2,104,629	2,089,581	15,048

Name	Employment in December 1948			Employment in January 1949			Employment in February 1949			Employment in March 1949			Employment in April 1949		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
EXECUTIVE DEPARTMENTS															
Agriculture	74,963	71,842	3,121	73,680	70,565	3,115	73,940	70,893	3,047	75,290	72,161	3,129	78,933	75,762	3,171
Commerce	40,139	40,073	66	39,926	39,859	67	40,240	40,174	66	40,970	40,903	67	43,584	43,517	67
Interior	49,484	49,342	112	49,588	49,441	147	49,901	49,755	146	50,109	49,958	151	51,860	51,734	126
Justice	26,195	26,183	12	26,345	26,333	12	26,186	26,174	12	26,140	26,128	12	26,030	26,017	13
Labor	3,507	3,458	49	3,521	3,472	49	3,399	3,350	49	3,588	3,537	51	3,552	3,499	53
Post Office	508,321	508,321		507,507	507,507		507,430	507,430		508,925	508,925		512,207	512,207	
State	20,001	19,923	78	20,115	20,027	88	20,210	20,137	73	20,439	20,371	68	20,559	20,488	71
Treasury	88,567	88,369	198	89,015	88,819	196	91,302	91,108	194	92,619	92,425	194	92,137	91,944	193
EXECUTIVE OFFICE OF THE PRESIDENT															
White House Office	214	209	5	218	213	5	225	220	5	229	224	5	230	225	5
Bureau of the Budget	538	536	2	530	528	2	531	529	2	529	527	2	528	526	2
Executive Mansion and Grounds	64	64		69	69		60	60		61	61		65	65	
National Security Council	19	19		22	22		22	22		18	18		18	18	
National Security Resources Board	390	350	40	410	366	44	407	362	45	373	327	46	373	325	48
Council of Economic Advisers	39	39		39	39		39	39		40	40		40	40	
Office of Government Reports															
EMERGENCY WAR AGENCIES															
Office of Defense Transportation	40	31	9	39	35	4	39	30	9	39	30	9	28	19	9
Office of Scientific Research and Development															
POSTWAR AGENCIES															
Displaced Persons Commission	116	116		147	147		179	179		213	213		232	232	
Economic Cooperation Administration	2,852	2,852		3,078	3,078		3,078	3,078		3,395	3,395		3,460	3,460	
Office of the Housing Expediter	4,837	4,837		4,856	4,856		4,884	4,884		4,821	4,821		4,802	4,802	
Philippine Alien Property Administration	134	134		128	128		127	127		125	125		122	122	
Philippine War Damage Commission	937	937		933	933		943	943		952	952		959	959	
War Assets Administration	7,349	7,349		6,708	6,708		4,899	4,899		4,706	4,706		3,845	3,845	

TABLE V.—*Trend in civilian employment in the executive agencies of the Federal Government, December 1947 (the month of postwar minimum employment) through April 1949*—Continued

Name	Employment in December 1948			Employment in January 1949			Employment in February 1949			Employment in March 1949			Employment in April 1949		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
INDEPENDENT AGENCIES															
American Battle Monuments Commission	135	135	.....	138	138	.....	143	143	.....	149	149	.....	160	160	.....
Atomic Energy Commission	4,835	4,827	8	4,803	4,795	8	4,811	4,806	5	4,699	4,694	5	4,628	4,624	4
Civil Aeronautics Board	664	664	.....	670	670	.....	682	682	.....	684	684	.....	679	679	.....
Civil Service Commission	4,118	4,071	47	4,228	4,181	47	4,227	4,186	41	4,245	4,185	60	4,177	4,117	60
Export-Import Bank of Washington	123	123	.....	122	122	.....	121	121	.....	120	120	.....	122	122	.....
Federal Communications Commission	1,354	1,354	.....	1,353	1,353	.....	1,349	1,349	.....	1,350	1,350	.....	1,349	1,349	.....
Federal Deposit Insurance Corporation	1,031	1,029	2	1,052	1,050	2	1,062	1,060	2	1,085	1,083	2	1,066	1,064	2
Federal Mediation and Conciliation Service	377	377	.....	374	374	.....	368	368	.....	368	368	.....	365	365	.....
Federal Power Commission	831	831	.....	824	824	.....	819	819	.....	808	808	.....	797	797	.....
Federal Security Agency	34,972	34,972	.....	35,114	35,114	.....	35,267	35,267	.....	35,718	35,718	.....	35,971	35,971	.....
Federal Trade Commission	634	634	.....	650	650	.....	662	662	.....	656	656	.....	655	655	.....
Federal Works Agency	22,853	22,829	24	23,081	23,057	24	23,124	23,100	24	23,230	23,204	26	23,356	23,332	24
General Accounting Office	9,411	9,411	.....	9,432	9,432	.....	9,430	9,430	.....	9,460	9,460	.....	9,433	9,433	.....
Government Printing Office	6,953	6,953	.....	6,999	6,999	.....	7,037	7,037	.....	7,032	7,032	.....	7,039	7,039	.....
Housing and Home Finance Agency	11,678	11,671	7	11,862	11,855	7	11,873	11,866	7	11,763	11,756	7	11,579	11,572	7
Indian Claims Commission	11	11	.....	11	11	.....	11	11	.....	11	11	.....	11	11	.....
Interstate Commerce Commission	2,286	2,286	.....	2,248	2,248	.....	2,228	2,228	.....	2,212	2,212	.....	2,211	2,211	.....
Maritime Commission	6,530	6,521	9	6,571	6,559	12	6,631	6,619	12	6,531	6,519	12	6,459	6,447	12
National Advisory Committee for Aeronatics	6,887	6,870	17	6,895	6,878	17	6,904	6,887	17	6,881	6,864	17	6,857	6,840	17
National Archives	380	380	.....	388	388	.....	388	388	.....	389	389	.....	382	382	.....
National Capital Housing Authority	306	306	.....	308	308	.....	305	305	.....	309	309	.....	306	306	.....
National Capital Park and Planning Commission	20	20	.....	18	18	.....	18	18	.....	17	17	.....	19	19	.....
National Capital Sesquicentennial Commission	3	3	.....	3	3	.....	3	3	.....	2	2	.....	2	2	.....
National Gallery of Art	317	317	.....	320	320	.....	325	325	.....	319	319	.....	315	315	.....
National Labor Relations Board	1,661	1,661	.....	1,582	1,582	.....	1,517	1,517	.....	1,517	1,517	.....	1,519	1,519	.....
National Mediation Board	107	107	.....	108	108	.....	113	113	.....	113	113	.....	111	111	.....
Panama Canal	22,918	22,918	.....	22,920	22,920	.....	22,804	22,804	.....	22,761	22,761	.....	22,666	22,666	.....
Railroad Retirement Board	2,388	2,388	.....	2,421	2,421	.....	2,451	2,451	.....	2,497	2,497	.....	2,423	2,423	.....
Reconstruction Finance Corporation	4,623	4,623	.....	4,578	4,578	.....	4,589	4,589	.....	4,577	4,577	.....	4,598	4,598	.....
Securities and Exchange Commission	1,159	1,159	.....	1,165	1,165	.....	1,163	1,163	.....	1,152	1,152	.....	1,147	1,147	.....
Selective Service System	5,979	5,979	.....	5,903	5,903	.....	5,834	5,834	.....	5,755	5,755	.....	5,614	5,614	.....
Smithsonian Institution	556	555	1	550	549	1	548	547	1	550	549	1	543	542	1
Tariff Commission	239	239	.....	240	240	.....	240	240	.....	241	241	.....	240	240	.....
Tax Court of the United States	124	124	.....	122	122	.....	121	121	.....	122	122	.....	123	123	.....
Tennessee Valley Authority	13,982	13,982	.....	13,771	13,771	.....	13,581	13,581	.....	13,208	13,208	.....	12,672	12,672	.....
Veterans' Administration	215,078	203,404	11,674	212,928	202,489	10,439	211,453	200,625	10,828	211,683	200,142	11,541	212,863	200,650	12,213
Total, excluding National Military Establishment	1,214,229	1,198,718	15,511	1,210,626	1,196,340	14,286	1,210,243	1,195,658	14,585	1,215,795	1,200,390	15,405	1,226,021	1,209,923	16,098
NATIONAL MILITARY ESTABLISHMENT															
Office of the Secretary of Defense	1,190	1,159	31	1,226	1,194	32	1,295	1,263	32	1,335	1,303	32	1,447	1,415	32
Department of the Army	367,365	367,334	31	367,912	367,884	28	370,024	370,001	23	370,903	370,877	26	374,463	374,437	26
Department of the Air Force	157,799	157,799	.....	158,789	158,789	.....	160,232	160,232	.....	162,697	162,697	.....	164,870	164,870	.....
Department of the Navy	363,874	363,835	39	364,285	364,256	29	363,186	363,159	27	360,527	360,499	28	355,909	355,880	29
Total, National Military Establishment	890,228	890,127	101	892,212	892,123	89	894,737	894,655	82	895,462	985,376	86	896,689	896,602	87
Total	2,104,457	2,088,845	15,612	2,102,838	2,088,463	14,375	2,104,980	2,090,313	14,667	2,111,257	2,095,766	15,491	2,122,710	2,106,525	16,185

Employment trends in the principal Federal employing agencies

BY AGENCIES AND MONTHS—DECEMBER 1947 (POSTWAR MINIMUM EMPLOYMENT) THROUGH APRIL 1949

Name	Employment in December 1947			Employment in January 1948			Employment in February 1948			Employment in March 1948			Employment in April 1948			Employment in May 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
Post Office Department	465,272	465,272	.....	465,048	465,048	.....	471,868	471,868	.....	481,612	481,612	.....	488,059	488,059	.....	490,596	490,596	.....
Veterans' Administration	207,840	201,448	6,392	208,084	201,583	6,501	206,626	199,862	6,764	202,603	195,506	7,097	201,910	194,170	7,740	202,183	193,737	8,446
National Military Establishment	829,279	829,168	111	834,423	834,312	111	836,731	836,634	97	845,972	845,891	81	853,643	853,549	94	862,118	861,988	130
Total	1,502,391	1,495,888	6,503	1,507,555	1,500,943	6,612	1,515,225	1,508,364	6,861	1,530,187	1,523,009	7,178	1,543,612	1,535,778	7,834	1,554,897	1,546,321	8,576
All other executive departments and agencies	493,049	489,428	3,621	494,303	490,806	3,497	498,585	495,041	3,544	500,702	497,170	3,532	506,841	503,250	3,591	511,464	507,856	3,608
Grand total	1,995,440	1,985,316	10,124	2,001,858	1,991,749	10,109	2,013,810	2,003,405	10,405	2,030,889	2,020,179	10,710	2,050,453	2,039,028	11,425	2,066,361	2,054,177	12,184

Name	Employment in June 1948			Employment in July 1948			Employment in August 1948			Employment in September 1948			Employment in October 1948			Employment in November 1948		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
Post Office Department	498,415	498,415	.....	508,834	508,834	.....	514,020	514,020	.....	517,482	517,482	.....	492,090	492,090	.....	501,854	501,854	.....
Veterans' Administration	205,451	196,858	8,593	207,179	198,561	8,618	209,883	201,233	8,650	210,236	200,884	9,352	212,682	202,090	10,592	214,585	203,488	11,097
National Military Establishment	871,778	871,689	89	877,650	877,568	82	885,277	885,190	87	884,458	884,371	87	887,161	887,065	96	890,446	890,340	106
Total	1,575,644	1,566,962	8,682	1,593,663	1,584,963	8,700	1,609,180	1,600,443	8,737	1,612,176	1,602,737	9,439	1,591,933	1,581,245	10,688	1,606,885	1,595,682	11,203
All other executive departments and agencies	516,702	513,010	3,692	513,599	509,889	3,710	511,722	507,938	3,784	502,846	499,076	3,770	500,293	496,505	3,788	497,744	493,899	3,845
Grand total	2,092,346	2,079,972	12,374	2,107,262	2,094,852	12,410	2,120,902	2,108,381	12,521	2,115,022	2,101,813	13,209	2,092,226	2,077,750	14,476	2,104,629	2,089,581	15,048

Employment trends in the principal Federal employing agencies—Continued

Name	Employment in December 1948			Employment in January 1949			Employment in February 1949			Employment in March 1949			Employment in April 1949		
	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC	Total	Paid	WOC
Post Office Department	508,321	508,321	.....	507,507	507,507	.....	507,430	507,430	.....	508,925	508,925	.....	512,207	512,207	.....
Veterans' Administration	215,078	203,404	11,674	212,928	202,489	10,439	211,453	200,625	10,828	211,683	200,142	11,541	212,863	200,650	12,213
National Military Establishment	890,228	890,127	101	892,212	892,123	89	894,737	894,655	82	895,462	895,376	86	896,689	896,602	87
Total	1,613,627	1,601,852	11,775	1,612,647	1,602,119	10,528	1,613,620	1,602,710	10,910	1,616,070	1,604,443	11,627	1,621,759	1,609,459	12,300
All other executive departments and agencies	490,830	486,993	3,837	490,191	486,344	3,847	491,360	487,603	3,757	495,187	491,323	3,864	500,951	497,066	3,885
Grand total	2,104,457	2,088,845	15,612	2,102,838	2,088,463	14,375	2,104,980	2,090,313	14,667	2,111,257	2,095,766	15,491	2,122,710	2,106,525	16,185

The statement presented by Mr. BYRD is as follows:

STATEMENT BY SENATOR BYRD

THREE HUNDRED AND FIFTY PEOPLE A DAY

The number of civilian employees in the executive branch of the Federal Government in April increased at the rate of more than 350 a day.

MILLION DOLLARS A DAY

Average Federal pay is approximately $3,000 a year. If those added to the Federal pay roll in April represent a net permanent increase, it means annual Federal personnel costs were increased during the month at the rate of more than a million dollars a day.

MORE THAN 2,000,000 ON ROLLS

Total civilian employment in the executive branch in April numbered 2,122,710. The total for March was 2,111,257. The increase for the month was 11,453.

These figures were revealed today in a compilation of personnel reports certified by 61 reporting agencies of the executive branch to the Joint Committee on Reduction of Nonessential Federal Expenditures.

INCREASE LEADERS

The greatest increase for the month was reported by the Department of Agriculture with 3,643. This was closely followed by the Army Department with an increase of 3,560 civilian employees. The Post Office Department was third with an increase of 3,282.

The largest decrease reported for the month was in the Department of the Navy, which had a reduction of 4,618. War Assets Administration, which is in liquidation, reported the second largest decrease with 861.

VETERANS' ADMINISTRATION INCREASE

While great publicity has been given the report that the Veterans' Administration was to reduce its employment by 8,000, the Administration certified to the committee that there was a net increase of 508 during April in its paid personnel. Previous reports by the Administration reveal that since the beginning of the current fiscal year there had been a net increase in its paid personnel of 3,792 for the 10-month period.

BIG PERSONNEL AGENCIES

A special table in the committee report for April shows that three agencies—the National Military Establishment, the Post Office Department, and the Veterans' Administration—are employing a total of nearly 1,600,000, approximately 76 percent of the total civilian personnel in the executive branch.

Employees reported by the remaining 55 principal departments and agencies aggregate little more than 500,000, or about 24 percent of the total.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ (for himself, Mr. DOWNEY, Mr. GREEN, Mr. PEPPER, Mr. MCCLELLAN, Mr. HOLLAND, Mr. SPARKMAN, Mr. CHAPMAN, Mr. KERR, and Mr. CAIN):

S. 2116. A bill to provide for the advance planning of public works; to the Committee on Public Works.

By Mr. MALONE:

S. 2117. A bill to provide for the designation of the reservoir to be formed by the Davis Dam on the Colorado River, as Lake Mohave; to the Committee on Interior and Insular Affairs.

(Mr. MALONE also introduced Senate bill 2118, for the relief of Gracy Mariluch, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. MALONE also introduced Senate bill 2119, for the relief of the Alamo Irrigation Co., which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. MALONE also introduced Senate bill 2120, for the relief of Edwin A. Knous, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. MALONE also introduced Senate bill 2121, for the relief of Mrs. Lucille (Swett) Brown, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. MAGNUSON:

S. 2122. A bill to authorize the construction of the Klickitat unit on the Wapato project, Yakima Indian Reservation, Wash., and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2123. A bill to amend section 6 of the River and Harbor Act of July 24, 1946 (Public Law 525, 79th Cong.); to the Committee on Public Works.

By Mr. MUNDT:

S. 2124. A bill to extend indefinitely the period in which title I of the Agricultural Act of 1948 shall be applicable; to the Committee on Agriculture and Forestry.

By Mr. CORDON:

S. 2125. A bill conferring jurisdiction upon the United States District Court for the District of Oregon to hear, determine, and render judgment upon the claims of J. N. Jones, and others; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2126. A bill to prohibit the Government from furnishing stamped envelopes containing any lithographing, engraving, or printing; to the Committee on Post Office and Civil Service.

By Mr. HUMPHREY:

S. 2127. A bill for the relief of Thomas Clayton Smith; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2128. A bill to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder; to the Committee on the Judiciary.

(Mr. MALONE introduced Senate Joint Resolution 111, to appoint a board of engineers to examine and report upon the proposed central Arizona project, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

GRACY MARILUCH

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill for the relief of Gracy Mariluch, and I ask unanimous consent that the bill, together with an explanatory statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, together with the explanatory statement, will be printed in the RECORD.

The bill (S. 2118) for the relief of Gracy Mariluch, introduced by Mr. MALONE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of State is authorized and directed to cause an immigration visa to be issued to Gracy Mariluch, of Paris, France, permitting her immediate entry into the United States for permanent residence, if she is found to be otherwise admissible under the provisions of the immigration laws, other than those relating to quotas. Upon issuance of such visa, the Secretary shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Spain.

The statement presented by Mr. MALONE is as follows:

STATEMENT BY SENATOR MALONE

Miss Gracy Mariluch, 24, who has lived in France since 40 days after her birth, had intended to accompany her mother, sister, and brother to the United States to make their home in Elko, Nev.

Her mother is a former resident of Nevada, and her brother was born in the United States and served in World War II.

Her mother is studying to prepare for application for citizenship.

The necessary papers had been prepared for the entire family to live in the United States under the French quota when it was discovered that Miss Gracy Mariluch would come under the Spanish quota, since she was born in Spain, while her parents were en route from the United States to France.

To await her admission under the Spanish quota would necessitate a separation of the family for nearly 10 years.

This bill was approved by the immigration authorities and the Attorney General's office and was favorably reported by the Senate

Judiciary Committee and passed by the Senate late in the regular 1948 session.

ALAMO IRRIGATION CO.

Mr. MALONE. Mr. President, I present for appropriate reference a bill for the relief of the Alamo Irrigation Co., and I ask unanimous consent that the bill, together with an explanatory statement by me and the report of the Judiciary Committee of last year be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, together with the explanatory statement and the report of the Judiciary Committee of last year will be printed in the RECORD.

The bill (S. 2119) for the relief of the Alamo Irrigation Co., introduced by Mr. MALONE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to credit the note for $46,200 executed by the Alamo Irrigation Co., of Alamo, Nev., and dated August 7, 1946, with the sum of $1,193.50, representing the interest accrued thereon from August 7, 1946, to June 17, 1947, during which time said corporation was prevented from applying the funds for which such note was given to the contemplated purpose of lining a canal, first by the impossibility of securing acceptable bids therefor during the fall months of 1946, and thereafter by the necessity of using the existing canal to transport irrigation water to farms until the 1947 crops were matured.

The explanatory statement by Senator MALONE is as follows:

STATEMENT BY SENATOR MALONE

The Alamo Irrigation Co. is asking for a waiver of interest on a loan made to them by the Farmers Home Administration on August 7, 1947, for the purpose of building an irrigation canal. They were prevented from applying for the funds granted under this loan, first, because of the impossibility of securing acceptable bids during the fall of 1936, and thereafter by the necessity of using the existing canal to transport irrigation water to farms until the 1947 crops were matured.

They feel they were not actually entitled to use the funds until June 10, 1947, when a representative of the FHA and the board of directors of the company met and approved the type of lining to be used in construction of the canal.

The interest which would be waived under this bill is for the period August 7, 1946, to June 17, 1947, and amounts to $1,193.50.

The amount of the loan, $46,200, was deposited in a joint account, on August 7, 1946. No funds could be drawn against the account without both the signature of an officer of the Alamo Irrigation Co. and a supervisor appointed by the FHA.

The first withdrawal was made June 17, 1947, in the amount of $165.

None of the money was used for any purpose during the period for which the refund of interest is claimed, August 7, 1946, to June 17, 1947.

The matter has been discussed with Mr. R. W. Hollenberg, State director of the FHA in Nevada and California, who directly handled the case, who says the FHA would like to waive the interest, but that it must be done by means of a bill in Congress.

This bill was cleared by the Attorney General's office, favorably reported by the Judiciary Committee, and passed the Senate as amended late in the regular 1948 session of Congress.

The report of the Committee on the Judiciary is as follows:

The Committee on the Judiciary, to whom was referred the bill (S. 2049), for the relief of the Alamo Irrigation Co., having considered the same, do now report the bill to the Senate favorably, with an amendment in the nature of a substitute, and recommend that the bill, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That whereas Alamo Irrigation Co., of Alamo, Nev., under date of August 7, 1946, executed its promissory note to the United States for $46,200 for moneys advanced on that date by the United States for the purpose of lining its irrigation canals and installing therein certain turn-out structures pursuant to an act of August 28, 1937, entitled 'An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes' (50 Stat. 869); and

"Whereas Alamo Irrigation Co. was not permitted to use the funds advanced unless countersigned by a duly authorized representative of the Secretary of Agriculture; and

"Whereas Alamo Irrigation Co. was unable to obtain bids within the limits of available funds for lining the canals and was further delayed from the use of such funds by the necessity of transporting irrigation water until the 1947 crops were matured.

"Interest which accrued on said note from August 7, 1946, to June 17, 1947, in the sum of $1,193.50 is hereby waived and the Secretary of Agriculture is authorized and directed to cause the proper entries to be made in the accounting records of the Department of Agriculture to effect such waiver."

The purpose of the proposed legislation is to authorize the Secretary of Agriculture to waive the collection of interest in the amount of $1,193.50 on a loan made by the Secretary to the Alamo Irrigation Co. for that period which the company was unable to use the principal amount of the loan.

STATEMENT

The facts are fully set forth in the attached letters received from the Department of Justice and the Department of Agriculture:

DEPARTMENT OF JUSTICE,
June 14, 1948.

Hon. ALEXANDER WILEY,
Chairman, Committee on the Judiciary,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is in response to your request for the views of this Department relative to the bill (S. 2049) for the relief of the Alamo Irrigation Co.

The bill would authorize and direct the Secretary of Agriculture to credit the note for $46,200, executed by the Alamo Irrigation Co., of Alamo, Nev., dated August 7, 1946, with the sum of $1,193.50, representing the interest accrued thereon from August 7, 1946, to June 17, 1947, during which time such corporation was prevented from applying the funds for which such note was given to the contemplated purpose of lining a canal, first by the impossibility of securing acceptable bids therefor during the fall months of 1946, and thereafter by the necessity of using the existing canal to transport irrigation water to farms until the 1947 crops were matured.

In compliance with your request, a report was obtained from the Department of Agriculture concerning this legislation. That report, which is enclosed, states that the Alamo Irrigation Co. applied to the Department of Agriculture for assistance pursuant to the act of August 28, 1937 (50 Stat. 869), for the purpose of lining irrigation canals of that company and installing necessary turn-out structures. A loan in the amount of $46,200 was made to the company and funds were advanced on August 7, 1946. The company was unable to use such funds immediately because all construction bids were in excess of available funds and had to be rejected. With the approval of the Department of Agriculture the construction plans were then redrafted and the company undertook to do the construction on its own account in accordance with revised plans but further delay was encountered by reason of the necessity of using the existing canals for the remaining period of the then current crop season. The loan funds advanced to the borrower were deposited in a bank account subject to withdrawal only upon countersignature of representatives of the Government. Consequently, no funds were expended until final plans were made for the construction of the project within the total funds available. The first loan money was expended by the company on June 17, 1947, but during the interim, interest accrued at the rate of 3 percent per annum aggregating $1,193.50.

The Department of Agriculture states it has no authority to adjust or modify the agreement with the claimant company to relieve it from any part of the accrued interest which resulted from the unavoidable delay. It is pointed out, however, that since this loan was made, procedures have been revised in order to prevent the recurrence of this type of situation. The Department of Agriculture states it has no objection in this instance to the enactment of the bill directing that the note of the company be credited with the specified amount of accrued interest.

The bill as presently drawn does not state that the note in question was made to the United States or that moneys under it were actually advanced. In addition, the advisability of a statutory finding of impossibility of obtaining acceptable bids appears doubtful. Should the bill be enacted, it is recommended that it be amended by striking out all matter after the enacting clause and substituting therefor the following:

"That whereas Alamo Irrigation Co., of Alamo, Nev., under date of August 7, 1946, executed its promissory note to the United States for $46,200 for moneys advanced on that date by the United States for the purpose of lining its irrigation canals and installing therein certain turn-out structures pursuant to an act of August 28, 1937, entitled 'An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes' (50 Stat. 869); and

"Whereas Alamo Irrigation Co. was not permitted to use the funds advanced unless countersigned by a duly authorized representative of the Secretary of Agriculture; and

"Whereas Alamo Irrigation Co. was unable to obtain bids within the limits of available funds for lining the canals and was further delayed from the use of such funds by the necessity of transporting irrigation water until the 1947 crops were matured.

"Interest which accrued on said note from August 7, 1946, to June 17, 1947, in the sum of $1,193.50 is hereby waived and the Secretary of Agriculture is authorized and directed to cause the proper entrees to be made in the accounting records of the Department of Agriculture to effect such waiver."

Whether such legislation should be enacted presents a question of legislative policy concerning which the Department of Justice desires to make no recommendation.

The Director of the Bureau of the Budget has advised that there would be no objection to the submission of the report.

Yours sincerely,

PEYTON FORD,
The Assistant to the Attorney General.

DEPARTMENT OF AGRICULTURE,
March 2, 1948.

The honorable the ATTORNEY GENERAL.

DEAR MR. ATTORNEY GENERAL: In response to Mr. Ford's request of February 3, 1948, concerning private bill S. 2049, for the relief of the Alamo Irrigation Co., I am pleased to submit the views of this Department with respect to that bill.

The Alamo Irrigation Co. applied to this Department for assistance pursuant to the act of August 28, 1937, entitled "An act to promote conservation in the arid and semi-arid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes" (50 Stat. 869, 16 U. S. C. 590r–x), for the purpose of lining existing irrigation canals of that company and the installation of necessary turn-out structures. A loan in the amount of $46,200 was made to the company and funds were advanced on August 7, 1946. The company was unable to use the funds immediately because construction bids submitted to it by contractors were all in excess of available funds. The bids were, therefore, rejected by the company. The construction plans were then redrafted with the approval of the Department, and the borrower undertook to do the construction on its own account in accordance with the revised plans. Further delay in beginning construction was encountered by reason of the necessity of using the existing canals for the remaining period of the then current crop season.

Although the loan funds were advanced to the borrower, they were deposited in a bank account subject to withdrawal only upon countersignature of representatives of the Government. Consequently, no funds were expended until final plans were made for the construction of the project within the total funds available. The first loan money was expended by the company on June 17, 1947. During the interim, interest accrued at the rate of 3 percent per annum aggregating $1,193.50.

This Department has no authority to adjust or modify the agreement with the Alamo Irrigation Co. to relieve it from any part of the accrued interest which resulted from the unavoidable delays. Since this loan was made, procedures have been revised in a manner which should prevent the recurrence of this type of situation. There is no objection, however, in this instance to the enactment of the private bill directing that the note of the company be credited with the specified amount of accrued interest.

Sincerely,

CLINTON P. ANDERSON,
Secretary.

EDWIN A. KNOUS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill for the relief of Edwin A. Knous, and I ask unanimous consent that the bill, together with an explanatory statement by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, together with the explanatory statement, will be printed in the RECORD.

The bill (S. 2120) for the relief of Edwin A. Knous, introduced by Mr. MALONE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin A. Knous of Ruth, Nev., the sum of $120.05 in full satisfaction of his claim against the United States for travel allowance and subsistence due for traveling on orders dated April 16, 1943, from San Francisco, Calif., to Miami, Fla., while a seaman second class in the United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The explanatory statement presented by Mr. MALONE is as follows:

STATEMENT BY SENATOR MALONE

This bill is being introduced for the relief of Edwin A. Knous, for the sum of $120.05 for travel allowance and subsistence due for traveling on orders while a seaman second class in the United States Navy (orders dated April 16, 1943) from San Francisco to Miami.

Due to the length of time involved from the date the travel was performed, the Navy Department has been unable to locate sufficient information to substantiate this claim. At the time of this travel, Edwin A. Knous inadvertently turned his receipts over to the transfer yeoman in Miami. Upon requesting their return, they could not be found.

Therefore, since the Navy Department under the law is unable to reimburse him without the receipts and orders, and since the amount mentioned is rightfully due him for travel expenses incurred while on orders while in the United States Navy, this bill is introduced for his relief.

MRS. LUCILLE (SWETT) BROWN

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill for the relief of Mrs. Lucille (Swett) Brown, and I ask unanimous consent that the bill, together with an explanatory statement by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill, together with the explanatory statement, will be printed in the RECORD.

The bill (S. 2121) for the relief of Mrs. Lucille (Swett) Brown, introduced by Mr. MALONE, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (39 Stat. 742, U. S. C., title 5, secs. 751–791), the late Floyd Swett, of Elko, Nev., who died in an airplane crash on August 13, 1944, near Elko, Nev., while performing contract services for the Grazing Service of the Department of the Interior, shall be deemed to have been a civil employee of the United States within the purview of such act at the time of his death, and compensation for death payable under such act shall accrue from the date of his death and shall be payable to such of his dependents as may qualify under section 10 of such act, under the conditions therein provided, such compensation to be computed in the manner prescribed by such act as if at the time of his death the said Floyd Swett was receiving a monthly pay of $275. No right to benefits shall accrue under this act unless a written claim for compensation is filed under such act of September 7, 1916, within 1 year from the date of the enactment of this act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lucille (Swett) Brown, of Bakersfield, Calif., the sum of $1,500. Such sum represents the value of an airplane owned by the late Floyd Swett, deceased husband of the said Lucille (Swett) Brown, which was destroyed in a crash on August 13, 1944, near Elko, Nev., while in the service of the Grazing Service of the Department of the Interior, and in which, as a result of such crash, her husband was killed: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The explanatory statement presented by Mr. MALONE is as follows:

STATEMENT BY SENATOR MALONE

This bill is introduced to compensate Mrs. Lucille Swett Brown in the amount of $1,500, which represents the amount due in payment of an airplane owned by her husband which was completely demolished in an accident. The airplane was under contract to the Grazing Service of the Department of the Interior at the time of the accident, with a contract agreement that the plane would be returned to the owner "in as good condition as when received, reasonable wear and tear excepted."

Mr. Swett was killed in the accident, and the plane was demolished. The balance due in payment of the demolished plane is being paid by Mrs. Lucille Swett Brown at great personal sacrifice.

COLORADO RIVER WATER SUPPLY—CENTRAL VALLEY PROJECT—INCLUDING PROJECTS IN NEVADA, NEW MEXICO, AND UTAH

Mr. MALONE. Mr. President, I introduce at this time a Senate joint resolution providing for the appointment of a board of engineers to examine and report upon the water supply available each of the five lower basin States, proposed Central Valley project in Arizona, including the projects in Nevada, New Mexico, and Utah.

This joint resolution has a precedent. At the time of the proposed construction of the Boulder Dam, now known as the Hoover Dam, the seven basin States of the Colorado River had reached an impasse so far as an agreement upon the division of water was concerned as between the upper and the lower basin in the same manner as the lower basin States are presently unable to agree upon a division of the lower basin water supply among the separate States.

Senator Key Pittman, of Nevada, at that time introduced a bill which later became the act of May 29, 1928, Forty-fifth Statutes, page 1011, providing for the creation of the Sibert Board to report on the feasibility of Boulder Dam, to be authorized under the Boulder Dam Project Act. This resolution refers to Senate Joint Resolution No. 75, which is now pending before the Senate Committee on Interior and Insular Affairs.

The joint resolution (S. J. Res. 111) to appoint a board of engineers to examine and report upon the proposed central Arizona project, introduced by Mr. MALONE, was read twice by its title and referred to the Committee on Interior and Insular Affairs.

Mr. MALONE. Mr. President, it will be remembered that the Sibert "Colorado River Board," appointed under the Pittman Act and headed by Gen. William L. Sibert, included Charles P. Berkey, Daniel W. Mead, Warren J. Mead, and Robert Ridgeway, all nationally known and recognized consulting engineers.

This bill provides that the President shall appoint such a board of eminent engineers to examine the controversy regarding the division of the waters allocated to the lower basin by the Colorado River compact, since it seems unlikely that a five-State compact can be arrived at within a reasonable time.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT—AMENDMENT

Mr. MUNDT. Mr. President, I submit an amendment intended to be proposed by me to the bill (S. 1275) to amend the Civil Service Retirement Act of May 29, 1930, as amended, which has for its purpose the bringing under the Social Security Act officers and employees of a State employment security agency in the same manner and to the same extent as though they were employees of the United States.

The amendment was referred to the Committee on Post Office and Civil Service, and ordered to be printed.

RELIEF OF EIGHTY-FOUR ESTONIANS—AMENDMENTS

Mr. BALDWIN submitted amendments intended to be proposed by him to the bill (S. 1513) for the relief of 84 Estonians, which were referred to the Committee on the Judiciary, and ordered to be printed.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or ordered to be placed on the calendar:

H. R. 559. An act to confer jurisdiction upon the United States District Court for the Central Division of the Southern District of California to hear, determine, and render judgment upon the claims of the city of Needles, Calif., and the California-Pacific Utilities Co.;

H. R. 571. An act for the relief of Bankers & Shippers Insurance Co.;

H. R. 632. An act for the relief of John E. Burns;

H. R. 1017. An act for the relief of John Aaron Whitt;

H. R. 1019. An act for the relief of George M. Ford;

H. R. 1034. An act for the relief of the Jansson Gage Co.;

H. R. 1054. An act for the relief of the Riegel Textile Corp.;

H. R. 1055. An act for the relief of Agnese R. Mundy;

H. R. 1282. An act for the relief of Mrs. T. A. Robertson;

H. R. 1458. An act for the relief of Joseph R. Gregory;

H. R. 1601. An act for the relief of the La Fayette Brewery, Inc.;

H. R. 1782. An act for the relief of the estate of Elwood Grissinger;

H. R. 1792. An act for the relief of Charles E. Ader;

H. R. 1795. An act for the relief of Lewyt Corp.;

H. R. 1857. An act for the relief of the estate of Josephine Pereira;

H. R. 2090. An act for the relief of Sam Wooten, F. M. Maloy, and Mrs. Alethea Arthur;

H. R. 2095. An act for the relief of the estate of Kenneth N. Peel;

H. R. 2253. An act for the relief of the legal guardian of Arthur Earl Troiel, Jr., a minor;

H. R. 2456. An act for the relief of Charlie Hales;

H. R. 2530. An act for the relief of James R. Frazer;

H. R. 2806. An act for the relief of Paul C. Juneau;

H. R. 2807. An act for the relief of Loretta B. Powell;

H. R. 2925. An act for the relief of Ida Hoheisel, executrix of the estate of John Hoheisel;

H. R. 3139. An act for the relief of James B. DeHart;

H. R. 3408. An act for the relief of Opal Hayes and D. A. Hayes;

H. R. 3501. An act for the relief of Nelson Bell;

H. R. 4804. An act to record the lawful admission to the United States for permanent residence of Karl Frederick Kucker; and

H. R. 5018. An act for the relief of the New Amsterdam Casualty Co.; to the Committee on the Judiciary.

H. R. 2592. An act to authorize and direct the Secretary of the Interior to issue to John White Bear a patent in fee to certain lands;

H. R. 2706. An act authorizing the issuance of a patent in fee to Susie Larvie Dillon;

H. R. 2920. An act authorizing the issuance of a patent in fee to George Swift Horse; and

H. R. 4254. An act authorizing the Secretary of the Interior to issue a patent in fee to Sidney Blackhair; to the Committee on Interior and Insular Affairs.

H. R. 2848. An act for the relief of Leon Nikolaivich Volkov; ordered to be placed on the calendar.

ADDRESS BY SENATOR KNOWLAND TO CALIFORNIA SAVINGS AND LOAN LEAGUE

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD an address delivered by him before the California Savings and Loan League, at San Francisco, June 15, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR MALONE ON THE IMPACT OF FREE TRADE ON AMERICAN LABOR AND INDUSTRY

[Mr. MALONE asked and obtained leave to have printed in the RECORD a radio address on the subject The Impact of Free Trade on American Labor and Industry, broadcast by him from Washington, D. C., on June 17, 1949, which appears in the Appendix.]

FAILURE OF DENAZIFICATION—ARTICLE FROM WASHINGTON POST

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Denazification Fails, German Editor Says," written by John London and published in the Washington Post on June 20, 1949, which appears in the Appendix.]

DISCLOSURE OF SECRET FBI FILES IN JUDITH COPLON TRIAL—EDITORIAL FROM WASHINGTON DAILY NEWS

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "Too High a Price," published in the Washington Daily News of June 10, 1949, which appears in the Appendix.]

SOUTHERN KEY TO HOUSING—EDITORIAL FROM NEW YORK TIMES

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Southern Key to Housing," published in the New York Times of June 22, 1949, which appears in the Appendix.]

ECONOMIC CONDITIONS IN THE UNITED STATES—EDITORIAL FROM THE ILLINOIS STATE REGISTER

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an editorial regarding economic conditions in the United States, from the Illinois State Register for June 16, 1949, which appears in the Appendix.]

MR. BYRNES DISSENTS—EDITORIAL FROM THE RICHMOND NEWS LEADER

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Byrnes Dissents," published in the Richmond News Leader of June 20, 1949, which appears in the Appendix.]

DENAZIFICATION PROGRAM IN GERMANY—RADIO INTERVIEW WITH SENATOR GILLETTE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the transcript of a radio program of June 19, 1949, dealing with the denazification program in Germany, on which program Senator GILLETTE was interviewed by Ed Hart, which appears in the Appendix.]

ROOSEVELT COLLEGE GROWS UP—ARTICLE BY ROBERT LASCH

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an article entitled "Roosevelt College Grows Up" written by Mr. Robert Lasch, and published in the magazine New Republic, of June 6, 1949, which appears in the Appendix.]

GROWING UNEMPLOYMENT MUST BE STOPPED, WESTERN INDUSTRIES REQUIRE PROTECTION—ADDRESS BY SENATOR WATKINS

[Mr. WATKINS asked and obtained leave to have printed in the RECORD a radio address entitled "Growing Unemployment Must Be Stopped, Western Industries Require Protection," delivered by him on April 25, 1949, which appears in the Appendix.]

GOVERNMENT PAY ROLLS IN UTAH—EDITORIAL FROM THE DESERET NEWS

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Government Pay Rolls in Utah," published in the Deseret News, Salt Lake City, June 15, 1949, which appears in the Appendix.]

KNOTTY PROBLEM IN HOUSING OUTLOOK—EDITORIAL FROM THE SALT LAKE TRIBUNE

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Knotty Problem in Housing Outlook," published in the Salt Lake Tribune, June 16, 1949, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF MORGAN FORD, OF NORTH DAKOTA, TO BE JUDGE OF THE UNITED STATES CUSTOMS COURT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, June 30, 1949, at 11 a. m., in room 424, Senate Office Building, upon the nomination of Morgan Ford, of North Dakota, to be judge of the United States Customs Court, vice William J. Tilson, deceased. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from North Carolina [Mr. GRAHAM], and the Senator from Indiana [Mr. JENNER].

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. GEORGE. Mr. President, the Finance Committee will be in session tomorrow, and it probably will be necessary to sit after 12 o'clock for an hour or so longer. I therefore ask that the Senate Finance Committee be permitted to sit tomorrow afternoon during the session of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. MAYBANK, a subcommittee of the Banking and Currency Committee holding hearings on proposed RFC legislation was granted permission to meet during the session of the Senate this afternoon.

On request of Mr. LUCAS, the Committee on Public Works was granted permission to sit during the session of the Senate this afternoon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BATES of Kentucky, Mr. YATES, Mr. FURCOLO, Mr. CANNON, Mr. CHURCH, and Mr. STOCKMAN were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by the United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN] to the amendment offered by the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

Mr. MORSE. Mr. President, last Monday I started a speech on the pending emergency-dispute proposals which are before the Senate, and I was unable to complete that part of the speech which deals with an analysis of labor's objections to the injunctive process in settling labor disputes. It is not my intention to speak at great length this afternoon. Unless there are a great many interruptions I think I can complete the discussion of the injunction issue, as I see that issue, in an hour or less.

In my speech of Monday I sought for the benefit of the Senate to bring together at one place in the RECORD a comparative analysis of the Douglas, Ives, Taft, and Morse proposals for the handling of emergency disputes. I do not intend to summarize that analysis at great length, other than to answer at this time certain inquiries which have been directed to me since the speech of Monday.

The most common inquiry from Members of the Senate, as well as from labor and industrial leaders, is this: Will you reemphasize the major points of difference between your proposal and the Douglas proposal? I shall take 2 or 3 minutes to do that at this time.

Mr. President, we need to keep in mind the fact that both the Douglas and the Morse proposals call for a Presidential proclamation certifying that a national emergency affecting public health and safety is either threatened or in fact exists. Second, they call for the appointment of an emergency board, with the obligation of making recommendations on the merits of the dispute. We should keep in mind the fact that those recommendations will, to all intents and purposes, be a decision on the merits of the case. I care not what language is used to describe those recommendations otherwise. When an emergency board conducts hearings on the merits of a dispute and hands down a report setting forth its findings of fact and its recommendations for the settlement of the dispute, I say that that report in fact constitutes a decision on the merits of the dispute. I wish to be very careful to make that clear in my remarks, because I do not desire to mislead anyone as to what my intention is with respect to my proposal for handling emergency disputes. I emphasize the fact that I believe it is the decision that counts. It is the decision that is important in the settlement of all labor disputes, including emergency disputes. The fact that both the Douglas and the Morse proposals place upon the Emergency Board the duty of coming forward with a decision on the merits of the dispute, provides for a procedure which will settle practically all the cases which have to be submitted to an emergency board. That has been our experience under the Railway Labor Act; and with the public discussion and the public point of view which have developed, particularly in the past 2 or 3 years, we can be even more sure that practically all emergency disputes will be settled on the basis of the findings and decisions of the Emergency Board.

After the decision of the Emergency Board, the differences between the Douglas proposal and the Morse proposal begin to develop. Under the Douglas proposal the President would have the authority to proceed with seizure of the plant or industry. Under the Morse proposal the President would be under obligation to lay the matter before the Congress, on the theory that if, in fact, a national emergency is threatened, or exists, and if it endangers the health and safety of the people of the Nation, the President should be required to present the matter to the Congress.

(At this point Mr. MORSE yielded to Mr. LUCAS and other Senators, whose remarks, on request of Mr. MORSE, and by unanimous consent, appear at the conclusion of Mr. MORSE's speech.)

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Missouri?

Mr. MORSE. I yield.

Mr. DONNELL. I should like to ask the Senator a question. He has referred in discussing the Douglas amendment and the Morse amendment to the emergency boards which are set up, one by each of those respective amendments. As I recall, he also referred to the fact that the President, under the Morse amendment, is obliged to submit to Congress a full statement of the case. I should like to inquire whether I am correct in my understanding that, under the Morse amendment, the President is not obliged to wait until after the Emergency Board shall have made its finding before he is to submit to Congress the full statement of the case.

Mr. MORSE. I thank the Senator from Missouri. He has raised the very next question I was about to discuss in my summary description of the Morse proposal as contrasted with the Douglas proposal, and I will answer him by reading from page 4 of my proposal, section 303 (a), beginning in line 4:

SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

(b) In any case in which a strike or lockout occurs or continues after the issuance of the proclamation pursuant to section 301 the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the Emergency Board if such report has been made, and such recommenda-

tions as he may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken or enacts legislation designed to resolve the dispute and terminate the national emergency if Congress finds such an emergency exists.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DONNELL. Then am I correct in understanding from the portion of the Morse amendment which the Senator has read that in any case in which a strike or lock-out occurs or continues after the issuance of the proclamation pursuant to section 301, it is the obligation of the President, without waiting for the Emergency Board to make a finding or recommendatilon, if it has not previously made one, to submit immediately to the Congress for consideration and appropriate action a full statement of the case?

Mr. MORSE. That is true, and I think it constitutes one of the great advantages and strong points of my amendment.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. MORSE. I yield.

Mr. DONNELL. Referring now to the Douglas amendment, am I correct in understanding that under that amendment it is provided that a separate Emergency Board shall be appointed and that, in like manner as is true under the Morse amendment, the President is not required to wait until after the finding or report has been made by the Emergency Board, before he is authorized to take possession of and operate the properties through an agency or department of the Government?

Mr. MORSE. That is my understanding of the meaning of the Douglas amendment.

Mr. DONNELL. I thank the Senator for his statement.

Mr. MORSE. I thank the Senator for his inquiry.

Mr. President, I was saying that it is in regard to what follows after the emergency board report that we begin to see what I consider to be very significant differences between the Morse amendment and the Douglas amendment. I stress those differences because, speaking from my own biased authorship, I believe they show the great superiority of the Morse amendment over the Douglas proposal. Under the Morse amendment, after the emergency board has made its report, if either party is responsible for a defiance of the Government—and that is what it constitutes at that point—then the President shall lay the matter before the Congress with such recommendations as he thinks appropriate, including if he wishes a recommendation for seizure; and if the Congress within 10 days does not deny his seizure power, he can proceed to seize. The Government then, with the property in its possession, is authorized to proceed to put into effect such terms and conditions as the Government thinks would be fair and reasonable, in conformity with the recommendations of the emergency board. Yet, under the Morse amendment, Congress will be in a position at that time to lay down the terms and conditions which it thinks, from the standpoint of ending the national emergency, should be applied to the Government operation of the plant.

There are those, as was pointed out on the floor previously, who seem to think that that constitutes compulsory arbitration. There is Government compulsion, but there is no compulsory arbitration about it. The voluntarism of the parties is left. It is up to them to determine whether they want to cooperate with their Government during that period, whether they want to go along with the emergency board report, without stoppage of work; and, of course, they will not be in any difficulty with the Government if there is no stoppage of work. Under the Morse proposal, after the emergency board reports, in the absence of a stoppage of work there is plenty of time for the parties to continue their negotiations without any Government seizure whatsoever, and to continue conciliatory and mediation efforts to reach a good-faith collective-bargaining agreement. But, Mr. President, if we are actually presented with a set of facts making it necessary, in the public interest, in the opinion of the President of the United States and of the Congress of the United States, to proceed to operate a plant or industry in order to protect public health and safety, then, certainly, the Government should be in a position to lay down terms and conditions which, in the opinion of the Government, are fair and reasonable and which result in a fair settlement of the dispute on the merits for the duration of the Government operation of the plant.

What I stated before I stress today, that that, in my judgment, is one of the great strengths of the Morse amendment. The objections of some labor leaders to it, on the ground that it constitutes compulsory arbitration, are, I think, only a red herring. There is no compulsory arbitration about it, but only the exercise of the right of the Government, for the period it has assumed the obligation of operating the plant, to determine what the Government wages, hours, and conditions of employment shall be for that period.

As I have stated, it keeps the parties in doubt as to what is going to happen. If they permit good-faith collective bargaining to break down and permit themselves to get into a position in which the Government has to take over the plant in order to protect the health and safety of American citizens, I think they should be kept in doubt. The fact that under the Morse amendment they will not know for a certainty what the final outcome will be if the Government has to take the extreme step of Government seizure and operation is one of the great virtues of my amendment and is one of the things which will cause the parties to think not once, or twice, but hundreds of times, over and over again, before they follow such a course of action after an Emergency Board, for example, has handed down a decision after a fair hearing on the merits. They will think hundreds of times before they will say, "We defy our Government. We refuse to accept that decision. We are going to endanger the health and the safety of the American people." We get comparative values there, Mr. President, to a comparison of the great social and economic values.

We are confronted, then, in a democratic society with the question whether, at that point, for the period of Government operation—and I emphasize the words "for the period of Government operation"—any employers or any group of workers ought to consider that they have the right to say, "Irrespective of the Government's wishes under this situation, even after we have had a fair hearing and a decision on the merits, we are going to endanger the public health and safety." Certainly, Mr. President, at that point—and I want the labor leaders to mark this language—I am perfectly willing to stand up and be counted in support of the proposition that they lose their equities insofar as their insistence that the status quo be protected. They object to maintaining the status quo in a great many other factual situations, because their argument—and it is a good one in many situations—is that it was the status quo that caused the dispute in the first place. But after the Government reaches the point of giving it the type of consideration and handling which is provided for in my amendment, then the Government formula will apply for the period of the seizure and operation by the Government. That is not Government compulsory arbitration. In my judgment, it is the exercise of the inherent managerial right of the Government, under those circumstances, to operate the plant on the basis of the wages, hours, and working conditions it considers to be fair and necessary to end the emergency, and thereby to protect the national health and safety.

That is not provided for in the Douglas amendment. What happens under the Douglas amendment? It gives the boys a chance to work their strategy against each other. When I say "the boys" I mean the boys on both sides of the collective-bargaining table, management and labor. Under the Douglas amendment, if the labor group, for example, thinks it can embarrass the management, can follow a course of action which will be costly to the management, it knows that by forcing the management into a Government seizure the hours, wages, and working conditions will not be changed from the status quo which preceded the seizure and which existed at the time the dispute arose. So there can be—and I shall not take the time to describe the hypothetical facts, because I think we can all take notice of them—factual situations in which it will be to

the advantage of labor to force management into a position in which the Government will seize. That is not fair to management. Because, in my opinion, the Douglas amendment in this respect is not fair to management I am against it.

Conversely, we can all imagine factual situations in which it would be to the advantage, under the Douglas amendment, for employers, management, to force the Government into seizure. When we look to the compensation formula set out in the Douglas amendment in which a fair return is guaranteed, and a business may be declining or may be in the red, there are factual situations in which it may be to the selfish interest of the employer in that particular case to force a Government seizure, particularly if the management does not like the recommendations of the emergency board. Therefore, under the Douglas amendment the workers would be required, in the situation mentioned, to work for the wages and observe the hours and the working conditions which gave rise to the dispute in the first instance, because under the Douglas amendment the Government during the seizure period could not change the conditions of employment, irrespective of the decision and findings of the emergency board.

I say that is not fair; it is not fair in that instance to labor, and all I ever insisted upon, in labor legislation, was that we find a middle-road position whereby a procedure may be provided which is equally fair and equally applicable to both labor and management. I say in this respect the Douglas amendment falls short.

There is another difference, a vital difference. Under the Morse amendment the Norris-LaGuardia Act applies unless the Congress by concurrent resolution specifically excepts the particular case from the operation of that act. Under the Douglas amendment, as is admitted by its author, the Government would be free to proceed to get injunctions automatically, using as the basic authority—and I think correctly—the United Mine Workers case decided by the Supreme Court.

Mr. President, that brings us to grips with the question as to whether or not labor wants to support an amendment which automatically produces an injunction under the terms of the amendment. Oh, I have talked to some labor leaders in the last 48 hours and they do not like that phase of it. But what is their fallacious argument? It is that, "We might get something worse." I have said to those labor leaders privately what I now say to them publicly, "You had better make up your minds whether you are willing to stand for a principle and see it through, or run out on a principle because you might get something worse."

I am a little weary of the double talk which has been presented to me in the past 48 hours by some labor leaders. When they sit in my office or in the reception room and tell me that they will never stand for the principle of injunction as a means for settling labor disputes, and I ask them, "What about the Douglas amendment?" They say, "That is what we do not like about it, but we do not think you have the votes for your amendment, and we do not think the Senator from New York has the votes for his amendment." In each instance I have laughingly said to them, "I will offer you a wager. I will give you a dollar for every vote you get for the Douglas amendment over 25, and you are to give me a dollar for every vote you fall short of 25, if you want to put it on that plane." Never in the Senate of the United States am I going to act on that plane.

The Douglas amendment either is a sound amendment or it is not, and if it is not a sound amendment, I say to the labor leaders of America that they should be opposing it, as industry should be opposing it. In my judgment there ought to be a united opposition on the part of American labor leaders and leaders of American industry to the Douglas amendment, because in my judgment the Douglas amendment has in it so many serious dangers to a free economy that I cannot be a party to it.

I shall not be a party to an automatic injunctive proceeding for reasons which I shall set forth later in this speech, even for a 60-day period, or any period of time. The result of the automatic injunctive procedure will be to build up again a habit of thinking that because an injunction does break a strike, it is a good thing. I have no doubt that it will break a strike. If you want to end strikes in America, if that is your objective, if you want to make certain that you can bring to their knees labor organizations involved in a labor dispute, which might possibly under some circumstances and facts lead to endangering national health and safety, you can do it by the injunctive process, but oh, at what a price, at what a price of bitter resentment and continued industrial unrest. That is why I shall not be a party to that section of the amendment.

Neither, Mr. President, shall I be a party to an amendment which does not put the Government in such a position that during the period of the procedure, it cannot lay down fair terms applicable to industry and labor.

Then, Mr. President, there is the third great difference between the Morse and Douglas amendments, the difference in respect to the provisions as to what industry will get in case of Government seizure, with labor at fault. Read the Douglas amendment. Is management going to get a full return on its business in an instance in which labor is in defiance of the Government, and refuses to accept a fair and reasonable emergency board decision It is not. It is going to get only, under the very restricted legal formula, a fair return for the use of the property, which may be much less than management would get if it were allowed to get full return from the use of its property during the period of seizure.

I say that that section of the Douglas amendment—and mark these words—puts the Government on labor's side of the table; it gives labor a club by which it can force an industry into Government seizure, to the great financial cost and sacrifice of the employer. That is not fair or just. I shall not be a party to it. I am going to insist, as I said the other day, that the Government be on neither side of the table, but at the head of the table. If the parties allow collective bargaining to break down so that the Government has to step into the picture to protect national health and safety, then I want my Government at the head of the table, not on either side.

That feature of the Douglas amendment puts the Government in a coercive position, on labor's side of the table, against management, and that is not right. Representatives of labor know that. In private conversation they admit it, as they have admitted it to me. My reply to them in private conversation is exactly my reply to them from this desk now, "Don't ask me to vote for a procedure that is one-sided and unfair, because I will not do it."

Mr. President, I have stated the three great differences between the Douglas and the Morse amendments. I think they are differences so great that they clearly show the superiority of the Morse amendment, if we are seeking to protect the public interest, and provide for a procedure which is fair and workable.

I wish to address the remainder of my remarks to the question of our experience in the past with the injunctive process. In order to ward off any misunderstanding as to whether or not this argument is applicable to the situation which will develop under emergency dispute cases, I hasten to say at the outset that it is not completely applicable, because of the restrictions and the limitations which surround the use of the injunction, by way of a time period, under the Taft proposal. Nevertheless, the arguments I shall now make against the use of the injunction are apropos, in my opinion, because of the fact that if the injunction is used in emergency disputes it will become increasingly difficult to draw a clear line of distinction between a dispute that is an emergency dispute and one that is not.

We are also going to find developing a pattern and habit of public thinking along this line: "If the injunction ends strikes in emergency disputes, then let us extend it to other disputes." And I think it will in the course of time be extended to other disputes in two ways. First, by way of discretionary action on the part of those who decide whether or not a dispute does affect national health and safety; and second, by future legislation.

Thus I say we ought to take a stand at this session of Congress against any weakening whatsoever of the Norris-LaGuardia Act, and we ought to make perfectly clear that the only exception we propose to make to the Norris-LaGuardia Act in respect to emergency disputes will be the instance in which the Congress itself, by concurrent resolution, after consideration of a particular case, reaches the conclusion that the case should be excepted from the Norris-LaGuardia Act. I do not deny it may reach such a conclusion, but a set of facts on which it could be based are very difficult for me to imagine. That is the provision of my amendment.

I have some question whether it is germane for me to make this suggestion at this time, but as one who is going to continue to do everything within his power

to develop within the Republican Party a constructive, forward-looking program which will deserve support of the millions of independent voters whose support we have not had for some years gone by, I wish to suggest to my party that I think, as in 1932, so today, we ought to make perfectly clear that we stand for the principles of the Norris-LaGuardia Act, and we do not propose to weaken them or break them down by the adoption of the injunctive process, even in connection with emergency disputes; and that we reserve the right on the part of the Congress, which it has without our reservation of course, to make an exception, but that the only exception we would ever consider would be a particular case, the facts and circumstances of which would lead the Congress to believe after due deliberation, that it should be excepted.

Now there is a definite plank for the Republican Party, not because it is a good political issue, but because it is right. I recommend to the Republican Party that we make it a political issue. If we do not, other forces will anyway. Let us not overlook the fact that the action we as Republicans take at this session of Congress in the Senate of the United States, is going to confront us in 1950 and 1952. I like so well the soundness of the position my party took on the Norris-LaGuardia Act that I am not willing to retreat from it.

Thus I direct the attention of the Senate to some of the experiences this country had when it was quite appropriate to say that labor was confronted in its employer-employee relationships with government by injunction.

THE USE OF INJUNCTIONS TO BREAK STRIKES

Experience prior to the passage of the Norris-LaGuardia Act made it crystal clear that the mere issuance of a preliminary injunction or an ex parte restraining order was often, in and of itself, sufficient to break a strike, even before the union had the slightest opportunity for its day in court to show the legality and propriety of its action. As stated in Frankfurter and Greene, which has become generally recognized as the standard textbook, so to speak, of government by injunction, published in 1930, entitled "The Labor Injunction," pages 200–201:

The restraining order and the preliminary injunction invoked in labor disputes reveal the most crucial points of legal maladjustment. Temporary injunctive relief without notice, or, if upon notice, relying upon dubious affidavits, serves the important function of staying defendant's conduct regardless of the ultimate justification of such restraint. The preliminary proceedings, in other words, make the issue of final relief a practical nullity. Undoubtedly, the law is here confronted with a very perplexing situation. Where the plaintiff on the surface presents a meritorious case, he should not be exposed to the peril of irreparable damage before the court can make available to him its slower, though much more scrutinizing, processes of fact finding. This form of relief presents no difficulty when the temporary suspension of defendant's activities results in no very great damage to him, at least no damage that cannot be adequately compensated by money, security for which is provided by plaintiff's bond. In labor cases, however, complicating factors enter. The injunction cannot preserve the so-called status quo; the situation does not remain in equilibrium awaiting judgment upon full knowledge. The suspension of activities affects only the strikers; the employer resumes his efforts to defeat the strike, and resumes them free from the interdicted interferences.

Mr. President, I digress from the quotation to underline that point. The injunction affects workers primarily. It does not stop the employer from carrying on his practices, which result usually, after the injunction, in the breaking of the strike.

Returning to Frankfurter and Greene:

Moreover, the suspension of strike activities, even temporarily, may defeat the strike for practical purposes and foredoom its resumption, even if the injunction is later lifted. Choice is not between irreparable damage to one side and compensable damage to the other. The law's conundrum is which side should bear the risk of unavoidable irreparable damage. * * * For this situation the ordinary mechanics of the provisional injunction proceedings are plainly inadequate. Judicial error is too costly to either side of a labor dispute to permit perfunctory determination of the crucial issues; even in the first instance, it must be searching.

That is what two recognized authorities on labor law and labor relations have to say in the recognized book on this subject, and one of them, Mr. Justice Frankfurter, now sits on the United States Supreme Court.

The instances where preliminary injunctions and restraining orders have proved fatal to strikes are legion. Unfortunately, however, reliable statistics concerning such instances are not available. The reason is quite obvious. The issuance of a preliminary injunction or restraining order is not ordinarily reflected in the printed court reports. And most such injunctions and orders never ripen into permanent injunctions. Moreover, a surprisingly large number of the latter type of injunctions are never the subject of appeal. As stated in Senate Report No. 1060, Seventy-first Congress, second session, part 2, page 7:

A large majority of injunction proceedings are never carried beyond a restraining order or temporary injunction and, therefore, are unlikely ever to reach the state of official reporting which is concerned largely with final decrees and with decisions of appellate courts.

Thus, of 88 temporary injunctions issued by Federal district courts in labor disputes, Frankfurter and Greene, supra, page 79, found that 68 were never appealed from, while 56 of them, whether appealed or not, never went to final hearing on the merits.

They also found that of 35 temporary injunctions issued in New York during the 5-year period of 1923–27, in no instance were there further proceedings. Such figures led the authors to state—pages 79–80:

These statistics reveal a situation peculiar to labor disputes. The strike—this is true in a great many of the cases—may have ended; the strikers may lack funds for litigation; the strikers may be convinced that there is nothing to be gained by fighting injunctions issued by judges who are hostile to organized labor. Whatever the reason, it is undeniably the fact that the preliminary injunction in the main determines and terminates the controversy in court. The tentative truth results in making ultimate truth irrelevant.

I reread the last sentence:

The tentative truth results in making ultimate truth irrelevant.

Despite the lack of over-all statistics, however, there are many recorded examples of cases in which injunctions of a preliminary character have in fact ended strikes, regardless of the actual merit of the strikers' position. Frankfurter and Greene are again the best source of such examples. (See pp. 97–105.) Many decrees in the past have directly prohibited the calling or conduct of strikes. In 1919, for example, at the instance of the Attorney General of the United States, Judge Anderson of the Federal district court in Indiana issued without opinion a remarkable decree forbidding a threatened strike. Officers of the United Mine Workers "and all other persons whomsoever" were restrained from giving any message regarding the strike, from "doing any further act whatsoever," from "issuing any further strike orders," from "issuing any instructions, written or oral," from "issuing any messages of encouragement or exhortation," and from paying strike benefits. Needless to say, under that injunction the strike never materialized.

In 1927, Judge Schoonmaker of the Federal court in Pennsylvania enjoined striking miners who lived in homes owned by the management—

from disbursing any funds for any further appeal bonds, attorney services, court costs, or otherwise for the purpose of enabling, aiding, encouraging or procuring any person to occupy against the plaintiff's will any such mining houses of plaintiff; from signing any further appeal bond or depositing, providing, or furnishing security for such appeal bond to prolong or aid in litigation respecting the possession of said houses.

How do you like that, Mr. President? When labor is confronted with the danger in the injunctive process of such a restriction upon the movements of free citizens, is it any wonder that labor is seeking to make clear to the Eighty-first Congress that never will its cooperation be obtained in support of a procedure which gives to the Federal judiciary such sweeping powers? I say that without that cooperation we are headed for a class struggle in America. Without that cooperation we cannot hope to have industrial peace, with millions upon millions of workers convinced that the Government has done them wrong. That is the position of American labor on the injunctive process; and it seems to me that far-seeing industrial statesmen among American employers should recognize it before it is too late. They should take the heat off the Eighty-first Congress for the passage of injunctive legislation. I say to Members of Congress that I think they ought to stand up against the drive which is being made to return to the injunctive process as a general pattern available for us in the case of emergency disputes.

In one reported case, *Western Union Tel. Co.* v. *International B. of E. Workers* (2 Fed. 2d 993, aff'd 6 F. 444), the

defendants were enjoined by a Federal court in Illinois—

from striking or threatening to strike against any person, firm, or corporation for the purpose of inducing such person, firm, or corporation to stop or prevent complainant working on his, their, or its premises, and thereby of preventing said plaintiff from performing its contracts * * * and of compelling it to discharge its employees who are not members of labor unions which are affiliated with said defendants.

In 1928, in the unreported case of *Lubliner & Trintz Theatres, Inc.* v. *Chicago Fed. of Musicians*, the same court restrained employees—

from leaving or threatening to leave the employment of said complainant, either by way of strike or otherwise, unless with the consent of said complainant, for the purpose of forcing or coercing said complainant to agree to * * * said demands or any of them.

Mr. President, if that did not constitute involuntary servitude, then I am at a loss to understand how one would define it.

In other cases, unions have been enjoined from paying strike benefits and from rendering assistance to strikers or workmen about to go on strike (*Portland Terminal Co.* v. *Foss* (283 Fed. 204 (Maine, 1922)); *Indianapolis Street Ry. Co.* v. *Armstrong* (D. Ind., 1926); union officials have been commanded to call off effective strikes (*Selden Breck Construction Co.* v. *Blair* (N. D. Ohio, 1925)); *Selden Breck Construction Co.* v. *Local No. 263* (D. Nebr., 1925)); strikers have been enjoined from all persuasion, from peaceful patrolling, and from attempts to give publicity to the facts of a dispute. Thus in the so-called Chicago Injunction case, referred to and reproduced in a marginal note to the opinion of *Cohen* v. *U. S.* (295 Fed. 633, 636), the strikers were enjoined from—

in any manner, with intent to further said conspiracy, by letters, printed or other circulars, telegrams, telephones, word of mouth, oral persuasion, or communication, or through interviews published in newspapers, or other similar acts, encouraging, directing, or commanding any person, whether a member of any or either of said labor organizations or associations defendant herein, to abandon the employment of said railway companies, or any of them, or to refrain from entering the service of said railway companies, or any of them.

Similarly, the Federal district court in Iowa in 1930 enjoined the defendants from "printing, publishing, issuing, circulating and distributing, or otherwise communicating, directly or indirectly, in writing or verbally to any person, association of persons, or corporation, any statement or notice of any kind or character whatever" stating or representing that there was a strike in progress or that the complainant was unfair to organized labor or that the complainant required the signing of a "yellow-dog contract."

I ask, in respect to that injunction, how can it be squared with the precious right of freedom of speech? It is no answer to say that labor was in a position to take an appeal therefrom. The strike was broken by the injunction. Thus I say that the injunctive process is the most effective strike-breaking weapon the employers can seek to get on their side of the table, because, confronted with a drastic injunction, no labor union is able to survive in a test of economic force with an employer.

Such, then, are the types of decrees of a preliminary character which have been effective in killing strikes, whatever might have been the validity of such decrees had further proceedings been had. By such restraints, the unions were robbed of the chances of exercising the only power they had in the labor disputes—the chance of availing themselves of the lawful, economic weapons of the strike, the picket line, and the like. The temporary delay caused by the preliminary injunctions and restraining orders completely defeated many strikes. As stated in Senate Report No. 1060, Seventy-first Congress, second session, part 2, page 20:

Injunctions are often applied for and issued for the moral effect that such injunctions will have in disheartening and discouraging employees engaged in a strike, rather than because of any real necessity to protect property.

As I said the other day, Mr. President, the effect of the very issuance of an injunction is usually to poison public opinion against the union on strike, because it is only natural, especially when the public, too, is suffering a little inconvenience or considerable economic loss from the strike, for the public to develop a notion that labor must be wrong because an injunction has been issued against it by the court.

The lessons taught by the pre-Norris-LaGuardia Act experience has been reiterated many times in the history of the American labor movement. President Theodore Roosevelt, in his message to Congress on December 3, 1906, said (15 Messages and Papers of the Presidents 7027):

It must be remembered that a preliminary injunction in a labor case, if granted without adequate proof * * * may often settle the dispute between the parties; and therefore if improperly granted may do irreparable wrong * * * there have undoubtedly been flagrant wrongs committed by judges in connection with labor disputes even within the last few years.

The great William Howard Taft, in his speech accepting the Presidential nomination in 1908, stated (Presidential Addresses and State Papers of William Howard Taft 24):

In case of a lawful strike the sending of a formidable document restraining a number of defendants from doing a great many things which the plaintiff avers they are threatening to do, often so discourages men, always reluctant to go into a strike, from continuing what is their lawful right.

A New York court has very aptly phrased the argument. Judge Howard in the case of *Wood Mowing & Reaping M. Co.* v. *Toohey* (114 Misc. 185, 196–197 (N. Y., 1921)), stated:

The courts should not carelessly cast the weight of their mandates into the strife between employers and employees.

In an evenly balanced, bitter, long-drawn-out labor struggle, an edict of the court, leveled at the strikers, shakes the morale of the workingmen. This is not the purpose of the injunction, although it is frequently, and perhaps generally, the purpose of the employer who seeks it. * * * The moral effect of an injunction order in such cases is tremendous. At once it gives the impression in the community that the strikers have violated the law. The court seems to have taken a hand in the struggle. This is the layman's view. The injunction, thus shaping public opinion, is often decisive.

In exercising its discretion the court cannot shut its eyes to this aspect of the case or ignore the far-reaching psychic effect of its mandate.

I do not see how a clearer case against the injunction, as to its effects upon public opinion, could possibly be made. I do not think we could find a clearer statement of that situation than the statement made by Judge Howard in the case to which I have just referred.

Most recently of all, Mr. Justice Murphy, dissenting in the famous case of *United States* v. *United Mine Workers* (330 U. S. 258, 340-341), summarized briefly the evils of labor injunctions:

The issuance of such orders prior to the adoption of the Norris-LaGuardia Act had a long and tortured history. Time and again strikes were broken merely by the issuance of a temporary restraining order, purporting to maintain the status quo. Because of the highly fluid character of labor disputes, the delay involved in testing an order of that nature often resulted in neutralizing the rights of employees to strike and picket. And too often, these orders did more than stabilize existing conditions; they called for affirmative change.

Mr. Justice Murphy in that dissenting opinion has laid down the indictment that I wish to accept and follow in my opposition to the passage in the Eighty-first Congress of legislation which will have in it a provision for an automatic pattern of injunctive process to be used even in so-called emergency disputes. I say that if we are confronted with a case which, in the wise judgment of the Congress, ought to be made an exception to the Norris-LaGuardia Act, it should be done by specific act of the Congress through a concurrent resolution. That is a feature of the Morse amendment and, in my judgment, it is one of the great strengths of the Morse amendment.

Mr. President, let us go back to the Senate committee hearings, as set forth in the report of the committee at the time when the Norris-LaGuardia bill was under debate in the Senate. I refer now to the House reports of the Seventy-second Congress, first session, and I shall read from page 2 of Report No. 669. In speaking of the Norris-LaGuardia bill, the following is stated:

This bill is the so-called anti-injunction bill. It is the outgrowth of years of agitation in the Congress for restriction upon the powers of Federal equity courts in the issuance of injunctions in labor disputes. Hearings have been held by congressional committees over a period of years and the facts adduced have brought about an almost unanimity of opinion that such powers of the Federal courts have been exercised to the detriment of the public welfare and should be curbed.

Strong language, Mr. President, but correct.

I read further:

The questions are sociologic and economic as well as legal and jurisdictional.

The limitation of the jurisdiction of Federal courts to issue injunctions in labor dis-

putes has been a subject of public discussion for many years. It is fair to say that public sentiment on the subject has reached the conclusion that some such limitation is absolutely necessary. Both of the great political parties in their last national platforms have promised remedial legislation upon the subject. The last Republican National Convention at Kansas City adopted a plank on the subject, as follows:

"The party favors freedom in wage contracts, the right of collective bargaining by free and responsible agents of their own choosing, which develops and maintains that purposeful cooperation which gains its chief incentive through voluntary agreement.

"We believe that injunctions in labor disputes have in some instances been abused and have given rise to a serious question for legislation."

Mr. President, that is pretty good for a Republican platform, pretty close to an advance endorsement of the Norris-LaGuardia bill; and to the credit of my party, it was put through under Republican leadership. They made good on that one. I do not wish to destroy it now in the Eighty-first Congress. I wish it to continue to be one of the great, constructive contributions the Republican Party has made to labor-management relations in the United States.

Then the report goes on to say:

Following this, the last Democratic National Convention at Houston, Tex., in its platform, made the following promises:

"(a) We favor the principle of collective bargaining and the Democratic principle that organized labor should choose its own representatives without coercion or interference.

"(b) Labor is not a commodity. Human rights must be safeguarded. Labor should be exempt from the operation of antitrust laws.

"(c) We recognize that legislative and other investigations have shown the existence of grave abuse to the issuance of injunctions in labor disputes. No injunctions should be granted in labor disputes except upon proof of threatened irreparable injury and after notice and hearing, and the injunction should be confined to those acts which do directly threaten irreparable injury. The expressed purpose of representatives of capital, labor, and the bar to devise a plan for the elimination of the present evils with respect to injunctions must be supported and legislation designed to accomplish these ends formulated and passed."

Likewise, Mr. President, that is pretty good for a Democratic platform, a rather sound statement of philosophical objective in regard to labor policy; and I also wish to say, to the credit of the Democrats in the Congress at the time when the Norris-LaGuardia bill was passed, that the great majority of them, too, as did the Republicans, kept faith with the pledges in the two platforms from which I have just read excerpts.

Returning now to the House report on the Norris-LaGuardia Act:

The purpose of the bill is to protect the rights of labor in the same manner the Congress intended when it enacted the Clayton Act, October 15, 1914 (38 Stat. L., 738), which act, by reason of its construction and application by the Federal courts, is ineffectual to accomplish the congressional intent.

I have set forth in these two speeches of mine, dealing so largely with the injunction, almost all of my views against the injunction. But they are not my views alone. They are simply the product of many years of careful study of American labor problems, of research into the views of the authorities in this field. I am going to insert now as the last section of my speech on this subject some references to those authorities. I have followed a selective process, because the authorities and references that could be selected are legion. I have already quoted extensively from Greene and Frankfurter. I shall now quote from such writings as Daugherty's Labor Problems in American History; Clark and Simon, the Labor Movement in America; Faulkner and Starr, Labor in America; Yoder, Labor Economics and Labor Problems; and Millis and Montgomery, Organized Labor. There are many others, but I think these authorities will at least round out the case I seek to advance against any tendency to weaken in any respect whatever in connection with the emergency disputes the Norris-LaGuardia Act.

It seems to me that the debate thus far has given insufficient recognition to the significance of the labor injunction. It has given insufficient attention to labor's determined opposition to the use of the injunction as a means of breaking strikes.

In my opinion, it is a mistake to jump to the conclusion that labor's attitude on this question is an emotional one. It is a very practical one, born of sad and bitter experience with arbitrary judges, not familiar, as I said the other day, with the social and economic overtones and undertones inherent in the employer-worker relationships. This attitude of labor led to the Norris-LaGuardia Act, because labor succeeded in convincing the overwhelming majority of the American people that some legislation was necessary, to such a degree that the two major parties, as I have just stated, in their platforms saw fit to include pretty clear reference to the need of labor legislation such as followed in the Norris-LaGuardia Act.

Labor is not going to forget those experiences. We can go ahead in the Eighty-first Congress to weaken the Norris-LaGuardia Act, but labor is not going to accept such action. Thus, I plead with all the sincerity it is humanly possible for a man to hold in his breast, that not only my party but the Democratic Party in the Eighty-first Congress reject proposals for a return to the injunctive process, and accept the type of procedure which I have set forth in my amendment. I base my unequivocal and unreserved opposition to legislation, providing for the injunction as a blanket pattern to be used in labor cases, on such statements of authorities as the following. For example, these authors point out that injunctions break strikes. Thus, Millis and Montgomery, on page 631 of their book, say:

For almost a generation and a half, from the 1890's to the early 1930's, it may be said that the power of the courts was invoked to assist in defeating most of the more important strikes—among them, the Pullman strike of 1894, the coal strike of 1919, the shopmen's strike of 1922—and only a smaller proportion of the relatively less important ones.

The authors also state:

The labor view is that the injunction has been a great handicap to the organized-labor movement. Years ago, John Mitchell said, "No weapon has been used with such disastrous effect against trade unions as has the injunction in labor disputes." John Walker, for many years president of the Illinois State Federation of Labor, spoke of it "as the most perfect and modern strike-breaking agency there is on earth." These views have been shared by most labor leaders. The alacrity with which employers have sought restraining orders at the hands of the courts would indicate that there has been much reason for the views expressed.

On page 638 of their book, Millis and Montgomery state:

It should be added that all the abovementioned injunctions were modified, upon appeal, because in the opinion of the higher courts they transcended the law. The modifications, however, were made after the strikes had been broken.

That is the kernel of this nut. There you have it, Mr. President. The kernel of the argument against injunction is that the injunction breaks the strike, and it is immaterial what an appellate court says in terms of fine-sounding legal phraseology months later. Men suffered as far as their strike was concerned by putting the courts on the side of the employer.

Daugherty, in his book, says:

It was unfair, moreover, to grant a temporary restraining order on the insufficient and biased evidence presented by employers, especially because a preliminary hearing might not be held for several weeks and the strike might be absolutely crushed in the meantime, even though the order was vacated later on.

Clark and Simon, in their book, on page 174, state:

Toward the end of the nineteenth century, employers and courts discovered what has proved to be, to the present, the most effective way yet found to curb union action. This was by use of the injunction, or restraining order.

At page 175, they state:

A restraining order might be issued, employers discovered, without even a hearing in which the union could present its case to the court, and a restraining order is usually enough to break a strike since a strike is either won or lost within a very short time.

Faulkner and Starr, on page 168 of their book, state:

Judge Wilkerson's amazing order (in the railway shopmen's strike of 1922), based on alleged violation of the Transportation Act of 1920 and the Sherman Antitrust Act, has gone down in history as the most far-reaching injunction ever handed down in a labor case. Although generally disregarded by the striking shopmen, it contributed to the collapse of the strike.

Samuel Gompers, president of the American Federation of Labor, testified before a Senate Judiciary Subcommittee in 1908 about the effect of the injunction issued in *United States* v. *Workingmen's Amalgamated Council* (54 Fed. 998), and stated:

The issuance of the injunction under the Sherman antitrust law broke the strike.

Even the Supreme Court recognized the effect of injunctions. In the Hitchman coal decision, *Hitchman Coal and*

Coke Co. v. *Mitchell* (245 U. S. 229, 245), Mr. Justice Pitney stated bluntly:

Through the activities of the organizer Hughes they succeeded in shutting it (the mine) down, and it remained closed until a restraining order was allowed by the court, immediately after which it resumed nonunion.

Once the labor injunction received publicity in the 1880's it snowballed, both in the number of injunctions issued and in the increasingly sweeping nature of its terms.

Chief Justice Field, of Massachusetts, said in 1896 that—

The practice of issuing injunctions in cases of this kind is of very recent origin (*Vegelahn* v. *Guntner*, 176 Mass. 93, 100).

Frankfurter and Greene also noted that after the railroad injunction was issued in 1886 "the cases grew in volume like a rolling snowball"—page 21.

They also show how the injunctions increased in breadth to cover all possible activities and that they were directed in "blanket" terms to anyone having the remotest relationship to the union:

A particular controversy between particular parties * * * is made the occasion for a code of conduct governing the whole community (p. 126).

Next, Mr. President, I point out that the injunction became the chief target of organized labor during this period of American history.

I now refer to Professor Witte, of the University of Wisconsin, and I may be pardoned, I hope, for paying a compliment to a great teacher, because it was my privilege to major in labor economics under Professor Witte at the University of Wisconsin. If I may be pardoned for some school pride, I think Professor Witte and his distinguished colleague, Prof. Selig Perlman, must be classed among the very top scholars in America in the field of labor relations. I am very happy to quote Professor Witte today as one of my authorities in support of the argument which I have sought to advance against the injunctive process.

Professor Witte said in 1928:

The phase of the question to which I wish to direct attention is that of the results to society of the restrictions which the antitrust laws (and injunctions based thereon) imposed upon labor combinations. The most apparent of these results is the vast amount of bitterness which these restrictions have aroused within the ranks of labor. Labor is 100 percent united in its condemnation of the courts and in its feeling that the law favors the employer. (18 Am. Lab. Leg. Rev. 315 (1928) The Labor Injunction—A Red Flag by E. E. Witte, chief, Wisconsin Legislative Reference Library.)

Returning, again, to Daugherty's book on this subject, he says, on page 907:

Of all the legal weapons used by employers before the New Deal, organized labor was most bitter over, and, apparently, most fearful of the injunction. This was doubtless due in part to the preventive nature of injunctions; instead of waiting until labor had carried out its program in a given controversy and then suing for damages, an employer could halt the enemy's offensive in mid-air, so to speak, or almost at its inception.

On this same phase of the subject Clark and Simon say, at page 176 of their book:

So serious did the abuse of the injunction become, and so great was the harm done to the unions by injunctions, that organized labor bent all its energy to curb the power of the courts to issue injunctions in labor disputes.

John P. Frey, secretary of the A. F. of L. metal trades department, told a Senate committee in 1918:

We know from our practical experience that if we obey the injunctions which have been issued you would have no trades-union movement, because, to obey those injunctions would have put us out of existence.

The next point I would make, Mr. President, citing authorities in support thereof, is that the injunction caused labor to lose its respect for the courts.

Millis and Montgomery, on page 639 of their book, state:

The first of these [objections to injunctions], and the most important evil connected with the problem, is that the injunction weakened and undermined the courts. Partly because of the bias of a minority of the judges, but chiefly because of an unclear and in many respects an unfair and unduly restrictive labor law, organized labor years ago lost much of its faith in, and became strongly hostile to, the courts. It is not too much to say that respect for law and government has been undermined.

I speak as a lawyer, Mr. President, and, as a lawyer, I say that the reference I have just quoted sets forth what I think is a real danger to government by law in America. Please get me straight on that point. If we pass an injunction law at this session of Congress, the junior Senator from Oregon will insist at all times that that law be enforced, because whenever any group, be it labor or management or any other group, wishes to draw a contest with my Government I shall always be willing to meet that contest by insisting that the law on the books be enforced. My taking that position does not mean that it will affect in the slightest degree either human nature or labor's determination to resist the injunctive process, nor will I or any other Member of the Senate, by taking the position I have just announced—and I know my 95 colleagues will share that view—increase the respect of millions of American workers, who are also fellow citizens, for the court system by placing against them, through legislation, the very weapon they think is most destructive of their rights.

So, I say, Mr. President, now is the time to do our thinking on this subject. Now is the time, before the fact, not after the fact, to realize that if we adopt a pattern of the injunctive process, even in connection with emergency disputes, such legislation will win the undying opposition of organized labor. It will not produce industrial peace and harmony, nor will it aid in advancing peaceful procedures for the settlement of labor disputes.

Why the American employers who are trying to pressure us into the adoption of the injunctive processes in these days cannot see beyond their noses is a complete mystery to me. Would that we could send some of them back to the books to read just a little of the history of the American labor-employer struggle in this country. As certainly as I stand on the floor of the Senate today and say these words, the opposition of labor to the injunctive process will repeat itself, with all the bitterness that goes along with it, if we adopt the injunctive process as a part of the labor legislation we pass in the Eighty-first Congress.

I say, Mr. President, it is not going to make much difference by what sort of limitation we may seek to surround it in the sense of saying, "We are just going to limit it to this body of cases." No matter how much we limit it to certain cases, so long as it is an automatic procedure in respect to those cases, I say we are sowing the seeds again for the extension of the process, because we are laying down a pattern which will create a habit of thinking within the public mind, that because an emergency dispute was ended by an injunction in case A, there should be an extension of the principle also to cases X, Y, and Z, which are less than emergencies, but extremely inconvenient, and very costly to the public in some respects.

Mark my words, that will be the movement in this country, and that movement of course will be resisted by labor, and from that movement there will arise the labor and the social and the economic unrest which form the ingredients of the recipe that produces class strife in any society.

Oh, we were so close, back in 1932, to serious class strife in America, that the writers of that day were writing dissertations on the thesis, Is America going to become a political society splintered by class-conscious limitations? I think the Norris-LaGuardia Act was one of the greatest checks ever adopted by the Congress of the United States in calling a halt to the trend in this country toward class-conscious conflict.

All I can do is make the argument. All I can do, in fairness to my own thinking, is issue the warning, and then hope that the leaders of my party and of the opposition party will take the time, in the next few days, to give the question the study it deserves and not enter upon hasty voting in the Senate on these various proposals. That is all I ask. If they will only study these proposals in light of the history of the labor movement in this country, I am satisfied that studious application on their part to these amendments will result in the adoption of the Morse amendment. The dangers which I have outlined in these remarks are reduced to a minimum in the Morse amendment. My amendment provides that the Norris-LaGuardia Act shall apply to Government seizures unless the Congress after due deliberation and debate is satisfied that on the facts in a particular case the Government should be authorized to seek an injunction and by concurrent resolution decides that the Norris-LaGuardia Act shall not apply. As I said earlier, I cannot at this time imagine that the parties to a labor dis-

pute would ever permit a set of facts to develop which would cause the Congress of the United States, by concurrent resolution, to make an exception to the Norris-LaGuardia Act.

The next point I desire to make, with citation of authorities, Mr. President, is that the injunctive process caused labor to go into politics. There is nothing wrong about that. Labor ought to be in politics. Every worker in the country, as well as every other citizen, ought to be in politics in the sense of taking an active interest in the political affairs of his Government. But there are politics and politics. There are the politics of good citizenship, free of the bitterness and the selfishness of bloc politics. The injunction forced labor into bloc politics. The injunction had a tendency to create an economic class alignment on the part of labor in the field of American politics, and when that happens what is one of its great dangers? It is the economic issue which is all-prevailing in the thinking of the group that has aligned itself in American politics on a class-conscious basis. It pays little or no attention to the many other issues to which a citizen should give consideration when he interests himself in the political affairs of his government. The only question a class-conscious group asks is, "Where does he stand on this issue? This issue determines whether he gets or does not get our support."

Of course, that has led labor to make some serious mistakes in politics. Every Member of the Senate knows that in the not too distant past men have been removed from the Senate of the United States, at the ballot booths of America, because of their stand on some specific issue, and in particular because of their stand on a labor issue. Without mentioning any names, I merely wish to say that I think one of the outstanding Senators of the United States in the last quarter of a century was defeated for office at the ballot boxes in his State by labor opposition because a certain segment of organized labor did not like his votes on certain labor issues. I spoke to a convention of that organization in another part of the country a few weeks after the defeat of that great Senator, and I said to that convention, as the record will show, "I expect your opposition in 1950, because the Senator whom your organization in another State has defeated in the 1946 election cast identical votes with me in the Senate Labor Committee, and I interpret your action toward him to mean that you are following the same old mistake that labor so frequently has made, that if a man disagrees with you when you are wrong you will nevertheless go out and see if you can defeat him. I want this convention to understand that I am going to vote against labor when I think labor is wrong, just as my colleague did, but I hope you will change your course of action, and recognize that it is a great political mistake to judge a man in the Congress of the United States on the basis of a small number of votes.

"If what you want there are statesmen, not men who will yield to the pressure of any group, even labor, then you ought to judge him on the totality of his record."

They were fair about it. They said, "I think you misunderstood our point of view. The point of view that was expressed by a segment of our organization in another State does not prevail in this State."

My reply was: "I am absolutely right in my point of view, because that is the unfortunate record which labor has made in many political campaigns, of eliminating great statesmen from the Congress because in a vote here and there labor did not like the vote, although 90 or 95 percent of the man's voting record was a record with which labor had to admit they could not disagree."

I have used this example to point out, Mr. President, that when labor goes into bloc politics, into class-conscious politics, we get the type of mistakes as set forth in the example I have used. I am satisfied that the passage of an injunctive pattern in the labor legislation in the Eighty-first Congress will intensify labor political activity by way of a political economic alignment on the part of labor, not an alignment that is based upon a reasoned point of view on all the issues which confront the public welfare.

Thus Faulkner and Starr in their book, at page 117, state:

> More than any other issue it was the use of the injunction in labor disputes that brought the A. F. of L. into the political arena, whether we like it or not.

Of course, some good effects, too, have accrued from labor in politics. It is my personal view that the injunction and the Taft-Hartley law have been the two greatest causes of the development of the present class-conscious political alignment on the part of organized labor in the arena of American politics. We saw its effects in the 1948 campaign. No good can be served by quarreling or quibbling or debating over the interpretation of the results of that campaign. But certainly this general statement must be admitted by all, that the Taft-Hartley law in the 1948 campaign was one of the chief causes—I think the primary cause—that resulted in such a thoroughly organized labor drive in that campaign. My party lost many labor votes which it should have had and which it would have had, I am convinced, had the Taft-Hartley law never been written onto the statute books.

I say to my party today that maybe—maybe—we can win national elections without the support of organized labor. The real question is: Should we? Should we not be a party which proposes a program and has a record which wins the enthusiastic support of all great social and economic groups of our country? I think we should.

We should do much political soul-searching as a party during this debate, Mr. President. We should be very practical about it. We should recognize that we cannot disfranchise American labor. We should take notice now that unless we drastically change the Taft-Hartley law and unless we avoid a weakening of the Norris-LaGuardia Act, organized labor, by an overwhelming vote, will continue its opposition to the Republican Party. Not only would that be unfortunate from the standpoint of the welfare of my country, but I think it would be needless, unnecessary, and short-sighted.

These days are precious so far as the future of my party is concerned, because on this issue, and on one or two others on which we will write our record in the Eighty-first Congress, I think we determine our chances in 1952.

Mr. President, the Norris-LaGuardia Act was one of the results of labor activity in politics. It was one of the good results. I think the Supreme Court summarized the situation in a 1940 decision, in the case of the Milk Wagon Drivers Union against Lake Valley Farm Products (311 U. S. 91, 102), Justice Black speaking for a unanimous court, when the Court said:

> The Norris-LaGuardia Act, passed in 1932, is the culmination of a bitter political, social, and economic controversy extending over half a century. Hostility to "government by injunction" had become the rallying slogan of many and varied groups. Indeed, as early as 1914 Congress had responded to a widespread public demand that the Sherman Act be amended, and had passed the Clayton Act, itself designed to limit the jurisdiction of Federal courts to issue injunctions in cases involving labor disputes. But the proponents of the Norris-La Guardia Act felt that the jurisdictional limitations of the Clayton Act had been largely nullified by judicial decision. Thus, the Senate Judiciary Committee, reporting the Norris-La Guardia Act, said: "That there have been abuses of judicial power in granting injunctions in labor disputes is hardly open to discussion. The use of the injunction in such disputes has been growing by leaps and bounds. * * * For example, approximately 300 were issued in connection with the railway shopmen's strike of 1922."

On this same subject, Mr. President, Clark and Simon say in their book, on page 177:

> After their disappointment with the Clayton Act the unions again took up the fight against the injunction. In 1932 the Norris-La Guardia Anti-Injunction Act was adopted * * * It is a bitter comment on the relationship of labor to the courts that a law which merely gave each party to a labor dispute a chance to present its arguments in support of its action or proposed action could rightly be considered one of the greatest gains labor had made in many years.

Now, Mr. President, just a brief word by way of summary as to what I consider to be the evils inherent in the labor injunction.

First, much of the trouble was caused by the proemployer bias of judges, both Federal and State—as I have shown above.

Second, but even with perfect judges, the nature of the injunction process is such that it cannot work any other way in labor cases.

The court cannot consider the merits of the strike.

This is what Justice—later Chief Justice—Kephart, of Pennsylvania, had to say:

> The questions arising from labor disputes have many times been before the courts for

solution, but because the matter involves so many interdependent details of economic and social life, with the fundamental rights inherent in both contending parties at stake it is obvious that these tribunals should not be the ones to decide them.

Let me say to my good friend who is now presiding over the Senate [Mr. MARTIN] that to that pronouncement of the great Pennsylvania judge, I say, Amen.

Particularly when immediate relief is asked, as it always is in strike cases, the courts must act first, on such preliminary statements of fact as are presented to them, and then consider the whole question in detail later if an appeal is taken. As I have already pointed out in this speech, that usually does not happen, because the injunction succeeds in breaking the strike, and interest in an appeal is lost, particularly with a broken union treasury. Thus in most cases the result is a very unfair one. Yoder, in his book, on pages 568 and 570, says:

> No discussions of the legal status of labor organization could ignore the use of labor injunctions.
>
> * * * * *
>
> Some idea of the general willingness of courts to issue injunctions without careful investigation and largely upon the basis of information presented by employers only may be gained in facts disclosed in a study of 118 applications for injunctions to be used in labor disputes that were presented to Federal courts from 1901 to 1928. According to Frankfurter and Greene, 70 of them were ex parte, i. e., granted at once, with no notice to those against whom they were directed and no hearing at which labor's side of the case might be presented.

Because of this unfortunate and bitter experience with the injunctive process, the Norris-LaGuardia Act was supported by many who believed that the injunction was bringing the court system into disrepute. Daugherty, on page 910 of his book, states:

> There can be no question that in pure theory injunctions are beautifully prepared to provide justice and equitable relief to employers, workers, and the public. But the way they were handled by American judges in actual practice before (and often after) 1933 greatly embittered labor and led relatively impartial students of the law to point out a number of abuses that should by all means be removed.

Furthermore, Mr. President, I point out that the injunction put the courts on the side of the employer. So long as the injunction was in force the employer had no reason to bargain. The injunction also meant the trial of all issues in contempt proceedings without juries, and usually without a full hearing. The Norris-LaGuardia Act was passed to stop this perversion of standard court procedure. That was brilliantly summarized in the quotation which I have already read, from Greene and Frankfurter, on pages 200 and 201.

It might reasonably be argued that all I have said against the injunctive process applies to its use in nonnational emergency dispute cases. Let us see, Mr. President. I support the contention that the injunction is no better in national-emergency cases, and for these reasons:

First, it still carries the odium of the labor injunction.

Second, it still means that the courts must act without considering all the facts.

Third, I think it means that the courts are bound to uphold the President's finding that the strike threatens the national welfare. It is not reasonable to expect, in very many instances, that when the President of the United States makes such a finding the courts are going to reach a contrary conclusion. They are going to give him the benefit of the doubt. What I fear is that the court injunction will be an automatic thing, with language which says, to paraphrase the words of the Supreme Court as cited by my good friend from Missouri [Mr. DONNELL] the other day, that the Court may grant such an injunction when, on due deliberation and investigation, it is satisfied that a crippling paralysis is likely to overtake the country. I think it is to be expected, regardless of how the provision may be couched in legal theory, that in practice the process will be automatic in national-emergency disputes unless we have the type of safeguard provided in the Morse amendment, placing upon Congress the affirmative duty, by concurrent resolution, of specifically exempting the case from the Norris-LaGuardia Act. This is the forum in which the question should be determined, because it involves a fundamental question of public policy relating to the social and economic life of the country.

I say further that the injunction procedure in emergency disputes is clearly not an issue on which the courts can very effectively conduct a trial and weigh evidence. It still means putting the entire industrial operation really under the supervision of the courts. It means that every act of the union and of the employees will be suspect. Any misstep on their part may be brought before the court. Criminal sanctions may be imposed without jury trial. The facts may be determined on the basis of affidavits, rather than testimony. The issue comes before the court, which must feel that its first duty is to protect the dignity and integrity of the judicial system. It gives the workers an unacceptable choice of either going to jail for contempt or working, under the direction of the injunction, for the profit of the private employer so long as the injunction applies.

Mr. President, that is where my great fear of bitter, determined labor opposition arises. As I stated the other day, if we are going to deal with difficult hypothetical fact situations in this debate we cannot ignore the hypothetical so frequently discussed in our hearings on this bill. I wonder what we would do if 150,000 workers said "We will go to jail."

Thus, I say that the injunctive process puts the Government on the side of the employer. The employer continues to operate. I am speaking now of the injunctive process, and not the seizure process.

It must be remembered that the national emergency provision applies even if the strike is provoked by illegal conduct on the part of the employer. He can continue his illegal conduct, while his employees are forced to remain at work, and the union thereby loses its sole bargaining power. It is absurd, I think, to say that the injunctive process applies an even-handed justice to labor disputes.

Moreover, I argue that in the last analysis the injunction really solves nothing. If it helps toward settlement, it is only because it weakens or destroys one side to the dispute. It does not decide the merits of the dispute. If it does not achieve a settlement on the merits, then it achieves only delay, exasperation, and stultification of collective bargaining. That has been the experience under the Taft-Hartley law. I believe that the injunctions have done great harm under the Taft-Hartley law. Thus Theodore W. Kheel, who, according to the newspapers, is the newly appointed "czar" of the New York transportation industry, testified as follows, before a subcommittee of the House Labor Committee, as director of labor relations of New York City, on March 18, 1949:

> I might say that in the early part of 1946 we had a tugboat strike in New York City, and, I believe, that of all the strikes that New York City has had, that was probably the worst. We did not fully realize how important our tugboats were until the tugboat strike occurred. The island of Manhattan is dependent upon oil and food which must be brought in by tugboats" (pp. 1120–1121).

But, Mr. President, the injunctive process in a case such as that cannot possibly settle the case on its merits. The economic facts about the industry and about the demands of the union as to wages, hours, and conditions of employment must be ascertained.

In January 1949 another tie-up was threatened in New York City. The question arose whether this was a national emergency in which an injunction could issue. The strike deadline was December 31, 1948. If an injunction issued, the deadline would be postponed to March 20. Mr. Kheel said (p. 1121):

> Because of the uncertainty as to whether or not they would be enjoined in the event of a failure to agree, there was absolutely no collective bargaining taking place whatsoever, for the reason that if there was the possibility of an injunction then they were not going to bargain against the December 31 deadline, but March 20.

In other words, in that case the talk about an injunction threatened good-faith collective bargaining.

Mr. Kheel further said:

> The union would make no concessions and the employer would make no concessions, if the deadline was going to be December 31, and they would be able to bargain in the light of that deadline. That is the way the employers acted, and the way the unions acted. They were not going to make concessions before the expiration of their contract, as they would have roughly 80 days after the contract expired. So we had a state of great uncertainty with no collective bargaining taking place.
>
> We were able, at that time, to communicate with the Federal authorities, and ask them whether they thought an injunction was likely, and without committing themselves—obviously, as they could not—they did indicate that an injunction was not likely because of the local character of the dispute, and we were able to pass that on to the parties, and that made it possible for the wheels of collective bargaining to begin to revolve. And it made it possible for us to work out a settlement. As a matter of

fact, we got a postponement of a week or two at the request of the mayor, and some time around the 10th of January we worked out a settlement of that dispute, which probably still would be lingering with us right now if the injunction had been issued, and the deadline had been postponed from January 1 to March 20.

Mr. President, it seems to me that Mr. Kheel's testimony not only points out very clearly the argument that in national emergency disputes the injunction may prove to be an impediment to good-faith collective bargaining, but also shows that two additional disadvantages are produced by cooling-off periods enforced by the use of injunctions. They introduce a new factor which has to be bargained about, namely, retroactivity; and in the second place, they disturb the seasonal pattern of negotiations.

Mr. Kheel further testified, as shown at page 1123 of the hearings:

I would like to also bring to your attention the fact the 80-day "cooling off" period creates additional problems. It creates the problem of retroactivity, and that becomes a new issue. That did not exist before the injunction was issued. When the contract expires, if an agreement is reached at the time of the expiration of the contract, presumably it takes effect on that date. When the United States Government comes along and enjoins a strike for 80 days it is only fair to expect that the employees will try to get any adjustment subsequently agreed upon—subsequent to the date upon which their contract expires.

* * * * *

So I say there is a new issue: The 80-day injunction creates a new issue that you do not have without the 80-day injunction.

There is another problem it creates in most cases, and that is that particular contract termination dates have some historical significances in the light of the bargaining of the parties. It may come at a time when the business of the employer is in the slow season, and whatever the reason for the particular time, the fact is that the parties have bargained, and you come along with an 80-day injunction, and you can do great harm to employers, and you can do great harm to unions, in that respect because you can alter their basic bargaining positions. You can take an employer from the slow season into his very busy season, where a strike would be absolutely fatal to him; and therefore the union's position is strengthened that much. Or, it may work in exactly the reverse.

Mr. President, in final summary of my position, I wish to say that I agree with such an authority in the field of labor relations as Ted Kheel, of New York. In spite of the opposing view held as to their standing as authorities, I also agree with such men as Will Davis, Will Leiserson, and Nathan Feinsinger, because they have been tested for impartiality in the fires of some of the hottest labor disputes in this country in the past dozen or more years. I have worked closely with them in connection with various Government labor boards, and I think the Senate of the United States can well afford to read very carefully the testimony of such men as Kheel, Davis, Leiserson, and Feinsinger. Really, Mr. President, their record needs no defense by me. I wish to say for this RECORD, however, that I know that American industry contains many industrial statesmen who, in behalf of management, will always be happy to accept the arbitration or mediation services of these leaders in the field of labor relations. I join the Senator from Ohio in his favorable opinion of Mr. Ching, the head of the Mediation and Conciliation Service; and I put Mr. Ching in the same class with Davis, Feinsinger, Leiserson, and Kheel, for I am satisfied that his philosophy for the peaceful settlement of labor disputes is almost identical with the philosophy of the other authorities I have mentioned.

Thus in the course of these remarks today, Mr. President, I have tried to lead the Senate to the writings and the views of experts in this field, because I hold fast to the view that one of our tasks of statesmanship is, after all, to base our action upon the views of experts and authorities who are better qualified to speak on these subjects than are we; and if Members of the Senate of the United States are willing to go to the books, as I have sought to lead them to the books this afternoon in this very dry lecture on labor problems, and study the findings and views of the authorities, then I am satisfied that there should be a majority vote in the Senate for the Morse amendment, an overwhelming vote against the Douglas amendment, and an equally overwhelming vote against a return to the injunctive process as proposed and recommended by my good friend, the Senator from Ohio [Mr. TAFT].

LEGISLATIVE PROGRAM

During the delivery of Mr. MORSE's speech,

Mr. LUCAS. Mr. President, will the Senator from Oregon yield, in order that I may make a brief announcement?

The VICE PRESIDENT. Without objection, the Senator from Oregon may yield to the Senator from Illinois, to permit an announcement to be made.

Mr. MORSE. I yield for that purpose.

Mr. LUCAS. I should like to inform the Senate that we probably shall continue until 6:30 or 7 o'clock this evening, before we take a recess until tomorrow. Undoubtedly we shall have a session on Saturday of this week. I have talked to a number of Senators who feel that we should have a session on Saturday in order to make a little more progress, if we can, on the labor bill and other bills which have a dead line next week. There are a number of appropriation bills and conference reports which will have to be considered. It may be necessary to hold some night sessions next week. I merely make this announcement at this time in order that Senators may be informed.

Mr. TOBEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Oregon has the floor. Without objection, he may yield to the Senator from New Hampshire.

Mr. MORSE. I yield.

Mr. TOBEY. I wish to ask a question.

Mr. MORSE. I am glad to yield to the Senator for that purpose.

Mr. TOBEY. The Senator now speaking read in the press a statement that it is probable that the Senate leadership will arrange for a recess of the Senate from Thursday before the Fourth of July until Tuesday after the Fourth of July. Is that contemplated?

Mr. LUCAS. I made that statement yesterday on the floor of the Senate.

Mr. TOBEY. I beg pardon; I did not hear it.

Mr. LUCAS. That is the plan, I may say to the Senator from New Hampshire. We shall have to move out of this Chamber by July 1, in order that the contractors may proceed under the contract to reinforce the roof; and it will take a few days to move everything out of this Chamber.

So the proposed recess of several days will not only give Senators an opportunity to have 3 or 4 days during the Fourth of July period, but, more important than that, it will give the employees of the office of the Sergeant at Arms an opportunity to move the furnishings and fixtures from this Chamber and get everything ready in the old Supreme Court room, so that we may meet there.

Mr. TOBEY. Is the distinguished Senator, the majority leader, optimistic enough to believe and have faith in the expectation and hope that when, as, and if we move into the old Senate Chamber, which later was used by the Supreme Court, before it moved into its new building, the business of the Senate will be more expeditiously proceeded with and the speeches of Senators will be shortened sufficiently so that we shall move forward with more acceleration to the glorious adjournment to which all of us are looking forward?

Mr. LUCAS. I had a slight colloquy with the distinguished Senator from Oregon the other day along that particular line. Of course, it is my hope that wherever the Senate might meet, or even if it were to continue to meet in this Chamber, we could expedite the business of the Senate to the end that we might have an early adjournment. I cannot prophesy when the adjournment will occur. I may say that at the rate of speed at which we are moving at the present time, we may be here for a long time.

Mr. MORSE. Mr. President, I shall continue to yield for these interruptions. I yield further to the Senator from Illinois.

Mr. LUCAS. I understand that Daniel Webster sometimes spoke in the old Senate Chamber for 3 days at a time. So I do not think we can hope for any shortening of the speeches simply because we shall be meeting in the old Senate Chamber.

Mr. TOBEY. Mr. President, on that point, I promise and guarantee that this successor of Daniel Webster in the Senate, from New Hampshire, will be very brief in his remarks. [Laughter.]

Mr. LUCAS. I am sure the Senator from New Hampshire will do everything in his power to persuade the Members of the Senate on his side of the aisle to be as brief as possible in their remarks.

Mr. TOBEY. When I referred to the analogy of Daniel Webster as a predecessor of mine in these Halls, I had no reference to a comparison of virtue or oratorical ability, but merely that I was one of his successors in these modern days.

Mr. LUCAS. Mr. President, the distinguished Senator from New Hampshire is a worthy successor of Daniel Webster,

and says much more in a short time than Daniel Webster could say in a long time.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. Now that we have finally disposed of Daniel Webster, I should like to ask the majority leader a question. Does he believe that in the next day or two there will be no legislation displacing the labor bill, even temporarily? Of course I know the majority leader cannot say when we shall reach a vote on that measure or any other measure; but regardless of whether we vote or do not vote today on amendments to the labor bill, does the Senator from Illinois believe we shall continue with the consideration of the labor bill until next Monday, possibly; or are there other bills which will come before us between now and then?

I ask that question for the reason that I have already consulted with the majority leader, and I know there are several Senators who, I am satisfied, would like to vote today on various of the amendments to the labor bill. However, they are somewhat confused as to what might happen on Thursday or Friday or during the contemplated Saturday session this week.

So I inquire whether it is the idea that we shall continue with the consideration of the labor bill throughout this week, or is it contemplated that other measures will displace it?

Mr. LUCAS. Mr. President, obviously I cannot answer the Senator categorically as to when we may vote on any amendment. For some time I have been hoping we might vote very soon on the Douglas-Aiken amendment, which is the pending question. At the same time, I recognize that all Senators have a right to speak as long as they desire to speak upon any amendment or even upon any extraneous matter.

I hope we may soon reach a vote on the Douglas amendment and the Ives amendment. I do not know what the parliamentary situation will be thereafter; but so far as Thursday and Friday of this week are concerned, I do not see why we cannot go right ahead during those days with the consideration of the labor bill.

I know what the Senator from Nebraska has in mind, and I wish to accommodate the two distinguished Senators from Massachusetts or any other Senators who are desirous of leaving the Capital on important business. However, I have discovered that the moment one tries to accommodate two Senators, the next day we are likely to find that two other Senators are desirous of leaving and wish to be accommodated, and of course it is rather difficult to accommodate everyone.

Mr. WHERRY. Mr. President, my question was not in reference to the matter of accommodation, although I deeply appreciate what has been stated by the majority leader in that respect. However, my question is this: When, as, and if the Douglas amendment or the Ives amendment, or both, are voted upon, does the majority leader believe there will then be any votes on the pending labor legislation before next Monday, or will there be other proposed legislation which will be brought up, so that possibly the votes on various amendments to the labor bill will not come up, anyway?

Mr. LUCAS. It may be that appropriation bills or conference reports will be coming before us in the meantime; but primarily it is my intention to have the Senate stay on the labor bill. It is a certainty that we shall do so unless something in the nature of a real emergency matter which has a dead line or an appropriation bill or some other measure relative to a law which will terminate on June 30 is ready to be acted upon by us.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from South Carolina.

Mr. MAYBANK. I wish to state that a while ago I spoke to the distinguished Senator from Oregon about my intention to bring up the conference report on the Treasury-Post Office appropriation bill, because there is quite a difference between the conferees on the part of the Senate and the conferees on the part of the House in respect to additional internal-revenue collectors. As soon as the Senator from Oregon finishes his speech, I should like to bring up that very important matter. It will take about half an hour.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LODGE. I understand that while I was out of the Chamber, the able Senator from New Hampshire [Mr. TOBEY] stated that Daniel Webster was a Senator from New Hampshire.

Mr. TOBEY. Oh, no; the Senator is in error.

Mr. LODGE. I hope the Senator from New Hampshire did not say anything like that, because of course Daniel Webster was a Senator from Massachusetts, and was one of the crowning glories of our great State in his era.

As we remember, he said:

> I shall enter on no encomium upon Massachusetts; she needs none. There she is. Behold her, and judge for yourselves.

Mr. TOBEY. Daniel Webster also said, as we remember:

> Other misfortunes may be born and their effects overcome. If disastrous wars should sweep our commerce from the ocean, another generation will renew it. If it exhausts our Treasury, future industry will replenish it. If it desolates and lays waste our fields, still, under a new cultivation they will grow green again, and ripen under future harvests.
>
> But who can reconstruct the fabric of demolished government? Who can rear again the well-proportioned columns of constitutional liberty? Who can frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No; if these columns fall, they will be raised not again.

That was Webster at his best. We ought to take that as a pattern for our thoughts today. But as to Daniel Webster, he was born in New Hampshire, he graduated from Dartmouth College and he practiced law in New Hampshire. He acquired from the Old Granite State all the vim, vigor, vitality, and inspiration that carried him all the way from Massachusetts to the Senate Chamber.

Mr. LODGE. The point I make is that he was a Senator from Massachusetts, and it was as a Senator from Massachusetts and as a citizen of Massachusetts that he did his great work.

Mr. WHERRY. Mr. President, will the Senator yield, that I may ask another question? I ask unanimous consent that I may do so.

Mr. MORSE. I yield.

Mr. WHERRY. I do not yet get the answer of the majority leader about Saturday. I am very sincere about it. Here is a conference report that is coming up. I am wondering whether, after we shall have devoted our efforts to have the votes the majority leader has mentioned today, other matters might be brought up, so that we would not even arrive at a vote on the amendments. Of course I understand the majority leader cannot state on the floor of the Senate when a vote is going to be taken, but in mapping out the program, does the Senator feel that there will be a Saturday session?

Mr. LUCAS. Yes. I made that announcement a moment ago. I feel that we are justified in holding a Saturday session. I dislike to do it, but in view of the fact that we have a dead line on appropriations and in view of the fact that we are a little behind as I see it upon the labor bill, I believe that it is necessary that we hold a Saturday session with a view to trying to accomplish a few things.

Mr. WHERRY. I merely want to make one concluding observation. Of course, if we are at that time on the labor bill, and could obtain votes on the amendments, I think we ought to stay here. That bill is the unfinished business before the Senate, and we ought to vote it up or down. But there are privileged motions, such as conference reports; and it was my idea that if after voting on the Douglas amendment and upon the Ives amendment, if those other matters could come up, then the whole situation would be alleviated until at least next Monday. But I am perfectly agreeable to proceeding in any way the majority leader suggests.

Mr. LUCAS. Mr. President, I cannot anticipate what is going to happen. Of course, a conference report is privileged. It may only take a few minutes to approve a conference report; and we may find tomorrow that there might not be any other measure to consider but the labor bill. The moment we finish a conference report or any other matter that has a dead line, we automatically return to the labor bill, and we are going to stay on the labor bill until it is finished. I think that is about all I can say. I want to thank the Senator from Oregon for yielding in order that I might make these announcements.

Mr. WHERRY. I thank the Senator.

Mr. MORSE. Mr. President, may we have a unanimous consent agreement that all this interruption, interesting as it was, shall appear at the end of my remarks rather than in the body of my remarks?

The PRESIDING OFFICER (Mr. HUNT in the chair). Without objection, it is so ordered.

LEAVE OF ABSENCE

Mr. BALDWIN. Mr. President, I ask unanimous consent of the Senate to be absent for the remainder of the afternoon. I am scheduled to speak at graduation exercises in Middletown at 8 o'clock tonight.

The PRESIDING OFFICER. Without objection, leave is granted.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. HENDRICKSON obtained the floor.

Mr. THOMAS of Utah. Mr. President, I have had prepared a comparative study——

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. THOMAS of Utah. Mr. President, will the Senator yield? I wish to obtain the floor in my own right, because I have promised to ask for a quorum call in connection with a privileged matter, but I do not want to interfere, if the Chair has recognized the Senator from New Jersey.

The PRESIDING OFFICER. The Chair has already recognized the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, I may ask, what is the Senator's purpose?

Mr. THOMAS of Utah. There is a privileged matter having to do with a conference report which the leaders have arranged to bring up, and I promised to ask for a quorum call as soon as the Senator from Oregon completed his remarks. I arose for two purposes; first, to ask for a quorum call, and then to have inserted in the RECORD, at this place, a comparative study which I have asked to be made of the five propositions which are before us. My part of it is not sufficiently privileged.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. MAYBANK. Mr. President, will the Senator yield? It was understood this morning, I thought, that after the Senator from Oregon [Mr. MORSE] had completed his speech——

Mr. HENDRICKSON. Mr. President, my remarks will take only about half an hour.

Mr. MAYBANK. Mr. President, I must insist on bringing up the conference report on the Treasury and Post Office bill.

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. HENDRICKSON. I decline to yield.

Mr. President, for the past 2 weeks now I have devoted myself intensely to a careful study of the great issue presently before the Senate of the United States. I have followed closely the debates, and may I say they have been eloquent and conducted on a level which has done credit to our free processes of Government. I have read within the limitations which time has imposed such relevant material as I could lay my hands on, including thousands of letters from my own constituents—all with the result, Mr. President, that I am convinced that we are now treating with the most important domestic issue which is to come before the Eighty-first Congress; indeed history may prove it to be the most important of all the issues to which this Congress will give consideration.

So without hesitation, I arise to bespeak my views in the sincere hope that those views will contribute some small mite to the solution of this grave problem of labor-management relations. To remain silent at such a time would according to my own standards, be an avoidance of clear duty; and, Mr. President, this is particularly so, it seems to me, in respect to the pending amendments dealing with emergency disputes which may imperil or threaten to imperil the national health and safety.

Before I undertake to treat with the amendments immediately before us, I should like to digress for a moment or two to comment upon some of the remarks which have preceded my own; and I do this objectively; indeed, I do it because I think it is high time that we get to a solution of this controversy on a basis which truly recognizes labor-management relations as a four-party relationship, each party having its particular share and responsibility to the whole. Certainly under our system of government and our way of life the first and major party to this relationship is the people of America—all of the people. It is for them that our Government exists. It is for the welfare of the people that all of our great institutions in government and under government have been established. So then, as the other parties to this relationship seek to attain their respective objectives, they should and must guide their thoughts and actions from the beginning on those three significant and vital first words of our great charter of government, "We, the people."

In their order, the other parties to this important relationship are labor, industry, and last, but not least, the Government itself. In treating with their problems and differences, both labor and industry should try to remember that they are or should be truly partners and if, between themselves, they cannot settle their differences amicably and peacefully, then their recourse is to the Government, not as an advocate of one against the other, not as a partisan, but as the referee who has been designated by the people through their duly elected representatives to see to it that justice and equity are done in all cases with a minimum of injury or damage to any of the parties involved.

We are all deeply concerned with the abuse of power and undermining influences. Regardless of their origin, we are all determined to safeguard and protect each other against abuses, even though in so doing we may incur a personal loss. The unselfish sacrifices in the late war furnish eloquent testimony of this fact, and there are countless thousands of other examples in every walk of life.

This, Mr. President, is no time to elaborate on the sins of the past for mass appeal. The abuses on the side of industry as well as those on the side of labor are known to us all. Let us be fair to both sides and charge their sins to the growing pains which always accompany tremendous expansion. While we would not return to the past, let us utilize its experiences as beacon lights to guide us, but, for the purpose of this debate, let us not cloud the record by further exaggeration on either side.

Let us remember the admonition of Mr. Webster in his reply to Hayne and take our true bearings and from here on in hold to the course without recourse to histrionic deflections.

Now, Mr. President, I proceed to the several proposals under immediate consideration. They are, I believe, five in number. As the junior Senator from New York indicated:

> These proposals range all the way from that which is in the Thomas bill, which seems to me to contain no more than a slight assurance of being sufficient to cope with the problem in question, to the more extreme provisions in the Taft amendment which would authorize seizure or the injunction, or both. * * * Speaking of the proposal of the distinguished Senator from Utah, I feel that the plan in his bill is excellent insofar as it goes, but it does not go far enough. His plan calls for a declaration of national emergency by the President, the appointment of an emergency board, and an over-all cooling-off period of 30 days, and then virtually drops the matter there, regardless of the seriousness of the situation. It follows, in general, the emergency provisions in the National Railway Labor Act which, to be sure, have worked for the most part very effectively over the years, but which can, nevertheless, be improved upon, as experience would indicate.

For sake of brevity, which I rather suspect that this record will lack before the debates are concluded, I shall try to avoid repetition, but, like the Senator from New York, I want it clearly understood that I do not favor the injunction as an appropriate and just means by which to attain the objectives which we seek in this instance.

Mr. President, I come from a State which was once the citadel of injunctions, and despite my high regard for the now defunct court of chancery of New Jersey and its great contributions to our concepts of equity and justice, it was for a time, I must concede, one of the worst enemies of collective bargaining against which labor has ever been pitted. Not that it lacked integrity, but it was truly reactionary in its findings. Thus, it is with some pride, Mr. President, that I state that I joined, as a member of the Senate of New Jersey, in ending its powers in this respect. I will not burden the Senate with the history of the fight to end injunctions on labor disputes in New Jersey. Suffice it to say that chapter 15 of the Laws of New Jersey of 1941 signed the death knell of this process in my own State, and I had hoped that I was through with that for all time to come. Now I find myself confronted with the possible dilemma of supporting a principle, at the national level, which I have already rejected as a solution of labor disputes.

Mr. President, it is quite clear to me at this point that I cannot support the proposal of the Senator from Utah [Mr. THOMAS]. His plan follows, it is true, the emergency provision in the National Railway Labor Act, and, thanks largely to the patriotic attitude of our railway workers, that act has worked well; but we may not always have, in our national emergencies, the truly patriotic reaction of our railroad brotherhoods. So it may be wise, as the distinguished senior Senator from Missouri has suggested, to give some thought to a possible improvement of that act in respect to national emergencies.

Now, Mr. President, we have before us, in addition to the Thomas proposal which calls for a declaration of national emergency by the President, the appointment of an emergency board and and over-all cooling-off period of 30 days, other proposals calling for plant seizure and injunction.

On the subject of the injunction, Mr. President, I have already expressed my views in no uncertain terms. On the proposals for plant seizure I instinctively rebel, first, because it would be a clear way to statism in the truest sense of the word, and, second, it has, under our system of private enterprise, no place whatsoever in our scheme of things, unless it is justified by the circumstance in any given case under the peril of a national emergency, and then it should be authorized only by the Congress of the United States to meet that special emergency.

This is the very root of the perfecting amendment of the junior Senator from New York. I will not repeat, Mr. President, the procedural devices of that amendment because they have been so clearly outlined by their able draftsman. Suffice it for me to say that the Ives amendment offers such a clear way out of sure and certain conflict, that I cannot comprehend why it has not been seized upon by all as the real solution to the most controversial phase of the issue before us. I have not been impressed, Mr. President, by the very eloquent and practical arguments that the Congress is too cumbersome, too unwieldy, to act in a national emergency; indeed, there has never been a national emergency in peace or in war where the Congress of the United States has failed fully to meet its obligations to the people and with ultimate credit to those who carefully designed its purpose, namely, that of establishing the rules by which our lives shall be governed.

Mr. President, it is to the credit of the Congress that it always acts in great emergencies with a speed and exactness of purpose that sometimes bewilders students of government.

No, Mr. President; I cannot concede that in a national emergency, the mind of one man, whether he be the Chief Executive or a judge, is better than the combined thinking of 531 men who, under a carefully conceived system of checks and balances, have been chosen to represent the people of this Nation on all matters affecting our health and safety. We shall all rue that day, Mr. President, when we cannot trust the greatest legislative body in the world to meet squarely and promptly its obligation to its founders and to the 148,000,000 souls for whom it exists.

Mr. President, I was deeply concerned about this issue until the presentation of the Ives amendment. There I found the answer and felt immediate relief. To me it was just this simple. Suppose, I asked myself, that any of the other proposals were in effect and we were confronted by a national emergency of a scope hitherto unknown. Suppose that none of the procedural devices proved effective in the first few days of the emergency. Short of revolution, what would happen? Why, Mr. President, the President would exercise his inherent powers, meet those immediate problems which are within his constitutional authority, and call the Congress to meet the over-all emergency. The long and short of the whole discussion presently before us, Mr. President, is that the determination of any great issue must ultimately come back to the Congress for settlement and solution. Why not alert the Congress now on this issue to a responsibility which apparently it does not clearly realize? One day it may be called upon to forego its traditions of unlimited debate and the niceties of parliamentary procedure which seem so important to our great and sometimes ponderous dignity. One day it must act in unison with only the thought of the people and their welfare in mind, with the hope of preserving our precious heritages and our free institutions, with the common resolve that the Congress of the United States shall preserve our way of life at any cost, even to the point of yielding its precious rules in order to maintain a United States of America free from disintegration and internal strife.

Because the Congress will in any case be the final arbiter of this grave question of national emergencies, let us assume the responsibility now and support the Ives amendment.

Mr. THOMAS of Utah. Mr. President, I have had prepared a comparative study of the various proposals which are before us, and, therefore, I ask unanimous consent that it be printed as a part of my remarks.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

Comparison of Senate amendments of national emergency provisions

National emergency procedures	Taft-Hartley Act	Thomas bill	Douglas amendment	Taft amendment	Ives amendment	Morse amendment
Application of procedures.	Work stoppage imperiling national health or safety.	Work stoppage threatening to result in national emergency.	Same as Thomas bill.	Same as Taft-Hartley Act.	Same as Thomas bill.	Same as Taft-Hartley Act.
Proclamation		Declare emergency—call on parties resume work.	do	Declare emergency—urge parties resume work.	do	Same as Taft amendment.
Maximum cooling-off period.	80-day waiting period after Board's report.	30 days after Presidential proclamation.	90 days after appointment of Emergency Board.	60 days after Presidential proclamation.	30 days after Presidential proclamation.	90 days after appointment of Emergency Board.
Emergency Board	Yes	Yes	Yes	Yes	Yes	Yes.
Board makes recommendations.	No	do	do	do	do	Do.
Maximum time for Board report.	President to prescribe.	25 days	30 days	30 days	30 days	30 days.
Injunction	Expressly permitted—80 days.	No provision	No provision. Implied through seizure provision.	Expressly permitted—60 days.	No provision	Expressly prohibited except by concurrent resolution of Congress.
Seizure	Silent	Silent	President authorized to seize.	President may ask court for authority to seize.	Silent	President may seize if he so recommends to Congress and Congress does not take action within 10 days.
Permissive intermediate report to Congress.	No provision	No provision	No provision	At any time after proclamation with recommendations.	Same as Taft	Same as Taft.
Mandatory intermediate report to Congress.	do	do	do	If strike continues after Board's report.	If strike continues after proclamation.	If strike continues after proclamation.
Employment conditions during cooling-off period.	do	Those prior to dispute.	Same as Thomas bill	Seizing agency may not alter.	No provision	Seizing agency may put into effect recommendations of Emergency Board or conditions determined by Congress.
Mediation during cooling-off period.	Conciliation Service to assist parties.	Emergency Board and Conciliation Service seek to get parties to settle.	Same as Thomas bill and parties must continue collective bargaining.	Emergency Board and Conciliation Service seek to get parties to settle.	Same as Taft except for seizure provision.	Same as Taft.
Final report to Congress.	Mandatory after discharge of injunction.	No provision	No provision	Mandatory after dispute has been settled.	Same as Taft	Do.

Mr. THOMAS of Utah. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Martin
Anderson	Hill	Maybank
Brewster	Hoey	Millikin
Bridges	Holland	Morse
Butler	Humphrey	Mundt
Byrd	Hunt	Murray
Cain	Ives	Myers
Capehart	Jenner	Neely
Chapman	Johnson, Colo.	Pepper
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Taft
Eastland	Langer	Taylor
Ferguson	Lodge	Thomas, Okla.
Flanders	Long	Thomas, Utah
Frear	Lucas	Thye
George	McCarran	Tobey
Gillette	McCarthy	Tydings
Graham	McClellan	Vandenberg
Green	McFarland	Watkins
Gurney	McKellar	Wherry
Hayden	McMahon	Young
Hendrickson	Malone	

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS], for himself and the Senator from Vermont [Mr. AIKEN], to the amendment of the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1950—CONFERENCE REPORT

Mr. MAYBANK. Mr. President, I submit to the desk the conference report on House bill 3083, the Treasury and Post Office Departments appropriation bill for 1950, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 13, 14, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 11, 12, 17, 18, 19, 29, 30, 39, 40, 41, and 50, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,150,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,020,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$35,150,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$15,660,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,925,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$76,250,000; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$39,400,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,255,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,490,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$907,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$302,600"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$440,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$98,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$556,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,800,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,780,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$629,000,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$33,250,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,625,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,300,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$393,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$31,000,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$128,750,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$11,300,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$17,200,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$51,500,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree

to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$52,800,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,150,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,205,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$25,775,000"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows: In lieu of the word proposed by said amendment insert "forty"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 6, 7, and 49.

BURNET R. MAYBANK,
CARL HAYDEN,
HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
OLIN D. JOHNSTON,
GUY CORDON,
CLYDE M. REED,
STYLES BRIDGES,
Managers on the Part of the Senate.

J. VAUGHAN GARY,
A. M. FERNANDEZ,
OTTO E. PASSMAN,
CLARENCE CANNON,
G. CANFIELD,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The question is on agreeing to the report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3083, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 15, 1949.

Resolved, That the House agrees to conference report to the bill (H. R. 3083) entitled "An act making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes";

That the House recede from its disagreement to the amendment of the Senate No. 49, and concur therein;

That the House insist upon its disagreement to the amendments of the Senate Nos. 5, 6, and 7 to said bill.

Mr. MAYBANK. Mr. President, I move that the Senate further insist upon its amendments numbered 5, 6 and 7. They relate to the Bureau of Internal Revenue, and provide an increase of $12,268,000 over the House allowance of $220,500,000 for operating expenses; also provide for removal of the over-all personal service limitation in order to allow more flexibility in the employment of additional personnel and procurement of equipment. The House has insisted on its disagreement to these three amendments, contending, in the main, that there appears no sound justification for the additional employment of some 5,500 enforcement officers in the field and that the House allowance of some 1,500 additional positions is sufficient in light of the possibility of diminishing returns in fiscal year 1950.

The House further contends that great doubt exists as to the absorption into the service of the 5,500 additional front-line officers proposed by the Senate. In this connection, it must be remembered that the Senate's recommendation was that the funds for these additional employees provided for only 6 months' employment in the fiscal year 1950 and not for the full fiscal year. On that basis Treasury officials stated the 5,500 positions could be easily filled and substantial additional collections of many millions of dollars derived from work of these additional enforcement officers by July 1. In fact, it was testified that the additional enforcement personnel would collect annually, beginning fiscal year 1951, at least $425,000,000 additional revenue.

There is no evidence of diminishing returns. The record clearly shows that for the first 3 months of 1949—January, February and March—there were filed 44,565,422 returns as against 40,891,370 for the same period in 1948. This is about a 10 percent increase in the current year over the prior year. The present front-line enforcement officers averaged per person additional revenue of $52,708 for 1946, $73,805 for 1947, $89,271 for 1948, and for the first 7 months of fiscal year 1949, $50,066.

Mr. President, it was the sense of the Senate conferees, it was the sense of the members of the subcommittee of the Senate Appropriations Committee, which had charge of the Treasury and Post Office Departments appropriation bill, and of the full Appropriations Committee, that with these additional front-line officers under the Bureau of Internal Revenue perhaps there might be collected for the United States about $1,000,000,000 in taxes which are due, and have been due for the past few years.

The VICE PRESIDENT. The Senator from South Carolina [Mr. MAYBANK] has moved that the Senate further insist upon its amendments numbered 5, 6, and 7, and that the Chair appoint conferees on the part of the Senate.

Mr. GEORGE. Mr. President, I wish to say a few words on this matter. I believe Members of the Senate know that, generally speaking, I strongly favor economy in government. But I think it is false economy to deny the Treasury Department or the Bureau of Internal Revenue these additional tax agents, these additional field men, to collect taxes which are due and unpaid. I am confident that an adequate force in the Bureau would result in increasing the revenues of the Government during the next several years, but particularly the years immediately ahead of us, by one-half billion dollars.

I do not favor the theory that a tax agent can pay his own way. That seems to me to be highly offensive, when it is analyzed. But I do believe that if we have an adequate force, returns of taxpayers can be adequately and carefully checked, with the resulting saving to the Treasury of many million dollars.

Mr. President, there is also another angle to the matter which is often overlooked. With an adequate force it will be found that many assessments are rather arbitrarily imposed, because with the running of the statute, as time elapses the agents are too often tempted to impose or to make an assessment of additional taxes with very inadequate bases for the assessment. That would not happen if an adequate force were available. If an opportunity were afforded to have the returns examined by competent men, arbitrary assessments would actually diminish numerically, but there would be an increase in collection of taxes which would very greatly aid and assist the Treasury at this time.

Then upon the basis of highest public morality, one man should not be required to pay a just tax, and to be subjected to a just tax under the laws of his country, while another man escapes, and escapes too often because he knows that the law-enforcement agencies of his Government have an inadequate force with which to audit the returns, and to make proper levies or assessments in cases where such levies should be made.

So I very much hope that the Senate will agree to the motion made by the distinguished chairman of the subcommittee of Committee on Appropriations, in order that the House may have the opportunity to grant this very reasonable increase in appropriations to take care of a very necessary and a very proper and a much-needed service at this time.

Mr. MILLIKIN. Mr. President, I wish to associate myself with what the distiguished chairman of the Finance Committee has just said. I believe that at the present time the staff of the Bureau of Internal Revenue devoted to the task of examining returns and reporting on them is grossly inadequate. I think that the odds in favor of the law violator are entirely too long in his favor as a result of that situation. I do not know how we can increase our revenues more readily than by increasing that staff. Therefore, I, too, express the earnest hope that the conferees will stand by the Senate version of the bill in that respect.

Mr. BYRD. Mr. President, I associate myself with the distinguished Senator from Georgia [Mr. GEORGE] in supporting the proposed increase in the number of auditors of the Bureau of Internal Revenue. It is very rarely that I rise to advocate an increased appropriation; but I believe that in this instance I am doing so in the interest of economy, because I am convinced that if we appoint a larger number of auditors we shall certainly get a greatly increased revenue.

As I understand, the Bureau of Internal Revenue asked for 10,000 additional auditors, and it has been given 1,500. The budget made provision for 7,000.

I have made some investigation of this question as a member of the Finance Committee. I am convinced that there

are not a sufficient number of auditors to audit the income-tax returns, and that the appointment of the additional number requested would bring revenue to the Government many times in excess of the cost. I therefore favor the position taken by the Appropriations Committee of the Senate.

Mr. SALTONSTALL. Mr. President, as one of the members of the minority party who sat as a member of the subcommittee which considered this subject, I hope the Senate will stand by its position. I join with other Senators who have spoken on this question, for two reasons.

First, in my opinion it will bring in greatly increased revenue to the Government.

Second, it is fair. It is fair to more people. It is not fair when people can escape taxes by refusing to sign the proper returns. It is not fair to the people who do sign the proper returns. I am confident that with 7,000 additional auditors, who must be trained before they can be put into service, the Treasury will receive greater revenue, and tax collections will be fairer to all taxpayers.

I join with the Senator from South Carolina and other Senators in the hope that the Senate will stand by its position.

Mr. WHERRY. Mr. President, I associate myself with the Senator from Massachusetts and the distinguished Senator from Virginia, whom I have just heard address the Senate relative to this appropriation. I am not a member of the subcommittee, but I am a member of the Committee on Appropriations. I believe that if we attempt to justify the various projects which come before us, this is one which certainly should be approved.

I join in stating that I feel the Senate ought to stand by its position; and I hope it will stand long enough so that the conference will accept this increase.

Mr. JOHNSON of Colorado. Mr. President, I desire to associate myself with my colleagues on the Senate Finance Committee in urging that the chairman be upheld in his contention that more auditors should be provided. All the arguments have been advanced. In the name of justice and fair dealing with the taxpayers, I think we must be able to audit the tax returns on a fair basis.

Mr. ROBERTSON. Mr. President, I am a member of the subcommittee which handled the Treasury appropriation bill, and I heard all the evidence presented on this particular issue. I was thoroughly convinced that it would be a good investment to increase the number of enforcement agents of the Bureau of Internal Revenue. We were told what a relatively small number of returns they had been able to examine. I shall not indicate how small the number was. We were convinced that payment of a large amount of taxes was being evaded, and that the taxes could be collected if a more adequate force were available.

So I hope the Senate will support the action of the Appropriations Committee and the vote which the Senate has already cast in behalf of this provision, and instruct the Senate conferees to insist upon our position, or at least upon a more reasonable compromise of the differences than has been heretofore accomplished.

Mr. BRIDGES. Mr. President, I agree with the position taken by the distinguished chairman of the subcommittee [Mr. MAYBANK] on this subject. The Senate knows that I am for economy everywhere it can be practiced. This is about the only instance I know of in connection with appropriation bills in which I see any excuse whatsoever for putting on additional help. In practically every other department or bureau I think appropriations can be cut and the department operated with efficiency. But I believe that in fairness to those who honestly pay their taxes the Bureau of Internal Revenue should be fortified with sufficient assistance to do an adequate job. That is the position of the subcommittee, the Appropriations Committee, and the Senate; and I think that position should be sustained.

Mr. JOHNSTON of South Carolina. Mr. President, having served on the subcommittee of the Committee on Appropriations, and also on the free conference committee, and having heard the testimony which was given before the subcommittee, I am thoroughly convinced that the proposed increase in the number of internal-revenue collectors will add materially to the amount of revenue collected.

I for one believe that this would equalize the payment of taxes. If we let some evade paying their just amount of taxes, someone else will have to pay that amount. It will be the man who is now paying. It will not be the man who is now evading taxation, for probably he will try to evade in the future also.

For that reason I believe that this additional appropriation would result in bringing many millions of dollars of additional revenue in the Treasury of the United States.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina [Mr. MAYBANK].

Mr. HAYDEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CORDON. Mr. President, I am happy that we are to have the yeas and nays on this motion. As the ranking member of the subcommittee on Treasury-Post Office appropriations of the Appropriations Committee at this time; as one who served for 2 years as chairman of that subcommittee and who has gone into this question for three successive years, I believe as carefully as any question of that kind has ever been investigated; and as one who has served on three conference committees in which this question has been one of the sharp questions before the conference, I am convinced that the interest of economy would be advanced by increasing the collection force of the Bureau of Internal Revenue. I know that common justice would be served to a great extent than it could be served if there were not adequate investigative and collection forces available in connection with our internal revenue collections.

At various times during the past 3 years we have had before us a carefully prepared list showing the production in collections resulting from the increased force in the Bureau of Internal Revenue. There can be no question in the world as to the return to the Government in dollars from this additional expenditure for personnel. Furthermore, there will be a greater voluntary payment of taxes when the reluctant taxpayer realizes the advantages of voluntary payment, as opposed to the penalties of payment under coercion.

Before the vote is taken, I believe it might be well for us to examine the objections which are raised in the House of Representatives to the requested increase. The chief objection we have heard, and the one we heard in conference, is that a moderate increase, which was fixed at 1,500 by the end of the current year, was justified, but that any increase above that was not justified, the argument being that it was impossible to recruit more than that number of trained personnel within that period. That argument was made last year and also the year before. It had more force then than it has now. I undertake to say that at the present time more men trained in accountancy and in internal tax matters are available for employment than have been available at any previous time since prior to World War II. Likewise there are now more persons to whom the salary is attractive than there previously have been. I believe that the argument in opposition has so much less strength now than it had in times of high employment that the argument for making an increase to the extent requested is far stronger than it has previously been at any time.

To my mind, the sound thing for the Government to do, the sound thing for the people of the United States to do, and the only thing the Members of Congress can do in carrying out their oath of office is to furnish the Bureau of Internal Revenue with the greatest possible strength which can be provided, so that it can do the job which Congress has imposed upon it.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. ROBERTSON. Is is not also true that if we postpone for another year this enforcement program, the statute of limitations will have run against a considerable number of potential claims which the Treasury Department might otherwise have been able to assert?

Mr. CORDON. Yes. Every year the number of outlawed claims becomes greater, and that is a particular dangerous situation now, because we are at the far end of the period of the statute of limitations in the case of the swollen incomes accumulated during the war period. Either we shall get the taxes on them now, or we shall never get them.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. LANGER. How are the 7,000 appointees proposed to be allocated? Can they be sent anywhere the Bureau desires to send them?

Mr. CORDON. They are allocated, in the discretion of the Bureau, to the areas where the returns indicate there is the

greatest need for careful checking. Of course the greatest number will naturally go to the areas where there was the greatest rise in incomes during the war period.

Mr. LUCAS. Mr. President, this is a very pleasant and exhilarating experience through which I am going at the moment, and I wish to congratulate all my Democratic and Republican brethren for interesting themselves in such a righteous cause. I am sure the conferees on the part of the House will be much impressed with the amendments which we have proposed to this important bill.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from South Carolina that the Senate further insist upon its amendments Nos. 5, 6, and 7, request a further conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

On this question the yeas and nays have been demanded and ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Washington [Mr. MAGNUSON] are absent on official committee business.

The Senator from Rhode Island [Mr. MCGRATH] is absent on official business.

The Senator from Idaho [Mr. MILLER] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Wyoming [Mr. O'MAHONEY] is absent on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

If present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Washington [Mr. MAGNUSON], the Senator from Rhode Island [Mr. MCGRATH], the Senator from Idaho [Mr. MILLER], the Senator from Maryland [Mr. O'CONOR], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] would vote "yea."

Mr. WHERRY. I announce that the Senator from Montana [Mr. ECTON], the Senator from Missouri [Mr. KEM], and the Senator from Missouri [Mr. WILEY] are absent on official business. If present and voting, the Senator from Wisconsin [Mr. WILEY] would vote "yea."

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent. If present and voting, the Senator from Massachusetts would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "yea."

The Senator from Connecticut [Mr. BALDWIN], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. REED], and the Senator from Delaware [Mr. WILLIAMS] are detained on official business. If present and voting, the Senator from Kansas [Mr. REED] would vote "yea."

The result was announced—yeas 77, nays 0, as follows:

YEAS—77

Aiken	Hickenlooper	Martin
Anderson	Hill	Maybank
Brewster	Hoey	Millikin
Bridges	Holland	Morse
Butler	Humphrey	Mundt
Byrd	Hunt	Murray
Cain	Ives	Myers
Capehart	Jenner	Neely
Chapman	Johnson, Colo.	Pepper
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Sparkman
Downey	Knowland	Taft
Eastland	Langer	Taylor
Ferguson	Lodge	Thomas, Okla.
Flanders	Long	Thomas, Utah
Frear	Lucas	Thye
George	McCarran	Tobey
Gillette	McCarthy	Tydings
Graham	McClellan	Vandenberg
Green	McFarland	Watkins
Gurney	McKellar	Wherry
Hayden	McMahon	Young
Hendrickson	Malone	

NOT VOTING—19

Baldwin	Magnuson	Stennis
Bricker	Miller	Wagner
Ecton	O'Conor	Wiley
Ellender	O'Mahoney	Williams
Fulbright	Reed	Withers
Kem	Saltonstall	
McGrath	Smith, N. J.	

The VICE PRESIDENT. The motion is unanimously agreed to; and the Chair appoints the Senator from South Carolina [Mr. MAYBANK], the Senator from Arizona [Mr. HAYDEN], the Senator from West Virginia [Mr. KILGORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Oregon [Mr. CORDON], the Senator from Kansas [Mr. REED], and the Senator from New Hampshire [Mr. BRIDGES] the conferees on the part of the Senate at the further conference.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 41. An act for the relief of the city of Reno, Nev.;

S. 646. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion;

S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary;

S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion; and

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds.

REPEAL OF OBSOLETE PROVISIONS OF LAW RELATING TO THE NAVAL SERVICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1794) entitled "An act to repeal certain obsolete provisions of law relating to the naval service," to strike out all after the enacting clause and insert:

That, the following acts and parts of acts are hereby repealed:

Section 434, Revised Statutes.

That portion of the first sentence of section 436, Revised Statutes, which reads as follows: "or professor of mathematics"; and the second sentence of said section, which reads as follows: "Such officer or professor, when so employed, shall be entitled to receive the shore-duty pay of his grade, and no other."

Section 1367, Revised Statutes.
Section 1381, Revised Statutes.
Section 1401, Revised Statutes.
Section 1402, Revised Statutes.
Section 1403, Revised Statutes.
Section 1404, Revised Statutes.
Section 1408, Revised Statutes.
Section 1409, Revised Statutes.
Section 1417, Revised Statutes, as amended.
Section 1435, Revised Statutes.
Section 1480, Revised Statutes, as amended.
Section 1537, Revised Statutes.
Section 1538, Revised Statutes.
Section 1539, Revised Statutes.
Section 1564, Revised Statutes.
Section 1600, Revised Statutes.
Section 4750, Revised Statutes.
Section 4752, Revised Statutes.
Section 4753, Revised Statutes.
Section 4754, Revised Statutes.
Section 4755, Revised Statutes.

Paragraph 22 of the act of September 28, 1850, which is the fourth full paragraph on page 515, volume 9, Statutes at Large, and which reads as follows:

"And the pay of the superintendent of the naval school at Annapolis shall be at the rate allowed to an officer of his rank, when in service at sea."

Joint Resolution No. 25 of March 3, 1863 (12 Stat. 825).

Paragraph 6 of the act of May 4, 1878, which is the second full paragraph on page 50, volume 20, Statutes at Large, and which reads as follows:

"That on and after the 1st day of July, 1878, there shall be no appointments made from civil life of secretaries or clerks to the admiral, or vice admiral, when on sea service, commanders of squadrons, or of clerks to commanders of vessels; and an officer not above the grade of lieutenant shall be detailed to perform the duties of secretary to the admiral or vice admiral, when on sea service, and one not above the grade of master to perform the duties of clerk to a rear admiral, or commander, and one not above the grade of ensign to perform the duties of clerk to a captain, commander, or lieutenant commander when afloat: *Provided*, That the secretaries and clerks in service on the 1st day of July, 1878, on vessels abroad, shall continue as such until such vessel shall return to the United States on the termination of its cruise."

So much of the fifth paragraph of the act of March 3, 1883, as it appears on page 473, volume 22, Statutes at Large, and which reads as follows: "And all officers of the Navy shall be credited with the actual time they may have served as officers or enlisted men in the regular or volunteer Army or Navy, or both, and shall receive all the benefits of such actual service in all respects in the same manner as if all said service had been continuous and in the regular Navy in the lowest grade having graduated pay held by such officer since last entering the service: *Provided*, That nothing in this clause shall be so construed as to authorize any change in the dates of commission or in the relative rank of such officer: *Provided further*, That nothing herein contained shall be so construed as to give any additional pay to any such officer during the time of his service in the volunteer Army or Navy."

Section 2 of the act of August 3, 1886 (24 Stat. 215), as amended.

So much of section 5 of the act of June 29, 1888, as it appears on page 210, volume 25, Statutes at Large, and which reads as follows: "shall receive the sea pay of his grade, and * * *."

The second paragraph under the heading "Pay of the Navy" of the act of March 3, 1901, which is the first full paragraph on page 1108, volume 31, Statutes at Large, and which reads as follows:

"That the advancement in rank of officers of the Navy and Marine Corps, whensoever made, for service rendered during the war with Spain, pursuant, respectively, to the provisions of sections 1506 and 1605 of the Revised Statutes, shall not interfere with the regular promotion of officers otherwise entitled to promotion, but officers so advanced, by reason of war service, shall, after they are promoted to higher grades, be carried thereafter as additional to the numbers of each grade to which they may at any time be promoted; and each such officer shall hereafter be promoted in due course, contemporaneously with and to take rank next after the officer immediately above him; and all advancements made by reason of war service shall be appropriately so designated upon the official Navy list: *Provided, however,* That no promotion shall be made to fill a vacancy occasioned by the promotion, retirement, death, resignation, or dismissal of any officer who, at the time of such promotion, retirement, death, resignation, or dismissal, is an additional member of his grade under the foregoing provisions."

So much of the first sentence after the subheading "Bureau of Supplies and Accounts" of the act of March 18, 1904, as it appears on page 121, volume 33, Statutes at Large, and which reads as follows: "a civilian assistant, who shall perform the duties of chief clerk, and in case of the death, resignation, sickness, or absence of both the Paymaster General of the Navy or his assistant, now provided for by law, unless otherwise directed by the President, as provided by section 179, Revised Statutes, such civilian assistant shall become the acting chief of the Bureau."

So much of the fourth paragraph under the subheading "Increase of the Navy, equipment" of the act of May 13, 1908, as it appears on page 159, volume 35, Statutes at Large, and which reads as follows: "and monitors now owned by the United States or hereafter built may be named as the President may direct."

The second paragraph under the subheading "Contingent, Navy" of the act of March 4, 1911, which appears on page 1267, volume 36, Statutes at Large, and which reads as follows:

"That officers on the active list of the line of United States Navy who, under authority of law, now perform engineering duty on shore only are hereby made additional to the numbers in the grades in which they are now serving, and shall be carried as additional to the numbers of each grade to which they may hereafter be promoted: *Provided,* That said officers shall be entitled to all the benefits of retirement under existing or future laws equally with other officers of like rank and service."

The second paragraph under the subheading "Contingent, Navy," of the act of March 3, 1915, which appears on page 930, volume 38, Statutes at Large, and which reads as follows:

"Hereafter officers who now perform engineering duty on shore only and officers of the Construction Corps shall be eligible for any shore duty compatible with their rank and grade to which the Secretary of the Navy may assign them."

The ninth paragraph under the subheading "Improvement of construction plants" of the act of March 3, 1915, which appears on page 945, volume 38, Statutes at Large, and which reads as follows:

"Officers of the line of the Navy who have had not less than 3 years' service in the grade of ensign and have taken or are taking satisfactorily a post-graduate course in naval architecture under orders from the Secretary of the Navy shall be eligible for transfer to the grade of assistant naval constructors: *Provided,* That there shall not be more than five such transfers in any one calendar year and that the total increase in the number of naval constructors and assistant naval constructors by reason of such transfers shall not exceed 24."

The following portions of the act of August 29, 1916, chapter 417, volume 39, Statutes at Large, page 556:

(a) Paragraphs 1, 3, 4, 5, 6, 7, 8, 9, 10. 11, 12, 13, 18, 21, and 23 under the heading "Naval Flying Corps" in such chapter, which appear on pages 582, 583, 584, 585, and 586.

(b) The last full paragraph, as amended, under the heading "Naval Militia and National Naval Volunteers" in such chapter, which is the fourth full paragraph on page 600.

(c) So much of the third paragraph under the subheading "Increase of the Navy, ammunition" in such chapter, as it appears on pages 617 and 618, and which reads as follows:

"That each and every employee of the navy yards, gun factories, naval stations, and arsenals of the United States Government is hereby granted 30 days' leave of absence each year, without forfeiture of pay during such leave: *Provided further,* That it shall be lawful to allow pro rata leave only to those serving 12 consecutive months or more: *And provided further,* That in all cases the heads of divisions shall have discretion as to the time when the leave can best be allowed: *And provided further,* That not more than 30 days' leave with pay shall be allowed any such employee in 1 year: *Provided further,* That this provision shall not be construed to deprive employees of any sick leave or legal holidays to which they may now be entitled under existing law."

So much of the first paragraph under the heading "Pay, miscellaneous" of the act of July 1, 1918, which appears on page 705, volume 40, Statutes at Large, and which reads as follows: "*Provided,* That hereafter the Secretary of the Navy is authorized to consider, ascertain, adjust, determine, and pay the amounts due on all claims for damages to and loss of private property of inhabitants of any European country not an enemy or ally of an enemy when the amount of the claim does not exceed the sum of $1,000, occasioned and caused by men in the naval service during the period of the present war, all payments in settlement of such claims to be made out of 'Pay, miscellaneous.'"

Paragraph 6 of section 3 (Personnel) of the act of June 24, 1926 (44 Stat. 767).

The last two paragraphs under the heading "Bureau of Supplies and Accounts, pay, subsistence, and transportation of naval personnel" in the act entitled "An act making appropriations for the Navy Department and naval service for the fiscal year ending June 30, 1931, and for other purposes," approved June 11, 1930 (46 Stat. 567, ch. 463), concerning the discharge of minors in the Navy and Marine Corps.

Sections 2, 3, 4, 5, 6, 7, and 8 of the act of March 3, 1931 (46 Stat. 1482).

Act of July 17, 1935 (49 Stat. 482).

Mr. TYDINGS. Mr. President, a brief explanation, in case the Senate would like to know what is involved in the House amendment. The Military Establishment made a review of many laws which have been on the statute books a long while and which are no longer applicable to the present Military Establishment. Some of them are not being observed. I may be in error, but as I recall one of the laws, was that the Army Band could only play at GAR encampments. Ostensibly it could not play at any other ceremony or function. But the Navy Band or the Marine Corps Band could do so. It relates to things that have happened throughout the years.

The bill passed the Senate, and when the proposal to repeal these obsolete laws which are no longer applicable reached the House, it was found some changes were desirable, some additions and subtractions in a small number of the things acted upon. I think there are several score of laws which are repealed by this measure, which has already passed the Senate. All the House amendment does is to make certain corrections of errors which have since become apparent. I therefore move that the Senate concur in the amendment of the House.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Maryland.

The motion was agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN] to the amendment of the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

Mr. NEELY. Mr. President, it has been recorded that the old Goths of Germany in their primitive assemblies debated every important question twice, once when drunk and once when sober—sober to assure wisdom and decorum; drunk to promote courage and vigor of action. I have no first-hand information concerning either the decorum or sobriety that prevailed during the passage of the Taft-Hartley law with which we struggle and under which millions suffer humiliation and distress. But certainly those who voted for this act must have been wholly free from the influence of any stimulating liquor or soothing drug. Otherwise, they would, either by accident or design, have failed to make it the most tyrannical measure ever placed upon the statute book of the Nation.

Certainly all Democrats should be absolutely sober when deciding whether they will, by appeasing amendments, underwrite the Taft-Hartley law and thereby enable the Republican hierarchy, with its fabulous wealth and unlimited newspaper support, to shift to democracy the blame for the perpetuation of this iniquity which, in the last election, cost the Grand Old Party the control of the White House and both branches of the Congress.

Mr. President, before embarking on the tempestuous, boundless, and harborless sea of the Taft-Hartley debate, let me digress for a moment to pay a richly deserved tribute of genuine appreciation

to the illustrious senior Senator, statesman, and humanitarian, Dr. ELBERT THOMAS of Utah, for the great service he has most wisely, patriotically, and patiently rendered the people of the United States in introducing and pushing to its present place in this body Senate bill 249, designed to repeal the Taft-Hartley law and otherwise promote the general welfare.

The Senator from Utah, like the Apostle Paul, has fought a good fight. He has kept the faith. It is my firm belief that there is laid up for him a crown of righteousness. It is my hope that, at the proper time, in the very distant future an imposing statue of this great statesman will be placed in the rotunda of the Capitol and that on its pedestal these simple words of truth will forever appear: "He lived to bless mankind."

Mr. President, let me postpone for another brief moment my extemporaneous remarks on the proposed amendments to the Thomas bill and say a word about the distinguished Senator from Ohio [Mr. TAFT], for whose character and courage I have great respect. I deeply appreciate his happy faculty of occasionally helping to make possible a great national Democratic victory. The Senator has just achieved a new distinction. If certain Democrats in high places whom I have in mind, but must not name, could be classified as fish, the Senator from Ohio should be considered a greater angler than Izaak Walton ever was or ever hoped to be. Izaak could catch nothing without bait. But the Senator from Ohio has, on Capitol Hill, with nothing but an unbaited, stark naked Taft-Hartley hook caught a school of suckers that defies comparison and makes the surviving, pining remnant of the Republican Party shout for joy.

Mr. President, I now proceed to a brief discussion of the amendment proposed by the Senator from Illinois [Mr. DOUGLAS] and that proposed by the Senator from Ohio [Mr. TAFT]. To both these amendments and also to any others designed to restrict or weaken the Thomas bill, I am unalterably opposed.

Either the Taft or Douglas amendment, if adopted, would increase or tend to increase the power of the President. No augmentation of his power is desirable or necessary. In the hands of Harry Truman added power would be safe. In the hands of a successor it might be abused and abused with disastrous results to the Nation.

The Taft amendment provides that, in certain contingencies, labor may be governed by injunction. The Douglas amendment, by implication, also provides injunction government which labor, as a result of its long and bitter experience with this curse, hates above every other earthly instrumentality of oppression.

The Douglas amendment provides for the seizure of property. There is not a lawyer in this body who does not know the ruling in the Mine Workers case in which the Supreme Court held that, if the President seizes property in a so-called emergency, he can also obtain an injunction to protect that property. Under such an injunction, he could compel men and women to continue to labor for the same wages and under the same conditions that prevailed at the time the property was seized. He could prevent workers from striking. He could impose every burden upon the toilers, under the implied provisions of the Douglas amendment, that could be imposed under the express language of the Taft amendment.

The Douglas amendment is vitiated by its relationship to the Taft-Hartley law. In proof of this relationship, I have the testimony of that great fisher of men, the Senator from Ohio [Mr. TAFT].

My campaign pledges to the toilers of West Virginia to vote and work for the repeal of every sentence, syllable and sound of the Taft-Hartley Act, and to oppose any new legislation that contains any of its provisions or implications, will compel me to vote against the Douglas amendment.

The deadliest poisons in the cup of both the Taft and Douglas amendments are the provisions for the labor injunction. Whether it be authorized by express language or by implication would make no difference in practical effect.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEELY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that under the Taft proposal the President can obtain an injunction and send the men back to work for private employers, whereas, under the Aiken-Douglas amendment, such an injunction cannot be obtained? Is not that correct?

Mr. NEELY. The Taft amendment specifically provides for Government by injunction. Under the Douglas amendment, after the seizure by the President, his right to an injunction relative to the property or its operation would be as deep as the ocean and as high as the sky.

Mr. DOUGLAS. But not to send the employees back to work for a private employer—only after the Government has seized the property.

Mr. NEELY. There is that technical distinction between the Taft amendment and the amendment of the Senator from Illinois, but, in my judgment, it is a distinction without a difference, for both amendments are based on the theory that the court injunction should be used to settle labor disputes. I am unalterably opposed to the use of this deadly weapon against labor by any man, no matter how high his title or how famous his name.

Mr. DOUGLAS. I think it is a very vital distinction.

Mr. NEELY. Mr. President, the Senator from Illinois in one of his speeches on the floor of the Senate—and they are always good—referred to the well-known 99.44 percent purity of Ivory soap. In my opinion, about the same percentage of the Douglas amendment is, in effect, a reincarnation of the Taft-Hartley law. But if the amendment contained only a scintilla of the hated Taft-Hartley Act, I would oppose it in strict accordance with the Democratic platform on which I was elected, and in conformity with my campaign promises to the people of West Virginia.

Mr. President, it is my sincere hope that the Thomas bill will be passed in its present form and that all efforts to cripple it will fail.

An unlearned old woman was asked what she thought of the King James version of the Bible. She replied, "If it was good enough for King James, it's good enough for me." [Laughter.] So with the Thomas bill, it is good enough for me. And in spite of the world, the flesh and the devil, I intend to support that bill against all appeasers, compromisers, and violators of platform pledges and campaign promises.

Mr. President, in 1896 the Democratic Party began its ceaseless, tireless campaign against the government of labor by injunction. The Democratic platform of that year, in most vigorous language, denounced the use of the injunction in labor disputes. At least two later Democratic platforms have contained anti-injunction provisions.

The last Democratic platform promised the repeal of the Taft-Hartley law, which was simply another way of declaring against government by injunction. And should the Democratic Party be against such government? A few illustrations will sufficiently answer that question.

In my home State of West Virginia, the antilabor injunction has been employed to prevent the giving of a crust of bread or a cup of cold water to a hungry or thirsty striking workingman. Anyone violating such injunction could be fined and sent to jail. This detested form of government has been used to prevent more than three striking toilers being together on a public highway at the same time. In a number of cases, men have been sent to jail for having violated injunctions against peaceably urging their friends to join legitimate labor unions.

In the Commonwealth of Pennsylvania in September 1917 Judge Langham issued an injunction which restrained striking miners "from congregating on the Magyar Presbyterian Church lot or any other lot, lots, or places at the time the employees of the plaintiff enter the mine and at the time the employees of the plaintiff come out of the mine; from singing a song or songs in the hearing of the employees of the plaintiff of a threatening or hostile nature.

Subsequently an investigating committee of the Senate found and reported that the church in question was on a lot owned by the local union, and that some of the hymns which the miners were enjoined from singing were the following: The Victory May Depend Upon You; Nearer My God to Thee; Stand Up, Stand Up for Jesus.

Your attention is now invited to the devastating manner in which the injunction has been used against labor under the Taft-Hartley law by one Robert Denham, general counsel for the National Labor Relations Board. I read from the testimony of Mr. Randolph, who is the supreme head of the renowned Typographical Union of the United States—testimony that was given before the Committee on Labor and Public Welfare:

1. We have been compelled to spend over $11,000,000 of members' hard-earned dues in support of strikes and other defense activi-

ties to preserve the union against the Taft-Hartley Act.

2. We have been subjected to the issuance of eight complaints—

And I construe that to mean complaints which are enforceable by court injunction—

containing substantially identical allegations and relying on the same evidence, by General Counsel Denham of the NLRB.

We have been forced to engage in five long drawn-out NLRB proceedings, covering substantially the entire country, at great expense to ourselves and our members, without having obtained a single decision from the NLRB in the course of 16 months of litigation.

3. We have been forced to submit to a sweeping injunction and to a contempt action under that injunction, brought by NLRB attorneys for the chief purpose of breaking a strike of our members at Chicago, Ill., which has continued since November 24, 1947. The only redeeming feature of our experience under the Taft-Hartley Act has been that, despite the best efforts of a coalition of newspaper publishers, General Counsel Denham, the NLRB, and the Federal courts, that strike has not been broken. Nor will it be ended until we have the employers' assurances that they will concede us the same right to live that we so freely concede to them.

4. Collective bargaining in our industry has been carried on, not with our employers, but with General Counsel Denham and the Federal courts.

We demonstrate that this interference with the processes of collective bargaining has gone so far that we were held in contempt of court for, among other things, failing to include a provision for a neutral "tie breaker" in a proposed contract clause setting up a joint employer-union committee for the training of apprentices.

We believe that this is the first time in American history where either a union or an employer was held guilty of violating the law for failing to place some language in a proposal made in the course of collective bargaining, which the employers were free to reject, and frequently did.

I should emphasize that, during this entire course of litigation, when NLRB attorneys cooperating with employers watched the behavior of every member of the ITU, it has never even been alleged that the officers or members of the ITU:

1. Have engaged in violence, fraud, misrepresentation, threats, or any other conduct which could properly be called improper.

2. Have discriminated in employment or caused employers to discriminate in employment against any individual. No person has even filed a charge that he has been discriminated against by any action of our organization.

3. Have unjustly or improperly suspended or expelled any member from our organization, or improperly or unjustly refused to admit any person to membership.

4. Have been guilty of any financial impropriety, or have denied any member the democratic rights which he has as a member of our union, or have done other than enforce the union rules, democratically adopted by the members themselves.

As Trial Examiner Leff found in the case brought by the American Newspaper Publishers' Association:

"Respondents (the ITU) urge in justification of their conduct that their motive and intent was to preserve the union and promote its economic interests. I have no doubt that this was true."

Note that this is what the trial examiner said about this labor organization.

But, under Taft-Hartley, "preserving the union and promoting its economic interests" is illegal. It is for that reason that it should be repealed.

* * * the injunctive power under Taft-Hartley is far worse than anything that preceded the Norris-LaGuardia Act; that General Counsel Denham, certainly not with the disapproval of the National Labor Relations Board, has administered the Taft-Hartley Act in a biased and hostile manner; that the so-called "watchdog committee" has been used to interfere with the affairs of the executive branch of the Government; that injunctive actions under Taft-Hartley are speedy, but clarification of the law by the NLRB is delayed for weary months running into years; and that the law is so unjust, confused, and contradictory that amending it is impossible.

This experience, plus our analysis of S. 249, as amended, convince us that the Taft-Hartley law should be immediately replaced by S. 249, with certain reservations noted in our analysis of the measure.

There have been insertions made in the RECORD showing the manner in which Mr. Denham has used the injunction to the prejudice of employees in various walks of life. In my opinion, it has been conclusively shown that Mr. Denham is a tyrant such as the world has not seen since the days of the ancient Roman Empire. In my judgment, he is the only Federal official, past or present, living or dead, who ever entertained a desire similar to that of Caligula who wished that the Roman people had only one head so that he could chop it off with a single blow. Apparently, Mr. Denham's wish concerning working men and women is identical with that voiced by the heartless Roman oppressor for the agonized victims of his fiendish persecution.

The only language in any literature with which I am familiar that expresses what I believe to be the opinion of Robert Denham held by the toilers of America is the language which was used by Martin Luther in describing the great philosopher Aristotle. It is as follows:

He is truly a devil, a horrid calumniator, a wicked sycophant, a prince of darkness, a real Apollyon, a beast, a horrid imposter on mankind, one in whom there is scarcely any philosophy, and a goat—this twice execrable Aristotle.

Oh, for a modern Martin Luther to characterize Denham according to his deserts. Our only effectual way to dispose of him and the labor injunction is to pass the Thomas bill.

Some invisible spirit of evil is haunting this side of the Senate Chamber, whispering to the overcredulous, seductive temptations to make a record in this historic parliamentary battle upon which they could later enticingly say to such powerful organizations as the National Association of Manufacturers:

We Democrats made the Thomas bill as good as the Taft-Hartley Act. Hereafter, show your gratitude by giving your fabulous campaign contributions to our party and by lending it your undivided support.

Let no one be deceived by this nonsense. Democracy never has received and never should receive from plutocracy even as much as the crumbs that Lazarus received from the rich man's table. No matter how much we appease, no matter how much we compromise, no matter how much we repudiate the Democratic platform, big business and big money will, in the future as in the past, be with the party of the Senator from Ohio [Mr. TAFT].

Those with hearts as hard as Pharaoh's and eyes as dry as Sahara should weep for the Democratic appeasers when they are forced to the extremity of trying to mollify their outraged labor constituents with such spurious, pitiful pleas of confession and avoidance as:

We rendered you great service! We obliterated the label on the Taft-Hartley law; we tore the Taft-Hartley law to pieces; of these we then retrieved the labor injunction and the seizure of property and forced them into the beneficent Thomas bill—to its ruination. But we nevertheless passed the Thomas bill in its emasculated form and for all this labor should be everlastingly grateful!

The average toiler's resentful rejoinder to such a plea would probably curdle the blood of even a Democratic appeaser.

If our compromisers should unexpectedly obtain the approval of their present proposals, the Democratic Party would enter the next campaign with labor cursing it "up hill and down" for having betrayed it. For the devastating loss of the labor vote, there would not be a single plutocratic gain.

After some of our recently initiated members have had a little more experience with a few of their superpolitical Republican colleagues, they will know better than to accept flattering invitations to violate Democratic platform pledges, or pleas to help perpetuate desolating Republican laws. They will, sooner or later, learn to say to their would-be seducers the substance of what an elderly man, by the name of Knight in my native County of Doddridge, said near the conclusion of a great revival meeting 60 years ago.

There had been many conversions, much shouting, and prolonged singing of processional hymns. The time for thanksgiving finally came and with it a general demand for Brother Knight to lead in prayer. He promptly responded as follows:

We are thankful to see all who pretend that their sins have been washed away. But, dear Lord, if you only knew these old backsliding hypocrites as well as I do, you wouldn't believe a word they say. You would know that, all told, they won't have a scintilla of religion at the end of 30 days. [Laughter.]

Those who are tempting our faltering Democratic brethren are, in matters political, just as unreliable as Brother Knight believed his neighbors, in general, to be.

The Taft-Hartleyites will later deny our appeasers as Peter denied the Man of Galilee; they will later sell these appeasers to defeat as Judas sold the sinless Saviour to crucifixion. In this case, the voters will eventually do the crucifying and every Democrat who repudiates his party platform pledges had better prepare himself for the cross.

Mr. DOUGLAS. Mr. President, will the Senator from West Virginia yield?

Mr. NEELY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I want to make certain what the implication of the Senator from West Virginia is. Is he charging that I am attempting to get campaign funds from large contributors by

helping, with others, to sponsor these amendments?

Mr. NEELY. No. The Senator is too great and good and has too high a sense of honor to accept a tainted contribution, but some of those who are patting the Senator on the back are in a different class. Reactionary papers that never supported the Democratic Party are saying gracious things about the Senator. They are extravagantly commending his statesmanlike approach to the Taft-Hartley law. To me these kept papers are much more dangerous than Greeks bearing gifts. I hope the Senator will say to them, one and all, "Get thee behind me, Satan."

Mr. President, I shall continue to do everything in my power to bury the infamy known as the Taft-Hartley law, regardless of the good faith of those who enacted it. I shall endeavor to hide it in a deep, dark grave which, like the sepulcher of Moses, no man will ever see. It is my hope that no trumpet will ever resurrect the wicked remains from the dead.

It is my further hope that the Thomas bill will be passed and that all the blessings of the Wagner law will be restored. When I speak on the final question of repealing the Taft-Hartley Act, I shall prove by facts as convincing as a geometrical demonstration that not only labor but also the great corporations and every class of the American people for a dozen years under the Wagner Act enjoyed greater prosperity, freedom, and happiness than mankind ever knew since God first said, "Let there be light."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS] for himself and the Senator from Vermont [Mr. AIKEN], to the amendment of the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

Mr. THOMAS of Utah. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Myers
Byrd	Ives	Neely
Cain	Jenner	Pepper
Capehart	Johnson, Colo.	Reed
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Russell
Connally	Kefauver	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Taft
Downey	Langer	Taylor
Eastland	Long	Thomas, Okla.
Ferguson	Lucas	Thomas, Utah
Flanders	McCarran	Thye
Frear	McCarthy	Tobey
Fulbright	McClellan	Tydings
George	McFarland	Vandenberg
Gillette	McGrath	Watkins
Graham	McKellar	Wherry
Green	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Malone	Young
Hendrickson	Martin	

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS] to the amendment of the Senator from New York [Mr. IVES].

Mr. THOMAS of Utah. I request the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, I wish to speak about 5 minutes on this question. I am saying that, because I hope at the end of 5 minutes the Senate may take a vote. If I do not say I am going to speak 5 minutes, I know the propensities of my colleagues to leave the Chamber.

I joined with the Senator from Illinois in proposing the amendment to the Ives amendment, because I feel, as I have felt from the very beginning of this session of the Congress, that only through a bipartisan nonpolitical approach could any improved labor legislation be put upon the statute books at this time. If there is anything that should be approached in an open, fair-minded, nonpolitical manner, I believe it is the welfare of the laboring people of this country. I feel, too, that it is our duty, if we cannot get a bill exactly as each one of us would have it, to endeavor to get the best possible bill for all concerned.

We are in this bill, not legislating for labor, we are not legislating for industry or employers. We are legislating for all the people of the United States. I try to keep that constantly in mind in making determinations as to how I shall vote on the various provisions of the bill as they come before the Senate.

It seems to me that there are three methods of approach to the problem which is immediately before us. First, how shall we cope with strikes which affect the national health and security? We can assume, as the original Thomas bill assumes, that the President has unlimited power to deal with strikes in his own way. I do not think that is a proper assumption to make at all. I feel that it is a very dangerous assumption, and that we should not enact legislation which assumes that the President possesses unlimited power to do anything which he is not prohibited from doing by the Constitution or by law.

Or we can take the approach which others advocate of throwing the responsibility which properly belongs to the executive department into the lap of Congress every time a strike of this nature occurs. Again, I submit that is not the proper approach. The founding fathers divided the duties of government among the legislative, executive and judicial branches. Let us keep the executive branch responsible for the work which properly belongs to that department. We should expect the President to exhaust every means within the scope of the executive department to handle strikes of a national emergency nature, before they are tossed into the lap of the Congress.

The third method of approach in dealing with strikes affecting the national health and welfare is to prescribe a course of action to be followed by the President, to the fullest extent, before calling upon the Congress, in the handling of strikes of that nature.

As I have said, I am opposed to the Ives amendment for the simple reason that it tosses into the lap of Congress responsibility properly belonging to the President and the executive branch of the Congress. I cannot conceive that any better settlement of a strike of a national emergency nature can be obtained by throwing it into the lap of Congress, than by having it handled by the President, so long as the President uses the tools which we provide him in dealing with such a matter.

The amendment offered by the Senator from Ohio provides, indeed, tools for the President to use, but it provides that the President can use either injunction or seizure, or both. I do not believe that the President should be given authority to use the injunction on behalf of a private employer. I think he should be given the right to use all necessary means in order to protect the rights of the United States, after the Government has taken possession of property which is vital to the health and security of all our people.

The amendment which is offered by the Senator from Illinois [Mr. DOUGLAS] and myself provides that the Government may seize any plant which is vital to the national security and hold it for a period not to exceed 90 days. The very fact that the property is in the hands of the United States Government and is being operated by the Government carries with it authority for the President to use such means as may be necessary to protect the interests of the United States. I believe we have provided in our amendment that neither industry nor labor shall benefit unduly by reason of the President's power of seizure. We provide that the owners of the plant shall be given just compensation for the use of the plant while it is in the hands of the Government. Perhaps industry will object to that, because it is conceivable that if injunction alone can be used to keep the employees working for industry, very large profits might be made during that period because of the scarcity of the product which the plant produces.

I do not believe that the employer should be given the unfair advantage of having the Government operate his plant for him and make excessive profits, nor should he be given the advantage of having the Government use an injunction to enforce employees to work for him.

We also provide that labor shall have no unwarranted benefits by reason of seizure of a plant, because in the amendment which we offer we state that the plant shall be operated during the time it is in the possession of the United States on the terms and conditions under which it was being operated at the time it was seized. It seems to me that is much fairer than are any of the other amendments which are proposed, and I hope that the amendment which we are offering to the Ives amendment will be approved by the Senate.

The VICE PRESIDENT. The question is on agreeing to the Douglas-Aiken amendment to the Ives amendment to the Thomas substitute. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McGRATH (when his name was called). On this vote I have a pair with the senior Senator from Massachusetts [Mr. SALTONSTALL]. If he were present and voting, he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Idaho [Mr. MILLER] is unavoidably detained.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Wyoming [Mr. O'MAHONEY] is absent on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Wyoming [Mr. O'MAHONEY]. If present and voting, the Senator from Louisiana would vote "nay," and the Senator from Wyoming would vote "yea."

I announce further that if present and voting, the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. I announce that the Senator from Montana [Mr. ECTON] and the Senator from Missouri [Mr. KEM] are absent on official business. If present and voting, the Senator from Missouri [Mr. KEM] would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent and his pair with the Senator from Rhode Island [Mr. McGRATH] has been previously announced. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Rhode Island would vote "yea."

The Senator from Massachusetts [Mr. LODGE] who is necessarily absent is paired with the Senator from Wisconsin [Mr. WILEY] who is absent on official business. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Wisconsin would vote "nay."

The Senator from Connecticut [Mr. BALDWIN] is detained on official business. If present and voting, the Senator from Connecticut would vote "nay."

The result was announced—yeas 27, nays 55, as follows:

YEAS—27

Aiken	Hayden	McCarran
Anderson	Hill	McFarland
Douglas	Hunt	McKellar
Downey	Johnson, Colo.	Myers
Frear	Johnston, S. C.	Smith, Maine
Fulbright	Kefauver	Sparkman
Gillette	Kerr	Tobey
Graham	Long	Tydings
Green	Lucas	Withers

NAYS—55

Brewster	Hoey	Murray
Bricker	Holland	Neely
Bridges	Humphrey	Pepper
Butler	Ives	Reed
Byrd	Jenner	Robertson
Cain	Johnson, Tex.	Russell
Capehart	Kilgore	Schoeppel
Chapman	Knowland	Taft
Chavez	Langer	Taylor
Connally	McCarthy	Thomas, Okla.
Cordon	McClellan	Thomas, Utah
Donnell	McMahon	Thye
Eastland	Magnuson	Vandenberg
Ferguson	Malone	Watkins
Flanders	Martin	Wherry
George	Maybank	Williams
Gurney	Millikin	Young
Hendrickson	Morse	
Hickenlooper	Mundt	

NOT VOTING—14

Baldwin	McGrath	Smith, N. J.
Ecton	Miller	Stennis
Ellender	O'Conor	Wagner
Kem	O'Mahoney	Wiley
Lodge	Saltonstall	

So the amendment offered by Mr. DOUGLAS, on behalf of himself and Mr. AIKEN, to the amendment of Mr. IVES to so-called Thomas substitute, was rejected.

The VICE PRESIDENT. The question recurs on the amendment offered by the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

Mr. LUCAS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. IVES. Mr. President, I do not care to take much of the time of the Senate, but I should like to point out exactly on what the Senate is about to vote in this particular instance.

The amendment which has been offered by me is an amendment to the Thomas bill. Therefore the question which arises is whether the Senate prefers the approach which I am offering to the approach which is offered in the Thomas bill.

I point out that my proposal goes two steps further than the Thomas proposal. I have in mind the proclamation of the emergency by the President, the establishment of the emergency board, the period during which the emergency board must act and then report. Then I go further. I require that if at any time after the emergency board shall have been appointed work shall cease, or, if work prior to that time shall have ceased and shall not be resumed, the President must bring to the attention of the Congress, if the Congress be in session, or through a special call of the Congress if it be not in session, the situation which exists, including the recommendation of the emergency board, if such recommendation will have been made, and such a report and such recommendation as the President himself may desire to make.

My proposal requires that in the meantime, during all this procedure, the Federal Mediation and Conciliation Service shall be at work with the emergency board trying to adjust the differences.

I believe that, in brief, is the distinction between the proposal I offer, and on which the vote is now about to be taken, and that which has been offered by the Senator from Utah in the bill.

Mr. TAFT. Mr. President, I desire to speak on this matter at some length. I do not know whether the distinguished Senator from Illinois, the majority leader, desires to continue the session longer or not, but I wish to discuss the particular amendment now pending, which I have not discussed heretofore.

Mr. LUCAS. May I inquire of the Senator how long he expects to speak?

Mr. TAFT. Fifteen or twenty minutes.

Mr. LUCAS. Very well. The Senate will sit that long. I agreed the Senate might remain in session until 7 o'clock.

Mr. TAFT. Mr. President, as Senators know, the question which the Senate is considering, and has been considering for about 2 weeks, is what is to be done when there is a strike which threatens the national safety or health. While the importance of the matter is very great, yet to some extent I think it is exaggerated, because the particular procedure we are considering would apply perhaps, only in one strike out of a thousand.

Labor-management relations are handled in the ordinary currents of negotiation in thousands of different industries and thousands of different plants. The particular procedure we are considering does not apply to them. The general labor-management relations are governed by other provisions of the proposed act. The feature we are considering will deal only with a great emergency strike. It will deal only with a situation where the public interest is involved.

The injunctions being discussed are not for the benefit of any private employer, as they are now provided for under the Taft-Hartley law to deal with emergencies. They are injunctions in the interest of the public, and only in the interest of the public, and only when the question of the national safety or health is involved.

I understand the President has refused to intervene, under the Taft-Hartley law, in the present lamentable situation in Hawaii, although Hawaii is perhaps threatened with lack of food and lack of other supplies, because the national safety and health are not involved, but only the safety and health of a particular territory are involved.

What we are considering is an emergency proposal. The question is, What are we to do when we confront such a situation? We hope we may not ever be in such a situation, but what happens when there is a national emergency?

Public intention is not seriously centered in such a matter until the contract between the parties expires. The parties are meeting, and the general assumption of the people is that they are going to settle their differences. Up to the very last day there is always hope that they will settle their troubles between themselves. Up to that point the matter is solely between the employers and the employees. The public says the parties have a right to continue their negotiations. Usually there is a Federal mediator working in an attempt to get the parties to agree, and in the great majority of cases, probably, he gets them to agree. But at the last moment the negotiations may suddenly break down, and for the first time public attention is centered on what is a threat to the safety and health of the people of the United

States. For the first time it becomes a great problem. What are we going to do about it? Under the Taft-Hartley Act, and as is proposed by our amendment, the first thing to do would be to hold the status quo for 60 days at least, or 80 days, while the President tried to settle the differences between the parties; or the President would call upon them to continue work for 60 days, and appoint an emergency board to deal with the problem. Then for the first time the spotlight of public opinion would be on that particular difficulty between the workmen and the companies by whom they are employed.

What does the Ives amendment propose to do? It proposes that Congress shall be called into session, if it is not already in session, and that Congress shall settle the problem. In my opinion, that is an improper procedure. I think what ought to be done is to say, "Hold this thing for 60 days, while the President takes action, with his great executive authority, with the force of public opinion back of him, with an emergency board at work, which looks into the circumstances, and tells the people of the country what the circumstances are."

The theory of the Taft-Hartley law and of the Taft amendment is that the status quo shall be maintained for 60 days, while settlement is attempted, when the spotlight of public opinion is on the situation for the first time, when the President, with all the force at his command and with all his great prestige, has begun to act, and when the Mediation Board has proceeded to act, that is our only purpose. The action would be only temporary. We do not undertake to say what ultimately should happen if a break-down should occur after the 60-day period. We leave that to Congress. By that time the Nation would be alerted. No doubt Congress would have prepared special provisions. The President would have time to work out the particular solution.

I said before that I think that if everything possible is done, and the 60-day period expires without a settlement, Congress may have to pass a special act for the particular emergency. It may be compulsory arbitration; it may be seizure; it may be anything that Congress wants to do. It may even be a congressional fixing of wages, which is at least suggested as a temporary measure in the amendment of the distinguished Senator from Oregon [Mr. MORSE].

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield for a question.

Mr. TYDINGS. Has the Senator from Ohio also contemplated that when Congress is called into session there would be no guarantee that it would act, for it might run into a filibuster, because of some situation which could arise, so that it could not act by reason of the Senate rules?

Mr. TAFT. I agree with the Senator from Maryland.

This is what would happen under the Ives amendment. Let us assume that negotiations have come to an end. The public spotlight is on the situation. Congress meets. I do not think Congress would be ready yet to act under those circumstances. It seems to me primarily the President should do his job.

Mr. IVES. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New York.

Mr. IVES. I should like to ask the Senator from Ohio if he believes Congress would be convened without having any knowledge of what had been going on, or without knowledge of the situation that might then exist?

Mr. TAFT. I think it would be possible, because we do not expect these emergencies to eventuate. We hear of such disputes; but we expect them to be settled on the last day of the contract. That is when most serious disputes are settled. People are not alerted to the emergency. What would happen if an emergency should arise? Congress would be called into session. What would Congress do? We would meet in a hurry. We would have presented to us perhaps some problem which we would have no time to consider, but with respect to which action must be taken; some measure would have to be put through immediately, otherwise the coal mines would be shut down, or the railroads would be shut down, or shipping would be stopped. If action were not taken by Congress results would ensue which would seriously threaten the national safety and the health of the people of the country and even threaten death and starvation to the people of the United States. Congress at once would be under pressure.

Mr. IVES. Mr. President, will the Senator again yield?

Mr. TAFT. I yield.

Mr. IVES. Does the Senator honestly think that if there should be such a dire situation as he pictures, we would be faced with a filibuster at such a time?

Mr. TAFT. I have not reached the point of discussing that question, but I do not see why we might not be faced with such a situation. Suppose a fair number of Senators were convinced that the workers were absolutely right, or that the employers were absolutely right. The argument of those who believed the employees were absolutely right might be "No, the workers have the right to strike. They have the right to use the weapon of starvation to force their demands on the employers. We are going to talk while they continue to maintain the strike." That is entirely possible.

We have now a cloture rule. I think we could get it enforced, but by the time we could do so, and get the measure through the House, a period of several weeks might elapse, during which the strike would continue.

Mr. THYE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. THYE. I should like to ask the senior Senator from Ohio this question: Assuming that an injunction is imposed, and no agreement is arrived at, and the period of time the injunction is in effect expires. Then what would happen? Would we not be back exactly in the same situation we were in before?

Mr. TAFT. Yes; but by that time public attention would have been focused on the case. Congress would probably be in session anyway. Congress might be devising some law to meet the situation. The President would be working on the problem of what he would recommend. Congress could consider the question for 2 or 3 weeks before the expiration of the 60 days, and take its time in doing what might have to be done, if action must be taken.

Mr. THYE. Mr. President, will the Senator again yield?

Mr. TAFT. I yield.

Mr. THYE. Assuming that Congress had knowledge of what had taken place during the 60-day period while the injunction was in force, why could we not also assume that Congress had knowledge of what was taking place at the time the differences of opinion were arising, and those differences of opinion were arising at the hour when the shut-down or strike occurred?

Mr. TAFT. Because there are dozens and dozens of contracts being negotiated in the United States today. We hopefully assume, optimistically perhaps, that they are all going to be settled, and that there is not going to be a break-down in the ordinary labor-management relations. We do not assume that there will be a break-down until the actual end of the contract day, and then there is no longer a contract.

Mr. IVES. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. IVES. The Senator from New York would like to ask the able Senator from Ohio if he feels that after the 60-day period has elapsed, during which no work stoppage has occurred, but during which time the ill-feeling which existed at the start has increased——

Mr. TAFT. I do not agree with that at all.

Mr. IVES. Let me establish my premise, and then I shall ask the question.

Mr. TAFT. I dispute the premise.

Mr. IVES. The Senator from Ohio does not know what the premise is yet. Assume that during that period of time no agreement has been reached, that there has been no possibility of agreement because of conditions which may have existed. That is my premise. Assume the 60-day period has expired, and no final solution has been arrived at. Assume the feeling during that period of time has intensified. As a result of the fact that no agreement has been reached and the 60 days are at an end, the Congress is faced with a situation where the conflict—not, of course, physical, but mental at least—between the parties at interest, will have been greatly increased. Under those conditions, I ask the Senator from Ohio whether he thinks the Congress would be in as good a position to act on a question of that nature as it would have been had the matter been brought to it in the first instance?

Mr. TAFT. Yes, I do. I dispute the Senator's premise. We direct the Mediation Board to act. The President has a mediation board at work. The President is working to avert a national emergency. I cannot conceive of a condition in which the parties would not be closer together at the end of 60 days than they were when they started. I cannot conceive of a case—except the one case in-

volving Mr. Bridges and the Pacific Coast Longshoremen's Union—where the 60-day period of injunction does not gradually work toward a solution of the controversy. I may say that in the Pacific Coast Longshoremen's case the feeling was just as strong when it started as when it ended. The feeling was just as strong at both times. It was a very difficult case with which to deal.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LUCAS. The Senator from Ohio has agreed with the Senator from Maryland that under the Ives amendment a filibuster is possible. Does not the Senator from Ohio agree with the Senator from Illinois that a filibuster is possible at the conclusion of the injunction period, of the 60-day period, when Congress may attempt to write a law, in the event the national emergency dispute has not been adjusted through the emergency board by the end of the 60-day period?

Mr. TAFT. I suggest that there are 60 days in which we can meet. We can meet before the expiration of the 60-day period to deal with the situation which may possibly arise, and therefore I suggest that we would have possibly 2 weeks to consider the matter. I think a filibuster could be overcome under the present rules. A very determined filibuster might arise. There might be a filibuster on the motion to take up. There might be a filibuster on the bill itself. Each of those would require the filing of a cloture petition, which requires 2 days in each instance, in addition to some debate. It might be that that procedure would require 10 days or 2 weeks. I think we could deal with that question in a forehanded way if we saw it coming.

Mr. LUCAS. I am assuming that at the end of 60 days there has been no adjustment on the strike, and no settlement. No legislation has been perfected by the Congress. At the end of 60 days we are in session, and at that time we attempt immediately to enact legislation to meet the national emergency. The Senator will agree with me that that would be possible.

Mr. TAFT. That would be possible. Let me say to the Senator, however, that the condition which he suggests could be true under every amendment submitted to the Senate. It is no argument for or against any of the amendments we are considering to say that that condition might exist. It is an interesting speculation. What happens at the end of 60 days, under all these amendments, is left open to be determined by the action taken at that time.

My point is that at the end of 60 days we shall have had time to consider the problem and decide what the next step should be. We shall not have time to consider it if we insist that the President turn the whole matter over to Congress on the day on which management and labor fail to reach an agreement, and the men go out on strike. That is the point I wish to make.

Mr. LUCAS. I agree with the Senator; but I did not want to let the RECORD stand with the impression that a filibuster would be possible only under the Ives amendment, and that no filibuster would be possible under the Taft amendment at the end of 60 days. The threat of a filibuster would apply to one amendment as well as to the other. No Senator should entertain the notion that the threat of a filibuster would apply only to the Ives amendment and would not apply to the other amendments.

Mr. TAFT. That is true. However, in this case we would have 60 days to consider the question. Under the Ives amendment we would be called together, and the President would be expressly denied the right of injunction, as I see it. He would be told that he must call Congress together. I do not believe the President ought to be able to pass the buck to Congress on the day the contract expires. I do not believe we feel that the buck should be passed to us at that particular moment. If we have warning, if the emergency has actually been threatened, if the courts have issued an injunction or the Government has seized the property and is working toward a settlement, if an Emergency Board has determined the facts—we would not have the facts when we were first called back—I believe that then, when everything else has failed, the question should come before Congress. But it does not seem to me that we ought to permit the President, every time a Nation-wide strike is called at the end of a contract, to pass the whole thing over to Congress and say, "You settle this strike."

I admit that my proposal is not a solution to the entire question. I believe that the legislation should provide for maintenance of the status quo for 60 days, while the parties try to agree, and while there is brought to bear every influence of public opinion, the influence of the Emergency Board, the influence of the Mediation Service, and the prestige of the President, to settle the strike. They have always worked before. We have never had Congress called upon to act except in two cases, and in those cases it is at least questionable whether it was absolutely necessary to call upon Congress to act.

Mr. IVES. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. IVES. I should like to ask the able Senator from Ohio if he does not recognize that there is a great difference between settling a dispute or a controversy and setting up the machinery by which the dispute or controversy is to be settled. In other words, does not the able Senator from Ohio realize that if an emergency dispute were brought before the Congress it would not be brought before the Congress for settlement? Rather it would be brought before the Congress for the purpose of having the Congress determine a procedure by which the settlement could be reached.

Mr. TAFT. If I were a Member of a Congress which was called together under such circumstances I would advocate the passage of the Taft-Hartley law to maintain the status quo for 60 days, with injunctions, or in any other way it could be done, while Congress was trying to work out a solution. Why not have such a law on the books, so that we would not have to enact a law under pressure, at a time when we would not know what the facts were, when the emergency board had not reported, and under circumstances in which we would be called together and told to settle the difficulty? The President could say, "You have said that you want to settle it. You have enacted a law providing that the President does not have to worry about it." All the President would have to do would be to pass it over to Congress. I think we would be "boobs" to enact any such legislation, or to assume any such responsibility. Therefore I believe that the pending amendment should be voted down.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. PEPPER. I ask the able Senator from Ohio if I am correct as to the parliamentary situation, in that this is the Ives amendment to the Thomas bill.

Mr. TAFT. The Senator is correct.

Mr. PEPPER. In view of the statement made by the able Senator from Ohio, I ask him, as between the Thomas bill and the Ives amendment, which he prefers.

Mr. TAFT. I think I prefer the Thomas bill. There is practically no substantial difference, except in one respect which I do not like, and that is that under the Ives amendment the entire emphasis is on the point that Congress shall be called into session at once, and shall solve the problem. That is not in the Thomas bill. As a matter of fact, the President already has full power to do everything he could do under the Ives amendment; and I think he already has full power to do everything he could do under the Thomas bill, without Congress enacting any law at all. I do not see that the situation would be changed. Perhaps the President would like a little more authority for his Emergency Board. Perhaps the Board might be able to get a little more information through subpenas, and so forth, but I do not believe that either proposal would substantially change what the President could do without the passage of any legislation at all.

Mr. IVES. Mr. President, I should like to point out one or two things, in view of the statement just made by the Senator from Ohio that he prefers the Thomas approach to the one offered by the Senator from New York.

In the first place, the Senator from New York would like to point out to the Senate that there is a distinct difference between the procedure under the amendment offered by the Senator from New York and that provided in the Thomas bill—a difference not alone in the length of procedure or in the steps which must be taken, but also in the effect of the procedure.

One of the purposes the Senator from New York had in mind in providing this kind of procedure was to bring to the attention of the President the fact that, if he is to declare a national emergency, he should be sure that such emergency is national in scope. I dare say that under the provisions of my amendment the President would be definitely sure, in issuing a proclamation of the kind in

question, that he was dealing with a national emergency.

That takes care of one aspect of the matter which the Thomas bill does not cover, and which none of the other proposals covers.

In the second place, the able Senator from Ohio disregards something very potent in labor relations, and that is the psychology involved. I may sound like a professor standing here and talking to this body about psychology; but there is such a thing as psychology in human relations; and that is what we are dealing with in this particular instance. We are dealing with the relationship between management and labor. We are dealing with it, to be sure, on a colossal scale. I say that when by means of legal compulsion we try to bring about adjustments or settlements, or try to reach conclusions when there are disputes, we have chosen perhaps the worst vehicle which could be used for that purpose.

The point I wish to make most of all is that in the psychological aspect of the matter, labor itself would be very reluctant to create a condition which could bring a matter of this nature directly to the Congress, not for the Congress to settle, as has been indicated, but for the Congress to consider. The Congress would undertake to find a method of procedure by which a settlement could be reached.

Finally, Mr. President, I point out that in this particular instance the question is not in any way involved with the injunction. The next vote has nothing whatever to do with the injunction. We shall take that up when the time comes. The question before us, as the Senator from New York has previously stated, is a very simple one—whether the Senate prefers the amendment offered by the Senator from New York to the provision in the Thomas bill.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TAFT. If this amendment is adopted or rejected, the substitute which I propose to the Thomas bill will then be in order; will it?

The VICE PRESIDENT. Unless an additional amendment is offered to the Thomas bill, the next vote will occur on the Douglas-Aiken amendment to the Taft substitute for title III of the so-called Thomas substitute.

The question now is on the amendment of the Senator from New York [Mr. IVES] to the so-called Thomas substitute.

On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Idaho [Mr. MILLER] and the Senator from Oklahoma [Mr. THOMAS] are unavoidably detained.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Wyoming [Mr. O'MAHONEY] is absent on public business.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

I announce further that if present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Oklahoma [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. WHERRY. I announce that the Senator from Montana [Mr. ECTON], the Senator from Missouri [Mr. KEM] and the Senator from Wisconsin [Mr. WILEY] are absent on official business. If present and voting, the Senator from Missouri [Mr. KEM] and the Senator from Wisconsin [Mr. WILEY] would vote "nay."

The junior Senator from Massachusetts [Mr. LODGE] and the senior Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent. If present and voting, the junior and senior Senators from Massachusetts would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Connecticut [Mr. BALDWIN] is detained on official business. If present and voting, the Senator from Connecticut would vote "yea."

The result was announced—yeas 15, nays 67, as follows:

YEAS—15

Cain	Ives	McMahon
Frear	Johnson, Colo.	Morse
Graham	Long	Thye
Hayden	McCarthy	Tobey
Hendrickson	McFarland	Young

NAYS—67

Aiken	Hickenlooper	Millikin
Anderson	Hill	Mundt
Brewster	Hoey	Murray
Bricker	Holland	Myers
Bridges	Humphrey	Neely
Butler	Hunt	Pepper
Byrd	Jenner	Reed
Capehart	Johnson, Tex.	Robertson
Chapman	Johnston, S. C.	Russell
Chavez	Kefauver	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Taft
Douglas	Langer	Taylor
Downey	Lucas	Thomas, Utah
Eastland	McCarran	Tydings
Ferguson	McClellan	Vandenberg
Flanders	McGrath	Watkins
Fulbright	McKellar	Wherry
George	Magnuson	Williams
Gillette	Malone	Withers
Green	Martin	
Gurney	Maybank	

NOT VOTING—14

Baldwin	Miller	Stennis
Ecton	O'Conor	Thomas, Okla.
Ellender	O'Mahoney	Wagner
Kem	Saltonstall	Wiley
Lodge	Smith, N. J.	

So Mr. IVES' amendment to the so-called Thomas substitute was rejected.

The VICE PRESIDENT. The question now recurs on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS], for himself and the Senator from Vermont [Mr. AIKEN], to the substitute to title 3 offered by the Senator from Ohio [Mr. TAFT].

Mr. LUCAS. Mr. President, it is now 20 minutes to 6. We have had two votes, and I doubt the advisability of taking up the amendment offered by the Senator from Illinois and the Senator from Vermont to the Taft substitute.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Oregon.

Mr. MORSE. I should like to offer an amendment, and have it printed, so that at the next session of the Senate it may be the pending question. It is an amendment to the Thomas bill, which I think from a parliamentary standpoint, if offered and called up, would have the right of way.

Mr. LUCAS. I have no objection to that, and if the Senator desires to make that offer now, I yield for that purpose.

Mr. MORSE. Mr. President, I send to the desk an amendment to the Thomas bill, proposed to title 3 of the amendment offered by the Senator from Utah [Mr. THOMAS], dated May 31, 1949, to strike out from line 18 on page 32, through line 12 on page 34, inclusive, and insert in lieu thereof the following:

Amendment proposed by Mr. MORSE to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, viz: From title III of the amendment of Mr. THOMAS of Utah, dated May 31, 1949, strike out from line 18 on page 32 through line 12 on page 34, inclusive, and insert in lieu thereof the following:

"(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the appointment of the board, make a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

"(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(d) Members of an emergency board shall receive compensation at the rate of $75 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

"(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

"(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for

the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the Director of the Federal Mediation and Conciliation Service.

"(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organization of employees or in any employer involved in the dispute.

"PROCEDURE FOLLOWING PROCLAMATION

"SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

"(b) In any case in which a strike or lock-out occurs or continues after the issuance of the proclamation pursuant to section 301 the President shall submit immediately to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board if such report has been made, and such recommendations as he may see fit to make, including a recommendation that the United States take possession of and operate the business enterprise or enterprises involved in the dispute. If the President recommends that the United States shall take possession of and operate such enterprise or enterprises, the President shall have authority to take such action unless the Congress by concurrent resolution within 10 days after the submission of such recommendation to the Congress determines that such action should not be taken or enacts legislation designed to resolve the dispute and terminate the national emergency if Congress finds such an emergency exists: *Provided*, That during the period in which the United States shall have taken possession, the Federal Mediation and Conciliation Service and the emergency board shall continue to encourage the settlement of the dispute by the parties concerned, and the agency or department of the United States designated to operate such enterprise or enterprises shall have no authority to enter into negotiations with the employer or with any labor organization for a collective-bargaining contract or to alter the wages, hours, or the conditions of employment existing in such industry prior to the dispute, except in conformity with the recommendations of the emergency board or a concurrent resolution of the Congress. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, the President shall convene the Congress, or such House for the purpose of consideration of and appropriate action pursuant to such statement and recommendations: *Provided further*, That the act entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes" (Norris-LaGuardia Act), approved March 24, 1932 (U. S. C., title 29, secs. 101–115), shall be applicable to the United States acting under the provisions of this title unless Congress by concurrent resolution provides otherwise in the particular case.

"SEC. 304. (a) In the event that the Government shall take possession of and operate any business enterprise or enterprises involved in a given dispute, the President shall designate the agency or department of Government which shall take possession of any business enterprise or enterprises including the properties thereof involved in the dispute and all other assets of the enterprise or enterprises necessary to such continued operation thereof as will protect the national health or safety.

"(b) Any enterprise or properties of which possession has been taken under this title shall be returned to the owners thereof as soon as (1) such owners have reached an agreement with the representatives of the employees in such enterprise settling the issues in dispute between them, or (2) the President finds that the continued possession and operation of such enterprise by the United States is no longer necessary under the terms of the proclamation provided for in section 301: *Provided*, That possession by the United States shall be terminated not later than 60 days after the issuance of the report of the emergency board unless the period of possession is extended by concurrent resolution of the Congress.

"(c) During the period in which possession of any enterprise has been taken under this title, the United States shall hold all income received from the operation thereof in trust for the payment of general operating expenses, just compensation to the owners as hereinafter provided in this subsection, and reimbursement to the United States for expenses incurred by the United States in the operation of the enterprise. Any income remaining shall be covered into the Treasury of the United States as miscellaneous receipts. In determining just compensation to the owners of the enterprise, due consideration shall be given to the fact that the United States took possession of such enterprise when its operation had been interrupted by a work stoppage or that a work stoppage was imminent; to the fact that the owners or the labor organization, as the case may be, have failed or refused to comply with the recommendations of the emergency board or the conditions determined by the Congress to constitute a just settlement of the dispute; to the fact that the United States would have returned such enterprise to its owners at any time when an agreement was reached settling the issues involved in such work stoppage; and to the value the use of such enterprise would have had to its owners in the light of the labor dispute prevailing, had they remained in possession during the period of Government operation.

"(d) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

"(e) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for the purpose of settling the issues in the dispute between them.

"(f) (1) The President may appoint a compensation board to determine the amount to be paid as just compensation under this section to the owner of any enterprise of which possession is taken. For the purpose of any hearing or inquiry conducted by any such board the provisions relating to the conduct of hearings or inquiries by emergency boards as provided in section 302 of this title are hereby made applicable to any such hearing or inquiry. The members of compensation boards shall be appointed and compensated in accordance with the provisions of section 302 of this title.

"(2) Upon appointing such compensation board the President shall make provision as may be necessary for stenographic, clerical, and other assistance and such facilities, services, and supplies as may be necessary to enable the compensation board to perform its functions.

"(3) The award of the compensation board shall be final and binding upon the parties, unless within 30 days after the issuance of said award, either party moves to have the said award set aside or modified in the United States Court of Claims in accordance with the rules of said court.

"SEC. 305. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

"SEC. 306. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time."

The VICE PRESIDENT. The amendment will be printed.

Mr. MORSE. I wish to say only this, that the language of the amendment is identical with the Morse amendment which is printed and already on the desks of Senators, save and except that it strikes therefrom section 301 and section 302 (a). It also changes, on page 6, line 10, of the Morse amendment, the language, "the continued normal operation thereof." That is stricken and in lieu thereof the following language is inserted: "Such continued operation thereof as will protect the national health or safety." Otherwise, the amendment as just offered is identical with the previous Morse amendment.

The VICE PRESIDENT. Is the Senator offering the amendment at this time?

Mr. MORSE. I offer the amendment.

The VICE PRESIDENT. That will make it the pending question. It will take precedence over other pending amendments, inasmuch as it is offered to the text of the bill.

Mr. WHERRY. Mr. President, if the Senator will yield, I should like to ask the distinguished occupant of the chair to state once again the pending question.

The VICE PRESIDENT. The question is on agreeing to the amendment just offered by the Senator from Oregon [Mr. MORSE]. That is the pending amendment. It is an amendment to the original text of the bill, and therefore takes precedence over other amendments.

Mr. WHERRY. I thank the distinguished Vice President. I think some of the Senators were rather confused. We could not hear, and I appreciate very much the announcement by the Chair.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

INTER-AMERICAN TROPICAL TUNA COMMISSION—REMOVAL OF INJUNCTION OF SECRECY FROM CONVENTION

The VICE PRESIDENT. The Chair lays before the Senate Executive P, Eighty-first Congress, first session, a convention between the United States of America and Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949. Without objection,

the injunction of secrecy will be removed from the convention, and the convention, together with the President's message of transmittal, will be referred to the Committee on Foreign Relations, and the President's message will be read. The Chair hears no objection.

The President's message was read, as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States of America and Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington May 31, 1949.

I transmit also, for the information of the Senate, the report which the Acting Secretary of State has addressed to me in regard to this convention.

The purpose of this convention has my approval and I recommend the convention to the favorable consideration of the Senate.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 22, 1949.*

(Enclosures: (1) Report by the Acting Secretary of State; (2) Convention for the establishment of an Inter-American Tropical Tuna Commission, Washington, May 31, 1949.)

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

W. Walton Butterworth, of Louisiana, to be Assistant Secretary of State;

John D. Hickerson, of Texas, to be Assistant Secretary of State;

George C. McGhee, of Texas, to be Assistant Secretary of State;

Edward G. Miller, Jr., of New York, to be Assistant Secretary of State;

George W. Perkins, of New York, to be Assistant Secretary of State;

George F. Kennan, of Wisconsin, to be Counselor of the Department of State;

Adrian S. Fisher, of Tennessee, to be Legal Adviser of the Department of State;

Nathaniel P. Davis, of New Jersey, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Costa Rica, to be Envoy Extraordinary and Minister Plenipotentiary to Hungary;

Joseph Flack, of Pennsylvania, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Bolivia, to be Ambassador Extraordinary and Plenipotentiary to Costa Rica;

George P. Shaw, of Texas, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to El Salvador;

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of career minister, now Ambassador Extraordinary and Plenipotentiary to Uruguay, to be Ambassador Extraordinary and Plenipotentiary to Czechoslovakia;

Christian M. Ravndal, of Iowa, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Uruguay, and

The nominations of John Wesley Jones, of Iowa, and several other routine appointments in the Diplomatic and Foreign Service.

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Edward H. Davidson, of New Jersey, to be Director of Locomotive Inspection;

Joseph A. Kerrins, and sundry other officers, for appointment in the United States Coast Guard; and

James E. Fleming, Edward J. Johnson, and Carleton W. Wahl, officers of the United States Coast Guard Reserve, to be lieutenants (junior grade) in the United States Coast Guard.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Sam M. Wear to be United States attorney for the western district of Missouri.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

HOME LOAN BANK BOARD

The Chief Clerk read the nomination of Oscar Kent La Roque to be a member of the Home Loan Bank Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. LUCAS. Mr. President, I ask that the President be immediately notified of all nominations this day confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

RECESS

Mr. LUCAS. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 46 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 23, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22 (legislative day of June 2), 1949:

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

John Campbell Ausland, of Pennsylvania.
John H. Barber, of California.
Vincent R. Boening, of Michigan.
William B. Buffum, of New York.
Miss Patricia M. Byrne, of Ohio.
Peter R. Chase, of Massachusetts.
Thomas R. Craig, Jr., of West Virginia.
Richard T. Ewing, of Maryland.
Seymour H. Glazer, of Louisiana.
Philip C. Habib, of California.
James E. Hewes, Jr., of Connecticut.
James L. Houghteling, Jr., of Massachusetts.
Miss M. Louise Kirby, of Wyoming.
Cleo A. Noel, Jr., of Missouri.
Harry B. Pangburn, of Texas.
Paul O. Proehl, of Illinois.
Barrett M. Reed, of New York.
John F. Rogers, of Hawaii.
Mrs. Corey B. Sanderson, of Idaho.
Robert Simpson, of New York.
Herbert B. Thompson, of California.
Edward J. Thrasher, of New York.
Viron P. Vaky, of Texas.
Wendell W. Woodbury, of Iowa.
Charles G. Wootton, of Connecticut.

JUDGE, UNITED STATES CUSTOMS COURT

Morgan Ford, of North Dakota, to be judge of the United States Customs Court, vice Hon. William J. Tilson, deceased.

UNITED STATES MARSHAL

Clifton C. Carter, of Texas, to be United States marshal for the southern district of Texas, vice M. Frank Hammond, retired.

COLLECTOR OF CUSTOMS

Harry M. Durning, of New York, N. Y., to be collector of customs for customs collection district No. 10, with headquarters at New York, N. Y. (Reappointment.)

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (*) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be first lieutenants

Adams, Harry Jones, AO50547.
*Arave, William Lloyd, AO50553.
Bassett, John Kenneth, AO56750.
*Boehm, Paul Francis, AO50551.
Briggs, Richard Carlson, AO56758.
Bunge, Howard Thomas, AO50558.
Davis, Homer Sims, AO50544.
Dillard, George Edward, AO56740.
Dingeldein, Robert, AO56757.
Edge, Robert Laneer, AO56754.
Everette, John Bernard, AO56749.
Fox, George Arthur, AO56751.
*Gaines, Edmund Pendleton, Jr., AO50555.
Garlington, Arthur Roe, Jr., AO50552.
Hallenbeck, Alva Merle, AO50560.
Harris, Roy Lee, Jr., AO50556.
Hartzell, Richard Atley, AO56743.
Howell, Philip Vann, Jr., AO56734.
Hudlow, Richard Jolly, AO56745.
Krieger, Thomas Bert, AO50546.
Latshaw, Robert Thomas, Jr., AO56746.
Leuchtmann, Robert Louis, AO56752.
Like, Delbert Odell, AO56744.
*Murrell, James Edward, AO41360.
*Peebles, Thomas Nathaniel, AO50548.
Ricketts, James Ellsworth, Jr., AO50550.
Sadler, Robert Edward, AO50557.
Sanders, Stephen John, AO50543.
Steorts, Ward Arnold, AO56738.
Turner, Joseph Harry, AO50545.
*Vidmer, Julian Richards, Jr., AO56742.
Warren, Foster Gage, Jr., AO56756.
White, Charles Reuben, AO56733.
Yeager, Randall Gerald, Jr., AO56747.

NOTE.—These officers will complete the required 3 years' service for promotion during the months of July, August, and September. Dates of rank will be determined by the Secretary of the Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22 (legislative day of June 2), 1949:

HOME LOAN BANK BOARD

Oscar Kent La Roque, to be a member of the Home Loan Bank Board for a term of 4 years expiring June 30, 1953.

UNITED STATES ATTORNEY

Sam M. Wear, to be United States attorney for the western district of Missouri.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 22, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O infinite God, Thou who dost care for the suns and stars, we praise Thee that Thou dost have time and thought for the children of earth. Thy goodness accompanies us day by day, and upon us Thou dost pour out Thy blessings of abundance.

In humbleness of heart we ask for another opportunity to work, for blessed are they who take their places in the councils of a nation and seek to serve unselfishly and even sacrificially. Whatever we do this day as selected lawmakers of the land, may we do it in the spirit of consecration to the needs and welfare of all the people.

Richly bless and guide the Speaker and the Congress this day. In the Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1096. An act for the relief of Mr. and Mrs. James Linzay;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1125. An act for the relief of Ellis C. Wagner and Barbara P. Wagner;

H. R. 1136. An act for the relief of June C. Dollar;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aida Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H. R. 4332. An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes;

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 750. An act for the relief of Lee F. Bertuccioli;

H. R. 781. An act to amend title II of the Civil Aeronautics Act of 1938, as amended;

H. R. 834. An act to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes;

H. R. 2282. An act to make certain Government-owned facilities available for international broadcasting in the furtherance of authorized programs of the Department of State, and for other purposes;

H. R. 2709. An act for the relief of Sadae Aoki;

H. R. 2859. An act to authorize the sale of public lands in Alaska;

H. R. 3198. An act to amend the act of June 18, 1929; and

H. R. 3458. An act for the relief of Celeste Iris Maeda.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 115. An act to amend the Veterans' Preference Act of 1944 with respect to preference accorded in Federal employment to disabled veterans, and for other purposes;

S. 230. An act for the relief of Mrs. Sonia Kaye Johnston;

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles;

S. 471. An act for the relief of Lloyd Gordon Findley and Malcolm Hearne Findley, a minor;

S. 509. An act to provide for the advancement of Commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list;

S. 622. An act for the relief of Isaiah Johnson;

S. 771. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes;

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes;

S. 897. An act for the relief of William Henry Tickner;

S. 974. An act to amend the Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 980. An act for the relief of Toshie Okutomi;

S. 1003. An act for the relief of Emory T. Wales;

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended;

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high intensity lighting on CAA designated instrument landing runways;

S. 1279. An act to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of $2,000;

S. 1280. An act to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement;

S. 1283. An act to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in, or in close proximity to, national parks, monuments, and recreation areas, and for other purposes;

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program;

S. 1359. An act to repeal the provisions of the Alaska Railroad Retirement Act of June 29, 1936, as amended, and sections 91 to 107 of the Canal Zone Code and to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to officers and employees to whom such provisions are applicable;

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim;

S. 1429. An act for the relief of Lacey C. Zapf;

S. 1507. An act to amend section 10 of the act of August 2, 1946, relating to the receipt of pay, allowances, or other expenses while drawing a pension, disability allowance, disability compensation, or retired pay, and for other purposes;

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O–17498, professor of the United States Military Academy in the permanent grade of colonel, Regular Army, and for other purposes;

S. 1578. An act to authorize the Secretary of the Army to proceed with the construction of stations of the Alaska Communication System;

S. 1639. An act to amend section 1452, Revised Statutes, relating to Presidential action on the proceedings and decisions of Navy retiring boards;

S. 1688. An act to provide for certain adjustments on the promotion list of the Medical Service Corps of the Regular Army;

S. 1977. An act to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act;

S. 2010. An act to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property;

S. J. Res. 109. Joint resolution to amend the National Housing Act, as amended;

S. Con. Res. 44. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 45. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to

marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3082. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. O'MAHONEY, Mr. KILGORE, Mr. HUNT, Mr. YOUNG, Mr. REED, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested a bill of the House of the following title:

H. R. 3751. An act to transfer a tower located on the Lower Souris National Wildlife Refuge to the International Peace Garden, Inc., N. Dak.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCFARLAND, Mr. TOBEY, and Mr. JOHNSON of Colorado to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4754. An act to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCLELLAN, Mr. EASTLAND, Mr. HOEY, Mr. MCCARTHY, and Mr. IVES to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4392) entitled "An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 49–15.

EXTENSION OF REMARKS

Mr. EVINS asked and was given permission to extend his remarks in the RECORD.

Mr. BROWN of Ohio. Mr. Speaker, on yesterday I was granted permission under unanimous-consent request to extend my remarks in the Appendix of the RECORD and include therein an address by General Sarnoff on the subject of man and science. I have been informed by the Public Printer that the article will run one-third of a page over the maximum limit and will cost $175. I ask unanimous consent, notwithstanding the additional cost, that it be printed in the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. LOVRE asked and was given permission to extend his remarks in the RECORD.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the RECORD.

Mr. ALLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. COX asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Atlanta Journal entitled "Are the Nation's Schools in for a Witch Hunt?"

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON submitted a conference report and statement on the bill (H. R. 2989) to incorporate the Virgin Islands Comporation, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1950

Mr. BATES of Kentucky. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appointes the following conferees: Messrs. BATES of Kentucky, YATES, FURCOLO, CANNON, CHURCH, and STOCKMAN.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

HOUSING ACT OF 1949

Mr. SABATH. Mr. Speaker, I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 8 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, at the conclusion of my remarks I will yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, the rule making the housing bill in order is an open rule which will give every Member an opportunity to express his views and offer amendments when the bill is read under the 5-minute rule. Furthermore it provides for 8 hours general debate—eight long hours.

Mr. Speaker, I have been in this House many years. Never before have I witnessed such a unanimous plea and demand for legislation as I have observed and has come to me, as I think to most of the Members with reference to this bill.

Forty-two of the governors have endorsed this legislation. The United States conference of mayors advocates this bill. All veteran and all labor, church, and civic groups favor this program. Without unduly encumbering the RECORD I insert the names of a few other organizations supporting this needed legislation:

The League of Women Voters.
National Council of Negro Women.
National Council of Jewish Women.
National Association of Parents and Teachers.
National Urban League.
National Association of Rural Housing.
National Farmers Union.

American Municipal Association.
American Council on Education.
American Home Economics Association.
National Association of Municipal Law Officers.
National Federation of Settlements.
American Council on Human Rights.
Family Service Association of America.
National Grange.

The other body passed a similar bill three times. The last one is now before us. Due to the unholy coalition and alliance in this House, this bill which is so sadly needed by the millions of homeless has not been favorably acted upon. For weeks—yes, for years—the real-estate lobby, bankers, loan associations, builders, and developers have spent millions of dollars, time, and effort to misinform the public, and the membership of this House. They have issued weekly statements all extremely unwarranted and unjustifiable—yes, even untrue and false in many instances. Also, through the press and radio and on the public platforms using every media of communication, in order to prejudice the minds of the Members, and have even influenced some Members here, to assert that this bill will cost between $16,000,000,000 and $20,000,000,000.

Mr. Speaker, in compliance with the suggestion of some of the members of the Committee on Rules, as chairman of that committee, I submitted a request to Frank Pace, Jr., the Director of the Budget, asking for information and propounding written interrogatories that were submitted to me in a statement prepared by one of the Republican members of the Committee on Rules. I have in my hand the Budget Director's reply and I regret exceedingly that I do not have the time to read the entire letter, but I will quote a few extracts from it, as follows:

In fact, as I have already stated, the maximum annual authorizations of $400,000,000, although necessary to insure private financing at the lowest cost, would not be paid either for the maximum number of years or at the maximum annual rate. A reasonable estimate of the total amount required over the life of the program would be $9,000,000,000 to $10,000,000,000, rather than $16,000,000,000.

If these amounts are discounted at the same 2-percent-interest rate employed in the example in your letter, the present value of the probable Federal contributions would not be $11,300,000,000 as your example indicates, but roughly $7,000,000,000. If discounted at the more appropriate long-term rate of 2½ percent, the present value of the probable Federal contributions would be roughly $6,500,000,000.

Thus, as indicated above, the basic premise of your question that Federal subsidies for low-rent housing [would] exceed by a considerable margin the entire construction costs of such housing, is in error. One reason why this legislation is in accord with the program of the President is that the method provided for financing the low-rent housing program would result in substantially lower costs to the Federal Government than would be required by direct Federal construction.

I feel you owe it to yourselves to read the entire letter in the Appendix of the RECORD which I inserted on June 8. It can be found on page A3585. If you will read his statement, and you know he is a man with a splendid reputation, and trustworthy in every respect, it will prove that the figures of the opposition were used to prejudice the minds of the members and were untrue and unwarranted. This report from the Director of the Budget will clearly substantiate my remarks made from the very outset with respect to this legislation and also the recent statement of President Truman, to the effect that the figures as given by the opposition are unreliable and in fact untrue.

The Director of the Budget makes clear that the cost will not be more than nine or ten billion dollars. With the agreement on the part of the Committee on Banking and Currency to reduce the number of housing units by 25 percent—from 1,050,000 to 810,000, the cost will be still further reduced, so that it will not entail more than seven and one-half or eight billion dollars—and that sum covers a period of 40 years. That would be even less than $200,000,000 a year. Compare that amount with the appropriations we have made in the last 10 years for agriculture, in which every rural section of our country has been benefited. Bear in mind that in the last 10 years we have appropriated on an average of $1,500,000,000 every year, for agriculture, which amounts to almost 10 times as much as this bill calls for annually.

Another outrageous and propagandic attack on the part of the opponents of this legislation is, that only 10 States will be benefited. Again, that is clearly an untrue statement. The fact is that 46 States will be benefited. They have passed enabling legislation to take advantage of this program. But even if the charge were true, I wish to point out that the 10 States have contributed to the Treasury of our country annually, 65 or 66 percent of all the revenue. To verify my statement at this point, I insert herewith excerpts from the official Treasury Department, Bureau of Internal Revenue, report, as follows:

Total internal revenue collections for year ending June 30, 1948

	Percent of total revenue
New York, $7,975,513,000	19.05
Illinois, $3,785,815,000	9.04
Pennsylvania, $3,222,789,000	7.70
California, $3,103,679,000	7.41
Ohio, $2,665,707,000	6.37
Massachusetts $1,347,084,000	3.22
Michigan, $2,252,280,000	5.38
New Jersey, $1,272,223,000	3.04
North Carolina, $1,238,661,000	2.93
Indiana, $1,011,921,000	2.4
Total for 10 States	65.57

Total collected in United States, $41,864,542,000.

Although the charge that only a few States will benefit, is ridiculous, nevertheless, because of their large contributions to the Treasury, these States would be entitled to receive benefits provided under this bill. But I am not going to base my request for favorable action on the bill on that score, because I feel that by this time you are all satisfied that this is a meritorious bill and is urgently needed.

I hope that you Members will be guided by your conscience, not by created prejudice, and will vote for this rule and for this greatly needed legislation which will relieve millions of unfortunate veterans and other homeless people who are living in shacks, trailer camps, tents, doubled up with their relatives and friends, and under other deplorable conditions such as this country, the richest country in the world, should not permit or tolerate. Oh, we appropriate millions to help build homes for those of other lands in devastated countries, even those of our former enemies. Why should we hesitate or refuse to appropriate moneys necessary to obtain decent homes for our own citizens?

Why refuse to appropriate one-tenth or one-twentieth of the amount we have provided for the rural and farming sections of this country, on behalf of our own needy and deserving American citizens living in urban communities who are appealing to you for relief from the intolerable conditions under which they must continue to live until relief is forthcoming.

Some people say this legislation will affect private enterprise. That is all wrong. It will aid private enterprise; furthermore, private enterprise has promised to build homes; it has made that promise for the past 9 or 10 years. Has it built these homes for the low-income people? Indeed not. Private enterprise has built homes for those who could pay twelve, fifteen, and twenty thousand dollars, but not for those who could afford to pay only seven or eight.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. When the gentleman states that this will aid private industry in the building of homes I call attention to the fact that in 1935 when we were considering the Social Security Act—and I was on the subcommittee that drafted it—the cry was made in relation to old-age and survivors insurance that it would destroy the private insurance companies. As a matter of fact it has greatly increased the business of private insurance companies. These companies now admit that they were wrong and that it has been of great benefit to them because it has got the American people insurance-minded, and the number of policies has increased many millions; it has been an inspiration. This bill will have the same effect on private industry. Low-cost housing and slum clearance is a field which would not affect the building of one- and two-family houses at all. Furthermore, the research provisions will prove beneficial to private industry.

Mr. SABATH. The gentleman from Massachusetts is a well-informed Member and I appreciate his remarks.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to my colleague from Illinois.

Mr. ALLEN of Illinois. Will the majority leader explain why, if this will be

of such benefit to private industry, that private industry is 100 percent against the bill?

Mr. SABATH. Because of avarice on the part of many of those in private industry who are out only to make money and more money, who have no conception of the duty they owe to the country or to those people who should be given the opportunity to obtain decent housing.

Mr. McCORMACK. If the gentleman will yield, the answer to the inquiry is the experience of the insurance companies under the social security law. They admit now that they were wrong. They honestly entertained a position of opposition because they were afraid; but experience has shown they were wrong, and they have admitted it long since. They realize that especially the old-age and survivors insurance provision has been of great benefit to them.

Mr. ALLEN of Illinois. Does the gentleman by that statement mean to say that private industry does not know what they should do or what is best for them?

Mr. McCORMACK. My position is that most of them are honest in their opposition. I am not going to impugn the motive of anyone.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I cannot yield further.

CALL OF THE HOUSE

Mr. CHURCH. Mr. Speaker, I make the point of order that a quorum is not present, if the gentleman cannot yield for a question.

The SPEAKER. The gentleman from Illinois makes the point of order that a quorum is not present. The Chair will count. [After counting.] Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 111]

Bailey	Hall,	Pfeifer,
Bentsen	Leonard W.	Joseph L.
Boggs, Del.	Harden	Phillips, Calif.
Boykin	Herlong	Plumley
Breen	Hoffman, Mich.	Poulson
Buckley, N. Y.	Jackson, Calif.	Powell
Bulwinkle	Jacobs	Short
Burke	Jennings	Stockman
Carroll	Kearney	Taber
Case, S. Dak.	Kee	Taylor
Chatham	King	Thomas, N. J.
Clevenger	Latham	Velde
Cole, N. Y.	Lichtenwalter	Vursell
Crawford	McMillen, Ill.	Wadsworth
Gilmer	Macy	White, Idaho
Gore	Miller, Nebr.	Wier
Granger	Morrison	Wilson, Ind.
Hall,	Murphy	
Edwin Arthur	O'Konski	

The SPEAKER. On this roll call 374 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER. The gentleman from Illinois [Mr. SABATH].

NATIONAL HOUSING ACT OF 1949

Mr. SABATH. Mr. Speaker, at the time that the point of no quorum was made I was about to reserve the balance of my time. I had concluded my remarks. I yielded to the gentleman from Massachusetts realizing that I did not have any more time for myself.

Mr. Speaker, I reserve the balance of my time and yield 30 minutes to my colleague, the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield 18 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, in opposing the housing bill I am swayed not entirely by the content of the measure, although there is much that could be singled out for criticism. My opposition is chiefly due to a profound conviction we cannot afford to engage in this new enterprise in which so few will benefit at the peril of so many.

It is not my purpose to delve into the past but to consider the present with a firm hope we can avert a collapse in the years immediately ahead.

Let us pause for a moment and examine our financial condition. We find we owe $252,000,000,000 in our national debt. That is about $1,800 for every individual in the United States. Think of it. We owe $1,800 for every man, woman, and child in this country. This stupendous national debt represents a hidden mortgage of $6,026.55 on every home in America. We can readily understand the concern which would be visible if the responsibility for that debt was assumed by the individual. But the responsibility, while not assumed, is there. And if it is not paid the individual and the home owner alike will suffer.

No one can successfully dispute that this country is in a grave financial crisis. We are spending in excess of our national income. The deficit spending will be even greater next year as a declining business economy yields less taxes. What are we going to do about it? What course shall we pursue?

We can go on spending dangerously, starting new expenditures in response to the pressure groups and piling up an even bigger national debt; or we can substantially increase taxes in a vain effort to achieve a balanced budget; or we can cut down the spending. These are the alternatives. There are no others. For me the choice is plain—I shall try to reduce the spending.

Most everybody recognizes to start deficit financing when the Federal debt is $252,000,000,000 is extremely perilous. It could destroy confidence in the value of the dollar; it could start a flight away from the dollar to commodities with a consequence of rising prices and a wilder inflation than we have yet experienced. We must not take this chance. It is what the Communists would like very much to see us do. Then they could take over without firing a single shot.

We could, of course, increase taxes as recommended by the President. But this, in my opinion, would not do the job. Increased taxes do not necessarily mean increased revenue. Increased taxes, when we are trying to head off a depression, would be unwise. It could, and probably would, be fatal to many small industries. It would dry up the funds needed for expansion and research. It would make it impossible for some concerns to carry workers through the depressed period. It might easily produce less rather than more revenue.

The remaining alternative is to cut down the spending. This will not be popular. My experience is that many people like to talk about economy and that is about all. They have no real, unselfish will to bring about economy. They are naturally for economy when it affects something in which they have no great interest or any particular benefit. But when it affects them personally they find ready excuses for abandoning economy. We cannot come safely through this crisis with selfishness.

The present need is to eliminate waste and useless spending in Government. We must work and we must produce. It is the only safe way. It is the way back to a sound Government and a bright tomorrow.

It is not time for new Government ventures involving vast sums of money. All may have worthy objectives. Some of them might be highly desirable if we had the money to pay the bills. But the Government has no available money; it has only the money that it assesses upon you and me and the other 140,000,000 of Americans. The people must pay for these bills. They pay them through toil and sweat. And in my judgment the people are waking up as they get their tax bills from the city, county, State, and National Governments. Nearly one-third of every earned dollar goes to pay for the services of Government. To push the assessments higher might well destroy popular Government as we know it. That, I do not want to happen.

As we multiply the demands upon the national Government we steadily increase the size of our bureaucracy and the number of Federal jobholders who must be carried upon the backs of the American producers—whether they be workers, farmers, or tradesmen. Already the bureaucracy has become so large, so autocratic and arrogant that it threatens to destroy this free way of life.

No, every ounce of common sense cries out against the further encroachment of the Federal bureaucracy into the lives of our people.

To keep freedom and individual initiative requires some sacrifice; it means going without some things that might be desirable. There is nothing more precious on this earth than freedom. It is worth sacrifice.

For a moment let us consider the bill we are asked to support. It could cost between sixteen and nineteen billions of dollars in the period of its lifetime. That is a heavy obligation to assume in the face of a possible financial collapse. Less than 6 percent of our people would be in the class available to benefit by the legislation, and less than 7 percent of those available could be selected. In other words, out of every 1,000 people you know, only 4 could qualify. The limitation placed in the bill provides for those four. The other 996 persons will get nothing but increased tax bills. So few to be benefited to imperil so many.

Those selected must expect to pay $50 or $60 per month in addition to the Government contribution. No one unable to pay $50 could qualify. The Government

subsidy would bring it down to this rental. People able to pay $50 a month rent should find little difficulty in getting a home, built by private enterprise. It is the group who cannot afford to pay half that rent we should worry about. There is no relief in this bill for them.

Undoubtedly there are some remaining hardship cases, but the slack is being rapidly taken up. It will not be long before it will be a problem what to do with some of the available houses.

The big rush to marry following the war is over. Marriages reached the peak of 2,291,000 in 1946; in 1947 they dropped to 1,992,000; and in 1948 they reached 1,815,000; and this year the estimated number of marriages is 1,600,000.

In addition, in a declining business economy we find families contracting. They take a smaller apartment, and in many instances they double up. The reverse, of course, was true in expanding business; and this was responsible, in part, for the unprecedented housing demand. There was lots of money available, and we all like to live as well as we can afford.

Private enterprise, if encouraged, will lick this problem and provide decent homes without breaking financially either the Federal or local governments. In 1946 under Federal control and supervision, 460,000 houses were constructed; in 1947 with Government encouragement 840,000 houses were built; and in 1948, 960,000. This year the threat of Government competition will force down the new units to be constructed somewhat below the last 2 years. In fairness it may be added that there is also a slackening in the pressure.

May I add there are complaints about the costs of State and city governments. Some cities and towns in my State are paying tax rates of $55 and $60 a thousand. Is it right to put tax-free houses along side of these? Is it right to ask these struggling property owners to help pay the rent of people who can live in houses commanding a larger rent than they do? Is it right for our hard-working farmers and factory employees to help pay the rent of people with larger incomes? Is it right to further imperil the financial stability of cities and States by offering them "easy money"? After all, this program will cost the local governments at least $6,000,000,000. That is if we do not juggle the legislation.

There is in the bill a sop to the farmers. Less than 50,000 could possibly share. The Secretary of Agriculture could give an outright grant to $500 to a man with one farm building or $1,000 if he has two buildings. Then there could be a loan of $1,000 on easy interest terms. Only a handful of farmers in the North and West and precious few in the South could meet the requirements of the bill. The best you can say about this feature of the bill is that it is based upon good intentions. The average farm dweller has about as much chance in sharing in this shower of Federal money as a listener to hit the jack pot in the Stop the Music program.

We all have a natural concern for clearance of the slums in the big cities of our country. They are menaces and a threat to our national health. These slums should and must be cleaned up. And the Federal Government will be obliged to aid or else the job will not be done. Communities are reluctant to clean up their own messes. Yet they must not be allowed to step out of an obligation which primarily belongs to them. After all, slums are man-made. They occur chiefly because of a laxity on the part of city authorities. Landlords are permitted to exact rentals from the poor people and then are not obliged to keep up their property. Here is where should come the first step in the needed reform. Cities should be required through ordinances similar to those in Baltimore to take the initial step in slum clearance. It is remarkable how much can be done. Old, unsightly buildings can be repaired, renovated, and remodeled. They could be made in some instances better than new homes. One need only point to what has been accomplished in Georgetown in the Nation's Capital. The job can and must be done, but it can only be effective through the driving force of local public opinion.

There is another side of the slum-clearance picture, too, we must consider. How enormous will be the job? We should know the whole story before departing upon a venture that could be overwhelming.

I am afraid from my own observations that some of the veterans' housing that has been constructed under Government supervision will last only a short time. A few years hence there well may be suburban slums that we will be asked and with direct obligations to clean up because we put them there. The whole problem is one that must be thought through.

If this program is adopted as reported, I predict there will be less housing and housing will cost more. Private home owners will not build in competition with Government. They will sit back and wait until later expanded programs give them a house. It will cost more because as the Government comes in with the heavy purchases prices will increase.

We, in this country today, face a greater potential danger than at any time in our history. Yes, the danger is greater than when Hitler was marching through France and threatening to dominate the world.

Today every country in Europe outside of Russia is weak in a military and economic sense. Russia holds most of Asia with its countless millions of people in its grasp. Communism reaches out to force its deadly and destructive ideology upon free people everywhere.

Here in America is the only strong country physically and financially able to combat the march of communism. Yet we too are weakened from the long and costly struggle of World War II and our efforts to rebuild the world.

We have a national debt of $252,000,000,000; our cost of Government is over $42,000,000,000; we are groaning under heavy taxes of city, State, and Nation. All this at the time of a declining business.

There is only one chance for America and free people in every part of the globe. We must keep this country strong and solvent; to do this we must forego some of the things we would like to do. To help a few people we cannot imperil the Nation.

Let us make this Nation one of self-respecting home owners rather than a nation of subsidized tenants in Government projects. Let us remain a free people.

Mr. SABATH. Mr. Speaker, I yield 7 minutes to my colleague the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, the counsel that I now bring my colleagues comes from an old and devoted friend, and is given in the spirit in which one brother would counsel with another concerning matters of profound concern to the welfare of the entire family.

We are here being called upon to make a decision that is of greater far-reaching effect than has been realized—a decision for which we shall either be praised or condemned by the generations that will follow us. Mr. Speaker, I have no illusions about my strength to stay the whirlwind of destruction that I see approaching, but I must make the attempt, feeble thought it may be.

The greater part of my official life has been spent in the midst of revolution, peaceful though it has been, but revolution nonetheless. And because I am not a revolutionist I have not courted nor have I received the plaudits of the multitude. I bear scars, not medals.

Mr. Speaker, it is my reverence for the genius of the founding fathers and the American institutions built under the inspiration they gave that has made the welfare of my country my chief concern, and, when necessary to hold true to this principle, I have sacrificed favoritism and personal attachment and refused to bend to the pull of selfish interests.

Mr. Speaker, do not all signs indicate that we are running into serious trouble? And if these signs are correct should we not show a greater understanding of the realities than is here reflected? Do we not owe the people a better responsibility than is here disclosed? Should we not marshall the strength of the Nation for the task that lies ahead rather than dissipate it through political revelry and insane irresponsibility?

I fear this new philosophy that threatens to sweep us away from the moorings of the Constitution. From a government of distributed powers I have seen develop a virtual concentration of all power. Rights reserved to the States and to the people are no longer respected. The order of things has been reversed. Government now exists as the master of the people and undertakes to support them, rather than as their servant to be supported by them.

This measure that we are asked to consider does not seek to lure our people to the acceptance of socialism. It does not seek to entice us into the acceptance of a totalitarian economy. There is nothing deceptive about it. This bill plainly, openly, and boldly declares socialism to be our new national policy. For if language is not intended to deceive, then that is the only meaning that can be gathered from the text of the bill and the report that accompanies it.

In this bill it is proposed that we legislatively declare this scheme of totalitarian or authoritatian bureaucracy to be essential to the health of our national economy. Here the Republic is cast adrift upon the treacherous sea of socialism. Here caution and moderation, reason and sanity, are thrown to the winds. Here Government domination and political control are fastened upon the American home with the assurance that complete statism soon will follow.

Mr. Speaker, this is no makeshift, temporary, emergency proposal. This is a permanent part of the new socialist economy to be ushered in by an over-all housing activity with continuing, expanded, and extended Federal financing.

The almost unlimited, ramifying activities and powers provided in this measure challenge the imagination, yet at the same time leave little to uncertainty. You will find them variously enumerated throughout the bill. They are too numerous for me to recite. They are in part as follows:

The elimination of slums and blighted areas; the development and the redevelopment of communities (whether or not such communities want to be redeveloped, uprooted, and uplifted); adequate housing for all who now are inadequately housed; the appraising of housing activities and progress; the general welfare and security of the Nation; a decent home and a suitable living environment for every family; the stability of the home-building industry and its full contribution to an economy of maximum employment, production, and purchasing power; the production of lower-cost housing of good quality; a directive to the administrative agencies of the Federal Government to exercise all powers, functions, and duties with respect to housing (as if they needed such directive); the production of housing of sound standards of design, construction, livability, and size for adequate family life; the use of new designs, materials, techniques, and methods; the use of standardized dimensions and methods of assembly; the increase of efficiency; the development of well-planned, integrated neighborhoods; the establishment of the housing industry at a high annual level of construction; plans for land uses, density, and other factors; the making of loans and capital grants; furnishing technical assistance; assuring compliance with statutory requirements; acquiring, clearing, and preparing sites for appropriate reuse; the absorption of losses; the dispersion or displacement of all persons now living in slums or blighted areas and their relocation; and the financing of schools and other public utilities.

Will you contend that such a program does not constitute a Socialist economy? Does it not possess all the patois of the party line? What do you think necessary to complete it? Free bread and free circuses? But do we not already provide an abundance of free bread? Make no mistake, Mr. Speaker, this is a colossal socialistic departure. It expands the limited and restricted program we enacted some years ago. It serves to demonstrate strikingly and eloquently the limitless cupidity of bureaucracy.

Mr. Speaker, we are told here categorically: "There is little disagreement that housing constitutes one of the Nation's most serious economic and social problems." This housing shortage, it is stated, "results from the fact that over the years we have never been able to produce enough housing at prices which a large proportion of the American people can afford, and many families have been obliged to live in wholly inadequate and unsuitable accommodations."

But that tells us nothing, Mr. Speaker. Certainly it does not tell us why we have not been able to produce enough housing at prices which a large proportion of the American people can afford. But I can tell you why. You can find the reason in the history of America. You can find it in the spirit and the genius of private American industry. You can find it in the toil, the sacrifice, and the thrift of our people from earliest colonial days until we began the propaganda of a paternalistic government fashioned upon the design of free grants and free subsidies in every aspect of our national life. When, Mr. Speaker, did home building and home ownership become the function of the Federal Government? As I read our history, home ownership always has been a most fundamental, a most basic, private enterprise. That always has been true even in the rental of homes. But here we would make the Federal Government the landlord.

If there is a housing shortage in America today, I believe it is because the private home-building industry of the Nation is hindered and retarded by frustrating codes and jurisdictional disputes, and feather-bedding. I believe that the real remedy lies not in the creation of a new order of subsidies and grants, but in removing from private industry the fetters that now bind it.

Is not it just about time that at least we, Members of the Congress, began to see with clearer vision? Certainly, Mr. Speaker, we know better, or at least we should. Have not we now gone so far in this scheme of Federal grants and subsidies as to create in the minds of our people a vast, limitless hoard of ready cash here at Washington to be had but for the asking? Have we not created the phantasy of a money-making Federal Government rolling in wealth to be dispersed with lavish hand? Well, we are making paper money. We are making all kinds of paper wealth. And it is depreciating with every new issue. At our present socialistic rate we soon shall be forced to make it in bales and haul it about in wheelbarrows.

Under this scheme of statism a public housing administrator is given blanket authority to "have outstanding at any one time" $1,000,000,000 worth of obligations to be issued in such amounts as he may determine. Those obligations are to be purchased by the Treasury. Is that anything more than swapping paper?

How long, Mr. Speaker, can such a scheme endure? That is not wealth. Government cannot create wealth. The history of governmental finance bears eloquent testimony to that. There is no vast repository of cash here at Washington from which an endless, never-ceasing stream of real dollars can flow. Real dollars, real wealth, can be created only by industry and toil and thrift. Our national wealth has been created by a free industrial enterprise and millions upon millions of individual home builders, home owners, and homemakers.

Mr. Speaker, I find it increasingly difficult to believe that there is not an abundance of funds at lower levels for the purpose of home building. All our States are almost without debt. Many of them have lendable surpluses. Almost every bank in the Nation—from the smallest to the largest—has funds available for loans to home builders. Our great private lending institutions have abundant funds available for this purpose. Yet, I should be willing to support the lending provisions of this measure. We should not go further than provide credits for people who want to build their own homes. Rural and small town people who support this proposal upon the theory that these is something of benefit in it for them will come to a sad awakening when they realize that of the more than nineteen and one-half billions of dollars that must be taxed out of all the people, there will be less than one-half of 1 percent that they will stand the remotest chance of getting. The whole thing is a colossal fraud, and if adopted will wreck the economy of the country.

I question not the motives of those who immediately bring this proposal before us. My opposition is based upon fear—upon fear of the ultimate consequences of such a violent departure from our traditional way of life. Would that we might profit from the history of the Republic. Even more so from the history of other states and other peoples. Certainly my good friend, the chairman of the Rules Committee, will not plead ignorance of the history of Egyptian bureaucrats. Has he forgotten the story of how they compelled the people to cry out to Moses for relief? They, too, dominated the building industry. But they dominated the people even more. They lashed the people; they imposed burdensome tasks upon the people; they exacted toil and sweat, and bricks without straw. And they drove his people from the land to seek refuge in the wilderness.

This bill, if enacted into law, will create a colossal bureaucracy. Bureaucrats will overrun our land, too. They will devour the people's sustenance. They will confiscate the people's wealth. They will impose onerous and burdensome tasks upon all of us. They will drive our people, too, into a wilderness—a wilderness of despair.

With great apprehension have I observed our progress during recent years, Mr. Speaker. You know that. Time and again have I been constrained to lift my voice against our progressive advance into a socialist state. Now we are here asked to declare a national housing policy and objective and to put that policy into effect through a new Federal agency with power to invade every home in America. Such a proposal as this goes beyond our traditional concept of American Government. It violates our concept of every man's home being his

castle, a principle as old as time in Anglo-American jurisprudence.

Enact this socialistic scheme into law, create this vast omnivorous bureaucracy, and no home in America will be free from its invasion, or sacred from its trespass.

The SPEAKER. The time of the gentleman from Georgia [Mr. Cox] has expired.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD in two instances; in one to include a broadcast, and in the other to include a speech made by her.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include an article from the American Nation.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

LEAVE OF ABSENCE

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Michigan [Mr. HOFFMAN], may be granted a leave of absence on account of official business.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

NATIONAL HOUSING ACT OF 1949

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill is properly named the housing bill of 1949, because during the 18 years I have been a Member of Congress there have been at least 30 different agencies that have attempted to build houses. Who has been in charge of most of those agencies? The first one was Henry Wallace. Then we had Harold Ickes. Then Harry Hopkins. Then we had Rexford Tugwell, then Dr. Alexander; so I think the gentleman from Illinois, my good friend [Mr. SABATH], speaks very casually when he talks about this not costing anybody anything, when he says private industry and private enterprise are for this bill. I would ask him how in the world private industry could be for anything of such a nature in view of the past record of the administration of these programs by Tugwell and the others, their record in the realm of economy, and the reckless spending on such programs.

I would say that the principal reason I am opposed to this bill is it is my unqualified belief that this nor any other Congress has the right to tax one group of neighbors to provide some other neighbors selected by some bureaucrat with a ten or twelve thousand dollar home for which the second man will have to pay but a fraction while the first man will pay the remainder for him. We must not forget, Mr. Speaker, that at the present time there are 12,000,000 citizens of this country who are paying monthly installments on their own homes. Many of these 12,000,000 who are paying monthly installments went into cheap homes worth probably three or four thousand dollars. Many of these homes did not have modern conveniences; yet that individual in the good old American way works nights and Sundays to improve his bathroom and other parts of his home. If, however, this bill is enacted into law his neighbor will march in and take over a home with all modern conveniences, while the first man who has been paying monthly installments on his home and has been trying to improve it in the good old American way by working with his hands will have to help pay for the new home for the neighbor. To illustrate, Mr. Speaker, we could take two individuals working side by side, making the same wages. One through frugality saved the down payment, we will say, of a thousand or fifteen hundred on his home and pays monthly installments of $65 while the other man right beside him for a home with all modern conveniences will be paying but a fraction of that. Furthermore, at the present time there are approximately 15,000,000 people who now want homes, yet less than a million homes is provided under this bill. How will the million who are to receive homes be selected out of the 15,000,000 who want new homes? That is where the bureaucrats move in. Another thing, as has been mentioned by the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Georgia [Mr. Cox], we must take into consideration our gigantic national debt which now stands at the total of $252,000,000,000, or more than the total assessed valuation of all the property west of the Mississippi River. While Canada has given her people a 32-percent-tax reduction since the war, we continue to tax and tax, and spend and spend; while the national debt of Canada is only $11,500,000,000; as I have mentioned, the national debt of the United States is $252,000,000,000.

This bill will cost the taxpayers $16,000,000,000. This is $40,000,000 for every congressional district in the United States—$40,000,000 will buy 4,000 homes at $10,000 each. I am asking if each Member here expects to receive 4,000 homes in his district under this so-called program? We will be fortunate if we receive 1,000 units in our district. The remainder of the money will be dissipated through pay rollers, administration, and bungling. All we have to do to know this well is to look at the record of public housing the past 16 years.

Mr. Speaker, it has been emphasized here today by both the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Georgia [Mr. Cox], relative to the rapid trend of our country toward socialism. This is not a partisan proposition because our beloved ex-Senator Byrnes recently said:

> Every segment of society is demanding special privileges. Too many people want more pay for less work. Too many people are trying to transfer power to the Government. Where we will wind up, no one can tell. But if some of the new programs seriously proposed should be adopted there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, soon will be pulling an economic oar in the galley of the State, with the Federal Government regimenting our lives from the cradle to the grave.

Mr. Speaker, that statement does not come from a Republican. It comes from a member of the Democratic Party who served his Nation so well, bearing in mind, above everything else, that the salvation of this country shall not follow the isms of other countries.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN. Mr. Speaker, the subject of housing is one of the most vital domestic problems with which this Congress is confronted. Instead of comprehensive legislation, the Housing laws that have been passed since the end of the war are simply an unsystematic patchwork of legislation intermixed with the hope that the housing problem would take care of itself. Neither the patchwork nor the hopes have had very much effect on this problem, which is perhaps just as bad as it ever was.

Our experience over the past few years has clearly demonstrated that what is needed is a real national housing objective, a program which will provide Federal financial assistance for clearance of slums for low-rent public housing, for rural housing, and a comprehensive program of housing research. These are the things that have been neglected or overlooked in the patchwork of laws on the subject of housing that have been enacted over the past few years. But these are the things that go to the very core of the problem.

Housing conditions in St. Louis are deplorable. I know of no better place in the Nation to attack the problem of housing than my own city. Like other metropolitan areas, our great need is a program to provide low-cost homes and low-cost rental units. When I say low cost, I mean just that, not ten and fifteen thousand dollar houses or flats and apartments built to rent at a hundred dollars a month. Practically every house being built for sale or rent today is in the high-price brackets, out of the reach of the average purchaser or tenant.

In my opinion Federal assistance is absolutely necessary for cities such as St. Louis, if we are ever to relieve the housing shortage and eliminate slums. It has been estimated that there are anywhere from five to eight million families who are living in slums. A recent survey in my city showed that approximately one home out of four is in the substandard or slum category. It is shocking to learn that thousands of these dwellings are not equipped with sanitary plumbing facilities and a great many are not equipped with electricity. Most of these dwellings have long outlived their usefulness. Hundreds of these old residences become obsolete or uninhabitable each year. New construction is hardly keeping pace with those that become obsolete. During the first 4 months of 1949 only 303 building permits were issued in the city of St. Louis, which is somewhat less than for the same period last year.

Those that must live in substandard dwellings do not do so by choice. In the patchwork housing laws that are now on the statute books, emphasis has been placed upon high cost and high rental

housing. That does not help these people. It helps only those who can pay the high prices and the high rents. Those who cannot afford to pay live in hand-me-down homes and the slums that develop from older housing which is abandoned by the former owners seeking better places to live. Thousands of low-income families have never known anything else but ramshackle-hand-me-down hovels to call their home.

Up until now, nothing very much has been done to help those people whose income limitations require them to live in blighted areas. Much could be said about slums and their effect particularly upon children, but in a few words, I see in city slums an extravagant waste of human and other resources, which we cannot afford.

Thus far, those who have opposed public housing and the slum clearance legislation have not been able to offer a suitable alternative. Palliative measures have been urged but they do not go to the real problem of slums. Rather, they seem to work around it. It is my view that the only way slums will ever be eliminated is by the public acquisition and clearance of slum areas, with the assurance that they will be scientifically redeveloped in accordance with plans properly related to the growth and development of our cities.

I also believe that much can be accomplished by a comprehensive program of housing research. The housing industry is one that has not responded to technical advances as rapidly as others. There is no question but that a broad program of research would develop new methods and new materials which would contribute towards bringing down the costs of new housing.

This is probably one of the most important measures that will come before the Congress. It is vital to cities such as St. Louis, wrestling with the problems of housing and slums.

I am going to support the rule for the consideration of the housing bill, H. R. 4009, and I hope this legislation will be enacted into law.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, H. R. 4009, now under consideration and known as the housing bill, if passed, will contribute greatly to relieve the housing crisis brought on by World War II and which is still existing in all the urban and industrial areas throughout the Nation.

I realize that some Members of this body, representing rural sections, cannot fully comprehend the highly critical condition in which veterans and workers of moderate and low incomes are tolerating during this housing shortage. Statements have been made on the floor of the House today regarding the great number of homes which have been constructed during the last few years. They failed to mention that the great percentage of this new construction are homes ranging in prices from twelve, fifteen, and twenty thousand and up. The dire need in the industrial Calumet region of Indiana is for homes in the five, six, and seven thousand price range.

This legislation also provides for the clearing out of slum areas in congested urban centers. We know that slum areas not only breed disease and ill health among the occupying families, but they also provide fertile ammunition for communistic agitators who are out using every available argument against democratic government.

The consideration of the rule for this bill was before the House Rules Committee several weeks ago. We held hearings on three different days and finally on reconsideration of an unfavorable vote, the Rules Committee reported the bill to the floor of the House. The principal argument used by the opponents of this legislation was that it was socialistic in nature. This same argument was used by the opponents of the original housing bill when it was before Congress back in 1937. When the Home Owners Loan legislation was passed a short time after the depression, the same criticism was offered. When the legislation was considered by the Congress in 1934 to guarantee bank deposits up to $5,000, some of the opponents of this legislation maintained that it interfered with State's rights and was socialistic. Back during Woodrow Wilson's administration in 1916, when he sponsored the Federal farm-loan bill, the opponents of that legislation stated that it was socialistic and radical. In the year 1941, I remember listening to a 2-hour radio broadcast, celebrating the twenty-fifth anniversary of the Federal farm-loan legislation. Not one of the numerous speakers on that broadcast, in paying tribute to this great progressive legislation, mentioned anything about it being socialistic or radical after it served the farmers of this country for 25 years.

During the last 20 years, on a number of occasions, legislation has been passed by this Congress, aiding corporations and financial interests to pass over a critical period of their existence, but not one word concerning the socialistic aspects of that legislation was heard. I refer to bills calling for railway mail subsidies to the railroads; for legislation aiding banks to survive during the depression and immediately thereafter, and numerous bills of that type.

The passage of this bill will aid greatly in eventually reducing the slums and the trailer-camp areas which exist in every metropolitan city throughout our land. This bill will contribute greatly toward giving millions a little more confidence in democratic government than they ever had before. It will demonstrate that our Government is interested in the common man and his welfare and contentment.

I fully realize that this legislation cannot take care of everybody in the lower bracket who needs to buy a home within their price range, but at least it will demonstrate that our Government is trying to be of service in this deplorable housing crisis. We are spending billions across the water to curtail the spread of communism; this legislation will be of untold value in curtailing the communistic agitators in the industrial centers throughout America.

This legislation has been too long delayed and should be enacted.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MULTER].

(Mr. MULTER asked and was given permission to revise and extend his remarks and include a letter.)

Mr. MULTER. Mr. Speaker, without intending any reflection upon the good faith of my colleagues who may oppose this bill which will provide for slum clearance and public housing for the lowest-income groups, I am constrained to say that the forces outside of Congress alined against it have resorted to every low and foul trick imaginable. Misstatement, distortion, and worse have become their stock in trade.

There being no meritorious arguments available to them they resort to name calling.

They say the bill is bureaucratic, it is socialistic, it is communistic. Now they say it is political. As usual they resort to misquotation. The following letter from Mr. Charles Abrams, one of the country's foremost housing authorities, is a complete answer to this latest canard:

DEAR CONGRESSMAN MULTER: In the CONGRESSIONAL RECORD of June 7, 1949, at page 7385, appears a statement on Federal housing by Congressman CHARLES W. VURSELL purportedly quoting an excerpt from one of my columns in the New York Post Home News.

I do not wish to attribute to Congressman VURSELL any willful misquotation of an article, for I believe that he, as others, have been victimized by a small group of men who are lobbying against the current housing bill. However, the excerpt he quotes is not only taken out of context and distorted to attribute to it what it does not say, but worse, it is not the correct quotation from the article at all.

Because I believe the distortion is one of a series of reckless if not deliberate efforts to discredit the housing bill and those who favor it, I respectfully refer you to the full article which is set forth on pages 392 and 393 of the hearings on H. R. 4009.

The issue I was writing about opposed an effort by the Republican New York State Commissioner of Housing who supervises State-aided housing projects to have a bill passed in the State legislature requiring that he approve all sites selected by the New York City Housing Authority whether they involved city-aid or Federal-aid. Because I felt that the administration of housing in New York City had thus far escaped political control, thanks to its unique administrative set-up under the law, and because I felt that Stichman's move was politically inspired, I opposed any amendment of the law which would break down the authority's independence and subject it to political control.

The article read: "Stichman's aim seems to be entirely political. GOP control of the Housing Authority's operation would be a great political coup. The New York City Housing Authority looms as the big political plum in the political orchard and the politician who dominates the Housing Authority controls the city's political destiny.

"Within a few years the families in public housing projects will be nearly 10 percent of the city's total, and the investment of the Authority exceed $2,000,000,000, with all this means in construction contracts, patronage, and other rewards for the worthy.

"Selection of sites enables carving out blocks where hostile voters are numerous and retenanting the projects with those who vote "right," while tenant relocation on vacant

areas could change a whole neighborhood's political complexion. * * *

"Under proper procedures, the city's independent planning commission is supposed to lay down a general plan indicating sites for housing. Both the planning commission and the housing authorities of the State were set up with safeguards against political meddling. But efforts by politicians to move into housing have begun.

"The Stichman bill would now collapse its independence with a simple blow. It should not only be defeated, it should highlight the fact that the people of the city will be ever vigilant in opposing any effort by any political clique, whatever its earmarkings, to make the underprivileged the plaything of politicians."

As the article indicated, it was the effort to put politics into housing that I was attacking. I was not saying that housing had already collapsed into politics as the excerpt implies.

The misquotation as given by Congressman VURSELL, however, read:

"Public housing is political housing * * * selection of sites enables carving out blocks where hostile voters are numerous and then retenanting the projects with those who vote right.

"Within a few years public housing will dominate nearly 10 percent of the city's families in New York City and this will mean a tremendous volume of construction contracts, patronage, and other rewards for the worthy."

Nowhere did I ever say "public housing is political housing." Nowhere could it be conceivably implied that I was favoring political housing. The spurious sentence has been supplied in place of the actual statement reading: "Stichman's aim seems to be entirely political. GOP control of the housing authority operations would be a great political coup."

Now, I am sure that, while Congressman VURSELL is a Republican, his loyalty to his party does not include omitting an unwholesome reference to it and substituting for it a mysterious sentence made of whole cloth. I am rather inclined to think that he has been taken advantage of in the following way:

My article was first picked up by Headlines, which is published by the National Association of Real Estate Boards and which is one of the active links in the real-estate-lobby chain opposing this bill.

Headlines says:

"Mr. Abrams explains, in his newspaper article, just how public housing is political housing and a means of political control."

I immediately wrote to Herbert U. Nelson, executive director of the NAREB and one of the editors of Headlines, explaining that he had conveyed the wrong impression to his readers and asked him to publish my letter. Though I have known Mr. Nelson for many years and have received many letters from him, many of which are voluntary expositions of his theories, I did not receive even the courtesy of a reply to this one.

Yet, curiously, day after day, clippings from newspapers from all over the country came to my office in which the president of the NAREB was continuing to misquote the article at meetings throughout the country. It was again quoted out of context at the hearings of the Senate and House. I would be willing to say it was all due to a mistake, were it not for an official list of instructions by the National Association of Home Builders, a close associate of the NAREB, which has come to my attention. It reads:

"Remember, the more noise you make, the more attention you will get. Go at it hammer and tongs. Make public charges that you can back up. Accuse your housing authority of squandering funds, of being inefficient and failing to live up to promises. Deride failure to clear slums and house the poor. If you put on a vigorous assault your newspapers will pay attention and your Congressman will see it. * * * If your Congressman sees stories in his papers emphasizing the failures of public housing, he will be more inclined to vote against the pending measure."

Congressman VURSELL has either seen one of the misquotations in the press and borrowed it, or he has been given the misquotation by one of the members of the real-estate lobby.

On June 13, Headlines cited Congressman VURSELL'S speech with favor and praise, and still with no effort to correct the misquotation, all of which completes the circle of distortion.

Now as to my own position on the political aspects of housing, which is the main point in issue. I have not overlooked the danger of subjecting public housing to political interferences and I have written upon this often, particularly in the Future of Housing (Harper and Bros., 1946, p. 285ff). But there I distinctly said:

"Political pressure in the selection of personnel and tenants has been applied in large or small degree to most of the local housing authorities. Because of their independent structure, the authorities have generally succeeded in resisting these influences. The independence of the authority is most often a blessing to mayors importuned by tenants and district leaders for apartments. * * * the accomplishments of local housing authorities have been little short of phenomenal. The excellence of the record may be partly attributed to sound division of functions. All of the technical and administrative work is performed by the paid staff. All of the policy making is done by the authority, often on the recommendation of the paid executive and his assistants. * * * Can Government's administrative mechanisms attain the efficiency of private enterprise at its best, while the people still retain enough control of their agencies to assure democratic fulfillment of the functions? The housing record is short, mistakes have been made, policy may have to be modified, but the local authority experience has pointed the way."

The misconceptions sought to be conveyed by the real-estate lobby (which incidentally I am convinced is not speaking for the rank and file real-estate owner) is that since politics may be present in Government-aided enterprise, Government should therefore keep out of slum clearance, public housing, and all other governmental activities. It should be plain that politics intervenes in every activity of Government, including social security, flood relief, poor relief, taxation, education, and the post office. But it would be as senseless to recommend elimination of any of these functions as it would be to say that we should let ourselves be invaded by an enemy because defense might bring war contracts to worthy politicians.

When politics threatens in any field in which Government intercedes, it is the place of the citizen and the press to fight the intrusion, not eliminate the reform. We must not make the mistake of throwing out the baby with the bath water.

The effort to take over the New York City housing authority's functions was stopped in a few days by the exposure in the press. The bill was withdrawn the day my article appeared. Far from being a demonstration of the evils of politics in housing, the speed with which the bill was withdrawn was a remarkable example of public alertness and press response.

Of course, public housing looms as a political plum. So does relief. So does every public works program and every city, State, and Federal expenditure that has ever been made. But the danger is far less in the relationship between a Federal agency and a local public agency than between a Federal agency and private enterprise seeking the Federal bounty. It is from building and loan associations benefiting from $2,700,000,000 of Federal credit aid and from home builders looking for vast FHA benefits from which the major lobbying pressures against the housing bill have emanated.

The local housing authority in New York City, headed by Gen. Thomas F. Farrell, was and is an independent agency set up with safeguards against political interference and so far the people of New York, I believe, have been given a relatively nonpolitical administration of housing.

The authority members in other cities come mostly from the ranks of labor, banking, business, and the professions. They are in most cases unpaid. Terms of office of members are staggered so that no one political official will have the sole appointive power. No more than one city official may be a member. They have their own borrowing powers and the right to acquire land. Of the 500 active authorities throughout the country, not one major scandal has been revealed though billions have been spent. Construction cost has been low and building efficient. The local housing authority as a mechanism for fulfilling public functions has, I believe, turned in one of the most remarkable performances in the history of public administration. I consider it a demonstration that may well be copied in other fields.

I do not claim that every housing authority is or will continue to be free from political meddling. Nor can any public agency for that matter. But when that happens and when, as in this instance, the public is alert and responsive, it is an example of democracy functioning at its best. The experience, far from being an attack on housing authorities, was a signal tribute to them.

Sincerely,

CHARLES ABRAMS.

Mr. SABATH. Mr. Speaker, I yield 7 minutes to the chairman of the Committee on Banking and Currency, the gentleman from Kentucky [Mr. SPENCE].

(Mr. SPENCE asked and was given permission to revise and extend the remarks he will make in the Committee of the Whole and include a letter from Mr. William Green, president of the American Federation of Labor, and Commander Perry Brown, of the American Legion, in support of the bill and that the Clerk may be permitted to read both letters.)

Mr. SPENCE. Mr. Speaker, we are not considering the bill at this time. We are considering the matter of consideration of the bill.

Mr. Speaker, we are the representatives of the people. We, the people, adopted the Constitution and the people are the source of our power and our authority. The question here is whether or not the people, from whence comes our power, who have expressed their interest throughout the length and breadth of this land in this legislation, are entitled to have it considered by the House.

A vote against this rule is not a vote against the bill but is a declaration by the House of the United States that it does not care to function.

I have heard many cries of socialism. Always when we attempt to do something for the plain people you will hear that cry; but there was no cry of socialism when we bailed out the banks, the insurance companies, and the railroads, with billions of dollars and put them on their feet.

There was no cry of socialism when we helped the big interests, but now because of the aftermath of the war, with an emergency that still exists, when we

want to help some of the people that carried our fight to the enemy and preserved our liberties, we hear the cry of socialism. I do not attach much importance to these prophets of evil, for we hear them every time conditions like this arise.

Who is in favor of this bill? Every labor organization in the United States. I have received permission to read a letter from William Green, president of the American Federation of Labor, and from Perry Brown, commander of the American Legion expressing the approval of the organizations they represent of the bill. All of the veterans organizations and all the labor organizations are heartily in favor of this bill. Would it not be an affront to the American people, for the House to refuse to consider this legislation and further considering the fact that 42 States have passed enabling legislation and the mayors of almost all the cities of any size recognizing the necessity of this legislation are heartily in favor of it. To say that we do not care to consider it; that we do not care to have it brought before the House; that we should vote down the rule and close our ears and shut our eyes to the great problems that are presented in the bill would show an utter disregard of our duty and would fail to heed the wishes of the people. Would that be the proper course for us to pursue? I think not, and I do not believe that you want to evade the issue. I do not believe you want to shut your ears to the arguments. I believe you want to hear this question discussed fairly and freely.

After some persuasion, the Committee on Rules granted a rule. It is an open rule. It provides for 8 hours debate. It provides for the offering of amendments. It will give every Member the right to express his opinion on this bill.

Furthermore, I want to say that at the proper time I, as chairman of the committee, will introduce an amendment reducing the number of housing units from 1,050,000 to 810,000 to conform to the bill that has been passed by the Senate. There will also be an amendment introduced that will extend title I and section 608 of title VI of the National Housing Act for 60 days in order that we may give some consideration to its extension as permanent law. We also intend to introduce an amendment that will increase the authorized insurance of title II by $500,000,000, which will permit that section to function as the present authorization will be exhausted this month. Those sections have been greatly advocated by the builders and the private industrial interests of the United States, and they will be included in this bill, and when you vote for the bill, you will vote to give these private interests that have made such a great protest against the bill an opportunity to get the assistance from the Government to obtain the necessary funds for the prosecution of their business. You, who have called this a socialistic enterprise, must remember that in 1937 we inaugurated the subsidized low-rent housing projects and there are 152,000 units now under the same provisions that are provided in this bill giving the people subsidized housing. Has that disturbed the ordinary processes of our Government? Has that taken away our liberties? Has that led us into socialism? I have got to say that I yield to no man in his admiration for the Constitution of the United States, but when the interests of the people are at stake, when big wars come, the Constitution even has to bend a little. But I do not think the Constitution has at all been invaded by this character of legislation. I think it is not contrary with the fundamental principles of our Government. We, the people, made the Constitution, and we, the people, can change the form of government without revolution. They can change it by the ballot and substitute any other form they desire.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Georgia.

Mr. COX. I do not understand that there is any concerted fight made on the rule. As far as I am concerned, I should like to see the rule accepted and then enter upon the debate on the bill.

Mr. SPENCE. I am glad that doubt has been dispelled.

Mr. COX. I never had any idea that there was any fight on the rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Kentucky seems to be under the impression that there is some sort of organized opposition to this rule. I should like to say to him very frankly that I know of no organized opposition to adoption of the rule, and I presume that it will be adopted.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I am sorry I cannot yield. My time is too short.

Mr. SPENCE. There was an organized opposition to the rule.

Mr. BROWN of Ohio. I said I do not know of any organized opposition to the adoption of the rule.

I take this time, Mr. Speaker, for a little different purpose than that which has been expressed heretofore. There has been a great deal of talk in the last few days from those in very high places as to some sort of a sinister lobby which has been operating, presumably in Washington, in opposition to this legislation. I rise to call attention to the fact that the only lobby or pressure activity that I have experienced has seemingly come from the other side from those favoring this public housing legislation.

I want to read into the RECORD a letter which has been sent to me, in fact, I received several copies of this letter. It is from a housing authority. Before I read the letter, may I say that I have shown this communication to my colleague whose name is mentioned in the letter, as well as my own, the gentleman from Ohio [Mr. MCSWEENEY], and I want to add that I am confident he has had nothing whatsoever to do in any way with the issuance of this letter.

This letter is on the letterhead of the Canton Metropolitan Housing Authority, of Canton, Ohio. It is dated June 18, 1949, and it reads as follows, I quote:

DEAR FRIEND OF HOUSING: The 1949 housing bill H. R. 4009 is finally scheduled for debate Tuesday, June 21.

I

Now, will you write or telegraph to Congressman JOHN MCSWEENEY, House of Representatives, Washington, D. C., covering the following points:

(1) Thank him heartily for his enthusiastic support of H. R. 4009 in the rules committee.

(2) Request that he continue his support by constant attendance during debate.

(3) That he please vote against all crippling amendments.

(4) And that he register his final vote in favor of passage.

The opposition is, and will continue to be, terrific and relentless.

Please communicate with him now in your own name and for your organization and get others to do the same.

Congressman MCSWEENEY has been very helpful—he needs some encouragement and backing today.

II

Please also write or telegraph Congressmen CLARENCE J. BROWN and STEPHEN M. YOUNG asking their support of H. R. 4009, address House of Representatives, Washington, D. C.

Yours for victory,

HAINES A. REICHEL,
Director for Canton Metropolitan Housing Authority.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include some excerpts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I shall vote for the present bill merely because it is better than nothing. However, it fails by far to meet the real need. The committee itself admits that 1,300,000 non-farm-dwelling units are required every year for the next 11 years. Despite this admission, found on page 10 of the committee's report, the bill, with the committee amendment, provides for only 135,000 low-rent, public-housing units.

Housing is no longer a subject for partisan politics. Fifty-eight million Americans are now in desperate need of decent homes. We are the wealthiest industrial nation in the world. Yet thousands of building workers are out of jobs, while the need for homes increases every day.

It is tragically apparent and generally admitted that private builders have failed to supply housing for more than that third of American families which is in the higher-income brackets. The Government must act and act forthrightly and adequately this year.

This is why I introduce my housing bill, H. R. 4277. We can and we must start building 1,000,000 low-rent, public-housing units a year. The bill passed by the Senate (S. 1070) is little more than a sop to the people. The bill now before us doles out housing with an eyedropper and is pitifully inadequate. We have a

job to do on a grand scale and we must face up to it.

Who are these 58,000,000 homeless Americans? They are not an abstract problem that we can consider in a half-hearted abstract way. They are our neighbors.

Three million American families have no homes at all. That means over 10,000,000 men, women, and children are living doubled up with parents and parents-in-law. They are crowded into nests so tightly they have no chance to live.

Thirteen million American families—that means 45,000,000 men, women, and children, are living in rotten old buildings which we blithely dismiss as substandard housing. We in New York and you in Chicago, Detroit, Philadelphia, and the other cities know what slums mean. The word is as deadly as atom bombs.

No one can expect to avoid epidemics and be healthy when he has no sanitation, no running water in his home. No one can hope for a decent family life when he swelters through summer and freezes through winter with 8 or 10 families in a space not adequate or decent for 1.

This House knows the story. It knows, too, that there are rural slums for sharecroppers and low-paid mill workers. It knows the disgrace of housing in coal-mining communities in every part of the country.

Recently several parties from Congress went slumming right here in sight of the Capitol Building. The Members were shocked. They found a stinking, filthy, unhealthy mess. They found families living so close together it was almost impossible to breathe. They found brazen violations on a wholesale scale of the basic laws of sanitation and fire hazards. They found hell constructed in the Capital of the richest country, with the highest standards on earth.

The gentlemen were shocked. But the shocking thing is not that slums exist in the Capital. It is shocking that they continue to exist, and unless this Congress does something about it, they will go on existing for generations. And above all, the shocking thing is that these Washington slums are but examples of an inhuman practice that exists in every city, thousands of mill towns, in mining camps, and on farms throughout the land.

The gentlemen were shocked. But what did they do? They came back to Capitol Hill and they passed S. 1070—a face-saving device that masquerades as a major solution to the housing problem. This bill, H. R. 4009, now before us, is another piece of face saving. It leaves most of the poorest and all of the great mass of the middle-class working people not a bit better off than they were before the bill was devised.

H. R. 4009 and S. 1070 are just another surrender in the long series of surrenders made by Congress on the housing question since the middle thirties. Now, we have heard the announcement of another surrender. The committee has agreed to offer an amendment reducing the number of low-cost units to 810,000 over a 6-year period. Real strides toward a national housing program were made during the administration of Franklin D. Roosevelt when model slum-clearance projects and Greenbelt towns were brought into being.

Everybody since then, including the administration, has been giving lip service to the housing crises, especially around election times. But when the test came in the 1949 budget, what did the administration ask for in meeting this greatest of all American problems?

Out of the $40,000,000,000 Truman budget, all Federal housing activities are allotted $38,000,000. The problem that worries almost half of America day and night, summer and winter, is given one one-thousandth of Federal expenditures. We can spare billions to arm strangers abroad but can hardly scrape up a few millions to help find our own war veterans decent places in which to live.

And, of course, though this may distress most tax-paying American citizens, it should make the housing lobbies very happy. The housing lobbies have been having quite a time of it this year. The Eighty-first Congress is not so bad for them after all.

The American people were asked by radio broadcast and newspaper headlines to believe they had won a great victory when Congress passed the Rent Control Extension Act with its joker provisions for local option and net operating return.

But the real-estate boys knew better. In the April 11 bulletin of the National Association of Real Estate Boards, President Ted Maener told the boys to waste no time sopping up the gravy. Under this heading "Realtors, here's a chance," he wrote, "if a real-estate board undertakes to organize city-wide committee representing the whole rental housing industry, it can (a) get decontrol as soon as possible and (b) get fairer rent control in the meantime."

The House bill fails to broaden the slum clearance and low-cost features of the housing bill passed by the Senate to make it into something that approaches the size of the job ahead. The building lobby is laughing up its sleeve along with the real-estate boards as a result of the bill now before us.

"Let private enterprise do it," they say while half of America goes homeless or lives in places unfit for animals. They do not care who goes homeless so long as they can squeeze exorbitant profits out of those who are frozen in whatever kind of shelter they now live.

"Let the low-income families buy economy homes," they say. Richard J. Gray, president of the building and construction trades department of the American Federation of Labor, gave the answer to that in his recent testimony before the House Committee on Banking and Currency. The so-called economy homes are so shoddy, he said, that we are simply building new slums.

Mr. Gray also gave the committee an inkling of another tragic consequence of this luxury building policy when he testified that while the country is crying for homes, 10,000 members of the building-trades unions in New York alone are unemployed.

That we cannot go on relying on private initiative in the building industry is apparent. Government action is the only alternative. But it must be action to fit the need. We know that 3,000,000 families have no homes now at all.

We know that 13,000,000 families are living in pestilential slums in cities, milltowns, mining camps, and farms.

We know that there are half a million families formed each year and that half a million old houses become completely uninhabitable each year.

So we know that right now 17,000,000 families—58,000,000 people— desperately need homes.

What does this bill as amended do about this need? It provides for 135,000 dwellings units a year over a 6-year period, in the low rental field. The committee has now agreed to conform the House bill to this figure.

With half a million new families being formed each year and half a million old housing units being abandoned each year, that number is tragically short. The program would not begin to keep up with current needs. After 6 years the Nation would be worse off than it is now.

My bill, H. R. 4277, on the other hand, provides for the building of half a million low-rent units a year for 8 years, until 4,000,000 units are constructed.

In handling slum clearance, H. R. 4009 gives no real thought to what will become of the thousands of families moved out of the slum. H. R. 4277 provides that no family shall be forced to move until a 3 percent vacancy ratio has been created in accommodations at comparable rentals. Appropriations for slum clearance are the same in both bills.

Witnesses for both the American Federation of Labor and the Congress of Industrial Organizations have testified before the House committee that S. 1070 will not in any way provide for the great mass of wage earners. The Senate passed legislation completely neglecting 60 percent of the people. Those whose incomes are so low that they can pay up to $30 a month are taken care of through the limited amount of subsidized housing provided for in the bill. But even here the provisions are so skimpy there is bound to be a wild scramble to get the projects, with first come, first served techniques. What small mining camp or mill town can hope to compete with the vast underprivileged areas of the cities? The House bill likewise fails to meet this situation.

On the other hand FHA insured housing is available only at levels too high for most working men and women to pay. Rental or purchase price payments range from $85 to $150 a month for this type housing. The average is $96 a month. What steelworker, what white-collar worker, what self-employed family can afford that kind of housing?

Sixty percent of us fall in the gap between the $30 payment and the $96 payment and H. R. 4009 does nothing for us.

H. R. 4277 meets this need squarely. My bill authorizes the issuance of $25,000,000,000 of notes by the housing authority. It authorizes Federal contributions of $1,600,000,000 over an 8-year period. Under this title it provides for

meeting the annual need through 4,000,000 units.

And H. R. 4277 goes farther. It authorizes the guaranty of $5,000,000,000 a year for 5 years for construction of low-cost nonsubsidized housing. These bonds would be sold to the public and every dollar would be returned after buying its part of decent housing.

H. R. 4277 authorizes $25,000,000 for research in housing. It authorizes 500,000,000 for loans for potentially adequate farms. H. R. 4277 authorizes $60,000,000 at $20,000,000 a year for migratory workers.

Finally, H. R. 4277 meets the question of race discrimination where it exists in ugly reality—in housing. It prohibits discrimination in past, present, or future housing in which the Federal Government has had a hand.

It is time America made up her mind whether she is a democracy. If so, she will provide housing for all races on an equal nondiscriminatory basis. The time for fine speeches has passed. If we mean what we say we will put the law into effect.

We hear great speeches about the housing lobby and the real estate lobby and other lobbies from all parties. What has Congress done? We have passed a rent control bill that the lobbies like. Let's pass a housing bill that the people like.

My bill is the only bill before Congress which gives substantial aid to families now living in slum areas, to low- and middle-income families, to small farmers and sharecroppers. This is the only bill that authorizes direct aid to the housing problems of the migratory workers.

The cost is trifling compared with the cost of armaments. Capital expenditures are limited to the subsidies. The loan funds do not represent a capital expenditure.

If we wish to show our own people and the world that we are a great democracy, we must have homes for the people that make up that democracy. We must consider homes as important as warplanes or atom bombs. We must make it clear that in a democracy a Negro needs a home and is entitled to a home, just as much as a white man.

If we come up again with too little, too late, the consequence will be incalculable. America, where 58,000,000 citizens are in desperate need of homes, must act.

Here again, we have another example of the effect of the cold-war economy on the people's needs. Twenty-four billion dollars for war and no real adequate housing for 16,000,000 American families.

COMPARISON BETWEEN H. R. 4277 AND H. R. 4009

TITLE I. SLUM CLEARANCE

H. R. 4277

Section 105 (c): No demolition until there is 3 percent vacancy ration in accommodations of comparable rental.

Section 102 (c): To obtain funds under this title authorizes issuance of obligations by Secretary of Treasury as follows: $25,000,000, to be increased by $225,000,000 on July 1, 1950; $250,000,000 on July 1, 1951; $250,000,000 on July 1, 1952; $250,000,000 on July 1, 1953; $1,000,000,000, total.

Section 103 (b): Authorized to make capital grants as follows: $100,000,000 after July 1, 1949; $100,000,000 after July 1, 1950; $100,000,000 after July 1, 1951; $100,000,000 after July 1, 1952; $100,000,000 after July 1, 1953; $500,000,000, total.

H. R. 4009

Section 105 (c): Leaves it to discretion of local governing body.

Section 102 (e): Same amounts authorized.

Section 103 (b): Same amounts authorized.

TITLE II. LOW RENT PUBLIC HOUSING

H. R. 4277

Section 204 (h): Authorizes issuances of notes by Authority in the amount of $25,000,000,000.

Section 205 (a): Authorizes annual contributions as follows: $200,000,000 in 1949 plus $200,000,000 a year for 7 more years. Total subsidy for 8 years, $1,600,000,000.

Dwelling units: 500,000 units a year for 8 years or a total of 4,000,000.

H. R. 4009

Section 204 (h): $1,500,000,000.

Section 205 (a): $85,000,000 in 1949 plus $80,000,000 in 1950, plus $80,000,000 in 1951, plus $80,000,000 in 1952, plus $75,000,000 in 1953, $400,000,000, total.

Dwelling units: 1,050,000; 135,000 units a year for 6 years or a total of 810,000 (pursuant to committee amendment).

TITLE III. LOW-RENT HOUSING WITHOUT CASH SUBSIDY

H. R. 4277

Section 301 (3): Authorized to guarantee $5,000,000,000 a year for 5 years.

H. R. 4009

No provision made for low-rent housing without cash subsidy.

TITLE IV. HOUSING FOR DISABLED VETERANS

H. R. 4277

No specific sum authorized.

H. R. 4009

No special provision made for disabled veterans.

HOUSING RESEARCH

H. R. 4277

Title V appropriates $25,000,000.

H. R. 4009

Title III: No specific sum; provides "such sums as may be necessary."

FARM HOUSING

H. R. 4277

Title VI

Section 610: Secretary may issue notes for loan funds for dwellings on either adequate or potentially adequate farms as follows: $50,000,000 afer July 1, 1949, plus $100,000,000 after July 1, 1950, plus $150,000,000 after July 1, 1951, plus $200,000,000 after July 1, 1952, $500,000,000, total.

Section 611: Contributions for dwellings on potentially adequate farms are authorized as follows: $2,500,000 after July 1, 1949, plus $5,000,000 after July 1, 1950, plus $7,500,000 after July 1, 1951, plus $10,000,000 after July 1, 1952, $25,000,000, total.

Section 612: Authorizes $60,000,000 for migratory workers at $20,000,000 per year.

Section 613: Appropriates for grants for repairs and improvements: $1,000,000 after July 1, 1949, $2,500,000 after July 1, 1950, $4,000,000 after July 1, 1951, $5,000,000 after July 1, 1952, $12,500,000, total.

H. R. 4009

Title IV

Section 411: $25,000,000 after July 1, 1949, plus $50,000,000 after July 1, 1950, plus $75,000,000 after July 1, 1951, plus $100,000,000 after July 1, 1952, $250,000,000, total.

Section 412: $500,000 after July 1, 1949, plus $1,000,000 after July 1, 1950, plus $1,500,000 after July 1, 1951, plus $2,000,000 after July 1, 1952, $5,000,000, total.

No provision made for migratory workers.

Section 413: Same amounts appropriated.

TITLE VII. MISCELLANEOUS PROVISIONS

H. R. 4277

Section 706: Amends Civil Rights Code by prohibiting discrimination by segregation or otherwise in past, present, or future housing.

H. R. 4009

No provision made.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SWISS CLAIMS BILL

Mr. RICHARDS submitted the following conference report and statement on the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor:

CONFERENCE REPORT (H. REPT. NO. 877)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text and its amendment to the title.

JOHN KEE,
JAS. P. RICHARDS,
THOMAS S. GORDON,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

CLAUDE PEPPER,
THEODORE FRANCIS GREEN,
H. C. LODGE, Jr.,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The substantial differences between the House version and the Senate version of the bill pertain to the amount to be authorized and the scope of the settlement. The House version sets the amount at not to exceed $16,000,000. The Senate version sets the amount at $10,607,000. The intention behind the House version is that the legislation should authorize an amount sufficiently large to pay for the principal on all claims now agreed to, plus all possible further relevant claims for damages as may be agreed upon by the two Governments, and also to pay such interest on these claims as the United States Government may concede to be allowable under the traditional rules of international law. The House version would leave the adjustment of amounts to the further actions which will be necessary in appropriation legislation. The Senate version would provide only for the settlement of principal on such claims as had been agreed to by the two Governments at the time of the introduction of the legislation. The members of the committee of conference representing the Senate recede and thus the House version is the one accepted.

The interest rate to be allowed on the recognized claims is a matter for negotiation between the Government of the United States and the Government of the Swiss Republic. It was the unanimous view of the members of the committee of conference representing both Houses that the interest as finally determined should not exceed 3½ percent.

JOHN KEE,
JAS. P. RICHARDS,
THOMAS S. GORDON,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 4392) to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the conference report.

Mr. RICHARDS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield 25 minutes to the gentleman from Pennsylvania [Mr. BUCHANAN].

CONTENTS OF H. R. 4009

Mr. BUCHANAN. Mr. Chairman, H. R. 4009 consists of the unenacted portions of broad housing legislation that has been before the Congress for more than 4 years. The Members of this House have already heard something of the history and philosophy of this legislation, so I do not think that it is necessary to point out that what I am about to describe contains nothing that is basically new. The broad legislative proposals of which the provisions of H. R. 4009 are a part have been the subject of nearly 12,000 printed pages of testimony before congressional committees and of countless words of debate and discussion inside and outside of the Congress and have been fully considered and approved by the Committee on Banking and Currency during two sessions of Congress.

In essence, H. R. 4009 does five major things. First, the bill sets forth an essential declaration by the Congress of our national housing objectives—a declaration that is fully warranted by the importance of housing to the national security and welfare. Second, the bill authorizes Federal loans and grants essential if local communities are to make an effective start on the clearance of slums and blighted areas. Third, the bill authorizes Federal financial assistance to communities in order that they may resume local programs of low-rent public housing, which represents the only hope low-income families have of moving out of the slums and bad housing into decent homes. Fourth, the bill authorizes a comprehensive program of technical research and studies in housing, directed particularly at obtaining progressive reductions in costs which now prevent private enterprise from serving a larger portion of the housing need. And fifth, the bill provides Federal financial assistance for the provisions of decent homes for farm families who do not otherwise have the means of obtaining adequate shelter.

Thus this bill is directed at the most urgent housing needs. It is directed at conditions which, in the judgment of many of us, probably contribute more than any other factor in American life to the destruction of human values, the most precious asset in our democracy. Our Government, through its present aids for the financing of housing construction and home ownership, has gone a long way in encouraging the provision of better housing for the American people. H. R. 4009 would carry us further on the way, it would fill in important gaps affecting the families who are in the greatest need of housing improvement. The importance which the members of the Committee on Banking and Currency attached to the provisions of H. R. 4009 may be obtained from this quotation from its report:

> Your committee is convinced, from the evidence presented during the recent hearings made available from previous studies of the housing problem, that this bill, in combination with existing legislation, will provide a sound foundation for a comprehensive housing program.

Before going into the substantive provisions of H. R. 4009, I should like to emphasize the importance which members of our committee attach to the declaration by Congress, at this time, of a national housing policy and objectives. Our own convictions are fully supported by the recommendations arising from the important congressional investigations of the housing problem which preceded our consideration of this bill.

Congress has been legislating on housing matters for 17 years. Underlying this legislation, in connection with both permanent and emergency programs, has been the implied recognition that the well-being and security of the homes are matters of national policy and that the stability of the home-building industry is essential to the health of the economy.

We have never had, however, a statement by the Congress of our national housing objectives or the basic policies as to the respective spheres of activity for the Federal Government, local communities, industry and labor.

The need and purpose for such a declaration is supported by this paragraph from the committee's report on H. R. 4009:

> Your committee believes that such a declaration of national housing policy goal and policies is needed. It would provide a frame of reference for the use of the Congress, the administrative agencies, the local communities, and industry and labor in appraising our housing activities and progress.

Section 2 of the bill establishes as our national housing objective the attainment as soon as feasible of a decent home and a suitable living environment for every American family. It recognizes that this objective requires the achievement of a rate of housing production sufficient to overcome the housing shortage, to replace slums and other substandard housing, and to make a full contribution toward the maintenance of national production and employment at high levels. It states that private enterprise must be relied upon to do the major part of this job and should be given all feasible encouragement and assistance by the Federal Government and calls for assistance to communities in encouraging the production of lower cost housing of good quality. The bill makes clear that Federal assistance for slum clearance and for the provisions of decent housing for low-income families, in cities and rural areas will be made available to the extent that those needs cannot be met through reliance upon private enterprise.

The bill also establishes specific standards to assure that all housing activities of the Federal Government will be administered so as to accomplish specific

objectives consistent with and necessary for the achievement of this national housing policy as follows:

First. The production of housing of sound standards of design, construction, livability and size for adequate family life;

Second. The reduction of the costs of housing without sacrifice of such sound standards;

Third. The use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction;

Fourth. The development of well-planned, integrated residential neighborhoods and the development and redevelopment of communities; and

Fifth. The stabilization of the housing industry at a high annual volume of residential construction.

I should like to refer the Members of the House to the rather detailed analysis of the size of the housing need contained on pages 8 to 11 of the committee report. The committee concluded that about 17,000,000 to 18,000,000 dwellings would have to be provided by 1960 through new construction or rehabilitation in order to overcome the present shortage, meet the needs of our increasing population and replace or rehabilitate slum housing and other substandard dwellings.

As stated in the declaration, private enterprise will be relied upon to do most of the job. It is therefore particularly essential that clear lines of responsibility be established for the concerted and sustained efforts by industry, labor, communities, and the Federal Government necessary for the accomplishment of this very large job.

The substantive provisions of H. R. 4009 deal primarily with those areas of housing need which require a very considerable degree of public action—action which must be shared on a partnership basis by the localities and the Federal Government if any substantial progress is to be made. They are in addition to the extensive Federal aids now available for those areas of need which are predominantly the responsibility of private home building and finance.

Thus, title I of H. R. 4009 deals with the clearance of slums. There is certainly no basic disagreement among us, or among the many witnesses who appeared before our committee, that the slums are an evil thing which should be eliminated.

Communities have been concerned with the slum problem as long as most of us can remember. But the slums persist because neither private enterprise nor the cities alone within their own limited resources have been able to cope with them.

I want to include later on when I get the permission of the House as part of my remarks the petitions from the American Municipal Association, from some 42 mayors and statements from mayors of the major metropolitan areas of this Nation which have been sent to the United States Conference of Mayors in which they state affirmatively that they alone in the local communities are unable to solve this problem financially without some outside assistance.

There have been many efforts made, and they are continuing, on the part not only of our larger cities but our smaller cities in clearing up the blighted areas. I am sure that the testimony of those who appeared before our committee, the social welfare groups, the representatives of veterans and labor organizations, was such that in almost unanimous accord they endorsed wholeheartedly the provisions of this proposed legislation.

There has been a lot of talk about the so-called Baltimore plan. Mayor D'Alessandro, of Baltimore, has aptly described conditions there in the following statement:

> This is not a program of slum clearance and it does not purport to be such. It is more of a program of the maintenance and the enforcement of certain health and safety measures.

I quote directly from his statement in which he says that—

> First aid administered in the temporary absence of a doctor in no way eliminates the eventual need for the doctor's services.

He was paraphrasing then what they have done there in the city of Baltimore. This plan has been exaggerated throughout the Nation in a fashion that possibly the industry has come to refer to the plan as the cure-all; but from the testimony of the mayor of Baltimore himself appearing before our committee he has dissipated that idea.

The elimination of slums requires a major operation—an operation consisting of the public acquisition and clearance of slum areas and making them available for redevelopment. It is an operation that will cost too much money to make it profitable for private enterprise and that will cost too much, and requires too great an investment to be borne alone by the local communities. So Title I provides Federal financial assistance to local communities for such slum-clearance programs.

Under title I, a local public agency will be able to obtain from the Federal Government repayable loans financing the acquisition, clearance and preparation of slum areas for appropriate private or public development or redevelopment, in accordance with locally approved plans. After an area has been sold to redevelopers, or after its reuse value has been established through long-term leases, the Federal Government will make available grants absorbing up to two-thirds of the loss which the community has sustained in the entire operation. Local communities may credit as part of their share of the net cost of the projects, the cost of public improvements built to serve the project areas. Over a 5-year period, $1,000,000,000 in loan funds, on a revolving basis, and $500,000,000 in grants would be authorized.

It is entirely a local measure, one on which the local government, the local community, takes upon itself, with Federal financial aid and assistance, and likewise many States have enacted enabling legislation that make it possible for the States and the counties to share with the local governments in helping to solve this problem.

The benefits of this title are to be applied to acquisition, clearance and site preparation, and not to the financing of major rebuilding operations. While some cleared sites will be undoubtedly available for public housing projects at the reuse value, the bill requires maximum opportunity for private redevelopment under local plans.

The bill clearly recognizes that the very purpose of slum clearance, the improvement of housing conditions, will be defeated if adequate housing is not made available for slum families. The slum-clearance title, therefore, is placed within a bill that has as one of its major purposes the provision of such housing, in which low-income families displaced in slum-clearance projects will have first preference. Local public agencies, further would be ineligible to receive Federal assistance under this title unless they have feasible means for the temporary relocation of displaced families and their eventual permanent relocation of displaced families and their eventual permanent relocation in decent homes. Clearance of residential structures, likewise, would be prohibited until July 1, 1951, if undue housing hardship would result.

The housing purpose of the program is further recognized by the limitation of financial aid to areas which either are predominantly residential before clearance or are to be redeveloped primarily for residential use.

Some have wondered why open urban and suburban land has been brought within the scope of the slum clearance program. This is in clear recognition of the fact that an adequate program of slum clearance will require the dispersion of a part of the population from central city areas. To assure that land will be available for the provision of housing for these families, title I authorizes temporary loans for the acquisition and preparation of such sites for redevelopment. Grants would not be available for open land, however. Temporary loans may be used also to finance schools and other public facilities serving open sites for a limited period until permanent refinancing through local bond issues could be arranged.

I have already indicated to you that the crux of the slum problem is the provision of decent housing for low-income families who live in slums because they cannot find adequate housing elsewhere at the rents and prices which they can afford to pay. The same applies to other low-income families, in urban and rural areas who live in bad housing.

Despite high postwar levels of employment and income, the Bureau of the Census showed that in 1947 nearly 20 percent of urban families had money incomes of less than $2,000 and over 30 percent had incomes of less than $2,500.

During the recent hearings, our committee heard abundant testimony of the accomplishments of private enterprise. But we did not hear convincing testimony that private enterprise is supplying any substantial amount of decent housing for these families, who can pay an average of only about $27 per month

rent, including heat and all other utilities. On the other hand, the overwhelming evidence is that the lack of such private housing is the reason why such families are continuing to live in slums and other bad housing conditions. The committee summarized its findings as follows:

The testimony presented to your committee makes it abundantly clear that the great majority of the families living in the slums do so only because they cannot afford to pay what private enterprise must charge for decent existing housing. The rents which they can pay represent an even smaller portion of what private enterprise would have to charge on the basis of a sound economic return if it were to supply new housing for these families from the slums.

TITLE II—COMMENTS ON LOW-RENT PUBLIC HOUSING

On the other hand, we found that the low-rent public housing assisted under the United States Housing Act of 1937 is providing decent housing for low-income families. Evidence presented to your committee showed that the median income of families residing in this public housing during the first half of 1948 was $1,884 and that the average rent being charged was $27.24 per month, including substantially all utilities. This was less than the rents being charged for substandard housing in urban areas. This record was being achieved despite the continued occupancy of some over-income families, who pay proportionately higher rents, due to war conditions and actions by the last Congress prohibiting the removal of such families from public-housing projects. The median income of families admitted to these projects during the first half of 1948 was even lower, $1,481.

We heard of no alternative that offered any prospect of achieving better results.

H. R. 4009, therefore, in title II would authorize the expansion of the financial aids to local public agencies contained in the United States Housing Act to permit the provision of 1,050,000 additional public-housing units over a 7-year period. This housing could be started at the rate of 150,000 units per year, but the President would be authorized to decrease or increase the annual rate—but not the total authorization—by 100,000 units per year.

The size of the program represents the principal difference between H. R. 4009 and a similar bill passed by the Senate, S. 1070, which authorizes a 6-year program of 810,000 units. We feel that the clear evidence of urgent need, together with the lack of any prospect of any other relief for these families, fully warrants the larger program contained in H. R. 4009.

The principal financial assistance for low-rent public housing authorized in this bill consists of annual contributions which, when the housing is completed, could reach a maximum of $400,000,000 per year. These contributions, together with local tax exemption, make it possible for the housing to be made available at rents which low-income families can afford to pay.

Experience with the present program indicates, however, that in normal years not more than two-thirds to three-fourths of the maximum Federal contributions will be required.

Under title II, the low-rent public housing title, we heard the chairman of our committee announce to the House membership here prior to going into the Committee of the Whole of the agreement that was reached so far as the program that we adopted in the committee is concerned. We had adopted a 7-year program covering some 1,050,000 units. The other body had passed earlier a 6-year program covering some 810,000 units.

The chairman and the Democratic membership, as well as a number of those on the Republican side who have expressed concern about the large number of units, stated that they would be in agreement with the program providing the number of units were reduced to the number adopted in S. 1070. This has been agreed to and at the proper time an amendment will be offered to that effect.

It is the full intent of H R. 4009 to extend the benefits of low-rent public housing to nonfarm families living in rural areas who presently live in some of the Nation's worst housing. To insure that this intent shall be carried out, title II on page 42 of the bill provides a 3-year reservation of 10 percent of the authorizations for annual contributions contracts for rural housing. The bill, on page 48, also provides for the transfer of farm labor camps now administered by the Secretary of Agriculture to the Public Housing Administration for use as low-rent housing and authorizes the latter to give preference to and in some cases reserve the projects for migratory agricultural workers and their families at rents which they can afford to pay.

I should like to answer some statements that have been made in regard to room-cost limitations.

At the beginning of this year, a number of local housing authorities requested original contractors to reestimate existing projects on the basis of the cost levels prevailing at the end of 1948. In a spot survey covering some 35 projects in various geographical areas it was found that in readjusting their costs as of the original construction date to our present-day costs of materials and labor, only in the case of 5 out of the 35, or less than 15 percent of the projects that were examined, would it be necessary to use the maximum cost limitation per room as written in the provisions of title II. And that, in two-thirds of the projects examined they could be constructed with a room-cost limitation of somewhere less than $1,750. So it is in error, as has been alleged and stated fallaciously, in using the total over-all maximum figure of $12,500 or $15,000 for a five-room unit, that the total cost of this program would reach a maximum of some $400,000,000.

On the basis of this survey the average cost would be less than $8,500, including, of course, land as well as building costs, and this would vary in different sections of the country, depending upon costs in the various geographical areas.

Likewise, in the consideration of this title we have a basis of experience in which we now have some 152,289 low-rent housing units which require a direct annual subsidy from the Federal Government. We set up in fiscal 1950 the sum of $5,000,000 against what could have been a theoretical maximum of $21,871,284. So all of these claims that this project will reach the maximum figures are utterly false and misleading, because we have a basis of experience of the existing program to make reasonable estimates.

With the amendments in this bill perfecting the security of local housing authority bonds, we expect that the local authorities will be able to obtain practically all their capital financing from private lending sources and that there will be few calls for Federal loans. The availability of Federal advances, however, must be pledged in order to obtain low interest, temporary private loans during construction. This has necessitated an increase in the total loan authorization to $1,500,000,000 from $800,000,000 for the new program and the placing of this authorization on a revolving fund basis.

This requires an additional $700,000,000 for use as a revolving fund. A loan that is repayable.

This item has been carried as an over-all cost item by the opponents of this legislation.

I have already spoken of the fact that the present low-rent public housing program is providing decent homes for low-income families who would not otherwise have adequate housing and that it is in no sense competitive with private enterprise, except the segment of private owners who profit from slum conditions. To further assure that the additional program will benefit only inadequately housed low-income families and that it will not be competitive with decent private housing, H. R. 4009 contains some additional limitations. We require that a gap of at least 20 percent be left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise unaided by public subsidy is providing, through new construction and available existing structures, a substantial supply of decent, safe, and sanitary housing. The local authorities must establish maximum income limits for admission and continued occupancy and must remove from the projects families found in annual reexaminations to be ineligible. We require that tenants be selected in accordance with most urgent housing needs and that there be no discrimination against welfare families.

These provisions, in combination with the requirement that the incomes of families—except for an allowance of $100 per year for each minor dependent—may not exceed five times the rent, provide statutory assurance that the low-rent housing assisted under this bill will be made available only to low-income families who are presently inadequately housed. The $100 allowance for minor dependents, of course, is in recognition of the greater difficulty low-income families with children have in making ends meet and in finding adequate housing.

Families displaced in slum-clearance projects will have preference over other low-income families. Among either group disabled veterans of World War II, families of veterans and servicemen who died from service-connected causes, and other veterans and servicemen shall have preference in the order named.

I am not going to go into detail on the changes in the construction-cost limits, which are fully explained in the committee report. These revisions take into account the increases in construction costs which have occurred since the United States Housing Act was enacted in 1937, make possible the more adequate provision of housing for larger families and recognize that there is no substantial variation in costs between larger cities like Pittsburgh, Pa., and smaller cities in the same areas like McKeesport. I should like to comment on the maximum cost limits established under the bill, since so much comment has been raised concerning them.

The new maximum per-room cost limit is $1,750 per room, exclusive of land and nondwelling facilities, in contrast with the previous limitations of $1,000 and $1,250 per room. This increase is substantially less than the actual rise in building costs which has occurred since 1937. The PHA Commissioner is authorized to increase this limitation to $2,500 in certain unusual high-cost areas. The recent experience of local authorities in high-cost areas has fully demonstrated the necessity of the latitude permitted in this bill if low-income families in these cities are to receive the benefits of this legislation.

Much has been made of the fact that under these limitations a 4-room public-housing unit could cost, exclusive of land and nondwelling facilities, as much as $10,000, whereas the average total cost of a private-rental-housing project receiving the maximum benefits of FHA insurance could not exceed $9,000. First I should like to point out that this maximum cost—and it is a maximum cost which in contrast to FHA-assisted private rental housing would apply only to certain high-cost areas—the general limitations of $1,750 per room would not permit the construction cost of a four-room unit to exceed $7,000. I am quite confident that an analysis of typical FHA rental-housing projects would show that the apartments are not averaging more than four or four and a half rooms. The limitations on annual contributions in this bill, furthermore, would not permit 1,050,000 public-housing dwelling units to be provided at an average total cost, including land and all other facilities, in excess of $8,500 per unit.

The further fact is that projects developed up to the war were built at a total development cost averaging $4,649 per unit, an extremely low figure considering the fact that the projects were generally fireproof and designed for a long economic life, that the costs in many cases included the acquisition and clearance of slum sites and that they frequently covered investments in certain features, like internal utility distribution systems, which have paid big dividends in lower operating costs.

The act requires that the projects shall not be elaborate or expensive and that economy shall be promoted in construction and operation and H. R. 4009 further requires the advance approval by the Public Housing Administration of all main construction contracts.

Altogether past experience and the requirements under the act will assure that the public housing will be built economically. Considering the fact that they must apply to the entire country, the dollar cost limitations are reasonable. Any lower or more restrictive limitations, in my judgment, would either deny the benefits to low-income families in many areas or would so reduce standards of construction as to increase the costs of maintenance and thus the amounts of annual contributions that would have to be paid. A few additional dollars wisely spent in construction will pay for themselves many times over in the savings in maintenance costs.

TITLE III—HOUSING RESEARCH

The whole problem of costs, for private as well as for public housing, is one that requires a separate and coordinated effort under the leadership of the Federal Government. Such an approach is contained in title III of H. R. 4009 which authorizes a comprehensive program of housing research.

One of the primary reasons why Federal financial assistance is needed for the programs which I have just described is the inability of the housing industry over the years to produce housing of good quality at a price or rent within the reach of a majority of families. The high cost has limited the market for new housing to perhaps the top third of the income range and has prevented the development of any effective private enterprise technique for the replacement of worn-out and substandard used housing.

Studies conducted by several congressional committees have made it clear that the lagging progress in this direction stems largely from the complexity of the housing industry and the fact that it is predominantly comprised of small business firms with insufficient resources to undertake the kind of research that has resulted in the impressive technical progress in other industries of comparable over-all size.

The necessity for Federal leadership and assistance in housing research was emphasized by the Joint Committee on Housing. In this connection, I would like to read this brief excerpt as follows:

> There should be provided the basic authority for a program of technical housing research and studies within the Housing and Home Finance Agency to initiate and coordinate research activities aimed at the reduction of housing costs through the development and acceptance of more efficient home-building techniques and methods, and new materials and equipment, utilizing fully existing private and public research and testing facilities and placing special emphasis on promoting the development and adoption of improved and standardized building codes and stanardized dimensions and methods for the assembly of home-building materials and equipment.

These findings have been fully substantiated during the hearings and studies concluded by our committee. They are demonstrated by the fact that there are rows of unsold new houses in key cities over the country because inflated construction costs, high prices, and buyer resistance have kept these houses from finding purchasers. Your committee received evidence that many builders are abandoning or curtailing their operations because of these conditions. This situation, in the face of the continuing needs of several millions of veterans and others for decent places in which to live, epitomizes what has been wrong for many years with our housing situation. The reason we have slums and overcrowding and doubling up is that we have not yet produced homes that enough people can afford to buy or rent.

The most important purpose of the research title is to seek the means of bringing housing costs down to a closer relationship with average consumer incomes and of developing the housing industry more in line with the Nation's large long-range housing needs. The Housing Administrator would be directed to encourage the development of new and improved techniques, materials, and methods which will result in better products at reduced costs and to demonstrate them and promote their acceptance. The present research program limited to building codes and modular coordination would be retained under the pending bill. Also authorized is the development of more precise economic and market data on housing which is badly needed by the industry, communities, and the Federal Government.

What this title does primarily is to provide leadership in housing research which no single element in the industry is able to provide and which is presently lacking in government. The bill contemplates that the Administrator will utilize to the fullest extent existing research facilities available in government, educational institutions, and other nonprofit organizations.

The importance of such a program in reducing costs and thus expanding housing production justify the enactment of this title and the assurance, when annual appropriations are considered, of sufficient funds to permit it to go forward.

TITLE IV—FARM HOUSING

Title IV would deal with a separate and distinct phase of the housing problem—the problem of providing decent farm housing. The urgent need for such a program is stated by the committee, as follows:

> Despite this relatively improved financial position for farming as a whole, a large proportion of our farm families is still unable to obtain adequate housing. The committee is informed that even in 1947 more than 2,000,000 farm families produced farm products valued at less than $1,500. It seems evident that most of these farm families would not be able to improve their housing conditions without financial assistance along the lines provided for in this title of the bill.

Title IV is directed principally to assisting self-sufficient or potentially self-sufficient farmers who are unable other-

wise to provide adequate housing and other necessary farm buildings for themselves or for their tenants, sharecroppers, or laborers.

In the case of a self-sufficient farmer, the assistance would be in the form of 33-year loans, with a maximum interest rate of 4 percent, to finance such improvements. The farmer's equity in his farm could provide the security for the loan.

If, however, the farmer's income was presently insufficient to carry the loan, but if he agrees to carry on a program of farm enlargement, improvement, or adjusted practices that will put him on a self-sufficient basis, the loan could be supplemented by annual contributions, for not more than 10 years, to be applied as a partial credit on debt service on the loan.

While it is not feasible or desirable to finance new permanent improvements on farms which are not presently or potentially self-sufficient, we believe that it is essential to eliminate conditions on such farms which are hazardous to health and safety. Title IV, therefore, provides loans and grants for minor improvements, such as roof repairs, safe water supply, sanitary privies, screens, and building supports which will remove such hazards and protect the occupant's property. The maximum assistance for such purposes to any farm, dwelling, or building may not exceed $1,000 of which not more than $500 may be a grant, and the maximum available to any individual may not exceed $2,000.

The bill authorizes loans which may reach a maximum of $250,000,000 after the fourth year, annual contributions not exceeding $5,000,000 in any year and grants totaling $12,500,000.

The financial aids will be administered through the Farmers' Home Administration in the Department of Agriculture, since they are closely related to other programs of this agency. The Secretary of Agriculture is authorized, in addition, to expand existing technical services to farmers and to conduct a broad research program, both pointed toward more efficient and economical construction of farm houses and buildings.

While the financial assistance authorized in title IV is modest in relation to the farm housing need, it will permit substantial progress to be made in improving conditions on farms.

TITLE V—MISCELLANEOUS PROVISIONS

I take time to mention only a couple of of the miscellaneous provisions contained in title V.

In retaining in H. R. 4009 the authorization to the Bureau of the Census to conduct a census in 1950 and every 10 years thereafter, our committee was fully conscious of the recent action of the House in approving such a census in 1950. Our motive is twofold. First, we have been impressed with the urgency of authorizing the 150 census, because of the huge job of preparation facing the Census Bureau. The authorization contained in H. R. 4009 is the same as that contained in S. 1070, the similar bill which has already passed the Senate. On the other hand, the separate bill passed by the House, H. R. 2203, has not yet been scheduled for consideration on the crowded Senate Calendar. We believe, therefore, that quicker action can be anticipated if this authorization is retained in H. R. 4009.

The second point is that the practically unanimous support given to the housing census justifies the authorization for a periodic census of housing after 1950.

The other provisions which deserve comment are those permitting agencies in the District of Columbia to participate in the slum-clearance and public-housing programs authorized in the bill. By restoring to the National Capital Housing Authority the power to acquire sites for low-rent public housing, section 508 would put this authority on the same basis as local authorities in other cities.

Section 509 would not change the present District of Columbia Redevelopment Act, but would provide an alternative method of financing slum-clearance projects so that the Redevelopment Agency could participate in the benefits of title I of this bill.

In view of the deplorable slum conditions within the shadow of this Capitol Building, it would be most inappropriate for the Congress to deny to the District of Columbia the opportunity to participate on an equal basis in the benefits of legislation applicable to the rest of the country.

Mr. Chairman, the need for this legislation has been demonstrated time after time by studies conducted by the Congress. It has the strong support of citizens' groups, veterans' organizations, labor organizations, civic and professional organizations, and the mayors and other local officials throughout the country. I am confident that this House will respond to the wishes and needs of the people and promptly enact H. R. 4009.

Out of the dust and ashes of the bombed areas of Europe the coming years will see the building of some of the greatest cities the world has ever seen. The new Warsaws, Rotterdams, and Coventrys will rise with majestic grandeur from the devastation and ravages of war. Our Government is helping to make this possible. And while this is happening, are we here in America to witness the gradual decay of our own great cities and the continued development of slums and blighted areas in which no human being should be expected to live? Certainly that is not the American way, and we must show to the world that we can meet this challenge here at home.

STATEMENTS WITH REFERENCE TO SLUM CLEARANCE AND HOUSING NEEDS IN TYPICAL AMERICAN CITIES

(Compiled by Paul V. Betters, executive director, the United States Conference of Mayors)

BIRMINGHAM

The housing and slum-clearance bill up for consideration this week in the House is one of the most vital needs of the cities of our country. We urgently recommend its passage and as president of the United States Conference of Mayors, and in behalf of the United States cities, we respectfully ask of the House that they give this bill their earnest consideration, and we pray for the passage of this act, because from the slum areas of the cities we know crime, communism, and disease thrive and prosper. Housing in many cities is a dire necessity due to crowded conditions, especially in the lower-income groups. Sixty percent of the population of our country live in urban areas today, and we the mayors of the American cities deplore the slums and the housing situation, but financially we can do little without the passage of the housing and slum bill. We appreciate deeply all efforts to eliminate this cancerous growth on our American way of life. (W. Cooper Green, president, United States Conference of Mayors, mayor of Birmingham.)

PITTSBURGH

Pittsburgh desperately needs housing action contemplated in H. R. 4009. Our local housing authority has long had applications pending for 7,000 low-rent homes. Our actual need is much greater. And it is my hope that we will double that figure when the bill is passed. Present new housing in Pittsburgh is not being built within price range of low or even little income families. Only public housing can meet needs of the lower-income groups and wipe out once and for all the slum environment which has been a blot on the boasted American way of life. For private housing developments the urban redevelopment sections of the bill are vital to restore solvency of American cities. Blighted areas must be cleared and rebuilt. We in Pennsylvania are combining State and city action for this purpose, depending on Federal aid to complement our program. I am sure that every public official in the city administration joins me in urging prompt approval of H. R. 4009. (David L. Lawrence, mayor, city of Pittsburgh, vice president, the United States conference of mayors.)

BALTIMORE

Housing bill H. R. 4009 offers best opportunity ever for cities such as Baltimore to carry out badly needed slum-clearance and redevelopment program. Our plans have been under way for a long time and we now urgently need financial assistance provided in H. R. 4009. Provision of adequate quantity of low-rent public housing for families of low income absolutely necessary in connection with slum-clearance and redevelopment program. Housing shortage in Baltimore still acute. Although high home-building rate in Baltimore area last 2 years, new houses started were 6,000 below increase in family formation. Large proportion of dwellings too high priced for most families. Slight increase available rental units does not meet demand of moderate- and low-income groups, either in quantity or in price. Housing authority has about 20,000 applications on file. Over 8,000 new applications received at housing authority last year. Recent survey of applicants shows more than two-thirds have total family incomes below $2,500. Over nine-tenths of all applicants lived under substandard conditions. Fifteen percent of applicants were eviction cases. Poorly housed low-income families in dire need of decent houses constitute bulk of applications on file. Steady flow of new applications is thus good index of continuing need for a decent low-rent public housing in Baltimore. Passage of H. R. 4009 only way to provide for desired goal of slum clearance, redevelopment, and additional good housing for low-income families. (Thomas D'Alesandro, Jr., mayor of city of Baltimore, chairman of standing committee on legislation, United States conference of mayors.)

NEW YORK CITY

The housing shortage in New York City has been one of our most critical problems since the end of the war. Every action open to the city has been taken since January 1, 1946, and we have put under construction the largest program of low-rent housing ever attempted. Despite a record building program, New York City needs the help of the Federal Government to make any real headway in solving its serious problem of housing for families of low income.

The housing and slum-clearance bill reported by the House Committee on Banking and Currency is an excellent bill. It offers real hope of decent homes to the Nation's lowest-income group. New York City is prepared to put its share of housing in planning immediately. We have sufficient construction firms and labor to build at least 10,000 apartments each year of the life of this program, in addition to our present construction program.

New York City recommends approval of the slum-clearance provision now in the House bill. Large areas of slums in New York City need clearance and redevelopment. The bill would permit a large amount of such work which could not be done without Federal assistance.

By passing the pending housing bill, Congress will take a positive step toward solving the housing crisis. (William O'Dwyer, mayor of New York City.)

PHILADELPHIA

The city of Philadelphia is doing everything humanly possible to recreate here the best possible environment for living and working. Because of financial limitations, it will be necessary to have the assistance of the Federal Government if we are to achieve our high goal of civic improvement.

In the program of redevelopment of old areas, Federal assistance will be necessary in helping to meet the cost.

This same assistance must be forthcoming to solve the problem of production of an adequate quantity and quality of housing for all elements of our population, especially for families of low income.

Better housing conditions and slum clearance, of course, would be reflected in the cost of the operation of our police and fire units. Bright, cheerful homes, and adequate space for recreational activities would go a long way toward reducing delinquency among the youth of the city.

The method for giving us the required Federal assistance will be for Congress to determine. (Bernard Samuel, mayor of Philadelphia.)

DETROIT

Housing shortage Detroit City, estimated at 50,000 families lacking own home, living in rooms, trailers, or with another family. Additional 48,000 dwelling units needing major repairs or lacking water or minimum sanitary facilities. Present waiting list eligible families for public housing 8,700 families is highest ever, despite efforts of local authority to discourage applicants. Expressways, slum clearance, playgrounds, and other public improvements already programed expected dislodge 10,000 families next 5 years, of whom estimated 6,000 eligible public housing. In addition 6,500 families in temporary war and veterans' housing to be rehoused. Estimated 40,000 families in Detroit have annual income below $2,000 and additional 70,000 between $2,000 and $3,000. Thus, approximately 100,000 families eligible public housing. Immediate need for low-rent housing conservatively estimated 50,000 families. Now have 5,000 permanent public housing units. Seven thousand three hundred and seventy-six private housing started year ending March 1 were only 45 percent previous 12 months. Total new multiples for rent started were 635. Virtually no rental housing built since war rents below $80 per month, 85 percent of it rents $90 or more, median rent available homes over $100. Slum-clearance program essential to preserve city's tax base. City plan commission has designed 2,520 acres in need redevelopment. Present annual average tax revenue $864 per acre. If privately redeveloped would yield $2,304. Increase would pay city's third net project cost in 10 years. Public housing 10 percent shelter rent in lieu would amount to $700 per acre. Redevelopment 80 percent private, 20 percent public housing, would pay city's share costs in 12 years. Data juvenile delinquency, health, fire costs, and so forth, and more detailed data of above summary has been transmitted to our Congressmen. (Mayor Eugene I. Van Antwerp.)

SAN FRANCISCO

San Francisco housing shortage still acute. No exact data available but vacancies hard to find anywhere in bay area. San Francisco Housing Authority waiting list 3,521; 7,700 temporary dwellings and 1,750 low-rent dwellings fully occupied. Housing authority has removed over half of families ineligible because of incomes over income limits; is removing more each month. San Francisco real-property survey, 1939, revealed approximately one dwelling of every six was substandard. Ratio today probably about the same. Low-rent-housing market analysis, 1945, showed approximately 26,000 families in need. Housing authority contemplated 5,000 new low-rent dwellings if housing bill enacted. This housing essential to relocated families living in areas scheduled for redevelopment. Redevelopment areas expensive to acquire and clear. City will need Federal loans and capital rent subsidies to enable private enterprise to rebuild in blighted areas. San Francisco planning and housing asscociation, citizen's group 1947, compared same-size good and bad neighborhoods. Studies showed the following: Bad neighborhood, 100 juvenile delinquents; 762 public welfare cases; 4,771 adult arrests. Good neighborhood, 17 juvenile delinquents; 38 public-welfare cases, 39 adult arrests. Bad neighborhood had twice the fires, 36 times as many tuberculosis cases; 66 times as many city hospital cases; 3 times as many babies died. Municipal service in bad neighborhood cost $750,000; in good neighborhood $86,000. Tax revenues from bad neighborhood were $370,000; in good neighborhood, $543,000. Bad neighborhood is in area designated for redevelopment. San Francisco Board of Supervisors passed resolution endorsing H. R. 4009, Housing Act of 1949. (Elmer E. Robinson, mayor of San Francisco.)

BOSTON

Please record my wholehearted support of H. R. 4009 which it is expected will reach the House floor this week. Boston is 300 years old and possibilities of clearance of substandard areas and erection of new housing for low-income families with Federal aid would be a boon to this city. These twin problems are so great that this city cannot solve its problem alone. The Federal Government with broader tax base is better equipped to give substantial help. Conservative estimates indicate 50,000 substandard homes in Boston out of 210,000 dwelling units or 24 percent, with depreciation and obsolescence growing daily. In this city 14,000 dwellings now standing were built before 1860. Thirty-seven thousand built before 1880, 80,000 or 38 percent, built before the turn of the century. Only one family out of five owns its own home, making Boston a city of rent payers. Whole areas of the city are in need of clearance, replanning, and redevelopment. Boston Housing Authority in receipt of 21,200 applications for tenancy between VJ-day and November 1948, at which time applications were shut off because of utter inability to offer hope to sorely pressed citizens, great majority of which are veterans with young families. Ten thousand new families formed in this city between decennial censuses of 1930 and 1940 with 10,000 marriages above average in 4 war years. Vacancies practically nonexistent here. Courts are clogged with eviction cases and are authorized by legislation to grant up to a year leeway before families are required to vacate. I have authorized expenditure of $20,000,000 city funds for housing and State program in Boston authorizes an additional $48,000,000, which, together only begins to solve the problem. Boston can use many millions of Federal aid to help in solving its problem. Urge the honorable, the Members of the House to pass H. R. 4009 substantially as written. Would, however, request that construction cost limits, which finally made United States Housing Act of 1937 unworkable, not be included in legislation. Better that such limits be tied to regional construction costs limits or left to administrative discretion. This is an excellent opportunity for the House to enact legislation to provide homes for good Americans, and thus bulwark the Nation against inroads of atheistic communism which nurtures where poor housing conditions exist. (James M. Curley, mayor of Boston.)

CHICAGO

Following resolution was passed by the city council memorializing Congress to enact Housing Act of 1949:

"Whereas the city of Chicago faces an acute shortage of housing accommodations for its many citizens; and

"Whereas the lack of adequate housing is a continual threat to the health and well-being of many of our citizens; and

"Whereas the people of the city of Chicago have expressed their determination to assist to the limit of their financial ability in the construction of new housing and eradication of slum areas; and

"Whereas the mayor's program for housing, approved by the City Council of the City of Chicago, calls for liberal Federal assistance in carrying out this program: Be it therefore

"*Resolved*, That the city council do hereby endorse House bill No. 4009, known as the Housing Act of 1949, which provides (1) Federal aid to localities for the clearance of slums in blighted areas; (2) Federal assistance for a low-rent public-housing program; (3) an expanded program of housing research designed to stimulate new methods of construction; and, (4) a farm housing program; be it further

"*Resolved*, That copies of this resolution be sent to all of the Congressmen from the Chicago district." (Martin H. Kennelly, mayor.)

CLEVELAND

Cleveland's housing shortage continues in severity particularly among low-income families. Four thousand five hundred families of veterans of World War II still currently contacting our municipally operated veterans housing service. Three thousand temporary housing units cannot be removed until decent housing is available to occupants. Thousands of substandard houses in slums cannot be demolished until dwelling available for present occupants. Acres of slums cannot be cleared for private redevelopment under our master plan and our State urban redevelopment law unless realistic provision for construction of housing for low-income occupants can be planned. Practically no private rental housing being constructed and houses constructed for sale are in $9,000 or over class. Passage of H. R. 4009 imperative for our community before it can clear its slums, making housing available for low-income families, remove temporary structures, and relieve housing problems of deserving veterans. (Thomas A. Burke, mayor of Cleveland.)

PORTLAND, OREG.

Portland population increase of over 49 percent since 1940, and the disastrous flood of 1948 which wiped out over 5,300 public-housing units then fully occupied, have combined to make the housing need here acute. Over 7,000 units of temporary housing are still fully occupied with long waiting list. We estimate the greatest need is for houses under $5,000 which private industry is not interested in producing. Maintenance of community living standards requires that adequate provision for housing of the low-income groups be made through immediate

passage of pending Federal legislation. (Dorothy McCullough Lee, mayor of Portland, Oreg.)

MILWAUKEE

Estimated need for 5,000 additional units in Milwaukee to ease housing shortage. Estimate additional 35,000 units needed to replace substandard units. Approximately 20,000 units should be low rent. Without Federal aid it is impossible to build housing for those families which are low income. In 2 weeks' time received almost 4,000 active applications for 578 units of veterans' permanent housing, also have received almost 1,000 applications for 232 low-rent slum-clearance units. City has almost exhausted its own resources in building veterans' permanent housing. Seventeen thousand veterans' applications on file with Red Cross bureau. Approximately 30 percent of city is blighted. Average weekly wage of skilled labor about $60, meaning worker can afford only $6,000 home. Lowest cost house at present level about $7,000, effectively blocking individual ownership because banks won't lend. Private rental units are $90 monthly and up. Greatest need in $50 to $60 bracket. Private builders not interested in slum clearance unless with Government subsidy. Present vacancy rate about four-tenths of 1 percent. (Frank P. Zeidler, mayor of Milwaukee.)

KANSAS CITY

Kansas City has at present no public-housing program. We are greatly in need of such enabling legislation. Housing authority and city plan commission estimate need for 4,500 units low-rent public housing. Kansas City's blighted areas cost city approximately 45 percent of city service costs and contribute only 6 percent real-estate-tax revenue. It is estimated 33 percent of population resides in blighted areas which account for five times city average of TB cases, 6 times the juvenile delinquency cases, 3 times the fire calls, and 10 times the police calls above the city average. Sixty-nine and nine-tenths percent of commitments to local penal institutions are of persons residing in these areas and 74 percent of all new parole and probation cases are from same districts. (Mayor William E. Kemp.)

CINCINNATI

Housing shortage here dangerous and unabated so far as low-income families are concerned. Overcrowding in this group at all-time high. Need estimated at four or five thousand low-rent public housing units during next few years. Our public health federation studies show white mortality in our slums three times higher for tuberculosis, pneumonia, and home accidents than in rest of city. In one of our slum-clearance projects, Laurel Homes, tuberculosis, pneumonia, infant mortality rate, crime rate, and fires per 1,000 dwellings less than for city as a whole. (Albert D. Cash, mayor.)

SEATTLE

Recent Seattle market survey completed this year by city and University of Washington shows 14,750 substandard units in Seattle proper of which 5,300 are tenant occupied by families of two to six persons. Recent study by Seattle Housing Authority based on figures revealed in market survey sets need for units to rent under $40 per month, conservatively, at 8,839. In contrast to this need, survey conducted early this year by VFW shows that of 261 units one to three rooms advertised for rent 74 percent rented for $50 or more while of 241 units four to six rooms 94 percent rented for $60 or more. Our authority still receiving 120 applications weekly on average from veterans unable to afford market price for decent housing. In light of these facts, need for slum clearance to wipe out substandard housing and construction of housing for low income appears obvious. (William F. Devin, mayor, city of Seattle.)

MINNEAPOLIS

Four years after the war the housing shortage still exists in Minneapolis. Many examples of suffering and crowding still remain. The office of the Housing Administrator has a backlog of 2,200 applicants for housing. Sixty percent of these applicants are members of the marginal income group, with an annual income below $3,000. Ceiling prices of old homes have not decreased sufficiently for members of this group to make purchases, nor are they capable of buying new houses. The city welfare department with many indigent and others unable to command housing, is hard put to find shelter for those on relief. Families of six and eight people are often housed in hotel rooms.

Veterans' groups are grateful for the temporary housing which was established in Minneapolis. However, the discomforts of such housing are more evocative of wartime life than the years of peace. Upon these veterans will fall the continued problems of housing unless permanent housing is provided for them and other people in Minneapolis.

Three thousand six hundred and seventy persons now occupy temporary housing units; 2,045 of this group are children, inheritors of the suffering indigenous to life among the prefabs and temporary housing units.

Between 1,000 and 2,000 low-rent housing units are needed in Minneapolis. The import of the term "low rent" is best exemplified in the statistics of a survey made by the Minneapolis Housing and Redevelopment Authority. The surveyed area included a blighted section on the near north side of Minneapolis. A income group pays $38 per month rent in this area; B income group pays $30, and C income group, comprising one-fifth of the entire group, pays $21 per month. However, slum clearance cannot be effected without appropriate plans in hand for the establishment of low-rent housing units in the area cleared. Such a program of clearance and of redevelopment is hamstrung in Minneapolis by the lack of Federal funds. The tragedy of this situation is that substandard dwellings will have to remain to provide shelter. Such inadequate shelter has always been the breeding ground of juvenile delinquency. Families who live in such homes are highly susceptible to disease, just as they also become susceptible to criminal activities. Poor housing leads in part to increased cost in maintaining penitentiaries. Three statistics on the Sumner field housing project show that since the establishment of the project the number of fires in the area decreased one-third. Dollar loss per fire decreased between 1940 and 1948 to $36 per fire, as compared to $193 in the area previous to redevelopmnt. Police cost in the area dropped 90 percent. Prof. Stuart Chapin of the Department of Sociology at the University of Minnesota in his survey of the project in 1940 pointed out that people living in the Sumner field units developed twice as much social participation in the civic affairs of the neighborhood and city. This increased not only the moral tone of the city but the lives of these people. This comparison was made in terms of the people occupying substandard shelter in surrounding blighted areas.

The need for low-rent housing should be considered primarily in terms of the American principle of preserving American family life. Home life is the basis of family life, and the destruction of family life spiritually and materially has too often been caused in the years since the war by inadequate dwellings. (Eric G. Hoyer, mayor.)

ATLANTA

The city of Atlanta is vitally interested in the passage of a comprehensive housing and slum-clearance bill. There is still great need for housing in the low-income class both white and colored. Also there are still large slum areas which need clearance in the central and semicentral portion of the city. There are thousands of applications for the housing units we now have which cannot be filled. Quite a number of apartment buildings have been built in Atlanta under FHA loans, but they are too far out in the suburbs to serve our working people and those of moderate income. Also the rents are completely above the low-income class. The city of Atlanta has great need for an additional program of slum clearance and low-cost housing. (William B. Hartsfield, mayor of Atlanta.)

TOLEDO

We cannot too strongly emphasize the importance of legislation assisting cities with the elimination of slums and construction of housing for persons of low income. Today the most valuable areas in Toledo from the standpoint of facility and proximity to the center of activity are occupied by slums which create real problems in law enforcement and health. (Michael V. DiSalle, mayor, city of Toledo.)

MEMPHIS

Because the central portion of Memphis is traversed by five major bayou systems the adjacent areas invited construction of poorest type of shelter. Most of the so-called housing was provided more than 40 years ago and represents nearly 14,000 units unfit for repair in an area of more than 7 square miles. No slums have ever been cleared here except through public improvements and building of five public housing projects. Believe private enterprise would cooperate in redevelopment if slum sites could be made available at reuse values. Memphis needs at least 7,000 low-rent public-housing units and should apply for at least half that number if present legislation is enacted. The existing public housing program of 3,300 units is divided 28 percent for white and 72 percent for Negro occupancy and future programs, based on need, should be apportioned likewise. (Watkins Overton, mayor, city of Memphis.)

MIAMI

Our city commission has endorsed by resolution Senate bill 1070 and H. R. 4009. Consider its passage paramount; its defeat a calamity to this community. Recent survey 2 principal Negro slum areas reveals 9,500 families in slum dwellings, 6,000 of whose incomes are so low as to require public housing large projects. Public housing for Negroes on vacant land must precede slum-clearance undertaking, making housing available to displaced families. Also large segments white population here living under slum conditions. This community pleads for favorable House action H. R. 4009. (Robert L. Floyd, mayor of Miami.)

NEW HAVEN

The city of New Haven is urgently in need of a large number of low-rental units. This can be achieved by the passage of housing and slum-clearance bill—H. R. 4009—which comes up for vote on Tuesday, June 21, 1949. In behalf of the people of the city of New Haven, may I strongly urge the House to vote favorably upon this bill. (William C. Celentano, mayor of New Haven.)

HARTFORD

The city of Hartford, Conn., has urged consistently the passage of Federal housing legislation to assist city governments in their slum-clearance and redevelopment programs. This city has a program of slum clearance and redevelopment planned, anticipating the enactment of Federal legislation. I sincerely hope that the House of Representatives will approve Federal legislation without delay. (Cyril Coleman, mayor of Hartford.)

LINCOLN

Local housing authority of Lincoln has applied for 700 low-rent public units. 1940 census showed 7,000 substandard dwellings in Lincoln. A housing shortage exists here

particularly in middle-class income bracket. (Clarence G. Miles, mayor, city of Lincoln.)

BUFFALO

Regarding H. R. 4009 and Buffalo housing need. Housing inventory and population end of 1948 shows 14,000 families in excess of total dwelling unit. Estimated 30,000 families living in substandard areas of which estimated 14,000 within incomes too low for known private housing market. Local housing authority operates 2,570 permanent low-rent units. One hundred percent occupied. Average annual income tenants taken in last 6 months, $2,004. More than 6,000 applications on file. Reaffirm local authority estimate of minimum need 5,000 additional public low-rent units as presented to Federal Public Housing Administration in 1945. (Bernard J. Dowd, mayor of Buffalo.)

GALVESTON

Housing shortage still acute here especially large low-income families. Urgently need 2,000 or more low-rent units. Slum clearance and public housing as in 4009 would certainly improve general health conditions, fire hazards, end crime incidence. Juvenile delinquency would receive staggering blow under improved family living conditions. Present program proves these points. Bill badly needed, we urge quick passage. (Herbert Y. Cartwright, Jr., mayor of Galveston.)

GARY

Gary needs a minimum of 500 low-rent public-housing units to empty the basements, attics, and other substandard, unhealthy places occupied by families of low income. Comparative figures conclusively show that police, fire, health, and sanitation department cost less per family in our public housing than in our slums. Independent study shows that there are fewer criminals, fewer illegitimate children, fewer juvenile cases, fewer broken marriages, better school grades, and better workers in families rehoused in public housing than those in our slums. I urge the passage of H. R. 4009. (Eugene Swartz, mayor of Gary.)

PROVIDENCE

Providence program for slum clearance and redevelopment requires passage of H. R. 4009 to provide low-rent housing for displaced families of low income. Vital programs for new highways, playgrounds, industrial sites, as well as slum clearance are being delayed by a housing shortage. (Dennis J. Roberts, mayor of Providence.)

NORFOLK

Acute shortage exists here respecting housing accommodations at rentals within the reach of vast majority of our people. Concern of commandant of Fifth Naval district is indicative of the general situation. Recent survey by commandant discloses 2,347 Navy personnel in Norfolk area who desire to bring their families to this area but who are unable to do so because of housing shortage; 3,077 families of Navy personnel in this area now occupying trailers, rooms, and other inadequate housing.

Estimated minimum need for low-rent public housing, 3,000 units. Nineteen hundred and forty housing census revealed 9,000 substandard units occupied by Negroes, 6,000 substandard units occupied by whites. While there is no later survey available, this situation has certainly not improved. City now plagued with many blighted areas which we hope to eliminate progressively through redevelopment and public-housing projects.

Norfolk's interest in slum clearance and public housing evidenced by recent appropriation of $25,000 to the Norfolk Redevelopment and Housing Authority for a study, planning, and programing. Low-rent public housing in Norfolk efficiently operated, but grossly inadequate in scope. Administrative heads of health, fire, and police departments, and judge of juvenile court, report a very high rate of disease, delinquency, and crime in slum areas with correspondingly high servicing costs and very favorable demonstration of effectiveness of public housing. Study made in 1937 of certain slum areas comprising 1 percent of our total area and containing 14 percent of our population showed that the cost of city services in those areas exceeded the tax returns therefrom by $750,000. City vitally interested in passage of a comprehensive housing bill embracing public housing and urban redevelopment. (Pretlow Darden, mayor, Norfolk.)

ST. PAUL

The housing condition in St. Paul is still acute. I cannot see that there is any improvement, and there are indications that it is getting worse.

The high cost of construction and the lack of proper financing facilities and arrangements have made it practically impossible for a family in the low-income bracket to build or purchase a new home.

There is no rental property available to the low-income group, and families with children have a difficult time in renting any home at any price.

We have hundreds of people living in converted stores and office buildings, and many living in our cheap loop hotels under conditions that are far from desirable. These people are compelled to pay fantastic rentals as much as $210 a month for a family of seven, including five children, for two little rooms without private toilet facilities.

Our welfare board, on a check of 23 welfare families, is paying an average of $137.50 per month per family for rent alone, to keep them in these cheap hotels.

The quonset huts, which were to provide temporary housing for the returned veteran, are more in demand than ever, and we have a long list of emergency applications from veterans who have no better housing facilities for themselves and families.

We are looking forward to the passage of Federal legislation which will ease the situation by making possible low-rent public housing.

The slum areas are a disgrace to the city, and in many cases are a health and social menace. We had over 4,000 units before the war that were unfit for human habitation. These units have been increased in number, bringing practically no revenue by way of taxation, and costing our city a substantial amount of money to maintain. We can see no way of correcting this situation, other than through the enactment of a slum-clearance program by our Congress.

I do hope that the Eighty-first Congress will give us some help on the matters mentioned herein, and would appreciate being advised by you as to the progress of the housing legislation now pending. (Edward K. Delaney, mayor.)

DALLAS

Regarding general housing bill, H. R. 4009, in December 1944 Dallas filed an interim application for 2,800 additional low-rent public housing dwelling units which represent a small portion of present need. Conservative minimum estimate of substandard dwellings now 40,000. It is further estimated that a minimum of 10,000 additional families live under overcrowded conditions, doubling up in single-family dwellings. Greatest housing need in Dallas is for rental units under $50 for families of low income and modest income. Reduction of excessive expenditures for municipal services to slum areas and reduction of basic causes of disease, crime, fires, and juvenile delinquency can be effected by participation in proposed program offered in H. R. 4009. (Roderic B. Thomas, city manager, city of Dallas.)

LOUISVILLE

The housing situation in Louisville is still very acute for low-income families whose budgets will not permit the payment of rent between $30 and $50 per month without utilities. We have approximately 5,000 applications from veterans for 567 units of temporary veterans' housing. All of these apartments are presently filled. We have 3,004 units of public housing, all of which are filled, and our lists show a backlog of approximately 2,500 applications for public housing. Of these two lists in excess of 500 families have been evicted and are presently living with relatives or friends under dangerously overcrowded conditions, or have received eviction notices and are unable to find a place to move into within their means when the eviction becomes a reality.

Families who are doubled up because they cannot afford to pay rent for such housing as is presently available are conservatively estimated at several thousand. The larger part of these families are ineligible for public housing but are looking for a home to buy or rent as soon as private enterprise can supply it within their means. No actual survey has been made but one is contemplated. But based on the applications for veterans' temporary housing and public housing in which we have actual information as to their incomes, we estimate conservatively that Louisville needs approximately 1,500 units of public housing for whites and Negroes, and several thousand units of housing to be provided by private enterprise for rent at $40 to $75 per month with utilities, and for sale with a small or no down payment at prices from $5,000 to $7,000.

Just prior to the building of our first public housing project in Louisville in 1935 our planning and zoning commission made a survey of 12 city blocks in a slum area, which were subsequently cleared, and found that police, health, fire, and other city services in that area cost the city $65,000, whereas it collected approximately $14,00 in taxes. (Charles P. Farnsley, mayor of Louisville.)

A PETITION TO THE HONORABLE HOUSE OF REPRESENTATIVES OF THE UNITED STATES OF AMERICA

Whereas our cities do not have enough decent dwellings to house our people; and

Whereas cities have many slum areas which are detrimental to the health and welfare of the citizens and a financial blight as well; and

Whereas neither our cities alone nor with the aid of private enterprise have yet been able to provide sufficient housing or clear our slums.

Therefore, through the American Municipal Association, we petition the House of Representatives of the United States of America to take immediate favorable action on H. R. 4009, the national housing bill.

Allentown, Pa., Hon. Donald V. Hock, mayor.
Atlanta, Ga., Hon. W. B. Hartsfield, mayor.
Augusta, Ga., Hon. W. D. Jennings, mayor.
Bethlehem, Pa., Hon. Robert Pfeifle, mayor.
Biloxi, Miss., Hon. G. B. Cousins, Jr., mayor.
Cambridge, Mass., John B. Atkinson, city manager.
Camden, N. Y., Hon. George E. Brunner, mayor.
Chattanooga, Tenn., Hon. Hugh P. Wasson, mayor.
Cincinnati, Ohio, Hon. Albert D. Cash, mayor.
Columbia, S. C., Hon. Frank C. Owens, mayor.
Corpus Christi, Tex., Hon. Leslie Wasserman, mayor.
Denver, Colo., Hon. Quigg Newton, mayor.
Detroit, Mich., Hon. Eugene I. Van Antwerp, mayor.
Durham, N. C., Hon. Dan K. Edwards, mayor.
Flint, Mich., Hon. George G. Wills, mayor.
Gary, Ind., Hon. Eugene H. Swartz, mayor.
Hartford, Conn, Hon. Cyril Coleman, mayor.
Hoboken, N. J., Hon. Fred DeSapio, mayor.

Kansas City, Mo., Hon. William E. Kemp, mayor.
Lackawanna, N Y., Hon. John J. Janega, mayor.
Los Angeles, Calif., Hon. Fletcher Bowron, mayor.
Louisville, Ky., Hon. Charles P. Farnsley, mayor.
Madison, Wis., Leonard G. Howell, city manager.
Memphis, Tenn., Hon. Watkins Overton, mayor.
Miami, Fla., Hon. Robert L. Floyd, mayor.
Milwaukee, Wis., Hon. Frank P. Zeidler, mayor.
Minneapolis, Minn., Hon. Eric G. Hoyer, mayor.
New Haven, Conn., Hon. William C. Celentano, mayor.
New Orleans, La., Hon. DeLesseps S. Morrison, mayor.
New York, N. Y., Hon. William O'Dwyer, mayor.
Norfolk, Va., C. A. Harrell, city manager.
Oakland, Calif., Hon. Joseph E. Smith, mayor.
Passaic, N J., Hon. Paul G. Demuro, mayor.
Paterson, N. J., Hon. Michael U. DeVita, mayor.
Richmond, Va., Hon. W. Stirling King, mayor.
Rockford, Ill., Hon. C. H. Bloom, mayor.
Saint Joseph, Mo., Hon. Henry D. Allison, mayor.
Saint Louis, Mo., Hon. Joseph M. Darst, mayor.
St. Paul, Minn., Hon Edward K. Delaney, mayor.
Seattle, Wash., Hon. William F. Devin, mayor.
Stockton, Calif., Hon. Angelo Sanguinetti, mayor.
Syracuse, N. Y., Hon. Frank P. Costello, mayor.
Toledo, Ohio, Hon. Michael V. DiSalle, mayor.
Waterbury, Conn., Hon. Raymond E. Snyder, mayor.
Wichita, Kans., Hon. William C. Salome, Jr., mayor.
York, Pa., Hon. Felix S. Bentzel, mayor.

Respectfully submitted by the American Municipal Association on behalf of those whose names are listed above.

CARL H. CHATTERS,
Executive Director,
American Municipal Association.

JUNE 20, 1949.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BATTLE. Mr. Chairman, recently the following deputies from the National Assembly of Panama visited our Congress: The Honorable Felipe O. Perez, the Honorable Luis Raul Fernandez, the Honorable Norberto Zurita, and the Honorable Aquilino Boyd.

During their visit these deputies presented to the Speaker a scroll bearing greetings from the National Assembly of Panama. A translation of those greetings is as follows:

[Coat of arms of Panama]

[Flags of Panama and the United States]

To the Congress of the United States of America, greetings:

Whereas the Honorable Deputies Felipe O. Pérez, Raúl Arango N., Aquilino E. Boyd, Luis Raúl Fernández, Bernardino González Ruiz, and Norberto Zurita are traveling to the United States of America on an official mission of this assembly;

Whereas advantage should be taken of this circumstance in order that the afore-mentioned honorable deputies may carry a message of cordiality from the National Assembly of Panama to the Congress of the United States of America, the National Assembly of Panama—

Resolves to express its desire that the Congress of the United States of America may achieve the greatest success in its legislative labors, for the satisfaction of the people of the United States and the general benefit of the cause of America.

Panama, May 7, 1949.

ARCADIO AGUILERA O.
The President.

ROMUALDO MORA P.,
The Secretary.

[Embossed seal of Republic of Panama.]

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, nothing can be more authoritarian or communistic than political ownership or control of human shelter. People willing to live in houses owned by any political unit, local, State, or Federal, become in the very nature of things pawns in the hands of politicians. The votes of persons occupying so-called low-rent housing, as provided in previous legislation and as proposed in the pending bill, can be almost tabulated before they are cast.

Testimony was given before the committee, as shown in the hearings—page 569—that Langdon W. Post, a regional director of the Federal Public Housing Administration on the west coast, in his book, Challenge of Housing, referred to public housing as a "new brand of political fruit which has enormous possibilities for exploitation."

Further, that Charles Abrams, while consultant to the United States Housing Authority, admitted in his book, Revolution in Land, that—

Public housing is a great field for political intrigue and offers many opportunities of personal advantage of the unscrupulous.

Further, that Mr. Abrams is still an aggressive proponent of public housing and frequently quoted by administration leaders in recent Senate debate, wrote in the New York Post, January 19, 1949:

The New York City Housing Authority looms as the big plum in the political orchard, and the politician who dominates the housing authority controls the city's political destiny.

Within a few years the families in housing projects will be nearly 10 percent of the city's total (that is New York City) and the investment of the authority will exceed $2,000,000,000 with all this means of construction contracts, patronage, and other rewards to the worthy. Selection of sites enables carving out blocks where hostile voters are numerous and then retenanting the project with those who vote right, while tenant relocation of vacant areas could change a whole neighborhood's political complexion overnight.

In my minority report on this measure I briefly describe a first-hand experience of my own with the sordid use to which this scheme is being put. That consisted of a brazen attempt in 1938—I was mayor of Marion, Ohio, and a prospective candidate for Congress at the time—to use a million dollars of taxpayers' money to buy outright the reelection of the incumbent Member of Congress from my district, in the guise of providing low-rent housing for poor people of that city.

This deceptively termed low-rent housing is the darling of the left-wing forces who are striving to substitute a politically planned and controlled economy for a natural or voluntary economy; for the supplanting of private laissez-faire with political laissez-faire, the private profit motive with the political profit motive, exchange of services effected by reciprocal self-interest which is the source of mutual justice and the very foundation of civilization with politically dictated exchange of services which is the basic device for plundering the producing group; in a word, the police or barbarian state for a contractual and civilized order.

This bill calls for the construction of 1,050,000 low-rent dwelling units which obligates the producers of the Nation in taxes to the amount of $16,000,000,000.

Proponents of this bill contend this sum would not be needed, that the amount of taxes actually required would not exceed more than two-thirds or three-quarters of the $16,000,000,000 (see majority report, p. 20). They base this claim on past experience in the financing of housing under the United States Housing Act of 1937. This is a spurious assumption. Only experience with this particular measure could possibly tell us whether or not all of the $16,000,000,000 would be needed. Since it would be necessary to appropriate $16,000,000,000 of taxes to provide a market for the securities to finance the construction of the projects common honesty demands that a like amount would have to be placed on the debit side of Treasury's ledger.

This is an ominous proposal even if the money cost did not exceed ten or twelve billion dollars considering the additional power the Federal political authority would acquire to that which it already exercises over practically all phases of the home-building industry, such as the provisioning of materials, construction, financing, cost, and so forth, of dwellings, and their disposition; the control over rental property which it exercises over about 14,000,000, or approximately one-third of all the dwelling units in the United States, which in effect has dispossessed their rightful owners of their title to them, such rights as remain being contingent rights and dependent upon existent and future political power; and, finally, bearing in mind that the producers of the necessaries of life are already bearing a tax burden that is annihilating risk capital, the very matrix of free enterprise and progress.

But what is even worse is the fact that passage of the pending bill would revive and give strong impetus to the program, which, according to its promoters envisions the construction of many millions of politically owned dwelling units at a

money cost so vast as to be beyond human comprehension and the absorption by the political profession of an enormity of economic power.

I have repeatedly stated that the United States Housing Act, of which H. R. 4009, is essentially but an extension, is a most deceptive and dishonest piece of legislation, and I now again so state. The designation "low-rent public housing" is a false designation. The houses built under the United States Housing Act of 1937 and those that would be constructed under title II of this bill can in no sense be considered as low-rent dwellings. The rents actually charged to the occupants may or may not be low in comparison with rents generally charged, but everyone knows that is not the whole story.

Assuming the testimony of the proponents of this measure with respect to the cost per dwelling unit is correct, the bill provides for subsidies amounting to an average of $380.95 per year per dwelling unit. And this does not take into consideration all of the subsidies. The fact is that instead of them being low-rent houses they are outrageously high-rent houses exceeding anything this Nation ever dreamed of. This will be better understood when it is realized that the average rent paid by tenant families in the United States in 1947 was only $352.

The principal spokesmen for political housing persist in reiterating that this falsely designated low-rent housing is available only to the lowest income group, that is, to slum dwellers and the poorest people generally. Mr. Thomas A. Danahey, former president of the Detroit Housing Commission, was an outstanding exception. He forthrightly stated the facts when he said:

> In the first place, it must be made clear that they will not be rented to slum residents or welfare clients. The tenants in these buildings will be people with definite minimum incomes and to be eligible to move in they must prove that their incomes are steady. There seems to be an impression that the slum residents are going to take the buildings over. Such is not the case.

Of course, it was no accident that the alleged definition in the law of eligibility was made just about as flexible as the average political promise. The scheme was deliberately devised to provide rental housing only for families having an income and credit rating so high as to disqualify slum dwellers and the poorest people generally from having access to it. There is more political spoliation to be had from housing families with substantial incomes than there is from housing the poorest people.

An outstanding example of the deception practiced to sustain the claim that this so-called low-rent housing is available only to slum dwellers, and the poorest people will be found in a publication entitled "The Seven Myths of Housing," written by Nathan Straus and published in 1944. Mr. Straus was formerly Administrator of the United States Housing Authority and one of the principal authors of the United States Housing Act of 1937. He also played a leading role in the writing of the amendments to the United States Housing Act contained in the pending measure, H. R. 4009. If you have any doubts about this, read his book, above referred to. In fact the same old crowd that contrived the United States Housing Act of 1937 and wheedled it through Congress is also the principal author of the pending bill and the main force behind its passage. Whoever has followed this movement can see Leon Keyserling, Vice Chairman of the President's so-called Council of Economic Advisers, sprawled all over it. On page 10 of Straus' work will be found a table showing that 92.4 percent of the families occupying so-called low-rent housing were from the lowest-income third. As will be seen in the footnote on the page above referred to, the classification of incomes was an arbitrary one devised by the United States Housing Authority under the direction of Mr. Straus himself, and showed the lowest-income third as less than $1,200.

Why did not Mr. Straus use the classification of incomes put out by the National Resources Planning Board which he says on page 225 of his book was "an organization of experts?" Simply because the picture would have been quite different than the one he painted.

Using that classification which gave $780 as top figure of the lowest income third, I showed in testimony given before the House Committee on Banking and Currency, as appears in the CONGRESSIONAL RECORD, July 24, 1939, page 13827, that only about 17 percent of the families eligible for occupying the dwellings in the projects from which I was able to obtain the pertinent information were from the lowest income group and those were from the uppermost part of it. More than 80 percent of the remainder had incomes in excess of those of the lower third, and some had incomes which put them in the top income third. I should mention that these data were worked up from material pertaining to eight housing projects in New York, Texas, and Florida. The housing authorities over these projects were the only ones from whom I was able to obtain this material, though I requested the same from many other local housing authorities.

One of the most blatant deceptions contained in the pending measure is that which attempts to make Members of Congress and the public believe that the source of funds for the construction of the housing projects would be different in kind if the local housing authority raised the money than would be the case if the Treasury provided it.

In section 204 we read under the caption "Private financing":

> SEC. 22. To facilitate the enlistment of private capital through the sale of public housing agencies of their bonds and other obligations to others than the Authority, in financing low-rent housing projects, and to maintain the low-rent character of housing projects.

Mr. Raymond M. Foley, Housing and Home Finance Administrator, accompanied by John Taylor Egan, Public Housing Commissioner, before the House Committee on Banking and Currency, April 7, 1949, made the following statement:

> By various amendments to the financing provisions of the United States Housing Act, title II, would make it possible to carry out substantially all the permanent financing of projects through the sale of local housing authority bonds to private investors rather than through borrowing from the Federal Government.

The above provision in the pending measure and the statement of Mr. Foley are intended to imply that the funds obtained through the sale of bonds by the local housing authorities represent private capital, whereas the funds obtained by the Treasury through its issues do not represent private capital. Furthermore, the way the proponents of this measure put this proposition would convey the idea that the funds raised by local housing authorities would represent risk capital. Surely those not familiar with the procedures involved would be inclined to place these interpretations.

This is astounding, to say the least. Is there any other source from which funds can be obtained for the construction of any public building than that of private capital? And if the intention is to convey the impression that the private capital would be risk capital it is a fraud of the first order.

The procedures involved in financing the construction of this falsely designated low-rent housing are so beclouded by the intervention of the Federal Public Housing Administration, the so-called local housing authorities and annual Federal contributions as to make them obscure. Equivocation was necessary to promulgate some decidedly false beliefs. One of them is that local housing authorities are independent and locally owned entities, whereas they are owned de facto by the Federal political authority the same as post offices and other Federal structures, local housing authorities being but dummies of the Federal Public Housing Administration which is itself but an agency of the Federal political authority. Another is that the source for the financing of the housing projects is different in kind when securities are sold by the local housing authorities than would be the case if they were sold by the Treasury, which upon analysis will be shown to be wholly illusory. It is the Treasury that raises the money to pay the interest on and amortize the construction costs of the projects. In the final analysis, this bill, H. R. 4009, in unmistakable terms provides for the financing of the full cost of the housing to be built under it by the United States Treasury. There it is in the bill and will not be disputed by any person having respect for the truth.

It is to the United States Treasury that purchasers of bonds to finance the construction of the projects look for their interest and repayment of capital, not to the local housing authorities. Give to the provision in the bill pledging annual contributions amounting to $400,000,000 over a period of 40 years totaling $16,000,000,000 its proper designation by substituting the word appropriations for that of annual contributions

and it becomes clear that the procedure resolves itself into a Treasury transaction pure and simple.

The pending bill provides, page 35, beginning line 6—

That in any event such annual contributions (appropriation) shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding 12 months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security.

Mr. John Taylor Egan, Public Housing Commissioner, testified before the House Committee on Banking and Currency, as shown on page 62 of the hearings, that the cost of the 1,050,000 dwelling units proposed to be built under this bill would be approximately $8,900,000,000. On the basis of financing this cost at the going Federal rate of interest, 2½ percent, over the 40-year period, the $16,000,000,000 would more than meet such cost by approximately $800,000,000.

It is of the utmost importance to recognize the fact that the capital, $8,900,000,000, for constructing the projects would have to be raised by deficit financing, that the public debt would be increased by that amount, but that this would not appear on the Treasury statement. The debt would be hidden, which is accomplished by the ingenious device of issuing the bonds against the so-called local housing authorities instead of the Treasury. If a private person did a thing of the kind he would be sent to the penitentiary.

Because of its political character, this so-called low-rent housing scheme can by no stretch of the imagination be expected to eliminate the slums of the Nation because it does not remotely touch their cause. On the contrary, it can and it will have the effect of impoverishing the Nation and aggravating the very condition its proponents claim to cure. All history shows that politics is essentially a destructive force and tends ever toward the degradation of society and free enterprise, which is the one and only source of social and economic progress.

The funds for the construction of the dwellings would have to be expropriated out of private savings, which if left to those who created them would be used to benefit society. If confiscated, as H. R. 4009 provides, those savings, in the nature of things, would serve the interests of politicians and injure society.

This measure violates every equitable principle of taxation. Though it is unfair to taxpayers generally, the poorest people receive the unkindest cut of all. The latter, considering their economic status, bear a proportionately heavier burden of consumer and other taxes than do those who are eligible to occupy these politically owned houses. Out of their meager income the poorest people must pay tribute for the cost of constructing such dwellings, and to subsidize the rents of families with incomes higher than their own, some as high as $12,000. Notwithstanding, the poorest people are deprived from occupying those houses. Could anything be more antisocial and more heinous?

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. One thing that is brought out very clearly and is evidence everyone can understand is that these Public Housing Authority bonds are to be sold with a yield of 2 percent or less. A yield of 2 percent or less is only obtained from Government bonds. These are essentially Government bonds because the Federal Government pledges the annual contributions to be used by the Federal authority to pay the interest and to retire these local authority bonds. If the gentleman will look at the rate of 2 percent or less on these bonds, which it is anticipated the bonds will bear, he can see they must be Government bonds and can be nothing else.

Mr. SMITH of Ohio. I appreciate the contribution.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. ELSTON. I notice the gentleman referred to the fact that the statement was made that possibly all of the money authorized by this bill might not be used and might not be required. Does the gentleman know of any instance since his service in the House, or before, when the Federal Government asked for an authorization, then did not use it?

Mr. SMITH of Ohio. It would be pretty hard to find an instance of that kind.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS. For about 10 years we have been meeting every year, sometimes semiannually, and have voted money for housing which total many millions or billions of dollars I presume up to this time. I should like to know from the gentleman whether there is any collation in groupings that the gentleman can put in the RECORD to show how much we have appropriated during these years for this kind of work? Especially I am interested in the time when Mr. Wilson Wyatt was working on this proposition. A great fight was made at one time to give Mr. Wilson Wyatt wide opportunity, yet his program flunked out entirely. He went back to Louisville, from where he came. I would like to know when we are going to quit appropriating this money? The best way to determine that for me is to know how much we have appropriated.

Mr. SMITH of Ohio. Those figures are available and I think they could be put in the RECORD.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Illinois.

Mr. CHURCH. The Appropriations Committee is definitely bypassed on this bill, is it not?

Mr. SMITH of Ohio. The gentleman is correct.

Mr. CHURCH. Only the administrative small amount of money may be appropriated by the Appropriations Committee, is that right?

Mr. SMITH of Ohio. For administrative purposes. The gentleman is correct.

Mr. CHURCH. Does the gentleman anticipate that interest on the bonds will ultimately have to be appropriated by the Appropriations Committee?

Mr. SMITH of Ohio. Well, the $400,000,000, the so-called annual Federal contribution is an annual element of appropriation. Those are annual appropriations.

Mr. KUNKEL. But the Appropriations Committee is just as much obligated to make that appropriation as it is to make appropriations to pay the interest on the Federal debt because the credit of the United States Government is pledged for this as it is pledged back of all Government bonds.

Mr. SMITH of Ohio. That is precisely so.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, we have known for a long time that this country faces a major problem of slums. Investigation after investigation has shown that our slums are growing and that our cities are running down hill.

Figures compiled by the Bureau of the Census show that over 5,000,000 families live in urban slum areas. The results of these conditions are twofold. Of first importance is the fact that the slums are draining our human resources—the most valuable asset of the Nation. Second, they are draining the lifeblood of our cities, threatening their solvency and preventing them from fulfilling their role in the national economy.

Take my own city of Newark, for example. In one slum area at least three out of every four dwelling units are in need of major repair or lack a private bath. The area has the highest rate of overcrowding in the city and over half of its housing accommodations are in structures built before 1900.

This is the section of the city which over a 5-year period had a record of 165 juvenile delinquents, compared with 1 for a corresponding area characterized by good housing conditions. Similarly, the mortality of infants less than a year old was at a rate of 36 in the slum area compared to 1 in the good residential section. Data on the incidence of tuberculosis, communicable disease, fire losses, crime, and other social ills follow similar patterns. It is not necessary to recite the details; they are the same for all cities the country over which have slum and blighted areas—and nearly all of them do. The figures merely high light the social losses in terms of human values that accompany bad housing and bad environmental conditions.

At the same time, these slum areas are a heavy financial drain upon municipal budgets. They cost a city far more for municipal services than they yield in tax revenues. I illustrate again from my

own city of Newark because I know it best. In 1946, the same slum area that I mentioned before cost the city about $380 per year per dwelling unit, which is the excess of expenditures over revenues on the average. The good area, on the other hand, netted the city some $420 in tax revenues over and above the cost of servicing that housing. The picture is the same if measured on a per capita basis. Data for other areas and other cities differ only in degree. The basic pattern is the same everywhere.

Clearly cities cannot continue to finance these deficit areas indefinitely and remain solvent. Their progressive decay must be arrested and reversed as promptly as possible. Further delay only means that the slums to be cleared will be larger, the local resources for the clearance job will be diminished further, and the losses to business, to Government, and more especially to the people both within and without slum areas will be increased. Because of the size of the job and the length of time it will take, a start must be made as soon as possible.

There is one point I should like to make clear in connection with urban redevelopment. Although decent homes should be provided for present slum dwellers, it does not necessarily follow that slum areas should be redeveloped with public housing. On the contrary, there is good reason to believe that a large part of these areas can be redeveloped by private enterprise and this is the principle behind title I of H. R. 4009.

For several reasons, slum land costs too much for private enterprise to acquire it, clear off the old buildings, and redevelop it in line with the most desirable uses. Under this legislation public funds would be made available for the acquisition, clearance, and the replanning of these areas. The land then would be made available for redevolpment at prices commensurate with its new use, with the loss from this operation being absorbed by Government. The Federal Government would assist local communities in two ways. First, it would provide repayable loans, up to $1,000,000,000 over a 5-year period, to enable the local communities to finance slum acquisition, clearance, and replanning. Then it would provide grants, not to exceed $500,000,000, over a 5-year period, to share with the local communities, on a 2-to-1 basis, the loss which they would incur in acquiring and clearing the land and making it available for redevelopment at prices which would be attractive to private enterprise and in line with sound reuse of the land.

The Joint Committee on Housing found that, if anything was to be done to clear up these slums, the Federal Government would have to assist the local communities. The best evidence is that, although urban redevelopment legislation exists in half of our States, it is largely inoperative because of the lack of adequate funds. Even where a start has been made, as in Detroit, city officials have testified that they will be unable to go beyond the present limited program because of lack of financial resources. According to a subcommittee report, 42 out of 45 mayors in States having urban redevelopment legislation said that Federal assistance would be necessary. The 2-to-1 matching basis for grants was arrived at as probably the most equitable formula in consideration of the mutuality of interest and the respective financial abilities of the Federal Government and the localities.

H. R. 4009 recognizes the close relationship which exists between slum clearance and housing, although the two programs are actually separate. The bill obligates local communities to assure the availability of adequate housing for all families who will be displaced by slum clearance. It is specific in requiring that temporary housing and eventually permanent housing, which is decent, safe, and sanitary, be provided for all these families, including those belonging to minority groups, at rents and prices they can afford to pay and accessible to their places of employment. This is the link which joins the slum-clearance and housing programs. It calls for a statesmanlike approach to the urban-redevelopment problem on the part of the local communities. It will involve reliance in some cases on public housing, in the redevelopment areas or elsewhere, to meet the needs of the lowest income families. It will call for reexamination of the plans for the locality's development to fit the required rehousing into the over-all pattern of the community. This will be especially necessary in cities like Newark, for example, where vacant sites are scarce and expansion of the urban area is difficult.

Obviously, to do this planning and to meet these requirements, without causing undue housing hardship to displaced families, will take time. Also time-consuming is the process of land acquisition—another step that must be taken before actual rebuilding of blighted areas can take place. We all know that this job must be done and H. R. 4009 makes available the wherewithal for getting started. The aids it provides will not do the whole job but it does permit a beginning to be made and the time for that beginning is already long overdue.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, poverty is a disease that destroys orderly government. Emperors and kings, lords and dictators have fallen under the impact of poverty. But this cancerous growth does not attack only kings and emperors; Fascist and Communist governments as well as republics and democracies fall prey to its disastrous effects. So I welcome this debate. America recognizes the disease of poverty and its implications. The debate in this House I hope will bestir the people of our Nation to action.

The great issue, Mr. Chairman, is not, shall it be done; the great issue is, how shall it be done.

This bill offers one plan by which an attack may be made. There may be other plans, but this, Mr. Chairman, is the bill which we are debating today.

Speakers before me have outlined generally the contents of the bill, so I will not take a great deal of time, Mr. Chairman, in analyzing the various sections of the bill. In passing, however, I do want to comment on the slum clearance provision. As mentioned here before, this morning, the slum clearance provision of the bill will permit localities to clear the slum areas not only within the municipality, but the periphery of the municipal limits areas may be cleared and may be held by the city, not only in fee simple, but in perpetuity and those areas may be leased for time without end.

So, these slum areas may or may not be redeveloped as gentlemen preceding me have said, into low-rent housing units.

Another very interesting thing in connection with the clearance of slums came to light in our committee. As an illustration I want to point out the so-called slum area known as Marshall Heights nearby Washington. Marshall Heights has been cited as an example for slum clearance. I understand that Marshall Heights is inhabited by colored people. These people own their homes, or at least a large percentage of them do. A large percentage of them, with their own hands, built homes upon the land which they had purchased with their meager savings. These people have added stick by stick and stone by stone and with the toil of their own hands built homes so that they might have a place to live. Now well-meaning people are saying that we must clear these slums. They may not meet certain standards of safety or sanitation, but these people have a pride in the ownership of their particular homes.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. PHILLIPS of California. It is a curious coincidence that I came into the chamber holding in my hand the proof sheets of the hearings before the subcommittee on independent offices appropriations on Marshall Heights, in which not only is what the gentleman saying admitted by representatives of the local planning commission, but it is also admitted that what would happen is that either these residents who own their own property would be pushed farther and farther out, or they would be required to take the $150 or the several hundred dollars which they would get through condemnation proceedings and apply that on a new home as a first payment and then have a large mortgage. That is what they would have in exchange for private ownership under the American system.

Mr. COLE of Kansas. I thank the gentleman for his contribution.

In that connection, remember that these are colored people. These people must find homes in which to live in Washington or nearby. It is not an easy thing, once you restrict them or take from colored people an area in which they are living, to find a place for them.

One other phase of the bill I want to discuss briefly is the farm-home proposition. You know that this bill provides for loans for farm homes. It provides for loans to those farmers who have an adequate farm but do not have enough cash on hand with which to build a house if they find themselves living in unsafe or unsanitary homes. So we provide a

loan for 33 years at 4 percent interest. But the second provision is that the farmer who is operating a potentially adequate farm may borrow money if it is found that this potentially adequate farm can be made an adequate farm—how? By adding to it, if you please, or by buying other land or through improved farming practices. The point in that connection being that the Secretary of Agriculture, if a farmer does borrow money, may then contract with that individual and tell him how he must farm that land for the next 10 years; tell him what he can plant, what farm practices he must follow. In fact, the Secretary of Agriculture will entirely control the operation of that farm.

In addition to that, the Secretary of Agriculture may credit against the loan all of the interest payments, may cancel half of the yearly principal payments, and, in addition, grant a moratorium for such length of time as he may deem necessary.

One other plan is provided in connection with the farmhouses. Five hundred dollars is proposed to be given to about 50,000 farmers in this country. For what is that $500 to be given to them? A hand-out to be given to those farmers to buy screens, to put a roof on their home, to build an inside Chic Sales instead of an outside Chic Sales, to do other things necessary to improve the farm which, under the terms of this bill, is not adequate, is not even potentially adequate, and which has no possibility whatsoever of becoming adequate.

So I say that this farm section of the bill provides for an uneconomic, unsocial advancement of the situation in the farm areas which is not at all proper.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield.

Mr. AUGUST H. ANDRESEN. I might note in passing that some of the greatest men of our country have lived under circumstances where they did not have all of these modern facilities. There are a couple of things that I would like the gentleman to explain. One is this: We have had tens of thousands of G. I.'s and others who have purchased homes at anywhere from $8,000 to $15,000. Do they get any subsidies under this bill?

Mr. COLE of Kansas. No.

Mr. AUGUST H. ANDRESEN. So they are excluded?

Mr. COLE of Kansas. Yes.

Now, I want to proceed to the low-rent housing feature, because the low-rent housing feature after all is the real issue in this case.

The Federal Government provides loans to local housing authorities to build residences. Those residences are leased to tenants whose average income is $175 a month. A tenant, in order to qualify, must live in an unsafe home or an insanitary home, or an overcrowded home, or must not have any home at all, or must be about to be put out of the home without any fault of his own, or he must be living in a home which will be destroyed by a slum-clearance or a low-rent housing area. Those are the qualifications of tenants in the low-rent housing units. The tenant pays whatever amount he can afford to pay, based upon his income. I say "based upon his income." It is based upon his net income after certain deducts are permitted. That income need not be by the labor of the tenant. He may be the recipient of an inheritance of $75,000, and receive $1,875 a year, and he could live in these low-rent units.

The Federal Government pays the local authority the difference between what the tenant can pay and the economic rent. In other words, the difference between what it costs to operate the low-rent housing unit, the amortization of the debt, and what the tenant pays.

For the following reasons I object to the low-rent housing plan:

The first objection is that it is privileged and discriminatory housing.

Secondly, it will not clear the slums.

Third, the poorer folks will not be housed under this program.

Fourth, it builds a tremendous political machine.

Fifth, it violates the rights of the minorities.

Sixth, it is excessive in cost, and there are no brakes on the excessive cost.

Seventh, it tends to destroy private homes and private business.

And eighth, it tends to destroy our form of government.

In this country there are approximately 6,100,000 families living in substandard homes—6,100,000 families, if you please. In addition, 300,000 families are living, according to Mr. Foley, the Federal Housing Administrator, in overcrowded homes. This bill will provide, after the compromise which I understand has been agreed to, for 810,000 homes. So about one out of six or seven families in this country are to receive this privileged home. I say, what are you going to do about the other five or six? Are we going to now say that they must be housed? And if so, let us be honest about it. Let us not talk about this bill costing five billions or ten billions. For if we house all those people, the cost will run into the hundreds of billions. Let us find out exactly where we are going. Let us not talk about housing even 1,000,000 families or 2,000,000 families, or 4,000,000 families. Here are 6,500,000 families. Are we going to house them? The proponents should let us know about it and tell the truth about this.

It is discriminatory as to areas, States, and municipalities which will not be able to come under the terms of the bill. Right now in Miami, Fla., there are more low-rent public-housing units than there are in Kansas City or St. Louis; there are none in my State of Kansas. As you follow the operation of the present law you will find that that situation is true over the country; that not only in States, in counties, in cities, but even on the same street there are inequalities. John Jones living right next to Pete Smith, receiving exactly the same amount of income, living in exactly the same sort of house, living in an overcrowded, unsafe, insanitary home, tries to get into a public-housing unit but is unable to. Why? Because Pete Smith beat him to it, and because Pete Smith knew somebody who helped him out, so Pete Smith gets the low-rent public-housing unit. And John Jones pays part of Pete Smith's rent.

Secondly, this will not clear the slums. Remember, this program provides for two separate and distinct projects. The first is a slum-clearance project that has nothing whatsoever to do with low-rent housing. As a matter of fact, the gentlemen on the other side of the aisle who preceded me have said that; they have said they would clear the slums, but that low-rent houses probably would not be built on the cleared area, that probably they will want to build the low-rent houses elsewhere; and that is exactly what is happening and has happened. The people who are interested in this bill are the people who are interested in building low-rent houses for their own purposes and not for the purpose of clearing slums.

The Washington metropolitan area has built 240 low-rent housing projects since 1935, 66,597 apartments; yet the slum dwellings and the alley dwellings that were here in 1935 are here today; the same pictures that were taken in 1935 to prove that we needed to house the dwellers of the slums were used before our committee to show our committee that we should house the dwellers of these slums. "Nineteen billion dollars and 7 years from now we shall see those in the Washington slums will be doing business at the same old stand," says Harold Taylor, in Barron's National Weekly. I ask: Why not require these people to eliminate a comparable slum unit at the same time that they build a low-rent public housing unit? I am answered that if that were done the people whose homes were demolished would have no place to live. It does not need to be done at the same time, but you can exact a guaranty or a contract that if a municipality enters into a low-rent housing project they must within a reasonable time in the future eliminate and eradicate slums. Will those people who want this bill agree to such an amendment? No. Why not? Because they are interested in only one thing, and that thing is to obtain the benefits, politically and otherwise, which are obtainable through low-rent public housing.

The poorer folk, the people who are in the lowest bracket of income, will not be benefited by this bill. The average income of the occupants of these low-rent housing units is $1,875 per year. I refer you to page 67 of the hearings. It is conceded that the lowest income families have little opportunity to enter into these low-rent housing units; as a matter of fact, it is families receiving less than $1,000 a year who are now living in slums who need this housing, but not more than 6, 7, or at most 9 percent of them will have a chance to take advantage of the low-rent public housing. So it is not a housing program for the poor of America.

This bill builds a tremendous political machine. I am not exactly sure what the percentage of the population is that voted at the last election, but we all know it was a small percentage. We also know, Mr. Chairman, that any group which controls a small minority, if it is a compact group, is able to drive through

their political machine to any sort of victory if they care to do so.

Here are some of the statements that have been made in connection with the political implications of the public-housing bill. Mr. Charles Abrams, who has been quoted here before, today writes in the Post Home News Housing Authority, refers to the New York Housing Authority, a part of which is controlled by Republicans. He is not talking about Democrats, and when I say the bill will build up a political machine, I do not mean necessarily it might build a Democratic machine any more than it might build a Republican political machine. He says that the Housing Authority in New York looms as a big plum in the political orchard, and the politician who dominates the Housing Authority controls the political destiny of that city.

What else is said in connection with this matter? Mr. Post, whose book the gentleman from Ohio quoted a moment ago, said:

> This last plum is a new brand of political fruit which has enormous possibilities for exploitation. Imagine the golden opportunities latent in a $500,000,000 housing program in New York City. Commissions, profits, fees, jobs, and finally, apartments for at least 200,000 voters. It is a bonanza beyond the wildest dreams of the most optimistic politician.

Mr. Chairman, this bill tends to destroy private homes and private business. The other night I had the pleasure of appearing on a radio forum before an audience and I made the statement that this bill tends to destroy private homes and private enterprise and I got a few boos. But if you analyze what happens in connection with this bill you will find it does tend to destroy private homes. Why? It takes from the people the desire to live in a private home, it saddles a huge tax upon them, and as these burdens pile one upon the other, finally, those people who have been careful and have attempted to save, so that they might have their own homes, will find those homes disappear.

In addition to that, there is this further thought: If we house the 1,050,000 people, provided for in this bill, why do we not house the others? There are other people, 20 percent of the population, receiving less than $1,600 per year. If we house the 1,050,000 families, why not house the rest of them? When we finally do that the snowball has rolled on down the hill until it engulfs everybody in the whole of the United States.

Then finally, Mr. Chairman, it tends to destroy our Government. I am not one who says this bill is socialistic or that it is communistic. But a very interesting thing is that in 1928, before either the Democratic or Republican Parties thought about it, the Communist Party of America included public housing in its political platform. Today the Soviet Government has in its constitution, article 6, a provision that the homes of the laboring people shall belong to the state.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. COLE of Kansas. Mr. Chairman, it is rather sloppy thinking to object to this proposal by merely saying it is socialism and let it go at that; on the other hand I think it is sloppy thinking for the other side to say, well we are doing many other things which may be socialism, so why not pile this on top of the other? Unless we can point out what this proposal does, then we should not charge that it is socialism. Remember, as we continue to advance Government ownership, as we continue political control, and as we continue the excessive tax burden, there is a very definite possiblity that the way of life we have known in this great Republic will disappear. I think that is something for us, in our more sober moments, to consider when we vote upon this bill.

Mr. Chairman, I should like to quote briefly from another Kansan, General Eisenhower, upon that subject, who said:

> Because the kind of dictatorship under which we may fall today is not that brought off by means of a coup d'etat and a suddenly seized power by using the Army and Navy and guns to put us all in a strait-jacket. There is a kind of dictatorship that can come about through a creeping paralysis of thought, readiness to accept paternalistic measures from the Government, and those paternalistic measures are accompanied by a surrender of our own responsibility.

Now, there is a slender, almost indistinguishable thread running through this entire bill. That thread is Government control of the individual family life, the individual home, the individual. Read the bill carefully from the beginning, the declaration of policy, through the slum-clearance proposition, through the low-rent plan, down through the research program and, finally, to the farm housing, in which the farmers are regimented, and you will then find, Mr. Chairman, that this thread may become so strong as to strangle the people of America.

People have said, "You object to the bill. Do you have an alternative?" Yes, Mr. Chairman; I have an alternative. America has become great because we are a Republic designed by our forefathers. This Republic became great because the Government gave to the people the tools with which to do the job for themselves, not to be dependent upon the bounty of a paternalistic Government.

The civic clubs of America, the churches of America, and the labor unions of America, the real-estate people, all classes, even the Congressmen, have a duty and a responsibility to meet this problem of poverty and disease. Yet it must be met in such a fashion that the people will not be throttled; that they may not lose their heritage.

So, Mr. Chairman, we do have a responsibility. We do have an opportunity, but that opportunity does not require us to yield to the Government the homes of our Nation.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I noted that my distinguished colleague who just preceded me, by a slip of the tongue, referred to "dwell slummers." I do not know whether he meant "swell slums" or "swell drummers," and I am sure an analysis of his speech will not show that either. It will show, however, that he has given to you today every argument that has been urged upon us by every lobbyist against the bill including the real-estate boards, the chambers of commerce, and all of those vested interests that do not want anything done to clear our country of its slums and do not want anything done to provide the lowest income groups of our country with decent places in which to live.

One of the arguments you heard a moment ago was that public housing is political housing, and he quoted, or purported to quote, from the remarks of a gentleman who writes for the New York Post. That misquotation, deliberate or otherwise, has been rampant ever since the Senate began its hearings on the bill we are now considering. I placed in the record of the hearings before our committee a complete answer to that misquotation. The statement was attributed to Mr. Charles Abrams of the New York Post. The answer appears at pages 392 and 393 of the hearings conducted before our committee. I placed in the RECORD today a letter from Mr. Abrams which is a complete refutation of the charge that he or anyone else has ever referred to public housing as political housing.

The fact of the matter is that in the State of New York we have two different public housing authorities. In the city of New York, which is controlled by the Democrats, we have a very fine housing authority. No one has charged it with running any of its projects political-wise, or attempting to fill it with tenants or persons who vote as members of the Democratic Party. Statewide we have the New York State housing authority, controlled by the Republicans. There, too, no one would dare point a finger of accusation and say they are trying to fill their projects with persons who vote as Republicans.

It should be perfectly obvious that this is a bipartisan measure. The men who are supporting it in both Houses are good Americans. They are not Socialists or Communists. They are liberal-minded men with the interests of their country at heart.

Mr. Chairman, one of the principal arguments advanced by the opposition against this bill is that it is a big-city bill. They say that this bill will benefit only the big metropolitan areas.

Actually, the bill includes specific language which provides a tested, and an administratively sensible, means of assuring that the benefits will not be so confined. The bill specifically provides that not more than 10 percent of the funds provided, either for slum clearance or for low-rent public housing, shall be expended in any one State. The opposition deliberately ignores all past experience under a similar limitation in the 1937 legislation. They actually attempt to use this limitation as an argument for the proposition that the entire benefits of the slum clearance and the public housing titles of the bill will be confined

to 10 large cities in 10 large States. For example, in response to a question during the hearings before the Committee on Rules, the ranking minority member of the House Banking and Currency Committee said that the benefits of this bill would go primarily to 10 large cities in 10 large States.

Mr. Chairman, this contention is manifestly inconsistent with the plain facts of previous experience.

I will now answer that charge.

The specific provisions of title II of the bill requires that 10 percent of each amount of annual contributions authorizations becoming available must be reserved for a period of 3 years for use with respect to projects to be located in rural nonfarm areas.

Let us evaluate, against past experience, the current charge that this bill will benefit only 10 big cities. It is often said that there is little new in the world, and perhaps that is true here. The United States Housing Act, which first provided for low-rent public housing, was under consideration by the House of Representatives 12 years ago. On page 9244 of the CONGRESSIONAL RECORD for August 18, 1937, there appears the following colloquy:

Mr. WOLCOTT. It [the bill] has two purposes. The elimination of the slums, and the providing of low-rent housing for people who would otherwise have to live in the slums.

Mr. MAY. How many cities would really be materially affected?

Mr. WOLCOTT. New York City, Boston, Philadelphia, Pittsburgh, Cleveland, Cincinnati, Detroit, Chicago, and quite a number of points west.

So you see that 12 years ago the same contention was being made that this kind of legislation benefits only the big cities. But what has been the experience under that earlier legislation? Let me tell you.

Under that 1937 legislation, there are at present a total of 268 localities with low-rent public housing projects, only 72 or 27 percent are in large cities. One hundred and ninety-six of those 268 projects—more than 70 percent of the total—are in localities having a population of less than 100,000. There are 7 in localities having a population of less than 2,500. Thirty-six are in localities having a population between 2,500 and 10,000. Sixty-one are in localities having a population of from 10,000 to 25,000, and 92 in localities having a population of from 25,000 to 100,000.

Here are the names of just a few of the big metropolitan cities in which low-rent public housing projects have been made available under that 1937 legislation: Fairfield and Tarrant, Ala.; Glendale and Mesa, Ariz.; Conway, Ark.; Antioch and Martinez, Calif.; Sanford, Fla.; Albany, Ga.; East Moline and Madison, Ill.; Frankfort, Ky.; Annapolis and Frederick, Md.; Biloxi, Miss.; Fayetteville, N. C.; Ambridge and Wayne, Pa.; Baytown, Tex.; Hopewell, Va.; Black Diamond and Port Angeles, Wash.; Martinsburg and Mount Hope, W. Va.

Is that big-city legislation? You will find the same limitations in the bill we are considering now.

I ask the Members of the House to remember that the same argument that is currently being advanced against this bill was made 12 years ago in 1937. I ask you to judge the merit of this argument that this is a big city bill by the actual experience and the facts which I have just cited.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MULTER. Mr. Chairman, I have before me at the moment a communication from the American Municipal Association, dated June 20, 1949, urging the enactment of this legislation. Here are the big cities that want this legislation and the names of their mayors who urge it:

Allentown, Pa.: Hon. Donald V. Hock, mayor.
Atlanta, Ga.: Hon. W. B. Hartsfield, mayor.
Augusta, Ga.: Hon. W. D. Jennings, mayor.
Bethlehem, Pa.: Hon. Robert Pfeifle, mayor.
Biloxi, Miss.: Hon. G. B. Cousins, Jr., mayor.
Cambridge, Mass.: John B. Atkinson, city manager.
Camden, N. J.: Hon. George E. Brunner, mayor.
Chattanooga, Tenn.: Hon. Hugh P. Wasson, mayor.
Cincinnati, Ohio: Hon. Albert D. Cash, mayor.
Columbia, S. C.: Hon. Frank C. Owens, mayor.
Corpus Christi, Tex.: Hon. Leslie Wasserman, mayor.
Denver, Colo.: Hon. Quigg Newton, mayor.
Detroit, Mich.: Hon. Eugene I. Van Antwerp, mayor.
Durham, N. C.: Hon. Dan K. Edwards, mayor.
Flint, Mich.: Hon. George G. Wills, mayor.
Gary, Ind.: Hon. Eugene H. Swartz, mayor.
Hartford, Conn.: Hon. Cyril Coleman, mayor.
Hoboken, N. J.: Hon. Fred DeSapio, mayor.
Kansas City, Mo.: Hon. William E. Kemp, mayor.
Lackawanna, N. Y.: Hon. John J. Janega, mayor.
Los Angeles, Calif.: Hon. Fletcher Bowron, mayor.
Louisville, Ky.: Hon. Charles P. Farnsley, mayor.
Madison, Wis.: Leonard G. Howell, city manager.
Memphis, Tenn.: Hon. Watkins Overton, mayor.
Miami, Fla.: Hon. Robert L. Floyd, mayor.
Milwaukee, Wis.: Hon. Frank P. Zeidler, mayor.
Minneapolis, Minn.: Hon. Eric G. Hoyer, mayor.
New Haven, Conn.: Hon. William C. Celentano, mayor.
New Orleans, La.: Hon. deLesseps S. Morrison, mayor.
New York, N. Y.: Hon. William O'Dwyer, mayor.
Norfolk, Va.: C. A. Harrell, city manager.
Oakland, Calif.: Hon. Joseph E. Smith, mayor.
Passaic, N. J.: Hon. Paul G. Demuro, mayor.
Paterson, N. J.: Hon. Michael U. DeVita, mayor.
Richmond, Va.: Hon. W. Stirling King, mayor.
Rockford, Ill.: Hon. C. H. Bloom, mayor.
St. Joseph, Mo.: Hon. Henry D. Allison, mayor.
St. Louis, Mo.: Hon. Joseph M. Darst, mayor.
St. Paul, Minn.: Hon. Edward K. Delaney, mayor.
Seattle, Wash.: Hon. William F. Devin, mayor.
Stockton, Calif.: Hon. Angelo Sanguinetti, mayor.
Syracuse, N. Y.: Hon. Frank P. Costello, mayor.
Toledo, Ohio: Hon. Michael V. DiSalle, mayor.
Waterbury, Conn.: Hon. Raymond E. Snyder, mayor.
Wichita, Kans.: Hon. William C. Salome, Jr., mayor.
York, Pa.: Hon. Felix S. Bentzel, mayor.

Mr. Chairman, I do not know and care less whether they are Democrats or Republicans. They speak for 45 cities in 27 States. Calling them Communists will not defeat this bill. Only four of these cities can be classified as among the larger cities of the country. Yet this bill is labeled big-city legislation.

New York City and New York State want this legislation, but if they do not get it, they are going to get along without it.

But here is what you will be missing. I have in my hand the current report, the fifteenth annual report, covering the year 1949, of the New York City Housing Authority. You talk about taking property off the tax rolls and depleting the income of States and municipalities. Here is the result of 15 years of experience in the city of New York on these projects. I quote from the report:

Again in 1948 the public-housing program proved a good investment for the taxpayer. Despite the fact that partial tax exemption remains one of the chief ways by which the public supports the program, public housing does pay a considerable part of its own way. A record $2,281,167 in taxes and payments in lieu of taxes was returned to New York City by the housing authority in 1948. That sum represents one-fifth again as much as the city collected on the same property before it was acquired for public housing.

That means a 20-percent increase in tax revenue to the city, the State, or the Nation which is brought about by clearing your slums and housing those who cannot afford it. That is a mighty good financial investment quite apart from all that goes along with these projects in eliminating juvenile delinquency and decreasing crime and improving the health standards of our country.

Mr. Chairman, it has been said that there is no need for this bill, and that there is no need for any low-rent public housing. The real-estate lobby contends that it is not needed because private enterprise can and will meet the housing needs of all our people.

I do not for 1 minute believe, nor do I believe that the Members of the House believe, that this is anything but the rankest sort of propaganda on the part of the real-estate lobby. I do not think that the members of the real-estate lobby themselves believe it. There is plenty of evidence that they do not.

Again, let us evaluate, against past experience, this current claim that private enterprise can and will provide adequate housing for low-income families who now live in the slums. Let us go back, for just a moment, to 10 years ago. Let us look at the hearings on the 1939 amendments to the National Housing Act. On page 156 of the printed hearings of the House Banking and Currency Committee on H. R. 3232, Seventy-sixth Congress, you will find some evidence of whether the members of the real-estate

lobby really believe this claim that private enterprise can and will provide adequate housing for low-income families who now live in the slums.

Let me say here it matters not whether the public-housing project goes onto the identical land where you remove the slum. It is enough benefit to the entire community if you wipe out the slum. It matters not whether the new public-housing project goes there or in a better location.

You will find an interesting exchange between the distinguished gentleman from Texas [Mr. PATMAN] and the executive director of the United States Savings and Loan League, Morton Bodfish, one of the most blatant spokesmen for the real-estate lobby. Mr. PATMAN asked Mr. Bodfish if he was familiar with a certain publication put out by the United States Savings and Loan League. Mr. Bodfish replied that he was familiar with it, and that it was "an advertising appeal" to savings and loan institutions suggesting how they might best spend their advertising dollars.

It is there in the printed record for all to see. That little "advertising suggestion," put out by the United States Savings and Loan League, said:

> Who is your market? (People make markets.) The "top half" families make the best market. What are "top half" families? "Top half" families are families with incomes over $1,446 per year, and the "bottom half" families are families of incomes less than $1,446 per year. * * *
>
> The "top half" comprises 50 percent of the United States families and 70 percent of the buying power. The "top half" spends 63.7 percent of all money spent for shelter.
>
> Housing loans are your business. Savings are your business.
>
> How about the lower half? It's a market you don't want. * * * Food and shelter alone eat up 74.6 percent of their incomes. They can't save. They can't buy homes. So forget the bottom half.

Now that is a very frank and candid statement. Bear in mind that this document is an admonition to lending institutions as to how they might best spend their advertising dollars. It says that these families with incomes of $1,446 per year in 1939 cannot save money and cannot buy homes. It therefore says—very frankly and as a straightforward business proposition—that lending institutions should not invest their time, energy, or advertising dollars on families in the lower half of the income group—families with annual incomes of less than $1,446.

Today, it would take about $2,500 to buy what $1,446 bought in 1939. So Mr. Bodfish of the United States Savings and Loan League has been telling the lending institutions to forget about families with incomes of $2,500 and less—they cannot save money and they cannot buy homes.

Let us evaluate, against this very candid, business proposition of one of the recognized spokesmen of the real-estate lobby, the contention that private enterprise can and will provide adequate housing for families of low income and that public housing therefore is not needed. Let us see how this compares with the annual incomes of the families actually served under the present low-rent housing program.

The CHAIRMAN. The time of the gentleman from New York [Mr. MULTER] has again expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MULTER. I thank the gentleman from Kentucky.

The real-estate-lobby spokesman today, Mr. Bodfish, says frankly as a straightforward business proposition that lending institutions should not invest their time, energy, or advertising dollars on families in the lower half of the income group, families with an income of less than $1,446 of 10 years ago and less than $2,500 of today. That very candid business proposition indicates to you, as it does to me, I am sure, that the contention that private enterprise can and will provide adequate housing for families of low income cannot withstand analysis.

When you make a comparison of the figures, when you realize that these people who are earning $2,500 a year or less today in the larger communities and $1,500 a year or less in the smaller communities, cannot possibly compete with those who are in the market, who are willing to buy houses that are being built today and being sold at excessive prices. They cannot possibly compete for homes in the new multiple-dwellings that are being put up by private industry.

In the city of New York today you cannot rent in a new building for less than $40 per room, and that means $120 a month for a 3-room apartment. There are no people who will benefit by this legislation who can possibly hope to ever get into that kind of a dwelling. Private enterprise in the city of New York and elsewhere in the country will never erect or spend their own money to erect buildings for the lowest income group that is going to be taken care of by this legislation.

If you will look at page 58 of the printed hearings on H. R. 4009 before the House Banking and Currency Committee, you will find that the maximum income limits set by local housing authorities for admission to low-rent public housing average 36 percent less than the minimum adequate budget covering the essentials of life in various cities for families of the same size, as determined by the Bureau of Labor Statistics. You will find that, during the first 6 months of 1948, the median income of all families admitted to low-rent public housing was $1,481. You will find that the median income of all tenants reexamined during that period was $1,884. You will find that the median income of all families eligible to continue to reside in low-rent public housing projects was $1,594. You will find that the average of the maximum income limits established for admission to low-rent public housing projects was $1,974, and, as indicated above, that the average incomes of the families actually admitted was almost $400 below that maximum.

Under these circumstances — and especially in view of the admonition of a recognized spokesman for the real-estate lobby that lenders should forget about families in the bottom half of the income scale—does there exist any factual basis for believing that private enterprise can or will, in the foreseeable future, provide a substantial supply of adequate housing for such families? Does there really exist any basis, founded in fact instead of in fancy or propaganda, for the charge that public housing competes with private housing—that it takes away from private enterprise families who otherwise would be its customers? Is there any basis for believing that, if we do not pass this bill, there is any real prospect that families with incomes in these levels and who now live in the slums can and will obtain adequate housing?

Mr. Chairman, I am confident that every Member of the House knows the honest answer to those questions, and I urge them to support this bill.

The argument advanced that only the high-income groups will get the advantage of this legislation and be able to move into these projects is untrue. It is some more of the same misleading propaganda that has been dished out to us.

Incidentally, I heard one of our colleagues say a little earlier in the day something about not having received any propaganda against this bill, that all he had been getting was the other way. I think most of you have been receiving any number of pamphlets like those which came in today's mail, expensive pamphlets, 2-color, 3-color, and 4-color jobs of 15 pages and more—here is one of 4 pages printed in 3 colors—and any number of other items indicative of the tremendous amount of money that the real-estate lobby and those associated with it are spending to defeat this legislation. I am sure that we are not going to be misled by this propaganda.

You have been told time and time again that the people who want this legislation are the finest and the most outstanding, and the most respected and respectable members of our community and its public life. I am certain that few of my colleagues will be ashamed to take their place with me alongside of the following "Socialists" and "Communists" who are supporting this legislation and I name now only a few of those who have written me urging enactment of this legislation. They are as follows:

The United States conference of mayors, which again at their 1949 annual conference unanimously adopted the resolutions urging enactment of this legislation.

The American Legion.

The Veterans of Foreign Wars of the United States.

The League of Women Voters of the United States.

The National Conference of Catholic Charities.

The American Institute of Planners.

The City of Pontiac (Mich.) Housing Commission.

The Commission of the City of Miami, Fla.

The Municipal Housing Commission of Paducah, Ky.

The City Council of the City of Biloxi, Miss.

The Manchester Housing Authority of Manchester, N. H.

The Citizens Union of the City of New York.

The Citizens Housing and Planning Council of New York.

The Association of the Bar of the City of New York.

The Council for Social Action of the Congregational Christian Churches, of the United States of America.

The League of Women Voters of the City of New York.

The National Association of Jewish Center Workers.

The Board of Christian Education of the Presbyterian Church in the United States of America.

The Central Labor Council of Seattle, Wash.

The American Federation of Labor.

The Congress of Industrial Organizations, and almost every other labor union and brotherhood in the country.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GAMBLE. Mr. Chairman, I yield 15 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON of Ohio. Mr. Chairman, we are here today seeking a solution for one of the most harassing problems facing this country: Housing. It is not confined to the few big cities but is spread across the country from sea to sea, from Canada to the Rio Grande and the Gulf of Mexico.

The concentration of population in cities, the shifting of vast numbers of people from one State to another as great new factories have made their demands for workers, the relative absence of housing construction during the war years, the lack of foresight on the part of those responsible, combined with the original sudden return of millions of troops without preparation for their reception, has built a situation which challenges our resourcefulness as it has never been challenged. Solution must be found—an American solution—which will continue our unique way of life, protecting the individual, the community, and the State from the domination and control of a central government. I cannot believe that we have fallen away so far from sound thinking that we cannot work out such a formula. Nor can you convince me that it is impossible to set up ways to use Federal money to help local communities without clamping down Federal controls.

I still believe in the American way of life, Mr. Chairman. I still believe that there is no need to use the formulas of socialism to meet the needs of our people, and I confess I cannot agree with the insistence of some that any and all uses of Federal funds for local needs is socialism.

No thoughtful American today can fail to be concerned over the centralization of power that has been brought about coupled as it has been with undisciplined financial methods. No thoughtful American—and I contend, Mr. Chairman, there are many on both sides of the aisle—can fail to recognize the need of protecting such liberties as we still have from Federal intrusions and of reestablishing a freedom in which justice and opportunity for all, the rights of the individual and of free enterprise are recognized essentials.

Looking to the future we have set up programs and appropriated funds for flood control, for defense reorganization, for the conservation of the soil and of wildlife. I cannot believe we are so materially minded that we fail to see our responsibility in the matter of assuring our people decent homes in which children can grow into a strong and healthy citizenship. They are the future of America—without them of what moment is all the rest? And they have the right to expect us as intelligent Americans to keep those homes free from the autocratic controls of centralized power and so continuing the basic concept of our Republic.

The housing needs of our people are very real—private enterprise as such has not been able to meet them. In my opinion, there is no justification for an assumption that private industry alone is responsible for the tragic needs of our lowest-income group. Do we expect private industry to construct an adequate supply of low-rent housing at a loss? Surely it is the responsibility of every American to do his bit in caring for the housing of the indigent and those unable to care for themselves wherever they may be. This can be done through properly restricted use of Federal funds which, after all, come from all the people.

Let me say further, Mr. Chairman, that no one is more deeply concerned than I over the unsound and extravagant use of funds that has brought us to a most dangerous financial position. But I am convinced that merely to ignore the needs of our people because of the money involved is exceedingly poor economy. I am convinced that an investment in meeting the human need of our own people will prove to be good economy.

The Hoover Commission reports are in. They point out in no uncertain terms possibilities of retrenchments in Government expenditures of several billions of dollars not by curtailing desirable work but by instituting efficient methods of procedure. Think of it, $1,500,000,000 savings just in one part of one department by proper accounting methods alone. Have we not as representatives of the people the obligation to insist that these reforms be instituted? I am not speaking of reorganization as such, of the ad lib shifting of one group over under another authority until no one will know where anything gets to. I am speaking of efficiency of management—of one of the much-vaunted American virtues—good management. If a little application of it in one department can save us one and one-half billion—and there are nine departments—with a new one suggested—we would have a tidy sum for slum clearance, for decent environment for the children that are going to be America tomorrow.

There are many things in this program I do not like, Mr. Chairman, and I expect to make every effort to improve them—to change them—but I cannot refuse to do something in these areas of our living. I cannot lend myself to nonaction which might well lead to the very Government controls opponents of any housing measure at all fear—by default.

The Committee on Banking and Currency has brought out H. R. 4009 for consideration. But, Mr. Chairman, there is another bill at hand for your consideration which I propose to submit as a substitute bill at the proper time. Much of it is very similar to the committee bill but it contains a balance of interests which should commend it to you.

I have asked for these few minutes in order to urge you to examine it with open minds, as responsible men and women with some understanding of human problems and human needs, free of preconceived ideas and personal prejudices. H. R. 1883 is also before you; it is the result of the effort of a group of like-minded Republicans. Under the rules of the House only one Member's name can appear on a bill, so there are 10 bills, all alike, mine bearing the number H. R. 1883.

Every one of us is as bitterly opposed to centralizing authority as any one of you; every one of us is opposed to Federal authority as against State responsibility. Every one of us has always believed in and emphasized States' rights, individual responsibility. That is our way; that is a part of our formula of freedom.

In H. R. 1883 there is protection for that formula, and there is encouragement for free enterprise and for individual responsibility and self-respect. For myself, I can no longer ignore the needs of the people of my district, which is at present the largest in the United States. Something must be done for the housing needs of the low-income groups whether some parts of it go against my grain or not.

Nor can I blind myself to the fact that there are tremendous changes taking place all over the world. Failure to recognize them is unintelligent. Failure to use all the intelligence and understanding one can muster to give them direction will lead only to destruction—for when a man resists change he destroys himself—that is the law.

Believing deeply in individual and State responsibility, I believe also that because the States united for common protection and mutual well-being there rests upon the Federal Government, which they formed, a certain responsibility toward those States and through them to those individuals unable to carry their part of the load. This responsibility is of several parts, not the least of which is that whatever is done by the Federal Government to help the individual must not encroach upon his responsibilities to himself and to his fellow men.

If I thought this an impossible task, Mr. Chairman, I would not be here.

I cannot set aside my responsibility as a free citizen, as a representative of a large and varied constituency, and as a woman concerned with the future, on the grounds first, that the economy of the United States is in danger, and second, that all Federal assistance, no matter how definitely controlled, is socialistic. If we cannot find ways to make our formula for freedom function, then we are poor exponents of the basic tenets of our American way of life. If we cannot put our financial house in order we are faithless stewards indeed.

Nor do I see justification for permitting those who do want to socialize Government to use the very real needs of certain groups of our people to that end because of our default.

Therefore, Mr. Chairman, I have joined with others and shall at the proper time present a bill which contains a well-rounded housing program, the only program which provides assistance, through loans, not grants or subsidies, to the lower middle-income groups whose needs are very real and very far-reaching in their implications. Our bill broadens the opportunity for free-enterprise building and for responsible men and women to build their own homes, while at the same time it sets up a low-cost housing program to be determined not only by need but also by the capacity of the industry.

I therefore ask every Member of this body to consider H. R. 1883 as a very happy substitute for the committee bill.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. DEANE].

Mr. DEANE. Mr. Chairman, I feel highly honored that I follow the distinguished gentlewoman from Ohio [Mrs. BOLTON]. She speaks to us as a mother, as an individual who, like us, I feel, appreciates the home.

I trust that we can approach this subject of housing from a bipartisan standpoint. As we study the vote in the Senate, as we study the characteristics of the men who sponsored and worked for the legislation in that body, I feel that we are on sound ground in giving our support to this housing legislation.

The remarks I shall have to make this afternoon will concern the operation of public housing and slum clearance in the State of North Carolina. Photographs convey a more convincing message than will words. To my left here I submit pictures entitled "Before" and "After," concerning an outstanding public housing unit in the city of Raleigh. These pictures marked "Before" carry the message of squalor, disease, juvenile delinquency, broken homes, and these pictures marked "After" portray health, hope, happiness, civic responsibility, and other factors that will make any community a better place in which to live.

As we study public housing, it seems to me that we cannot get away from thinking in terms of children, children in the flexible and impressionable years of their lives.

CHILDREN IN LOW-RENT HOUSING

There is a marked difference between housing authorities as landlords and a lot of other landlords. Instead of "no children" the housing authority says "preference is given to families with children." The policy of giving preference to families with children is an important and sound policy. That the children of today are the citizens of tomorrow is a truism. These are the really flexible individuals. Furthermore, if a more stabilized life for their parents pays dividends for these adults, as we know that it does, it doubly pays dividends in the case of their children. All children are highly sensitive to their surroundings. People begin life as infants unaffected by the attitudes and modes of social behavior of their fellows. We inherit physical modes of behavior, including a nervous system remarkably flexible and capable of being turned in one direction or another. Just as the child who grows up in undesirable home surroundings is handicapped; he is doubly affected where that undesirable home is part of a substandard neighborhood and—contrariwise, the influence of normal home surroundings has an almost inevitable effect. Children respond to brighter home areas, to the adequacies of modern standards of living. Their health—and that of their elders—is improved decidedly by the presence of a modern, private bathroom and by better provisions for fresh air, sunshine, and comfortable heating.

We have heard today that the cost of this program is more than this Government can sustain. Do not be misled, my colleagues. When we consider the cost of crime, juvenile delinquency, the loss of health, the maintenance of mental institutions in our various States, so much of which is due to poor housing, we must come to the immediate conclusion that the cost of this housing program is far less than the cost of juvenile delinquency, crime, loss of health, and other problems that result primarily because of poor housing.

I am happy to have submitted to me by the State health officer of North Carolina, Dr. J. W. R. Norton, a statement which I feel is pertinent to the point I am here presenting. This letter follows:

NORTH CAROLINA STATE
BOARD OF HEALTH,
Raleigh, May 26, 1949.

Hon. C. B. DEANE,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN DEANE: It is my understanding that the Senate has again passed a slum clearance bill, which is now before the House for the third time (S. 1070, H. R. 4009).

Adequate housing is, I think, definitely a public health problem. I believe it would be safe to state that if all slum areas were immediately cleaned up, not only would our crude death rate decline at once, but also the death rates from diseases which are traceable wholly or in part to bad sanitation and lack of sunshine and fresh air.

Any argument against slums is like "carrying coals to Newcastle." The purpose of this letter is to express the hope that you will be able to support an adequate slum clearance measure. I should like to get your reaction to the viewpoint I have expressed.

Sincerely yours,
J. W. R. NORTON, M. D.,
Secretary and State Health Officer.

My colleagues, I hope you will continue to study these pictures as I tell you about a tenant who received the benefits of a Raleigh, N. C., housing project. This tenant went in as an individual in the low-income bracket. But within the course of a few years, because of her income, she became ineligible and was requested to move.

This lady has given me permission to quote from a letter she wrote to Mrs. Inez Jones, executive secretary of the housing authority of the city of Raleigh.

She says, among other things:

As you know we will be moving from Halifax Court very soon. I wish there was some way in which to express myself to you and the entire staff of Halifax Court and the administrator of the public-housing program. I think Halifax Court has done for me and my children what the better housing program was intended to do.

With comfortable living quarters which did not require a better part of my income, we have been able to have better food, better clothing, and better health. While there was never a surplus for luxuries, the warmth of steam heat, the nice hot water, the electric stove and the refrigerator, plus the repair of our apartment, has given us a feeling of luxury and well-being. I feel that living at Halifax Court has had a great deal to do with my mental attitude toward life and my responsibility as a mother. This has been greatly reflected in the development of my two children. My son, who graduated from the University of North Carolina in June, and my daughter, who is now in high school.

We are moving into a small attic apartment that will not be nearly as nice as the apartment we had in Halifax Court, and the rent will be much more than we are now paying. However, we leave willingly in order to make room for others who have small children and who may need a boost to their courage as we did 8 years ago when we moved in. I only hope whoever moves into our apartment will find the same joy and happiness that we have known while living there.

G. S. T.

HOME OWNERSHIP

Mr. Chairman, I would like to move on to this particular thought. The greatest amount of opposition I have received so far against this legislation has come from a sincere group of folks representing our local building and loan associations. I think they are greatly misinformed as to the implications of this legislation and they are taking the same position as the insurance companies did toward the social-security legislation that came before the Congress several years ago.

I am interested in and own a small insurance business. I recall when the social-security legislation was being developed here in Washington the insurance fraternity throughout the country violently opposed social security because, as they felt, it would eliminate or greatly jeopardize the insurance market. Well, what has happened? Today among the insurance groups you will find the strongest advocates of social security because social security has opened up a new insurance market. Today, life insurance underwriters sell more life insurance as a result of social security. Briefly, I shall discuss the technical angle and show you just how the agents and underwriters put over the sales angle. They approach a prospect: "How much will your social security mean to you on your retirement?" The answer will usually be $30 or $40 or $50 a month. Then the underwriter will say, "Can you retire on that particular sum?" Immediately the answer is "No." The insurance representative then develops a program of life insurance to bring the person's retirement up to approximately $100 a month and in most cases he makes a sale which brings the prospect's retirement in line with his retirement desires and in 9 out of 10 cases it would not have been possible had social security never become a part of our economy. I use that point, gentlemen of the Committee, to say that through this particu-

lar period that public housing has been in existence, the building and loan groups have greatly prospered.

We have in North Carolina several model housing projects. Time will not permit me to go into a complete analysis of each of them, and what I say about these projects in North Carolina is indeed representative of our entire country.

I repeat, public housing improves family living so that the family moves on to a higher plane of living—to home ownership—to better citizens. How do I know that the families move on to home ownership (and I might say here that no one will deny that it is a definite sign of economic and social progress for a person in the low-income group to own his own home). I know by actual facts shown by a survey made by Dr. Sanford Winston, head of the department of sociology at North Carolina State College, and, too, by recent actual experience in the low-rent housing developments in North Carolina. Dr. Winston's study made in 1946 covered 306 low-income families who had moved from six low-rent projects in my State. Each of these 306 families was visited and interviewed, and of that group 41 percent—125 families—had moved into homes they were buying.

Thus the present occupants of the slums are real potential home owners. I am going to give you here some figures on the ineligible tenants in the low-rent housing projects in North Carolina who had to move because they were making too much money and because of the real support they received while tenants in these local housing projects are now becoming home owners.

Charlotte, N. C.: 80 white ineligible families moved—46 of them bought homes; 17 Negro ineligible families moved—9 of them bought homes.

High Point, N. C.: 55 white ineligible families moved—28 of them bought homes; 2 Negro ineligible families moved—1 of them bought a home.

New Bern, N. C.: 40 white ineligible families moved—11 of them bought homes; 9 Negro ineligible families moved—1 of them bought a home.

Raleigh, N. C.: 61 white ineligible families moved—35 of them bought homes; 9 Negro ineligible families moved—4 of them bought homes.

Wilmington, N. C.: 45 white ineligible families moved—31 of them bought homes; 21 Negro ineligible families moved—15 of them bought homes.

Kinston, N. C.: 44 white ineligible families moved—28 of them bought homes; 11 Negro ineligible families moved—7 of them bought homes.

Totals for State during period May 1947 to May 1949, of ineligible over-income tenants who graduated from the low-rent housing projects and moved into home ownership, 179 white families and 37 Negro families, a total of 216 families, or a total of 54.8 percent of all ineligible tenants who moved, moved into home ownership.

The record will show that private institutions, building and loan associations, and local banks made loans to the greater number of these individuals, and thus they became home owners. They formerly lived in shacks comparable to these "Before" pictures which I ask you to study honestly and sincerely.

Thus a market has been created for our local lending institutions that would never have existed before. These 179 white families and 37 Negro families were lifted out of hovels into a level of housing that created a desire for permanent living standards that are wholesome and which, my friends, will make for better and stronger Americans.

SAVINGS AND LOAN INDUSTRY

The last 15 years have witnessed a remarkable improvement in the development and growth of the savings and loan industry. It is not purely by coincidence that this has come about during a period of extensive Federal participation in the home finance field.

This activity in the housing field was prompted by the collapse of the real estate market and home-building activity during the early thirties. The mortgage foreclosure rate was approaching a thousand a day by mid-1932. This breakdown in home financing was in large part a reflection of the general economic depression; it also reflected inadequacies in the home financing field.

The Federal Government moved on two fronts to cope with the problem. The emergency part of the job was to provide emergency relief to aid hundreds of thousands of distressed home owners and the home financing institutions holding their mortgages. This was done by refinancing these loans through the HOLC on a long-term, single-mortgage basis. The HOLC made over $3,000,000,000 in loans in 3 years to over 1,000,000 home owners. The lending institutions received in lieu of the distressed mortgages the HOLC's Government guaranteed bonds which restored a high degree of liquidity.

The second part of the job was establishing sound long-range methods for aiding private home financing to eliminate the weaknesses and defects that had helped bring on the break-down in the home real estate market. The Federal Home Loan Bank Board was established in 1932 to provide a central credit reservoir to home financing institutions. The act creating the HOLC in 1933 also provided for a Nation-wide system of federally chartered savings and loan institutions which were placed under the Federal Home Loan Bank Board. The following year, 1934, witnessed the establishment of the very important Federal Savings and Loan Insurance Corporation, as authorized by the National Housing Act of 1934. This provided insurance of savings in insured savings and loan institutions of up to $5,000 per investor.

The National Housing Act of 1934 also established the Federal Housing Administration which was given the task of insuring mortgage loans made by private financing institutions in such a manner as to help stabilize the home mortgage market, improve home financing practices, and expand home construction.

Other legislation has taken place in the intervening years and the program to aid the savings and loan industry has been refined and improved, reflecting in large part the suggestions of the industry itself.

The record clearly reveals that the savings and loan business has prospered mightily during the past 15 years of Government participation in housing. About 90 percent of the assets of all operating institutions in the savings and loan field are held by members of the Federal Home Loan Bank System. These assets now total over $13,100,000,000, an all-time high, and more than double total assets in 1933 when the Government programs were getting under way.

By the end of 1948, the savings of 6,100,000 investors in more than 2,600 savings and loan associations were insured through the Federal Savings and Loan Insurance Corporation. Total savings in such insured associations at that time amounted to $8,300,000,000, a 15-percent increase in 1 year. Because of insurance, these savings have practically the liquidity of bank deposits.

In each of the three full years since the end of World War II, new lending by savings and loan associations has ranged above $3,500,000,000 and now is almost four times as great as in the prewar year of 1939. In the market for home mortgages of $20,000 or less, savings and loan associations have in recent years regularly done about one-third of the total business. This activity has come about primarily through the increase in savings stimulated by insurance and has been aided by the credit facilities of the Home Loan Bank System under which $360,000,000 were advanced last year to member institutions. Over $1,000,000,000 of the loans made by savings and loan institutions have been FHA insured. Moreover, according to estimates by the United States Savings and Loan League, of the nearly $8,000,000,000 total in GI home loans guaranteed by the Federal Government, about one-third were made by savings and loan institutions.

I have recited these facts to bring out one important point—the great increase in growth and activity of the savings and loan industry has been stimulated by the considerable degree of Federal assistance that has been available to it—asssistance that would not have been available from any other source. This assistance has been fully justified, in my judgment, because it has made available a secure outlet for family savings and because it had expanded the credit resources essential for the financing of homes. That those who derive a living from the operation of savings and loan associations or from the use of their credit benefit from these aids is a secondary point.

The fact remain, however, that despite this expansion neither the savings and loan associations nor any other part of the private home building and financing industry has been able to provide decent homes for families who live in slums or other bad housing. Surely if the Government provides any type of Federal assistance in housing, simple justice dictates that this assistance include provision for this considerable portion of American families who are in the direst housing need and whose present housing conditions are a very denial of the American way of life. The provisions of H. R.

4009, which have been recommended by every congressional committee which has studied the problem in the last several years would provide assistance to meet the needs of these families.

I have received a number of communications from executives of savings and loan associations in opposition to this legislation on the grounds that public housing is competitive with their business. This fear has no substantiation in fact. It has been demonstrated time and time again that the present low-rent public-housing program, developed over the same period during which the savings and loan industry has had its great growth, has served only those families whom private enterprise could not serve. H. R. 4009 contains additional safeguards to assure that public housing will in no sense be competitive with decent private housing. Representatives of the savings and loan industry who appeared before the Committee on Banking and Currency as much as admitted that fact. For example, Gen. Ralph M. Smith, chairman of the legislative committee of the United States Savings and Loan League, said—I quote from page 410 of the committee's hearings:

I think if public housing goes through we can still continue to operate, so that I am not fearful that this is going to drive us out of business.

Mr. Chairman, I think the poor people of this country—the people who would be rejected as poor risks by these same lending institution executives—have rights before the Congress in their quest for decent homes which are equal to the rights of those people for whom credit aids have been provided in such great abundance.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. DEANE] has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DEANE. Mr. Chairman, I again wish to repeat my statement made earlier. I have a great admiration for our savings and loan groups. Today I pay tribute to them because in the early days of my own married life it was my opportunity to secure sufficient strength from a local building and loan association that made it possible for us to own our home. But, my friends, in opposing this legislation some of these savings and loan groups have not taken the time to add up the great benefits that have accrued to them because of public housing.

Mr. Chairman, briefly let me make the following observations under the headings: Better housing for people is a wise investment; loans are not costs; cost of Federal contribution; and only eligible low-income families are admitted to low-rent housing.

COSTS OF FEDERAL CONTRIBUTIONS

Let us look at the provision for maximum subsidy of $400,000,000 per year in H. R. 4009 and remember that this is maximum. Using actual experience of local housing authorities which have been in operation under the Housing Act of 1937, a reasonable estimate would bring the maximum costs down to $310,000,000 per year, or to $9,000,000,000 to $10,000,000,000 over the period during which the annual contributions would actually be paid instead of the maximum of $16,000,000,000. How is that figured?

Actual experiences on the present public housing program shows total annual contributions have amounted to 58.5 percent of the maximum which could have been paid. Since these recent years have been years of somewhat higher incomes than normally would be true, instead of using 58.5 percent as an estimate of the percentage required, assume that somewhere between 75 to 80 percent of the maximum would be needed; then estimate that not 40 years will be needed to pay out the projects but that all bonds will be retired over a period of about 30 years.

There is possibility, too, in further reduction of the over-all estimated cost figure of $9,000,000,000 to $10,000,000,000 if the interest rate on the permanent bonds sold to private investors should be lower than the rate of 2 percent on which the above calculation of over-all costs has been made.

LOANS ARE NOT COSTS

Now let's talk about costs. The maximum of $700,000,000 in loans under H. R. 4009 for low-rent housing is not a cost since the loans would be repayable by the local housing authorities with interest. The Federal lending assistance for the projects would primarily be temporary interim financing until the projects have been constructed and permanently financed by sale of bonds to private investors. The security dealers in America have realized the attractiveness of housing-authority bonds and have endorsed public housing all along—they say they are interested in the purchase of bonds to finance the capital cost of low-rent housing under H. R. 4009.

A practical example of financing low-rent housing is the story in Raleigh, N. C. The Federal Government does not have any money on loan to the housing authority there—all of the Raleigh Authority's bonds—$1,704,000 now outstanding—are held by private investors. They were purchased in 1946—$1,832,000 at that time, by an investment syndicate at a net interest cost of 1.28 percent. The longest maturity is 30 years—with the final bond maturing in 1976. Then what happens when the last bond issued by the Raleigh Authority is paid and matured? Federal cash contributions will cease in 1976 when all bonds have been retired, the housing developments will be debt-free and will continue to be a community asset operated by the local housing authority for the benefit of the people and the community. It should be borne in mind that the projects will forever be limited to low-income families as provided under the State law creating housing authorities.

BETTER HOUSING FOR PEOPLE IS A WISE INVESTMENT

When an individual spends money he wants to know that it is wisely spent—that is a good investment. A sound business corporation wants to know that its money is spent wisely. Improvements which are contemplated are considered carefully. The business corporation wants to be sure that money spent for improvements will produce greater efficiency and greater profits. I believe, too, that the Congress wants to be sure that expenditures which it authorizes are, first, necessary expenditures and, secondly, will prove to be sound and economical—a wise investment of the people's money that will produce a high return on the investment.

Now for just a moment I should like to talk about what it cost the Federal Government in 1949 for a family of four—man, wife, and two children—in my State of North Carolina to live in a low-rent housing deevlopment. It cost the Government $59.16 for 1 year—per month, $4.93. Then let's see what total costs might be for this family. A survey made of a group of low-income families in North Carolina who had lived in the projects and moved out showed an average stay of 4½ years in the housing developments. If this is an average then it would cost $266.22 for this family to live there 4½ years.

And even if the average I have used should not prevail and the contribution per family required from the Government would reach the maximum of $156.36 per family per year and if the family stayed longer than the 4½-year average—say it stayed 6 years before it "graduated" and moved on, the total investment in this family would be $938.

The question then seems to be: What is the return on this investment that the Government makes in better housing for low-income families?

The answer to that question is a very simple one: Public housing improves family living so that the family then moves on to a higher plane of living—to home ownership, to better citizens—so that they are an asset to the community and Nation instead of a liability and cost.

Let me remind you that adequate housing directly affects not one but two generations so that the return on the investment for better housing is automatically doubled. There is the improved family life of the parents and the adequate healthful environment so important for the children if they are to grow up as socially adequate members of society. I know this is true—mayors, health officials, parents, teachers, social workers, juvenile court and police officials, and many others have testified to the beneficent influence of the more adequate environment and to the social worth whileness of the public-housing projects.

ONLY ELIGIBLE LOW-INCOME FAMILIES ARE ADMITTED TO LOW-RENT HOUSING

We know, of course, that both the Federal law and the existing State laws have established eligibility requirements for admission to public housing; that the two basic statutory requirements are: Families must be living in substandard housing, that is, under substandard conditions that are detrimental to health, safety, and morals; and families must have incomes within the income limits for admission established by the housing authority to limit tenancy to low-income tenants.

I looked at the file of a tenant in one of the low-rent housing projects. I saw immediately by the verified data in the

file that the family was a low-income family because the total family income was $32.50 per week—$1,673 annually after deducting social security of 1 percent. The income had been verified by the employer who telephoned the housing authority office asking help for his employee and saying that he was in serious need of better housing. I might say here that I can well understand why employers seek better housing for their employees, as they often do—the employer knows that home conditions have a direct effect on the production which the employer gets from his employee.

This particular tenant was a veteran—young, age 28. He has a wife and two daughters, age 8 and 3, a son age 5. Where was he living when he was accepted for occupancy at the public-housing project? Well, I've already told you that his income was $32.50 per week and this is a family of five persons. I don't believe it takes much figuring to see that you can't pay high rent out of $32.50 per week and have enough left to feed and clothe five persons. This is the kind of housing that this particular veteran had for his wife and three children; as inspected by a representative of the housing authority office who made a visit to the living quarters to determine housing need.

This family of five had one room and space in a small hall, in a house in a bad general condition needing major repairs.

This family of five was living, eating, and sleeping in the one room except that the little boy had a cot in the hall next to the toilet and sink.

Their kitchen? A sink in the hall, used also for bathing by this family of five and another family of five. The stove? Why, it was in their only room, which, do not forget, was used also for living and sleeping.

What about their toilet facilities and bath? A piece of beaverboard had been used to partition off the toilet in the hall—that also served as a partition between the toilet and the sink right next to it.

No; they did not have a private bath—they used that sink for their baths but remember, too, that they were sharing that sink with five other persons, so it would appear pretty certain that this couldn't be considered satisfactory bathing facilities.

HOUSING A BENEFIT, NOT A BURDEN

The thought of economy and taxes certainly comes into the equation. On that point let me advise with you concerning a public housing project in the city of Wilmington, N. C. What I can say of Wilmington is characteristic of the entire country.

As you study the history of slums you will generally find that they are a tax liability. In most cases the local tax authorities view slums as offering the poorest source of revenue because slums just do not pay their way and are therefore an economic liability.

I inserted in the RECORD of June 13 an editorial which appeared in a daily newspaper of the city of Wilmington. Among other things, the editorial points this out:

But the big question is, Has the authority paid its way?

We are convinced—by facts—that the answer is an emphatic yes.

Before the two projects were built, the taxes on their tracts amounted to only $1,500 a year. And when the authority took over the sites unpaid back taxes amounted to approximately $8,500, which it paid.

In addition, until the voluntary payments in lieu of taxes were halted by national legislation, the authority had paid the city and county governments $35,250.34.

In other words, the local governments have received $43,750 because these two slum-clearance projects were erected whereas had they not been built the amount coming in from taxes on the property they now occupy would have been but $10,500, had the taxes been paid.

HOUSING A JOINT UNDERTAKING

Mr. Chairman, ever since this bill has been under consideration I have heard a lot of talk about it being a "big city" bill, with a small farm housing program thrown in as a sop to get the votes of Members of Congress from rural areas. This is not a correct assumption. We have learned during the years of our national existence that this Nation is interdependent, that what is good for the people of one part of our country is good for the country as a whole.

On that basis I strongly favor H. R. 4009.

Our forefathers learned that fact when they wrote and adopted the Constitution 160 years ago. They found that we needed a Federal Government strong enough to do the things which the people of the States could not do for themselves. They found that out decades before the railroads and the development of the machine age inextricably bound the economy of our Nation together, over a century before the development of modern highway transportation for the movement of goods and people, and a century and a half before it became possible for me to come from North Carolina to Washington by air line in a matter of minutes.

As we have become a great industrial Nation, with a majority of our people living in cities and towns, we have learned through good times and bad times that no section of our country can prosper unless the country as a whole is prospering. The rural areas of North Carolina or any other section cannot prosper unless the people in the cities throughout the Nation can buy the products of our farms and mills and factories. The cities cannot prosper unless the rural people in North Carolina and other States can do business with them.

I should like to call attention here to the extent to which my colleagues who represent primarily urban districts have recognized this interdependence in their support of national legislation which benefits most directly rural areas. It could, in fact, have been immediately more beneficial to their constituents for them to have opposed some farm measures, but they recognized that failure to pass these measures would have caused great distress in agricultural areas which would have dragged down the economy in urban areas. I appreciate their actions not because of their generosity but because of their long-range consideration of what would do the country, urban and rural, the most good.

Now what has that to do with this housing legislation? Well, in the first place, home building has an important role in our national economy and if we can do something that will sustain this industry at a high level of production, as H. R. 4009 will help to do, then I think that it is to the interest of our constituents to vote for it. But more importantly, the kind of homes people are brought up in determines, to a very great extent, the capacity of the people to become useful citizens—to maintain and improve standards of living—which will affect all of us both economically and socially. If, as has been proved time and time again, the slums of the cities destroy incentives and faith in American institutions through their depredations on health and morals, then the whole Nation needs to be concerned. When the mayors and other city officials demonstrate, as they have done, that they cannot handle these problems alone because of their limited capacity to tap the taxable wealth of the Nation, then it is in the interest of the entire nation, urban and rural, for the Federal Government to assist the cities in eliminating these conditions.

Even if this were strictly a big city bill, therefore, I would still hope that it would get support from rural areas because of the national interest.

But the real fact is that this is not a big city bill, but is rather a housing bill for the entire Nation. I am not only saying this because it has a farm-housing title, although I think that this particular title is important because it would make a real start on the elimination of bad housing conditions on the farms. I am saying this also because of the research title, which will help reduce the cost of new housing wherever it is located. I am saying this also because we are going to use the slum clearance and the low-rent public housing provisions down our way.

We do not have any big cities in North Carolina. But we have a large number of small cities and towns—places where everybody knows almost everybody else. We have slums and bad housing in these towns, too. I know about them. I have seen them, and I am happy to say that many of these small towns and cities are doing something to improve housing.

Now we are going to use the slum clearance and public housing provisions of H. R. 4009 in North Carolina because we already know something about what good housing does to low-income families—we can measure it in the physical and spiritual uplift of these families as I pointed out in reading from a letter written by a lady who had received the benefits of a Raleigh housing project.

WHO WILL WORK FOR THE LOW-INCOME GROUP?

Mr. Chairman, the little people do not have a well-paid lobby in Washington because they cannot afford it, even when they reach the magnificent salary of $2,600 per year. I am going to pay heed to the 2,313 families in Raleigh alone who are on the waiting list for admission to low-rent housing and the low-income families who are waiting for good housing in the other cities of North Carolina and every other State in the Union. Their

needs today are just as great as that of the widow I mentioned a while ago.

APPLICATIONS FOR PUBLIC HOUSING

What this public housing program has meant in North Carolina is indicated by the applications which were submitted for Federal assistance 5 years ago, in connection with the President's request to Federal agencies for a postwar shelf of projects. Remember that these applications were for 3-year programs and were submitted before any legislation for additional low-rent public housing was pending and before the housing shortage had developed to its present acute stage. Nevertheless 16 North Carolina communities proposed 3-year programs aggregating 6,700 dwellings. I am advised that they plan considerably larger programs on a 7-year basis today if this legislation is passed. Even by North Carolina standards, I do not believe anyone could say that this is a big-city program. Here is the list of communities whose applications range from 70 to 1,800 units: Asheville, 500 units; Beaufort, 70 units; Charlotte, 1,800 units; Clinton, 75 units; Concord, 200 units; Dunn, 85 units; Fayetteville, 550 units; Greensboro, 600 units; High Point, 450 units; Kinston, 250 units; Lexington, 200 units; Morehead, 110 units; New Bern, 300 units; Raleigh, 600 units; Smithfield, 90 units; and Winston-Salem, 850 units.

Time will not permit a complete analysis of the interest in public housing, but I mention briefly applications from a few Southern States.

Arkansas, 2,577 units from 8 communities, with range from 150 to 800 units: Arkadelphia, 200 units; Blytheville, 250 units; Conway, 100 units; Fort Smith, 800 units; Little Rock, 600 units; North Little Rock, 227 units; Pulaski County, 150 units; and Russellville, 250 units.

Alabama, 9,800 units from 14 communities, with range from 122 to 3,000 units: Attalla, 122 units; Bessemer, 726 units; Birmingham, 3,000 units; Decatur, 389 units; Dothan, 148 units; Gadsden, 1,000 units; Homewood, 300 units; Huntsville, 372 units; Jasper, 160 units; Mobile, 1,000 units; Montgomery, 1,526 units; Phenix City, 630 units; Selma, 255 units; and Tarrant, 172 units.

Florida, 10,532 units from 14 communities, with range from 90 to 3,500 units: Clearwater, 150 units; Fort Myers, 208 units; Jacksonville, 1,700 units; Jacksonville Beach, 90 units; Key West, 260 units; Lakeland, 220 units; Miami, 3,500 units; Orlando, 464 units; Pensacola, 500 units; St. Petersburg, 900 units; Sanford, 150 units; Sarasota, 120 units; Tampa, 2,020 units; and West Palm Beach, 250 units.

Georgia, 9,340 units from 15 communities, with range from 34 to 2,500 units: Albany, 190 units; Americus, 400 units; Athens, 226 units; Atlanta, 2,500 units; Augusta, 750 units; Brunswick, 450 units; Columbus, 1,400 units; Dawson, 150 units; Griffin, 300 units; Macon, 600 units; Marietta, 250 units; Savannah, 1,680 units; Thomasville, 34 units; Valdosta, 210 units; and Waycross, 200 units.

Kentucky, 1,525 units from 8 communities, with range from 31 to 375 units: Danville, 100 units; Frankfort, 32 units; Georgetown, 90 units; Lexington, 300 units; Owensboro, 350 units; Paducah, 375 units; Paris, 128 units; and Richmond, 150 units.

Texas, 17,166 units from 21 communities, with range from 50 to 3,300 units: Amarillo, 800 units; Austin, 500 units; Bay City, 150 units; Beaumont, 1,100 units; Borger, 250 units; Brownsville, 200 units; Brownwood, 300 units; Corpus Christi, 1,000 units; Dallas, 2,800 units; Eagle Pass, 50 units; El Paso, 660 units; Fort Worth, 926 units; Galveston, 1,400 units; Houston, 3,300 units; Lubbock, 350 units; McAllen, 300 units; Mercedes, 200 units; San Antonio, 2,000 units; San Beristo, 200 units; Texas City, 180 units; and Wichita Falls, 500 units.

WHO RUNS OUR PUBLIC HOUSING AUTHORITIES?

I became interested in finding out who were operating these low-rent public housing projects in my home State, the kind of individuals who were responsible for these additional requests. Mr. Speaker, as a result of this brief research, I can say with all frankness that anyone who brands this program as socialistic or communistic is libeling the good citizens of our communities—the merchants, bankers, doctors, lawyers, labor representatives, and, yes, even real-estate men—who are serving on these local housing authority boards and who are prepared to undertake the programs which would be authorized under H. R. 4009.

Mr. Speaker, I would like to read the list of commissioners of a few of these local authorities.

CHARLOTTE

Edwin L. Jones, chairman (since 1938): President of J. A. Jones Construction Co. (one of the largest construction companies in America, and construction engineer for Atomic Energy Commission); trustee of Duke University; prominent Methodist layman; owner of large diversified interests and active in all civic interests.

George W. Dowdy: Vice president and general manager, Belk's department stores; coowner of radio broadcasting chain including WAYS in Charlotte; director of local bank; past president, Merchants Association; active in Boy Scout work and other civic interests.

Earle W. Gluck: President of radio station WSOC (NBC); captain, United States Naval Reserve; senior naval officer in district; past president, Charlotte Kiwanis club; outstanding leader in community.

Ben O. Dickerson: District representative, Hershey Chocolate Co.; veteran, World War II; chairman, American Legion housing committee for North Carolina.

Zeb C. Strawn: Vice president, Citizens Savings Bank; active civic, community affairs and also has a keen interest in matters affecting farmers.

FAYETTEVILLE

Thompson T. Bells, chairman: Divisional engineer for the North Carolina Highway and Public Works Commission; retired lieutenant colonel, United States Army (Regular); Rotarian; graduate of Princeton Unicersity.

H. M. Pinkston, vice chairman: Retired building and supply distributor; past governor of Kiwanis Club.

Dr. W. T. Rainey: Superintendent of Highsmith Hospital; distinguished diagnostician who has received recognition many times from the American Medical Association.

Joseph T. Maloney: Owner of M & O Chevrolet Co., four times president of Fayetteville Chamber of Commerce; chairman of Community Chest; past district governor of Rotary Club; prominent Catholic layman.

J. W. Hinsdale: Managing director and member of Belk-Hinsdale, large department store; active in Boy Scout work; member of the board of trustees, city schools; director of Red Cross; many other religious and civic activities.

KINSTON

Jack R. Rountree, chairman (since 1939): Episcopal minister; a trustee of Memorial General Hospital; trustee of Kinston Public Library.

Harry Wooten, Sr., (vice chairman since 1939): Retired; director of Branch Banking & Trust Co.

J. C. Hood: Owner of drug store; president, Mutual Building and Loan Association.

J. S. May: Retired; former city councilman and former county commissioner.

W. C. Boone, Sr.: Tobacconist and farmer.

WILMINGTON

Harry M. Solomon, chairman: Director of Peoples Building Association; owner, wholesale drygoods company; director, Kiwanis Club; director, American Red Cross chapter; director, Boys Brigade Club; trustee, local Salvation Army chapter; president of Community Chest Campaign; trustee of Jewish Synagogue; director of Community Council; large real-estate owner; director of two local banking institutions.

C. B. Kornegay: Retired Atlantic Coast Line employee; president of Wilmington Central Labor Unions; member of national advisory board of A. F. of L.; member, Atlantic Coast Line retirement board; member of advisory council of Railway Brotherhoods; board of director of Community Chest; large land owner.

Fred E. Little: Operator of chain of laundries in North Carolina; owner of Wilmington Stamp & Printing Co.; director, Kiwanis Club; campaign president of Boys Brigade Club; director, Cooperative Building & Loan Association; director of American Red Cross local chapter; large landowner.

Rev. Mortimer Glover: Rector of St. James Episcopal Church; trustee and board of directors for 14 different colleges and seminaries; president of Community Council; board of directors of community past presidents of American Red Cross; director of New Hanover County Board of Associated Charities; past president of Community Chest; past president, Wilmington Minorities Association; welfare division, Community Council.

Dr. Charles J. Powell: Fellow member, James Walker Memorial Hospital Board of Surgeons, and member of New Hanover Medical Society; director, Girl Scouts; board of directors, local Cancer Society; member of Council of Juvenile Delinquency Committee.

NEW BERN

W. Floyd Gaskins, chairman (since 1946): Owner and manager of drugs, supplies business; large real-estate owner; director of New Bern Building & Loan Association; civic leader.

Harry Lipman, vice chairman: Coowner and executive director of local large department store; trustee of Elks Building; community leader; member, American Legion.

M. Bynum Smith: Secretary and coowner of Coplon-Smith Co., Inc., one of New Bern's largest department stores.

Louis B. Daniel: Manager and director of New Bern Coca-Cola Bottling Works.

Dr. Charles H. Ashford: Leading physician and surgeon; member, American College of Surgeons; director of New Bern Morris Plan Bank.

RALEIGH

B. F. Brown, chairman (first appointed 1938): Dean emeritus of the basic division of North Carolina State College of Agriculture and Engineering.

Theodore S. Johnson, vice chairman: Professor of civil engineering and adviser of the North Carolina State College of Agriculture and Engineering; originally appointed in 1938.

R. K. Creighton: Secretary of Kirchofer & Arnold, Inc., securities for investment.

Samuel W. Ruark: Lawyer.

R. Mayne Albright: Lawyer.

HIGH POINT

D. A. Dowdy, chairman (since 1939): Principal owner and president of large chain of drug stores; active in local civic work.

Dr. F. C. Grayson, vice chairman: Prominent physician and surgeon.

Charles F. Carroll: Superintendent of schools; prominent in educational work in the State.

B. H. Hackney, Jr.: Local Boy Scout executive officer for area, including High Point and neighboring cities.

S. D. Clapp: Representative for large flour and feed distributors; active in religious and civic work.

RURAL HOUSING

Mr. Chairman, coming as I do, from the southern section of this country, I want to voice my appreciation of the support given this legislation by both Democrats and Republicans from the metropolitan areas of our country. I think it is a sad commentary upon our great body here that when we begin to bring up matters of wide national interest, sectional factions make themselves heard and felt. I am a Democrat, but I hope the time will come that when measures of such widespread national interest as housing, we can approach the subject on a nonpartisan basis.

And again I wish to commend the gentlewoman from Ohio [Mrs. BOLTON], and these other distinguished Members on my left for the effort they are making in behalf of housing legislation.

Speaking of title IV, which concerns rural housing, I wish to pay my respects to the gentleman from Alabama [Mr. JONES], who has in a large measure fathered this title and to thank him for his efforts in behalf of H. R. 4009.

I repeat, it is a sad commentary upon us people who live in urban areas that today we have allowed our rural people to subject themselves to such shameful housing conditions. We must act, and now.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman from North Carolina three additional minutes.

Mr. DEANE. Mr. Chairman, I say it is a sad commentary on us urban people for allowing our rural housing to get into the condition that now exists. Neither do I blame the commercial banks for refusing to go in and lend money in these particular areas, because they do not feel that they are financially secure. But, do you know, Mr. Chairman, that not over 20 percent of the rural housing in America has running water and toilet facilities? Then we wonder why the young people are leaving the farm for the city. Surely we cannot expect an intelligent young man or young woman to maintain his residence even in the old homestead when it is not provided with some of the most elementary necessities that go to make the home what it should be.

Mr. Chairman, I trust we will, as we come to the final vote on this bill, aid our communities in ridding themselves of these backward conditions in housing. I am satisfied that it is Christian to make it possible for our people, whether they live in the metropolitan areas of the country or in some rural community, to enjoy the benefits of better housing.

I commend our committee chairman the gentleman from Kentucky [Mr. SPENCE] for the efficient and fair manner in which he has conducted our hearings over weeks and weeks, and in having brought out this splendid bill. When we vote for it we vote for a great measure.

Mr. SPENCE. Mr. Chairman, I yield to the gentleman from Texas [Mr. PATMAN] such time as he may desire.

Mr. PATMAN. Mr. Chairman, we all are familiar with the real-estate lobby composed primarily of the National Association of Home Builders, the National Association of Real Estate Boards and the United States Savings and Loan League, but there is another group out to defeat this bill which uses even more effective methods and slogans.

As President Truman stated in his letter to Speaker RAYBURN concerning the Housing Act, the most loudly proclaimed propaganda argument of the various lobbying groups against the act is the claim that it is socialistic. There is one group in particular which bases its attacks on this housing bill as well as any progressive legislation designed to assist the less fortunate segment of our population on the argument that our Government is becoming socialistic. This organization has a long and varied lists of names which it uses for fund-collection purposes—its most familiar title is "The Commitee for Constitutional Government." Its newest title which appeared in the Wall Street Journal in two pages of advertisements on Monday, June 20, is "Fighters for Freedom."

WHAT GROUP OPPOSES

To the Members who have been bombarded with literature by this group on all-important legislation which has come before us this session, I think that a short history of the Committee for Constitutional Government will be very enlightening.

Here are some of the measures, groups, and issues, which the Committee for Constitutional Government has opposed in the last 4 years: Federal-income taxes, European recovery program, United Nations Organization, universal military training, the International Trade Organization, labor unions, Federal aid to education, and housing; admission of displaced persons. Various persons on the board of directors for the Committee for Constitutional Government have also been influential in such organizations as America's Future, Inc.; National Economic Council, American Action Committee, American Democratic National Committee (organized to defeat Roosevelt), and now Fighters for Freedom.

This is what the Congressional Quarterly Notebook of March 10, 1948, said about the way in which the Committee for Constitutional Government worked:

WORK FOR MONEY—NOT VOTES

Homer Dodge, the committee's Washington lobbyist, told Congressional Quarterly that "instead of playing for votes in the lower brackets, it would be better to get pools of capital from the higher brackets."

This is a very frank admission of the nature of the group which the Committee for Constitutional Government is organized to serve. Their objection to a bill which helps those in the lowest income bracket becomes more understandable in the light of their own statement.

To quote again from the quarterly:

MAILING LISTS

Most of the committee's work is done through selected mailing lists which total several hundred thousand names. In 1947, the committee distributed 80,000,000 pieces of literature, much of it advocating tax reduction. The same activity has continued in 1948.

For at least part of its distribution, the committee relies on Members of Congress. The testimony of Dr. Willford I. King, committee chairman, before the House Ways and Means Committee was widely distributed under the frank of Ways and Means Chairman Harold Knutson, Republican, of Minnesota. Statements of the Committee for Constitutional Government are also occasionally inserted in the CONGRESSIONAL RECORD by sympathetic Members of Congress and distributed in the same way.

In this type of distribution, Dodge explained, the committee pays for the printing costs, but its name does not appear on the material and "the person receiving it doesn't know we instigated it."

Besides its own mailing lists and the distribution obtained through congressional franks, the committee counts heavily on a chain reaction among persons on the receiving end. Almost all its literature carries appeals to recipients to order extra copies to be sent to friends, business associates, and Members of Congress. The extent of this chain reaction, Dodge said, is amazing. It means, of course, that there is a frequent duplication, especially among Members of Congress.

TRIED TO MAKE RICH RICHER AND POOR POORER

This intensive method of spreading propaganda has been used for 5 years to promote a constitutional amendment which would forbid the Federal Government to levy a tax of more than 25 percent on any income, no matter how large, and would also ban any Federal estate or inheritance tax. This attack has been designed to make it impossible for the Government to furnish war veterans, farmers, the old, and the people in the lowest financial brackets any benefits which they now have, and to prevent any further benefits such as a chance for adequate housing. The Committee for Constitutional Government commenced a sneak campaign several years ago to get the State legislatures to adopt a resolution asking for a constitutional convention to consider the amendment of the sixteenth amendment which would prevent Congress from having the power to levy taxes on incomes, inheritances, and gifts in excess of 25 percent. This proposal would increase the wealth of the rich and afford no tax reduction to the people in the lower-income tax brackets. Seventeen States had adopted the resolution before the nature of the movement was disclosed—six States then passed rescinding resolutions. The movement

flared up again in the Nebraska Legislature last month; so I assume the Committee on Constitutional Government has not given up its plan to further the interests of its wealthy backers. According to Treasury Department's experts, under the proposed plan, the 49,000,000 low-income taxpayers who now pay 54.15 percent of the present individual income levy would have to assume liability for 65.8 percent of that levy under the plan. The scheme was characterized by some as the millionaires' amendment—and I think that is a very good description of its purposes.

The Committee on Constitutional Government is designed to protect the power of a select group of our citizens who have accumulated enough money to qualify them for leadership in the eyes of this biggest and most dangerous lobby in America. The attitude of the committee and other real-estate lobby groups is exemplified by the following remark which a real-estate promoter made to a young veteran and his wife who were looking at the prospectus for some cooperatives apartments soon to be completed in this city: "We have set the down payment at 40 percent to attract a high caliber and more desirable type of tenant."

MILLIONS SPENT FOR LOBBYING

It is a matter of congressional record that the group behind this innocent sounding patriotic name, spent $100,000,000 over a 7-year period for 82,000,000 pieces of literature, recordings, and so forth.

CLEVER SCHEME

A clever method has been devised by the committee to make it profitable or at least costless for corporations to make contributions. Under this scheme corporations run no risk of contributing to a political group and are able to deduct costs as advertising expenses on their income-tax returns. The plan is simple—the Committee on Constitutional Government sells the corporation books which cost but a few cents to publish but for which the corporation pays a substantial amount. The great profits are used to finance the propaganda activities of the Committee for Constitutional Government. The book which is currently being sold according to the ad in Monday's June 20, 1949, Wall Street Journal is Norton's book, The Constitution of the United States, at 60 cents a copy. Here are the number of books the committee hopes to sell according to their statement in the Wall Street Journal:

I quote:

Purchases by corporations or individuals, in order to meet this demand, are needed as follows:

A. 8 buying 4,000 books, $2,400 each	$19,200
B. 15 buying 1,000 books, $600 each	9,000
C. 35 buying 500 books, $300 each	10,500
D. 60 buying 250 books, $150 each	9,000
E. 90 buying 100 books, $60 each	5,400
F. 230 buying 50 books, $30 each	6,900

This scheme was hit upon after the Honorable Clinton P. Anderson, in 1945, as chairman of the House Committee to Investigate Campaign Expenditures in the year 1944, protested to the Commissioner of Internal Revenue that contributors to the Committee on Constitutional Government were receiving tax exemptions although the activities of the group were without a doubt political in nature. The new book idea was announced in a letter which went to executives all over the United States in the fall of 1947. Here is a statement from that letter:

UNCLE SAM PAYS THE BILL

If you have not yet used up your 15-percent tax deductible allowance, or if your company has not yet used its 5 percent of net allowance for educational and philanthropic work, make a contribution to colleges to distribute this book. For this special purpose, make your check payable to Sumner Gerard, agent. (In addition corporations and individuals can charge such purchase to business expense and get a tax deduction.)

I do not doubt that some books are distributed under the scheme, but the cost of those books to the Committee on Constitutional Government is but a small amount of the money received from contributors—and the majority of the money is used to protect the special interests of a few wealthy individuals and corporations against the general interest of the people.

I have selected some statements from the many pieces of literature which the Committee on Constitutional Government has sent to me to illustrate the attitude of the committee toward any housing bill which assists these in the lower-income brackets:

FALSE PROPAGANDA

First the Committee on Constitutional Government blamed rent control for the housing shortage. It compared the situation in the United States to that which prevails in France, which has had rent controls, but which has also had two major wars fought on its soil. The committee said abolishing rent controls in the United States would stimulate building by property owners, but there was no explanation in any of the material as to how the people in the lowest-income bracket were going to obtain housing. The special-interest groups represented by the Committee on Constitutional Government are going to build for profit—not for the welfare of the people living in substandards housing who cannot hope to pay the high rents and down payments charged by the builders who are concerned only with filling their own pockets.

The committee states:

Houses cost too much for three principal reasons; they are: rent controls, antiquated building codes, "featherbedding" union rules. Building workers, by maintaining strong unions, keep wage rates far above the levels which would exist if competition prevailed.

AGAINST LABOR

What is the remedy suggested by the Committee for Constitutional Government? Abolish the right of the working man to strike to protect his wage rates. Here is the statement of Dr. Willford I. King, chairman of the committee:

The working man does not need to strike to protect himself, for he always can follow Bruce Bairnsfather's famous precept—"If there's a better 'ole, go to it."

It is almost unbelievable that anyone could suggest that laborers be left completely unprotected against the highly organized building industry.

Let's carry the suggestion of the committee a little further—if wage rates for laborers in the housing industry were reduced substantially, would this cause real-estate owners and builders to begin buying up slum housing and constructing low-cost housing for the people who need housing most? Or would it merely cause the builders to reap greater profits on the type housing which they favor—housing for the upper middle and high-income bracket families?

PAUL REVERE MESSAGES

Typical of the material put out by the Committee for Constitutional Government are throw sheets called Paul Revere messages. The Members will be interested in the description of the protagonists in the housing fight as described by the committee in one of the Paul Revere messages: the people who need low-cost housing are described in these words, "long haired, often fanatical, frustrated Socialist or Communist delegations"; the members of the real-estate lobby are painted in slightly different terms, "These frugal, self-governing, hard-working, respectful property owners."

POOR CANNOT CONTACT CONGRESSMEN

It is sad but true that the people who need the housing have had few spokesmen. They cannot afford long-distance calls to your offices; they cannot publish full-page ads in the Wall Street Journal; they cannot distribute elaborate printed booklets.

The great agitation against this bill by the real-estate lobby is most difficult to understand since the housing provided under the bill will be designed only for those groups whom the real-estate lobby does not choose to assist.

Nor is it easy to understand their arguments that the Federal Government is going to compete with private industry. Certainly the actual examples of disposition of public housing by the Government after the war should allay their fears—for in almost every case private real-estate operators were able to buy Government-constructed property at a small fraction of its cost and value.

A TYPICAL GROUP

I have described in detail the activities of the Committe on Constitutional Government because it is typical of the groups in this country which advocate rule by the privileged interests—a maintenance of status quo—no legislation of social value. I have deliberately avoided mention of the fact that this particular group has at times verged on an almost Fascist approach to government. Some of the members of the Committee on Constitutional Government have been associated with other groups which are most reactionary and publicly known to be Fascist. But there have been enough accusations in the air lately, and I believe I have described their activities in sufficient detail to show beyond question the special-interest group which is represented. These bigots who resent the idea of housing programs for the poor should remember the origins of our country and the fact that it was founded by poor people who fled from the tyranny of religious persecution.

Mr. SPENCE. Mr. Chairman, I yield 17 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, no one in this Chamber has a greater call from duty to speak than have I. My home is Chicago, and I would stand debased in the eyes of the men and women who elected me if I did not do all to the utmost of my ability in support of H. R. 4009.

For days, as a member of the Banking and Currency Committee, I sat and listened to many witnesses. Spokesmen for our veterans appeared Among them was no disunity. The men and women we were cheering in the war years were united in their demand for the enactment of this proposed legislation. Spokesmen for labor, for the women voters of the Nation, for practically every segment of our population, except the real-estate lobby and its allies, appeared before our committee, all in favor of this measure.

The spokesmen for the real-estate lobby assured us that there was no housing shortage, that in the last 3 years private industry had supplied 10,000,000 people with homes, that the veterans and their families were happy because they had good homes and there were plenty more available at a low rental or sale price. They assured us, indeed, that private enterprise, in 36 years, would rehouse the entire population of the United States. The lobby's representative readily met the demand for proof by producing six photographs of houses in the remotest sections of America.

Being from the second city of America, naturally I desired a showing from my city. The gentleman accommodatingly dug deep into his collection of portfolios and came up smilingly with a picture of a house in Hobart, Ind. He put several hundred words into the record, to be printed at the expense of the Government, in an attempt to prove either my blindness or stupidity in questioning his statement that Hobart, Ind., was not really part of Chicago and within 15 minutes of the city hall. Any constituent of mine—living in Joe Plunkett's ward, beginning at Thirty-ninth Street—could not turn the trick in 15 minutes. I, in Jim Ryan's ward, living in the seventy-sixth block, could not get to the city hall in twice the time. And Hobart, Ind., is miles and miles away from the last bit of soil of Illinois in the district of the gentleman from Illinois [Mr. BUCKLEY], which takes up where mine leaves off around Ninety-fifth Street.

If I should go back to Chicago and tell my constituents that I place greater weight on what this real-estate lobby tells me than what they see with their own eyes, and I see with my own eyes, they would have the good common sense to wonder what had influenced me.

I am not selling out the people of Chicago to the real-estate lobby.

I am not going back to Chicago and tell my veteran friends that there is no housing shortage since thousands of them are living in the only available quarters, cramped up, doubled up, many without the ordinary facilities, many of these homes scarcely fit for human habitation—the best homes that the free enterprise of the real-estate lobby has seen fit or profitable to furnish to the heroes we were praying for in the war years.

I have seen enough of the real-estate lobby in my less than 6 months in the Eighty-first Congress. Every time the postman has come to my office, he has left its handiwork. Do the high-salaried directors of the publicity drive of the real-estate lobby think that all of the Members of this Congress are stupid? Some of these gentlemen, it is generally known, receive salaries of $100,000 per year and upward, but their work is so very crude that if I were the director of the real-estate lobby, I would fire the entire gang and go out and hire a few hard-working, honest-to-goodness newspapermen.

In every letter I have received emanating from this source, and against H. R. 4009, has been the same phraseology, only slightly rearranged. There has been the same avoidance of the facts that I found when the spokesmen of the real-estate lobby attempted to answer my questions in the hearings of the Banking and Currency Committee. The only illuminating light that I could get from the gentlemen was that there was no money in the home-building business until 1938 and that the year he went into business was 1938.

I have no objection to a man going into a business in which he can make money. But I do not think that the real-estate lobby would have had enough money to kill housing legislation before the Eightieth Congress and to make the terrific drive that I have seen going on in the Eighty-first Congress if there had been less victimizing of veterans and others who were forced to pay exorbitant prices for homes because of a housing shortage which the real-estate lobby, for its own selfish interest, was seeking to continue.

I do not believe that money could buy such a man as the venerable, beloved and godly Msgr. John O'Grady. He has spent the hard but good years of a long life walking among the lowly. If any man in America knows the need for decent housing, for the clearance of the slums, for the strengthening of America by the furnishing of a wholesome home environment, this man of God is he.

Listen to these words, not my words, certainly not the dollar-cry of the real-estate lobby, but of this man who knows and who serves only for God and for humanity:

> The slum I saw in Chicago to me was utterly unbearable. I thought I had been through some of the toughest places in the world, in the jungles and in the mountains, and yet I could stand it; but after being in that slum in Chicago for about 2 hours, I had to quit.

What kind of a colleague of yours would I be if I remained silent, coming from Chicago, or accepted the word of the real-estate lobby that everything in Chicago in the way of housing contributed fully to the joy and happiness of everyone?

But, say the fine gentlemen of the real-estate lobby, if here and there is a blighted area, let the municipalities do the job of clearing it up. Fine talk from fine gentlemen. State and municipal governments have appropriated $55,000,000 for the job in Chicago. Overwhelmingly, at a referendum, the people of Chicago voted a bond issue of $30,000,000 for the purpose of slum clearance and relocation, and this despite their heavy tax burden, heavy because of the tremendous contribution that the tax money of Chicago makes to aid to agriculture, to great public works of direct benefit to the people in the southland and in the far West.

These contributions have been made without complaint. They have been made cheerfully because the men and women in Chicago, as in other large cities, have always had the concept that we belong to a family—the family of 48 States, our 3 Territories and 3 possessions—and that that which benefits one member of the family, benefits the entire family. Chicago and her sister cities, if you measure it dollar by dollar, have contributed many, many times to the expenditure of billions of dollars that have brought to the cities no direct benefit at all, than the money contributed by the regions deriving the direct benefit therefrom.

Does anyone in this Chamber believe that there is no end to patience? Is there a home anywhere within whose walls patience can endure forever, when some members of the family are always giving, giving, giving with sacrifice, and other members are always withholding, withholding, withholding in self-interest? How do we feel in Chicago and in the other urban centers, when we gladly give our money to clean up the slums of the cattle industry, and yet we present our own case for just a little help in cleaning up the slums of human-beings, and we get only the brush-off of the real-estate lobby.

In Chicago we were thrilled by what happened in Mexico when the hoof-and-mouth disease threatened the cattle industry. The border was closed and 500,000 Mexican cattle were slaughtered to prevent the disease from spreading. But the economy of Mexico could not stand the strain of a continued slaughter program. Although Mexico was not a member of our national family, nevertheless, the collapse of her economy would have had serious repercussions upon our own economy. So we formed, with Mexico, the Mexico-United States Commission for the eradication of hoof-and-mouth disease. We furnished most of the money—$2,000,000 per month.

Approximately 14,000,000 heads of Mexican cattle were vaccinated mostly at our expense—$2,000,000 a month. The first vaccinating has been completed. The recheck has failed to disclose a solitary head of diseased cattle. Because of this successful experiment we are now looking forward with confidence to the complete eradication of this dread disease in the 55 other nations of the world where hoof-and-mouth disease has contributed tremendously to the undernourishment of the people. It has been a tremendous contribution from America

to the health, the welfare, the happiness of all the people of the world.

Yet the fine gentlemen of the real-estate lobby, if they could have seen a dollar in its inception, would have fought it with the cry of state socialism, trespass upon free enterprise, and the best and latest of their verbal scarecrows, economy. Yes, Mr. Chairman, for several long years it cost us $2,000,000 per month of American money to clean up the cattle slums of Mexico. How can we view with complacency the objections of the real-estate lobby that would not give to the slums, where children are growing up, at least as much attention as we have given to the cattle slums?

Do not misunderstand me. I do not begrudge one cent that we have paid out to eradicate the hoof-and-mouth disease. But I cannot accept, for myself and for the men and women of Chicago, the taunt of $2,000,000 a month for slum clearance in the cattle industry and not one cent for slum clearance in the places where children live.

By cleaning up the cattle slums of Mexico we have added vastly to the food resources of the world. By cleaning up the slums where children live, we will be contributing to that greatest of all resources of any nation, its human resource.

Many of my years have been spent in countries defending human beings for whose blood there was popular hue and cry. Mine has been the profession of the lawyer, yes, the criminal lawyer, if you please, the criminal lawyer specializing in homicide cases, and I know, if anybody in all this wide world can know, the price that society pays because there are real-estate lobbies standing between decency and cleaning up the places where children grow up.

Do not tell me that these boys I have defended were one-half as guilty as a society that tolerates a real-estate lobby.

I remember too well the murder with a sawed-off shotgun, the murder of a clerk carrying the day's receipts in a department store in the city of Chicago. Who fired the gun? A boy of 20 who had been brought up in the slums of Chicago.

Yes, the boy of 20, confused and frustrated, to get the bread and the milk for his sister, dying of tuberculosis in the slums of Chicago, went out on his first excursion into crime with a sawed-off shotgun.

That is only one incident in the frustrating story of the slums of Chicago. That is the greatest of all reasons why I am here pleading with my colleagues to think twice and to say a prayer before they refuse to give to the children who live in slums that which they gave so generously to the cattle of the Mexican cattle slums.

I would sooner leave this Congress a defeated first-termer than go to bed for just one night with the conscience of a real-estate lobby.

But the real-estate lobby wants to talk in the language of dollars. Let us talk that language.

At the hearings before the Committee on Banking and Currency of the Senate in the Seventy-ninth Congress, our own distinguished and brilliant colleague, the gentleman from Washington [Mr. MITCHELL], then in the Senate, being present, testimony was given on a survey compiled in Milwaukee. This careful work showed that 45 percent of the major crimes were of the slums; 60 percent of the juvenile delinquents; 60 percent of the tuberculosis victims. Milwaukee is a typical American city. Therefore I may reasonably accept the Milwaukee figures as likely to hold valid for the other cities of the country.

The slums, then, are responsible for 45 percent of our crime. An authority no less great than J. Edgar Hoover has estimated the total crime cost to the Nation for the current year of 1949 to be $15,000,000,000. Forty-five percent of $15,000,000,000 is $7,750,000,000. But the real-estate lobby has sought to scare my colleagues from undertaking the job of slum clearance by projecting the cost, under this legislation, for a period of 40 years. So let us take the cost of crime that comes from the slums in 40 years. The total would be about $310,000,000,000.

Sixty percent of the juvenile delinquents come from the slums. Juvenile delinquency, if not counteracted in every way possible, could bring us as a Nation to the ground with terrifying rapidity. If you want to do something to strike at the very heart of this problem, and to save the children of America, perhaps America herself, clean up the slums and start at once by voting for H. R. 4009.

But let us get back to the figures, the figures of dollars so close to the hearts of the gentlemen of the real-estate lobby.

Thirty-five percent of the fires in our cities occur in the slums. The total fire loss in the United States is approximately $600,000,000 per year. Thirty-five percent of $600,000,000 is $210,000,000 which, projected over 40 years, is $8,400,000,000.

I cannot give you the figures in dollars reflecting the cost to our citizens of disease and human ailments that come from the slums. In Milwaukee the cost per year to the municipal government for the care of each tubercular patient is $1,500. Governments, you see, do assume some responsibility for the care of victims of tuberculosis, and even my dear friend and colleague from the Thirteenth District of Illinois [Mr. CHURCH] and my distinguished colleague from the district of my nativity, the Fourth District of Michigan [Mr. HOFFMAN] would not call that socialism.

More unfortunate than the cost in dollars, I think, although I do not expect the real estate lobby to follow me in this, is the cost in human life. That cost I can give you with appalling accuracy. In 1946 there were, in the United States, 50,911 deaths from tuberculosis. Sixty percent of the tuberculosis cases occur in the slums. I do not know how many of the tuberculosis cases of the slums end in the cemeteries, but it is probable that in the slums few with tuberculosis recover and 60 percent of 50,911 is 30,546. We may conservatively say that the cost of the slums in human life from this one disease alone is between 25,000 and 30,000 men, women, and children a year.

I will not attempt even to estimate the number of persons who contract tuberculosis, a communicable disease, from tubercular patients coming from the slums, nor will I attempt to estimate the number of children in overprivileged districts who are caught in the net of juvenile delinquency because of associations that come from the slums.

But I do want to say to my colleagues, and to the fine gentlemen of the real estate lobby, that no man is safe, no woman is safe, no child is beyond the reach of danger while crime, death, and disease breed in our slums.

No, my colleagues, I will not sell out my constituents to the real estate lobby. I will not leave the children in the slums of my city without this voice lifted for their liberation. I will not follow the real estate lobby onto the hilltops where the promises are made, while men and women live in the slums and pay the cost in crime, disease, and death.

With many of my colleagues from all sections of our great United States, with my colleagues on both sides of the aisle, I march forward unafraid, in the faith that by doing the right thing and the decent thing for our less fortunate neighbors, we fulfill the destiny of our country and add to the contentment of our own lives. I am voting for H. R. 4009.

Mr. GAMBLE. Mr. Chairman, I yield 18 minutes to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, the bill before us today is of such great consequence to our national solvency and our philosophy of government that I would consider myself derelict in my duty, as the free representative of a free people, if I did not express my views on this proposed public housing program.

I do not intend to discuss the technical ramifications of the 84-page bill and 84-page committee report presently before us. It is to the basic issues presented by this legislation that I should like to direct your attention.

Let us set aside for the moment all consideration as to whether a Federal public housing program is needed or desirable. Let us agree that the stated objectives of the bill are worthy. Let us assume that the problem the bill seeks to solve is serious. Let us even assume that the bill will contribute toward a solution of the housing problem by providing better housing for those most in need. In short, let us assume that the bill has merit.

Assuming all that, it seems to me that the very first question we must ask ourselves: Is this something we can afford? I can think of many things of merit for which we might make expenditures. During my service on the Appropriations Committee I have on many occasions examined items of expenditure of value for which even larger amounts might be spent. But the question always is, or at least should be, not what we can spend on this program or that, but rather how much can be afford?

And so, I appeal to the Members of this House to consider this proposed program in the light of our existing fiscal situation and the additional financial burden the program would place on our already overstrained economy and overtaxed people. On this bill, and indeed on every

other bill that may come before us involving an increase in Federal spending, I urge, with all the emphasis I can command, that consideration be given to the size of our existing public debt, to the heavy taxes now being borne by the people, and to the fact that at this very moment we are faced with the prospects of an unbalanced budget.

Surely, however meritorious this or any other program may be said to be, we would be contributing nothing to the welfare of the people if by adopting such programs we produce national insolvency. Those who profess such great concern over public welfare would do well for improving the lot of the people if they devoted more attention to our Government's fiscal policy. If we are to have a happy, prosperous people, regularly employed at good wages, the very first requirement is that we have a stable fiscal policy.

Hon. James F. Byrnes, former Member of this House, former United States Senator, former War Mobilizer, former Justice of the United States Supreme Court, and former Secretary of State, uttered eloquent and grave words of warning in the address he delivered at Washington and Lee University last Saturday. He has had a background of experience in public affairs equaled by few and probably surpassed by none. I wish every American citizen would read and reflect on what he said on that occasion.

Our first line of defense is not on the Rhine—

Said Secretary Byrnes—

Our first line of defense is a sound, solvent American economy.

And he went on to say a few paragraphs later:

In time of peace we should not resort to deficit financing. Business is dependent upon the stability of the Government's fiscal policy. When uncertainty and fear exist as to our fiscal policies, private enterprise abandons expansion programs, merchants purchase on a day-to-day basis, and prudent individuals spend only what is necessary. Unemployment results, and the Treasury can never provide sufficient relief employment to take care of all who are dismissed by private employers.

I wish I had the time to quote a number more paragraphs from that great speech by a great American—and, incidentally, a great Democrat—who has served with distinction in all three branches of the Government. We warned that these programs offered "in the name of public welfare" and made possible by Federal aid are "deceptive," that they lead us to "statism" where the individual is "an economic slave pulling an oar in the galley of the state."

At this very moment we are in the midst of a business recession. Unemployment is increasing, and national income is decreasing. One of the contributing factors to this situation is the uncertainty and the fear that exists with respect to our Government's fiscal policy. The danger signals are up. We must cut expenditures and defer others.

And yet it is proposed by this bill before us today that we disregard these danger signals and proceed to commit this Government to a potential expenditure of $20,000,000,000, and perhaps more, over a period of 40 years. Surely we are not so lacking in political courage that we would risk the solvency of our country. If there were no other reason for rejecting this program, the fact that it is something we cannot afford is sufficient in itself. And we must have courage to tell the people that and not allow them to be blindly deluded by false promises.

There has been some argument as to how much this program will actually cost. Naturally, the proponents of this legislation try to minimize the cost, well knowing that the American people are today deeply concerned about the already high cost of Government. They point to the "reasonable estimate" which was prepared by the Budget Bureau and contend that the cost will only be between $9,000,000,000 and $10,000,000,000 over a 40-year period. But that figure does not include the grants-in-aid to slum clearance, nor does it include the contributions for farm housing, nor does it include the proposed outlays for research and administration.

The administration contends that only between $9,000,000,000 and $10,000,000,000, rather than the $16,000,000,000 authorized by this bill, will be required for low-rent housing. They thus argue in effect that all the money will not be used. That is just nonsense. I have yet to see a Federal agency that did not spend every cent allowed it by Congress, and in most cases they ask for more money at a subsequent date.

I readily concede that the nature of the program is such that no one can definitely say how much it will cost. But in passing on the program as representatives of the people we have to face the fact, which no one can possibly deny, that the bill before us today makes a commitment of approximately $20,000,000,000 for the program.

While around $20,000,000,000 is the potential cost to the Federal Government, let me remind you that it does not represent the total cost to the American people. The people also bear the cost of local governments, and the bill calls for local contributions. The money for local contributions will come from the pockets of the taxpayers, just as the money that the Federal Government spends comes from their pockets.

And there is another item of cost to the property-owning taxpayers which should be taken into account but which, I fear, is generally overlooked. The bill provides that each project shall be exempt from the taxes imposed by the State or local governments. That obviously means the person who owns his own home, or is paying for one, must bear the cost of the police and fire protection, sewage facilities, and all the other services of the local government that will necessarily be provided for the public-housing projects.

Regardless of what figure one may use in his calculation, it must be recognized that this program will place a substantial additional tax burden on the people. And I think it must also be recognized that those who are advocating this program look upon it as only a beginning.

I call your attention to the testimony of Mr. John W. Edelman, representing the CIO committee on housing, when he appeared before the Banking and Currency Committee as an advocate of this bill. You will find at page 264 of the committee hearings this statement:

We point out that the number of units prescribed in H. R. 4009 seems to us to be inadequate, but the CIO, for once, would like to demonstrate that it can be reasonable and conservative, and just for the sake of unanimity we will go along and not make any objections to the curtailment of the number of units here. We feel very strongly that, once this program is under way, it will develop sufficient political momentum, such a strong pressure from the public at large, that there will be no necessity for us to argue energetically for such extensions of the program as may be needed from time to time.

Mr. Edelman is to be commended for his frankness. He frankly admits that this program is intended to be only the beginning. By implication he admits that the program has great political potentialities for the establishment of a welfare state and for the perpetuation of political power.

Why, Mr. Chairman, the program has grown in size and cost even without legislation. The bill that was passed by the Senate last year, but was not acted on by this House, provided for 500,000 units. The bill that passed the Senate this year provided for 810,000 units. The bill reported by our committee and is before us today provides for 1,050,000 units. This in itself shows how programs of this nature constantly grow and grow.

If this bill is passed, I venture the prediction that the $20,000,000,000 cost figure which the sponsors now contend is an exaggeration of the cost of the program will, in the end, prove to be a gross understatement. By the passage of this bill we will be entering upon a program much more costly than any of us now can visualize.

By the very terms of the bill before us the Congress will have no control over the expenditures. We simply authorize the executive branch of the Government to enter upon a multibillion-dollar program. I call your special attention to how the program is to be financed. This is not a program where the agency involved will get annual appropriations from Congress and by the use of our power to reduce or increase expenditures we can control the progress of the program.

By the very terms of this bill the Congress is granting to the Housing Administrator the right to incur a debt with the full faith and credit of the United States behind it. The money for the program is to be raised by debt transactions rather than by appropriations. The bill provides that the Housing Administrator may issue notes or other obligations in such forms and denominations as he decides. The Secretary of the Treasury is authorized and directed to purchase these notes and other obligations. In making the purchases the Secretary of the Treasury is

authorized to use the proceeds from the sale of any securities under the Second Liberty Bond Act.

Obviously, this procedure bypasses the Committee on Appropriations and the Congress. By the mere passage of this bill we will be making a definite commitment of an expenditure for over 40 years. We will be giving up one of our must fundamental prerogatives. The only control we will have over the expenditures to be made in this program will be the item of administrative expense and that for research.

Mr. Chairman, I cannot approve a program that will, in the face of the Nation's precarious financial situation, add this additional sum, whether it be $10,000,000,000 or $20,000,000,000, to the cost of Government. This is something which we cannot afford. Nor can I approve a program of this character where it is proposed that the Congress relinquish its fundamental right to control the respective expenditures.

That brings me to the second point I wish to emphasize. Entirely aside from the cost involved in terms of dollars, the program advanced by this bill represents a complete departure from our philosophy of government. If we adopt the policy enunciated by this bill, we will be taking one more step toward socialism.

Instead of endeavoring to devise ways and means by which our great system of private competitive enterprise can do the job that is to be done, by this bill we are proposing that the Government itself do the job. There has been growing in this country a philosophy that, slowly but surely, is destroying the moral and spiritual fiber of our people. Instead of our people asking, what can I do to improve myself and my community, or what can I do for my Government, in growing numbers and with ever-increasing tempo, the people are asking, what can my Government do for me?

That is not the philosophy of government that made this the richest and strongest country in the world. It is not the philosophy of government that has given our people the highest standard of living enjoyed by any people anywhere.

Mark these words of Secretary Byrnes in his speech last Saturday, to which I previously referred:

> We are going down the road to statism. Where we will wind up on one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state.

It is down the road to statism that this bill takes us. The ultimate result of such programs as this will be the nationalization of land and homes. The question we have to ask ourselves is this: Should homes be owned by the people, or should we have Government ownership? That is the underlying philosophy of government issue which this bill presents.

No one will deny there is a housing shortage. This is due to a number of factors. It is not due to any fault or failure of private enterprise. During the war period, because of the shortage of men and materials, there was very little building. At the same time there was an increase in the number of marriages and families, a shifting of the population from farms to cities and an increase in earnings. In other words, while the construction of homes and apartments was abnormally low the demand increased abnormally fast.

The program proposed by this bill is not the solution. The existing housing shortage is merely the excuse which the socialistic planners use to put their nationalization plans into effect. Some good, well-meaning people have been lead to believe that the passage of this legislation will almost overnight provide homes for their relatives or friends or neighbors. Insofar as the present housing shortage is concerned, the bill can do nothing in less than 2 years toward alleviating the shortage. And so all this talk about the existing housing shortage being relieved by this proposed legislation is propaganda, designed to sell this socialistic government housing scheme to the people.

In the meantime, private enterprise is itself licking the housing problem. Last year almost 1,000,000 new permanent dwelling units were built. That is a larger number than ever constructed in the entire history of the United States. This building boom was generated by the removal of the wartime restrictions and controls on the building industry by the Eightieth Congress.

In a word, the solution to the housing shortage is the continuation of the record building program now under way. As more and more homes are built, the prices will become lower. Private enterprise, free from Government restrictions and controls, free from the deadening hand of bureaucracy, is doing this job.

But if our Federal Government enters upon a public housing program, in competition with private enterprise, the number of housing units built by private enterprise will slowly but surely decrease. Such has been the experience in Great Britain with such programs as proposed here, and it will be our experience here in the United States.

Private enterprise cannot compete with Government-subsidized houses. Government-built houses, owned by the Government, managed by the Government with part of the rent paid by taxes paid by all the people to the Government, will serve, inevitably, to discourage individual home ownership. A program of this character strikes at the American tradition of home ownership, thrift, and individual incentives.

Mr. Chairman, I sincerely urge upon this House that earnest consideration be given to the dollar cost of this proposed program. I say it is something we cannot afford. I also urge this House to give earnest consideration to the radical departure from our fundamental philosophy of government which this bill represents. I say that this program will take us further down the road to state socialism.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. WELCH].

Mr. WELCH of California. Mr. Chairman, I include as part of my statement Resolution No. 8530, adopted by the Board of Supervisors of the City and County of San Francisco, memorializing Congress to write into law an adequate housing bill.

Mr. Chairman, I listened last Sunday evening to an interesting debate on Federal housing over the radio, between three distinguished Members of this House and a Member of the other body. During the debate the word "socialism" was freely used by the adversaries of this legislation.

Mr. Chairman, long in advance of the memory of the younger Members of this body the word "socialism" was used in an attempt to defeat humanitarian legislation.

In 1907, while a member of the California State Senate, I was the author of a constitutional amendment providing for workmen's compensation. It was referred to as socialism at the time. It was necessary for my amendment to be submitted to the people of the entire State for ratification, and it was ratified by an overwhelming majority. California was one of the first, if not the very first State to enact workmen's compensation laws. Since that time workmen's compensation laws have been written into the statutes of nearly every State in this Union. At the same session of the California legislature there was authorized a Statewide bond issue for good roads which was also approved by the people of the State by an overwhelming majority, and placed California at the head of the list of States providing for good roads. This likewise was referred to by some as socialism.

Mr. Chairman, from 1945 to 1948 this country sent 21,744 prefabricated houses to Britain, France, India, the Philippines and Japan. All of these prefabricated houses were of wooden construction and this number does not include prefabricated houses of steel construction. Does the shipment of these badly needed homes out of the United States to foreign countries, and for which we will receive no compensation whatever, constitute socialism? If so, we are nearly all guilty.

Mr. Chairman, some would have it that this country is headed for a depression. I do not share in that thought. If, however, fate should decree another depression with resultant unemployment, we should have a well-thought-out building program. It will be recalled that there was a waste of untold hundreds of millions of dollars during the last depression by reason of the fact that we were not prepared for it. It might have been nipped in the bud had we followed the advice of former Congressman and former Vice President, John Nance Garner, who brought a building program to this floor, but unfortunately his advice was not accepted. Our country needs more houses for the great middle class and by all means let us have a well-planned building program, including, particularly, low-priced housing. Therefore this bill should pass.

Mr. Chairman, the resolution referred to reads as follows:

Resolution 8530

Whereas there is now pending in the Congress of the United States a bill known as the Housing Act of 1949, which has been favorably reported to the Senate as S. 1070

by the Senate Committee on Banking and Currency; and

Whereas said bill, if enacted into law, is to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, a national program of housing research, and a decennial census of housing, and for other purposes; and

Whereas it is to the best interest of the city and county of San Francisco that said bill be enacted into law: Now, therefore, be it

Resolved, That the board of supervisors of the city and county of San Francisco does hereby wholeheartedly endorse the Housing Act of 1949, and memorializes the Congress of the United States to give favorable consideration thereto; and be it further

Resolved, That copies of this resolution be forwarded immediately to his honor, the mayor, for transmittal to the Federal legislative Representative and presentation by the latter to Senators DOWNEY and KNOWLAND, and Congressmen WELCH and HAVENNER, with the request that all necessary action be taken to assure enactment of the Housing Act of 1949.

I hereby certify that the foregoing resolution was adopted by the board of supervisors of the city and county of San Francisco at its meeting of April 11, 1949.

JOHN R. MCGRATH, *Clerk.*

Approved, April 12, 1949.

ELMER E. ROBINSON,
Mayor.

Mr. BROWN of Georgia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office, if approved by the Joint Committee on Printing.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1742. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3083) entitled "An act making appropriations for the Treasury and Post Office Departments and funds available for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate further insists on its amendments numbered 5, 6, and 7 to the above-entitled bill and asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. HAYDEN, Mr. KILGORE, Mr. MCCLELLAN, Mr. JOHNSTON of South Carolina, Mr. CORDON, Mr. REED, and Mr. BRIDGES to be the conferees on the part of the Senate.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include a number of newspaper articles concerning the exploits of the Butte (Mont.) High School Band.

Mr. SUTTON (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. DAVIES of New York asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. CAVALCANTE, for the remainder of the present week, on account of official business.

To Mr. BREEN (at the request of Mr. MCSWEENEY), for 1 week, upon the recommendation of his physician.

SENATE BILLS REFERRED

Bills, a joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 115. An act to amend the Veterans' Preference Act of 1944 with respect to preference accorded in Federal employment to disabled veterans, and for other purposes; to the Committee on Post Office and Civil Service.

S. 230. An act for the relief of Mrs. Sonia Kaye Johnston; to the Committee on the Judiciary.

S. 447. An act to amend the Civil Aeronautics Act of 1938, as amended, to regulate the transportation, packing, marking, and description of explosives and other dangerous articles; to the Committee on Interstate and Foreign Commerce.

S. 471. An act for the relief of Lloyd Gordon Findley and Malcolm Hearne Findley, a minor; to the Committee on the Judiciary.

S. 509. An act to provide for the advancement of Commissioned Warrant Officer Chester A. Davis, United States Marine Corps (retired) to the rank of lieutenant colonel on the retired list; to the Committee on Armed Services.

S. 622. An act for the relief of Isaiah Johnson; to the Committee of the Judiciary.

S. 771. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes; to the Committee on Post Office and Civil Service.

S. 803. An act to provide for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site for a National Guard armory and for training the National Guard or for other military purposes; to the Committee on Banking and Currency.

S. 897. An act for the relief of William Henry Tickner; to the Committee on the Judiciary.

S. 974. An act to amend the Veterans' Preference Act of 1944 with respect to certain mothers of veterans; to the Committee on Post Office and Civil Service.

S. 980. An act for the relief of Toshie Okutomi; to the Committee on the Judiciary.

S. 1003. An act for the relief of Emory T. Wales; to the Committee on the Judiciary.

S. 1076. An act to amend the Migratory Bird Hunting Stamp Act on March 16, 1934 (48 Stat. 451; 16 U. S. C. 718b), as amended; to the Committee on Merchant Marine and Fisheries.

S. 1278. An act to fix the United States share of project costs, under the Federal Airport Act, involved in installation of high-intensity lighting on CAA-designated instrument-landing runways; to the Committee on Interstate and Foreign Commerce.

S. 1279. An act to amend the Federal Airport Act so as to provide that minimum rates of wages need be specified only in contracts in excess of $2,000; to the Committee on Interstate and Foreign Commerce.

S. 1280. An act to amend the Federal Airport Act so as to limit to 10 percent any increase of the amount stated as a maximum obligation under a grant agreement; to the Committee on Interstate and Foreign Commerce.

S. 1283. An act to authorize the Secretary of the Interior to acquire, construct, operate, and maintain public airports in, or in close proximity to, national parks, monuments, and recreation areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1285. An act to authorize progressive partial payments to sponsors under the Federal Airport Act program; to the Committee on Interstate and Foreign Commerce.

S. 1405. An act to provide for the admission to, and the permanent residence in, the United States of Poon Lim; to the Committee on the Judiciary.

S. 1429. An act for the relief of Lacey C. Zapf; to the Committee on the Judiciary.

S. 1507. An act to amend section 10 of the act of August 2, 1946, relating to the receipt of pay, allowances, or other expenses while drawing a pension, disability allowance, disability compensation, or retired pay, and for other purposes; to the Committee on Armed Services.

S. 1560. An act to authorize the appointment of Col. Kenneth D. Nichols, O17498, professor of the United States Military Academy, in the permanent grade of colonel, Regular Army, and for other purposes; to the Committee on Armed Services.

S. 1578. An act to authorize the Secretary of the Army to proceed with the construction of stations of the Alaska Communications System; to the Committee on Armed Services.

S. 1639. An act to amend section 1452, Revised Statutes, relating to Presidential action on the proceedings and decisions of Navy retiring boards; to the Committee on Armed Services.

S. 1742. An act removing certain restrictions imposed by the act of March 8, 1888, on certain lands authorized by such act to be conveyed to the trustees of Porter Academy; to the Committee on Armed Services.

S. 1977. An act to extend the time within which legislative employees may come within the purview of the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

S. 2010. An act to extend for 2 years the authority of the Administrator of Veterans' Affairs respecting leases and leased property; to the Committee on Veterans' Affairs.

S. J. Res. 109. Joint resolution to amend the National Housing Act, as amended, to the Committee on Banking and Currency.

S. Con. Res. 44. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 45. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1096. An act for the relief of Mr. and Mrs. James Linzay;

H. R. 1125. An act for the relief of Ellis C. Wagner and Barbara P. Wagner;

H. R. 1136. An act for the relief of June C. Dollar; and

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 41. An act for the relief of the city of Reno, Nev.;

S. 646. An act granting a renewal of patent No. 54,?9 relating to the badge of the American Legion;

S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary;

S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of the American Legion; and

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on June 21, 1949, present to the President, for his approval, bills of the House of the following titles:

H. R. 3967. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1950; and

H. R. 4046. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 38 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, June 23, 1949, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

707. A letter from the Acting Administrator, Federal Security Agency, transmitting a draft of proposed legislation entitled "A bill to authorize the Federal Security Administrator to coordinate the arrangements for the employment of agricultural workers admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages, and for other purposes"; to the Committee on Agriculture.

708. A letter from the Acting Administrator, Federal Security Agency, transmitting a draft of a proposed bill entitled "A bill to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

709. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the Philippine Rehabilitation Act of 1946"; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PETERSON: Committee of conference. H. R. 2989. A bill to incorporate the Virgin Islands Corporation, and for other purposes (Rept. No. 870). Ordered to be printed.

Mr. RICHARDS: Committee of conference. H. R. 4392. A bill to provide for the payment of compensation to the Swiss Government for losses and damages on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor (Rept. No. 877). Ordered to be printed.

Mr. MILES: Committee on Public Lands. H. R. 4755. A bill to authorize the appointment of an Advisory Committee on Indian Affairs; without amendment (Rept. No. 878). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 1028. A bill to legalize the admission into the United States of Edmea Pacho; without amendment (Rept. No. 871). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee of the Judiciary. H. R. 1038. A bill for the relief of William Richard Geoffrey Malpas; with an amendment (Rept. No. 872). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1447. A bill for the relief of Ethel Roth; without amendment (Rept. No. 873). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1679. A bill for the relief of Mrs. Skio Takayama Hull; without amendment (Rept. No. 874). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1861. A bill for the relief of Elizabeth and Lawrence Wong; without amendment (Rept. No. 875). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2602. A bill for the relief of John B. Boyle; with an amendment (Rept. No. 876). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. H. CARL ANDERSEN:

H. R. 5279. A bill to extend indefinitely the period in which title I of the Agricultural Act of 1948 shall be applicable; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 5280. A bill relating to the rights of the several States in lands beneath inland navigable waters and to the recognition of equities in submerged coastal lands adjacent to the shores of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DAWSON:

H. R. 5281. A bill to authorize certain administrative expenses for the Treasury Department, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. FERNÓS-ISERN:

H. R. 5282. A bill to amend section 3 of the Organic Act of Puerto Rico; to the Committee on Public Lands.

By Mr. LOVRE:

H. R. 5283. A bill to extend indefinitely the period in which title I of the Agricultural Act of 1948 shall be applicable; to the Committee on Agriculture.

By Mr. MITCHELL:

H. R. 5284. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health of school children through the development of school health services for the prevention, diagnostic, and treatment of physical and mental defects and conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H. R. 5285. A bill to provide additional compensation, in lieu of overtime pay, for certain Federal employees engaged in criminal law enforcement work; to the Committee on Post Office and Civil Service.

By Mr. PICKETT (by request):

H. R. 5286. A bill to provide controls over subject matter, documents, other written instruments, materials, and records constituting personnel records consisting of the individual records of officers and employees of the Federal Government and the municipal government of the District of Columbia; to invest officers and employees with authority to examine their individual personnel records; to provide penalties for misfeasance and/or malfeasance in administering and/or applying this act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PRESTON:

H. R. 5287. A bill to amend title 28, United States Code, section 90, to create a Swainsboro division in the southern district of Georgia, with terms of court to be held at Swainsboro; to the Committee on the Judiciary.

By Mr. EVINS:

H. R. 5288. A bill to create the Veterans' Insurance Corporation Act; to the Committee on Veterans' Affairs.

By Mr. HAVENNER:

H. R. 5289. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; to the Committee on Armed Services.

By Mr. RAMSAY (by request):

H. R. 5290. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for basic and overtime compensation; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 5291. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. TAURIELLO:

H. R. 5292. A bill to expedite the payment of the special dividend in the national service life insurance fund; to the Committee on Veterans' Affairs.

By Mr. McKINNON:

H. R. 5293. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. WELCH of California:

H. R. 5294. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; to the Committee on Armed Services.

By Mrs. ROGERS of Massachusetts:

H. J. Res. 279. Joint resolution to extend until June 30, 1950, the authority of the Administrator of Veterans' Affairs relative to conveyances for disabled veterans; to the Committee on Veterans' Affairs.

By Mr. ABERNETHY:

H. J. Res. 280. Joint resolution to relieve the world shortage of fertilizer nitrogen for agricultural purposes by providing for production and distribution of nitrogenous fertilizer materials by the Army during the fiscal year 1949–50; to the Committee on Armed Services.

By Mr. NIXON:

H. Res. 262. Resolution to commend J. Edgar Hoover for his service to the country and to express the complete confidence of the House of Representatives in the conduct of his office; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. Res. 263. Resolution relative to charges made by President Truman against representatives of the real-estate and home-building industries; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENTSEN:

H. R. 5295. A bill for the relief of C. R. Springman; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 5296. A bill for the relief of Wilhelm Mayer, Jetty Mayer, Carl Gellmann, and Hertha Gellmann; to the Committee on the Judiciary.

H. R. 5297. A bill for the relief of Fredy Kohn, Anna Kohn, and Hugo Ronald Kohn; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 5298. A bill for the relief of Anna Maria Francesca Fiorenza; to the Committee on the Judiciary.

By Mr. KENNEDY:

H. R. 5299. A bill for the relief of Mrs. Giovanna Follo Discepolo and her three children; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

1128. By Mr. LYNCH: Petition of United Irish-American Societies of New York, urging amendment of article 4 of the Atlantic Pact regarding partition of Ireland; to the Committee on Foreign Affairs.

1129. Also, petition of the American Legion, Bronx County, N. Y., supporting H. R. 2193, a bill which provides for waiver of certain physical requirements in the cases of certain disabled veterans; to the Committee on Post Office and Civil Service.

1130. By the SPEAKER: Petition of Gertrude Wiley and others, South Bend, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1131. Also, petition of Mrs. Mary Hoffnagle and others, Philadelphia, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1132. Also, petition of the Townsend Plan for National Insurance, Independence, Mo., transmitting petition of Oliver C. Houston and others requesting passage of H. R. 2165 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1133. Also, petition of Mrs. Rosa Varner and others, Austin, Tex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1134. Also, petition of C. H. McCormick and others, Houston, Tex., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1135. Also, petition of R. W. Nance and others, Tumwater, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1136. Also, petition of Phil B. Sheridan and others, Miami, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 23, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we come in the assurance not of our feeble hold of Thee but of Thy mighty grasp of us. We thank Thee for the sweet refreshment of sleep, restoring the frayed edges of care, and for the beckoning glory and the fresh vigor of the new day.

Across all its toiling hours, O Thou great companion of our souls, keep our hearts with Thee as once more our faces are set toward vexing social problems which tax our utmost to solve.

May we march with conquering tread in the gathering armies of friendship whose armor is the shield of Thy truth and whose sword is the might of Thy love, against which all the spears of hate cannot ultimately prevail.

We ask it in the dear Redeemer's Name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 22, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hill	Morse
Baldwin	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Humphrey	Neely
Bridges	Hunt	O'Mahoney
Butler	Ives	Pepper
Cain	Jenner	Reed
Chapman	Johnson, Colo.	Robertson
Chavez	Johnston, S. C.	Schoeppel
Connally	Kefauver	Smith, Maine
Cordon	Kerr	Sparkman
Donnell	Kilgore	Taft
Douglas	Langer	Thomas, Okla.
Downey	Lucas	Thomas, Utah
Eastland	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
Frear	McFarland	Watkins
Gillette	McGrath	Wiley
Graham	McKellar	Williams
Green	Martin	Withers
Hayden	Maybank	Young
Hendrickson	Miller	

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Texas [Mr. JOHNSON], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Idaho [Mr. TAYLOR] are detained on official business in meetings of committees of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, which is meeting in Rome, Italy.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent on account of illness.

The junior Senator from Massachusetts [Mr. LODGE], the senior Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Missouri [Mr. KEM] is detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from California

[Mr. KNOWLAND], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

The Senator from Vermont [Mr. AIKEN], the Senator from Indiana [Mr. CAPEHART], the Senator from South Dakota [Mr. GURNEY], and the Senator from Nevada [Mr. MALONE] are detained because of their attendance at meetings of the various committees of the Senate.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

INCREASE IN SALARIES FOR HEADS AND ASSISTANT HEADS OF EXECUTIVE DEPARTMENTS — MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read by the legislative clerk.

(For President's message, see today's proceedings of the House of Representatives on pp. 8273–8274.)

The VICE PRESIDENT. Inasmuch as there is a bill on the calendar dealing with the subject covered by the President's message, the message will lie on the table without being referred to a committee.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, submit petitions and memorials, and present for printing in the RECORD routine matters, as though we were in the morning hour, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITION

Mr. McMAHON presented a joint resolution of the General Assembly of the State of Connecticut, favoring the enactment of Senate bill 1387 and House bill 3787, providing that the proposed veterans' hospital at West Haven, Conn., be officially known and designated on the public records as the John D. Magrath Memorial Veterans' Hospital after the East Norwalk, Conn., youth of that name who was killed in action on April 14, 1945, and was posthumously awarded the Medal of Honor; which was referred to the Committee on Labor and Public Welfare.

(See text of joint resolution printed in full when laid before the Senate by the Vice President on June 20, 1949, p. 7892, CONGRESSIONAL RECORD.)

INTERSTATE TRAFFIC IN SUBVERSIVE TEXTBOOKS—PETITION

Mr. MORSE. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter from H. D. Bagnall, secretary of the Oregon Society, Sons of the American Revolution, Portland, Oreg., together with a petition from that society and my reply thereto, relating to interstate traffic in subversive textbooks.

There being no objection, the matters were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

OREGON SOCIETY,
SONS OF THE AMERICAN REVOLUTION,
Portland, Oreg., June 15, 1949.

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR COMPATRIOT: The Oregon Society respectfully requests that the enclosed petition for redress of grievances be presented to the Senate.

Thanking you, I am,
Cordially yours,

H. D. BAGNALL,
Secretary.

PETITION FOR REDRESS OF GRIEVANCES

To the Senate and House of Representatives of the Congress of the United States:

We hereby petition for an independent and impartial investigation of the interstate traffic in subversive textbooks and teaching materials as requested in the petitions now on file presented by the National Society and the California Society of the Sons of the American Revolution, and we do hereby join in and make ourselves a party to those proceedings.

We request the Congress to grant us all relief possible in this matter by determining the facts and giving them to the people with appropriate recommendations.

Dated this 21st day of May 1949, in the city of Portland, State of Oregon.

OREGON SOCIETY OF THE SONS OF THE AMERICAN REVOLUTION,
By CLARENCE R. HOTCHKISS, *President.*
H. D. BAGNALL, *Secretary.*

JUNE 22, 1949.

H. D. BAGNALL,
Secretary, Oregon Society, Sons of the American Revolution, Portland, Oreg.:

Thanks for June 15 letter with its enclosed petition in respect to subversive textbooks. Am having it printed in CONGRESSIONAL RECORD and referred to chairman of appropriate Senate committee for consideration. As I understand it appropriate committees of House and Senate already have pending before them similar petitions and are looking into charges that some textbooks are subversive. Regards.

WAYNE MORSE,
United States Senator.

POWERS OF FEDERAL RESERVE BOARD—RESOLUTION OF KANSAS BANKERS ASSOCIATION

Mr. SCHOEPPEL. Mr. President, I have recently read what I consider a very important resolution adopted by the Kansas Bankers Association on May 20, 1949. At that convention there were 1,826 delegates registered.

The resolution states the opposition of 609 member banks of the Kansas association to Senate bill 1775 and Senate Joint Resolution 87, relating to the powers of the Federal Reserve Board.

I believe the resolution merits careful consideration by the Congress, and I therefore ask unanimous consent that the text of the resolution be printed at this point in the RECORD and that it be referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY COMMITTEE ON FEDERAL LEGISLATION OF THE KANSAS BANKERS ASSOCIATION PRESENTED TO AND RATIFIED BY THE KANSAS BANKERS ASSOCIATION IN CONVENTION ASSEMBLED AT KANSAS CITY, MO., MAY 20, 1949

Whereas there is now pending before the Congress Senate bill 1775 and Senate Joint Resolution 87, the first of these bills having for its purpose making permanent the temporary authority of the Board of Governors of the Federal Reserve System to increase reserve requirements of member banks and also granting new and enlarged powers to the Board of Governors of the Federal Reserve System, permitting the Board to require nonmember insured banks to maintain reserves in addition to such reserves as are now required under State law; and

Whereas Senate Joint Resolution 87 grants to the Board of Governors of the Federal Reserve System further extension of powers over consumer credit: Now, therefore, be it

Resolved, That the Kansas Bankers Association, in convention assembled, expresses its vigorous opposition to both measures for the following reasons, viz:

1. The proposed increased and enlarged powers of the Federal Reserve Board over the reserves of nonmember insured banks is in violation of the rights of the several States to regulate their own systems of banking.

2. The Congress of the United States should never delegate its power to regulatory bodies except in the existence of an emergency.

3. The emergency for which some of the powers proposed in these two measures were originally delegated has passed and there is no occasion or reason for their extension at the present time. Under no circumstances should they be made permanent. The proposed legislation is untimely and unnecessary and restricts the lending powers of banks at a time when the lending powers of banks are being used to assist in the adjustment of economic conditions.

4. Credit today is declining and not expanding. The seller of goods and the grantor of credit are in a better position than any board can be to judge what terms of credit should be extended to individuals and to vary such terms as among individuals and in accordance with changing conditions.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. TYDINGS, from the Committee on Armed Services:

S. 1990. A bill to amend section 429, Revised Statutes, as amended, and the act of August 5, 1882, as amended, so as to eliminate the requirement of detailed annual reports to the Congress concerning the proceeds of all sales of condemned material; with amendments (Rept. No. 563).

By Mr. KNOWLAND, from the Committee on Armed Services:

S. 862. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; with an amendment (Rept. No. 560); and

S. 863. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; with an amendment (Rept. No. 561).

By Mr. JOHNSON of Texas, from the Committee on Armed Services:

S. 780. A bill for the relief of Commander Edward White Rawlins, United States Navy; with amendments (Rept. No. 562).

By Mr. KERR, from the Committee on Interior and Insular Affairs:

S. 1647. A bill to eliminate premium payments in the purchase of Government royalty oil under existing contracts entered into pursuant to the act of July 13, 1946 (30 U. S. C., sec. 192); with amendments (Rept. No. 564).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1949, he presented to the President of the United States the following enrolled bills:

S. 41. An act for the relief of the city of Reno, Nev.;

S. 646. An act granting a renewal of patent No. 54,296 relating to the badge of the American Legion;

S. 647. An act granting a renewal of patent No. 55,398 relating to the badge of the American Legion Auxiliary;

S. 676. An act granting a renewal of patent No. 92,187 relating to the badge of the Sons of The American Legion; and

S. 1089. An act to amend section 8c of the Agricultural Adjustment Act, relating to marketing agreements and orders, to authorize the Secretary of Agriculture to issue orders under such section with respect to filberts and almonds.

STATEHOOD FOR HAWAII

Mr. BUTLER presented a copy of a report as filed by him with the Committee on Interior and Insular Affairs pursuant to action taken with reference to an investigation which he conducted in Hawaii, which was ordered to be printed in the RECORD as follows:

COMMUNIST PENETRATION OF THE HAWAIIAN ISLANDS

Pursuant to the authority granted by the Committee on Interior and Insular Affairs, on May 8, 1948, the undersigned, then chairman of the committee, visited the Territory of Hawaii to make investigation with respect to H. R. 49 (80th Cong.) granting statehood to the Territory. On the basis of this personal visit your subcommittee recommends without equivocation that statehood for Hawaii be deferred indefinitely.

My visit to Hawaii, supported by many interviews on the islands, leaves me with the deep conviction that international revolutionary communism at present has a firm grip on the economic, political, and social life of the Territory of Hawaii. Statehood should not be considered seriously, in my opinion, until the people of the islands demonstrate by positive steps a determination to put down the menace of lawless communism.

I have the highest regard for the people of the Territory. An overwhelming majority are hard-working, law-abiding citizens, devoted to the fundamental principles of responsible self-government in the American tradition. The progress of the Territory during the last 50 years easily matches that of any community. The Territory of Hawaii stands high in the scale of education, achievement, culture, business acumen, and fine civic spirit. Only the alarming excesses of a minority group of aggressive revolutionary Communists mar the future prospects of the islands today.

Since VJ-day, in September 1945, the Hawaiian Islands have become one of the central operations bases and a strategic clearinghouse for the Communist campaign against the United States of America. By the well-known infiltration tactics of world communism, a relative handful of Moscow adherents in the islands, operating chiefly through the International Longshoremen's and Warehousemen's Union, has persistently sabotaged the economic life of the Territory. This premeditated campaign of sabotage, through strikes, slow-downs, arbitrary work stoppages, and violent racial agitation, is inspired, managed, directed, and financed largely through the international headquarters of the ILWU in San Francisco.

Harry Bridges, president of the ILWU, is the unseen Communist dictator of the Territory of Hawaii. He operates through John Wayne Hall, regional director of the ILWU in Honolulu, who is an identified Communist.

Both the ILWU and Harry Bridges, personally, are publicly identified in the records of the House Committee on Un-American Activities as long-time Communist operatives.

This report of the House Committee on Un-American Activities details the recent history of communism in the Hawaiian Islands, and the methods by which it has penetrated every aspect of life in the Territory—business, labor, transportation, agriculture, education, publishing, radio, entertainment, and, in lesser degree, even the religious life of the community.

LEGISLATIVE BACKGROUND OF THIS REPORT

S. 156 was introduced on January 5, 1949, and referred to the Senate Committee on Interior and Insular Affairs. This bill to grant statehood to the Territory of Hawaii is the same as H. R. 49, which was passed by the House of Representatives and referred to this committee during the Eightieth Congress.

On May 8, 1948, the Senate committee considered H. R. 49 and the following motion was adopted:

"That we do not take action on the report at this time; that the chairman be instructed to arrange at the earliest practicable time a trip, or trips, to Hawaii of those members of the committee who desire to study the matter on the ground."

On June 16, 1948, the committee voted the chairman full authority to conduct any necessary investigations in the Territory of Hawaii, and to employ investigators.

In accordance with this authority I employed a staff investigator to make an on-the-spot investigation of Communist activities in the Territory. The committee investigator arrived in Honolulu on August 18, 1948. His field investigations continued through October 28, nearly 2½ months. He had opportunity to meet and talk with several hundred citizens of the islands and thus get frank opinions from people in every walk of life.

Plans then were made to hold formal committee hearings in Hawaii during November, but late in October, due to the Pacific coast maritime strike, which was still in progress, the hearings were canceled.

At this point Hugh R. Brown, chief clerk of the committee, was directed to proceed to Honolulu and make arrangements to interview citizens of Hawaii, many of whom had been in contact with the committee through correspondence. He arrived in Honolulu October 28 and I reached there Saturday, October 30.

Interviews started Monday, November 1, in the office of the Speaker of the House of Representatives of the Territory of Hawaii, Iolani Palace.

In all, 77 confidential interviews were made a matter of record. In addition to this number, I personally talked with more than 100 citizens whose remarks were not made a matter of record. Anyone who desired to talk with me or members of the staff was granted a hearing.

Many of these favored statehood and many opposed statehood. A considerable number stated that although they formerly had been in favor of statehood, they had now changed their minds and preferred that statehood not be extended to Hawaii until such time as Communist influence might be brought under control. Many expressed fear that continued Communist infiltration ultimately would control the islands.

It is regretted that it is not possible to make public the names of a number of the citizens who appeared before us. However, it would have been impossible to procure many statements had I not given assurance that the names of the witnesses would be held in confidence. I do have the names of all the witnesses, and if necessary can review them with members of the committee in executive session.

COMMUNIST ORGANIZATION IN HAWAII

There is little doubt that the Communist Party in Hawaii is much more influential than the small official membership would indicate.

The Communist Party in the Hawaiian Islands is a subdivision of the Communist Party of the U. S. A., district No. 13, which has its headquarters in San Francisco, Calif.

The highest body of the Communist Party in Hawaii is the general convention, composed of delegates from the various party cells throughout the Territory. When the convention is not in session, the actual directing body is the Territorial executive committee. The members of this executive committee are named by the Communist Party branches in the Territory.

There are 11 branches of the Communist Party in Hawaii, 9 of which are on the island of Oahu, and 1 each on the islands of Hawaii and Kauai.

In 1947 the members of the territorial executive committee were: Jack Denichi Kimoto, chairman; John Wayne Hall; Dwight James Freeman; Robert Walter McElrath; Mrs. Robert Walter McElrath; Charles Kazuyuki Fujimoto; Mrs. Charles Kazuyuki Fujimoto; Koichi Imori; Ralph Vernon Vossbrink; and David Hyun.

The Communist background of each of these executive committee operatives in Hawaii is summarized below:

Jack Denichi Kimoto, 2162 Makanani Drive, Honolulu, T. H., is educational director of the Communist Party in Hawaii, and a member of the secret clique which controls actual party operations in the Territory. This group is composed of Dwight James Freeman, John Wayne Hall, and Dr. John Ernest Reinecke. Kimoto is editor of the Hawaii Star, a Communist-line Japanese-language weekly newspaper, published at 811 Sheridan Street, Honolulu. He is a native-born citizen of Japanese ancestry. He was one of the original organizers for the Communist Party in Hawaii, having been assigned by party headquarters in California to Honolulu in 1938 for that purpose.

John Wayne Hall, 2955 Oahu Avenue, Honolulu, T. H. Hall is the author of the security measures regulating the conduct of Communist Party members in Hawaii. Since 1937 he has been an active Communist in Hawaii. He attended the Communist Party training school in San Francisco in 1939 and is the regional director of the ILWU, with offices at pier 11, Honolulu. He is married to Yoshiko Ogawa, an American citizen of Japanese ancestry. He was born in Wisconsin in 1914.

Dwight James Freeman, Apartment C, 1920 Kahaki Drive, Honolulu. Freeman was born in 1912 in Oklahoma, served in the Navy during World War II, and is married. He is the full-time paid organizer for the Communist Party in the Territory, having arrived in Honolulu on October 3, 1946.

Robert Walter McElrath, 1112 Elm Street, Honolulu. McElrath was born in 1916 at Spokane, Wash., and was formerly a seaman who settled in Honolulu in 1941. He is Territorial representative of the ILWU and Honolulu director of public relations for both the Communist Party and the ILWU. He was a delegate to the national convention of the Communist Party held in New York City in 1940 and attended the Communist Party training school in San Francisco in 1939.

Mrs. Robert Walter McElrath, nee Ah Quon Leong), 1112-B Elm Street, Honolulu. Mrs. McElrath was born in Honolulu in 1915 and married McElrath in 1941. She was formerly an employee for the Territorial department of public welfare as a social worker, and now works in the ILWU research department. She was a member of the American Student Union during her senior year in college at the University of Hawaii, where she graduated in 1938.

Charles Kazuyuki Fujimoto, 1526 Kaihee Street, Honolulu. Fujimoto was born in 1917 in the Territory and married Eileen Toshiko Nakama in 1942. With his wife he was chosen to attend the Communist Party leadership school held in San Francisco in September 1947. Formerly a chemist at the agricultural experiment station at the University of Hawaii, he is a graduate of the university with bachelor of science and master of science degrees. He has represented the Wakiki Club on the Territorial executive committee of the Communist Party.

Mrs. Charles Kazuyuki Fujimoto (nee Eileen Toshiko Nakama), 1526 Kaihee Street, Honolulu. Mrs. Fujimoto was born in 1920 in Honolulu and married in 1942. She is the secretary to Jack Kawano, president of local 136, ILWU Longshore and Allied Workers, and attended the Communist Party leadership school in San Francisco with her husband in 1947.

Koichi Imori, Wailuku, Maui. Imori was born in 1917 on Oahu Island and is single. He was formerly a general organizer for the AFL but was dismissed for his attempted recruitment of Communist Party members among the rank and file of the AFL joint council of the teamsters union. He is now international representative of the ILWU on the island of Maui.

Ralph Vernon Vossbrink, 2340 Pacific Heights Road, Honolulu. Vossbrink was born in San Francisco in 1918 and was married in 1946 to Kazu Tsukiyama, a citizen of Japanese ancestry. He has been active in Communist Party affairs in Honolulu since 1945, when he left his ship on which he had served as merchant seaman. Previously he had been a recruiter for the seaman's branch, Communist Party. At present he is national representative of the National Union of Marine Cooks and Stewards, CIO, and president of the CIO council for Oahu Island.

David Hyun, 1349 Alapsi Street, Honolulu. Hyun is a legal resident of Los Angeles, Calif., at present. While in Hawaii he represented the Punch Bowl Club on the Communist Party's executive committee.

THE COMMUNIST PARTY BEGAN UNDERGROUND

Until 1947 the Communist Party in Hawaii functioned as an underground organization. The general security measures taken by the party in the Territory during the registration of members in 1947 included the following instructions to each cell: (1) Membership books and registration cards to be kept under lock and key; (2) a record must be kept of all canceled or spoiled books and cards, and they should be returned to the State office with an accounting of all books issued; and (3) no names should appear on any registration card.

THE COMMUNIST PARTY COMES INTO THE OPEN

At a meeting of leaders of Communist Party, district No. 13, in San Francisco, Calif., on September 26, 1947, Mrs. Charles Kazuyuki Fujimoto reported that various Communist Party members in the trade-union movement in Hawaii were working with leaders of the International Longshoremen's and Warehousemen's Union, and with certain factional representatives of the Democratic Party in Hawaii. Mrs. Fujimoto stated the Democratic Party in Hawaii was selected by the local Communist executive committee to be the political organization into which the Communist Party would infiltrate and operate.

Mrs. Fujimoto reported that the Democratic Party had been selected because the Communist Party in Hawaii could not operate on the political front, apparently because of Territorial statutes, and, therefore, some broader apparatus was required.

She added that in the event the Communist Party was unsuccessful in its efforts to capture the Democratic Party organization in the Territory, it was planned that a third party movement would be launched.

The CIO Political Action Committee was active in Hawaiian Islands in 1946 and the first half of 1947. The Honolulu Star Bulletin, on September 27, 1947, reported that the CIO Political Action Committee was being curtailed to strictly educational functions among the rank-and-file members of labor unions. This article further suggested the ILWU members were to be encouraged, as individuals, to join the Democratic Party and participate in all of its affairs.

John Wayne Hall, the leader of the ILWU in the Hawaiian Islands, met with Harry Kronick, a leader in the Democratic Party in Honolulu, during September 1947 to determine policies for assistance to be given the Democratic Party by the ILWU. Hall refused to have anything to do with Gov. Ingram M. Stainback, Democrat, of Hawaii, in connection with the reorganization of the Democratic Party in the islands.

By March 1948 the ILWU had undertaken a militant campaign to infiltrate and control the Democratic Party from the precinct level up through the Territorial convention, which was scheduled for May 1948.

This infiltration of the Democratic Party in Hawaii was under the direct leadership of Harry Lehua Kamoku, a recognized Communist and a prominent ILWU leader. Kamoku's activities were concentrated in the precinct and county committees in election districts Nos. 1 and 2.

On March 9, 1948, Lau Ah Chew, chairman of the Oahu County Democratic Committee, announced that all Democratic precinct clubs on Oahu would become inactive as of midnight, March 31, 1948, and that new officers and delegates to the Territorial convention of the Democratic Party would be elected on April 1, 1948. This was the big Communist coup.

This action of Chew in dissolving all Democratic precinct clubs was planned to place the advantage in the precinct elections in the hands of the Communist-controlled ILWU element. In spite of considerable opposition to Chew's order, Democratic precinct elections were held generally on April 1, 1948. They resulted in a clean sweep for the Communist-controlled ILWU group. That group thereupon took over the Democratic Party organization in the Territory, lock, stock, and barrel. The former Democratic Party became the Communist apparatus in the Territory of Hawaii.

The Democratic Territorial Convention was held in Honolulu on May 2, 1948, at the McKinley High School auditorium. Forty-one Communist Party members were delegates or alternates to this convention. They controlled every committee in the convention.

The Communist-controlled ILWU group was able to meet the requirements for membership in the Democratic Party Central Committee by reducing the basic residence qualifications from 3 years to 15 months.

Mrs. Victoria K. Holt, then Democratic National Committee-woman from Hawaii and a candidate in 1948 for the office of Delegate to Congress, met with me in Hawaii and answered many questions in regard to the Territory. It is my belief that her views regarding the present Communist control of the Democratic Party organization in the Territory are most pertinent, and are summarized in a radio speech late in May 1948, in which she announced her candidacy for Delegate to Congress. On this occasion Mrs. Holt said in part:

"I am Victoria K. Holt, Democratic candidate for the office of Delegate to Congress.

"I have been active in the Democratic Party for the last 30 years, being the wife of your former legislator, the late Charles H. K. Holt. I have served the Democratic Party, as county committee member, president of the twenty-eighth precinct of the Fifth District, vice chairman of the Territorial Central Committee, and also as assistant campaign manager in 1942, and campaign manager in 1946. I am now the Democratic national committeewoman for Hawaii. For years and years the members of my family, and my late husband, have been active in island politics as members of the Democratic Party. There has been a Holt in almost every Territorial legislature for the last 30 years or more.

"As a result of this close connection with Democratic Party affairs, I have come to realize in recent months that there is an underground group here in the Territory—the Communist Party—which intends to take over the Democratic Party and use it for its traitorous purposes. In fact, the Communist Party has already captured control of most of the high committee offices of the Democratic Party.

"I am frank to say that I would not now be the Democratic national committeewoman for Hawaii if the Communist Party had willed otherwise at the last Democratic Territorial Convention held on May 2, 1948, when I was up for reelection. Please do not misunderstand me. I did not ask for their support, and I struck no bargains with them or with the people they controlled. I now realize that the only reason that I am the Democratic national committeewoman for Hawaii is because the Communists were afraid to make a clean sweep and throw all the old-time Democrats out of the last convention. They knew it would look too obvious. Therefore, they allowed some of us to receive Democratic Party offices to camouflage the fact that they were in complete control.

"As a native daughter of Hawaii, as the mother of nine children all living in these islands, and as a Democrat with the interest of all the people close to my heart, I would not stand by and do nothing. I could not stand by and see my islands and my party sold out to these traitorous, scheming people. I felt it my duty to get in and fight. * * * Under the circumstances, I felt I would be derelict in my duties as national committeewoman and as a loyal American citizen not to seek office in this very important campaign. I therefore announced my candidacy for Delegate to Congress on May 25, 1948."

At another point Mrs. Holt said:

"The rank and file of the Democratic Party and the rank and file of the ILWU, both find themselves controlled by the same Communist group. Naturally, we in the Democratic Party resent it. And I know you in the ILWU, as honest American union men and patriots, also resent it. It is not pleasant for you to have your leaders publicly branded as Communists, and to have them fail to unqualifiedly deny it. It is not pleasant to be led by Communists, because people will inevitably think that you are Communists, too. The loyal Americans who are the rank and file of the Democratic Party feel the same way.

"It is not pleasant to know that Communists and their dupes are in control of high committee offices in the Democratic Party. We are just as embarrassed as the great mass of loyal Americans in the ILWU at having the Red brush of communism leveled at us. We are just as anxious to throw these traitors out of our party as you are anxious to throw them out of your union. * * *

"The great problem that confronts the rank and file of the Democratic Party, and of our ILWU, is how to get rid of Communist domination."

In continuing her radio address to the Democratic voters of the Hawaiian Islands, Mrs. Holt said:

"The Communist Party does not have your interests at heart—except when the interests of Moscow demand it. * * * If the party line from Moscow ever requires it, they will cause you to strike and strike, just to weaken the country. The fact that you go without food or money is no concern of theirs. They have the interests of Moscow at heart, not yours, and they will ruin you if it will help Moscow.

"How to get rid of Communist control in the Democratic Party and in the ILWU is a problem that the rank and file of both organizations must work out together. It is not an easy problem. It is never easy to get rid of a group which is in control. * * *

"The strength of the Communist Party does not depend on the numbers of the Communists in the Territory. It depends upon the great number of people who will play ball with them and submit to their control. You must refuse to elect this controlled group both in union and political elections. Remember—the man they support is the man they believe they can control. * * *

"I have always been for statehood—fighting for it with real sincerity. In 1946, as a guest of the Democratic National Committee in Washington, D. C., I spent 2 weeks in Washington plugging for statehood. Naturally, when we were denied statehood this year, I was sorely disappointed. However, since then, I have come to realize that it was probably for the best. I did not know until the Democratic Convention on May 2, 1948, how serious the Communist problem was. But now that I realize its seriousness, I realize that we cannot expect statehood—that we should not have statehood—until we prove to ourselves and to the rest of the United States that we can solve the Communist problem.

"The Communist situation here is dangerous. As long as this Communist group controls the leadership of the ILWU, it controls sugar, pineapple, and shipping—three of our principal industries. If it ever called a general strike, on orders from Moscow, it would ruin our economy. The situation in industry is bad enough, but if we should receive statehood before we have learned to lick this Communist situation, what assurance is there that they will not be able to control our government? What assurance is there that they won't be able to worm into control, as they did in the Democratic Party, and control an elected governor, the courts, the police, and our boards and commissions? This cannot happen as long as we are a Territory, but it can happen if we are a State. Further, if we are a State, and if it does happen, there is nothing that Washington can do about it. We would be helpless. We must prove that we can control the Communist problem before we can expect Congress to grant us statehood."

Several former members of the Democratic Party in Hawaii testified that a definite voting majority within the Democratic Party organization now rests in the hands of the Communist-controlled ILWU group. They also stated that Wilfred Oka, who formerly held the position of international representative of the United Public Workers of America, CIO, had been relieved of his duties with the union to become a paid organizer for the Oahu County committee of the Communist-controlled Democratic Party.

Intent upon this capture of the Democratic Party organization in Hawaii, the ILWU in 1948 devoted a considerable amount of its energies to political activities. The ILWU is the dominant labor union in the Territory, having an estimated membership of approximately 35,000, a membership far in excess of all other unions combined.

The ILWU executive board in Hawaii had first planned a strike against the sugar industry during the first part of 1948, as had been done in 1946. However, it was decided later that since 1948 was an election year, such a strike should not be called. Instead, the entire effort of the union was concentrated on physical capture of the organization of the former Democratic Party throughout the islands.

On July 17 and 18, 1948, the California State convention of the Communist Party was held in Los Angeles. Dwight James Freeman and Archie Brown were present as representatives of the Communist Party of Hawaii. Mr. Brown was at that time the trade union director of the Communist Party district No. 13, with headquarters in San Francisco.

At this convention Freeman reported at length on the campaign which captured the precinct machinery of the Democratic Party in the Territory.

During September 1948, reports were heard in Honolulu that the Communist Party soon would come out in the open. During October 1948, for the first time, the Communist Party took steps to open their own office. On October 15, Charles K. Fujimoto, a leading Communist in Hawaii, announced to the press that he was resigning from the University of Hawaii to become a full-time official of the Communist Party. A few days later, Communist Party headquarters were opened in his home at 1526 Kaihee Street, Honolulu.

Fujimoto's public announcement said in part:

"I resigned as a research chemist at the University of Hawaii to become a full-time official of the Communist Party of Hawaii. * * * I feel compelled to work for the best interest of the people of the Territory by becoming a full-time official of the Communist Party of Hawaii, an organization dedicated to championing the immediate needs of the people of Hawaii and educating the majority thereof to ultimately support a socialist reorganization of our country."

Later, on October 29, 1948, Fujimoto addressed the people of Hawaii over radio station KHON. His address, America at the Crossroads, began as follows:

"Ladies and gentlemen, this is the first time that a member of the Communist Party of Hawaii is addressing you, the people of Hawaii. In many respects we Communists feel that this is a historic event not only for our party but for the Territory as a whole."

At another point, Fujimoto said:

"In Hawaii the Communist Party is taking its place in the struggles of the people of Hawaii. It is with great pride that the Communist Party is now openly participating in these struggles. * * * We propose a program of government condemnation of large estates and resale of the land to the people for home sites and small farms at cost. We support the revision of present immigration laws, such as the Oriental Exclusion Act, to provide naturalization rights to all immigrants regardless of race or color. * * * We urge the public ownership of all public utilities. On taxation, we believe in the principle of taxation according to ability to pay, with personal exemptions. We support the granting of immediate statehood for Hawaii."

HAWAII CIVIL LIBERTIES COMMITTEE

The Hawaii Civil Liberties Committee was organized in November 1947. The ostensible purpose was to raise funds to be used in the defense of the civil rights of one Reinecke, a school teacher suspended on charges of Communist activities. Jack Hall and other persons high in the ILWU, known members of the Communist Party and sympathizers, and a number of non-Communist liberals, some from the faculty of the University of Hawaii, participated in the preorganization meetings. Not all of the liberals from the university became members, but practically all of the ILWU and Communist Party members did. Accordingly, there can be little doubt that from its inception the HCLC has been completely dominated and controlled by the Communists.

It should be emphasized that the Hawaii Civil Liberties Committee is purely a local organization and has no connection whatever with any similar organization on the mainland. In fact, the American Civil Liberties Union has had occasion specifically to deny that the Hawaii Civil Liberties Committee was in any way affiliated with it. The ACLU, furthermore, has stated publicly that it does not believe the HCLC is seriously concerned with the defense of civil liberties.

All the evidence at hand indicates that the Hawaii Civil Liberties Committee is a cell of the Communist Party in Hawaii. The executive committee meets secretly. Its chairman, Stephen T. Murin, who is also chairman of the Hawaii Civil Liberties Committee, is a known Communist.

Among those who are active in the HCLC, and who are usually present at its meetings, are the following: Dr. John E. Reinecke and his wife, Aiko Reinecke; Rachel Saiki, Robert E. Greene and Mrs. Greene; Mrs. Evelyn Murin, wife of Stephen T. Murin; Esther Bristow; Myer Symonds; Mrs. Harriet Bouslog; Charles K. and Mrs. Fujimoto.

This organization invited to Hawaii, Miss Celeste Strack, educational director for the Communist Party of California. Expenses incident to Miss Strack's trip to Hawaii were paid by the HCLC. During her visit to Honolulu she was guest of honor at a reception in the Library of Hawaii, under the sponsorship of the HCLC. She also appeared as a speaker at a public meeting held in the Central Intermediate School, likewise under the sponsorship of the HCLC. Miss Strack, on another occasion, appeared as a panel speaker on a radio forum at which the relative merits of the Communist system and the American system were debated. This forum created a great deal of discussion in the Territory.

After her sojourn in Honolulu, Miss Strack made a tour of the outer islands. On this tour, which was sponsored and financed by the HCLC, Miss Strack was accompanied by Stephen Murin and Robert Greene. Public meetings, or forums, were held on Kauai, Maui, and Hawaii, at all of which Miss Strack spoke on communism. At these meetings, according to reports later made to the HCLC by Mr. Murin, the attendance was large and much interest was manifested in Miss Strack's subject. On the tour contributions were solicited, and Mr. Murin reported that he had brought back with him checks from ILWU locals on Kauai and Maui, each in an amount in excess of $1,000. He stated that the contributions from the locals on Hawaii had not yet been received but that they would be substantially larger than the amounts contributed on Kauai and Maui. On the tour Mr. Murin and Mr. Greene activated branches of the Honolulu HCLC on Kauai, Maui, and Hawaii.

Prior to Miss Strack's tour of the outer islands, the HCLC had formed a branch at Waipahu on the Island of Oahu. Many of the members of this branch, which is largely Japanese, regularly attended meetings in Honolulu.

A detailed diary of Miss Strack's Hawaiian tour was published in the People's World for August 8, 1948.

NATURE OF THE COMMUNIST PARTY IN THE UNITED STATES OF AMERICA

The Communist Party in the United States of America (of which the Communist Party of Hawaii is a part), is not a political organization in the accepted American meaning of the term. All established political parties in the United States owe first allegiance to this Nation. Their policies and programs are aimed at the steady and constant improvement of American life. Not so the Communist Party. Communists owe first allegiance to Moscow. They seek, not to advance the welfare of the American people, but to advance the power and prestige of Moscow. Their real programs are secret. Their aims are accomplished or advanced, not by honest appeal to the voters, but by a conspiratorial campaign to gain positions of influence in established organizations.

Every program and policy of the Communist Party is shaped in Moscow. The platform and program are handed to the Communist cells in Hawaii ready-made. When the interests of Hawaii and the interests of Moscow diverge, the controlling Communists in Hawaii are pledged to sabotage the Hawaiian interests and to strive for the triumph of the Moscow program.

By this process, communism sells Hawaii down the river at every opportunity, reducing the living standards of the people through strikes and sabotage, obstructing every type and kind of legitimate business activity, sowing daily the seeds of dissension and strife among the people at a time when every consideration of patriotism and national welfare demands peace, harmony, and constructive cooperation for the general welfare.

STRIKE LOSSES CRIPPLE HAWAIIAN ECONOMY

Ocean shipping is the life line of the Territory of Hawaii. When shipping stops, business falters—soon comes to a standstill. Merchants must close their shops. Food disappears from the stores. Shoes and clothing cannot be replaced. Contruction stops. Steadily, from day to day, the economic pulse of the islands beats weaker and weaker. As unemployment spreads to every line of business, unemployment-insurance reserves are drained. First, the ILWU calls a strike on the Pacific coast. Several months later, when the ports of San Francisco, Seattle, and Los Angeles are reopened, a strike begins in the ports of the Territory. At any moment the Communist leaders of the ILWU decide that conditions are not to their liking, the commerce of the Hawaiian Islands is brought to a standstill. The record of shipping strikes on the west coast and in Hawaii tells the story. In 1934 the shipping stoppage lasted 84 days. In 1936 it lasted 98 days. In 1939–40 it lasted 53 days. In 1946 it continued for 54 days. The 1948 strike lasted 94 days. The 1949 strike has been in progress since April 30.

In addition to these demoralizing shipping strikes, the ILWU also has precipitated strikes repeatedly against the sugar and pineapple plantations, usually at a critical time in the development or harvesting of these crops. The sugar strike in 1946 lasted 79 days. The refusal of the ILWU to allow any irrigation work during this long period caused crop damages throughout the entire sugar area, the effects of which still are being felt in the 1949 harvest.

The shipping strikes usually develop at the peak of the tourist season, reducing incoming travel to the vanishing point. During the 1948 shipping strike, for example, one hotel in Honolulu reported $289,000 in cancellations for September and October alone. Traffic in the interisland air system was reduced by half. At one time during the 1948 strike, Hawaiian sugar planters had 120,000 tons of sugar tied up on board ship at San Francisco. Extra handling charges on some sugar shipments ran as high as $12 per ton, far more than the average operating margin realized by most plantations.

The Honolulu Chamber of Commerce estimated that the 1948 shipping strike cost the economy of the Territory about $400,000 a day for the 94-day period. This included a loss of approximately $150,000 a month in wages for longshoremen.

In reviewing these crippling losses, it must be borne in mind that the maritime workers in Hawaii do not themselves call these strikes. The strikes are ordered from the Communist-controlled ILWU headquarters in San Francisco. When the local union in the Territory disavows responsibility for a west-coast shipping strike, the resulting unemployed longshoremen in the Territory then qualify for unemployment insurance during the entire period of the shipping paralysis.

A curious pattern has developed in the ILWU settlement negotiations in Hawaii. Once a strike has been precipitated, local ILWU officials profess they are without authority to make specific settlement terms; that terms can be agreed to only by ILWU headquarters in San Francisco. Strikes which cannot be settled on any terms, because of the refusal of the Communists to negotiate in good faith during the economic paralysis, gradually sink the entire Territory into a quagmire of acute depression. The losses from one strike hardly can be covered before another strike is at hand. This is the familiar pattern of Communist "softening up" by economic attrition before the big push for the final coup d'état. If the Territory of Hawaii can be prostrated by this system of slow economic bleeding, it must ultimately become a social bog ripe for the final wrecking blow of Communist seizure.

ALL COMMUNIST PARTIES ARE DIRECTED FROM MOSCOW

House Report No. 209, published by the Committee on Un-American Activities on April 1, 1947 (80th Cong., 1st sess.), states:

"It is the unanimous opinion of this committee that the Communist Party of the United States is in fact the agent of a foreign government. * * * We must recognize that in dealing with communism we are dealing with a world-wide revolutionary movement which is being directed by a foreign government. * * * It is the object of this report to establish from documentary sources the fact that from its inception in September 1919 to the present day the Communist movement of the United States may be properly characterized as * * * a section of the World Communist Party, controlled by the Communist Party of the Soviet Union, an organization whose basic aim, whether open or concealed, is the abolition of our present economic system and democratic form of government and the establishment of a Soviet dictatorship in its place."

William Z. Foster, one of the founders of the Communist Party in the United States of America, confirms his party's close ties with Moscow in his book Toward Soviet America (1932), in which he says (pp. 258, 259):

"The Communist Party of the United States * * * is the American section of the Communist International. * * * The Communist International is a disciplined world party. * * * Its leading party, by virtue of its great revolutionary experience, is the Russian Communist Party."

The official boast of the Kremlin is that the Communist International is the creature of the Communist Party of Russia. Karl Radek reported to the Ninth Communist Congress in Moscow on April 3, 1920:

"The Third International is the child of the Russian Communist Party. It was created here in the Kremlin, on the initiative of the Communist Party of Russia. The executive committee of the Third International is in our hands."

Benjamin Gitlow, also one of the founders of the Communist Party in the United States of America, testified before the House Un-American Activities Committee on September 8, 1939:

"The only party that has the right to instruct its delegates to the Communist International, and to make those instructions binding on the delegates, is the Russian Communist Party. * * * In other words, they have built the Communist International in such a way that Russia, under no circumstances, can lose control."

On another occasion, in 1949, Gitlow wrote:

"Individuals who join the Communist Party are required to take an oath of allegiance to the Soviet Union as the fatherland of the workers all over the world. They pledge themselves to give the whole of their lives in working for the overthrow of the United States Government and the triumph of Soviet power. What induces individuals, formerly loyal to America, to join a movement that is irreligious, criminal, and based on treason?" (CONGRESSIONAL RECORD, Appendix, p. A3589.)

Josef Stalin, in person, presented a detailed program for the Communist Party in America in a statement before the Presidium of the Communist International in Moscow May 14, 1929. This program from Stalin is found in documentary form in the records of the Committee on Un-American Activities, volume XI, pages 7112 to 7124. In it Stalin followed the basic teaching of Lenin: That Communist organizations should be so formed as to concentrate "all secret functions in the hands of as small a number of professional revolutionists as possible." This fundamental dogma of the Kremlin has been adhered to faithfully by the Communist Party in Hawaii, in which all executive power, and all policy decisions, are concentrated in the hands of fewer than six men. Harry Bridges, in California, directs these six men.

The first record of a formal report to Moscow on Communist activities in Hawaii is found in the Report of the Executive Committee of the Communist International, published in July 1928. A section of that report is headed: Anti-American Agitation in the Philippines and in Hawaii (H. Rept. No. 209, 80th Cong., 1st sess., p. 35). This House report establishes the fact that Communist activities in Hawaii have been reported directly to Moscow for at least 21 years.

The Communist International maintains a special agency to distribute Moscow decisions and orders to the 67 nation-wide Communist parties throughout the world. The annual report of the agitation and propaganda department reveals that during June 1945 Moscow supplied cable and wireless news daily to 29 Communist publications in the United States of America. One of these was the California Labor Herald, 150 Golden Gate Avenue, San Francisco (H. Rept. 209, p. 43). This publication is the official organ and mouthpiece of Harry Bridges and the ILWU. It gets its news prepaid and free from Moscow.

COMMUNIST PARTY IN HAWAII IS AN ILLEGAL ORGANIZATION

It is an accepted fact that the Communist Party in Hawaii is an integral part of the Communist Party of the United States of America. As such it is committed to the overthrow of existing government by force and violence. The Federal courts have held in many cases[1] that the Communist Party

[1] *Kenmotsu* v. *Nagle* (44 F. 2d 953, 954–955 (C. C. A. 9)); certiorari denied (283 U. S. 832); *Saksagansky* v. *Weedin* (53 F. 2d 13, 16 (C. C. A. 9)); *Wolck* v. *Weedin* (58 F. 2d 928, 929 (C. C. A. 9)); *Sormunen* v. *Nagle* (59 F. 2d 398, 399 (C. C. A. 9)); *Branch* v. *Cahill* (88 F. 2d 545, 546 (C. C. A. 9)); *Berkman* v. *Tillinghast* (58 F. 2d 621, 622–623 (C. C. A. 1)); *In re Saderquist* (11 F. Supp. 525, 526–527 (D. Me.)); affirmed sub nom., *Sorquist* v. *Ward* (83 F. 2d 890 (C. C. A. 1)); *United States* v. *Curran* (11 F. 2d 683, 685 (C. C. A. 2)); certiorari denied sub nom., *Vojnovic* v. *Curran* (271 U. S. 683); *United States* v. *Smith* (2 F. 2d 90, 91 (W. D. N. Y.)); *Re Worozcyt et al.* (58 Can. Cr. Cas. 161 (Sup. Ct. Nova Scotia, 1932)). Of the three cases mentioned in the opinion of *Schneiderman* v. *United States* (320 U. S. 118, at 148, fn. 30), as holding to the contrary, one—*Colyer* v. *Skeffington* (265 Fed. 17 (D. Mass.))—was, as there noted, reversed on appeal (sub nom. *Skeffington* v. *Katzeff*, 277 Fed. 129 (C. C. A. 1)); and one—*Strecker* v. *Nessler* (95 F. 2d 976 (C. C. A. 5))—was affirmed by this Court, with modification, on other grounds, and without consideration of this point (307 U. S. 22). In the third, *Ex parte Fierstein* (41 F. 2d 53 (C. C. A. 9)), the only evidence adduced in support of the finding was the bare statement of the arresting detective that the party did so advocate.

Murdock v. *Clark* (53 F. 2d 155, 157 (C. C. A. 1)); *United States ex rel. Yokinen* v. *Commissioner* (57 F. 2d 707 (C. C. A. 2)); certiorari denied (287 U. S. 607)); *United States ex rel. Fernandas* v. *Commissioner of Immigration* (65 F. 2d 593 (C. C. A. 2)); *United States* v. *Perkins* (79 F. 2d 533 (C. C. A. 2)); *United States* v. *Reimer* (79 F. 2d 315, 316 (C. C. A. 2)); *United States ex rel. Fortmueller* v. *Commissioner of Immigration* 14 F. Supp. 484, 487 (S. D. N. Y.)); *Ungar* v. *Seaman* (4 F. 2d 80, 81 (C. C. A. 8)); *Ex parte Jurgans* (17 F. 2d 507, 511 (D. Minn.), affirmed 25 F. 2d 35 (C. C. A. 8)).

of the United States of America does in fact advocate the overthrow of government by force and violence. In the deportation proceedings against Harry Bridges, the Attorney General of the United States, on May 28, 1942, made the following findings of fact relative to the aims, purposes, and programs of the Communist Party of the United States of America:

"The the Communist Party of the United States of America, from the time of its inception in 1919 to the present time, is an organization that believes in, advises, advocates, and teaches the overthrow by force and violence of the Government of the United States."

Therefore, the Communist Party in Hawaii, and each and every member and affiliate thereof, is subject to prosecution under the Smith Act (Public Law 670, 76th Cong., ch. 439, 3d sess., approved June 28, 1940), which provides penalties up to 10 years imprisonment and fines up to $10,000 for persons who "knowingly or willfully advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence."

A vigorous enforcement of this statute, based on the true character of the Communist Party in Hawaii, should be instituted by the United States Department of Justice. To delay further in such vigorous enforcement of the laws against international communism will be to gamble with the security not only of Hawaii but of the entire United States.

No alert citizen can afford to be lulled by the fact that known Communist affiliates in Hawaii constitute only a very small proportion of the total population. The House Committee on Un-American Activities warned in its report of May 10, 1948:

"Modern society has become so intricate that it is conceivably possible for a comparatively small, closely knit and determined group, located in strategic and sensitive points and dedicated to the use of force and violence, to create serious confusion, to dislocate and perhaps even paralyze the machinery of our economic and social life."

In answer to those who contend there are only a few card-carrying Communists in Hawaii, it may be emphasized that only about 3 percent of the population of Russia are members of the Communist Party. In Russia fewer than 6,000,000 Communist Party members impose the Communist program upon a population of 180,000,000 people. More than 30,000,000 victims of communism are in Stalin's slave labor camps in Siberia. The Communist seizure of Poland was accomplished by a Communist Party which constituted less than 4 percent of the total population. In Yugoslavia, only 2.5 percent of the population are members of the Communist Party, yet they impose their program upon a population of 16,000,000. Czechoslovakia, Hungary, Bulgaria, and Rumania also have been taken over by communism since the end of World War II. In none of these countries did the active membership of the Communist Party make as much as 9 percent of the total population. Yet the Communists are in complete control of all of these nations. Communism never bothers itself with majority rule. It seeks merely to gain control of the instruments of public power, and then to subjugate the entire population to the Kremlin's master plan for revolution. In all the countries taken over by Communist internal aggression since the war, there has been not a single exception to this rule.

HAWAII A BASE OF COMMUNIST OPERATIONS

The Kremlin in Moscow, world headquarters of international revolutionary communism, regards Hawaii as one of its principal operating bases in the campaign for a Communist United States of America. Official Communist documents demonstrating this use of Hawaii as a base now are in the hands of the Department of Justice in Washington. On February 24, 1948, Lt. Gov. Arthur W. Coolidge, of Massachusetts, said in a public address before the American Veterans of World War II, at Quincy, Mass.:

"I charge that communism's key assault on the United States is starting in Hawaii. I accuse Moscow's secret agents of launching a new surprise attack on Pearl Harbor. If this attack is successful, it will be fully as harmful to our national security as was the sneak blow delivered by Japanese bombs."

Lieutenant Governor Coolidge based his charges on a set of secret instructions issued by the Communist Party to its agents in Hawaii. These documents outline a four-pronged Communist offensive in Hawaii, aimed simultaneously to undermine all religion, to penetrate and capture all labor unions, to discredit and undermine the free press, and to infiltrate all education.

These documents were seized in the Hawaiian Islands by Federal authorities. They have become the basis of a determined further investigation of Communist penetration in the islands.

COMMUNIST OBJECTIVES IN HAWAII

Statehood for Hawaii is a primary objective of Communist policy in the Territory. The ILWU and the Communist Party say frankly that they could control a clear majority of the delegates who would write the new State constitution.

It is my opinion that the immediate objectives of the ILWU-Communist Party conspirators in Hawaii are:

(1) Statehood, with a State constitution to be dictated by the tools of Moscow in Honolulu;

(2) Removal of Gov. Ingram M. Stainback, to be replaced by a Governor named by the Communist high command in Hawaii;

(3) A general strike to paralyze all business activities in the islands.

SUMMARY OF RECOMMENDATIONS

It is my firm conviction, following my visits to the islands and a long study of the ramifications of Communist penetration there, that the admission of the Territory of Hawaii to the Union at this time would not be in the best interests of either the Territory of Hawaii or the United States.

In summary, this report recommends:

(1) That statehood for Hawaii be deferred indefinitely until communism in the Territory may be brought under effective control.

(2) That the Territorial government of Hawaii be encouraged to take positive steps within the scope of its authority to suppress unlawful communistic activities.

(3) That the executive branch of the Federal Government, through the Department of Justice, take immediate steps to prosecute lawless communism in the Territory, and to protect from force and violence those who honestly seek to support and strengthen orderly constitutional government.

(4) That Congress take cognizance of the very serious economic problems which confront Hawaii as a result of the activities of the Communist-dominated ILWU and immediately enact remedial legislation.

An overwhelming majority of the people of the Territory desire to see Hawaiian communism put down.

Congress should give these good people every help and assistance within the power of the Federal Government.

Then the laudable aspiration for statehood soon again would become a practical vision for the Hawaiian Islands. But in the meantime, neither Congress nor the American people should risk a permanent league with communism within the structure of the Federal Union.

Respectfully submitted.

HUGH BUTLER,
United States Senator from Nebraska;
Member, Committee on Interior and Insular Affairs.

WASHINGTON, *June 21, 1949.*

APPENDIX A

Hawaii

[Area, 6,454 square miles. Population, 540,500 (1948)]

Race	Citizens	Aliens	Percent
Hawaiian	10,650		2.0
Part Hawaiian	70,110		13.0
Puerto Rican	9,820		1.8
Caucasian	177,580	2,900	33.4
Chinese	28,180	2,350	5.6
Japanese	144,640	31,640	32.6
Korean	5,570	1,750	1.4
Filipino	18,350	35,200	9.9
All others	1,580	90	.3
Total	466,480	74,020	100.0

(Appendix to the CONGRESSIONAL RECORD, p. A1672.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 2129. A bill to amend section 3412 (c) (2) of the Internal Revenue Code, as amended (relating to tax on gasoline); to the Committee on Finance.

By Mr. IVES:

S. 2130. A bill for the relief of Fernando Simbola; to the Committee on the Judiciary.

By Mr. THYE:

S. 2131. A bill for the relief of Bernard Joseph Usiak; to the Committee on the Judiciary.

By Mr. GILLETTE:

S. 2132. A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils, and rice and rice products; to the Committee on Banking and Currency.

By Mr. KNOWLAND (for himself and Mr. DOWNEY):

S. 2133. A bill to give effect to the convention between the United States of America and the Republic of Costa Rica for the establishment of an Inter-American Tropical Tuna Commission, signed at Washington, May 31, 1949; to the Committee on Foreign Relations.

By Mr. MCGRATH (by request):

S. 2134. A bill to provide for placing under the Classification Act of 1923 as amended, certain positions in the municipal government of the District of Columbia; and

S. 2135. A bill to obviate the necessity for residence in the District of Columbia and permit members of the Commission on Mental Health to reside in the metropolitan area; to the Committee on the District of Columbia.

INVESTIGATION OF TUNG OIL INDUSTRY

Mr. PEPPER. Mr. President, on behalf of the senior Senator from Alabama [Mr. HILL], the senior Senator from Louisiana [Mr. ELLENDER], the senior Senator from Mississippi [Mr. EASTLAND], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from Mississippi [Mr. STENNIS], the junior Senator from Louisiana [Mr. LONG], and myself, I submit for appropriate reference a concurrent resolution providing for the appointment of a joint committee to investigate the tung oil industry of the United States, and I ask unanimous consent that an explanatory statement by me may be printed in the RECORD.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 49) was referred to the Committee on Agriculture and Forestry, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of two members of the Committee on Agriculture and Forestry of the Senate, two members of the Committee on Foreign Relations of the Senate, and two members of the Committee on Finance of the Senate, to be appointed by the President of the Senate, and two members of the Committee on Agriculture of the House of Representatives, two members of the Committee on Foreign Affairs of the House of Representatives, and two members of the Committee on Ways and Means of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman and a vice chairman from among its members.

SEC. 2. It shall be the duty of the joint committee (1) to make a full and complete study and investigation of the tung-oil industry of the United States, and (2) to report to the Senate and the House of Representatives not later than July 15, 1949, the results of its study and investigation, together with such recommendations as to necessary legislation as it may deem advisable.

SEC. 3. The joint committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Eighty-first Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

SEC. 4. The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

SEC. 5. The expenses of the joint committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made.

The statement presented by Mr. PEPPER is as follows:

STATEMENT BY SENATOR PEPPER

Mr. President, Senators HILL and SPARKMAN, of Alabama; Senators ELLENDER and LONG, of Louisiana; Senators EASTLAND and STENNIS, of Mississippi, and I am offering today in the Senate a concurrent resolution to establish a joint congressional committee, composed of two members of the Senate Agriculture Committee, two members of the Senate Foreign Relations Committee, two members of the Senate Finance Committee, and two members of the respective committees of the House of Representatives, to make a complete and full study and investigation of the tung-oil industry of the United States, and to report to the Senate and House of Representatives not later than July 15, 1949, the results of their study and investigation, together with their legislative recommendations.

Mr. President, the American tung-oil industry, one of our young agricultural industries, is facing a great crisis. Today, it is suffering from a very severe disadvantage from unfair competition with Chinese tung oil. There are a lot of other oils that have been developed which compete with it.

The tung-oil industry, which has grown to great proportions and assumed great importance in the South, is consumed in this country in the paint and varnish, linoleum and oil-cloth, and the printing industries. It served a very useful purpose for prosecution of the war. It was used for medical catheters for the armed forces. The oil was used in the making of time bombs and also for use in magnesium parts and other war purposes. In fact, it was so important in the prosecution of the war that the Federal Government placed it on the list of scarce strategic critical materials. Furthermore, since a great amount of our tung oil from China was cut off during the war, it was necessary to encourage our domestic industry. Our Government, therefore, had a price support of 25 cents a pound, and in the first 2 years after the war, in addition, it received other assistance from the Government.

As a result, our own tung-oil industry expanded and grew. Large capital investments were made in the planting of more and more tung groves and in equipment for tung-oil production. Last year tung oil was removed from the list of scarce strategic materials by the Joint Munitions Board. The Department of Agriculture dropped the price-support program for tung oil. In addition, other assistance has been eliminated.

We are told that, now that the war is over, it is possible to get a large amount of tung oil from sources outside the United States, principally from China, and that, although tung oil is a strategic material, it is no longer scarce or critical for military purposes; furthermore, the Government people have informed us that if they provide a support price for tung oil and raise the price too high, we would lose our domestic market to the other competitive oils. It would simply mean, for example, that Chinese producers would be given the benefit of a price-support program. We are also informed by Government people that our trade in China is very important to this country, and that we must buy from China if we expect them to buy from us, and that tung oil is one of the principal products of that country, and that since Chinese producers have a historic place in this field, they, therefore, should not be denied an outlet in the American market for their product.

Senator HOLLAND and I have already introduced in the Senate a bill to make it mandatory that the Government provide a price-support program based on 90 percent for tung oil. A subcommittee of the Senate Committee on Agriculture is holding hearings on this phase of the problem, but, as we can see, the problems of the tung-oil industry extend far beyond the provision of a price-support program. There are so many aspects to the problem that the sponsors of the concurrent resolution believe that a broad joint committee should go into this problem thoroughly and require it to report back to the Congress by the middle of July as to what can be done to help this important domestic industry. Unless some Federal aid is provided immediately, this industry will be strangled.

NATIONAL LABOR RELATIONS ACT—AMENDMENT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute for the committee amendment, proposed by Mr. THOMAS of Utah to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes, which was ordered to lie on the table and to be printed.

FREIGHT ABSORPTION—NEWS REPORT ON ADDRESS BY SENATOR O'MAHONEY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an article entitled "Freight Cost Assimilation Held Urgent," published in the Chicago Journal of Commerce of June 23, 1949, commenting upon an address delivered by Senator O'MAHONEY before the Chicago Association of Commerce on June 22, 1949, which appears in the Appendix.]

COLUMBIA VALLEY ADMINISTRATION—STATEMENT BY HON. CHARLES W. HODDE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a statement by Hon. Charles W. Hodde, Speaker of the House of Representatives of the State of Washington, before the Senate Committee on Public Works on the Columbia Valley Administration bill, which appears in the Appendix.]

CAN AIR POWER ALONE WIN A WAR?—ARTICLE BY REAR ADM. D. V. GALLERY

[Mr. BALDWIN asked and obtained leave to have printed in the RECORD an article by Rear Adm. D. V. Gallery, U. S. Navy, published in the Saturday Evening Post for June 25, 1949, which appears in the Appendix.]

ACTION ON GENOCIDE—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "Action on Genocide," published in the New York Herald Tribune of June 18, 1949, which appears in the Appendix.]

THE ATLANTIC FEDERATION—EDITORIAL COMMENT

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD two editorials on Atlantic federation, one from the Houston Post of March 28, 1949, and the other from the Anderson (Ind.) Herald of May 10, 1949, which appear in the Appendix.]

EDITORIAL COMMENT BY WASHINGTON STAR ON SPEECH BY HON. JAMES F. BYRNES

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial entitled "Our Coming Struggle," published in the Washington Evening Star of June 23, 1949, which appear in the Appendix.]

PROCESS OF OBTAINING FRESH WATER FROM SEA WATER

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter addressed to him by John J. Beckman, of Portland, Oreg., on the subject of separating salt and other solids from sea water, a brief article entitled "The Sea Flash Process," and a statement by Mr. Beckman, which appear in the Appendix.]

GOVERNMENT ECONOMY—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement on the important subject of Government economy. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY SENATOR WILEY ON GOVERNMENT ECONOMY

Mr. President, I have discussed previously on the floor the vital subject of Government economy in order to keep this Nation from

going on the financial rocks. I will not, therefore, presume at the present time to take the time of the Senate to discuss this matter in greater detail. I do, however, want to simply emphasize this point: Never before in my experience have the American people been more deeply interested in a balanced budget, in the prevention of deficit spending, in the elimination of unnecessary Government appropriations, and in related themes.

In times past, our people have not always been as vigilant as they are today to protect the financial solvency of our country.

Like my colleagues, I have received a tremendous number of communications from the grass-roots of my State on the above subjects. The themes common to these letters are the same, although these messages arise out of the spontaneous convictions of thinking American citizens. The themes are:

1. Congress must enact the Hoover Commission reports. (I have previously urged, as my colleagues will recall, as a matter of fact, that Congress stay in session until the Hoover suggestions are applied into public law.)

2. Congress must pass the bipartisan resolution for 5- to 10-percent reduction in Federal appropriations. (It is my privilege to serve as a cosponsor of Senate Joint Resolution 108 which we hope will save from two to four billion dollars in Federal money.)

3. Congress should pass the consolidated appropriation bill. (This, too, I have urged in order that our people can get a clear idea of just what Federal expenses are, rather than having to read a dozen financial bills to clean the state of Federal expenses.)

4. Congress must scrutinize each Federal appropriation to each agency in order to squeeze out the water, eliminate unnecessary functions, etc.

I have in my hand a resolution from the Milwaukee Century Club, and I ask that it be printed immediately following these remarks. Following it, in turn, I ask that there be printed excerpts from communications which I have received from Wisconsin citizens. These represent a cross section of Wisconsin thinking and Wisconsin groups, and I believe that they tell in a more striking way than I can or any of my colleagues can, the fundamental convictions of any of my colleagues can, the fundamental convictions of our American people on behalf of Government economy.

As a final note there is included an excerpt from the latest Wisconsin Chamber of Commerce Bulletin entitled "Forward," which discusses one important phase of Federal economy.

MILWAUKEE CENTURY CLUB,
June 13, 1949.

Hon. ALEXANDER WILEY,
House of Senate,
Washington, D. C.

DEAR SIR: The Milwaukee Century Club of the city of Milwaukee, county of Milwaukee, State of Wisconsin, being a social and civic organization with a standing membership of 100, at its last regular meeting passed a resolution favoring the Hoover Commission report.

With the anticipated deficit for this year amounting to approximately $3,000,000,000 and a possible deficit for the next fiscal year amounting to $6,000,000,000, it is very apparent that the Government practice whatever economies are possible without detriment to its programs proposed and adopted in the interests of the people. It appears that many suggestions in the report are salutary, and we therefore urge that full consideration be given to this report and the economies suggested therein, wherever practicable, be made effective.

STANLEY A. STUDER,
Secretary.

EXCERPTS FROM BADGER LETTERS

From Merrill:

"DEAR SENATOR WILEY: I was very pleased to note recently that you and Senator MCCARTHY saw fit to vote for some economy in the "pork barrel" river and harbors appropriation matter, though unfortunately you were badly outnumbered.

"It seems that the public should become aware of the extravagances involved in that type of legislation and start to make their feelings known to their elected Representatives. Unless somewhere along the line we do arrive at a conscientious effort to halt wasteful expenditures and bring our fiscal affairs into proper focus, a crisis, if not a disaster, is definitely ahead."

From Manitowoc:

"Your negative vote on the river, harbor, and flood-control program of the United States Army engineers has been noted, and you are to be commended for your stand.

"It is unfortunate that the majority in this instance was more interested in the pork-barrel aspect rather than the intelligent businesslike analysis of the problem, but keep up the good work.

"Your every effort toward further economy in Government is, in my opinion, of utmost importance."

From Milwaukee:

"Businessmen, when confronted by reduced income, are forced to cut costs. To lower break-even points often means cutting valued employees off the pay rolls and curtailing expenses in many ways—unpleasant but necessary work.

"Why shouldn't the Government do the same under similar conditions?

"I do not believe this is the time to raise taxes—neither do I think we should go in for deficit financing."

From Beloit:

"DEAR SENATOR WILEY: I am writing to ask you to use your influence to see that the necessary legislative steps are taken to enact into law the reorganization program outlined in the Hoover Commission report. I know you are anxious to promote efficiency and economy in our Federal Government to the end that the tax burden on all of us can be reduced. It is apparent to many of us back here in Beloit that the reorganization plan outlined by Mr. Hoover's committee is the most direct method of accomplishing this. I cannot urge too strongly that the reorganization program be enacted and that it be enacted without excepting any Federal agency.

"I would also appreciate your close consideration of two economy measures:

"1. The bipartisan retrenchment proposal by which total appropriations this year would be reduced from $2,000,000,000 to $3,000,000,000.

"2. The Senate resolution introduced by Senator BYRD and cosponsored by several other Senators providing for the consolidation of all appropriation bills into one bill to be considered by Congress at one time.

"It would appear to me that both of these proposals are worthy of enactment into law."

From Milwaukee:

"We would urge upon you that, before consideration of any spending program, the budget be balanced, provision be made for some debt retirement, and a tax load which can be carried by individuals and by industry without destroying the incentive system.

"We further urge quick congressional action on all the recommendations of the Hoover Commission which would result in substantial operating economies. It is our feeling that holding expenditures below expected revenues would be a favorable factor and would do more to overcome the recession which we have been experiencing for the last 6 months, than any spending program or any other action that Congress might take.

"Unsound spending and an excessive tax load will positively increase the recession and, if this is continued, we will have a depression which may be the most serious in our history."

From Racine:

"I am sure you concur in the necessity for the sharp reduction of Government spending, with a corresponding reduction in corporate taxes if venture capital is to be brought back into the market to provide for the expansion or modernization of our industries. The Administration's present course will most surely lead us into State ownership of production facilities, which is their apparent goal as evidenced by the economic expansion bill we understand is shortly to be introduced.

"The Hoover Commission report points the way."

From Kenosha:

"Through the various papers which I read, my attention has been called to the fact that various pressure groups are demanding more New Deal legislation and larger appropriations.

"I want you to know that I am not in favor of any increase in Government spending and believe that the sooner Congress gives more sincere thought to the Hoover Commission and the cutting of Government expenditures, the better it will be for this country. If the Government was a private business corporation such as I am operating and continued to spend as it is now spending in Washington, it would have been bankrupt long ago.

"Whether the President thinks so or not, we are in a recession, and I do not agree with his ideas of more bureaucracy and more spending."

From Wausau:

"The only purpose of this letter is to commend you for what you have done in the past along this line and to strengthen your hand in supporting all future economy measures. It seems that we must definitely stop some of this extravagant spending, or our Government finances will be in an extremely dangerous condition. I am certain that there is nearly universal support for such a move, although its supporters are probably not as audible as the exponents of spending."

From Wausau:

"I attended a sizable meeting in Wausau today, and almost the entire discussion was with respect to a reduction in appropriations so that the budget for the coming fiscal year may be balanced without increased taxation. I know you have been working toward this goal, and the people in Wisconsin are going to appreciate your efforts. Keep up the good work."

EXCERPT FROM WISCONSIN CHAMBER OF COMMERCE BULLETIN

IS NATIONAL-DEFENSE AND FOREIGN-AID SPENDING UNTOUCHABLE?

Congressional efforts to hold down the costs of national defense are hampered by the tendency of the general public to regard this category of spending as a "sacred cow," especially during the present days of "cold war." Perhaps this attitude is a carry-over from the recent war, but in any event the admirals and generals, quite naturally, do nothing to correct it; on the contrary, they use it to good advantage to bulwark their requests for even higher appropriations.

Much of Wisconsin's tax problem is due to the heavy burden of taxes imposed by Uncle Sam. Last year Federal taxes collected in Wisconsin were more than double the total of State and local taxes combined. If present Federal spending plans go through, next year it will cost Wisconsin taxpayers $430,000,000 as their share of the national-defense and foreign-aid programs. This is $70,000,000 more than they paid last year in taxes for all State and local government purposes, including highways, schools, and public-welfare costs.

Wisconsin taxpayers' share of the national-defense program is, roughly, $327,000,000; the Wisconsin share of foreign-aid costs is about $103,000,000. The foreign-aid program contains amounts required for the European recovery program, government and relief in occupied areas, and amounts for Greek-Turkish aid. It does not include anything for the proposed Atlantic Pact program. Wisconsin's share of the cost of Federal spending is about 2.06 percent of the total, based on its proportion of income paid out, population, and Federal income and pay-roll-tax collections.

A county-by-county break-down of the $430,000,000 total reveals wide variations between counties, but for the State as a whole Wisconsin's share of 1950 military and foreign-aid programs amounts to more than twice the total of taxes levied in 1948 on general-property taxpayers.

SOME REASONS WHY TAXES ARE SO HIGH

Military demands run high not only because of the strategic needs of the military, but also because of fantastic wastes in military spending. Many instances have been revealed by the Hoover Commission Task Force studying military expenditures. A few may be cited:

Of 86,000 tanks produced in the United States during the war, 25,045 were on hand at the end of the war, according to Army statistics, but the Army could account for only 17,875.

The Government sought funds to build 910 family houses in Alaska for Air Force personnel at a cost of $58,350 each, 828 houses in Guam at a cost of $48,000 apiece, and 7,880 in the United States at $18,600 each.

One manufacturer furnished a replacement part to the Navy at $63 each, but the same item under a different Navy identification number could have been procured from the prime manufacturer at $9.06 each.

Real headway against unduly large national defense and foreign expenditures can be made as soon as Congress feels that a more critical approach on its part to such expenditures will have public support.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. PEPPER. Mr. President, I ask unanimous consent that the Subcommittee on Veterans' Affairs of the Senate Committee on Labor and Public Welfare, before which two more witnesses are to be heard, be permitted to continue its hearing this afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. THOMAS of Utah, a subcommittee of the Committee on Banking and Currency was granted permission to meet during the session of the Senate today.

PROMOTIONS IN THE ARMED SERVICES

Mr. TYDINGS. Mr. President, from the Committee on Armed Services I report numerous routine nominations for promotion in the Navy. These nominations for promotions come from the Committee on Armed Services unanimously. No objection has been filed to any of them.

I also report from the Committee on Armed Services the nomination of Maj. Gen. Harold Roe Bull, United States Army, for appointment as Commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

The VICE PRESIDENT. Without objection, the nominations will be received.

Mr. TYDINGS. Mr. President, I now ask unanimous consent, as in executive session, that all these nominations be confirmed, and that the President be notified.

The VICE PRESIDENT. Is there objection? The Chair hears none; and, without objection, the nominations are confirmed, and the President will be notified.

THE CURRENT STATUS OF THE DISPLACED PERSONS LEGISLATION

Mr. IVES. Mr. President, I rise to call to the attention of the Senate the deplorable lack of action in the Senate with respect to displaced-persons legislation during this session.

Since January 10, 1949, 14 bills have been introduced in the Senate, designed to correct serious deficiencies in the Displaced Persons Act of 1948. All of them are before the Judiciary Committee. In addition, H. R. 4567, which passed the House on June 2, 1949, is also pending before that committee. Three of these bills, S. 98, S. 99, and S. 100, of which I am a cosponsor, as well as the House bill, if enacted, would liberalize the 1948 act and enable the United States to take at least a step toward assuming its full share of world refugee and displaced-persons responsibilities.

On June 8, 1949, the Committee on Expenditures in the Executive Departments submitted to the Senate a report on the International Refugee Organization, prepared by the Subcommittee on Relations With International Organizations, headed by the able junior Senator from Maryland [Mr. O'CONOR]. As a member of that subcommittee and as its former chairman, I take the liberty of urging Members of the Senate to give careful consideration to this report—Senate Report No. 476. In it is to be found the incontrovertible evidence of the failure on the part of our Government to assume its full measure of responsibility with respect to displaced persons and refugees. In it is also disclosed the fact that between 1945, when World War II came to an end, and May 1949, the United States has accepted only 72,500 persons for permanent immigration. Of those persons, 44,000 were admitted by Executive authority, pursuant to existing law prior to the enactment of the Displaced Persons Act of 1948; only 28,500 persons have been admitted under the act itself as of May 1, 1949.

Aside from the humanitarian aspects of the proposed amendments, this report points out that liberalizing existing legislation might well result in effecting a considerable saving of the taxpayers' money.

By June 30, 1949, the United States will have spent approximately $141,800,000 in connection with its participation in the International Refugee Organization, the international organization charged with the care, maintenance, and resettlement of displaced persons and refugees. By June 30, 1950, when the IRO is supposed to have completed its mission; this Government will have spent an estimated total of $212,230,000 in this connection.

There are still approximately 700,000 displaced persons and refugees to be resettled. Of this number, 360,900, or more than half, are in the United States zone of Germany. Direct care by the United States Government in 1947, prior to the operations of the International Refugee Organization, cost the United States $130,000,000.

All the evidence points to the fact that the International Refugee Organization will not be able to complete its task by June 30, 1950, and this Government will again be called upon to contribute a substantial amount of money.

Action is called for and action is necessary. Unless we take the lead in liberalizing our displaced-persons legislation, American taxpayers may be faced with a steady drain of approximately $70,000,000 a year.

The enactment of workable and reasonable legislation at this time should not only effect a substantial saving, but should go a long way toward solving a serious and perplexing world problem. Action is sorely needed now.

Mr. FERGUSON. Mr. President, I wish to associate myself most emphatically with the statement which has just been made by the distinguished junior Senator from New York. I regret exceedingly that the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from New Jersey [Mr. SMITH] are unable to be present so that they might personally join in supporting the statement the Senator from New York has just made. I notice on the floor the able Senator from Oregon [Mr. MORSE], and I hope he will have something to say on this problem.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MORSE. I simply wish to say that I completely associate myself with the remarks made by the Senator from New York and the remarks about to be made by the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. I thank the Senator, because I knew he was greatly interested in this problem. That is why I pointed out that he is on the floor.

Mr. President, I am authorized to say that I am speaking now for the Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from New Jersey [Mr. SMITH]. In fact, the Senator from New Jersey has prepared a statement on this subject, and I now ask unanimous consent to have it printed in the body of the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

(The statement prepared by Mr. SMITH of New Jersey appears in the RECORD at the conclusion of Mr. FERGUSON'S remarks.)

Mr. FERGUSON. The Senator from Massachusetts was prepared to speak on this subject, before he was called away. However, he is necessarily absent, and is unable to speak at this time.

It may be recalled that approximately 2 years ago, when I introduced the first displaced persons legislation in the Senate, I remarked upon the financial burden the United States is carrying so long as the displaced persons problem remains unsettled. Therefore, I find most per-

suasive the observations of the Senator from New York regarding the steady drain upon American taxpayers, which continues today. However, the material argument of expense is only one aspect of the question.

The simple fact is that the United States has not as yet assumed its full responsibility with regard to final disposition of this great human problem. The Displaced Persons Act of 1948 has proved to be only a gesture, because of its unworkable features of administration, which a number of us pointed out and sought to remedy by amendments when the bill was before the Senate last year. As a member of the conference committee, I declined to sign the conference report because at that time I believed that a better bill should have been passed by the Congress.

The Senator from New York [Mr. IVES] has stated that "action is sorely needed now." In that statement I most wholeheartedly concur.

It may be recalled that more than 10 weeks ago a group of five Senators, composed of the Senator from New York [Mr. IVES], the Senator from Oregon [Mr. MORSE], the Senator from New Jersey [Mr. SMITH], the Senator from Massachusetts [Mr. SALTONSTALL], and myself, who have supported certain corrective amendments to the existing act, addressed the chairman of the Senate Judiciary Committee, urging early action on this matter. In our letter we said:

> We are very anxious that hearings may be set down and a report made, so that the matter may be brought before the Senate for action.

Mr. President, at this time I reiterate and emphasize that desire and the need for immediate action.

I can say for the group of five Senators I have mentioned that we have no particular pride of authorship in our proposed amendments. As a matter of fact, I believe that, in the light of experience under the act, at least one of the amendments should be revised so as to make possible even greater improvement in the administration of the act. But, of course, that is the way of all legislation: As imperfections or defects develop, amendments can be made or repeal can be had, as the facts may indicate should be done. The point is that there is available for study a comprehensive body of proposed legislation, including a bill already passed by the House, and there is also available for analysis a year's experience under the act, which proves its shortcomings. In justice, fairness, and self-interest, I believe it is imperative that the Senate proceed to immediate hearings and action on this most important matter.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TAFT. I also should like to associate myself with the Senators who insist that some action be taken at this session on the displaced persons bill. I suggest to the Senator that it seems to me that in view of the position of the Democratic Party, as well as the position of the Republican Party, if the Judiciary Committee does not report this bill within a reasonable time, the duty should lie on the majority leader himself to move to discharge the committee from the further consideration of the bill. I wonder whether we can have some assurance that if reasonable action is not taken, that will be done. Under his leadership the committee probably would be discharged from the further consideration of the bill. Without his leadership and approval that would be very difficult to do.

Mr. FERGUSON. Mr. President, I concur in that statement, because I think when the matter has been before the committee and many facts concerning the situation are available, all we need now is the inclination to do this job. As a member of the Judiciary Committee, I would say now that I would be compelled in good faith to vote in favor of the adoption of a motion to discharge the committee.

I see the able junior Senator from Rhode Island [Mr. MCGRATH] on the floor. I have discussed this matter many times with him. I know how sincerely he personally feels about it. He keenly realizes as do I and the four other Senators I have mentioned, and for whom I have been speaking, and as does the Senator from Oregon [Mr. MORSE], who has spoken for himself regarding this subject, that action is needed.

Mr. THYE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. THYE. Mr. President, I, too, desire to associate myself with every thought and attitude expressed on the Senate floor today on the question of displaced persons.

Mr. LUCAS. Mr. President, will the Senator from Michigan yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. FERGUSON. I yield.

Mr. LUCAS. Mr. President, in view of the fact that the able Senator from Ohio [Mr. TAFT] made a suggestion as to what the majority leader should do, I think it only fair that I make a brief reply, in the time of the Senator from Michigan, if I may be permitted to do so.

The VICE PRESIDENT. Without objection, the Senator will be permitted to do so.

Mr. LUCAS. Let me say, Mr. President, that no Member of the Senate is more interested in seeing that there comes from the Judiciary Committee a liberal bill removing the restrictions and discriminations that exist in the present law than is the Senator from Illinois. I think I can safely say that the majority of the Members on the Democratic side of the Senate are disposed to go along with the kind of bill which was recently reported by a committee of the House of Representatives, and, if I am not mistaken, which has been passed by the House.

Mr. FERGUSON. That is correct. The bill is now in the Senate.

Mr. LUCAS. I can assure the able Senator from Ohio and other Senators who are vitally interested in the subject that it is a question which should be approached on a nonpartisan basis. I can assure them that we shall have some action upon the displaced persons bill, in one way or other, before the session ends.

Mr. FERGUSON. Mr. President, the statement just made by the distinguished majority leader is good news. I think the displaced persons, including those who have recently been compelled to leave Czechoslovakia by reason of the lowering of the Red curtain, will regard it as welcome news that we now have the assurance of the leadership of the Senate that action on this most important legislation will be taken at this session. All we can expect is action, and the information that we are to get some kind of action on the bill is refreshing.

Mr. MCGRATH. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Rhode Island?

Mr. FERGUSON. I yield.

Mr. MCGRATH. Mr. President, I wholly concur with the sentiments which have been expressed with respect to the desirability of action on displaced persons legislation. The Senator from Michigan has been most helpful not alone in this session, but he was also courageously helpful, I may say, during the Eightieth Congress when we were attempting to write what we then regarded as a proper, liberal displaced persons law. He has been cooperative during the present session in an effort to get action on the bills now pending before the Judiciary Committee. I assure him that I shall cooperate in every possible way to try to perfect a bill in committee.

I believe, Mr. President, we are making progress along that line. We have had some hearings. We are going to proceed with further hearings. We all hesitate of course to try to override the will of a committee, and I do not think we ought to do that. Both parties should try to work together harmoniously on this legislation, because both parties are committed to it. I may say, Mr. President, that I do not regard any promise made by the Democratic Party in the last campaign as more binding or more sacred than the promise it made to liberalize the displaced persons law. I believe that Senators on the other side of the aisle feel exactly the same way, so far as their party is concerned. So let us go on and work together, to see if we cannot perfect the bill in committee and bring it out for free and open discussion on the floor of the Senate.

Mr. FERGUSON. Mr. President, I appreciate the statement of the able Senator from Rhode Island, who is on the subcommittee and knows what is going on in that committee.

I see the able chairman of the subcommittee, the senior Senator from Nevada, on the floor. I know that we will get action on the bill, for we have now the assurance that when it reaches the floor and is placed on the calendar, it will be one of the measures to be pressed by the majority. The news that some action will be taken will be refreshing to those who are in the DP camps. They need encouragement. For years and years,

while we have been considering these bills, they have been in displaced persons camps. I hope the news reaches them that action may be expected soon on this important legislation.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. Mr. President, I wish to take this opportunity of associating myself with the remarks of the distinguished junior Senator from New York, the distinguished Senator from Michigan, and the other Senators who have spoken on the subject of displaced persons legislation. It was my privilege to serve as a member of the subcommittee dealing with the subject of the International Refugee Organization.

I think the Senator from New York made a very pertinent observation this morning when he brought to our attention Senate Report No. 476. We have had the privilege of listening to the testimony of a number of the officers of the International Refugee Organization, and that testimony is replete with facts as to the need of liberalizing the displaced persons legislation.

There are two facts which need really to be established. One is, as was pointed out by the Senator from New York, that we have had very limited immigration under the act, only 28,500; second, that the International Refugee Organization is costing our Government a sizable sum of money. As I recall the total sum of money expended up to date is approximately $142,000,000, and it will cost, by 1950, in excess of $200,000,000.

I commend the Senator from Michigan, the Senator from New York, the Senator from Rhode Island, and the other Senators who have been working on this question. I may say that the people in my State of Minnesota, the Governor, the church organizations, and the municipal organizations have called upon their representatives in the Congress to do everything humanly possible to get this legislation passed. As the Senator from Rhode Island said, this is something that goes far beyond the pale of politics. It is the most sacred obligation possible of both political parties, in view of the critical international situation and the suffering of millions and millions of people.

Mr. FERGUSON. I appreciate the remarks of the Senator from Minnesota.

Mr. McCARRAN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. FERGUSON. I yield.

Mr. McCARRAN. Mr. President, I am wondering how many of those who discuss this subject really know the subject. It has been sugar-coated with so much fraud and misrepresentation that sometimes I think that many who discuss the subject have no true idea or conception of it. I wonder how many know the millions of people who are in the United States now illegally and fraudulently. I wonder how many know that since we set up the displaced-persons organizations such persons have been coming into the country in recent months at the rate of about 16,000 a month. I wonder how many know that with all those who have been taken out of the camps there are today more persons in the camps than there were when we first set up the organization, more than there were when we first started to take them out. I wonder how many know that they are coming into the camps by hundreds of thousands, people who have no more right to the claim of being displaced persons than they have the right to a claim of nationality at the North Pole. I wonder how many know that there was expended in the last year, in trying to get this program going, on a different basis, $800,000. I wonder how many know that there never was a more workable law than the one now in existence, and that that has been testified to by the Displaced Persons Commission. I wonder how many of those who discuss the subject know the number of persons in the camps now, and how many there were when we started the program.

Mr. President, persons are coming into those camps as fast as they can, not because they are displaced persons, but because they want to get to America by some means other than the legitimate immigration means which this country has established for its own protection.

Little by little the story will be unfolded to the Senate, and now is not the time for the Senate to "fly off," when the committee has been for months making a study. Eighteen bills on this subject are pending before the committee, including one which has passed the House, which, if it were to become law, would bring into this country not only those who are in camps or who have been in camps, but those who have been taken from camps by other countries and have gone to England, for instance. Those who have been taken to England would be eligible to come into our country.

The human side of the question is appealing. It appeals to all of us. We have done everything in our power, under our system of law, to take care of these displaced persons. As we take them out of the camps, the camps fill up again, and they will continue to fill up. There are four or five million displaced persons in the world, and they continue to fill up the camps as displaced persons already there are taken out of the camps. The testimony shows that they are coming in at the rate of approximately 16,000 a month. Within 19 months we shall do what the Congress said should be done in 24 months, namely, we shall bring in 205,000 persons.

I wonder how many people know these facts. Yet, it is intimated that the question should be taken from a committee of the Senate which has been making a study of it and whose staff is making a study of it.

Mr. President, I again say that there is more humbug involved in this question than there has been in any question which has ever been presented to the Senate. The figures which I have in my office show that $813,000 has been expended in lobbying in connection with the matter. It is not necessary to lobby through a measure which is just, when, as a matter of fact, Congress has enacted a law which is now working satisfactorily.

Mr. FERGUSON. Mr. President, from the argument of the Senator from Nevada, it seems that he feels very keenly about this particular matter. I also feel keenly about it. I feel that there is a problem of immigration to be studied. There is a question of unlawful entry into this country which should be gone into very carefully. There is also a question as to the men and women who are here, and a question of why the countries from which they came will not accept them. These are very grave questions. Those persons are allowed in this country to be free citizens, even though they should be later returned to their native countries.

The Senator from Michigan last year and this year spent a great deal of time on the problem. He feels that he knows something about the questions involved. He has personal knowledge of how the act is working, though he is not a member of the subcommittee. I am not criticizing the subcommittee. I am merely asking for action. I think the fact that we have had this debate has done some good, because, as the Senator from Nevada has said, there are many facts which the people do not know. I think they should know immediately all the facts concerning the displaced persons. If there are thousands of persons coming into the camps, we should receive reports from the International Refugee Organization. I believe this debate will do a great deal of good in the way of making known the facts. Senators who feel that the bill should not pass, should be given an opportunity to vote, and those who feel that it should pass should have the same opportunity.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARRAN. I do not know whether the Senator from Michigan takes the position that the Committee on the Judiciary is not going into the matter. Is that the statement that was made?

Mr. FERGUSON. No. The Senator from Michigan did not say that the Judiciary Committee was not acting.

Mr. McCARRAN. I wish to say to the Senator from Michigan that an intensive study has been conducted in which some of the best members of the staff of the Committee on the Judiciary have been continuously engaged. Although trainloads of persons from far and near have not been brought in to crowd these halls by way of a hearing, we have gone into the subject systematically, scientifically, and factually, and we have been going forward. Whether our action is called hearings or whatever it may be called, there have been analyses of the 18 bills on the subject. That is one phase of the study. There has been an analysis of the whole system, from the time the law was passed until the present moment, and an analysis of the conditions around any camps which are called displaced-persons camps but which have no right to be so called.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Maine.

Mr. BREWSTER. I should like to inquire of the Senator from Michigan as to how many refugees are contemplated under the House bill and under the Senate bill now under discussion.

Mr. FERGUSON. Under the House bill the number is 400,000. Under the Senate bill the number varies from 400,000 down to 200,000.

Mr. BREWSTER. Over a period of years?

Mr. FERGUSON. That is correct.

Mr. BREWSTER. What is the situation as to the contributions of other nations to the International Refugee Organization? Has the Senator any facts relating to that matter?

Mr. FERGUSON. Yes; but I do not have figures on it at the present time. They have taken a great number of displaced persons, and they are contributing. Of course, Russia is not contributing to the organization, but other countries are contributing to the fund. The International Refugee Organization is trying to do the job, but it lacks the necessary funds. It is trying to support the displaced-persons camps. Their representatives are not only going into the camps, but into other countries. They have to deal with Czechoslovakia since we passed the last act. I have great sympathy with those persons who desire and love freedom and who have been forced to leave Czechoslovakia and wander over other countries in Europe.

Mr. BREWSTER. Under the circumstances which the Senator from Michigan presents as to conditions in Czechoslovakia, how does it happen that there is on the Senate Calendar today the nomination of Ellis O. Briggs, to be Ambassador to Czechoslovakia, under the theory that we do not recognize countries which deny ordinary human rights?

Mr. FERGUSON. I can answer the Senator only by saying that the sending of representatives to various countries is in the hands of the President of the United States. He conducts the foreign policy of the Nation and determines what country shall be recognized and what country shall not be recognized.

Mr. BREWSTER. The Senate certainly has the responsibility of confirming or refusing to confirm the nominations of representatives to foreign nations. Mr. Ellis O. Briggs happens to come from the State of Maine, and I have no disparagement of his qualities; but Secretary Acheson stated not long ago, in connection with a complaint that an ambassador was not sent, that it did not mean anything to have an ambassador. If it does not mean anything, and if Czechoslovakia is violating human rights, compelling the emigration of thousands of persons from that land, why does the President name a new ambassador to Czechoslovakia at this particular moment, when it would seem to give Czechoslovakia full standing and recognition by the Government of the United States?

Mr. FERGUSON. I am unable to answer the question of the Senator, because, as I have said, the naming of ambassadors and the recognition of countries is solely within the province of the President of the United States. I still feel very keenly that, men who sought liberty and freedom, and even the preservation of their lives as political prisoners, were justified in leaving Czechoslovakia, and wandering, let us say, the highways and byways of Europe, trying to find homes to which they might go, until such time as Czechoslovakia lifts the iron curtain, and the freedoms the Senator and I love and cherish are brought back to that country.

Mr. President, I look at this whole question as one having to do with the maintenance of peace. We are talking about peace and peace treaties, but we cannot make peace until we settle the displaced persons question. If we do try to make it, that question will flare up, and may thwart us in our endeavor.

Therefore, Mr. President, to me it is a question concerned with the settlement of peace in the world, as I think the question of Czechoslovakia being taken over by Russia as a satellite is a question relating to international peace, in the end.

Mr. BREWSTER. What about Hungary? Is not that in a very similar situation, as we read the account of what happened to Cardinal Mindszenty and the various Methodist bishops? We have on the executive calendar now the nomination of a minister to Hungary. The minister we had in Hungary was practically compelled to leave the country because of his attitude in behalf of human rights, of American liberties. Because he dared to challenge the action and the activities of the Hungarian Government in regard to these religious leaders, he was requested to leave, and he was obliged to come home. Now we name another man, because the minister we had there was not acceptable, since he dared to stand up for human rights. So another gentleman is named, and presumably he will know better than to say one single word in derogation of a government which is defying all sense of religious liberty, and in addition is compelling more and more of the people of that country to become refugees, and therefore to descend upon the bounty and the Christian charity of the people of the world, and particularly those of America. Is there any sense in our sending a minister to a government such as that?

Mr. FERGUSON. Mr. President, the Senator merely raises questions and facts which present to the American public and to the world the confusion in the thought of our foreign policy. The Senator mentions Hungary, and what has happened in Hungary. Our minister was recalled because the Hungarian Government contended he was giving aid and comfort to those seeking liberty. Many of them were American citizens. But now, as the Senator says, we will send back another minister. That is what confuses the people. They wonder what we are doing to accomplish peace, what we are doing against communism, and what we are doing in the world against totalitarianism, under which the rights of people are denied.

Mr. President, I did not expect the debate would go so far afield as it has gone, but this all has relation to the general issue.

Mr. LANGER. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from North Dakota.

Mr. LANGER. In connection with the displaced persons question, I wonder if the distinguished Senator knows that investigation shows that a great many of these folks are coming into this country by fraud.

Mr. FERGUSON. I have not any evidence that any displaced person who has come in under the act has come through fraud. There are people who are not coming in under the act, with respect to whom I have facts, who are coming by fraud. Foreign agents are coming into this country, and I consider that all of them are coming fraudulently, because they are denying they are Communists. But I have no knowledge of any displaced person who has come in under the act has come in through fraud.

Mr. LANGER. Will the Senator yield for a further question?

Mr. FERGUSON. I yield.

Mr. LANGER. Is the Senator familiar with an article which appeared last Sunday in the New York newspapers showing that a great many of these people coming to the United States pretend to be farmers, and state they are farmers, but when they get here the farmers who have sponsored them find they know nothing about farming? Does the Senator know, further, that a great many women say they want to come here as domestics, that they worked as domestics in other countries, but when they get here they absolutely refuse to work as domestics, and say they are librarians, and worked in libraries, or something of that character? A great many complaints have come to my office, and I have referred them to the subcommittee dealing with this subject.

Mr. FERGUSON. The Senator is speaking of displaced persons?

Mr. LANGER. Yes.

Mr. FERGUSON. I did not have that particular knowledge. But if the record indicates that the administration is not proper, that does not go to the question of our having a proper displaced-persons act, and does not go to the question of settling the peace of the world. Naturally I am just as strongly in favor as anyone can be of keeping out persons who would attempt to come in by fraud, or attempt to deceive the immigration officials. I want proper administration, I think proper administration can be had, and I think we can get a bill providing for proper administration.

Mr. LANGER. Does not the Senator believe that it takes time on the part of the subcommittee to prepare properly the legislation, so that if folks do come in under false pretenses, they can be either sent back, or proper steps be taken in the premises?

Mr. FERGUSON. I say it does take time, and if anybody has entered this country, under the Displaced Persons Act, by fraud, by deception, in violation of the act, or in violation of the principles of the Government of the United States, and if he does not stand for the ideals of liberty, I would be the first to agree that he should be deported. But I do not think that is the question we

have before us now. The question is as to getting action on a bill. Congress has already been in session nearly 6 months. Certainly it takes time, but it is a question of how much time.

Mr. LANGER. Will the Senator yield for one more question?

Mr. FERGUSON. I yield.

Mr. LANGER. Is the Senator familiar with the fact that several thousand displaced persons went to England pretending to be miners, and that within a few weeks after they arrived in England, England shipped them all back to the country whence they came?

Mr. FERGUSON. I am familiar with that. I am also familiar with the fact that in Belgium displaced persons were taken into the mines, and that even now they are asking that they go back to the camps. Of course, the Senator from Michigan is not familiar with the conditions under which they were compelled to work in Belgium, but something was wrong somewhere, because they are now going back, and, we may say, deserting the mines of Belgium.

Many problems are involved; but the Senate should strive to solve these very complicated questions of human relationship.

Mr. LANGER. The Senator realizes that the subcommittee is doing the best it possibly can, in view of the additional questions which have arisen, with several thousand persons coming in. We know the circumstances under which they come in, the false pretenses in some cases, and the legislation necessary to safeguard the interests of our country against that kind of people.

Mr. FERGUSON. I know how greatly the Senator is interested in this problem. I merely plead with him today for just a little more speed.

Mr. NEELY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. NEELY. Let me inquire of the able Senator from Michigan, who has rendered outstanding service in favor of the enactment of a humanitarian displaced persons law, whether he thinks that the displaced, innocent, sufferers, have become disentitled to the sympathy of the American people, or to the favorable action of the Congress, by reason of frauds which others have perpetrated in attempting to evade our immigration laws?

Mr. FERGUSON. I am not a believer in common responsibility. I have never felt that one person should be held responsible for the acts or the conduct of another. Therefore the innocent certainly should not suffer because some person has done wrong. I think we have to be able to distinguish, and because we have one bad apple in the barrel is no reason why we should not try to save all the rest of the apples, and cast out the bad.

Mr. NEELY. Mr. President, will the Senator further yield?

Mr. FERGUSON. I yield.

Mr. NEELY. Does not the Senator from Michigan think that the diligent efforts in this matter made by him, the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. SALTONSTALL], the eminent Vice President, who was then a Senator from Kentucky, the senior Senator from Illinois [Mr. LUCAS], the Senator from Rhode Island [Mr. MCGRATH], and the Senator from Florida [Mr. PEPPER] should be continued in this Congress jointly by Republicans and Democrats of good will?

Mr. FERGUSON. Mr. President, this is not and should not be a partisan matter.

Mr. NEELY. Does the Senator agree with me that the approach to this question should be nonpartisan, and that the matter should be vigorously and promptly pushed to a favorable conclusion?

Mr. FERGUSON. I agree with the Senator from West Virginia.

Mr. NEELY. Does the Senator from Michigan favor the performance of the following platform promise:

> We pledge ourselves to legislation to admit a minimum of 400,000 displaced persons found eligible for United States citizenship without discrimination as to race or religion. We condemn the undemocratic action of the Republican Eightieth Congress in passing an inadequate and bigoted bill for this purpose, which law imposes un-American restrictions based on race and religion upon such admissions?

And if the Senator does not approve the latter part of that language, does he not think that regardless of who is responsible for the present inadequate law, it should be properly liberalized by this Congress?

Mr. FERGUSON. The Senator from Michigan is on his feet now endeavoring to right what he considers to be a wrong. I notice the Senator from West Virginia read from the Democratic platform. I hope the junior Senator from West Virginia, and the senior Senator from Illinois, the able and distinguished majority leader, who has just spoken on the subject, will try to carry out the principles of the Democratic platform and endeavor to have a proper displaced-persons act passed by Congress.

Mr. NEELY. The Senator from Michigan may depend upon the junior Senator from West Virginia to do everything in his power in behalf of that most desirable consummation. Let me add that the distinguished Senator from Rhode Island [Mr. MCGRATH], who is the able chairman of the Democratic National Committee, has assured me of the vigorous continuation of his untiring efforts in this matter.

Mr. FERGUSON. Mr. President, I yield the floor.

(On request of Mr. FERGUSON, the following statement was ordered to be printed in the RECORD at the conclusion of his remarks:)

STATEMENT ON DISPLACED PERSONS PROGRAM BY UNITED STATES SENATOR H. ALEXANDER SMITH, OF NEW JERSEY, JUNE 23, 1949

Mr. President, through the kindness of my distinguished friend, the Senator from Michigan, I am taking this opportunity to reassert and reemphasize to the Senate my feeling of vital urgency in the matter of the displaced-persons program.

A great deal is being said nowadays in the Senate, on both sides of the aisle, about economy in Government. I heartily agree that Government spending must be reduced, and I take this moment to remind the Senate once again that the displaced-persons problem, for which we have yet to agree on an adequate and speedy solution, is costing this Nation well over $100,000,000 a year. That much money is required of us to help feed and clothe the displaced persons in their camps overseas. That much money is required to maintain these people at a minimum level, in a completely sterile and unproductive situation. If, on the other hand, we can improve our program so as to bring sizeable numbers of them to this country, we will not only effect great dollar savings but we will add these people, with all their talents and their industry, to our human resources and our national wealth.

There are certain objections raised to this program which I consider completely mistaken. By way of illustration, only the other day I was shocked to hear these displaced persons publicly described as the dregs of Europe. Nothing could be further from the truth. I have seen these people with my own eyes, I have talked with them in their camps in Germany, and I have first-hand knowledge of them as strong, self-reliant people who have known the tyranny of Nazi dictatorship and who are determined to make their own way in a democratic community. Moreover, to make doubly sure that no unworthy individual shall be admitted, we have surrounded this program with all the safeguards of our immigration laws and with special precautions against Communist infiltration.

Mr. President, the Displaced Persons Act of 1948 is fraught with pitfalls, delays, and unjust discriminations. When it was passed, we who favored the program considered it better than nothing, but we well knew how far it fell short of what was required. I have mentioned its cost to the American taxpayer and its injustice to the DP's themselves.

But the displaced persons are not the only ones beyond our shores who look to the United States for a more just and more enlightened policy. Freedom-loving peoples all over the world judge our performance according to our own high ideals of equality, democracy, and individual dignity. As a member of the Foreign Relations Committee, I am keenly aware of the close connection between our displaced-persons policy and the entire realm of our foreign relations.

Today, as we Americans with our great power hold the leadership in the cold war against Communist tyranny, the eyes of the world are constantly fixed upon us. It is more than ever vitally necessary that our conduct on the world scene shall conform to the great human principles which we as a nation have stood for from the very day of our independence. If, out of false caution or carelessness, we stand before the world with a policy of injustice, discrimination, and timidity, how long can we expect to receive the admiration of all the freedom-loving people in the world who now must look to us for their safety or their liberation? How long can we expect them to resist the false promises of easy salvation which are so freely made to them from Moscow?

Mr. President, actions speak louder than words. Economy and self-interest may be urged in support of a just and liberal displaced-persons program, and rightly so. But I urge the Senate to support that program on a higher and more worthy principle. The greatness of our Nation comes not from material things but from the things of the spirit. Now, more than ever, we must live and act before the whole world in a way that does honor to our ancient faith.

Mr. LANGER. Mr. President, in view of the fact that the Senator from Michigan has yielded the floor, I wish to make a few remarks. I desire to call the attention of the Senate to the speech delivered by the senior Senator from Nevada [Mr.

McCARRAN] approximately a month ago, in which he was joined, I believe, by the Senator from Mississippi [Mr. EASTLAND]. The two Senators discussed the displaced-persons problem, and, at least to my entire and complete satisfaction, proved that the Republican Party was not guilty of the charge which has just now again been reiterated by the Senator from West Virginia. The report of the senior Senator from Nevada shows that of all the displaced persons who have been admitted under the Displaced Persons Act, roughly, as I remember the figure now, 44 percent were Catholics, 39 percent, as I now recollect, were of Jewish extraction, the remainder being of other religions. As the senior Senator from Nevada said at the time he made his report on the subject, those figures showed that the act was fair and just.

When the bill was under discussion in the Senate the distinguished senior Senator from Wisconsin [Mr. WILEY], who was then chairman of the Committee on the Judiciary, proved to my complete satisfaction that the bill was fair and had been carefully drawn; and, as I now remember, the only difference between the Senator from Michigan and the Senator from Wisconsin was that the Senator from Wisconsin was not in favor of admitting as many displaced persons as was the Senator from Michigan. My recollection is that the Senator from Michigan voted for the bill.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. The Senator from Michigan would not sign the conference report on the ground of what he thought was the fixing of a quota in connection with which there was not taken into consideration all the facts, so as to provide that there should be no discrimination. That is the distinction between the position taken by the Senator from Wisconsin and that taken by the Senator from Michigan.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. EASTLAND. I should like to ask the Senator from Michigan a question. Who was discriminated against in the displaced-persons bill?

Mr. FERGUSON. It was my belief that the facts showed that it would be fair to bring in at that time displaced persons from all the camps in which they were segregated. The camps had segregated them. I felt that all the camps in which displaced persons were segregated should be given their share of the quota, so that there would be no distinction.

Mr. EASTLAND. Will the Senator from Michigan please tell us what racial or religious group was discriminated against?

Mr. FERGUSON. By reason of the dates fixed in the act I felt that the Catholics who had come from Poland would be discriminated against. I also felt that there could be discrimination against the Jews, because of the dates fixed in the act.

Mr. EASTLAND. Has it worked out in the way the Senator felt it would? Have those two groups been discriminated against?

Mr. FERGUSON. There have been so few persons brought in that it is difficult to say.

Mr. EASTLAND. The figures of those brought in show that about 7½ percent of the inmates of the camps belong to one of those religious groups, and that roughly 40 percent of those who are coming to the United States belong to that group.

Mr. LANGER. Mr. President, I wish to reiterate that the subcommittee of the Committee on the Judiciary which is handling the displaced-persons matter—I am not a member of the subcommittee, but have been following its work—has invited to appear before it representatives of all nationalities and of all creeds, and representatives of different nationalities and creeds have appeared before the subcommittee. All have had a fair hearing, with the exception of organizations representing expellees, and they are going to be heard by the subcommittee.

Another grave question which the subcommittee must consider, has arisen. General McCloy, who is now in Germany, the other day announced that he was in favor of sending 11,000,000 displaced persons who are now over there, to Argentina, to Brazil, and to a third country. I have forgotten the name of the third country. The general suggests that the United States Government bear the expense of having these expellees transported to the three countries in question. He announced that the three countries to which I refer desire that the expellees be sent to them. They want those persons to come to their countries. If we are going to pass legislation providing that the United States Government shall pay the transportation of the 11,000,000 persons from Europe to Brazil, to the Argentine, and to the third country mentioned by General McCloy, naturally legislation dealing with displaced persons is going to be somewhat different from what it was before General McCloy made that announcement.

Mr. DONNELL. Mr. President, some reference was made a few minutes ago to the action of the Eightieth Congress with respect to the displaced persons problem. I rise at this moment to say just a few words about what was done by the Eightieth Congress.

I had the privilege of serving under the leadership of the distinguished former junior Senator from West Virginia, Mr. Revercomb, upon the subcommittee of the Committee on the Judiciary which had to do with the displaced persons problem. Several of us went to Europe in the study of this problem. We visited quite a number of camps in Germany. We went to Italy. We were in Geneva, and discussed very fully, I think, with the IRO office, or the temporary IRO office, the problems involved. We were in England, where we likewise had some discussion bearing on that subject.

While there were differences of opinion, while the junior Senator from Michigan [Mr. FERGUSON], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Rhode Island [Mr. McGRATH] differed with the action of the committee, I have no apologies to make for what the subcommittee or the committee itself did. It may be that there should be some amendments to the law. I am quite willing to accede to the view that this is an important problem which should be dealt with as completely and as expeditiously as possible. But when an attack is made, such as has been made on the floor of the Senate and in the platform of the Democratic Party, against the Republican Party for its treatment of the displaced persons problem, I rise to say that any such criticism or attack is in my judgment thoroughly unfounded.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. BALDWIN. Is the junior Senator from Connecticut correct in understanding that when the Eightieth Congress was called back in special session in the summer of 1948, one of the items which the administration placed upon the agenda for that session was the consideration of the displaced persons problem?

Mr. DONNELL. As I recall, the Senator is correct.

Mr. BALDWIN. Can the Senator tell me then why it is that after the present Congress has been in session for nearly 6 months, and in complete control of the party of the administration, there has not been some action on this matter?

Mr. DONNELL. I think an answer to that question is unnecessary. I thank the Senator from Connecticut for presenting the point.

Mr. President, I do not want to stand here and say that the displaced persons' problem has been finally solved. I wish to say, however, that any criticism along partisan lines, on the one hand disclaiming the idea that this is a partisan subject, and on the other hand launching forth into a very clever criticism and denunciation of the Republican Party, is, in my judgment, thoroughly unfounded.

I should like to add that the subcommittee of the Committee on the Judiciary, of which the distinguished former Senator from West Virginia, Mr. Revercomb, was chairman, made an earnest and thorough investigation and study of this entire problem. The Judiciary Committee was then headed by the distinguished senior Senator from Wisconsin [Mr. WILEY].

I realize that the Senator from Michigan, the Senator from Massachusetts, and the Senator from Rhode Island differed with us upon very fundamental questions. We exercised our best judgment. It may well be that that judgment should be the subject of further consideration and revision. But I am very indignant at any attack which is made upon the Republican Party when it had a new problem, one which our country had never faced, and one which the Republican Party faced with vigor, integrity, and industry.

I do not know that I shall agree with the chairman of the Judiciary Committee this year upon every question relative to the displaced persons law. I do not know that I shall disagree with him. We shall consider the subject, and a determination will be made according to the best

judgment of the Judiciary Committee—in the first instance, by the best judgment of the subcommittee.

So far as I know, the present chairman of the Committee on the Judiciary, the distinguished senior Senator from Nevada [Mr. McCARRAN], has never been charged with being a member of the Republican Party. Yet, as the distinguished Senator from North Dakota [Mr. LANGER] stated a few minutes ago, the senior Senator from Nevada, a man of strong democratic beliefs, a vigorous defender of the Democratic Party, rose on the floor of the Senate on the 26th day of April and gave his opinion, which was not a partisan opinion, as I see it. He did not condemn the Republican Party. As I recall, not one word was said by him in his address which even remotely reflected on the Republican Party or the Judiciary Committee under the leadership of the Republican Party last year.

I should like to read a portion of the address of the distinguished Senator from Nevada on this subject, delivered on the floor of the Senate on the 26th day of April. He was referring to the displaced-persons law, the very law which this excerpt from the Democratic Party platform so vigorously criticizes and condemns. What did the distinguished Senator from Nevada, the Democratic chairman of the present Judiciary Committee, have to say on that subject? I read a portion of what he said on the floor of the Senate on the 26th day of April of this year:

> Mr. President, the present law has been falsely criticized as being unjust and discriminatory. Wherein lie the injustices and the discriminations? Although it is charged that the present law discriminates against certain religious groups, official spokesmen for some of these groups have denied that the law discriminates against them. Moreover, the facts immediately dispel this charge.

I digress to say that any Member of the Senate who desires to read the address from which I am now quoting will find it at pages 5042 and following of the CONGRESSIONAL RECORD. I continue with what the distinguished Democratic chairman of the Judiciary Committee said with respect to the displaced-persons law which was enacted by a Republican Congress:

> It is charged that the present law discriminates against persons of the Jewish or Catholic faith. As of March 31, of this year, 44 percent of the displaced persons who have been admitted pursuant to the act have been of the Catholic faith. Thirty-nine percent of the persons admitted pursuant to the act have been of the Jewish faith. Eight and one-half percent of the persons admitted pursuant to the act have been of the Protestant faith, and 8½ percent have been of the Greek Orthodox faith.

Was it improper for the Republican Congress, the Eightieth Congress, to have given consideration to the subject of housing? Has not this Congress itself realized the extremely difficult problem of housing, and the fact that hundreds of thousands, and perhaps millions, of our citizens have experienced great difficulty in obtaining adequate housing, and have often found it impossible?

Is it proper to criticize and condemn the Republican Party because of the fact that the Displaced Persons Act provides that those who desire to come to this country must have assurance, before they will be admitted, that houses will be available for them when they come here? Was it improper, or a matter properly the subject of criticism or condemnation, for provision to be made in the Displaced Persons Act, for the benefit of both the people of the United States and those who would come to the United States, that before such newcomers would be admitted, arrangements for their housing must have been made?

Mr. President, I now return to the statement the Senator from Nevada made on April 26. He said:

> It is charged that the present law, which requires assurances of housing and jobs as a prerequisite to admission, is administratively unworkable.

I see the distinguished Senator from Nevada [Mr. McCARRAN] upon the floor at this time. I should like to have him know that I am quoting now from observations which he made on April 26 with regard to the workings of the Displaced Persons Act.

I may say for his benefit that the charge has been made on the floor of the Senate today, in substance, that the Republican Eightieth Congress should be severely condemned for the displaced persons bill it passed. For the benefit of the Senator from Nevada, I tell him that I have previously stated during the debate today that to my mind the Senator from Nevada has never been accused of being a Republican. So far as I know, he is a Democrat; and by the nodding of his head at this time, I assume he is reaffirming his faith in the party of Thomas Jefferson.

Mr. McCARRAN. Very much so.

Mr. DONNELL. "Very much so," he says.

Yet the Senator from Nevada has never, so far as I know, made any comment to the effect that the Republican Eightieth Congress should be condemned for the Displaced Persons Act, which we have been told, in the debate here today, is a proper basis for condemnation of the Eightieth Congress.

Mr. McCARRAN. Mr. President——

Mr. DONNELL. I yield to the Senator from Nevada.

Mr. McCARRAN. I would not for a moment subscribe to that expression, if it has been made here. I had something to do with the writing of that act. I was a member of the subcommittee, with former Senator Revercomb, of West Virginia. The two of us, together with other Senators, prepared and wrote that act, after long study. I am responsible for certain phases of that act. One was that in view of the fact that we had a shortage of farm labor in the United States, we should look to those in the displaced-persons camps who had an agrarian background, and should screen them and should bring them to this country, so that they could fill the considerable need in the United States for farm labor. In the second place, there was a great shortage of domestic help in the United States. So the second proposition was that we should screen into this country, from the displaced-persons camps, those who had domestic training or a domestic background. We took the position that in that way we would be able to do several things: First of all, we would take out of the displaced-persons camps the persons who should be taken out; and in the second place, we would bring to the United States, labor to fill the considerable need for farm labor and domestic labor. In the third place, by supplying farm labor and domestic labor, we would not displace persons already in the United States from the housing they occupied, because in the farm regions there are greater facilities for housing than there are in the congested centers of the country. In the fourth place, naturally a domestic goes into a home, so no one would be displaced from a house because of the admission of domestics into the United States.

Above all, Mr. President, we had in mind making provision for the protection of American labor. Today American labor needs protection about as much as it has ever needed it, because, if we are correctly informed, today there are 3,000,000 or 4,000,000 unemployed persons in the United States, with great chances, I am sorry to say, that as many as 8,000,000 of the people in the United States will be unemployed between now and the first of next year. If that happens, if 8,000,000 Americans are or may be unemployed, I wonder whether we should bring into our country other persons who now are unemployed, unless we give the matter very careful care and consideration.

I thank the Senator for yielding to me.

Mr. DONNELL. Mr. President, I thank the distinguished Senator from Nevada for the very forthright and clear statement he has just made.

I wish to take this opportunity to pay just a word of tribute to him as a member of the subcommittee to which he has referred. The Senator from Nevada will recall that in the various meetings of the subcommittee, he was vigorous and strong and consistent in the views he asserted. Yet, Mr. President, on the other hand, the Senator from Nevada in the subcommittee meetings which I had an opportunity to attend was entirely reasonable in considering the proposals and suggestions which were made by other members of the subcomittee. I remember very distinctly that the Senator from Nevada constantly indicated his concern over the idea of introducing into this country great numbers of persons who might compete with American labor, great numbers of persons who, according to my recollection at this moment of the subcommittee hearings, might be subjected, if they were admitted to the United States, to poor housing conditions or who would deprive some of our own citizens of housing. I am glad to know, Mr. President, that we had upon that subcommittee, from the Democratic side, the distinguished senior Senator from Nevada [Mr. McCARRAN]; and I pay him this well-justified and well-earned tribute of respect and admiration for his work upon that subcommittee.

I was addressing myself to the point that on the floor of the Senate today an attack has been made upon the Republican Eightieth Congress. I wish to say that I rejoice that our distinguished friend, the Senator from Nevada, has made clear—as I was sure he would if he entered the Chamber at this time—that he does not join in any such criticism or condemnation. I think he has stated admirably and manfully his position.

A moment ago, when the Senator from Nevada requested that I yield to him, I was referring to a sentence to be found in his remarks of April 26, reading as follows:

It is charged that the present law—

The one that is attacked in the Democratic national platform, and has been attacked today on the floor of the Senate—

which requires assurances of housing and jobs as a prerequisite to admission, is administratively unworkable.

The Senator from Nevada has appropriately referred to the importance of seeing to it that, notwithstanding humanitarian impulses, and I do not think any Member of the Senate is lacking in humanitarian impulses—it is important and proper that at the same time we take into consideration the question of whether American labor is being properly safeguarded. In view of the millions of Americans who today are to be found upon the streets, without employment, I say that, even though the Eightieth Congress has been maligned and criticized and condemned from one end of the United States to the other by no less a person than the man who now occupies the position of Chief Executive of the Nation, to my mind the Congress acted wisely in providing in the Displaced Persons Act for some assurance that neither the interests of American labor would be injured nor would the people who came to our country from foreign shores find themselves without housing or jobs.

Mr. McCARRAN. Mr. President——

Mr. DONNELL. I yield to the Senator from Nevada.

Mr. McCARRAN. Let me say that the policy written into that law has proved to be not only satisfactory but salutary, because it has now been stated before the Judiciary Committee by the Chairman of the Displaced Persons Commission that, instead of having 24 months required within which to bring to the United States 205,000 persons from the displaced persons areas, only 19 months will be required. He says that under the program they will come into the United States within 19 months, instead of 24 months; and he says there is no trouble in getting commitments.

Mr. DONNELL. Mr. President, I thank the Senator. I well remember this fact also. The Senator from Connecticut [Mr. BALDWIN] asked whether the subject of displaced persons was one of the matters called to the attention of the special session of the Congress by the President. I responded that I thought it was. My memory has been completely refreshed by the fact that the Senator from Nevada, who I think was detained in Nevada by reason of illness, or by reason of illness that he had had, was unable to be here during the sessions of our subcommittee. I can remember as if it were yesterday that in the session of the subcommittee, in which the chairman, Senator Revercomb, the Senator from Rhode Island, Mr. McGrath, the Senator from Kentucky, Mr. Cooper, and I, a Senator from Missouri, sat, as I remember it, on one day of that special session, we received a telegram from the Senator from Nevada upon very important questions which were then being considered by the subcommittee. I pause to inquire of the Senator from Nevada whether my memory is not correct.

Mr. McCARRAN. The Senator is correct. I was at that time in the hospital at Bethesda, but I was watching the progress of the committee of which I was a member, and as I watched it, I sent word to the committee.

Mr. DONNELL. Mr. President, as I recall, among other things under discussion at that time was the one as to whether the date which was fixed as the final terminal date for the determination of who should be considered a displaced person should be changed from December 22, 1945, to April 21, 1947. If I am not mistaken, among the subjects on which the Senator from Nevada expressed his opinion in a long telegram to the chairman of the subcommittee was the point that there should not be a change in that date, December 22, 1945. Am I correct, may I ask the Senator?

Mr. McCARRAN. The Senator is correct. There was a reason for it. The executive order of December 22, 1945, that brought in certain displaced persons, or rather, that said that quota numbers should be taken from the regular quotas for displaced persons, fixed the date, and the relief organizations in Europe had agreed on the date, because that was a date some 7 or 8 months after the close of the war.

Mr. BALDWIN. Mr. President, will the Senator yield for a question at that point?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. DONNELL. I do not want to lose the point for a moment. Will the Senator defer his question for a moment?

Mr. BALDWIN. Yes.

Mr. DONNELL. In regard to the date of December 22, 1945, I am not here upon the floor of the Senate saying that I shall be adamant upon that particular date. If facts shall be shown which necessitate or make vital a change, I hope my mind is sufficiently open at least to be willing to hear the arguments upon it and to consider those arguments. But I may say, Mr. President, that at the time I voted for the displaced persons bill, both when it was originally passed and when motions were presented by the Senator from Michigan [Mr. FERGUSON], the Senator from New Jersey [Mr. SMITH], and I believe, by the Senator from Massachusetts [Mr. SALTONSTALL], I was convinced that the date of December 22, 1945, was the proper date.

The Senator from Nevada has referred to the fact that an executive order was issued as of that date, and that that had a bearing upon the question.

Mr. McCARRAN rose.

Mr. DONNELL. May I ask the Senator to indulge me just a moment? In addition to that point, as I saw the displaced-persons problem, what we were trying to do in the Congress was to enact legislation under which persons who could legitimately claim to be persons who were displaced by the war, which, in Germany, incidentally, had ended in either May or June 1945, might be eligible to admission into this country. I felt that a period of the difference between May or June, as the case may be, and December 22, 1945, was a sufficiently long period to have elapsed in determining who should be considered to have been displaced by war.

I may make that perhaps a little clearer by saying this: The suggestion was made, vigorously and powerfully, upon the floor of the Senate by some of the very distinguished Senators to whom I have referred, upon this side of the political aisle in this body, a motion was made, and it was made again in conference between House and Senate committees, in which conference I had the privilege of participating, that the date should be changed from December 22, 1945, to April 21, 1947, I believe it was, some 16 months after December 1945.

It seemed to me that a person claiming to have been displaced by the war might very properly claim so to have been displaced, if his displacement occurred within 6 or 7 months after the close of the German war. It is equally possible, of course, that some other date might have been selected. But if we should proceed to advance the date from December 22, 1945, to April 1947, there would not be merely a lapse of 6 or 7 months after the conclusion of the war in Germany, but a period of 22 or 23 months would have elapsed. To my mind it was not reasonable to select a date so far removed from the conclusion of the war as the date suggested by Senators who are arguing here today, or who have been arguing, because of two factors: In the first place, there was grave doubt in my mind as to whether persons who did not become displaced until 22 months after the conclusion of the war in Germany could properly be asserted to have been displaced by the war.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. DONNELL. May I ask the Senator to indulge me just one moment? In the second place, by advancing the date, what would be the effect upon the persons who were clearly displaced by the war? They were, for instance, in a certain category. I may illustrate it in this way. In my hand there is a book, a rectangle, which represents those who were clearly displaced by the war, during the war, or between the conclusion of the war and the terminal date of December 22, 1945. Every man and woman in that particular category would have a certain mathematical chance of being selected, if he or she filled the qualifications. But suppose that instead of confining to this rectangle the list of persons who would be eligible,

we should add two more rectangles of equal extent. Thus it would appear that each person in the first rectangle would have his chances cut down perhaps to a third of what they were before the date was advanced. So, Mr. President, it seemed to me, and I think it seemed probably to some other members of the committee and to the Senate, that it was fairer to confine the definition of displaced persons to those who clearly came within that term, rather than to dilute the chances of those who were so clearly entitled to consideration by the admission of two or three or four times as many persons into the category, thus reducing, with respect to each individual who was originally entitled, his or her chances of admission to this country.

I now yield to the Senator from Connecticut.

Mr. BALDWIN. The distinguished Senator from Nevada raised the point of how the date was determined. Is the junior Senator from Connecticut correct in believing that the date of December 22, 1945, was a date put into the bill as having come from some executive order with reference to the matter?

Mr. McCARRAN. Mr. President, will the Senator yield so that I may answer that question?

Mr. DONNELL. I yield.

Mr. McCARRAN. There was an executive order issued by the President which directed that a high percentage, which I do not have in mind at the moment, of all those who would be admitted into this country under the quota should be taken from that group of displaced persons who became displaced up to a certain date. That was the date which the committee selected as being the proper date.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question?

Mr. DONNELL. I yield.

Mr. BALDWIN. Did that Executive order predate the passage of the bill?

Mr. McCARRAN. Yes.

Mr. BALDWIN. So that the date of December 22 was fixed as the result of a previous Executive order; is that correct?

Mr. McCARRAN. That is correct. I want to say, in fairness, that the Executive order, or its effect, was terminated prior to the passage of the bill, I think, but it became necessary to adopt that date because the President had seen fit to fix it as a cut-off date beyond which his Executive order should not extend the clemency which was involved in his Executive order.

Mr. BALDWIN. The junior Senator from Connecticut asked that question because he was one who felt that the date ought to have been extended. I do not recall that this particular point was ever raised in the debate. At the time it seemed to me to be a very important point. In other words, the committee selected the date of December 22, taking it from a previously issued Executive order which, presumably, had been issued after an investigation of the facts and recommendations concerning the fixing of the date.

Mr. McCARRAN. As I recall it now, that is correct.

If I may interrupt briefly—I shall have to leave the floor in a moment——

Mr. DONNELL. Certainly.

Mr. McCARRAN. Let me say that other objections have been raised to the presently existing law. One of them was raised by the able Senator from Rhode Island [Mr. McGRATH] who spoke on the floor of the Senate only a few minutes ago, and who stated that the law was discriminatory, that it discriminated against Jews and Catholics. What are the facts? Up to date, according to the record of the Displaced Persons Commission and testified to by witnesses before the Judiciary Committee of the Senate, 39 percent of those who have been brought in under the act were Jews, and 41 percent of those who have been brought in under the act were Catholics——

Mr. DONNELL. Is it not 44 percent?

Mr. McCARRAN. My recollection is that it is 41 percent.

Mr. DONNELL. As of the date of April 26, it was 44 percent.

Mr. McCARRAN. I think the figures are 39 percent, 41 percent, and 8½ percent of Protestant faith and 8½ percent of Greek Orthodox faith. I am quoting the figures from memory.

Mr. DONNELL. May I interrupt the Senator?

Mr. McCARRAN. Certainly.

Mr. DONNELL. I have admiration for the Senator's memory, but he undoubtedly had his manuscript before him when he spoke on April 26, at which time he said:

> It is charged that the present law discriminates against persons of the Jewish or Catholic faith. As of March 31, of this year, 44 percent of the displaced persons who have been admitted pursuant to the act have been of the Catholic faith. Thirty-nine percent of the persons admitted pursuant to the act have been of the Jewish faith. Eight and one-half percent of the persons admitted pursuant to the act have been of the Protestant faith, and 8½ percent have been of the Greek Orthodox faith.

I have added those various percentages, and they total exactly 100 percent.

Mr. McCARRAN. Undoubtedly I was speaking from manuscript when I spoke on the floor at that time, and probably those percentages are correct, but it still runs in my head that the figures are 41 and 39.

Mr. DONNELL. Has there been anything which has changed the Senator's mind, since April 26, as to whether the charge that the Displaced Persons Act discriminates against persons of the Jewish or Catholic faith is well founded?

Mr. McCARRAN. No; certainly not. The figures would refute any attitude of mind I might have along that line.

The objection was raised—if the Senator will permit me for a moment, because I must leave the floor—that the act discriminated against Catholics and Jews because of the demand in the bill that there should be an agrarian background to a certain percentage and a domestic background to a certain percentage, and neither Jews nor Catholics took to those particular vocations. The fact of the matter is that we have been able to get from those vocations, as Mr. Carusi testified, the percentage required in both instances, and yet there has been a higher percentage of the Jewish religion and a higher percentage of the Catholic religion than of any others, which dissipates the argument that something in the act discriminates against those religions.

If I may be so bold, I again invite the attention of the Senator from Missouri to the fact that I had an active hand in the writing of the percentage with reference to the agrarian background and the domestic background. I am a Roman Catholic, so born and reared, and I shall die a Roman Catholic. Certainly I would be the last one in the world to put something into a bill which would discriminate against the religion of my mother.

Mr. DONNELL. I thank the Senator from Nevada for his contribution. I should like to say to him, before he leaves the floor, that I do not want to leave him under the impression that I shall rigidly, necessarily, vote against any amendment to the bill. There may be some amendments which the committee will favor. I do not know. I think my mind is reasonably open. But I want to say that I was in favor of the displaced-persons bill in 1948. If I were to vote upon the proposition again, with the knowledge I had at that time, I would again vote in favor of it.

The question of the Senator from Connecticut as to whether the Executive order of the President preceded the enactment of the displaced-persons bill was, I think, answered both by the Senator from Nevada and by the fact that the Executive order was issued in the year 1945, and the bill was passed in 1948.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question?

Mr. DONNELL. I yield.

Mr. BALDWIN. The junior Senator from Connecticut, at the time the bill was under consideration on the floor, offered an amendment which would have added, as I recall, 15,000 persons to the 200,000 authorized by the bill as it came from the committee. The purpose of the junior Senator from Connecticut was to permit persons who had gotten to the United States under their own power and steam, so to speak, particularly some Estonians, Poles, and others who had the courage of their convictions and the courage to brave the ocean and get here, to be included, even though they had never been in a concentration camp. It is my recollection that the amendment was adopted, but that the number was reduced. Am I correct in that recollection?

Mr. DONNELL. I think the Senator is correct. I should not want to make a positive statement to that effect.

Mr. BALDWIN. Mr. President, will the Senator yield for a further question? The matter is of great interest to the junior Senator from Connecticut, and he is not a member of the committee.

Mr. DONNELL. I yield.

Mr. BALDWIN. In the present deliberations of the committee is provision being made to take care of those persons who come here by providing their own transportation? Some have crossed the ocean in small boats at great risk to their lives and at great discomfort and dan-

ger. Is provision being made for such persons who are already here, albeit, perhaps illegally? It might be said that the Pilgrims came here illegally, because America was a continent belonging to and inhabited by the Indians. Nevertheless, the Pilgrims were strangers and newcomers. It seems to me that those persons who have faced the same kind of danger in these later days are entitled to some consideration. I am very much interested in knowing whether the committee, in its deliberations, is taking that fact into consideration in its proposed amendments to the bill

Mr. DONNELL. Mr. President, I cannot tell the Senator whether the committee has as yet given consideration to that fact. I may say to the Senator that the work to which the Senator from Nevada has referred, the study of the operation of the law, has been carried on, I do not know how much by the Senators themselves, but I do know that there is a staff, and I am very proud of the fact that the head of the staff is a young man, Mr. Richard Arens, who was assocated with me in the office of Governor of the State of Missouri for over 3 years. He is competent, and I have no doubt that his staff is getting the facts together competently.

I was about to say to the Senator that a meeting of the subcommittee was called for last Friday, I think in the afternoon. I was unable to be at the meeting because of the fact that I was on the floor of the Senate engaged at that very moment, I think, or at least approximately that time, in the debate on the labor measure now pending in the Senate. I cannot tell the Senator what was brought up or what was found as having been developed by those who were present at the meeting.

I can assure the Senator that if the point to which he refers is not brought up by someone else, I shall certainly see that the matter is at least brought to the attention of the subcommittee and given onsideration.

Mr. BALDWIN. Mr. President, I express my thanks to the distinguished Senator from Missouri, because I have been particularly interested in this group of people. I am particularly interested in seeing the program continued. It is the recollection of the junior Senator from Connecticut that when this matter was under discussion in 1948 the question was presented as to whether or not we, as Americans, were doing our share, as other nations were doing at that particular time. It seemed to me that England and some of the other countries had already brought into their borders numbers of these displaced persons, and it seemed to the Senator from Connecticut at that time that we, as Americans, certainly ought to fulfill our responsibility in that direction. It seems to the junior Senator from Connecticut now that we should continue to do so.

However, it is absolutely essential that in bringing these people to our shores we make some provision for them, that we do not introduce them into a period of low employment, that we do not have them come here without places to which to go, places where they can work, and homes within which they can live; that we must, for their good, as well as our own, if we are to welcome them here, see to it that there is an American opportunity when they get here.

I am sure that the committee has that matter in mind. I am very hopeful that there will be some action at this session of the Congress on displaced persons legislation because I think it is consistent with our policy of assimilating as many people as we can who are seeking an American way of life, and it certainly should be consistent with our policy to fulfill our obligation with respect to assuming our share, as other nations of the world have done already.

Mr. DONNELL. I thank the Senator. I may say, with respect to the date of December 22, 1945, and the date of April 21, 1947, that whole subject matter was argued in extenso on the floor of the Senate, as doubtless the Senator from Connecticut will recall. There were some objections, and perhaps some legitimate objections, to the date of December 22, 1945. It was pointed out by those who opposed that date that it was impossible, in their opinion, to ascertain just who were actually in the category concerned at the date of December 22, 1945. There may be something to that point.

Mr. President, I wish to say again, however, reverting to the point to which I addressed myself at the outset, that the Eightieth Congress gave consideration to all these questions, the subcommittee did, its members, or those who could, went to Europe and visited the camps, and could tell many an interesting story and many an interesting experience with respect to the persons they saw there.

They came back, and the members of the subcommittee worked hard, the committee worked hard, the Senate worked hard, and the members of the conference committee between the House and the Senate worked hard upon this problem. While there were differences of opinion, I today reiterate that to my mind no just criticism or condemnation can be leveled against the Eightieth Congress because of its action in passing the bill, even though it be found at this time, after study of experiences with the law, that there are amendments which are appropriate to be made to it.

Mr. President, it recalls to my mind that we have been engaged in a study of the labor question, and the Taft-Hartley law. There are those who say that the Taft-Hartley law contained defects. Indeed, the distinguished senior Senator from Ohio [Mr. TAFT], who is upon the floor of the Senate at this moment, and whose name the law bears, has very frankly set forth in a memorandum, to which attention was called upon the floor of the Senate, and which subsequently was distributed to Members of the Senate, numerous points on which in his opinion there should be changes in the Taft-Hartley law. In the same way, there may be changes which should be made in the displaced persons law. To my mind the Senate acted in the best possible way, and it passed the bill, with the light before it.

I do not wish to trespass very long upon the Senate, but I should like to read a little further from what the distinguished Senator from Nevada [Mr. MCCARRAN] said on April 26. The Senator from Nevada is one who, as I have stated, is not a Republican, is a member of the Democratic Party, and I think is proud of his membership in that great party. What did he say, however, about the operation of this law, passed by the Eightieth Congress, in response to the charge that the present law, which requires assurances of housing and jobs as a prerequisite to admission, was administratively unworkable? The Senator from Nevada said on April 26, in this very Chamber:

> The Chairman of the Displaced Persons Commission, however, when recently testifying before a subcommittee of the Senate Committee on the Judiciary, stated that, although the program under the present law did not get under way until October 1948, there are already on file assurances of an aggregate number of 143,000 people. I quote his testimony: "We have no trouble in getting enough assurances. * * * So far as assurances are concerned, we shall receive many more than 205,000; many more. They are coming in at that terrific rate."

Then, continuing, the Senator from Nevada said:

> He further testified to the effect that, notwithstanding the lag in getting the program under way, by the summer months, the flow will be at a rate of 16,000 persons a month, and that the aggregate number provided for under the present law will arrive in the United States within a period of 19 months, instead of within a period of 24 months, as provided in the present law.

The Senator continued:

> The present law has also been unjustly criticized—

Notice the language, "unjustly criticized"—

> The present law has also been unjustly criticized as unfair because it gives a priority of 30 percent to agriculturalists and their families. The facts are, however, that this priority is not only eminently fair to the displaced persons but is justified by the need for agricultural workers in the United States and the desire to direct the displaced persons away from the congested metropolitan areas.
>
> The number of displaced persons within the classification for which a 30-percent priority is given constitutes at least 60 percent of the total of the displaced persons. It is thus seen that a 30-percent priority to agriculturalists and their families is eminently fair. The experience under the present law amply vindicates this provision, for, notwithstanding the present law, over 80 percent of the displaced persons who have thus far been admitted have settled in metropolitan areas.
>
> Another provision of the present law which has been criticized unjustly is that provision which gives a 40-percent priority to persons who have fled from those countries which are now de facto annexed by Communist Russia and who cannot possibly return for fear of their very lives. Here again, Mr. President, at least 40 percent of the displaced persons, by number, are actually in this category of persons for whom the priority has been given, but less than 40 percent of the displaced persons thus far admitted have been persons covered by the priority.

Mr. President, I shall not trespass longer upon the time of the Senate. I

rose today, not to argue about the Displaced Persons law and as to whether there should or should not be amendments made in it, but I rose in protest against the condemnation which upon the floor of the Senate has been gratuitously placed against the Republican Eightieth Congress in its enactment of this law. I have called as my witness to the stand here today not only through his previous words, which are in the CONGRESSIONAL RECORD, but through his voluntary expression on the floor of the Senate today, the Democratic chairman of the present Committee on the Judiciary, the senior Senator from Nevada [Mr. MCCARRAN], who, notwithstanding his political affiliations, notwithstanding his church membership to which he alluded, has stated so eloquently and clearly and firmly and courageously on the floor of the Senate today that he is not leveling such a condemnation against the Eightieth Congress nor is he acceding to those criticisms which have been placed before us.

Yes, I remember the fact that one of our colleagues, the Senator from Rhode Island [Mr. MCGRATH], a member of the subcommittee of the Committee on the Judiciary, rose in this very Chamber and charged that the bill which had been reported by the committee, the subcommittee of which he was a member, would bring about discrimination from a religious standpoint. I do not mean to imply that the Senator from Rhode Island had agreed to the report of the subcommittee or of the full committee, but I want to say that in my judgment, as I sat on the floor of the Senate that day when that debate occurred, there was no basis for the view that either the subcommittee, the full committee, or, in my judgment, the Senate, or the House of Representatives, acted from either personal or political or religious prejudices or purposes.

So, Mr. President, today, while we are hoping that prompt consideration can be given to this whole subject matter, and while I believe it will be given, nevertheless I want to say that I do not share in the condemnation either of the Congress or of its present Committee on the Judiciary. I realize there has been no express condemnation of the Committee on the Judiciary. But the suggestion has been made that the whole subject matter should be taken out of the hands of the Committee on the Judiciary. Mr. President, I do not share in that view.

Mr. BALDWIN. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield.

Mr. BALDWIN. The Senator from Missouri alluded to the fact that the full amount of the quota under the existing legislation will be brought into the United States in 19 months. Can the Senator tell me when that 19 months' period will expire?

Mr. DONNELL. I cannot. I do not recall.

Mr. BALDWIN. Can the Senator tell me whether, in order to continue the program, it is absolutely necessary that during the present session of the Congress we adopt some type of displaced persons legislation continuing the quota, whatever it may be, in order that the program may continue?

Mr. DONNELL. I will have to examine the facts, but I am inclined to the view the Senator suggests. I certainly think that the subcommittee, and the full Committee on the Judiciary should give as early consideration to this problem as it is possible for them to give, and to take action upon it.

Mr. BALDWIN. Mr. President, will the Senator again yield?

Mr. DONNELL. I yield.

Mr. BALDWIN. I wish to say that the junior Senator from Connecticut certainly hopes so. As I listened to the remarks of the distinguished junior Senator from Michigan it seemed to me his point was that unless we did something at this session of Congress and did it soon the whole program might collapse.

Mr. DONNELL. Mr. President, I am not able to make answer to that statement. But I can assure the Senator that in my judgment the subcommittee and the full Committee on the Judiciary will certainly take any such fact as that into full consideration in determining the action they respectively should take.

Mr. BALDWIN. I thank the Senator from Missouri.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 96) authorizing the Clerk of the House, in the enrollment of the bill (H. R. 4332) to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes, to make a change, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aida Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

AMENDMENT OF NATIONAL BANK AND BRETTON WOODS AGREEMENTS ACTS—CORRECTION OF ENROLLED BILL

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate House Concurrent Resolution 96, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H. R. 4332) entitled "An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes," is authorized and directed, in the second sentence of section 3 of the act, after the word "act" to insert the word "and."

Mr. LUCAS. Mr. President, I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

PRESENCE IN GALLERY AS GUESTS OF REPRESENTATIVE MACK, OF ILLINOIS, OF 100 SCHOOL CHILDREN

Mr. LUCAS. Mr. President, I desire to take a moment of the Senate's time to point out to the Senate and to the country the very progressive idea and constructive program of a Member of the House of Representatives, namely, PETER F. MACK, JR., of the Twenty-first District of the State of Illinois. On my left in the gallery are 100 school children whom Representative MACK has brought from the State of Illinois at his own expense to be his guests in the Capital for several days. These youngsters, who are enjoying their first trip to the city of Washington, are having a most enjoyable and educational experience.

I take this opportunity to congratulate Representative MACK on the opportunity he is giving to the youth of his district to learn the workings of their Government. It so happens that my county, Mason County, Ill., is in the Twenty-first District. Some school children from that county are in the group of fine young people now in the gallery.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The PRESIDING OFFICER (Mr. KERR in the chair). The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE] to title III of the substitute of the Senator from Utah [Mr. THOMAS].

Mr. MORSE obtained the floor.

Mr. BALDWIN. Mr. President, will the Senator yield so I may suggest the absence of a quorum?

Mr. MORSE. I yield.

Mr. BALDWIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Miller
Baldwin	Hoey	Millikin
Brewster	Holland	Morse
Bricker	Humphrey	Mundt
Bridges	Hunt	Murray
Butler	Ives	Myers
Byrd	Jenner	Neely
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Johnston, S. C.	Reed
Chavez	Kefauver	Robertson
Connally	Kem	Russell
Cordon	Kerr	Schoeppel
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Sparkman
Downey	Langer	Taft
Eastland	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Flanders	McCarran	Thomas, Utah
Frear	McCarthy	Thye
Fulbright	McClellan	Tobey
George	McFarland	Tydings
Gillette	McGrath	Vandenberg
Graham	McKellar	Watkins
Green	McMahon	Wiley
Gurney	Magnuson	Williams
Hayden	Malone	Withers
Hendrickson	Martin	Young

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to title III of the so-called Thomas substitute.

Mr. MORSE. Mr. President, I wish to take 2 or 3 minutes very briefly to describe the Morse amendment now pending before the Senate, and upon which I hope we can have an immediate vote.

The Morse amendment provides, in the case of national emergency disputes, for a Presidential proclamation; the appointment of an Emergency Board with the power and the obligation to render a decision; the laying of the case before the Congress in the event that the President finds that there is threatened or is in fact a stoppage of work which endangers national health and safety, with the right to make such recommendations as he sees fit in respect to the merits of the case, including the recommendation of seizure; the opportunity on the part of the Congress within a 10-day period to disapprove of the seizure recommendation if in the judgment of the Congress the facts do not merit seizure; the opportunity on the part of the President, in the absence of a rejection of seizure by the Congress, to place the seizure in the hands of an appropriate Government department or agency; the discretionary right on the part of the Government agency to apply during the period of Government seizure terms with respect to wages, hours, and working conditions, in conformity with the findings of the Emergency Board; the requirement that the Norris-LaGuardia Act shall apply to the Government during the period of Government seizure, save and except when the Congress, by concurrent resolution, specifically excepts that particular case from the operation of the Norris-LaGuardia Act; the provision about which my friend from Minnesota [Mr. THYE] asked a question earlier in the day, that during this whole period the Federal Mediation and Conciliation Service shall continue its best efforts, along with the Emergency Board, to bring the parties together on a reasoned collective-bargaining settlement of their differences; and the provision—the last one which I shall stress—that after the completion of Government seizure, when the question arises as to what compensation shall be paid the employer for the use of his property during the period of Government seizure, the Compensation Board shall take into account the findings and recommendations of the Emergency Board, including the Emergency Board's determination as to what party was at fault in the dispute in the first instance.

Thus, to use the hypothetical case upon which I commented yesterday, if the facts disclose that the employer was not in fact at fault, but the union was, the employer would be entitled, in the determination of the compensation, to a full return for the use of his property. In other words, he would get profits over and above so-called fair compensation for the use of his property, which I think is very important in order to make perfectly clear that the union, when it is at fault, will not succeed in the strategy of forcing Government seizure to the financial detriment and loss of the employer. Conversely, when the employer might think, as a matter of strategy, that it would be to his advantage to force Government seizure, labor will be protected in that the hours, wages, and working conditions as found by the Emergency Board may be put into operation by the Government.

Those are the essential features of my amendment. I think opinion has pretty well crystallized one way or the other on it. I recommend it to the Senate as a sound, middle-course action to be taken in the settlement of emergency disputes. I particularly recommend it to my party, because I think it makes perfectly clear that if we adopt my amendment the Republican Party holds fast to the provisions of the Norris-LaGuardia Act and makes clear to American labor that the Republican Party does not stand for the weakening of a great piece of labor legislation which was enacted by the Congress under Republican leadership years ago.

Mr. President, unless there are questions, I am ready to have my amendment come to a vote. I have checked with a sufficient number of my colleagues on a request for the courtesy of the yeas and nays. I am satisfied that the request will be granted, but in order to get it behind us, I now ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TAFT. Section 304 (d) of the Senator's amendment provides as follows:

(d) Whenever any enterprise is in the possession of the United States under this section, it shall be the duty of any labor organization of which any employees who have been employed in the operation of such enterprise are members, and of the officers of such labor organization, to seek in good faith to induce such employees to refrain from a stoppage of work and not to engage in any strike, slow-down, or other concerted refusal to work, or stoppage of work, and if such stoppage of work has occurred, to seek in good faith to induce such employees to return to work and not to engage in any strike, slow-down, or other concerted refusal to work or stoppage of work while such enterprise is in the possession of the United States.

(e) During the period in which possession of any enterprise has been taken by the United States under this section, the employer or employees or their duly designated representatives and the representatives of the employees in such enterprise shall be obligated to continue collective bargaining for the purpose of settling the issues in the dispute between them.

Under that provision, or even perhaps without that provision in the act, if the United States took possession, I wonder whether there would not be ground for an injunction against a strike by employees.

Mr. MORSE. I say to my good friend the Senator from Ohio that under my amendment I do not think there would be any basis whatsoever for an injunction, unless it was found that the facts of the case came within the Norris-LaGuardia Act, so that that act applied. If the court found that the facts existing in the case came within the framework of the Norris-LaGuardia Act, then the Norris-LaGuardia Act would be applicable. In the second place, it should be observed that the Norris-LaGuardia Act would be applicable unless the Congress by concurrent resolution decided that a particular case should be exempted from the Norris-LaGuardia Act, and should be subjected to the injunctive process.

Mr. TAFT. Mr. President, will the Senator yield again?

Mr. MORSE. I yield.

Mr. TAFT. As I read the United Mine Workers case, the Norris-LaGuardia Act does not apply to an injunction sought by the Government against its own employees. But when the Government has taken possession, why is not the United Mine Workers case authority for the proposition that an injunction can be sought in such case, free from the application of the Norris-LaGuardia Act?

Mr. MORSE. I say that I am satisfied that once the Supreme Court has the benefit of having before it my amendment to show the clear congressional declaration and intent, it will be very

difficult for the Supreme Court to take the position that an injunction could be issued in the absence of a concurrent resolution by the Congress.

Mr. TAFT. I thank the Senator.

Mr. President, I wish to speak very briefly in opposition to the amendment.

The Senator from Oregon has had very wide experience in labor-management relations, and I think his amendment is very well drawn and very ingenious. My difficulty with it is that it seems to me to go very much farther toward compulsory arbitration by the Government than I am willing to go. The provision of the amendment is very definitely that the President may ask for seizure, and that if the Congress does not disapprove in 10 days, the President can seize the plant. So the amendment is first a seizure amendment.

Then the amendment provides that a board is to be appointed, and is to be directed to find the facts. There is a rather definite provision that the status quo, as to wages, working conditions, and so forth, shall be maintained, except in conformity with the recommendations of the emergency board or in conformity with a concurrent resolution of the Congress, under which the wages may be changed by the board, temporarily at least; and that would change the status quo, thus giving a strong Government backing to the new wage rate.

In effect, the amendment would permit the Government to put into effect the decision of the board, at least partially; and therefore it seems to me that, in effect, the amendment would amount to compulsory arbitration.

If the employer does not agree, then under section 301 (c), relative to the determination of just compensation, the employer may well be penalized in the compensation he receives for the property which has been seized from him.

The Senator from Oregon is fair; his amendment also exercises some coercion against the labor unions, to see that they agree to the decision.

It may be that ultimately, in the final analysis, after everything else has broken down, we may get to something like compulsory arbitration. In a particular emergency, I do not know that I would object to it.

I must admit that the Senator from Oregon has worked out the machinery very cleverly, I think. But I do not believe his amendment should go into a law which in my opinion should be confined to maintaining the status quo for 60 days while efforts are made to mediate, and perhaps to use the force of public opinion, but not to the extent of actually trying to force a Government decision on the two parties.

Therefore, although I say I have some sympathy with the proposal, I believe I shall vote against the amendment of the Senator from Oregon.

Mr. THOMAS of Utah. Mr. President, I trust that the Senate will reject this amendment. Like the Senator from Ohio, I believe there is much in the amendment that is worthwhile for a particular case. However, the amendment attempts to anticipate definitely what might happen in a national emergency, and to bring Congress into the picture on almost an administrative level, although I do not say it would be on entirely an administrative level. So it seems to me that the amendment is primarily an invitation to the Congress to administer the law and to act as the executive, and might well bring the Congress into the field of administrative law.

The reason for the amendment is apparent and plain, namely, that certain Senators have little faith in what may be called the President's inherent powers, so they wish to prescribe the things the President must do in industry-labor relations.

Mr. President, in the field of industry-labor relations, we did not have emergency-situation provisions in the law until 1947. Yet we got along fairly well up to that time. Certainly I do not need to assume that future Presidents will not meet the situations confronting them in about the same way that past Presidents have met the problems with which they have been faced. For the sake of thinking this problem through on the basis of the principal constitutional questions involved, I believe we should realize that when Washington acted in the Whisky Rebellion, he was acting in an emergency way. The powers for what he did were not prescribed, but the American people supported what he did. When Jefferson acted in regard to the Louisiana Purchase, his powers were not prescribed, but the people of the United States supported what he did, and I think everyone has generally decided that he acted properly. When Tyler as President of the United States wished to modify the scheme in regard to the veto power, there were no prescribed powers for his action, but what he did has been subscribed to by other Presidents since his time. So, throughout our Nation's history, Presidents who have been considered wise and great have used powers which the American people have sustained.

Mr. President, I have no fear of our constitutional way of functioning, and I think future Presidents will meet the situations confronting them in much the same way that past Presidents have met the problems they have faced.

I trust the amendment will be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE] to title III of the so-called Thomas substitute.

On this question, the yeas and nays have been ordered, and the Secretary will call the roll.

The roll was called.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the second World Health Organization Assembly, which is meeting at Rome, Italy.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

I announce further that if present and voting, the Senator from Louisiana [Mr. ELLENDER] and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON] is absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is necessarily absent. If present and voting, the Senator from Nebraska would vote "nay."

The senior Senator from Massachusetts [Mr. SALTONSTALL] and the junior Senator from Massachusetts [Mr. LODGE] are necessarily absent. If present and voting, the senior Senator from Massachusetts [Mr. SALTONSTALL] would vote "nay."

The Senator from Pennsylvania [Mr. MARTIN] is detained on official business. If present and voting, the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 9, nays 77, as follows:

YEAS—9

Graham	Johnson, Colo.	Morse
Hendrickson	Long	Tobey
Ives	McCarthy	Withers

NAYS—77

Aiken	Hayden	Miller
Anderson	Hickenlooper	Millikin
Baldwin	Hill	Mundt
Brewster	Hoey	Murray
Bricker	Holland	Myers
Bridges	Humphrey	Neely
Butler	Hunt	O'Mahoney
Byrd	Jenner	Pepper
Cain	Johnson, Tex.	Reed
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Russell
Chavez	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Sparkman
Donnell	Knowland	Taft
Douglas	Langer	Taylor
Downey	Lucas	Thomas, Okla.
Eastland	McCarran	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Tydings
Frear	McGrath	Vandenberg
Fulbright	McKellar	Watkins
George	McMahon	Wiley
Gillette	Magnuson	Williams
Green	Malone	Young
Gurney	Maybank	

NOT VOTING—10

Ecton	O'Conor	Wagner
Ellender	Saltonstall	Wherry
Lodge	Smith, N. J.	
Martin	Stennis	

So Mr. MORSE's amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 750. An act for the relief of Lee F. Bertucciolo;

H. R. 2709. An act for the relief of Sadac Aoki; and

H. R. 3458. An act for the relief of Celeste Iris Maeda.

The message also announced that the House further insisted upon its disagreement to Senate amendments numbered 5, 6, and 7 to the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds avail-

able for the Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARY, Mr. FERNANDEZ, Mr. PASSMAN, Mr. CANNON, Mr. CANFIELD, and Mr. COUDERT were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON, Mr. HOLIFIELD, Mr. BURNSIDE, Mr. RIEHLMAN, and Mr. HARVEY were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service; and

H. R. 4332. An act to amend the National Bank Act and the Bretton-Woods Agreements Act, and for other purposes.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question recurs on the amendment of the Senator from Illinois [Mr. DOUGLAS] and other Senators to the substitute offered by the Senator from Ohio [Mr. TAFT] for title III of the Thomas bill.

Mr. DOUGLAS. Mr. President, on behalf of the Senator from Vermont [Mr. AIKEN] and myself, I wish to withdraw, at least temporarily, the amendment to the substitute offered by the Senator from Ohio.

The VICE PRESIDENT. The amendment is withdrawn.

Mr. LUCAS. Mr. President, I offer an amendment to the Taft substitute, and ask that it be read.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 4, beginning at line 22 and ending at line 23, it is proposed to strike out "to enjoin such strike or lock-out or the continuing thereof or."

On page 5, at line 1, strike out "or both."

On page 5, beginning at line 10 and ending at line 11, strike out "to enjoin any such strike or lock-out, or the continuing thereof or."

On page 5, at line 14, strike out "or both."

On page 6, beginning at line 1 and ending at line 4, strike out:

(b) In any case, the provisions of the act of March 23, 1932, entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.

On page 6, at line 5, strike out "(c) The order or orders" and insert "(b) Action."

On page 6, beginning at line 10 and ending at line 13, strike out "issued an order under section 304 enjoining acts or practices which imperil or threaten to imperil the national health or safety or."

On page 6, at line 15, strike out "giving rise to such order."

On page 6, beginning at line 20 and ending at line 21, strike out "discharge the injunction and."

On page 6, at line 23, strike out "and the injunction discharged."

The VICE PRESIDENT. The Chair understands that the Senator from Illinois offers the amendments as a single amendment affecting the injunction provision in the Taft substitute, and they are to be considered as one amendment.

Mr. LUCAS. That is correct.

Mr. President, this amendment speaks for itself and it is not difficult to understand. There are no technical difficulties about it; there are no dire implications about it; there is nothing about it as to which the courts might be divided in the event it should ever reach a court. The amendment simply goes to the core of the emergency provision of the Taft substitute, which is the injunction. It strikes out every word, every line, and every paragraph in the Taft substitute dealing with the crucial issue in this controversial question, which is the injunction.

During the past 6 years the Congress of the United States has been seeking an effective legislative solution to the problem, to find a way to stop strikes in what is known as a national emergency. A variety of plans and procedures have been suggested. The first one which was adopted was back in war times, when we passed the Smith-Connally Act. As I recall, the Smith-Connally Act was an implementation of section 9 of the Selective Service Act, dealing with seizure. What we attempted to do at that time was to keep in production our effective war weapons without a strike or a lock-out.

Following that, in 1947 Congress passed what is known as the Taft-Hartley law, which is the law of the land at this time.

I said a moment ago that the core of the emergency program in the Taft-Hartley Act is the injunction. I say that for the reason that it is the only device under the machinery of the amendment whereby a waiting period can be secured. Boards of inquiry, waiting periods, reports to the President and to the Congress, indeed all sorts of elaborate machinery are established around the device of injunction. I want the Senate to remember what I am now saying with respect to the application of the injunction to the waiting period, which is 80 days under the present law and 60 days under the Taft substitute for the Thomas bill. The act permits an injunction after an initial report by a board of inquiry to the President of the United States. After the board of inquiry makes its report to the President of the United States, an injunction can be issued upon the request of the Attorney General, and not before that time. The moment this temporary injunction——

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I should like to finish. I do not want to start a long series of questions. But I yield to the Senator from Missouri.

Mr. DONNELL. I understood the Senator to say that an injunction issued upon request of the Attorney General. Is it not a fact that although the Attorney General is the one who petitions the court, the injunctions issues only if the court shall find that the threatened or actual strike or lock-out affects the national health or safety?

Mr. LUCAS. That is correct.

Mr. DONNELL. Is it not true that under the Taft-Hartley law an injunction is issued only if the court finds that the facts justify it?

Mr. LUCAS. The Senator is correct. But, at the same time, it is the Attorney General who sets in motion the machinery for action.

Mr. DONNELL. That is certainly true; but the injunction does not issue simply upon the request of the Attorney General.

Mr. LUCAS. No; I agree with the Senator as to that. The power of the Federal court, the moment a temporary injunction is issued by the court, upon the request of the Attorney General, to enforce, under penalty of contempt of court, a requirement that the parties continue or resume operations during a pending settlement of the dispute, becomes an extremely important question affecting honest, faithful, collective bargaining upon the part of all parties to the dispute. Why do I say that? Mr. President, it is common knowledge that time is of the essence to the union or to the laboring men in a labor dispute wherein resort to economic force becomes the only available means for breaking a deadlock in negotiations. At the moment an injunction is issued, the strong arm of the court intervenes and helps to break the strike. The strike be broken without the collective bargaining which is now understood to be the law not only under the Taft-Hartley Act, but, better still, under the amendment offered by the able Senator from Alabama [Mr. HILL], which, in my judgment, does much more in the way of mutuality of collective bargaining by the parties to a dispute than has ever before been achieved.

Under the present Taft-Hartley Act there are certain rigid standards laid down with respect to bargaining around the table. Under the Hill amendment, which has been adopted by the Senate, individuals for the first time in the history of real collective bargaining are able to sit around the table and discuss and dispute without the slightest question of being haled before the National Labor Relations Board because they may have violated some act while the discussion is proceeding around the table in good faith. Under the Hill amendment all parties must in good faith honestly bargain around the table. No employer,

no labor union leader, will have an advantage if the Hill amendment shall become the law of the land.

Mr. President, where a temporary injunction has been issued, if workers resist a court order in any way, they are subject, as I said before, to fine for contempt. I undertake to say once more, I reiterate, that the moment the law steps in and places its strong arm on the parties in a way of a temporary injunction, just that moment honest collective bargaining around the table ceases; collective bargaining breaks down, and as a practical matter the equivalent of individual bargaining takes place.

The question of injunctions has been reviewed over and over again by distinguished and able Members of this body as injunctions issued prior to 1932, when the Norris-LaGuardia Act became the law of the land. I shall not burden the Senate by going over what happened prior to that time, other than to say that every Senator knows that prior to 1932 we had in this country government by injunction. We know how notorious injunctions became, so far as the laboring man was concerned, and how difficut it was previous to that time for a union or a laboring man to get equity and justice and fairness in the courts of the land. Everyone recognized that, and it was under a Republican administration, with the great George Norris leading the way in the Senate, and Fiorello LaGuardia leading the way in the House, that the act was passed which provided that unions would not be subject to injunctions in labor disputes.

That was the law of the land until about 2 years ago, when another Republican Congress repealed in part what the Republican Congress did in 1932.

It seems to me, Mr. President, that the Taft-Hartley law went too far. I think that is admitted at the present time by even its author himself.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Ohio.

Mr. TAFT. I have no admission to make about this particular national emergency section going too far. It seems to me there are some corrections to be made, but I do not think it went too far in any respect in this particular, and I have not said so at any time.

Mr. LUCAS. I am glad the Senator says there are some corrections to be made. He is thinking in the direction in which I am thinking, at least.

I undertake to say that the Senator from Ohio has made an admission that the injunction section of the Taft-Hartley Act has failed, and I will tell the Senate why I make that statement. In the present Taft substitute the distinguished Senator from Ohio has not only repeated what he said in 1947 some 2 years ago, he has also said that in addition to the injunction he wants seizure.

Mr. President, if that is not a confession of weakness on the part of the injunction process, as has been found to be the case during the past 2 years of experience under the Taft-Hartley Act, then I have failed to understand why it was that the question of seizure has been brought in to bolster up or take something away from the injunction features of the Taft-Hartley provisions as they are operating at the present time.

Mr. President, I shall not dwell further upon what happened prior to 1932, but in my judgment the Taft-Hartley Act went too far 2 years ago when it was passed, and the fact that the Senator from Ohio has admitted that some 28 corrections should be made in the Taft-Hartley Act is a pretty good indication that Congress did go too far when it passed that law.

Now, what is the middle-of-the-road approach? The middle-of-the-road approach has been laid down by the Thomas bill, plus the amendments which have been offered on the floor of the Senate—the mutuality of collective bargaining amendment, the free speech amendment, the amendment dealing with financial reports of both labor unions and management, and the non-Communist, non-Fascist affidavit amendment.

Mr. President, if the Senate will strike out the injunction provision of the substitute offered by the Senator from Ohio, leaving the seizure provision as it exists in his amendment, in my judgment we will have gone down the middle of the road, doing the very things which should be done, in other words, taking something from labor, taking something from management, and doing something with which the country as a whole will be satisfied.

In my judgment, Mr. President, it is to the public interest that the injunction feature be defeated. It is to the public interest that we adopt the amendments which have been offered by the group of Senators on both sides of the aisle. It is to the public interest, in view of the fact that the Senator from Ohio admits that he went too far 2 years ago, in a number of concessions which have been made, that the Senate adopt the amendment I have offered and defeat the injunction features which are found in the Taft substitute.

Mr. TYDINGS. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Maryland.

Mr. TYDINGS. May I ask the able Senator from Illinois whether, in the event his amendment shall be adopted, the seizure provision will remain in the Taft substitute?

Mr. LUCAS. The Senator is absolutely correct. My amendment does not touch any part of the seizure provision of the Taft substitute. All it does is to strike out everything concerning injunctions.

Mr. TYDINGS. Does the Senator feel that the seizure provision of the Taft proposal is not dissimilar to the seizure proposal offered by the colleague of the Senator, the junior Senator from Illinois [Mr. DOUGLAS]?

Mr. LUCAS. We have discussed that, and I think the junior Senator from Illinois will agree with me that there is not enough difference between the two even to justify offering his as a substitute for the Taft amendment dealing with the seizure provision.

Mr. TYDINGS. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. TYDINGS. Should the proposal offered by the able Senator from Illinois be adopted, then in the event of a national emergency or a threatened national emergency the President would have, under certain circumstances, if he desired to use it, the power to seize and operate the plant?

Mr. LUCAS. The Senator is correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. DONNELL. I understand the Senator from Illinois to indicate that the seizure provision of the Taft amendment and that of the amendment of the Senator from Illinois [Mr. DOUGLAS] are substantially the same in effect. Is that correct?

Mr. LUCAS. I have analyzed the two amendments, and it is my opinion that there is no great fundamental difference between the two. I would rather have my colleague from Illinois [Mr. DOUGLAS] or the Senator from Vermont [Mr. AIKEN], who are the authors of that amendment, discuss that question, if the Senator from Missouri feels that there is any serious fundamental difference.

Mr. DONNELL. The point I want to address to the Senator by my question is this: The Senator from Illinois [Mr. DOUGLAS] and also the Senator from Vermont [Mr. AIKEN] stated here, in fact asserted, I should say, affirmatively, or certainly conceded on the floor of the Senate, that under their amendment injunctions would lie, because of the fact that the Government takes possession under their seizure provision. Does not the senior Senator from Illinois, who is now on his feet, agree that that is the effect of the Douglas-Aiken amendment; and therefore does he not agree that if we strike out what he now asks be stricken out of the Taft amendment, the legal effect will still be that injunction can be secured, in view of the admissions the Senator from Illinois and the Senator from Vermont have made with respect to their amendment?

Mr. LUCAS. I do not think there is any question that injunction is incidental to the Douglas seizure provision. That has been agreed to over and over again on the floor of the Senate. Certainly there is no question about the injunction being proper under the seizure provision offered by the Senator from Ohio.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. DONNELL. That is to say, Mr. President, the senior Senator from Illinois, as I understand, concedes therefore that although he is attacking and seeking to strike from the Taft amendment all provisions for injunction, nevertheless after he has gotten through striking them out, the provision for injunction still remains implied in the Taft amendment, and could be asserted in full force and effect?

Mr. LUCAS. I will say that the procedure under the two amendments is entirely different, and the Senator knows the procedure is entirely different. There is a difference between the Taft injunction feature and the Douglas seizure feature.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to my colleague.

Mr. DOUGLAS. I should like to ask my colleague from Illinois if it is not true that when the Lucas amendment is put to a vote the issue will then be directly between those who believe in getting injunctions to send men back to work for private employers, and on the other hand those who do not; and those who vote against the Lucas amendment will be voting for the injunction to send men back to work for private employers; is not that true?

Mr. LUCAS. My colleague from Illinois is correct, and he has made the distinction clear in the debates over and over again on that question. I contend that the distinction is a vital one, and one which cannot be overlooked, and one which we are not overlooking in this debate.

Mr. DOUGLAS. Mr. President, will my colleague yield further?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not also true that if the Lucas amendment should be adopted, with the seizure provisions in the Taft substitute still included, if anyone then objects to the seizure provisions in the Taft substitute he can at that time vote against those provisions, and that the issue of seizure need not be brought in at this moment to confuse and muddle the discussion? At the moment the issue is whether we are for injunctions or whether we are against them—the question of seizure can be treated later.

Mr. LUCAS. The junior Senator from Illinois is absolutely correct.

When I began the present debate I made the reservation that I was not going to be dragged off this trail into the seizure proposition, because, after all, the sole issue before the United States Senate is very clear. As I said before, it is whether or not we are for the injunction or whether we are against the injunction as provided for in the Taft substitute.

Following what my distinguished colleague has said, I should like to make this statement: It is true, of course, that the injunction was not placed directly in the hands of private employers, but under the Taft-Hartley Act the Federal Government has been forced to underwrite the private employer by securing an injunction for him while the enterprise remains in private hands. That is the exact effect of the 80-day injunction under the emergency provisions of the act.

It is my contention that during the 80 days there is no cooling-off period. During the 80 days there is a warming-up period, if you please, instead of a cooling-off period, as I see the situation. In other words, at the end of 80 days there is absolutely nothing the Government can do with respect to an injunction in order to keep men working and keeping the plant operating. After the 80 days have passed we are right back where we started.

I agree with the Senator from Ohio who said the other day that there is no answer to the question of what is a proper legislative act to control national emergencies. But insofar as the injunction feature is concerned, that is the one thing that should go out of this bill. Let us go back, if necessary, and adopt the Taft seizure provision, which would do probably as much good and perhaps more, insofar as public relations are concerned between labor and management, and insofar as the public interest as a whole is concerned.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MORSE. I should like to say, prefatory to my question, that the junior Senator from Illinois has, as usual, made another very fine contribution to the debate. I think he is quite right. The question as presented will give us an opportunity to vote on whether or not we favor the injunction. But I do not think, may I say with great respect to the junior Senator from Illinois, that the alternative is quite as black or white as he points out. It does give us a chance, if we vote for the Lucas amendment, to register once again our opposition to the injunction concept. But I think we need to keep in mind that we cannot eliminate, as the Senator from Illinois, as I understand him, would have us eliminate, from our consideration when we cast our vote, the effect of the retention of seizure. We had better recognize when we vote on the Lucas amendment, that those of us who are against injunctions will register our protest against the use of injunctions for this period of time, as the junior Senator from Illinois says, in respect to those cases where the injunction might be obtained to send men back to work for private employers. But the evil of the injunction, I say, is still as serious when we are dealing with a Government seizure in a fact situation, where an employer, through strategy, has been able to get a seizure in order to have the Government on his side of the table, knowing that his chances then are pretty good to secure an automatic injunction.

I may say to the senior Senator from Illinois, that so long as the seizure is retained, unless some such safeguards are put around it as those for which I pleaded in vain in the Senate, there is no way of preventing the Government from obtaining an injunction, under the United Mine Workers case. So when Senators vote on the amendment of the Senator from Illinois they are voting against injunctions only as to certain types of cases. Let us recognize that the Senator's amendment itself carries along with it injunctions under Government seizure.

Mr. DOUGLAS. Mr. President, will my colleague yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. I hope my colleague will permit me to say in reply to the Senator from Oregon that after we knock the injunction features out of the Taft proposal, then he can knock out the seizure proposals. But let us take one step at a time.

Mr. MORSE. Will the Senator support me?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. In a moment. I think in further answer to the Senator from Oregon I should say that, once injunctions have been removed from the Taft amendment, we will have an opportunity to do what he says when we vote finally on the Taft amendment as against the original Thomas bill.

I now yield to the Senator from Florida.

Mr. PEPPER. Mr. President, the arguments made by the able Senators from Missouri and Oregon with respect to injunction inevitably following, do not necessarily apply in the case of the Taft amendment, as I see it, if the seizure provision should be retained in it. I hope that once we get rid of the injunction, we may get rid of seizure and go back to the Thomas bill. Let it be remembered that in the coal case there was not only seizure by the Government under a statute which permitted seizure, but there was also a contract which had not expired, and the Court found that the contract had not expired. So it can be said, in a way, that the breach of a contract was effectively enjoined.

The breach-of-contract principle would not apply if the workers simply did not resume work at the expiration of a contract—for example, at the end of the contract year. So the principle of the coal case does not mean that it inevitably follows that there is an injunction under the Taft type of seizure, if the express injunction permitted is stricken.

When the Attorney General gave his opinion to the committee that in case of national emergency the President had the power of seeking an injunction in the courts, he made reference to the language in the Thomas bill, which, after the Presidential proclamation, makes it the duty of the workers not to cease work, or, if they have ceased work, to resume work. There is a statutory provision by the Congress defining a duty. The Attorney General thought, as I interpreted his opinion, that the Court might well be resorted to by the Chief Executive in the instance of a national crisis, to require the performance of a duty imposed by law.

There is no such duty imposed in the Taft substitute, so it does not at all follow that inevitably there is an injunction. In fact, I think the contrary is the effect. If we strike out the express power to seek an injunction under the Taft amendment, it makes it very clear to the Court that Congress intended to strip that provision from the amendment. I think, therefore, that if we get rid, by express amendment, as the Senator from Illinois attempts to do, of the injunction feature of the Taft amendment, we may have our opinions about the right of seizure, but I do not think it at all inevitably follows that injunction would follow from the seizure which might be left in the Taft amendment.

Mr. LUCAS. I thank the Senator for his contribution, which I think is notable and worthy.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPEHART. Is it not a fact that a vote against the amendment of the Senator from Illinois is a vote to retain seizure?

Mr. LUCAS. I do not know what the Senate will do.

Mr. CAPEHART. A vote against the Senator's amendment is a vote to retain seizure, is it not?

Mr. LUCAS. I would not say that. It is a vote to retain the injunction. A vote against my amendment is a vote to retain the injunction features of the Taft substitute.

Mr. TAFT. The seizure feature.

Mr. CAPEHART. The seizure feature.

Mr. LUCAS. No. If the Senator votes against the amendment which I have offered, I will say to my good friend from Indiana that he is voting for retaining the injunction features in the Taft substitute. There is a seizure provision. There is also an injunction provision. As I read the Taft substitute, the President can use seizure, or he can use the injunction, or he can use both. What I am trying to do by my amendment is simply to strike out every line, every word, every syllable, and every paragraph dealing only with injunction.

Mr. CAPEHART. But retaining the seizure provision.

Mr. LUCAS. It will definitely be retained unless another amendment is offered to strike it out. We cannot cross that bridge until we come to it.

Mr. CAPEHART. Is it not a fact that when we voted down the Douglas amendment yesterday we voted down the seizure provision?

Mr. LUCAS. I would not say that. I do not think that was a fair test. Many Members on both sides of the aisle voted for the Douglas amendment, and many voted against it. When we try to line up the political philosophy on labor legislation of some of the Senators who voted against the Douglas-Aiken amendment, it is a little difficult to determine just how they got together.

Mr. CAPEHART. I intend to vote against the Senator's amendment, and I intend to vote against the Taft amendment. I voted against the Douglas amendment.

Mr. LUCAS. If the Senator is going to vote against my amendment, he will be voting for injunctions.

Mr. CAPEHART. I am going to vote against the Senator's amendment. Then I am going to vote against the seizure amendment, when that is offered. I voted yesterday against the Douglas amendment. I am in favor of permitting the President of the United States to handle the question.

Mr. LUCAS. I hope the Senator will orient himself properly on this question. I do not mean to say that he has not done so. He indicates that he wants to vote against the injunction, but he is going to do just the opposite. He wants to vote against the injunction, but he says that he is going to vote against my amendment.

Mr. CAPEHART. I want to be just as fair to business as I am to the unions. I am not going to be put in the position of voting for the amendment of the Senator from Illinois. I am against the seizure provision, and I am against injunctions. I am for permitting the President of the United States to handle it.

Mr. LUCAS. If the Senator is against injunctions, he must be with me. He cannot be against me. I plead with my good friend from Indiana to look the situation over before he finally casts his vote.

Mr. CAPEHART. Why does not the Senator offer his amendment on the basis of striking out both the seizure provision of the Taft amendment and the injunction procedure? Why take it one step at a time?

Mr. LUCAS. Because I am for seizure.

Mr. CAPEHART. I am against it. I am against the injunction, too.

Mr. LUCAS. I am glad that the Senator from Indiana made that last statement, because he is on record in this debate three or four times as against injunction. If he is against the injunction, he must vote with me on this amendment, or he will be misunderstood from now until the end of time.

Mr. CAPEHART. I may be misunderstood, but I will be fair.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I am deeply impressed with the remarks of the Senator from Indiana. I think we ought to accommodate him in terms of his desire to vote. I wish to emphasize the fact that there are those of us who feel that the Senator from Indiana can be properly accommodated. I wonder if the Senator from Illinois would agree with this statement: As he pointed out, the issue now before the Senate is quite clear. Do we believe in injunctions in labor disputes, or do we not? If the amendment of the senior Senator from Illinois, the majority leader, is adopted, then the issue before the Senate will be whether or not the Thomas bill should be amended by a seizure provision. The Senator from Indiana will then have the opportunity to vote for or against seizure, by voting upon an amendment to the Thomas bill.

Mr. BALDWIN. Mr. President——

Mr. HUMPHREY. If I may continue, this issue should not be beclouded by those who want to becloud the issue. Frankly, the issue is crystal clear. We are not denied the opportunity of voting in this body. We can vote all day on as many amendments as may be offered. The question is, Are we for injunctions or are we against them? The Senator from Minnesota is against them, and is going to support the amendment of the Senator from Illinois.

The next issue is——

Mr. BALDWIN. Mr. President——

The VICE PRESIDENT. The Chair feels it his duty to admonish Senators that he thinks the debate on this bill has gone far enough to justify the Chair in enforcing the rule of debate that Senators may yield only for questions, and not for statements or long debate.

The Chair has no desire to embarrass, handicap, or restrict any Senator. The Chair did not make the rule. As we all know, it is frequently relaxed into what Grover Cleveland called "innocuous desuetude," which means harmless disuse. The Chair feels that the rules of the Senate ought to be observed, so as to facilitate as much as possible the consideration of business in the Senate. The Chair feels that that can be accomplished by better observance and enforcement of the rule.

Mr. TOBEY. Mr. President, a parliamentary inquiry.

Mr. LUCAS. Mr. President, I agree with the distinguished Vice President that we should observe the rules of the Senate.

The VICE PRESIDENT. It is always within the control of a Senator who has the floor to yield for a question; and if it is not a question he may abruptly terminate the yielding, instead of permitting a long debate across the aisle among various Members of the Senate. The Chair is seeking only to facilitate consideration of this important legislation, which has been before the Senate for nearly 3 weeks, and which, according to the progress we are making, will be here for another 3 weeks.

Mr. TOBEY. Mr. President, will the Senator yield for a parliamentary inquiry?

The VICE PRESIDENT. The Senator cannot yield for a parliamentary inquiry. He can yield only for a question.

Mr. LUCAS. Mr. President, while I wholeheartedly agree with the distinguished Vice President, yet it is a little difficult to follow his advice and terminate one of these debates abruptly when I am pleading so hard for votes. [Laughter.]

The VICE PRESIDENT. The Chair understands that. What the Chair meant was that every Senator knows, when he yields to another Senator, whether he is being asked a question, or whether he is being compelled to listen to a speech. In the latter case, he knows when to stop yielding.

Mr. LUCAS. Mr. President, I yield to my friend from New Hampshire [Mr. TOBEY] for a parliamentary inquiry.

Mr. TOBEY. Mr. President, this question is addressed to the distinguished Vice President. In view of his admonition a moment ago, and also in view of the confusion in the Chamber on this much mooted question, are we not reminded of the title of the old song, The Music Goes Round and Round and Comes Out Where?

The VICE PRESIDENT. The Chair thinks the correct quotation is:

> The music goes 'round and 'round,
> And it comes out here.

[Laughter.]

Mr. LUCAS. Mr. President, I shall decline to yield for any more of these musical parliamentary inquiries.

Now I yield to my good friend the Senator from Connecticut [Mr. BALDWIN] for a question.

Mr. BALDWIN. Is this amendment a question of whether one is for or against injunctions in labor disputes, or is it not a question of whether we are in favor of giving the President of the United States authority to go into a Federal court and ask for an injunction in a strike or a lock-out that involves the national health and safety? Is not that the question, rather than the broad question which has been stated here?

Mr. LUCAS. I would say that is an element to be considered, but I say the basic, primary question is the one which

has been stated with respect to the injunction.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. If a Senator wishes to vote against the use of the injunction, why does not he wait and vote against my amendment? My amendment is the only one which has in it provision for use of the injunction.

Mr. LUCAS. That is why we are trying to take it out.

Mr. TAFT. My amendment is the only one that provides for the injunction. I am quite willing to vote in the way that will be required because of the presentation of the Lucas amendment; but it seems to me that any Senator who is not simply trying to avoid the use of the word "injunction" would accomplish his purposes by voting against my amendment when it comes up for a vote; and I am quite willing to stand on that basis.

However, I am delighted——

Mr. LUCAS. Let me ask the Senator, What is the question?

Mr. TAFT. I wish to know whether the Senator from Illinois does not feel that the best way to vote against the injunction is simply to let this amendment be withdrawn, and then vote on my amendment. That is my question.

Mr. LUCAS. No; I answer that question categorically in the negative, or else I would not be on my feet at the present time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Minnesota for a question.

Mr. HUMPHREY. In view of the speech I was giving, I should like to ask a question: Is it not possible that following the vote on the injunction, the Members of this body who are deeply concerned about seizure which may be interpreted as being unfair to the employer will have their opportunity to vote on that question when the seizure portion of the amendment proposed to the Thomas substitute comes up for a vote?

Mr. LUCAS. The Senator is correct; such Senators would have their day or their days in court when the question comes up on that point.

We are now dealing only with the part of the Taft amendment relating to injunctions, and when we cast our votes we shall be voting only on the question of whether we favor injunctions under the Taft substitute.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield for a question.

Mr. DONNELL. I ask the Senator from Illinois whether he proposes, anywhere in his amendment, to strike out or prevent seizure.

Mr. LUCAS. No; I have said that again and again. In my amendment I do not touch the seizure clause in the Taft substitute.

Mr. DONNELL. In other words, the amendment of the Senator from Illinois would leave in the seizure clause; would it?

Mr. LUCAS. That is correct.

Mr. DONNELL. It is likewise true, is it not, that the Douglas-Aiken amendment would permit seizure?

Mr. LUCAS. That is correct.

Mr. DONNELL. Does the Senator from Illinois agree with the following two statements made by the authors of the Douglas-Aiken amendment—reading now from page 7813 of the CONGRESSIONAL RECORD for June 16:

> Mr. AIKEN. I think it goes without saying that the employer does not want his plant seized. The difference between the Taft amendment and the Douglas amendment is that the Taft amendment provides that the President may use injunction or seizure, whereas the Douglas amendment provides that the President may use seizure, and, I assume, injunction, if necessary, after seizure.
>
> Mr. DOUGLAS. That is correct, but he could only use injunction if seizure did not work. He could not use it to force men back to work for the private project of private employers. But we do not believe it would be necessary to use the injunction after seizure.

Does the Senator from Illinois agree with those statements by the authors of the Douglas-Aiken amendment?

Mr. LUCAS. I think I do, generally speaking; but I should like to make this reservation: In view of the way the question was put, I think it should have been answered somewhat differently. It seems to me we are talking about two different things. In the Taft substitute there is a provision for injunction and also provision for seizure, as to which the injunction is incidental. In other words, under the Taft substitute it is not necessary to have seizure in order to have an injunction. But under the seizure provision—either the one in the Taft substitute or the one which was in the Aiken-Douglas substitute—it is necessary to have seizure before there can be an injunction.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. DONNELL. I take it that the Senator from Illinois agrees with me, does he not, that after he succeeds, if he does, in securing the adoption of his amendment, thus striking out the injunction provision in the Taft amendment, the very fact that the provision for seizure remains will still leave the injunction permissible to be secured by the President and, as the Senator from Ohio has said, for perhaps an indefinite period, not limited by any time. Is not that correct?

Mr. LUCAS. Only after seizure and only for the duration of seizure.

Mr. DONNELL. Yes; but it still would leave the power of the President, after seizure, to secure an injunction. Is that correct?

Mr. LUCAS. If my amendment is adopted, it will leave the seizure provision just as it is in the Taft substitute; and the Senator from Missouri knows better than does the Senator from Illinois what that seizure provision means. I am not discussing that provision at the present time. I think I know what it means and I think I know what the seizure provision offered by the distinguished Senator from Illinois [Mr. DOUGLAS] and the distinguished Senator from Vermont [Mr. AIKEN] means, but I am not going to be dragged into the seizure alley until we dispose of this first question. Then I will debate seizure with the Senator all afternoon, if necessary.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. Yes, but I do not want the Senator from Missouri to seize me.

Mr. DONNELL. I ask the Senator this question: Does he not agree with me that if the authors of the Douglas-Aiken amendment are correct in saying that the seizure provision contains, as an incident thereto, the power to secure an injunction, then it follows inevitably that if the Lucas amendment is adopted, the injunction will still be left in the bill, notwithstanding the attempts of the Senator from Illinois to eliminate the injunction?

Mr. LUCAS. Oh, yes; but it will be left in as incidental to seizure. However, I undertake to say that in 95 or 98 percent of the cases the injunction would never be used with seizure, whereas in the Taft substitute and in the present Taft-Hartley law the injunction comes first, and following that an attempt is made to settle the difficulty. But during the cooling-off period, as I said a moment ago—a period which in my judgment is a warming-up period—the results which should be accomplished are not accomplished, under that law. The very fact that the Senator from Ohio places seizure alongside the injunction in his amendment is an indication to me that he did not believe the injunction was working properly in the case of national emergencies, and so he went one step further and placed the seizure provision in his proposal.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not true that if the Lucas amendment is adopted, thus eliminating from the Taft substitute injunctions by which the men would be sent back to work for private employers, is will then be possible for a Senator who objects to seizure to prepare a separate amendment eliminating seizure from the Taft proposal; and if that carries, we shall be back to the original Thomas proposal?

Mr. LUCAS. Of course the Senator is correct, from a parliamentary point of view.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator from Illinois feel that a vote in favor of his amendment will be the same as a negative vote on my amendment, and that the vote on one of them might just as well be taken immediately after the vote on the other?

Mr. LUCAS. No.

Mr. TAFT. Because so far as I can see—and does not the Senator from Illinois agree—his amendment is merely one method of killing the Taft amendment.

Mr. LUCAS. It may be one method of killing it, and if I can kill it, that is what I want to do.

Mr. TAFT. I mean to say, a vote in favor of the Lucas amendment will have

precisely the same effect as a vote against the Taft amendment itself.

Mr. LUCAS. No; I would not say the effect would be the same. They are two separate propositions.

Yesterday a Senator said to me, "If you have an amendment striking out both injunction and seizure, I will vote for it."

Mr. TAFT. That is the Ives amendment, I assume, which was rejected yesterday by a considerable vote.

Mr. LUCAS. Yes; but I mention that fact to indicate that I cannot agree with my distinguished friend the Senator from Ohio, much as I would like to do so.

Mr. PEPPER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Florida?

Mr. LUCAS. I yield.

Mr. PEPPER. I should like to invite the attention of the Senator to what would be section 405 under the Taft amendment, and to make an inquiry about it. I read from page 91 of the minority views, which contains the Taft amendments I think accurately. This is a carry-over of an identical provision, if I understand correctly, which is in the Taft-Hartley law at the present time:

> Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

My question is—and I should also be pleased if the Senator from Ohio will attend the inquiry—does not the Taft provision with respect to injunction for all practical purposes constitute something inconsistent with the harsh declaration I have just read, which is section 502 of the Taft-Hartley Act and which would be section 405 of the Taft amendment? The Senator from Ohio in his amendment, after the proclamation, authorizes the President, through the Attorney General, to file a petition in the district court of the United States having jurisdiction of the parties to enjoin such strike or lockout, or the continuation thereof. Is it not the purpose of it, if it means anything at all, to give the courts the power to make men work against their will or, if they quit work, to make them go back to work without their consent, when the declaration I read a while ago was that that would not be required of the worker?

Mr. LUCAS. Let me say to my able friend that I have not carefully analyzed or examined the provision to which he has referred; but if I caught the language correctly, I am inclined to agree with his conclusion.

Mr. PEPPER. The reason I ask the question—and I ask the Senator to allow me to give this justification of the inquiry—is that in the hearings before the committee there were some apparent doubts as to whether the language I have just read, about not making a worker work against his consent, did not prohibit actually enjoining a strike. Some people thought the truth was that the Taft-Hartley bill really did not mean anything. I only wanted the Senator from Ohio to make it clear to us. His injunction amendment either means something; and it does give the court the power, if the men quit work, to put them in jail, if the court so orders, when the President proclaims the emergency, and the Attorney General brings action for injunction, or the court can put them in jail if they do not go back to work, once they have quit work after the proclamation in a national-emergency case and after the application of the Attorney General for an injunction is granted. I thought we were entitled to know whether the Senator from Ohio really means to give the power to prevent men from stopping work, or, if they quit work after the proclamation, to compel them to go back to work, by imposing upon them the usual contempt penalties, or whether it is merely a gesture implying that it means something, whereas actually it does not mean anything at all because of the other section I have described.

Mr. LUCAS. I do not think there can be any question that the Senator from Florida is correct. I think the court would have the power to force the men back to work during the cooling-off period.

Mr. PEPPER. If the Senator will yield further, is it his understanding, and does he think that those who have read about this injunction provision understand, that the author of it really intends to confer upon the courts the power to put men in jail if they quit work after the Presidential proclamation, or if they do not go back to work after the Presidential proclamation is issued?

Mr. LUCAS. I am unable to say what the author intends, but I believe that is what the amendment means. I do not think there can be any question about it. That is the thing with which I thoroughly disagree. I return to the point I made a few minutes ago with respect to the period of 80 days, known as the cooling-off period. During that time, under the provisions of the Taft-Hartley law, or under the provisions of the Taft substitute, it is not a cooling-off period for the laboring man, who has the strong arm of the court around his neck all the time. It is not the proper atmosphere for what we are all hoping finally to find, and that is an atmosphere of honest, true, and faithful collective bargaining on both sides of the table. The greatest disadvantage to the laboring man in collective bargaining when he sits around the table during the cooling-off period and begins to bargain with the other party, is the realization that the long arm of the Federal court is around his neck. What happens? He goes through the motions. He does not do any collective bargaining. He will wait until the period of 60 or 80 days is over, and then he will do as he pleases, strike, or anything else, because he then becomes, so to speak, a freeman again, free from the shackles of the court.

Mr. DOUGLAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the senior Senator from Illinois yield to the junior Senator from Illinois?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Is it not also true that, once an injunction has been obtained against a union, the union is stigmatized in the popular mind as being at fault in the dispute, and therefore public opinion is marshalled against the union, even though later the injunction is dissolved? And is it not true that in effect therefore the injunction builds up public opinion against the union, and does not merely try to maintain the peace?

Mr. LUCAS. I think the Senator is correct, but I want to make one other point, and then I am going to finish.

Mr. President, we are talking about national emergencies, about the health, safety, and security of the Nation being threatened. I undertake to say that when the time comes that a dispute threatens the safety and security of the Nation the men on both sides of the bargaining table should not be forced to proceed under a single handicap, if it is desired to settle the dispute in the really American way. The injunction terrorizes men who are compelled to sit around the table and deal with management in a national emergency. They do not have the free will and the power they should have to deal with a great question of that kind.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Ohio?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator feel that the real reason the labor-union leaders are against the injunction is that it is the only thing which can make them consider the public interest in national-emergency strikes? Is not that the real reason why labor-union leaders are opposed to this kind of injunction? Do they not want to be free from any legislative restraint whatever? Do they not want to be free to exercise that freedom against the people of the United States, to enforce their selfish individual demands? Is not that the reason they are against the injunction?

Mr. LUCAS. I regret to disagree with my distinguished friend in his conclusion. I cite the Railway Labor Act, in response to his inquiry. There are no injunctions under the Railway Labor Act. The authors of the Taft substitute saw fit to exempt all railway employees under the Railway Labor Act.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. In a moment.

Mr. TAFT. Is the Senator familiar with the injunction issued against the railroad labor leaders last year by Judge Goldsborough?

Mr. LUCAS. Yes.

Mr. TAFT. The labor leaders apparently, I think, were very glad to have it issued, as a matter of fact, in order to avoid the necessity of carrying out their threat of a strike, which they really did not want to do.

Mr. LUCAS. That was under seizure. It was not a court order directing men to work for a private employer under

threat of a jail sentence. That is what I am talking about when I say that injunction under seizure, as under the Douglas-Aiken amendment is a very different thing from injunction when the plant is in private hands, as under the Taft substitute.

Mr. TAFT. But it was an injunction.

Mr. LUCAS. Yes.

Mr TAFT. The Senator heard no great protests against that injunction.

Mr. LUCAS. It was seizure by the Government. The injunction was incidental to the seizure. That is the distinction I am making. The Senator cannot tell me that men who are sitting around a collective-bargaining table in a great national emergency will not act more like human beings, in a calm and sober way, with the Government holding the plant as the result of seizure, than they would if the court issued an injunction in the first instance. That is the great distinction which we have been trying to make all the way through the debate. It is an important distinction. It is a very proper distinction, in view of what has happened in the past with respect to irresponsible courts issuing injunctions against unions right and left upon the most frivolous pretext. The records are replete with injunctions of that character. Is it any wonder that the laboring man, even at this late hour, even though we have come a long way with respect to better courts, is still wondering whether he may not be placed in a hazardous position as the result of an injunction?

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. The Senator from Ohio says an injunction was sought against railway labor in the past, but the Senator from Illinois is aware, is he not, that the title III amendment of the Senator from Ohio expressly provides that the provisions with respect to seizure or injunction shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Mr. LUCAS. Yes. It has been pointed out over and over again in the debate, and there is no answer other than the fact that those who drew the Taft substitute recognized the fact that over a long period of years those who handled railway disputes have been able to settle them amicably and fairly without the injunction method. That is the real reason railway labor was omitted from the provisions of the Taft-Hartley law. Senators on the other side of the aisle and on this side of the aisle who strenuously and continuously argue for the injunction apparently overlook the fact that the Railway Labor Act has no injunction features in it at all.

Mr. President, following the same line of thought we have been discussing, I wish to say that a necessary result of this approach is once more to deprive the union of its most effective bargaining force. Yet at the same time the law tells the employer and the union to go on bargaining in the hope of reaching a settlement during the 80-day injunction period, during a period when both parties know that the union can do nothing to lend force to its demands comparable to the power of the large corporation to hold out. It appears to me, and as other distinguished Senators have indicated, the practical result is for the union to withdraw from any serious negotiations during the injunction period.

That is the truth of the matter, and that is what worries me. How can a union seriously negotiate in a national emergency with an injunction hanging over its head? It cannot do so. It is shackled; it is tied by the law, and is subject to contempt of court if it gets out of the way a little bit. If a plant is seized by the Government, the workingman goes in as a free man, knowing that no injunction will issue until something really serious happens. He goes in on equal terms with the management. He has no shackles placed upon him such as the Taft injunction would place upon him.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Ohio.

Mr. TAFT. Would he not be under exactly the same shackles if seizure has taken place? Would not the shackles be the same?

Mr. LUCAS. The great difference, as has been pointed out over and over again, is that in one instance he is dealing with the Government, and in the other instance he is dealing with the private employer. He knows that in instances in which the Government seizes plants 99⅔ percent of the cases will be settled without having any injunction issued. Under the Taft substitute injunction is imperative from the very beginning.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. TAFT. There is a provision in my substitute that employees cannot negotiate with the Government. The Government is forbidden, under the terms of the Taft substitute, to negotiate. That is left to the employer and the employees. I do not think it will discourage collective-bargaining negotiations in any way.

Mr. LUCAS. The Senator from Ohio is a very able lawyer, a very distinguished gentleman, and one of the leaders of the Senate. We probably would not agree if we debated this very important point the rest of the afternoon. I merely wish to repeat that the record shows that men do not bargain effectively when an injunction forces them to work for a private employer.

I have presented this matter, and I want to conclude by stating once again, as I started out, that the issue is clear-cut, clearly drawn, so that there can be no question about it. The people of America will know where their Senators stand on this issue, whether they are for or against the injunction. It is something which even a laboring man in my section of the country will thoroughly understand when he reads the newspaper and sees what has happened.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. HOLLAND. I was very much interested in the Senator's observation to the effect that injunctions had been granted by irresponsible courts. Is it the contention of the able Senator from Illinois that any of the six injunctions granted under the emergency features of the Taft-Hartley Act were granted by irresponsible courts?

Mr. LUCAS. I do not say that. I have been talking primarily regarding injunctions in the early days when we had government by injunction.

Mr. HOLLAND. Since the Attorney General has chosen courts of the very highest standing in which to bring the six proceedings brought during the past 2 years, does the able Senator have any reason to think that the Attorney General will go to irresponsible courts in the future, if the same provision is continued as a part of the law?

Mr. LUCAS. I cannot tell what the Attorney General will do in the future, any more than can the Senator from Florida tell what I will do in the future.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Do I correctly understand that the able Senator is unwilling to trust the Attorney General to apply to responsible courts if occasion shall arise in the future?

Mr. LUCAS. I think I would trust the President of the United States and the Attorney General as much as would any Senator on the floor, or I would not be in the position which I occupy.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. HOLLAND. The Senator's allusion, then, to irresponsible courts had to do entirely with a situation obtaining prior to the passage of the Taft-Hartley law. Is that correct?

Mr. LUCAS. I was speaking primarily of the Wilkerson episode in my section of the country. I think the Senator is familiar with it. I do not want to go into it further, because it has been discussed over and over again.

Mr. HOLLAND. Was the Senator's statement with reference to irresponsible courts meant to apply entirely to cases brought before the passage of the Norris-LaGuardia Act?

Mr. LUCAS. I referred to cases leading up to the time when the Norris-LaGuardia Act was passed. The Senator well knows that the reason why that act was passed was the existence of the very thing I am talking about. The courts were not fair. The Senator will agree they were not fair if he reads the history of injunctions. He knows a temporary injunction could be obtained on almost any kind of a pretext, on an ex parte hearing, or without any hearing at all. Sometimes a temporary injunction lasted for weeks before it was made permanent or was dissolved. All that time the individual who was caught by the injunction was suffering. It was that type of suffering which finally brought on the Norris-LaGuardia Act.

However, I wish to point out further that, as stated many times by the distinguished Senator from Oregon [Mr. MORSE] once the Attorney General requests the emergency injunction, no matter how responsible the Federal courts

may be, the judges are prone to issue the injunction without much ado.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Is the Senator of the opinion that the labor leaders, and the laboring people of this Nation, are not sufficiently intelligent to distinguish fully between the type of injunction of which the able Senator has been speaking, which was sometimes used prior to the passage of the Norris-LaGuardia Act, and the type of injunction provided under the Taft-Hartley law, under which only the Attorney General of the United States, only after direction of the President of the United States, based upon the findings of an emergency board, would have the authority to go to a court in an appropriate jurisdiction to ask for an injunction, and then only in protection of the public of the United States against a calamity which, in the judgment of the President, was about to happen, and which constituted a serious threat to the national health and welfare?

Mr. LUCAS. I think I have covered that before. I know how labor leaders dislike injunctions, and I know the reason why. The injunction about which the Senator is talking has not been very effective. One would think it was a cure-all for all the evils which exist in a national emergency. The truth of the matter is that it has not done very much good, even though the Attorney General has requested the injunction. We can take the statement of the Senator from Ohio himself, and I shall read it:

> Senator TAFT stated that the emergency injuction "has been used by the President some five or six times in the 2 years since the passage of the Taft-Hartley law. It has been reasonably successful in some cases; in other cases it has not been successful."

Mr. HOLLAND. Will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HOLLAND. Is it not a fact that in each of the six instances the injunction has performed its major objective, of preventing the shut-down throughout the injunctive period of an industry vitally affecting the public health and welfare?

Mr. LUCAS. No; I am compelled to say that the Senator is not fully informed on the subject if he takes that view, because in the longshoremen's strike, after the 80-day period, the strike extended for a long period. Furthermore, in the atomic energy plant case the injunction lasted for 80 days, and the employees still failed to reach any agreement. It was not the injunction which kept them from striking after the 80-day period. It had the effect of keeping everything going for 80 days, but it did not do any good after that.

Mr. HOLLAND. Is not the Senator confused in his mind between the question of the settlement of the strikes to which he has addressed himself, and the question of the protection of the vital public interest by keeping vital industries open throughout the injunctive period in each of the six instances in which injunctions were issued?

Mr. LUCAS. What does the Senator say about the Railway Labor Act, if he is so much interested in the injunction? None are used under that act and yet workers have never struck during the waiting period.

Mr. HOLLAND. The Senator from Florida will have something to say on that in his own time, but the Senator from Florida has addressed a question to the distinguished Senator from Illinois, and he wants the Senator from Illinois to say if it is not true that the issuance of the six injunctions under the Taft-Hartley Act did in each instance prevent a shut-down of a vital national industry throughout the period covered by the injunction.

Mr. LUCAS. It did not work in those cases. It did not calm anybody's fears, and it did not bring any sober judgment around the bargaining table as a result, because on two occasions I know the workers went on strike the next day.

Mr. HOLLAND. The Senator is getting mixed as to the objectives, I think.

Mr. LUCAS. I am not mixed; the Senator from Florida is mixed.

Mr. HOLLAND. It is not the purpose of the injunction to force a settlement of any kind. It is to protect the public interest by preserving the status quo throughout the injunctive period. I am asking the Senator to say, if he can—and I believe he can—whether it is not true that in each of the seven cases where the injunction was used the public interest was protected throughout the injunctive period by preventing a shut-down of the vital industry which was affected.

Mr. LUCAS. The plants continued in operation during that time, but instead of attempting to get an adjustment in an amicable way, in my humble judgment the injunction interfered with proper and amicable settlement, in the final analysis.

Mr. HOLLAND. The Senator does agree, does he not, that in each case the injunction was respected, and it did prevent or avert a shut-down in each case throughout the injunctive period?

Mr. LUCAS. It was respected, but there was no mutality of collective bargaining around the table during that period of time. It interfered with the proper settlement of the dispute, in my humble judgment, perhaps not in every case, but in the longshoremen's case, which was tremendously important from the standpoint of the public welfare, I know it did not work, and the Senator from Florida knows it did not work. There is no panacea for the national emergency evil.

Mr. DOUGLAS. Mr. President, will my colleague yield?

Mr. LUCAS. I yield to my colleague.

Mr. DOUGLAS. Is it not true that the Senator from Florida has fallen into an inadvertent error when he speaks of seven injunctions having been obtained? There were seven disputes involving national emergency, but in three of those disputes—the meat packing, telephone, and the second coal disputes—no injunctions were asked for, and therefore no injunctions were obtained. In effect there have been injunctions sought and secured in only four disputes—the first coal disputes, the Pacific longshore dispute, the east coast and Gulf maritime dispute, and the atomic energy dispute. So that instead of this broadside of seven disputes which the Senator from Florida has thrown at us, in practice there were only four disputes.

Is it not a further fact, according to the direct testimony of the mediating authorities, that in the West Coast Longshoremen's case the injunction did not avert the strike? The strike, as my colleague has well said, occurred after the 80 days and the same thing was, roughly, true in the east coast and maritime shipping strike. In the dispute involving the atomic energy plant, that was a case where the union was always willing to arbitrate. It was the company in that case which did not want to arbitrate. The union was begging for a peaceful settlement, and after the injunction expired a settlement was readily obtained through the offices of the American Federation of Labor.

So, in practice the seven disputes cited by the Senator from Florida boil down to only one dispute, the coal strike, and no one knows what settled the coal strike. No one really knows whether it was the injunction which settled the coal strike, or whether the fact that the union got its demands settled the coal strike. No one indeed knows whether it was the appointment of a trustee, a very honored member of this body, and the decision he handed down, that settled the coal strike, or whether it was the injunction. I confess that my own mind is somewhat uncertain about that matter. I do not know what settled it. But I think one could make a good case for the contention that it was the appointment of a Senator from the other side of the aisle as trustee, and the decision which he handed down, that settled the coal strike, rather than the injunction.

Therefore has not the Senator from Florida been building his whole case upon a lot of things that are not there?

Mr. DONNELL and Mr. PEPPER addressed the Chair.

Mr. LUCAS. Just one moment.

The VICE PRESIDENT. The Senator declines to yield.

Mr. LUCAS. I wish to take this opportunity of expressing my deep gratitude to my colleague, the junior Senator from Illinois, for his able explanation. My colleague is a member of the Committee on Labor and Public Welfare, and is thoroughly familiar with all the cases which have been cited by the distinguished Senator from Florida. I am sorry the Senator from Florida did not hear my colleague's statement, because I am sure he would have been convinced if he had heard it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Florida.

Mr. HOLLAND. I think I am entitled to make the statement that I did do the Senator from Illinois the courtesy of listening, without asking questions, to the reinforcement which came to the aid of the able senior Senator from Illinois, the distinguished majority leader. My position is exactly the same, and it cannot be answered in other than one way.

I am asking the distinguished Senator again one more question: Is it not true

that in every case under the Taft-Hartley law where the injunction was used, the injunction was observed, and that it served to protect the public interest of the people of the United States against the threatened damage and injury of a shut-down of a vital national industry?

Mr. LUCAS. In both cases I will say to the Senator, according to the testimony of my colleague, there was a cooling-off period of some 80 days; and in two of those four cases the cooling-off period did not work at all. During that 80 days there was no stoppage of work, but at the end of the 80 days something really happened. The strike immediately occurred. My contention is that without the injunction those cases would have been settled before the 80-day period had expired.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I should like to ask the Senator from Illinois if under the Railway Labor Act, which provides for a cooling-off period of 60 days, he can recall of any time since 1926 when the employees have not abided by the voluntary arrangement or agreement, as provided for under the Railway Labor Act?

Mr. LUCAS. I think not. As I recall, 172 cases have been decided under the Railway Labor Act, and they have all been settled amicably, and without any question in the final analysis, by following the rules and regulations laid down. And the great remedy of injunction, which the Senator from Florida simply must have in order to protect the health and safety and welfare of the people of the Nation, has not been in existence in connection with the Railway Labor Act, and the group of Senators the Senator from Florida is now following refuse to cover the railway employees. They exempted the railway employees who are under the Railway Labor Act. Why, Mr. President? Simply because the Railway Labor Act has resulted in a good job being done, and the Senators know it. They were not going to submit the railway employees to any injunction features such as other employees throughout the country are now being compelled to submit to when a national emergency dispute arises.

Let me say, Mr. President, if there is one institution with respect to which a national emergency could arise overnight practically, it would be the transportation system. The tying up of that system would bring about a national emergency. The paralyzing of the railroads for 3 days' time would bring about the kind of national emergency which would affect the safety and security of the Nation. Yet the Senator from Florida and other Senators are willing to exempt the railway employees; and so am I. I do not want them to come under an injunction act, because they have done a magnificent job under their own railway labor laws and under the rules and regulations which have been promulgated under those laws, as they now exist. That is the real reason why the railway employees are not included in the proposal. Yet the real danger of an acute national emergency lies in the transportation system, whose employees are not subject to injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. Is it not the Senator's understanding that there are two purposes for the injunction: First, to secure time in a vital industry; second, supposedly to offer time for reconciliation of a dispute?

Mr. LUCAS. The Senator is correct.

Mr. HUMPHREY. Mr. President, will the Senator yield for a further question?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I am sure the Senator is familiar with the annual report of the Mediation and Conciliation Service. Was it not the conclusion, as set forth in the annual report of the Mediation and Conciliation Service, that the injunctive procedure, during the period of time for which it was secured, instead of promoting reconciliation, aggravated the situation?

Mr. LUCAS. The Senator is correct. That conclusion can be found on page 56 of the report. I shall not read it, because copies of it are in the hands of Senators.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I ask the Senator, if it is the purpose of the injunction to save time—and the Senator from Illinois has just pointed out that the Railway Labor Act has accomplished under a voluntary agreement what some want to accomplish by injunction—does there seem to be any justifiable argument for the continuation of an injunctive proceeding which, under the observation of the Mediation Service has not helped, but has failed?

Mr. LUCAS. In my opinion, "No." That is why I have my amendment before the Senate.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I should like to ask the Senator a question along the line of the colloquy between his colleague from Illinois and himself. I understood the senior Senator from Illinois to boil down the seven cases which the Senator from Florida mentioned, first to three, and then to one.

Mr. DOUGLAS. To four.

Mr. DONNELL. Four?

Mr. DOUGLAS. Yes.

Mr. DONNELL. And then they were boiled down to one?

Mr. DOUGLAS. Yes.

Mr. DONNELL. Almost down to the vanishing point.

Mr. LUCAS. After the warm-up there were only four, and when it came to the boiling point they were boiled down to one.

Mr. DONNELL. Mr. President, I want to know if the Senator from Illinois is familiar with the report of the Joint Committee on Labor-Management Relations of the Congress of the United States, published by the United States Government Printing Office, and submitted to the Eightieth Congress, second session. on December 1, 1948, and whether or not he has observed in that report this statement:

INJUNCTIONS UNDER SECTION 208 (NATIONAL EMERGENCIES)

The committee's recommendations with respect to amendments to the national emergencies sections are treated elsewhere in this report. Injunctions have been sought by the Attorney General at the direction of the President in six instances and in each instance the injunction was granted. The six cases were as follows.

1. The atomic-energy case.
2. The United Mine Workers' case, in April 1948.
3. The International Longshoremen's Association, in August 1948.
4. The West Coast case, June 14, 1948.
5. The East Coast case, June 23, 1948.

Finally, No. 6, the Great Lakes case, June 14, 1948.

Is the Senator familiar with this statement?

Mr. LUCAS. I have the first annual report in my hand.

Mr. DONNELL. That is not what I refer to, Mr. President. What I speak of is the report of the Joint Committee on Labor-Management Relations.

Mr. LUCAS. Who is the author?

Mr. DONNELL. It is the report of the Joint Committee on Labor-Management Relations to Congress.

Mr. LUCAS. Who is the author of it?

Mr. DONNELL. Joseph H. Ball.

Mr. LUCAS. Oh, well. [Laughter.]

Mr. DONNELL. Mr. President, "Oh, well" sounds pretty good, but let me say that this statement gives the names of the cases, the dates and places, and I challenge the possible intimation that there is an untruthful statement in it.

May I ask the Senator from Illinois if he has in his hand the first annual report of the Federal Mediation and Conciliation Service, and if so, if he will turn to pages 46 to 48, dealing with the maritime labor dispute. I call attention to page 47 and ask the Senator if he does not read there, as I do, the concluding full sentence on that page with respect to the maritime labor dispute:

Orders were issued by judges of the district courts of the United States sitting in San Francisco, Cleveland, and New York City on June 14. These orders enjoined both the employers—

And I call attention to this language—

both the employers and the unions and all persons in active participation with them, from encouraging and engaging in any strike or lockout in the maritime industry or from making any changes in terms or conditions of employment other than by mutual agreement. The issuance of these injunctions averted for the statutory period work stoppages which, in the judgment of the Service, would have occurred on all coasts on June 15, 1948.

Does not the Senator from Illinois read what I read on those pages?

Mr. LUCAS. The Senator from Missouri is absolutely correct in his reading. There is no question that what he has read is in the document I hold in my hand.

Mr. DONNELL. Mr. President, will the Senator yield further for a question?

Mr. LUCAS. I yield.

Mr. DONNELL. The question was asked by the Senator from Minnesota

[Mr. HUMPHREY] about a statement made by Mr. Ching in regard to the stopping of negotiations pending injunctions. I ask the Senator if he has before him at this time on his desk the first volume of the testimony before the Committee on Labor and Public Welfare on the labor legislation we are now discussing, and if he has, I ask him whether or not at the bottom of page 62 and the top of page 63 there appear the following questions and answers, questions put to Mr. Ching, and his answers. For the purpose of the RECORD I will say that Mr. Ching is the head of the Federal Mediation and Conciliation Service.

Senator TAFT. You say it is the experience of the Service that in some of the national emergency disputes occurring in the last year, reading from your report:

"The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement."

You still agree with that statement, don't you?

Mr. LUCAS. Will the Senator read the rest of his statement?

Mr. DONNELL. I am coming to that. That is a part of what I want to read.

Mr. LUCAS. I want the Senator to read it.

Mr. DONNELL. I will read it all. I want the Senator to listen to this, and I ask him if I am quoting correctly:

Mr. CHING. I agree that in the Coal case, the Longshoremen's case, the National Maritime case, the Oak Ridge case, as I remember those cases, the injunction stopped the strike at the time it was threatened. However, in some of the cases, after the injunction had expired, we still had the same problem.

Senator TAFT. Oh, well, yes; that was contemplated in the law.

Mr. CHING. It was a temporary stoppage of the strikes. There is no question about that.

Senator TAFT. It gave you 60 days more time to try to work it out.

Am I not correctly quoting from the testimony of Mr. Ching before the Committee on Labor and Public Welware of the Senate early this year?

Mr. LUCAS. The Senator is correctly quoting from Mr. Ching's testimony.

Mr. DOUGLAS. Mr. President——

Mr. DONNELL. Mr. President, will the Senator further yield?

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so, to whom? Let the Chair find out to whom the Senator from Illinois is yielding.

Mr. LUCAS. I am delighted to yield to the distinguished Senator from Missouri.

Mr. DONNELL. In view of the official statements by the Joint Committee on Labor-Management Relations, an official body created by act of Congress and reporting to Congress, and in view of the statements which I have just read, by Mr. Ching, in the official report, does not the Senator feel that, after all, the position taken by the distinguished Senator from Florida as to the number of cases—instead of seven, I think the number was six—is sound and correct? Does not the Senator further believe, as stated by Mr. Ching, that although these injunctions have not brought about settlements of all the strikes—perhaps they have not brought about any settlements?

The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

Does not the Senator from Illinois agree with that statement?

Mr. LUCAS. I do not think I can agree with all the statements of Mr. Ching. Let me read something that Mr. Ching said which the Senator omitted.

Mr. DONNELL. Where is it, please?

Mr. LUCAS. When Mr. Ching was testifying, on page 62 of the labor relations hearings, at the bottom of the page, we find this statement:

The issuance of injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

That statement was quoted by the Senator from Ohio [Mr. TAFT] in a question to Mr. Ching. That statement came from the annual report of the Federal Mediation and Conciliation Service. That is what the Senator quoted from a moment ago. This is what Mr. Ching said in full, which was not brought out:

It is the experience of the Service that in some of the national emergency disputes occurring in the last year the issuance of an injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement. Similar claims for the utility of injunctions, such as are provided in current law, as a means of protecting the national welfare, cannot be made in respect of other national emergency disputes.

That was the statement of Mr. Ching. That was one of the things in the report that was left out. The Senator did not tell everything that Mr. Ching said.

One of the conclusions which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

That is what Mr. Ching said. The injunction delayed, rather than facilitated the settlement of disputes.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President——

The VICE PRESIDENT. To whom does the Senator from Illinois yield, if anyone?

Mr. LUCAS. I further yield to the Senator from Missouri.

Mr. DONNELL. I am perfectly familiar with the language which Mr. Ching used, and I also am familiar with a sentence which the Senator did not read.

Mr. LUCAS. The Senator has not read it all.

Mr. DONNELL. I shall read it.

The VICE PRESIDENT. The Chair holds that the Senator from Missouri cannot read from a document under the guise of a question. If he has a question to ask the Senator from Illinois which involves certain language, it is legitimate to ask it, but the Chair feels that under the guise of a question a long document cannot properly be read.

Mr. DONNELL. I am not undertaking to read a long document. The Senator from Illinois has read extensively——

Mr. LUCAS. Mr. President, I have the floor.

Mr. DONNELL. I am asking if this further sentence does not appear. I may say that the sentence which I am about to read is in support of the argument of the Senator from Illinois, but I wish to read it.

I ask the Senator from Illinois if the Ching report does not contain this language:

National emergency disputes vary widely in their facts and circumstances, and it is unlikely that any machinery can be devised that will guarantee satisfactory handling in all situations.

My question of the Senator is this: Notwithstanding Mr. Ching's statements to that effect, and notwithstanding the fact that in his testimony he says that he does not think it advisable for his department to take a position on the use of the injunction, he said this:

It is the experience of the service that in some of the national emergency disputes occurring in the last year the issuance of an injunctive order did much to forestall a national crisis and to assist in achieving a peaceful settlement.

Mr. LUCAS. Mr. Ching is on both sides of the question. There is no doubt about it. That is my conclusion after reading the statement.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOUGLAS. Has not the Senator from Missouri, in perfect good faith, nevertheless made an inadvertent error when he implied that because injunctions were sought in six instances, they therefore occurred in six disputes?

Mr. LUCAS. They did not.

Mr. DOUGLAS. As a matter of fact, if we examine the six injunctions which were sought, is it not true that in the east coast and Gulf maritime dispute three injunctions were sought, one against the Longshoremen's Union, A. F. of L., and two against the National Maritime Union, CIO? So is it not true, in effect, that in only four national emergency disputes were injunctions sought—not seven, and not six, but four? Is not that true?

Mr. LUCAS. I think the Senator is correct, and I think the Senator from Missouri will agree with him.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. I ask the Senator from Illinois, regardless of whether there was one controversy which covered the east coast, the west coast, the middle coast, and all other coasts, is it not true that there were six separate cases in which injunctions were issued under the national emergency provision, and that in each instance the name of the court appears? Does not the official report of the Joint Committee on Labor-Management Relations say that injunctions have been sought by the Attorney General, at the direction of the President, in six instances, and that in each instance an injunction was granted?

Mr. LUCAS. There were only four disputes in which the injunction was involved.

Mr. DONNELL. Regardless of the number of disputes, six injunctions were issued.

Mr. LUCAS. Six injunctions in four disputes. I stand on that.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. Does not the Senator feel that in six cases, four cases, or whatever the number may be, the President of the United States, after considering all the circumstances, came to the conclusion that it was in the public interest and in the interest of settling the strike to seek an injunction?

Mr. LUCAS. That was the only thing he could do under the Taft-Hartley Act.

Mr. TAFT. Not at all. The use of the injunction under the Taft-Hartley Act is completely discretionary with the President.

Mr. LUCAS. Certainly.

Mr. TAFT. Did not the President, in every one of those cases, decide that in his opinion the injunction was the best method of dealing with the emergency dispute?

Mr. LUCAS. After the board made its findings, and the Attorney General requested the injunction, that was all he could do.

Mr. TAFT. Does not the Senator realize that the Attorney General seeks injunctions only on the order of the President?

Mr. LUCAS. He seeks an injunction after the Board of Inquiry has made its report to the President of the United States. I presume the President confers with the Attorney General; but it is probably the Board of Inquiry which makes the decision.

Mr. TAFT. Oh, no.

Mr. LUCAS. The Board of Inquiry makes its report to the President of the United States.

Mr. TAFT. That is correct.

Mr. LUCAS. And then the President——

Mr. TAFT. The Senator is no doubt aware of the Meat-packing case, in which the President decided that it was not in the public interest to seek an injunction, or else that it was not a case involving national safety and health. But is it not clear that in every one of the six cases the President had discretion to seek an injunction or not to seek an injunction, and that in every case he decided that that was the best method of dealing with the situation?

Mr. LUCAS. That was the only way in which he could get a waiting period.

Mr. TAFT. He had all the remedies of the Thomas bill. The only thing he did not have under the Taft-Hartley Act was the right of seizure, except in the case of railroads under an older act. But if the President thought the injunction would make the strike worse, surely he was under no obligation to use the injunction.

Mr. LUCAS. The Senator from Ohio does not believe the injunction has been very successful; does he?

Mr. TAFT. I think the injunction has succeeded, in the first place, in postponing the strike; and in every case it means that some headway toward a settlement—in some cases successfully, and in others not—can be made while the injunction is in effect.

But does not the Senator from Illinois believe that if in a national emergency the injunction offers a means by which the problem can be solved, that method should be used by the President, in his discretion?

Mr. LUCAS. I absolutely disagree with the Senator from Ohio in that premise and in his conclusion. The President is, as a practical matter, under a duty to use the remedy Congress gives him whenever the national health or safety is threatened.

Mr. President, I have tried to state clearly why I have presented this amendment. I do not care to repeat that statement; it is a long story. The Senator from Ohio knows exactly my position. I do not agree with him.

I repeat that in the case of a national emergency, action should be taken through the second method, the method offered by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Vermont [Mr. AIKEN], or through the other provision which would remain in the Taft substitute, after provision for the injunction has been stricken out, as it should be stricken out.

Mr. THYE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. THYE. I should like to ask a question. In the event there was no provision for seizure and no provision for injunction, how many of those strikes would have been settled before the actual shutdown or stoppage of work occurred?

Mr. LUCAS. Of course that is a matter of speculation.

Mr. THYE. Is it not reasonable to believe that the provision for seizure or for injunction might result in deteriorating or slowing down the settlement, because one party or the other would know that the strike or shutdown would not occur since either the plant would be seized, as a result of provoking such action, or an injunction would be issued, because a situation leading to an injunction might be provoked? In fact, the entire emphasis in this question should have been upon conciliation and negotiation before the strike or shutdown occurs, when the men are not nearly so angry as they become once the injunction has been imposed or once the plant has been seized.

Mr. LUCAS. I agree entirely, as I have said time and time again, that negotiation, conciliation, and honest collective bargaining around the bargaining table can be had only when there are no strings attached. They cannot be had if there is injunction or seizure; but in my opinion they can be had better under seizure than under injunction, because under injunction, if a contempt of court action is in the offing, there is no opportuinty to act in a free and independent manner, so to speak, in trying to present the case around the bargaining table.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. LUCAS. I yield.

Mr. THYE. I have sat through many labor disputes in negotiations which have lasted, not one or two nights; but several days and nights; and I know that men can be brought together much easier before the strike has occurred, rather than after the strike or shut-down has occurred.

Of course, in the case of seizure there comes a time when the seizure expires. When that occurs, if no settlement has been reached, the situation is right back where it was at the beginning, except by that time the men have become angry.

The same is true with respect to injunctions. When the injunction is applied, there is no real difference in the situation, except the men are angry.

Mr. LUCAS. I thank the Senator, and I agree with him, except to say that in rare cases of true emergency seizure may be necessary, however reluctant we may be to use it in view of its effects. For these rare cases seizure is preferable by far to the injunction.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HUMPHREY. I should like to ask whether my colleague is familiar with the following observations made by the Federal Mediation and Conciliation Service:

> Parties unable to resolve the issues facing them before a dead-line date, when subject to an injunction order, tend to lose a sense of urgency and to relax their efforts to reach a settlement. * * * In most instances efforts of the Service to encourage the parties to bargain during the injunction period, with a view to early settlement, fall on deaf ears.

Is not that exactly what the senior Senator from Minnesota was pointing out?

Mr. LUCAS. There can be no question of that, and that is what I was trying to point out. I think the Senator has stated it in much better language. That is exactly the truth about the situation.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. Along the line suggested by the question of the Senator from Minnesota, if the Senator from Illinois will turn to page 48 of the first annual report of the Federal Mediation and Conciliation Service, and will note the first full paragraph on that page, I should like to ask him a question. It relates to the three injunctions issued in connection with the maritime labor dispute, although there was only one dispute. Does the Senator agree with the statement of fact on page 48, reading as follows:

> After the issuance of the injunctions the Service continued its mediation efforts. On the Atlantic and Gulf coasts the bargaining efforts of the parties were profitably exerted and general settlements were achieved before September 1, 1948, the date of expiration of the injunction order. These settlements provided for the continuance of existing hiring practices pending judicial determination of their legality, and for wage increases and changes in certain working conditions. Settlements were also worked out with respect to the disputes on the Great Lakes.
>
> Bargaining negotiations on the Pacific coast were not profitably conducted, for the reasons set forth by the board of inquiry in its final report.

Does the Senator agree with those statements of fact?

Mr. LUCAS. The statements made were just as the Senator has read them.

Mr. DONNELL. The Senator asked the Senator from Ohio whether the board of inquiry would, in effect, decide whether the injunction should be sought.

I ask the Senator if this is not what the Taft-Hartley law provides, in section 206:

Such report—

That is the report of the board—

shall include a statement of the facts with respect to the dispute, including each party's statement of its position, but shall not contain any recommendations.

Is not that the provision of the Taft-Hartley Act?

Mr. LUCAS. Yes.

Mr. DONNELL. Then I ask the Senator, as bearing on the question of whether the President has any obligation to seek an injunction, or whether that is a discretionary matter, as the Senator from Ohio has suggested, if section 208 (a) of the Taft-Hartley Act does not read in this way:

Upon receiving a report from a board of inquiry—

I pause to say that the report shall not contain any recommendations—

The President may direct the Attorney General to petition any district court—

And so forth. Is not that entirely discretionary with the President?

Mr. LUCAS. That is the only way he can get an 80-day waiting period.

Mr. DONNELL. It is absolutely discretionary with the President and there is nothing mandatory upon him. Is not that correct?

Mr. LUCAS. That is true, but it is the only way he can get an 80-day waiting period in order to try to bring about an adjustment, under the present law and furthermore, the fact that Congress has given the President this remedy requires him to use it as a practical matter where the national health and safety are involved.

Mr. DONNELL. Mr. President, will the Senator yield for another question?

Mr. LUCAS. I yield.

Mr. DONNELL. It is left entirely discretionary with the President as to whether he will or will not ask for an injunction, is it not?

Mr. LUCAS. The Senator is correct.

Mr. President, I now yield the floor.

Mr. THOMAS of Utah. Mr. President, I am sure that there has been a full discussion of the amendment, and that we are ready to vote on it. I trust that the amendment will be supported, because there is no provision for injunctions in the Thomas bill, title III, relating to national emergencies. In order that we may vote, Mr. President, I suggest——

Mr. TAFT. Mr. President, will the Senator withhold his request for a quorum call, until the Senator from Florida submits another amendment, which will take precedence over the pending amendment?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. HOLLAND. Mr. President, before offering on behalf of myself and other Senators an amendment to the Thomas bill, I wish to say that I am very appreciative of the kindness of the distinguished senior Senator from Missouri in producing the names, courts, cases, numbers, and all the other essential information concerning six of the seven cases to which I adverted in addressing certain questions to the distinguished majority leader.

There were seven injunction cases covered by the questions of the junior Senator from Florida; but one——

Mr. THOMAS of Utah. Mr. President, I understood that I was to yield for the purpose of permitting the Senator to offer an amendment, not for the purpose of making a speech. That was the request.

The VICE PRESIDENT. The Senator yielded. There is no way by which the Chair can control the Senator's procedure after he once gets the floor.

Mr. HOLLAND. Mr. President, I apologize now, if the distinguished Senator was under a misapprehension, and I shall be very happy to yield the floor. But I want to tell the distinguished Senator that I expect to have brief remarks to make, after he has concluded and has yielded the floor. I would not under any circumstances accept his yielding of the floor, if he misunderstood the situation.

Mr. THOMAS of Utah. I suggest the absence of a quorum, in order that we may vote.

Mr. TAFT. Mr. President, if the Senator will withhold his request for a moment, it seems to me it is going to be impossible to vote tonight. The distinguished Senator from Florida is about to submit to the Thomas bill an amendment which takes precedence over the Lucas amendment. The Lucas amendment itself was not offered until today, and it has not yet been printed. The amendment of the Senator from Florida has not yet been printed, and I certainly would object to having any vote taken today on these amendments before any opportunity is given to discuss them.

As I understand, there is still considerable debate involved in both of them. I do not object, I could not object, of course, to a quorum call, but I do not think a quorum should be called under the impression that it is going to bring about an immediate vote on the Lucas amendment.

Mr. THOMAS of Utah. Mr. President, the reason I am suggesting the absence of a quorum, in accordance with my own remarks, is that I assumed the discussion had been completed upon the pending amendment. I, of course, have no objection to the offering of another amendment; I could not have, and I do not want to do that. If we are not ready to vote on the pending amendment, I am very much surprised, because I thought the discussion had been completed and that every Senator understood exactly what the pending amendment would accomplish.

Mr. TAFT. Mr. President, if the Senator will yield, I intend to speak at least half an hour on the Lucas amendment. I have not discussed the amendment at all as yet, and it is an amendment which of course proposes to kill the Taft amendment. The Senator is certainly very wrong in his idea that debate on this subject has come anywhere near to a close.

The VICE PRESIDENT. Even though the debate had been concluded on the pending amendment, any Senator could offer an amendment to the original Thomas substitute. The vote on that amendment would take precedence over a vote on either the Lucas or the Taft amendment. The Senator from Florida is recognized to offer his amendment, if he wishes to do so, at this time. The Chair will modify his observation to the extent of saying, if it applies to title III of the Thomas substitute.

Mr. HOLLAND. It does, Mr. President.

Mr. O'MAHONEY. Mr. President, will the Senator yield, so I may make an inquiry?

Mr. HOLLAND. I yield for a question.

Mr. O'MAHONEY. Mr. President, I have before me a privileged matter, a conference report on the Virgin Islands bill. It has just been adopted by the House, and my question is whether in the opinion of the Senator this would be an appropriate time for me to make a privileged motion for the adoption of a conference report. I think it will not involve discussion.

Mr. HOLLAND. Mr. President, the present time, or any time he sees fit, is an appropriate time for the distinguished chairman to make his motion for the consideration of a privileged matter. I shall be glad to yield with the understanding that I may be recognized when he concludes.

The VICE PRESIDENT. The Chair suggests that the House has not yet sent the papers to the Senate, and it is not now appropriate to make the motion.

Mr. O'MAHONEY. Mr. President, I think the Vice President has adequately answered my question. I thank the Vice President.

Mr. HOLLAND. Mr. President, if I may conclude the very brief remarks which I had intended to make upon the amendment of the Senator from Illinois, the distinguished majority leader, to the substitute offered by the senior Senator from Ohio, I should like to say that I am deeply grateful to my friend the senior Senator from Missouri, who, I am happy to see, has returned to the Chamber, because of his having come to the assistance of the junior Senator from Florida by bringing in the names of the cases, the courts in which they were pending, a description of the causes, and the affirmative statements not only of a dignified group in the Congress, but also of the head of the Conciliation Service, an official agency, in the matter of six of the injunction cases to which I referred in my series of questions propounded to the senior Senator from Illinois. The seventh injunction case was the railway case which, as we all know, was not brought under the provisions of the Taft-Hartley Act, so that the questions propounded by the junior Senator from Florida to the majority leader should have mentioned six injunction proceedings and six injunctions, rather than seven, the seventh case having been the railway injunction case which was not brought under the provisions of the Taft-Hartley Act.

Mr. President, with reference to those six cases, I think it has been abundantly and incontrovertibly shown by the documents introduced in the shape of various questions by the Senator from Missouri to the Senator from Illinois that not only were six injunctions issued under the

provisions of the Taft-Hartley Act, but that they were operative and effective, in the opinion not only of the joint committee of the Congress on this subject matter, but also in the opinion of the Director of the Conciliation Service, to protect the public interest effectively by preventing shut-downs during the entire period of time covered by each of those six injunctions.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. DONNELL. Perhaps the Senator recalls—I would be unable, without some search of my papers, to be certain—whether it was not true, in one of those cases, namely, the mine workers case, in which an order was issued against the United Mine Workers, that in order to enforce the order of the court it proved to be necessary not only to make the order but to issue contempt proceedings and to fine Mr. Lewis and the union. I believe that is correct; is it not?

Mr. HOLLAND. The Senator is correct; and perhaps my earlier statement should be modified only to admit that in the coal case the perfect protection given to the public by the averting of stoppages in vital national industries throughout the life of those six injunctions should be confined to the time when, after the bringing of contempt proceedings, the coal mines were reopened by direction of Mr. Lewis.

Mr. President, I am simply making this point at this time because it was so crystal-clear, and I think it should be made clear over and over again, in the minds of Senators and in the minds of the public, that the injunctions were not issued to force settlements or to give mandates either to labor or to employees to make settlement on some fixed basis or on any basis, but that the principal reason for the issuance of those injunctions, which was effectively realized in each of the six cases, was the protection of the vital national interest, in that during the full period of those injunctions and up to the time of their expiration, in each case the public was protected by keeping those industries open, running, and subserving vital national purposes and rendering vital national services.

Mr. President, the Senator from Illinois showed very clearly that he has jumped to one of those conclusions which is most responsible for the discrediting of the use of the injunction, in that his whole argument was addressed to an effort to show that injunctions had meant nothing and did not accomplish anything, simply because, in his opinion, there were cases in which settlements were not made during the period of the injunction.

The distinguished Senator from Illinois has completely misunderstood the purpose of the injunction and its use under the Taft-Hartley Act under which the vital national interest is recognized and protected for the limited period of time covered by the injunction. There is no Senator present who can say or who will attempt to say that, except for that brief period of a very few days in the very beginning of the whole period covered by the coal injunction, there was anything but perfect protection of the public interest of the Nation as against the stoppages in the vital national industries which threatened, throughout the period covered by those injunctions. That was and is, of course, the first purpose of the use of the injunction. It is not sought through the injunctive process to force labor or employers to make any specific settlements. It is not sought to visit the mandate of the Department of Justice or of the President of the United States or of the Emergency Board upon the industry which is affected, by saying, "You must make a settlement within a fixed time," or "you must make such and such a settlement." On the contrary, the principal objective is to protect the vital national interest against stoppages which cause damage throughout the Nation whenever they occur.

Mr. President, in my humble judgment, the inclusion of the injunctive feature in the original Taft-Hartley law has been thoroughly justified and vindicated not only by the effective results accomplished in the six cases mentioned, but particularly—and let anyone who thinks otherwise prepare to answer this—particularly by reason of the fact that the distinguished President of the United States, having available all, or practically all, of the little wrist-slapping machinery which is involved in the provisions of the Thomas bill, found, in his judgment, that it was necessary for him to do something which he did not want to do, which he had made very clear by his attitude in vetoing the Taft-Hartley Act that he did not care to do. He found it was necessary, in the public interest and in the discharge of his responsibility as Chief Executive of the Nation, if he wanted to save the public from suffering, to resort to the use of the injunction in six cases. I say it will be very difficult, if not impossible, to make any reasonable, thinking citizen of this Nation come to the conclusion that the inclusion of the injunction in the Taft-Hartley Act was not desirable, was not necessary, and did not prove to be such, when the President himself had to turn to the use of that tool, which he did not care to use, if he could avoid it, and, through the use of it, he accomplished the salutary objective which he felt should be accomplished in the national interest.

Whether we want it to be so or not, we are facing exactly the same situation we faced in 1947. That situation is this: Are we going to place first the interests of employers or of employees, or of any group of citizens less than the whole citizenship of the Nation? So far as I am concerned, I say to the Senate that in my judgment anything less than effective machinery left in the hands of the Chief Executive, through the use of which he can give protection to the public, as against shutdowns in vital national industries, is going to be unworthy of passage and approval by the Senate and by the Congress. I hope that none of us for a moment will consider going away from here leaving the President without tools with which to approach a problem of magnitude, and leaving the Nation without the protection of those tools which it so badly needs when shutdowns threaten in vital national industries.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HOLLAND. In a moment. I have one further thought I should like to express.

Let no Senator come to the conclusion that members of labor throughout the Nation by the tens of thousands do not know that, so far as they are concerned, they are the first people who are hit when there is a shut-down in a vital national industry. When John L. Lewis closes the coal mines he aims a blow, not merely at the miners where the walk-out occurs, not merely at the employers who have a shut-down, not merely against the local communities where the people live and where the mines are located, but he aims a dangerous blow at the business, at the existence, at the living, of people throughout the Nation, because within a few hours after such a shut-down there have to be embargoes by the railroads on the movement of vital freight, there have to be all kinds of plans for laying off men in industries, both the heavy and the light industries, there have to be many retrenchments, all of which hit the men on the pay rolls first, and hit their ability to continue to sustain their families and their homes and their firesides. Any Senator who permits himself to think that the working people of America do not recognize that fact is indeed "kidding" himself, because they do recognize it.

Mr. President, any Senator who thinks that the working people do not distinguish between the kind of injunction we are discussing in this debate, the kind of injunction provided for in the Taft-Hartley law, and the injunctions which in some instances prevailed before the Norris-LaGuardia Act, are "kidding" themselves, too, because I say from many direct approaches which I have had from working people, who are among my best friends, that they know beyond any peradventure of doubt that the injunction which is involved here is no kin to the other, although it happens to have the same name, because this kind of injunction is issuable only after the Emergency Board has acted, only after the President of the United States decides that a national vital industry is at stake, and that great harm would be done to the Nation unless there were an injunction. It is issued only after the Attorney General of the United States, who represents you and me and every other citizen in this good Nation, goes before a court to prove his case—the highest court he can reach in responsibility and experience, and in ability to satisfy all the exacting requirements of hearing this kind of a case and doing justice. I call attention to the fact that that is the kind of court to which the Attorney General has gone, and there is not the slightest doubt in the world in the mind of any intelligent American that the President and the Attorney General will continue to insist in the future, regardless of who is President and regardless of who is Attorney General, upon carrying this kind of vital national litigation before only justices of the highest standing, of the highest reputation, justices whose judgment cannot

be in any sense decried as coming from an inferior or a prejudiced or a partial source.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Missouri.

Mr. DONNELL. I appreciate the Senator yielding, and I dislike to interrupt him, but he was making such a clear point of the fact that the President, although opposed to the injunction idea, although he vetoed the Taft-Hartley bill, nevertheless appealed to its provisions and followed it in the injunction, that I am led to ask this question: Does not the Senator agree with me that the President in so doing had the entire option, under the Taft-Hartley law, either to direct his Attorney General or not to do so? There is no compulsion in the Taft-Hartley law requiring the President to take any such action, is there?

Mr. HOLLAND. There is no compulsion whatsoever.

Mr. DONNELL. In other words, the President exercised his own free will and choice, and himself determined, without any compulsion whatsoever under the terms of the Taft-Hartley law, that it was advisable to direct the Attorney General to seek the injunction. That is correct, is it not?

Mr. HOLLAND. That is correct.

Mr. DONNELL. I ask the Senator if it is not equally true, under the language of his own amendment, and certainly of the Taft amendment, that likewise it is left entirely to the discretion of the President to take that action if he desires or not to take it if he desires.

Mr. HOLLAND. It is not only correct that under the Taft substitute the President is given discretion as to whether he would proceed, but it is correct that the court is given some discretion as to which of two alternatives may be followed.

Mr. DONNELL. In addition to that, is it not true that under the Taft-Hartley law, and, indeed, under the Taft amendment, leaving out the seizure question for a moment, in addition to the President making the determination of his own free will and accord, in addition to the petition to the court by the Attorney General at the direction of the President, the court does not have any authority arbitrarily to issue an injunction, but can do so only if the court finds—and I emphasize the word "finds"—that a strike or lock-out is threatened which affects an entire industry, or a substantial part thereof, engaged in trade, commerce, transportation, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce, and which if permitted to occur or to continue will imperil the national health or safety? In other words, the court has no arbitrary right; it must, in order to have jurisdiction to issue an injunction, have first made those findings. Am I not correct?

Mr. HOLLAND. The Senator is exactly correct. The facts must be established to the satisfaction of a judge of high experience and proven character, and to a sufficient degree to satisfy the demands of his conscience, which would be very high demands when he knows he is sitting upon a matter of such vital concern.

Mr. DONNELL. I thank the Senator.

Mr. THOMAS of Utah. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield to the Senator from Utah.

Mr. THOMAS of Utah. As I understand the Senator's projected amendment, it will merely, to make it very brief, put the injunction process into title III of the Thomas bill, just as the amendment of the Senator from Illinois to the Taft substitute would have withdrawn or taken away the injunctive process from the Taft substitute, and the vote would have been clear-cut. If a Senator does not like the injunction, he will vote, of course, for the Lucas amendment. If a Senator likes the injunction and wants to retain the injunction, then his vote will be for the amendment of the Senator from Florida. So that in either case the voting process is very clear-cut. Is that correct?

Mr. HOLLAND. I think the voting process will be clear-cut. I cannot agree unequivocally with the question as phrased, because I think the amendment offered by the Senator from Illinois still has implicit in its provisions the possibility, nay, the certainty, of the availability of the injunction after seizure, which is not sought to be precluded by the terms of the amendment of the Senator from Illinois.

So that there is in his case no clear choice between injunction and seizure; whereas in the case of the amendment which other Senators and I propose now to offer, and which I have not as yet had an opportunity to discuss, briefly, a clear choice will be presented. The amendment, I may say, is addressed to the original bill, the bill which bears the honored name of the distinguished senior Senator from Utah, the Thomas bill.

Mr. THOMAS of Utah. Then may I ask, is there any attempt to insert seizure into the Thomas bill?

Mr. HOLLAND. There is none.

Mr. President, I was glad to yield to the Senator from Utah, though I have not yet gotten around to the point of sending forward and offering the amendment, which is offered for the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. SCHOEPPEL], and myself.

Under the terms of the amendment it would be sought to use only the injunction as a tool in connection with national emergency matters, and the other provisions already embraced in the so-called Taft substitute would be continued. That is to say, under the proposed amendment offered by the three distinguished Senators whom I have mentioned, and the junior Senator from Florida, it would be sought to amend the Thomas bill by adding as an amendment to title III of that bill a provision which would engraft upon the Thomas bill only that portion of the so-called Taft substitute which is left after entirely subtracting all that has to do with seizure.

There are provisions in the Taft substitute which are changes suggestive of the Taft-Hartley Act, such as for instance a cutting of the period to be covered by injunction from 80 days to 60 days, which is left in the amendment which I shall send forward; and also the doing away with the final vote.

As I understand, that provision keys in with the reduction of time from 80 days to 60 days. There are perhaps other minor differences, such as the granting of power to the Board to make recommendations, which would be still included within the provisions of the amendment about to be sent forward.

Mr. President, it is now 5:15 p. m. I have not had the chance to see the amendment offered by the Senator from Illinois. No one else, other than its sponsors, has had a chance to see the amendment which I shall now send forward. It would seem to me that if it meets with the approval of the majority leader, it would be a fair approach to the question for us to allow both these amendments to be printed overnight, and resume the debate in the morning. It would be entirely agreeable to me if the time of the convening of the Senate, in the judgment of the majority leader and of the Senate be brought up to 11 o'clock, or earlier. But I think that the printing of the amendment, so that the actual text should be available to each Senator, would make the debate much easier. For that reason I suggest that there now be a recess taken until tomorrow.

I send forward the amendment, and ask for its adoption.

The VICE PRESIDENT. Does the Senator desire to have the full amendment read at this time, or printed in the RECORD?

Mr. HOLLAND. If my suggestion to the effect that we recess until tomorrow meets with the approval of the Senate, I should much prefer to have the amendment simply printed in the RECORD.

The VICE PRESIDENT. Without objection, the amendment will be received and printed in the RECORD at this point.

The amendment is as follows:

SEC. 302. (a) After issuing such a proclamation, the President shall promptly appoint a board to be known as an "emergency board."

(b) Any emergency board appointed under this section shall promptly investigate the dispute, shall seek to induce the parties to reach a settlement of the dispute, and in any event shall, within a period of time to be determined by the President but not more than 30 days after the issuance of the proclamation, makes a report to the President, unless the time is extended by agreement of the parties, with the approval of the board. Such report shall include the findings and recommendations of the board and shall be transmitted to the parties and be made public. The Director of the Federal Mediation and Conciliation Service shall provide for the board such stenographic, clerical, and other assistance and such facilities and services as may be necessary for the discharge of its functions.

(c) An emergency board shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

(d) Members of an emergency board shall receive compensation at the rate of $50 for each day actually spent by them in the work of the board, together with necessary travel and subsistence expenses.

(e) For the purpose of any hearing or inquiry conducted by any board appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U. S. C. 19, title 15, secs. 49 and 50, as amended), are hereby made applicable to the powers and duties of such board.

(f) Each emergency board shall continue in existence after making its report for such time as the national emergency continues for the purpose of mediating the dispute, should the parties request its services. When a board appointed under this section has been dissolved, its records shall be transferred to the director of the Federal Mediation and Conciliation Service.

(g) A separate emergency board shall be appointed for each dispute. No member of an emergency board shall be pecuniarily or otherwise interested in any organization of employees or in any employer involved in the dispute.

SEC. 303. (a) At any time after issuing a proclamation pursuant to section 301 the President may submit to the Congress for consideration and appropriate action a full statement of the case together with such recommendations as he may see fit to make.

(b) In any case in which a strike or lock-out occurs or continues after an emergency board has made its report the President shall submit to the Congress for consideration and appropriate action a full statement of the case, including the report of the emergency board and such recommendations as he may see fit to make. If the Congress or either House thereof shall have adjourned sine die or for a period longer than 3 days, he shall convene the Congress, or such House, for the purpose of consideration of and appropriate action pursuant to such statement and report.

SEC. 304. (a) After issuing a proclamation pursuant to section 301 the President may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

(i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and

(ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.

(b) In any case, the provisions of the act of March 23, 1932, entitled "An act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes," shall not be applicable.

(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in section 1254 of title 28 of the United States Code.

SEC. 305. (a) Whenever a district court has issued an order under section 304 enjoining acts or practices which imperil or threaten to imperil the national health or safety, it shall be the duty of the parties to the labor dispute giving rise to such order to make every effort to adjust and settle their differences.

(b) At the end of a 60-day period following the issuance of a proclamation pursuant to section 301 or upon a settlement being reached, whichever happens sooner, the Attorney General shall move the court to discharge the injunction, which motion shall then be granted and the injunction discharged.

SEC. 306. When a dispute arising under this title has been finally settled, the President shall submit to the Congress a full and comprehensive report of all the proceedings, together with such recommendations as he may see fit to make.

SEC. 307. The provisions of this title shall not be applicable with respect to any matter which is subject to the provisions of the Railway Labor Act, as amended from time to time.

Mr. WITHERS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WITHERS. Does the amendment provide for an injunction?

Mr. HOLLAND. Yes, for an injunction for a 60-day period under the exact provisions, so far as injunction is concerned, that are already embraced in the so-called Taft substitute.

Mr. WITHERS. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I yield.

Mr. WITHERS. Does the Senator think that an injunction is fully effective in such cases?

Mr. HOLLAND. Answering that question, I shall have to say that, based upon the results accomplished in the six cases under which in the the administration of the Taft-Hartley Act the injunction has been used, it has been completely effective in the carrying out of its principal objective, which is to prevent a shut-down during the period of injunction, except that in the Coal case there was a period of a few days between the issuance of the injunction and the compliance by the defendant, Lewis, with the contempt order, in which the protection of the public interest was not given.

Mr. WITHERS. Does the Senator know in how many of those cases injunction was not fully effective?

Mr. HOLLAND. In answering that question, Mr. President, I should like to say that in my judgment the distinguished Senator is making the identical mistake which has been made already this afternoon by the distinguished senior Senator from Illinois, in that he is interpreting the injunction as having been granted under the Taft-Hartley Act to compel a settlement or to force or suggest a settlement, whereas in my humble judgment—and I participated in the debate and in the votes at the time of the adoption of that measure—the principal objective was to protect the public of the United States against the shut-down of vital national industries throughout the time of operation of the injunction, and with the sole exception which I noted, in the Coal case, I will say to the Senator that that principal objective was effectively gained in all six cases in which the injunction was issued.

Further answering the Senator I may say that I am fully acquainted with the facts, which the Senator doubtless has in mind, with reference to the time of settlement, when settlements were actually attained between employees and employers in the matters in which the injunctions were issued. But I respectfully call to the attention of the Senator that the making of settlement is something which is not sought to be forced by the injunction, but that, to the contrary, what is sought to be enforced is the giving of needed protection to the public, which was effectively attained.

I call further to the attention of the distinguished Senator that every one of the cases was either settled while the injunction was pending, or very shortly thereafter, that is, within a period of just a few days, during which no national injury could be sustained, except in the case of one of the maritime strikes, in which case the settlement was too prolonged.

Mr. WITHERS. Does the record show that three of those cases were not settled, and that only three were settled?

Mr. HOLLAND. I am fully acquainted with the facts as shown by Mr. Ching's report, by Mr. Ching's testimony as appears in volume I of the six volumes of printed hearings on this matter, and by the extensive argument which has taken place this afternoon on the floor of the Senate in the absence of the distinguished junior Senator from Kentucky.

Mr. WITHERS. Mr. President, I should like to ask the Senator from Florida if he did not hear the Senator from Ohio [Mr. TAFT] state that injunction had been effective only in three cases, and might have helped in two others, but in one of them it was a detriment to settlement?

Mr. HOLLAND. The Senator is again slipping into error which has already been made today.

Mr. WITHERS. No; I am not slipping. I am quoting the Senator from Ohio.

Mr. HOLLAND. The fact of the matter is that the injunctions were completely effective in giving protection to the Nation through the injunctive period, except for one small period of time in the coal case, between the issuance of the injunction and the compliance with the contempt proceedings.

Now the Senator from Kentucky has a point in his question which I gladly accede to, namely, that in certain of the cases settlements were not made until after the injunction had expired. But I again restate my answer already given, that in those cases settlements came so shortly after the period of expiration of the injunctions, that no material harm to the Nation could be accomplished in that short period of time: except in the one case where the settlement was long deferred after the injunction period had elapsed.

Mr. WITHERS. But before those three cases of which the Senator speaks were settled, the effective time of the injunction had expired? The injunction then had no effect?

Mr. HOLLAND. Let me say that neither I nor, I believe, any other Senator, nor any Member of the House of Representatives of the some hundreds who voted for the act, would have voted for it at all if its purpose was to try to ram down the throats of anybody, whether employee or employer, any fixed settlement, or to say, with the force of a public mandate, that a fixed settlement had to be reached within the 80-day period of time. So the Senator's question

is based upon an entirely incorrect premise, and I stand upon the answers which I have already made.

Mr. DOUGLAS. Mr. President, will the Senator from Florida yield for a clarifying question?

Mr. HOLLAND. I am very happy to yield.

Mr. DOUGLAS. Do I correctly understand the amendment of the Senator from Florida and his colleagues to provide that in the case of so-called national emergency strikes the injunction, and only the injunction, is to be used?

Mr. HOLLAND. No; not at all. The injunction is only one of two of the mandatory remedies which are provided by the Taft substitute, namely, injunction and seizure. It is the only one which is left.

Mr. DOUGLAS. Seizure is eliminated, and the injunction is retained. Am I correct?

Mr. HOLLAND. That is correct; but everything else that was included within the purview of the so-called Taft substitute will still be found within the provisions of the amendment which we offer.

Mr. DOUGLAS. But the fundamental weapon is the injunction.

Mr. HOLLAND. If the Senator means by the use of "fundamental" the only weapon by which the vital national interest can be protected by keeping in operation industries which vitally affect the national welfare, even though employers are willing to lock-out and even though employees are willing to strike, yes. It is the only weapon which has any compulsory force, and then only for a period of 60 days.

Mr. DOUGLAS. In other words, the amendment of the distinguished Senator from Florida is the converse of the amendment of my colleague from Illinois [Mr. LUCAS], in that while the Lucas amendment would have eliminated injunctions from the Taft substitute, and would have left only seizure to be treated at a later time, the Senator from Florida would put the injunction into the Thomas proposal from the very beginning.

Mr. HOLLAND. In general the statement embodied in the question of the Senator is correct, but I should make one statement as to a possible difference, and that is that, as I understand, the right of injunction after seizure is much more fully established than the right of seizure after injunction.

Mr. DOUGLAS. In other words, the issue will be clearly and sharply drawn on the Holland amendment. Senators who favor the use of the injunction in cases of national emergency should vote for the Holland amendment; and Senators who are opposed to the use of the injunction in national emergencies should vote against the Holland amendment.

Mr. HOLLAND. I think the Senator has correctly stated the situation; but I repeat that, whereas in the amendment of the distinguished Senator from Illinois the injunction still hovers in the background, because our courts have clearly stated that when there is seizure and operation by the Government the injunction will lie, I do not understand that there is any such clear case or precedent in connection with the use of national seizure in the event injunction were used under the provision offered by the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. SCHOEPPEL], and myself.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. TAFT. Is there any authority whatever for the claim that the President has any right of seizure, particularly in view of the provision of the fifth amendment that no person's property shall be taken without due process of law?

Mr. HOLLAND. If there be any authority on that point, so far as the junior Senator from Florida is advised, it flows from the opinion of the Attorney General of the United States. I know of no court authority on the subject.

Mr. MAGNUSON. Mr. President, I wonder if the Senator will yield so that I may place an important matter in the RECORD.

Mr. HOLLAND. Mr. President, I am ready to yield the floor.

The VICE PRESIDENT. The Senator from Florida yields the floor.

EXTENSION OF AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, OR OPERATE VESSELS

Mr. MAGNUSON. Mr. President, on the calendar is a bill which would extend the authority of the Maritime Commission to sell, charter, or operate vessels. It was objected to on the call of the calendar 2 days ago. I have made inquiry of the Maritime Commission as to what would happen if this authority were not extended on June 30. I hope to be able to bring this question up tomorrow or the next day, because of its importance.

At this time I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter from the Maritime Commission which states very clearly what will happen if this authority is not extended.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, June 22, 1949.

The Honorable WARREN G. MAGNUSON,
United States Senate.

MY DEAR SENATOR MAGNUSON: Pursuant to your verbal request of yesterday afternoon, I wish to briefly outline the effect upon the Commission's chartering activities in the event House Joint Resolution 235 is not enacted.

In the Alaskan Service, it is anticipated that, to adequately serve a minimum requirement of service between continental United States ports and Alaska, there will be 18 Government-owned war-built vessels under charter as at July 1, 1949. Privately owned American tonnage engaged in the Alaskan service at the moment is limited to seven steamships (of which four are combination passenger-cargo vessels with a limited cargo capacity), which would be all that would be immediately available at the peak season of transportation in the Alaskan service in the event House Joint Resolution 235 is not enacted. This would not meet the minimum requirements of the Territory.

In the coastwise and intercoastal trades, it is expected that 49 vessels will be under charter as at July 1, 1949. It is deemed essential that chartered vessels in these trades should be continued because the operators in these trades do not at the present time own sufficient vessels successfully to reestablish proper operation and service in these highly essential trades. For example, in the intercoastal trade, private tonnage does not exceed 19 vessels, whereas 41 of the 49 vessels anticipated to be under charter in the coastwise and intercoastal trades will be required adequately to service the intercoastal trades. It might be added that, of the privately owned vessels presently operating in the intercoastal trades, all but a very few are industrial carriers, and while they operate as common carriers, their principal business is the transportation of sulfur, lumber, and steel.

In the berth-liner operations of our foreign trade, it is anticipated that, as at July 1, 1949, 100 Government-owned vessels will be under charter to private American lines. These chartered vessels, supplementing privately owned tonnage, provide service over and above that believed necessary adequately to cover normal requirements.

Including approximately 100 vessels under subcharter to the Army by private charterers, the Commission anticipates there will be 214 Government-owned war-built vessels under charter as at July 1, 1949, engaged in bulk trading. In the event House Joint Resolution 235 is not enacted, available information indicates that there is not a sufficient number of privately owned vessels now available to transport the current foreign commerce of the United States. The Commission considers it essential that there should be a continuation of its authority to charter these Government-owned war-built vessels to the extent found necessary to provide transportation at reasonable rates.

While at present the vessels subchartered by bare-boat-charter operators to the Army are used primarily in the transportation of bulk commodities to occupied areas, withdrawal of the Commission's charters to the operators by failure of continuation of charter authority in the Commission will result, it is believed, in a request by the Army Transport Service to transfer directly from the Commission's fleet to the Department of the Army sufficient tonnage to enable the Army Transport Service to continue its present requirements for transportation to occupied areas.

Failure to continue the authority of the Commission to sell, charter, and operate vessels beyond June 30, 1949, would cancel the Commission's authority to sell war-built vessels. The Commission believes that such authority should be extended at least as long as its authority to charter such vessels. It has been estimated that approximately 60 additional war-built vessels may be sold during the fiscal year 1950 at sales prices in excess of $30,000,000.

Further, it should be pointed out that the charter operations of the Maritime Commission are producing a revenue to the Treasury of the United States approximating at this time $3,000,000 per month. At the same time, these operations produce no detrimental competition with privately owned vessels.

The elimination of this charter authority would simply mean:

(a) inadequate service to Alaska,

(b) disruption of domestic services,

(c) transportation of a much larger portion of our commerce in foreign-flag vessels, and

(d) the probable transfer of vessels from the Maritime Commission to the Army to be operated as Army transports. Such transferred vessels would replace vessels at present under sub-charter to the Army by bare-boat charterers of Government-owned war-built vessels.

The Commission has so exercised its chartering authority and will continue so to exercise that authority with appropriate limitations and restrictions as to prevent detrimental competition on the part of charterers of Government-owned vessels with privately owned United States flag vessels.

Identical letter is addressed to Senator BREWSTER at his request. Copies are being sent to Judge Bland, Chairman, Merchant Marine and Fisheries Committee of the House, and Senator JOHNSON, Chairman, Interstate and Foreign Commerce Committee of the Senate.

Sincerely,

PHILIP B. FLEMING,
Chairman.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. TAFT. Is the bill which the Senator hopes to bring up on the calendar?

Mr. MAGNUSON. It is now on the calendar. It was objected to at the last call of the calendar.

MESSAGE FROM THE HOUSE

A message from the House of Representative, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, and that the House had receded from its disagreement to the amendments of the Senate numbered 25 and 39 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

VIRGIN ISLANDS CORPORATION—CONFERENCE REPORT

Mr. O'MAHONEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That, in order to promote the general welfare of the inhabitants of the Virgin Islands of the United States through the economic development of the Virgin Islands, there is hereby created a body corporate to be known as the Virgin Islands Corporation, hereinafter referred to as the 'Corporation.' The Corporation shall be subject to the general direction of the President of the United States, or the head of such agency as he may designate as his representative.

"SEC. 2. The Corporation shall have its principal offices in the Virgin Islands and in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be an inhabitant of each of these jurisdictions. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

"SEC. 3. Subject to the provisions of the Government Corporation Control Act, the Corporation is authorized to engage in the following activities when it finds that such activities will further the purposes of this act and will not conflict with the encouragement and promotion of private enterprise in the Virgin Islands:

"(a) To examine, investigate, and conduct research and experimentation in the marketing, distributing, advertising, and exporting of products or resources of the Virgin Islands, and to make known the results of such activities.

"(b) To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

"(c) To engage in land-use planning to the end that the most economic and socially beneficial use may be made of the soil of the Virgin Islands, and to encourage and assist private persons and organizations to act in accordance with the results of such planning.

"(d) To encourage and engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property between the Virgin Islands and to and from the Virgin Islands, Puerto Rico, and Tortola.

"(e) To encourage, promote, and develop, and to assist in the encouragement, promotion, and development of, tourist trade in the Virgin Islands.

"(f) To encourage the establishment and development of small farms and small-farm communities in the Virgin Islands, and, for that purpose, to construct, equip, improve, and supervise such small farms or communities and to give other assistance to them.

"(g) To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources. All loans so made shall be of such sound value or so secured as reasonably to assure repayment, taking into consideration the policy of the Congress that the lending powers of the Corporation shall be administered as a means for accomplishing the purposes stated in section 1 of this act, and shall bear interest at a rate not exceeding 6 percent per annum. It shall be the general policy of the Corporation to establish interest rates on loans, subject to the foregoing limitations, that, in the judgment of the Board of Directors, will at least cover the interest cost of funds to the United States Treasury, other expenses of the lending activities of the Corporation, and a risk factor which, over all, should provide for losses that may materialize on loans. The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

"(h) To establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands: *Provided*, That the Corporation shall not engage in the manufacture of rum or other alcoholic beverages.

"SEC. 4. The Corporation shall have, and may exercise, the following general powers in carrying on the activities specified in section 3 of this act:

"(a) To have succession until June 30, 1959, unless sooner dissolved by act of Congress.

"(b) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) To adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

"(d) To sue and to be sued in its corporate name.

"(e) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

"(f) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation.

"(g) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation, as may be deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation: *Provided*, That in no case shall the Corporation contract to undertake an activity for any agency or instrumentality of the United States, or for any State, Territory, or possession, or for any political subdivision thereof, unless the latter is authorized by law to undertake such activity and furnishes the funds for such purpose.

"(h) To execute all instruments necessary or appropriate in the exercise of any of its functions.

"(i) To appoint, without regard to the provisions of the civil-service laws, such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; to fix and pay such compensation to them for their services as the Corporation may determine, without regard to the provisions of the classification laws except to the extent that these laws may be extended to the Corporation by the President of the United States; and to require bonds from such of them as the Corporation may designate, the premiums therefor to be paid by the Corporation. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States or his representative to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board. Persons employed by the Corporation shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945, as amended. The Corporation shall give due consideration to

residents of the Virgin Islands in the selection and promotion of its officers and employees.

"(j) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

"(k) To have, in the payment of debts out of bankrupt or insolvent estates, the priority of the United States.

"(l) To accept gifts or donations of services, or of property—real, personal, or mixed, tangible or intangible—in aid of any of the activities authorized by this act.

"(m) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

"(n) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

"SEC. 5. The Corporation in carrying on the activities authorized by this act shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government or of the government of the Virgin Islands; and shall not engage in any undertaking which substantially duplicates an undertaking previously initiated and currently being prosecuted within the Virgin Islands by any such agency or instrumentality.

"SEC. 6. (a) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $9,000,000 outstanding at any one time. For this purpose appropriations not to exceed $9,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation. Not to exceed a total of $2,750,000 shall be appropriated under any authority contained in this act for the period ending June 30, 1951, comprising the fiscal years 1950 and 1951.

"(b) As the Corporation repays the amounts thus obtained from the Treasury, the repayments shall be made to the revolving fund.

"SEC. 7. (a) The Corporation is hereby authorized to use its funds, from whatever source derived, in the exercise of its corporate powers and functions: *Provided, however*, That the Corporation shall not undertake any new types of activities or major activities not included in the budget program submitted to the Congress pursuant to section 102 of the Government Corporation Control Act, except when authorized by legislation enacted by the Congress after said program is submitted, or except, when the Congress is not in session, upon finding made by the Corporation and approved by the President of the United States that an emergency exists which justifies the undertaking of new types of activities authorized by this act, but not included in the budget program. Such finding and emergency action shall be reported to the Congress by the President, and appropriations for the expenses of such emergency action are hereby authorized.

"(b) The Corporation shall pay into the Treasury as miscellaneous receipts interest on the advances from the Treasury provided for by section 6 (a) of this act; on that part of the Government's investment represented by the value, at the time of transfer of the property and other assets transferred, less the liabilities assumed, pursuant to section 10 of this act; and on the net value, as approved by the Director of the Bureau of the Budget, of any property and assets, the ownership of which hereafter may be transferred by the Government to the Corporation without cost, or for consideration clearly not commensurate with the value received. The Secretary of the Treasury shall determine the interest rate annually in advance, such rate to be calculated to reimburse the Treasury for its cost, taking into consideration the current average interest rate which the Treasury pays upon its marketable obligations.

"(c) The Corporation shall after June 30, 1949, contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the Corporation's employees and their beneficiaries. The Corporation shall also after June 30, 1949, contribute to the Employees' Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

"SEC. 8. (a) Appropriations are hereby authorized for payment to the Corporation in the form of a grant, in such amounts as may be estimated in advance in the annual budget as necessary to cover losses to be sustained in the conduct of its activities which are included in the annual budget as predominantly revenue producing. The Corporation's annual budget program shall specifically set forth any loss sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to the Corporation to cover such additional losses incurred.

"(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, to be accounted for as general funds of the Corporation, in such amounts as may be necessary to meet expenses to be incurred for specific programs which are included in the annual budget as not predominantly of a revenue-producing character: *Provided, however*, That (1) in the case of activities of a predominantly non-revenue-producing character the expenses shall not exceed the amounts of the grants for these activities, and that (2) the funds granted under this subsection shall be expended only upon certification by a duly authorized certifying officer designated by the Corporation, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the act of December 29, 1941 (55 Stat. 875), as amended (31 U. S. C. 82b–g).

"(c) The Board of Directors shall have the power and duty to appraise at least annually its necessary working capital requirements and its reasonably foreseeable requirements for authorized plant replacement and expansion, and it shall pay into the Treasury of the United States any funds in excess thereof. Such payments shall be applied, first, to reduce the balance attributable to advances outstanding under section 6 (a) and, second, to the Government's investment represented by the value of the net assets transferred under section 10 of this Act and any subsequent similar investments by the Government in the Corporation.

"SEC. 9. The management of the Corporation shall be vested in a Board of Directors consisting of seven members, including the Secretary of the Interior, the Secretary of Agriculture, the Chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen who shall be appointed by the President of the United States.

"The Board shall select its Chairman. The appointed directors shall serve for a period of six years, except that (1) any director appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term, and (2) the terms of office of the directors first taking office after the date of enactment of this Act shall expire, as designated, by the President at the time of appointment, one at the end of two years, one at the end of four years, and one at the end of six years, after the date of enactment of this Act. Qualifications of Board members shall include demonstrated ability, attachment to the public interest, impartiality, and diversified experience among its members. The Board shall be responsible for over-all policy making and general supervision. The Board shall meet at least quarterly, at least one of which meetings each year shall be held in the Virgin Islands. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of four directors. Subject to the foregoing limitation, vacancies in the membership of the Board shall not affect its power to act. The directors shall receive no salary for their services on the Board, but under regulations and in amounts prescribed by the Board, with the approval of the President or his representative, may be paid by the Corporation reasonable per diem fees, and allowances in lieu of subsistence expenses, for attendance at meetings of the Board and for time spent on official service of the Corporation, and their necessary travel expenses to and from meetings or when upon such official service, without regard to the Travel Expense Act of 1949. The administrative functions shall be centered in a staff of full-time executive officers headed by a president appointed by the Board. The president shall be responsible to the Board for the execution of programs and policies adopted by the Board and for the day-to-day operations of the Corporation. Between meetings of the Board, the Chairman shall see that the Corporation faithfully executes the programs and policies adopted by the Board.

"SEC. 10. (a) There is hereby transferred to the Corporation the following property:

"(1) All property—real, personal, and mixed—now operated by the Virgin Islands Company on behalf of the United States, except the property now operated by that Company for the Department of the Interior which was conveyed to that Department by revocable permit from the Navy Department under agreement dated January 1, 1948. The value of the property so transferred shall be fixed at the depreciated cost as of June 30, 1947, shown in schedule 1 of the Comptroller General's report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1947, adjusted for all changes from that date to the date of transfer, including depreciation at the rates set forth in said schedule 1.

"(2) All the assets and property—real, personal and mixed, tangible and intangible—of the Virgin Islands Company. The value of the property so transferred shall be fixed at the value shown on the books of the Virgin Islands Company at the date of transfer, subject to any adjustment deemed necessary as a result of the audit required to be made by the Comptroller General under section 105 of the Government Corporation Control Act.

"(3) All of the interest of the United States in the property known as Bluebeard's Castle Hotel situated in the island of Saint Thomas in the Virgin Islands. The value of the property so transferred shall be fixed at a value approved by the Director of the Bureau of the Budget.

"(b) The Corporation shall assume and discharge all of the liabilities of the Virgin Islands Company: *Provided, however*, That such liabilities shall not be deemed to include the balance of relief grants held by the Virgin Islands Company which are invested in the assets and property embraced by paragraph (a) (2) of this section, and such

balances shall become part of the investment of the United States in the Corporation.

"SEC. 11. The Secretary of the Interior, the Under Secretary of the Interior, and the Governor of the Virgin Islands, who are the stockholders of the Virgin Islands Company, a corporation created by ordinance of the Colonial Council for Saint Thomas and Saint John, Virgin Islands of the United States, are hereby authorized and directed to take such steps as may be appropriate to dissolve the said Virgin Islands Company.

"SEC. 12. Section 5 of the act of May 26, 1936 (49 Stat. 1372, 1373; 48 U. S. C., 1946 ed., sec. 1401d), is hereby amended to read as follows:

" 'The Virgin Islands Corporation shall pay annually into the municipal treasuries of the Virgin Islands in lieu of taxes an amount equal to the amount of taxes which would be payable on the real property in the Virgin Islands owned by the Virgin Islands Corporation, if such real property were in private ownership and taxable, but the valuation placed upon such property for taxation purposes by the local taxing authorities shall be reduced to a reasonable amount by the designee of the President of the United States as provided in section 1 of the Virgin Islands Corporation Act if, after investigation, he finds that such valuation is excessive and unreasonable, and any such reduction in valuation, together with the findings on which it is based, shall not be reviewable by any court. The Virgin Islands Corporation shall also pay into the municipal treasuries of the Virgin Islands amounts equal to the amounts of any taxes of general application which a private corporation similarly situated would be required to pay into the said treasuries. Similar payments shall be made with respect to any property owned by the United States in the Virgin Islands which is used for ordinary business or commercial purposes, and the income derived from any property so used shall be available for making such payments: *Provided, however*, That the payments authorized by this section shall not include payments in lieu of income taxes, capital stock taxes, or franchise taxes.'

"SEC. 13. Section 101 of the Government Corporation Control Act is hereby amended by striking out the words 'The Virgin Islands Company' and inserting in lieu thereof the words 'Virgin Islands Corporation.'

"SEC. 14. This Act shall become effective on June 30, 1949.

"SEC. 15. This Act may be cited as the 'Virgin Islands Corporation Act.' "

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

JOSEPH C. O'MAHONEY,
ROBT. S. KERR,
HUGH BUTLER,
GUY CORDON,
Managers on the Part of the Senate.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. O'MAHONEY. Mr. President, earlier today the House of Representatives approved the conference report on the bill to incorporate the Virgin Islands Corporation. I have just submitted the report of the conferees, which is a unanimous report on the part of the conferees of both Houses.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. PEPPER. Mr. President, I wish to make a few brief observations. It has been stated that under the Taft-Hartley law the President of the United States is authorized to exercise discretion as to whether or not to employ the weapon of the injunction. A great point was made, evidently, in the opinion of the spokesman, that the President had made the decision in favor of injunction, and that by inference, therefore, the President favored the process of injunction.

The duty of the Chief Executive is to see to it that the laws are executed. The Congress had provided this method of dealing with management-labor disputes; and while the President was not obligated, perforce, to direct the Attorney General to seek an injunction, that was obviously what the Congress had contemplated he should do in case of work stoppages in situations which were, in the opinion of the President, national emergencies.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I shall be glad to yield in a moment.

But, Mr. President, it should be remembered that the same Chief Executive who directed his Attorney General, under the Taft-Hartley law, to seek the injunction, has recommended that the law be changed, and that the power of the President to direct his Attorney General to seek the injunction be taken away. I think that is far more persuasive, when we are dealing with what the policy of the Congress and the country should be, than what the President did under a law which is on the statute books of the land.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield first to the Senator from Missouri.

Mr. DONNELL. Mr. President, I think the Senator agrees with me, does he not, that under the Taft-Hartley Act it is entirely optional whether the President shall or shall not direct the Attorney General to institute injunction proceedings?

Mr. PEPPER. I would not say that it is entirely optional with the President, this reason: When Congress provides a course of action which seems to be the public policy, which seems to be the way Congress contemplates this matter shall be handled, it seems to me that the President is not as free in his discretion as he would be, for example, under the Thomas bill, or as he would be did not the Thomas bill or the Taft-Hartley bill become a part of the law of the land. Then he would be entirely free.

But let me emphasize that under the Thomas bill the President would have the power to request the Board which he appoints to make recommendations. He does not have that power under the Taft-Hartley law.

Mr. DONNELL. Mr. President, will the Senator further yield?

Mr. PEPPER. Moreover, the Thomas bill makes it the duty of the workers not to cease work after the Presidential proclamation, and to resume work after the Presidential proclamation if a work stoppage has occurred. That places on the workers a duty, imposed by the law of the land, not to have a work stoppage. Mr. President, that is not the Taft-Hartley law.

Under that law the President had no statutory admonition, no statutory duty declared by Congress as to what the duty of the workers was. So it could hardly be said that the President would exercise his general constitutional powers or the general authority he might have in the absence of the Taft-Hartley law, because the Taft-Hartley law contemplated only a fact-finding board without the power to make recommendations, and it contemplated injunction in case the parties to the dispute did not settle it themselves upon the basis of the information disclosed by the fact-finding board.

I say that the discretion of the President was very severely limited not only by the provisions but by the philosophy of the Taft-Hartley law, which was enacted by the Congress.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. I wish to ask the Senator a question. When he rose, I understood he was making the point that it has been asserted here that the President has exercised an option under the Taft-Hartley law, and I understand that the Senator was pointing out that it is an entirely free option, so far as the President is concerned.

Mr. PEPPER. Let me say that, on the contrary, I was controverting the point and argument the Senator from Missouri attempted to make, namely, that the finding of the President that he had to resort to the injunction was persuasive upon us to retain that power for the President because even the President said there was nothing else that could be done. I was saying that is not what the President has said to us. That is what the President did under the Taft-Hartley law.

But the President says to us, in substance, about what Mr. Ching said, namely, that the injunction is not the effective way to settle labor-management disputes; and he recommends to the Congress that the power he now possesses be deleted from the law.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. However, the Taft-Hartley law does not make it mandatory upon the President to direct the Attorney General to seek injunctions.

Mr. PEPPER. Yes.

Mr. DONNELL. On the other hand, it distinctly says that the President may direct the Attorney General to do so.

Mr. PEPPER. That is correct.

Mr. DONNELL. So is it not true that under the Taft-Hartley law it is left entirely to the discretion of the President as to whether he will or will not direct the Attorney General to petition the district court for an injunction?

Mr. PEPPER. Technically and legally, yes. But the President of the United States is now telling the Congress

that he believes there are other methods by which these disputes can better be settled, rather than by letting the President have this power, which he did exercise under the Taft-Hartley law.

I say that now we are not executing a law, but we are talking about legislation; we are formulating public policy. I think what the President recommends from his experience is worth more as an example and guide to us than what he did from a sense of duty in the executive of a law enacted by the Eightieth Congress.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. If the President felt that the seeking of an injunction would aggravate a dispute, as is claimed by those on the other side, surely he was under no compulsion, because of the Taft-Hartley law, to seek an injunction.

Mr. PEPPER. Let me say that had the President not resorted to the injunction which the Taft-Hartley law made the principal weapon for the settlement of these disputes, then if the fact-finding board's disclosures did not cause the parties to settle the dispute, the advocates of this measure would have been denouncing the President, both in the Congress and in the country generally, for not doing his duty under that law. They would have said that the Congress had provided that weapon, and they would have asked why the President did not use it. If he had been trying to employ other methods which he thought would get better results, he would have been castigated for not doing his duty and not seeking an injunction.

But I say that from his experience he says he believes it is better for any President not to have that power.

Mr. TAFT. I have not heard the President tell the Congress that. All I have heard him tell the Congress is, "I want the Taft-Hartley law repealed because I promised to have it repealed."

I have not heard the President state any reasons for wanting it repealed or make any statement that, on his part, he made a mistake in using the injunction.

Mr. PEPPER. I am not saying that he said he made a mistake in doing that. I say that through his messages to the Congress and through his Secretary of Labor he has made it clear that he thinks the Taft-Hartley law should be repealed, and, of course, that is based on his knowledge and experience with the Taft-Hartley law.

Mr. TAFT. Does not the Senator from Florida think that if the President believed that intervention by means of the injunction would make it more difficult to settle a strike and would provide a heating-up period, rather than a cooling-off period, it would have been his duty to make that statement to the public, and thus answer any argument about failure to use the injunction?

Mr. PEPPER. Again I say that the duty of the President is to see that the law of the land is executed. If Congress provides a bad method for the Executive to employ in a given situation, I think it is the duty of the President to use even the bad method, but it is also his duty to tell the Congress that he thinks it made a mistake in providing him a bad weapon, and that he hopes the Congress will give him a better one.

Mr. TAFT. Or to have no weapon at all, as provided under the Thomas bill.

Mr. PEPPER. Mr. President, none of us in this body—although no doubt some of us could be persuaded to do so in particular situations—has taken the oath as Chief Executive of this land. No one in this Chamber has a greater responsibility for the national health and safety than has the President of the United States. If he, with that awful responsibility upon him, having had these experiences which do make an exacting demand upon the Executive, out of those experiences tells the country, before his election, and tells the Congress, after the election, that he thinks the principle and philosophy and provisions of the Taft-Hartley law are contrary to the public interest, I know of no one who can speak with better authority. I know of no one who has a greater interest in that matter than does the Chief Executive.

Mr. BREWSTER and Mr. DONNELL addressed the Chair.

The VICE PRESIDENT. Does the Senator from Florida yield; and if so, to whom?

Mr. PEPPER. I yield first to the Senator from Maine, and then I shall yield to the Senator from Missouri.

Mr. BREWSTER. Mr. President, I am sure we are very much impressed with the respect the Senator from Florida accords to the opinion of the President. I am sure all of us share that respect.

However, as I recall, the President was not equally persuasive, to use the language of the Senator from Florida, when he recommended to this body the passage of a draft act for American labor under the railroad-labor legislation which was proposed here. At that time, as I recall, the Senator from Florida could not see the wisdom of accepting the Presidential advice, in spite of his high office and responsibility. Is that correct?

Mr. PEPPER. That is correct. But let me say that that is consistent with what I was just trying to say. I think the President of the United States has had a unique experience in this field. He has had to deal with the problem in peacetimes, when he got all the shock of these peacetime controversies; and he generally had to use peacetime powers to settle them. I dare say the President's own thinking about this subject has undergone many modifications. Perhaps at one time he did feel that the Congress should give him the draft power. However, he never repeated the recommendation. But his mind is very clear about the Taft-Hartley law; I do not think anyone will dispute that. I think he has made those views very clear to the country; and I think his experience is worthy of recollection and deference by the Senate.

But what I principally arose for, before we conclude this day's debate, was to settle two or three matters.

Mr. DONNELL. Mr. President, will the Senator yield to me, before we conclude this day's debate?

Mr. PEPPER. I yield.

Mr. DONNELL. I understood the Senator from Florida to say that the President had come to the conclusion that he ought not have this power that is conferred under the Taft-Hartley law.

Mr. PEPPER. In respect to the injunction power.

Mr. DONNELL. Let me ask the Senator a question. Does his recollection accord with mine that after the Attorney General of the United States had ruled in a letter to the chairman of the Committee on Labor and Public Welfare that the President possesses inherent power, the President gave to the press an interview in which he stated that he does have such power and that the Nation could expect him to take care of the national interest? Did not he so state?

Mr. PEPPER. Mr. President, the Taft-Hartley law is a statutory enactment, not a constitutional provision. Whatever power under the Federal Constitution the President has, he had when the Taft-Hartley Act was enacted, and he will have, until the Constitution is changed. We are not debating here the changing of the Constitution, nor are we trying to define as prognosticators the judicial decisions of the future as to what is the power of the Chief Executive of the United States of America in a national crisis. We are only asked here to enact legislation. Certainly the Senator from Missouri would not infer that the President wishes the Taft amendment or the amendment of my distinguished colleague or any other injunction amendment added to the Thomas bill.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. I certainly do not infer that the President is advocating the Taft-Hartley Act.

Mr. PEPPER. I think we can all agree on that.

Mr. DONNELL. We can agree on that. But the Senator, with all due deference, did not answer my question as to whether his recollection accords with mine generally, that on the day following the rendition of the opinion by the Attorney General that the President has inherent power, the President, in a press conference, indicated to the reporters present that he does have such power. Consequently, Mr. President, I ask the Senator, if the President is correct, then the elimination of the injunctive power from the Taft-Hartley Act would not deprive him of that power? Am I not correct?

Mr. PEPPER. Mr. President, there is no provision before the Senate, no amendment offered by any Senator, which would make it outside the scope of the power of the Chief Executive to seek an injunction under any constitutional power he has. There is no Senator offering such an amendment.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAFT. I think that is not a correct statement, because so far as I know, all those who contend that there is such a power on the part of the President to

get an injunction admit that it may be regulated and prescribed by congressional action. Therefore, I would say that the provisions of the amendment which we offered circumscribe and limit the power of the President to seek injunctions in national emergency disputes, and I think every authority who claims that there is such a power is agreed that if Congress acts, that prevails over the claimed constitutional power to seek any kind of injunction for any purpose whatever.

Mr. PEPPER. Mr. President, I rather regard what the able Senator from Ohio has said as confirming the point I was trying to make. The Senator from Ohio would expressly give the President the power to seek an injunction. I said if the President has any power under the Constitution of the United States to seek an injunction, unless Congress shall deny it to him by statute, I know of no Senator proposing to deny to him an inherent power that he may have or may think he has. Whatever he may have and whatever he does have is a fact. But we are passing here upon a proposal that specific power be conferred upon him to seek an injunction, and surely everyone knows the President is opposed to that, and as I say, nobody is seeking to curb any general power, outside this labor legislation, which he may otherwise possess.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. I say our amendment does curb his power, that where Congress legislates on the subject and prescribes the method and the extent to which an injunction may be used in a national emergency labor dispute, it curtails and limits the so-called constitutional power which the President might have if there were no legislation on the subject.

Mr. PEPPER. Mr. President, it is entirely possible that, just as when Congress once steps into the field of interstate commerce, even though it be by a limited action that Congress may take, once having acted at all, it preempts the field. I think it is entirely possible the Senator from Ohio is right in the legal point he makes, that if Congress legislates upon the subject positively, the President is limited, or might be limited. Certainly, so far as his statutory power is concerned, he would be limited. If he has a constitutional power beyond the statute, we could not limit it anyway, because it is inherent in the law of the land. But, certainly, so far as the President's statutory power is concerned, of course, he must exercise it the way we provide he must exercise it. But I am simply saying, in respect to what the able Senator from Missouri said, that if the President indicated that he thought he had any general power, and if he was right, I suppose he still has it, unless we deny it to him by statute. And I know of no Senator proposing that even if we do not pass the Taft amendment or the Holland amendment or some other injunction amendment, the President shall not have the power to seek the injunction in a labor dispute.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. With all due deference and respect to my good friend from Florida, I have not yet received an answer to my question, which I have asked twice, and which I ask the third time. Does the Senator's recollection accord with mine, that on the day following the rendition of an opinion by the Attorney General, the President stated to the press that he does have this inherent power and that he will take care of the country when conditions of this kind arise?

Mr. PEPPER. It is my recollection that, referring not to this statute, or the Taft-Hartley law, but to his general power as Chief Executive, he did say something to that effect. I say I do not know whether the President was right or wrong. I suppose the answer to it will be what the courts will hold sometime in the future if the Chief Executive should seek to exercise the power. But whether he has it or does not have, it is not the question we are called upon to pass upon here today. If he does have it, we in the Senate are not trying to take it away from him, so far as I now know.

We are proposing, on the contrary—that is, the Senator from Ohio and my distinguished colleague are proposing—not to rely upon the power the President seems to think that he possesses, but to give it to him in express language, by a specific provision to the effect that he can direct the Attorney General after a proclamation in a national emergency case to seek an injunction.

Mr. TAFT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Ohio?

Mr. PEPPER. I yield.

Mr. TAFT. The point I want to make is not, of course, that the Taft amendment takes away from him the power to seek an injunction. But I suggest that it limits it. If this inherent constitutional power exists at all, which I question, under it he could get an injunction for an indefinite period. We limit it to 60 days. He could get an injunction in any dispute which he claimed constituted a national emergency. We limit it to strikes which threaten to imperil the health and safety of the people of the United States. In other words, my suggestion is that, while there is nothing before the Senate proposing to wipe out that power, there is a very definite proposal to curtail it, to tailor it to the extent we think proper.

Mr. PEPPER. Mr. President, the Senator from Ohio does not propose to curtail it very much, except that he limits it to 60 days. I really rose to clarify what the Senator from Ohio and the Senator from Florida really mean to accomplish by their amendments. Mr. President, listen to the Taft amendment, on page 5:

> If the court finds that such threatened or actual strike or lock-out—
>
> (i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and
>
> (ii) if permitted to occur or to continue, will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof or to authorize the President to take immediate possession and through such agency or department of the United States as he may designate to operate such industry, or both, and to make such other orders as may be appropriate.

I would not say there is very much limitation in that language, except as to the 60 days. The injunction is only effective for 60 days.

Mr. DONNELL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Missouri?

Mr. PEPPER. I yield.

Mr. DONNELL. The point I was making to the Senator from Florida was this: The senior Senator from Florida was making the point that, although it had been asserted by his junior colleague that the President had chosen, under the Taft-Hartley Act, exercising an option, to secure an injunction, nevertheless the President had concluded that the President ought not to have this power. The question I was addressing myself to, and which I now address myself to, is this: If the President has concluded that he ought not to have this power given to him by the Taft-Hartley law, the utterance which he made to the press that he does have such power and that he will take care of the country in such situations, is entirely inconsistent with the conclusion that he thinks he should not have it.

Mr. PEPPER. On the contrary, it seems to me that the President's statement indicates that he does not think Congress should pass this legislation, that he has the power and the means, with the general authority of his office, and later, by the provisions of the Thomas bill which, of course, he is supporting, to handle these problems in an effective way, and he does not think it is in the public interest for Congress to pass the proposed legislation embodied in the Taft amendment and in the amendment of my distinguished colleague.

Mr. DONNELL. Then, would this conclusion be correct, from what the Senator says, that the President, therefore, does not favor limiting the power which the President thinks is broader than that which is conferred by the Taft-Hartley Act?

Mr. PEPPER. No. I do not think that is a fair inference. I was only trying to make the point for argument, and I thought it had some validity. I am sorry if my friend does not agree with me. There are only 96 Senators, with only a limited sphere of responsibility. While we are all obligated with respect to the national welfare, it is a little odd that we, being the possessors of the legislative

power, should wish to put our judgment about the power the President should have above the experience and the recommendation of the President himself with respect to the national safety. If he, the Commander in Chief of the Army and Navy, and the Chief Executive of the land, does not think this power is necessary, it seems to me that I am not obligated, by compulsory logic, to thrust it upon him, especially when his experience seems to be that, in his opinion, it is contrary to the public interest and ought not to be continued. I do not want to labor the point; I leave it for what it is worth.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. Does the Senator understand that, generally speaking, the President claims he possesses all this power independently of what Congress may do about it?

Mr. PEPPER. My suggestion to the Senator from Missouri would be that if he wants to use the injunction, he is fortified by the opinion of the President and of the Attorney General that he has the power anyway. The Senator from Missouri would not appear to be quarreling with the President. He wants to reenforce the President's opinion and give him a statutory degree of preferment. On the contrary, the Senator from Florida, and those of us who share the same sentiment, say that what power the President has he has. "The moving finger writes, and having writ, moves on." We are passing upon a statute here. We say we are not, in our opinion, justified in giving the President statutory power to seek an injunction. We do not favor the injunction in a labor dispute. If the Senator from Missouri does not want to see the injunction employed, then he will vote against the Taft amendment and the Holland amendment and offer an amendment providing that the President of the United States, in the absence of authority from Congress, shall not seek an injunction in any case of a labor dispute.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. PEPPER. I yield.

Mr. DONNELL. I ask the Senator if he is even remotely suggesting that my position is that I do not favor the use of the injunction in national emergencies?

Mr. PEPPER. I think the opinion of the Senator is about as clear as is the opinion of the President on the Taft-Hartley law.

Mr. DONNELL. Is not the Senator perfectly clear that I advocate the use of the injunction in the case of national emergencies threatening national health and safety?

Mr. PEPPER. I am clear about that.

Mr. DONNELL. The Senator also understands that I have not at any time conceded that the President of the United States has the broad inherent power which he claims.

Mr. PEPPER. The Senator is of the opinion that the President does not possess that power.

Mr. DONNELL. The Senator has never heard me make any concession that the President does have that power.

Mr. PEPPER. Very well.

Mr. DONNELL. I ask the Senator whether he has ever heard me make any concession at any time that the President does have such power.

Mr. PEPPER. I think the Senator has made it clear in committee that he thinks the President does not possess such power; and, being the good lawyer he is, I should not think he would be agitated by any words the President might express at one of his press conferences.

Mr. DONNELL. I am not agitated, but I ask the Senator if he does not think the suggestion made by the Senator himself that, on the one hand, the President has the power and should not have the power provided in the Taft-Hartley law, is inconsistent with a reassurance to the country the next day that he has it and will take care of the interests of the country.

Mr. PEPPER. No. If I may say so to my friend, I think the President was simply saying at a press conference what every other President, I think, has thought, namely that he has the power as President to do a great many things to save America from dissolution and destruction. I think the President was expressing an opinion, out of considerable experience in management-labor disputes, that he did not have to have the Taft-Hartley law in order to save America from destruction from within by those who are parties to a management-labor dispute. I thoroughly agree with him. I think our history, up until October, 1947, justifies the opinion the President expressed, as does also the conduct of previous Chief Executives.

But, Mr. President, I should like to clarify these amendments. I want to understand from the Senator from Ohio and from my distinguished colleague, first, during the period of the injunction, whether the profits from the enterprise would go to the Government or to the owner of the enterprise.

I should like to have the attention of the Senator from Ohio, because there are two or three points I desire to clear up with reference to the Taft amendment and the amendment offered by my distinguished colleague.

Am I correct in my assumption that under the Taft amendment, during the time of the injunction, if one were obtained, the profits of the enterprise would go to the owners of the enterprise and not to the Government?

Mr. TAFT. The amendment makes no specific provision in that respect. It leaves the entire matter subject to the general rule that the person whose property is taken is entitled to fair compensation. How he gets it, I do not know. In most cases in which the Government has seized plants it has been considered that the profits made by the Government during that period are fair compensation for the use of the plant. I should expect in most cases that that would be the result, particularly when the period is only 60 days and the Government is in and out in a very brief period. I doubt very much that the Government would try to figure out the profits. It would doubtless say that whatever profits there are came from the 2 months' operation, which, incidentally, are very difficult to separate from profits made the rest of the year. The Government would probably say what it has said in the past, that the profits, if any, constitute fair compensation, and the owner would probably say, "Yes, I think they do." So I think the Senator is correct in believing that under the actual operation of the Taft-Hartley Act the profits of the plant would go to the owner as just compensation for the property which had been taken over by the Government.

I might add that if there are losses during the 2 months, probably the owner would not get any compensation other than the losses.

Mr. PEPPER. Will my distinguished colleague explain the point with reference to his amendment.

Mr. HOLLAND. With reference to our amendment I would say that, in the first place, no seizure is included whatsoever. In the second place, there is no provision with reference to profits during the period for which the plant is operated by the Government. To make my answer complete, I will say to my distinguished colleague that it may cut one way or it may cut the other way.

In the case of an injunction which would continue a contract which was advantageous to the employer, it might operate to his advantage. In the case of a contract being continued which was advantageous to the employee, for instance, in the event the recession which is apparently on us, should become more pronounced, in the event that at the end of a contract period the employer fixed a deadline beyond which a reduction of wages or some other less satisfactory condition should be required by him as a condition for a new contract, the period of injunction would operate against the employer. So that I think it is fair to say that the act cuts both ways, and that so far as the amendment offered by myself and others is concerned, there is no reference whatever to the disposition of the profits during the interim, because profits or losses, as the case might be, would have to fall upon the employer.

Mr. PEPPER. Mr. President, the injunction would enjoin the work stoppage, but the Government would not take over the income, and would not take over the profits, and so on, as was contemplated under the Douglas amendment.

Mr. HOLLAND. The Senator is correct. There would be no seizure, and the purpose of the amendment offered by other Senators and myself, above all other purposes, was to get away from seizure, which we think would add another condition to the field of labor-industry relations and labor-industry law which would be undemocratic, which would not contribute any good result, and which in our humble judgment would, to the contrary, bring about very bad results, and we therefore oppose its inclusion.

Mr. PEPPER. The last point upon which I want to get the opinion of the authors of the two amendments is that they confer power on the court to enjoin a strike. In the amendment of the Senator from Ohio the power is vested in the court to enjoin the strike. It says that "if the court finds"—and the conditions are set out—"it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof." Is the amendment of my distinguished colleague and his associates similar in language to that, giving power to the court to enjoin a strike or a continuation thereof?

Mr. HOLLAND. The amendment offered by other Senators and myself varies in no respect from the so-called Taft substitute, except that it deletes from the so-called Taft substitute all reference whatever to seizure, and fails to include any provision of the substitute which has to do with seizure.

Mr. PEPPER. If the workers disobey the order of the court that they not stop work after the Presidential proclamation, or if, having stopped work, they disobey the order of the court to resume work, I desire to know whether under the power conferred by the amendments of the Senator from Ohio and my distinguished colleague the court could put the workers in jail.

Mr. TAFT. That would depend somewhat on the exact order of the injunction. The injunction issued in the coal case, as I remember, was an order to John L. Lewis as head of the union to order the workers to resume work. I forget just what the terms were. I do not think the injunction ran against any of the members of the union. I think it is conceivable an injunction might run against members of a union if they were acting concertedly. The general rule, as the Senator may well know, is that a man's right to quit work is entirely different from the right of employees to quit in concert because they are still employees under the terms of the Taft-Hartley law when they strike. They may agree to go on strike in order to enforce certain demands. That is a strike, and that is very different from the question of whether a man has a right to quit his work or not.

I would not like to answer the Senator as to whether an injunction issued would run against individual members of the union. I should think in most cases it would not. I should like to determine from further consultation whether it could run against individual members, but certainly it could be only if they were cooperating with the leaders of the union in the operation of a strike. That is a very different thing from the general question of whether a man wants to quit work or does not want to quit work.

Mr. PEPPER. There is no provision in the Taft-Hartley law as to whether they are supposed to be given immunity individually, but the amendment of the Senator from Ohio—and my distinguished colleague says his amendment contains the same language—confers upon the court jurisdiction to enjoin a strike or lock-out, or the continuation thereof.

Mr. TAFT. The purpose of the order is to make the men go back to work, there is no question about that, and remain at work during the 60 days. I think it is a very small limitation on their freedom to ask them to go on working under the contract which they themselves agreed to the year before if it is necessary to prevent a serious threat to the welfare of the people of the United States.

Mr. PEPPER. Will my distinguished colleague give us the benefit of his answer on this point?

Mr. HOLLAND. My answer would follow the lines followed by the Senator from Ohio, with this addition: As I observed the effectiveness of the injunction in the only case where there seemed to be disposition to ignore it, the courts were able to make it effective very quickly by making the punitive conditions imposed by the court run against the pocketbook of the union which was affected.

I would say that I believe that in the first instance the court would take that course. I believe that against whomever the injunction would be issued, as parties defendant, in the judgment of the court, there would of course be the contempt power, including all the attributes of contempt power ultimately.

Speaking only for myself, I think that there will be found in the length and breadth of this land no group of union men or of employers who will arrogate to themselves a position of such superiority and untouchability, beyond the reach of the courts, that they will refuse to obey the courts. To the contrary, the experience of the past 2 years indicates conclusively to me that union men, just as in the case of the other good people of this country, take the courts and all other parts of our Government as something which means a great deal to them, and they are willing as Americans to be amenable to the lawful orders of their courts. I think we will have no trouble in that field. If we should, I repeat, I think the first line of approach would be through the question of money, the union funds, and that the second would be directed against the leadership. As to whether it might be directed further than that I express no opinion, because I have not been able to make any careful study of it.

Mr. TAFT. Mr. President, will the senior Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from Ohio.

Mr. TAFT. Let me read the language of the injunction in the coal case, which I think probably has gone to the Supreme Court, and is fairly customary:

> Ordered, that the defendant union and its officers, agents, servants, and employees, and all persons in active concert or participation with them, be and they are hereby enjoined pending the final determination of this cause by the Court from continuing the strike now in existence.

There is no specific mention of members, but it includes "all persons in active concert or participation" with the union officials, and the officers of the union.

The injunction furthermore orders that the union, acting through its president, shall instruct the members to return to work. Of course, if the member did not want to return he would not be violating the order.

> And it is further ordered that the defendants and each of them and their officers, agents, servants, and employees, and all persons in active concert or participation with them, be, and they are hereby, enjoined * * * from encouraging, causing, or engaging in a strike or lock-out at any bituminous coal mines covered by the agreement, or from in any manner interfering with or affecting the orderly continuance of work at the same coal mines.

Those are the general terms. I do not believe that the order runs against an individual member of the union, or that he could be put in jail for failure to go along with the general order, if the union itself was violating the injunction. And if the union was obeying the injunction, and a man quit because he did not want to work, that man certainly would be subject to the injunction.

Mr. PEPPER. Mr. President, Senators will see why I was trying to clarify this point. It is time we were talking about it here. We had something of a controversy like this in the committee. One group of persons told the American people "We are going to protect the national health and safety, and we are going to keep men from striking, from stopping work," which means, "We are going to make them work." That is the only way coal can be produced—make them work. And they would have the public believe that the Taft-Hartley law confers that power upon the court.

Now we have language here which is not limited to unions or to union leaders. The able Senator from Ohio and the authors of the provision in the Taft-Hartley law, when they authorized suits in the Federal courts against labor unions, or for labor wrongdoing, limited recovery to the assets of the union, and exempted from liability the individual members of the union. So, if the authors want to exempt the individual from those pains and penalties they obviously know how to do it.

Now, Mr. President, we are called upon here to pass upon and to approve these words:

> The court shall have jurisdiction to enjoin any such strike.

What does that mean except to tell the men not to strike—not to stop work? I agree with the Senator that probably what is meant in that connection is something like concert of action, but of course a strike is concert of action, when they all quit because of a labor dispute.

> To enjoin such strike or lock-out or the continuation thereof.

What does that mean? If they are out it gives the court the power to make them go back to work.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. DONNELL. Does not the Senator recall the provisions of section 502 of the Taft-Hartley Act as follows:

SEC. 502. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

Does not the Senator recall that the term "strike" is defined as follows:

(2) The term "strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective-bargaining agreement) and any concerted slow-down or other concerted interruption of operations by employees.

Mr. PEPPER. I am not talking about the individual case. I want these facts to appear, and I think they do appear from what my distinguished colleagues have said. First, during the time of the injunction the management would still derive whatever profit there was from the enterprise. Second, that it is the intention of all of the authors of the amendment to give the court power. I think they doubt if the court would always exercise it. The Senator from Ohio calls attention to the fact that the court did not in the coal case. They would give the court the power of making men work against their will for a private employer who derives the profit of the enterprise, while they are made to work for it, and if they do not do so, the court can put them in jail. That is the kind of amendment, in legal effect, we are called upon to approve.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. LONG. Is it not true in many of the wartime seizures, when the Government seized the plants, that it endeavored to induce management to remain and manage and operate the plants under Government authority?

Mr. PEPPER. That was the customary practice.

Mr. LONG. If we were to allow the management of the plant to make what they would make in just compensation, would not that have the effect of management winning the dispute, and continuing to control it, and making the profit right along, until finally the dispute was settled, while the workers were obliged to remain at work?

Mr. PEPPER. It would deny the workers their rights, and in a crucial industry it would amount to making the Government of the United States the ally of that industry, and to make the employees work at the same wage, under a court injunction for a period of as much as 80 days.

Mr. HUMPHREY. Mr. President, I have spoken to the distinguished Senator from Illinois, the majority leader. I told him I thought there might be one or two very conclusive observations which should be made about this afternoon's deliberations, in view of the fact that there is great controversy over a technical term here known as the injunction.

Mr. President, we are not here to argue about the legality and technicality of injunctions. The real question before the Senate and before the Congress, the real question that the people of this country are concerned about, is whether or not we can perfect labor-management legislation in this session of the Congress that will promote settlement of disputes.

I should like to direct my remarks to the distinguished junior Senator from Florida. Of course, an injunction keeps workers on the job. Of course, it keeps them on the job, because if they leave the job, as the senior Senator from Florida said, they may be fined or go to jail. Maybe some people like that kind of law. I do not believe people ought to be put in jail for their debts. I do not believe that people ought to be fined or have the threat of jail because they want to quit work. If someone wants that kind of law, let them have it. I am not going to vote for any such legislation.

The real question, it seems to me, is whether or not the injunction promotes the settlement of a dispute. I think the evidence is very clear on that point—it does not promote such settlement.

The question has been raised: What does the President think about this? Well, we know what the President thinks about this legislation. The question the people of America want answered is: What does the Congress think about it? And I believe there is, once in a while, some reasonable doubt as to whether we think clearly about it. I am not going to argue what the President did under the Taft-Hartley Act. I am only going to say that back in the days before they knew anything about the treatment of rheumatism, Mr. President, one so-called remedy was a quassia cup, in which water was allowed to remain until it became saturated with the bitter flavor of the quassia bark. People were told to drink it, in order to cure rheumatism. That was a remedy which was used for rheumatism. It did not cure it, but it did cause disturbance and dyspepsia.

I submit to the Senate, as a pharmacist, that for 150 years people drank out of a quassia cup as a cure for their ills without it ever once effecting any cure, without it ever once helping the poor victim. Yet people kept on drinking this bitter fluid because they were used to it.

We now find ourselves, Mr. President, in the situation where there are groups of people who are dedicated to the proposition that the injunction is a weapon or a tool that can be used for the settlement of labor disputes, despite the experience of 200 years to the contrary, despite the fact that the injunction has never once settled anything. All it has done is give a lawyer a job and a judge some trouble. That is all it has done. Nevertheless these people now know how to use the word "injunction." They would establish one of these voodoo rules. What they purpose doing reminds me of the French doctor, Mr. Coué, who came over to the United States in the 1920's. He went around the country telling people, "If you say the same words over and over and over and over again, pretty soon you will cure yourself of your ailment." For example, all you would have to say was "I am getting slimmer and slimmer every day, in every way," and if you had been going around with a little too much avoirdupois, you were supposed to reduce to a normal weight. Or you might say, "I am becoming more gentle every day in every way," and your meanness was supposed to leave.

Mr. President, some Members of the United States Senate have sung themselves the "Injunction Blues" so long that it sounds like a lullaby. They have literally gone to sleep with it. They will not look at the record.

What is an injunction supposed to do? It is supposed to keep workers on the job. That it does, because if they do not stay on the job they suffer the penalty of the law. But going to jail does not help to mine coal, or produce steel.

What else is the injunction supposed to do? It is supposed to provide the time needed for reconciliation, conciliation, mediation, and settlement of the dispute. If Senators want to write a law to keep lawyers on the job, then let them put the injunction in. That will do it. But if they want to write a law to promote settlement of disputes, let them take the injunction out. The record is crystal clear.

I hope I never have to be treated by a doctor who, after he learned about the quassia cup, tells me to drink from the quassia cup, because my grandfather drank from it, my great-grandfather drank from it, and my great-great-grandfather drank from it despite the fact it has no curative effect. I do not want to be told by any doctor. "Drink from the quassia cup," because I know all about the quassia cup.

That is what some people are now doing in the instance of the injunction. They have at least 150 years of history of injunctions. History shows that the injunction has been inequitable, unfair, and of little or no positive use in the settlement of labor disputes. No one can point to a case in which it has ever settled anything. All we can point to is bloodshed, bitterness, tears, destruction, and oppression of people. But some people like it. They have become addicted to it.

I think it is about time for us to begin talking about the means of reconciliation, the means of settlement. What are the means of settlement? As has been stated on the floor of the Senate perhaps 100 times, the provisions of the Thomas bill have been taken from the Railway Labor Act. Mr. President, the railroad industry is a vital industry and the workers are just like other workers. They are unionized, too. The language of the Railway Labor Act has been obeyed. It has been obeyed better than injunctions have been obeyed.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I do not yield at this particular moment. I shall be glad to yield later.

The language of the Railway Labor Act has been obeyed. It has permitted reconciliation. It has actually afforded a means of settling disputes. That same language is transferred over into the Thomas bill.

I have heard the question asked here this afternoon: Why did the President use the provisions of the Taft-Hartley Act? That is all he had to use. There was no other means of remedy. He obtained an injunction. The injunction was for the purpose of gaining time and holding workers on the job. But, Mr. President, if we want time to settle disputes, that time can be provided under the language of the Thomas bill. The time that is provided under the language of the Thomas bill is provided under favorable circumstances, under friendly circumstances, not under the whiplash of the injunction. During that period of time reconciliation of a dispute can be brought about.

I have heard all about the six or seven national emergency cases under the Taft-Hartley Act. Let us take a look at them. To be sure, the injunction was used. But the fact is that it never settled anything. To be sure, they were national emergencies. As I stated on the floor of the Senate, the country was in great trouble. After the longshoremen's strike and the 80 days of the injunction, there were 95 days more of strike, and here we are. We have not been invaded. The country did not come tumbling down. We are still here. After every one of the strikes in which the injunction has been used on the ground that a national emergency existed, what kind of national emergency was it? I submit that it was not much of a national emergency if, after the 80 days went by and we still had a strike, the country did not seem to be impoverished, no one died, and the national health and welfare were not seriously affected.

We have used the term "national emergency." Someone says, "That looks good. Let us use it," so we use it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I wish the Senator might have yielded a moment ago, because my question would have been more timely.

The Senator was discussing the Railway Labor Act, and he stated that the Thomas bill simply followed the provisions of the Railway Labor Act.

Mr. HUMPHREY. In substance.

Mr. HOLLAND. I wonder if the Senator would care to state whether the Thomas bill carries out the open-shop provisions of the Railway Labor Act.

Mr. HUMPHREY. As a matter of fact, the Thomas bill leaves the door wide open. It provides neither for an open shop nor a closed shop. A very honest statement in the Thomas bill provides that the workers and employers shall enter into the kind of bargaining agreement they want. Nor does the Thomas bill apply the rules of seniority applied in the railroad industry. The Senator from Florida well knows that the rules of seniority on railroads are tantamount to a closed shop. Let us not becloud the issues.

Mr. HOLLAND. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Will the Senator state whether the Thomas bill includes the specific provisions in approximately 17 State laws banning in effect the closed shop? Does the Thomas bill include the anticlosed shop provisions of State laws?

Mr. HUMPHREY. No. As a matter of fact, the Thomas bill is crystal clear on that point. It says that Federal laws shall apply. But the point which we are discussing, as related to the Railway Labor Act and the Thomas bill, is the national emergency provisions. That is the only issue which is now before us. Later we shall discuss the rest of the Taft-Hartley Act. Right now we are discussing title III of the Thomas bill.

Many Senators may vote for the injunction. I gather that their number will be sizable. That is surely their privilege. I am going to vote against it. The thing I wish to have clear in the RECORD is not what has been stated by the junior Senator from Minnesota, or by other Senators, but what has been stated by the men whose names I have previously mentioned—Dr. Leiserson, William H. Davis, and Dr. Feinsinger—three of the most eminent men in the field of labor relations, men whose character and professional reputation are beyond reproach.

What do those men say? They say that the injunction does not do the job. What does anyone else who has been on the job say? What do those who have negotiated disputes say? What do arbitrators and conciliators say? They say that the injunction is harmful. But the easy way out for legislators is the injunction.

Then what do we do? We use the combined powers of government on a group of men and say, "You must stay there and work." After the injunction runs out, nothing happens. The country gets along, and a little later the dispute is settled.

Let me conclude by reading again from the report of the Federal Mediation and Conciliation Service. This is from the first annual report of the Director of the Federal Mediation and Conciliation Service. This is not a service dedicated to clubbing people into action or submission. This is the report of the Federal Mediation and Conciliation Service. What does it say? Let us have no more bickering about words. I read from page 56 of the report:

> One of the conclusions which the Service is undoubtedly justified in drawing from its experience of the last year is that provision for an 80-day period of continued operations, under injunctive order of a court, tends to delay rather than facilitate settlement of a dispute.

Let me digress for a moment. Perhaps delay is what some people want. I thought we were trying to settle disputes, and not delay the settlement.

> Parties unable to resolve the issues facing them before a deadline date, when subject to an injunction order, tend to lose a sense of urgency and to relax their efforts to reach a settlement. They wait for the next deadline date (the date of discharge of the injunction) to spur them to renewed efforts. In most instances efforts of the Service to encourage the parties to bargain during the injunction period, with a view to early settlement falls on deaf ears.

It is about time for us to admit that that is in the book. It is about time to admit that the injunctive process has not done its job. If we want a law to keep lawyers and courts busy, let us have the injunction. That will keep them busy. They will have plenty of work to do, and there will be a full employment program for the legal profession. At least we shall not have to worry about a depression there. But if we wish to have a program which will promote reconciliation in labor disputes——

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I do not yield at this moment.

If we wish to have a program that will promote reconciliation in labor disputes, let us not enact a law which will put into effect the kind of policy which aggravates the situation. It is on that basis that I appeal for the rejection of the amendment proposed by the Senator from Florida. It is on that basis that I appeal for the acceptance of the amendment proposed by the distinguished majority leader, the Senator from Illinois [Mr. LUCAS].

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does not the Senator admit that in the case of the six injunctions used under the Taft-Hartley Act, except for the few days between the original injunction date and the date of compliance by Mr. Lewis with the contempt order in the coal case, the public interest was perfectly protected throughout the operation of the six injunction periods by the continued operation of the vital industries which were affected?

Mr. HUMPHREY. I answer the question by saying this: If the Senator means that the workers stayed on the job, of course they did. They are law-abiding citizens. But if the Senator means that because of the injunction the dispute was settled after the injunction ran out, I say "No." The injunction injured and delayed the settlement of the dispute. The record is crystal clear. Not only that, if all that is wanted is to have the workers stay on the job, why is the old, broken-down method of injunction being used? It should have been discarded with Louis XIV. Why not use the procedures under the National Railway Labor Act? Under that act workers have stayed on the job, and no one has had to be put in jail, and it has not been necessary to go to a judge or to hire an attorney; the workers stayed on the job because they were loyal American citizens. If we want workers to stay on the job, why not use the time-tested procedure which has worked effectviely since 1926?

Oh, no, Mr. President; some people simply have to have documents in their hands and simply have to see a judge. Of course, any judge can grant a divorce,

thus breaking up a family and separating the wife from the husband. But it takes a person skilled in the art of reconciliation to bring a husband and a wife together again. It does not require very great ability on the part of a judge to grant a divorce and break up a home, but it requires considerable understanding of human relations to be able to effect reconciliations and to get husbands and wives to live together again in love and affection and mutual respect.

Lawyers do not agree as to what is in the Taft-Hartley law. If we ask 10 different lawyers about the meaning of that law, we get 10 different opinions.

Labor-management harmony is not built around pin-point restrictions under the Taft-Hartley law, but labor-management harmony is built by having labor and management confer together in good faith and work out their problems. Labor-management relations are concerned with questions of human economics and human values, with questions of give-and-take and questions of human understanding. Believe me, Mr. President, we do not get very much give-and-take, when we have people splitting fine points of law, looking for the fine print to read.

I believe it is time for us to write a law which will set up the rules of the game and provide for mutual respect for each other and mutual obligations, and then let the parties decide what they want.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. DONNELL. A moment ago the Senator from Minnesota referred in rather strong terms to the time of Louis XIV and to having people go to jail; and the eloquent remarks of the senior Senator from Florida [Mr. PEPPER] closed with a peroration with regard to many people going to jail.

I wish to ask the Senator from Minnesota whether on June 20 he heard the address of the able junior Senator from Oregon [Mr. MORSE], who is a strong opponent of the injunction, and whether at that time the Senator from Minnesota heard this statement by the distinguished Senator from Oregon, who not only is a distinguished lawyer, but has had a great deal of experience with labor, as well:

> I do not think there is any question involving the thirteenth amendment or any question involving involuntary servitude, because the worker has the right to quit. The injunction goes to concerted action, it goes to the question of a strike, but not to the individual's right to quit work. So long as he is free to quit, he has not been enslaved.

Does the Senator from Minnesota agree with those observations by the Senator from Oregon?

Mr. HUMPHREY. I must say that the Senator from Missouri evidently did not listen to what I was saying. I am not arguing about the thirteenth amendment. Of course this is not a matter of involuntary servitude. Who said it was? All I am saying is that if an injunction is issued and if a person does not obey the injunction, he is held in contempt of court, and can be fined and put in jail. Do not tell me that he cannot be, because many a person has been. I say that if he does not pay the fine, he will have another one slapped on him, and may get a jail sentence.

Whether that is called involuntary servitude, I do not know.

Mr. DONNELL. Mr. President, will the Senator yield again?

Mr. HUMPHREY. I yield.

Mr. DONNELL. What construction does the Senator place on this language to be found in the Taft-Hartley Act:

> Nothing in this act—

In other words, it is not limited to one section, but it applies to the entire act——

Mr. HUMPHREY. Is that section 502?

Mr. DONNELL. Yes; let me read it.

Mr. HUMPHREY. I have heard it.

Mr. DONNELL. As I had started to say, it reads as follows:

> Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service, without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

I ask the Senator what conclusion he places on that language. Does he think that in the case of the coal-mining companies, each individual employee can be compelled to continue to mine coal, and that if he does not, he will go to jail and will be subject to some terrible processes, such as those which existed in the time of Louis XIV, to which the Senator has referred? Is that his construction of that part of the law?

Mr. HUMPHREY. I appreciate the coaching I have received from the distinguished Senator from Missouri on that point. However, I was not going to make those observations.

If the Senator from Missouri wishes to know what I really think of it, I will tell him. I think it means absolutely nothing. I think it is a little bit more of that legal jargon, that mumbo-jumbo, that has been placed in the law, but has no meaning. I say that because, first of all, if an injunction means anything, instead of simply being a mere symbol, it means that workers will be kept on the job. Otherwise an injunction would not mean a thing, and it would be foolish to obtain one.

But if an injunction means anything, it means that the workers stay on the job. Otherwise someone has been kidding the American people by telling them that the Taft-Hartley law has protected the people in a national emergency. If the workers cannot be kept on the job, the people cannot be protected in such cases.

Very well; if the injunction provisions of the Taft-Hartley law mean anything, they mean keeping the workers on the job. The distinguished Senator from Missouri, who is one of the ablest attorneys in this body, knows what happens when an injunction is disobeyed. The person who disobeys the injunction is fined and may go to jail. Regardless of whether you go to jail individually or in company, jail is a lonesome place.

Mr. DONNELL. Mr. President, I am not permitted to make a statement in the Senator's time, in answer to him. However, I say it is rather curious that the Senate of the United States, composed of lawyers and laymen from almost every type of business, by an overwhelming majority, not only of Republicans but of Democrats, approved section 502, the language I have just read, if actually it meant nothing and is, according to the statement of the Senator from Minnesota, just a mass of jargon. Does the Senator from Minnesota think it is reasonable to believe that one of the two coordinate parts of the legislative branch of the Government of the United States would take action which it thought was meaningless?

Mr. HUMPHREY. Mr. President, I should like to say to my good friend, the Senator from Missouri, that of course all of us are in favor of motherhood, the Red Cross, and charity. That is practically what section 502 of the Taft-Hartley law says, for it says that we do not believe in slavery. But it is not necessary to have section 502 written into law in order that people may have the right to quit work, for they have that right with or without section 502.

But if the Senator means what he says about injunctions, and that injunctions keep people at work, then the injunction proceeding supersedes the other proceeding.

The only thing that can be said about the injunction is that it applies to concerted action. But, Mr. President, does it? It has been used against individuals, too; in all sorts of circumstances it has been used against only one person. But if that person disobeys the injunction, he is just as much guilty of disobeying it as if he were acting with 1,000 workers.

Mr. President, all I am saying is that I am not going to argue legal theory or in other words, how many angels can dance on the point of a needle. That argument was used back in the Middle Ages. All I ask is, Does the injunction settle anything? When some Member of the Senate can point out what an injunction has settled, except for settling some lawyer's bills because of the fee he received for getting out the injunction, then I think he will begin to have a case.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I shall be glad to point out to the Senator from Minnesota that the injunctions issued under the Taft-Hartley Act have settled controversies to the satisfaction of millions of people who had very grave doubt as to whether those disputes would be settled. Furthermore, have permitted vital industries to continue in operation until tempers could cool and patience and sound judgment could be exercised, and during that period the people have had the protection of having vital industries continue in operation. I say to the Senator it is time that he and all other Senators here were thinking something about the public interest and the general

welfare of the people of the United States. Merely because there were people in ancient times who thought about the public good is no reason why it is not sound philosophy still to think about the public good.

Let me say further to the Senator that a good many men serving as governors of their States during the recent war had occasion to wonder that the leader of a great group in the coal industry could so far forget his obligation to the hundreds of thousands of American boys fighting overseas as to stop the mining of coal by calling his men out of the mines. In my own case I know I received hundreds of letters from the families of Florida boys who were at the front in all parts of the world, wondering how it could be that any American could possibly visit that sort of punishment upon them.

The PRESIDING OFFICER (Mr. WITHERS in the chair). The Senator from Minnesota has the floor. Is the Senator from Florida making a speech?

Mr. HOLLAND. Mr. President, I understood the Senator to ask a question, and I was attempting to answer it. If I am mistaken——

Mr. HUMPHREY. I was under the impression, Mr. President, that I had the floor.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yielded for a question.

Mr. HOLLAND. I shall be happy to ask one.

The PRESIDING OFFICER. The Chair thought the Senator from Florida rose to ask a question, and that the Senator from Minnesota yielded to him for that purpose.

Mr. HOLLAND. No.

The PRESIDING OFFICER. Is the Chair correct in his statement?

Mr. HUMPHREY. I do not want to split the question on legal technicalities. If there is a question to be asked, I shall listen to the question.

The PRESIDING OFFICER. The Senator from Minnesota yields to the Senator from Florida for a question.

Mr. HOLLAND. Mr. President, the statement by the Chair is not correct. As the Senator from Florida understood, a question was addressed to him and to the Senate generally by the speaker. I was attempting to answer it. But now, to phrase the question to the distinguished Senator, is it not a fact that in the case of the six Taft-Hartley injunctions the public interest was protected by the continued operation of vital industries involved in those particular disputes, throughout the respective injunction periods of the six injunctions, except as to the 5 days in the coal injunction case, from the time of the issuance of the injunction to the time the contemptuous head of the mine workers' organization decided he should obey the mandate of a court of the United States?

Mr. HUMPHREY. I would answer the question by saying, if I were to take the assumptions of the distinguished Senator from Florida, of course, I should say yes. If he means that the public interest was protected because the men were still on the job, that is, forced to be on the job, yes, I suppose in some sense the public interest was protected. The operation of the mines was maintained. But, to reconcile the disputants, and to reconcile the protagonists in the case, then indeed the public interest was not protected, and what is more, it is not as if there were only one choice before the Senate, Mr. President. We are being told here that the only way that we can keep people on the job is to get a court injunction. Nonsense. What kind of talk is that? That is just as much as being told in the old days that the only way to cure rheumatism is by bringing out the old quassia cup. The quassia cup never cured anything. Today there are some alternatives to it. We have other products to cure rheumatism, and most modern doctors use them. But somebody has got an old quassia cup around here, known as an injunction. There are those who are still going to sell the world on it, if they can. Mr. President, I am saying there is another alternative. I say this other alternative is one that has worked. We are not in the realm of theory, but we are digging down into the mistakes of the past when we start using the injunction again. What are we using, what are we advocating to keep men on the job? What are we proposing? We are advocating the accepted, tested, proven procedures of the Railway Labor Act. They have not failed in 23 years to keep men on the job without an injunction, without the sheriff, without the judge, without the local constable, without the attorneys. Workers stay on the job because they are American citizens, and because the policy of the country says that they shall remain on the job.

But I find out that after we have had the great experience of law school, after we have read all the books on torts and claims and contracts and jurisprudence, we have got to use it. It always bothered me after I graduated in pharmacy not to be able to use all I learned in materia medica. One gets a vested interest in his professional tools and vocabulary. Therefore some are addicted to the injunction whether it works or not.

Mr. LONG. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Louisiana?

Mr. HUMPHREY. I yield.

Mr. LONG. A few minutes ago, in the colloquy between the Senator from Minnesota and the Senator from Missouri it was said that nothing in the act could be construed to compel an individual employee to render service without his consent.

Mr. DONNELL. "Employees."

Mr. LONG. Employees could not be compelled to render service without their consent.

Mr. DONNELL. Yes.

Mr. LONG. I call the Senator's attention to the fact that that particular section is entitled "Saving Provision." It is nothing more or less than that. The authors of the act knew very good and well that they might be flying in the face of the thirteenth amendment, and they theyefore wanted to keep their act from being declared unconstitutional.

The PRESIDING OFFICER. The Chair inquires of the Senator whether he is asking a question?

Mr. LONG. I ask the Senator whether, in his opinion, the reason why that beautiful language was put in the act might not have been the effort to make sure the act was not to be thrown out as unconstitutional, as requiring involuntary servitude?

Mr. HUMPHREY. I may say to my distinguished friend, the Senator from Louisiana, that I am humble in the recognition of the need for legal counsel, and I must retract many of the unkind words, if they have been unkind, which have been said about the distinguished members of the legal profession. Here is a trained attorney that has found just exactly what one should have observed a long time ago. Senator LONG points out that injunction provisions bordered upon a violation of or were a violation of the thirteenth amendment, and so as the distinguished Senator from Louisiana has so well pointed out, that after the Taft-Hartley Act prescribes the injunction provisions, then lest these provisions run contrary to the thirteenth amendment we come along a little bit later and say, "Well, now, of course we are going to have a 'saving provision' here and that makes it legal."

I have no more to say, Mr. President. I merely want to conclude my remarks by appealing to those who are interested in reconciliation, who are interested in the peaceful settlement of disputes, to look at the record; to look at the record from 1935 to 1946, and to see how many national emergencies there were; to look at the record of injunctions, and see what they have created in this country, in terms of fair labor-management relationship; to look at the record of 23 years under the Railway Labor Act, a record of peaceful voluntary settlement of our disputes. I ask them, after the arguments have been analyzed with objective and impartial approach, to see which one of these approaches is going to be the best for the American people.

Mr. LUCAS. Mr. President, there have been some negotiations with Members on both sides of the aisle with a view to attempting to get a unanimous-consent agreement to vote on the amendment offered by the distinguished Senator from Florida [Mr. HOLLAND], as well as the amendment offered by the Senator from Illinois. I should like to make a unanimous-consent request for the RECORD, to ascertain how the distinguished Senator from Ohio feels about it. I ask unanimous consent that the Senate vote on the amendment offered by the distinguished Senator from Florida [Mr. HOLLAND] on Monday next at 1 o'clock, and that, following that, a vote be taken on the amendment offered by the Senator from Illinois, at 2 o'clock, concluding that amendment.

I make that unanimous consent request at this time.

Mr. President, I may say to Members of the Senate I have conferred with the Senator from Oregon [Mr. MORSE], who has some very real and conscienticus convictions about unanimous consent agreements, and he has agreed to that.

Mr. PEPPER. Mr. President, reserving the right to object, would there be any reason why we could not vote sometime tomorrow, or tomorrow night, upon this amendment, and then vote on Tuesday on the next amendment, if necessary, if we want it to go over for a little further time? We have had some debate, and I certainly would want ample opportunity for my distinguished colleague to present his amendment, but many of the rest of us have spoken, and we have all day tomorrow to debate it. If we remain in session a little later tomorrow evening, I wonder if it would not be possible to reach a vote sometime before the end of the day.

Mr. LUCAS. Let me say to my friend from Florida that I am ready to vote now, but, as usual, we find that in attempting to accommodate Senators on both sides of the aisle in matters of this kind, there are always a few Senators absent. I was hoping that the unanimous consent agreement to vote on Monday would give sufficient time for all Senators to make their plans, in order that they could be present on Monday. If we cannot get that kind of an agreement, we shall have to go through tomorrow. If we go through tomorrow it is my belief that we will spend most of the day in talking and will get nowhere and will finally run into Saturday and possibly Monday with nothing but talk for two or three days. I was hoping to get a unanimous-consent agreement so that we would know exactly when we could vote, and all Senators could make their plans accordingly.

Mr. PEPPER. Reserving the right to object, there are some of us who have engagements at other times. I had planned to be in my State on Monday night and to return to the Senate on Tuesday morning.

Mr. LUCAS. I do not think there is any engagement—and I say this with all due deference to my colleagues on both sides of the aisle—which is as important as is this vote. I do not believe we could get a unanimous-consent agreement more easily if I suggested next Tuesday or Wednesday. Some Senator would have an appointment on Tuesday in his home State which he feels he must keep.

I appreciate the position of the Senator from Florida. Obviously, I should like to accommodate him. It may be that we can come to a vote tomorrow, but I have my doubts about it. Possibly we can get through on Saturday, but I also have my doubts about that. When Members are absent some Senator is going to try to get a little advantage. It does not take very much to interest a few of us in doing a little talking.

Mr. PEPPER. I do not know whether it is absentees whom those Senators might try to assist. But, after all, we are here, and the question is pending before the Senate. We have all day tomorrow and tomorrow evening.

Mr. LUCAS. I am willing to go along tomorrow. Possibly we can get a vote. I was trying to accommodate a number of Senators by fixing a definite, specific time on Monday.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. Yes.

Mr. TAFT. Reserving the right to object, I do not think I could possibly agree to a unanimous-consent agreement to vote on Monday. I would be willing to try to work something out on Saturday or on Tuesday. The situation on Monday is such that I do not believe I could agree to vote on that day.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. PEPPER. Would it be possible for us to vote on the Holland amendment sometime before we adjourn tomorrow night, and to vote on Tuesday on the Taft amendment?

Mr. TAFT. It seems to me that we might as well let nature take its course, and vote tomorrow, if we reach that point. But if we are to have a unanimous-consent agreement, it might as well be applicable on one day, and we can make it a field day.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HOLLAND. Only one Senator who joined with me in my amendment is on the floor at this time. I hope he will be prepared to speak tomorrow. I do not know the wishes of the other two Senators. They were here, but they left a little while ago. I would suggest that no effort be made to reach a unanimous-consent agreement in their absence, because no one of the four of us has had anything to say in the debate until this afternoon, and only one of us spoke this afternoon. I certainly think we are entitled to be heard.

Mr. LUCAS. I thought if we could get a unanimous-consent agreement to vote on Monday it would give all day tomorrow and possibly Saturday for the Senator from Florida and other Senators to debate his amendment. I thought that would be sufficient time to arrive at some decision. But if there is any objection to it, the only thing we can do is to take a recess, and perhaps between now and tomorrow something can be worked out. We might get a vote tomorrow afternoon on the amendment now pending before the Senate. I certainly hope we may do so, in view of the fact that we cannot get a unanimous-consent agreement.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. Did I correctly understand the Senator to say that no agreement has been reached?

Mr. LUCAS. Apparently we cannot reach an agreement.

Mr. MAYBANK. At what time does the Senator expect the Senate to meet tomorrow?

Mr. LUCAS. At 12 o'clock.

Mr. MAYBANK. Very well.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. WITHERS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing the nomination of Leland C. Gove, to be postmaster at Mosier, Oreg., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. If there be no reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of W. Walton Butterworth, of Louisiana, to be Assistant Secretary of State.

Mr. TAFT. Mr. President, at the request of the minority floor leader [Mr. WHERRY], I ask that this nomination go over until the Senator's return.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the remaining nominations in the Department of State will be confirmed en bloc.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Joseph Flack, of Pennsylvania, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. TAFT. Mr. President, at the request of the Senator from Maine [Mr. BREWSTER], I ask that the nomination of Ellis O. Briggs, of Maine, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Czechoslovakia and the nomination of Nathaniel P. Davis, of New Jersey, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Hungary, be passed over until the return of the Senator from Maine. That is no reflection on the gentleman at all, but there is a question which the Senator from Maine wishes to discuss as to the advisability of appointing ministers and ambassadors to Czechoslovakia and Hungary.

The PRESIDING OFFICER. Without objection, the nominations will be passed over. The remaining nominations on the calendar in the diplomatic and foreign service, without objection, will be confirmed en bloc.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Edward H. Davidson, of New Jersey, to be Director of Locomotive Inspection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

Mr. LUCAS. Mr. President, I ask that the Coast Guard nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified immediately of all nominations this day confirmed.

RECESS

Mr. LUCAS. Mr. President, as in legislative session, I move that the Senate take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 24, 1949, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 23 (legislative day of June 2), 1949:

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

James H. Flanagan, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years from July 1, 1949. (Reappointment.)

UNITED STATES MARSHAL

John E. Sloan, of Pennsylvania, to be United States marshal for the western district of Pennsylvania. He is now serving in this office under an appointment which expires July 2, 1949.

IN THE ARMY

The following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States:

Maj. Meredith Ernest Allen, O21408, United States Army.
Maj. Clifford Frederick Cordes, Jr., O20186, United States Army.
Capt. George Shipley Prugh, Jr., O54092, United States Army.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be captains, Medical Service Corps

Harrold Earp Graham, O37531.
Stanley Francis Klodniski, O56946.
Max Eugene Knickerbocker, O41151.
×Charles William Lindsay, Jr., O37527.
Robert Francis Maguire, O37528.
George Marion Peters, O37533
Fernando Gordon Torgerson, O37523.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947.

To be first lieutenants

Donald Ferree Bletz, O56739.
John Robin Davis Cleland, O41361.
Stanley Anthony Durka, O56755.
Robert Walton Fleming, Jr., O56737.
Aaron Daniel Maier, O50559.
George Earl Turnmeyer, Jr., O56735.

To be first lieutenants, Women's Army Corps

Norma Jean Fischer, L194.
Lillian Vida Jones, L191.
Frances Ann Pesmeski, L193.
Lucille Doris Schneider, L196.
Clara May Zunker, L197.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 107 of the Army-Navy Nurses Act of 1947:

To be first lieutenants, Women's Medical Specialist Corps

Mary Ann Neacy, R10059.
Vivian L. Strickler, J3.

IN THE NAVY

The following-named officers of the Navy for temporary appointment to the grade of lieutenant, subject to qualification therefor as provided by law:

The following-named officers for temporary appointment in the line of the Navy:

Stanley F. Abele	Duane M. Krueger
James D. Ackerman	Wesley E. Lizotte
Robert E. Arthur	Edmund J. Maddock
Thorval L. Berg, Jr.	Robert W. Mead
Sherman C. Black	Charles V. McGlothing
William F. Bley	Allen C. H. Merz
Clarence A. Borley	Eldon L. Michel
Trond G. Brekke	Robert H. Morris
William I. Bristol	Laverne F. Nabours
Samuel J. Brocato	Victor J. Neil
George E. Buker	Robert A. Niles
Charles W. Callahan	Franklin C. Northrup
Robert D. Chilton	Paul O'Mara, Jr.
Walter C. Clapp	Robert E. Orcutt
Marvin L. Claude	Charles L. Otti
Robert G. Coleman, Jr.	Joseph V. Pavela
Parker C. Cooper	Joseph Rolleri
Merdin C. Criddle	Joe M. Sassman
Raymond J. Dooley	John E. Schlembach
Wayne L. Dowlen	Milner N. Shannon
Thomas H. Drinkwater	Frank S. Siddall
Willis P. Duhon	Carl E. Smith
Edward M. Eakin	Edward J. Steffen
William E. Edwards	Marlar E. Stewart
Homer S. Elliott	Donald A. Swanson
John A. Fahey	Harry W. Swinburne, Jr.
Harry W. Files, Jr.	John B. Thomas, Jr.
Forrest B. Forbes	Frederick C. Turner.
David L. Forrester, Jr.	Wallace V. Van Pelt
Gurney E. Frye	Harold K. Von Egger
Albert R. Groves	John R. Wagner, Jr.
Harris E. Gustafson	Harvey M. Waldron, Jr.
George F. Guyer	Saxton A. Weir, Jr.
William C. Hartung	William J. Westmoreland
Charles W. Henderson	Charles E. Wilcox
Darrel H. Jay	Harold A. Willyard
Robert Juarez	Robert C. Woolverton
Lawrence W. Kelley	
Joseph F. Kelly, Jr.	
Robert R. Kidwell, Jr.	
Frank G. Kingston	

The following-named officers for temporary appointment in the Supply Corps of the Navy:

John J. Connor, Jr.	William S. Langley
Donald F. Baumgartner	John H. Robison
Herbert J. Hackmeyer	Lyle A. Stearns

The following-named officers for temporary appointment in the Civil Engineer Corps of the Navy:

Henry S. Grauten
Roland D. Hill

The following-named officers for temporary appointment in the Medical Service Corps of the Navy:

Harold G. Donovan
Lester K. Thompson

The following-named officers for temporary appointment in the Nurse Corps of the Navy:

Isabelle C. Kiehl	Evelyn M. McDermott
Ruth M. Lawler	Ann E. McPhillips
Edith F. MacMillan	Emerald M. M. Neece
Margaret McCall	

The following-named officers of the Naval Reserve for temporary appointment to the grade of lieutenant, subject to qualification therefor as provided by law:

The following-named officers for temporary appointment in the line of the Naval Reserve:

Harry Ault, Jr.	John E. McNelis
Arthur L. Flanagin	John H. Whitehouse
Robert E. Leckrone	

The following-named officers for permanent appointment to the grade of lieutenant commander in the line of the Navy, in lieu of temporary appointment as previously nominated and confirmed:

Kathryn Dougherty
Winifred R. Quick

The following-named officers for temporary appointment to the grade of lieutenant commander in the line of the Navy, and to correct spelling of names as previously nominated and confirmed:

Otis L. Scheibeler
Charles W. Hollinshead, Jr.
Claudie R. Vaught

The following-named officers of the Navy for permanent appointment to the grade and corps hereinafter stated, and to correct spelling of names as previously nominated and confirmed:

Lieutenant (junior grade), line

Michael N. Besel, Jr.	Robert F. J. Schneider
Dwight E. DeCamp	Charles G. Schoenherr
George Maragos	
George R. Pool, Jr.	

Lieutenant (junior grade), Supply Corps

Frederick L. G. Kuehm

CONFIRMATIONS

Executive nominations confirmed by the Senate June 23 (legislative day of June 2), 1949:

DEPARTMENT OF STATE

TO BE ASSISTANT SECRETARIES OF STATE

John D. Hickerson	Edward G. Miller, Jr.
George C. McGhee	George W. Perkins

TO BE COUNSELOR OF THE DEPARTMENT OF STATE

George F. Kennan

TO BE LEGAL ADVISER OF THE DEPARTMENT OF STATE

Adrian S. Fisher

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE INDICATED COUNTRIES

Joseph Flack to Costa Rica.
George P. Shaw to El Salvador.
Christian M. Ravndal to Uruguay.

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

John Wesley Jones	James E. Henderson
Sidney A. Belovsky	Andrew G. Lynch

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Joseph Palmer 2d
Eugene H. Johnson

TO BE SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Eric C. Bellquist
Thomas T. Driver

TO BE VICE CONSUL OF THE UNITED STATES OF AMERICA

Monteagle Stearns

INTERSTATE COMMERCE COMMISSION

TO BE DIRECTOR OF LOCOMOTIVE INSPECTION

Edward H. Davidson

U. S. COAST GUARD

APPOINTMENTS IN THE UNITED STATES COAST GUARD

To be captains, to rank from March 20, 1945

Joseph A. Kerrins	Nathaniel S. Fulford, Jr.
Edward H. Thiele	Julius F. Jacot
Reginald H. French	Chester A. A. Anderson
John W. Ryssy	Edward E. Hahn, Jr.
Richard L. Burke	

To be commanders to rank from January 1, 1944

Robert E. McCaffery	Vaino O. Johnson
Albert E. Harned	Richard F. Rea
David H. Bartlett	Warren L. David

Louis M. Thayer, Jr. — Walter S. Bakutis
Evor S. Kerr Jr. — Edgar V. Carlson

To be commanders, to rank from March 1, 1944

Clayton M. Opp — Adrian F. Werner
Loren E. Brunner — Woodrow W. Vennel
Charles E. Columbus — Gilbert F. Schumacher
William L. Sutter — Charles Tighe
Gilbert R. Evans — Richard Baxter
Wallace L. Hancock, Jr.

To be lieutenant commanders, to rank from December 1, 1943

Carlton V. Legg — William K. Kehoe
George E. Alston — Cecil C. Humphreys
Virgil L. McLean — Robert L. Blanchett
George M. Gallagher — Carl E. Roberts
Henry M. Anthony — Harry F. Bradley
Cloyd C. Lantz — James E. Rivard
Henry E. Solomon — William E. Lowe
Herbert L. Scales — George D. Batey

To be lieutenant commanders, to rank from April 1, 1944

Robert E. Reed-Hill (P) — Paul E. Burhorst
Edwin C. Crosby
Joseph J. McClelland — Ira H. McMullan
Raymond G. Miller — William C. Foster
John P. Latimer — Holmes F. Crouch
James A. Martin — Kenneth H. Potts
Robert E. Hammond — James W. Paine
Clyde R. Burton — James A. Cornish
Ottis T. Estes, Jr. — William K. Earle
James F. Bills

To be lieutenant commander, to rank from August 1, 1944

Edward H. Houghtaling

To be lieutenant commanders to rank from July 20, 1945

William D. Strauch, Jr. — James M. McLaughlin
Robert F. Barber — Whitney M. Prall, Jr.
Herschel E. Sanders — Henry F. Rohrkemper
Russell A. Serenberg — Charles F. Scharfenstein, Jr.
Benjamin M. Chiswell, Jr. — Robert S. McLendon
Helmer S. Pearson — John C. Saussy
Chester A. Richmond, Jr. — Joe L. Horne

To be lieutenants, to rank from October 5, 1945

Lynn L. Baker — John Dalin
Thomas F. McKenna — Ludlow S. Baker
Glenn J. Shannon — Frank D. Hilditch
Ernest A. Bigelow — Arthur M. Watson
Sidney K. Broussard — Arthur H. Sheppard
Louis J. Glatz — Frank W. Dunford

To be lieutenants, to rank from October 7, 1945

Donald A. Brown — Charles E. MacDowell
Charles H. Freymueller — Elmer P. Mathison
Warren C. Mitchell
Raymond W. Siegel — Henry A. Campbell, Jr.
Harry A. Solberg — Armand J. Bush
Robert O. Bracken — Lester A. Levine
John W. Hume — John J. O'Meara
John S. MacCormack — Glenn O. Thompson
Herbert Krause — Arthur F. Heffelfinger
Theodore J. Kozanecki — Eugene F. Walsh
Errol H. Seegers — Andrew J. Cupples
Forrest H. Willoughby — John A. Weber
Robert D. Burkheimer — Lloyd E. Franke
Jack E. Forrester — Samuel E. Taylor
Lewis R. Davison — Richard C. Wilkie
John H. Hawley — George A. Philbrick
Carol L. Mason — George J. Bodie
George H. Waddell — Henry W. Stinson, Jr.
Robert M. Becker — Earl E. Broussard
Franklin A. Colburn — Cletis L. Caribo
Robert S. Wilson — John F. Fitzgerald

To be lieutenants, to rank from the effective date of appointment

Peter E. Gibney — Joseph R. Steele
Lewis R. LaValley — LeWayne N. Felts
Leonard M. Dalton — Edward M. F. Kirchner
James P. Van Etten
Mitchell A. Perry — Robert J. LoForte
Garth H. Read — Owen W. Siler
William E. Dennis

To be lieutenants (junior grade), to rank from January 1, 1947

David R. Rondestvedt
Oliver W. Harrison

To be lieutenants (junior grade), to rank from September 15, 1948

Robert D. Parkhurst — Rudolph E. Lenczyk
Otto F. Unsinn — William L. Faulkenberry
James E. Heywood — Donald C. Davis
Henry V. Harman — John H. Bruce
Walter O. Henry — James H. MacDonald
Verne D. Finks — Donald R. Vaughn
William L. Aitkenhead — Frederick S. Kelsey
Charles F. Baker — Robert S. Gershkoff
James P. Stewart — William C. Pinder, Jr.
James H. Swint — Thomas W. Powers
Shirl J. Stephany — James A. Gary III
George F. Rodgers — Douglas C. Ryan
Leslie D. High — Archibald B. How
George H. P. Bursley — John L. Wright
Frank E. Parker — John B. Saunders, Jr.
Milton R. Neuman — Herbert H. Sharpe, Jr.
Arthur W. Rouzie — Michael B. Lemly
Leland C. Batdorf — Glenn M. Loboudger
David Jenkins — Robert A. Patrick
William F. Tighe, Jr. — John E. Murray
Bruce C. Johnson — William R. Chandler
Richard B. Humbert — Vincent A. Bogucki
Roy K. Angell — Charles I. Foss III
Robert C. Krulish — James P. Hynes
William J. Kirkley — Robert A. Lee
Edward E. Chambers — Jay H. Bramson
Robert W. Johnson — John W. Steffey
Charles S. Marple — Lloyd W. Goddu, Jr.
Roger G. Devan — Donald J. McCann
Wilfred F. Raes — Edward D. Cassidy
Albert H. Clough — John B. Hayes
Walter B. Murfin — Robert L. Davis, Jr.
Randolph Ross, Jr. — Richard B. Bowden, Jr.
Lawrence Davis, Jr. — Glenn R. Taylor
Robert W. Smith — Ian E. Holland
Alfred F. McKenney, Jr. — Walter F. Guy
David E. Perkins — Dudley C. Goodwin, Jr.
Robertson P. Dinsmore — Warren S. Petterson
John H. K. Miner — Harold E. DeLong
James W. Bolding, Jr. — William C. Wallace
Alfred J. Tatman — Henry G. Cassel
George T. Sain, Jr. — Harley B. Shank
Malcolm E. Clark — Raymond M. Miller
Richard M. Underwood, Jr. — Hardy M. Willis
Charles M. Mayes — Fred E. Wilson
Dan Rayacich — Clarence G. Porter
William M. Page, Jr. — Leroy Flatt
Thomas C. Thompson — Charles R. Howell
Arthur N. Garden, Jr. — Robert E. Bracken
David P. Bates, Jr.

To be lieutenants (junior grade)

James E. Fleming
Edward J. Johnson
Carleton W. Wahl

IN THE ARMY

Maj. Gen. Harold Roe Bull, O3707, United States Army, for appointment as commandant, National War College, with the rank of lieutenant general, under the provisions of section 504 of the Officer Personnel Act of 1947.

IN THE NAVY

All nominations for appointment in the Navy, which were this day confirmed, were received by the Senate on June 15, 1949, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," and on the pages indicated with each of the three following groups of nominations for appointment in the Navy:

The nominations of Donald L. Abbott and 3,369 others, which begin with the name of Donald L. Abbott, appearing on page 7722, and ending with the name of Ruth M. Scanlon, which appears on page 7728;

The nominations of James H. Ackiss and 1,554 others, which begin with the name of James H. Ackiss, appearing on page 7728, and ending with the name of Henry W. McGuire, which appears on page 7731; and

The nominations of Leif O. Torkelson and 105 others, which begin with the name of Leif O. Torkelson, appearing on page 7731, and ending with the name of William Williamson, which appears on page 7732.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 23 (legislative day of June 2), 1949:

POSTMASTER

Leland C. Gove, Mosier, Oreg.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 23, 1949

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Lord and Master, Thou who hast glorified all that is of earth and sea and sky, to Thee we offer our tribute of praise. On Thee we base our comfort and our hope, and rejoice that our faith is not in vain.

In the discipline of life, which is so often severe, give us strength to be patient and tolerant, comforted in the truth that we are guarded and sheltered in the folds of divine care. Thou who weighest the motives of men, make every weakness a strength and every hindrance an inspiration. Clothe us with that high integrity of purpose that shall be a spiritual reserve sufficient to bear all strain, and that shall give patriotic incentive to our fellow citizens everywhere. In Thy holy name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 20, 1949:

H. R. 2361. An act to provide for the reorganization of Government agencies, and for other purposes; and

H. R. 2663. An act to provide for the administration of the Central Intelligence Agency, established pursuant to section 102, National Security Act of 1947, and for other purposes.

On June 21, 1949:

H. R. 1337. An act to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for recreation and other public purposes; and

H. R. 3754. An act providing for the temporary deferment in certain unavoidable contingencies of annual assessment work on mining claims held by location in the United States, and enlarging the liability for damages caused to stock raising and other homesteads by mining activities.

On June 22, 1949:

H. R. 5060. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1950, and for other purposes.

On June 23, 1949:

H. R. 4046. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes.

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD in two instances and include articles written by one of his constituents and a newspaper editorial.

REFUND ON VETERANS' INSURANCE

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, every day the newspapers and radio carry reports of increasing unemployment. Every Member of Congress knows that there are millions of people without jobs today.

The unemployment situation is seriously affecting the Nation's economic condition. The Government, through the Veterans' Administration, is in a position to do something about this situation. The Veterans' Administration has $2,800,000,000 which belongs to some 16,000,000 veterans of the last war.

The immediate distribution of this great sum of money to the veterans certainly would have some effect on the economic picture and would be a factor in stemming the tide.

Numbered among the 16,000,000 veterans who were overcharged in their insurance rates by the Government are thousands who are now out of work. They could readily use the money which is rightfully theirs. But the Veterans' Administration says refunding of their money will not begin until January of next year. They say it is a big job to mail out these checks. Sure it is a big job, but the Veterans' Administration knew as long ago as June 1948 that these refunds would have to be made. Why the wait until 1950, which happens to be a congressional election year?

The veterans should receive their refunds as soon as possible, certainly by October of this year.

Three billions of dollars unloosed for spending by those who are rightfully and legally entitled to it not only would help the jobless veteran of today but would help the manufacturer, the producer, and their employees.

Give the veterans back their overcharge on insurance now and not wait for an election year.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a newspaper article.

Mr. BUCHANAN asked and was given permission to extend the remarks he will make in Committee of the Whole and include a statement from the mayors of various cities and a petition from the American Municipal Association.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include an editorial published in the Buffalo Evening News of June 13.

ARMING EUROPE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, picking up the New York Times and other papers this morning, I note that Secretary Acheson wants this country now, in order to preserve peace, to spend $1,130,000,000 to arm all of the countries of Europe that join the North Atlantic Pact.

I do not know of anything more ridiculous than to think that in order to get peace now we have to go out and arm all the nations of the world with the idea that we are going to teach them something about peace. Whenever you get a man ready to fight he generally fights. When you get a nation armed to the teeth, it is going to use that, and that means war. If that is the way to peace, then I do not know anything about it.

I am sorry that this country is going to be asked by our Secretary of State to spend $1,130,000,000 to arm these foreign countries. It just seems to me like there is something wrong in our State Department.

Why get all the implements of war, furnish them to other countries and then say to them they are implements—guns, tanks, bombs—of peace. Why, they will say that is just silly, why, the Americans say that a cannon is an implement of peace, then they will ask that psychiatrists be sent over to America to examine everyone who votes to spend $1,130,000,000 for war implements for them. I think they would be right. We need peace, we want peace, let's talk peace, let's use our influence for peace; that is the only way to get it and keep it. Peace be with us always, is my vote and my prayer.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

REPAYMENT OF EXCESS PREMIUMS ON NATIONAL SERVICE LIFE INSURANCE

Mr. BOGGS of Delaware. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Delaware [Mr. BOGGS]?

There was no objection.

Mr. BOGGS of Delaware. Mr. Speaker, many of my friends and distinguished colleagues, the gentleman from New York [Mr. KEATING], the gentleman from Wisconsin [Mr. DAVIS], along with many other able Members of this House are certainly working for the prompt repayment of the excess premiums paid on national service life insurance by our veterans.

I want to urge the prompt repayment of these excess premiums, and I want to join with the other members who are working so hard to return to the veterans something which is theirs and which they have every right to have at this time.

We hear a great deal about this recession and the fact that it will be only of short duration. If this is so, then it is all the more appropriate that these repayments should be made without delay. I have looked over the situation and I cannot find any plausible explanation for this continuing delay after delay.

The SPEAKER. The time of the gentleman from Delaware [Mr. BOGGS] has expired.

SUBCOMMITTEE ON HEALTH SCIENCE AND COMMERCE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent that the Subcommittee on Health, Science, and Commerce of the Committee on Interstate and Foreign Commerce may be allowed to sit this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPAYMENT OF EXCESS PREMIUMS ON NATIONAL SERVICE LIFE INSURANCE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

Mr. RANKIN. Mr. Speaker, again we have heard the gentleman from New York [Mr. KEATING] attacking the Veterans' Administration for doing its duty.

I explained yesterday what the Assistant Administrator told us about it. If the gentleman from New York [Mr. KEATING] can do this work overnight, I suggest that he take his office force and go down to the Veterans' Administration and do it.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. If the gentleman from New York [Mr. KEATING] takes his office force and I take mine and we go down there we could do something and get those checks out.

Mr. RANKIN. Yes; and you will be there till Christmas. They have employed 1,700 extra people to work out these accounts. They will need 1,300 more. They are going to get them out by the first of the year, but to get up here and pretend that this is a political question is nonsense. Nobody ever heard of its being a political question until the gentleman from New York [Mr. KEATING] announced that it was a political question.

How much politics has he played?

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

CALL OF THE HOUSE

Mr. McGREGOR. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present.

Mr. CHELF. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 112]

Allen, Calif.	Hart	Polk
Breen	Hinshaw	Poulson
Buckley, N. Y.	Hoffman, Ill.	Powell
Bulwinkle	Hoffman, Mich.	Rivers
Case, S. Dak.	Holifield	Roosevelt
Cavalcante	Irving	Scott,
Clevenger	Jackson, Calif.	Hugh D., Jr.
Cole, N. Y.	Kearney	Shafer
Combs	Kee	Short
Crawford	Larcade	Taber
Crosser	Lichtenwalter	Thomas, N. J.
Cunningham	Lodge	Towe
Doyle	McMillen, Ill.	Walsh
Durham	Macy	Whitaker
Elston	Miller, Nebr.	White, Idaho
Gilmer	Morrison	Withrow
Granger	Murphy	
Hall,	Passman	
Edwin Arthur	Pfeifer,	
Hall,	Joseph L.	
Leonard W.	Plumley	

The SPEAKER. On this roll call, 376 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD DEFICIENCY APPROPRIATION BILL

Mr. KERR, from the Committee on Appropriations, reported the bill (H. R. 5300, Rept. No. 879), making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the State of the Union and ordered printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

REORGANIZATION OF CERTAIN AGENCIES OF THE GOVERNMENT

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4754) to simplify the procurement, utilization, and disposal of Government property, to reorganize certain agencies of the Government, and for other purposes, with Senate amendments, disagree to the amendments of the Senate, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DAWSON, HOLIFIELD, BURNSIDE, RIEHLMAN, and HARVEY.

TREASURY-POST OFFICE APPROPRIATION BILL, 1950

Mr. GARY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3083) making appropriations for the Treasury and Post Office Departments and funds available for Export-Import Bank and the Reconstruction Finance Corporation for the fiscal year ending June 30, 1950, and for other purposes, with Senate amendments, further disagree to the amendments of the Senate and agree to a further conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. GARY, FERNANDEZ, PASSMAN, CANNON, CANFIELD, and COUDERT.

LEE F. BERTUCCIOLI

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 750) for the relief of Lee F. Bertuccioli, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the first category of section 3 of the Immigration Act of 1917, as amended, shall not hereafter be applicable to Lee F. Bertuccioli, Farnborough, Kent, England, who served in the armed forces of the United States in World War II under the name of Lee F. Johnson, and who, because of a physical disability arising out of such service, is unable to obtain an immigration visa for admission into the United States."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CELESTE IRIS MAEDA

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3458) for the relief of Celeste Iris Maeda, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Celeste Iris Maeda, the Japanese fiancée of Stanley Arasim, Jr., an honorably discharged veteran of World War II, and that Celeste Iris Maeda may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Celeste Iris Maeda is coming to the United States with a bona fide intention of being married to said Stanley Arasim, Jr., and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Celeste Iris Maeda, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs, 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Celeste Iris Maeda, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Celeste Iris Maeda, as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SADAE AOKI

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2709) for the relief of Sadae Aoki, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Sadae Aoki, the Japanese fiancée of A. George Kato, a citizen of the United States and an honorably discharged veteran of World War II, and that Sadae Aoki may be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Sadae Aoki is coming to the United States with a bona fide intention of being married to said A. George Kato, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Sadae Aoki, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Sadae Aoki, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Sadae Aoki as of the date of her entry into the United States, upon the payment by her of the required fees and head tax."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF NATIONAL BANK ACT AND BRETTON WOODS AGREEMENTS ACT

Mr. SPENCE. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 96) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives, in the enrollment of the bill (H. R. 4332) entitled "An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes," is authorized and directed, in the second sentence of section 3 of the act, after the word "act", to insert the word "and."

The resolution was agreed to and a motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

Mr. WOLCOTT. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Chairman, this so-called housing bill is a hoax in many ways. It will not increase the amount of housing in the country. It will not provide housing for those who cannot afford to pay. No limit is placed upon the amount of income a person can receive and still be admitted into a housing project. True, a limit may be set but it is entirely at the discretion of the Federal Housing Authorities here in Washington. In the past this limit has been high in general. From time to time efforts have been made to place a top limit of income on those eligible for admission. Time and time again during the past few years such limitations have been defeated by the proponents of bills similar to this one.

The statement made by Mr. Thomas Danahey, at one time president of the Detroit Housing Commission, is correct. He said:

> In the first place, it must be made clear that they—
>
> The housing projects—
>
> will not be rented to slum residents or welfare clients. The tenants in these buildings will be people with definite minimum incomes and to be eligible to move in they must prove that their incomes are steady. There seems to be an impression that the slum residents are going to take over the buildings. Such is not the case.

My chief personal objection is this hoax being perpetrated on so many kindly, well-meaning people who have been led to believe that those without funds and in dire straits can and will be taken into these projects. The history of projects built under the United States Housing Act of 1937 shows conclusively that this is not true.

Mr. Chairman, the fundamental reason why this bill should not pass now is because the country cannot afford it. We simply cannot afford it at this time, and this reason should appeal to everyone regardless of what their philosophy of government may be. No matter what the nature and character of a government may be, it must be solvent in order to be effective.

Mr. Chairman, this bill involves a commitment on the part of the United States Government to spend at least $16,000,000,000 over a period of 40 years. This is no ordinary authorization bill. The full faith and credit of the United States is pledged in the bill itself. This becomes a binding contractual obligation at the moment the contract is signed between the local housing authority, the dummy of the Federal Government, and the Housing Authority here in Washington. From that point on the United States Government is just as much obligated to pay the money—and the Appropriations Committee of the House is just as much obligated to appropriate the funds needed to carry out that obligation—as it is to supply the funds needed to pay the interest and to provide for the retirement of the Government bonds of the United States.

Of course, this is only an opening wedge. The gentleman from New York in his statement of yesterday proved the present desire to have a program reaching the amazing total of 1,000,000 public housing units per year. The figure of six and one-half million dwelling units is the generally accepted goal today. While this bill only provides for an annual obligation on the part of the United States Government of $400,000,000, yet if the total of six and one-half million units is eventually provided for, then at that time the United States will have undertaken an obligation forcing the Congress to appropriate $2,500,000,000 each year. If 1,050,000 units take $400,000,000 annually in contributions, then six and one-half million units will demand $2,500,000,000. Who amongst us is a good enough judge or prophet to foretell what the financial condition of the United States will be 2 or 5 years from now, let alone 25 or 35 years from now?

This is different from a pension; it is different from any other program. If you pass a pension bill and provide pensions for the veterans of our wars in case of need, that legislation can be repealed and the pensions can be cut down. This was done in the Economy Act of 1933 in respect to certain veterans' benefits. But, if you pass this housing bill, then for all time to come the Federal Government is obligated from the moment the contract is signed. There is no retreat, except by repudiation. That would mean national ruin.

There are too many Federal functions already. It is my feeling that if we are to economize at all in Government—and there is a real feeling for economy here in the House of Representatives and also throughout the length and breadth of this country, and if you do not believe it, just take a trip home and check on what I say—if you are ever going to economize at all, then the first essential step is to cut out and eliminate new programs at this time. Why take on new programs? If you take them on, and if you attempt to hold a balanced budget, then what you are doing clearly must be at the expense of the legitimate previously recognized constitutional functions of the Government. That has been very forcibly brought to the attention of this House not long ago when we had the military pay bill before us. The armed services had not had a general revision of pay since 1908; not an intelligent revision covering the whole subject. In many cases certain members of the armed forces had only a 10 percent increase in pay for years before the Second World War. Now, no one can deny that the Military Establishment is an essential Federal function; yet that bill was defeated here on the floor of the House. There was a great deal of opposition to it, much of it arising from the fact that it provided for a large expenditure of Federal funds at a time when the budget was running into the red, despite prosperity.

If you continue to take on new programs, programs which must be considered in the luxury class at this time, then inevitably you are going to cut down and jeopardize the legitimate functions of the Federal Government.

In addition to the $16,000,000,000 there are about $3,500,000,000 in other expenditures provided. The half billion for grants to aid slum clearance is money which will never be returned. It will go where the woodbine twineth. Much of the funds for the farm section will never be returned, because the Secretary of Agriculture is given permission and authority to proclaim a moratorium on both interest and principal under the terms of the bill. What a power to rest in one single individual. Economic life or death over the farmer, according to his whim or fancy.

The proponents claim that it will provide more housing in the United States. I am quite sure that it will not provide more houses from the over-all standpoint of the number of new houses constructed—instead, it will provide fewer. We had an experience some time ago—not so long ago, 1945—with the veterans' emergency housing program. Wilson Wyatt told how it would result in 2,700,000 new houses. You know what did happen. It cut the construction of housing down to a minimum—around 450,000. It was not until that bill, with all of its controls and regulations and tie-ups, was repealed in the Republican Eightieth Congress in 1947 that housing construction in the United States was able even to start. Then in 1948, 935,000 dwelling units were built.

The slum-clearance section requires that slums be eliminated, starting not later than 1951. Up until that time the localities can postpone demolition. But, in order to get the low-cost housing, slums must be eliminated. If the same amount of building was built by private industry, and if the slums were reconstructed and repaired, then you would have the housing created both by the new houses built by private industry, and in addition to that you would have the less desirable but potentially adequate housing of the slums which have been recreated.

Now, another thing you do. The threat of Government competition, the threat of the Government stepping into the field and taking over and of accumulating and hoarding the building materials and all of that is a definite threat to private industry. The tendency is to drive private industry out of the field of residential construction and to make private industry go slower. From the time of the election last fall, when it became

fairly evident that this bill might pass, there had been a distinct drop in the amount of private construction each month up until May of this year. That drop was much greater in proportion than in other lines of industry.

In addition, this proposal has a retarding effect on local and State action. The very fact that this bill was pending made many States hold off and refuse to start to do anything on their own. The same was true of the localities. If this bill is passed, then from that point on there is no question in my mind but that the maximum amount of housing and slum clearing in this country will be the top limit for which Federal funds are provided. No State is going to go farther than that when they see the "pie in the sky" of Federal funds looming on the distant horizon. The States will wait for the pie to drop in their laps.

The same is true of localities. So I feel definitely that it will have a retarding effect. If you look back over the past few years during which the agitation for the WET bill has been going on you will find that it has delayed and prevented housing progress. People and governmental units have not bothered to do for themselves what others were promising to do for them later.

I call your attention particularly to section 506. Actually, the substance of section 506 is contained in the present law. Section 506 provides that the Federal Housing Authority can take over all the projects built since January 1, 1948, by the States or localities. Of course, if that is done, and if the Federal Government takes them over, and if the Federal Government agrees to use these annual contributions provided for in this bill for the purpose of paying annual contributions to houses already constructed, then clearly those same funds will not be available to the Federal Government to use for aiding and constructing new houses.

Could that section be stricken from the bill? Yes, of course. It is in existing law. It has not had any effect to date because there have been no annual contributions with which to assume the burdens and take over the State projects when you provide the annual contributions—as you do in the present bill—and if you take that over that way, then you limit the number of houses purported to be built under this bill in the exact proportion to the number and value of the projects previously built by others and now made a State obligation.

If you do strike that section from the bill, the other alternative, then clearly from that point on no State nor locality is going to go in and do anything at all until they have in hand a signed contract assuring them of Federal contributions during the 40-year contract period.

Slums actually are self-perpetuating unless you require some kind of health, sanitation, and building standards and enforcement by the local communities. The standards in the bill apply only to the local housing authorities. They do not apply at all to the community outside the area limits of the Housing Authority. If you do not include some such standard, then your slums will be coming along just as fast as they ever did. You will have the same continuing necessity that exists today in the minds of the proponents of this bill for providing more low-cost housing and for clearing more slums in the minds of the proponents of this bill.

The mayor of Baltimore has been quoted quite extensively. He is quoted in the committee report on this subject and was quoted on the floor on how the Baltimore plan is only a temporary treatment. The mayor is a former colleague of mine, a good friend, and an able man. I should like to read to you a direct quotation from the hearings. Mayor D'Alesandro answered a question of mine, which brings out his unequivocal judgment on the point I am now making.

The questions I asked him and the answers by Mayor D'Alesandro, are as follows:

Mr. KUNKEL. If you do not have a pretty good standard of enforcement of health and sanitation provisions, such as you do in Baltimore, can you possibly avoid the continuing creation of additional slums?

Mayor D'ALESANDRO. You could not.

Mr. KUNKEL. The point I am trying to make is that the key to the final solution of this whole problem is the enforcement of proper standards on existing residential property, because otherwise you keep on building new houses to eradicate existing slums, but in the meantime new slums are creeping in and getting worse as time passes on.

Mayor D'ALESANDRO. Congressman, everybody tries to better himself. They try to move into new homes. They rehabilitate themselves and try to get into new sections. Nobody likes to live in the slums. I was born and raised in the slums, and I still live in the slums of Baltimore. And I did the best job of redevelopment in my section, by doing it with my own home, with my example, I tried to get people to fix their homes up and keep the old section alive.

Mr. KUNKEL. I mean you have to have the standards enforced in order to keep the property from deteriorating.

Mayor D'ALESANDRO. We do, yes. That is the Baltimore plan.

Mr. KUNKEL. Yes, and that is essential everywhere if you are going to go toward the eventual elimination of slums.

Mayor D'ALESANDRO. That is the point I am making; that that is your starting point, no matter what you do from there.

In other words, this bill at no point even attempts to hit at the root of the problem. The bill itself at best can be termed a temporary cure or opiate. Until you do something about maintaining and improving the conditions of these houses locally it really amounts to nothing at all in the long run. In other words, it merely continues a state of affairs for some later Congress to come in and try to do over again everything which it is being claimed is done by this bill. I hope the future Congress will try a method offering some hope. This bill certainly offers none. We hear a lot about the savings accruing from lessening crime and so forth, all of which will result from clearing these slums. I contend that you can have no savings at all from that source unless you prevent new slums from being created. The reason? It is not a particular slum which promotes crime. Crime can be created and caused by new slums and developing slums just as much as from an old slum.

These houses are not low-cost nor are they low-rent houses. The only question is who is going to pay the rent. Actually when we had hearings on the bill for housing at military posts it was testified, and this is absolutely up-to-date and recent, that 17 percent more had to be paid by the Government for its construction than was paid for the same type of construction work done by private industry. The estimates on how much more these public housing projects cost than similar houses by private industry run anywhere from 15 percent to 25 percent. In some cases, much more. The difference is and the question is who is going to pay the rent. The user of the accommodations, or the Government and the user. The subsidy by the Federal Government is $381 a year. Then to that you must add the local subsidy. This is brought about by the tax exemption of all local taxes, including school taxes and all States taxes. This is written into the contract. It is binding on the States and communities for the life of the contract.

Now that is $31.70 a month. The Federal Government can pay $31.70 toward the rent. Then, in addition to that, you have the amount paid by the locality. In our country there are 39,000,000 homes; 20,000,000 of them are owned by the people living in them, and 19,000,000 are occupied by renters. Those 39,000,000 families will be paying the rent for the favored million selectees who are going to be selected. I am not saying whether this selection is going to be good, bad, or indifferent, but somebody, somehow, is going to select them, and say, "You can come in and you can go out." You have 39,000,000 people paying Federal taxes and local taxes in order to subsidize the rents of 1,050,000 families. Worst of all, millions of these people are less able to afford high rents than many of those whose rent they are helping to pay.

This is not low cost, because the top limit of cost is $2,500 per room. In many sections of this country 99 percent of the homes owned or rented by the people living in them today did not cost $2,500 a room, even if they were built recently. For more than 50 percent of these homes did not cost near that much. May I make a suggestion to those of you who are so strongly in favor of public housing and intend to vote for it? Before you go home, find some good explanation—if you can—to give to your friends and your constituents who live in these lower-cost houses. They will be interested to know why they are being taxed, why their money is being taken over to some place else to provide, at their expense, a house for some other person's family. Personally, I think it is rather hard to explain, but I will not have to bother to explain this because I am going to vote against the bill. But it is something for the public housing advocates to have in mind, unless they come from New York, Detroit, or some high-cost city. The committee report—page 23—calls it unrealistic and not well founded to expect public housing to be built for as low a cost as private houses.

In other words, the Government will tax you to build a more expensive house for your neighbor than you built or rent for yourself. Great stuff.

In addition to that, as the gentleman from Kansas [Mr. COLE], has so well pointed out, there is discrimination all the way along the line. In the first place, there is discrimination between States because some States are not going to use any of these funds. Six States do not even have enabling legislation.

In the second place, the units will go mainly to the large cities where the construction costs are highest. Even assuming that a community does get a project, then you come down to the discrimination between individuals.

I am not going into the question of whether it might be just or unjust discrimination. The gentleman from Ohio [Mr. SMITH] has stressed the dangers of political control of human shelter in his minority report. It may be either, but the fact that some are going to be chosen and some are going to be refused shows that there is discrimination. Where there is to be a selection of some from among many, then you must select. Therefore you have this problem of discrimination inherent in public housing.

Now I want to go into the question of local taxes. No one has covered that to any extent. In the contract between the Central Housing Authority and the local unit, the unit must be exempted from all city and county taxes, all State realty taxes, and all district—sanitary, park, and so forth—taxes. That includes school taxes. That is a mighty important point. In the District of Columbia they charge $150 for each pupil from outside the District who goes to an elementary school.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KUNKEL] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. KUNKEL. In the District of Columbia they charge $150 for each student from outside the District of Columbia who goes to an elementary school and they charge $200 for everyone attending high school. That charge is based strictly on what it costs to educate the child. I have not had a chance to make a Nation-wide check, but I have checked up on another community located not far from here in a neighboring State. There, a person with an above-the-average home, one which would pay more taxes than the average home in that community, pays about $95 in local taxes per year. It costs the schools in that town over $150 for the education of each pupil. I think it would be proper that we should make provision, if the program goes through, for people with large families, as the proponents contend should be done.

So you can see that this school-tax item alone will run into money for the local communities. There is payment in lieu of taxes by the Housing Authority. That is true. That amounts to 10 percent of the shelter rent. The average shelter rent is $2.30 per month per unit, or $28 per year.

Compare that $28 per year with the cost of $150 for one child in school and the cost of fire and police protection, garbage collection, and everything else which the municipalities furnish. Then you suddenly find that it is not all "pie in the sky" for the local communities. Meanwhile the town or city has given away by contract this big segment of its authority for a 40-year period.

Let us consider for a moment this matter of payments in lieu of taxes. These figures are taken from last year's hearings and are for the years 1945, 1946, and 1947. There are no figures for 1948 because the Committee on Appropriations did not provide for payments in lieu of taxes unless there was a contractual obligation between the Housing Authority and the community and then only in the amount specified in the contract. Often this was less than the 10 percent of shelter rent allowed in this pending bill. So we turn back to 1945, 1946, and 1947 to get the comparable accurate figures. We find payments in lieu of taxes were roughly one-quarter of the normal full taxes assessed against other property in the town. Therefore, three-quarters of the local cost is borne by other citizens of the community for the benefit of those in the project. Twenty-nine million dollars per year will be paid in lieu of taxes; therefore, $87,000,000 per year was borne by the local communities. Thus, it is apparent that in the long run there must be either an increase in local taxes on the nonproject property or the individuals living in the town or else more Federal control and more coming down here to Washington for additional money to carry through these housing projects. In addition to that, the future payments in lieu of taxes will be less rather than more. They will certainly remain constant at present levels and they may decrease, because there are a lot of high-income families in the housing accommodations today. They pay more rent than the others. The program announced is to put those families out and take the low-income families in. Shelter rent is gross rent less the utilities. As those higher-income families go out and new low-income families come in at a lesser rent, the payment in lieu of taxes will tend to drop.

I wish to close by pointing out one thing: In this country today, no matter what we would like to see, there is a strong drift towards public ownership in many fields. The most striking illustration of that is the way in which the Federal Government has taken over atomic energy. That has been put entirely and absolutely in the hands of the Federal Government. There was no alternative. It was the only way to handle this new force, because of its very nature. Atomic energy has potential dangers to the human race, we know. So we have to put control in the hands of the Government; we cannot allow school children to be running around playing with some bit of atomic energy. We cannot afford to allow private industry to speculate with it except under strict Government supervision. The point is: by placing this in the hands of the Government you have given the Government complete control over the great source of the power and energy of the future. There was no alternative; we had to do it; it was in the nature of things.

The Government has entered the field of public power mainly because of scientific developments, particularly the fact that hydroelectric power is a natural by-product of dams. Flood control and navigation can best be promoted and furthered by building dams. So we naturally drifted into that field. I could point out many other examples of this drift (radio, television, and so forth), though perhaps not so striking. So many things simply cannot be kept out of the hands of the Government with modern science and invention at its present stage. Hence, it is all the more important to hold all that we can in the hands of private individuals; and of all the things which we should retain in private hands I believe human shelter and the building of houses and the owning of houses is one of the most natural and most vital. Clearly, in connection with the building of homes there is no demand and no call comparable to that in the case of atomic energy.

You have this drift. It is extremely dangerous. The current pulls us toward the rocks of statism, and complete statism. The full union of economic control with political control is the thing we have to fear. Political control of any government, whether it is a socialist government or a totalitarian government or a democratic government, must be vested in the hands of a few people. A small group must always make decisions and issue the orders to carry them out. We have to have a small number down here in Congress, 531 out of 148,000,000. All 148,000,000 could not get together and vote on the innumerable questions arising. We have to have a small group down here at 1600 Pennsylvania Avenue, who are going to make decisions, the President, his Cabinet, and so forth. You cannot disperse political power too widely. It becomes unwieldy and ineffective. In the political area, it has always been that way. You can spread economic power throughout the country. You can disperse it widely. Where this has been done, and where it has been relatively free of political control, there the great advances in civilization and in human welfare have occurred. Strangely enough, many of the people who argue most vigorously for this great concentration of economic power with political power in one group of hands at the top of the Government are the same people who wisely pointed out that the obvious and entirely similar defects and abuses which come about from the too great concentration of economic power in the hands of too few individuals and groups. Their solution, it seems, would be to magnify the evil by vesting all economic power in one place. That one place is where the even vaster power, the political power, already resides. Government can step in and discipline big business. But if big business and big labor are swallowed up by big government then who is to police big government?

As long as we have a certain amount—no one knows how much the amount is—of power dispersed in the hands of individuals and groups throughout the country there is the ability to resist the Government and prevent too great abuses. If and when that drifts too much into the hands of the Government, then there is no effective ability to resist left. Then you have your totalitarian state. The state does as it pleases. The rights of the individual disappear.

If we are going to turn over to the State those things which are completely unnecessary to place in the States hands at a time when the Government has not the energies or the money or anything else to go into those fields, if we are going to do that at this time, then I say we are taking the greatest step toward socialism that any nation could possibly take. Bit by bit we add to the drift caused by science and invention. We give the turn of events momentum.

Socialism has a good ring to many people because the definition of socialism usually accepted is a free, classless state with a tinge of internationalism connected with it. I think we can all agree that a free, classless state is a highly desirable objective toward which we can direct our policies and toward which Government should strive. By concentrating economic and political power in the hands of a few people, then, in my judgment, what you do is to take a practical step which will completely defeat this desirable ideal, an ideal all of us have in mind and which all of us want to further in this Government of ours in the United States. Do not ever forget this: The United States is the closest approach—by far—to this free, classless state in the world today, or in the history of the world. We came along this road by keeping the economic and the political power pretty well separated.

Mr. Chairman, we must resist this trend. Human nature has not changed much. We have gone a long way in science, but we have not begun to understand man. Until you find the time when you can change human nature, you had better rely on harnessing the impulses of selfishness and using means and incentives to channel them into desirable pathways productive of over-all human benefits and adding to the general welfare instead of risking the corruption of this small group at the top by giving them an undue concentration of power. Power corrupts, and the greater the power, the more danger of greater corruption. The founders of this great Nation understood power far better than we do. They safeguarded at every turn against the concentration of power. Church separated from the state, States juxtaposed against the Central Government, the executive, legislative, and judicial branches of the Federal Government given checks and balances against each other, and above all, the economic power widely dispersed and segregated from the political. We face a challenge from the nature of the modern era. Let us try to meet it and resist yielding to it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. LEFEVRE].

Mr. LEFEVRE. Mr. Chairman, as a great believer in free enterprise, I cannot help but oppose H. R. 4009. Controlling rents is bad enough, but in passing the last rent-control bill, we paved the way for gradually doing away with it and at least getting it back to the State level. However, rent controls combined with a Federal public housing bill will practically kill the private home building industry and lead further to the totalitarian state, which I am certain the majority of Americans are bitterly against. We have the examples of both France and England to refer to and why the American people should have any desire to learn the hard way is something I shall never understand.

To my way of thinking, this is one of the most important pieces of legislation in the so-called Truman socialistic program. Every day my mail is filled with letters from good, sound American citizens from my district protesting the administration's spending policies. To launch upon a $19,000,000,000 program, which continues over a period of 40 years, at the present time when the Federal income is bound to be a great deal less than estimated, just does not make sense.

I have to admit that there are sections in my congressional district where some low rent housing could be used. It is not to any great degree due to a shortage of houses. Local papers in these areas carry longer lists of houses for sale than have appeared in their columns for years. Unfortunately, the sale prices of these houses are too large for some of those needing homes to carry. I honestly believe that situation is gradually changing. Material prices are coming down and the net result will be lower unit prices. I am under the impression that some of the people in the mid-Hudson River section of New York State believe that the pending housing bill will ease the housing problem for the low income families. Now let us be realistic. If this bill passes, only a few of the larger metropolitan areas will get the public houses. I can very easily picture the distribution being used as a patronage bid for increased votes where it will do the most good. As Al Smith would express it, "The record shows that has happened before." The record of the construction industry proves very definitely that it can cope with the housing problem without Government interference. Since the war, the United States Bureau of Labor Statistics reports that private builders have erected nearly 3,000,000 units. Last year alone, nearly a million homes were completed. Now we have a bill calling for the erection of 1,050,000 units in 7 years at a cost of between sixteen and nineteen billion dollars. Four hundred million dollars would be used annually for 40 years to pay the subsidized rents. Should the bill pass, at best only 150,000 units would be built a year and the sad part is the effect that this small number will have on those with venture capital. Those able and willing to invest in homes will refuse to risk their capital in the face of Government building and no one can criticize them. It has been stated that at best only 6 percent of those who would qualify would be cared for under this bill. In all fairness, is it right for all the others to be taxed to help pay for homes for these few? Of course it is not. I have always said that the Government has no business getting involved in any business unless that industry fails. Certainly private building is doing an outstanding job to alleviate the present housing shortage.

Those of us who have watched our local tax problems grow must also consider this bill from that angle. Public housing projects are to be exempt from the regular real estate taxes. But still the municipalities will be expected to furnish all the regular utilities plus all the public services received by the other residents. Again the tax burden increases to take care of the few who might be benefited.

It has been brought to my attention that New York State paid 19.05 percent of the total internal-revenue collection for the year ending June 30, 1948. This means that if H. R. 4009 becomes law, New York's share would be equivalent to a State's 40-year bond issue of approximately one and three-fourths billions of dollars. Then you have to add to that the indirect costs, which include the expense of extending streets, sewers, water, police, and fire protection, estimated at about one-third of the direct cost. This brings New York State's share way over $2,000,000,000. For your own satisfaction, reduce the above figure to your own town's proportionate share and then decide whether such extra tax burdens might bankrupt your communities. Personally, I would rather have no public housing than to obligate my constituents to pay for it elsewhere, thereby saddling my district with a tremendous extra burden.

This bill, after all is said and done, will have very little to do with making it easier for people to buy, build, or rent houses for themselves. It is a bill very similar to the one blocked in the House last year. In addition to the public housing feature, it has a slum-clearance provision and farm housing. The slum-clearance section is the best feature in it, but this, too, would cost hundreds of millions of dollars. The farm provision is generally conceded to be a political move to help the tenant farmer of the South. I doubt if any farmers in our part of the country could qualify.

In closing, I simply wish to state that the principle of this legislation is far from the American way. Home ownership has been a great help in building America. Every citizen who has worked and saved to own a home is proud of that fact. Let us not let him down. We all believe in progress, but when we let our ideals run away with our good judgment, and thus tend to weaken our financial stability, we must call a halt. We must hold our position as the financial citadel of the world, or all will be lost with complete collapse.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

EXTRAVAGANT ESTIMATES

Mr. PATMAN. Mr. Chairman, I do not agree with the distinguished gentleman from Pennsylvania, who has just addressed the committee that the figures are as large as he has indicated. In fact, the amounts given by him are very fantastic and greatly exaggerated, in my opinion, from the investigation I have made and from the knowledge I have of this subject.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Ohio.

Mr. YOUNG. The gentleman from Pennsylvania who just preceded the gentleman now speaking stated that this low-cost housing or slum-clearance program, if enacted by the Congress, would be the greatest step toward socialism any nation can take. I wonder if the gentleman from Pennsylvania considers Senator TAFT, of my State, who has supported this legislation, as being a Socialist?

CHARGE OF SOCIALISM UNFOUNDED

Mr. PATMAN. I do not consider the program socialistic. In the Senate, I think, there were only 13 votes against it out of a body of 96 Members. I cannot conceive of 50 or 60 United States Senators voting for a bill that they believe is socialistic. Anything in the interest and for the benefit of poor people is almost invariably branded as socialism. Back when we had all private schools, and efforts were made to have public schools, the cry of socialism went up; destroying private enterprise, private business, private schools. But now you never hear anyone contend that the public-school system is socialistic.

I recall the time when we had toll roads and highways. Every 5 miles you would have to stop and pay tolls. The tollkeeper was there. When the county or the city or the political subdivision attempted to build a highway the cry went up, "Why, that is socialism; that is destroying the private enterprise system." But now you never hear of any such charge as that. I recall the time when people coming into my home town, Texarkana, Tex., were required to cross the Red River, coming in from the Arkansas and the Oklahoma and the Louisiana side. In order to cross that river they had to cross on a ferryboat. That ferryboat represented an expenditure of just a few hundred dollars, but it made several hundred dollars every day. It was a very profitable operation. At one point, when the people of the county got together and voted funds to build a fine bridge and do away with the ferry, the people who owned that ferry were charged with dynamiting that bridge and destroying it on the theory that they were against the socialistic system, and they did not want to have private industry destroyed by having a publicly owned bridge, incidentally destroying a business for themselves. Now you never hear of any objection to eliminating toll bridges and toll highways nor free public schools. But everything that comes into the House like this for the poor people, although it represents only one-half of 1 percent at the maximum of the residential housing units of this country, the old cry of socialism is brought out again. It is not socialism to do things that will prevent both communism and socialism. This country was on the verge one time of communism and socialism but it was saved because the Congress passed certain legislation that was helpful and helped the people promote the general welfare, and the people have no longer thought about communism or socialism.

The preamble to the Constitution of the United States says:

> We, the people of the United States, in order to * * * to promote the general welfare * * * do ordain and establish this Constitution of the United States of America.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Louisiana.

Mr. BROOKS. The gentleman is making a splendid statement and I hesitate to interrupt him when he is making such a fine statement. But, as he was talking, I recalled the news release which reached my office, I think, yesterday or the day before, from the national commander of the American Legion, Perry Brown. Perry Brown happened to have lived in my congressional district at one time and he now lives in the State represented by the gentleman from Texas. He is a strong disciple of private enterprise, and his all-out statement for the Legion indicates clearly that he feels the Legion's viewpoint is that it is a patriotic program.

Mr. PATMAN. I thank the gentleman. The American Legion is behind this program as indicated by the gentleman from Louisiana, because the American Legion is an unselfish organization. They have differences of opinion, of course, but generally they are unselfish and they want to see the right thing done.

PROMOTE GENERAL WELFARE

Concerning the general welfare, it is our constitutional duty to pass laws that will promote the general welfare. We are charged with that duty under the Constitution of the United States. One of the first things we do here in the House is to take an oath that we will support the Constitution of the United States.

Our country has been referred to as a welfare state. That is the correct name for it if you go according to the Constitution, because the Constitution says we must promote the general welfare. A welfare state, yes. That does not mean socialism, communism, or fascism; it means private enterprise. It means the Government can get into certain lines of business where it is necessary to promote the general welfare.

Not so long ago I had a letter from a good banker friend of mine. He was objecting to the Government's getting into any type business in any way, shape, form, or fashion, words that you often hear along that line. I did not write him this, but I could have, that if we were to get the Government out of all kinds of business the bankers would not have any business at all. The only business they have is operating on Government money, money created by the Government of the United States. If you take the Government out of the banking business the bankers do not have any business. So we cannot in every case take the Government out of business.

I do not want the Government in the housing business, no; but in a case like this these people that will be provided housing, and decent housing, for the many reasons which you are acquainted with and which I shall not repeat, cannot buy any kind of a house. They talk about them buying a $5,000 house. They cannot buy a $5,000 home, a $2,000 home, a $1,000 home, or a $50 home. They cannot buy any price home. They are the people we are trying to take care of, poor folks who cannot buy anything.

It is not contemplated that 810,000 families will stay in these 810,000 units for the next 40 or 60 years. During that time 10 or 15 or 20 families will occupy each one of these units. There will be a turn-over. The 810,000 will go in but, as they have a larger income, more income, they will go out and buy homes for themselves and other people will come in. In that way, if the cost is $8,500 per unit, as estimated, if you divide by 10 families using it over a period of 40 to 60 years, the cost is only $850 per family, which is not very expensive to take care of a family. So this argument about the cost of these units has certainly been greatly exaggerated.

SELECTION OF TENANTS

The gentleman from Pennsylvania made an argument that should be answered about the selection of these tenants. He said someone is going to select these tenants, and that there will doubtless be discrimination in the selection. I will tell you how they will be selected, and use the gentleman's home town for it. He is from the great city of Harrisburg, Pa., the capital of the great State of Pennsylvania. They have housing projects there, more than one. They have never had a Democratic mayor in Harrisburg, never in history. When the housing authority was created, the Republican mayor selected the directors for that housing project. They were confirmed by the city council. They are outstanding men and women, business and professional leaders. Look at the people who are on the board of directors of these housing authorities. You will find the finest and best people in the United States. Now it is said that some Members of Congress want to vote for this because they can put their friends in these housing projects. Of course that is utterly ridiculous. A Member of Congress has no influence over it whatsoever and he should not. We have a housing project in my district. We will not have another one by reason of this legislation. We are not getting anything out of this for my people—not 1 penny. But I believe in promoting the general welfare of all the people of the United States. That is our duty under the Constitution. When the people are selected for the housing unit in Harrisburg, Pa., the Member of Congress has nothing to do with it. When they are evicted from

that housing project a Member of Congress has nothing in the world to do with it. Only the board of directors selected by the Republican mayor of Harrisburg has any control or jurisdiction or authority over that housing project. Yet they claim that there will be all kinds of politics in the selection and the evictions of these tenants in these different housing projects. There is not a word of truth in that, at all.

SELFISHNESS AND GREED

We have selfishness in the private-enterprise system. I am a great believer in the private enterprise system. I want to encourage it and help it and not do anything to retard or destroy it. But I concede that in a private-enterprise system there is selfishness. We are all selfish. That is why we work so hard—we work for ourselves. That is expected. No one denies it. We all admit it. That is all right. That is what makes a great country—the private enterprise system spurred on by selfishness. I am for it. But greed is different. Greed goes beyond selfishness. Where there is greed, there is no vision. Greedy people cannot see the general welfare. They only see their own interests and they cannot look at the general welfare at all. So, where there is greed there is no vision and I believe the Good Book tells us that where there is no vision the people perish. We have a lot of greedy people in this country and when anything comes up to help the poor folks they are against it. They are against anything to help the poor. Private-enterprise system will be helped by this bill as private contractors will construct every house and every unit in every project. Private suppliers of materials will furnish the materials for these projects. They will build houses which would not otherwise be built. Were it not for this bill these houses would not be built. Yet they oppose it—why? A lot of them are greedy—I do not say all of them are, but most of them are, because they want to continue doing business as they are. They say, "Let them do it under the FHA. Let them build some low-priced shacks or houses."

As I said awhile ago these people cannot pay anything for a house. They cannot pay $50 for a house. Many of them have had misfortunes over which they had no control. They do not have the earning power. Thus the slum conditions have been created which we must eliminate in order to promote the general welfare. That is the object of this bill.

There are greedy organizations that have been fighting this bill. We have the Committee for Constitutional Government. We have the National Association of Manufacturers and the United States Chamber of Commerce. If you will notice, the same groups—exactly the same groups—fight every bill that comes up here which has for its purpose the promotion of the general welfare. They fight not alone, but shoulder to shoulder.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SPENCE. Mr. Chairman, I yield 10 additional minutes to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, they fight every bill which is designed to promote the general welfare. They have plenty of money. They have ways of getting money. Under our tax laws we pay for that—the taxpayers pay for it. Corporations which are now earning four times and five times as much as they ever earned before, corporations which are retaining more of their earnings than they ever retained before, can make contributions to these different groups because they claim they are educational. They do not admit that they are propagandists. They claim they are educational. In that way they get tax deductions. They do not have to pay taxes on this money that they contribute to these organizations. That is up to 5 percent, and in certain cases 15 percent, of net and gross profits.

But there is still a better way of getting that money. They can buy at high prices books and literature and things like that, unlimited amounts of money, and they will deduct it as business expense, and get a tax reduction. So that the people, indirectly, are paying for all of this propaganda. The amount of money that they can spend is unlimited. Yes; they put a lot of people to work—spending money that should go into the United States Treasury. There is no limit to the amount of money that they can get for that purpose.

The corporations last year were really greedy. I say again, where there is greed there is no vision, and where there is no vision the people perish. If you leave it to the big corporations of this country to do what they did last year, we would not have any private enterprise system. We would either have communism or fascism. They would be the only alternatives. Last year they earned $21,000,000,000 after the payment of all taxes—manufacturing concerns—four or five times as much as they ever earned before. Mr. Truman was right. They were causing inflation by high prices.

WHAT IS WRONG WITH STOCK MARKET?

Now, these greedy people say, "What is wrong with the stock market? People are not buying stocks like they should." I have been told of one corporation with a million shares that has $13,000,000 of actual cash money and United States Government bonds. If it should liquidate immediately each shareholder would get $13, not considering the business and the going-concern value of that business, and that stock has been selling for $9. Why is that? I will tell you one or two reasons why. Whenever the stockholders see the officers and directors, who own very little of the companies they represent, keeping nine-tenths of their earnings, holding it back from them, keeping it out of the stream of business, they begin to get suspicious and they say, "Why should I own stock in a concern that is run by people who own so little of the company that they do not care for the stockholder?"

The American Telephone & Telegraph Co. is one of them. All the officers and directors running that company own one thirty-third of 1 percent of the stock of that company. Imagine those officers and directors owning one thirty-third of 1 percent. They have the power to do most anything they want to do with the earnings of that corporation. They can contribute to all these propaganda outfits, make available to them all kinds of money for all kinds of purposes. In addition to that, they can vote themselves retirement benefits, $25,000 or $50,000 a year; annuities costing $100,000; bonuses and big salaries up to six and seven hundred thousand dollars a year. The stockholders have no control at all over the company. They cannot even get consideration of any viewpoint they might have. Whenever they see a few people owning a small part of that concern, exercising all that power and authority, and abusing it, they have a right to stop, look, listen, and think. So the people who are greedy are the ones who are causing this situation, and I hope that the paid lobbyists, who are the special pleaders to fight this bill in the interest of the general welfare, will not prevail, as they have not prevailed in the past.

Let me invite your attention to the present law that was passed in 1937. Mr. Straus, from New York, came before our committee and advocated it. Under that law we have today 152,289 active residential units under the 1937 act. Do you know how much we contribute each year for the 152,000-plus? It has been said that we contribute $24,000,000. We are liable for $24,000,000, but we appropriate only $5,000,000. So these figures are greatly exaggerated, and it is not likely it will be $5,000,000, because so much will be paid in rents by the people who occupy this space. So I hope that every Member of Congress will give serious consideration to this and not be led astray by these fantastic statements about the huge cost, which are grossly exaggerated.

In this case the opposition to this housing act is led by greedy organizations and by a lot of greedy people. Some of them are not greedy; I do not believe all of them are, but generally the greedy people are spearheading the opposition to this legislation as they have spearheaded the opposition to all such measures in the interest of the general welfare. I heard the gentleman from Missouri [Mr. CHRISTOPHER] the other day make an interesting statement which I think is worth repeating. He said that when he is called upon to vote upon a bill he first wants to understand the provisions of the bill and make sure what it will do if enacted into law. Then he votes for or against it according as the provisions impress him. Then he looks around to see who is behind it, who is sponsoring the bill; then he looks around to see who is opposing the bill; and in that way he can usually come to a good conclusion. In this case you find exactly the same people all the time opposing legislation, anything in the interest of the general welfare. They spend millions and tens of millions of dollars in order to mislead and deceive the people.

I hope the Members of this House will vote for this bill.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, over the years, the House of Representatives has earned the honorable reputation of never forgetting the needs of one large group in the country that has won its right to be heard the hardest way. I speak of the veterans, the men who risked their lives in battle to preserve the democratic way of life we treasure so highly.

It is fitting and proper that we should listen to their pleas when they come before us. Our debt to them is great. Any proper consideration we can give them honors us as well as them. As we draw near a decision on the proposed Housing Act of 1949, therefore, it appears appropriate for us to ask what the views of the veterans are on this highly important measure.

Does this bill mean anything to the veterans? What is their stake in it? Are the men and women who served their Nation in its perilous hour in favor of slum clearance, housing assistance for the families of little means in the cities and on the farms, and an orderly program of research to cut building costs and improve housing standards?

Many of my colleagues in the House are themselves veterans. Some are veterans of two wars. I think they will have a particular interest in the views of their comrades in arms.

They will join with me in rejoicing that all the organizations who speak for the veterans—yes, all of them—are of one mind and forthright in their attitude toward this forward-looking housing bill. They are for it, gentlemen, all of them.

Who are some of these veterans who call upon us to act in favor of the housing bill? Let me name some of them for you. I can only mention a few, but their voices speak the minds of thousands and millions of others like themselves.

One of them is known to all Americans. He is none other than Gen. Jonathan M. Wainwright, the beloved hero of Bataan and Corregidor. As national commander of the Disabled American Veterans, he told our Foreign Affairs Committee last February:

> In keeping with our proposed objectives during the coming year, we will ask Congress to stimulate construction of low-cost rental units for compensated service-connected disabled veterans.

More recently, Charles E. Foster, assistant director of national legislation for the Disabled Veterans, appeared before the House Banking Committee. I quote from his testimony:

> The Disabled American Veterans is * * * primarily a single-purpose organization dedicated to securing benefits for those who, as a result of their service to their country, lost a part of their bodies or minds. Because of the critical housing situation, we are appearing here today in support of H. R. 4009, a bill designed to stimulate the construction of housing for both city and farm dwellers.

Now let us add another voice to the roll call for veterans who answer "aye" to H. R. 4009. Here is the American Legion, more than 3,000,000 strong. What did the Legion have to say about the housing proposals before us? At its convention in Miami last October, it adopted a resolution calling for a genuine overall housing program. Let me repeat here the five points of their program:

> 1. Federal aid to States and municipalities for low-rent public housing for families of low income for whom private enterprise cannot provide.
>
> 2. An adequate farm and rural nonfarm program with Federal aid for families of low income.
>
> 3. Adequate Federal aid to nonprofit veteran cooperatives for large-scale developments including 100 percent Government-guaranteed financing or where not available provision for direct Government loans.
>
> 4. Federal aid to States and municipalities for slum clearance and urban redevelopment.
>
> 5. A more adequate research title than presently provided in the Housing Act of 1948.

That is the program which the Legion urges. Note well that four of the five points—slum clearance, public housing, farm housing, and research—are covered by H. R. 4009. Indeed, the Legion's resolution is virtually a brief summary of the pending bill, so closely does it follow the Legion's suggestions.

Now here is another voice from the veterans. This time it is the Veterans of Foreign Wars, among the largest of the veterans' organizations. Its spokesman before the House Banking Committee, Jack Carter, speaks for 1,500,000 veterans. He minced no words when he termed the housing problem perhaps not so dangerous a problem as potential invasion by an unfriendly nation, but certainly a problem of which we should take immediate cognizance.

The VFW gave the bill its specific endorsement. Its spokesman even went so far as to imply that the bill might well be expanded in its dimensions. He said:

> No claim is made here that the bill H. R. 4009 would solve the entire housing problem. In fact, only about 10 percent of the estimated demand, currently set at about 15,000,000, will be met if all 1,050,000 units called for by this bill are built. It is, however, a start and will without question serve a portion of our population in dire need.

Still another group of veterans solidly behind H. R. 4009 is the Jewish War Veterans of the United States. It too realizes that this bill is not only important to the veterans, but also to all other citizens who are without decent housing. This organization, at its fifty-third annual encampment last September, approved the bill in substance and also authorized its national officers to work for its passage.

The Jewish War Veterans support this measure because it realizes that it is sound economy to replace slums and squalid shacks with decent homes for American citizens. I believe its representative, Bernard Weitzer, spoke the feeling of many of us when he told the House Banking Committee that the expenditures contemplated in H. R. 4009 "would seem to be sound practical economy—eliminating a huge financial burden which produces nothing but brief and creating a physical environment which results in sound, healthy citizens who would add to, rather than diminish, our resources."

The American Veterans Committee, an organization born of World War II, also replies to the roll call with a resounding statement in favor of H. R. 4009. During the hearings before the Banking Committee its national vice chairman, Joseph A. Clorety, Jr., said:

> The bill meets with our hearty approval insofar as it sets forth the basic provisions for an adequate program of low-cost public housing and slum clearance. This bill is not a veterans' bill in the sense that that term is usually interpreted, but for the American Veterans' Committee it is a veterans' bill in the truest sense of the word. By providing decent housing at rentals which our Nation's low-income families can afford it creates the kind of healthy society in which democracy can flourish. That kind of society is what we, as members of our armed services, fought for during the war; we are still fighting for it today as veterans.

To continue the roll call, we find the American Veterans of World War II, popularly known as the AMVETS, calling for favorable action by this Congress on slum clearance and public low-rent housing. Frank D. Scriven, cochairman of the AMVETS national housing committee, directed attention to the bipartisan support for this kind of legislation in these words:

> There seems to be a general acceptance on the part of both the Democrats and Republicans of the necessity of furnishing the Nation with the public-housing and slum-clearance legislation. * * * The AMVETS convention mandate regarding low-rent housing reads: "That we urge Congress to provide 125,000 low-rent housing units, better known as public housing units, in each year for a period of 4 years.

As we pass along the file of veterans, we find still another great veterans' group looking to us to pass the pending legislation. This time it is the Catholic War Veterans, asking for an end to the years of fruitless debate on this subject and passage of H. R. 4009.

To this roster must be added the Paralyzed War Veterans of America, a group of brave Americans whose war wounds keep them confined to wheel chairs for the rest of their lives. They, too, are advocates of this legislation, asking that part of the housing this bill would provide be adapted for occupancy by veterans who have lost the use of their limbs.

The unanimity of veterans on the subject of this legislation is truly impressive. They stand united, shoulder to shoulder, as they stood when they answered the Nation's call to arms.

Will we listen to the veterans today? Will we heed the entreaties of those who were willing to offer their lives for us? Or will we heed instead those who boast of their power to stop such progressive legislation.

The choice is soon to be ours. The veterans will be waiting for our answer.

I urge my colleagues to support this legislation.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman and my colleagues, deep-seated, long-rooted prejudice generally allows no room for reason. Manifestly, in this debate so far there have been many expressions which clearly show preconceived opinions, deep-seated prejudice, and long-established opinions which leave no

room for reasoning together on such a bill as this.

For instance, when so many Members on the Republican side of the aisle emphatically declare that all the proposals in this bill are sounded in socialism, they, of course, inferentially at least, thus publicly declare that all the Members of the United States Senate—both Republicans and Democrats—who voted for public housing a few days ago are Socialists in their attitudes toward their responsibilities to the American people. How else would you, my colleagues, define a category of conduct for your Republican colleagues in the United States Senate who a few days ago voted for public housing such as we have before us today? Would all these Republican Members of the United States Senate have voted "aye" for public housing just a few days ago if they had not been Socialists?

Manifestly, the very ridiculousness of my question makes the argument against this bill by Republican Members of this House, on the grounds that it is socialism, more ridiculous and unreasoning than could be possibly imagined in such a house of debate as this is challenged to be.

Yesterday the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN], in his prepared speech, which he so ably read, in opposition to this bill stressed the premise that the outlook of this bill before us today would result in socialism. Well, the gentleman from Massachusetts [Mr. MARTIN], the Republican leader in this House and Senator TAFT, the Republican leader in the United States Senate, evidently strenuously differ. For Senator TAFT not only voted for the public-housing bill in the Senate—he was an author and sponsor and active source of support for public housing the other day in the Senate.

May I ask my Republican colleagues a few questions about socialism in the sense in which they apparently used it in discussing this bill. Was Abraham Lincoln a Socialist when he signed the bill enacted by the United States Congress which gave to the Union Pacific Railroad thousands upon thousands of sections of good, fertile soil in order to make it possible for the Union Pacific Railroad to build its line to the golden State of California from the East? Was it socialism for the Congress in Lincoln's time to enact legislation to aid private enterprise in the worthy concept of building this railroad from the East to the West. Manifestly, private capital could not and would not then undertake the building of such a railroad at such tremendous cost. Did that destroy private initiative in the field of railroad building in the United States? Or did it encourage it? Was it socialism when the United States Government, through President Franklin Delano Roosevelt, declared a bank holiday and thus saved the private investments and deposits in the banks of the Nation? Was it socialism when the Securities and Exchange Commission was created for the protection of purchasers of securities in the United States against the corruption and dishonesty of a few greedy men in our Nation? Was it socialism when the taxpayers of the United States pledged their credit to guarantee bank deposits in Federal banks? Was it socialism when the taxpayers of the United States, through congressional action, guaranteed the deposits in Federal building and loan associations?

Of course it was not, nor is it. And these years of experience have proven, beyond a doubt, that the entrance of the credit and protection of the credit of the United States in these fields, as well as others, has been a boon to the mental attitude of all the people of the Nation and has proved a strengthening factor to the banks and lending agencies doing business as private enterprise.

I wish to direct most of my remaining remarks to the portion of the bill which relates to slum clearance and construction of decent housing for those low-income families who are compelled to live in such areas on account of their low income. I call your attention to the fact that a recent article in the Atlantic monthly presented some facts which show that, far from wasting money, every dollar the Government spends for slum clearance and public housing actually saves us money. For instance, it is pointed out that one-fifth of our country's housing is presently in slum areas and that these same slum areas provide homes, at this very hour, for about one-third of our total population in the United States. Therefore, what affects one-third of our total population definitely affects all three-thirds or the total of our population. The health, the morality, the mentality, the home conditions under which one-third of our people, men, women and children, are compelled to live, determines the destiny of how the other two-thirds of our people will be able to live in the near future, for, out of this one-third of our population which presently lives in slum areas, will come millions of underfed, underschooled, ill-healthed, delinquent, dependent children from broken homes, from immoral and unmoral conditions.

The same Atlantic monthly points out that present slum housing in the United States yields only 6 percent of the total real-estate-tax revenues, upon which most towns and most American cities are compelled to rely for the bulk of their operating funds. In other words, gentlemen, one-fifth of the housing in the United States at the present time pays only one-sixteenth of the real-estate taxes in the cities of the United States. Is this good business? Is this sensible revenue methods for our cities? No wonder private capital has never adequately occupied the field of low-income housing in our cities. And yet, at the present time, most of our slum areas in most of our American cities have been built with private funds.

And, in return for this 6 percent of the real-estate-tax revenue to our American cities from slum-housing areas at present, the Atlantic monthly states that slum areas in every American city require an average of more than half of the available medical and institutional care; half of the time of the police; one-third of the time of the fire departments; and most of the welfare benefits paid for by the cities, or through the city agencies, by the taxpayers of the county in which the city is situated, or by the State. Think of it.

I call it Americanism to be concerned about such a condition as this, and the lack of being concerned about it to the point of doing something about it, is not in keeping with our American way of life. Our very self-interest in one-third of our population should determine that we will not tolerate the condition to longer exist which predestines that more than 50 percent of medical and institutional care and half of the police time of our Nation and most of the welfare benefits is going to those who are compelled to live in slum housing on account of low income.

And how low is their income do you say? It is established that 20 percent of our city families earn less than the sum of $1,500 per year. And there you have it. Instantly I give you that figure, your mental reaction is, I know, to ask ourself this question: How in God's name do they live on that low income? But, Mr. Chairman and colleagues, the cold fact is that they are compelled to live under unbearable, unhealthy, disgusting, and disgraceful conditions because they are earning less than $1,500 a year. How would you like to have your wife and children live on $1,500 a year?—yet you and I can do something about making it unnecessary for these millions of American men and women and growing children to live in "hellholes" which we designate for the purpose of this debate as "slum housing."

Let us take a look at what these governmental costs mean in dollars and cents to take care of the one-third of the people of our Nation who live in slum housing. For instance, the United States Census Bureau informs us that annually our 397 cities in America of more than 25,000 population expend over $220,000,000 for health and hospitalization; over $335,000,000 for police protection and control; $215,000,000 for fire departments; $272,000,000 for public welfare. Nor does this $272,000,000 for public welfare include the millions and millions of dollars raised and expended by the community chests and similar welfare agencies in our Nation. Therefore, it is fair to adjudge that about $614,000,000 may be considered as an annual cost of continuing our slum housing. It likewise means, in the ultimate, that we are actually not saving $400,000,000 annually by continuing to ignore our slum problem and by continuing to do our duty as fellow Americans to release these millions of our neighbors to a decent living condition from an unbearable living condition over which they have no control. In fact, we appear to be wasting approximately $214,000,000—nor does this include the cost of the human and degrading misery of the millions of our fellow citizens who have to live in these degrading and destructive conditions in the American slums because no other low-cost housing is available.

And you, my colleagues, will be compelled to agree with me when I state that you and I know by past experience that private enterprise has not, cannot, and will not enter this field of low-cost housing. Private enterprise is naturally

and normally concerned with making monetary profit. I do not criticize private enterprise for not risking its invested capital in this slum clearance and slum construction. But private American enterprise is injuring itself and risking economic insecurity for its other investments by reason of helping to force one-third of the people in American cities, with their children, to continue to live in slum areas.

I do hope that every Member of this great deliberative body will find time to read the total text of H. R. 4009. It is not compulsory; it does not compel any borrower or any agency to borrow or to proceed. Whether or not any slum area is destroyed and removed and a new, low-income and decent place to live is constructed by or in any American city or community, is determined entirely by the governing body of that city or community. This bill merely makes it possible for American cities and communities to remove from their midst these open shores of juvenile delinquency and crime; these breeding grounds of physical disease and serious mental disorders; these schoolrooms of iniquity and storehouses for unpatriotic sentiments and communistic ideologies. Having been juvenile court officer of Los Angeles County, and having been the counselor for more than 100 delinquent and dependent boys at the George Junior Republic in California for more than 3 years, and having been president of the Recreation Commission in my home city of Long Beach, Calif., for about 15 years, I am at least as aware of the tragic liability of slums and the result of slum residence as are most of the Members of this House. Every place of residence in America where children are born and reared should be an asset instead of a liability. Only as our American homes are decent and have decent surroundings will the product from those homes be decent. Conditions beget attitudes and attitudes beget success or failure and children who are raised in slums cannot fairly or strongly be condemned for becoming problem children.

I have visited many slum areas, I have observed them, and one of the liabilities surrounding such areas is the lack of adequate playgrounds. I saw the shocking contrast between slum areas in New York and those slum areas which had been destroyed and in their places decent housing conditions made available to millions of fellow Americans. I saw the children happily at play in the decent housing projects provided by the city and State of New York. And, in the reverse, I saw some of the "hellholes" and back alleys in which children were expected to grow up as decent, law-abiding citizens. I wonder that millions of American children grow into youth and manhood and become as decent citizens as they do. So, Mr. Chairman, I hope that, as these Federal moneys go to aid municipalities and governmental agencies in providing decent homes for millions of children, the municipalities take advantage of the moneys to provide adequate play areas and recreation facilities for the children and youth and adults, too. Play is not only natural to a child—it is an absolute necessity to a child's mental, spiritual, and physical development. As the child plays, so he grows into manhood or womanhood. A family which has no chance to play together will seldom live together happily or with decent objectives or strong motives. A family which has no opportunity to recreate, in the highest sense of the word, will not contribute much of anything to the sinews of our American way of life. These are truths I believe to be self-evident.

Another term for a slum area is a blighted area. And title 1 of this bill merely makes it possible for there to be two types of assistance as set forth by the committee report on pages 36 and 37:

1. Loans * * * at an interest rate designed to return to the Government the cost to it of the funds it obtains to make the loans;

2. Capital-grant subsidy * * * to enable the land in the project areas to be made available for use at prices consistent with proper and sound land use and planning;

Mr. Chairman, I am willing to go forward all together or not at all to permanent economic security and social decency. The cities and the agriculture areas are interdependent for they are economically dependent on each other. We in California are having approximately 40,000 people a month enter our State borders from other States. We have cause to comprehend that folks who come from other slum areas in other American cities will, likewise, be compelled to live in slum areas in California. We already have too many slums in California. We are doing something about it; not enough, however.

It is certainly not socialism for the taxpayers of the United States to subsidize the cotton crop or the peanut crop so the agricultural portion of our Nation which grows these essential crops will have economic stability. Certainly none of my colleagues from States concerned with agricultural crops would hold that Government aid for these growing crops is socialistic. And it is certainly not less important that we subsidize living conditions for one-third of the population of our Nation who are not able to presently earn enough to live under conditions which will be assets instead of liabilities to our Nation. Agriculture must be stabilized; living conditions must be stabilized. As one is essential, so is the other. Both are necessities. Neither is socialism. Both are common sense, both are sound. It would be tragic lack of Americanism to further condemn millions of children to continue to grow up into American manhood and womanhood in surroundings which virtually condemn these millions to have attitudes toward America which are liabilities instead of attitudes of sound Americanism. The American way of life; the private enterprise system; these are not strengthened in the minds of the millions of Americans who are presently living in slum areas. As they are blighted areas, so the minds and the bodies and the souls of these millions of Americans are blighted by the conditions under which they are presently compelled to live.

Mr. GAMBLE. Mr. Chairman, I yield 13 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I believe it was William Howard Taft who once said: "Never argue against prejudice." I wish, however, to reply for 1 minute to the gentleman from Texas who cries out against the people who are against this bill. And he is the chairman of the Small Business Committee. I should like to point out that probably from 85 to 90 percent of the millions of men who make up small business in this country are opposed to this legislation.

Within a few days figures from the Treasury Department are expected to show Federal revenues for the close of this fiscal year will be short by $1,500,000,000 of covering expenditures. If you vote for this Federal housing bill, you are unlocking the flood gates of additional governmental expense and deficit financing that will further threaten the financial solvency of the Nation.

If this country is saved from such a disastrous result, I am convinced that it must be done by the Members of the House of Representatives who are the closest to the people, as was provided in the Constitution to meet just such an emergency as confronts the Congress and the people today. If the Members of the House of Representatives faces up to its responsibility and defeats this bill it will justify the faith of the founding fathers of this Government, and will receive the plaudits of the thinking people of America. This is the most important legislation that will likely face this session of Congress. We stand at the crossroads which leads to the continuance of free enterprise, or statism for the future. You must decide today which road we shall take.

Mr. Chairman, it is extremely unfortunate to the Nation that this bill is even being considered by the Congress. If this bill is passed it will add a financial burden, even in its reduced form, of probably over $10,000,000,000 to the debt load of this Government. This at a time when we are in a recession which has largely been brought about because of our immense public debt, and because the President has continued to insist that we increase taxes to meet a $42,000,000,000 cost of Government budget.

When you send the news out to the Nation from us who are supposed to intelligently help to direct the affairs of Government, that this Congress in this one bill has increased the debt load for the future by this enormous amount, you will increase the fear of those who are capable of investing their money in the building of homes throughout the Nation. It will have a tendency to further destroy the confidence of the thinking people of America in the Congress of the United States and this administration to the point where it will contract private investment and reduce the amount of risk capital that otherwise would go into business expansion.

There are over 4,000,000 unemployed now. The result of this legislation and the fear it will bring to the investors of capital I have referred to, will most likely help to add greatly to the unemployment rolls, to the great hardship of the laboring people of America, because no building under this legislation is contemplated in the near future.

It will cause private investors to refuse to build apartment buildings and homes because of the deadly menace facing them of the Government going into the housing business in competition with private industry.

Mr. Chairman, over a year ago 20 homes were builded in my country to sell at a little over $8,000 by the Marion County Housing Authority under the national housing program. When those buildings were ready for occupancy, and the chamber of commerce who backed the authority, widely advertised the opening of these homes for sale, they were not able to sell a single one of these units within the 3 months they were widely advertised before I left Salem to come here for the opening of the Eighty-first Congress.

Now I want to read into the RECORD a letter from one of the businessmen who was induced to become a member of that housing authority in my county along with other businessmen in the hope of helping to provide homes for the people under such authority. I think you will be interested in what this businessman has to say, which is the same story, in fact, that was told to me by others who helped without any hope of any financial gain to provide this housing:

CENTRALIA, ILL., *May 27, 1949.*

Hon. CHARLES W. VURSELL,
Congress of the United States,
Washington, D. C.

DEAR SIR: I have just been reminded that the national housing program bill is up before the House and Senate for action. You may know that I am on the board of the Marion County Housing Authority under the State set-up. I intended to resign at the end of my term last year, but upon insistence of some of the other board members stayed on. I finally decided to stay on if for no other reason than I have no irons to heat and would stay on to see that the best possible efficiency could be maintained in the interest of the public funds.

Actually, I have decided that no Government agency can compete with private enterprise in a deal of this kind, whether it be power production, housing, or otherwise. It just is not in the cards. We have had bungling on the part of the State board and the red tape has cost us endless expense that would not have been necessary under the private system.

For example: They first gave us the go sign but we could not even buy a tract of ground without their approval, the house plans had to be approved by the State, the architect had to be approved by the State, the bookkeeping system had to be approved by the Stat payments to the contractor had to be approved by the State even after they had approved the contract setting forth the system of payment, on and on to the point where I told them to just write the clerks from Chicago if they were going to run it. This is the type of thing that Government agencies create and it would be no better in the Federal Government.

The more of bureaucracy I see, the more necessary I feel it is to maintain private enterprise. I hope you will continue to oppose unnecessary appropriations and to help trim Government expense wherever possible. Private enterprise made this country great and the "isms ruined every country which they have invaded."

Sincerely,

DWIGHT FRIEDRICH.

Mr. Chairman, the great majority of the mail most of the Congressmen get, if it is like my mail, continues to ask you to reduce spending and to reduce the cost of Government. The gentleman from Kentucky and others will say that there is a great cry on the part of the people to enact this legislation. May I say to ycu that I represent 350,000 people from the Twenty-fourth District in Illinois, and that I have not to date received a single letter or telegram of any kind urging me to support this bill. Every letter or telegram I have received with reference to this legislation has urged me to vote against it, and has urged me to exert my efforts to help to cut the expense of Government because of the present tremendous tax load.

The National Housing Authority and bureaucratic organizations of Government, and the great Government propaganda machine paid for at the expense of the people, are the real lobbyists in support of this bill, along with the left-wingers, the politicians, and, of course, the Socialist and Communist Parties.

Let me point out that in this housing proposal we have finally caught up, even though 10 years late, with the Communist Party in its fight for public housing at the expense of the people. They had such a plank in their platform in 1928, and in 1948 they asked for the Government building of 1,000,000 low-rental housing units. This administration topped them in H. R. 4009 by calling for 1,050,000 units.

I am opposed to this legislation because it is political housing. Were it not for the political aspects of this housing bill, it would not be before this Congress. Were it not tied up with the political possibilities and the political influence, such legislation may have on the masses, who are promised rentals at half price at the expense of the public, this bill would not get a hundred votes in this House.

I oppose it because it is, in fact, using the power of the Federal Government to destroy the great building industry of private enterprise. When the Government destroys a private enterprise, then the Government takes over its functions and that is socialism. This will mean that the Government will socialize the building of homes as it did in France.

I am opposed to this bill because it will take money, through excise taxes and otherwise, from the really poor, like those living on small annuities and old age assistance, who will not be permitted as occupants in these low-rental buildings.

I am opposed to this legislation because out of the 3,000,000 families a special group of 1,050,000 families would get the benefit of these low rentals, while 2,200,000 families in this same category would have to pay additional taxes for the favored few.

If this bill is passed, it would be only justice to the 5,000,000 families in the other low-income groups to extend this legislation next year to provide them with equal rental opportunities, and that would cost far beyond $100,000,000,000.

If we pass this legislation, there will most likely be a bill presented to the Congress next year by these same planners to take care of this group.

I am opposed to this legislation because it will rob the men and women of their cherished ambition to work and save to build and own their own homes. This legislation strikes another destructive blow at the moral fiber of the American people.

I am against it because it will mean less homes at greater cost, rather than more homes.

Mr. Chairman, this housing bill in section 2, in its declaration of policy, in its first paragraph, holds out a false and impossible promise to the American people when it promises: "the realization, as soon as feasible, of the goal of a decent home and a suitable living environment for every American family." What a false, dangerous and deceptive hope to hold out to the people.

Everyone knows that the attainment of that goal, physically and financially, is impossible. It is a utopian, deceptive, political statement. It has never been the policies of the founders of our Government to make such a guaranty to our people. Such guaranties could not be kept, if made, and every sensible person knows it.

The American people who are worth their salt, and most of them are and will remain so, unless their moral fabric is further destroyed by the Federal Government promising them everything; still have enough pride that they want to build their own homes like the pioneers who builded their early homes and at times log cabins along the rivers in the early days of this country. And who by their own efforts conquered the plains and builded the greatest Nation in the history of the world. If their pride and character had been weakened by such legislation as this, they would not have succeeded.

If you take away this incentive, as this bill attempts to do, you will strike a terrific blow at the greatest heritage and wealth this Nation has today—that is the ambition, character, independence, morals, and pride of the American people.

In every State, including California, that has had a vote on low-rent Federal housing, the people have defeated it overwhelmingly. If this bill is defeated, private building will soon close the gap between supply and demand. If this bill is passed, it will slow down the building of homes and apartment units by private interests in the future.

There is no demand worthy of consideration by the people for building rental homes by the Government. Polls taken widely throughout the Nation in various newspapers on the subject of low rental housing built by the Federal Government have run on an average of about five to one against this proposition.

If this Congress passes this legislation, it will lower the confidence of the people of the Nation in the Members of this body.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, with respect to the remarks of the gentleman from Illinois [Mr. VURSELL], who has just completed his statement, let me point out that I, too, am from the State of Illinois. The gentleman represents a dis-

trict, primarily rural, in the southern portion of the State, while I represent a district in the heart of the city of Chicago.

The gentleman has consistently stated throughout his statement that thinking people are opposed to the public housing bill, H. R. 4009, and that its passage would be acceptance of statism or socialism. I hold here in my hand a document which is entitled "Manifesto on Housing." It has been issued by the Church Federation of Greater Chicago, consisting of more than 1,200 Protestant churches, and will be read in churches throughout the city of Chicago next Sunday, June 26. Other denominations have joined with the Protestant churches and will also join in the appeal for adequate housing. The statement of this federation is as follows:

MANIFESTO ON HOUSING

(To be read in churches on Housing Now Sunday, June 26, 1949)

This manifesto has been developed by a special Housing Now Committee of the Church Federation of Greater Chicago, and has been approved by a group of prominent Chicago ministers. All citizens, regardless of creed, race, or nationality, are urged to join in subscribing to this statement and to respond to its appeal.

The housing shortage is one of the critical problems that Chicago now faces!

There are one hundred thousand more families in the city of Chicago than there are dwelling units; and another 150,000 dwelling units are unfit for decent human habitation. The present rate of construction, including all city plans for private and public building is not replacing the housing annually being destroyed by fire, demolition for highways, and depreciation.

This is an economic crisis which has ominous implications for the future. But of far greater importance is the moral and spiritual crisis to which lack of adequate housing is contributing in tens of thousands of Chicago families. It is safe to say that in each of our churches there are families without adequate housing: broken homes, unfair treatment of the aged and children, and the decay of Christian homes is evident in each parish.

The churches, and all who call themselves Christians cannot escape a special responsibility for this civic problem. The Amsterdam Assembly of the World Council of Churches stated that the churches, in humility and the spirit of repentance for their own sins, have an obligation to "* * * declare directly what they see to be the will of God for the public decisions of the hour and also to point to the main objectives toward which a particular society should move."

We urge the Christian people of Chicago and all other citizens regardless of denomination, creed, or political affiliation to repent of apathy and indifference toward this problem; and to pledge themselves to place the public welfare and basic religious values above every selfish consideration. Let there be a great upsurge of public support for an adequate and balanced housing program which will meet the need of all income groups, without regard to race, creed, or national origin. The need is urgent and action should be taken now.

We urge the governor, the mayor, the city council, and other public officials, and private business interests to give aggressive leadership immediately in the formulation and execution of an adequate housing program such as has been passed by the United States Senate and is now before the House of Representatives, and thus insure the future economic, moral, and spiritual security of our great metropolitan community.

George A. Fowler, Chairman, President, Church Federation of Greater Chicago; John W. Harms, Executive Vice President, Church Federation; Mitchell T. Ancher, United Church of Hyde Park; Bert H. Boerner, University of Chicago Settlement; Armond Guerrero, Mayfair Methodist Church; J. H. Jackson, Olivet Baptist Church; Harold Lunger, Austin Boulevard Christian Church; William L. Rest, Immanuel Evangelical and Reformed Church; F. Adrian Robson, Chicago Congregational Union; Dudley S. Stark, St. Chrysostoms Protestant Episcopal Church; Theodore V. L. Harvey, Englewood Baptist Church; Robert Stanger, Bethany Evangelical and Reformed Church; Elmer L. Shirrell, Chairman, Department of Citizenship, The Church Federation; Rolland W. Schloerb, Hyde Park Baptist Church; Alva Tompkins, Olivet Presbyterian Church; Philip G. Van Zandt, Logan Square Baptist Church.

Are the leaders of 1,200 Protestant churches Socialists? Can the gentleman state they are not thinking people? How utterly absurd is the gentleman's argument.

It was charged yesterday by the minority leader, the gentleman from Massachusetts [Mr. MARTIN], and the gentleman from Illinois [Mr. ALLEN] that all of private enterprise is opposed to this legislation. This is certainly not true in my community, and I doubt that it is true in many other areas. Two years ago the city of Chicago overwhelmingly approved a $30,000,000 public-housing and slum-clearance program, and such groups as the Chicago Association of Commerce and Industry, many leading real-estate firms and contractors not only supported the program but actively pressed for its approval. The program which the city endorsed is basically similar to H. R. 4009. And yet, although the city has made a start, it cannot make further progress because of the limitations of its own resources and the inability of its citizens to obtain amendments to the State constitution which would permit adequate financing of a housing program, as was done in the city of New York.

Yes; Chicago has made a start, but only a start. For those who doubt the necessity of this bill, let me point out certain facts relating to public housing in Chicago.

First. Public housing in Chicago has built 7,680 permanent type dwelling units in 10 large community housing developments.

Second. Chicago's public housing developments have provided homes for the lowest income families. More than 12,000 low-income families, including veterans and low-income war workers have lived at one time or another in these projects. At the time they moved in these families had the lowest incomes of any group of families in large northern cities where wage rates and economic conditions are generally higher than in rural areas. In 1940–42 the income of families moving in averaged only $850 a year, about $17 a week;

Today, incomes of families moving in average $1,600 a year or about $35 a week when half of Chicago's families earn more than $75 a week, and one-fifth earn less than $40 a week.

No family has been too poor to get in. Those earning as little as $400 or $500 a year are accepted as tenants. Half of those now moving in are recipients of public welfare, aid to dependent children or are receiving GI allotments. 20 percent of all tenants are in this group.

Third. Chicago's public housing program is indispensable to slum clearance. Existing federally aided projects have cleared and replaced some 120 acres of slums. All families moving in must come from slum homes, and there would be 7,680 more families living in Chicago's slums today if the present projects did not exist.

All of the leading business and citizens' groups of Chicago interested in slum clearance have recognized that public housing must first be built to rehouse those who will be displaced by slum clearance.

Fourth. Chicago's public-housing developments have been built at economical costs. The Ida B. Wells Homes, a 1,662-unit combination multi-story-row house development, comprising 125 buildings on 47 acres of land, completed in 1941 cost only $5,069 per unit or $1,187 per room including land, all fees, and overhead expenses. Today, when building costs have soared, the Chicago Housing Authority is currently building multistory elevator type apartment projects at $2,200 per room.

Fifth. More than 10 years' operation of the program in Chicago has produced low rents to tenants and very little cost to the Federal Government or taxpayers. Rents are graded to tenants' incomes enabling lowest income families to pay only $15 a month while those able to afford more pay higher rates. Average rental return plus low operating costs and low financing costs on funds borrowed to pay the initial cost of building the projects has resulted in practically no cost to Federal Government. For example, on federally aided projects under its contracts the Chicago Housing Authority may obtain up to about $180 to $210 a year per family in Federal subsidies. However, actual Federal subsidies required have amounted to only about $5 per family per year.

Funds obtained to pay initial cost of building projects are being repaid. Most of the projects have been built with funds borrowed from private sources and these borrowings are being repaid at an unexpected rate—the Ida B. Wells Homes originally required a borrowing of nearly nine millions has had $913,000 or more than 10 percent retired in 8 years' operation. On three projects financed with PWA grants of $15,500,000, $1,700,500, more than 10 percent has been returned to the Federal Government in form of rent payments in 10 years' operation.

While real-estate taxes are waived to assist in obtaining low rents, more than $1,000,000 has been paid to local taxing bodies in service charge payments distributed in the same manner as taxes, and in all cases payments are exceeding former taxes assessed on same properties

before they were public housing. Hence no revenue has been lost to taxing bodies through this method.

Sixth. Chicago's public housing program is showing benefits in building better, more prosperous citizens, developing new home owners, and reducing costs of fire, disease, and delinquency to the general community. Lifting families out of the slums has resulted in higher morale, more industry, and ambition and higher earning power by many of the families, resulting in a number of tenants who, though poor when they moved in, increase their incomes to the point where they are no longer eligible for public housing. Normally, these families have been evicted from the projects. Since the start of the program, more than 1,200 over-income families have moved from the Chicago projects. Of these, more than 300 have purchased their own homes.

Fire rate has been reduced drastically and of those few which do occur damage is slight—no permanent type dwelling has been destroyed by fire—one-third the number of fire calls per year per public housing compared with sites before cleared. Death rate from tuberculosis among Negro tenants of public housing has been reduced to less than one-half for Negroes living in Chicago's slums. Unexcused absences from school among children from public housing is less than from surrounding slum areas. Other cities report similar types of benefits in lower disease, death, delinquency, garbage collection costs of public housing as compared with slums.

Seventh. H. R. 4009 is vitally necessary if Chicago is going to make real headway in its housing and redevelopment problems. The increase in city's population, together with marriage and birth rates which continue at high level, in addition to families already doubled up, constitute a need for at least 200,000 additional dwellings to the city's present housing supply. This need is greatest among the middle- and lowest-income groups, less among those able to afford high purchase prices or rents. Of the thousands of veterans seeking homes and apartments as well as thousands facing displacement by slum clearance, most can afford to pay between $40 and $60 a month, about one-fourth less than $40 (the public-housing market), and very few over $60 or $80.

Private construction has added an average of only about 6,000 dwellings a year to the city's housing supply in the last 3 years. More than 80 percent of these have been single-family homes for sale at prices of $12,000 or more, practically all of the few rental units cost more than $80 a month.

In addition, present public and private slum clearance, superhighway, medical, and other redevelopment projects will displace an estimated 22,000 additional families. Relocation housing now under way with city and State funds will provide but from 2,000 to perhaps 2,200 units for low-income portions of those displaced.

The Chicago Housing Authority already has a backlog of some 25,000 or more applications on hand; many represent families who have been waiting 4 or 5 years or longer, and is receiving additional requests for help in obtaining housing at the rate of 3,000 to 4,000 per month. Temporary dwellings for veterans' families are nearing the end of their life. Trailers are in such uninhabitable shape that they will have to be taken out of use within the year. This means a shrinkage in the supply of housing by one or two thousand units within the next year or two.

There has been so much fear expressed upon this floor about what the public-housing bill would do to our country that I am reminded of the remark that was made by Mr. Justice McReynolds approximately 15 years ago when he stated in a decision of the Supreme Court, "The Constitution is dead." Mr. Justice McReynolds was entirely wrong. The Constitution since that statement, has proven itself to be a dynamic, living instrument, flexible enough to assure the operation of this Government as an instrument by the people and for the people. The public-housing bill, perhaps more than any other piece of legislation, will rescue millions of our citizens who are now doomed to despair in the slums of this Nation, from continuing to exist as they have lived in the past. It offers an opportunity for them to live decently and gives hope that their Government does in fact recognize their plight.

I understand that an amendment will be offered which will reduce the amount of housing from 1,050,000 units to be constructed over a period of 7 years, to 810,000 units to be constructed over a period of 6 years. I would have preferred the provision as it now exists rather than the amendment, but in view of the fact that the assertion has been made that the Senate is committed to the lower number and under no circumstances will recede, I shall support the compromise in order that we may be assured of passage of this bill.

I certainly urge passage of H. R. 4009 by a large majority.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Chairman, today, when H. R. 4009 comes before the House for consideration and debate, I intend to carry out my pledge made during the campaign in the fall of 1948 when I sought election to Congress, that I would support legislation for slum clearance and low-cost housing.

All during that campaign, I made my position very clear and since I assumed my duties as Congressman from the Forty-third District of New York, I have on several occasions reiterated that pledge.

When members of the real-estate lobby called at my office a few weeks ago, I minced no words and told them very frankly that I was going to support H. R. 4009 because there is a dire need for public housing and slum clearance and that the citizens in the low-income brackets of the richest country in the world were entitled to decent homes in which to live.

It is my opinion that private industry has failed to provide homes within the reach of familles in the low-income group and, when private capital fails, then I maintain it is the duty of our American Government to see to it that our citizens are adequately housed.

The real-estate lobby has raised the cry that the cost will be tremendous and too heavy for the taxpayer to bear and that this legislation is "socialistic." The real-estate lobbyists have distorted the figures to serve their own purposes and needs in an attempt to defeat this legislation and to stir up the people against it.

Now, let us see what the real cost per unit is going to be. The real-estate lobbyists, for their convenience, have purposely distorted these figures by taking the maximum figure of $2,500, multiplied it by five rooms and added $2,500 for land and utilities in order to arrive at their claim that all units built will cost over $15,000. Even at the high cost of construction today, and costs are dropping, very few housing projects, if any, even in the highest-cost areas, will require an expenditure of this amount per unit. This figure over most of the Nation is utterly absurd.

Early this year a group of representative builders who built housing projects under the 1937 act were asked to submit figures as to what the current cost of duplicating these projects would be. Their replies ranged from less than $1,250 per room to $2,250 per room, and two-thirds of this group were below $1,750 per room.

The true facts are that the amended H. R. 4009 calls for the construction of 810,000 dwelling units at an average cost of $8,465. The language of the bill is plain and requires the utmost economy and simplicity in the standards of construction and consistent with providing durable and decent homes.

The construction costs will naturally vary in the different parts of the country and the bill provides for a normal ceiling of $1,750 per room. This amount will be sufficient to meet the costs in most parts of the country but in order to meet the high costs in some parts of the country the bill provides maximum cost per room of up to $2,500.

In his message to the National Housing Conference, Senator TOBEY, of New Hampshire, a Republican, had this to say regarding cost:

> Since this bill has been under study and discussion, going back 4 years ago, I have heard a lot about costs. We have been told that this bill may cost from $13,000,000,000 to $16,000,000,000 over a period of 40 years. That is nearly as much in 40 years as we are contemplating spending on military needs in 1 year today. The latter we must spend to protect our freedom to have homes and to enjoy them. The former is designed to provide homes that we can enjoy and that are worth such a defense.
>
> As you move ahead with this program, you must think about these costs, but you must think also about your mission of eliminating the slums that drain off the revenues of the citizens and that create untold losses in human resources. I have heard of the high costs and rates of crime and disease that mark the slum areas of our cities from coast to coast.
>
> I have heard that the slums are costing the city of Newark $14,000,000 annually. I have heard that in Atlanta, Ga., slum areas contributed 5½ percent of that city's property but cost 54 percent of its police, fire, health, and other service costs. I have heard that

in Cleveland the per capita deficit of a slum area was $51.10—at prewar prices. I have heard that in St. Louis tax delinquents ranged from 25 to 40 percent in slum areas, compared to 2 to 5 percent in newer districts.

I have heard that in Chicago a slum area of less than 3 square miles, chiefly because of bad housing, accounted for 21 percent of Chicago's murders, 12.3 percent of its robberies, 24.9 percent of its rape offenses in the years 1943, 1944, and 1945.

With regard to the real-estate lobby's contention that this is socialism and statism, this type of propaganda is completely false and far removed from the truth.

Let us see just how socialistic public housing really is. Are any of these—Federal aid to agriculture, the construction of highways, reclamation and flood control, the construction of power dams to supply various sections of the country with cheap power, rural electrification, Federal insurance of small bank depositors, social security and old-age assistance, and many other numerous types of Federal aid—are these socialistic?

If the real estate lobbyists and others do not consider the above-mentioned types of Federal aid socialistic, how can they consider H. R. 4009 to provide for slum clearance and low-cost housing to be socialistic? They certainly are not consistent and will not fool the people with misleading propaganda.

On the Senate side, the Republican leader ROBERT A. TAFT, last year one of candidates for President, is one of the chief sponsors of S. 1070 which calls for a similar program provided for in the House bill. Is Senator TAFT a Socialist? In my opinion, he is one of the most reactionary men in the Congress and certainly he would not want to be tinged with socialism in any form. Are the 24 Republican Members of the United States Senate who voted for the Senate bill Socialists?

Last year, the Republican platform contained a plank calling for slum clearance and low-cost housing and Mr. Dewey advocated such a law. I am sure he cannot be accused of being socialistic.

Under H. R. 4009, the Federal Government would not be given the power to dictate to any State or local municipality. The decision with regard to whether or not any community desires to participate in the public housing program rests solely with that community. Surely this shows without any doubt that the Federal Government is not trying to interfere in or control local housing problems or to force anything on local municipalities.

Participation by communities in either the slum-clearance program or the low-rent public-housing program would be entirely at the option and initiative of local governments. Projects would be locally planned and locally executed. The role of the Federal Government would be restricted to the provision of financial assistance, the furnishing of technical aid and advice, and the administration of statutory requirements to assure that the intent and standards of the law are faithfully observed.

Neither is there anything in the bill that would threaten or undermine the position of private enterprise in housing. On the contrary, there is much that would strengthen it. The declaration of national housing policy stipulates that private-housing enterprise shall be encouraged to serve as large a part of the total need as it can and that governmental assistance should be utilized to the extent feasible to enable private enterprise to serve more of the total need. The slum-clearance title requires that the plans for redevelopment of slums or blighted areas afford maximum opportunity for participation by private enterprise. The public-housing title requires a gap of at least 20 percent between the upper-rental income limits for admission to public housing and the lowest rents at which private housing is providing an adequate supply of decent housing, new or old, for rent or sale in the locality involved, thus assuring no competition between public housing and private enterprise. Under the farm-housing title, loans would be made only to those farmers who are unable to secure credit from other sources at terms within their paying ability. Finally, a primary objective of the Federal research program is to place the private-housing industry in much stronger position to serve a much broader market than today through improved methods and organization.

The powerful real-estate lobby did not oppose the Congress in appropriating billions of dollars to aid and rehabilitate war-stricken countries and a good percentage of this money will be used to build homes for these European people. This lobby was conspicuous by its absence and, as a matter of fact, they favored the appropriation of these moneys to be used for this purpose. They made no complaints about the tremendous cost to our taxpayers. Is it socialistic to spend the United States taxpayers' money to build homes for people in these European countries? Where does socialism begin and end?

It is my contention that if we can appropriate moneys to maintain and build homes for people in foreign lands then I feel that we can spend money to build homes for our American citizens to whom we owe an obligation. I feel that we must think in terms of taking care of our people first and I am going to vote for H. R. 4009 notwithstanding the terrific pressure the local Buffalo real-estate lobby is trying to bring to bear on me. I am more determined to support it now because of the false propaganda this lobby has been using and because of their use of misleading figures in their arguments to the general public.

I am also going to support legislation to give our people adequate old-age pensions, to extend social-security benefits so as to cover a greater number of people, small-business men, the grocer, the butcher, the small-store operator, and others. It is my firm opinion that all this legislation is for the good of the economy of this country and the general welfare of the people. Private capital has failed to supply adequate housing to meet the needs of the country and therefore I feel that the Government should step in and fill that need.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I want to take this opportunity of recording my unqualified support of H. R. 4009, a bill which would help meet the need for low-rent housing in this country.

That such a need exists there is no question. For over 4 years now the Congress of the United States has been studying and investigating the facts of the housing shortage in the country. The facts are plain.

The delay in enacting this legislation has been paid for in the unhappiness and misery of the people living in the slums of this country, by the disillusionment of homeless veterans. With the substantial growth in population since 1940 the inadequacies in housing become more glaring.

In my district in eastern Massachusetts the need for slum clearance and low-rent housing has become aggravated with increasing unemployment.

Since I have been in Congress I have supported the passage of adequate housing legislation. I hope and I am confident that this House will enact into law this bill before us.

Mr. SPENCE. Mr. Chairman, I yield 15 minutes to the gentlewoman from Connecticut [Mrs. WOODHOUSE].

Mrs. WOODHOUSE. Mr. Chairman, the arguments against this bill fall into 4 groups:

First. It is not needed. The housing shortage is disappearing, or, less strongly put, it can be met by private business and rehabilitation of deteriorated housing.

Second. It will permit undue interference by the Federal Government in local affairs.

Third. It will cost more than the Federal Government can afford and will also be an unreasonable expense to local governments.

Fourth. It will provide housing for only a small percentage of the people who need decent housing and therefore is unfair. Moreover, it will injure the morale of the few who can find a place in the public housing projects and is "socialistic" and/or "communistic."

Facts prove each of these four types of arguments against the bill to be fallacious.

First. There is still a definite shortage of decent sanitary, low-rent housing. The market for houses in the $10,000 and over class is drying up. But in lower-cost housing there is still overcrowding, still doubling up, still occupancy of dwellings quite unfit for habitation.

A bureau of the Census survey in April 1947 showed some 6,100,000 nonfarm homes which do not meet the generally accepted minimum standards of adequate housing and 1,400,000 farm houses in need of major repairs besides many others which lacked even running water.

The same survey found overcrowding (more than 1.5 persons per room) in 6.17 percent of all dwellings, 9.9 percent of rural nonfarm dwellings, 7.8 percent of farm dwellings and 4.4 percent of urban dwellings.

Figures for new buildings clearly indicate the situation has not been met. In my own small State of Connecticut, one of the richer States, there are still

37,000 families in slum houses, an estimated 22,000 families doubled up with relations or friends. Last year there was a net gain of 10,000 new families. The Dodge report showed 7,084 homes started by private builders and since December, 1948, home building has dropped off steadily. Thus the new building did not even care for the new families let alone care for the backlog of need.

In New York City on Monday the papers reported 32,000 persons making application for 2,140 units in two new projects of the New York City Housing Authority to be open in September.

New building has not met the needs of low-income families for decent housing.

Rehabilitation of deteriorated dwellings and enforcement of the municipal sanitary codes has been seized upon by opponents of public housing as the answer. One wonders why this program has not been undertaken more widely and why it was not undertaken long ago. The Baltimore plan is without question a real achievement, but the mayor of that city himself points out that it is a palliative and not a solution, and that while the houses have been improved, rents have gone up.

The public health authorities over the country have been interested in this plan for enforcing sanitary codes and compelling repairs but as Dr. Scheele, Surgeon General of the United States Public Health Service, says, "Although a considerable amount of substandard housing may be improved by alterations there remain large sectors of housing so bad that it cannot be made healthful without wasteful and in the end ineffective expenditure for renovation."

The Baltimore Sun which largely initiated and vigorously backed the plan, in an editorial April 22, 1948, clearly stated:

> The beautiful picture presented by the home builders should be toned down a bit * * * it is neither providing much-needed minimum housing nor gradually ridding the city of its blighted areas. * * * The slum clean-up campaign has brought about the replacement of windowpanes and plaster in some areas, improvement of sanitary conditions to some extent and compelled landlords and tenants alike to clean out rat-infested cellars and back yards. But the overcrowded substandard buildings remain exactly that. * * * There was more juvenile delinquency in Baltimore last year than in the previous year. * * * The number of new cases of tuberculosis, another byproduct of slum conditions, also increased last year. * * * Housing law enforcement is not slum clearance and nothing will make it so.

Yesterday the gentleman from Massachusetts [Mr. MARTIN] pointed to what has been accomplished in Georgetown in the Nation's Capital. I grant you it has been a remarkable job of slum rehabilitation and also of slum family displacement but not of slum family rehousing. I have redone two Georgetown houses. Some of you Members know Georgetown sale prices and rents. They hardly seem to fit into a discussion of low-rent housing.

Second. The bill requires basic action by the local community before the Federal Government can take a single step. The local government, through its local housing authority must request Federal assistance, make its own plan for slum clearance and public housing, choose its own architect, send out invitations to private contractors to bid, select its own tenants and manage its own project. The Federal Government gives technical and financial assistance.

Private builders cannot afford to clear slums. The land is too expensive in comparison with open tracts which are available. But after the local authority has cleared the slum it must according to the bill afford maximum opportunity for private enterprise and may sell or lease the cleared area or undertake to erect public housing. The work is done by private contractors.

The entire proposed public housing program will care for less than 10 percent of the needed dwellings over the next decade. It will compete with slum housing. Its purpose is to get rid of slum housing. Since 19.7 percent of American families have incomes of less than $2,000 and 30.3 percent less than $2,500 the average rent including utilities must be under $30. The average rent for substandard housing is $28.50 per month. But with the requirement that there must be a gap of 20 percent between the upper rental limit for admission to public housing and the lowest rent at which private owners are providing an adequate supply of housing, new or old, for sale or rent in the locality, only families who could not pay even the lowest private rents will be allowed to live in the public housing projects. Thus there is no competition with decent private housing. There is an adequate supply of building materials and of labor.

The Federal Government will not interfere with the State or locality nor compete with private builders or landlords. After all, why such expression of anxiety? We have had public housing for over 10 years. There are 42 States and some 600 local communities with provision for accepting Federal aid and the mayors' conference and individual mayors are backing this bill. Projects under the 1937 act are in operation in 265 cities in 39 States with 170,100 units costing $797,000,000. These are not only big cities which some say they fear will get all the forthcoming public housing. More than 70 percent are under 50,000 population and 100 of the cities are under 25,000. The Housing Administration states categorically that the same policy of considering applications from all States and from small as well as large cities will not be changed in any way.

Third. As to the cost, the oft-quoted figure of $19,000,000,000 to $20,000,00,000 was arrived at by adding loans—actually repayable—maximum grants, and maximum annual contributions and multiplying by 40 years, the maximum period for amortizing a project. The Bureau of the Budget figures the cost at $10,000,000,000, possibly $9,000,000,000. Under current financing the life of the loan will more likely be 29 or 33 years and not 40 years. Moreover, under the present program authorized by the United States Housing Act of 1937, the actual contributions paid by the Federal Government have amounted to only 58.5 percent of the amounts authorized.

In 1948 the New York City Housing Authority legally could have collected a maximum of over $3,255,000 in subsidies from the Federal, State, and city governments. Actually it claimed only 41 percent of that amount.

Nor are construction costs of public housing high. The average cost for 1938–48 was $4,685 per unit which compared very well with private building especially since most of the public housing projects were in cleared slum sites, had their own utility distribution systems and were of fireproof construction.

In the current bill the cost of $2,500 per room so often quoted as the proposed cost is the top limit for notably high cost localities and not the cost which will be incurred in most projects. The Joint Committee on Housing found the operating cost in public housing projects compared favorably with the best results of private enterprise.

As to the tax loss to local communities, it is interesting to note that it is opponents of public housing and not the Mayors who make the complaint. The payments in lieu of taxes were not and should not be the equivalent of full local taxes on the improved site and buildings. The community should make a contribution to the subsidy needed to achieve the low rents. The local communities have nearly always elected to pay their 20 percent of the Federal contribution in the form of tax exemption.

It might be mentioned that the Metropolitan Life Insurance Co. was granted the right for 25 years of paying to New York City on its Stuyvesant Town project, not the full tax on the new buildings, but the taxes which had been assessed against the old slum properties which had been cleared away.

Slum clearance may actually save the city money. Slum housing comprises about 20 percent of the residential units and yields about 6 percent of the tax revenue. The slum areas take on the average more than half the medical and institutional care, half of the time of police, a third of the time of the fire department and most of the welfare department's time. Slums represent private enterprise at its worst and are without question subsidized by the taxpayer.

Fourth. It is argued that public housing is unjust because it will provide homes for only a small percentage of the population who need homes. Not all of us ride on airplanes, or with the merchant marine, but that is no argument against their subsidies.

Or the argument runs that public housing does not serve those who need it; that there are not enough welfare families in the projects and too many with large incomes.

As a matter of fact, in some projects welfare cases have run up to 23 percent and 24 percent of the total residents. This is too high. Public housing projects must not become a modern version of the poorhouse. About 10 percent of such families can be absorbed and helped.

At present five-sixths of the local housing authorities have a maximum limit of $2,200 family income or less. True, there are families in the projects with higher incomes. Under an act of Congress in force up to last August they could not be evicted when it would cause hardship, but they are being moved out as many of us must know from our mail.

In a project I know well, in New Haven, a family with two children may have a maximum income of $2,484 per year and pays $45 per month for four and one-half rooms. Admissions are passed on by a board made up of representatives of the Council of Social Agencies, Department of Welfare, labor, Negro, and citizen groups and the Housing Authority staff. Knowing the right people does not help if the family does not meet the requirements. Our Connecticut local housing authorities are not in politics.

Contrary to the implications of the opponents of the bill, careful provision is made for families living in slum areas to be cleared. Federal assistance is available to clear areas predominantly residential in character or where redevelopment would be primarily for residential use, but always provision must be made for temporary shelter for displaced slum dwellers and for permanent, safe, and sanitary dwellings at rents they can afford to pay. The new dwellings need not be on the old site. The locality has the right to make a comprehensive plan for its development.

It has been said on this floor that slums are made by people. It is true slum dwellers often have undesirable habits. But what else could be expected, especially of adults born and brought up in a slum environment? Slums too often make undesirable people and are costly to the community. They are costly in bad health, poor physique, and high morbidity rates.

A higher proportion of rejectees by draft boards were from the slums than from any other section of the population. Studies show the infant mortality rates 5 to 6 times as high as in the better neighborhoods. Dr. Scheele, Surgeon General of the United States, emphasizes the fact that the quality of housing bears a direct relationship to health. Overcrowding results in a high incidence of pneumonia and tuberculosis, and communicable diseases. Slums have a high rate of home accidents. There are proportionately more people killed and maimed each year in slum dwellings than in others. The incidence of mental disorders and of mental deficiency is higher. Slums with dilapidated buildings infested with rodents and insects breed disease and spread disease. A study of New Orleans showed that 49 percent of the city health budget went into the slums which contribute 5 percent of the city's tax receipts.

The ultimate effect of dirt, noise, poor sanitation, lack of fresh air, lack of sunlight, of space, of privacy, is poor health, mental and physical, and expense in medical care, hospital, and institutional care, and welfare expenditures by the city.

Juvenile delinquency is from 10 to 20 times as high in slum areas as in better residential sections. Overcrowding in the home causes tension and disagreements, sends the children to the streets for recreation. A study made in New Haven, Conn., of 649 children 7 to 17 years of age from 317 families showed 3.18 per 100 children delinquent in 1924–44, when they lived in the slums. This was reduced by ½ to 1.6 percent during the 2½ to 4½ year period 1940–44 when these families moved into a public housing project with more room and recreational and play space.

H. R. 4009 emphasizes better family living. Terms such as "suitable living conditions," "livability of housing accommodations," "dwellings adequate for family life" all recognize the part housing plays in providing conditions under which sound family life can be developed. Slum clearance and rehousing are directed toward improving family life. We are dealing with much more than mere physical rebuilding of a city.

Slum clearance and good, low-rent public housing will pay its way in direct monetary savings and in indirect improvements in the stamina and character of the citizens. If we use the figures of excess cost of slums in poor health, police and fire protection and juvenile delinquency we can get some idea of the gains of slum clearance. In Newark, N. J., it was estimated that the clearance of slums and moving the families to public housing saved $33 per year per family in municipal costs. If the program before us rehouses 850,000 families, and it will rehouse more because public-housing project tenants are not permanent, this would mean on the basis of several studies of existing projects, 3,000 fewer deaths from tuberculosis each year, 2,000 fewer deaths from pneumonia, more than 2,000 fewer infant deaths and a monetary saving of $25,500,000 per year in municipal outlay for medical care and public health, fire, police, and juvenile delinquency costs. It would mean, further, gains in worker productivity and, most important of all, gains which cannot be valued in dollars but only in terms of human well-being and happiness.

People will not lose morale and become helpless dependents of the State if they have decent, low-rent public housing as opponents of the bill have claimed they fear. Anyone who has known the valiant struggle of the mother in the slum tenement to keep the place clean, to bring up her children to be sturdy, fine citizens knows the quality there is in so many of these disadvantaged families forced to live under such poor conditions. And anyone who has seen such a mother brighten, gain her health and look years younger after she and her family have moved to a clean, well-arranged, well-equipped public-housing apartment, knows this claimed fear of statism has no place in a discussion of this bill. Surely most of you have shared the experience I have had of going about a three- or four-room apartment in a public-housing project with the new occupant and being shown the wonders of a shiny bathtub, a place for the dishes, a place, all his own, where Johnnie can keep his things, the miracle of a broom closet—all just such everyday matters in your life and mine that it makes one ashamed that they could mean so much to another fellow American.

Nor will these families just stay on the project forever as has been suggested. Again may I illustrate a general situation by specific figures from a New Haven public-housing project. Between 1941 when the project opened and 1947 when the study was made, there were 487 families in residence. Of these, 116 Negro families, 37 percent of their total, and 102 white families, 61 percent of their total, moved out. Of the 265 families who had not moved, 110 were low-income families whose wage earner was in an occupation where there was little hope of an increase in earnings, 13 were recipients of old-age assistance, and 11 of aid to dependent children.

These projects have an educational value. Families move into them from the slums, learn better ways of living, better community habits, learn to want better things, and to want their own home. From the same New Haven project I could give you stories of couples who have saved and bought a little house and with the aid of their project neighbors improved it into a really good place.

We do not need to be afraid of giving the American family a chance. We all still want better things and will work for them if we have half a chance.

The list of organizations supporting this bill for slum clearance, public housing, and betterment of farm homes reads like a roster of respectability, not of Socialists or Communists. Surely they could not all be deceived—not the veterans' organizations, American Legion, AMVETS, Catholic War Veterans, and so forth; the National Association of Parents and Teachers, the National Grange, the National Conference of Catholic Charities, the National Conference of Catholic Women, the National Council of Jewish Women, the Council for Social Action of the Congregational Christian Church of the United States of America, the World Council of Church Women, the Women's Division of the Methodist Church, the National League of Women Voters, the CIO, the A. F. of L., and so on—all organizations whose members are good, substantial citizens who have learned that the best way to help people is to give them the opportunity to help themselves, and that at times the taxpayers' money can be saved by spending some money in order to provide such an opportunity for self-help as slum clearance and public housing give to the slum dweller to better himself, his children, and his community.

Further would the Guaranty Trust Co. of New York and other great banks be asking for section 502 which gives banks the right to invest and deal in the housing bonds if they thought that such housing would undermine our political and economic structure? Certainly not; and these institutions have some of the best brains in the country working for them.

The answer is so obvious that the cry of socialism, of statism, becomes absurd. Surely we in the House of Representatives know the situation as well as do

these banks and the members of these organizations, and surely we likewise will back this bill and pave the way for slum clearance and for the rehousing of these slum families in decent low-rent public housing which private enterprise cannot afford to provide. By so doing we will be saving in municipal expenditures, saving in human lives, saving through the physical and moral betterment of the oncoming generation of citizens, and, at the same time, will give work to private contractors and provide one element in stabilization of the building industry and in the entire current economic situation.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BROWN of Georgia. Mr. Chairman, I also yield the gentleman 5 minutes.

Mr. BURDICK. Mr. Chairman, I do not find myself in full agreement with the party I represent here in Congress. Of course, this is nothing new to announce because occasionally I do not agree with the orthodox Republicans.

The bill we have before us at this time is neither socialism nor communism.

The record of my family in America dates back as far as any of them, I believe. From the year 1634 to the present moment we have taken part in the building of this great Nation.

What was confronting the people a century ago is not the condition that we are met with today. What was enough for the people of a century ago is not enough for the emergencies we meet today as we go along the pathway toward maintaining a democracy.

In this bill the Government is not going into the business of building houses. It it were I do not believe I would support it because when the Government undertakes anything in most any field it is pretty extravagant in the use of the taxpayers' money. But here it does not enter the building program at all. It simply makes funds available so that people can finance themselves. And let me tell you that the question of funds is vital, as I will demonstrate to you.

Mr. Chairman, as I said before, my people came to Massachusetts in 1634. They stayed there for about a century. But soon the interest charges caught up with them and they lost what they had. They moved across the Allegheny mountains into the beautiful valley of the Ohio. There they hewed out new homes in the wilderness and drove the Indians ahead of them and settled where a man's scalp was comparatively safe. Then the investor came along and the interest rates ran from 12 to 24 percent in due time. You can figure it out by the calendar. They were just about 50 years struggling under this interest rate.

They lost what they had. They gathered up what was left and moved over into the valleys of Indiana, Illinois, and Wisconsin, settled anew, fought Indians and hewed out a new home in the wilderness. In due time the interest caught up with them again. In about the year 1840 they lost out in Wisconsin. But suppose they did, what difference did that make? There were millions and millions of acres of vacant land in the West. When these pioneers lost out, they moved on to a new country.

My people moved on. They moved from Minnesota out into the territory of Dakota where land was free, and there was plenty of it. Those settlements were made there in about 1882.

Now, let us apply that 50-year period again, the 50-year period for which this interest has run from 12 to 24 percent. I know what I am talking about because I have seen my family pay it. At the end of that 50-year period, almost to a day, they lost out in Dakota and all their neighbors lost out. They were foreclosed upon. In the year 1933, when the depression started, those old pioneers lost out, but they had come to the end of the great Free West. There was no West left, no land left; there was no place to go, and there is no place in America where you can go like they used to 150 years ago. We have come to the end of the free land.

Then, what happened? Added to that we had 9 years of drought, the greatest drought ever known in the West. There was nothing growing out there except the trees along the Missouri River. There were sand banks in the towns and villages as high in summer as the snow was in winter. Many of them moved out, but there were a lot of us too poor to move out, and we stayed, and through the instrumentalities of this Government of ours, through low interest rates and assistance by the Federal Government, a great percentage of them stuck it out, and now for 9 years we have had great crops. That great Dust Bowl has blossomed into a garden and those who remained own their homes and they have bank accounts.

I was asked on the floor of this House years ago when we requested appropriations for this purpose, "Why don't your people move out of that no-good country?" We could not move out. We built our homes and our churches and our schools and our cities and our institutions and we stayed. Let me say to the Members of this Committee that if it had not been for that innate desire in the breast of every human being in this world to own land and to own a home, that great Dust Bowl would have been destroyed. I think there are Members on this floor today who remember what was said when this Congress appropriated money to rebuild these farms in North Dakota, South Dakota, Montana, Kansas, and Nebraska: It was socialism. Out of the $72,000,000 that they put into the reconstruction of homes in North Dakota $71,000,000 has been paid back, and they have not been charged with that interest rate that was so ruinous to all, that ruined us from the Alleghenies to the Pacific coast. This Government has seen fit to destroy that great interest octopus that works at night when the farmer is supposed to sleep.

You say to me that private enterprise could do the job. Well, the largest city we have in North Dakota has only a population of about 35,000. The slums in that city have remained there for the last 60 years to my knowledge. Private industry does not want to eradicate them but the people of the city would like to see them taken out, and under this bill you can do it. Under this bill the Government will finance on a rate of interest that they can afford to pay. Does anybody here think that you are giving away this money? Does anybody here think that you will not get most of it back?

Those who say you will put in over a billion a year have not stopped to figure how much you will recover every year in payments.

I say to you that the question of ownership of land is the one question that agitates this whole world today. The question of ownership of land is a question which agitates Europe, which foments revolution and war. If the people of those countries could own some land they would be content, but they cannot get the land. It is in the hands of those who cannot use it. England has recognized this and now is developing those great hunting fields, and those large lord estates so common to English history are being utilized by the people who can use that land.

Here in America we are all on an equality under the Constitution. We are supposed to enjoy life, liberty, and the pursuit of happiness. If you will pin that down with ownership of land, you need not be afraid of communism or any other kind of ism, but just as soon as you starve the people into wanting land that they cannot get, you had better prepare to defend yourselves against Communists. The ownership of a home which the farmer can get under this bill, the ownership of a home which the man in the street can obtain under this measure, is that which will build America.

I heard the crocodile tears here about what this is going to cost, but those who made those speeches yesterday were the same men who voted billions to Europe. Does it cost too much to build homes in America?

Under this bill, the farmer is given a chance to again own his home, through low-interest costs and is enabled to improve the one he has. All people in the United States, every family, should be given a chance to own their own home—if they want it, and when you stake down democracy with homes, this democracy will continue through the ages. Take away this opportunity to own land, and this democracy will go the way other democracies have gone in the history of the past. The dusty pages of history show many examples of democracies which once existed but perished, perished because those who husbanded the soil were denied that opportunity to own land.

This plan of home ownership will do more to preserve this Nation than all the billions we can send abroad or use up at home in military protection. Let no one say this costs too much—can it cost too much to preserve the United States of America?

Mr. BROWN of Georgia. Mr. Chairman, I yield 8 minutes to the gentleman from Michigan [Mr. O'BRIEN].

Mr. O'BRIEN of Michigan. Mr. Chairman, I am in favor of this bill and I am in favor of it in the form in which it was reported by the Committee on Banking and Currency. I am opposed to the sug-

gested amendment to cut it 20 percent, to subtract 200,000 dwelling units. I think some sentiment developed about that suggested amendment. It is based on exaggerated estimates of the annual rent subsidies to the localities under the public-housing program. I wrote to the Commissioner of the Public Housing Administration and got this reply, dated June 14, 1949:

This is in response to your request of June 7, 1949.

There are now 193,798 units in the United States Housing Act program. All but 19,914 are owned by local housing authorities. During the calendar year 1948, annual contributions paid on these projects amounted to $3,718,825.

Thus it is revealed that these exaggerated statements about the size of the annual subsidies are grossly out of line with the truth. I suggest to the Members that each one make his own personal investigation and inquiry on that subject before he votes to slash this bill by 20 percent. You can get the information from the Federal Public Housing Authority. I hope that amendment is not carried and that the full program as recommended by the Committee on Banking and Currency of 1,050,000 housing units is ratified by the vote of this House.

I voted before for legislation of essentially the same character as this. That was the United States Housing Act of 1937. There is no principle involved in this legislation; there is no machinery in regard to the Federal subsidy and the cooperation between localities and the Federal Government which was not involved in that legislation. It carried in the House by a vote of 275 to 86. It carried by an overwhelming majority of 3½ to 1. Statements were made by some Members which did not carry weight, evidently, with the majority at that time, and were of about the same character as the statements made here in regard to the pending legislation. Among those who voted for the United States Housing Act of 1937 which is essentially the same in principle and character as this bill, except that this is larger in scope, were such men as Hon. Fred Vinson, then a Member of the House of Representatives and now Chief Justice of the United States Supreme Court. Certainly he is not a Socialist. There were such men as the late Hon. William B. Bankhead, former Speaker of the House of Representatives. As you know, usually the Speaker of the House does not vote unless he asks the Clerk to call his name and so records his vote. Speaker Bankhead at that time voted for this legislation. We all know that he was not a Socialist. Hon. Henry B. Steagall, then chairman of the committee, presented the bill to the House; also the ranking majority member of the Committee on Banking and Currency at that time, and who is now the ranking minority member of the committee, the gentleman from Michigan [Mr. WOLCOTT], made an able and eloquent speech defending the principles of the United States Housing Authority Act, which is the same in principle as this bill. The gentleman from Michigan [Mr. DONDERO] voted for it; and the gentleman from Michigan [Mr. ENGEL]. All the Democratic Members of the House from Michigan at that time voted for the United States Housing Act of 1937. There is no difference in principle. If this is socialistic, so is that act. I do not think it is socialistic. I am sure it is not. I am not a Socialist. We are confronted with a housing crisis. We cannot vacillate in this kind of legislation. If we do not solve it this way there has to be some solution to it or the country will be in a chaotic condition in the next few years. I am not convinced by the formula suggested by the minority leader who, in his statement yesterday, said that after all, people are not going to get married any more like they used to, and that if they do, they can double up and he pointed out that he knows of a vacant house in Attleboro, Mass., which is to rent for $25 a month.

During ample hearings there was presented to the committees of the Senate and of the House of Representatives testimony that convinced the majority of us. Testimony for instance from the United States Bureau of the Census, which has been repeated in different hearings and never contradicted, that by the year 1960, which is only about 10½ years away, we will need a minimum of 15,000,000 additional non-farm-dwelling units in the United States. This bill does not undertake to fulfill that need. This bill just undertakes to provide a means by which the poorest income families in the United States up to the limit of a million shall be able to find a place to rent. They do not get it free, they pay rent. Private finance, without the machinery provided for in this bill, will not enter the field. That has been proven. It is before our eyes. Observation and experience prove that to us. They are not undertaking to build homes for families in that low-income group. Hence the slums and squalor and all that goes with slums and the public loss that is involved.

Then gentlemen cite the Constitution. If it is constitutional for us to rehabilitate the cities of foreign nations and even the cities of our former enemies in the last war, certainly it is constitutional to cooperate with our local governments in a practical plan by which the slums can be eliminated and the needed buildings and projects constructed.

The provision regarding slum clearance is that the Federal Government makes available the sum of $500,000,000 to be expended in contracts with cities over a period of 5 years. The Federal Government does not do the whole job. It cooperates with the cities. This is the way it works: The cities have wanted to clear these slums and use that land in a proper way, but there is a limit to what they can spend. The excess over that limit, or that differential, in order to obtain the construction that is needed, is where the Federal Government steps in and says, "We will give to the cities, if they adopt this plan of slum clearance, up to the limit of two-thirds of that differential, or two-thirds of the net project cost in order to clear the slums."

That is not given away. There is something done with it. There is enrichment to our cities and enrichment to the Nation.

In regard to the public-housing feature, the Federal Government sets up a billion and a half dollars revolving fund for loans, which are paid back by the municipalities.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. O'BRIEN] has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Chairman, I am very glad that we are finally being given the opportunity to discuss the housing bill on its merits. The housing situation is still the Nation's No. 1 problem and I am convinced that H. R. 4009 is the only means of securing decent homes for low-income families, now living in crowded, unhealthful, slum conditions.

It is true that the number of houses built during the past few years has exceeded all previous building records; but only a small proportion of those houses were sold or rented at prices that the majority of our families can afford. I am a firm believer in the system of free enterprise, but in this particular field, free enterprise has been unable to provide a solution for the housing shortage. This may be partly due to the fact that private builders are not interested in building low-cost housing because of the low profit in such work. That is readily understandable, but that does not help the situation. Slum conditions and the housing shortage are steadily growing worse, and only assistance by the Federal Government, such as advocated in H. R. 4009, can alleviate the conditions.

Last week I received a letter from the chairman of the Housing Authority of Baltimore City, which I want to insert at this point, calling attention to the dire need for this legislation to help solve the problem in Baltimore, and I know that similar conditions prevail in a great many other localities. The letter follows:

HOUSING AUTHORITY OF
BALTIMORE CITY,
Baltimore, Md., June 14, 1949.

Hon. EDWARD A. GARMATZ,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN GARMATZ: I am writing you as chairman of the housing authority, and on behalf of the other commissioners of the authority, to request that you give your support to H. R. 4009, the General Housing Act of 1949.

There is an acute need in Baltimore City for additional decent dwellings for low-income families. Studies conducted by this authority indicate that at least 50,000 dwellings in the city are in such deplorable condition that they should be torn down and replaced. Many thousands of these dwellings, unfit for human habitation, are now being occupied by more than one family. Private home building has been proceeding at a comparatively high rate but only for the benefit of upper-income groups. There has been no increase in the supply of dwellings, old or new, available to present slum dwellers.

The existence of this enormous unfulfilled need is dramatically demonstrated by the applications received by this authority. We now have approximately 20,000 applications on file. Over 8,000 were filed in 1948 and so far the 1949 rate is even greater than last year. A check of recent applications indicates that virtually all families applying live in substandard housing and that one in every seven is facing eviction. Two-thirds of all applicants had family incomes below $2,500. During 1948 we were able to place only 844 families in our existing low-rent projects. The average income of these families was only about $1,400.

Statistics are often cold and meaningless. A clearer conception of the difficulties confronting Baltimore's low-income families can be gained from the very many letters we receive pleading for assistance. A few of these are quoted on the attached sheet. (Since these communications are regarded as confidential, identifying names and addresses have been deleted.)

In the face of this crying need I am appalled by the irresponsible and misguided nature of the opposition to H. R. 4009. I do not want to take your time to make a detailed rebuttal of all of the opposing arguments, but let me quickly mention just a few:

1. It has been said that public housing is in competition with private enterprise. The average family income of all families living in low-rent projects operated by the Housing Authority of Baltimore City is $1,742. (This includes the very small proportion of families with incomes over our limits who are being moved out as fast as local circumstances permit.) Can private enterprise supply decent housing to families of such incomes? Everyone knows that it cannot. How, then, could we possibly be competing with private enterprise?

2. It has been said that public housing is socialism or communism. Such an argument is pure poppycock and an insult to the intelligence of the American people. Does anyone seriously believe that if this charge had even a grain of truth, the bill would be supported by all of the veterans' organizations, by all of the major religious groups, by both Republicans and Democrats, and by 4 out of 5 Senators?

3. It has been said that public housing is not necessary, since slums can be eliminated through the operations of the so-called Baltimore plan. Everyone connected with the Baltimore plan knows that this is simply not true. The Baltimore plan helps to a limited extent, but the dwellings still remain slums. Furthermore, the Baltimore plan cannot eliminate overcrowding or create an additional supply of low-rent dwellings.

4. It has been said that the bill is too costly. The cost estimates which accompany such an argument are inflated and exaggerated, as a recent report by the Bureau of the Budget has proved. Furthermore, the alleged costs of the bill are based upon a 40-year period. Any annual cost, no matter how modest, can be made to sound astronomical by multiplying it by 40. And, finally, the costs must be considered in terms of the benefits to be gained. The real question is, Can we afford not to clear our slums? The cost over 40 years of doing nothing in terms of public health, decreased property values, crime, juvenile delinquency, and disease make the costs of the bill seem insignificant. The opponents to this bill are quibbling over the price of a hose while their house burns down.

5. It has been alleged that slums can be cleared without any need for additional public housing through the operations of such agencies as the Baltimore Redevelopment Commission. Urban redevelopment is an essential tool in any comprehensive attack on our slums, but without low-rent public housing it is powerless to act, since it otherwise has no means of relocating the families now living in the areas marked for clearance.

Public housing is no longer an experiment. It has been tested in cities all over the United States, and it does provide decent housing for low-income families at an extremely modest cost. There is no other method known which does accomplish this result. The present bill is an outgrowth of this experience and is based upon years of study. Every congressional committee in both the Senate and the House which has studied the problem has endorsed the principles upon which this bill is based.

The commissioners of the Housing Authority of Baltimore City, who receive no compensation for their services nor have any interest other than that of public service to their community, respectfully urge you to support the bill in its present form and to oppose any attempt to render it inoperative through crippling amendments.

Most cordially yours,

DON FRANK FENN,
Chairman.

The opponents of this bill have advocated the adoption of the Baltimore plan as a means of curing the slum problem. The Baltimore plan is an excellent attempt at helping to arrest the spread of slum blight. It may improve bad housing, but it cannot turn it into good housing. It cannot eliminate slums. Dr. Huntington Williams, commissioner of health of Baltimore City, has written an excellent article on the Baltimore plan, which I would like to bring to your attention:

WHAT THE BALTIMORE PLAN IS AND IS NOT

(By Huntington Williams, M. D., commissioner of health of Baltimore City; and Wilmer H. Schulze, Phar. D., director of the sanitary section, Baltimore City Health Department)

The great social problem of providing adequate and hygienic housing for the people is inherently so complex because of its economic difficulties that it may be likened to a large dark forest. There are many promising approaches that can be made to solving this puzzling problem, just as one may enter a forest between any two of its trees. Further penetration reveals that the darkness is real, that others who have entered from different directions are also in a quandary but may be sincerely interested in the exploration. To the extent they are aware that success will depend on teamwork and a reasonable interest in helping the people who need better housing, they will become conscious of their natural teammates as they bump into them in the forest. Together they can then go forward toward a clearing where there is some light and a chance to map their courses in a manner that eventually could solve the housing problem.

ONE METHOD—LAW ENFORCEMENT

The enforcement of legislation pertaining to sanitation and nuisances was one of the earliest functions of local health departments. While public health interest in housing in Baltimore City may be found as early as 1850, the use of special health legislation to improve existing unsanitary housing on an area basis is a relatively new undertaking. Experience in Baltimore during the past decade has demonstrated that by law enforcement many existing slums in blighted areas may be made habitable even though the results accomplished do not turn these worn-out houses into a state of real decency.

The Baltimore City health department has chosen to enter the forest by the path of housing law enforcement as an attack on the rock-bottom slums. In 1939 the city health department secured the aid of the city buildings engineer and succeeded under ordinance in having one of the worst slum spots in the city demolished. A few other rock-bottom slum houses were also demolished or rehabilitated shortly afterwards.

For a period of more than 18 months, which was a crucial time in what was actually an adventure of the city health department into the field of controlling unsanitary housing, an editorial writer on the staff of the Baltimore Evening Sun, who called himself its "Architectural Correspondent," gave superb support. By making personal slum surveys with the commissioner of health and the city welfare director and a press photographer, the slums were taken frequently to the front doorsteps of the citizens on the editorial page of the Evening Sun. This very unusual publicity gave a strong 2-year initial educational public support that can now be seen in its true perspective—it was the essential foundation stone for later success in a relatively new field of public health endeavor. Eventually there was a test case in court and the owner of the slum property involved lost his case and was found guilty of violating the general nuisance abatement section of the city health code.

PUBLIC OPINION SUPPORTS LEGISLATION

In order to give the city health department the authority to develop an effective housing law enforcement program, an ordinance on the hygiene of housing was carefully prepared and enacted. This ordinance received the approval of the mayor on March 16, 1941. It included an all-important section that gave the city health authority power to adopt rules and regulations deemed necessary to make the enforcement of the ordinance effective "for the better protection of the health of the city." Both owner and tenant responsibilities for the maintenance of sanitary dwellings were included in the ordinance and in the regulations that were adopted and promulgated in 1942. The regulations were carefully drawn so as to provide a minimum standard for housing sanitation. During this period, an amendment to the existing rooming-house ordinance was approved on June 28, 1941, and rules and regulations governing this type of dwelling, as well as others to control trailer camps, were also adopted in 1942. The city housing code containing the ordinances and regulations previously mentioned, together with the nuisance abatement ordinance, was published in 1943. In this same year a division of housing in the sanitary section of the city health department was established.

Enforcement of the new ordinance proceeded slowly at first, as had been anticipated. Its legality was challenged by an owner after he was found guilty in the criminal court of Baltimore city. On appeal to the Court of Appeals of Maryland, the judgment of the lower court was affirmed on June 24, 1943, and the constitutionality of the ordinance was established.

During the war period most of the enforcement effort was of necessity devoted largely to the correction of unsanitary and unsafe housing related to the city's large influx of war-industry workers and their families. Experience gained during the war years demonstrated that an enforcement program under normal conditions could achieve much more in the way of satisfactory compliance with the housing code on a block or area basis than by spot enforcement based largely on complaints. Such an area program would not single out individual owners or tenants who would be reluctant to put forth much effort in the way of compliance while other owners of adjoining or nearby dwellings were not required to conform.

AGENCIES COORDINATE THEIR EFFORTS

An opportunity to proceed with enforcement on a block unit area as a trial was presented in September 1945, when the mayor called a conference of city officials concerned with housing and sanitation, at which time

he asked them to coordinate their efforts toward correcting flagrant violations of city ordinances in areas where bad housing and unsanitary living conditions existed. During the fortnight after this meeting the Baltimore City Housing Law Enforcement Committee was organized at the suggestion of the commissioner of health and the city buildings engineer. The committee consists of representatives of the chief city departments that are concerned with the legal phases of housing control. The committee selected a block in the southern part of the city that was fairly characteristic of its substandard Negro housing. Representatives of the enforcing agencies—the health department, the buildings engineer, and the fire department—made inspections of each property in the block, noted all existing violations, and compiled legal notices for their correction. These notices were assembled and sent to the owner or tenant and in each instance set a reasonable date for cessation of ordinance violations. In addition, the health department representatives recorded statistical data pertaining to existing housing and sanitary conditions. As a result of this first trial late in 1945 of the coordinated law enforcement program, plans were made to extend it to adjoining blocks and work on a second block was begun in 1946. Progress was necessarily slow in this period, chiefly because of lack of an adequate staff, acute shortages of materials, and the newness of this type of approach toward improving housing and sanitation on an area basis.

Early in 1947, with the guidance of the commission on city planning, the redevelopment commission, and the city housing authority, six areas of the city consisting of about 308 blocks were selected by the housing law enforcement committee as suitable for primary attention. During the same year, the law enforcement committee was streamlined to consist of five persons representing the health department, the department of public works, the fire department, the police department, and the redevelopment commission. Representatives of other official agencies are called upon as specific problems arise. Further to expedite the enforcement program, it was agreed that all original inspections would be made by the city health department. The fire department or the bureau of building inspection is brought into the field work whenever needed. These changes, together with an increase in the health department inspection staff in its division of housing, made possible the expansion of the enforcement efforts in 1947 to include 26 of the 308 additional blocks. This enlarged work includes approximately 900 dwelling units, some for white and some for Negro families, located in four widely separated areas of the city.

HOUSING COURT AND SANITARY POLICE

Another major development was the establishment in July 1947 of a central housing court set up to hear all cases involving violations of ordinances pertaining to housing and sanitation. Formerly, cases of this type had been heard in the eight district police courts along with numerous nonrelated neighborhood cases. The housing court is in session two afternoons weekly and has demonstrated the value of having all such cases heard in one court designated for this purpose. A record has been published of the first year's work of this special housing court where a total of 1,596 cases were heard.

Another innovation in 1947 that plays an important part in the city-wide sanitation and housing program was the assignment given by Baltimore's Police Commissioner to a police inspector to organize a group of 16 police officers, 2 in each police district, to devote their full time to the correction of unsanitary conditions and certain housing violations in their respective police districts. Joint conferences are held with them by the Health Department and the Housing Law Enforcement Committee as the need arises in order to coordinate their activities with those of other responsible official agencies. The 16 sanitary police brought 1,345 cases to the central Housing Court during its first year and during the same period obtained compliance with 18,119 notices issued to correct unsanitary conditions without the need for such court action.

With the expansion of the enforcement program in 1947 there was noticeable evidence of an increase of cooperation and interest on the part of most owners and tenants in proceeding more promptly to comply with notices to cease ordinance violations. Some owners in nearby blocks have been observed making improvements to their properties without receiving notices. In some instances owners have gone beyond the notice requirements in making desirable changes.

The cooperation of all related official agencies is essential in an enforcement program. Such agencies as the fire department, the police department, the department of public works, the bureau of building inspection, the city comptroller, and the welfare department play an important role in specific problems that arise during enforcement procedures.

MANY APPROACHES TO THE HOUSING PROBLEM

Enforcement of the provisions of the city housing code in Baltimore is only one of several approaches to the housing problem. It is not a substitute for other programs such as redevelopment or public housing or the building of new homes on the basis of private enterprise. What needs to be remembered is that these and other approaches to the over-all housing problem each play their part and each may be as necessary as the others. It is possible, however, where adequate preliminary education and publicity can be secured, that the law-enforcement procedure can do much to bring existing slum and substandard houses up to a minimum of decency and make them more nearly suitable for human habitation. Beneficial results to persons living in blocks where such law enforcement is carried out include improvements related to health and safety such as additional light and ventilation; replacement of outdoor with inside toilets; elimination of rats, rat-breeding areas, dilapidated wood fences and frame structures; correction of structural defects; elimination of fire hazards; and provision of some recreation space, particularly for small children. Such improvements serve to stimulate the occupants to take pride in home maintenance and sanitation and cannot fail to enhance the general health status of the people who live in the slum areas of a city.

The President's attack on the real-estate lobby for opposing the passage of the housing bill has provoked more propaganda from the National Association of Real Estate Boards, through its president. The Housing Authority of Baltimore, being vitally interested in the passage of this legislation because of their first-hand knowledge of its need, has, through its chairman, sent a letter to the editor of the Baltimore Sun, refuting the statements made by the president of the National Association of Real Estate Boards, and giving the true facts in the case. I believe this letter is worthy of your attention, therefore, I am inserting it at this point:

HOUSING AUTHORITY OF BALTIMORE CITY,
Baltimore, Md., June 20, 1949.

EDITOR OF THE SUN,
Baltimore, Md.

DEAR SIR: In a recently released statement reported on the front page of the Sunday Sun, the National Association of Real Estate Boards, through its president, Mr. T. H. Maenner, has taken issue with President Truman's attack on the real-estate lobby and has repeated all of its previous charges against the housing bill now pending in Congress. As chairman of the Housing Authority of Baltimore City, I am in a position to point out how completely unfounded are the NAREB's charges and I feel that it is my duty to explain the facts of the situation with particular reference to our present low-rent housing program in Baltimore:

1. President Truman has stated that the total amounts to be spent under the bill will be substantially less than the amounts authorized. The NAREB asks why, if this is true, are not the authorizations in the bill reduced to the level of expected expenditures? There are two good reasons why this cannot be done:

(a) The amounts required for annual subsidies for low-rent public housing will fluctuate from year to year with the general economic level. In depression years more will be needed than in prosperous years. The maximum authorization in the bill would only be needed during years of severe depression; during other years much less would be required. If, however, the authorization in the bill were reduced to the amount required in an average year, not enough would be available for the comparatively few years when Federal assistance was most needed. This point is well illustrated by our experience in Baltimore. Our contracts with the Federal Government provide for a maximum annual Federal subsidy of $741,720 covering some 4,400 low-rent dwellings. The amount we actually required last year was only $133,926, or 18 percent of the maximum amount available if we had needed it. Over a period of years it is expected that this percentage will average about 65 percent, but during a bad year we may well require the full amount.

(b) The largest single operating expense for any developer, public or private, is interest on borrowed money. Low interest rates mean lower rents. By making the maximum authorized Federal subsidy large enough to cover our debt service, our bonds will have a high degree of security and will command low interest rates, thus reducing the need for Federal subsidy. By promising to pay out $16,000,000,000 (over 40 years) if necessary, the Federal Government will actually have to pay out only the $10,000,000,000 indicated in the President's statement. If the Federal Government reduced its authorization to, say, $13,000,000,000, it might well have to pay out the full $13,000,000,000. A high authorization, thus, becomes fundamentally sound economy.

These two simple facts are at the root of the current controversy over the cost of the bill. They explain why the actual cost will be substantially less than the authorized maximum cost and also why the authorized cost cannot be reduced to the expected actual cost without nullifying the purpose of the bill. By choosing to ignore these facts the NAREB has come up with a total cost equal to twice the probable cost.

2. The NAREB charges that the average cost per dwelling under the bill will be $15,000 or nearly twice President Truman's estimate of $8,645. The NAREB's figure was computed by dividing its estimate of the total cost of annual subsidies by the number of dwellings. Since, as explained above, its estimate of total costs are about twice the actual cost, its unit costs become correspondingly exaggerated.

3. The NAREB questions the sincerity of the bill's proponents in actually desiring to provide decent housing for low-income families on the score that the bill nowhere defines low-income families in terms of dollars. The bill does contain adequate provisions for insuring that only low-income

families will be admitted. The omission from these provisions of a definition of low-income families in terms of actual dollars was deliberate since any such provision would be administratively unworkable. How does one compute a dollar limit which would be equally valid in all parts of the country and over a period of years? A low-income family in New York City might well be a middle-income family in Alabama. A low-income family today would not have been a low-income family before the war. In view of these fluctuations the exact determination of what constitutes a low-income family must be a matter of local administrative action but the bill is so worded that it would be impossible for any local housing authority to violate the bill's intent. Let me cite Baltimore's record on this point. Families admitted in 1948 to low-rent projects operated by the HABC had an average annual income of only $1,410. The average annual income of all families in our low-rent projects as of the end of 1948 was only $1,742. There is no specific dollar limitation on income in the existing legislation covering our present projects yet I feel that even the NAREB would admit that the figures I have quoted represent low-income families.

4. The NAREB makes much of the fact that the bill permits operations on vacant land. Although the NAREB does not so state, the sections of the bill which it quotes pertain to the operations of local redevelopment commissions rather than local housing authorities, and I do not feel that it would be entirely appropriate for me, as Chairman of the Housing Authority, to discuss a matter which more appropriately falls within the jurisdiction of another agency. I would like to point out, however, that no slum clearance is presently possible until new quarters are found for the families now residing in the areas to be cleared, and that in view of the present housing shortage this means that a certain limited amount of new housing will probably have to be provided on vacant land.

5. The NAREB states that low-rent public-housing projects should be constructed only following a local referendum. Again any such requirement would be administratively unworkable. Our Federal, State, and municipal systems of government are based upon our public business being carried on by elected representatives or by the appointees of elected representatives. As pointed out in an editorial in the Sun for April 26, the present bill carries ample provisions for local autonomy by requiring that any local participation must have the full concurrence of the local governing body. The only persons who have advocated local referendum are those who are bitterly opposed to the bill and their sincerity is, therefore, open to question.

6. The NAREB quotes a whole series of statistics designed to prove that there now exists an ample supply of decent housing for low-income families. Apparently we are supposed to be convinced that there are no slums in Baltimore or anywhere else. The citizens of Baltimore know that this is not true and it does not seem necessary for me to make a detailed rebuttal. I might point out, however, that there is now a backlog of 20,000 applications in the Housing Authority's files, most of which are from low-income families now living in substandard housing.

7. The NAREB objects to the fact that public-housing projects are tax exempt on the score that the taxes of other citizens must inevitably be increased. In the first place it can be proved that the cost of tax exemption to the city for this type of program is negligible. In the second place, the NAREB takes no account of the fact that our present slums represent a financial drag upon all taxpayers in terms of excessive costs for such municipal services as fire and police protection, public-health costs, etc. Many studies have conclusively proved that our slums cost the city far more than they produce in revenue and are in effect being subsidized by the taxpayers who live in other areas. If we are to have subsidized housing, let us have subsidized decent housing and not subsidized slum housing. Nor does the NAREB pay any attention to the great loss in human values resulting from our slums—the high rates of crime and disease, the excessive number of juvenile delinquency cases, and the heavy toll of hopelessness and despair.

8. Finally, the NAREB has dragged out again the hoary old chestnut of socialism. The word "socialism" seems to be used too freely these days to disparage any progressive program. The housing bill represents the best possible method so far developed of tackling a problem which must be solved. If it is socialism then so are public schools, public highways, and many other of our accepted methods of performing needed public service. There are far greater dangers to our American way of life in doing nothing about our slums and our housing problem than anything which could possibly come out of the present bill. I cannot regard as un-American any proposal which has the support of every veterans' organization, every important labor organization, all of the important church groups, and a long list of other organizations. The present bill was backed by four out of every five Senators and its principles have been endorsed by every congressional committee which has studied the problem in the last 5 years, including three Republican-controlled committees in the Eightieth Congress. The NAREB is free to regard the housing bill as socialism if it so chooses; personally I prefer to regard it as conservatism in the best sense of the word.

Sincerely yours,

DON FRANK FENN, *Chairman.*

Charges of socialism have been made against this program, but personally I consider our efforts to aid those less fortunate segments of our population as Americanism, not socialism. This legislation has the support of the following national organizations, and these groups can hardly be considered as favoring socialism:

MAJOR NATIONAL ORGANIZATIONS SUPPORTING H. R. 4009

American Association of Social Workers.
American Association of University Women.
American Council on Education.
American Council on Human Rights.
American Federation of Labor.
American Home Economics Association.
American Legion.
American Municipal Association.
AMVETS.
American Veterans Committee.
Congress of Industrial Organizations.
Council for Social Action of the Congregational Christian Churches of United States of America.
Council for Christian Social Progress, Northern Baptist Convention.
Department of Christian Social Relations, Women's Division, Methodist Church.
Department of Christian Social Relations, United Council of Church Women.
Division of Social Education and Action of the Presbyterian Church.
Family Service Association of America.
Federal Council of the Churches of Christ in America.
Jewish War Veterans.
League of Women Voters.
National Association for the Advancement of Colored People.
National Association of Consumers.
National Association of Housing Officials.
National Association of Jewish Center Workers.
National Association of Rural Housing.
National Conference of Catholic Charities.
National Council of Catholic Women.
National Council of Housing Association.
National Council of Jewish Women.
National Council of Negro Women.
National Farmers Union.
National Federation of Settlements.
National Institute of Municipal Law Officers.
National Lutheran Council.
National Housing Conference (formerly National Public Housing Conference).
National Women's Trade Union League.
National Association of Parents and Teachers.
United States Conference of Mayors.
Veterans of Foreign Wars.
National Urban League.
National Board of the Young Women's Christian Association.

The housing situation has been given careful study by both House and Senate committees for many years, and has revealed the dire need for this legislation.

Both the Democratic and Republican campaign platforms pledged Federal aid for slum-clearance and low-rental housing programs, where the need could not be met by private enterprise or State and local authorities. Therefore, our failure to enact such a program at this time would be a repudiation of our party platforms, the platforms on which we were elected to Congress. We cannot do otherwise than support this legislation, without crippling amendments, and without further delay.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I have always thought it was a rather good thing that in the other body housing was recognized as bipartisan business. I hope that when the vote comes in this body housing will be recognized as bipartisan business. I think that is true in both an affirmative and a negative sense.

First, it takes bipartisan votes to enact housing legislation, and it takes bipartisan votes to keep it implemented.

Second, housing has been equally frustrated by Democratic and Republican Congresses. The other body on three separate occasions has passed a housing bill, but regardless of the leadership in this House at the particular time, it has been impossible to get that housing bill even discussed on this floor. I think this debate is a great day for the great bulk of the American people; certainly for those who live in the cities, because at long last in the House of Representatives we are going to vote yea or nay on this whole housing problem.

So that my remarks about bipartisanship on housing may be clear, I quote from the Republican platform adopted in 1948 in connection with the presidential campaign, as follows:

> Housing can best be supplied and financed by private industry, but the Government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum clearance and low rental housing programs only where there is a need that cannot be met either by private industry or by the States and localities.

I submit that this bill does exactly that, in almost such words.

Mr. Chairman, many people seek to tell us that this is a matter of limited application; that it will not affect many people of the United States.

There are 397 cities in the United States with populations of over 25,000. I believe that practically every Member of this House will find that one of those cities is in his district, and that every one of those cities is deeply interested in this bill.

We are told also that this bill is socialistic. I think that argument has been answered many times, but one answer that seems important to me is that it seems to depend on whose ox is being gored. There is apparently no socialism in even a billion dollars for parity payments and other Federal aids for farmers There is no socialism in aid for rivers and harbors, soil conservation, and irrigation. There is no socialism in a bill which I voted for, and which many other Members voted for at last session, which actually helped to house migratory workers to help the farm situation in the United States; that bill was passed, and passed with a heavy vote by this House in the last Congress.

We are told also that if we pass this bill the housing of our Nation will be taken over by the Government. There is no substance to that. I have taken considerable trouble to ascertain exactly how many public housing projects there are in the United States, State, Federal, city, or other, and they come to the tremendous total of 276,171, to which we propose to add about 800,000, making something over a million out of roughly 35,000,000 housing units in the United States.

I went around yesterday with nine other Members of the House to some housing projects in New York. To get the physical impact of the "before" and "after" effect, I ask you to look at these two pictures. This one is "before"; this is a slum. Just get the impact of this picture. You have heard about all the merits and demerits, the pros and the cons, the cost in dollars and cents. This is the slum; this is where human beings are asked to live, and yet we call upon them to be patriotic Americans and appeal to them to do everything humanly possible to resuscitate the depressed nations of the earth. This second picture represents a housing development in New York such as is contemplated by this bill. The difference between these two pictures is all the difference between life and death as far as human morale is concerned and as far as human prospects are concerned.

We are told that we should not pass this bill on the grounds of economy. I reply to that that we must balance all the claims to the revenues of the United States in some feasible and fair way. I ask you first to take the figures of $300,000,000 a year to be invested in low-rent federally assisted housing on essential and critical improvement for the welfare of the people of the United States, and compare that with some $15,000,000,000 a year spent for national defense, and some billion and a half dollars a year spent on various farm programs, and then see whether the housing bill represents an extravagant approach to this basic problem; whether it is not essential that we pass this bill in order to have some balanced approach to the welfare of our people, as well as for the welfare of the Nation and the world.

This is a very reasonable program, and it is reasonable in this sense: We are told today that private enterprise on the one hand is doing the job, but we know it cannot, because, if it were, we would not have these urgent representations that are coming up from the leading national organizations, the cities and communities, the veterans and people generally, for this type of relief, a demand that comes from all over the country. We are told on the other hand that private enterprise is not doing the job. Somewhere there is a gap, and I submit that this bill is designed to fill up that gap. It seems that private enterprise is being stabilized at in the range of 800,000 to 1,000,000 home units a year. Under a housing bill we should expect to add somewhere between 250,000 and 500,000 additional units. The passage of such a bill, therefore, should result in a balanced program and one that will also give aid to the lower middle income groups. If we do this, then we are embarking upon a housing program that is somewhere nearly adequate to meet the housing need within the next 10 years. The housing bill should pass, and we should include in it provision for the lower middle income families as provided for in the bill H. R. 1973 introduced by me and nine Republican colleagues.

We have seen there is a margin of difference between an inadequate program, which is what we have today, and an adequate program; and our people are reasonable; the people do not expect the unreasonable or the unattainable. If we pass the housing bill amplified with provision for lower middle income families, we will find, in our respective districts, that the people are satisfied, that we will have kept our faith with them.

One last word: Our democracy is important to us; it is important, certainly, to me as a member of a minority, and equally to every other Member of the House. I think it is fundamental, especially with us here as legislators, that our democracy cannot be so inflexible as to be unable to meet modern demands—demands brought about by demonstrably changed conditions. To insist on the theory of inflexibility is the surest way to shatter our democracy. The surest way to preserve our democracy and to make it virile and strong is to show that it has the resourcefulness and the flexibility to meet the problems of the welfare of our people when those problems are as clearly and as strongly shown to us as they are in housing.

There are very few measures we have been called upon to consider that have been more thoroughly scrutinized, that have been more thoroughly debated, that have been more thoroughly argued about in the country than this housing bill. I think that Members, whether for or against the bill, must come to the conclusion that the whole of the debate which has taken place very intensively for the last 4 years has failed to show that this program is invalid, has failed to show it is socialistic; on the contrary, it has shown it is reasonable, it is a necessary program and it will do exactly what it sets out to do, that is to go far to make up the difference between the homes that we require and the housing which is being built today by private enterprise.

I believe we are going to be surprised by the number of votes for this bill on both sides of the aisle. I say that if there is a substantial vote on both sides of the aisle, it will be the best thing that could possibly happen not only for the American people but for our constitutional democracy.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. YATES. I want to congratulate the gentleman upon his excellent presentation of the problem as it exists in our large cities. I was with the gentleman on a tour of New York City and of Philadelphia. I saw the slums as they exist in those two great metropolitan areas. I saw the attempts that had been made in both New York and Philadelphia to meet the problem. I think that the attack that has been made in the city of New York has been a revelation. It has taken and brought sunshine into the lives of all these people who, except for the public-housing program, would have been doomed to the blight of a slum area.

We in the city of Chicago are just as vitally interested in that except that, because we have a constitution which impairs the possibility of our undertaking the program, such as was created in the city of New York, we must have the assistance of the Federal Government.

Mr. JAVITS. May I say that I asked one question of all the good people in the public-housing projects yesterday whom I met. I said, "In any way does living here encumber your personality, your vote, or any of your freedoms of speech and action?" Each one said, "Absolutely not; on the contrary it frees us because it frees us of squalor; it frees us of worry."

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, may I ask the gentleman from New York how much these units are going to cost?

Mr. JAVITS. The estimate of cost is somewhere in the neighborhood of $8,500 per unit. The normal unit is about four rooms.

Mr. MURRAY of Wisconsin. Mr. Chairman, I have heard many stories in regard to cost, but I will take the gentleman's figures instead of the ones I have heard otherwise. I call the attention of the members of the committee to a few things that are happening out in the country, and I do not want to get into a city-country controversy. I just want to recite my own experience in connection with trying to do something for the rural people we hear so much about.

The year before I came to Congress a man asked me if I could help him get a loan on his house. He was about to lose it. I took him to the proper place. They

asked him how many dollars he wanted to borrow. He told them $1,500. They asked him if he had waterworks in it. He said, "No." They asked him whether he had lights. Yes, he had lights. Then they said they could not do anything about it because it was not a modern house. Of course, he lost his house. In the cities we took care of lots of them.

Let me cite another example. I happen to have a village in my district with a population of about a thousand people. It is a splendid community where the people have worked and have really made a success out of farming. When they retire they move to this small town.

It is a good little town, with plenty of business. Do you know how much of an FHA loan they can get to build a house in that village? They have some mighty fine homes there, too. Do you know how much? Three thousand five hundred dollars. That is the extent to which Uncle Sam is interested in building houses there. Under this bill you propose to build $10,000 to $12,000 homes.

Within the last 6 months a man who lives in a village in Wisconsin came to me with a problem. He has a piece of land in the village. He owes $1,400 on it. He wanted to borrow $1,400. There was not a Government agency interested or in a position to lend him the $1,400. Are you asking me to vote for our Government to build a $10,000 to $12,000 home for someone, when the same Government does not see fit to save a $1,400 home with the land thrown in.

Now you can see why a person that happened to come from a State that has had its income reduced by 33⅓ percent since election day might not be too anxious about working out any more schemes or passing out public funds until we check on some of them already passed out.

There is a way to approach this problem and the people of the country do not ask for any program that is not extended to the people in the cities. We have had a program for years under the Bankhead-Jones Act and under the Farmers Home Administration. It has been going on for several years and we have tried to do something for the rural areas. Under the Bankhead-Jones Act we appropriate $15,000,000 a year. Now, it is going to be a long while to ever get much done on farm tenancy with $15,000,000 a year. About the only time you hear about it is during the Democratic campaign when they tell people how they promote farm ownership. Today you want the tail to wag the dog. You want to come in with $275,000,000 for the rural areas, $25,000,000 of which is absolutely a blank check. Now, that may be a good idea for a Democrat or anybody else to give out $25,000,000 blank checks. Under the rural section of this bill, thank goodness, they are going to tie this with the Farmers Home Administration.

The older Members here know the days when we had Mr. Tugwell running the Farm Security Administration. You look back in the Seventy-ninth Congress and you will find that under the leadership of the gentleman from North Carolina [Mr. COOLEY] we passed the Farm Home Administration bill. Some agricultural groups are getting money for 2 percent interest, some for 3, and some for 4. The Farm Home Administration has been developed into one of the best agencies in the Department of Agriculture. It helps the lower-income group so far as agriculture is concerned, and if the Government wants to furnish the people of this city with 2- and 3-percent money and give them the same consideration that they give farmers, there is no reason in the world why anyone could not support it.

My contention is that we may be getting along all right because this money is to be handled by the Farm Security Administration, but what I cannot figure out is why this new outfit has to stick its nose in it. Why do we not appropriate this amount to the Farm Home Administration and be done with it? It takes several years for the Farm Security Administration to be supplanted by the Farmers Home Administration. They have made a real agency out of the Farmers Home Administration, and it is an agency that any Member of Congress can stand up any place in the United States the way it has been operating in the last 2 or 3 years, and be proud of. Why start up a new farm-loan agency?

There is one distressing thing about this bill here today, including the bill introduced by my distinguished colleague, the gentleman from New York [Mr. JAVITS]. Of course, I feel sorry for those fellows in these big cities. They kind of suck the lifeblood out of the people of the Nation, but they do not take care of their own affairs. They can have nice things in the cities, but it is always at the expense of the farmers and the rest of the people of the Nation.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. For the people of the city of Chicago and the people of the State of Illinois I will say that they have been attempting to have a constitutional convention for the last 20 years to revise their constitution to permit an equitable system of taxation, and their efforts have been thwarted by the rural areas down State.

Mr. MURRAY of Wisconsin. Of course, you have had enough rackets so you could have had enough money to build palaces, but I do not want to get into that angle of it. I do not like to see the tail wagging the dog. This fair deal is getting screwier than the New Deal ever was. We just got the New Deal straightened out on the Farm Security Administration and now you want to come back in and put these fellows in the same position they were in when Tugwell was running it, and everyone of us here today is going to be sorry for it. So, I say the first thing that should happen to this bill is not let the tail wag the dog. Allocate the money to the Farmers Home Administration and have them operate and not let these other people be messing it up.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. I wonder if the gentleman intends to offer an amendment to that effect.

Mr. MURRAY of Wisconsin. I know how little weight I carry around here. The Democrats have a majority of 91.

Mrs. BOLTON of Ohio. Some of us might like to agree with the gentleman.

Mr. MURRAY of Wisconsin. Good; so I will tell the gentlewoman what I have done about it. I just do not like to embarrass myself by bringing an amendment in here and having just a few people vote for it. I do not like to do that. When I get into a battle I want to be sure to win. So I did go to the gentleman from Arkansas [Mr. HAYS], a member of this committee, who used to work for the Farmers Home Administration. He will tell you whether I am telling the facts about this case or not. I went to him, and I went to the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY]. If the gentlewoman thinks it would do any good, I would be glad to write an amendment, but those in the other party have the majority.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Illinois.

Mr. YATES. I understand the gentleman proposes to offer an amendment which would provide additional housing for the farmers of this country. I for one will support adequate housing for the farmers of this country. But does the gentleman mean to imply by that that after voting for the farmers of this country and taking care of them he is going to leave the city dwellers out in the cold?

Mr. MURRAY of Wisconsin. My experience in life, and I have lived in the country pretty much, is that I have never had to worry about our city friends. They always take care of themselves.

Mr. YATES. They have not been able to.

Mr. MURRAY of Wisconsin. I will vote for an amendment that the gentleman from North Carolina [Mr. COOLEY] or anyone else on the majority side brings in that will transfer this money absolutely to the Farmers Home Administration, period. I know the work they do. They can do a good deal more work for the lower-income group than this bill will ever accomplish. When that amendment is voted, I surely will vote for another amendment, if the gentleman will introduce it from the city, setting it up in such a way that if anybody wants money in the city he gets it at the same rate that they pay in the rural areas, 2- or 3-percent interest. These would be loans though, not gifts.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from New York.

Mr. JAVITS. Is it not a fact that the Farmers Home Administration is under the Secretary of Agriculture, and that this bill refers to the Secretary of Agriculture?

Mr. MURRAY of Wisconsin. Yes, and no one can take my remarks as any reflection on the Secretary of Agriculture.

Mr. YATES. If the gentleman will yield further, I think the gentleman from Ohio meant to imply that this is one country, composed of both city people and rural people, and that all should be taken care of together.

Mr. MURRAY of Wisconsin. I surely would not want to add anything to the class warfare that has been carried on by your party during the last 15 years, at least. I do not want to get into that phase of it.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, every citizen, whether he is for or against socialized housing, should ponder the long-time results of such a policy if it is begun. The Senate has passed the socialized housing bill. The House Committee on Rules opposed it, but finally agreed to let it come before the House for full debate and a vote.

H. R. 4009, the Housing Act of 1949, in substance, puts the Federal Government into the housing industry. Under its provisions Uncle Sam would be committed to spend $10,000,000,000 to $15,000,000,000 in the next few years for so-called slum removals—and the States another $5,000,000,000—to construct homes and apartments for the low income groups. This would mean that the Government would become the biggest single home builder and renter in the Nation. It would also mean that all our citizens would be taxed while less than 1 percent of the population might expect to eventually reap a benefit.

Mr. Chairman, wherever a government has begun such activities, one inevitable result has always taken place. Private industries that had been operating in this field have had to retreat because of government competition. The government starts off with a little bit of socialism, like a camel's nose entering the tent, and ends up with complete statism or socialism. A threat to communize America by seizing the Capitol by force would cause our people to spring to arms. They would fight to the last minute for their freedom. But when socialism is encroaching, little by little—as it does in this socialized housing bill, it is not recognized as a threat to liberty and freedom, and the people are not alarmed.

Mr. Chairman, while the fight for socialized housing goes on in Congress, a bill to stimulate more home ownership among families of moderate means is being sidetracked by the administration. Senate bill 712 would provide FHA mortgage insurance for loans on small homes purchased with five percent down payments. Astonishing as it is, administration leaders are devoting their efforts to the passage of H. R. 4009, a socialized housing bill that will do nothing immediately to meet the demand for homes, while Senate bill 712, the home-building measure that would start construction of a flood of low-cost homes immediately, is held up.

Mr. Chairman, I am opposed to H. R. 4009. I favor instead Senate bill 712, a bill that would encourage private construction of low-cost homes immediately to meet the demands for such housing.

Mr. GAMBLE. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER. Mr. Chairman, any economist, whether he is for or against this bill, will admit that the legislation, in substance, will put the Federal Government into the housing industry. Uncle Sam would be committed to spend billions of dollars in the next few years for so-called slum removals, to construct homes and apartments for the low-income groups, and otherwise to become the biggest single home-builder in the Nation.

Voltaire once said that the only thing we learn from history is that the people never learn anything from history. If we ever are going to learn anything from history, this would seem to be our last chance to start, if we want to retain our civil liberties and our economic freedoms.

In every nation, past and present, where the government has begun such activities, one inevitable result has taken place. The private industries which had been operating in this or that field had to retrench because of government competition. The government started off with a little bit of socialism, about like the camel who put his nose in the tent, but it ended up with complete chaos or socialism.

A threat to communize America by a bold stroke of seizing the Capitol would put our people up in arms. They would fight to the last minute for their freedom. I am sure of that. But when socialism is encroaching, and comes little by little, first to this industry and then to that, it frequently is not recognized for the threat to liberty and freedom that it really is.

Men have labored through the centuries to have the right to work for themselves without government domination or intervention, except to protect the people against fraud and to maintain public order and decency. Yet, such bills as this housing legislation, many feel, is not bad for it helps the poor.

The fact is, when slum clearance was tried in this country during the thirties, the very poor who had lived in slums were not helped at all, as everyone knows. The poor persons who had lived in the slums had to move to make way for the bright new projects, but they were not the same people who moved into the beautiful, airy government apartments. Oh no, others who could afford to pay an economic rent moved into these new government apartments.

A survey made in Atlanta, Ga., of a slum area before and after it had been razed and rebuilt showed that not one single family who had lived in the slum area while it was a slum was living in it a year after the new apartments had taken its place. These people had moved off to another section and had started another slum.

The Federal Government spent hundreds of millions of dollars clearing slums during the thirties but there are so many, or more, slums as before. Slums are one result of poverty, but many slums have been occupied by persons who were very wealthy, just as many extremely rich people may be found wearing clothes others would not care to wear. Every week, the newspapers tell of some aged tramp or recluse who has died and left $100,000 or more in attics, trunks, or tin cans.

The Federal Government, by wasting billions on Federal housing, can make a few contractors happier and richer. It can furnish some more subsidized dwellings for you and me and other taxpayers to maintain. But it cannot make one person clean who is unclean in his or her habits; it cannot promote a love of beauty and neat surroundings in another dissolute breast. People are people, whether the government does or does not waste its money. A decade after all this public housing money is spent and gone, there will be as many slums as ever in America, unless individuals change and determine to make their homes neater, cleaner and more respectable.

The bad results of this bill are these: It will cause private builders to quit building as many homes; investment capital formerly flowing into the housing industry will flow elsewhere; more and more homes will have to be constructed by Uncle Sam to take up the slack and to meet the obvious need for more and better homes; inevitably, the entire building industry will be socialized—maybe not next month, but in a decade or so. That is the way the New Deal planned it and that is the way it will be, if this legislation is passed.

And while the fight for socialized housing is being made, a bill to stimulate more home ownership among families of moderate means is being sidetracked by the administration. Senate bill 712 would provide FHA mortgage insurance for loans on small homes purchased with 5-percent down payments. Astonishing as it is, administration leaders are devoting their efforts to the passage of this unwieldly socialized housing bill which would do nothing to meet the demand for homes for more than a year or two or three. Yet, the home-building measure which would immediately start a flood of low-cost homes is held up.

Mr. SPENCE. Mr. Chairman, I yield 13 minutes to the gentleman from California [Mr. MCKINNON.]

Mr. MCKINNON. Mr. Chairman, in this country, we are ruled by a dictator.

Whether we like it or not, there is one ruler, one dictator, to whom both you and I must bow. We cannot long escape his edict and no revolution from his tyranny can permanently be successful.

That dictator, Mr. Chairman, is fact.

Fact has a way of upsetting our most cherished opinions, and fact sweeps away resistance like the atom bomb leveled Hiroshima.

The reason you Members are here this afternoon is because you pay homage to fact, because you want the basic information that will assist you in a wise decision on this public housing bill.

Let us see what Dictator Fact has to say about—

First, that this bill is socialistic and threatens free enterprise and our competitive system. Try to forget—if you can—those $15,000 cracker boxes that

were sold to homeless veterans under the shameful guise of free enterprise last year, and look deeper into the facts of the situation to see if the charge has any substance.

This public-housing idea is not new. The Congress passed a similar bill 12 years ago. What happened to private enterprise after 1937 in the home-building industry?

Well, by way of answering, let me point out first of all that the facts show that the projects did not go entirely to the big cities—another false charge of the opponents of this bill—but to many smaller communities. The records show that Austin, Tex., was the first approved project; that Charlestown, S. C., was second, and that—and listen carefully—and that of the 582 communities participating in the Public Housing Act of 1937—63 percent were communities under 25,000 population—and 86 percent of the communities that benefited were under 100,000 in population. So you can see that this bill, based upon the only reliable guide we have—the fact of past experience—is not a big city housing bill.

But let us get back to the first charge—that of socialism and the destruction of free enterprise. What happened to free enterprise in Austin, Tex., when public housing moved in? Did the private builder fold his ingenious organization and did the realtor join the unemployment lines?

Of course not. Facts show that private building did not decline, but increased. The building permits in Austin disclose that in 1935, building permits aggregated 803; in 1936, 895. This was before public housing. After the Public Housing Act in 1938, building permits in Austin, Tex., had increased to 1,287 units and in 1939 to 1,587—increases from 50 to 90 percent. By 1947—10 years after the first public housing bill—building permits that year in Austin were 2,234. Of course, there were other stimuli, but the point, as based upon fact, is that public-housing projects in Austin, Tex., did not dry up the construction of privately built homes—and the records show that Austin, Tex., is the rule and not the exception of all the other 528 communities that benefited from public housing.

In fact, if you trace actual case histories, I am sure you will find that some of the families now owning their own homes in Austin once upon a time were beneficiaries of public housing. By being exposed to the joy and convenience of a little decent housing, those who had never known what clean, convenient, and healthy surroundings were, were given a fresh start and a new hope * * * and they became the customers of the private enterprise system and the living exhibits of American human engineering development.

WHAT ABOUT THE COST OF THIS BILL?

You are probably alarmed by the charges that this bill provides for a $20,000,000,000 cost to our Government. That is true—or more accurately, that is half true.

The total contingent liability of this bill as it now stands over the next 40 years is about $15,000,000,000—but that is what it will cost if everything goes wrong.

We project the cost of any business operation upon the basis of the cost of a similar operation that went before. Taking the 1937 Public Housing Act experience as a basis, and adjusting to present-day costs and continuing conditions, H. R. 4009, as amended to 810,000 units, will cost this Government approximately $7,000,000,000 over a 29–30-year period. That is approximately $233,000,000 a year. This figure is based upon experience, upon the cold realities of fact. There is every reason to have confidence in it.

Of course, $7,000,000,000 over a 30-year period is a tidy sum. These are the days when economy is expected and we must stand before the bar of public opinion to justify our actions.

We have a right to ask, and the people have a right to know, what return we can expect should we pass H. R. 4009 and start the $7,000,000,000 program.

We cannot project precisely, but we can fall back again upon the facts as to what we now are spending for slums. Let us see what the facts show as to which is the most expensive—H. R. 4009—or the slums? This country—local, State, and Federal governments, plus the charitable and religious welfare agencies—are pouring not merely two hundred and thirty-three million a year but billions of dollars a year into slums in the form of fire and police protection, crime, and juvenile delinquency, broken homes, and the divorce mill, disease and hospitals.

Although slums and blighted housing make up about 20 percent of our city residential areas, they account for 45 percent of the major crimes, 55 percent of the juvenile delinquency, 50 percent of the arrests, 60 percent of the tuberculosis, 50 percent of all of the disease, 35 percent of the fires, 45 percent of the city-service costs, and yet these slums return only 6 percent of the real-estate-tax revenues.

Los Angeles, for example, pays five times more for fire-, police-, and health-protection services in the bad-housing areas than is required where there is good housing. Newark, N. J., found that it is paying out over $14,000,000 a year more to maintain its slums than to maintain its good-housing areas.

These are only two examples. But, the facts are the same wherever they have been gathered, and they are as true of the small towns as of the large cities. It is a misconception that slums are exclusively a problem of the big cities, and that they can be dealt with exclusively by those communities. Every American city, regardless of size, has its slums. They just are not as massive in the small cities as they are in New York or Chicago, where they fill block after block.

My brilliant colleague and esteemed friend, the gentleman from Illinois [Mr. O'HARA] yesterday convincingly revealed that the fire loss in slums is $210,000,000 a year. The slums share of the total crime cost in our country is $7,750,000,000 a year—and neither of these dollar costs measure the total cost—in humanity. But project the losses from fires, from crime, from health, and from broken homes, and you will agree, with the dictator fact, that H. R. 4009 is a piker when it comes to costs as compared with the slums.

You know and I know that any private manufacturing concern, owning a plant so wasteful and inefficient, would immediately tear it down and construct a more efficient and more profitable establishment. We, as Members of the board of directors of the largest corporation in the world, cannot afford but to do likewise.

There are some who argue that the families who live in slums are the wastrels whose improvident habits are beyond reclaim. The facts do not support this argument. Answer to yourself, which came first in our present generation—the slums or the individuals who live in them? The answer is obvious just as the facts prove that when these people are transplanted, most of them reach and attain the objectives and standards to which all Americans aspire.

The facts drive home that the time is past when slum housing can be considered significant only for those who have to live in slums. It is a problem that affects the whole country and must be dealt with on that basis.

It is not a question as to whether we can afford H. R. 4009—the facts emphasize we cannot afford to be without a public-housing program.

Opponents charge that the bill does not take care of all the slums—and on this one fact they are obviously correct. Unfortunately, we shall probably never eliminate all the slums any more than we will eliminate all the vice of this world, but that does not give us the excuse for individual or collective immorality.

Opponents say that the private building interests will serve our housing needs if the Government will stay out of public housing. But in our hearings, the first vice president of the National Home Builders Association said that the lowest cost housing they could build required a minimum payment of $29 a month—and that is under only the most favorable conditions. The average is nearly twice that high. The Census Bureau shows we have nearly 20 percent of our urban families making less than $1,500 a year income—and while I wish to compliment the private-building interests upon their recent accomplishments in the low-cost housing field, even they will have to admit that they cannot serve or take care of these extremely low-income groups—the one family out of every five. That is why we have slums, and that is why we need a public-housing program.

Opponents charge that the really low-income groups do not get the benefit of public housing. The facts show that they do. The very lowest income group—those on public welfare—are represented in every public-housing project. It varies from a low of 6 percent in the project at Boston to a high of 39 percent at Seattle. But the main point about this value of public housing is that it provides for families with children—large families—the size of families that cannot find private housing. These large families are the future Americans. Can we afford to have them grow up homeless, hopeless, and bitter against the country that of-

fered them no equality of opportunity? What kind of America are we going to have when most of the future citizens remember the signs "no children wanted" that closed the door of a home in their faces and left them in squalor and wretchedness?

And what about the charge that this bill builds a political machine?

I noticed a few weeks ago that Republicans and Democrats alike voted a pension bill for the veterans that—over the long run—costs more than H. R. 4009. They forgot the cry of economy there, because, I fear, they wanted the love of the veterans more.

The vote of the veterans, thank God, belongs to no party. That is because both parties rightfully are interested in the veterans' welfare.

I dare say, the same would be true of the poor and unfortunate if both parties took a sincere interest in their welfare.

The surest way to keep this housing bill from building a political machine would be to have the Republican Party join the Democratic Party in a sincere interest in the poor people. If you really are concerned about politics, then vote with us for human rights.

As Representatives of this great country, let us have the individual courage to face the facts. We can sit and do nothing and eventually invite socialism or a total state—or we can think and go forward on the historic lines of dynamic, progressive democracy.

Mr. GAMBLE. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, let us reason together calmly as citizens of the United States and not as Democrats or Republicans. After an election we represent a great Nation and not a mere party. We have heard a great deal about common welfare; we are all for the common welfare of our great Nation.

We intend to make it still greater, and we shall do everything we can, but to follow everybody's advice as to what common welfare is would mean common destruction. We still reserve our right as individuals to decide whether the person who talks so glibly about common welfare knows what common welfare is as against common destruction.

On January 5, 1949, I introduced H. R. 853, which is a housing bill which would permit the people in the lower brackets to own homes even at the present high prices and to pay for them with a 30-cent dollar. I introduced that bill and asked for hearings but was ignored. I wrote at least one letter to the committee asking for a hearing, but never received any. I expect to offer that bill, H. R. 853, as a substitute for the bill under consideration, H. R. 4009.

May I say also that my bill will create homes while H. R. 4009 just creates tenants. There is a vast difference between a homeowner and a tenant. The tenant, after all, becomes reckless and careless of other people's property, but he will cherish and protect his own home. For that reason I provided in this bill doing just what my colleague from North Dakota [Mr. BURDICK], wants done—which the bill offered by the committee fails to do—that is, create homeowners and make it possible for the people of this great Nation of ours to own homes of their own.

My bill provides, first, if you want homes, you form a little group. It is modeled after the Federal land-bank law. You form groups consisting of 10 or more members. When you form a group you get a charter from the Federal Housing Administration. When you get the charter you have a right to make a loan and get a home.

The bill provides for a loan up to $15,000. Do you remember the wonderful showing we made during the depression in saving the homes of this Nation by making loans, and not by making tenants? It was by protecting the homeowners of America. That is what my bill does.

When you get this association formed and you have your charter, you make a loan and you get it at the rate of 2 percent, which is the interest rate that was paid by the Federal Government on the money it borrowed at the time I drafted this bill.

The bill provides that you may build a home up to $15,000. As originally drafted it provided you should raise 10 percent of the amount you wanted to borrow of your own money, the feeling being that you ought to have some interest in your own home. I have been told, and it has been suggested to me, that we should require no payment up to five or six thousand dollars so that people in the lower brackets can get a home.

We provide further in the bill that you have 30 years in which to pay for it. Someone has suggested 20 years, and I have no great objection to amending the bill and making it 20 years in place of 30 years, because under this bill when you get the money at 2 percent you can pay for it.

We give you other advantages under my bill. We provide that any payment you make on your home will be deducted from your Federal income tax. Right here may I say that if the Federal Government would give up the withholding tax it is taking out of the salaries of Federal employees and the other workers of this Nation, they would soon be able to build their own homes and own them where they please, select their own architect, and select their own contractor. This would give them some independence and get away from regimentation. If my bill is not substituted for H. R. 4009, then the Federal employees and the employees in industry can expect an increase in the withholding tax.

I am sure most all of the Members have traveled through Chicago. If you have not, when you do look at the Federal homes built by the Federal Government along the railroad tracks where there is a train every 5 minutes. It seems they want to kill the babies before they are born. That is not democracy, that is not permitting the individual home owner to select his own location. I can guarantee you no person who wants a home would select a site near a railroad track.

If it is his own home he takes an interest in seeing how it is built, which is also important.

Then we exempt these homes from taxation for 20 years until they are paid for. This will permit a person who wants a home to pay for it. We limit the provisions of the bill to individual homes, but we provide, also, you can have cooperative homes. A unit can be owned by an individual along the lines that apartments in Tilden Gardens are owned in Washington, D. C. You can buy a home there and it is as much yours as if you built it out on the prairie. The particular unit is yours.

We provide under such conditions a group of people can get together and build an apartment building of their own, have their own units and pay for it by lesser interest, by being tax exempt until the home is paid for.

We all believe in homes. Homes are the stability of our Government. If there ever is any danger of either communism or fascism in this country it will be the result of the lack of homes.

I will say frankly to any Member on this floor who owns a home in his city or town, if you were the only one that owned that home you would not be the owner of it very long. If the rest were all tenants, they would see to it that you also became a tenant.

The thing in favor of this bill is that we have a splendid example of how it works. The Federal Land Bank has been a success. I will admit that sometimes they foreclosed before they should, but we here in Congress can stop that. And, I want to say also that the loans made during the depression to the home owners in Chicago and elsewhere is what saved their homes, because I remember the time when I was called to Chicago to save several thousand homes. We succeeded by putting in a bill to Congress; that is all we had to do. We did not have to get it passed. The very fact that the bill was introduced restrained the bankers that wanted to foreclose.

Now, I have letters in front of me and I will just read a few excerpts from them. Here is one from Fargo, N. Dak., my home town:

DEAR MR. LEMKE: Thank you for your valued letter and copy of your housing bill 853. It is a great improvement over H. R. 4009.

My reaction is as follows, which you kindly mentioned: Good points, no regimentation—to build where he pleases—have his own contractors.

Here is another one coming from a prominent citizen in my State, in the city of Mandan, in the western part of the State:

Thank you for your letter of May 27 with reference to H. R. 4009 and for the copy of your bill H. R. 853.

I have carefully read your bill and I like it as being American in its concept and because it provides an answer to low-cost housing for those who need help in building a home and at the same time preserves the traditional individuality of the citizen by giving him the responsibility that he should have in the direction of his own efforts and

desires and should preserve for him the dignity of his own freedom of action.

I am going to recommend consideration of your bill H. R. 853 to other Members of the Congress in the hope that it will receive the attention that I believe it merits and that it may be a means to the solution of this angle of the housing problem.

In conclusion permit me to say that I feel this bill meets with the present requirements and will make home owners in place of more tenants, and it will help the public welfare of this Nation not by giving things but by making the individual, at least, protect that which he gets and to pay for it under terms and conditions that would put it within his reach.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. SPENCE. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. DOLLINGER].

Mr. DOLLINGER. Mr. Chairman, from the hearings before the Banking and Currency Committee and from the record of testimony that has been built up by the Congress during the 5 years of study it has given to the housing problem, we could expect to have available to us today as we consider the Housing Act of 1949 expert criticisms and constructive suggestions from those who are engaged in housing construction and finance.

Certainly there has been no lack of opportunity. Witnesses purporting to represent all phases of the housing industry, from the producers of building materials to home builders and mortgage lenders, have appeared before congressional committees during the long consideration of this legislation, not once but many times. Their testimony fills hundreds of pages of printed committee hearings.

In all this testimony, however, we have not had the kind of constructive criticism that would be helpful to this Congress in its efforts to grapple with this housing problem. What we have had, instead, are dogmatic broadside attacks on the substance of this legislation which has been developed after so much study and consideration—attacks which have disregarded the well-documented facts and attacks which have disregarded the critical housing needs of the American people. As these witnesses have appeared, one by one, before our committee, the voices and the words have differed but the arguments have been so similar I could repeat them in my sleep. If, anywhere, in all the industry testimony, there were any constructive suggestions, their point was completely submerged in the outpourings of distortions and misrepresentations.

Let us look at some of these arguments and the facts regarding them.

There is the argument that this legislation is not needed, that private enterprise is fully serving all housing needs. This argument completely ignores the fact that over 6,000,000 families in our cities and towns, and many farm families live in slums or other bad housing because they can afford nothing better. It ignores the hundreds of thousands of families, many of them headed by veterans, who cannot establish homes of their own because they cannot afford the prices and rents at which houses and apartments are available. It glosses over the fact that the rate of housing production is declining not because these needs are not still urgent but because people cannot afford to purchase buildings when private builders insist upon making exorbitant profits.

The facts are that only through public assistance such as that proposed in this legislation can the needs of slum dwellers and other low-income families living in bad housing be served; that only the kind of a research program authorized in H. R. 4009 offers real hope that private enterprise, through lower costs, can broaden its markets and expand its production in relation to the needs of the people.

Then there is the argument that low-rent public housing will not serve poor families, but will compete with private enterprise. This argument ignores the fact that in the present low-rent public-housing program, the median income of tenant families last year was $1,884 and that of families admitted to the projects last year was $1,481—families who obviously cannot obtain decent housing in today's market. It ignores the several safeguards contained in H. R. 4009, including the requirement that rents charged families in public housing must be at least 20 percent below the lowest rents at which private enterprise, in the locality, is providing a substantial supply of decent, safe, and sanitary dwellings. Of course, if the real-estate lobby is concerned with protecting those who exact a profit from slum housing, what has been said is true. This program will compete with slum owners, and I think it should.

There is also the charge that under this program $15,000 houses will be built for low-income families. That argument completely overlooks the fact that the $2,500 per room construction-cost limit would be approached only in a few of the highest cost areas, that the general limitation is $1,750 per room and that there are other requirements in the bill for economy and simplicity of design and construction. Never mentioned by these spokesmen is the good record of local housing authorities in the past of building public housing well below the maximum limits.

There is the additional argument that slum clearance and housing are the jobs of the cities and States. Completely overlooked is the fact that local public agencies established locally under State laws will do the slum-clearance and public-housing jobs under this bill, that the Federal Government's role will be to supply the financial assistance which past inaction and the overwhelming testimony of mayors, city officials, and others clearly demonstrate is necessary. This argument completely glosses over the fact that in a national economy, the States and cities are unable to tap taxable sources of wealth sufficiently to finance these essential services, even if they have the constitutional or legal authority to do so.

Now I come to the patronizing concern which these industry representatives have for the costs of this program to the Federal Government. We have been told that this bill will cost sixteen to nineteen billion dollars. Actually, the out-of-pocket to the Federal Government over the whole period of 40 years will probably not exceed $10,000,000,000 or an average of only about three hundred million a year. But these people never tell you that even their exaggerated estimate of the cost of H. R. 4009 for housing, which is of such vital concern to the internal security and well-being of the Nation is little more than we propose to appropriate in 1 year in military expenditures to protect us and our fellow democracies from potential outside enemies. And while they make every effort to sell you a house on the basis of its monthly costs, they seldom seem willing to talk about this bill on the basis of annual expenditures, on the basis of less than 1 percent of the annual Federal budget or 1 day's cost of the last World War.

And then we hear of this bill in terms of a gigantic Federal housing program, of Federal control and Federal dictatorship. Industry spokesmen somehow never seem to remember that the slum-clearance and public-housing programs are initiated and carried out by locally appointed local public agencies with the approval of local governing bodies, and that no local community is required to accept the Federal assistance which would be made available. They always overlook the overwhelming evidence from local officials that the present system of financial aid for public housing has worked out satisfactorily and that these same officials have pleaded for the additional assistance which this bill would provide. They never seem to remember that the results of the research program authorized under this bill will be available for industry, and for the local communities, to use only as they wish.

And then we come to the argument, well covered with mildew, that this legislation embarks the Nation on a program of socialism and communism. That puts a new political label on the 57 Senators—33 Democrats and 24 Republicans—who voted for the similar Senate bill and the 18 additional Senators who were paired for or announced for the bill. Those who put forward this argument would have you believe that assistance to local communities to clear slums and provide decent homes for low-income families is socialistic, but that underwriting the risks for billions of dollars of private construction and financing, as in the FHA and GI programs, is not socialistic. They would have you believe that public housing is socialistic while public schools, public roads, public water and sewer systems are not.

I ask the Members of the House whether they have found anything in these arguments which would help them work out a solution to the slums, to the bad housing conditions in cities, towns, and farms, and to the problem of housing costs. After listening for hours to these industry representatives, I am forced to the conclusion that their only purpose is to oppose and obstruct, that they are more interested in maintaining scarcities and high prices than in working out the

housing problems of millions of Americans.

As further evidence of that, I direct your attention to an editorial entitled "Stop the Public Housing Racket" in the May 16 issue of Headlines, weekly publication of the National Association of Real Estate Boards. The editorial was signed by Herbert U. Nelson, who for many years has been the principal paid executive of this association.

Mr. Nelson, of course, asked his members to write, wire, or telephone their Congressman to vote against this bill. He also announced that if this bill passed this organization would take immediate steps to seek its repeal or drastic amendment.

But also in this editorial Mr. Nelson, referring to H. R. 4009, said:

> The Senate version of the bill was sponsored by 11 Republicans and 11 Democrats and has not, therefore, even the excuse of partisan advantage. It is political racketeering by power-hungry politicians who hope to pick up or control votes here and there.

I repeat those words, "political racketeering by power-hungry politicians." In all the words of abuse which have been applied to this legislation, I have never read anything so contemptuous of the 75 Members of the Senate, Democrats and Republicans, who voted for or were paired or announced for this legislation; of the Members of this House who are going to vote for H. R. 4009; of mayors and other local officials; of all the major veterans' and labor organizations, the church groups—Catholic, Protestant, and Hebrew—the women's organizations, and all the others who have supported and worked for decent housing.

Mr. Chairman, each Member, after consideration of all the facts presented in this debate or otherwise available to him, has a right to vote on this legislation as he sees fit; but I hope no Member of this House will permit himself to be influenced by the dogmatic and unsubstantiated attacks of the real-estate lobby and particularly by so contemptuous an attack on the motives of those of us in Congress, and of conscientious public officials and citizens throughout the country who feel that the enactment of H. R. 4009 is one of the most important things that could be done for the welfare of our people.

The CHAIRMAN. The time of the gentleman from New York [Mr. DOLLINGER] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, I appreciate the time yielded to me by my friend from Michigan [Mr. WOLCOTT], who yielded me this time despite the fact that he knows I am opposed to his views on this legislation. I am always a little uncomfortable when I am opposing the views of the gentleman from Michigan, because he is so often right. I think he is one of the soundest and ablest Members of this House.

Mr. Chairman, I am for a moderate plan of Federal assistance looking toward the solution of one of our foremost social problems, adequate housing for the American people.

I am not going to deal with this question in glittering generalities but on the basis of the definite and favorable experience of an American community with public housing.

The attack against housing has been twofold:

First. That it is socialistic; second, that it is expensive.

Mr. Chairman, in our complex society we are very frequently confronted with problems which a completely private enterprise system does not solve. If we relied wholly on private enterprise, we would say to our friends in the West, "Build your own dams and flood-control systems, or take the consequences." We would certainly say to our friends in the West and South, "Sell your wheat and cotton and corn and tobacco in a free competitive system for what it will bring, and do not ask the Federal Government to engage in any form of regulation for your welfare, or for the national economic welfare."

Indeed, if we carried this theory to an extreme, we would demand that the neighborhoods build their own roads and say, "If your house burns, put out the fire, because we consider that we should not extract contributions from society generally to establish a fire department at the common expense and for the common good."

Nearly every cooperative enterprise maintained at the general expense is a social movement. Socialism as we understand it is not a cooperative movement for the common good, but is a means of government control of the tools of production. Public housing is not socialism; and, if it is, we had better repeal about 50 percent of the statutes that have been passed in the last 40 years.

Nor can I understand the philosophy of those of my colleagues who will cheerfully vote the use of American money to build roads, bridges, and public works for the economic and social benefit of the people of Greece, and who raise the cry of socialism only when there is a program to benefit the people of America.

And with respect to economy, Mr. Chairman, economy as I understand the word, is to fight against the extravagant waste of public funds, and not to fight against the use of public funds for great social benefits. On the issue of economy, I will match my voting record against that of any Member of this House. Had my votes prevailed, our budget would be billions less than it is now. But there again, I cannot understand the philosophy of those who sat in this House a few weeks ago and rushed through appropriations of approximately $25,000,000,000; who will build a $65,000,000 home for the United Nations; who will on 10 minutes' consideration vote $16,000,000 for the relief of Arabian refugees; who would find no limit in their generosity to improve the breed of livestock, and yet who would choke over a measure which, I believe, will have a great deal to do with the improvement of the breed of human beings here at home.

Despite my promise not to discuss the general aspects of this question, I find that I have done so. Let me, therefore, quickly proceed to what actually has happened in a public housing project with which I am familiar.

The city of Atlantic City, which I represent, is not only the great seaside resort with which many of you are familiar. It is not only a famous boardwalk bordered with luxury hotels that you gentlemen see on your visit, but is at the same time a typical middle-sized American community. Atlantic City has two public housing projects. Public housing, Mr. Chairman, is not new despite the present outcry. It has been tried here and there since 1937. One of the projects is named Jonathan Pitney Village. This is a 333-unit residential construction, and I know you will be interested to learn that the rent-collection loss from April 1941 to the present date amounts to three one-hundredths of 1 percent. The other is called Stanley S. Holmes Village, with 277 dwelling units. That does even better. The rent-collection loss there has been one one-hundredth of 1 percent.

Mr. Chairman, many people seem to feel that public housing is another giveaway scheme. People pay rents for these dwellings, fairly substantial rents. And I doubt if any landlord can show a better percentage of rent collection than the figures I have just read.

Another false idea is that the maximum subsidies provided in the bill reflect the real expenditures to be made. It is our experience in Atlantic City that the maximum subsidy is never required. In one project, for example, the only year that the maximum subsidy was ever required was in the first year of operation, 1941–42, and that because the project was not opened until the year was half over. Indeed, in that project the overall figures will show that $157,000 less than the maximum subsidy was required.

Now, Mr. Chairman, here is the interesting and significant fact. Out of the maximum subsidy which was allowed, the Atlantic City housing project paid interest to the Federal Government on its bonds in the amount of $388,800. Deducting the interest that we paid from the total amount of Federal subsidy authorized, we can sum up that operation in this fashion:

Jonathan Pitney Village has operated 333 dwelling units of a low-cost rental housing project from 1941 to the present date. It has taken hundreds of families out of slums and restored them to self-respect and decent living conditions. The social good that it has accomplished to a degree can be actually measured in our police records, and even fire records; and the total net cost of this project to the Federal Government over an 8-year period was $78,000.

Let me quote from a statement made by Robert A. Watson, the executive director of the Atlantic City housing authority. Mr. Watson says:

> It is a recognized and acknowledged fact by all groups conversant with family problems that the crying need for additional low-rent public housing is one of the most vital problems facing our community today. As to the record of the present public housing in this community, the housing provided in Atlantic City under this program for the past 12 years offers tangible evidence of what public housing can do for low-income families in bettering their morale, incentive for improvement, and citizenship. Low-income families who needed assistance in meeting

their housing need have amply repaid their use of public subsidy by the improvement in their family life, their greatly benefited health, the reduced incidence of juvenile delinquency, police and fire calls, and the self-evident fact as recognized by the school system, that the children of these families have shown such marked improvement after being removed from slum conditions into decent housing.

Incidentally, Mr. Chairman, let me inform the House that Bob Watson is a conservative Republican businessman, and is about as far from a Socialist as anyone I can think of. The housing commissioners there are highly respected citizens of the community. They are business people who thoroughly believe in the American system. They have made personal successes on the American system, and they are running this Housing Authority on an American system.

Mr. Chairman, the Mayor of Atlantic City is the Honorable Joseph Altman. Mayor Altman is a lawyer, a life-long Republican, and I would certainly class him as an economic conservative. Let me quote briefly from a statement favoring public housing which the mayor recently made:

It is self-evident that private enterprise cannot profitably provide decent housing, new or old, for all of these families in Atlantic City at rents or prices within their ability to pay.

This is not only true now under the present high costs but has always been true to some extent. As has been proven, it is economically unsafe for private enterprise to provide such housing. The evidence is clear in the number of families now living in substandard housing who cannot afford to pay a sufficient rental for decent housing, which would enable private enterprise to realize a reasonable return on its investment. It is only just and equitable that private enterprise is entitled to and should make a profit on housing which is built at a capital risk. However, our present housing conditions are ample proof that low-income families cannot afford to pay adequate rentals which would encourage private enterprise to build for these groups. This fact has been clearly evident for several decades as well as now. As a consequence, Atlantic City shows increasing expansion of blighted areas and slum dwellings.

The Mayor knows, and everyone there knows that the need continues to be acute. There are 1,200 applications on the waiting list of these projects now. It is certainly not true, so far as this area is concerned, that the housing shortage has ceased.

Mr. Chairman, I personally have been a conservative all my life. I represent a solid district. My people believe in the American system through and through. There is not a handful of radicals in the entire area, but they are willing to open their eyes to changing conditions and changing methods, and so am I. If I thought that public housing would do irreparable harm to private enterprise, or that it was even a small step toward state autocracy, I would oppose it bitterly and persistently. I do not think any such thing. It has been operating in my area for a decade, and I assure you, Mr. Chairman, that the American way of life, and the true principles of our Republic, have been helped, not hurt by the operation.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MURRAY of Wisconsin. I call attention to the fact that according to the discussion of the previous speaker we have $15,000,000 provided by the Bankhead-Jones Act so that we can get tenants on the farms and in this bill $5,000,000 a year, or $25,000,000 to build houses for the tenant farmers that are renting farms. In other words, we are driving two horses—trying to get people who are tenants to be farmers owning their own farms and in this legislation we are building houses for the people who own the land for their tenants to live in; is that right?

Mr. NICHOLSON. I think the gentleman from Wisconsin is right. The reason I am against this bill is that I think it sets up another bureaucracy in this country and whether a bureaucracy leads to some other -ocracy or -ism I am not interested. But I do know that the people who elected me and who talked with me on the street said to me, when I was coming down here, "For pity's sake, try to do away with these bureaucrats in Washington who are continually asking us for triplicates of this and triplicates of that and keeping us in such a state that we do not know whether we are obeying the law or not." It seems to me that when we discuss matters of importance like this, there is no necessity for accusing any of you of being Socialists or Communists. We should look at it as an economic measure. I do not think anybody objects and I feel that everybody is willing to do away with the slums in his city or if he happens to have them in his town. But there is a lot more in this bill than just the question of slums.

For instance, the gentleman from Alabama had just been talking about the poor farmers. It is my understanding—I do not know, I may be wrong—that farmers are the most prosperous people in this country today, and they have about one-fifth of the mortgages that they used to have through the years. Therefore, they are five times better off today than they ever were before. I do not object if we can find a thousand sharecroppers and farmers who cannot use their worthless land and give them $500. But there must be 100,000 of them. What are you going to do with the other 99,000? Why, it would take about 40 or 50 years, and by the time we got around to each poor farmer it would be longer than that. His grandchildren might come under the bill.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. JONES of Alabama. The situation would prevail with every other appropriation we make, as far as being neglectful of some Members. Under the Bankhead-Jones tenant purchase plan we only appropriated $15,000,000, the gentleman will recall. So that does not make a sufficient amount of money available to every farmer who wants to own his own farm, but it is a step in the right direction.

Mr. NICHOLSON. That is right. Everybody realizes that if we pass this bill, all it takes care of is a small percentage of the people. Next year, we will raise it, because there will be a clamor, that some fellow's neighbor is getting something for nothing and he will ask for it, too. That is what this bill does. It destroys the initiative of the people of the country. It destroys their want of a home for themselves. As long as the Government or the city or the town or wherever they live furnishes the money, they will never build a house themselves. There will always be tenants. I think that in this body itself today and through the years a great many of the Congressmen, probably over 50 percent of them, sprang from a poor beginning, and they did not own a house but they were tenants. They got away from it because they wanted to build a home for themselves. Under this kind of a bill there is no incentive for anybody to build a house.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. NICHOLSON] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. NICHOLSON. This bill gives the Commissioner of Agriculture some more power. It puts him in the building business. We already have given him the Commodity Credit Corporation, put him at the head of that. He is at the head of the Department of Agriculture, which spends over a billion dollars. It seems to me we are loading the poor man up with too much work when we attempt to put him into the housing business. It puts me in mind of Mr. McAdoo, when they made him Director General of the railroads, when he was Secretary of the Treasury. When Mr. McAdoo handed the railroads back, the railroads were in debt $4,000,000,000. They let the railroads run themselves this time and every one of them was rehabilitated and they all came out with a lot of money in their pockets.

Mr. JONES of Alabama. Will the gentleman yield again?

Mr. NICHOLSON. I yield.

Mr. JONES of Alabama. The gentleman would want to clothe the Secretary with good business practices as far as fulfillment of the obligation of the borrower to exercise such practice that the farm would make a return to where he would be able to pay for it? The gentleman would want that provision in the bill, would he not?

Mr. NICHOLSON. I should think that the Commissioner of Agriculture would let the banks handle it, or let this other department handle it.

Mr. JONES of Alabama. Of course, the gentleman recognizes that fact that if the borrower expected to borrow money from a bank, certainly there would be inquiries made as to how he would use that money and, in addition, the banker would pursue it to the end to see that his investment was kept intact.

Mr. NICHOLSON. Yes.

Mr. JONES of Alabama. So you are charging the Secretary with the same responsibility.

Mr. NICHOLSON. This bill gives to the Commissioner the right to hire engineers, the right to hire field secretaries, and the Lord only knows how many he will hire. He will hire all the Appropriations Committee will give him the money for.

Mr. JONES of Alabama. The gentleman is a member of the committee, and he heard Mr. Lasseter testify that in his opinion it would not call for an additional 10 percent.

Mr. NICHOLSON. I asked that question of everybody who came before the committee.

Mr. JONES of Alabama. The gentleman himself asked Mr. Lasseter that question.

Mr. NICHOLSON. Yes, and I did not get any satisfactory answer.

Mr. JONES of Alabama. I will be glad to read it to the gentleman.

Mr. NICHOLSON. Well, it did not satisfy me.

Mr. JONES of Alabama. Perhaps the gentleman could not be satisfied.

Mr. NICHOLSON. I want to call the attention of the Members of Congress to the fact that cost apparently does not mean very much. But we are going to be called upon to appropriate $1,500,000,000 to arm Europe. I assume you will vote it. You have voted for everything that comes up here. Then we have $500,000,000 coming in here for health and education, and you cannot vote against that, because the poor children will not have any education.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WOLCOTT. I yield the gentleman two additional minutes.

Mr. NICHOLSON. Mr. Chairman, in another couple of years it will be a billion; then it will be 2 billion; that is how these things work. I have seen them work for 25 years in my State government; and the Federal Government is no different. Can we keep on appropriating money this way? There is a limit somewhere. Does anyone argue to the contrary? There is no one who does not know what happened to the franc, the mark, the yen, the sen, the lira, and many other monetary units in many countries; they fell so low that it took a wheelbarrow load to buy a pack of cigarettes. Our dollar can go down, and you know it can; its value is but 50 cents today. So you had better watch and be careful.

Mr. Chairman, it is not a question of money that is required to clear these slums. Let us take care of them at the city level, at the State level, in the areas where we live; let us not go down to Washington and have them put a little dribble into it, because that is all there is here. What they are asking you to do is merely to build 100,000 houses when private industry built a million last year. All they want to do is to get their foot in the door; then they will tell you what to do.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. MULTER. If I follow the gentleman's argument, I think he would advocate that we curtail our public-works program and do away with the Federal building of highways.

Mr. NICHOLSON. Listen! We assess a tax of a cent and a half against every gallon of gasoline that is used in this country. I do not know how many hundreds of million of dollars it amounts to, but that is where we get that money; we do not get it from a direct assessment on everybody; we take it out of the man who uses the roads. What is the gentleman talking about? Does not the gentleman know that?

Mr. MULTER. Is the gentleman sure about it himself?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, we have an unfortunate habit—it has been more and more apparent in this session—of judging votes of this kind on the basis of some symbol: We are for housing, or we are against housing; we are for education, or we are against education. That is the pressure that is placed upon us, and that is the report that goes out from Washington. If you will read the Constitution of the United States, and if you will read the Federalist papers which described the discussions incident to the adoption of the Constitution, you will find that this was intended to be a body established under the form of government known as the republic. Representatives are supposed to come to Washington and decide all issues on what is actually printed in a bill, not whether, in this instance, we are for or against Federal housing.

I desire, Mr. Chairman, to speak to you about one or two details which are printed in this bill. This bill, for the first time, departs from the Constitution of the United States in an appropriation matter, and says that it is not necessary to bring the expenditure of the taxpayers' money to the Committee on Appropriations. This says that the money shall be voted by the Congress in a bulk sum, that a demand shall be drawn upon the Treasury of the United States by the Housing Administrator, who is an appointed official; and that, therefore, no congressional committee shall have a check, an analysis, or a control over the expenditure of the funds. I suggest to you that whether you be for or against housing, you cannot, if you believe in representative government and the protection of the taxpayers' money, vote for this bill while that provision remains unchanged in the bill.

If you believe in constitutional government, if you believe that the reason this Nation is strong is because of our form of government, because of our checks and balances, the provision that the raising of funds must start in one House, that each House must check the other back and forth, then that provision of the bill alone should defeat it. That is very important. Only once before, in my knowledge, has the Congress been asked to do anything which approached this. That was in connection with the Bretton Woods agreement, when we were asked to vote money in a lump sum to be expended without further check by the Congress; but at that time it was placed in the hands of an agency which was a bank and which gave the lending of that money the same analysis and the same examination a bank places upon the lending of its own money. That was not a good provision then and I think this provision is very bad.

There are two minor provisions in the bill, perhaps minor in comparison with the other amendments, and since most of the other features have been pretty thoroughly discussed, I will confine my few remarks to these.

Section 208, introduced as I understand it without a great deal of discussion, or put into the bill without a great deal of discussion, has to do with the transfer of the operation of labor camps. These camps are presently in existence and are being operated. The original intent was that these camps should be for agricultural labor. May I say with great earnestness to you gentlemen who argue whether a country background or a city background is better in the United States, that you will not eat in either the country or the city unless you recognize the necessity of harvesting crops. The reason we have been able to maintain the excellent standard of living in the United States is because of the techniques that have been applied to the production, to the harvesting, and to the marketing of food, which makes it possible for us not only to feed ourselves but to feed the people of other countries.

It is absolutely necessary that this housing be maintained for agricultural labor. This amendment says it is no longer necessarily farm labor housing. It is to be placed in the hands of the Housing Administrator, although in many areas of the United States today this housing is managed by nonprofit associations of farmers. I am of the opinion, first, that a point of order might lie against the entire section, but I would rather have it stand or fall upon its merits. I remind you that the President of the United States has within the past few days signed a bill passed by the Congress on this subject. It is my humble opinion as one Member that this section should not be in the bill. But if it is to remain here, if it is not to be taken out, and I would vote to take it out, then by all means it should be so amended that this housing remain farm housing and that the nonprofit associations of farmers in those areas where they presently operate them should continue to operate the projects as they do now for the benefit of the farm laborers and for the benefit of agriculture.

In the latter part of the bill there is one amendment which I say respectfully to the Committee on Banking and Currency contains a gimmick that I do not think they understood. I am not talking about the general provisions in the amendment, which begins on page 78, section 509. This was presented to

the committee as an amendment affecting District of Columbia participation. I have no intent to argue that point. That may be good, I think probably it is good, but there is in that amendment a gimmick and that is the bypassing of the Subcommittee on Independent Offices of the Committee on Appropriations.

If you will turn to the hearings on the third deficiency appropriation bill, which comes up for consideration at 4 o'clock tomorrow afternoon, you will see that I referred to the matter there. I asked the District agency to say again that they have not furnished the subcommittee with information which the subcommittee requested for three successive years.

Once, when we refused to give the agency money without additional information, they tried to get it out of the Senate, and the Senate refused to give it. The second year, when we refused to give the money without the information for which we asked, the agency went to the District Subcommittee and asked for it there and were refused because of lack of jurisdiction. This year there has been slipped in between the lines of this amendment a provision by which an agency denied funds by one committee of the Congress can, by a circuitous route, get those funds from some other agency, which would leave the Congress no recourse but to replenish those funds. Last year seven of us on the committee, of which the gentleman from Massachusetts [Mr. WIGGLESWORTH] was chairman, were in agreement, and this year, with the gentleman from Texas [Mr. THOMAS] as chairman, five of us are in complete agreement and will offer an amendment which will not change the question of District of Columbia participation but will say that it is not the intent of the Congress of the United States that any agency of government shall bypass a subcommittee which is trying to secure information for which that subcommittee has asked for 3 years and been refused.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Chairman, I appear here to say a few words in defense of this act not so much because it is a national housing act but, just as important, because it is a national defense act. The Members of this House who voted in 1938 and 1939, starting with appropriations for the Army, the merchant marine, the Neutrality Act, the first draft, the extension of the draft, and finally the war, know that the many slums were created in this country through the passage of some of these defense acts. When the early settlers of the West built a fort, no matter what part of the country it was in, with a number of cabins inside of that fort, it was done for defense purposes. That is where they stayed during the night, and in the daytime they went out and planted their crops, but after they were safe and the Indians were driven farther westward, it did not take them long to get out of the slums of that day. They knew that they were not any good. The ones to benefit by this bill are not only the people living in the city slums. They are to some extent, yes, but not nearly as much as the farmers. The farmer is going to get, let us say, eight-tenths of the benefit of this bill. Why? Let me tell you. In the last year of the war we spent $70,000,000,000. The gentleman from California [Mr. PHILLIPS] who just preceded me, said that we do not eat unless the farmers can harvest their crops. Well, during the war we voted on the floor of this House not to draft any more farm boys, because we had drained the youth off the farms and the crops could not be harvested. What happened? Did we have slums in the country? Sure, the farm boy walked into a draft board, and all the doctor had to do was to take a good look at him; he was well fed and he had rosy cheeks, and unless he had club feet, he was immediately put into the Army. But, not so with the boy from the slums. If he finally did get into the Army, they put him in a hospital, after which he was of very little use to the Army. I say to that extent the farmer benefited.

I say also that, if we pass this housing bill and give relief to the families on the farm, thousands of their sons can be kept there and not shot into the next emergency.

We were shy of manpower during the last war. They were shooting the 18-years-olds across the ocean, those that had only had 3 months' training, those that had the health to get into the United States Army. We spent $70,000,000,000 in 1 year. Can we not spend a few billion dollars to correct that situation and give some degree of security to the children of today?

I learned a lesson at a naval base after the end of the war. The naval authorities these were giving a demonstration of jet planes for the Congressmen on Navy Day. I happened to be sitting at lunch next to the commandant of that base. I said to him, "Of course, you are for compulsory military training that we are talking about now?" Surprisingly, he said, "No." I said, "Why?" He said, "After lunch I will show you why, and where you people in Congress are to blame."

He showed me three hangars there for housing airplanes. Each one of the hangars cost $3,000,000. Then he took me over and showed me where they housed the boy that flew one of the planes, the one who was charged with the responsibility for that plane and the safety of all the crew. They housed him in what they called "Tarpaper Alley," where he was sweating all day and all night in the hot weather, just because the Congress of that day would not appropriate enough money to build a good house.

We air-conditioned the "Big Mo," as we used to call it, the battleship *Missouri*. We have everything in there cool and fine for the guns, but very little was done for the boys who man the guns.

That is why I am in favor of this legislation. I do not think that a man today in defense of doctors should be for socialized medicine. We should have gotten rid of the slums long ago. But we will be in here in a couple of weeks calling for legislation to bring about socialized medicine. It will have quite an effect on this country and it will cost billions and billions of dollars, if passed. If we had just eliminated the slums, that is all we had to do. It is not such a tough job, when we spend a couple of hundred billion to destroy, to make war, to defend ourselves, to find the right way of peace. Our forefathers found that out when they got out of the fort. Why cannot we find out today that the answer to disease, broken homes, divorce, insecurity, and communism is to build houses for our young people, to eradicate slums in our cities, and to give hope to these citizens of our great country who look to this Congress for aid and assistance to solve this problem for them? The Congress must face up to its duty and recognize its obligation to pass this measure now before us. Let us remember these forgotten people not tomorrow, not next week, but today.

Mr. GAMBLE. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, a cargo of strange and wild-eyed animals—some only a few days out of their jungle habitat—arrived at the United States quarantine station in Clifton, N. J., in my congressional district, on Wednesday of last week. There were 203 in number, to be exact, and they had made their trip from the Belgian Congo some 7,500 miles away by plane; their final destination, the Bronx Zoo. The quarantine station, embracing approximately 50 acres, strangely enough is located in the geographic heart of one of the finest and fastest growing communities in New Jersey and consists of a group of well constructed stone and brick buildings.

Among this shipment of animals to be given rare shelter and food at the station are okapi, duikers, chevratians, monkeys, flying squirrels, bush-tail porcupines, lizards, and horned vipers.

Dr. F. L. Herschenroeder, superintendent of the station, was quoted last week as saying that he was having quite a time with the new arrivals because "they've only been out of the jungle since Monday and they are just a bit wild." The animals, he said, were on a diet of bananas, sweet potato leaves, carrots and peanuts, and he emphasized that the latter must be roasted. "That's the way they seem to like 'em," Dr. Herschenroeder said, "so, for a while, we are going to give them whatever they like."

To many people in my area, veterans and others who today are without proper shelter, this story will not be so inspiring, so intriguing. But it is true.

Senator H. ALEXANDER SMITH and Senator ROBERT C. HENDRICKSON, of my State of New Jersey, voted for the Federal housing bill now before us and none dares to call them communistic or socialistic inclined. Yes, they were of the majority when the Senate approved the measure by a 57 to 13 vote. Nor is anyone here going to indict the American Legion, the Veterans of Foreign Wars, the National Catholic Charities, the Protestant groups, and labor organizations, supporting the bill, as communistic or socialistic.

The legislation before us will have its principal economic effect—as distinguished from its social effect—on one of the basic segments of our national economy, the construction industry. In the past, this industry has been highly susceptible to changes in the economic climate. It is a bellwether industry. Its high points rise above the peaks of other industries. But in its bad days, it usually drops to lower levels than other industries. Furthermore, its slumps come early, forewarning of coming declines in general economic activity. These characteristics of the industry point to the important role it plays in our national prosperity.

I raise this subject now because I know all of you have read the signs on the horizon that our postwar boom is beginning to go soft. Probably I need not remind you that the May figure for unemployment was set at the disturbing total of 3,289,000. The Bureau of Labor Statistics tells us that nearly a million more persons were jobless in May than a year ago. Only last Saturday, the Associated Press reported the widespread feeling among leading Government economists that unemployment would not stop rising when it hit the 4,000,000 mark. Indeed, if present trends continue, the jobless will number 6,000,000 in the last quarter of 1949, and reach nearly 8,000,000 by the middle of 1950.

These conditions have brought cries of despair from the chronic calamity-howlers. I do not share their view that disaster lies just ahead. I have faith in the vitality of America. My faith does not blind me, however, to the realities of the situation. I represent an industrialized district in the State of New Jersey, one of the States hardest hit by the current increase in unemployment. The other hard-hit States, I am told, are Pennsylvania, Illinois, Massachusetts, Michigan, New York, Ohio, and California.

It seems to me that at this moment we must be concerned about the deflationary pressures that are obviously at work. Because we know now that a high level of construction activity always goes hand in hand with general prosperity, we would serve our country well by giving favorable consideration to a measure which would bolster that mighty stone at the foundation of our well-being.

The housing bill contains proposals which would have that salutary effect. The slum clearance and urban redevelopment plan contained in title I would be used to clear away the vast areas in our cities that are now left to the wasteful ravages of decay. With the help of limited Federal funds, it would write down the cost of this land to its true value. The process would release highly valuable tracts of land within our cities and make them available for new development, primarily through the enterprise of private businessmen.

Do not be misled by those who claim that the land thus made available would all become sites for public housing projects. This is not the case. The bill is very specific in providing that the reclaimed areas shall be redeveloped for their most appropriate uses. That would include new commercial areas, new industrial sites, new private residential developments, whatever might be locally determined to the best use for the land involved. However, it was used, this land would be transformed from a liability to the city into an asset, a new basis for wholesome and healthful civic growth.

The public housing provisions in title II likewise would be a stimulant to the construction industry. All the building contracts for public housing projects would go to private contractors employing local labor. The benefits from this work would flow through the whole fabric of the community. They would go to the materials suppliers, the materials producers, and, through the wages of labor, to businessmen of all lands—the grocers, the butchers, the landlords, the bakers, the clothing merchants. It would give new strength to the sinews of our economy, just as all productive activity does. There is also in the substitute bill, which I support, the addition of a program for a privately owned housing for families of lower income who constitute 20 percent of the almost 40,000,000 families in the United States. Ten Republican Members pioneered this provision for such families who are ineligible for public housing, yet cannot afford the private housing now offered for sale or rent. They are the families in the "gap" and include many veterans.

I mention these considerations because I feel they are in danger of being overlooked as we make our decision on this historic measure. In calling attention to them, I do not intend to minimize the social benefits that would result from these programs. I am mindful that they spell a new lease on life for our blight-stricken cities. I know it means a chance to live in a decent home to families who have never known anything better than the degradation of the slums.

What public housing can mean to a family of low income is no mere theory to me. We have seen it work in one of the cities it is my honor and privilege to represent here. I speak of the city of Paterson, N. J. There we have a public housing project known as Riverside Terrace. It was built under the United States Housing Act of 1937. There 300 families who could not afford to rent the cheapest adequate homes available in the city have found a haven. They have modest accommodations suited to their needs and their incomes, something they had never known before. The city of Paterson has had an application on file in Washington for more than 3 years for assistance in providing 1,500 more units like those at Riverside Terrace.

The city of Passaic, which is also in my district, has yet to build its first public-housing project. But it, too, is keenly aware of its need for housing for its low-income families. It, too, has filed an application for 1,500 units. The need for them is desperate. The people of these two great cities are looking to us to help them solve a problem they cannot solve unaided.

I say they have waited too long. What manner of economy is it that permits the very heart of our cities to rot away before our eyes? What saving is there in allowing all new development to fly to suburbs, beyond the city limits, while the costs of running our cities rise and their revenues from taxable property decline? What good does it do to pinch pennies when children are growing to manhood in the slums, marked forever by the disease and frustration that flourishes there?

In the name of economy, we must act to rectify these conditions. We must act to save our cities and to rescue the young boys and girls who will be this Nation's future.

We have it in our power to do something constructive about these appalling things. It simply is not economical to delay. We cannot afford to wait longer. We have profit to gain here, in dollars and lives.

Mr. SPENCE. Mr. Chairman, I will not ask the next speaker how he stands on this bill. It would be quite unnatural and it would be a great surprise to me if he were not in favor of it, for his illustrious father devoted a great part of his outstanding life to the cause of human betterment and social welfare. It is a pleasure for me at this time to yield 5 minutes to the gentleman from New York, FRANKLIN D. ROOSEVELT, JR.

Mr. ROOSEVELT. Mr. Chairman, I had not intended to presume to speak in this Chamber for some time. But I beg your indulgence as I feel that I must speak out on this legislation because of my close association with its principles since the end of my service in the United States Navy.

As a member of many veteran and civic organizations, I have spoken on behalf of this legislation. As your newest Member, I come to you fresh from a campaign in which the good people of my district made it crystal clear that the uppermost question in the minds of all is the disgraceful housing shortage which blights our land.

I leave the discussion of the technical aspects of this bill in the capable hands of my colleagues who have lived with this legislation during the last several months and I will confine myself to my convictions on some basic aspects of the bill.

On Wednesday a bipartisan group of Members of this body briefly visited the cities of New York and Philadelphia to see at first hand the appalling contrast of the existing conditions and a few of the public-housing projects. This was not my first visit to slum areas, but I can assure you that in all my visits to refugee camps in the Middle East and in western Europe, I have never witnessed such inhuman sanitary conditions as exist in the slums within 220 miles of this Nation's Capital. One of my colleagues who visited the DP camps in Germany stated that none of the conditions he had seen abroad equalled those of the slums of New York and Philadelphia.

These are the breeding spots of disease, of child delinquency and of our crime rate.

When you talk of costs, think for a moment of the cost of this legislation as

compared with the ever-mounting expense to the American people of maintaining our tuberculosis hospitals, our insane asylums, our reform schools, and our prisons—a direct result of our un-American slums.

I can assure you that the children of the great Jacob Riis housing development in New York City will strengthen the fiber of our great democracy more than the unhealthy, the unhappy, and the inhibited graduates of our slums. I can assure you that the family, which is the core of our American society, will be a firmer bulwark of our cherished freedom when it is decently and respectably housed than when it is crowded into our squalid squabbling tenements.

And so, to those who worry about the cost of this bill, I simply say, we can no longer afford our slums and we cannot afford not to pass this legislation.

I have heard it said that this bill is socialistic, and that it will make political slaves of the people who live in the housing it will make possible.

Yesterday, I asked a young lady, who is a tenant of one of the New York City housing projects, whether she felt that she was in any way a ward of the Government or that her right to vote and to express herself was in any way controlled or directed by her Government. She looked at me almost incredulously and said "Why Mr. ROOSEVELT, that's a silly question. I am an American and I am and will always be just as free as any other American."

In my limited experience, I can remember that almost every legislation of recent years which has sought to serve the interests of the people instead of the interests of the few, has always been tagged by the same old gang as socialistic. I say simply that the vast majority of Americans who clamor for this legislation are not now and never will be socialistic. That the senior Senator from Ohio [Mr. TAFT] is not now and will never be a Socialist.

In short, the slums of America are breeding spots of communism, and in passing this legislation we will be striking a blow against socialism and communism and for our free-enterprise system and our American democracy.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROOSEVELT] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Chairman, I have listened with a great deal of interest to my new colleague, who is my neighbor in New York, on the other side of Central Park. I heard with satisfaction his comments about slums, and the necessity for doing something about them. Let me say I am wholly in accord with him, and I think a great many Members of this House are, likewise, on that point at least.

Sometimes we learn something worth while from the newspapers. Sometimes we are brought face to face with realities from the headlines alone. For some 16 years the administration in control in Washington has operated on the simple principle that you can fool enough of the people enough of the time to continue to get yourself elected. No more perfect example of that and the practice of that principle can be found than in the field of slums and slum clearance.

Year after year delegations from Congress and elsewhere visit slums; they tell us that something must be done about it, and we all agree. This morning in the New York Times and other newspapers we read of another congressional visit to the slums, the slums of the great cities of New York, Philadelphia, and elsewhere. The unpleasant and the impossible living conditions were pointed out, and a demand was made that something be done about it. And yet, I defy any Member of this House to point to a single word in the pending bill that requires the clearance of a single slum. So far as slum clearance is concerned, this bill is a fraud, a delusion, a sham, and a complete deception of the American people; it is not a slum-clearance bill. So, let us get down to business, Mr. Chairman; let us face the reality. If the American people want slum clearance, if we must have some kind of housing action, if circumstances demand it at this session, then for goodness' sake, let us be on the level; let us give them a slum-clearance bill; let us give them a slum-clearance bill within the means of the taxpayers of the United States to pay under the present burdensome conditions in which we are living.

On the same page that told the story of the visit of the Congressman to the slums of New York, Philadelphia, and elsewhere, there appeared a story from the other end of the Capitol. I think it quoted the Secretary of State as asking for an additional billion and more dollars to commence rearmament of western Europe. Not far from that story, in the same newspapers was a statement of the recently retired ECA minister to England, T. K. Finletter, Esq., who had just left the White House, stating that Great Britain was in grave need and would need greater aid; in fact, in the last day or two there have been several inspired stories in the press indicating that there might be another serious economic and exchange crisis in Britain. All of which points only to greater demands upon the United States. In view of all that, in view of the prospect of growing rather than of declining economic burdens upon the Treasury of the United States, we have simply got to scrutinize all these new spending programs with the greatest of care; we have got to keep them to an irreducible minimum; we have got to authorize less money on some of our domestic programs than we might like to. There is not any likelihood of declining foreign demand or domestic military demand; the likelihood is all the other way. Somewhere the shoe has got to pinch. If national security is the basis of our foreign commitments, then the only place that we can exercise necessary caution and restraint is here at home.

Last January I introduced in the House a bill relating solely to the clearing out of slum areas and the construction of buildings in those slum areas for the uprooted residents. It is a straight slum clearance bill; it strikes at the very heart of this problem. It will channel such money as we spend to the most important, the most vital, and the most dangerous part of our whole housing problem. In amount, it will authorize grants to local agencies of $200,000,000 a year maximum for a period of 10 years, that is, a Federal total of $2,000,000,000, a very large amount, Mr. Chairman, even today, but not nearly as large as the astronomical commitments proposed by the Administration or committee bill. Moreover localities and States must put up $1 for each two Federal dollars. Thus the total aggregate amount of money made available under the bill would be three billion.

My bill is a moderate bill, it is a reasonable assumption of obligation over a period of 10 years by outright grant to local communities, to be matched by them for the purpose of clearing slums and the building of homes to take the place of the slum homes that are eliminated.

Mr. Chairman, I intend to offer this bill as an alternative or as an amendment to the existing administration bill. It meets all of the requirements of slum clearance; it recognizes the limitations imposed upon us by the enormous financial burdens to which the Government of the United States is inescapably committed, largely on account of the military and foreign aid accounts.

This bill limits spending to slum areas and nowhere else.

It offers an opportunity to Members of this House to vote for a careful, intelligent, reasonably limited, moderate slum clearance bill that will make a start on this problem, but will not commit the United States to the stupendous sum over a period of 40 years as the administration bill does.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from New York.

Mr. JAVITS. Has the gentleman made any estimate as to how many housing units can be constructed in each year and in all the 10 years under his bill?

Mr. COUDERT. That would depend entirely on the estimate you may make as to the cost per unit. If you take the cost per unit at $10,000, you will divide $3,000,000,000 by $10,000 and get the result over the period.

Mr. JAVITS. It is $3,000,000,000?

Mr. COUDERT. Three billion dollars. The bill requires a one-third contribution from the local communities and States, which adds one billion to the Federal two billion.

Mr. JAVITS. All of the money in this bill will be used to construct housing. I thought the gentleman said it was to finance slum clearance.

Mr. COUDERT. The money will represent the contribution of the Government of the United States to the local agencies for the purpose of accomplishing the rehabilitation of deteriorated areas and the construction of homes to take their places. How the money is used, what part of it is used for apartments or the tearing down of old apartments or clearing of streets is immaterial. It is the Government's grant or

contribution to the over-all ultimate purpose.

Mr. JAVITS. Will the gentleman say then that at the very maximum if not a penny were used for the clearance of slums out of the total sum allocated you could not possibly build more than 300,000 units in 10 years?

Mr. COUDERT. Unless you brought the cost down to what the administration estimates, say, $8,000, which would be $3,000,000,000 divided by 8.

Mr. JAVITS. You could not spend a penny for slum clearance?

Mr. COUDERT. Yes. If the administration bill as amended to conform with the Senate bill is enacted, and 810,000 units are built over 6 years, what proportion of the total eligible families of some ten or twelve million will be housed in those units?

Mr. JAVITS. I would say more than twice the proportion provided by the gentleman's bill.

Mr. COUDERT. I agree it would be a larger proportion, but no bill that is before this House is going to touch more than an insignificant proportion of the families entitled to consideration under terms of the bill. Moreover, States and localities are free to undertake slum-clearance projects on their own responsibility in addition to any projects aided by Federal funds.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, our plan of government contemplates three separate and independent branches, the legislative, executive, and judicial, the purpose of which is to provide a system of checks and balances, each upon the others. As long as each of the three branches retains its separate and independent status, and meets its responsibilities, our prospects of continuing as a free people will remain good.

The executive department has at its disposal the Army, Navy, and Air Force to maintain its authority and prevent encroachment by the other two branches of Government.

The judicial department has all the courts of the land, together with the prisons and penitentiaries, the marshals, and other enforcement officers, to maintain its independent status.

The legislative department has no Army, Navy, prisons, or enforcement officers to maintain its independent status or to prevent encroachment upon its jurisdiction by the other two branches of Government. It does possess, however, a powerful means of preserving its very necessary influence in our Government. That powerful weapon is the authority of Congress over the purse strings of the Nation. That authority was placed in the legislative department of the Government not for the aggrandizement of Congress, but for the benefit of the American people. It was placed in the hands of Congress as one means of protection of the citizens against possible oppression and injustice.

It is our duty, and it is our responsibility as Members to Congress, to retain that authority, not for our own benefit, but for the benefit of the welfare of the people whom we represent.

One of the objections which I have to H. R. 4009 is that it provides, by its own terms, for a complete surrender to the executive department by Congress of the last vestige of its power over the purse strings, so far as the problems of slum clearance and public housing provided in that bill are concerned.

If H. R. 4009 passes and becomes law, the power of Congress to supervise the spending of money will be gone, insofar as the slum clearance and public housing which this bill provides is concerned.

I want to deal for a moment with the method by which the money is provided to finance slum clearance and public housing in this bill. For slum-clearance loans the bill provides a maximum amount of $1,000,000,000. This provision is in subsection (e) of section 102 on page 7 of the bill. The administrator of the housing and home finance agency will not have to come to Congress, or the Appropriations Committee for one dollar of that money. Under the bill he may, with the approval of the President, issue his notes, in blocks of $250,000,000, a quarter of a billion dollars, at the time, and the Secretary of the Treasury must buy them and place the money in the hands of the administrator. Subsection (f) on page 8 of the bill, beginning with line 23, directs the Secretary of the Treasury to purchase any such notes and obligations of the administrator.

The bill provides $500,000,000 for capital grants, in subsection (b) of section 103, on page 10 of the bill. The Administrator will not have to come to Congress for one dollar of that money. This bill authorizes him, with the approval of the President, to enter into contracts to make capital grants in aggregate amounts of $100,000,000, which may total $500,000,000 which must be paid at all events. Beginning with line 24 on page 10 the faith of the United States is solemnly pledged in this bill to the payment of all capital grants so contracted for by the Administrator.

So, arrangements are thus made for the Administrator to obtain the entire $1,500,000,000 this bill provides for slum clearance purposes, without ever again calling upon Congress for its assent or concurrence in the spending of this money. So far as the slum clearance provision is concerned, therefore, this bill completely surrenders the authority of Congress over the expenditures, to the executive department.

Now, insofar as the public housing provisions are concerned, in subsection (h) of section 204, on page 38 of the bill, the Authority is given the right under this section of the bill to raise money up to $1,500,000,000, not by coming to Congress for an appropriation, but again by issuing notes, this time without specifically requiring the approval of the President. This is hedged about only with the restriction that the notes shall be in such forms and denomination, with maturity dates, and with such terms and conditions as may be prescribed by the Authority with the approval of the Secretary of the Treasury.

The same subsection, beginning with line 10 on page 39 of the bill, directs the Secretary of the Treasury to purchase this $1,500,000,000 of notes, which Congress again will have no voice or part in issuing, or in spending the proceeds.

The remainder of the funds for public housing under this bill, the maximum authorized amount of which is $16,000,000,000, may be provided at the maximum rate of $400,000,000 per year, as provided in section 205 of the bill on page 41, beginning with line 14. Contracts for these annual contributions, which are limited only to $400,000,000 per year may run for a period of 40 years, as is provided in subsection (e) of section 204, beginning with line 9 on page 37 of the bill.

Section 205 of the bill which authorizes contributions of $400,000,000 per annum for the 40-year period, amends subsection (e) of section 10 of the United States Housing Act of 1937 which contains the provisions that the faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section.

So, H. R. 4009 provides in great detail the methods and machinery by which Congress at every step and stage of the procedures will be completely bypassed, and will have no further voice in the slum clearance and public housing provided for in this bill.

A strong appeal has been made for this bill on the basis that one of its primary aims and principal purposes for the elimination of slums and blighted areas, great stress has been laid upon the need for slum clearance. Some of the strongest appeals for endorsement of this legislation have been based upon the need for abatement and elimination of slum sections. Shocking pictures have been circulated, portraying horrible slum conditions. Heart-rending speeches describing slums and slum dwellings have been made. Pages and pages of space have been used in describing in great detail slum dwelling conditions and the tragice consequences which result from them.

I think that it is reasonable to expect that this bill, insofar as it deals with slum clearance and the elimination of blighted areas, would be a bill scientifically designed and perfected, in all its parts and provisions, not to weaken or repeal existing provisions of law provided for slum clearance. I think it is reasonable to expect, on the other hand, that this bill would strengthen and add to those provisions already on the statute books to aid the elimination and abatement of slum areas.

Does the bill do this?

In spending these huge sums of money without the supervision of Congress, a long list of undertakings is set forth in subsection (c) of section 110, beginning with line 22 on page 20 of the bill. In addition to the acquisition of a slum area for redevelopment, it is provided that an area which has merely deteriorated may also be acquired. Other than that, it provides that an area which has not deteriorated but is merely in the process of deteriorating, may be acquired, if predominantly residential in character. These are loose and elastic terms, and will justify the acquisition of

many classes and descriptions of property which could not in any sense of the word be called slums. The authority does not end there. It provides also for the acquisition for any other deteriorated or deteriorating area which is to be developed, or redeveloped for predominantly residential usage. This opens up another classification of property not coming within the slum classification which may be acquired with these funds. The list does not end there. It authorizes the acquisition of land which in no sense of the word could be regarded as slums. It authorizes the acquisition of land which is predominantly open, and justifies its acquisition on such grounds as obsolete planning, diversity of ownership, deterioration of structures or of site improvements, or which otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential usage. This all-inclusive and elastic language is not considered sufficient, for the subsection proceeds further to authorize the acquisition with these funds of open land necessary for sound community growth which is to be developed for predominantly residential uses.

This is all provided in title 1 of the bill, which is that part of the bill creating the machinery for the so-called slum-clearance program.

I think it would be reasonable to expect that title 1 of the bill, the slum clearance title, would contain all the major changes in the existing slum-clearance law.

Such is not the case, however.

There is one major change in the existing slum-clearance law which is contained in title 2 of the bill, the public-housing title, and it is carried in that title of the bill in such fashion and manner that one reading the language of the bill would have no notice or warning whatever that it makes a major change in existing slum-clearance law. It is carried under the heading "Technical amendments," section 207 of the bill, beginning on page 46. I think it is reasonable to expect that technical amendments would group together such amendments as have no real bearing on the merits of the legislation, but nearly perfect it from a technical standpoint.

But, upon checking the various technical amendments under section 207, such is not found to be the case.

The Housing Act of 1937 carried provisions in two places specifically and positively prohibiting the erection of newly constructed dwellings for public housing unless the Authority eliminated slum dwellings substantially equal in number to the newly constructed dwellings.

H. R. 4009 does not retain this requirement of eliminating one slum dwelling for each new public housing dwelling erected. On the contrary it repeals that very effective slum clearance requirement, and it does not repeal it by setting out the language to be repealed, or placing the reader on notice that that requirement is being repealed. It repeals it by the use of language in subsection (d) on page 47 of the bill beginning with line 9, which reads:

> By deleting the provisio in subsection 10 (a) and the proviso in subsection 11 (a), and in each case changing the colon preceding the word *"Provided"* to a period.

So one of the most effective provisions previously contained in the law to aid slum clearance is stricken from the law, and it is stricken under the guise of a technical amendment, not even contained in the slum clearance title of the bill.

H. R. 4009 is intended to set the pattern, and fix the policy, for the future, insofar as slum clearance and public housing are concerned. The pattern set and the policy fixed by this bill is not that approximately one slum dwelling will be eliminated for each new public housing dwelling constructed. On the other hand, if this bill is an indication of what may be expected, the repeal of that existing provision in the law would indicate that the Housing and Home Finance Agency does not intend to follow such a policy, but on the other hand desires to be freed and relieved from that requirement of the now existing law. The pattern set and the policy fixed, also is to the effect that the agency shall not have to come to Congress for its money, and that the control of Congress over the purse strings shall be surrendered entirely, insofar as the activities of that agency are concerned.

I feel also that this is not by any means the conclusion or end of the public-housing program. This bill, as it was introduced, provided for only 1,050,000 dwelling units. As proposed to be amended, it provides for only 810,000. Proponents of this legislation have stated in advocating it, that there are 6,400,000 families who live in inadequate, unsafe, unsanitary dwellings, and who need housing of the nature contemplated in this bill.

If this bill should pass it would be only the entering wedge. Having committed the country to the policy laid down in this bill, I have no doubt that Congress would be called on, again and again, for new and additional programs of construction to be carried on under the policy fixed by this bill now being considered.

Instead of the program costing the American taxpayers the maximum which it could cost them under this bill, of approximately $9,500,000,000, calculated on the same basis provided in this bill, it could cost the American taxpayers to provide the 6,400,000 dwellings said to be needed, approximately $105,000,000,000 in public-housing contributions, and in loans and grants for slum clearance.

Our public debt now is approximately $252,000,000,000. It is said that we are threatened with deficit financing this year. The administration is now proposing new and additional foreign spending programs. If we pass this bill, and commit ourselves to this policy, I greatly fear that it means financial disaster.

However, I do not rise merely to oppose House bill 4009. I also want to see slums eliminated and blighted areas corrected. I also want to see low-rent housing made available for every family which needs low-rent housing. I simply do not believe it is necessary to spend the huge sums of money provided for in H. R. 4009 in order to realize these objectives.

In addition to elimination of slum areas and providing low-rent housing, I also want to see veterans' housing provided for, and farm housing provided.

To that end I have introduced a bill, H. R. 5085, which I believe will provide all necessary slum clearance, ample low-rent housing for needy families, low-cost housing and rental property for veterans, and farm housing for those in the rural districts.

H. R. 5085, I believe, will do these things at approximately one-twentieth the cost to be incurred under H. R. 4009.

From 1933 until 1937 the Federal Government, through certain of its administrative agencies, financed, owned, and operated a small number of residential units in various parts of the country primarily in an effort to provide employment.

In 1937 the Seventy-fifth Congress enacted the United States Housing Act which was the first major excursion by the Federal Government into the field of providing direct subsidies for the construction and operation of public-housing units in this country. Approximately 214,718 units were constructed, with Federal subsidies extending over a 60-year period.

The Federal Public Housing Commissioner, Nathan Straus, for several years succeeding 1937 sought additional appropriations for an extension of this program, but no Congress since then has provided funds for further construction and subsidization under this act.

During the war, of course, a very considerable number of temporary and permanent housing units were constructed by the Federal Government under the Lanham Act to provide for the housing needs of the in-migrant war worker. The several hundred thousand temporary units so provided will be demolished, and the permanent units must be sold if the provisions of the law are carried out.

In any event, H. R. 4009 is the first bill to reach the floor of the House since 1937 which would extend the prewar public-housing program under the United States Housing Act.

Proponents of H. R. 4009 are urging the measure as a long-range slum clearance and public-housing measure on the grounds that it is highly necessary to establish a national housing policy and to extend the public-housing program. Opponents of the measure are equally vigorous in their denunciation of the 40-year commitment of the Federal Government to very substantial outlays of tax money and to the over-all socializing effect of the erection, ownership, and management of housing accommodations by Government bodies.

Neither side in this controversy has suggested any common ground upon which they might meet in order to improve housing conditions for our less fortunate citizens. H. R. 5085, which I in-

troduced on June 9, is an effort to provide a sensible, sound, and financially feasible measure upon which a common agreement may be reached. It provides certain Federal aids and subsidies in the matter of slum clearance and urban and rural housing.

It provides a means for veterans to acquire or rent housing under the most advantageous circumstances. It provides the means for achieving exceptionally low rentals for families of low income but within the framework of our private-enterprise system. It recognizes the need for assisting with Federal aids our farm population in the securing of proper shelter. It establishes an extensive program of housing research in order to make available improved materials and methods and to reduce housing costs. It is frankly a middle-of-the-road proposal.

As a short-range rather than a long-range proposal it has two primary advantages:

First. It will initiate activity in all of the phases of housing provided for in H. R. 4009. This would be accomplished, however, without the enormous outlay up to $19,000,000,000 of which $16,500,000,000 is an outright, nonrecoverable subsidy, as is involved under H. R. 4009, substituting a form of local and Federal income-tax assistance which will encourage the construction of truly low-cost rental housing for families of low income through utilizing the techniques and skills of our vast private-enterprise housing industry.

Second. Its total cost through Federal grants and subsidies would be less than one-tenth of the cost of H. R. 4009. In these days of mounting Federal debts and continual demands for ever increasing Federal expenditures, this is a feature which should commend itself to all Members of Congress. I am convinced that this alone should assure its approval by the Eighty-first Congress. If the program proves successful in operation, the Congress can approve additional expenditures within the limits of sound discretion.

Those who support this proposal rather than H. R. 4009 will know that they have initiated a comprehensive and far-reaching attack on our entire housing problem. At the same time, they will be assured that they and each suceeding Congress in the years to come will have an opportunity to change, improve, and supplement the provisions of this measure as our unfolding experience with such a program may dictate. I submit that this method of approach presents a sensible, affirmative, and progressive method by which we may attack this problem without committing ourselves and future Congresses to a long-range program which future events may prove unwise or in need of major change. This measure will start the ball rolling, so to speak, without our surrendering control of its destination.

It is now in order to discuss in some detail the provisions of H. R. 5085 as compared to those of H. R. 4009.

TITLE I. SLUM CLEARANCE

In H. R. 5085 a program of Federal assistance for slum clearance is provided to aid the States in acquiring blighted areas and clearing away the slum properties. The land would thus be made available for redevelopment with new dwellings, commercial properties, public parks, and such other uses as may be determined as best in accordance with a redevelopment plan to be prepared by the local community. The assistance would be in the form of loans from the Federal Works Agency in an amount equal to the estimated value of the land when cleared, which loans would be repaid in part out of the sale of the cleared land. Where, as would usually be the case, the value of the cleared land is less than the cost of acquisition and clearance, the Federal Government would contribute by way of grant one-half of this difference or "write-down," and the other half would be paid in cash by the State or the city or county in which the land is located.

As a condition of receiving these loans and grants, the State would have to assure payment of its grant of 50 percent out of local funds or proceeds of bond issues. So far as possible, such cleared land would be sold promptly for private taxpaying ownership. In the event that the land more properly should be used for public purposes, it would be sold to local or State agencies. Further, as a condition of receiving this assistance, the State, city, or county in which slum or blighted area to be cleared is located would be required to have and enforce laws or ordinances prohibiting the renting or occupancy of residential property that is dangerous to health or unfit for human occupancy by reason of its physical or sanitary condition. This means that effective health and sanitary code enforcement would be required so that the balance of housing available to the public would be kept in a safe and sanitary condition.

This bill would authorize $350,000,000 to be expended by the Federal Works agency for these purposes. The proceeds of the sale of the cleared land would be covered into the Treasury and would not be made available for additional loans and grants without further authority from the Congress. This would give the Congress the opportunity to review progress being made in this slum clearance program and to extend it or change it as experience dictates.

H. R. 4009, on the other hand, approaches this problem in a somewhat similar manner, but would place the slum-clearance and redevelopment program in the hands of the Administrator of the Housing and Home Finance Agency and would provide him with $1,000,000,000 in a revolving loan fund and $500,000,000 for outright grants. This substantial sum would be expended in this fashion: Loans by the Federal Government equivalent to the acquisition and clearance cost of the slum land to be cleared would be made only to local public agencies and made payable in 40 years. The $500,000,000 in grants would be used to pay two-thirds of the difference between the acquisition cost and the final sales price of the land for its new purposes, i. e., "the write-down." The remaining one-third would have to be borne by the city.

Basically, the primary differences between H. R. 5085 and H. R. 4009 with respect to slum clearance are:

First. The program set up in H. R. 5085 would be placed in the hands of a nonhousing agency and the Federal Government would deal directly with the States rather than with local public agencies.

Second. The amount of money involved is considerably less in H. R. 5085 because it is contemplated that Congress would prefer periodically to review the program rather than to permit the Housing and Home Finance Administrator to expend $1,500,000,000 without further control. The commitment under H. R. 5085 would be $350,000,000 subject to congressional appropriation as against $1,500,000,000 in H. R. 4009, which is made available upon the signing of the bill without any congressional control.

Under my bill, the principle of Federal assistance through loans and grants for slum clearance would be established, but the control of Congress would be assured and the separation of housing and urban redevelopment functions would be maintained. The well established matching formula which is so well known in public roads legislation would be used. Further, the States being required to contribute substantial sums would have a greater incentive to insure the most economical and efficient use of the funds.

I think that Members of Congress will agree that something in this nature must be done to begin the very necessary and socially desirable clearance of our Nation's slums. At the same time, in venturing into this unexplored territory of Federal Government participation in local affairs, we should make a modest beginning and be sure that the Congress at all times has an opportunity to review and consider the actions taken under such a program.

TITLE II. HOUSING FOR FAMILIES OF LOW INCOME

Realizing the necessity of providing really low-rent accommodations for the lower income group of our people, H. R. 5085 encourages private enterprise to do this job by the provision of several incentives. Private enterprise will construct a very large volume of rental housing if it is sufficiently encouraged to do so. Title II of this bill encourages such construction by permitting the owner to depreciate such rental property for Federal income tax purposes over a period of 120 months, which is equivalent to 10 percent per year for a period of 10 years. In addition to this, the municipality, or other local taxing unit, would be required, as a condition precedent to receiving such Federal tax benefits to agree to freeze taxes on the real estate involved for a period of at least 10 years, at the level at which it was taxing the property at the time the land was acquired for purpose of erecting the housing projects. This tax freeze feature has been adopted in New York, New Jersey, and Massachusetts. After the expiration of 10 years, both the municipality and the Federal Government could receive full taxes.

Projects built under this tax abatement and accelerated depreciation plan could be constructed only under a certificate to be issued by the Federal Housing Commissioner. This certificate would assure that the proper tax abatement arrangements had been made and that the owner of the property would make the accommodations available only to families of low income who had been certified by the local governmental agency administering public welfare as being in need of accommodations at such low rentals. The certificate and all these tax advantages would be revoked if any of the conditions were violated. Thus, the assurance that no undue advantage would be obtained by the owners of such projects would be provided by Federal Housing Administration supervision of the plan. Preference in occupancy would be given to veterans of World War II.

Title II of H. R. 4009, on the other hand, would authorize the erection of 1,050,000 public-housing units within the next 7 years at a maximum permitted annual cost to the Federal taxpayer of $400,000,000 per year for annual subsidy contributions for the next 40 years, or a total of $16,000,000,000. In addition to this Federal subsidy, local communities in which such projects are erected would be required to abate all real and personal property taxes on this public housing and receive instead only very small token payments of 10 percent of the shelter rents in lieu of taxes. Based upon past experience, if these projects were privately owned these taxes would amount to from $8 to $10 per unit per month.

Bonds issued by local housing authorities in effect are guaranteed as to principal and interest by the United States and are exempted from all Federal income taxes.

Let us see how H. R. 4009 and my bill, H. R. 5085, compare in results in providing low-cost housing for the low-income family when measured by the cost to the local and Federal taxpayer. Cost levels are under last year's peaks in the construction industry as in other industries. Private industry in most areas now should be able to produce rental housing for approximately $7,000 a family with land adding another $700 for a total of $7,700. Surely, if public housing can, as it claims, attain an average cost of $8,465 a unit, private enterprise can, and I have full confidence that it will, beat such costs by at least $700. The normal rent on a project at such cost would be approximately $80. However, if such a project were to take advantage of title II of my bill, I estimate that savings of approximately $33.74 a month could be effected through the benefits of the increased depreciation rent and the real estate tax freeze feature. This would reduce the rent on such a project to $46.26. If it becomes possible to attain a cost of as low as $6,000 a unit on land costing $600, rent of approximately $40 a month could be achieved.

At a time when every thoughtful citizen is concerned with the huge and increasing Federal outlay, we must give the most careful consideration to meeting our needs in a manner that will result in the least expenditure by the Government. We must also exercise the most extreme precaution so that Government actions encourage and not discourage private business operations. The plan for housing for low income families provided in title II of my bill meets both those tests.

TITLE III. VETERANS' HOMESTEAD ASSOCIATIONS

H. R. 5085 incorporates a provision for the establishment of Veterans' Homestead Associations similar to those proposed in the Veterans Homestead Act bill (H. R. 4488) in the Eightieth Congress sponsored by the American Legion. This bill was favorably reported by the House Veterans' Affairs Committee but no further action was taken in the last Congress. The purpose of the formation of such nonprofit Veterans' Homestead Associations is to permit our veterans, through their own efforts but with the assistance of the Federal Government, to acquire or construct housing for sale or rent at actual cost.

Loans would be made available to such Veterans' Homestead Associations through the Administrator of Veterans' Affairs at low interest for amortization over a period of 40 years where the housing constructed or acquired is to be held by the associations for rental to veterans. Where the housing comprises multiunit structures to be sold or held on a cooperative or mutual-ownership basis, the loans would be for periods up to 32 years. Two hundred and fifty million dollars would be made available to the Veterans' Administrator for the purpose of making such loans. Individual veteran purchasers would finance their homes through local financing institutions. Veterans purchasing single-unit housing from an association could obtain loans guaranteed by the Veterans' Administration under title III of the Servicemen's Readjustment Act, amortizable over a 32-year period .

In order to assure that the housing so constructed would be sound and yet not overly expensive, the associations would be permitted to construct or acquire units averaging not more than $10,000 per unit and would be required to sell or rent such units to veterans at prices reasonably representing the cost to the associations. The associations would be chartered, regulated, and supervised by the Administrator of Veterans' Affairs. Five or more veterans of World War II could apply for permission to form such an association. A veteran desiring to become a member would be required to deposit $100 with the association. Although the net incomes of the associations would be exempt from Federal taxation, and State and local taxing authorities would be required to treat them on the same basis taxwise as similar nonprofit corporations, the associations and the individual veteran purchasers from them would be required to pay normal property taxes.

It is expected that an association would actually undertake its construction through private building contractors under firm contracts which would eliminate speculative profits, sales expenses, and so forth. This would make each unit constructed available at substantially lower prices than comparable units now available to veterans. The monthly carrying costs or rentals on the individual units would be substantially lower due to the reduction in the initial cost and to the longer repayment periods authorized under this bill. Proper safeguards to assure conservative and efficient operations would be assured by the prior review and approval of each project by the Administrator of Veterans' Affairs.

In order to offset the present scarcity and high cost of improved land, the bill authorizes the Federal Works Administrator to aid State and local governments or associations by 50-percent grants for streets, water, and sewer, and other similar facilities wherever the Veterans' Administrator finds that such community facilities are necessary for the effective use of the housing to be erected or acquired by Veterans' Homestead Associations. This provision will have the effect of substantially lowering the first cost of the home as well as other charges imposed upon veteran home owners for public facilities. An appropriation of $50,000,000 is authorized for the purpose of these FWA grants.

H. R. 4009 does not contain a similar provision designed specifically to help veterans help themselves. To my mind, the plan proposed in H. R. 5085, tailored to fit the housing needs of our young veterans, is the American way of assisting our war heroes. The veterans' preference provisions of H. R. 4009 in connection with the public-housing title merely gives them a preferred status in units subsidized directly by the taxpayer. There is no incentive, no self-help, no dignity of individual labor and effort. I am sure that American veterans are not basically in favor of doles or hand-outs; all they want is an opportunity to acquire a home of their own or decent rental accommodations within their means. The sponsorship of this plan by the American Legion is ample evidence of this very worth-while objective on the part of veterans.

TITLE IV. HOUSING RESEARCH

In recognition of the need of continuing research looking to improved building materials, techniques, and with the objective of reducing housing costs, I have incorporated a housing research title in H. R. 5085. The National Bureau of Standards within the Department of Commerce has long conducted pure research in many fields including that of housing. Under my bill, there would be established within the Department of Commerce a housing research unit broadly authorized to undertake an expansion of such research in cooperation with other agencies of Government, with State or local governments, educational institutions, and non-Government research and technical organizations. It could make contracts for technical research work to be done by such cooperating agencies, such contracts not to exceed 4 years in length.

The existing operations of the Bureau of the Census and of the Construction Division of the Bureau of Foreign and Domestic Commerce—which have over a period of years produced economic and statistical data of great importance to the building industry—would be ex-

panded. These existing bureaus would be authorized to conduct studies into housing supply, its condition and characteristics, costs, and related economic factors.

Under H. R. 4009 the Housing and Home Finance Agency is granted the authority to conduct pure technical research in the field of improved building materials, techniques, and methods; to conduct inquiries into housing economics, statistics, and related matters; to determine housing needs and demands; to investigate and report on supply, finance, site planning, utilities, zoning, and a broad field of similar subject matter. The Administrator then would be required to disseminate such information, views, and conclusions as might be the product of this investigation and research. Such dissemination would be without regard to the usual restrictions placed upon Government agencies with respect to use of the mails for sending out their findings. Further, the Administrator would submit to the Congress estimates of urban and rural-housing needs and recommend legislative action. The HHFA Administrator would be authorized to use the facilities of other departments and agencies of the Federal Government in such work.

It is my sincere conviction that the research provisions of H. R. 4009 are undesirable because they place in the hands of the Housing and Home Finance Agency—within which function the constituent agencies—the Home Loan Bank Board, the Federal Housing Administration, and the Public Housing Authority—the entire responsibility for collecting, evaluating, and disseminating all information on housing for use by the public and the Congress. I believe it is unsound administrative and legislative practice for these operating agencies to have this responsibility. The conduct of pure research and the collection of information of an economic and statistical character should remain in the hands of research and statistical agencies currently carrying on such work. Under my bill their functions would be expanded and improved rather than setting up new bureaus and divisions, and thus duplicating established agencies' work. An operating agency should not have control of all information concerning the progress and accomplishments of programs under its jurisdiction.

If the research provision of H. R. 4009 is adopted, the Congress and the public will be able to obtain only such information, shaped and modeled in such manner, as the personnel of the operating housing agencies may determine. I submit that this is unsound governmental procedure. There would be nothing under H. R. 5085 to prevent the HHFA, the Home Loan Bank Board, the FHA, and the PHA, issuing such statistical information as may apply to their particular operations. On the other hand, placing all information-gathering facilities in such agencies is tantamount to inviting nothing but favorable reports of progress being made and probable future requests for an expansion of governmental functions in housing.

TITLE V. FARM HOUSING

The program for loans and grants to provide decent, safe, and sanitary dwellings for farmers provided in H. R. 5085 is very similar to that set forth in H. R. 4009, except that the grants in my bill have been increased to $75,000,000 from $62,500,000. The loans would be $325,000,000 instead of $250,000,000, as provided in H. R. 4009. The program would be under the administration of the Secretary of Agriculture and would provide loans to owners of self-sustaining farms on a 33-year 4-percent basis where adequate private financing is not available. Where the farm is potentially self-sustaining with improved farm management, the Secretary may make a 33-year 4-percent loan with annual contributions from the Government for 10 years in an amount equal to the interest and one-half of the principal payments due within that period. In a case of farms which have no practical prospect of being self-sustaining, the Secretary of Agriculture may make loans or grants or combinations thereof for the purpose of farmhouse repair and improvement—but not new structures—not in excess of $1,000 for any one dwelling or $2,000 for any one owner, of which not more than $500 on any one dwelling may be an outright grant.

The Secretary may provide architectural and advisory services in connection with the provisions of this title. Preference would be given to veterans in the distribution of benefits. Of the expenditures under this title, not more than 20 percent could be loaned or expended in any one year and not more than 10 percent in any one State.

Aside from the increase in the authorizations, there are some improvements in the language suggested by the National Grange.

TITLE VI. DISPOSITION OF WAR HOUSING

This title, which has no comparable provisions in H. R. 4009, deals with the disposal by sale of the permanent housing accommodations constructed by the Federal Government under the provisions of the so-called Lanham Act, Public Law 849, Seventy-sixth Congress, and certain other companion legislation. The Federal war housing was transferred from the Federal Works Agency to the jurisdiction of the Public Housing Agency by Executive Order 9070 of February 24, 1942, which has continued the management of these properties ever since. The total number of units involved is approximately 190,000.

The buildings constructed for one or two families present no disposition problem since they can and should be sold for individual owner use. The multiunit family buildings should prove attractive for purchase by an individual or by families joining in cooperation ownership of the building. Section 4 of the Lanham Act, as amended, expressed the clear intent of Congress that such housing should be sold as expeditiously as possible. Unfortunately, the disposition of these properties has not gone forward in the prompt fashion intended by Congress. In the 4 years since the war, only approximately 24,000 of these units have been sold. A number of others have been transferred to the armed services. Thus, on the basis of its present record it will take the Agency about 30 years to effect the entire disposal program.

In order, therefore, to reaffirm the congressional intent expressed in the Lanham Act, H. R. 5085 would require the transfer of these Government-owned war-housing facilities to the Federal Works Agency for expeditious sale for cash not later than December 31, 1950. This title is almost identical with H. R. 3492, Eightieth Congress, which passed the House June 18, 1947. In order to assure that the Federal Government receives the reasonable value of these properties, appraisals are required to be made by the Federal Housing Administrator. Veterans' preference would be granted first to veteran occupants, next to veteran nonoccupants, and then to nonveteran occupants. Purchases could be financed under applicable provisions of the National Housing Act (FHA) on the basis of 90 percent of appraised value with mortgages up to 25 years or under the Veterans' Administration guaranteed mortgage plan.

The proceeds of the sale of these Government-owned houses would be made available to the Federal Works Administrator as additions to the sum provided in title I of this bill for the purposes of slum clearance.

SUMMARY

In introducing H. R. 5085, I have sought to accomplish the purposes sought to be accomplished in H. R. 4009 without obligating the Federal Government to such immense long-term financial commitments as $19,000,000,000 under H. R. 4009. H. R. 5085 contemplates a maximum Federal expenditure of $1,050,000,000 in loans and grants—one-twentieth of the cost of H. R. 4009.

As mentioned before, H. R. 5085 reserves unto Congress the rights of review and control so fitting and proper in the launching of a program of Federal aid and subsidy in this important field of housing. So far as possible, my bill seeks to utilize private enterprise machinery rather than setting up new bureaucratic agencies or unduly expanding existing ones.

H. R. 4009 would set up within the Housing and Home Finance Agency a new Director of Slum Clearance and Urban Redevelopment. It would establish a housing research section in the same agency, and it would vastly expand the present Public Housing Administration. These administrative agencies would require substantial additions to the public pay roll, and the administrative costs would grow and grow.

The Member of Congress who sincerely desires to see affirmative action begun to start the progressive elimination of our slums, who desires to assist low-income families in securing shelter within their means, who sincerely wishes to help the farmer improve his housing condition, who recognizes the need for sound research in housing methods, materials, and techniques, and who sincerely desires to help the veteran help himself, I invite him to support H. R. 5085. The bill has

been offered in a sincere effort to provide a common ground upon which the Members of Congress may unite in launching an adequate and yet financially feasible housing program. I sincerely hope that Members from both sides of the aisle will join me in supporting this measure.

Supporting data for computation of rent savings attainable by higher income-tax depreciation deduction and real-estate-tax freeze.

A. $7,000 UNIT CONSTRUCTED ON LAND COSTING $700

1. Depreciation at 10 (computed on construction cost)	$700	
2. Normal depreciation at 2½ percent	175	
3. Reduction in net income for income-tax purposes effected by increased depreciation	525	
4. Income-tax saving (computed on basis of 25 percent corporate tax and 25 percent personal-income tax on dividends to owner)	230	
5. Resulting monthly rental saving (1/12 of item 4)		$19.16
6. Saving through abatement of realty taxes on improvements (assuming $5,000 valuation and $35 per thousand tax rate as typical)	175	
7. Monthly rental saving through tax abatement (1/12 of item 6)		14.58
Total saving through depreciation and tax freeze (items 5 and 7)		33.74
8. Rental capitulation:		
(a) Normal economic rent on project under FHA section 608 with total cost of land and buildings of $7,000 per dwelling unit		80.00
(b) Less savings as above		33.74
(c) Low rent attainable if total savings are deducted		46.26

NOTE.—This computation is conservative in that it has used the minimum tax rate—25 percent—whereas most corporations of this type are subject to a 38 percent corporate-income tax. Moreover the income-tax saving to the owners on dividends received from them from the corporation has likewise been computed at the low rate of 25 percent although most stockholders in such corporations would be in higher tax brackets. Such portion of this increased depreciation as is in excess of actual earnings of the project has been computed as a loss permissible as a reduction for income-tax purposes to the owners of the projects.

The estimated savings through real-estate-tax freeze is likewise on a reasonably conservative average since the valuation for real-estate-tax purposes and the tax rate per thousand in many large cities would be considerably higher than those used above (item 6).

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. O'SULLIVAN].

Mr. O'SULLIVAN. Mr. Chairman, I rise in support of H. R. 4009, because I believe that a national emergency exists now, and has existed for some past years, as far as housing in the United States of America is concerned.

During the war years, of course, housing, except for certain Government purposes, was halted and after the shooting war ceased private industry endeavored to do its best to satisfy the urgent housing demands, but has been unable to do the job in a satisfactory way up to the present time, and it seems reasonably probable that in the foreseeable future private industry, although exerting its best efforts, cannot satisfy the most urgent housing demands.

The one thing to my mind, which should have been done after the shooting war ceased, was to have had the President of the United States of America declare a national housing emergency and thereafter by proper legal means make necessary and essential public housing a reality. The President, however, having abundant faith and confidence in the legislative branch of the Government, let the Congress of the United States first seek to solve the problem.

However, the lower branch of the Eightieth Congress found itself impotent to be even a foster father to the needed legislation, and today in the Eighty-first Congress a certain segment of its membership wants to persist in the sinful role of this legislative barrenness.

Let it be said to the everlasting credit of the majority of the other body, that 2 years ago, and now, it has handled the housing problems of the people of the Republic properly, without regard to the political affiliations of its membership, and has joined hearts and minds and hands in an effort to give the people a workable Government housing program.

During the last national campaign the matter of public housing was brought directly to the attention of the people, and the majority of the voters, in effect, approved of such a program by defeating those who were unwieldy clamps upon the wheels of public-housing progress and in their place and stead the people sent to this Congress many Representatives who had pledged themselves to support the passage of a housing law.

I was one of those new Representatives and I know and realize that I have a mandate from the people of my congressional district to work and vote for this most necessary and entirely proper legislation.

Much harsh language has been used by the opponents of this bill and the claim is freely and blindly made that the legislation is socialistic, statistic, or paternalistic; that there are no slums; that we cannot afford to do it now; that it is the entering wedge which will endanger and eventually change our present form of government; that it is similar to putting the camel's head under the flap of the tent during a storm, and then hoping against hope that the human occupants of that tent will have the courage, fortitude, and the strength to keep the rest of the camel out of that tent. Other less serious charges are made, including the claim that no necessity for public housing exists now, and that if it does exist, it is not so serious but that private industry can take care of the demands in due time.

It might be well for us to consider for a moment what persons or forces appear in these roles of objectors.

When the Nazarene walked the earth you will recall that a woman was taken in sin and was brought before Him to be dealt with, and one of His very first inquiries was concerning the whereabouts and identity of her accusers.

It might be very enlightening right here now to ask the question, Who are the accusers of this public-housing law and where are they?

First, some of the accusers are right here in Congress and also a goodly number are in the ranks of respectable civil life—in business and in noble professions. I believe that these men are acting fairly and honestly in their efforts, but like the well-fed old king of ages past, they can see the handwriting on the wall all right, but they cannot read or interpret it, and instead of being like the silly, old gluttonous king, they do not call in some holy and pious Democrat to interpret the message on the wall of the legislative banquet room.

No amount of argument will ever convince these men they are wrong. Their unfortunate plight might be described by the old saying, "A bigot's mind is like the pupil of the eye, the more light you cast upon it the more it contracts."

No, the only thing in God's world which will make some Congressmen understand this problem is the ballots of a well-thinking, well-informed electorate at the next congressional election, and of course then the messages, as has been so often the case in the past, will surely come too late.

The other accusers—those in civil life—will go on unwhipped of the justice of the people who vote.

The other group of accusers—the second section or segment of the opposition—are the real-estate lobby and other hand-and-glove lobbies, the National Association of Manufacturers, the national and local chambers of commerce, the National Association for the Prevention—oh, pardon me—for the Preservation of Constitutional Government—or was I right the first time—and other organizations and persons engaged in loaning money on real estate to builders and to those engaged in kindred money-loaning ventures, and the extreme right-wingers, especially in the Republican Party, who have seized the control of that party to the real danger and menace of the Republic.

I do not want to be as unkind as some of my colleagues have been to this two-prong, or many-pronged, perhaps, group of accusers and opposers, but I do want to say that the good American men and women who have been drawn into this unholy opposition are to be pitied rather than censured. The other horn—not of the dilemma on this occasion—but something worse, should on the contrary be censured and not pitied. They are the direct descendants, I believe, of those individuals who were scourged from the temple by the Nazarene and need a little verbal whipping right now in order to be put in their proper places.

These selfish, heartless, and otherwise inconsiderate money-blinded men, although they may suffer no visible punishment here, will, I am sure, like Tantalus of old, in Hades, long for, and reach

for, the enticing cup containing 30 pieces of real-estate lobby silver, more or less, to quench their inordinate thirst, and the cup will move away from their grasp guided by unseeable hands. These men, I am sure, will suffer punishment enough both while living and after death.

I fear that we do not understand these people, and in fancy now I pretend that I am with them in their well-appointed homes. They do not see the beautiful furniture and furnishings, the works of art and all of the things therein provided to make that home livable, they see only dollar signs. When they look at their wives or children, or others who are near and dear to them, they see only dollar signs. When they retire after a grueling, selfish day to their downy beds, they see and dream only of dollar signs. When they eat their meals, they do not see dishes and edibles and potables, they see only dollar signs. When they drink their cool and stimulating, or hot and stimulating drinks, they see only dollar signs. When they go to their godless work in their magnificent offices, they do not see furniture, furnishings, people, papers; they see only dollar signs. When they drive through the streets and countrysides or visit their country and other select clubs, they do not see birds, bees, insects, trees, greensward, shrubbery, or flowers; they see only dollar signs. When they listen to the songs of persons or birds, they do not see persons or birds; they see only dollar signs, and hear the jingle of money bags only.

Perhaps, also, when they die and through some poor man's or poor woman's prayers are privileged to come before God and attempt to view the splendors of Heaven, they will not see God or experience any beatific vision. All they will see will be only dollar signs. The music and the songs of the celestial choir will not be heard by them, but instead they will hear only the jingle of money bags. My, what a profitless, useless, and devilish way to live on earth and exist in eternity if my fancies are correct.

How about the claims of these misty-eyed, cobweb-befogged minds of these ignoble-hearted people?

This housing program is no more socialistic, statistic, or paternalistic than the Government road programs, the public-school systems, the city lights, gas, or water systems, the fire departments, the building of interstate bridges, the national farm programs, the national banking acts, insuring bank deposits, school-lunch programs, Government relief, and many other really decent similar programs. Yes, the old money bags, the old dollar-sign visionaries, and old money-bag musicians, raised the same witch-beguiling cries against these programs as they are now raising against this housing program. Verily, where there is greed there is no heart and no vision; and where the people have no heart and no vision, they perish.

The claim that there are no slums is so terrifically untrue that I need waste no time refuting it. Slums are a reality; not a fancy.

The claim we cannot afford it, is untrue. We cannot afford not to do it. Proper housing will help to stem the tide of adult crime, juvenile delinquency, diseases of men, women, and children, and will save the Nation thousands of man-hours of work and much money. It will give to the suffering, underprivileged, new hope and new vision. A proper home, like proper clothing and proper food, has never ruined, bankrupted, or added to the governmental problems of any entity of government, and has never destroyed a race, or a people, or a government.

A writer whose name I cannot recall has aptly stated that it was the crime of the ages to permit children to be born in the reeking, rotten slums, where the pleasant sunlight never comes, where all are starved for food, and starved for air, and starved of the right to live as people and required to revert to the foul conditions of cavemen and cave beasts.

I now wish to quote the poem of James Oppenheim entitled "Slums":

In the dusty glare of a humid morning,
The slow horse-trucks get in each other's way,
The drivers lash and curse,
The rough-paved streets are sticky with flies,
The hucksters shout, the fat dirty women scream in the crabbed bargainings:
Filth shoves against filth, and crying children are yanked by the arm and told to "Shut up!"

One sees too the swindle of housing:
Vast populations are broom-swept into this industrial devastation:
Lying tissues of plaster, brick and wood
And this acreage swarms with neglect.

The factories vomit their poisonous smokes in the very faces of the people:
Dirt lies where it fell: the forlorn smoke-blackened trees shrivel and wither:
And at dawn, in the refuse heaps, one sees mangy dogs like jackals nosing for morsels.

Yes, humanity in the gross is ugly, dirty and abhorrent:
War almost seems as a necessary cleansing of this abscess:
As if Earth had a carbuncle on her smooth and beautiful flesh.

Among all the animals, man is the dirtiest and cheapest and ugliest:
Even a coyote has bright burning eyes, lithe health and a clean fur:
Even a hog is enamoured of sunshine and has a rock-strong natural huskiness:
What have we done with ourselves, we of the race of Ulysses, David, and Roland,
That thus in the mass, we appear such refuse?

This housing legislation is not the entering wedge of any un-American "ism." It is legislation properly in keeping with the welfare clauses of our Constitutions, State and National, and no amount of argument on the part of inordinate greed or extreme right-wingers, and their unfortunate dupes, will ever change my mind on the real American purpose of this most needed and worthy legislation.

The necessity of public housing is real, and private industry cannot do the job. It is as a fagged-out boy trying to do the work of a seasoned man. I shall not require it any longer to be a "brute for punishment." The Society for the Prevention of Cruelty to Animals might interfere if we do not step in at this time with proper, manly aid—with public housing.

This housing bill is in nowise unconstitutional or contrary to the law of the land, and I defy the opposition to prove their contentions that it is such.

On the contrary it is in keeping with the ideas and thoughts of the great Thomas Jefferson.

Some time ago I chanced to visit again the Jefferson Memorial in Washington, D. C., and on one of the walls these great words of his are carved, which today are so pertinent:

I am not an advocate for frequent changes in laws and constitutions, but laws and institutions must go hand in hand with the progress of the human mind as that becomes more developed, more enlightened, as new discoveries are made, new truths discovered and manners and opinions change, with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy as civilized society to remain ever under the regimen of their barbarous ancestors.

I sincerely wish that reactionary Republicans in Congress and apostate Democrats in Congress would visit the Thomas Jefferson and Abraham Lincoln Memorials in Washington, D. C., and spend a few profitable hours in these two great places, and read and absorb what is written on their walls. They would come away as "free men" and not "kept men" and be prepared to work henceforth for the welfare of their country and not for the welfare of extreme right-winged big business.

The other arguments made against this bill are entirely too puerile to deserve attention.

Now, who are the people who are for this bill? Some of them are the following: American Legion; Veterans of Foreign Wars; American Federation of Labor; Congress of Industrial Organizations; League of Women Voters; Congregational-Christian Churches of the United States of America. Council for Christian Social Progress of Northern Baptist Convention; women's division of the Methodist Church; United Council of Church Women; division of social education and action, Presbyterian Church; National Council of Negro Women; National Board of the Young Women's Christian Associations; National Conference of Catholic Charities; National Council of Jewish Women; National Association of Parents and Teachers; National Urban League; National Association of Rural Housing; National Farmers Union; International Association of Machinists; National Lutheran Council; American Veterans Committee; Jewish War Veterans; AMVETS; United States Conference of Mayors; American Municipal Association; American Association of Social Workers; American Council on Education; American Home Economics Association; National Women's Trade Union League; National Association of Municipal Law Officers; National Federation of Settlements; American Council on Human Rights; and the Family Service Association of America.

The memberships of the organizations supporting public housing totals over 60,000,000.

What do the people who are not prompted by selfish impulses to lend their support to H. R. 4009 have to say

about this legislation? The other day I received the following communication from a truly American organization which is so understanding, so human, and so Christianlike that I commend it to you for your earnest consideration.

[The Board of Christian Education of the Presbyterian Church in the United States of America, division of social education and action]

PHILADELPHIA, PA., *June 1, 1949.*

MY DEAR CONGRESSMAN: Below you will find a copy of the action of our national body on the subject of housing. This action was taken on May 25, 1949, at the regular meeting of the general assembly, Presbyterian Church, United States of America. This body is made up of over 800 commissioners representing about 8,500 churches throughout the United States.

Respectfully submitted.

FERN M. COLBORN,
Assistant Secretary, Division of Social Education and Action, Presbyterian Board of Christian Education, Presbyterian Church, United States of America.

STATEMENT ON HOUSING

Housing: The inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency, and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys of housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of lower middle income, and encourage local government authorities to proceed with a slum-clearance and public-housing program for low-income families. We urge Congress to adopt legislation to provide a Federal housing and slum-clearance program. We recommend that the general assembly communicate with the committees of Congress in charge of legislation securing these ends.

Many other church bodies agree with the foregoing and are marching with them hand in hand. The following excerpt from a letter I received is enlightening as far as those interested in the need of this housing bill are concerned:

My children have been eating in restaurants, poorly nourished because of no place to cook, no place to play. They are becoming juvenile delinquents. We have to live in this hotel room, six of us, and I have to work to pay $21 a week rent. Why? Because there are no places to live. This is our America—America for thousands of refugees coming over every week—a good America for them. They seem to find places to live, while American-born families are put out on the street, have to part with their children or maybe drown them. It's all right, they're just little boys that will make good soldiers later on. Even a refugee, an old man, has a place to live in Omaha, while I have to try to live with mine in a hotel. While I work, they run the streets, eating half the time because they are sick to death of greasy restaurant food.

* * * * *

My husband was out of work for 1 year. He is back now and I could quit and take care of my children right if we didn't have to pay $21 a week rent. I never know how long I can stay here as there are railroad men here and children are noisy.

Naturally as I said before there is always the river. It would be better than living like this. The wrong has just about got me.

I have received many letters of similar import from my constituents but will not take the time to quote from them now.

I have also received many expensive telegrams, many long letters, and many pamphlets from the persons, firms, and organizations opposing housing legislation, including realtors and real-estate men and organizations. They have endeavored to enlist my aid in their behalf. Many of them are friends of mine and I regret that I cannot go along with them, because the platform of my party, my campaign pledges, and my conscience would not permit of such a course of conduct. I was elected by the people, real American men and women, who not only had heads but also had hearts as well. I must remain true to my trust regardless of consequences.

In my replies to those opposing this legislation I have stated, unequivocally, where I would be when it came time to vote on this housing bill.

I will now quote a portion of one of such letters which is typical of my replies to the opposition group:

I am in receipt of yours of June 3 in which you ask me to vote against what you term "the socialized housing bill, H. R. 4009."

As you no doubt have heard, a joint poll recently was conducted by the World-Herald and my own office on important questions before the Eighty-first Congress. The World-Herald refused to publish the result for the Second Congressional District. For your information, on the question of President Truman's Federal housing program, the vote was: For the Truman program, 9,241; against, 3,015.

This is a ratio of 3 to 1 and it is the second time that the voters of my district have indicated that they favor this program. On November 2 they elected me to Congress over Howard Buffett. I was an avowed advocate of an adequate housing program; Mr. Buffett boasted that he had killed veterans' housing in Congress.

No one would welcome private initiative in the housing field any more than I. But, according to the following resolution adopted by the board of Christian education of the Presbyterian Church at their convention a few weeks ago attended by 800 commissioners, representing 8,500 churches, private initiative has failed of its duty. I quote the resolution:

"Housing: Inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency, and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys on housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of the lower middle classes, and encourage local government authorities to proceed with slum clearance and public-housing program for low-income families."

I am not a Presbyterian, but I will take the word of these honest, sincere people against that of the real-estate lobby and their ilk and dupes any day in the week.

This housing bill or some other proper housing bill must be passed.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

THE NEED TO ELIMINATE SLUMS IN THE LOS ANGELES AREA

Mr. HOLIFIELD. Mr. Chairman, you have been told that 42 of the 48 Governors have endorsed this bill, and that 46 mayors of our large cities have endorsed it through the American Municipal Association. I hold here in my hand a telegram from the Honorable Fletcher Bowron, the mayor of Los Angeles, the Republican mayor of a great city with approximately 3,000,000 inhabitants, and I want to read his telegram at this time:

Hon. CHET HOLIFIELD,
Member, House of Representatives, Washington, D. C.:

Strongly urge your support H. R. 4009 scheduled for House debate Tuesday. This bill affords Los Angeles only opportunity to launch effective community redevelopment program. Both title I, providing funds for redevelopment and slum clearance, and Title II, providing funds for housing families displaced by redevelopment program are absolutely necessary. This legislation will enable Los Angeles to convert blighted tax-liability areas into community assets. May I urge you oppose all emasculating amendments?

FLETCHER BOWRON,
Mayor.

Let me again state that this message comes from the Republican mayor of the city of Los Angeles, a former superior court judge, a man who has been elected mayor three successive times by proponents of reform city governments.

At this point I want to give you some of the facts, not theories but facts, about the housing situation in the Los Angeles metropolitan area.

There were slightly in excess of a million and a quarter dwelling units in the Los Angeles metropolitan district in April 1947. This represents an increase from slightly under a million units in April 1940.

Despite some improvement in the quality of the housing inventory between April 1940 and April 1947, the Bureau of the Census figures show that there were still more than 106,000 units which were either in need of major repairs or lacked private bath or inside flush toilet. There were, moreover, still 52,000 overcrowded units having more than one and a half persons per room. This compares with only 38,000 such units in 1940.

That the housing situation is still extremely tight in the Los Angeles area is indicated by the results of a survey of the vacancy situation made by the Residential Research Committee of Los Angeles in December 1948. This report stated:

We need 50,000 more dwelling units in the county today to bring our housing up to normal.

The study showed that in December 1948 only 0.61 percent of the unfurnished multiple units were vacant. The vacancy rate among furnished apartments stood at 0.66 percent, while the vacancy rate for single houses was 0.67 percent. Commenting on the vacancy situation the Residential Research Committee writes:

One of the most significant aspects about the vacancy situation is that vacancies are most pronounced among newer units and in higher price brackets. The survey shows that practically all vacancies in furnished apartments are in places less than 10 years old. In the unfurnished multiple field, vacancies

in modern units are 1.03 percent, compared to 0.32 percent in older units.

A distribution of the available dwelling units for rent or sale according to their monthly rental or its equivalent is as follows:

	Percent
Total	0.67
$40 or less	.61
$41–$60	1.00
$61–$80	.39
$81 and over	1.07

In his reply last year to the questionnaire sent to mayors by Senator WAGNER as a part of the studies of the Joint Committee on Housing of the Eightieth Congress, Mayor Fletcher Bowron said he thought that it would be desirable for 5,000 low-rent public-housing units to be built in Los Angeles over a 4-year period.

In his reply, Mayor Bowron also called attention to a recent sampling of 16,000 veterans' applications on file with the local housing authority, which showed that 59.4 percent of the veterans had incomes of less than $1,900.

It is patent that their present incomes will not allow them to either buy or rent acceptable standard housing from private landlords or realtors—

He said—

Unless the building industry is suddenly revolutionized by use of nonconventional materials, or in some other fashion as yet unthought of, something of this situation will always exist and private enterprise will always be unable to reach all levels of home seekers.

Mayor Bowron's mention of 5,000 low-rent public-housing units in 4 years covers only Los Angeles City and not other urban areas in the Los Angeles metropolitan area. Five years ago, in connection with applications for a postwar shelf of projects, Los Angeles County proposed a 3-year program of 1,500 low-rent public-housing units for areas outside the corporate limits of the city of Los Angeles.

In supporting this slum-clearance and public-housing bill, I realize that it is only a part of the legislation necessary to give the necessary Federal assistance to residents of the Los Angeles metropolitan area and other heavily populated districts all over our country. It is my sincere hope that the great Committee on Banking and Currency will speedily bring to the floor other equally important bills dealing with other facets of the housing problem. I speak of a permanent extension of titles I and II and section 608 of the National Housing Act. It is under these titles that a major part of our houses will be built.

Permanent extension of these sections of law relating to FHA will provide long-term financing, backed by Federal Government credit, which will enable people of modest incomes to obtain their own homes, by building or purchasing them on terms they can afford. Incidentally, it will enable real-estate offices, builders, and contractors to maintain their business at a profit level of activity.

It is ironical that the real estate interests and the builders who are so anxious to obtain Government credit to stabilize their business and maintain their profits at the same time, like dogs in the manger, do not want people who are unable to buy or build under FHA to have decent, safe, and sanitary homes.

I submit that no real estate man or builder, who has integrity and honesty, can accept the stabilization of his profits through Government action, and at the same time oppose Government assistance to those who cannot help themselves through the FHA program.

Another facet of the housing problem which is equally important, is the reactivation of the GI building program. The Congress agreed in past legislation that the GI's should be given a favored position in obtaining housing. This objective has been accomplished in the past by a full secondary market and the low interest rate of 4 percent. The program has seriously dwindled because of the loan guaranty limit of $4,000 and because of the refusal of savings and loan companies and banks to absorb in their portfolios additional 4 percent mortgages. The reason they have refused to maintain their previous level of GI loans at 4 percent is that the general level of interest in the United States has risen, and 4-percent loans are no longer attractive to private lending institutions.

We are faced then with two alternatives. Either the Government must advance direct loans at 4 percent interest to the veterans, or the generally accepted current interest rate of 4½ percent must be met in order to obtain private financing for GI housing. This policy must be determined by the Congress.

While I would like to see the veterans obtain their financing at the lowest possible interest rate, I realize that it is politically improbable that this Congress will pass legislation which will provide for direct Federal loans to individual GI home buyers. If such a program could be evolved, I would support it. But, believing that it is improbable of accomplishment, I think the next best thing, if we expect to reactivate GI home building, is to pass legislation which will provide for a 4½ percent interest rate, full secondary mortgage guaranties, and longer term amortization of these loans.

Such legislation is embodied in H. R. 1324, which I introduced in the House on January 13, 1949, and which Senator ELBERT THOMAS introduced in the Senate, S. 616. This legislation will provide one-package loans at low monthly payments, and at an interest rate which is reasonable, and, which at the same time, will attract private capital into the building field.

I hope that the Committee on Banking and Currency will soon give their attention to the other factors which are necessary to the provision of an over-all home-building program to meet the critical needs of the people of the United States.

I have introduced a bill for this purpose, H. R. 1324, which I hope some day to be allowed to testify for in the Committee on Banking and Currency. But I realize we have to do this a step at a time. This, certainly, is the first step and we have to concentrate on it and pass this bill, H. R. 4009.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. BLATNIK].

Mr. BLATNIK. Mr. Chairman, I rise to speak in support of this most worthy housing bill—H. R. 4009—which is now under consideration by the House. This measure to establish a constructive and practical national housing policy and objective through its provisions calling for slum clearance, public housing, rural homes and housing research, is one of the most progressive and enlightened pieces of legislation ever debated by the House of Representatives. Its passage will mark a major milestone on the road to the solution of the Nation's critical housing problem, and will strengthen the housing industry to make possible the meeting of America's long-run housing needs. As such, H. R. 4009 deserves the full backing of every Member of this distinguished body, and I am happy to give it my unqualified endorsement.

I take this opportunity to declare my firm belief in the entire underlying philosophy of this bill. In my opinion, the policy declaration expressed in this bill to the effect that "the general welfare and security of the Nation and the health and living standards of its people" requires the elimination of the current housing shortage, and existing slums and the realization of a decent home for every American, is in keeping with the best American tradition. The right to a decent home in healthy surroundings is the democratic right of every American, and this bill defining this objective expresses the aspirations and hopes of every member of our society.

THE NEED FOR A HOUSING PROGRAM

It is a well-documented fact that the housing situation in the United States is deplorable, that it is a national disgrace. In the first place, there is the current housing shortage. It is estimated that between two and three million American families—about 40 percent of them belong to veterans of World War II—are today without homes, and who are now forced to live doubled-up with relatives and friends, or to exist in trailer camps and rooming houses. And the Nation's housing needs are increasing with the increase in population; statistics show that by 1960 we will need about 7,000,000 new non-farm-housing units just to place a roof over our growing population.

This does not take into account the substandard and dilapidated conditions of existing housing facilities. To simply place a roof over the heads of all Americans is not the American ideal, but the task is to provide homes in which Americans can live decently and happily. Yet the statistics show that 40 percent of nonfarm dwellings in the United States are substandard, and that nearly two-thirds of all farm dwellings are in the same condition. Hence, any satisfactory housing program must not only build enough homes to provide space for the homeless of today and the increase in the number of families, but it must also

make possible the replacement of these substandard homes in the city and rural slums of the Nation with sanitary, modern, and up-to-date homes for our people.

In short, the statistics show that the task of supplying the housing needs of America involves the construction of some 16,700,000 new housing units by 1960. This is a gigantic task, but one that we must accept and take positive action to fulfill.

MINNESOTA HOUSING CONDITIONS PARALLEL NATIONAL PATTERN

The present housing crisis, with its acute shortages, overcrowding, city and rural slums, is not confined to any one area—it is not a State or sectional problem, but one which exists throughout the Nation, and extends to every State in the Union. It affects New York just as it does California—it extends from Michigan to Louisiana and from Massachusetts to Oregon.

As the Representative of Minnesota's Eighth Congressional District, I am very familiar with the housing conditions of my home State, and I can testify that the housing situation in Minnesota parallels the national housing pattern.

The same immediate housing shortage exists in Minnesota as it does on the national scale. Recent surveys show that about 10 percent of all families in the Minneapolis-St. Paul area cannot find homes and are forced to double up with relatives and friends. Hundreds of veterans in the city of Duluth are without housing facilities. One out of every seven families in Hibbing are without homes, and in Virginia, Minn., the ratio is one out of every eight.

Minnesota is likewise plagued with substandard housing in both town and country. According to a 1947 study made by the agriculture experiment station at the University of Minnesota, the following conditions exist in my home State:

First. In 1940 approximately 47 percent of all homes in Minnesota were without running water; 49 percent had no flush toilets; 52 percent had no central heating; 36 percent had no electric light; 68 percent lacked mechanical refrigeration; and 18 percent need major repairs.

Second. With respect to the 394,673 urban dwelling units in Minnesota about 25 percent of them had no central heating; 49 percent lack mechanical refrigeration; and 10 percent need major repairs.

Third. Rural housing in Minnesota is in worse condition than city housing; 88 percent of them lack running water; 92 percent lack flush toilets; 70 percent lack electric lights; and 27 percent needed major repairs in 1940.

In short, Mr. Chairman, at least one-third of the urban homes in Minnesota are below standard, and approximately two-thirds of rural homes are in the same condition. This is the prevailing condition throughout the entire United States, and I say that a Federal housing program is absolutely necessary to furnish the type of homes in adequate numbers which the people of my State and the other States want and deserve.

ONLY THE REAL ESTATE LOBBY OPPOSES HOUSING LEGISLATION

This housing bill, H. R. 4009, has almost universal support of the American people. All the great labor organizations—the A. F. of L., the CIO, the railroad brotherhoods—have endorsed it. Every major veterans' organization, the American Legion, VFW, DAV, AVC, the Jewish War Veterans, and the Catholic War Veterans, have all given it their approval. Likewise, the Farmers Union and the National Grange, the American Municipal Association, the United States Conference of Mayors, the League of Women Voters, the National Conference of Catholic Charities, the Congregational Christian Churches, the National Council of Catholic Women, and the National Council of Jewish Women are giving this measure their full support.

Although this housing bill has the overwhelming support of a vast majority of Americans, and in spite of the fact that its passage is in the public interest, we find that certain selfish interests are opposing it. These reactionary and antisocial forces, headed by the real estate lobby, are howling socialism and spending enormous amounts of money in a propaganda campaign of misrepresentation and falsehood to defeat this measure.

This propaganda at its worst is represented by the greeting card technique—no doubt others in this House also received the message of the National Retail Lumber Dealers Association on what looks to be a birthday card. When the card is opened, the reader finds that the lumber dealers' idea of humor has not changed much in the last 25 years. I hope that everyone will read this greeting card, since it must have cost the lumber dealers enough to build several houses, even without new and improved techniques which they deplore.

A more subtle form of propaganda is represented by the efforts of the Home Builders Association of Metropolitan Washington, whose economy housing project has the praiseworthy objective of utilizing modern techniques. But was it a coincidence that a letter inviting Members of Congress to view this project arrived last Friday, and that the open house was scheduled 3 days before this body started debate on a public housing bill?

The home builders' letter stated, and I quote:

> Here is a demonstration right in the Nation's Capital of what the builder under private enterprise is doing and will continue to do in providing low-cost housing for low-income groups.

What is the builder doing? A representative of my office visited the economy project last Saturday, making the long trip to District Heights. No blame attaches to the builder that it was necessary to go miles away to obtain cheap lots at $1,200 apiece, and I want to state that the builders displayed real ingenuity in building houses to sell at $7,000 for a one-bedroom and $8,000 for a two-bedroom dwelling under these circumstances.

Despite the builders' ingenuity, these houses are not satisfactory. They are small—smaller than the average apartment. They are not economy-house cheap—the monthly payments will average more than $50, which does not count utilities and other extras that every homeowner runs up against.

Still more important, these houses were not built by regular contractors. They were built by the association, and the builders themselves admit, first, that they do not know whether contractors will be convinced that they can build them at a profit, and second, they do not know whether financing will be available even under the GI-loan program.

Here, then, we find two economy houses. We find the builders working to design and build them for over a year. We find the builders running all over town to obtain financing, on their own admission. We find veterans falling all over themselves to purchase these two houses, in spite of their inadequacy. So many veterans want to buy, I am told, that it has been arranged for the American Legion to draw the lucky winners' names out of a hat.

I personally want to compliment the Washington home builders on their demonstration. I believe that they proceeded in good faith. They have built two houses, and I hope that they persuade others to build many more with many more improvements. There is a real place for private enterprise in the housing field.

But I believe, too, that this demonstration has shown once again that private enterprise alone has not done and cannot do the whole job, either here in Washington or anywhere in the Nation.

One of the charges made by these enemies of decent housing for the people is that this measure costs too much—that it will cost $20,000,000,000. Of course, the true fact that H. R. 4009 calls for an expenditure of about half that amount over a period of 30 years is of no interest to these unscrupulous gentlemen.

I would like to remind the real estate lobby that America cannot afford to be without this housing program—the social cost of slums and bad housing conditions are so great that they threaten national security. There is a direct relationship between bad housing and disease, crime and Government expenditures, as the following facts, based on previous studies, will demonstrate:

First. The pneumonia rate in slum areas is 3 times as great as in normal residential areas, the infant mortality rate is 6 times as great, and the tuberculosis rate in slums is nearly 11 times as great as under sanitary housing conditions.

Second. The crime rate in slum areas is 5 times as great as it is in better housing areas—the juvenile delinquency problem is manyfold greater in slums than other city areas.

Third. Slum areas cost city governments much more per capita in connection with expenditures for fire and police protection and for health and other services. Yet, slum areas contribute the least amount in the form of per capita revenues to maintain city government; and

Fourth. The future citizens of America—our children—are the chief victims of the slums and blighted areas of the Nation. The committee report on this bill sums up this point very well when it says:

> Unfortunately, the effects of poor housing leave their heaviest toll upon the millions of children who are being obliged to spend their formative years either in dreary, unhealthful slums, or in overcrowded dwellings in which normal family life cannot be achieved. The maintenance of our way of life and our aspirations as a people and a democracy depend to a large extent upon these children whose attitudes and minds are being formed for the future in the homes of today.

The real-estate lobby also raises the bugaboo of socialism, which is the usual phoney argument used by all reactionaries whenever progressive and liberal legislation is proposed for the benefit of the people. This argument is wholly without foundation. H. R. 4009 will strengthen free enterprise—it is designed to help free enterprise to build the homes needed by the American people. It is based on the assumption of free enterprise, and it will operate in this kind of a system.

The authors of this bill have recognized the simple fact that the private construction industry has never been able to supply America's housing needs in the past, and they are incapable of doing it today. Let me remind the House that the average annual construction during the boom years of 1920–29 was only 723,900 homes, and that the average during the depression period fell to only 273,000 homes a year. Last year only about 900,000 homes were built by private enterprise in spite of the enormous public demand for housing—today this rate of construction has fallen smartly in the face of our ever-increasing housing needs. Even those are so expensive as to be out of the reach of the average family's pocketbook.

Hence the purpose of this bill is to help the private construction industry do the job that they cannot do by themselves—it is a policy designed to bolster and strengthen this industry.

H. R. 4009 IS MUST LEGISLATION

Mr. Chairman, housing legislation along the lines of H. R. 4009 has been passed three times by the Senate during the last 4 years, only to have it blocked in the House by the selfish real-estate lobby. We cannot allow this to happen again—we cannot permit the real-estate lobby and other vested interests to deny decent housing to the American people again.

This measure now before us is a practical measure providing a workable housing program for the Nation. In its declaration of policy which sets forth the goal of decent housing for all Americans, the measure reflects the democratic aspirations of the American people.

In its provisions which authorize Federal loans and grants, it enables communities to take the first step toward the elimination of blighted areas and slums in our cities. The clearance of slums is a task that private enterprise is unwilling or unable to undertake, and communities cannot do the job by themselves. We cannot afford the deficits resulting from slums any longer—a deficit in humanity caused by generations of children being brought up under conditions of misery, disease, and delinquency. Public action stimulated by Federal funds as provided in this bill is necessary to clear these slums which are a disgrace to the Nation.

The public housing features of this bill are necessary to provide better homes for low-income families at rents that they can afford to pay. There is no other way in the foreseeable future to provide better housing for these low-income groups than the Federal subsidy provided in this bill.

Passage of this bill is needed to make available better housing to the low-income farmer. Rural slums are a blight upon the national landscape and are hazardous to over a million farm families. This proposal to grant Federal loans at low-interest rates is absolutely necessary to make a start on the farm-housing program.

Finally, the program of technical research in the housing field is necessary to modernize the entire home-building program and to utilize new and better methods in our effort to secure the type of homes that Americans need and deserve.

In conclusion, Mr. Chairman, I say that the passage of H. R. 4009 is of the utmost urgency and that the housing program which it embraces is already too long delayed. We cannot afford to wait any longer—the Congress cannot stand idly by and condemn our veterans to a continued and permanent existence in trailer camps and rooming houses. We cannot doom another generation of American children to a childhood spent in disease- and crime-breeding slums. Congress must not fail the American people whose housing needs are critical. I call upon all Members of the House to give their wholehearted support of this measure to establish a comprehensive housing program for the Nation and to vote for its enactment into law.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Chairman, for 3 years the United States House of Representatives has been considering the housing problem of the Nation.

Even down to the last nail.

The printed hearings on the subject run into book-length volumes.

An average house, which man once built entirely by hand, has lately become a very difficult and complex study.

Why this should be so is hard to understand.

Shelter is second only to food as a basic requirement for sustaining life.

Thousands of years ago our ancestors learned how to put roofs over their heads, by necessity.

But we, by design or otherwise, seem to have lost that elemental ability.

It is true that we were the first nation to develop the mass-production technique which will, this year, enable us to manufacture 6,000,000 automobiles.

Now, much as we may need and enjoy this form of transport, few people will maintain that a car ranks next to food in priority.

There are some folks who spend so much time in their cars that they appear to live in them, but most will agree that cars, or trailers, will never supplant the home.

However, we are faced with a strange paradox.

We can build cars in quantity but not adequate shelter in quantity.

We have the capital, the skilled labor, the contractors, and a wealth of ingenious products with which to build tenements.

But they are not being built.

Young married couples and their babies have to live with in-laws, creating health problems and social tensions which are not good for anyone.

This is not an extreme example.

It is all too common.

It is midway between those whose heart's desire is to buy a small home of their own at a price which they can afford to pay, and those who are forced to live in the disease-breeding and crime-festering slums of the big cities.

Billions are expended for defense but how much for constructive security?

Or, what good is a strong shell if the substance within deteriorates?

The American people are puzzled and disturbed by our immediate response to external dangers and our lack of interest in home problems.

They suspect that the problem of housing has become the victim of evasive tactics on the part of those who insist on doing business in the good old discredited way.

Some adjustment to reality is necessary for every individual who would be healthy, happy, and become a productive person.

It is no less true of any group or nation.

We in the United States takes pride in our progress.

When we find a new and better technique, we discard the old one.

We know that any business which fails to keep pace with competition, falls by the wayside.

The economy has lived up to this competitive challenge with one glaring exception.

Lagging behind all others is the building industry, stubbornly insisting on outmoded methods, and demanding of owner and tenant alike the excessive costs which they cannot pay.

Behind the scenes of this struggle to provide decent shelter for our people are the lobbyists who ignore the dangerous social implications of their concept of profit and would aggravate those tensions upon which subversion thrives.

In turn, they are their own worst enemies because they are keeping the door shut on the greatest opportunity they have ever had to be of service to themselves and to the Nation.

Look at the vast market for homes and rental units if mechanics, contractors, and realtors, building-material manufacturers and municipalities will only work together to bring costs down within reach of the people who need and want modern living quarters.

The blunt truth is that they are failing to do this.

Instead, they are working at cross-purposes, and missing that integration, imagination, and scientific application with which they could solve the problem.

We have waited and waited, but they have not been able to do the job.

The population is increasing, overcrowding present facilities.

Slum areas, like cancers, are spreading to ageing properties.

And the irony is that the very rent controls which the real-estate interests fight against are extended because these same interests do not show the constructive leadership expected of them.

We would have no rent controls if they had lived up to their responsibilities.

But they did not deliver the goods.

The result is that we still have a housing shortage and rent controls, when we should have had modern housing for most of our people in a free market.

Perhaps they fear that new houses will reduce the value of older ones.

What else are we to expect in a competitive economy where the obsolete must give way to that which is an improvement on the old?

Or do they really prefer the monopoly of the status quo, thereby contradicting that freedom of enterprise of which they speak so fondly?

I wonder.

The State Housing Board of the Commonwealth of Massachusetts for example, estimates that 75,000 families in that State are in need of housing.

Of these, 60,000 are veteran families.

In addition, there is a substantial need for low-rent units and for the clearance of substandard areas.

Nine years ago, when the last Federal census was taken, over 262,000 dwellings in Massachusetts, or 21 percent of the total, were found to need major repairs, or to lack private baths.

Today, most of those structures are still in use and are 9 years older and so much worse.

And this is in one of our higher-average income States.

As Mr. Frederick W. Roche, chairman of that State housing board said at a United States Senate hearing on this subject, and I quote:

> While awaiting action on the Federal level, Massachusetts has not been idle.

The Commonwealth has pushed ahead with its own State housing plans based upon municipal and State credit.

The legislature has authorized the cities and towns to borrow up to a total of $100,000,000 with which to construct housing for rent for 5 years and subsequent sale to veterans, with the State participating to the extent of 10 percent.

Massachusetts has also adopted one of the most extensive public housing programs in the country.

In April 1948 the legislature unanimously adopted a program guaranteeing the notes and bonds of local housing authorities to the extent of $200,000,000 and will make available annual subsidies of $5,000,000 for 25 years to provide rental housing for the low-income veteran families of the Bay State.

In addition, there is permissive legislation authorizing the insurance companies and the savings banks of the State to undertake rental-housing projects.

Means have also been provided whereby urban redevelopment agencies, private and public, can be established to take advantage of any Federal aid.

There are 109 housing authorities in Massachusetts, more than any other State in the Union, each one of which has the statutory power to undertake low-rent housing and urban redevelopment projects.

In spite of its bold and progressive program, Massachusetts cannot do the job alone.

The program still leaves a considerable number of middle- and lower-middle-income families unprovided for, and makes no provision for the lowest-income families.

For this, more funds and more credit are needed.

In the conservative State of Massachusetts, we feel that aid for housing, urban redevelopment, and slum clearance should be a Federal undertaking.

With its broader tax base, the Federal Government is the proper agency to extend the necessary credit, make the necessary loans, and to provide the subsidies or annual contributions needed to absorb the difference between an economic rent and the rent which the low-income family can pay, and to take up the difference in cost between slum land and replanned land.

I believe that those States, like Massachusetts, which took courageous action on their own to make up for congressional delays, should not be penalized for the service they are giving to the citizens. A service which the Federal Government should have provided long before this.

Certain obstacles such as the requirement of the elimination of substandard dwellings, the so-called equivalent elimination requirement, and the limitation of costs to $2,500 per room should be removed. To clear the way for conversion of State-aided projects to a federally aided basis.

A balanced attack on the housing problem requires the participation of private builders and the Government.

A public-housing program restricted to the lower-income families is no threat to private builders because they cannot serve this area without undue risk.

Furthermore, Federal financial aid to cities for slum clearance is a function which only Government can perform.

In fact, this would help private builders by opening up close-in sites at more reasonable land values.

That leaves a mass market of middle-income and lower-middle-income families which the building industry can best serve.

Opposition to public housing projects for the lower-income groups is based on a clearly unrealistic position.

Why should builders waste their time and energy in fighting the inevitable?

They admit that they cannot do this particular job which must be done.

It would be far better for themselves as businessmen, and for those of their fellow citizens who are denied suitable living quarters because of obstructionist tactics, to face the fact that there are sharply defined areas of responsibility, and to proceed accordingly.

An attitude of "my way or nothing" is self-defeating.

It is responsible for the present deadlock.

Meanwhile the problem becomes ever more critical for those most in need of healthy and hopeful housing accommodations.

This is indefensible in view of the reasonable amount of give and take which would clear the way for an over-all solution, a solution that would open up the mass market of low-priced homes for the private builders.

I feel that a housing bill, apart from its emergency objectives, should also encourage private enterprise along the lines suggested in the following letter dated April 15, 1949:

> HON. THOMAS J. LANE,
> *Lawrence, Mass.*
>
> MY DEAR MR. LANE: We feel that we are one of the largest home builders in New England.
>
> The enclosed Boston Globe supplement evidences this fact; namely, 700 single homes completed in 1948.
>
> The construction of these homes was made possible only by FHA, title VI, section 603, financing, which expired April 30, 1948.
>
> Our plans for 1949 called for the construction of 900 more of this same type of single home to sell in the $7,500 to $8,500 range, but because of inadequate FHA financing we have had to abandon this program.
>
> We are sure that every home builder in New England joins us in urging you to carefully study what this section 603 financing has meant to private housing interests in the past, and earnestly request that you and your colleagues take steps to reestablish same.
>
> I would be pleased to discuss with you, at you convenience, the merits of this type of financing as seen from the home buyers', the banks', and the operative builders' point of view.
>
> Respectfully yours,
> KELLY CORP.,
> JOS F. KELLY, *President.*

The importance of the home in our national economy bulks large when we consider that in normal years:

First. Home construction comprises one-fifth of our total national output of capital goods.

Second. Home indebtedness accounts for almost one-third of long-term private debt.

Third. Residential property provides almost one-half of local tax revenues.

Fourth. Rent and household operations account for more than one-fourth of consumer expenditures.

It is for these reasons that we should encourage the building and buying of homes.

However, in the legislation under discussion, we must give major attention to the emergency aspects of the problem.

And we must bear in mind that our housing shortage is not merely a postwar interlude.

As far back as 1937, one-third of the Nation was ill-housed.

House Report 1564, Joint Committee on Housing, states that at least 5,000,000 families are living in slums, in decrepit shacks that are fire-traps and health hazards, without water and electricity, with rats in the cellar and privies in the back yard.

Over 2,000,000 families are living doubled up.

Another 4,000,000 families are living in dilapidated structures that will soon be slums.

Contrast these facts with the population needs which are increasing at the rate of 2⅓ millions every year and the 2,000,000 new families which are formed by marriage every year.

The cost of new homes has more than doubled since 1939.

People need homes but they have been priced out of the market.

If we did not have rent controls, they would be priced out of lodgings.

The housing industry cannot, or will not, build rental units to keep up with the demand.

In this crisis, the Federal Government must step into the breach and fill the gap.

If it defaults on this obligation, the richest nation in the world will stand indicted for criminal negligence in failing to provide for one of the basic needs of its people.

And it will give to the Communists a ready-made argument with which to foment social unrest.

The slums have been with us a long time, but have the real-estate interests ever done anything about this growing menace?

No.

What is more, they do not want anybody to do anything about it.

They try to rationalize the situation by saying that it is a good testing ground for character, romantically pointing to those who made good in life despite the handicaps of a slum background.

They do not choose to see the disease and crime which also come out of those same slums to threaten the rest of the community.

They even ignore their sole yardstick of dollars-and-cents values.

Rotting slums cause economic losses that are at least 10 times the tax revenues received from them; and the losses from juvenile delinquency, sickness, and crime can never be gaged by an adding machine.

Slum areas' costs in municipal services over revenues is from 3 to 10 times as much per capita as in healthy communities.

For a sample case history, let us take the industrial city of Detroit.

We find that in its slum areas, the pneumonia death rate is 3 times as high as in the rest of the city, crimes are 5 times as high, infant mortality 6 times, tuberculosis death rate 10½ times; and it breeds 15 times as many criminals.

Although real-estate interests frequently make a larger return on their investment from slums than they do from other types of housing, they, too, must eventually pay for the blight of exploitation.

Sooner or later the Federal Government must step in to avert chaos.

The indifferent real-estate operators are solely responsible for the very situation in which they now violently oppose every remedy.

Having caused the disease, they refuse to call the doctor.

They hope to avoid paying their share of the fee, on the wishful assumption that the patient may somehow stagger through on his own.

But I say that the public interest, its health and security, has the paramount claim to our consideration.

We believe in home ownership as one of the main props of our society, recognizing the happiness and freedom that stem from such individual effort and achievement.

But we cannot close our eyes to those areas where so many people, far from owning the dwelling units where they live, cannot secure tolerable rental quarters.

It is in this domain that the home-building industry has failed over a long period of years.

And it is this national disgrace which we propose to remedy by legislation to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

To call this socialistic is to becloud the issue.

The housing need is desperate, aggravated by the four postwar occasions on which the real-estate lobby has sabotaged housing legislation.

It is high time that the housing industry changed from a negative to a positive program by modernizing itself and by bringing down the costs of private housing.

In this way it can save the enormous field still open to private enterprise, instead of wrecking that small part of the job which it cannot do.

They should wake up to this reality of 1949, that low-rent housing and slum clearance and the special housing problems of farmers are legitimate goals of Government action.

The most effective service which the housing industry can bring to this problem, if it will, is to so reduce costs that an extension or even continuation of subsidized housing in the future may be unnecessary.

Meanwhile conscience and common sense demand that we take steps to alleviate the distress of millions now barely existing in dark, unsanitary, overcrowded, and dangerous hovels.

Is $350,000,000 a year over a period of 30 years too great a price to pay for a basic, domestic security?

Or would we prefer to lose 10 times that amount through disease, crime, and crippled morale?

The answer is obvious, but the American public is anxious for us to give it form and substance.

Mr. RODINO. Mr. Chairman, as we proceed to the consideration of H. R. 4009, I would like to call to the attention of the Members of the House several significant facts that mark this bill as a signal forward step in the welfare and progress of this democracy.

Unlike various measures that we have considered in the past few years, H. R. 4009 is not just a bill to tide us over through a housing emergency until we can work out something better and more lasting. This bill is the product of long consideration, thorough exploration, and careful and intensive study. It undertakes to establish a national housing policy consistent with American methods and ideals and to equip us to carry out that policy more effectively through the removal of slums, the provision of decent housing for low-income nonfarm and farm families, and the lowering of construction costs.

For the last 4 years this legislation has been under national discussion in the Chambers of the Congress and throughout the Nation. I doubt if any piece of legislation has ever been so thoroughly debated and investigated. The more we have discussed it, the more its basic principles have won support among the Representatives of the Congress and among the people of the country. The time that has been spent in these deliberations has pressed hard on those who have anxiously awaited such assistance to relieve them of their urgent housing problems. But that time may not have been entirely lost, if now, with full understanding and widespread agreement, we act with decision and dispatch, and write into law these measures which will help to bring to the people of this Nation homes that represent the ideals and the strength of a great democracy.

When the war ended and we began once more to attend to the unfinished business of our domestic economy and welfare, housing occupied a top place on our peacetime agenda. We had, prior to the war, made significant advances in improving our housing standards and in broadening the base of good housing and home ownership among our people, including an initial but limited approach to the problems of low-rental housing.

But these earlier efforts, like our immediate programs after the war, were partial, unrelated, and piecemeal attacks on various segments of the housing problem. There was a general recognition at the end of the war that we needed a comprehensive approach and policy in the housing field, one that would provide consistent and appropriate support for a prosperous, stable private enterprise operation and one that would additionally provide for those difficult yet vital areas of housing need which private enterprise could not meet.

The legislation originally introduced in the Congress in 1945 to serve this end embodied a broad range of measures designed both to expand the area of private enterprise operations and to supplement it with Federal aid administered through responsible local authority. This legislation has been extensively and exhaustively studied and debated. It has been

modified in many of its specifics. It has had the benfit of a 6 months' national survey of housing by a joint committee of the Congress. It has been passed in its main principles by the Senate three times. Most of the private enterprise proposals originally introduced have been expanded and enacted into law.

The remainder of this bill, that part which deals with the most neglected areas of our housing need and which undertakes to relate all of our housing activities to a considered and consistent national policy, comes now before this House for the first time. The Members of this House, most of whom have long since known and understood the significance of such legislation, are at long last to be given the opportunity of voting on it. It is a vote long delayed by emergency pressures, by conflict and controversy. The bill, however, comes before the House now with an even greater measure of agreement and conviction throughout the Congress and the Nation, and represents a policy and an approach which has surmounted party and partisan lines.

The bill has for a long time had bipartisan cooperation and support in the Senate. In the House substantially the same proposals have been included in housing legislation introduced this year under the sponsorship of 10 Republican House Members. Substantially the same provisions as are before us today, in fact, were favorably voted out of the House Banking and Currency Committee in the last Congress when the Republican Party had majority control, but were prevented from reaching the floor for a determining vote.

The simple fact is that the problems it deals with are not partisan problems. They are the common concern of Democrats and Republicans alike in their home communities and constituencies, and the assistance that will flow from such legislation will serve the people of our cities, towns, and farms, regardless of any partisan preference.

The bill is presented to us here after full open hearings and further careful consideration in the House Banking and Currency Committee. While paralleling in major respects the bill already passed by the Senate, H. R. 4009 as reported by the committee has been further examined and additions and amendments that were felt to be desirable and necessary have been added.

In the many housing measures that the Congress has taken thus far, it is evident to all that certain fundamental problem areas have remained without hope of cure and that we have lacked a cohesive pattern or well-defined sense of direction both in formulating housing legislation and in its administration.

This bill supplies the missing links of our housing policy. It equips us to attack those difficult and critical problems of slums, low-income housing, and farm housing, and the basic and baffling problem of costs which has grown greater as we have been seeking the most suitable formula for meeting them.

No one offers this housing bill as the final and ultimate answer to all of our housing woes. Even during the 4 years that this bill has been under discussion, additional housing problems have developed with which we must cope. Certainly in the field of middle-income housing, we need further study and action as soon as possible.

But this bill does fill out general basic programs through which our major housing problems can be served. It establishes a framework for our entire housing policy through which, as circumstances now or later require, we can discuss, explore, and enact the type of legislation most likely to serve our needs within an approved and accepted policy.

Under the declaration of policy in this bill, we agree that it is the goal of this country to enable every American family to obtain a decent home and living environment. That policy states, however, that the primary responsibility for accomplishing this goal belongs to private enterprise, with Federal aid to be used for those needs which cannot otherwise be met. There is nothing especially novel or startling in such a policy declaration, since it represents the convictions and practice that we have followed and recognized in this country in many other fields of national interest. It is significant, however, that we should at last declare such a policy with respect to our housing problems and that we should establish such a basis for our housing programs and activities.

We have provided many various measures to support and encourage private enterprise in providing housing to our people, and we shall no doubt add to those, particularly in those lower-cost areas where the need is great and the difficulties real. We have done virtually nothing, other than a limited initial program before the war, to relieve the burden of slums from our hard-pressed cities, or to meet the companion problem of providing decent housing for those whose incomes will not support decent privately owned dwellings, or to cope with our seriously deficient supply of farm housing.

Yet we have some 6,000,000 non-farm-housing units today that are substandard by any reasonable measure of minimum requirements for decent and healthful living. Every fifth family, on the average, in our towns and cities has no choice but to live in a slum dwelling. One-fifth of our families, in fact, had total family-money incomes of less than $2,000 in 1947, and one-third of them less than $2,500.

And while families are obliged to dwell in slums, to rear a large part of the Nation's children under conditions which endanger their future, the cities themselves find themselves drained and bled by the waste and high costs of maintaining and servicing these areas. There is a real and unavoidable cost attached to the reclaiming and redevelopment of these lost and costly areas of our cities, but there is an endless and far greater cost, both economic and human, that must otherwise be paid through the toll of crime, disease, and delinquency and in the progressive liquidation of property values and municipal investments.

We have heard the claim that the cities and States should take care of their own, without Federal assistance, yet we have seen our cities more and more straining under the burden of declining tax revenues and increasing costs, which have stemmed in no small part from the increasing slums and deteriorating blight that has spread farther and farther throughout the central city.

We know that the way to remove slums is to provide decent housing for those who must live there and to remove the slums and redevelop these areas into sound and supportable sections of the city. That is what this bill undertakes to make possible. It leaves the job with the cities where it belongs, but it recognizes that the resources of the Nation, made available through Federal aid, are essential if the cities are to do that job.

For the first time, in this bill, we recognize that the housing of our farm families is no less important to our national welfare than that of our nonfarm population. Rural slums may be less apparent to many of us than those in our cities which surround our places of business and lie athwart the streets that carry us to and from the heart of the city. Nevertheless, in 1947 roughly one-fifth of all our farm dwellings were in need of major repairs and more than two-thirds of the others lacked running water or indoor plumbing facilities. This bill would make available to farmers, who have heretofore been unable to do so, the credit and assistance necessary for them to provide decent housing and buildings on their farms. While it does not begin to cover the full need, it offers a substantial beginning.

Finally, of even broader significance, this bill authorizes the Federal Government to assume an active and leading role in research in the housing field to help bring about improvements in the production of housing and efficiencies of operation which will produce progressive reductions in the basic cost of housing to all Americans. We have indulged long enough in wishful hoping that somehow such industrial progress and modernization in homebuilding would come about. We have had varied and assorted advances in the housing field on a scattered and disorganized front. We have lacked, however, coordination and leadership directed toward the stimulation and coordination of effort in this direction designed to bring about a better organized attack on this persistent and unavoidable problem of costs.

I want to emphasize that all of these things proposed in this bill are within the policy framework in which the Federal Government undertakes only those activities which cannot be carried out successfully without its aid or participation.

In the slum clearance and public-housing provisions, the basic responsibility rests with the local communities. The Federal Government cannot initiate, cannot plan or build a single unit in a single project. It simply stands ready to lend its assistance to those communities which desire and initiate their own projects, which demonstrate their need, and which are prepared to assume the major responsibilities for executing the local programs.

Furthermore, in section after section, the bill is carefully written to assure that Government action in none of these fields will do anything but supplement and assist the operations of private

enterprise. No public housing can receive Federal aid unless there is a demonstrated need that private enterprise cannot serve, and even then a 20-percent gap must be established between the highest rentals for admission into public housing and the lowest rentals at which good private housing, new or old, can be obtained. Private enterprise is also to have the primary responsibility for the redevelopment of slum and blighted areas acquired with Federal aid for redevelopment.

The bill, in short, has been designed and written both to meet the practical requirements growing out of our slums and our over-all housing needs, and at the same time to preserve and strengthen the capacity both of private enterprise and of the local community to do the major part of the job.

It is a bill that first of all undertakes to determine where we are heading in our housing policy, to define the method and framework in which our housing programs are to be conceived and carried out, and then to provide the additional instruments that the country needs to cope with its entire housing problem. This House is now called upon to act upon the proposition of whether a decent place to live and work and rear a family is a reasonable and proper hope of American citizens.

I am for this bill for a very simple reason. I was born in a Newark slum and spent my childhood years in it. I know from personal experience what it is to live in slum surroundings. I can assure you that most of the families who experience the bitter life of the slums look forward to the time when it will be possible to move out of them.

You have heard opponents of this bill say that it is untimely, costly, and unnecessary; that our housing has improved progressively and greatly over the years. A month ago I set out to see for myself. I argued that the first ward in Newark, inhabited by some 20,000 people—the slum in which I was born and lived my early years—would be a good place to see the housing progress claimed by opponents of H. R. 4009. But I found no progress. The slum that had been there when I was born was still there. The only difference was that it was dingier, more dilapidated, more crowded. It was in every way worse than it had been in my childhood. I visited the third ward, also densely populated and another slum area of Newark, and found there conditions paralleling those in the first ward.

In both wards I talked with people who lived there. They talked about their kids and how they hoped that these growing children might live their lives in better surrounding than are afforded by the slums of Newark. I visited nearby cities. The story was the same.

My feeling about the need for this bill is not academic. I have been an active participant in the organization known as the Youth Movement for Rehabilitation of Delinquent Boys. I know the surroundings most delinquent boys come from. The evidence is overwhelming that the slums with their poverty, their dirt, and their ill health are breeding grounds for delinquency. If we wipe out the slums we will have taken a long step toward ending the conditions that foster juvenile delinquency. If we provide the opportunity for decent housing and wholesome play in proper neighborhoods, we can significantly reduce juvenile delinquency.

This is not just mere talk. A number of studies have been made comparing juvenile delinquency in slums and in public housing. One was made in Newark by a Newark University professor. He found that the delinquency rate was 21 percent lower in three public-housing developments as compared with three slum areas. Two of the slums he studied were these same two wards I recently visited.

He reported also that the public housing projects had 45 percent fewer cases of tuberculosis, 15 percent fewer infant deaths, 31 percent fewer cases of children's diseases, 37 percent more births, 74 percent fewer fires, and 100 percent fewer deaths from home accidents. Moreover, the effect of rehousing upon the children in their school life was remarkable. They showed a 7-percent improvement in attendance, 10-percent improvement in academic grades, 16-percent improvement in personality development grades, and 19-percent improvement in health habit grades. Can this be measured in dollars and cents?

Since my visit to Newark and adjoining cities, I have received letters from my constituents, including some from children, urging and pleading with me to support any legislation that will help them to better housing. I welcome their letters, but I do not need to be urged to support this bill. I know at first hand that it is a necessary measure. I am convinced that this Congress can make no greater contribution to the welfare of the Nation than to provide the tools that will enable American cities, large and small, to strike a death blow at the slums.

I am for the urban-redevelopment title of this measure because I know my own city must have help if it is to clear away the blight and rot that afflict it. Newark is not the only city that needs this help. The mayors of other cities tell the same story. The problem we face is a national problem. It is a matter of saving our cities from decay.

I am for the public-housing title of the pending bill because we cannot afford to view this problem only in terms of the physical condition of the cities or as a tax problem or as a planning problem. It is all of these things, but it is also a problem of people. We will not be making progress if we clear the slums and forget to provide homes for the people who live in them. The simple truth is that many of the families who live in the slums cannot afford adequate housing. They are low-income families but they are not improvident nor destitute. They are self-respecting, competent members of our society. In other respects, they are providing for themselves and their children. But the cost of housing today puts good homes beyond their means. The public-housing title of this bill offers a tested and successful method of making good homes available to them.

When I have the opportunity, I will be proud to say that I voted for this bill and all it means to the families of America.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 96. Concurrent resolution authorizing the Clerk of the House, in the enrollment of the bill (H. R. 4332) to make a change.

IMPORT CONTROLS ON CERTAIN COMMODITIES

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5240) to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils, and rice and rice products.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, would the gentleman from Kentucky, chairman of the committee, explain the bill briefly, and also the amendment which I understand he intends to offer?

Mr. SPENCE. Mr. Speaker, this bill merely continues the controls which now exist over the importation of fats and oils. The bill as originally drafted provided for an extension for a year and a half, but at the request of some of the Members we intend to offer an amendment which makes the extension for 1 year. The Department of Agriculture says it is very essential that these controls be continued. I can see no objection to the extension of the controls. There was no objection to the bill in committee and it was unanimously reported, as I recall.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. MURRAY of Wisconsin. Mr. Speaker, I wish to call to the attention of the Congress the fact that this legislation is a little bit difficult to understand. The people who voted for the reciprocal trade treaties a few weeks ago may find it is easier to pass this bill than to face the facts. In the first place, the President, under section 22 of the AAA Act has this authority. This bill

is not necessary at all. I think it would be very appropriate to have a roll call on this bill to find out exactly who it was that supported the reciprocal trade treaties by so voting a few weeks ago. Then we could check up and see if they were for the treaties for everything but vegetable oils. So far as fats and vegetable oils are concerned, more of them were exported in 1948 than were imported. So it would be a good test, I am sure, to have a roll call to find out exactly where you stand on this import business.

I realize it is easy to vote this resolution without a roll call and still not be recorded against the trade treaties. I am for this resolution and voted against the New Deal brand of reciprocal trade treaties. Our vegetable oil friends are for free or freer trade except what is grown in the South.

In 1948 there were imports of $104,596,000 worth of animal and vegetable oils and fats. There was exported $104,000,000 worth of vegetable oil; $420,000 worth of animal fats. Of the vegetable oil imports palm oil accounted for $11,000,000; cocoanut oil, $21,000,000, and tung oil, $27,000,000. Butter imports were $176,000 in value.

In 1948 there were exports totaling $153,603,000 worth of animal and vegetable fats and oils. Of this amount exported there were $20,300,000 worth of soy bean oil; $8,700,000 cotton seed oil; $9,000,000 linseed oil; oleo $1,107,000. The animal fat and oil exports were $87,803,000 in value, and $70,000,000 worth of these exports was of lard.

The League of Women Voters might not be pleased to have the administration leaders use this indirect method of avoiding the effects of the reciprocal trade treaties.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, as amended, and the amendments to existing law made by such title shall continue in effect until January 1, 1951, for the purpose of authorizing the exercising, administering, and enforcing of import controls with respect to fats and oils (including oil-bearing materials, fatty acids, butter, soap and soap powder, but excluding petroleum and petroleum products) and rice and rice products, upon a determination by the President that such controls are (a) essential to the acquisition or distribution of products in world short supply or (b) essential to the orderly liquidation of temporary surpluses of stocks owned or controlled by the Government: *Provided, however*, That such controls shall be removed as soon as the conditions giving rise to them have ceased.

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 1, line 6, strike out "January 1, 1951", where such appears therein, and insert in lieu thereof "July 1, 1950."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time; was read the third time and passed.

The title was amended so as to read: "A bill to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products."

A motion to reconsider was laid on the table.

DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, AND RELATED INDEPENDENT AGENCIES APPROPRIATION BILL—CONFERENCE REPORT

Mr. FOGARTY, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 3333) making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1950, and for other purposes, which was referred to the House Calendar and ordered printed:

CONFERENCE REPORT (H. REPT. No. 892)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 12, 13, 15, 19, 26, 29, 35, 36, 37, 38, and 40.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 16, 17, 18, 20, 27, and 28, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,975,600"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$16,600,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$18,900,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,725,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,350,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,675,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,575,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,367,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "996,800"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 25 and 39.

JOHN E. FOGARTY,
E. H. HEDRICK,
CHRISTOPHER C. MCGRATH,
CLARENCE CANNON,
FRANK B. KEEFE,
ERRETT P. SCRIVNER,
Managers on the Part of the House.

DENNIS CHAVEZ,
PAT MCCARRAN,
HOMER FERGUSON,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF LABOR

Amendment No. 1: Appropriates $1,154,000 for salaries and expenses, Office of the Secretary, as proposed by the Senate instead of $1,074,000 as proposed by the House.

Amendment No. 2: Appropriates $1,093,900 for salaries and expenses, Office of the Solicitor, as proposed by the Senate instead of $1,064,200 as proposed by the House.

Amendment No. 3: Appropriates $550,000 for salaries and expenses, Bureau of Labor Standards, as proposed by the Senate instead of $391,000 as proposed by the House.

Amendment No. 4: Appropriates $5,506,500 for salaries and expenses, Bureau of Labor Statistics, as proposed by the Senate instead of $5,450,000 as proposed by the House.

Amendments Nos. 5 and 6: Appropriate $5,252,000 for salaries and expenses, Wage and Hour Division, as proposed by the Senate instead of $5,361,000 as proposed by the House, and strike out, as proposed by the Senate, the language identifying the functions under the Fair Labor Standards Act relating to the recommended reduction below the amount in the House bill. The effect of this action and action recommended on amendment No. 3 is to transfer the youth

employment and child labor research activities to the Bureau of Labor Standards.

TITLE II—FEDERAL SECURITY AGENCY

Amendment No. 7: Makes available, as proposed by the Senate, not to exceed $46,000 of the appropriation of the Bureau of Employees' Compensation for expenses of the compensation Board of Appeals, instead of not to exceed $41,000 proposed for that purpose by the House.

Amendment No. 8: Adds clarifying language to the appropriation for certification and inspection services under the Food and Drug Administration.

Amendments Nos. 9 and 10: Appropriate $19,842,760 for grants for further development of vocational education, as proposed by the House instead of $29,301,740 as proposed by the Senate, and restores the language of the House bill providing for apportionment to the States to be computed on the basis of not to exceed $19,842,760.

Amendments Nos. 11 and 12: Appropriate $1,975,600 for salaries and expenses, Office of Education, instead of $1,860,000 as proposed by the House and $2,009,800 as proposed by the Senate, and restore the provision of the House providing that not less than $522,300 shall be available for the Division of Vocational Education. The amount recommended for this appropriation includes $75,600 for the surplus property donation program.

Amendment No. 13: Appropriates $16,000,000 for venereal diseases, Public Health Service, as proposed by the House instead of $17,200,000 as proposed by the Senate.

Amendment No. 14: Appropriates $16,600,000 for assistance to States (general), Public Health Service, instead of $13,600,000 as proposed by the House and $16,800,000 as proposed by the Senate.

Amendment No. 15: Appropriates $7,350,000 for communicable diseases under the Public Health Service as proposed by the House instead of $7,450,000 as proposed by the Senate. The managers on the part of the House and the Senate are in agreement that only a portion of the reduction below the budget estimate should be applied to the malaria- and typhus-control programs.

Amendment No. 16: Appropriates $1,200,000 for administrative expenses, assistance for hospital construction, as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendments Nos. 17 and 18: Appropriate $11,612,000 for mental-health activities of the Public Health Service, as proposed by the Senate instead of $11,387,000 as proposed by the House, of which amount $2,888,000 is earmarked for operation of the Fort Worth and Lexington hospitals as proposed by the Senate instead of $2,663,000 as proposed by the House.

Amendment No. 19: Appropriates $167,000 for expenses of the Public Health Service in connection with Federal employee health service programs as proposed by the House instead of $267,000 as proposed by the Senate.

Amendment No. 20: Appropriates $12,075,000 for operating expenses of the National Institutes of Health as proposed by the Senate instead of $11,800,000 as proposed by the House. Of the increase allowed, $50,000 is to be used, as intended by the Senate, for direct research in gastroenterology and coordinated with research on carcinoma of the stomach under the National Cancer Institute.

Amendments Nos. 21 and 22: Appropriate $18,900,000 for the National Cancer Institute, instead of $16,400,000 as proposed by the House and $21,650,000 as proposed by the Senate, and in addition provide $6,000,000 contractual authority for research and training grants instead of $5,000,000 as proposed by the House and $15,500,000 as proposed by the Senate.

Amendments Nos. 23 and 24: Appropriate $10,725,000 for the National Heart Institute, instead of $7,725,000 as proposed by the House and $16,392,000 as proposed by the Senate, and in addition provide $5,350,000 contractual authority for research and training grants instead of $3,850,000 as proposed by the House and $12,725,000 as proposed by the Senate.

Amendment No. 25, relating to the National Institute of Dental Research, is reported in disagreement.

Amendment No. 26: Strikes out a new item of appropriation proposed by the Senate for special vital statistics projects.

Amendment No. 27: Appropriates $1,200,000 for salaries and expenses, water-pollution control, as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 28: Appropriates $1,820,000 for salaries and expenses, St. Elizabeths Hospital, as proposed by the Senate instead of $1,750,000 as proposed by the House.

Amendment No. 29, relating to grants to States for unemployment compensation and employment service administration, authorizes apportionment and obligation of the appropriation during the first 9 months of fiscal year 1950 at an annual rate not in excess of $157,500,000 as proposed by the House instead of $160,000,000 as proposed by the Senate.

The managers on the part of the House and the Senate have discussed the facts and circumstances underlying the comments contained in the reports of the committees on this bill with respect to activities of the Interstate Conference, an organization of State employment security administrators. The conferees of both Houses desire to supplement those comments by stating that they were not intended to disturb the cooperative working relationship existing among the State agencies and between the conference and the Federal agencies concerned as regards problems of administration of this Federal-State program. It is agreed, also, that the status quo of the office of the secretary to the conference should be preserved until opportunity is available next year for further consideration of this aspect of the arrangement. The committees are, however, interested in assuring that the efforts of the conference are in the zone of dealing with common problems arising in administration of the program in the States, and therefore in the States' interest, and will wish to review periodically the practical application of the arrangement.

Amendments Nos. 30 and 31: Appropriate $4,675,000 for salaries and expenses, Bureau of Employment Security, instead of $4,450,000 as proposed by the House and $4,900,000 as proposed by the Senate, of which $1,575,000 is allocated for carrying into effect title IV (except sec. 602) of the GI bill of 1944, instead of 1,350,000 as proposed by the House and $1,800,000 as proposed by the Senate.

Amendments Nos. 32 and 33: Appropriate $2,367,000 for salaries for the Office of the Administrator instead of $2,292,000 as proposed by the House and $2,418,000 as proposed by the Senate, together with transfer from the Federal old-age and survivors' insurance trust fund of not to exceed $325,000 instead of $300,000 as proposed by the House and $335,000 as proposed by the Senate.

Amendment No. 34: Appropriates $996,800 for salaries and expenses for the Division of Service Operations instead of $944,800 as proposed by the House and $1,043,000 as proposed by the Senate.

Amendment No. 35: Strikes out a section, proposed by the Senate, authorizing the Administrator to make transfers of funds related to administrative consolidations of functions in the Office of the Administrator.

Amendments Nos. 36 and 37: Relate to section numbers.

TITLE IV—RAILROAD RETIREMENT BOARD

Amendments Nos. 38, 39, and 40, relating to military service credits under the Railroad Retirement Act: The Senate provided for an appropriation of the full amount of $166,852,000 estimated to be due for these credits as of June 30, 1948, such amount to become available to the Board in four equal payments of $41,713,000 in each of the fiscal years 1950, 1951, 1952, and 1953. The Senate has receded on amendments Nos. 38 and 40 in view of the course of action agreed upon with respect to amendment No. 39, which is reported in disagreement and explained subsequently herein.

AMENDMENTS REPORTED IN DISAGREEMENT

Amendment No. 25, relating to the National Institute of Dental Research: The managers have directed that a motion be made that the House recede from its disagreement to the amendment of the Senate No. 25 and concur therein with an amendment, the substance of which will be to provide $100,000 for plans and specifications for buildings and facilities in lieu of the Senate proposal to appropriate the entire amount of $2,000,000 for plans, construction, and equipment.

Amendment No. 39, relating to military service credits under the Railroad Retirement Act: The managers have directed that a motion be made that the House recede from its disagreement to the amendment of the Senate No. 39 and concur therein with an amendment, the substance of which will be to appropriate only $33,000,000 for fiscal year 1950, and an equal amount for each of the years 1951, 1952, and 1953, and in addition not more than $34,852,000 for 1954 with provision making payment of the latter amount subject to final determination of the actual total amount due the account for these credits. This is in lieu of the Senate proposal to appropriate the full amount with provision for payment over a 4-year period.

In conjunction with the motion to be offered, language already in the bill would provide a total of $748,889,000 available in fiscal year 1950 for making benefit payments and trust fund investments. The motion would also appropriate, in the future years specified, funds for military-service credits and thereby supplement the regular appropriation of retirement taxes for payments and investments.

JOHN E. FOGARTY,
E. H. HEDRICK,
CHRISTOPHER C. MCGRATH,
CLARENCE CANNON,
FRANK B. KEEFE,
ERRETT P. SCRIVNER,
Managers on the Part of the House.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill, H. R. 3333, making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1950, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island for the immediate consideration of the conference report?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 25, page 25, line 3, insert: "Research facilities, National Institute of Dental Research: For the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, as authorized by section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), $2,000,000, to remain available until expended, which amount, except such part as may be necessary for incidental expenses for the Public Health Service, shall be transferred to the Federal Works Agency for the performance of the work for which the appropriation is made."

Mr. FOGARTY. Mr. Speaker, I submit a motion, which is on the Clerk's desk.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate No. 25, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"Research facilities, National Institute of Dental Research: For the preparation of plans and specifications for suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, as authorized by section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), $100,000, to remain available until expended, which amount, except such part as may be necessary for incidental expenses for the Public Health Service, shall be transferred to the Federal Works Agency for the performance of the work for which the appropriation is made."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: Page 41, line 21, insert the following language: "of the amount of $166,852,000, included herein as an appropriation for military service credits under the Railroad Retirement Act, $41,713,000 shall become available in the fiscal year 1950, and $41,713,000 shall become available in each of the fiscal years 1951, 1952, and 1953: *Provided further*, That."

Mr. FOGARTY. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. FOGARTY moves that the House recede from its disagreement to the amendment of the Senate No. 39 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following: "there is further appropriated for such account $33,000,000 for each of the fiscal years 1950, 1951, 1952, and 1953, and not to exceed $34,852,000 for the fiscal year 1954, in all not to exceed $166,852,000 for military-service credits under the Railroad Retirement Act, as amended, and before the final payment hereunder the Railroad Retirement Board shall certify to the Bureau of the Budget the total amount due on account of such military service credits: *Provided further*, That."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I should like to make a brief statement summarizing the results of the conference report on this bill. I believe the conference recommendations represent a satisfactory settlement of the differences between the House and Senate versions, taking all factors into consideration. This bill, as Members know, contains many items which directly affect the health and welfare of the people. Items for cancer, heart, dental, and mental health just to mention a few, are very appealing and I feel sure most of us agree that they are very worth while. In total much of the money in this bill is virtually beyond the control of the appropriating committees.

In addition to appropriated funds, the bill carries substantial amounts in the form of contract authorizations and, therefore, in my explanation I shall recite figures dealing with both classes of authorities. In summary, the bill as it came from the Senate carried increases totaling $199,133,180 of appropriated funds above the House bill. In contract authorizations the Senate increased the House bill by $19,375,000, or a total increase above the House bill of $218,508,180. The Senate bill was also $204,142,980 in excess of the budget estimates for the items embraced by the bill. These summary comparisons will give some indication of the difficulty confronting the House conferees in attempting to hold the total close to the total of the House bill.

As I said, I believe we have brought in a report which will meet with approval, especially after the totals are considered. For example, of the total increase of $218,508,180 by the Senate, the House conferees have agreed to $45,753,800, and the Senate conferees have receded to the extent of $172,754,380 insofar as actual appropriations and contract authorizations for the fiscal year 1950 are concerned. The following tabulation shows the various totals and comparisons thereof:

Labor-Federal Security appropriation bill, 1950—summary comparison of conference recommendations

Agency	House	Senate	Conference	Conference compared with—	
				House	Senate
Labor Department	$16,550,000	$16,766,200	$16,766,200	+$216,200	
FSA	1,478,426,585	1,510,491,565	1,488,464,185	+10,037,600	−$22,027,380
Mediation Board	928,500	928,500	928,500		
Railroad Retirement Board	715,889,000	882,741,000	[1] 748,889,000	+33,000,000	−133,852,000
Total	2,211,794,085	2,410,927,265	2,255,047,885	+43,253,800	−155,879,380
Contracts: FSA	106,707,300	126,082,300	109,207,300	+2,500,000	−16,875,000
Grand total	2,318,501,385	2,537,009,565	2,364,255,185	+45,753,800	−172,754,380

[1] Represents actual appropriation to be available in fiscal year 1950.

It will be noted from the foregoing tabulation that the conferees recommend an increase of $216,200 over the House bill for the Department of Labor. That is for work in the international labor relations field which the House committee did not have time to give full consideration to when the hearings were held last February.

As to the Federal Security Agency, the conferees recommend $10,037,600 more than was in the House bill but $22,027,380 below the Senate bill. Various items are embraced within those two amounts and are identified in more detail in the statement accompanying the conference report.

The largest single item in conference, appropriation-wise, was the item of $166,852,000 added by the Senate to the appropriation for the Railroad Retirement Board for military service credits. That item was not included in the budget estimates or the House bill, although when the hearings were held by our committee last February, consideration was given to the item. It was the feeling of our committee at that time that after careful consideration it would be more advisable under all the circumstances to go along with the budget recommendations and not appropriate at this time. However, the Senate believed otherwise and included the full appropriation of $166,852,000 with language providing that $41,713,000 of the total should become available to the Railroad Retirement Board in fiscal year 1950 and an equal amount in each of the fiscal years 1951, 1952, and 1953. In conference we did not agree that the full amount should be appropriated for 1950. Also, we felt that there should be some provision made for a report to the Bureau of the Budget, and subsequently to the Congress, as to the exact amount due the retirement trust fund for these credits before the final appropriation is made. Therefore, the conference proposal is to appropriate only $33,000,000 for the fiscal year 1950, rather than appropriate the full amount, and to make an equal appropriation for each of the years 1951, 1952, and 1953, and, in addition, not more than $34,852,000 for 1954, subject, as I have previously indicated, to a final determination of the actual amount due the Board for these military service credits.

AGRICULTURE APPROPRIATION BILL, 1950

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Managers on the part of the House may have until midnight to night to file a conference report on the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES — CLERK HIRE FOR MEMBERS OF CONGRESS; INCREASE OF SALARIES FOR TOP EXECUTIVE OFFICIALS (H. DOC. NO. 238)

The SPEAKER laid before the House the following message from the President of the United States which was read, and together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

I have today approved H. R. 4583, relating to telephone and telegraph service and clerk hire for Members of the House of Representatives. This act provides an additional allowance of $3,000 a year for each Member of the House of Representatives for clerk hire and authorizes an allowance of $500 a year for each Member for sending telephone and telegraph communications.

I have signed this act willingly, for I believe that it is in the interest of the Government and of the people to provide for the efficient conduct of the public business. I have no doubt that the benefits derived from this legislation will fully justify its cost, which is relatively small in the light of the magnitude of the problems confronting the Government.

I feel constrained to point out to the Congress again, however, an opportunity which it has for a greater improvement of the public service than will be accomplished by this legislation, and at approximately the same cost. I have heretofore recommended that the Congress enact legislation to raise the salary scales for the heads and assistant heads of executive departments and other officials of the executive branch having comparable responsibilities. Bills for this purpose have been reported from committees in both Houses of Congress and have been on their respective calendars for weeks. Though the salaries provided in these bills are not, in my judgment, fully commensurate with the great responsibilities of the positions involved, they would substantially better the present demoralizing situation. The cost of this legislation would be approximately $1,300,000 annually, compared with $1,314,000 for clerk hire alone under H. R. 4583, which I have just signed.

Important as it is for Members of the Congress to have adequate clerical assistance, it is at least of equal importance to have men of ability in the key executive positions in the Government. The best of laws can be ruined by poor administration. The success or failure of all the things the United States Government undertakes to do depends in large measure upon the wisdom and ability of these executives. It is upon them that we must rest most of our hopes for economy and efficiency in the Government. Even a small improvement in the economy and efficiency of the vast operations under the direction of these men is obviously of much greater consequence than the cost of the proposed salary increases. The soundness of this principle has been demonstrated in American business concerns, where it is well recognized that the success or failure of an enterprise depends largely upon its executive officers, and their salaries are fixed accordingly.

The relative salary position of Federal executives has become increasingly worse during recent years. There has been no increase in the salaries of Cabinet officers since 1925. Members of important commissions whose salaries were set at $10,000 many years ago still get the same amount. For example, the salaries of Federal Trade Commission members were fixed at $10,000 in 1914 and have never been raised, although in terms of real income that amount, even before taxes, is less than half of what it was 35 years ago. The absurdity of the present situation is illustrated by the fact that many Federal executives now have assistants who receive higher salaries than they do.

The Congress has already recognized the need for greater compensation for other groups of Federal officers and employees, including the Members of Congress themselves. Prior to 1925 Senators and Representatives received an annual salary of $7,500 each. At the same time Cabinet officers received $12,000 and members of important boards and commissions received $10,000. In 1925 the salaries of Senators and Representatives were increased to $10,000 and those of Cabinet officers were increased to $15,000. No corresponding general increase was made in the salaries of other executive officers. In 1946 the Congress further increased the salaries of Senators and Representatives to $12,500, and at the same time provided for each of them a tax-free expense allowance of $2,500. Because this allowance is tax-free, the compensation of Members of Congress is now equivalent to approximately $16,000 a year. Thus the compensation of Senators and Representatives has been more than doubled in the last 25 years, while there has been no general increase at all in the salaries of the executive officials here in question.

Over this same 25-year period the salaries of Federal judges have also been substantially increased. The salaries of district and circuit judges have been doubled, and those of Supreme Court Justices have been increased by more than two-thirds.

The Congress has also raised the compensation of the President, the Vice President, and the Speaker of the House of Representatives. The annual salary of the President was increased from $75,000 to $100,000 earlier this year, and at the same time he was provided with a $50,000 tax-free expense allowance. While this increase was made without any recommendation or suggestion on my part, I am grateful to the Congress for the spirit which moved it to enact the increase speedily in order that I might receive its benefits. Nevertheless the proposed increases for other officers in the executive branch, besides resulting in far greater public benefit than the increase in the President's salary, would actually do more to improve the President's personal situation than the increase in his own salary. For one of the greatest burdens of the Presidency is in finding and keeping good men for big jobs, and under present conditions that is a most difficult task.

The Congress has already recognized the need for increased compensation for Federal employees below the top executive level. Since 1945 the rates of compensation for these employees have been increased three times, largely to meet increased living costs. These increases have been proportionately greater in the lower grades than in the higher, and in the lower grades the total increases range up to 96 percent. The salary schedules for Federal employees still need revision, and I have recommended such revision to the Congress.

I thoroughly approve of adequate salaries for all our Federal employees. Increased prosperity for our Nation depends upon the constant betterment of the living standards of the great body of our citizens. In the promotion of the general welfare, Federal employees should not be neglected. However, I am urging increased compensation for Federal executives not primarily as a matter of equity—although it is well justified on equitable grounds—but primarily as a matter of good business from the standpoint of the Government.

It is customary in private industry for an executive to be paid many times as much as he would be paid for comparable work in Government service. Salaries of $50,000 to $100,000 a year in private industry are not uncommon. In 1948, General Motors Corp. paid to 53 of its officers and directors an average salary of $51,760 each. The 15 top executives of the du Pont Co. were paid an average salary of $213,175 each—an aggregate amount for these 15 men greater than the total salaries now paid to all the 250 or so Federal officers whose salaries would be increased by the legislation before the Congress.

When it is considered that the responsibilities of many top Government executives are far greater than those of any private executive in the Nation, it is evident why the Government has great difficulty in obtaining and keeping the best men. Even when they are prevailed upon as a matter of public duty to serve in the Government, too often they find that they can afford to serve for a limited time only. Thus men are lost to the Government just when they have had the experience which brings them to the peak of their effectiveness. Such a process is obviously poor business and any apparent saving in funds for salaries is obviously a disservice to the taxpayers.

These truths were clearly recognized by the Commission on Organization of the Executive Branch. That Commission urged more realistic salaries for Federal executives as a means of achieving greater economy and efficiency in governmental activities. The legislation for increased executive salaries now pending in the Congress is fully supported by the recommendations of that Commission. So long as the Congress fails to take this simple and obvious step

to improve the Government service, there will be an important gap in our efforts to achieve economy and efficiency.

For the compelling reasons set forth above, I believe that the legislation now pending to increase the salaries of officers in the executive branch is a fundamental step toward the more effective operation of the Government. Therefore, I again urge the Congress to complete favorable action upon this legislation at an early date.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 23, 1949.*

EXPENSES OF INVESTIGATION CONDUCTED BY COMMITTEE ON FOREIGN AFFAIRS

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 237) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations, authorized by House Resolution 206, Eighty-first Congress, incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of such experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXPENSES OF INVESTIGATION CONDUCTED BY COMMITTEE ON AGRICULTURE

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 210) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 112, Eighty-first Congress, incurred by the Committee on Agriculture, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of accountants, experts, investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee or subcommittee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendments:

Page 1, line 8, strike out "or subcommittee."

Page 1, line 10, strike out "or subcommittee."

The committee amendments were agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 233), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 215, Eighty-first Congress, incurred by the Committee on Merchant Marine and Fisheries, acting as a whole or by subcommittee, not to exceed $100,000, including expenditures for employment of accountants, experts, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

With the following committee amendment:

On page 1, line 5, strike out "$100,000" and insert "$50,000."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SMITHSONIAN INSTITUTION

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (H. R. 2290) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Smithsonian Institution is hereby authorized to cooperate with any State, educational institution, or scientific organization in the United States for continuing paleontological investigations, and the excavation and preservation of fossil remains, in areas which will be flooded by the construction of Government dams or otherwise be involved in work related thereto.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $65,000, which shall be available until expended for the above purposes: *Provided,* That at such time as the Smithsonian Institution is satisfied that any State, educational institution, or scientific organization in any of the United States is prepared to contribute to such investigation and when in its judgment such investigation shall appear meritorous, the Secretary of the Smithsonian Institution may direct that an amount from this sum equal to that contributed by such State, educational institution, or scientific organization be made available for cooperative investigation: *Provided further,* That all such cooperative work be carried on by mutual agreement between the Secretary of the Smithsonian Institution and the representative of the State, educational institution, or scientific organization involved: *Provided further,* That where lands are involved which are controlled by the Government of the United States, cooperative work thereon shall be under the provisions of the Antiquity Act of 1906 and the uniform rules and regulations pertaining thereto.

With the following committee amendments:

Page 1, line 9, strike out all after the word "be" and insert in lieu thereof the following: "made unavailable for such investigations because of such construction: *Provided,* That such investigations and activities shall not duplicate nor affect adversely similar operations being conducted by the Department of the Interior in cooperation with the Smithsonian Institution."

Page 2: Strike out lines 1 to 21, inclusive and insert the following matter:

"SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $65,000, which shall be available until expended for the above purposes: *Provided,* That at such time as the Smithsonian Institution is satisfied that any State agency, or any educational institution or scientific organization in any of the United States, is prepared to contribute to such investigation and when in its judgment such investigation shall appear meritorious, the Secretary of the Smithsonian Institution may make available for such investigation such amounts from this sum as shall be equal to the amounts contributed respectively by each such State agency, or educational institution or scientific organization: *Provided further,* That the amount to be made available from this sum for such investigation in cooperation with each such State agency, or educational institution or scientific organization, shall not exceed $5,000 in any fiscal year: *Provided further,* That all such cooperative work and division of the result thereof shall be under the direction of the Secretary of the Smithsonian Institution: *And provided further,* That where lands are involved which are controlled by the Government of the United States, cooperative work thereon shall be under the provisions of the Act of June 8, 1906 (16 U. S. C. 432, 433), and rules and regulations pertaining thereto."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION IN THE DISTRICT OF COLUMBIA OF A STATUE TO SIMON BOLIVAR

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 240) authorizing the erection in the District of Columbia of a statue to Simon Bolivar.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this is merely authorization to receive a statue that will be constructed through private subscription. Is that a fact?

Mrs. NORTON. That is right.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized and directed to grant authority to the Simon Bolivar Memorial Foundation, Washington, District of Columbia, to erect a bronze statue of the liberator, Simon Bolivar, the gift of the Government of Venezuela, including pedestal, on an appropriate site on grounds now owned by the United States in the District of Columbia: *Provided,* That the site chosen shall be approved by the National Commission of Fine Arts, and the United States shall be put to no expense in or by the erection of this statue and proper landscape treatment of the site, so as to provide a proper setting, including planting, walks, and curbs: *Provided further,* That unless the erection of this statue is begun within 5 years from and after the date of passage of this joint resolution, the authorization hereby granted is revoked.

With the following committee amendment:

On page 1, line 9, after the word "That", insert the following: "the design of the statue, including pedestal, and."

The committe amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGIN ISLANDS CORPORATION

Mr. PETERSON. Mr. Speaker, I call up the conference report on the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 870)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, in order to promote the general welfare of the inhabitants of the Virgin Islands of the United States through the economic development of the Virgin Islands, there is hereby created a body corporate to be known as the Virgin Islands Corporation, hereinafter referred to as the "Corporation." The Corporation shall be subject to the general direction of the President of the United States, or the head of such agency as he may designate as his representative.

"SEC. 2. The Corporation shall have its principal offices in the Virgin Islands and in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be an inhabitant of each of these jurisdictions. The Corporation may establish offices in such other place or places as it may deem necessary or appropriate in the conduct of its business.

"SEC. 3. Subject to the provisions of the Government Corporation Control Act, the Corporation is authorized to engage in the following activities when its finds that such activities will further the purposes of this Act and will not conflict with the encouragemen and promotion of private enterprise in the Virgin Islands:

"(a) To examine, investigate, and conduct research and experimentation in the marketing, distributing, advertising, and exporting of products or resources of the Virgin Islands, and to make known the results of such activities.

"(b) To encourage and promote the investment of private capital in industrial, agricultural, commercial, or related enterprises, undertakings, or activities in the Virgin Islands. Insofar as may be possible without jeopardizing the maximum development of the industrial, agricultural, commercial, and related resources of the Virgin Islands for the public good, the Corporation shall formulate its policies so as to encourage and promote the investment of capital owned by residents of the Virgin Islands.

"(c) To engage in land-use planning to the end that the most economic and socially beneficial use may be made of the soil of the Virgin Islands, and to encourage and assist private persons and organizations to act in accordance with the results of such planning.

"(d) To encourage and engage in the business of providing, whenever adequate facilities are not otherwise available, transportation for persons and property between the Virgin Islands and to and from the Virgin Islands, Puerto Rico, and Tortola.

"(e) To encourage, promote, and develop, and to assist in the encouragement, promotion, and development of, tourist trade in the Virgin Islands.

"(f) To encourage the establishment and development of small farms and small farm communities in the Virgin Islands, and, for that purpose, to construct, equip, improve, and supervise such small farms or communities and to give other assistance to them.

"(g) To make loans to any person for the establishment, maintenance, operation, construction, reconstruction, repair, improvement, or enlargement of any industrial, commercial, agricultural, or related enterprise, undertaking, or activity in the Virgin Islands whenever such loans are not available from private sources. All loans so made shall be of such sound value or so secured as reasonably to assure repayment, taking into consideration the policy of the Congress that the lending powers of the Corporation shall be administered as a means for accomplishing the purposes stated in section 1 of this Act, and shall bear interest at a rate not exceeding 6 per centum per annum. It shall be the general policy of the Corporation to establish interest rates on loans, subject to the foregoing limitations, that, in the judgment of the Board of Directors, will at least cover the interest cost of funds to the United States Treasury other expenses of the lending activities of the Corporation, and a risk factor which, over all, should provide for losses that may materialize on loans. The loans made under the authority of this paragraph outstanding at any one time shall not exceed a total of $5,000,000.

"(h) To establish, maintain, operate, and engage in, upon its own account, any appropriate enterprise, undertaking, or activity for the development of the industrial, commercial, mining, agricultural, livestock, fishery, or forestry resources of the Virgin Islands: *Provided,* That the Corporation shall not engage in the manufacture of rum or other alcoholic beverages.

"SEC. 4. The Corporation shall have, and may exercise, the following general powers in carrying on the activities specified in section 3 of this Act:

"(a) To have succession until June 30, 1959, unless sooner dissolved by Act of Congress.

"(b) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) To adopt, amend, and repeal bylaws governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

"(d) To sue and to be sued in its corporate name.

"(e) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

"(f) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this Act, and on such terms as may be prescribed by the Corporation.

"(g) To enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, or with any State, Territory, or possession, or with any political subdivision thereof, or with any person, firm, association, or corporation, as may be deemed necessary or appropriate to the conduct of the activities authorized by this Act, and on such terms as may be prescribed by the Corporation: *Provided,* That in no case shall the Corporation contract to undertake an activity for any agency or instrumentality of the United States, or for any State, Territory, or possession, or for any political subdivision thereof, unless the latter is authorized by law to undertake such activity and furnishes the funds for such purpose.

"(h) To execute all instruments necessary or appropriate in the exercise of any of its functions.

"(i) To appoint, without regard to the provisions of the civil-service laws, such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation; to fix and pay such compensation to them for their services as the Corporation may determine, without regard to the provisions of the classification laws except to the extent that these laws may be extended to the Corporation by the President of the United States; and to require bonds from such of them as the Corporation may designate, the premiums therefor to be paid by the Corporation. In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such officials or employees, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any member of said board who is found by the President of the United States or his representative to be guilty of a violation of this section shall be removed from office by the President of the United States, and any appointee of said board who is found by the board to be guilty of a violation of this section shall be removed from office by said board. Persons employed by the Corporation shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945, as amended. The Corporation shall give due consideration to residents of the Virgin Islands in the selection and promotion of its officers and employees.

"(j) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

"(k) To have, in the payment of debts out of bankrupt or insolvent estates, the priority of the United States.

"(l) To accept gifts or donations of services, or of property—real, personal, or mixed, tangible or intangible—in aid of any of the activities authorized by this Act.

"(m) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

"(n) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

"SEC. 5. The Corporation in carrying on the activities authorized by this Act shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government, or of the government of the Virgin Islands; and shall not engage in any undertaking which substantially duplicates an undertaking previously initiated and currently being prosecuted within the Virgin Islands by any such agency or instrumentality.

"SEC. 6. (a) The Corporation is authorized to obtain money from the Treasury of the United States, for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of $9,000,000 outstanding at any one time. For this purpose appropriations not to exceed $9,000,000 are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Corporation from the revolving fund when requested by the Corporation. Not to exceed a total of $2,750,000 shall be appropriated under any authority contained in this Act for the period ending June 30, 1951, comprising the fiscal years 1950 and 1951.

"(b) As the Corporation repays the amounts thus obtained from the Treasury, the repayments shall be made to the revolving fund.

"SEC. 7. (a) The Corporation is hereby authorized to use its funds, from whatever source derived in the exercise of its corporate powers and functions: *Provided, however,* That the Corporation shall not undertake any new types of activities or major activities not included in the budget program submitted to the Congress pursuant to section 102 of the Government Corporation Control Act, except when authorized by legislation enacted by the Congress after said program is submitted, or except, when the Congress is not in session, upon finding made by the Corporation and approved by the President of the United States that an emergency exists which justifies the undertaking of new types of activities authorized by this act, but not included in the budget program. Such finding and emergency action shall be reported to the Congress by the President, and appropriations for the expenses of such emergency action are hereby authorized.

"(b) The Corporation shall pay into the Treasury as miscellaneous receipts interest on the advances from the Treasury provided for by section 6 (a) of this Act; on that part of the Government's investment represented by the value, at the time of transfer of the property and other assets transferred, less the liabilities assumed, pursuant to section 10 of this Act; and on the net value, as approved by the Director of the Bureau of the Budget, of any property and assets, the ownership of which hereafter may be transferred by the Government to the Corporation without cost, or for consideration clearly not commensurate with the value received. The Secretary of the Treasury shall determine the interest rate annually in advance, such rate to be calculated to reimburse the Treasury for its cost, taking into consideration the current average interest rate which the Treasury pays upon its marketable obligations.

"(c) The Corporation shall after June 30, 1949, contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the corporation's employees and their beneficiaries. The Corporation shall also after June 30, 1949, contribute to the Employees' Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts.

"SEC. 8. (a) Appropriations are hereby authorized for payment to the Corporation in the form of a grant, in such amounts as may be estimated in advance in the annual budget as necessary to cover losses to be sustained in the conduct of its activities which are included in the annual budget as predominantly revenue producing. The Corporation's annual budget program shall specifically set forth any loss sustained in excess of the grant previously made for the last completed fiscal year. Appropriations are hereby authorized for payment to the Corporation to cover such additional losses incurred.

"(b) Appropriations are also authorized for payment to the Corporation in the form of a grant, to be accounted for as general funds of the Corporation, in such amounts as may be necessary to meet expenses to be incurred for specific programs which are included in the annual budget as not predominantly of a revenue-producing character: *Provided, however,* That (1) in the case of activities of a predominently non-revenue-producing character the expenses shall not exceed the amounts of the grants for these activities, and that (2) the funds granted under this subsection shall be expended only upon certification by a duly authorized certifying officer designated by the Corporation, and the responsibilities and liabilities of such certifying officer shall be fixed in the same manner as those of certifying officers under the act of December 29, 1941 (55 Stat. 875), as amended (31 U. S. C. 82b–g).

"(c) The Board of Directors shall have the power and duty to appraise at least annually its necessary working capital requirements and its reasonably foreseeable requirements for authorized plant replacement and expansion, and it shall pay into the Treasury of the United States any funds in excess thereof. Such payments shall be applied, first, to reduce the balance attributable to advances outstanding under section 6 (a) and, second, to the Government's investment represented by the value of the net assets transferred under section 10 of this Act and any subsequent similar investments by the Government in the Corporation.

"SEC. 9. The management of the Corporation shall be vested in a Board of Directors consisting of seven members, including the Secretary of the Interior, the Secretary of Agriculture, the Chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen who shall be appointed by the President of the United States.

"The Board shall select its Chairman. The appointed directors shall serve for a period of six years, except that (1) any director appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term, and (2) the terms of office of the directors first taking office after the date of enactment of this Act shall expire, as designated by the President at the time of appointment, one at the end of two years, one at the end of four years, and one at the end of six years, after the date of enactment of this Act. Qualifications of Board members shall include demonstrated ability, attachment to the public interest, impartiality, and diversified experience among its members. The Board shall be responsible for over-all policy making and general supervision. The Board shall meet at least quarterly, at least one of which meetings each year shall be held in the Virgin Islands. The Board of Directors shall act only by a majority vote of those present at a meeting attended by a quorum, and such quorum shall consist of four directors. Subject to the foregoing limitation, vacancies in the membership of the Board shall not affect its power to act. The directors shall receive no salary for their services on the Board, but under regulations and in amounts prescribed by the Board, with the approval of the President or his representative, may be paid by the Corporation reasonable per diem fees, and allowances in lieu of subsistence expenses, for attendance at meetings of the Board and for time spent on official service of the Corporation, and their necessary travel expenses to and from meetings or when upon such official service, without regard to the Travel Expense Act of 1949. The administrative functions shall be centered in a staff of full-time executive officers headed by a President appointed by the Board. The President shall be responsible to the Board for the execution of programs and policies adopted by the Board and for the day-to-day operations of the Corporation. Between meetings of the Board, the Chairman shall see that the Corporation faithfully executes the programs and policies adopted by the Board.

"SEC. 10. (a) There is hereby transferred to the Corporation the following property:

"(1) All property—real, personal, and mixed—now operated by the Virgin Islands Company on behalf of the United States, except the property now operated by that Company for the Department of the Interior which was conveyed to that Department by revocable permit from the Navy Department under agreement dated January 1, 1948. The value of the property so transferred shall be fixed at the depreciated cost as of June 30, 1947, shown in schedule 1 of the Comptroller General's report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1947, adjusted for all changes from that date to the date of transfer, including depreciation at the rates set forth in said schedule 1.

"(2) All the assets and property—real, personal and mixed, tangible and intangible—of the Virgin Islands Company. The value of the property so transferred shall be fixed at the value shown on the books of the Virgin Islands Company at the date of transfer, subject to any adjustment deemed necessary as a result of the audit required to be made by the Comptroller General under section 105 of the Government Corporation Control Act.

"(3) All of the interest of the United States in the property known as Bluebeard's Castle Hotel situated in the island of Saint Thomas in the Virgin Islands. The value of the property so transferred shall be fixed at a value approved by the Director of the Bureau of the Budget.

"(b) The Corporation shall assume and discharge all of the liabilities of the Virgin Islands Company: *Provided, however,* That such liabilities shall not be deemed to include the balances of relief grants held by the Virgin Islands Company which are invested in the assets and property embraced by paragraph (a) (2) of this section, and such balances shall become part of the investment of the United States in the Corporation.

"SEC. 11. The Secretary of the Interior, the Under Secretary of the Interior, and the Governor of the Virgin Islands, who are the stockholders of the Virgin Islands Company, a corporation created by ordinance of the Colonial Council for Saint Thomas and Saint John, Virgin Islands of the United States, are hereby authorized and directed to take such steps as may be appropriate to dissolve the said Virgin Islands Company.

"SEC. 12. Section 5 of the Act of May 26, 1936 (49 Stat. 1372, 1373; 48 U. S. C., 1946 edition, sec. 1401d), is hereby amended to read as follows:

" 'The Virgin Islands Corporation shall pay annually into the municipal treasuries of the Virgin Islands in lieu of taxes an amount equal to the amount of taxes which would be payable on the real property in the Virgin Islands owned by the Virgin Islands Corporation, if such real property were in private ownership and taxable, but the valuation placed upon such property for taxation purposes by the local taxing authorities shall be reduced to a reasonable amount by the designee of the President of the United States as provided in section 1 of the Virgin Islands Corporation Act if, after investigation, he finds that such valuation is excessive and unreasonable, and any such reduction in valuation, together with the findings on which it is based, shall not be reviewable by any court. The Virgin Islands Corporation shall also pay into the municipal treasuries of the Virgin Islands amounts equal to the amounts of any taxes of general application which a private corporation similarly situated would be required to pay into the said treasuries. Similar payments shall be made with respect to any property owned by the United States in the Virgin Islands which is used for ordinary business or commercial purposes, and the income derived from any property so used shall be available for making such payments: *Provided, however,* That the payments authorized by this section shall not include payments in lieu of income taxes, capital stock taxes, or franchise taxes.'

"SEC. 13. Section 101 of the Government Corporation Control Act is hereby amended by striking out the words 'The Virgin Islands Company' and inserting in lieu thereof the words 'Virgin Islands Corporation'.

"SEC. 14. This act shall become effective on June 30, 1949.

"SEC. 15. This act may be cited as the 'Virgin Islands Corporation Act'."

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

JOSEPH C. O'MAHONEY,
ROBT. S. KERR,
HUGH BUTLER,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2989) to incorporate the Virgin Islands Corporation, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all after the enacting clause. The committee of conference recommends that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment which is a substitute for both the House bill and the Senate amendment. Except as hereafter explained the conference substitute is substantially identical with the bill as passed by the House.

The House bill (sec. 3 (h)) provided that no activity for the development of industrial, commercial, mining, agricultural, livestock, fishery, or forestry reserves of the Virgin Islands should be undertaken by the Corporation if such activity would be in substantial competition with any existing private enterprise. The House bill (sec. 5) also prohibited the Corporation from engaging in any activity which substantially duplicates an undertaking by any private corporation, partnership, or person. The conference agreement omits these provisions and inserts in lieu thereof a provision to the effect that no activity shall be undertaken by the Corporation unless it finds that such activity will further the purposes of the Act and will not conflict with the encouragement and promotion of private enterprise in the Virgin Islands.

The House bill (sec. 3 (g)) provided that all loans made by the Corporation should be "so secured as reasonably to assure repayment." The conference agreement modifies this provision so as to provide that such loans shall be "of such sound value or so secured as reasonably to assure repayment."

Under the House bill (sec. 4 (a)) the Corporation was given indefinite succession. The conference agreement provides that it shall have succession until June 30, 1959, unless sooner dissolved by act of Congress.

The House bill (sec. 6 (a)) authorized total appropriation not to exceed $9,000,000 for the use of the Corporation, without restriction on the amount to be appropriated for any one fiscal year. The conference agreement continues the over-all authorization but provides that not to exceed $2,750,000 shall be appropriated for the period consisting of the fiscal years 1950 and 1951.

The House bill (sec. 9) provided that the management of the Corporation should be vested in a Board of Directors consisting of seven members, including the Governor of the Virgin Islands, the head of a Government agency designated by the President to exercise general direction of the Corporation, and five other persons appointed by the President for terms of 5 years. The conference agreement provides that the Board of Directors shall consist of the Secretary of the Interior, the Secretary of Agriculture, the chairman of the Reconstruction Finance Corporation, the Governor of the Virgin Islands, and three experienced businessmen to be appointed by the President to serve for terms of 6 years.

The House bill (sec. 9) provided that the President of the Board should be elected by the Board from among its members. The conference agreement removes the requirement that the President be selected from the membership of the Board.

The Senate receded from its amendment to the title of the bill.

J. HARDIN PETERSON,
MONROE M. REDDEN,
RICHARD J. WELCH,
FRED L. CRAWFORD,
Managers on the Part of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. MARTIN of Massachusetts. I understand from the reading of the statement that the greatest change is one providing a limitation on the amount involved.

Mr. PETERSON. A limitation on the appropriation and a limitation which requires that the loan be sound. They are more or less restrictions which really, in my opinion, strengthen the bill and safeguard the Government.

Mr. MARTIN of Massachusetts. I thank the gentleman.

Mr. PETERSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include several newspaper articles.

Mr. BLATNIK asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. DAVENPORT asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. ADDONIZIO asked and was given permission to extend his remarks in the RECORD and include an editorial from the Trenton Evening Times.

Mr. LINEHAN (at the request of Mr. PRICE) was granted permission to extend his remarks in the RECORD.

THE TRAFFIC MANAGEMENT PROBLEM IN THE FEDERAL GOVERNMENT

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, in the course of consideration of the Federal Property and Administrative Services Act on the Senate side, there developed a question affecting in such an important way the problem of executive reorganization that I desire to discuss it briefly at this time. It is a problem with which we in this chamber are likely to become involved, as the work of the subcommittee on Executive and Legislative Reorganization, of which I am chairman, progresses.

I refer to the problem of traffic management, which is an important aspect of the whole procurement problem in the Federal Government. This is basically and fundamentally a problem of management; yet, although it has nothing whatsoever to do directly with the regulation of public utilities, members of the Committee on Interstate and Foreign Commerce in the Senate have seen fit, not merely to raise objection to certain provisions in the Federal Property and Administrative Services Act relating to traffic management, but to insist upon their deletion from this vitally important piece of legislation, as the price of their consent for consideration of the bill under unanimous consent.

This whole proceeding seems to me to have been based upon a total—or gross—misconception of the problems involved.

The regulatory aspects of the public utility problem are concerned with reasonableness of rates, adequacy of service, safety precautions, and other similar and related matters. It is with these aspects of the problem that the regulatory agencies are concerned, and with which, as their legislative counterparts, the Committees on Interstate and Foreign Commerce are concerned. With that, there can be no quarrel.

In the Federal Property and Administrative Services Act, however, the problem is fundamentally different. In this bill, we are concerned, not with the regulation of utilities, but with their use; not with the reasonableness of rates or the adequacy of service, but with the means by which, under existing rate structures and service schedules, the Government of the United States, as a major consumer of transportation services, can obtain the most efficient service at a minimum cost. This, I maintain, is a problem of management, of good administration, which has no more relation to the problems of utility regulation than has the purchase of the electric current which lights my home. Consequently, it is no concern of the Commerce committees, but under the provisions of the Legislative Reorganization Act of 1946, a direct responsibility of the Committees on Expenditures in the executive departments.

The distinction which I am now seeking to clarify and establish, so far as the procedures of this body are concerned, is nothing new. The Hoover Commission recognized and accepted it, as is abundantly clear from an examination of their reports. Their treatment of the regulatory problem and of the agencies concerned therewith, will be found in the commission's report on the regulatory agencies, while its consideration of the Government's use of the services of public utilities is found, as it should be, in the report on the Office of General Services, which deals with the supply activities of the Federal Government.

There are a number of reasons why I feel fully justified in directing your attention to this problem at this time. The first is the magnitude of the problem. The Federal Government spends approximately $1,000,000,000 a year for transportation services; this amount, I am informed, constitutes in the neighborhood of 10 percent of the total receipts of the carriers. At the same time, it represents about 2½ percent of the total Federal expenditure, on the basis of an annual budget of $40,000,000,000. This is clearly a large enough item to warrant careful attention, especially when one realizes that a fairly considerable part of this item for transportation is expended unnecessarily.

Extensive hearings on this general question, and with special reference to overcharges, were held by the House Expenditures Committee during the Eightieth Congress. The testimony showed that the amount of these overcharges for the transportation of persons as well as of property, runs annually into hundreds and hundreds of thousands of dollars. While no complete estimate of the total amount involved in these overcharges has ever been compiled, spot checks disclose the fact that these losses must, in the aggregate, reach staggering proportions. For instance, the Comptroller General testified that in the reaudit of freight vouchers accounting for a total disbursement of $14,716,970, there had been overpayments in the amount of $2,671,796, representing a percentage loss of 18 plus. In the reaudit of passenger vouchers accounting for a total disbursement of $12,428,176, there had been overpayments in the amount of $359,543, representing a percentage loss of approximately .03. In this connection, it is obvious that the property transportation item is by far the more important.

The record over the years shows that the efforts of the Federal Government to deal with this situation have been feeble and hesitating. There is not, after all these years, any comprehensive legislation dealing with the subject; such efforts at control as have been carried on have been based primarily on Executive Order 6166 of June 10, 1933, and in part on fragmentary bits of legislation. When one takes into account the fact that the Treasury Department has never been given funds for the purpose sufficient to make possible the employment of an adequate staff, and that the Executive order under which it operates has often been interpreted in an unduly restrictive manner, it is small wonder that the serious losses here described have come to be a matter of regular occurrence.

The Expenditures Committee is determined to deal legislatively with this entire problem of property management and general services, in all of its various aspects. The field is one of enormous size and complexity. When this House passed the Federal Property and Administrative Services Act without a dissenting vote on June 8, approximately 2 weeks ago, we took a long and very significant step forward. This is an excellent beginning; by it, the House has laid the foundation for a system of economical and efficient housekeeping services for the Federal Government. Not all the tools necessary for doing the job have, however, been provided in this bill.

We propose to round out this legislation by the addition of successive titles dealing with such subjects as records management, traffic management, statistical services, and other matters. It is proposed also to maintain a careful and continuous scrutiny of the performance of the executive departments and agencies, under the provisions of this law as was the clear intention of the Congress when it passed the Legislative Reorganization Act of 1946. It is my hope that, by placing this information—a kind of progress report—before the Members of the House at this time, the Subcommittee on Executive and Legislative Reorganization may have your continued interest and support as it proceeds with this very important phase of the reorganization program.

EXTENSION OF REMARKS

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include therein an analysis of the Hoover Commission reports prepared by the staff notwithstanding the fact that it exceeds the limit fixed by the Joint Committee on Printing and is estimated by the Public Printer to cost $187.50.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. TAURIELLO asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the International Chiropractors' Association, together with some statistics on pending health legislation.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an editorial.

Mr. SHAFER asked and was given permission to extend his remarks in three instances.

Mrs. BOLTON. Mr. Speaker, being very much interested in the movement toward a national theater in the United States, I ask unanimous consent to place in the RECORD a very fine article written by our distinguished colleague from New York [Mr. JAVITS] from the magazine Tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JAVITS asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and to include certain newspaper material.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances; in one to include a recent remarkable address by a former colleague and at present delegate from the Philippines to the United Nations, Hon. Carlos Romulo; and in the other to include extraneous material.

UNEMPLOYMENT IN WESTERN PENNSYLVANIA

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I take this time to read to the House a memorandum which I received a few days ago, which calls attention to the seriousness of the unemployment situation in western Pennsylvania:

MEMORANDUM TO ALL CONGRESSMEN, WESTERN PENNSYLVANIA AND WEST VIRGINIA, FROM STANLEY L. LONEY, PRESIDENT, DISTRICT 6, UE-CIO

This week end a small delegation of unemployed workers from shops represented by the United Electrical, Radio and Machine Workers of America, will be in Washington. The purpose of the delegation is to discuss with various public officials and Congressmen the growing unemployment in America.

There have been numerous statements made by public officials to the effect that we are experiencing a healthy "readjustment," or a "shakedown," or that this is just a small "recession" and nothing to get worried about. But we in district 6 are extremely worried about the situation.

Today in UE district 6, which covers western Pennsylvania and West Virginia, we have approximately 15,000 UE members unem-

ployed. The major part of this unemployment has occurred since the first of the year. These unemployed workers are not "drifters," or high school students, or seasonal workers. They are men and women who must support themselves and their families. In some cases they have been working as long as 12 years in the plant, and have now been laid off with no prospect of getting their jobs back.

These are the figures for our district: 10,000 out of a total of 40,000 workers are laid off in Erie, Pa.—5,000 of these are UE members from the refrigerator division of the General Electric plant there. The other 5,000 are steel and other workers. In Pittsburgh at the big Westinghouse plant, the employment during the war was 23,000. After the war it dropped to 18,500 and remained at this figure until the first of this year. Now there are 14,500 employed in the plant, and there are some 4,000 people unemployed and unable to get jobs.

In Williamsport, Pa., out of a total of 15,000 workers in the town, 5,000 are unemployed—one third of the entire labor force! In Sharon, there are 1,000 UE members jobless, and many more steel workers; in Wilmerding and Swissvale at the Westinghouse Airbrake and Union Switch and Signal plants there are 1,500 unemployed out of 7,000 members of UE. The company has notified the union that 2,000 more will be laid off at the end of this month.

In smaller communities throughout our district we have additional hundreds of unemployed; 400 at Huntington, W. Va., plant; 400 at Fairmont, W. Va., Westinghouse plant; 200 in St. Mary's, Pa.; 140 Sylvania workers in Emporium with an expectation of 400 more to be laid off soon; the only other two industries in Emporium, a community of 5,000, are a leather plant and a cuticle-instrument plant. Both are shut down.

In the Pittsburgh area, where steel is the basic industry, the day-by-day reports are becoming more ominous as to the outlook for this industry. Up until a few months ago, this industry was working at 98 percent capacity. Now industry spokesmen estimate they will be working at 75 percent of capacity by the end of the year, and they are now working at only 83 percent capacity. All back orders will be wiped out by the end of June. Lay-offs have started in the steel industry with Carnegie-Illinois and Jones & Laughlin closing down furnaces, as well as Ludlum Steel, Crucible, and others.

It is easy enough to say that such lay-offs are a "readjustment." But the worker who is looking for a job and is trying to live on $20 a week unemployment insurance does not feel well adjusted.

The district UE is not speaking of this problem academically. We are, at present, in day-to-day touch with unemployed workers. We know, for example, men who have five and seven children to support. These men have been forced to get relief to complement their unemployment insurance. They are not able to find a job, although they look for work every day. There is no hiring at any plant in Pittsburgh to our knowledge. There are no jobs at the Unemployment Compensation Bureau.

These are the problems. There is no question in our minds but that something must be done about it, and quickly.

We are informed that there is no legislation introduced for any actual over-all public works construction program to meet rising unemployment in distressed communities. There are two or three bills which aim in this direction, H. R. 3086 and S. 707, which provide $50,000,000 for advance planning of public works. S. 281 and H. R. 1177 authorize a "capital development" fund of $15,000,000,000 to be administered by the RFC for the purpose of full employment. Our union supports these bills as a step in the right direction. However, they are not nearly sufficient, and we firmly believe that the Congress must take steps to authorize a full-fledged program to keep America at work.

The UE also supports strongly the extension of the veterans' 52–20, especially since at least half of the veterans have never used these benefits, and now is the time that they need them.

We believe, too, that our tax program must be revised to lift the tax burden from the low-income people and place it where it belongs, on the corporations and wealthy individuals. This will help stimulate purchasing power and provide the income for a public works program, housing, social security, etc.

I should appreciate hearing from you as to your reactions on the situation I have presented in this letter.

Yours very truly,

STANLEY L. LONEY, *President.*

FAIR LABOR STANDARDS ACT OF 1938

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 264) for printing in the RECORD:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 858) to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended, as applied in the longshore, stevedoring, building, and construction industries, with Senate amendments thereto, be, and the same is hereby, taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby, agreed to.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter addressed to the Speaker of the House by the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The letter is as follows:)

THE WHITE HOUSE,
Washington, June 17, 1949.

MY DEAR MR. SPEAKER: I am very pleased to learn that the House plans to take action on H. R. 4009, the Housing Act of 1949, at an early date. This means that we are close to success in the 5-year struggle to enact housing legislation that will strike at the core of the Nation's critical housing problem.

I have been shocked in recent days at the extraordinary propaganda campaign that has been unleashed against this bill by the real-estate lobby. I do not recall ever having witnessed a more deliberate campaign of misrepresentation and distortion against legislation of such crucial importance to the public welfare.

The propaganda of the real-estate lobby consistently misstates the explicit provisions of the bill, consistently misrepresents what will be the actual effect of the bill, and consistently distorts the facts of the housing situation in the country.

I know that most of the people engaged in the real-estate business and the home-building industry in this country are decent, respectable, honorable citizens. But there is a little group of ruthless men, claiming to speak for the members of these industries, who spend their time attempting to block progressive housing legislation. By letters, circulars, and paid advertisements, they continue to spread their misstatements, hoping that people will eventually accept them as true.

I am extremely anxious that when the Members of the House vote on this important legislation they should be aware of the false and misleading nature of this propaganda. Consequently, I ask the privilege of calling to their attention some of the more flagrant claims of the real-estate lobby and the true facts concerning those claims.

1. The real-estate lobby claims that H. R. 4009 will cost the Federal Government $20,000,000,000.

This is an exaggeration of approximately 100 percent. The actual cost of the bill will be about $10,000,000,000, spread over a period of some 30 years.

The bill authorizes four programs—slum clearance, low-rent public housing, housing research, and aids to farm housing. Their respective costs are as follows:

(a) The slum-clearance program will authorize a total sum of $500,000,000 in grants to localities to assist them in wiping out slums and blighted areas and redeveloping those areas in a sound and healthy manner. This sum would be the total out-of-pocket cost to the Federal Government, except for administrative expenses. The bill will also authorize a $1,000,000,000 revolving fund for loans to localities. These loans will be for a maximum period of 40 years, and will bear interest at the going Federal rate—approximately 2½ percent. Since these loans are to be repaid, with interest, this sum does not, of course, represent a cost to the Government.

(b) The low-rent public-housing program in H. R. 4009 will authorize Federal assistance for the construction of 1,050,000 housing units. These units will be constructed by private builders under contracts let by local public-housing authorities, which are agencies of State and local government.

The construction cost will be financed through bonds issued by the local housing authorities and sold to private investors. The bill authorizes a revolving fund of $1,500,000,000 for loans to these local housing authorities. It is expected that this authority will be used principally to support temporary financing of the projects during construction. Any loans so made are to be repaid to the Government with interest.

The major Federal assistance provided by the bill will be in the form of annual contributions to local housing authorities in amounts required to make up the difference between the rents which low-income families can afford to pay and the costs of operating and maintaining the projects and retiring their bonded indebtedness. The bill establishes maximum limits for such annual contributions, when all the construction has been completed, of $400,000,000 per year for 40 years. In fact, however, experience with public-housing projects built under the United States Housing Act of 1937 has demonstrated that the actual contribution required on the average will be less than the maximum which must be authorized. A fair estimate of the annual contributions which will actually be

made is 75 to 80 percent of the maximum, or about $300,000,000 to $320,000,000 per year. Furthermore, annual contributions will probably be required only for 29 to 33 years, on the basis of the interest rates and amortization schedules expected for local authority bonds in the investment market.

The total cost to the Government of the low-rent housing program is therefore estimated at $9,000,000,000 to $10,000,000,000, plus administrative expenses, over a period of 29 to 33 years. Thereafter, the financial obligation of the Federal Government will cease, and the low-rent housing projects will continue in local ownership and operation.

(c) The housing research program authorized by the bill should not cost more than $5,000,000 a year in the foreseeable future. The exact cost will be determined by the amount annually appropriated by the Congress. The objective of this program, of course, is to make possible reduced building costs and improved housing standards whose value will be many times the Federal expenditures involved.

(d) The farm housing program in H. R. 4009 will authorize a loan fund totaling $250,000,000. Loans made under this authority, to finance the construction or improvement of farm housing and buildings, will be repaid, with interest. In addition, for farmers whose incomes are now insufficient to guarantee repayment of such loans, but whose farms can be made self-sustaining through a program of farm improvements, the bill authorizes the Secretary of Agriculture to meet part of the debt payments by making contributions for not more than 10 years and totaling not more than $50,000,000. Furthermore, to assure a minimum standard of decency for farmers on submarginal farms, which cannot be made self-sustaining, the bill authorizes $12,500,000 in grants to finance minimum repairs to farm houses and buildings. Thus, the actual cost to the Federal Government of this farm housing program, except for administrative expenses, is expected to be not more than $62,500,000 over a period of some 10 to 15 years.

These facts demonstrate the inaccuracy of the real-estate lobby's propaganda. In order to reach their estimate of total cost, they assumed the maximum possible annual Federal contributions for low-rent housing (which will not occur), they counted Federal loans as costs (when in fact they are to be repaid, with interest)—and on top of that they added a few hundred million fictitious dollars for which the bill offers no shred of support. This is a shocking example of an attempt to deceive the public and to stampede Members of Congress. I am confident that the House will not be misled by such tactics.

The real issue involved in this bill is whether the Federal Government should provide practical, workable and carefully limited assistance in improving the standard of housing of the American people and relieving the conditions of slum housing in which too many of our families are now forced to live. Of course this will cost money—and the facts on the cost are stated above. When the actual costs are balanced against the potential benefits to the welfare—and indeed the national security—of our people, I believe there can be only one answer—to enact this legislation. Apparently the real-estate lobby is of the same opinion, since it refuses to debate the bill on its merits, but instead is resorting to false propaganda.

2. The real-estate labby claims that each low-rent public-housing unit will cost more than $15,000.

The facts are that the amount of money provided in H. R. 4009 to build 1,050,000 dwelling units will permit an average cost, at the most, of $8,465.

The plain language of the bill requires the utmost economy and simplicity in construction standards consistent with providing decent and durable housing. Naturally, the construction costs will vary among different parts of the country, and the bill provides a normal ceiling of $1,750 per room. In most parts of the country this amount will be sufficient, but in order to permit construction in a few of the high-cost areas, where the need is equally great, the bill permits a maximum cost per room of up to $2,500.

The real-estate lobby seized this upper limit figure, multiplied it by five rooms, and added $2,500 for land and utilities, in arriving at its claim that all the units built would cost $15,000. Even at today's construction costs—and costs are dropping—few housing projects, if any, even in the highest cost areas, will require an expenditure of this amount per unit. Over most of the country the figure is utterly absurd. A representative group of the private contractors who had built housing projects under the 1937 act were asked early this year what the current cost of duplicating those projects would be. Their replies ranged from less than $1,250 per room to $2,250 per room, and two-thirds were below $1,750 per room.

There is no foundation, therefore, either in the bill or in the current costs of building, for this charge by the real-estate lobby.

3. The real-estate lobby claims that there is no longer any pretense that public housing is for the poor.

The facts are that H. R. 4009 requires local public-housing authorities to give preference for admission to public-housing projects to low-income families having the most urgent housing needs. Furthermore, the bill requires the local authorities to establish upper-income limits for admission to public-housing projects—income limits calculated to admit only families whose incomes are at least 20 percent below the income needed to pay rents charged in that locality for adequate private housing, whether new or old. These income limits will vary among different localities; at the present time five-sixths of the local housing authorities have maximum limits of $2,200 or less.

Thus only families of low income can be admitted to public-housing projects.

Furthermore, the bill requires local public housing authorities to reexamine tenants' incomes each year, to adjust rents upward where appropriate, and to require families to move whose incomes have risen to a point where they can afford adequate private housing, so that additional low-income families can be admitted to the project.

Actual experience in the present low-rent public-housing projects, built under the 1937 act, demonstrates that the bill will work in practice the way it it is intended. In the first half of 1948, the average income of the families admitted to the present low-rent projects was $1,480. The average family income of all tenants in these projects who were eligible to remain was $1,590. These figures are well below the average of the lowest one-third of city and town family incomes.

Under these circumstances, it is obvious that "the poor," as the real-estate lobby calls them, are precisely those who will benefit from public housing.

In recent years a number of families have been permitted to stay in public-housing projects even though their incomes rose above the upper limit. This was done in some cases in order to provide housing for war workers, in other cases because of the acute housing shortage since the war. As a matter of fact, an act of Congress was in effect from July 1947 until August 1948, prohibiting eviction of such families where hardship would result. Since last August, many of these families with over-limit incomes have been moved out, and by the end of this year, all ineligible families will have received notices to vacate.

The false claim that public housing will not benefit low-income families demonstrates the unpleasant dog-in-the-manger attitude of the members of the real-estate lobby. They know that the private-housing industry is not supplying, and cannot in the foreseeable future supply, adequate housing for low-income families. They know that H. R. 4009 specifically provides that public housing will be provided only for those with incomes at least 20 percent less than that needed to afford private housing. Knowing all this, they assert a plain falsehood in their effort to prevent us from doing what is necessary to provide housing for low-income families. I am glad to know that more and more members of the building industry are repudiating the blind and selfish dictation of the real-estate lobby.

4. The real-estate lobby claims that public housing will not be used to clear slums, but will be built in areas where it can compete with private housing.

This claim is an excellent example of distortion of facts to confuse the people. I have already pointed out the provisions of the bill which insure that public housing will not compete with decent private housing, no matter where it is built. It will, of course, compete with slum housing—that is its purpose.

As to the claim that public housing will not be used to clear slums, the facts are as follows:

H. R. 4009 will authorize the first direct large-scale attack on slum areas we have ever had in this country. It provides a practical, realistic method for clearing blighted areas in cities and towns throughout the country.

When those slums are cleared away, it may be best to build public housing where

they have been; it may be best to build private housing there; it may even be best not to build anything there, but to use the land for parks. In any event, the local community will decide what shall be done in each case.

The purpose of the public-housing provisions of the bill is to provide adequate housing for low-income families who are now forced to live in substandard quarters. Whether a public-housing project is built in an area where slums have been cleared away or elsewhere in the city or town, families who lived in cleared slums have a first priority for admission to the project, provided they meet the income standard.

Thus, the bill does provide for slum clearance, and it does provide for public housing. But it does not, and should not, compel local housing authorities to erect public-housing projects in every case exactly where the old slums were. To do so would obviously be ridiculous.

5. The real-estate lobby claims that the wishes of a local community will not be consulted but Government housing will be imposed.

Nothing could be further from the truth. No slum-clearance or public-housing project can be initiated under the bill by anyone but a local agency, established under State and local law by the people of the local community. Before the local agency can request Federal assistance, its proposals and plans must be specifically approved by the local city council or other governing body. The members of the local boards responsible for making plans, awarding contracts, supervising clearance or construction work, and operating the housing projects, are appointed not by Federal officials but by the mayors or governing bodies of the local municipality. The role of the Federal Government is very carefully restricted by this bill to furnishing technical advice and financial assistance, and assuring that the requirements of the law as written are faithfully observed.

The real-estate lobby wants people to forget that for the past 10 years we have had public housing projects of exactly this nature, in communities all over this country. The unpaid, public-spirited men and women who head the local housing authorities have been drawn from local business, professional, labor, and farm groups—including, in many cases, members of the real estate and building industries. These men and women have been the first to testify that local wishes have been respected and local rights safeguarded.

This claim by the real-estate lobby is an obviously false attempt to conjure up the specter of Federal domination, which is completely refuted by the plain language of the bill and by 10 years of practical experience.

6. The real-estate lobby, which last year cried that we should not construct new public-housing projects because private builders were building everything that was needed, this year is arguing that we should not construct public-housing projects on the claim that there is no longer any need for them.

Both claims are fallacious. Neither last year nor this year have private builders been producing houses to meet the needs of the low-income families who will be served by this bill. The average rent of private rental projects insured by the Federal Housing Administration in 1948 was $87.50 per month. This rent is clearly beyond the means of a family with an annual income of less than $4,000. Practically no private rental projects have been constructed to rent for as little as $60 a month—a rental which can be assumed, though with difficulty, by a family with an annual income of $3,000.

Two conclusions are inescapable. First, low-income families cannot afford the housing that is being built. Second, it should occasion no surprise that the private building market for higher-priced housing is tapering off—it is easy to saturate the market for housing in this country at monthly charges of $87.50 or more. This is happening now, even though the housing needs of millions of low-income and middle-income families remain unmet.

This claim by the real-estate lobby is clear proof that many members of the private building industry are still looking backward to the days when the housing industry went through violent fluctuations—building as fast as possible for several years, then building hardly anything for several years. Those fluctuations contributed greatly to the boom-and-bust cycle of the twenties and early thirties.

Instead of trying to go back to those days, the private building interests should be doing everything they can to bring about a steady flow of home building and a steady improvement of housing standards, which will contribute to the steady growth of our economy. H. R. 4009 will help strongly to bring about the steadier rate of home building that is so badly needed. Instead of wasting their energies trying to block the bill, the spokesmen for the private building industry should be searching out ways to reach the great demand for housing among families of middle income for whom adequate homes are not being built now and who will not be aided by low-rent public housing. If they would do this, they would find a tremendous and profitable market.

7. The real-estate lobby even attempts to twist the local tax features of the low-rent housing provisions of H. R. 4009 into an argument against the bill.

From the beginning of public-housing projects in this country, local governments have been required to make a contribution equal to 20 percent of the Federal contributions. Cities and towns uniformly have chosen to make this contribution in the form of exemptions from real- and personal-property taxes. H. R. 4009 simply writes this practice into law, unless the locality is legally barred from doing so, in which case the local contribution may be made in cash.

In order that the public-housing projects shall bear a fair share of the cost of municipal services, such as schools, streets, and so on, H. R. 4009 authorizes payments in lieu of taxes equal to 10 percent of the rental income of the project.

These are sensible and time-tested arrangements for achieving a reasonable and proper local participation in the cost of the projects. The payments in lieu of taxes will not, and should not, be equivalent to full local taxes. The local government should make some contribution to the subsidy needed to achieve low rents. To contribute through tax exemption is the best means that has been found.

It is noteworthy that municipal officials do not oppose this tax exemption—in fact, they strongly support it. It can only be concluded that the people who know most about the financial needs of our cities and towns, and who are honestly concerned with keeping their fiscal affairs on a sound basis, understand that the benefits to be obtained by the cities and towns from the provision of decent low-rent housing under this bill are far greater than any costs which they will incur through tax exemptions or otherwise.

8. The real-estate lobby claims that to provide adequate housing for low-income families will encourage indolence and shiftlessness and destroy thrift and initiative.

This is the hoary old chestnut that has been used as an argument against proposals to advance the public welfare ever since the Nation was founded. It was used against public education a hundred years ago. It was used against minimum wage laws 50 years ago. Apparently the real-estate lobby thinks it still has some propaganda value, even though it has been disproved time and time again.

The plain fact is that thrift, industry, and initiative are encouraged, not discouraged, by clean and decent housing. It is among people who are forced to live in firetraps, in crowded tenements, in alley dwellings, that are found the highest rates of poor health, poor education, juvenile delinquency, and the other disabilities that sap energy and initiative, and result in heavy costs to the community. The provision of adequate housing for the people to be aided by this bill will be a long step forward toward a happier, more thrifty and industrious people in our Nation.

9. The most loudly proclaimed propaganda argument of the real estate lobby against this bill is the claim that it is socialistic.

Insofar as this argument is intended seriously, it is false. H. R. 4009 will strengthen, not weaken, private enterprise. Private builders, operating under contracts, will construct all of the housing projects to be built under the bill. The requirement for a 20-percent gap between the upper rental income limits for admission to public-housing projects and the lowest rents at which adequate private housing is being provided, new or old, for rent or for sale, assures that there will be no competition between public housing and private enterprise. The local public housing authorities will sell their bonds on the private investment market. Under the farm-housing program, loans would be made only to those farmers who are unable to secure credit from private sources on terms they can afford to pay. The research program authorized in the bill

is specifically designed to enable the private housing industry to serve a much broader market through improved methods and lower costs.

I am sure, however, that this argument by the members of the real-estate lobby is not meant seriously. They know better. And so do the many individuals and organizations who have studied the facts of the matter and concluded that the bill is desirable. The 24 Republican and 33 Democratic Members of the Senate who voted for a comparable bill did not believe the charge of socialism. The many distinguished newspapers throughout the country who support the bill do not believe it is socialistic. The American Legion, the Veterans of Foreign Wars, the American Veterans of World War II, the American Veterans' Committee, the Disabled American Veterans, the Jewish War Veterans, the Catholic War Veterans—all of them have seen through the charge of socialism and support the bill. So do the American Municipal Association and the United States Conference of Mayors. The American Federation of Labor and the Congress of Industrial Organizations support the bill. So do the National Conference of Catholic Charities and the Congregational Christian Churches. So do the League of Women Voters, the National Council of Negro Women, the National Council of Catholic Women and the National Council of Jewish Women. So do the National Grange and the National Farmers Union. And so do the many other outstanding organizations and individuals who have testified that this legislation is necessary in the public interest.

Yet the real-estate lobby, shortsighted and utterly selfish, continues to cry "socialism" in a last effort to smother the real facts and real issues which this bill is designed to meet.

These attempts to mislead and frighten the people and their representatives in the Congress—these false claims designed to prejudice some groups of people against others—these malicious and willful appeals to ignorance and selfishness—are examples of selfish propaganda at its worst.

But I do not believe the people of our country, nor their representatives in the Congress, will permit themselves to be deceived. The facts speak for themselves. The people know that the country needs a full-scale program to provide decent housing for low-income families, to eliminate slums, and to improve housing standards for the great bulk of the people.

This bill presents such a program—a practical and tested program. It is not, as some would have you believe, some new and foreign program to be fastened upon the backs of our people against their will. A similar program was authorized under the United States Housing Act of 1937. That program was carried out successfully and was widely accepted by the people. Projects were built in 268 cities and towns, located in 37 States, the District of Columbia, Puerto Rico, the Virgin Islands and Hawaii. Some of these projects were, of course, located in the largest cities, since the need there was serious. But projects were also built in such cities and towns as Lakeland, Fla.; Peoria, Ill.; Holyoke, Mass.; Portland, Oreg.; Knoxville, Tenn.; and Brownsville, Tex., where the need was also serious. Of the 268 cities and towns in which public-housing projects were built, 104—39 percent—had less than 25,000 population in 1940.

When the war ended, applications for public-housing projects were received from 357 towns and cities, in 37 States, even though the existing authorization for Federal assistance was exhausted. At present, 42 States have enacted legislation providing for the establishment of local housing authorities. More than 470 such authorities have been established. They are waiting for the enactment of this bill.

It is dramatically apparent from the vast public support for H. R. 4009 that the people know that this bill is a part of the long-range effort we must make to build toward a stronger economy, an increasing prosperity, and a happier and more secure citizenry in the United States.

I feel confident that the enactment of this legislation will greatly promote the general welfare. It will also prove of real benefit to those real-estate interests that now oppose its enactment. To strengthen the whole fabric of our American society is to strengthen all its several parts.

Very sincerely yours,

HARRY TRUMAN.

Hon. SAM RAYBURN,
Speaker of the House of Representatives.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KEARNS (at the request of Mr. GRAHAM) indefinitely, on account of serious illness in his immediate family.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aida Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H. R. 4332. An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes;

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1794. An act to repeal certain obsolete provisions of law relating to the naval service.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Friday, June 24, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

710. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $50,000 for the Commission on Renovation of the Executive Mansion (H. Doc. No. 237); to the Committee on Appropriations and ordered to be printed.

711. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to discontinue quarterly reports to the Congress under the Contract Settlement Act of 1944"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KERR: Committee on Appropriations. H. R. 5300. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; without amendment (Rept. No. 879). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITAKER: Committee on Post Office and Civil Service. H. R. 3383. A bill to

amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945; with an amendment (Rept. No. 883). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOGARTY: Committee of conference. H. R. 3333. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies (Rept. No. 892). Ordered to be printed.

Mrs. NORTON: Committee on House Administration. House Resolution 237. Resolution providing for expenses of conducting studies and investigations authorized by House Resolution 206; without amendment (Rept. No. 893). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration, House Resolution 210. Resolution to provide funds for the expenses of the studies and investigations authorized by House Resolution 112; with an amendment (Rept. No. 894). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. House Resolution 233. Resolution authorizing expenses of conducting investigation of certain matters pertaining to the merchant marine and fisheries of the United States; with an amendment (Rept. No. 895). Referred to the House Calendar.

Mrs. NORTON: Committee on House Administration. H. R. 2290. A bill to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; with an amendment (Rept. No. 896). Referred to the Committee of the Whole House on the State of the Union.

Mrs. NORTON: Committee on House Administration. House Joint Resolution 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar; with an amendment (Rept. No. 897). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 264. Resolution for consideration of H. R. 858, a bill to clarify the overtime compensation provisions of the Fair Labor Standards Act of 1938, as amended; without amendment (Rept. No. 898). Referred to the House Calendar.

Mr. WHITTEN: Committee of conference. H. R. 3997. A bill making appropriations for the Department of Agriculture (Rept. No. 899). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on the Judiciary. H. R. 2344. A bill for the relief of Charles W. Miles; with an amendment (Rept. No. 880). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 2608. A bill for the relief of C. H. Dutton Co., of Kalamazoo, Mich.; without amendment (Rept. No. 881). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 3618. A bill for the relief of the estate of Mrs. Frances M. Carroll, deceased, and Charles P. Carroll; with an amendment (Rept. No. 882). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 113. An act for the relief of Helen Louise Oles; without amendment (Rept. No. 884). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 275. An act for the relief of Arthur C. Jones; without amendment (Rept. No. 885). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 322. An act for the relief of Mrs. Gertrude H. Westaway, legal guardian of Bobby Niles Johnson, a minor; without amendment (Rept. No. 886). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 623. An act for the relief of George Krinopolis; without amendment (Rept. No. 887). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1138. An act for the relief of John W. Crumpacker, commander, United States Navy; without amendment (Rept. No. 888). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1167. An act for the relief of the estate of Marion Miller; without amendment (Rept. No. 889). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1266. An act for the relief of Hayward O. Brandon; without amendment (Rept. No. 890). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 1296. An act for the relief of Murphy & Wischmeyer; without amendment (Rept. No. 891). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KERR:

H. R. 5300. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; to the Committee on Appropriations.

By Mr. CELLER:

H. R. 5301. A bill to amend title 28, United States Code; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 5302. A bill to require United States Civil Service Commission to establish regional office for State of Michigan at Detroit, Mich.; to the Committee on Post Office and Civil Service.

By Mr. WOODRUFF:

H. R. 5303. A bill to amend section 2000 (c) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

H. R. 5304. A bill to amend section 2000 (a) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 5305. A bill to increase the retired pay of certain members of the former Lighthouse Service; to the Committee on Merchant Marine and Fisheries.

By Mr. CROSSER:

H. R. 5306. A bill to amend section 12 of the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. JACKSON of Washington:

H. R. 5307. A bill to provide for conveyance of certain real property to Skagit County, Wash.; to the Committee on Agriculture.

By Mr. LEMKE:

H. R. 5308. A bill to prohibit Members of Congress from serving the United States in any other capacity; to the Committee on the Judiciary.

H. R. 5309. A bill to include consequential damages as part of just compensation in taking private farm property for public use; to the Committee on the Judiciary.

By Mr. PHILLIPS of California;

H. R. 5310. A bill to confer jurisdiction on the State of California over the lands and residents of the Agua Caliente Indian Reservation in said State, and for other purposes; to the Committee on Public Lands.

By Mr. WHEELER:

H. R. 5311. A bill to establish a procedure by which the Administrator of Veterans' Affairs may bring charges against educational institutions and by which procedure the educational institutions may answer such charges before an impartial agency, and to authorize the Veterans' Administration to reimburse State approval agencies for expenses incurred by them in ascertaining the qualifications of educational institutions for furnishing training to veterans and for expenses incurred in supervising educational institutions offering such training; to the Committee on Veterans' Affairs.

By Mr. ALLEN of Louisiana:

H. R. 5312. A bill to amend the Mineral Leasing Act for Acquired Lands (61 Stat. 913) to provide for competitive bidding on oil and gas leases issued thereunder where a competitive interest in leasing is evident; to the Committee on Public Lands.

By Mr. DEANE:

H. R. 5313. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. VINSON:

H. R. 5314. A bill to repeal section 205 of title II of the Foreign Aid Appropriation Act, 1949, and for other purposes; to the Committee on Armed Services.

By Mr. WHITE of Idaho:

H. R. 5315. A bill to advance knowledge on the history and culture of the American Indian through the acquisition and preservation of irreplaceable artifacts and relics; to the Committee on Public Lands.

By Mr. DURHAM (by request):

H. R. 5316. A bill to authorize the Commissioners of the District of Columbia to enter into contract for the removal of sludge; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRAZIER:

H. R. 5317. A bill for the relief of W. Garland Lillard; to the Committee on the Judiciary.

By Mr. JOHNSON:

H. R. 5318. A bill for the relief of Yvon R. Heldenbergh; to the Committee on the Judiciary.

By Mrs. NORTON:

H. R. 5319. A bill granting a renewal of patent No. 40,029, relating to the badge of the Holy Name Society; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1137. By Mr. JUDD: Petition in support of the Bryson bill, H. R. 2428, and a Senate counterpart of that measure; to the Committee on Interstate and Foreign Commerce.

1138. By the SPEAKER: Petition of American Academy of General Practice, Kansas City, Mo., against any form of compulsory Federal health insurance; to the Committee on Interstate and Foreign Commerce.

1139. Also, petition of Emmett Arthur Hinkelman, Chicago, Ill., urging legislation to allow the sending of educational books and magazines postage free to students, institutions of learning, and public libraries in the Marshall-plan countries; to the Committee on Post Office and Civil Service.

1140. Also, petition of William H. Elliott and others, San Francisco, Calif., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1141. Also, petition of Mabel Mattly and others, Stockton, Calif., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1142. Also, petition of P. F. Wichmann and others, La Fayette, Ind., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1143. Also, petition of Lon Donnell and others, Hutchinson, Kans., requesting passags of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1144. Also, petition of Mrs. Mary Smith and others, Milwaukee, Wis., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1145. Also, petition of Josephine Heverling and others, Seattle, Wash., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1146. Also, petition of Mrs. Mildred Cole and others, Tacoma, Wash., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1147. Also, petition of Mrs. E. O. Johnson and others, Cassadaga, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1148. Also, petition of Mrs. Dorothea Graves and others, Orlando, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1149. Also, petition of Mrs. Ella Zeigler and others, St. Petersburg, Fla., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, JUNE 24, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, hushing our thoughts to stillness, we would school our spirits in sincerity and truth as we wait before Thee, who knowest the secrets of our hearts. In a world of suspense and suspicion and turmoil, breathe now in this quiet moment Thy peace on hearts that pray—the peace that comes only when our jarring discords are tuned to the music of Thy will.

Then, as heralds of good will, send us forth across all the barriers of race and creed, to make our contribution to the glad day when justice and understanding shall engirdle this worn and weary earth.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 23, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 23, 1949, the President had approved and signed the joint resolution (S. J. Res. 55) to print the monthly publication entitled "Economic Indicators."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, education, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams;

H. R. 5240. An act to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; and

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Miller
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Brewster	Hunt	Murray
Bricker	Ives	Myers
Bridges	Jenner	Neely
Butler	Johnson, Colo.	Pepper
Capehart	Johnson, Tex.	Reed
Chapman	Johnston, S. C.	Robertson
Chavez	Kefauver	Russell
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Donnell	Kilgore	Sparkman
Douglas	Knowland	Taft
Downey	Langer	Taylor
Eastland	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tydings
Fulbright	McClellan	Watkins
George	McFarland	Wiley
Gillette	McGrath	Williams
Graham	McKellar	Withers
Green	Magnuson	Young
Hayden	Martin	
Hendrickson	Maybank	

Mr. MYERS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. HILL], the Senator from Louisiana [Mr. LONG], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Oklahoma [Mr. THOMAS] are absent on official business in meetings of committees of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly, meeting at Rome, Italy.

The Senator from Connecticut [Mr. MCMAHON] is absent on official business, presiding at a meeting of the Joint Committee on Atomic Energy in connection with an investigation of the affairs of the Atomic Energy Commission.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. TAFT. I announce that the Senator from Montana [Mr. ECTON], the Senator from Nevada [Mr. MALONE], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from South Dakota [Mr. GURNEY], and the Senator from Massachusetts [Mr. LODGE] are detained on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Michigan [Mr. VANDENBERG] are in attendance at a meeting of the Joint Committee on Atomic Energy.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to introduce bills and joint resolutions, and present for the RECORD petitions and memorials and other routine matters, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Dis-

position of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

THE NORTH ATLANTIC PACT—MEMORIAL

Mr. LANGER. Mr. President, I present for appropriate reference a memorial signed by some 25 citizens of North Dakota remonstrating against adherence to the North Atlantic Pact by the United States. I ask unanimous consent that the memorial together with the names, be printed in the RECORD.

There being no objection, the memorial was ordered to lie on the table and to be printed in the RECORD, with the signatures attached, as follows:

JUNE 20–21, 1949.

To Senator WILLIAM LANGER,
Washington, D. C.:

Convinced that war is not inevitable; that the North Atlantic Pact may provoke the very war it professes to prevent; believing that international differences can be settled through United Nations, we call upon you to actively oppose ratification of the pact and to vote against European rearmament, estimated by United States News to cost $20,000,000,000. We are unalterably opposed to feeding the war machine at the expense of our standard of living.

James A. Wenstrom, Sykeston, N. Dak.; D. B. Tate, Woodworth, N. Dak.; J. C. Schaffer, Carrington, N. Dak.; Ben Stahl, Sykeston, N. Dak.; Mrs. Gertrude Stahl, Sykeston, N. Dak.; Lyle Catalla, Carrington, N. Dak.; Clifford Hill, Carrington, N. Dak.; Albert Paulson, Carrington, N. Dak.; Russell Emery, Edmunds, N. Dak.; Cecil Thurman, Carrington, N. Dak.; Gordon Paulson, Carrington, N. Dak.; E. E. Wenger, Carrington, N. Dak.; T. J. Dunn, Carrington, N. Dak.; Ralph Hatch, Carrington, N. Dak.; Hugh A. Putnam, Carrington, N. Dak.; Kenneth A. Ferguson, Carrington, N. Dak.; Geo E. Engstrom, Carrington, N. Dak.; John E. Edwardsen, Carrington, N. Dak.; Charles C. Cope, Carrington, N. Dak.; Leo E. Steinmann, Carrington, N. Dak.; Alma Jean Johnson, Carrington, N. Dak.; Mels Erstod, Carrington, N. Dak.; Jake Schaffer, Carrington, N. Dak.; Clifford Sampson, Carrington, N. Dak.; James W. McCrea, Carrington, N. Dak.; James C. Rude, Carrington, N. Dak.; Carl T. Gilsepp, Carrington, N. Dak.; Geo. Clapper, Carrington, N. Dak.; Mrs. R. A. Wenstrom, Sykeston, N. Dak.; Anna Wenstrom, Sykeston, N. Dak.; R. A. Wenstrom, Sykeston, N. Dak.; Erling S. Boeck, Carrington, N. Dak.; Art Gosstal, Carrington, N. Dak.

WORLD FEDERATION—RESOLUTION OF CONNECTICUT GENERAL ASSEMBLY

Mr. BALDWIN. Mr. President, I present for appropriate reference and printing in the RECORD a certified copy of a resolution adopted by the General Assembly of the State of Connecticut, making application to Congress to call a constitutional convention to consider amendments to the Constitution of the United States to facilitate participation in a world federation.

The resolution was referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolved by this assembly:

Whereas war is now a threat to the very existence of our civilization, because modern science has produced weapons of war which are overwhelmingly destructive and against which there is no sure defense; and

Whereas the effective maintenance of world peace is the proper concern and responsibility of every American citizen; and

Whereas the people of the State of Connecticut, while now enjoying domestic peace and security under the laws of their local, State and Federal Government, deeply desire the guarantee of world peace; and

Whereas all history shows that peace is the product of law and order, and that law and order are the product of government; and

Whereas the United Nations, as presently constituted, although accomplishing great good in many fields, lacks authority to enact, interpret or enforce world law, and under its present Charter is incapable of restraining any major nations which may foster or foment war; and

Whereas the Charter of the United Nations expressly provides, in articles 108 and 109, a procedure for reviewing and altering the Charter; and

Whereas several nations have recently adopted constitutional provisions to facilitate their entry into a world federal government by authorizing a delegation to such a world federal government of a portion of their sovereignty to endow it with powers adequate to prevent war; and

Whereas the State of Connecticut has memorialized Congress, both through passage by the general assembly in 1943 of the so-called Humber resolution, and through the world government referendum of 1948, overwhelmingly approved by the voters of the State, to initiate steps toward the creation of a world federal government: Now, therefore, be it

Resolved by the Senate and House of Representatives of the General Assembly of the State of Connecticut, That application is hereby made to the Congress of the United States, pursuant to article V of the Constitution of the United States, to call a convention for the sole purpose of proposing amendments to the Constitution which are appropriate to authorize the United States to negotiate with other nations, subject to later ratification, a constitution of a world federal government, open to all nations, with limited powers adequate to assure peace, or amendments to the Constitution which are appropriate to ratify any world constitution which is presented to the United States by the United Nations, by a world constitutional convention or otherwise; and be it further

Resolved, That the secretary of the State of Connecticut is hereby directed to transmit copies of this application to the Senate and the House of Representatives of the Congress, to the members of the said Senate and House of Representatives from this State, and to the presiding officers of each of the legislatures in the several States, requesting their cooperation.

Given under my hand and the seal of the State, this 1st day of June A. D. 1949.

CHESTER BOWLES,
Governor.

[SEAL]

By His Excellency's command:

WINIFRED MCDONALD,
Secretary.

PLEDGE OF ALLEGIANCE—RESOLUTION OF GOVERNMENT EMPLOYEES' COUNCIL, A. F. OF L.

Mr. JOHNSTON of South Carolina. Mr. President, I present for appropriate reference a resolution adopted by the Government Employees' Council, American Federation of Labor, on June 14, 1949, Washington, D. C., relative to pledge of allegiance as an annual observance on the Monument lot at Washington, D. C., each year, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

PLEDGE OF ALLEGIANCE AS AN ANNUAL OBSERVANCE ON THE MONUMENT LOT AT WASHINGTON, D. C.

Whereas in such times as these when loyalty to the principles of free men are continually under pressure from without and, in some instances from within; and

Whereas complacency is the worst form of support any form of government can possibly have; and

Whereas the Governments of the United States and of the several States cannot possibly be any stronger under the attacks of those who would continue to wage the so-called cold war, than the faith of those men and women who, in high station and low, daily perform the task of operating those Governments to prove that our Nation, mighty though it be, must never falter for lack of enthusiastic demonstration of faith on the part of those who serve this Republic; and

Whereas it logically is the opportunity on each Flag Day annually to lead the United States and all its people in a rededication of ourselves and our ambitions and our energies toward ever building this Nation even higher in the esteem of the family of nations: Therefore be it

Resolved, That all unions affiliated to the Government Employees' Council of the American Federation of Labor declare that it is their intention, jointly, severally, and actively in whatever appropriate fashion deemed best by the Government Employees' Council to request permission for use of the Washington Monument lot in the city of Washington, D. C., the fourteenth day of June of each year or any day nearest that date deemed best suited and, that starting in 1950 the council supply a mammoth American flag of such material as may be durable and to be draped from strong light metal materials suspended from the Washington Monument as a backdrape for the public observance of Flag Day; and be it further

Resolved, That the officers' committee and such other delegates to the Government Employees' Council as may be designated will serve as the arrangements committee for the occasion, authorized to issue the invitations to speakers and special guests and that request be made of the President of the United States to make a personal appearance and such remarks as he chooses on the occasion, and that other guests and speakers from whatever walks of life, including other national leaders in the legislative and judicial branches and from among labor and among industry and elsewhere as may be best suited, and that the occasion be accompanied at the time of the unfurling of the flag with a mass pledge of allegiance and that a salute be requested from the armed forces; and be it further

Resolved, That the occasion be preceded with a parade to be open for participation by students who at that season may be visitors in the Nation's Capital and by representatives and delegations of segments of the population who logically are part of the American scene, and that the cost of the flag be prorated among member unions of the council.

AMENDMENT OF CONSTITUTION RELATING TO CERTAIN INCOME TAXES—RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. GREEN. Mr. President, I present at this time a letter addressed to me by Hon. Armand H. Coté, secretary of state of Rhode Island, enclosing a certified copy of Resolution H. 548, adopted by the Rhode Island General Assembly at the January 1949 session and approved by the Governor on May 3, 1949, which repeals Resolution No. 4.

In explanation, I should state that this Resolution No. 4 was adopted by the General Assembly of the State of Rhode Island on March 15, 1940. On the following March 26 the Vice President laid it before the United States Senate, and it was appropriately referred to the Senate Committee on the Judiciary. On the same date Representative Harry Sandager asked for unanimous consent to proceed for 1 minute, and, there being no objection, he spoke at some length on the subject of this resolution.

When Resolution No. 4 passed the general assembly in 1940 it was by a divided vote in both houses, and it is my firm belief that the people of my State never approved the action taken in passing it. The reason is plain. The resolution proposed an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts. It provided that the power of Congress to impose taxes of this kind be limited to a maximum of 25 percent, except in the case of a war creating a grave national emergency, when the limit might be removed temporarily by a three-fourths vote of each House of Congress.

This amendment, of course, cannot take effect until approved by two-thirds of the States, and such a number has not yet approved it, and possibly never will approve it. However, Rhode Island now withdraws its previous approval, and I trust any other States which may have approved it will act in the same manner, for such provision is inconsistent with present-day economic points of view and contrary to the fundamental principles of a democracy.

I ask unanimous consent that the letter and Resolution H. 548 be appropriately referred and printed in the RECORD.

There being no objection, the letter and resolution were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND
AND PROVIDENCE PLANTATIONS,
Providence, June 21, 1949.

The UNITED STATES SENATE,
Washington, D. C.

GENTLEMEN: I am enclosing herewith certified copy of Resolution H. 548, introduced by Representative Ralph D. Petrarca, entitled "Resolution Repealing Resolution No. 4," passed March 15, 1940, entitled "Resolution Proposing an Amendment to the Constitution of the United States Relative to Taxes on Incomes, Inheritances, and Gifts," passed by the general assembly at the January session, A. D. 1949, and approved by the Governor on the 3d day of May A. D. 1949.

Very truly yours,

ARMAND H. COTÉ,
Secretary of State.

Resolution repealing Resolution No. 4, passed March 15, 1940, entitled "Resolution Proposing an Amendment to the Constitution of the United States Relative to Taxes on Incomes, Inheritances, and Gifts."

Resolved, That Resolution No. 4, passed March 15, 1940, entitled "Resolution Proposing an Amendment to the Constitution of the United States Relative to Taxes on Incomes, Inheritances, and Gifts," be, and the same hereby, is repealed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PEPPER, from the Committee on Labor and Public Welfare:

S. 1859. A bill to transfer from the Administrator of Veterans' Affairs to the Attorney General of the United States for the use of the Bureau of Prisons, a certain tract of land located at Chillicothe, Ohio; without amendment (Rept. No. 565).

By Mr. JOHNSON of Texas, from the Committee on Interstate and Foreign Commerce:

S. 1498. A bill to amend the Natural Gas Act, approved June 21, 1938, as amended; with an amendment (Rept. No. 567); and

H. R. 4252. A bill to transfer the trawlers *Alaska* and *Oregon* from the Reconstruction Finance Corporation to the Fish and Wildlife Service; without amendment (Rept. No. 566).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

S. 520. A bill to authorize and direct the Secretary of the Interior to issue to Leo Farwell Glenn, a Crow allottee, a patent in fee to certain lands; with amendments (Rept. No. 568).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 24, 1949, he presented to the President of the United States the enrolled bill (S. 1794) to repeal certain obsolete provisions of law relating to the naval service.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Lucile Petry, and sundry other persons for appointment and promotion in the Regular Corps of the Public Health Service;

Paul A. Lindquist, and sundry other persons for appointment and promotion in the Regular Corps of the Public Health Service; and

G. Alice Boore, and sundry other persons for appointment and promotion in the Regular Corps of the Public Health Service.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS (by request):

S. 2136. A bill to authorize the Department of the Army to produce nitrogenous fertilizer materials required by occupied areas and by the Republic of Korea, and for other purposes; to the Committee on Armed Services.

By Mr. YOUNG:

S. 2137. A bill to amend section 102 (a) of the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to carry out operations to combat aphids; to the Committee on Agriculture and Forestry.

By Mr. MARTIN:

S. 2138. A bill for the relief of Mihjalo Bakic, also known as Mile Vujaklija; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2139. A bill to provide that small business shall receive a fair share of Government procurements; to the Committee on Expenditures in the Executive Departments.

By Mr. WATKINS:

S. 2140. A bill to authorize the Secretary of the Interior to exchange certain Navajo Tribal Indian land for certain Utah State land; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (by request):

S. 2141. A bill to authorize the United States to purchase restricted lands of individual Indians and for other purposes; and

S. 2142. A bill to amend the act of December 24, 1942 (56 Stat. 1086; 43 U. S. C., sec. 36b), entitled "An act to authorize the Secretary of the Interior to acquire lands or interests in lands for the Geological Survey; to the Committee on Interior and Insular Affairs.

By Mr. McKELLAR:

S. 2143. A bill to provide for the erection of a memorial at the grave of Elizabeth Daniel, the widow of Joseph (Job) Daniel, a Revolutionary War soldier; to the Committee on Rules and Administration.

ELECTRICAL VOTING EQUIPMENT IN SENATE AND HOUSE CHAMBERS

Mr. KEFAUVER submitted the following concurrent resolution (S. Con. Res. 50), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That in carrying out the provisions of the joint resolution entitled "Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes," approved July 17, 1945, the Architect of the Capitol shall provide for the installation of such conduits, wiring, and connections, and for such other works, as may be required for the subsequent installation of electrical voting equipment in the Senate and House Chambers.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred, as indicated:

H. R. 2290. An act to provide for cooperation by the Smithsonian Institution with State, education, and scientific organizations in the United States for continuing paleontological investigations in areas which will be flooded by the construction of Government dams; to the Committee on Rules and Administration.

H. R. 5240. An act to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; to the Committee on Banking and Currency.

H. J. Res. 240. Joint resolution authorizing the erection in the District of Columbia of a statue of Simon Bolivar; to the Committee on Rules and Administration.

ANNOUNCEMENT BY SENATOR LODGE IN CONNECTION WITH VOTE ON MORSE AMENDMENT TO LABOR BILL

Mr. LODGE. Mr. President, I desire to have the permanent RECORD show that had I been present in the Senate on June 23 I would have voted "nay" on the amendment of the Senator from Oregon

[Mr. MORSE] to title III of the so-called Thomas bill.

MILITARY APPROPRIATIONS — STATEMENT BY SENATOR FLANDERS

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a statement regarding military appropriations made by Senator FLANDERS before the Senate Committee on Appropriations, on June 23, 1949, which appears in the Appendix.]

ADDRESS BY SENATOR LANGER AT HARTFORD, CONN.

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address delivered by him on June 4, 1949, the occasion of the twenty-ninth anniversary of the Carl Schurz Unit, No. 22, of the Steuben Society of America at Hartford, Conn., which appears in the Appendix.]

THE DENAZIFICATION PROGRAM—NEWS COMMENT OF ADDRESS BY SENATOR GILLETTE

[Mr. HENDRICKSON asked and obtained leave to have printed in the RECORD an article entitled "Nazis Helped, GILLETTE Says," published in the Baltimore Sun of June 20, 1949, which appears in the Appendix.]

BIG SOVIET: STRONGER AMERICA—ARTICLE FROM THE UNITED STATES NEWS AND WORLD REPORT

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Big Soviet: Stronger America," published in the United States News and World Report of June 10, 1949, which appears in the Appendix.]

PROTESTS FROM GERMANY AGAINST DISMANTLING OF GERMAN PLANTS

[Mr. LANGER asked and obtained leave to have printed in the RECORD three letters and a telegram from Germany addressed to him, protesting against the dismantling of German manufacturing plants, which appear in the Appendix.]

DANGERS OF BUREAUCRACY—EDITORIAL FROM CLEVELAND PLAIN DEALER

[Mr. BRICKER asked and obtained leave to have printed in the RECORD an editorial entitled "The Real Danger," published in the Cleveland Plain Dealer of June 20, 1949, which appears in the Appendix.]

NATIONALISTS FORM PARTY IN GERMANY—ARTICLE BY JACK RAYMOND

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "Nationalists Form Party in Germany," written by Jack Raymond, and published in the New York Times of June 23, 1949, which appears in the Appendix.]

DEVELOPMENT OF LOW-GRADE IRON ORES IN MINNESOTA

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a letter written by Mr. E. W. Davis, of the University of Minnesota, relative to the development of taconite ores in the Lake Superior district, which appears in the Appendix.]

ECONOMIC INDICATORS NOW ON SALE

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a letter addressed to him by the President regarding the publication and sale of "Economic Indicators," a monthly publication of charts and tables showing economic trends and developments, which appears in the Appendix.]

ARE WE AFRAID OF FREEDOM?—EDITORIAL FROM THE HARTFORD COURANT

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Are We Afraid of Freedom?" published in the Hartford Courant for June 19, 1949, which appears in the Appendix.]

IMPROVING THE VOICE OF AMERICA—EDITORIAL FROM THE BRIDGEPORT POST

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Improving the Voice of America," published in the Bridgeport Post for June 21, 1949, which appears in the Appendix.]

EDITORIAL COMMENT ON EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

[Mr. LUCAS asked and obtained leave to have printed in the RECORD several editorials commenting on proposed legislation to extend the Reciprocal Trade Agreements Act and the expansion of world trade, which appear in the Appendix.]

PULLORUM DISEASE OF POULTRY—LETTER FROM THE POSTMASTER GENERAL TO SENATOR LANGER

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter addressed to me under date of June 23, 1949, by the Postmaster General relative to the shipment of diseased chicks, together with the regulations under which people in the State of North Dakota may protest the shipment of these chicks through the mails.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., June 23, 1949.

Hon. WILLIAM LANGER,
United States Senate.

DEAR SENATOR: This will acknowledge your letter of June 3, referring to one you received from the Poultry Improvement Board for the State of North Dakota, relating to the efforts of that board and the North Dakota Livestock Sanitary Board to regulate the movement into North Dakota of day-old chicks from other States on account of the pullorum disease of poultry.

It is understood the North Dakota law would prohibit entry into North Dakota from any other State of any shipment of day-old chicks unless certified as having originated from pullorum-free parent stocks. This is a subject which has been carefully considered not only in connection with the North Dakota law but with respect to similar laws in several other States. I regret to have to say there appears to be no statutory provision under which the purpose of these State laws could be carried out so as to regulate or restrict the movement by mail of such shipments.

This Department has, however, been glad, when so requested, to publish instructions for the benefit of postmasters and mailers and notices of this kind have appeared from time to time in the Postal Bulletin. Such a notice with respect to the North Dakota law appeared in the Postal Bulletin of July 14, 1944. A copy of this notice is being enclosed, from which it will be seen postmasters have been directed to invite the attention of shippers to the provisions of your State law and to point out the fact that any parcel which is not accompanied with a certificate showing testing and freedom from pullorum disease may be subject to seizure by State officials after delivery to the addressees.

Because of the time elapsed since these instructions were issued and in order to bring the matter again to the attention of postmasters and mailers, the notice relating to your State law will be republished in an early edition of the Postal Bulletin. It is hoped that this reminder will be helpful in accomplishing the purpose you have in mind.

Sincerely yours,

J. M. DONALDSON,
Postmaster General.

[Reprint of notice which appeared in the Postal Bulletin of July 14, 1944]

INSTRUCTION OF THIRD ASSISTANT POSTMASTER GENERAL

PULLORUM DISEASE OF POULTRY

Under the State laws of Utah and North Dakota, parcels containing day-old chicks, turkey poults, and hatching eggs for shipment into these States are required to be accompanied with a certificate showing they originated from pullorum-tested or pullorum-free flocks. Postmasters should convey this information to shippers who present such parcels for mailing to points within either of these States and, although the parcels should not be refused acceptance, it may be pointed out to the senders that parcels which are not accompanied with certificates as to testing and freedom from pullorum disease may be subject to seizure by State officials after delivery to the addressees.

LABOR-FEDERAL SECURITY APPROPRIATIONS—CONFERENCE REPORT

Mr. CHAVEZ submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 9, 10, 12, 13, 15, 19, 26, 29, 35, 36, 37, 38, and 40.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 16, 17, 18, 20, 27, and 28, and agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,975,600"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$16,600,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$18,900,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,725,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,350,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,675,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,575,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of sum proposed by said amendment insert "$2,367,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$996,800"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 25 and 39.

DENNIS CHAVEZ,
PAT MCCARRAN,
HOMER FERGUSON,
CHAN GURNEY,
Managers on the Part of the Senate.

JOHN E. FOGARTY,
E. H. HEDRICK,
CHRISTOPHER C. MCGRATH,
CLARENCE CANNON,
FRANK B. KEEFE,
ERRETT P. SCRIVNER,
Managers on the Part of the House.

Mr. CHAVEZ. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the report was considered and agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3333, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 23, 1949.

Resolved, That the House agree to the conference report to the bill (H. R. 3333) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes";

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"Research facilities, National Institute of Dental Research: For the preparation of plans and specifications for suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, as authorized by section 5 of the National Dental Research Act, approved June 24, 1948 (Public Law 755, 80th Cong.), $100,000, to remain available until expended, which amount, except such part as may be necessary for incidental expenses for the Public Health Service, shall be transferred to the Federal Works Agency for the performance of the work for which the appropriation is made."

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following: "there is further appropriated for such account $33,000,000 for each of the fiscal years 1950, 1951, 1952, and 1953, and not to exceed $34,852,000 for the fiscal year 1954, in all not to exceed $166,852,000 for military-service credits under the Railroad Retirement Act, as amended, and before the final payment hereunder the Railroad Retirement Board shall certify to the Bureau of the Budget the total amount due on account of such military service credits: *Provided further*, That."

Mr. CHAVEZ. Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 25 and 39.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico.

Mr. LANGER. Mr. President, will the distinguished Senator tell us just what is the result of the recessions on the part of the House to certain Senate amendments?

Mr. CHAVEZ. From the total appropriations made by the Senate we took off $22,027,380. That results mainly from dividing some of the items which were included by the Senate. As to the appropriation for railroad retirement, the Senate amendment called for the appropriation of the total amount in four annual installments. We agreed that it should be paid in five annual installments. That accounts for most of the reduction in the total. Let me say to the Senator that as a whole the items of increase included by the Senate, even on the floor, were generally retained in the conference.

Mr. LANGER. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

LABOR AND MANAGEMENT DUTIES AS SEEN BY POPE PIUS XII—ARTICLE FROM UNITED STATES NEWS AND WORLD REPORT

Mr. MCCARRAN. Mr. President, inasmuch as the Senate is now dealing with the subject of labor and labor legislation, I deem it appropriate to have inserted in the RECORD an article published in the United States News and World Report of June 17, 1949, entitled "Labor and Management Duties as Seen by Pope Pius XII."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR AND MANAGEMENT DUTIES AS SEEN BY POPE PIUS XII

It is with equal solicitude and the same interest that we see coming to us, each in turn, the workers and the representatives of industrial organizations, and both, one and the other, express to us—with a confidence that deeply touches us—their respective worries and problems.

Thus, while welcoming you with our whole heart, we most willingly take, dear sons, the opportunity that you afford to us of expressing our paternal pleasure and also to praise your zeal in spreading the Christian social doctrine in the economic world.

We allude to the worries and problems of those engaged in industrial production. Both false and evil in its consequences and, unhappily, only too widespread, is the prejudice which sees in those problems irreconcilable opposition between the various interests. That opposition, however, is merely apparent. In the economic sphere there is a community of activities and interests shared by leaders of industry and the workers. To disregard this mutual bond, or to endeavor to break it; can only be but the pretension of a blind and unreasonable despotism.

Employers and workers are not unreconcilable enemies. They are collaborators in a common effort, they eat, so to speak, at the same table since they live, eventually, from the gross or net profits of the national economy. Each has his income, and in this respect their mutual relations are not subordinated, one to the service of the other.

To earn one's living is an attribute of the personal dignity of anyone who, in one form or another, makes his contribution to the service of the national economy In the balance sheet wages may figure as employers' expenses, but from the point of view of national economy, they are the expenditure of natural assets used for national production and, in consequence, must be in continual supply.

It follows that both parties have an interest in seeing that the cost of national production be in proportion to the returns. Since, however, the interest is mutual, why can it not find mutual expression in a common formula? Why should it not be lawful to give workers a fair share of responsibility in the establishment and development of national economy—and that nowadays more than ever when the scarcity of capital and difficulties of international exchanges paralyze the free flow of expenditure on national production? Recent attempts at socialization have only made this sad reality even more clear. It is a fact; and neither has bad will of one side created it, nor can good will on the other side eliminate it.

While, then, there is still time, why not deal with the subject, in full appreciation of common responsibility, in such a way as to safeguard one side from undeserved diffidence, and the other from illusions that would not be long in becoming a social danger?

For this community of interest and responsibilities, in the sphere of national economy. Our ever memorable predecessor, Pope Pius XI, had already suggested a suitable and concrete formula, when in his encyclical Quadragesimo Anno he recommended professional organization in the various branches of production.

In fact, nothing seemed to him to be more fitted to overcome economic liberalism than the establishment of a statute of public law, for social economy, based precisely on the mutual responsibility of all those sharing the work of production. This passage of the encyclical around a series of objections. Some saw in it a concession to modern political opinions, while others regarded it as a return to the Middle Ages.

It would have been incomparably wiser to put aside old and inconsistent prejudices and come together, wholeheartedly and with good will, for the realization of such a project with its many practical applications.

Unfortunately, this part of the encyclical seems now to present us with yet another example of the ripe opportunity being missed,

because it was not grasped at the right time. Subsequently, there have been attempts to elaborate other forms of juridical and public organization of the social economy, and at the present time preference is given to state and national ownership of industry.

There is no doubt that the church, too, within certain just limits, approves nationalization and holds that one may legitimately reserve to public authority certain kinds of assets, namely those which are of such power and importance that they cannot be left in the hands of private individuals without endangering the common good. (From Quadragesimo Anno.)

To make nationalization, however, the normal rule for public organization of economy would be to reverse the order of things. The object of public law is, in fact, to serve private rights, and not to absorb them. Economics are not, by their nature, a state institution, any more than any other branch of human activity. On the contrary, they are the living product of the free enterprise individuals and of groups of individuals freely constituted.

Neither would it be correct to say that all private enterprise is, by nature, a society in which the relations between the collaborators be determined by the rules of distributive justice in such a way that all, without distinction—be they owners, or not, of the means of production—would have a right to share in the property, or at least in the profits of the enterprise.

Such a concept starts with the assumption that all enterprise, by its nature, comes within the sphere of public right. This assumption is false, whether the enterprise be constituted in the form of a foundation or an association of all the workers as coproprietors, or it be the private property of an individual who signs a work contract with his workers: it is amenable to the private juridical order of economic life.

All that we have just said refers to the juridical nature of enterprise as such, but the term "enterprise" can admit another entire category of other personal relations between collaborators, which must not be forgotten, and also the relations of mutual responsibility.

The proprietor of the means of production—whether he be an individual, or an association, or a foundation of workers—must always remain the master in economic decisions, within the limits of public economic law. It is obvious that the share of the proprietor will be larger than that of his collaborators; but it follows that the material well-being of all the members of the nation—which is the aim of social economy—obliges him more than the others to contribute to the increase of national assets by savings.

Just as one must not forget that it is of supreme benefit to a sound social economy that this increase in assets should come from as many sources as possible, it is also greatly to be desired that the workers, too, should be able, as a result of their savings, to share in the building up of national assets.

Many men of industry, non-Catholics and Catholics such as you, have at various times expressly declared that the social doctrine of the church—and that doctrine alone—is capable of providing the essential elements for a solution of the social question.

Undoubtedly, the putting into practice of this doctrine cannot be done in a day. Its realization requires of all wisdom, perspicacity and foresight, together with a large amount of common sense and good will. It requires of them, above all, a radical resistance to the temptation of each working for his own advantage at the expense of the others—regardless of the nature and form of their participation—or at the expense of the common good. It requires that altruism which only true Christian virtue, strengthened by the help and grace of God, can inspire.

To bring this help and grace on your association and its internal growth and external diffusion—particularly in those countries which, even though Catholic, need, however, to give wider consideration to the social teaching of the church—we give, with all the effusion of our heart, to yourselves and your association, and under the powerful patronage of the mother of divine love, our apostolic blessing.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND], for himself and other Senators, to the substitute offered by the Senator from Utah [Mr. THOMAS] for the original language of the bill.

Mr. TAFT. Mr. President, I understand that the Senator from Illinois [Mr. LUCAS] intends to seek a unanimous-consent agreement. If so, I suggest that he give notice of it, so that it will not be necessary to have another quorum call at that time.

Mr. LUCAS. Mr. President, I appreciate the suggestion made by the distinguished Senator from Ohio. I hope, within the next few minutes, to seek a unanimous-consent agreement to vote on the Holland amendment, the amendment offered by the Senator from Illinois, and the Taft substitute. I am having the language of the request prepared. I now give notice to the Senate that I shall seek a unanimous-consent agreement in a short while.

Mr. HOLLAND. Mr. President, I should like to explain that there is a provision in the Thomas bill applicable to some of the questions which arose yesterday afternoon. Various questions were addressed to the junior Senator from Florida yesterday by his distinguished senior colleague [Mr. PEPPER] with reference to the interpretation and meaning of the amendment offered to the Thomas bill by the distinguished Senator from North Carolina [Mr. HOEY], the distinguished Senator from Ohio [Mr. BRICKER], the distinguished Senator from Kansas [Mr. SCHOEPPEL], and myself. I think it is only fair to supplement the answers which I gave at that time by inviting the attention of all Senators to the fact that section 404 of the Thomas bill, under title IV, makes provision for the inclusion in the Thomas bill, in that portion of it which would not be affected by our amendment, and would not be displaced, of the identical provisions of the Taft-Hartley Act with reference to the nonapplication of injunctive orders as against individual workmen in their individual capacity.

Section 404 of the Thomas bill, being a portion of title IV of that bill, under the heading "Miscellaneous provisions," includes, and will continue to include in the pending measure, as I understand, in the same words as those now employed in the Taft-Hartley Act, a provision on the subject which engaged the interest of my distinguished colleague and others on the floor of the Senate yesterday. I quote the provisions of section 404 of the Thomas bill:

SEC. 404. Nothing in this act shall be construed to require an individual employee to render labor or service without his consent, nor shall anything in this act be construed to make the quitting of his labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or service without his consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this act.

INTERNATIONAL REFUGEE ORGANIZATION—FOREIGN POLICY—RELATIONS WITH CHINA

Mr. BREWSTER. Mr. President, I should like to refer to the displaced persons situation, which was discussed yesterday. There was a rather unanimous expression of opinion, aside from the Senator from Nevada [Mr. MCCARRAN], that it was very regrettable that action had not been taken on this matter. There was a great deal of expression of regret that the United States had not, perhaps, done its full share on this problem.

In justice both to the Congress and to the country, I wish to say a few words which may seem to some extent to justify the proposition that the United States has been extremely generous in connection with dealing with this problem, without undertaking to defend the precise legislation of last year, for which I did not vote. I supported the so-called Fellows bill, a House bill, which represented a somewhat more generous attitude.

I have before me the report of the Committee on Expenditures in the Executive Departments, filed last week. I wish to call attention to certain figures in that report with regard to the plan for the International Refugee Organization. The report, No. 476 of the Eighty-first Congress, first session, was filed on June 8, 1949. There was allotted to the United States, as its share of the contributions for the support of the International Refugee Organization, the amount of approximately 40 percent. That was to be the contribution of the United States. The exact figures, as shown in appendix D, on page 38, are for the United States of America, administrative expenses, 39.89 percent; and for operating expenses, 45.75 percent.

Now let us look at the actual contribution in proportion to what was allotted to us as our equitable share. In Appendix E, for the contributions received as of March 18, 1949, for the fiscal year 1947–48, we find that the United States of America has contributed $71,024,899 out of a total of $117,110,461. In other words, the United States has contributed more than 61 percent. I think that fact may well be borne in mind by all of those who are concerned as to whether the United States has responded in sufficient measure to the appeal of this great humanitarian cause.

I come now to appendix F.

(At this point Mr. BREWSTER yielded to Mr. LUCAS, who proposed a unanimous-consent agreement, and debate ensued, which, on request of Mr. BREWSTER, and by unanimous consent, was ordered to be printed at the conclusion of Mr. BREWSTER'S speech.)

Mr. BREWSTER. Under appendix F, on page 39 of the report, there is a list of the contributions due and received by the International Refugee Organization as of March 18, 1949, for the fiscal year 1948–49. The other tabulation was for 1947–48. I find that we have contributed to that portion $52,982,796 out of a total of $86,365,170, or somewhat more than 53 percent.

Mr. LANGER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Maine yield to the Senator from North Dakota?

Mr. BREWSTER. I am happy to yield to the Senator from North Dakota.

Mr. LANGER. I wonder whether the Senator's figures are not inaccurate. Is it not true that under the International Refugee Constitution German children are not included?

Mr. BREWSTER. I was not speaking in regard to that. I think probably that is the case.

Mr. LANGER. Is it not true that we have appropriated millions upon millions of dollars, so that the Army in Europe could feed those millions of German children?

Mr. BREWSTER. Unquestionably.

Mr. LANGER. In other words, the constitution which was adopted took care of all the children in the world except German children.

Mr. BREWSTER. I do not think that is quite accurate.

Mr. LANGER. With the exception of Japan.

Mr. BREWSTER. I think there is also considerable difficulty, to which I shall refer shortly, in the Middle East. I shall speak about that. But in connection with this program, to which we have contributed from 61 percent to 63 percent of the total funds received by the IRO in the past 2 years, we were only supposed to contribute 45 percent. That shows whether America has been exceedingly generous.

Mr. LANGER. But in connection with the percentage stated, the money which the Army spent for the German children should be added.

Mr. BREWSTER. I think there are several other items which should also be included.

I was also interested to read from this report of the Committee on Expenditures in the Executive Departments, filed on June 8, 1949, 2 weeks ago, the following statement regarding the Jewish displaced persons. I read from page 32:

5. JEWISH DISPLACED PERSONS

The subcommittee learned that considerable internal conflict arose in connection with the movement of Jewish displaced persons to Israel.

When the IRO assumed its responsibilities for displaced persons and refugees on July 1, 1947, there were approximately 156,000 Jewish displaced persons in the camps and assembly centers which the Organization took over from UNRRA. At that time, the IRO took over existing agreements between UNRRA and the Jewish Agency for Palestine under which the IRO was to move 1,500 Jewish persons per month to Palestine for resettlement so long as Great Britain remained the mandatory power there. Discussion was subsequently begun with a view to moving a considerably greater number as soon as the mandatory power withdrew.

When Great Britain withdrew from Palestine, however, difficulty arose within the IRO Secretariat and policy staff with respect to the policy to be followed. A top-level official, following the position of his government, maintained that there should be no further IRO movement of Jews to Palestine until a complete solution and agreement was reached between the Arab countries and the new state of Israel, with United Nations approval.

It has never been reached as a result, in substantial measure, if we believe current reports, of the intervention of our own State Department to block the agreement which was reached between Egypt and Israel as to that situation.

I shall not read further, except to quote from page 33:

As staff discussions developed it became quite clear that there was considerable anti-Jewish feeling among a number of the staff members.

The committee goes on at considerable length to condemn the attitude of the IRO, to which we are contributing 61 percent of the money. They are discriminating in the administration of the act against the one group in this country who were assisting their fellow religionists to move to Palestine, where they would be able to look out for themselves. In other words, the one group in the world who were trying to take care of their own people, who were assisting them to go to Israel, where they would be able to develop self-sufficiency, were being blocked by the IRO, to which we were contributing 61 percent of the money. I shall refer in a moment somewhat further to the situation in the Middle East, but I want to discuss for a moment this matter of the displaced persons.

So far as Europe is concerned our foreign policy throughout the world seems to be, with the closing of the Paris Conference, in a state of almost complete collapse. How one can reconcile the contradictions in our policy which are evident in every phase of the world situation it is impossible to conceive. We have before us on the table, held there last night, the nomination of two diplomatic representatives. One is an Ambassador to Czechoslovakia, the other, an envoy to Hungary. Both of these gentlemen so far as I know are worthy. Mr. Briggs comes from my own State of Maine, and has been in the diplomatic service for a long time. Any retention of this appointment upon the table indicates in no way any question about Mr. Briggs or his capacity to serve. The same thing is true in regard to Mr. Davis serving in Hungary. What it does present however, is the question which is presented to our Secretary of State as to why he is wasting our time and money and violating our own principles as enunciated by him recently in his statement regarding Spain, by sending an Ambassador to Czechoslovakia. It became apparent yesterday when we were discussing this matter that one of the reasons we have to appropriate $60,000,000 to assist the refugees is because Czechoslovakia has taken such an attitude that hundreds of thousands of the residents of that country have been compelled to leave the country, now under totalitarian domination reflecting the Moscow policies, and go to other countries, where they become refugees. We are then obliged to take them over.

In the case of Spain, Mr. Acheson, the Secretary of State, enunciated very clearly that we should not send an ambassador to Spain; first, he said, because the appointment of an ambassador had no significance anyway, that it was an utterly meaningless thing, and that it did not matter whether we had an ambassador or a chargé d'affaires, for either could equally well serve. If that be correct, why do we send an ambassador to Czechoslovakia, when that nation not only is violating every principle which he laid down, but, in addition, it is driving thousands of its citizens out into the arms of a cold world——

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BREWSTER. I shall be happy to yield to the Senator from Ohio.

Mr. TAFT. I do not know whether the Senator from Maine has read Mr. Acheson's statement issued on May 1, in which he refused to send an ambassador to Spain. He said that this whole thing about having an ambassador is unimportant. He says it is important only if it becomes a symbol of something else, and if it ceases to be a symbol, it would not make any difference to anyone whether we had an ambassador or whether we had not.

What does the Senator think about the appointments pending on the present Executive Calendar of a minister to Hungary and an ambassador to Czechoslovakia, which countries are completely controlled by Communists? Is not the appointment of an ambassador to Czechoslovakia a symbol, just as much as is the appointment of an ambassador to Spain—a symbol of the fact that apparently we approve of the government in Communist countries and we do not approve the Government of Spain?

Mr. BREWSTER. I think the situation is even more pointed, because in the case of Hungary a minister is involved, and not an ambassador. In the case of Hungary our Minister was obliged to leave. He got out of the country approximately 3 hours ahead of the time when the Hungarian Government requested his recall, because he dared to stand up and speak for the very principles to which Mr. Acheson paid such glowing tribute. In other words, because that country was abusing every right which we recognize, in the case of Cardinal Mindszenty, and, later, in the case of the Methodist bishops whom it abused, our Minister could not tolerate those actions, and because he reprimanded the authorities we had to bring our Minister home. Now we appoint another one in his place as a symbol of our abject surrender to the situation.

Mr. TAFT. The Senator recalls, perhaps, that one of Mr. Acheson's reasons for not recognizing Spain and sending

an ambassador there was that Spain did not have the essentials of individual liberty, the first essential being the writ of habeas corpus and an independent judiciary. Is the Senator advised whether there is in Hungary today the right to a writ of habeas corpus, and an independent judiciary?

Mr. BREWSTER. I think the Catholic and Protestant bishops who have been in the hands of the Gestapo there would be very much interested to discover some such right, some right to be tried in a tribunal which would give them the very elemental human rights for which Mr. Acheson so eloquently plead.

Mr. TAFT. Is the Senator advised whether there is any writ of habeas corpus in Czechoslovakia at this time?

Mr. BREWSTER. I think Mr. Acheson's legal mind would find it impossible to discover such a right. I was much intrigued by the fact that at the press conference the Secretary of State was asked how he reconciled his statement regarding Spain with his statement regarding Czechoslovakia and Hungary, and he answered that he did not care to discuss the matter. That was the only thing he was able to say to the press and to the people of the country as to how he could reconcile his action in that case.

Mr. TAFT. The Senator no doubt remembers that the second right was the right of trial by jury. Does the Senator know whether there is any right of trial by jury in Hungary or in Czechoslovakia?

Mr. BREWSTER. As I understand, Cardinal Mindszenty was condemned by a court, a judicial tribunal, and is now languishing in prison without any of those human rights which we have deemed essential in this country.

Mr. TAFT. Mr. Acheson says:

> Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain.

Is the Senator advised whether it exists in Czechoslovakia or Hungary?

Mr. BREWSTER. The cases which have brought the subject to the attention of the world are a complete refutation of any idea that religious liberty can be practiced in those nations.

Regarding Spain, the current constitution of Spain does provide for religious liberty, not of the sort we have here, but, at any rate, it allows under its terms the practice of any religion, not in the entirely public and ostentatious manner we have here. At least, it goes one step ahead of what is allowed in Czechoslovakia or Hungary. As a matter of fact, the law relating to the expulsion of the Jews was expressly repealed by the Franco government in the past 2 years.

Mr. TAFT. One of the other complaints Mr. Acheson makes regarding Spain is this:

> Then there is the right of association—association in political activities, association in trade-union activities, association in benevolent activities.

Do any of these rights of association exist in Hungary or in Czechoslovakia?

Mr. BREWSTER. I think, according to Eric Johnston, who has visited over there, the entire Communist theory now applied in Russia and in the satellite countries is to send anyone who asserts such a right to Siberia or some similar place to languish there until he meets an untimely end.

Mr. TAFT. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Maine yield to the Senator from Ohio?

Mr. BREWSTER. I yield.

Mr. TAFT. Does the Senator see any logic whatever in the position of the State Department in nominating a minister to Hungary and an ambassador to Czechoslovakia and its refusal to recognize Spain and to send an ambassador to Spain?

Mr. BREWSTER. I have been entirely unable to see any logic in that position. I appreciate the statements made by the chairman of the Committee on Foreign Relations and by the ranking minority member on the Republican side of the Committee on Foreign Relations when the matter of Spain was up for discussion, indicating that they had no sympathy for our policy in that regard, and felt that our relations with Spain should be normalized, which would be the only way in the world we could preserve any measure of self-respect before the peoples of the world.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. BREWSTER. I shall be happy to yield to the Senator from Mississippi.

Mr. EASTLAND. With regard to the situation which the Senator has been describing, does it not look as if religion had something to do with it, and that probably the Ku Klux Klan has too much influence in the State Department?

Mr. BREWSTER. I had not pursued the matter that far. I do not know just what the religious background of the problem is, but, certainly, if we are to retain any measure of self-respect before the nations of the world, it seems to me we must have a consistent policy and follow it through.

I again emphasize that in deferring consideration of the Ambassador to Czechoslovakia and the Minister to Hungary, it is a matter of policy which is involved, not a matter of personalities or individuals.

In a moment I want to refer, also, to Mr. Butterworth, who represents the Chinese policy of the administration, and to discuss somewhat the implications of the consideration of his name at this time. But before I leave the matter of ambassadors and ministers and our diplomatic representatives, I want to refer for a moment to one other nomination which has caused some comment in the press because of what apparently was considered its somewhat unusual aspects. That is the case of the recent nomination of Mrs. Mesta to represent this country in the Duchy of Luxemburg. Some question has been raised regarding her qualifications for that position. As a life-long advocate of the rights of women to participation in political affairs, it has been profoundly gratifying to me and, I know, to many on this side of the Chamber, to see the extent to which women are moving into the affairs of government and receiving some measure of recognition, however belated, to which they are entitled by the contribution which they can so obviously make. We have been delighted this year to welcome into our own ranks, on this side of the Chamber, a woman, a representative not merely of the State of Maine, but one who has also gained the confidence of the country in her short service in the Congress as a representative of American womanhood; and it is a matter of profound gratification that on the other side of the aisle, in the administration, more and more women are coming to be recognized as capable of serving in more and more responsible positions.

It is for this reason, speaking not only because of my association with my colleague, but as one who for a great many years has advocated this further recognition, that I think the designation of Mrs. Mesta is one which may be very happily received. This is not a result of her social activities in Washington, which have been very generously referred to, but in my own experience I have had contacts with her in many of her charitable and church activities over a considerable period, so I think I speak with certain knowledge.

I spcke here sometime ago regarding the nomination of Louis Johnson, who, it was alleged, was nominated primarily because he had raised Democratic campaign funds. I said I did not think that was any disqualification. I do not believe the fact that a man or a woman takes a keen interest in the activities of political parties and in the raising of political funds disqualifies him or her from participating in the Government. I wish to say about Mrs. Mesta what I said regarding Louis Johnson. As vice chairman of the campaign fund-raising committee I understand she did yeoman work, for which she was well qualified. I do not think that disqualifies her for other recognition.

As I said in the case of Louis Johnson, the question is not whether persons have been active politically, but whether they are qualified for the positions to which they have been chosen. I think it would be well for the society gossip columns of Washington to pause for a moment in the discussion of her talents as a hostess, and point out perhaps some of the other activities of her distinguished career which I think are well worthy of attention. I would say that one qualification which should commend her as a Minister to Europe is that she is, I think, one of the few people in this country, men or women, who, having received a substantial fortune some 25 years ago, retains that fortune today. I think any woman or man who has demonstrated capacity to survive all the depressions of the past, and to be ready to go forward if we are to have a depression in the future, must have something besides the capacity to act as a gracious host or hostess. On that one consideration alone, I do not think America is likely to lose its shirt as a result of Mrs. Mesta representing us in Europe, and that I cannot say of all the diplomats we have sent abroad. I am glad we are sending that kind of a person abroad to represent us, someone who in

her own right has demonstrated competence to care for the responsibility entrusted to her.

Moreover, Mrs. Mesta has also been conspicuous both in her charitable and church activities, demonstrating qualities which indicate that she will be neither a dipsomaniac nor senile, and that is more than we can say of many of those whom we have in the past entrusted with the responsibility of representing us abroad.

I fear that even in the present we could not boast of having an entirely clean slate. I shall not particularize, but I think it appropriate to ask the defenders of masculine splendor and glory to contemplate a few of the representatives we have abroad wearing pants before they say too much about Mrs. Mesta and her capacity worthily to represent this country in the Duchy of Luxemburg at this time.

Mr. LANGER. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I am happy to yield to the Senator from North Dakota.

Mr. LANGER. I am delighted at the attitude taken by the distinguished Senator from Maine. I might say that Mrs. Mesta comes from the western section of the country. She lived for a long time in the State of Oklahoma. She is a very democratic woman. Not only that, but I think she is perhaps as well acquainted with people who have come to the United States from foreign countries, and have been the guests of our Government, as perhaps any woman in the United States. I am delighted at the attitude of the Senator, and I hope Mrs. Mesta's nomination will be confirmed by the unanimous vote of the Senate, as I believe it should be.

Mr. BRIDGES. Mr. President, will the Senator from Maine yield that I may ask the Senator from North Dakota a question?

Mr. BREWSTER. I may say that I agree with what the Senator from North Dakota has said. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I should like to ask the Senator from North Dakota if we have an ambassador or minister to any foreign country from the State of North Dakota.

Mr. LANGER. No. At one time, about 40 years ago, we had a minister by the name of Edwards—Major Edwards—who was consul at Quebec.

Mr. BRIDGES. Has the State of North Dakota not received any recognition since that time?

Mr. LANGER. Not for the past 40 years.

Mr. BRIDGES. That is a long time.

Mr. LANGER. It is a long time. We have made application for the appointment from North Dakota of an Ambassador either to Norway, Sweden, or Denmark, preferably to one of those three countries, or to Finland. As the Senator knows, there is a large Scandinavian population in my State. It happens, however, that the Ambassador to Norway comes from the neighboring State of Minnesota, and he is very popular in Minnesota and North Dakota. So we somewhat share the reflected glory of Minnesota in having the Ambassador to Norway. But I hope that sometime in the not dim or distant future, with the help of the distinguished senior Senator from Michigan [Mr. VANDENBERG], North Dakota may furnish an ambassador to Norway, Sweden, or Denmark.

Mr. VANDENBERG. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from Michigan.

Mr. VANDENBERG. I cannot do a thing with the President until we can win an election intervening.

Mr. BRIDGES. I thought of asking the distinguished Senator from North Dakota if he expected anything from this administration by way of the appointment of an ambassador or minister, or whether he would have to look forward to 3½ years from now, when conditions had been changed.

Mr. LANGER. My judgment is we will have to wait until we get a Republican administration.

Mr. BREWSTER. I am sorry to defend the administration, but Ellis O. Briggs, whose nomination as Ambassador to Czechoslovakia is on the Executive Calendar, is a resident of Maine, and I even suspect he is a Republican, so I am not questioning the impartiality of the administration.

Mr. LANGER. I am living in hope. I have very great hope that one of these days somebody from North Dakota will get one of these diplomatic appointments. We have many qualified and competent men and women there who would make excellent representatives from this country, and I hope we will get one of them appointed soon.

Mr. BRIDGES. Mr. President, my reason for asking the question was that I heard the Senator from North Dakota voice that hope several years ago, and I wondered if anyone had been appointed. It was natural curiosity on my part to ascertain whether the Senator had been successful.

Mr. LANGER. I am very sorry to inform the Senator that up to the present time the hopes of the people of North Dakota have not been realized.

Mr. BRIDGES. I heard the Senator from Maine refer to Mr. Butterworth, who has just been appointed Assistant Secretary of State. I do not care to enter into a discussion of Mr. Butterworth now, because I expect to speak on the nomination when it comes before us on the floor of the Senate, but I may say that I think if some of the appointments being made are in the same category with Mr. Butterworth's, who is the symbol of failure and of a tragic era, in our relationship with China, it is a sad commentary on the wisdom of the administration.

Mr. BREWSTER. I think the Senator from New Hampshire was not in the Chamber when I indicated that very shortly I wish to refer to that matter, as it seems to me that the Senate should interpret this whole situation.

It was the Secretary of State, Mr. Acheson, who said that the sending of an ambassador to Madrid would be a symbol. Certainly the confirmation of Mr. Butterworth would be a symbol of our approval of a policy which has apparently been an utter failure. How much Mr. Butterworth was responsible is an appropriate matter for consideration, as well as the question whether it is wise to promote him upstairs, in the light of this record of collapse in the Orient, which is a matter of increasing concern not only to every Member of the Congress but I think to everyone in this country. I hope the Senator from New Hampshire may think of it well in advance of his nomination being brought up before us. Nominations usually come at the close of a day, in the consideration of executive business. I think this matter should be discussed in advance of the time when it is brought up, so that we may bring home to the American people something of the implications of Mr. Butterworth's appointment.

Mr. BRIDGES. I wish to say to the Senator from Maine that I do not know whether Mr. Butterworth formulated the policies, or whether Mr. Butterworth took orders from those who did formulate the policies, but in either case he is a symbol of failure, he is a symbol of a policy which failed in one of the greatest areas of the earth.

Mr. BREWSTER. Mr. President, I think it would be well to have a report on the attitude of the Committee on Foreign Relations. I notice present at this time the ranking minority member of the committee, and if it would not embarrass him, I should be glad to know whether the action of the committee on the nomination of Mr. Butterworth was the unanimous action of the Committee on Foreign Relations.

Mr. VANDENBERG. Mr. President, I think that is a fair question, and I am certainly not in the slightest embarrassed to answer it.

When Mr. Butterworth's nomination came to the committee for action, the committee was unanimous in its action, except for the attitude of the senior Senator from Michigan. The senior Senator from Michigan did not want to vote against Mr. Butterworth because he considered that he is one of the most distinguished and able career men in the career service, and that in his relationship to the far eastern question he is not the responsible actor in the drama. The senior Senator from Michigan did not wish, by his vote on the confirmation, to register any sort of a black mark against Mr. Butterworth himself.

On the other hand, the senior Senator from Michigan thought it was a very great mistake in public policy, in the appointment of a new Assistant Secretary in charge of far eastern affairs in general, and in China in particular, not to bring a fresh point of view to the assignment, rather than simply to continue the regime which, for one reason or another, is inevitably connected with a very tragic failure of our policies in the Far East.

Therefore the senior Senator from Michigan voted "present" on the roll call, and declined to vote approval, although also declining to vote disapproval, which might be interpreted as a personal disapproval of Mr. Butterworth himself.

What the appropriate attitude should be on final roll call in the Senate I am

not yet prepared to say. I feel very keenly, on the one hand, that an able career servant in the diplomatic service should have his record carefully protected against any debits which are unfair.

On the other hand, the senior Senator from Michigan continues to feel very deeply that our attitudes during the last few years in connection with the China policy have been often unfortunate, and certainly in net result unsuccessful. It seems to me the course of wisdom would have been to cut the string, so to speak, in the continuity of a policy that has failed; and without any reflection whatever on Mr. Butterworth himself, to have established a new and a fresh point of view to indicate at least that we are proposing an independent assessment of the new situation which we confront.

Mr. BREWSTER. Mr. President, I am very grateful to the Senator from Michigan for his contribution. The Senator will recall a discussion had, I think a year or so ago, as to the extent to which the Senate, under its constitutional responsibility and the evolution of our foreign relations, may properly go in expressing an attitude on the detail policies. We have the responsibility under the Constitution to advise and consent both as to nominations and as to treaties. The Senator from Michigan at that time said that that power, so far as our advice here, and public discussions here, are concerned, must be exercised with great restraint; that we could not take the position of back-seat drivers constantly discussing from day to day every detail, with which we necessarily could not be familiar unless we were to neglect our other responsibilities.

On the other hand, as we move into an obvious position of world power and responsibility, is it not imperative that we here in this Chamber, moving to recognize our responsibility, shall in some further measure than has hitherto perhaps been the practice and the precedent, take up at intervals matters of this character, such as the one we are now discussing. A year ago, the resolution submitted by the Senator from Michigan regarding the North Atlantic Pact—perhaps 18 months ago; whenever it was—finally culminated in a resolution of advice.

Now, observing the evolution of the parliamentary process and observing the functioning of it under the parliamentary system in Britain and in other countries, is it not perhaps appropriate that in the promotion of men in the State Department considerations such as the Senator from Michigan suggests may properly be taken into account, and that, in this instance, with full understanding that we are not reflecting upon the individual, and are not challenging his loyalty or devotion, or even his competency, he is so closely identified with what has seemed to be a tragic failure, that it would not be wise and in the public interest that he should at this time receive recognition of that character?

Unless we are to move in that direction I see no indication that the administration, as now constituted, are likely to give to our views here the consideration which seems to me to be essential if their policies are to command the confidence of the country as a whole.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. YOUNG in the chair). Does the Senator from Maine yield to the Senator from Ohio?

Mr. BREWSTER. I yield.

Mr. TAFT. Did the Senator read the column by Joseph Alsop in this morning's Washington Post, dealing with the conduct of the Far Eastern Division of the State Department with reference to Indochina?

Mr. BREWSTER. I did read it with much interest, and I think it has a very pertinent application.

Mr. TAFT. I call the Senator's attention to the fact that the statement is made that there is a new government in Indochina under the Emperor Bao Dai, which has received the sanction of the French, and which, according to Mr. Alsop, is the only possible agency by which the communization of Indochina may be prevented. Mr. Alsop raises the question:

> Will the Far Eastern Division, having made its mess in China, at last adapt its views and actions to the foreign policy this country has been following in the rest of the world for the last 4 years? The outcome, it may be added, is still in doubt.
>
> A symptom, a passing sputter, from this debate was the guarded statement issued by the Department on Tuesday expressing cool but not unfriendly interest in the new government being established in Indochina by the Emperor Bao Dai.

Then Mr. Alsop, who is usually a well-advised informant on matters that go on inside the present Government, proceeds to say:

> Yet the statement that was just issued which could hardly be more cautious or gingerly, represents an elaborate watering down of a public avowal of sympathy for Bao Dai that was originally proposed. Equally, those who see the appalling danger now confronting us in southeast Asia have been urging the expenditure of ECA funds in Indochina. But the Far Eastern Division has succeeded in watering this project down also, to a decision to consider the matter.

Mr. President, that amounts to a statement that the Far Eastern Division is still being operated today with a pro-Communist attitude in the region of Indochina, which is the stepping stone from the communization of China to the communization of the East Indies, where we have many vital interests because of materials necessary for our country which comes from them.

Does the Senator from Maine feel that Mr. Butterworth is responsible for that apparent weakening in the position of those who are perhaps in outright support of the anti-Communist government of Indochina?

Mr. BREWSTER. I would put it in this way, that I think the Senate is entitled to clarification of those influences within the State Department, and the individuals concerned, that have evolved the policies of recent years. We have a right to consider whether those men are the ones who should be given further and more important responsibilities, such as here proposed for Mr. Butterworth, in the determination and carrying out of policies as time goes on. It seems to me that that is entirely essential in our functioning.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. TAFT. I wonder if the Senator would be willing to have the article by Mr. Alsop inserted in the RECORD at the conclusion of his remarks?

Mr. BREWSTER. I would rather have it inserted at this point. I think it would be very appropriate in connection with the current discussion. I ask unanimous consent that the article by Joseph Alsop be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOOT DRAGGERS

(By Joseph Alsop)

A crucial debate is now going on within the State Department. The issue can be crudely stated as follows: Will the Far Eastern Division, having made its mess in China, at last adapt its views and actions to the foreign policy this country has been following in the rest of the world for the last 4 years? The outcome, it may be added, is still in doubt.

A symptom, a passing sputter, from this debate was the guarded statement issued by the Department on Tuesday expressing cool but not unfriendly interest in the new government being established in Indochina by the Emperor Bao Dai. This sort of thing must seem immensely remote and trivial to the average American. But the unfortunate truth is that this sort of thing may later turn out to have all the importance of war or peace.

In brief, as reports from the scene have indicated in this space, the Communist power in Asia has reached the uttermost limits of safety If the Soviet Union can extend its sphere beyond China, into Indochina, a chain reaction will become highly probable. All of southeast Asia will be threatened. If southeast Asia goes, Japan and India will be immediately menaced. And if this situation arises, the odds on war will be far better than even. It is tiresome to rehearse this series of grim probabilities, yet they must be daily borne in mind.

Indochina is the key, for two reasons. First, it is the state in southeast Asia most accessible to China. And second, French folly has caused the Communist-nationalist movement of Ho Chi-Minh to gain great strength among the Indochinese. The new regime of Bao Dai is the last chance to win over the Indochinese people to an independent, non-Communist government. On all sides it is acknowledged that if Bao Dai fails, Ho Chi-Minh will succeed.

Such are the bleak basic facts. The debate in the State Department concerns the extent of American support to be given to the new Bao Dai regime. As has also been reported from the scene in this space, Bao Dai is almost certain to fail if he is not actively supported by this country (since exclusive French support actually discredits him in the eyes of his people). The Far Eastern Division of the State Department is extremely reluctant, however, to support Bao Dai.

The reason for this reluctance is certainly not fear of offending the French. The French Government has actually hinted that American aid for Bao Dai, whom they have fully recognized, will now be exceedingly welcome. Furthermore, the European Division of the State Department, whose staff is a trifle more aware of the Soviet problem than the Far Eastern Division, has urged that the Bao

Dai experiment be promoted and assisted in any way possible.

Yet the statement that was just issued, which could hardly be more cautious or gingerly represents an elaborate watering down of a public avowal of sympathy for Bao Dai that was originally proposed. Equally, those who see the appalling danger now confronting us in southeast Asia have been urging the expenditure of ECA funds in Indochina. But the Far Eastern Division has succeeded in watering this project down also, to a decision to consider the matter.

The arguments that are being made for this foot-dragging approach may be superficially convincing. It is true that Bao Dai is a risky investment. But the fact remains that although supporting Bao Dai is by no means an ideal solution to the southeast Asia problem, it is the only solution available. The other approach is simply to drift with the tide, as we did in China, until we land on the rocks. And the rocks are now 10 times bigger and 10 times more sure to destroy us.

Such is the rather unpleasing choice confronting Walton Butterworth, the new Assistant Secretary of State for Far Eastern Affairs, who is not a Far Eastern Division man. His situation is further complicated by another grave fact. Although the members of the State Department Far Eastern Division have recovered from their sentimental delusion that far eastern Communists are mere reforming agrarians they still have their record in China hanging round their necks like an albatross. Their main aim now seems to be to prove that the albatross is not an albatross, after all, but a peacock or possibly a bird of paradise.

When officials have made one disastrous failure, their judgment should be suspect the second time 'round. This rule should now be followed. It must also be recognized that choosing the least bad alternative is preferable to drifting into the worst. Otherwise we shall have no policy at all in the deeply dangerous Asiatic situation.

Mr. BREWSTER. Mr. President, I should be most interested to know whether the Senator from Michigan would feel it appropriate to discuss any further the broader implications—without relation to Mr. Butterworth—and the extent to which the Senate and its Committee on Foreign Relations in their deliberations may take into account policies in connection with the discussion of the naming of individuals. To me it is an interesting constitutional question.

Mr. VANDENBERG. Mr. President, I am reluctant to engage in any sort of debate that goes to the merits of the issue at the moment, because the facts available to us are too inadequate for conclusive opinions. I think the situation itself is in a state of total flux.

With regard to the general philosophy of action to which the Senator refers, of course it is quite clear that under the theory of the Constitution the President of the United States is clearly our primary agent in foreign negotiations. I suppose the extent to which he enjoys or monopolizes that privilege, will always be a controversial equation. It will always be something of a twilight zone.

During the past 8 years, certainly, there has been a clear disposition on the part of the Executive to work in far more intimate cooperation and liaison with his constitutional partners in the Congress in respect to foreign policy. From my point of view it has paid very large dividends in the resultant relative unity with which the Voice of America could be heard abroad.

Mr. BREWSTER. The 92 votes in the Senate for the United Nations is a monument to that collaboration on an entirely bipartisan scale.

Mr. VANDENBERG. It is; and the record of the Foreign Relations Committee under Republican control and leadership for the past two years, 1947 and 1948, during a Democratic Presidency, is the further and final exhibit. Upon at least 50 occasions, many of which made history with magnitude in its dimensions, the committee voted 13 to 0, with a conclusiveness which permitted the Voice of America to speak for America, and not for either an administration or an opposition within the Government.

As an inevitable result I am perfectly sure that the influence of the voice of the United States in foreign policy multiplied in proportion to the preservation of that unity. Therefore I say that the policy of consultation and cooperation between the executive and the legislative in respect to foreign policy has paid rich dividends. The extent to which it can be pursued is largely dependent upon the initiative of the Executive because of the primary constitutional prerogative which he enjoys under the Constitution. But I feel that the record which I have recited, and the record to which the able Senator from Maine has referred, should recommend to the Executive the closest possible liaison in respect to foreign affairs.

Mr. BREWSTER. Is it not necessary also to document the statement of the Senator from Michigan with the statement which he has previously made on the floor of the Senate, that unfortunately—and perhaps tragically in the case of China—that same degree of consultation has not prevailed in the past few years?

Mr. VANDENBERG. I am glad the Senator has asked that question. He has asked it before. On previous occasions I have categorically replied that there was no such liaison in respect to China policy. I wish to reiterate it, because I dissociate myself, as I have publicly done upon previous occasions, from the China policy which we pursued.

It is a very easy, simple matter to dissociate one's self from a policy. It is not quite so easy to assert what an alternative policy might have been. I concede that it is far easier to be critical than to be correct.

Pursuing the theme which the Senator presents today in respect to China, I am quite willing to testify that I think the President and the State Department would do extremely well to continue the attitudes they have displayed so generously in other directions by making very sure that any evolution of a new policy in the Far East and China comes completedly into contact and review, at least with the Senate Foreign Relations Committee, before any commitments are concluded, because in this area we obviously face the conundrum of the ages. Yet it is a conundrum which has implications and repercussions of very dreadful importance to our own country and our own people.

I say quite frankly that I hope, for example, that there will be no consideration of a recognition of a Communist government in China without complete preliminary contact and exploration of the subject with the Senate Foreign Relations Committee.

In conclusion, I say to the Senator that I think any Senator who wishes to rise on the floor of the Senate and discuss any phase of foreign policy at any time is not only well within his own rights, but he is entirely within a correct estimate of public duty.

Mr. BREWSTER. I am deeply interested in the Senator's remarks, and profoundly grateful for what the Senator from Michigan has said. As we survey the sorry picture in China against the background of the somewhat more hopeful picture in Europe, where consultation did prevail, I think the administration might well draw some lessons.

I think the Senator from Michigan has also stated that in the Middle East our policy in connection with Palestine and Israel had not been a matter of bipartisan discussion. I think the same may be said for South America, until the administration saw fit to accept the insistence of the Senator from Michigan that we reassemble the Rio Conference in accordance with our 2-year-old pledge at the time.

Mr. VANDENBERG. I can answer affirmatively down to the point where the Senator involves me personally, in the latter part of his statement. He is correct about Palestine. He is correct about the Middle East. He is more or less correct about South America. I could hardly rise and consent to the hypothesis that the action was taken as a result of the insistence of the Senator from Michigan.

Mr. BREWSTER. It did follow.

Mr. VANDENBERG. I must say that the Senator from Michigan had considerable to say on the subject.

Mr. BREWSTER. It seems to me that the Committee on Foreign Relations necessarily must be our point of contact. In the development of the United Nations under the leadership of Secretary Hull, the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan, an eight-man committee was constituted, with four Democrats and four Republicans, or three Republicans and one Progressive. At any rate, it was a bipartisan group. I have always felt that Secretary Hull, the Senator from Texas, Mr. Connally, and the Senator from Michigan, Mr. Vandenberg, were entitled to the profound gratitude of the country for blazing a trail which has demonstrated its utility, in contrast to the futility of the other course.

As to the discussion here, I think we must be guided, in substantial measure in such matters, in which we are naturally concerned and anxious, by the information we receive from those who are in a position to know. The British Parliament from time to time sets aside a day for the discussion of such questions, I believe; and as we more and more

assume world responsibilities, I think we should look forward to a periodic exploration of such matters, within the limits of the foreign policy, with those who are informed in regard to the situation, and I think we should be guided by the information we thus receive from those who are in a position to know, as is the custom in the British Parliament.

I do not hesitate to refer to the British Parliament and the experience and customs there, for Britain has been running the world for some time, and now we must in large part take over. Inasmuch as Cabinet officers do not appear before us, if certain members of the Foreign Relations Committee indicate that certain subjects should be explored from time to time, that will be most helpful, for we naturally have more confidence in the members of the Foreign Relations Committee than we would in Mr. Acheson's blithe comment, when certain criticisms which were made here are disposed of with the word "poppycock," or in his refusal yesterday even to discuss why he has sent ambassadors to Czechoslovakia and Hungary, although he will not name one to Madrid. At least there are some of the members of the Foreign Relations Committee on whom we may call to rationalize some of the actions of the State Department in the conduct of our foreign affairs.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Maine yield to the Senator from Michigan?

Mr. BREWSTER. I yield.

Mr. VANDENBERG. I think I should make a comment. I like the reservation with which the Senator from Maine has just spoken in recognition of the fact that there are stages of foreign policy which cannot be thrown into the public discussion of the committee. Unfortunately, it is a type of negotiation, particularly when dealing with totalitarian opponents, which cannot be conducted persistently in a goldfish bowl. That results in two difficulties, so far as we are concerned. First of all, it results in a substantial embarrassment for members of the Foreign Relations Committee who, if the Chief Executive is to be wholly frank with them, have to withhold from their own colleagues information to which their colleagues are just as much entitled as they themselves are.

Mr. BREWSTER. Unless we ourselves recognize that the members of the committee may properly be the repository of some of those matters, and express our confidence in the members of the committee.

Mr. VANDENBERG. That is right. Personally, I have been very grateful, during the past few years, for the generosity with which my own colleagues on this side of the aisle have recognized that situation, and I am sure the other Republican members of the Foreign Relations Committee feel similarly about it.

The second thing about which I wish to be sure not to leave any misunderstanding is the perhaps implied criticism that the Foreign Relations Committee had not been wholly taken into consultation in respect to all the various problems to which the Senator from Maine has referred. I make no complaint upon that score. I think it is the responsibility of the President and the State Department to determine the extent to which he wishes to invite congressional cooperation. By the same token, Congress is entitled to react according to the degree in which it has been taken, through its committee agency, into consultation.

But in relation to the things which have been developed on a bipartisan basis, what I am trying to say is that in respect to these problems, I have never sensed a single moment of partisan activity or inspiration or purpose in the bipartisan work which has been done. I think that is the great value which it has been able, in turn, to translate into the ultimate foreign policy of the country.

I have nothing but the greatest feeling of appreciation for the frankness and candor of the Democratic administration during 1947 and 1948 when a Republican was chairman of the Foreign Relations Committee. I have nothing but the greatest gratitude for the complete frankness with which the Republican chairman was treated. In accordance with the degree in which that candor can prevail, within the necessary limits of relative secrecy, the greater the degree in which that relationship can persist between the two ends of Pennsylvania Avenue, so far as the foreign policy is concerned, the safer our foreign policy will be, not only in its wisdom—because the larger the consultation the greater the chance of wisdom—but also the greater will be the chance that our foreign policy will be effective, because it is effective in the degree that it can be read abroad as the united voice of a united America. So long as it is a united voice, it will be invincible.

Mr. BREWSTER. Mr. President, I am sure the comments of the Senator from Michigan are in the highest degree pertinent to the current situation, and we trust that the administration may continue to consult, to the utmost degree compatible with what it conceives to be its interest, and along the lines indicated by the Senator from Michigan.

I raise one question, because it may serve as an object case: Within the past week, I had some discussions with one who had just returned from 6 weeks in Europe, one who, among those in our country, outside of those in official life, has perhaps the widest sources of information as to what goes on. He expressed the most profound concern that discussions may have proceeded at Paris recently regarding trading our position in Europe for the Russian position in China. I cite this only as an example, after the tragic example of the secret agreements which were entered into during the war, and as to which all of us now feel, in looking back, that American interests were most unfortunately involved, and perhaps our long-range interest sacrificed. Of course, all of us hope that there will not be a repetition of those errors.

So I was profoundly happy to hear the Senator from Michigan say that in the future evolution of our policy as to China and elsewhere in the Orient, it would be most wise if the administration would reopen the bipartisan consultation with the members of the Senate Committee on Foreign Relations, which has given such strength, direction, and constancy to our policy, where it has prevailed, whereas in many instances disaster has resulted where it has not prevailed.

(At this point a message was received from the House of Representatives; following which Mr. BREWSTER yielded to Mr. HILL, who presented the conference report on the District of Columbia appropriation bill, which, with the ensuing debate, appears at the conclusion of Mr. BREWSTER'S remarks.)

Mr. CONNALLY. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I am glad to yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, I regret I was not here at the beginning of the Senator's remarks, and that I heard very little of the discussion. I did hear the colloquy between the Senator from Michigan and the Senator from Maine a little while ago.

Mr. BREWSTER. I hope the Senator heard my comment regarding the work of Secretary Hull and the Senator from Texas and the Senator from Michigan, in building the monument of the United Nations, to which I always love to refer.

Mr. CONNALLY. I thank the Senator very much. He is very generous. What I rose to ask was whether the Senator believes there was any lack of candor between the President and the State Department on the one hand, and the Committee on Foreign Relations and other interested parties, on the other, in reference to transactions in China which had been going on for a number of years.

Mr. BREWSTER. I do not know whether the Senator from Texas heard the statement of the Senator from Michigan with regard to our foreign policy.

Mr. CONNALLY. I did not hear all of it. I came into the Chamber while the Senator from Michigan was stating that under his chairmanship frankness and candor prevailed.

Let me ask the Senator from Maine a question. He will remember that General Marshall, at the request of the President, made a trip to China to try to aid in adjusting the difficulties there.

Mr. BREWSTER. He was there for some 6 months.

Mr. CONNALLY. And does not the Senator remember that General Marshall returned to Washington, and later went again to China?

Mr. BREWSTER. Yes.

Mr. CONNALLY. Is the Senator aware of the fact that when the General returned, he appeared before the Committee on Foreign Relations to make a complete, detailed, and candid statement about his activities in China, a statement of his objectives, a statement of what he was trying to do to aid in the situation in China, both with respect to the National Government and with respect to the Communist forces in Manchuria? Is the Senator aware of that?

Mr. BREWSTER. No, I am not, as I think that was not a public statement.

That was in an executive session of the committee, was it not?

Mr. CONNALLY. It was, but the general was still in contact with the members of the Committee on Foreign Relations, who were deeply interested in those questions and were considering them. While it was not a public meeting, a great deal of that information finally reached the press.

Mr. VANDENBERG. Mr. President, may I interrupt the Senator from Texas?

Mr. CONNALLY. I yield.

Mr. VANDENBERG. The Senator was not here earlier in the discussion. I have never felt, and I have always said that I did not feel, that the bipartisan foreign policy had been extended to China in any such degree or spirit as that in which it had been applied to the United Nations or to the operations under the United Nations, or to the Rio Treaty, and in respect to similar matters. In other words, while we were given the very frank reports to which the Senator refers, I do not feel that the directives which controlled our China policy were ever the result of the type of consultation and cooperation which we were permitted to contribute and to exercise in connection with other policies. I feel the same way about the policies in Jerusalem. I do not feel that those policies were developed in the same bipartisan degree of consultation and cooperation, from their inception, that applied to these other very great episodes and incidents in which we have had such complete, mutual, bipartisan activity.

Mr. CONNALLY. Mr. President, may I comment on that?

Mr. BREWSTER. I yield.

Mr. CONNALLY. Mr. President, allow me to say that it is quite natural that our attention should be attracted primarily to the field of European and United States affairs, and the United Nations, in the conditions that followed the war. It is quite natural that so active a field as that should have attracted greater attention relatively than China or the Far East. But I do not know of any desire on the part of the State Department, the President, or anybody else to conceal from the Senate or from the Committee on Foreign Relations any of the things that are going on in China. As the Senator knows, since the war ended we have given China $2,000,000,000 in aid, represented by food, supplies, arms, and military equipment. What else would the Senator have wanted us to do?

Mr. BREWSTER. I can tell the Senator what I should have liked to do. I should have liked to read the Wedemeyer Report a long time ago. I believe the Members of the Senate were entitled to it. I have asked the Senator from Texas repeatedly regarding the matter, and I believe that the current statement regarding China which the State Department is now preparing will be something less than useful, unless it now gives us a far more complete disclosure than we have thus far received.

Mr. CONNALLY. The Committee on Foreign Relations only recently had access to the Wedemeyer Report.

Mr. BREWSTER. Only recently?

Mr. CONNALLY. That is true.

Mr. BREWSTER. To me it is a complete indictment of the administration, that the report had not been given to the Foreign Relations Committee long since.

Mr. CONNALLY. The Senator is indicting the administration because everything is not published.

Mr. BREWSTER. No—because Members of the Senate do not see them. I assumed the Foreign Relations Committee had seen it.

Mr. CONNALLY. We saw it, and we had Gen. Wedemeyer before us. I may observe that transactions between the United States and other governments, and various developments in our relations with other countries, cannot be published as front-page news every day. We cannot lay before the world everything that transpires. The entire world knows, and knows well, that we have undertaken to aid China by giving her $2,000,000,000 and more since the war.

Mr. BREWSTER. Well——

Mr. CONNALLY. Wait a moment.

Mr. BREWSTER. I have the floor.

Mr. CONNALLY. I beg the Senator's pardon.

Mr. BREWSTER. I do not want that statement to pass unchallenged.

Mr. CONNALLY. Very well, I will sit down, if the Senator does not want to yield to me.

Mr. BREWSTER. I am happy to yield, but I do want to take the statements as we proceed. Ten months after the close of the war, under General Marshall's directive, the shipment of arms and ammunition to China was embargoed. During the following 10 months it was not practical to ship them, after the embargo was lifted. When mention is made of the $2,000,000,000 we sent to China—and there is considerable controversy in respect to the details of that assistance—I think it ought to be made clear that for 20 months, while the Russians were turning over to the Communists all the Japanese arms and munitions in Manchuria, while they were being armed and trained to use them against the Chinese, we were embargoing for all practical purposes for those 20 months shipments to the Nationalist Government, which we were supposed to support. That has always seemed to me a most tragic episode.

Mr. CONNALLY. Mr. President, may I intervene, now?

Mr. BREWSTER. Certainly.

Mr. CONNALLY. It is easy enough to pick out some little incident here and there.

Mr. BREWSTER. That is not very little.

Mr. CONNALLY. Two or three years after it has happened, it is possible to pick out some little incident here and there and say, "Why, it ought to have been done this way. Had I been running the Army, I would have done it this way. Had I been in the State Department I would have done it this way." That is easy now. But let me say that we had the complete testimony of General Barr before the Committee on Foreign Relations. He had been in China. He had been into the upper reaches of that country. He testified that the Chinese had never lost a battle—not one—for lack of arms and munitions which we had been supplying them. What would the Senator have done?

Mr. BREWSTER. That is very poor consolation, when a nation is being embargoed. After Chiang Kai-shek had fought the Japanese for 10 long years, why did we cut off the shipment of arms to him? Could we not trust him? The Senator now glibly says, "General Barr says it was not for lack of arms." All we know is that we refused them the arms. I say that will always stand as a black mark on the record of the United States, which was supposed to be an ally of Generalissimo Chiang Kai-shek and the Nationalist Government. That spot cannot be burned out of the record of this country.

Mr. CONNALLY. The Senator from Texas is not seeking to employ any pyrotechnics or flame-throwers. That is, seemingly, the function of the Senator from Maine. What would the Senator from Maine, or other Senators, have done? Would they have sent an army into China?

Mr. BREWSTER. But that is not——

Mr. CONNALLY. Let me finish.

Mr. BREWSTER. The Senator is asking what I would have done. I never proposed to send an army into China.

Mr. CONNALLY. What else would the Senator have done?

Mr. BREWSTER. I would have sent arms.

Mr. CONNALLY. We did.

Mr. BREWSTER. After 20 months we embargoed them, after the Japanese surrendered. We cannot escape that.

Mr. CONNALLY. Our military authorities say the Chinese never lost a battle because of lack of arms or military supplies. I shall not go into the details of why they lost battles, but it was not our fault. It was not our fault that they did not fight; it was not our fault that they were not able to carry on campaigns. There are many local reasons, which I shall not go into at this time. But let me ask the Senator from Maine if he would have wanted to send his son to China to take part in a fight between Chinese rival armies? The Senator from Texas does not have such a desire.

Mr. BREWSTER. With reference to the latest comment of the Senator from Texas as to whether I have a son—I did have a son who served 5 years in the last war, in every theater of the war.

Mr. CONNALLY. I beg the Senator's pardon. I congratulate him on having such a gallant son. My question was intended to be general. I have a son who was in the Army. Thank God, he came back safe and sound. The question I meant to propound was whether there is any Member of the Senate who would have voted to send a United States Army to try to settle the controversy between the Chinese factions in China.

I apologize to the Senator. I had no idea of referring to the Senator's own son.

Mr. BREWSTER. If I may use some of the political terminology of recent days, I think the comment of the Senator from Texas might come in the category of a red herring. I had already made it very clear to the Senator from Texas that I had never proposed to send an American Army in China, so I think the

rhetoric of the Senator from Texas, which is always eloquent, is wasted on the desert air.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BREWSTER. I shall be very happy to yield to the Senator from California.

Mr. KNOWLAND. Will not the Senator agree that there has never been a proposal on the part of those who are critical of the policy we have pursued in the Far East to send an Army to China, but that there has been great criticism of the fact that at a time when we were taking the position that it was of the utmost importance to the security of this Republic that we keep some 200,000,000 Europeans from going behind the iron curtain, and protecting our front door, it was neither consistent nor did it make for common sense to leave our back door wide open while 450,000,000 Chinese were being taken behind the iron curtain?

We sent aid to Greece and Turkey; and I will say to the Senator from Texas that I supported that program, because I believed it was of the utmost importance that we not permit the rest of Europe to be overrun by international communism. If we sent a mission to Greece to participate in an internal struggle there to prevent the Greek people from being overrun by communism, was it not just as consistent that we furnish the same type of advisers to the Government of China, which is a legal government, which was our ally during the war, and which stood up for a period of years when we were shipping scrap iron and oil to Japan to be used against the Chinese? We certainly had some obligation, I believe, to give them the same over-all support we have given to the Government of Greece.

Mr. BREWSTER. I welcome the contribution of the Senator from California, who has been one of the stanch advocates of effective and intelligent aid.

Since the Senator from Texas has quoted military authority, I think it would have been well if we could have known the advice and perhaps paid somewhat more heed to the advice of some other generals there. General Wedemeyer was there, but we have never yet been permitted to know what his advice was. It was not given to us because the administration was so solicitous for the reputation of Generalissimo Chiang Kai-shek. Coming from the mouths of those who have done so much to discredit him, it has a very empty sound.

Before that time there was General Hurley, and he came back with some very decided ideas. Then there was General Chennault who participated in the war in China. He knew something about it. We had the benefit of his advice, but, apparently, it was never heeded.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. BREWSTER. I yield.

Mr. KNOWLAND. Is the Senator familiar with this paragraph in the foreword of the recent book by General Chennault, Way of a Fighter, in which he said:

> The United States is losing the Pacific war. Three years after VJ-day this country is facing the loss of everything it won during the four bloody years it took to defeat Japan.
>
> Here are the facts:
>
> Gen. George C. Marshall told Congress in the spring of 1948 that if Manchuria were lost to the Chinese Communists, the United States' position in southern Korea would be untenable.
>
> Manchuria has been lost to the Chinese Communists.
>
> General Marshall also told Congress that if the Chinese Communists controlled North China the United States' position in Japan would be "extremely serious."
>
> General Douglas MacArthur warned the Joint Chiefs of Staff in the fall of 1948 that if the Chinese Communists took the lower Yangtze Valley and Shanghai, the American military bastion on Okinawa will be outflanked and his position in Japan will be as exposed and untenable as it was in the Philippines during 1941.
>
> As this is written, the Chinese Communists are fighting toward the Yangtze at Nanking. They are aiming to force a Yangtze crossing and sweep to Shanghai.

Since the book was written the Chinese Communists have crossed over and are moving now into southern China.

Is the Senator familiar with the fact that a little further on in the book General Chennault had this to say:

> China is the key to the Pacific. Politics are variable, but geography is a constant. It is the geography of China that makes that unhappy land so important. Whatever sentimental appeal there may be in the American aid for China, the United States attitude toward China should be based on a thoroughly realistic appraisal of China's value to the United States.

Right along that line, I wonder if the Senator from Maine is familiar with a statement made by a great American Secretary of State, John Hay, in 1899. He was a man who had tremendous vision for this country, which was at that time entering upon a period in which it was becoming truly a world power. Mr. Hay had this to say:

> The storm center of the world has gradually shifted to China. Whoever understands that mighty empire, socially, politically, economically, and religiously, has a key to politics for the next 500 years.

Does the Senator from Maine believe that because of our lack of policy in the Far East we may be creating problems of Communist domination of the entire continent of Asia which will present a problem to our sons and to their sons for a number of generations yet to come?

Mr. BREWSTER. Certainly that conclusion is warranted by the developments of each passing day.

Mr. FERGUSON. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from Michigan.

Mr. FERGUSON. I should like to make an observation on what happened when General Marshall was in China. It has been said by the able Senator from Texas that General Barr has stated that no battle had been lost by virtue of the lack of arms on the part of the Nationals. Is it not a fact that during the period when arms were denied the United States Government, through General Marshall, had insisted on an armistice, as a result of which certain positions were taken advantage of by the Communist forces? Is it not also true that certain Communist forces were able to go through the pass into Manchuria, and that after the armistice the Communists had a great advantage. Is not that a fact?

Mr. BREWSTER. I think not only is that correct, but that the period of 20 months, when we were embargoing, and when for practical purposes we found we could not ship, was the very period in which the Communists were mobilizing, were training their people, and were equipping them with all the armaments in Manchuria. So that, whether by intention or otherwise, the armistice operated completely to mobilize the Communist strength, and meanwhile cut off the shipment of arms to our supposed allies.

Mr. FERGUSON. Realizing that the able Senator from Maine is familiar with the history of the war between Japan and the United States, is it not a fact that one of the dominant objectives was to keep an open door in China?

Mr. BREWSTER. That is what the Senator from California has just read of, the Hay open door policy, which was the cornerstone of our policy in the Orient for the past 50 years. It was implemented by Stimson when he sought to keep Japan from invading Manchuria. We refused to recognize the Japanese administration.

As the Senator from Michigan has pointed out, it was my privilege to serve with him and the Senator from Texas on the committee investigating Pearl Harbor——

Mr. CONNALLY. No; I was not on that committee.

Mr. BREWSTER. I apologize. I think I can safely make the statement that not only every member of that committee, but also every member of the Committee on Foreign Relations, of which the Senator from Texas was chairman, was in complete agreement throughout the past that the preservation of China from domination by Japan was absolutely vital to our security. If that was the case, then how much more vital it is now, in these days when communism is a world-wide threat, that China should be preserved from the domination of the totalitarian regime which threatens liberty throughout the world.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. BREWSTER. I yield.

Mr. KNOWLAND. Is the Senator from Maine familiar with the fact that after the negotiations which were being conducted by the Japanese Ambassador, Nomura, and the special ambassador Japan had sent over at the time to conduct negotiations, they handed the American Government a note, and in return, on the 26th day of November, 1941, which was just about 10 days before Pearl Harbor, the American Secretary of State, Mr. Hull, handed to Ambassador Nomura a document which appears on page 768 of the book "Foreign Relations of the United States-Japan, 1931 to 1941." The paragraphs to which I desire particularly to call attention are in section 2, which state:

> The Government of the United States and the Government of Japan will not support,

militarily, politically, economically, any government or regime in China other than the National Government of the Republic of China, with capital temporarily at Chungking.

This note was unacceptable to Japan, because we insisted that it was in our national interest to support the very National Government of China which is now subject to all sorts of attack, and the Japanese answer to this note was the attack on the American forces at Pearl Harbor.

Mr. BREWSTER. I think that is a very pertinent contribution.

Mr. FERGUSON. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from Michigan.

Mr. FERGUSON. Does the Senator believe it is possible to have the open-door policy in China and have a communistic government in China?

Mr. BREWSTER. Certainly, if we are to judge by the experience in Europe, the iron curtain will clang down, and we will carry on simply on sufferance with the Communist government, so long as they feel it suits their interest, and at any time they feel it does not suit their interest, we will be automatically and completely excluded.

Mr. FERGUSON. Does the Senator see any difference between what was going on to close the door prior to December 7, 1941, and what we have, reasonable grounds to believe is going on now to close the same door by having a communistic government in control, whereas prior to that it was proposed to have a Fascist government?

Mr. BREWSTER. I think that all concerned would probably well recognize and agree that, for all practical purposes, the present arrangement is a coalition, if not a domination. Certainly the leaders of the Communist movement in China have stated categorically that they would be associated with Moscow if any difficult developed with the United States. So that every consideration which led us to feel our vital interests were involved in not permitting China to be dominated by Japan are even more to be considered in the present situation.

I point out, however, that the implication, that therefore we would immediately go to war to assist China, is a step I have not yet been prepared to agree is wise, although, as the Senator from Michigan points out, it would be exactly as logical today as it was when Secretary Hull presented his note in November 1941.

Mr. FERGUSON. Many facts existed at that time which do not exist now, and I think all agree that there has been no contention that an army should be sent to China, but there were many things which could have been done short of sending an army, under our policy.

Mr. BREWSTER. That is correct.

Mr. FERGUSON. Today there are many things short of sending an army which might be done to encourage a firmer stand by those who are opposed to communism in Russia or in China. Is not that a fact?

Mr. BREWSTER. That is very true, and one thing which we could do, if there is any desire for constructive suggestions when we talk about symbols, is to send General Wedemeyer as ambassador to China, as a symbol of a far keener and clearer understanding of the issues there than has apparently been presented by those who have hitherto represented us.

Mr. President, I am sorry the Senator from Texas, the chairman of the Committee on Foreign Relations, was not present in the earlier portion of this discussion, both on the part of the Senator from Maine and the Senator from Michigan, as I am sure it would be somewhat heartening to him to find the absence of partisanship, as I conceive it, in the approach and the attempt to discuss this matter on a level of undivided interest, with a frank recognition of both the primary responsibility and the primary concern of the Committee on Foreign Relations.

I posed the question to the Senator from Michigan, as one of long experience, to what extent it was practicable for us here in the Senate to participate in the consideration of these matters, recognizing, as I said very frankly, that there must be many matters in which the President and the State Department must proceed without full disclosure, and that there were other matters which they could take up with the Committee on Foreign Relations, but which the Committee on Foreign Relations might not feel it in the public interest to discuss on the floor of the Senate. At that time and in that connection I said very frankly that if the members of the Committee on Foreign Relations, with their far more intimate knowledge and responsibility, at any time indicated that certain matters should not be explored, their judgment would be treated with great respect. We were expressing regret that there had not been as full and free consideration with the members of the committee as indicated by the Senator from Michigan in connection with the Chinese situation, as well as the situation in Israel, Palestine, and certain other aspects of our foreign policy. I continue to hope that we may make progress.

The immediate occasion of this discussion was the nomination of an Ambassador to Czechoslovakia and a Minister to Hungary, whose nominations were held over by the Senate last night, as well as Mr. Butterworth's promotion to be an Assistant Secretary of State—a symbol of a policy which many feel has not been well conceived. The question which was posed here yesterday, and about which the press asked the Secretary of State without being able to secure an answer, was as to why we send an Ambassador to Czechoslovakia and a Minister to Hungary, when those countries are far more militant examples of the suppression of human rights and liberties, which was the basis upon which Secretary Acheson explained his refusal to send an Ambassador to Spain. I am embarrassed in posing this question to the Senator from Texas, because he had already made it clear upon this floor that he was not in sympathy with the policy of the Department of State in not sending an Ambassador to Spain. Therefore there is really no intellectual difficulty in the Senator from Texas supporting the appointment and confirmation of an Ambassador to Czechoslovakia and a Minister to Hungary. I think, however, that the Committee on Foreign Relations should in all prudence and propriety ask the Secretary of State how he distinguishes those two situations.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Does the Senator from Maine yield to the Senator from Texas?

Mr. BREWSTER. I yield.

Mr. CONNALLY. I have not checked on the matter, but I understand that we formerly had an Ambassador in Czechoslovakia whereas we had only a Minister in Hungary. So I suppose the regular routine is being followed.

The Senator from Maine kindly adverted to the fact that I did not hear the first part of his discussion. I regret that very much. I am always entertained and instructed by the Senator, and am always glad to hear his discourses on such matters as that to which he is now addressing himself. Let me say to him that so far as the Butterworth nomination is concerned, it will come up for action in executive session. The nomination will be open to free debate, and it can be thoroughly discussed when the time arrives for action on the nomination.

Mr. BREWSTER. In the case of the minister to Hungary, I think it is correct to say that he was called home a few hours before Hungary requested his withdrawal as persona non grata, because he had dared to stand up against the persecution of Cardinal Mindszenty.

Mr. CONNALLY. That is correct.

Mr. BREWSTER. And I suggested that, if in accordance with the statement of Mr. Acheson, an ambassador or a minister is of no importance—Senators will recall that in connection with Spain he said that, after all, ambassadors do not amount to anything or mean anything—that if that were correct, then I thought: Very well, we might not have a minister in Hungary for a while, and rely on a chargé d'affaires, to indicate that we do not approve what is going on in Hungary at this time, when not only Catholic clergy but clergy of Protestant and Jewish faiths are being subjected to the worst prosecutions and persecutions which the civilized world has witnessed in recent years.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CONNALLY. I deplore, of course, the outrages which have been committed on the clergy, and on the adherents of churches; but I do not agree to the suggestion that an ambassador or a minister is not of any importance.

Mr. BREWSTER. It was the Secretary of State who said it.

Mr. CONNALLY. The Senator from Maine observed that we might withdraw a minister and rely on a chargé d'affaires. Our influence in international contact depends somewhat upon the rank and the influence and the prestige of the man who represents us. The people of other nations frequently regard a chargé

merely as a sort of staff member, a sort of a secretary, and he does not carry the conviction or the strength a minister or an ambassador carries.

Let me make a further observation, and I hope not to be tedious.

Mr. BREWSTER. The Senator from Texas is never tedious.

Mr. CONNALLY. We do not send ambassadors or ministers to foreign countries in order to please the people of the foreign countries. We do not send them there in order to entertain the people of those countries, or to be entertained by them. We send them there to represent the United States of America, so we may know what is going on in foreign countries which may affect our interests. Our Ambassadors and Ministers are our listening posts far out beyond the actual line. So I do not see that it is of any advantage to discontinue the appointment of an ambassador or a minister because of pique toward a certain country. I do not subscribe to such a proposition at all. The more difficult the conditions are in a foreign country with regard to our rights, the more I want an ambassador or a minister to be there on the ground to be able to advise us as to what is transpiring which may relate to our interests, in order that our interests may be protected. I am sure the Senator from Maine does not disagree.

Mr. BREWSTER. Mr. President, I completely agree. I wish to say to the distinguished chairman of the Committee on Foreign Relations, that when the Secretary of State sent to the committee the nomination of Mr. Briggs, who happens to come from my own State of Maine and whom I certainly hold in high regard as a diplomat of distinction, as Ambassador to Czechoslovakia, and when he sent the nomination of Mr. Davis as Minister to Hungary, it seems to me it would have been quite proper to ask the Secretary of State how he reconciled his attitude, in order to preserve our self-respect among the nations in the world in distinguishing between Prague and Madrid. I think the Senator from Texas was the only one who could have made that challenge then.

If I remember my logic correctly, I think an argumentum ad hominem—an argument to the man—could have been addressed to the Secretary of State, or a query could have been addressed to him as to why he makes fish of one and fowl of the other, for, as was demonstrated yesterday, when, in the exercise of our democratic processes, I made this comment on the floor and the press asked the Secretary of State how he reconciled these two matters, he refused to answer. Now, I think he ought to answer that question and I think he ought to answer it to the chairman of the Committee on Foreign Relations. The chairman of the committee is the only one who can properly address the question to him.

While the Senator from Texas has been most generous in permitting other Members of the Senate to come into the committee hearings and ask questions, it is a procedure which I do not think is entirely happy or appropriate. I think a question of this character: "How, Mr. Secretary, can you send an ambassador to Czechoslovakia, when yesterday we learned that thousands of peaceful citizens were being driven out of that country by reason of the policy of its Government, driven into our arms, and when we are spending more than $200,000,000 to take care of them because of the violation of their civil rights—how you can send an ambassador there, when you refuse to send an ambassador to Madrid?" is one which, in my judgment, the Secretary of State should answer.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CONNALLY. The Senator knows, or I assume he knows, that on the floor of the Senate I made a statement some time ago that I thought we ought to have an ambassador to Spain.

Mr. BREWSTER. I know the Senator made that statement, and I commend the Senator highly for having made it.

Mr. CONNALLY. Not that it would be any compliment to the ruler of Spain, but in order that we would have an ambassador there who would represent the United States, and who would know what is transpiring in Spain. I cannot see any logic in having an ambassador in Russia, with whose policies we do not agree at all, and not having an ambassador in Spain, where we could have, in the ambassador, a listening post in a country which occupies a military position of world-wide importance.

I do not care to belabor the point, but I have not changed my view that we ought to have an ambassador to Spain.

Mr. BREWSTER. How are the country and the House and the Senate going to have the Secretary of State reconcile his position? The only one I know who has the authority and the power to bring about an answer is the Senator from Texas. I think the Secretary ought to be asked "How do you figure this out, Mr. Secretary?"

Mr. CONNALLY. The Secretary gave out a statement some time ago on the subject. The Senator from Maine is undertaking to delegate to me powers I do not possess, and which, if I possessed, I could not exercise—that is to try to make somebody change his mind. I have been undertaking to do so with regard to the Senator from Maine over a long period of years, and have not succeeded in any degree.

Mr. BREWSTER. Oh, yes; we agree on many matters.

Mr. CONNALLY. I said I have not succeeded in changing the Senator's mind.

Mr. BREWSTER. I was not asking the Senator to get the Secretary of State to change his mind. I was asking him to rationalize for the Senate, for the people of the country, and for the people of the world, how he, the Secretary, reconciles his attitude in these two cases. Perhaps he can do it. But certainly the statement he made regarding Spain, which I hold here in my hand, and which I now ask unanimous consent to have inserted in the RECORD at this point, is utterly incompatible with what he is doing in Czechoslovakia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

What I should like to do is to try to put this present matter, which involves a vote in the United Nations as to whether or not the 1946 resolution is to be modified, in its real setting. As you know, the resolution was passed in 1946 by the General Assembly of the United Nations, and it recommended to the member nations that they withdraw their ambassadors from Madrid.

At that time the United States did not have an ambassador in Madrid because Mr. Norman Armour, who had been the ambassador, had resigned and no one had been appointed to take his place. Therefore, in carrying out the spirit of the resolution no one has been since appointed to take Mr. Armour's place.

The argument revolves around the question of whether that resolution should be changed and whether the ambassadors should be restored. Now, in the first place, I assume it is everybody's belief that a recommendation by the General Assembly of the United Nations should be followed until it is changed. I do not think there would be any argument about that. Argument might arise about whether we should attempt to change it.

Another preliminary observation: I should like to say that in and of itself this question of whether or not ambassadors, as distinct from chargé d'affaires, are in Madrid is a matter of no real importance at all. This resolution was adopted by the United Nations in the belief that it would lead to certain reforms on the part of Franco which would make the relations with his Government by other free governments more happy. It has not had that effect.

Now, why was the resolution passed and what are the issues which grow out of it, and what is American policy?

In the first place, let us state what the policy will be on that resolution. Our policy will be to abstain from voting upon that resolution which is to the effect that the question shall be left to the judgment of each individual member of the United Nations. We shall not vote on that. We shall abstain.

Now, this question, if it has any importance—and it obviously has, because it arouses a great deal of emotion both in this country and in other countries—is because it is a symbol of something else. The reason the 1946 resolution was passed is rooted in history.

The Franco Government was one which was established with the active support, and only with the active support, of Hitler and Mussolini. The Republican government in Spain received the support of the Soviet Union. There were charges at the time that the Republican Government was Communist. Those charges were denied. It is unimportant at this point to go into what if any substance they had. The fact of the matter was that a government which was established in Spain which was patterned on the regimes in Italy and in Germany and was, and is, a Fascist government and a dictatorship.

The importnce is not in throwing words around in talking about "Fascists," because other people call us Fascists, too. We do not get anywhere merely by using that word. The important thing is what goes on in Spain.

It is also important what the western European governments think of what goes on in Spain because, as I have said, the important matter is not whether we send an Ambassador instead of a Chargé d'Affaires; the important thing is what can be done to bring Spain into the community of free nations in Europe in both the economic and the defense fields.

When you think about that you discover at once that the western European governments are opposed, and have publicly

stated their opposition, to this collaboration with Spain in the economic and military fields.

Now, why is that so? I say we get nowhere by using such words as "fascism," but if we look at the situation in Spain, we will see some perfectly simple fundamental facts which cannot be obscured. I presume that the foundation of liberty—individual liberty—is not in great phrases at all but in certain simple procedures and simple beliefs, and I should put first on the list of essentials for individual liberty the writ of habeas corpus and an independent judiciary.

One of the things that all dictators do—from the time of the French Revolution and before the French Revolution down to the present time—is to take anyone that they do not like and throw him in the oubliette [dungeon] and there he stays until he dies or until they shoot him or until they take him out. The fundamental protection against that in free countries is the writ of habeas corpus.

Now, what does that mean? That means that anybody who is detained against his will may at any time get an order from the court that he shall be produced in person before the court and that those who hold him must justify the fact that they are holding him under the provisions of law. There is nothing more fundamental in the preservation of human liberty than that ancient British tradition which is now incorporated in most of the procedures in the free world. That right does not exist in Spain.

I suppose a second fundamental right, which is useful only if you have the first, is that if you are tried—and, of course, it follows from the writ of habeas corpus, that you cannot be sentenced to prison unless you are convicted of some crime—the second right is that in being convicted of a crime you are convicted not by employees of the State but by your fellow citizens.

That is the right of trial by jury. It means that no judge, even though he be independent, certainly no administrative official, can order you put in jail. The only people who can do that are 10 in some parts of the world, 12 in others—citizens just like yourself—and if they listened to the testimony and say Joe Doakes goes to jail, then he goes to jail. If they say he does not go to jail, then he does not go to jail. That is fundamental. That right does not exist in Spain.

Then there is the question of religious liberty, which is fundamental to a free exercise of the human personality. That right does not exist in Spain.

Then there is the right of association—association in political activities, association in trade-union activities, association in benevolent activities—that right does not exist in Spain.

I could go on, but what I want to draw to your attention is that these certain fundamental basic rights of the individual which make the difference between what we call "free Europe" and the "iron curtain" countries—these rights do not exist in Spain, and the Spanish people are prevented from enjoying them by action of the Spanish Government.

It seems perfectly clear to the western European countries that you cannot have an intimate working partnership with such a regime in the economic field and in the defense field. There must be some move to liberalize that. None of them say, nor do we say, that Spain, which has never been a full-flowered democracy, must become so.

But they all say that there must be some move toward that situation because if there isn't, what is the use of having ambassadors? We have someone with a different title. It may raise the prestige of the individual a little bit, but what is the use of it all?

It is important only if it becomes a symbol, and if it becomes a symbol of the fact that after all we don't care much about these rights, then it is a bad symbol. If it ceases to be a symbol it wouldn't make any difference to anyone whether you had an ambassador or whether you didn't.

But the fundamental thing is that American policy is to try to bring Spain back into the family of western Europe. That is a family matter. You have to convince the Spaniards that they must take some steps toward that end, and you have to convince the Europeans that they have to take some steps. So that it isn't fundamentally a matter which can be brought about by American action, and therefore the policy of the American Government is one which I am quite sure is calculated to please neither group of extremists in the United States—either those who say that we must immediately embrace Franco, or those who say that we must cast him into the outermost darkness.

But it is a policy directed toward working with the Spaniards and with the western Europeans, bringing about a situation where these fundamental liberities do exist in Spain and where the western Europeans can bring Spain into the community.

I have spoken at some length on this subject because it is so easy to confuse form with substance.

Mr. BREWSTER. I think we could well quote Emerson:

What you do speaks so loud I cannot hear what you say.

Mr. Acheson told us that he was not sending an ambassador to Spain because in Spain there was no right of trial by jury, no habeas corpus, and no right of political or other association. Therefore he would not send an ambassador to Spain. It was not of any consequence, anyway. When Mr. Acheson proposes to send another one of these $20,000 babies overseas as an ambassador, he ought to be asked some questions. We thought that ambassadors were of great importance. I completely agree with the Senator from Texas that they are, and that they go abroad to serve us, and no one else. I think Mr. Acheson ought to tell the Foreign Relations Committee, under the leadership of the Senator from Texas, how he reconciles his attitudes, if he can. The only thing he said to the press yesterday was that he did not care to discuss the question. To me that is not a very satisfactory answer. I think that before we take up the confirmation of these two diplomatic representatives, the ambassador and the minister, it would be most helpful if Mr. Acheson would give some kind of a statement to the Senator from Texas which he might use in supporting the position which he has taken in favor of their confirmation.

With respect to Mr. Butterworth, before the Senator from Texas entered the Chamber the question was discussed with the Senator from Michigan [Mr. VANDENBERG] as to whether the fact that Mr. Butterworth had been intimately associated with the development and evolution of our policy in China was a reason why—without any disparagement of his patriotism, his abilities, or his long service—we could, as a matter of policy, that being the only way we can get hold of the tail of this policy, consider whether this was a happy time to promote him to a position of greater responsibility in the conduct of our affairs in the Orient, when they seem to have turned out so disastrously, and when, to quote the language of Mr. Acheson, he would seem to be a symbol of a policy that had failed. To give him recognition by confirmation and promotion might not be the most refreshing thing so far as the people of the world are now concerned. That was the extent to which we discussed the question of whether an individual might be the vehicle by which the Senate could give consideration to the evolution of our foreign policy.

I should like to refer to one further question. I am glad the Senator from Texas is present, because this also seems to me to be a matter within his primary purview. I refer to our current European policy.

I invite attention to an article written by Mr. Walter Lippmann, who has certainly been a very keen, earnest, and intelligent advocate of our evolving foreign policy. I quote from an article in the Washington Post of Monday, June 13, 1949, a very current article, entitled "Time Running Out." I ask that the entire article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIME RUNNING OUT

(By Walter Lippmann)

Mr. Hoffman, arguing with the Senate Appropriations Committee, has certainly not exaggerated and has almost surely understated the consequences of a still greater cut in ERP funds. For the truth is that the amount of money he is asking for now is considerably less than what was regarded as a necessary minimum at the beginning of last winter. Yet when the original calculations were made, it was still believed by almost everyone that the American recession would be checked by a seasonal improvement in the spring.

In fact the recession has not been checked but is developing. Moreover, abroad there are now unmistakable signs, most clearly visible in Great Britain but by no means confined to Great Britain, that a depression of serious proportions is in the making. Therefore, the amount Mr. Hoffman is willing to accept now, and is fighting to keep Congress from cutting further, is almost certainly too little to sustain the recovery already achieved. For what might have been just enough to keep things going slowly forward—with no recession in America and no depression abroad—cannot be nearly enough now to keep things from going rapidly and dangerously backward.

The true situation, which has been very much obscured over here, is most clearly recognized, and despite the impending election is being more honestly discussed, in the United Kingdom. Last week the Economist said in language which is all the more impressive because of its restraint that "the circumstances by which Britain may soon be threatened are of an unprecedented kind," and the Times (London) said that "with the easy sellers' market ended and competition rising, the stake is no less than the national standard of life."

That is a very high stake, indeed. For the British standard of life is not luxurious, not even comfortable. If it cannot withstand the world-wide depression and deflation, the political and social consequences even among so steadfast and mature a people as the British will not be agreeable to contemplate. The consequences elsewhere,

for example in Germany, will be even less agreeable.

The American recession has not created the British and the European problem of how to maintain the relatively low standard of life which has been achieved since the end of the war. But the American recession is disclosing how deep, how difficult, how insoluble by our present policies and devices, is the problem of European recovery. The change in the economic climate will compel us to face the problems we have never as yet been willing to face much sooner than even the experts anticipated, and long before the governments and the people are prepared to face them.

There is current a good deal of pretense and propaganda about how well in hand everything is. Yet ever since the report of the Marshall plan countries which was made available at the end of 1948 it has been known to the relatively few who studied it that the goal of European recovery, in the official and popular sense of the words, was unattainable by 1952—during the period set by Congress and agreed to by the Marshall plan countries. It was certain that even with almost unlimited wishful thinking the leading industrial countries of Europe could not become self-supporting and still achieve and maintain a tolerable standard of life by 1952, or in fact at any foreseeable date.

But even those who knew the hard facts of life hoped and believed that with Marshall aid we would be able to buy enough time before the Western world had to face the deeper and more dangerous issues of recovery and reconstruction. They hoped and believed that though the Marshall plan could not make Europe prosperous and solvent, it would buy the time to repair the physical damage of the war, to stabilize the political, the financial, and the administrative machinery, to recuperate from the emotional shock of the war, to reduce the tensions and to find at least an accommodation with the Soviet Union, and to make peace with Germany and Japan.

The Marshall plan has, of course, been buying time in this sense. But it now seems probable that with the American recession, the tapering off of American aid, the exhaustion of European reserves, the time which we are able to buy is very much shortened. Problems that could be postponed, or played with, during the inflationary boom, will come crowding upon us the more rapidly and acutely the international deflation develops. And the more Congress cuts Mr. Hoffman's appropriation, the sooner the Congress will be faced with these problems, which it has not even begun to think about.

They will be problems that cannot be solved by a rip-snorting statement from a HICKENLOOPER or a MCCARRAN, which is then "investigated" amidst the klieg lights, the television cameras, and the microphones. They will be the problems posed by the relation, unprecedented in all history, between the North American Continent and all the other continents—and of how a decent world society can exist where the disparity in power and in wealth as between nations of the same culture and ideals is so dangerously wide.

Mr. BREWSTER. I read one paragraph to the Senator from Texas and ask him whether he has noted it and whether he has any comment on it:

There is current a good deal of pretense and propaganda about how well in hand everything is. Yet ever since the report of the Marshall-plan countries which was made available at the end of 1948 it has been known to the relatively few who studied it that the goal of European recovery, in the official and popular sense of the words, was unattainable by 1952—during the period set by Congress and agreed to by the Marshall-plan countries. It was certain that even with almost unlimited wishful thinking the leading industrial countries of Europe could not become self-supporting and still achieve and maintain a tolerable standard of life by 1952, or in fact at any foreseeable date.

I read that paragraph, and then refer to another article by Mr. Lippmann, in the Washington Post of June 16, 1949, entitled "Recession and Depression." I shall not quote from this article, but I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks, because it further develops the dangers of the current recession and depression, both in America and Europe. In view of our former experience with a world-wide depression, I think it is something to give us some concern.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECESSION AND DEPRESSION

(By Walter Lippmann)

The recession, which began in the autumn, has been gathering momentum in the past 8 weeks. While the effects here are still moderate, they are already so serious abroad that unless firm measures are taken promptly, a depression, which could become deep and hard indeed to deal with, is in the making. Not much time can safely be lost in reversing the deflationary policies, adopted in 1948, to counteract the postwar inflationary boom.

For an essential characteristic of all measures to deal with inflation or deflation is that they do not produce their economic effects immediately. Thus our deflationary measures—to restrict credit, to sterilize gold imports, to reduce purchasing power with the budgetary surplus—were applied at the end of 1947 and early in 1948. They were designed to contract money and credit. They began to take visible effect only at the end of 1948, and are now really taking hold at home and abroad.

The deflationary measures should almost certainly have been reversed sooner. Even had they been reversed sooner, the forces of deflation would still have continued to operate for a considerable time. Now the deeper the deflation, the less easily can it be controlled and checked by such moderate and subtle measures as the Federal Reserve can take by reducing its reserve requirements, reducing its sales of Government bonds, ceasing to drain gold from the rest of the world and then sterilizing it here, and the Treasury by reducing taxes and accepting a budgetary deficit.

The critical question as to whether the modest recovery which has been achieved in western Europe is to be sustained, and is not to break down in a depression, is now upon us. Almost certainly the focal point of the danger is in Britain and the sterling area. If our own recession is not checked, if at the same time Congress commits the error of reducing the dollar funds available to the outer world, if on top of these deflationary conditions, new barriers are raised to imports, the general devaluation of the currencies is almost unavoidable. If that happens, it will almost certainly bring on a deep depression with serious unemployment throughout the western world.

In our own interest and that of the free world we must, therefore, address ourselves immediately to our own recession—to a prompt and decisive reversal of our deflationary credit, monetary, tax and budgetary policies, and of the disposition in Congress to deflate world trade by new import barriers and fictitious economies in foreign aid.

But though this American reversal is primary and essential, it will not suffice. We shall have to face up to the fact that though the Marshall plan has provided much relief and has stimulated some recovery, it is operating to bring about a contraction of world trade and a general deflation. For in setting 1952 as the target date when Europe must be independent of the American subsidy, we have committed Europe and ourselves to a course of action which cannot bring about, will actually prevent, a rising and general prosperity.

The truth is that western Europe, including Britain and Germany which are its two greatest industrial nations, cannot by 1952, or within the foreseeable future, maintain its standard of life and become independent of a dollar subsidy from the United States. If the Marshall countries must be independent of the subsidy, they must reduce their imports from North America, they must by currency and discriminatory trade devices exclude or drastically reduce American exports to Europe, South America, and the Middle East, and they must build up slowly, painfully, and at uneconomic cost, substitutes for the North American imports that they cannot earn the money to buy.

The plain fact is that in the year ahead Europe must choose between recovery and financial independence—between maintaining a very modest rise in the standard of life and the elimination of the dollar deficit. The two goals of the Marshall plan, economic recovery and financial equilibrium in the exchanges are for the foreseeable future incompatible. We shall have to choose the one goal or the other, and now that economic conditions are deteriorating that choice will have to be made much sooner than anyone anticipated when the Marshall plan was adopted.

There can be no question that, faced with this choice, we must decide to sustain the recovery by American measures to cover the European dollar deficit over a long period of time. For if we sacrifice the recovery in the western world, we shall jeopardize the whole postwar political reconstruction, and with it our own economic stability.

How this country is to deal with the deep, perhaps permanent, problem of the world dollar deficit is a question which is not easily answered. But this much at least seems a reasonable hypothesis with which to approach the question: the direct subsidies, as now provided by the ECA, cannot go on forever. They were necessary for an emergency. For the long run they are morally and politically impossible and undesirable. They create a relationship among the free nations which is incompatible with their independence and their dignity.

The orthodox alternative, which is private capital investment abroad, is almost certainly not going to be sufficient. Too much of the world is unstable to warrant or encourage private investment on a large enough scale.

There remain measures, which have been used before though never on the scale which may be required, to support sterling and perhaps certain other key currencies, assuring their convertibility for current transactions, once the necessary readjustments of their value have been made.

In all probability a monetary program of this type will come to be the successor of the Marshall plan. It will find favor as the most feasible device for sustaining the world recovery and of averting a great depression and the political disorder which would surely grow out of it.

Mr. BREWSTER. I come now to an article by Mr. Lippmann, entitled "Cassandra Speaking," published in the Washington Post of June 7, 1949, which I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASSANDRA SPEAKING

(By Walter Lippmann)

The celebration of the second anniversary of the Harvard speech, in which Secretary Marshall suggested the European recovery program, comes at a time when in western Europe, the United States, and indeed almost everywhere trade is declining, profits are falling, and unemployment is rising. As in the months which preceded the Harvard speech, the signs of a crisis in the making are too plain to be disregarded. There is every reason to think that the crisis which is now in the making will require a greater effort on the part of statesmen and people than that which began to develop in the early winter of 1947.

For then the question was how by a revival of production and with American aid, the general standard of life could be raised from the low level to which it had been brought down by the war. But now, with production in western Europe on the whole above prewar and with American aid beginning to taper off, the question is how the existing European standard of life can be maintained.

Though it is still very low, there is little prospect that in the near future it can be improved. There is the grave question whether it will not have to fall.

Though it is quite true that but for the Marshall plan the condition of Europe and the world would be much worse than it is, there is little ground for complacency and self-congratulation. The problem of European recovery is manifestly deeper and more stubborn than most of the operators of the Marshall plan realized, than any were willing to admit publicly. The economic exhaustion of western Europe has been greater than the official estimates allowed, and the disruption of the channels of trade and of the media of exchange has been such that only by extremely artificial, and therefore quite temporary devices, has a moderate volume of trade been restored.

The fragile recovery which has been achieved is now threatened by a world-wide deflation in which, unlike 1947, the United States is involved. The deflation has set in before, but just before, Germany and Japan are being encouraged to enter the world-wide competition for contracting markets.

The signs of the crisis which made the Marshall plan necessary were quite visible at least 4 months before the Harvard speech. By the end of January it was evident that the American and Canadian credits, which were intended to see the United Kingdom through 1951, were going to run out much sooner. In fact they were used up by August of 1947.

Not until May did Mr. Acheson, then the Under Secretary of State, make the address to the Delta Council which was in fact the forerunner of Mr. Marshall's Harvard speech a month later. Another half year passed before Congress provided interim aid. A year passed before it appropriated the money for the Marshall plan.

The crisis which is now in the making will call for a better timetable than that. There are experts in all the countries who know. But if measures are to be contrived, and the extraordinarily difficult decisions are to be taken, before the deflation goes out of control, the statesmen with the highest responsibility in the Western world will have to face up to the problem right away.

For our policies and our political hopes are based upon, and depend upon, the premise that the Western world, including western Germany, can count upon a rising standard of life amidst conditions of increasing confidence and stability. A world-wide deflation, with contracting markets, reduced consumption, rising unemployment—especially if an American deflation aggravates it instead of compensating for it—will soon change, and not for the better, the political and diplomatic climate in which Mr. Acheson administers his policies.

Mr. BREWSTER. This is Cassandra speaking—a rather doleful prophet. He says:

Though it is quite true that but for the Marshall plan the condition of Europe and the world would be much worse than it is, there is a little ground for complacency and self-congratulation. The problem of European recovery is manifestly deeper and more stubborn than most of the operators of the Marshall plan realized, than any were willing to admit publicly. The economic exhaustion of western Europe has been greater than the official estimates allowed, and the disruption of the channels of trade and of the media of exchange has been such that only by extremely artificial, and therefore quite temporary devices, has a moderate volume of trade been restored.

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I do not wish to labor the dangers of the situation, but it seems to me that in the almost utter collapse of our policies in China, in the tragic situation which we face in Europe today in spite of all the hopeful omens, and with the recent sharp decline in the British economy, it is a matter of increasing and profound concern as we go forward to consider our financial policies, our economic policies, and our relations to Europe. Are we warranted in the inference from Mr. Lippmann's article that we are not being told all the truth? Does the Senator from Texas feel that we are being given a full, frank disclosure, so far as the proprieties permit, of conditions in Europe, in Asia, and in this country?

Mr. CONNALLY. Mr. President, I will say to the Senator that I am not advised as to every detail, but in the main, I think that is true. Mr. Hoffman, the ECA Administrator, has been before the Committee on Appropriations for many days. He has been subjected to the most rigorous examination, both direct- and cross-examination. The Secretary of State has just come back from the four Ministers' meeting. He has been before the Committee on Foreign Relations and has made a full and complete statement, most of which was given to the press. I think that, so far as humanly possible, we are in possession of information, through our representatives abroad, as to conditions both in Europe and elsewhere.

Mr. BREWSTER. Before the Senator from Texas entered the Chamber I stated that one who had recently returned from Europe after 6 weeks there, with probably as ample sources of information at home and abroad as any individual outside the Government, expressed to me very great concern that at Paris conversations proceeded with the British regarding the possible determination of our spheres of interest in Europe at the expense of sacrificing China. I assume that there must have been discussions. The Senator from Michigan [Mr. VANDENBERG] expressed the conviction that before any steps were taken to recognize the Communist regime in China there should be the most exhaustive deliberation and the most careful consideration, with at least the members of the Committee on Foreign Relations, before any such step was taken or any deals of that character were very far progressed. Does the Senator from Texas agree with that?

Mr. CONNALLY. I feel sure that that will be the case. Already we have been discussing this question in the Committee on Foreign Relations. There is not going to be any automatic recognition of a de facto government or de jure government. All the factors will be thoroughly considered, I feel sure, by the Department of State and the President of the United States.

Mr. BREWSTER. And at least by the members of the Foreign Relations Committee.

Mr. CONNALLY. Oh, yes; of course the Foreign Relations Committee is in daily contact on these matters.

I do not wish to cast any reflection upon the person who, the Senator has told us, spent 6 weeks in Europe, and upon his return had a thorough understanding of all these problems.

Mr. BREWSTER. That is not what I said. I said he had more sources of knowledge than does any private citizen. I was extremely careful to delimit the sources of his knowledge.

Mr. CONNALLY. I do not know what the source of his knowledge is. As I understand, he referred to the four Ministers' conference.

Mr. BREWSTER. Yes; he was very much concerned.

Mr. CONNALLY. He is not an official, and yet he seemed to know all that was transpiring there.

Mr. BREWSTER. No; he expressed very great concern that that was what was going on.

Mr. CONNALLY. Very well. Of course, concern is one thing, and facts are another.

Mr. BREWSTER. Yes. I understand that the Senator from Texas expects to be fully consulted before any radical change in our position toward China occurs.

Mr. CONNALLY. I do not expect to be personally consulted, but I understand

that the authorities here—the Committee on Foreign Relations and others—will be consulted.

Mr. BREWSTER. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD an article by Walter Lippmann, appearing in the Washington Post for Thursday, June 9, 1949. The article is entitled "Berlin Fantasia."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BERLIN FANTASIA

(By Walter Lippmann)

Even more discouraging than the disagreement between Mr. Acheson and M. Vishinsky over how to govern Berlin is that both of them talk as if they still believed it possible for four governments to rule one wretched, ruined, and desperate city.

The differences between the Acheson and the Vishinsky proposals are considerable, perhaps irreconcilable. But what is much more serious is their similarity, that, as Mr. Dooley once said of two candidates for President, they are as far apart as the two poles and as much alike. For the notion, or at least the pretense, is common to both proposals, that despite the plain and obvious lesson of the past 4 years, the occupying powers should work side by side making daily decisions on a whole mass of intricate and largely unintelligible details.

It is self-evident that the Soviet proposal is sheer nonsense. The four powers, which are at odds on almost any subject they discuss, are, according to M. Vishinsky, to pass by unanimous agreement on all legislation enacted by the city council, on appointments, dismissals and resignations of administrative personnel, on public security and the police, on the "trade" of Berlin, on supplies, on city transport, the municipal budget, municipal taxes, on credit, prices, fuel and communications. They are also to revise the election law, determine who has the right to vote, and they are to authorize political parties and public organizations, and supervise the elections.

But is the American proposal really much more sensible? It calls for quadripartite supervision of elections, including electoral preparations and campaigns. It provides that if the four commandants cannot agree, each commandant in his own sector may take whatever action he considers appropriate for the protection of the elected deputies and city officials against interference in the performance of their functions under the constitution so as to insure the independence of the city administration and the exercise of its legitimate authority. This is a blank check for chaos and confusion, making each commandant in effect the judge of what the constitution of the city means in his part of the city. It would be like trying to govern the city of Washington with Senator MCCARRAN having the last word in Southeast Washington, Senator KEFAUVER in Northwest Washington, and let us say Senator HICKENLOOPER, to insure efficient government, in the remainder.

Not only is neither proposal likely to be accepted, but even if either, or some compromise between them, were accepted, the thing could not be made to work. Military government is in itself a hopelessly bad method of government except immediately at the end of a war. Quadripartite military government by unanimity, or by majority, or by sectors, over an extended period of time is an utter impossibility, capable only of creating confusion, misgovernment, intrigue, corruption, and conflict.

It is difficult to understand the process of though by which we, who know and have been proclaiming our conviction that close collaboration with the Soviets is impossible, nevertheless come forward with on more paper project for collaborating with them in one city, in one confined place, about the myriad details of a municipality.

One would suppose that after the interminable quarrels in Berlin, after the division of the city, after the blockade, and the air lift, Mr. Acheson would have come forward with something more relevant than have another blueprint for quadripartite control. Is it not the lesson of the Allied failure in Berlin that the four powers cannot collaborate? Why then pretend that we believe they can? It is not the lesson of the blockade and the air life that the strategic encirclement of Berlin is a threat to the peace of the world, and that the first and imperative solution of the Berlin problem is to end the strategic encirclement?

Why then have we discarded all the plans for ending it? And why have we come forward instead with a proposal which, whether it is accepted or rejected, perpetuates our dangerous military entanglement? Why have we not come forward with some one of the several plans for a redistribution of the occupation forces so that, at the least, we do not have to sit in Berlin surrounded by the Red Army?

Is it because we think the Soviets would not agree to a redistribution of the military forces? If that is the reason, surely it would be better to break up in Paris on that issue, which really means something to our own vital interests, to the peace of Europe, and to the Germans, than on the differences between M. Vishinsky's and Mr. Acheson's rival blueprints for starting to do once more what both of them must know we cannot do at all.

Mr. BREWSTER. Mr. President, I shall read a brief excerpt from the article:

It is difficult to understand the process of thought by which we, who know and have been proclaiming our conviction that close collaboration with the Soviets is impossible, nevertheless come forward with one more paper project for collaborating with them in one city, in one confined place, about myriad details of a municipality.

In the article Mr. Lippmann refers to the quadripartite administration of Berlin, which is the chief suggestion, if not the only one, by Mr. Acheson which Mr. Lippmann criticizes, I do not discuss it myself; I defer to Mr. Lippmann, who has been a very close student of this matter, and at times his opinion has been very highly regarded.

One other matter, Mr. President, and I am done: As to the refugee situation, affecting the displaced persons in Europe, an unfortunate and tragic aspect of it is at hand, namely, that Europe is not the only place where there are displaced persons, for in the middle east there are 800,000 displaced Arabs.

Before the Senator from Texas entered the Chamber, I pointed out, in defending this administration and the Congress, that we have provided 65 percent of all the money which has been devoted to the care of displaced persons in Europe, although we were supposed to contribute only 45 percent. I thought it was time that someone's voice was raised to show that we have been more than generous, in spite of the fact that we have not done all that some persons have desired us to do.

At the present time there are 800,000 displaced persons in the Near East—the Arabs. The situation in Europe is once more repainting the tragic difficulties through which we have passed in recent years. All of us know the sorry record of the American attitude regarding Palestine, how we have changed from one position to another, the utterances of our succeeding Presidents for the last 25 years, often stultified by the action of the State Department, and repeatedly nullified by the subtle actions within the State Department.

However, we finally saw, with profound gratification, the birth of Israel. Now we are concerned with how their affairs shall be worked out. We are naturally concerned, because it is a problem of the world. Discussions are going on between the Arab world and Israel as to a solution, and the United Nations' Commission is taking a proper and natural interest. Egypt proposes that Gaza, the territory adjoining Egypt, now in possession of the Israeli, shall be taken by Israel, along with 250,000 Arab refugees. That was the Egyptian proposal, if we are correctly informed. The Israeli agreed to that, agreeing to take the 250,000 Arab refugees, a rather large order, certainly. At that point the representatives of the United Nations, under, as we are told—and I think it is clear, from the records—the leadership of the United States State Department, vetoed that settlement, saying, "No; you must settle the whole question of the 800,000 Arab refugees."

Mr. President, it is a peculiar situation, because it was only 2 years ago, as the Members of this body well know, that the State Department was saying that it was utterly impossible to take 400,000 or 500,000 Jewish refugees from Europe into Palestine. That was the whole basis of the British mandatory veto and of the attitude of our own Government, namely, that Palestine could not absorb that many refugees.

Yet, now, when 500,000 Jewish refugees in Europe are on their way to Palestine, at the rate of 30,000 or more a month, and are being absorbed by Israel, in spite of the declaration of our State Department that it was impossible—and as the report of the committee during the past week on the International Refugee Organization shows, they are going there under their own steam and assistance, with what help we are able to give—suddenly our State Department assumes the position that Israel must take not only 500,000 or 600,000 Jewish refugees from Europe, but also must absorb 800,000 displaced persons, Arabs, from the Middle East. I believe that is a tragedy and a travesty, and I believe the State Department in sponsoring such a policy is displaying the same devious and indefensible attitudes it has displayed in the past in yielding to their importunities.

I say that the proper solution is similar to that which I have received first from the mouth of Herbert Hoover, who has advocated it for many years for the solution of the Middle East problem, namely, to use the area at the mouths of the Tigress and Euphrates Rivers, where the Garden of Eden once was. In flying over that area, one sees the valley where all the people of Mesopotamia once lived in comparative contentment. Under the British, surveys have been made, showing the entire practicality of carrying out a

development there for the colonization not only of the 800,000 Arabs, but also of all the other Arabs who desire to give up their nomadic life. Nor does the development of such a plan require the appropriation of millions of dollars by the United States or large amounts of money by other countries, because hundreds of millions of dollars are now being paid to Britain in oil royalties. If the State Department would show half the solicitude for this problem, not only for the Arabs and the Jews, but also for the American taxpayers, that it is displaying in behalf of the dubious and devious policies it has hitherto pursued, it would meet with the entire cooperation, I am sure, of the oil companies, because they are vitally concerned, more than anyone else, with preserving the stability of their franchises in the Middle East.

Mr. President, I say that to pursue the policies we are now pursuing is a course best calculated to throw the Middle East and the Arabs into the hands of the Communists, and then it will not be very long before the benighted heads of the states of the Middle East, including Ibn-saud and the others, will be thrown off their thrones, just as Ibn-saud threw his predecessors off the throne. Under present circumstances, it is doubtful whether many Arabs would be particularly concerned if such changes occurred. If I were one of the Arabs, living as I saw them at Basra and in Azerbaijan during the war, I do not think I should be very particular as to the sort of ideology I embraced, because it could not be worse than what I had. That is why I say that the American State Department had better reconsider its policies, the discarded and outmoded colonistic policies of the British Foreign Office at No. 10 Downing Street, and begin to think in terms of America and of American foreign policy and of American foreign interests, and of solving the problem of Arab refugees by the very simple solution which is so obviously at hand, which will solve not only the problem of Israel, not only the problem of the Arabs, but also the problem of erecting the bulwarks in the Middle East against the penetration of the Communist ideology, which will as certainly overrun Arabia and the Middle East as it has the Orient, unless America shall in the not too distant future reconsider the policies it has pursued.

UNANIMOUS-CONSENT AGREEMENT TO VOTE ON CERTAIN AMENDMENTS TO THE LABOR BILL

During the delivery of Mr. BREWSTER'S speech,

Mr. LUCAS. Mr. President, will the Senator from Maine yield, in order that I may propose a unanimous-consent agreement?

Mr. BREWSTER. I am happy to yield for that purpose, provided I may do so with the understanding that I do not lose the floor.

Mr. LUCAS. I ask unanimous consent that by yielding to me for this purpose, the Senator from Maine will not lose the floor.

The VICE PRESIDENT. Is there objection? Without objection, it is so ordered.

Mr. BREWSTER. I ask that these remarks appear at the conclusion of my speech.

Mr. LUCAS. I so request, Mr. President.

The VICE PRESIDENT. Without objection, that will be done.

Mr. LUCAS. Mr. President, I wish to propose a unanimous-consent request with respect to the business now before the Senate.

I ask unanimous consent that on the calendar day of Tuesday, June 28, 1949, at not later than the hour of 1 o'clock p. m., the Senate proceed to vote, without further debate, upon the amendment proposed by the Senator from Florida [Mr. HOLLAND], for himself and other Senators, to title III of the substitute proposed by the Senator from Utah [Mr. THOMAS] to Senate bill 249, the National Labor Relations Act of 1949, or any amendment proposed thereto; that on the said day, at not later than the hour of 2 o'clock p. m., the Senate proceed to vote, without further debate, upon the amendment of the Senator from Illinois [Mr. LUCAS] to the amendment proposed by the Senator from Ohio [Mr. TAFT] as a substitute for title III of the said Thomas substitute; and that on the said day, at not later than the hour of 3 o'clock p. m., the Senate proceed to vote, without further debate, upon the amendment proposed by the Senator from Ohio [Mr. TAFT] to title III of the said Thomas substitute or any amendment which may be proposed thereto.

The VICE PRESIDENT. Is there objection?

Mr. TAFT. Mr. President, reserving the right to object, it seems to me that there should be 2 hours after the meeting of the Senate, before the first vote is had, the one on the amendment of the Senator from Florida [Mr. HOLLAND].

Mr. LUCAS. I agree with the Senator from Ohio. I had in mind having the Senate take a recess on Monday, until 11 o'clock a. m. the following day, which would give us a 2-hour period in which to debate the Holland amendment, as the Senator from Ohio has now requested.

The VICE PRESIDENT. Is there objection?

Mr. TAFT. And that is part of the understanding, is it?

Mr. LUCAS. That will be a part of the understanding.

Mr. TAFT. Mr. President, further reserving the right to object, let me inquire how the time is to be divided in the case of each of these amendments. I assume that in each case it is to be divided between the proponent of the amendment and some other Senator, to be selected by opponents.

Mr. LUCAS. I have made no provision in the unanimous-consent agreement, but I now make the request that the time be equally divided between the proponents of amendments and the opponents; and so far as the amendment of the Senator from Florida is concerned, I should like to have one-half of the time controlled by the distinguished chairman of the committee. I should like also to have one-half of the time controlled by the distinguished chairman of the committee in the case of the Lucas amendment and the Taft substitute.

Mr. TAFT. Except, if the Senator does not mind, if I can control the time for the opponents, on the Lucas amendment, because I would not want the Senator from Illinois to have half the time and the distinguished chairman of the committee to have the other half.

Mr. LUCAS. I do not want any time on my amendment. I wish to turn all that time over to the distinguished chairman of the committee.

Mr. TAFT. And then the opposition's time will be controlled by me, possibly?

Mr. LUCAS. That is correct, and it will be so understood.

The VICE PRESIDENT. Is there objection?

Mr. HOLLAND. Mr. President, reserving the right to object, let me say that I was not on the floor of the Senate when the unanimous-consent agreement was proposed by the distinguished Senator from Illinois. I have no objection to it, insofar as the amendment offered by three other Senators and myself is concerned.

I wonder whether one of the results of the unanimous-consent agreement, if adopted, will be to cut off the consideration of any amendment to the Thomas bill which might be offered, other than as to our particular amendment, it being my recollection that both the amendment of the Senator from Illinois and the amendment of the Senator from Ohio are in the nature of substitutes, and would be inferior to any amendment offered to the Thomas bill between now and Tuesday.

Mr. LUCAS. I am sure that any perfecting amendment that is offered to the Thomas bill will still be in order after the unanimous-consent agreement is disposed of. That would be my judgment in regard to the matter.

In other words, in that unanimous-consent request we are dealing only with the perfecting amendment offered by the Senator from Florida to the Thomas bill and the perfecting amendment offered by the Senator from Illinois and the substitute offered by the Senator from Ohio to title III of the Thomas bill.

Mr. HOLLAND. I so understood; but I am asking the distinguished majority leader to address his attention to the fact that if another amendment, other than the one offered by myself and others, directed to the Thomas bill, should be offered between now and Tuesday, it would take priority over the two amendments in the nature of a substitute. Is that correct?

Mr. LUCAS. It would not take priority if the unanimous-consent agreement I am proposing is agreed to.

Mr. TAFT. Mr. President, I understand that what the Senator says is that as to the substitute which I have offered to title III of the Thomas bill, any amendment to the substitute shall be voted upon at 3 o'clock, regardless of whether any other amendments are offered in the meantime or not. Is that correct?

Mr. LUCAS. That is my understanding. In other words, I do not think we

should cut off the offering of any amendments to the original Thomas bill, and I do not propose to do so.

Mr. HOLLAND. That would be the effect, if any Senator proposed an amendment to the Thomas bill between now and Tuesday.

Mr. TAFT. Yes. However, under this agreement, nothing would prevent the offering of a further amendment to the Thomas bill after the vote at 3 o'clock on my amendment, unless my amendment should be adopted, in which case that section would no longer be open to amendment.

The VICE PRESIDENT. A final vote on the substitute offered by the Senator from Ohio to title III would preclude the offering of any further amendments to title III if the Senator's amendment or substitute should be adopted. But if it were not adopted, title III would still be open to amendment.

Mr. LUCAS. That is the way I understood the matter.

The VICE PRESIDENT. Is there objection to the unanimous-consent agreement proposed by the Senator from Illinois?

Mr. HOLLAND. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. Mr. President, I should like to ask the Senator from Illinois, if I may have consent to do so, whether there are any other amendments dealing with injunctions.

Mr. LUCAS. There are no other amendments of that sort, so far as I know, which are now offered and on the table.

Mr. President, will the Senator from Maine yield for a further announcement in connection with this unanimous-consent agreement?

Mr. BREWSTER. I yield.

Mr. LUCAS. In view of the agreement we have now reached, I may say the Senate will not hold a session tomorrow. As a result of the agreement, we shall get a final determination upon the national emergency provisions of the bill, which it seems to me may go a long way to control the progress of the bill thereafter, regardless of what the vote on those provisions may be.

Mr. BREWSTER. Mr. President, may I inquire of the Senator from Illinois whether other matters may be brought up either this afternoon or Monday, which will displace temporarily the pending business?

Mr. LUCAS. There is a possibility of that, I may say to the Senator. There are conference reports to come in. I am not sure about appropriation bills. There is also a bill on the Calendar in which both the Senator from Washington and the majority leader are very much interested. The Senator from Washington hopes to displace temporarily the pending business a little later on, to take up the measure affecting the disposition of maritime property, as I recall.

Mr. BREWSTER. I share the concern of the Senators from Washington and Illinois in that matter, and I very much hope the bill may be considered as promptly as possible.

Mr. LUCAS. I thank the Senator for his cooperation upon that very important measure. We hope to get it out of the way this afternoon.

Mr. BREWSTER. I understand this colloquy will be placed at the end of my remarks so that the torrent of my speech will flow on uninterrupted.

The VICE PRESIDENT. That has been ordered.

MESSAGE FROM THE HOUSE

During the delivery of Mr. BREWSTER'S speech,

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 28, 38, and 40, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 44 and 45, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 22, 23, and 24 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2359) to authorize the sale of public lands in Alaska; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PETERSON, Mr. REDDEN, Mr. BENTSEN, Mr. WELCH of California, and Mr. CRAWFORD were appointed managers on the part of the House at the conference.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. HILL. Mr. President, I submit a conference report on House bill 3082, the District of Columbia appropriation bill, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The conference report will be read for the information of the Senate.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 7, 8, 9, 10, 15, 17, 18, 21, 23, 25, 26, 27, 29, 30, 32, 33, 34, 35, 36, 37, 39, 41, 42, 43, 46, 47, 48, 49, 50, 51, 52, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, and 65, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$260,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$767,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$351,300"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$14,150,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,868,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,154,260"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$420,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,075,250"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,189,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,443,989"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree

to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,040,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$976,222"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,072,098"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 28, 38, 40, 44, and 45.

LISTER HILL,
JOSEPH C. O'MAHONEY,
HARLEY M. KILGORE,
LESTER C. HUNT,
MILTON R. YOUNG,
Managers on the Part of the Senate.

JOE B. BATES,
SIDNEY R. YATES,
FOSTER FURCOLO,
CLARENCE CANNON,
RALPH E. CHURCH,
LOWELL STOCKMAN,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. Mr. President, I move the adoption of the report.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama briefly explain the situation?

Mr. HILL. Yes. The conferees on the part of the Senate, both those representing the majority and those representing the minority, were in unanimous agreement. There was no dissent on the part of either the House conferees or the Senate conferees.

There are two amendments on which we are to vote separately, because the rules of the House require that they be voted on separately. However, there was unanimous agreement on the part of both the House and the Senate conferees, both the majority and the minority members.

Mr. KNOWLAND. I have no objection.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3082, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 24, 1949.

Resolved, That the House agree to the conference report to the bill (H. R. 3082) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes";

That the House recedes and concurs in Senate amendments numbered 28, 38, and 40;

That the House recede from its disagreement to the amendment of the Senate numbered 44 and agree to the same with an amendment, as follows: In lieu of the figure proposed by said amendment insert "3½";

That the House recede from its disagreement to the amendment of the Senate numbered 45 and agree to the same with an amendment, as follows: In lieu of the figure proposed by said amendment insert "3¼."

Mr. HILL. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 44 and 45.

The motion was agreed to.

IMPROVEMENT OF POSTAL SERVICE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 239)

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate a message from the President of the United States, which was read by the Chief Clerk and referred to the Committee on Post Office and Civil Service.

(For President's message, see today's proceedings of the House of Representatives on pp. 8340–8341.)

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a conference report on House bill 3997, making appropriations for the Department of Agriculture for the fiscal year 1950, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3997) making appropriations for the Department of Agriculture, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, 6, 12, 13, 31, 41, 48, and 52.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 14, 15, 17, 21, 25, 26, 27, 33, 42, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, and 71, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert "$19,000,000, of which not less than $45,000 shall be available for work under Title II for the development of new and expanded market outlets for oilseeds, fats and oils and their products, and not less than $180,000 shall be used under section 10 (a) for additional research on fats and oils, of which latter sum not less than $45,000 may be used for contracts with public or private agencies as authorized by the said Act of August 14, 1946"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$713,293"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$518,800"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,390,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,236,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,694,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,464,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$401,740"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,966,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment, insert "and the provisions of the Forest Pest Control Act ($250,000 which may be transferred to and made a part of the appropriation 'Forest Pest Control Act'),"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$243,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$645,525"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$575,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,645,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$565,350"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,920,050"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,159,600"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$26,300,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert ", and the limit of cost for not to exceed one building constructed at Horseshoe Organization Camp, West Virginia, shall be $22,500"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,348,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$117,188"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$75,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,500,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,400,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,225,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert ": *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "$300,000,000, of which not to exceed $15,000,000 may be used for acreage allotments and marketing quotas"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert ": *Provided further*, That the county agricultural conservation committee in any county with the approval of the State committee may allot not to exceed 5 per centum of its allocation for the agricultural conservation program to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program and the funds so allotted shall be utilized by the Soil Conservation Service for technical and other assistance in such county"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$83,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 22, 23, and 24.

RICHARD B. RUSSELL,
CARL HAYDEN,
JOSEPH C. O'MAHONEY,
PAT MCCARRAN,
ELMER THOMAS,
CLYDE M. REED,
CHAN GURNEY,
HOMER FERGUSON,
Managers on the Part of the Senate.

JAMIE L. WHITTEN,
WILLIAM G. STIGLER,
EDWARD H. KRUSE, Jr.,
CLARENCE CANNON,
H. CARL ANDERSEN,
WALT HORAN,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. KNOWLAND. Mr. President, is this a unanimous report of the conferees?

Mr. RUSSELL. It is. All members of the conference signed the report.

Mr. WILEY. Mr. President, may we have an explanation?

Mr. YOUNG. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. I yield.

Mr. YOUNG. The Senate adopted an appropriation item in the amount of $50,000 for the control of the wheat sawfly in various northwestern States. I am wondering what happened to it in conference with the House.

Mr. RUSSELL. Mr. President, the Senator from North Dakota [Mr. YOUNG] in committee offered the amendment. The $50,000 was not included in the budget estimate, but the committee was sufficiently impressed with the statements made by the distinguished Senator to approve the amendment providing an appropriation of $50,000.

The Senate conferees insisted upon the full amount. Finally, we were compelled to yield $15,000 of the amount. The bill in its present form, carries $35,000 of the amount asked in the Senator's amendment, which was $50,000. It is not specifically earmarked in the report, but it was the clear, definite, unequivocal understanding on the part of the conferees that $35,000 of that item should be used for the wheat sawfly.

Mr. YOUNG. Is it the opinion of the Senator from Georgia that this amount of money will definitely remain available for that purpose?

Mr. RUSSELL. There is no doubt about it. It is just as definite as is any other item in the bill.

Mr. YOUNG. I appreciate the fight which the Senator made to obtain the full amount, but I realize that the conferees have to yield at times. This $35,000 together with a $6,000 carry-over and $30,000 of research and marketing funds will provide a fairly good program.

Mr. RUSSELL. We were compelled to yield, as in the case of some other items. The Senator offered two other amendments to the bill, in the committee. One was with reference to the construction of two buildings at the experiment station at Mandan, N. Dak., involving $16,000. The House receded as to that item, and the money is provided for in the bill.

The Senator likewise offered an amendment to increase the soil conservation appropriation to $300,000,000. The House receded on that amendment, but we were compelled to insert a proviso that at least $15,000,000 of the amount would be available for the expenses of the elections in connection with the quotas for crops if they were imposed. I might say that I think the Senator came out remarkably well.

Mr. YOUNG. I think the Senator from Georgia did a better job than I could have done in the matter if I had been a conferee.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. In the brief time I have had to examine the report, I have not be able to find the item for the school-lunch program. Will the Senator state what came out of the conference with reference to that item?

Mr. RUSSELL. The committee amendment added $12,500,000 to the $75,000,000 carried in the House bill. In the conference the Senate was compelled to surrender $4,000,000 of that amount. We therefore saved the amendment to the extent of $8,500,000. The total amount in the bill at the present time

for the school-lunch program for the ensuing fiscal year is $83,500,000. That is a larger amount than has ever heretofore been appropriated.

Mr. HOLLAND. If the Senator from Florida correctly understands the answer of the Senator from Georgia, it indicates that the appropriation is $8,500,000 larger.

Mr. RUSSELL. The Senator is correct.

Mr. HOLLAND. There is one more question which I should like to ask. Again, I have not been able to find the item. Will the Senator state to the Senate what was done with reference to the research program regarding the gladiolus industry, which, as the Senator will remember, has been sustaining damage from a new disease.

Mr. RUSSELL. The gladiolus item, for which the Senate allowed $25,000, was embraced within item No. 18 which the Senator will find on page 8, at the bottom of the page. In reaching an agreement on this item, for which the House appropriated $2,347,000 and the Senate appropriated $2,581,000, we finally agreed upon the sum of $2,464,000.

In lieu of earmarking a given sum as a definite amount for gladiolus, the conference report directs the Department to give the subject appropriate study within the total amount appropriated, which is $2,464,000.

I may say to the Senator from Florida that I am confident considerable work will be done in the gladiolus field. It is a problem which should commend itself especially to the Department. It has been a great education to me to sit on the committee. I have been privileged to be on the committee for a number of years, and every year something new comes up. Until this disease attacked gladiolus plants I had no idea that this was a $100,000,000 industry, and that thousands of small farmers throughout the land depend upon the gladiolus for their livelihood, selling them sometimes at retail.

I am very confident that the Department will give attention to the matter, because the committee earmarked it in specific language in the report.

Mr. HOLLAND. If the Senator will yield for one additional question, am I correct in my understanding that the gladiolus item is to be taken care of out of the total excess of the item, for which the bill now carries $2,464,000 as compared to the House appropriation of $2,347,000, or a total excess of $117,000? Am I correct in my understanding that it is to be taken care of out of that excess?

Mr. RUSSELL. It is my understanding that it is to be taken care of out of the $2,464,000 and that the Department is directed to give the problem appropriate study. When we merged the appropriations we directed the Department to take appropriate action. The entire item covers all diseases of fruit, vegetable, and specialty crops. The amount is $2,464,000.

Mr. HOLLAND. Mr. President, I desire to express my appreciation and thanks to the distinguished Senator from Georgia and the other conferees for their effective efforts in the items which I have mentioned.

Mr. RUSSELL. I thank the Senator.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. PEPPER. I want to add my own commendation of the committee for making provision for this research in respect to diseases affecting gladiolus. I appeared before the committee and submitted some data on the subject, showing how very adversely this industry, a large part of which is centered in Florida, is affected by diseases.

Mr. RUSSELL. The Senator from Florida further made the point that it was affecting the Treasury of the United States, because the disease had so great an impact upon a constituent of the Senator that the Treasury had lost a large amount.

Mr. PEPPER. The acute memory of the Senator from Georgia discloses itself on the floor. That was one of the things I emphasized. Now that the committee has called attention to it and has directed the Department of Agriculture to address its attention to the difficulty, I am sure it will be treated adequately by the Department.

Mr. RUSSELL. I hope the Department will be able to find some means of dealing with the disease, because, while all the producers are not quite so large as the one which the Senator from Florida represents, yet many are affected.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Nevada.

Mr. McCARRAN. I should like to ask the Senator what was done in conference with reference to the meat inspection item?

Mr. RUSSELL. The House finally receded on that item and allowed the full amount of the budget estimate.

Mr. McCARRAN. With regard to the Forest Service item, an item in connection with which the senior Senator from Nevada especially presented the matter of a public camp ground on Lake Tahoe, how was that taken care of?

Mr. RUSSELL. Mr. President, that is a matter which cannot be explained in a few words. The forestry item was the subject of perhaps longer discussion in the several meetings of the conferees than was any other item. As the Senator will recall, the House appropriated $24,971,000. The Senate restored the full amount of the budget estimate and added $262,500 for dealing with various emergency matters within the recreational areas, not only at Lake Tahoe, but in other national forests. Earmarked of that amount was, I believe, $82,500 for Lake Tahoe, on the motion of the senior Senator from Nevada.

After discussing the matter for hours in the conference, we agreed on a total of $26,300,000. That was slightly below the budget estimate and the Senate figure. The House conferees would not concur in the use of the exact amount which was earmarked in the Senate report, but they did agree to direct the Department to carry on some work in every one of the areas mentioned specifically in the Senate report. In my judgment it will result, to make a rough estimate, in a reduction in the amount to be expended in the Lake Tahoe area from $82,000 to perhaps $50,000. That amount is not earmarked in the report, but it was about the proportion the Senate conferees had in mind in dealing with this matter, and we have directed the Department to do certain work in the Lake Tahoe area.

Mr. LONG. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Louisiana.

Mr. LONG. One very minor but important item to certain sections of my State was the pecan experiment station at Freeport, La. Will the Senator state whether that experiment station will be continued?

Mr. RUSSELL. It is intended that the station will be continued.

Mr. LONG. We are also interested in items for additional tree nurseries for reforestation.

Mr. RUSSELL. I regret that there will be no new forest nurseries established, though there is a substantial increase in the funds for that purpose.

Mr. LONG. My State was interested in simply using existing nurseries for investigation.

Mr. RUSSELL. There is money in the bill for increased activity in the nurseries. I do not know what the capacity of the nurseries in the Senator's State is.

Mr. PEPPER. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the senior Senator from Florida.

Mr. PEPPER. I notice that $83,500,000 was saved for the school-lunch program, which is $8,500,000 more than we have been able to get in the past.

Mr. RUSSELL. That is correct.

Mr. PEPPER. May I ask the Senator if there was retained the provision which I believe was in both bills, that it is now to be an appropriation out of the Treasury, and not from the use of section 32 funds?

Mr. RUSSELL. There was no issue between the two Houses on that. All section 32 funds are available for expenditure. None of them are earmarked for the school-lunch program. The appropriation is to be a direct appropriation from the Treasury.

Mr. PEPPER. I wish warmly to commend the able Senator from Georgia and his committee for what they have done in these two items with respect to the school-lunch program. To have gotten in this bill an appropriation out of the general treasury fund rather than out of section 32 funds, and to have added $8,500,000 to the gross amount, is a very splendid achievement in the school-lunch program.

Mr. RUSSELL. I thank the Senator. I deeply regret we could not gain the whole $12,500,000, but in view of all the circumstances, I think we were fortunate.

Mr. PEPPER. If we make as much progress next year as we made this year, we will be moving along.

Now I should like to ask the Senator a question as to rural electrification.

Mr. RUSSELL. There was no conflict between the House and the Senate on that. Both bills carried $500,000,000 for loans, and something above $6,000,000 for administrative expenses. So there was no issue between the two Houses on that item.

Mr. BALDWIN. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Connecticut.

Mr. BALDWIN. On page 26 and succeeding pages of the Senate bill, which I take it is the one which the Senator took to conference, and the one which was passed with amendments by the Senate, there were substantial appropriations for the Bureau of Entomology and Plant Quarantine. I should like to ask the Senator whether, in connection with those appropriations, any consideration was given to the expenditure of funds for the eradication or the combating of the Dutch-elm disease.

Mr. RUSSELL. Indeed, there is an item in the bill for the Dutch elm disease. It is in the nature of a research appropriation. The field program which has been in effect in prior years will not be in effect in the coming fiscal year, but there is money in the bill for continuing research in an effort to find some means of dealing effectively with this disease other than by digging up the trees. That is the only way we know of at the present time to combat the disease.

Mr. BALDWIN. In other words, there is no money in the bill for the destruction of the trees which are affected by the Dutch elm disease?

Mr. RUSSELL. No, there are no funds in the bill for that purpose.

Mr. BALDWIN. I regret that. I do not wish to appear to criticize the distinguished Senator from Georgia——

Mr. RUSSELL. I should not object at all to the Senator criticizing me. I would have been glad to have carried on the fight for this item. I was tremendously impressed with the irreparable damage being done to the beauty of the American landscape, and almost to the American tradition, by having the elm trees practically eradicated by this disease. I have carried on a fight in the committee for years to get adequate funds for the purpose of investigating the disease. This year the House made no effort to raise the amount, and there was no effort in the Senate committee, and I finally wearied of well-doing and did not make any fight for the eradication of the Dutch-elm disease in the field. I think it will be a great tragedy if the elm goes the way of the American chestnut. There is scarcely a chestnut tree alive in the country today. The blight has killed them from Maine to Tennessee, and it will be a great tragedy to have the elms, which have graced the campuses and the highways of the United States, eliminated by this disease.

Mr. BALDWIN. I thank the Senator for his efforts, and I join heartily in what he has said. I regret that there could not be an appropriation for actually dealing with this matter beyond an appropriation for study and investigation. In Connecticut we have found that one of the best ways of fighting the disease is, the moment a tree is infested, to cut the tree down and destroy the wood, because apparently, in the process of breeding, the Dutch-elm disease must live in the bark or in the branches of a tree. Many of our cities and towns have put on quite comprehensive programs in that direction, but help from the Federal Government is certainly sorely needed.

Mr. BRICKER. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from Ohio.

Mr. BRICKER. There is no limitation on the coordinated activity between the Department of Agriculture and the various research departments of the States in the control of the Dutch-elm disease; is there?

Mr. RUSSELL. Not on research.

Mr. BRICKER. That will continue?

Mr. RUSSELL. That will continue.

Mr. BRICKER. Does the bill also encompass a much more dangerous disease found throughout the Middle West, the phelm necrosis, which is a virus disease, and not in any way connected with the Dutch-elm disease?

Mr. RUSSELL. I cannot say I am completely familiar with that. Is it a fungus?

Mr. BRICKER. It is a virus destroying the great elm trees today far more than the Dutch elm disease.

Mr. RUSSELL. I cannot answer the Senator specifically.

Mr. BRICKER. I only know of the research which has been going on through the experiment stations of my State, and it has been proceeding in conjunction with the Department of Agriculture.

Mr. RUSSELL. If that be the case, it will continue.

Mr. BALDWIN. If I recollect correctly, Mr. President, no doubt due to the efforts of the Senator from Georgia, the appropriations passed by the Senate exceeded those passed by the House?

Mr. RUSSELL. That is correct.

Mr. BALDWIN. And the Senator from Georgia, by his fine work on the conference committee, was able to get the House to recede and accept the Senate's version of these particular appropriations, as I view it, for which I wish to commend him.

Mr. RUSSELL. That is not altogether correct. We gained the greater part of the Senate increases, but we did not convince the House conferees as to the necessity of appropriating all the Senate allowed. The House did recede on the insect and plant-disease-control item, but in the item relating to insect investigations, the total amount allowed is $3,502,300, which is considerably above the amount which was provided by the House.

Mr. BALDWIN. In that amount there no doubt will be a substantial expenditure for dealing with the pests and diseases which affect the elm tree?

Mr. RUSSELL. Oh, yes. There is an item of more than $500,000 for dealing with forest insects. Considerable research work will continue to be carried on respecting the Dutch-elm disease. But the field program, under which dead trees were located, were dug up and destroyed so as to prevent the spread of the disease, has been completely relegated to the States. The Federal Government does not continue to take part in that program. The research and the laboratory program will continue.

Mr. BALDWIN. I thank the Senator from Georgia.

Mr. HOLLAND. Mr. President, will the Senator from Georgia yield for one more inquiry?

Mr. RUSSELL. I yield to the Senator from Florida.

Mr. HOLLAND. The Senator will recall that the so-called Gillette subcommittee of the Committee on Agriculture and Forestry, of which the junior Senator from Florida happens to be a member, was interested in assuring a research program in the field of animal and vegetable fats and oils, because of the distressed marketing situation in that particular field. As I recall, the Senate added $180,000 to the appropriation for regional research laboratories for that purpose. I am not clear from the conference report as to whether that $180,000 was or was not retained, as it appears that the original amount of the House appropriation became the final conference amount. Will the Senator state for the record just what is the action of the conference committee in that regard?

Mr. RUSSELL. Yes. The Senate increased the total appropriation by $200,000, $180,000 for research and $20,000 for trying to develop new markets and outlets for animal and vegetable fats and oils. Incidentally, they are very depressed at the present time. We were able to secure a provision in the bill which will insure that the work will go on exactly as contemplated in the Senate bill. We were compelled, however, to take the $200,000 away from the other funds already appropriated for research and marketing, whereas the Senate had increased the total amount.

So far as the program to which the Senator from Florida refers is concerned, it will be carried out exactly as contemplated by the Senate. It will be done, however, at the expense of other programs of marketing and research.

Mr. HOLLAND. I thank the Senator from Georgia. It seemed to all the members of the Gillette subcommittee that there was not a more necessitous field for research at this time in connection with agriculture, than the one to which I have referred.

Mr. RUSSELL. I agree with the Senator. And the House finally agreed with us in that respect likewise.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter I received from the Secretary of Agriculture, in which he expresses some concern to what was intended by the conference committee in dealing with the item of the bill relating to the soil-conservation appropriation, which was offered by the junior Senator from North Dakota [Mr. YOUNG]. In the House bill there was an item of $30,150,774, which was provided for the administration of acreage allotments and marketing quotas for the fiscal year 1950. In the item of $300,000,000

for soil conservation, the conference report earmarks $15,000,000 for this purpose. The Secretary in his letter expresses concern that the $15,000,000 might be considered a limitation on the size of the program, and that if next year quotas were necessary in several commodities it might not be possible to finance them out of the same $15,000,000.

There was no intention on the part of the conference to limit the total appropriation to $15,000,000. It was the clear intention of the conferees to permit as much as $15,000,000 of the $300,000,000 soil-conservation appropriation to be expended for the purpose of quotas if it was necessary to do so, to be effected by transfer from this appropriation to the item in the bill for acreage allotments and marketing quotas. We did not intend to increase it above the $30,000,000 contained in the House bill, but the intention was that if after the Department had expended $15,000,000 of the $30,000,000 item there were any other requirements of funds for the purpose of acreage allotments and marketing quotas, then the limitation of $15,000,000 might be transferred from the soil-conservation appropriation.

The PRESIDING OFFICER. Without objection, the letter to which the Senator from Georgia referred, will be printed in the RECORD.

The letter is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, June 24, 1949.

HON. RICHARD B. RUSSELL,
Chairman, Subcommittee on Agricultural Appropriations,
United States Senate.

DEAR SENATOR RUSSELL: My attention has just been called to amendment No. 51 proposed in the conference report (House Rept. No. 899) on the agricultural appropriation bill, fiscal year 1950. I am concerned regarding the intent of the proposed amendment which might be interpreted to limit to $15,000,000 the program which the Department is developing for acreage allotments and marketing quotas in connection with 1950 crops.

As you know, the bill carries $30,150,774 for acreage allotments and marketing quotas in fiscal year 1950. As far as it is possible to foresee at this time, there is no reason to believe that a lesser amount will be required in fiscal year 1951. This conclusion is based on the heavy carry-over of 1948 crops and the anticipated large production in 1949 which it now appears will make quotas mandatory on the 1950 crops to be financed from the 1951 appropriation. With this outlook, we assume that it is not the intent of the conference committee to preclude the Department from carrying out the obligation which it has under existing law for the administration of acreage allotments and marketing quotas. This would be the result, however, if the $15,000,000 is to be considered as a limitation on the size of the program which the Department can formulate.

On the other hand, if it is the intent of the committee that $15,000,000 of the $300,000,000 is to be made available for acreage allotment and marketing quota work but to be supplemented by such additional amount as may be necessary, a clarification of the intent of the Congress is desirable. Inasmuch as we are now considering Department estimates for the fiscal year 1951 which must be submitted, under the provisions of the Budget and Accounting Act, to the Budget Bureau by September 15, it is essential that we have an early clarification.

I am sending a similar letter to Mr. WHITTEN.

Sincerely,

CHARLES F. BRANNAN,
Secretary.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3997, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 24, 1949.

Resolved, That the House agree to the conference report to the bill (H. R. 3997) entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes";

That the House recede from its disagreement to the amendment of the Senate numbered 22 and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$802,000";

That the House recede from its disagreement to the amendment of the Senate numbered 23 and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,502,300";

That the House recede from its disagreement to the amendment of the Senate numbered 24 and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert ", of which $173,500 is for bee culture: *Provided*, That $450,000 shall be available for oriental fruitfly, of which $25,000 may be transferred to and consolidated with the appropriations, "insect and plant disease control" and "foreign plant quarantine", to either or in part to each as may be deemed best, for inspection and/or control work on this pest; and $250,000 may be used for contracts with public or private agencies for research without regard to provisions of existing law, and the amounts obligated for contract research shall remain available until expended.

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 22, 23, and 24.

The motion was agreed to.

THE POST OFFICE DEPARTMENT

Mr. LANGER. Mr. President, I want to commend the President for his message in connection with the post offices of this country, and particularly for the last two paragraphs on page 2 of his message. These paragraphs are as follows:

In order to strengthen further the management of the Post Office Department, I have transmitted a reorganization plan to the Congress. This plan gives to the Postmaster General essential authority to organize and control his Department by transferring to him the functions of all subordinate officers and agencies of the Department. It also provides for the establishment of the position of Deputy Postmaster General and an Advisory Board for the Post Office Department. These measures are essential to furnish the Postmaster General with much needed assistance and to make available to him the advice of outstanding private citizens.

I call the particular attention of the Senate to the next paragraph:

Legislation is now before the Congress which would authorize the Postmaster General to establish a research and development program. The investigations and studies under this program would be for the purpose of improving and introducing new equipment, methods, and procedures in the postal service in order that the business of the Post Office Department may be more efficiently and economically handled.

Mr. President, I think it can be said without fear of successful contradiction that the reason the Post Office Department has such enormous deficits year after year is due to the fact that the Postmaster General in reality has very little power, as I shall demonstrate later in the course of my remarks.

Before I go into that subject I should like to state that one of the fine jobs done during the Eightieth Congress, although the Eightieth Congress and the Republicans received very little credit for it, was that the members of the Committee on Post Office and Civil Service last year, when they went out to speak in different parts of the country, time and time again said that we objected to the Chairman of the Republican Party or the Chairman of the National Democratic Party being appointed Postmaster General. We had witnessed the spectacle, I believe for nearly 30 years, of a politician, whether Republican or Democrat, who happened to help elect the President of the United States, being appointed Postmaster General of the United States. The result was that he would usually appoint another politician, and those two politicians would get a third man really to operate the office. The situation became worse and worse, more and more desperate, and the deficits became larger and larger as the years went by. So we introduced certain legislation.

We wanted two things: First, we wanted a career man, a man who rose from the bottom, a man who knew all about the Post Office Department, from the lowest rung of the ladder up to the very top. For the first time in the history of the country the President of the United States appointed a man of that character when he appointed Jesse M. Donaldson Postmaster General. Mr. Donaldson had been a common, ordinary, everyday letter carrier. From letter carrier he had advanced by merit until finally he came to Washington and became First Assistant Postmaster General.

When the La Follette-Monroney Act came along providing for experts to committees at $10,000 a year, one of the very first things the Committee on Post Office and Civil Service did was to offer the biggest staff job of all to Jesse M. Donaldson. We asked him to come with the committee, to see whether or not, by having the benefit of his advice, we could do something to get rid of the deficit in the Post Office Department. Mr. Donaldson declined. Later we were all very happy unanimously to confirm the appointment of Jesse M. Donaldson to be Postmaster General.

We are now engaged in trying to devise legislation to get rid of the deficit. That brings me to the second point, the second thing which the Eightieth Congress tried to do well under Republican control. At the present time a man in the city of Detroit, Mich., for example,

may have risen from the very bottom. He may have been in the Post Office Department for 30 or 35 years. He may be the most efficient man in the entire city of Detroit. Yet out of a clear sky the Post Office Department can name some ward heeler, a man who knows nothing about the Post Office Department, a man who has had no business dealings with it except that perhaps once in a while he might have bought a postage stamp. Such a man can be named postmaster, and there is nothing the Committee on Post Office and Civil Service of the Senate can do about it. We can refuse to confirm the nomination, but if we do that, we find from experience that he is put in the office as acting postmaster, and he serves as acting postmaster month after month, and year after year.

So we introduced legislation in the Eightieth Congress to provide that in the first-, second-, and third-class post offices the postmaster should be appointed from the ranks. We provided that he should be appointed from the ranks of the men who actually do the work and actually know about the conditions in the particular office. Unfortunately we were unable to have such legislation passed. Unfortunately we still have a situation in which, for example, even the veterans' preference is laughed at in the Post Office Department.

It is a simple matter to keep a veteran from becoming a postmaster in any town. For example, in a town in Connecticut there may be an acting postmaster. Three persons take the examination. The acting postmaster is preferred by the Postmaster General. There is nothing in the law which says that after an examination is held, within a certain time a postmaster must be appointed. So we have a situation in which, if three persons take the examination, one who may be a nonveteran, is acting postmaster, and the other two may be veterans. After the examination is over, 6 months, a year, or a year and a half may go by. I know of an instance in Maryland of two veterans standing by for 2½ years. The question was asked, "When are we going to find out who is to be named postmaster?" The result was that the two veterans finally became tired of waiting. They went into other businesses. One of them left the State. Finally only the acting pastmaster was left, and the acting postmaster at that time is today the postmaster of that town.

Likewise, during the Eightieth Congress we tried very hard to enact legislation which would make the post office self-sustaining. I wonder if Members of the Senate know that today there are four magazines of such large circulation and great weight that to send them through the mails costs the taxpayers of the United States $9,000,000 in subsidies. In other words, the taxpayers pay $9,000,000 a year more to have those magazines sent to the people of the country than the publishers of the magazines actually pay in postage to the United States Government.

I was interested at the time the distinguished Postmaster General testified before the Senate committee. After he had testified the Postmaster General wrote me a letter, which I received this morning, in which he said:

> DEAR SENATOR LANGER: The enclosed statement before the House committee on the rate issue is a little more complete than the one before the Senate committee. I hope you can find the time to read it.

I read it, Mr. President, and I thought it so interesting, so full of facts that I believe every Senator should know, that I concluded the best way to handle this testimony of the Postmaster General was to bring it to the floor of the Senate and go into it in detail. This testimony was given by the Postmaster General 4 or 5 weeks ago. He said:

> In my previous appearance before this committee (the House committee) I made a general statement concerning the necessity for a readjustment of postal rates. I feel that it is important to point out briefly some of the facts previously related, and the urgent necessity for some action upon the part of Congress to eliminate the major portion of the huge deficit in the operation of the Postal Service.
>
> The Post Office Department is today faced with the largest deficit in all its history. This large deficit is brought about by and through things over which the Post Office Department has little or no control.

That is why it is so important that the recommendation in the message sent to Congress today by the President of the United States asking for the adoption of the report of the Commission on Organization of the Executive Branch of the Government, so far as the Post Office is concerned, should be adopted as soon as we can possibly do so. The Postmaster General said:

> Long-deserved wage increases have been granted the postal personnel, beginning with July 1, 1945.

Let me say in passing that those postal employees got no increase in salary from 1925 to 1945. For 20 years, in spite of the increased cost of living those postal employees struggled along, doing the best kind of a job they possibly could on their salaries, which were becoming lower and lower every day because of the increased cost of living.

Let me say further, Mr. President, that up until the Eightieth Congress the postal employees and the other Federal Government employees did not even have a decent retirement system. It is due to the Eightieth Congress and to the Republican Party that today a rural mail carrier or letter carrier knows, when he leaves his home in the morning, that if he is killed during the day, his wife and children will receive $1,500 a year. That is not as much as it should be, but at least they will have for their support $1,500 which they would not have had before the Eightieth Congress was able to make that provision for them.

Mind you, Mr. President, when we succeeded in obtaining the first increase in postal employees' salaries, a strange thing happened: We found that instead of increasing the pay of Federal Government employees, in many instances the amount of take-home pay they had was actually decreased. Up until that time, Federal employees were paid for overtime, and they worked 6 days a week. But less than 2 weeks after we obtained the first increase in pay for them, the President of the United States by Executive order abolished overtime pay and created the 5-day week. Income taxes were also increased. The result was that, as a matter of fact, in a great many instances such employees had less money than they actually had before.

Of course, Mr. Donaldson is correct when he says that the increase in salaries has added to the postal costs in this fiscal year approximately $625,000,000, which was not in the picture prior to July 1, 1945. However, I may add that a great deal of that money went back to the Government in the form of income taxes.

I call further attention to the Postmaster General's statement that—

> Transportation costs in the current fiscal year are approximately $125,000,000 more than they were in the fiscal year 1945. The estimated deficit for the current fiscal year is about $550,000,000.

In other words, the deficit is over half a billion dollars. As I proceed to read from the statement the Postmaster General made before the House Post Office and Civil Service Committee, I shall make very clear why we have this enormous deficit.

The Postmaster General further said:

> Over the years there have been many times in which the postal deficit was discussed and some questions raised concerning the elimination of this deficit. Up to the close of the fiscal year 1945 there were only two or three occasions over the last 100 years in which the postal deficit was of such proportion to really agitate and urge increased postal rates. From 1852 to 1921 the postal deficits ranged from a few thousand dollars to a high of $17,000,000, and during that time there were 10 surplus years. The deficit in any one year during that time was not of such proportion to be alarming or to justify increased postal rates. A deficit in the fiscal year 1921 was $157,000,000, but in the 9 years following it ranged from a low of $14,000,000 to a high of $98,000,000 in the fiscal year 1930. The deficit for the fiscal year 1931 was $146,000,000. The deficit for the fiscal year 1932 was $205,500,000, and this large deficit was of concern not only to the President and to the Postmaster General, but to the Congress.

As was stated by Postmaster Donaldson, the estimated deficit for the current fiscal year is approximately $550,000,000. We can judge from the empty seats around us here in the Senate Chamber that not very many Members of the Senate are concerned about that.

I read further from the Postmaster General's statement:

> As a result of this deficit the postage on letter mail was increased from 2 cents to 3 cents, and therefore the letter mail was required to bear the burden, and the costs of the Post Office Department were not equalized or spread by increasing rates on other classes of mail.

So, Mr. President, after that time when a farmer wrote a letter he paid 3 cents, instead of two, for the stamp to go on it; but the large, rich corporations which publish the big magazines did not have the postal rates on their magazines increased a single penny. On the other

hand, the common people of the country, whether on the farms or in the cities, suddenly found that they had to pay 3 cents, instead of two, for the postage on the letters they mailed. That change in postal rates also meant that if the business concerns, such as the large mail-order houses, had to pay more postage, the increased cost and expense was simply added to the charges paid by those who bought the articles they sold.

I read further from the statement by the Postmaster General:

From 1933 to 1942, inclusive, the deficits ranged from a low of $14,000,000 in the latter year to a high of $112,000,000 in the fiscal year 1933. Then followed 3 years, 1943, 1944, and 1945, in which there were cash surpluses—these were war years. The deficit in 1946 was $129,000,000, and in 1947 it was $205,000,000. The deficit for the fiscal year 1948—

During the year when I was chairman of the committee—

was more than $300,000,000 and, as stated, the deficit for the current fiscal year will be approximately $550,000,000.

The deficit for the fiscal year 1948 was of sufficient size to warrant a recommendation for a readjustment of postal rates. This committee held hearings last year which resulted in a revision of the postal rates effective January 1, 1949.

We revised the postal rates a little, but the increase made was wholly and entirely unsatisfactory. We were able to have the matter brought up in the Senate only on the last night of the session. The big corporations were still untouched, just as they are today.

I read further from the Postmaster General's statement:

However, in adjusting these rates under Public Law 900, no increased rates on second-class mail were provided.

In other words, Mr. President, we soak the common people and make them pay increased postal rates for sending a registered letter or an air mail letter or an ordinary letter, but we leave the big fellows alone, the ones who publish the big magazines that have circulations in the millions, and who charge thousands and thousands of dollars for a single page of advertising. They were untouched. I could not succeed in having their postal rates increased last year or the year before; and unless we do something about the matter, we shall not be able to touch them this year. They are too powerful. They can print on the front pages of their magazines too many beautiful pictures showing their readers what a great man some Representative or some Senator is, and in the picture his cheeks can be tinted up a little, to make him look pretty, and in the magazine beautiful articles about the gentleman can be published.

So, year after year, we have not been able to get these magazines to pay what they should have been paying long, long ago.

I read further from the statement by the Postmaster General:

There was provision in Public Law 900 not only for increased postal rates on certain classes of mail and fees on special services, but also for increased salaries to the postal personnel.

The cost for the increased salaries was approximately double the amount of revenue to be derived through the increased rates. This resulted in further increasing the postal deficit.

That is one reason for my being so proud today to have the President of the United States send to the Senate this message. For the first time in a very long period we find the President doing everything he possibly can to make the Post Office Department self-sustaining. I agree with the Postmaster General that the question of what shall be done about reducing the deficit of $550,000,000 a year must be faced, and faced now.

I quote further from the Postmaster General:

It is my firm belief that the question of what shall be done about reducing this deficit must be faced now.

No fair-minded individual should ask the Post Office Department to continue to operate under such unsound financial conditions. I have repeatedly pointed out that our costs this year are more than $800,000,000 in excess of what they were in the fiscal year 1945. This increase in cost has not been due to any mismanagement. Had we not absorbed a large amount of these increased costs the deficit for the current fiscal year might well be in excess of $750,000,000.

I have recommended increased rates on mail matter of the second, third, and fourth classes, and increased fees covering most of the special services. There has been considerable opposition to the increased rates and increased fees. This opposition comes from the users of these three classes of mail and special services involved. The opposition is natural, as no one likes to pay increased prices for the things they have to buy. I have no criticism to offer because the users of the mails are opposed to these increased rates and fees. I do desire, however, to criticize some of the methods of opposition and the reasons given for the opposition.

Mr. President, I believe that the people of the country are entitled to know what the attitude of the Postmaster General is. I believe the people of America are entitled to know that the publishers of magazines, with circulations running into the millions, are being paid $9,000,000 a year by the taxpayers to help them circulate their magazines, to help them pay the postal rates. Therefore, I ask unanimous consent that I may have included at this point in my remarks the remainder of the statement by the Postmaster General who, in my judgment, is one of the best Postmasters General this country has ever seen, a Postmaster General who has been absolutely fair, a Postmaster General who has determined to make everyone pay his just share of the expense.

The PRESIDING OFFICER. Is there objection?

There being no objection, the remainder of the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY POSTMASTER GENERAL JESSE M. DONALDSON BEFORE THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE OF THE HOUSE OF REPRESENTATIVES, MAY 23, 1949

I am disappointed in some of the opposition where there has been a desire to criticize the Post Office Department, charging inefficiency, waste, and poor management, and a failure on the part of the Department to modernize and streamline the service. Such opposition can be construed as a direct reflection not only upon the officials of the Post Office Department, but also upon the half million loyal postal employees who handle the billions of pieces of mail for those who oppose increases in rates, most of which are handled at night while those who oppose these increases sleep.

No one could be more desirous than I am to see that all waste and inefficiency is eliminated wherever it may be found, and we in the Department are constantly striving in that direction. As previously related to this committee, there is some waste and inefficiency in any large business organization. There is no more in the Postal Service than can be found in nongovernmental business institutions of much less size in volume and scope than the Postal Service.

I am inclined to ask: Where is the waste? What suggestions have been made for streamlining the Postal Service? What do they suggest we do to decrease the cost? What is the modernization they imply we should adopt? What substitutions do they offer for the human eyes, hands, legs, and brain so necessary to perform the particular functions peculiar to the Postal Service?

I have repeatedly stated that 95 percent of the cost of the Postal Service is for salaries and transportation of the mails. I have no control over either. I have also stated that 85 percent of the manpower in the Postal Service is devoted to the collection, the distribution, the transportation, and the delivery of the mails.

Do those who oppose increased rates and fees desire that I reduce the cost of the service through reductions in the kind of service rendered? I can reduce costs by placing all rural service on a triweekly basis. I can reduce the costs by placing all city delivery service on a one-trip basis in residential sections and two trips in business districts. I can reduce costs by shortening the hours of all window service to the public. We can do many things to decrease costs by reducing or curtailing service to the public.

I do not believe that we are rendering a superservice which could be subjected to any such curtailment. I am interested in improving the service to the public and not in the curtailment of the service.

Our accounting methods are as accurate as those of any business institution. They are more voluminous and detailed than we would like, but practically all such methods are required by law.

I feel that it is not only my responsibility, but my duty, to report to the Congress on the fiscal condition of the Post Office Department, and in doing so make such recommendations as I feel the existing conditions justify in the light of this large deficit. In presenting these recommendations I do so without any criticism of the Congress or of the users of these classes of mail which are largely responsible for the deficit. The greater the mail volume of low-revenue producing mail, the larger the deficit.

A deficit of over half a billion dollars necessitates additional revenue, as there is no opportunity to reduce the cost of the service through reductions in salaries of the postal people or lessening the cost for transporting the mails. As a matter of fact, many bills are now pending before the Congress having to do with increased salaries for the postal personnel, and cases are pending before the Interstate Commerce Commission and the Civil Aeronautics Board for increased costs in the transportation field by both surface and air.

It has not been possible for me to read all the briefs that have been filed before this committee by those opposing increased rates and fees. Time has not permitted me to prepare detailed rebuttal to all the statements made in opposition to increased rates, even if I did desire to go into all the details. I think much of the testimony of the opposition has been irrelevant so far as the issue is concerned, but of course I recognize

the reasons given as perhaps being paramount to those who oppose increased rates.

SECOND-CLASS MAIL

Second-class mail is responsible for over $200,000,000 of the deficit, and any fair person should realize that this class of mail should pay more postage in order that the burden of the Post Office Department may be distributed where it belongs. Subscription rates will advance accordingly, it is true, but in the end this will result in equalization and not placing the burden on users of the other classes of mail. All the other classes, except first-class mail, have already had rate increases. Publishers have strongly opposed any increases since 1934, and were successful in preventing inclusion of postage raises on newspapers and other periodicals when the Revenue Act of 1943 raised rates all along the line.

Early in the last session of the Eightieth Congress many hearings on the revision of postage rates and fees to reduce the mounting postal deficit were held, and the publishers as a group were successful in opposing any increased rates on second-class matter. At that time it was proposed to raise only about $10,000,000 a year from this class of mail, and notwithstanding the fact that rates on third- and fourth-class matter, air mail, and all the special services were increased, effective January 1, 1949, no action was taken with reference to increasing the rates on second-class matter. Had the publishers shown a more cooperative and reasonable attitude and agreed to the moderate increase proposed they would not now be confronted with the need for a much greater increase at one step-up as a result of the great advance in the cost of operating the postal service due to causes beyond the control of the Department.

On July 8, 1942, the chairman of the Committee on Ways and Means in the House wrote to the Postmaster General, expressing concern about the postal deficit, and made particular reference to the postal rates situation. Among other things, he stated:

"This committee recognizes the magnitude and importance of the subject, but it also appreciates the fact that the question of bringing rates of postage in the second and third class of mail matters more closely in line with the cost of handling such mail has been the subject of considerable discussion for the past 30 or 35 years. Certainly you realize that it is not good business practice to permit these deficits to continue without some remedial action. In spite of past discussions, nothing has ever been done."

Each and every time that officials of the Post Office Department appear before the Appropriation Committees in the Congress the question of the postal deficit is discussed, and it has a great bearing upon arriving at a satisfactory conclusion concerning the amount of money to be appropriated for the conduct of the postal service.

In the report submitted by the chairman of the Subcommittee on Appropriations for the Treasury and Post Office Department appropriation bill for 1950, comment was made concerning the proposed increase in postal rates, and I quote from page 12 of that report:

"On February 21, 1949, the Postmaster General submitted to the House of Representatives detailed suggestions for additional increases in certain postal rates and services which have been incorporated in the provisions of H. R. 2945. This committee is most anxious that favorable action be taken by Congress on this subject, as it feels that the rates should be so adjusted that the postal service, especially for commercial users, will be conducted on a more nearly self-sustaining basis. It is estimated by the Postmaster General that approximately $250,000,000 of additional revenue per annum shall result from the enactment of the recommendations carried in the above-mentioned bill. This would result in a reduction of the postal deficit for 1950 from approximately $403,000,000 to $153,000,000 which is approximately the amount required to cover the cost of official penalty mail, franked mail, air-line subsidies and other costs not properly chargeable to the users of the postal service."

Second-class mail revenues pay less than 20 percent of the cost incurred by the postal service in handling this class of mail. The publishers still feel that the postal service should continue to handle this class of mail under the old act of March 3, 1879. Economic and social conditions prevailing during the early period, which provided a measure of justification for the establishment of low preferential rates to bring about greater dissemination of information of a public character, and other printed matter devoted to the public good, have, for the most part, been met, and the subsidies then provided are therefore no longer necessary to accomplish the ends sought.

The postal service performs a regular business service, to some extent competitive with other transportation media, for the publishing industry. This industry, now in the billion-dollar class, is well organized and no longer in the infant stage. It is in large measure a commercial undertaking conducted with profit motive. It functions as a private undertaking, and is no more a public benefactor than the grocer, the merchant, the hotel, or restaurant operator, the druggist, or any legitimate private businessman that renders an essential public service. These do not receive a Government preference.

The publishing industry pays market prices for all other items entering into its product—labor, paper, ink, private truck and freight services, miscellaneous materials and services—and seeks a return on its capital investment. It would appear only logical, therefore, that this industry should pay the Post Office Department substantially the cost of the service it performs with regard to the limited amounts of the total product presented for handling.

The trend, in the case of many publications, away from the serious reading content found in earlier publications to much matter designed to amuse or entertain, and particularly the present inclusion in many publications of a large volume of advertising matter, ranging to upward of 70 percent in some as compared with but very little presented for handling in the early days, calls for rates which return to the postal service substantially the cost of handling. I cannot believe that these additional burdens placed upon the postal service conform with the type of content which Congress apparently had in mind in the fourth condition of the act of 1879.

I previously stated that most business people, and that includes publishers, have consistently been opposed to governmental subsidies. It is therefore of particular interest to note the opposed increased rates which propose to take away from them a part of the generous subsidies that they have enjoyed for more than 100 years. Such subsidies are only justified in special situations when the need for a product or a special service is great, or when proper development or production cannot be achieved by private means. Second-class mail as a whole does not now qualify under these tests.

Such subsidies should be terminated after their purpose has been served; otherwise there is favoritism to certain groups at the expense of others. The organized publishing industry has long sought to retain the present subsidies, but it would be in far better position to exercise freedom of speech, to which it is entitled, if the subsidies now accorded it were terminated.

Much has been said in the past of the high place of the postal service in our economic and social life, and the valuable service which it performs. Regardless of these statements an increase in rates such as is proposed is a practical present-day necessity. It would serve to place this service on a better business basis and spread the cost of operating the service among the various classes of mail so that each class could bear its proportionate share of the cost. It would help to further improve this service for the public, and at the same time would not interfere with the freedom of any legitimate publication to conduct its business as it chooses.

What the publishers know—but what most folks don't know—is that the present second-class rates are a survival of one of the early congressional acts made under conditions that have long since ceased to exist. Very few people outside of the publishing business know of the free mailing privileges within the county of publication. Few people realize that most publications can be mailed for a year to any address from coast to coast for less than the subscribers pay at home where the publishers make their own delivery. Those who do know this frequently ask: Is it so essential to the dissemination of news that publications be carried far and wide at taxpayers' expense? Should the taxpayers who make up this large deficit be required to do so whether or not they are readers of these publications? Suppose the readers do have to pay more for the publications—suppose advertisers do have to pay higher space rates—suppose the advertisers do pass the higher advertising cost on to the consumer? Would that be bad?

Each and every time there is any recommendation submitted for increasing rates on second-class mail matter, publishers repeatedly charge that the Post Office Department is old fashioned in its methods and that its cost ascertainment is inadequate. It is alleged that the cost ascertainment figures are unreliable, and that we allocate expenditures improperly, especially as it applies to rural and star route and delivery at third- and fourth-class post offices. They also charge that we fail to give credit for services performed by the publishers in routing, sacking, and in transporting the publications to trains.

The portion of the total cost of the rural delivery service for 1948 allocated to second-class mail is $44,426,000. The total cost for this service was $132,159,000. The expenditures for rural-delivery service allocated to second-class matter are based on the volume of such mail handled and the cost of the service actually performed.

The publishers emphasize the needs of the farmer and other rural people for daily newspapers, and are not content with the delivery available by mail, but in any cases set up their own carrier service. I am sure that publications make their profit largely from advertising and to get it must cover the area to which their advertisers look for trade. Around 30,000,000 people, or more than one-fifth of the entire population of the country, are served by rural routes, and they are large purchasers of all kinds of merchandise, equipment, and other articles. The argument that the rural-delivery service should be regarded as a subsidy to the farmer is unsound and inconsistent. It disregards the fact that the business of supplying the needs of the rural population constitutes a very large portion of the total for the whole Nation, amount to billions of dollars.

Obviously without the service rendered by the thousands of small post offices and rural and star routes the vast market made available to the manufacturers, dealers, and others through the media of these postal facilities would not exist, and what has become a billion-dollar trade would slow down to a mere trickle. It would be just as logical to say that the cost of carrying the mails from the point of origin to the small offices and

routes should not be charged against such mail as to contend that the cost of delivery thereof at such offices and on these routes is not a proper charge, but constitutes a service accorded on a subsidized basis as a matter of policy in the interest of the general public. In other words, why subsidize only part of the way?

The foregoing comment also answers the claims of publishers and users of third- and fourth-class mail, as well as the special services, that the salaries and other costs of maintaining the small third- and fourth-class post offices should not be charged against second-, third-, and fourth-class mail and the special services, but should be treated as a subsidized service to the rural population.

The fact is that the postal service is set up and operates to handle all classes of mail and services rendered. Since postal services other than first class and domestic air mail produce about 48 percent of the revenue, and constitute 94 percent of the weight, and 44 percent of the pieces of all mail, the fallacy of considering these services as "fill in" or "byproduct" services is apparent.

With respect to the argument that the cost ascertainment fails to credit publishers for services they perform in routing, sacking, and transporting their publications to other points, etc., this is plausible on its face, but is without merit. The handling and delivery of second-class matter on rural routes is burdensome and time consuming. The volume is great—in many cases the only matter deposited in a rural box by the carrier is mail of the second, third, and fourth classes—and the allocated expense is that actually entailed in performing the job of delivering pieces of each particular class of mail. The law granting the second-class mailing privilege specifically requires publishers to prepare their mailings in such manner as may be directed by the Postmaster General in order to offset the cost of handling the matter. This is not a new requirement, but has been in effect for more than 50 years. The weighing of copies of publications at publishers' plants and the transportation of the copies by the publishers to other post offices, etc., is a procedure followed at the request of the publishers to assure early delivery and often for competitive reasons. The only saving to the post office is that of transportation, which is only a fraction of the over-all cost of effecting delivery of the individual pieces. The requirement that publishers sort and sack their publications by post offices and routes is one of the conditions incident to the publications enjoying second-class mailing privileges. If the publishers did not perform this service, they would be required to pay higher rates.

In criticizing the cost-ascertainment allocation of expense to the several classes of mail and special services, reference was made to the statement in the Hoover Commission Task Force Report on the Post Office: "At the present time the Department is not in a position to recommend to the Congress a full and proper charge for any of its services because it is not equipped to prove what reasonable costs these services should be." However, the critics ignore the further statement of the task force that "in the meantime, however, necessary revision of rates should not be postponed." Furthermore, they give no consideration to the statement of the task force: "The cost ascertainment has been in operation over 20 years and has been refined and improved many times, and has received the approval of several well-qualified and independent examiners."

The objections of individual publishers, as well as the representatives of the various publishing groups, to increasing the postage rates on newspapers, magazines, and other periodicals follow the same pattern which indicates a joining of forces and collaboration to conduct an all-out, determined campaign to prevent any increase.

It is claimed the proposed rates are too high; that the additional postage required will exceed the profits of the publishers; that the increase cannot be passed on to subscribers or advertisers and would drive publications out of the mails, and in many cases ruin the publishers and put them out of business entirely. This argument is specious and ignores the fact that publishers have increased subscriptions and advertising rates to meet higher costs for all other items incident to the publishing business. It would appear some way can be worked out to meet the additional postage expense by spreading the increase among subscribers and advertisers; also by curtailing expenditures and adopting more efficient and economical methods in carrying on their business, as the publishers so insistently demand of the Post Office Department. It is known and generally admitted by publishers that they do not net a substantial return from subscriptions, but pay the major portion of the subscription price to agencies or otherwise use it to cover the cost of obtaining subscriptions.

Notwithstanding these facts, many publishers are currently soliciting long-term subscriptions at special prices in order, as is understood, to maintain the circulation which they guarantee to advertisers under an agreement to refund a portion of the payment for advertising space in the event the guaranteed circulation is not maintained.

Practically every witness opposing increases in the second-class postage rates has alleged that this is no time to raise such rates; that business generally is experiencing a decline and that advertising is falling off. As to the latter, it can be pointed out that the percentage of advertising appearing in most publications as reported in recent issues of various business periodicals devoted to the publishing industry has not decreased to any considerable extent as compared with the peak of a year or two ago. As a matter of fact, recent issues of some periodicals have carried a greater percentage of advertising than they did a year ago.

The fact that the recommended increases for this class of matter when expressed percentagewise range from 200 to 600 percent or more is mentioned by most publishers. This sounds big, but when figured on the basis of postage per copy or increase per subscriber per year, the increase is not so great as to be impracticable to meet. It would amount from only a fraction of a cent to 2 cents per copy, or from less than 25 cents to not more than $1 on an annual subscription basis, the average being around 50 cents, except for dailies, for which the additional postage would be greater because of their many issues—up to 365 a year.

In view of all the facts and circumstances, the proposed rates are neither fantastic nor unreasonable when considered from the angle that even after the second raise the revenue from second-class mail would still fall short by over $100,000,000 annually of covering the cost of handling this mail.

Publishers say that the elimination of all second-class mail would not reduce the over-all expense of operating postal service in like proportion—some claiming the saving would not even equal the loss of revenue. On this the question has been asked by many at the hearings, in letters from Members of Congress, and in the press: "How much would the postal deficit be if there was no second-class mail?"

This question has been carefully studied by the Director of Cost Ascertainment, and it is his opinion that the withdrawal of second-class matter from the mails would effect annual savings of more than $95,000,000, not including the substantial savings in the rural, star route, and other services. The amount is considerably in excess of the postage (approximately $41,000,000) derived from such mail.

Great emphasis has been placed by publishers, as well as by other mail users, on the consequential results from the proposed rate increases, such as unemployment in the publishing industry and many others dependent on it; decreased need for paper, with like results in that field; reduced demand for commodities, services, etc., following withdrawal of advertising, etc. This view is believed to be much exaggerated. As some witnesses have admitted, ways would be found to meet the higher postal charges without the dire results predicted. Emphasis has also been laid on the educational value of newspapers and other publications, and their importance as a means of disseminating public information, promoting trade and industry, or increasing knowledge of literature, the sciences and arts. It is claimed higher postage rates on second-class matter would hamper the production and cut down circulation of publications, and so defeat the intent of the original law granting low rates and special privileges to this class of mail. Here again is exaggeration, and such fears may be discounted.

Publishers stress value of newspapers as disseminators of public information, unifying people of the Nation, educational character, promoters of trade and industry. All this is granted, but does not warrant continuance of nominal rate of postage in light of the great increase in cost of operating the postal service at such a tremendous deficit for which second-class matter is so largely responsible.

Many objections have been made to the definition of the term "advertising" as usual in the pending bill, particularly the proposed classification of so-called readers or write-ups as advertising. Publishers allege all kinds of dire results, censorship, interference with the freedom of the press, confusion, and a tremendous increase in personnel to determine what is advertising, etc. As a matter of fact, the provision in question is now embodied in paragraph 8 (a), section 541, Postal Laws and Regulations, except the last portion which relates to "merchandise write-ups" giving name of manufacturer, dealer or the source of supply, together with prices, in connection with which the publisher furnishes information obviously designed to enable the reader to obtain the items featured. The examples of the possible application of the provision given by publishers are absurd.

A number of witnesses have stated that they have no objection to it but only to the addition of the provision regarding "merchandise write-ups." Because of the constantly spreading practice of carrying such matter, which actually constitutes a most effective method of promoting the sale of merchandise, and the fact that some publications feature such matter to such extent in such manner as to simulate a catalog, it is felt that legislation on the subject is necessary. In its report on the survey of the Los Angeles post office the representatives of the General Accounting Office criticized the Department's liberal ruling on this type of matter.

There has been a Nation-wide campaign to prevent any increased rates on second-class mail. Some publishers have requested their subscribers to write to Members of Congress in an effort to influence them and prevent rate increase. I desire to call the committee's attention to a one-fourth page advertisement in a certain daily newspaper which is headed "Attention rural mail subscribers." This heading is followed by a statement which I quote in part:

"Pending legislation to raise second-class postal rates an estimated 300 percent will affect you. You now get the Evening Mirror for only $6.50 a year by mail. However, if the Post Office Department increases its rates,

newspapers must increase their rates accordingly. That can make the paper cost you as much as $20 a year. City subscribers and those who get the paper from agents would continue to get the paper at present rates, but our rural subscribers would be forced to absorb the huge rate increase. You can help us and help yourself. Write your Congressman to oppose the increased rates for newspapers."

This is an attempt to defeat any increase in rates regardless of facts, and a make-believe that the total cost for increased postage would be passed on to rural subscribers.

The campaign has included requests that all kinds of civic organizations write Members of Congress protesting increased rates. This is an unethical campaign and a desire on the part of those who instigated such a campaign to keep on enjoying a generous subsidy at the expense of the taxpayers.

Not all little newspapers oppose this increase. Many feel that there should be a sizable increase in postage rates for this class of mail. I quote from one country newspaper on this subject:

"The shedding of tears for the country press is brought about mostly by the fact that the increase will hit large newspapers and magazines and give them considerable of a jolt at that. Considerable space is taken up with the assertion that country weeklies will be forced to go out of business if the new rates are put into effect. The cost of getting the press to our hundreds of readers is such a small percentage of the cost of doing business that we are not going to tear the house down if the rates are raised. Any country newspaper that would be forced out of business by the addition of $15 or $20 to their quarterly mailing bill has little excuse for being in business in these times. In the matter of postal increases, let us admonish the large publishers 'Speak for yourselves, John.'"

I quote from another daily newspaper which is in the class referred to as small publications:

"The Postmaster General proposes to increase second-class postal rates $125,000,000 a year. Such mail showed a deficit last year of $163,000,000. Newspapers and magazines are mailed under the second-class privilege, and Mr. Donaldson can expect a barrage of rebuke from the metropolitan newspapers and magazines. Incidentally, he will get none from us. Just why should this class of mail enjoy a rate that costs the taxpayers a deficit of $163,000,000 a year? Publishers pay a fair price for their paper, equipment, and labor, and there is no reason why they should sap the taxpayers for a subsidy. Subscription rates will advance accordingly, it is true; but in the end it will be equalized and the burden of the Post Office Department will be distributed where it belongs. This small newspaper will be paying more, of course. But if our mail can't be handled profitably at the current price, then it should pay more. Government should be operated on a business basis. Donaldson has the common sense to say so, no matter where the burden falls."

From another publisher of a small daily newspaper I quote from a copy of one edition of his publication:

"Newspapers are now being urged to protest the proposed increase in the postal-rate structure. As one of the recommendations of the Hoover Commission task force, a suggestion was made that the Postal Department be placed on a more businesslike basis, and eventually to become self-supporting. Early this week this newspaper received a bulletin from the legislative committee of the National Press Association, headquartered at the National Capital, prayerfully urging that its publisher get in touch with its Senator explaining what it (the increase in postal rates) will cost your publication. The attitude is typical, the expression of condemnation of pressure organizations who resent interference with their privileges and paeans of praise of men like the former President Herbert Hoover, for the giving of his time and energy to realize long-needed economies in Government. They must surely realize that they are thereby becoming parties to making ineffective suggestions from one whom they applaud for trying to bring about stability and solvency in our Federal Government. The proposed increase is admittedly pretty drastic, yet in the end it might well prove a boon to the better-type newspapers and magazines whose publishers are now sounding such nervous alarms. Within the last month or so the press publishers received a score of cut-rate proposals from many of the nationally circulated magazines and weekly review publications. Evidently their business managers are not too fearful of the prospect of additional postal rates as they bear upon increased poundage."

The Post Office Department realizes the great amount of pressure coming from all quarters in an effort to prevent any increase of postal rates on second-class matter. It must be realized that even though the rates recommended are quite a step-up, there would still be a hundred-million-dollar subsidy on second-class mail even if the rates recommended by me were put into effect. The question of continuing this large subsidy is a policy to be fixed by the Congress, and if after completion of all of the hearings some policy is established by this committee which would provide for less increase in rates than recommended by me, I will be most happy to work with this committee in amending the proposed legislation to meet the policy established by the committee.

POSTAL AND POST CARDS

Government postal cards were authorized by Congress in 1872 at 1 cent each, at which time the deficit in the postal service was only $4,749,000. The private-mailing post cards were authorized by Congress in 1898 at 1 cent each, at a time when the deficit was only $9,000,000.

The Government Printing Office prints the postal cards and the cost per thousand in 1942 was 42 cents. The cost is now 70 cents per thousand.

The rate on postal and post cards was increased to 2 cents by the War Revenue Act of 1917, at a time when there was a surplus in the operation of the postal service of nearly $10,000,000. The 1-cent rate was restored by the act of February 24, 1919, at a time when there was a surplus in the operation of the postal service of more than $73,000,000. The rate on private-mailing cards only was increased by the act of February 28, 1925, effective April 15 of that year, at a time when the deficit in the postal service was nearly $40,000,000. The rate on the private-mailing cards was restored to 1 cent by the act of May 29, 1928, at a time when the deficit for the postal service was $32,000,000.

The increase in rates as mentioned was not brought about by any alarming deficit and there was good reason for restoring the rate to 1 cent. The situation is different now, and there was a loss of $57,000,000 on these postal and post cards in the fiscal year 1948. The revenue is 1 cent on each, and the average cost is 2.59 cents each. Of the total number handled last year—3,601,000,000—over 90 percent were used by utility and other business concerns, a large proportion for advertising purposes.

There is no sound reason for continuing the 1-cent rate for postal and post cards. The same rate should apply to both postal and post cards and no hardship will be worked upon the few people who use the cards for social correspondence.

THIRD-CLASS MAIL

The number of pieces of third-class matter handled in the fiscal year 1948 was 8,188,000,000, and the average weight per piece was 1.08 ounces; while the average revenue was 1.37 cents per piece, and the average cost on the basis of increased salaries under Public Law 900 is 2.81 cents per piece. Of the total pieces handled, 4,826,000,000 were mailed in bulk at the minimum rate of 1 cent each, and a little more than 1,000,000,000 pieces were mailed at the bulk rates of 12 cents, or 8 cents a pound, making a total of 5,855,000,000 pieces handled at the bulk rates.

Third-class mail consists mainly of advertising matter, and the excess of the expenditures over the revenues for such mail, on the basis of both the higher salaries and the increased postage rates provided by Public Law 900, applied to the volume of third-class matter handled in 1948, amounts to $101,000,000. This large discrepancy between the revenues and expenditures, even after including the additional postage at the rates effective January 1, 1949, calls for further readjustment of the rates on this class of mail.

Those who are opposed to these increased rates allege that the cost of handling bulk third-class matter is less than 1 cent per piece, which statement, of course, is not true. The statement that this class of mail generates more first-class mail is true, but there is no longer a profit on first-class mail, and therefore no point in generating additional volume on a class of mail which no longer produces revenue in excess of expenditures. It is now costing approximately 2.95 cents for first-class mail bearing 3-cent postage, and if there are additional costs for the transportation of mail by surface and by air there will be no profit at all in handling first-class mail. Claims made regarding savings on bulk mailings because of sorting and tying into directs to post offices and States by mailers are greatly exaggerated. Post offices are equipped and have trained personnel to do this work most economically. The claim made by those opposing increases that savings are effected by preparing this class of mail by the mailer, to save distribution in the post office, is nullified by their next statement to the effect that third-class mail is a "fill in," worked in slack periods and given deferred delivery. No matter when the mail is worked or delivered, the same effort and time and cost are required. Furthermore, a large portion of third-class matter has a time value, such as market prices and reports, announcements of sales, meetings, etc., on particular dates, which may not be delayed, and often results in preferred treatment.

Statements have also been made to the effect that the higher rates would bring about a large decrease in the volume of this class of mail, and some of the opponents have indicated that the decrease might be as much as 75 percent. Such opponents suggest that the Post Office Department go after more business, promote greater use of its services, and advertise itself out of its deficit by creating profitable or potentially profit-making use of its more than 50 postal services. This statement is made without apparent knowledge of the fact that the Post Office Department does not have sufficient quarters, space, equipment, and facilities to handle the great volume of this low-revenue-producing mail, and that the costs of its operations are so high that any additional volume of business in the low-revenue-producing classes would merely increase the deficit.

FOURTH-CLASS MAIL

I have previously stated that the law contemplates that this class of mail might pay its way. That was the intent of Congress when it established parcel post in 1913. The rates recommended by me are such as to produce sufficient revenue to meet the cost of handling this class of mail.

As you know, there is a case pending before the Interstate Commerce Commission in

which the railroads have asked for an 80-percent increase in transportation costs. The Interstate Commerce Commission has authorized a 25-percent interim increase pending final determination of the case. If this final determination results in further increased transportation costs, which will be retroactive, then the rates recommended in this proposed legislation will not be sufficient to produce revenue equal to the cost of handling parcel post.

SPECIAL SERVICES

The Hoover Commission, as well as the task force employed by that Commission to investigate the Post Office Department, recommended that all special services, which are adjuncts to the postal service, should pay their way. In other words, the fees to be charged for these special services should be sufficient to pay the cost of handling. I am, and I always have been, thoroughly in accord with that recommendation, and the rates recommended by me were such as to accomplish it.

As previously stated, I feel that it is my duty to report to the Congress on the financial conditions of the postal service. This I have tried to do on a factual basis and without any prejudice whatever. I feel that I cannot permit the charges of mismanagement and inefficiency on the part of the postal people to go unchallenged. We in the postal service are trying to render to the public the kind of postal service they have a right to expect, and at the least possible cost.

We are receptive to any suggestions that could eliminate waste and costs, and are constantly studying means by which this vast business can be handled more economically and more efficiently. There is nothing we can do about the increased cost through increased salaries and increased transportation rates, which make up 95 percent of our expenditures. To accomplish a saving of $300,000,000 per annum, as has been so carelessly suggested by some, would result in reducing our personnel by more than 100,000 employees. This would be equivalent to the discontinuance of all postal service at New York City, Chicago, Philadelphia, and Boston, which offices produce approximately 20 percent of our revenues.

I have given much of my time to a study of this rate structure, and I am willing to be of any assistance to this committee in arriving at a satisfactory solution based upon a policy to be promulgated by this committee and the Congress.

It has been suggested that I sit down with the publishers and reach a compromise on second-class rates. In reading the testimony which has been given before this committee I note that some publishers state that they cannot stand any increases, others state that they could agree to a 5-percent increase, and still others have suggested a 10-percent increase in the rates. A 10-percent increase would increase the revenue by only about $4,000,000, involving a $200,000,000 subsidy, and I could not conscientiously agree to any such compromise. I will work with the committee along the lines of any policy that they may formulate on this rate question.

SELLING OF GOVERNMENT BONDS

Mr. LANGER. Mr. President, on Tuesday of this week, on page 8165 of the CONGRESSIONAL RECORD, I called the attention of the Senators to a circular which was sent to me by a lady who had been asked to volunteer in the selling of Government bonds. What I said upon that occasion was called to the attention of the assistant to the Secretary of the Treasury, Mr. Vernon Clark, and I know every Senator upon this floor will be happy to be informed as to just how it happens that these prizes—which I enumerated on Tuesday—are given to volunteers according to the program, and how they are obtained.

As I said on Tuesday, a prize was offered to the person who sold the most bonds, the prize being a trip to Bermuda in an overseas British plane, with 1 week's stay at the Hilton Hotel at Bermuda. In addition, they gave other prizes, consisting of dresses, purses, and a great many other things.

The assistant to the Secretary of the Treasury, Mr. Clark, stated the arrangements are as follows:

We depend upon every town, city, and county to volunteer to sell these bonds. They pay their own expenses and any prizes that are given workers turning in an outstanding performance is a gift from friends of the program; namely, merchants and others who want to see the savings bond program extended because of the thrift it develops for our entire population. We have attempted to operate our division of the Treasury Department in as economical manner as possible. In proof of that our costs of selling bonds is now 60 cents per $1,000 worth of bonds as compared to 81 cents during the war years when we had the help of the Army, Navy, and every other branch of the services behind us. We think that is rather remarkable in view of the fact we have been able to accomplish that by a reduction of personnel of approximately 75 percent and creating a well, efficient organization.

Here we have an instance, as the Senator from Virginia [Mr. BYRD] and I have said upon various occasions, of the effect of adoption of the Byrd-Langer amendment. The effect has been to reduce personnel in some of the departments. Here we find that as a result of that amendment the Treasury Department has reduced its personnel in one division 75 percent. I think that is a fine record on the part of the Treasury Department, cutting the number of employees in one division from something over 500 to about one-fourth of that number.

This clearly enlightening statement by the assistant to the Secretary of the Treasury is especially interesting to me, as I know it will be to many Senators because of the fact that the personnel has been reduced so much.

TELEPHONES FOR FARMS

Mr. LANGER. Mr. President, I now desire to take up another matter, if I may.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield for a question.

Mr. MAGNUSON. I have a very important matter that I want to present, and I wonder how long the Senator will take.

Mr. LANGER. I should say about an hour or possibly more. There is nothing more important than the matter I propose to bring up at this time, the matter of telephones for farmers all over the United States.

Mr. MAGNUSON. Mr. President, I may say to the Senator I did not question his estimate of the degree of importance which should be given to the matter he is about to present. I was merely wondering how long it would take.

Mr. LANGER. I should say roughly an hour.

Mr. MAGNUSON. I thank the Senator.

Mr. LANGER. Mr. President, in this morning's New York Times there appears a news item, reading as follows:

PHONES FOR FARMS ADVANCE IN HOUSE—RULES COMMITTEE VOTES TO LET BILL BE DEBATED—PRIVATE COMPANIES PROTEST

WASHINGTON, June 23.—A bill intended to put more telephones on the farms moved ahead a step in the House today when it cleared the Rules Committee. The House may act on it next week. Private telephone companies have opposed it.

The bill would authorize the Rural Electrification Administration to move into the telephone field. It would make loans to private companies or to cooperatives set up by rural residents to finance extension of telephone lines.

The Agriculture Committee approved it some time ago. The Rules Committee, which determines how and when most major bills will be handled on the House floor, voted today to let it come up and to limit debate to 3 hours.

LOS ANGELES, June 23.—The Nation's 6,700 independent telephone companies are doubly jeopardized by Federal taxation and Federal competition, it was asserted today by Charles F. Mason, president of the largest independent, the Associated Telephone Company of California. He spoke before the convention of the California Independent Telephone Association, of which he is president.

"The general public does not realize that the Government is actually making more profit out of the telephone business than the people who own it and try to run it," he said.

"For example, the Pacific Telephone and Telegraph Co. paid a combined tax bill last year of more than $35,000,000, as compared with a net income of $25,000,000. My own company had a tax bill of $2,375,000 while its net income amounted to only $1,560,000."

"An even more serious threat existed," he said, "in the bill before Congress to finance rural telephone service through the Rural Electrification Administration. This project, in using taxpayers' money to underwrite subnormal interest rates and in exempting benefited companies from normal local, State, and Federal taxes and from Public Service Commission control, would amount to limited State socialism rather than free enterprise or even regulated private enterprise," Mr. Mason declared. "The real intent of the bill," he said, "was to perpetuate the REA which had nearly finished its job."

Mr. President, as one of the authors of one of the bills considered by the Senate Committee on Agriculture and Forestry, I want to say that this gentleman, Mr. Mason, simply does not know what he is talking about. He may be the president of a great telephone company, but he does not know the spirit that actuated the Senators who introduced these various bills. The Senators who were interested in these bills were the Senator from Oklahoma [Mr. THOMAS], chairman of the Committee on Agriculture and Forestry, the Senator from South Carolina [Mr. JOHNSTON], the Senator from Alabama [Mr. HILL], the Senator from Iowa [Mr. GILLETTE], the Senator from Oklahoma [Mr. KERR], the Senator from Florida [Mr. PEPPER], the Senator from Alabama [Mr. SPARKMAN], the Senator from Texas [Mr. JOHNSON], the Senator from Vermont [Mr. AIKEN], the Senator from North Dakota [Mr. YOUNG], my distinguished colleague, and myself.

It is interesting to note exactly what the situation of the farmers is so far

as telephone service is concerned. I do not know of any better place to get the information than from the testimony of the distinguished Senator from Alabama [Mr. HILL], one of the Senators who, with the distinguished Senator from Georgia [Mr. RUSSELL], helped to put over the REA program in the United States.

This man Mason, Mr. President, says that the REA program is nearly over, when, as a matter of fact, the truth is that only half the farmers in the entire United States have light and power upon their farms. Of course that does not worry Mr. Mason. In Japan 95 farmers out of every 100 have had rural electrification for a long time. In Germany more than 96 percent of the farms had rural electrification before the war started. In Sweden, Denmark, and Finland the number of farms with rural electrification was nearly 100 percent, while in the United States less than 51 percent of the farms have rural electrification at the present time. Yet Mr. Mason says, according to the dispatch in the New York Times this morning, that we are interested in getting REA to take charge of having rural telephones because REA has nearly completed its job. If his other statements are no more true than that statement, I do not have very much respect for the veracity of Mr. Mason.

The Senator from Alabama [Mr. HILL], when he testified before the committee, went into the matter very carefully. He said:

> The facts on the need for rural telephone service speak for themselves. There were actually more telephones on the farms of America in 1920—

Thirty years ago, Mr. President, there were more telephones on the farms—

> than there are today, although we have made remarkable progress in every other phase of mechanization and electrification on American farms.

I should like to have this man Mason and some of the rest of the fat boys who are opposed to a farmer having a telephone when he is living 25 or 30 miles out in the country, and who has children and can communicate with doctors only by telephone—I should like to have one of those fellows stay out there when illness strikes the family.

The Senator from Alabama continued:

> We call business people, lawyers, doctors, and folks living in our cities, but we cannot reach our farmers. Just as we cannot reach them, they, in turn, cannot reach anybody themselves, no matter how urgent the need may be for them to reach the doctors or some businessman or merchants or suppliers.
>
> In 1920 nearly 2,500,00 farms had telephones. By 1940 this number had dropped to only 1,500,000.

A loss of a million, Mr. President. A million less individual farm homes had telephones in 1940.

> Despite a slow increase, in 1945 more than 4,000,000 of America's 6,000,000 farms still had no telephones.

Only one out of three farms, on an average, in the United States has a telephone.

> The Senator from North Dakota spoke of the situation in his State. If possible, I may say the situation is even more acute down in my section, in the South where the number of farms with telephones dropped more than 50 percent between 1920 and 1940. We went through the depression and, of course, the way these telephone systems have to be financed and have had to be financed, why, I imagine many of them could not survive, and did not survive, and many other factors entered into it, which factors I will come to as I go along in this statement. In my own State of Alabama, I say to the Senator from North Dakota [Mr. YOUNG], the 1940 census showed only 8,254 farms, 3.6 percent of all the farms in the State—

Three and six-tenths percent, less than 4 farms out of 100—

> had telephones, 316 farmers out of 8,254. Many of those were inadequate.

Those they did have were not even in good running condition, according to the Senator from Alabama.

I read further from the testimony of the Senator from Alabama, as follows:

> By 1945 some 11,000 Alabama farms—still only 5 percent—had obtained telephones. An increase from 3.6 percent to 5 percent over a 5-year period is progress by inches where we have miles to travel.
>
> At the same time the farmers have shown that they wanted and were able to pay for the benefits of modern living. Approximately two out of three farms have radios and automobiles. Seven out of ten farms have electricity, which means they also have refrigerators, stoves, washing machines, and milking machines. The most recent survey, just completed by the Bureau of Agricultural Economics in the Department of Agriculture, reports as of July 1, 1948, only 37 percent of the farms have telephones and shows no appreciable increase over 1947.
>
> If our farmers are to have telephones, the small, independent telephone companies which serve them must have long-term financing at low rates of interest.
>
> Statements by the independent telephone companies themselves demonstrate the urgent need for this low interest financing.
>
> In a pamphlet entitled "The Farm Telephone Story," issued by the Independent Telephone Institute, its spokesman, Mr. E. C. Blomeyer, in commenting on my original rural telephone bill, introduced by me in 1944, stated, and I quote:
>
> "The vital question is that of how the small independent companies are going to get the money with which to do their part of the job if this legislation is not enacted."
>
> Mr. Blomeyer has recently informed me that conditions are still the same and that enactment of Senate 1254 is the only effective answer to the problem.
>
> The need was further demonstrated by the findings in 1945 of a finance task group of the rural telephone service committee of the United States Independent Telephone Association, studying the credit needs of small telephone companies. The task force report opens with this significant statement:
>
> "The problem of financing for the small telephone company to provide funds necessary for plant replacement and improved equipment is one of major importance in the independent industry."
>
> This bill before us, Senators, Senate 1254, is simple, direct, and straightforward in its steps to meet this need. Briefly, this is what it provides: Senate 1254 would authorize the Rural Electrification Administration to make loans for the extension and improvement of rural telephone service. These loans may be made for a period of not more than 35 years, at an interest rate of 2 percent per annum. The loans are required to be self-liquidating within the time agreed upon and may be used for the financing or refinancing of expansion and improvement of existing facilities.
>
> The opportunity the legislation offers for the refinancing of existing loans is of primary importance to those systems which have outstanding debt, in some cases carrying burdensome rates of interest and amortization schedules which are beyond the system's capacity to meet, and which prevent any modernization of service. The loan terms would be a lifesaver to the many systems which have unsuccessfully been seeking to float new issues with which to extend and improve their rural lines.

Mr. President, I ask that the remainder of the statement by the Senator from Alabama be printed at this point in my remarks.

The PRESIDING OFFICER (Mr. YOUNG in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

> On February 14 I appeared before a subcommittee of the House Committee on Agriculture to support a similar bill which I am glad to say has been reported by the House committee as now on the House calendar. In the testimony presented by witnesses before the committee on that date were two recent instances where independent telephone systems operating in my own State had ben granted authority by the Public Service Commission to borrow modest sums for the purpose of purchasing new equipment and expanding their plants to serve new subscribers. These companies offered 5 percent interest in one instance and 4¾ percent in the other, but have been unable to borrow this money from private sources even at those rates. I have learned of many similar instances, all of which indicate that private financing is not available, and that there is an urgent need for a program of Government credit in this field.
>
> Support of Senate 1254 has come straight from the grass roots—from farm and rural people who look to this legislation as a means of obtaining at last the telephone service they need and have so long desired.
>
> Support of S. 1254 has come from small independent and mutual systems who see in this type of legislation their only hope of being able to modernize and improve their facilities and continue successfully in the telephone business.
>
> I want to read two or three excerpts from letters from some of these independent companies.
>
> I have here a letter from a man in Minnesota who has recently gone broke in the independent telephone business and now lives in a trailer camp, Senator. He worked for years with the Bell system and with one of the largest independents and served in the Army Signal Corps during the past war. He says in his letter:
>
> "The composite picture is one in which the Bell system and the big independents have combined to oppose a feasible plan for solving an industry problem, for obviously selfish reasons. They have contributed little or nothing toward solving the problem and their operations would be affected very little, if any, by your proposal. * * *"
>
> Senator YOUNG. In fact, Senator, their tolls would be greatly increased.
>
> Senator HILL. Well, Senator, I do not want to get too far off, but I have been here for some time in Congress, and all this takes me back, as Senator THOMAS will recall, to the fight that the private power companies made on REA.
>
> Senator AIKEN. Why do you use the past tense on that? [Laughter.]
>
> Senator HILL. I accept the Senator's amendment. And, of course, the REA has in no way been harmful to the private power companies; it has just afforded a larger and

a better market for the private power companies to sell their commodity, which is electricity.

"They have no legal or moral right to prevent passage of this legislation and they must not be permitted to do so."

A company in North Carolina says, and I would be glad to bring this letter to you:

"We surely hope you will be able to get your rural telephone bill passed by this Congress so that the small telephone companies would be able to borrow money from the Government at a low rate of interest to build farmer lines so we could give the farmers the much needed telephone service. It seems to us that it is just as important for the Government to help the farm telephone business as it is the farm power business. There is a great demand at the present time for farm telephones and the small telephone companies with the low rates do not have the money for the country expansion."

An independent in Alabama, strongly supporting the bill and offering to come to Washington and appear before the committee, writes:

"As far as the need for financing in our industry, it is certainly grave. I find that most of all our telephone men in neighboring companies, and about over the State are able and competent telephone men, ambitious to serve their territory with adequate telephone service, but financing has virtually made it impossible in our dreams, plans, or hopes."

In a letter from a large Midwest independent, the president of the company states:

"We desire to congratulate you on your constructive efforts and extend the hope that this very fine bill will be enacted at an early date.

"In this world of ours it seems that negative thinking is cumulative even when constructive purposes are clearly evidenced. Notwithstanding all that has been said opposing the rural telephone bill which you are sponsoring, I desire to go on record as positively favoring the bill.

"The writer represents approximately 66 thousand telephones in 7 States, including the South and Middle West, where present costs permit only selective extensions of rural service unless long-time money is available at a low rate. Therefore, to do a good job, it is essential that we secure assistance which cannot be classified as a Federal 'handout.' The provision which makes loans available to independents and others for a 35-year period at 2 percent interest adequately meets the need."

The president of another large independent operating in Kansas and Missouri, who is a member of the board of directors of the Independent Telephone Association and vigorously supports the legislation, makes this observation:

"While the problem of the syndicated companies is not so serious, particularly in the more densely settled sections, most assuredly the small individually owned exchange is in a distressed situation insofar as rehabilitation of its existing equipment, and in an almost hopeless position as to its ability to extend into unreserved rural areas contiguous to existing exchanges in sparsely settled areas."

In conclusion this same writer states:

"In the absence of the insurance companies or bankers being willing to step in with a blanket form of mortgage in order to spread their risk and to lend capital to the small companies at interest rates and length of amortization of debt, similar to your proposed legislation, the alternative is for the Federal Government to do so. Thus far the bills in Congress offer the only glimmer of hope in this distressed situation."

Opposition to Senate 1254 is coming from two sources—from the Bell telephone monopoly and from some who claim to speak for the small independent companies.

I can understand the opposition of the Bell monopoly. A report by the Federal Communications Commission made pursuant to Public Resolution No. 8 of the Seventy-fourth Congress had this to say of the Bell system, and I quote from the report of the Federal Communications Commissioner:

"The Bell system has consistently pursued the policy of obtaining control of a Nation-wide unified telephone system. Since its inception the watchword has been 'one system, one policy, universal service.' In achieving its present dominant position, the Bell system has been successful in the elimination of effective competition. There is today no competition, worthy of the name from the Nation-wide standpoint, with the unified Bell system."

The effect of Bell's monopolistic control, not only in the field of communications but also over the manufacture of telephone equipment, was cited—and that is a very important thing. I have not the time to go into it here, but this thing of how you can get your equipment, and how much you have to pay for that equipment, and the control of those who manufacture and sell that equipment is a very important issue.

I am very much in hopes that this committee will report this bill fairly with this Congress, and I urge that. But if for any reason this committee finds it just cannot report, or if we do not pass this bill in this session of Congress, I hope that when the Congress will recess this committee will make it its business—either this committee or a subcommittee of this committee—to investigate and to go into this whole question, not only in the control of the distribution but in the control of the equipment—who manufactures, who owns these manufacturers, how these manufacturers and these distributing agencies and salespeople—and find out what is the control, if any, over them.

The effect of Bell's monopolistic control, not only in the field of communications but also over the manufacture of telephone equipment, was cited in the complaint recently filed by the Justice Department against the American Telephone and Telegraph Co. (Bell) and its subsidiary, Western Electric Co. I quote from page 64 of that complaint:

"By combining under single ownership"—now, notice these words, gentlemen, here is the complaint of the Department of Justice—the control of development, manufacturing and distribution of, as well as complete control of virtually the entire market for, telephone equipment used in the United States, the defendants have fixed the types, quantities, and prices of telephone purchases and sales, and have controlled the plant investments and operating expenses on the basis of which Federal and State regulatory authorities must fix rates to be charged subscribers for both local and long-distance telephone service."

Now, this is one of the answers to your question in the beginning, Senator, that I knew I would come to.

Senator GILLETTE. Senator HILL, are you quoting from a complaint filed by the Department of Justice?

Senator HILL. By the Department of Justice, that is correct.

I would be delighted to furnish for the record the full complaint. I have just taken this quote from page 64.

The CHAIRMAN. Without objection the complete report in the nature of a complaint will be placed in the record at this time in connection with Senator HILL's testimony.

Senator HILL. I would like to have it at the end of my testimony. It is somewhat lengthy.

The CHAIRMAN. It will be placed at the end of your testimony then.

Senator HILL. "The absence of effective competition has tended to defeat effective public regulation of rates charged subscribers for telephone service since the higher the prices charged by Western for telephone apparatus and equipment the higher the plan investment on which the operating companies are entitled to earn a reasonable return."

In other words, this question of what the equipment costs goes right to the heart of the question of what the rates are, and, of course, the question of the rate determines so largely the matter as to whether or not you can go into these rural areas.

It goes back to that thing of the power people. I remember they testified on the House Committee of Military Affairs, of which I was then a member, that we could not do this to any farm without going into bankruptcy. Well, the REA has not gone into bankruptcy, as the Senator from Vermont so well knows.

"The noncompetitive prices of Western's manufactured products have the dual effect—and I am talking about manufactured products now; that goes right to the heart of this thing—of increasing manufacturing profits and of raising telephone operating profits by inflating the rate bases of the Bell operating companies. Both increases accrue to the benefit of A. T. & T. The difference between the apparent and the real costs of telephone service represents hidden profits which are beyond the reach of public regulation. The defendants' triple monopoly of development, manufacture, and sales market of telephones, telephone apparatus and equipment has been so used as to delay and retard the introduction of improvements in the art of telephony which would have made telephone service more efficient and less costly to the subscribers." That is, rural subscribers as well as city subscribers.

That is the end of the quote of the Department of Justice complaint.

Monopolistic arrangements such as those described above have kept the cost of telephone service out of the reach of many farm families. Even so, the industry is now engaged in boosting its rates still further. In a recent article in Business Week it was pointed out that substantial rate increases were won by many of the system's operating subsidiaries during 1947 and, at this time, applications for additional rate increases—some representing second- and even third-round requests—are pending in 29 States.

I am puzzled as to how the United States Independent Telephone Association, the same organization which in 1945 pointed to the problem of financing the small telephone companies as one of crucial importance, can justify to its membership the present opposition to Senate 1254. Perhaps the answer lies in the domination of this association by a small group of large so-called independent companies which in turn apparently are dominated by the Bell system. The testimony these witnesses submitted before the House Committee on Agriculture in February when the committee considered a similar measure is completely contradictory to the views expressed to me in the letters which I have read to you and the many other letters which I have received from operators of small independent telephone companies throughout the country.

Senator AIKEN. Your earlier statement would indicate that the small companies are probably dependent upon the big company for their equipment.

Senator HILL. Yes. If it is not dependent upon the big telephone company, it is dependent upon these people who manufacture and sell the equipment that they must have.

Senator AIKEN. The manufacturing plant which is controlled by the big operation company.

Senator HILL. That is right.

These letters indicate that the telephone lobby here in Washington does not speak for the independent companies which strongly support this legislation intended to help them. This lobby, which is carrying on

a widespread propaganda campaign against this legislation, apparently reflects only the views of the large interests which dominate the telephone industry.

I can only conclude that "the voice is Jacob's voice, but the hands are the hands of Esau."

What are the charges against Senate 1254? They are the cries of "socialism" and "Federal control" and "costly subsidies" which through the years have always been the alarums of reaction against progress.

Let us compare the propaganda and the facts:

First, the bill provides no subsidies that will cost the taxpayers. Instead it establishes a self-liquidating loan program and expressly requires that all loans be repaid with interest. REA's impressive 14-year history of success in rural electrification financing completely refutes any such claim.

Second, the bill will not put any small telephone company out of business. On the contrary, the bill would give a new lease on life to the thousands of small companies, both profit and nonprofit, which otherwise face extinction or involuntary absorption by other companies. By providing credit where credit is not otherwise available, the bill will make it possible for small independent telephone companies to stay in business and operate profitably by rebuilding their systems, improving their service, and refinancing their obligations on a long-term basis.

The bill provides that funds shall be made available on identical terms to private companies, public agencies, and cooperatives.

Third, opponents of the bill have made the claim that Federal financing is a "disguise for social planning and Government interference."

There are many examples to demonstrate that Federal financing does not lead to Federal control. Banks, railroads, utilities, and hundreds of other businesses have borrowed billions of dollars from the Federal Government without losing their independence or becoming "socialized."

In fact, gentlemen, it has always intrigued me that of the agencies that we set up to fight the depression, the one that has continued was the one we set up to help business, which is the RFC. The NRA, WPA, and NYA have long since passed out of existence, but the agency which was to help business, make these loans to business—big business, your railroads and your big utilities and your banks and people like that—as we know, it continus today.

Senator AIKEN. You agree, Senator, that the record of the RFC is not quite as good as the REA as a business?

Senator HILL. I think the REA record is a better business record.

The CHAIRMAN. Does that complete your statement, Senator Hill?

Senator HILL. No; I will be through in just a moment.

The opponents of the bill have sought to create fear in the minds of the operators of small independent and mutual companies—the fear that if this legislation is enacted the Federal Government or REA cooperatives would take over or supplant these small companies.

There is nothing in the bill which would permit the Federal Government or REA cooperatives to take over or supplant telephone companies now giving adequate rural service. Under the bill, REA would have only the power to lend money and to furnish technical assistance where it is wanted and needed. The independent companies will continue to have the full protection of their State utility commissions and regulatory bodies.

You cannot go into any State in this Union that I know of and set up a telephone company without first going to your State utility commission or regulatory body and getting a certificate of convenience and necessity.

The final determination of whether additional telephone service is needed in a particular area is left in the hands of the State authorities. The bill expressly required that a Federal loan can be made only after a certificate of convenience and necessity authorizing the new telephone system has been issued by the State body having authority to regulate telephone service.

The language in the bill which authorizes loans to public bodies and gives such bodies the same preference as existing companies and mutuals was not intended to place either the Federal, State or local governments in the telephone business. In several States, rural-electrification enterprises are organized, under applicable State laws, as power or utility districts which are established by statute as "public bodies." It is unlikely that public bodies, including the power districts, anywhere in the 48 States today have statutory authority to engage in rural telephone service. They may never be authorized to enter this field, for that is a matter entirely within the control of the legislatures of the several States.

Fourth, there has been much talk about the need for an amendment to the bill to prevent duplication of telephone facilities. I have seen the so-called "antiduplication" amendment proposed by the opponents of Senate 1254 and I am satisfied that its adoption would scuttle the program envisaged by this bill.

The proposed amendment would perpetuate the inadequate service now given hundreds of thousands of farmers and it would prevent others—on the 4,000,000 farms which still have no telephones—from getting adequate service.

The provisions of Senate 1254—and as I have said—and the continuing authority of the State regulatory bodies do not permit duplication in those areas where adequate reliable service is being furnished to the farmers who want it. Furthermore, we know that Congress will never appropriate funds for the REA to go into the business of duplication.

Those who continually talk about the need for the amendment are not worried about duplication in terms of facilities which would be built to serve farm people already receiving service; their interest lies in preserving a monopoly in all the rural areas of the United States: This is the same "dog-in-the-manger" attitude taken by the commercial power companies when the rural-electrification program was first established. These companies regarded rural America as their own green pastures to be electrified when and how they saw fit. Since creation of REA, rural electrification has been carried forward without any duplication of the facilities to serve farm people.

As I have suggested the State legislatures and the State regulatory bodies can certainly be relied upon for protection against unfair or uneconomical duplication of electric facilities. They can be relied upon to give the same protection in the field of rural telephone service.

When we do the job we need to do in bringing telephone service to rural people, we put wages into the pockets of workers and money into the cash registers of merchants, manufacturers, and businessmen in every State in the Union.

The expanded rural telephone program provided under Senate 1254 would create 70,000,000 new permanent jobs in private industry.

Senator ANDERSON. How many? Seventy million when there are only fifty-eight million working now?

Senator HILL. Well, every little bit adds just that much more. [Laughter.]

Senator AIKEN. That is quite a lot.

Senator HOLLAND. You mean seventy thousand.

Senator HILL. I beg your pardon. I did not mean seventy million. The figures show exactly seventy thousand.

I will say to the secretary that the chairman here rather suggested that my time had come to a close, and I was reading perhaps too rapidly. It was seventy thousand, I will say to the secretary.

Seventy thousand new permanent jobs in private industry paying $200,000,000 a year in wages, on the basis of available figures on the Nation's telephone industry.

Most States would find, in this expanding industry, a market for one or more of the materials utilized in telephone installation. For example, let us trace the material supply for the installation of a telephone at a farm home in Nebraska. Pine poles might come from Texas, Alabama, Mississippi, or Oklahoma, cedar poles from the Pacific Northwest——

Senator THYE. If I may interrupt you, might we get a few down from Minnesota?

Senator HILL. Well, you might, but I am coming to you next.

Steel from iron mined in Minnesota——

Senator GILLETTE. How do you spell steel?

Senator HILL. S-t-e-e-l. [Laughter].

Copper from Montana and Arizona, cotton from Georgia and California, synthetic rubber from Oklahoma and Texas, plastics from coal mined in Colorado, glass and ceramics from New York and Tennessee, and electronic devices from almost every State. Expansion in the rural telephone field would create a great, new mass market and would represent a fine opportunity for many smaller manufacturers of telephone materials who now have little opportunity to compete in the commercial field.

The facts I have just outlined point clearly to the conclusion that advantages from a rural telephone program would benefit the entire economy, and promote the welfare of the worker and the farmer and the small business man. The possible benefits do not end there. The general public would likely find itself paying less for telephone service as the new program expanded. The potentialities of a cost yardstick seem as great in the telephone field as it was in the field of rural electrification back in 1935.

As we go forward with this program for adequate rural telephone service, the small independent telephone systems of America will be able to operate on a sound and healthy basis—the farm families of America will get their telephones and share in fuller measure the benefits of our Nation.

This bill, Senate 1254, will do for the farmers in the communication field what the Rural Electrification Act has done in the field of electric service. The enactment of the Rural Electrification Act identified the Seventy-fourth Congress as the "rural electrification Congress" to the millions of farm families who had for generations lived and worked by the kerosene lamp and carried the burden and drudgery of tasks which today are performed by a flick of the switch. Just so will enactment of this bill identify the Eighty-first Congress as the "rural telephone Congress" to millions of farm families.

Mr. Chairman, I want to thank you and the members of this committee for your very kind and patient hearing.

The CHAIRMAN. Are there any questions submitted to Senator HILL?

Senator ANDERSON. I would be interested to know if this 2-percent rate for 35 years is available for each privately owned small telephone company.

Senator HILL. That is right.

Senator ANDERSON. Can any other businessman go in and get it for 2 percent?

Senator HILL. We are doing that, as you know, for the REA.

Senator ANDERSON. Well, that is a different situation entirely. This is a small businessman that owns a small corporation.

Senator HILL. That is correct.

Senator ANDERSON. You spoke of one of them who has 66,000 telephones.

Senator HILL. Yes.

Senator ANDERSON. That is a pretty good-sized firm.

Senator HILL. Yes.

Senator ANDERSON. Can he go in and refinance his obligation at 2 percent?

Senator HILL. I would say he would be eligible. He would have to meet certain requirements by the REA, but he would certainly be eligible to file his application.

Senator ANDERSON. Why should this man get a subsidy from the Government?

Senator HILL. He gets it on the basis of getting telephones to the rural farmers.

Senator ANDERSON. When he can refinance what he has already put up? There might be a question to that.

Senator HILL. In other words, the REA might pass on his application as to what he may need as a going, modern concern to serve these rural areas.

Senator AIKEN. Would not he have to be passed on by the State regulatory bodies?

Senator HILL. He would certainly have to go before a State regulatory body.

Senator ANDERSON. Cutting his interest rate from 5 to 2 percent—I just do not understand why you would take a private company—

Senator HILL. A State regulatory body would fix the rates at which he could sell his telephone service.

Senator ANDERSON. I do not know of any other plan involving 35 years at 2-percent interest.

Senator HILL. This is a question we went into with the REA to get electricity.

Senator ANDERSON. Did the REA Act permit small independent companies to come in and borrow at 2 percent?

Senator HILL. We permitted cooperatives.

Senator ANDERSON. But that is an entirely different thing. I am wondering why you are going back to refinancing the small companies that are independently owned.

Senator HILL. We are going back to the refinancing of them so we can get telephones to the farmers.

So far as the legislature was concerned, all they needed was the loans to build the lines to get to the farm homes. They did not need, except in certain exceptional cases of which we, of course, are familiar, to set up the generating facilities to build dams or other generating facilities.

Senator ANDERSON. Well, I am quite well satisfied with the idea of extending rural telephone lines when it is done through a co-op or any other activity of REA that requires their own loans but I have some difficulty——

Senator HILL. Of course, you might work it this way, Senator. You might just make these loans to some cooperatives, but the more direct way is to deal with some local company.

Senator ANDERSON. Yes, but I think you are stepping off into another new field.

Senator HILL. Well, you might make the loans in such a way as to extend their lines in some indirect way, but this is certainly the direct way to do it.

Senator ANDERSON. But how would they differentiate? If American Telephone & Telegraph came in and said: "We would like to refinance all our obligations at 2 percent."

Senator HILL. Well, I do not think there would be any finding by the REA that they needed any financing. I do not think they would need any Government financing.

Senator ANDERSON. Do they have to so find?

Senator HILL. I would say they would.

Senator GILLETTE. Page 4 provides the determination by the Administrator of the need.

Senator ANDERSON. In your refinancing section I did not see anything on that. Section 4 on page 2 gives them the power of refinancing.

Senator HILL. Page 4, line 6, says: "when it is determined by the Administrator * * *." In other words, he has to make a determination of the necessity to furnish telephone service in rural areas—such loans made, et cetera.

The CHAIRMAN. Are there any further questions to be submitted to Senator Hill?

Senator HOLLAND. I understood him to say in his statement that the independent telephone operators association opposed this bill.

Senator HILL. I said I referred to one particular association that opposed it before the House committee.

Senator HOLLAND. That is the organization of independent telephone companies?

Senator HILL. I do not know that that is true. It is supposed to have been independent companies. Now, how much the companies dominate that association and are tied in with Bell—with these people that are controlled by the Bell—I do not know.

Senator AIKEN. You are not sure, in other words, whether the opposition comes from the heart or is of a more formal nature?

Senator HILL. That is right. The Senator is exactly right.

Senator HOLLAND. My next question would be this: Do you have any list of small independent companies who have protested against that position taken by the association?

Senator HILL. I have a number of letters, some of which I read into the record, others I would be glad to supply for the record, from independent members, who are members of the association, who protested that position taken by that particular association.

Senator HOLLAND. You have the names of those?

Senator HILL. Oh, absolutely.

Senator HOLLAND. Do you have a list of the companies from whom you have heard who desire to protest against the stand taken by the independent association, and who support the passage of the bill?

Senator HILL. I have these letters. I do not know that I have made a list of them, but I have the letters which I would be glad to supply.

The CHAIRMAN. Senator ANDERSON.

Senator ANDERSON. I hate to go back, Mr. Chairman, but I have this particular case in mind of a small company trying to get me to find him some way of getting help. I referred him to the RFC, the El Paso area. He has gone to them and been unable to get any help, and I finally had to end up helping him myself in order to keep him alive.

Now it is being turned over to the Director of the REA, who may pass on the adequacy of the case. It is a wholly new function of REA, as I see it, and I cannot help but feel that we are getting quite a ways from rural telephones when you start in rehabilitating private companies.

Senator HILL. When you go into REA to get this telephone service into these rural areas, or to serve rural areas?

Senator YOUNG. Suppose an independent concern, a city-wide service, were to apply, would they be eligible?

Senator HILL. I would say not for the city-wide service. I want to be perfectly frank; it might be that this might be strengthening this company.

Senator ANDERSON. It has done precisely that thing. I think we should take into consideration these small-city operations in refinancing.

Senator HILL. You undoubtedly would have some in certain cases.

Senator AIKEN. But the small city or large town would have to be in a rural area.

Senator HILL. That is right. And the object of the whole thing would be to service these unserviced rural areas.

Senator AIKEN. I think we may well give consideration to the right of independents that Senator ANDERSON points out. In all our recent legislation I think we have written into the bills that money should be furnished at not less than cost to the Treasury, which, a short time ago, was slightly over 2 percent, the idea being that the Government is not to lose money even when it furnishes services and perhaps makes free administrative costs.

Senator ANDERSON. But here you have a small telephone company, privately owned, and this man says he thinks 2 percent for 35 years is right because it could not be classified as a hand-out; it could not be classified as anything else.

Senator HILL. It could not be classified as a hand-out if it is getting this service to this rural area, any more than getting electricity to the farm homes might be classified as a hand-out.

The CHAIRMAN. Senator, we thank you.

Senator GILLETTE.

Senator GILLETTE. I want to add right there on page four, the concluding sentence in the first paragraph, bears out just what Senator HILL has stated. "Loans under this section shall not be made unless the Administrator finds and certifies that in his judgment the security therefor is reasonably adequate and such loan will be repaid within the time agreed."

Senator ANDERSON. I do not see where they mention building for rural areas. This is only a banking function.

Senator HILL. But right above that it does say, "when it is determined by the Administrator." He has to make a determination of what will be necessary in order to furnish or improve telephone service in rural areas—in rural areas. That is the only basis on which he can make a loan, when it is necessary to furnish telephones in rural areas.

Senator THYE. Could it not be interpreted, Senator, in a case where you have a city of 14,000 telephones in existence and serving the city, and where they have lines that extend out on this highway and that highway, but where they have few highways where there is no service. Under this act, however, they could refinance their entire service of 14,000 and go out and include a few of these highways.

Senator HILL. I cannot conceive, Senator, that REA would allow that, and I cannot conceive that the Congress of the United States would let them do that.

As you know, they come before Congress every year. They come before the House Committee on Appropriations; they come before the Senate Committee on Appropriations, and I do not suppose there is a year when they have not come before Congress.

Senator AIKEN. Is it not true, Senator, that it will be a long time to come before any available funds would be required in those areas that have no telephone service at all at the present time?

Senator HILL. That is right.

Senator AIKEN. I would expect the Administrator would certainly give preference to those areas that have no service.

Senator HILL. That is the whole spirit and intent of the bill, to take care of those areas.

Senator YOUNG. What is the interest rate provision in the REA Act?

Senator HILL. Two percent.

Senator YOUNG. Two percent straight through?

Senator HILL. That is 2 percent; that is right.

Mr. WICKARD. The interest charge to the borrower is 2 percent.

Senator HOLLAND. As the witness knows, I am sure of the fact that the REA's appropriations have not been nearly adequate to meet all the requests for the electrification of rural areas and for furnishing power to rural home areas of his State, and I assume States generally throughout the Nation.

What does the witness think about the probability of this program, if it were adopt-

ed, curtailing the amount of funds which would be made available for REA?

Senator HILL. I did not think it would interfere there. I think the delay we have had in the extension has been really due more in the past to lack of material than homes.

Senator AIKEN. It seems to me that one of the big advantages of making loans for telephone services would be this: Where an REA line is constructed that the same system could be used for furnishing telephone service, thereby dividing the costs between the telephone service and making it possible to reduce the electric service cost, and at the same time give telephone service for less than the cost would be if a separate line were constructed.

In New England, which is almost fully covered by telephone service anyway, and almost fully covered by electric service, we find a good many lines where the power companies—I live on one of them myself—and the telephone companies went halves. One of them furnished the poles and the other one set them. This was years ago, and that was the only way that I was able to get electric service some 15 to 18 years ago, and it seems to me that would be the principal advantage. The biggest advantage of all is furnishing telephone service to the REA members and being able to divide the costs so that it would not be excessive in either case.

Senator HILL. It has been demonstrated, as you say, right in your State of Vermont.

Senator YOUNG. I do not think there has been a shortage of funds for REA, as Senator HOLLAND said a minute ago. We can ask that question of Mr. Wickard. I do not think there has been any shortage of funds. The last Congress appropriated $875,000,000. I do not think it has been used up yet.

Senator HOLLAND. It has been my information that they have not been able to meet by any manner of means all of the requests for line expansion. Of course, we will have Mr. Wickard discuss that.

Senator YOUNG. I think that question should be answered.

Senator AIKEN. The money would go even further if part of the cost were charged to telephone service.

Senator HILL. You would get both for less cost to each.

Senator HOLLAND. It is not your intention that the telephone cost would be absorbed in the electric power cost and that you would get both the costs for the one?

Senator HILL. No; I would not say you would get both the costs for the one, but I would say this: You could get both for less cost to each.

Senator HOLLAND. I would be glad to have Mr. Wickard state into the record——

The CHAIRMAN. He will be a witness very shortly. We have one witness who desires to leave as soon as possible.

Senator HILL. Thank you, Mr. Chairman.

The CHAIRMAN. We thank you, Senator HILL.

Mr. LANGER. Mr. President, I now wish to quote from the testimony of a farmer, the president of the Missouri Farmers Association, Inc., Mr. F. V. Heinkel. Mr. Heinkel appeared before the agricultural subcommittee and testified as follows:

My name is F. V. Heinkel, and my address is Columbia, Mo. I am president of the Missouri Farmers Association, Inc., a Statewide farm organization having a membership of 126,000 farm families in Missouri, and also represents the National Council of Farm Cooperatives, which represents some 2,600,000 farm families throughout the United States.

Here we have an expert speaking, a man with authority, a man with experience, a man chosen by 2,600,000 farm families to represent them before the Senate committee when it came to considering the bill which some of us Senators had gotten together to introduce.

Mr. Heinkel continued:

This opportunity to present the views of farmers relative to the rural telephone program which you are considering, is deeply appreciated. As a farmer, and living constantly in close touch with farmers, I feel competent to say that there is a dire need for more and better telephone service throughout rural America.

Only about 42 percent of the farms of the United States have telephones. But this figure does not convey the true picture. Service over existing lines ranges from good to bad and indifferent. Out in the Midwest, rural telephone service has a very bad reputation, and that is an understatement.

Missouri's telephone situation is comparable to that existing in most of the country, for Missouri is located in the very heart of America. Agriculture is its biggest industry, and the State ranks well up in point of wealth.

Listen to what Mr. Heinkel tells us about Missouri, the home State of the President of the United States. He says:

According to the 1945 census, only 45 percent of Missouri farms have telephones. In 26 counties, only 20 percent of the farms have telephones, and in 7 counties fewer than 1 farm in 20 has a telephone.

In the great State of Missouri, which gave us the President, 1 farmer out of 20 in some of the counties has a telephone.

I say that if the Republican Party during the Eightieth Congress had followed the advice of men like the Senator from Vermont [Mr. AIKEN], the Senator from North Dakota [Mr. YOUNG], and the Senator from Oregon [Mr. MORSE], and if it had passed some of the bills which were introduced to benefit the farmers, we would not have found the farmers of the country flocking to the Democrats. The Democrats put in their platform the promise that they were going to see to it that the farmers would be taken care of better than they had been taken care of during the 2 years when the Republicans were in control. If the Republicans are dissatisfied with what the farmers did, they have no one to blame but themselves. Some of us stood on the floor of the Senate day after day and week after week and month after month for two whole years, calling these matters to the attention of the Senate. I called the attention of the Republican Congress to the need for action, and begged that something be done for the farmers of America. My distinguished friend the Senator from Vermont begged and begged and begged for a good farm program, but was unable to secure it until the very last night of the final session, and then he said he accepted the bill because he could not get a better one, but that as a matter of fact he advocated things which were much better than those contained in the measure passed on that final night.

This farmer, Mr. Heinkel, continues in his testimony:

It seems incredible in these modern times that in 6 counties in Missouri, a wealthy State located in the center of the United States, there are fewer than 3 telephones per 100 farms.

I have prepared some colored maps for you which show clearly the situation in Missouri according to the 1945 census.

It is true that rural America has many shortcomings. We lack roads, and adequate electric services, and many other modern conveniences that are so commonplace to city dwellers. But one of the worst of our shortcomings is a lack of good telephone service.

Only a tolerant, patient class of people such as farmers would have put up for so long with the lack of such a modern convenience as the telephone. In fact, the younger generation of rural people are not putting up with it. They are leaving our farms in wholesale numbers. In Missouri, for instance, during the period 1920–45 the number of farmers 55 years and older increased 32 percent. In 1945 fewer than 1 out of every 50 farmers was under 25 years of age. The average age of farmers in our State is approximately 47 years.

What is happening is that farm children, who have been attending high school and colleges, are simply unwilling to live under the primitive conditions of their forefathers in this atomic age. Of course, I know that mechanization of agriculture and such influences as a disparity in prices have been at work in this connection, but, by and large, young farm people are simply refusing to stay on a farm where there are no all-weather roads, no electricity, no running water in the house, and no telephone service.

As the young people leave the farm for the bright lights and modern conveniences of the city, and their parents grow too old to operate their farms, the land is sold and merged into larger buildings. Thus, our farms grow larger and fewer in number. The family-sized farms disappear. Absentee ownership increases. Our population in the cities, where all too many of our citizens live in crowded apartments which they do not own, grows apace.

I submit to you that this is an unhealthy condition. It is not good for a Nation like ours—particularly during a period when democracy throughout the world is on trial—to have a large mass of people that own nothing but the clothing on their backs. When they have no actual, visible stake in America, they are a ready prey for those who peddle panaceas.

Aside from this sociological aspect, a lack of telephones is holding back the progress and development of rural America. Farm families badly need good telephone service in order to carry on their business. They need to telephone for repairs to their complicated farm machinery; to call the veterinarian; to call for help in case of fire and accident and sickness; to order supplies; and generally to communicate with their neighbors about their work, as well as to communicate with the outside world.

In Missouri—

Where this man comes from who testified before the committee, and who represents 2,600,000 farmers—

In Missouri, where the dairy industry has been developing as rapidly as roads and electric power will permit, we have several artificial breeding associations. One of them is affiliated with the Missouri Farmers Association. It has a stud of 40-odd dairy bulls, and competent authorities say this is the finest stud of bulls in the United States. Last year it was possible to breed only 30,000 cows. Twice that number of cows could have been bred with the same number of bulls if the telephone service had been adequate.

There's no telling how much Missouri farmers could multiply the State's wealth if they could breed all their dairy cows to fine bulls. For instance, by using good bulls it is possible to add 100 pounds of butterfat to the progeny of one of these animals in one generation. The average butterfat per

cow for the Nation is only 186 pounds, so you see what such an improvement would mean.

This farmer—and when I say "farmer" I mean farm expert, a man who had been asked by 2,600,000 farmers to represent them before the committee—continued:

I have with me a number of letters received recently from Missouri farmers complaining about the lack of good telephone service which I am leaving with the committee for perusal. You will note that a number of them came from inseminators whose business it is to breed cows artifically. Both they, and the farmers themselves, tell how they can't breed cows artifically because they haven't adequate telephone service. These letters say, as I have already mentioned, that even where there are telephones the service is abominable.

As previously stated, Missouri is no exception. In fact, the figures show that our telephone service is slightly better than the national average.

It is noted that the proposal under consideration by you does not provide for Government ownership of telephone service.

Mind you, it is not the making of an appropriation to put our Government into the telephone business. On the contrary, it is the opposite. I continue to read:

It authorizes the Rural Electrification Administration to make loans for the expansion and improvement of rural telephone service under the same terms and conditions which the REA has employed for many years in making loans for rural electrification. It provides that funds shall be made available on identical terms to private corporations and other agencies now operating telephone facilities, and recognizes the authority of State regulatory bodies over rates, service, and service areas.

In my estimation this is a splendid provision. Farmers have been highly pleased with REA service. A common and popular question one hears voiced at meetings of farmers is, "Why can't we have REA telephone service just as we have REA electric service?" I'm sure they would be happy if the privately-owned telephone companies would provide them with service.

Mr. President, the private telephone companies will not do it. As I said upon another occasion on the floor, when I was Governor of North Dakota, my own sister was living on a farm less than a quarter of a mile off the highway down which the line went. I tried to get the company to connect my sister's house with that line. She lived on the farm with her husband and children. The company asked $1,300 simply to connect my sister's house with the line on the highway. That was after 3 years had been spent in negotiating. In the meantime the REA law was passed. North Dakota was the first State to take advantage of the REA law. The REA at Kindred, N. Dak., was the second REA cooperative organization in the United States. As Governor of the State I vetoed the first State law which had to do with the REA in our State, because I said it did not take in enough territory. I insisted that more territory be included. Today the REA at Kindred, N. Dak., is one of the largest REA's in the United States. We took in all the territory in the State, including some farms which the private companies said they wanted $1,300 to connect up to their lines.

I read an interview set out in an Associated Press dispatch of yesterday. At the meeting in California a Mr. Mason said that it would amount to State socialism to give the farmers the benefit of electricity through REA. Yet, mind you, the private companies themselves do nothing about the matter. As the testimony shows, there are fewer telephones today than there were 20 years ago. The private companies are not trying to help the farmer any more than they did with electricity in 1933, 1934, and 1935, and before that time. Yet they object when a group of farmers get together and say, "We are going to have a cooperative. We are willing to have the rates set. We are willing to pay every single penny it costs. We are willing to borrow the money and pay back every single cent with interest, but we want telephones on our farms." We find private firms objecting when, as a matter of fact, they have not lifted a finger during all these years to help the farmers, and are not helping them now.

This man who represents 2,600,000 farmers continued:

The fact that it has been a very, very long time since Alexander Graham Bell invented the telephone and more than half the farmers of America are still without telephone service has not been lost upon farmers. One of the big mysteries to them is why the telephone companies that have served urban areas so well and so long have been unwilling or unable to extend the service to rural areas. Thousands of farmers who have implored the telephone companies from time to time to give them service have just about given up hope.

Mr. President, I ask unanimous consent that I may be permitted to yield to the Senator from Nevada [Mr. McCARRAN], and that the proceedings with regard to the resolution he is about to introduce appear at the end of my remarks.

Mr. McCARRAN. Mr. President, I do not know that the Senator from North Dakota fully understood my request when I conferred with him a moment ago.

There is a matter which the Senator from Washington [Mr. MAGNUSON] wished to take up. It is a matter which I held up on the call of the Calendar the other day. If the Senator from Washington were present, I should like to make a few brief remarks, after which I should have no objection to taking up the measure in which he is interested and disposing of it. I wonder if the Senator from North Dakota would care to yield, with the understanding that the proceedings in connection with that subject shall appear following his remarks.

Mr. LANGER. I am glad to yield. As soon as the Senator from Washington reaches the Chamber, I shall yield the floor.

Mr. President, I ask unanimous consent that the remainder of the testimony of Mr. Heinkel be printed in the RECORD at this point as a part of my remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Thousands of farmers who have implored the telephone companies from time to time to give them service have just about given up hope. If the seeming lethargy of the telephone companies is due to their inability to finance the expansion into rural areas, then this measure under consideration by you will provide the solution to their problem.

If, on the other hand, they are simply unwilling to provide such service to rural areas, then it is necessary for Congress to help the rural people to help themselves by making it possible for REA financed cooperatives to render the necessary service. Perhaps a combination of both would be best for the entire country.

Since telephone lines must connect up with the whole network of systems that serve the Nation, it is obvious that a few farmers in a neighborhood cannot provide such a service for themselves—at least in a satisfactory manner. That's why it is necessary, in my opinion, for Congress to help rural people to help themselves.

After having observed how well REA loans have been gradually amortized with interest, we have reason to believe Uncle Sam will lose none of the money that is invested in rural telephone service. It will not be merely an expenditure of money, but an investment that will bring enormous returns in greatly increased wealth produced by agriculture, plus a better rural life that will build more solidly the foundation upon which our country rests and make it safe for a continuance of the free-enterprise system and a democratic form of government.

This program is one of the most important that will come before this Congress, so far as rural America is concerned, and I can assure you that the farmers of our country will be forever grateful to Congress if you adopt it.

The CHAIRMAN. We thank you, Mr. Heinkel. Are there any questions?

We have two more witnesses present from out of town who will find it inconvenient to be here at future dates when the hearings are scheduled to be held. I will call on them for brief statements at the present time.

Mr. LANGER. I also ask unanimous consent that the testimony of Frank R. Price, manager of the Magnolia Electric Power Association of McComb, Miss., be printed in the RECORD at this point as a part of my remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF FRANK R. PRICE, MANAGER, MAGNOLIA ELECTRIC POWER ASSOCIATION, M'COMB, MISS.

Mr. PRICE. I am Frank R. Price, manager, Magnolia Electric Power Association, McComb, Miss., an REA cooperative.

I am primarily interested in this bill because, as manager of an REA cooperative, if our members can let us know of a disruption in service we can render much better service.

To bring that to you clearly, I am stating emphatically that we now get post cards written 3 or 4 days before notifying us that a certain line is out. We cannot do anything about picking up service on that line until we know about it.

With telephones that our rural members can give us the information, we definitely can do a much better job rendering service under REA. The things go hand in hand. I am definitely interested because I know our people need them.

In the area I serve there are 7,200 REA members on our system. About 5 percent

of them, or less, have telephones, and those are the people who are not farmers. They are people who live in the rural areas adjacent to the larger towns where the telephone companies have extended service out to those places. I mean it has extended service to their homes. They are not farmers. They are people who work in town. We need them on our own farms for the reasons that have been stated heretofore so that the people will be able to communicate with each other. It will help their social and cultural relations and it will certainly help their health facilities because they cannot now call doctors.

My experience on telephones is very similar to the one Mr. Bryan stated. My father had a telephone line, when I was a child, that he built, 25 miles, for strictly business purposes. But he did pick up along that line and extended other lines out in order to give the people along the route the facilities also. That line has not been in existence for 25 years now. There is no line in the area there to serve and unless this bill can be passed, or one similar to it has the scope of this bill, I see no chance for our rural people to get telephone service.

I think that is the extent of my remarks.

The CHAIRMAN. We thank you for your appearance.

Mr. LANGER. I also ask unanimous consent that the testimony of Claude R. Wickard, Administrator of the Rural Electrification Administration, which he gave before the committee on June 11, 1949, be printed in the RECORD in full. I am now referring to his statement. I am not referring to the questions which were asked him.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CLAUDE R. WICKARD, ADMINISTRATOR, RURAL ELECTRIFICATION ADMINISTRATION

Mr. WICKARD. Mr. Chairman and members of the committee, I have a prepared statement and I shall be glad to give the committee copies so they might more closely follow me.

The CHAIRMAN. The copies are being distributed by the clerk.

Mr. WICKARD. I am thankful for your invitation to present my views on Senate bill 1254, which would enable local, private telephone enterprises with the aid of a self-liquidating Federal loan program to meet a most urgent need for the expansion and improvement of rural telephone service.

Through experience gained from having spent most of my life on the farm and a lifetime association with farm people, I know how essential reliable telephone service is to rural people. It is far more than a convenience; it is an absolute necessity. With the possible exception of electric power, it is hard to conceive of anything that means more to the health, happiness and economic well-being of farm people than good telephone service. In time of sickness, fire or other emergencies, a farmer without a telephone is practically helpless, isolated by miles from a doctor or other assistance in his hour of need.

The farm is a place of business as well as a place of residence and the farmer must have fast, dependable communication service if he is to be able to produce efficiently and economically the food and fiber upon which this Nation depends for its existence.

For example, during the harvest season a quick call into several towns in the area may be the only means of locating an essential repair part for a piece of machinery and of saving a crop, the product of a year's labor.

Prompt veterinarian service and adequate and detailed local market information can be quickly and effectively made available only through a reliable telephone.

From a social standpoint the farmer's wife and family, because of their isolation, have much more use of telephone service than any other group of citizens.

Looking at it from every angle, no group of people needs telephone service as much as farmers. Despite this obvious and urgent need for good telephone service, the rural telephone situation in this country is deplorable. Much less than half of our farmers, perhaps somewhere between 37 and 42 percent, have any kind of a telephone at all.

Many of those who do have telephones are forced to put up with inadequate, unreliable, obsolete equipment and service.

Some of us had been hopeful that with the end of wartime shortages some improvement would take place. As a matter of fact, the performance has been very disappointing and, under present conditions, there seems to be little hope for further improvement so far as typical farm areas are concerned. Today the number of farms having telephones is actually smaller than it was 30 years ago. The 1920 census showed 2,498,000 farms with telephones. In 1945 the number had decreased to 1,866,000. Today, by liberal estimates, the total is 2,473,000, or about 25,000 fewer than in 1920.

This leaves 3,380,000 farms in this country without any telephone service at all. The quality of service on most of the systems in the typical farm areas continues to deteriorate.

May I draw upon a recent personal experience which is not an unusual one for farm people. I have on the walls of my Indiana farm home the same telephone instrument that was installed there when I was a small boy, almost a half-century ago. This service, to be as charitable as possible, is uncertain. On the morning of May 17 of this year my small granddaughter was badly scalded in this farm home. At best, doctors are hard to find in a typical farm area. The telephone had been practically useless for several days. However, by heroic effort and urgent pleading my daughter was able to enlist the aid of the operator who relayed her request for help. Only through this extraordinary effort was a doctor obtained and first-aid administered. When I arrived a few hours later I was not able to get any use out of the telephone at all. A man who repairs the line on a part-time basis told me that it would be a day or two before he could get it back into commission. He told me that the line was in such condition that it was getting very difficult to repair, and referred to the fact that the old wire had become so hard and brittle through age that is was very difficult to splice. I told him that after the experience of that day I was hopeful that the service could be improved quickly as I had visions of other emergencies which might arise. He volunteered the information that at least $10,000 was needed on this small mutual system to put it in usable order. He did not venture an estimate as to how much more would be required to really modernize the system.

We are getting letters from all over the Nation describing situations similar to the one which I have just told about. A great number of these letters tell how people have sought telephone service in vain. Some of them relate how the telephone systems that were in the neighborhood have gone completely out of commission. Their letters bear out the fact that little is being done today to improve farm telephone service and that the prospects for the future are dark.

Ever since the first telephone legislation was introduced in 1944 we have been hearing a lot about the plans that the large companies had for expanding their farm service. We had hoped that the announcement of these plans was not merely a gesture in response to the legislation which had been introduced.

We, in REA, worked out a model agreement for joint use of telephone and power facilities with the Bell Telephone officials. We hoped that this would be a means of cutting costs and expediting rural telephone service. Two hundred and six REA cooperatives have entered into these agreements. Yet, the 146 cooperatives which have reported the results indicate that a total of less than 12,000 telephones have been installed through the use of their facilities.

We were hopeful that the telephone companies would take advantage of the increased supplies of materials and labor to bring about an improvement in rural telephone service as has been done in the field of rural electrification. When the war was over, 45.7 percent of farmers had electric service. Today over 73 percent have electric service.

On the other hand, a survey by the Bureau of Agricultural Economics of the Department of Agriculture, which was released on May 4 of this year, indicates no significant change between July 1, 1947 and July 1, 1948 in the total proportion of farms having telephones. I am filing a copy of this survey for the record.

The CHAIRMAN. Without objection the copy will be placed in the record at this point in connection with your testimony.

Mr. WICKARD. The survey points out that during the three-year period 1945 to 1948, the increase in the proportion of farms with electricity was four times the increase in the farms with telephones. The survey also indicated that the percentage of our farms having telephones today is about 2 percent less than it was in 1920. These are the reasons that farm people are appealing for a program to do the job in the rural telephone field that has been so successfully done in the rural electrification field.

The Farm Bureau, Grange, Farmers Union, National Council of Farmer Cooperatives, Missouri Farmers Association, and other farm organizations have all called attention to the seriousness of the telephone problem and have urged that national legislation be enacted to solve it.

There is unmistakable evidence that the A. T. & T. and the large independents are not going out into typical farm territories where a high financial return is not in prospect. On the other hand, the small independents and mutual companies simply cannot get adequate financing today to enable them to take care of these territories.

If it had not been for these small companies, both independent and mutual, most of the farmers who today have telephone service never would have had it, and I would like to pay a word of tribute to them. These small companies have struggled against great odds over the past half-century to bring an essential service to farm people. They were undercapitalized to begin with and they did not have the opportunity to set up adequate reserves such as has been done in the REA program. Today a great number of these small companies are in desperate financial circumstances; they need help and whether they get it or not depends upon enactment of this legislation.

To put it another way, whether farmers get adequate telephone service depends in a great majority of the cases upon this legislation. I know that a number of these small independent companies and mutuals have been told that enactment of this legislation would socialize the industry, that their lines would be duplicated and they would be put out of business. This is a complete distortion of the provisions and purposes of the bill. In the first place, lending Federal

money to local independent and mutual companies is not socialism by any definition of the term. I might point out that the cry of socialism is not raised when thousands of banks, the railroad companies, and large commercial and industrial enterprises borrow money from the RFC.

This is a program for getting telephone service to farmers. It will be accomplished by lending Government funds to the privately owned, locally managed enterprises which will do the job. It will be done on a self-liquidating basis. This is specifically required by the bill.

As to duplication, the bill provides for all the safeguards that can be written into legislation. In addition, there are some very practical reasons why the alarm over duplication is unwarranted. To be self-liquidating, loans must be economically feasible. I don't see how I can possibly certify as to the economic feasibility of loans for facilities to serve people who are already receiving adequate and reliable service. I don't expect to receive applications for such loans. But even if I do, the provisions of the bill which require recognition of State regulatory laws will take care of such applications. Let me point out that this provision is precisely that recommended by the National Association of Railroad and Utilities Commissioners.

I personally want to state that if I were in charge of a program to make loans for rural telephone service, I would think it wise to give preference to those people who are already in the business and who are willing to do everything practicable to furnish satisfactory telephone service. And I can assure everyone that there is no intention on my part to make loans to rural electric co-ops which would put existing telephone companies out of business. As a matter of fact, few if any electric co-ops have a desire or are in a position to enter the telephone field at all. Furthermore, it would be remembered that any administrative action that is unwise, unfair, or not in the public interest can always be halted by the Congress through its continuous control over appropriations.

I am submitting for your consideration a résumé of the farm telephone situation. This résumé bears out in detail the statements that I have made that farm people are not getting adequate telephone service and are not likely to get adequate telephone service under existing conditions.

To sum up, there is a most urgent need for improvement and expansion of telephone service for farmers. This improvement is not taking place and, in my estimation, it will not take place unless there is enactment of legislation such as proposed in S. 1254.

The CHAIRMAN. Mr. Wickard has placed before the members of the committee a rather sizable number of pages, a large number of pages entitled "Farm Telephones." Is that what you just referred to?

Mr. WICKARD. Yes, sir; and that bears out in detail the statement I made here about the failure of this telephone service to improve in typical farm territories.

The CHAIRMAN. You request this be made a part of the hearing?

Mr. WICKARD. Yes, sir, I do.

Senator ANDERSON. I should think it should be made a part of the record.

The CHAIRMAN. Without objection the statement will be filed and made a part of the record, but not necessarily printed in the record.

(The statement referred to will be found in the files of the committee.)

The CHAIRMAN. Each member of the committee will have his copy of the statement.

Mr. WICKARD. It is submitted for the use of the committee to do whatever they see fit with it.

The CHAIRMAN. Later on after we consider this data, if it is thought desirable to make it part of the record we can have it done.

Mr. Wickard, inasmuch as you will probably have charge of the program if it is provided, or your successor will, I would like to have you take this proposed legislation, the several bills that have been introduced in the House and Senate, make a study of them, and then at your convenience submit such suggestions and recommendations as you think should be given consideration by the committee to perfect the bill in the event the committee sees further fit to recommend it favorably, if you will do that.

Mr. WICKARD. Yes, sir, I believe the bill, as now written, is adequate but nevertheless I shall be glad to give it further study.

The CHAIRMAN. I would like to have you give us your considered judgment as to whether or not it is adequate, whether it needs additional provisions, or whether it contains provisions which should be deleted. In other words, we want to get your full consideration and any recommendations to be made a part of the record.

Are there any questions to be submitted to Mr. Wickard?

Senator YOUNG. Is there a shortage of funds to make loans to farmers cooperatives for REA?

Mr. WICKARD. No, sir, there is not a shortage of funds at the present time, a shortage of loan funds. We are not going to be able to loan all of the funds that Congress has made available to us.

Senator YOUNG. Was there a shortage last year?

Mr. WICKARD. No, sir, there was not a shortage in the year just closing. We will not be able to loan all that money. I would say that we just do not have enough people in our organization to make the loans under present conditions which are becoming increasingly difficult.

Senator YOUNG. You think there is a shortage of administration funds?

Mr. WICKARD. Yes, sir, there is a shortage of people to do the kind of a job that I am sure Congress wants done in safeguarding the Government's interest and providing the service in the most economical manner.

Senator YOUNG. Have you employed all the people in your department that your funds would permit?

Mr. WICKARD. We have.

Senator HOLLAND. You do not mean to testify that you have been able to meet all the legitimate applications for extension of service by the REA?

Mr. WICKARD. No, sir, we have not been able to clear all the applications. I think there was a backlog today of more than $400,000,000. We are taking care of them as fast as we can, trying to get all of the projects—they are getting more difficult all of the time. We are getting difficult power problems and a lot of things which would require a lot of study and it just takes time for us and requires the very best experience and judgment that is available to see that the loans are properly made.

Senator HOLLAND. Your statement is simply that the funds have been more than adequate to meet the loans which you have been able to approve with your limited personnel?

Mr. WICKARD. That is right.

Senator HOLLAND. You did not mean to indicate at all that you have been able to meet legitimate requests of farmers for additional service?

Mr. WICKARD. No, we have not been able to grant all the loans.

Senator AIKEN. As I understand it, Mr. Wickard, under the REA law, you can, and have, to a small extent, made loans to private power interests?

Mr. WICKARD. Yes, sir.

Senator AIKEN. But that under the law preference is given to the cooperatives, whereas under this proposed telephone bill the cooperatives and the private telephone companies would be on an equal basis as regards loans, is that right?

Mr. WICKARD. You are correct, Senator AIKEN, in stating that under the REA Act we have authority to make loans to persons which includes corporations and partnerships and individuals, as well as cooperatives and public bodies. Under the REA Act, preference is given to the public bodies and cooperatives. Under this legislation, as I understand it, the existing companies, whether they be mutuals or independents, are on a par with cooperatives.

Of course, if there is no existing company in a territory, then I believe that the cooperatives would be given preference.

Senator GILLETTE. Mr. Chairman, commenting on the statement that Mr. Wickard just made, induces me to recall that when we passed the legislation initiating REA, your predecessor called some of us down from Congress to try to induce the farmers to take the facilities that had been available for REA.

The initiation of that type of legislation and its development could well be considered in connection with what we are now trying to do to initiate this added facility.

Mr. WICKARD. I think that is correct, Senator GILLETTE. I believe when we first started out with the rural-electrification program, under the first Administrator, it was hoped and thought that the existing power companies would avail themselves of the low rate of interest and the long amortization. But they did not, and therefore the Congress specified when it wrote the original REA Act that cooperatives would be given preference. That is the way it stands today.

Now, there was one matter which was brought up here awhile ago by Senator ANDERSON and I may be incorrect in my analysis of the bill—that is, with reference to whether we could finance an existing telephone company which may be intending anyway to extend the service in the rural territory. As I read the bill, it is pretty plain that the Administrator of the program could only loan money for the purpose of the improvement, expansion, construction, and acquisition and operation of telephone lines, facilities, systems to furnish and improve telephone service in rural areas. I believe rural areas are defined as towns of 1,500 or less.

Senator ANDERSON. That very definitely limits the possibilities because you have not used the word "refinanced." If that is your understanding of it, there is certainly no objection on my part to the bill.

Mr. WICKARD. It says "for the purpose of financing or refinancing the improvement, expansion, construction, acquisition, and operation of telephone lines, facilities, or systems to furnish and improve telephone service in rural areas."

I would think, Senator ANDERSON, the amount of funds will never be too ample and the objectives of the act, as stated, would limit us to the use of funds to where it was to be shown plainly that a good job of improving and expanding the service in rural territories would take place, rather than to refinance anybody who is in the business now just because he could get a lower interest rate——

Senator THYE. That would be my question——

Mr. WICKARD. That would not be the case.

Senator THYE. That would be my question, Mr. Wickard, assuming that a telephone company existing in a town of 14,000 was owing $50,000 to the local banker—just using the words "local banker"—and that if he made application to you to be refinanced where he would obtain his loan and through your agency to refinance himself to pay the banker the $50,000, on which he might be paying 2, 3, or 3½ percent interest—now you would reject such a loan?

Mr. WICKARD. Under my interpretation of the bill as now written it would not permit it, and I would hope that anybody who

would administer the program would not do it if the bill would permit it.

Senator ANDERSON. Let me give you another one: Suppose this individual is already in the community, a rural community, and he is serving that community and he desires to extend this into rural areas. That is going to upset his financial situation because he probably has a mortgage on his plant and he is not able to expand that mortgage. Therefore he comes to you and says that in order to build these two lines which may represent only 10 percent of his business that he desires to have you refinance his whole existing capital structure at 2 percent for 35 years.

Now, if you have permission to do that, then I cannot help but think that is wrong.

Mr. WICKARD. I agree with you. I do not think the bill gives permission to do that and I think it would be bad policy to do it.

Senator ANDERSON. That is all I am trying to get at, Mr. Chairman.

Mr. WICKARD. I think that discussions like this ought to clarify that particular question that you brought up.

Senator ANDERSON. That is the only question, Mr. Chairman, that I have. If permission is only to finance the extension to an existing system, then I am not as worried about it. I do think that it is far better to provide that, when these private industries and cooperatives are involved, the rate of interest shall be the rate which the Government pays. I think otherwise you get into complications.

Mr. WICKARD. May I say, Senator, that this question is before me at this particular time because a power company, an electric power company in Senator HOLLAND'S State, has applied for a loan to improve their transmission system, and I do not look with favor upon that loan because it cannot be clearly demonstrated that that is going to be of great benefit to serve the territory where the local cooperative is dependent upon that company. It is not a new question and it is one you must have some administrative flexibility to meet, but, as I said, I would take very seriously the instructions, limitations, stated in this bill when that kind of question comes up.

The CHAIRMAN. Any further questions?

Senator AIKEN. Going back to Senator ANDERSON'S hypothetical case, you would not have any right to finance two rural lines for a system in a town of 14,000 population unless you first satisfied yourself that that system was entirely solvent.

Mr. WICKARD. Yes, and we might be able, or might be required, in order to get into the central system, to build some lines within the city limits, but they would have to be a part of the extension to the rural people, as I see it, before we could do that.

Senator HOEY. With reference to financing private companies where they already have obligations and would need more money in order to make these extensions, is it the policy to require that liens previously entered into shall be canceled out and the Government has the first lien?

Mr. WICKARD. No, sir, that is a problem Senator ANDERSON and you both brought up, of previous liens, but our attorneys must be satisfied, of course, that we are protected on the property on which it is to be built and we want to have a mortgage and the first claim on that, and that does cause difficulty at times, but we do not go in, as we did in the case in your State, Senator THYE, a town in your State which is serving REA lines, and refinance the whole municipal operation or plant. We simply finance only that part which is needed to extend service to the rural people and try to get security upon that part rather than upon the other which would bring about this problem.

Senator HOEY. In so many of these small telephone companies they have a good many obligations and of course if they had to clear it all, as Senator ANDERSON mentioned, unless they did refinance what they had we would not be able——

Mr. WICKARD. They do have some indebtedness which causes them problems. Sometimes we have not been able to make a loan to private companies which wanted to extend service in rural territories because of the problem you bring up.

Senator HOLLAND. Going back to the question of interpretation of the provisions of this proposed measure for the making of loans, I will ask Mr. Wickard to look at the words on lines 14 to 17, page 2, of S. 1254, which reads:

"* * * and for the purpose of financing or refinancing the improvement, expansion, construction, acquisition, and operation of facilities to render telephone service."

I ask him to note that the word "acquisition" is used there. Is it not correct that under those words the Administrator would be permitted to approve and to finance the acquisition and operation of facilities now in existence provided they were purchased by some new operating company?

Mr. WICKARD. First, the preference to the loan, which is given down there, the preference is given to a person providing telephone service already provided. Secondly, the consent of the commission of the State might have jurisdiction and it would have to be obtained. Then, the persons who owned the property would have to be willing to sell.

We have the same problem—I think Senator ANDERSON referred to it awhile ago—you cannot very well finance a loan to buy something that is not for sale.

Senator HOLLAND. I am going back to the proposal advanced by Senator ANDERSON: It seems to me that you have answered that you would not be able to finance the present owner who is in trouble, but it seems to me quite clear that under this wording you would be able to finance a new purchaser to acquire and operate and that I would object to more than anything.

Senator ANDERSON. It might be a cooperative—I am trying to get to the situation that has caused a good deal of trouble in the operation of REA, namely, where REA has gone in a community of 45,000 people and has acquired the entire property there from the owner in order that it may use the low rate of interest for other obligations, to finance construction in the areas where it would not otherwise be feasible to carry lines.

I am not in accord with it too much because it is necessary to expand it, but as Mr. Wickard knows, I could give him many communities in my State where that is going on right now, the acquisition of the entire property in the community in order that you would extend that community a lower rate of interest on its applications to carry lines which otherwise would be difficult to sustain. We are pretty well committed on electrification, but does this now mean that you could go to this community and, as Senator THYE was talking about, acquire that telephone line because it was not able to build in rural areas, use it as a nucleus, and then by a new cooperative build a line out to these rural areas that need serving, all the time operating the plant within the municipal boundary?

Mr. WICKARD. Yes, I would say it merits that acquisition if all its conditions were met first. You carry out the objectives of the program if the State commission gives its approval and has jurisdiction, and secondly that the people who have a telephone—who have the facilities—now are willing to sell.

For instance, in your State or in the Southwest, the Fairbanks-Morse people have a subsidiary company which perhaps got into the power business because they have generators to sell. They now want to withdraw and they have offered those facilities for sale and they are making loans to some cooperatives to acquire those properties which are for sale in order that they can have a little of the cream in order to take care of the thin territory in other parts of the area.

Senator ANDERSON. Now, all of the things of that sort are contemplated under this bill—starting telephone companies?

Mr. WICKARD. There could be such things as that, yes, sir, if there was as plain a case given there. I do not know how much of that there would be. As I said, all of the parties would have to be in agreement, give their consent, and all the objectives would have to be met.

Senator AIKEN. I think that some provision for acquisition would be necessary in the bill because I recall the early days of the rural telephone in New England where as few as a half dozen families would build a line to their own homes and tie in with what was the nearest main line of the New England system. I would expect there would have to be some provision for acquisition to permit them to sell out a line which they may have built for themselves even though it might not be more than a couple of miles long. That would not be necessary in New England now, so far as I know, because they combine them into small telephone companies, or already the New England system is taking them over.

But I expect there are still plenty of those cases in other parts of the country.

Senator ANDERSON. I am sure I am not worried about what happens out in rural areas so far as that rural line is rehabilitated. What I am asking about is the provision in this bill to go into a community of nearly any size, acquire their entire telephone property in order that you may be able to use that as a starting point for spreading telephone lines in the rural areas. That does present some problems particularly.

Senator AIKEN. I would think that would be taken care of.

Mr. WICKARD. May I say, as I visualize this acquisition, we exercise this authority mostly in cases where today we have 50,000 or 60,000 small mutuals, or self-help companies which do not have in many cases any central station or any operator and those farmers have a little investment. In order to give them the proper kind of service you would have to take over some of these lines. Many of them are practically worthless, but nevertheless it seems to me there must be some authority to do that sort of thing. I am sure it is not contemplated that the money will be used to go in and buy properties in nonrural towns or areas now unless there must be some very urgent circumstances, because I am sure there would not be enough funds for that and I do not think the need will be in that direction as much as it will be in other directions such as I have just described in these very small isolated lines that farmers themselves are trying to maintain but which ought to be made a part of a larger system.

The CHAIRMAN. It occurs to me that we should consider this legislation with respect to the man who lives in a rural area like we consider the REA to get the service to this individual and to his home. Then, that being the primary consideration, of course secondly we must take into consideration the source or the end or the place where the line starts. It has to start some place and should start at some exchange.

But the first thing, it seems to me, is to consider the bill from the standpoint of the people living way out in the country away from even villages. Then that is going to bring up the question of whether or not the existing lines, poles, and conductors, can be used for the transmission of telephone messages.

Now, I think the members will soon agree, if they have not already, that to be a Member of Congress he should be a specialist, an expert in every line of human activity. Well, of course, that does not happen, and we

are going to require the advice of some electrical engineers to advise us whether or not the existing lines can be used and new lines that are constructed can be used. Can the witness give us any information at the present time whether or not you can transmit, hook up, telephones to our existing power lines and send messages back and forth without detriment to the power lines and get satisfactory service?

Mr. WICKARD. Yes, sir; that is possible and being done today.

The CHAIRMAN. We want information to that effect some time before the hearings are concluded.

Mr. WICKARD. All right, we can give you the number of telephones on REA systems that are using the power line as a carrier for the telephone message.

The CHAIRMAN. If you will advise someone to make a special study of this particular feature and then advise the committee, we will give him an opportunity to advise us with respect to the engineering and scientific features.

Mr. WICKARD. I would say to you, Senator, now, and let me give you further information on that, that the joint use of the power lines for transmitting telephone messages as well as electric power is practicable and is feasible except for one thing: The Western Electric people, who are the only people manufacturing instruments today, are charging so much that it is economically difficult to use that type of service. It is a question of economics rather than engineering.

The CHAIRMAN. We would like to be advised with respect to that feature of the matter.

Mr. WICKARD. We will supply that for the record.

Senator HOLLAND. I would like to ask the witness to elaborate on his statement contained in his formal statement, and I quote from it:

"As a matter of fact few if any electric co-ops have a desire, or are in a position to enter the telephone field at all."

Does that mean that even though there is the chance to utilize the electric transmission lines that there is some reason why the co-ops do not wish to enter this field?

Mr. WICKARD. That perhaps is not too well stated. It meant for the telephone cooperatives to go into the telephone business and operate any kind of telephone facility—now I did not mean to exclude letting the other telephone companies use the poles, or power line itself. I was merely trying to say that I did not know of any REA cooperatives that want to set up a telephone exchange and go into that operation and I say I do not think very many of them are in a position to do so because their State laws do not permit them to do that. There have been a lot of assertions and claims made by some of the people opposed to this bill that the electric cooperatives are going to go in and take over the small mutual independent companies. I am trying to make a statement here that that is not desired by the electric cooperatives and would not be possible if they did desire it, and I do not favor it.

Senator HOLLAND. I want to ask clarification of one more portion of the witness' statement. This is on page 2 of his statement, and I quote—he has just said that a model agreement for joint use of telephone power and facilities has been worked out by REA and that 206 REA cooperatives have entered into this model agreement. Then he comes in with "Yet, the 146 cooperatives which have reported the results, indicate that a total of less than 12,000 telephones have been installed through the use of their facilities."

Does the witness have any figures on the total membership of those 146 cooperatives who were in position to utilize the telephone facilities?

Mr. WICKARD. No, I do not have it. I do not know how close we could come to it. We would know the number of REA subscribers of the number of 146 reported, but I do not believe we would have any way of finding the number of them who do not have telephone service. It would be a sizable number, many times 12,000, but I could not give you the total number that might use this joint agreement if it were possible to do so

Senator HOLLAND. May I ask the witness to elaborate just what in his opinion is the reason for the use of telephone facilities by only 12,000 telephone users in the case of those 146 co-ops using this model agreement who have reported?

Mr. WICKARD. There are several reasons: One of them, and a primary reason, is that the telephone companies themselves are not interested in getting out into the typical rural territory to put in telephones even though this joint use agreement is available. Now this simply goes back to the problem that some of them do not have the finances and those who have the finances are not interested in getting out into typical REA territory. A number of co-ops—and I see the gentleman who just testified nodding his head—have asked that the telephone companies who do enter the joint agreement agree to serve all the people of the territory so you would not have a cutting up and skimming off of the cream through this agreement so there would be a lot of people who never would get service because of this activity.

In other words, there has not been an entering into these agreements to a scale which would satisfy the local REA cooperatives that they were going to get the same kind of telephone area coverage service that they were extending to their patrons.

Senator HOLLAND. Am I correct in my understanding that these 206 joint model agreements were with the Bell Telephone Co.?

Mr. WICKARD. No, sir; they were with Bell and independent both. We worked with Bell trying to work out what we thought was a model kind of agreement. I will have to admit some of the telephone companies thought that it was too much in favor of the cooperatives and some of the cooperatives thought that it was too much in favor of the telephone companies. We did our best working with Bell officials for several months to work out something that we thought might be fair to spread the benefits and economies to both of the cooperatives, power people, and to the telephone companies.

Senator THYE. Mr. Wickard, the wholesomeness of this legislation is to the extent that we are focusing not only our own attention, the public attention, and the utility's attention to the situation and the problem. Now, the utilities will serve a town, or a city, in an excellent manner because the public demands that. The farmer gets out here on the end of a line somewhere and if his line is out of order and it does not affect the utility in general, why it may be several days before he gets any specific relief from the disturbances on the line or the fact that the line is out of order.

So I say that the legislation is creating the type of public interest what is most wholesome to give you better telephone service out in the rural areas. Now, I will say that I have had some experience with it because I not only reside where a mutual operates, a little individual group affiliated by central connection to our regular telephone company in town, but I was manager of it for a number of years. I took all the complaints from the housewives and everybody else and I know just exactly what the situation is. We finally gave it to a private company and they assumed it and broke up the unit that we had and put it on a half-dozen lines so our numbers were changed and the community was in a sense served in a much better condition than we had ever been able to have served ourselves. We did not pay a great deal more for the monthly service charge. But to start with we could not get anybody to build for us, so we built it ourselves, but time finally progressed to a point where they saw fit, or there were enough subscribers, to make it profitable for the company to take us over.

I see the point here that you have got isolated communities that are exactly in the same condition we were 30 years ago.

Mr. WICKARD. I am sorry to say I am still in one.

Senator THYE. I am surprised, sir, you as one of the Cabinet members, or have been in the Cabinet, and now at the head of REA, that you have not convinced the utilities or the company to do something about your line. I am awfully surprised, but you must be in pretty much of an isolated area, or otherwise——

Mr. WICKARD. I do not like to have inferred that we are backwoods people, or a backwoods community. We have our own mutual company and have been there for more than a half-century. I suspect that the farmers in that territory have a little feeling about the matter. [Laughter.]

Senator THYE. I was only kidding you about that. You are in a mutual, and it is your own fault that you are no better off in the service rendered than you are, and the only reason you have not better service is that you did not want to subscribe, or you did not want to charge one another sufficiently to make possible a reconstruction of the line.

Now that is what happened with us. We could not get enough of a subscription for the reconstruction so we just gave it up and gave the line away. Now that is just about where you are right today. One of these days——

Mr. WICKARD. We do not intend to give the line away.

Senator THYE. One of these days your wives will get mad and give it away on you.

Senator HOLLAND. Mr. Chairman, I think it is important for the witness to state, and I am glad that he has stated, that these 206 cases using the model agreements were not all with the Bell Telephone Co., because I had gathered that impression from his statement.

Mr. WICKARD. No, sir; they are not. They are open to any telephone company that wants to use them.

Senator HOLLAND. One more question I have is this: Do you know, Mr. Wickard, why in this act these other services are included within the field of facilities which are covered?

Mr. WICKARD. Well, today we hear a lot about telephony, and I was struck by a pamphlet put out by the American Telephone & Telegraph and a letter that came to my desk a few days ago showing how the great granddaughter of Alexander Bell—a picture of this very nice-looking young lady—was talking over a telephone in her automobile. Now we may have some kind of development like that particularly in some of the isolated farm territories where it is more economical, if developments occur, to use a wireless or a radio-type of telephone communication than it would be to build a long line with a lot of poles and other expensive equipment. So the bill provides for a wireless although I think only the economics involved would say whether you should ever use a wireless type for transmission.

Senator HOLLAND. It is intended, however, to permit REA financing of wireless communications if that proves to be economical?

Mr. WICKARD. Yes; if that is economical.

The CHAIRMAN. I understand we have now some machinery gadget called a "walkie-talkie" outfit where an individual can talk into it and people at a distance can get that and transmit it, receive the sequel, and convert it into language and they can talk back and forth—is that true?

Mr. WICKARD. Yes, sir; that is some of the electronic development. During the war that was used very effectively in combat.

The CHAIRMAN. It would not have to be a "walkie"—it might be a "sitting-walkie-talkie", is not that possible?

Mr. WICKARD. It is possible and might be desirable where distances are great or people are isolated.

The CHAIRMAN. Of course, we all recognize that this is a new invention. There is no legislation on the statute books with respect to this matter definitely, and we are trying to find out just what can be done, and then when we find out what can be done we will decide whether or not we will start to do it. We want all these facts presented to us if we can get them. In order to do that it is going to take time and when this bill is finally reported and passed, we should have definite programs so that the people who are interested would know exactly what we are preparing to do, what we propose to do, and how we propose to do it. If the hearings can bring out those facts upon which we can build a definite conclusion, or state a definite conclusion of what they can get by borrowing money and installing the equipment, they are entitled to know that. I think if we can get that idea before the rural people they will know immediately whether or not they are interested—now perhaps that is the wrong statement—they will know whether or not they want to investigate it.

The REA has taken some time to get to its present status and it will probably be sometime after this is installed before it will be very widely used, but if this system can be developed without the use of poles or wires, that ought to be investigated and made clear in the record. If you will set your engineers to the task of getting this data together and at a later date present that to us, we will be glad to have it.

Mr. WICKARD. Mr. Chairman, I would like to say I am in agreement with what you have stated that perhaps in the beginning we ought to go rather slowly, as we did in the REA program. Experience is a wonderful thing in a thing like this where you do not have a precedent.

I also would like to say that I would like to have this committee very thoroughly discuss these things and give the administrators of this program, this bill, if enacted, all the guidance that they can so that the administrators will know what the Congress intends.

The CHAIRMAN. Thank you, Mr. Wickard.

Mr. LANGER. Mr. President, I also ask unanimous consent that my own statement at that time be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HONORABLE WILLIAM LANGER, UNITED STATES SENATOR FROM THE STATE OF NORTH DAKOTA

Senator LANGER. I want to say, Mr. Chairman, that I have read the statement of Mr. HILL and endorse it in its entirety, every single word and line and paragraph in it.

Out in North Dakota, roughly 30 percent of our farmers have telephone service. I do hope that none of the rural lines are going to be injured. I am sure this committee would in some way integrate those lines already existing, using the REA lines that we now have existing there.

I want to say that the people of our State want it very much. Some of our people are as much as 40 miles away from a doctor, and you can understand what it means to them, especially in wintertime, if they do not have telephone service.

Senator YOUNG. How are you fixed on doctors?

Senator LANGER. Well, we have a doctor in every county except one; outside of Sioux County we have doctors in every one.

Senator YOUNG. But there are towns in the past that have had three or four doctors, and now have a terrible time getting one.

Senator AIKEN. I think you would have difficulty locating doctors in a county where they did not have telephone service, anyway.

Senator LANGER. Thank you very much.

The CHAIRMAN. If we reverse the scale and have telephones, they could phone in to the doctor and either get service or information.

Mr. LANGER. Mr. President, I also ask unanimous consent that the statement of my colleague the junior Senator from North Dakota [Mr. YOUNG], which appears on page 7 of volume I of the hearings held before the Committee on Agriculture and Forestry, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator YOUNG. I wonder if you would mind an interruption?

Senator HILL. Not at all.

Senator YOUNG. I wonder if you have had the same experience that I have had. I find it impossible to call on almost any farmer regarding business or anything else. For that matter, he may be interested in Washington. Either he has no telephone at all or the system he has is so obsolete you cannot even hear him on a call from Washington.

Mr. LANGER. Mr. President, I also ask unanimous consent that the testimony of Billy Bryan, of the Cattle Electric Cooperative, of Binger, Okla., be printed in the RECORD in full at this point as a part of my remarks.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF BILLY BRYAN, CATTLE ELECTRIC COOPERATIVE, BINGER, OKLA.

Mr. BRYAN. I do not have a prepared statement.

The CHAIRMAN. Give your full name for the record and your residence.

Mr. BRYAN. My name is Billy Bryan, from Binger, Okla. I operate the Cattle Electric Cooperative and I just want to take a few moments to tell you about specific cases.

I have a letter on my desk from the telephone exchange at Eakly, Okla. Eakly is a town of about 450 people. The man who operates that telephone exchange is a cripple. He is broken down with arthritis and that is all than he can do. I think he was a doctor at one time. Today they have probably maybe 200 telephones out there. Recently, just before I came to Washington, they had a little storm out in that part of the world and it occurred some 3 or 4 miles south of Eakly. They attempted to call the highway patrol and the fact that they were attempting to get the highway patrol brought the highway patrol in and we went out with our radio cars from the cooperative and transmitted information back. There was not anyone hurt but we had heard that the town had been blown away, so we rushed out to see what was going on. They had no telephone service at the time.

He had been petitioning the REA and he has written to Mr. Ellis and he has been petitioning to me to get some kind of help.

Another example I want to give you is the town of Alfalfa, which has a population of approximately 150 or so. They have rural service. Now, all of these towns have rural out-lines. I believe now—I am not too positive on this—but I believe that their service lasts from 9 until 5. You have to call at the right hour or you do not get through and they have connections with an independent system in Carnegie. We have a lot of carriers in one carrier, and have a lot of owners billed on our present system with the Bell people. It is a very satisfactory arrangement.

But these localities have never been reached by Bell. I do not think Bell would even reach them because they are too thin.

Another example—going back a little bit—my father was a country doctor and in order for him to get enough practice and to get in touch with these people, he and I built, physically and financially, about 3 or 4 miles of telephone lines. We built it on anything we could find down there, just a lot of blackjack trees—some we nailed to blackjack trees, posts, and anything we could find. At that time we had the little local telephone exchange.

Well, that was a farm home where the ladies stayed there all the time and then did the exchanging around over the country. The question was asked: "What went with the telephones that we used to have?" They are all obsolete, Mr. Chairman. Some of the old-timers are so old that they do not work any more so they just take them out and throw them away. That was back in the days when they hooked the wires together so they could go out and disconnect them in a storm.

The CHAIRMAN. The telephones looked like a coffee grinder connected up and sounded very much like one?

Mr. BRYAN. Very much the same thing. I think those examples will give you a picture.

The farmer today does not have a telephone system. He does in a few places but I am speaking of my own specific area. Telephone lines are down in the grass. They are tied to fence posts. They are tied to blackjacks. They are stuck up on poles. They have no system. The phones are bad. They have no lightning arresters on them.

Did you ever see a fruit jar used as an insulator on a telephone line? We have lots of them where they took a fruit jar, knocked the bottom out of it, and stuck it down over the post and tied those wires to the insulator. I believe that is about the extent of my remarks, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Bryan.

AMERICAN POLICY TOWARD THE CHINESE COMMUNISTS

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared on the subject of American policy toward the Chinese Communists.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN POLICY TOWARD THE CHINESE COMMUNISTS

(Release by Senator HUGH BUTLER, Republican, of Nebraska, in the Senate, June 25, 1949)

Mr. President, I have been reading what the Senator from New Hampshire, Mr. BRIDGES, had to say about the British minesweepers used to clear the water around Shanghai. He indicated that this was undoubtedly at the expense of the American taxpayers who are being at the same time taxed to conduct a cold war against communism in Europe.

On January 20 of this year, President Truman made a wonderful speech calling for a crusade against communism. He must know that communism is a global movement. He

must know that it is not, as Secretary Acheson once said publicly, an economic movement. It is social, political, and philosophical. Yes, it is even a religion—a pagan religion that defies the state and denies God. Wherever it raises its head, communism must be opposed.

I do not claim to know a lot about international affairs, but I do believe that the same fundamentals of honesty, honor, and courage that have helped us solve our domestic problems are equally applicable to our foreign affairs. I do not like to see my country compromise with evil, and I do not like her to show any fear of other countries or their leaders. I detest hypocrisy and cowardice. The strongest language used by Christ while on earth was used by Him in denouncing hypocrites.

If President Truman is against communism in Asia as well as in Europe, I will gladly follow him and will support a bipartisan foreign policy, but I could never follow a hypocritical or cowardly foreign policy. Mr. President, that is the kind of foreign policy we have today.

I charge that it is hypocritical to fight a "cold" war against communism in Europe and, at the same time, to fail to support the Chinese Nationalists who are conducting the only "hot" war against communism on a large scale in the world today. The advance of communism in Asia could prove to be as dangerous to the security of the United States as its advance in Europe.

I further charge that it is an act of the rankest cowardice for a State Department spokesman to give the impression that we must be careful not to incur the wrath of the victorious Chinese leader Mao Tze-tung. That is the impression that was given to Mr. C. L. Sulzberger of the New York Times, according to one of his feature articles, on February 21, 1949.

I am not a member of the Foreign Relations Committee of the Senate. Therefore, I will not take up the question of the usurpation by the State Department during the last decade of the powers and responsibilities to formulate foreign policy which the Senate, jointly with the President, was given by the Constitution.

But I refuse to stand by and permit a spokesman of the State Department to give the impression to the world that this country is afraid of a Communist leader anywhere. I have waited for a withdrawal of this statement or a rebuke by a superior. None has been forthcoming. The incident called to our attention by Senator BRIDGES seems to give substance to the statement in the Sulzberger article. For these reasons, I feel obliged, as an American and as a member of the Senate, to speak out in protest.

If the State Department spokesman quoted in the article is afraid of the Communist leader of China, the American people are not. If his superiors who have failed to contradict this interview are afraid of the Chinese Communists, the American people are not. I do not believe the American people are afraid of the Communists in China or anywhere else. I believe it is the duty of the State Department, as the official spokesman for the American people in foreign affairs, to make that absolutely clear to all the world.

EXTENSION OF AUTHORITY OF MARITIME COMMISSION TO SELL, CHARTER, OR OPERATE VESSELS

Mr. McCARRAN. Mr. President, I have an understanding with the Senator from Washington [Mr. MAGNUSON] that I would be here at the time he sought to take up House Joint Resolution 235, which I held up the other day on the call of the calendar. I think perhaps it will do no harm for me to proceed in the absence of the Senator from Washington. He is being sent for, and probably will be in the Chamber within a few minutes.

During the interval between the call of the calendar and today a number of representatives of labor organizations have come to me setting forth the conditions which would prevail if this resolution were not permitted to go through. It has been authoritatively stated to me that fifteen or twenty thousand seamen would be thrown out of employment, and that certain vessels would be tied up, and might go into Government management and control, thus impairing employment at a time when there are so many out of employment. That, of course, is a very forceful argument to me. I have decided to permit the joint resolution to go through without objection. Before I do so, I think in all fairness it should be stated, as I think it is quite generally understood by the Committee on Interstate and Foreign Commerce, that the present Maritime Commission is a commission which has in my judgment, based upon observation, violated the very purpose and intent with which that Commission was established. It has practically destroyed shipping on the Pacific Coast.

Those of us who are interested in the development of the Pacific Coast realize that commerce between the Pacific Coast and the Orient has gone far toward the building of the Pacific Coast area. No agency did more for the pioneering and building of the Pacific Coast than did the Dollar Steamship Line, pioneered by that great pioneer of steamshipping on the Pacific Ocean, R. Stanley Dollar. That line was set in operation and became the connecting link between the Orient and western America, and so continued for many years.

The depression which came in 1920 and extended to 1934, and even after, caught that shipping line in bad financial condition, due to a multiplicity of circumstances and conditions which were imposed upon it. That shipping line took advantage of the law, which gave it the right to borrow money from the Government through the Maritime Commission. It pledged its stock as collateral by way of security for the money loaned through the Maritime Commission. That it was a pledge of the stock I think no reasonable person can deny. That it was not a sale, that it was not a total and entire transfer, is so patent from the record that one would scarcely desire seriously to argue the matter. The fact is that the Circuit Court of Appeals of that district—and, in deed, the Supreme Court of the United States, speaking through Mr. Justice Douglas—made very cogent remarks on this subject. I shall read from the opinion of Mr. Justice Douglas. In speaking of the action of the Maritime Commission, Mr. Douglas made a statement which, to my mind, applies directly to the action of the Maritime Commission in the Dollar Line case. He said:

> But public officials may become tortfeasors by exceeding the limits of their authority, and where they unlawfully seize or hold a citizen's realty or chattels recoverable by appropriate action at law or in equity, he is not relegated to the Court of Claims to recover a money judgment. The dominant interest of the sovereign is then on the side of the victim, who may bring his repossessor action to reclaim that which is wrongfully held.

So, Mr. President, I contend that the Maritime Commission in the Dollar Line case wrongfully withheld, and is now wrongfully withholding, the entire Dollar Line, which line gave its pledge by way of putting up its stock as collateral or as security for a debt which it had incurred to the Federal Government. That act in itself warrants putting the Maritime Commission out of business. But that is not all it has been guilty of. To my way of thinking, no Governmnt commission has gone further toward high-handed arbitrariness than has the Maritime Commission.

It was with that solely in mind that I took the position the other day, and which indeed I take today, namely, that this Commission, now under investigation by the Committee on Interstate and Foreign Commerce, should, indeed, so far as its present powers are concerned, be put out of business. But in putting it out of business there is no necessity, so far as I can see, to put thousands of men out of employment. So, if by permitting this joint resolution to be passed, we can save the country from that particular calamity, I shall yield the position which I took the other day, and shall let the joint resolution be passed.

But I say again that it is such high-handed attitude and conduct on the part of public officials in commissions of this kind that lead the citizens of the United States in many instances to lose confidence in their own Government. When one seeking to obtain succor and support from the Government under law pledges all he has—as did the Dollar Line, which pledged its stock to secure the loan—then finds that the Commission, to which the stock is pledged, declares, and stands upon its declaration, that that was an absolute transfer, and by its authority takes the citizen's property away from him and holds it arbitrarily, it is enough, indeed, to destroy confidence in the Government. If we do not do something to prevent conduct of this kind, I wonder why we can complain of other governments upon which we look now with disdain for doing the very same thing?

So far as I am concerned now, although I do not see the Senator from Washington [Mr. MAGNUSON] on the floor at the moment, I shall have no further objection to the passage of House Joint Resolution 235.

Mr. LUCAS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House Joint Resolution 235, Calendar No. 477.

The PRESIDING OFFICER (Mr. FERGUSON in the chair). Is there objection?

Mr. LANGER. Mr. President, as one of those who objected to the consideration of this measure at the time when the calendar was called, I now withdraw the objection, but I associate myself with the Senator from Nevada in the statement he has made.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 235) to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments.

The PRESIDING OFFICER. The clerk will proceed to state the amendments of the committee.

The first committee amendment was on page 2, in line 4, after the word "charter", to insert "(except one in respect of a passenger vessel)."

The amendment was agreed to.

The next amendment was, in line 12, after the word "except", to strike out "coastwise services" and insert "United States continental coastwise and intercoastal services and services between continental United States ports and Alaska."

Mr. McCARRAN. Mr. President, let me inquire of the Senator from Illinois or the Senator from Washington whether it is contemplated that the joint resolution will extend to the Maritime Commission any greater power or authority than it had by the act which created it in the first instance?

Mr. MAGNUSON. This extension of authority for 1 year limits the powers of the Commission to this extent: Whereas the other extensions which have been made, in giving this authority, have given the Commission blanket authority to sell, charter, and operate, this measure limits the Commission's authority, and the authority of the shipper who charters the ship to the extent that in the case of coastwise trade he must keep the ship at least 4 months, and in the case of offshore trade at least 6 months. That is the only provision. I have talked to the distinguished chairman of the House committee, Judge BLAND, who is familiar with the matter, and he is in favor of providing for this authority in this way.

Mr. McCARRAN. Sc if the Commission had no authority, by the law which created it, to take absolute possession and to run as its own a shipping line coming under its authority and jurisdiction, this joint resolution will not extend such authority to it. Is that correct?

Mr. MAGNUSON. The Senator is correct.

Mr. McCARRAN. Very well.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in line 12, which has been stated.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, in line 15, after the word "and", to strike out "coastwise services" and insert "United States continental coastwise and intercoastal services and services between continental United States ports and Alaska."

The amendment was agreed to.

The next amendment was, in line 20, after the word "charter", to insert "(except one in respect of a passenger vessel)."

The amendment was agreed to.

The next amendment was on page 3, in line 2, after the word "except", to strike out "coastwise services" and insert "United States continental coastwise and intercoastal services and services between continental United States ports and Alaska."

The amendment was agreed to.

The next amendment was in line 5, after the word "and", to strike out "coastwise services" and insert "United States continental coastwise and intercoastal services and services between continental United States ports and Alaska."

The amendment was agreed to.

The next amendment was, in line 11, after the word "vessel", to insert "(except a passenger vessel)."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time, and passed.

Mr. LUCAS. Mr. President, I wish to express my very sincere appreciation to the able Senator from Nevada [Mr. McCARRAN] and the able Senator from North Dakota [Mr. LANGER] for not objecting to the consideration of what I deem to be a very important measure.

Mr. MAGNUSON. Mr. President, I may also add my complete agreement with the remarks of the Senator from Illinois.

REPEAL OF OLEOMARGARINE TAX

Mr. LUCAS. Mr. President, if there is no further inquiry by any Senator——

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I should like to ask the senior Senator from Illinois when he expects to take up the bill to repeal the tax on oleomargarine?

Mr. LUCAS. That is a very good question. The Senator from Arkansas has made inquiry of the majority leader, and as the Senator well knows, I am for the bill to repeal the tax on oleomargarine. It was reported by the Finance Committee as I recall, almost unanimously.

Mr. FULBRIGHT. That occurred twice, as a matter of fact.

Mr. LUCAS. It is now on the calendar. It is like a number of other very important measures, as to which certain groups are constantly pressing from the right, some pressing from the left, and some pressing from the center, attempting to get the majority leader to take up their measures, which are more important to their particular interest than anything else. Obviously, I wish we could take them all up within a week's time.

Mr. FULBRIGHT. There seems to be nothing pressing now. Why do we not pass it now? We just passed a bill very easily.

Mr. LUCAS. I note the Senator from Vermont is present, and I am sure we could not get unanimous consent to take up the bill and also to pass it.

Mr. FULBRIGHT. I thought the Senator from Vermont was for the bill.

Mr. AIKEN. Mr. President, if the Senator will yield, I suggest that action on the repeal of the regulations on the sale of oleomargarine be postponed until the Government stops buying surplus butter. Colder weather would be more appropriate for the consideration of the bill, because I am sure the heat would melt it, if it were brought to the floor of the Senate within the next few weeks.

Mr. LUCAS. Then in all seriousness I may say to the Senator from Arkansas that I sincerely hope we shall be in a position to take up the oleomargarine bill before we conclude this session of the Congress. It is the intention of the Senator from Illinois to do so. It is an important bill. It is important to the consumers of the country. It is important to the dairy interests also. There will be long debate on it, no doubt, because it is a highly controversial measure.

Mr. FULBRIGHT. Does the Senator know whether it is possible to bring it up after consideration of the pending bill is concluded?

Mr. LUCAS. No; it will not be possible to bring it up when consideration of the pending business is concluded, because I have definitely agreed to bring up the North Atlantic Pact. If I were certain the bill could pass say within 1 or 2 hours on some afternoon, I should not hesitate to bring it up. But I have conferred with some of the Senators from the dairy States who are interested in the bill, and I feel that it cannot pass in one afternoon. I think the Senator from Vermont will agree to that.

ST. LAWRENCE SEAWAY PROJECT

Mr. AIKEN. I should not expect that it could. I should also like to inquire whether the Senator from Illinois thinks it would be possible to get action on the St. Lawrence seaway legislation before the Congress recesses this summer.

Mr. LUCAS. Let me say to the Senator from Vermont in answer to that inquiry, I am not sure just what can be done about it. I have been conferring with the chairman of the Committee on Foreign Relations, and he has agreed to appoint a subcommittee to conduct further hearings. It seems to me that there is very little more to be said perhaps in the way of testimony on the subject of the St. Lawrence seaway. There could be taken whatever additional testimony is necessary in order to bring the record up to date; and we should get from the committee a report on the St. Lawrence seaway before this session adjourns. Whether we can take up the bill is another question. Certainly, as the Senator well knows, a great number of major problems, some of which are before committees and some of which are now before the Senate, must be considered before we adjourn. As one who went along with the introduction of the joint resolution on the St. Lawrence seaway project, I am all for it and am

doing all I can to push it as fast as possible in the Committee on Foreign Relations.

Mr. AIKEN. I thank the Senator for the information.

AUTHORIZATION TO SIGN BILLS

Mr. LUCAS. Mr. President, I ask unanimous consent that the President of the Senate be authorized to sign duly enrolled bills during the recess of the Senate following today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. LUCAS. I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until Monday, June 27, 1949, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 24, 1949

The House met at 12 o'clock noon.

Rev. James Langley, Central Baptist Church, Malone, Tex., offered the following prayer:

O Lord, our Lord, how excellent is Thy name in all the earth; the whole earth is full of Thy glory. To Thee, the giver of every good and perfect gift, our hearts turn in grateful remembrance for the unspeakable gift of Thy Son. We rejoice in the greatest news of the ages, that He is alive forevermore, and because He lives we, too, shall live.

We acknowledge no other Caesar but Christ. He is King of Kings and Lord of Lords. Who is man therefore that Thou art mindful of him? Yet Thy divine love, like a mighty stream, flows to man and challenges his noblest response.

With the heartthrob of humanity focused upon this Nation, we pray for wisdom. May the men who from these historic halls direct the destiny of the world be God's men for such an hour as this. Grant, gracious Lord, that this great Government, dedicated to the supreme worth of the individual, shall be guided by the eternal verities of Thy written and living word. Send peace through the Prince of Peace, for we pray in the name which is above every name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on June 23, 1949, the President approved and signed a bill of the House of the following title:

H. R. 1338. An act authorizing the transfer to the United States section, International Boundary and Water Commission, by the War Assets Administration of a portion of Fort Brown at Brownsville, Tex., and adjacent borrow area, without exchange of funds or reimbursement.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2989) entitled "An act to incorporate the Virgin Islands Corporation, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3333) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 25 and 39 to the above-entitled bill.

SALE OF PUBLIC LANDS IN ALASKA

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2859) to authorize the sale of public lands in Alaska, with Senate amendments, disagree to the amendments of the Senate, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. PETERSON, REDDEN, BENTSEN, WELCH of California, and CRAWFORD.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1950

Mr. BATES of Kentucky submitted the following conference report and statement on the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes:

CONFERENCE REPORT (H. REPT. 900)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11 and 19.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 7, 8, 9, 10, 15, 17, 18, 21, 23, 25, 26, 27, 29, 30, 32, 33, 34, 35, 36, 37, 39, 41, 42, 43, 46, 47, 48, 49, 50, 51, 52, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, and 65, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$260,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$767,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$351,300"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$14,150,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,868,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,154,260"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$420,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,075,250"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,189,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,443,989"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,040,000"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$976,222"; and the Senate agree to the same.

Amendment numbered 54: That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,072,098"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 28, 38, 40, 44, and 45.

JOE B. BATES,
SIDNEY R. YATES,
FOSTER FURCOLO,
CLARENCE CANNON,
RALPH E. CHURCH,
LOWELL STOCKMAN,
Managers on the Part of the House.

LISTER HILL,
JOSEPH C. O'MAHONEY,
HARLEY M. KILGORE,
LESTER C. HUNT,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3082) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 1 and 2, relating to general administration, executive office: Authorizes limitation of $10,000 for emergency use, and appropriates $222,400 as proposed by the Senate instead of $212,400 as proposed by the House.

Amendment No. 3, relating to general administration, Office of the Corporation Counsel: Appropriates $260,000 instead of $245,100 as proposed by the House and $271,660 as proposed by the Senate.

Amendment No. 4, relating to fiscal service, Assessor's office: Appropriates $767,000 instead of $602,328 as proposed by the House and $777,000 as proposed by the Senate.

Amendment No. 5, relating to fiscal service, Collector's office: Appropriates $351,300 instead of $310,400 as proposed by the House and $354,300 as proposed by the Senate.

Amendment No. 6, relating to District government employees' compensation: Appropriates $110,000 as proposed by the Senate instead of $100,000 as proposed by the House.

Amendment No. 7, relating to workmen's compensation administrative expenses: Appropriates $128,200 as proposed by the Senate instead of $120,000 as proposed by the House.

Amendment No. 8, relating to District government employees' retirement: Appropriates $1,779,000 as proposed by the Senate instead of $1,500,000 as proposed by the House.

Amendment No. 9, relating to regulatory agencies, License Bureau: Appropriates $46,100 as proposed by the Senate instead of $45,395 as proposed by the House.

Amendment No. 10, relating to regulatory agencies, Office of Administrator of Rent Control: Appropriates $125,000 as proposed by the Senate.

Amendment No. 11, relating to regulatory agencies, Office of Recorder of Deeds: Appropriates $201,338 as proposed by the House instead of $207,200 as proposed by the Senate.

Amendment No. 12, relating to public schools, general supervision and instruction: Appropriates $14,150,000 instead of $14,088,490 as proposed by the House and $14,155,000 as proposed by the Senate; and authorizes $10,000 for employment of experts and consultants as proposed by the Senate.

Amendment No. 13, relating to public schools, operation of buildings and grounds and maintenance of equipment: Appropriates $2,868,000 instead of $2,846,868 as proposed by the House and $2,888,900 as proposed by the Senate.

Amendment No. 14, relating to public schools, repairs and maintenance of buildings and grounds: Appropriates $1,154,260 instead of $1,114,260 as proposed by the House and $1,155,500 as proposed by the Senate.

Amendment No. 15, relating to public schools, capital outlay: Includes the furnishing and equipping of Park View Elementary School, as proposed by the Senate.

Amendment No. 16, relating to public schools, capital outlay: Appropriates $420,000 instead of $320,170 as proposed by the House and $427,470 as proposed by the Senate.

Amendment No. 17, relating to public schools, preparation of plans and specifications: Appropriates $29,400 for preparations of plans and specifications and establishes a limit of cost of $1,960,000 on Hine Junior High School building as proposed by the Senate.

Amendment No. 18, relating to public schools, capital outlay: Increases contract authorization for the Spingarn Senior High School to $3,600,000 as proposed by the Senate.

Amendment No. 19, relating to public schools, capital outlay: Deletes provision of the Senate providing for $225,000 for alterations and additions at the Bell Vocational High School building.

Amendment No. 20, relating to public schools, construction: Adjusts the construction total to $2,075,250.

Amendment No. 21, relating to the Public Library: Appropriates $1,212,000 as proposed by the Senate instead of $1,198,750 as proposed by the House.

Amendment No. 22, relating to the Recreation Department, operating expenses: Appropriates $1,189,000 instead of $1,163,878 as proposed by the House and $1,246,000 as proposed by the Senate.

Amendment No. 23, relating to the Recreation Department, capital outlay: Appropriates $180,000 as proposed by the Senate instead of $90,000 as proposed by the House.

Amendment No. 24, relating to Metropolitan Police: Appropriates $6,443,989 instead of $6,334,844 as proposed by the House and $6,468,989 as proposed by the Senate.

Amendment No. 25, relating to Metropolitan Police: Appropriates $10,000 for ceremonies under act of July 11, 1947, as proposed by the Senate.

Amendment No. 26, relating to policemen's and firemen's relief: Appropriates $2,900,000 as proposed by the Senate instead of $2,500,000 as proposed by the House.

Amendment No. 27, relating to the municipal court: Appropriates $504,759 as proposed by the Senate instead of $502,759 as proposed by the House.

Amendment No. 28, relating to the Health Department, operating expenses: Reported in disagreement.

Amendment No. 29, relating to the Health Department, operating expenses: Appropriates $2,100,593 as proposed by the Senate instead of $2,087,282 as proposed by the House.

Amendment No. 30, relating to the Health Department, Glenn Dale Tuberculosis Sanatorium: Includes dentists as consultants as proposed by the Senate.

Amendment No. 31, relating to Health Department, Gallinger Municipal Hospital: Appropriates $4,040,000, for operating expenses, instead of $3,753,274 as proposed by the House and $4,051,824 as proposed by the Senate.

Amendment No. 32, relating to Gallinger Municipal Hospital: Includes fixed equipment under "Capital outlay," as proposed by the Senate.

Amendment No. 33, relating to Gallinger Municipal Hospital: Clarifies language, as proposed by the Senate.

Amendment No. 34, relating to Health Department, capital outlay, Gallinger Municipal Hospital: Deletes language of the House which authorizes the Commissioners to enter into certain contracts for equipping a building.

Amendment No. 35, relating to Health Department, capital outlay, Gallinger Municipal Hospital: Appropriates $382,909 for the pediatrics and crippled children building, as proposed by the Senate, instead of contract authority as proposed by the House, and corrects the total for capital outlay.

Amendment No. 36, relating to Health Department, medical charities: Appropriates $745,000 as proposed by the Senate instead of $735,000, as proposed by the House.

Amendment No. 37, relating to operating expenses of the Department of Corrections: Appropriates $2,905,112 as proposed by the Senate instead of $2,872,878 as proposed by the House.

Amendment No. 38, relating to capital outlay, Department of Corrections: Reported in disagreement.

Amendment No. 39, relating to public welfare, agency services: Appropriates $3,849,790 as proposed by the Senate instead of $3,543,059 as proposed by the House.

Amendment No. 40, relating to public welfare, operating expenses, protective institutions: Reported in disagreement.

Amendment No. 41, relating to public welfare, operating expenses, protective institutions: Appropriates $2,338,613 as proposed by the Senate instead of $2,231,203 as proposed by the House.

Amendment No. 42, relating to public works, office of Chief Clerk: Appropriates $57,906, as proposed by the Senate instead of $56,606 as proposed by the House.

Amendment No. 43, relating to public works, office of Municipal Architect; Appropriates $109,636 and includes limitation for test borings and soil investigations, as proposed by the Senate, instead of appropriating $92,036, as proposed by the House.

Amendments Nos. 44 and 45, relating to public works; Reported in disagreement.

Amendment No. 46, relating to public works, Office of Superintendent of District Buildings: Appropriates $957,200 as proposed by the Senate instead of $951,700 as proposed by the House.

Amendment No. 47, relating to public works, Surveyor's office: Appropriates $138,000 as proposed by the Senate instead of $130,717 as proposed by the House.

Amendment No. 48, relating to public works, Department of Inspections: Appropriates $670,600 as proposed by the Senate instead of $651,861 as proposed by the House.

Amendment No. 49, relating to public works, operating expenses, Electrical Division: Appropriates $1,258,612 as proposed by the Senate instead of $1,254,112 as proposed by the House.

Amendment No. 50, relating to public works, capital outlay, Electrical Division: Appropriates $181,400 as proposed by the Senate instead of $140,000 as proposed by the House.

Amendment No. 51, relating to public works, Central Garage: Appropriates $118,008 as proposed by the Senate instead of $91,713 as proposed by the House.

Amendment No. 52, relating to public works, Department of Vehicles and Traffic: Appropriates $929,800 as proposed by the Senate instead of $924,800 as proposed by the House.

Amendments Nos. 53 and 54, relating to public works, reimbursement of other appropriations: Appropriate $976,222 for reimbursement to Metropolitan Police instead of $950,475, as proposed by the House and $979,972 as proposed by the Senate; and adjust the total to reflect the increase.

Amendment No. 55, relating to public works, operating expenses, Division of Sanitation: Appropriates $3,351,700 as proposed by the Senate instead of $3,209,801 as proposed by the House.

Amendments Nos. 56 and 57, relating to public works, operating expenses, Sewer Division: Authorize a contribution to the Interstate Commission on the Potomac River Basin of $7,200 as proposed by the Senate instead of $5,400 as proposed by the House; and appropriate $1,192,190 as proposed by the Senate instead of $1,182,590 as proposed by the House.

Amendment No. 58, relating to public works, capital outlay, Sewer Division: Appropriates $2,134,000 as proposed by the Senate instead of $1,355,800 as proposed by the House.

Amendment No. 59, relating to public works, operating expenses, Water Division: Appropriates $2,051,000 as proposed by the Senate instead of $2,045,000 as proposed by the House.

Amendment No. 60, relating to the National Guard: Appropriates $90,700 as proposed by the Senate instead of $85,024 as proposed by the House.

Amendment No. 61, relating to National Capital Parks: Appropriates $1,628,018 as proposed by the Senate instead of $1,608,018 as proposed by the House.

Amendment No. 62, relating to National Capital Park and Planning Commission: Appropriates $84,700 as proposed by the Senate instead of $81,500 as proposed by the House.

Amendment No. 63, relating to the National Zoological Park: Appropriates $544,700 as proposed by the Senate instead of $532,800 as proposed by the House.

Amendment No. 64 deletes provision of the House providing for return to the general fund of the District of Columbia funds appropriated for the Spingarn Senior High School, as proposed by the Senate.

Amendment No. 65: Corrects section number.

AMENDMENTS REPORTED IN DISAGREEMENT

The following amendments are reported in disagreement:

Amendment No. 28, relating to an increase in travel allowance for dairy-farm inspectors in the Health Department, from a present 4 cents to 7 cents per mile. The House managers will move to recede and concur.

Amendment No. 38, relating to capital outlay, Department of Corrections: Authorizes transfer of one Diesel locomotive from Transportation Corps, Department of the Army, to the District of Columbia, and appropriates $6,900 for same. The House managers will move to recede and concur.

Amendment No. 40, relating to public welfare operating expense, protective institutions: The House managers will move to recede and concur.

Amendments Nos. 44 and 45, relating to Public Works, Office of Municipal Architect: The House managers will move to recede and concur with amendments.

JOE B. BATES,
SIDNEY R. YATES,
FOSTER FURCOLO,
CLARENCE CANNON,
RALPH E. CHURCH,
LOWELL STOCKMAN,
Managers on the Part of the House.

Mr. BATES of Kentucky. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report and that the statement of the managers on the part of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 28: Page 25, line 16, after the word "and", strike out the remainder of the line and insert "7 cents per mile but not more than $840."

Mr. BATES of Kentucky. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BATES of Kentucky moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 38: Page 29, line 21, insert the following: "Capital outlay: For the purchase of a Diesel locomotive, $6,900; and the Transportation Corps, Department of the Army, is hereby authorized to transfer to the District of Columbia one Diesel locomotive at not to exceed $6,900."

Mr. BATES of Kentucky. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BATES of Kentucky moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: Page 32, line 24, after the word "School", insert the following: "Temporary home for former soldiers, sailors, and marines."

Mr. BATES of Kentucky. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BATES of Kentucky moves that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 44: On page 35, line 4, strike out "3" and insert "4."

Mr. BATES of Kentucky. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BATES of Kentucky moves that the House recede and concur in the Senate amendment with an amendment as follows: In lieu of the figure proposed by the said amendment insert "3½."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 45: Page 35, line 7, strike out "2¾" and insert "3¾."

Mr. BATES of Kentucky. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BATES of Kentucky moved that the House recede from its disagreement to the amendment of the Senate No. 45 and concur in the same with an amendment as follows: Page 35, line 7, strike out "3¾" and insert "3¼."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

AGRICULTURAL APPROPRIATION BILL, 1950

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the report of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is the gentleman going to explain this report?

Mr. WHITTEN. Yes.

Mr. RANKIN. Mr. Speaker, further reserving the right to object, I just want to ask one question: Did the Senate approve the provision for rural electrification that was passed by the House?

Mr. WHITTEN. The report carries the House provision.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 899)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3997) making appropriations for the Department of Agriculture, for the fiscal year ending June 30, 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 5, 6, 12, 13, 31, 41, 48, and 52.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 14, 15, 17, 21, 25, 26, 27, 33, 42, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, and 71, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert "$19,000,000, of which not less than $45,000 shall be available for work under Title II for the development of new and expanded market outlets for oilseeds, fats and oils and their products, and not less than $180,000 shall be used under section 10 (a) for additional research on fats and oils, of which latter sum not less than $45,000 may be used for contracts with public or private agencies as authorized by the said Act of August 14, 1946"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$713,293"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$518,800"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,390,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,236,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,694,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,464,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$401,740"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,966,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert "and the provisions of the Forest Pest Control Act ($250,000 which may be transferred to and made a part of the appropriation 'Forest Pest Control Act'),"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$243,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$645,525"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$575,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$750,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,645,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$565,350"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,920,050"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,159,600"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$26,300,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert ", and the limit of cost for not to exceed one building constructed at Horseshoe Organization Camp, West Virginia, shall be $22,500"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,348,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$117,188"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$75,000"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$9,500,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,400,000"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,225,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert ": *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert "$300,000,000, of which not to exceed $15,000,000 may be used for acreage allotments and marketing quotas"; and the Senate agree to the same.

Amendment numbered 53: That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert ": *Provided further*, That the county agricultural conservation committee in any county with the approval of the State committee may allot not to exceed 5 per centum of its allocation for the agricultural conservation program to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program and the funds so allotted shall be utilized by the Soil Conservation Service for technical and other assistance in such county"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$83,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 22, 23, and 24.

JAMIE L. WHITTEN,
WILLIAM G. STIGLER,
EDWARD H. KRUSE, Jr.,
CLARENCE CANNON,
H. CARL ANDERSEN,
WALT HORAN,
Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
JOSEPH C. O'MAHONEY,
PAT MCCARRAN,
ELMER THOMAS,
CLYDE M. REED,
CHAN GURNEY,
HOMER FERGUSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3997) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

OFFICE OF THE SECRETARY

Amendments Nos. 1 and 2: The House authorized a transfer of $11,000 from the appropriation for flood control to the Office of the Secretary; the Senate authorized a transfer of $24,000; the House recedes.

Research and Marketing Act of 1946

Amendment No. 3, for the improvement and development of systems for the distribution and marketing of agricultural products under title II of the act: The House appropriated $6,000,000; the Senate, $6,020,000; the Senate recedes.

Amendment No. 4, total for the Research and Marketing Act: The House total is $19,000,000; the Senate total is $19,020,000. The conferees have agreed upon: "$19,000,000, of which not less than $45,000 shall be available for work under title II for the development of new and expanded market outlets for oilseeds, fats and oils and their products, and not less than $180,000 shall be used under section 10 (a) for additional research on fats and oils, of which latter sum not less than $45,000 may be used for contracts with public or private agencies as authorized by the said Act of August 14, 1946."

It is the intention of the conferees that the sums provided under the appropriation for the Research and Marketing Act for research on fats and oils shall be available for the same purposes as are set forth under the heading "Research on Fats and Oils" in Senate Report No. 362, Eighty-first Congress.

Amendments Nos. 5 and 6: The Senate has added language permitting the use of Research and Marketing Act funds for development of inspection, grading, and standards of fish, shellfish, and products thereof; the Senate recedes.

LIBRARY, DEPARTMENT OF AGRICULTURE

Amendment No. 7: The Senate has restored a House cut of $22,400; of which (a) $4,186 represents the cost of moving a portion of the library collection to an annex building, as to which the House recedes, and (b) $18,214 is an increase for salaries and expenses of the library as a whole, as to which the conferees have agreed upon $9,107.

Amendment No. 8: The House authorized $515,775 for personal services in the District of Columbia; the Senate, $520,840; the conferees have agreed upon $518,800.

BUREAU OF AGRICULTURAL ECONOMICS

Amendment No. 9, personal services in the District of Columbia: The House authorized $2,370,000; the Senate, $2,419,000; the conferees have agreed upon $2,390,000.

Amendment No. 10, economic investigations: The Senate has restored the House cut of $330,000 below the budget; the conferees have agreed upon $2,000,000.

SPECIAL RESEARCH FUND

Amendment No. 11: The Senate appropriated $12,000, not provided by the House, for more effective tobacco research at Florence, S. C.; the conferees have agreed upon $6,000.

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

Amendments Nos. 12 and 13: The Senate restored a House cut of $173,000 for guayule production and processing investigations, including purchase of not to exceed 60 acres of land in Texas; the Senate recedes.

BUREAU OF ANIMAL INDUSTRY

Amendment No. 14: The Senate appropriated $50,000 under animal husbandry for liquidation of the Agricultural Remount Service; the House made no additional appropriation for the purpose but in the House report $50,000 of the general appropriation was earmarked for this work; the House recedes.

Diseases of animals: The House report earmarked $50,000 of this appropriation for work on the cattle grub. In the Senate report the Senate committee "believes the Bureau should have discretion in allocating the funds available to the projects of investigation most needed." The Houses conferees have concurred with the views of the Senate.

Amendment No. 15, meat inspection: The House appropriated $11,995,000; the Senate, $12,577,000; the House recedes.

BUREAU OF PLANT INDUSTRY, SOILS, AND AGRICULTURAL ENGINEERING

Amendment No. 16, field crops: The House appropriated $2,498,000; the Senate, $2,805,000; the conferees have agreed upon $2,694,000.

Amendment No. 17: The Senate included authority, not provided by the House, to use $85,000 of the appropriation for field crops for the construction of an office and laboratory building at the Southern Great Plains Field Station, Woodward, Okla.; the House recedes.

Amendment No. 18, fruit, vegetable, and specialty crops: The House appropriated $2,347,000; the Senate, $2,581,000; the conferees have agreed upon $2,464,000. In lieu of an earmarking of a definite amount for research on diseases affecting gladioli and other flowers, the conferees direct that the Department shall give the problem appropriate study within the amount granted. The conferees deem the work on potatoes and onions to be of special importance.

Amendment No. 19, forest diseases: The House appropriated $383,480; the Senate, $420,000; the conferees have agreed upon $401,740. Under this amount the Department will give appropriate attention to the problems for which the Senate increases were granted.

Amendment No. 20, soils, fertilizers, and irrigation, primarily in the Missouri River Basin: (a) the Senate restored the House cut of $100,000 for soil management and crop-production research, the conferees have agreed upon $66,000; (b) the Senate restored the House cut of $50,000 for soil surveys; the Senate recedes.

Amendment No. 21, construction at Mandan, N. Dak.: The Senate included authorization, not provided by the House, for the use of $16,000 of the appropriation for soils, fertilizers, and irrigation, for remodeling two structures at the United States Northern Great Plains Field Station, Mandan, N. Dak.; the House recedes.

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Amendments Nos. 22, 23, and 24, relating to insect investigations, are in disagreement.

Amendment No. 25, insect and plant disease control: The House appropriated $3,364,000; the Senate, $3,564,000; the House recedes.

Amendment No. 26, foreign plant quarantines: The House appropriated $2,296,000; the Senate, $2,325,000; the House recedes.

CONTROL OF EMERGENCY OUTBREAKS OF INSECTS AND PLANT DISEASES

Amendment No. 27: The Senate struck out the language, included by the House, "to enable the Secretary, through such agencies as he may determine". The House recedes.

Amendment No. 28: The Senate struck out the House language "and of section 1 of the Forest Pest Control Act (16 U. S. C. 594–1)," in lieu of which the conferees have inserted: "and the provisions of the Forest Pest Control Act ($250,000 which may be transferred to and made a part of the appropriation, 'Forest Pest Control Act'),". It is the purpose of the conferees that the $250,000 provided for the Forest Pest Control Act shall be deducted from the total appropriation of $1,745,000 under this head and transferred to and consolidated with the appropriation of $750,000 carried elsewhere in the bill for the Forest Pest Control Act.

BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY

Amendment No. 29, personal services in the District of Columbia: The House authorized $242,622; the Senate, $251,870; the conferees have agreed upon $243,000.

Amendment No. 30, agricultural chemical and naval stores investigations: The House appropriated $637,550; the Senate, $653,500; the conferees have agreed $645,525.

Amendment No. 31, Regional Research Laboratories: The House appropriated $5,016,000; the Senate $5,196,000, of which $180,000 was for research on fats and oils; the Senate recedes. The action of the conferees on Senate amendment No. 4 makes $180,000 of the Research and Marketing Act funds available for the fats and oils research stricken from the bill here.

Control of Forest Pests

Amendment No. 32, gypsy and brown-tail moths: The House appropriated $550,000; the Senate, $601,000; the conferees have agreed upon $575,000.

Amendments Nos. 33 and 34, Forest Pest Control Act: The House appropriated $272,300 for surveys under the act; the Senate appropriated $1,000,000 for both surveys and insect control; the House recedes on all but the amount of the appropriation, as to which the conferees have agreed upon $750,000. The latter amount is augmented by a transfer of $250,000 from the appropriation for the control of emergency outbreaks of insects and plant diseases, making in all, for the Forest Pest Control Act, $1,000,000.

Amendments Nos. 35 through 38, white pine blister rust control: The House appropriated $3,595,000; the Senate, $3,695,000; the conferees have agreed upon $3,645,000, which will be allotted as follows: To the Department of the Interior, $565,350; to the Forest Service, $1,920,050; and to the Bureau of Entomology and Plant Quarantine, including work on State and privately owned lands, $1,159,600.

FOREST SERVICE

Amendment No. 39, national-forest protection and mangement: The House appropriated $24,971,000; the Senate, $26,752,000; the conferees have agreed upon $26,300,000. The House conferees have not concurred in the amounts earmarked for the development of the improvements listed on page 19 of the Senate report. However, it is agreed by the conferees that the Department will, out of the total of the appropriation, allot to those projects and to Mount Baker Lodge in the Mount Baker National Forest, to the forest areas adjacent to Salt Lake City and Ogden, Utah, and to Holly Springs National Forest sums which will be appropriate to the special emphasis given herein to the foregoing.

Amendment No. 40, Horseshoe Organization Camp, W. Va., limit of cost of building: The Senate inserted language fixing the limit at $36,000; the conferees have agreed upon $22,500.

Amendment No. 41, forest and range management investigations: The Senate struck out the word "shelterbelts" which had been inserted by the House; the Senate recedes.

Amendment No. 42, forest and range management investigations: The House appropriated $2,808,500; the Senate, $2,818,500; the House recedes.

Amendment No. 43, forest development roads and trails: The House appropriated $9,748,000; the Senate $10,748,000; the conferees have agreed upon $10,348,000.

Amendment No. 44, limitation for personal services in the District of Columbia: The House authorized $111,188; the Senate, $121,188; the conferees have agreed upon $117,188.

Amendment No. 45, acquisition of forest land, Superior National Forest, Minn.: The Senate appropriated $100,000; the conferees have agreed upon $75,000.

FLOOD CONTROL

Amendment No. 46: The House appropriated $8,975,000; the Senate, $10,000,000; the conferees have agreed upon $9,500,000.

SOIL CONSERVATION SERVICE

Amendment No. 47, soil-conservation research: The House appropriated $994,000; the Senate, $1,751,000; the conferees have agreed upon $1,400,000, including an unspecified amount for the establishment of a station and initiation of studies of land drainage

and soil structure in the Flatwoods area of Georgia.

LAND UTILIZATION AND RETIREMENT OF SUBMARGINAL LAND

Amendment No. 48, personal services in the District of Columbia: The House authorized $29,100; the Senate, $32,150; the Senate recedes.

Amendment No. 49, expenses necessary in connection with land utilization and retirement of submarginal land: The House appropriated $1,124,000; the Senate, $1,327,000; the conferees have agreed upon $1,225,000.

CONSERVATION AND USE OF AGRICULTURAL LAND

Amendment No. 50: The Senate inserted language, not included by the House, as follows:

: *"Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State or county information employees, but this shall not preclude the answering of inquiries or supplying of information to individual farmers."

The conferees have agreed upon:

: *"Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers."

The conferees have agreed upon this language in order to enable the county committees without solicitation or request to disseminate information among the farmers of their respective counties concerning the farm program.

Amendment No. 51, authorizing the amount of the farm-program payments for the crop year 1950: The House authorized $262,500,000; the Senate, $300,000,000; the conferees have agreed upon $300,000,000, of which not to exceed $15,000,000 may be used for acreage allotments and marketing quotas.

Amendment No. 52, maximum farm payment to any one participant in the farm program: The House provided $2,500; the Senate, $1,500; the Senate recedes.

Amendment No. 53, allotments to the Soil Conservation Service for services of technicians in formulating and carrying out the agricultural program: The Senate struck out the provision inserted by the House permitting the county agricultural committee in any county to so allot not to exceed 10 percent of its allocation for the agricultural conservation program. The conferees have agreed upon permission for the allotment of 5 percent of such funds with the approval of the State committee. It is the intention of the conferees that any county committee desiring to avail itself of this authority shall specify to the Soil Conservation Service the particular job or services it wishes to have performed. The county committee and the Soil Conservation Service will then enter into a written agreement for the performance of the work and the Soil Conservation Service would be governed by the specifications in the agreement and payment by the county committee to the Soil Conservation Service will be conditioned upon the observance of the provisions of the agreement.

SECTION 32 FUNDS

Amendment No. 54: The House provided a limit of $500,000 for subsidies to manufacturers of insulation products; the Senate, $150,000; the House recedes.

NATIONAL SCHOOL LUNCH ACT

Amendment No. 55: The House appropriated $75,000,000; the Senate, $87,500,000; the conferees have agreed upon $83,500,000.

MARKETING SERVICES

Amendment No. 56, market news service: The House appropriated $1,864,000; the Senate, $1,900,000; the House recedes. The conferees concur in the directives of the Senate report in the matter of local contributions and respecting the submission in connection with the estimate for 1951 of a proposal for the attainment of uniformity in local contributions toward the expenses of the market news service stations.

Amendment No. 57: Corrects the spelling of a word; the House recedes.

Amendment No. 58: Corrects a transposition of figures in a code citation; the House recedes.

FARMERS HOME ADMINISTRATION

Amendment No. 59, interest to be paid by Secretary on moneys borrowed from the Treasury: The House authorized the loans to be with or without interest not to exceed 3 percent in the discretion of the Secretary of the Treasury; the Senate struck out the option of the Treasury to forego interest; the House recedes.

Amendment No. 60: The House provided that the Secretary may utilize proceeds from payments of principal and interest "on any loans made hereunder" to repay the Secretary of the Treasury the amounts borrowed therefrom pursuant to the authority contained in this bill; the Senate struck out the words "on any loans made hereunder" making it clear that all collections of principal and interest on loans made by the Farmers' Home Administration and its predecessor agencies, whether such loans were made from appropriated funds or from funds borrowed from the Treasury may be utilized to repay amounts borrowed from the latter. The House recedes.

FARMERS HOME ADMINISTRATION

Amendment No. 61, salaries and expenses: The House appropriated $23,249,000; the Senate, $23,649,000; the House recedes.

Regional Agricultural Credit Corporation

Amendments Nos. 62 and 63: The Senate struck out House provisions relating to the Regional Agricultural Credit Corporation, since this agency was abolished by an Act of Congress approved subsequently to the passage of the bill by the House; the House, therefore, recedes.

Corrections of Section Numbers

Amendments Nos. 64 through 71: The Senate has corrected the numbers of sections following a section which has been deleted from the bill; the House recedes.

AMENDMENTS IN DISAGREEMENT

The conferees report in technical disagreement Amendments Nos. 22, 23, and 24, relating to the appropriation for insect investigations. For this item the House appropriated $2,993,000; the Senate, $3,921,600; and the Senate added language alloting $800,000 for work on the Oriental fruitfly, of which $500,000 should be available for contracts with public or private agencies.

The House managers will move that the House recede with an amendment, providing $3,502,300, of which $173,500 is for work on bees. For work on the Oriental fruitfly, $450,000 is allotted, of which $250,000 is available for contracts with public or private agencies, $25,000 is available for transfer to and consolidation with the appropriations "insect and plant disease control" and "foreign plant quarantines" in such proportion as the Secretary may deem best for inspection and/or control work on this pest.

JAMIE L. WHITTEN,
WILLIAM G. STIGLER,
EDWARD H. KRUSE, Jr.,
CLARENCE CANNON,
H. CARL ANDERSEN,
WALT HORAN,
Managers on the Part of the House.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 27, line 16, strike out "$797,600" and insert "$85,800."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur in the same with an amendment as follows: In lieu of the sum proposed by said amendment, insert "$802,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 28, line 9, strike out "$2,993,000" and insert "$3,921,600."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$3,502,300."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 28, line 9, insert ": *Provided*, That $800,000 of this amount shall be available for oriental fruitfly, of which not to exceed $500,000 may be used for contracts with public or private agencies for research without regard to provisions of existing law, and the amounts obligated for contract research shall remain available until expended."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur in the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert ", of which $173,500 is for bee culture: *Provided*, That $450,000 shall be available for oriental fruitfly, of which $25,000 may be transferred to and consolidated with the appropriations, 'insect and plant disease control' and 'foreign plant quarantine,' to either or in part to each as may be deemed best, for inspection and/or control work on this pest; and $250,000 may be used for contracts with public or private agencies for research without regard to provisions of existing law, and the amounts obligated for contract research shall remain available until expended."

Mr. WHITTEN. Mr. Speaker, this conference report has the unanimous support of the managers on the part of the House. We have been able to clear up the differences with the Senate and the matter is completely settled. I think the gentleman from Minnesota will be glad to say that this is satisfactory to all of the managers, and there is no reason

we should discuss the matter further at this time.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I think the gentleman from Mississippi should use some time to explain the action taken by the conferees with regard to the most important items, for instance, soil conservation and meat inspection. I think it would be of interest to the House for him to do so.

Mr. WHITTEN. Mr. Speaker, I am glad to discuss this bill as suggested by my colleague from Minnesota, but first I would like to take this time to express my appreciation to the members of our committee for their untiring efforts and cooperation in bringing you a conference report agreed to by all the conferees. As you know, this is my first time to serve as chairman of the committee handling agricultural appropriations. On this committee with me are Mr. STIGLER of Oklahoma and Mr. KRUSE of Indiana, Democrats; Mr. ANDERSEN of Minnesota and Mr. HORAN of Washington, Republicans. Mr. Speaker, we do not have any finer Members of the House of Representatives than these four Members. They are able, sincere, and industrious. They are vitally interested in agriculture and in the welfare of those engaged in agriculture, keeping always in mind the national interest. Mr. STIGLER and Mr. KRUSE are serving on this committee for the first time. Mr. STIGLER, an outstanding Member of Congress for a number of years, brought to the committee his knowledge of congressional operations and his lifetime interest in agriculture. Mr. KRUSE, a new Member of the House, as well as of the committee, has proven himself to be a keen student of the Agriculture Department and of agriculture generally. Both of these gentlemen have made substantial contributions to this bill which we have before you for final passage. The ranking Republican member of our committee is CARL ANDERSEN of Minnesota. Independent in his thinking, experienced in agriculture himself, a man of real ability and having a real interest in the well-being of agriculture, Mr. ANDERSEN has worked just as hard as possible on this measure. He deserves a great deal of the credit for the bill, in its final form. Mr. HORAN, also a farmer with a splendid educational background and experience in agricultural matters has also applied himself for the joint good of agriculture and the Nation. We bring you today a bill that is free of politics, a bill which all five of us on the committee support. True it is that in places there are sums for particular work of the Department that would be changed by one individual member or another of the committee if given his preference. But realizing that in these troubled times we must all stand together for the benefit of the whole we have solved our differences and because of that desire I think almost every phase of the bill is in better shape than it would have been otherwise. Certainly I know that is true in many instances, while in some respects we have not appropriated as much money for particular projects as we would have liked. I do think that, having gone into this matter with a real interest in agriculture we at the same time had to keep cognizance of falling revenues and of the real necessity to keep our expenditures at a minimum for the maximum results. Much credit for the success of our efforts must go to the clerk of our committee, Mr. Arthur Orr, a man of many years experience with the Appropriations Committee and one on whom all members of the committee have relied in bringing this bill before you. He is a splendid and able right hand to the committee.

Now with regard to some of the major provisions of the bill as finally approved in this conference report, we have authorized the Rural Electrification Administration to loan to local REA cooperatives the sum of $350,000,000. In addition, for the first time we provide that in the event all of these funds are loaned as provided by law the REA may lend an additional $150,000,000. These are not appropriations but loan authorizations. The record of this agency shows that less than three-tenths of 1 percent of the loans outstanding are in arrears. Many, many loans are way ahead of schedule in repayment. The interest which the Government collects by far exceeds any amount of probable losses. The committee has urged all local cooperatives to accept their responsibility and to make application for loans that the local distribution system may give area coverage and provide electricity to all farmers in a given area. Most local cooperatives are doing that whether or not we urged the REA to insist to the local cooperatives that expansion be made. Now, Mr. Speaker, if electric lines are not built to farm homes, it will be because of nonaction on the part of the boards of directors of local REA cooperatives. We have provided the funds herein if they will only ask for the loan. I hope that all of them will accept their responsibility to expand the great benefits of electricity which they themselves enjoy to their neighbors. We on this committee have done all we can do. It is now up to the local REA cooperatives. They can if they will.

This bill announces a soil conservation program during the next year of $300,000,000. This is not a grant but is a Federal contribution of approximately one dollar in three toward the expense of restoring the fertility of our soil, certainly one of our greatest national assets. We provide that of that announced program not more than $15,000,000 can be used for quota costs. This would not preclude payment from other sources of actual costs. The committee has increased the limit on the contribution toward the cost of soil conservation on any one farm from $750 as in the present year to $2,500. The lifting of this limitation will enable some larger projects to be performed and will enable the tenants on the larger farms to participate in this program.

The final version of our bill provides that the Soil Conservation Service shall provide technicians to the 171 new soil-conservation districts. We have provided additional funds for soil-conservation work in connection with flood control. This item is vital to many areas of the country and particularly is that true in my area where the War Department has dammed up two rivers and is in the process of damming up two others with the resulting ill-effects on the bottom lands and foothills in the area above these dams. With regard to the Little Tallahatchie and Yazoo watersheds in my own area we have authorized the Soil Conservation Service to do other soil work when approved by the Secretary instead of acquiring additional Federal lands as set out in their original authorization. It is my own view and the committee has approved my recommendation that the Federal Government should not acquire additional lands but other soil-conservation measures should be performed.

In many sections of our country many friends of agriculture believe that what is needed with regard to soil conservation work is more technical advice and planning and other sections of the country find that the production and marketing contribution toward the cost approach is the more desirable. In an effort to assist in those areas where additional planning and technical advice may be desired we have for the first time included a provision where the local agriculture committee may contract for additional technical and planning and may pay for such service from their allotment from the PMA payments. This provision is permissive only. This we believe will help to coordinate the activities of these agencies and result in more soil conservation in some areas.

With regard to the Forest Service we have tried to make adequate provision for this service. The final figure is not as high as our Members from the large forest areas would have liked but should enable the Service to substantially carry on its work. Certainly, it was the desire of all members of the committee that adequate provision be made for the preservation of our forests and also for the cutting of timber on a consistent-yield basis.

We have provided in this bill the sum of $83,500,000 for the school-lunch program. Many organizations and many Members of Congress were before the committee urging that this appropriation be increased to as much as $150,000,000. In view of the financial situation of our Government it is the belief of the committee that we are unable to provide such a sum at this time. However, commodities purchased by the Commodity Credit Corporation will be available in addition to this amount and will substantially increase the size of the program that can be carried on with these funds.

I am much gratified to report that the final version of our bill retains all of section 32 funds for the purposes set out in section 32 of the Agricultural Adjustment Administration Act of 1936. As I am sure you are aware, section 32 of the Agricultural Adjustment Act of 1936 provides that 30 percent of the import duty collected on products coming into this country shall be set aside to promote new uses and to provide export subsidies to

handle our agricultural surpluses. For several years the Congress has recaptured a part of that fund over my objection and the objections of other members of the committee and used it for other purposes. In the present bill we provide that all the funds estimated at approximately $125,000,000 shall be retained to help handle our agricultural surpluses.

Mr. Speaker, our committee handles the appropriations for the Farm Credit Administration, including the various farm-loan organizations and the Production Credit Administration. We have tried to make adequate provision for this loan structure. We have urged the officers of this Administration not to urge farmers to go into debt believing that it is not to their interest to incur debts that they can get by without. At the same time it is the feeling of our committee that we must maintain a sound farm-credit structure. We believe that we have provided for that in our bill.

Our committee also handles the Commodity Credit Corporation which finances the price-support program for agricultural products. We fixed the limitations on the amount that may be spent for administration. We tried to fix that limit at such a level that would permit them to carry out the duties set out in the Commodity Credit Corporation Act. In many areas, particularly in the cotton area from which I come, last year we had a great deal of trouble due to the fact that there was inadequate provision for cotton classing. Reports have come to us that the same situation existed with regard to other commodities. While the Commodity Credit Corporation provided loans to farmers, in many areas it took quite a while for farmers to secure such loan and in many cases they sold their products at a loss because of a delay in classing or grading their commodities. While this bill provides an appropriation for cotton classing and other commodity grading, it also provides that the Commodity Credit Corporation funds shall be available to meet the needs of classing and grading. Thus during a period of high demand for classers and graders the Commodity Credit Corporation is directed to meet the problem from its corporate funds. There should now be no delay in such service.

Mr. Speaker, when this bill was before the House it was believed by our committee that funds paid by the meat packers for overtime could be used by the Department to help pay the cost of meat inspection. Thus it was that the House originally reduced substantially the appropriation for meat inspection. A review of this situation, however, discloses that such funds are not available to meet the costs but are paid directly into the Treasury. The committee fully realizing that adequate meat inspection is essential for the health of the Nation, we have gone along with the Senate increase and have provided fully for such inspection.

One of the greatest hazards to the fruit industry that has appeared in the last few years is the Oriental fruitfly which has virtually destroyed a great part of Hawaiian fruit crops. This fly is a serious threat to the United States and close inspection is now being made to prevent its being brought to the United States. All Hawaiian fruit is being excluded from shipment here. This does not solve the problem and our committee has assigned $450,000,000 in an effort to find some way to prevent this insect from destroying the great fruit areas of our country. Research work will be done and efforts made to locate pests which may in turn destroy this insect.

The Members on the part of the House have gone along with the Senate in a $400,000 increase for the Farmers Home Administration in an effort to retain the present personnel. We believe that while the borrowers are able to pay that it is not only to the Federal Government's interest but that it is to the interest of the borrower to keep the payments up to date.

Mr. Speaker, this bill covers the thousand and one phases of American agriculture. Research which has given us the hybrid corn and the 100-acre corn clubs, provides for the 4–H Club work for which we have provided additional funds. We believe that this is one of the finest investments in American youth and an expenditure of funds which shows real results. This bill covers research in agricultural engineering to which is traced much of the farm machinery which is taken for granted by our farmers. It provides for the research from which comes the means of producing pencillin on a large scale whereby the cost per unit has gone down from a number of dollars to 35 cents. From the research program here has come many of the wonderful things which cause American agriculture to lead the world. These various phases are too numerous to be mentioned. In this bill we provide that $200,000 shall be used for research in oils and fats in an effort to relieve the problem of cotton seed, their storage and use.

As chairman of this committee I am proud to report to the House of Representatives that we have been able to work out a bill which all members of this committee can and do support. We have tried to keep in our minds the absolute necessity for holding down Government expenditures. Against that we have tried to balance the absolute need for a sound agricultural program for prosperous farmers. Unless our farm population has purchasing power our industrial population cannot sell. If the industrial population cannot sell they cannot buy. The budget estimate was $727,906,903. This bill provides in direct appropriation $715,601,607 and except for salary raises passed by the Eightieth Congress would have been substantially less. With salaries fixed and services rendered they must of necessity increase the cost of operations. When our bill was before the House for the first time it was considered and passed by the House in a day without substantial amendment. I am told that this was something of a record. We bring you today the final version in which we have been able to resolve all differences among ourselves and with the Senate conferees. We have a bill of which we are proud, which we believe that every Member of the House can and should support. We must maintain a strong agriculture in the year ahead.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, we have in this conference report the best compromise that we were able to reach with the Senate. This appropriation bill, as it goes to the President, is a fair bill, liberal perhaps in places, but a well-balanced attempt to do justice to agriculture.

May I personally pay tribute to the splendid work of our chairman, Mr. WHITTEN, and his two colleagues, Mr. STIGLER and Mr. KRUSE. My colleague, Mr. HORAN, has been of great assistance in helping to develop a bill fair to all segments of agriculture, forestry included. It has been a pleasure to work with these gentlemen. I will not take time here today to discuss the many features of this appropriation bill. To me it represents 3 months' continuous work and the lack of argument here today gives evidence of a job well done by the Subcommittee on Appropriations for Agriculture.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

FEDERAL EMPLOYEES' COMPENSATION ACT AMENDMENTS OF 1949

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 265, Rept. No. 901), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3191) to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742) entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. GREEN asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. HARDY asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. CLEMENTE asked and was given permission to extend his remarks in the RECORD and include a speech made by Cadet Maj. Thomas Francis Field.

Mr. DOLLINGER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. RODINO (at the request of Mr. ADDONIZIO) was given permission to extend his remarks in the RECORD in three instances, and include newspaper articles in each instance.

Mr. WALTER asked and was given permission to extend his remarks in the RECORD in three instances: in the first, to include an article by William Schoenberg; in the second, a letter from the head of the Philadelphia Housing; and in the third, a radio broadcast by Charles Collingwood.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD in two instances and to include extraneous matter.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a statement made by him before the House Committee on Education and Labor on Federal aid to public education.

Mr. HARRISON asked and was given permission to extend his remarks in the RECORD and include certain articles.

Mr. GARY asked and was given permission to extend his remarks in the RECORD and include an address delivered by Gen. Alexander Vandegrift, former Commandant of the United States Marine Corps on the occasion of the observance of Flag Day ceremonies held at Richmond, Va., on June 12, 1949.

Mr. WALSH asked and was given permission to extend his remarks in the RECORD.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include a radio speech.

Mr. HUGH D. SCOTT, JR. (at the request of Mr. SIMPSON of Pennsylvania) was given permission to extend his remarks in the RECORD and include a speech delivered by Mrs. BOLTON of Ohio.

Mr. BURDICK asked and was given permission to extend his remarks in the RECORD and include a consensus of opinion of consumers on the Brannan farm plan.

Mr. ANGELL asked and was given permission to revise and extend the remarks he intends to make in Committee of the Whole this afternoon and include certain correspondence.

PERMISSION TO ADDRESS THE HOUSE

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include a release from the Labor Department of the State of Connecticut.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

[Mr. SADLAK addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BOGGS of Delaware (at the request of Mr. NICHOLSON) was given permission to extend his remarks in the RECORD and include extraneous matter.

VETERANS' LIFE INSURANCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include a letter from the Veterans' Administration regarding veterans' insurance.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Members have asked me if the VA had the money set apart with which to meet insurance dividends or refunds to the veterans. I believe many of the Members of the House will be interested in a letter I have received from the Veterans' Administration. The letter states:

All moneys received on account of national service life insurance are placed in a special trust fund in the Treasury known as the national service life insurance fund. Except for a comparatively small working balance in cash and assets represented by policy loans, the fund is invested in United States Treasury notes. When amounts are to be disbursed which exceed current income, as will be the case in connection with the special dividend payment, the United States Treasury notes are redeemed for cash.

The letter is as follows:

VETERANS' ADMINISTRATION,
Washington, D. C., June 23, 1949.

Hon. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

DEAR MRS. ROGERS: In regard to your telephone inquiry as to the manner in which funds will be made available for payment of the special dividend on national service life insurance I am pleased to supply you with the following facts.

All moneys received on account of national service life insurance are placed in a special trust fund in the Treasury known as the national service life insurance fund.

Except for a comparatively small working balance in cash and assets represented by policy loans, the fund is invested in United States treasury notes.

When amounts are to be disbursed which exceed current income, as will be the case in connection with the special dividend payment, the United States Treasury notes are redeemed for cash.

Sincerely yours,

HAROLD W. BREINING,
Assistant Administrator for Insurance.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD in three instances and to include in each case an editorial.

Mr. ARENDS asked and was given permission to extend his remarks in the RECORD.

Mr. DAGUE asked and was given permission to extend his remarks in the RECORD and include an article by Mr. Gould Lincoln.

Mr. JONAS asked and was given permission to extend his remarks in the RECORD and include a resolution from the Assembly of the State of Illinois.

Mr. EATON asked and was given permission to extend his remarks in the RECORD and include an address by Governor Dewey of New York.

Mr. COTTON asked and was given permission to extend his remarks in the RECORD and include an address delivered by the gentleman from Washington, WALT HORAN.

Mr. ELSTON was given permission to extend his remarks in the RECORD and include an article by Lt. Gen. Leslie R. Groves, which appeared in the Washington Herald of June 19.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and to include extraneous matter.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include a copy of a letter.

Mr. McCULLOCH asked and was given permission to extend his remarks in the RECORD and include an article from the Cleveland Plain Dealer.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

REPAYMENT OF OVERCHARGES ON INSURANCE

Mr. PHILLIPS of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PHILLIPS of Tennessee. Mr. Speaker, as a member of the Veterans' Committee, I wish to state that in 1947 an investigation was made to determine if overcharges could be paid or returned to the veterans of this country. We are now told there are approximately $2,800,000,000 in overcharges that were collected from the veterans of this country which have not been returned to those veterans. I cannot think of any better thing that could be done by this Congress than to immediately release this great amount of money and to place it into the economy of America. While we are facing unemployment and while the veterans are having difficulty meeting their bills, they should have it now and not a year later.

The SPEAKER. The time of the gentleman from Tennessee has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

[Mr. HALE addressed the House. His remarks appear in the Appendix.]

AGRICULTURE'S NEW ELECTRONIC BRAIN

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, the Associated Press reported last night that there has been delivered to the Agriculture Department "a new electronic brain, bigger than an upright piano and looking like a panel of gymnasium lockers" which has already "started thinking big thoughts for the taxpayers."

We have now learned the worst.

Without question, this thinking machine has already begun work on the Brannan electronic farm plan. This new plan will do more than pay the farmer high prices for produce which will be sold to consumers at low prices with no visible increase in the taxpayer's burden. It will undoubtedly devise a method for growing wheat without planting any seeds, for producing milk without feeding any cows and for gathering wool without shearing any sheep.

When this plan is put into operation, the farmers can all retire to the cities, the consumers can move to cottages in the country, the Bureau of Internal Revenue will wither away and die, and the present Secretary of Agriculture can take a well-earned rest, secure in the knowledge that his replacement—the new electronic brain—is efficient, tireless, and scientifically incapable of the slightest error, political or otherwise.

ALABAMA SUPPORTS LAW AND ORDER

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BATTLE. Mr. Speaker, the gentleman from New York, chairman of the House Judiciary Committee, has appointed a subcommittee to investigate recent infractions of the law in Alabama. Since the gentleman from New York [Mr. CELLER] did not consult me about this investigation which will take place in my district, I feel it my duty to warn him that any political exploitation of this serious and regrettable situation will deter rather than facilitate justice.

It is my strong feeling that we in Alabama are entitled to an opportunity to take action on a local level and with the proper law enforcement authorities. Ill-considered action on the part of the United States Congress strengthens the hand of lawless groups because they thrive on outside intervention.

The best way that the Congress can help out is to stay out. If we were helpless to meet the situation or disinterested, it would be different. But our law enforcement officers, backed by a solid force of our citizens, are on the move. A citizens' Committee of Five Hundred has been formed to mobilize our entire community in support of law and order. Veterans' organizations, civic, religious, educational, and industrial groups have united behind the law for the purpose of cleaning house. The newspapers are leading the crusade for justice. These public-spirited groups and law enforcement agents have my full and complete support.

The sense of justice of our people has been greatly aroused. The State senate has just passed a measure by an overwhelming vote to outlaw the wearing of hoods and masks. It is felt certain that the State house of representatives will make this into law when it meets again next Tuesday. A special grand jury has made a careful investigation of the attack on the miners and mine operators which recently occurred 15 miles south of Birmingham. As the presiding judge brought out, this is the first armed violence in this area in more than 40 years. The grand jury has already returned 14 indictments and made 7 arrests in this instance.

I am in constant touch with the FBI and the Justice Department. I have just had a long talk with Attorney General Tom Clark who assured me of his active assistance if any violations of Federal laws are involved. Regardless of what action Congress may take, we in my district are determined to take whatever steps are necessary to clean our house and prevent such lawlessness in the future.

LOW-COST HOUSING RENTALS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, in the course of debate on the rule bringing H. R. 4009 to the floor, the distinguished minority leader the gentleman from Massachusetts [Mr. MARTIN] said—and this appears in the CONGRESSIONAL RECORD for Wednesday, June 22, page 8295—that families selected for the public housing contemplated under H. R. 4009—"must expect to pay $50 or $60 per month in addition to the Government contribution. No one unable to pay $50 could qualify. The Government subsidy would bring it down to this rental. People able to pay $50 a month should find little difficulty in getting a home built by private enterprise. It is the group who cannot afford to pay half that rent we should worry about. There is no relief in this bill for them."

Evidently, the distinguished minority leader was either mistaken or had not stuided carefully the provisions of the bill nor the report from the House Banking and Currency Committee.

Instead of the $50 or $60 rent stated by the gentleman from Massachusetts to be the minimum, H. R. 4009 will provide housing at an average rent of something under $30 a month including all utilities. This figure appears on page 19 of the report from the House Committee on Banking and Currency.

Thus, the provisions of H. R. 4009 would aid directly those families which the gentleman from Massachusetts is worried about. I wonder, in view of the fact that this bill does directly provide for those families that the gentleman is concerned about, if he will not support it. Furthermore, the amount of subsidy which is available will permit substantial numbers of families to be housed at rents from $10 to $15 per month including all utilities when their incomes are so low as to warrant such very low rents.

I believe that the distinguished minority leader may wish to correct the impression which he has given the House that no one unable to pay $50 could qualify. I know that the distinguished minority leader wishes to be fair.

EXTENSION OF REMARKS

Mr. BUCHANAN asked and was given permission to extend his remarks in the Appendix of the RECORD in 13 different instances.

Mr. RABAUT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. PRESTON asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and to include a newspaper article in each.

AMENDING THE FEDERAL FARM LOAN ACT

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 266) providing for the consideration of the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes (Rept. No. 902), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3699) to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico; to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee

shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[Mr. CHRISTOPHER addressed the House. His remarks appear in the Appendix.]

POST OFFICE DEPARTMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 239)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

No Federal activity touches more closely the daily lives of the people of this Nation than the postal service. It is not without reason that for many of our citizens the post office has come to symbolize the Federal Government. The manner in which the Government manages this service, one of the world's largest businesses, is necessarily a matter of direct and vital concern to every person in the United States.

We may justly take pride in the achievements of the Post Office Department. No other country furnishes a better or more varied postal service, and many other countries have used our postal service as a model. The magnitude of its operations may be seen from the fact that the Department in 1 year transports and delivers more than 40,000,000,000 pieces of mail and handles more than 800,000,000 transactions in such special services as money orders, collect-on-delivery mail, and postal savings. The Department has done its vast job well and the effectiveness of its operations is a tribute to the loyalty and know-how of its more than 500,000 officers and employees.

The achievements of the Department are all the more remarkable when it is considered that they have been accomplished despite a number of serious handicaps. Many of these handicaps are enumerated in the report of the Commission on Organization of the Executive Branch of the Government. Among the more important obstacles to the efficient administration of the Department noted by the Commission are (1) the maze of out-moded laws which stifle proper administration, (2) the lack of freedom and flexibility essential to the conduct of a business operation, and (3) methods of budgeting and accounting which are entirely unsuited to a business of the size and character of the postal service.

The budget and accounting procedures prescribed by law are particularly cumbersome. Currently, the postal service is operated under 58 separate appropriation items, each of which must be independently justified by the Department officials, reviewed and approved by the Congress, and apportioned for each quarter by the Bureau of the Budget. These individual appropriation items range in amount from $3,000 to over $600,000,000. Every dollar spent must be charged against a specific appropriation, and transfers from one account to another are permitted only within certain narrow limits. The procedures prevent the Department from operating any office as a fiscal unit with the result that the postal management, the President, and the Congress are unable to obtain a complete and accurate picture of postal operations.

The Post Office Department obviously can control its annual expenditures only within broad limits. As in the case of any other business, its expenses, and also its income, will vary in proportion to the demand for its services. However, unlike a private business, the Department cannot refuse to serve its customers. Consequently, attempts to place rigid and detailed limitations on specific activities constitutes a positive hindrance to sound management and efficient service to the public.

The Commission on Organization of the Executive Branch of the Government indicated that there are four principal objectives toward which improvements in the operations of the postal service should be directed. These are:

(1) Accounting, budgeting, and auditing procedures designed to improve management's control of the business.

(2) Flexibility of expenditures to meet fluctuating demands for postal service and varying conditions of operation on a Nation-wide scale.

(3) Reasonable freedom from restrictive laws and regulations governing contracts, purchases, and personnel practices.

(4) Administrative authority commensurate with responsibility.

I am in wholehearted agreement with the objectives set forth by the Commission.

Several steps are essential if we are to accomplish the above goals. I recommend as one of the first steps that legislation be enacted by the Congress to place the Post Office Department under the Government Corporation Control Act of 1945 so that it will have the benefit of the business-type budget, audit, and accounting procedures prescribed by that act. These procedures were specifically devised by the Congress to provide more satisfactory control over Federal activities of a predominantly business nature. This action will strengthen greatly the accountability of the Department to the President and the Congress. This type of budget and audit arrangements will make available to the President and the Congress for the first time the kind of information which is required to appraise accurately the effectiveness of the postal service and to establish adequate controls over its operations.

It will not be sufficient, however, merely to extend the provisions of the Government Corporation Control Act to the Department. As a corollary, the legislation should give to the Department the same degree of financial and operating flexibility as is now possessed by most Federal business enterprises. Such legislation is essential if the postal service is to be conducted on a businesslike basis. It is an axiom of sound administration that authority should be commensurate with responsibility. No authority of management is more important than that of selecting the personnel who are to operate the business. If the Postmaster General is to be held responsible for the efficient conduct of the postal service, he should be given full authority to appoint postmasters and other postal employees subject only to the provisions of the Civil Service and Classification Acts. Legislation should be enacted which will give such authority to the Postmaster General.

In order to strengthen further the management of the Post Office Department, I have transmitted a reorganization plan to the Congress. This plan gives to the Postmaster General essential authority to organize and control his Department by transferring to him the functions of all subordinate officers and agencies of the Department. It also provides for the establishment of the position of Deputy Postmaster General, and an Advisory Board for the Post Office Department. These measures are essential to furnish the Postmaster General with much-needed assistance and to make available to him the advice of outstanding private citizens.

Legislation is now before the Congress which would authorize the Postmaster General to establish a research and development program. The investigations and studies under this program would be for the purpose of improving and introducing new equipment, methods, and procedures in the postal service in order that the business of the Post Office Department may be more efficiently and economically handled. Such a research and development program will contribute significantly to the improved operation of the postal service. I urge that the Congress act favorably upon this legislation.

The postal deficit for the fiscal year 1950, on the basis of current postal rates, would be more than $400,000,000. This deficit results primarily from the volume of postal business which is carried below cost. If the postal service is to be conducted on a businesslike basis, it is essential that the postal rates be brought in line with the increased costs of postal operations. I again strongly urge, as I have in previous messages during the past 2 years, that the Congress enact an adequate revision of the postal-rate structure.

I believe that Reorganization Plan No. 3 of 1949, submitted earlier this week, together with legislation along the lines herein recommended, will enable the Government better to make substantial improvements in the existing organization and operations of the Post Office Department.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 24, 1949.*

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 113]

Andresen, August H.	Jackson, Calif.	Plumley
Bland	Jennings	Potter
Boykin	Kearney	Powell
Buckley, N. Y.	Kearns	Rivers
Bulwinkle	Kee	Roosevelt
Cavalcante	Keefe	Sabath
Celler	Kennedy	Scott, Hugh D., Jr.
Clevenger	Kruse	Secrest
Cunningham	Lane	Staggers
Dingell	Lichtenwalter	Taber
Fulton	Lodge	Taylor
Gavin	McMillen, Ill.	Thomas, N.J.
Gilmer	Macy	Thompson
Hall, Edwin Arthur	Miles	Towe
Halleck	Morrison	Whitaker
Hart	Morton	White, Idaho
Hébert	Moulder	Withrow
Hoffman, Mich.	Murdock	
Horan	Murphy	
Huber	Pfeifer, Joseph L.	
	Philbin	

The SPEAKER. On this roll call, 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mrs. DOUGLAS asked and was given permission to revise and extend the remarks she will make in the Committee of the Whole today and include certain letters and material relating to the housing bill presently being considered.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain quotations.

RURAL TELEPHONES

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 267, Rept. No. 903), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2960) to amend the Rural Electrification Act to provide for rural telephones, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PROGRAM NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I ask the majority leader if he can tell us the program for next week?

Mr. McCORMACK. I will be glad to do so, but before taking up the program for next week may I advise the Members that at 4 o'clock this afternoon the third deficiency appropriation bill will be taken up for consideration.

Mr. MARTIN of Massachusetts. Which means that the bill we are presently considering will go over until next week?

Mr. McCORMACK. Yes. For Monday, Tuesday, Wednesday, and Thursday the program is bracketed.

On Monday, District day, there is one bill, H. R. 4705, to be considered. I understand this will take only a short time.

After consideration of that bill is concluded the housing bill will be taken up and consideration continued until that bill is disposed of.

I may say that it is very important for Members to be here on Monday because the housing bill will be considered under the 5-minute rule. General debate will probably conclude this afternoon and the bill will then be read under the 5-minute rule. We want to dispose of this bill as quickly as possible without undue rush.

After conclusion of consideration of the housing bill, the next order of business will be the bill H. R. 2960, the rural telephone bill, then H. R. 3191, which has to do with compensation to injured United States employees. The next is H. R. 3699, the Puerto Rican farm loan bill, and then H. R. 2619, which extends annual and sick leave benefits.

Of course, conference reports will always be given the right of way.

Mr. MARTIN of Massachusetts. The gentleman understands, of course, that the following week will be Fourth of July week, and if I may ask the gentleman, without embarrassing him at all, I would like to know what will be the situation with reference to adjourning over?

Mr. McCORMACK. I am glad my friend asked the question. It is not embarrassing, and I will make a commitment to the House. It is my intention to have no business on Friday of next week. We have to meet Friday just to adjourn over until the following Tuesday, Fourth of July being the following Monday. On Monday ordinarily the Consent Calendar would be called, and the Private Calendar on Tuesday. I am going to ask unanimous consent that both the Private and the Consent Calendars be called on Wednesday following the Fourth. On Tuesday there will be legislation, but not of a controversial nature, and I will make an agreement, so far as the leadership on both sides is concerned, that if there is a request for a roll call that day, we will put it over until Wednesday, if that is agreeable.

Mr. MARTIN of Massachusetts. That is agreeable.

Mr. McCORMACK. That is the plan I have in mind as to the legislative program for next week.

Mr. MARTIN of Massachusetts. I thank the gentleman.

CONSENT AND PRIVATE CALENDARS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Consent and the Private Calendars may be called on Wednesday of the week following the Fourth of July.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOUSING ACT OF 1949

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Kentucky [Mr. SPENCE] had 32 minutes remaining, and the gentleman from Michigan [Mr. WOLCOTT] had 34 minutes remaining.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. KARSTEN].

Mr. KARSTEN. Mr. Chairman, when all our argument has ended, when the debate is done, and the vote is ready to be taken on this housing bill, there is and can be only one issue, one question that we must face and decide. Are we going to begin to reduce and clear our slums and provide decent housing for low-income families?

If we pass this legislation, we will have a program that can reduce slums and provide low-income housing. If we do not pass this bill, the slums must stand and grow, and millions of men, women, and children of low income in this country will be doomed to wasteful, unnecessary, and disgraceful conditions of life.

We all know that is true. To vote against this bill is to vote for nothing. Nothing will be done if we fail to do our part now. There is no alternative.

But, fortunately, this bill offers a very effective, a well considered, and a practical, sound, and economical method of going about this job.

Public housing and slum clearance are properly set out as separate and distinct operations. Yet they are also properly combined in the same legislation as companion and complementary programs.

We should know by now that clearing slums means more than eliminating a group of structures. It means, first of all, providing for a group of people.

Those who blithely say if the cities would only enforce their health and building laws, the slums would come down, ignore facts, ignore experience, and ignore common reasoning. Such thinking is shoddy mental housekeeping that just will not work. You cannot unhouse people if you do not rehouse them.

City after city throughout the country has been balked in its efforts to prevent the spread of slums by the cold fact that there is no place else for the people to live. When recently public attention was dramatically called to the slums that are almost within the shadow of the Capitol, one plain, hard fact emerged from that situation. That was—you cannot do anything about those slums until you are ready to do something about the people in them. And there just is not any other housing for most of them today.

This same lesson is stated in the 1948 report of the Philadelphia Redevelopment Authority, which says:

> During the current critical housing shortage it would be virtually impossible to provide shelter for displaced persons whose homes would be torn down to make way for improvements * * * it has been almost impossible for the redevelopment authority, or any other agency, to begin the demolition or elimination of residential units, regardless of their substandard condition. Any roof—even a bad roof—must remain a shelter in this time.

The mayor of the city of Baltimore, which has made an aggressive effort to try to remedy slums through ordinances, has testified in unmistakable terms that such measures as the Baltimore plan can accomplish little without public housing and Federal aid in urban redevelopment.

But we need public housing also for the sake of the people who need decent homes. One-fifth of our families have incomes of less than $2,000. And you can't buy decent housing and live at that price today.

We know already what good housing can mean to such people who are otherwise condemned to the slums. We have had a limited experience in this field under the earlier public-housing program, through which 172,000 dwelling units have been provided.

All of the efforts to misrepresent and malign what has been done by communities throughout the country under this program cannot erase the fact that families who live in public housing have found new lives, their children have been given a new outlook on life, their health and their citizenship has immeasurably improved. Record after record of these projects show the remarkable results in lowered delinquency and crime rates, in greatly improved health records, in more secure family and community life that has resulted in better incomes and greater hopes.

We have established in our communities since that program began some 450 local housing authorities with experience and knowledge of how to administer such a program. These authorities have not only carried out responsibilities in low-rent housing, but they served the Nation well in the tremendous task of providing war housing. Their record will stand.

They have provided sound and economical housing for families, particularly for larger families. They did this at an average prewar development cost of $4,649, well under the maximum permitted by law. The projects are simple, well planned, yet designed for healthful and wholesome family living. Their occupants include a great many families, as high as 25 percent in some localities, who are dependent on public relief for their small income, but they include primarily otherwise self-sufficient low-income families who also cannot afford decent private housing and whose needs are as great.

No more false and unjust attack has been leveled at public housing than the cry of those who oppose any housing relief for low-income families on the grounds that public housing has not been serving low-income needs. This is simply not so. The average income of families admitted to low-rent housing last year is just under $1,500 a year, and the average income for all public-housing occupants is less than $1,900. This includes those over-income families whose incomes have risen during the war and who are being progressively moved out as housing within their means becomes available. Yet opponents have attacked public housing for not putting these families who have bettered their economic position, out in the streets, though such critics knew full well that there was no place for them to go. Congress itself prevented such evictions until last summer.

We need public housing, also, if we are to achieve a well-rounded and continuing level of housing production and make the important contribution to our general economic level that must come from this source. We see home-building today dropping off before it has even achieved the rate of performance we need today because people of moderate and lower incomes can't afford the housing that is being built. We see producers of building materials cutting back production, and laying off workers, because of their rising inventories and the slowdown of the flow of materials into home-building.

We see our home-building economy going into reverse at a time when our housing problem is still critical, particularly among people of average and below-average means. This is the stern lesson of what will happen and is even beginning to happen now if we continue to limit our housing market to those of higher income, and fail to broaden it by combined private and Government action to serve our whole people, as this bill would help us to do. Public housing, which will serve the market that private enterprise has no prospect of reaching, is a vital part of our economic strength in housing production. It means employment in the construction, architectural, and materials field that we have no other means of getting. If we want to be coldly businesslike about this matter, public housing is sound and necessary business.

The facts add up to just one thing: This bill provides an effective answer, and without this bill we do not have an answer. You cannot argue away that fact by placing false names and labels on public housing and slum clearance. It may be someone's idea of socialism, but it would be a shocking admission to say that democracy is incapable of providing this type of vital assistance to its people. You can hardly convince millions of people that democracy is the best way of life when the landlord stands on the rickety stoop of a slum with his rent money in his hand and points to the inviting and decent public housing project across the way, and says to the slum dweller: "You see that? That's socialism."

This bill, which brings national resources through the Federal Government to the assistance of responsible local communities and which gives private enterprise the prime role to serve the housing need to the fullest extent possible, is as democratic as our Bill of Rights. Democracy is not a muscle-bound giant. Democracy is doing. Democracy is good housing. Through this bill we can express our confidence and faith in what a democratic nation can do for its people.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. SULLIVAN].

Mr. SULLIVAN. Mr. Chairman, there is one point of view which looks upon housing as merely a domain for the investment of capital; another point of view which looks upon it also as an investment in good citizenship. Between these points of view there are inevitable clashes. I subscribe to the theory of good housing as an investment in good citizenship. For this reason, in my opinion, the proposed Housing Act of 1949, H. R. 4009, is one of the most important and epic measures which will come before us in this Congress.

This bill is important because it deals with the very root of American democracy, the home. I know of no single factor in our society that has more to do with shaping the American way of life than the homes our people live in. The home is where the workingman finds the reward for his toil. The home is the environment in which the housewife carries out her honored tasks. The home is where children—the boys and girls who are the keepers of the future—learn the hopes and ideals which we hold most precious.

Each of us can look back into memory and recall what home has always meant. Today we must look around and make a clear-eyed appraisal of the homes America lives in. We need only open our eyes to see on every hand that thousands of American families are existing today in homes that fall below the standards we all agree are essential to maintain the vitality of the democratic way of life.

Let me tell you something about housing in St. Louis, the city I know best. In years past, I have been privileged to learn a lot about my city. I have had a part in its municipal government. I think I know the city's beauties and its virtues. I also know its deficiencies and shortcomings.

It is no reproach to my city to say that St. Louis is suffering from a cancerous disease. It is rotting with blight and decay. Thousands of its families bear the mark of life in the slums. These are harsh words. But they are not a reproach to St. Louis because the same thing is true in every American city.

About a year and a half ago, a joint committee of Congress investigating the housing situation held a hearing in St. Louis. The mayor of the city went before that committee and told them that St. Louis was failing to meet its housing need. For 15 years before the war, he said, marriage licenses had outrun building permits. The war only made things worse. Three years after the end of hostilities, nearly 13,000 families of war veterans were still desperately looking for a place to live.

But that was only part of the story. The city plan commission had even more startling things to report. Its studies revealed that more than half of the city's residential area was obsolete or blighted. Fifty percent of the city's housing was in a state of decay. Eighty-two thousand dwellings—more than a third of all those in the city—were built half a century ago. The only sanitary facilities available for 33,000 dwellings were noisome, disease-breeding outside privies. The families in 25,000 dwellings had to share their toilet facilities with other families.

This sounds like something out of the black ages. But it is the description of a great, modern city in America, the richest and most powerful Nation in the world. It is also a description of how much a city has at stake in the kind of legislation now under consideration by the House.

St. Louis has a primary interest in two of the four titles of the bill, that dealing with slum clearance and urban redevelopment and that concerned with extending the present Federal program of assistance to localities for development of low-rent public housing projects for low-income families.

This is not to say that we feel the other sections of the bill are of no concern to us. Surely the provisions relating to housing research, directed as they are at finding ways to produce better housing at a lower cost to the consumer, are of vast importance. They can be a tremendous help to the private construction industry, which must carry the lion's share of the burden in housing America. The farm-housing provisions, too, are worth while. We know that the well-being of our cities rests fundamentally on the well-being of our neighbors on the farms.

I stress the slum clearance and public housing features of the bill only because they are a little closer to our everyday lives and because I know that they will produce early benefits to St. Louis.

We in St. Louis know what public housing is. We have seen it work, and we know it is good. We have two low-rent projects in operation now, Carr Square Village and Clinton-Peabody Terrace. Together, they provide bright and livable homes for more than 1,300 low-income families who otherwise would be obliged to live in the squalor of the slums.

These projects were built and are operated with the Federal aid provided by the United States Housing Act of 1937. But they are not Federal projects, they are not Government housing. They are owned and managed by the St. Louis Housing Authority, a local public body. Its commissioners are respected leading citizens of the city. We are proud of the housing authority and the work it has done.

Its only fault is that its activities are so limited. We need more projects like Carr Square Village and Clinton-Peabody Terrace. Another project of more than 600 units was planned before the war but never built. It cannot be built now because the existing law limits costs to levels that were reasonable 12 years ago but ridiculous today. The land for this project is ready and waiting. When the Congress enacts the Housing Act of 1949, we can convert our blueprints into homes.

Nor is this all the public housing feature of the bill will mean to us. Some years ago, St. Louis studied its need for low-rent public housing and came to the conclusion that it needed at least 12,000 more units to meet its pressing needs.

We are still waiting for the tools to do this job. The families who need the homes are waiting, too. They are waiting in the slums for us to act.

I have heard it said that we ought to go slow on this matter. I have heard it argued that we cannot afford to spend the money we must to clear out the slums and restore the dying portions of our cities to life. We must hesitate, it is said, in the name of economy.

What kind of economy is it to let the tax base of our cities melt away as blight spreads? What saving is there in the constantly mounting costs of police protection, fire protection, and health and welfare services which now must be provided to the victims of the slums?

Unless we do something about removing slums, we will go on spending, spending, spending to foot the bill for the slums. And when the last penny is spent, we will still have slums.

We have waited too long already. I am told it has been 10 years since a public housing bill has come to a vote in the House. There has never been a vote on an urban redevelopment measure. In the meantime, the costs of the slums go on. They provide no tax revenue for a city. They provide nothing but expense. As long as we do nothing about getting rid of slums, we have no choice but to continue pouring this money down rat holes. And when you speak of rat holes in connection with slums, you mean real rat holes, not figurative ones.

I rejoice that this body will soon have the opportunity to take a constructive step toward putting an end to the disgrace of the slums. I know that thousands of families, all over the Nation, are praying that they may have help in obtaining a decent home for themselves and their children. They ask so little, only their share of the American dream. Our decision on the housing bill can help make that dream come true.

Mr. SPENCE. Mr. Chairman, I yield such time as she may desire to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Chairman, I am not going to make a long speech on the need for the housing legislation before us. I think everyone knows how I feel about slum clearance and a comprehensive housing program. The need for this legislation has been irrefutably presented by the members of the Banking and Currency Committee. I think it is well known that I have urged the passage of this legislation ever since I came to Congress and that I have worked and fought for its passage.

Mr. Chairman, indeed this is a great day. It is the first time since I have been a Member of this body that I can sit relaxedly and thoroughly enjoy the discussions, knowing for certain that the bill before us will pass with a comfortable margin.

I shall not burden the committee with statistics and figures that have been presented over and over and over again. For the past 6 years, investigations, surveys, and reports have been made by the Congress of the United States.

The provisions in the bill before us have been passed in three successive Congresses by the other body. The bill was first introduced in the Seventy-ninth Congress and was known as the Wagner-Ellender-Taft bill.

In the Eightieth Congress it was known as the Taft-Ellender-Wagner bill. I do not know what it will be known as in the Eighty-first Congress. There are 26 sponsors in the Senate—in the House we call it the Spence bill.

The slum-clearance provisions in this bill that have been so hotly discussed were passed in the 1937 Public Housing Act—legislation conceived, drafted, and passed by the Democrats.

We hear a great deal about the Senator from Ohio [Mr. TAFT] these days. I think it is a fine thing that he has supported this legislation in three Congresses, but let us not forget that a decent home for every family in America has been for a long time a Democratic goal. The father of slum clearance was Franklin D. Roosevelt.

Let us not be ashamed of the fact that the home is the foundation of democracy. Let us be proud of the fact that our party, in seeking the goal of a decent home for every family in America, has stood with the churches, with the civic organizations, with all those who know their own community—know how people live, not just in their section of the city, not just on their farm, but their whole community.

Let us be proud of the fact that we have been able to see the needs of the whole community.

Let us be proud of the fact that we have eyes to see and ears to hear and senses to feel.

On the last day of the Eightieth Congress, at 4:30 in the morning, I sat on this floor and watched with anguish the blind forces of reaction—a polite word for sightless greed, Mr. Chairman—kill the slum-clearance and public-housing and farm-housing provisions of the bill before us.

As I sat there, I again heard the words of Dr. George Uhl, chief health officer for the city of Los Angeles, bluntly state "animals in the zoo have better housing than some of Los Angeles' human residents."

I heard again the Los Angeles Superior Court judges give, as their considered opinion based on the hearings of thousands of cases, that Los Angeles' fantastic divorce rate—five divorce actions to every six marriages in 1946—was in large measure attributable to the dire lack of housing in which families could be reared in some degree of decency and permanency.

While listening to the tirades on socialism and communism, I again saw a one-room corrugated iron building, housing over 60 persons. I again saw an ancient, rat-infested, 14-room building in which 71 persons lived. I again saw people actually living in packing cases; in abandoned warehouses, with no water, no toilet facilities. I again saw people living in semidemolished buildings; in junked truck bodies; and I again saw as many as 19 people eating and sleeping in shifts in a single hotel room.

As the threadbare arguments were spun out that last night of the Eightieth Congress "that there are no slums in my city," "that if we just let private enterprise alone it will do the job," "that to pass a slum-clearance program is turning our backs on democracy, robbing Americans of their initiative and undermining family life," as I heard these spurious arguments I saw again the juvenile courts; the reform schools for children; the hospital wards, overcrowded with patients from bad-housing areas.

That last night of the Eightieth Congress I thought of the words of the One Hundred and Fifteenth Psalm:

> They have mouths but they speak not; eyes have they, but they see not;
> They have ears, but they hear not; noses have they, but they smell not;
> They have hands, but they handle not; feet have they, but they walk not.

The voters must have felt somewhat the same on November 2 when they cast their ballots as I felt that night; for the atmosphere is now changed in the Eighty-first Congress of the United States.

This legislation will pass. The majority of the Members understand that this bill is socially desirable and economically sound and politically desirable—politically desirable because good housing strengthens the roots of democracy.

Mr. Chairman, I would like to read into the RECORD a telegram I received from the Republican mayor of our city, the Honorable Fletcher Bowron, and a copy of the telegram sent to Senator HUMPHREY when this bill was before the other body:

LOS ANGELES, CALIF., *June 17, 1949.*

Hon. HELEN GAHAGAN DOUGLAS,
Member, House of Representatives,
Washington, D. C.:

Strongly urge your support H. R. 4009 scheduled for House debate Tuesday. This bill affords Los Angeles only opportunity to launch effective community redevelopment program. Both title 1 providing funds for redevelopment and slum clearance and title 2 providing funds for housing families displaced by redevelopment program are absolutely necessary. This legislation will enable Los Angeles to convert blighted tax liability areas into community assets. May I urge you oppose all emasculating amendments.

FLETCHER BOWRON, *Mayor.*

Hon. HUBERT H. HUMPHREY,
United States Senator, Senate Office Building, Washington, D. C.:

Regarding your telegram concerning Senate bill 1070, today Los Angeles experiences housing shortage equal or greater than that immediately following war, particularly for lower income groups. We estimate 88,000 families in city are homeless or in transient facilities or doubled up with others. This figure in addition to 73,000 families estimated to be living in substandard dwellings. Recent survey vacancies in this area considerably less than 1 percent. This confined exclusively to higher rentals. Practically no available housing in low or medium income brackets. Vacancies available for wage earners at this time average $77 to $110 monthly. Most vacant houses exclusively for sale. Study by Los Angeles City Planning Commission shows slum areas costing city five times more for fire, police, and health services than required in normal housing areas. Juvenile delinquency in slum area varies from 5 to 60 times higher than city average; tuberculosis rate 5 to 8 times higher; venereal diseases 13 times higher than city average. Los Angeles needs absolute minimum 10,000 units low rent housing.

FLETCHER BOWRON, *Mayor,*
City of Los Angeles.

Why is it that this Republican mayor does not feel as some Republicans do that private enterprise can do the job?

The lie that California can clean and remedy its slums is best answered by the 1909 Report of the Housing Commission of the City of Los Angeles recently discovered in the city archives.

In this report, actual photographs are presented of slum buildings which continue to stand 40 years later in 1949. In other words Los Angeles as one city in California has had a slum problem at least as far back as 1909 and has been totally unable to cope with the problem until the passage of the United States Housing Act of 1937.

The mayor of Los Angeles supports this housing bill because he knows from the 10th annual report of Los Angeles City Housing Authority, that in the city of Los Angeles alone, intermixed and cramped in among several hundred important industrial plants, are 5,008 units of bad housing. The area comprises 1,928 acres of the city's most valuable industrial and commercial land. Less than 40 percent is being effectively utilized today. The balance is wasted by bad housing.

He knows that downtown Los Angeles has from 12 to 19 times more population than the city average; as much as 60 times more delinquency than the average good housing areas; the highest felony rate and is the recognized focal point from which social disease spreads throughout the city.

He knows that the taxpayers in the good housing areas of Los Angeles are charged for the excessive costs of maintaining the bad housing areas.

Out of every tax dollar collected from the good housing area of the city, only 32 cents is required in that area for normal fire, police, and health protection services.

For every tax dollar collected in the bad housing area not only the full dollar is spent but a tax subsidy of an additional 67 cents is required to pay for the inordinate costs for fire, police, and health protection.

He knows that freeway construction to relieve traffic congestion in Los Angeles is a necessity. For 3 years construction progress has been painfully slowed by hundreds of units of obstructing bad housing. In a 1-mile section of the stalled harbor freeway, for example, there are 2,151 units of predominantly bad housing. In the balance of this freeway there are estimated to be 4,400 additional units of housing, a substantial number of which are bad housing.

Other public improvements are likewise retarded: The tentative site of Los Angeles' new civic auditorium contains 847 units of bad housing. The site of the board of education's administrative center incorporates an estimated 100 units of bad housing; additional space needed by the department of water and power, the city's prime supplier of utilities, is checked by 738 units of the worst housing in Los Angeles.

The mayor knows that every major epidemic in Los Angeles has germinated in areas of bad housing. Workers living in bad housing carry disease to all business, shopping, and residential districts of the city.

In 1946 Los Angeles was threatened with a major postwar outbreak of diphtheria. The epidemic began in bad housing on Bunker Hill. When 31 lives were lost in Los Angeles from bubonic and pneumonic plague the flea-carrying rats were traced to bad housing surrounding the northern end of the downtown shopping district.

Mr. Chairman, no wonder this bill is supported by the Catholic Welfare Bureau of the archdiocese of Los Angeles. I read from the letter sent to me by Rt. Rev. Msgr. Thomas J. O'Dwyer, archdiocesan director of charities:

THE CATHOLIC WELFARE BUREAU,
ARCHDIOCESE OF LOS ANGELES, INC.,
Los Angeles, Calif., May 23, 1949.

MY DEAR CONGRESSWOMAN: About four weeks ago I wrote you regarding the Housing Act of 1949. I urged you to give your wholehearted support to S. 1070 and a similar measure before the House of Representatives.

The overwhelming vote in support of S. 1070 in the Senate was most gratifying to the citizens of California who have been

striving for decent housing in urban and rural areas for many years.

It was gratifying to learn that H. R. 4009 has been approved by the House Committee on Banking and Currency. Reports indicate that this measure may be voted on next week.

The representative of all religious denominations, labor groups, veterans organizations, clubs, in California and throughout the country are confident that you will endorse H. R. 4009. We have waited for nearly seven years for action on a sound and comprehensive housing program for the Nation.

As you know, H. R. 4009 would provide decent housing for families who cannot now afford it and aid in clearing slums that are a menace to family life and draining taxes from city and county treasuries. Passage of this measure will mean building of rental housing at a time when the only housing available is for sale. It will result in relieving serious overcrowding among lower income families. More than 3,000,000 families are now living with relatives.

This measure will provide aid to marginal farm families and assist them in developing a decent farm life. It will strengthen family life. Good housing is essential for good citizenship.

H. R. 4009 is a bipartisan bill and the only groups opposing this legislation are selfish interests who want to continue their high prices and high profits without regard to public welfare.

I trust you have read the testimony presented to the above-mentioned House committee by an outstanding Catholic leader. I refer to the statement made by Rt. Rev. Msgr. John O'Grady, Secretary of the National Conference of Catholic Charities. He has given information which he has gained first-hand from visits to hundreds of cities, large and small, throughout the Nation. In his statement he expresses the mind of the Catholic clergy and laity throughout the United States. His statement has been endorsed by leaders of many other religious denominations as well as by leaders of organized labor and veterans groups. I am counting on your support for H. R. 4009. May I hear from you.

Sincerely yours,

Rt. Rev. Msgr. THOMAS J. O'DWYER,
Archdiocesan Director of Charities.

Mr. Chairman, this bill is supported by the California League of Women Voters and I would like to read a telegram from Pauline M. C. T. Ploeser, president of the California League of Women Voters, and a letter from Anna Lord Strauss, president of the League of Women Voters of the United States:

BERKELEY, CALIF., *May 25, 1949.*

Hon. HELEN GAHAGAN DOUGLAS,
House Office Building,
Washington, D. C.:

Essential to solve housing problem. Our growing State needs better housing. Veterans being urged not to come to California because of housing situation. Redevelopment plans need financing. Slum conditions worse than before war. Evictions causing hardships. California League of Women Voters urges your favorable vote on H. R. 4009.

PAULINE M. C. T. PLOESER,
President, California League of Women Voters.

LEAGUE OF WOMEN VOTERS
OF THE UNITED STATES,
Washington, D. C., June 20, 1949.

Hon. HELEN GAHAGAN DOUGLAS,
House of Representatives,
Washington, D. C.

DEAR MRS. DOUGLAS: The substance of the national housing bill, H. R. 4009, which is now before the Members of the House of Representatives for consideration, has been the object of many years of study and deliberation both inside the Congress and out. A similar bill (S. 1070), with wide bipartisan support, was recently passed for the third time by the other body of Congress by overwhelming vote.

We in the League of Women Voters have been supporting this legislation since 1945. We are disturbed by one of the arguments now being circulated by the opponents of the measure, namely, that for reasons of economy the United States should not undertake a housing program at this time.

The large national debt and the need for curtailing governmental expenditures wherever possible are indeed matters of great concern to all of us. Every authorization of Federal funds must, in our opinion, be weighed in terms of its contribution to the safety and well-being of the Nation.

It is recognized that the country must be kept strong from a military standpoint and Congress, with the consent of the people, makes available billions of dollars for this purpose. Some expenditures must also be made, in our opinion, to assure a citizenry morally and physically strong and devoted to its institutions. We must demonstrate before the world that within the democratic form of government the basic needs of living can be attained. Of these, housing is one of the most important.

Some who in previous years opposed the housing bill as inflationary are now opposing it on the grounds of economy. We think the bill should be judged primarily on what it does to fill a basic need of our society. Another major consideration is what effect enactment of such legislation will have on the economy. On this basis, a period of economic recession is a particularly appropriate time for enacting a housing program. Such a program can make a substantial contribution toward a more stable economy by employing labor and increasing the national wealth.

Unfortunately, the cost of the program has often been misrepresented. The facts are that no appropriation (except for administrative expenses and a small amount for the farm housing program) will be required for fiscal 1950. Thereafter, the cost of contributions and grants will increase gradually over a 5- or 6-year period and finally level off at about $300,000,000 a year for an estimated period of about 30 years.

According to the official communication of the Bureau of the Budget, inserted in the Appendix of the CONGRESSIONAL RECORD, page A3585, instead of requiring total contributions of $16,000,000,000 for the low-rent housing program, a reasonable estimate of the total amount actually required for contributions would be $9,000,000,000 to $10,000,000,000 over the life of this program; to which would be added the contributions for slum clearance and farm housing, totaling somewhat over $500,000,000.

We know you will want to make your decision as to your vote on H. R. 4009 on the basis of facts and in the interest of your constituents and the country as a whole. We feel confident that on both of these counts the housing bill merits your support.

Sincerely yours,

ANNA LORD STRAUSS,
President.

Mr. Chairman, I would like to read into the RECORD two telegrams I have received, one from the Pasadena Citizens Committee on Housing, Gordon Terrace, Pasadena; and one from the San Mateo County division of California Housing Association:

LOS ANGELES, CALIF., *June 21, 1949.*

Hon. HELEN DOUGLAS,
House Office Building,
Washington, D. C.:

HINSHAW urged by many constituents to support H. R. 4009.

PASADENA CITIZENS COMMITTEE
ON HOUSING.

REDWOOD CITY, CALIF., *June 20, 1949.*

Congresswoman HELEN GAHAGAN DOUGLAS,
Washington, D. C.:

San Mateo County division of California Housing Association and many other organizations have wired JACK ANDERSON and also urge you enlist all possible support for Public Housing bill.

FRANK ROSE AND
ONA F. HOULAHAN.

Mr. Chairman, the following two editorials from the Fresno Bee, Fresno, Calif., dated June 20 and 21, 1949, speak for themselves:

[From the Fresno (Calif.) Bee of June 20, 1949]

PEOPLE CANNOT BE HOUSED BY MEANINGLESS CLICHES

President Truman's denunciation of the real-estate lobby was well-timed to coincide with congressional consideration of low-cost housing legislation.

This lobby which purports to speak for the real-estate business—a claim which is open to some doubt—is out to beat the legislation by various means, principally by propaganda and direct pressure on Congress.

The President, who is as right as rain in his statement the country must have more low-cost housing units, understandably is annoyed by the tactics of this powerful lobby, which he has denounced on several occasions.

In a 4,000-word statement sent to Congress, President Truman said:

"There is a little group of ruthless men, claiming to speak for the members of these industries, who spend their time attempting to block progressive housing legislation. By letters, circulars, and paid advertisements, they continue to spread their misstatements, hoping people will eventually accept them as true."

Only one who is completely oblivious to reality could deny that hundreds of thousands of American families still lack adequate, healthful housing, and will be unable to obtain it in the foreseeable future unless it is provided for them by government.

The unconscionable position of the real-estate lobby is that, in exerting every effort to defeat public housing legislation, it proposes no alternative by which these families can be housed.

What are they to do?

Is the real-estate lobby completely callous to their plight?

The Senate recently passed a housing measure. It was sponsored by 11 Republicans, including Senator TAFT, of Ohio, and 11 Democrats, including Senator DOUGLAS, of Illinois.

The fact the housing bill brought together such diverse political and economic thinking as is represented by TAFT and DOUGLAS is the best indication of the urgent need of public housing.

But in the House, unfortunately, a bipartisan coalition of Republicans and southern Democrats has been organized to try to smother the legislation.

[From the Fresno (Calif.) Bee of June 21, 1949]

PROMISE OF HOUSING

Anticipated action by the House of Representatives this week on legislation to relieve the housing-shortage situation is of especial interest to thousands of Fresnans awaiting a chance to enjoy decent abodes at rates they can afford.

A survey only last month revealed the city needs at least 1,000 more dwellings for lower-income-group families.

And, more recently, the city of Fresno and Fresno County housing authorities reported the situation will be worsened by discontinuance of the Calwa and Southern Pacific trailer camps projects.

The skeptics about proposed Federal aid and the actual need for relief should get some first-hand information.

It requires only a casual tour to convince any unselfish observer that all too many people here are in trailers, tents, and other make-shift quarters.

Newly built homes are plentiful, of course, but generally for sale at prices a great number of would-be buyers cannot meet. And as for rental properties, scarce as they still are, prices likewise are beyond the reach of many would-be tenants.

The remedy, under the circumstances, obviously is governmental assistance such as was given and which proved so helpful when the existing local low-cost-housing projects were constructed.

There is good reason for satisfaction because the Rules Committee sent the administration's housing legislation to the floor for a vote.

A proper show-down on the same issue was thwarted during the last session when the committee bottlenecked a similar proposal.

It is to be hoped the changed procedure will assure a measure of relief for many harassed Fresno homeseekers.

Mr. Chairman, the following is a copy of a letter sent to the gentleman from California [Mr. WELCH], together with copies of letters sent to the housing authority of the city of San Francisco and President Truman; also a letter from the board of Christian education of the Presbyterian Church in the United States of America:

SAN FRANCISCO PLANNING
AND HOUSING ASSOCIATION,
San Francisco, Calif., June 17, 1949.

The Honorable RICHARD J. WELCH,
House of Representatives,
Washington, D. C.

MY DEAR MR. WELCH: In connection with the floor debate next week on the housing bill, H. R. 4009, I believe you will find helpful a few current facts on the public-housing program in San Francisco.

With the opposition placing so much emphasis on fallacious arguments of economy, it is pertinent to mention just what public housing means to our communities in terms of dollars and cents. In some 9 years of operation, the San Francisco Housing Authority has paid to the city in lieu of taxes an amount just under $2,000,000. (This includes the permanent low-rent program as well as the deferred projects for which land has been purchased, and the temporary war-housing and veterans' war-housing developments.) If the sites on which the projects are located had remained in their pre-public-housing condition, the city would have collected only $89,919.47 in taxes based on the assessed valuation. The permanent public-housing projects alone represent more than half a million dollars of the $2,000,000 payment mentioned.

In contrast with this, the city housing authority has operated its projects without 1 cent of rent subsidy. It is true that some of this, but by no means all, was due to the conversion for a time to war-housing purposes.

The San Francisco Housing Authority along with the housing authorities throughout the Nation is following systematically the edict of the Housing Act of 1949 (Public Law 901) which permits the eviction of overincome families. Each month 30 overincome families receive eviction notices. These notices are based on the highest ineligibility and special attention given to disabled veterans or other handicapped persons to avoid extreme hardship.

Despite the presence of some overincome families the average income of families living in these low-rent developments is $2,659. Average income of tenants being admitted to the projects as of March 1949 is only $1,550. Some rents are as low as $13.50 per month with an average shelter rental of $26.42.

One of the alarming facts about our housing situation here is that the rate of applications filed has accelerated some 25 percent since the beginning of the year. Families are applying for public housing at the rate of 560 per week—these families earn an average of $1,500 per year. Signs of the housing problem are manifest in the tenant turnover in these low-rent units—slightly more than 1 percent per month, the lowest in the history of the authority's operations. You will find of interest copies of letters selected at random from the hundreds on file at the local housing authority.

Because of the real estate lobby soliciting from the man in the street I asked the housing authority to supply me with these letters from its files.

Before describing the San Francisco real estate market, I would like to bring to your mind again the SFPHA study Blight and Taxes published in 1947. This study you may remember showed that the 41 blocks of blighted area in the Geary-Fillmore section costs 12 times as much to maintain (in terms of police, health, fire protection, juvenile delinquency, and related services) as the 53 blocks in the Marina, a standard residential district. The average Geary-Fillmore family paid $21.40 per month for rent; the city received $368,020 in real-estate taxes and the other revenues from this area which fell $373,295 short of paying its own way in 1946.

As for housing market, the Bay Area Real Estate Conference in its report published December 1, 1948, estimated that more than 40,000 are needed in San Francisco to take care of population increases and to allow the same vacancy factor as existed in 1940. This estimate does not take into account the substandard, unfit housing still occupied which is estimated variously as between 24,000 and 34,000.

While no precise data are available on the disposition of the 3,242 units completed in the first 10 months of 1948, information which the office of the housing expediter has obtained from such sources as the San Francisco Chamber of Commerce, Bay Area Council and Bay Area Real Estate Conference indicates that 85 to 90 percent of the accommodations so completed are offered for sale with the sales prices ranging from $10,000 to $30,000. Of those probably offered for rent, using the rule of thumb of 1 percent of cost, rents run from $100 to $125 per month and upward. Thus the supply contrasts sharply with the need as demonstrated by the demand for a ratio of 70 percent rental to 30 percent sale with only, roughly, 15 percent of our residents able to pay rents of $85 and upward.

Mr. D. C. McGinnis, Federal Housing Administrator for this area, was quoted in the San Francisco News of February 8 of this year to the effect that the builders had taken the cream of the market and that the saturation point had been reached for the twelve and fifteen thousand dollar homes—that the big challenge to the builders is to meet the market able to pay between $45 to $55 per month. Thus far the economy house in California has not materialized in quantity, certainly not within the urban centers. An isolated house selling for between $6,500 to $8,200 (which Mr. Earl Smith, realtor of Oakland indicated he could probably do) provides no answer for the need for rental housing in San Francisco and offers less than a glimmer of hope for those families earning less than $1,500 per year who must look to public housing for their salvation from slums. And as one colleague put it recently, our inability to provide decent housing for all families living in the slums is no excuse for not attempting to solve any part of the problem.

Thank you for your continued strong support of decent housing legislation.

Very sincerely yours,
(Mrs. Edward Howden),
MARION BEERS HOWDEN
Chairman Housing Committee.

(Copies to Representatives BRENT SPENCE, HELEN GAHAGAN DOUGLAS, CLINTON D. MCKINNON.)

CITY AND COUNTY OF
SAN FRANCISCO,
DEPARTMENT OF PUBLIC HEALTH,
September 29, 1948.

Re Mr. and Mrs. Manuel Garcia, 16A Norfolk Street, San Francisco, Calif.

HOUSING AUTHORITY,
San Francisco, Calif.

DEAR SIRS: Mr. and Mrs. Manuel Garcia (veteran, nonemployed as a truck driver), and their three sons, ages 7 years, 5 years, and 3 years, occupy a three-room first-floor flat at 16A Norfolk Street. This appears to be the only building used for housing on this very narrow street, and it is wedged between factories and industrial plants.

The ceiling of the bathroom is dripping water from the lavatory area of the flat upstairs; two-thirds of the plaster is down from the ceiling and the laths are stained and rotting overhead. Over the sink in the kitchen there is an area about a yard square where the plaster has fallen, also there are other bulging areas where the plaster is cracked and likely to fall at any time. Two window panes are missing so that there is a constant draft and flies and mosquitoes buzz in and out. The walls are stained and in need of paint. There is no heat except from cooking in the kitchen. In the rear of the flat is a rickety unsafe-looking stairway leading to a tiny loose-dirt yard which is enclosed on three sides by walls about as high as the building and which is cluttered by cans of trash, old papers, and broken boxes. The whole place seems damp and musty. There is no play area because the street is so narrow automobiles are parked on the sidewalks.

The owner allegedly has refused to repair even dripping faucets and has an "if you don't like it you can move" attitude. Rent is collected by a real-estate agency.

I feel that this flat is unsanitary and a menace to the health and well-being of this family and contributes to the many upper-respiratory infections among the children. These unsanitary conditions have been reported to the housing division of the department of public health. If there is any housing available this family needs it before the colder rainy season begins.

Very truly yours,
DORIS ROBINSON,
Director, Board of Public Health Nursing.
By CLARA MEIER,
Supervising Public Health Nurse,
San Francisco, Calif.

SAN FRANCISCO, CALIF.

President TRUMAN,
White House, Washington, D. C.

DEAR SIR: I have six children. Five of them sleep in the kitchen on folding beds. We

don't have a bathroom. Five of the children attend school. I can't get apartment with private parties because they don't want children. If you will help me get public housing I will be very thankful to you. I have tried but failed.

Truly yours,

LONNIE J. AUTRY.

CITY AND COUNTY OF
SAN FRANCISCO,
JUVENILE COURT DEPARTMENT,
February 2, 1949.

SAN FRANCISCO HOUSING AUTHORITY,
San Francisco, Calif.

(Attention Mrs. Falcone)

GENTLEMEN: You will recall the application of the Serna family which was discussed with you last Friday by Miss Rickards. This is an intact family consisting of six children with mother and father. They are all living in one room. The father is employed by the Santa Fe Railway and earns a gross salary of $7 a day.

This is a deplorable situation in that three of the children are forced to sleep on the floor as there is no room for even Army cots. It is not a true neglect situation since the problem mainly stems from housing. The family have a great attachment for one another, and we have been doing our best to try and keep all members of the family together. They will need furniture which we will purchase if housing can be found.

We consider this case a real emergency and can also state that we have a number of these cases coming to the attention of the court from time to time. We hope that something can be done as soon as possible in providing an apartment for this deserving family.

Very truly yours,

FOREST R. PETERSON,
Senior Probation Officer.

SAN FRANCISCO, CALIF.,
February 15, 1949.

HOUSING PROJECT OFFICE.

DEAR SIR: Is it still possible for to have a place for renting Mr. Adolph Roman Cruz, of 242 Mississippi Street, a place with your project. It is very urgent that he find a place because his wife and three children are in a very bad housing place located at 242 Mississippi Street. Four rooms would be necessary space he needs. The flat is a basement flat, no heat and a good deal of the windows broken. So it is very cold there. No stove or any way to heat the place, and the landlord charges him a very steep rent.

It is practically too much rent for the wages that Mr. Cruz earns although he works steady every day of the week except Saturdays and Sundays.

So if you in any way have a rental for him would you let him know at once, please.

Because his wife is expecting a new baby very soon it is urgent to have a place for her to come to warmer than the place they now occupy. Thanking you.

Very truly yours,

Mr. ROMAN CRUZ.

CATHOLIC SOCIAL SERVICE,
ARCHDIOCESE OF SAN FRANCISCO, INC.,
San Francisco, Calif., November 24, 1948.

Re Mrs. John W. Baillie, 2261 Mission Street, San Francisco, Calif.

Mr. JOHN W. BEARD,
Housing Authority,
San Francisco, Calif.

DEAR MR. BEARD: Mrs. John W. Baillie has written to me in regard to housing for her. I spoke with Mrs. Baillie and she is really in a very serious predicament. There are five persons living in one room and a kitchen. She has registered with you already, and I understand your staff is making every effort to find her housing.

I would appreciate anything you could do for her.

With kindest regards, I remain,

Sincerely yours,

Rt. Rev. WILLIAM J. FLANNAGAN,
General Director.

THE BOARD OF CHRISTIAN
EDUCATION OF THE PRESBYTERIAN CHURCH IN THE UNITED
STATES OF AMERICA,
Philadelphia, Pa., June 1, 1949.

MY DEAR CONGRESSMAN: Below you will find a copy of the action of our national body on the subject of housing. This action was taken on May 25, 1949 at the regular meeting of the general assembly, Presbyterian Church, U. S. A. This body is made up of over 800 commissioners representing about 8,500 churches throughout the United States.

Respectfully submitted.

FERN M. COLBORN,
Assistant Secretary, Division of Social Education and Action, Presbyterian Board of Christian Education, Presbyterian Church, United States of America.

"STATEMENT ON HOUSING

"Housing: The inability of private enterprise and the failure of our Government to provide adequate housing for our citizens has led to unhealthful conditions, broken homes, delinquency and crime. Christian people are often unaware of the conditions under which others of their fellow citizens are forced to live. We recommend that our churches, in cooperation with other community agencies, conduct surveys of housing conditions in their own communities and initiate whatever steps may be necessary to stimulate private industry to develop housing for the families of lower middle income, and encourage local government authorities to proceed with a slum-clearance and public-housing program for low-income families. We urge Congress to adopt legislation to provide a Federal-housing and slum-clearance program. We recommend that the general assembly communicate with the committees of Congress in charge of legislation securing these ends."

Mr. Chairman, the following is a copy of a photostat, showing the kind of campaign the real estate lobby in Los Angeles, namely the Committee for Home Protection, is promoting to defeat this legislation before us. This campaign is being carried on not only locally but nationally.

I call to the attention of the Members the facts sheet from the Committee for Home Protection, on how to promote prospects and to the campaign workers' instruction sheet on what to say and do. Especially note, that the telegram is to be brought to the campaign headquarters and paid for and sent to the Members of Congress by the Committee for Home Protection.

This is the same real-estate lobby that was successful in defeating proposition 14 in California in the last election. The following facts sheet illustrates the kind of campaign they are waging now and waged against proposition 14.

COMMITTEE FOR HOME PROTECTION,
LOS ANGELES, CALIF.

FACTS SHEET

Use your own words and your own ideas when writing to your Congressman. He wants to hear from you.

Tell him your occupation or your affiliation—such as, "I am a veteran," "I am a housewife," "I am a shopkeeper," "I am a bus driver"—then express in 25 words one of the following arguments:

1. The Federal legislation is substantially the same as proposition 14 and your district voted overwhelmingly against that proposition in the November election.

2. California has no slums it cannot correct and remedy through the use of its own resources and the enforcement of its own health and building codes. Why should Californians be taxed to pay for the clearance of slums in the congested eastern cities?

3. Pressure groups are making a big noise and are well organized through the city housing authorities to get something for nothing for themselves, but the real substantial working people are sick of their high-tax burden and the constant proposition that they should pay for somebody else's rent.

4. The cost of building homes has gone down and the trend will continue if you, as our Congressman, will devote your efforts to cutting the unnecessary red tape and the unnecessary expenses caused by obsolete building codes and building practices, and shorten the lengthy delays in getting FHA loans. Our builders can build cheaper in California, and within the reach of the average wage earner.

5. Government should not compete with its own citizens who have invested their money in rental property, nor should the Government take money away from the taxpayers and turn around and subsidize a business that goes into competition against them.

6. You, Mr. Congressman, are a Member of the House of Representatives, and you are close to the people. Don't let the action of the Senate, which is too far removed from what people are actually thinking, influence you. Vote with the majority of your constituents, who last November demonstrated they are against public housing.

7. Public housing will lead to ruinous taxation. Another $18,750,000,000 would be added to the tremendous cost of Federal Government, which has reached such staggering proportions in recent years. Consider—each family so housed would cost the taxpayers at least $15,000 in Federal contributions alone. Each family will be receiving a tax dole of more than $31 per month toward its rent.

8. It is highly inflationary. Present housing costs are in part a reflection of our near million unit production record in 1948, with the consequent strain on material and labor supplies. If the Government enters the field in competition for limited supplies of critical materials and labor, the cost of both private and public housing will skyrocket.

9. It leads to local and national political pork barrels. It will result in tenants obtaining and retaining benefits of the low rentals only if they are on the right political bandwagon. It is easy to understand why occupants of public housing are readily susceptible to political pressure on behalf of the particular regime that may have made such housing available to them.

10. Public housing leads to socialism. Government ownership and management of homes where tenants are receiving rent benefits in the form of tax payments from the public treasury is one of the first elements of socialism. The individual becomes dependent upon the Federal Government for one of his major living requirements.

WHAT TO DO—CAMPAIGN WORKERS' INSTRUCTION SHEET

You need only this instruction sheet, a supply of telegraph blanks, and a copy of our facts sheet in order to obtain your quota of 20 objectors to public-housing legislation. Here's how you do it:

1. Select your prospect: Get a man who has absolutely no connection with the building or real-estate business. This is a grass-roots campaign; so look for laborers, white-collar workers, veterans, housewives, small-shop keepers—people in the middle and lower-income brackets.

2. Show the prospect your facts sheet.

3. Ask him to write his message on a telegraph blank.

4. Get your prospect to sign his name and address: Getting both the name and address is very important. It proves to that Congressman that this voter lives in his district. Also it gives the campaign office a double check, so that we can be sure the telegram is going to the right Congressman.

5. Send your telegram to the campaign office: Send your telegram, written in your prospect's own handwriting immediately to Frederick C. Dockweiler, chairman, Committee for Home Protection, 672 West Washington Boulevard, Los Angeles. Here it will be checked and filed for delivery in Washington.

Don't worry if neither you nor your prospect knows the name of his Congressman. Our campaign office will check the address and see that it goes to the proper man. For your general information, the map reproduced on the reverse side of this sheet lists our southern California delegation.

NOTE.—Should you have any questions, call W. B. Ross, campaign director, or his assistant, Mrs. Sammelman, at Prospect 7656.

Briefly, Mr. Chairman, here are some of the answers to the facts sheet propaganda prepared by the Committee for Home Protection in their campaign to secure telegrams and opposition to the public housing-slum clearance program. The answers given are numbered in the same serial order as on the facts sheets:

1. A detailed analysis of the campaign waged against proposition 14 by the real-estate lobby in California follows. This analysis was prepared by Mr. Hal Wise, director of the Proposition 14 Campaign, and has been reviewed and approved by the Rt. Rev. Msgr. Thomas J. O'Dwyer, president of the Proposition 14 Campaign.

2. According to the 1940 United States housing census, California had 466,308 families who were living in substandard homes (needing major repairs or lacking adequate sanitary facilities). A county-by-county census report is attached hereto.

The lie that California can correct and remedy its slums is best answered by the 1909 report of the Housing Commission of the city of Los Angeles, recently discovered in the city's archives. In this report actual photographs are presented of slum buildings which continue to stand 40 years later in 1949. In other words, Los Angeles, as one city in California, has had a slum problem at least as far back as 1909 and has been totally unable to cope with the problem until the passage of the United States Housing Act of 1937.

The argument that Californians should not be taxed to pay for the clearance of eastern slums is best answered by the facts presented in the Los Angeles City Housing Authority's Tenth Annual Report. This tax study shows that the taxpayers in the good housing areas of Los Angeles to the tune of many millions of dollars of unnecessary taxes which are required to pay for the excessive fire, police, and health-protection services in the bad housing areas of the city.

3. The only so-called pressure group in Los Angeles fighting for low-rent housing and slum clearance is the Citizens' Housing Council of Los Angeles, chairman of which is the Rt. Rev. Msgr. Thomas J. O'Dwyer. The so-called pressure group in the State of California for low-rent housing and slum clearance is the California Housing Association, the Southern California chairman of which is Earl Thomas of the District Council of Carpenters, A. F. of L.; the northern chairman of which is Mrs. Horace Gray, housing consultant for the California State League of Women Voters. It is important to note that neither of these organizations have office space, a telephone, nor any paid staff. Such work as is carried on is done entirely by the voluntary services of its members. A list of the California Housing Association members is attached. It is interesting to note that these individuals all represent an enlightened taxpayers' point of view regarding the true cost to our State of our slums, as compared with the cost of providing decent homes for those of low income living in bad housing.

4. Estimates released on May 1 of this year of average rental and sales prices on residential properties in Los Angeles County during the first 3 months of 1949 are as follows: (This data is based on the reliable estimates of governmental agencies and private lending institutions.)

A. Average monthly rental on new construction:

One bedroom: Seventy-five dollars and up, excluding utilities.

Two bedroom: Ninety dollars and up, excluding utilities.

Three bedroom: One hundred and ten dollars and up, excluding utilities.

Four bedroom: None available.

B. Average sale price on new and existing single-family houses during the first 3 months of 1949 is estimated to be $12,540, or 262 percent above the same house in 1940. The average sale price on vacant lots sold in Los Angeles during the first 3 months of 1949 is estimated to be $3,570, or 264 percent above the sale price of the same vacant lot in 1940. The data above should be compared with the rent-paying ability of the families in slum areas in the city of Los Angeles.

In September 1948 the health, planning, and housing departments of the city of Los Angeles conducted a door-by-door survey of the Chavez Ravine area (part of California's Fourteenth Congressional District). Of the 823 families living in the area, 387 were found to be earning less than $199 monthly. The median annual and monthly of these lower-income families was found to be $1,389 and $115.75, respectively. According to fair standards, this income represents an average rent-paying ability of from $19 to $23 monthly, including utilities.

5. The Government's public housing program will never compete with private enterprise when it provides shelter for the income groups listed in answer to question four above. For example, the Los Angeles city housing authority reports that the average monthly income of families housed in its low-rent program during the first 3 months of 1949 was $132.83; families housed included those requiring one-, two-, three-, and four-bedroom units. Furthermore, the housing authority is making rapid progress in the removal of the higher-income warworker families who were given occupancy in the public-housing program as a wartime emergency measure. All families whose incomes exceed $5,000 have already been required to move. At present only 12.7 percent of the families in the low-rent program are earning above the income limits set by the authority. It must be remembered that many of these families are earning only a few dollars above these income limits; that a substantial proportion of these families have three or more children; and that many of the families are members of racial and national minority groups, and thereby additionally handicapped in their efforts to secure decent housing within their means.

6. I believe, Mr. Chairman, this is well enough answered by the document prepared by Mr. Hal Wise which follows:

7. The public housing in Los Angeles built under the United States Housing Act of 1937 requires at present only $1.15 per unit per month, or 11.3 percent of the maximum subsidy available. The maximum cost of the program has been estimated by the Bureau of the Budget not at $18,750,000,000 but at less than $10,000,000,000 over a period of about 30 years.

8. The building industry in Los Angeles is actually entering a period of recession, due to the fact that prices have soared so high, that few can afford to buy or rent that which has been and is being produced. The best example of the recession in the building industry is a report released by the Los Angeles County Building Trades Council, A. F. of L., which listed 2 weeks ago the following numbers of unemployed skilled workers: 2,000 carpenters, 400 plumbers, 1,000 plasterers, 500 electricians, and 6,000 painters.

9. Every tenant accepted for occupancy in public housing in the city of Los Angeles is screened for the degree of need by the Veterans Advisory Committee of the Housing Authority, consisting of the county commanders of the 12 veterans' organizations in Los Angeles county.

10. The answer to this question is self-evident. Public housing is just about as socialistic as public schools, public roads, or the 24 Republican Senators who, after many days spent hearing both sides, joined in an overwhelming 57 to 13 vote in favor of the public-housing program.

If this is socialism, then we are all socialists. Among these socialistic Republican statesmen are Vermont's FLANDERS, Ohio's TAFT, New Hampshire's TOBEY and BRIDGES, Michigan's VANDENBERG, Wisconsin's WILEY and MCCARTHY, Missouri's DONNELL, Maine's Mrs. SMITH, Indiana's JENNER and CAPEHART, Massachusetts' SALTONSTALL and LODGE, Nevada's MALONE, and Pennsylvania's MARTIN.

California Housing Association, Board of Directors: Rt. Rev. Msgr. Thomas J. O'Dwyer, State chairman, Los Angeles; Earl Thomas, southern California chairman, District Council of Carpenters, A. F. of L., Los Angeles; Mrs. Shirley Adelson Siegel, southern California secretary, Hollywood; Mrs. Horace Gray, northern California chairman, San Francisco; Mrs. Edward Howden, northern California secretary, San Francisco.

Southern California board: Robert E. Alexander, Los Angeles; George A. Beavers, Jr., Golden State Mutual Life Insurance Co., Los Angeles; George Black, San Bernardino City Housing Authority, San Francisco; Drayton S. Bryant, Hollywood; Floyd Covington, Urban League, Los Angeles; Frederick Crockett, Santa Barbara; William Hartford, Colton; Frances Hartwell, Reginald Johnson, Mrs. Ralph P. Lowe, Pasadena; Ralph A. McMullen, Loren Miller, Los Angeles; James Petrini, Bakersfield; John Quimby, San Diego Federal Trades Council, San Diego; Mrs. Andrew Rosenfelder, Council of Catholic Women, Los Angeles; Mae Saunders, Bakersfield; George W. Scott, Riverside County Housing Authority, Riverside; George Stephan, San Luis Obispo; Paul Sweetzer, board member, Catholic Welfare Bureau, Santa Barbara; George R. Wallace, Oxnard City Housing Authority, Oxnard; Harold F. Wise, Hollywood.

Northern California board: Mrs. Ernest Bernstein, Emanu-El Residence Club (Jewish Charities), San Francisco; Gardner Bullis, California Conference of Social Work, Los Altos; Charles O. Busick, Jr., attorney at law, Sacramento; Mrs. Warner Clark, Young Women's Christian Association, San Francisco; Mrs. Jesse Colman, civic leader, member, SFPHA Housing Committee, San Francisco; Morse Erskine, attorney at law, chairman of SFPHA Urban Redevelopment Committee, San Francisco; Frank Fitzgerald, A. F. of L. Hotel Workers (A. F. of L. representative on Community Chest and chairman of housing committee, Council for Civic Unity), San Francisco; Rt. Rev. William J. Flanagan, Catholic Social Service, San Francisco; Miss Alice Griffith, civic leader, Telegraph Hill Association, San Francisco; Mrs. Paul Heyneman, 1948 president of Berkeley League of Women Voters, Berkeley; John Hogg, A. F. of L. Building Trades, San Francisco; Jack Kent, department of city planning, University of California, Berkeley; Dr. Hubert Phillips, Fresno State College, Fresno; Mrs. Edward Macauley, civic leader and member of SFPHA Housing Committee, San Francisco; Cecil

Poole, vice president Council for Civic Unity, San Francisco; Langdon W. Post, formerly regional director of Public Housing Agency, San Francisco; Frank Rose, formerly deputy regional director, Public Housing Agency, attorney at law, San Mateo.

Substandard housing in California, by county (United States Housing Census of 1940)

County	Total dwellings	Dwellings needing major repairs	Dwellings not needing major repairs but lacking sanitary facilities	Total substandard dwellings (needing major repairs or lacking adequate sanitary facilities)	Percentage substandard dwellings to total dwellings
Alameda	173,031	23,992	8,805	32,797	18.9
Alpine	159	15	95	110	69.2
Amador	2,968	416	998	1,414	47.6
Butte	14,488	2,258	3,695	5,953	41.1
Calaveras	3,159	299	1,565	1,864	59.0
Colusa	3,125	581	513	1,094	35.0
Contra Costa	31,297	5,292	2,170	7,462	23.8
Del Norte	1,836	85	687	772	42.0
El Dorado	6,726	804	2,932	3,736	55.5
Fresno	54,505	7,978	12,127	20,105	36.9
Glenn	3,745	881	909	1,790	47.8
Humboldt	15,386	1,764	3,474	5,238	34.0
Imperial	16,400	3,085	6,506	9,591	58.5
Inyo	2,770	269	1,031	1,300	47.0
Kern	39,801	6,663	7,640	14,303	36.0
Kings	11,110	1,303	4,153	5,456	49.1
Lake	4,126	434	1,063	1,497	36.3
Lassen	4,567	255	1,768	2,023	44.3
Los Angeles	961,531	36,928	69,214	106,142	11.0
Madera	6,945	574	3,211	3,785	54.5
Marin	16,472	740	797	1,537	9.3
Mariposa	2,229	101	1,408	1,509	67.7
Mendocino	8,625	1,550	2,168	3,718	43.1
Merced	14,464	2,411	4,458	6,869	47.5
Modoc	2,979	741	1,368	2,109	70.8
Mono	1,078	56	535	591	54.8
Monterey	23,154	1,840	4,086	5,926	25.6
Napa	8,752	626	1,176	1,802	20.6
Nevada	6,846	884	1,521	2,405	35.1
Orange	49,019	4,452	4,546	8,998	18.3
Placer	10,332	1,810	2,071	3,881	37.6
Plumas	4,159	605	1,475	2,080	50.0
Riverside	36,663	3,047	7,983	11,030	30.1
Sacramento	51,715	5,067	7,563	12,630	24.4
San Benito	3,403	373	689	1,062	31.2
San Bernardino	63,175	4,731	15,899	20,630	32.6
San Diego	100,245	6,576	11,705	18,281	18.2
San Francisco	222,176	9,773	21,146	30,919	13.9
San Joaquin	38,210	3,806	7,335	11,141	29.1
San Luis Obispo	11,891	2,221	1,637	3,858	32.4
San Mateo	37,230	1,919	1,624	3,543	9.5
Santa Barbara	22,664	2,906	1,582	4,488	21.7
Santa Clara	56,406	9,057	4,102	13,159	23.3
Santa Cruz	22,048	1,954	2,403	4,357	19.8
Shasta	9,762	1,453	3,679	5,132	52.6
Sierra	1,395	227	517	744	53.3
Siskiyou	9,493	1,383	3,052	4,435	46.7
Solano	15,312	1,533	1,710	3,243	21.2
Sonoma	26,831	3,085	3,676	6,761	25.2
Stanislaus	22,848	2,821	4,396	7,217	31.6
Sutter	5,686	756	1,620	2,376	41.8
Tehama	4,781	1,137	846	1,983	41.5
Trinity	1,513	185	818	1,003	66.3
Tulare	31,993	7,052	9,215	16,267	50.8
Tuolumne	4,961	536	1,969	2,505	50.5
Ventura	20,772	3,120	2,672	5,792	27.9
Yolo	8,148	1,120	2,032	3,152	38.7
Yuba	5,268	418	2,325	2,743	52.1
Total	2,340,373	185,948	280,360	466,308	19.9

Mr. Chairman, I wish to read a detailed analysis of the campaign waged against proposition 14 by the real-estate lobby in California:

CALIFORNIA'S HOUSING INITIATIVE CAMPAIGN

Don't be surprised when the new Congress is told flatly and with a certain amount of authority that the American people didn't vote for public housing when they voted for Harry Truman. The real-estate lobby is in the process of parlaying a resounding election victory in California into a national mandate against any public-housing action by the Eighty-first Congress.

The disturbing thing is that the real-estate men did win in California by a better than 2 to 1 vote in the same election in which Truman beat Governor Warren on his home ground. They won while reactionary Congressmen like Bertram Gearhart, enemy of the 160-acre limitation, and Ed Fletcher, spokesman for the real-estate lobby, were defeated and progressive Congressmen—HELEN GAHAGAN DOUGLAS, CHET HOLIFIELD, FRANK HAVENNER—were returned to office. It was an election that was generally hailed as a progressive victory. And yet a public-housing proposal similar to New York's law passed during Governor Lehman's Democratic administration, similar in philosophy to the housing plank in the Democratic platform, and similar to the United States Housing Act of 1937, was defeated.

How did the real-estate men win? Do they have a real "mandate" to present to the Eighty-first Congress? A close look at what went on in California in the months leading up to the election will spell out most of the answers.

The housing initiative, proposition No. 14 on California's ballot, was in itself a modern political miracle, a real "people's movement." It grew out of a dissatisfaction with the complete lack of housing action for middle- and low-income families by Congress and the State legislature. It grew out of the results of a legislative investigating committee on "the housing problem," chairmanned by San Francisco's State Senator Gerald J. O'Gara, who reported in January 1947 that there was an immediate need for just short of 750,000 homes in California. It grew out of anger that saw the average sale price on single-family housing in Los Angeles County in 1941 of $5,010 jump to $12,870 by the second quarter of 1948.

While wiseacres shook their heads in disbelief, a citizens' committee headed by the Rt. Rev. Msgr. Thomas J. O'Dwyer, Los Angeles archdiocesan director of Catholic charities, and long-time fighter for decent housing for the ill-housed, put their measure on the ballot the hard way. It was the only measure that got on the ballot exclusively through volunteer circulators and the third proposal to so qualify in recent political history. All other initiative measures on this ballot — eight of them — qualified through professional circulation, including the usual fee for such services, $75,000. Besides the initiatives, California voters were faced with 10 other measures placed on the ballot by the legislature. The housing initiative was there because some 6,000 people got almost 400,000 fellow Californians to sign housing petitions. These circulators, most of whom had never before taken any sort of personal political action, came from the American Veterans Committee, the A. F. of L. and CIO, from minority groups, church groups, and women's organizations.

The measure proposed to create a State Housing Agency, similiar to the ones now in operation in Illinois and New York, equip the agency with $100,000,000 bond-issue money in a revolving fund for loans and up to $25,000,000 in annual subsidy allowances (contrasted with New York's $50,000,000 loan money and $35,000,000 subsidy allowances). The State agency was to operate similarly to the United States Housing Authority as conceived in the Wagner-Steagall Act of 1937 and enter into contracts with local housing authorities, of which there are 65 in California, for the construction and operation of low-rent public housing. Essentially, there was nothing new and different in the proposed California law. It was drafted after careful study of other existing State legislation. It was based on California's housing authorities' 10 years experience gained in working with the Federal Government.

Working with Monsignor O'Dwyer for the passage of proposition 14 was an impressive array of civic leaders and State-wide organizations. Vice chairman and director of the northern California campaign was Langdon W. Post, former tenement house commissioner in New York City and former west coast regional director of the Public Housing Administration. Post is presently a private-home builder operating on California's Monterey Peninsula. Actively supporting the measure was San Francisco's district attorney, Edmund G. "Pat" Brown (often spoken of as the Democratic candidate for governor in 1950), who has vainly tried to enforce the State building code and clean up the slums through the exercise of his police powers. Robert E. Alexander, prominent Los Angeles architect and president of the Los Angeles City Planning Commission, served the committee as secretary, while Capt. Edward Macauley, United States Navy, retired, wartime member of President Roosevelt's Maritime Commission, was treasurer.

Leading the groups that worked diligently in behalf of housing were the California League of Women Voters and the American Veterans Committee. The San Francisco Council of Churches, the Northern California Council of Rabbis, the California Council of Social Welfare, the San Francisco and the Los Angeles Archdiocesan Councils of Catholic Women, the Congregational Church's Committee for Christian Democracy, the Department of Christian Social Relations, Episcopal Diocese of Los Angeles, the NAACP, the A. F. of L., the CIO, the railroad brotherhoods, and the Jewish War Veterans comprise but a brief list of the organizational backers of the measure.

Most significantly, the passage of proposition 14 was one of the main planks of the State's Democratic Party, adopted at their State convention shortly after the national

convention in Philadelphia. Every echelon of the Democratic Party in the State was pledged to work actively to secure the passage of the measure.

How did the real-estate men beat this line-up?

Fundamentally, it was simple. The real-estate boys threw everything their pocketbooks could buy at the voters. According to reports filed with the California secretary of state in accordance with the California election law, the opponents of proposition 14 spent well over $100,000 in Los Angeles County alone while the proponents were doling out $25,000 for the entire State.

They operated through several committees for home protection, which was backed by solid endorsement of the State Republican women, State and local chambers of commerce, the American Legion and leaders of the VFW, the AMVETS, the DAV, and in the final weeks of the campaign, every private enterprise organization that could conceivably be affected by "socialized housing."

Smear, fear and confusion—these were the three techniques of the propaganda line.

Such national smear experts as Herbert U. Nelson, executive vice president of the National Association of Real Estate Boards, and Fulton Lewis, Jr., radio commentator, were imported to blast the "Communistic" plot led by Monsignor O'Dwyer.

Nelson had just returned from Europe, where he had made a study of the housing situation. In the California housing fight he emphasized an important change of attitude on the part of the Soviet leaders. They were beginning to permit individual home ownership, which proved to Nelson that public housing does not work because even the Russians are giving it up.

Mr. Lewis gave proposition 14 his full treatment. He described the proposed law as grotesque and fantastic and likened it to such governmental flops as the Tennessee Valley Authority and the Federal Slum Clearance Act of 1937. But once his natural enthusiasm against anything progressive ran away with him. On his Nation-wide news commentary broadcast in mid-October—on that particular night unsponsored—he hit such a high (or low) in red-baiting and name-calling that local California radio stations were flooded with protests. The results caused some gray hair at Home Protection headquarters. FCC regulations requiring equal time to all sides in a political controversy were pointed out to the Mutual-Don Lee System and Monsignor O'Dwyer was given 15 minutes of free radio time over their 20-station California hook-up, $2,500 worth of radio time the housing initiative committee could not afford to buy.

Concerned with what Monsignor O'Dwyer's distinguished leadership would mean to the church vote, the Los Angeles Commitmittee for Home Protection used a red brush liberally as it addressed a letter to every parish priest in southern California: "* * * I do not like to stigmatize this measure as communistic, but I am sure that you will conclude that it does have many of the aspects of Russian ideology if you will take the time to read the pamphlet herein enclosed. Incidentally, this constitutional amendment was drawn up with the aid of the notorious Communist, Leo Gallagher, and his partner, Mr. Margolis."

Incidentally, neither Gallagher nor Margolis had anything to do with the campaign, much less the drafting of the bill, even though everyone connected with the campaign was titled "communistic" or "Communist duped" before the show was over.

Close to smear came the fear campaign. They tried to scare the voters into believing that the passage of proposition 14 would mean that they would live the rest of their days under the dictatorial whim of a board of five housing commissioners (the bill provided that they would be appointed by the Governor), that cheap labor would flood California in search of free housing, that the voters would be subjected to outrageous taxes, that they would probably lose their homes, that, in short, the entire economy of California would be permanently wrecked.

The confusion element was, in part, the fault of the drafters of the bill. Long, detailed, and involved, the measure was perfect for the purposes of those who wished to take a clause out of context and point with horror. Avoiding the real issue, that there was a need for housing for families who could not afford the private product, the home-protection speakers insisted that private endeavor was building low-cost housing. But they neglected to mention that such housing was miles away from most employment opportunities. Ignoring accepted statistics they insisted the housing shortage would be over in a very short time.

One of their most effective out-of-context weapons was a clever misquotation on the financial arrangement of the proposed State housing agency. After being advised informally by an attorney of the State legislative council office that the fund requirements as stated in the bill would in no way affect the public schools' first call on State moneys, the Home Protection Committee told voters the direct opposite.

Their own funds were a problem for a while to the committees for home protection. Their pleas just didn't seem to work. But they finally hit upon an effective scheme. They had a poll taken. Results of the poll, they claimed, showed that 60 percent of the voters were in favor of proposition 14 (this was 6 weeks before the election). With this ammunition they went to their supporters and said, "We'll never raise $200,000 from among the contractors and realtors, the savings and loans, the banks and the rest of them on $5, $10, and $25 gifts. You have had bad news and your life is at stake." These groups were told emphatically that the passage of proposition 14 would put them out of business and that it ought to be worth 10 percent of their anticipated gross this year to stay in business next year.

Further, they were told that since this campaign was so directly a threat to their businesses that all donations would be income tax deductible as a cost of remaining in business. It is not definite at this point as to whether the Bureau of Internal Revenue will go along with such thinking, but it is certain that those who gave money for the passage of proposition 14 enjoyed no such tax-exemption dreams.

This approach really worked and the money began to roll in, and the propaganda roll out.

The polls pointed their slogans in a new direction, too. At first their billboard and leaflet catch phrase was "Smash this left-wing Wallace scheme." Then they took their poll and found that people really wanted housing, that some people would vote "yes" just because it was a housing measure. So they switched to "For good housing vote no." Finally this was dropped in favor of "Don't pay somebody else's rent."

This threat of socialism threw into gear a machine no political party or candidate could dream of owning. Through the utilization of normal channels of business organizations, which included many groups traditionally identified as nonpolitical, the anti-14 forces were able to reach hundreds of thousands of voters directly.

Led by the California Savings and Loan Association, every savings and loan company mailed to each of their depositor members bulletins and warnings against the dire evils of proposition 14.

During the last week in the campaign over 10,000 apartment-house landlords through the Apartment House Owners Association in southern California tucked under the doors of their 150,000 tenant families sample eviction notices. They said that the tenant might be evicted if proposition 14 passed—and quoted out of context to "prove the point" through the eminent domain provisions included in the proposed law.

Similarly, leading doctors sent a letter to all doctors, pointing out that this was but one step from socialized medicine.

All insurance brokers got a letter from one of their colleagues that started out: "As an insurance man and a key figure in your community, in contact with many individuals and business firms, you should, in your own interest, do everything possible to defeat proposition 14 on the November 2 ballot." It continued later in the letter, "Proposition 14 sets up a supergovernment in California which can eventually control every phase of construction and home building. It means that the State, sometime within the next 50 years, can take over the insuring of property. It is easy to see the disastrous effects of such a measure to our insurance business."

Credit associations, chambers of commerce, merchants asscciations, trade associations, every organized individual-enterprise business group joined the propaganda parade.

It may come as a surprise to some that all of the major veterans' organizations of the State except the American Veterans Committee and the Jewish War Veterans were used one way or another against the public housing measure. It should be a surprise because every one of these groups has gone on record nationally in favor of public housing, the Legion as late as their national convention in Miami this fall.

The real-estate boards operated primarily behind the front of their committees for home protection. The only State-wide organizations with a broad base and broad appeal to be in front of the opposition's front were the veterans' groups. There is no question but that the continued repetition of the names of the Legion, the VFW, the AMVETS, and later the DAV in opposition had a serious effect on the outcome of the election. The home-protection boys repeated "this is not a veterans' bill" over and over again with deadly results, although the measure had never been claimed to be exclusively for veteran aid. One piece of literature turned out by the committee for home protection had the following to say: "The American Legion says: 'Vote "no" on the Bolshevik proposition No. 14'; the Veterans of Foreign Wars say, 'Proposition No. 14 is a racket'; J. W. O'Sullivan, AMVET housing director, says, 'Proposition No. 14 is a communistic scheme.'"

The Legion, actually, was the only veterans' organization that came out flatly against the bill. The DAV voted in convention in favor of the bill in July—but their State commander announced that he, and, therefore, his organization, was opposed in October. The VFW and the AMVETS officially took no action.

The Legion story is a lesson to amateurs in politics. For 3 months the Legion State housing commission, appointed by the State commander and under the chairmanship of Ferris Sherman of Tulare, studied the bill in detail. No other group that either endorsed or opposed the measure took as much pains to find out all the details as did the Legion's housing commission. At the end of their studies the members of the group voted, not an endorsement, but a recommendation to the coming State convention that the measure be endorsed. They felt that proposition 14 was good legislation, necessary, and in the interests of the veteran and the general public.

Prior to the State convention three southern California districts, representing roughly 120 individual posts, actually endorsed proposition 14.

Came the State convention. The proponents of proposition 14 felt safe—the Legion endorsement was in the bag. But the real-estate lobby had been busy. One of the first orders of business of the convention after it convened was the appointment of a new housing committee to serve just

for the convention and made up of some 30 or 40 men, only one of whom had been a member of the housing commission that had studied the measure so thoroughly during the year. The time of the meeting of this committee to study proposition 14 was not generally announced. Nevertheless, it just happened that at the exact time that the group did meet a fancy luncheon was being served on the other side of town for distinguished Legionnaires. In retrospect it was found that every member of the previous year's housing commission who might have influenced the new group was a distinguished Legionnaire, and of course, at the luncheon, a luncheon sponsored by the Home Builders Institute of San Francisco. That's just about the story. The new committee passed out a damning resolution of opposition which was later rammed through the convention.

At the VFW convention the story was much the same but not quite so lurid. A resolution for endorsement was handed in by the Sacramento County Council. The chairman of the resolutions committee turned it over to a subcommittee of one for report. The subcommittee was a State assemblyman, long an opponent of public housing in the State legislature. Between the subcommittee and the chairman of the resolutions committee the endorsement was killed and never got to the floor of the convention.

The DAV had its State convention early in the summer. Monsignor O'Dwyer's group was informed that the DAV had endorsed proposition 14 as a part of the report of the DAV housing report. From then until 2 weeks before the election the DAV was listed as supporting the housing initiative. Then the State Commander, "Tex" Rose, issued a statement in flat opposition. The State adjutant called the proponents' headquarters and told them to stop using the name of the DAV. During the protesting days that followed nobody at DAV headquarters was able to find the minutes of the State convention wherein the endorsement occurred. The real-estate lobby won another round.

Spearhead of the veterans' drive against proposition 14 was J. W. "Bill" O'Sullivan, State housing chairman of the AMVETS. O'Sullivan, a building materials saleman, was a veteran speaker for the Committee for Home Protection and as such got $25 a speech. Although his organization never did take a position one way or another on the bill, O'Sullivan was generally introduced in his capacity as AMVET housing chairman. At an AMVET State executive board meeting in October, his fellow AMVETS were so incensed at his behavior that a resolution was introduced demanding his ouster. In the interests of preventing bad organizational publicity, however, the resolution was dropped on the promise from O'Sullivan that he would no longer speak in his official capacity. But the damage was largely done by that time.

The real-estate lobby has made California safe from the menace of public housing, at least for a while. Now they are getting ready once again to do the same for the whole United States.

Milton J. Brock, of Los Angeles, president of the National Association of Home Builders, fired the first post-election shot in this campaign when he called a press conference in Washington, D. C., on November 15. Gleefully he told reporters, "The people turned it (proposition 14) down even in the face of their tremendous need for housing. If ever there was a State that felt the need of public housing, California is in that category. The results would have been the same if the issue had been put to a test anywhere in the United States."

Correspondent Frank Rogers, of the Los Angeles Daily News, one of the few metropolitan newspapers of the State that supported the measure, summed up, "Brock called the press conference to express his delight at the defeat of proposition 14 and to reaffirm his organizations's opposition to all forms of Federal participation in the housing business—except the financial end."

In the week following the election, local real estate board presidents throughout California were identically quoted in their various local newspapers. After inserting their own names, they handed out a release prepared in their State headquarters: "The eyes of the Nation were on California during the election campaign. Builders and realtors of the country awaited the electorate's decision as to whether socialized housing would be allowed."

It cannot be denied that coming battles in Congress definitely will be affected by the interpretation the California Real Estate Association has given the California election. The National Association of Real Estate Board directs Washington anti-public-housing strategy. Twenty-five percent of the national real estate organization's membership comes from California. And this machine is warmed up and ready to go.

They won their fight in California while the voters were electing progressive Democratic candidates. They won their fight in the Democratic Seventy-ninth Congress and in the Republican Eightieth Congress. They feel confident that they have the combination that can repeat in the Eighty-first Congress.

Mr. Chairman, the real-estate lobby was able to kill the housing initiative in California. The money spent to defeat proposition 14 will never be tabulated, but it must have run close to a quarter of a million dollars.

The proposition itself was never the issue. Nobody really discussed that. It was "socialism" and "communism" and "bolshevism" and "mortgaging your children's future" and "paying someone else's rent." That was the campaign carried on.

Where the issues were discussed, and they were discussed in the Fourteenth California District, which is the district I am proud to represent, the proposition carried.

The same kind of campaign is being leveled against the Congress of the United States, but this time the forces of reaction and greed will not prevail.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I have the honor to represent the Third Congressional District of Oregon, in which the city of Portland is located. It has a large urban population and by reason thereof the citizens of the district are deeply interested in the public-housing question and the bill H. R. 4009, which we are now considering. As in other districts, some of my constituents are for the objectives of the bill, others are opposed. I have advised them that I am endeavoring to keep an open mind on the problem until the legislation has been explored both by the committee and on the floor and until all of the provisions to be included in the bill have been decided upon.

Oregon has had the largest percentage of increase in population since the war of any State in the union, practically 50 percent. The major part of this increase is in my congressional district, which has accentuated the housing problem. The building industry has done a good job in house construction in Portland. Low-priced houses for purchase or rent are still in demand. I want to protect private industry and enterprise and also have adequate low-cost housing for low-income groups and clean up the slum areas.

Pursuant to authority heretofore given, I am including as part of my remarks a statement by the Honorable Dorothy McCullough Lee, mayor of the city of Portland, and a telegram from the Portland Housing and Planning Association, both in favor of the legislation, and a letter from the president of the Portland Chamber of Commerce advising that the board of that organization is opposed to H. R. 4009.

THE UNITED STATES
CONFERENCE OF MAYORS,
OFFICE OF THE EXECUTIVE DIRECTOR,
Washington, D. C., June 22, 1949.

Hon. HOMER D. ANGELL,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: In a survey which we have made dealing with the need for slum clearance and housing, I have received the attached statement from Mayor Dorothy McCullough Lee of Portland. In your consideration of the housing bill, I thought that you would find this statement of factual interest since it deals with the problem in Oregon's major city.

I am,
Faithfully yours,

PAUL V. BETTERS,
Executive Director.

In recommending early passage of the Housing Act of 1949, H. R. 4009, we have in mind the extended hearing, exhaustive investigation, and full debate, in and out of Congress, which have been devoted to the basic principles and provisions of this measure during the past 4 years. We are fully aware, too, of the bipartisan support which has characterized the proposed general housing bill, presented since 1945. The need for declaration of a national-housing policy and objective, with means for attaining them, is one of the major problems before the Eighty-first Congress. Limited improvements made through passage of the Housing Act of 1948 did nothing to provide aid in the principal problem areas of housing—low-rent public housing, slum clearance, and redevelopment of blighted areas, housing research, and farm housing.

H. R. 4009 constitutes the first step toward meeting these pressing needs and points the way toward fulfillment of one of the basic tenets of democratic government—that it should do for the people those things which they cannot do for themselves.

The housing needs of Oregon and Portland differ only in degree from those in other parts of the Nation. In August 1947, when Oregon's population increase stood at 33.3 percent over 1940, the immediate housing need was estimated at 108,996 new dwelling units, merely to obtain the same ratio of dwellings to families that existed in 1940. As of today, Portland's population increase is approximately 50 percent over 1940. The Columbia River flood of May and June 1948, wiped out 6,353 dwelling units, 5,304 being temporary Federal units in Vanport (19,500 people in that one project alone, as of the time of the flood), occupancy of which was 55 percent veterans.

Prior to the war, only about 2,000 dwelling units were constructed in any one year in Portland. In 1948, permits were issued for 3,075 dwelling units. Private industry has tended to limit its building activities to the higher-price levels, where adequate profit can be made. It has not been able to operate profitably in the lower- and middle-income

field, where the greater part of the need exists. It is our conviction that this greater need can be met only through further governmental aids, as proposed in H. R. 4009.

DOROTHY MCCULLOUGH LEE,
Mayor of Portland.

PORTLAND, OREG., *June 22, 1949.*

Hon. HOMER ANGELL,
House Office Building,
Washington, D. C.:

After careful consideration this organization with more than 30 years work in the field reiterates its previous postion on general housing legislation, therefore we urge your support and vote for House bill 4009 as essential step towards improving local intolerable housing situation.

PORTLAND HOUSING AND
PLANNING ASSOCIATION,
MRS. JOHN CATLIN, *Secretary.*

PORTLAND CHAMBER OF COMMERCE,
Portland, Oreg., May 31, 1949.

The Honorable HOMER ANGELL,
House of Representatives,
Washington, D. C.:

DEAR MR. ANGELL: The legislative committee of this chamber, and today the board, have considered H. R. 4009, the Federal housing bill.

We wanted to pass on to you the opinion that H. R. 4009 would place the Federal Government too deeply in competition with private enterprise in the housing field. There were discussed instances of high cost private home construction and parallel and related instances of very excessive cost of Government construction of housing projects which are well known to you and have been the subject of discussion before Congress in past years.

The bill is regarded here as one which extends the principles of socialism deeply into our present economic governmental set-up. It is argued here that private industry has been making very substantial strides in meeting the housing needs and it can and will continue to do so unless forced into inactivity by a Federal housing bill pitting Federal funds against those of private builders.

Our board wishes you to have these views as a matter of information and as an expression from one organization which arrives at its conclusion in opposition to H. R. 4009 only after extended consideration of the contents of that bill.

Yours sincerely,

ALBERT BAUER,
President.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. GOODWIN].

Mr. GOODWIN. Mr. Chairman, I shall vote against this bill. I will not knowingly commit my people to take another long step down the road toward a welfare state. Even if I felt that the bill provided a program which I deemed to be a proper one under our system of free economy, and not, as I am satisfied it is, a dangerous piece of experimentation with an alien ideology, I would still oppose it on the ground of economy.

I could not continue in good conscience to write my constituents as I am doing every day that I agree with them in favoring the recommendations of the Hoover Commission to save three or four billion dollars and then vote for this bill to burden the taxpayers with a new expenditure estimated at $16,000,000,000 over a period of years.

This country is headed for deficit financing with a consequent further devaluation of the dollar unless we either increase taxes or curtail spending. There is no doubt in my mind as to what the rank and file of the people want. And I am sure they are depending upon us to do it. My mail is becoming increasingly heavy with requests that I vote to cut the cost of government. One exasperated constituent writes to propound a query as cogent as it is curt, "When are you going to stop spending my money?"

If this bill passes every taxpaying citizen is going to be handed a bill to pay somebody else's rent. Such a proposition certainly jars the sensibilities of those of us who have been brought up to believe that America has grown great and strong through the exercise by her citizens of the principles of thrift, industry, and personal initiative. But more than that, the other fellow's rent bill will be for rent in housing put up by the Government at perhaps double the cost for housing built by private industry. Nobody has yet found anything which the Government does which does not cost more than if it were done through private enterprise.

However, the argument of economy need not be urged because the bill should be vigorously opposed on other grounds.

There is an element of deception in the bill. A pitifully small number compared with the number of those who will pay the bills will ever directly benefit, and those relatively few will probably not be those most deserving.

The bill threatens the nationalization of the building industry. Private builders have done a splendid job in home construction and will continue to do so and will lick the housing shortage if encouraged by the Government. But there is no encouragement to private builders in this bill which threatens to deprive them of the men and materials which will be used instead for public housing.

We are here today establishing congressional policy. If this bill passes we will be making it that much easier for a spending administration to carry out its apparent design to set up a welfare state, further pyramid an already topheavy, overlapping bureaucracy and take more billions away from the taxpayers to build our homes, finance our schools, and pay our medical bills.

There is the danger. Bureaucracy begets bureaucracy. The welfare planners take renewed courage with each advance toward the welfare state. Not only will this bill, if enacted, be simply the start toward an ever-expanding political, public-housing empire, but it may serve to pave the way for similar experimentation with planned economy in the other fields now being cultivated by the planners where more power may be centralized in Washington for projects to be financed by public funds. Let us not let the camel get his nose under the tent.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. GWINN].

Mr. GWINN. Mr. Chairman, today or next week at the latest we shall decide whether to abandon, for a long time, liberty under God, self-government, self-responsibility, and individual production of property and responsibility for its disposition. Shall we abandon liberalism? "Liber" means "free," "al" means "pertaining to freedom," and "ism" means the system of freedom.

Must we resort to the only other alternative available to us, and that is the management of the individual's production, his houses, by the crowd, the leader of which shall apportion the production of the free individual in the name of administering charity or satisfying his conscience that he is doing good at the expense of others—and while he is doing it, making an excellent living for himself and accumulating to himself power and further political position.

Those who play in this drama are dramatizing the slums as the moral excuse for the crowd to take over the individual's property under liberty, to clear the slums lest the disease spread and infest the whole of our society. In that way they hope to establish a right to exercise health and police powers under the Constitution.

But this bill, based on the experience of the Housing Authority in the past, eliminates the clearance of slums as specifically provided for in the present law by this language which I read from the law itself:

> That no capital grant shall be made for the * * * construction of new dwellings unless the project includes the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe or insanitary dwellings situated in a locality or metropolitan area, substantially equal in number to the number of newly-constructed dwelling units provided by the project.

That is blocked out in the bill now being considered.

Now, the building authorities can go out into the broad field in the first step of making a chain of poor houses for all of us—a million this year, a million next year, and a million for many years to come. This is no longer a project for the poor. It never has been a project, really, for the poor, because the poor cannot even pay enough rent to keep the projects going even when you charge one-half of the proper rental under Government subsidy. The charity which has to be administered must still be administered by churches and by private citizens. This is a program of socialized housing into which we must all, eventually, move, because the construction of houses under liberty is at this moment dead. It has been dead, and we are not going to kill it in this step—it has been dead for 8 years. It was 8 years ago that we destroyed, substantially speaking, individual construction in this field of our economy.

Seventy percent of all the financing of all the houses which were built since the war have been built on Government credit. No one will build a house today for rental. No one can depend on what the Government is going to do either in regulating rents against the private owner, while it exempts itself from regulation, or setting the rents that will be charged next door to a house owned by an individual for investment. Individual freedom has not failed society. Government itself, with its building projects, and with its management of this branch of our economy, has itself created the

slums and created the difficulties which never will be cured until we restore and revive and reestablish confidence in contract rights, property rights, and the right of the individual to produce and manage his own property so that he can depend upon it for himself for life and for his children after him.

To make this charity look good, the boys in this play took to the sky. Instead of crying out from the housetops about the charity they were going to do at the other fellow's expense, they cried out from the sky and fooled the people again, and told the poor people that they were going to have houses.

The Government cannot give charity. Only the individual can. Political charity screams from the sky and from the house tops to the 557,000 tenants the Government now has.

"Appreciate what we have done for you and believe you we are going to give you 1,050,000 more. Appreciate us. Vote for us. We are giving you charity and crying out about it in typical political form."

Judging from the speeches on the floor, next in importance to the drama of slum clearance is the question in the minds of the Members of whether public housing is socialist.

The CHAIRMAN. The time of the gentleman from New York [Mr. GWINN] has expired.

Mr. WOLCOTT. I yield the gentleman one additional minute.

Mr. GWINN. Nobody wants to confess to socialism, and we dissolve what we are doing as socialism by saying, "Look at the company we keep. Look at the others who are supporting this project. You cannot call them Socialists."

Let me read to you what socialism is. We have not stopped to define it. Here is the Socialist platform itself of 1948:

> Basic Socialist demands. The basic industries—and building is one of the five—public utilities, banking and credit; credit is almost completely taken over—70 percent at least—and all the economic facilities needed for the satisfaction of the fundamental requirements of the people must be socially owned and democratically managed.

Gentlemen, are we going Socialist? Are we deeply into socialism now? Shall we return to liberalism?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman and Members of the House, the bill to establish a national housing objective, now under consideration, is one of the most important measures to come before this Congress. Tremendous influences, both for and against, have been at work. I think every argument that could be made, either for or against the bill, has been made. This fact together with the knowledge that many of these arguments by proponents and opponents have real merit creates a situation of more or less confusion as to what is the right course to pursue.

I have examined all of these views with great care and sincerity. I am convinced that notwithstanding the admirable job that has been done in providing housing units by private industry the fact, nevertheless, remains that there is a great segment of our people who have not been adequately taken care of. The housing and apartment building that has taken place has gone a long way in providing living quarters for those above what is termed the low-income group. But the houses and apartment dwellings that have been built either sell or rent at a figure that is far beyond the ability of the low-income group to pay. Private industry cannot be expected to build except upon a basis that will provide a profit in addition to the cost of production. That is the very basis of private enterprise. Consequently, attention must be given to some other means of meeting the situation than now exists. That is what this bill and some of the substitutes offered seek to do.

The problem that confronts us includes also what is termed slum clearance. Slum areas exist in all of our cities, and, in some districts that are not even cities. Their presence is a disgrace to our American civilization. I have seen sights and conditions in such areas that cause me to hang my head in shame as a citizen of this great Nation. I would not have believed that such conditions existed had I not seen them with my own eyes. I do not believe that our citizens, in any considerable number, know of these conditions. If they did they would rise up and demand in no uncertain terms their elimination. These places are the breeding places of crime and disease. The children in these areas, future citizens of America, are entitled to better living conditions. We pride ourselves as the greatest, richest and most powerful Nation in all the world. We give aid and assistance to the needy nations of the world, and, then, permit conditions such as I have described to exist. Whatever may be our obligations throughout the world we cannot, and should not, longer overlook the obligation we have to provide housing conditions that will enable our children to be brought up in a manner that will inspire and encourage that type of citizenship that will give strength to our national character.

This matter of housing should not be considered on the basis of partisan politics. Both the Republican and Democratic Parties, and all other parties as well, committed themselves in the last presidential campaign by their respective platforms to a housing program. As a member of the Republican Party I am proud of the stand that was taken by my own party in this respect. It set forth its commitment to this policy in the following language:

> Housing can best be supplied and financed by private industry, but the Government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum clearance and low rental housing programs only where there is a need that cannot be met either by private industry or by the States and localities.

This is the very purpose of the bill now before us. However, I am of the opinion that in some respects it should and probably will be greatly improved before finally acted upon by the House. This can and should be done, however, in a manner that will not destroy the fundamental objectives.

There has been much loose talk about the bill being socialistic in character. I cannot agree with this contention. Too frequently the claim of socialistic has been sought to be attached to any and all legislation that is progressive in character. I remember when legislation was proposed in my own State, many years ago, for Workmen's Compensation in case of injury, that it was termed socialistic. Today it is recognized as one of the many established rights with no thought of socialism. Many other similar illustrations could be given.

Furthermore, probably the best answer to the claim that it is socialistic is knowledge of the many worth-while national organizations supporting the objectives of this proposed legislation. They are as follows:

American Association of Social Workers.
American Association of University Women.
American Council on Education.
American Council on Human Rights.
American Federation of Labor.
American Home Economics Association.
American Legion.
American Municipal Association.
AMVETS.
American Veterans Committee.
Congress of Industrial Organizations.
Council for Social Action of the Congregational Christian Churches of the United States of America.
Council for Christian Social Progress, Northern Baptist Convention.
Department of christian social relations, women's division, Methodist Church.
Department of christian social relations, United Council of Church Women.
Division of social education and action of the Presbyterian Church.
Family Service Association of America.
Federal Council of the Churches of Christ in America.
Jewish War Veterans.
League of Women Voters.
National Association for the Advancement of Colored People.
National Association of Consumers.
National Association of Housing Officials.
National Association of Jewish Center Workers.
National Association of Rural Housing.
National Conference of Catholic Charities.
National Council of Housing Association.
National Council of Jewish Women.
National Council of Negro Women.
National Farmers Union.
National Federation of Settlements.
National Institute of Municipal Law Officers.
National Lutheran Council.
National Housing Conference, formerly National Public Housing Conference.
National Women's Trade Union League.

National Association of Parents and Teachers.

United States Conference of Mayors.

Veterans of Foreign Wars.

National Urban League.

National Board of the Young Women's Christian Association.

Our Nation today is foremost among the nations of the world. To look back over the years is to be convinced that throughout our entire history there has been an ever continuing effort to promote the welfare of our people. The founders of our Nation did not consider it socialism or any other kind of "ism" than Americanism to promote the welfare of our people. It was to accomplish this and many other worth-while objectives that the Constitution was adopted. The purpose and intent of the framers of the Constitution was clearly set forth in the Preamble to the Constitution, reading as follows:

We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

My support of a national housing program at this time is based upon the proven need in the different areas covered by the legislation and a desire to promote the general welfare of our people. It is my hope that the administration of the law will be of the character that will give the results that the Congress intends.

Mr. WOLCOTT. Mr. Chairman, I understand there is only one more speaker on the majority side.

Mr. SPENCE. Yes; only one more speaker on this side.

Mr. WOLCOTT. Mr. Chairman, I yield myself the balance of the time on this side.

The CHAIRMAN. The gentleman is recognized for 22 minutes.

Mr. WOLCOTT. Mr. Chairman, I feel very keenly my own intellectual limitations in the presentation of this probably the most important issue which will confront the Congress at this session, but I hope I shall be given credit for being sincere and perhaps make up in my sincerity what I lack in ability to express myself.

Back in 1937 we had a bill of this character before us, at a time when the national debt was something under $30,000,000,000; at a time when we were doing everything we could to make employment and to bring us out of the economic doldrums; at a time when I do not think the majority of us would recognize socialism if we saw it. Being somewhat younger and somewhat more mentally agile than I am now, I made what I consider now a very brilliant and perhaps sentimental speech in respect to slum clearance. I think I convinced myself if I had not been convinced before, of the desirability of clearing slums, and in that respect I have not changed my attitude since. I believe there is not a Member of this House who does not want to see slums cleared, but we have got to be realistic about this bill. We thought that in the 1937 act we were making provision for the elimination of slums; and as the gentleman from New York [Mr. GWINN] has stated, we provided in that bill a mandate that slums should be cleared. Otherwise, none of the moneys made available could be used—unless the contract provided that there be a comparable demolition of slum units. Then came 1939; and I wish those who have quoted the remarks I made on this floor and elsewhere in 1937 would quote as sincerely and as fairly what I said in respect to it in 1939 when, because of disillusionment, when because of a realization that the administrators of USHA had not been intellectually honest with the Congress in the administration of the law; when, as a matter of fact, those on my right who are here today who voted the same as I did in 1937 condemning USHA in much better fashion than I could do it refused to consider its extension. And I want to call attention to the fact that there are 39 Democrats here today still in the House who voted against USHA in 1939. Now, if there is any question about my consistency, I want to know if those same 39 are going to vote consistently with the way they voted in 1939. They voted against it because in practice it was found to be unsound; that it did not clear the slums; and a majority of 32 on this floor after an hour's debate killed the rule in 1939; did not even discuss it here on the floor. It was so obnoxious, so un-American, so dishonest that a majority of this House voted against the extension of the bill. I take pride in the fact that headlines in the papers that circulated in my district at that time gave me more credit than I deserved in saving the country $2,700,000,000. That bill never saw the light of day again. All during 7 years—and although those on my right had big majorities in this House, it was not renewed.

Let us find out just about where we stand. The $2,700,000,000 which we saved in 1939 by repudiating this method of claiming to clear slums is a small fraction, relatively inconsequential, in comparison with the amounts involved in this bill.

Before I get into that, let me point out, as did the gentleman from New York, the provision that there shall be a comparable demolition of slums as provided in the USHA Act. You will find this on page 66 of the report. It is stricken from this bill. So there is no provision that slums shall be cleared. As a matter of fact, if you will refer to page 13 of the bill now before us you will find that in the making of these contracts no consideration shall be given to the demolition of slums until 1951. All contracts made before 1951 must under the mandate of the law not provide for any slum clearance. And there is no provision in the bill compelling the demolition of any slums after 1951. Therefore, let us not call this a slum-clearance bill.

You will notice this bill differs from the 1937 act in that it is called slum clearance and urban redevelopment. Bear in mind that from this moment until 1951 no slums can be cleared and after 1951 there is no mandate in the law which provides for the clearance of any slums. I defy anyone to seriously, conscientiously, honestly call this a slum-clearance bill.

Mr. Chairman, this is a bill to socalize one very important segment of our economy. The same forces which have belabored me for being solicitous as I hope I am in behalf of the American system have taken issue with me when I refer to this as a socialistic bill. I am merely reflecting what the Socialists themselves say about this bill when I say it is socialistic. Last year we had before our committee the Socialist mayor of Milwaukee, a very estimable gentleman, honest in his convictions, who told the committee at that time that he was for the bill because it was in keeping with his concept of socialism. So when I say this bill is socialistic, I am merely reiterating what the Socialists themselves have to say about it.

I have been sworn to protect and defend the Constitution of the United States, which according to my standards indicates the American system of government. This bill as it is written may cost $19,312,500,000. If certain amendments are adopted, which they say are going to be offered to cut it down to 810,000 units, the cost will be reduced to about $16,000,000,000.

For the first year under the bill as it is written we pledge ourselves to raise $666,000,000; 20 percent less if the amendments are adopted; but it does not make any difference whether this bill provides 100,000 units, 800,000 units, or 20,000,000 units, it is policy that we should consider here today.

What is the policy in respect to this bill? The proponents of it do not care whether it is a thousand units or 2,000,000 units. You legislate, as we do here effectively for the first itme, as a matter of policy that it is the obligation of the Federal Government to provide low-rent housing, including slum clearance, and for the first time effectively you will have created a new obligation on the part of the Federal Government.

So, once the declaration of policy has been legislated upon, the proponents of this legislation will see to it that you or your successors will expand this program sufficiently to take care of everyone who might come within the lower 20-percent bracket, which would mean the expansion of this program more than seven times what this bill provides for. If you multiply the $16,000,000,000 on the basis of a million low-rent-housing units by the number of times that they claim is necessary to take care of all within that bracket, you get up to the astronomical figure of $112,000,000,000 in possible commitments. Their policy is expressed.

I think we all recognize that the CIO has been about as active as anyone in behalf of this legislation, so let me read to you what Mr. Edelman, representing the CIO before the Committee on Banking and Currency, on April 27, 1949, said:

Although we are strongly of the opinion that the number of units of public housing called for in this bill should be increased substantially * * * we are prepared to endorse the attentuated proposal so as to demonstrate that CIO can be as modest and conservative as the next man. Seriously,

however, our belief is that once this program is well under way it will develop sufficient political momentum of its own so that the Congress will automatically in the future increase and extend this authorization to whatever extent may be necessary.

I want to bring out one other point. I think if you will bring yourselves up to date on the finances of the Federal Government you will find that this bill cuts the pattern for an imminent approach to socialism. Let me follow that by saying that this country is within 7 percent of socialism today. I mean by that that no capitalistic system ever prevailed after more than 35 percent of the income of the people was taken for the maintenance of the Government. Almost 33 percent of the income of the American people today is being taken for the maintenance of Federal, State, county, and municipal Governments. There has been passed by this House and by the Senate, and there is pending in this Congress, legislation which has been reported out of committee which will bring that up to over the 35-percent point. Assuming that we are somewhat stronger than the other countries which have gone to totalitarianism, gone to statism, gone to socialism when they have reached 35 percent, assuming we can go up to 40 percent, Mr. Chairman, we are within 7 percent of socialism in this country, and I do not mean the socialization of any segment of our economy such as housing, medicine, agriculture, or industry.

I mean that when we approach 40 percent, or when we will have taken perhaps 38 percent of the income of the American people to maintain our Government, then this Government will collapse as we have known it, the American system will be all through, and you will go completely socialistic.

The course to me is clear. I am going to protect the American system even if it means political suicide for me. I hope that you who are just as zealous as I that the American system be preserved and will show enough courage to save America.

If you feel that you are going to commit political suicide, before you jump decide that you have one more thing to do. Let us get back down and do the one job that is before us today. We can commit political suicide or physical suicide any time. If we have the courage to do that, we have the courage to get back down and do the job that has to be done today, that is, to save America. Let us put our shoulder to the wheel, let us stop demagoging, let us get off the sentimental level, let us be realistic, let us be patriotic citizens and save the American system.

Mr. BARRETT of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT of Pennsylvania. Mr. Chairman, my visit on Wednesday with a bipartisan congressional group to the slum areas of New York and Philadelphia did not reveal much that was not already known to me. I have been completely aware of the long past need for redevelopment of blighted areas in my own city. However, I returned from this "refresher" tour more firm in my determination than ever not to compromise on the proposed program for Federal aid to housing. Already there are persons who are ready to postpone action on this urgently needed legislation by making offers of alternative legislation or emasculatory and damaging amendments. We must not permit ourselves to be deceived and detained by such subterfuges and tactics.

Is it not ironical that in the United States of America—the most prosperous Nation of the world, and in our most prosperous era—more than 5,000,000 low-income families are crowded into city slums or other substandard housing? South Philadelphia contains areas which are indicative of the unhealthy, inhuman manner in which millions of other Americans are forced to live. Prices and rents of decent housing, new and old, are just too far beyond the financial reach of these families.

As virtually no progress has been made in the clearance and redevelopment of slums, and millions are still living doubled up and under disgraceful conditions, immediate remedial action must get under way. The mere establishment of local codes for minimum standards of health, safety, and sanitation is not sufficient to alleviate these conditions. As private enterprise has made no mentionable contribution toward offering decent, low-cost housing, we are left with no alternative but to authorize Federal financial assistance to communities to start on a slum-clearance program. In my own district—South Philadelphia—such a program would relieve the many technical, social, and economic problems confronting the families resident there. The inhabitants of slum areas do not live there by choice but rather from economic necessity arising out of their ability to pay even the lowest rents at which decent housing is available. Many respectable citizens of superior intellect and higher social acceptability are compelled to live and raise their children midst the minorities who are less ambitious and have less respect for law and order. I do not believe that crime waves and juvenile delinquency would be completely annihilated by clearance of the slum areas, but there is no doubt that they would be greatly curtailed.

There is also the factor of those persons who have exceeded the income limitation in existing public-housing projects, such as the Tasker homes in Philadelphia, who are requested to vacate and would gladly do so except for the fact that they have no other place to go because of inadequate housing facilities.

The appalling sights witnessed by our group did not spring up since the beginning of the Eighty-first Congress. These conditions have prevailed for many years without any serious effort on the part of private enterprise to rectify them. The recent international conflict was the only legitimate excuse for not having launched an all-out, determined, and unceasing campaign to improve the standard of living of the millions of Americans living under disgracefully miserable, and mentally, morally, and physically unhealthful, conditions.

H. R. 4009 is a comprehensive plan for essential Federal assistance which will provide decent homes and satisfactory home environments for the American people as a whole. I wholeheartedly recommend its immediate enactment.

Mr. GRANAHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRANAHAN. Mr. Chairman, any doubts as to the wisdom and benefits of public housing held by any Member of this House would have been quickly dispelled if he had accompanied the group of us who made a survey of congested sections of Philadelphia and New York on Wednesday of this week.

We saw the slums of these great metropolitan centers in all their grime and filth and unspeakable squalor. And we saw the contrasting cleanliness of conditions in former slum areas which have been rehabilitated by housing projects.

But even more striking was the difference in the spirit, the outlook on life, of the men, women, and children living in those opposite types of areas.

No one who has acquainted himself with the facts, by personal investigation, could ever give the slightest consideration to the ridiculous propaganda that public housing deprives its tenants of their personal liberty.

The individuals fortunate enough to dwell in public housing projects in Philadelphia and New York after having lived in the slums are living a new life. They are proud of their homes, where before they were shameful. They are happy where before they were bitter. They are self-respecting where before they were miserable.

They hold their heads high because they are free—free of the menace of disease, delinquency, vice, and crime—free of the hazards of fire and other dangers bred under insanitary conditions.

So instead of becoming creatures of the State, as the housing lobby would have us believe, they become better citizens and better Americans, no longer prey to the wiles of communism which thrives under the very conditions that public housing eliminates.

The value of these improvements cannot be measured alone in dollars and cents, but must be computed also in terms of the human resources saved and the national security strengthened. But even if considered only on the monetary basis the calculation is all in favor of public housing.

The largest outlays by the Federal Government, in the form of loans, are to be repaid to the United States Treasury. And the expenditures by local governments themselves will be reimbursed many times over in savings on services now required to slum areas. It has been shown in official studies that slum areas pay only about 6 percent of municipal taxes, whereas they absorb about 40 percent of the cost of local government.

The reduction in the Nation's bill for crime, fire losses, juvenile delinquency and disease that will result from the program under this bill will be reflected in increased national income and, consequently, in increased income tax revenue.

Private enterprise will benefit generally, not only by the increase in these standards, but also specifically from the large-scale construction.

And, finally, in spite of the lies so assiduously spread by the opposition, all of this will be accomplished under the direction of local housing authorities and local governments. A former Member of this House, now Mayor D'Alesandro, of Baltimore, has testified before our Committee on Banking and Currency on behalf of the United States Conference of Mayors that the municipal governments of the country are eager and anxious for the enactment of this bill.

So, Mr. Chairman, I hope all my colleagues will consider that in voting on this measure they are answerable to their people back home.

Mr. SPENCE. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I send two letters to the desk and ask that the Clerk read them.

The Clerk read as follows:

THE AMERICAN LEGION,
NATIONAL HEADQUARTERS,
Indianapolis, Ind., June 20, 1949.

Hon. BRENT SPENCE,
Chairman, House Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR CHAIRMAN SPENCE: I take this opportunity to reiterate the American Legion's firm support of H. R. 4009 and to convey our appreciation for the splendid fight you are making in behalf of this legislation.

It would be an irreparable tragedy if the organized, and to a great extent synthetic, campaign against the measure were to succeed now in distracting Members of the House from its essential soundness and purpose. The 1948 National Convention of the American Legion went on record in favor of legislation providing for a balanced and realistic program of Federal, State, and local aid for the provision of decent housing, including necessary community facilities, for families of low income, with a first preference among those eligible being given to veterans. In our judgment, the provisions of H. R. 4009 are an indispensable part of such a program.

In its present form the bill provides for a 5-year limit on occupancy preference extended veterans. In view of the continuing nature of the veterans' need in this instance, and of the time lag which would occur between enactment of the law and completion of housing units, the American Legion trusts that the legislation will be strengthened on the floor of the House by an amendment abolishing the preference deadline.

President Truman has properly exposed the motives and techniques of those attempting to kill the bill. Against the fiction of their claims is the fact that hundreds of thousands of American families, including many veterans, are enduring an ordeal from which they cannot escape without outside help. It is our hope that before voting on this measure, the Members of the House will weigh the relative merits of pressure put upon them by propaganda and the hardship exerted by inferior living accommodations upon thousands of American families.

Sincerely yours,

PERRY BROWN,
National Commander.

AMERICAN FEDERATION OF LABOR,
Washington, D. C., June 17, 1949.

Hon. BRENT SPENCE,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN SPENCE: I want to express to you my deep personal concern that the housing bill (H. R. 4009) be enacted at the earliest possible moment. In line with its long-standing policy, the American Federation of Labor adopted a resolution at its sixty-seventh convention last November calling for an effective slum-clearance program and a million-unit public-housing program.

There are some who, though in sympathy with H. R. 4009, are concerned with our ability to finance this program. I believe their fears are entirely unfounded. As the attached table indicates, actual Federal appropriations authorized by this bill are relatively small. At the peak of the program in 1954, total Federal expenditure for slum clearance and low-rent public housing could conceivably reach a maximum of $500,000,000. Even that is only about 1 percent of the present Federal budget.

Two serious misconceptions have caused some people to exaggerate the cost of the program. First, loans to localities for public housing and slum clearance are fully repayable and represent not 1 cent of actual Federal expenditure. Second, individuals have distorted the cost by avoiding the customary discussion of the year-to-year expenditures authorized by the bill, and calculating instead an altogether artificial total cost by multiplying the maximum possible expenditure for any one year by the total period of the public-housing authorization.

We confidently expect that the amount of funds expended for this program will pay for itself many times over by improved health conditions, reduced juvenile delinquency and crime, and lowered fire costs. On behalf of the 8,000,000 members of the American Federation of Labor, I respectfully urge you to vote for H. R. 4009 without amendment.

Sincerely yours,

WM. GREEN,
President, American Federation of Labor.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. SPENCE. I yield to the gentleman for a unanimous-consent request.

Mr. SMITH of Wisconsin. Mr. Chairman, as a member of the American Legion since 1919, I repudiate the statement made by Commander Brown, and I think he is talking through his hat.

Mr. SPENCE. Mr. Chairman, we have heard the prophets of evil and the predictors of disaster. The policy of the opponents of this bill seems to be that if they cannot persuade you, they will try to scare you. I wonder if they ever heard of the melancholy faith of Cassandra, who prophesied the fall of Troy and perished when Troy fell.

They are afraid of socialism. Whenever we attempt to do anything for the plain people, there is always a cry of socialism. I yield to no man in my admiration for our form of government, and in veneration of our Constitution. I yield to no man in my dislike of socialism. But if that cry is going to scare us, we are going to make no progress. The great founder of the Democratic Party, the profoundest of political philosophers, Thomas Jefferson, said:

We hold these truths to be self-evident, that all men are created equal, endowed by their Creator with certain inalienable rights. * * * Among these are life, liberty, and the pursuit of happiness. To secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

Thomas Jefferson is reputed to have written the Bill of Rights. Although not a member of the convention, Thomas Jefferson exerted great influence. Yet Thomas Jefferson said that one of the fundamental principles of our Government, and among the rights we had that it had to protect was that of the pursuit of happiness. He did not make any strict construction of the Constitution. He did not make it a strait-jacket. He was for the rights of the common man. How can a man pursue his happiness better than in seeking a home? It is as natural an instinct for one to want a home as it is to want life itself. We are trying to give American people homes. You may call it a rental home, but a man who rents his home has the same rights as the man who owns it. We could say of the rented home, "It may be frail, its roof may shake, the wind may blow through it, the storms may enter, the rain may enter, but the king cannot enter."

We are trying to preserve homes for these men who have no homes. Is that socialism? That is but a Christian act, a decent act of government. It has no element of socialism in it. The only thing that might bring socialism is the depression and unhappiness of our people. I saw socialism or some other form of government staring us in the face in 1932, when men were walking the streets, without employment and nothing to live on and were desperate. That is what brings about socialism. Happy people never complain of their government and are always willing to support it. It is discontent that brings change. The things that we do to make people happy do not bring any other form of government. I am tired of listening to this kind of stuff. It is the cry of socialism. It is the cry of the reactionary. It is the cry of him who has wealth and wishes to contribute nothing to the welfare of his people. That is where these protests are coming from.

Now, what does this bill do? We provided for 1,050,000 housing units. At the proper time I shall offer an amendment to reduce it to 810,000 units. Does that mean 810,000 families? No, because it is the epic of American life that a man who is poverty stricken today may have wealth tomorrow. Opportunity, the master of human destiny, knocks at the door of every man who will open it. Opportunity will knock at the doors of these men which may take them from a condition where they have no home, and give them a home and give them confidence and self-respect. They will see their families in better condition and their children better clothed and happier. It will give them hope. It will give ambition to those people. It will raise their wages, because they will be better able to discharge their duties. Those people, when their breadwinner's salary is increased, will leave these homes and others will come in. It is a revolving

number of families who will go in and out of these homes. It is a clearinghouse for the lower-income families of America. Its influence will be felt throughout the length and breadth of the land. I will receive no benefit from it. I have no slums in my district. I do not expect any low-rent housing, but I have never intended to legislate on the narrow principle that I shall only legislate for the benefit of those in my district. I know that the city people have come to the defense of agriculture at every opportunity. I remember but the other day, when we had the Commodity Credit Corporation conference report under consideration, I asked the Speaker to hold up the report until Tuesday because many of the city Members could not return on Monday.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. PATMAN. Is it not a fact that the gentleman will offer other amendments?

Mr. SPENCE. Yes. I intend to offer an amendment to continue title I, and section 608 of title VI, of the National Housing Act for 60 days, in order that we may give ample consideration to the extension of these provisions. If it is advisable to make them permanent, we may consider that. We will continue them for 60 days in order that further consideration may be given to those two sections.

We will also offer an amendment to authorize a half-billion-dollar increase in the insurance of title II. I understand that the authorized insurance under title II will expire this month. In order to continue effectively title II it is necessary that this increase in authorized insurance be granted, and I hope the Committee will agree to this amendment.

There is a salvage feature in this low-rent housing which has not been stressed. The Government makes its contributions to provide for noneconomic rent, and out of those contributions come the interest and the amortization on the principal of the indebtedness. At the end of the period of amortization the projects will belong to the local housing authority, free, clear, and unencumbered. There will be a salvage that cannot be estimated. It probably will not be necessary to subsidize the housing projects thereafter. At that time these projects may be worth more than they are at the present time. Houses, properly built and properly maintained, are almost indestructible. There are houses in Georgetown over a hundred years old now occupied by people of prominence, and they are excellent houses. If maintained, these projects at the end of 40 years will probably be in as good condition as they will be when built. That is the salvage that comes out of this bill. That has not been stressed, but it is well worth considering.

Those opposed to this bill say that we ought to destroy an equal number of units in the slums wherever a resettlement project is provided. How are you going to destroy slums? There are two ways to acquire a slum for destruction. One is by voluntary purchase, which requires submission to the price which the owner sets; the only other way is by condemnation proceedings, for no man's property can be taken from him without due process of law. Those are the only two ways slums can be cleared. How are you going to obtain slum areas immediately through condemnation proceedings? The condemnation process is a slow process. I know in my own State you have to bring a suit in the county court. It is appealed to the circuit court and tried de novo; an appeal may be then taken to the court of appeals. There may not be a final decision for a year, and if there is a constitutional question involved, it may be reviewed by the United States Supreme Court by certiorari. How long do you think it would take? How long do you think a mandatory provision of that kind would slow up this program? I do not think it is practical to do that. If you want expeditious prosecution of the projects we have provided for in this bill I do not think that should be insisted upon. No man would say that he is in favor of a continuation of the slums who would consider the awful effect they have on the children residing in them. They are the future citizens of America. I do not know how far the Federal Government should go in carrying out its moral duties, but it seems to me that a Christian Government founded upon the principles of morality and Christianity, as George Washington said in his Farewell Address, should certainly consider the welfare of these boys and girls who cannot protect themselves.

It is harsh and cruel to say that when you do something for them you are getting away from democracy, you are getting away from our form of government and embracing socialism. I would not want to compliment socialism in that manner. The most unjustifiable thing we can maintain are the slums of our cities.

How are you going to get rid of the slums except by Federal contribution? There is no way in the world to do it. There is no way in the world to have low-rent housing except by the contributions provided in this bill. The builders of America are not engaged in charitable activities. The builders of America are looking for profit. They are going into those fields where there is the greatest profit. They would rather build industrial enterprises, where the profits are greatest, or high-class residences, and, last of all, these low-class houses, where the investment is not great and the profits are small. I do not know why they are opposed to this bill. Do you think the builders of America want to clean up the slums? It is a dog-in-the-manger attitude. They would not invade this field in a thousand years if you gave them every opportunity to do it. Yet they come here and say this is a socialistic activity and this is depriving them of their ordinary functions and their ordinary business opportunities. It is nothing of the kind. They would not go into this business, you could not drive them into it, and there is no profit in it.

It is said that we should put the slum-clearance matter back on the cities. But the cities cannot do it. I have represented three or four cities in my time. I know the limitations of the cities. They are the creatures of the State. They are organized by the State, their charters are granted by the State, and they are limited in their activities under the State constitution. For instance, in the State of Kentucky a municipality is limited in its tax rate, it is limited in its indebtedness, it is limited in its expenditures. In every other State in the Union I think you will find similar provisions. If we put this back on the cities we will have no slum clearance.

Let us look this matter in the face. You have either got to proceed in the way provided by the bill or you have got to let the slums continue, you have got to let men who have no houses remain without homes or with their in-laws and their relatives.

From whence came these conditions we have to meet? They came from the war. I presume when we exercised the power of government over our people during the war that was called socialism by those that denounced this bill for that reason; but we saved ourselves and the world. It was something over which we had no control. I voted for every dollar that our Government asked for at that time. This is the result of 12,000,000 men who were away and who have come back home. Their relationships to life are different. They wanted to establish new homes. They had served their country. They had preserved our liberties.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. JAVITS. Would the gentleman tells us in dollar terms what is meant by low-income families in this low-rent public housing title and also as to the gentleman's understanding with reference to the proposed policy of the Administrator should we pass this bill?

Mr. SPENCE. I have no authority to make any statement. As the gentleman knows, those questions are decided by the local housing authority. I should say that a family who has an income of over $2,000 would not be eligible. Those below that would be. I realize there is a different standard for various sections of the country, but I should think that would be a fair over-all estimate. Those that have over that ought not to get the benefit. I think this ought to be a low-rent housing program.

We are trying to put these men back in homes; men who saved our liberties and saved our form of government for the world and yet we are told that that is socialism. That is a compliment to socialism that I do not share in. That is true democracy, I think. Every time anything like this is done we hear that cry, but we did not hear it after the banking holiday when we bailed out every bank in America. We did not hear it

when the Republicans organized the Reconstruction Finance Corporation and said they could only lend to banks and insurance companies and railroads. The Reconstruction Finance Corporation bailed them out with billions and billions of dollars. We never hear of the cry of socialism until we try to do something for the common man, and he is nonvocal. He does not have his representative here, and if we do not speak for him his voice is not heard in this Chamber.

I am not condemning the man that comes here to protect his interest. I am not condemning him if he will come in here and state the truth. He has a right to do that, but, nobody has a right to come here and misrepresent the facts and nobody has the right to come here and attempt to mislead the Members of Congress, and I think my colleagues have higher character and are made of tougher fiber than to be misled by any such arguments, and I feel confident that these arguments are going to have no effect upon you. You have heard today that the American Federation of Labor is for this bill. Every labor organization is for it. The American Legion is for it, the Veterans of Foreign Wars is for it, and all the other veterans organizations are for it. All the organizations that represent the plain people are for it, and the only organizations that do not want it are the organizations for special privilege. There is the choice.

Now, do not be frightened about socialism when you are doing something for the plain people, when you are making the average citizen happy. When you make the average citizen more content with his government, you will strengthen the very fiber of our Nation, and when you are doing something that will make him unhappy with his Government, you are thereby weakening the strength of the United States. Today we are doing something for we the people. It was not the delegates that adopted the Constitution. It was we the people. They delegated that power. They are the source of all power. They can change this Government if they want to. I hope they never will, because I have always thought that a divine providence guided our founders and has watched over us and have led us to the present time. But, the people are the reservoirs of all authority and power; we are their servants and in passing this bill we are doing something for them. I do not believe any lobbyist organization or any hysterical cry is going to have any great effect on the vote in the House. I am confident that this House will pass this bill by a good majority and the experience of time will approve its wisdom.

Mr. ALLEN of Illinois. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Chairman, for some time the loosely thrown around phrase, Federal aid, has been constantly on my mind. If there has ever been an expression used more erroneously, one that gives a more false impression, I do not know of it.

Mr. Chairman, in the true sense, it is impossible for the Government to give Federal aid, because we must never forget that any government cannot give anybody anything unless it takes it from them.

Would anyone contend that if an individual gave another $1,000 under certain conditions whereby he was going to receive considerable more in return that he was giving the first party something for nothing? Of course not—but that is the exact method used under the so-called Federal-aid program. Because before the Federal Government can give any individual, municipality, or State anything, it necessarily must have received it, or will receive it from the same source in the future.

Mr. Chairman, this theory applies to the bill presently before us. The history of housing the past 16 years is deplorable. The various housing agencies under the administration of Henry Wallace, Harold Ickes, Rexford Tugwell, Harry Hopkins and Dr. Alexander has been regrettable. Billions of dollars have been taken from our taxpayers and wasted. I would ask in all fairness: How many Members can truthfully state that during the past 16 years your constituency have been benefited by these thirty-odd Federal housing agencies in comparison to the amount of taxes that has been taken from them to support said programs. Few, I would say. This bill, if enacted, will cost the taxpayers of each congressional district approximately $40,000,000. How many of you honestly believe that your district will be benefited to that degree with the Government handling the administration in opposition to private industry?

Mr. Chairman, I am old-fashioned enough to still believe in private industry. I sincerely believe that private enterprise has done and is doing a splendid job. It hurts me to hear men high in governmental affairs condemn private industry. I listened with amazement to President Truman in his state of the Union message ridicule the steel industry without justification. You can recall that he stated the steel industry was not doing a good production job and he implied that the Government would go into the steel business. The steel industry spokesmen retaliated. They said there was plenty of steel on hand—in fact, there was a surplus. They were correct as best illustrated by the fact that at the present time steel production has been reduced over 10 percent and steel is easily obtainable.

Mr. Chairman, I am greatly disturbed over present business conditions. We are in the midst of a recession, and unless this Administration does not stop attacking private business we are headed for a depression—make no mistake about that. Let us get down to earth.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1949."

Mr. DAVIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia: Strike out all after the enacting clause and insert in lieu thereof the following: "That this act may be cited as the 'Slum Clearance and Housing Assistance Act of 1949.'

"TITLE I—ASSISTANCE TO STATES FOR THE ACQUISITION AND REDEVELOPMENT OF SLUM LAND

"SEC. 1. In order to assist any State to clear slum and blighted areas and to assist in protecting the public health, public morals, and the general welfare, the Federal Works Agency is authorized to make grants and loans as provided in this act.

"SEC. 2. Any State is authorized to apply to the Federal Works Agency for grants and loans for the clearance of slum or blighted areas and said Agency is authorized to make such grants and loans as herein provided. Such loans and grants are to be used by the State to acquire title to slum and blighted land by purchase or process of condemnation and to clear such acquired land for redevelopment insofar as possible for private taxpaying ownership according to the highest and best use of the land whether for commercial or industrial uses, housing, including apartments or single-family homes, parks, playgrounds, or appropriate public uses, as determined by a redevelopment plan for the area. The land when cleared shall be sold or transferred to an individual, partnership, cooperative, corporation, or other legal entity or public body agreeing to develop the land to its highest and best use in accordance with the redevelopment plan. The land cleared for redevelopment shall be offered for sale free of tax or assessment liens or other incumbrances at a fair and reasonable price with due regard for the new use of the land. Sale of the land shall be handled in such a manner that the public interest will be protected. The State may use any of its corporate or other instrumentalities for the accomplishment of its said objectives.

"SEC. 3. An applicant shall include in its application a description of the area which has been determined to be a slum or blighted area by an authority recognized by the State, together with a plan for the redevelopment of such area to its highest and best use whether public or private use in a manner consistent with any existing city plan or other plans for the use of land in such area and approved by such authority. Said redevelopment plan shall include a plan for roads and other public ways, public utilities, and a designated use under a zoning law or other land-use regulation or restriction for each tract of land in such redevelopment area. Such application shall include an estimate of the cost of the land to be acquired and an estimate of all clearance costs and an estimate of the value of land as cleared under the use provided in the redevelopment plan. Said application and redevelopment plan shall provide for the conveyance of such lands with reasonable restrictions or conditions to assure the redevelopment of the same as contemplated in such application and plans. The State shall show ability to pay in cash at a reasonable time one-half of the difference between the estimated acquisition and clearance cost and the estimated value of the land as cleared. The Federal Works Agency is authorized to make any investigations it deems to be appropriate to determine the wisdom of the proposed clearance of such slum or

blighted area and the reasonableness of the proposed use of such land. The application, estimates, and redevelopment plan may be amended from time to time.

"SEC. 4. (a) The Federal Works Agency is authorized to grant an applicant a sum not in excess of one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new-use value. Such grants shall be payable in a manner to assure that such funds are applied by the applicant to the purchase price and clearance cost of land in slum-clearance area.

"(b) The Federal Works Agency is authorized to advance to an applicant an amount equal to the estimated value of the land when cleared upon the condition that the entire proceeds of the sale of the land purchased, whether more or less than such advance, shall be paid to the Federal Works Agency in extinguishment of such advance and such amount shall be covered into the Treasury as miscellaneous receipts.

"SEC. 5. No grants or loans as provided for in this title shall be made (1) until the applicant has shown the Federal Works Agency that it is able to provide cash equal to one-half of the difference between the estimated total acquisition and clearance cost and the estimated sale or new-use value; (2) until the applicant has committed itself in a manner satisfactory to the Federal Works Agency in the application and plans submitted by the applicant or otherwise for the prompt clearance of such slum or blighted area and also for the prompt sale of the same upon an equitable basis, without discrimination and for the full new-use value of such lands and for the refund to the Federal Works Agency of the proceeds of such sale; and (3) unless it is shown that the State or the city or county in which said slum or blighted area is to be cleared has passed and is enforcing a law or ordinance prohibiting the renting or occupancy of residential property which is dangerous to health or unfit for occupancy by reason of its physical or sanitary condition.

"SEC. 6. Families dispossessed by reason of the acquisition and clearance of land pursuant to this act who are not able to obtain other suitable housing accommodations within their income shall be given immediate accommodations in any low-rent housing project receiving Federal subsidies under the United States Housing Act of 1937, as amended, or otherwise or such dispossessed families shall be provided rental assistance for a reasonable period by the applicant as a condition for the receipt of grants and loans.

"SEC. 7. No land the acquisition of which is assisted under this title shall be acquired by the applicant agency except after open public hearing following notice of the date, time, place, and purpose of such hearing published at least three times, not less than 10 nor more than 20 days prior to the date of such hearing, in at least one English-language newspaper published in the municipality or municipalities within which any land proposed to be acquired is located, nor shall any land the acquisition of which is assisted under this title, be sold or otherwise disposed of except following similar open public hearing held following publication of the date, time, place and purpose thereof as above provided.

"SEC. 8. There is hereby authorized to be appropriated to the Federal Works Agency (1) the sum of $350,000,000 for loans and grants under this title and (2) such sums as may be necessary for administrative expenses to carry out the purposes of this title. Not more than 20 percent of the funds herein provided shall be expended in any one year and not more than 10 percent of the total provided herein shall be allocated and expended in any one State. No commitments or grants shall be made obligating the United States Government to make disbursements or to continue this program after June 30, 1954. Funds received in repayment of or as interest upon loans made pursuant to this title shall be covered into the Treasury as miscellaneous receipts.

"TITLE II—HOUSING FOR FAMILIES OF LOW INCOME

"SEC. 201. (a) In order to stimulate within the shortest possible time maximum production of housing for low-income families, the Internal Revenue Code is amended by inserting after section 124 thereof the following new section:

"'SEC. 124A. Amortization deductions for rental housing for persons of low income, and for which real estate tax exemptions are locally provided.

"'(a) Issuance of certificate: The amortization deduction hereinafter provided shall be allowable only (i) with respect to a facility which by contract with the local legislative body of the municipality in which it is, or is to be, located has received exemption, for a period of at least 10 years, from local and municipal taxes (other than assessments for local improvements) as to such part of the value of the property included in such facility which represents an increase over the assessed valuation of the real property, both land and improvements, acquired for the facility at the time of its acquisition by the taxpayer, and (ii) to the taxpayer to whom a certificate that the dwelling units specified therein constitute a necessary rental housing facility is issued by the Federal Housing Commissioner. Such certificate shall find that said dwelling units are or will be of such character and will be rented at such rentals as in the judgment of said Commissioner are within the means of persons of low income who are unable to afford to buy or rent decent, safe, and sanitary housing then available. In order to assure that the facility shall be kept available for families of low income the taxpayer shall agree, as a condition to the issuance to him of such certificate, that no family shall be admitted to occupancy in any such facility unless such family shall be certified, by the local governmental agency administering public assistance or welfare in the locality, to be either receiving or entitled to receive public rent assistance or of such low income as to be unable to pay rentals then required for the economic occupancy of decent, safe, and sanitary housing in the locality. The Federal Housing Commissioner is authorized to revoke such certificate upon any violation of the conditions and specifications contained therein. Application for such certificate shall be filed with the Federal Housing Commissioner prior to the commencement of construction, alteration, or remodeling of the rental housing facility and such certificate shall be issued only to the person filing such application. The Federal Housing Commissioner is hereby authorized from time to time to prescribe forms and regulations with respect to such certificates.

"'(b) General rule: Every taxpayer, at his election, shall be entitled to an amortization deduction for a period of 120 months with respect to any necessary rental housing facility defined in this section, for which facility a certificate issued by the Federal Housing Commissioner in accordance with this section shall then be in effect. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the adjusted basis (for determining gain) of the facility at the end of such month divided by 120 plus the number of months (including the month for which the deduction is computed) remaining in the 120-month period. Such adjusted basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction above provided with respect to any month shall be in lieu of the deduction with respect to such facility for such month provided by section 23 (l) (relating to exhaustion, wear and tear, and obsolesence), but shall be allowable only if a deduction under section 23 (l) would otherwise be allowable for such month with respect to such facility. If such certificate is revoked by the Federal Housing Commissioner for any violation of the conditions and specifications contained therein, the deduction shall not be allowable for any month ending after a violation upon which such revocation is based. The 120-month period shall begin as to any such facility at the election of the taxpayer, with the month following the month in which the facility was completed, or with the succeeding taxable year.

"'(c) Election of amortization: The election of the taxpayer to take the amortization deductions and to begin the 120-month period with the month following the month in which the facility was completed shall be made only by a statement to that effect in the return for the taxable year in which the facility was completed. The election to take the amortization deduction and to begin such period with the taxable year succeeding such year shall be made only by a statement to that effect in the return for such succeeding taxable year.

"'(d) Definitions: As used in this section—

"'(1) The term "necessary rental housing facility" means any rental housing facility with respect to which a certificate under this section is issued to the taxpayer.

"'(2) The term "rental housing facility" means—

"'(A) Any dwelling unit or units held by the taxpayer for rental purposes, the construction of which is begun at any time on or after July 1, 1949.

"'(B) Any dwelling unit or units held by the taxpayer for rental purposes provided by the alteration or remodeling of an existing structure if such alteration or remodeling is begun at any time on or after July 1, 1949, and if such dwelling unit or units are in addition to the number of dwelling units contained in such structure prior to such alteration or remodeling.

"'(3) The term "dwelling unit" means any dwelling unit containing its own kitchen and bath facilities.

"'(4) The adjusted basis of any necessary rental housing facility shall include only so much of the amount otherwise constituting such adjusted basis as is properly attributable to the construction, or to the alteration or remodeling, covered in the certificate issued under this section. In no event shall the basis of the land on which such facility is located be included in such adjusted basis.

"'(e) Life tenant and remainderman: In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.'

"Section 23 (t) of the Internal Revenue Code is amended to read as follows:

"'(t) Amortization deduction: The deduction for amortization provided in sections 124 and 124 A.'

"(c) Section 172 of the Internal Revenue Code is amended by striking out 'of emergency facilities.'

"(d) Section 190 of the Internal Revenue Code is amended by inserting after 'emergency facilities' the following: 'or necessary rental housing facilities'.

"(e) The amendments made by this section shall be applicable to taxable years beginning after December 31, 1948.

"SEC. 202. (a) A certificate issued under the provisions of this title shall require that the taxpayer agree to give preference in occupancy as among families otherwise eligible to families of veterans and servicemen (including families of deceased veterans and servicemen).

"(b) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947.

"TITLE III—VETERANS' HOMESTEAD ASSOCIATIONS

"SEC. 301. The Servicemen's Readjustment Act of 1944, as amended, is hereby amended by inserting immediately after section 510 thereof the following new sections:

"'VETERANS' HOMESTEAD ASSOCIATIONS

"'SEC. 511. (a) In enacting this section to alleviate the existing housing shortage, it is the intent of the Congress to provide means of ownership and financing, within the framework of our private-enterprise system and without vast expenditures of public moneys, whereby veterans themselves, associated together within their own communities, can build, buy, or rent homes upon terms which veterans can afford; and to provide the public facilities essential to such homes without the imposition of additional financial burdens upon veterans who may be owners thereof or tenants therein.

"'DEFINITIONS

"'(b) As used in this section, except where the context otherwise requires, the term—

"'(1) "Association" means a veterans' homestead association chartered pursuant to this act.

"'(2) "Housing" means permanent type of housing; does not include transient housing such as tourist cabins, motor courts, or apartment hotels; but may include multifamily dwellings or single-family dwellings, whether located on contiguous or scattered sites.

"'(3) "Improve" as applied to real property shall include (a) grading, landscaping, and any other site development; and (b) construction, repair, remodeling, or demolition (whether for salvage or reuse) of buildings and other structures thereon.

"'(4) "Real property" means lands, whether or not improved, and any buildings or other structures thereon, including fixtures and personalty attached thereto.

"'(5) "Public facilities" includes public highways and parks, roads, streets, curbs, gutters, and sidewalks, bus stations and bus stops, water storage, purification and distribution works, sewage, garbage and refuse collection, treatment and disposal facilities (including trunk and lateral sewers), fire stations, fire equipment and fire plugs, streetlighting facilities, schools, community centers, and recreational facilities.

"'(6) "Veteran" means any person described under the provisions of subsection 500 (a) of this title.

"'ORGANIZATION OF VETERANS HOMESTEAD ASSOCIATIONS

"'(c) The Administrator is hereby authorized, subject to the provisions of this section and under such rules and regulations as he may prescribe, to provide for the organization, incorporation, examination, operation, and regulations of associations to be known as "veterans homestead associations," and to issue charters therefor in such form as he may prescribe, and to consent to the amendment of any such charter: *Provided,* That a certified copy of all such charters shall be filed in each county where such association operates.

"'QUALIFICATION FOR MEMBERSHIP

"'(d) Five or more veterans of ability, good character, and responsibility as determined by the Administrator, may apply for a charter hereunder. Each association shall determine its own rules of eligibility for membership therein subject only to the conditions that (1) membership shall be limited to veterans; (2) no veteran shall become or remain a member unless and until his accumulated payments to the association, in accordance with subsection (j) shall equal or exceed $100; and (3) no veteran shall become a member of an association until he has executed and filed with the Veterans' Administration an affidavit to the effect that he is not a Communist and does not belong to any subversive organization.

"'PRIMARY PURPOSE OF ASSOCIATIONS

"'(e) Each organization shall be organized and shall operate on a nonprofit basis. It shall have as its primary purposes, (1) to acquire and improve real property to provide housing to be sold to veterans for occupancy by themselves, personally, together with their families or dependents; (2) to acquire and improve and to operate and maintain real property to provide multiunit housing, including such commercial and community facilities as may be reasonably necessary or desirable to facilitate the use thereof for residential purposes, to be rented to veterans for occupancy by themselves, personally, together with their families or dependents; and (3) to acquire and improve, and to operate and maintain real property to provide multiunit housing, including such commercial and community facilities as may be reasonably necessary or desirable to facilitate the use thereof for residential purposes, to be owned or held by the members of the association on a mutual or cooperative basis, to be occupied by themselves, personally, together with their families or dependents. To this end, and pursuant to rules and regulations issued by the Administrator, each association shall provide maximum opportunity and priority for the purchase or rental of such housing, first to members of such associations, and second, to nonmember veterans.

"'NUMBER OF ASSOCIATIONS

"'(f) The Administrator may, in his discretion, charter one or more associations in any locality; and he may, in his discretion, refuse to charter any proposed association upon his finding that the veterans in the locality in which it is proposed that such association would operate are or will be adequately served by an association or associations then already chartered for operation in such locality.

"'POWER OF VETERANS HOMESTEAD ASSOCIATIONS

"'(g) Under rules and regulations issued by the Administrator, each association shall have the following powers:

"'(1) Subject to the provisions and limitations of this section, to purchase, or otherwise acquire, any real property or leasehold or other interest therein, whether improved or unimproved, to subdivide, construct improvements on, repair, modernize, renovate, maintain, and operate any such property, and to purchase, or otherwise acquire, any personal property necessary or desirable for any of the foregoing.

"'(2) Subject to the provisions and limitations of this section, to hold, sell, or contract for the sale of, lease, rent, mortgage, or otherwise deal with, encumber, hypothecate, or dispose of any acquired property; all on such terms and conditions as may be deemed proper and consistent with other provisions of this act: *Provided, however,* That so long as any association is obligated to the Administrator on account of advances or loans made under subsection (m) hereof no association may pledge, mortgage, or otherwise create a lien upon or encumber any real property to which it holds title without the consent of the Administrator: *And provided further,* That each unit sold to or held in cooperative or mutual ownership by an eligible veteran shall be reported to the Administrator, who shall charge against such veteran's guaranty benefit the maximum amount so chargeable if a loan for the full purchase price or cost of such unit had been guaranteed or insured under this title, and shall pay an amount equivalent to 4 percent of the amount so charged to the association to be credited upon the obligation of such veterans to the association, unless such charge and such payment are required to be made otherwise to finance the purchase of such unit.

"'(3) To purchase, construct, improve, or otherwise provide, to receive grants for, and to maintain and operate public facilities (which shall include for this purpose gas and electric distribution lines and facilities) reasonably necessary or desirable for the housing provided by or of the association, where such public facilities are then not otherwise available for such housing: *Provided,* That no association shall operate any mercantile establishment or other commercial enterprise, or operate any amusement enterprise.

"'(4) To borrow money as may be required within the purposes and limitations of this section, and to execute notes or other obligations therefor.

"'(5) To build up and maintain reasonable reserves: *Provided, however,* That such reserves shall not exceed in the aggregate 5 percent of the total obligations of such associations outstanding from time to time.

"'(6) To make, adopt, repeal, and amend bylaws; to employ and to pay reasonable salaries to, the employees of the associations for services performed. Employees need not be veterans.

"'(7) To exercise such other powers, not inconsistent with this title, as are appropriate for the conduct of the business of the association.

"'(8) To require that all officers and employees of the association who handle funds of the association be bonded by an approved surety company in an adequate amount.

"'ANNUAL AND OTHER REPORTS OF ASSOCIATIONS

"'(h) Every association shall file, with the Administrator, not later than 45 days after the close of its fiscal year, an annual financial statement and shall also furnish to him such other financial statements, at such other times as he may require. All such reports shall be in such form and in such detail as may be prescribed by the Administrator. The Administrator shall make, annually and at such other times as he deems necessary, an examination of the financial books, records, and affairs of each association, in the manner customary for supervision of fiduciary institutions.

"'PAYMENTS BY ASSOCIATION MEMBERS

"'(i) Members of an association shall not be required to pay dues. Each association shall provide in its bylaws for the payment by each prospective member of the sum of $100 to be credited on the books of the association to the credit of such persons. The sums so paid shall not bear interest. Each such sum shall be entered on the books of the association as a credit to the member making such payment for possible application either (1) as payment on a home purchased by such member from the association; or (2) as security for rent on a home rented from the association by such member. Each association shall provide further, in its bylaws, that a member may voluntarily withdraw from such association at any time and may receive back an amount

equal to the amount of his payment to the association (unless such payments shall have been applied as payment on a home purchased by such member from the association or is held by the association as security for the payment of rent), but only after 1 year following the date of the initial payment and then only upon 60 days' notice to the association.

"'LIMITATION ON COST AND AMOUNT OF HOUSING

"'(k) No association shall purchase or improve, or contract for the purchase or improvement of, or otherwise acquire, any real property, unless, in the opinion of the Administrator, (1) the estimated final cost of the proposed housing (exclusive of related real property designed for commercial operation), as determined by the amounts of firm contracts for the acquisition of real property, the improvement thereof, the construction of buildings and the acquisition of related personal property, plus an amount equal to 5 percent of such contracts plus an allocable share of the estimated indirect or overhead costs and expenses of the association, fairly attributable to such housing, will not exceed a sum equal to the product of the number of family units in such housing multiplied by $10,000; (2) such housing will afford living accommodations for sale or rent to veterans at prospective prices or terms favorable in comparison with any like or similar living accommodations currently available in the locality; (3) the total number of units thereby provided will not be in excess of either the number of members of such association or the number of veterans in the community who may reasonably be considered, in the opinion of the Administrator, prospective purchasers of or tenants of such units.

"'SALE OR RENTAL OF HOUSING OR REAL PROPERTY

"'(k) (1) Subject to such exceptions as the Administrator may approve, all real property of an association shall be sold or leased for such prices or at such rents, as the case may be, as shall reasonably represent the actual cost thereof to the association, including (i) all costs of acquisition, construction, or improvement; (ii) interest on and amortization of obligations of the association fairly attributable to such housing; (iii) direct costs of operation and maintenance of such housing; and (iv) an allocable share of the overhead or indirect costs and expenses of the association fairly attributable to such housing, plus a reasonable contribution to the reserves to be built up and maintained under subsection (h) hereof, nor shall any sale by an association of a commercial unit, or of a dwelling unit other than the sale of a cooperative interest in a multiunit structure, be financed by an association.

"'(2) Any deed or other instrument made by an association for the sale of its housing shall provide that such property shall not be conveyed or otherwise disposed of by the purchaser voluntarily within 3 years from the date of acquisition of such housing by such purchaser unless it shall first have been offered for sale back to the association at the original price paid to such association by such purchaser, less any depreciation which shall have occurred by that time and plus the fair value of any improvements which such purchaser shall have made to such property: *Provided,* That no association may use the property as security for additional loans after deed has been delivered to a veteran, even though the association retains an interest in the property.

"'(3) As a condition to every sale of housing by an association to a veteran, such veteran shall furnish to such association an affidavit stating that he has not theretofore purchased any housing from any association which has not been offered for sale back to the association and he does not own any housing acquired from any association chartered under this title.

"'(4) As a condition of every sale by an association to a veteran, such association shall furnish to such veteran an affidavit stating that no other veteran has purchased the property and if the property has been repurchased from a veteran by the association, the association will guarantee the title as free and clear of encumbrances, except those to be assumed by the new purchaser.

"'(5) Every lease made by an association shall contain a prohibition against subleasing without the consent of the association.

"'LOANS BY ADMINISTRATOR TO ASSOCIATIONS

"'(l) The Administrator is authorized in his discretion to make either short-term or long-term loans to any association, upon either a secured or unsecured basis, for any of the purposes authorized by this section for which funds may be required by such association, including initial working capital and development expenses preliminary to the commencement of actual construction of housing. Advances made on a short-term basis may be refunded on a long-term basis, or may be repaid upon such terms and conditions as the Administrator may prescribe.

"'(1) The interest rate charged to an association on any such borrowings shall not exceed such rate as may be fixed by the Administrator with the approval of the Secretary of the Treasury: *Provided,* That an association may obtain funds for its purposes by borrowings from private lending sources on such terms with respect to rates of interest, maturity, and other matters as it may agree upon.

"'(2) Any loans so made by the Administrator, except as to advances made for interim or temporary purposes, shall be repaid—

"'(i) within a period of 40 years, if the proceeds of such loan are employed by the association to acquire or improve, and to operate and maintain, multiunit structures to be rented;

"'(ii) within a period of 32 years, if the proceeds of such loan are employed by the association to construct or to purchase, and to operate and maintain, multiunit structures sold or held on a mutual or cooperative basis;

Provided, That cash receipts incoming to an association by reason of the sale of any other housing shall be transferred or paid to the Administrator for credit upon the obligations of the association to the Administrator. Each assocation to which any such loan may be made shall make, issue, and deliver to the Administrator, its note in the principal amount of such loan. Each such note shall be a nonnegotiable, unconditional obligation of the association, issued against its general credit, and payable from its general assets.

"'TAX EXEMPTIONS

"'(m) Notwithstanding any provisions of the Internal Revenue Code or any other law to the contrary, the net earnings of any association shall be exempted from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or other local taxing authority.

"'(n) Subject to the provisions of subsection (m) hereof, no State, county, municipal, or other local taxing authority shall impose any tax upon any such association or its charter and franchise, capital, reserves, property, surplus, loans, or income, greater than that imposed by such taxing authority on other similar local nonprofit associations.

"'FUNDS OF ASSOCIATION

"'(o) The funds of an association may, as provided by its bylaws and in accordance with rules and procedures issued by the Administrator, be deposited in any bank or banks. No association shall invest its funds in any securities except obligations of the United States of America, or obligations unconditionally guaranteed by the United States as to the payment of both principal and interest, or obligations of a State, and, in any event no such investment shall be made except with the approval of the Administrator or pursuant to rules and regulations issued by him.

"'DISTRIBUTION OF EARNINGS

"'(p) At the end of any fiscal year any net earnings remaining to an association, after fully providing for the payment of all debts and obligations of such association, then due, and after providing for the reserves then currently required, shall be set aside in a special account to be used (i) for the reduction by the association of its notes or other obligations then outstanding, or (ii) with the express approval of the Administrator, for any other lawful purpose of the association.

"'DISSOLUTION OF ASSOCIATIONS

"'(q) (1) If the members or directors of any association shall knowingly violate, or knowingly permit any of the officers, agents, or servants of such association to violate any of the provisions of this section or of the rules or regulations issued thereunder, the charter, and all the rights, privileges, and franchises of such association shall be forfeited. Such violation shall, however, be determined and adjudged by a proper district court of the United States in a suit brought for the purposes by the Administrator, in his own name, before such association shall be declared dissolved.

"'(2) Any association may, at any time, apply to the Administrator for its voluntary dissolution, and if, in his judgment, adequate provision shall have been made for the payment in full of all debts and obligations of such association, he shall promptly effect such dissolution.

"'(3) Upon any dissolution, whether voluntary or involuntary, the net assets of an association, remaining after payment in full of all its debts and obligations, shall be liquidated under the supervision of the Administrator and the proceeds thereof shall be covered into the United States Treasury as miscellaneous receipts.

"'(r) In any event upon the maturity of all obligations owing to the United States for the financing of properties held for rent under this section, such properties shall be transferred and conveyed to the Administrator of Veterans' Affairs who shall dispose of them for the benefit of the United States and, after payment from the proceeds thereof of any other obligations of the association which it may be proper to so pay, shall cover the remaining proceeds into the Treasury of the United States as miscellaneous receipts.

"'(s) The power of the Administrator to issue rules and regulations for the effective implementation and administration of this section, pursuant to the provisions hereof and not in conflict herewith, shall include, but not by way of limitation, the power—

"'(1) to provide such supervision of associations as he may deem necessary for the proper administration of this section;

"'(2) to provide for the reorganization, consolidation, merger, or liquidation of any association or associations;

"'(3) to appoint a conservator or a receiver to take charge of the affairs of any such association, and to require an equitable readjustment of the assets, liabilities, and surplus of the same; and to release any such association from such control and permit its further operation: *Provided,* That in any case where the Administrator appoints a conservator or a receiver for any association, such conservator or receiver shall act primarily for the protection of the creditors of such association;

"'(4) to delegate and authorize successive redelegation of any authority conferred upon

him by or pursuant to this section, to any official or employee of the Veterans' Administration. The Administrator shall not act through, or delegate any such authority to, any other agency or any official or employee thereof.

"'CRIMINAL PROVISIONS

"'(x) (1) Whoever, being connected in any capacity with an association (i) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it; or (ii) with intent to defraud an association, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Veterans' Administration or of an association, makes any false entry in any book, report, or statement of or to the Veterans' Administration or an association, or, without being duly authorized, draws any order or issues, puts forth, or assigns any bond, note, or other obligation, or draft, mortgage, judgment, or decree thereof, shall be guilty of a felony and punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"'(2) Any veteran who willfully and knowingly makes any false statement in the affidavit required by section 511 (1) (3) to be furnished by him to an association in connection with his purchase of housing from such association shall be guilty of a felony and punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"'MATURITY OF GUARANTEED OR INSURED LOANS

"'(u) Notwithstanding the 25-year limitation set forth in 500 (b) of this title, any loan made to a veteran for the purpose of purchasing a home from an association may have a maximum maturity not in excess of 32 years.

"'TIME LIMITATION

"'(v) The authority of the Administrator to issue charters to associations and to make loans to associations hereunder shall expire July 25, 1957.

"'ADVISORY COUNCIL

"'(w) There is hereby authorized to be established an advisory council to aid and advise the Administrator in the execution of his duties in relation to veterans' homestead associations. The council shall consist of the Administrator of Veterans' Affairs, who shall be Chairman; the Secretary of Agriculture; the Administrator of the Housing and Home Finance Agency; the Administrator of the Federal Works Agency; and six representatives of the public to be appointed by the Administrator of Veterans' Affairs, who shall be recognized leaders in the fields of finance, real estate, business administration, construction, labor, and housing. The members of the council shall not receive any compensation for their services on the council, but the Administrator of Veterans' Affairs is authorized to provide that the members receive a reasonable per diem allowance for each day of actual service, and in addition thereto be reimbursed for their necessary traveling expenses while on the business of the council.

"'GRANTS FOR PUBLIC FACILITIES ESSENTIAL TO VETERANS' HOUSING

"'SEC. 512. (a) The Federal Works Administrator is hereby authorized to make grants to States, political subdivisions thereof, other public bodies, and to associations for the construction, repair, improvement, or extention of public facilities wherever the Administrator of Veterans' Affairs shall find that such public facilities are necessary for or will facilitate the more effective use within the community of housing provided and to be provided for veterans under section 511 hereof.

"'AMOUNT OF GRANT

"'(b) The amount of any grant made hereunder shall not exceed 50 percent of the cost, as determined by the Federal Works Administrator, of the public facilities provided therewith.

"'GENERAL CONDITIONS OF GRANT

"'(c) No grant shall be made hereunder unless—

"'(1) the public facilities for which such grant is made shall be determined by the Federal Works Administrator to conform to any applicable over-all State, local, or regional development plan approved by competent State, local, or regional authority; and

"'(2) the public body or association to which such grant is made shall give assurance, satisfactory to the Federal Works Administrator, that (i) it will adequately maintain the public facilities for which such grant is made; (ii) the assessments or other charges which would otherwise be imposed for the provision of such public facilities will be reduced by an amount equal to the grant; and (iii) in the case of a public body, it will make available, for the housing for which such public facilities are provided, all other public facilities it then provides for other housing generally, and upon like terms and conditions.

"'SPECIAL CONDITIONS OF GRANTS TO ASSOCIATIONS

"'(d) No grant shall be made hereunder to any associations unless (in addition to the conditions specified in subsection 512 (c) here)—

"'(1) the Federal Works Administrator shall determine that the type of public facilities for which such grant is made are, under applicable local law or practice, customarily provided in the first instance by real-estate developers or builders; and

"'(2) such association shall agree to transfer such public facilities after completion, without compensation, to an appropriate local public body, if and whenever any such local public body may be willing to dedicate such public facilities to public use and to maintain them under the conditions specified in subsection 512 (c) hereof.

"'DELEGATION OF AUTHORITY

"'(e) The Federal Works Administrator may delegate and authorize successive redelegation of any authority conferred upon him by or pursuant to this chapter to any official or employee of the Federal Works Agency.

"'PROVISION OF FUNDS

"'SEC. 513. In order to carry out the provisions of this title there is hereby authorized to be appropriated the sum of $50,000,000 for the purposes of section 512 and the sum of $250,000,000 for the purposes of section 511.'

"TITLE IV—HOUSING RESEARCH

"SEC. 401. (a) It is hereby declared to be the policy of the United States that the Department of Commerce shall be responsible for and it is hereby authorized to undertake technical, economic, and statistical research into, and studies of, housing in order to develop and encourage new and improved techniques in materials and methods of residential construction. Responsibility for statistics and technical and economic matters arising in the course of their own operations shall remain with the respective operating agencies within the Housing and Home Finance Agency.

"(b) To that end there shall be established in the National Bureau of Standards, within the Department of Commerce, a Housing Research Unit which shall undertake and conduct a program of technical research. Such Unit, in order to promote reduction in housing construction costs, is also authorized to undertake research and studies cooperatively with other agencies of the Government, with agencies of State or local governments, with educational institutions, or with nongovernmental research and technical organizations. Contracts may be made by the Bureau, with the approval of the Secretary of Commerce, for technical research and studies authorized by this section for work to continue not more than 4 years from the date of any such contract. Notwithstanding the provisions of section 5 of the act of June 20, 1874, as amended (31 U. S. C. 713), any unexpended balances of appropriations properly obligated by contract with organizations as provided in this subsection may remain upon the books of the Treasury for not more than five fiscal years before being carried to the surplus fund and covered into the Treasury.

"(c) The Department of Commerce, through the Bureau of the Census and the Construction Division of the Bureau of Foreign and Domestic Commerce, or such other bureau or bureaus within said Department as are now or hereafter may be designated for that purpose by the Secretary of Commerce, shall conduct economic and statistical studies into the housing supply, its condition and characteristics, housing market data, the supply of building materials and equipment, housing costs, and other economic and statistical matters important to the home-building industry and to home owners of the United States in order to bring about increased production, reduction in costs and improvement in methods of home construction and marketing.

"SEC. 402. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

"TITLE V—FARM HOUSING

"FINANCIAL ASSISTANCE BY THE SECRETARY OF AGRICULTURE

"SEC. 501. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized, subject to the terms and conditions of this title, to extend financial assistance, through the Farmers Home Administration, to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms to provide them, their tenants, lessees, share croppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this title.

"(b) For the purpose of this title, the term 'farm' shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of $400 in 1944, as determined by the Secretary. The Secretary shall promptly determine whether any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

"(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or share cropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage; (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill.

"LOANS FOR HOUSING AND BUILDINGS ON ADEQUATE FARMS

"SEC. 502. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 501 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan, with interest at a rate not to exceed 4 percent per annum on the unpaid balance of principal.

"(b) The instruments under which the loan is made and the security given shall—

"(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

"(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

"(3) contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

"(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

"LOANS FOR HOUSING AND BUILDINGS ON POTENTIALLY ADEQUATE FARMS

"SEC. 503. If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficier to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed 10 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices which, in the opinion of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 10 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 402. In addition, the Secretary may agree with the borrower to make annual contributions during the said 10-year period in the form of credits on the borrower's indebtedness in an amount not to exceed the annual installment of interest and 50 percent of the principal payments accruing during any installment year up to and including the tenth installment year, subject to the conditions that the borrower's income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvements or enlargement with due diligence.

"This agreement with respect to credits of principal and interest upon the borrower's indebtedness shall not be assignable nor accrue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to release the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.

"OTHER SPECIAL LOANS AND GRANTS FOR MINOR IMPROVEMENTS TO FARM HOUSING AND BUILDINGS

"SEC. 504. In the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 502 and 503 and that repairs or improvements should be made to a farm dwelling occupied by him, or his tenants, lessees, share croppers, or laborers, in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant, to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements. No assistance shall be extended to any one individual under the provisions of this section in the form of a loan or grant or combination thereof in excess of $1,000 for any one farm or dwelling or building owned by such individual, or in excess of $2,000 in the aggregate to any one such individual, and the grant portion with respect to any one farm or dwelling or building shall not exceed $500. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable in accordance with the principles and conditions set forth in this title. Sums made available by grant may be made subject to the conditions set out in this title for the protection of the Government with respect to contributions made on loans by the Secretary. In the case of such loan or grant with respect to a farm not occupied by the owner of the land, the Secretary may, as a condition precedent to the grant, require that the landowner enter into such stipulations and agreements with the Secretary and the occupants of the farm as will make it possible for the occupant to obtain the full benefit of the grant.

"TECHNICAL SERVICES AND RESEARCH

"SEC. 505. In connection with financial assistance authorized in sections 501 to 504, inclusive, the Secretary shall require that all new buildings and repairs financed under this title shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this title shall be supervised and inspected, as may be required by the Secretary, by competent employees of the Secretary. In addition to the financial assistance authorized in sections 501 to 504, inclusive, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings. The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purposes of stimulating construction, improving the architectural design and utility of such dwellings and buildings, utilizing new and native materials, economies in materials and construction methods, new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

"PREFERENCES FOR VETERANS AND FAMILIES OF DECEASED SERVICEMEN

"SEC. 506. As between eligible applicants seeking assistance under this title, the Secretary shall give preference to veterans and the families of deceased servicemen. As used herein, a 'veteran' shall be a person who served in the land or naval forces of the United States during any war between the United States and any other nation, and who shall have been discharged or released therefrom on conditions other than dishonorable. 'Deceased servicemen' shall mean men or women who served in the land or naval forces of the United States during any war between the United States and any other nation, and who died in service before the termination of such war.

"LOCAL COMMITTEES TO ASSIST SECRETARY

"SEC. 507. (a) For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this title. In any county or parish in which activities are carried on under this title and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of $5 per day while engaged in the performance of duties under this title, and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

"(b) The committees utilized or appointed pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan or grant under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making

of the loan or grant requested will carry out the purposes of this title. The committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The committees shall, in addition, perform such other duties under this title as the Secretary may require.

"GENERAL POWERS OF SECRETARY

"SEC. 508. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

"(b) The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter's disadvantage without the approval of the Secretary.

"ADMINISTRATIVE PROVISIONS

"SEC. 509. In carrying out the provisions of this title, the Secretary shall have the power to—

"(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than $300;

"(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

"(c) compromise claims and obligations arising out of sections 502 to 505, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payments of further consideration, of—

"(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

"(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

"(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this title, and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

"(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans as provided herein to provide adequate farm dwellings and buildings for the purchasers of such property;

"(f) utilize with respect to the indebtedness arising from loans and payments made under this title, all the powers and authorities given to him under the act approved December 20, 1944, entitled 'An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes' (58 Stat. 836), as such act now provides or may hereafter be amended;

"(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

"SEC. 510. In order to carry out the provisions of this title there is hereby authorized to be appropriated the sum of $400,000,000.

"TITLE VI—DISPOSITION OF WAR HOUSING

DEFINITIONS

"SEC. 601. For the purposes of this title—

"(1) The term 'Administrator' means the Federal Works Administrator.

"(2) The term 'Lanham War Housing Act' means the act entitled 'An act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended.

"(3) The term 'war housing' means any interest, owned by the United States and under the control of the Housing and Home Finance Agency, in (a) housing (other than temporary housing) acquired or constructed under the Lanham War Housing Act, under the Second Supplemental National Defense Appropriation Act, 1941 (Public, No. 781, 76th Cong.), as amended, under the Urgent Deficiency Appropriation Act, 1941 (Public Law 9, 77th Cong.), or under the Second Deficiency Appropriation Act, 1944 (Public Law 375, 78th Cong.), and (B) such other property as is determined by the Administrator to be essential to the use of such housing.

"(4) The term 'veteran' means (A) any person in the active military or naval service of the United States during the present war, or (B) any person who served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, and who has been discharged or released therefrom under conditions other than dishonorable after active service of 90 days or more or by reason of an injury or disability incurred in service in line of duty.

"(5) The term 'dwelling' means a war housing building designed for residential use of one or more families.

"(6) The term 'dwelling unit' means a dwelling, or that part of a dwelling, which is designed for residential use of one family.

"TRANSFER OF WAR HOUSING TO FEDERAL WORKS ADMINISTRATION

"SEC. 602. (a) The functions of the Housing and Home Finance Agency with respect to war housing are hereby transferred to the Administrator.

"(b) There are hereby transferred to the Administrator, to be used or held in connection with the exercise of the functions transferred by this section, (1) the records and property used or held on the date of the enactment of this act in connection with such functions, and (2) so much of the unexpended balances of appropriations, allocations, or other funds available for use by the Housing and Home Finance Administrator or the Housing and Home Finance Agency in the exercise of such functions as the Director of the Budget shall determine.

"SALE OF WAR HOUSING

"SEC. 603. (a) All war housing (except mortgages, liens, or other interests as security) transferred to the Administrator by section 602 shall, subject to the provisions of this act, be sold for cash as expeditiously as possible and not later than December 31, 1950. Wherever practicable each dwelling in a war housing project shall be offered for sale separately from other dwellings in such project. Any mortgage, lien, or other interest as security transferred to the Administrator by section 602 or acquired by him under this act pursuant to a contract entered into prior to February 26, 1947, may, subject to the provisions of this section, be sold for cash.

"(b) (1) Except as provided in paragraph (2) of this subsection, the price to be paid for war housing sold under this act shall be a price not less than the reasonable value thereof at the time of the offer for sale as determined by appraisal made by an appraiser or appraisers designated by the Federal Housing Administrator.

"(2) The price to be paid for any mortgage, lien, or other interest as security sold under this section shall be a price not less than the unpaid principal (plus accrued interest thereon) of the obligation with respect to which the mortgage, lien, or other interest as security is held.

"(c) Except as provided in subsections (a) and (b), the sale of war housing under this act shall be with or without warranty and upon such other terms and conditions as the Administrator deems proper.

"TRANSFER OF WAR HOUSING TO THE WAR OR NAVY DEPARTMENTS

"SEC. 604. Notwithstanding the provisions of this act or any other provision of law, the Administrator may, in his discretion, upon the request of the Secretary of War or Navy, transfer to the jurisdiction of the War or Navy Department any war housing situated within the proximate vicinity of any permanent Army or Navy Establishment and which requests were on file April 15, 1949.

"PREFERENCES

"SEC. 605. (a) Preference in the purchase of any dwelling designed for occupancy by less than five families shall be granted to veterans and their families and to occupants over other prospective purchasers of such dwelling in the following order:

"(1) A veteran and his family who occupy a dwelling unit in the dwelling to be sold.

"(2) A veteran and his family who do not occupy a dwelling unit in the dwelling to be sold but who intend to occupy a dwelling unit in the dwelling to be purchased; but if the dwelling is designed for occupancy by two, three, or four families, equal preference shall be granted to a private corporation, association, or cooperative society which is the legal agent of veterans and their families who intend to occupy the dwelling purchased by such corporation, association, or society.

"(3) A nonveteran who occupies a dwelling unit in the dwelling to be sold.

"(b) In the case of any war housing project where it is not practicable to offer each dwelling for sale separately from other dwellings in the project and in the case of any dwelling designed for occupancy by more than four families, preference in the purchase thereof shall be granted first to any private corporation, association, or cooperative society which is the legal agent of veterans who intend to occupy the war housing purchased by such corporation, association, or society, and second to any city, village, town, county, or other political subdivision, or public agency or corporation (including a housing authority), in whose area of jurisdiction or operation any such dwelling is located.

"(c) The Administrator shall give such notice in such manner as he deems reasonable to enable prospective purchasers who

have a preference under this section in the purchase of war housing to exercise such preference. Any prospective purchaser having a preference under subsection (a) in the purchase of any dwelling may apply for the purchase of such dwelling (1) if the preference is under paragraph (1), within 30 days after the date of the notice of the offer for sale, (2) if the preference is under paragraph (2), within 60 days after the date of the notice of the offer for sale, and (3) if the preference is under paragraph (3), within 90 days after the date of the notice of the offer for sale. Any corporation, association, or society having a preference under subsection (b) in the purchase of any war housing may apply for the purchase of such housing within 180 days after the date of the notice of the offer for sale.

"SALES WITHOUT PREFERENCE

"SEC. 606. If any dwelling or war-housing project is not sold to a purchaser who is granted a preference under section 605 and who applied within the time prescribed in subsection (c) of such section, such dwelling or war-housing project shall be sold as provided in this act without regard to any preferences granted under section 605 and without regard to any restrictions contained in any other law as to whom war housing may be sold.

"TITLE OF PURCHASER

"SEC. 607. A deed or other instrument executed by or on behalf of the Administrator purporting to transfer title or any other interest in property under this act shall be conclusive evidence of compliance with the provisions of the act insofar as title or other interest of any bona fide purchasers for value is concerned.

"VALIDITY OF CONTRACTS

"SEC. 608. Nothing in this title shall be deemed to impair or modify any contract entered into prior to the effective date of this title for the sale of property, or any term or provision of any such contract, without the consent of the purchaser or his assignee, if the contract or the term or provision thereof is otherwise valid.

"DISPOSITION OF PROCEEDS

"SEC. 609. Moneys derived by the Administrator from the disposition of war housing under this title shall be available to the Administrator, as additions to the sum stated in section 8 of title I of this act, for all the purposes of said title. So much thereof as shall not be used by the Administrator for purposes of said title shall be covered into the Treasury as miscellaneous receipts."

Mr. DAVIS of Georgia (interrupting the reading of the amendment). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DAVIS of Georgia. Mr. Chairman, I should like to ask if this parliamentary step may be taken. This amendment is lengthy. I do not wish to take the time of the Committee needlessly by having it read. I believe it can be explained so that its provisions will be understood without its being read verbatim. There are copies available in the rear of the room for those who would like to examine the amendment. So, Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, in the hope that in addition to my 5 minutes on the amendment I may have such additional time as will enable me to explain its provisions.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. CANFIELD. Reserving the right to object, Mr. Chairman, how many pages are there in the amendment?

Mr. DAVIS of Georgia. Fifty-five pages.

Mr. PATMAN. Reserving the right to object, Mr. Chairman, what is the number of the bill?

Mr. DAVIS of Georgia. H. R. 5085.

Mr. JOHNSON. Reserving the right to object, Mr. Chairman, where are the copies of the bill the gentleman says are here? I have been looking for them but cannot find them.

Mr. DAVIS of Georgia. They are at the pages' desk in the rear of the room.

Mr. JOHNSON. There are plenty of copies for all Members?

Mr. DAVIS of Georgia. I specifically asked that 25 copies be sent here, and I know there are that many in the room.

Mr. WHITTINGTON. Reserving the right to object, Mr. Chairman, is the request made with the understanding that the amendment will be printed at this point in the RECORD?

The CHAIRMAN. That will be done.

Mr. WADSWORTH. Reserving the right to object, Mr. Chairman, does the gentleman believe he can explain a bill of 55 pages in 15 or 20 minutes?

Mr. DAVIS of Georgia. I have an analysis which I believe will cover the principal points.

Mr. WADSWORTH. Does the gentleman say there are only 25 copies of the bill available?

Mr. DAVIS of Georgia. That is all I have asked be sent to the Chamber. There are other copies, but I have not asked for more than that number to be sent here.

Mr. WADSWORTH. I shall not object, but it puts a strain on the intelligence of every Member to understand a 55-page bill with a 10-minute explanation.

Mr. MONRONEY. Reserving the right to object, Mr. Chairman, in order to submit a parliamentary inquiry, may I ask if a point of order may be made against the amendment at this time?

The CHAIRMAN. If a point of order is to be raised against the amendment, it must be made either after the reading of the amendment or after unanimous consent is obtained to dispense with the further reading of the amendment.

Is there objection to the request of the gentleman from Georgia?

Mr. SHAFER. I object, Mr. Chairman.

Mr. COUDERT (interrupting the reading of the amendment). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COUDERT. Mr. Chairman, I have a substitute amendment for the amendment which has just been offered, which is in the nature of a substitute for the bill. Is it in order to offer my amendment now or after debate has been concluded on this amendment?

The CHAIRMAN. It will be in order after the gentleman from Georgia [Mr. DAVIS] finishes his remarks and in the event that the gentleman from New York secures recognition.

Mr. CARROLL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is out of order.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

Mr. WOLCOTT. Mr. Chairman, I must demand the regular order.

The CHAIRMAN. The gentleman from Colorado understands that the amendment is being read, and until the Clerk completes the reading of the amendment, or the further reading is dispensed with, the gentleman cannot be recognized for that purpose.

Mr. CARROLL. Mr. Chairman, a parliamentary inquiry.

Mr. WOLCOTT. Mr. Chairman, is it in order to interrupt the reading of an amendment for a parliamentary inquiry?

The CHAIRMAN. It is in order and it is within the discretion of the Chair.

The gentleman from Colorado will state his parliamentary inquiry.

Mr. CARROLL. My purpose in making this parliamentary inquiry is to know whether it would be possible to amend this amendment or substitute as it is being read. May I say that I note the gentleman from Georgia made a speech in the RECORD.

The CHAIRMAN. In reply to the gentleman's parliamentary inquiry, the Chair states that the amendment first has to be read and then that would be in order.

Mr. PATMAN. Mr. Chairman, in view of the fact that copies of the amendment are available and can be furnished by the pages to any Member who desires a copy and in view, also, of the fact that the amendment is 55 pages long, I renew the request asking unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SHAFER. Mr. Chairman, reserving the right to object, the gentleman from Georgia has admitted that there are only 25 copies available on the floor. Therefore I object to any such request.

Mr. PATMAN. Mr. Chairman, I understand there are more than that.

The CHAIRMAN. The Clerk will read.

Mr. PATMAN (further interrupting the reading of the amendment). Mr. Chairman, I renew my request that the further reading of the amendment be dispensed with.

Mr. SHAFER. Mr. Chairman, I understand there are now 27 copies of the bill on the floor, so I withdraw my objection.

Mr. PATMAN. There are several hundred copies.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. MONRONEY. Mr. Chairman, I would like to reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Oklahoma reserves a point of order.

The gentleman from Georgia [Mr. DAVIS] is recognized.

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. SPENCE. Mr. Chairman, reserving the right to object, and I will not object to the five additional minutes requested, but we have had 8 hours of general debate and we want to move along as fast as we can. I will object to any further request for extension of time.

Mr. COUDERT. Mr. Chairman, reserving the right to object, I also have an amendment in the nature of a substitute. If the gentleman from Georgia [Mr. DAVIS] is going to be allowed five additional minutes, I shall certainly make the same request. If the distinguished gentleman from Kentucky [Mr. SPENCE] is going to object to any further requests for extension of time, I shall be constrained to object to the gentleman's request for further time at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. DAVIS]?

Mr. COLMER. Mr. Chairman, reserving the right to object, while it is true that 8 hours were devoted to general debate, yet it is also true that many Members who wanted to speak on this bill have not had an opportunity to. This is a very important piece of legislation, and I sincerely hope that the distinguished chairman of this committee, the gentleman from Kentucky, will not try to cut off debate at the beginning of consideration under the 5-minute rule.

Mr. SPENCE. Mr. Chairman, I withdraw my request.

Mr. KUNKEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KUNKEL. Inasmuch as there are four or five substitutes to be offered would the Chair entertain a consent request that each Member who offers a substitute be recognized for 10 minutes? Could we have that understanding at this time?

The CHAIRMAN. The Chair would be constrained not to invite that procedure. The Chair will entertain requests as to each substitute when the requests are submitted.

The gentleman from Georgia asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 10 minutes.

Mr. DAVIS of Georgia. Mr. Chairman, I believe the Members now have available the printed copies of H. R. 5085. This is a bill which I introduced carrying provisions under which none of the various administrations involved may obtain money without going to the Committee on Appropriations. This bill provides that for all expenditures which are to be made appropriations must be recommended by the Committee on Appropriations and enacted by the Congress. The various provisions in the several titles of this bill merely authorize appropriations for the purposes set out in this bill.

Title I is the slum-clearance title. It presents a plan under which a beginning can be made to clear the slums of the Nation under what are believed to be sound principles. It deals with the question of slums in a manner that recognizes that they are a problem within themselves and that a plan to deal with them should not be one which makes the question simply a feeder for public housing. The two problems are separate and distinct and should not be connected. Under the provisions of this title the Federal Works Agency is the agency which will administer the slum-clearance provisions. This agency deals with the States or with the subdivisions of the States, such as municipalities, cities, towns, and counties. I regard this as being sounder procedure than that which is provided for under H. R. 4009, under which the Federal Government deals directly with the local agency involved. This title under H. R. 5085 preserves the principle of local self-government and the principle of States' rights. Under this title of H. R. 5085 the Federal Government makes loans and grants to the States to be used by the State or its subdivision to acquire slum property for its redevelopment for its highest and best use. Land so acquired may be devoted to commercial or industrial uses, housing, parks, playgrounds, or appropriate public uses as determined by a redevelopment plan. The land is sold at a reasonable price with due regard for the new use thereof.

This bill provides that loans will be made to the subdivisions of the State involved for an amount estimated to be equal to the resale value of the land which has been acquired and cleared; that is, if a block of slum land has been acquired and cleared, a sufficient sum is lent to the city or the agency involved estimated to be equal to the resale value of that land. When the land is sold the loan is repaid. Then, under this bill the Government donates one-half of the difference between the cost of the land and it's clearance and the resale value. The city or the county or the subdivision doing the work donates the other 50 percent of that cost. A total of $350,000,000 is provided. The bill also provides that not more than 20 percent shall be used in any one year and that not more than 10 percent shall go to any State in the Union. It provides that the program shall run into 1954, a period of 5 years.

This will give us a start into genuine slum clearance. It will enable us to feel our way as we go along. It enables the Appropriations Committee to carefully investigate the methods and procedure and if any flaws develop Congress will have an opportunity to correct them. That is the great difference between my bill and H. R. 4009. Under that bill no such opportunity exists for the Congress to review or reexamine and correct errors. The power to do that is divested from Congress whenever H. R. 4009 is enacted into law. From then on Congress would have no supervision over the expenditure of the money.

Title II of this bill is the low-rent housing provision and provides for low-rent dwellings on an incentive basis. The bill contains provisions, as you will see from examining it, for proper representations to be made at the time application is made for the tax abatement and the favors granted in this bill to the builder. It provides for a period of 10 years the local ad valorem taxes, State, county, and city shall be frozen at the figure at which they are assessed at the time application is made. To use an illustration, let us say a block of slum houses is assessed at $25,000. That assessment will remain in effect for a period of 10 years even though a million dollar apartment house may be erected on the property. It provides a further incentive in that depreciation at the rate of 10 percent per annum is allowed for a period of 10 years which may be credited against the Federal income taxes of the developer.

It provides two methods of tax reduction which will make a substantial saving to the tenant. The bill requires that these savings be applied to the rent. They cannot be placed in the pockets of the taxpayers. As I inserted in the RECORD in my remarks yesterday, it will result in cutting a normal rent of $80 down to $46.26.

This is private industry. It does not cost the Government anything whatsoever. It simply prevents an increase in taxation because of the improvement and does not cost the Federal Government anything because the taxpayer, unless these improvements are made, would not be paying the Federal income tax anyway. It does not cost the Federal Government a dollar, it does not cost the local government a dollar; yet it results in real low-rent dwellings for those who need them.

The bill contains certain provisions that only those who do need them can be admitted as tenants. It contains the machinery by which they may be ascertained to be needy people before they are entitled to enter as tenants.

The bill contains a provision, which was investigated by this Congress to a large extent last year, known as the Veterans' Homestead Act, introduced in the Eightieth Congress, considered by the Veterans' Affairs Committee and reported out. It will give to veterans the opportunity to have low rental housing or to buy their dwellings at a price which veterans can afford.

You members of the Committee on Veterans' Affairs who are familiar with it, know that the Veterans' Homestead Act does contain workable, practical provisions that will give low rental housing to veterans under the cooperative system and will enable them to purchase dwellings under that system at reasonable prices. The maximum allowed is $10,000 construction cost per unit. The bill provides that the veteran may borrow the $10,000 necessary to provide payment for the dwelling. It authorizes an appropriation of $250,000,000, and the program is to be administered by the Veterans' Administration. This bill also contains provisions for farm aid loans and assistance.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MONRONEY. Mr. Chairman, I raise a point of order against the amendment. I make the point of order that the amendment is not germane to H. R. 4009 in that it contains a major section amending the Internal Revenue Code, and therefore is not germane to either the activities of the Committee on Banking and Currency or the bill H. R. 4009 now under consideration.

The CHAIRMAN. Does the gentleman from Georgia desire to be heard on the point of order?

Mr. DAVIS. No, Mr. Chairman.

The CHAIRMAN. The Chair would like to inquire of the chairman of the committee whether or not there are any provisions in H. R. 4009 affecting the Internal Revenue Code.

Mr. SPENCE. No, Mr. Chairman. There is no provision of that character in the bill.

The CHAIRMAN. The Chair is ready to rule. On page 7 of the amendment, title II, section 201 there is a provision relating to the Internal Revenue Code. Legislation affecting the Internal Revenue Code comes under the jurisdiction of the House Committee on Ways and Means and not the House Committee on Banking and Currency. The Chair, therefore, sustains the point of order.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Chairman, this bill would represent a completely unworkable and inadequate substitute for the basic programs contained in H. R. 4009.

TITLE I. ASSISTANCE TO STATES FOR THE ACQUISITION AND REDEVELOPMENT OF SLUMS

This title would authorize appropriations of $350,000,000 for loans and grants to States of which not more than 20 percent could be spent in any year and none after June 30, 1954, would require half of all losses to be met in cash by the States, and would provide no effective means for the rehousing of families displaced by slum clearance.

Few if any States could participate in this program on the basis of their present constitutional or statutory powers. Even if all the Federal funds authorized could be expended by June 30, 1954, which is highly doubtful, the program would be grossly inadequate even as a start on slum clearance.

This title is substantially similar to a draft of a proposed bill circulated among some Members of Congress early this year by Morton Bodfish of the United States Savings and Loan League.

TITLE II. HOUSING FOR FAMILIES OF LOW INCOME—ACCELERATED TAX

This title is a complete misnomer. Its proposal for accelerated tax depreciation of rental housing has been previously exposed as a device for income-tax subsidies for private builders and investors. There is nothing in this plan which would reduce rents one penny. While the requirement for abatement of local real estate taxes might reduce rents by $10 a month, many States would require new legislation in order to authorize such tax abatement. Even where tax abatement was available, average rents would be about $75 a month at current cost levels, or far above the paying ability of low-income families. Since the bill would limit occupancy to families certified as in need of public rent assistance or unable to pay rents for adequate private housing, little, if any, housing would be certified by the FHA, as required under this title.

TITLE III. VETERANS' HOMESTEAD ASSOCIATIONS

The program proposed in this title would produce at the most 25,000 units of housing. The provisions of the title are substantially similar to the veterans homestead bill of 1948 although greatly reduced in size. That bill was originally sponsored by the American Legion which is now strongly supporting H. R. 4009 and is not supporting H. R. 5085.

TITLE IV. HOUSING RESEARCH

This title would authorize a limited program of technical research and would place it in the Department of Commerce which has no direct contact with housing. The title runs completely contrary to the recommendations of the Joint Committee on Housing in the Eightieth Congress which strongly recommended a comprehensive program of housing research in the Housing and Home Finance Agency, as is done in H. R. 4009.

TITLE V. FARM HOUSING

This title is largely identical to title IV of H. R. 4009.

TITLE VI. DISPOSITION OF WAR HOUSING

This title would require the sale of all permanent war housing by the end of 1950. While it purports to give preferences to veterans, it imposes rigid and unworkable requirements which would probably have the effect of dumping most of this housing into the hands of speculators.

ADMINISTRATIVE REQUIREMENTS

H. R. 5085 would lead to confusion and overlapping in the administration of housing programs. It would place responsibility for its so-called slum-clearance program in the Federal Works Agency—which will shortly be absorbed in a new general services agency under legislation approved by both Houses—would transfer permanent war housing to FWA while leaving temporary war housing in the Public Housing Administration, and would place housing research activities in the Department of Commerce.

This dispersal of responsibility for housing runs directly counter to the recommendations of the Hoover Commission that all housing activities be placed in one agency under a single administrator.

The Hoover Commission stated that substantial progress has been made toward unifying the housing activities of the Government by the establishment of the Housing and Home Finance Agency and recommended, in addition, that the GI loan program of the Veterans' Administration, the Federal National Mortgage Association, and the Office of the Housing Expediter be transferred to that Agency.

STATEMENT IN OPPOSITION TO H. R. 5085

H. R. 5085, which was introduced on June 9, is intended as a substitute for H. R. 4009. The bill, which has not yet been considered by the Committee on Banking and Currency, contains six lengthy titles. It is clearly impractical to consider this entire bill without benefit of committee study and public hearings. It would be impossible to perfect this bill on the floor unless we stayed in session until September. Indeed, with the exception of the farm housing title, which is similar in many respect to the farm housing title of H. R. 4009, I believe that each of the titles in the bill is fundamentally unsound.

Quite apart from the many positive defects which are contained in the bill, it is deficient in that it makes no provision, whatsoever, for housing families of extremely low income. These families, whose need for decent housing is the most desperate of all, cannot possibly hope to benefit from any of the provisions of H. R. 5085. There is one title of the bill which is headed "Housing for families of low income." However, analysis of this title makes it plain that it does not accomplish its stated purpose. Furthermore, in the absence of any effective provision for housing families of low income, many of whom dwell in slum areas, the slum clearance title of the bill, to the extent that it might prove effective, would actually make their plight even worse. Slum clearance, unaccompanied by effective provision for rehousing displaced families, merely has the effect of further crowding the families into remaining slums.

TITLE I. ASSISTANCE TO STATES FOR THE ACQUISITION AND REDEVELOPMENT OF SLUM LAND

This title, which would be administered by the Federal Works Agency, provides for grants and loans to States for the acquisition and clearance of slum land for redevelopment. The Federal grants would be limited to one-half of the write-down in land values as a result of putting the slum land to new use, and the States would bear the cost of the remaining half. Grants and loans and administrative expenses are authorized in the aggregate amount of $350,000,000, of which not more than 20 percent could be expended in any 1 year.

This program is inadequate and basically unsound. The many studies of this subject which have been made during the past 5 years by the House and Senate Committees on Postwar Planning, the House and Senate Committees on Banking and Currency, and the Joint Committee on Housing, all lead to the conclusion that a larger program and a larger percentage of Federal support than would be provided by this title are necessary if an effective beginning is to be made in clearing out slums. Indeed, many of our States would be financially unable to participate in the proposed program.

Furthermore, the studies by these congressional committees unanimously taught the lesson that a slum clearance program is justified and desirable only if adequate provision is made for rehousing the displaced families. H. R. 5085 makes no such provision. True, it

recites that displaced families shall be given "immediate accommodations" in Federally subsidized low-rent housing or shall be given "rental assistance for a reasonable period" by the States. However, it is perfectly clear, that, unless the construction of additional federally subsidized housing is authorized, there is no possibility that any considerable number of displaced families could be accommodated in such housing. It is also abundantly clear that the contemplated rent certificates will not provide the housing which is necessary to replace demolished slum dwellings. Indeed, it would be economic folly for private investors to provide the necessary additional housing in reliance on the rental assistance which, by the very terms of the bill, would be available for only a brief period of time.

If the highly improbable were to happen, and substantial slum clearance were actually to result from this most inadequate program, the effect would merely be to force families residing in the cleared slums to crowd into the remaining slums at higher rentals, thereby boosting realty values in those remaining slums, and giving the slums a firmer grip on life.

Thus, the basic defect of this title is that it fails to recognize that the work of slum clearance cannot properly be carried on without regard to the need for rehousing the residents of the slums which are cleared. No doubt, it is the failure to recognize this fact which also leads the sponsors of the bill to vest responsibility for the program in the Federal Works Agency, rather than in the Housing Agency, working with the local communities.

TITLE II. HOUSING FOR FAMILIES OF LOW INCOME

This title proposes, as a substitute for the low-rent public housing provisions of H. R. 4009, an amendment to the Internal Revenue Code permitting an investor to depreciate rental housing investment for tax purposes at the rate of 10 percent per year (instead of the normal rate of 2½ percent) over a period of 10 years. Thus the full capital cost could be written off in 10 years, instead of 40 years under the present normal depreciation rate. This accelerated depreciation would be available only to investors who had received an eligibility certificate from the Federal Housing Commissioner. The certificate could be issued upon agreement by the investor to rent the facilities only to families whom the local government welfare agency certifies as receiving or entitled to receive public rent assistance or as having insufficient income to afford decent housing. A further prerequisite for issuance of the eligibility certificate is the exemption from local taxes of the increase in value of the property by reason of the housing improvement.

In contrast with low-rent public housing, this proposed substitute will not produce any substantial amount of decent housing at rents which low-income families could afford to pay. Accelerated depreciation itself would not result in reduced rents. Most proponents of accelerated depreciation have claimed only that it will stimulate rental housing investment; they have not claimed that it will reduce rents. True, the higher depreciation rate will tend to wipe out the investor's income taxes on the project for the first few years, but since he would not be able to claim depreciation after 10 years, the higher taxes in the later years would tend to wipe out most of his earlier advantage. There are three contingencies which might make accelerated depreciation attractive. One is sale of the project, which would permit the investor to retain some of his earlier advantage as a result of the lower capital gains rate which would apply to the sale. Another is lower income tax rates in later years. A third is the prospect of lower competitive rents, and thus reduced income tax liability in the later years. But it is not conceivable that an investor would pass on in reduced rents his earlier cash advantage simply on the possibility that any of these contingencies might relieve him of the necessity to pay most of it back to the Government. That is not the way an incentive works.

If valid, the local tax exemption contemplated under the bill could achieve some rent reduction. However, this would require the enactment of State legislation which would undoubtedly take several years. Also, such tax exemption for individuals would be of doubtful constitutionality in most States. On a typical project, the rent reduction from such exemption would not exceed $10 per unit per month. At current costs, the average rent on a project assisted under the bill would be about $77 in contrast to $50 claimed by its proponents. This compares with an average gross rent (including all utilities) of about $22.50 per month—or $15.50 shelter rent—which could be achieved under the low-rent public housing provision of H. R. 4009 through Federal contributions and local tax exemption.

Housing renting for $77 per month could not qualify for the FHA eligibility certificate required by the title. The title would thus become a dead letter. However, if the accelerated depreciation provision of H. R. 5085 were not coupled with the requirement that low rents be achieved, it could result in a substantial loss of Federal revenues without commensurate public benefit. Substantial benefits would flow however to a limited class of wealthy investors, and the benefits conferred would be unrelated to any assistance given housing construction. Under no circumstances could this title serve as a substitute for low-rent public housing.

TITLE III. VETERANS' HOMESTEAD ASSOCIATION

This title provides for the formation of Veterans' Homestead Associations which would construct housing with the aid of Federal loans made at low interest rate by the Administrator of Veterans' Affairs. These loans would be authorized in the amount of $250,000,000. The associations, which would be chartered by the Veterans' Administrator on the application of five or more veterans, would be authorized to rent or sell the housing to veterans of World War II. The Federal Works Administrator would be authorized to make 50 percent grants aggregating $50,000,000 for streets and water and sewer facilities necessary to serve the housing constructed by the Veterans' Homestead Associations.

The title is substantially similar to H. R. 4488, Eightieth Congress, the veterans' homestead bill of 1948. That bill was originally sponsored by the American Legion. It is interesting to note that the Legion is no longer sponsoring this legislation, and in its place is now sponsoring other housing legislation, including H. R. 4009.

Title III of H. R. 5085 is defective in a number of very important particulars. The title would make very little contribution toward increasing the volume of residential construction or toward decreasing its cost. The title is addressed primarily to the provision of additional housing credit, and fails to recognize that the level of construction costs, rather than lack of credit, constitutes the major obstacle to providing housing for a higher percentage of our families. The enactment of the title would probably tend to maintain or increase excessive construction costs and sales prices. It would also bypass established channels of home financing and would have a disruptive effect on the mortgage market, without securing any substantial savings to veterans.

It should be noted, too, that the title would provide for a large number of federally chartered associations which would necessarily be subject to a fairly close degree of supervision by the Veterans' Administration. This would require the Veterans' Administration to duplicate or overlap many functions of other Federal agencies.

Finally, it should be noted that the grants for the construction of streets and utilities seem unjustified as an indirect and relatively expensive form of subsidy to veterans' housing, since the streets and utilities would generally benefit entire neighborhoods and not merely the housing constructed by the Veterans' Homestead Associations.

TITLE IV. HOUSING RESEARCH

This title would repeat and perpetuate mistakes and deficiencies that have characterized past ventures of the Federal Government into the field of housing research. It ignores completely the recommendations of the Joint Committee on Housing with respect to housing research. The title sets up an artificial distinction in the research duties of the Housing Agency and the Commerce Department which could produce nothing but confusion and duplication and calls for a division of responsibility not found in other Federal programs. Technical and economic matters arising in the course of their own operations would be handled by the operating agencies of the Housing and Home Finance Agency. Other housing research would be in the province of the Commerce Department.

However, there is no problem, technical or economic, which does not arise in the course of agency operations. To cite only one example, the FHA cannot agree to insure the mortgage on a property incorporating a novel construction method until it is satisfied that the method is a sound one. And likewise it cannot agree to insure the mortgage on a large rental housing project until the market facts as

to housing need and demand in the locality have been collected and reviewed. To do otherwise would represent a failure to protect the interests of the Government.

H. R. 5085 treats housing research as though it were an abstract matter capable of being detached from close contact with the industries that are expected to benefit from it. Such treatment would perpetuate the technological lag in housing research compared with research concerning the rest of our economy. It is true that the bureaus of the Commerce Department possess facilities and skill which have been developed through the years. The Bureau of the Census, the Bureau of Foreign and Domestic Commerce, and the National Bureau of Standards all carry on valuable scientific or economic inquiries of broad general interest. The American people paid for the development of the facilities and skills developed by the bureaus, and are entitled to their full benefits.

The efficient way to use the facilities of the departments of commerce, as well as those of private enterprise, for the improvement of housing is the one proposed in H. R. 4009. That bill follows the recommendations of the Joint Committee on Housing that the Housing Agency be charged with the responsibility of utilizing fully existing private and public research and testing facilities and of disseminating the results in ways designed to encourage a modernizing of the industry.

TITLE V. FARM HOUSING

The financial aids to farm housing in H. R. 5085 are substantially the same as in H. R. 4009. The farm housing titles of the bills differ in the following major respects:

H. R. 5085 authorizes the appropriation of $400,000,000 to finance the program. Other than this maximum amount to be appropriated for all purposes, H. R. 5085 contains no separate limitations on funds for contributions, grants, and loans. H. R. 4009, would authorize a maximum of $250,000,000 in loans, $50,000,000 in contributions, and $12,500,000 in grants.

There are two desirable provisions of H. R. 4009 which are omitted from H. R. 5085. One is an authorization of moratoriums upon the payment of principal and interest on loans in certain cases, as well as cancellation of interest payments during moratorium periods in cases of extreme hardship. The other is a provision that the Secretary of Agriculture prepare estimates of national farm housing needs and recommendations for executive and legislative action to meet those needs.

TITLE VI. DISPOSITION OF WAR HOUSING

Title VI of the bill would transfer all functions of the Housing and Home Finance Agency with respect to war housing (other than temporary housing) to the Federal Works Administrator and would provide that all the housing transferred shall be sold for cash not later than December 31, 1950, at a price not less than the reasonable value thereof at the time of the offer for sale as determined by appraisal made by appraisers approved or designated by the Federal Housing Administration. The Federal Works Administrator would be authorized to transfer to the jurisdiction of the War or Navy Departments any housing situated within the proximate vicinity of any permanent Army or Navy Establishment the transfer of which is requested by the Army and Navy prior to April 15, 1949. The bill also establishes certain preferences to veterans in the sale of the war housing. Proceeds from the sales of the housing would be available to the Federal Works Administrator for assistance to States for the acquisition and redevelopment of slum land pursuant to title I of the bill with any surplus to be covered into the Treasury as miscellaneous receipts.

These provisions—with the exception of the provision for using proceeds for slum clearance—are similar to the provisions of H. R. 3492 which was passed by the House on June 18, 1947, prior to the establishment of the Housing Agency on a permanent basis.

These provisions of the title would impose inflexible and unworkable limitations on the disposal of war housing which would be detrimental to veterans and to present occupants.

Transferring permanent war housing to the FWA and leaving temporary housing in the HHFA would result in a duplication of work and personnel. In many cases permanent war housing is intermingled on a single site with temporary housing. In other cases permanent and temporary housing are adjacent and served by common utilities. The HHFA is familiar with the local situations with respect to the housing since it was built under its supervision and the agency has been engaged in consultation with local communities with respect to its disposition. The proposed transfer of housing functions is also contrary to the Hoover Commission recommendations.

The requirements that the housing must be sold not later than the end of 1950 and at not less than the appraised reasonable value, may prove mutually contradictory. In addition the requirement of cash for the purchase of the housing might make it difficult for veterans to exercise their preference and might result in making the housing available for sale to speculators. The time restriction would make it difficult for veterans to organize cooperatives and arrange for the financing of large projects.

The provisions for preferences to veterans do not give them any preferences they do not already have and in addition are defective in that under the definition of veteran men still in uniform, including those who saw war service, may be deprived of a preference and widows of veterans are not given a preference. Also, the requirement that associations purchasing large projects shall be composed entirely of veterans may nullify their preference since experience has shown that it is necessary and desirable to include some nonveterans in associations purchasing large projects. In addition, present occupants are given no preferences unless they are veterans.

The provision that all dwellings shall be sold at not less than their appraised value would repeal the benefit of an existing law that permits veterans to purchase housing for occupancy at either the market value or its cost to the Government, whichever is less.

It thus seems clear that many provisions of the obsolete legislative proposals now embodied in this title are clearly defective and basically wrong.

Mrs. BOLTON of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. BOLTON of Ohio: Strike out all after the enacting clause and substitute the following: "That this bill may be cited as the Housing Act of 1949."

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and point out that there are summaries at the desk near the door.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WADSWORTH. Mr. Chairman, reserving the right to object, may I inquire how lengthy the amendment is?

The CHAIRMAN. The amendment is 78 pages long.

Is there objection to the request of the gentleman from New York?

Mr. SHAFER. I object, Mr. Chairman.

The Clerk read as follows:

DECLARATION OF NATIONAL HOUSING POLICY

SEC. 2. The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth and wealth of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective hereby established shall be: (1) Private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes, and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs; (4) governmental aid to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas to facilitate community development and redevelopment and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities

which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended only where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill.

TITLE I—URBAN REDEVELOPMENT AND SLUM CLEARANCE

LOCAL RESPONSIBILITY TO AID HOUSING COST REDUCTIONS

SEC. 101. In extending financial assistance under this title, the Administrator shall give consideration to the extent to which the appropriate local public bodies have undertaken a positive program of encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs.

LOANS

SEC. 102. (a) To assist local communities in eliminating their slums and blighted areas and in providing maximum opportunity for the redevelopment of project areas by private enterprise, the Administrator may make temporary and definitive loans to local public agencies for the undertaking of projects for the assembly, clearance, preparation, and sale and lease of land for redevelopment. Such loans (outstanding at any one time) shall be in such amounts not exceeding the expenditures to be made by the local public agency as part of the gross project cost, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding, in the case of definitive loans, 45 years from the date of the bonds evidencing such loans), as may be deemed advisable by the Administrator. Such loans may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government at interest rates lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and, in any such case, the Administrator is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

(b) The Administrator may make loans to local public agencies for surveys and plans in preparation of projects which may be assisted under this title, and the contracts for such loans may be made upon the condition that such loans shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to such agency for the undertaking of the project or projects involved.

(c) To obtain funds for loans under this title, the Administrator, on and after July 1, 1949, may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $25,000,000, which limit on such outstanding amount shall be increased by $225,000,000 on July 1, 1950, and by further amounts of $250,000,000 on July 1 in each of the years 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $1,000,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by not to exceed an additional $250,000,000 upon a determination by the President that such action is in the public interest.

(d) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purposes is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public-debt transactions of the United States.

CAPITAL GRANTS

SEC. 103. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans. The aggregate of such capital grants with respect to all the projects of a local public agency which are assisted under this title shall not exceed two-thirds of the aggregate of the net project costs, and the capital grants with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid required with respect to the project pursuant to section 104.

(b) The Administrator, on and after July 1, 1949, may, with the approval of the President, contract to make capital grants, with respect to projects assisted under this title, aggregating not to exceed $100,000,000, which limit shall be increased by further amounts of $100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $500,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by not to exceed an additional $100,000,000 upon a determination by the President that such action is in the public interest. The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated the amounts necessary to provide for such payments.

REQUIREMENTS FOR LOCAL GRANTS-IN-AID

SEC. 104. Every contract for capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which such contracts have theretofore been made, will be at least equal to one-third of the aggregate net project costs involved (it being the purpose of this provision and section 103 to limit the aggregate of the capital grants made by the Administrator with respect to all the projects of a local public agency which are assisted under this title to an amount not exceeding two-thirds of the difference between the aggregate of the gross project costs of all such projects and the aggregate of the total sales prices and capital values referred to in section 110 (f) of land in such projects).

LOCAL DETERMINATIONS AND RESPONSIBILITIES

SEC. 105. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

(a) the redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole;

(b) when land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; and (iii) to comply with such other conditions as the Administrator finds are necessary to carry out the purposes of this title;

(c) there be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided, in the project area or in other areas not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families: *Provided*, That, in view of the existing acute housing shortage, each such contract shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1951, if in the opinion of the local governing body such demolition would result in undue hardship for the occupants of the structure.

GENERAL PROVISIONS

SEC. 106. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, shall—

(1) appoint a director to administer under the direction and supervision of the Administrator the provisions of this title;

(2) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(3) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Administrator as the making of loans and capital grants and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government; and

(4) make an annual report to the President, for transmission to the Congress, to be

submitted as soon as practicable following the close of the year for which such report is made.

(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title, and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such acquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to the specific limitations in this title, consent to the modification with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of capital grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this title shall be construed or administered to permit speculation in land holding.

(d) Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed $1,000.

PAYMENT FOR LAND USED FOR LOW-RENT PUBLIC HOUSING

SEC. 107. If the land for a low-rent housing project assisted under the United States Housing Act of 1937, as amended, is made available from a project assisted under this title, payment equal to the fair value of the land for the uses specified in accordance with the redevelopment plan shall be made therefor by the public housing agency undertaking the housing project, and such amount shall be included as part of the development cost of the low-rent housing project.

SURPLUS FEDERAL REAL PROPERTY

SEC. 108. The President may at any time, in his discretion, transfer to the Administrator any right, title, or interest held by the Federal Government or any department or agency thereof in any land (including buildings thereon) which is surplus to the needs of the Government and which a local public agency certifies will be within the area of a project being planned by it. When such land is sold to the local public agency by the Administrator, it shall be sold at a price equal to its cash value, and the proceeds from such sale shall be covered into the Treasury as miscellaneous receipts.

PROTECTION OF LABOR STANDARDS

SEC. 109. In order to protect labor standards—

(a) any contract for financial aid pursuant to this title shall contain a provision requiring that not less than the wages or fees prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary of Labor, shall be paid by any contractor engaged on the project involved; and the Administrator may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract;

(b) the provisions of sections 1 and 2 of the act of June 13, 1934 (U. S. C., title 40, secs. 276b and 276c), shall apply to any project financed in whole or in part with funds made available pursuant to this title;

(c) any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within 5 days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total manhours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

DEFINITIONS

SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Redevelopment area" means an area which is appropriate for development or redevelopment and within which a project area is located.

(b) "Redevelopment plan" means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) to indicate proposed land uses and building requirements in the project area: *Provided*, That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

(c) "Project" may include (1) acquisition of land within (i) a slum area or other deteriorated or deteriorating area which is predominantly residential in character, or (ii) any area which is to be developed or redeveloped for predominantly residential uses and which prior to such development or redevelopment constitutes a deteriorated or deteriorating area or open urban land which because of obsolete platting or otherwise impairs the sound growth of the community or open suburban land essential for sound community growth; (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purposes of this title, the term "project" shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term "redevelopment" and derivatives thereof shall mean develop as well as redevelop.

(d) "Local grants-in-aid" shall mean assistance by a State, municipality, or other public body, or any other entity, in the form of (1) cash grants; (2) donations, at cash value, of land (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project), and demolition or removal work, or site improvements in the project area, at their cost; and (3) the provision, at their cost, of parks, playgrounds, and public buildings or facilities (other than low-rent public housing) which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan. No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, of the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title.

(e) "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

(f) "Net project cost" shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (i) imputed, on a basis approved by the Administrator, to all land leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan.

(g) "Going Federal rate" means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for loan is made. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

(h) "Local public agency" means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. "State" includes the several States, the District of Columbia, and

the Territories, dependencies, and possessions of the United States.

(i) "Administrator" means the Housing and Home Finance Administrator.

TAX EXEMPTION

SEC. 111. Obligations, including interest thereon, issued by local public agencies for projects undertaken pursuant to this title, and the income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States.

TITLE II—LOW-RENT PUBLIC HOUSING

LOCAL RESPONSIBILITIES AND DETERMINATIONS; TENANCY ONLY BY LOW-INCOME FAMILIES

SEC. 201. The United States Housing Act of 1937, as amended, is hereby amended by adding the following additional subsections to section 15:

"(7) In recognition that there should be local determination of the need for low-rent housing to meet needs not being adequately met by private enterprise—

"(a) the Authority shall not make any contract for financial assistance pursuant to this act with respect to any low-rent housing initiated after March 1, 1949, (i) unless the public-housing agency has demonstrated to the satisfaction of the Authority that there is a need for such low-rent housing which is not being met by private enterprise; and (ii) unless the governing body of the locality involved has entered into an agreement with the public-housing agency providing for the local cooperation required by the Authority pursuant to this act; and

"(b) the Authority shall not make any contract for annual contributions pursuant to this act with respect to any low-rent housing initiated after March 1, 1949, unless the public-housing agency has demonstrated to the satisfaction of the Authority that a gap of at least 20 percent has been left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise is providing (through new construction and available existing structures) a substantial supply of decent, safe, and sanitary housing toward meeting the need of an adequate volume thereof.

"(8) Every contract made pursuant to this act for annual contributions for low-rent housing projects initiated after March 1, 1949, shall provide that—

"(a) the public housing agency shall fix maximum income limits for the admission and for the continued occupancy of families in such housing, that such maximum income limits and all revisions thereof shall be subject to the prior approval of the Authority, and that the Authority may require the public housing agency to review and to revise such maximum income limits if the Authority determines that changed conditions in the locality make such revisions necessary in achieving the purposes of this act;

"(b) a duly authorized official of the public housing agency involved shall make periodic written statements to the Authority that an investigation has been made of each family admitted to the low-rent housing project involved during the period covered thereby, and that, on the basis of the report of said investigation, he has found that each such family at the time of its admission (i) had a net family income not exceeding the maximum income limits theretofore fixed by the public housing agency (and approved by the Authority) for admission of families of low income to such housing; and (ii) lived in an unsafe, unsanitary, or overcrowded dwelling, or had been displaced by a slum-clearance or land assembly and clearance project or by off-site elimination in compliance with the equivalent elimination requirement hereof, or actually was without housing, or was about to be without housing as a result of a court order of eviction, due to causes other than the fault of the tenant: *Provided*, That the requirement in (ii) shall not be applicable in the case of the family of any veteran or serviceman (or of any deceased veteran or serviceman) where application for admission to such housing is made not later than 5 years after March 1, 1949;

"(c) in the selection of tenants (i) the public housing agency shall not discriminate against families, otherwise eligible for admission to such housing, because their incomes are derived in whole or in part from public assistance and (ii) as among applicants eligible for occupancy in a dwelling and at the rent involved, the public housing agency shall (subject to the veterans' preference prescribed in subsection 10 (g) of this act) give preference to families having the most urgent housing need; and

"(d) the public housing agency shall make periodic reexaminations of the net incomes of tenant families living in the low-rent housing project involved; and if it is found, upon such reexamination, that the net incomes of any such families have increased beyond the maximum income limits fixed by the public housing agency (and approved by the Authority) for continued occupancy in such housing, such families shall be required to move from the project."

VETERANS' PREFERENCE

SEC. 202. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By adding the following new subsection to section 10:

"(g) every contract made pursuant to this act for annual contributions for low-rent housing projects initiated after March 1, 1949, shall require that the public housing agency in selecting tenants shall give preference, as among applicants eligible for occupancy of the dwelling and at the rent involved, to families of veterans and servicemen (including families of deceased veterans or servicemen), where application for admission to such housing is made not later than 5 years after March 1, 1949. As among applicants entitled to the preference provided in this subsection, first preference shall be given to families of disabled veterans whose disability is service-connected."

(b) By adding the following new subsection to section 2:

"(14) The term 'veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947."

COST LIMITS

SEC. 203. Subsection 15 (5) of the United States Housing Act of 1937, as amended, is hereby amended to read as follows:

"(5) No contract for any loan, annual contribution, or capital grant made pursuant to this act shall be entered into by the Authority with respect to any low-rent housing project completed after January 1, 1948, having a cost for construction and equipment of more than $1,750 per room (excluding land, demolition, and nondwelling facilities); except that in the case of Alaska any such contract may be entered into with respect to a project having a cost for construction and equipment of not to exceed $2,500 per room (excluding land, demolition, and nondwelling facilities): *Provided*, That if the Administrator finds that in the geographical area of any project (i) it is not feasible under the aforesaid cost limitations to construct the project without sacrifice of sound standards of construction, design, and livability, and (ii) there is an acute need for such housing, he may prescribe in such contract cost limitations which may exceed by not more than $750 per room the limitations that would otherwise be applicable to such project hereunder. The Authority shall make loans, grants, and annual contributions only for such low-rent housing projects as it finds are to be undertaken in such a manner that such projects will not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration. In order to attain the foregoing objective, every contract for financial assistance entered into with respect to any low-rent housing project initiated after March 1, 1949, shall provide that no award of the main construction contract for such project shall be made unless the Authority, taking into account the level of construction costs prevailing in the locality where such project is to be located, shall have specifically approved the amount of such main construction contract."

PRIVATE FINANCING

SEC. 204. In order to stimulate increasing private financing of low-rent housing projects, the United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) The last proviso of subsection (b) of section 10 is repealed, and subsection (f) of said section is amended to read as follows: "Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public housing agency to assist the development or acquisition of the housing project to which the annual contributions relate.";

(b) The following is added after section 21:

"PRIVATE FINANCING

"SEC. 22. To facilitate the enlistment of private capital through the sale by public-housing agencies of their bonds and other obligations to others than the Authority, in financing low-rent housing projects, and to maintain the low-rent character of housing projects—

"(a) Every contract for annual contributions (including contracts which amend or supersede contracts previously made) may provide that—

"(1) upon the occurrence of a substantial default in respect to the covenants or conditions to which the public-housing agency is subject (as such substantial default shall be defined in such contract), the public-housing agency shall be obligated to convey to the Authority the project, as then constituted, to which such contract relates;

"(2) the Authority shall agree to reconvey the project, as constituted at the time of reconveyance, to the public-housing agency by which it shall have been so conveyed or to its successor (if such public-housing agency or a successor exists) upon such terms as shall be prescribed in such contract and as soon as practicable: (i) after the Authority shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this act, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligations to make annual contributions available unless there are any obligations or covenants of the public-housing agency to the Authority which are then in default. Any prior conveyances shall not exhaust the right to require a conveyance of the project to the Authority pursuant to subparagraph (1), upon the subsequent occurrence of a substantial default.

"(b) Whenever such contract for annual contributions shall include provisions which the Authority, in said contract, determines are in accordance with subsection (a) hereof, and the annual contributions, pursuant to such contract, have been pledged by the public-housing agency as security for the payment of the principal and interest on any

of its obligations, the Authority (notwithstanding any other provisions of the act) shall continue to make annual contributions available for the project so long as any of such obligations remain outstanding, and may covenant in such contract that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding 12 months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security: *Provided,* That such annual contributions shall not be in excess of the maximum sum determined pursuant to the provisions of this act; and in no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.";

(c) In the fourth sentence of section 9 the words "going Federal rate at the time the loan is made," are deleted, in the first proviso of subsection 10 (b) the words "going Federal rate of interest at the time such contract is made" are deleted, and in lieu thereof in each case there are substituted the words "applicable going Federal rate"; and subsection 2 (10) is amended to read as follows:

"(10) The term 'going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined, in the case of loans or annual contributions, respectively, at the date of Presidential approval of the contract pursuant to which such loans or contributions are made: *Provided,* That for the purposes of this act, the going Federal rate shall be deemed to be not less than 2½ percent."

(d) Section 9 is amended by striking out the period at the end of said section and adding a colon and the following: *"Provided,* That in the case of projects initiated after March 1, 1949, loans shall not be made for a period exceeding 45 years from the date of the bonds evidencing the loan: *And provided further,* That in the case of such projects or any other projects with respect to which the contracts (including contracts which amend or supersede contracts previously made) provide for loans for a period not exceeding 45 years from the date of the bonds evidencing the loan and for annual contributions for a period not exceeding 45 years from the date of the first annual contribution for the project is paid, such loans shall bear interest at a rate not less than the applicable going Federal rate.";

(e) Subsection 10 (c) is amended by striking out the period at the end of the last sentence and adding a colon and the following: *"Provided,* That, in the case of projects initiated after March 1, 1949, contracts for annual contributions shall not be made for a period exceeding 45 years from the date the first annual contribution for the project is paid: *And provided further,* That, in the case of such projects or any other projects with respect to which the contracts for annual contributions (including contracts which amend or supersede contracts previously made) provide for annual contributions for a period not exceeding 45 years from the date the first annual contribution for the project is paid, the fixed contribution may exceed the amount provided in the first proviso of subsection (b) of this section by 1 percent of development or acquisition cost.";

(f) The first sentence of subsection 10 (c) is amended to read as follows: "Every contract for annual contributions shall provide that whenever in any year the receipts of a public-housing agency in connection with a low-rent housing project exceed its expenditures (including debt service, administration, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes which, in the determination of the Authority, will effect a reduction in the amount of subsequent annual contributions.";

(g) Section 14 is amended by inserting the following after the first sentence: "When the Authority finds that it would promote economy or be in the financial interest of the Federal Government, any contract heretofore or hereafter made for annual contributions, loans, or both, may, with Presidential approval, be amended or superseded by a contract of the Authority so that the going Federal rate on the basis of which such annual contributions or interest rate on the loans, or both, respectively, are fixed shall mean the going Federal rate, as herein defined, on the date of Presidential approval of such amending or superseding contract: *Provided,* That contracts may not be amended or superseded in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged.";

(h) Section 20 is amended to read as follows:

"SEC. 20. The Authority may issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of the Treasury in an amount not to exceed $1,500,000,000. Such notes or other obligations shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Authority with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or other obligations by the Authority. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations of the Authority issued hereunder and for such purpose is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public-debt transactions of the United States.";

(i) Subsection 2 (5) is amended to read as follows:

"(5) The term 'development' means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment in connection with a low-rent housing project. The term 'development cost' shall comprise the costs incurred by a public housing agency in such undertakings and their necessary financing (including the payment of carrying charges, but not beyond the point of physical completion), and in otherwise carrying out the development of such project. Construction activity in connection with a low-rent housing project may be confined to the reconstruction, remodeling, or repair of existing buildings."

ANNUAL CONTRIBUTIONS

SEC. 205. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By inserting the following after the first sentence of subsection (e) of section 10: "With respect to projects assisted pursuant to this act, the Authority (in addition to the amount authorized by the first sentence of this subsection) is authorized, with the approval of the President, to enter into contracts, on and after July 1, 1949, for annual contributions aggregating not more than $85,000,000 per annum, which limit shall be increased by further amounts of $55,000,000 on July 1 in each of the years 1950, 1951, and 1952, respectively, and by $53,000,000 on July 1, 1953: *Provided,* That (subject to the total additional authorization of not more than $308,000,000 per annum) such limit, and any such authorized increase therein, may be increased at any time or times by additional amounts aggregating not more than $55,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon conditions in the building industry and upon the national economy, that such action is in the public interest: *And provided further,* That 10 percent of each amount of authorization to enter into contracts for annual contributions becoming available hereunder shall, for a period of 3 years after such amount of authorization becomes available, be available only for annual contributions contracts with respect to projects to be located in rural nonfarm areas. With respect to projects initiated after March 1, 1949, the Authority may authorize the commencement of construction of not to exceed 135,000 dwelling units after July 1, 1949, which limit shall be increased by further amounts of 135,000 dwelling units on July 1 in each of the years 1950 through and including 1954, respectively: *Provided,* That (subject to the authorization of not to exceed 810,000 dwelling units) such limit, and any such authorized increase therein, may be increased at any time or times by additional amounts aggregating not more than 65,000 dwelling units, or may be decreased at any time or times by amounts aggregating not more than 85,000 dwelling units, upon a determination by the President, after receiving advice from the Council of Economic Advisers as provide, in lieu of the requirement for tax exemption and the authorization of payments in lieu of taxes, that no annual contributions by the Authority shall be made available for such project unless and until the State, city, county, or other political subdivision in which such project is situated shall contribute, in the form of cash, at least 20 percent of the annual contributions paid by the Authority. In respect to low-rent housing projects initiated prior to March 1, 1949, the Authority may, after the effective date of the Housing Act of 1949, authorize payments in lieu of taxes for each of the project fiscal years in respect to which annual contribution dates occurred during the 2-year period ending June 30, 1949, in amounts which, together with amounts already paid, will not exceed the greater of either (i) 5 percent of the shelter rents charged in such projects for each of such project fiscal years, or (ii) the amounts specified in the cooperation agreements in effect July 1, 1947, between the public housing agencies and the political subdivisions in which the projects are located, or in the ordinances or resolutions of such political subdivisions in effect on such date. In respect to such low-rent housing projects initiated prior to March 1, 1949, the contracts for annual contributions may be amended as to project fiscal years in respect to which annual contribution dates occur on or after July 1, 1949, so as to require exemption from real and personal property taxes in lieu of any other requirements as to local contributions and to permit payments in lieu of taxes on the terms prescribed in the first sentence of this subsection; in the event that the contracts for annual contributions are not so amended, payments in lieu of taxes in respect to such project fiscal years

shall be limited to the amounts specified in the cooperation agreements or ordinances or resolution in effect July 1, 1947."

SPECIAL PROVISIONS FOR LARGE FAMILIES OF LOW INCOME

SEC. 206. In order to enable low-rent housing to better serve the needs of large families of low income, the United States Housing Act of 1937, as amended, is hereby amended by deleting the second sentence of subsection 2 (1) and substituting therefor the following: "The dwellings in low-rent housing as defined in this act shall be available solely for families whose net annual income at the time of admission, less an exemption of $100 for each minor member of the family, other than the head of the family and his spouse, does not exceed five times the annual rental (including the value or cost to them of water, electricity, gas, other heating and cooking fuels, and other utilities) of the dwellings to be furnished such families. In determining the net income of families for the sole purpose of eligibility for continued occupancy, the Authority may also authorize the exclusion of all or any part of the income of minor members of the family other than the head of the family and his spouse. For the purposes of this subsection, a minor shall mean a person less than 21 years of age."

TECHNICAL AMENDMENTS

SEC. 207. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(a) By deleting from section 1 the words "rural or urban communities" and by substituting therefor the words "urban and rural nonfarm areas."

(b) (1) By adding the following new subsection to section 2:

"(15) The term 'initiated' when used in reference to the date on which a project was initiated refers to the date of the first contract for financial assistance in respect to such project entered into by the Authority and the public housing agency.";

(2) By adding to subsection 2 (11) the following: "It is the intent of this act that the Authority shall deal directly with a State if the State makes application to the Public Housing Administration for Federal assistance for a project under the terms of this act."

(c) By adding to section 6 the following new subsection:

"(e) With respect to all projects under title II of Public Law 671, Seventy-sixth Congress, approved June 28, 1940, references therein to the United States Housing Act of 1937, as amended, shall include all amendments to said act now or hereafter adopted.";

(d) By deleting from the proviso in subsection 10 (a) and in subsection 11 (a) the following: ", unless the project includes the elimination" and substituting the following: "unless, subsequent to the initiation of the project and within a period specified by the Authority, there has been or will be elimination";

(e) By amending the second sentence of subsection 13 (a) to read as follows: "The Authority may bid for and purchase at any foreclosure by any party or at any other sale, or acquire (pursuant to section 22 or otherwise) any project which it previously owned or in connection with which it has made a loan, annual contribution, or capital grant; and in such event the Authority may complete, administer, pay the principal of and interest on any obligations issued in connection with such project, dispose of, and otherwise deal with, such projects or parts thereof, subject, however, to the limitations elsewhere in this act governing their administration and disposition.";

(f) By amending subsection 21 (d) to read as follows:

"(d) Not more than 10 percent of the total annual amount of $320,000,000 provided in this act for annual contributions, nor more than 10 percent of the amounts provided for in this act for grants, shall be expended within any one State."; and

(g) By renumbering sections 22 to 30, inclusive, so that they become sections 23 to 31, inclusive.

TITLE III—HOUSING RESEARCH

SEC. 301. Title III of Public Law 901, Eightieth Congress, approved August 10, 1948, is hereby amended to read as follows:

"SEC. 301. The Housing and Home Finance Administrator shall—

"(a) Undertake and conduct a program with respect to technical research and studies concerned with the development, demonstration, and promotion of the acceptance and application of new and improved techniques, materials, and methods which will permit progressive reductions in housing construction and maintenance costs, and stimulate the increased and sustained production of housing, and concerned with housing economics and other housing market data. Such program may be concerned with improved and standardized building codes and regulations and methods for the more uniform administration thereof, standardized dimensions and methods for the assembly of homebuilding materials and equipment, improved residential design and construction, new and improved types of building materials and equipment, and methods of production, distribution, assembly, and construction, and sound techniques for the testing thereof and for the determination of adequate performance standards, and may relate to appraisal, credit, and other housing market data, housing needs, demand and supply, finance and investment, land costs, use and improvement, site planning and utilities, zoning and other laws, codes and regulations as they apply to housing, other factors affecting the cost of housing, and related technical and economic research. The Administrator shall disseminate, and without regard to the provisions of section 6 of the Treasury and Post Office Departments Appropriation Act, fiscal year 1940 (Public Law No. 65, 76th Cong.; U. S. C., title 39, sec. 321b), the results of such research and studies in such form as may be most useful to industry and to the general public.

"(b) Prepare and submit to the President and to the Congress estimates of national urban and rural nonfarm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of the national housing objective and policy established by this act, with respect to urban and rural nonfarm housing, together with such other reports or information as may be required of the Administrator by the President or the Congress.

"(c) Encourage localities to make studies of their own housing needs and markets, along with surveys and plans for housing, urban land use and related community development, and provide, where requested and needed by the localities, technical advice and guidance in the making of such studies, surveys, and plans.

"SEC. 302. In carrying out research and studies under this title, the Administrator shall utilize, to the fullest extent feasible, the available facilities of other departments, independent establishments, and agencies of the Federal Government, and shall consult with, and make recommendations to such departments, independent establishments, and agencies with respect to such action as may be necessary and desirable to overcome existing gaps and deficiencies in available housing data and the facilities available for the collection of such data. The Administrator is further authorized, for the purposes of this title, to undertake research and studies cooperatively with industry and labor, and the agencies of State or local governments, and educational institutions and other nonprofit organizations, and to make grants to educational institutions and other nonprofit organizations.

"SEC. 303. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title."

TITLE IV—FARM HOUSING

ASSISTANCE BY THE SECRETARY OF AGRICULTURE

SEC. 401. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized, through such agency officers and employees as he may determine and subject to the terms and conditions of this title, to extend financial assistance to owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to enable them to construct, improve, alter, repair, or replace dwellings and facilities incident thereto on their farms to provide them, their tenants, lessees, share croppers, and laborers, including migratory workers, with decent, safe, and sanitary living conditions as specified in this title.

(b) For the purposes of this title and the acts amended hereby, the term "farm" shall means a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces such commodities for sale and for home use of a gross annual value of not less than the value as determined by the Secretary to be equivalent to a gross annual value of $400 in 1944. The Secretary shall promptly determine whether any parcel or parcels of land constitute a farm for the purposes of this title whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

(c) In order to be eligible for the assistance authorized by paragraph (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling and related facilities adequate for himself and his family and necessary farm labor, or for the family of the operating tenant, lessee, or share cropper; (2) that he is without sufficient resources to provide the necessary housing on his own account; and (3) that he is unable to secure the credit necessary for such housing from other sources upon terms and conditions which he could reasonably be expected to fulfill.

LOANS FOR DWELLINGS ON ADEQUATE FARMS

SEC. 402. (a) If the Secretary determines that an applicant is eligible for assistance as provided in section 401 and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed 33 years from the making of the loan with interest at a rate not to exceed 4 percent per annum on the unpaid balance of principal.

(b) The instruments under which the loan is made and the security given shall—

(1) provide for security upon the applicant's equity in the farm and such additional security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

(2) provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary;

(3) contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources

whenever the Secretary determines, in the light of the borrower's circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

(4) be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

LOANS FOR DWELLINGS ON POTENTIALLY ADEQUATE FARMS

SEC. 403. If the Secretary determines (1) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this title; (2) that the income of the applicant may be sufficiently increased within a period of not to exceed 10 years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (3) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices which, in the opinion of the Secretary, will increase the applicant's income from said farm within a period of not to exceed 10 years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate housing on said farm under the terms and conditions prescribed in section 402. In addition, the Secretary may agree with the borrower to make annual contributions in the form of credits on the borrower's indebtedness in an amount not to exceed the annual installment of interest and 50 percent of the principal payments accruing during any installment year, up to and including the tenth installment year, subject to the conditions that the borrower's income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvement or enlargement with due diligence.

This agreement with respect to credits of principal and interest upon the borrower's indebtedness shall not be assignable nor accrue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to releasee the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.

MORATORIUM ON PAYMENTS UNDER LOANS

SEC. 404. During any time that any such loan is outstanding, the Secretary is authorized under regulations to be prescribed by him to grant a moratorium upon the payment of interest and principal on such loan for so long a period as he deems necessary, upon a showing by the borrower that due to circumstances beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing is standard of living. In cases of extreme hardship under the foregoing circumstances, the Secretary is further authorized to cancel interest due and payable on such loans during the moratorium. Should any foreclosure of such a mortgage securing such a loan upon which a moratorium has been granted occur, no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation.

TECHNICAL SERVICES AND ADVICE

SEC. 405. (a) In addition to the financial assistance authorized in sections 401 to 404, inclusive, the Secretary is hereby authorized to furnish to all persons, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection and advice and information regarding rural dwellings and other farm buildings. The Secretary and the Housing and Home Finance Administrator are authorized to cooperate in research and technical studies in the rural housing field. In furnishing such services and information, the Secretary may utilize, through the Agricultural Extension Service, the facilities and services of State agencies and educational institutions.

(b) The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national farm housing needs and reports with respect to the progress being made toward meeting such needs, and correlate and recommend proposals for such executive action or legislation as may be necessary or desirable for the furtherance of the national housing objective and policy established by this act with respect to farm housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

PREFERENCE FOR VETERANS

SEC. 406. As between eligible applicants for assistance under this title, the Secretary shall give preference to veterans (defined for the purposes of this title to mean persons who served in the military or naval forces of the United States during World War II).

LOCAL PUBLIC AGENCIES AND COMMITTEES TO ASSIST SECRETARY

SEC. 407. (a) Wherever a local public agency now exists or may be hereafter created which possesses authority to assist low-income persons and families outside of urban areas to obtain decent, safe, and sanitary housing and related facilities, the Secretary is authorized, and after agreement with such agency is directed, to utilize the facilities of such local public agency for the purpose of making the benefits of this title available to the eligible owners of farms (as defined in section 401) lying within the area of operation of said local public agency.

(b) Whenever the facilities of a local public agency are not utilized, the Secretary may utilize the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in the county or parish where the farm is located. In any county or parish where the facilities of a local public agency are not utilized and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate of $5 per day while engaged in the performance of duties under this title and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedure of local public agencies and committees utilized pursuant to this section, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(c) The local public agency or committee utilized pursuant to this section shall examine applications of persons desiring to obtain the benefits of this title and shall submit recommendations to the Secretary with respect to each application as to whether the applicant is eligible to receive the benefits of this title, whether by reason of his character, ability, and experience, he is likely successfully to carry out undertakings required of him under a loan or grant under this title, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan or grant requested will carry out the purposes of this title. The local public agencies or committees shall also certify to the Secretary their opinions of the reasonable values of the farms. The local public agencies and committees shall, in addition, perform such other duties under this title as the Secretary may require.

GENERAL POWERS OF SECRETARY

SEC. 408. (a) The Secretary, for the purposes of this title, shall have the power to determine and prescribe the standards of adequate farm housing, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwellings for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land.

(b) The Secretary may require any recipient of a loan or grant to agree that the availability of housing constructed or improved with the proceeds of the loan or grant under this title shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such housing to the latter's disadvantage without the approval of the Secretary.

ADMINISTRATIVE PROVISIONS

SEC. 409. In carrying out the provisions of this title, the Secretary shall have the power to—

(a) make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes, as amended, when the aggregate amount involved is less than $300;

(b) enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

(c) compromise claims and obligations arising out of sections 402 to 405, inclusive, of this title and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into as circumstances may require, including the release from personal liability, without payment of further consideration, of—

(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this title; and

(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this title which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(d) collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant

to this title and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this title shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General;

(e) bid for and purchase at any foreclosure or other sale or otherwise to acquire the property pledged or mortgaged to secure a loan or other indebtedness owing under this title, to accept title to any property so purchased or acquired, to operate or lease such property for such period as may be necessary or advisable, to protect the interest of the United States therein and to sell or otherwise dispose of the property so purchased or acquired by such terms and for such considerations as the Secretary shall determine to be reasonable and to make loans to provide adequate housing for the purchasers of such property;

(f) utilize with respect to indebtedness arising from loans and payments made under this title all the powers and authorities given to him under the act approved December 20, 1944, entitled "An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes" (58 Stat. 836), as such act now provides or may hereafter be amended;

(g) make such rules and regulations as he deems necessary to carry out the purposes of this title.

LOAN FUNDS

SEC. 410. The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury in such sums as the Congress may from time to time determine to make loans under this title but not in excess of $25,000,000 on or after July 1, 1949, an additional $50,000,000 on or after July 1, 1950, an additional $75,000,000 on or after July 1, 1951, and an additional $100,000,000 on or after July 1, 1952. The notes and other obligations issued by the Secretary shall be secured by the obligations of borrowers and the secretary's commitments to make contributions under this title and shall be repaid from the payment of principal and interest on the obligations of the borrowers and from funds appropriated hereunder. The notes and other obligations issued by the Secretary shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligation of the Secretary of Agriculture issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

CONTRIBUTIONS

SEC. 411. In connection with loans made pursuant to section 403, the Secretary is authorized, on or after July 1, 1949, to make commitments for contributions aggregating not more than $500,000 per annum, and to make additional commitments on or after July 1 of each of the years 1950, 1951, and 1952 which shall require aggregate contributions of not more than $1,000,000, $1,500,000, and $2,000,000 per annum, respectively.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 412. There are hereby authorized to be appropriated to the Secretary (1) such sums as may be necessary to permit payments on notes or other obligations issued by the Secretary under section 410 equal to (i) the aggregate of the contributions made by the Secretary in the form of credits on principal sums due on loans made pursuant to section 403, and (ii) the interest due on a similar sum represented by notes or other obligations issued by the Secretary; and (2) such further sums as may be necessary to enable the Secretary to carry out the provisions of sections 401 to 412, inclusive, of this title.

TITLE V—PRIVATELY OWNED HOUSING FOR FAMILIES OF LOWER INCOME

PURPOSE

SEC. 501. This title is not designed to supplant or alter any of the existing systems of mortgage insurance under the National Housing Act, as amended, but is to supplement such systems by a program of direct Federal loans at lower interest rates to meet the housing needs of lower-income families whose needs are now negelected. In providing liberalized credit to reduce the monthly cost of housing for such families, this title contemplates that the housing produced with this liberalized credit shall limit admissions to families whose incomes are below the level where they can afford to obtain housing currently made available under the FHA mortgage system or other existing aids to housing undertaken by private enterprise. The more liberal credit aids hereunder shall be combined with all proper incentives to cost reduction through the adoption of appropriate new materials, techniques and methods and through increased efficiency in production and management and the elimination of unnecessary restrictive practices by all concerned in the complex building industry.

HOUSING LOAN ADMINISTRATION

SEC. 502. There is hereby established in the Housing and Home Finance Agency, under the Administrator thereof, a constituent unit to be known as the Housing Loan Administration with a Housing Loan Commissioner (hereafter referred to as the Commissioner) at the head thereof with the same salary as other Commissioners in the Housing and Home Finance Agency. The Housing Loan Commissioner shall carry out the functions, powers, and duties prescribed by this title. The powers and authorities conferred upon other Commissioners by section 502 of the Housing Act of 1948 are hereby granted to the Commissioner hereunder with respect to his functions under this title.

LOANS TO COOPERATIVES AND NONPROFIT AND LIMITED-DIVIDEND CORPORATIONS

SEC. 503. (a) For the purpose of assisting the development or acquisition of housing projects for families of lower income, the Commissioner may make loans to—

(1) mutual-ownership or cooperative housing corporations undertaking projects which will be restricted in occupancy to members of such corporation;

(2) nonprofit corporations; or

(3) limited-dividened corporations or other housing corporations and redevelopment companies restricted by Federal or State laws, regulations, or contract, so as to conform to the requirements of this title and the regulations of the Commissioner issued hereunder as to rents, charges, capital structure, rate of return, and methods of operation.

(b) Such loans shall not exceed the development or acquisition cost of such projects and shall bear interest at a rate not less than the going Federal rate of interest at the time the loan is made plus one-half of 1 percent. Such loans shall be secured in such manner as may be deemed advisable by the Commissioner and shall be repaid within a period representing the estimated period of the useful life of the property involved, but in no event to exceed 60 years.

SEC. 504. The Commissioner shall issue such regulations and retain such rights as will assure that the housing developed or acquired with the aid of loans hereunder, will serve the low-income families as contemplated by this title and otherwise accomplish the purposes hereof. Every contract for a loan under this title shall provide that with respect to the housing to be developed or acquired with the aid of said loan—

(a) The borrower shall fix maximum income limits for the acceptance of families for occupancy of such housing and that such maximum-income limits and all revisions thereof shall be subject to the prior approval of the Commissioner;

(b) The families accepted for occupancy of such housing shall be limited to those whose net income at the time of acceptance does not exceed five times the annual rental or housing cost (including the value or cost to them of water, electricity, gas, other heating and cooking fuels, and other utilities) of the dwelling to be occupied by such families, except that in the case of families with two or more minor dependents, such ratio shall not exceed 6 to 1. In determining the net income of families, the Administrator may also authorize the exclusion of all or any part of the income of minor members of the family other than the head of the family and his spouse. For the purposes of this subsection, a minor shall mean a person less than 21 years of age;

(c) In the case of any such housing on which construction is hereinafter initiated, the housing is to be developed in such a manner (1) that such projects will not be of elaborate or extravagant design or materials, and economy will be promoted both in construction and administration, and (2) that the average construction cost of the dwelling units (excluding land, demolition, and nondwelling facilities) in any such project is not greater than the average construction cost of dwelling units currently produced, in the locality or metropolitan area concerned, under the legal building requirements applicable to the proposed site, and under labor standards not lower than those prescribed in this act.

LOAN FUNDS

SEC. 505. The Commissioner may issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury, in an amount not to exceed $500,000,000 which limit on such outstanding amount shall be increased by an additional $500,000,000 on July 1 in each year of the years 1950, 1951, 1952, 1953, and 1954, respectively. The Commissioner may increase or decrease the rate of making loans, depending upon a finding by the President after receiving the advice of the Council of Economic Advisers, that conditions in the building industry justify such increase or decrease, but such additional loan funds shall not exceed $250,000,000 in any one year: *Provided*, That the total notes and obligations outstanding at any one time shall not exceed $3,000,000,000 without further authorization of Congress. The notes and other obligations issued by the Commissioner shall be secured by the obligations of borrowers and shall be repaid from the payment of principal and interest on the

obligations of the borrowers. The notes and other obligations issued by the Commissioner shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as be prescribed by the Commissioner with the approval of the Secretary of the Treasury.

Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Commissioner issued hereunder and for such purpose is authorized to use as a public-debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public-debt transactions of the United States.

SEC. 506. Any contract for loans pursuant to this title shall contain a provision requiring that the principal contractor involved at the site in the construction or erection of housing shall file a certificate or certificates (at such times in the course of construction or otherwise as the Commissioner may prescribe) certifying that the laborers and mechanics employed at the site in the construction or erection of the housing involved have been paid not less than the wages prevailing in the locality for the corresponding classes of laborers and mechanics employed on construction or erection of a similar character as determined or adopted by the Commissioner prior to the beginning of construction or erection of the housing involved.

GENERAL PROVISIONS

SEC. 507. (a) In the performance of, and with respect to the functions, powers, and duties vested in him by this title, the Commissioner, notwithstanding the provisions by any other law, shall—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(2) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That the financial transactions of the Commissioner in the making of loans and vouchers approved by the Commissioner in connection with such financial transactions shall be final and conclusive upon all officers of the Government; and

(3) make an annual report to the President, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(b) Funds made available to the Commissioner pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title, other than loans authorized pursuant to section 503, and all funds available for carrying out the functions of the Commissioner under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Commissioner in connection with the performance of such functions.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Commissioner, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale of any project or part thereof in connection with which he has made a loan pursuant to this title. In the event of any such acquisition, the Commissioner may, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(3) with respect to any real property acquired and held by the Commissioner under this title which had been subject to taxes immediately prior to its acquisition, the Commissioner shall make payments in lieu of taxes to the State or political subdivisions involved in an amount which shall approximate the taxes which would be payable upon such property in private ownership;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as he may deem necessary to assure that the purposes of this title will be achieved.

(d) The Commissioner shall make available to eligible borrowers technical and other assistance which they may require in the initiation, development, and administration of their project.

(e) Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed $1,000.

VETERANS' PREFERENCE

SEC. 508. Every contract made pursuant to this title for loans to nonprofit or limited-dividend corporations and redevelopment companies for housing for lower-income families shall require that such corporations in selecting tenants shall give preference, as among applicants eligible for occupancy of the dwelling and at the rent involved, to families of veterans and servicemen (including families of deceased veterans and servicemen), where application for admission to such housing is made not later than 5 years after the date of the approval of this act, and that as among applicants entitled to the preference provided in this subsection, first preference shall be given to families of disabled veterans whose disability is service-connected: *Provided*, That this shall not preclude a cooperative, otherwise eligible for a loan hereunder, from building and administering housing for its own veteran or nonveteran members. For the purposes of this section the term "veteran" shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 26, 1947, and who shall have been discharged or released therefrom under conditions other than dishonorable. The term "serviceman" shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 26, 1947.

DEFINITIONS

SEC. 509. When used in this title—

(a) The term "development" means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with the housing and nondwelling facilities involved. The term "development cost" shall comprise the costs incurred by the borrower in such undertakings and their necessary financing (including the payment of carrying charges up to date when the project is completed and ready for occupancy), and in otherwise carrying out the development and initial occupancy of such project. Construction activity may include or be confined to the reconstruction, remodeling, or repair of existing buildings.

(b) The term "going Federal rate of interest" means, at the time a loan contract is made, the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) then specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more.

(c) The term "families of lower income" shall mean families whose net annual income at the time of acceptance for occupancy of housing assisted under this title does not exceed the limits prescribed pursuant to the requirement of section 504 hereof.

TITLE VI—AMENDMENTS TO EXISTING AIDS TO PRIVATELY FINANCED HOUSING

SEC. 601. This title is designed to supplement and amend existing systems of mortgage insurance under the National Housing Act, as amended, and other existing Federal aids to privately financed housing, in order to bring such housing within the financial means of more of the people, including larger families. To this end the amendments provide incentives to produce more such housing at the lowest achievable capital costs by making available for such housing more liberalized financing which will reduce the monthly costs of housing.

TITLE II AMENDMENTS

SEC. 602. Title II of the National Housing Act, as amended, is amended as follows:

(a) Section 203 (b) (2) (D) is amended—

(1) by striking out "$60,000" where it appears and inserting in lieu thereof "$7,600";

(2) by inserting the following new proviso after the first proviso thereof: "*And provided further*, That with respect to single-family residences, which include more than two bedrooms, the principal obligation of the mortgage, as aforesaid, may be increased by an amount not to exceed $1,000 for a third bedroom and a like amount for a fourth bedroom."

(b) Section 203 (b) (3) is amended by striking out in the proviso the words "twenty-five years" and inserting in lieu thereof "thirty years", and by striking out the words "thirty years" and inserting in lieu thereof "thirty-five years" and by striking

out the period at the end thereof and inserting a colon and the following additional proviso: *"And provided further,* That the maturity of the mortgage shall not exceed the estimated period of the useful life of the property."

(c) Section 203 is amended by adding the following new subsection at the end thereof:

"(g) No mortgage (i) covering a dwelling which is approved for mortgage insurance prior to the beginning of construction, or (ii) having as the mortgagor the initial occupant of the dwelling, shall be eligible for insurance under this section unless the principal contractor shall provide a warranty (and be liable for any breach of such warranty of which the contractor is notified within a period of one year following the completion of the dwelling), for the benefit of the mortgagor and of subsequent owners of the dwelling, at such time and in such form as shall be prescribed by the Administrator, against structural and other defects in construction, faulty materials, or workmanship, and any violation or breach of, or noncompliance with, any specifications, covenants, or conditions set forth in any of the construction contracts, or any technical standards of construction and design prescribed or approved by the Administrator: *Provided,* That the provisions of this section shall not be applicable to mortgages the application for insurance of which has been made prior to the date of enactment of this subsection."

(d) Section 207 (c) (2) is amended—

(1) by striking out "90 per centum" and inserting in lieu thereof "95 per centum" and by striking out "95 per centum" and inserting in lieu thereof "100 per centum."

(2) by deleting from the second sentence thereof the words "forty years" and inserting in lieu thereof the words "forty-five years", and by adding at the end of that sentence the following proviso: *"Provided, however,* That the maturity of the mortgage shall not exceed the estimated period of the useful life of the property."

(e) The following new section is added at the end of title II:

"SEC. 213. With respect to mortgages insured under section 203 (b) (2) (D) which involve a mortgage with a principal obligation of not to exceed $8,000 (except that with respect to any single family residence which includes more than two bedrooms, the principal obligation of the mortgage may be increased by an amount not to exceed $1,000 for a third bedroom and a like amount for a fourth bedroom) on a property purchased for occupancy by a veteran of World War II and his immediate family, no premium charge shall be made to any such veteran hereafter for the insurance of such mortgages under this title, but in the case of such mortgages, the premium that would otherwise be chargeable shall be paid into the insurance fund by the Administrator out of funds which are hereby authorized to be appropriated out of the Treasury in such amounts as may be necessary for such purposes."

TITLE VI AMENDMENTS

SEC. 603. Title VI of the National Housing Act, as amended, is hereby amended as follows:

(a) Section 603 (a) is amended by striking out in the part of the second proviso referring to mortgage insurance under section 608 "March 31, 1949" and inserting in lieu thereof "March 31, 1950."

(b) Section 608 (3) is amended by adding the following proviso at the end of the second sentence thereof: *"Provided,* That the period of amortization shall not exceed the period of the estimated useful life of the property, but in no event more than 45 years."

(c) Section 609 is amended—

(1) by adding the following sentence at the end of subsection (a) thereof: "To achieve these objectives of modern mass production, the Administrator shall exercise his powers under the National Housing Act, as amended, in a manner which will assure uniformity and standardization in the requirements for mortgage insurance (except for variations required by climatic or other differences of geographical areas); and enable the necessary accumulation of a balanced inventory for mass production."

(2) by adding the following proviso at the end of subsection (c) thereof: *Provided,* That in order to assure the continued availability of the proceeds of the loan until its scheduled maturity of 1 year, the Administrator may consent, at the time the loan is made, to the later assignment of additional purchase contracts in substitution for other purchase contracts or for the proceeds of the sales of houses delivered thereunder."

(d) Section 611 (b) (3) is amended—

(1) by striking out "80 percent" from subparagraph (A) thereof and inserting in lieu thereof "90 percent"; and

(2) by striking out of subparagraph (B) thereof "$6,000 or 80 percent of the valuation, whichever is less, with respect to each single-family dwelling," and inserting in lieu thereof "$8,000 or 90 percent of the valuation, whichever is less, with respect to a single-family dwelling which includes two or less bedrooms, plus an amount not to exceed $1,000 for a third bedroom and a like amount for a fourth bedroom."

(3) by adding at the end of said section 611 the following new subsection:

"(e) In order to facilitate the marketing of mortgages insured under this section and to accomplish the purpose hereof to improve financing operations on large-scale construction or erection operations, the mortgage insured hereunder shall cover, during the construction period, all the dwellings and properties involved: *Provided,* That upon the completing of such construction, the mortgage covering such properties may be replaced by individual mortgages covering each individual dwelling and property involved; such individual mortgages may be insured under this section with the mortgagor being either the builder who constructed the dwellings or the owner and occupant of the property at the time."

SERVICEMEN'S READJUSTMENT ACT AMENDMENT

SEC. 604. Section 500 of the Servicemen's Readjustment Act of 1944, as amended, is hereby amended by adding at the end of subparagraph (b) the following proviso: *"And provided further,* That in the case of real-estate loans on housing the loan shall be payable during a period which will not exceed the estimated period of the useful life of the property (but in no event to exceed 30 years), and no loans on new housing construction started after the date of enactment of this amendment shall be guaranteed hereunder, unless the mortgagee certifies that the housing with respect to which the mortgage was made meets the construction standards prescribed for insurance of mortgages on the same class of housing under the National Housing Act, as amended."

SEC. 605. (a) Paragraph (E) of the proviso of section 301 (a) (1) of the National Housing Act, as amended, is amended by adding the following proviso at the end thereof: *"Provided, however,* That in order to avoid further increases in interest rates on new construction of housing and to provide for necessary strengthening of the secondary market on mortgages on such housing, this second limitation on the percentage of mortgages which can be purchased by the association from any one mortgagee shall not be applicable with respect to such mortgages on new construction as are insured under the National Housing Act, as amended, or guaranteed as insured under the Servicemen's Readjustment Act of 1944, as amended, after the date of the enactment hereof."

(b) Section 301 (a) of the National Housing Act, as amended, is amended by adding the following subparagraphs at the end therof:

"(3) to utilize its powers to purchase insured or guaranteed mortgages, as aforesaid, with special emphasis on providing a market for mortgages with longer maturities and lower interest rates in order to encourage necessary reductions in the monthly costs of housing.

"(4) to make real-estate loans which are accepted for insurance under the provisions of the second proviso of paragraph (2) of section 207 (c) of this act."

TITLE VII—MISCELLANEOUS PROVISIONS

ADVISORY COMMITTEES

SEC. 701. The Housing and Home Finance Administrator may appoint such advisory committee or committees as he may deem necessary in carrying out his functions, powers, and duties, under this or any other act. Service as a member of any such committee shall not constitute any form of service or employment within the provisions of section 281, 283, or 284 of title 18, United States Code.

AMENDMENTS OF NATIONAL BANKING ACT

SEC. 702. (a) The last sentence of paragraph seventh of section 5136 of the Revised Statutes, as amended, is amended by inserting before the colon, after the words "obligations of national mortgage associations", a comma and the following: "or such obligations of any local public agency (as defined in sec. 110 (h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Housing and Home Finance Administrator in which the local public agency agrees to borrow from said Administrator, and said Administrator agrees to lend to said local public agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or such obligations of a public housing agency (as defined in the United States Housing Act of 1937, as amended) as are secured either (1) by an agreement between the public housing agency and the Public Housing Administration in which the public housing agency agrees to borrow from the Public Housing Administration, and the Public Housing Administration agrees to lend to the public housing agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than 18 months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or (2) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing

Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937, as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on such obligations."

(b) Section 5200 of the Revised Statutes, as amended, is amended by adding at the end thereof the following:

"(11) Obligations of a local public agency (as defined in sec. 110 (h) of the Housing Act of 1949) or of a public housing agency (as defined in the United States Housing Act of 1937, as amended) which have a maturity of not more than 18 months shall not be subject under this section to any limitation, if such obligations are secured by an agreement between the obligor agency and the Housing and Home Finance Administrator or the Public Housing Administration in which the agency agrees to borrow from the Administrator or Administration, and the Administrator or Administration agrees to lend to the agency, prior to the maturity of such obligations, moneys in an amount which (together with other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity, which moneys under the terms of said agreement are required to be used for that purpose."

CONVERSION OF STATE LOW-RENT OR VETERANS' HOUSING PROJECTS

SEC. 703. Any low-rent or veterans' housing project undertaken or constructed under a program of a State or any political subdivision thereof shall be approved as a low-rent housing project under the terms of the United States Housing Act of 1937, as amended, if (a) a contract for State financial assistance for such project was entered into on or after January 1, 1949, and prior to January 1, 1950, (b) the project is or can become eligible for assistance by the Public Housing Administration in the form of loans and annual contributions under the provisions of the United States Housing Act of 1937, as amended, and (c) the State or the public housing agency operating the project in the States makes application to the Public Housing Administration for Federal assistance for the project under the terms of the United States Housing Act of 1937, as amended: *Provided*, That loans made by the Public Housing Administration for the purpose of so converting the project to a project with Federal assistance shall be deemed, for the purposes of the provisions of section 9 and other sections of the United States Housing Act of 1937, to be loans to assist the development of the project.

NATIONAL HOUSING COUNCIL

SEC. 704. The Secretary of Labor or his designee shall hereafter be included in the membership of the National Housing Council in the Housing and Home Finance Agency.

Amendments of the Government Corporations Appropriations Act, 1948, and the Government Corporations Appropriations Act, 1949.

SEC. 705. (a) The second proviso in the paragraph under the heading "Federal Public Housing Authority" in title I of the Government Corporations Appropriations Act, 1948, is hereby repealed as of July 1, 1947.

(b) The second proviso in the paragraph under the heading "Public Housing Administration" in title I of the Government Corporations Appropriations Act, 1949, is hereby repealed as of July 1, 1948.

(c) The first proviso in the paragraph under the subheading "Public Housing Administration" in title II of the Government Corporations Appropriations Act, 1949, is hereby repealed.

CENSUS OF HOUSING

SEC. 706. (a) The Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census in order to provide information concerning the number, characteristics (including utilities and equipment), and geographical distribution of dwelling structures and dwelling units in the United States. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

(b) All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in subsection (a) of this section.

ACT CONTROLLING

SEC. 707. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

SEPARABILITY

SEC. 708. Except as may be otherwise expressly provided in this act, all powers and authorities conferred by this act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act, or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

Mr. PATMAN (interrupting the reading of the amendment). Mr. Chairman, it is my understanding that copies of this amendment are available now. Therefore, I ask unanimous consent that the further reading of the amendment be dispensed with.

Mr. SHAFER. I still object, Mr. Chairman.

Mr. SPENCE (interrupting the reading of the amendment). Mr. Chairman, in view of the fact that the amendment is so long and that copies of it are available, I renew the request that further reading of the amendment be dispensed with.

Mr. CANFIELD. Reserving the right to object, Mr. Chairman, is it not true that about 30 Members of the House have introduced bills similar in nature to the amendment that is now being read?

Mr. SPENCE. Yes, I think about 30 Members have introduced such bills.

Mr. SHAFER. I do not care if there are 150, I still object.

Mr. SPENCE (interrupting the reading of the amendment). Mr. Chairman, it is obvious that the reading of the amendment accomplishes nothing except to consume time. A filibuster is evidence of weakness. I again renew my request that the further reading of the amendment be dispensed with.

Mr. MARCANTONIO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARCANTONIO. Since this amendment has been available to the Members and since its provisions are known, is not the insistence on the reading of this lengthy amendment but another method of accomplishing a filibuster?

The CHAIRMAN. The gentleman does not state a parliamentary inquiry. Is there objection to the request of the gentleman from Kentucky?

Mr. SHAFER. Mr. Chairman, I object.

The CHAIRMAN. The Clerk will read.

Mr. SHAFER (interrupting the reading of the amendment). Mr. Chairman, the Clerk is not reading all the words in the amendment. He is reading the amendment scientifically, and I must insist on a proper reading of the amendment.

The CHAIRMAN. The Clerk will continue reading the amendment.

Mr. PHILLIPS of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS of California. Mr. Chairman, may the Committee be informed as to what page and line the Clerk is reading?

The CHAIRMAN. Page 49.

Mr. SHAFER. Already?

Mr. CANFIELD. Mr. Chairman, I hope the Clerk reads very carefully. This is the bill which ought to be approved by the House.

The CHAIRMAN. The Clerk will read.

Mr. MULTER (interrupting the reading of the amendment). Mr. Chairman, in view of the fact that copies of this bill are now available for Members and a copy of it is set forth in full in the committee hearings before the other body, I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. MULTER]?

Mr. SHAFER. Mr. Chairman, reserving the right to object, any substitute for the present bill certainly is worth reading in this House. There is no filibuster in the reading of any amendment. I object.

Mr. JAVITS (interrupting reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. SHAFER. Mr. Chairman, I object.

Mr. JAVITS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred sixteen Members are present, a quorum.

The gentlewoman from Ohio is recognized.

Mr. SHAFER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SHAFER. Mr. Chairman, would it be out of order for me to call attention to the fact that about three paragraphs were read on this amendment which were not contained in the original substitute?

The CHAIRMAN. The gentlewoman from Ohio has been recognized by the Chair.

Mrs. BOLTON of Ohio. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Chairman, in submitting H. R. 1883 as a substitute for H. R. 4009 I want to make it very clear that I am doing so as the alphabetical first of the group of 10 who on the 27th of last January introduced identical bills.

The date of our bills—January 27, 1949—is good proof that they are not the result of pressures from real estate lobbies, from labor, or any other groups. They are quite definitely the result of individual conviction that the welfare of the American people, which is our prime consideration, demands the enactment of a comprehensive housing bill in this session of the Congress.

To those who are honestly troubled—and who is not?—at the financial status of the country I suggest that public housing may be a losing venture from the money angle, but it cannot help but be an abundant dividend-paying venture insofar as health, good citizenship, and a stable society is concerned.

H. R. 1883, is a well-balanced, comprehensive bill, which, while it puts great emphasis upon housing for those whose need cannot be met by private enterprise or by the States and localities—I quote from the Republican platform—takes into consideration other groups, not least among them those who cannot finance the present high costs of building or purchasing but who can and will ultimately pay their way.

H. R. 1883 and its companion bills advocates the authorization of about $300,000,000 annually to construct a total of 810,000 housing units as against $400,000,000 to construct 1,050,000 units in the original committee bill.

H. R. 1883 initiated the principle of the accelerator and decelerator clause accepted by the committees of both Houses, giving the President power, upon the advice of the Economic Council, to contract sharply the low-rent housing program if conditions in the building industry and the general economy of the country require it.

H. R. 1883 contains the protection that low-rent housing with Federal aid will come into an area only if the local authority desires it and will manage it, and if local needs make it necessary. It also emphasizes and increases the scope of private industry by its loan provisions, thereby setting up a far more balanced program than is contained in any of the other bills at hand.

It is my understanding that all but two of the major aspects of this bill have now been adopted or will be adopted during the course of the debate so that even though this effort to substitute our bill as such is not successful, we shall be voting in almost all particulars with two major exceptions.

The principal one of these is a unique program for privately owned rental housing for lower middle-income families, who constitute 20 percent of the almost 40,000,000 families in the United States and for whom nothing has as yet been suggested. Ineligible for public housing, they cannot afford the private housing now offered for sale or rent. Since we introduced our bill 22 Members have introduced bills very similar to our title V. Under H. R. 1883 a beginning of 350,000 plus units is practicable at rentals or prices fully within the capacity of the family income range of $3,000 a year.

Believing as we do that a balanced program is necessary if our American system of life is to be maintained, our bill contains encouragement for a maximum amount of private construction by the liberalization of titles II, III, and VI of the Federal Housing Act.

Mr. Chairman, there are available at the desk copies of the bill and of a comprehensive summary of H. R. 1863 and its companion measures which I include at this point that will give you at a glance the résumé of the contents of the various titles. You will see at once the balance that is set up, which is the reason for our action in submitting H. R. 1883 as a substitute for H. R. 4009, which, though it contains major elements of H. R. 1883, does not present certain features which make for balance—important if the whole balance of our American way of life is to be maintained.

Mr. Chairman, certain of the co-sponsors of this bill will ask for recognition in order to go into various details of H. R. 1883 and to answer such questions as may be asked. I am asking favorable consideration of the substitution of H. R. 1883 after the enacting clause.

SUMMARY OF COMPREHENSIVE HOUSING BILL SPONSORED BY TEN REPUBLICAN MEMBERS

Following is a summary of the comprehensive housing bill containing titles for urban development, redevelopment, and slum clearance, low-rent public housing, housing research, farm housing, privately owned housing for families of lower income, and amendments to existing aids to privately financed housing, introduced by the following Republican Members January 27, 1949: Representatives FRANCES P. BOLTON, Ohio; CLIFFORD P. CASE, New Jersey; GORDON CANFIELD, New Jersey; T. MILLET HAND, New Jersey; JACOB K. JAVITS, New York; KENNETH B. KEATING, New York; JOHN DAVIS LODGE, Connecticut; WILLIAM L. PFEIFFER, New York; R. WALTER RIEHLMAN, New York; and THOR TOLLEFSON, Washington. A summary of the bill follows:

Declaration of policy: Establishes a national housing policy with the ultimate goal of a decent home for every American family.

Title I. Urban development, redevelopment, and slum clearance: Loans are provided communities to assist them in clearing blighted areas by assembly, clearance, preparation, and sale or lease of land for redevelopment. A total of loans of $1,000,000,000 is authorized over 5 years. Capital grants totaling $500,000,000 over 5 years are also authorized to enable the communities to make redeveloped land available at its fair value by absorbing some of the costs of redevelopment. The Federal grant can amount to a maximum of two-thirds of the project's cost to the community; the community supplying at least one-third of the cost. In order to participate in this program communities must demonstrate that they have made an active effort to modernize building codes.

Title II. Low-rent public housing: Provision is made for the construction by State, county, or local housing authorities of a total of 810,000 public low-rent housing units to be built over 6 years. The annual construction rate of 135,000 units may be increased to 200,000 or decreased to 50,000, upon a determination by the President with the advice of the Council of Economic Advisers that conditions in the building industry and the national economy justify such an increase or decrease.

The upper-rental limits for admission to such low-rent housing are at least 20 percent below the lowest rents required to live in decent private housing. The bonds issued by the local authorities participating in the program remain tax exempt. Contributions of $85,000,000 are authorized for the first year and increased during each of the succeeding 4 years to the annual rate of $308,000,000 maximum annual contributions for 40 years.

Title III. Housing research: Directs the Housing and Home Finance Administration to undertake a program of research to develop and promote the use of new techniques and materials to achieve lower building costs. Authorizes grants to educational institutions and other nonprofit organizations for research.

Title IV. Farm housing: Permits loans to adequate farms with earning capacity to carry interest and amortization charges but unable to get private financing to construct, improve, or repair housing. For farms which through improvement are potentially self-sustaining, a program of loans and grants is provided. This title is administered by the Secretary of Agriculture.

Title V. Privately owned housing for families of lower income: Provides a program of direct Government loans to cooperatives, limited dividend and redevelopment companies and nonprofit corporations for constructing low-rent housing units for families with incomes too low to afford private housing and too high to occupy public housing. Lower rents would be achieved through use of the going Federal interest rate and an extended period of amortization. Five hundred million dollars of loan funds are authorized for each of 6 years to enable an estimated total of 360,000 units to be built.

Title VI. Amendments to existing aids to privately financed housing: Liberalizes the provisions of title II and title VI of the National Housing Act by permitting increased maximum mortgage limits, increased percentage guaranty, and extended amortization. Title VI is extended until March 31, 1950. The Servicemen's Readjustment Act is also amended to permit loans for 30 years. The 50 percent limit on sale of mortgages on the secondary market imposed by the Housing Act of 1948 is lifted. New limitations are to be set by regulation of the RFC.

Title VII. Miscellaneous provisions: This title provides for a census of housing in conjunction with the regular decennial censuses. It also permits conversion of State low-rent or veterans' housing projects to assistance provided by title II. In addition, there are the regular provisions, on separability.

A comparison between the administration bill, the Senate bill, and the House bill introduced by the members mentioned previously follows:

	H. R. 4009 as reported by Banking and Currency	House bill of Republicans	S. 1070 (Senate bill)
Slum clearance	Identical	Identical	Identical.
Number of public housing units	1,050,000	810,000	810,000.
Duration of program	7 years	6 years	6 years.
Maximum rate of construction	250,000	200,000	200,000.
Minimum rate of construction	50,000	50,000	50,000.
Maximum possible annual cost after 4 years	$400,000,000	$308,000,000	$308,000,000.
Housing research	Largely identical	Largely identical	Largely identical.
Farm housing	$250,000,000 in loans and $5,000,000 in grants for self-sufficient and potentially self-sufficient farms.	Same	Same.
	$12,500,000 in grants for hopelessly inadequate farms.	No so-called outhouse provision for inadequate farms.	$25,000,000 in grants for hopelessly inadequate farms.
Direct loans for lower middle income housing	No	Yes [1]	No.
Private financing aids (improvements to FHA)	No	Yes [2]	No.

[1] Provision for 60,000 units a year over 6 years.
[2] Substantial improvements to aid private financing of housing construction.

Mr. JAVITS. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mr. JAVITS. Some questions have been raised about interlineations in the amendment which is on the Clerk's desk. The interlineations are three. First, an amendment to the National Banking Act, which will permit national banks to deal in housing-authority bonds.

Mrs. BOLTON of Ohio. Yes; that is right.

Mr. JAVITS. Second, the adoption of the formula of the other body which established dollar cost limits on public-housing construction; and

Third, the adoption of the exact number of units, 810,000, now in the bill passed by the other body, plus the same financial requirements.

I think it should be pointed out to the Committee of the Whole that the financial requirement of $308,000,000 which is contained in this bill is the maximum allowable annual payment and represents a reduction of some $12,000,000 from the original amount as proposed by our amendment. The difference in the amount is attributable to reduced estimates of construction costs; and the amendment respecting the National Banking Act which will result in broadening the market for housing-authority bonds and in resultant interest savings as they are underwritten locally.

Mrs. BOLTON of Ohio. Yes; this is so.

Mr. JAVITS. There is just one other point that I think should be made clear: That our purpose in offering this substitute is that we desire to get a comprehensive housing bill. The missing element in the bill now under consideration, H. R. 4009, is some provision for the lower middle-income families. The effort which is made in our amendment to take care of the lower middle-income families, I understand, has now been taken up by over 25 Members on the other side.

We believe that this is the time to bring out a comprehensive bill. We are concerned that time will not be found in the future, after the consideration of this bill is completed, to take up a new bill to take care of the lower middle-income groups; we think that now is the time to do it.

Mr. MULTER. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mr. MULTER. I notice that there are four titles in the gentlewoman's proposed substitute which have counterparts in H. R. 4009; so there has been no attempt to improve it with amendments as suggested in the Committee on Banking and Currency as a result of their having these four titles that have the same counterparts, but nevertheless are different in language than those in H. R. 4009 and different from the language reported out by the Senate and passed by the Senate. Is not that so?

Mrs. BOLTON of Ohio. They are somewhat different.

Mr. JAVITS. Mr. Chairman, will the gentlewoman yield further?

Mrs. BOLTON of Ohio. I yield gladly.

Mr. JAVITS. Let me say to the gentleman from New York that that is so, and that if members of the legislative committee feel that such text amendments should be offered to our substitute they are free to do so; but those, I believe, the gentleman will agree, are not major and certainly can be made.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. DAVIS of Georgia. Mr. Chairman, I offer a substitute for the amendment offered by the gentlewoman from Ohio.

Mr. PATMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. I make the point of order that one substitute is already pending.

The CHAIRMAN. This is a substitute for the original amendment offered by the gentlewoman from Ohio.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Georgia as a substitute for the amendment offered by Mrs. BOLTON of Ohio——

Mr. DAVIS of Georgia. Mr. Chairman, I ask unanimous consent that further reading of the substitute be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. BUCHANAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BUCHANAN. What is the substitute?

Mr. DAVIS of Georgia. Mr. Chairman, this is the bill H. R. 5085 with title II stricken out, the title against which the point of order was sustained a few minutes ago.

Mr. BUCHANAN. In other words, it is the same bill without title II.

Mr. DAVIS of Georgia. This is the same bill with title II stricken out and the subsequent titles renumbered.

Mr. MULTER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MULTER. Mr. Chairman, I make the point of order that this substitute is subject to the same point of order that was sustained with regard to the substitute originally offered by the gentleman from Georgia in that the language in subdivision (m) on page 25 beginning in line 10 and continuing through line 21, is an amendment of the Internal Revenue Code and not germane to the bill.

The CHAIRMAN. The Chair is ready to rule.

On page 20 of the Bolton amendment is a tax-exemption provision. Essentially the same provision is contained on page 25 of the substitute offered by the gentleman from Georgia.

In view of the fact that the time has now elapsed for the urging of a point of order against the Bolton amendment, the Chair overrules the point of order made by the gentleman from New York [Mr. MULTER].

Mr. DAVIS of Georgia. Mr. Chairman, I feel that the provisions of the bill H. R. 5085 are of sufficient merit that I should again make an effort to bring it to the attention of the committee, giving the committee an opportunity to vote upon it. I have now stricken from my amendment title II, the provision for low-rent housing construction.

May I say that if the committee sees fit to adopt this substitute, it is my purpose to offer as a separate bill title II of this amendment to provide low-rent housing. That is the title of the bill which provides for the freezing of the local tax assessment for a period of 10 years at the rate existing before the improvements were made and also providing for the 10 percent depreciation per annum to be given as a credit to the taxpayer on his Federal income tax. If the substitute is adopted without this provision in it then I propose to offer it as a separate bill and will undertake to have it passed as a separate matter.

Mr. Chairman, at the time my 10 minutes expired when I had the floor a few minutes ago, I was explaining that part of H. R. 5085, my amendment, which deals with the veterans cooperatives and which was contained in the bill known

last year as the Veterans Homestead Act. That title provides for the formation of veterans' cooperatives for the purpose of building rental units to be occupied by veterans and for the purpose of building dwelling units to be purchased by veterans. It provides that the maximum cost per unit shall be $10,000 and that the sum of $250,000,000 is authorized to be appropriated, to be administered by the Veterans' Administration to finance the operation of these cooperatives.

It also provides that if a veteran decides to purchase one of these dwellings, he may borrow 100 percent of the purchase price up to $10,000 and may repay it over a period of 32 years. The rental units may be financed by the cooperative and it is paid for over a maximum period of 40 years.

The title also provides that this $250,000,000 involved in the amendment is merely authorized and will have to be appropriated. In other words, every dollar that is provided to be used in this bill will have to be appropriated. Thus the Appropriations Committees of the Congress will have the right to review the expenditure of every dollar that the bill provides.

In addition to that, there is a section which provides for housing research, and in the amendment the housing research is placed in the Department of Commerce, which, in my opinion, provides a much more impartial research than would be obtained by having the research provision under the same jurisdiction as the slum clearance, the low-rent housing, and public housing, and all these other items that are provided in H. R. 4009.

There is also in this bill a title which provides farm assistance for the erection of dwellings, barns, and equipment, for the repair and rehabilitation of existing farmhouses, barns, and buildings. It also provides that the $400,000,000 provided for is merely authorized in this bill, and such money as is expended must be appropriated and must go through the Committee on Appropriations and must be passed by each House of Congress.

The last title in this bill provides for the disposition and the sale for cash of the housing which is known as Lanham War Housing. That is to be disposed of immediately and the proceeds of these sales also will be made available for slum-clearance purposes.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DAVIS of Georgia. With reference to the disposition of the war housing, this title deals with the permanent housing accommodations constructed under the so-called Lanham Act, Public Law 849, Seventy-sixth Congress, as amended, and further amendments. The bulk of the housing was constructed under the so-called Lanham Act and is referred to as Lanham Act Permanent Housing. The job of constructing this housing was assigned to the Federal Works Administrator, but was transferred to the Federal Public Housing Agency pursuant to an Executive order. According to a 1947 report of the Federal Public Housing Association the Government constructed approximately 78,113 permanent buildings, and of these 30,783 were designed for single-family occupancy, 35,000 designed for two-family occupancy, and the remaining 12,000-plus were designed for occupancy by more than two families. These 78,000 buildings provided permanent housing accommodations for approximately 166,000 families. The buildings constructed for one and two families present no disposition problem. They can and should be sold for individual-owner use. The so-called multifamily buildings contain an average of 5.3 dwelling units per building, and will prove attractive for purchase by individuals or by a few families joining in cooperative ownership of the building.

According to the figures furnished by the public housing authority the development cost of those permanent-housing units was approximately $743,000,000, almost three-quarters of a billion. This development cost includes the site and the development of the project, and the average cost was approximately $4,461. The cost of operation, maintenance and expense are met out of rents from income from the properties, and according to the annual report of the National Housing Agency for 1945, the net income after such expenses for that type of dwelling, averages about $13 per month per unit. It is assumed that these figures would apply to the 30,000-odd units reported in the later tabulations.

This bill provides for the immediate sale of these houses for cash. It gives the veterans preference, and this cash is then to be used in the further financing of slum-clearance projects. Again, I want to say that, this slum-clearance provision calls for the expenditure of $350,000,000, not more than 20 percent of which can be expended in any one year and not more than 10 percent of which can be expended in any one State. The program will run for 5 years, and it will give us an opportunity to try out this real slum-clearance program on the basis of local administration and on such a basis that the Congress can at each step of the proceedings and in any one year of the program review it and ascertain whether or not there are any flaws in it and whether it can be improved, and, if it can be improved, then take such action as will bring about that improvement.

The bill as now offered contains these titles: The slum-clearance, the veterans' cooperative construction program, known as the Veterans' Homestead Act, the farm assistance program, the technical services and research program, and disposition of the Lanham housing. I submit it to you for your consideration. If you see fit to adopt it, it will then be my purpose to reintroduce title II, which is now stricken out on a point of order, and have it considered as a separate bill.

Mr. DEANE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I commend my colleagues on the left side of the aisle on coming forward with a comprehensive housing bill. I recall that the two major speeches made against the bill H. R. 4009 were made by the gentleman from New York [Mr. GWINN] and the gentleman from Michigan [Mr. WOLCOTT]. Much of their argument was that the bill is socialistic.

I must point out to these two gentlemen that we Democrats are in splendid company in promoting a comprehensive housing program. I do not think my colleagues on my left are socialistic in their thinking, yet they are sponsoring almost an identical bill to H. R. 4009. Some moments ago the gentleman from New York [Mr. JAVITS] admitted that title I, title II, title III, and title IV of their bill was practically the same as H. R. 4009.

At this point, Mr. Chairman, I would compare the two bills.

BRIEF COMPARISON OF JAVITS-BOLTON BILL WITH H. R. 4009

Title I. Slum-clearance program:

The capital grants which represent the whole cost to the Federal Government—excluding administrative expenses—are $500,000,000. This is the same as under H. R. 4009.

The loan fund provided, which does not represent a cost to the Federal Government, is $1,000,000,000, the same as in H. R. 4009. The substantive provisions of this title are generally similar to those in title I of H. R. 4009.

Title II. Low-rent housing program:

The Republican bill authorizes construction of 800,000 new units instead of 810,000 in the reduced program proposed under H. R. 4009.

The annual contributions which represent the whole cost to the Federal Goverment—excluding administrative expenses—would be a maximum of $320,000,000 per annum instead of the maximum of $308,000,000 under H. R. 4009 as reduced.

Under the Republican bill, the cost would thus be approximately 4 percent higher than under H. R. 4009, and 10,000 less units would be authorized.

The present $800,000,000 loan fund of PHA is increased by $700,000,000 to $1,500,000,000. This is the same as under H. R. 4009. The general provisions of this title are substantially the same as title II of H. R. 4009.

Title III. Housing research:

This is substantially the same as title III of H. R. 4009.

Title IV. Farm-housing program:

Annual contributions are limited to $5,000,000 per year for 10 years. This is the same as under H. R. 4009.

No provision is made for grants for minor improvements to farm housing and buildings. H. R. 4009 authorizes grants of $12,500,000 for this purpose.

Loan funds of $250,000,000 are provided. This is the same as in H. R. 4009.

Loans are limited to the construction and improvement of "dwellings and facilities incident thereto" and loans for construction of essential farm buildings are not specifically authorized, as in H. R. 4009.

Title V. Federal loans for middle-income housing:

The Republican bill authorizes $3,000,000,000 in direct Federal loans at 3 per-

cent interest for periods of up to 60 years for construction of housing for families of lower income by cooperative and nonprofit or limited dividend corporations.

No contributions or subsidies would be provided.

H. R. 4009 has no provision for this type of program.

Title VI. Amendments to existing aids to privately financed housing:

This title covers a variety of amendments to the FHA and GI loan programs. The subject matter of this title is generally comparable to Congressman SPENCE'S bill, H. R. 1938, on which the Banking and Currency Committee has not yet held hearings.

I call to the attention of the gentleman from Michigan [Mr. WOLCOTT] and the gentleman from New York [Mr. GWINN] that if we who are sponsoring H. R. 4009 are socialistic then we are certainly in good company, when I note the names of the distinguished gentlemen who are sponsoring the bill introduced by the gentlewoman from Ohio [Mrs. BOLTON]: Mr. CASE of New Jersey, Mr. CANFIELD, Mr. HAND, Mr. KEATING, Mr. LODGE, Mr. WILLIAM L. PFEIFFER, Mr. RIEHLMAN, and Mr. TOLLEFSON.

I also noted with interest an insertion in the RECORD of January 27, 1949, by the gentleman from Massachusetts [Mr. HERTER] who said:

> We believe that the housing bills being filed today in the House and the Senate by Republican Members are a constructive approach to an urgent but highly complex problem. We believe that they offer a better base for final legislation than does the administration proposal. We endorse this move on the part of our colleagues while at the same time reserving our rights with respect to some of the details pending further consideration of both measures.

This statement was signed by Mr. HERTER, Mr. NIXON, Mr. HOLMES, Mr. AUCHINCLOSS, Mr. HESELTON, Mr. JUDD, Mr. KEAN, Mr. WOLVERTON, and Mr. JONAS.

Let me repeat what I said during general debate, that I look on this housing legislation as nonpartisan and on that basis we should join our efforts in bringing out a comprehensive housing bill. I am glad that up to this particular moment the thought of partisanship has not entered into the debate. We must note the vote in the other body how outstanding members of both parites supported a bill similar to H. R. 4009. When we go back into our own respective districts let us be able to say that the housing legislation was a joint effort of Democrats and Republicans. While I cannot support the amendment offered by the distinguished gentlewoman, I do commend her desire and those in her party who want better housing. I would like to say at this particular point that in a session of our Committee on Banking and Currency our chairman assured some 15 or 20 members of the committee that legislation concerning direct loans will certainly come before our committee. I want, therefore, to express my sincere appreciation and I am sure I voice the sentiment of those of us on the Democratic side in commending our friends on the left for taking this progressive, outstanding step in an effort to improve the housing conditions in our country.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. McCORMACK. I thoroughly agree with everything that the gentleman from North Carolina has said, but I take it that the gentleman's position is that without urging the defeat of the Bolton substitute amendment it should however, be rejected and then we should go ahead with the bill, both bills being in substance practically the same.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. DEANE. I yield.

Mr. JAVITS. I would like to ask the majority leader whether he is prepared to add to the very gracious statement that he has just made, some practical assurance with respect to consideration of a measure for this lower middle-income group of the general character which is suggested in the substitute and which so many Democratic Members have introduced.

Mr. McCORMACK. The gentleman from North Carolina said that the chairman had assured a number of the Members that they would be given hearings. I would be glad if my friend from New York would address his inquiry to the chairman, because, while I certainly would cooperate, I do not have the authority to make such a decision and would not like to interfere with the jurisdiction of others.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina [Mr. DEANE] may have an additional minute so that the question I have asked may be answered.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, I want to thank the gentleman from North Carolina very much for his very fine statement and for his approval of our approach. May I now address the question I asked of the majority leader to the chairman of the committee?

Mr. SPENCE. There are a good many measures which have been presented to the committee. It is our function to have hearings upon them. There is one proposal with reference to direct loans. I cannot state the definite time that hearings will be held on them. The committee has been very busy. The committee devoted a great deal of time to the bill which is now before us. It is our purpose to give hearings to those bills when we have the opportunity and the time.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Georgia, Judge DAVIS. I shall vote for it because I think it is the only bill which will really provide houses for veterans. Thus far I find that even with the present priority of veterans in Federal houses they secure very few houses. Last year the Committee on Veterans' Affairs reported the Legion homestead bill, as amended by the committee. Judge DAVIS was one of the sponsors, and together with almost every member of our Committee on Veterans' Affairs, in all some 32 Members of the House, introduced that bill. The American Legion at its convention last autumn passed a resolution endorsing it again. It was reported out unanimously by our committee after extensive hearings. However, we failed to secure a rule for its consideration. I shall vote for this amendment offered by the gentleman from Georgia for that reason especially, and also because I like the provisions for loans to farmers and the provisions for slum clearance.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. SPENCE. Mr. Chairman, I must object. An agreement has been made that the Committee shall rise at 4 o'clock and extending the gentleman's time would take us beyond that time.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, may I say that the objection is not directed individually to the gentleman from Oklahoma, but we have an agreement to rise at 4 o'clock. Of course, if the gentleman from Oklahoma wants to wait until Monday to speak on the bill, he may then secure the additional time.

Mr. WICKERSHAM. Mr. Chairman, I appreciate the privilege of addressing the House under those conditions. I withdraw my request for additional 5 minutes at this time. I feel I am experienced in legislative matters and with the real-estate needs of this day. Some years ago I built homes. Two and a half years ago, when I went out of Congress, I started a real-estate business and continued in it about 2 years. Since I have been back in Congress I have devoted all of my time to my congressional duties. But I do know the housing needs of today.

Just this week I asked for the papers from last Saturday's and Sunday's editions throughout this country. If all the papers were stretched end to end, eight columns wide, containing only ads of houses for sale, houses for rent, apartments for rent, and rooms for rent, they would total a distance of 6½ miles. I have the papers here from such large cities as the St. Louis Post-Dispatch, the San Diego Union, the Buffalo News, the Long Beach Press-Telegram, the Nashville Tennessean, the Portland Oregonean, the Kansas City Star, the Los Angeles Times, the Louisville Courier-Journal, the San Antonio Express, the Columbus Post Dispatch, the Miami Herald, the Pittsburgh Press, the Chicago Sunday Times, the Nevada State Journal, the Akron Beacon-Journal, the Baltimore Sun, the Florida Times of Jacksonville, the Detroit News, the Indianapolis Star,

and the Cleveland Plain Dealer. I shall be delighted to show you those from your section later today.

There are as many as 60 pages of real-estate ads for sale and for rent.

In a report sent in from the city of Tulsa, Okla., last week, one-fourth of the garage apartments are for rent. There are 400 vacant houses. There are about 650 additional vacant houses for sale. From 4.8 to 12.5 percent of the apartments at this time are for rent, and there are about 1,800 houses and apartments under construction; also vacant one-family houses, 0 to 11 percent.

Six months ago conditions were not as they are today. Times have changed in the last 6 months.

If you gentlemen would do like former Secretary of State, Mr. Byrnes, and go home and get out of the shadow of these big government buildings, out of the cobwebs of all of these different administrative buildings around here, get back to the short grass, and the forks of the creek you would be just like I. You would say that the needs for the public housing bill are not as great as you think they are.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I would rather not. I am not in a yielding mood. My brother and his wife and my sister and her husband each lived two or three years, in one of these public housing projects. They paid from ten to fifty dollars a month, based on income. None of the people in those dwellings were satisfied. It seemed that jealousy existed everywhere. I saw with my own eyes where it cost $81 to replace a $2.70 window pane, after the appraisers had come out and looked at it on two occasions, and the carpenters had been there and the painters, with their helpers, to replace the broken pane.

Here are a few of the ads in these papers. We are obligating the next 20 Congresses for a period of 40 years, if we pass this legislation. This Congress would be comparable to the Egyptians, who in pursuit of the Israelites who were trying to escape their bondage, plunged into the Red Sea, which, because of the wrath of God, engulfed and destroyed them. Do we, gentlemen, want to vote for legislation that will place our people in a red sea of debt through which they will have to flounder under the burden of taxation for the next 40 years, and maybe eventually destroy them?

You men were elected for 2 years, but you are voting for 40 years.

Here are just a few of the ads. Here is the St. Louis Dispatch: 310 rooms for rent, 123 apartments, 40 houses at reasonable prices and very reasonable down payments. There are 12½ pages of "for sale" ads.

Mr. BUCHANAN. At what prices?

Mr. WICKERSHAM. Twenty-five dollars and $50. I will read them to you in just a minute.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. WICKERSHAM. I am still not in the yielding mood. Here is the San Diego Journal. There are eight pages of for sale ads; 43 apartments for rent. One hundred and twenty-nine apartments and 82 houses, renting for $35 and $40.

Mr. CANFIELD. Mr. Chairman, the gentleman has already gone a hundred miles and he refuses to yield. There are no prices indicated.

Mr. WICKERSHAM. All right. I will indicate the prices. Here are 52 rooms for rent. Sixty-eight apartments for rent at $35 and $40.

Here are 2½ pages of houses for sale and many apartments at $50.

I wish to call your attention to the fact that this is only 1 day's ads in the papers.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public-housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3082) entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 44 and 45 to the above-entitled bill.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 235. Joint resolution to continue the authority of the Maritime Commission to sell, charter, and operate vessels, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3997) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 22, 23, and 24 to the above-entitled bill.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 49–16.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication which was read by the Clerk:

WASHINGTON, D. C., *June 23, 1949.*

The Honorable SAM RAYBURN,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Expenditures in the Executive Departments.

With kindest regards, I am,
Sincerely,

LOUIS B. HELLER.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENTS TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer the following privileged resolution (H. Res. 268).

The Clerk read as follows:

Resolved, That FRANKLIN D. ROOSEVELT, JR., of New York, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Expenditures in the Executive Departments.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further privileged resolution (H. Res. 269).

The Clerk read as follows:

Resolved, That LOUIS B. HELLER, of New York, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Public Lands.

The resolution was agreed to.

THIRD DEFICIENCY BILL, 1949

Mr. KERR. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes; and pending that, I ask unanimous consent that general debate be limited to 40 minutes, one-half to be controlled by the gentleman from Massachusetts [Mr. WIGGLESWORTH] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5300, the third

deficiency bill, 1949, with Mr. YOUNG in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from North Carolina [Mr. KERR] is recognized for 20 minutes.

Mr. KERR. Mr. Chairman, I yield myself such time as I may need.

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. KERR. Mr. Chairman and Members of the Committee, this third deficiency appropriation bill will probably be the last appropriation bill of the present session of Congress.

The bill contains funds totaling $127,032,243.75. The estimates considered by the committee amounted to a total of $162,691,073.75. Thus the committee has reduced the estimates considered by more than $35,600,000. Of the amount recommended in the bill, something over $5,500,000 is for payment of damage claims and judgments against the United States.

Excluding the damage claims, the budget estimates for the fiscal year 1949 were $51,627,000, and the total of appropriations contained in the bill against that estimate is $51,273,100.

Activities for which funds are recommended in the bill include care, handling, and disposal of surplus property abroad, final liquidation of the lend-lease program, vessel-operating functions of the Maritime Commission, administration of the War Claims Commission, and others I shall subsequently refer to.

Very little savings could be effected in the items presented as deficiencies for the current fiscal year because in most instances the deficiencies had already been incurred owing to added responsibilities, or due to the enactment of legislation subsequent to the passage of the regular appropriation bills last year. There is $34,000,000 in the bill to reimburse the Commodity Credit Corporation for expenditures made by the Department of Agriculture in the control and eradication of the hoof and mouth disease in Mexico. This money has already been expended under provisions of the Department of Agriculture Appropriation Act, fiscal year 1949, and there was nothing we could do about it.

Also included in the fiscal year 1949 figure is $16,100,000 for the domestic air mail service of the Post Office Department, made necessary by increased rates authorized by the Civil Aeronautics Board. There are also included several Post Office items for the fiscal year 1948, likewise resulting from the increased rates approved by the Civil Aeronautics Board and by the Interstate Commerce Commission.

For the fiscal year 1950 the budget estimates totaled a little over $102,000,000. Against this total request the committee is recommending $67,055,560. Within this latter amount is an item of $2,022,000 for extra clerk hire which is recommended as a result of recent action by the Congress providing for this added expense. By far the largest item in the bill for the fiscal year 1950 is that for grants to States for unemployment compensation and employment service administration. This amounts to $33,000,000, although the budget estimate for this item is $41,000,000. Testimony before the Labor-Federal Security Subcommittee, which considered this request for the committee, revealed a very urgent situation in the States in connection with this program. The unemployment claims work load has increased substantially since the regular budget was considered in February and the turn-over in employment is creating an added problem, as you are aware.

While this is a direct appropriation, the States actually contribute a portion of taxes on employers for the administration of this program.

Another item of major importance is the $3,550,000 recommended for the National Labor Relations Board. Funds for the operations of this agency are normally provided in the regular annual Labor-Federal Security bill, but because of the fact that legislation governing the exact scope and status of the functions of that agency was pending at the time the regular bill was considered, it was omitted at that time. The situation is still unchanged, but some provision must be made for the agency in the meantime.

The Federal Mediation and Conciliation Service is in circumstances similar to those mentioned regarding the National Labor Relations Board. The Mediation and Conciliation Service functions independently pursuant to authority of and for the purposes set out in title II of the Labor-Management Relations Act of 1947. Budgetary provision for the agency is normally made in the Labor-Federal Security appropriation bill but was omitted when that bill for 1950 was reported to the House on account of the then existing legislative situation with respect to the basic law under which the service operates. Although the legislative situation is substantially unchanged, it is necessary to make provision for operation of the service in the year beginning July 1. The committee recommends $2,700,000 for this agency in fiscal 1950, a reduction of $40,000 below the budget estimate.

I want to say a word about surplus property disposal. The Supplemental Independent Offices Appropriation Act for 1949 contained a provision for liquidating the War Assets Administration. The administration subsequently decided that this agency should be continued until June 30 of this year and a deficiency estimate was approved in order that more time may be available for liquidating.

The estimate for the fiscal year 1950 for this agency is $26,500,000. The subcommittee on independent offices determined, and rightfully so, that we should finally liquidate this last remaining wartime agency. Accordingly, the bill contains no money for the War Assets Administration as such, but does include in lieu thereof $3,500,000 for the Treasury Department, and $4,000,000 for the Reconstruction Finance Corporation. It is believed that this money will be adequate to allow these two agencies of the Government to finally terminate the surplus property problem and enable the Government to relieve itself of excessive administrative costs which are inherent in the operation of any Federal organization. The Government should get out of the retail business as rapidly as possible, and I hope that the committee and the House will concur in this recommendation.

Funds are also included in the bill for certain activities of the Department of State. Financing United States participation in the International Civil Aviation organization is provided by reappropriation of unexpended balances. Although $2,300,000 was requested by the Bureau of the Budget for this purpose, the committee recommends a reduction of $705,000 since no international action has yet been taken with respect to the amount requested.

For international information and educational activities the sum of $1,800,000 is provided in the bill, a decrease of $155,000 in the budget estimate for the fiscal year 1950 for this item. This amount will provide for a continuation of the information and educational program in Korea, the responsibility for which was transferred from the Army to the Department of State on January 1, 1949. During the 6-month period from January 1 through June 30, 1949, funds for the program have come from the appropriation for "Government and relief in occupied areas." Although the amount recommended for the Korean program is somewhat larger than that provided for the information and educational program in many other countries, it is believed justified since Korea has become a testing ground in which the validity of democratic principles is being matched against the practices of communism. It is important that the continued United States interest in, and the support of, the Korean Republic be publicized throughout Korea.

There is very little else I can add in explanation of the bill. The report presented to you is in adequate detail, perhaps in greater detail than deficiency reports usually run. I believe it to be a good bill and hope that all items contained therein will receive full approval of the House.

Your committee is most fortunate in having a very careful and thorough executive secretary who prepares these reports, Mr. C. D. Orescan, and I assure you that he is always delighted to explain any item in our report and disclose the facts which induced the committee to recommend every dollar which is in this bill. These reports are always available before these matters come up in the House and may be secured by a request to our secretary.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KERR. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetss. I am very glad the committee made the money available for the amputees who have not yet been able to apply for their

cars. That is made available in the bill on page 9, is that correct?

Mr. KERR. The gentlewoman is correct.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill carries a total of about $127,000,000, and is about $35,600,000 below the budget estimates.

It really represents the work of some 6 out of the 9 subcommittees of the Committee on Appropriations, the work having been divided up, and then brought together in the bill, which is before you at this time. There are Members present, I think, of each subcommittee that handled items in the bill, who can comment if necessary upon the particular items which came before them for consideration.

Personally, as a member of the deficiency subcommittee, in view of the explanation which the chairman of that subcommittee has just given, I have only one item in mind in respect to which I will comment briefly in passing.

I refer to the item of $34,000,000 for the eradication of the foot-and-mouth disease.

I appreciate fully the importance of the work in this connection, but I think no one can read the hearings without coming to the conclusion that there has been much unnecessary expenditure in connection with this work.

Almost every item in 1949 exceeds the cost of the same item in 1948. For administration expenses alone we are putting up well over $2,000,000 a month, compared with about $100,000 contributed by the Government of Mexico. We have some 600 people patrolling a border 1,900 miles in length, or a little over 3 miles on an average per individual. In addition to these 600 people we have some 1,070 people employed in this work, as well as some 5,240 Mexicans secured through the Mexican Government.

We are engaged in an extremely costly program of canned-meat purchases which we are forbidden by law to resell in the United States, and on which we are losing, when we sell abroad, at least 33 percent under the most favorable conditions.

Progress has been made. The infected area is smaller than it was. During the last 2 months only 58 infected cattle have been discovered.

While it is impossible to do anything in respect to the item in this bill, because it is merely a case of reimbursing amounts that have been borrowed from the Commodity Credit Corporation, the committee has inserted in the report very definite language, indicating that it will expect very substantial economies in this work duing the fiscal year 1950.

Mr. Chairman, the consideration of this bill completes the initial action of the House with respect to regular appropriations during the present session of the Congress.

I have here a table which has been prepared for me, which summarizes the action of the House to date. Under leave to extend my remarks, I shall insert it at this point in the RECORD:

Appropriation comparisons as passed by the House, June 24, 1949

	1949 approved by Eightieth Congress		1950 request		House action		House action versus 1950 request		House action versus 1949 approved	
	Appropriation	Contract authorization	Appropriation	Contract authorization	Appropriation	Contract authorization	Appropriation	Contract authorization	Appropriation	Contract authorization
Independent offices	$6,787,102,402	$620,576,500	$7,775,566,830	$983,500,000	$7,104,571,603	$942,314,628	−$670,995,227	−$4,118,372	+$317,469,201	+$321,738,128
Civil functions	641,575,666		767,733,220		593,292,270		−174,440,950		−48,283,396	
State-Justice-Commerce	511,129,662	85,741,499	740,023,456	68,000,000	684,616,102	62,600,000	−55,407,354	−5,400,000	+173,486,440	−23,141,499
Labor-Federal Security	1,866,053,700	114,854,750	2,235,065,685	97,377,300	2,211,794,085	106,707,300	−23,271,600	+9,330,000	+345,740,385	−8,147,450
Treasury-Post Office	2,244,727,680	300,000,000	3,172,666,750	211,000,000	3,072,817,903	250,000,000	−99,848,847	+39,000,000	+828,090,223	−50,000,000
Agriculture	577,546,953	7,900,000	726,879,908		[1] 943,117,979		+216,238,071		+365,571,026	−7,900,000
District of Columbia	99,729,483		103,321,427		98,923,621		−4,397,806		−805,862	
Government corporations	38,479,061								−38,479,061	
Interior	407,836,974	51,547,500	616,805,020	55,300,000	536,461,908	41,112,500	−80,343,112	−14,187,500	+128,624,934	−10,435,000
Armed services	11,403,477,413	2,545,000,000	13,219,835,700	2,058,546,000	13,272,815,800	2,636,301,000	+52,980,100	+577,755,000	+1,869,338,387	+91,301,000
Deficiencies, supplemental, etc	[2] 2,034,554,306		1,938,994,047	302,360,000	1,866,887,092	270,954,000	−72,106,955	−31,406,000	−167,667,214	+270,954,000
Foreign aid	6,030,710,228		6,322,200,000		[3] 6,127,251,426		−194,948,574		+96,541,198	
Legislative	56,140,401	20,600,000	73,898,184		62,200,705		−11,697,479		+6,060,304	−20,600,000
Total	32,699,063,929	3,746,220,249	37,692,990,227	3,776,083,300	36,574,750,494	4,309,989,428	−1,118,239,733	+533,906,128	+3,875,686,565	+563,769,179

[1] House report adjusted for errors.
[2] Includes $500,000,000 for refunding internal-revenue collections. Subsequently handled as an offset against receipts.
[3] Adjusted to 10½-month basis.

A—CONGRESSIONAL RECORD, Aug. 17, 1948.
B—House reports.
C—Senate reports.

Briefly, the table indicates that for the fiscal year ending June 30, 1949, the Eightieth Congress made available through appropriations about $32,699,000,000, and through contract authorizations about $3,746,000,000.

For the fiscal year ending June 30, 1950, the budget recommendations of the President call for funds through appropriations amounting to some $37,692,000,000 and through contract authorizations to some $3,776,000,000.

The House action to date, assuming that the amounts recommended in this bill are approved, makes available through appropriations some $36,574,000,000 and through contract authorizations some $4,309,000,000.

In other words, Mr. Chairman, if we consider both appropriations and contract authorizations, the House has already made available for the fiscal year ending June 30, 1950, funds in excess of those made available for the fiscal year ending June 30, 1949, to the extent of over $4,439,000,000, an increase of more than 12 percent; having reduced the budget estimates with respect to the fiscal year 1950 by about $548,000,000, or about 1.6 percent.

In addition, Mr. Chairman, some $6,650,000,000 has been made available, through permanent appropriations, which require no action by the Congress.

While the final action by the Senate and in conference is not yet completed, the indications to date are that the funds made available by the House will be substantially increased before enactment into law.

The totals given do not, of course, include such further funds as may be required for implementing the Atlantic Pact, or because of the enactment of additional legislation recommended by the President.

The Joint Committee on Internal Revenue has recently estimated 1950 receipts at $38,900,000,000, from which it would appear that a deficit for the next fiscal year is already assured.

This is a discouraging picture, Mr. Chairman, particularly in the light of the recent sharp decline in Federal revenue, for those who believe that a balanced budget, reduced taxation, and decreased cost of living, are called for in the interest of the national welfare.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. HAND. Can the gentleman assure us that the present bill provides sufficient appropriations for the proper maintenance of the unemployment offices in the unemployment security division? The gentleman will recall that some of those offices were required to close several months ago. I am a little anxious about that situation since the unemployment is increasing.

Mr. WIGGLESWORTH. I share the gentleman's concern. At the time which he has in mind I supported an amendment on the floor of the House, which was defeated and later adopted by the other body, which would have materially

increased the funds provided for this purpose.

I am not a member of the subcommittee which handled this particular item, and I will ask the gentleman from Kansas [Mr. SCRIVNER] to correct me if I am wrong. My understanding, however, is that the reduction of $8,000,000 shown in the committee report is in respect to a contingency fund of $16,000,000, and that the outright appropriation provided results in about $160,000,000 for the next fiscal year as compared with about $150,000,000 for this year.

Mr. SCRIVNER. As compared with about $140,000,000 for this year. The only reduction was in the contingency fund. In other words, we have gone up to $160,000,000. The department itself could not tell us what the prospective load would be, although its testimony now as compared with that given in February shows a sharply rising number in unemployed. However, it can come back in January if the load is increased, and get whatever is necessary to make these grants to the States.

Mr. WIGGLESWORTH. I understand that over and above the direct appropriation there is also provided an $8,000,000 contingency fund.

Mr. SCRIVNER. That is right.

Mr. HAND. Mr. Chairman, will the gentleman yield further?

Mr. WIGGLESWORTH. I yield.

Mr. HAND. The gentleman will recall the anxiety on the part of Members concerning the failure to appropriate for the War Claims Commission in order to take care of the proper claims of the defenders of Bataan and Corregidor. There was a virtual promise made by the committee to the gentleman from California [Mr. HINSHAW] and others who were concerned with that, in the second deficiency appropriation bill. I observe there is a provision for the War Claims Commission, which has been cut from the budget recommendation of $525,000 to $281,250. Does the gentleman feel that is sufficient for the present purposes and to get the machinery going for the persons who suffered in the Philippines?

Mr. WIGGLESWORTH. I will say to the gentleman that I am happy that at last an item has been inserted in an appropriation bill to take care of these claims of veterans and others for whom the Commission is responsible. My understanding is that the reduction to which the gentleman refers was due to the fact that the organization of this Commission is to be delayed longer than anticipated. I will ask the gentleman from California [Mr. PHILLIPS] to confirm my understanding in this connection.

Mr. PHILLIPS of California. That is entirely correct. The subcommittee is not resistant to any money which the Commission needs.

Mr. HAND. I thank the gentleman, and I appreciate the action of the committee in that respect.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CANFIELD. As I understand it, this is the last deficiency appropriation bill for this session of the Congress.

Mr. WIGGLESWORTH. We were so advised in the full committee, and I hope that will prove to be the fact.

Mr. CANFIELD. While it is true that the House has been quite prompt in the passage of the regular supply appropriation bills, is it not also true that last year and the year before the Eightieth Congress was far ahead in the final enactment of the regular supply bills?

Mr. WIGGLESWORTH. My memory in that connection is in accord with the gentleman's.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Kansas.

Mr. REES. How much of an increase or decrease is there in this legislation as compared with the budget estimates?

Mr. WIGGLESWORTH. The total carried in the deficiency bill now under consideration is about $127,000,000. That is about $35,600,000 below the budget estimates.

Mr. REES. The gentleman called attention to the fact that the House on the one hand and the other body on the other hand have already obligated the Treasury for something more than $4,000,000,000 in excess of 1949 appropriations. Is that correct?

Mr. WIGGLESWORTH. The statement I made was that the House action to date, leaving out of the picture the action of the other body, had resulted in making available funds in respect to fiscal year 1950 in excess of those made available in respect to the current fiscal year to the extent of over $4,439,000,000. This figure includes both appropriations and contract authorizations.

Mr. REES. That overruns the budget estimate already, does it not?

Mr. WIGGLESWORTH. It is about 12 percent over the appropriations made by the Eightieth Congress in respect to the current fiscal year. It is about 1.6 percent below the Budget estimates of the President in respect to the next fiscal year.

Mr. REES. At the rate we are going we shall have obligated the Treasury of the United States beyond the Budget estimate.

Mr. WIGGLESWORTH. That depends on the action in the other body and in conference, of course; the signs are not very propitious.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the balance of my time to the gentleman from Nebraska [Mr. STEFAN].

The CHAIRMAN. The gentleman from Nebraska is recognized for 5 minutes.

Mr. STEFAN. Mr. Chairman, I rise at this time to inform the membership of the committee that this third deficiency bill represents the judgment of not only the Deficiency Committee but also members of the subcommittees of the full Committee on Appropriations, because, in the considered judgment of the chairman of the Committee on Appropriations in giving to the regular subcommittees which handled the various supply bills for the various agencies of the Government in order that they could study the additional and supplemental requests, I feel that considerable money has been saved—over thirty-seven million under the budget. Heretofore, I took the floor and objected to agencies coming to the Deficiency Committee for additional money without giving full information to the regular subcommittees which from year to year spend considerable time in studying all phases of the money requests from the different agencies. Many times the Deficiency Committee had no time to go into all of the details as have the regular subcommittees; frequently, we members of the subcommittees are disappointed when we suddenly find supplemental requests from the various agencies which were not discussed with or disclosed to us when we considered the regular annual request from these agencies. This change, in my opinion, has resulted in considerably better feeling between the subcommittees and the regular Deficiency Committee members, and if continued it will result in more savings. I am glad to support any further change in procedure if it will effect more economy.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. KERR. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, this bill is the third and last deficiency bill of the session. And in view of the fact that there now seems to be little prospect of an extra session this year, we may take it for granted that it is the last appropriation bill which will be reported by the Appropriations Committee to the House in either the fiscal or calendar year.

It closes an extraordinary record of appropriations. Concluding with this bill we have disposed of one of the largest appropriation programs more effectively and in less time than ever before in the history of the American Congress.

We began the first hearings on these bills on the 29th of January and by the 15th day of April—before the Easter recess—we had reported to the House, and the House had passed and messaged to the Senate, every major supply bill for this session of Congress—a record without parallel in any previous session of Congress.

As a result of the reorganization of the subcommittee system of the Committee on Appropriations at the beginning of the session, under which members have been assigned to a single bill and all major bills have been considered simultaneously, the committee had reported, and the House had passed, all annual supply bills by April 15.

I append, at this point, a statement showing the date upon which the appropriation bills for the first session of the Eighty-first Congress were reported, and the date on which they passed the House and were transmitted to the Senate.

No. of bill	Title	Reported	Passed House	Reported in Senate	Passed Senate	Sent to conference	Conference report agreed to in—		Date approved	Law No.
							House	Senate		
	APPROPRIATION BILLS									
H. R. 2632	First deficiency, 1949 (Rept. No. 111)	Feb. 14	Feb. 16	Mar. 22	Apr. 13	Apr. 14	May 16	May 16	May 24	71
H. R. 3082	District of Columbia, 1950 (Rept. No. 167)	Mar. 1	Mar. 2	June 17	June 21	June 22	June 24	June 24		
H. R. 3083	Treasury and Post Office, 1950 (Rept. No. 168)	do	Mar. 3	Apr. 29	May 11	{May 18 June 23}	June 15	June 22		
H. R. 3333	Labor and Federal Security, 1950 (Rept. No. 228)	Mar. 8	Mar. 9	Apr. 14	May 17	June 7	June 23	June 24		
H. R. 3734	Civil functions, 1950 (Rept. No. 307)	Mar. 23	Mar. 29	May 10	May 20	June 1				
H. R. 3838	Interior, 1950 (H. Rept. 324)	Mar. 28	Mar. 30							
H. R. 3997	Agriculture, 1950 (Rept. No. 384)	Apr. 4	Apr. 5	May 10	May 19	June 7	June 24	June 24		
H. R. 4016	State, Justice, Commerce, 1950 (Rept. No. 386)	Apr. 5	Apr. 7	June 1	June 7	June 9				
H. R. 4046	Second deficiency, 1949 (Rept. No. 401)	Apr. 6	Apr. 8	do	June 2	June 13	June 15	June 20		
H. R. 4146	National military, 1950 (Rept. No. 417)	Apr. 9	Apr. 13							
H. R. 4177	Independent offices (Rept. No. 425)	Apr. 11	Apr. 14							
H. R. 4830	Foreign aid, 1950 (Rept. No. 657)	May 23	May 26							
H. R. 5060	Legislative, 1950 (Rept. No. 763)	June 8	June 9	June 14	June 15	(House agrees to Senate amendments June 16, 1949)			June 22	118
H. R. 5300	Third deficiency, 1949 (Rept. No. 879)	June 23	June 24							

The significant feature, however, is not the effectiveness or the expedition with which the supply bills have been disposed of this session, but the fact that this is the first step preliminary to putting into effect the long-planned consolidation of all annual appropriations into one omnibus bill, which will make it possible to present at one time, and in complete outline, in conjunction with total available revenues, the entire financial program of the Government.

Beginning in 1920, with the first drafting of the budget system, authorized by the Legislative and Accounting Act of 1921, the Committee has been hoping eventually to submit in one over-all bill all proposed Federal appropriations. Due to the handicap of an antiquated subcommittee system, the attainment of that objective has not been practical until the beginning of the second session of the Eighty-first Congress.

With the new subcommittee system at last operating effectively, the way is now open for the submission of the practical consolidated budget and consolidated appropriation bill so long planned for. Accordingly, hearings will begin in December and then a complete omnibus appropriation bill will be reported to the House not later than April 15.

It may be noted that the bill before the House today is in the nature of a preview of the omnibus bill to be submitted at the next session. As indicated to you by the gentleman from Nebraska [Mr. STEFAN], who has just yielded the floor, this bill is not the usual bill from the Deficiency Committee. It is a composite bill prepared by collaboration of the various subcommittees of the Committee on Appropriation, formulated and put together exactly as we will formulate and put together the omnibus appropriation bill to be reported next April.

So we have here, in miniature, a consolidated appropriation bill, differing from the consolidated bill to be reported in the future, only in size, scope, and coverage. A glance at the printed hearings will indicate even more clearly the routine to be followed in the drafting and submission of the annual bill.

As the gentleman from Nebraska well says, the process has resulted, even in this one small bill, in material savings and standardization and we expect in the next session, with all appropriations presented simultaneously in one bill, accompanied by a complete résumé of proposed expenditures and an authoritative estimate of prospective national revenues, to be able to make material savings. Such a system must inevitably promote increased efficiency of administration and secure material retrenchment of expenditure and a corresponding lightening of the tax burdens of the Nation.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. CURTIS. I am very much interested in what the gentleman says about a single appropriation bill. What is being done with reference to those items of expenditure of a recurring nature that will not come back to the Congress, sort of an automatic debt transaction? Is the Committee on Appropriations doing something to regain control of that?

Mr. CANNON. That is a matter for the House to determine through its legislative committees. I am certain the gentleman understands that under the rules it does not come within the purview of the Committee on Appropriations. It might be considered in connection with some of the legislative recommendations made by the Hoover Commission.

Mr. CURTIS. Well, is not the housing bill now before the House one of that type? Does it not call for an expenditure annually that will not be channeled through the Committee on Appropriations?

Mr. CANNON. Of course, that is a matter of legislation which under the rules could not come before the Committee on Appropriations. The Committee on Appropriations handles no legislation. It merely implements with appropriations such authorizations as the House in its wisdom has previously embodied in law enacted on recommendation of some of its legislative committees.

Mr. CURTIS. My view is that you will never get a chance to implement them; that the appropriation is entirely automatic.

Mr. CANNON. That rests with the gentleman himself and his colleagues in the House, and the gentleman and the House can take such action as seems to them best when the legislative bill is disposed of next Monday.

Mr. Chairman, reverting to the subject before the House at the time I was interrupted with an inquiry which has no relation to the matter under discussion, it is interesting to note that editorial comment by the metropolitan press has been uniformly favorable as indicated by the following excerpts:

[From Business Action, official organ of the Chamber of Commerce of the United States]

New hopes for subsequent years have been inspired by announcement that the House Appropriations Committee will combine all appropriations in a single bill, beginning in the next session for fiscal 1951.

A single appropriation bill, its sponsors believe, should be more conducive to restraints upon the rising cost of government. * * *

Favorable action by Congress on a scheme for Executive cuts in expenditures for the coming fiscal year would be notice that the legislative branch is insistent on a balanced budget without any increase in taxation.

Failure of the Administration to bring the budget into balance by reductions below authorized expenditure totals would throw the problem back into the hands of Congress in next winter's session. Lumping of all appropriations in a single bill should make it less difficult to hold expenditures within revenues, although by no means providing complete assurance of avoidance of a tax increase.

Abolition of the system of multiple appropriation bills is in line with efforts by the National Chamber to improve legislative machinery for control of expenditures.

[From the Milwaukee (Wis.) Journal]

A SINGLE FEDERAL BUDGET BILL

Chairman CANNON of the House Appropriations Committee says he will try next year to get all Federal appropriations into a single omnibus bill. Senator TAFT approves this step. Senator BYRD has long favored it. We hope that enough other influential Members of Congress will join these men to put the idea across.

The present practice of considering appropriations for departments singly, or of combining the appropriations for two or three departments, is bad because it tends to minimize in the congressional mind the staggering totals that are amassed in this piecemeal fashion.

Putting all appropriations in a single measure would keep the attention of Congress and the people on the total. Every change made, up or down, would be seen in its relation to the total, and to the taxes required to meet that total.

We are inclined to agree with Chairman CANNON that if we are able to have economy, we must first have this change in procedure. It is too easy now to slip in a few extra hundreds of millions here and there, without reckoning the ultimate cost and without comparing taxpayer benefits with the accompanying taxpayer burdens.

[From the Mobile (Ala.) Press Register]

CONGRESS SHOULDN'T LET BUDGET TALK CAUSE IT TO PASS UP BUDGET CUTTING

Congress has yet to give a final answer about cutting the Federal budget of almost $42,000,000,000 which the administration asks for the next fiscal year.

But in the meantime it has started talking about using a new approach to the budget for the year after that.

This proposed departure from customary budget practice in Congress contemplates a single-package appropriation bill—that is, all Government money bills would be lumped into a single measure.

The purpose to adopt that procedure for the fiscal year beginning July 1, 1950, has just been announced by Representative CLARENCE CANNON (Democrat, Missouri), chairman of the House Appropriations Committee.

Under present practice, Congress deals with a flock of appropriation bills, or, as the United Press expresses it, the Government's annual budget "goes through Congress in a dozen or so separate bills and Federal agencies often come back later with 'deficiency' requests."

The new method which Congressman CANNON says will be offered for the 1951 fiscal year (to begin July 1, next year) is designed to do away with piecemeal handling of the budget.

In its report of Mr. CANNON's comment on the single-package proposal, the United Press related in a Washington dispatch:

"Announcing plans for the far-reaching reform to the House, he said it would enable Congress to see the over-all spending picture in a single frame and balance it against Government income.

"He said it would put squarely up to Congress the issue whether to keep within the Federal income or 'continue to spend more than our income and increase the stupendous national debt.'

"He also said the single-package plan would focus the Nation's attention on Government spending and help Members 'withstand pressure groups more successfully.'"

International News Service quoted Chairman CANNON of the House Appropriations Committee as making these remarks:

"When the consolidated (single-package) appropriation bill is presented we will also have an authoritative estimate of the national income.

"We can determine whether the budget is to be balanced with a surplus for debt retirement, or whether there is to be further deficit spending with increases in the national debt.

"There can be no sidestepping or shifting of responsibility on the question of whether we are to live within our income or continue, as during the war years, the spending policies which have boosted the national debt to unprecedented heights."

According to INS, "leaders of both major parties on Capitol Hill" applauded the proposal to lump into one bill all the Government appropriations for the 1951 fiscal year.

"Some obstacles were seen in the new plan," INS reported, "but the consensus was that the possible economies in Government spending make it a worthy undertaking."

Congressional comment aside from Mr. CANNON'S included that of Representative JOHN TABER, Republican of New York, ranking minority member of the House Appropriations Committee and its chairman in the preceding Congress.

He said he considers the single-package appropriation proposal "worth trying," although he is not as enthusiastic about it as Chairman CANNON.

Most taxpayers, we are convinced, would like for Congress to try something to better safeguard against wasteful spending by the Federal Government.

Furthermore, while talking about budget procedure for the 1951 fiscal year, Congress should crack down against wasteful spending in the 1950 fiscal year soon to begin. But will it?

[From the Wall Street Journal]

A RAY OF HOPE

Chairman CANNON, of the House Appropriations Committee has promised that next year Congress will get a clear look at what it is doing before it starts spending money.

It is easily done. No legislation or elaborate reorganization plan is required. The Appropriations Committees, while continuing separate hearings on individual spending bills, will simply bring them all to the floor in one bundle. Each Congressman can then see at one look the total amount of the money he is voting to spend.

This is a revolutionary idea. True, it has been long advocated by Senator BYRD and others alarmed at the loose spending practices of Congress, but because it is revolutionary—that is, it would upset old and comfortable customs—it has met heavy opposition. Many Congressmen, it would seem, prefer not to look at what they are doing.

The plan is no panacea for budget pains; it would not prevent Congress from voting as big a spending bill as it chooses to do. It does have the merit of bringing that body face to face with its extravagance. Under the present piece-by-piece method of appropriating extravagance can slip upon the Congress, and the public, unawares.

It won't empty the pork barrel, but it will bring it out in the open where we can see what's inside. And when everybody can look at it some surprising things may happen.

[From the Cleveland (Ohio) Plain Dealer]

APPROPRIATION PROCEDURE

Representative CANNON, the chairman of the House Appropriations Committee, has announced that next year all appropriation measures will be put into one bill so that the Members of Congress will have some idea of the total cost of the Federal Government when they authorize the expenditures.

Under existing procedure, Congress votes separately on a number of supply bills, each containing appropriations for one or more branches of the Government. Nobody can tell what the total cost will be until the last bill has been passed.

With an omnibus bill before it, CANNON pointed out, Congress could compare the total with the estimates of anticipated revenues. Such a comparison would show the need for either budget cuts or additional taxes or, in the case of a surplus, how much money could be applied on the national debt. It would also enable Congress "to more successfully withstand pressure groups and high-powered lobbies," CANNON said.

One flaw has been found in the proposal. The President would be unable to exercise his veto power over appropriations without disapproving the single financing measure for the entire Government.

This objection could be overcome if the Federal Government adopted the appropriation procedure in effect in Ohio and some of the other States. For years it has been the custom of the Ohio Legislature to lump general appropriations into one bill, but the State constitution gives the governor the right to veto any item or items in any bill making an appropriation of money.

There is no similar provision in the Federal Constitution. An amendment probably would be necessary to give the President the power to veto specific items and this would take some time. But that is no reason why a trial of the omnibus appropriation procedure should be delayed.

[From the Cincinnati (Ohio) Post]

ONE BIG BILL INSTEAD OF ELEVEN

Representative CLARENCE CANNON of Missouri, chairman of the House Appropriations Committee, says that in the next session of Congress the whole Federal Budget will be lumped into a single appropriation bill.

This is a reform long advocated by Senator BYRD, of Virginia. The Democratic leadership in Congress now apparently has accepted it, and many Republicans are said to be for it.

The Government's spending measures now go through Congress in 11 or more separate bills. Until the last of these is passed, which usually is just before a new fiscal year begins, Congress never knows accurately how much money it will vote for spending in that year.

Under the new plan, Mr. CANNON says, when the single bill is ready for passage Congress will have an estimate of probable income and can either cut spending to stay within that income or determine to meet a deficit by voting higher taxes or increasing the stupendous public debt. "Thus," he promises, "there will be no sidestepping or shifting. The issue will be clear."

The change will be an improvement. Whatever may be hoped for from it, however, it won't help this year's situation, which finds most of Congress shouting for economy but voting for spending far in excess of probable Federal revenue and, at the same time, sidestepping higher taxes.

[From the Washington (D. C.) Post]

ALL IN ONE

Chairman CANNON, of the House Appropriations Committee, plans to put all appropriation items next year into a single omnibus bill that would give Congress an over-all view of the spending program. His proposal has bipartisan support within the committee and is hailed by Senator TAFT as a step in the right direction. Senator BYRD has long advocated the use of a single appropriation bill of this kind, pointing out that the practice of passing separate appropriation bills over a period of several months is a legislative handicap that prevents Congress from considering the budget as a whole and making intelligent reductions in expenditures.

The Legislative Reorganization Act of 1946 attempted to put a ceiling on spending in advance of detailed appropriation requests. But the proposed legislative budget has never been put into effect. To estimate total expenditures early in the session before spending plans were fully known proved an impossible task. Moreover, the Budget Committee did not have a staff equipped to do the work entailed in studying and revising budget estimates. The present Congress decided to defer the date for agreement on the legislative budget to May 1 and ended by doing nothing at all about it. The failure of this effort to establish some sort of comprehensive control over fiscal policy adds to the feeling of frustration that overwhelms many congressmen who believe that Government spending must be curtailed, but lack the information needed to reduce expenditures without impairing essential services. Consequently, there is growing support for the type of omnibus bill that Mr. CANNON is proposing.

Opponents of the plan fear that it might result in undue delay in passing appropriation measures. But if both House and Senate held hearings on spending proposals concurrently the Senate would be ready to act promptly on the final measure approved by the House. Another objection to the plan is that it would bar the President from exercising his right to veto appropriation measures, since the veto of an omnibus bill

would leave the Government without any funds for carrying on operations. However, the exercise of the veto power in case of appropriation bills always creates grave disturbances and is seldom resorted to. If the President ventured to veto an unacceptable omnibus bill, the very gravity of the resultant emergency would doubtless insure prompt remedial action.

In our opinion, the need for a control measure of this kind has been convincingly demonstrated. Improved machinery for control of expenditures will not, as the recent CED report on tax and expenditure policy says, assure wise congressional action. But without such machinery Congress cannot be expected to act wisely. An omnibus appropriation bill is, of course, only one means of giving Congress a better insight into fiscal problems. Budget and accounting reforms, such as those recommended by the Hoover Commission, are also imperative if legislators are to know what specific spending projects will actually cost in any given year and in succeeding years.

[From the Washington (D. C.) Daily News]

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The change will be an improvement. Whatever may be hoped for from it, however, it won't help this year's situation, which finds Congress talking economy but voting for spending far in excess of probable Federal revenue and, at the same time, sidestepping higher taxes.

[From the Washington (D. C.) Evening Star]

LUMPING APPROPRIATIONS

There is a lot of merit in the plan to consolidate all of next year's regular appropriation bills into an omnibus measure. The idea has been advanced at several sessions of Congress by Senator BYRD without success. It is encouraging, therefore, to learn that Chairman CANNON, of the House Appropriations Committee, intends to press for adoption of the single-bill proposal at the next session. He has considerable bipartisan support.

It is now clear that Congress has abandoned hope of bringing appropriation and revenue bills into some sort of balance through a legislative budget scheme. The budget system, authorized by the Congressional Reorganization Act, has proved to be unworkable. It was found that it was infeasible to set a spending limit at the outset of a session because it is impossible to estimate accurately the needs of departments in advance of hearings.

Frustrated in the budgeting approach, Mr. CANNON tried a new tack this year. He instituted simultaneous hearings on the major departmental appropriation bills, with a view to having all of them reported at approximately the same time, so that Congress would have at least a general over-all idea of what it was appropriating. The simultaneous hearings were made possible by reassigning subcommittee membership so that each member of the Appropriations Committee served on only one subcommittee.

The single-bill plan would carry the simultaneous-hearing arrangement a logical step further. By wrapping up all the departmental appropriations in one package, Congress would have before it the grand total of proposed expenditures. Thus it would know exactly how much money would have to be raised to avoid a deficit. Under the old piecemeal system of voting on appropriations, the legislators had only a hazy conception of what the spending might amount to. Usually when the last appropriation was made and the costs were summed up, it was found that appropriations far exceeded original estimates of revenues that would be available.

There is urgent need for some method of bringing appropriations under over-all scrutiny and control. The loose procedures of the past have imposed upon the taxpayers huge deficits that might have been avoided had Congress operated along sound business lines. The omnibus appropriation plan offers some hope of relief.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1949, and for other purposes, namely.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in view of the discussion which just took place about the importance of appropriations, it seems to me that we should call attention to the exact language in the Constitution and the exact language in the housing bill that is pending before the House. I should like to follow up the point that was brought up by the gentleman from Nebraska [Mr. CURTIS].

The Constitution states very definitely:

No money shall be drawn from the Treasury but in consequence of appropriations made by law.

The housing bill now pending before the House of Representatives in two specific places carries language which it seems to me flys against the spirit of that constitutional provision. At one point the bill authorizes the Administrator to issue notes and obligations, and then it states:

The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended.

In other words, in that provision the Administrator will be able to issue notes and obligations and the Secretary of the Treasury is directed to purchase those notes and obligations.

Then, at another point in the bill the Administrator of the housing program would be authorized to contract to make capital grants with respect to certain projects.

Then the bill states:

The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title and there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

Clearly there rests upon the Congress then the mandate to make the appropriation as the gentleman from Nebraska just pointed out for it says that the faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title.

There can be no question in the mind of anyone who has ever worked on the Committee on Appropriations or in connection with any phase of public financing that here is a device proposed to siphon money out of the Federal Treasury without the withdrawal coming in the form of a true appropriation considered by the Committee on Appropriations.

One instance, the Administrator is authorized to issue notes and obligations which the Secretary of the Treasury is not merely authorized, but is directed, to purchase and is authorized to use the proceeds of Liberty bonds or other public revenue for the retirement of those obligations.

In the other instance the Administrator is authorized to contract and to make capital grants and then the faith of the United States is solemnly pledged to make good those contracts. True, it says that appropriations are authorized to take care of those obligations, but when the same sentence pledges the credit and faith of the United States solemnly, then the work of the Committee on Appropriations will be merely a figurehead proposition.

Every Member of this body should recognize that in the housing bill, it is proposed to write into law the most violent raid upon the ordinary method of making appropriations that has ever been considered by the Congress.

I yield to the gentleman from Nebraska.

Mr. CURTIS. As one Member of the House I would be delighted if the chairman of the Committee on Appropriations would assert the rights of that committee to control the appropriations of funds for the House of Representatives and I would also like to point out that this housing bill which authorizes the expenditure of money without a further act of Congress cannot under the Constitution originate in the other body.

Mr. CASE of South Dakota. That should be true; and would be if these subterfuges are recognized as appropriations.

I yield to the gentleman from Illinois.

Mr. CHURCH. If the gentleman will look at the debates of Wednesday, June 22, day before yesterday he will find in my statement that the bill for public housing bypasses the Committee on Appropriations entirely—except in two small instances with reference to the

small administrative costs and interest on bonds.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LEGISLATIVE BRANCH

HOUSE OF REPRESENTATIVES

Clerk hire, Members and Delegates

For an additional amount for clerk hire necessarily employed by each Member and Delegate and the Resident Commissioner from Puerto Rico, in the discharge of his official and representative duties, as authorized by law, for the fiscal year 1950, $2,022,000.

Mr. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: On page 2, line 4, strike out lines 3 to 8 inclusive.

Mr. CHURCH. Mr. Chairman, I shall not take but a moment.

This matter has been thoroughly discussed by me before. My amendment strikes out those lines which the Clerk has just read, which are as follows:

CLERK HIRE, MEMBERS AND DELEGATES

For an additional amount for clerk hire necessarily employed by each Member and Delegate and the Resident Commissioner from Puerto Rico, in the discharge of his official and representative duties, as authorized by law, for the fiscal year 1950, $2,022,000.

Mr. KERR. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. CHURCH].

The amendment was rejected.

The Clerk read as follows:

CARE, HANDLING, AND DISPOSAL OF SURPLUS PROPERTY ABROAD

Not to exceed $7,500,000 of the unobligated balance on June 30, 1949, of funds appropriated under this head in the Second Deficiency Appropriation Act, 1948, and allocated to the Department of the Army, shall remain available to said Department until December 31, 1949, for expenses necessary for the care and handling of surplus property located outside the continental United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands, and for the care and handling of surplus property located in the United States but disposed of to foreign governments: *Provided,* That $6,000,000 of the amount herein continued available shall be used exclusively for the care and handling of surplus property located in the United States but disposed of to foreign governments.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was not surprised, and I am sure the rest of the Members were not surprised, when they heard the distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] stand on the floor of this House a few minutes ago and praise all the work of the Appropriations Committee during this session of the Congress.

The facts are that before we get through appropriating for all the functions of Government for the fiscal year 1950 there is no question but that we will appropriate around $44,000,000,000, which will be at least $3,000,000,000 more than the Eightieth Congress appropriated for the fiscal year 1949 and even then we spent more than was necessary to my way of thinking.

The gentleman from Missouri bragged about pushing these appropriation bills through in jig time. They did that. They did that because they had a purpose in doing it. His party leaders knew they had to push these high appropriation bills through before the Fair Deal honeymoon was over. They were scared to death that the reckless campaign promises of President Truman and his party would bring about the condition in the country that it has. They knew full well that unless their enormous spending program on which their success on election day has depended for many years would get through the House quickly, that the American taxpayer would demand economy in Federal spending to the detriment of their party. So they shoved these bills through. They pushed us every minute. I can say, and I dare say, that if the gentleman from Missouri [Mr. CANNON] had been anxious to economize, as he says he is, we could have trimmed off three or four billion dollars from President Truman's huge appropriations requests. If we had the job to do today of coming back and sitting in hearings every day for weeks and months like we used to do, to consider these appropriation bills and consider every item, if we would bring those bills in today after the American people have awakened to what has happened to them and the terrible situation which we are now in financially, the subcommittees which have brought in these huge appropriations would have reduced them by billions of dollars, because the American people are demanding it. Public sentiment is still powerful in our land. If all thinking Americans will but speak up and speak out loud against wasteful spending, socialism and crookedness in Government, we might yet save America.

But, what did the gentleman from Missouri do? He sat in every subcommittee to see to it that the President's budget was scarcely touched especially when administrative costs were considered. Now the gentleman stands on the floor of the House and makes a great economy speech as he has done on previous occasions to try to make the people of America think that he is for economy. It is the most disgusting thing that we folks in this House have to listen to, especially we members on the Committee on Appropriations who sit with him in executive session and see him fight to keep us Republicans and some of the more conservative Democrats from cutting out a lot of fat and needless stuff from these appropriation bills. The gentleman from Missouri is sitting right here on the floor. I would not speak of him as I have if he were not listening, and he knows I have spoken the truth. I have not enjoyed making these remarks about a colleague, but someone had to give the American people these facts.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The Clerk read as follows:

NATIONAL LABOR RELATIONS BOARD

Salaries and expenses: For expenses necessary, fiscal year 1950, for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U. S. C. 141–167), and other laws, including personal services in the District of Columbia; expenses of attendance at meetings concerned with the work of the Board when specifically authorized by the Chairman or the General Counsel; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); payment of claims pursuant to section 403 of the Federal Tort Claims Act (28 U. S. C. 2672); and a health service program as authorized by law (5 U. S. C. 150); $8,550,000: *Provided,* That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2 (3) of the act of July 5, 1945 (49 Stat. 450), and as amended by the Labor-Management Relations Act, 1947 (Public Law 101, approved June 23, 1947), and as defined in section 3 (f) of the act of June 25, 1948 (52 Stat. 1060).

Mr. CANNON. Mr. Chairman, it is to be regretted that the attention of the House and the interest of Members in the bill before the House, must be diverted by partisan personalities. But the absurd statements just made cannot be allowed to go unnoticed, irresponsible as they may be.

Mr. Chairman, in response to the statement that has just been made, I never have at any time insisted or even suggested that the budget estimates be adhered to.

On the contrary, as all members of the Committee on Appropriations are aware, I have, in the committee, in every individual subcommittee, and in the House repeatedly urged that the budget be cut and that all bills be reported below the budget estimates. I have in every subcommittee urged that the budget be cut, when gentlemen on that side of the aisle insisted that it be not cut; and that items be increased. Not a single bill has been reported this session on which I did not plead for reductions which were opposed by gentlemen on that side of the aisle.

If required, I can indicate the items and give the names of the men who insisted on their being increased or maintained.

Mr. Chairman, there have been increases, but these increases have been in many instances the direct result of laws passed in the Eightieth Congress. One of them alone, Public Law 900, resulted in the increase of 1950 appropriations by considerably more than half a billion dollars. And that is only one of many instances in which attempts are being made to saddle this Congress with responsibility for expenditures which were necessitated by enactments of the last Congress.

Of course this Congress has been faced with a serious international situation which has made it impossible to economize on many items.

National defense and the preservation of national safety made imperative the

expenditure of vast sums of money both in armament and in assistance to our European allies, which have swelled the total appropriations recommended to the House by the committee at this critical session. They could not be avoided.

When the session opened we were engaged in a cold war, and we were losing that war. Today we are winning the cold war. But we had to win it with dollars. There was no alternative. Now, the imminence of war, the prospect of conflict is receding in the distance. But had we not provided the dollars, had we not given notice not only to our friends but to our enemies throughout the world by appropriating vast sums of money—more than one-third of our entire budget—for armament, that we were in position to defend ourselves and would defend ourselves, it is appalling to imagine what the consequences might have been.

The only reason why we are not in conflict today is because we have demonstrated not only our ability but our willingness to spend money necessary to national defense.

We submit that in view of the exceptional demands for defense of the Nation and Christian civilization and in view of the necessity of maintaining our domestic economy our record has been one of studied economy. Every supply bill has been reported, and has passed the House, below the budget estimate.

And in the second session of the Eighty-first Congress, with the added facilities of the one-bill system we are in a position to make and will make even greater reductions.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 7, line 11, after "$8,550,000" strike out the semicolon, insert a period and strike out the remainder of the paragraph down to and including line 20.

Mr. BAILEY. Mr. Chairman, from a study of this legislation I fail to understand any reason why such language should have been put in this bill at the present time or why any segment of labor should be denied the right and privileges of the use of the facilities of the National Labor Relations Board. Nobody has explained that to my satisfaction.

I think the committee should give very serious consideration to striking this language out and I hope it will be the pleasure of the committee to strike it.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from California.

Mr. PHILLIPS of California. As I understand, the gentleman asks to have it explained to him. I shall be glad to explain it to him.

Mr. BAILEY. The gentleman can do it in the form of his own right on the floor in speaking against the amendment, if he cares to do so.

Mr. PHILLIPS of California. I am perfectly willing to do so. I thought the gentleman wanted information.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. PHILLIPS of California. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from West Virginia.

Mr. Chairman, the gentleman from West Virginia states this prohibits the organization of agricultural laborers. It does not.

Mr. BAILEY. I made no such statement.

Mr. PHILLIPS of California. Will the gentleman please repeat his statement?

Mr. BAILEY. The gentleman is reading something I did not say. I did not make any such statement.

Mr. PHILLIPS of California. Then I will explain to the gentleman what it does provide.

It says that this shall not prohibit the organization of agricultural laborers by those who are entitled to organize them. It does not say there shall be no organization among agricultural laborers. This says that money appropriated in this bill by the Congress shall not be used by a Federal agency, the National Labor Relations Board, to organize agricultural laborers. That is obviously the regulation under which we want the National Labor Relations Board to act, and the past history in several States, including California, has been such that for several years this provision has been put in an appropriation bill to tell the National Labor Relations Board that they have plenty to do to conciliate and to settle without going out as organizers. That is all there is to it. We have in past years adopted this provision in the bills, and I hope that we will adopt it again this year.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Colorado.

Mr. CARROLL. I have been a little bit disturbed about this provision and have tried to find out something about its legislative history, because I note on page 7, line 11, it says "that no part of this appropriation shall be available to organize or assist in organizing agricultural laborers." I cannot understand that. Here is what I think is highly objectionable: "or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers."

Mr. PHILLIPS of California. That is referred to in the act.

Mr. CARROLL. We know that there are labor unions in the processing field. I have gone back to the basic law here, because the gentleman has referred to the amendment to the Labor-Management Relations Act, Public Law 101, approved June 23, 1947, and the act of June 25, 1938. That is what I am afraid of.

Mr. PHILLIPS of California. Will the gentleman let me interrupt? Has the gentleman found in reading the act that it did not apply to agricultural laborers?

Mr. CARROLL. No. I am afraid I cannot arrive at that conclusion, because I am thinking of what it might do to those who are in the processing field.

Mr. PHILLIPS of California. Let me just say to the gentleman that the National Labor Relations Board already does come into disputes involving labor in processing. There is no great difference of opinion with the gentleman on that point. I make a definite demarcation in my mind between what constitutes agricultural labor in general, field labor, and labor in the packing houses. For several years I have been one of the Members who introduced bills here trying to establish a definition of agricultural labor, which would clear up some of these difficulties. This is the customary provision which, by the way, went through the entire committee, with no one raising any question or protest about it. I just said that the National Labor Relations Board has plenty to do without thinking they are organizers, as they have sometimes in the past tried to help organize agricultural labor. It really is a very simple amendment, and I am afraid the gentlemen are trying to read into it something which has never been interpreted that way either by the National Labor Relations Board or by the people to whom it has applied.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RABAUT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I would feel remiss in my duty today were I to fail to come into the well of this House when a reference such as was made a few minutes ago by the gentleman from Iowa against the distinguished chairman of the Committee on Appropriations went unanswered.

Of all the hard-working Members of this body, I do not think you could put one above the distinguished gentleman from Missouri, the chairman of the Appropriations Committee, our friend, the Honorable CLARENCE CANNON. He is on the go from morning until night. If ever the midnight oil was burned in any man's office, you will find it up there on the far corner of the seventh floor.

He has been present at every conference that has been held this year, and at the writing up of every bill. The first four bills returning from the Senate were increased in the sum of $400,000,000. That is the reason the conferences are being delayed, for we are determined as far as possible to practice economy.

The statement that the distinguished chairman was present at all times just to support the budget is one that would not stand the cold light of scrutiny. I will say openly on this floor it is not true. It never was true.

Mr. JENSEN. Then you are calling me a liar, are you?

Mr. RABAUT. Nobody knows better than a man who sits in the committee, and who has been present when different items have been considered.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I do not yield now. The gentleman has had his time.

If it had been a colleague who was not a member of the committee I would not mind the statement, but when a person is a member of the committee and has

been present, and was present on a specific well-remembered occasion, when the distinguished chairman raised his voice in protest against the amount recommended by an able chairman for a subcommittee, we were all surprised, we were really surprised, because he sought for further cuts, and the action of the chairman on that and other occasions is as well known to the gentleman from Iowa as to any other man in this body.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I will not yield to you.

Mr. JENSEN. Of course you will not. You are afraid to yield.

Mr. RABAUT. I am afraid of nothing.

Mr. JENSEN. Yes, you are.

Mr. RABAUT. Sometimes the truth hurts, and this is one of those occasions.

Mr. CARROLL. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. CARROLL for the amendment offered by Mr. BAILEY: On page 7, line 13, after the word "laborers", strike out "or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers."

Mr. CARROLL. Mr. Chairman, I think this amendment is in the nature of a clarifying amendment, because from the remarks of the gentleman from California, I think that originally when this was passed, some two, three, or four sessions ago, there was some apprehension of what the National Labor Relations Board might be doing with reference to agricultural labor. As a result of that they put in this term which I think now experience has taught us is too comprehensive, for this reason, certainly no one here would want to preclude the National Labor Relations Board from spending money for investigations, hearings, directives, or orders concerning any bargaining unit composed of agricultural labor. Then we come to define a later act which is a very complex one. Under the old law of 1938 we have attempted to define agricultural labor. I think in the mind of the gentleman from California, if I can interpret his mind from what he says, I do not think he intends to impose a penalty upon agricultural labor, the processors, those men who belong to processing unions. I do not think he intends to deny them the right to have hearings, investigations, or orders based upon findings. I do not think that is his intention at all. May I ask the gentleman from California if it is not his intention to merely limit the activity of the National Labor Relations Board to that type of agricultural labor which works upon the farms?

Mr. PHILLIPS of California. Yes, but there is a middle class which the gentleman from Colorado well knows it has been difficult to define and which I think should be defined. He would interpret it as I would interpret it, that where the farmer has agricultural labor and that agricultural labor is employed in his own packing house or part time in his packing house and part time on the land, which is a common thing in his State and in my State, that the National Labor Relations Board was in the habit of interpreting the definition of agricultural labor to suit itself. We have frequently seen amendments offered on the floor of the House by the gentleman from California, Mr. Lea, one year, the gentleman from California, Mr. Elliott, another year, and other amendments at different times trying to pin down the definition in the minds of the National Labor Relations Board.

Consequently, while I would be willing to say that the gentleman from Colorado and I are probably shooting at the same target and in the same direction, in order to prevent the situation arising again which arose in the past, and first made this provision desirable, we should not adopt, may I say respectfully, we should not adopt his amendment, but should leave these words in until somebody is able to provide a definition of agricultural labor which can be understood and adhered to by several different agencies of the Government of the United States.

Mr. CARROLL. Of course, what the gentleman is saying, it seems to me, defeats his own argument. What he is saying is that by virtue of the fact that they are unable to write a satisfactory definition, we will put in such a comprehensive restriction into the law that it may deny people who are properly organized under the law, the right to have directives, investigations, and hearings. I do not know whether that would be the natural consequence which would naturally flow from it.

Mr. PHILLIPS of California. If the gentleman will yield further, I intend to ask for more time for him.

Mr. CARROLL. I yield.

Mr. PHILLIPS of California. They have not, under this provision, ever been denied that so far, so the supposition that they would be denied that right is not well-founded.

Mr. BAILEY. I would like to ask the gentleman from California if it did not apply in the case of the Di Giorgio strike in the San Joaquin Valley.

Mr. PHILLIPS of California. Now, Mr. Chairman, I definitely ask unanimous consent that the gentleman may have 5 minutes, that he may use 3 minutes of that time which I used and that I may have 2 minutes to answer the absolutely misrepresentative statement of the gentleman from West Virginia [Mr. BAILEY]. I can answer it in 2 minutes.

The CHAIRMAN. Is there objection?

Mr. GRANGER. Mr. Chairman, I object.

Mr. PHILLIPS of California. Then I ask that the gentleman may have 3 minutes to make up for what I used of his time.

Mr. CARROLL. Mr. Chairman, I ask unanimous consent that I may proceed for three additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CARROLL. I do not come from an agricultural area, but I look at this as a matter of law. It seemed to me as I read this provision that you are placing a restriction upon an agency created by law. You are saying to them: "You will not use the money in connection with investigations concerning bargaining units." What do we mean by bargaining units?" Units composed of agricultural labor. I know this in my experience on my own committee. We are trying to determine what is agricultural labor. I do not want to get into this dispute about what happened in California, because I am not familiar with it, but it seems to me you can clarify the law and accomplish the objective of the gentleman from California and still not put any handcuffs on the National Labor Relations Board. It will cost no more money and it seems to me that we ought to have a clear directive from this Congress. It seems to me the National Labor Relations Board, if there is a properly organized bargaining unit, has the duty to go forward and conduct hearings and make findings and upon those findings issue orders.

That is the whole purport of my substitute amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. CARROLL. I yield.

Mr. CASE of South Dakota. I think the gentleman's argument would be persuasive except for the fact that the last two lines of the paragraph are binding upon what agricultural laborers are. It is units composed of agricultural laborers, and has reference to such and such a section as defined in a certain act. Those laborers are laborers who are on the farm, or who stay on the farm.

Mr. CARROLL. I have the act here and I have just quoted from it. Now, the gentleman from California placed his finger on it. In some of the farm areas where the farmer has the packing house on his own land, we concede that to be farm labor. But let us assume that he transports his products to a packing house in another place. The National Labor Relations Board has a right to conduct an investigation to determine whether or not they are agricultural laborers. If you do not do it, it would seem to me that you would run into trouble. It seems to me that no harm could be done by adopting this substitute, striking out those two or three lines.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. CARROLL] has again expired.

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment and the substitute.

I am sorry that the gentleman from Wisconsin [Mr. KEEFE,] is not able to be present today, because he is fairly familiar with all the arguments which have taken place in previous years when these amendments which have been adopted by the House three or four times were considered. This is the first year I have been a member of this particular subcommittee. I attended every session. I was there all the time. I can recall of no statement by anybody from the Department which said anything at all about this particular provision handcuffing them in their operations.

To go back over the debate that has taken place in previous years, when this amendment has been previously adopted, would serve no useful purpose at this late hour. Inasmuch as no reported harm has come to any person or group

or organization, it is my hope that the substitute will be voted down. Then next year, with this discussion in mind, there will be ample time to go into all the facts surrounding this situation. Possibly by that time there will be a more thoroughly stated definition relating to this class of workers and the field of operations in which the National Labor Relations Board is to engage.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. SCRIVNER], has expired.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, certainly I know the gentleman who offers this amendment and the gentleman who offers the substitute amendment are motivated by a desire to see that there are no crippling restrictions on the operations of the National Labor Relations Board. Like others who have spoken on this matter, I am not from California, and my knowledge of the problem they had out there a few years ago comes from the debates on this floor, from the press, and from other public reports, you might say, incident to the troubles they have had.

There is only one point I would raise at this time in opposition to these amendments in the House—nobody has made any objection, the committee has not heard of any objection, there has been nothing to show that anybody has been injured as a result of the present operations of the law. This amendment was first offered by Mr. Lea, of California, who so far as I know was friendly towards the National Labor Relations Board. However, whether he was or not the people of his area apparently were in accord with his stand for he was here in Congress for many, many years without opposition, I understand, from the Democratic side, and frequently with both nominations to say the least; but, be that as it may, the point is that we have operated under this provision for 3 or 4 years, apparently satisfactorily. I believe that the gentleman with his desire to be fair will want to go into this question more fully before changing the existing provisions. None of us knows exactly what his amendment would do.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. CARROLL. It is my understanding that there has always been some resistance to this particular provision, and that as a result of this—the gentleman knows about the Committee, there was no particular protest at this time, but I do not think that the fact that there was no testimony reflects the fact that there was some opposition; but they wanted to go along. I understand there has been vigorous protest over this provision. I, joining with the gentlemen from California, am trying to achieve the desire, the objective of you folks from the agricultural area. I can see your position, but I think you ought to see the position of those of us who want to protect the National Labor Relations Board in any properly organized bargaining unit.

Mr. WHITTEN. Insofar as I personally am concerned, the particular problem in California never bothered me before this provision was written; it has never been of serious import to my area since it has been in the appropriation act. I cannot speak for California, but I do know that they have had less trouble since this provision was incorporated in the appropriation bills than they had before. We have had no complaints from Members from that area. We have here a situation that has apparently been satisfactory under this provision. Why should we disturb it? I thing the proposition raised by the gentleman's amendment is a matter that should be gone into pro and con; and pending the working out of a proper provision in that way I believe that the status quo is much better. My sole purpose in opposing it is based on my feeling that pending a full hearing when we can go into the matter and see what the present situation is and see if it is in any way restricting the operations of this national agency, it is much better to let the matter stand as it is. For that reason I hope that you will stand back of the Committee on Appropriations and all the members of the Committee on Appropriations, insofar as their reporting the bill out is concerned, until they have a chance to go into it in all its different phases.

Mr. CARROLL. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield.

Mr. CARROLL. As I understand, this bill is a composite bill coming from various subcommittees.

Mr. WHITTEN. That is true though the whole committee has the hearings available to it and receives a report from the subcommittee before the whole committee reports it out.

Mr. CARROLL. Actually, the full Committee on Appropriations does not know the attitude of the subcommittee on this particular provision. I just make the point that where we have made a mistake I believe it is not right that we should perpetuate that mistake.

Mr. WHITTEN. I say to the gentleman from Colorado that if we have made a mistake we should not perpetuate it but should correct it; but I do not believe we can start to correct the matter until we know whether we have made a mistake, and there is nothing in the record to show that we have. I believe experience shows that when you set out to correct a mistake you have to know whether it is in fact a mistake lest you make a bigger one. If we have made a mistake I am afraid we may make a bigger one by adopting this amendment in the absence of testimony showing that the plan is not working satisfactorily insofar as that area is concerned. All the matter presented before the Committee on this item was one-sided and it was one-sided in support of the provisions of the bill. Pending proof to the contrary, certainly it is the wiser course to hold to the status quo—and make any needed changes after proof is taken.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The question is on the substitute amendment offered by the gentleman from Colorado.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 44, noes 56.

So the substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia [Mr. BAILEY].

The question was taken; and on a division (demanded by Mr. BAILEY) there were—ayes 38, noes 58.

So the amendment was rejected.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to call the attention of the members of the subcommittee and also the Members of the House to what I consider is an untimely mistake in this deficiency bill. On page 8, in the section that we are coming to in a few minutes, funds for the War Assets Administration are being referred to the Treasury Department and the RFC totaling $7,500,000.

On June 8 in this House we transferred the War Assets Administration to the office of General Services. On June 21 the Senate passed the bill. We have just finished the conference and we are in full agreement, particularly in reference to the section which is found on page 12 of the Property and Administrative Act passed by both Houses where it says that the functions, records, property, personnel, obligations, and commitments of the War Assets Administration are hereby transferred to the General Services Agency.

We are now in a position of sending the money to the Treasury Department to take care of the War Assets Administration and we are sending War Assets over to the General Services office. The General Services bill will undoubtedly become law. It has been agreed to by both Houses of Congress without opposition in either body. It will become effective before June 30, I am confident.

If the present deficiency bill passes it will mean you are going to have the War Assets Administration without any money to operate on, because the War Assets Administration dies on June 30; yet here you have an agency with close to $2,000,000,000 worth of property. It has in its custody much real and personal property and they will be without authority to function and without funds to function because you are sending the money one place, which would have been all right under Public Law 862, but Public Law 862 is being superseded by this other act which both bodies have passed, and you are sending the War Assets Administration over to another agency with all their personnel and no money with which to operate. It is a mix-up. This could be helped. It could be prevented if a simple amendment were accepted at this time by the committee which would transfer this $7,500,000 to the War Assets Administration or to the agency to which it is transferred, whether it is the RFC or the other agency.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I trust the gentleman from California will permit me to say that I think he is raising a very important question because many of us have inquiries, and I intended at the conclusion of his remarks to propound some questions to the gentleman from Missouri [Mr. CANNON]. Under the terms of this bill it is contemplated that the personal property shall be handled by the Treasury Department or the Bureau of Supplies in the Treasury Department, and it is contemplated that the real estate shall be handled by the RFC.

Mr. HOLIFIELD. That was according to Public Law 862.

Mr. WHITTINGTON. Under the Federal Property Administrative Act of 1949 I understood, and I understand now, that the War Assets Administration is transferred to that Administration.

Mr. HOLIFIELD. Exactly. The gentleman is right.

Mr. WHITTINGTON. I want to know if that includes the transfer of the personal property of the War Assets Administration and the real estate as well, or not.

Mr. HOLIFIELD. The act says that the functions of the War Assets Administrator are transferred to the Administrator of General Services, War Assets Administration, and the office of War Assets Administration, and the office of the associate War Assets Administration are hereby abolished. All of these functions go into the General Services, and they are not being given the money to operate with.

Mr. WHITTINGTON. Under the terms of the act of February 21, 1949, it appears that the personal property goes to one agency and the real estate to another. The only property that remains in the Treasury would be the personal property.

Mr. HOLIFIELD. Both personal and real property are transferred by H. R. 4754 to the office of General Services.

Mr. WHITTINGTON. I remember the language to which the gentleman refers, but I agree that we are likely not to be able to advise our constituents as to what agency will dispose of the real estate, which agency will dispose of the personalty, and if this language remains in the bill, whether or not the property will be disposed of under the Surplus Property Act of 1945 or under the terms of the act entitled "Federal Property Act." The difference is very great between the terms of those provisions.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that the gentleman be given three additional minutes because this is very important.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HOLIFIELD. It is important. The complete functions will be taken over by the office of General Services. Public Law 862 will die on June 30, only next Thursday. So, here we have this situation that should be corrected either in this House or in the other body.

Mr. WHITTINGTON. What I want to call attention to is that I am not sure that the language in the act that is now in conference, the Federal Property Act, is broad enough to cover both the real and personal property. It strikes me that there is an utter inconsistency that should be clarified in this bill that is pending here or in the conference report that is presented finally, on either one of these bills. I would like to ask someone on the committee if I am not correct in that statement?

Mr. RABAUT. The gentleman is correct in that statement. I know the point that has been raised here is very proper now that it has been raised. We did not recognize it at the time we wrote the bill, because the two actions were going on almost simultaneously.

Mr. HOLIFIELD. That is right.

Mr. RABAUT. The action in our committee and in the other committee. But, inasmuch as the gentleman has raised the point and has so well explained it, as has the gentleman from Mississippi, I think this will constitute due notice to the other body to make the proper correction when it goes to that body before we vote on the bill again.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In other words, if the conference report on the bill that is about to be reported, establishing a new agency, is agreed to, then, of course, it is just ridiculous to have this provision here, because you have a new agency absorbing the War Assets Administration. The money in the deficiency bill goes to the Treasury and some to the RFC. When the new bill goes into effect July 1 the War Assets Administration will go to the Office of General Services.

Mr. WHITTINGTON. If the gentleman from California will yield further, I take the liberty of stating that I think it is important for the conferees on this particular Federal property bill to investigate the matter so as to be sure there is being transferred a lot of real estate, which is the really valuable property now in the Assets Administration to the Administrator of that bill.

Mr. HOLIFIELD. We held hearings on that point, and the hearings will disclose that all property of the War Assets Administration, both personal and real, goes into the Office of General Services, all of it. Public Law 862 will not remain in effect, because it dies on the thirtieth. This law H. R. 4754 undoubtedly will be signed by the President before then.

Mr. WHITTINGTON. So that after July 1 the property is not going to be disposed of under the old Surplus Property Act of 1945 but under this act, and our constituents ought to know it and not be confused.

Mr. HOLIFIELD. I wish to abide by the committee's judgment on this matter. I talked this matter over with them. I have no desire to raise a conflict with the committee.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Michigan.

Mr. RABAUT. I wish to commend the gentleman on his alertness in bringing it to our attention. As I said before, two things were happening simultaneously in two different functions of the Congress.

Mr. HOLIFIELD. That is right.

Mr. RABAUT. The gentleman, having raised this point on the floor here, places the other body on due notice that the changes should be taken care of, and the committee is on notice, so, if it is not done originally by the Senate, certainly in conference it will be done between the two bodies.

Mr. WHITTINGTON. Those of us who are not on either committee want to have some assurance that this matter is going to be ironed out so we can tell our constituents about it.

Mr. RABAUT. There is no amendment before us, so I think it is the best way for it to be ironed out.

Mr. WHITTINGTON. I think it is, too.

Mr. HOLIFIELD. I will accept the gentleman's statement on that, but I will point out very respectfully that on June 30, next Thursday, Public Law 862 dies. Unless action is taken between now and next Thursday it will leave the War Assets Administration completely without power, completely without funds, and they will have 2,000 personnel hanging there in mid air. Does the gentleman think this can be worked out between the conferees of the House and the conferees of the Senate by June 30?

Mr. RABAUT. We will do the best we can.

The CHAIRMAN. The Clerk will read.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, and be open to points of order and amendments at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. Are there any points of order? If not, are there any amendments?

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no intention whatever to belabor the House at this time of the afternoon with an argument over a situation which exists in another Member's district, but may I suggest to the gentleman from West Virginia that if he would be willing to take time with me some afternoon, as a special order, I could also explain that to him.

I may have shown a little heat a few moments ago, but even the most good-natured and tolerant Member of the House dislikes to hear the constant repetition of a misstatement.

Because the Members still on the floor heard the question of the gentleman

from West Virginia, for whom I have great respect, with regard to a farm in California known as the Di Giorgio ranch, I should like to make these brief statements, and then suggest to the gentleman from West Virginia that, if he disagrees with me, he come on the floor and we take another time really to argue this thing out.

The ranch is not in my district, but as I know a great many farms in California, I know the Di Giorgio farm. There used to be a time in the United States when a man could come to this country without anything, as an immigrant, and by his own hard work put water on the land and make it into a farm, and make a competence for himself—as I say, there was a time in this country when that was considered an admirable thing. I do not know what has come into Members of the House, and into citizens of the United States, that this now should be considered something to criticize or condemn. The Di Giorgio ranch probably pays twice as high wages as anyone pays in the State represented by the gentleman from West Virginia. It pays, as all California farms pay, higher wages than any State in the United States except on one commodity in the State of Washington.

The statement of the gentleman from West Virginia is based upon propaganda which starts something like this: "There is a strike on the Di Giorgio ranch."

Mr. Chairman, there is no strike on the Di Giorgio ranch, and there has never been a strike on the Di Giorgio ranch. There was a picketing by people who never worked for Mr. Di Giorgio, except possibly a half dozen, several of whom had been planted on the ranch before this alleged "strike" was called. There is a petition signed by more than a thousand employees of the Di Giorgio farm, where several generations have grown up, and are still working there, saying that they were eminently satisfied. There was a film shown here, purporting to show poor housing conditions on the Di Giorgio ranch, but those houses were not on the Di Giorgio ranch. They were outside the Di Giorgio ranch in spots which exist, I am quite sure, even in the State of West Virginia. The film said there was no school there. There is one of the finest schools in California on land given by the Di Giorgio farm. The school was built by the Di Giorgio farm.

The propaganda said there were no churches on the ranch. There are, within what is considered a short distance in California, let us say 10 miles, 7 churches, and I think there is at least one church on the farm, on land given by Di Giorgio.

Even as a good-natured and tolerant member of this legislative body, used to hearing statements which often have no foundation in fact, I did rise a little bit to the bait. I apologize to you, Mr. Chairman. And if the gentleman from West Virginia really wants to find out about the Di Giorgio ranch or anything else in California, I suggest that he ask someone who knows, perhaps the gentleman from California [Mr. WERDEL] in whose district the farm is located.

In other words, we are just a little bit tired of hearing untruthful statements, and seeing pictures, which were not taken on the place, put up as representative of our State or of this farm. I am sure there can be improvements in the State of West Virginia and even in the district so admirably represented by the gentleman from West Virginia [Mr. BAILEY].

I wonder if the gentleman had not better sort of confine his attention to the State of West Virginia?

Mr. PACE. Mr. Chairman, I move to strike out the last word, for the purpose of propounding a question to a member of the subcommittee relating to the item on page 9 entitled "Veterans' Administration," reading as follows:

Funds heretofore appropriated for automobiles and other conveyances for disabled veterans are hereby continued available until June 30, 1950.

Mr. Chairman, I am delighted to find that item in the appropriation bill. I want to propound a question to the committee. Was it the intention and the purpose of the committee and was it the understanding of the committee that together with continuing availability of the unexpended balance of the funds to permit applicants to apply for automobiles when they are eligible after June 30, 1949?

Mr. KERR. The authority has been extended, as well as the money and it has been cleared with the general council.

Mr. PACE. I thank the gentleman very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentlewoman.

Mrs. ROGERS of Massachusetts. I would like to express my great appreciation to the committee for doing this. I took the matter up in the first instance with the chairman of the committee, the gentleman from Missouri [Mr. CANNON]. Something had to be done because there are 220 boys waiting for automobiles. They will not be discharged for some months and they are waiting and will probably make application after the 30th. They will not be discharged for some months. All of them have been in hospitals since the early days of the war when they were wounded.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PACE] has expired.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

I note, Mr. Chairman, that the Committee on Appropriations has carried out its promise made earlier to include in this bill funds for the War Claims Commission.

When we go back into the House I shall ask unanimous consent to insert a statement of the committee concerning the War Claims Commission.

The statement is as follows:

WAR CLAIMS COMMISSION

The committee considered an estimate of $525,000 for the administrative expenses of the Commission, regarded by the budget as necessary for its operations during the fiscal year 1950. Hearings held by the committee on June 17 disclosed that the members of the Commission had not been appointed or confirmed and no definite information was available as to when such appointments would be made or when the organization of the staff was contemplated. While the committee is not opposed to the general purpose of the act, it does not believe that the amount proposed in the budget estimate will be required, in view of the delay in organization, and that a substantial saving can be effected. For this reason it has recommended a total of $281,250 for this purpose during the next fiscal year.

I yield back the remainder of my time, Mr. Chairman.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no desire to express any personal recriminations or any personal comments on the gentleman from California [Mr. PHILLIPS]. What I asked during the discussion that was being carried on by two other gentlemen was that I hoped the gentleman would explain his interest in this matter. I did make reference to the Di Giorgio farm strike. I did not use the word strike, but I referred to this Di Giorgio farm.

I would like to say to the gentleman from California that we had some testimony in hearings on the minimum-wage bill, and we received considerable information from both sides on that Di Giorgio farm strike, if there was a strike. The gentleman says there was not, but evidently they had some difficulty because some people were killed. The fact is that the National Labor Relations Board could not take part in that because they were prohibited by this very language. They had no money. They could not even send an investigator to California. Consequently, nothing was done about it. These men were not even permitted to have access to the National Labor Relations Board because they were not recognized.

I am not going to yield. The gentleman would not yield to me. He is just wasting his time.

As a member of the Committee on Education and Labor, I can assure the gentleman that this Congress will have the facts on that situation in California if we have to send a subcommittee out there to get it, and then we will act in accordance with the information that that committee reports.

As I recall, the gentleman was a Member of the Seventy-ninth Congress. This legislation was supported by Mr. Elliott and by Mr. Lea. They are not now in Congress, and the gentleman from California [Mr. PHILLIPS] has taken over. Apparently somebody is interested in protecting such groups as the Di Giorgio farms. That is not the only one. There are many of those farms of 15,000, 20,000, and 22,000 acres. The time has come when they will have to be controlled, or they will destroy the average American farmer as we understand the term farmer.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. GRANGER. I did not hear the gentleman say there were not any schools on this ranch. Did he say that?

Mr. BAILEY. There was no testimony about it.

Mr. GRANGER. But did the gentleman say there were slums on the ranch?

Mr. BAILEY. I did not hear anybody testify about that. I believe they did show a film of some kind.

Mr. GRANGER. But the gentleman was answering you, supposedly. Did you say anything about that?

Mr. BAILEY. No, I did not say anything about that.

Mr. GRANGER. Or about churches?

Mr. BAILEY. Or about churches, or anything else. Certainly not.

Now, I know that conditions are not so good in the State of West Virginia. I might remind the gentleman from California that he could add considerably to the peace, quiet, and sedateness of the State of West Virginia had he voted to bar mandatory injunctions in the recent labor bill, which I am sure the gentleman did not do.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. KERR. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House without amendment, with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. YOUNG, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5300, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. KERR. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. KERR. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. FURCOLO asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. WHITE of California asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and include in each extraneous matter.

Mr. HINSHAW asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and include therein a statement of the Committee on Appropriations concerning the War Claims Commission.

Mr. HARVEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. WIGGLESWORTH asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and include a table.

Mr. CROOK asked and was given permission to extend his remarks in the RECORD on the subject of Federal housing.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon, on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

POWERS AUTHORIZED TO BE EXERCISED DURING ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk of the House be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PAYMENTS BY THE ADMINISTRATOR OF VETERANS' AFFAIRS ON PURCHASE OF AUTOMOBILES OR OTHER CONVEYANCES FOR DISABLED VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and include a copy of a Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I wish to include as part of my remarks the provisions of a Senate bill concerning which the gentleman from Florida and I appeared. I today introduced a companion bill in the House. A very similar bill, H. R. 283, was introduced by me earlier in the Congress.

S. 2115

A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes

Be it enacted, etc., That, subject to the conditions hereinafter set forth, the Administrator of Veterans' Affairs is authorized and directed to provide or assist in providing an automobile or other conveyance, by paying on the purchase price of such automobile or other conveyance not to exceed $1,600, including equipment with such special attachments and devices as the Administrator may deem necessary, for each veteran of World War II who is entitled to compensation under the laws administered by the Veterans' Administration for any of the following:

(a) Loss or permanent loss of use of one or both feet;

(b) Loss or permanent loss of use of one or both hands;

(c) Permanent impairment of vision of both eyes of the following status: Central visual acuity of 20/200 or less in the better eye, with corrective glasses, or central visual acuity of more than 20/200 if there is a field defect in which the peripheral field has contracted to such an extent that the widest diameter of visual field subtends an angular distance no greater than 20 degrees in the better eye.

SEC. 2. The benefits of section 1 shall be granted under the following conditions:

(a) That under such regulations as the Administrator may prescribe the furnishing of such automobile or other conveyance, or the assisting therein, shall be accomplished by the Administrator paying the total purchase price, if not in excess of $1,600, or the amount of $1,600, if the total purchase price is in excess of $1,600, to the seller from whom the veteran is purchasing under sales agreement between the seller and the veteran.

(b) The United States shall not be liable for the repair, maintenance, or replacement of any automobile or other conveyance provided under the provisions of the first section of this act and shall not be liable to any person by reason of any damage caused by the use of such automobile or other conveyance.

(c) No veteran shall be entitled to receive more than one automobile or other conveyance under the provisions of this act; and no veteran who has received or may receive an automobile or other conveyance under the provisions of the paragraph under the heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, shall be entitled to receive an automobile or other conveyance under the provisions of this act.

(d) The benefits provided in this act shall not be available to any veteran who has not made application for such benefits to the Administrator within 3 years after the effective date of this act, or within 3 years after the date of the veteran's discharge from the armed forces if the veteran shall not be discharged until on or after said effective date.

(e) Any automobile or other conveyance furnished any veteran pursuant to this act shall be exempt from the claims of creditors, and shall not be liable to attachment, levy, or seizue by or under any legal or equitable process whatever.

(f) After enactment of this act, any automobile or other conveyance heretofore furnished any veteran under the provisions of the paragraph heading "Veterans' Administration" in the First Supplemental Appropriation Act, 1947, as amended, shall be exempt from the claims of creditors, and shall not be liable to attachment, levy, or seizure by or under any legal or equitable process whatever.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ASSISTANCE TO ECONOMICALLY UNDERDEVELOPED AREAS (H. DOC. NO. 240)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

In order to enable the United States, in cooperation with other countries, to assist the peoples of economically underdeveloped areas to raise their standards of living, I recommend the enactment of legislation to authorize an expanded program of technical assistance for such areas, and an experimental program for encouraging the outflow of private investment beneficial to their economic development. These measures are the essential first steps in an undertaking which will call upon private enterprise and voluntary organizations in the

United States, as well as the Government, to take part in a constantly growing effort to improve economic conditions in the less-developed regions of the world.

The grinding poverty and the lack of economic opportunity for many millions of people in the economically underdeveloped parts of Africa, the Near and Far East, and certain regions of Central and South America, constitute one of the greatest challenges of the world today. In spite of their age-old economic and social handicaps, the peoples in these areas have in recent decades been stirred and awakened. The spread of industrial civilization, the growing understanding of modern concepts of government, and the impact of two world wars have changed their lives and their outlook. They are eager to play a greater part in the community of nations.

All these areas have a common problem. They must create a firm economic base for the democratic aspirations of their citizens. Without such an economic base, they will be unable to meet the expectations which the modern world has aroused in their peoples. If they are frustrated and disappointed, they may turn to false doctrines which hold that the way of progress lies through tyranny.

For the United States the great awakening of these peoples holds tremendous promise. It is not only a promise that new and stronger nations will be associated with us in the cause of human freedom, it is also a promise of new economic strength and growth for ourselves.

With many of the economically underdeveloped areas of the world, we have long had ties of trade and commerce. In many instances today we greatly need the products of their labor and their resources. If the productivity and the purchasing power of these countries are expanded, our own industry and agriculture will benefit. Our experience shows that the volume of our foreign trade is far greater with highly developed countries than it is with countries having a low standard of living and inadequate industry. To increase the output and the national income of the less developed regions is to increase our own economic stability.

In addition, the development of these areas is of utmost importance to our efforts to restore the economies of the free European nations. As the economies of the under-developed areas expand, they will provide needed products for Europe and will offer a better market for European goods. Such expansion is an essential part of the growing system of world trade which is necessary for European recovery.

Furthermore, the development of these areas will strengthen the United Nations and the fabric of world peace. The preamble to the Charter of the United Nations states that the economic and social advancement of all people is an essential bulwark of peace. Under article 56 of the Charter, we have promised to take separate action and to act jointly with other nations "to promote higher standards of living, full employment, and conditions of economic and social progress and development."

For these various reasons, assistance in the development of the economically underdeveloped areas has become one of the major elements of our foreign policy. In my inaugural address, I outlined a program to help the peoples of these areas to attain greater production as a way to prosperity and peace.

The major effort in such a program must be local in character; it must be made by the people of the underdeveloped areas themselves. It is essential, however, to the success of their effort that there be help from abroad. In some cases, the peoples of these areas will be unable to begin their part of this great enterprise without initial aid from other countries.

The aid that is needed falls roughly into two categories. The first is the technical, scientific, and managerial knowledge necessary to economic development. This category includes not only medical and educational knowledge, and assistance and advice in such basic fields as sanitation, communications, road building and governmental services, but also, and perhaps most important, assistance in the survey of resources and in planning for long-range economic development.

The second category is production goods—machinery and equipment—and financial assistance in the creation of productive enterprises. The underdeveloped areas need capital for port and harbor development, roads and communications, irrigation and drainage projects, as well as for public utilities and the whole range of extractive, processing and manufacturing industries. Much of the capital required can be provided by these areas themselves, in spite of their low standards of living. But much must come from abroad.

The two categories of aid are closely related. Technical assistance is necessary to lay the groundwork for productive investment. Investment, in turn, brings with it technical assistance. In general, however, technical surveys of resources and of the possibilities of economic development must precede substantial capital investment. Furthermore, in many of the areas concerned, technical assistance in improving sanitation, communications or education is required to create conditions in which capital investment can be fruitful.

This country, in recent years, has conducted relatively modest progams of technical cooperation with other countries. In the field of education, channels of exchange and communication have been opened between our citizens and those of other countries. To some extent, the expert assistance of a number of Federal agencies, such as the Public Health Service and the Department of Agriculture, has been made available to other countries. We have also participated in the activities of the United Nations, its specialized agencies, and other international organizations to disseminate useful techniques among nations.

Through these various activities, we have gained considerable experience in rendering technical assistance to other countries. What is needed now is to expand and integrate these activities and to concentrate them particularly on the economic development of underdeveloped areas.

Much of the aid that is needed can be provided most effectively through the United Nations. Shortly after my inaugural address, this Government asked the Economic and Social Council of the United Nations to consider what the United Nations and the specialized international agencies could do in this program.

The Secretary General of the United Nations thereupon asked the United Nations secretariat and the secretariats of the specialized international agencies to draw up cooperative plans for technical assistance to underdeveloped areas. As a result, a survey was made of technical projects suitable for these agencies in such fields as industry, labor, agriculture, scientific research with respect to natural resources, and fiscal management. The total cost of the program submitted as a result of this survey was estimated to be about $35,000,000 for the first year. It is expected that the United Nations and the specialized international agencies will shortly adopt programs for carrying out projects of the type included in this survey.

In addition to our participation in this work of the United Nations, much of the technical assistance required can be provided directly by the United States to countries needing it. A careful examination of the existing information concerning the underdeveloped countries shows particular need for technicians and experts with United States training in plant and animal diseases, malaria and typhus control, water supply and sewer systems metallurgy and mining, and nearly all phases of industry.

It has already been shown that experts in these fields can bring about tremendous improvements. For example, the health of the people of many foreign communities has been greatly improved by the work of United States sanitary engineers in setting up modern water supply systems. The food supply of many areas has been increased as the result of the advice of United States agricultural experts in the control of animal diseases and the improvement of crops. These are only examples of the wide range of benefits resulting from the careful application of modern techniques to local problems. The benefits which a comprehensive program of expert assistance will make possible can only be revealed by studies and surveys undertaken as a part of the program itself.

To inaugurate the program, I recommend a first year appropriation of not to exceed $45,000,000. This includes $10,000,000 already requested in the 1950 budget for activities of this character. The sum recommended will cover both our participation in the programs of the international agencies and the assistance to be provided directly by the United States.

In every case, whether the operation is conducted through the United Nations, the other international agencies, or directly by the United States, the country receiving the benefit of the aid will be required to bear a substantial portion of the expense.

The activities necessary to carry out our program of technical aid will be diverse in character and will have to be

performed by a number of different Government agencies and private instrumentalities. It will be necessary to utilize not only the resources of international agencies and the United States Government, but also the facilities and the experience of the private business and nonprofit organizations that have long been active in this work.

Since a number of Federal agencies will be involved in the program, I recommend that the administration of the program be vested in the President, with authority to delegate to the Secretary of State and to other Government officers, as may be appropriate. With such administrative flexibility, it will be possible to modify the management of the program as it expands and to meet the practical problems that will arise in its administration in the future.

The second category of outside aid needed by the underdeveloped areas is the provision of capital for the creation of productive enterprises. The International Bank for Reconstruction and Development and the Export-Import Bank have provided some capital for underdeveloped areas, and, as the economic growth of these areas progresses, should be expected to provide a great deal more. In addition, private sources of funds must be encouraged to provide a major part of the capital required.

In view of the present troubled condition of the world—the distortion of world trade, the shortage of dollars, and other after effects of the war—the problem of substantially increasing the flow of American capital abroad presents serious difficulties. In all probability novel devices will have to be employed if the investment from this country is to reach proportions sufficient to carry out the objectives of our program.

All countries concerned with the program should work together to bring about conditions favorable to the flow of private capital. To this end we are negotiating agreements with other countries to protect the American investor from unwarranted or discriminatory treatment under the laws of the country in which he makes his investment.

In negotiating such treaties we do not, of course, ask privileges for American capital greater than those granted to other investors in underdeveloped countries or greater than we ourselves grant in this country. We believe that American enterprise should not waste local resources, should provide adequate wages and working conditions for local labor, and should bear an equitable share of the burden of local taxes. At the same time we believe that investors will send their capital abroad on an increasing scale only if they are given assurance against risk of loss through expropriation without compensation, unfair or discriminatory treatment, destruction through war or rebellion, or the inability to convert their earnings into dollars.

Although our investment treaties will be directed at mitigating such risks, they cannot eliminate them entirely. With the best will in the world a foreign country, particularly an underdeveloped country, may not be able to obtain the dollar exchange necessary for the prompt remittance of earnings on dollar capital. Damage or loss resulting from internal and international violence may be beyond the power of our treaty signatories to control.

Many of these conditions of instability in underdeveloped areas which deter foreign investment are themselves a consequence of the lack of economic development which only foreign investment can cure. Therefore to wait until stable conditions are assured before encouraging the outflow of capital to underdeveloped areas would defer the attainment of our objectives indefinitely. It is necessary to take vigorous action now to break out of this vicious circle.

Since the development of underdeveloped economic areas is of major importance in our foreign policy, it is appropriate to use the resources of the Government to accelerate private efforts toward that end. I recommend, therefore, that the Export-Import Bank be authorized to guarantee United States private capital, invested in productive enterprises abroad which contribute to economic development in underdeveloped areas, against the risks peculiar to those investments.

This guarantee activity will at the outset be largely experimental. Some investments may require only a guarantee against the danger of inconvertibility, others may need protection against the danger of expropriation, and other dangers as well. It is impossible at this time to write a standard guarantee. The Bank will, of course, be able to require the payment of premiums for such protection, but there is no way now to determine what premium rates will be most appropriate in the long run. Only experience can provide answers to these questions.

The Bank has sufficient resources at the present time to begin the guarantee program and to carry on its lending activities as well without any increase in its authorized funds. If the demand for guarantees should prove large, and lending activities continue on the scale expected, it will be necessary to request the Congress at a later date to increase the authorized funds of the Bank.

The enactment of these two legislative proposals, the first pertaining to technical assistance and the second to the encouragement of foreign investment, will constitute a national endorsement of a program of major importance in our efforts for world peace and economic stability. Nevertheless, these measures are only the first steps. We are here embarking on a venture that extends far into the future. We are at the beginning of a rising curve of activity, private, governmental, and international, that will continue for many years to come. It is all the more important, therefore, that we start promptly.

In the economically underdeveloped areas of the world today there are new creative energies. We look forward to the time when these countries will be stronger and more independent than they are now, and yet more closely bound to us and to other nations by ties of friendship and commerce, and by kindred ideals. On the other hand, unless we aid the newly awakened spirit in these peoples to find the course of fruitful development, they may fall under the control of those whose philosophy is hostile to human freedom, thereby prolonging the unsettled state of the world and postponing the achievement of permanent peace.

Before the peoples of these areas we hold out the promise of a better future through the democratic way of life. It is vital that we move quickly to bring the meaning of that promise home to them in their daily lives.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 24, 1949.*

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 750. An act for the relief of Lee F. Bertuccioli;

H. R. 2709. An act for the relief of Sadae Aoki;

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes;

H. R. 3333. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes; and

H. R. 3458. An act for the relief of Celeste Iris Maeda.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On June 23, 1949:

H. R. 263. An act to authorize the Secretary of the Navy to grant to the county of Orange, Calif., a perpetual easement for the maintenance and operation of a public highway, and to grant to the Irvine Co., a corporation, a perpetual easement for the maintenance, operation, and use of a water pipe line, in the vicinity of the naval air base, Santa Ana, Orange County, Calif.;

H. R. 593. An act for the relief of Hampton Institute;

H. R. 650. An act for the relief of George A. Kirchberger;

H. R. 716. An act for the relief of Mark H. Potter;

H. R. 717. An act for the relief of Groover O'Connell;

H. R. 735. An act for the relief of Phil H. Hubbard;

H. R. 1096. An act for the relief of Mr. and Mrs. James Linzay;

H. R. 1123. An act for the relief of Mrs. Florence Mayfield;

H. R. 1125. An act for the relief of Ellis C. Wagner and Barbara P. Wagner;

H. R. 1136. An act for the relief of June C. Dollar;

H. R. 1771. An act relating to loans by Federal agencies for the construction of certain public works;

H. R. 1837. An act to amend the Nationality Act of 1940;

H. R. 1858. An act for the relief of the legal guardian of John Waipa Wilson;

H. R. 1981. An act for the relief of V. O. McMillan and the legal guardian of Carolyn McMillan;

H. R. 2078. An act for the relief of Winston A. Brownie;

H. R. 2353. An act for the relief of Joel W. Atkinson;

H. R. 3311. An act for the relief of Carmen Morales, Aide Morales, and Lydia Cortes;

H. R. 3324. An act for the relief of the estate of the late Anastacio Acosta, and the estate of Domingo Acosta Arizmendi;

H. R. 3444. An act to provide for the collection and publication of cotton statistics;

H. R. 3603. An act for the relief of Michael Palazotta;

H. R. 3992. An act for the relief of J. L. Hitt;

H. R. 4392. An act to provide for the payment of compensation to the Swiss Government for losses and damages inflicted on Swiss territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriation therefor;

H. R. 4471. An act to regulate the hours of duty and the pay of civilian keepers of lighthouses and civilians employed on lightships and other vessels of the Coast Guard;

H. R. 4516. An act to amend section 312 of the Officer Personnel Act of 1947, as amended, so as to provide for the retention of certain officers of the Medical and Dental Corps of the Navy;

H. R. 4878. An act to authorize certain Government printing, binding, and blank-book work elsewhere than at the Government Printing Office if approved by the Joint Committee on Printing; and

H. J. Res. 276. Joint resolution granting certain extensions of time for tax purposes.

On June 24, 1949:

H. R. 4332. An act to amend the National Bank Act and the Bretton Woods Agreements Act, and for other purposes.

ADJOURNMENT

Mr. BAILEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p. m.), under its previous order, the House adjourned until Monday, June 27, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

712. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill entitled "A bill to amend the act of July 24, 1941 (55 Stat. 605), as amended, so as to provide an equitable adjustment of retired pay for certain naval officers, and for other purposes"; to the Committee on Armed Services.

713. A letter from the Acting Administrator, Federal Security Agency, transmitting a report in accordance with section 2 (c) (1) of Public Law 642 of the Eightieth Congress, showing the total amount paid as benefits under title II of the Social Security Act which would not have been paid had the amendment made by subsection (a) been in effect on and after August 14, 1935"; to the Committee on Ways and Means.

714. A letter from the Comptroller General of the United States, transmitting a report concerning certain policies and procedures which apparently have been adopted by the Veterans' Administration in connection with the declaration and payment from the national service life insurance fund of a dividend to policyholders of national service life insurance; to the Committee on Veterans' Affairs.

715. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal, and lists or schedules, or parts of lists or schedules, covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BATES of Kentucky: Committee of conference. H. R. 3082. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District (Rept. No. 900). Ordered to be printed.

Mr. DELANEY: Committee on Rules. House Resolution 265. Resolution for consideration of H. R. 3191, a bill to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes"; without amendment (Rept. No. 901). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 266. Resolution for consideration of H. R. 2699, a bill to amend the Federal Farm Loan Act, as amended, to authorize loans through national farm-loan associations in Puerto Rico, to modify the limitations on Federal land-bank loans to any one borrower; to repeal provisions for subscriptions to paid-in surplus of Federal land banks and cover the entire amount appropriated therefor into the surplus fund of the Treasury; to effect certain economies in reporting and recording payments on mortgages deposited with the registrars as bond collateral, and canceling the mortgage and satisfying and discharging the lien of record; and for other purposes; without amendment (Rept. No. 902). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 267. Resolution for consideration of H. R. 2960, a bill to amend the Rural Electrification Act to provide for rural telephones, and for other purposes; without amendment (Rept. No. 903). Referred to the House Calendar.

Mr. HERLONG: Committee on Post Office and Civil Service. H. R. 1516. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1948, so as to provide annual automatic within-grade promotions for hourly employees of the custodial service; with an amendment (Rept. No. 904). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 4446. A bill to protect the public with respect to practitioners before administrative agencies; with amendments (Rept. No. 905). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 4705. A bill to transfer the office of the probation officer of the United States District Court for the District of Columbia, the office of the Registrar of Wills for the District of Columbia, and the Commission on Mental Health from the government of the District of Columbia to the Administrative Office of the United States Courts for budgetary and administrative purposes; without amendment (Rept. No. 906). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE of California: Committee on Public Lands. H. R. 388. A bill to permit the mining, development, and utilization of the mineral resources of all public lands withdrawn or reserved for power development, and for other purposes; with an amendment (Rept. No. 909). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 4353. A bill to amend section 2 of the act of January 29, 1942 (56 Stat. 21), relating to the refund of taxes illegally paid by Indian citizens; with an amendment (Rept. No. 910). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 3275. A bill to provide for the sale or other disposal of certain submarginal lands located within the boundaries of Indian reservations in the States of Montana, North Dakota, and South Dakota; with an amendment (Rept. No. 911). Referred to the Committee of the Whole House on the State of the Union.

Mrs. NORTON: Committee on House Administration. H. R. 3199. A bill making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers; with an amendment (Rept. No. 912). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 5299. A bill for the relief of Mrs. Giovanna Follo Discepolo and her three children; with an amendment (Rept. No. 907). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on Public Lands. H. R. 5205. A bill to quitclaim certain property in Enid, Okla., to H. B. Bass; without amendment (Rept. No. 908). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GREEN:

H. R. 5320. A bill to provide for direct Federal loans to meet the housing needs of moderate-income families, to provide liberalized credit to reduce the cost of housing for such families, and for other purposes; to the Committee on Banking and Currency.

By Mr. HELLER:

H. R. 5321. A bill to provide that certain Reserve officers shall be afforded a hearing before Army retiring boards on their entitlement to retirement pay; to the Committee on Armed Services.

By Mr. PETERSON:

H. R. 5322. A bill to provide price support for natural sponges; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 5323. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ALLEN of Louisiana:

H. R. 5324. A bill to increase the rates of compensation of certain employees of the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. HELLER:

H. R. 5325. A bill relating to the income restrictions placed upon the payment of certain pensions to the widows and children of veterans of World Wars I and II; to the Committee on Veterans' Affairs.

By Mr. JENKINS:

H. R. 5326. A bill to amend the Tariff Act of 1930 to add to the free list articles temporarily imported for display at shows, fairs, ex-

positions, and other exhibitions; to the Committee on Ways and Means.

By Mr. WALTER:

H. R. 5327. A bill to continue until the close of June 30, 1950, the suspension of duties and import taxes on metal scrap, and for other purposes; to the Committee on Ways and Means.

By Mr. WELCH of California:

H. R. 5328. A bill authorizing the Secretary of the Army to convey certain lands to the city and county of San Francisco; to the Committee on Armed Services.

By Mr. GREEN:

H. R. 5329. A bill to create a presumption of service connection for World War II veterans in certain cases of tuberculosis disease and neuropsychiatric disease; to the Committee on Veterans' Affairs.

By Mr. KEE:

H. R. 5330. A bill to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to the Republic of Korea; to the Committee on Foreign Affairs.

By Mr. RANKIN (by request):

H. R. 5331. A bill to authorize an equitable adjustment of certain national service life insurance policies; to the Committee on Veterans' Affairs.

By Mr. BOGGS of Louisiana:

H. R. 5332. A bill to amend section 3 of the act of June 18, 1934, relating to the establishment of foreign-trade zones; to the Committee on Ways and Means.

By Mr. DENTON:

H. R. 5333. A bill to provide for the advance planning of public works; to the Committee on Public Works.

By Mr. WHITTEN:

H. J. Res. 281. Joint resolution to authorize the President to issue posthumously to the late John Sidney McCain, vice admiral, United States Navy, a commission as admiral, United States Navy, and for other purposes; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 5334. A bill for the relief of Mr. and Mrs. Antonio Mennonna; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 5335. A bill for the relief of Dr. Grant R. Elliott; to the Committee on the Judiciary.

By Mr. GREEN:

H. R. 5336. A bill for the relief of Stephen J. Gromczyk; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 5337. A bill for the relief of Mrs. Robert P. Horrell; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 5338. A bill for the relief of Richard J. Casilli; to the Committee on the Judiciary.

By Mr. O'TOOLE:

H. R. 5339. A bill for the relief of Frank J. La Barbara; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 5340. A bill for the relief of Leslie Geiger, Israel Wagner, Esther Rebeka Wagner, Feiwel Wagner, Emory Jerome, Elizabeth Jerome, Agnes Rosenberg, Tibor Horvath, Agnes Bosckor Horvath, Jenta Rottenberg, Frank Papp, Valera Stritz Papp, Frank Papp, Jr., Ervin Atlas, Magdalene Atlas, Elmer Stern, Elizabeth Wettenstein Stern, Imre Gyongy, Alice Ehrenfield Gyongy, and Adrienne Gyongy; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 5341. A bill for the relief of Joseph W. Greer; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

1150. By Mr. MASON: Petition of 100 citizens of Sandwich, Ill., urging passage of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and the broadcasting of alcoholic-beverage advertising over the radio; to the Committee on Interstate and Foreign Commerce.

1151. By Mrs. ST. GEORGE: Petition favoring the prohibition of transportation of alcoholic beverages and the prohibition of the advertising of alcoholic beverages in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

1152. By the SPEAKER: Petition of J. S. Crider and others, Junction City, Kans., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1153. Also, petition of Chas. A. Brandow and others, North East, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1154. Also, petition of Sarah E. Davis and others, Philadelphia, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1155. Also, petition of Margie Walmer and others, Palmyra, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1156. Also, petition of Elizabeth Dibble and others, Shinglehouse, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1157. Also, petition of Mrs. Nettie Biggs and others, Fort Scott, Kans., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1158. Also, petition of Albert Lees and others, Blaine, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1159. Also, petition of D. S. Williams and others, Alvin, Tex., requesting passage of H. R. 2135 and H. R. 2136, known as the Townsend plan; to the Committee on Ways and Means.

1160. Also, petition of Jack Smith and others, Shelton, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

MONDAY, JUNE 27, 1949

(Legislative day of Thursday, June 2, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou, who dost speak to listening hearts in the holy hush of the dawn and in the brooding quietness of the evening, speak to us now in the heat and burden of noontide's toiling. As we come to the high altar of patriotism in this temple of the people's hope and trust, may it be with clear minds, clean hands, and courageous hearts.

Help us this new day to meet its joys with gratitude, its difficulties with fortitude, its duties with fidelity.

In all deliberations of this day and of this week, keep our motives clean, our speech guarded, our appraisals fair, and our consciences unbetrayed. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 24, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 24, 1949:

S. 1023. An act to amend section 9 of the Civil Service Retirement Act of May 29, 1930, as amended, so as to grant credit in accordance with such section for service for which, through inadvertence, no deductions from salary are made;

S. 1127. An act to amend sections 130 and 131 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the notice to be given upon a petition for probate of a will, and to the probate of such will;

S. 1131. An act to amend sections 260, 267, 309, 315, 348, 350, and 361 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide that estates of decedents being administered within the probate court may be settled at the election of the personal representative of the decedent in that court 6 months after his qualifications as such personal representative;

S. 1132. An act to amend section 137 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, relating to the time within which a caveat may be filed to a will after the will has been probated; and

S. 1135. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, to provide a family allowance and a simplified procedure in the settlement of small estates.

On June 25, 1949:

S. 979. An act to amend section 9 of the act of May 22, 1928, as amended, authorizing and directing a national survey of forest resources; and

S. 1659. An act granting the consent and approval of Congress to an interstate forest fire protection compact.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 750. An act for the relief of Lee F. Bertuccioli;

H. R. 2709. An act for the relief of Sadae Aoki;

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes;

H. R. 3082. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenue of such District for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 3333. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 3458. An act for the relief of Celeste Iris Maeda; and

H. R. 3997. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Baldwin	Holland	Murray
Bricker	Humphrey	Neely
Butler	Hunt	O'Mahoney
Byrd	Ives	Reed
Cain	Jenner	Robertson
Chapman	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Connally	Johnston, S. C.	Smith, Maine
Cordon	Kefauver	Sparkman
Donnell	Kem	Taft
Douglas	Kerr	Taylor
Downey	Knowland	Thomas, Okla.
Ferguson	Lucas	Thomas, Utah
Flanders	McCarran	Thye
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
George	McGrath	Watkins
Gillette	McKellar	Wherry
Graham	McMahon	Williams
Green	Malone	Withers
Gurney	Martin	Young
Hayden	Miller	
Hendrickson	Millikin	

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. LONG], and the Senator from Georgia [Mr. RUSSELL] are detained on official business in meetings of committees of the Senate.

The Senator from Washington [Mr. MAGNUSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America, to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the junior Senator from New Hampshire [Mr. TOBEY], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Indiana [Mr. CAPEHART] is absent because of his attendance at the funeral of a member of his family.

The Senator from Iowa [Mr. HICKENLOOPER] is absent on public business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from North Dakota [Mr. LANGER] and the Senator from Wisconsin [Mr. MCCARTHY] are detained on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

By order of the Senate, the following announcement is made:

The members of the Joint Committee on Atomic Energy are in attendance at a meeting of the said committee in connection with an investigation of the affairs of the Atomic Energy Commission.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Members of the Senate be permitted to introduce bills and joint resolutions and present for the RECORD petitions and memorials and other routine matters, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ASSISTANCE TO PEOPLES OF CERTAIN UNDERDEVELOPED AREAS (H. DOC. NO. 240)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

In order to enable the United States, in cooperation with other countries, to assist the peoples of economically underdeveloped areas to raise their standards of living, I recommend the enactment of legislation to authorize an expanded program of technical assistance for such areas, and an experimental program for encouraging the outflow of private investment beneficial to their economic development. These measures are the essential first steps in an undertaking which will call upon private enterprise and voluntary organizations in the United States, as well as the Government, to take part in a constantly growing effort to improve economic conditions in the less developed regions of the world.

The grinding poverty and the lack of economic opportunity for many millions of people in the economically underdeveloped parts of Africa, the Near and Far East, and certain regions of Central and South America constitute one of the greatest challenges of the world today. In spite of their age-old economic and social handicaps, the peoples in these areas have in recent decades been stirred and awakened. The spread of industrial civilization, the growing understanding of modern concepts of government, and the impact of two world wars have changed their lives and their outlook. They are eager to play a greater part in the community of nations.

All these areas have a common problem. They must create a firm economic base for the democratic aspirations of their citizens. Without such an economic base they will be unable to meet the expectations which the modern world has aroused in their peoples. If they are frustrated and disappointed they may turn to false doctrines which hold that the way of progress lies through tyranny.

For the United States the great awakening of these peoples holds tremendous promise. It is not only a promise that new and stronger nations will be associated with us in the cause of human freedom, it is also a promise of new economic strength and growth for ourselves.

With many of the economically underdeveloped areas of the world we have long had ties of trade and commerce. In many instances today we greatly need the products of their labor and their resources. If the productivity and the purchasing power of these countries are expanded our own industry and agriculture will benefit. Our experience shows that the volume of our foreign trade is far greater with highly developed countries than it is with countries having a low standard of living and inadequate industry. To increase the output and the national income of the less-developed regions is to increase our own economic stability.

In addition, the development of these areas is of utmost importance to our efforts to restore the economies of the free European nations. As the economies of the underdeveloped areas expand they will provide needed products for Europe and will offer a better market for European goods. Such expansion is an essential part of the growing system of world trade which is necessary for European recovery.

Furthermore, the development of these areas will strengthen the United Nations and the fabric of world peace. The preamble to the Charter of the United Nations states that the economic and social advancement of all people is an essential bulwark of peace. Under article 56 of the Charter, we have promised to take separate action and to act jointly with other nations "to promote higher standards of living, full employment, and conditions of economic and social progress and development."

For these various reasons, assistance in the development of the economically underdeveloped areas has become one of the major elements of our foreign policy. In my inaugural address, I outlined a program to help the peoples of these areas to attain greater production as a way to prosperity and peace.

The major effort in such a program must be local in character; it must be made by the people of the underdeveloped areas themselves. It is essential, however, to the success of their effort that there be help from abroad. In some cases, the peoples of these areas will be unable to begin their part of this great enterprise without initial aid from other countries.

The aid that is needed falls roughly into two categories. The first is the technical, scientific, and managerial knowledge necessary to economic development. This category includes not only

medical and educational knowledge, and assistance and advice in such basic fields as sanitation, communications, road building, and governmental services, but also, and perhaps most important, assistance in the survey of resources and in planning for long-range economic development.

The second category is production goods—machinery and equipment—and financial assistance in the creation of productive enterprises. The underdeveloped areas need capital for port and harbor development, roads, and communications, irrigation and drainage projects, as well as for public utilities and the whole range of extractive, processing, and manufacturing industries. Much of the capital required can be provided by these areas themselves, in spite of their low standards of living. But much must come from abroad.

The two categories of aid are closely related. Technical assistance is necessary to lay the groundwork for productive investment. Investment, in turn, brings with it technical assistance. In general, however, technical surveys of resources and of the possibilities of economic development must precede substantial capital investment. Furthermore, in many of the areas concerned, technical assistance in improving sanitation, communications, or education is required to create conditions in which capital investment can be fruitful.

This country, in recent years, has conducted relatively modest programs of technical cooperation with other countries. In the field of education, channels of exchange and communication have been opened between our citizens and those of other countries. To some extent, the expert assistance of a number of Federal agencies, such as the Public Health Service and the Department of Agriculture, has been made available to other countries. We have also participated in the activities of the United Nations, its specialized agencies, and other international organizations to disseminate useful techniques among nations.

Through these various activities we have gained considerable experience in rendering technical assistance to other countries. What is needed now is to expand and integrate these activities and to concentrate them particularly on the economic development of underdeveloped areas.

Much of the aid that is needed can be provided most effectively through the United Nations. Shortly after my inaugural address this Government asked the Economic and Social Council of the United Nations to consider what the United Nations and the specialized international agencies could do in this program.

The Secretary General of the United Nations thereupon asked the United Nations secretariat and the secretariats of the specialized international agencies to draw up cooperative plans for technical assistance to underdeveloped areas. As a result, a survey was made of technical projects suitable for these agencies in such fields as industry, labor, agriculture, scientific research with respect to natural resources, and fiscal management. The total cost of the program submitted as a result of this survey was estimated to be about $35,000,000 for the first year. It is expected that the United Nations and the specialized international agencies will shortly adopt programs for carrying out projects of the type included in this survey.

In addition to our participation in this work of the United Nations, much of the technical assistance required can be provided directly by the United States to countries needing it. A careful examination of the existing information concerning the underdeveloped countries shows particular need for technicians and experts with United States training in plant and animal diseases, malaria and typhus control, water supply and sewer systems, metallurgy and mining, and nearly all phases of industry.

It has already been shown that experts in these fields can bring about tremendous improvements. For example, the health of the people of many foreign communities has been greatly improved by the work of United States sanitary engineers in setting up modern water supply systems. The food supply of many areas has been increased as the result of the advice of United States agricultural experts in the control of animal diseases and the improvement of crops. These are only examples of the wide range of benefits resulting from the careful application of modern techniques to local problems. The benefits which a comprehensive program of expert assistance will make possible can only be revealed by studies and surveys undertaken as a part of the program itself.

To inaugurate the program I recommend a first year appropriation of not to exceed $45,000,000. This includes $10,000,000 already requested in the 1950 budget for activities of this character. The sum recommended will cover both our participation in the programs of the international agencies and the assistance to be provided directly by the United States.

In every case, whether the operation is conducted through the United Nations, the other international agencies, or directly by the United States, the country receiving the benefit of the aid will be required to bear a substantial portion of the expense.

The activities necessary to carry out our program of technical aid will be diverse in character and will have to be performed by a number of different Government agencies and private instrumentalities. It will be necessary to utilize not only the resources of international agencies and the United States Government, but also the facilities and the experience of the private business and nonprofit organizations that have long been active in this work.

Since a number of Federal agencies will be involved in the program, I recommend that the administration of the program be vested in the President, with authority to delegate to the Secretary of State and to other Government officers, as may be appropriate. With such administrative flexibility, it will be possible to modify the management of the program as it expands and to meet the practical problems that will arise in its administration in the future.

The second category of outside aid needed by the underdeveloped areas is the provision of capital for the creation of productive enterprises. The International Bank for Reconstruction and Development and the Export-Import Bank have provided some capital for underdeveloped areas, and as the economic growth of these areas progresses, should be expected to provide a great deal more. In addition, private sources of funds must be encouraged to provide a major part of the capital required.

In view of the present troubled condition of the world—the distortion of world trade, the shortage of dollars, and other aftereffects of the war—the problem of substantially increasing the flow of American capital abroad presents serious difficulties. In all probability novel devices will have to be employed if the investment from this country is to reach proportions sufficient to carry out the objectives of our program.

All countries concerned with the program should work together to bring about conditions favorable to the flow of private capital. To this end we are negotiating agreements with other countries to protect the American investor from unwarranted or discriminatory treatment under the laws of the country in which he makes his investment.

In negotiating such treaties we do not, of course, ask privileges for American capital greater than those granted to other investors in underdeveloped countries or greater than we ourselves grant in this country. We believe that American enterprise should not waste local resources, should provide adequate wages and working conditions for local labor, and should bear an equitable share of the burden of local taxes. At the same time, we believe that investors will send their capital abroad on an increasing scale only if they are given assurance against risk of loss through expropriation without compensation, unfair or discriminatory treatment, destruction through war or rebellion, or the inability to convert their earnings into dollars.

Although our investment treaties will be directed at mitigating such risks, they cannot eliminate them entirely. With the best will in the world a foreign country, particularly an underdeveloped country, may not be able to obtain the dollar exchange necessary for the prompt remittance of earnings on dollar capital. Damage or loss resulting from internal and international violence may be beyond the power of our treaty signatories to control.

Many of these conditions of instability in underdeveloped areas which deter foreign investment are themselves a consequence of the lack of economic development which only foreign investment can cure. Therefore, to wait until stable conditions are assured before encouraging the outflow of capital to underdeveloped areas would defer the attainment of our objectives indefinitely. It is necessary to take vigorous action now to break out of this vicious circle.

Since the development of underdeveloped economic areas is of major importance in our foreign policy, it is appropriate to use the resources of the Government to accelerate private efforts toward that end. I recommend, therefore, that the Export-Import Bank be authorized to guarantee United States private capital, invested in productive enterprises abroad which contribute to economic development in underdeveloped areas, against the risks peculiar to those investments.

This guarantee activity will at the outset be largely experimental. Some investments may require only a guarantee against the danger of incontrovertibility, others may need protection against the danger of expropriation and other dangers as well. It is impossible at this time to write a standard guarantee. The bank will, of course, be able to require the payment of premiums for such protection, but there is no way now to determine what premium rates will be most appropriate in the long run. Only experience can provide answers to these questions.

The bank has sufficient resources at the present time to begin the guarantee program and to carry on its lending activities as well without any increase in its authorized funds. If the demand for guaranties should prove large, and lending activities continue on the scale expected, it will be necessary to request the Congress at a later date to increase the authorized funds of the bank.

The enactment of these two legislative proposals, the first pertaining to technical assistance and the second to the encouragement of foreign investment, will constitute a national endorsement of a program of major importance in our efforts for world peace and economic stability. Nevertheless, these measures are only the first steps. We are here embarking on a venture that extends far into the future. We are at the beginning of a rising curve of activity, private, governmental and international, that will continue for many years to come. It is all the more important, therefore, that we start promptly.

In the economically underdeveloped areas of the world today there are new creative energies. We look forward to the time when these countries will be stronger and more independent than they are now, and yet more closely bound to us and to other nations by ties of friendship and commerce, and by kindred ideals. On the other hand, unless we aid the newly awakened spirit in these peoples to find the course of fruitful development, they may fall under the control of those whose philosophy is hostile to human freedom, thereby prolonging the unsettled state of the world and postponing the achievement of permanent peace.

Before the peoples of these areas we hold out the promise of a better future through the democratic way of life. It is vital that we move quickly to bring the meaning of that promise home to them in their daily lives.

HARRY S. TRUMAN.

THE WHITE HOUSE, *June 24, 1949.*

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

DISCONTINUANCE OF QUARTERLY REPORTS UNDER CONTRACT SETTLEMENT ACT OF 1944

A letter from Acting Secretary of the Treasury, transmitting a draft of proposed legislation to discontinue quarterly reports to the Congress under the Contract Settlement Act of 1944 (with an accompanying paper); to the Committee on the Judiciary.

INTERSTATE MOVEMENT AND SLAUGHTER OF CERTAIN DOMESTIC ANIMALS

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to tests for brucellosis or paratuberculosis; and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF AUDIT OF ACCOUNTS OF JOINT SENATE AND HOUSE RECORDING FACILITY

A letter from the Comptroller General of the United States, transmitting, pursuant to the request of the Clerk of the House of Representatives, an audit report of the accounts of the Joint Senate and House Recording Facility (with an accompanying report); to the Committee on Rules and Administration.

PAYMENT OF DIVIDEND UNDER NATIONAL SERVICE LIFE INSURANCE

A letter from the Comptroller General of the United States, transmitting, for the information of the Senate, a report concerning certain policies and procedures which apparently have been adopted by the Veterans' Administration in connection with the declaration and payment from the National Life Insurance Fund of a dividend to policyholders of National Service Life Insurance (with an accompanying paper); to the Committee on Finance.

REPORT ON BENEFITS PAID UNDER TITLE II, SOCIAL SECURITY ACT

A letter from the Acting Administrator, Federal Security Agency, reporting, pursuant to law, the amount paid as benefits under title II of the Social Security Act; to the Committee on Finance.

AMENDMENT OF PUBLIC HEALTH SERVICE ACT RELATING TO LEAVE OF CERTAIN COMMISSIONED OFFICERS

A letter from the Acting Administrator, Federal Security Agency, transmitting a draft of proposed legislation to amend the Public Health Service Act to authorize annual and sick leave with pay for commissioned officers of the Public Health Service, to authorize the payment of accumulated and accrued annual leave in excess of 60 days, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

EMPLOYMENT OF FOREIGN TEMPORARY AGRICULTURAL WORKERS

A letter from the Acting Administrator, Federal Security Agency, transmitting a draft of proposed legislation to authorize the Federal Security Administrator to coordinate the arrangements for the employment of agricultural workers admitted for temporary agricultural employment from foreign countries in the Western Hemisphere, to assure that the migration of such workers will be limited to the minimum numbers required to meet domestic labor shortages and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 40

"Joint resolution relative to memorializing the President and the Congress of the United States to take whatever steps are necessary to release unneeded Army, Navy, Air Force, and Marine Corps warehouse space in the San Francisco Bay area and Stockton-Tracy area for the storage of the California cotton crop, and to make a survey of the feasibility of using ships which are owned by the Federal Government and anchored in Suisun Bay for such storage purposes

"Whereas California produced 950,000 bales of cotton in 1948 and it is expected that the cotton crop in California will reach the new high of 1,250,000 bales in 1949; and

"Whereas there is at the present time only enough warehouse space in California, suitable for the storage of cotton, to take care of about one-half of the expected crop; and

"Whereas this shortage of storage space will necessitate the shipping of much of the cotton to New Orleans or Houston for storage, at far greater expense to the farmers of California and with a resulting loss of employment to California workers; and

"Whereas storage space which would be suitable for cotton storage exists in the San Francisco Bay area and Stockton-Tracy area in idle or little used Army, Navy, Air Force, and Marine Corps warehouses; and

"Whereas ships which are owned by the Federal Government and are now anchored in Suisun Bay might also possibly be suitable for cotton storage: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly).* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take whatever steps are necessary to release unneeded Army, Navy, Air Force, and Marine Corps warehouse space in the San Francisco Bay area and Stockton-Tracy area for the storage of the California cotton crops and to make a survey of the feasibility of using ships which are owned by the Federal Government and are anchored in Suisun Bay for such storage purposes; and be it further

"*Resolved,* That it is the purpose of this resolution that the management and operation of warehouses or storage space released be vested, under lease or sale, in private ownership, consistent with current competitive rates within the district; and be it further

"*Resolved,* That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Defense, to the Secretary of Agriculture, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Assembly Joint Resolution 38

"Joint resolution relative to the Sacramento River flood-control project

"Whereas the Congress of the United States has provided for the construction of flood-control works in the Sacramento River flood-control project; and

"Whereas the northern boundary of the Sacramento River flood-control project is near Chico Landing; and

"Whereas adequate flood protection for areas adjacent to Sacramento River can be

obtained only if works are constructed north to the vicinity of Red Bluff, Calif.; and

"Whereas the lives and property of many residents of California are dependent upon the construction of adequate flood protection along the Sacramento River and its tributaries: Now, therefore, be it

"Resolved, by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States to extend the northern boundary of the Sacramento River flood-control project to 1 miles north of Red Bluff, Calif., and to provide sufficient funds for the construction of adequate flood-control works along the Sacramento River and its tributaries; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution adopted by the National Savings and Loan League, of Washington, D. C., favoring the confirmation of the nomination of O. K. LaRoque to be a member of the Home Loan Bank Board; to the Committee on Banking and Currency.

A resolution adopted by the Beth Isaac Adath Israel Sisterhood, of Baltimore, Md., protesting against the enactment of legislation providing a change in the present calendar; to the Committee on Foreign Relations.

Resolution adopted by the McLean County, Ill., Medical Society, and the Omaha Area Hospital Council, of Omaha, Nebr., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Kentucky Federation of Business and Professional Women's Clubs, of Lexington, Ky., favoring the enactment of legislation providing Federal aid to education; to the Committee on Labor and Public Welfare.

RESOLUTIONS OF CONVENTION OF KEY CLUB INTERNATIONAL, WASHINGTON, D. C.

Mr. HOEY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, resolutions adopted by the sixth annual convention, Key Club International, at Washington, D. C., March 25–26, 1949, relating to the exemption of Federal admission tax on school entertainments, amusements, and athletic contests, and other legislation pending in Congress.

There being no objection, the resolutions were referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY SIXTH ANNUAL CONVENTION, KEY CLUB INTERNATIONAL, WASHINGTON, D. C., MARCH 25–26, 1949

1. Whereas it is desired by this convention to thank the city of Washington, D. C., and the Key Clubs of the surrounding area for their cordial hospitality; be it

Resolved, That Key Club International express our appreciation in formal letters to all parties concerned.

2. Whereas the profits derived from school entertainments, amusements, and athletic contests are generally utilized in furthering the educational achievements of the students; be it

Resolved, That we, the members of Key Club International, ask the Congress of the United States to provide for the exemption of Federal admission tax on school entertainments, amusements, and athletic contests, the proceeds of which are used for educational purposes, and that we take active participation in any action toward this goal.

3. *Be it resolved*, That the delegates assembled at this sixth annual convention of Key Club International go on record in reaffirming its stand as opposed to the principles and ideals of communism and commending the governments of the world who stand in opposition to these principles and uphold the freedom, rights, and privileges of man.

4. *Be it resolved*, That Key Club International go on record as favoring the 70-group Air Force.

5. *Be it resolved*, That Key Club International favors the Hoover plan for reorganization of Government administration.

6. *Be it resolved*, That Key Club International favors the reduction of voting age to 18 years.

7. *Be it resolved*, That Key Club International favors a constitutional amendment whereby the President and Vice President of the United States would be elected by popular vote.

8. *Be it resolved*, That Key Club International work for the promotion of the sales of peacetime savings bonds.

9. *Be it resolved*, That a member of a Key Club from the Dominion of Canada be named to the International Key Club committee on resolutions.

10. *Be it resolved*, That key clubs will continue to strengthen the bonds of friendship between the United States and Canada.

Respectfully submitted.

ALBERT S. HALE, Jr.,
Lieutenant Governor, Carolinas District, Key Club International.

INTERGOVERNMENTAL RELATIONS—RESOLUTION OF GOVERNORS' CONFERENCE

Mr. HENDRICKSON. Mr. President, on June 13, 1949, there was reported by the Committee on Expenditures in the Executive Departments Senate bill 1946, to establish a permanent National Commission on Intergovernmental Relations.

At the call of the calendar on June 21 there was objection to this measure based upon a telegram from the CIO.

In view of this objection I invite the attention of the Senate to a resolution on intergovernmental relations adopted at the Governors' Conference last week at Colorado Springs. I ask unanimous consent that a copy of the resolution be appropriately referred and printed in the body of the RECORD at this point in my remarks.

There being no objection, the resolution was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

RESOLUTION ON INTERGOVERNMENTAL RELATIONS

On many occasions the Governors' Conference has urged the desirability of a comprehensive appraisal of the relationships among local, State, and Federal Governments. It has called attention to the fact that such relationshuips have developed in a haphazard manner without definite pattern and not in accordance with an over-all policy.

The recent study made by the task force on Federal-State relations of the Commission on Organization of the Executive Branch of the Government agreed with the Governors' Conference that an official study of the whole question should be made. The Commission itself made this proposal one of its major recommendations.

In accordance with these resolutions and recommendations, a bill has been introduced in Congress—S. 1946—which would establish a commission to explore thoroughly intergovernmental relations in the light of present-day conditions. Representatives of the executive committee of the Governors' Conference have testified in favor of such a bill, as have representatives of Federal departments, municipalities, and counties.

The Governors' Conference urges the Congress of the United States to enact this measure.

THE LONGSHOREMEN'S STRIKE IN HAWAII

Mr. BUTLER. I present for appropriate reference and ask unanimous consent to have printed in the body of the RECORD a resolution covering the strike situation in Hawaii, which I have received from the executive committee of the Bar Association of the Territory of Hawaii.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas from a study of Federal and State reports and documents, a reading of the testimony and writings of confessed former Communists, the public statements of prominent national labor leaders, and the personal knowledge of the members of this executive committee concerning the present state of public opinion and morale in the Territory of Hawaii, it appears that—

1. The Communist movement exists in the United States, not as a political party conceived and maintained in the American tradition, but as a subversive group serving the ends of a foreign power;

2. The serious concern which the Government of the United States holds about this matter is demonstrated by the prosecution at this very moment in New York City of national Communist leaders;

3. Communist strategy of political and economic penetration calls for the secret control of certain labor unions, so that at opportune times the critical facilities of the United States may be seized or misdirected;

4. No labor union can be truly free if dominated by Communist leaders, because the interests of the workers are subordinated to the aims of Communist leaders, the ultimate effect of which is that the rights of labor are restricted rather than enlarged;

5. The Communist movement has for some time existed and has been expanding in the Territory of Hawaii, masking its subversive designs with appearances of worthy purpose;

6. Communist leadership is asserted to be strongly entrenched in the ILWU (International Longshoremen's and Warehousemen's Union), whose president, Harry Bridges, was in 1948 listed as a Communist officer in a booklet prepared for the American workingman by the Committee on Un-American Activities of the United States House of Representatives;

7. Many other officers of the ILWU, including some local and San Francisco leaders now in the Territory of Hawaii directing strike operations and public relations, are reputed to be militant Communists;

8. Leaders of the ILWU have refused to file non-Communist affidavits with the National Labor Relations Board, thus causing the workers they represent to be denied advantages of Federal laws which exist for the protection and betterment of labor;

9. The present longshore strike in Hawaii was and is, on labor's side of the dispute, solely the action and responsibility of the ILWU and of no other union;

10. There are now present in the Territory of Hawaii serious signs of economic dislocation and social unrest, caused by the immediate and the anticipated destructive effect of the present strike upon persons in all walks of life, upon all businesses, and upon striking and nonstriking workers, and upon the Territorial government and its finances;

11. A growing public awareness of the foregoing matters has caused many persons in Hawaii to believe that the longshore strike may be a Communist stratagem, disguised as an ordinary labor dispute but actually fostered for an ulterior purpose detrimental to the welfare of the United States;

12. The public interest of the United States and of the Territory of Hawaii, and the dignity and rights of workers who may be misled and their union leaders who may be wrongfully accused, require that, (A) if this strike is simply a legitimate labor dispute, the public be so informed in order that a proper and confident public perspective of the situation may be achieved and the ILWU leadership may be cleared of any suspicion, or (B) if subversive leaders have created or are maintaining this strike, they be exposed in order that the ILWU general membership and the public may take all necessary corrective action; and

13. Information necessary to resolve the questions just stated is not available to the public, and it is therefore necessary that the United States Government exercise its lawful powers to find and publish the pertinent facts: Now, therefore, be it

Resolved by the executive committee of the Bar Association of Hawaii, in special meeting for this purpose called, That the Attorney General of the United States, as the appropriate representative fo the President, be requested to cause the proper officers or agencies of the Department of Justice immediately to make such investigation as may appear warranted in the premises, and that the Atttorney General cause to be published his conclusions found from such investigation; and be it further

Resolved, That the Vice President of the United States, as Presiding Officer of the Senate, and the Speaker of the House of Representatives be requested to cause immediately to be made by their Houses or the committees thereof such investigation as may appear warranted in the premises, and that they cause to be published the conclusions found from such investigation; and be it further

Resolved, That copies of this resolution be sent to the President, the Vice President, the Speaker, the Attorney General, the Secretary of the Interior, the Secretary of Labor, the Secretary of National Defense, the Governor of Hawaii, the Delegate to Congress from Hawaii, and to such other persons and organizations as the president of the Bar Association may determine.

I certify that the foregoing resolution was adopted by the executive committee of the Bar Association of Hawaii on the 20th day of May A. D. 1949, by an unanimous vote of the committee with the exception of C. Nils Tavares who disqualified himself due to his membership on the Federal Loyalty Board.

Dated June 16, 1949.

J. DUNCAN HUNT,
Secretary of Bar Association of Hawaii.

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Where Tojo Failed, Bridges Succeeds," from the Los Angeles Times, reprinted in the Honolulu Advertiser of June 22, 1949. The editorial originally appeared in the Los Angeles Times. It deals with the strike which has prevailed in the Hawaiian Islands since April 30. It is reported that there are about 2,000 members in the union engaged in the strike, and only 500 of those members are citizens of the United States.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHERE TOJO FAILED, BRIDGES SUCCEEDS

(From the Los Angeles Times)

For a while after Pearl Harbor, the greatest concern of every American was the safety of Hawaii. Anxiety did not cease even with the battle of Midway. Hawaii was not only the key base of the Pacific; it was a community of imperiled Americans—almost the forty-ninth State.

Things have changed. After Pearl Harbor the Japanese never raided the islands and could not blockade them. But Hawaii is blockaded now. The CIO blockade is the most successful operation of its kind since the German U-boats very nearly starved out Britain, just before we got into World War I.

"Mainland" Americans seem to be strangely uninformed, or perhaps merely uninterested, in the Hawaiian blockade.

President Truman is excepted from this indictment, for he said that he is very actively interested. But he also said, at the same time, that he has no power to deal with the Hawaiian strike, which is imposed by the International Longshoremen's and Warehousemen's Union; Harry Bridges, president.

This is even stranger than the general indifference to Hawaii's plight. For President Truman also said, in the course of the debate over a new national labor law, that the injunctive power in the Taft-Hartley law is unnecessary because the President has an inherent power to deal with emergencies affecting the welfare of the American people. Well, then, injunctive power or no injunctive power, why doesn't Mr. Truman exercise his mandate? The Hawaiians are Americans in the same lawful standing as the citizens of Mr. Truman's State of Missouri, and their welfare should be equally Mr. Truman's concern.

As Commander in Chief of our armed forces Mr. Truman could authorize a multi-million-dollar air operation to feed our former enemies in Berlin, blockaded by the Russians. But, he says in effect, his powers fall short of being able to maintain normal supply to beleaguered Americans.

The strategy of the ILWU high command is simple. The strikers will not unload ships at Honolulu and the longshoremen of coast ports will not load ships destined for the islands. In consequence the Association of American Railroads issued an embargo against virtually all Hawaii-destined freight because the much-needed cars would not be unloaded at the coast docks.

The Hawaiian Islands cannot support their population without mainland supply. They are less able to produce food than England. They have a purely export economy, growing and processing and shipping cane sugar and pineapples. Cut the sea lanes and they die. No money crops go out, no food comes in. Few can work and everybody except the Army and Navy personnel face the threat of starvation.

Starvation of the islanders was in prospect when the ILWU graciously agreed to unload enough shipments of food and other "emergency" materials to sustain life.

The act of mercy was a taunt. If declared to anybody who might be listening that the life, liberty, and happiness of more than half a million people—as many as there are in Arizona and Nevada together—depended on the line of a Kremlin-bound, CIO affiliated union.

For there is no reason to doubt any more that the ILWU leadership follows the Communist line. Even CIO President Philip Murray has acknowledged the fact by his actions. Louis Budenz, backslid editor of the Daily Worker, said last August at a Honolulu hearing that Communists considered Hawaii the prime target for infiltration because of its role in the defense system. He added that the Communists probably had not been as successful as they would have liked, but 10 months later he might amend that observation.

Economic disorder and the threat of hunger are not the only penalties the ILWU has imposed on Hawaii. The union's command of the Islands has very likely postponed the day when they will become the forty-ninth State. Last year the House passed a bill to admit Hawaii, and it died in the Senate. But the halfway success encouraged Hawaiians to think that they would do better this year. Yet the event is on the contrary, and it is not difficult, as the Cleveland Plain Dealer points out, to ascertain the reason:

"The fact is the Congress does not relish the idea of admitting to the Union a new State which might conceivably send to Washington two Senators and a Representative who either would be members of the Communist Party or dominated by the Communist-controlled CIO Longshoremen's and Warehousemen's Union."

That is not free speculation: 2 years ago the ILWU almost won control of the Territorial Legislature.

This is probably the first time since Jefferson's day that an alien hand has exercised an effective influence in an important area of American affairs.

But Mr. Truman no doubt would call this hysteria.

CHINESE POLICY

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the record a letter addressed to the President of the United States, signed by 21 Senators, relative to our Chinese policy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 24, 1949.

HON. HARRY TRUMAN,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: The undersigned Members of the Senate have been greatly concerned by reports that this Government might be contemplating the recognition of the Communist regime in China.

Any such policy would appear to be inconsistent with the position this Government took in Greece and Turkey when the Truman doctrine was enunciated and with the substantial support we have given through the Marshall plan to the nations of western Europe and with the North Atlantic Pact against aggression in western Europe.

Communist control of China means the ultimate negation of the open door trade policy; loss of freedom and independence in a real sense for the people of China and a major victory for international communism with a corresponding threat to the national security of the United States.

We believe that the time has come for the adoption of an affirmative friendly policy toward the constitutional government of China and the forces opposing communism in that country.

We further believe that this Government should make it clear that no recognition of the Communist forces in China is presently contemplated and that we shall make clear

that a free, independent and non-Communist China will continue to have the friendship and assistance of the United States of America.

Respectfully yours,

WILLIAM F. KNOWLAND, PAT MCCARRAN, STYLES BRIDGES, WARREN MAGNUSON, OWEN BREWSTER, CLYDE REED, SHERIDAN DOWNEY, KARL MUNDT, HOMER FERGUSON, WAYNE MORSE, MILTON YOUNG, EDWARD THYE, SPESSARD HOLLAND, GUY CORDON, HARRY CAIN, ROBERT A. TAFT, RICHARD B. RUSSELL, JOHN BRICKER, RAYMOND BALDWIN, ED MARTIN, HUGH BUTLER.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOEY, from the Committee on Agriculture and Forestry:

H. R. 3825. A bill to amend the Federal Crop Insurance Act; with amendments (Rept. No. 592).

From the Committee on Expenditures in the Executive Departments:

H. R. 3549. A bill to permit the Comptroller General to pay claims chargeable against lapsed appropriations and to provide for the return of unexpended balances of such appropriations to the surplus fund; with amendments (Rept. No. 569).

By Mr. THYE, from the Committee on Agriculture and Forestry:

H. R. 3717. A bill to repeal the act of July 24, 1946, relating to the Swan Island Animal Quarantine Station; without amendment (Rept. No. 570).

By Mr. MCCARRAN, from the Committee on the Judiciary:

S. 507. A bill for the relief of Mrs. Lorraine Malone; without amendment (Rept. No. 574);

S. 563. A bill for the relief of the P. S. Cook Co.; with amendments (Rept. No. 589);

S. 1165. A bill to provide relief for the sheep-raising industry by making special quota immigration visas available to certain alien sheep herders; with amendments (Rept. No. 590);

S. 1394. A bill for the relief of Monroe Kelly, rear admiral, United States Navy, retired; without amendment (Rept. No. 575);

S. 1924. A bill for the relief of the estate of William Walter See; without amendment (Rept. No. 576);

H. R. 52. A bill for the relief of Nevada County, Calif.; without amendment (Rept. No. 577);

H. R. 599. A bill for the relief of Victor R. Browning & Co., Inc.; with amendments (Rept. No. 591);

H. R. 703. A bill conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Mrs. Oteein Foxworth; without amendment (Rept. No. 578);

H. R. 1009. A bill for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.; without amendment (Rept. No. 579);

H. R. 3017. A bill for the relief of Ramon G. Hunter and Arthur Nancett; without amendment (Rept. No. 580);

H. R. 3313. A bill for the relief of the estate of the late Manuel Graulau Velez; without amendment (Rept. No. 581);

H. R. 3320. A bill for the relief of Ignacio Colon Cruz; without amendment (Rept. No. 582);

H. R. 3321. A bill for the relief of Gloria Esther Diaz, Lydia Velez, and Gladys Prieto; without amendment (Rept. No. 583);

H. R. 3323. A bill for the relief of the estate of Rafael Rebollo; without amendment (Rept. No. 584);

H. R. 3720. A bill for the relief of Erwin F. Earl; without amendment (Rept. No. 585);

H. R. 4373. A bill for the relief of Ray G. Schneyer and Dorothy J. Schneyer; without amendment (Rept. No. 586);

H. R. 4559. A bill for the relief of Louis Brown; without amendment (Rept. No. 587); and

H. R. 4807. A bill for the relief of Robert A. Atlas; without amendment (Rept. No. 588).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 596. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of John E. Parker, his heirs, administrators, or assigns, against the United States; without amendment (Rept. No. 573).

By Mr. GRAHAM, from the Committe on the Judiciary:

H. R. 578. A bill for the relief of Carlton C. Grant and others; with amendments (Rept. No. 572).

By Mr. KERR, from the Committee on Interior and Insular Affairs:

S. 1361. A bill to authorize and direct the Secretary of the Interior to issue to John Grayeagle a patent in fee to certain land; without amendment (Rept. No. 571).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAIN:

S. 2144. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. TYDINGS:

S. 2145. A bill to amend the act of July 24, 1941 (55 Stat. 605), as amended, so as to provide an equitable adjustment of retired pay for certain naval officers, and for other purposes; to the Committee on Armed Services.

By Mr. MORSE:

S. 2146. A bill to provide certain additional rehabilitation assistance for veterans paralyzed from service-connected brain injury in order to remove an existing inequality; to the Committee on Labor and Public Welfare.

By Mr. DOWNEY:

S. 2147. A bill for the relief of Ivon Robert Heldenbergh; and

S. 2148. A bill for the relief of Guy N. Southwick; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 2149. A bill to amend the National Service Life Insurance Act of 1940 so as to permit the guardian of an incompetent insured individual to change the beneficiary of insurance issued thereunder; and

S. 2150. A bill for the relief of Kenneth Harley Olson; to the Committee on Finance.

By Mr. THYE (for himself and Mr. HILL):

S. 2151. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts; to the Committee on Armed Services.

(Mr. FLANDERS introduced Senate joint resolution 112, prohibiting the use of the atomic bomb as a weapon of warfare except in case of attack by a nation using same, which was referred to the Joint Committee on Atomic Energy, and appears under a separate heading.)

CONTROL OF ATOMIC BOMB

Mr. FLANDERS. Mr. President, I have a short joint resolution which I introduce for appropriate reference. The resolution is as follows:

Whereas the atomic bomb, like biological warfare and wholesale poison, is not properly a military device, directed against the armed forces of the enemy, but is rather a means for the mass murder of civilians; and

Whereas the United Nations has not yet been able to come to any satisfactory agreement as to the control of this powerful force, so that its application may assuredly be confined to peaceful purposes only; and

Whereas the United States would never become involved in military action except to defend itself or other free nations from attack: Therefore be it

Resolved, etc., That the armed services of our Nation will not employ the atomic bomb as a weapon of warfare; but be it further

Resolved, That until satisfactory means of control are agreed upon and put into complete effect through the United Nations, the armed services of this Nation are directed to prepare themselves and to hold themselves in readiness to retaliate immediately and with overwhelming force, at the direction of the President, against any nation which initiates the military use of atomic energy.

The joint resolution (S. J. Res. 112) prohibiting the use of the atomic bomb as a weapon of warfare except in case of attack by a nation using same, introduced by Mr. FLANDERS, was read twice by its title, and referred to the Joint Committee on Atomic Energy.

MONUMENT TO MEMORY OF MOHANDAS K. GANDHI

Mr. HUMPHREY. Mr. President, I am happy to submit for appropriate reference a resolution to erect a monument to the memory of Mohandas K. Gandhi. It is my feeling, that the erection of such a monument will clearly enhance the present friendly relations between India and the United States and help achieve that understanding and mutual respect between the East and the West upon which peace and the stability of the world depend.

This expression of deep love and respect which Americans hold for that great and revered saint of our day will, I know, release a tremendous flow of good will from the people of India to the people of the United States, and establish a firm foundation for mutual good will and understanding.

Mr. President, the resolution is a companion to House Resolution 13, submitted in the House of Representatives by Hon. EMANUEL CELLER, of New York.

The resolution (S. Res. 128) was referred to the Committee on Rules and Administration, as follows:

Whereas India's greatest leader, Mohandas K. Gandhi, has met the martyr's death; and

Whereas the beloved Gandhi throughout his life had brought to the people of India and peoples everywhere the meaning of a selfless devotion to peace, and with it the gift of his own unbounded spiritual wealth; and

Whereas Mohandas Gandhi's uncompromisable strength led India to the independence for which it had sorely struggled; and

Whereas the impact of his personality upon history is undeniable; and

Whereas in consideration of the cordial relations existing between the people of the United States and the people of India, and in the hope that a monument to his memory in the United States may further those cordial cultural and spiritual relations between

these two countries, and in the further hope that such a monument will awaken and keep alive in people everywhere the sense of their individual dignity and independence as well as an abhorrence for civil, religious, and communal strife anywhere; Now, therefore, be it

Resolved, That authority is hereby granted to the India League of America, or any other organization which may be organized for this purpose, to erect within 5 years from the date of the approval of this act a monument testifying to the wisdom and leadership of Mohandas K. Gandhi, a philosopher and statesman, in the city of Washington on such grounds as may be designated by the Fine Arts Commission, subject to the approval of the Joint Committee on the Library. The model of the monument so to be erected shall be first approved by the said Commission and by the Joint Committee on the Library, the same to be presented to the people of the United States without cost to the Government of the United States.

HOUSE BILL REFERRED

The bill (H. R. 5300) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1949, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

PRINTING OF PUBLICATION ENTITLED "ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH UNION OF SOVIET SOCIALIST REPUBLICS" (S. DOC. NO. 90)

Mr. McGRATH. Mr. President, I hold in my hand a Government publication printed in 1933. It is entitled "Establishment of Diplomatic Relations with the Union of Soviet Socialist Republics." The publication contains much of the correspondence between the late President Roosevelt and Maxim Litvinoff. The State Department informs me that the supply of copies of this publication is exhausted, and that it is not the intention of the Department to print further copies of it.

Inasmuch as I think the correspondence contained in the publication is of great interest to the country, and I am sure to our colleagues, since it indicates the spirit in which negotiations were undertaken at that time for a rapprochement in our attitude and our relations with Soviet Russia, I ask unanimous consent that it be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARING ON NOMINATION OF CARROLL O. SWITZER, OF IOWA, TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF IOWA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, July 5, 1949, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Carroll O. Switzer, of Iowa, to be United States district judge for the southern district of Iowa, vice Hon. Charles A. Dewey, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from West Virginia [Mr. KILGORE], the Senator from Mississippi [Mr. EASTLAND], the Senator from Wisconsin [Mr. WILEY], and the Senator from North Dakota [Mr. LANGER].

SHOULD WE TELL HOW MANY ATOM BOMBS?—ARTICLE BY SENATOR McMAHON

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "Should We Tell How Many Atom Bombs?" written by Senator McMAHON, and published in the New York Times magazine of June 19, 1949, which appears in the Appendix.]

STATEMENTS OF GUIDO JACOBACCI AND PERGUIDO MARZOLI BEFORE THE ROTARY CLUB OF LITTLE ROCK, ARK.

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD statements by Guido Jacobacci and Perguido Marzoli, before the Rotary Club of Little Rock, Ark., which appear in the Appendix.]

RESOURCES BOARD STYMIED—ARTICLE BY FRANCIS P. DOUGLAS

[Mr. CAIN asked and obtained leave to have printed in the RECORD an article entitled "Resources Board Stymied," written by Francis P. Douglas, and published in the Washington Star of June 23, 1949, which appears in the Appendix.]

PREPAID HEALTH CARE—LETTER FROM LABOR AND MANAGEMENT OF THE BRIDGEPORT BRASS CO.

[Mr. BALDWIN asked and obtained leave to have printed in the RECORD a letter on prepaid health care addressed by labor and management in the Bridgeport Brass Co., Bridgeport, Conn., to "Our fellow workers in Connecticut industry," which appears in the Appendix.]

ADDRESS BY A. F. WHITNEY BEFORE MIDWEST DEMOCRATIC CONFERENCE OF STATES

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address delivered by Mr. A. F. Whitney, president of the Brotherhood of Railroad Trainmen, before the Midwest Democratic Conference of States, at Des Moines, Iowa, June 13–14, 1949, which appears in the Appendix.]

WHY DEMOCRACY WORKS—ESSAY BY LUELLA SILVERTHORN

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a prize-winning essay entitled "Why Democracy Works," written by Miss Luella Silverthorn, of Bemidji, Minn., which appears in the Appendix.]

THE PICK-SLOAN PLAN FOR MISSOURI BASIN IMPROVEMENT—ARTICLE BY RAYMOND A. McCONNELL, JR.

[Mr. REED asked and obtained leave to have printed in the RECORD an article on the Pick-Sloan Plan for Missouri Basin Improvement, written by Raymond A. McConnell, Jr., editor of the Nebraska State Journal, which appears in the Appendix.]

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, I desire to make a brief announcement for the benefit of Members of the Senate with respect to the program this afternoon.

It is obviously impossible for me to say just how much debate there will be on the labor bill. It is my understanding that the Senator from Ohio [Mr. TAFT] desires to make some remarks on that bill; and the Senator from Florida [Mr. HOLLAND] may also make some remarks on it this afternoon. However, if we do not consume all of the afternoon in discussing the labor bill, the Senator from Nevada [Mr. McCARRAN] would like to place before the Senate, Senate bill 52, a bill to authorize the appointment of additional circuit and district judges.

The Senator from Maryland [Mr. TYDINGS] would like to call up Senate bill 1267, a bill to promote the national defense by authorizing a unitary plan for construction of transonic and supersonic wind tunnel facilities and the establishment of an air engineering development center.

I make that announcement now so that we shall have something to do this afternoon in the event the debate on the labor bill does not consume the entire afternoon.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I thank the distinguished majority leader for the announcement. In the event the bills to which he has referred are not brought up by unanimous consent, will a motion be made for their consideration?

Mr. LUCAS. A motion will be made.

Mr. WHERRY. It may be that those bills will not require much discussion. Does the Senator from Illinois have in mind any other piece of legislation which might be brought up?

Mr. LUCAS. There is another bill in which the Senator from Maryland is very much interested. I am not sure what the number is. I believe it was reported unanimously by the Committee on Armed Services. If we run out of work, we can take up the pay bill.

Mr. WHERRY. I suggest to the distinguished majority leader that in the event those two bills are disposed of, there is also on the calendar a resolution which was reported by a vote of 6 to 2, the Holland-Wherry resolution, which provides for a special legislative committee. We have discussed it many times. I doubt if there would be very much debate upon it. It might be possible to reach a vote on it soon. I suggest to the majority leader the possibility of consideration of that resolution.

Mr. LUCAS. I shall be very glad to give it serious consideration.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES

Mr. McCARRAN. Mr. President, I ask unanimous consent that the unfinished business may be laid aside temporarily and that the Senate proceed to the consideration of Calendar 539, Senate bill 52.

The PRESIDING OFFICER (Mr. McGRATH in the chair). The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 52) to authorize the appointment of additional circuit and district judges.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Mr. SALTONSTALL. Mr. President, reserving the right to object, is it the purpose of the chairman of the Judiciary Committee to request a quorum call, so that all Senators may be advised

that he is seeking to have this bill considered at this time?

Mr. McCARRAN. I shall ask for a quorum call as soon as I can get the bill before the Senate.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. It has been only a few moments since we had a quorum call, after which I made the announcement that the Senator from Nevada would probably bring up this bill. If the Senator from Nevada desires a quorum call, we can have one, but the Senate has been notified that at some time today this measure would be taken up.

Mr. SALTONSTALL. May I ask the chairman of the Judiciary Committee whether he knows which of the Senators particularly wish to be present when this bill is considered?

Mr. McCARRAN. I do not, although I have discussed the matter with two or three Senators who expressed a desire to be present; but those Senators who have so expressed themselves I think are now on the floor. The Senator from Ohio [Mr. BRICKER] is one. The Senator from Texas [Mr. CONNALLY] is another, and the Senator from Kansas is another. Those are all who come to my mind now.

Mr. SALTONSTALL. I will withdraw any objection, and in view of the statements which have been made, I shall not suggest the absence of a quorum.

Mr. THOMAS of Utah. Mr. President, reserving the right to object, may I ask, before the question is put, whether the Senator from Nevada will ask for a quorum call when he has finished, so that those who are ready to return to the unfinished business may be given notice.

Mr. McCARRAN. I shall be glad to do that.

The PRESIDING OFFICER (Mr. McMAHON in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 52) to authorize the appointment of additional circuit and district judges, which had been reported from the Committee on the Judiciary with amendments.

Mr. McGRATH. Mr. President, I send to the desk an amendment to the pending bill which I propose to call up at the conclusion of the committee amendments.

The PRESIDING OFFICER. The committee amendments will be stated.

The amendments of the Committee on the Judiciary were, on page 1, line 3, after the word "That", to strike out "(a)"; in line 4, after the word "Senate", to strike out "two" and insert "three"; in line 5, after the word "circuit", to insert "one additional circuit judge for the third circuit"; in line 9, after the word "section", to strike out "44a" and insert "44 (a)"; on page 2, line 2, after "District of Columbia", to strike out "Eight" and insert "Nine"; after line 3 to insert:

Third	Seven;

After line 8, to strike out:

(b) The President shall appoint, by and with the advice and consent of the Senate, one additional circuit judge for the third circuit.

On page 2, line 14, after the name "California", to strike out "one additional district judge" and insert "two additional district judges"; in line 16, after the name "California", to insert "three additional district judges for the District of Columbia"; in line 25, after the name "Texas", to strike out the comma and "and the existing judgeship for the eastern and western districts of Missouri created by the act entitled "An act to provide for the appointment of an additional district judge for the eastern and western districts of Missouri," approved December 24, 1942 (56 Stat. 1083), shall be a permanent judgeship."; on page 3, line 12, after the name "Southern", to strike out "9" and insert "10"; after line 13, to insert:

District of Columbia	15

After line 22, to strike out lines 23 to 25, inclusive, and line 1, on page 4, as follows:

* * * * *

Missouri

* * * * *

Eastern and Western	2

On page 4, after line 16, to strike out lines 17 to 19, inclusive, as follows:

Provided, That the official residence of one district judge shall be in the southern one-half of the district.

The amendments were agreed to.

The next amendment was on page 4, after line 20, to insert:

(b) (1) Title 28, United States Code, section 134, is amended by adding at the end thereof the following new subsections:

"(c) Of the district judges for the District of Columbia, (1) at least three shall have been actively engaged in the private practice of law and shall not have been regularly employed in the executive branch of the Government of the United States, during a period of at least three consecutive years immediately prior to their respective appointments; and (2) at least two shall have been actively engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments. Any period or periods of active service in the armed forces of the United States shall not be considered as regular employment in the executive branch of the Government, and any such period or periods shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment.

"(d) One of the district judges for the district of Kansas shall reside at Wichita; and in the event such judges disagree as to which of them shall reside at Wichita, the matter shall be determined by the Judicial Council of the Tenth Circuit.

"(e) One of the district judges for the southern district of California shall reside in San Diego; and in the event such judges disagree as to which of them shall reside at San Diego, the matter shall be determined by the Judicial Council of the Ninth Circuit.

"(f) One of the district judges for the southern district of Texas shall reside in the southern half of such district."

(2) The judge first appointed for the district of Kansas under the authority contained in subsection (a) shall reside at Wichita.

(3) One of the two judges first appointed for the southern district of California under the authority contained in subsection (a) shall reside at San Diego.

(4) Each of the three additional district judges appointed for the District of Columbia under the authority contained in subsection (a) shall have been actively engaged in the private practice of law, and shall not have been regularly employed in the executive branch of the Government of the United States during a period of at least three consecutive years immediately prior to his appointment; and in the case of at least two of such judges such practice shall have been in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments. Any period or periods of active service in the armed forces of the United States shall not be considered as regular employment in the executive branch of the Government, and any such period or periods shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment.

Mr. McGRATH. Mr. President, the amendment I have sent to the desk deals with the subject of the particular committee amendment beginning in line 24, page 4. I should like to inquire what the parliamentary situation will be if the Senate considers and adopts the amendment now. Will my amendment be in order later or should my amendment be offered at this time, so the subject can be considered all at one time?

The PRESIDING OFFICER. The amendment offered by the Senator from Rhode Island will be considered along with the committee amendment.

Mr. McCARRAN. Mr. President, I had hoped we might go through with the bill for committee amendments, and then return to the amendment which the Senator is offering. There may be other amendments which will come along, so that I should like very much to complete the committee amendments. I may say that if in adopting the committee amendments there be anything which interferes with the consideration of an amendment which is to be offered by any Senator, then I should be very glad to see to it that the opportunity is offered for the consideration of such amendments.

Mr. McGRATH. With that understanding, I shall be glad to withhold the offering of my amendment, until after the committee amendments have been acted upon.

The PRESIDING OFFICER. The Chair understands that the Senator from Rhode Island will have an opportunity to have his amendment considered after the committee amendments have been considered.

Mr. McCARRAN. That is correct. I wish to say, Mr. President, that I shall have one or two amendments to offer to the bill myself, after all the committee amendments have been considered.

Mr. McGRATH. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, on page 4, beginning on line 20.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the remaining committee amendments.

The remaining committee amendments were: On page 7, at the beginning

of line 3, to strike out "(b)" and insert "(c)"; in line 4, after the name "Senate", to strike out "two additional district judges" and insert "one additional district judge"; in line 6, after the word "first", to strike out "two vacancies" and insert "vacancy", and after line 8, to strike out:

(c) The act entitled "An act to provide for the appointment of an additional district judge for the eastern and western districts of Missouri," approved December 24, 1942 (56 Stat. 1083), is hereby repealed and the incumbent of the judgeship created by said act shall henceforth hold his position under title 28, United States Code, section 133, as amended by this act.

The amendments were agreed to.

The PRESIDING OFFICER. This completes the committee amendments.

Mr. McCARRAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. McCARRAN. I draw the attention of the Senators from Texas to the proposed amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 7, after line 8, it is proposed to insert the following new section:

(d) The President shall appoint, by and with the advice and consent of the Senate, one additional district judge for the southern district of Texas: *Provided*, That the first vacancy occurring in the office of district judge in said district shall not be filled.

Mr. McCARRAN. Mr. President, I move the adoption of the amendment.

Mr. McGRATH. Mr. President, will the Senator please explain his amendment?

Mr. McCARRAN. Mr. President, this amendment is offered in order to conform to conditions which exist in the southern district of Texas. I think the Senators from Texas could probably best explain the amendment.

Mr. McGRATH. Mr. President, I was preoccupied at the moment when the amendment was offered. If it has to do with the Texas judgeship, I do not care for an explanation.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. JOHNSON of Texas. I will say it was unanimously reported by the House subcommittee, by the full committee, and unanimously passed by the House, and is recommended by the Attorney General.

Mr. WATKINS. Mr. President, I should like to have an explanation of the amendment.

Mr. McCARRAN. I shall ask the Senator from Texas to explain it, if he will.

Mr. JOHNSON of Texas. Mr. President, there is a tremendous case load in the southern district of Texas. The district is the largest in area in the entire United States, and has probably the largest case load. Presently there are two judges sitting. As a result of the Texas City disaster the Government has been sued for more than $250,000,000 by reason of the explosions which occurred.

The House subcommittee felt that the case load in that district justified an additional judge, but it also felt, in view of the fact that one of the judges presently serving is almost 76 years of age, that upon his retirement, resignation, or death, that vacancy should not be filled.

As an indication of the case load in that district, as compared with the case load in other sections, the Department of Justice sent to the House subcommittee the following figures:

In the 84 districts of the country there were filed per judge 205 civil cases during the fiscal year 1948. In the particular district which we are discussing there were filed per judge 556 cases.

The figures relating to criminal cases filed per judge are even more staggering. While the average number of criminal cases filed per judge throughout the 84 districts of the country during 1948 was 167 per judge, the average number filed in the southern district was 1,049.

Of especial importance in considering the enormous burden of business facing the judges in that district is the Texas City disaster in which, on April 16 and 17, 1947, more than 500 people were killed, and the major portion of the city was destroyed by fire. As a result of that catastrophe 277 suits have been filed against the Government under the Federal Tort Claims Act by more than 3,000 plaintiffs, demanding damages in excess of $250,000,000.

The amendment suggested by the Senator from Nevada was not considered by the Senate committee, although the House committee unanimously adopted it, and the House unanimously agreed to it. The Senator from Nevada, in substituting the Senate bill, has suggested this amendment in order to make it the same as the House bill. So far as I know, it is opposed by no one.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WATKINS. It means a temporary increase in the number of judges, but not a permanent increase. Is that correct?

Mr. JOHNSON of Texas. That is correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. DONNELL. May I inquire whether the judgeship proposed is in addition to one additional district judge for the southern district of Texas referred to in section 2 (a) of the bill?

Mr. McCARRAN. It is.

Mr. DONNELL. I should like to ask whether the regular annual meeting of the Judicial Conference held in September 1948 recommended any additional judge other than the one provided for in section 2 (a) of the bill?

Mr. McCARRAN. My understanding is that it recommended one and has not yet recommended a second one; but the case load and the history justify the amendment, in my judgment.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. McCARRAN. I yield.

Mr. DONNELL. At page 67 of the report of the Committee on the Judiciary, with reference to this bill, there appear certain excerpts from the report of the proceedings of a special meeting of the Judicial Conference on March 24 and 25, 1949, in Washington, D. C. I ask the Senator whether this meeting of the Judicial Conference, the special meeting, considered the subject of a second additional district judge for the southern district of Texas?

Mr. McCARRAN. So far as we are advised, they did not consider it. At least, the committee has no record of their having considered it.

Let me say to the Senator, if I may explain the program with reference to this bill, the House has already passed the bill, and it now rests in the Judiciary Committee. If, as, and when this bill is passed by the Senate, I shall move to strike the language in the House bill and insert the language of the Senate bill, so that it may be taken to conference. In the House bill the amendment which I have just offered is, in substance, included.

Mr. DONNELL. Was the matter of the second district judge considered by the Judiciary Committee of the Senate? I do not recall its having been mentioned in the meeting.

Mr. McCARRAN. No; it was not.

Mr. DONNELL. May I inquire of the Senator whether he knows why the second additional judge was not mentioned in the Judiciary Committee meeting when we considered the bill and acted upon it?

Mr. McCARRAN. It might be that it was the fault of the chairman of the Judiciary Committee. I cannot say much else, because it was in the House bill which came to the Senate and has been in the Judiciary Committee, as it is now. This item is still in the House bill. The bill will go to conference to iron out certain small differences; but this matter was overlooked in the Senate Judiciary Committee.

Mr. DONNELL. I would say to the Senator that I was not imputing any fault to the chairman at all, but the Senator from Nevada will recall that in the course of the consideration by the Senate Committee on the Judiciary of all the various judgeships, a special effort was made to secure and have before us the recommendations of the Judicial Conference of the United States.

Mr. McCARRAN. That is correct.

Mr. DONNELL. And every effort was made to make certain what the recommendations were. I am somewhat at a loss this morning to know just what should be done, in view of the fact that last September and again in March of this year the Judicial Conference, having before it, or at least having available, the facts mentioned by the Senator from Texas, still the Judicial Conference recommended only one additional district judge. I am wondering if any light can be thrown on the question as to why the Judicial Conference of the United States did not, in either one of the meetings, in September or March, recommend two district judges instead of one.

Mr. McCARRAN. I am unable to answer specifically the question of the Senator from Missouri. Let me say that in the preparation of bills of this kind it very frequently comes to the attention of

the committee or to members of the committee that the facts warrant a change, even though perhaps some other agency has passed upon the item, as, for instance, in this case, the Judicial Conference apparently did not pass upon this item, but it has come very emphatically to the consideration of the chairman of the Judiciary Committee and very emphatically to the House committee on the same subject, and the House committee adopted the language, in substance, and I thought, and I now think, it should go into this bill. That is as good an explanation as I can give the Senator.

Mr. DONNELL. Mr. President, will the Senator yield for one other question?

Mr. McCARRAN. I yield.

Mr. DONNELL. Does not the Senator think the Judicial Conference, in its meeting of September last, had before it specifically for consideration the needs of the southern district of Texas, as follows from the fact that in the report of the proceedings of the September conference the recommendation with respect to Texas was as follows:

Southern Texas: The creation of one additional judgeship, and providing that the official residence of the judge shall be in the southern half of the district.

Does not the Senator think that before acting affirmatively upon the proposal to appoint another judge, we should have before us the views of the Judicial Conference of the United States?

Mr. McCARRAN. I wish I had the views of the Judicial Conference, but I would not be bound by them, and the Senator from Missouri would not be bound by them. If the facts warranted a change, we could, and it is our function, to make the change. I respectfully suggest that, from the facts stated by the Senator from Texas, it seems there is no answer except to give the relief the people should have.

Mr. DONNELL. Very respectfully, and with the statement that I am sure the chairman of the committee is giving his very best and conscientious judgment, in view of the fact that we have endeavored to secure the views of the Judicial Conference, and that there has been no opportunity of the Committee on the Judiciary to hear the other side, if there be one, on this question as to the need of a second judge, and bearing further in mind the fact that the Judicial Conference did refer to one and recommended one and did not recommend two, personally I shall feel constrained to vote against the amendment suggested by the Senator. I want him to understand that it is done in the very best of spirit, and without any criticism whatever of the Senator from Nevada.

Mr. CONNALLY rose.

Mr. McCARRAN. Before I yield to the Senator from Texas, let me say that this amendment provides for a temporary judge. With all due respect to the gentleman who has served as judge for a long time, and served well, he is advanced in years, 76 or 77 years old, and has a case load on his shoulders which warrants the activity of a man much younger. Justice delayed is justice denied, and in order that the business may be disposed of, we thought it best, and I now think it best to insert the amendment I have offered and have this temporary judge provided for.

Mr. CONNALLY. Mr. President, let me say to the Senator from Missouri that this amendment does not provide for the addition of two permanent judges, it is for the addition of only one, which the Judicial Conference recommended. The immediate congestion in the district by reason of the war suits, and by reason of a very great number of criminal cases in that district in comparison with the other districts of the country, has greatly impaired the opportunity to dispatch judicial business. The present judge's age is advanced, and he has the privilege of retirement, and the bill provides that whenever there is a vacancy in one of the other judgeships, the vacancy shall not be filled. So the proposal really is for only one additional judge, and for a very short period. I hope the Senator from Missouri will not object, and will let us make this provision.

Mr. DONNELL. Mr. President, I appreciate very much the opinion of the senior Senator from Texas, and he may be quite right, I am not at all questioning the validity of his ultimate judgment——

Mr. CONNALLY. He is quite right.

Mr. DONNELL. I have no doubt that the Senator feels that he is, and he may well be. However, in view of what the Judicial Conference of the United States recommended, and I assume that they had before them a statement of the facts in Texas, when they voted last September, and at that time provided for only one new judgeship, and gave no recommendation with respect to a temporary judgeship, and in view of the further fact that the Judicial Conference met again March 24 and 25 this year, and still did not provide any recommendation on the subject matter, either for or against a second judgeship, I feel constrained, very respectfully, to vote against the amendment. I certainly do not at all question the good faith or the judgment of the distinguished Senators from Texas, or the Senator from Nevada.

Mr. CONNALLY. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield to the Senator from Texas.

Mr. CONNALLY. Let me say to the Senator from Missouri that the Senator from Texas has high respect for the Judicial Conference and for its recommendations, but the Senator from Texas does not believe we should abdicate our legislative authority and go to the Judicial Conference with a band around our hands and say, "Please, Mr. Judicial Conference, let us do something here. Give us your will and your consent."

The House committee investigated all the data on this subject, the great pressure of litigation, the great number of criminal and civil cases, the fact that this is a most congested district, and the Judicial Conference admits that when it recommends one judge. The district covers the largest area, territorially, in the United States. The provision is for only one judge, for a short temporary period, which cannot be long, and that judge, in the regular course, will go off the bench. But the provision of an extra judge will tend to relieve the emergency which now exists, because of the tremendous pressure on the judges.

The Senator from Missouri is a distinguished lawyer, he has served many years at the bar, and he knows that in judicial proceedings delay after delay is an enemy of justice, and an obstruction to the legal processes. Since this is a matter of such great importance, and in view of the fact that the House committee went into all the facts and unanimously recommended the bill, I hope the Senator will not object.

Mr. DONNELL. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield to the Senator from Missouri.

Mr. DONNELL. The Senator from Texas has expressed his unwillingness to abdicate his duties in favor of the Judicial Conference. I thoroughly concur in his statement. As the Senator from Nevada will recall, a recommendation was made by the Judicial Conference with respect to my own State, the State of Missouri, and I objected to it, and upon my objection in the Committee on the Judiciary the provisions of the pending bill relating to the State of Missouri have been stricken out.

My point is not that I desire that the Senate shall abdicate its functions in favor of the Judicial Conference of the United States. My point is merely that, the Judicial Conference having gone into this matter of the needs of Texas, I take it, by reason of the fact that it recommended one judge for Texas and not a temporary judge in addition, when an amendment comes up without any consideration by the Committee on the Judiciary I am not willing to vote for the amendment until I have at least an opportunity to hear the other side, if there be one. There may not be another side to it, and I mean no disrespect to the Senators, nor do I mean any attempt on my part or the part of anyone else to abdicate our functions in favor of the Judicial Conference. I believe their advice is well worth considering, however, and I do not mean to vote in favor of a judgeship, whether it is temporary or permanent, which comes before the Senate without the Judiciary Committee ever having heard of it, and without opportunity on our part to learn what the Judicial Conference has to say about it.

It may well be that mine will be the only vote against this proposal: I do not know what the outcome will be; but I personally feel that I am not in position to vote for the amendment, for the reasons indicated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send an amendment to the desk and ask to have it stated.

The LEGISLATIVE CLERK. On page 5, line 15, after the period, it is proposed to insert the following:

Service as a judge of the municipal court for the District of Columbia or of the municipal court of appeals for the District of Columbia, shall be disregarded in determining whether the years of practice required by

this subsection are consecutive or immediately precede the appointment.

And on page 7, line 2, after the period, it is proposed to make the same insertion.

The PRESIDING OFFICER. For the information of the Senator from Nevada, the Chair will announce that the committee amendment to which this amendment is proposed has been agreed to and it will be first necessary to reconsider the vote by which the amendment was agreed to.

Mr. McCARRAN. I ask unanimous consent that the vote by which the amendment of the committee was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, the vote is reconsidered, and the question is on agreeing to the amendment to the amendment offered by the Senator from Nevada.

Mr. McGRATH. Mr. President, I should like to ask the Senator from Nevada to explain the extent to which his pending amendment changes the committee amendment which was formerly agreed to. As I understand, it does make a change in the committee amendment.

Mr. McCARRAN. The committee amendment, on pages 4 and 5 of the bill, is as follows:

(c) Of the district judges for the District of Columbia, (1) at least three shall have been actively engaged in the private practice of law, and shall not have been regularly employed in the executive branch of the Government of the United States, during a period of at least three consecutive years immediately prior to their respective appointments; and (2) at least two shall have been actively engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments. Any period or periods of active service in the armed forces of the United States shall not be considered as regular employment in the executive branch of the Government, and any such period or periods shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment.

Then, Mr. President, in order to make certain that the amendment would not affect the judges of the municipal court or the court of appeals, I have offered the amendment to the committee amendment, as follows:

On page 5, line 15, after the period, insert the following:

"Service as a judge of the Municipal Court for the District of Columbia or of the Municipal Court of Appeals for the District of Columbia, shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment."

The object of the amendment offered by the committee in the first instance is that members of the bar who actually practice law before the bar in the District of Columbia shall be regarded as eligible to appointment to judgeships within the District of Columbia. Perhaps that is putting the situation a little too broadly. Let me draw the attention of the Senate to this situation: Any citizen of the United States who is aggrieved by a department of the Government, and who seeks to redress his wrongs or to secure his rights, must bring his action in a court of the District of Columbia. Keep that one thought in mind.

Let us suppose that one of the brilliant young attorneys, who has been serving in the Department of Justice for a number of years, is by reason of gaining the favor or good will of the Department or of the Attorney General appointed to the judgeship; and let us suppose that next week John Q. Citizen, who has a grievance against either the Department of Justice or some other department of the Government has his case brought into the court presided over by this gentleman who has just been appointed from the Department of Justice as judge to sit and preside over the case. It may be that human nature is not human nature all the time, and it may be that gratitude for promotion will subside and men will forget it. But if the new judge, however correct he may be in his decision, should decide in favor of the department, at least one citizen of the United States will go away disgruntled, believing that the decision was rendered against him because of the fact that the judge was prejudiced in favor of the department.

Let me say that the complacency of the citizens of this country and their faith in the courts of the land is the last anchor of democracy in America. If we do not have in the District of Columbia a bar which is outstanding, if there were not members of the bar in the District of Columbia as capable of being judges as there are in any State in the Union, then perhaps it would not be necessary to put any precautions of that kind into the bill. But we find time after time appointments coming to the Senate from the President of young men, capable young men no doubt, fine men in many respects, who are appointed from the Department of Justice, from the Department of the Interior, from the Department of Agriculture, or from some other department.

A more recent one was from the FBI, if you please. Undoubtedly Judge Tamm will make in time a splendid judge. But he came from the FBI without having had a single day of practice in court, without ever having appeared in court so far as we know. He is a splendid gentleman, a man of fine attributes and fine character and fine training in the law, but with not a single day of practice in court. He was confirmed after about a year or a year and a half of wrangling over his nomination. He was not confirmed by the Eightieth Congress. He was finally confirmed by the Eighty-first Congress.

Now let us suppose that a matter involving the FBI should come before Judge Tamm. He might be absolutely correct in his decision if he were to decide in favor of the department whence he came. Perhaps all the law and all the facts would be in favor of the Department and would sustain him in his decision. But a citizen who brought action against the department would go away disgruntled and say, "I was 'gypped' out of my rights, because the judge who decided my case had just been appointed to the judgeship from the department against which I had a grievance."

Mr. President, the practice of appointing judges from departments is an erroneous one in our system. Such appointments should not be made and should not be encouraged.

I want to be frank and say that the amendment is the result of the thoughts of the chairman of the Committee on the Judiciary. Those thoughts have come to me after 16 or 17 years of observation of what has gone on in connection with the courts of the District of Columbia while I served as chairman of the Committee on the District of Columbia, while I served as chairman of the Committee on the Judiciary for the first time, and again while I have served as chairman of the Committee on the Judiciary the second time. Time and time again I have seen appointments made from departments rather than from the members of the bar who have practiced before the courts of the District.

I saw an appointment which came to us from the White House, of a man to be a judge of the District of Columbia court who had been a solicitor in the Interior Department under Mr. Ickes for many years. In that case the whole bar, with but rare exceptions, opposed the confirmation of the nomination.

The charges made against him were indeed awful to my way of thinking. Such charges having been made, it was necessary to hold up confirmation of the appointment month after month, rather than to confirm him. Had he been confirmed I think a grave injustice would have been done to the judiciary of the country. That has always been my thought in connection with such appointments, and always will be my thought in connection with them. I do not want such a thing to happen again.

Referring now to the committee amendment. If a man serves in one of the departments of Government, and severs his connection with that department and goes into the active practice of the law, and his severance of connection with the department continues for a period of 3 years, then there can be no objection to his appointment to be a judge in the District of Columbia because at least his tie to the department will have been sufficiently severed. That is the object, that is the reason, that is the aim, that is the whole thought behind the amendment. If the amendment is wrong, then the thoughts of some of us who have had occasion to observe conditions in the District of Columbia are wrong. If the amendment is right, no harm or injury can result to anyone. I say again that there are in the District of Columbia members of the bar who are practicing attorneys here who are capable and worthy of serving on any bench in the world. Why is it necessary to go into departments and pick out this man or that man and put him on the District bench when after he goes on the District bench there may come before him for decision a case against the very department of which he was a member, with respect to which he must either decide against the department in which he served for years or decide in favor of it. We have tried to safeguard to some extent the bench of the District of Columbia.

The Senator from Rhode Island [Mr. McGRATH] does not believe in this philosophy. His amendment would strike out all this language. I submit the question to the Senate, on the basis of the thoughts which I have expressed.

Mr. McGRATH. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. McGRATH. Does the Senator's amendment to the committee amendment exempt the judge of the juvenile court?

Mr. McCARRAN. No. The amendment which I have offered exempts judges of the municipal court and judges of the municipal court of appeals.

Mr. McGRATH. Under the terms of the Senator's amendment the President could promote a member of the municipal court or the municipal court of appeals to the district court.

Mr. McCARRAN. Yes.

Mr. McGRATH. Or he could promote a member of the district court to the circuit court of appeals; but he could not promote the judge of the juvenile court to the municipal court.

Mr. McCARRAN. No.

Mr. McGRATH. Does not the Senator think it would be only fair to include the judge of the juvenile court?

Mr. McCARRAN. I have no objection to it. That probably is an oversight on my part.

Mr. McGRATH. If the Senator will modify his amendment to include the judge of the juvenile court, I think it will make a substantial contribution to the bill.

Mr. McCARRAN. I have no objection.

The PRESIDING OFFICER. The amendment is modified accordingly.

Mr. McGRATH. When I call up my own amendment I shall address myself to the subject which the Senator from Nevada has been speaking, that is, the general philosophy behind the entire amendment. In the meantime, with the modification which has been made, I have no objection to the adopting of the amendment offered by the Senator from Nevada.

Mr. DONNELL. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. I yield.

Mr. DONNELL. A few moments ago, just before the Senator from Rhode Island asked the Senator from Nevada to yield, I understood that the Senator from Nevada was addressing himself primarily to the committee amendment, and was giving his reasons for that amendment.

Mr. McCARRAN. That is correct.

Mr. DONNELL. Am I correct in understanding that the amendment which the Senator from Nevada has offered to the committee amendment is simply to provide as follows:

> Service as a judge of the Municipal Court of the District of Columbia or of the Municipal Court of Appeals of the District of Columbia shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment.

In other words, as I understand the committee amendment, in which the Judiciary Committee unanimously concurred, it provides that it is necessary that the two judges mentioned in subdivision (2)—

> Shall have been actively engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments.

And that the three previously mentioned—

> Shall not have been regularly employed in the executive branch of the Government of the United States, during a period of at least three consecutive years immediately prior to their respective appointments.

Am I correct in understanding that the purpose of the amendment offered by the Senator from Nevada is this: Suppose that a man has practiced law for 2 years, we will say. Then there follows a 2-year period of service on the municipal court or on the municipal court of appeals, and then he serves three or four more years after that. Service on either of those two courts is to be disregarded entirely in determining whether the aggregate of the other years is consecutive or not. Is that the purpose of the amendment?

Mr. McCARRAN. Yes.

Mr. DONNELL. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HOLLAND. The distinguished chairman of the committee will recall that about 2 years ago, at the time of the retirement of the presiding district judge of the northern district of Florida, through the provision of the act under which we had a roving judge for the northern and southern districts, the roving judge succeeded to the judgeship in the northern district, and it became impossible for a successor to the roving judge to be appointed. It is my understanding and hope that this legislation will permit the reestablishment of that roving judgeship for the northern and southern districts of Florida on an active basis, and will again permit the immediate appointment of a new district judge to serve both districts in a roving capacity. Is that correct?

Mr. McCARRAN. The Senator is correct.

Mr. BRICKER. Mr. President, I wish to offer my amendment if we have finished with the pending amendment.

Mr. McCARRAN. Mr. President, what is the parliamentary status as regards my amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. McCARRAN], as modified, to the committee amendment on page 5, after line 15.

Mr. McCARRAN. Has the amendment which I offered to the committee amendment been adopted?

The PRESIDING OFFICER. Not yet. The question has not been put.

The question now is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN], as modified, to the committee amendment on page 5, after line 15.

The amendment to the amendment was agreed to.

Mr. BRICKER. Mr. President, I now desire to offer my amendment.

Mr. McCARRAN. Mr. President, I ask unanimous consent that the amendment of the Senator from Ohio may now be offered, pending final action on the committee amendment beginning on page 4, line 24.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 2, line 25, it is proposed to strike out the period, insert a comma and the following: "and the existing judgeship for the northern district of Ohio created by the act entitled 'An act to provide for the appointment of one additional United States district judge for the northern district of Ohio,' approved May 1, 1941 (55 Stat. 148), shall be permanent judgeships."

On page 4, between lines 8 and 9, it is proposed to insert the following:

Ohio					
*	*	*	*	*	
Northern					4
*	*	*	*	*	

On page 7, after line 8, it is proposed to insert:

> (d) The act entitled "An act to provide for the appointment of one additional United States district judge for the northern district of Ohio," approved May 1, 1941 (55 Stat. 148), is hereby repealed and the incumbent of the judgeship created by such act shall henceforth hold his position under title 28, United States Code, section 133, as amended by this act.

Mr. BRICKER. Mr. President, this amendment was submitted on June 8 and referred to the committee, but, as I understand the distinguished chairman, it was not considered by the committee.

The amendment provides for making permanent the fourth judgeship in the northern district of Ohio. A temporary judgeship was created in 1941. The judge was appointed, and has served since. The duties of the bench in northern Ohio have greatly increased during the 10-year interim period, and there is now need for a permanent fourth judgeship. My amendment will have to be corrected to conform to the amendment offered by the chairman of the committee as a committee amendment, and as recommended by the Senator from Missouri [Mr. DONNELL]. This amendment will simply make permanent a temporary judgeship for 10 years' standing.

I have talked with two of the three judges in the Cleveland area of the northern district of Ohio. They have earnestly urged that this amendment be adopted.

I hold in my hand a resolution from the Bar Association of Cuyahoga County urging the amendment.

It has likewise been considered and recommended by the Judicial Conference and the presiding judge of our circuit, Judge Hicks, who has strenuously insisted that it be adopted. I had hoped that the chairman of the committee might accept the amendment. I thought it might have been considered in the committee consideration of the bill, and that there might be no objection to it.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. McCARRAN. Do I correctly understand that this is merely to make a temporary judgeship permanent?

Mr. BRICKER. It is to make a temporary judgeship permanent. The judge has been serving in a temporary capacity since 1941. The provision of the law at the present time is that upon the resignation or death of one of the judges, the vacancy shall not be filled. This amendment would eliminate that provision.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. DONNELL. Am I correct in understanding that the two paragraphs which I shall read from page 67 of the report express the reason for the amendment? They are brief, and I shall read them:

Sixth circuit:

Northern district of Ohio. Chief Judge Hicks requested the conference to recommend the prompt elimination of existing statutory provisions (55 Stat. 148) under which the filing of the first vacancy occurring in this district is prohibited. In support of his request, Judge Hicks reviewed the volume of business in this district since the last judgeship was authorized, May 1, 1941, and submitted statistical data for the consideration of the conference.

It was the sense of the conference that experience has indicated beyond doubt the necessity for the present four district judgeships in this particular district and that they should all be on a permanent basis. Whereupon, the conference approved the recommendation proposed.

My question is, Does the Senator understand that that recommendation is in accord with the amendment which he now offers?

Mr. BRICKER. My amendment is to carry out the recommendation of the Judicial Conference, upon the suggestion of Chief Justice Hicks of the sixth circuit, for the northern district of Ohio.

Mr. DONNELL. And the recommendation is in the language which I have read?

Mr. BRICKER. Yes. That is the recommendation carried out by my amendment.

Mr. DONNELL. The Senator assures us that the only purpose of his amendment is to carry out that recommendation.

Mr. BRICKER. That is correct.

Mr. McCARRAN. Mr. President, in order to have the Senator's amendment properly considered, I think the parliamentary situation must be straightened out. I now ask unanimous consent that the action thus far taken by the Senate may be reconsidered so as to permit the Senator to offer his amendment.

The PRESIDING OFFICER. Without objection it is so ordered, and the question is on agreeing to the amendment of the Senator from Ohio [Mr. BRICKER].

Mr. McCARRAN. Mr. President, I have before me an excerpt from the proceedings of the Judicial Conference, referred to by the Senator from Missouri. It concludes with the following statement:

Whereupon, the conference approved the recommendation proposed.

That indicates to me that the approval should have been in the bill when it came to the chairman of the Judiciary Committee from the Judicial Conference. However, it was not in the bill at that time, or else it would be in the bill today.

So far as I am concerned, I am perfectly willing to accept the amendment. The bill will go to conference. I think the change may already have been made in the House bill, although I am not certain of that. However that may be, I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. DONNELL. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER (Mr. HUNT in the chair). Does the Senator from Nevada yield to the Senator from Missouri?

Mr. McCARRAN. I yield.

Mr. DONNELL. In regard to the Missouri situation, I should like to make a brief statement, if I may do so, by unanimous consent.

The bill, as placed before the Judiciary Committee, provided that an existing judgeship for the eastern and western districts of Missouri be made a permanent judgeship. Today that judgeship is temporary. The Judicial Conference recommended that it be made permanent. I may say that subsequent to the action taken by the Judiciary Committee at my instance, I have received from the Missouri Bar a resolution reading as follows:

The Board of Governors of the Missouri Bar, being advised of the recommendations of the Judicial Conference as embodied in legislation now before the Judiciary Committee of the Senate of the United States, and having the utmost confidence in the necessity for the additional judges in California, the District of Columbia, Florida, Georgia, Kansas, New Jersey, New York, Oregon, and Texas, as recommended by the Judicial Conference, and having personal knowledge of the situation in the State of Missouri and the imperative need for the repeal of the proviso contained in the act of December 24, 1942, providing that the first vacancy occurring in the District Judgeship in the eastern and western district of Missouri should not be filled, does hereby adopt the following resolution:

"Be it resolved by the Board of Governors of the Missouri Bar, That the recommendations of the Judicial Conference, above referred to, as embodied in legislation now before the Judiciary Committee of the Senate of the United States, be and the same are hereby approved, and the Congress of the United States and the Members thereof requested to pass such legislation in conformity with the recommendations of the Judicial Conference.

"Be it further resolved, That a copy of this resolution be transmitted to the Judiciary Committee of the Senate and the Members of the House of Representatives and the Senate of the United States from Missouri."

Of course, Mr. President, I greatly respect the views of the Missouri bar and I respect the views of the Judicial Conference. However, after all, in voting upon a matter of this kind, as in the case of any other matter before the Senate, each of us must ultimately use his own best judgment. With all due respect to the opinions which have been submitted here, I have come to the conclusion, and I came to this conclusion before the Judiciary Committee, that this judgeship should not be made permanent, certainly not at this time.

The situation in a nutshell is this: The present judge of the court, the Honorable Richard M. Duncan, who was born on November 10, 1889, is serving there upon the bench. I do not know how long he will continue to be upon the bench, but obviously it is impossible at this time to know whether at the time of the expiration of his tenure there will be need to make that judgeship permanent.

I think any action at this time is premature, for then we would be saying, in effect, that without knowledge of the length of time the judge may continue upon the bench, without any knowledge of what may be the conditions at the time of the expiration or termination of his tenure, we should at this time make the judgeship permanent. To my mind, such action at this time would be premature.

I do not see on the floor at this time my colleague, the distinguished junior Senator from Missouri [Mr. KEM]; but I may say that I have spoken to him, and he has not expressed himself as seeing any need for the proposed legislation.

I may also say in this connection that among the very distinguished judges of our judiciary in the State of Missouri and members of the Federal bench is the Honorable John Caskie Collet, who today is a member of the Federal Circuit Court. However, at one time he was a judge of the United States district court, having been appointed in 1937. He was able to devote time here in Washington as Stabilization Administrator from October 1, 1945, to February 25, 1946, and, as I understand, was a consultant in the White House Office following January 25, 1947, for a period.

Mr. President, it would thus appear to me that if it was possible for one of our judges to come to Washington at that time, and if it is possible, as is the case today, that one of our district judges, Judge Reeves, is able to be spared from our district bench in Missouri to preside in the trial of an extended case in the city of Washington, there is no reason at this time for us to undertake to exercise the powers of prophecy as to what will be the need as of the time of the termination of the tenure of Judge Duncan.

It is for that reason that I suggested to the Judiciary Committee—and I may say that the Judiciary Committee followed the suggestion—that I objected to the inclusion in the bill of the provision making the judgeship permanent, instead of temporary, as it now is.

I thank the Senator for permitting me to make this statement.

Mr. McCARRAN. Mr. President, the Senator from Oklahoma has an amend-

ment which he wishes to offer. I yield to him.

Mr. THOMAS of Oklahoma. Mr. President, I submit and send to the desk an amendment to the pending measure.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 2, before the period in line 25, insert a comma and the following: "and the existing judgeship for the western district of Oklahoma created by section 2 (a) of the act entitled "An act to provide for the appointment of additional district and circuit judges," approved May 24, 1940 (54 Stat. 219)."

On page 4, between lines 8 and 9, insert the following: "Oklahoma

* * * * *

"Western ---------- 2"

* * * * *

On page 7, after line 15, insert the following:

"(d) Section 2 (a) of the act entitled "An act to provide for the appointment of additional district and circuit judges," approved May 24, 1940 (54 Stat. 219), is amended by striking out 'western district of Oklahoma,' and the incumbent of the judgeship created by said act for the western district of Oklahoma shall henceforth hold his office under title 28, United States Code, section 133, as amended by this act."

Mr. McCARRAN. Mr. President, will the Senator kindly explain the amendment?

Mr. THOMAS of Oklahoma. Yes. The explanation is this: We have two judges in the western district of Oklahoma. The western district embraces the capital, and the capital of our State is growing very rapidly. At the present time, if one of those judges becomes unavailable, through resignation or otherwise, the position will not be filled.

This bill provides for the addition of one circuit court judge to the tenth district. That should be done because the business of this district is increasing. The record shows that the business coming from my State before that court is about one-fourth or one-third of the business going before the tenth circuit.

So if it is consistent to increase the number of judges in that circuit, it is inconisstent not to adopt this amendment, because if one of the judges were to retire or if an increasing amount of work were imposed on the remaining judges, although this bill would not increase the number of judges, yet I think it would make the two existing judgeships permanent.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Does the Senator know whether this situation was disclosed to the Judicial Conference?

Mr. THOMAS of Oklahoma. Inasmuch as there is no vacancy or no prospect of a vacancy for the immediate future, so far as we know, I do not think it will be considered by the tribunal to which the Senator refers. So far as I know, it has not been considered by the Judicial Conference.

Mr. DONNELL. Mr. President, will the Senator yield for a further question, if the Senator from Nevada will permit?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. Does the Senator from Oklahoma know whether the proposal he has submitted through his amendment was presented to the Judiciary Committee of the Senate?

Mr. THOMAS of Oklahoma. It was offered February 3, and it has been pending before the committee since that date.

Mr. DONNELL. Mr. President, if the Senator from Nevada will yield, does the Senator recall whether this subject matter was considered by the Judiciary Committee, even though it was pending before it?

Mr. McCARRAN. It was not considered, because we were trying to hold as much as possible to the Judicial Conference recommendations. It was not considered for that reason. I do not think the Senator from Oklahoma requested an opportunity to come before the committee, although I do not know that that would have been necessary. Had we been considering it, we probably would have called the Senator. My recollection does not serve me that he ever asked to come before the committee.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Oklahoma. I yield.

Mr. DONNELL. With all due respect to the Senator and for his opinion, which I, of course, value highly, as one Member of the Senate I shall feel constrained to vote against the amendment, in view of the fact that it has not been considered in committee. I do not mean to say the Senator may not be entirely correct, but I do not feel that I should like to vote for it without having had the matter considered in committee.

Mr. THOMAS of Oklahoma. In connection with that suggestion, I may say, if it is proper and consistent to add a new member to the circuit court, it certainly would be inconsistent not to support the amendment, because the business of that court comes very largely from the State of Oklahoma.

Mr. DONNELL. Mr. President, I am not able to state the reasons for the inclusion of the new circuit judge, in terms of the needs of the State of Oklahoma, but this matter not having been considered by the Committee on the Judiciary, personally I do not feel willing to vote for the proposal.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Mr. McCARRAN. May I ask the Senator from Oklahoma how many permanent judges there now are in Oklahoma?

Mr. THOMAS of Oklahoma. Our State is divided into three districts. Oklahoma City is by far the largest, and in it we have two judges. Then we have a northern district with headquarters at Tulsa, with one judge. We have then the eastern district with headquarters at Muskogee, with one judge. We then have one so-called floating judge, who circulates in all parts of the State. We find that we need each of those judges now as the business of our State is increasing because of Indian litigation and oil and gas litigation.

Mr. McCARRAN. That means there are how many permanent judges in Oklahoma?

Mr. THOMAS of Oklahoma. There will be five.

Mr. McCARRAN. Will the five judges include the temporary judge?

Mr. THOMAS of Oklahoma. The temporary judge is included.

Mr. McCARRAN. So this would make five permanent judges; is that correct?

Mr. THOMAS of Oklahoma. That is correct.

Mr. McCARRAN. Mr. President, I find in the report the following statement:

There has been referred to the committee an amendment intended to be proposed by Senator THOMAS of Oklahoma to this bill. Said amendment has for its purpose the making permanent of the existing temporary judgeship for the western district of Oklahoma. No facts of supporting data have been submitted to this committee in support of said proposed amendment. The committee wishes to be understood that its failure to include said amendment in the bill as reported was due to the lack of factual information in support of said amendment. It is to be understood that the failure to include said amendment in the bill as amended is not to be construed in any manner as being an expression as to the merits as to the proposal therein contained.

Mr. President, it is my inclination, and I say this notwithstanding the language I have just read, to take the amendment to conference. The bill is going to conference, and it is my inclination to take the amendment to conference, and I would so express myself.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma. [Putting the question.] The "ayes" seem to have it.

Mr. DONNELL. I ask for a division.

On a division, the amendment was agreed to.

Mr. McCARRAN. Mr. President, the Senator from Rhode Island now has his amendment.

Mr. McGRATH. Mr. President, I should now like to call up the amendment which I have previously sent to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 4, beginning with line 24, it is proposed to strike out all through line 15, page 5, on page 5, line 16, to strike out "(d)" and insert "(c)"; on page 5, line 21, to strike out "(e)" and insert "(d)"; on page 6, line 3, to strike out "(f)" and insert "(e)"; and on page 6, beginning with line 11, to strike out all through line 2, page 7.

Mr. McGRATH. Mr. President, the effect of the amendment would be to strike from the pending bill all the language beginning on page 4 at line 24, and continuing through to the period in line 15, of page 5. The amendment would further strike out line 16 of page 5 the letter "(d)" and reletter the subsection so as to make it "(c)". On page 21, line 5, it would strike out "(e)" at the beginning of the sentence, and substitute therefore "(d)". On page 6, the amendment would strike out "(f)" at the beginning of the sentence on line 3, and substitute therefor "(e)." Also on page 6, beginning at line 11, it would strike

out all the language in paragraph 4, down to and including line 2, on page 7. Substantially, Mr. President, what the amendment would do would be to strike out of the bill——

Mr. DONNELL. Mr. President, if the Senator will yield for a question, merely that I may understand it, does the Senator substitute anything for what is proposed to be stricken?

Mr. McGRATH. No; except insofar as it may be said that the substitution of certain letters, which only indicate the paragraphs, constitute a substitute.

Mr. DONNELL. I understand.

Mr. McGRATH. But there is no language substituted by my amendment.

Mr. DONNELL. I thank the Senator.

Mr. McGRATH. So what the amendment does in effect is to strike from the bill the language of the committee amendment which differs from the bill previously passed by the House of Representatives with respect to the same subject which did not contain this language. I am proposing to strike out this language, Mr. President, because it deals solely with the judgeships to be created in and for the District of Columbia, namely, three additional district court judges and three additional judges for the circuit court of appeals.

The language I object to is that which would make it necessary, to be considered eligible for one of these newly created judgeship appointments in the District of Columbia, that one had engaged actively in the regular practice of law for a period of at least three consecutive years immediately prior to his appointment, and in the case of at least two judgeships that he had actively been engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments.

This language, Mr. President, would, if left in its original form, have prevented the President of the United States from making promotions within the judicial system; it would have prevented him from promoting a municipal court judge or a judge of the municipal court of appeals to the district court of the United States. It would likewise have prevented him from appointing one of the present district court judges of the United States to one of these new vacancies being created on the circuit court of appeals. That situation has been corrected by the amendment to the committee amendment offered by the distinguished chairman of the Judiciary Committee. But the objectionable language still remains in the bill, Mr. President, which bars from consideration for appointment any employee of the United States unless he has given up his employment for at least three consecutive years prior to his appointment, and, in addition to that, has been a member of the bar of the District of Columbia.

Obviously, this is rank discrimination against employees of the Federal Government, whether they come from the District of Columbia, from Kansas, from California, from Pennsylvania, or from Rhode Island. It is discrimination against them. Punishment is being visited on them because they have worked for the Government of the United States within the past 3 years, and therefore the Congress of the United States will place a stigma on them implying they cannot be trusted to act as judges of the court of the District of Columbia. Do we say to the States of Kansas, Rhode Island, or Nevada that any man who has worked for the Government of the United States in those States is ineligible to be appointed to a judgeship in a United States district court? Is there any State in the Union which has laid down the qualification for appointment to a judicial post that if a man has worked in any executive department of the State it automatically bars him from consideration for appointment as a judge in a State court?

I do not believe there can be found anywhere any precedent for what is attempted to be done by this amendment. In addition to its unfairness, in addition to its being a slap at Federal employees and lawyers who work for their Government, regardless of their qualifications, it sets up two classes of judges within the District of Columbia, because the bill creates six new positions which, in effect, would increase the number of district court judges in the District of Columbia to 15.

Against three of them there would be a permanent bar established stating the qualifications to be that a person is not eligible if he has worked for 3 years for the Government of the United States, whereas that discrimination is not imposed against the remaining 12 judges, so that of two men with presumably equal qualifications, one cannot have the position if he has worked for the Government of the United States, but the other may have it.

I think it is bad law, bad practice, and bad precedent that the Congress of the United States should make this distinction and this division in the judiciary of the District of Columbia.

The able chairman of the committee has argued that the President might appoint someone from the Department of Justice, he might appoint someone from the Department of the Interior, or he might even see fit to appoint the Solicitor of the Department of Commerce or of the Post Office Department to one of these judgeships, and that, having done that, the particular judge might be considered to be prejudiced in favor of the Government; that he might not be able to decide some of the questions coming before him because the interests of the Government are involved.

We know, Mr. President, that any man who would be worthy of one of these appointments, any man who has the character and ability to stand muster before the examination which the Judiciary Committee of the Senate would give him before he received confirmation, would be a man of sufficiently high character and integrity to disqualify himself in any case in which he felt he would be prejudiced in the interests of one party or the other.

Yes, Mr. President, the argument is made that, although he might be the fairest man in the land, yet, because he recently worked for the Federal Government, there would be a presumption on the part of litigants in his court that they were not receiving fair treatment. I say such a presumption is possible in the case of any judge, no matter whether he worked for the Government of the United States or for any of the great corporations of the United States, or whether he merely practiced law in the District of Columbia. That disqualification would be present also in the case of our own employees. We do not attempt to disqualify employees of the Congress from accepting appointments. We do not say that no man who has, within 3 years past, worked for the legislative branch of the Government is disqualified for one of these appointments. No, Mr. President; we merely take a slap at the executive branch of the Government; we take a slap at those persons who hold judicial posts with the Government at great sacrifice to themselves. I think I can say with all honesty that there is hardly a lawyer working for the Government of the United States in the city of Washington who could not make twice his salary back home by practicing law. Every Member of the Senate who is a lawyer knows what the conditions in our profession are, and they know that many persons are here at great sacrifice to themselves, their families, and, probably, to their future.

We should not place further obstacles in the way of getting good men to come here; neither should we promise that if they come they may get a judgship some day; but certainly we should not deny by law the very possibility that that might happen.

Some of our judges who possess great judicial minds and temperaments have, before they became judges, been employed by the largest corporations in the United States. They have worked for great utility companies or for other private interests. There are times when litigants appear before them and go away dissatisfied, saying, "We cannot get a fair trial from judge so and so because he once worked for the General Electric Co. or for the General Motors Corp., or he once was in Washington where he made a lot of friends among the big, influential characters in the Congress. Therefore we cannot expect to get fair treatment from him."

Mr. President, I say it is the duty of the Judiciary Committee of the Senate, when it examines candidates for such positions, to decide that the persons recommended for confirmation are persons who would not be of that stamp or character. The people of our country have only our own integrity to look to to protect them from judges who would be biased and prejudiced in the hearing of a case.

There is no reason in the world for putting this stamp of our disapproval, of our suspicion, almost of shameful denial of their rights, on great lawyers who come here and work for the Government of the United States, by writing into law a prohibition against their advancement. It seems to me this is the wrong way to proceed.

Mr. President, I want to say—and I say it because I feel it is my duty to say it to all Members of the Senate who are interested in the passage of this bill—

that the President of the United States cannot sign this bill if it contains this provision, without stultifying himself, because he is the head of the executive branch of the Nation and is the one who has to get lawyers to come here and work. This bill cannot become law unless we take from its contents this vile and discriminatory provision. I say, in all honesty—and it is no threat—that we have a perfect right to pass the bill, and then the President has the constitutional right to veto it if he wants to, and it is also all right to pass it over his veto, if possible. But, Mr. President, I do not believe that can be done. I do not believe we can pass this bill creating these additional judgships, and, at the same time, impose a discrimination against certain persons in the District of Columbia when we do not do it anywhere else in the United States. I do not believe we can pass the bill over the President's veto.

It has been said here today that justice delayed is justice denied. If all over the United States there is need for additional judges in great areas of the country, it would seem to me that the Senate would be wise indeed to remove this irritating provision and help the bill on its way to passage.

I point out that in the law regarding district court judges only in one or two instances does the law provide the qualifications of the man appointed, except that he be of judicial temperament and a member of the bar. The President of the United States could appoint a lawyer from Rhode Island tomorrow, if he desired, to be a Federal judge in Portland, Oreg., or in St. Louis, Mo., or he could appoint a lawyer from Topeka, Kans., to be a Federal judge in Rhode Island. We do not even require a residential qualification.

Mr. President, when these judges are appointed they become judges of the United States of America. They are not judges of the District of Columbia or of Kansas, or Missouri, or New Jersey, or Rhode Island. They have jurisdiction all over the United States. The circuit court judges can send a district court judge out of the District of Columbia to any part of the United States to hear a case. Today there is sitting here in the city of Washington hearing a famous case a very distinguished jurist from the State of Kansas, I believe, who comes here with jurisdiction equal to that he would have in his home State.

Mr. DONNELL. Mr. President, does the Senator refer to Judge Reeves?

Mr. McGRATH. I certainly do.

Mr. DONNELL. He is from Missouri, from Kansas City, Mo.

Mr. McGRATH. I beg the Senator's pardon. The two States are pretty close together. They are two wonderful States, too, I may say.

Mr. DONNELL. I thank the Senator.

Mr. McGRATH. We are asked to say that in certain instances three of the judges appointed in the District must have certain qualifications, though they are to possess all the other attributes of Federal judges exercising jurisdiction all over the United States.

Mr. President, I do not think the Senate wants to do that, I do not think it is fair that we should. I think that if the Congress desires, if the Judiciary Committee feels that it wants to make a qualification for one of these positions the fact that a man has a certain amount of actual practice prior to his being confirmed, that is the privilege of the committee. Nothing would be better understood as a legitimate reason for denying confirmation of a nominee of the President than to show that he did not practice law for 1 year, or 3 years, or 5 years, or we could adopt whatever other qualification we thought to be fair. But I submit it is not fair, nor would it be to the honor of the Senate, that we should pick out of this whole bill just six judgeships in the District of Columbia and say that we are going to put the finger on them and are going to pass our responsibility on to the President.

Mr. President, if the chairman of the committee and the whole committee were to say that they would not confirm a nomination sent to the committee if the nominee had not actively engaged in the practice of law for 1 or 2 or 3 years, I would not object, because that would be our prerogative. But I protest, and protest as vigorously as I can, the writing of this unfair provision into the bill.

I therefore say, Mr. President, that if we want additional judgeships created in the Eighty-first Congress, there is only one way to get that accomplished, namely, by adopting my amendment, and removing from the bill the language I refer to, because if we do not, I fear there will be no judgeships.

Mr. President, before the vote is taken, I am going to suggest the absence of a quorum. I do not want to do that until the able chairman of the committee has finished speaking, if he wishes to address the Senate on this subject further. But I think it is so important that I want every Senator the interests of whose State are involved to be on the floor, and I want Senators to be told that the only way they can get these additional judgeships is over the veto of the President of the United States, unless they support this amendment.

CONDITIONS IN CHINA

Mr. KNOWLAND. Mr. President, will the able Senator withhold his suggestion of the absence of a quorum while I make a brief statement on another subject?

Mr. McGRATH. Yes; I do not wish to suggest the absence of a quorum until the time comes for a vote.

Mr. KNOWLAND. Mr. President, I wish to call to the attention of the Senate a dispatch which came in from Japan today by International News Service, and other wire services. I read the dispatch:

MAIZURU, JAPAN, June 27.—The first shipload of Japanese prisoners of war arrived from Siberia today—and all 2,000 repatriates aboard the ship turned out to be completely Communist indoctrinated.

A spokesman for the group said that all are pledged to join the Japanese Communist Party. He declared that 93,000 other Japanese soon to return also will become Communists.

The former soldiers appeared well fed and looked healthy despite 4 years in Russian prison camps. The group sang the Internationale and other Communist songs as the ship docked at Maizuru.

The spokesman said that all 95,000 Japanese in Soviet custody being returned to their homeland are joining the Communist Party voluntarily "in order to create our own new world in Japan."

Japanese officials were obviously taken aback by the thoroughness of the Communist indoctrination among the group. Mayor Shuji Yanagida of the city of Maizuru termed it an "evident Soviet attempt" to sway Japanese domestic politics "by sending in Communist reinforcements."

This impression was confirmed by the repatriates themselves, who declared:

"We are the vanguard of a Communist army landing in the face of the enemy."

Describing their experiences in Soviet camps the repatriates said that they were not forced to work but that they "worked voluntarily for the greater glory of the Soviet Union."

They said they received food from 3,200 to 3,500 calories daily, while on board ship food averaged only about 2,000 calories.

A Communist-operated daily newspaper for prisoners of war, they said, reported that there are 105,000 Japanese still remaining in Siberia and other Russian-held areas.

Of these, the newspaper was quoted, 95,000 are scheduled to be repatriated before the end of the year. The paper said that the other 10,000 are to remain because they are war criminals or common criminals—or because they "harbor mistaken ideologies."

(When the Russians announced resumption of repatriation recently Gen. Douglas MacArthur's headquarters issued a blistering statement in which it was charged that nearly 400,000 former Japanese soldiers must be in Soviet hands.)

(The statement took issue with the Russian declaration that only about 100,000 remain.)

Mr. President, along with that I also wish to call the attention of the Senate a special dispatch to the New York Times from London, dated June 24, and published in the Saturday issue of the New York Times:

UNITED STATES, BRITAIN LIKELY TODAY TO OPPOSE CHINA BLOCKADE

LONDON, June 24.—The United States and British Governments are expected to make known tomorrow their disinclination to recognize the coastal blockade of which the Chinese National Government has given notice in Canton. Washington and London have been in consultation and are expected to make similar declarations.

A lawful government is admittedly entitled to proclaim the blockade of a coast occupied by insurgents. In doing so, however, it admits a state of belligerency.

Other governments are required to recognize a blockade, provided the belligerent has means to make it effective by methods in accordance with the accepted rules of war.

Mr. President, my understanding is that the United States Department of State had anticipated making a statement Saturday as suggested in this dispatch under a London date line which presumably would have been a joint declaration by the Government of Great Britain and the Government of the United States. I understand that on Saturday morning correspondents were notified that no statement would be made at that time.

I wish to call to the attention of the Senate the fact that what the National Government of China has done—and the present government is the only recognized government of China—is not to declare a blockade of the coast and a state of belligerency, but rather the Government of China has served noticed on

the other powers that it was closing certain of their ports to commerce. This a government has the right to do.

Mr. President, we in this Chamber can speak only as to what the Government of the United States should do in this matter, but what I am about to say applies to the Government of Great Britain. The Government of the United States is taking a very heavy responsibility upon itself if it chooses to ignore the right of a sovereign government, which still has its Ambassador in this country, and when we have an Ambassador in that country, which is a member of the United Nations, which was one of our allies during the late war, and in effect say to them, "We will not recognize your right to close the ports of your own country."

This Government, and particularly the State Department of the United States, have been subject on the floor of the Senate to considerable criticism on the ground that they have for the past year or more been pulling the rug out from under the feet of the legal government of China. If they are now contemplating ignoring the closure of Communist ports by the National Government of China, they would be shifting from that position to one of actually joining up with the revolutionary Communist Government in North China against the National Government of China which we recognize. I certainly hope that the Foreign Relations Committee of the Senate of the United States will go into this matter very thoroughly. I hope that the Senate of the United States itself may be fully informed before any action is taken which will put the Government of the United States in effect as a player on the Communist team in this very tragic situation which is going on in China at the present time.

Mr. President, I am greatly concerned by this situation, because in the London Times of June 23, which I hold in my hand, there is a statement from the correspondent of that newspaper out of Kong Kong, which has a paragraph as follows:

> His Majesty's ship *Black Swan* is stationed at the mouth of the Yangtze, and has instructions to do anything necessary to protect British ships from interference, but she is not likely to proceed up the Whangpoo River, where she would come within the range of Communist shore batteries, until the present situation is clarified.

Now if the English language means anything, Mr. President, it means that the British have already instructed one of their war vessels to interfere with the closing of the ports by the legally constituted government of China, and by force, if necessary, to run what is not a blockade, but in effect is a blockade, whereas at the same time they are unwilling to use their ships against the Communists who, as we recall, so recently fired on two British gunboats up the Yangtze River.

So if those instructions have been given by His Majesty's Government, it seems to that extent the British already are starting to play footsies with the Communist area of north China. I certainly hope that merely because the British Government is contemplating any such action, the Government of the United States will not join in the same type of a game with the Communists in the north China area.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES

The Senate resumed the consideration of the bill (S. 52) to authorize the appointment of additional circuit and district judges.

Mr. McCARRAN. Mr. President, did I understand the Senator from Rhode Island to ask for a quorum call?

Mr. McGRATH. Mr. President, as soon as we are ready to take a vote, I intend to ask for a quorum call before I ask for the yeas and nays. But I thought other Senators wished to speak on the subject. I feel there are Senators who are interested in this subject, who have not been present and heard the debate, and that they should come to the floor so they may understand exactly what is involved.

Mr. McCARRAN. I suggest the absence of a quorum.

LONGSHOREMEN'S STRIKE IN HAWAII—EDITORIAL FROM THE WASHINGTON POST

Mr. MORSE. Mr. President, will the Senator from Nevada withhold his request while I take 5 or 10 minutes to speak on another subject? I believe the quorum call should be had in direct connection with the question of Federal judges.

Mr. McCARRAN. I withhold my suggestion of the absence of a quorum.

Mr. MORSE. I see my good friend the Senator from Nebraska [Mr. BUTLER] on the floor, and I want to make my remarks in his presence.

I have in my hand, Mr. President, an editorial which appeared in the Saturday, June 25, issue of the Washington Post. The editorial is entitled "Job for the President." I ask unanimous consent that the editorial may be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JOB FOR THE PRESIDENT

A double-page advertisement in this newspaper Friday set forth in poignant detail the desperate plight of the 540,000 residents of Hawaii. For nearly 2 months Hawaii has undergone a virtually total blockade decreed by Harry Bridges' International Longshoremen's and Warehousemen's Union. Ostensibly the strike is one of 2,000 stevedores against the stevedoring companies; but in reality it is a war against the Hawaiian Islands. And the war is going against Hawaii. Food stocks are scraping bottom, unemployment is mounting, cattle are dying, exports are rotting. President Truman meanwhile has done nothing to invoke the injunctive procedure of the Taft-Hartley Act; and the Governor of Hawaii will have no power to enforce the recommendations of a fact-finding board he has appointed unless the union and employers choose to accept them.

Beyond the immediate injury to the Hawaiian economy, the strike unquestionably has done great damage to Hawaii's plea for statehood. It shows how the islands can be held in thrall by a single union. An indication of the harm that has been done to the cause of statehood is the somewhat hypersensitive report just issued by Senator BUTLER recommending against statehood "until communism in the Territory may be brought under effective control."

What Senator BUTLER is talking about is not communism among the residents in general, but communism in the leadership of the ILWU. The Federal Government now is seeking to prove that Harry Bridges has concealed his Communist affiliation. Certainly there are other issues than communism in the present strike, but the Communist overtones cannot be overlooked, and it is a matter of record that this is the third prolonged strike tying up shipping since 1946. The ambitions of Mr. Bridges come through his dark hint that a strike against the sugar plantations will come next.

Of primary importance is the realization that the Bridges leadership and communism in the ILWU are a national rather than local problem. Lately the CIO has been energetic in its anti-Communist campaign, and it would gladly be rid of Mr. Bridges if it could accomplish this without making him a martyr. But the fact cannot be ignored that Bridges was elected by members of his union, most of whom presumably are not Communists. Thus the problem of restoring sane leadership to the ILWU is an extraordinarily difficult one that cannot be solved by fiat.

But the immediate issue—relief for Hawaii—is one where legal measures are called for, and where they should be applied for. The least the President should do, it seems to us, is to asked for an injunction under the Taft-Hartley law applying to companies as well as the union and on the west coast as well as Hawaii. Then if union members defied the ruling the Army and Navy could be pressed into emergency service to rescue the innocent victims of the blockade while the courts dealt with Mr. Bridges.

Mr. MORSE. Mr. President, in my opinion, the Washington Post is a great newspaper, but I think its editorial policy in regard to labor legislation falls far short of its greatness in other respects. In the editorial of last Saturday it displayed, it seems to me, the same antilabor bias that has characterized the Washington Post editorial policy for a great many months past, going back to its biased advocacy of the Taft-Hartley law in 1947. It is not for me to suggest what is the cause of that bias. But in trying to figure it out I suspect that one should not ignore the Washington Post's own labor difficulties in recent years.

Mr. President, we find the Washington Post on Saturday asking that the President seek an injunction under the Taft-Hartley law against the strike in Hawaii. I think it is very fortunate that we have a great newspaper, in the very midst of the debate in the Senate of the United States on the injunction issue, giving us such a frank example of the effectiveness of the injunction as a strike-breaking weapon, because one cannot read the Washington Post editorial without recognizing that the editorial writer fully understands what the effect of the injunction would be in the Hawaiian strike. It would break it, and the Post knows it. But do we find in the editorial of the Washington Post an unbiased pro and con statement of the strike in Hawaii We do not. We find that great newspapers seeking to poison the minds of its readers, dragging across its pages again the old Communist bugaboo in the stevedore industry.

As I speak this afternoon I hold no brief for Harry Bridges or his leftism, be-

cause I think his leftism is a distinct disservice to organized labor in this country. But I am not going to let prejudice in regard to the president of that union becloud my vision as to the merits of the issues which are involved in the Hawaiian strike.

Of course, Hawaii today is nearly prostrate as a result of the great contest which has been going on over there between the employers and labor. Note what the Washington Post said:

> But the immediate issue—relief for Hawaii—is one where legal measures are called for, and where they should be applied for. The least the President should do, it seems to me, is to ask for an injunction under the Taft-Hartley law applying to companies as well as the union and on the west coast as well as Hawaii.

What nonsense, Mr. President. What deceit, Mr. President, of reference to the injunction applying to the companies. What would the effect of the injunction be on the companies? Why does not the editorial writer point out that the effect of the injunction would be to break the strike? He knew it when he penned the words. It would have no effect on the companies under the Taft-Hartley law, but it would restore the staus quo before the strike, and under the American flag it would send the ships in there and break the strike. The editorial writer knows it. Yet in that sentence he would give the readers the impression that the injunction would be a weapon of mutuality and would have some effect upon the companies. It would have effect on the companies all right. It would be right in the companies' corner. It is a good illustration of the point I discussed thoretically on the floor of the Senate last week when I pointed out that the effect of the injunction is to put the Government on the employer's side of the table.

That is the effect of the injunction. The Washington Post says:

> Then if union members defied the ruling the Army and Navy could be pressed into emergency service to rescue the innocent victims of the blockade while the courts dealt with Bridges.

Mr. President, I am going to divorce Bridges from the issue which I am discussing. I am going to suggest to the President what I think ought to be done in the Hawaiian case. The record ought to be made clear; but the Washington Post was not fair enough to make it clear. The record ought to be made clear that under the leadership and influence of one of the greatest industrial statesmen in America, Cy Ching, head of the United States Mediation and Conciliation Service, and through the splendid work of that service, for weeks the union has taken the position that it would be willing to arbitrate the merits of the dispute. Why did not the Washington Post point that out if it wanted to be fair? Why does not the Washington Post put the heat where it belongs, on the Big Five of Hawaii? The Big Five of Hawaii are spending huge sums of money to propagandize the American people that arbitration of the Hawaiian dispute would be what? Communist tactics. Imagine it, Mr. President. That is the position of the employer class in Hawaii today. The position of the employer class in Hawaii is that an arbitration on the merits of that dispute would be Communist tactics. Did Senators ever hear anything more nonsensical than that? What the Big Five in Hawaii want to do in this economic show-down is to break the union and win the strike. They want the United States Government on their side of the table, by way of an injunction. The Washington Post is asking that the injunction weapon be placed in the hands of those employers, although it is questionable whether the emergency dispute provisions of the Taft-Hartley Act can in any case be held applicable to the Hawaiian dispute.

In the interest of humanity, as represented by the suffering human beings in Hawaii, I say that the struggle ought to end. Instead of the jungle law of economic force now raging in Hawaii the President should appeal to both sides to accept arbitration.

What the President of the United States ought to do, in my judgment, is to send a message to Congress, or meet with the Congress in joint session and announce that he is appointing a board of unquestionably impartial citizens as the President's mission to Hawaii. He should offer an arbitration board to the employers and to the union, to hear the case as a judicial tribunal sitting in arbitration on the merits. Then, as President of the United States, he should use the great prestige of his office to ask the parties to pledge themselves in advance to accept as final and binding the decision of the Board, with the understanding that while the Board arbitrates, full operation of shipping facilities in Hawaii shall be resumed.

We have reached the point where I say that we are entitled to a decision on the merits. Would an injunction give it to us? We have heard a great deal of debate in the Senate about the injunction. Here is a good test as to the effectiveness of an injunction in a specific case. What would its effect be? Would it give us a decision on the merits? Not at all. It would break the strike. It would place people in a position in which, if they did not resume the status quo as it existed before the strike, they would go to jail. Would that have anything to do with the merits of this dispute? Not at all.

I want to say from this desk today that if the employers of Hawaii are so sure of the merits of their case then they have no cause to be afraid of fair arbitration before a board appointed by the President of the United States. That is the acid test for them. If we read their advertisements and the propaganda they have issued, we are inclined to believe that they will not accept arbitration on any basis whatsoever.

If I were President of the United States I would call their bluff today. I would say to the American people, as President of the United States, "I cannot stand by and see the great human suffering that is going on in Hawaii today. I offer to the parties a fair arbitration board. I ask the parties, in a spirit of patriotism, to bind themselves in advance to accept the decision of that board as final and binding upon them, with the understanding that while the board deliberates, normal operations will be resumed in Hawaii." That is what I call applying the rule of reason to the merits of the dispute. That would give us a decision on the merits.

What we need in all these great emergency cases, as I said last week, is a decision on the merits. We do not solve a dispute by having the Government of the United States crack one side or the other over the head with an injunction, saying, "Unless you go back to work on the basis of the same terms which existed previously, which gave rise to the dispute in the first instance, you will go to jail."

I know how easy it is for anyone who says a word of defense in favor of arbitration in an industry involving Harry Bridges' union to be placed in the position of having the unthinking, the prejudiced, and the biased jump to the conclusion that he is raising his voice in defense of Bridges. I am not. I am raising my voice in defense of the principle of arbitration. So long as Harry Bridges is president of that union we must face that as a fact. In my judgment, the rank and file of the membership of that union should be free from any prejudicial action on the part of the United States Government simply because they see fit to keep as the head of their union a man whose political philosophy I will have none of. I want to keep my eyes focused on the basic issue, which is the settlement of this case on its facts.

Fundamental to resolving that basic issue is the adoption of a procedure which will give us a decision on the merits of the dispute. We will not get it by any such suggestion as that contained in the Washington Post editorial of last Saturday.

Thus I say that I agree with the report of the Senator from Nebraska [Mr. BUTLER]—and I paraphrase it—that Hawaii is defeating or setting back its chance for statehood. However, I think there are reasons over and above the reasons set forth in the report of the Senator from Nebraska, which are causing more and more of us who a few short months ago were in favor of Hawaiian statehood to be cooling off toward Hawaiian statehood. I certainly have cooled off toward it. Not only do employer-labor relationships in Hawaii today demonstrate such a lack of stability that there is grave doubt as to the right of Hawaii to statehood, but, in addition to the problems the Senator from Nebraska states in his report in respect to the type of leftism that it is alleged has come to characterize some of the labor movement in Hawaii, I think this dispute shows that the political philosophy which the employing class in Hawaii has demonstrated during this strike disqualifies Hawaii at the present moment for statehood. I think the philosophy of the employing class, as represented throughout this labor strike, shows a philosophy of feudalism which I thought we had passed beyond a century ago. The feudalistic attitude of the Big Five which has cropped out once again with great clearness in this strike shows that the employing class of Hawaii is not ready for statehood.

Mr. President, I hope this will be the last time that it will be necessary to raise the issue of the Hawaiian strike in the Senate. I hope the President of the United States will proceed to act. I think the President of the United States needs to call some bluffs in this dispute. The best way to call them is to offer a fair, impartial arbitration board to both sides. Then let us see who it is that refuses to let his case be decided on the merits.

Let me close by pointing out that the shipping companies concerned, as I said some weeks ago on the floor of the Senate, are for the most part the same shipping companies that last year negotiated the mainland collective bargaining agreement which has in it the finest arbitration section of any bargaining agreement in this country. The same shipping companies that arbitrated in San Francisco, Seattle, Portland, and Los Angeles are refusing to arbitrate in Honolulu. Why? I will tell you, Mr. President: The situation has reached the point where I am inclined to believe that apparently there is something to the suggestion that they are afraid of the merits of their own case. If they are not, then let them get back, and do so quickly, to what I think is the soundest and fairest method of settling labor disputes, once the situation reaches the type of deadlock which the parties in this case have reached, and that is arbitration where there is a decision on the merits.

I close by asking unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter I have received from a resident of Hawaii. I do not know him, but in writing to me he points out some of the effects of the strike on the little people in Hawaii. He himself is not a stevedore. As I read his letter, he is a job holder, and on a very low echelon level, too, in one of the departments in Hawaii. But he sets forth a human-interest story, it seems to me, as to the effect of this type of economic deadlock in Hawaii. Certainly there are thousands like him. As the powerful union and the big five continue to reach for each other's economic throats in Hawaii, it is the little men and women who in the long run, after all, will pay the bill; and they are the ones experiencing great suffering there today.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HONOLULU, *June 17, 1949.*

DEAR SENATOR MORSE: Your name is being mentioned now and then by the newscasters over here in connection with the waterfront strike, which I suppose is getting more than its share of mainland publicity.

Since you appear to be the only responsible person willing to acknowledge that there might be two sides to the ILWU-Big Five battle, perhaps you'd be interested in several observations of an unqualified onlooker.

First let's look at what has happened to staple food prices since the strike began. Rice, the main food of these people sold for $10.25 to $11.25 just before the strike. Now, 6 weeks later it's selling for $25 or thereabouts, and the poor persecuted merchants seem to have plenty of it to sell. Potatoes sold for 4 cents a pound before the strike. Now they are priced at 20 cents. Are the rulers of the territory doing anything about this exploitation of the people? They are not.

Now let's look at the starving-baby problem. If any baby in Hawaii is hungry, he must have been brought up on a diet of plutonium, because every grocery store in Honolulu has all the milk anyone wants to buy. It seems very odd that these strikes always occur when local wholesalers and retailers are stocked to the limit.

The ruling class here has blamed ILWU terrorism for an alleged ruination of the tourist business. Let's look at that: There has been absolutely no terrorism. Furthermore, there isn't any tourist business in Hawaii. What is represented as such consists of two aristocratic hotels owned by the Matson Navigation Co.—who also own one passenger ship which carries aristocrats back and forth from San Francisco. I suspect a good many of its passengers year after year, are local plutocrats—the predators responsible for the larcenous tax laws which make this about the most miserable place under the American flag in which to live.

The predators have been on the air 16 hours a day, and have used the front page of a newspaper which they own, for 6 weeks, screaming "Communists." They don't seem to have any other point to make. Now I don't know exactly what a Communist is, except that he seems to be something which it is fashionable to hate right at the moment. Maybe 5 years from now it will be fashionable to hate Catholics or Jews or Masons or redheads or something else—I don't know. But be that as it may, as far as I can see, the predators haven't proved one case of Communist allegiance among their enemies, the ILWU. They may have documentation on this score, but I doubt it. Knowing this place as I do, they wouldn't pass up an opportunity to throw one of their enemies in jail if they had anything on him, or even thought they had.

Now I'm not trying to build a case for raising stevedore wages. Maybe they should be lowered. But, what I think is worth pointing out is that Hawaii is the victim of a sick, decadent, and obsolescent brand of economy which has created a fabulously rich feudal minority, and which will soon or late create an antithetical host of starvelings unless the Federal Government steps in and takes a firm hand in these matters. Personally, I think another Thomas Dewey in the role of prosecuting attorney could do quite a bit toward fumigating this den of political abomination.

I'll admit I don't completely understand the implications of arbitration, but on the basis of how it has been explained to me, I fail to see anything unreasonable about the basic idea. And it seems rather odd that the employers here should be so dead set against it. It sort of looks as if they know they'd lose if they accepted arbitration as a means of settlement.

In my opinion, much of the dither calculated to attract national publicity to the Hawaii dock strike is in the category of silly dramatics. Having President liners drop anchor out in the sea instead of coming into harbor is a good example of an imbecilic effort to create the impression that there is some sort of danger lurking around the docks in the form of picket lines. A group of hare-brained women parading up and down in front of the union offices bearing placards accusing union leaders of being Bolsheviks or worse is more of the nonsense which fools no thinking person in this place.

The United States Navy with the characteristic stupidity such as they have demonstrated in Hawaii on at least one previous occasion seems to have alined themselves with the strong-take-all element. According to the papers they are going to start issuing out canned milk from the naval supply depot. There is nothing wrong with this I suppose, except that there is already enough canned milk in Honolulu stores to relieve any famine which might occur in the continent of Asia.

These may be naive observations, but I can assure you that I'm not handicapped by any blind prejudice on either side in this matter. As a person who has been picked up by the police, taken in, and forced to pay a tax on a tax already collected by the Federal Government, in addition to several additional taxes too complicated for my understanding—I suppose I'm just a little prejudiced against the Hawaiian rulers, particularly when this happened without any advance notice of any kind. And as a person who, knowing so well the Honolulu hatred of a mainland government employee, that he is afraid to report a theft to the police, I'll admit I feel no particular love for the lawmakers—the people who for generations have held title to practically all the land in the Hawaiian Islands. I feel no particular affection for the strikers either, but I must admit that up to now, they've done nothing to hurt me.

Now I'm certainly no expert on political matters, but I could hazard a couple of guesses at a couple of basic things which are wrong with the picture here. For one thing, a strong governor with a will to deal with the serious problems of this outpost would help a lot. Secondly, the colossal governmental employment subsidies of the Island of Oahu are economically unsound. The thousands of people employed here by the military system render no valuable service in the establishment or maintenance of a sound economy. As far as defense is concerned, it has already been demonstrated that they can't defend the place even against an inferior enemy. There's nothing to defend anyhow in this age of globe-circling bombers. A barrel of bacteria dumped in two or three critical spots would demoralize the entire city and county.

Contrary to popular opinion on the subject, a high percentage of Federal wage earners here are local, rather than mainland people. Our wages, with some notable exceptions of course, are higher than they should be, considering the service most of us render. Furthermore, there are twice as many of us as there should be, even after the healthy cut-backs of the past year. Since we are universally despised by the Hawaii lawmakers, and a good segment of those who vote for them, we are objects for legalized banditry in the form of fabulous retail prices and unconstitutional taxes. All of this also affects those not fortunate enough to be on the Government pay roll, and sometimes they must translate their resentment into the form of demand for higher wages.

I don't know how much a stevedore should earn in relation to a machinist or a shipfitter. But I do know that a stevedore pays 37 cents a pound for dropling oranges the same as a shipyard worker does.

The rulers have also dragged the sugar business into the dock strike and have accused the union of upsetting the cane-growing cycle, which they say will ruin the sugar business for years to come. I suppose failure to set a crop of cane would disturb the 8-year cycle, but they are talking about something which hasn't happened yet. Perhaps if the sugar planters land was taxed to the extent that a wage-earner is here, Hawaii would eventually find something more profitable to grow than sugar. I'm not sure, but they tell me there are millions of acres of tax-free land in these islands owned by the descendents of the missionary land grabbers. This is accomplished they tell me, by passing a law declaring it unproductive. Yet a $300 river shack on some of it, leased to a wage earner, carries a price tag of about $18,000 to $40,000.

This is how the whole thing looks to an unqualified observer. Maybe some of my impressions are slightly inaccurate. I don't

doubt that the lawyers of the Big Five could make all of them scund inaccurate. They're good at that. It's their business. In any event, Honolulu isn't quite ready for an air lift.

Sincerely.

Mr. MORSE. Mr. President, the answer, I say again, is arbitration. I respectfully suggest to the President that he use the prestige of his great office to call upon the parties to accept arbitration.

ADDITIONAL CIRCUIT AND DISTRICT JUDGES

The Senate resumed the consideration of the bill (S. 52) to authorize the appointment of additional circuit and district judges.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island [Mr. McGRATH] to the committee amendment on page 4 in line 21.

Mr. McCARRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Millikin
Anderson	Holland	Morse
Baldwin	Humphrey	Mundt
Bricker	Hunt	Murray
Butler	Ives	Neely
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Reed
Chapman	Johnston, S. C.	Robertson
Cordon	Kefauver	Russell
Donnell	Kem	Saltonstall
Douglas	Kilgore	Schoeppel
Downey	Knowland	Taft
Ferguson	Long	Taylor
Flanders	Lucas	Thomas, Okla.
Frear	McCarran	Thomas, Utah
Fulbright	McClellan	Thye
George	McFarland	Tydings
Graham	McGrath	Watkins
Green	McKellar	Wherry
Gurney	McMahon	Williams
Hendrickson	Malone	Withers
Hill	Martin	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment to the Committee amendment offered by the Senator from Rhode Island [Mr. McGRATH].

Mr. McCARRAN. Mr. President, in order that the matter before the Senate may be thoroughly understood, I shall read the language of the bill as it comes before the Senate, pages 4 and 5, as follows:

(c) Of the District judges for the District of Columbia, (1) at least three shall have been actively engaged in the private practice of law, and shall not have been regularly employed in the executive branch of the Government of the United States, during a period of at least three consecutive years immediately prior to their respective appointments; and (2) at least two shall have been actively engaged in the private practice of law in the District of Columbia for a period of at least five consecutive years immediately prior to their respective appointments. Any period or periods of active service in the armed forces of the United States shall not be considered as regular employment in the executive branch of the Government, and any such period or periods shall be disregarded in determining whether the years of practice required by this subsection are consecutive or immediately precede the appointment.

Mr. President, let me read an excerpt from the Judicial Code:

Except in the District of Columbia, each circuit judge shall be a resident of the circuit for which appointed at the time of his appointment and thereafter while in active service.

Mr. President, no one would think of appointing a district or circuit judge from outside the circuit or outside the State in which that district judge was to serve. It was tried some years ago. I think the State of Georgia was very much in arms when an attempt was made to bring in from another State an appointee to serve as a judge in the State of Georgia. Let a President try some time to appoint for service in the State of New Jersey a judge from the State of Pennsylvania, the State of New York, the State of Nevada, or from some other State. I venture the assertion that no President would try it. Yet, Mr. President, we bring them into the District of Columbia, we entice them, so the able Senator from Rhode Island says; we entice them to come into the District of Columbia, and we hold up a reward to them, so the able Senator from Rhode Island says; we hold up a reward to them——

Mr. McGRATH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Rhode Island?

Mr. McCARRAN. If the Senator will wait until I finish my sentence, I shall yield. We hold up a reward to them that if they come here and stay they will be eligible to appointment to a judgeship.

Mr. McGRATH. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McGRATH. Mr. President, does the Senator believe that he is accurately quoting the Senator from Rhode Island? I made no statement to the effect that we hold up a reward.

Mr. McCARRAN. The substance of what the Senator said, the whole inference of what he said, was exactly what I have quoted.

Mr. McGRATH. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. McGRATH. I made no such statement, that we hold out a reward to them. I did say it was always a possibility; that men having served in the executive branch of the Government and having established residence here, should not be barred by law from the possibility that they may be worthy of consideration for one of these judgships at some time.

Mr. McCARRAN. Did not the Senator say it is difficult enough to get people to serve the Government, and that to impose this qualification makes it all the more difficult?

Mr. McGRATH. I certainly did say so; and that we should not place any obstacles in their way.

Mr. McCARRAN. Then the Senator says he did not infer this was a reward held up to them. I will leave that for the Senate to judge.

Then, again, Mr. President, the Senator from Rhode Island said—and I was sorry to hear him say it—that Senators who are interested in the appointment of judges as provided in the bill will not be able to get the bill through unless they vote to strike my amendment from the bill. What a threat for the chairman of the Democratic National Committee to make to Senators on the floor of the Senate. Have we not a right to exercise our judgment, for God's sake, on a bill which means so much? Why should there be a threat hurled in the faces of Senators by the chairman of the Democratic National Committee, that unless we vote for his amendment, the President—on the advice of the chairman of the Democratic National Committee, I suppose—will veto the bill? This is the first time I ever heard such a threat on the floor of the Senate in the 18 years I have been a Member of this body, and I hope it is the last time, because I hope we may present to the Senate of the United States matters which are worth while for the impartial judgment of the Senators.

If there is anything in the amendment offered by the Senator from Rhode Island which Senators believe is worth while, then, in God's name, and in their own judgment, let them vote for the amendment. That is all right—and I offer no threat, because there is none to be offered. If nominations of judges come up for confirmation, regardless of whether Senators vote for my amendment to the bill or for the amendment offered by the Senator from Rhode Island, such nominees will be fairly, squarely, and honestly dealt with.

Mr. President, let me read another excerpt from the code. I read to the Senate the provision that a circuit judge must be a resident of the circuit in which he is appointed. Let me read another provision:

Each district judge, except in the District of Columbia, shall reside in the district or one of the districts for which he is appointed.

I wonder what that means? In other words, in the States they must reside in the circuit for which they are appointed if they are appointed on the circuit court bench, or they must reside in the district in which they are appointed, if they are appointed to the district court bench. But in the District of Columbia no such provision prevails.

Mr. President, there are two objectives embodied in the language in the bill. One is that the bar of the District of Columbia, composed of as fine a group of lawyers as there are in America, shall have a chance to serve the people on the bench of the District of Columbia. That is one objective; that is one aim. The other is to say to the people of the country, "If you come to the District of Columbia and engage in litigation against any executive department, regardless of what it may be, to redress wrongs or to secure rights, you shall go before a man who has not, for the past 3 years, been a member of some department, under the pay and the control of that department."

Again, Mr. President, I say I do not care how fair a decision may be, if it is decided against the litigant, he will say, "Well, if I had gone before a judge who

had not served in a Government department within the past 3 years, I would not have been so treated."

Fairness is all we are looking for, and so long as we can have the confidence of the people of the country in their courts, I believe we will be secure in our Government.

Mr. President, I hope that the amendment of the Senator from Rhode Island will be rejected by a vote of the Senate, and I ask for the yeas and nays.

Mr. McGRATH. President——

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. What is the order as to the yeas and nays?

The PRESIDING OFFICER. They are ordered.

Mr. McGRATH. Mr. President, I shall detain the Senate for only a short time. I shall not repeat the argument I made in behalf of my amendment. It will be found in its entirety in the RECORD.

If the Senator from Nevada has located in the statutes the section with respect to residence to which he has referred—I have no doubt he has the information before him—I can only say that the hurried search which I made during the pendency of the debate did not bring the section to my attention. Some of the members of the staff of the committee were looking, also, and were unable to put their fingers upon the section. I had made no prior research on this point, because I did not know the bill was coming up for consideration today.

The Senator from Nevada has seen fit to make a great point of the fact that I made a threat to Senators. I was very careful to make it perfectly clear that it is the right of the Senate to pass any kind of a bill it wishes to pass, and, by the same token, the Executive has his rights in the matter, and we have a remedy against his action. If he should veto the bill, we can pass it over his veto. It is not making a threat to the Senate to state that simple fact, which I tried to do, very carefully, when I said that, in my opinion—and I have a right to an opinion as a Senator and as a citizen, and maybe I have a right to an opinion as the chairman of the Democratic National Committee—I said, Mr. President, that, in my opinion, the President of the United States could not sign this bill, with this provision in it, without stultifying himself. I have heard that statement made on the floor of the Senate time and time again, by many Senators arguing in behalf of proposed legislation.

The President of the United States is the head of the executive branch of the Government. These persons work for him. What kind of an individual would he be to slap some of them down by a provision of law such as this, discriminating against them, and in favor of other persons? If we are sincere in saying we want to have a provision of this kind, then there should be an amendment making it apply to Federal district judges all over the United States, and not simply in the District of Columbia.

I am sorry if any Senator should take amiss, as apparently the Senator from Nevada has, the fact that I called the Senate's attention to my opinion that the bill cannot be signed by the President without, as I see it, bringing himself into a position in which, knowing him as I do, I do not believe we shall ever find him. Therefore, if it has become the rule or the custom that no Senator shall stand upon the floor and express his honest, deep, and sincere conviction as to what the outcome of a bill will be, I think we are depriving ourselves of a great deal of wisdom and knowledge that should be of great value in considering proposed legislation.

So I do not apologize in the least, Mr. President, for calling to the Senate's attention what I think Senators will agree is a reasonable attitude and the only proper attitude which can be taken by the man who is charged as the head of the Executive branch of the Government to be fair, impartial, and equal in his treatment of every Federal employee.

I have made a long argument as to why the language should be stricken. I hope that Senators in casting their votes will take into consideration the argument which has been made as to the fairness of the proposal.

I have been told by several Senators since the debate started that I have changed their opinion. They have said, "I thought there was only one side to this issue, but you have changed my opinion." Several Senators came to me during the quorum call and said that I had changed their opinion. I think if all the Senators had heard my complete argument there would be no question that the amendment which I have offered would be agreed to, that the objectionable language would be stricken from the bill, and that we would pass a clean bill in line with that which the House of Representatives sent to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. McGRATH] to the amendment of the committee.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senators from Texas [Mr. CONNALLY and Mr. JOHNSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. KERR], the Senator from Idaho [Mr. MILLER], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent by leave of the Senate on official business, having been appointed an adviser to the delegation of the United States of America to the Second World Health Organization Assembly meeting at Rome, Italy.

The Senator from Washington [Mr. MAGNUSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Maryland [Mr. O'CONOR] is absent on official business, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from Mississippi [Mr. STENNIS] is absent because of illness.

The Senator from New York [Mr. WAGNER] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the senior Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the junior Senator from New Hampshire [Mr. TOBEY] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Indiana [Mr. CAPEHART] is absent because of his attendance at the funeral of a member of his family.

The Senator from Iowa [Mr. HICKENLOOPER] is absent on public business.

The Senator from New Jersey [Mr. SMITH] is absent because of illness.

The Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. McCARTHY], the Senator from Maine [Mrs. SMITH], and the Senator from Michigan [Mr. VANDENBERG] are detained on official business.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The result was announced—yeas 25, nays 41, as follows:

YEAS—25

Anderson	Johnston, S. C.	Murray
Chapman	Kefauver	Neely
Douglas	Kilgore	O'Mahoney
Frear	Long	Russell
George	Lucas	Taylor
Green	McFarland	Thomas, Utah
Hill	McGrath	Withers
Humphrey	McMahon	
Hunt	Morse	

NAYS—41

Aiken	Hendrickson	Mundt
Baldwin	Hoey	Reed
Bricker	Holland	Robertson
Butler	Ives	Saltonstall
Byrd	Jenner	Schoeppel
Cain	Johnson, Colo.	Taft
Cordon	Kem	Thomas, Okla.
Donnell	Knowland	Thye
Downey	McCarran	Tydings
Ferguson	McClellan	Watkins
Flanders	McKellar	Wherry
Fulbright	Malone	Williams
Graham	Martin	Young
Gurney	Millikin	

NOT VOTING—30

Brewster	Hickenlooper	O'Conor
Bridges	Johnson, Tex.	Pepper
Capehart	Kerr	Smith, Maine
Chavez	Langer	Smith, N. J.
Connally	Lodge	Sparkman
Eastland	McCarthy	Stennis
Ecton	Magnuson	Tobey
Ellender	Maybank	Vandenberg
Gillette	Miller	Wagner
Hayden	Myers	Wiley

So Mr. McGRATH's amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER. The question now is on the committee amendment, as amended by the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment, as amended, was agreed to.

Mr. McCARRAN. Mr. President, there is pending before the Committee on the Judiciary, House bill 4963, which is a companion bill to Senate bill 52. I ask unanimous consent that the Committee on the Judiciary be discharged from

further consideration of the House bill, and that the Senate proceed to consider the House bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the bill (H. R. 4963) to authorize the appointment of additional circuit and district judges.

Mr. McCARRAN. Mr. President, I now move to strike out all after the enacting clause of House bill 4963, and and to insert in lieu thereof the language of Senate bill 52, as amended.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

Mr. WHERRY. Mr. President, does the Senator propose that a House bill on the calendar be taken up, and that the language of the Senate bill, as amended, be substituted for the language of the House bill?

Mr. McCARRAN. Let us get the situation straight. House bill 4693 is not on the calendar. It is in the Committee on the Judiciary. I asked unanimous consent that the Committee on the Judiciary be discharged from further consideration of the House bill. That request was agreed to. I then asked that the Senate proceed to consider the House bill, and I moved the Senate bill, as amended, be substituted for the language of the House bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill, H. R. 4964, was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 52 is indefinitely postponed.

Mr. McCARRAN subsequently said: Mr. President, with reference to House bill 4963, which passed the Senate this afternoon, I move that the Senate insist on its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. MILLER, and Mr. FERGUSON conferees on the part of the Senate.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. THOMAS of Utah. Mr. President, as we return to the consideration of the unfinished business, I do not want to detain the Senate very long, because I deem it unfair to do so, since those who have offered various amendments should have time to discuss them. Therefore, I feel I should not take up the time of the Senate. But I believe it is necessary to state the real problems which are facing us in connection with the questions which will be voted on under the unanimous-consent agreement.

The amendment to the Thomas bill offered by the Senator from Florida [Mr. HOLLAND] on behalf of himself and other Senators, brings vividly and very clearly to the minds of every Senator the principle in regard to injunctions. If that amendment should be accepted and if it should be written into the Thomas bill, much of all that the Thomas bill is attempting to embody in the law of the land in regard to labor legislation will have been blasted. In saying that I ask Senators to remember what has been said about the injunction by speakers on both sides of the aisle.

The struggle to get the injunctive process out of labor disputes began far back in the early nineties, but did not result in a national law on the subject until 1932. In that struggle the Democratic platforms promised labor to take the injunctive process out of labor disputes. That privilege was given to labor by the Norris-LaGuardia Act, enacted under Republican auspices. I mention those two facts to show that both major political parties had become thoroughly convinced over the years that the injunctive process was a bad process; that it was bad government in and of itself in labor disputes.

Mr. President, in order that I may not be misunderstood, I wish to say that I do not want to get into a controversy with the Senator from Missouri, for example, who defends the injunction as a legal procedure which is for the benefit of both sides. I am not trying to destroy any legal rights. But I know that under the theory of collective bargaining and the settling of disputes between the employer and the employees, whenever the Government comes in by injunction, the Government by inference takes sides, and the ability to argue on an equality goes out the window. That has been the history of the injunction. Labor has felt that Government was not honest with them under the injunction. Labor has felt that the Government was taking sides under the injunction. So we have come to the very issue that is the most serious one in labor's mind. The Government of the United States, when it passed the Norris-LaGuardia Act, accepted the thesis of labor and made that thesis the law of the land.

Mr. President, in general terms, no matter what anyone may say about the origin of the Taft-Hartley law, I still accept the statement of the young man named Morgan, who on the witness stand said that he received $7,500 for writing that law, and he wrote it under the direction of employer organizations. I realize that a real employer, or a real management did not have anything to do with the writing of that law; that it was done merely by the agent. This is what I want to say to the people of the United States and to the real employers from one end of the country to the other. If they accept the theory and the principle of the Taft-Hartley law, as written by this young man who received money to do it, they are merely standing for confusion in their industry.

Mr. IVES. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I stated that I merely wished to make a statement. I would rather not yield. I wish to make this statement so that the debate can proceed properly. If it is all right with the Senator, I will not yield at this time.

Mr. IVES. The Senator from New York would like to clear up a matter while the Senator from Utah is discussing the particular subject.

Mr. THOMAS of Utah. I dislike to yield. I do not wish to take time that belongs to others. Since the Senator has asked, I will yield to this extent.

Mr. IVES. The Senator from New York appreciates the courtesy of the Senator from Utah.

The Senator from New York would like to inquire of the Senator from Utah if he does not recall that a very large part of the Taft-Hartley Act came from the committee bill reported by the Senate Committee on Labor and Public Welfare in 1947.

Mr. THOMAS of Utah. I recall all that.

Mr. IVES. I should like to ask another question, if I may. That being the case, I think the Senator from Utah will admit that the gentleman to whom he refers in his remarks had nothing whatever to do with preparing the Senate bill.

Mr. THOMAS of Utah. I would just as soon admit that. I would just as soon admit that the young man lied. I would just as soon admit that the Republican National Committee paid him $7,500 for doing something which he did not do. But no one would accept such admissions. The young man's testimony is there.

Mr. IVES. Mr. President——

Mr. THOMAS of Utah. I want to explain my thesis and to show, if I can, the position in which industry in the United States is placing itself in relation to this bill, because it is following leaders who are attempting to be vengeful and attempting to punish, instead of bringing about a condition under which we can have true collective bargaining.

Mr. IVES. Mr. President——

Mr. THOMAS of Utah. I realize that when I opened the debate on this bill I brought in the testimony of Mr. Morgan. I continue to bring it in. I read what Mr. Hartley said about the bill. I think I have proved my thesis. No one paid any attention to it. Immediately the reply came from the other side that I tried to show that political interests were involved in the bill; that those on the other side were not politically interested at all; that they were merely trying to do something for their country; that they were merely trying to pass good legislation; and that what Mr. Hartley said in his book was not true. So those who defended the Taft-Hartley law in the Senate found themselves in complete disagreement not only with what the author of the bill in the House of Representatives said, but also with what actually took place, and with the testimony of young Morgan.

Those things are in the past. What I wish to point out is what is happening as a result of this debate, to show the evils—if I may use that word—in the attempt

to use the Government as a restraining influence on industry or labor in overcoming a dispute.

Mr. President, it is evident to every Senator who reads his mail that the real employers in this country realize that to whatever extent the spirit of the Taft-Hartley law remains in this bill it will not be good legislation. We have approved three or four amendments. It is claimed that the amendments which we have approved have been taken from the Taft-Hartley law. I have tried to explain that they were not taken from the Taft-Hartley law, but that they contain the spirit of the Taft-Hartley law, and that those amendments reflect against employers and business and will bring them trouble.

It is said that by compromising we are forced to accept the principles of the Taft-Hartley law. What is happening? Is there an industrialist in the United States who wants to sign the anti-Communist affidavit and the anti-Fascist affidavit, and do all the things he must do when we take over the spirit of the Taft-Hartley law? I pointed out that there was mutuality, but that it was a mutuality which was based upon the fact that the Taft-Hartley law asked for something which was unjust and improper, and therefore we ask for two unjust and improper things, rather than abolish the improper thing.

We tried to bring about mutuality in another way. We tried to say that since labor must furnish financial statements as to its condition before it can go before the National Labor Relations Board, it is fair also to ask industry to make such financial statements. Industry now realizes that it is having imposed upon it something which should not be imposed upon it. The forceful hand of the Government is entering a picture in which the Government should not be. It is making industry do something which industry should not do, does not want to do, and should not be called upon to do in a labor dispute.

I am speaking to the people of the country—not to the representatives of employer organizations, because I know them. I stated in my opening remarks that all during the civil-liberties hearings, when we had before us a real employer, the real owner of a business, we had an honest man, and a man who understood decent industry-labor relations. I have never met such a man who did not want to be loyal to his country and who did not want peace in his industry-labor relations. But when we have an organizer, a man who is trying to organize the force of industry so that it may be thrown against the force of labor, and who is trying to get the force of Government on his side, we have a man who is living by his wits, whether it be in a mediation case or a conciliation case. Whenever anything like that happens, good relationships go out the window.

We heard the testimony of the Senator from Indiana [Mr. CAPEHART], an employer on an extensive scale. He knows what these amendments will do. He knows what the Taft-Hartley law has done. What I wish to say, before Senators vote, is that they should think over what the employers want. They want to be left alone. They do not want to be coerced. They do not want to enter a dispute supported in an unjust way by the Government. Labor will react to such a situation in the same way industry reacts when labor is supported in an unjust way by the Government.

I want to tell the people of the country that honest collective bargaining is the thing at which we are aiming—not advantage taking in bargaining; not an attempt to get the Government on one side or the other. Whenever we write such provisions into the law we limit the use of collective bargaining.

One of the most terrible industrial-labor disputes is taking place at the present time in Hawaii. When we annexed Hawaii we made her an incorporated part of the United States. But because we have written into the law a national-emergency provision, who can say that that which affects Hawaii, thousands of miles offshore, is a national emergency? Therefore nothing can be done. Nothing is being done. Who is being hurt? Both industry and labor are being hurt. Our country is not being greatly affected, but the shipping interests conducting transportation between this country and Hawaii are greatly affected.

Why is Government holding back? Because of the limitation or definition in the law which seems to describe a national emergency. There is no national emergency on a very wide scale, and so the evil and the injury continue. Would not the President of the United States, before he acted, have to pass judgment as to whether the evil which is going on in Hawaii is a national emergency or not? He could have taken the advice of the governor of that Territory. He could have taken the advice of the military. He could have taken the advice of his naval representatives. He could have taken the advice of citizens. But no; before he could do anything he must be convinced that there is a national emergency.

That is the other side of the kind of legislation which we have been forced to perpetuate because we have wanted to bring government into the picture. I believe that practically every large employer in the United States, when he thinks the bill through, when he realizes the meaning of the amendments which have been offered, when he makes a comparative study of the National Labor Relations Act as it was before the Taft-Hartley law came into existence, and when he sees what is to be done in regard to these amendments, will say to all his friends in the Senate, "Stand by the provisions of the Thomas bill, because that leaves us freer. It makes for better collective bargaining. It leaves the Government out the picture, and puts the problem where we would like to have it."

Mr. DONNELL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. FREAR in the chair). Does the Senator from Utah yield to the Senator from Missouri?

Mr. THOMAS of Utah. I am nearly through, but I shall be glad to yield.

Mr. DONNELL. The Senator from Utah was referring to the situation in Hawaii. I wish to ask him whether under the Thomas bill the President would have any authority to deal with the Hawaiian situation.

Mr. THOMAS of Utah. I used that as an illustration. Under the Thomas bill the national-emergency idea will be continued, and the President will have to pass judgment in regard to that matter, just the same as he does under the Taft-Hartley law. I merely am trying to show that once we write such an idea into law, we bring about a limitation as well as the possibility of action.

Mr. DONNELL. I understand that the Senator from Utah agrees that under the Thomas bill itself the President is not given powers which would enable him to deal with the Hawaiian situation.

Mr. THOMAS of Utah. Before he could deal with it, he would have to decide that it was a national emergency.

Mr. DONNELL. Just as he would under the Taft-Hartley law.

Mr. THOMAS of Utah. Yes, that is true. Of course, I am talking about the evil which develops.

When the Senator says "Just as he would under the Taft-Hartley law," that brings in questions as to the details. I do not know whether the answer to that is "Yes" or "No." I do not mean that the answer is that whenever the President shall find a certain situation existing, under the Thomas law he shall do certain things, or that whenever the President shall find a certain situation to exist, under the Taft-Hartley law he shall do certain other things. But judged by the spirit of what the Senate has been trying to do to develop more cordial relations in connection with settling disputes, it seems to me that when the national emergency provision was written into the law, we went backward, not forward.

Mr. DONNELL. I take it that the Senator from Utah agrees that if the amendments to the labor law, in the form of Senate bill 249, the Thomas bill, are enacted, the President will not have any authority under that bill to deal with the Hawaiian situation, unless he finds that the situation is one in which a national emergency is threatened or exists.

Mr. THOMAS of Utah. I think that is true.

Mr. DONNELL. And that is also true under the Taft-Hartley law, is it not?

Mr. THOMAS of Utah. That is true. The Senator from Missouri knows, as I do, why the national emergency provision is found in our bill.

Mr. DONNELL. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. MORSE. Under either the Taft-Hartley law or the Thomas bill there would be nothing, would there, to stop the President from voluntarily offering to the parties in the Hawaiian dispute, if he cared to do so, the appointment of an arbitrator, if they would accept the arbitrator's decision as binding?

Mr. THOMAS of Utah. Not at all. Furthermore, if the President decides that this is a national emergency, he may act, of course. But the mere fact that the words "national emergency" appear indicates the restraining influence placed upon the President, thus holding

him back. Of course, I do not know whether that is holding the President back in this case. I am not trying to guide the President in any way as to the Hawaiian situation, for now I am speaking merely for myself.

My point is that since the national employers' associations brought about the enactment of the Taft-Hartley law, they have advised the employers of the United States poorly, and that has resulted in bad law and bad administration. In short, they have not been faithful servants to their trust. That is what I meant.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. THOMAS of Utah. I am glad to yield.

Mr. MORSE. In putting the question to the Senator, I wish to say, first, that I completely agree with the last observation the Senator from Utah has made.

I ask the Senator, Does he agree with me that if we followed the proposal set forth in the Washington Post's editorial of last Saturday in respect to the Hawaiian dispute, namely, that an injunction should be issued in that dispute, that would not decide the merits of the dispute at all, but the injunction would merely put the Government on the employers' side of the table in the dispute?

Mr. THOMAS of Utah. Yes; and probably would send the men back to work against their will, which, I repeat, never brings about a salutary spirit and never results in anything but a forced mediation, if mediation occurs.

Mr. President, I am through. I wish every Senator to realize the seriousness of these votes. The Holland amendment would destroy the Thomas bill. If the Holland amendment is submitted for that purpose, it is submitted with great wisdom, because if it becomes a part of the Thomas bill, we shall go back to something quite as bad as the provisions of the Taft proposals.

If the amendment of the Senator from Illinois [Mr. LUCAS] is adopted, of course we shall remove the injunction from the Taft proposals.

If we support the Lucas amendment, that will mean a vote against the use of injunctions in labor disputes. It will mean a return to the spirit of the Norris-LaGuardia Act; it will mean that we can accomplish at least those two things. The way the vote goes on these two proposals undoubtedly will be controlling as to how we shall vote on the other proposition that is before us under the unanimous-consent agreement, namely, the question of the adoption of the Taft substitute for title III of the Thomas bill.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. I yield.

Mr. IVES. Did I correctly understand the able Senator from Utah to say that he is in favor of the Lucas amendment?

Mr. THOMAS of Utah. I shall vote for the Lucas amendment, of course, because at least it removes the injunction from the Taft proposals. I could not vote against the Lucas amendment, and I do not think any Senator who wishes to return to the days of the Norris-LaGuardia Act can vote against the Lucas amendment.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. THOMAS of Utah. I yield.

Mr. IVES. As between the Lucas amendment and the corresponding provision, in the bill of the Senator from Utah, dealing with national emergencies, which one does the Senator from Utah prefer?

Mr. THOMAS of Utah. I like my own bill very much better than the Lucas amendment. If the Lucas amendment and the Taft substitute become the law, we shall have to do some other things to the law before it is a good one.

TRANSSONIC AND SUPERSONIC WIND-TUNNEL FACILITIES AND AIR ENGINEERING DEVELOPMENT CENTER

Mr. TYDINGS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 1267, Calendar No. 436, a bill to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air engineering development center.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLAND. Mr. President, reserving the right to object, let me say I had intended to speak, and had assured other Senators that I would do so as soon as the distinguished Senator from Utah completed his statement. I would not like to agree to have this other measure brought up now unless it will be disposed of promptly, without debate.

Mr. TYDINGS. I say to the Senator from Florida that I should like to take 5 or 10 minutes to explain the bill. In the event the debate goes on for longer than that, I shall be glad to yield to the Senator.

Mr. HOLLAND. Mr. President, I dislike in any way to stand in the way of the distinguished Senator from Maryland. I shall be glad to wait 10 minutes, if the Senator thinks that will be an adequate period of time.

Mr. TYDINGS. Mr. President, that does not mean that the bill will be voted on in 10 minutes. It simply means that I shall take 10 minutes to explain the bill.

Mr. TAFT. Mr. President, I understand that any Senator can at any time demand the regular order, if it appears that there will be extended debate on the measure to which the Senator from Maryland refers.

Mr. HOLLAND. Mr. President, my understanding goes further than that, namely, that the distinguished Senator from Maryland himself will relinquish the floor if the bill is not disposed of within the 10-minute period.

Mr. TYDINGS. That is correct.

Mr. MORSE. Mr. President, I was for the bill in the Armed Services Committee, but I would not be willing to vote on the bill in the absence of a quorum call. I think as a matter of fairness all Members of the Senate should have notice through a quorum call.

Mr. TYDINGS. The Senator from Maryland has no disposition to push it to a vote, so after 10 minutes, if any Senator wants to demand the regular order, the Senator from Maryland will not interpose. I feel this is a matter of importance, and that there should be an explanation in the RECORD. I do not want to use 10 minutes in suggesting the absence of a quorum, and therefore I should like to proceed merely to lay the facts before the Members of the Senate.

The PRESIDING OFFICER. Is there any objection?

Mr. TAFT. Mr. President, reserving the right to object, with the understanding that no vote will be taken without a previous quorum call, I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland?

There being no objection, the Senate proceeded to consider the bill (S. 1267) to promote the national defense by authorizing a unitary plan for construction of transsonic and supersonic wind-tunnel facilities and the establishment of an air-engineering development center.

Mr. TYDINGS. Mr. President, before devoting any time at all to Senate bill 1267, and with some reluctance, for it puts me in a rather immodest position, nevertheless I am going to attempt to bring to the Senate and the country the importance of this proposed legislation. Those of us who serve on the Armed Services Committee and who have been privy to strategy as it will probably be employed if we should have another war, have continually been astounded with the rapid rate at which science and invention in the military field are proceeding. It is very difficult indeed to explain and to defend even measures of a military character on the floor of the Congress, because all of us on the Armed Services Committee have in our minds briefings which we have had and which for obvious reasons, we cannot very well discuss on the floor of the Senate, but which are really very important in the consideration of any of these highly technical and scientific matters, such as atomic energy, guided missiles, and the like.

I shall take the liberty of making an astounding statement. In my judgment, for whatever it may be worth, in the near future—and I do not mean in a year or two, but not too far distant—we shall have arrived at a stage in military science when intercontinental guided missiles will be used in warfare, just as we were astounded to learn in World War II that Hitler was employing the V-bomb and the buzz bomb and was raining destruction upon British cities from 60, 70, and 80 miles away, with missiles which went 60 miles in the stratosphere on their way to the target. So, with the advance of science and with mechanical know how, we have come to see that the time when the intercontinental guided missile, flying across the ocean with nobody in it, but pretty accurate in its trajectory and as to where it will seek out its target, is not far off.

We have already at this session authorized legislation dealing with this phase of warfare. I hate to see it come. I wish it were impossible for science and invention to make such a discovery, I wish it were possible that the atomic

bomb had never have been discovered. I derive no pleasure and satisfaction out of the creation of these death-dealing machines which carry so much of evil portent to the future civilization of mankind. But in the realistic world in which we live we must face the sheer and naked and difficult facts of life. We already have the intercontinental bombing plane, a plane that has flown over 8,500 miles, fully loaded, nonstop. It is easy to see that such a plane could fly from here to Egypt and back again without touching the ground, carrying a considerable load of death and destruction. With the atomic bomb, that brings us to the realization of how quick warfare will come in the future and of the widespread destruction which lies in its wake.

In the creation of these great instruments which fly through the air, like the airplane and the guided missile, long before they take on the shape of reality, there have to be numerous tests made, for instance, of what the wings will do when confronted with certain currents of air. In order to make these tests there have to be models made exactly like the finished plane is to be when fully completed. These models are put into giant wind tunnels, and there they are tested. Without such models and such tests, we would have to build the plane and then take the whole plane out and try it. In that way we would invest millions upon millions of dollars and quite often have to discard the finished product because we could not foresee the "bugs" and the faults which might develop, because there was no adequate means of testing and ascertaining the faults.

Mr. MORSE. Mr. President, will the Senator yield at that point for a question?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Oregon?

Mr. TYDINGS. I yield for a question, because I only have a little time.

Mr. MORSE. Is it not completely true that while the making of the tests will result in certain dangers to human life, even greater dangers would be likely to result from the use of the equipment without such tests?

Mr. TYDINGS. I thank the Senator for his contribution. We should have to send the men aloft in the planes without knowing how they would perform in advance. In order to keep abreast of these developments, particularly in the field of guided missiles, it may be necessary to develop wind currents up to 3,000 or 4,000 miles an hour, because the guided missile of the future which might leave this continent and go to another would travel at a rate of speed which baffles our imagination. Therefore, we must anticipate the actual conditions which will confront the guided missile once it is completed, and in order to do that we must have these tremendous wind tunnels in which the models can be placed and put through a variety of tests, which reveal to a considerable degree the idiosyncrasies of the particular object, whether it be a missile or a plane, when it is confronted with the realities of the atmosphere and the stratosphere itself.

The nation that stays ahead in this field probably wins security for its citizens. The nation that falls behind in this field will bring on insecurity for its citizens. Just as the nation that has the atomic bomb while others do not have it may feel that it is so strong that it will not be attacked, so the nation that has not the atomic bomb feels that it is always likely to be attacked in a given circumstance because it is the weaker of the two. In order to keep our primacy in the air it is essential that we have these wind tunnels. The committee I believe reported the bill unanimously. It comes to us with the backing of the Department of National Defense. It comes to us with one of the highest priorities of all the legislation we are requested to pass at this session of the Congress.

I should be glad to debate the bill for hours, if necessary, but I have given the Senate an outline of the bill, and I shall not ask for its further consideration today. But, without exaggerating, days are precious. This work should be begun in the not far-distant future. Other countries are working on the same things. Sometime days may be the difference between security and insecurity.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. TYDINGS. If the Senator will permit me to finish my sentence I shall be glad to yield.

When we consider these intercontinental guided missiles and when we conceive that man's genius may place an atomic warhead in one of them, we begin to conceive of the possibilities as offensive and defensive weapons these guided missiles have and how important these wind tunnels are to the development of guided missiles and airplanes.

I now yield to the Senator from Tennessee.

Mr. KEFAUVER. I should like to ask the Senator from Maryland if the evidence before the committee did not show that tremendous sums of money could be saved by using these wind tunnels, rather than having first to construct planes which might not meet the necessities of the purposes for which they are to be used.

Mr. TYDINGS. Yes. The evidence conclusively showed that while the larger wind tunnels are very expensive, there will be a saving many times more than the actual cost of the wind tunnel, because by means of the wind tunnel we can estimate what an airplane will do, and thus avoid the necessity of building an expensive airplane first to find out what it will do. Thus by trial and error, by use of the wind tunnel, we can feel reasonably secure that the plane will do the job for which it is designed and intended.

Mr. President, I have but 1 minute remaining, and I want this statement to go into the RECORD. I do not insist on a vote today, tomorrow, or the next day, but I want Senators to know that there is no more important piece of legislation for the protection of our children and our children's children, the American way of life, the rights of labor, the rights of capital, and all the other rights, than to keep America in the forefront in this important new development in the field of military science. I am hopeful that before long we can find a time when the Senate can consider this matter and put the bill on the statute books. It is not an easy subject for laymen to understand, but I have given the layman's point of view on the outstanding elements and essentials and I certainly hope that before long we can accommodate the Department of National Defense which is very anxious to begin work on this project at the earliest possible moment.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Connecticut.

Mr. BALDWIN. Is it not a fact that the Armed Services Committee of the Senate is unanimously in favor of this proposed legislation?

Mr. TYDINGS. That is correct, to the best of my recollection.

Mr. BALDWIN. And is it not a fact that the committee held very extended hearings?

Mr. TYDINGS. It held extended hearings, and a portion of them were in secret, as the Senator will recall. Therefore he and I, in pushing bills of this character, are at a disadvantage. We know the urgency for action, and our colleagues do not, and we are not in position to make open statements.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, anounced that the House had agreed to the amendment of the Senate to the bill (H. R. 3198) to amend the act of June 18, 1929.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. HOLLAND. Mr. President, I desire to address the Senate on the subject-matter of the pending business, namely, the amendment offered by the Senator from North Carolina [Mr. HOEY], the Senator from Ohio [Mr. BRICKER], the Senator from Kansas [Mr. SCHOEPPEL], and myself to Senate bill 249, the so-called Thomas bill which is designed to amend in some respects and to repeal in some respects the Taft-Hartley law.

Mr. President, I listened with a great deal of interest—and I always listen with edification—to the address of the distinguished Senator from Utah, the chairman of the committee, whose name is borne by Senate bill 249 which is now pending. I noted his reference to the fact that the Taft-Hartley law, if I correctly understood him, came from sources about which he was not too happy. I understood him to say that there was some showing that the bill came from the National Association of Manufacturers and, I think, its counsel.

May I say to the distinguished Senator that, in the first place, I do not happen to know the officials of the NAM, or their counsel. I did not happen to know them in 1947 when I strongly supported the

provisions of the Taft-Hartley bill. I do not happen to know them at this time. If some Senator much better acquainted with the subject matter of the bill and the pending amendments had offered the amendment which now bears the name of myself and other Senators, I would have been very happy. I want to assure the distinguished Senator from Utah that I have had a very strong conviction, which I still have, that, just as in 1947 was the case, we are now confronted with a problem which, above all things, involves the protection of the general public of the United States as against work stoppages in vital national industries. I stated in the two brief appearances I made in 1947 that I thought that subject transcended everything else which was embraced within the provisions of the Taft-Hartley bill. I say again that I think that is the principal matter which we should consider and which we must consider; and I say with the utmost respect to the distinguished Senator from Utah, recognizing his great liberality and his great ability, that I still feel that the bill which bears his name does not include anything within its four corners which begins to give adequate protection to the general public of the United States.

From listening to the debate of the distinguished Senator, I think it is most apparent that he would give, in this matter, and in all matters in this field, the greatest consideration to the question of how labor is affected by the measure. I am perfectly willing to admit that as to all fields except in the basic industries labor have first consideration, but in that field the public interest must always come first. I wish to say, however, to the Senator from Utah and to the other Members of the Senate who are present that it seems to me he makes a mistake, and that the Senate and the House will make a tragic mistake, if it be not realized that one of the transcendent weaknesses of our form of government which has developed so that all who wish to see must see that it does exist, is the feebleness with which we deal with matters which involve the vital public interest in the field of labor-industry relations.

So I very strongly sponsor the amendment. I am happy to have with me as joint sponsors the Senator from North Carolina [Mr. HOEY], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Ohio [Mr. BRICKER]. I assure the Senate that the amendment offered by the four Senators whom I have mentioned does not come from the NAM or from any source other than the convictions of those Senators, in which I believe they are joined by many other Members of the Senate and of the House, that the measure proposed by the distinguished Senator from Utah is without sufficient force, strength, or validity when it comes to giving the protection to which the public is due in the vital industries of the Nation, in which, when operation is suspended, the result is to visit disaster and tragic danger and injury upon all other industries and upon all communities in the Nation, regardless of how far they may be located from the particular area in which the industry finds its base.

The purpose of the amendment is to seek to give, through the use of the injunction, some protection and some consideration to the vital interests of the general public of the United States, who, I repeat, are hurt when basic industries shut down, and who, I think, are entitled to have their Government take such an active and lively interest in their convenience, in their existence, and in their carrying on of business and work, so that they may be freed from the perennial hazard of shut-downs in these vital industries, at least for the limited period of time, 60 days only, included in the amendment, at least for a period of time which has proved to be adequate, in most of the cases which have arisen, to allow settlement of the troublesome questions existing in those vital industries which have preceded the bringing of the injunction actions.

Let me say in the beginning that I think the distinguished Senator from Utah, and those who agree with him in this matter, have given undue importance, in its consideration, to the adoption of the Norris-LaGuardia Act in 1932. In the first place, I wish to call his attention and theirs to the fact that, while that act was adopted in 1932, there had been in existence prior to that time, in all the States, or virtually all of them, authority to bring injunctions, not merely in the public interest, but in behalf of private employers. I call the attention of the Senate to the fact that less than half the States of the Nation have thought it wise to follow the Federal Government in the adoption of acts similar to the Norris-LaGuardia Act.

I have had prepared at my request, by counsel for the committee, two lists which I wish to comment upon briefly at this time. First is a list of 21 States of the 48 which have adopted so-called little Norris-LaGuardia acts, leaving 27 States which have not adopted such acts, and which have refused, though I understand bills proposing such acts have been offered in every legislature in the Nation, to adopt, as a matter of State jurisprudence, the theory of the Norris-LaGuardia Act.

I should like to offer at this time this statement, prepared by counsel for the committee, which embraces the list of 21 States in which at one time or another since the passage of the Norris-LaGuardia Act—and I believe in all instances except one or two the acts were passed after 1932—the so-called little Norris-LaGuardia Acts were adopted. I ask that the list be inserted in my statement at this point in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Twenty-one States have or have had laws which, by one method or another, forbid the issuance of injunctions in labor disputes.

By far a greater majority of these acts were adopted after the passage of the Federal Norris-LaGuardia Act of 1932 and were designed to further the public policy expressed in the Federal statute.

States which have deprived their courts of the power to issue injunctions in labor disputes are: Colorado, Connecticut, Idaho, Indiana, Louisiana, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Dakota, Oregon, Pennsylvania, Utah, Washington, Wisconsin, Arizona, Illinois, New Mexico, and Wyoming.

These laws are not identical and, as a matter of fact, a few of them, such as Pennsylvania, include provisions whereby injunctions may issue under certain limited exceptions to the general prohibition.

Even without any limitation on the issuance of injunctions by State courts, however, it is obvious that State power does not and cannot extend to labor disputes covering employers and employees in the same industry in geographical areas including two or more States. Consequently, any protection to be afforded the public in so-called national emergency situations must come from the Congress rather than State governments.

Mr. HOLLAND. Mr. President, I next call attention to the fact that while much has been said on the floor of the Senate during the debate about the fact that some 17 States have in their wisdom adopted either constitutional or statutory provisions banning the closed shop, and while a larger number of States have adopted regulatory procedures in this troublesome field of labor-industry relations, it has not appeared in the RECORD, and therefore I wish to have it now appear that of the 21 States which adopted little Norris-LaGuardia acts within the past 4 or 5 years, 6 of those States have adopted provisions which, in effect, cut down the field of coverage of their little Norris-LaGuardia acts so as to limit their application, and so as again to permit the use of the injunction in certain phases of labor-industry disputes in those six States. The six States are Colorado, Minnesota, North Dakota, Oregon, Pennsylvania, and Wisconsin.

I offer at this time a statement prepared by counsel, as aforesaid, which shows the particulars, and in each instance there is more than one particular, in which the six States which did adopt little Norris-LaGuardia acts have softened their acts and have again permitted the use of the injunction in their particular jurisdictions.

Mr. President, I call attention to the fact that never has the use of the injunction been prohibited, either under the Norris-LaGuardia Act or under the little acts applicable in the 21 States, but the provisions were so full of limitations and conditions for the enforcement, through injunction, of any right against labor unions that they amounted to prohibitions which, in few instances, if in any, could be overcome.

I call attention to the fact that in the six States there has been departure in recent years, when there has been so much troublesome strife in this field, from the little Norris-LaGuardia act, and the list which I have asked to have printed in the RECORD at this time shows the particulars in which those six States have changed the laws in those States.

I see on the floor of the Senate the distinguished senior Senator from Minnesota [Mr. THYE]. I have had opportunity to confer with him about the three matters in which the State of Minnesota, in its wisdom, has changed the so-called little Norris-LaGuardia act of that State in recent years, to make sure that

counsel hit upon the real facts which are included in this statement. I understand, after conference, that such is the fact.

I mention only the three particulars in which the State of Minnesota has receded from its position in adopting the little Norris-LaGuardia act, as follows:

First. Secondary-boycott activities are an illegal combination in restraint of trade, in violation of the public policy of the State, and are an unfair labor practice. It is an unlawful act for any person or organization to engage in a secondary boycott.

Injunctions are available in this field. That law was passed in 1947 in the State of Minnesota.

The second provision is as follows:

Any strike involving a charitable hospital is unlawful and the provisions of the State anti-injunction act do not apply in such cases.

That law likewise was passed in 1947.

The third provision is:

Jurisdictional strikes and picketing are unlawful after the Governor of the State has appointed a labor referee to settle the dispute.

That particular act was passed in 1943.

Mr. President, in filing this list I merely ask Senators to recall that there were never more than 21 States which followed the philosophy of the Federal Government as expressed in the Norris-LaGuardia Act, and that of the 21 there are only 15 which now stand their ground without having limited in various ways, and some of them in very important ways, the effect of their little Norris-LaGuardia act. So that injunctions are again available, and made a matter of State practice, in the six States I have mentioned, and they have been made so notwithstanding the fact that the Norris-LaGuardia Act was on the books, and notwithstanding the fact that labor relations have grown in importance in recent years, but probably because of the fact that labor unions have been proven to have power oftentimes to injure the public welfare and interpose grave threats to the peace and security of the people residing in the States affected.

Mr. President, I offer at this time the list prepared by counsel of the changes in the little Norris-LaGuardia acts in the six States which I have mentioned.

The PRESIDING OFFICER. Is there objection?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

INJUNCTIONS AUTHORIZED BY STATE ACTS NOTWITHSTANDING ANTI-INJUNCTION LAWS

COLORADO

1. State Industrial Commission is authorized to apply for restraining orders against any party failing or neglecting to comply with an order of the Commission (Colorado Labor Peace Act, sec. 8 (7), 12 LRRM 2324).

2. Upon failure to comply with order of State Industrial Commission limiting number and manner of picketing, Commission may apply for injunctive relief (Colorado Labor Peace Act, sec. 8 (15), 12 LRRM 2324).

MINNESOTA

The application of the Minnesota anti-injunction statute is limited in the following manners:

1. Secondary boycott activities are an illegal combination in restraint of trade, in violation of the public policy of the State, and are an unfair labor practice. It is an unlawful act for any person or organization to engage in a secondary boycott. (Ch. 486, L. 1947).

2. Any strike involving a charitable hospital is unlawful and the provisions of the State anti-injunction act do not apply in such cases. (Ch. 335, L. 1947).

3. Jurisdictional strikes and picketing are unlawful after the Governor of the State has appointed a labor referee to settle the dispute. (Ch. 624, L. 1943).

NORTH DAKOTA

The anti-injunction statute of North Dakota has been limited in its application by the following laws of the State:

1. Any strike must be preceded by a vote among the employees involved. If more than 50 percent of employees voting favor a strike, a stoppage may begin 30 days after the announcement of the vote.

If more than 50 percent of employees voting do not favor a strike, any picketing engaged in thereafter is unlawful and is subject to restraint by the district court of the State of the county where the picketing occurs. (North Dakota union-regulation law, H. B. No. 160, L. 1947, approved by referendum June 29, 1948).

2. Boycotting, secondary boycotting, and sympathy strikes are hereby declared to be against the public policy and against the peace and dignity of the State of North Dakota and shall be subject to restraint by the district courts of the State of North Dakota as well as suits for damages therein (North Dakota union-regulation law, H. B. No. 160, L. 1947, approved by referendum June 29, 1948).

OREGON

1. Any person injured by violation of State law banning "hot cargo" and secondary boycotts shall be entitled to injunctive relief (c. 356, Laws 1947. 20 LRRM 3003).

2. Orders of the State Commissioner of Labor under the Oregon Fair Employment Practice Law may be enforced by mandamus or injunction (c. 221, Laws 1949, 23 LRRM 3014).

PENNSYLVANIA

1. State labor board is authorized to apply for restraining orders to enforce or prevent noncompliance with its orders notwithstanding State antiinjunction statute (State labor act, sec. 9 (d), 20 LRRM 3149).

2. Any person adversely affected by strike or lock-out of public-utility employees may bring an action to restrain and enjoin such violation (sec. 15, act 485, laws 1947, 20 LRRM 3060).

WISCONSIN

1. State labor board is authorized to apply for restraining orders against any party not complying with a previous valid order of the board. (Wisc. employment peace act, sec. 111.07, 20 LRRM 3158.)

2. State labor board is authorized to obtain injunctions to restrain and enjoin violations of and to compel performance of duties under the Wisconsin act for arbitration of public utility disputes (sec. 111.63, 20 LRRM 3099).

Mr. HOLLAND. Mr. President, I next come to a point with which it seems to me we should now all be familiar, that labor itself recognizes the difference, the complete distinction, between the types of action sought to be precluded by the Norris-LaGuardia Act, that is, actions by employers themselves against their own employees and injunctions under the Taft-Hartley Act and that it is perfectly idle for us here in the Senate to debate this subject as if labor did not distinguish between the kind of injunction which we are discussing, covered in the amendment now pending, and included in the Taft-Hartley Act, and the type of injunction which was common prior to the passage of the Norris-LaGuardia Act, that is, injunctions through which individual employers sought to hold on the job their individual employees, and the courts, under the practice prior to 1932, had issued frequent, all too frequent, injunctions in that class of cases.

The Senator from Utah mentioned the mail we are all receiving on this subject. Mr. President, not only my mail, but frequent talks with laboring people of my own State and with officers of labor organizations in my own State, show me beyond any peradventure of a doubt that the people who are in labor organizations in my State, and I believe the same is true everywhere, do recognize the very great difference and distinction between injunction suits under the Taft-Hartley Act or under the amendment now being offered and considered here, and injunction suits by employers in their individual suits against their employees.

It is not sought by this amendment to attempt to go back into the field of injunctions by the individual employer. When that subject matter was pending in 1947, prior to the passage of the Taft-Hartley Act, there was an amendment, which was opposed by the junior Senator from Florida, which proposed to give back to individual employers the right to sue for injunctions in Federal courts. That was my philosophy then. It is my philosophy now. But I distinguish, just as I am sure the labor people of the Nation distinguish, between the injunction as allowed by the Taft-Hartley Act and the injunctions which prevailed prior to 1932. I would not want to have the country back into that picture at all.

Notwithstanding that is my philosophy, notwithstanding I believe it to be the philosophy of most Members of the Senate, nevertheless, before leaving this point, I call the attention of the Senate to the fact that there are 27 States which have never followed the Norris-LaGuardia Act, and never have gotten away from the philosophy that even the individual employer is entitled to the use of the injunction. Of the 21 States which did abandon that philosophy, 6 have at least in part gone back to it in recent years.

Now, Mr. President, in regard to the question of the injunction, I wish to say that no matter how much we may argue and quibble about it there is no Senator, there is no member of the general public, who does not know that injunctions, as used under the Taft-Hartley Act, have operated to protect the public interest and to protect it in very outstanding ways in the 2 years of operation under that act. I shall not go at length into that field because I went into it at some length when I submitted our amend-

ment the other day, but I do again call the attention of Senators and the public to the fact that there were six injunctions issued under the Taft-Hartley Act, and that in each case but one—one of the maritime strikes—the settlements were made either during the time of the running of the injunctions or so shortly thereafter as to raise no serious question of public injury; and that there was only one case in which the use of the injunction was not ccupled with a settlement of the dispute during the period of the injunction or shortly and almost immediately thereafter.

But I remind the Senate that even if it had failed in every case to bring about the settlement, there is no question whatever that those six injunctions did operate to carry out the first principle and objective of the injunctions as embraced in the Taft-Hartley Act, in that they did effectively keep the wheels turning, keep production under way in the industries which were affected during the entire period of the injunction, with the single exception of the coal case in which there was a period of a few days during which the master mind in that case, John L. Lewis, thought he was bigger than the judicial system of the United States of America. He found out after one or two days that he was not bigger than our judicial system, and, as Senators will recall, yielded when he was subjected to contempt proceedings, and ordered resumption of operations, so that coal again began to be mined, and the public interest was protected.

So there is no doubt whatever that under those injunctions during the full time of their operation, except for those few days under the coal injunction, the public was protected by the continuance of operation of those vital industries, and thus the use of the injunction in this class of cases was not only justified but it showed effectively that it could accomplish, and did accomplish, the exact thing which it was primarily conceived to accomplish, that is, the protection of the public against the shut-downs in vital basic industries which, when they cease to operate, bring disaster and ruin throughout the Nation.

Mr. President, I come next to the third matter. I have talked of it briefly already, but I think it desirous to have a special point assigned to it. Not only did the injunction operate effectively throughout this period to keep industries going, with the exception of the few days mentioned in the coal case, but there is no showing whatever that it discouraged settlements, for, to the contrary, the facts as they appear in Mr. Ching's report, and as they appear in the record of the proceedings of the committee in this case, are, that settlements were made in five of the six cases, either while the injunction was pending or shortly thereafter. I think that point needs to be dwelt upon, because there have been Senators who in the course of this debate have stated upon the floor that labor will not obey these injunctions, that labor will not accept the exercise of the judicial power of the United States when it is directed to them in these vital national industries.

It has been stated also that even though they accept it they do so grudgingly, and that it discourages the making of the settlement which is so eminently desired. Mr. President, I call to your attention, and to the attention of Senators present, that the facts show that such has not been the result, as stated so frequently from the floor, because to the contrary, the facts are that there was not discouragement of settlements, in that in five instances out of six—and that is a pretty high average in anybody's league—the settlements were either made during the pendency of the injunction or made so very shortly thereafter as to impose no threat of great public damage, and no great public damage was suffered.

The fourth point I make is, that not only do the working people know that there is a distinction and a difference between injunctions as practiced under the Taft-Hartley Act and injunctions as practiced by private employers prior to the Norris-LaGuardia Act, but I dare say that the great majority of the laboring people of the Nation, outside of those in the basic industries, realize that injunctions operate to protect them, and to prevent them from suffering the serious damage which comes when there are shut-downs in the basic industries.

Mr. President, I am not talking merely on the basis of something I have gathered out of thin air or out of my imagination. I am talking, after having sat down and visited and discussed this matter with heads of local unions, with members of local unions, with members of railroad brotherhoods, and with others who realize that when there is a shut-down brought on by John L. Lewis in the great coal industry that they are hurt, that their ability to carry on, and their ability to provide for themselves and their families is affected for the worse, and that they would like to see that kind of possibility forever removed. I am just as sure as that I am standing here that there are at present throughout the Nation millions upon millions of workers who are relying upon the protection of this injunctive feature under the Taft-Hartley Act to keep them from having their livelihood snatched away from them by the shutting down of basic industries which affect them so seriously and so quickly.

Mr. President, in my brief talk the other day I mentioned that in the matter of a coal shut-down obviously the railroads have to apply embargoes, have to cut down the number of trains operated, and therefore the industries they serve are hurt. I call attention to the fact that in my own State it is proven that industries which produce perishables, such as vegetables and fruits, are hurt, and are hurt gravely. We have no storage places or no storage opportunities by which we can take care of those vegetables and fruits. When they are ready to be moved they must be moved. If a coal strike comes, as such strikes have come occasionally in the past, even during the time of war—if a coal strike comes at a time when there are vital food products in the fields in Florida, perishable products, such as vegetables and fruits, it is just too bad, because the motortrucks, which by the thousands carry our products into other parts of the Nation, are simply unable to carry the great burden of our production, and our people suffer, our producers suffer terribly, when that kind of thing comes about.

Mr. President, as I have said, the need for protection has been shown, and these injunctions have demonstrated their ability to protect the great mass of workers, including most of the workers of the United States, who are not employed in the basic industries, but are employed in the lesser industries which are shut down or very adversely affected shortly after there is a stoppage in one of the basic industries. There cannot be the slightest question about that. Every one of us knows that to be the case, and every one of us knows that there are literally millions of laboring people who realize that much more clearly than we do. Our salaries as United States Senators continue after a strike of that kind in a basic industry. The pay of the white-collar workers in Washington and elsewhere goes on. Many types of business are not immediately affected. However, the workers to whom I refer know that there will be a shut-down affecting the modest but fine American people who are engaged in work by which they earn their bread in thousands of industries which are not basic. They know that their pay rolls will be cut off, that they will be hurt, and that their wives and children will suffer. They do not want that to happen.

I think it is a completely unsound and false conclusion to say that the people of the United States who work with their hands for their daily bread do not have sense enough to know that they get more from this protection than does any other group in the United States. I happen to know, from many expressions which have come to me directly, that they appreciate that fact. They want to have this protection continued. They realize, long before the average white-collar worker or the workers in other groups throughout the Nation, that they are concerned in having this protection.

The next point I wish to make is that the working people know perfectly well—and this information comes to me from those active in labor organizations, and from officials as well—that there is involved a factor of great value to them as members of that great organization, organized labor, through which much good has been done for them and for their people, and through them to all the Nation. This value, which must be considered, involves the vital question of their retaining public good will. The workers realize perfectly well that their worst enemies have been John L. Lewis and Mr. Bridges. We hear such expressions wherever we go. We cannot go out into the corridors and talk with those who are here legitimately representing organized labor without hearing an expression from them that those two men have done them great harm, in the positions of leadership which they

hold, by reason of the loss of public good will which they have caused. I am glad that such legitimate representatives of organized labor are here. They ought to be here to give us their views. They naturally do not want such irresponsible and selfish leaders to continue to deprive them, as a great organized group, of the good will, sympathy, and understanding which mean a great deal to them, just as they mean a great deal to the Senate, or to any industry or any group of people anywhere.

Those who sponsor this type of legislation in the name of organized labor are inclined, I think, to discount the high intelligence, as well as the high patriotism, of organized labor. If they do a little checking, I believe they will find that there are many members of organized labor who realize that the good will of the people as a whole is an asset which they earnestly desire, and which they want to keep. They realize that in many instances that good will has been sacrificed, diminished, or even thrown away for a time, by the selfish and untimely acts and activities of some labor leaders who have not been willing to consider the public interest of the people throughout the Nation. We are here to protect that public interest.

I close on this point just as I started. I think we lose sight of the major objective which we are sworn to uphold in passing upon legislation of this type if we do not recognize that the first thing we should do is to try to protect the public against shut-downs in basic industries, which are so hurtful and which do such great damage and bring such great disaster when they fall upon the various far-flung communities of the country.

I mentioned Mr. Lewis and Mr. Bridges. I do not do so in a spirit of vindictiveness. I am saying what is known to every Senator. Every Senator who served as Governor of a State during the war had the same experience which I had, in receiving hundreds—and perhaps thousands, in the larger States—of letters from distressed mothers and fathers of servicemen who were overseas when John L. Lewis sold the Nation down the river and called out the miners during the war, at the time of the greatest crisis which we have faced. There is no way to get around that fact. We all know that it is so. We all know that there has been only one way by which that particular leader could be brought to realize that he was not bigger than the United States Government. That was by means of an injunction directed to him. After he had refused to obey it, he learned that there was such a thing as a contempt proceeding. Instead of putting him in jail, it was directed against the assets of those whom he represented, for whom he was trustee, but for whose interests he had much too little concern. Of course he was brought to law.

In the case of Bridges, I think we have a somewhat similar situation. I recall that the distinguished Senator from Oregon [Mr. MORSE] mentioned Mr. Bridges earlier in the debate this afternoon. I would not pretend to know as much about the case as he does. However, I noted with interest the editorial in the Washington Post which he mentioned. I thought it was a useful contribution at this time, calling our attention to the fact that a great, fine producing part of our Nation was literally being strangled to death.

It so happens that a few days ago I received a letter on this subject from a friend, a former Florida woman who now lives in Honolulu. I shall not weary the Senate by reading all of it. She and her family happen to belong to the white-collar group. The letter contains many things which are enlightening, and which show that we are permitting the respect of our people for their Government to wane and diminish during these months of profitless debate on this particular subject. I think I should read a portion of the letter. The entire letter may be seen by any Senator who wishes to see it. I shall read excerpts from it.

She first speaks of the longshoremen's strike which is in progress in Hawaii, and which was referred to by the Senator from Oregon, and mentioned in the Washington Post editorial, and then continues:

> The full significance of it (the strike) cannot be realized until you are face to face with the whole naked truth. And the whole truth, packed into a nutshell, is that the lifeline of 540,000 people is being throttled swiftly and surely, by a tiny longshoremen's union, with less than 2,000 members, less than 500 of whom are American citizens. Think of it. At the behest of one Harry Bridges, a small group like that can plunge our islands into despair and threaten our entire future in the Pacific. As yet, people are not starving, but it is simply a matter of time, unless Congress acts to control such strikes and puts teeth into its actions. Ships lie at anchor, food for Americans and their essential livestock and poultry rotting in the holds while hundreds of Honolulu housewives picket the strikers' picket lines. The spectacle of American women forced to beg for food from a gang of roustabouts is revolting and degrading. And while our Congressmen complacently swig a glass of pineapple juice at breakfast, American babies, white and brown alike are without milk because Harry Bridges says, "Leave the cans to rust on the ships," right in the shadow of the big pineapple atop the canneries on the Honolulu water front.

The letter contains numerous other statements of the same kind. I shall not attempt to read all the letter, but all that we hear about the situation there is sickening and disheartening. I think it is time for us to realize that we must deal firmly and effectively with such situations, and that if we do not, we shall be the ones who will be chargeable with undermining the foundations of the Republic, because the people of the Nation must learn that somehow it must have effective power to prevent a small group of its citizens from ruining others and from bringing business and labor to chaos and destruction.

I read a further statement contained in the letter:

> People on the mainland can have no idea of the desperation or they would demand action at once. Please do not misunderstand me—I am not antilabor.

I happen to know that she is not—she works for her living.

But she says:

> To me, labor means work—work for a livelihood; and I have worked hard all my life, so I am in complete sympathy with anyone who works for a living. And I believe in the great American tradition of freedom, but not freedom to deprive a great group of its lifeline, freedom to keep milk from babies, freedom to force closure of great food industries which provide work for thousands and food for millions more, freedom to starve poultry and cattle which depend on the mainland for food—freedom for a tiny minority to throttle a nation. We are not free. We are slaves to Harry Bridges and his ilk.

Mr. President, in connection with this debate and this particular bill, a great deal has been said about slave labor. I think it might be profitable for us to consider the statements made by this good woman, who has felt at first hand, and who sees her neighbors feeling at first hand, the throttling and destructive effect of the strike now occurring in Honolulu. In her letter she speaks of the fact that they themselves feel that they are slaves under the control of a ruthless labor leader.

I shall read an additional portion of her letter:

> I probably sound a bit harsh, but the situation does make one bitter. It is impossible to be here for long without absorbing some of the seething, impotent, rage of the thinking population of Hawaii. After viewing the effects of our miserable failure to provide legislation with teeth to prevent such a crisis, I must admit, however reluctantly, that I could not find it in my heart to blame them if they revolt. And I am sure that if you found yourself 2,500 miles from the mainland, on a tiny island, at the mercy of Harry Bridges, you would feel much as I do. These islands are so beautiful and so peaceful that it seems criminal to leave them defenseless against the monster of starvation that hovers over them.

I have read this much of the letter into the RECORD because I think it belongs there and because I believe the Senate should realize, when considering legislation of this sort, that it is dealing with a matter which already is operating right now, there in Hawaii, in such a way as virtually to destroy the opportunities for any sort of employment on the part of 540,000 people, and could affect their chances to live, as well as the continued existence of their cattle and poultry, and could bring all of them under abject submission to certain labor leaders. The writer of the letter tells us that less than 500 of the 2,000 members of that particular union are American citizens.

Mr. MORSE and Mr. NEELY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom.

Mr. HOLLAND. Mr. President, I decline to yield at the moment. I shall be glad to yield when I have concluded.

Mr. President, I am about to come to the next part of my remarks, namely, a discussion of seizure. So far as I am concerned, however, before leaving the subject of the injunction, I should like to say that I am perfectly willing to stand—and so are those who are with

me—upon the complete equity of an injunction provision which applies to both employees and employers and to only about one out of every thousand strikes in the United States, but relates to strikes in basic national industries which, when shut down, directly affect the health and safety of our people, and as to which the injunction can never be employed unless there is a finding, first, by the President of the United States that the welfare, health, peace, and safety of the Nation and its people are being adversely affected and threatened, and in such case an injunction can be granted only after application for an injunction is made to a court of the highest reputation, which must find affirmatively that under the circumstances a case has been made for the taking of action to prevent the national interest from being placed in jeopardy, and that the method proposed is the only way in which the public can be protected, as the dispute moves forward through the critical stages of the negotiations then pending.

Mr. President, I am willing to stand upon that position, and I am willing to to stand upon it in any labor meeting and before any labor group anywhere. I believe the laboring people of this country, outside of a few of the leaders in the basic industries, must realize that the essential good will of the Nation is at stake in this matter, and that we must find a way by which these essential industries can continue to operate; and that it is very greatly to their interest, from the standpoint of the continuation of good will toward them and the continuation of their jobs and incomes, that this power be granted.

I know that these matters have gone before the courts of the highest standing. That was referred to the other day on the floor of the Senate. When the Attorney General of the United States takes action, under the direction of the President, reluctantly and regretfully given because the President regards the situation as one involving disaster and as one calling for the use of the injunction, I cannot believe that the Attorney General would fail to go before a judge of the widest experience, and with the highest of reputation for sound judgment, which will give to the court's decision the highest standing throughout the Nation, if a decision is given. So I am perfectly willing to stand upon that, and I believe the other Members of the Senate are likewise willing to do so.

I believe the issue is just as it was in 1947, and that the question is whether we should be more tender in our regard for the less than 500 citizens in Hawaii—to use the Hawaiian situation as an example—or whether our decision should be based on our regard for the protection of the 540,000 American citizens in Hawaii, both old and young, men, women, and children, particularly the babies, both white and brown, as referred to in the letter from which I have quoted, who because of the strike now occurring there are deprived of the milk they need.

Mr. President, I come next to the question of seizure. I oppose seizure because I think it is a weakening factor; I think it is an un-American factor; I think it is an undemocratic factor. In my opinion, our experience with seizure is not such as to commend it to us for use in peacetime, particularly. I am perfectly willing to admit that in time of war a case can be made for seizure or for anything else that is needed to keep vital industries going. But in time of peace I am opposed to the use of seizure. Of course, the dropping of seizure is involved in the amendment which I, together with other Senators, have offered. Our amendment also involves continuing the use of the injunction.

I oppose seizure, and our amendment is so drawn as to exclude that provision of the so-called Taft amendment, which offers seizure as an alternative remedy or alternative tool for use in case of serious threat to the continued operation of vital national industries.

I should like to discuss some of my feelings in regard to seizure, merely so that the Senate may at least know what I am thinking about in connection with that matter.

I hope other Senators will agree that my reasoning is sound, and I hope they will feel that they should support similar reasoning and should join the great majority of the Senate which, in two votes already cast, has shown its unwillingness to adopt seizure in connection with the settlement of disputes in basic national industries.

First, I think seizure is not appropriate in time of peace. The fact that, after seizure is invoked, the same branch of the government which, long before it was invoked, decided that a national emergency existed, would thereafter become the administrative agency—if the court approved the invoking of seizure—handling the very branch of industry, the continued operation of which that branch of government itself has said is essential in order to protect the public interest, is a strong argument against the invoking of seizure. It seems to me it is hurtful to have the decision in such case made by the same agency which, at least in the eyes of some persons, then will profit by taking over the administration of such great national industries, with all the influence and the importance and values which flow from their administration.

However, my principal reason for opposing the inclusion of the seizure provision is that I think our history in connection with the operation of seizure as we have had it heretofore—and heretofore it has been used only in time of war or immediately following a war—has shown that seizure has been expensive, wasteful, promotes litigation in very great measure, and by no means, particularly in time of peace, brings about the kind of economical or democratic or American handling of such matters which we wish to have followed. I may say I agree with those who, upon the so-called liberal side of the aisle here, have strongly objected to seizure. I agree with their objection to seizure, and I think that they have not said enough about the unsuitability, the imperfection, the inadequacy, the inefficiency, and the expensive nature of seizure when applied to a field of this kind in time of peace.

Mr. President, I remember that my good friend, the distinguished junior Senator from Minnesota [Mr. HUMPHREY], appearing here on the floor last Friday, twice made statements to the general effect that the injunction and the use of the injunction was a sort of bonanza to the lawyers, that it would keep all the lawyers employed. I do not remember the exact words, but they are to be found by going back to the RECORD of the debate that day. Of course, the Senator thought he was correct in his statement, and, of course, he believed what he was saying. But I do not think the Senator had made any examination whatever of the operation of seizure. If he had, he would have been forced to exactly the opposite conclusion, because, Mr. President, and Senators, it is a matter of record and a matter of history in this Nation that seizures, instead of averting litigation, have brought on litigation literally by the thousands of cases. So far as the lawyers are concerned, if we were here pleading specially for them and for the creation of cases to carry them through any difficult time that might lie ahead, it would be seizure that we would want, because there would certainly be created a demand for countless lawyers in virtually countless cases, if seizure were invoked in many of the great national industries.

I shall refer rather briefly to several of the seizures which have taken place in the past, which I think tend to show rather clearly that seizure is not only uneconomical but it is litigious, that it produces unbounded litigation, and that instead of attaining a clearly desirable result, instead of being effective in protecting the public, it embarks us on a course which leads toward socialism, toward big-statism, and which certainly operates to bring enormous expenses upon the people, and particularly upon that branch of the Government which is required to handle the processes. Seizure is simply unending in its implications and meaning.

Mr. President, I first mention rather hurriedly the seizure and operation of the railroad systems in the First World War. I do not know whether all Senators know it, perhaps they do; I did not, until Saturday, when we checked it and found that the liquidation of that seizure is still going on, that Uncle Sam has not found it possible yet to close his office or to close his books upon the wartime operations of the railroads for 26 months during and immediately following World War I, so many years ago. I should like to read a short statement on that subject, because I wanted to reduce it to writing, to be sure that I would have the facts.

Our Government took possession and control of the railroads, as of January 1, 1918, and operated them until the Armistice, and for nearly 16 months thereafter, ending March 1, 1920, or for 26 months, in all. Formal reports were filed by the Director General of Railroads, generally

on an annual basis, through the year 1925—that is, from 1918 to 1925.

Beginning with 1926 the Secretary of the Treasury became ex officio Director General of Railroads, and annual reports have been filed by him since that date.

The volume of the business handled was so great that until the year 1938—mind you, Mr. President, from 1926 to 1938—the Secretary of the Treasury filed a separate report each year covering his services as the Director General of Railroads in the liquidation of the matters growing out of the control of the American transportation system during the 26 months in question. Beginning with 1938, the Secretary of the Treasury included in his general annual report the statement of his activities in liquidating the United States Railroad Administration. The last report of the Secretary of the Treasury covers the fiscal year ending June 30, 1948, and it contains, on pages 106 and 122, the report of the still uncompleted liquidation covering the wartime seizure and operation during the First World War. Judging from the report at that time of Mr. Secretary Snyder, the liquidation is now nearing completion, and we can begin to hope, Mr. President, 28 years after the time when the railroads were turned back to their owners, that we are approaching the time when final liquidation of our wartime experience with the railroads in World War I is in sight.

In order to give some indication of the immensity of the business matters involved in that operation, I want to quote briefly from the 1927 report of the then Secretary of the Treasury, Mr. Mellon, in which he lists the amount of incomplete litigation taken over by him on January 1, 1926. It was almost 6 years after the roads were turned back to the owners, when Mr. Mellon took over the business of completing the liquidation, on which date the liquidation was regarded as sufficiently complete, so that Mr. Davis, the last full-time Director General, was able to turn over the business for completion to the Secretary of the Treasury. As of January 1, 1926, almost 6 years after the roads were turned back to their owners, among the items which were still in litigation were the following—and I ask the Senators, the few who are present, to just follow these, to realize the magnitude of litigation which was still active in 1926.

First, 875 suits were still pending against the Director General, growing out of Minnesota forest fires, in which the amount claimed was $3,800,000.

Second, 3,154 other suits were pending against the Director General in which the amount claimed was $18,267,000, which did not include 43 further suits involving the short line railroads, which covered additional claims of $886,000.

Third, 1,551 suits were still pending against the American Railway Express Co., growing out of Federal control, and in these the amount claimed was $532,000.

Fourth, in addition to all the foregoing, on that same date there were pending 1,038 suits brought by the Director General himself for transportation charges amounting to $1,831,000.

Fifth, in addition to all these, the number of reparation and overcharge claims pending before the ICC on that date was 338, in which the amount claimed was $2,578,000.

To summarize, Mr. President, 6 years after the roads were turned back to their owners, there were still pending 6,956 litigated cases, involving well over $27,000,000. In addition to all the litigation which I have just mentioned as pending on January 1, 1926, the report of Secretary Mellon shows that on that date there were 3,393 claims of the Director General, on which suit had not yet been brought, amounting to $1,139,000.

None of the above items, more than 10,000 in number, except the claims totaling $886,000, involving 43 of the so-called short lines, which were still unsettled, were claims by the railroads themselves. The railroads, with the exception of those 43 short lines, had been paid full compensation for the seizure and operation of the properties by the Government during the 26 months of the operation. As to the short lines, seizure was only constructive as to them, and it only existed about 6 months. The Senate will recall that the total amount of these 43 claims of the short lines was inconsiderable as to the whole picture. In addition to all the above, we must remember, and I call particular attention to this, that the net loss to the Government as a result of the seizure and operation of the railroads, was in excess of $1,616,000,000, which figure is taken from page 621 of The Modern Railway, by Dr. Julius H. Parmelee.

Mr. President, here is a staggering thing. Back in the days when money meant a great deal more than it does now, here is the evidence reported by this research man; and it can be seen that it is justified by the reports of the Director General and of the Secretary of the Treasury since 1926. It is clear that our Nation, in those days when dollars were as big as cartwheels as compared with their value at this time, lost $1,616,000,000 because of the operation and seizure of the trunk lines which were actually seized and operated.

I invite attention to the fact that except for three very short seizures which were necessitated by labor trouble in the last war, when there was a vastly bigger job to do, our Government stayed as far away from seizure of railroads as the East is from the West, because it realized that here was a job which Government could not handle effectively and which had cost the Nation an immense amount, and there are many persons who think it cost the Nation great values in connection with reduced efficiency during the period of Government operation.

That is the first of the illustrations which I make of the kind of thing that happens when the National Government seizes and attempts to operate basic industries. I am quite willing to admit that we shall not find any seizure as large as that which I have cited. Yet, I invite the attention of the Senate to the fact that, in his reports as Secretary of the Interior, Mr. Krug states that the properties of more than 2,000 companies were seized.

In reference to the seizure of the coal mines during the recent war and following the war I invite attention to the fact that the seizure of that many different companies' properties—I do not know how many mines would be involved—and their operation by the Government involved an immense business transaction which certainly calls for all kinds of third-party claims, because coal has to be sold, elections have to be held, employees have to be protected; there are personal-injury claims, matters of employees' compensation, matters of the purchase and sale of property—all kinds of continuing business operations which must be handled on a magnitude which the Government, vast as it is, is not competent to handle in the same way in which the owners of the business would handle them.

Mr. President, I think it is fair to turn to the completely clear record of that disastrous experience in the first world war of the Government's handling of the railroads, both in connection with the tremendous size of the operation, its long duration, the great amount of personnel required through all the years, and the great expense entailed, and to call attention to the fact that there was an actual loss of more than $1,616,000,000 resulting to the Government from that incident.

In order that we may have at least a brief picture of the coal operation under seizure during the last war, I asked the Secretary of the Interior to furnish figures, and I have a letter from Mr. Dan H. Wheeler, of the Department of the Interior, dated June 27, 1949, in which he recapitulates the expenses of the Government in connection with the seizure and operation of the coal mines during the recent war.

There was one thing in our favor in those operations, from the standpoint of securing easy and early settlement, and that is referred to not only in the report of the Department of the Interior but in the report of the business executives who comment upon the matter, namely, that all of the operations at that time were profitable because there was great demand for and heavy use being made of the product, coal, and when the period of seizure was over the Government, in almost all instances, found the operators glad to receive their property back, to give a final receipt for it, and to receive in full settlement the earnings during the time of operation.

I invite the attention of the Senate to the fact that that sort of experience cannot be expected at a time when the market is going down, at a time when there is financial difficulty ahead of us, and at a time when industrial leaders are wondering what may or may not be ahead of us. I am calling attention to the fact that at least we did not have any difficulty in connection with coal mine seizures during the war, because practically no one questioned the power of the Government to seize as a war measure, and I have just said that practically all owners were glad to accept back their property and give final receipt in clearance upon receiving the profits which had accumulated during Government operation. But, notwithstanding that, Mr. President, the figures supplied by the Department of the Interior show

that $2,113,991 represents the expense of the agencies in the Department of the Interior that administered the seized coal mines during the time of seizure. I send forward the recapitulation, coming from the Department of the Interior at this time, for inclusion in the RECORD as a part of my remarks.

There being no objection, the recapitulation was ordered to be printed in the RECORD, as follows:

Recapitulation—Expenditures for administration of coal-mine seizures from May 1, 1943, through the fiscal year 1948

	Office of the Secretary	Bituminous Coal Division	Solid Fuels Administration	Coal Mines Administration	Total
1943	$10,402	$15,830	$15,400	----------	$41,632
1944	---------	1,937	73,586	$618,019	693,542
1945	---------	---------	95,179	339,896	435,075
1946	---------	---------	---------	121,642	121,642
1947	---------	---------	---------	678,000	678,000
1948	---------	---------	---------	144,100	144,100
Total	10,402	17,767	184,165	1,901,657	2,113,991

Mr. HOLLAND. I also invite attention to the fact that notwithstanding we were in the middle of the war, there were, nevertheless, a considerable number of cases in which the authority to seize was a question of how much authority there was by the seizor, the Government, to act for the actual owners. Those questions were of such importance and difficulty that they had to be submitted to the court. There is a list of 15 cases decided. I am not counting the cases still pending or cases decided in lower courts which were appealed. I am talking about 15 cases of final judgments during that period which represented the concern of the owners as to whether seizure could take place, or, after seizure had taken place, the concern of the owners as to how far the Government could go in acting for them, and what kind of transactions it was authorized to handle for them.

In time of peace, Mr. President, we would not have any such small number. We would not have the assurance of profitable operation. We would not have the incentive which existed during time of war, when the coal companies must be patriotic and must do their part. We could expect a flood of litigation the like of which we have never seen, except only in the case of the railroad seizure. I am as sure as that I am standing here that that is what we would have, with governmental seizure in time of peace, of any long duration, in the coal field.

I know perfectly well that the proposed legislation has to do with a seizure of only 60 days, but many times it has been stated, and we all realize, that as to any seizure not settled within 60 days the matter will come right back to the lap of Congress for further handling. I have been a Member of this body sufficiently long to know what the path of least resistance is and what we can expect as the path which will be followed in such a situation, because I am reasonably sure that in most cases, at least, we would pass a resolution extending the seizure until we could make further study of the situation. There would be extension upon extension—at least, that is possible, and I think it is reasonable to expect it—all the time with knowledge of the fact that seizures cannot operate effectively and efficiently, that they are expensive, and play right into the hands of those who desire a superstate and who want to nationalize and take over into public ownership and operation those industries whose continued operation means very much to all the people of the Nation.

So, Mr. President, I call attention to that factor in passing to the next point, which is that among the various seizures which took place during the war was the seizure of Montgomery Ward. All Senators will recall it, I am sure. I was not able to discover much about it except that in talking today to the Assistant Adjutant General who had the files reviewed, I was told by him that the Army has not yet closed its books on that operation, though it was completed in October 1945, amost 4 years ago. He tells me that there is still pending a workmen's compensation claim. I have learned from others that that is a death claim, growing out of the death of an employee by accident during the course of the Government operation, and that it also is still trying to straighten out refund checks of about thirty to forty thousand dollars, or to get those payments into the hands of those who really own them.

They have troublesome liquidation on their hands in connection with the seizure, which was not of such great sweep as to be comparable to the operation of the coal mines or the railroads, but is still unclosed almost 4 years from the date the Montgomery Ward establishment was seized. They still have important business transactions to work out before they can reach the end of the liquidation.

Mr. President, this illustrates the length of time and the enormous expense involved in any governmental seizure of business. I think it is safe to say that there is no business we would have to seize in connection with the pending bill which would not be much greater than that of the Montgomery Ward business, or that portion of it which was seized, because we are talking about industries which are of fundamental importance to the Nation and all its people.

I also asked that we be furnished some facts with reference to the motor lines seizures, which Senators will remember took place in the Midwest. I see present on the floor Senators from some States in which the motor lines were seized and operated by the Government because of labor troubles during the war period. I am unable to give the Senate any figures, but I can give some facts, namely, that 5 years after the time the motor lines were turned back, the matter has not yet been settled. The settlement got to be so lengthy in its discussion and so complicated in its details that last year the parties in interest brought the matter to Congress, and asked us to set up a special commission to look into the matter and make recommendations as to what settlements should be made with the 93 motor carriers in the Midwest who were seized and their properties operated by the Government as a part of the war effort.

That is another admission of the complete inability of Government to handle in a proper way businesses it takes over and to close them out quickly when it gets through with them, and of the unsatisfactory continuance of disputes and litigation as liquidation goes on endlessly for years and years. In this particular instance it went on so endlessly that finally Congress itself was called upon to establish, in its wisdom, a commission which I have already mentioned, to delve into the business, and find out what kind of compensation, if any, should be given the 93 carriers.

There are other things which I should like to say in connection with seizure, which I think brand it as not the kind of procedure we want. But I shall hasten to the next step which I have meant to discuss. Before I leave the other step, however, let me say that, so far as I am concerned, while I am against the inclusion of seizure, and am taking this move, and am honored to take it in conjunction with my distinguished colleagues who joined in the amendment, I regard the seizure provision as of far less importance than the injunctive procedure, and in the event we are not honored by the votes of a majority of the Senate so that we can at this time make sure that injunction is at least one of the remedies which shall be adopted and continued, I shall certainly vote, if I have the chance, for the dual remedies which are embraced in the so-called Taft amendment, including not only injunction but also seizure. I shall do that, if I have to, reluctantly, and with regret, and in the belief that the Congress will have taken a weaker course than that which is open to it, than that which is followed by it if it adopts the injunction and carries forward in the way which we have started in the last 2 years under the Taft-Hartley Act, a way which has proved helpful and effective, and for departure from which there is no real reason.

I would take that step in supporting the dual method through thinking we were sending one very small boy and one good strong man for the handling of these difficult disputes in basic industries, the seizure proceeding being the small and michievous boy, without the power and without the ability and without the historic background which show capacity effectively to deal with this subject matter, the injunction being, as it has proved itself to be, the strong man. I personally feel that those of us who supported it in 1947 have every reason to feel it has lived up to the high expectations we entertained for it, and that without it this Nation, when it was being called upon to give leadership and great help to others throughout the world, and to show that it could live up to the prestige it had attained, would have been less successful. Without the operation of this law, and without its availability to keep going the vital industries in the six cases where it has been used, it is my judgment we would not have been able to attain in any real degree the quite satisfactory performance, in the

field of international responsibility as well as the maintenance of our own national stability and solvency and our effective business record, that has been possible in the past 2 years.

I go next to the third point, which I think has not been discussed as yet in this debate, but which I think is important enough to require discussion, and I hope Senators will bear with me while I refer to it briefly.

I think it is particularly unwise, and will prove to be particularly harmful, especially from the administrative point of view, and also from the point of view of industrial peace in the whole Nation and its basic industries, and of those who are engaged in those industries, particularly, to have seizure and injunction both prescribed as alternative remedies to be used in this sort of cases. I call to the attention of the Senate the fact that in every such case which comes up for decision, the President in the first instance, the Attorney General throughout the course of his conduct of the case in court, and the presiding judge in the last instance, all are faced with the opportunity to choose between alternatives, to choose between these two remedies. I cannot think of any more perfect setting or any more generous invitation for the bringing of pressures the like of which we have rarely seen in this Nation and for the playing of politics on a grandiose scale such as has rarely been ventured upon.

It seems to me that if I were the Administrator, looking forward to the fact that I was going to have to administer this act, the one thing which I would not want, above all others, would be to be left in the position of choosing every time whether I should go this way toward injunction or that way toward seizure, and of having my special counsel who was handling the case always weighing the same question as he conducts the trial, as to which of the two alternatives should be followed; and then to have the judge who was passing on the matter confronted with the necessity of taking the course which he thought to be right and most effective—and in most cases that would be the injunctive course—or whether he would bow to pressure and bow to seizure as a sort of namby-pamby, stopgap procedure.

We have passed the time when these matters were decided in the cloistered courtrooms without the judge having a chance to know what was going on. I think we have gone much too far in the other direction. As I have read in the newspapers during the past few weeks about the demonstrations of picketing and insult and abuse going on just outside of the courtroom in New York, insulting to the court itself, our Nation, and everything that is being done in that courtroom, it has seemed to me we have gone much too far in the other direction.

However that may be, that is where we have gone, and no presiding justice in this kind of a case can be for a moment insulated and isolated from the immense amount of pressure which would be brought on him by a selected group of the public who would seek to make him believe they spoke for all the public, either of the community or of the whole Nation. If there ever was a set-up which in my humble judgment emphasized the bringing of pressure, emphasized the playing of politics, emphasized pressure being brought on the Executive, who is going to have to carry responsibility, emphasized the matter of attempting to force him to one decision of the two, it is the kind of set-up embraced in the suggestion before us.

I desire to call to the attention of the Presiding Officer and Members of the Senate that we would confront the administrative branch of the Government with the unfortunate situation of requiring him to make a decision which would assuredly lead to criticism and to contumely as to his objectives and motives, no matter how sound and clean and pure they might be, because he could not decide in favor of both sides of the controversy which would be going on from the moment each controversy began. He must decide either for injunction or for seizure. I cannot conceive of any more mischievous set-up or one more calculated to prolong into the weeks and months following the decision an atmosphere of criticism and of vindictiveness to which the officer who has made the decision based on what he believes to be right would be subjected. He would be visited with criticism and intemperate statements of one group or the other in these controversies.

Mr. President, I remind the Senate that we have already shown by our vote on the so-called Ives amendment how little we ourselves want to be visited with that kind of pressure. I call to the attention of Senators the fact that certainly it is implicit in our wholesale repudiation of the Ives amendment, that we by no manner of means want to have both sides to the controversy, after a short period of wishful thinking and pious prayer and of wrist slapping, coming back to Congress as the high court of equity to decide this question with the assurance that we must make one decision or the other, either requiring injunction or seizure, and that we are going to have ourselves pressured before we make the decision and criticized after we make it, regardless of what it might be.

But I call the attention of the Senate to the fact that here we would divide the responsibility 96 ways. Over in the House it would be divided 435 ways. Even that possibility, distributed and divided as the pressure would be, was, I am sure, a factor in the almost unanimous vote against the Ives amendment. I do not recall what the vote was, but my offhand recollection is that about a dozen or less of the Members of the Senate voted for the Senator's amendment. With all the high respect in which we hold the Senator from New York [Mr. IVES], and with all our inclination to be with him on anything kindly and considerate that he would suggest in this field, because he is known as one who has had much experience in it, nevertheless, the Senate was not willing to subject itself to that kind of pressure or that kind of situation in connection with each of these troublesome questions that has to be solved.

As we face this dual program of alternative methods, we are forcing the Executive, we are forcing the Department of Justice, and we are forcing the courts to go in even a greater way; because, while the President is making his decision, the pressure will be concentrated on him alone. It will be concentrated, while the Attorney General and his staff are trying the case, upon them alone. It will be concentrated when the time comes for it to make its decision, upon the court alone which makes the decision. And if the case goes to the appellate court, the pressure will be concentrated upon the first appellate court. Then if it is necessary for the case to go to the Supreme Court there is also the question of whether to go on this road or that road.

It seems to me that with all the troublesome factors which we have as a matter of necessity in this field, and it is a troublesome field, we should not add that additional difficult problem.

I note that the Senator from Ohio [Mr. TAFT] has come into the Senate Chamber. I want to say again that even if the Senators who join me in presenting the amendment and myself are not honored with the support of the majority of the Senate, and even if our amendment should fail to be adopted, we should still hope, if we are given the opportunity, to vote, of course, for the so-called Taft amendment, because there must be firmness and strength, there must be muscle and sinews and bones in any program we adopt. We must not adopt an impractical, ineffectual, toothless, powerless vehicle with which the Executive must attempt to solve these vital problems.

Mr. President, I am saying that before I close, because I want to make it crystal clear that, strongly as I feel that the inclusion of seizure in the program is unwise, nevertheless I feel much more strongly the necessity of leaving some strength in any program we provide and enact into law, and I shall support the strongest reasonable procedure I am given a chance to support, which I think is fair and equitable to all concerned.

I close with the note that the injunction is fair to all concerned, because it runs against either employees or employers and is hedged about with the necessity that the President and the Attorney General and the courts must all give their careful and conscientious consideration to it, that it must be found there is a national emergency, and that the public peace and health and safety are being adversely affected and threatened—it must be found that all those factors exist before this remedy can be applied in the effort to support and safeguard the vital public interest.

In my humble judgment we will have bypassed the heavy responsibility which lies—whether we want it to lie there or not—upon the mind and the conscience of every Member of the Senate and every Member of the House of Representatives, if we pass a weak and ineffective, though well-meaning law, which does not leave the Executive adequate power to keep in operation vital national industries.

I remind Senators again that only about one out of every thousand strikes

is affected by this measure; that the great majority of industries and the great majority of workers are not affected except helpfully by this measure.

I call attention to the fact that unless we pass such a measure, the great majority of the working people, along with the general public, are going to be living without any assurance whatever of the existence anywhere in the Nation of effective machinery and of efficient, available power to safeguard them in the continued performance of their jobs and their continuance in drawing their pay, and their continuance in ability to provide for their homes and their wives and families.

FEDERAL VERSUS STATE CONTROL OF LABOR-MANAGEMENT RELATIONS

Mr. MALONE. Mr. President, it is evident that a new approach to the entire problem of labor-management relations is necessary.

It is evident that the States must regain and exercise control of the detail labor-management problems under their police powers and that the Congress must realize that any attempt of the Federal Government to assume control of such relations hundreds of miles removed from Washington, D. C., cannot be successful. The States must regain control of their own business.

Mr. President, there have been 19 amendments offered to Senate bill 249—the Thomas labor-management bill—all the way from relatively minor amendments, to amendments providing for injunctions, seizures, and the taking over of industries.

It is apparent, and has been apparent to many of us for a long time, that it is impossible for the Congress of the United States, through one over-all act, to handle the labor-management situation.

In other words, it is a good deal like trying to pass a corporation act in a State, and put an antitrust law into the same act. In connection with Senate bill 249, all manner of provisions are included, and the more amendments the more we get involved and the worse the situation becomes, and every amendment which is offered mixes up the objectives, so that not only do we not understand it, but the courts themselves are shown to be doubtful of its meaning.

On July 26, 1947, I said, as appears in the CONGRESSIONAL RECORD:

> The Taft-Hartley labor legislation is wrong in principle. In the first place, the Federal Government should not be in the business of regulating either the employer or the employees beyond seeing that they obey the laws of the land as everybody else is required to do.
>
> The principle of the Wagner Act was wrong, in the first place, and the mere fact that we passed another act of a slightly different character on the same principle does not make it right. Under the principle of Federal board control the swing of the pendulum could continue to vibrate with the political philosophy and fortunes of the party in power for generations. It should be decided upon basic principles and then left alone.
>
> The Taft-Hartley Labor Act, together with the Wagner Act, should be repealed. There should be no Federal Government labor boards with authority to direct either the employer or the employees to do anything.
>
> In their place there should be enacted a simple statement of national policy which in effect would lay down the principle that:
>
> * * * * * *
>
> Employees and employers alike shall have the right to self-organization, to form, to join, or assist organizations to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid and protection.
>
> The Federal Government could very well continue the principle of the Conciliation Board—having no authority whatsoever, except to cooperate with both parties to a dispute—and then only when invited to sit in—and perhaps to hold hearings and make public their findings. Any necessary authority should be vested in the States. They alone have the power to keep the peace.
>
> The maintenance of free collective bargaining and the integrity of contracts between employers and employees is the only solution for that age-old problem between the man who hires the work done and the man who works with his hands. And that should be the scope of the Government statutes.

To interpolate at that point before I finish reading the statement made at that time, the governor of a State is not going to send the National Guard in to settle a labor dispute, and the Federal Government is not going to send the United States Army in unless the blood is running down the middle of the street and the buildings begin to vibrate. We have all observed their actions under stress.

Mr. President, there is no police power in any city within the Union but the policeman on the corner. There is no power in the county but the sheriff and his deputies once we get outside the city limits.

As I have already said, the State government and the Federal Government are not going to enter into a labor dispute through the National Guard or the United States Army unless property is being destroyed and lives are being endangered.

We have had opportunity to observe what a Federal act does when it is placed on top of a local act. It is just as much against the law to hit a man over the head with a pick handle when he attempts to go through a picket line peaceably as it is to hit a Senator over the head with a pick handle as he goes out this door.

I have lived in mining camps and in railroad, industrial, and other labor areas. Just so long as the chief of police does not believe that the majority of the people of the town do want the policeman on the corner to see the main hit on the head, he will not see it.

But whenever public sentiment changes, and the chief believes that they want the policeman to see the man injured and do something about it, he will catch him before he hits the sidewalk and have the gang in jail within 5 minutes.

Public sentiment will finally settle a dispute in a community. But when we are 3,000 miles away from the scene of the work, no public sentiment can take over. We have a fine body of men here, but not one of us, unless he lives in Nevada, has any more idea of what a miner at work does in Ely, Nev., than a hog has about holy water. It is not their field and they have no machinery to find out about it. Therefore we are trying to pass on something about which we know very little or nothing. The National Labor Relations Board is in the same situation.

When we enact a law which provides that the National Labor Relations Board in Washington, D. C., shall settle every dispute in the country, hundreds of thousands of miles away, we are placing upon the National Labor Relations Board a duty which it is impossible for it to fulfill.

When they are put under the gun, there is only one way the decision would be made—and that is to figure out which way the political wind is currently blowing.

This subject will be a political issue for 50 years, or for so long as we insist upon setting up a National Labor Board which has arbitrary powers to rule labor-management relations hundreds of miles removed.

I should like to quote briefly from the debate which took place here a little more than 2 years ago. In the course of the debate on the Taft-Hartley bill, I said:

> Mr. President, the bill as now written outlaws the closed shop; that is, it makes it illegal for an employer or the employee to agree to or operate under, a closed-shop agreement. My amendment is intended to amend that part of the bill which provides for a union shop in lieu of the closed shop.

I had submitted an amendment, and we were debating the amendment.

> Under this amendment, it is provided that an employer shall be required to accept a union shop if three-fourths of the employees of such employer, entitled to vote in an election conducted by the National Labor Relations Board through a secret ballot, vote for such union shop. The legislation presently provides that to establish a union as a bargaining unit a majority of the employees entitled to vote must cast their vote for such union under the auspices of the National Labor Relations Board, and then, and only then, they may negotiate with the employer through collective bargaining for a union shop.
>
> In a union shop, as contrasted with a closed shop, the employer is entitled to hire anyone he chooses, whether he be a member of a union or not.
>
> For the purposes of this act, a "union shop" is defined as a shop where employees, as a condition of continued employment, are required to join within 30 days following the beginning of such employment the labor organization designated as the representative for collective bargaining of the employees, as provided in section 9 (a).
>
> As provided in the bill, the union may not prevent such employment, nor can it ask an employer to discharge such employee for any reason other than nonpayment of dues.

Further along in the same debate I said:

> If we go far enough to say to free people in America, including both employees and employers, "If you want a closed shop you cannot have it," I agree with the Senator that we should go one step further and provide a fair opportunity for a fair substitute in which necessary protection and collective bargaining power can be provided and preserved.

I point out to the able Senator (further quoting from the 1947 debate) that what he is doing is simply trading the closed shop for an opportunity to bargain for something which, from the employees' standpoint, never could be a satisfactory substitute. * * * But under the presently proposed legislation we simply provide that the employer may hire anyone he wishes to hire and could continuously feed nonunion employees into a plant and gradually get rid of union employees, such as when a union man quit his job, or there was reason for letting him go, the new employee would not need to join the union. In a very short time there would be no union. So I repeat what I said when I offered the amendment, that I will vote for any just regulations of unions and corporations alike, but I will not vote to destroy either.

After 15 years of struggling with national legislation setting up an arbitrary labor board in Washington to handle all labor-management relations throughout the United States, a considerable sector of public opinion has become convinced that it is impossible for such a board, hundreds of miles from the scene of labor being performed, to understand the situation well enough in each case to render a fair and unbiased decision.

Recent debates on the Thomas bill seem to bear out the conclusion that it is impossible to write a detailed national labor relations act all in one piece of legislation, which will cover every possible contingency throughout the Nation.

Nineteen amendments have been offered to the bill. It is apparent from the debate that even the United States Senate is unable to agree as to what the amendments mean. The amendments even go so far as to say that the President of the United States may take over any property which is involved in a strike situation which can be called a national emergency. We have learned that we can call very nearly anything a national emergency. We learned that we could call almost anything interstate commerce, under the decisions of the Supreme Court.

Some of us thought that interstate commerce was actual movement across State lines, but we found, through Supreme Court decisions, that this is not the case. So it is very easy to call any situation a national emergency if the Court says it is and take the property over.

One amendment provides that the President of the United States may take the property, but that he must come to Congress in each particular case, for a determination in individual cases as to how he shall take over the property, in what manner he must operate. That amendment was submitted by a man whom I greatly admire. I know that he understands labor relations. However, it was final proof to the junior Senator from Nevada of where such legislation is headed, and that if this Congress is to take care of every national emergency and pass a special act each time after listening to 3 or 4 weeks of debate, in addition to the month of debate 2 years ago on the very same question, the Congress must be organized a little differently, with a different caliber of men, men who are especially trained in the particular business on which we attempt to pass, but who perhaps would not be so well trained in the business of handling necessary general legislation for the Nation.

Mr. President, I am about to submit an amendment to the Thomas Senate bill 249, in effect a substitue for that proposal.

Generally speaking, the amendment provides that the Congress shall establish a policy under which both labor and management may organize for the purpose of bargaining. The amendment would repeal both the Taft-Hartley Act and the Wagner Act, but would retain the provisions for the Conciliation Board, which would have only full power to proceed, either on its own motion or by request, to hold hearings and make public its findings.

That provision is recommended because public sentiment is the only thing in the world that will make for settlements in such matters, Mr. President.

We have seen such difficulties develop, and we know that if a strike is wrong in principle, or if management is wrong, the parties advocating a wrong move or taking a wrong stand do not stand up very long in a given community, because, for instance, in the mining camps and other labor areas in Nevada—and I also speak from some observation in other States—the people of the community know the conditions under which the men are working, also the conditions which have been established by the corporations, companies, or individuals hiring the men.

Therefore, in the long run the dispute will be controlled by public sentiment. The people in my State know what a miner in Ely, Nev., is doing or what a worker in industries near Hoover Dam is doing.

They know the climate, the working conditions, the cost of food, etc. So when the workers strike, the people of the community and the people of the State know something about the situation in that connection and will not long tolerate actions not for the best interests of the community.

This amendment would go a step further, as I have said, and simply retain the Conciliation Board and repeal the two major acts here under discussion, and throw the matter back into the States, where it originated, and where the people understand what is occurring.

Several Supreme Court decisions have been referred to in the several days' debate, and I shall later refer to some of them. For the last year and a half all the decisions of the Supreme Court in such cases—for instance, in cases arising in the States of Nebraska and North Carolina—have been to the effect that State laws in relation to labor relations are constitutional, under the police power of the States, if the Congress of the United States has not laid down an express prohibition in the particular field. In other words, the States can take care of the matter if Congress will permit them to do so, and Congress should not be in the business of interfering in States' business.

Later in my remarks I shall refer to the labor laws in my own State of Nevada, so as to show that State labor relations were considered and dealt with long before the Congress took up the matter.

Of course, Mr. President, a great many persons profess to believe that there was no trouble in labor-management relations until the last 2 years, when the Congress passed the Taft-Hartley law. Others think that trouble in labor-management relations were initiated only in the last 15 years, since the enactment of the Wagner Act.

However, I say that disagreement between management and labor is a problem more than 2,000 years old. It was a problem that was old when the Pyramids were constructed by the use of laborers who were paid nothing and received nothing but food—and were not fed very well, so we understand.

I visited the Pyramids just last year and the details of construction handed down through the folklore of the Egyptian communities indicate the terrible conditions and strife existing at that time when human life was about the cheapest commodity in that nation.

So, Mr. President, it is obvious that there will never be an end to problems of labor-management relations.

The disagreements in such cases are over hours of labor, working conditions, and what the laborers are supposed to be paid for the work they do.

That situation will not change in the next 2,000 years, nor, as a matter of fact, at any time in the future.

Some who wish to have the rights of both management and labor protected seem to think that if by some ingenious method the problem can be removed to a place 3,000 miles away from where the work is done, that both of the parties to the dispute will win.

Mr. President, I now offer the amendment to the Thomas substitute and send it to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The amendment to the Thomas substitute will be read for the information of the Senate.

The legislative clerk read as follows:

Amendment intended to be proposed by Mr. MALONE to the amendment proposed by Mr. THOMAS of Utah to the bill (S. 249) to diminish the causes of labor disputes burdening or obstructing interstate or foreign commerce, and for other purposes, viz: Strike out all after line 2 on page 1 of the Thomas amendment, dated May 31, 1949, and insert in lieu thereof the following:

"The Labor Management Relations Act, 1947 (including the National Labor Relations Act, as amended, is hereby repealed.

"It is the policy of the United States that employees and employers alike shall have the right to self-organization, to form, join, or assist organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid and protection.

"SEC. 3. (a) There is hereby created an independent agency to be known as the Federal Conciliation Service (herein referred to as the 'Service'). The Service shall be under the direction of a Federal Conciliation Director (hereinafter referred to as the 'Director'), who shall be appointed by the President by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of $12,000 per annum. The Director shall not engage in any other business, vocation, or employment.

"(b) The Director is authorized, subject to the civil-service laws, to appoint such clerical and other personnel as may be necessary for the execution of the functions of the Service, and shall fix their compensation in accordance with the Classification Act of 1923, as amended, and may, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, appoint and fix the compensation of such conciliators and mediators as may be necessary to carry out the functions of the Service. The Director is authorized to make expenditures for supplies, facilities, and services as he deems necessary. Such expenditures shall be allowed and paid upon presentation of itemized vouchers therefor approved by the Director or by any employee designated by him for that purpose.

"(c) The principal office of the Service shall be in the District of Columbia, but the Director may establish regional offices convenient to localities in which labor controversies are likely to arise. The Director may by order, subject to revocation at any time, delegate any authority and discretion conferred upon him by this act to any regional director, or other officer or employee of the Service. The Director may establish suitable procedures for cooperation with State and local mediation agencies. The Director shall make an annual report in writing to Congress at the end of the fiscal year. The Director and the Service shall not be subject in any way to the jurisdiction or authority of the Secretary of Labor or any official or division of the Department of Labor.

"(d) It shall be the duty of the Service, in order to prevent or minimize interruptions of the free flow of commerce growing out of labor disputes, to assist parties to labor disputes in industries affecting commerce to settle such disputes through conciliation and mediation.

"(e) The Service may proffer its services in any labor dispute in any industry affecting commerce upon the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce. The Director and the Service are directed to avoid attempting to mediate disputes which would have only a minor effect on interstate commerce if State or other conciliation services are available to the parties. Whenever the Service does proffer its services in any dispute, it shall be the duty of the Service promptly to put itself in communication with the parties and to use its best efforts, by mediation and conciliation, to bring them to agreement.

"(f) Final adjustment by a method agreed upon by the parties is hereby declared to be the desirable method for settlement of grievance disputes arising over the application or interpretation of an existing collective-bargaining agreement. The Service is directed to make its conciliation and mediation services available in the settlement of such grievance disputes only as a last resort and in exceptional cases.

"SEC. 4. The Labor Management Relations Act, 1947 (including the National Labor Relations Act, as amended), is hereby repealed."

The PRESIDING OFFICER. The amendment to the Thomas substitute will lie on the table and be printed.

Mr. MALONE. Mr. President, I again submit that the whole question of labor-management relations needs a new approach. You cannot force a man to invest his money by law—and you cannot force him to work by law so as long as arbitrary authority rests in an all-powerful national labor board located in Washington, hundreds and thousands of miles removed from the work. Its decisions can only swing with the political winds.

It will always be a political issue and an election-year football in every election, with the division down the line as to what is believed at the time to be of political advantage to the particular voter.

Mr. President, I have heard here from time to time references to the Railway Labor Board as being an example we should follow. There is a considerable difference in the matter of how the Railway Labor Board applies to a semipublic business and how the arbitrary Labor Relations Board applies to private business.

A railroad is not a private business—I served for eight and one-half years on the Railroad Public Service Commission in the State of Nevada—in other words, railroads are regulated by State and national laws, and they are a regulated monopoly—and as such allowed to make a certain amount of return on their investment, which is determined by the Interstate Commerce Commission, through consideration of the principles laid down by Congress.

A railroad is a regulated monopoly, not a private business. Therefore when the Railway Labor Board is unable to settle a strike and is unable to settle the question of hours, rate of pay, or working conditions between the railroad labor unions and the management, the matter then comes to the Labor Relations Board, and if the Board is unable to settle the dispute, what happens?

Notice is then served that the railroads are going to be shut down at midnight, let us say, on Friday, or at some specified time. If it is midnight Friday, the President, about 11:30 Friday night, takes over the railroads and settles the strike without a definite understanding of the specific working conditions in each case.

That method may work, and it does work, in regulating labor-management relations under the Railway Labor Board, because, Mr. President, the railroad management then goes to the Interstate Commerce Commission for a raise in freight rates to cover the additional expense—however, private business cannot do that, they would merely be priced out of the market—it is just as simple as that.

It would, in the long run, result in every business being made a public utility or a semipublic business and completely controlled by the Government—which is exactly what we do not want. Labor is ruined whenever Government control is permanently established over business.

There has been deliberate harm done to the country in the last 15 years by convincing or trying to convince the people that there are definite answers to labor-relations problems. I am saying today, Mr. President, that there is no definite permanent answer to this 2,000-year-old problem. It is, of course, possible to get an approximate answer in each case, in each dispute. Therefore, Mr. President, we need an entirely new approach whereby the Federal Government does not try to settle everybody's business, regardless of how far he is removed from the seat of Government, or how little it can understand such problems—leave something for the States and communities where the problems are understood and their seriousness is appreciated.

Mr. President, probably not more than 10 percent of business enterprises are "liquid" at any one time; therefore, probably 90 percent, if subject to seizure by a Federal board, would be in the hands of a receiver within 60 days following beginning of operation by a Federal body with its usual disregard for operation and maintenance expenses—with a large number eventually in bankruptcy proceedings as a result of such seizure. Federal seizure of a private business would be an entirely different matter from seizing a "regulated monopoly" or semipublic utility.

I want to quote briefly from a work entitled "State Labor Relations Acts," by Killingsworth. Beginning on page 5, there are some very sensible remarks, it seems to me, and I think the Senate should have the advantage of having them in the RECORD for reference at this point:

Ultimately, all rights in a civilized society must be relative. As Justice Brandeis once said, "All rights are derived from the purposes of the society in which they exist: above all rights rises duty to the community." The community must define its purposes and basic policies; the rights of the individual or group are derived from those purposes and policies. The community must decide whether it is promotion of collective bargaining or some other policy that will best achieve the social order desired by the majority of the people in that community. That is the basic decision that must be made; detailed provisions of the labor laws must flow from that choice.

Now, Mr. President, quoting further from the work that I just named:

Not infrequently in the field of industrial relations, means have been mistaken for ends, and means consciously chosen have led to unexpected ends. It is most important, therefore, to discuss existing or proposed labor-relations measures in terms of the basic policies which they implement.

The ultimate judgment as to the desirability of a specific measure must depend on the nature of the policy which it furthers. One of the primary objectives of this study, therefore, is to show the relationship between means and ends—to interpret the detailed provisions of the labor-relations laws in terms of the basic policies for which they are appropriate.

He now lays down the policy which I have just described. He says:

Because the States have had actual experience in administering both types of policy, an analysis of that experience provides a solid foundation for the achievement of this objective.

Now, Mr. President, quoting further:

It has often been argued that limitations on union tactics and collective bargaining of the type imposed by some of the restrictive labor relations acts do nothing more than "equalize" the protective labor policy.

Careful examination of the intent and effect of some of those limitations shows that, in fact, they convert the protective policy into one basically different—a policy which, as already suggested, may be considered one of restricting organization and collective bargaining. This basic difference in public policy toward organization and collective bargaining has seldom been recognized and its full implications have not been thoroughly explored.

Too often discussions of labor relations legislation have floundered in a morass of conflicting "natural rights." The right to strike has been proclaimed by some to be a natural right; others have claimed the same status for the right to do business, the right to work, the right to decide whether or not to join a union, and other rights ad infinitum. Specific legislative proposals are supported or opposed on the ground that they implement or conflict with some natural right. Discussion on this basis soon bogs down in metaphysics or dissolves in the heat of emotion.

I think, Mr. President, that it is very well stated. That is what has happened here during the past 2 weeks.

To quote further:

More important, such discussion is superficial. To debate specific provisions in labor relations laws—like a prohibition of coercion from any source or an antidiscrimination clause—is to debate means, not ends. If the real conflict is over ends, the discussion of means is futile.

The author then quotes Brandeis, as I have already stated.

Mr. President, I have said that there recently have been several Supreme Court decisions which support State legislation under the police powers of the State, namely, the right of a State to legislate in the matter of labor-management relations under the police powers of the State.

I have had considerable experience, through being State engineer, railroad commissioner, and holding many other State positions, with problems involving the regulation of many phases of human activities under the State police powers. How did we go about it? We presented a bill to the legislature, under the police powers of the State. Many Senators on this floor have been governors. They know about the police power of a State—it is paramount.

The Supreme Court has made that principle plain. I am about to quote from one of the court's decisions to the effect that in the absence of specific legislation by the Congress of the United States to the contrary, the laws which may be passed by the States under their police powers in regulating labor-management relations are constitutional.

I quote briefly from a decision in the case of Lincoln Federal Labor Union No. 19129, American Federation of Labor et al. against Northwestern Iron & Metal Co. et al. This decision was handed down on January 3, 1949, so it will be seen that it is a recent decision.

Mr. Justice Black delivered the opinion of the Court, and I now read from his opinion:

Under employment practices in the United States, employers have sometimes limited work opportunities to members of unions, sometimes to nonunion members, and at other times have employed and kept their workers without regard to whether they were or were not members of a union. Employers are commanded to follow this latter employment practice in the States of North Carolina and Nebraska. A North Carolina statute and a Nebraska constitutional amendment provide that no person in those States shall be denied an opportunity to obtain or retain employment because he is or is not a member of a labor organization.

To enforce this policy North Carolina and Nebraska employers are also forbidden to enter into contracts or agreements obligating themselves to exclude persons from employment because they are or are not labor union members.

These State laws were given timely challenge in North Carolina and Nebraska courts on the ground that insofar as they attempt to protect nonunion members from discrimination, the laws are in violation of rights guaranteed employers, unions, and their members by the United States Constitution. The State laws were challenged as violations of the right of freedom of speech, of assembly, and of petition guaranteed unions and their members by "the first amendment and protected against invasion by the State under the fourteenth amendment." It was further contended that the State laws impaired the obligations of existing contracts in violation of article I, section 10 of the United States Constitution, and deprived the appellant unions and employers of equal protection and due process of law guaranteed against State invasion by the fourteenth amendment. All of these contentions were rejected by the State supreme courts and the cases are here on appeal under section 237 of the Judicial Code (28 U. S. C., sec. 344). The substantial identity of the questions raised in the two cases prompted us to set them for argument together, and for the same reason we now consider the cases in a single opinion.

First. It is contended that these State laws abridge the freedom of speech and the opportunities of unions and their members "peaceably to assemble and to petition the Government for a redress of grievances." Under the State policy adopted by these laws, employers must, other considerations being equal, give equal opportunities for remunerative work to union and nonunion members without discrimination against either. In order to achieve this objective of equal opportunity for the two groups, employers are forbidden to make contracts which would obligate them to hire or keep none but union members. Nothing in the language of the laws indicates a purpose to prohibit speech, assembly, or petition. Precisely what these State laws do is to forbid employers acting alone or in concert with labor organizations deliberately to restrict employment to none but union members.

It is difficult to see how enforcement of this State policy could infringe the freedom of speech of anyone or deny to anyone the right to assemble or to petition for a redress of grievances. And appellants do not contend that the laws expressly forbid the full exercise of those rights by unions or union members. Their contention is that these State laws indirectly infringe their constitutional rights of speech, assembly, and petition. While the basis of this contenton is not entirely clear, it seems to rest on this line of reasoning: The right of unions and union members to demand that no nonunion members work along with union members is "indispensable to the right of self-organization and the association of workers into unions"; without a right of union members to refuse to work with nonunion members there are "no means of eliminating the competition of the nonunion worker"; since, the reasoning continues, a "closed shop is indispensable to achievement of sufficient union membership to put unions and employers on a full equality for collective bargaining, a closed shop is consequently an indispensable concomitant" of "the right of employees to assemble into and associate together through labor organizations." Justification for such an expansive construction of the right to speak, assemble, and petition is then rested in part on appellant's assertion "that the right of a nonunionist to work is in no way equivalent to or the parallel of the right to work as a union member; that there exists no constitutional right to work as a nonunionist, on the one hand, while the right to maintain employment free from discrimination because of union membership is constitutionally protected."

Mr. President, I will not quote further from this decision because it is available to all.

Further, Mr. President, I wish to invite attention to the fact that of the 48 States of the Union, in no two are conditions alike. The status of development and economics cannot be alike in any two States of the Nation. Three thousand miles from here, in California, Oregon, Washington, Nevada, Utah, and in the intermountain country, conditions differ as much as it is possible for them to differ from other sections of the United States. There is a difference between the Southern States and the Northern States. T ere is a great difference in the degree of industrialization, and while the South is becoming more industrialized, both the South and the West have a long way to go. The only way that these problems can be met is for the States to meet the problems peculiar to their areas as they arise.

When we try to solve a problem in the Congress of the United States we may be right for one State or more States, but we merely complicate it for the remainder. It is like averaging the length of a lot of pairs of pants; the result does not fit anybody.

I wish to quote from the hearings before the Committee on Labor and Public Welfare, part 3, February 8, 9, and 10, 1949—quoting the reference to the laws governing labor-management relations in the State of Nevada:

1. The State has no comparable labor relations act.

2. "Yellow-dog contracts:"

(a) Section 10473 (Compiled Laws of 1929, as amended).

(1) Makes unlawful entry into agreement whereby as condition of employment any person promises to become or not become, or continue to be, a member of a labor organization.

(2) The L. M. R. A. contains no similar provision but section 8 (a) (1) and (3) prohibits such contracts.

3. Right to organize and bargain:

(a) Section 2825.31 (Compiled Laws, etc.).

(1) Grants workers for the purposes of collective bargaining or other mutual aid (a) full freedom of association, self-organization, and (b) designation of representatives of their own choosing, and (c) freedom from interference, restraint, or coercion of employees.

(2) Section 7 of the L. M. R. A. inter alia contains (a) (1) (a) above and provides that "Employees shall have the right of self-organization, to form, join, or assist labor organizations to bargain collectively through representatives of their own choosing."

Section 9 (a) of the L. M. R. A. inter alia contains the equivalent to (a) (1) (b) above but provides that the representatives shall be selected by the majority of employees in an appropriate unit.

Section 8 (a) of the L. M. R. A. inter alia contains (a) (1) (c) above and provides that "It shall be an unfair labor practice for an employer (1) to interfere with, restrain, or coerce employees in the exercise of rights guaranteed in section 7."

(b) Section 2825.32 (Compiled Laws, etc.).

(1) Makes it unlawful to deny the representative of an adversary the right (a) to be present at hearings concerned with labor conditions of represented employees, and (b) to present the views, contentions, and demands of the parties.

I shall not attempt to read the entire matter, brief though it is; but will ask that all references be included at this point:

(2) Section 8 (a) (5) of the L. M. R. A. makes it an unfair labor practice to refuse to bargain collectively with the representatives of his employees. The proviso to section 9 (a) grants to individual employees the right to present grievances to the employer and to have them adjusted without intervention of the bargaining representative, provided that the bargaining representative has been given an opportunity to be present.

4. Closed shop and union security limitations.

(a) Section 10473 (Compiled Laws, etc.).

(1) Unlawful for an employing organization to enter into an agreement whereby any of its employees, or future employees, as a condition of employment shall promise or agree negatively or positively to become or continue a member of a labor organization.

(2) The L. M. R. A. contains no similar provision, but section 8 (a) (3) prohibits such contracts.

5. Penalties.

(a) Section 10474 (Compiled Laws, etc.).

(1) Provides fines, or imprisonment, or both, for violators of the yellow dog and closed shop statutes.

(2) The L. M. R. A. contains no similar provision. However, section 10 empowers the Board to prevent unfair labor practices by cease-and-desist orders, and by affirmative action including reinstatement of an employee with or without back pay as more fully stated therein.

6. Strikes.

(a) Section 2788 (Compiled Laws, etc.).

(1) Notice of strike shall not be issued unless signed by three citizens of the State.

(2) The L. M. R. A. contains no similar provision.

7. Sabotage and other forms of destruction.

(a) Section 10271 (Compiled Laws, etc.).

(1) Willful breach of employment contract endangering human life or exposing valuable property to destruction is a misdemeanor.

(2) The L. M. R. A. contains no similar provision.

8. Use of militia.

(a) Section 7140 (Compiled Laws, etc.).

(1) Forbids use of militia during labor disputes.

(2) The L. M. R. A. contains no similar provision.

9. Peaceful assembly.

(a) Section 10482 (Compiled Laws, etc.).

(1) Forbids restriction or prohibition of peaceful assembly by employees.

(2) The L. M. R. A. contains no similar provision but section 8 (a) (1) forbids such acts by employers.

10. There are no laws regulating labor unions.

11. There are no anti-injunction laws.

15. Interference with employee political activities.

(a) Sections 10602–10604 (Compiled Laws, etc.).

(1) Unlawful for any employer to pass any rule or regulation preventing or prohibiting employees' political activities or running for public office. Punishable by fine.

(2) The L. M. R. A. contains no similar provision. However, section 304 (declared unconstitutional in part by the Supreme Court) prohibits expenditures of funds by labor organizations for political activities.

16. Continuance of operations during arbitration.

(a) Section 2768 (Compiled Laws, etc.).

(1) During arbitration of a labor dispute, no employee party thereto shall be discharged, except for cause. Nor shall any labor organization representing employees, nor the employees, call aid, or write in, a strike against the employer. These obligations continue for 3 months after the award except on 30 days' written notice. Reduction of working force for business reasons not forbidden.

(2) The L. M. R. A. contains no similar provision except that section 8 (d) (4) prohibits during the life of a collective-bargaining agreement, strikes or lock-outs during the cooling-off period. Further, discharge of an employee under the above circumstances would be protected by section 8 (a) (1) and (3).

17. Company stores.

(a) Section 2768 (Compiled Laws, etc.).

(1) Unlawful for any employer to compel his employees by unlawful means to purchase at a particular store or board at a particular place.

(2) The L. M. R. A. contains no similar provisions.

18. Discharge on detective's report.

(a) Section 2770 (Compiled Laws, etc.).

(1) No employee shall be discharged without a hearing on the report of a "spotter."

(2) The L. M. R. A. contains no similar provision.

19. Mediation and arbitration.

(a) It is not compulsory.

(b) Section 510 (Compiled Laws, etc.).

(1) Written arbitration agreement is enforceable and may not be revoked without consent.

(2) The L. M. R. A. contains no such provision but section 8 (d) provides that collective-bargaining agreements may not be revoked or terminated without 60 days' notice; offer to bargain; 30 days notice to the Federal Mediation and Conciliation Service; and no lock-out or strikes during the said 60 days.

(2) Yellow-dog contracts: (a) Section 10473, Revised Laws of 1912.

(3) Right to organize and bargain:

(a) Section 2825.31, approved March 29, 1937.

(b) Section 2825.32, approved March 29, 1937.

(4) Closed shop and union security:

(a) Section 10473, Revised Law of 1912.

(b) Penalties section 10474, Revised Laws of 1912.

(6) Strikes: (a) Section 2788, approved March 17, 1923.

The Clayton Act, passed in 1914, in its section 20, provided procedural safeguards in the issuance of injunctions, and sought also to give unions exemptions from the antitrust clause. However, it was not until 1932, with the passage of the Norris-LaGuardia Act, that unions obtained full exemption from the antitrust clause, and almost complete immunity in injunction and labor disputes. We would thus have a situation where the Federal courts, as a practical matter, would be forbidden from using the injunction in labor disputes. Neither of these acts, however, has any application in State courts, and the use of injunction would depend entirely upon the status of the law in the respective States.

Mr. President, the particular point I am making in this connection is that the people of each State know their industrial status, they know their agricultural status, they know their mining status, they know what the people of their State are doing and the conditions under which they are working.

When the legislature meets it represents every section of the State. Every precinct of the State, every county in the State, is represented by a State senator and an assemblyman, or whatever the designation might be. Therefore all the people are represented in the State legislature and they have some reasonable chance of knowing the conditions under which labor and management are operating.

The State legislature knows how to deal with labor-management questions in its particular area. But for various reasons, political or whatever they may be, the Congress seems to want to remove the source of disputes, hundreds of miles, in some cases 3,000 miles away from the work itself, and by doing this both labor and management seem to be under some kind of hallucination that each is going to win in any current controversy.

Mr. President, we know from experience that neither labor nor management can win under such conditions. It becomes and remains a political issue just so long as the Labor Relations Board remains to hand down arbitrary decisions and so long as we insist upon an overall law to settle every labor-management dispute in every mining camp and every industrial area and every agricultural area in the United States without regard to local conditions. Just so long as we insist upon retaining such a board its complexion will change with the political winds—and the merits of any controversy will be lost in the political shuffle.

If the State law should provide for an injunctive process, for example, in mass picketing, the injunction could be obtained in the State court, with the usual appeal to the supreme court of the State, with the usual rules of procedure applicable if an attempt were made to go to the Supreme Court of the United States. Then it becomes a matter of the constitutionality of the law the legislature has passed. The remedy is not to bring each individual quarrel to the Congress. That, to my mind, is the ultimate in futility.

We finally get to the point where each individual dispute could be called a national emergency. We learned from the Supreme Court what constituted intrastate and interstate commerce; we learned that interstate commerce is what the Supreme Court says it is regardless. I dare say, we would finally have one Congress to do the business of the country and another one to settle labor disputes.

Byrnes Antistrikebreaking Act, the Clayton Act, and the LaGuardia Act, heretofore described, are examples of protective union legislation. The only other Federal law of this type is the Antistrikebreaking Act passed in 1936, Eighteenth United States Code 407A. It forbids the transportation of strikebreakers in interstate commerce. This law would still be applicable.

NEW YORK—LABOR-MANAGEMENT LAWS

Mr. President, I ask that the provisions of the State labor laws of New York, Illinois, and Wisconsin, widely scattered as they are in the United States, be included in the RECORD at this point as a part of my remarks as examples of how a State can handle its labor-management problems under its own police power.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

NEW YORK

(References are to the consolidated laws of New York, as amended and supplemented, unless otherwise indicated)

I. RESPONSIBILITY OF LABOR UNIONS AND UNION OFFICERS AND MEMBERS FOR UNLAWFUL ACTS

New York: Chapter 477, section 2, laws of 1935, relieves from civil and criminal liability any organization, its officers and members, for the unlawful acts of other individual officers, members, or agents except upon proof of actual authorization of such unlawful acts or their ratification by the organization after actual knowledge that such unlawful acts had been committed.

Taft-Hartley Act: Section 2 (13), title I, provides that in determining whether any person is acting as an agent of a labor union, among others, so as to make such union responsible for his acts, the question of whether the acts were actually authorized or subsequently ratified shall not be controlling.

II. "YELLOW-DOG CONTRACTS"

New York: Chapter 6, section 17, as added by chapter 11, Laws of 1935, makes void agreements whereby the employee promises to join a company union, or the employer or employee promises to withdraw from or not to join a union or an employers' organization as a condition of the employment relationship.

Chapter 40, section 531, makes it a misdemeanor for an employer to coerce anyone to agree not to join a union as a condition of getting or holding a job.

State Labor Relations Act, chapter 443, laws of 1937, section 703, gives employees the rights of self-organization and of forming and joining labor unions. (See also New York Constitution, art. I, sec. 17, for similar guaranty.) Section 704, paragraph 3, makes it an unfair labor practice for an employer to dominate, interfere with, or contribute support to labor unions. Section 704, paragraph 4, makes it an unfair labor practice for an employer to require an employee or applicant for employment, as a condition of employment, to join a company union or to refrain from joining or forming a union of his own choosing. Section 704 paragraph 5, makes it an unfair labor practice for an employer to encourage membership in a company union or to discourage membership in a labor union by discrimination in hire or tenure of employees, and section 704, paragraph 10, makes it an unfair labor practice for employers to interfere with, restrain, or coerce employees in their right to join unions.

Taft-Hartley Act: Section 8 (a) (1), title I, makes it an unfair labor practice for an employer to restrain, coerce, or interfere with employees in their right to join a union.

Section 8 (a) (3), title I, makes it an unfair labor practice for an employer to discriminate against employees and applicants for employment because of membership in labor unions.

Section 8 (a) (2), title I, makes it an unfair labor practice for an employer to dominate or interfere with or contribute support to any labor organization.

III. STRIKES AGAINST THE PUBLIC WELFARE

New York: Chapter 40, section 1910, makes it a misdemeanor to break a contract of employment knowing or having cause to believe that the probable result will be to endanger life, cause bodily injury, or expose property to destruction or serious injury. This provision has been held applicable to certain strikes tending to have the results enumerated above.

Taft-Hartley Act: Sections 206–210, title II, authorize the Federal courts to grant temporary injunctions (effective for not more than 80 days) to the Attorney General against actual or threatened strikes and lockouts which will imperil the national health or safety.

IV. DISCRIMINATION BY LABOR ORGANIZATIONS

New York: Chapter 6, section 43, as added by chapter 9, section 1, laws of 1940, and as amended by chapter 292, section 5, laws of 1945, forbids labor unions to deny membership or equal treatment of members because of race, creed, color, or national origin.

The State's Fair Employment Practice Act, chapter 18, Consolidated Laws, incorporated in the executive law, chapter 23, Laws of 1909 by chapter 118, Laws of 1945, section 131, makes it an unlawful employment practice for a labor union to discriminate in any way against employees, employers, or its members because of race, creed, color, or national origin.

Taft-Hartley Act contains no comparable provision.

NEW YORK STATE LABOR RELATIONS ACT (CH. 443, LAWS OF 1937, AS AMENDED BY CHS. 4, 126, 569, 634, 689, 750, 773, LAWS OF 1940; CHS. 210, 518, LAWS OF 1942; CH. 138, LAWS OF 1945; CH. 463, LAWS OF 1946) COMPARED WITH THE TAFT-HARTLEY ACT, TITLE I, UNLESS OTHERWISE INDICATED

1. FINDINGS AND POLICY

New York: Section 700 makes findings substantially similar to those contained in section 1 of the old Wagner Act by declaring the necessity for granting employees actual liberty of contract and equality of bargaining power with employers, and for encouraging collective bargaining as a means of lessening industrial strife inimical to the public safety, health, and welfare.

Taft-Hartley Act: Section 1 declares that industrial peace can be best promoted if employers, employees, and labor unions respect each others' legitimate rights, and if they recognize that the public interest is paramount.

Section 1, title I is substantially similar to section 700 of the State law, supra, except that its object is to prevent industrial strife in industries affecting interstate commerce, and that it finds that such strife is due not only to denial by employers of the right of their employees to organize freely, but also to certain undesirable practices of labor unions.

2. DEFINITIONS

A. Employer

New York: Section 701, paragraph 1, includes all employers except labor unions unless acting as an employer.

Taft-Hartley Act: Section 2 (a) excludes the United States, Federal agencies and corporations, Federal Reserve banks, States or political subdivisions thereof, nonprofit hospitals, persons subject to the Railway Labor Act, and labor unions unless acting as an employer.

B. Employees

New York: Section 701, paragraph 3, is substantially the same as Taft-Hartley section 2 (3), except that it specifically excludes temporary strikebreakers but does not specifically exclude independent contractors, supervisors, and employers of employees subject to the Railway Labor Act.

C. Company unions

New York: Section 701, paragraph 6, defines same as a labor organization initiated, created, or suggested by the employer or in whose administration or operations the employer participates, or which receives financial or other support from the employer.

Taft-Hartley Act does not define the term.

3. ORGANIZATION OF THE BOARD

New York: Section 702 is substantially similar to sections 3–6, Taft-Hartley Act, except that there is no separation of the prosecuting and decision-making machinery, no prohibition on the employment of attorneys for the purpose of reviewing transcripts of hearings or preparing drafts of opinions, and no prohibitions on the review of trial examiners' reports or on consultation by trial examiners with the Board.

4. RIGHTS OF EMPLOYEES

New York: Section 703 grants employees the rights of self-organization, to form, join, or assist labor unions, to bargain collectively through their freely chosen representatives and to engage in concerted activities for mutual aid or protection.

Taft-Hartley Act: Section 7 grants employees the same rights but, in addition, it grants them the right to refrain from any of these activities.

5. UNFAIR LABOR PRACTICES BY EMPLOYERS

New York: Section 704 forbids employers to engage in the following unfair-labor practices:

1. Spying upon the activities of employees or their representatives in the exercise of their rights of self-organization, collective bargaining and concerted activities.

2 and 9. Utilizing the "blacklist" for the purpose of preventing individuals from getting or holding employment because of their union affiliation or activities.

(Taft-Hartley Act does not specifically forbid practices 1, 2, and 9, but sections 8 (a) (1) and (3) have the same effect by making it an unfair-labor practice for an employer to interfere with, restrain, or coerce employees in their union activities and to discriminate with respect to hire or tenure of employment against employees because of union membership or activities.)

3. Assisting or dominating labor unions. [Substantially the same as Taft-Hartley, sec. 8 (a) (2).]

4 and 5. Requiring employees or applicants for employment to join a company union or to refrain from joining any union, and encouraging membership in any company union or discouraging membership in any labor union in regard to hire or tenure of employment. However, collective agreements with unions which are the exclusive representatives of the employees in an appropriate unit, may require union membership as a condition of employment, i. e., the closed shop.

(Taft-Hartley Act, sec. 8 (a) (2), makes it an unfair labor practice for an employer to assist or dominate a labor union, and sec. 8 (a) (3), to discriminate in regard to hire or tenure of employment by encouraging or discouraging membership in any labor union. However, employers may enter into collective agreements with the recognized exclusive bargaining representatives of employees requiring all employees, as a condition of continued employment, to join the union within 30 days, provided a majority of the employees in the unit have voted in a Board-conducted election to authorize such an agreement. Furthermore, no employer may justify discrimination against any employee for nonmembership in a union if the employer has reasonable grounds for believing that such nonmembership was the result either of discrimination by the union or some other reason other than failure to pay the required dues or initiation fees.)

6. Refusing to bargain collectively with the exclusive bargaining representative of the employees, which is identical with section 8 (a) (5) of Taft-Hartley.

7. Refusing to discuss grievances with the exclusive bargaining representative. Taft-Hartley has no comparable provision.

8. To discriminate against any employee who has initiated proceedings under the act or testified thereunder, which is identical in substance with section 8 (a) (4), Taft-Hartley.

10. Doing any acts, other than those enumerated above, which interfere with the

rights granted employees by this act. This is substantially the same as section 8 (a) (1), Taft-Hartley.

REPRESENTATIVES AND ELECTIONS

1. New York: Section 705 provides that the exclusive bargaining representative shall be the free choice of the majority of employees in an appropriate unit, that employees shall have the right, individually, to present grievances, and that the Board shall decide whether the appropriate unit is the employer unit, multiple-employer unit, craft unit, plant unit, or any other unit, except that a majority of employees in a particular craft may choose a craft unit.

(Taft-Hartley Act, sec. 9, is the same, except that employees may have grievances individually adjusted so long as not inconsistent with the collective agreement and the bargaining representative has an opportunity to be present, that professional employees may not be included in a unit unless a majority of them vote for inclusion, that craft workers may not be included solely on the basis of previous inclusion unless a majority so votes, that no unit is appropriate if it includes guards with nonguards, and no labor union shall be certified as bargaining representative of guards if such union admits nonguards or is affiliated with organizations admitting nonguards.)

2. New York: Section 705, paragraph 3, is similar to section 9 in the old Wagner Act. It provides that when an employee or union files a certification petition, the Board shall investigate, and if a question of representation exists, the Board shall provide for a hearing on due notice, conduct a secret ballot either before or after such hearing, and certify the bargaining representative selected. The Board is specifically prohibited from conducting a representation proceeding involving disputes between members of the same union or between unions affiliated with the same parent organization.

(Taft-Hartley Act, sec. 9 (c), authorizes such petitions to be filed by employers as well, limits elections to one in 12 months, and does not permit prehearing elections.)

3. New York: Section 705, paragraph 4, authorizes the Board to decide who are eligible to vote, and prohibits voting by temporary employees hired for the duration of a strike or lock-out.

Taft-Hartley Act, section 9 (c) (3), deprives of voting eligibility strikers who are not entitled to reinstatement. There are no other statutory limitations on the Board's power to determine voting eligibility.

4. New York: Section 705, paragraph 5, provides for run-off elections between the two nominees for exclusive representative who receive the largest number of votes where no nominee receives a majority.

Taft-Hartley Act, section 9 (c) (3), provides for a run-off election between the two choices receiving the largest number of votes even if one choice is "no union."

5. New York: Section 705, paragraph 6, authorizes the board to exclude from the ballot any organization found by the board to be company assisted or dominated in the course of the investigation of the question concerning representation.

Taft-Hartley Act contains no similar provision.

PREVENTION OF UNFAIR LABOR PRACTICES

New York: Section 706, authorizes the board to prevent employer unfair labor practices. It is substantially similar to section 10 of the Taft-Hartley Act except that it contains no time on the filing of charges, no requirement of service of a copy of the charge on the employer, no recommendation that the customary rules of evidence be adhered to, and no prohibition against reinstatement and back pay of an employee discharged for cause.

JUDICIAL REVIEW

New York: Section 707 authorizes the board to petition the State Supreme Court to enforce its orders. It is substantially similar to section 10 of the Taft-Hartley Act except that it makes the board's finding conclusive if supported by substantial evidence, rather than supported by substantial evidence "on the record considered as a whole" as required by Taft-Hartley Act.

INVESTIGATORY POWERS

New York: Section 708 gives the board wide powers to investigate, subpena of witnesses, documents, etc., and is substantially similar to section 11 of the Taft-Hartley Act.

NEW YORK—INDEX TO STATUTORY CITATIONS

The sections of the Consolidated Laws of New York, set forth in the preceding pages, were enacted or amended on the dates indicated below:

I. Responsibility of labor unions, etc.: Chapter 477, section 2 enacted in 1935.

II. "Yellow-dog contracts": Chapter 6, section 17 enacted in 1935. Chapter 40, section 531 enacted in 1887. State Labor Relations Act enacted in 1937 (see infra).

III. Strikes against the public welfare: Chapter 40, section 1910 enacted in 1881.

IV. Discrimination by labor organization: Chapter 6, section 43 enacted in 1940; amended in 1945. Fair Employment Practice Act, chapter 18, section 131, enacted in 1945.

NEW YORK STATE LABOR RELATIONS ACT, CHAPTER 443

1. Findings and policy, section 700 enacted in 1937, amended in 1940.

2. Definitions, section 701 enacted in 1937.

3. Organization of the board, section 702 enacted in 1937, amended in 1940, 1945.

4. Rights of employees, section 703 enacted in 1937, amended in 1940.

5. Unfair labor practices by employers, section 704 enacted in 1937.

Representatives and elections: Section 705 enacted in 1937, amended in 1942.

Prevention of unfair labor practices: Section 706 enacted in 1937.

Judicial review: Section 707 enacted in 1937, amended in 1942.

Investigatory powers: Section 708 enacted in 1937.

ILLINOIS—LABOR-MANAGEMENT LAWS

(References are to the Illinois State Bar Statutes unless otherwise indicated)

1. Illinois has no separate labor relations act similar to the NLRA.

2. "Yellow dog" contract void:

(a) Chapter 48, section 2b, makes agreements between an employer and employee or prospective employee against public policy and void if either party promises not to belong to an employer or labor organization.

(b) Sections 8 (a) (1) and (3) and 8 (b) (1) (B) make such promises unfair labor practices.

3. Interference with employment:

(a) Chapter 38, section 376, makes it unlawful for two or more persons to combine for the purpose of preventing by threats or any unlawful means any person from being employed by the owner or possessor of property on such terms as the parties concerned may agree upon.

(b) There is no similar provision in the NLRA. However, it is an unfair labor practice under section 8 (a) (1) for an employer to interfere with, restrain, or coerce and under 8 (b) (1) for a labor organization to restrain or coerce, employees in the exercise of their right, under section 7, to self-organization, to form, join, or assist labor organizations and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection or to refrain from any or all such activities.

4. Intimidation of workmen:

(a) Chapter 38, section 377, provides a fine for any person who by threat, intimidation, or unlawful interference seeks to prevent any other person from working or from obtaining work at any lawful business on any terms that he may see fit.

(b) There is no similar provision in the NLRA. However, it is an unfair labor practice under section 8 (a) (1) for an employer to interfere with, restrain, or coerce and under 8 (b) (1) for a labor organization to restrain or coerce, employees in the exercise of their right, under section 7, to self-organization, to form, join, or assist labor organizations and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection or to refrain from any or all such activities.

5. Entering premises to intimidate:

(a) Chapter 38, section 378, makes it unlawful for any person to enter the building or premises of another with intent by means of threats, intimidation, or riotous or other unlawful doings, to cause an employee therein to leave his employment.

(b) There is no similar provision in the NLRA. However, section 8 (b) (1) makes it an unfair labor practice for a labor organization to restrain or coerce an employee in the exercise of the right, guaranteed in section 7, to self-organization, to form, join, or assist labor organizations for the purpose of collective bargaining or other mutual aid or protection, or to refrain from any or all of such activities.

6. Extortion in the name of employees:

(a) Chapter 38, sections 242, 243, 244, makes it unlawful for any person representing any organization of workmen to extort, demand, accept, or obtain from an employer money or other property as a consideration for withholding or terminating any demand or controversy relating to the employment of workmen or handling delivery, or use of materials. Chapter 38, section 246, makes violations punishable by imprisonment from 1 to 5 years.

(b) Section 302 (b) NLRA makes it unlawful for any representative of employees in any industry affecting commerce to receive or accept, or to agree to receive or accept, from the employer of such employees any money or other thing of value. Section 302 (d) makes violations a misdemeanor punishable by fine of not more than $10,000 or imprisonment for 1 year, or both.

7. Injunctions prohibited in labor disputes:

(a) Chapter 48, section 2a, prohibits restraining orders or injunctions in any case growing out of a labor dispute concerning terms or conditions of employment, or from terminating any relation of employment, or from peaceably recommending others to do so; or from peaceably being upon any public street to obtain information, or to persuade others to work or abstain from working, or to employ or discharge peaceably any party to a labor dispute.

(b) NLRA does not contain a prohibition similar to the above.

Sections of the Illinois Bar statutes cited in the preceding pages were enacted as follows:

2. Yellow-dog contract void: (a) Chapter 48, section 2b; section 1 of the laws of 1933.

3. Interference with employment: (a) Chapter 38, section 376, division 1, section 158, Revised Statutes 1874.

4. Intimidation of workmen: (a) Chapter 38, section 377, division 1, section 159, Revised Statutes 1874.

5. Entering premises to intimidate: (a) Chapter 38, section 378, division 1, section 160, Revised Statutes 1874.

6. Extortion in name of employees: (a) Chapter 38, sections 242, 243, 244; sections 1, 2 and 3, laws of 1921.

7. Injunctions prohibited in labor disputes: (a) Chapter 48, section 2a, section 1, laws of 1925.

WISCONSIN—LABOR-MANAGEMENT LAWS

(Chapter III enacted in 1939 and amended in 1947 is designated the Employment Peace Act [1])

SECTION 111.01. POLICY

It is the policy of the State to protect and promote three major interests: The rights of the public, the employee, and the employer. Industrial peace, regular and adequate income for the employees and uninterrupted production of goods and services promote these interests and these depend upon the maintenance of fair, friendly and mutually satisfactory employment relations and the availability of adjustment machinery. Certain employers, including farmers, etc., face special problems with regard to perishable commodities and seasonal production. Rights of disputants, however, should not intrude, in the conduct of their controversy, into primary rights of third parties to earn a livelihood, transact business, etc., free from interference or coercion. Negotiation of terms and conditions of work should result from voluntary agreement between employer and employees and for this purpose employees have the right of association and collective bargaining without intimidation or coercion. The State's policy is also to establish standards of fair conduct in employment relations and to provide a convenient, expeditious, and impartial tribunal for adjudications of respective rights and obligations.

As compared with this stated policy, section 1 of the Federal statute finds that denial of right to organize and refusal to bargain collectively by some employers leads to strikes and industrial strife. This burdens commerce. Inequality of bargaining power between employees without freedom of association of actual liberty of contract and well-organized employers burdens commerce and aggravates business depressions. Protection of right to organize and bargain collectively safeguards commerce. The acts of some labor organizations by strikes and industrial unrest burden or obstruct commerce and impair public interest therein.

The policy is to eliminate the causes of obstructions and the obstructions to commerce by encouraging collective bargaining and protecting the right of association and designation of representatives for negotiation of terms and conditions of employment or other mutual aid or protection.

SECTION 111.02. DEFINITIONS

"Person" is defined as in section 2 of the Federal statute, except "labor organization" is not specified, and includes every recognized legal entity

"Employer" is defined to include all who engage services of an employee and any person acting on behalf of an employer within the scope of his authority, express or implied, but excludes the State and its subdivisions and labor organizations and their agents unless employers in fact. The Federal statute section 2 omits the first definition of the State statute. It includes anyone acting as an agent of an employer, directly or indirectly and excludes Federal and State Governments and their agencies, nonprofit hospitals, persons subject to the Railway Labor Act and labor organizations and their agents unless employers in fact.

"Employee" as in section 2 of the Federal statute includes all who work for hire (limited, of course, to those in the State) except executives and supervisors, domestics, children or spouses of employers, and employees subject to the Railway Labor Act. It does not exclude agricultural workers like the Federal statute. It includes those out of work because of a current labor dispute or unfair labor practice of the employer, unless (1) he has refused or failed to work after a competent tribunal acceptable to the employee has disposed of the dispute or charge of unfair labor practice, (2) he has been found to have committed or to have been a party to an unfair labor practice, (3) he has obtained regular and substantially equivalent work elsewhere, (4) he has been absent from his employment for a substantial period of time during which reasonable expectancy of settlement has ceased (except by employer's unlawful refusal to bargain) and his place has been filled by a permanent worker not a strikebreaker. The Federal statute has a similar inclusion but contains only the third exception.

"Representative" includes any person the employee has chosen to represent him while the Federal statute specifies any individual or labor organization.

"Collective bargaining" is negotiation in good faith between an employer and a majority of his employees in a collective-bargaining unit or their representatives concerning representation or terms and conditions of employment. In the Federal statute the term is defined in section 8 (d) only for the purposes of that section as performance of the mutual obligation of the employer and the employees' representative to bargain in good faith with respect to wages, hours, and other terms and conditions of employment or negotiate an agreement or question thereunder or to execute a written contract if either party requests it. Neither party, however, is compelled to agree to a proposal or make a concession.

"Collective bargaining unit" means all the employees of an employer within the State unless a majority of them in a single craft, division, department, or plant vote by secret ballot to constitute a separate unit or unless the Board with the agreement of all parties affected thereby finds the unit to be an industry, trade, or business of several employers in an association in any geographical area. Several units may bargain collectively through one representative if a majority of each unit vote by secret ballot to do so. There appears no definition of collective bargaining unit in the Federal statute but in section 9, which deals with representatives and elections, subsection (d) authorizes the Board to decide whether the appropriate unit shall be the employer, craft, plant unit, or subdivision of plant unit. The unit may include both professional and nonprofessional employees only if a majority of the professionals so vote and may not include guards. The Board may not decide the unit is inappropriate because previously a different unit has been established by it.

"Labor dispute" means controversy between an employer and the majority of his employees in a collective bargaining unit concerning the right process or details of collective bargaining or designation of a representative. Organizations with which the employer and the majority of employees are affiliated may be considered parties. Section 2 of the Federal statute defines the term at greater length but to the same effect except that it does not limit the parties to a majority of employees nor to those who have employer-employee relationship.

All-union agreement is one between an employer and an employee representative whereby all employees in the unit are required to be members of a single labor organization. This definition of a closed shop does not appear in the Federal statute nor is a closed shop permitted although under section 8 (3) upon the fulfillment of stated conditions an agreement may be made that membership in the union after 30 days from the beginning of employment shall be required.

Election means employees in a bargaining unit casting secret ballot for representative or for other purpose under the statute and includes elections conducted by the Board and by any tribunal of competent jurisdiction or whose jurisdiction the parties accept. No such definition appears in the Federal statute. Section 9, however, provides full machinery for elections which are conducted only by the Board and are by secret ballot.

"Secondary boycott" includes combining or conspiring to cause or threaten injury to one with whom no labor dispute exists, whether by withholding patronage, labor, or other beneficial business intercourse, by picketing, refusing to handle, etc., particular materials, or by any other unlawful means in order to force him into a concerted plan to coerce or damage another. "Jurisdictional strike" means one growing out of a dispute between employees or employee representatives as to the appropriate unit for collective bargaining or as to which is to act as representative or as to whether employees represented by one or the other representative are entitled to perform particular work. Neither of these definitions appear in the Federal statute. Section 8 (b) (4), however, makes it an unfair labor practice for a union to engage in or induce or encourage employees to engage in a strike or concerted refusal to handle, etc., goods or perform services for four named objects, the first of which is forcing or requiring any employer to cease dealing, etc., in products of another producer or to cease doing business with any other person, and the fourth of which is forcing or requiring any employer to assign particular work to employees in one union, trade, craft, or class rather than to those in another unless the employer is not conforming to a board order.

SECTION 111.03

This section creates the board.

SECTION 111.04. RIGHTS OF EMPLOYEES

This section defines the right of employees to organize, to join unions, to bargain collectively through their chosen representatives and to engage in concerted activities as well as to refrain from doing so in the same terms as section 1 of the Federal Statute. Section 1, however, limits the right to refrain to the extent that agreement requiring union membership as a condition of employment is authorized.

SECTION 111.05. REPRESENTATIVES AND ELECTIONS

The first paragraph like section 9 (a) of the Federal statute provides for the selection of exclusive bargaining representatives subject to the right of individuals or groups to present grievances to the employer. In the latter case the State statute as contrasted with the Federal statute permits these individuals or groups to choose a representative for the purpose and the right is not limited as in the Federal statute to the adjustment being consistent with the collective-bargaining agreement then in effect and to the right of the collective-bargaining agent to be present.

The second paragraph provides for a secret ballot to determine the collective bargaining unit. In section 9 (b) the Federal statute leaves this to the determination of the board.

The third paragraph defines the method of selecting exclusive bargaining representatives. The Board is empowered to exclude from the ballot anyone who at the time of the election has been deprived of his rights because of an unfair labor practice. The

[1] *La Crosse Telephone Corp.* v. *Wisconsin Employment Relations Board*, U. S. S. Ct. January 17, 1949, holds that the Wisconsin board is without jurisdiction of representation proceedings involving employees whose employer is engaged in interstate commerce in an industry over which the National Labor Relations Board has consistently exercised jurisdiction, regardless of the fact that the National Labor Relations Board has taken no action with regard to these employees or this employer.

ballot must permit a vote for no representation. Subject only to court review (as provided in sec. 111.07) the Board's certification of the result is made conclusive. In general the method of election is similar to the method in section 9 (c) of the Federal statute but the Federal statute contains no provision for eleminating from the ballot one who has been found to have committed an unfair labor practice nor does it permit a vote for no representation except where a petition is filed asserting that a recognized or certified representative no longer is the choice of the majority.

The fourth paragraph provides for run-off elections, which eliminate from the ballot the representative receiving the fewest votes or of a vote for no representation if that received the fewest votes. The run-off provided in section 9 (b) (e) of the Federal statute is between the two receiving the largest and second largest number of votes.

The last paragraph provides that the question of representation may be raised by petition of employer, employee, or representatives of either. This is similar to section 9 (e) of the Federal statute.

The paragraph further provides that the fact that one election has been held shall not prevent holding another if the Board finds sufficient reason exists. Section 9 (c) (3) of the Federal statute prohibits more than one valid election per year.

SECTION 111.06. UNFAIR LABOR PRACTICES

(1) As to employers it is an unfair labor practice individually or in concert with others.

(a) To interfere with, restrain, or coerce his employees in the exercise of their rights in section 111.04. This is the same as section 8 (a) (1) of the Federal statute.

(b) To dominate or interfere with the formation or administration of a union or contribute support except that the employer may reimburse employees for time spent conferring with him and may cooperate with a representation chosen by a majority of employees by permitting use of company facilities and premises if the use creates no additional employer expense. This subsection is similar to section 8 (a) (2) of the Federal statute in its prohibitions but the exception in the Federal statute is only that the employer may permit conference during working hours without loss of pay.

(c) To encourage or discourage union membership by discrimination with the exception that an employer may make an all-union agreement if two-thirds of the voting employees and at least a majority of the unit so vote. The authority to make the agreement continues until either party to the agreement requests a new vote. The Board then investigates and if it finds there may be a change of attitude conducts a new referendum. A vote for the continuance continues the authority and a vote against terminates the authority at the termination of the contract or at the end of 1 year whichever is earliest. The Board must declare the agreement terminated whenever upon request of any interested party it finds that the union has unreasonably refused membership to an employee. The Board is prohibited from entertaining an employer's petition for a referendum where he has or is negotiating a contract with a duly constituted bargaining representative unless he has agreed with the union that he will make an all-union contract if the referendum shows employee approval.

The portion of the subsection providing against encouragement or discouragement of unionization is similar to that section 8 (a) (3) of the Federal statute. The exception in that section, however, permits only an agreement requiring as a condition of employment membership in the union after 30 days following the beginning of employment or effective date of the agreement whichever is later. The agreement may be made only with the exclusive bargaining representative, as certified, for the unit involved and only if a majority of those eligible to vote have so authorized in an election which, under section 9 (e), may be held only on petition alleging that 30 percent or more of the employees in the unit desire the agreement and only if no question of representation exists.

(d) To refuse to bargain collectively with a majority of his employees in a unit except, where the employer has filed a representation petition, he is not deemed to refuse to bargain until the Board has certified the results of an election. This subsection is similar in purport to section 8 (a) (5) of the Federal statute.

(e) To bargain collectively with representatives of less than a majority of his employees in a unit or to enter into an all-union agreement except as provided. This provision does not appear in the Federal statute but the acts would constitute unfair labor practices under section 8 (a) (1) and 8 (a) (2).

(f) To violate the terms of a collective-bargaining agreement (including an agreement to accept an arbitration award. There is no such provision in the Federal statute.

(g) To refuse or fail to recognize or accept as conclusive the final determination of any issue as to employment relations by a tribunal of competent jurisdiction or whose jurisdiction the employer accepted. There is no such provision in the Federal statute.

(h) To discharge or otherwise discriminate against an employee because he has filed charges or given information or testimony in good faith under the statute. Section 8 (a) (4) of the Federal statute is to the same general effect except that the word "information" is omitted as is the requirement of good faith.

(i) To deduct union dues or assessments from an employee's earnings except under order signed by the employee and terminable annually on 30 days' notice. This is not an unfair labor practice under the Federal statute but, by section 302, it is made unlawful for an employer to pay or any employee representative to receive money or other valuable things. One exception to this prohibition is money deducted from wages in payment of membership dues in a union if the employer has an employee's written assignment irrevocable for not more than a year or beyond the termination date of the collective agreement, whichever occurs sooner.

(j) To employ any person to spy upon employees or their representatives respecting their exercise of any rights under the statute. This provision does not appear in the Federal statute but under some circumstances it would be an unfair labor practice under section 8 (a) (1).

(k) To make, circulate, or cause to be circulated a blacklist. This is not specified in the Federal statute but it would be unfair labor practice under section 8 (a) (1).

(l) To commit any crime or misdemeanor in connection with any controversy as to employment relations. There is no such provision in the Federal statute.

(2) As to employees, it is an unfair labor practice individually or in concert with others to do 11 stated acts. The Federal statute has no provisions relating to unfair labor practices by employees.

(3) It is an unfair labor practice for any person to do or cause to be done on behalf of employers or employees or in connection with any controversy as to employment relations any act prohibited by subsections (1), "employers," and (2), "employees." Since this provision would affect labor organizations and their agents, the prohibitions of subsection (2) are compared here with unfair labor practices of unions in section 8 (b) of the Federal statute.

(a) To coerce or intimidate an employee in enjoyment of his rights or to intimidate his family, picket his domicile, or injure the person or property of an employee or his family. Section 8 (b) (1) of the Federal statute proscribes restraining or coercing an employee, but does not contain reference to family or property. That section reserves the union's right to prescribe its own rules with respect to membership.

(b) To coerce, intimidate, or induce an employer to interfere with employees in enjoyment of their rights or to engage in any unfair labor practice with regard to them. Section 8 (b) (2) of the Federal statute proscribes causing or attempting to cause an employer to discriminate against an employee, to encourage or discourage union membership, or against an employee whose membership in the union has been denied or terminated on some ground other than failure to tender regular dues and initiation fee.

(c) To violate the terms of a collective-bargaining agreement (including an agreement to accept an arbitration award). There is no such provision in the Federal statute.

(d) To refuse or fail to recognize or accept as conclusive the final determination of any issue as to employment relations by a tribunal of competent jurisdiction or whose jurisdiction the employee or their representatives accepted. There is no such provision in the Federal statute.

(e) To cooperate in engaging in, promoting or inducing picketing (except constitutionally guaranteed free speech), boycotting or any other overt concomitant of a strike unless the majority in a bargaining unit of an employer against whom the acts are primarily directed have voted to strike by secret ballot. There is no such provision in the Federal statute although under section 8 (b) (4) such acts would be an unfair labor practice if they induced or encouraged employees of an employer to strike or refuse to handle goods or perform services where an object of the strike or refusal is to force or require an employer or self-employed person to join a union or employer organization or an employer to cease dealing in the products of or doing business with another; to recognize a union unless it has been certified; to recognize a union if another has been certified; or to assign particular work to a particular union, craft, or class rather than to another except under Board order.

(f) To hinder or prevent by mass picketing, threats, intimidation, force, or coercion the pursuit of lawful work or to obstruct or interfere with entrance to or egress from a place of employment, or to obstruct or interfere with free and uninterrupted use of roads, streets, highways, railways, airports, or other ways of travel or conveyance. There is no such provision in the Federal statute, but under some circumstances the acts would be an unfair labor practice under section 8 (b).

(g) To engage in a secondary boycott; to hinder or prevent by threats, intimidation, force, coercion, or sabotage, the obtaining, use, or disposition of materials, equipment, or services, or to combine or conspire to do so. Sympathetic strikes in support of those in similar occupations working for other employers in the same craft are permitted. The secondary boycott has been compared with section 8 (b) (4) of the Federal statute under "Definitions." The other provisions do not appear in the Federal statute, but under some circumstances the acts would be unfair labor practices under section 8 (b).

(h) To take unauthorized possession of property of the employer or to engage in concerted effort to interfere with production except by leaving the premises in an orderly manner to strike. There is no such provision in the Federal statute, but the acts

would be an unfair labor practice under section 8 (b) (2) or (4) under some circumstances.

(i) To fail to give notice of intention to strike provided in section 111.11 (this provides that employees in production, harvesting, or initial processing of dairy or farm products where a strike would tend to cause destruction or serious deterioration of the product must give the board 10 days' notice of intention to strike). There is no such provision in the Federal statute.

(j) To commit any crime or misdemeanor in connection with any controversy as to employment relations. There is no such provision in the Federal statute.

(k) To engage in, promote or induce a jurisdictional strike. The comparison of this provision with that of section 8 (b) (4) of the Federal statute has been discussed under "Definitions."

SECTION 111.07. PROCEDURES

The procedures relating to the filing of charges, the hearings before the board or hearing commissioner, the issuance of orders by the board and review and enforcement by courts as substantially the same as those provided in the Federal statute with one exception. In addition to the remedies which may be contained in board orders under the Federal statute, the State statute provides that the order may suspend the rights, immunities, privileges, or remedies granted by the statute as respect any party complained of. (Note that this includes omission from the ballot refer section 111.05, "Representatives and election," and from the definition of employee—out of employment—in "Definitions.")

SECTION 111.08. FINANCIAL REPORTS TO EMPLOYEES

Every employee bargaining representative is required to submit annually to each member a detailed written financial report and the Board may order compliance.

Under section 8 (f) of the Federal statute the Board is prohibited from investigating representation questions, entertaining union-shop petitions or issuing complaints in behalf of a union which has failed to submit to its members a financial report similar to that required by the State statute. The Board, however, may not order the submission of such report.

SECTION 111.09. BOARD REGULATIONS

As in the Federal statute the Board is empowered to issue procedural regulations.

SECTION 111.10. ARBITRATION

On petition of the parties the Board is authorized to arbitrate a labor dispute or appoint disinterested persons as arbitrators. The Federal statute contains no such provision.

SECTION 111.11. MEDIATION

On request or on its own initiative the Board may appoint a mediator in any labor dispute. The mediator, however, has no power of compulsion. The section also provides for strike notices in disputes regarding agricultural industries as discussed previously under section 111.06 (3) "unfair labor practice." The Federal statute in section 4 forbids the appointment of mediators by the Board. Title III, however, provides for the Federal Mediation and Conciliation Service directed toward the same purpose of peaceful settlement. The Service is to avoid attempts at mediation of disputes having only a minor effect on commerce.

SECTION 111.12. DUTIES OF ATTORNEY GENERAL

The Attorney General is directed to act for the Board upon request. The Federal statue sections 3 and 4 permits the Board to appoint attorneys to represent it in court and the Board has delegated this authority to the general counsel.

SECTION 111.13

This provides for the appointment by the Board of an advisory committee. There is no such provision in the Federal statute.

SECTION 111.14

Penalties are provided for interference with the Board or its agents in the performance of their duties. Section 12 of the Federal statute provides penalties for similar acts.

SECTION 111.15

This provides that the statute shall not be construed to interfere with right to strike or to work or to invade the right to freedom of speech. Section 13 of the Federal statute reserves the right to strike and section 8 (c) provides that expression of views shall not be evidence of unfair labor practice if they contain no threat of reprisal or force or promise of benefit.

SECTION 111.16

Validates existing agreements. Section 102 of the Federal statute provides that no act shall be an unfair labor practice if performed under an existing agreement or under one entered into prior to the effective date, if for a period not exceeding a year, provided the act would not have been an unfair labor practice under the prior statute.

SECTIONS 111.17 THROUGH 111.19

These are technical legal provisions.

SUBCHAPTER III

This chapter provides at length for conciliation and arbitration of labor disputes involving public utilities. It makes unlawful strikes, slow-downs, work stoppages, and lock-outs in these industries as well as the inducement, encouragement or conspiracy to engage in strikes, slow-downs, work stoppages, or lock-outs. The violation of this later provision is made a misdemeanor. There are no specific provisions in the Federal statute dealing with public utilities as such, although title II provides for injunctions and arbitration in labor disputes which the President finds imperil the Nation's health and safety.

In addition to the Employment Peace Act the State statutes have other miscellaneous provisions relating to labor relations.

SECTIONS 103.46 AND 103.52. "YELLOW-DOG CONTRACTS"

Agreements between employer and employee to join, not to join, or remain a member of an organization or to withdraw from employment upon joining or remaining a member are void and unenforceable.

There is no specific provision in the Federal statute but such agreements would be unfair labor practices under section 8 (a) (1).

SECTION 133.05. ANTITRUST LAWS

Labor organizations and collective bargaining by producer associations in agriculture and by unions are exempted from the antitrust laws. There is no such provision in the Federal statute but exemptions appear in the antitrust statutes.

SECTION 103.43 (1A). STRIKES, ETC.

The section defines when a strike or lockout exists. There is no such provision in the Federal statute.

SECTIONS 103.535 AND 103.62 (3) AND 343.681. PICKETING

Picketing or interference with business is unlawful unless there is a labor dispute which is defined as in the Employment Peace Act. Such interference or compelling one to act against his will by two or more is a misdemeanor. There are no such provisions in the Federal statute. Related unfair labor practices are discussed under the Employment Peace Act.

SECTION 343.683. INTERFERENCE WITH EMPLOYMENT

It is a misdemeanor to prevent a person from engaging in lawful work except by peaceful persuasion during a strike or lockout. There is no such provision in the Federal statute but under some circumstances the act would be an unfair labor practice under sections 8 (a) (1) and 8 (b) (1).

SECTION 347.02. UNLAWFUL ASSEMBLY

Assemblage of three or more in violent manner to do or attempt to do an unlawful act is unlawful and if disturbance of others results, the acts constitute a riot. This police measure is not contained in the Federal statute.

SECTION 103.54. RESPONSIBILITY FOR AGENTS

Unions are not responsible for unlawful acts of officers or agents except upon proof of the act and the union's actual participation, authorization, or ratification after actual knowledge nor are officers or members liable for such acts except on similar proof.

The Federal statute in section 301 provides for suits against labor organizations and specifies that unions are bound by the acts of their agents and that for the purpose of that section agency is not to be determined by the question whether the acts were authorized or subsequently ratified. The section also provides that money judgments against a union may not be enforceable against a member.

SECTION 343.682. BLACKLISTING

Blacklisting is a misdemeanor. The act would be an unfair labor practice under section 8 (a) (1) of the Federal statute.

SECTION 348.472. STRIKEBREAKING

Use of armed guards for protection of property or suppression of strikes except where authorized is unlawful.

The acts would be an unfair labor practice under section 8 (a) (1) of the Federal statute under some circumstances.

SECTION 104.10. DISCRIMINATION FOR TESTIMONY

Discharge or discrimination or threats thereof for testimony relating to Women's and Minors' Minimum Wage Act is a misdemeanor.

Related unfair labor practices under the Federal statute are discussed under Employment Peace Act.

SECTIONS 348.22, 348.221, AND 6.047. POLITICAL ACTIVITIES

Influencing employees' votes by threats or promises and distribution of written matter containing the same are unlawful nor may an employer refuse to allow an employee to serve at the polls.

Employer may not require labor on primary election days and 3 hours' leave with pay must be allowed for elections or primary elections.

The Federal statute contains no such provision.

MEDIATION BY STATE AGENCY

The constitution provides that the legislature shall enact laws for the regulation of conciliation tribunals which shall have power to render judgments that are obligatory upon the parties when they voluntarily submit and agree in writing to abide by the judgment.

SECTION 101.10 (8)

Provides for appointment and regulation of arbitration boards by the industrial commission, a deputy of which shall be chief mediator.

Other provisions relating to labor relations appear under Employment Peace Act wherein applicable sections of the Federal statute are discussed.

SECTION 103.43. ADVERTISEMENTS

Advertisements for labor without stating the existence of a strike or lockout, if any, is unlawful. A strike or lock-out exists as long as do the usual concomitants or as long as unemployment continues or strike benefits are paid or picketing is maintained. The Federal statute contains no such provision.

Chapter II of the statutes of the State of Wisconsin, referred to in the preceding pages, incorporating sections 111.01 through 111.65, was enacted in 1939. The following sections were added or amended on the following dates:

111.02. Collective bargaining unit, amended, 1945.
111.02. All-union agreement, amended, 1945.
111.02. Jurisdictional strike, added, 1947.
111.05. Fourth paragraph providing run-off elections, added, 1947.
111.06. (1 (c), amended, 1943 and 1945.
111.06. (2) (e), amended, 1943.
111.06. (2) (k), added, 1947.
111.07. Amended, 1943.
111.13. Amended, 1943 and 1947.

The other sections of the statutes of the State of Wisconsin, referred to in the preceding pages, were enacted or amended on the following dates:

Section	Enacted	Amended
103.46	1929	
103.52	1935	
133.05	1921	1923.
103.43 (1A)	1925	
103.535	1939	
103.62 (3)	1931	1935 and 1939.
343.681	1887	
347.02	1878	
103.54	1931	1935.
343.682	1887	
348.472	1893	
104.10	1921	1923.
348.22	1913	
348.221	1911	
6.047	1945	
101.10 (8)	1931	
103.43	1911	1913, 1915, 1919.

ABRAHAM LINCOLN ON PROPERTY AND LABOR

Mr. MALONE. Mr. President, in closing, I wish to quote briefly from a statement made by Abraham Lincoln, but before I do that, I wish to say again that after listening to the 2 weeks' debate on the labor legislation, about the performance of the Wagner Act, and what has happened under the Taft-Hartley Act, it is my firm conviction that an entirely new approach is needed to the entire problem, so that in any State from Nevada to New York—Nevada being the smallest State in the Union and New York the largest—in their processes of development, whether they are predominantly industrial, predominantly mining, or predominantly agricultural.

I submit the legislature of the State, which represents every precinct and every county of the State, will know what to do in regulating labor-management disputes, and that if we do not insist upon taking charge of the problems the States will.

They will represent the public sentiment of the State, and that is what we are working with and that is what must ultimately settle such disputes.

I submit again that there never will be a permanent settlement of a labor dispute until public sentiment takes over.

As an illustration of that, I may say that I have worked in all kinds of employment in my youth, from the farm, mines, and to a boilermaker's helper on a railroad, and then finally a business of my own, employing as many as 150 to 200 men at a time.

I, however, do not remember anyone ever paying me what I thought I was worth during that early period, but I suppose that if my old employers could be found—and they were men who were pretty rough and tough in those days—they would say that they paid me twice as much as I was worth.

Mr. President, that illustrates the problem we will always have with us and it will never be permanently settled satisfactorily to both the employer and the employee. Of course, the Congress of the United States cannot and, of course, is not going to settle it.

It has been a little intriguing and a little puzzling to me to note that when someone is elected to the United States Senate, as I was elected, for example, and arrives in the Senate, we may have had a tough time running our own business, and understanding the affairs of the county and the State in which we live, but when we come here we know how to settle everything.

We can settle every question in the world to our complete satisfaction. It would have been like putting me in charge of a hospital, when I was in the engineering business. I could run it very handily, because I would not know any of the problems. Somebody said there is no one who can talk quite so convincingly on a subject as someone entirely unhampered by the facts.

Abraham Lincoln made this statement on March 21, 1864:

> Property is the fruit of labor; property is desirable; it is a postive good in the world; that some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built.

Mr. President, I submit that that is a very sensible expression. It was sensible when he said it, and it is sensible now, and it can be applied to the rights of labor and management. There is something else which has also puzzled me. We seem to continually deal with classes in this country. We deal with what we call labor, we deal with what we call management, and once in a while a stockholder is mentioned, but very seldom. The general public practically never comes into the picture, they are very generally ignored. I submit to this body that there are no classes of citizens in this country—a ditch digger today may be the manager or the president of the company tomorrow. And if we return in 10 or 15 years we may find him to be governor of his State.

We should not be talking about classes of people in our country. There are no classes. Where we make our mistake is in making such references. In Washington we are prone to conclude that everything is well with the country—we are living in air-conditioned rooms and are living very well. But, Mr. President, I have traveled 7,000 miles in the last 5 days and have been in 15 or 20 States during that time, and have had an opportunity to observe conditions in 3 or 4 of them. I say to the Members of the Senate that right at this moment in the United States of America 60 percent of our population is not getting along very well. They are having a tough time paying the taxes and keeping the children in school. There are 5,000,000 persons unemployed at this moment. Ten millions more are partially unemployed. Many who are unemployed are not saying anything, but the going is rough.

Therefore, Mr. President, I say, let us not deal in terms of classes. Let us keep this a country where one part is not set up against another part. Let us not make one class out of the workers and another out of management, rather let us all work together for the common good. Let us consider men in all walks of life as human beings. If I must work in a mine when I am 25 years old in order to be running an engineering business when I am 45 years old, give me that opportunity. All I should like to do is to retain that opportunity for the young people now coming out of school. But we have been dividing them. We divided them by the Wagner Act. We divided them further by the Taft-Hartley Act. We have divided them in such a manner that it is almost impossible to get them to sit down together—they are arrayed against each other.

If we were to see them sitting down together we would think they were violating some law passed by Congress.

I say, Mr. President, let us repeal these laws that set class against class. Let us get down to cases. Let us lay down a Federal principle that both the workers and management may organize for the purpose of bargaining. Let us retain the Conciliation Board, a nonpartisan or bipartisan board, whatever one wants to call it, with both parties represented on it, so it may hold hearings and develop public sentiment from the facts, from the States where the conditions are known to lay down the specific conditions under which the work and direction of the work must be done.

Let us allow the people of the States to run their own businesses and run them well without Federal Government interference.

REPORT OF A COMMITTEE

Mr. LUCAS. Mr. President, I ask unanimous consent that the Committee on Banking and Currency be permitted to report House bill 5240, to continue for a temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products, during the recess of the Senate following today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL LABOR RELATIONS ACT OF 1949

The Senate resumed the consideration of the bill (S. 249) to diminish the causes

of labor disputes burdening or obstructing interstate and foreign commerce, and for other purposes.

Mr. TAFT. Mr. President, I am sorry to detain the Senate at this hour, but I want to remind the few Senators who are now present in the Senate Chamber that the temperature outside is still 90° and that they would probably be more comfortable sitting here in the Senate Chamber than if they were outside at this time.

Mr. President, I arise to say that, without weakening in any way the support of the amendment proposed by the Senator from New Jersey [Mr. SMITH], the Senator from Missouri [Mr. DONNELL] and myself, I intend to vote in favor of the Holland amendment proposed by the Senator from Florida [Mr. HOLLAND], the Senator from Ohio [Mr. BRICKER], the Senator from North Carolina [Mr. HOEY], and the Senator from Kansas [Mr. SCHOEPPEL].

This amendment proposes to strike out the provision of the Thomas bill giving the President only the right to call on both parties to continue working while his emergency board reports—a right which I think he probably has without statute—and insert substantially the provisions of the Taft-Hartley law relating to the injunction in strikes threatening the national safety or health. It differs from the amendment proposed by the Senator from New Jersey, the Senator from Missouri, and myself only by omitting the provisions for the additional power, under court order, to take possession of the plant which is struck and operate it in the name of the Government. While I think it is wise to grant this additional power of seizure properly circumscribed, the real question at issue in the debate of the last 3 weeks is whether we shall give the President the right of injunction against employer and labor unions to require the owner to continue operations and the union leaders to call off any strike or concerted work stoppage. This is the only power which can compel the continuance of an essential industry while the President makes a thorough investigation of the problem and attempts to work out a solution. While seizure may be helpful, we have several cases where strikes continued in national industries even after seizure, notably that of the mine workers when the Government was in possession, and in the case of the last railroad strike.

The argument against giving the President this power seems to be based on the theory that his use of it might make the unions angry and therefore less willing to settle. I think such a claim is wholly unrealistic. From the date of the injunction, we have the President and a special board adding their efforts to those of the Conciliation Service to bring the parties together and effect a reasonable solution. Remember also, this power can only be used when the employer and the unions are disregarding completely in their own selfish interest the safety and health of 145,000,000 people. One or the other of those parties may be entirely right, and one may be entirely wrong.

It is impossible for the people to know who is right until a full investigation has been made. All that the President will ask the unions and the employer to do is to go on working under the terms prevailing during the past year while the President and his board look into the matter, make a full report, and make every effort to settle the dispute. If the parties voluntarily accede, there will be no injunction. If they do not, should we not give the President some power of enforcement of the prohibition of the strike? I think an injunction in this case is peculiarly necessary. Remember that negotiations up to this point have been largely in secret and only the Mediation Service knows the issues between the parties. If the parties insist on a work stoppage without delay, I think it is an excellent thing that they should have to come before a court and be asked the reason why they are using the safety and health of 145,000,000 people as a weapon in their contest.

It is said that in some ways an injunction is an insult to labor. Remember this: Injunction runs against both parties and there is no real reason why it is any more a reflection on labor in the case they present, than it is on the employer in the case he may be presenting. It seems to me that this argument is the most obvious fallacy. The truth is, the labor leaders are opposed in this field, as they are in every other field, to being subjected to the rules of law and the application of justice which apply to every other citizen of the United States. Their real objection to the injunction is the same as their objection to all legal responsibility that they are insisting upon in connection with the other features of the Taft-Hartley law. They insist upon the special privilege and the exemption and the favored position which they enjoyed under the Wagner Act.

The injunction in this case is an entirely different action from that which was abused prior to the passage of the Norris-LaGuardia Act. In the first place it is not an intervention by the employer, but an intervention in the public interest, and only in the public interest.

In the second place, it does not bring the Federal courts into the regulation of every strike. It applies only to one labor controversy out of a thousand where the safety and health of the entire Nation is involved. Under those circumstances, we prohibit a strike or shut-down for 60 days, a very mild request to be made in the public interest. The injunction is merely an effective method, and so far as we know, the only effective method of enforcing that prohibition of a strike during those 60 days. The Thomas bill creates the obligation not to strike and says that both parties shall continue, but it provides no method whatever of enforcement. It would leave the President of the United States in a futile, ridiculous, and humiliating position if his requests are defied and he has no remedy except to call Congress together without himself yet fully advised as to the issues in the case.

In the third place, this type of injunction has proved its usefulness and done no harm whatever to labor, except where they have defied its provisions and the interest of the public. President Truman used the law in five or six cases when he could have pursued other methods. In fact, if he had thought that the industry could be kept going without an injunction, or a strike more easily achieved, it was obviously his duty not to use the injunction. The fact that he chose to do so is evidence that he thought it was the most useful weapon to accomplish his purpose. It did so. The work continued and the public was protected at least for a 60-day period, which in several cases, brought about a settlement. If this weapon or any other is useful in one case in a year, and if it is properly circumscribed to prevent the abuse of power, its creation is justified.

I think perhaps the most ridiculous argument which has been presented here is that presented by the administration Senators in their assertion that the President has this power of injunction anyway under some vague constitutional power.

The distinguished Senator from Oregon [Mr. MORSE] is opposed to the use of the injunction, and he is opposed to the existence of such power; and he is consistent in his opposition. But the Administration apparently is taking the position that we should not, under any circumstances, grant the right of injunction. Why? Because the President has it already. Mr. President, it seems to me that reduces the legislative process to an absurdity. The Attorney General asserts such a right under the Thomas bill. He says:

> Should, however, the parties not obey the mandate of section 302 (c) of the bill, and should this result in a national crisis, it is my belief that, in appropriate circumstances, the United States would have access to the court to protect the national health, safety and welfare. I say this because it is my belief that access to its own courts is always available to the United States, in the absence of a specific statutory bar depriving the Government of the right to seek the aid of the Federal courts in such critical situations. Particularly is this true where, as in the proposed legislation, a statutory obligation is placed upon the parties requiring them to continue or resume operations during a specified period. This bill, as I read it, does not purport to circumscribe the rights of the United States in this respect.

Mr. President, I wholly disagree with the Attorney General. I am unable to find anything in the Constitution which would give the President the power to obtain an injunction against a union calling a strike or an employer refusing to operate in peacetime. Personally, I do not think that any such legal power exists even in time of war. However, on that question there is certainly a very wide difference of opinion. Think of the danger of such a doctrine in time of peace. The President would have power to decide what is an emergency, and we have seen how easily those words are stretched to cover anything which inconveniences the Nation. If the President can obtain an injunction for one day, he can obtain it for a year and use it as a method of imposing compulsory arbitration. It is said that any President in a serious crisis would attempt to use the power and find a court to authorize it. That may be so, but that is a very different thing from saying that the power exists legally under the Constitution of the United States

available in the discretion of the President whenever he desires to use it. Lincoln, in time of war, went beyond his constitutional powers, but no President would dare to usurp power unless the emergency were so great that he could be certain that public opinion would later ratify his action.

Where does this power come from? If the President thought he had it, why did not he use it in 1946 in the railroad and coal strikes instead of coming to Congress and demanding the right to draft men into the Army? I am told that the Attorney General assured the Democratic leaders of the Seventy-ninth Congress that the President had no more power to act on those strikes without statutory action.

But even if the President did have such power, it should not be left unrestrained. Congress should carefully define and limit it, recognizing the power only so far as we consider absolutely necessary. Even those authorities who assert that such power exits appear to admit that if Congress deals with the subject, it can define and limit the power. Thus Attorney General Clark in his letter says:

> This bill, as I read it, does not purport to circumscribe the rights of the United States in this respect.

He recognizes elsewhere that if there were such an assumed constitutional power, it would be subject to limitation by Congress.

The language of the case of *In re Debs* (158 U. S. 564), implies that the President's power in that case arose from statutory enactments regarding interstate commerce and the postal service, and implies that it could be changed by changing those laws. Other men who have claimed this extraordinary power also admit the right of Congress to limit it. For example, when Mr. Garfield was Secretary of the Interior under Theodore Roosevelt, he made this plain. Full power under the Constitution was vested in the executive branch of the Government; and the extent to which that power may be exercised is governed wholly by the discretion of the Executive, unless any specific act has been prohibited either by the Constitution or by legislation. President Theodore Roosevelt was one of the great claimants for this power, but he himself said:

> I did not usurp power, but I did greatly broaden the use of Executive power. In other words, I acted for the common well-being of all our people whenever and in whatever measure was necessary, unless prevented by direct constitutional or legislative prohibition.

I disagree with President Theodore Roosevelt as to the extent of his powers, but even he recognized, without question, the right of Congress to delimit those powers. So if we pass a bill clearly defining the limits of this right of injunction, then it seems to me that definitely terminates any idea that the President can exercise any broader powers, even if such doctrine were ever upheld by the courts of the United States.

The amendment offered by the Senator from Florida [Mr. HOLLAND] and that offered by the Senator from New Jersey [Mr. SMITH], the Senator from Missouri [Mr. DONNELL], and myself, limit and define the President's power in national emergency strikes. Those who believe that such power exists, or who think it might exist, should be in favor of a careful definition of the power so that it may not be abused. These amendments both limit the power to a period of 60 days, whereas, under the constitutional doctrine, if no such limitation is made, apparently it may continue indefinitely.

This amendment limits its use to cases where the national safety or health is threatened. There can be no longer a vague reliance on the general welfare. The injunction can only be used to keep the status quo. It cannot be made conditional on an increase or a decrease of wages, or upon hours or working conditions, as it might be if it were an unlimited constitutional grant. If we think this power should exist at all, or if we think there is any chance that the power exists somewhere under the Constitution we ought to vote for one or both of these amendments.

There is another school of thought which says that if seizure is permitted it can always be followed by an injunction. With due respect to the claimants of that position, I think their authority is very doubtful. The United Mine Workers case did not find directly that there was any right of injunction on the part of the Government, except against its own employees working under a contract which had been made by the Government itself with those employees. The case was principally concerned in holding that under such circumstances, the Norris-LaGuardia Act did not apply to the Government. It is not at all certain that the Government would have the right of injunction if it seized an industry after a strike had occurred when there was no privity or contract whatever between the Government and the employees.

It is difficult to see how the Government, by taking over a plant from which the employees had already departed, could in any way claim that those men had become Government employees. Here, again, if the power exists at all, it should be clearly defined.

But how ridiculous is the position of the administration, which objects to spelling out this right clearly simply on the ground that it already exists. If it already exists, what possible objection can there be to spelling it out clearly? An injunction given by law is no more a reflection on labor than one granted by the Constitution, if there is any such grant.

Therefore, I shall vote to amend the Thomas bill by inserting the Holland amendment. If it is adopted, I shall press our own substitute, which would add a restricted seizure provision to the injunction of the Holland amendment. I believe that would be a better balanced provision, and would meet any reasonable objection of labor that an injunction alone in some way puts the Government on the employer's side against labor. I believe the President should have all available weapons properly guarded against abuse.

As for the Lucas amendment, it is not really a constructive proposal at all. It is an attempt to amend our substitute so that the Senate cannot vote on the double-barreled proposal of injunction and seizure. We shall have voted on seizure alone and on the injunction alone, and I believe the Senate is entitled to a vote on the two together as a balanced proposal. If the Lucas amendment were adopted, I would feel compelled to vote against our own amendment, because only seizure would remain. I consider that seizure by itself without the right of injunction is completely one-sided and ineffective. I therefore hope that the Senate will defeat the Lucas amendment and permit a vote on the Taft-Smith-Donnell substitute.

Tomorrow, in the limited time available, I shall speak at somewhat greater length on the Lucas amendment and on the Taft-Smith-Donnell substitute.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield to the Senator from Missouri for a question.

Mr. DONNELL. I wish to ask the Senator this question: Even if it were to be conceded—I do not concede it, but even if it were to be conceded as a matter of argument—that the President possesses power to seek an injunction, that does not at all establish that the possession by him of that power confers on the court any jurisdiction to grant an injunction, does it?

Mr. TAFT. No; I assume that those who claim that the President possesses any such power contend that in some way jurisdiction is created in the courts out of thin air, through the existence of that power. I think the whole doctrine is very vaguely defined.

Mr. DONNELL. Is it not, in the opinion of the Senator from Ohio, entirely fallacious to say that the possession of that power by the President confers on the courts jurisdiction to grant an injunction?

Mr. TAFT. I should think it would be very doubtful. It would be necessary to find a new doctrine giving to Federal courts jurisdiction never granted by the Constitution or the statutes.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. TAFT. I yield.

Mr. DONNELL. The Thomas substitute distinctly keeps the Norris-LaGuardia Act in full force and effect, does it not, with one exception, I believe?

Mr. TAFT. Yes; it does.

Mr. DONNELL. But so far as this matter is concerned, the Norris-LaGuardia Act is left in full force and effect, is it not?

Mr. TAFT. Yes.

Mr. DONNELL. Does not the Norris-LaGuardia Act distinctly deny such jurisdiction to the court—because it provides that—

> SEC. 4. No court of the United States shall have jurisdiction to issue any restraining order or temporary or permanent injunction in any case involving or growing out of any labor dispute to prohibit any person or persons participating or interested in such dispute (as these terms are herein defined) from

doing, whether singly or in concert, any of the following acts:

(a) Ceasing or refusing to perform any work or to remain in any relation of employment.

The point to which I desire to have the Senator from Ohio address his attention is this, and I should like the Senator to comment on it: Suppose, as I say, we concede—which I do not, but suppose for the sake of argument, however, we do concede—the possession by the President of the power to protect and safeguard the interests of the public in case of great national emergency. If it be true, as I have indicated it may be, and as I think it is, that the possession by the President of such power would not confer injunctive power on the courts, and inasmuch as it is true that the Thomas substitute adopts the Norris-LaGuardia Act, and inasmuch as the Norris-LaGuardia Act deprives the courts of any jurisdiction in matters of this kind, does not it follow, therefore, that even if we concede, as a matter of argument, that the President possesses the power to try to safeguard the public interest in such cases, unless there is a statute thus conferring jurisdiction on the courts, the courts do not have any jurisdiction, because it is denied to them by the Norris-LaGuardia Act?

Mr. TAFT. I agree with the Senator from Missouri, and I go further. I have tried to point out that even those who claim that there is such a nondescript power on the part of the President admit that if the power is denied by statute, then the power no longer exists.

Mr. DONNELL. Yes.

Mr. TAFT. It is not a constitutional power which thrives on its own force. The claim is made that it exists because Congress has not dealt with that field. But if Congress limits that power, then that limitation is binding.

The Senator points out that in the case of the Norris-LaGuardia Act the Congress specifically denied the power of the courts to issue injunctions. So I point out that that power does not exist under the Thomas bill or Thomas substitute.

Mr. DONNELL. In other words, if the Senator from Ohio will further yield, if I may submit this query to him, does he agree with me that under the Thomas substitute, even if we assume for the sake of argument that the President possesses this power, inasmuch as the Thomas substitute reaffirms the Norris-LaGuardia Act, which takes such jurisdiction away from the courts, then it is possible to confer on the courts jurisdiction to issue an injunction at the behest of the President only by the passage of a statute conferring that jurisdiction, but the Thomas substitute does not confer such jurisdiction on the courts. Does the Senator from Ohio agree with that statement?

Mr. TAFT. I agree with the conclusion, Mr. President. I agree that if the Norris-LaGuardia Act refuses that jurisdiction, certainly that ends any power of jurisdiction.

Mr. DONNELL. I thank the Senator.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate a message from the President of the United Sates submitting sundry nominations, which was referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Clifton C. Carter, of Texas, to be United States marshal for the southern district of Texas vice M. Frank Hammond, retired; and

Benjamin J. McKinney, of Arizona, to be United States marshal for the district of Arizona.

RECESS

Mr. THOMAS of Utah. I move that the Senate stand in recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 28, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 27 (legislative day of June 2), 1949:

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior surgeon (equivalent to the Army rank of lieutenant colonel), effective date of acceptance:

Paul W. Kabler

To be surgeons (equivalent to the Army rank of major), effective date of acceptance:

Wilton M. Fisher
Lawrence L. Swan
Thomas L. Shinnick

To be sanitary engineers (equivalent to the Army rank of major), effective date of acceptance:

Charles D. Yaffe
Glen J. Hopkins
Louis F. Warrick

To be scientist (equivalent to the Army rank of major), effective date of acceptance:

Robert E. Serfling

To be senior sanitarian (equivalent to the Army rank of lieutenant colonel), effective date of acceptance:

Glen M. Kohls

To be sanitarians (equivalent to the Army rank of major), effective date of acceptance:

Maurice E. Odoroff
Neil McKeever

To be nurse officers (equivalent to the Army rank of major), effective date of acceptance:

Eleanor C. Bailey
Avis Van Lew
Lorena J. Murray

To be senior dietitian (equivalent to the Army rank of lieutenant colonel), effective date of acceptance:

Margaret E. Perry

Junior assistant sanitary engineer to be assistant sanitary engineer (equivalent to the Army rank of first lieutenant):

Charles E. Sponagle

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 27, 1949

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou ever blessed God, we rejoice that our times are in Thine hands. Our lives are filled with strange questions and mysteries. We pray today that Thou wilt sweep away doubt and wonder, and make plain to us the uncertain and the obscure. If by omission or commission we have done aught that is contrary to the plan of life laid down for us, forgive us.

In all our works enable us to stand for those things that make for harmony and better living; let nothing be done through strife of vainglory, but in lowliness of mind let each esteem others better than themselves. O may we be servants among men, for where Thou dost lead, there is naught too great for us to perform. In the name of our Saviour. Amen.

The Journal of the proceedings of Friday, June 24, 1949, was read and approved.

EXTENSION OF REMARKS

Mr. PRICE asked and was given permission to extend his remarks in the RECORD in four instances and include in one the text of Archbishop Beran's pastoral letter read in Czech churches yesterday.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include extraneous material.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on two subjects.

Mr. BUCHANAN asked and was given permission to extend his remarks in the RECORD and include a telegram from the mayor of Syracuse, N. Y., on the housing bill.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. YATES asked and was given permission to extend his remarks in the RECORD and include an address by Marshall Field, publisher of the Chicago Sun-Times.

Mr. SIKES asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the RECORD and include the text of a broadcast by Ambrose W. Benkert on The Railroads and America's Future.

PERMISSION TO ADDRESS THE HOUSE

Mr. KERR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

[Mr. KERR addressed the House. His remarks appear in the Appendix.]

Mr. MOULDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the Appendix of the RECORD on the subject of the Committee on Un-American Activities.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

[Mr. MOULDER addressed the House. His remarks appear in the Appendix.]

ERECTION OF A NATIONAL OPERA HOUSE IN THE DISTRICT OF COLUMBIA

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I am asking the gentle lady from New Jersey [Mrs. NORTON], chairman of the Committee on House Administration, and the committee, to report favorably H. R. 2612. This bill provides for the setting up of a Commission of nine members, to be appointed, three each, by the President, the Vice President, and the Speaker of the House. This Commission will be empowered to adopt and execute plans for the erection of a national opera house in the District of Columbia to be known as a mothers' memorial.

In addition to liberal assistance expected from the Government, the public will be given opportunity to make contributions, and all such gifts made by the public will be tax-deductible.

It is contemplated that money will be forthcoming in sufficient amount to enable the Commission to provide this Nation with the largest, most convenient, and most beautiful opera house in the world.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permisison to extend his remarks in the RECORD and include some excerpts.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I am going to talk about the gentleman from Georgia [Mr. WOOD], a Democrat in whom I have the greatest confidence and who I believe to be one of the finest Members of the Congress and chairman of the Un-American Activities Committee. These Members who are trying to claim an excuse because the committee is doing something of which they have no knowledge have no excuse whatever, because as members of the committee it is their business to know what is going on. I think they deserve just as much censure, whether they are Republicans or Democrats, and they cannot put it all onto the gentleman from Georgia [Mr. WOOD] because in my opinion he is too honorable a man to do anything except it be open and aboveboard.

I happen to be on the board of a couple of educational institutions. I am not running those educational institutions. I only want them to be good, fine institutions and to teach sound American doctrine such as our forefathers taught. I look after the business end of those schools. The educators select the textbooks. I have not read them. They have changed since I went to school. If those schools have any books that teach anything contrary to the teachings of our founding fathers, I would be glad to have that information. It seems to me that the Committee on Un-American Activities has a great deal of work before them to do.

I am not criticizing the Un-American Activities Committee, the gentleman from Georgia, Chairman WOOD, or the clerical force, if they ask what books are taught in any school. What is in the books? If the committee could show me that there was anything in the textbooks that was communistic teaching, I would want to have them taken from the schools. That is the way I feel about it.

Chairman WOOD, do your duty. Drive communism out of America and I will aid you all I can.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include the inaugural address of Gov. William I. Goettman, as governor of the Ohio Buckeye Boys' State.

VETERANS' INSURANCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have written to General Gray that if he wants to speed up the payment of the insurance refunds or dividends, he can borrow from other departments. When the bonus payment was made, the Veterans' Administration at that time borrowed many men from the Army, and those checks were gotten out immediately. If the Veterans' Administration wants to pay the insurance promptly, they can do it.

EXTENSION OF REMARKS

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD in three instances and include certain newspaper editorials.

VETERANS' INSURANCE

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, in the last few weeks it has become increasingly evident that for some sinister reason the GI's who bought and are paying for their Government insurance will not get their refunds until sometime in 1950. Except for political reasons, 1950 might be too late. Too late for the GI who has faithfully been paying this overcharge but who now, and I repeat now, desperately needs that money to keep up payments on his home, his car, or to pay some bills which have accumulated in the past few months. Also, refund of this overpayment in 1950 unfortunately might be too late for the local merchant who has in good faith extended credit to the GI on the promise that the VA could pay up 6 months after the court decision.

Economic conditions in Michigan, where we presently have widespread unemployment, are not healthy. The Veterans' Administration estimates 631,000 Michigan veterans will get an average refund of $140. In Kent County approximately 17,000 GI's will get their overpayments returned and in Ottawa County approximately 3,500 would benefit. I can assure you the estimated $88,000,000 which belong to Michigan veterans would be appreciated by October 1949 when it should and could be paid. I repeat again, repayment in the summer or fall of 1950 will be too late except for political expediency.

EXTENSION OF REMARKS

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include four articles from Des Moines Register on the Brannan plan.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD.

RENT CONTROL

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, the long arm of a powerful central government has again attempted to interfere with and control State and local government.

The Eighty-first Congress, after long deliberation, decided that it was proper to permit the several States and certain other political subdivisions to decontrol rents, with the approval of the Governors of the respective States.

The Legislature of the State of Texas recently passed, by an overwhelming majority, a rent-decontrol bill. Before the Governor acted, the Housing Expediter flew to Texas to urge a veto of the bill. The Governor was not influenced from

Washington. He signed the bill last Thursday.

Two villages in Ohio, after public hearings, recently adopted decontrol resolutions. I am advised that the area rent director—a Federal employee—opposed the adoption of the resolutions and thereafter prepared the majority report of the local rent advisory board to the Governor of Ohio recommending disapproval of the action of the villages.

Several years ago Ohio experienced the same interference with State government when the Federal Social Security Administration arbitrarily withheld more than $1,000,000 from the State which would have been used for aid to the needy aged.

For those Members of Congress who persist in the belief that improper bureaucratic interference with State and local government does not occur in matters affected by Federal legislation, the handwriting again appears upon the wall. The warning is most timely as we debate the housing bill.

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. O'BRIEN of Michigan asked and was given permission to extend his remarks in the RECORD and include a statement with reference to H. R. 4009.

Mr. GORSKI of New York asked and was given permission to extend his remarks in the RECORD and include an article from the Washington News.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mrs. BOLTON of Ohio asked and was given permission to extend her remarks in the RECORD and include an article, the estimated cost of which is $187.50, notwithstanding the additional cost.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include a statement concerning the Railway Labor Executive Association position with reference to retirement benefits for railway employees.

Mr. CHRISTOPHER asked and was given permission to extend his remarks in the RECORD.

APPOINTMENT OF POSTMASTERS

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. HUBER]?

There was no objection.

Mr. HUBER. Mr. Speaker, some time ago President Truman established a precedent by appointing a man from the ranks as Postmaster General. Mr. Jesse Donaldson is the first man from the ranks to hold that high position. I am glad to learn that the President has now recommended that the appointment of postmasters be taken entirely out of politics.

At the beginning of this session I introduced a bill to take the appointment of rural carriers out of politics. I have today introduced a bill amending that bill, by taking the appointment of all postmasters out of politics. There is no reason why the most lowly and humble employee of the Post Office Department, should not have the right to advance under the merit system and become postmaster.

Mr. MICHENER. Mr. Speaker, will the gentleman from Ohio yield?

Mr. HUBER. I yield.

Mr. MICHENER. Do I understand the gentleman to say he has introduced a bill to take rural carriers out of politics?

Mr. HUBER. Early in this session; yes.

Mr. MICHENER. But they are not supposed to be in politics now.

Mr. HUBER. They are neither in nor out. That is one reason I wanted the merit system to prevail.

Mr. MICHENER. Take my district, for example. I helped pass that civil-service bill. The law provides that the Civil Service Commission shall select the three highest eligibles. That list is then sent to the Postmaster General. The Postmaster General selects one out of the three. What happens? You are a Democratic Congressman. You get the list from the Postmaster General. You select one of the three. I happen to be a Republican Congressman. The Democratic national committeeman for Michigan gets the list. I cannot select one of the three.

Mr. HUBER. There is not any reason why either one of us should do the selecting. It should be taken out of politics.

Mr. MICHENER. That is right.

Mr. HUBER. I regret that the Republicans held up the confirmation of postmasters last year when they were in control of the Eightieth Congress. If my bill passes Congress, whether Democratic or Republican controlled in the future will not be able to play politics in the selection of capable public servants.

The SPEAKER. The time of the gentleman from Ohio has expired.

DEMOCRAT-REPUBLICAN BASEBALL GAME

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

Mr. HARRIS. Mr. Speaker, I take this time to give a report on the result of our traditional baseball game between the Republicans and Democrats, June 3, 1949.

I want to compliment and commend each Member on both the Democrat and Republican sides for the contribution they made to this successful event. I have a report from the Evening Star, which sponsored the game again this year for the benefit of underprivileged children to attend summer camps, which advises the total receipt from ticket sales was $6,302.51.

The Star is to be highly commended for its undertaking the important sponsorship of this event again. Especially do I want to commend Mr. Howard P. Bailey, assistant to the managing editor of the Star, for his part in the program.

There were some expenses to come out of the gross sale of tickets such as $919.13 for taxes; and there are other items; but the net for the summer-camp fund for underprivileged children of the District of Columbia is $4,273.46.

I am also advised that every underprivileged child in the District of Columbia would be permitted a summer vacation during this summer. I think this speaks well for a program that Members of the House have entered upon this year. I wish to thank you, and particularly the baseball players, for your and their contribution and for the splendid cooperation in this worth-while program. Every Member on both sides can have the satisfaction of helping these fine children and future citizens of our country. I personally want to thank the Democrats for their usual fine performance in bringing another victory. The 16 to 10 score for the Democrats, however, is only a minor expression of the victory for those we seek to help.

FIFTEENTH DECENNIAL CENSUS

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3198) to amend the act of June 18, 1929, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

After line 10, insert:

"SEC. 2. Amend the third sentence of the last paragraph of section 3 of an act entitled 'An act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress,' approved June 18, 1929 (46 Stat. 21), as amended by section 404 of the second reorganization plan (53 Stat. 1436), by striking out the third sentence and inserting in lieu thereof 'The enlisted men and officers of the armed services may be appointed and compensated for the enumeration of personnel of the armed forces.'"

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. PICKETT asked and was given permission to extend his remarks in the RECORD and include an article on tidelands.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from North Carolina [Mr. MCMILLAN], chairman of the Committee on the District of Columbia.

TRANSFER OF THE OFFICE OF THE PROBATION OFFICER, THE OFFICE OF THE REGISTER OF WILLS, THE COMMISSION ON MENTAL HEALTH, FOR BUDGETARY AND ADMINISTRATIVE PURPOSES

Mr. MCMILLAN of South Carolina. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H. R. 4705) to transfer the office of the probation officer of the United States District Court for the District of Columbia, the Office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, from the government of the District of Columbia to the Administrative Office of the United States Courts, for

budgetary and administrative purposes, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills for the District of Columbia, and the Commission on Mental Health, are hereby transferred from the government of the District of Columbia to the Administrative Office of the United States Courts for budgetary and administrative purposes, and the provisions of chapter 41 of title 28, United States Code, shall apply to such offices.

SEC. 2. The provisions of title 18, sections 3654, 3655, and 3656, shall apply to the United States District Court for the District of Columbia. Accordingly, the first paragraph of section 3654 of title 18 is amended by striking therefrom the words, "except in the District of Columbia," so that said paragraph shall read as follows:

"Any court having original jurisdiction to try offenses against the United States may appoint one or more suitable persons to serve as probation officers within the jurisdiction and under the direction of the court making such appointment."

SEC. 3. That section 929 of the Revised Statutes of the United States relating to the District of Columbia, as enacted June 22, 1874, as amended (title 19, sec. 401, D. C. Code, 1940), is further amended by adding the following sentence: "The Register of Wills shall be appointed by the United States District Court for the District of Columbia and shall be subject to removal by that court."

SEC. 4. That the office of the Register of Wills shall be a part of the United States District Court for the District of Columbia.

SEC. 5. That the Register of Wills of the District of Columbia shall pay into the Treasury all fees, costs, and other moneys collected by him (except uncollected fees not required by act of Congress to be prepaid), and shall make returns thereof to the Director of the Administrative Office of the United States Courts under regulations prescribed by him.

SEC. 6. That the annual estimates of expenditures and appropriations necessary for the maintenance and operation of the courts submitted by the Director of the Administrative Office of the United States Courts shall include estimates of appropriations for the operation and maintenance of the office of the probation officer of the United States District Court for the District of Columbia, the office of the Register of Wills of the District of Columbia, and the Commission on Mental Health.

SEC. 7. That title III of an act entitled "An act to provide revenue for the District of Columbia, and for other purposes," approved July 26, 1939 (53 Stat. 1107; title 11, sec. 330, D. C. Code, 1940), is amended, to read as follows:

"There shall be credited to the District of Columbia that proportion of the fees and fines collected by the United States District Court for the District of Columbia, including fees and fines collected by the offices of the clerk of that court, of the Register of Wills of the District of Columbia, and of the United States marshal for the District of Columbia, as the amount paid by the District of Columbia toward salaries and expenses of such court and of the offices of the United States district attorney for the District of Columbia and of the United States marshal for the District of Columbia bears to the total amount of such salaries and expenses; and such proportion of the fees and fines, if any, collected by the United States Court of Appeals for the District of Columbia Circuit, including fees and fines, if any, collected by the office of the clerk of that court, as the amount paid by the District of Columbia toward the salaries and expenses of such court bears to the total amount of such salaries and expenses."

SEC. 8. That the last sentence of the second paragraph of section 2 of the act of June 8, 1938, entitled "An act to provide for insanity proceedings in the District of Columbia" (52 Stat. 625, 626), which reads as follows: "The Commissioners shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized," is hereby repealed.

SEC. 9. That the act of April 24, 1926, entitled "An act providing for expenses of the office of Recorder of Deeds and Register of Wills of the District of Columbia" (44 Stat. 322; title 19, sec. 404 and sec. 405; D. C. Code, 1940), insofar as it relates to the office of the Register of Wills, and any other provisions of law inconsistent with the provisions of this act are hereby repealed.

SEC. 10. This act shall take effect on July 1, 1949.

Mr. McMILLAN of South Carolina. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to transfer the office of the probation officer of the United States District Court for the District of Columbia, the Office of the Register of Wills for the District of Columbia and the Commission on Mental Health, from the government of the District of Columbia to the administrative office of the United States Courts, for budgetary and administrative purposes.

In addition to effecting the transfer of the offices as indicated in the title of the bill, the remaining provisions of the measure would make formal amendments to existing statutes made necessary for such transfers. The bill would place the office of the Register of Wills under Federal jurisdiction and would provide for the appointment of the Register of Wills by the United States District Court for the District of Columbia instead of by the President, by and with the consent and approval of the Senate as under present practice.

It is believed desirable that the three agencies which are arms of the District Court for the District of Columbia should be brought, like other agencies of the courts, completely under the court administration.

Note: Under date of June 24, 1949, the Attorney General and the chief judge of the United States District Court for the District of Columbia endorsed this legislation.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I wish to make just a brief explanation of this legislation.

The bill H. R. 4705 comes to the House from the Committee on the District of Columbia on the recommendation of Judge Laws and Judge Stephens. They have advised us of the administrative difficulty in making up the budget dealing with the office of the probation officer, the Register of Wills, and the Commission on Mental Health. They say that this bill is absolutely necessary to carry out the most effective work of these three agencies.

The bill is presented to the House with the unanimous approval of the full Committee on the District of Columbia. I believe this legislation is vitally needed. I am certain that when Judge Stephens and Judge Laws propose something like this affecting the operation of their courts the Members of the House, with the confidence they have in these judges, know that it is worth while and needed.

Mr. McMILLAN of South Carolina. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

HOUSING ACT OF 1949

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009 to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4009, with Mr. BOGGS of Louisiana in the chair.

The Clerk read the title of the bill.

Mr. PATMAN. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-three Members are present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 114]

Bates, Mass.	Hall, Leonard W.	Powell
Beall	Hart	Price
Biemiller	Heller	Reed, Ill.
Boggs, Del.	Jennings	Richards
Boykin	Kee	Rivers
Brooks	Keefe	Roosevelt
Buckley, N. Y.	Kelley	St. George
Bulwinkle	Kennedy	Scott, Hardie
Burdick	Kilday	Scott, Hugh D., Jr.
Burton	Kirwan	Shafer
Chudoff	Latham	Simpson, Pa.
Clevenger	Lichtenwalter	Staggers
Crawford	McGrath	Stefan
Dague	McKinnon	Stigler
Davies, N. Y.	McMillen, Ill.	Taber
Davis, Tenn.	McSweeney	Thomas, N. J.
Dawson	Macy	Vorys
DeGraffenried	Marcantonio	Walsh
Dingell	Martin, Mass.	Weichel
Douglas	Morrison	Whitaker
Eaton	Murphy	White, Idaho
Eberharter	Peterson	Wood
Fogarty	Peifer, Joseph L.	Zablocki
Gilmer	Pfeiffer, William L.	
Goodwin	Plumley	
Gwinn		
Hall, Edwin Arthur		

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4009, the Housing Act

of 1949, and finding itself without a quorum, he had directed the roll to be called, when 351 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose on Friday, June 24, there were pending: The amendment offered by the gentlewoman from Ohio [Mrs. BOLTON] and the substitute amendment offered by the gentleman from Georgia [Mr. DAVIS].

Mr. DONDERO. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 8 minutes.

Mr. DONDERO. Mr. Chairman, the fourth city of the United States—Detroit, Mich.—and its metropolitan area are served by three great daily newspapers. One of them, the Detroit News, recently conducted a poll on a list of eight questions pertaining to vital issues and subjects presently occupying the attention of the American people.

The inhabitants of that area, in which is located the Seventeenth Congressional District of Michigan, which I have the honor to represent, certainly are no different than the people of other sections of our land. They are good citizens and good Americans, having only the best interests of this country at heart.

In answer to the inquiry as to how they felt about the questions confronting the Nation, they expressed themselves in large numbers and in no uncertain terms. One of the issues presented was public housing as proposed in bill H. R. 4009, now under consideration by the House. The opinions expressed must be regarded as honest and voluntary, free from all pressure and influence.

The country should know how a cross section of a vast population of more than 2,000,000 people, representing nearly 40 percent of the population of Michigan, feels about these questions today.

The Detroit News presented these issues to the people in the following manner:

IT IS YOUR MONEY

Now is the time for voters to register with their representatives in Washington—Senators and Members of the House—their demand for economy in government.

In the 16 years since the New Deal took over the administration policy has been one of high taxes and loose spending.

Such a spending habit is not easily shaken off; it will not be shaken off until the taxpayers, from whom the Government gets the money it spends, demand relief in such loud terms as to make the Government understand.

Newspapers in all parts of the country are encouraging their readers to make themselves heard. Speak out. Your Senator or Congressman does not know how you feel about the matter of high taxes and wild spending unless you tell him.

Mark the following blank form and send it to your Congressman.

A tabulation of the first 5 days' response to the poll indicates the number and the trend of the ballots which have reached my office:

How do you feel about—	For	Against
A straight 10-percent cut in all Federal expenditures that can be cut?	797	59
The general recommendations of the Hoover Commission? (As estimated $4,000,000,000 can be saved by adopting these recommendations.)	871	11
The so-called National Health Plan? (Referred to as socialized medicine, the estimated annual cost is $10,000,000,000.)	48	827
The Federal housing program? (This bill, recently passed by the Senate, may total $20,000,000,000 over a 40-year period.)	96	766
The Federal aid to education, costing $300,000,000 the first year? (The cost will probably never be this low again.)	240	628
The ECA program costing $5,500,000,000 for the coming year? (This is chiefly aid to Europe under the so-called Marshall plan.)	367	465
Arms for the North Atlantic Pact, to cost something over $1,000,000,000 in the coming year?	327	485
Secretary of Agriculture Brannan's farm plan? (Yearly cost estimates run up to $10,000,000,000.)	25	833

The bill before us—H. R. 4009—proposes to establish, for the first time, a public-housing program extending over a period of many years at a cost of over $19,000,000,000. If this colossal program is adopted, the first fatal step toward national socialism will have been taken and the first real imitation of the Russian ideology of government will have gained a foothold on the shores of freedom.

There is no restraint on public spending in Washington. The trend is to spend and spend without regard to the effect; and this wild orgy will not end until economic collapse overtakes and destroys our way of life or until there is a change in public thinking.

About 54 percent of our people own their own homes, debt free. How did they acquire them? In the good American way, through honest toil, saving and sacrificing, self-reliance, and determination. Must they be compelled by legislation such as this bill to pay for the homes of others less thrifty and prudent?

We no longer hear from the seat of government a word of caution, a suggestion of thrift, or encouragement for self-reliance and personal independence. Our Government appeals to the weakness of people—not to their strength.

Public housing does not mean more housing. It means less housing. Political building never has and never will equal private construction.

Less than 6 percent of our people would be in the class available to benefit by this legislation, and less than 7 percent of those available could be selected. In other words, out of every 1,000 people only 4 could qualify; the other 996 persons would get nothing but increased tax bills.

Public housing not only means a dangerous strain on our economic structure but a shifting of labor and material from private enterprise to state socialism. Before this favored land embarks on a program foreign to the entire concept of a free people, let it stop, look, and listen. We should learn and benefit by the experience of other governments that tried public housing. Germany and Austria, Sweden and England have all tried it, but no voice is raised in this Chamber in defense of their experiences and results. It has been disastrous to those nations. The whole story of public housing in Europe is one of failure and corruption. It has been successful only in furnishing a vehicle for the Socialists and Communists to secure political power and control.

If this bill passes, I predict such will be the result in the United States. Expand the principle to which we will be committed if this bill becomes law to other segments of our economy and the Republic of the United States will end and the Russian philosophy will be enthroned. Communism, socialism, and public ownership are the same.

The Socialists themselves say this bill represents their ideology of government. They so testified before the Committee on Banking and Currency of this House.

Our Government in recent years has changed from one of freedom to one of control by subsidy and grants-in-aid. No longer are the people free to govern themselves at the grass roots without looking to Washington for the return of some of their tax money taken from them by excessive taxation. Government now takes one-third of all income from wages or otherwise to pay the cost of government. This means that 1 day out of every 3 you must work for the Government. This is a crushing burden to our people, which, unless curbed and halted, will eventually result in disaster. In my opinion, this bill, if enacted, adding materially to the staggering burden of our national debt, will hasten our unhappy fate of economic collapse.

This is not a slum-clearance bill. No one can read the provisions on page 13 of the bill without that definite conclusion. It actually forbids the removal of slum areas until 1951 and thereafter there is no provision compelling their removal.

Private enterprise, not political enterprise, has built and made remarkable strides in providing reasonable and moderate housing for our people. It has and can provide housing without Government control and Government subsidy.

There is something fishy about providing low-cost and low-rent housing for low-income families under this bill, which provides limits as high as $2,500 per room, excluding cost of land. This means $12,500 for a five-room unit exclusive of land cost. Of course the cost—or most of it—must be passed on to the taxpayers.

The passage of this bill would be a sad day for America. It is but the beginning of a complete departure from American ideals and principles. Private construction may entirely disappear if the prediction and political implication contained in the statement made by a union leader before the House committee—page 30 of the hearings—come true. I quote:

Although we are strongly of the opinion that the number of units of public housing called for in this bill should be increased substantially—our belief is that once this program is well under way it will develop sufficient political momentum of its own so that the Congress will automatically in the

future increase and extend this authorization to whatever extent may be necessary.

Let every Member of the House, before he casts his vote in favor of this measure, ponder well the warning sounded by a former Member of Congress, of the Supreme Court of the United States, and of President Truman's Cabinet, who said recently:

Our first line of defense is a sound, solvent American economy. The only wise course is to reduce our expenditures and live within our income.

Out of his long experience as a distinguished public servant, James F. Byrnes has rendered a further public service to his country when he warns his fellow countrymen that—

We are going down the road to statism. Where we will wind up no one can tell. But if some of the new programs, seriously proposed, should be adopted, there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, will soon be an economic slave pulling an oar in the galley of the state.

Before America takes this fatal step toward socialism, a detour from the straight road she has traveled with dignity and honor for 170 years, let her take warning.

If this bill is passed, Russia ought to celebrate the event as an imitation of and a triumph for her philosophy of government.

I shall vote against this bill because I believe it is not in the best interests of our country and is destructive of the principles on which our Nation stands and which have made her great.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is rather strange, and in a sense amusing, to listen to Members denouncing this bill as constituting socialism, and protesting against it as a bill to give governmental assistance in the field of public housing and low-cost or slum-clearance housing. Yet, those very people, in fact not only now but in the past, have been the strongest advocates of Government aid and assistance. It is strange that in all progressive legislation we hear those who have been very fortunate, by reason of inheritance or otherwise, violently denouncing proper Government consideration for the underprivileged. I remember that it was only a few years ago when many of those who oppose this bill, and who are denouncing it now, were themselves among the underprivileged. They sought and obtained governmental aid and assistance. I remember 6,000 banks closing their doors between 1929 and 1933 and I remember businessmen coming down to Washington begging us to save them. They did not call that socialism and neither did I. I called it dynamic democracy meeting a problem. There was no governmental interference then, no cry against those, who urged high protective tariffs, but would leave the farmer without compensatory consideration where the farmer had an exportable surplus.

There can be no consideration of the problems of a great industrial nation without giving similar consideration to the problems of a great agricultural nation, for you cannot be strong industrially and leave agriculture inept and weak. That is why, coming from a district without one farm, but looking at the national interests of our country, I have always taken the position that while I want my Nation to be strong industrially I want it to be strong agriculturally, too, because I recognize the value of agriculture to the national life of my people, and I recognize it as a necessary element of our national defense when danger confronts our country.

We cannot have a high protective tariff, particularly in these modern days when we have an intensely complex economic system, without giving some kind of compensatory consideration to the farmer. I do not call that socialism. I wonder how those who oppose this bill on that ground can vote for such appropriations, if they are sincere, and not say it is just as much socialism to vote for such appropriations as it is to vote for the passage of this bill.

You can read the history of only a hundred years ago, when appropriations for rivers and harbors improvements and flood control were called destructive of our country and socialistic, but who would dare argue that today? Public education was called socialistic a little over a hundred years ago. Building roads out of public funds was called socialistic by some in bygone decades. So the journey of progress of man and the service of democracy to the people has always met that cry of socialism.

When we come down to modern years, the Social Security Act was called socialistic. Some of those who argue today against this bill on that ground argued against social security just as violently, saying that the country was going to be destroyed if we passed social security legislation, unemployment compensation, earned annuities, and then the stop-gap old age assistance for those who had not developed a period of employment sufficient to obtain an earned annuity.

Such people confuse the question of socialism with the secondary function of government. Government has two functions to perform, just as sovereignty is comprised of external and internal attributes of sovereignty. Government has a primary function and a secondary function. The primary function of Government is to maintain an Army and Navy for the defense of the country, to maintain international relations with other countries, to maintain internal order, and to raise taxes to maintain those essential primary duties. No matter what form of government there might be, it must perform those duties. That is the primary function of government.

The secondary function of government is entirely different. The first job and the first duty of our Government, stated in our fundamental law, is to bring justice to our people. Certainly you cannot bring justice to the people of America in 1949 if you try to legislate in the light of conditions in 1849. There are those who say we should not have a minimum wage law, there are those who say it is socialistic for the Government to pass a law restraining the employment of children, 10, 12, and 15 hours a day, which took place not so many years ago. I call that good democracy. There is nothing socialistic about that. It is government in the light of circumstances of a changing economic system, extending its secondary functions of government in order to bring justice to its people.

I appreciate opposition on other grounds, if Members are opposed to such programs. I respect their honest opinions for or against legislation. But as to opposition on the grounds that it is socialism there is no justification for any opposition to this bill. This bill works through the States. It is consistent with our dual scheme of Government. There is nothing socialistic about it. In my opinion it is real dynamic democracy in the year 1949.

Mr. SPENCE. Mr. Chairman, 8 hours general debate have been provided for this bill. I would like to see the House reach some conclusion on it within reasonable time. I do not like to do so, but I am going to object to any extension of time hereafter.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we all should be very much interested in the defense which the gentleman from Massachusetts tries to make for this bill. He is defending the bill now by contending that it is not socialistic. He is contending it is not socialistic because of the farm program, because of the social-security program, because of the highway program, and I presume if he had remembered it he would have contended it is not socialistic because we have a Federal Deposit Insurance Corporation, since the FDIC has been mentioned here on the floor of the House as being socialistic.

The other day I listened with a great deal of interest to a discourse on this bill when a Member was defending it against the charge that it is socialistic, claiming that this bill is in keeping with the provision of the Constitution to the effect that Congress shall provide for the general welfare. The Members who were so defending the bill stressed the fact that this bill provided for the general welfare. This bill does not provide for the general welfare. Except as you might get sentimental about something, as you get sentimental about health, and as you get sentimental about almost everything which has to do with the welfare of the people, there is nothing in this bill which affects the general welfare of the people.

In that respect, on the other hand, it is highly discriminatory legislation. Our farm program has as its basis a constant flow of food to the people of the world. It provides an ever-normal granary by which all the people, not just a few, will have enough food. This bill does not provide housing for all the people. No one argues that there is anything in this bill for any locality outside of 10 metropolitan areas. If any of you who live in cities with populations of from 20,000 up to 500,000 think that there is anything in this bill for your people, read it over and become disillusioned. You

are not going to get any of the benefits until and unless this program is multiplied at least 10 times.

Your social security was built up on the idea that we would have purchasing power with which to stave off depressions which affect the value of the American dollar. That is primarily the province of the Federal Government. Your Federal Deposit Insurance Corporation was set up primarily to stave off depressions and bank failures by encouraging people to leave their money in banks so that the economy of the United States would not be jeopardized.

Those are the sort of programs that have to do with the general welfare of all the people. Every man, woman, and child in the United States uses our roads, and we have set up, as a matter of policy, that our roads are a base upon which to build an ever-expanding economy affecting every home and every individual. There is the distinction. Under the farm program the Federal Government does not own the farms, even though on occasion it has tried to control the farmers. The beneficiaries of social security are not on the Federal pay roll. They are not controlled in their daily actions by the Federal Government. Those who have deposits in the banks are not controlled in their daily actions by the Federal Government. The Federal Government does not own the banks. The Federal Government does not own the roads. The Federal Government does not own the farms, but in this case an agency of the Federal Government will own every unit which is built, and therein lies the fundamental distinction between those which the gentleman from Massachusetts [Mr. MCCORMACK] has brought out as socialistic and this bill.

Now, I do not care whether you call this bill socialistic or not. I would not want to see the issue confined to whether this bill is socialistic. I think it is socialistic, but if you do not think it is socialistic, then as this bill is read I want you to pay particular attention to the details of it. Socialistic or not, no Member of this House who has the general welfare of this country at heart will vote for this bill.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLCOTT] has expired.

Mr. BUCHANAN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, you have heard the story of 1949. I would just like to put before you the very words of the gentleman who just preceded me, as to what he said in 1937 when the United States Housing Authority was created. These are his words, and no stronger statement has ever been made by a proponent of low-rent public housing or slum clearance than the words of the gentleman who just preceded me, in 1937. He said then:

> I am supporting this bill because I believe it is meritorious. I believe the need for decent, respectable, and sanitary homes for the underprivileged of this Nation has been proven beyond any peradventure of doubt.
>
> If there is any doubt in the mind of anyone of the need for low-cost housing and slum clearance, then he should listen attentively to the rest of the debate, because it is not my purpose to dwell upon the need for this legislation. I believe that a trip through the slum areas of any of our large cities will demonstrate the need for demolition of such areas and the construction of safe and sanitary dwellings to replace them.

Further the gentleman said:

> My farmers in Michigan, up to the present time, have not found fault at all that their Representative is going along with the Representatives of the big cities in trying to clear up these holes that exist in New York, Chicago, Cleveland, or wherever else they do exist. As a Representative of the State of Michigan, I want to see the slums of my metropolitan area, Detroit, cleaned up, because anything that cleans up Detroit will make my district, just north of there, a better place to live.

Then he goes on and admonishes his people to support this legislation.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I will in just 1 minute.

As to the statement that this would benefit only 10 metropolitan areas of this Nation, let me say there are now 472 housing authorities which have had actual experience under the United States Housing Act of 1937, with 1 or more housing programs in them.

The break-down of that is in this fashion. In cities of less than 2,500 population there are 118 local housing authorities in municipalities or boroughs or townships of that size. One hundred and eighteen local housing authorities. From a population of 2,500 up to 10,000 we have 125 local housing authorities a population of 10,000 up to 25,000, 122 local housing authorities. From 25,000 up to 100,000 population there are 138 localities. Then from 100,000 on up we have 44, 21, 9, and 5, or a total of 79. Those are the people who get this benefit, and not, as the gentleman has stated, the 10 big metropolitan areas of this country. The gentleman is too much of a student of this subject and I respect his judgment and his opinion too highly, to have that kind of statement made to this House.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield to me now?

Mr. BUCHANAN. I yield.

Mr. WOLCOTT. A week ago yesterday the majority floor leader quoted these same words; they have been quoted in the press repeatedly, and I do not remember a speech on housing which I have made in my district that I did not call attention to the fact that I was just as solicitous as anyone else in respect to slum clearance. In my speeches I stated that I supported the bill in 1937 and told the reason why I did. Speeches I made in 1939 indicated my reason then for opposing it. In the 1937 act, there was a mandate to clear slums. In the administration of that act, no slums were cleared. No slums can be cleared under the provisions of this bill.

In fairness I hope the gentleman will get the majority floor leader to read and quote what I had to say about this bill in 1939.

Mr. BUCHANAN. I would like to have the gentleman himself read what he had to say in 1939.

Mr. WOLCOTT. I have read it and stated it. I said that we were against it because it did not contain slum clearance.

Mr. BUCHANAN. Mr. Chairman, I do not yield further.

Mr. WOLCOTT. This does not contain slum clearance either.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The thing that puzzles me in the gentleman's theory is that if it was socialistic in 1939 why was it not socialistic in 1937?

Mr. BUCHANAN. Certainly the gentleman should be consistent.

In closing let me say that all through this debate we have had on the one hand the most outlandish charges and complete misstatements of fact, while on the other the committee has been attempting to set forth the real facts, the real objectives, and the real issues in this compaign. When misstatements are made I think they should be called to the attention of this committee.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TALLE. Mr. Chairman, I rise in opposition to the pro forma amendment. Inasmuch as I took no time in general debate and have not taken any time thus far under the 5-minute rule, I hope the gentleman from Kentucky will see his way clear not to object if I ask for five additional minutes.

Mr. SPENCE. I will not object in this instance.

Mr. TALLE. Mr. Chairman, I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The gentleman from Iowa is recognized for 10 minutes.

Mr. TALLE. Mr. Chairman——

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield for me to make a short observation?

Mr. TALLE. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The gentleman from Pennsylvania said, there were four-hundred-and-some-odd-thousand public units, indicating public-housing units under USHA. According to the report of USHA they built 214,219 units instead of 400,000.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield briefly.

Mr. BUCHANAN. I said there were 472 local-housing authorities.

Mr. WOLCOTT. How many public housing units did the gentleman say?

Mr. BUCHANAN. I did not use that figure in my discussion at all.

Mr. WOLCOTT. The gentleman said they had experience with something over 400,000 units.

Mr. BUCHANAN. They had the experience of 472 local-housing authorities.

Mr. WOLCOTT. Is it correct, then, that we have 472,000 under USHA?

Mr. BUCHANAN. No; it is not; we have 252,000.

Mr. TALLE. Mr. Chairman, the proponents of this bill have been forthright in saying that this is merely a beginning, and one may consider it more or less the left nostril of the camel under the tent. As I contemplate what may come ultimately I think of the words of Jeremiah who was disturbed about conditions away back in ancient days and asked the question: "And what will ye do in the end thereof?"

I think, too, of what President Lincoln said one spring day in 1864 as he visited Philadelphia and remarked: "It is difficult to say a sensible thing nowadays."

Look at the debt! $252,000,000,000. The year I was born Uncle Sam said to me that the initiation fee for entering the club was $14. Any child born last year was assessed, for entering the same club, the Government of the United States, the sum of $1,721.

That is not all. Two years ago the Eightieth Congress made it possible for the Treasury to use black ink. But now the Federal debt is rising. We are moving into the red again. And that is not all. The rate of interest is rising. During the middle forties the rate was 2.06. I called the Treasury the other day and I was informed the rate is now 2.234. If you multiply, you will discover the increase makes an appreciable amount with a sum so vast as $252,000,000,000.

In 1940 the total tax receipts of the Government of the United States were $5,200,000,000. Last year we paid out as interest on the Federal debt alone the sum of $5,200,000,000. In 8 years that is what has happened.

Mr. Chairman, if there is anyone who deserves everybody's help and I think everybody's commiseration at this time, it is the Secretary of the Treasury. He has a harder job to do than any Chancellor of the Exchequer ever had or any Finance Minister or anybody else charged with the responsibilities of Government finance. He must manage a debt of $252,000,000,000 at a time when the debt is rising, the interest rate is rising and business activity is declining.

I call to mind an old French Finance Minister who was so disturbed he did not know what to do. The funny money man John Law came in and said he could do the trick. The Finance Minister said, "If you are a messenger from Heaven, I welcome you warmly. Even if you come from the other place, please stay."

May I say, Mr. Chairman, that we must take account not only of our own financial soundness but we must remember, if we want to occupy a place of decent leadership in this world, and we are the only sensible nation that has the power to do it, we must also have regard for the currencies of other countries because those currencies are tied to ours. It was said very appropriately by the beloved chairman of my committeee at the outset of debate that one of the inalienable rights of American citizens is to pursue happiness. That is right. But, you see, the taxpayer finds it extremely difficult to pursue happiness when every time he looks over his shoulder he discovers he is being pursued relentlessly by the tax collector. A few days ago the House passed a bill increasing the number of judges. Again a few days ago the House passed a bill increasing the number of tax collectors. Apparently we are moving very rapidly in the direction of the police state. I fancy the day is not far off when a condition may occur in the United States like that which is portrayed in Donnybrook Fair. The magistrate ascended the bench and called in his bobbies. He gave them their clubs and their orders, saying, "Every time you see a good, tax it; and every time you see a head, hit it."

Mr. Chairman, I tried to do something about this at the beginning of this session. I introduced a bill that would remove the excise taxes, the excessive war rates that were put on goods, and to put the excise taxes back where they were before the war. This seemed reasonable to me, because we should take into consideration the fellow who is just getting along, and, believe it or not, there are a lot of people who are just getting along. You know, if you put an extra drop in a cup that is already full it is going to overflow. These people who are just getting along will be called upon to pay something for public housing for their neighbors. Will that create a good feeling? What will happen to these people who are just getting along? Why, of course, they will be pressed down, and they will then be forced to seek shelter in these public housing units. So the number will grow and grow and grow and the camel who got his left nostril under the tent will be taking the whole show over.

Mr. Chairman, I therefore repeat the same question that Jeremiah asked so long ago: "And what will ye do in the end thereof?"

Mr. MULTER. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, if we are going to call upon the Bible for authority for what we do here today, let us do so by answering specifically the question which the preceding speaker quoted to you from Jeremiah, "And what will ye do in the end thereof?" If you remember your Bible, you will remember the proscription contained therein requiring us to give tithes. Ten percent of $44,000,000,000 a year would be $4,400,000,000 for charity, and all you are being asked to do here is to take care of less than 10 percent of the people each year who cannot take care of themselves in decent housing.

I have been listening to the debate presumably pro and con on the so-called Davis amendment. I have waited patiently to hear something said about that instead of more of the same general discussion which we have had here for more than 2 days. All of the arguments socialism and communism have long since been destroyed, and if you want to refresh your recollection as to those arguments reread the RECORDS of last week.

Let us address ourselves now for a few moments to the Davis substitute that is being offered to you here today for the bill that was reported out of our committee, after it had passed by an overwhelming vote in the other body. I think we ought to call this amendment—and I say it most respectfully so far as the gentleman who sponsored it is concerned—the Bodfish bill. You might pronounce it "the badfish" bill because in my opinion it does smell to high Heaven. It is the proposal of the real-estate lobby and the vested interests. If you do not believe what I say, take the Davis amendment as proposed here and compare it word for word with the bill as proposed by the real-estate interests, and specially by Mr. Bodfish on their behalf.

In support of that amendment last week we heard the gentleman from Oklahoma [Mr. WICKERSHAM] read to you from various advertisements culled from all over the country, presumably. He refrained, however, from telling us what the rents were that were being asked for those vacant apartments.

Here is yesterday's New York Herald Tribune, not a Democratic paper; much more often it has supported the Republican cause. It is supporting this "socialistic" and "communistic" measure, H. R. 4009. Here are a few items picked at random from that paper:

In the Bronx, a three-room apartment being offered for rent for $90 a month; in Queens, a two-room apartment for $93; in Nassau—we are getting out into the suburbs of New York now—there is a three-room apartment for $115; in Westchester, a two-room apartment, $70 a month; in nearby New Jersey, a four-room apartment, $84 a month.

Gentlemen, you must appreciate that the proposed bill, H. R. 4009, is intended to give the lowest-income families a decent place in which to live, where the maximum rent will be $36 per month, in some communities $37 per month, for an entire four-, five-, or six-room apartment. Yet we are given the argument that you have heard in support of this substitute measure that there are enough facilities available for those who want to rent.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. ROONEY. My distinguished friend the gentleman from Iowa [Mr. TALLE] referred to the people who were just getting along. Is it not the purpose of this bill, when you consider the rents just read by the gentleman from New York, that we are trying to help the people who are not getting along?

Mr. MULTER. Very definitely, sir. I thank the gentleman for that observation.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. CARROLL. As to the point made by the ranking minority Member from Iowa [Mr. TALLE] about the Government owning these houses, I was under the impression that when the Public Housing Act was passed, first of all, for example, the people of Colorado had to pass enabling legislation. Then I assume, under the law, before there could be a public housing authority in Denver, the people of Denver would have to pass a law, and when the city council passes that and floats a bond issue, they own the housing authority. Is that so?

Mr. MULTER. That is absolutely so.

Mr. CARROLL. Does the Government own any of these buildings at all? I should like to know whether the Federal Government really owns these housing authorities in view of the statements made here to the effect that they do not own the roads, and they do not own the farmers, and they do not own the people on social security.

Mr. MULTER. I assure the gentleman that the gentleman who made the statement knows much better. The gentleman from Colorado is absolutely right. Colorado and every other State, Denver and every other city, set up their own local authorities, and those local authorities own every such project. The Government will own none of this. As a matter of fact, it is quite the contrary in the Davis substitute. There you have the Federal Works Agency taking over the whole program, unlike the bill which we offer to you, which leaves it in the local community, subject to local determination, with a local authority owning and operating.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. COLE of Kansas. The gentleman knows that the Federal Government pays all of the money for not only the construction but the annual contribution to these local agencies.

Mr. MULTER. That is not so.

Mr. COLE of Kansas. I think it is so, because it has been said in the hearings on this bill and bills prior to it that even though the money to construct these properties be borrowed, yet the annual contributions furnished by the Federal Government are sufficient to pay off the loan. Therefore, the Government actually pays the loan. In addition, the people who operate these properties are under the direct control of the Federal administration. If that is not owning the property, I should like to know what title to property is. They buy it, they operate it, and they run it. If that is not owning the property, I should like to know what title is.

Mr. MULTER. There is nothing in the bill H. R. 4009 which gives the Federal Government control over these projects or title to 1 inch of land or one stick of property, and every loan that is made by the Federal Government will be paid back.

Mr. COLE of Kansas. Yes; by the Federal Government.

Mr. MULTER. It will not be paid back by the Federal Government.

The surprising thing about the Davis amendment is that it emanates from those who insist most loudly that H. R. 4009 is statism at its worst. H. R. 4009 puts all control in the State and in the municipality. It permits of no Federal control or operation of the projects.

The Davis amendment, on the other hand, vests all control in the Federal Works Agency. Enact that amendment and you will definitely put the Federal Government in the slum-clearance and housing business.

The amendment should be rejected.

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word, in order to ask the chairman of the Committee on Banking and Currency to tell me what is meant by the term "private financing" in line 16 on page 32.

Mr. SPENCE. It merely means that the bonds issued by a local housing authority will be purchased by private investors. They will be sold on the market, and there will be private financing to purchase them.

Mr. SMITH of Ohio. Suppose the Treasury financed the projects directly, would the money come from any other source?

Mr. SPENCE. Under the bill it comes from the security issued by the local housing authority which is purchased by the private investors.

Mr. SMITH of Ohio. Let us get this thing straight. Would the money be any different? Would the money be private financing if it were raised by the local housing authority and not private money if raised by the Treasury?

Mr. SPENCE. The gentleman may decide that for himself. The people will purchase the security. Of course, the bonds of the local housing authority will be floated on the market and would be eagerly sought by people who desire to make these investments.

Mr. SMITH of Ohio. I am just trying to be sure whether the gentleman is saying that it is private money when it is raised by the local housing authority and not if financed by the Treasury.

Mr. SPENCE. Investors are very anxious to have an opportunity to buy these bonds. Private financiers are very anxious and investment bankers want the opportunity to underwrite and sell these bonds.

Mr. SMITH of Ohio. Well, they ought to be salable. Let us hope that securities backed by the faith and credit of the United States Government are still salable.

The fact is that the proponents of this scheme and the men who wrote this bill are trying to make the public believe that the money, if raised by the local housing authority will be private money, whereas the money raised by the Treasury would not be private money. If that is not what they mean, then why do they write the term "private money" into this bill?

I would like to ask the gentleman another question. I am talking about the provisions of the bill now. Is the $16,000,000,000 sufficient to pay the interest and amortize the cost of 1,050,000 units?

Will the gentleman answer that question?

Mr. SPENCE. Judging by experience as to the cost on housing projects already in existence——

Mr. SMITH of Ohio. I did not say anything about experience. I am now discussing the provisions of title 2 of H. R. 4009. Let us hold to this bill; we are discussing this bill, we are not discussing any experience.

Mr. SPENCE. Would the gentleman repeat his question?

Mr. SMITH of Ohio. The question is very simple. Is the amount provided here for the annual contribution of $400,000,000, amounting to $16,000,000,000 over a 40-year period—is that sufficient to amortize the cost of these projects and pay the interest thereon?

Mr. SPENCE. I do not think it will take anywhere near the $16,000,000,000. As I started to say, judging by experience in the housing projects that are now in existence, they required about 52 percent of the authorized expenditure. I think there will be a corresponding reduction—perhaps not as great, but more or less corresponding reduction in the amount which will be expended for the interest and amortization of principal on these projects and it probably will not go more than 75 percent of the $16,000,000,000 which would amount to $12,000,000,000.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. The fact is that the annual appropriations amounting to $400,000,000 annually totaling $16,000,000,000 over the 40-year period are more than sufficient to amortize the cost of the so-called low-rent houses provided for in the bill by $800,000,000 on the basis of 2½ percent interest rate which is the going Federal rate of interest. That is what this bill provides. We are not talking about any experience. We do not know what the experience is going to be in the future. We have to go by what the bill calls for. That is what we have to consider in this House and not what some experience has brought forth heretofore.

Let me call your attention to a point which I brought out the other day. This bill raises the Federal debt $8,900,000,000 over the next 6 or 7 years and that increase will now show in the Treasury statement, because it is a hidden debt. I maintain that is a dishonest procedure. It is unfair to the American people and it simply shows how much respect those who put forth that proposition have for the people of this Nation.

I challenge you to deny that this creates exactly what I have said. Is there a man in this House who will rise in his place and say this will not increase the public debt $8,900,000,000? Of course not. Is there a Member who will rise and say this is not a hidden debt? I pause again for you to accept that challenge. Of course nobody accepts the challenge.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. SMITH] has expired.

EACH UNIT FOR SEVERAL FAMILIES, NOT JUST ONE

Mr. PATMAN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, the opponents of this legislation seem to go on the theory that the Government is trying to get into the housing business—own the houses of the people. I do not think we should view the present proposal in that light. It is true that this proposal builds a comparatively small number of houses for people who cannot buy homes of any kind or pay anything for a home. Those homes will not be built for 810,000 families. There will be a turn-over. Throughout the life of these different projects, possibly five or ten million different fam-

ilies will use them. So instead of its being a large sum for one family, when you divide the amount by the number of families that will likely use them, the amount will be comparatively small. It is true that this is a subsidy proposal for homes, for people who cannot buy homes. But the local city must put up one-third along with the Federal Government's two-thirds. Instead of the Federal Government coming in and being greedy and grasping and expecting to own these houses at the end of the 40-year period, the residential units in these different projects will be owned exclusively by the respective cities and the Federal Government will be entirely out and will not own anything in connection with these properties. The same way with FHA. That has been declared a socialistic program also, where the Government guarantees mortgages to investors for the purpose of permitting people to more easily buy homes or to purchase homes. That is not any more socialistic than any of these other things we have. That is just a case of our Federal Government permitting the use of its own credit to its people who want to use that credit to own homes. The money will all be paid back. In other words, Uncle Sam steps in and signs a note for that would-be home builder or home owner. He steps up and signs a note for the farmer who wants to acquire a farm home. It is permitting the use of Uncle Sam's credit to permit that farmer or that home owner to get his money at a reasonable rate of interest.

We have seen the time in this country when we would have two or three or four mortgages, one of them due every year. The refinancing fees and the large rates of interest made it impossible to own homes. A few years ago we changed that policy. We have only one mortgage now. Through the use of Uncle Sam's credit, through the use of his signature, people can buy and pay for homes and the Government will not lose anything.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Yes, I yield.

Mr. COUDERT. I think the gentleman stated that at some stage of the game the Government goes out of this situation entirely.

Mr. PATMAN. Certainly.

Mr. COUDERT. Does not the gentleman overlook the fact that the subsidy is payable pursuant to the 40-year contract?

Mr. PATMAN. That is right.

Mr. COUDERT. And that throughout that period of 40 years the Government has the same jurisdiction over the operation of these projects under the contract?

Mr. PATMAN. Only to the extent that the law permits, and always in conformity with a local State law. The public housing authorities will not be permitted to deal with any local housing authority unless these local housing authorities are in States where the State laws permit it, ratify, and confirm it. All the way through these local people enter into the picture. At the end of 40 years all the projects will be owned by local cities, and the Federal Government will not own one penny of it. So how can people contend that the Federal Government is making an effort to own houses in this country when it is doing everything in its power to help people own houses, to get out of the housing business itself?

Mr. COUDERT. Yet, for all of the brief period of 40 years the Federal Government is supervising, by virtue of its contribution——

Mr. PATMAN. No, not the Federal Government. I pointed out the other day the case of Harrisburg, Pa. There is a city which has never had a Democratic mayor—not in the over a hundred years of its existence—yet when this law is passed, that Republican mayor will appoint the men who will administer the local housing authority; and he should do it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WADSWORTH. Mr. Chairman, I rise in support of the so-called Davis amendment.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes.

Mr. WADSWORTH. Mr. Chairman, I realize perfectly well that this measure has been discussed pretty thoroughly, but I am going to inflict myself on the Members of the Committee in an endeavor to emphasize one or two phases of this question.

Reference has already been made to the present financial condition of the United States Government. It has been said, and said truly, that our revenues are diminishing. A report which came to the Committee on Rules the other day was to the effect that the revenues for the fiscal year ending June 30 next will be something like $3,000,000,000 less than they were in the preceding fiscal year. Already we are faced with a deficit this very year. With decreasing revenues facing us it is a little—indeed it is very—disturbing when we observe the rate at which Congress is traveling along the road toward increased expenditures. Thus far the appropriation bills as passed by the House—most of them still pending in the Senate, where obviously they will not be reduced—exceed the appropriations made in the corresponding period by the Eightieth Congress.

But more alarming than that is the list of new contract authorizations carried in the pending appropriation bills and also still having full life in existing law. The new contract authorizations endorsed by this House added to the contract authorizations pending under existing law, authority which may be employed in the next fiscal year, reach a total of over $8,000,000,000—$8,000,000,000 of commitments. That should give us pause. I venture to predict we shall run into a deficit of at least $4,000,000,000 in the next fiscal year. Frankly, I do not know where we are going in this race to spend more money and commit the Government to the expenditure of additional sums during a long period of time.

The pending bill authorizes the Federal agency to make contracts with local agencies, and that one element of those contracts will involve the payment of so-called subsidies annually for 40 years. The authorization in the bill reported by the committee is for $400,000,000 per year. A substitute has been offered on the basis of 800,000 family units instead of a million, and authorizes $308,000,000 per year. Whichever the sum finally contracted for, it will run between $10,000,000,000 and $16,000,000,000 total in the 40-year period.

I am not an economist, I cannot pretend to teach economy, but to me that amounts to just this: By the passage of this legislation we are actually increasing the Federal debt by one or the other of those amounts. The pity is that during this 40-year period the Congress of the United States will have nothing to say about it.

This bill provides that these contracts, involving, amongst other things, the $400,000,000 annual subsidy, are based upon the "faith and credit of the United States." They cannot be voided. The Eighty-second Congress, the Eighty-third, the Eighty-fourth, the Eighty-fifth, the Eighty-sixth, the Ninetieth, the Ninety-fifth, the One hundredth Congress must appropriate the money. No control is left in the Congress of the United States from time to time as its Members are elected by the people. Come flood or famine, peace or war, the Congress must pay. I may be wrong about it, but I cannot recollect any such statute ever having been passed by the Congress of the United States.

To me, this is unsound, it is dangerous, and we would better look where we are going.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HAVENNER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I think it is pertinent to the debate now in progress to discuss just what public housing means in terms of dollars and cents to the community which I have the honor to represent. In about 9 years of operation, the San Francisco Housing Authority has paid to the city in lieu of taxes nearly $2,000,000. These in-lieu payments include the permanent low-rent program, as well as deferred projects for which land has been purchased, and temporary war housing and veterans' war housing developments. If these projects had never been constructed and the sites had remained in their previous condition, the city and county of San Francisco would have collected only $89,919.47 in taxes, based upon the former assessed valuation. The permanent public housing projects represent more than one-half million dollars of the $2,000,000 payment made into the city and county treasury.

Our housing authority has operated its project without one cent of rent subsidy.

The San Francisco Housing Authority, like other municipal housing authorities throughout the Nation, is faithfully complying with the edict of Public Law 901, which permits the eviction of over-income families. Each month eviction notices are sent to families whose incomes make them ineligible for public housing. These notices are based on

highest ineligibility, and special attention is given to disabled veterans and other handicapped persons in order to avoid extreme hardship.

Despite the presence of some over-income families, the average income of the families living in low-rent projects is $2,659 per annum. The average annual income of tenants now being admitted to the projects, as shown by the records of March 1949, is only $1,550. Some rents are as low as $13.50 per month, with an average shelter rental of $26.42. One of the alarming facts about the housing situation in San Francisco is that the rate of applications for public housing has increased about 25 percent since the beginning of the present year and the average annual income of these families is $1,500 per year. The turnover of tenants in the low-rent units is now only a little over 1 percent per month, which is the lowest in the history of the San Francisco Housing Authority's operation.

In 1947, the San Francisco Public Housing Authority made a study of blighted areas in the city, and published a report entitled "Blight and Taxes." This study showed that about 41 blocks of residential property, which were classified as blighted area, cost 12 times as much to maintain in terms of police, health, fire protection, juvenile delinquency, and related public services as did about 53 blocks in a standard residential district of the city. It is estimated that the real estate tax revenue collected by the city government from the so-called blight area amounts to only about 50 percent of the annual cost of the municipal service rendered to that section.

San Francisco does not have large slum areas in comparison with other cities of similar size throughout the country, but the San Francisco Bay area real estate conference, in a report dated December 1, 1948, estimated that 40,000 units of housing are needed in our city to take care of recent population increases. This estimate does not take into account the necessity of replacing substandard, unfit housing still occupied.

Mr. D. C. McGinnes, Federal housing administrator for the San Francisco area, was quoted early this year as saying that private builders had taken the cream of the market and that the saturation point had been reached for $12,000 to $15,000 homes. The big challenge to builders, he said, was to meet the demand for housing from people who are able to pay only between $45 and $55 per month. Thus far the economy house has not materialized in California to any great extent in the urban centers. Families earning less than $1,500 per year must look to public housing if they are to avoid living in slums.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the Bolton amendment and the Davis substitute close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. JAVITS. Mr. Chairman, reserving the right to object, in view of the small number of Members standing, and these being very complicated bills, would not the gentleman modify his request to grant us each 5 minutes?

Mr. SPENCE. I will modify my request that all debate on the substitute and the amendment close at 2:30.

Mr. COUDERT. Mr. Chairman, further reserving the right to object, is that request only applicable to the Davis substitute?

Mr. SPENCE. The Bolton amendment and the Davis substitute.

Mr. COUDERT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COUDERT. If by any chance the Davis substitute should not succeed, I have a substitute which I intend to offer for the Davis substitute. What would my position be under the 15-minute limitation?

The CHAIRMAN. It would come under the limitation because it would be an amendment to the Bolton amendment.

Mr. COUDERT. I wonder if the distinguished chairman of the committee would not limit his unanimous-consent request to the Davis substitute so that I might have some opportunity to speak on my substitute, if by any chance the Davis substitute should fail?

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the Davis substitute do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. CASE of South Dakota. I object, Mr. Chairman.

Mr. SPENCE. Mr. Chairman, I move that all debate on the Davis substitute do now close.

The question was taken; and on a division (demanded by Mr. COLE of Kansas) there were—ayes 83, noes 75.

Mr. WOLCOTT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. WOLCOTT.

The Committee again divided; and the tellers reported that there were—ayes 111, noes 108.

So the motion was agreed to.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Georgia [Mr. DAVIS].

The question was taken; and on a division (demanded by Mr. DAVIS of Georgia) there were—ayes 80, noes 97.

Mr. DAVIS of Georgia. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DAVIS of Georgia and Mr. BUCHANAN.

The Committee again divided; and the tellers reported there were—ayes 99, noes 137.

So the substitute amendment was rejected.

Mr. COUDERT. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment to H. R. 4009 offered by Mr. COUDERT: Strike out all after the enacting clause and insert in lieu thereof the following: "That this act may be cited as the 'Urban Redevelopment and Low Rent Housing Act of 1949.'

"POLICY AND PURPOSE

"The Congress hereby declares that—

"(a) The general welfare of urban communities is an important part of the general welfare of the Nation; it is, therefore, essential that the Federal Government should assist urban communities in improving urban living and economic conditions when the nature of the proposed improvements is such that they cannot be achieved by unaided private enterprise or by unaided local and State governments.

"(b) Increasingly large areas of many of our urban communities are in need of redevelopment in order to remove sources of blight and decay; such redevelopment is also required in order to provide more desirable living and working conditions and the improvement of the urban economy. On the basis of our present systems of taxation, however, the redevelopment of many of these urban areas cannot be financed entirely by private enterprise or by local governments.

"(c) The sporadic urban redevelopment which has been characteristic of urban growth should be replaced by a more fundamental, comprehensively planned, and continuing redevelopment. This is and will be a continuing necessity if urban communities are to replace existing slum and blighted areas by economically sound developments at a rate that is more than sufficient to keep pace with the annual increment of such slum and blighted areas.

"(d) Basic obstacles to urban redevelopment exist by reason of the lack of acceptable integrated procedures for (1) acquiring, assembling, and revaluing urban land; (2) planning a suitable use for such assembled land; (3) disposing of the replanned land for private or public improvement in accordance with such use; and (4) absorbing or writing off the difference between the cost of acquiring redevelopment areas and their actual value in accordance with the use intended by the plans for redevelopment.

"(e) That there is not an adequate supply of safe and sanitary dwelling accommodations for persons of low income in many communities throughout the Nation, and that such accommodations cannot be supplied by the ordinary operation of private enterprise; that the provision of adequate, safe and sound low-rent housing accommodations by local public agencies requires financial assistance of the Federal Government.

"(f) This act is intended to aid and assist private enterprise and local communities to deal with urban redevelopment, planning, and housing problems in a variety of ways suited to local needs, abilities, and customs, and with the minimum direction and control on the part of the Federal Government consistent with attaining the objectives set forth in this act.

"(g) It is the policy of the Federal Government, in the interest of the national economy and the general welfare, to provide, according to the terms of this act, financial assistance to urban communities for the acquisition, planning, disposal, and use of urban areas for their own continuing programs of redevolpement, and, as part of said programs, for the construction by local public agencies of low-rent housing projects for families of low income in said areas, or elsewhere in said communities.

"TITLE I

"SLUM CLEARANCE, URBAN REDEVELOPMENT, AND LOW-RENT HOUSING

"Local responsibility to aid in reducing housing costs

"SEC. 101. In extending financial assistance under this title, the Administrator shall give consideration to the extent to which the

appropriate local public bodies have undertaken a positive program of encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs.

"In recognition of the policy that there shall be local determination of the need for low-rent housing for families of low income, the Administrator shall not make any contract for financial assistance pursuant to this act with respect to any such low-rent housing project unless the local public housing agency has submitted an analysis of the local housing market demonstrating to the satisfaction of the Administrator that there is need for such low-rent housing which cannot be met by the ordinary operations of private enterprise and unless the governing body of the locality involved has approved the provision of such low-rent housing and unless the contract made pursuant to this act for financial assistance shall require that the local public agency shall provide housing accommodations in an amount at least equal to the number of dwelling units to be eliminated as part of the redevelopment plan, and that the public housing agency selecting tenants shall give preference, as among applicants eligible for occupancy of the dwelling and at the rent involved, first, to families resident on the site of the project at the time of its acquisition for redevelopment, and second, to families of veterans and servicemen (including families of a deceased veteran or serviceman) where application for admission to such housing is made not later than 5 years after July 1, 1949. As among applicants entitled to the preference provided in this act, first preference shall be given to families of disabled veterans whose disability is service-connected.

"GRANTS

"SEC. 102. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans. The aggregate of such capital grants with respect to all the projects of a local public agency which are assisted under this title shall not exceed two-thirds of the aggregate of the net project costs.

"(b) The Administrator may, on and after the first day of July 1949, contract to make capital grants with respect to projects to be assisted pursuant to this title aggregating not more than $200,000,000, which limit shall be increased by further amounts of $200,000,000 on the first day of July in each of the years 1950 to 1958, inclusive. The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, amounts necessary to provide for such payments. Not more than 10 percent of the annual total of $200,000,000 herein provided for capital grants shall be expended in any one year in any one State. Not more than 10 percent of the total of $2,000,000,000 for capital grants in the 10-year period provided for herein shall be expended in any one State.

"REQUIREMENTS FOR LOCAL GRANTS-IN-AID

"SEC. 103. Every contract for a capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection wth all other projects of the local public agency on which said contracts have theretofore been made, will be at least equal to one-third of the net project costs involved.

"LOCAL DETERMINATIONS AND RESPONSIBILITIES

"SEC. 104. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

"(1) the redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the redevelopment of the locality as a whole;

"(2) when land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; and (iii) to comply with such other conditions as the Administrator finds are necessary to carry out the purposes of this title;

"(3) there be a feasible method for the temporary relocation of families displaced from the project area, and that there are available or are being provided, in the project area or in other areas not less desirable in regard to public utilities and public and commercial facilities, and at rents or prices within the finnacial means of the families displaced from the project area, decent, safe, and sanitary dwellings at least equal in number to the number of such displaced families: *Provided*, That, in view of the existing acute housing shortage, each such contract shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1950, if in the opinion of the local governing body such demolition would result in undue hardship for the occupants of the structures.

"RULES AND REGULATIONS

"SEC. 105. The Administrator shall have the power to make such rules and regulations as he deems necessary to carry out the purposes of this title.

"DEFINITIONS

"SEC. 106. The following terms shall have the meanings, respectively described below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

"(a) 'Redevelopment area' means an area within which a project area is located and of such extent and location that the total area is appropriate for development or redevelopment.

"(b) 'Redevelopment plan means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and (2) to indicate proposed land uses and building requirements in the project area: *Provided*, That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

"(c) 'Project' may include (1) acquisition of land with (i) a slum area or other deteriorated or deteriorating area which is predominantly residential in character, or (ii) any other area which is to be developed or redeveloped for predominantly residential uses and which prior to such development or redevelopment constitutes a deteriorated or deteriorating area, or open land within the limits of the municipality where the project is located, which, because of obsolete platting or other cause, impairs the sound growth of the community; (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purpose of this title, the term "project" shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term 'redevelop' and the derivatives thereof shall mean develop as well as redevelop.

"(d) 'Local grants-in-aid' shall mean assistance by a State, municipality, or other public body, or any other entity, in the form of (1) cash grants; (2) donations, at their cash value, of land, demolition or removal work, or site improvements in the project area; (3) the cost or cash value of the provision by a municipality or other body of low-rent public housing, parks, playgrounds, schools, and other public buildings or facilities which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan; and (4) tax exemption or partial tax exemptions; such credit shall consist of the commuted value of any tax exemption or partial tax exemption granted to any public low-rent housing projects, or to projects of limited dividend, cooperative or redevelopment corporations, for the period of years specified in the local law or contract pursuant to which such tax exemption or partial tax exemption is granted, and which projects shall be constructed as part of any redevelopment plan, in a redevelopment area, or elsewhere in the community.

"(e) 'Local public agency' means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. 'State' includes the several States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

"(f) 'Net project cost' shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (i) imputed on a basis approved by the Administrator, to all land leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan. 'Gross project cost' shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) such local grants-in-aid as are furnished in forms other than cash.

"(g) 'Persons and families of low income' means persons or families who are in the low income groups and who cannot afford to pay enough to cause private enterprise in their municipality to build a sufficient supply of adequate, safe, and sanitary dwellings.

"(h) 'Low-rent housing' means dwellings within the financial reach of families of low income and embraces recreational and other facilities incidental and appurtenant thereto. The term 'project cost' means the

cost of any or all undertakings necessary for planning, financing (including payment of carrying charges), land acquisition, demolition, construction, equipment, and site development of new buildings, reconstruction, repair or remodeling of existing buildings, but not beyond the point of physical completion, and the cost of tenant placement service in connection with a project.

"(i) 'Veteran' shall mean a person who has served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to July 25 1947 and who shall have been discharged or released therefrom under conditions other than dishonorable. The term 'serviceman' shall mean a person in the active military or naval service of the United States who has served therein on or after September 16, 1940, and prior to July 25, 1947.

"(j) 'Administrator' means the Housing and Home Finance Administrator.

"(k) 'Urban area' is meant to designate the combined territory of one or more adjacent municipalities, or one or more municipalities and adjacent unincorporated territory, which together constitute an urban territory possessing common and interrelated planning problems. Provisions for determining the limits of an urban area shall be prescribed by the Administrator.

"(l) 'Redevelopment' means clearance, redesign, reallotment, and rebuilding of an area but does not exclude the continuance of some of the existing buildings or uses whose demolition and rebuilding or change of use are not deemed necessary for the redevelopment.

"(m) 'Development' includes both redevelopment of blighted (including slum) and other built-up territory and development of still undeveloped territory or combinations or mixtures of the same. The terms 'development' and 'redevelopment' include all types of land-use, including commercial and industrial as well as residential. Similarly the terms 'slum' and 'blighted' areas include all types of existing land use and are not restricted to residential areas."

Amend the title so as to read: "To provide financial assistance to urban communities of the United States for the acquisition, assembly, revaluation, financing, and disposal of areas for urban redevelopment, and as a part of such redevelopment, for the construction by local agencies in such areas, or elsewhere, of low-rent public housing projects for families of low income."

Mr. PATMAN (interrupting the reading). Mr. Chairman, in view of the fact that the gentleman's amendment is available in the form of a printed bill I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, and I think I shall, this bill has not been debated very much during the consideration of H. R. 4009. Inasmuch as there seems to be an endeavor to cut off debate unnecessarily on these substitute bills I believe the membership should have the benefit of the reading of the bill.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. PATMAN. Suppose we dispense with the reading of the substitute and continue debate on it until 3 o'clock?

Mr. WOLCOTT. That would give us 40 minutes on a bill about which we know nothing. I do not believe that at the present time I can agree to that.

Mr. PATMAN. It will take an hour to read the substitute.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. COUDERT. The bill is only 14 pages; it will not take too long to read it.

Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COUDERT. Would it be in order to state that copies of the bill together with an explanation and analysis of the bill are at the desk on the chairman's left?

The CHAIRMAN. Such a statement is not in order at this time.

The gentleman from Texas [Mr. PATMAN] asks unanimous consent that further reading of the bill be dispensed with.

Is there objection?

Mr. WOLCOTT. Mr. Chairman, I object.

The Clerk continued reading the amendment.

Mrs. NORTON (interrupting reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. GAMBLE. Mr. Chairman, I object.

Mr. COUDERT. Mr. Chairman, in view of the fact that other Members who have introduced amendments in the nature of substitutes have asked for and received five additional minutes, I ask unanimous consent that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COUDERT. Mr. Chairman, I have introduced this measure as a substitute for the Bolton amendment and in lieu of the administration bill, which has been so aptly characterized on the floor of the House as a bill to guarantee the preservation of slums. I should like to feel when we leave this Chamber that we have done something affirmative—that we have done something that will require the elimination of some of the hideous slum conditions with which we are all familiar and which are sources of evil in all our great cities. If we can accomplish that, it would indeed be a very great service.

Only Saturday the genial Speaker of the House of Representatives made a speech somewhere in the South about this measure. He is reported in the New York Times as having characterized it as the controversial housing issue to provide slum clearance. As has been so well demonstrated on the floor last Friday, and the day before, and today, this just is not a slum-clearance bill. The administration bill provides money to be spent and spent and spent for 40 long years, and still not one single slum building need be torn down.

This bill I have ventured to introduce, as an alternative to the administration bill, is based largely upon the provisions and the pattern of title I of the administration bill relating to slum clearance. It will provide a total Federal contribution by way of direct grant of $2,000,000,000 in the aggregate spread over a period of 10 years at the rate of $200,000,000 a year. In order to qualify for that grant, which may be the subject of 10-year contracts with individual housing authorities, these housing authorities and local government agencies are required to supply one-third of the cost and to set up a program—an affirmative, constructive program for the clearance and rehabilitation of deteriorated areas.

In consideration of their undertaking that responsibility and of their mobilizing all local resources, public and private, the Federal Government, as an inducement—as a stimulant, if you will—undertakes to supply a certain proportion of the funds which come as a grant and which go into the pool of funds, the joint funds, of all interested elements to make this clean-up operation possible. The moment the clean-up operation is completed the Federal Government steps out and has nothing more to do with it, has no further control or influence over it, and has nothing whatever to do with the local agency and the local project.

That is very unlike the administration's proposal of an annual subsidy which for 40 long years keeps the administration's hand in every single housing project, because every year, before the subsidy is appropriated for the housing agency, the Appropriations Committee of this House or any Member of this House can demand an accounting, can investigate the operation of the housing agency and say, "You have not been playing the game under your contract, so we are not going to aid you at all until you do this, that, or the next thing."

This kind of approach eliminates that 40-year continuance of control. Under my bill you are committed only for 10 years and for $2,000,000,000. At the end of 10 years if you do not like what has been done, if slum clearance has not been effectually carried out, you have an opportunity for reappraisal, an opportunity to reframe the law, you can stop the operation, or you can extend it on another basis.

As far as I am concerned, I have no pride of authorship about this. I feel very strongly about the mode of approach and that this is the only proper mode of approach. If a majority of the Members of this House would like to increase that $2,000,000,000 to a larger sum, if they would like to reduce the period of use so as to have the effect of increasing the amount, I should certainly have no objection. My firm conviction is that almost any available amount for slum clearance may be justified but not one penny for construction without equivalent slum clearance.

What local agency is going to take the trouble to resort to the slum clearance section of the administration bill when it can get all the money it wants under the other titles of the bill, to build new houses on golf courses or on free and cleared land? They will do it every time. The result will be no slum clearance.

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. ELLSWORTH. Am I correct in my understanding that your amendment goes only to the subject matter of title

I of the administration bill and does not take up the other matters of public housing and farm housing?

Mr. COUDERT. Only slum clearance, and not one other thing.

Just one further point. Mr. Chairman, let me say to my colleagues that by confining their approach to straight slum clearance and giving preference in the newly constructed dwelling to the slum clearance displaced persons, you will save yourselves a great deal of trouble. Just look ahead a few months or a few years, after the enactment of the administration bill, if it is enacted, and explain to the millions of people who are not eligible to get into these slum-clearance projects why they cannot get in. Why John Jones gets in and Bill Smith does not. Why 1 out of 14 of the eligibles gets into a house and why the other 13 do not get in. Explain, if you can to millions who are eligible to pay taxes but not to get in the apartments. All that disappears if you limit the operation of this act to slum clearance, building homes to house people who come out of the cleared slums. Then you have done a clean operation. You have struck at the heart of our housing problem. You will clean up our great diseased areas, the diseased areas in the great cities. It is fundamental. It is the only approach. We cannot afford to scatter our shots at this time. Let slum clearance be the watchword. Let us pass a slum clearance bill—an honest one.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. JAVITS. Is it not a fact that the gentleman's own bill just cuts down the amount devoted to public housing, because the same money is to be used for slum clearance, and public housing is cut out?

Mr. COUDERT. The bill is fundamentally different because under the administration bill you do not have to clear one single slum dwelling.

Mr. JAVITS. But the same thing is true with the administration bill, is it not?

Mr. COUDERT. Under my bill the local communities will be forced to resort to slum clearance because Federal money will not be available for any other purpose.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BUCHANAN. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 10 minutes.

Mr. BUCHANAN. Mr. Chairman, on Thursday, June 23, the gentleman from New York [Mr. COUDERT] praised the eloquent statement of his new colleague, the gentleman from New York [Mr. ROOSEVELT], on the necessity for slum clearance. But the gentleman from New York [Mr. COUDERT] then went on to deprecate and to deride the provisions of title I of H. R. 4009 relating to slum clearance and community development and redevelopment. He said:

> And yet I defy any Member of this House to point to a single word in the pending bill that requires the clearance of a single slum. As far as slum clearance is concerned, this bill is a fraud, a delusion, and a complete deception of the American people.

Mr. Chairman, I accept that challenge. Slums will never be cleared by words. They can and they will be cleared by the deeds and actions of local public agencies which the slum-clearance title of H. R. 4009 will make possible, on a large scale, for the first time in the history of this country.

Mr. Chairman, it is a matter of common knowledge that cities lack the resources to finance the cost of assembling land in slums and blighted areas and making that land available at prices which will permit economic redevelopment by private enterprise.

Two things are required for any effective slum-clearance program. First, Federal loans to enable cities to finance the initial costs of assembling the land in slum areas and preparing it for resale. Second, Federal grants to help the cities write off part of the excessive costs of requiring and clearing the land in the slums so that it can be resold at prices which will permit its economic redevelopment by private enterprise.

I call attention to the fact that H. R. 4009 provides both of these essential aids. It does not provide just one of them; it provides both of them. Section 103 provides an authorization to enter into contracts for capital grants totaling one-half billion dollars. Section 102 provides an authorization for $1,000,000,000 in loans. And if we are interested in words, then I would call to the attention of the gentleman from New York [Mr. COUDERT] the words relating to the purpose for which these loans are authorized by H. R. 4009. In the words of the bill, they are authorized "to assist local communities in eliminating their slums and blighted areas."

Mr. Chairman, let us also examine for a moment just where lies the fraud and the deception which the gentleman from New York [Mr. COUDERT] purports to see in the slum-clearance title of H. R. 4009.

On January 24, 1949—almost 3 weeks after the distinguished chairman of the Banking and Currency Committee, the gentleman from Kentucky [Mr. SPENCE], introduced the bill on which H. R. 4009 is predicated—the gentleman from New York [Mr. COUDERT] introduced H. R. 1708, which is attractively labeled the "Urban Redevelopment and Low-Rent Housing Act of 1949."

What do you suppose this so-called Urban Redevelopment and Low-Rent Housing Act of 1949 consists of? It is in most respects a copy of the basic provisions of the slum-clearance title of the bill previously introduced by the distinguished chairman of the Banking and Currency Committee, and of the slum-clearance title of H. R. 4009—except for two very important facts. First, the so-called Urban Redevelopment and Low-Rent Housing Act of 1949 completely omits one of the two financial aids which are required for any effective slum-clearance program. Second, the so-called Urban Redevelopment and Low-Rent Housing Act of 1949 contains a rather lengthy preamble which promises a great deal more than is contained in the substantive parts of that bill.

But there are some very distinguishing characteristics between this so-called Urban Redevelopment and Low-Rent Housing Act of 1949 and H. R. 4009, which is now under consideration by the House. H. R. 4009 states in its title that it provides "Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies," and H. R. 4009 does, in fact, provide that Federal aid. It provides both loans and annual contributions for public low-rent housing projects for families of low income now living in slums. It also provides both loans and grants for slum-clearance projects. There is no question about this. As a matter of fact, that is exactly why there is some opposition to H. R. 4009. But let us look at the bill which the gentleman from New York [Mr. COUDERT] has labeled the "Urban Redevelopment and Low-Rent Housing Act of 1949." So far as slum clearance is concerned, it is, as I have said, by and large, a copy of the basic provisions of the slum-clearance title of H. R. 4009—except for the fact that the preamble promises so much more than its substantive features provide, and except for the singularly important fact that it fails to provide one of the two essential aids which admittedly are required for any effective slum-clearance program. It fails to make any provision whatever for Federal loans to make it possible for cities to finance the initial costs of acquiring the land in slum areas.

It provides an authorization to enter into contracts for capital grants. It is the identical kind of a capital grant authorization that is included in the slum-clearance title of H. R. 4009. It holds out the false promise of being more liberal than the slum-clearance title of H. R. 4009, in this respect, since it would provide $2,000,000,000 in capital grants over a 10-year period, as contrasted with the half-billion dollar capital grant authorization over a 5-year period in H. R. 4009. The essential point is that the capital grants under this so-called Urban Redevelopment and Low-Rent Housing Act of 1949 can never be used by any city unless it is able to finance the initial costs of assembling and clearing the land in slum areas. This the cities cannot do, unless Federal loans are made available for that purpose. H. R. 4009—unlike the so-called Urban Redevelopment and Low-Rent Housing Act of 1949—provides the necessary Federal loans, as well as the required capital grants.

Mr. Chairman, it is on this basis that I ask the Members of the House and the people of this country to judge which bill will provide effectively for slum clearance, and which bill is the fraud, the delusion, and the complete deception of the American people.

Mr. Chairman, that is not all that bears more than casual inspection of this artistically labeled Urban Redevelopment and Low-Rent Housing Act of 1949.

In section 1 (e) of this bill which the gentleman from New York [Mr. COUDERT] introduced, there is a very pious declaration. It declares that—

> There is not an adequate supply of safe and sanitary dwelling accommodations for persons of low income throughout the Nation, and that such accommodations cannot be supplied by the ordinary operation of private enterprise; that the provision of adequate safe and sound low-rent housing accommodations by local public agencies requires financial assistance of the Federal Government.

In section 1 (g) of the so-called Urban Redevelopment and Low-Rent Housing Act of 1949, we find the declaration that it is the policy of the Federal Government to provide financial assistance for the construction by local public agencies of low-rent housing projects for families of low income.

Mr. Chairman, today I desire to make the challenge. I defy the gentleman from New York [Mr. COUDERT] to point to a single word or provision in this so-called Urban Redevelopment and Low-Rent Housing Act of 1949 which provides—or even authorizes—a single penny of the financial assistance by the Federal Government for the provision of decent housing for families of low income which section 1 (e) of that bill so categorically states is required.

Last Thursday the gentleman from New York [Mr. COUDERT] said that the money authorized under the so-called Urban Redevelopment and Low-Rent Housing Act of 1949 was to be used for the rehabilitation of deteriorated areas and the construction of homes to take their places. He said:

> How the money is used, what part of it is used for apartments, or the tearing down of old apartments, or the clearing of streets is immaterial.

Mr. Chairman, I call to the attention of the Members of the House the express language of the so-called Urban Redevelopment and Low-Rent Housing Act of 1949 which specifically prohibits the spending of one penny of the authorized funds for the construction of a single house or apartment or any other building. On page 10, in lines 19 through 21, that bill provides expressly that the term "project" shall not include the construction of any buildings.

Mr. Chairman, it is on this basis that I ask the Members of the House and the people of this country to judge whether H. R. 4009 or the so-called Urban Redevelopment and Low-Rent Housing Act of 1949 is the fraud, the delusion, and the complete deception of the American people.

Mr. Chairman, I desire to make only one other point. We find, in section 101 of H. R. 1708, the provision that the Administrator shall not make any contract for financial assistance pursuant to this so-called Urban Redevelopment and Low-Rent Housing Act of 1949, unless the local public agency shall provide housing accommodations in an amount at least equal to the number of dwelling units to be eliminated as a part of the redevelopment plan.

In other words, unless low-rent public housing units, equal to the number of dwelling units eliminated as a part of any slum-clearance project under the so-called Urban Redevelopment and Low-Rent Housing Act of 1949, are provided, then no capital-grant contracts may be made under that bill for slum clearance. No funds for low-rent public housing are provided or authorized by the so-called Urban Redevelopment and Low-Rent Housing Act of 1949. No contracts for capital grants for slum clearance may be made under that bill unless the low-rent public housing is provided as required by the bill. It is clear, therefore, that not one penny of its $2,000,000,000 capital-grant authorization for slum clearance could ever be expended, and not a single slum could ever be cleared under the provisions of this so-called Urban Redevelopment and Low-Rent Housing Act of 1949.

Mr. Chairman, it is on this basis that I ask the Members of the House and the people of this country to judge whether H. R. 4009, or this so-called Urban Redevelopment and Low-Rent Housing Act of 1949 is the fraud, the delusion, and the complete deception of the American people.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New York.

Mr. COUDERT. I refer the gentleman to page 8, section 3, in which there is provided a condition for receiving the Federal grant. The local agency must provide a feasible methods for the temporary relocation of families displaced from the project area, and it also provides "in the project area or in other areas not less desirable in regard to public utilities and public and commercial facilities, and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings at least equal in number to the number of such displaced families."

Mr. BUCHANAN. I would like to point out to the gentleman that on page 10, lines 19 through 21, the gentleman's bill provides expressly that the term "project" shall not include the construction of any buildings.

Mr. Chairman, it is on that basis that I ask the Members of the House to judge whether or not the gentleman's bill is fraud and delusion or whether H. R. 4009 actually covers all provisions. The language on page 10 of the gentleman's bill is contradictory to the language on page 6 and does not provide one iota of terminology by which you could actually construct a single building.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from North Carolina.

Mr. DEANE. Does not the gentleman consider the Coudert amendment as a big-city bill? The gentleman from New York [Mr. COUDERT] said he had no pride of authorship of his amendment. On that position, Mr. Chairman, I thoroughly agree.

In H. R. 4009 we propose to go into every State of the Union where there is a critical need for housing. The Coudert amendment places the housing program in a straitjacket and is completely discriminatory of small towns and cities. My State, North Carolina, as well as all rural States, would be completely foreclosed from taking advantage of any provision of the amendment proposed by the gentleman from New York [Mr. COUDERT]. I repeat, it is a big city bill and completely discriminatory. Would the gentleman from Pennsylvania [Mr. BUCHANAN] comment on my contention?

Mr. BUCHANAN. It has been stated previously that this is a metropolitan area bill in which 10 big metropolitan areas would actually take up all of the obligations. Of course, under the terms of H. R. 4009, as I have stated previously, there are 472 local public housing authorities. I inserted in the Appendix of the RECORD on Friday last a complete list of existing projects and a complete list of those asked for in 1945 and 1946. There is a sum total of 375,000 units and I believe they are pretty well spread in all of the 42 States that have enabling legislation and cover practically all of the 472 local housing authorities.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New York.

Mr. COUDERT. May I suggest to the gentleman from North Carolina [Mr. DEANE] that if he feels his area is not included in my bill, it is open to amendment to take care of the State of North Carolina.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. COLE of Kansas. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, people do not make slums; houses make slums, according to the proponents of the public-housing bill. Quite the reverse is true, in my opinion. People make slums and not the houses. A friend of mine the other day said that there were certain areas in the city of Washington that he did not want to walk through on a dark night, but it was not the buildings that bothered him; it was the people.

In support of a slum-clearance program I want to bring to you a few pictures that were called to my attention. These pictures were produced, I believe, by the Washington Home Builders Association, and I think they are quite interesting in connection with what makes slums and how slums may be cured. As I said before, Mr. Chairman, the real issue in connection with H. R. 4009 is whether or not public low-rental houses do clear the slums.

Mr. Chairman, I want to point out to you here in these pictures conditions that now exist. The question is asked, Why build new houses for the low-income groups? These pictures point out quite clearly what happens to old houses when they are properly maintained. This is the picture of a house on Eleventh Street Southeast in Washington, and has been standing for many years because of proper maintenance. These houses still provide good housing for moderate income groups. Note the picture of the house on the right hand side. Low-income group houses do not create slums.

Note the condition of the house on the left as contrasted with that on the right. The physical structure is almost identical. They are in Georgetown.

This picture was taken in an alley just east of the United States Supreme Court Building. I want you to note the structure and the condition of that building, and then look at the picture on the lower right hand side and look at the condition of it. All it needs to make it a proper, decent, sanitary house in which to live is maintenance. Then I call your attention to a major housekeeping job which is necessary in connection with the picture on the lower right hand corner; just a little drainage, just a little paving and some public utilities on the part of the municipality of Washington. That would make a great deal of difference in connection with these buildings.

Now, Mr. Chairman, these pictures were also quite interesting to me because they are in exactly the same locality. The picture on this side is the same alley. The picture at the top is that of a well kept house in the alley, kept by people who are interested in maintaining their home. The lower picture is in the same block, kept by people who are not interested in maintaining their home. The picture in the middle and the picture directly below are in the same building. The middle picture below represents people who are not interested in maintaining their home. The home above is well kept and by people who are interested in maintaining a clean and neat home. People make slums, buildings do not.

In the same building are located two kitchens. The first kitchen, I understand, was almost impossible to enter because of the odor, maintained by people who were not interested in a decent home. The upper kitchen is maintained by people who were interested in decent, safe, and sanitary housing.

Now, this is not the entire answer to the problem of slum clearance, but it is one answer. It is an answer that can be found in your own backyard. It is an answer that can be found in your own city, in your own State. These organizations that have come here and passed resolutions could take a few notes out of this notebook. They could say to the locality, "It is necessary for us to do the ordinary, decent thing in our own community to clear these slums."

In that connection, I want to point out when certain Members of the other body went to visit slums in Washington, pictures were taken showing the slum area. Here is one in the Washington Post, the top picture here. This picture was presented to the Committee on Banking and Currency in 1937, to point out the slum conditions of this area. Since that time 420 low-rent housing units have been built in this area. We now have the same slums.

The people who live in houses shown here are not the ones who will occupy the low-rental housing units. Other people will occupy them, and these people will be moved on further into worse slum conditions.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if I may, I am very happy to welcome to the fraternity of Socialists and Communists our distinguished colleague the gentleman from New York [Mr. COUDERT], who offered the present substitute. In doing so, of course, he recognizes the necessity for slum clearance and low-cost public housing, so he too now has joined our fraternity of Socialists and Communists who want to do something for those who cannot help themselves.

Mr. Chairman, in offering that amendment, the gentleman from New York has given us the same story that we got from the distinguished ranking minority member of our committee, that the bill H. R. 4009 requires the expenditures of the maximum amount for the next 40 years.

We have heard much during the course of general debate of this bill about the cost of this program. The sponsors of the bill contend it will cost a maximum of $10,000,000,000 over the next 40 years. The opponents contend the cost will be sixteen billion. Some of them even say it will cost nineteen billion. The opponents insist that once you pass this bill you are forever committed to spend the $19,000,000,000. That is just so much bosh and tommyrot.

Let us first consider the cost and for the moment I will concede, but arguendo only, that this bill requires us to appropriate irrevocably the full amount for the full 40-year period.

If we are right that the maximum expenditure will be $10,000,000,000, you are being asked to appropriate the munificent sum of $238 per year per family that will occupy one of these units.

If the $16,000,000,000 figure is right the amount is $385 per year, and if the $19,000,000,000 is correct the amount is all of $451 per family per year. That is less than $8.67 per week, or $1.09 a day for the lowest-income groups in the country.

Ask yourselves—is there a single community in this country that can reasonably refuse to give so little for decent shelter to this less fortunate segment of our people.

Before we leave that matter, consider these facts as to the sums the United States has spent in the past to "socialize" and "communize" our country.

In the last 30 years we spent $9,000,000,000 for highways. In the same period we spent $2,000,000,000 for flood control. In the same period we spent over $1,000,000,000 for our public-health service. I do not know at the moment how much we have spent on water-power development, but I do know that in the last 15 years we appropriated for TVA alone almost a billion dollars. You talk about big-city legislation and discrimination. My city and State have all through that period borne the largest share of our Federal tax burden. Our big-city representatives have always taken the lead in making the appropriations I have just mentioned.

Consider now the other facet of the argument of the economy-minded opposition. Does this bill deprive the Congress of control of the program? Does it oust our Appropriations Committee of its jurisdiction?

The answers to those questions must be found not in irresponsible argument but within the language of the bill.

I know of no type of legislation that this Congress can enact that it cannot subsequently repeal.

But the antagonists of this program say repeal of a bill cannot affect vested rights. We can concede that general principle of law without in the slightest conceding the efficacy or the relevancy of their argument.

I am sure that my colleagues received on Friday, as I did, another 7½-page broadside with more spurious arguments against the enactment of the bill. To sustain their argument on the point to which I am now addressing myself our unconscionable friends quote from page 95 of the hearings before the House Banking and Currency Committee on H. R. 4009, as follows:

> Mr. EGAN. That is correct. The contracts for annual contribution stipulate that in any one year we are obligated to pay the maximum if it is actually needed in any one year. * * *
>
> Mr. WOLCOTT. Congress has no alternative once the program is set up but to meet the contractual obligations?
>
> Mr. EGAN. That is correct; if contributions are contracted for and are actually needed they must be paid.

That is quoted by them to sustain their fallacious argument that once we pass this bill we are committed to 40 years of annual contributions for 1,050,000 units without right of review, without rights to decrease the number of units or the amount of contribution with the same force and effect as though the National Government had ceded away all its power and authority to legislate.

Mr. Egan said no such thing and no one else who can read and understand the English language has any right to draw that kind of an interpretation from the language of this bill.

Turn with me to page 42, line 7, and read the following language:

> With respect to projects initiated after March 1, 1949, the Authority may authorize the commencement of construction of not to exceed 150,000 dwelling units after July 1, 1949, which limit shall be increased by further amounts of 150,000 dwelling units on July 1 in each of the years 1950 through and including 1954, respectively: *Provided*, That (subject to the authorization of not to exceed 1,050,000 dwelling units) such limit, and any such authorized increase therein, may be increased at any time or times by additional amounts aggregating not more than 100,000 dwelling units, or may be decreased at any time or times by amounts aggregating not more than 100,000 dwelling units.

That means the Authority may commit the Federal Government to subsidize not more than 250,000 units between now and July 1, 1950, and the same amount between now and July 1, 1951. The chances are that by July 1, 1951, under this program we will be committed to building not more than 200,000 units by July 1, 1951. The Eighty-second Congress will have ample opportunity to review the entire program and curtail its future operation if necessary.

I venture the opinion that the opponents of this measure are fearful that such a review will demonstrate the necessity, importance, and value of enlarging the program.

To those who have honest doubts as to the value of the program, I say you owe it to yourselves and to your country to gamble the pittance involved to test the theories we propound in this bill. If 300,000 units are contracted for between now and July 1, 1951, it will require a maximum commitment over the next 40 years or on a maximum annual commitment of 3/176 of the amount of our current annual budget. The likelihood is that it will be much less. Is that too much to risk for so important a matter? I think not. I hope that most of you will agree.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that debate on the Bolton substitute, the Coudert substitute amendment, and all amendments thereto, close in 30 minutes.

Mr. WOLCOTT. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that debate on the Bolton substitute, the Coudert substitute amendment, and all amendments thereto, close in 40 minutes.

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, that is altogether too little time for two major amendments, which are in the nature of substitutes for the full bill. Forty minutes on those two amendments is too little, and I would have to object.

Mr. SPENCE. Then why not conclude debate at 4 o'clock?

Mr. KEATING. Mr. Chairman, reserving the right to object, would the gentleman be willing to confine his request to the Coudert amendment only, thus giving those of us who wish to speak on the Bolton substitute additional time.

Mr. SPENCE. Mr. Chairman, I move that debate on the Bolton substitute, the Coudert substitute amendment and all amendments thereto close at 4 o'clock.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 86, noes 91.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PATMAN and Mr. WOLCOTT.

The Committee again divided; and the tellers reported there were—ayes 131, noes 105.

So the motion was agreed to.

The CHAIRMAN. Under the motion, all debate on the pending substitute and on the original Bolton amendment will close at 4 o'clock. When the motion was offered the Chair noted the following Members standing: Messrs. WICKERSHAM, JAVITS, CRAWFORD, DOYLE, CHRISTOPHER, WOLCOTT, CANFIELD, KEATING, LODGE, TOLLEFSON, HAND, CASE of New Jersey, GAMBLE, PATMAN, and WHITE of Idaho.

Mr. HOLIFIELD. Mr. Chairman, is my name on the list? I seek recognition.

The CHAIRMAN. Was the gentleman standing?

Mr. HOLIFIELD. I was not standing.

The CHAIRMAN. If the gentleman was not standing, time is not available.

The Chair will recognize each Member who was standing, for approximately 2½ minutes.

The Chair recognizes the gentleman from Oklahoma [Mr. WICKERSHAM] for 2½ minutes.

Mr. WICKERSHAM. Mr. Chairman, I feel that I am well-qualified to speak on the subject of housing. I know the housing business. I have built homes myself and I have sold houses. I know something about the housing market and I know the feelings of people about their own homes.

Two and one-half years ago, I bought a small real estate business in Washington, which I directed personally for a period of 2 years. When I was reelected to the Congress, I turned my business over to my associates. They have been running it ever since. While I have been devoting my full time to my congressional duties, my associates have been conducting the real estate business. I feel that, because of my acquaintance with real estate and with building, I know this subject. And it is because I know the facts about building and real estate that I am so seriously alarmed about the provisions of this measure.

Recently I received a report from one of the major cities in my home State of Oklahoma—a report from Tulsa, Okla.; as a result of a survey taken in May, the following was shown.

Four hundred and forty-eight of one thousand nine hundred and eleven garage apartments are vacant in Tulsa, Okla.

Three hundred and fifty-six units of duplexes are vacant.

More vacancies than average in apartment houses.

Vacant apartments, 4.8 percent to 12.5 percent.

Vacant one-family houses, 0 to 11 percent in areas.

Six hundred and ninety-two of these houses for sale.

Nine hundred and nineteen new houses under construction and 818 one-family structures under construction.

This report really put me to thinking and I asked myself the following questions:

Has the housing situation that existed during the last general election changed?

What are the true facts as to our present housing situation as of today?

How many of you men, particularly from the larger cities, have carefully studied your hometown newspapers during the past few weeks?

For those of you who have not had the time to study the true daily barometer existing in your local communities through the daily newspaper real estate classified section, I have requested one newspaper from each of a representative number of cities and here is what I have found, which will probably be a great surprise to you.

Here I have a large roll of real estate classified advertisements taken from newspapers in representative cities during the week of June 19, 1949, which shows tens of thousands of reasonably priced houses, apartments, and rooms for rent or sale throughout the Nation.

I offer this as proof positive that the home building industry of this Nation, operating under a free enterprise system, which we pray to God that we, as custodians, will preserve for this great Nation. The housing industry has supplied and is supplying the housing needs of this country with greater efficiency and speed than we in this room have ever thought possible. All we need to do is cooperate with our huge building industry, the second largest industry in our Nation. Give them the task that they need to do the job and it will be done with speed and efficiency, something we certainly will not claim for our Government experts in the housing field.

We will not only lend our endorsement and show our appreciation of our great free enterprise system of doing business, but in the particular instance, we will be saving our constituents back home an additional tax load of $16,000,000,000.

Operating in a free economy for the first time in 6 years, the housing industry produced a million dwelling units in 1948. This is 500 new houses every working hour during the entire year. The value of this product was $7,000,000,000, according to the Bureau of Labor Statistics. During the last 3 years, in spite of extremely serious shortages of building materials, and in many instances shortages of building mechanics and mortgage financing, the private building industry has put more than 12,000,000 people into new homes and apartments.

From the end of war until the end of April 1949, private building industry built more than 3,000,000 dwellings, of which 1,600,000 were built after June 1948, when the priority regulations were fully lifted from the industry.

More significant, however, is the effect of such Government paternalism upon our traditional social and political concepts which are founded upon the family unit sheltered in its own dwelling. It is my belief that the core of our American democratic strength lies in the maximum number of families owning their own home. Any policy of Government which will result in the discouragement of independent home ownership strikes at the very root of our national strength—that is, self-reliance and independence of the individual. History has demonstrated that no democratic form of government has ever endured when substantial numbers of the people have become dependent upon the Government for support, instead of the Government being dependent upon the people.

In countries where the government has taken over home building, such as France and Sweden, the only way in which one can get a house or apartment is for someone else to die.

I have been in Russia and have seen the conditions in that country as well as England and France where they really have socialized public housing. The housing areas reek with dissatisfaction.

American families own four out of every five of the world's radios.

We own two out of three of the world's vacuum cleaners.

We own five out of every six refrigerators.

And we own 9 out of every 10 of the world's bathtubs.

We earn more, produce more, and have more than all the rest of the world combined—and we have only one-sixth of the world's population.

Remember, the Government has nothing to give that Americans do not produce and turn over to the Government for redistribution. The Government produces nothing, nor can it produce. It has no material, labor or manufacturing skills with which to produce a single commodity.

If the Government is to give us anything—we must first give that thing to the Government—then the Government can give it back to us—if it wants to. This is true whether we are talking about money, houses, food, or clothing.

If you build a house; then give it to the Government, and Government gives it to someone else; has the Government created anything but a debt to you—which it pays by collecting that amount in taxes from you so it can pay you back?

If you want to build a house you may have to pay for it, but you do not have to ask a Federal employee for permission to build it. In this country, if you want a bath or a bathtub, you need not go to a bureaucrat to ask permission to buy it.

I personally know of instances wherein a Government agency went into the housing business. The agency has nearly 300 units of prefabricated houses, which cost about $4,200 per unit. They would be pleased to sell them for nearly one-third that price.

I have been in a number of Government housing projects on many occasions. One of my brothers used to live in Hilltop Gardens. One of my sisters lived in Lily Ponds. None of the occupants was satisfied. It seemed that jealousy existed everywhere. Rents ranged from $10 to $50 per month, based on income. There was no pride of ownership. Depreciation was very heavy. I know of an instance where a window light was broken. The pane cost $2.70. An inspector was sent out to inspect the opening, then two appraisers, finally a carpenter and his helper and then a painter and his helper. The total cost, according to the audit, amounted $81 before the windowpane was replaced.

Some would have one believe: You cannot think for yourself. You do not know what you want. You cannot build a good home for yourself. And, they continue, public housing can build a home that will cost you less.

In 1948 the private building industry constructed a million homes—more homes than this or any other nation has ever built in a single year—at an average cost of less than $8,500 per unit.

There were actually more than twice as many homes built in 1948 than there were new families formed by marriage or otherwise.

In 1948 about 400,000 new families were formed. If these new families all moved into new homes that still left 450,000 new homes to be occupied by families which were doubled up at the beginning of 1948. Private industry constructed enough homes in 1948 to house the total population of Montana, Idaho, Wyoming, New Mexico, Arizona, Utah, and Nevada, or the combined populations of Detroit, Baltimore, Boston, Indianapolis, and Atlanta.

Neither this Government, nor any other government, could build any more houses any faster than the private building industry is building them right now, at the rate of five homes every minute of every 8-hour working day.

No government under socialism, communism, monarchism, democratism, or republicanism has ever equaled the home construction rate attained last year by the private building industry of this country.

If your home were built by public housers, the Government would have to take the same materials, the same labor force, the same manufacturing and contracting skills away from the privately built home—built to your taste—to build the public house that you will live in whether you like it or not.

The Government will be competing directly with private industry—this drives over-all construction costs up. Those of you who want to buy a home will be prevented from doing so because the workmen and materials will be used up to build homes for somebody else.

The Housing and Home Finance Agency could exercise their newly sought power to restrict the use of material, methods of production and distribution of building materials. Under these powers they can restrict the location of new homes, the materials that can be used, the number of homes, amount of materials, and kind of construction.

Present public-housing measures propose the expenditure of $12,000,000,000, but this does not include land, architect's fees, or actual construction costs. These costs will be paid out of additional billions collected through floating local bond issues.

This omnibus public-housing bill proposes to provide a grant or gift of $500 to farmers unable to obtain credit and to provide an additional $500 loan, of which 50 percent can be forgiven.

Seven hundred and fifty million dollars more is provided for slum clearance.

Government planning, pay rolls, and supervision will add other millions to the cost of public-housing construction.

How large a slice of your dollar do you want to give for public housing?

It is revealing to note the findings as recorded in the 1948 Survey of Consumer Finances, Part I, published on page 6 of the Federal Reserve Bulletin for June 1948, by the Board of Governors for the Federal Reserve System. In reporting that approximately 700,000 new dwellings were purchased for owner occupancy in 1947, the Federal Reserve Board had the following to say:

> The median price paid for new houses fell between $7,500 and $8,500 and that of old houses between $5,000 and $6,000.

The survey pointed out that two-fifths of the families purchasing homes in 1947 had incomes of less than $3,000.

The ultimate cost of housing to the consumer is governed by precisely the same factors as other basic commodities such as food, clothing, and consumer goods of all kinds.

Proponents of Government built, owned, and operated housing can produce no cheaper housing. Government subsidized housing is expected to be substantially higher than comparable private housing.

Total amounts of Federal expenditures proposed under H. R. 4009

	H. R. 4009	As under tentative amendment
Grants (nonrepayable):[1]		
For contributions to public housing (up to $400,000,000 per year for 40 years)	$16,000,000,000	$12,080,000,000
For land acquisition for slum clearance	500,000,000	500,000,000
For farm housing subsidy	62,500,000	62,500,000
Total grants and annual subsidy	16,562,500,000	12,642,500,000
Loans (revolving funds):		
For public housing	1,500,000,000	[2] 1,200,000,000
For land acquisition for slum clearance	1,000,000,000	1,000,000,000
For farm housing	250,000,000	250,000,000
Total revolving loan fund	2,750,000,000	2,450,000,000
Grand total	19,312,500,000	15,092,500,000

[1] Since the faith and credit of the United States is solemnly pledged to these grants and annual subsidies, the bulk of the above amount, once authorized, is not subject to annual congressional review as would be the usual appropriation.

[2] Estimated.

NOTE.—This sum does not contain any estimate of administrative costs for public housing, "slum clearance," "research," publicity operations of the Housing Agency, Agriculture Department housing activities, nor for additional cancelations of indebtedness by the Secretary of Agriculture. It does not include estimate of carrying charges on Federal borrowing to finance the program nor for local tax losses for city services for which taxes will not be paid.

The further statement is made that public housing will be provided only for those with incomes at least 20 percent less than that needed to afford private housing. There is no such provision in the bill. The reference is apparently to section 201 (7) (b) (ii)—page 25, line 23 to page 26, line 9—which deals with rental limits and not with incomes. Even assuming that the Public Housing Administrator, who has sole discretion in determining such limits, uses impeccable judgment, this provision is of no effect in confining tax-supported housing to the really low-income groups.

Public housing smacks of the destruction of thrift and initiative and encourages socialism. According to Funk & Wagnalls:

> Socialism is a theory of civil polity that aims at the public collective ownership of land and capital and the public collective management of all industries.

In this day of programs, when it is popular to formulate and present for legislative action schemes of all kinds to take care of all types of problems, it is often asked, But does the private home-building industry have a program? The

answer is an emphatic "Yes"—even though it is seldom recognized as such outside the industry. This is simply because it is not a legislative program; it does not seek something for nothing; it is in effect, and it is working. Expressed in simple terms, it is:

First. The production of a maximum volume of housing in all price categories with emphasis on lowest possible costs consistent with sound standards.

Second. Modernization and standardization of building codes.

Third. The strict enforcement of present health and safety codes and the promulgation of new ones to the end that substandard structures are either demolished or rehabilitated into good, safe, and sanitary homes.

Fourth. The encouragement of home ownership among the great masses of our people, because of its social, economic, and political advantages to both home owner and the country.

Fifth. The rebuilding of the worn-out areas of our cities, conforming with a comprehensive city plan which will insure the most logical use of the redeveloped area, by the enactment of legislation to create redevelopment agencies with powers of eminent domain for the acquisition of land in blighted areas, the demolition of unsound structures, and the subsequent sale or lease for redevelopment.

Sixth. The provision of local and State direct aid to families unable through no fault of their own to pay an economic rent, with such aid applicable only to safe, sanitary, habitable, and approved housing accommodations, locally administered.

Seventh. Research to develop new and better materials at lower costs.

Many of the 3,000,000 home owners, which constitute housing for 10,000,000 individuals, who have purchased homes in the past few years, have made sacrifices in making down payments and in making their monthly payments. Many of these home owners do not feel that they can afford television sets, cars, washing machines, and other labor-saving household devices, while people living in Government housing projects acquire all of these luxuries for their personal satisfaction and enjoyment. How can this latter group of Government-housed individuals afford these luxuries that the individual home owner cannot? I will tell you how. They are getting a great portion of their individual financial responsibility relieved by taxation at the expense of the home owner, who lives frugally in order to make his monthly payments and pay taxes on the property which he owns.

The home and individual home ownership is the foundation of this great country of ours and from its home roots has sprung the greatest nation in the world. Do we, by distorted thinking, want or desire to tear from under ourselves the very foundation upon which we stand and upon which in reality we depend for our very existence?

Our Nation is prosperous and powerful, and our people happy because they have enjoyed the following freedoms:

Freedom of religion.

Freedom to express their ideas.

Freedom to go where they please and work where they please, at what they please.

Freedom to engage in any business at pleasure.

Freedom to bargain, to make contracts in a competitive market, and to carry out these contracts without interference from government, business, or labor monopolies.

If you want America to remain great, safeguard these freedoms and our Constitution.

It is significant that the industry as a whole is currently spending at the rate of over $15,000,000 annually in research activities.

Concurrently with the research program the industry realized that it would be necessary, in order to secure the maximum benefit in the field from its research, to modernize and standardize the local building codes so that new materials and methods could be tested and accepted when proven sound. To this end the local building code officials throughout the country were induced to form an organization and to draft a standard basic building code. The industry reports today that work has now been completed; that a basic code has been developed, using performance standards instead of arbitrary specification standards; that when this code has been adopted in most of the communities of the Nation, new building materials which tests show meet the standards, can immediately be put to use in the production of lower cost homes.

The industry is now directing every effort and attention toward securing adoption of these codes throughout the Nation.

Is this program working? For proof—look at the home of today compared to one of 25 to 50 years ago—design, equipment, materials, building methods, all have made marked improvement.

SLUM REHABILITATION

One of the outstanding examples of the work that is being done by local government in this field occurs in the city of Baltimore. In documentation of the fine work that has been done in the city of Baltimore, a slide-sound film has been prepared. This film has been shown, by invitation, in over 50 cities throughout the country, and it has induced similar programs to be put into operation throughout the country. This method of rehabilitation of unsafe and insanitary housing is the quickest and cheapest method that can be devised toward clearing up blight and actually housing the needy at rents they can afford to pay. The committee may see this 15-minute film.

I am for slum clearance and would like to see legislation passed that would correct this evil, but I do not want to see this presently pending housing legislation passed in order to accomplish it. It can be done by separate legislation.

It is significant that approximately 55 percent of our homes are owner-occupied as contrasted to less than 45 percent before World War II.

I oppose public-housing legislation as presently pending for the following reasons:

First. Its excessive cost as extended will eventually lead to ruinous taxation.

Second. This program is only the beginning. Many public-housing units and much more Federal subsidy for related purposes will be demanded as a result of activities of political pressure groups whose sole purpose will be to lobby for additional tax expenditures and an extension of this system.

Third. Contrary to its proponents' assertions, public housing does not house the lowest income group.

Fourth. Contrary to its proponents' claims, public housing does not clear slums in many cases.

Fifth. The highly inflationary impact of extensive Government home building operations will increase costs and defeat efforts to stabilize prices.

Sixth. The program, as outlined in H. R. 4009 and other similar bills, would bypass the Appropriations Committees of Congress and thus violate the basic constitutional safeguard of congressional control of public purse strings.

Seventh. Such a program will impose increased costs for municipal services on local government. Since public-housing tenants will not pay their fair share of schools, fire, health and police protection by reason of the waiver of taxes on such projects, such costs will have to be borne by other local citizens no better able and in some cases less able to pay than the occupants of public housing.

Eighth. The highly centralized nature of Federal aid of this type will impose Federal bureaucratic controls over local community functions.

Ninth. Such an extensive program would embark the Federal Government upon a politically and economically unsound policy leading eventually to demands for similar subsidies for other basic elements of life, such as food, clothing, and the like—just as demands are now being made for Federal subsidies for medicine and education.

Tenth. It will reduce the volume of private construction through Government competition and by the same token increase the cost of private housing.

Eleventh. If this housing legislation is passed, we may look for racial difficulties. It will naturally follow in the South and elsewhere that colored people will want to take advantage of Government public housing, and if we pass this legislation, I do not blame them, but they will make application for tenancy in developments occupied by white tenants and if refused admittance, they will force their occupancy by court order. This, in itself, will incite bitterness between the Caucasian and negroid races, possibly cause bloodshed and eventually defeat the purpose of this entire legislation.

Twelfth. No one has mentioned to you the double cost that would be incurred in many instances in the purchase of existing homes to be torn down and moved. Usually the wrecking company or salvaging agency gets all of the materials and an added fee. For instance, the Government is paying $8,500 and giving all the material to the wrecking or salvaging company to raze the buildings just east of the Senate Office Building.

I am informed this property cost the Government $998,000.

The declaration of national housing policy itself contains a departure from the basic political beliefs of our founding fathers that the Federal Government is, and should be, a Government of delegated powers under the Constitution and that all powers not so delegated are reserved unto the States. I submit that housing of the people is not one of the delegated powers of the Federal Government under the Constitution. By passage of this bill the Congress would, in effect, circumvent this constitutional limitation by inducing the local communities to surrender their prerogatives and avoid their responsibilities by succumbing to the lure of "free" Federal subsidies.

Former Secretary of State James F. Byrnes, in a speech at Lexington, Va., on June 18 remarked that some of the suggested new Federal programs point inevitably to a welfare state.

> We are going down the road to statism—

He said.

> Where we will wind up no one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual—whether farmer, worker, manufacturer, lawyer, or doctor—will soon be an economic slave pulling an oar in the galley of the state.

Mr. Byrnes, who played a powerful role in the Roosevelt administration and was a Secretary of State under President Truman, was the principal speaker at exercises concluding Washington and Lee University's year-long observance of its two hundredth anniversary:

The former Cabinet member said:

> Too many people are trying to transfer power to the Government. * * * We are not only transferring too much power from individual to the Government, but we are transferring too many powers of State government to the Federal Government. We should not have the Federal Government regimenting our lives from the cradle to the grave.

He pointed out every segment of society is demanding special privileges—the farmer wants higher prices, the wage earner wants increased wages, pensions, and hospitalization. Too many people want more pay for less work, he added.

Calling for a reduction in Federal spending and Federal powers, Mr. Byrnes declared:

> Our first line of defense is a sound, solvent American economy.

The wartime director of economic stabilization suggested that the only wise course is to reduce expenditures and live within our income.

He also proposed that expenditures for purposes other than fixed obligations and the national defense be cut or deferred.

> Because several appropriation bills have passed both Houses, it is very difficult, if not impossible, now for the Congress to make the necessary reduction—

He pointed out, adding:

> Congress should authorize and direct the President to make the reduction necessary to bring the expenditures within our income.

We should stop, look, and listen, and heed the handwriting on the wall. We should carefully study James Byrnes' address. You can readily see that so long as he was surrounded by Federal buildings and Government employees, his thinking was not as clear as it was when he returned and mixed and mingled with the people. He saw the light. He is telling you the truth. You Members of Congress should return to your districts and see the conditions as they are today. Things have changed a lot in the last 6 months.

We should consider this matter from a practical standpoint and not a political standpoint. We should stop concentrating so much on pumpkin stores and get the cobwebs out of our brains and get down to brass tacks. I have asked dozens of people in various localities if they could give me the names of families, or if they could name any one family who did not have a place to stay and I haven't found one yet. Naturally, some of them state that they would like to have better places in which to live.

It takes more than just a hammer, saw, wood, nails, steel, cold brick, and mortar to make a home:

> It takes a heap of living in a house to make it home,
> A heap of sun and shadow, and you sometimes have to roam
> Before you really appreciate the things you left behind,
> And hunger for them somehow, with them always on your mind.
> It don't make any difference how rich you get to be,
> How much your chairs and tables cost, how great your luxury;
> It ain't home to you, though it be the palace of a king,
> Until somehow your soul is sort of wrapped round everything.
>
> Home ain't a place that gold can buy or get up in a minute;
> Before it's home there's got to be a heap of living in it;
> Within the walls there's got to be some babies born, and then
> Right there you have got to bring them up to women good, and men;
> And gradually, as times goes on, you find you wouldn't part
> With anything they ever used—they've grown into your heart:
> The old high chairs, the playthings, too, the little shoes they wore
> You hoard; and if you could you would keep the thumb-marks on the door.
>
> You've got to weep to make it home, you've got to sit and sigh
> And watch beside a loved one's bed, and know that Death is nigh;
> And in the stillness of the night to see Death's angel come,
> And close the eyes of her that smiled, and leave her sweet voice dumb.
> For these are scenes that grip the heart, and when your tears are dried,
> You find the home is dearer than it was, and sanctified;
> And tugging at you always are the pleasant memories
> Of her that was and is no more—you can't escape from these.
>
> You've got to sing and dance for years, you've got to romp and play,
> And learn to love the things you have by using them each day;
> Even the roses around the porch must blossom year by year
> Before they become a part of you, suggesting someone dear
> Who used to love them long ago, and trained them just to run
> The way they do, so as they would get the early morning sun;
> You've got to love each brick and stone from cellar up to dome;
> It takes a heap of living in a house to make it home.
>
> —*Home, by Edgar A. Guest.*

We all know this famous poem. It certainly was not written about a public housing project.

Since the United States is the best-housed nation in the world and since all except an infinitesimal proportion of our approximately 40 million units have been provided by private enterprise, I feel that this declaration of housing policy by the Congress is not justified by the facts.

Your attention is called to page 20, lines 19–25, and page 21, lines 1–9 of the bill where, under the cloak of slum clearance, Federal tax funds could be used to purchase "platted urban land which is predominantly open"—see page 20, line 24. It seems strange to me that the purchase of open urban land can be considered slum clearance. Page 21, lines 4–9, would include in a slum clearance project "open unplatted urban or suburban land" eligible for purchase with Federal loans and later for public housing—see page 21, line 15.

Some of the most significant language in H. R. 4009 is found at page 10, lines 22–25:

> The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

The Government Administrators would enter into contracts pledging the faith of the United States Government with local communities and the appropriations committees of the Congresses for the next 40 years would be required to approve without question the sums so obligated by the Government Administrators. Essentially the same circumventing financing methods would be employed in both the slum clearance, public and farm housing sections of the bill. This is the language which I deem to constitute a dangerous surrender of congressional control of the public's purse strings. Thus there is no provision for annual congressional review of the program. There is no way in which succeeding Congresses can review contracts entered into the previous year, costs or contracts proposed for the ensuing year, and other details of administration and operation prior to the letting of subsequent contracts.

We are obligating the next 20 Congresses for a period of 40 years if we pass this legislation. This Congress would be comparable to the Egyptians, who, in pursuit of the Israelites, who were trying to escape their bondage, plunged into the Red Sea, which, because of the wrath of God, engulfed and destroyed them. Do we, gentlemen, want to vote for legislation that will place our people in a red sea of debt through which they will have to flounder under the burden of taxation for the next 40 years, and maybe eventually destroy them?

Page 25, lines 12–24, and page 26, lines 1–4, describe a supposed 20-percent gap to be left in rents between public housing and private housing. I submit that this language is so ambiguous as to preclude effective administration for its alleged purpose. This is not a standard to determine eligibility for admission to such projects based upon income of prospective tenants. Its administration would be entirely up to the Public Housing Administration in Washington. No local public hearings are required—the taxpaying public has no voice. There is no review. There is no opportunity for disputing the Authority's judgment.

The bill contains no requirement that the public-housing agency shall begin at the bottom of the economic ladder and provide housing for the most needy first and then proceed up the economic scale. A careful scrutiny of this language reveals that the proponents of this measure have no intention to be bound to shelter those neediest persons that pro-public-housing propagandists allege will be housed.

If the purpose of this bill is to house those low-income families most in need of shelter assistance, why should not a specific maximum income for admission to the projects be stated in the bill?

Assuming a typical unit of 4½ rooms—two bedrooms, living room, dining room, and kitchen—private builders are assumed by FHA to be able to produce on an economic basis for $9,000 per unit, including land and all other expenses, but public housing is contemplated to cost up to $11,250 for such unit, exclusive of land and administration expenses. Adding the price of land to public housing, the over-all cost could easily go up to $15,000 per unit, as compared to $9,000 for the typical private unit for moderate-income families.

This is an admission in the bill itself that public housing has no economies to offer and, in fact, its costs are far higher than private enterprise. It is an admission that the public-housing rents, if on an economic basis, would have to exceed private rents, and that the only way such housing can be made low-rent housing is by pumping in the huge subsidy of $400,000,000 a year called for by this bill plus the local waiver of taxes.

This bill would mean that the Federal taxpayer would pay approximately $15,111 per unit, or about $32 per month per family. According to the Bureau of the Census the median rent for the fifteen-million-odd rental units of all kinds owned by private enterprise in the United States is only $29.33 per month.

H. R. 4009 would be of no value to aged because of the restrictions placed on this group by laws governing old-age assistance grants.

The Housing and Home Finance Agency admits in its November 1948 report, Housing Statistics, that in June 1948 there were 41,714 families in public housing whose incomes were so high as to make them ineligible. In Buffalo, for instance, a survey of 549 families in 1 project showed that 94 percent of the occupants had earnings higher than the original maximum permissible for admission.

The 1937 public-housing law required the elimination of unsafe or insanitary dwellings equal in number to the new public-housing units erected. The present bill, on page 46, lines 7 to 9, eliminates even this requirement by striking out such language. This proposal no longer to require equivalent slum elimination plus the failure of the Public Housing Authority to adhere to the present law, are clear indications that public housing is separate and distinct from slum clearance and should not be sold to the public or the Congress as a means for slum clearance.

On its face, the establishment by Government of an extensive research organization in housing would appear to be noncontroversial and perhaps even meritorious. But this, however, is not the case in view of the language and organizational procedures contemplated in this bill—see page 47, lines 10 to 25, page 48, lines 1 to 23, and pages 49 and 50.

The Housing and Home Finance Agency which would be empowered and directed to undertake and conduct a program of technical research into materials and methods of housing production, standardization of codes, design equipment, distribution, testing, performance standards, housing needs, demand, supply, and finance, would thus encompass as a part of its operations virtually every phase of the industry.

It would further be required to disseminate to the public the results of such research without the the usual limitation on Government agency mailing privileges—page 49, lines 5 to 9—which prevents such mailings unless requested. This, in effect, permits HHFA the free use of the mails to circularize the Government agency's views on housing.

The conditions of such grants and loans as imposed by the Secretary of Agriculture would require the farmer to cultivate and to manage his farm in accordance with the methods prescribed by Government agents. The selection of the recipients of this dole would be left in the hands of the Secretary of Agriculture—a political appointee—as recommended by a local committee of farmers or a local public agency appointed by the Secretary. Aside from the direct cost of this program, which initially under this bill would aggregate $250,000,000 in loans, of which $50,000,000 in interest and principal may be forgiven, and $12,500,000 in direct grants, is the fact that this is another extension of a centralized bureaucratic control of the activities of the individual citizen together with unrestricted opportunities for political favoritism.

The exemption of taxes on income from local public-housing bonds will result in the loss to the Treasury of income taxes on billions upon billions of investment dollars. If the bill is not passed, this investment capital would find an outlet elsewhere and in all likelihood its income would be taxable. The amount of such lost revenue is, of course, impossible to determine at this time. However, we know that it would be substantial.

Although necessarily some of the costs of this program cannot at this time be determined, the estimate, upon the basis of known figures set forth in the bill is that the direct grants from the Treasury aggregate $16,512,500,000 in the 40-year period. This includes direct contributions for public housing at the rate of $400,000,000 a year, grants for slum clearance, land acquisition, and grants for farm housing. The loan program would aggregate $2,750,000,000 for the public housing, slum clearance, and farm housing operations. In addition to this would be the cost of the extensive research operation to be conducted by the Housing Home Finance Agency. As mentioned above, the income-tax exemption feature on public-housing bonds results in an additional indeterminate cost to the Treasury.

Other costs to the taxpayer of such a program would be—

A. Local community grants-in-aid up to one-third of the write-down on slum-clearance projects—an undetermined amount, see page 11 of the bill.

Here is what a reliable firm of certified public accountants and tax consultants—Snyder, Farr & Co., of Washington, D. C.—said on June 3, 1949:

> Since the faith and credit of the United States is solemnly pledged to these grants and annual subsidies, the bulk of the above amount, once authorized is not subject to annual congressional review as would be the usual appropriation.

The statement bears out the following in essence:

This sum does not contain any estimate of administrative costs for public housing, slum clearance, research, publicity operations of the Housing Agency, Agriculture Department housing activities, nor for additional cancellations of indebtedness by the Secretary of Agriculture. It does not include estimate of carrying charges on Federal borrowing to finance the program nor for local tax losses for city services for which full taxes will not be paid.

First. The entire amount could be contracted for on a 40-year basis without prior approval by the Appropriations Committee or the Congress, page 41, lines 5 to 14.

Second. Congressional appropriations procedure would not be used. The Housing Agency would demand the money directly from the Treasury, page 7, line 19.

Third. Congress again bypassed. PHA would demand the money directly from the Treasury, page 38, line 23.

Fourth. Congress again bypassed. Secretary of Agriculture would demand money directly from the Treasury, page 69, line 22; page 70, line 4.

And now, for another cost to the taxpayer:

B. The cost to the local taxpayer of providing the local community services such as fire, police, health, and so forth, to the public housing projects in their community, which, under the terms of this bill would not pay normal real property and personal property taxes but would pay a much smaller amount varying from nothing to 10 percent of the shelter rents in lieu of such taxes. Actually this means that the local taxpayers will have to make up the difference

between this token payment in lieu of taxes and the cost of additional services by increased taxation on privately owned property.

It is proper to point out, I believe, that in order for a Member of Congress conscientiously to accept and endorse this bill, he must be willing to answer the following questions in the affirmative:

First. Is it the responsibility of the Federal Government to bypass the citizens and communities and to presume to assume responsibilities for the problems for housing individuals and for local slum clearance?

Second. Is it a proper procedure of Government for the Congress to abdicate its legislative power and to authorize $19,212,000,000 of the taxpayers' money to be drawn from the Treasury, in yearly installments, without the approval each year of the Appropriations Committee?

Third. Is it sound policy, in spite of the present level of building costs, to permit the inflationary impact of building 1,050,000 units of Government housing with permissive authority to accelerate that program to as much as 25 percent of the total present record-breaking construction volume and 50 percent of our 1939 volume?

Fourth. Notwithstanding all of these things, are you willing to embark the Federal Government upon a program for 1,050,000 units of public housing with the full knowledge that as a practical matter it is only the beginning?

The grave danger is that once we have departed from a sound course in housing and have adopted unsound ideas as a solution, each year will see new proposals and panceas which will take us and our American free-enterprise system further and further down the road to ruin.

In the State of California on November 2, 1948, the issue of a vast public housing program was presented to the people of that State and they rejected it by an overwhelming vote of nearly 2½ to 1.

If this bill required such referendums in every State, I believe the same result would occur. We think it would be entirely proper for the Congress to provide that such a popular referendum be held in each State before a Federal public housing program could be begun. What more democratic way could there be of deciding this issue than to submit it to the people?

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS, as an amendment to the Bolton substitute: On page 30, lines 1, 6, 8, 15, 21, and 22 strike out "45" and insert "40" and on page 38 of the Bolton substitute, line 11, strike out "$320,000,000" and insert "$336,000,000."

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. HAND. Mr. Chairman, I am for the Bolton substitute and in view of the fact that the gentleman from New York has offered an amendment, I ask unanimous consent that my time be transferred to him.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that the time allotted me be transferred to the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JAVITS. Mr. Chairman, the amendment which I have proposed is only perfecting the Boltion substitute in order to conform it exactly to the public-housing provisions adopted by the other body. It was an oversight in getting the original manuscript prepared, and it is being perfected at this time; so I will not discuss the amendment now. I assume the committee will have no objection to it, leaving the vote to the substantive question whether or not the Bolton substitute shall or shall not be accepted.

As to this substantive question, Mr. Chairman, there has been a lot of discussion about a great many measures which have far less support than the substitute proposed by the gentlewoman from Ohio, and I think we are down to the hardpan of what measure, if any, the House shall adopt. In connection with that I would like to make one point in this argument about socialism and about a very excessive drain upon the national establishment insofar as the national debt is concerned. Let us never forget that this amount of money which will be expended over 40 years is not going down the rat hole. It is going into homes for Americans, permanent assets of the United States, and those assets will remain long after the money is gone. We are not spending this money for armament or for anything that will not be a permanent asset to the country.

Let us assume you accept the larger figure, and it is not acceptable. I think the accurate figure for expenditure over this period of years for the low-rent housing program in the Bolton substitute is somewhere around $6,000,000,000; but even assuming a very much larger proportion of the Federal guaranty is drawn upon than has been drawn in the past—and about 58 percent has been drawn upon in the past—and in the future we anticipate at worst it will be about 75 percent—and Members realize that we are constructing permanent assets which will be right here and will be worth every penny we expend for them in the United States—it certainly is not comparable to the expenditure of fourteen to fifteen billion dollars in 1 year, not in 40 years, for national defense, as necessary as it is, or the expenditure of $7,000,000,000 in 1 year for veterans' benefits, necessary as they are.

Mr. Chairman, one word about the Coudert substitute. There is nothing in the substitute offered by the gentleman from New York, there is nothing in the administration bill, there is nothing in the Bolton substitute that compels any city or any town to clear one slum. Each of them seeks to make it attractive so that cities and towns which do have slums will come to the Federal Government for this aid in order to get their slums cleared.

I thoroughly agree with the gentlemen who have spoken before that it is a complete misconception of the substitute offered by my colleague, the gentleman from New York [Mr. COUDERT], to say that it and not the administration bill or the Bolton substitute clears slums. I think the terms of the Coudert substitute are very clear. It does seek to assist those who desire to clear slums with money, with grants in aid, and the administration bill and the Bolton substitute seek to clear slums both with grants and loans, but it comes exactly to the same end. Some municipality must go to the wicket and propose a suitable plan to enable it to get Federal aid for slum clearance under any of these bills.

As to the Bolton substitute, 10 Republicans have worked on it and have worked hard for it consistently. We have taken the consistent position that in this case, where the public welfare so seriously requires housing, that something must be done for the economic groups unable to attain private housing at present and this includes not only low income groups but the lower middle income groups.

Slums, Members should remember, have been with us for many, many years. I was a kid on the East Side of New York; I was born in slums, and some of them are still there. Some have been cleared. This is a chronic problem. We want to do something substantial about it; but the catastrophic emergency which faces the country, which seems to be completely overlooked in this phase of the discussion is housing. This housing that the people of the United States want, is in a balanced housing program for the low-income groups which need Government help, for slum clearance and for the lower middle income the aid of Federal long term credit at low rates of interest. The only proposal before the Committee of the Whole on that subject is the Bolton substitute. And, why? Because it deals not only with slum clearance which has been so eloquently and adequately argued; it not only deals with low-rent public housing which has been so eloquently argued here, to wit, the same number of units that the other body has included, but it goes further than that. It deals with the lower middle income group that cannot get anything else, because it is those in the lower middle income group who are not eligible for public housing, because their incomes are higher than the upper income units for public housing. They are the 20 percent of American families in the gap. In that gap are included most of the veterans, for most of the veterans earn between $2,500 and $3,500 a year. The Bolton substitute is the only proposal designed to reach the need of that group, who can certainly be called an

important part of the backbone of America. The Bolton substitute seeks to establish a pattern in our whole legislative machinery for that group. It seeks to establish low-interest loans, with which the Government has had experience in HOLC, and the Government will not lose a dime as it did not in HOLC, and this, you must remember, would make for a balanced and comprehensive housing program.

We have conceived it to be our duty as Republican Members of the House to bring forward this feasible alternative. We are seeking to satisfy a whole not only a part of a need of our people and that is why we have offered this Bolton substitute.

Those members who were here on Friday, the majority leader and the chairman of the Committee on Banking and Currency say that this housing program for the lower middle income groups, may be a good idea; that they will be thinking about it. Now, that is no adequate assurance. I had expected far more from them than that. I had expected at the very least that they would say in response to this Bolton substitute "Gentlemen, we understand the problem; it is a very real and pressing problem. The moment we dispose of this housing bill we will take care of that next and do our utmost to bring to the floor for a vote at this first session of the Eighty-first Congress housing relief for the lower middle income groups."

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not a fact that 22 members on the other side of the aisle have introduced similar legislation?

Mr. JAVITS. That is right. There seems to be a universal demand for housing relief for the lower middle income groups. When I addressed the National Public Housing Conference recently my proposal of this program to help relieve the housing shortage for the lower middle income groups was enthusiastically received, because they realized that in our country we need and should endeavor to write comprehensive housing legislation.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, the other day I heard the distinguished gentleman from Michigan [Mr. WOLCOTT] say that if we would turn to page 13 of the bill (H. R. 4009) we would find that there is no provision there for slum clearance. So, I turned to page 13, immediately upon hearing the statement on the floor by the gentleman from Michigan [Mr. WOLCOTT]. I thought perhaps I had misunderstood what he said, so I waited until the CONGRESSIONAL RECORD was printed for June 24 and found that on page 8354 he said this:

> As a matter of fact, if you will refer to page 13 of the bill now before us you will find that in the making of these contracts no consideration shall be given to the demolition of slums until 1951. All contracts made before 1951 must under the mandate of the law not provide for any slum clearance.

But, as I had expressly noted in my study of the bill before the debate commenced, that in title 1 thereof, commencing on page 4 of the bill which is slum clearance provision of the bill. It expressly provided in subsection (b) of page 10 that on and after July 1, 1949, moneys for slum clearance could be made available in a sum aggregating not to exceed $100,000,000. And, as I had expressly noted in section 105 of the bill, that it expressly provided that contracts for such slum clearance could only be made by the voluntary action of a duly authorized public agency, I, therefore, knew when the distinguished gentleman from Michigan was making his statement above quoted on the floor of the House on Friday, June 24, that he was absolutely mistaken in what he had said about it not being possible to make contracts for demolition of slums until 1951. I knew he was also absolutely mistaken, when he stated that all contracts made before 1951 were under a mandate of the bill not to provide for any slum clearance until 1951.

Here is the nub of the error of the gentleman's statement on last Friday, to wit: He did not call your attention to the fact that on page 13 of the bill it expressly provides as follows—beginning at line 9 and ending at line 16:

> *Provided*, That in view of the existing acute housing shortage, each such contract entered into prior to July 1, 1951, shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1951, if the local governing body determines that the demolition thereof would reasonably be expected to create undue housing hardship in the locality.

In reading this, you will now please note that it expressly provides that any contract entered into regarding slum clearance prior to July 1, 1951, shall provide that if the local unit of Government determines that the demolition of the slum, preliminary to the construction of a decent low-income dwelling to take its place, would create an undue housing hardship in the locality and then, and only then, would the demolition of local slums be postponed under title 1 of this bill, until after July 1, 1951. In other words, Mr. Chairman and my colleagues, the gentleman should have stated the full text and import of the provision on page 15 of the bill. Having done so, would have made it clear, that again the local governmental body at the local level of Government is, under this bill, the determining body as to policy. It is also the determining body, as to whether or not any of the moneys made available under title I of this bill for slum clearance, will be asked for of the Federal Government. Therefore, it should be now clear that the gentleman was mistaken and that the making of contracts for slum clearance would be determined by local governing bodies at the local level of residence and government; there will be demolition of slums prior to 1951, unless the local governing body itself, determines that it does not want the demolition of the local slums commenced until after July 1, 1951.

The bill, therefore, provides in this regard exactly the opposite from what the distinguished gentleman from Michigan on Friday said it provided. If the gentleman from Michigan feels that I am in any way in error of my analysis of the bill and his statement of last Friday, I invite him to make it clear in what way I am in error.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, one day this last week it was my privilege to ride over a large irrigation project we have out in one of our Western States, where young men and women are locating their new homes, building dugouts, "basement homes" they call them, moving in and setting up their families, and going about their business.

I had a chance to talk with several of those families and to talk to the community, and I guess there were probably 4,000 or 5,000 people present. I asked if they thought it would be fair for me to vote for a bill in Congress which taxes those young people living in those basement homes for the purpose of building dwelling units in a city with pavement and all the furnishings and utilities, so that people could live in those houses without paying an economic rent, where the incomes would be as great as those of these young people who live out there in the country. I said, "What do you think about a proposition like that?" It did not take them long to catch on.

All around the southeastern district of Washington, D. C., where I live, lots of my neighbors are living in these basement homes, saving their money, and getting ready to build a house up on top of that basement as, when, and if they can hold their jobs. In the meantime, they are living in what you would call very simple surroundings.

All over my district in Michigan people are doing likewise, leading simple lives, exercising thrift, saving their money, and providing their homes. That is what is involved in this picture here.

I wish somebody would put down in black and white how the Congress can enter into these contracts and then fail to carry through in the years to come.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Chairman, I am going to support the administration bill which the committee has reported to the floor of the House for several reasons. To begin with, I would like to know what a low-income family is. Twenty-five percent of the farm families of the United States receive an annual cash net income of less than $400. Are they low-income families, or are they not? If they are not low-income families, will somebody just tell me what sort of a family is a low-income family?

The next 25 percent receive a family income of less than $1,000 a year. The bill the committee has reported out gives my farmer folks a just share of that, and that is all I am asking for. I expect, by the arguments that some of the Members

make on the floor, that I ought to be—well, let us put it the other way—that I ought not to be a Democrat. You know, my taxes have been raised a thousand percent since 1932, and the Democrats did that, too. I never had anything happen that I was as proud of. My State is full of men who could not raise $16.55 to pay their personal taxes in 1932 and they now have incomes so high they have to raise the devil about it.

I am proud of that, boys, and I would rather have a loaf of bread that somebody took the heel off of one end, than not have any bread at all. They gave me higher taxes, and I am proud of it. For they gave me in return the New Deal programs that permitted me and my neighbors to work our way out of the depression, the depths of which we had reached in 1932, and made it possible for us to live like Americans should live.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. LODGE. Mr. Chairman, I favor the Bolton bill.

Mr. Chairman, I ask unanimous consent that my time be allotted to my distinguished friend from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KEATING. Mr. Chairman, I am grateful to my friend from Connecticut for his generosity.

I rise in support of the substitute bill offered by my distinguished colleague the gentlewoman from Ohio [Mrs. BOLTON]. As she has explained, this is identical with a measure authored by 10 Republicans on January 27, 1949.

I share her views that we cannot shut our eyes to the need for more adequate provision of homes for those who, by force of circumstances, are unable to provide for themselves. We cannot view the distressing slum conditions in most of our larger cities without admitting that they are a blight on our national life and cry out for corrective treatment. The municipalities throughout the country are not able to meet this problem, nor is the private building industry, with profit to itself, a perfectly proper and justifiable motive, able to furnish adequate housing for the lowest income groups, without Federal aid.

The Bolton substitute seems to me to present a more well-rounded and sound approach to this big problem than is embodied in H. R. 4009. I was pleased, of course, to hear the gentleman from Kentucky [Mr. SPENCE] state that amendments would be offered by the committee to bring the bill before us more nearly in line with many of the provisions of the Bolton substitute.

He proposes to reduce the number of public housing units to 810,000, the figure fixed by the National Conference of Mayors, and generally recognized as expressive of the proper balance between need and capacity to respond. There is not now and never has been any rational basis for the figure contained in H. R. 4009. It was simply picked out of thin air. The present recognition of this fact by the chairman and members of the committee is praiseworthy, though belated.

Another important respect in which the chairman of the committee states amendments will be offered patterned after the Bolton substitute, is to give some recognition in this housing measure to the part which private industry should play in its commendable efforts to help meet the housing shortage. It is proposed to extend for a temporary period of 60 days titles II and VI of the National Housing Act and to increase the authorized insurance under title II by $500,000,000, which will permit further functioning under this title after the end of this month, when, I understand, its funds will be exhausted.

These amendments greatly strengthen the measure before us but still do not give us a bill which presents the merit of a comprehensive housing program such as is embodied in the substitute now offered.

Others have discussed, and will discuss, the differences between H. R. 4009 and the substitute now before us, other than in the two respects to which I particularly draw attention.

One has to do with title V, beginning on page 56 of the substitute. These provisions for loans, not grants, to cooperative, and nonprofit, and limited-dividend corporations, are intended to assist a large segment of our people who are now seriously feeling the pinch of the housing shortage in this country, hard-working, self-respecting people whose income is insufficient to enable them to buy or rent new private housing but is too high to permit them to be eligible for public housing. Roughly, they might be said to be in the income group from $2,000 to $4,000 a year, constituting more than one-fourth of our population and including a very large number of veterans. This title provides that loans will be made available to nonprofit corporations and limited-dividend corporations and redevelopment companies which are restricted as to the rents they can charge and the profits to be derived.

A number of communities, including the city of Rochester, N. Y., which I have the honor to represent, have undertaken to try to alleviate the housing shortage in part by proceeding under the provisions of enabling statutes in the various States to raise the necessary capital to commence construction of housing developments on a nonprofit basis. Earnest and public-spirited citizens have devoted long hours and tireless energy to attempt to assist in the alleviation of the distressing plight of those who can find no adequate living accommodations within reach of their pocketbooks. They have constructed, for instance, in my community, four housing projects which are a credit to the community. Private capital for this purpose, however, is no longer available. It cannot be expected that the individuals who have done so much in getting these various projects started should launch into further ambitious undertakings of a like character. Yet the need continues. The field for this type of enterprise is still fertile. Title V, as envisioned in the Bolton substitute, would permit the Government through its loaning powers, to make possible further extension of these worthwhile enterprises, thereby providing homes at reasonable rents and without eventual cost to the Government, to a great number of our hard-working and self-respecting citizens.

Then we come to title VI in this substitute, which is intended to provide incentives to the private building industry to produce more housing at the lowest possible cost by liberalizing the arrangements for financing and, incidentally, reducing the monthly carrying charges.

Title II of the National Housing Act providing for mortgage insurance is amended in the following respects:

First. The amount of the mortgages which may be made eligible to qualify for mortgage insurance is increased.

Second. A new provision is inserted which permits the principal of the mortgage to be further increased by $1,000 a room to cover the third and fourth bedrooms in larger single-family residences.

Third. The maturity of the mortgages eligible for mortgage insurance is extended for 5 years, provided that in no event shall the maturity exceed the estimated period of the useful life of the property.

Fourth. A guaranty of construction by the contractor is required for the protection of the owner and the Government in order for a mortgage to be eligible for insurance.

Fifth. Provision is made, similar to that relating to mortgages issued under the Serviceman's Readjustment Act, that no premium charge shall be made for insurance in the case of mortgages under $8,000 taken out by a veteran. This reduction of one-half of 1 percent in mortgage interest, of course, reduces the carrying charges several dollars a month for those who are struggling to meet the expenses of keeping up a home.

Also the financing arrangements relating to mortgage insurance on rental housing units are likewise liberalized by increasing the amount of the permissible mortgage loans and extending the length of time which a mortgage may run to be eligible for insurance with a similar provision that this period must not exceed the useful life of the property.

Title VI of the National Housing Act, dealing with mortgage insurance on veterans' housing, is amended in the following respects:

First. Since this program will now expire on June 30, this year, the time limit is extended until March 31 next year. I understand an amendment will be offered to increase this period to 1 year from its present expiration date, or June 30 next year.

Second. Since the period of the amortization of the loan is now discretionary with the Federal Housing Administration and averages about 33 years, this is extended so as to permit a mortgage running up to a period of 45 years, provided that it does not exceed the estimated useful life of the property.

Third. Provisions are made to facilitate the financing of prefabricated housing construction and to liberalize the restrictions on mortgage loans placed on such houses after they have been erected.

Finally, in amendments of the Servicemen's Readjustment Act, perhaps the most constructive incentive to a healthy increase in private building activities is furnished through the removal of the present restriction prohibiting the purchase by the Federal National Mortgage Association of more than 50 percent of mortgages from any single holder. This is a matter which has time and again been brought to my attention by private builders and others who have contended that, if this secondary market for mortgages could be enlarged, they would be able to make a much greater contribution than at present to the solution of the housing shortage. I have no doubt that is true. Under present law, the Government is precluded from taking an assignment of more than one-half of the mortgages held by any one bank or loaning institution. For that reason, in many communities it is no longer possible to secure a GI mortgage loan. The passage of this substitute measure should go a long way toward reopening the market for these loans and should be a definite spur to the private building industry. Presumably the Federal National Mortgage Association would never exercise its powers to purchase all of the mortgage loans held by any financial institution, but the lifting of this present 50-percent restriction would certainly make available a broad field of mortgage financing which has now almost completely dried up.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent that the time allotted me may be yielded to the gentleman from New Jersey [Mr. CASE].

The CHAIRMAN. Is there objection to the request of the gentleman from Washington [Mr. TOLLEFSON]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CASE] for 5 minutes.

Mr. CASE of New Jersey. Mr. Chairman, I am grateful to my colleague from Washington [Mr. TOLLEFSON].

Of course, Mr. Chairman, even 5 minutes is not sufficient for an adequate discussion of this subject.

I take the floor primarily to emphasize one point: that this proposed legislation is now, and has been since its inception, a bipartisan effort to take care of one of the great social and economic problems of our time. And it should be so.

It is perfectly clear to me that this is a problem which private enterprise can never solve. It has not solved it in the past. It is not a matter of the dislocations caused by the war or of the rent-control laws of the past few years. We have had people living in inadequate housing long before World War II. The old-law slums of New York have been in constant use for over half a century. Private enterprise has never succeeded in getting rid of those things. The forces that have prevented it from doing so still operate. Unless Government financial assistance is given, the problem never will be solved.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. CASE of New Jersey. I yield.

Mr. LODGE. The gentleman is making an excellent statement. Is it not a question of balancing the public interest, on the one hand of maintaining our private property competitive system and on the other hand of responding to the social problem of inadequate, substandard housing? Now, the Bolton bill provides that private enterprise shall be encouraged to serve as large a part of the total need as it can. But insofar as the Bolton bill is a bill for subsidies, insofar as it interferes with the free play of economic forces we must weigh that interference against the public interest involved in removing these slum areas as breeders of crime, disease, and delinquency. In my opinion our bill responds to this problem in a comprehensive and effective manner.

Mr. CASE of New Jersey. I fully agree.

The question arises, Why do you not let the cities and States provide this assistance? The answer is that the cities and the States are not able to meet this problem.

It is perfectly true that all money that the Federal Government raises comes from people who live in cities and in States. But the cities and States cannot get that money. There are several reasons why this is so.

One is that in many States the urban centers are inadequately represented in the State legislatures.

Another, more important reason is, the competition between the States to keep their tax rates low.

The problem of competition between the States in the matter of tax rates lest they lose residents and business enterprises is a vital one. We are all interested in the proposed Commission on Inter-Governmental Relations which is soon to be considered by the other body. Perhaps it may find the perfect answer to this problem. But I do not think it can be solved merely by a better division of revenue sources between the States themselves or between the States and the Federal Government. I doubt whether the problem can be solved without some use of the Federal taxing power and, thus far at least, no one has suggested a better solution than the system of Federal grants-in-aid.

The opponents of this bill raise two fundamental objections. The first, that of the Federal debt and the Federal finances, and the second the danger of socialism. On the first score we must take into consideration the costs that we are already paying, visible and invisible, due to the absence of decent housing for millions of our people.

The cost is large, indeed, but considering the benefits gained it is my honest belief that it is not too large a program for a country such as the United States to undertake.

As to the question of socialism; of course, this is what it is. The Government would be aiding in the clearance of slums and in the creation of low-cost housing, and in the subsidization of people who cannot afford to pay economic rent. That is what it is. I do not think we have to worry about name calling or who is for it or who is against it.

Mr. CANFIELD. I wonder if the gentleman would permit me to read the names of the authors of bills that have been introduced that are similar to this Bolton bill?

Mr. CASE of New Jersey. I will ask the gentleman to wait until I finish my statement.

Mr. CANFIELD. They are 22 in number.

Mr. CASE of New Jersey. Our Government has never hesitated to intervene in economic matters when there was a need which private enterprise could not meet. I see no reason why it should hesitate to do so in this instance and I say to my good conservation friends, as I have said heretofore, that if responsible leaders do not let the Government meet the essential needs of the people, then the people will turn to leadership which will take them down the road to socialism and worse, and in very short order.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

The Chair recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, if the Bolton substitute is adopted we will not have an opportunity to extend title I as contemplated in the Spence, or committee, proposal; we will not have an opportunity to extend $500,000,000 authorized in title II, as contemplated in the committee bill; and we will not have an opportunity to extend title VI, in which many Members are very much interested; in fact, they are interested in these three particular titles.

So, if you want to vote to extend title I, to extend $500,000,000 for title II, and to extend title VI, vote down all these amendments and substitutes, and vote for the committee bill.

I do not know what the effect will be of the substitute introduced by the distinguished gentlewoman from Ohio, because the committee has not given consideration to that bill. I insist that any bill that involves not only billions of dollars but more than $10,000,000,000 should certainly have adequate consideration by a committee of the House. That bill has many words and phrases in it with which I am not familiar, many sentences with which I am not familiar; I do not know what the effect of the bill will be if it is enacted into law. I cannot, therefore, recommend this bill.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I am very glad to yield to the gentlewoman from Ohio.

Mrs. BOLTON. I wish to remind the gentleman from Texas that the bill was introduced in January. The committee had ample time to consider it.

Mr. PATMAN. I notice there have been two star prints; so, evidently, the bill was not correct the first time. It was not satisfactory to its author the second time and it took the third print to be satisfactory.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from New York.

Mr. JAVITS. The committee should not be misled on that point. This bill was offered before the 1st of February, stars or no stars. It was introduced by 22 Members.

Mr. PATMAN. I do not doubt that, but the committee has not considered it.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, the Committee on Banking and Currency has carefully considered the bill, H. R. 4009. We have had as witnesses those who will have the duty of administering the act.

It is a wise provision of parliamentary law that bills are referred to committees. All parliamentary law has grown up like common law by the experience of mankind and its wisdom is shown every day in the procedure of the Congress.

It is true we did not consider all of the bills that were introduced, we could not consider all of them, but we considered this bill with the object in view of eliminating slums and of bringing public low-rent housing to the people who needed it. We think this bill will do that. It has the approval of those who will have to administer it. It was drawn after many hours of careful consideration and study.

What kind of legislation is it when complete bills—some 78 pages in length—are brought before the Congress to adopt as a substitute for a bill that has been considered according to the ordinary processes of legislation and the requirements of parliamentary law? I do not know what is in the Bolton substitute. I know there is one thing in it to make direct loans by the Government, which is a radical departure from all existing law. It is a revolutionary departure and it certainly ought to be considered by the committee and reported after long study by the committee.

I have told some Members who advocate this program that they would be given a hearing some time in the future. In the very nature of things you cannot set a definite date for a hearing. We are perfectly willing to hear these questions and to consider them with a view to bringing out a bill that might meet the objectives that they seek to attain. The matter of housing for our people should not be made a partisan matter. It affects all our people—whatever their political affiliations. However from all of the evidence I have been able to gather I believe the Members on the Republican side are making it a party matter, notwithstanding the will of the people.

I ask the Members to vote down all these amendments. If you want slum clearance, if you want low-rent public housing, the way to attain it is to vote for the administration bill. I have no objection to ordinary amendments that we can understand and discuss, but when Members come in here with a whole bill containing all of these complicated sections that we have had no chance to study, I say the safe thing is to vote them all down and vote for the pending administration bill. If some amendments are proposed that will improve it, I will have no objection to them. We are going to offer some amendments. We are going to offer an amendment to reduce the number of units. We will offer an amendment that will continue for 60 days title I and section 608 of title VI of the National Housing Act, and we are going to offer an amendment that will increase the authorized insurance under title II by half a billion dollars.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. JAVITS] to the Bolton amendment.

The amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. COUDERT] to the Bolton amendment.

The question was taken; and on a division (demanded by Mr. COUDERT) there were—ayes 78, noes 110.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Ohio [Mrs. BOLTON].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 50, noes 150.

So the amendment was rejected.

Mr. LEMKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEMKE: Strike out all after the enacting clause and insert the following: "That the National Housing Act is hereby amended by adding the following new title:

"'TITLE VIII—HOME OWNERS LEAGUES

"'DEFINITIONS

"'SEC. 801. For the purpose of this title—

"'(1) The term "mortgage" means a first mortgage on real estate, in fee simple, or on a leasehold (A) under a lease for not less than 99 years which is renewable or (B) under a lease having a period of not less than 50 years to run from the date the mortgage was executed; and the term "first mortgage" means such classes of first liens as are commonly given security advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

"'(2) The term "maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accordance with the periodic payments provided for in the mortgage.

"'(3) The term "single-family residence" shall include a single dwelling unit in a cooperative apartment building.

"'(4) The term "State" includes the several States, and Alaska, Hawaii, Puerto Rico, the District of Columbia, and the Virgin Islands.

"'CREATION AND POWERS OF HOME OWNERS LEAGUE

"'SEC. 802. (a) The Federal Housing Commissioner (hereafter in this title referred to as the "Commissioner") is authorized to provide for the establishment of home owners leagues which shall be authorized, subject to rules and regulations to be prescribed by the Commissioner, to hold title to real estate for its shareholders and to guarantee the payment of loans made by the Commissioner to its shareholders.

"'(b) Any ten or more individuals may apply to the Commissioner for authority to establish a home owners league, and at the time of such application shall transmit to the Commissioner articles of association, signed and sealed by each of the incorporators and executed before a judge of any court of record or a notary public, which shall contain (1) the name of the league, (2) the place where its principal office or place of business is to be located, and (3) such other matters as the Commissioner may by regulation require. If the Commissioner is of the opinion that the incorporators transmitting the articles of association are responsible persons, and that such articles of association are satisfactory in all repect he shall issue or cause to be issued to such incorporators a certificate of approval and the league shall become, as of the date of issuance of such certificate, a body corporate by the name set forth in its articles of association.

"'(c) Each home owners league created under this section shall have succession from the date of its organization unless it is dissolved by act of its shareholders, its franchise becomes forfeited by order of the Commissioner, or it is dissolved by act of Congress, and shall have power—

"'(1) To adopt and use a corporate seal.

"'(2) To make contracts.

"'(3) To sue and be sued, complain and defend, in any court of law or equity, State or Federal.

"'(4) To conduct its business in the State in which its incorporators reside.

"'(5) To do all things as are necessary or incidental to the proper management of its affairs and proper conduct of its business.

"'(d) No individual may become a shareholder of a home owners league without the written consent of all other shareholders. Such written consents shall be filed with the Commissioner.

"'(e) Each shareholder of a home owners league to whom a loan has been made by the Commissioner under this title shall be jointly and severally liable for all obligations of the league in an amount equal to 5 percent of the value (determined by the Commissioner as provided in section 803 (b) (1)) of the property in respect of which the loan was made.

"'LOANS BY THE COMMISSIONER

"'SEC. 803. (a) The Commissioner is authorized, upon application by a shareholder of a home owners league, to make a loan to such shareholder to enable him to purchase or finance the construction of a single-family residence to be owned and occupied by him as his home.

"'(b) Any loan under this section shall—

"'(1) Involve a principal obligation (including such appraisal, inspection, and other fees as the Commissioner shall prescribe) in an amount not to exceed $12,000.

"'(2) Be secured by a deed to the property or a first mortgage executed by the person desiring a home and the President and Secretary of the Home Owners League.

"'(3) Have a maturity satisfactory to the Commissioner, but not to exceed 20 years from the date of the mortgage.

"'(4) Contain complete amortization provisions satisfactory to the Commissioner requiring periodic payments by the mortgagor not in excess of his reasonable ability to pay as determined by the Commissioner.

"'(5) Bear interest at 3 percent per annum on the amount of the principal obligation outstanding at any time beginning with the date on which the loan is completed.

"'(6) Provide, in a manner satisfactory to the Commissioner, for the application of the mortgagor's periodic payments (exclusive of the amount allocated to interest) to

amortization of the principal of the mortgage.

"'(7) Contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Commissioner may in his discretion prescribe.

"'(c) A loan shall not be made under this section in respect of any property unless—

"'(1) The purchase price does not exceed the appraised value of the land and dwelling to be purchased or constructed.

"'(2) The individual or individuals to whom the loan is made shall pay the following percent of the construction cost or the purchase price of the property:

"'(a) On a home of $6,000 or less, no percent.

"'(b) On a home of over $6,000 to $8,000, 15 percent on the amount above $6,000.

"'(c) On a home of $8,000 to $10,000, 20 percent on the amount above $8,000 in addition to the 15 percent on the amount above $6,000 to $8,000.

"'(d) On a home of over $10,000 to $12,000, 25 percent on the amount above $10,000 in addition to the 15 and 20 percent above.

"'(3) The home owners league of which such individual is a shareholder (A) guarantees the payment of the interest on and the principal of such loan, and (B) acquires title to the property in respect of which the loan is made.

"'(d) Disbursements on loans to finance the construction of a dwelling shall be made from time to time by the Commissioner only after he has determined that the construction is proceeding in accordance with the specifications and other terms of the construction agreement.

"'(e) The Commissioner may at any time, under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instrument secured thereby, or consent to release of parts of the mortgaged property from the lien of the mortgage.

"'POWERS OF COMMISSIONER

"'SEC. 804. (a) The Commissioner shall have power to pursue to final collection, by way of compromise or otherwise, all claims arising out of any loan made under this title. The Commissioner may extend the time for making any payment for a period not to exceed 1 year.

"'(b) The Commissioner shall have power to deal with, complete, rent, renovate, modernize, insure, make contracts or establish suitable agencies for the management of, or sell for cash or credit, in his discretion, any properties, acquired as the result of any default in the repayment of any loan made by him under this title.

"'TAX CREDIT

"'SEC. 805. (a) A shareholder of a home owners league, who has purchased or built a home under this title, shall be given a credit as payment on his loan equal to the payment he makes on his net income tax imposed by chapter I of the Internal Revenue Code.

"'(b) Each home owners league created under this title (including but not limited to its franchise, capital, reserves, surplus, and property of any kind) and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority.

"'(c) For the purpose of carrying out the provisions of this act, the Commissioner is hereby authorized to issue or cause to be issued home owners bonds and sell same in the open market. Such bonds shall be obligations of the Government of the United States and shall bear interest at the rate of 3 percent per annum and be tax exempt.

"'REGULATIONS

"'SEC. 806. The Commissioner is authorized to prescribe such regulations as may be appropriate to carry out the provisions of this title.'"

Mr. LEMKE (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, as far as I recall there have been only 5 or 10 minutes of debate on this amendment. I do not believe the Members at this moment are in a position to waive the further reading of the amendment, at least until we find out something more about it than we know at the present time. Therefore, Mr. Chairman, I object to the request.

The CHAIRMAN. The gentleman from North Dakota [Mr. LEMKE] is recognized in support of his amendment.

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes to fully explain the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LEMKE. Mr. Chairman, I hope all Members will follow me for a few minutes. We are all interested in knowing that we have homes. Nobody will object to increasing the number of homes. Without homes there will be no stability of government.

A lot has been said about low-income tenants. I prefer home owners to tenants. It has been suggested that we could build low-income properties at $36 a month. If that statement is correct, then you must have in mind slums to begin with, or, better still, just dives. No person can even consider an apartment at $36 a month for it will cost more than that to keep it up and pay the taxes on it. You must remember we are figuring on a 30-cent dollar, not on the usual dollar that was worth 100 cents.

Now, to get back and explain my bill. It is similar to the Federal land bank loans. We form an association of 10 or more. Every member of that association is responsible for an additional 5 percent to his fellow-members if they do not pay up their quota. It is exactly identical, as far as that goes, with the original Federal land bank loans, an additional 5 percent responsibility in losses made by members of that association.

In order to become a member of this association you must have unanimous consent of the other members. In other words, we keep out the men who like to get in and sponge on the other members. They must be responsible parties. There are some people who do not intend to live on their own efforts but to live on the efforts of other men and women. We are not interested in that class of men and women; we are interested only in those who honestly desire a home and want to build it on their own resources, and I simply ask for a loan.

The bill then provides for a low-interest rate—3 percent per annum. This 3 percent is to run for 20 years. That is, a person who builds or buys a home pays 3-percent interest for 20 years, and at that time he must pay the full amount of the loan. In other words, this bill does not regiment you. It permits you to build your home where you please, or to get the architect or contractor of your own choice. It gives you an opportunity to have something to say about your own home.

In the next place, the bill permits you to buy the home where you please; you do not have to buy the home designated by the Government or live in the locality that the Government tells you you have got to live in—in other words, along the railroad track where there is a train every 5 minutes. It seems to me no one can object to the provisions of this bill who believes in home owners rather than in tenants. Again, if you create and build enough homes you will do away with slums. I am as much opposed as any Member on this floor to slums. The way to get rid of slums is the Baltimore plan: Condemn them as unfit to live in, and you will find then that the owners of these slums will clean them up and improve them, because if there are other places where the tenants can live, they will go there.

The people should have the right to borrow from the Government money for homes at low rates of interest. I have always felt that people living in the cities were as much entitled to have homes as the people who live on the farms, and they are as much entitled to have the benefit of the Federal Land Bank provisions as are the farmers. We propose that you may borrow a certain amount from the Government; that up to $6,000 the Government will make a loan for the full amount of the building that you buy or that you wish to have built, with the necessity for your paying varying percentages of the cost above $6,000; for instance, 10 percent up to $7,000, 15 percent up to $8,000, 20 percent up to $10,000, and then if you go over $10,000 you pay 25 percent for the last $2,000 up to $12,000. That gives ample protection to the Government that it will get its money back in 20 years.

If we are going to do something for the people in the lower brackets who are not able to raise any money, then let us give them the full amount of the mortgage, $6,000; and a $6,000 loan can be paid back quicker and easier than a $12,000 loan, because the family in the low-income bracket that has only 3 percent to pay on a $6,000 loan pays only $180 a year interest, and they can do that if they are at all entitled to a home. I think this bill takes care of all the low-income families, except those who for mental or physical reasons are unable to work, and for those we can and must make other provision by law.

This bill takes care of the abled-bodied men and women in this Nation in the lower brackets, and I feel it is so much simpler, it is so much more direct, that it ought to be adopted. If you adopt this bill I am sure that the slums in the

United States of America will largely disappear. I was talking to a real estate man the other day. He told me he could always tell the difference between tenants who once owned homes and were responsible for homes, and tenants who never had any responsibility, because he said the former home owners would always take care of the place they lived in, and there would be as much as two or three hundred dollars less damage done to the place they lived in.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. LEMKE. I yield.

Mr. CHRISTOPHER. Along that line, I can tell a landlord who has been a tenant just the same as I can tell a tenant who has been a landlord; it works both ways.

Mr. LEMKE. I know that it works both ways, and you can tell by the wear and tear on the property, for the man who never has been a home owner but has been a tenant all his life never was interested in taking care of the property he occupied. We do not want tenants; we want home owners. It should not come as a surprise to anyone that a man or woman is never as much interested in other people's property as in their own; they are better citizens when they own a home of their own. I want them to have a home of their own choice and if they have some children that they may have a cat or two, a dog or a cat, or a garden and have pride in their home; because, after all, I feel that is the way to make home owners, that is the way to make taxpayers.

One objection that has been raised to this bill is that you are excusing these people from paying taxes. Yes; I am, but they are not taxpayers as long as they are transients, and at the end of 20 years I am making them taxpayers; at the end of that time they become the owners of their homes and they pay taxes. As long as you keep them as mere tenants, as long as you keep them homeless, they will pay no taxes. They never have and never will. With this bill we are making them, first, home owners, and at the end of 20 years they will be taxpayers.

For that reason this bill is preferable to my way of thinking to any other bill.

Some people talk about socialism; both sides have talked about that term loosely, but, Mr. Chairman, we are all more or less socialistically inclined; we are interested in the social welfare of the people of our Nation. You know, when you go into a post office and get your mail, you get it out of a socialistic institution; when you step on the sidewalk downtown you are stepping on a socialistic sidewalk; when you get into your automobile and go to a public school to get your daughter or son out of that school, you are getting them out of a socialistic institution; if you get into court, you are in another socialistic institution giving you social justice, and if you get in jail you are in another socialistic institution for the time being.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendments offered by the gentleman from North Dakota [Mr. LEMKE].

Mr. Chairman, the bill of the gentleman as detailed by himself has many novel features. The bill was never considered by the committee and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. LEMKE].

The question was taken; and on a division (demanded by Mr. LEMKE) there were—ayes 61, noes 116.

So the amendment was rejected.

The Clerk read as follows:

DECLARATION OF NATIONAL HOUSING POLICY

SEC. 2. The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective hereby established shall be: (1) private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, the development and redevelopment of communities, and the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; (4) governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill. The Housing and Home Finance Agency and its constituent agencies, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing, shall exercise their powers, functions, and duties under this or any other law, consistently with the national housing policy declared by this act and in such manner as will facilitate sustained progress in attaining the national housing objective hereby established, and in such manner as will encourage and assist (1) the production of housing of sound standards of design, construction, livability, and size for adequate family life; (2) the reduction of the costs of housing without sacrifice of such sound standards; (3) the use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction and maintenance; (4) the development of well-planned, integrated, residential neighborhoods and the development and redevelopment of communities; and (5) the stabilization of the housing industry at a high annual volume of residential construction.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed in the RECORD at this point and open to amendment at any point thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WOLCOTT. I object, Mr. Chairman.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to dispense with the reading of title I, that it be printed in the RECORD at this point and be open to amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WOLCOTT. Mr. Chairman, I object. We have not finished section 1 yet.

Mr. HOLIFIELD. Mr. Chairman, I hold in my hand a copy of the New York Herald Tribune of November 7, 1948, under the byline of Mr. Bert Andrews, which contains an interview with our respected minority leader, the gentleman from Massachusetts [Mr. MARTIN]. I quote from that interview the gentleman from Massachusetts:

"The Republican Party digressed too far from the people," Mr. MARTIN said. "We offered them too many Brahmins; too many plutocrats. I have nothing against plutocrats, except too many of them have got into the party. They offered no personality, no appeal to the people, and created a narrow circle that prevented extension and opening of the ranks."

Now, gentlemen, this is a chance for the Republican Party to open up its ranks and take in a little new blood and widen the base of its operations by getting behind a housing bill that is for the people and not for the Brahmins and the plutocrats.

Mr. Chairman, in our debate on the public housing bill I want to dispose of the charges of socialism. This cry has always arisen against any social-reform program, against public education, a public-postal system, the 8-hour day, conservation of natural resources, Federal grants to States for highway construction, stabilization of bank reserves, child-labor legislation, minimum wages, the graduated-income tax, equal suffrage for women, social security, unemployment compensation, regulation of the securities market, enforcement of antitrust laws, collective-bargaining rights

for unions, agricultural stabilization, RFC loans to business, and many other worthy programs.

It is interesting to note that over the years, notwithstanding the cry of socialism, these programs have strengthened the democratic free-enterprise system, and have been accepted by Americans of all political parties as a necessary part of the American way of life. The people demand protective services from their Government to increase the health, opportunity, and security available to their fellow citizens for the strengthening of the general welfare of our Nation.

In a democracy the people are supreme. If a majority of the people decide that a certain project is for the social good, then that project becomes a democratic project. Some of my colleagues may call it socialism, but I call it collective security through democracy. The primary difference between democracy and socialism or statism is that the majority of the people have the power to decide what is good for them through democratic government, while in a totalitarian state, a few rulers, a minority, have the power to impress upon the majority of the people their conception of what is good for them.

The people of America have come to the conclusion that the festering slums of our cities and farms must be removed. They have come to the conclusion that the slums of our cities are the breeding grounds for vice, crime, disease, and foreign "isms."

We cannot afford the slums from the economic standpoint. The indirect costs of allowing unhealthy environments to take their toll on health, morality, and individual initiative, total larger than the costs of removing the unhealthy environment.

From the standpoint of preservation of democracy we cannot afford slums, because it is here, among the desperate people who live in squalor and disease, that the seeds of communism find their most fertile soil.

I say, then, to those individuals who are always waving the flag and shouting their abhorrence of communism, that, if they want to do something more than talk about preventing communism, they will find in this bill an opportunity to fight communism at its roots. It is easy to make speeches, but the man who sincerely wants to prevent communism will fight its causes in our society and thereby prevent its inception.

Mr. HARDY. Mr. Chairman, I move to strike ou the last word.

Mr. Chairman, I have many misgivings about some of the provisions of this bill. I have listened with a great deal of interest to various appraisals of it. Many of my colleagues have expressed widely divergent views. There does seem, though, an agreement that a problem does exist. Each of us recognizes an urgent need for more homes for American families. Each of us knows that slums should and must be eliminated. The question then becomes one of determining whether this bill will accomplish these purposes and, if so, whether that accomplishment will be in a manner consistent with our basic philosophy of government, and whether we can afford the costs.

Practically every Member of this House is dedicated to the principles of a private-enterprise system. Certainly I am. Prior to 1937 the building of homes to house American families was considered to be entirely within the province of private enterprise. I would prefer to see this responsibility continue entirely as a responsibility of private enterprise, if private enterprise could and would adequately cope with the problem.

Like others who have spoken on this bill, I believe that private enterprise, if encouraged and aided, can ultimately lick this problem. I not convinced that it will, nor can I guess how long it may take. There is the possibility that, if left entirely to private enterprise, the problem may remain too long. Like a cancerous sore, it could be a major contributing factor to destruction of the private-enterprise system in which we believe, and even destructive also of political democracy.

I am disturbed because like some of my colleagues I see in this measure certain socialistic implications. But I am confronted by an urgency for housing in my own district that is already driving many good and substantial citizens to a point of desperation. Like other Members of the House, I would like to find some way to improve the living conditions of these people. Private builders want to meet this need, but you and I know that the present costs of construction make it impossible for them to build new homes to sell or to rent at prices which a large percentage of our people can pay.

With regard to slums, let me give you an example of their costs from the largest city in my district, Norfolk, Va. In that city, there is one slum area consisting of about 47 city blocks. There are about 2,300 families living in this particular slum area. If all the taxes levied in that area were actually collected this year, the local tax return from the area would be about $40,000. The actual city expenditures in the area for schools, garbage collection, and fire protection are almost four times this figure, amounting to approximately $158,000. There are many other city expenditures directly attributable to this particular slum area. For example, 20 percent of the tuberculosis cases in the entire city of Norfolk, over a 3-year period, involve residents in this area. Consider also, crime, delinquency, and public welfare.

Slums pay relatively small local taxes. Slum areas and slum conditions have a way of perpetuating and expanding themselves. I think the problem stems from the development of practices which have gradually grown up within our economy.

I wish it were possible that local businessmen throughout our Nation would admit that slums are local problems, and exert the ingenuity, the inventiveness, and courage necessary to dispose of the problem. They would have to be ruthless in brushing aside whatever interests stand in the way of community development and I know they would have to overcome many political and financial hazards. Perhaps there may be a way to do this, but it is obvious that it has not been found and is not being used. Thus it appears to me that our slum-clearance proposals justify themselves.

The counterpart of any slum-clearance program is housing construction for the families removed from blighted areas. If conditions make this impossible for private builders it would seem to become a governmental function. The bill attempts to partially meet the problem by making available decent homes for people who have been forced to live under substandard conditions. Few of these people are even potential customers for decent private housing. There still remains a great number of families, ineligible for public housing and yet unable to buy or to find places to rent. Their needs challenge the ingenuity of private builders and simultaneously challenge us to provide every reasonable governmental encouragement and assistance.

I shall support certain amendments to this bill. And, although I devoutly wish that there was no need for this legislation, I hope that after it has been perfected I shall be able to support it.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, so far there has not been any explanation, as I expected there might be, of this first section, which is the policy section. I think we should have very definitely in mind that by the adoption of this bill we set up as a matter of policy on the part of the Federal Government that this Congress should write matters of policy for the State governments. So we here in the Congress set up an urban redevelopment program, and, after all, the slum clearance in this bill is not slum clearance but urban redevelopment, by which the Federal Government obligates itself to pay from a third to a half of the cost of this urban redevelopment. We set up as a goal in the declaration of policy as follows:

> The realization as soon as feasible of a goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities.

Now we undertake as a matter of policy on the part of the Federal Government to do that. Then we undertake as a matter of policy to acquire homes at lower cost. We undertake as a matter of policy to help the States and the cities in the development and redevelopment of their communities, and to help people with incomes so low that they are not being decently housed in new or existing housing. That is not a fact under the bill. It is not a fact. The declaration of policy is so broad that if we were to legislate on the declaration of policy you would not have a sixteen to twenty billion dollar bill here, but you would have a couple of hundred billion dollar bill.

I asked Mr. Foley, when he was before the committee, what we could do to get the prices of homes down, because un-

der this declaration of policy we guarantee to the American people that it is going to be our objective to give them cheaper homes.

On page 71 of the hearings you will find wherein I asked Mr. Foley this question:

What can we do about it, immediately?

I was speaking of the cost of building.

Mr. Foley answered:

I do not know that Congress can do anything to immediately bring down the cost of housing unless, of course, you are willing to go to the matter of controls and the setting of prices, and so on. That is not proposed in H. R. 4009. Nor do I think that it is necessary for housing at this time.

There we have a very definite statement by the Administrator of the Housing and Home Finance Agency that nothing in this bill, surely, can bring the cost of housing down. It is hoped that through research it might be done, but that is something away in the distance and, of course, the only information that the researcher can get is that information which the industry itself can furnish the Government.

In respect to the clearing of slums, and providing for low-cost housing, I want to call attention to the fact that there is a program already in existence by which the public war housing, of which there are 331,381 units, have been reserved by the administration although they have a definite mandate in the law to dispose of them.

They are reserving them for the localities so that when this bill is passed they can be blanketed into this program, either as slum-clearance projects or as low-rent housing projects; 331,381 units are to be blanketed into this program in such a manner as to prevent any use of the moneys allocated for the first years for new construction. So you do not necessarily get any new construction under this bill for the next 3 or 4 years.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. YOUNG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in time of war, for purposes of destruction, our Government, by the use of subsidies and cash incentives, constructed at Oak Ridge, Tenn., within 6 weeks' time, a city capable of housing 100,000 people—this for purposes of destruction.

Now, in time of peace in order that homeless veterans and other people crowded in with in-laws and living in unsanitary surroundings, may be given places at low cost in which to live, it is terribly important that we in this Congress pass this legislation. In fact, low-cost housing and slum clearance are America's No. 1 domestic problem.

When they shipped from Newport News, New York City and San Francisco, veterans knew they were being taken for a long, long ride. But that long ride, which so many millions of us took during the bitter war years, has been as nothing compared to that long, long ride that the last do-nothing Congress gave to the veterans and others of this country who were inadequately housed. At the conclusion of the last session of this Congress, the homeless veterans were still homeless. The slum dwellers in our cities were still hopeless. So it is of the utmost importance that we do something about that. Today we are considering a matter of tremendous importance when we consider providing low-cost housing and slum clearance for our people.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. In just a moment I will yield. It has been stated that instead of talking in generalities about slum clearance for our cities, we consider the expense. Let me say that I come from the great city of Cleveland. In the city of Cleveland fewer than 5 percent of our citizens live in what we call the blighted area, in the slum area; yet in that city one-half the time of the police department of the city of Cleveland is required in law enforcement in that blighted or slum area. One-half of the medical and institutional care that the taxpayers of my city pay out goes to people living in that blighted slum area. One-third of the time of the fire department of the city of Cleveland and nearly all the welfare and charity benefits paid out from the taxpayers of my city go not to the 95 percent of the people in the other areas of Cleveland but to that 5 percent of the people in the slum area, the slums of Cleveland.

That is true of all cities in America. Slums are not only eye sores, but they are wasteful of people and of money. To those who claim we cannot afford to have this proposal enacted into law, I assert we cannot afford to fail to have this proposal enacted into law. Not only at the edges of cities in the country but in almost every community there are these unsightly trailer camps where so many thousands of little families are crowded into those trailers. We do away with such conditions following the enactment of this measure.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. YOUNG] has expired.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent that the gentleman be given one additional minute to answer the question which I have in mind and which he promised to answer.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. YOUNG. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Like the gentleman from Ohio, I am supporting this legislation, but I want the record to be straight. While the gentleman is taking a pot shot at the Eightieth Congress, is it not also fair to state that the Seventy-ninth Congress had an opportunity to do something with this legislation and failed to do so?

Mr. YOUNG. I wish I could answer the question of the gentleman, but during the Seventy-ninth session I was out of the country, and am not in a position to answer that question. However, I do know that the Eightieth Congress left homeless veterans still homeless. The housewives of America were paying tremendous prices for their food. They were left helpless. The Eightieth Republican Congress, left the slum dwellers of our cities hopeless.

Mr. CANFIELD. Even as the Seventy-ninth Congress did. That is the record.

Mr. YOUNG. Many of those to the left of me have profited by the errors and failures of their brothers, and they are supporting the legislation at this time.

Mr. Chairman, it is of paramount importance that this Congress provide slum clearance and low-cost housing. Our President has asked for this legislation. I uphold his leadership. Those who now shout socialistic at this are the same persons who claimed that guaranty of your bank deposits was socialistic.

The Democratic Party platform, upon which we Democratic Congressmen stood for election, pledged:

We shall enact comprehensive housing legislation, including provision for slum clearance and low-rent housing projects initiated by local agencies. This Nation is shamed by the failure of the Republican Eightieth Congress to pass the vitally needed general housing legislation as recommended by the President.

If we permit a situation to continue where families are compelled to be crowded in with in-laws, when a young husband and father cannot obtain decent shelter for his little family, when people are crowded in trailers and ugly trailer camps are the only homes of thousands of our fellow Americans, we do much to cause injustices, unrest, and dissatisfaction which Communists find essential in order to promote their schemes.

In all parts of Ohio and in this Nation heads of families scan for-rent columns of our daily newspapers, call at real-estate offices, and look over the real estate for-sale advertisements, hoping against hope that by some lucky chance they may find some home for sale at a price within reason.

In our cities many millions of our fellow Americans are being compelled to crowd into disease-ridden, vermin-infested, insanitary firetraps in our slums and back streets. Are they to be condemned to spend the rest of their lives there because they are unable to pay the rent required for a decent dwelling?

Many World War II veterans, who hope above everything else for happy married lives and to rear their families in decent surroundings, have reason to be greatly distressed over their unhappy situation. Many newlyweds and couples with small children are compelled to crowd in with in-laws, living in intolerable situations. Others are compelled to pay exorbitant rents. It is a common experience of homeless war veterans in our cities to be denied an opportunity to rent an apartment or a house because of "Sorry, no children" restrictions either expressed or implied by the direct refusal to give consideration to the request or prayer of the homeseeker. This is not a new problem, but it is a tremendously oppressing and appalling problem at the present time. We read in St. Luke II: 7, of 2,000 years ago:

And she brought forth her first born Son, and wrapped Him in swaddling clothes and laid Him in a manger; because there was no room for them in the inn.

This proposed legislation when written into law would mean at least 15,000 additional home units to be built in Cleveland over the next few years as permanent public dwellings. It would mean thousands of permanent public dwellings in other cities in Ohio. Housing authorities will agree that these additional housing units are far from sufficient; in fact, we might say such a program is but a drop in the bucket. However, let us pass this bill. Let us make some progress rather than remain idle and permit matters to go from bad to worse.

Private enterprise has failed to provide low-cost housing. Most postwar building presently carried on is in the suburban sections of our cities. Virtually all of it consists of construction for sale. Private enterprise seems intent upon building six or eight thousand dollar homes, which it offers for sale for prices varying from $10,000 to $20,000. The crying need of the hour is for decent home building inside our cities. We must have homes in our cities to rent at reasonable rates.

For our veterans and others who yearn for peaceful pursuits, to establish homes, to marry, to have families and to secure the contentment and happiness for which they gave up precious years, it is of the utmost importance that we place first and foremost in the great objectives of this session of Congress, an adequate low-cost housing program. Let us extend our assistance to families of low income and to the young people of our country. If we do this we enable many of our people to throw off the shackles of disease, of crime, because when we eliminate overcrowding and put an end to degrading conditions of existence in city slums, we advance the welfare of our Nation in many respects. It is a well-known fact that we would be taking an advanced step for the perpetuation of the race. We know that slums and their conditions are detrimental to good health, morale, and good citizenship. Take a slum dweller out of the slums and put his family into a decent home. You will find that the birth rate goes higher, not lower, and that juvenile delinquency would drop 100 percent among those living away from the demoralizing surroundings of our slums.

Veterans and others seeking homes have a desire to live in humble but clean and sanitary surroundings. They are entitled to dwellings that do not leak and are not fire traps. In making a plea for passage of the administration housing bill, may I quote from the Senate report:

> From the social point of view, a supply of good housing sufficient to meet the needs of all families is essential to a sound and stable democracy. Every family must have a decent home in which to live. The character of that home determines more than anything else the character of family life, the conditions in which the children grow up and the attitude of the people toward the community and the Government.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that title I be considered as read and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Chairman, I object.

Mr. DURHAM. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this problem of housing which is before us today is nothing new to Congress. Various types of housing measures have been before us on previous occasions and I have supported legislation which I conscientiously believe to be a sound approach toward alleviating the housing conditions which exists throughout America and its possessions. I believe it is right and proper to pay attention to every idea put forward for lessening this evil and I am anxious to give consideration if a well-reasoned case can be made for such a measure. The faults in this matter are not one-sided as many would have us believe. We have depended on private enterprise for centuries and today here in America we have the best-housed people in the world.

The past century has seen a steady decline of faith in extreme economic solutions around the world. In Europe, between the wars, we saw social democracy crushed by fascism in Germany, Austria, and Spain; in Britain and France political power was squandered. Unchecked private ownership perhaps has made some mistakes. We see what unchecked state ownership led to in European countries between the war of 1918 and 1939. It led to intolerable political tyranny and military action.

Historical parallels must be closely examined. No one, in an issue of this kind, can be certain of his own position so as to refuse to consider other points of view, but I believe those of you are quite wrong in assuming and arguing that this measure, H. R. 4009, is the solution to slum clearance. The approach to the solution of this problem is not contained in this legislation. On the contrary our present programs have made a sound beginning in ridding this country of the evil. Private enterprise is still more ready than ever before to carry out their honest intentions. I have heard about lobbies here but no one has called on me for or against this measure. Evolutionary process seems to be more desirable rather than revolutionary process to obtain results. Our appraisal of so far reaching a proposal to commit the Government to a 40-year program in terms of progress lacks the basic facts and I believe we would contribute more to our society as a whole by contributing more to our already adopted programs by expanding our educational programs, social-security benefits, public health, research, rural electrification, and many others that are beneficial to the low-income group. However, in terms of maintaining all these Government functions the national income and taxes required of its citizens must be reckoned with. Congress cannot escape the fact that today we are faced with a declining income and in assuming future commitments over a long period of time this should be seriously considered. It is necessary to maintain a sound fiscal policy if we expect to continue the position of leadership in world affairs which we have assumed. It is particularly difficult amid severe internal and external strains. I believe every citizen is entitled to the maximum possible return for every dollar spent by his or her Government. The committee for which I have high regard seems to have failed as to cost consciousness or a general realization of how vital and important this is. I have arrived at a decision to vote against this measure based on what I believe to be a sound economic analysis. It should be approached in this manner and not on the basis of vote getting as it is a measure that affects the welfare of all the people.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to try to finish the little statement I started some time ago, and I will give all you folks a solemn promise that I will not seek the floor again during the consideration of this bill. That ought to relieve you considerably.

I had just gotten down to the point of stating that once upon a time I had 3,000 bushels of corn cribbed up on my farm that I felt obliged to sell.

Mr. HOLIFIELD. What year?

Mr. CHRISTOPHER. 1934. We had gotten a little above the bottom of the depression by that time, and that corn was worth around 22 cents a bushel 7 miles away over mud roads. A man came up to my farm and told me: "I will lend you 46 cents a bushel on that corn without recourse." And I said: "You're a liar." I had not in my entire lifetime had anything like that happen. I guess it was socialism; I do not know; but I was awful glad to get that 46-cent loan. The following August I hauled that corn away and got 55 cents a bushel for it, paid my loan and interest, and it did not cost the Federal Government a cent. God only knows what that little corn loan did for me; it saved my credit, it saved my reputation; it restored my confidence in myself. Maybe it was socialism; if so, it was awfully good socialism. Now there is a gravel road built from those corn cribs to the railroad; and that is worse than socialism. Do you know what that was? When they built that road that was boondoggling. Now, when you use that word that is worse than socialism. But whatever it is, it is not so bad and I do not think there is much danger in that kind of socialism, especially when I see men like CAPEHART and TAFT, Senators BALDWIN, BREWSTER, BRIDGES, DONNELL, FERGUSON, FLANDERS, HENDRICKSON, HICKENLOOPER, IVES, JENNER, LANGER, LODGE, MCCARTHY, MALONE, MARTIN, MORSE, SALTONSTALL, SCHOEPPEL, THYE, TOBEY, VANDENBERG, and YOUNG, endorsing such plans and becoming socialists right along with me; and, my God, how much better off I feel. It will not be so bad to be a Socialist with them. It is not strange for a Democrat to become a Socialist. We have been advocating liberal measures for years, but

when gentlemen like that go to becoming Socialists, you have got something to be scared about.

Who am I to resist the virus that has infected all of those gentlemen? That is what I cannot understand. Why, everything that has been done since Franklin Delano Roosevelt was first elected President of the United States has been socialistic, communistic, and boondoggling. If we pass this piece of legislation to help folks have cheap houses, who are not able to afford them at the present time, that will be more of the same thing. So, come on, Mr. Chairman, let us pass this. It has helped me, it has helped you, and my folks will not object to helping the poor in the city have a decent place to live because when we help them, they will have more money to spend for our beef, pork, milk, eggs, and so forth. I am for it.

Mr. O'SULLIVAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Chairman, as everyone knows the basic opposition to housing bill 4009 and other housing bills is the real estate lobby; other lobbies organized to feather the nest of special interests and groups; certain money loaning groups; the National Association of Manufacturers; the national and some local chambers of commerce; Sam Pettingill and his alleged Committee for Constitutional Government; and a few eager-faced, open-eyed folks who listen to the wrong people and put faith in them until it has become one of their very bad habits.

If any of the membership of these above-named pressure groups ever had a liberal idea in their respective minds, I feel sure that their heads would instantaneously explode—blow up just like an old twist barrel shotgun would if one tried to shoot new, present-day high-powered ammunition out of it.

Many of these pressure groups and some of these mentioned people still think that old Barnum, of circus fame, was right when he said that the American people like to be humbugged, and that a sucker is born every minute, but things have changed since Barnum's day, and they do not know it yet.

I am glad indeed that I do not happen to be possessed of their brand of political and financial "horrors." I do not see communism, socialism, or other bad isms every time I take a look at helpful legislation for the people, and everywhere else that I may chance to look where progressive thought exists, but I do, however, see real Americanism in this class of legislation.

Thank heavens I have no visions of national horror, change in our form of government, national disaster, and bankruptcy every time I look at or consider proper humanitarian legislation which is in the best interests of the people, and against the selfish interests of a favored few.

I believe that what the above-named groups and their ilk need most right now to bring them out of their strange psychoneurosis is strong shock treatments by public housing votes from the membership of the Eighty-first Congress. I am sure that they would wake up then and realize what all the rest of us learned so well in early childhood, that everything in this world was not made for them and theirs.

Adelaide Ann Proctor, who wrote under the pen name of Miss Mary Berwick, had something pertinent to say on housing's related text Homelessness. She, as you perhaps know, was born in Bedford Square, London, on October 30, 1825, and died February 2, 1864. During her lifetime she had occasion to observe the habitations of the poor of the city of her birth, and to observe in a womanly way, and to sorrow as only a woman can, for the plight of the homeless. No more truthfully touching verses have been written ever than her poem Homeless which is as follows:

It is cold, dark midnight, yet listen
To that patter of tiny feet!
Is it one of your dogs, fair lady,
Who whines in the bleak cold street?
Is it one of your silken spaniels
Shut out in the snow and the sleet?

My dogs sleep warm in their baskets,
Safe from the darkness and snow;
All the beasts in our Christian England,
Find pity wherever they go—
(Those are only the homeless children
Who are wandering to and fro.)

Look out in the gusty darkness,
I have seen it again and again,
That shadow, that flits so slowly
Up and down past the window-pane:
It is surely some criminal lurking
Out there in the frozen rain?

Nay, our criminals all are sheltered,
They are pitied and taught and fed:
That is only a sister-woman
Who has got neither food nor bed,
And the Night cries, "Sin to be living,"
And the River cries, "Sin to be dead."

Look out at that farthest corner
Where the wall stands blank and bare:
Can that be a pack which a peddler
Has left and forgotten there?
His goods lying out unsheltered
Will be spoilt by the damp night-air.

Nay; goods in our thrifty England
Are not left to lie and grow rotten,
For each man knows the market value
Of silk or woolen or cotton . . .
But in counting the riches of England
I think our Poor are forgotten.

Our beasts and our thieves and our chattels
Have weight for good or for ill;
But the poor are only His image,
His presence, His word, His will;
And so Lazarus lies at our doorstep,
And Dives neglects him still.

Things have not changed very much after all in the span of years which brings us to these ultra-civilized times. The extreme-right-winged real-estate lobby, and others, is our Dives today, and our Lazarus group is the great mass of the neglected common people and the underprivileged people, who are today homeless, or practically so, in the land of plenty, homeless in the land of the free and the home of the brave, while the real-estate lobbyist, and others, live in virtual palaces and greedily consume the fats of the land.

Faithful Americans in Congress, I adjure you to put your full weight heavily today upon the wicked, sinful neck of this most un-American, vicious real-estate lobby, and others, by voting for H. R. 4009.

Let us not, however, be too harsh with our erring and misguided brethren—those who fell for the swan song of, not an alluring sprite, but an undisguised, cloven-footed thing. In conclusion, I wish to call to your minds these apt lines from John Greenleaf Whittier's poem, "Ichabod," written concerning another great lawmaker, Daniel Webster, when he failed to support the emancipation cause.

I do not suggest to whom the following lines are applicable. All I have to say is if the shoe fits you wear it.

Revile him not—the Tempter hath
A snare for all;
And pitying tears, not scorn and wrath,
Befit his fall.
Oh, dumb be passion's stormy rage,
When he who might
Have lighted up and led his age
Falls back into the night.
* * * * *
When faith is lost, when honor dies,
Why the man is dead! He's dead!

Dead politically at least, I am sure.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that title I be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, I desire to make a point of order against a certain part of title I. I have no objection to the Committee rising at this time, but I am wondering if I may raise my point of order later.

Mr. SPENCE. All of the gentleman's rights will be preserved. It will be considered as read and will be open for amendment anyway.

Mr. CASE of South Dakota. Subject to my making a point of order tomorrow, I have no objection.

Mr. WOLCOTT. Mr. Chairman, reserving the right to object, I understand we are to consider title I read and it will be open to all action that may be ordinarily taken on the title if read?

Mr. SPENCE. That is the understanding. It will be open to amendment or to any other action as if it had been read.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

(Title I follows:)

TITLE I—SLUM CLEARANCE AND COMMUNITY DEVELOPMENT AND REDEVELOPMENT

LOCAL RESPONSIBILITIES

SEC. 101. In extending financial assistance under this title, the Administrator shall—

(a) give consideration to the extent to which appropriate local public bodies have undertaken positive programs (1) for encouraging housing cost reductions through the adoption, improvement, and modernization of building and other local codes and regulations so as to permit the use of appropriate new materials, techniques, and

methods in land and residential planning, design, and construction, the increase of efficiency in residential construction, and the elimination of restrictive practices which unnecessarily increase housing costs, and (2) for preventing the spread or recurrence, in such community, of slums and blighted areas through the adoption, improvement, and modernization of local codes and regulations relating to land use and adequate standards of health, sanitation, and safety for dwelling accommodations; and

(b) encourage the operations of such local public agencies as are established on a State, or regional (within a State), or unified metropolitan basis or as are established on such other basis as permits such agencies to contribute effectively toward the solution of community development or redevelopment problems on a State, or regional (within a State), or unified metropolitan basis.

LOANS

SEC. 102. (a) To assist local communities in eliminating their slums and blighted areas and in providing maximum opportunity for the redevelopment of project areas by private enterprise, the Administrator may make temporary and definitive loans to local public agencies for the undertaking of projects for the assembly, clearance, preparation, and sale and lease of land for redevelopment. Such loans (outstanding at any one time) shall be in such amounts not exceeding the expenditures to be made by the local public agency as part of the gross project cost, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding, in the case of definitive loans, 40 years from the date of the bonds evidencing such loans), as may be deemed advisable by the Administrator.

(b) In connection with any project on land which is open or predominantly open, the Administrator may make temporary loans to municipalities or other public bodies for the provision of public buildings or facilities necessary to serve or support the new uses of land in the project area. Such temporary loans shall be in such amounts not exceeding the expenditures to be made for such purpose, bear interest at such rate (not less than the applicable going Federal rate), be secured in such manner, and be repaid within such period (not exceeding 10 years from the date of the obligations evidencing such loans), as may be deemed advisable by the Administrator.

(c) Loans made pursuant to subsection (a) or (b) hereof may be made subject to the condition that, if at any time or times or for any period or periods during the life of the loan contract the local public agency can obtain loan funds from sources other than the Federal Government at interest rates lower than provided in the loan contract, it may do so with the consent of the Administrator at such times and for such periods without waiving or surrendering any rights to loan funds under the contract for the remainder of the life of such contract, and, in any such case, the Administrator is authorized to consent to a pledge by the local public agency of the loan contract, and any or all of its rights thereunder, as security for the repayment of the loan funds so obtained from other sources.

(d) The Administrator may make advances of funds to local public agencies for surveys and plans in preparation of projects which may be assisted under this title, and the contracts for such advances of funds may be made upon the condition that such advances of funds shall be repaid, with interest at not less than the applicable going Federal rate, out of any moneys which become available to such agency for the undertaking of the project or projects involved.

(e) To obtain funds for loans under this title, the Adminstrator, on and after July 1, 1949, may, with the approval of the President, issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $25,000,000, which limit on such outstanding amount shall be increased by $225,000,000 on July 1, 1950, and by further amounts of $250,000,000 on July 1 in each of the years 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $1,000,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by not to exceed in any fiscal year an additional $250,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest.

(f) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(g) Obligations, including interest thereon, issued by local public agencies for projects assisted pursuant to this title, and income derived by such agencies from such projects, shall be exempt from all taxation now or hereafter imposed by the United States.

CAPITAL GRANTS

SEC. 103. (a) The Administrator may make capital grants to local public agencies to enable such agencies to make land in project areas available for redevelopment at its fair value for the uses specified in the redevelopment plans: *Provided*, That the Administrator shall not make any contract for capital grant with respect to a project which consists of open unplatted urban or suburban land. The aggregate of such capital grants with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title shall not exceed two-thirds of the aggregate of the net project costs of such projects, and the capital grants with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.

(b) The Administrator, on and after July 1, 1949, may, with the approval of the President, contract to make capital grants, with respect to projects assisted under this title, aggregating not to exceed $100,000,000, which limit shall be increased by further amounts of $100,000,000 on July 1 in each of the years 1950, 1951, 1952, and 1953, respectively: *Provided*, That (subject to the total authorization of not to exceed $500,000,000) such limit, and any such authorized increase therein, may be increased, at any time or times, by not to exceed in any fiscal year an additional $100,000,000 upon a determination by the President, after receiving advice from the Council of Economic Advisers as to the general effect of such increase upon the conditions in the building industry and upon the national economy, that such action is in the public interest. The faith of the United States is solemnly pledged to the payment of all capital grants contracted for under this title, and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

REQUIREMENTS FOR LOCAL GRANTS-IN-AID

SEC. 104. Every contract for capital grant under this title shall require local grants-in-aid in connection with the project involved which, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency on which contracts for capital grants have theretofore been made, will be at least equal to one-third of the aggregate net project costs involved (it being the purpose of this provision and section 103 to limit the aggregate of the capital grants made by the Administrator with respect to all the projects of a local public agency on which contracts for capital grants have been made under this title to an amount not exceeding two-thirds of the difference between the aggregate of the gross project costs of all such projects and the aggregate of the total sales prices and capital values referred to in section 110 (f) of land in such projects).

LOCAL DETERMINATIONS

SEC. 105. Contracts for financial aid shall be made only with a duly authorized local public agency and shall require that—

(a) The redevelopment plan for the project area be approved by the governing body of the locality in which the project is situated, and that such approval include findings by the governing body that (i) the financial aid to be provided in the contract is necessary to enable the land in the project area to be redeveloped in accordance with the redevelopment plan; (ii) the redevelopment plans for the redevelopment areas in the locality will afford maximum opportunity, consistent with the sound needs of the locality as a whole, for the redevelopment of such areas by private enterprise; and (iii) the redevelopment plan conforms to a general plan for the development of the locality as a whole;

(b) When land acquired or held by the local public agency in connection with the project is sold or leased, the purchasers or lessees shall be obligated (i) to devote such land to the uses specified in the redevelopment plan for the project area; (ii) to begin the building of their improvements on such land within a reasonable time; and (iii) to comply with such other conditions as the Administrator finds, prior to the execution of the contract for loan or capital grant pursuant to this title, are necessary to carry out the purposes of this title;

(c) There be a feasible method for the temporary relocation of families displaced from the project area, and that there are or are being provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced families and reasonably accessible to their places of employment: *Provided*, That in view of the existing acute housing short-

age, each such contract entered into prior to July 1, 1951, shall further provide that there shall be no demolition of residential structures in connection with the project assisted under the contract prior to July 1, 1951, if the local governing body determines that the demolition thereof would reasonably be expected to create undue housing hardship in the locality.

GENERAL PROVISIONS

SEC. 106. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, shall—

(1) appoint a Director to administer the provisions of this title under the direction and supervision of the Administrator and the basic rate of compensation of such position shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency;

(2) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended;

(3) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided*, That such financial transactions of the Administrator as the making of advances of funds, loans, or capital grants and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government; and

(4) make an annual report to the President, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title shall be available for any of the purposes of this title (except for capital grants pursuant to section 103 hereof), and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

(1) sue and be sued;

(2) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which he has made a loan or capital grant pursuant to this title. In the event of any such acquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(3) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned, and such sums shall approximate the taxes which would be paid upon such property to the State or local taxing authority, as the case may be, if such property were not exempt from taxation;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) obtain insurance against loss in connection with property and other assets held;

(6) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of capital grant, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

(7) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions (including such covenants, conditions, or provisions as, in the determination of the Administrator, are necessary or desirable to prevent the payment of excessive prices for the acquisition of land in connection with projects assisted under this title) as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this title shall be construed or administered to permit speculation in land holding.

(d) Section 3709, as amended, of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed $1,000.

(e) Not more than 10 percent of the funds provided for in this title, either in the form of loans or grants, shall be expended in any one State.

PAYMENT FOR LAND USED FOR LOW-RENT PUBLIC HOUSING

SEC. 107. If the land for a low-rent housing project assisted under the United States Housing Act of 1937, as amended, is made available from a project assisted under this title, payment equal to the fair value of the land for the uses specified in accordance with the redevelopment plan shall be made therefor by the public housing agency undertaking the housing project, and such amount shall be included as part of the development cost of the low-rent housing project.

SURPLUS FEDERAL REAL PROPERTY

SEC. 108. The President may at any time in his discretion, transfer, or cause to be transferred, to the Administrator any right, title, or interest held by he Federal Governmen or any department or agency thereof in any land (including buildings thereon) which is surplus to the needs of the Government and which a local public agency certifies will be within the area of a project being planned by it. When such land is sold to the local public agency by the Administrator, it shall be sold at a price equal to its fair market value, and the proceeds from such sale shall be covered into the Treasury as miscellaneous receipts.

PROTECTION OF LABOR STANDARDS

SEC. 109. In order to protect labor standards—

(a) Any contract for financial aid pursuant to this title shall contain a provision requiring that not less than the wages or fees prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Administrator, shall be paid to all architects, technical engineers, draftsmen, technicians, laborers, and mechanics employed in the development of the project involved; and the Administrator may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract;

(b) The provisions of sections 1 and 2 of the act of June 13, 1934 (U. S. C., title 40, secs. 276b and 276c), shall apply to any project financed in whole or in part with funds made available pursuant to this title;

(c) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within 5 days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total manhours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

DEFINITIONS

SEC. 110. The following terms shall have the meanings, respectively, ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Redevelopment area" means an area which is appropriate for development or redevelopment and within which a project area is located.

(b) "Redevelopment plan" means a plan, as it exists from time to time, for the development or redevelopment of a redevelopment or project area, which plan shall be sufficiently complete (1) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; and (2) to indicate proposed land uses and building requirements in the project area: *Provided*, That the Administrator shall take such steps as he deems necessary to assure consistency between the redevelopment plan and any highways or other public improvements in the locality receiving financial assistance from the Federal Works Agency.

(c) "Project" may include (1) acquisition of (i) a slum area or a deteriorated or deteriorating area which is predominantly residential in character, or (ii) any other deteriorated or deteriorating area which is to be developed or redeveloped for predominantly residential uses, or (iii) platted urban or suburban land which is predominantly open and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise substantially impairs or arrests the sound growth of the community and which is to be developed for predominantly residential uses, or (iv) open unplatted urban or suburban land necessary for sound community growth which is to be developed for predominantly residential uses (in which event the project thereon, as provided in the proviso of section 103 (a) hereof, shall not be eligible for any capital grant); (2) demolition and removal of buildings and improvements; (3) installation, construction, or reconstruction of streets, utilities, and other site improvements essential to the preparation of sites for uses in accordance with the redevelopment plan; and (4) making the land available for development or redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. For the purposes of this title the term "project"

shall not include the construction of any of the buildings contemplated by the redevelopment plan, and the term "redevelopment" and derivatives thereof shall mean develop as well as redevelop. For any of the purposes of section 109 hereof, the term "project" shall not include any donations or provisions made as local grants-in-aid and eligible as such pursuant to clauses (2) and (3) of section 110 (d) hereof.

(d) "Local grants-in-aid" shall mean assistance by a State, municipality, or other public body, or any other entity, in connection with any project on which a contract for capital grant has been made under this title, in the form of (1) cash grants; (2) donations, at cash value, of land (exclusive of land in streets, alleys, and other public rights-of-way which may be vacated in connection with the project), and demolition or removal work, or site improvements in the project area, at their cost; and (3) the provision, at their cost, of parks, playgrounds, and public buildings or facilities (other than low-rent public housing) which are primarily of direct benefit to the project and which are necessary to serve or support the new uses of land in the project area in accordance with the redevelopment plan: *Provided*, That, in any case where, in the determination of the Administrator, any park, playground, public building, or facility is of direct and substantial benefit both to the project and to other areas, the Administrator shall provide that, for the purpose of computing the amount of the local grants-in-aid for such project, there shall be included an allowance of an appropriate portion (as determined by the Administrator) of the cost of such park, playground, public building, or facility. No demolition or removal work, improvement, or facility for which a State, municipality, or other public body has received or has contracted to receive any grant or subsidy from the United States, or any agency or instrumentality thereof, for such work, or the construction of such improvement or facility, shall be eligible for inclusion as a local grant-in-aid in connection with a project or projects assisted under this title.

(e) "Gross project cost" shall comprise (1) the amount of the expenditures by the local public agency with respect to any and all undertakings necessary to carry out the project (including the payment of carrying charges, but not beyond the point where the project is completed), and (2) the amount of such local grants-in-aid as are furnished in forms other than cash.

(f) "Net project cost" shall mean the difference between the gross project cost and the aggregate of (1) the total sales prices of all land sold, and (2) the total capital values (i) imputed, on a basis approved by the Administrator, to all land leased, and (ii) used as a basis for determining the amounts to be transferred to the project from other funds of the local agency to compensate for any land retained by it for use in accordance with the redevelopment plan.

(g) "Going Federal rate" means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for advance of funds or for loan is made. Any contract for loan made may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which the interest rate on the loan is fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

(h) "Local public agency" means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought. "State" includes the several States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

(i) "Administrator" means the Housing and Home Finance Administrator.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS of Louisiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4009) to establish a national housing objective and the policy to be followed in the attainment thereof, to provide Federal aid to assist slum-clearance projects and low-rent public housing projects initiated by local agencies, to provide for financial assistance by the Secretary of Agriculture for farm housing, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. GARY asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times of Monday, June 27, 1949, entitled "Dr. Freeman Retires."

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and include extraneous matter.

Mr. BUCHANAN asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. PATTERSON asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include in one a newspaper article and in the other a resolution from the Waterbury Lithuanian Council.

Mr. PHILLIPS of California asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous matter.

Mr. D'EWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include a news article.

Mr. MCCONNELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from former President Herbert Hoover on Federal aid to education.

Mr. REED of Illinois asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Captain Russell, of the Atomic Energy Commission, before the State convention, American Legion of South Dakota.

Mr. KARST asked and was given permission to extend his remarks in the RECORD and include a manuscript entitled "National Congress of Petroleum Retailers, Inc." notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, cost $281.25 to print.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. JOHN DAVIS LODGE, at the New Young Republicans National Convention.

Mr. MCCORMACK asked and was given permission to extend his remarks in the RECORD and include an address delivered by Hon. Robert E. Freer.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. VORYS (at the request of Mr. MCGREGOR), indefinitely, on account of illness.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 3082. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenue of such District for the fiscal year ending June 30, 1950, and for other purposes; and

H. R. 3997. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 750. An act for the relief of Lee F. Bertuccioli;

H. R. 2709. An act for the relief of Sadae Aoki;

H. R. 2989. An act to incorporate the Virgin Islands Corporation, and for other purposes;

H. R. 3082. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 3333. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 3458. An act for the relief of Celeste Iris Maeda; and

H. R. 3997. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1950, and for other purposes.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Tuesday, June 28, 1949, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

716. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May

10, 1949, submitting a report, together with accompanying papers and an illustration on a review of reports on Quinby Creek, Va., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on February 8, 1946 (H. Doc. No. 241); to the Committee on Public Works and ordered to be printed, with one illustration.

717. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 3, 1949, submitting an interim report, together with accompanying papers and illustrations, on a review of reports on the Trinity River and tributaries, with a view to improvements for interior drainage within the leveed areas at Dallas and Fort Worth, requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted on March 31, 1944, and February 28, 1945 (H. Doc. No. 242); to the Committee on Public Works and ordered to be printed, with two illustrations.

718. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated April 5, 1948, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Rio Grande and tributaries, New Mexico, authorized by the Flood Control Act approved on August 18, 1941 (H. Doc. No. 243); to the Committee on Public Works and ordered to be printed, with one illustration.

719. A letter from the Secretary of Agriculture, transmitting a draft of legislation entitled "A bill to amend the act of May 29, 1884, as amended, to permit the interstate movement, for immediate slaughter, of domestic animals which have reacted to tests for brucellosis or paratuberculosis, and for other purposes"; to the Committee on Agriculture.

720. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend the act approved July 18, 1940 (54 Stat. 766; 24 U. S. C., 1946 ed., sec. 196b), entitled 'An act relating to the admission to St. Elizabeths Hospital of persons resident or domiciled in the Virgin Islands of the United States,' by enlarging the classes of persons admissible into St. Elizabeths Hospital and in other respects"; to the Committee on Education and Labor.

721. A letter from the Acting Secretary of Commerce, transmitting an interim report by the Chief of the Weather Bureau of the Department of Commerce on the study of causes and characteristics of thunderstorms and other atmospheric disturbances; to the Committee on Interstate and Foreign Commerce.

722. A letter from the Postmaster General, transmitting a draft of a proposed bill entitled "A bill relating to the appointment of postmasters, and for other purposes;" to the Committee on Post Office and Civil Service.

723. A letter from the Secretary of Commerce, transmitting the Annual Report of the Foreign-Trade Zones Board, for the fiscal year ended June 30, 1948, and the Annual Report of the City of New York, covering operations of Foreign-Trade Zone No. 1 during the calendar year 1947; also, the 1947 Annual Report of the Board of Commissioners of the Port of New Orleans, covering operations of Foreign-Trade Zone No. 2, beginning May 1, when the zone was opened; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. D'EWART: Committee on Public Lands. H. R. 2724. A bill to provide a decree of competency for United States Indians in certain cases; with an amendment (Rept. No. 916). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee on Public Lands. H. R. 3589. A bill to convey to the city of Miles City, State of Montana, certain lands in Custer County, Mont., for use as an industrial site; with an amendment (Rept. No. 917). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 4403. A bill to facilitate the administration by the Secretary of the Interior, in cooperation with other Federal, State, and local agencies, of the recreational uses of lands and waters within reclamation, flood-control, power, and other Federal reservoir projects; with an amendment (Rept. No. 918). Referred to the Committee of the Whole House on the State of the Union.

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H. R. 5187. A bill to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs; without amendment (Rept. No. 919). Referred to the Committee of the Whole House on the State of the Union.

Mr. CAMP: Committee on Ways and Means. H. R. 5268. A bill to amend certain provisions of the Internal Revenue Code; without amendment (Rept. No. 920). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on the Judiciary. H. R. 588. A bill for the relief of Col. David R. Wolverton, United States Army, retired; without amendment (Rept. No. 913). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 3598. A bill for the relief of Mrs. Katherine Gehringer; with an amendment (Rept. No. 914). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on Public Lands. H. R. 2475. A bill to authorize and direct the Secretary of the Interior to sell to Albert M. Lewis, Jr., certain land in the State of Florida, with an amendment (Rept. No. 915). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAYS of Arkansas:

H. R. 5342. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts; to the Committee on Armed Services.

By Mr. JOHNSON:

H. R. 5343. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment to the Boy Scouts of America for use at the Second National Jamboree of the Boy Scouts; to the Committee on Armed Services.

By Mr. HUBER:

H. R. 5344. A bill to provide that postmasters and rural carriers in the postal service shall be appointed without regard to political affiliations and solely on the basis of fitness to perform the duties of the position; to the Committee on Post Office and Civil Service.

By Mr. PACE:

H. R. 5345. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. BLAND:

H. R. 5346. A bill to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DOUGHTON:

H. R. 5347. A bill to grant certain extensions of time for tax purposes and to facilitate tax administration; to the Committee on Ways and Means.

By Mr. SHEPPARD:

H. R. 5348. A bill to provide for a preliminary examination and survey of streams flowing through Antelope Valley in Los Angeles and Kern Counties, Calif.; to the Committee on Public Works.

By Mr. STEFAN:

H. R. 5349. A bill to extend indefinitely the period in which title I of the Agricultural Act of 1948 shall be applicable; to the Committee on Agriculture.

By Mr. VINSON:

H. R. 5350. A bill to amend the act of July 24, 1941 (55 Stat. 605), as amended, so as to provide an equitable adjustment of retired pay for certain naval officers, and for other purposes; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 5351. A bill to discontinue quarterly reports to the Congress under the Contract Settlement Act of 1944; to the Committee on the Judiciary.

By Mr. ANDERSON of California:

H. Con. Res. 97. Concurrent resolution to provide for a single supply-catalog system; to the Committee on Armed Services

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 5352. A bill for the relief of Howard A. Monroe; to the Committee on the Judiciary.

By Mr. BRAMBLETT:

H. R. 5353. A bill for the relief of Max Schlederer; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 5354. A bill for the relief of Itzchak Shafer; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 5355. A bill for the relief of Szalom Malek; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H. R. 5356. A bill to provide for the conveyance of land to the Norfolk County Trust Co. in Stoughton, Mass.; to the Committee on Public Works.

By Mr. MURPHY:

H. R. 5357. A bill for the relief of Sisters Maria DeRubertis, Agnese Cerina, Marianna Bonifacio, Dina Bonini, and Edvige Gasparini; to the Committee on the Judiciary.

H. R. 5358. A bill for the relief of Andi Bryne; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 5359. A bill for the relief of Juan Prada Ramos; to the Committee on the Judiciary.

H. R. 5360. A bill for the relief of Camilio Del Rio; to the Committee on the Judiciary.

By Mr. VINSON:

H. R. 5361. A bill for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1161. By Mr. DOYLE: Petition of 38 residents of the Eighteenth Congressional District of California, patrons of Gaines Drug Store, Artesia, Calif., requesting repeal of the 20-percent excise tax on toilet goods; to the Committee on Ways and Means.

1162. Also, petition of 38 residents of the Eighteenth Congressional District of California, patrons of the Monarch Drug Co., Long Beach, Calif., requesting repeal of the 20-percent excise tax on toilet goods; to the Committee on Ways and Means.

1163. By the SPEAKER: Petition of Mrs. Harmon T. Newby and others, Townsend Headquarters, Long Beach, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1164. Also, petition of M. B. Peck and others, Oakland, Calif., requesting passage of H. R. 2135, and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1165. Also, petition of Bruce A. Thompson and others, Pomona, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1166. Also, petition of Albert Hicks and others, Tulare, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1167. Also, petition of George Decker and others, Upland, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1168. Also, petition of Joseph J. Hall and others, Clearwater, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1169. Also, petition of Charlotte Anderson and others, Orlando, Fla., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1170. Also, petition of Mrs. Pearl Shank and others, Anderson, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1171. Also, petition of S. W. Foster and others, Townsend Club No. 5, Independence, Mo., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1172. Also, petition of P. L. Fitch and others, Hartstown, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1173. Also, petition of Viola Duffy and others, Palmyra, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1174. Also, petition of Iva Morris and others, Tacoma, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1175. Also, petition of Mrs. E. A. McDonald and others, Vancouver, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1176. Also, petition of Mrs. Hattie B. Whedon and others, Hollywood, Calif., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1177. Also, petition of Ora Earl Boyer and others, Townsend Club No. 1, Frankfort, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1178. Also petition of Alta M. Ludlow and others, Gas City Townsend Club, Gas City, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1179. Also, petition of Ben Potts and others, Terre Haute, Ind., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1180. Also, petition of Esther M. Miller and others, Lincoln Townsend Club, No. 2, Lincoln, Nebr., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1181. Also, petition of Mrs Herbert Smith and others, Malta, Ill., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1182. Also, petition of C. H. Kuehnoel and others, Anacortes, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1183. Also, petition of Mr. and Mrs. W. C. Carver and others, North East, Pa., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1184. Also, petition of Frank Popelka and others, Kewaunee, Wis., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1185. Also, petition of Mary C. Hoff and others, Clarkston, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1186. Also, petition of A. S. Lindsey and others, Everett, Wash., requesting passage or H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1187. Also, petition of Mrs. A. W. Shepler and others, Kelso, Wash., requesting passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

1188. Also, petition of Mary L. Howard and others, Orlando, Fla., requesting the passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committees on Ways and Means.

1189. Also, petition of Mrs. Zeta Mary Simpson Smith and others, St. Petersburg, Fla., requesting the passage of H. R. 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.